

GOLDEN LEAF FOUNDATION LIMITED

(Incorporated in Hong Kong and limited by guarantee)

REPORTS AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2020

梁嘉培會計師事務所

LEUNG KAR PUI & CO.

Certified Public Accountants

Hong Kong



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GOLDEN LEAF FOUNDATION LIMITED
(Incorporated in Hong Kong and limited by guarantee)
REPORT OF THE DIRECTORS

The directors submit herewith their report and audited financial statements of the Golden Leaf Foundation Limited (the “Foundation”) for the year ended 31 December 2020.

Principal activities

The Foundation is established to relieve poverty, and to organize the charitable events and projects beneficial to the community.

Directors

The following are directors of the Foundation during the year and as at the date of this report:-

Mr. Siu Patrick Chun Wai
Mr. Chan Rodney Yue Yeung

In accordance with the Foundation’s Articles of Association, all directors shall hold office for an unlimited period of time.

The state of the Foundation’s affairs and appropriations

The state of the Foundation’s affairs as at 31 December 2020 is set out in the annexed financial statements.

There was no appropriation for the year.

Permitted indemnity provision

A director or former director of the Foundation may be indemnified out of the Foundation’s assets against any liability incurred by the director to a person other than the Foundation or an associated company of the Foundation in connection with any negligence, default, breach of duty or breach of trust in relation to the Foundation or associated company in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under the Hong Kong Companies Ordinance in which relief is granted to him by the court.

This permitted indemnity provision was in force at any time in the year and is in force when this report is approved.

GOLDEN LEAF FOUNDATION LIMITED
(Incorporated in Hong Kong and limited by guarantee)
REPORT OF THE DIRECTORS (CONTINUED)

Business review

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

Debenture issued

There was no issue of debenture during the year.

Equity-linked arrangement

During the year, the Foundation entered into no equity-linked agreement. At the end of the year, the Foundation subsisted of no equity-linked agreement.

Management contract

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

Other matter

The directors are not aware of any other matter that is material for the members' appreciation of the state of affairs of the Foundation, and the disclosure of which will not, in the directors' opinion, be harmful to the business of the Foundation.

Auditors

The financial statements have been audited by Messrs. Leung Kar Pui & Co., certified public accountants, who retire and, being eligible, offer themselves for re-appointment.

Approved by the board and signed
on behalf of the board by



Mr. Siu Patrick Chun Wai
Director

Hong Kong, -9 SEP 2021

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**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
GOLDEN LEAF FOUNDATION LIMITED**

(Incorporated in Hong Kong and limited by guarantee)

Opinion

We have audited the financial statements of Golden Leaf Foundation Limited ("the Foundation") set out on pages 6 to 12, which comprise the statement of financial position as at 31 December 2020, 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 Foundation 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 ("HKSA") 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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Foundation 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.

Material Uncertainty Related to Going Concern

Without qualifying our report, we draw attention to the adequacy of the disclosures made in note (2)(c) to the financial statements concerning the inherent uncertainty as to the going concern basis.

In view of the matters referred to in note (2)(c), we consider that there is a significant level of concern as to the appropriateness of the going concern basis and that this inherent uncertainty is fundamental to the financial statements as a whole. However, our opinion is not qualified in this respect, and on the assurance that the members will provide such financial support and on the assumption that the Foundation will maintain future profitable operation, we consider that it is appropriate for the directors to prepare the financial statements for the year ended 31 December 2020 on a going concern basis.

INDEPENDENT AUDITORS' REPORT (CONTINUED)
TO THE MEMBERS OF
GOLDEN LEAF FOUNDATION LIMITED
(Incorporated in Hong Kong and limited by guarantee)

Other Information

The directors are responsible for the other information. The other information comprises the information included in the report of the directors, 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, 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 in accordance with the 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 Foundation'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 Foundation or to cease operations, or have no realistic alternative but to do so.

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

INDEPENDENT AUDITORS' REPORT (CONTINUED)
TO THE MEMBERS OF
GOLDEN LEAF FOUNDATION LIMITED
(Incorporated in Hong Kong and limited by guarantee)

Auditors' 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 auditors' 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. We do 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.

A further description of auditors' responsibilities for the audit of the financial statements is located at HKICPA's website at:

<http://www.hkicpa.org.hk/en/standards-and-regulations/standards/auditing-assurance/auditre/>

This description forms part of our auditors' report.

Leung Kar Pui & Co.
Certified Public Accountants

Hong Kong, - 9 SEP 2021

GOLDEN LEAF FOUNDATION LIMITED
(Incorporated in Hong Kong and limited by guarantee)
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	<u>2020</u> HK\$	<u>2019</u> HK\$
Current assets		
Cash at bank	22,408	-
Current liabilities		
Accruals	(32,280)	(19,950)
Loan from a director	(27,202)	-
Loan from a related party	(43,510)	(43,510)
	<u>(102,992)</u>	<u>(63,460)</u>
NET LIABILITIES	<u>\$ (80,584)</u>	<u>\$ (63,460)</u>
Represented by :-		
ACCUMULATED DEFICITS (Note 4)	<u>\$ (80,584)</u>	<u>\$ (63,460)</u>

The financial statements were approved and authorized for issue by the board of directors on **- 9 SEP 2021** and are signed on its behalf by -



Mr. Siu Patrick Chun Wai
Director



Mr. Chan Rodney Yue Yeung
Director

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

GOLDEN LEAF FOUNDATION LIMITED
(Incorporated in Hong Kong and limited by guarantee)
INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020

	2020	2019
	HK\$	HK\$
Revenue .(Note 5)	311,815	-
Other operating expenses -		
Auditors' remuneration	(7,000)	(6,000)
Accounting fee	(6,000)	-
Advertising and promotion	(20,786)	-
Cleaning expenses	(31,256)	-
Consumable stores	(54,004)	-
Computer expenses	(17,781)	-
Entertainment	(12,008)	-
Events and projects expenses	(135,242)	-
Labor costs	(28,000)	-
Printing and stationery	(9,904)	-
Transportation	(4,518)	-
Secretarial fee	(1,600)	(3,875)
Sundry expenses	(120)	(200)
	<u>(328,219)</u>	<u>(10,075)</u>
Operating deficit for the year	(16,404)	(10,075)
Finance costs		
Bank charges	(720)	-
	<u>(720)</u>	<u>-</u>
Deficit for the year	<u>\$ (17,124)</u>	<u>\$ (10,075)</u>

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

GOLDEN LEAF FOUNDATION LIMITED
(Incorporated in Hong Kong and limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

(1) General information

Golden Leaf Foundation Limited (the “Foundation”) (Formerly known as Oasis Education Service Association Company Limited, and Global Humanities Development Foundation Limited, respectively) was incorporated in Hong Kong as a company with limited liability by guarantee on 13 July 2015.

Pursuant to clause 7 of the Foundation’s Articles of Association adopted upon its incorporation, every member undertakes to contribute to the assets of the Foundation, in the event of its being wound up while such person is a member or within one year thereafter, for payment of the debts and liabilities of the Foundation contracted before such person ceases to be a member and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves, such amount as may be required but not exceeding HK\$100.

The Foundation is established to relieve poverty, and to organize the charitable events and projects beneficial to the community.

Currently, it has its registered office located at 5A, Block 2, Caldecott Hill, 2 Caldecott Road, Kowloon, Hong Kong.

(2) Basis of preparation

(a) Statement of compliance

The Foundation qualifies under the reporting exemption as a small guarantee company under sections 359(1)(a) and 363 of the Hong Kong Companies Ordinance and is therefore entitled to prepare and present its financial statements in accordance with the Small and Medium-sized Entity Financial Reporting Framework and the Small and Medium-sized Entity Financial Reporting Standard issued by the Hong Kong Institute of Certified Public Accountants.

These financial statements have been prepared under the accrual basis of accounting and on the basis that the Foundation is a going concern.

(b) Basis of measurement

The measurement bases used in preparing these financial statements are set out in note (3) to the financial statements.

(2) Basis of preparation (continued)

(c) Going concern

The Foundation has incurred loss for the years. At the end of the reporting year, the Foundation had net liabilities and sustained capital deficiency. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Foundation's ability to continue as a going concern. In preparing these financial statements, the directors have given careful consideration to the current and future liquidity of the Foundation. The directors have gained the commitment of the Foundation's members to provide continuing financial support to the Foundation. On the basis that continuing financial support will be provided by the Foundation's members to the Foundation upon request, the directors are of their opinion that the Foundation will have sufficient working capital to finance its operations in the foreseeable future. Accordingly, the directors are satisfied that it is appropriate to prepare these financial statements on a going concern basis.

(3) Summary of significant accounting policies

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

(a) Provision

A provision is recognised when the Foundation has a present legal or constructive obligation as a result of a past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of obligation can be made. Expenditures for which a provision has been recognised are charged against the related provision in the year in which the expenditures are incurred. Provision is reviewed at the end of each year and adjusted to reflect the current best estimate.

(b) Revenue recognition

Revenue is recognised as income when it is probable that the economic benefits associated with transaction will flow to the Foundation and when the amount of revenue as well as costs incurred for the transaction can be measured reliably. Revenue is measured at fair value of the consideration received or receivable.

Donation received is recognised when received and receivable.

(3) Summary of significant accounting policies (continued)

(c) Related parties

A related party is a person or entity that is related to the Foundation.

- (i) A person or a close member of that person's family is related to the Foundation if that person :
 - (1) has control or joint control over the Foundation;
 - (2) has significant influence over the Foundation; or
 - (3) is a member of the key management personnel of the Foundation or of a parent of the Foundation.

- (ii) An entity is related to the Foundation if any of the following conditions applies:
 - (1) The entity and the Foundation are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (2) 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).
 - (3) Both entities are joint ventures of the same third party.
 - (4) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (5) The entity is a post-employment benefit plan for the benefit of employees of either the Foundation or an entity related to the Foundation. If the Foundation is itself such a plan, the sponsoring employers are also related to the Foundation.
 - (6) The entity is controlled or jointly controlled by a person identified in (i).
 - (7) A person identified in (i)(1) 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 family members 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.

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

(4) Accumulated deficits

	<u>2020</u>	<u>2019</u>
	HK\$	HK\$
As at beginning of the year	(63,460)	(53,385)
Deficit for the year	<u>(17,124)</u>	<u>(10,075)</u>
As at end of the year	<u>\$ (80,584)</u>	<u>\$ (63,460)</u>

(5) Revenue

The Foundation is established to relieve poverty, and to organize the charitable events and projects beneficial to the community (2019 : The Foundation did not commence its operation or generate any income during the year). Revenue recognised during the year represented donations received during the year (2019 : Nil).

(6) Taxation

The Foundation is a charitable body and is exempted from tax under section 88 of the Inland Revenue Ordinance.

(7) Related party disclosures

	<u>2020</u>	<u>2019</u>
	HK\$	HK\$
<i>Related parties' transactions during the year</i>		
Net loan advanced from /(repaid to) a director	<u>\$ 27,202</u>	<u>\$ (43,510)</u>
Net loan advanced from a related party	<u>\$ -</u>	<u>\$ 43,510</u>
<i>Accounts with related parties as at end of year</i>		
Loan from a director	<u>\$ (27,202)</u>	<u>\$ -</u>
Loan from a related party	<u>\$ (43,510)</u>	<u>\$ (43,510)</u>

(8) Directors' remuneration

Remuneration of the directors of the Foundation disclosed pursuant to sections 383(1)(a), (b) and (c) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows :-

	<u>2020</u>	<u>2019</u>
	HK\$	HK\$
<i>Acting as directors</i>		
Emoluments (including benefit in kind)	-	-
Retirement benefits	-	-
Compensation for termination of directors' services	-	-
	<hr/>	<hr/>
	-	-
<i>Provision of management services</i>		
Emoluments (including benefit in kind)	-	-
Retirement benefits	-	-
Compensation for termination of directors' services	-	-
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	-	-
	<u>\$ -</u>	<u>\$ -</u>