

**SPLASH FOUNDATION LIMITED**  
**(Incorporated in Hong Kong and limited by guarantee)**

**REPORTS AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**SPLASH FOUNDATION LIMITED**

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FOR THE YEAR ENDED 31 DECEMBER 2021**

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**DIRECTORS' REPORT**

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The directors have pleasure in presenting their report together with the audited financial statements of the company for the year ended 31 December 2021.

**FINANCIAL STATEMENTS**

The financial performance of the company for the year ended 31 December 2021 and the financial position of the company as at 31 December 2021 are set out in the financial statements on page 4 to 8.

**PRINCIPAL ACTIVITIES**

The principal activities of the company are to organize swimming programmes for Migrant Domestic Workers and local Hong Kong youth from low income communities.

There have been no significant changes in the nature of these activities during the year.

**DIRECTORS**

The directors during the year and up to the date of this report were:

Enrico Andrea Mattoli	
Maria Dorothea Steinebach	
Marie Clarie Lim Moore	
Mark Stamper	
Peter James Holland Riley	
Rosemary Anne Merz	(appointed on 31 May 2021)
Roy Christopher Pang	(appointed on 7 January 2022)
Nikhil Oommen Jacob Eapen	(resigned on 28 January 2022)
Simon Gareth Holliday	(resigned on 19 February 2022)

In accordance with the company's Articles of Association, all directors retire at the forthcoming Annual General Meeting and, being eligible, are available for re-election.

**PERMITTED INDEMNITY PROVISIONS**

The company's Articles provide that a director or former director of the company may be indemnified out of the company's assets against any liability incurred by the director to a person other than the company of the company in connection with any negligence, default, breach of duty or breach of trust in relation to the company.

During the year, the company has entered into contract with an insurance company to provide public liability insurance for the directors.

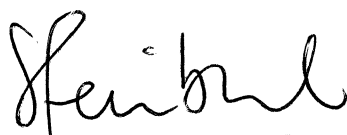
**OTHER MATTERS**

In the opinion of the directors, there are no other matters, apart from those disclosed in the financial statements that are material for a proper appreciation of the financial position of the company for the year ended 31 December 2021.

**AUDITORS**

The auditors, Messrs. William Po & Co., Certified Public Accountants, retire and, being eligible, offer themselves for re-appointment.

On behalf of the Board



Maria Dorothea Steinebach  
Director

23 MAY 2022

Certified Public Accountants  
蒲錦文會計師事務所

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
SPLASH FOUNDATION LIMITED**

**(Incorporated in Hong Kong and limited by guarantee)**

**Opinion**

We have audited the financial statements of Splash Foundation Limited ("the company") set out on pages 4 to 8, which comprise the statement of financial position as at 31 December 2021, and the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements of the company are prepared, in all material respects, in accordance with the Hong Kong Small and Medium-sized Entity Financial Reporting Standard ("SME-FRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

**Basis for Opinion**

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") and with reference to Practice Note 900 (Revised), Audit of Financial Statements Prepared in Accordance with the Small and Medium-sized Entity Financial Reporting Standard issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Other information**

The directors are responsible for the other information. The other information comprises the information included in the directors' report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Directors and Those Charged with Governance for the Financial Statements**

The directors are responsible for the preparation of financial statements in accordance with the SME-FRS issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
SPLASH FOUNDATION LIMITED - CONTINUED  
(Incorporated in Hong Kong and limited by guarantee)**

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



**WILLIAM PO & CO.**  
**Certified Public Accountants**

Hong Kong, 23 MAY 2022

**INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2021**

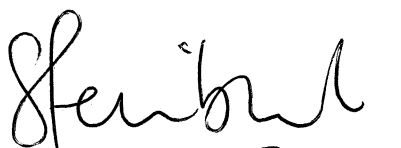
	2021 HK\$	2020 HK\$
<b>Income</b>		
Donations	1,476,594	73,681
Grants	2,586,458	996,750
Fundraisers and events	352,964	2,372,026
Programs fee	52,000	8,546
Employment Support Scheme subsidy	-	162,000
Sales of purchased goods	5,590	13,400
Sales of donated goods	2,090	6,530
Interest income	89	163
	<u>4,475,785</u>	<u>3,633,096</u>
<b>Less: Expenditure</b>		
Accounting fee	-	6,000
Audit fee	16,500	13,500
Bank charges	19,183	7,130
Coach training and development	81,869	13,300
Coach fee	545,500	28,500
Donation processing fees	2,512	2,134
Cost of sales of purchased goods	-	31,090
Event costs	8,830	9,680
Exchange loss	-	1,187
Insurance - employee	14,000	12,296
Insurance - public liability and accident	23,156	21,600
IT and Apps	116,011	35,748
Lesson equipment and supplies	310,099	71,927
Local transportation	47,093	6,112
Mandatory provident fund	73,369	59,200
Marketing and promotion	69,756	14,050
Meals and entertainment	20,423	3,004
Meeting and conference	-	3,645
Office supplies	2,791	1,075
Professional fee	25,135	61,305
Pool rental and lifeguards	648,218	70,783
Postage and couriers	4,931	2,972
Rent for office	162,556	36,312
Sundry expenses	1,681	300
Salaries	1,905,373	1,378,600
Sundry expenses	400	300
Subscription fee	190	1,700
	<u>4,099,576</u>	<u>1,893,450</u>
<b>Surplus for the year</b>	<u>376,209</u>	<u>1,739,946</u>

The notes on pages 6 to 8 form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2021

	Notes	2021 HK\$	2020 HK\$
<b>Current assets</b>			
Prepayments and other receivables	5	1,005,603	6,976
Deposit paid		30,000	24,000
Bank balances		3,710,183	5,329,522
		<u>4,745,786</u>	<u>5,360,498</u>
<b>Current liabilities</b>			
Accrued expenses		52,779	71,005
Deferred grant income		364,057	1,336,752
		<u>416,836</u>	<u>1,407,757</u>
<b>Net assets</b>		<u>4,328,950</u>	<u>3,952,741</u>
<b>Funds</b>			
General fund	6	<u>4,328,950</u>	<u>3,952,741</u>

Approved by:



Maria Dorothea Steinebach  
Director



Mark Stamper  
Director

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**REPORTING ENTITIES**

The company is incorporated in Hong Kong under the Companies Ordinance as a company limited by guarantee without share capital. The company's registered office is located at Room 2123, 21/F Remex Center, 42 Wong Chuk Hang Road, Aberdeen, Hong Kong. The principal activities of the company are to organize swimming programmes for Migrant Domestic Workers and local Hong Kong youth from low income communities.

Under the provision of its Articles of Association, every member shall, in the event of the company being wound up, contribute such amount as may be required to meet the liabilities of the company but not exceeding the sum of HK\$100 each.

**1 BASIS OF PREPARATION AND ACCOUNTING POLICIES****(a) Basis of preparation**

The company qualifies for the reporting exemption as a small private company under section 359(1)(a) of the Hong Kong Companies Ordinance (Cap. 622) and is therefore entitled to prepare and present its financial statements in accordance with Small and Medium-sized Entity Financial Reporting Standard (SME-FRS) issued by the Hong Kong Institute of Certified Public Accountants.

These financial statements comply with the SME-FRS and have been prepared under the accrual basis of accounting and on the basis that the company is a going concern.

The measurement basis adopted is the historical cost convention.

The followings are the specific accounting policies that are necessary for a proper understanding of the financial statements:

**(b) Recognition of revenue**

Revenue is recognised when it is probable that the economic benefits will flow to the company and when revenue can be measured reliably, on the following bases:

- \* grants earmarked for specific purposes are initially recognised as deferred income. When there is reasonable assurance that the company has fulfilled the conditions attached to the project, they are recognised in the statement of income and general fund over the period necessary to match with the related costs which they are intended to compensate.
- \* grants which are general in nature but used by the company for a period specified are recognised on an accrual basis.
- \* donations and fundraisers and events are recognised when the right to receive payment is established.
- \* programs fee is recognized when the programs are held.
- \* sales of goods are recognized when the goods are delivered and the risks and rewards of ownership have passed to the customer.
- \* interest income is recognised on a time proportion basis taking into account the principal outstanding and the interest applicable.



**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 DECEMBER 2021**
**2 REVENUE**

	Unrestricted HK\$	Migrant domestic workers program HK\$	Local Hong Kong youth program HK\$	General & admin HK\$	Total HK\$
<b>Year ended</b>					
<b>31 December 2021</b>					
Individual donations	829,010	-	-	-	829,010
Corporate donations	203,830	443,754	-	-	647,584
Grants	-	1,363,954	1,222,504	-	2,586,458
Fundraisers and events	204,901	148,063	-	-	352,964
Programs fee	52,000	-	-	-	52,000
Sales of purchased goods	5,590	-	-	-	5,590
Sales of donated goods	2,090	-	-	-	2,090
Interest income	89	-	-	-	89
	<u>1,297,510</u>	<u>1,955,771</u>	<u>1,222,504</u>	<u>-</u>	<u>4,475,785</u>
<b>Year ended</b>					
<b>31 December 2020</b>					
Individual donations	50,088	-	-	-	50,088
Corporate donations	23,593	-	-	-	23,593
Grants	300,000	496,750	200,000	-	996,750
Fundraisers and events	827,517	-	1,544,509	-	2,372,026
Programs fee	8,546	-	-	-	8,546
Government subsidy	-	54,000	54,000	54,000	162,000
Sales of purchased goods	13,400	-	-	-	13,400
Sales of donated goods	6,530	-	-	-	6,530
Interest income	163	-	-	-	163
	<u>1,229,837</u>	<u>550,750</u>	<u>1,798,509</u>	<u>54,000</u>	<u>3,633,096</u>

**3 TAXATION**

No provision for Hong Kong profits tax is made in the accounts as the company is an approved charitable institution, and has obtained exemption from Hong Kong profits tax.

**4 DIRECTORS' REMUNERATION (EQUIVALENT TO KEY MANAGEMENT PERSONNEL COMPENSATION)**

During the years ended 31 December 2021 and 31 December 2020, no amounts have been paid in respect of directors' emoluments, directors' or past directors' pensions or for any compensation to committee members or past committee members in respect of loss of office.

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 DECEMBER 2021****5 PREPAYMENTS AND OTHER RECEIVABLES**

	<b>2021</b>	2020
	<b>HK\$</b>	HK\$
Grant receivables	677,696	-
Other receivables	103,520	6,976
Prepayments	224,387	-
	<u>1,005,603</u>	<u>6,976</u>

**6 GENERAL FUND**

	<b>HK\$</b>
At 1 January 2021	3,952,741
Surplus for the year	<u>376,209</u>
At 31 December 2021	<u>4,328,950</u>

**7 APPROVAL OF FINANCIAL STATEMENTS**

These financial statements were authorised for issue by the company's Board of Directors on **23 MAY 2022**