

ANGELS FOR CHILDREN LIMITED
REPORT OF THE DIRECTORS
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

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Certified as true by:-

Wendy CRAMOND
Director
Date: 28 July 2021



ANGELS FOR CHILDREN LIMITED
REPORT OF THE DIRECTORS

The directors have submitted their reports together with the audited financial statements of Angels For children Limited (the "Association") for the year ended 31 March 2020

Principal activities

The principal activities of the Association are the promotion of education, medical care, shelter, food and care of children who are orphaned worldwide.

Business review

The Association falls within reporting exemption for the financial reporting period. Accordingly, the Association is exempted from preparing a business review.

Results and appropriations

The result of the Association for the year ended 31 March 2020 and are set out in the statement of comprehensive income on page 6.

The state of affairs of the Association as at 31 March 2020 are set out in the statement of financial position on page 7.

Reserve

There were no movements in reserves except for changes to accumulated funds as detailed in page 8 to the financial statements.

DONATIONS

During the year, the Association made charitable donation of HK\$319,411(2019: HK\$113,549).

Directors

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

Helen Lorraine WHITMAN
Suzanne Lawrie SADLER
Wendy CRAMOND

Permitted Indemnity Provision

At no time during the year were there any permitted indemnity provision in force for the benefit of director of the Association.

At the time of approval of this report, there is no permitted indemnity provision in force for the benefit of director of the Association.

**ANGELS FOR CHILDREN LIMITED
REPORT OF THE DIRECTORS**

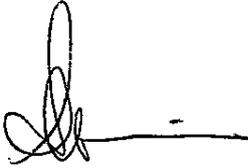
Director's interests in contracts

No contract of significance, to which the Association was a party and in which a director of the Association had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Auditor

Elite Partners CPA Limited, were appointed as the auditor of the Association in succession to TANDEM (HK) CPA Limited, will retire and, being eligible, offer themselves for re-appointment as auditor of the Association at the forthcoming annual general meeting.

Approved and signed on behalf of the board



Suzanne Lawrie SADLER
Chairman
Hong Kong, 12 July 2021

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ANGELS FOR CHILDREN LIMITED

(Incorporated in Hong Kong and liability limited by guarantee and not have share capital)

Opinion

We have audited the financial statements of Angels For Children Limited (the "Association") set out on pages 6 to 12, which comprise the statement of financial position as at 31 March 2020, the income statement and statement of changes in general fund and statement of cash flow 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 Association as at 31 March 2020, 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 Association 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 other information. The other information comprises the information included in the directors' report, but does not include the financial statements and our auditors' 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 and 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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INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ANGELS FOR CHILDREN LIMITED

(Incorporated in Hong Kong and liability limited by guarantee and not have share capital)

Responsibilities of directors for the financial statements

The directors are responsible for the preparation of the financial statements in accordance with the 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 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 directors 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.

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 to 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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INDEPENDENT AUDITOR'S REPORT (CONTINUED)

**TO THE MEMBERS OF
ANGELS FOR CHILDREN LIMITED**

(Incorporated in Hong Kong and liability limited by guarantee and not have 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 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.
- 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 directors 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.



Elite Partners CPA Limited
Certified Public Accountants
Hong Kong, 12 July 2021

Leung Man Kin
Practicing Certificate Number: P07174

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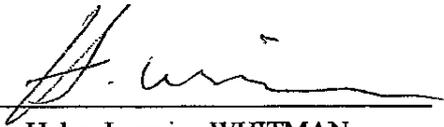
ANGELS FOR CHILDREN LIMITED
INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2020

| | Notes | <u>2020</u> HK\$ | <u>2019</u> HK\$ |
|-------------------------|-------|---------------------|---------------------|
| Donation received | | 319,411 | 113,549 |
| Gain from events | 3 | 274,115 | 237,299 |
| Donation paid | 4 | (546,588) | (682,527) |
| Net expenses | | 46,938 | (331,679) |
| Other income | | 816 | 957 |
| Administrative expenses | | (210,276) | (97,364) |
| Deficit for the year | 5 | <u>(162,522)</u> | <u>(428,086)</u> |

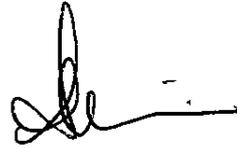
**ANGELS FOR CHILDREN LIMITED
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 MARCH 2020**

| | Notes | 2020 | 2019 |
|-----------------------------------|-------|------------------|--------------------|
| | | HK\$ | HK\$ |
| ASSETS | | | |
| Current assets | | | |
| Cash and bank balance | 8 | 919,886 | 1,073,908 |
| Total assets | | 919,886 | 1,073,908 |
| Fund | | | |
| General fund | | (888,240) | (1,050,762) |
| LIABILITIES | | | |
| Current liabilities | | | |
| Accrued expenses | | (31,646) | (23,146) |
| Total Liabilities | | (31,646) | (23,146) |
| Total fund and liabilities | | (919,886) | (1,073,908) |

These financial statements were approved and authorised to issue by the director on 12 July 2021.



Helen Lorraine WHITMAN
Director



Suzanne Lawrie SADLER
Director

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

ANGELS FOR CHILDREN LIMITED
STATEMENT OF CHANGES IN GENERAL FUND
FOR THE YEAR ENDED 31 MARCH 2020

| | HK\$ |
|---|----------------|
| General fund as at 1 April 2018 | 1,478,848 |
| Deficit for the year | (428,086) |
| | <hr/> |
| General fund as at 31 March 2019 and 1 April 2019 | 1,050,762 |
| Deficit for the year | (162,522) |
| | <hr/> |
| General fund as at 31 March 2020 | 888,240 |
| | <hr/> <hr/> |

ANGELS FOR CHILDREN LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2020

| | <u>2020</u> | <u>2019</u> |
|--|----------------|------------------|
| | HK\$ | HK\$ |
| OPERATING ACTIVITIES | | |
| Deficit for the year | (162,522) | (428,086) |
| Adjustment for | | |
| Interest income | (816) | (772) |
| Operating cash flows before movements in working capital | (163,338) | (428,858) |
| Increase in accrued expenses | 8,500 | 9,000 |
| Net cash used in operating activities | (154,838) | (419,858) |
| INVESTING ACTIVITY | | |
| Interest received | 816 | 772 |
| Net cash generated from investing activity | 816 | 772 |
| Net decrease in cash and cash equivalents | (154,022) | (419,086) |
| Cash and cash equivalent at the beginning of year | 1,073,908 | 1,492,994 |
| Cash and cash equivalent at the end of year | <u>919,886</u> | <u>1,073,908</u> |
| Analysis of balances of cash and cash equivalents | | |
| Bank balances and cash | <u>919,886</u> | <u>1,073,908</u> |

ANGELS FOR CHILDREN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

1. GENERAL INFORMATION

Angels For Children Limited (the “Association”) was established as a company limited by guarantee without a share capital with the aim to promote education, medical care, shelter, food and care of children who are orphaned worldwide.

The address of its registered office is 15-16/F., Nexxus Building, 41 Connaught Road Central, Hong Kong.

The Association was incorporated on 26 March 2009 under the Hong Kong Companies Ordinance and was limited by guarantee without a share capital. Under the provision of the Association’s Memorandum and Articles of Association, every member shall, in the event of the Association being wound up, contribute to the assets of the Association to the extent of HK\$100.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The Association qualifies for the reporting exemption as a small private 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 Hong Kong Financial Reporting Standard for Private Entities issued by the Hong Kong Institute of Certified Public Accountants.

These financial statements comply with the Hong Kong Financial Reporting Standard for Private Entities and have been prepared under the accrual basis of accounting and on the basis that the Association is a going concern.

The measurement basis used in the preparation of these financial statements is historical cost.

(b) Currency

These financial statements have been prepared in Hong Kong dollars.

(c) Revenue recognition

Fund raising and sundry income are recognised on an accrual’s basis.

(d) Cash and bank balance

For the purpose of cash flow statement, cash equivalents represent short-term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, net of bank overdrafts. For balance sheet classification, cash equivalents represent assets similar in nature to cash, which are not restricted as to use.

(e) Going concern

The financial statements have been prepared on a going concern basis on the assumption that the Association will be able to attain profitable operation in the future and that until such time the shareholders agreed to provide such financial support for the Association meet its obligation as they fall due.

ANGELS FOR CHILDREN LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

3. GAIN FROM EVENTS

An analysis of the Association's gain from events is as follows,

| Event | Angels Fitness Challenge HK\$ | Charity Swap Shop HK\$ | Quiz Night HK\$ | Whisky on Pennington HK\$ | PLK Fun Day HK\$ | Total HK\$ |
|--------------------|--|---------------------------------|--------------------|---------------------------------|------------------------|---------------|
| Income from event | 119,909 | 50,615 | 15,231 | 88,360 | - | 274,115 |
| Cost of event | (16,133) | (3,787) | (767) | (61,369) | (3,311) | (85,367) |
| Net income /(cost) | 103,776 | 46,828 | 14,464 | 26,991 | (3,311) | 188,748 |

4. DONATION PAID

An analysis of the Association's donation paid is as follows,

| | <u>2020</u> HK\$ | <u>2019</u> HK\$ |
|--|---------------------|---------------------|
| Bali kids | 87,480 | 87,097 |
| Po Leung Kuk | 330,000 | 315,000 |
| Society For Community Organisation Limited | 28,216 | 116,000 |
| Sunrise Cambodia | 100,892 | 164,430 |
| | <u>546,588</u> | <u>682,527</u> |

5. DEFICIT FOR THE YEAR

Deficit for the year is arrived at after charging:

| | <u>2020</u> HK\$ | <u>2019</u> HK\$ |
|------------------------|---------------------|---------------------|
| Auditors' remuneration | 8,500 | 9,000 |

6. DIRECTORS' REMUNERATION

No directors' remuneration disclosed pursuant to section 383 of the Hong Kong Companies Ordinance (Cap.622) and Companies (Disclosure of Information about benefits of Directors) Regulation (Cap 622G) for the year ended 31 March 2020 (2019: Nil).

ANGELS FOR CHILDREN LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

7. INCOME TAX EXPENSE

No Hong Kong profits tax has been provided in the financial statements as the Association is a charitable organisation within the meaning of Section 88 of the Hong Kong Inland Revenue Ordinance (the "IRO") and accordingly, it is exempted from payments of all taxes that are levied under the IRO.

8. CASH AND BANK BALANCE

| | <u>2020</u> | <u>2019</u> |
|--------------------------|-------------|-------------|
| | HK\$ | HK\$ |
| Cash at bank and in hand | 919,886 | 1,073,908 |

9. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issued by the directors on 12 July 2021.

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