

Bishop Dennis Ng Victory Ministries Foundation Limited
國際得勝生命差傳基金會有限公司

(Incorporated in Hong Kong with limited liability by Guarantee)

Report and Financial Statements

For the year ended 31 December 2020



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Eric H. L. Chung & Co.

Certified Public Accountants
Hong Kong

BISHOP DENNIS NG VICTORY MINISTRIES FOUNDATION LIMITED
(Incorporated in Hong Kong with limited liability by Guarantee)

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BISHOP DENNIS NG VICTORY MINISTRIES FOUNDATION LIMITED
(Incorporated in Hong Kong with limited liability by Guarantee)

Directors' Report
For the year ended 31 December 2020

The directors have pleasure in presenting their annual report together with the audited financial statements for the year ended 31 December 2020.

Principal activities

The principal activities of the Foundation are propagating and disseminating the Gospel, and carrying out related religious, educational and charitable activities during the year.

Results

The results of the Foundation for the year ended 31 December 2020 are set out in the General Fund Income and Expenditure Account on page 6. The state of affairs as at that date is set out in the Statement of Financial Position on page 7.

Directors

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

Ng Tak Wing, Dennis
Ho Tsui Yee
Cheng Yuen Lee
Ng Chow Yuk Chun
Ng Yan Ling Illuminatus

In accordance with the Foundation's Articles of Association, Madam Cheung Yuen Lee, Madam Ng Yan Ling Illuminatus and Madam Ng Chow Yuk Chun shall retire at the forthcoming annual general meeting of the Foundation. Mr. Ng Tak Wing, Dennis and Madam Ho Tsui Yee are permanent directors and remain in office.

Directors' Interests in contracts

Apart from those as shown in note 8, no contracts of significance in relation to the activities of the foundation to which the foundation was a party and in which any governor or member of the foundation management had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Permitted indemnity provision

At the time of approval of this report, there are no permitted indemnity provisions in force for the benefit of one or more director of the foundation.

BISHOP DENNIS NG VICTORY MINISTRIES FOUNDATION LIMITED
(Incorporated in Hong Kong with limited liability by Guarantee)

Directors' Report
For the year ended 31 December 2020

Management contracts

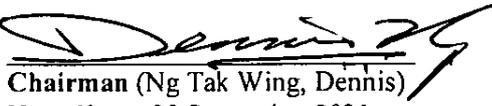
No contracts concerning the management and administration of the whole or any substantial part of the business of the foundation were entered into or existed during the year.

Honorary Auditors

Eric H.L. Chung & Co. Certified Public Accountants were appointed by the directors as honorary auditors of the foundation during the year, a resolution proposing their reappointment will be put to the annual general meeting

On behalf of the Board

BISHOP DENNIS NG VICTORY MINISTRIES FOUNDATION LIMITED


Chairman (Ng Tak Wing, Dennis)
Hong Kong, 20 September 2021



**Independent Auditor's Report to the Members of
BISHOP DENNIS NG VICTORY MINISTRIES FOUNDATION LIMITED
(Incorporated in Hong Kong with limited liability by Guarantee)**

Opinion

We have audited the financial statements of Bishop Dennis Ng Victory Ministries Foundation Limited ("the Foundation") set out on pages 6 to 11, which comprise the Statement of Financial Position as at 31 December 2020, the General Fund Income and Expenditure Account 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 Foundation are prepared, in all material respects, in accordance with 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 SME-FRS 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 Foundation 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 auditors' report is information included in the directors' report set out on pages 1 to 2, but does not include the financial statements and our auditors' 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 auditors' 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.



**Independent Auditor's Report to the Members of
BISHOP DENNIS NG VICTORY MINISTRIES FOUNDATION LIMITED
(Incorporated in Hong Kong with limited liability by Guarantee)**

Responsibilities of Directors and Those Charges with Governance for the Financial Statements

The directors are responsible for the preparation of these 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 to the preparation of financial statement that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Foundation'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 Foundation or to cease operations, or have no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Foundation's financial reporting process.

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 (Cap.622), and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of the 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 Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.



**Independent Auditor's Report to the Members of
BISHOP DENNIS NG VICTORY MINISTRIES FOUNDATION LIMITED
(Incorporated in Hong Kong with limited liability by Guarantee)**

- 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 Foundation'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 Foundation 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.

Eric H L Chung & Co.
Certified Public Accountants (Practising)
Hong Kong
20 September 2021

BISHOP DENNIS NG VICTORY MINISTRIES FOUNDATION LIMITED
(Incorporated in Hong Kong with limited liability by Guarantee)

General Fund Income and Expenditure Account
For the year ended 31 December 2020

| | 2020 | | 2019 | |
|---|-------------|-------------|-------------|-------------|
| | HK\$ | HK\$ | HK\$ | HK\$ |
| INCOME | | | | |
| Offerings received | | 5,818,007 | | 7,022,901 |
| Sundry income | | 11,509 | | 343 |
| Gain on exchange | | 6,815 | | - |
| | | 5,836,331 | | 7,023,244 |
| EXPENDITURES | | | | |
| Auditor's remuneration | (4,300) | | (4,300) | |
| Car parking expenses | (53,908) | | (71,443) | |
| Cleaning expenses | (42,920) | | (54,278) | |
| Consumable stores | (2,801) | | (113) | |
| Contribution to mandatory provident fund | (68,706) | | (63,942) | |
| Depreciation | (152,108) | | (162,718) | |
| Directors' remuneration | (1,124,520) | | (1,029,240) | |
| Directors' quarters expenses | (967,925) | | (856,857) | |
| Donation | (40,524) | | (179,250) | |
| Insurance | (75,432) | | (53,219) | |
| Legal and professional fee | (23,985) | | (56,500) | |
| Loss on exchange, net | - | | (7,036) | |
| Medical expenses | (211,737) | | (179,052) | |
| Messing for courses | (326,186) | | (552,468) | |
| Mission expenses | (6,743) | | (2,435,319) | |
| Rent, rates and building management fee | (1,984,511) | | (2,168,238) | |
| Repairs and maintenance | (30,301) | | (62,380) | |
| Salaries and allowances | (410,165) | | (390,344) | |
| Staff training | (52,442) | | (10,627) | |
| Stationery, printing and postage | (31,804) | | (43,138) | |
| Sundry expenses | (159,642) | | (134,389) | |
| Telephone and internet | (66,412) | | (54,117) | |
| Training materials | (20,682) | | (26,360) | |
| Travelling | (59,079) | | (165,637) | |
| Utilities expenses | (39,263) | (5,956,096) | (75,788) | (8,836,753) |
| (Deficit) for the year | | (119,765) | | (1,813,509) |
| Balance at the beginning of the year | | 91,978 | | 1,905,487 |
| Total available for appropriations carried forward | | (27,787) | | 91,978 |

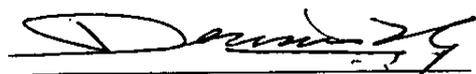
The notes on pages 8 to 11 form an integral part of these financial statements

BISHOP DENNIS NG VICTORY MINISTRIES FOUNDATION LIMITED
(Incorporated in Hong Kong with limited liability by Guarantee)

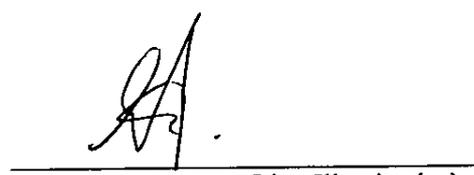
Statement of Financial Position
As at 31 December 2020

| | Notes | 2020 | | 2019 | |
|-------------------------------|-------|------------------|------------------|------------------|------------------|
| | | HK\$ | HK\$ | HK\$ | HK\$ |
| NON CURRENT ASSETS | | | | | |
| Property, plant and equipment | 4 | | 59,233 | | 169,482 |
| CURRENT ASSETS | | | | | |
| Deposits and prepayments | | 448,691 | | 650,796 | |
| Cash and bank balances | | <u>1,382,242</u> | | <u>1,153,916</u> | |
| | | | 1,830,933 | | 1,804,712 |
| CURRENT LIABILITIES | | | | | |
| Other payables | | 240,383 | | 166,049 | |
| Accrued expenses | | <u>4,500</u> | | <u>43,097</u> | |
| | | | <u>244,883</u> | | <u>209,146</u> |
| NET CURRENT ASSETS | | | <u>1,586,050</u> | | <u>1,595,566</u> |
| NET ASSETS | | | <u>1,645,283</u> | | <u>1,765,048</u> |
| RESERVES | | | | | |
| Capital fund | | | 1,673,070 | | 1,673,070 |
| General fund | | | <u>(27,787)</u> | | <u>91,978</u> |
| | | | <u>1,645,283</u> | | <u>1,765,048</u> |

The financial statements were approved by the Board on 20 September 2021 and signed on its behalf by



Director (Ng Tak Wing, Dennis)



Director (Ng Yan Ling Illuminatus)

The notes on pages 8 to 11 form an integral part of these financial statements

BISHOP DENNIS NG VICTORY MINISTRIES FOUNDATION LIMITED
(Incorporated in Hong Kong with limited liability by Guarantee)

Notes to the Financial Statements
For the year ended 31 December 2020

1. GENERAL INFORMATION

The Foundation was incorporated in Hong Kong as a public company limited by guarantee and not having a share capital. The registered office is located on 15th Floor, Whole Floor, Public Bank Centre, 120 Des Voeux Road Central, Central, Hong Kong.

The principal activities of the Foundation are propagating and disseminating the Gospel, and carrying out related religious, educational and charitable activities during the year.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance and basis of preparation

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

The financial statements comply with the SME-FRS and have been prepared under the accrual basis of accounting and on the basis that the Foundation 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:

2.2 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

The depreciation amount of an item of property, plant and equipment is allocated on a systematic basis over its estimated useful life using the straight-line method. The principal annual rates used for depreciation are as following:

| | | |
|------------------------|-----------|------------------------|
| Leasehold improvement | - 33 1/3% | on straight line basis |
| Furniture and fixtures | - 33 1/3% | on straight line basis |
| Computer and software | - 33 1/3% | on straight line basis |
| Office equipment | - 33 1/3% | on straight line basis |

2.3 Impairment of assets

An assessment is made at each year end date to determine whether there is any indication of impairment or reversal of previous impairment, including items of property, plant and equipment, intangible assets and long-term investments. In the event that an asset's carrying amount exceeds its recoverable amount, the carrying amount is reduced to recoverable amount and an impairment loss is recognized in the income statement. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount, however not to an amount higher than the carrying amount that would have been determined (net of amortization or depreciation), had no impairment losses been recognized for the asset in prior years.

BISHOP DENNIS NG VICTORY MINISTRIES FOUNDATION LIMITED
(Incorporated in Hong Kong with limited liability by Guarantee)

Notes to the Financial Statements
For the year ended 31 December 2020

..... continued

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts, if any.

2.5 Income recognition

All offerings and donation income are recognized on cash basis.

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 and fair value.

2.6 Employee benefits

The Foundation's contributions to the defined contribution retirement scheme are expenses as incurred.

2.7 Operating leases

Where the Foundation has the use of assets held under operating leases, payments made under the leases are charged to income and expenditure account in equal installments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of the benefits to be derived from the leased assets.

2.8 Related parties

Two parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence.

3. DIRECTORS' EMOLUMENTS

Directors' remuneration 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, are as follows:

| | 2020 | 2019 |
|--|------------------|------------------|
| | HK\$ | HK\$ |
| Fees | - | - |
| Other emoluments | 1,124,520 | 1,029,240 |
| Directors' quarters expenses | 967,925 | 856,857 |
| Contribution to mandatory provident fund | <u>56,226</u> | <u>51,462</u> |
| | <u>2,148,671</u> | <u>1,937,559</u> |

A portion of directors' quarter is used for storage of documents of the Foundation.

BISHOP DENNIS NG VICTORY MINISTRIES FOUNDATION LIMITED
(Incorporated in Hong Kong with limited liability by Guarantee)

Notes to the Financial Statements
For the year ended 31 December 2020

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4. PROPERTY, PLANT AND EQUIPMENT

| | Leasehold improvement HK\$ | Fixtures and fixtures HK\$ | Computer and software HK\$ | Office equipment HK\$ | Total HK\$ |
|-----------------------|----------------------------------|----------------------------------|----------------------------------|-----------------------------|------------------|
| Cost | | | | | |
| At 1 January 2020 | 1,554,546 | 472,108 | 145,553 | 762,274 | 2,934,481 |
| Additions | - | - | 15,499 | 26,360 | 41,859 |
| Disposals | <u>(576,495)</u> | <u>-</u> | <u>-</u> | <u>(262,627)</u> | <u>(839,122)</u> |
| At 31 December 2020 | <u>978,051</u> | <u>472,108</u> | <u>161,052</u> | <u>526,007</u> | <u>2,137,218</u> |
| Depreciation | | | | | |
| At 1 January 2020 | 1,477,764 | 402,308 | 142,486 | 742,441 | 2,764,999 |
| Charge for the year | 76,782 | 44,667 | 6,700 | 23,959 | 152,108 |
| On disposals | <u>(576,495)</u> | <u>-</u> | <u>-</u> | <u>(262,627)</u> | <u>(839,122)</u> |
| At 31 December 2020 | <u>978,051</u> | <u>446,975</u> | <u>149,186</u> | <u>503,773</u> | <u>2,077,985</u> |
| Net book value | | | | | |
| At 31 December 2020 | <u>-</u> | <u>25,133</u> | <u>11,866</u> | <u>22,234</u> | <u>59,233</u> |
| At 31 December 2019 | <u>76,782</u> | <u>69,800</u> | <u>3,067</u> | <u>19,833</u> | <u>169,482</u> |

5. OPERATING LEASES COMMITMENTS

As at 31st December 2020, the Foundation had commitments under non-cancellable operating leases in respect of land and buildings to make payment as follows:

| | 2020 HK\$ | 2019 HK\$ |
|-------------------------|------------------|------------------|
| Not later than one year | 1,591,000 | 2,507,340 |
| Later than one year | <u>-</u> | <u>1,142,725</u> |
| | <u>1,591,000</u> | <u>3,650,065</u> |

6. TAXATION

The Foundation is an approved charitable institution and is exempted from Hong Kong Taxation in accordance with provisions of Section 88 of the Inland Revenue Ordinances.

BISHOP DENNIS NG VICTORY MINISTRIES FOUNDATION LIMITED
(Incorporated in Hong Kong with limited liability by Guarantee)

Notes to the Financial Statements
For the year ended 31 December 2020

..... continued

7. LIMITED BY GUARANTEE

In the events of the Foundation being wound up, every member of the Foundation undertakes to contribute not exceeding HK\$100 towards payments of the debts and liabilities of the Foundation contracted before one ceases to be a member or within one year afterwards.

8. RELATED PARTY TRANSACTIONS

During the year, the Foundation had the following related party transactions:

| | 2020 | 2019 |
|---|--------------|--------------|
| | HK\$ | HK\$ |
| Donation paid to a related company, Victory Ministries International Limited | <u>3,000</u> | <u>5,000</u> |

Ng Tak Wing Dennis, Ho Tsui Yee, Cheung Yuen Lee, and Ng Yan Ling Illuminatus are the common directors of Victory Ministries International Limited and the Foundation.

9. CHANGES IN FUNDS

| | Reserves |
|--|------------------|
| | HK\$ |
| Balance at the beginning of the year | 1,765,048 |
| Deficit for the year | <u>(119,765)</u> |
| Balance at the end of the year – Total funds | <u>1,645,283</u> |

10. APPROVAL AND AUTHORIZED FOR ISSUE OF FINANCIAL STATEMENTS

These financial statements were approved and authorized for issue by the Board of Directors on 20 September 2021.