

ABLE CHARITY LIMITED

GOVERNORS' REPORT AND AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2020

鄧國強會計師事務所

DAVID K. K. TANG & CO.

CERTIFIED PUBLIC ACCOUNTANTS

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ABLE CHARITY LIMITED

<u>CONTENTS</u>	<u>PAGE</u>
GOVERNORS' REPORT	1
INDEPENDENT AUDITOR'S REPORT	2 -3
INCOME STATEMENT	4
STATEMENT OF FINANCIAL POSITION	5
NOTES TO THE FINANCIAL STATEMENTS	6 - 8
DETAILED INCOME STATEMENT (FOR MANAGEMENT PURPOSES ONLY)	9

ABLE CHARITY LIMITED

GOVERNORS' REPORT

The Governors have pleasure in submitting their report together with the audited financial statements of Able Charity Limited (the "Charity") for the year ended 31st December, 2020.

PRINCIPAL ACTIVITY

The Charity is a charitable organization. During the year, the Charity undertook publicity and educational projects to promote the understanding of the need for conservation and protection of natural resources, beaches and other natural beauty of Hong Kong.

BUSINESS REVIEW

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

GOVERNORS

The Governors of the Charity who held office during the year and up to the date of this report are:-

Mr. Fouad Roberts JUREIDINI

Ms. An Ki CHAN

Mr. Matthew James TEAGUE (appointed on 2nd September, 2020)

In accordance with Article 37 of the Charity's Articles of Charity, Ms. An Ki CHAN retires from the Board of Governors at the forthcoming annual general meeting and, being eligible, offer herself for re-election.

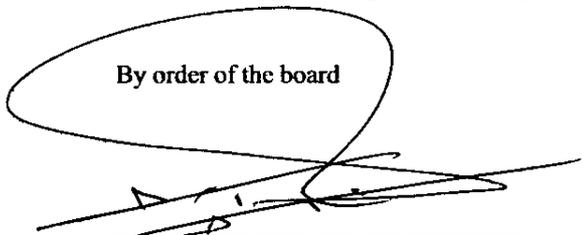
GOVERNORS' INTERESTS

None of the Governors had a material interest, whether direct or indirect, in any contract of significance to which the Charity was a party during the year.

AUDITORS

A resolution for the reappointment of David K. K. Tang & Co. as auditors of the Company is to be proposed at the forthcoming annual general meeting.

By order of the board



Governor: Fouad Roberts JUREIDINI
Hong Kong, 11th November, 2021

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
ABLE CHARITY LIMITED**

(incorporated in Hong Kong with liability limited by guarantee)

Opinion

We have audited the financial statements of Able Charity Limited (the "Charity") set out on pages 4 to 8, which comprise the statement of financial position as at 31st December, 2020, 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 Charity 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.

Responsibility of Governors and Those Charged with Governance for the financial statements

The Governors are responsible for the preparation of the 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 Governors are responsible for assessing the Charity'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 Charity or to cease operations, or have no realistic alternative but to do so.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF (Continued)
ABLE CHARITY LIMITED
(incorporated in Hong Kong with liability limited by guarantee)

Auditor's Responsibility 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 HKSAAs 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 HKSAAs, 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 director'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.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

David K. K. Tang & Co.

David K. K. Tang & Co.
Certified Public Accountants

Hong Kong, 11th November, 2021

ABLE CHARITY LIMITED

**INCOME STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER, 2020**

	<u>NOTE</u>	<u>2020 HKD</u>	<u>2019 HKD</u>
REVENUE	2	20,250	85,000
PROJECT EXPENSES		<u>(92,720)</u>	<u>(52,370)</u>
(DEFICIT)/SURPLUS AFTER PROJECT EXPENSES		(72,470)	32,630
ADMINISTRATIVE EXPENSES		<u>(38,535)</u>	<u>(5,655)</u>
(DEFICIT)/SURPLUS FOR THE YEAR	3	<u><u>(111,005)</u></u>	<u><u>26,975</u></u>

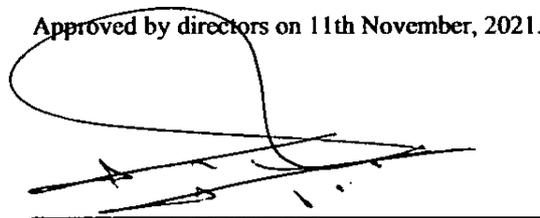
The accompanying notes form an integral part of these financial statements.

ABLE CHARITY LIMITED

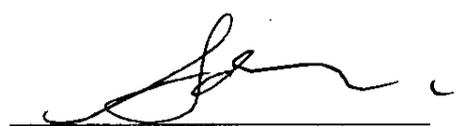
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2020

	<u>NOTE</u>	<u>2020</u> HKD	<u>2019</u> HKD
CURRENT ASSETS			
Cash and bank balances		476,910	562,915
CURRENT LIABILITIES			
Accruals		(29,000)	(4,000)
NET ASSETS		<u>447,910</u>	<u>558,915</u>
Represented by:			
GENERAL FUND BROUGHT FORWARD		558,915	531,940
(DEFICIT)/SURPLUS FOR THE YEAR		(111,005)	26,975
		<u>447,910</u>	<u>558,915</u>

Approved by directors on 11th November, 2021.



Governor: Fouad Roberts JUREIDINI



Governor: An Ki CHAN

The accompanying notes form an integral part of these financial statements.

ABLE CHARITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Reporting entity

Able Charity Limited (the "Charity") is a charitable organization incorporated in Hong Kong, not having a share capital and liability limited by guarantee. In the event of the Charity being wound up, any person while he/she is a member, or within one year after he/she ceases to be a member, would be required to contribute to the deficit of the Charity for a sum not exceeding one hundred Hong Kong Dollars for settlement of liabilities of the Charity contracted before he/she ceases to be a member, and of the costs, charges and expenses of winding up. The Charity's registered office is located at 9B, Robinson Garden, 3 Robinson Road, Mid-Level, Hong Kong.

The Charity is exempted from Hong Kong tax under Section 88 of the Inland Revenue Ordinance as a charitable organization, subject to certain rules and conditions in relation to source and application of its surplus and income.

During the year, the Charity undertook publicity and educational projects to promote the understanding of the need for conservation and protection of natural resources, beaches and other natural beauty of Hong Kong.

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The Charity qualifies for the reporting exemption as a small guarantee company under section 359(1)(a) of the Hong Kong Companies Ordinance (Cap.622) and is therefore entitled to prepare and presents 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.

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

The measurement base adopted is the historical cost convention.

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

(a) Revenue

Donation income from corporate donors is recognized when the right to receive payment is established. Donation income from general public is recognized when it is received by the Charity.

Bank deposit interest income is recognized on a time-proportion basis using the effective interest rate method.

(b) Taxation

The Charity is an approved charitable organization within the meaning of Section 88 of Inland Revenue Ordinance (Cap.112) and accordingly its gains arising from charitable projects and activities are exempted from Hong Kong taxation.

ABLE CHARITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES (Continued)

(c) Related parties

A related party is a person or entity that is related to the entity that is preparing its financial statements.

(I) A person or a close member of that person's family is related to the Company if that person:

- (i) has control or joint control of the Company;
- (ii) has significant influence over the Company; or
- (iii) is a member of the key management personnel of the Company or of a parent of the Company.

(II) An entity is related to the Company if any of the following conditions applies:

- (i) the entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the entity is a member).
- (iii) both entities are joint ventures of the same third party.
- (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) the entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company.
- (vi) the entity is controlled or jointly controlled by a person identified in (I).
- (vii) a person identified in (I)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Company or the parent of the Company.

2. REVENUE

	<u>2020</u>	<u>2019</u>
	HKD	HKD
Donation income	20,250	85,000
	<u> </u>	<u> </u>

ABLE CHARITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

3. (DEFICIT)/SURPLUS FOR THE YEAR

(Deficit)/Surplus for the year is arrived at after charging the followings:

	<u>2020</u>	<u>2019</u>
	HKD	HKD
Auditors' remuneration	4,000	4,000
Operating leases paid for office premises	18,000	-
Project expenses	92,720	52,370
Donation	15,000	-
Governors' remuneration:		
-Fees	-	-
-Other emoluments	-	-
	<u> </u>	<u> </u>

4. TAXATION

No Hong Kong profits tax has been provided as the Charity is an approved charitable organization within the meaning of Section 88 of Inland Revenue Ordinance (Cap.112) and accordingly its gains arising from charitable projects and activities are exempted from Hong Kong taxation.

ABLE CHARITY LIMITED

**DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER, 2019
(FOR MANAGEMENT PURPOSES ONLY)**

	<u>2020</u> HKD	<u>2019</u> HKD
Donation income	20,250	85,000
Less: project expenses	(92,720)	(52,370)
	<u>(72,470)</u>	<u>32,630</u>
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LESS: GENERAL AND ADMINISTRATIVE EXPENSES:		
Auditors' remuneration	4,000	4,000
Bank charges	980	900
Donation	15,000	-
Office rental	18,000	-
Postage	555	555
Sundry expenses	-	200
	<u>38,535</u>	<u>5,655</u>
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(DEFICIT)/SURPLUS FOR THE YEAR	<u>(111,005)</u>	<u>26,975</u>
	=====	=====