

FAITH IN LOVE FOUNDATION LIMITED

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE, 2018**



李 湯 陳 會 計 師 事 務 所

LI, TANG, CHEN & CO.

Certified Public Accountants (Practising)

Hong Kong

FAITH IN LOVE FOUNDATION LIMITED
(incorporated in Hong Kong and limited by guarantee)

DIRECTORS' REPORT

The directors have pleasure in submitting to the members their report and audited financial statements for the year ended 30th June, 2018.

PRINCIPAL ACTIVITIES

The principal activities of the company are to provide support services for socially disadvantaged families, children and elderly; and the promoting of artistic education and exchange between disadvantaged groups.

FINANCIAL STATEMENTS

The financial performance of the company for the year ended 30th June, 2018 and the financial position of the company at that date are set out in the financial statements on pages 6 to 18.

DIRECTORS

Ms. Chao Gigi
Ms. Swartz Kristi Lynn
Mr. Chan Antonio Phoebus Chun Hin
Ms. Cheung Siu Lan Karen (Resigned on 5th January, 2018)
Mr. Chinchon John Howard
Ms. Eav Sean (Resigned on 27th December, 2018)
Ms. Fok Ka Yee Alice
Ms. Cecilia Wang

In accordance with article 26 of the company's articles of association, the term of office of the directors other than the first directors shall be three years and at the expiration of term of office they shall retire from office but 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 financial year and up to the date of this directors' report, there was or is, any permitted indemnity provision being in force for the benefit of any of the directors of the company.

FAITH IN LOVE FOUNDATION LIMITED
(incorporated in Hong Kong and limited by guarantee)

DIRECTORS' REPORT

AUDITORS

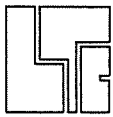
The financial statements have been audited by Li, Tang, Chen & Co., who retire but, being eligible, offer themselves for re-appointment.

On behalf of the Board



.....
Chao Gigi
Director

Hong Kong, 28 MAR 2019



**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF FAITH IN LOVE FOUNDATION LIMITED**
(incorporated in Hong Kong and limited by guarantee)

OPINION

We have audited the financial statements of Faith In Love Foundation Limited (the "company") set out on pages 6 to 18, which comprise the statement of financial position as at 30th June, 2018, and the statement of comprehensive income, statement of changes in equity and the 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 30th June, 2018, and of its financial performance and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") 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.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The directors are responsible for the other information. The other information comprises all the information included in the directors' report, other than 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.

to be cont'd/.....

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The directors are responsible for the preparation of financial statements that give true and fair view in accordance with HKFRSs 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.

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 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 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.

to be cont'd/.....

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

- 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.



Li, Tang, Chen & Co.
Certified Public Accountants (Practising)
10/F Sun Hung Kai Centre
30 Harbour Road
Wanchai
Hong Kong

28 MAR 2019

THCW/ACK:pn

FAITH IN LOVE FOUNDATION LIMITED

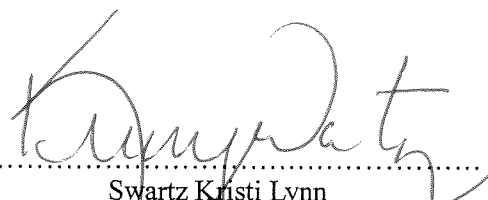
STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE, 2018

| | <u>Note</u> | HK\$ | <u>2018</u> HK\$ | <u>2017</u> HK\$ |
|-------------------------------|-------------|----------------|---------------------|---------------------|
| NON-CURRENT ASSETS | | | | |
| Property, plant and equipment | 10 | | - | - |
| CURRENT ASSETS | | | | |
| Amount due from a director | 11 | - | | 23,900 |
| Prepayment | | - | | 6,000 |
| Bank balances | | <u>941,884</u> | | <u>639,182</u> |
| | | 941,884 | | 669,082 |
| CURRENT LIABILITIES | | | | |
| Amount due to a director | 12 | 39,908 | | - |
| NET CURRENT ASSETS | | <u>-----</u> | <u>901,976</u> | <u>669,082</u> |
| NET ASSETS | | | <u>901,976</u> | <u>669,082</u> |
| Representing: | | | | |
| ACCUMULATED PROFITS | | | <u>901,976</u> | <u>669,082</u> |

The financial statements on pages 6 to 18 were approved and authorised for issue by the board of directors on 28 MAR 2019



 Chao Gigi
 Director



 Swartz Kristi Lynn
 Director

FAITH IN LOVE FOUNDATION LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30TH JUNE, 2018

| | <u>Note</u> | <u>2018</u> HK\$ | <u>2017</u> HK\$ |
|---|-------------|---------------------|---------------------|
| REVENUE | 6 | 1,022,577 | 711,782 |
| OTHER INCOME | 6 | 17,155 | 12,241 |
| STAFF COST | | (10,064) | (133,000) |
| OTHER OPERATING EXPENSES | | <u>(796,774)</u> | <u>(274,255)</u> |
| PROFIT BEFORE TAXATION | 7 | 232,894 | 316,768 |
| TAX EXPENSE | 8 | <u>-</u> | <u>-</u> |
| PROFIT FOR THE YEAR AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR | | <u>232,894</u> | <u>316,768</u> |

FAITH IN LOVE FOUNDATION LIMITED
STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED 30TH JUNE, 2018

| | <u>Accumulated profits</u> HK\$ |
|---|--|
| Balance at 1 st July, 2016 | 352,314 |
| Profit and total comprehensive income for the year | <u>316,768</u> |
| Balance at 30 th June, 2017 and 1 st July, 2017 | 669,082 |
| Profit and total comprehensive income for the year | <u>232,894</u> |
| Balance at 30 th June, 2018 | <u><u>901,976</u></u> |

FAITH IN LOVE FOUNDATION LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE, 2018

| | <u>2018</u> HK\$ | <u>2017</u> HK\$ |
|---|-----------------------|-----------------------|
| OPERATING ACTIVITIES | | |
| Profit before taxation and operating cash inflow before movements in working capital | 232,894 | 316,768 |
| Decrease in amount due from a director | 23,900 | - |
| Decrease in prepayment | 6,000 | 6,840 |
| Increase in amount due to a director | 39,908 | - |
| NET CASH GENERATED FROM OPERATING ACTIVITIES | <u>302,702</u> | <u>323,608</u> |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 302,702 | 323,608 |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR | <u>639,182</u> | <u>315,574</u> |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | <u><u>941,884</u></u> | <u><u>639,182</u></u> |
| ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS | | |
| Bank balances | <u><u>941,884</u></u> | <u><u>639,182</u></u> |

FAITH IN LOVE FOUNDATION LIMITED

NOTES ON THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The company is incorporated under the Hong Kong Companies Ordinance as a company limited by guarantee on 9th April, 2008. Every member of the company undertakes to contribute, if required, an amount not exceeding HK\$100 to the assets of the Company in the event of its being wound up.

The registered office of the company is located at 11/F., Club Lusitano, 16 Ice House Street, Central, Hong Kong.

The principal activities of the company are to provide support services for socially disadvantaged families, children and elderly; and the promoting of artistic education and exchange between disadvantaged groups.

The financial statements are presented in Hong Kong dollars, which is the same as the financial currency of the company.

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

The Hong Kong Institute of Certified Public Accountants ("HKICPA") has issued a number of new and amendments to HKFRSs that are first effective for the current accounting period of the company. However, these amendments to HKFRSs and interpretation have no material impact on the company.

The company has not applied any new standard or interpretation that is not yet effective for the current accounting year (see note 14).

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to the periods presented, unless otherwise stated.

a) Basis of preparation:

The financial statements have been prepared in accordance with HKFRSs (which also include Hong Kong Accounting Standards and Interpretations) issued by the HKICPA, accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance. The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with HKFRSs requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

FAITH IN LOVE FOUNDATION LIMITED
NOTES ON THE FINANCIAL STATEMENTS

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

a) Basis of preparation: (cont'd)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

b) Property, plant and equipment:

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the statement of comprehensive income in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of the property, plant and equipment, the expenditure is capitalised as an additional cost of that asset.

Depreciation on property, plant and equipment is calculated on the straight-line basis to allocate cost to their residual value over their estimated useful lives as follows:

| | |
|------------------|---------------|
| Office equipment | 25% per annum |
|------------------|---------------|

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

c) Receivables:

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provisions is recognised in the statement of comprehensive income.

d) Cash and cash equivalents:

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short-term highly liquid investments which are readily convertible into 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, less bank overdrafts which are repayable on demand and form an integral part of the company cash management.

FAITH IN LOVE FOUNDATION LIMITED
NOTES ON THE FINANCIAL STATEMENTS

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

e) Revenue recognition:

Donations are recognised on cash receipt basis.

Revenue from event is recognised when the event was held.

Interest income is recognised as it accrues by using effective interest method.

f) Employee benefits:

Employee entitlements to annual leave and statutory long service payments are recognised when they accrue to employees. A provision is made for the estimated liability as a result of services rendered by employees up to the end of the reporting period. HKAS 19 "Employee Benefits" provides that provision for long service payments be based on actuarial valuation. However, the directors of the company are of the opinion that given the business environment in which the company operates, the current provision in the financial statements is a more prudent estimate of the obligation than the actuarial valuation.

The company operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF scheme") under the Mandatory Provident Fund Schemes Ordinance, for those employees who are eligible to participate in the MPF scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to the statement of comprehensive income as they become payable in accordance with the rules of the MPF scheme. The assets of the MPF scheme are held separately from those of the company in an independently administered fund. The company's employer contributions vest with the employees when contributed into the MPF scheme.

g) Related parties:

a) A person, or a close member of that person's family, is related to the company if that person:

- i) has control or joint control over the company;
- ii) has significant influence over the company; or
- iii) is a member of the key management personnel of the company or the company's parent.

FAITH IN LOVE FOUNDATION LIMITED
NOTES ON THE FINANCIAL STATEMENTS

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

- g) Related parties: (cont'd)
- b) An entity is related to the company if any of the following conditions applies:
- i) the entity and the company 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 third party.
 - 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 company or an entity related to the company.
 - vi) the entity is controlled or jointly controlled by a person identified in (a).
 - vii) a person identified in (a)(i) 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).
 - viii) the entity, or any member of the group of which it is a part, provides key management personnel services to the company or to the company's parent.

Close members of the family 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.

4. FINANCIAL INSTRUMENTS

The main risk arising from the company's financial instruments are liquidity risk and credit risk. This risk is limited by the company's financial risk management policies and practices described below.

a) Financial risk factors:

i) Liquidity risk:

Liquidity risk is the risk that funds will not be available to meet liabilities as they fall due, and it results from amount and maturity mismatches of assets and liabilities.

The following table details the remaining contractual maturities at the end of the reporting period of the company's financial liabilities, which are based on contractual undiscounted cash flows and the earliest date the company can be required to pay.

FAITH IN LOVE FOUNDATION LIMITED
NOTES ON THE FINANCIAL STATEMENTS

4. FINANCIAL INSTRUMENTS (CONT'D)

a) Financial risk factors: (cont'd)

i) Liquidity risk: (cont'd)

| | 2018 | | |
|--------------------------|--------------------|---|-------------------------------|
| | Carrying amount | Total contractual undiscounted cash flow | Within 1 year or on demand |
| | HK\$ | HK\$ | HK\$ |
| Amount due to a director | 39,908 | (39,908) | (39,908) |

ii) Credit risk:

The maximum exposure to credit risk in the event that the counterparties fail to perform their obligations as at 30th June, 2018 and 30th June, 2017 in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the statement of financial position. In order to minimize the credit risk, the management has established monitoring procedures to ensure that follow-up action is taken to recover the overdue debts. In addition, the company reviews the recoverable amount of receivable from each individual debtor at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts.

The credit risk on liquid fund is limited because the counterparty is bank with high credit ratings.

b) Fair value estimation:

All of the financial assets and liabilities are carried at amounts not materially different from their fair values as at 30th June, 2018 and 30th June, 2017 because of their immediate or short-term maturity.

c) Capital management:

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern, top support the company's stability and growth and to provide fund for the purpose of strengthening the company's risk management capability.

FAITH IN LOVE FOUNDATION LIMITED

NOTES ON THE FINANCIAL STATEMENTS

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are discussed below.

Useful lives of property, plant and equipment

The company's management determines the estimated useful lives and related depreciation charges for its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. It could change significantly as a result of technical innovations and competitor actions in response to severe industry cycles. Management will increase the depreciation charge where useful lives are less than previously estimated lives, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

6. REVENUE

| | <u>2018</u> HK\$ | <u>2017</u> HK\$ |
|-----------------------|---------------------|---------------------|
| Donations income | 1,022,577 | 650,815 |
| Surplus on activities | <u>-</u> | <u>60,967</u> |
| | <u>1,022,577</u> | <u>711,782</u> |
| Other income | | |
| Interest income | 55 | 41 |
| Sundry income | <u>17,100</u> | <u>12,200</u> |
| | <u>17,155</u> | <u>12,241</u> |

7. PROFIT BEFORE TAXATION

| | <u>2018</u> HK\$ | <u>2017</u> HK\$ |
|--|---------------------|---------------------|
| This is arrived at after charging: | | |
| Auditors' remuneration | Hon | Hon |
| Contribution to Mandatory Provident Fund | - | 7,500 |
| Deficit on activities | <u>319,337</u> | <u>-</u> |

FAITH IN LOVE FOUNDATION LIMITED

NOTES ON THE FINANCIAL STATEMENTS

8. TAX EXPENSE

No provision for Hong Kong profits tax has been made for the years ended 30th June, 2018 and 30th June, 2017 as the company is exempt from Hong Kong profits tax under Section 88 of the Inland Revenue Ordinance with effect from 30th November, 2010.

9. DIRECTORS' EMOLUMENTS

Directors' emoluments disclosed pursuant to Section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulations are as follows:

| | <u>2018</u> HK\$ | <u>2017</u> HK\$ |
|------------------------|-----------------------------|-----------------------------|
| Fees | Nil | Nil |
| Salaries and allowance | Nil | Nil |
| | <u> </u> | <u> </u> |

10. PROPERTY, PLANT AND EQUIPMENT

| | <u>Office equipment</u> HK\$ |
|---|-------------------------------------|
| Cost: | |
| At 1 st July, 2016 and 30 th June, 2017 | 34,991 |
| | ----- |
| Accumulated depreciation: | |
| At 1 st July, 2016 and 30 th June, 2017 | 34,991 |
| | ----- |
| Net book value: | |
| At 30 th June, 2017 | - |
| | <u> </u> |
| Cost: | |
| At 1 st July, 2017 and 30 th June, 2018 | 34,991 |
| | ----- |
| Accumulated depreciation: | |
| At 1 st July, 2017 and 30 th June, 2018 | 34,991 |
| | ----- |
| Net book value: | |
| At 30 th June, 2018 | - |
| | <u> </u> |

FAITH IN LOVE FOUNDATION LIMITED
NOTES ON THE FINANCIAL STATEMENTS

11. AMOUNT DUE FROM A DIRECTOR

| | |
|-----------------------------------|--------------------|
| Name of borrower: | Ms. Chao Gigi |
| Position: | Director |
| Name of lender: | The company |
| Terms of advances | |
| - interest rate | Nil |
| - security | None |
| - duration and repayment term | Not specified |
| Balances of the relevant advances | |
| At 30.6.2018 | <u>HK\$ -</u> |
| At 30.6.2017 | <u>HK\$ 23,900</u> |
| Maximum balances outstanding: | |
| during the year ended 30.6.2018 | <u>HK\$ 23,900</u> |
| during the year ended 30.6.2017 | <u>HK\$ 23,900</u> |

12. AMOUNT DUE TO A DIRECTOR

This represent advances which are unsecured, interest-free and have no fixed repayment terms.

13. RELATED PARTY TRANSACTIONS

a) During the year, the company has entered into the following related party transactions:

| | <u>2018</u> HK\$ | <u>2017</u> HK\$ |
|---------------------------------|---------------------|---------------------|
| Donation income from a director | <u>2,355</u> | <u>190,150</u> |

b) Details of the balance with a director is disclosed in note (11) and (12) on the financial statements.

FAITH IN LOVE FOUNDATION LIMITED

NOTES ON THE FINANCIAL STATEMENTS

14. POSSIBLE IMPACT OF AMENDMENTS, NEW AND REVISED STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 30TH JUNE, 2018

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments, new and revised standards and interpretations which are not yet effective for the year ended 30th June, 2018 and which have not been adopted in these financial statements.

The company is in the process of making in an assessment of what the impact of these amendments, new and revised standards and new interpretations are expected to be in the period of initial application. So far it has concluded that the adoption is unlikely to have a significant impact on the company's results of operation and financial position.