

INJURED EMPLOYEES AND FAMILY MEMBERS
MUTUAL HELP ASSOCIATION LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2023

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Y.T. Lo & Co Ltd
Certified Public Accountants (Practising)
盧葉堂會計師行有限公司

INJURED EMPLOYEES AND FAMILY MEMBERS
MUTUAL HELP ASSOCIATION LIMITED
REPORT OF THE COUNCIL

The council present herewith their annual report and the audited financial statements for the year ended 31st March 2023.

PRINCIPAL ACTIVITIES

Injured Employees and Family Members Mutual Help Association Limited ("the Company") is a company incorporated and domiciled in Hong Kong and has its registered office and principal place of operation at Suite 101, 1/F., Block No. 2, Hofai Commercial Centre, Nos. 218-220 Sai Lau Kok Road, Nos. 94-96 Castle Peak Road, Tsuen Wan, Hong Kong. The principal activities of the company is to facilitate mutual help among injured employees and family members. There has been no significant change during the year.

RESULTS AND APPROPRIATIONS

The results of the company for the year ended 31st March 2023 and the state of the company's affairs as at that date are set out in the company's financial statements on pages 6 to 11.

SHARE CAPITAL

The company is limited by guarantee. No debenture is issued during the year.

COUNCIL MEMBERS

The council members during the year and up to the date of this report were:

Kwok Ching Kuen
Ngan Lit Chau
Tam Wai Pong

All council members will retire in the coming annual general meeting and, being eligible, offer for re-election.

The company did not enter into any contract, other than the contracts of service with the council members or any person engaged in the full-time employment of the company, whereby any individual, firm or body corporate undertakes the management and administration of the whole, or any substantial part of any business of the company.

INJURED EMPLOYEES AND FAMILY MEMBERS
MUTUAL HELP ASSOCIATION LIMITED
REPORT OF THE COUNCIL

COUNCIL MEMBER'S INTEREST

In the opinion of council, there were no contracts of significance to which the company was a party and in which any council member had a material interest subsisted at the end of the year or at any time during the year.

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

AUDITOR

A resolution will be submitted to the annual general meeting to re-appoint Messrs. Y. T. Lo & Co Ltd, Certified Public Accountants (Practising) as auditor of the company.

On Behalf of the Board



Council Member
Kwok Ching Kuen

Date : 29th January 2024

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
INJURED EMPLOYEES AND FAMILY MEMBERS
MUTUAL HELP ASSOCIATION LIMITED
(Incorporated in Hong Kong with limited liability)

OPINION

We have audited the financial statements of Injured Employees And Family Members Mutual Help Association Limited ("the company") set out on pages 6 to 11 which comprise the statement of financial position as at 31st March 2023, and 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 31st March 2023, 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 ("HKSAs") 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.

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 is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
INJURED EMPLOYEES AND FAMILY MEMBERS
MUTUAL HELP ASSOCIATION LIMITED
(CONTINUATION)

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH
GOVERNANCE FOR THE FINANCIAL STATEMENTS (CONT'D)

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 solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. 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:

- i) 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.
- ii) 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.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
INJURED EMPLOYEES AND FAMILY MEMBERS
MUTUAL HELP ASSOCIATION LIMITED
(CONTINUATION)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL
STATEMENTS (CONT'D)

- iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- iv) 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.
- v) 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.

The engagement partner on the audit resulting in this independent auditor's report is Chow Hoi Ki (Practising Certificate No: P06949).



Y. T. Lo & Co Ltd
Certified Public Accountants (Practising)
Hong Kong

Date : 29th January 2024



INJURED EMPLOYEES AND FAMILY MEMBERS
MUTUAL HELP ASSOCIATION LIMITED
STATEMENT OF INCOME AND
RETAINED EARNINGS
FOR THE YEAR ENDED 31ST MARCH 2023

	2023 HK\$	2022 HK\$
INCOME		
Membership Fee Received	5,100.00	1,400.00
One Off Donation	550,424.50	450,879.00
Monthly Donation	6,000.00	30,711.40
Project/Event Income	12,800.00	-
Interest Income	1,390.09	0.30
Other Income	120,500.00	8,791.15
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	696,214.59	491,781.85
LESS : OUT GOING		
Activities Cost	600.00	67.00
Advestising	700.00	1,330.00
Audit Fee	1,500.00	1,500.00
Bank Charges	-	180.00
Company Secretarial	1,235.00	1,235.00
Insurance	-	2,220.00
Messing	-	517.50
Postage	441.90	374.70
Project/Event Expenses	13,262.00	-
Repair and Maintenance	-	4,652.60
Salary	70,000.00	5,709.33
Staff Welfare	1,989.20	1,897.00
Stationery and Printing	16,169.80	18,873.81
Sundry Expenses	4,620.00	4,821.70
Telephone & Internet	13,351.00	6,936.00
Transportation	2,889.90	6,184.00
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	126,758.80	56,498.64
SURPLUS FOR THE YEAR		
	569,455.79	435,283.21
RETAINED EARNINGS AT START OF YEAR		
	1,559,008.30	1,123,725.09
RETAINED EARNINGS AT END OF YEAR		
	<u>\$2,128,464.09</u>	<u>\$1,559,008.30</u>

The notes on pages 9 to 11 form part of these financial statements.



INJURED EMPLOYEES AND FAMILY MEMBERS
MUTUAL HELP ASSOCIATION LIMITED
STATEMENT OF FINANCIAL POSITION
AT 31ST MARCH 2023

	NOTE	2023 HK\$	2022 HK\$
CURRENT ASSETS			
Accounts Receivable		6,000.00	11,000.00
Rental Deposit		35,000.00	-
Amounts due from a Related Company	(4)	1,122,477.13	1,227,477.13
Cash at Bank		1,158,367.96	394,059.67
		<u>2,321,845.09</u>	<u>1,632,536.80</u>
CURRENT LIABILITIES			
Accrued Expenses		1,500.00	18,538.50
Account Payable		191,881.00	44,490.00
Temporary and Prepayment Received		-	10,500.00
		<u>193,381.00</u>	<u>73,528.50</u>
NET CURRENT ASSETS		<u>2,128,464.09</u>	<u>1,559,008.30</u>
		<u>\$2,128,464.09</u>	<u>\$1,559,008.30</u>
Represented by:			
Retained Earnings		<u>2,128,464.09</u>	<u>1,559,008.30</u>
		<u>\$2,128,464.09</u>	<u>\$1,559,008.30</u>

The financial statements on pages 6 to 11 were approved and authorised for issue by the Council on 29th January 2024 and are signed on its behalf by:

Council Member
Tam Wai Pong

Council Member
Kwok Ching Kuen

The notes on pages 9 to 11 form part of these financial statements.



INJURED EMPLOYEES AND FAMILY MEMBERS
MUTUAL HELP ASSOCIATION LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH 2023

	2023 HK\$	2022 HK\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus for the Year	569,455.79	435,283.21
Operating Profit Before Working Capital Changes	569,455.79	435,283.21
(Increase)/Decrease in Accounts Receivable	5,000.00	(5,000.00)
(Increase)/Decrease in Rental Deposit	(35,000.00)	-
(Increase)/Decrease in Amounts due from a Related Company	105,000.00	(758,622.84)
Increase/(Decrease) in Accrued Expenses	(17,038.50)	(4,254.25)
Increase/(Decrease) in Account Payable	147,391.00	44,490.00
Increase/(Decrease) in Temporary and Prepayment Received	(10,500.00)	(1,629,715.67)
Net Cash Generated From/ (Used in) Operating Activities	194,852.50	(2,353,102.76)
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIV.	764,308.29	(1,917,819.55)
OPENING CASH AND CASH EQUIVALENTS	394,059.67	2,311,879.22
CLOSING CASH AND CASH EQUIVALENTS	<u>\$1,158,367.96</u>	<u>\$394,059.67</u>

The notes on pages 9 to 11 form part of these financial statements.



INJURED EMPLOYEES AND FAMILY MEMBERS
MUTUAL HELP ASSOCIATION LIMITED
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2023

1. GENERAL INFORMATION

Injured Employees And Family Members Mutual Help Association Limited is a company incorporated in Hong Kong with limited by guarantee. The company's registered office is located at Suite 101, 1/F., Block No. 2, Hofai Commercial Centre, Nos. 218-220 Sai Lau Kok Road, Nos. 94-96 Castle Peak Road, Tsuen Wan, Hong Kong. The principal activities of the company is to facilitate mutual help among injured employees and family members. There has been no significant change during the year.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The 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. They have been prepared under the historical cost convention.

a) REVENUE RECOGNITION

- i) Membership Fee received is recognised on cash basis;
- ii) Donation is recognised upon promise of donor; and
- iii) interest income is recognised on a time proportion basis taking into account the principal outstanding and the interest applicable.

b) TAXATION

No provision for Hong Kong Profits Tax has been provided in the financial statement as the company is a charitable institution under section 88 of the Inland Revenue Ordinance.

c) RELATED PARTIES

A related party is a person or entity that is related to the entity that is preparing its financial statements (the reporting entity).

- a) A person or a close member of that person's family is related to a reporting entity if that person:
 - i) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity;
 - ii) has control or joint control over the reporting entity; or
 - iii) has significant influence over the reporting entity.



INJURED EMPLOYEES AND FAMILY MEMBERS
MUTUAL HELP ASSOCIATION LIMITED
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2023

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

c) RELATED PARTIES (CONT'D)

- b) An entity is related to a reporting entity if any of the following conditions applies:
- i) the entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - ii) 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).
 - iii) both entities are joint ventures of the same a third entity.
 - iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - v) the entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
 - vi) the entity is controlled or jointly controlled by a person identified in (a).
 - vii) the entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.
 - viii) a person identified in (a)(ii) 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).

d) CASH AND CASH EQUIVALENTS

Cash comprises cash on hand and at bank and demand deposits with bank. 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 and have a short maturity of generally within three months when acquired.

For the purpose of statement of cash flow, bank overdrafts which are repayable on demand form an integral part of the party's cash management are included as a component of cash and cash equivalents.



INJURED EMPLOYEES AND FAMILY MEMBERS
MUTUAL HELP ASSOCIATION LIMITED
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2023

3. DIRECTORS' / KEY MANAGEMENT PERSONNELS' REMUNERATION

The company's key management personnel only include council member, whose remuneration disclosed pursuant to section 383(1) of the Companies Ordinance is as follows:

	<u>2023</u>	<u>2022</u>
Fees	\$Nil	\$Nil
Other emoluments	\$Nil	\$Nil

4. AMOUNTS DUE FROM A RELATED COMPANY

Amount due from related company detailed as follows :

Name of Borrower	Amount at Beginning of Year	Amount at End of Year	Maximum Amount Outstanding During Year
Neighbourhood & Worker's Service Centre	\$1,227,477.13	\$1,122,477.13	\$1,227,477.13

The above advances are unsecured, interest free and have no fixed terms of repayment. The directors considered no provision for non-recovery is required to be made.

5. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorised for issue by the Council on 29th January 2024.