

Agape Love Deaf International Limited
愛加倍國際愛聾協會有限公司

Reports and financial statements

For the year ended 31 March 2021



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Agape Love Deaf International Limited
愛加倍國際愛聾協會有限公司

Reports and financial statements
For the year ended 31 March 2021

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(Expressed in Hong Kong dollars)

Agape Love Deaf International Limited
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Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 March 2021.

Principal objectives

The principal objectives of the Company during the course of the year were to promote the knowledge, skill and welfare for the Asia deaf person.

Results

The results of the Company for the year ended 31 March 2021 and the state of the Company's affairs as at that date are set out in the financial statements on page 5 to 6.

Shares and debentures issued

At no time during the year and up to approval of this report, the Company has not issued any shares or debentures.

Directors

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

Ms. But Yiu Fan
Mr. Chan Chi Kong
Ms. Chow Pui Wah
Ms. Po Lim Suet
Ms. Sin Suk Fun

In accordance with the Company's Articles of Association, all directors will retire from the Board at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

Arrangements to purchase shares and debentures

At no time during the year was the Company a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Equity-linked arrangements

During the year and at the end of the year, the Company entered into or subsisted of no equity-linked agreement.

Directors' interest in contracts of significance

No contract of significance in relation to the Company's operation to which the Company was a party and in which a director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Agape Love Deaf International Limited

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Permitted indemnity provisions

At no time during the year and up to approval of this report, there are no permitted indemnity provisions in force for the benefit of one or more directors of the Company.

Management contracts

No contracts concerning the management and administration of the whole or any substantial part of the operations of the Company were entered into or existed during the year.

Business review

The Company falls within reporting exemption for the year. Accordingly, the Company is exempted from preparing a business review.

Other matters

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

Auditor

A resolution will be submitted to the forthcoming annual general meeting to re-appoint Messrs. C. K. Yuen & Co. as auditor of the Company.

On behalf of the Board



Ms. Po Lim Suet, Director
Hong Kong, 20 October 2021

Independent auditor's report to the members of

Agape Love Deaf International Limited ("the Company")

愛加倍國際愛聾協會有限公司

(incorporated in Hong Kong and limited by guarantee)

Opinion

We have audited the financial statements of Agape Love Deaf International Limited set out on pages 5 to 10, which comprise the statement of financial position as at 31 March 2021, and the income and expenditure account, statement of changes in accumulated funds and statement of cash flows 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 of opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") and with reference to PN 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 obtained at the date of this auditor's report is information included in the directors' report set out on pages 1 to 2, 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 on the other information obtained prior to the date of this auditor's report, 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 members of council 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

Agape Love Deaf International Limited ("the Company")

愛加倍國際愛聾協會有限公司

(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. This report is made 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 members of council.
- Conclude on the appropriateness of the members of council's 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.



C. K. Yuen & Co.
Certified Public Accountants (Practising)
Registration Number: 2210
Hong Kong, 20 October 2021

Agape Love Deaf International Limited

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Income and expenditure account
For the year ended 31 March 2021

	Note	<u>2021</u> HK\$	<u>2020</u> HK\$
Income			
Donations received	2	94,056	260,650
Receipt from functions	2	-	32,029
Interest received	2	2	139
Grant from government subsidy	2	45,000	-
Sundry income		-	150
		<u>139,058</u>	<u>292,968</u>
Expenditure			
Audit fee		2,800	2,800
Bank charges		570	720
Contribution to mandatory provident fund		9,000	9,000
Computer expenses		3,130	12,313
Functions fee		-	6,194
Insurance		1,215	2,000
Messing and welfare		2,000	8,000
Postage and courier		370	2,632
Printing and stationery		-	58,751
Salaries and allowances		180,000	180,000
Secretarial fee		600	1,970
Sundry expenses		400	2,712
Telephone and Internet		4,776	5,478
Travelling		6,000	14,605
		<u>210,861</u>	<u>307,175</u>
Deficit before tax		<u>(71,803)</u>	<u>(14,207)</u>
Income tax expense	3	-	-
Deficit for the year		<u>(71,803)</u>	<u>(14,207)</u>
Surplus at start of year		364,874	379,081
Surplus at end of year		<u>293,071</u>	<u>364,874</u>

The notes on pages 9 to 10 form parts of the financial statements.

Agape Love Deaf International Limited

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Statement of financial position as at 31 March 2021

	<u>2021</u> HK\$	<u>2020</u> HK\$
Assets		
Current assets		
Bank balances and cash	297,371	369,174
Current liabilities		
Accrued expenses	4,300	4,300
	<u>293,071</u>	<u>364,874</u>
Represented by:		
Accumulated funds	<u>293,071</u>	<u>364,874</u>

The financial statements on pages 5 to 10 were approved by the Board of Directors on 20 October 2021 and are signed on its behalf by:



Ms. Po Lim Suet, Director



Mr. Chan Chi Kong, Director

The notes on pages 9 to 10 form parts of the financial statements.

Agape Love Deaf International Limited

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Statement of changes in accumulated funds

For the year ended 31 March 2021

	<u>2021</u>	<u>2020</u>
	HK\$	HK\$
Balance of accumulated funds at beginning of year	364,874	379,081
Deficit for the year	(71,803)	(14,207)
Balance of accumulated funds at end of year	<u>293,071</u>	<u>364,874</u>

The notes on pages 9 to 10 form parts of the financial statements.

Agape Love Deaf International Limited

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Statement of cash flows

For the year ended 31 March 2021

	<u>2021</u>	<u>2020</u>
	HK\$	HK\$
Cash flows from operating activities		
Cash receipts in operations	139,056	292,829
Cash paid in operations	(210,861)	(307,175)
Net cash used in operating activities	<u>(71,805)</u>	<u>(14,346)</u>
Cash flows from investing activities		
Interest received from bank deposits	2	139
Net cash generated from investing activities	<u>2</u>	<u>139</u>
Decrease in cash and cash equivalents	<u>(71,803)</u>	<u>(14,207)</u>
Cash and cash equivalents at beginning of year	369,174	383,381
Cash and cash equivalents at end of year		
Bank balances and cash	<u><u>297,371</u></u>	<u><u>369,174</u></u>

The notes on pages 9 to 10 form parts of the financial statements.

Agape Love Deaf International Limited
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Notes to the financial statements
For the year ended 31 March 2021

1. General information

Agape Love Deaf International Limited was a company incorporated under the predecessor Hong Kong Companies Ordinance (Chapter 32) as a company limited by guarantee on 6 March 2008 and domiciled in Hong Kong. The registered address of the Company is located at No.188 Ha Wo Che, Shatin, New Territories, Hong Kong.

The principal objectives of the Company are to promote the knowledge, skill and welfare for the Asia Deaf person.

Under the provisions of the Company's Memorandum and Articles of Association, the liability of the members is limited and 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 HK\$10 each.

On 2 January 2009, the Company was approved by the Inland Revenue Department to be a charitable institution or trust of a public character, which is entitled to exemption from tax under Section 88 of the Inland Revenue Ordinance.

These financial statements are presented in Hong Kong Dollars (HK\$), which is the same as the functional currency of the Company and rounded to the nearest one dollar.

2. Basis of preparation and significant accounting policies

The Company qualifies for the reporting exemption as a small guarantee company under sections 359(1)(a) and 363 of the Hong Kong Companies Ordinance (Chapter 622) and is therefore entitled to prepare and present its financial statements in accordance with the 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 base used in preparing these financial statements is the historical cost convention.

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

Income recognition

All funds received and donations are recognised on the cash received basis. Provided it is probable that the economic benefits will flow to the Company and the income and costs, if applicable, can be measured reliably, income is recognised as follows:

- (i) Donations received
Donations-in-kind received are not recorded and reflected in the financial statements as it is usually not practicable or possible to obtain or determine their precise fair value.
- (ii) Receipt from functions
These receipts are cash or bank intake on functions held by the Company

2. Basis of preparation and significant accounting policies (continued)

Income recognition (continued)

(iii) Interest income

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

(iv) Government grants

Government grants and subvention are recognised as income over the periods necessary to match them with related costs. Grants related to expense items are recognised in the same period on those expenses are charged in the income and expenditure account and are deducted in reporting the related expense.

Impairment of assets

At each reporting date, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If an estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Cash and cash equivalent

Cash and cash equivalents includes cash on hand and in banks, demand deposits and short-term highly liquid investments in money market instruments, net of outstanding bank overdraft. Bank overdraft is shown within borrowings in current liabilities on the statement of financial position.

3. Income tax expense

No provision for Hong Kong profits tax has been made (2020: Nil) as the Company is exempted from tax under Section 88 of the Inland Revenue Ordinance.

4. Directors' remuneration

During the year ended 31 March 2021 and 31 March 2020, no amounts had been paid in respect of directors' emoluments, directors' or past directors' pensions or for any compensation to directors' or past directors' in respect of loss of office.