

THE ASSOCIATION OF CHRISTIAN ACCOUNTANTS LIMITED  
 基督徒會計師團契有限公司

DIRECTORS' REPORT AND FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 DECEMBER, 2020

CONTENTS

	PAGE
DIRECTORS' REPORT	1 - 3
INDEPENDENT AUDITOR'S REPORT	4 - 6
STATEMENT OF COMPREHENSIVE INCOME	7
STATEMENT OF FINANCIAL POSITION	8
STATEMENT OF CASH FLOWS	9
STATEMENT OF CHANGES IN FUNDS	10
NOTES TO THE FINANCIAL STATEMENTS	11 - 16



23601580022  
 AC 1293050  
 06/10/2021

范 陳 會 計 師 行 有 限 公 司  
**FAN, CHAN & CO. LIMITED**  
 CERTIFIED PUBLIC ACCOUNTANTS  
 HONG KONG

The directors present here with their report and the audited financial statements for the year ended 31 December, 2020.

### Principal activities

The principal activities of The Association of Christian Accountants Limited ("the Association") are to help, guide and unite Christians engaged in the accounting profession in the mutual edification and nurturing of spiritual life; to promote and stimulate consideration of the gospel of Jesus Christ within the accounting profession; and to organise gatherings, meetings and worships for Christians for the advancement of Christianity. There were no significant changes in the nature of the Association's principal activities during the year.

### Financial statements

The results of the Association for the year ended 31 December, 2020 and the state of affairs of the Association at that date are set out in the financial statements on pages 7 to 16.

### Charitable contributions

Charitable donation made by the Association during the year amounted to HK\$10,000

### Directors

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

Chan Chiu Kong Edmond	陳朝光	
Chau Suet Fung Dilys	周雪鳳	
Cheung King Chi	張敬慈	
Keung Sai Tung	姜世東	
Kwok Fung Ha	郭鳳霞	
Lau Kam Tai	劉錦泰	
Li Yuen Yu Alice	李遠瑜	
Lo Chi Chung William	羅志聰	
Po Chun Wong	傅振煌	
Wong Mary	黃瑪麗	
Wong Nga Shan	黃雅珊	
Yam Tak Fai Ronald	任德輝	
Yung Mo Ching	翁武靖	
Chen Mau Wai	陳茂偉	(Appointed on 24 September, 2020)
Hui Chun Yu	許津瑜	(Appointed on 24 September, 2020)
Lee Chi Keung	李志強	(Retired on 24 September, 2020)
Wong Sau Ling	王秀玲	(Retired on 24 September, 2020)

**Directors (continued)**

In accordance with Article 48 of the Association's Articles of Association, not less than 50% of the Board of Directors shall retire from office at the Annual General Meeting. The directors to retire shall be those who have been longest in office since their last election, but as between the directors elected on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by the casting of lots.

Retiring directors shall not be eligible for re-election if the directors have held office for more than 6 consecutive years at the Annual General Meeting. Any other directors shall be eligible for election as directors in the next and subsequent Annual General Meetings.

The following directors will retire and not be eligible or not offer for re-election at the forthcoming Annual General Meeting:

Lo Chi Chung William	羅志聰
Yam Tak Fai Ronald	任德輝
Wong Nga Shan	黃雅珊
Keung Sai Tung	姜世東
Yung Mo Ching	翁武靖

The following directors will retire and offer themselves for re-election at the forthcoming Annual General Meeting:

Po Chun Wong	傅振煌
Cheung King Chi	張敬慈
Kwok Fung Ha	郭鳳霞

**Business review**

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

**Management contracts**

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

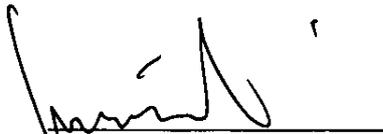
**Permitted indemnity provisions**

A permitted indemnity provision (as defined in section 469 of the Hong Kong Companies Ordinance) for the benefit of the directors of the Association is currently in force and was in force throughout this year.

**Auditor**

A resolution to reappoint Fan, Chan & Co. Limited as auditor of the Association will be put forth at the forthcoming annual general meeting.

For and on behalf of the Board



Ho Chi Chung, William  
Director

Hong Kong

Dated, 24 AUG 2021



范陳會計師行有限公司  
Fan, Chan & Co. Limited

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF THE ASSOCIATION OF CHRISTIAN ACCOUNTANTS LIMITED**  
基督徒會計師團契有限公司

(incorporated in Hong Kong as a company limited by guarantee and not having a share capital)

*Opinion*

We have audited the financial statements of the Association of Christian Accountants Limited (the "Association") set out on pages 7 to 16, which comprise of the statement of financial position as at 31 December, 2020, and the statement of comprehensive income, statement of cash flows and statement of changes in funds for the year then ended, and notes to 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 Association as at 31 December, 2020, and of its financial performance and 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 ("HKSA") 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 Association 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 or other information; we are required to report that fact. We have nothing to report in this regard.



范陳會計師行有限公司  
Fan, Chan & Co. Limited

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF THE ASSOCIATION OF CHRISTIAN ACCOUNTANTS LIMITED**  
基督徒會計師團契有限公司

(incorporated in Hong Kong as a company limited by guarantee and not having a share capital)

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

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standard for Private Entities ("HKFRS for Private Entities") as 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 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 directors either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

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. 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.



范陳會計師行有限公司  
Fan, Chan & Co. Limited

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF THE ASSOCIATION OF CHRISTIAN ACCOUNTANTS LIMITED**  
基督徒會計師團契有限公司

(incorporated in Hong Kong as a company limited by guarantee and not having a share capital)

- 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 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.
- 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.

Fan, Chan & Co. Limited  
Certified Public Accountants  
Yun Lok Ming  
Practising Certificate Number P04458

Hong Kong, 24 August, 2021

**THE ASSOCIATION OF CHRISTIAN ACCOUNTANTS LIMITED**  
**基督徒會計師團契有限公司**

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER, 2020**

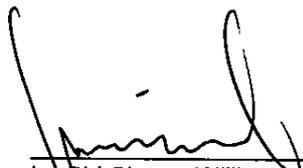
	Note	2020 HK\$	2019 HK\$
Revenue	(3)	157,300	104,380
Bank interest income		-	24
Net deficit on operating activities	(4)	(11,000)	(23,046)
		146,300	81,358
Administrative expenses			
Bank charges		(977)	(900)
Donations		(10,000)	(2,000)
Honorarium paid		(20,000)	-
Insurance		(1,609)	(1,609)
Mandatory provident fund contributions		(7,059)	(3,045)
Meeting expenses		(2,416)	(2,880)
Office rental		(52,500)	(52,800)
Printing and stationery		(95)	(1,940)
Souvenirs		-	(2,123)
Staff salaries		(90,663)	(50,274)
Sundry expenses		(347)	(1,134)
Telephone		(1,598)	(936)
Transportation		(720)	-
Website cost		(10,897)	(1,524)
		(198,881)	(121,165)
Deficit before CCC Project		(52,581)	(39,807)
Net surplus on CCC Project	(10)	309,338	-
<b>Surplus/(Deficit) for the year</b>	(5)	256,757	(39,807)

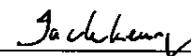
**THE ASSOCIATION OF CHRISTIAN ACCOUNTANTS LIMITED**  
 基督徒會計師團契有限公司

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER, 2020**

	Note	2020 HK\$	2019 HK\$
<b>Current assets</b>			
Other receivables		-	250
Prepayments and deposit	(8)	100,720	22,500
Cash and cash equivalents	(9)	416,774	159,417
		517,494	182,167
<b>Current liabilities</b>			
Accruals		85,403	6,833
<b>Net assets</b>		<b>432,091</b>	<b>175,334</b>
Represented by:			
Accumulated surplus		122,753	175,334
CCC Project fund	(10)	309,338	-
<b>Total funds</b>		<b>432,091</b>	<b>175,334</b>

The financial statements were approved and authorized for issue by the Board of Directors dated **24 AUG 2021** and are signed on its behalf by:

  
 \_\_\_\_\_  
 Lo Chi Chung, William  
 Director

  
 \_\_\_\_\_  
 Keung Sai Tung  
 Director

**THE ASSOCIATION OF CHRISTIAN ACCOUNTANTS LIMITED**  
**基督徒會計師團契有限公司**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER, 2020**

	2020 HK\$	2019 HK\$
<b>Operating activities</b>		
Surplus/(Deficit) for the year	256,757	(39,807)
Adjustment for:		
Bank interest income	-	(24)
<b>Operating surplus/ (deficit) before changes in working capital</b>	<b>256,757</b>	<b>(39,831)</b>
Decrease in other receivables	250	320
Increase in prepayments and deposit	(78,220)	-
Increase/ (Decrease) in accruals	78,570	(2,387)
<b>Cash flow generated from/ (used in) operating activities</b>	<b>257,357</b>	<b>(41,898)</b>
<b>Investing activities</b>		
Interest received	-	24
<b>Cash flow generated from investing activities</b>	<b>-</b>	<b>24</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>257,357</b>	<b>(41,874)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>159,417</b>	<b>201,291</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>416,774</b>	<b>159,417</b>

**THE ASSOCIATION OF CHRISTIAN ACCOUNTANTS LIMITED**  
**基督徒會計師團契有限公司**

**STATEMENT OF CHANGES IN FUNDS**  
**FOR THE YEAR ENDED 31 DECEMBER, 2020**

	Accumulated surplus HK\$	CCC Project fund HK\$	Total HK\$
At 1 January, 2019	215,141	-	215,141
Deficit for the year	(39,807)	-	(39,807)
At 31 December, 2019	175,334	-	175,334
At 1 January, 2020	175,334	-	175,334
Surplus for the year	256,757	-	256,757
Transfer from accumulated surplus	(309,338)	309,338	-
At 31 December, 2020	122,753	309,338	432,091

## 1. General information

The Association of Christian Accountants Limited ("the Association") is a company limited by guarantee incorporated in Hong Kong. The liability of each member is limited to the extent of HK\$1.

The Association's registered office and principal place of operation is located at 22/F, On Hong Commercial Building, 145 Hennessy Road, Wan Chai, Hong Kong.

The financial statements are presented in Hong Kong dollars, which is the functional currency of the Association.

The principal activities of The Association of Christian Accountants Limited ("the Association") are to help, guide and unite Christians engaged in the accounting profession in the mutual edification and nurturing of spiritual life; to promote and stimulate consideration of the gospel of Jesus Christ within the accounting profession; and to organise gatherings, meetings and worships for Christians for the advancement of Christianity. There were no significant changes in the nature of the Association's principal activities during the year.

## 2. Basis of preparation and accounting policies

These financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standard of Private Entities (HKFRS for Private Entities) issued by the Hong Kong Institute of Certified Public Accountants and the requirements of the Hong Kong Companies Ordinance. The financial statements have been prepared under the accrual basis of accounting and on the basis that the Association is a going concern. They have been prepared under the historical cost convention as explained in the respective accounting policy as set out below.

### Revenue

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) Membership fee income is recognised when they are received and receivable;
- (ii) Donation income is recognised upon actual receipt of money;
- (iii) Interest income is recognised as it accrues using the effective interest method; and
- (iv) Fee income and income from activities are recognised when the relevant events and activities are held.
- (v) CCC Project and other operating activities  
The Association organizes different projects or events from time to time. Donation received will be recognized upon actual receipt of money. Given that donation received are for specific use, the net of the donation received and the expenses incurred will be presented as net deficit or net surplus in the statement of comprehensive income.

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

### Other receivables

Other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less impairment loss. Impairment loss on other receivables is established when there is objective evidence that the Association will not be able to collect all amounts due according to the original terms of the receivables. The amount of the loss is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the assets is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss. When a receivable is uncollectible, it is written off against the other receivables directly and the amount previously charged to the allowance account is reversed. Subsequent recoveries of amounts previously written off are credited directly in profit or loss and of amounts previously charged to the allowance account are reversed.

### Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents represent cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term highly liquid investments which are readily convertible into known amounts of cash and subject to an insignificant risk of change in value, with original maturities of three months or less.

### Other payables

Other payables are initially stated at their fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

### Leases

#### Operating leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Association is the lessor, assets leased by the Association under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to profit or loss on the straight-line basis over the lease terms. Where the Association is the lessee, rentals payable under operating leases are charged to profit or loss on the straight-line basis over the lease terms.

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

**Related parties**

A person or an entity is related to the Association if:

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

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

(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 a group of which the other 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 Association or an entity related to the Association.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(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 Association or to the Association's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

**Employee benefits**

Salaries, bonuses, paid annual leave, and the costs to the Association of non-monetary benefits are accrued in the year in which the associated services are rendered by the employees of the Association.

Contributions to the Mandatory Provident Fund Scheme (the "MPF Scheme") are charged as an expense as they fall due.

**3. Revenue**

	<b>2020</b>	<b>2019</b>
	<b>HK\$</b>	<b>HK\$</b>
Donation received	145,200	99,800
Annual membership fees	-	100
Life membership fees	1,000	-
Sales of souvenirs	-	4,480
Government subsidy under Employment Support Scheme	11,100	-
	157,300	104,380

NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 DECEMBER, 2020

4. Net deficit on operating activities

The net deficit on operating activities represents the deficit arising from different activities of the Association during the year, such as the annual general meeting, monthly fellowship gatherings, annual dinner and other activities.

	2020 HK\$	2019 HK\$
<b>Income</b>		
Donation received	-	26,650
Income from activities	-	315,963
	-	342,613
<b>Less: expenditure</b>		
Foods and meals	-	246,884
Other activity expenses	9,000	111,775
Venue booking fees	2,000	7,000
	11,000	365,659
<b>Net deficit on operating activities</b>	<b>(11,000)</b>	<b>(23,046)</b>

5. Surplus/(deficit) for the year

	2020 HK\$	2019 HK\$
Surplus/(Deficit) for the year is arrived at after charging the following items:		
(a) Staff costs		
Salaries and benefits	90,663	50,274
Contribution to defined contribution plans	7,059	3,045
	97,722	53,319
(b) Other items		
Operating lease charges on land and building	52,500	52,800

6. Taxation

No provision for Hong Kong profits tax was made in the financial statements, as the Association is exempt from Hong Kong taxation under section 88 of the Inland Revenue Ordinance. (2019: Nil)

**7. Benefits and interests of directors**

The following information is disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation as follows:

Directors' remuneration

The directors received no remuneration for their services to the Association during the year (2019: Nil).

**8. Prepayments and deposit**

	<b>2020</b>	<b>2019</b>
	<b>HK\$</b>	<b>HK\$</b>
Prepayments	91,520	13,200
Rental deposit	9,200	9,300
	100,720	22,500

**9. Cash and cash equivalents**

Cash and cash equivalents comprise:

	<b>2020</b>	<b>2019</b>
	<b>HK\$</b>	<b>HK\$</b>
Cash at bank and in hand	416,774	159,417

**10. CCC Project fund**

		<b>2020</b>
		<b>HK\$</b>
Balance brought forward		-
<b>Income</b>		
Donation income		712,720
<b>Less: expenditure</b>		
Coupons redemption	305,160	
Manpower cost	73,920	
Material cost	10,639	
Other expenses	13,663	(403,382)
Net surplus of the project for the year and balance carried forward		309,338

For CCC Project fund, donation has been collected for helping "grass-roots" class in the community. The net surplus will be applied for future caring activities such as meal box coupon distribution for "grass-roots", etc.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER, 2020

**11. Related party transactions**

In addition to the transactions and balances disclosed elsewhere in these financial statements, the Association had the following transactions with related parties during the year:

- (a) Compensation paid to key management personnel of the Association is disclosed in Note 7 to the financial statements.

	2020 HK\$	2019 HK\$
(b) Donation received from directors		
-non CCC Project	145,200	98,600
-CCC Project	66,200	-
	211,400	98,600
Manpower cost to a related party (included in CCC Project fund)	73,920	-

**12. Novel Coronavirus (“COVID-19”) outbreak**

As a result of the uncertainties caused by the coronavirus outbreak in early 2020, there was a certain impact on the performance of the Association. Since the COVID-19 continues to evolve depending on future development and spread of COVID-19, the directors will closely monitor the development of the epidemic and assess its impact on the financial position and operating results of the Association.