

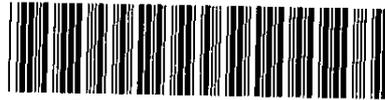
EAST KOWLOON YOUTH SOCIETY LIMITED

東九龍青年社有限公司

(A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2020



23101874293

ZAC

19/10/2021

1978891

黃龍德會計師事務所有限公司

香港執業會計師、英國特許會計師

PATRICK WONG C.P.A. LIMITED

Certified Public Accountants (Practising), Hong Kong Chartered Accountants



黃龍德會計師



CONTENTS

| | <u>Pages</u> |
|--|--------------|
| Directors' Report | 1 |
| Independent Auditor's Report | 2 - 3 |
| Statement of Income and Retained Surplus | 4 |
| Statement of Financial Position | 5 |
| Statement of Cash Flows | 6 |
| Notes to the Financial Statements | 7 - 9 |

(EXPRESSED IN HONG KONG DOLLARS)

EAST KOWLOON YOUTH SOCIETY LIMITED
東九龍青年社有限公司
 (A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL)

DIRECTORS' REPORT

The directors submit herewith their annual report together with the audited financial statements for the year ended 31 December 2020.

PRINCIPAL ACTIVITIES

The principal activities of East Kowloon Youth Society Limited (the "Association") are organizing activities to educate the youngster and develop their talents.

RESULTS

The financial performance of the Association for the year ended 31 December 2020 and its financial position at that date are set out in the financial statements on pages 4 to 9.

DIRECTORS

The directors of the Association during the financial year were as follow:-

| | |
|-----------------------------|-------------------------------|
| CHEUNG, Wing Leung 張永良 | |
| FUNG, Kam Ho 馮錦濠 | |
| YU, Wai Chun 余維俊 | |
| HO, Hong Man 何漢文 | (Elected on 18 December 2020) |
| LI, Pui Hei 李沛禧 | (Elected on 18 December 2020) |
| NGAI, Shi Shing Godfrey 魏仕成 | (Elected on 18 December 2020) |
| CHEN, Wei Shiung 陳維雄 | (Retired on 18 December 2020) |
| LAI, Wing Ho Joe 黎榮浩 | (Retired on 18 December 2020) |

The directors hold office for a term of two year's in accordance with the Association's Articles of Association but, being eligible, offer themselves for re-election.

DIRECTORS' INTERESTS IN TRANSACTIONS, CONTRACTS AND ARRANGEMENT OF SIGNIFICANCE

No transaction, contract and arrangement 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.

PERMITTED INDEMNITY PROVISION

A permitted indemnity provision (as defined in section 469 of the Hong Kong Companies Ordinance) for the benefit of the directors of the Association is currently in force and was in force throughout the year.

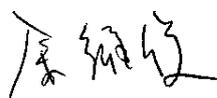
BUSINESS REVIEW

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

AUDITOR

The financial statements have been audited by Patrick Wong C.P.A. Limited, Chartered Accountants, Certified Public Accountants (Practising), who retire, at the annual general meeting but, being eligible, offer themselves for re-appointment.

FOR AND ON BEHALF OF THE BOARD



YU, Wai Chun
Chairman

0063

Hong Kong, 13 September 2021



黃龍德會計師

董事 Directors

黃龍德執業資深會計師
銅紫荊星章、太平紳士
劉旭明執業資深會計師

黃俊碩執業資深會計師

曾卓錙執業資深會計師

PATRICK WONG, PhD, BBS, JP

FCPA(Practising), FCA, FCCA, FAIA, MSCA, FCG, FCS, CGP, CTA(HK), FTIHK, FHKIoD

LAU YUK MING, HAROLD

FCPA(Practising), MSCA

WONG CHUN SEK, EDMUND

FCPA(Practising), ACA, FCCA, FCG, FCS, CGP, MSCA, FTIHK, BComm(Hons), MSc, MPA, MCG, MBA

TSANG CHEUK FUNG, ANDY

FCPA(Practising), ACA, MSCA, BBA(Hons), BEng(Hons)

電話 Tel : 3187 8209 電郵 E-mail : pw@pwcpa.com.hk

電話 Tel : 3187 8213 電郵 E-mail : haroldlau@pwcpa.com.hk

電話 Tel : 3187 8216 電郵 E-mail : edmundwong@pwcpa.com.hk

電話 Tel : 3187 8250 電郵 E-mail : andytsang@pwcpa.com.hk

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
EAST KOWLOON YOUTH SOCIETY LIMITED
東九龍青年社有限公司**

(INCORPORATED IN HONG KONG AS A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL)

Opinion

We have audited the financial statements of East Kowloon Youth Society Limited (the "Association") set out on pages 4 to 9, which comprise the statement of financial position as at 31 December 2020, and the statement of income and retained surplus 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 Association as at 31 December 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.

Information other than the financial statements and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the directors' 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 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 HKFRS for Private Entities issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the directors determine are 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 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.

(to be continued, P.T.O.)

聯營公司：
Associated:

龍德商務顧問有限公司
LT Business Consultants Limited

江門市龍德諮詢服務有限公司
Jiangmen Longde Consultants Limited

澳門黃林梁鄂有限公司
Macau Wong Lam Leung & Kwok Limited



0064





INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
EAST KOWLOON YOUTH SOCIETY LIMITED
東九龍青年社有限公司

(INCORPORATED IN HONG KONG AS A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL)
(CONTINUED)

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 Hong Kong Companies Ordinance, and for no other purposes. 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.
- 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 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.

PATRICK WONG C.P.A. LIMITED

黃龍德會計師事務所有限公司

Certified Public Accountants

曾卓鋒, 香港執業資深會計師

TSANG CHEUK FUNG ANDY

FCPA (Practising), ACA, MSCA

Certified Public Accountant (Practising), Hong Kong

Practising Certificate Number: P06369

Hong Kong, 13 September 2021

Ref: E262/A/PW/AT/1478/1615/486

EAST KOWLOON YOUTH SOCIETY LIMITED**東九龍青年社有限公司**

(A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL)

STATEMENT OF INCOME AND RETAINED SURPLUS
YEAR ENDED 31 DECEMBER 2020

| | <u>2020</u> | <u>2019</u> |
|--|-------------|-------------|
| | \$ | \$ |
| Income | | |
| Donations | 834,576 | 875,129 |
| Function income | - | 79,500 |
| Sundry income | 54,000 | 3 |
| | ----- | ----- |
| | 888,576 | 954,632 |
| Expenditure | | |
| Auditor's remuneration | 10,000 | 10,000 |
| Professional fee | 1,900 | 2,000 |
| Activity expenses | 785,718 | 589,092 |
| Bank charges | 860 | 784 |
| Depreciation | 358 | 357 |
| Food | 687 | 404 |
| Insurance | 1,667 | - |
| Postage expense | 212 | - |
| MPF contribution | 16,400 | 14,700 |
| Printing and stationery | 6,201 | 8,719 |
| Rental expense | 31,860 | 31,320 |
| Repair | - | 180 |
| Salary | 155,800 | 139,650 |
| Sundry expense | 707 | 801 |
| Telephone | 7,148 | 6,736 |
| Travelling | 350 | 850 |
| Water and electricity | 1,745 | 5,824 |
| Membership fee | 300 | - |
| | ----- | ----- |
| | (1,021,913) | (811,417) |
| (Deficit)/surplus for the year | (133,337) | 143,215 |
| Retained surplus of general fund at start of year | 182,038 | 38,823 |
| | ----- | ----- |
| Retained surplus of general fund at end of year | 48,701 | 182,038 |
| | ===== | ===== |

0065

The notes on pages 7 to 9 form an integral part of these financial statements.
Independent Auditor's Report – Pages 2 and 3

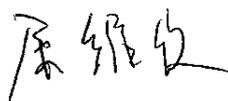
EAST KOWLOON YOUTH SOCIETY LIMITED**東九龍青年社有限公司**

(A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL)

STATEMENT OF FINANCIAL POSITION
AT 31 DECEMBER 2020

| | <u>Notes</u> | <u>2020</u> \$ | <u>2019</u> \$ |
|---------------------------|--------------|-------------------|-------------------|
| Non-current asset | | | |
| Plant and equipment | 5 | 357 | 715 |
| Current asset | | | |
| Cash and cash equivalents | 6 | 58,344 | 191,323 |
| Deduct:- | | | |
| Current liability | | | |
| Accrued expenses | | 10,000 | 10,000 |
| Net current assets | | 48,344 | 181,323 |
| Net assets | | 48,701 | 182,038 |
| Representing:- | | | |
| Members' fund | | | |
| General fund | | 48,701 | 182,038 |

APPROVED BY:-



 YU, Wai Chun
Director



 FUNG, Kam Ho
Director

EAST KOWLOON YOUTH SOCIETY LIMITED**東九龍青年社有限公司**

(A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL)

STATEMENT OF CASH FLOWS
YEAR ENDED 31 DECEMBER 2020

| | <u>Note</u> | <u>2020</u> | <u>2019</u> |
|--|-------------|-------------|-------------|
| | | \$ | \$ |
| Operating activities | | | |
| (Deficit)/surplus before tax | | (133,337) | 143,215 |
| Adjustment for : | | | |
| - Depreciation | | 358 | 357 |
| | | ----- | ----- |
| Cash (used in)/from operating activities and net (decrease)/increase in cash and cash equivalents | | (132,979) | 143,572 |
| Cash and cash equivalents at beginning of the year | | 191,323 | 47,751 |
| | | ----- | ----- |
| Cash and cash equivalents at end of the year | 6 | 58,344 | 191,323 |
| | | ===== | ===== |

0066

The notes on pages 7 to 9 form an integral part of these financial statements.
Independent Auditor's Report – Pages 2 and 3

EAST KOWLOON YOUTH SOCIETY LIMITED**東九龍青年社有限公司**

(A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL)

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2020

1. GENERAL INFORMATION

East Kowloon Youth Society Limited (the “Association”) is incorporated under the Hong Kong Companies Ordinance and limited by guarantee and not having a share capital. Under the provisions of the Association’s Memorandum of Association, every member staff, in the event of the Association being wound up, contribute to the assets of the Association an amount not exceeding \$10.

The address of its registered office is Room 2, G/F, Lung Gut House, Lower Wong Tai Sin (2) Estate, Wong Tai Sin, Kowloon, Hong Kong. The principal activities of the Association are organizing activities to educate the youngster and develop their talents.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standard for Private Entities (“HKFRS for Private Entities”) issued by the Hong Kong Institute of Certified Public Accountants and the requirements of the Hong Kong Companies Ordinance. They 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 following are the specific accounting policies that are necessary for a proper understanding of the financial statements:-

(a) Other receivables

Other receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables.

(b) Cash and cash equivalents

Cash comprises cash on hand, at bank and financial institution. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(c) Other payables

Other payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

(d) Revenue recognition

Revenue is recognised in income and expenditure account provided it is probable that the economic benefits will flow to the Association and the revenue and costs, if applicable, can be measured reliably.

Revenue from donations and function income is recognized when no significant uncertainty as to its collectability exists.

(e) Related parties

(i) A person, or a close member of that person's family, is related to the Association if that person:

- (A) has control or joint control over the Association;
- (B) has significant influence over the Association; or
- (C) is a member of the key management personnel of the Association.

(ii) An entity is related to the Association if any of the following conditions applies:

- (A) the entity is controlled or jointly controlled by a person identified in (i).
- (B) a person identified in (i)(A) 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)

3. DIRECTORS' EMOLUMENTS

Directors' remuneration disclosed pursuant to section 383 (1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation for the year is nil (2019 : nil).

4. INCOME TAX EXPENSE

No provision for Hong Kong Profits Tax is made in the financial statements as the Association has obtained exemption status under Section 88 of the Inland Revenue Ordinance for taxation purpose (2019 : nil).

5. PLANT AND EQUIPMENT

| | Computer and software |
|------------------------------------|--------------------------|
| | ----- \$ |
| Costs: | |
| At 01/01/2020 and at 31/12/2020 | 1,787 |
| | ----- |
| Accumulated depreciation: | |
| At 01/01/2020 | 1,072 |
| Charge for the year | 358 |
| | ----- |
| At 31/12/2020 | 1,430 |
| | ----- |
| Net carrying value: | |
| At 31/12/2020 | 357 |
| | ===== |
| At 31/12/2019 | 715 |
| | ===== |

6. CASH AND CASH EQUIVALENTS

| | <u>2020</u> | <u>2019</u> |
|--|-------------|-------------|
| | \$ | \$ |
| Cash at bank in the statement of financial position and statement of cash flows | 58,343 | 191,323 |
| | ===== | ===== |

7. MATERIAL RELATED PARTY TRANSACTIONS

In addition to the transactions and balances disclosed elsewhere in these financial statements, the Association had the following material related party transactions during the year.

| | <u>2020</u> | <u>2019</u> |
|-----------------------------------|-------------|-------------|
| | \$ | \$ |
| Donation received from a director | 300,000 | 100,000 |
| | ===== | ===== |

8. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Association's Board of Directors on 13 September 2021.