

EVERBRIGHT CONCERN ACTION LIMITED
(樂天關懷行動有限公司)
(Incorporated in Hong Kong and limited by guarantee)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020



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EVERBRIGHT CONCERN ACTION LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

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**EVERBRIGHT CONCERN ACTION LIMITED
COUNCIL MEMBERS' REPORT
FOR THE YEAR ENDED 31 MARCH 2020**

The council members present their report together with the audited financial statements for the year ended 31 March 2020.

1. PRINCIPAL ACTIVITIES

The principal activities of the Company during the reporting period are provision of services to neediest and most abandoned in the societies, relieving the distressed, caring for the poor elderly. The Company is exempt from Hong Kong profits tax under Section 88 of the Inland Revenue Ordinance of Hong Kong.

2. COUNCIL MEMBERS

The council members during the reporting period and up to the date of this report were as follows:

KWOK Tung Wah, Elite
CHOI Kenneth

3. PERMITTED INDEMNITY PROVISION

At no time during the reporting period and at the time of approval of this report were there any permitted indemnity provisions in force for the benefit of one or more council members of the Company.

4. MANAGEMENT CONTRACTS

There were 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 reporting period.

5. APPROVAL OF THE COUNCIL MEMBERS' REPORT

This report was approved by the council members on 6 May 2021.

On behalf of the council members



KWOK Tung Wah, Elite

Hong Kong

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
EVERBRIGHT CONCERN ACTION LIMITED**
(Incorporated in Hong Kong with liability limited by guarantee and not having a share capital)

Opinion

We have audited the financial statements of Everbright Concern Action Limited ("the Company") set out on pages 4 to 16, which comprise the statement of financial position as at 31 March 2020, and the statement of comprehensive income, the 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 2018, and of its financial performance and its cash flows for the year then ended in accordance with the Hong Kong Financial Reporting Standard for Private Entities ("HKFRS for PE") 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.

Information Other than the Financial Statements and Auditor's Report Thereon ("Other Information")

The council members are responsible for the other information. The other information comprises the information included in the council members' 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.

Responsibilities of Council Members and Those Charged with Governance for the Financial Statements

The council members are responsible for the preparation of financial statements that give a true and fair view in accordance with the HKFRS for PE issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the council members 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 council members 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 council members 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
EVERBRIGHT CONCERN ACTION LIMITED**
(Incorporated in Hong Kong with liability limited by guarantee and not having a share capital)

Auditor's Responsibilities for the Audit of the Financial Statements

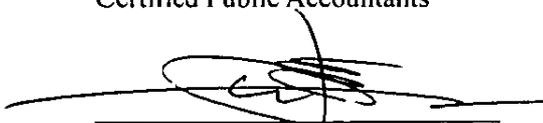
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with Section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other persons 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 council members.
- Conclude on the appropriateness of the council members' 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
WINSON ASIA CPA LIMITED
Certified Public Accountants


Choi Tsung Mang
HKICPA Practising Certificate No. P05072
Hong Kong, 6 May 2021

EVERBRIGHT CONCERN ACTION LIMITED
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31 MARCH 2020

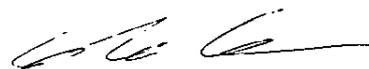
	Note	<u>2020</u> HK\$	<u>2019</u> HK\$
INCOME	2	9,428,202	7,573,955
Other income	2	40,009	2,540,023
LESS: EXPENDITURE	3	<u>(9,731,179)</u>	<u>(8,409,139)</u>
(DEFICIT) / SURPLUS FOR THE YEAR	4	<u><u>(262,968)</u></u>	<u><u>1,704,839</u></u>

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

EVERBRIGHT CONCERN ACTION LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2020

	Note	<u>2020</u> HK\$	<u>2019</u> HK\$
Non-current assets			
Property, plant and equipment	7	<u>2,698,573</u>	<u>2,604,963</u>
Current assets			
Cash and cash equivalents	8	1,031,269	541,186
Accounts and other receivables		8,875	65,731
Amounts due from the related companies	9	719,473	-
Deposits and prepayments		<u>218,949</u>	<u>229,208</u>
		<u>1,978,566</u>	<u>836,125</u>
Current liabilities			
Accounts payable and accruals		1,000,171	749,554
Amounts due to the related companies	10	<u>4,299,313</u>	<u>3,050,911</u>
		<u>(5,299,484)</u>	<u>(3,800,465)</u>
Net current liabilities		<u>(3,320,918)</u>	<u>(2,964,340)</u>
NET LIABILITIES		<u>(622,345)</u>	<u>(359,377)</u>
RESERVES			
Accumulated deficit		<u>(622,345)</u>	<u>(359,377)</u>

Approved and signed by the council members



KWOK Tung Wah, Elite



CHOI Kenneth

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

EVERBRIGHT CONCERN ACTION LIMITED
STATEMENT OF ACCUMULATED SURPLUS AND DEFICIT
FOR THE YEAR ENDED 31 MARCH 2020

	Accumulated deficit HK\$
At 1 April 2018	(2,064,216)
Surplus for the year	<u>1,704,839</u>
At 31 March 2019 and at 1 April 2019	(359,377)
Deficit for the year	<u>(262,968)</u>
At 31 March 2020	<u>(622,345)</u>

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

EVERBRIGHT CONCERN ACTION LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2020

	Note	<u>2020</u> HK\$	<u>2019</u> HK\$
Operating activities			
(Deficit) / Surplus for the year		(262,968)	1,704,839
Adjustments for:			
Depreciation on property, plant and equipment		<u>1,344,176</u>	<u>962,082</u>
Operating surplus before changes in working capital		<u>1,081,208</u>	<u>2,666,921</u>
Decrease / (increase) in accounts and other receivables		56,856	(32,629)
Increase in amounts due from the related companies		(719,473)	-
Decrease / (increase) in deposits and prepayments		10,259	(20,958)
Increase in accounts payable and accruals		250,617	11,381
Increase / (decrease) in amounts due to the related companies		<u>1,248,402</u>	<u>(2,320,000)</u>
Net cash generated from operating activities		<u>1,927,869</u>	<u>304,715</u>
Investing activities			
Purchases of property, plant and equipment		<u>(1,437,786)</u>	<u>(33,480)</u>
Net cash used in investing activities		<u>(1,437,786)</u>	<u>(33,480)</u>
Net increase in cash and cash equivalents		490,083	271,235
Cash and cash equivalents brought forward		<u>541,186</u>	<u>269,951</u>
Cash and cash equivalents carried forward	10	<u><u>1,031,269</u></u>	<u><u>541,186</u></u>

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

EVERBRIGHT CONCERN ACTION LIMITED
ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

Reporting entity

Everbright Concern Action Limited ("the Company") is incorporated in Hong Kong and limited by guarantee. According to the provisions of the memorandum of association of Company, every member shall, in the event of the Company being wound up, contribute such amount as may be required to meet the liabilities of the Company, but not exceeding HK\$1.00 each member.

The Company's registered office and principal place of business were situated at Flat 1007, 10/F., Wah Wai Centre, 38-40 Au Pui Wan Street, Fo Tan, New Territories, Hong Kong.

The principal activities of the Company during the reporting period are provision of services to neediest and most abandoned in the societies, relieving the distressed, caring for the poor elderly. The Company is exempt from Hong Kong profits tax under Section 88 of the Inland Revenue Ordinance of Hong Kong.

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standard for Private Entities ("HKFRS for PE") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the requirements of the Hong Kong Companies Ordinance. A summary of the significant accounting policies adopted by the Company is set out below.

(b) Basis of preparation

The measurement basis used in the preparation of the financial statements is historical cost. The financial statements are also prepared in conformity with accounting principles applicable to a going concern as the members have confirmed that they will provide such financial assistance as is necessary to maintain the Company as a going concern.

EVERBRIGHT CONCERN ACTION LIMITED
ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. Assets held under finance leases, for which there is no reasonable certainty that the Company will obtain ownership at the end of the lease term, are depreciated over their expected useful lives on the same basis as owned assets, or where shorter, the terms of the relevant lease. The following annual rates are used for the depreciation of property, plant and equipment:

- Computer	25% per annum
- Equipment	25% per annum
- Furniture and fixtures	25% per annum
- Kitchen equipment	25% per annum
- Leasehold improvements	25% per annum

If there is an indication that there has been a significant change in the depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

(d) 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. Bank overdraft is shown within borrowings in current liabilities on the statement of financial position.

(e) 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.

Rights to assets held under finance leases are recognised as assets of the Company at the fair value of the leased property (or, if lower, the present value of minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are deducted in measuring profit or loss. Assets held under finance leases are included in property, plant and equipment, and depreciated and assessed for impairment losses in the same way as owned assets.

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

EVERBRIGHT CONCERN ACTION LIMITED
ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Impairment of non-financial assets

At each end of the reporting period, non-financial assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If an estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in surplus or deficit.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (group of related assets) in prior years. A reversal of an impairment loss is recognised immediately in surplus or deficit.

(g) Employee benefit obligations

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.

(h) Revenue recognition

Provided it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in the statement of comprehensive income as follows:

Donation income

Donation income is accounted for on a receipt basis.

Program income

Program income is recognized when the programs are completed

EVERBRIGHT CONCERN ACTION LIMITED
ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Related parties

- (I) 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.
- (II) 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 the Company or an entity related to the Company.
 - (vi) The entity is controlled or jointly controlled by a person identified in (I).
 - (vii) A person identified in (I)(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.

EVERBRIGHT CONCERN ACTION LIMITED
ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

2. INCOME AND OTHER INCOME

	<u>2020</u>	<u>2019</u>
	HK\$	HK\$
(a) Income comprises of :		
General donations	1,535,002	188,511
Programs income from charitable activities (Note 2(b))	<u>7,893,200</u>	<u>7,385,444</u>
	<u>9,428,202</u>	<u>7,573,955</u>
Other income comprises of :		
Interest income	9	23
Government grants	<u>40,000</u>	<u>2,540,000</u>
	<u>40,009</u>	<u>2,540,023</u>
(b) Net programs income from charitable activities :		
Energetic Packing Job for Seniors	-	426,640
Enhancing Self-Reliance Through District Partnership programme - 銀杏冰室	5,485,898	6,910,815
Operation Santa Claus – Po Po Kitchen	2,367,302	-
Other programs	<u>40,000</u>	<u>47,989</u>
	<u>7,893,200</u>	<u>7,385,444</u>
Less: Direct expenses and direct staff costs incurred in charitable activities :		
Energetic Packing Job for Seniors	-	(138,791)
Enhancing Self-Reliance Through District Partnership programme - 銀杏冰室	(6,580,788)	(7,351,047)
Operation Santa Claus – Po Po Kitchen	(2,451,394)	-
Other programs	<u>(350)</u>	<u>(2,815)</u>
	<u>(9,032,532)</u>	<u>(7,492,653)</u>
Net programs expenses from charitable activities	<u>(1,139,332)</u>	<u>(107,209)</u>

EVERBRIGHT CONCERN ACTION LIMITED
ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

3. EXPENDITURE

	<u>2020</u>	<u>2019</u>
	HK\$	HK\$
Direct expenses and direct staff costs incurred in charitable activities (Note 2(b))	9,032,532	7,492,653
Operating expenses		
Accountancy and company secretarial fee	3,870	10,350
Advertising and promotion	-	-
Auditor's remuneration	23,000	23,000
Bank charges	3,263	576
Charitable donations	-	3,300
Computer expenses	-	2,818
Depreciation	52,138	58,171
Insurance	1,400	3,492
Mandatory Provident Fund contributions	37,572	39,177
Membership fee	2,330	-
Postage	-	100
Printing and stationery	1,125	30
Rent and rates	-	5,217
Staff salaries	573,949	764,663
Subscription fee	-	4,700
Travelling	-	892
	<u>9,731,179</u>	<u>8,409,139</u>

4. (DEFICIT) / SURPLUS FOR THE YEAR

(Deficit) / Surplus for the reporting period is arrived at after charging:

	<u>2020</u>	<u>2019</u>
	HK\$	HK\$
Staff costs:		
Salaries, bonus and allowances	3,229,671	3,825,306
Staff benefits	19,789	11,035
Mandatory Provident Fund contributions	<u>92,994</u>	<u>126,594</u>
	<u>3,342,454</u>	<u>3,962,935</u>
Other items:		
Auditor's remuneration	23,000	23,000
Charitable donations	-	3,300
Depreciation on owned assets	1,344,176	962,082
Operating lease charges	<u>365,866</u>	<u>280,251</u>

EVERBRIGHT CONCERN ACTION LIMITED
ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

5. COUNCIL MEMBERS' REMUNERATION

No remuneration of any kind was paid to any of the council members during the year.

6. TAXATION

The Company has been exempted under Section 88 of the Hong Kong Inland Revenue Ordinance from any tax by reason of its being a charitable institution.

7. PROPERTY, PLANT AND EQUIPEMNT

	<u>Computer</u> HK\$	<u>Equipment</u> HK\$	<u>Furniture and fixtures</u> HK\$	<u>Kitchen equipment</u> HK\$	<u>Leasehold improvements</u> HK\$	<u>Total</u> HK\$
Cost:						
At 1 April 2019	86,254	630,601	465,485	304,171	2,708,750	4,195,261
Additions during the year	-	76,446	-	-	1,361,340	1,437,786
At 31 March 2020	<u>86,254</u>	<u>707,047</u>	<u>465,485</u>	<u>304,171</u>	<u>4,070,090</u>	<u>5,633,047</u>
Accumulated depreciation:						
At 1 April 2019	14,376	346,694	227,711	101,033	900,484	1,590,298
Charge for the year	35,939	125,577	89,165	75,864	1,017,631	1,344,176
At 31 March 2020	<u>50,315</u>	<u>472,271</u>	<u>316,876</u>	<u>176,897</u>	<u>1,918,115</u>	<u>2,934,474</u>
Net carrying amount:						
At 31 March 2020	<u>35,939</u>	<u>234,776</u>	<u>148,609</u>	<u>127,274</u>	<u>2,151,975</u>	<u>2,698,573</u>
At 31 March 2019	<u>71,878</u>	<u>283,907</u>	<u>237,774</u>	<u>203,138</u>	<u>1,808,266</u>	<u>2,604,963</u>

8. CASH AND CASH EQUIVALENTS

	<u>2020</u> HK\$	<u>2019</u> HK\$
Cash in hand	16,526	43,799
Cash at bank	<u>1,014,743</u>	<u>497,387</u>
Cash and cash equivalents in the statement of financial position and statement of cash flows	<u>1,031,269</u>	<u>541,186</u>

EVERBRIGHT CONCERN ACTION LIMITED
ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

9. AMOUNTS DUE FROM RELATED COMPANIES

Loans, quasi-loans and other dealings in favour of directors (including shadow directors) of the Company disclosed pursuant to Section 383(1)(d) of Hong Kong Companies Ordinance and Part 3 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

<u>Name</u>	<u>Relationship</u>	<u>Terms</u>	Balance as at 31 March		Maximum balance outstanding during the year	
			<u>2020</u> HK\$	<u>2019</u> HK\$	<u>2020</u> HK\$	<u>2019</u> HK\$
Ever Delicious Company Limited	Related company	Note (a)	317,247	-	317,247	-
Golden Age Groups Limited	Related company	Note (a)	378,728	-	378,728	-
Evercare Holdings Limited	Related company	Note (a)	23,498	-	23,498	-
			<u>719,473</u>	<u>-</u>		

- (a) The amounts due were unsecured, interest-free and repayable on demand.
- (b) The directors of the Company have controlling interests in the above companies.
- (c) There was no amount due but unpaid, nor any provision made against the principal amount of or interest on these advancements at 31 March 2020 and 2019.

10. AMOUNTS DUE TO THE RELATED COMPANIES

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

11. OPERATING LEASE COMMITMENT

The Company's total future minimum lease payments under non-cancellable operating leases are payable as follows:

	<u>2020</u> HK\$	<u>2019</u> HK\$
Within 1 year	540,000	415,000
After 1 year but within 5 years	2,465,000	2,680,000
After 5 years	-	325,000
	<u>3,005,000</u>	<u>3,420,000</u>

EVERBRIGHT CONCERN ACTION LIMITED
ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

12. RELATED PARTY TRANSACTIONS

In addition to the balances disclosed elsewhere in these financial statements, the Company entered into the following material related party transactions:

	<u>2020</u> HK\$	<u>2019</u> HK\$
Health food income received from the related companies	<u>2,869,243</u>	<u>-</u>
Food and meals expenses charged by a related company	<u>-</u>	<u>(26,468)</u>

13. APPROVAL OF FINANCIAL STATEMENTS

The statement of financial position was approved and these financial statements were authorised for issue by the council members on 6 May 2021.