

THE BACK TO GOD HOUR LIMITED
(普世佳音有限公司)

DIRECTORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2020



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THE BACK TO GOD HOUR LIMITED ("THE ASSOCIATION")
(普世佳音有限公司)

DIRECTORS' REPORT

The directors present their annual report together with the audited financial statements for the year ended 30 June 2020.

PRINCIPAL ACTIVITY

The Back To God Hour Limited ("the Association") is a non-profit making organization incorporated in Hong Kong and its registered office and principal place of operation at Unit 901, Block A, Po Lung Centre, 11 Wang Chiu Road, Kowloon Bay, Kowloon. The principal activity of the Association during the year were to spread the Gospel and serve the Church and society through mass media.

RESULTS AND APPROPRIATIONS

The surplus of the Association for the year ended 30 June 2020 and the state of the Association's affairs at that date are set out on pages 5 to 10.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements during the year in the property, plant and equipment of the Association are set out in Note 4 to the financial statements.

DIRECTORS

The directors during the year were:

Mr An Jianyue, Jerry
Mr Selles, Kurt Donald
Ms Wing, Louise Kay

There being no provision in the Articles of Association concerning the retirement of directors. All the directors are eligible, offer themselves for re-election.

The Association did not enter into any contract, whereby any individual, firm or body corporate undertakes the management and administration of the whole, or any substantial part of any business of the Association.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the year was the Association a party to any arrangements to enable the directors of the Association to acquire benefits by means of the acquisition of shares in or debentures of the Association or any other body corporate.

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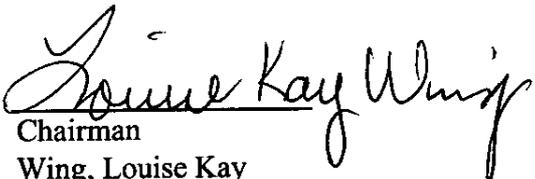
DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

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

A resolution will be submitted to the annual general meeting to re-appoint Pentagon CPA Limited as auditor of the Association.

On Behalf of the Board


Chairman
Wing, Louise Kay

HONG KONG, 16 August 2021

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百達會計師事務所有限公司
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE BACK TO GOD HOUR LIMITED ("THE ASSOCIATION")
(Incorporated in Hong Kong and limited by guarantee)

Opinion

We have audited the financial statements of The Back To God Hour Limited ("the Association") set out on pages 5 to 10, which comprise the statement of financial position as at 30 June 2020, and the statement of income and retained earnings 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 30 June 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 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.

Other Information

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

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 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 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 Company or to cease operations, or have no realistic alternative but to do so.

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



百達會計師事務所有限公司

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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's 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 HKSA's, 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 directors.

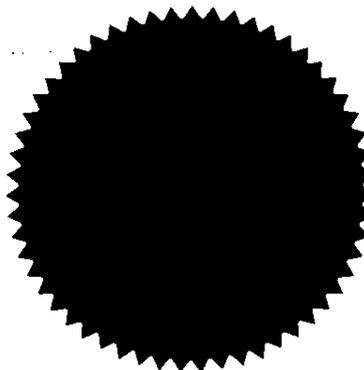
Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we 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.

Pentagon CPA Limited
Certified Public Accountants
HONG KONG, 16 August 2021

Esther, Chow Yin Yung
Practising Certificate Number : P01880



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THE BACK TO GOD HOUR LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2020**

(Expressed in Hong Kong Dollars)

	2020	2019
<i>INCOME</i>		
Donation received	\$ 1,847,430	\$ 1,941,471
Exchange gain	-	957
Interest income	292	709
	\$ 1,847,722	\$ 1,943,137
<i>EXPENDITURE</i>		
Auditor's remuneration	\$ 3,800	\$ 3,800
Bank charge	3,758	3,675
Building management fee	784	391
Depreciation	2,612	1,961
Entertainment	3,695	8,632
Exchange loss	10,701	-
Insurance	-	1,108
Mandatory provident fund	18,720	22,500
Medical expenses	9,862	8,753
Postage	13,176	47,207
Printing and stationery	1,715,318	1,175,768
Rent	54,000	48,500
Salaries	177,840	255,932
Sundry expenses	3,636	1,575
Telephone and internet charges	2,815	5,686
Transportation	1,163	1,509
	\$ 2,021,880	\$ 1,586,997
<i>(DEFICIT)/ SURPLUS FOR THE YEAR</i>	\$ (174,158)	\$ 356,140

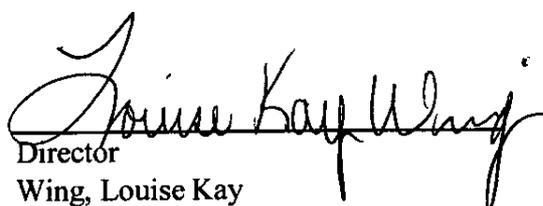
The notes on pages 9 and 10 form part of these financial statements.

THE BACK TO GOD HOUR LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020
(Expressed in Hong Kong Dollars)

ASSETS	Note	2020	2019
Current assets			
Cash and cash equivalents	1	\$ 343,999	\$ 533,186
Deposits		<u>300</u>	<u>300</u>
		<u>\$ 344,299</u>	<u>\$ 533,486</u>
Non-current asset			
Property, plant and equipment	4	<u>\$ 17,309</u>	<u>\$ 3,840</u>
Total assets		<u>\$ 361,608</u>	<u>\$ 537,326</u>
LIABILITY AND RESERVES			
Current liability			
Accruals		<u>\$ 3,800</u>	<u>\$ 5,360</u>
Represented by :			
(Deficit)/ Surplus for the year		\$ (174,158)	\$ 356,140
Accumulated fund		<u>531,966</u>	<u>175,826</u>
		<u>\$ 357,808</u>	<u>\$ 531,966</u>
Total liability and reserves		<u>\$ 361,608</u>	<u>\$ 537,326</u>

The financial statements on pages 5 to 10 were approved and authorised for issue by the Board of Directors on 16 August 2021.



Director
Wing, Louise Kay



Director
An, Jianyue Jerry

The notes on pages 9 and 10 form part of these financial statements.

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THE BACK TO GOD HOUR LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2020
(Expressed in Hong Kong Dollars)**

	Note	2020	2019
Cash flows from operating activities			
Cash (used in)/ generated from operations	(a)	<u>\$ (173,106)</u>	<u>\$ 356,976</u>
Net cash (used in)/ generated from operating activities		<u>\$ (173,106)</u>	<u>\$ 356,976</u>
Cash flows from investing activities			
Payment for purchase of fixed assets		<u>\$ (16,081)</u>	<u>\$ (2,787)</u>
Net cash used in investing activities		<u>\$ (16,081)</u>	<u>\$ (2,787)</u>
Net (decrease)/ increase in cash and cash equivalents		\$ (189,187)	\$ 354,189
Cash and cash equivalents at 1 July		<u>533,186</u>	<u>178,997</u>
Cash and cash equivalents at 30 June	(b)	<u>\$ 343,999</u>	<u>\$ 533,186</u>

THE BACK TO GOD HOUR LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2020
(Expressed in Hong Kong Dollars)**

Notes to the Statement of Cash Flows

a) Reconciliation of operating (deficit)/ surplus to cash (used in)/ generated from operations

	2020	2019
Operating activities		
(Deficit)/ Surplus for the year	\$ (174,158)	356,140
Adjustment for:		
Depreciation	<u>2,612</u>	<u>1,961</u>
Operating (deficit)/ surplus before changes in working capital	\$ (171,546)	\$ 358,101
(Decrease) in accruals	<u>(1,560)</u>	<u>(1,125)</u>
Cash (used in)/ generated from operations	<u>\$ (173,106)</u>	<u>\$ 356,976</u>

b) Analysis of the balances of cash and cash equivalents

Cash at bank	<u>\$ 343,999</u>	<u>\$ 533,186</u>
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The notes on pages 9 and 10 form part of these financial statements.

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THE BACK TO GOD HOUR LIMITED ("THE ASSOCIATION")
ACCOUNTING POLICIES AND EXPLANATORY NOTES TO FINANCIAL STATEMENTS
(Expressed in Hong Kong Dollars)

GENERAL INFORMATION

The Back To God Hour Limited ("the Association") is a non-profit making organization incorporated in Hong Kong and its registered office and principal place of operation at Unit 901, Block A, Po Lung Centre, 11 Wang Chiu Road, Kowloon Bay, Kowloon. The principal activity of the Association during the year were to spread the Gospel and serve the Church and society through mass media.

1. *BASIS OF PRESENTATION AND PRINCIPAL ACCOUNTING POLICIES*

The financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standard for Private Entities (HKFRS-PE) 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 historical cost convention.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is charged so as to allocate the cost of the assets over their estimated useful lives, using the straight-line method. The following annual rates are used for the depreciation of property, plant and equipment :

Computer	: 20% per annum
Furniture and equipment	: 20% per annum
Leasehold improvements	: 20% per annum

At each reporting date, property, plant and equipment are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is and indication of possible impairment, the recoverable amount of any affected asset 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 income of expenditure.

If an impairment loss subsequently reverses, the carrying amount of the asset 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 in prior years. A reversal of an impairment loss is recognised immediately in income or expenditure.

Cash and cash equivalents

Cash and cash equivalents includes cash at bank.

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1. **BASIS OF PRESENTATION AND PRINCIPAL ACCOUNTING POLICIES (CONTINUED)**

Revenue recognition

Revenue is recognised in profit or loss provided it is probable that the economic benefits will flow to the Association and the revenue and costs, if applicable, can be measured reliably, as follows :

- i) Donations is recognised when cash is received.
- ii) Interest income is recognised on a time proportion basis by reference to the principal amounts outstanding and interest rates applicable.

2. **TAXATION**

The Association is exempted from any taxation in Hong Kong under Section 88 of the Inland Revenue Ordinance by reason of being a charitable institution or trust of a public character.

3. **DIRECTORS' REMUNERATION**

Directors' remuneration disclosed pursuant to section 383(1) of the Companies Ordinance is as follows:-

	2020	2019
Fee from the Association	\$ NIL	\$ NIL
Other emoluments	<u>NIL</u>	<u>NIL</u>

4. **PROPERTY, PLANT AND EQUIPMENT**

	Computer	Furniture and Equipment	Leasehold Improvements	Total
Cost:				
At 1 July 2019	\$ -	\$ 22,562	\$ -	\$ 22,562
Addition	<u>5,249</u>	<u>832</u>	<u>10,000</u>	<u>16,081</u>
At 30 June 2020	<u>\$ 5,249</u>	<u>\$ 23,394</u>	<u>\$ 10,000</u>	<u>\$ 38,643</u>
Aggregate Depreciation :				
At 1 July 2019	\$ -	\$ 18,722	\$ -	\$ 18,722
Charge for the year	<u>446</u>	<u>2,000</u>	<u>166</u>	<u>2,612</u>
At 30 June 2020	<u>\$ 446</u>	<u>\$ 20,722</u>	<u>\$ 166</u>	<u>\$ 21,334</u>
Net book value:				
At 30 June 2020	<u>\$ 4,803</u>	<u>\$ 2,672</u>	<u>\$ 9,834</u>	<u>\$ 17,309</u>
At 30 June 2019	<u>\$ -</u>	<u>\$ 3,840</u>	<u>\$ -</u>	<u>\$ 3,840</u>

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