

MISSION OF LOVE LIMITED
盈愛行動有限公司

DIRECTORS' REPORT

AND

FINANCIAL STATEMENTS

FOR THE PERIOD FROM 14TH NOVEMBER, 2018 (DATE OF INCORPORATION)
TO 31ST MARCH, 2020

MISSION OF LOVE LIMITED

盈愛行動有限公司

REPORT OF THE DIRECTORS

The directors have pleasure in presenting to the members of the company their annual report and the audited financial statements for the period from 14th November, 2018 (date of incorporation) to 31st March, 2020.

PRINCIPAL ACTIVITY

The principal activity is providing non-profitable charity and social welfare services during the period.

RESULTS

The results of the operations of the company for the period from 14th November, 2018 (date of incorporation) to 31st March, 2020 and the state of affairs of the company at that date are set out on pages 5 to 9 in the financial statements.

DIRECTORS

The directors who held the Company during the period were:

Chan Lai Ming	(appointed on 14th November, 2018)
Fung Kee Mei	(appointed on 14th November, 2018)
Kwong Yan Yuk Rita	(appointed on 14th November, 2018)
Yung Yuk Yee	(appointed on 14th November, 2018)

DIRECTORS' INTERESTS IN CONTRACTS

No contracts of significance to which the company was a party and in which directors had a material interest subsisted at the end of the period or at any time during the period.

AUDITOR

Messrs. Peter W. H. Ma & Co. was first appointed as auditor of the Company on 30th September, 2020. The financial statements have been audited by Peter W. H. Ma & Co., Certified Public Accountants, who retire and, being eligible, offer themselves for reappointment.

On behalf of the board

Fung Kee Mei
Director

Hong Kong, 15th January, 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
MISSION OF LOVE LIMITED

盈愛行動有限公司

(incorporated in Hong Kong with limited by guarantee)

Opinion

We have audited the financial statements of Mission of Love Limited 盈愛行動有限公司 (“the Company”) set out on pages 5 to 9, which comprise the statement of financial position as at 31st March, 2020, and the income and expenditure account for the period then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements of the Company 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 PN900 (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 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 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.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
MISSION OF LOVE LIMITED

盈愛行動有限公司

(incorporated in Hong Kong with limited by guarantee) (CONT'D)

Other Information (Cont'd)

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 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.

Those charged with governance are responsible for overseeing the Company'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. We report 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 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.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
MISSION OF LOVE LIMITED

盈愛行動有限公司

(incorporated in Hong Kong with limited by guarantee) (CONT'D)

Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)

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 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.

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.

Peter W. H. Ma & Co.
Certified Public Accountants

Hong Kong, 15th January, 2021

MISSION OF LOVE LIMITED

盈愛行動有限公司

INCOME AND EXPENDITURE ACCOUNT
FOR THE PERIOD FROM 14TH NOVEMBER, 2018 (DATE OF INCORPORATION)
TO 31ST MARCH, 2020

	<u>Note</u>	HK\$
INCOME	2	1,222,124.49
OTHER INCOME	3	3,472.88
ADMINISTRATIVE EXPENSES		(84,422.36)
		—————
SURPLUS BEFORE TAX	4	1,141,175.01
INCOME TAX EXPENSE	6	-
		—————
SURPLUS AFTER TAX		1,141,175.01
		=====

The accompanying notes on pages 7 to 9 form an integral part of these financial statements.

MISSION OF LOVE LIMITED

盈愛行動有限公司

STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH, 2020

	HK\$
CURRENT ASSET	
Bank balances	1,144,175.01
CURRENT LIABILITY	
Accrued expense	3,000

NET ASSETS	1,141,175.01
	=====
EQUITY	
Retained surplus	1,141,175.01
	=====

Approved by:

Fung Kee Mei
Director

Yung Yuk Yee
Director

The accompanying notes on pages 7 to 9 form an integral part of these financial statements.

MISSION OF LOVE LIMITED

盈愛行動有限公司

ACCOUNTING POLICIES AND EXPLANATORY NOTES
TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM 14TH NOVEMBER, 2018 (DATE OF INCORPORATION)
TO 31ST MARCH, 2020

REPORTING ENTITY

Mission of Love Limited 盈愛行動有限公司 incorporated under the Hong Kong Companies Ordinance which was limited by guarantee and not having a share capital. The company's registered office is located at Unit A, 8/F., Camepaint Building, Block 3, 60 Hoi Yuen Road, Kwun Tong, Hong Kong. The principal activity is providing non-profitable charity and social welfare services during the period.

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The company 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 Small and Medium-sized Entity Financial Reporting Standard (SME-FRS) issued by the Hong Kong Institute of Certified Public Accountants.

These financial statements comply with the (SME-FRS) and have been prepared under the accrual basis of accounting and on the basis that the company 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) Revenue recognition

Revenue is recognized when it is probable that the economic benefits will flow to the Institution and when the revenue can be measured reliably, on the following bases:

- i. donation income is recognised in the year in which the money is received;
- ii. interest income is recognised using the effective interest method; and

(b) Cash and cash equivalents

Cash comprises cash on hand and at bank and demand deposits with bank. Cash equivalents are short-term and highly liquid investments which are readily convertible into known amounts of cash and are subject to an insignificant risk of change in value.

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONT'D)

(c) Taxation

The company surplus is exempted from the taxation under Section 88 of the Inland Revenue Ordinance.

2. INCOME

HK\$

An analysis of the institution's income is as follows :

Donation income	1,222,124.49
	=====

3. OTHER INCOME

HK\$

Bank interest received	1,222.88
Sundry income	2,250.00

	3,472.88
	=====

4. SURPLUS BEFORE TAX

Surplus before tax is arrived at:

HK\$

After charging the following items:	
Audit fee	3,000.00
	=====

5. DIRECTORS' REMUNERATION

Directors' remuneration disclosed pursuant to section 383 of the Companies Ordinance (Cap. 622) and Companies (Disclosure of Information about Benefits of Directors) Regulation (Cap. 622G) for the period is HK\$ Nil.

6. INCOME TAX EXPENSE

No provision for Hong Kong profits tax has been made as the company is exempted from profits tax under Section 88 of the Inland Revenue Ordinance for the period.

7. CHANGES IN EQUITY

	Retained <u>surplus</u> HK\$
Surplus for the period and as at 31st March, 2020	1,141,175.01 =====

8. APPROVAL OF FINANCIAL STATEMENTS

The financial statements set out on pages 5 to 9 were approved by the board of directors on 15th January, 2021.

APPENDIX

MISSION OF LOVE LIMITED

盈愛行動有限公司

DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE PERIOD FROM 14TH NOVEMBER, 2018 (DATE OF INCORPORATION)
TO 31ST MARCH, 2020

	HK\$	HK\$
INCOME		
Donation income		1,222,124.49
ADD : OTHER INCOME		
Bank interest received	1,222.88	
Sundry income	2,250.00	
	<hr/>	3,472.88
LESS : ADMINISTRATIVE AND CHARITABLE EXPENSES		
Audit fee	3,000.00	
Bank charges	200.00	
Donation fee	60,902.40	
Insurance	16,609.96	
Printing and stationery	2,150.00	
Subscription fee	585.00	
Transportation	975.00	
	<hr/>	(84,422.36)
		<hr/>
SURPLUS BEFORE TAX		1,141,175.01
		=====