

Ref: Y016

YUEN LONG DISTRICT CHRISTIAN CHURCHES UNION LIMITED
元朗區基督教聯會有限公司
(LIMITED BY GUARANTEE)

DIRECTORS' REPORT
AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2023



Lee & Yu Certified Public Accountants

李志輝 · 余仲良 會計師事務所

In association with | CAC CPA LIMITED | 中审华会计师事务所



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YUEN LONG DISTRICT CHRISTIAN CHURCHES UNION LIMITED
元朗區基督教聯會有限公司
(LIMITED BY GUARANTEE)

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YUEN LONG DISTRICT CHRISTIAN CHURCHES UNION LIMITED
元朗區基督教聯會有限公司

(LIMITED BY GUARANTEE)

BOARD OF DIRECTORS

| | | |
|------------------------|---------------------|-----------------------|
| Chan Choy How Wah | Lau Yan Kin | Tang Kim Sung |
| Chan Wing Fung | Lau Yuk Chun | Tang Wai Ming |
| Chak Wai Ming | Lee Man Ki | Tsang Yui Kwai |
| Cheng Chi Ming | Lee Man Yuk | Wong Cheuk Fan |
| Cheng Tze Tak | Lee Ping Fai | Wong Chi Tung |
| Cheung Kwong Foo | Lee Shui Tat, Kevin | Wong Kin Wing |
| Chow Siu Yin | Liu Yuk Lan | Wong Kwok Chun |
| Fong Kwok Shing, Eddie | Lo Pui Yi | Wong Lok Hang |
| Hui Kwok Fai | Ma King Tai | Wong Wan Yin |
| Lam Chi Hung | Mok Kong Ting | Wong Yim Fun |
| Lam Kin Kwan | Mui Yan Sun | Yang Loom Kit, Joseph |
| Lau Kam Sing | Ng Ka Wai | Yeung Mei Yuk, Yami |

DIRECTORS' REPORT

The directors submit their annual report together with the audited financial statements for the year ended at 30th September 2023.

PRINCIPAL ACTIVITIES

The principal activities of the Company are charitable purposes and to preach and promote Christian Evangelism.

RESULTS

The results of the Company for the year ended at 30th September 2023 are set out in the income statement on page 7.

SHARES ISSUED

The Company is limited by guarantee and consequently has no share capital. Every member of the church is limited to contribute to the assets of the Company in the event of it being wound up during the time of their membership or within one year of ceasing to be a member. Such contribution is not to exceed HKD100 per member.

DIRECTORS

The directors who held office during the year and up to the date of this report were :-

| | |
|------------------------|-----------------------------------|
| Chan Choy How Wah | |
| Chan Wing Fung | |
| Chak Wai Ming | (appointed on 1st January 2024) |
| Cheah Mei Lan | (resigned on 15th March 2023) |
| Cheng Chi Ming | |
| Cheng Tze Tak | |
| Cheung Kwong Foo | |
| Chow Siu Yin | |
| Fan Lai Kam | (resigned on 15th March 2023) |
| Fong Kwok Shing, Eddie | |
| Hui Kwok Fai | |
| Lam Chi Hung | |
| Lam Kin Kwan | |
| Lau Kam Sing | |
| Lau Yan Kin | (appointed on 1st August 2023) |
| Lau Yuk Chun | |
| Lee Man Ki | (appointed on 15th November 2023) |
| Lee Man Yuk | |
| Lee Ping Fai | |
| Lee Shui Tat, Kevin | |
| Li Wai Kwong | (resigned on 10th June 2023) |
| Liu Yuk Lan | |
| Lo Pui Yi | (appointed on 1st January 2024) |
| Lo Yiu Hung, Garry | (resigned on 1st January 2024) |
| Ma King Tai | |
| Mok Kong Ting | |
| Mui Yan Sun | (appointed on 10th November 2022) |
| Ng Chi Sum | (resigned on 10th June 2023) |
| Ng Ka Wai | |
| Tang Kim Sung | |
| Tang Wai Ming | |
| Tsang Yui Kwai | |
| Wong Cheuk Fan | |
| Wong Chi Tung | |
| Wong Kin Wing | |
| Wong Kwok Chun | |
| Wong Lok Hang | |
| Wong Wan Yin | (appointed on 1st November 2022) |
| Wong Yim Fun | |
| Yang Loom Kit, Joseph | |
| Yeung Choi Ming | (resigned on 1st January 2024) |
| Yeung Mei Yuk, Yami | |

In accordance with Article 39 of the Company's Articles of Association, all directors shall retire from office at the forthcoming annual general meeting and shall be eligible for re-election.

MANAGEMENT CONTRACTS

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

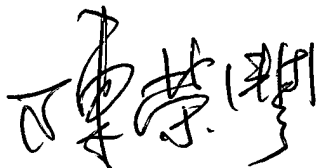
PERMITTED INDEMNITY PROVISIONS

At no time during the year and up to the date of this report were there any permitted indemnity provisions in force for the benefit of any of the directors of the Company.

AUDITORS

The financial statements have been audited by Lee & Yu, who retire and, being eligible, offer themselves for re-appointment.

On behalf of the Board



Chan Wing Fung

Hong Kong, 27th March 2024



Lee & Yu Certified Public Accountants

李志輝 · 余仲良 會計師事務所

In association with | CAC CPA LIMITED | 中审华会计师事务所



Lee & Yu
International
理睿国际

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF YUEN LONG DISTRICT CHRISTIAN CHURCHES UNION
LIMITED**

元朗區基督教聯會有限公司

(LIMITED BY GUARANTEE)

(Incorporated in Hong Kong with limited liability)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Yuen Long District Christian Churches Union Limited ("the Company") set out on pages 7 to 12, which comprise the statement of financial position as at 30th September 2023, and the income statement and statement of changes in funds 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 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 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 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.

Information Other than the Financial Statements and Auditors' Report Thereon

The directors are responsible for the other information. The other information comprises the directors' report.

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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香港 · 深圳 · 廣州 · 上海 · 北京 · 成都 · 長沙 · 合肥 · 濟南 · 太原 · 南寧 · 澳門

Hong Kong · Shenzhen · Guangzhou · Shanghai · Beijing · Chengdu · Changsha · Hefei · Jinan · Taiyuan · Nanning · Macau

Head Office 總行

22/F., Guangdong Finance Building,
88 Connaught Road West, Sheung Wan, Hong Kong
香港上環干諾道西88號粵財大廈22樓
Tel 電話: (852)2838 0448
Fax 傳真: (852)2838 2846
Web 網址: www.leeandyu.com.hk

Kowloon Branch 九龍分行

Unit 5, 13/F., New Trend Centre, 704 Prince Edward Road East,
San Po Kong, Kowloon, Hong Kong
香港九龍新蒲崗太子道東704號新時代工貿商業中心13樓5室
Tel 電話: (852)2838 3386
Fax 傳真: (852)2838 3944

New Territories Branch 新界分行

1/F., Longfield Centre, 129-131 Castle Peak Road,
Yuen Long, N.T., Hong Kong
香港新界元朗青山公路129-131號朗輝中心1樓
Tel 電話: (852)2838 3633
Fax 傳真: (852)2838 3433

Information Other than the Financial Statements and Auditors' Report Thereon (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 for the Financial Statements

The directors are responsible for the preparation of financial statements in accordance with SME-FRS issued by the HKICPA and the 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.

The directors are also responsible for overseeing the Company's financial reporting process.

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. This report is made solely to you, as a body, in accordance with section 405 of the 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 HKSAAs 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 HKSAAs, we exercise professional judgement 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.

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

- 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 auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We also 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.



LEE & YU

Certified Public Accountants

22/F.,
Guangdong Finance Building,
88 Connaught Road West,
Sheung Wan, Hong Kong.

27th March 2024

YUEN LONG DISTRICT CHRISTIAN CHURCHES UNION LIMITED
元朗區基督教聯會有限公司

(LIMITED BY GUARANTEE)

INCOME STATEMENT
FOR THE YEAR ENDED 30TH SEPTEMBER 2023

(EXPRESSED IN HONG KONG DOLLARS)

| | Note | <u>2023</u> | <u>2022</u> |
|-----------------------------|------|------------------|------------------|
| Revenue | 3 | 145,440 | 76,100 |
| Other income | 4 | 90,084 | 152,578 |
| Administrative expenses | | (405) | (400) |
| Other operating expenses | | <u>(244,619)</u> | <u>(279,011)</u> |
| Deficit for the year | 5 | <u>(9,500)</u> | <u>(50,733)</u> |

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

YUEN LONG DISTRICT CHRISTIAN CHURCHES UNION LIMITED
元朗區基督教聯會有限公司

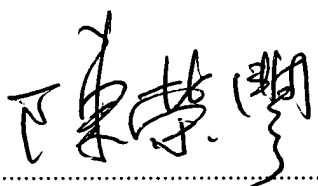
(LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL POSITION AS AT 30TH SEPTEMBER 2023

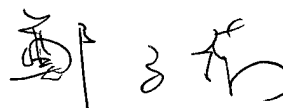
(EXPRESSED IN HONG KONG DOLLARS)

| | Note | <u>2023</u> | <u>2022</u> |
|-------------------------------|------|---------------|---------------|
| Non-current assets | | | |
| Property, plant and equipment | 8 | — | — |
| Current assets | | | |
| Cash and bank balances | | <u>90,412</u> | <u>98,985</u> |
| Current liabilities | | | |
| Accrued expenses | | 6,200 | 6,200 |
| Receipts in advance | | <u>28,653</u> | <u>27,726</u> |
| | | <u>34,853</u> | <u>33,926</u> |
| Net current assets | | <u>55,559</u> | <u>65,059</u> |
| Net assets | | <u>55,559</u> | <u>65,059</u> |
| Funds and reserves | | | |
| General fund | | <u>55,559</u> | <u>65,059</u> |

Approved by the Board of Directors on 27th March 2024



Chan Wing Fung



Cheng Tze Tak

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

YUEN LONG DISTRICT CHRISTIAN CHURCHES UNION LIMITED
元朗區基督教聯會有限公司

(LIMITED BY GUARANTEE)

STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED 30TH SEPTEMBER 2023

(EXPRESSED IN HONG KONG DOLLARS)

| | <u>General fund</u> |
|--------------------------------|-------------------------|
| Balance at 30th September 2022 | 65,059 |
| Deficit for the year | <u>(9,500)</u> |
| Balance at 30th September 2023 | <u>55,559</u> |

YUEN LONG DISTRICT CHRISTIAN CHURCHES UNION LIMITED
元朗區基督教聯會有限公司

(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS)

1. CORPORATE INFORMATION

Yuen Long District Christian Churches Union Limited (“the Company”) is a limited by guarantee company incorporated in Hong Kong. Every member of the church is limited to contribute to the assets of the Company in the event of it being wound up during the time of their membership or within one year of ceasing to be a member. Such contribution is not to exceed HKD100 per member. The registered office of the Company is at 3/F., Yat San Building, No. 5 Yat San Street, Yuen Long, New Territories.

During the year, the Company’s principal activities are charitable purposes and to preach and promote Christian Evangelism.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The Company qualifies for the reporting exemption as a small guarantee company under section 359(1)(a) of the 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 (“HKICPA”).

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

Revenue is recognised when it is probable that the economic benefit will flow to the Company and when the revenue can be measured reliably, on the following bases:

- i) donation and membership fee income are recognised on a receipt basis;
- ii) other income from programs, seminars and other activities are recognised upon completion of services provided; and
- iii) interest income is recognised on a time-proportion basis taking into account the principal outstanding and the interest applicable.

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

b) Property, plant and equipment

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

The depreciable amount of an item of property, plant and equipment is allocated on a systematic basis over its estimated useful life using the straight line method. The principal annual rate used for depreciation is as follows:

| | |
|------------------------|-----|
| Furniture and fixtures | 25% |
|------------------------|-----|

c) Other payables

Other payables are stated at amortised costs unless the effect of discounting would be immaterial, in which case they are stated at costs.

d) Impairment of assets

An assessment is made at the end of each reporting period to determine whether there is any indication of impairment or reversal of previous impairment, including items of property, plant and equipment, intangible assets and long-term investments. In the event that an asset's carrying amount exceeds its recoverable amount, the carrying amount is reduced to recoverable amount and an impairment loss is recognised in the income statement. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount, however not to an amount higher than the carrying amount that would have been determined (net of amortisation or depreciation), had no impairment losses been recognised for the asset in prior years.

3. REVENUE

Revenue represents donations and membership fees received during the year.

4. OTHER INCOME

The amounts of each significant category on income, other than revenue, recognised during the year are as follows:-

| | <u>2023</u> | <u>2022</u> |
|---|---------------|----------------|
| Bank interest income | 36 | |
| Other income from programs, seminars and other activities | <u>90,048</u> | <u>152,578</u> |
| | <u>90,084</u> | <u>152,578</u> |

5. **DEFICIT FOR THE YEAR**

Deficit for the year is stated after crediting and charging the following :-

| | <u>2023</u> | <u>2022</u> |
|------------------------|--------------|--------------|
| Crediting | | |
| Bank interest income | <u>36</u> | <u>-</u> |
| Charging | | |
| Auditors' remuneration | <u>6,200</u> | <u>6,200</u> |

6. **INCOME TAX EXPENSE**

The Company has been granted exemption from tax under Section 88 of the Inland Revenue Ordinance by reason of being a charitable institution of a public character. Accordingly, no provision for taxation has been made in these accounts.

7. **DIRECTORS' EMOLUMENTS**

None of the directors received or will receive any fees or emoluments in respect of their services to the Company during the year (2022: Nil).

8. **PROPERTY, PLANT AND EQUIPMENT**

| | <u>Furniture and fixtures</u> | <u>Total</u> |
|---------------------------------|---------------------------------------|---------------|
| Cost | | |
| At 30th September 2022 and 2023 | <u>13,165</u> | <u>13,165</u> |
| Accumulated depreciation | | |
| At 30th September 2022 and 2023 | <u>13,165</u> | <u>13,165</u> |
| Net book value | | |
| At 30th September 2023 | <u>-</u> | <u>-</u> |
| At 30th September 2022 | <u>-</u> | <u>-</u> |