

ASIA CHILDREN 2020

ASIA CHILDREN EDUCATION ASSOCIATION LIMITED  
REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

Date : 27 August 2021

V CPA LIMITED  
CERTIFIED PUBLIC ACCOUNTANTS  
文森會計師有限公司  
TEL : 3709 3334 FAX : 3020 9346

These audited financial statements are for the exclusive use of its shareholders only. The auditors and other professionals, if any involved, do not assume responsibility towards or accept liability to any other person for the contents of this set of the financial statements.

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ASIA CHILDREN EDUCATION ASSOCIATION LIMITED  
REPORTS AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

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ASIA CHILDREN EDUCATION ASSOCIATION LIMITED  
REPORT OF THE DIRECTORS

The directors have pleasure to present their report and the audited financial statements FOR THE YEAR ENDED 31 DECEMBER 2020.

**PRINCIPAL ACTIVITIES**

The principal activity of the Company was the provision of enhance the development and education.

**RESULTS AND APPROPRIATIONS**

The results FOR THE YEAR ENDED 31 DECEMBER 2020 and the state of affairs of the Company as at that date are set out in the financial statements started on pages 7.

	2020 HKD	2019 HKD
Dividend declared and paid per share	<u>-</u>	<u>-</u>

**SHARE CAPITAL**

Details of the movements in the share capital of the Company are set out in note 7 to the financial statements.

**DIRECTORS**

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

CHEUNG KA CHING  
CHAN PUI SHAN

There being no provision in the Company's Articles of Association for the retirement of directors by rotation, the present directors continue in office.

**DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS**

Except for those disclosed in the financial statements, no other transactions, arrangements or contract of significance in relation to the Company's business to which the Company, its holding company was a party, and in which directors of the Company had a material interest, subsisted at the end of the year or at any time during the year.

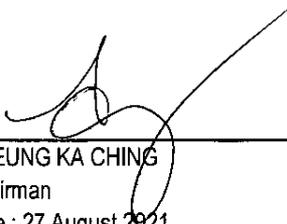
**ARRANGEMENTS TO ACQUIRE SHARES AND DEBENTURES**

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

**AUDITORS**

V CPA Limited was appointed as auditors of the Company for the year. A resolution will be submitted to the forthcoming annual general meeting to re-appoint V CPA Limited as auditor of the Company.

On behalf of the Board

  
\_\_\_\_\_  
CHEUNG KA CHING  
Chairman  
Date : 27 August 2021  
Hong Kong

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INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBER(S) OF  
ASIA CHILDREN EDUCATION ASSOCIATION LIMITED  
(Incorporated in Hong Kong with limited by guarantee)

("the Company")

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of the Company set out on pages 7 to 13, which comprise the statement of financial position AS AT 31 DECEMBER 2020 and the income statement FOR THE YEAR ENDED 31 DECEMBER 2020, 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 ("HKSAs") and with reference to PN 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 Auditors' 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.

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# V CPA LIMITED

CERTIFIED PUBLIC ACCOUNTANTS | 文森會計師有限公司

文森會計師有限公司  
V CPA Limited  
Certified Public Accountants  
Est. Vincent Choi

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INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBER(S) OF  
ASIA CHILDREN EDUCATION ASSOCIATION LIMITED  
(Incorporated in Hong Kong with limited by guarantee)

## Information Other than the Financial Statements and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises all information included in the directors' report and financial statements, 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.

## Responsibilities of director and those charged with governance for the financial statements

The director is 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 director 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.

Those charged with governance are responsible for overseeing the Company'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. 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.





# V CPA LIMITED

CERTIFIED PUBLIC ACCOUNTANTS | 文森會計師有限公司

文森會計師有限公司  
V CPA Limited  
Certified Public Accountants  
Est. Vincent Choi

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INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBER(S) OF  
ASIA CHILDREN EDUCATION ASSOCIATION LIMITED  
(Incorporated in Hong Kong with limited by guarantee)

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 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.
- 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.

For and on behalf of  
For and on behalf of  
V CPA Limited  
文森會計師有限公司

V CPA Limited Authorized Signature(s)  
Certified Public Accountants, Hong Kong  
Practising Certificate Number S0655  
**Director - Choi Pak Kei**  
Certified Public Accountants, Hong Kong  
Practising Certificate Number P05603  
Date : 27 August 2021

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ASIA CHILDREN EDUCATION ASSOCIATION LIMITED  
 INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2020

	<u>Note</u>	2020 HKD	2019 HKD
<b>REVENUE</b>	3	24,142	120,720
<b>OTHER INCOME</b>	3	-	-
<b>ADMINISTRATIVE AND OPERATING EXPENSES</b>		(15,115)	(79,104)
<b>PROFIT/(LOSS) BEFORE TAX</b>	4	9,027	41,616
<b>INCOME TAX EXPENSE</b>	6	-	-
<b>PROFIT/(LOSS) FOR THE YEAR/PERIOD</b>		<u>9,027</u>	<u>41,616</u>
<b>RETAINED PROFITS/(ACCUMULATED LOSS) BROUGHT FORWARD</b>		<u>9,143</u>	<u>(32,473)</u>
<b>RETAINED PROFITS/(ACCUMULATED LOSS) CARRIED FORWARD</b>		<u>18,170</u>	<u>9,143</u>

The accompanying Accounting Policies and Explanatory Notes form an integral part of, and should be read in conjunction with, these financial statements.

ASIA CHILDREN EDUCATION ASSOCIATION LIMITED  
 STATEMENT OF FINANCIAL POSITION  
 AS AT 31 DECEMBER 2020

	<u>Note</u>	2020 HKD	2019 HKD
<b>CURRENT ASSETS</b>			
Cash and bank balances		25,020	12,485
		<u>25,020</u>	<u>12,485</u>
<b>CURRENT LIABILITIES</b>			
Accrued expenses		6,850	3,342
		<u>6,850</u>	<u>3,342</u>
<b>NET CURRENT ASSETS / (LIABILITIES)</b>		<u>18,170</u>	<u>9,143</u>
<b>NET ASSETS / (LIABILITIES)</b>		<u>18,170</u>	<u>9,143</u>
<b>EQUITY</b>			
Reserve(deficit)	7	<u>18,170</u>	<u>9,143</u>
<b>TOTAL EQUITY</b>		<u>18,170</u>	<u>9,143</u>

Approved on behalf of the Board by :  
 Date : 27 August 2021

  
 \_\_\_\_\_  
 CHEUNG KA CHING  
 Director

  
 \_\_\_\_\_  
 CHAN FUI SHAN  
 Director

The accompanying Accounting Policies and Explanatory Notes form an integral part of, and should be read in conjunction with, these financial statements.

ASIA CHILDREN EDUCATION ASSOCIATION LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

**1 Reporting entity**

The Company incorporated in Hong Kong with limited by guarantee. The Company's registered office is located at Unit 1, 11/F, Treasure Centre, No. 42 Hung To Road, Kwun Tong, Hong Kong

The principal activity of the Company was the provision of enhance the development and education.

**Brief description**

ASIA CHILDREN EDUCATION ASSOCIATION LIMITED  
FOR THE YEAR ENDED 31 DECEMBER 2020

**Abbreviation**

("the Company")  
("2020")

**2 Basis of preparation and accounting policies**

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 its 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 Institutes of Certified Public Accountants.

These financial statements comply with the Small and Medium-sized Entity Financial Reporting Standard issued by the Hong Kong Institute of Certified Public Accountants and have been prepared under the accrual basis of accounting and on the basis that the Company 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:

**Revenue**

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

- Service income is recognised upon the relevant services are completed and rendered.
- Bank interest income is recognised on receipt basis.

**Borrowing costs**

Borrowing costs are recognised as an expense in the period in which they are incurred.

## **2 Basis of preparation and accounting policies (cont'd)**

### **Foreign exchange**

The reporting currency of the Company is Hong Kong Dollars, which is the currency of the primary economic environment in which the Company operates.

Foreign currency transactions are converted at the exchange rate applicable at the transaction date. Foreign currency monetary items are translated into Hong Kong Dollars using exchange rates applicable at the statement of financial position date. Gains and losses on foreign exchange are recognised in income statement.

### **Taxation**

Income tax expense represents current tax expense. The income tax payable represents the amounts expected to be paid to the taxation authority, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is not provided.

### **Property, plant and equipment**

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

The depreciable 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 follows:

No property, plant and equipment stated in statement of financial position.

### **Investments in securities (if any)**

Current investments are stated at the lower of cost and net realisable value. Long-term investments are stated at cost less accumulated impairment losses.

### **Inventories (if any)**

Inventories are stated at the lower of cost (using a first-in-first-out basis) and net realisable value. In arriving at net realisable value an allowance has been made for deterioration and obsolescence.

### **Impairment of assets**

An assessment is made at the end of each reporting period 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 recognised in the income statement. A previously recognised 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 amortisation or depreciation), had no impairment losses been recognised for the asset in prior years.

## 2 Basis of preparation and accounting policies (cont'd)

### Leases

Leases that transfer substantially all the rewards and risks of ownership of assets to the company are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the income statement.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Leases where substantially all the risks and rewards of ownership of assets are not transferred to the lessee are accounted for as operating leases. Annual rents applicable to such operating leases are charged to the income statement on a straight-line basis over the lease term.

Lease where substantially all the rewards and risks of ownership of assets remain with the leasing company are accounted for as operating leases. Rentals applicable to such operating leases are charged to income statement on a straight line basis over the lease term.

### Operating lease (if any)

Lease where substantially all the rewards and risks of ownership of assets remain with the leasing company are accounted for as operating leases. Rentals applicable to such operating leases are charged to income statement on a straight line basis over the lease term.

### Trade and other receivables

Trade and other receivables are stated at estimated realisable value after each debt has been considered individually. Where the payment of a debt becomes doubtful a provision is made and charged to the income statement.

### Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand 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. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are also included as a component of cash and cash equivalents for the purpose of the cash flow statement.

### Related parties

A party is related to the Company if:

- (i) directly or indirectly through one or more intermediaries, the party controls, is controlled by, or is under common control with, the Company; has an interest in the Company that gives it significant influence over the Company; or has joint control over the Company;
- (ii) the party is an associate;
- (iii) the party is a joint venture;
- (iv) the party is a member of the key management personnel of the Company or its parent;
- (v) the party is a close member of the family of any individual referred to in (i) or (iv);
- (vi) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
- (vii) the party is a post-employment benefit plan for the benefit of employees of the Company, or of any entity that is a related party of the Company.

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ASIA CHILDREN EDUCATION ASSOCIATION LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 DECEMBER 2020

**3 Revenue, other revenue and finance costs**

An analysis of the Company's revenue is as follows:

	2020 HKD	2019 HKD
<b>REVENUE</b>		
Income	24,142	120,720
	<u>24,142</u>	<u>120,720</u>
<b>OTHER INCOME</b>		
Bank interest income	-	-
	<u>-</u>	<u>-</u>
Total income for the year	<u>24,142</u>	<u>120,720</u>

**4 Profit/(Loss) before taxation**

Profit/(Loss) before taxation is arrived at :

	2020 HKD	2019 HKD
<b><u>After (crediting) / charging the following item :</u></b>		
Auditors' remuneration	4,450	7,400
Directors' remuneration	-	-
Other staff costs	-	-
	<u>-</u>	<u>-</u>

ASIA CHILDREN EDUCATION ASSOCIATION LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

**5 Directors' remuneration**

Director's remuneration disclosed pursuant to Section 383(1) of the Companies Ordinance is as follows:

	2020 HKD	2019 HKD
Salary	-	-
Director('s) fee	-	-
Director('s) quarter expense	-	-
Other emoluments	-	-
	<u>-</u>	<u>-</u>

**6 Income tax**

Hong Kong Profits Tax has been provided at the rate of 16.5% (Last year: 16.5%) on the estimated assessable profit, of which first HK\$2,000,000 is on 8.25% of estimated assessable profits, arising in Hong Kong during the year.

The Company is entitled to exemption from Section 88 of the Inland Revenue Ordinance (Cap. 112). Therefore, exempt from all taxes payable under the Ordinance.

	2020 HKD	2019 HKD
<u>IN INCOME STATEMENT</u>		
Hong Kong profits tax payable for the year/period	-	-
(Over) / Under provision to prior years	-	-
Income tax expense /(refund)	<u>-</u>	<u>-</u>

**7 Changes in equity**

	<u>Share capital</u> HKD	<u>Retained profits</u> <u>/(Accumulated loss)</u> HKD	<u>Total</u> HKD
Balance at beginning of the year	-	9,143	9,143
Profit / (Loss) for the year	<u>-</u>	<u>9,027</u>	<u>9,027</u>
Balance at the end of year	<u>-</u>	<u>18,170</u>	<u>18,170</u>

**8 Approval of financial statements**

These financial statements were authorised for issue by the Company's Board of Director on :  
 Date : 27 August 2021

\*\*\* END \*\*\*

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