

# Reports and financial statements

Mission to New Arrivals Limited  
For the year ended 31 March 2023



**Alpha Bright CPA Limited**

雅輝會計師事務所有限公司

CERTIFIED PUBLIC ACCOUNTANTS HONG KONG

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# DIRECTORS' REPORT

## Mission to New Arrivals Limited For the year ended 31 March 2023

The directors have pleasure in submitting the annual report together with the audited financial statements for the year ended 31 March 2023.

### Principal activities and business review

Mission to New Arrivals Limited ("the organization") is limited by guarantee. The organization's registered office is located at 21st floor, Skyline Tower, 18 Tong Mi Road, Mongkok, Kowloon, Hong Kong.

The organization helps new arrivals from the mainland China and South Asia, as well as poor and grassroots families integrate to the Hong Kong society; and also shares with them the Christian faith.

The organization is exempted from tax under Section 88 of the Inland Revenue Ordinance. No business review is presented as the organization has been able to claim an exemption under section 388(3) of the Companies Ordinance Cap. 622 since it falls within the reporting exemption.

### Result and appropriations

The result of the organization and the state of the Directors' affairs as at that date are set out in the organization's financial statements on pages 6 to 13.

### Directors

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

Ho Po Sang  
Kwong Wai Man Raymond  
Lai Yuen Shan (appointed on 22 December 2022)  
Ng Lai Ping  
Wan Nam Sing (appointed on 22 December 2022)  
Wu Ping Fan  
Yuen Yuet Mui  
Yip Kwok Keung

In accordance with the organization's Articles of Association, one-third of the directors, or if their number is not three or multiple of three, then the number nearest to but not exceeding one-third, shall retire from office. A retiring director shall be eligible for re-election.

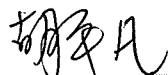
### Permitted indemnity provisions

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 the directors of the organization or an associated company.

### Auditor

The financial statements for the year have been audited by Alpha Bright CPA Limited who retire and, being eligible, offer themselves for re-appointment.

On behalf of the organization



Wu Ping Fan, Chairman  
Hong Kong, 31 August 2023

# INDEPENDENT AUDITOR'S REPORT

## Mission to New Arrivals Limited For the year ended 31 March 2023

To the members of Mission to New Arrivals Limited.

### Opinion

We have audited the financial statements of Mission to New Arrivals Limited ("the organization") set out on pages 6 to 13, which comprise the statement of financial position as at 31 March 2023, the statement of income and expenditure, and statement of change in funds and reserve 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 organization 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 ("HKASs") 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 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 the 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 organization'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 organization'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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKASs will always detect a material misstatement when it exists.

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

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 organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the director.
- 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 organization'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 organization 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.



Cheng Kwan Sing  
Certified Public Accountant (Practising)  
Practising no.: P02347  
Alpha Bright CPA Limited  
Certified Public Accountants  
Room 706A, 7/F., Harbour Crystal Center,  
100 Granville Road, Tsimshatsui East, Kowloon,  
Hong Kong, 31 August 2023

# STATEMENT OF INCOME AND EXPENDITURE

## Mission to New Arrivals Limited For the year ended 31 March 2023

	2023	2022
<b>Income</b>		
Donations	3,620,849	3,212,054
Fund Income	500,000	1,100,000
<b>Income for program</b>		
3H Handicraft Ministry Income	1,101,462	729,449
Creation Farm Ministry Income	72,280	61,902
Ethnic Minority Ministry Income	233,319	179,780
HSBC Community Partnership Programme Income	190,860	-
Life Building Centre Ministry Income	346,286	67,950
Love Granary Income	311,218	315,347
New Arrivals Ministry Income	2,273,659	2,576,285
Relief Fund Income	426,345	932,117
School of Poverty Caring Ministry Income	782,870	861,862
World Vision Hong Kong Income	125,000	-
Flagday income	-	905,762
<b>Total Income for program</b>	<b>5,863,298</b>	<b>6,630,454</b>
Other Income	14,043	3,034
Employment support scheme Income	732,000	-
	<b>10,730,190</b>	<b>10,945,542</b>
<b>Program and ministry expenses</b>		
3H Handicraft Ministry Expenses	1,802,893	1,303,298
Creation Farm Ministry Expenses	593,238	595,300
Ethnic Minority Ministry Expenses	323,573	436,355
HSBC Community Partnership Programme Expenses	-	415,608
Life Building Centre Ministry Expenses	656,133	653,731
Love Granary Expenses	150,884	254,823
New Arrivals Ministry Expenses	4,997,481	5,060,772
Promotion & Fund Raising Expenses	586,165	441,497
Relief Fund Expenses	583,421	1,244,737
School of Poverty Caring Ministry Expenses	826,849	852,918
World Vision Hong Kong Expenses	168,501	157,170
Flagday expenses	-	89,412
	<b>10,689,140</b>	<b>11,505,621</b>
	<b>41,050</b>	<b>(560,079)</b>
<b>Administrative expenses</b>		
Administration salaries	836,646	849,512
Advertising	5,169	852
Auditors' Remuneration	9,000	8,500
Bank Charges	16,201	21,856

## STATEMENT OF INCOME AND EXPENDITURE

	2023	2022
Cleaning	30,276	40,619
Computer Repair	22,607	15,682
Depreciation	159,738	234,818
Electricity & Water	41,630	38,310
Insurance	46,638	64,047
Medical	39,914	33,321
Messing	12,018	34,162
Postage	2,803	4,114
Printing & Stationery	35,608	34,023
Telephone & Telecommunication	22,913	59,349
Rent & Rates	686,273	729,773
Repair & Maintenance	11,073	14,839
Staff Training	27,938	36,107
Sundry	8,727	4,538
Web maintenance	-	800
Transportation	1,420	1,605
Travelling	-	723
	<b>2,016,594</b>	<b>2,227,550</b>
<b>Deficit for the year</b>	<b>(1,975,543)</b>	<b>(2,787,629)</b>

The accompanying Accounting Policies and Explanatory Notes form an integral part of, and should be read in conjunction with, these financial statements.

# STATEMENT OF FINANCIAL POSITION

## Mission to New Arrivals Limited

As at 31 March 2023

	NOTES	31 MAR 2023	31 MAR 2022
<b>Non current assets</b>			
Furniture, fixtures and Equipment	5	319,475	469,633
		<b>319,475</b>	<b>469,633</b>
<b>Current assets</b>			
Accounts receivable		47,062	75,880
Rental and utility deposits		175,700	175,700
Prepayments and other assets		103,102	81,272
Cash and bank balance		7,339,414	9,210,612
		<b>7,665,279</b>	<b>9,543,464</b>
<b>Current liabilities</b>			
Accrued expenses		25,700	78,500
		<b>25,700</b>	<b>78,500</b>
<b>Net current assets</b>		<b>7,639,579</b>	<b>9,464,964</b>
<b>Net assets</b>		<b>7,959,054</b>	<b>9,934,597</b>
<b>Funds and reserves</b>			
General fund		3,482,672	5,461,473
Building fund		2,500,000	2,500,000
Emergency relief fund		1,976,382	1,973,124
		<b>7,959,054</b>	<b>9,934,597</b>

Approved and authorised for issue by the Board of Directors on 31 August 2023



Wu Ping Fan, Chairman



Ho Po Sang, Vice chairman

The accompanying Accounting Policies and Explanatory Notes form an integral part of, and should be read in conjunction with, these financial statements.



# STATEMENT OF CHANGES IN FUNDS AND RESERVE

Mission to New Arrivals Limited  
For the year ended 31 March 2023

	2023	2022
<b>Funds and reserve</b>		
<b>General fund</b>		
Balance brought forward	5,461,473	7,997,006
General Fund brought forward	-	-
Deficit for the year	(1,975,543)	(2,787,629)
Transfer from designated funds	(3,258)	252,096
<b>Balance carried forward</b>	<b>3,482,672</b>	<b>5,461,473</b>
<b>Building fund</b>		
Balance brought forward and carried forward	2,500,000	2,500,000
<b>Emergency fund</b>		
Balance brought forward	1,973,124	2,225,220
Transfer to general fund	3,258	(252,096)
<b>Balance carried forward</b>	<b>1,976,382</b>	<b>1,973,124</b>
<b>Total Funds and reserve</b>	<b>7,959,054</b>	<b>9,934,597</b>

The accompanying Accounting Policies and Explanatory Notes form an integral part of, and should be read in conjunction with, these financial statements.

# ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

## Mission to New Arrivals Limited For the year ended 31 March 2023

### 1. Reporting entity

Mission to New Arrivals Limited ("the organization") is a company incorporated in Hong Kong with liability of the members limited by guarantee.

Under the provisions of the organization's memorandum of association, every member shall, in the event of the organization being wound up, contribute such amount as may be required to meet the liabilities of the organization, but not exceeding HK\$100 each.

Registered office of the Organization is located at 21st floor, Skyline Tower, 18 Tong Mi Road, Mongkok, Kowloon, Hong Kong. The organization helps new arrivals from the mainland China and South Asia, as well as poor and grassroots families integrate to the Hong Kong society; and also shares with them the Christian faith.

### 2. Basis of preparation and accounting policies

The organization 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

Where a revenue item is attributable to designated funds, the revenue is allocated to the respective funds; all other revenue is allocated to general fund.

Revenue is measured at the fair value of the consideration received or receivable. Provided it is probable that the economic benefits will flow to the organization and the revenue and costs, if applicable, can be measured reliably, revenue is recognized in profit or loss as follows:

- Donation and other income is recognized on cash receipt basis.

#### (b) Leases

Leases where substantially all the risks and rewards of ownership of assets are not transferred to the lessee are accounted for as operating leases. Annual rents applicable to such operating leases are charged to the statement of income and expenditure on a straight-line basis over the lease term.

#### (c) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any 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 reducing balance method. The principal annual rates used for depreciation are as follows:

Machinery and equipment	33-1/3%
Furniture and fixtures	33-1/3%

#### (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. 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 statement of income and expenditure.

An impairment loss in respect for goodwill is not reversed. In respect of assets other than goodwill, 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. Directors' remuneration

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) Regulation is HK\$ nil (2022: HK\$ nil).

### 4. Income tax expenses

No provision has been made for Hong Kong Profits Tax as the organization is an approved charitable organization and is exempt from tax under section 88 of the Hong Kong Inland Revenue Ordinance.

	2023	2022
<b>5. Furniture, fixtures and equipment</b>		
<b>Machinery and equipment</b>		
<b>Cost</b>		
Balance brought forward	1,460,923	1,349,236
Additions	9,580	111,687
<b>Balance carried forward</b>	<b>1,470,503</b>	<b>1,460,923</b>
<b>Accumulated depreciation</b>		
Balance brought forward	1,242,971	1,133,994
Charge for the year	75,844	108,977
<b>Balance carried forward</b>	<b>1,318,815</b>	<b>1,242,971</b>
<b>Net book value</b>	<b>151,688</b>	<b>217,952</b>
<b>Furniture and fixtures</b>		
<b>Cost</b>		
Balance brought forward	2,618,336	2,553,691
Additions	-	64,645
<b>Balance carried forward</b>	<b>2,618,336</b>	<b>2,618,336</b>
<b>Accumulated depreciation</b>		
Balance brought forward	2,366,655	2,240,814

	2023	2022
Charge for the year	83,894	125,841
Balance carried forward	2,450,549	2,366,655
<b>Net book value</b>	<b>167,787</b>	<b>251,681</b>
<b>Total net book value</b>		
Total cost	4,088,839	4,079,259
Total accumulated depreciation	(3,769,364)	(3,609,626)
	<b>319,475</b>	<b>469,633</b>

## 6. Funds

	2023	2022
<b>a) Usage of charitable fund raising income</b>		
<b>Income</b>		
Flag day fund raising income	-	905,762
Less: direct expenses	-	(89,412)
<b>Net proceeds</b>	<b>-</b>	<b>816,350</b>
<b>Usage of the net proceeds in: -</b>		
Relief fund	-	81,000
Network ministry	-	333,350
Ethnic minority ministry	-	40,000
Life building center and creation farm	-	81,000
School of poverty caring ministry	-	81,000
Administrative expenses and overheads	-	200,000
	<b>-</b>	<b>816,350</b>

### b) Building fund

Building fund was set up for the acquisition of a permanent office of the Organization in future.

### c) Emergency relief fund

- Emergency relief fund represents the fund set aside for the emergency relief and love granary ministries. The balance of such fund represents the accumulated net surplus or deficit arisen from designated income and expense associated with such purposes.
- This includes funds received from the Abundance Grace Charity Foundation Limited to the Organization to support the "Emergency relief fund" during the years from 2016/17 to 2020/21.

### d) Programme reserve fund

This represents fund granted from the Abundance Grace Charity Foundation Limited to the Organization to support the "Love - Brighten Up Your Lives" program during the years from 2016/17 to 2020/21.

The fund granted was fully received in prior year and is used in the subsequent financial years until 2020/21.

**7. Commitments under operating lease**

The organization had the following total future minimum lease payments payable under non-cancellable operating lease:

	2023	2022
<b>Representing:</b>		
Not later than one year	662,000	-
Later than one year	195,700	-

**8. Approval of financial statements**

These financial statements were approved and authorised for issue by the Board of Directors on 31 August 2023.