

BETHEL FOUNDATION LIMITED

香港濟慈基金會有限公司

(Incorporated in Hong Kong with limited liability by guarantee)

**Reports and financial statements
For the year ended 31 March 2021**

Certified True & Correct



Cheng Hong Ting

Director

Date: 22 December 2021

李振鴻會計師事務所有限公司
SANTOS C.H. LI CPA LIMITED
Certified Public Accountants (Practising)
Hong Kong



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BETHEL FOUNDATION LIMITED 香港濟慈基金會有限公司

Reports and financial statements

For the year ended 31 March 2021

| Table of Contents | Pages |
|---|--------------|
| Directors' report | 3 to 4 |
| Independent auditor's report | 5 to 7 |
| Statement of comprehensive income | 8 |
| Statement of financial position | 9 |
| Statement of changes in equity | 10 |
| Statement of cash flows | 11 |
| Accounting policies and explanatory notes to the financial statements | 12 to 14 |

The directors have pleasure in submitting the annual report together with the audited financial statements of BETHEL FOUNDATION LIMITED 香港濟慈基金會有限公司 (the company) for the year ended 31 March 2021.

Directors

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

Cheng Hong Ting
Lee Man Kit

Principal activities

The principal activities of the company are as stated in the memorandum of association.

The income of the company whatsoever derived are applied solely towards the promotion of the objects of the company, and no portion thereof are paid nor transferred directly or indirectly by way of profit to the members of the company.

Management contracts

There were no contract concerning the management and administration of the company 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.

Arrangements to acquire shares or debentures

At no time during the year was the company a party to any arrangement to enable the directors of the company to acquire benefits by means of the acquisition of debentures of the company or shares in or debentures of any other body corporate.

Charitable donations

No charitable donations has been made by the company during the year.

Debentures issued

There were no debentures issued during the year.

Equity-linked arrangements

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

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

Permitted indemnity provision

Article 61 of the company's Articles provides that a director of the company may be indemnified out of the funds of the company against all liability incurred by him as such director in defending any proceedings, whether civil or criminal, in which judgment is given in his favour, or in which he is acquitted, or in connection with any application under section 358 of the Predecessor Companies Ordinance (equivalent to sections 902 to 904 of the Hong Kong Companies Ordinance) in which relief is granted to him by the Court. This permitted indemnity provision is in force during the financial year and at the time of approval of this report.

Approval of directors' report

This report was approved by the directors on 22 December 2021.

On behalf of the directors



Cheng Hong Ting
Director

SANTOS C.H. LI CPA LIMITED

Certified Public Accountants (Practising)

Room D, 17/F., Billion Plaza 2, 10 Cheung Yue Street, Lai Chi Kok, Kowloon, Hong Kong
Tel: 852-2787 3392 Fax: 852-2787 2480 www.santoslicpa.com

Managing Director

Santos C.H. Li 李振鴻
CPA (Practising), FCPA, FTIHK, FAIA,
FSCA, FCMA, MCI Arb

Independent Auditor's Report

To the Members of

BETHEL FOUNDATION LIMITED 香港濟慈基金會有限公司

(Incorporated in Hong Kong and limited by guarantee and not having a share capital)

Opinion

We have audited the financial statements of BETHEL FOUNDATION LIMITED 香港濟慈基金會有限公司 (the company) set out on pages 8 to 14, which comprise the statement of financial position as at 31 March 2021, and the statement of comprehensive income, statement of changes in equity 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 31 March 2021, 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 (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 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.

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Managing Director

Santos C.H. Li 李振鴻

CPA (Practising), FCPA, FTIHK, FAIA,
FSCA, FCMA, MCI Arb

Independent Auditor's Report (continued)

To the Members of

BETHEL FOUNDATION LIMITED 香港濟慈基金會有限公司

(Incorporated in Hong Kong and limited by guarantee and not having a share capital)

Responsibilities of the Directors for the Financial Statements

The directors 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 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. 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 HKSAs 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 HKSAs, 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.

SANTOS C.H. LI CPA LIMITED

Certified Public Accountants (Practising)

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Managing Director

Santos C.H. Li 李振鴻
CPA (Practising), FCPA, FTIHK, FAIA,
FSCA, FCMA, MCI Arb

Independent Auditor's Report (continued)

To the Members of

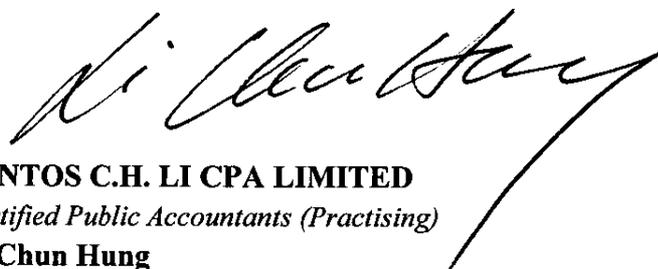
BETHEL FOUNDATION LIMITED 香港濟慈基金會有限公司

(Incorporated in Hong Kong and limited by guarantee and not having a share capital)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- 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.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosure, 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.



SANTOS C.H. LI CPA LIMITED

Certified Public Accountants (Practising)

Li Chun Hung

Practising Certificate Number: P04703

Hong Kong, 22 December 2021

Statement of comprehensive income for the year ended 31 March 2021

(In Hong Kong dollars)

| | <u>Notes</u> | <u>2021</u> HK\$ | <u>2020</u> HK\$ |
|---|--------------|---------------------|---------------------|
| Income | | | |
| Donation received | | 1,509,847 | 1,492,857 |
| Bank interest income | | 1 | 465 |
| | | <u>1,509,848</u> | <u>1,493,322</u> |
| Expenditures | | | |
| Auditors' remuneration | | 7,000 | 6,000 |
| Bank charges | | 6,107 | 5,488 |
| Contribution to foster care projects for blind orphans in Mainland China | | 1,594,537 | 1,668,403 |
| Coordinators' fee | | 1,666 | 3,826 |
| Courier and postage | | 47 | 231 |
| Local travelling | | 94 | 409 |
| Printing and stationery | | 815 | 904 |
| Rent | | 24,000 | 24,000 |
| Repairs and maintenance | | 1,423 | -- |
| Secretarial fee | | 950 | 1,530 |
| Sundry expenses | | 1,226 | 2,035 |
| | | <u>1,637,865</u> | <u>1,712,826</u> |
| Deficit before tax | | (128,017) | (219,504) |
| Income tax expense | (5) | -- | -- |
| Deficit for the year | | <u>(128,017)</u> | <u>(219,504)</u> |
| Other comprehensive income | | -- | -- |
| Total comprehensive income for the year | | <u>(128,017)</u> | <u>(219,504)</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 March 2021

(In Hong Kong dollars)

| | <u>Notes</u> | <u>2021</u> HK\$ | <u>2020</u> HK\$ |
|----------------------------------|--------------|---------------------|---------------------|
| Current assets | | | |
| Cash and cash equivalents | (7) | 88,972 | 220,122 |
| Less: current liabilities | | | |
| Amounts due to directors | (8) | 4,871 | 7,004 |
| Other payable and accruals | | 7,400 | 8,400 |
| | | 12,271 | 15,404 |
| NET ASSETS | | 76,701 | 204,718 |
| MEMBERS' EQUITY | | | |
| Accumulated funds | | 76,701 | 204,718 |

Approved on behalf of the directors by:



 Cheng Hong Ting
 Director



 Lee Man Kit
 Director

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

Statement of changes in equity for the year ended 31 March 2021

(In Hong Kong dollars)

| | Accumulated <u> funds</u> HK\$ |
|---|---|
| Balance at 1 April 2019 | 424,222 |
| Deficit/total comprehensive income for the year | <u>(219,504)</u> |
| Balance at 31 March 2020 | 204,718 |
| Deficit/total comprehensive income for the year | <u>(128,017)</u> |
| Balance at 31 March 2021 | <u><u>76,701</u></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 cash flows for the year ended 31 March 2021

(In Hong Kong dollars)

| | <u>2021</u> | <u>2020</u> |
|---|--------------------------|--------------------------|
| | HK\$ | HK\$ |
| Cash flows from operating activities | | |
| Deficit before tax | (128,017) | (219,504) |
| Adjustments for:- | | |
| Interest income | (1) | (465) |
| Operating deficit before changes in working capital | <u>(128,018)</u> | <u>(219,969)</u> |
| (Decrease)/increase in amounts due to directors | (2,133) | 8 |
| Decrease in other payable and accruals | <u>(1,000)</u> | <u>(4,000)</u> |
| <i>Net cash used in operating activities</i> | <u><u>(131,151)</u></u> | <u><u>(223,961)</u></u> |
| Cash flows from investing activities | | |
| Interest received | <u>1</u> | <u>465</u> |
| <i>Net cash generated from investing activities</i> | <u><u>1</u></u> | <u><u>465</u></u> |
| Net decrease in cash and cash equivalents | <u>(131,150)</u> | <u>(223,496)</u> |
| Cash and cash equivalents at the beginning of year | <u>220,122</u> | <u>443,618</u> |
| Cash and cash equivalents at the end of year | <u><u>88,972</u></u> | <u><u>220,122</u></u> |

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

**Accounting policies and explanatory notes to the financial statements
for the year ended 31 March 2021**
(In Hong Kong dollars)

1. General information

BETHEL FOUNDATION LIMITED 香港濟慈基金會有限公司 (the company) was incorporated in Hong Kong with limited liability by guarantee and not having a share capital. The address of the registered office and principal place of activity of the company is at Utopia Terrace, 20 Wong Chuk Yeung Tsuen Path, Fo Tan, Sha Tin, New Territories, Hong Kong.

The principal activities of the company are as stated in the memorandum of association.

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

2. Limited by guarantee

Under the provision of the company's Memorandum and Articles of Association, every member shall, in the event of the company being wound up, contribute such an amount as may be required to meet the liabilities of the company but not exceeding the sum of HK\$10 for each member.

3. Basis of preparation and accounting policies

These 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 and the requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less.

Revenue recognition

Unless it can be ascertained with reasonable certainty, all income and expenditure items are recognised on cash basis. Transactions that are expected to accrue but not realise are not included in this year's financial statements.

Income is recognised on the following basis:

- (a) Donation income is recognised in the financial year of receipts; and
- (b) Interest income is recognised on a time proportion basis on the principal outstanding and at the rates applicable.

3. Basis of preparation and accounting policies (continued)

Operating leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the company. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease.

Related parties

For the purpose of these financial statements, related party includes a person and entity as defined below:

- (a) A person or a close member of that person's family is related to the company if that person:
 - (i) is a member of the key management personnel of the company or of a parent of the company;
 - (ii) has control or joint control over the company; or
 - (iii) has significant influence over the company.
- (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 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 company or an entity related to the company. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
 - (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 company or to the parent of the company.
 - (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).

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4. Key sources of estimation uncertainty

The company makes estimates and assumptions concerning the future. They are continually evaluated and are based on historical experience and other factors, including expectations of future. The resulting accounting estimates will, by definition, seldom equal the related actual results. It is reasonably possible, base on existing knowledge, that there no significant outcomes within the next financial year that are different from estimates and assumptions could required a material adjustment to the carrying amount of the assets and liabilities affected.

5. Income tax expense

No provision for Hong Kong profits tax has been made as the company is exempted from tax payment under Section 88 of the Inland Revenue Ordinance as an approved charitable organisation.

6. Directors' remuneration

- (a) Directors' remuneration disclosed pursuant to section 383 of the Hong Kong Companies Ordinance and Companies (Disclosure of Information about Benefits of Directors) Regulation for the year is nil (2020: Nil).
- (b) No loans, quasi-loans and other dealings in favour of the directors of the company were entered into during the year nor subsisted of at the end of the year (2020: Nil).
- (c) Apart from disclosed elsewhere in these financial statements, no other significant transactions, arrangements and contracts in relation to the company's operation to which the company was a party and in which any of the company's directors had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

7. Cash and cash equivalents

| | <u>2021</u> | <u>2020</u> |
|--------------|---------------|----------------|
| | HK\$ | HK\$ |
| Cash at bank | <u>88,972</u> | <u>220,122</u> |

8. Amounts due to directors

The amounts due to directors are interest free, unsecured and have no fixed terms of repayment.

9. Related party transactions

Apart from disclosed elsewhere in these financial statements, there was no other material related party transaction during the years presented.

10. Approval of financial statements

These financial statements were approved and authorised for issue by the directors on 22 December 2021.