

ASPIRATION FOUNDATION LIMITED
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
MARCH 31, 2021



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ASPIRATION FOUNDATION LIMITED
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021

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ASPIRATION FOUNDATION LIMITED

REPORT OF THE EXECUTIVE COUNCILLORS

The executive councillors have pleasure in submitting their report and the audited financial statements for the year ended March 31, 2021.

PRINCIPAL ACTIVITIES

The principal activities of the Association are for relief of poverty, advancement of education, advancement of health, relief of sickness and advancement of environmental protection for the benefit of the Hong Kong community, on a non-profit making basis.

THE STATE OF THE ASSOCIATION'S AFFAIRS AND APPROPRIATIONS

The state of the Association's affairs as at March 31, 2021 are set out in the financial statements on pages 4 to 7.

EXECUTIVE COUNCILLORS

The executive councillors of the Association during the year and up to the date of this report were:

YIM Wai Lap
YIN Wai Yin, Juanna
YIM Sze Wa
YIM Sze Yu

In accordance with Article 45 of Part B of the Association's articles of association, one-third of the Executive Councillors shall retire from office at the first general meeting and every three years, but shall be eligible for re-election.

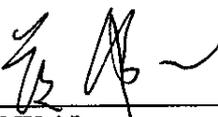
MANAGEMENT CONTRACTS

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

AUDITORS

The financial statements have been audited by Alfred Ho & Co. who retire and, being eligible, offer themselves for re-appointment.

For and on behalf of the Board



YIM Wai Lap
Chairman

Hong Kong, November 19, 2021

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何祐康：香港會計師公會及稅務學會資深會員
註冊稅務師、加拿大特許會計師

Alfred Ho: Fellow of HKICPA & TIHK
CTA, CPA (Canada) & CA

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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
ASPIRATION FOUNDATION LIMITED**

(Incorporated in Hong Kong with liability limited by guarantee)

Opinion

We have audited the financial statements of Aspiration Foundation Limited (the "Association") set out on pages 4 to 7, which comprise the statement of financial position as at March 31, 2021, and the statement of income and expenditures 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 Association are prepared, in all material respects, in accordance with the Hong Kong Small and Medium-sized Entity Financial Reporting Standard (the "SME-FRS") issued by the Hong Kong Institute of Certified Public Accountants (the "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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Association in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other 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 executive councillors are responsible for the other information. The other information comprises the information included in Report of the Executive Councillors, 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 Executive Councillors and Those Charged with Governance for the Financial Statements

The executive councillors 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 executive councillors 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 executive councillors are responsible for assessing the Association'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 executive councillors either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
ASPIRATION FOUNDATION LIMITED**
(Incorporated in Hong Kong with liability limited by guarantee)

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. Our report will be 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 our 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the executive councillors.
- Conclude on the appropriateness of the executive councillors' 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 Association'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 Association 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.



Alfred Ho & Co.
Certified Public Accountants

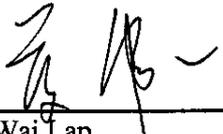
Hong Kong, November 19, 2021

ASPIRATION FOUNDATION LIMITED

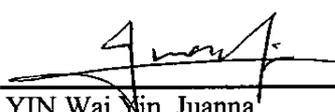
**STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2021**

	Note	2021 HK\$	2020 HK\$
CURRENT ASSETS			
Loan receivable		668,037	335,987
Cash in bank		1,876,940	3,004,450
		<u>2,544,977</u>	<u>3,340,437</u>
CURRENT LIABILITIES			
Other payable & accruals		<u>(7,000)</u>	<u>(385,664)</u>
NET CURRENT ASSETS			
		<u>2,537,977</u>	<u>2,954,773</u>
REPRESENTING:			
General fund	2	2,537,977	2,954,773
		<u>2,537,977</u>	<u>2,954,773</u>

Approved by the Board of Executive Councillors on November 19, 2021,



YIM Wai Lap
Executive Councillor



YIN Wai Yin, Juanna
Executive Councillor

The notes on pages 6 to 7 form an integral part of these financial statements.

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ASPIRATION FOUNDATION LIMITED

**STATEMENT OF INCOME AND EXPENDITURES
FOR THE YEAR ENDED MARCH 31, 2021**

	Note	For the year ended 31/03/2021 HK\$	For the period 10/01/2019 to 31/03/2020 HK\$
Income			
Donation income		4,000,000	3,016,000
Interest income		9	-
		<u>4,000,009</u>	<u>3,016,000</u>
Expenditures			
Donation payout		4,399,556	30,310
Administrative and general expenses		17,249	30,917
		<u>4,416,805</u>	<u>61,227</u>
Net (deficit) / surplus for the year / period	3	<u>(416,796)</u>	<u>2,954,773</u>

The notes on pages 6 to 7 form an integral part of these financial statements.

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ASPIRATION FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

REPORTING ENTITY

Aspiration Foundation Limited (the "Association"), a company incorporated in Hong Kong with liability limited by guarantee, is a registered charitable institution. The income and property of the Association, howsoever derived, shall be applied solely towards the promotion of the objects set out in the Association's articles of association. The Association's funds are not distributable to its members. Every member of the Association undertakes to contribute, if required, an amount not exceeding HK\$50 to the assets of the Association in the event of its being wound up.

The principal activities of the Association are for relief of poverty, advancement of education, advancement of health, relief of sickness and advancement of environmental protection for the benefit of the Hong Kong community, on a non-profit making basis.

The registered office of the Association is located at Room 2003, 20/F., CCT Telecom Building, 11 Wo Shing Street, Fotan, N.T., Hong Kong.

The financial statements for the current period cover 12 month period ended March 31, 2021. The corresponding amounts shown for the statement of income and expenditures and related notes cover a period from January 10, 2019 to March 31, 2020, and therefore may not be comparable with amounts shown for the current period. The prior period covered was not equal to twelve months because the Association was incorporated on January 10, 2019.

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The Association 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 (the "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 Association is a going concern.

The measurement base adopted is the historical cost convention.

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

The following are the specific accounting policies that are necessary for a proper understanding of the financial statements:

(a) Recognition of income

Revenue is recognized when it is probable that the economic benefits will flow to the Association and when the revenue can be measured reliably, on the following bases:

- (i) donation income is recognized on a cash basis; and
- (ii) interest income is recognized on a time proportionate basis, taking into account the principal amounts outstanding and the interest rates applicable.

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ASPIRATION FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

(b) Foreign exchange

The reporting currency of the Association is Hong Kong Dollars, which is the currency of the primary economic environment in which the Association 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 end of the reporting period. Gains and losses on foreign exchange are recognized in the income statement.

2. CHANGES IN ACCUMULATED SURPLUS

	HK\$
Balance at March 31, 2020	2,954,773
Net deficit for the year	(416,796)
Balance at March 31, 2021	<u>2,537,977</u>

3. NET (DEFICIT) / SURPLUS FOR THE YEAR / PERIOD

Net (deficit) / surplus for the year / period is arrived at after charging the following:

	For the year ended 31/03/2021 HK\$	For the period 10/01/2019 to 31/03/2020 HK\$
Exchange loss, net	2,574	-
Preliminary expenses	<u>-</u>	<u>13,500</u>

4. EXECUTIVE COUNCILLORS' REMUNERATIONS

None of the executive councillors received or will receive any fees or emoluments in respect of their services rendered to the Association during the year (2020: Nil).

5. TAXATION

The Association being a registered charitable institution is exempted from Hong Kong profits tax by virtue of Section 88 of the Inland Revenue Ordinance.

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