

**The Best Gift Foundation Limited**  
**Directors' report and financial statements for**  
**the year ended 31 December 2020**

**CERTIFIED TRUE COPY**  
*For and on behalf of*  
**Sovereign Secretarial Services Limited**

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06/10/2021

## **Directors' report**

The directors have pleasure in presenting the report and the audited financial statements in accordance with the Small and Medium-sized Entity Financial Reporting Standard (SME-FRS) for the year ended 31 December 2020.

### **Permitted indemnity provision**

At no time during the financial year were there any permitted indemnity provisions in force for the benefit of the director of the Company.

At the time of approval of this report, there are no permitted indemnity provision in force for the benefit of the director of the Company.

### **Management Contracts**

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

### **Business review**

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

### **Changes in membership**

There was no change of membership during the year.

### **Equity-linked agreement**

During the financial year, the Company entered into no equity-linked agreement.

At the end of the financial year, the Company subsisted of no equity-linked agreement.

### **Debentures**

The Company has not issued any debentures during the year.

### **Directors**

The directors during the financial year were:

Ma. Carmina Santos HALL  
Maria Paz Silva ANGELES

The directors resign from office at the next annual general meeting and offer themselves for re-election in accordance with the Company's Articles of Association.

**Approval of directors' report**

This report was approved by the board of directors on 12 May 2021

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

**Ma. Carmina Santos HALL**  
Director  
Hong Kong

**Independent auditor's report to the member of  
The Best Gift Foundation Limited**

(Incorporated in Hong Kong with limited by guarantee)

**Opinion**

We have audited the financial statements of The Best Gift Foundation Limited ("the Company"), which comprise the statement of financial position as at 31 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 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 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 all the information included in the director's report, other than 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, 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 for the financial statements**

The directors 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 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.

### **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. 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 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 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.

*Wise Diligent*

Wise Diligent CPA Company Limited  
Certified Public Accountants (Practising)  
Hong Kong 12 May 2021

Engagement partner: Cheng Ho Long  
Practising Certificate number: P06101

**Income statement**  
**For the year ended 31 December 2020**  
(Expressed in Hong Kong dollars)

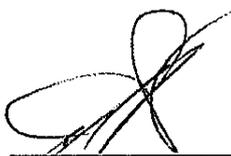
	Note	2020	2019
<b>Income</b>			
Donations		153,309	607,382
<b>Expenses</b>			
Administrative expenses		(1,205)	(1,244)
Bank charges		(18)	(30)
Project expenses		(113,360)	(484,349)
		<u>(114,583)</u>	<u>(485,623)</u>
<b>Profit for the year</b>	3	<u>38,726</u>	<u>121,759</u>

The accompanying accounting policies and explanatory notes form an integral part of, and should be read in conjunction with, these financial statements.

**Statement of financial position**  
**As at 31 December 2020**  
(Expressed in Hong Kong dollars)

	Note	2020	2019
<b>Current Assets</b>			
Cash and cash equivalents		639,668	600,942
		<u>639,668</u>	<u>600,942</u>
<b>Current liabilities</b>			
Accruals		1,000	1,000
		<u>1,000</u>	<u>1,000</u>
<b>Net assets</b>		<u>638,668</u>	<u>599,942</u>

Approved and authorised for issue by the board of directors on 12 May 2021

  
\_\_\_\_\_  
Ma. Carmina Santos HALL  
Director

  
\_\_\_\_\_  
Maria Paz Silva ANGELES  
Director

The accompanying accounting policies and explanatory notes form an integral part of, and should be read in conjunction with, these financial statements.

## **Notes to the financial statements**

(Expressed in Hong Kong dollars)

### **1 General information**

The Best Gift Foundation Limited (the "Company") is a company incorporated and domiciled in Hong Kong and has its registered office and principal place of business at Suites 1-3, 16<sup>th</sup> Floor, Kinwick Centre, 32 Hollywood Road, Central, Hong Kong.

The Company is principally engaged in provision of charitable services on advancement of education.

Unless stated otherwise, all currency figures in these financial statements are presented in Hong Kong Dollars (HK\$) rounded to the nearest one dollar.

### **2 Significant accounting policies**

#### **(a) Basis of preparation of the financial statements**

The Company qualifies for the reporting exemption as a small private company under section 359(1)(a) of the Hong Kong Companies Ordinance (Cap. 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 basis used in the preparation of the financial statements is the historical cost basis.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### **(b) Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

#### **(c) Payables**

Payables are initially recognised at fair value and are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

**(d) Income tax**

The Company is a charitable institution recognised by the Inland Revenue Department and is exempt from Hong Kong profits tax under Section 88 of the Inland Revenue Ordinance.

**(e) Related parties**

*(a) 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 over the Company;*
- (ii) has significant influence over the Company; or*
- (iii) is a member of the key management personnel of the Company or the Company's parent.*

*(b) 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 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 group or an entity related to the group.*
- (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 company or to the company'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.

**3 Profit for the year**

Profit for the year is arrived after charging:

	2020	2019
Auditor's remuneration	1,000	1,000

**4 Director's remuneration**

There is no Director's remuneration to be disclosed pursuant to section 383(1) of the Companies Ordinance.

**5 Income tax**

No Hong Kong profits tax was provided for the year ended 31 December 2020 as the Company is a charitable institution recognised by the Inland Revenue Department and is exempt from Hong Kong profits tax under Section 88 of the Inland Revenue Ordinance.

**6 Changes in equity**

	Retained earnings	Total
Balance at 1 January 2019	478,183	478,183
Profit for the year	121,759	121,759
Balance at 31 December 2019 and 1 January 2020	599,942	599,942
Profit for the year	38,726	38,726
As at 31 December 2020	638,668	638,668