

CULTURE AND MEDIA EDUCATION
FOUNDATION LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2020

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Y.T. Lo & Co Ltd
Certified Public Accountants (Practising)
盧葉堂會計師行有限公司



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CULTURE AND MEDIA EDUCATION FOUNDATION LIMITED
REPORT OF THE GENERAL COMMITTEE

The general committee present herewith their annual report and the audited financial statements for the year ended 31st March 2020.

PRINCIPAL ACTIVITIES

Culture and Media Education Foundation Limited ("the association") is an association incorporated and domiciled in Hong Kong and has its registered office and principal place of operation at 9/F., Fu Tak Building, 365 Hennessy Road, Wan Chai, H.K. The association's principal activity is convening and supporting non-profitable media and education projects and platforms to enhance the development of future and media education. There has been no significant change during the year.

RESULTS AND APPROPRIATIONS

The results of the association for the year ended 31st March 2020 and the state of the association's affairs as at that date are set out in the association's financial statements on pages 6 to 11.

SHARE CAPITAL

The association is limited by guarantee. No debenture is issued during the year.

GENERAL COMMITTEE MEMBERS

The general committee members during the period and up to the date of this report were:

Lam Oi Wan
Leung Yuk Ming, Lisa
Cheng Pan Pan

There being no provision in the association's articles of association in connection with the retirement of general committee members by rotation, all existing general committee members continue in office for the following year.

The association did not enter into any contract, other than the contracts of service with the general committee members or any person engaged in the full-time employment of the association, whereby any individual, firm or body corporate undertakes the management and administration of the whole, or any substantial part of any operation of the association.

CULTURE AND MEDIA EDUCATION FOUNDATION LIMITED
REPORT OF THE GENERAL COMMITTEE

COMMITTEE MEMBER'S INTEREST

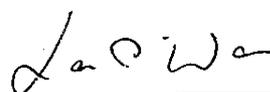
In the opinion of general committee, there were no contracts of significance to which the association was a party and in which any general committee member had a material interest subsisted at the end of the year or at any time during the year.

At no time during the year was the association a party to any arrangements to enable the general committee members to acquire benefits by means of the acquisition of shares in or debentures of the association or any other body corporate.

AUDITOR

A resolution will be submitted to the annual general meeting to re-appoint Messrs. Y. T. Lo & Co Ltd, Certified Public Accountants (Practising) as auditors of the association.

On Behalf of the General Committee



General Committee Member
Lam Oi Wan

Date : 5th November 2020



INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
CULTURE AND MEDIA EDUCATION FOUNDATION LIMITED
(Incorporated in Hong Kong with limited liability)

OPINION

We have audited the financial statements of Culture and Media Education Foundation Limited ("the association") set out on pages 6 to 11, which comprise the statement of financial position as at 31st March 2020, and statement of income and retained earnings 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 give a true and fair view of the financial position of the Company as at 31st March 2020, and of its financial performance and its cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standard for Private Entities ("HKFRS for Private Entities") 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 ("HKSAs") 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.

RESPONSIBILITIES OF GENERAL COMMITTEE MEMBERS AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The general committee members are responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRS for Private Entities issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the general committee members 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 general committee members are responsible for assessing the association'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 general committee members either intend to liquidate the association or to cease operations, or have no realistic alternative but to do so.



INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
CULTURE AND MEDIA EDUCATION FOUNDATION LIMITED
(Incorporated in Hong Kong with limited liability)

RESPONSIBILITIES OF GENERAL COMMITTEE MEMBERS AND THOSE
CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS (CONT'D)

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

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 solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. 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:

- i) 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.
- ii) 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.
- iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the general committee members.



INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
CULTURE AND MEDIA EDUCATION FOUNDATION LIMITED
(CONTINUATION)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL
STATEMENTS (CONT'D)

- iv) Conclude on the appropriateness of the general committee members' 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 association'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 association to cease to continue as a going concern.
- v) 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.

The engagement partner on the audit resulting in this independent auditor's report is Chow Hoi Ki (Practising Certificate No: P06949).

4/11

Y. T. Lo & Co Ltd
Certified Public Accountants (Practising)
Hong Kong

Date : 5th November 2020



CULTURE AND MEDIA EDUCATION FOUNDATION LIMITED
STATEMENT OF INCOME AND RETAINED EARNING
FOR THE YEAR ENDED 31ST MARCH 2020

	2020 HK\$	2019 HK\$
INCOME		
Project Funding	200,000.00	454,270.00
Donation Income	120,505.05	113,500.00
Activities Income	5,720.00	-
Course Fee Income	-	42,000.00
Bank Interest Income	96.45	76.73
Other Income	-	150.00
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	326,321.50	609,996.73
LESS : EXPENDITURE		
Activity Cost	192,062.42	109,334.28
Auditors' Remuneration	5,000.00	5,000.00
Salary	132,250.00	273,000.00
Other Expenses	44,995.84	23,679.00
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	374,308.26	411,013.28
(DEFICIT) / SURPLUS FOR THE YEAR	(47,986.76)	198,983.45
RETAINED EARNINGS AT START OF YEAR	562,811.20	363,827.75
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RETAINED EARNINGS AT END OF YEAR	<u>\$514,824.44</u>	<u>\$562,811.20</u>



CULTURE AND MEDIA EDUCATION FOUNDATION LIMITED
STATEMENT OF FINANCIAL POSITION
AT 31ST MARCH 2020

	NOTE	2020 HK\$	2019 HK\$
CURRENT ASSET			
Project Payment	(5)	4,022.80	-
Cash and Bank Balance		542,951.64	602,218.40
		<u>546,974.44</u>	<u>602,218.40</u>
CURRENT LIABILITY			
Accrued Expenses		32,150.00	30,650.00
Project Receipt	(5)	-	8,757.20
		<u>32,150.00</u>	<u>39,407.20</u>
NET CURRENT ASSETS		514,824.44	562,811.20
NET ASSETS		<u>\$514,824.44</u>	<u>\$562,811.20</u>
FUND AND RESERVE			
Retained Earnings		<u>\$514,824.44</u>	<u>\$562,811.20</u>

General Committee Member
Lam Oi Wan

General Committee Member
Cheng Pan Pan



CULTURE AND MEDIA EDUCATION FOUNDATION LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH 2020

	2020 HK\$	2019 HK\$
CASH FLOWS FROM OPERATING ACTIVITIES		
(DEFICIT) / SURPLUS FOR THE YEAR	(47,986.76)	198,983.45
Operating (Deficit) / Surplus Before Working Capital Changes	(47,986.76)	198,983.45
(Increase)/Decrease in Project Payment	(4,022.80)	-
Increase/(Decrease) in Accrued Expenses	1,500.00	21,450.00
Increase/(Decrease) in Project Receipt	(8,757.20)	8,757.20
CASH (USED IN) / GENERATED FROM OPERATIONS	(11,280.00)	30,207.20
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(59,266.76)	229,190.65
OPENING CASH AND CASH EQUIVALENTS	602,218.40	373,027.75
CLOSING CASH AND CASH EQUIVALENTS	<u>\$542,951.64</u>	<u>\$602,218.40</u>

The notes on pages 9 to 11 form part of these financial statements.



CULTURE AND MEDIA EDUCATION FOUNDATION LIMITED
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2020

1. GENERAL INFORMATION

Culture and Media Education Foundation Limited is an association incorporated in Hong Kong with limited by guarantee. The association's registered office is located at 9/F., Fu Tak Building, 365 Hennessy Road, Wan Chai, H.K. The association's principal activity is convening and supporting non-profitable media and education projects and platforms to enhance the development of future and media education.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standard for Private Entities (HKFRS for Private Entities) issued by the Hong Kong Institute of Certified Public Accountants. They have been prepared under the historical cost convention.

a) TAXATION

No provision for Hong Kong Profits Tax has been provided in the financial statement as the association is a charitable institution under section 88 of the Inland Revenue Ordinance (Chapter 112) and is therefore exempted from tax levied under this Ordinance.

b) RELATED PARTY TRANSACTION

For the purpose of these financial statements, related party is a person or entity that is related to the entity that is preparing its financial statements (the association) as defined below:

- a) A person or a close member of that person's family is related to the association if that person:
 - i) is a member of the key management personnel of the association or of a parent of the association;
 - ii) has control or joint control over the association; or
 - iii) has significant influence over the association.



CULTURE AND MEDIA EDUCATION FOUNDATION LIMITED
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2020

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONT'D)

b) RELATED PARTY TRANSACTION (CONT'D)

- b) An entity is related to the association if any of the following conditions applies:
- i) the entity and the association 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 an association of which the other entity is a member).
 - iii) both entities are joint ventures of the same third entity.
 - 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 association or an entity related to the association. If the association is itself such a plan, the sponsoring employers are also related to the association.
 - vi) the entity is controlled or jointly controlled by a person identified in (a).
 - vii) the entity, or any member of a group of which it is a part, provides key management personnel services to the association or to the parent of the association.
 - viii) a person identified in (a)(ii) 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).

3. INCOME

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

- i) project funding is recognised upon completion of the relevant project;
- ii) donation income is recognised on cash basis; and



CULTURE AND MEDIA EDUCATION FOUNDATION LIMITED
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2020

3. INCOME (CONT'D)

- iii) interest income is recognised on a time proportion basis taking into account the principal outstanding and the interest applicable.

4. DIRECTORS' / KEY MANAGEMENT PERSONNELS' REMUNERATION

The association's key management personnel only include general committee member, whose remuneration disclosed pursuant to section 383(1) of the Companies Ordinance is as follows:

	<u>2020</u>	<u>2019</u>
Fees	\$Nil	\$Nil
Other emoluments	\$Nil	\$Nil

5 PROJECT PAYMENT AND PROJECT RECEIPT

Project payment represents payment in advance of project receipt for project undertaken while project receipt represents amounts received less payment.

Wan Chai District Council Funding for Project
- "Breakthrough" - Cultural Conservation Programme for Youths

Surplus brought forward	8,757.20	-
Receipt	-	43,160.00
LESS: Payment	12,780.00	34,402.80
Project Receipt		<u>\$8,757.20</u>
Project Payment	<u>\$4,022.80</u>	

6. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorised for issue by the Association's General Committee Members on 5th November 2020.



(FOR MANAGEMENT PURPOSE ONLY)

CULTURE AND MEDIA EDUCATION FOUNDATION LIMITED
DETAILED SCHEDULE OF OTHER EXPENSES
FOR THE YEAR ENDED 31ST MARCH 2020

	HK\$
Accounting Fee	2,000.00
Bank Charges	21,803.13
Insurance	1,513.31
Mandatory Provident Fund	13,150.00
Medical	2,250.00
Printing and Stationery	24.00
Staff Welfare	2,327.40
Sundry	1,915.00
Transportation	13.00
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	<u>\$44,995.84</u>