

EDNOVATORS LIMITED

教育燃新有限公司

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

**REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

Certified True Copy



Director



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EDNOVATORS LIMITED
教育燃新有限公司

REPORT OF DIRECTORS

The directors have pleasure to present their annual report and audited financial statements for the year ended 31 March 2021.

PRINCIPAL ACTIVITY

The principal activity of Ednovators Limited (the “Company”) is to catalyze innovations in education and to regenerate the learning eco-system and promote a positive learning culture in Hong Kong. The Company was granted the status of charitable institution and is exempted from tax under section 88 of the Inland Revenue Ordinance since 30 July 2016.

STATE OF AFFAIRS

The state of the Company’s affairs at 31 March 2021 is set out in the statement of financial position on page 7.

The results for the year ended 31 March 2021 are set out in the income statement on page 6.

RESERVES

The particulars in reserves during the year are set out in note 9 on page 13.

DIRECTORS

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

Wong Ying Kay Ada
Lo Yuk Chun
Chan Kwan Yeung, Arnold
Choy Mei Pik, Rebecca
Lo Po Chun
Ng Kinal (resigned on 11 July 2020)
Wong Ka Man (resigned on 11 July 2020)
Chow Choi Hung, Rainbow (resigned on 11 July 2020)

In accordance with Article 25 of the Company’s Articles of Association, all directors shall hold office for an unlimited period of time or retire from office at the next annual meeting following the appointment, but for retiring director, who is eligible for reappointment to the office.

DIRECTORS’ INTERESTS

No contracts of significance in relation to the company's business to which the company was a party and in which the directors of the company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

EDNOVATORS LIMITED
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REPORT OF DIRECTORS

PERMITTED INDEMNITY PROVISIONS

At any time during the year and up to the date of this report, there were no permitted indemnity provisions in force for the benefit of any of the directors 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.

EVENT AFTER THE REPORTING PERIOD

There is no significant event after the reporting period that should be disclosed under section 390(2) of the Hong Kong Companies Ordinance (Cap. 622).

AUDITORS

During the year, Holy & Co, Certified Public Accountants (Practising) resigned and C C Kwong & Co. was appointed as auditor of the Company to fill the casual vacancy.

C C Kwong & Co. retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of C C Kwong & Co. as auditors of the Company is to be proposed at the forthcoming Annual General Meeting.

By order of the Board



Wong Ying Kay Ada
Chairperson

Date

12 JUL 2021

Independent auditor's report to the members of

Ednovators Limited

教育燃新有限公司

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

Opinion

We have audited the financial statements of Ednovators Limited (the "Company") set out on pages 6 to 13, which comprise the statement of financial position as at 31 March 2021, 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 ("HKSAs") 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 the information included in the report of directors, 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.

**Independent auditor's report to the members of
Ednovators Limited**

教育燃新有限公司

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

[Continued]

Responsibilities of directors and Those Charged with Governance 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 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.

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, solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. 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.

**Independent auditor's report to the members of
Ednovators Limited
教育燃新有限公司**

(Incorporated in Hong Kong with limited by guarantee and not having a share capital)
[Continued]

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

- 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.

C C Kwong & Co.
Certified Public Accountants (practising)
Room 1703, 17/F., Tai Tung Building,
No.8 Fleming Road,
Wan Chai, Hong Kong

Date: 12 JUL 2021

Income statement
For the year ended 31 March 2021
 (Expressed in Hong Kong Dollars)

	Notes	2021 HK\$	2020 HK\$ (restated)
Revenue	3	4,675,257	7,460,101
Other income	3	432,000	90,500
Project cost		(4,086,624)	(8,096,505)
Administrative expenses		(187,939)	(119,077)
Surplus/ (deficit) before tax	4	832,694	(664,981)
Income tax expense	7	-	-
Surplus/ (deficit) for the year		<u>832,694</u>	<u>(664,981)</u>

The annexed notes form an integral part of these financial statements.

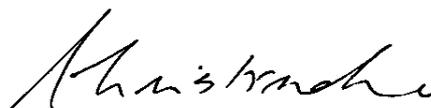
Statement of financial position
As at 31 March 2021
 (Expressed in Hong Kong Dollars)

	Notes	2021 HK\$	2020 HK\$ (restated)
NON-CURRENT ASSETS			
Plant and equipment	8	-	6,456
CURRENT ASSETS			
Account receivable		4,043,356	4,514,187
Prepayment and deposit		131,194	173,011
Cash at bank		6,817,936	164,619
		<u>10,992,486</u>	<u>4,851,817</u>
CURRENT LIABILITIES			
Accruals		59,860	2,699,513
Receipts in advance		10,199,172	743,000
Amount due to directors	9	-	1,515,000
		<u>10,259,032</u>	<u>4,957,513</u>
NET CURRENT ASSETS/ (LIABILITIES)		<u>733,454</u>	<u>(105,696)</u>
NET ASSETS/ (LIABILITIES)		<u>733,454</u>	<u>(99,240)</u>
EQUITY			
Accumulated surplus/ (deficit)	10	<u>733,454</u>	<u>(99,240)</u>

Approved and authorized for issue by the board of directors on 12 JUL 2021



 Wong Ying Kay Ada
 Director



 Lo Yuk Chun
 Director

The annexed notes form an integral part of these financial statements.

Notes to the financial statements
(Expressed in Hong Kong Dollars)

1. General information

Ednovators Limited (the “Company”) is a non-profit making organisation and the principal activity of the Company is to catalyze innovations in education and to regenerate the learning eco-system and promote a positive learning culture in Hong Kong. The Company was granted the status of charitable institution and is exempted from tax under section 88 of the Inland Revenue Ordinance since 30 July 2016.

The Company is incorporated in Hong Kong limited by guarantee and not having a share capital. The address of the Company’s registered office and its principal place of business is 9/F., Fortis Tower, 77 Gloucester Road, Wanchai, Hong Kong.

2. Basis of preparation and significant accounting policies

The Company qualifies for the reporting exemption as a small guarantee 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 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:

(a) Revenue recognition

- (i) Subventions and contributions from the Government or third parties for general purposes are recognised as income in income statement when received or the rights of collection can be established by the Company.
- (ii) Interest income is recognized on a time proportion basis taking into account the principal outstanding and the interest applicable;
- (iii) Donation income is recognized upon received.
- (iv) Workshop income is recognized upon received.

(b) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated 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:

Office equipment	25% per annum
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Accounting policies and explanatory notes to the financial statements

2 Basis of preparation accounting policies (continued)

(c) Operating leases

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.

(d) Employee benefits

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

(e) Related parties

A related party is a person or entity that is related to the entity that is preparing its financial statements (in this Standard referred to as the 'reporting entity').

- (a) A person or a close member of that person's family is related to a reporting entity if that person:
 - (i) has control or joint control over the reporting entity;
 - (ii) has significant influence over the reporting entity; or
 - (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- (b) An entity is related to a reporting entity if any of the following conditions applies:
 - (i) The entity and the reporting entity 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 reporting entity or an entity related to the reporting entity. 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) 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).

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. Revenue and other income

An analysis of the Company's revenue and other income are as follows:

	2021	2020
	HK\$	HK\$
Revenue		(restated)
Income from:		
D.H.Chen Foundation	622,349	-
The Hong Kong Jockey Club -Teacher fellowship	3,161,249	5,205,083
The Hong Kong Jockey Club – Better Me Better We	405,900	-
The Hong Kong Jockey Club -Ednovation Fest	-	2,693,612
The Hong Kong Jockey Club -The Future learning	410,859	-
Workshop income	74,900	39,000
	4,675,257	7,937,695
Other income		
Donation income	-	1,500
Sundry income	-	89,000
Government subsidy	432,000	-
	432,000	90,500
Total revenue and other income	5,201,357	8,028,195

4. Surplus/ (deficit) before tax

Surplus/ (deficit) before tax is arrived after charging:

Auditor's remuneration	7,000	7,000
Depreciation	6,456	6,457

5. Correction of error

When preparing the financial statements for the year ended 31 March 2021, the Company has identified several errors in prior year, mainly as follows:

In year 2020, the Company understated the project income and project cost. The errors have been corrected by restating each of the affected financial statements items for year 2020 as follows:

	2020 (as originally stated) HK\$	(Decrease)/ Increase HK\$	2020 (restated) HK\$
Statement of financial position			
<u>Liabilities</u>			
Receipt in advance	1,820,741	(1,077,741)	743,000
Accruals	814,794	1,884,719	2,699,513
	2,635,535	806,978	3,442,513
<u>Equity</u>			
Accumulated surplus/ (deficit)	707,738	(806,978)	(99,240)
Income statements			
<u>Revenue</u>			
HKJC – Fee for 3rd Cohort of teacher fellows	1,114,386	477,594	1,591,980
<u>Project cost</u>			
Teacher fellowship	3,202,157	1,284,572	4,486,729

Notes to the financial statements
(Expressed in Hong Kong Dollars)

6. Directors' remuneration

Remuneration of the company's director disclosed pursuant to section 383 of the Hong Kong Companies Ordinance (Cap. 622) and the Companies (Disclosure of Information about Benefits of Directors) Regulation (Cap. 622G) is as follows:

	2021 HK\$	2020 HK\$
Fee	-	-
Other emoluments	-	-
	-	-

7. Income tax expense

The Company is exempted from Hong Kong Profits Tax under Section 88 of the Hong Kong Inland Revenue Ordinance with effect from 30 July 2016. Accordingly, no provision for Hong Kong Profits Tax has been made for the year.

8. Plant and equipment

	Office equipment HK\$
<u>Cost</u>	
At 1 April 2020	25,827
Additions for the year	-
At 31 March 2021	25,827
<u>Accumulated depreciation</u>	
At 1 April 2020	19,371
Charge for the year	6,456
At 31 March 2021	25,827
 <u>Net carrying amount</u>	
At 31 March 2021	-
 At 31 March 2020	6,456

Notes to the financial statements
(Expressed in Hong Kong Dollars)

9. Amount due to directors

The amounts due to directors are unsecured, interest-free and repayable on demand.

10. Changes in equity

	Accumulated surplus/ (deficit) HK\$
Balance at 1 April 2019	565,741
Surplus for the year	141,997
Balance at 31 March 2020	<u>707,738</u>
Correction of errors (Note 5)	<u>(806,978)</u>
Balance at 31 March 2020 and at 1 April 2020 as restated	(99,240)
Surplus for the year	832,694
Balance at 31 March 2021	<u><u>733,454</u></u>

11. Comparative figures

Certain comparative figures have been re-classified to conform with the current year's presentation.

12. Approvals of financial statements

The financial statements were approved and authorised for issue by the board of directors
on

12 JUL 2021