

**THE INDUSTRIAL EVANGELISTIC FELLOWSHIP LIMITED**

**(LIMITED BY GUARANTEE)**

**REPORTS AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED MARCH 31, 2024**



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**(EXPRESSED IN THE NEAREST HONG KONG DOLLARS)**

**THE INDUSTRIAL EVANGELISTIC FELLOWSHIP LIMITED**

**(LIMITED BY GUARANTEE)**

**REPORT OF THE EXECUTIVE COMMITTEE MEMBERS**

**FOR THE YEAR ENDED MARCH 31, 2024**

The executive committee members submit their annual report together with the audited financial statements for the year ended March 31, 2024.

**PRINCIPAL ACTIVITY**

The principal activity of The Industrial Evangelistic Fellowship Limited (“the fellowship”) is spreading of the teaching of Christian faith in Hong Kong among people of low economic status.

**EXECUTIVE COMMITTEE MEMBERS**

Executive committee members during the year and up to the date of this report were:

Mr. Au Sing Wah	(resigned on December 8, 2023)
Mr. Au Siu Kin, Stephen	
Mr. Chan Yu Kow	
Mr. Chen Yuk Lun, Ronald	
Mr. Cheung Ka Lun	
Ms. Fung Muk Shin, Vanessa	
Mr. Herman Lo	
Mr. Law Wai Kwan	
Mr. Lee Shung Kin	(resigned on December 8, 2023)
Mr. Wong Man Cheung	

In accordance with the Articles of Association, all of the present executive committee members remain in office in the forthcoming year.

**BUSINESS REVIEW**

The fellowship falls within reporting exemption for the financial year. Accordingly, the fellowship is exempted from preparing a business review.

...../To be continued

**THE INDUSTRIAL EVANGELISTIC FELLOWSHIP LIMITED**

**(LIMITED BY GUARANTEE)**

**REPORT OF THE EXECUTIVE COMMITTEE MEMBERS**

**FOR THE YEAR ENDED MARCH 31, 2024**

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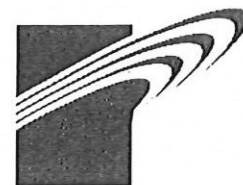
**AUDITORS**

Philip Poon & Partners CPA Limited are the fellowship's retiring auditors who, being eligible, offer themselves for re-appointment.

FOR AND ON BEHALF OF THE BOARD

  
\_\_\_\_\_  
CHAN YU KOW  
CHAIRMAN

Hong Kong  
September 27, 2024



**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF**

**THE INDUSTRIAL EVANGELISTIC FELLOWSHIP LIMITED**

**(Incorporated in Hong Kong and limited by guarantee)**

**Opinion**

We have audited the financial statements of The Industrial Evangelistic Fellowship Limited ("the Fellowship") set out on pages 7 to 16, which comprise the statement of financial position as at March 31, 2024, 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 Fellowship are prepared, in all material respects, 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") 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 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.

**Other Information**

The executive committee members are responsible for the other information. The other information comprises the information included in the executive committee members' report and financial statements, 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.

...../To be continued



**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF**  
**THE INDUSTRIAL EVANGELISTIC FELLOWSHIP LIMITED**  
**(Incorporated in Hong Kong and limited by guarantee)**

...../Continued

**Other Information (continued)**

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.

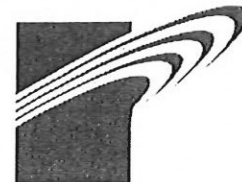
**Responsibilities of Executive Committee Members and Those Charged with Governance for the Financial Statements**

The executive committee members 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 executive committee members 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 executive committee members are responsible for assessing the Fellowship'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 executive committee members either intend to liquidate the Fellowship or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fellowship's financial reporting process.

...../To be continued



**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF**  
**THE INDUSTRIAL EVANGELISTIC FELLOWSHIP LIMITED**  
**(Incorporated in Hong Kong and limited by guarantee)**

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**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. This report is made 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.

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 Fellowship's internal control.

...../To be continued



**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF**  
**THE INDUSTRIAL EVANGELISTIC FELLOWSHIP LIMITED**  
**(Incorporated in Hong Kong and limited by guarantee)**

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**Auditor's Responsibilities for the Audit of the Financial Statements (continued)**

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the executive committee members.
- Conclude on the appropriateness of the executive committee members' 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 Fellowship'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 Fellowship 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.

Certified Public Accountants  
Hong Kong  
September 27, 2024

Philip Poon & Partners CPA Limited  
Mr. Poon Chin Chung, Philip  
Practising Certificate No.: P01748



**THE INDUSTRIAL EVANGELISTIC FELLOWSHIP LIMITED**

**(LIMITED BY GUARANTEE)**

**INCOME STATEMENT**

**FOR THE YEAR ENDED MARCH 31, 2024**

	<u>2024</u>	<u>2023</u>
	<u>\$</u>	<u>\$</u>
INCOME		
Activities income	513,684	577,717
Bank interest received	717,166	205,052
Collection on flag day sales	--	422,121
District Support Scheme for Children and Youth		
Development	70,000	70,000
Donations	9,423,685	11,694,140
Donations from Nethersole Fund	800,000	800,000
Other income	40,061	20,189
Sale of books	930	5,354
Subvention from Child Development Fund	516,745	773,876
Subvention from 兒童發展基金校本計劃	231,385	307,490
Subvention from 童你玩餐飽	69,265	288,814
	<u>12,382,921</u>	<u>15,164,753</u>
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...../To be continued

**THE INDUSTRIAL EVANGELISTIC FELLOWSHIP LIMITED**

**(LIMITED BY GUARANTEE)**

**INCOME STATEMENT**

**FOR THE YEAR ENDED MARCH 31, 2024**

...../Continued

	<u>NOTE</u>	<u>2024</u> \$	<u>2023</u> \$
LESS: EXPENDITURE			
Activities expenses	6	2,544,096	2,795,581
Advertising and promotion		15,220	14,664
Auditors' remuneration		18,000	18,000
Bank charges		7,413	5,712
Cleaning expenses		11,344	105,916
Donation		483,943	--
Depreciation	7	17,600	17,600
Electricity, water and telephone		213,166	203,927
Emergency assistance granted		152,000	140,500
Insurance		67,927	42,219
Medical allowance		117,113	112,546
Minor purchases		10,593	--
Newspaper and magazine		1,010	1,010
Postage and stamp		5,181	6,041
Printing and stationery		76,740	93,019
Provident fund contribution		497,141	534,491
Rent, rates and building management fee		1,574,022	1,374,898
Repairs and maintenance		64,636	203,998
Salaries and allowances		7,294,305	7,619,662
Sundry expenses		560,683	259,930
Travelling expenses		42,257	17,410
TOTAL EXPENDITURE		<u>13,774,390</u>	<u>13,567,124</u>
(DEFICIT)/SURPLUS FOR THE YEAR		<u>(1,391,469)</u>	<u>1,597,629</u>
(DEFICIT)/SURPLUS FOR THE YEAR IS ATTRIBUTED TO:			
General fund		(1,461,664)	1,596,679
IEF Emergency Assistance fund		70,195	950
		<u>(1,391,469)</u>	<u>1,597,629</u>

The notes on pages 11 to 16 form part of these financial statements.

**THE INDUSTRIAL EVANGELISTIC FELLOWSHIP LIMITED**

**(LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2024**

	<u>NOTE</u>	<u>2024</u> \$	<u>2023</u> \$
NON-CURRENT ASSETS			
Plant and equipment	7	--	17,600
		-----	-----
CURRENT ASSETS			
Prepayments and deposits		500,970	457,139
Bank balances and cash		32,802,034	34,692,990
		-----	-----
		33,303,004	35,150,129
		-----	-----
CURRENT LIABILITIES			
Other accounts payable		18,300	18,300
Accrued expenses		799,511	92,307
Temporary receipts		488,832	2,017,318
Temporary receipts – 潘仁智紀念基金		40,436	39,536
Provisions for other liabilities	8	1,165,051	817,925
		-----	-----
		2,512,130	2,985,386
		-----	-----
NET CURRENT ASSETS		30,790,874	32,164,743
		-----	-----
NET ASSETS		30,790,874	32,182,343
		=====	=====
REPRESENTED BY			
General fund		25,227,138	26,688,802
IEF Emergency Assistance fund	9	5,563,736	5,493,541
		-----	-----
		30,790,874	32,182,343
		=====	=====

Approved and authorised for issue by the board of executive committee members on September 27, 2024

  
\_\_\_\_\_  
CHAN YV KOW  
CHAIRMAN

  
\_\_\_\_\_  
HERMAN LO  
EXECUTIVE COMMITTEE MEMBER

The notes on pages 11 to 16 form part of these financial statements.

**THE INDUSTRIAL EVANGELISTIC FELLOWSHIP LIMITED**

**(LIMITED BY GUARANTEE)**

**STATEMENT OF CHANGES IN FUNDS**

**FOR THE YEAR ENDED MARCH 31, 2024**

	<u>General fund</u>	<u>IEF Emergency Assistance fund</u>	<u>Total</u>
	<u>\$</u>	<u>\$</u>	<u>\$</u>
Balance at beginning of year	26,688,802	5,493,541	32,182,343
(Deficit)/Surplus for the year	(1,461,664)	70,195	(1,391,469)
	<hr/>	<hr/>	<hr/>
Balance at end of year	25,227,138	5,563,736	30,790,874
	<hr/>	<hr/>	<hr/>

The notes on pages 11 to 16 form part of these financial statements.

**THE INDUSTRIAL EVANGELISTIC FELLOWSHIP LIMITED**

**(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED MARCH 31, 2024**

**1. CORPORATE INFORMATION**

The Industrial Evangelistic Fellowship Limited (“the fellowship”) is a charitable organisation registered in accordance with section 88 of the Hong Kong Inland Revenue Ordinance. The fellowship is incorporated in Hong Kong as a fellowship and limited by guarantee. The address of its registered office is 11/F., Mongkok Christian Centre, 56 Bute Street, Mongkok, Kowloon, Hong Kong.

The principal activity of the fellowship is spreading of the teaching of Christian faith in Hong Kong among people of low economic status.

**2. BASIS OF PREPARATION**

**(a) Statement of compliance**

In accordance with section 359 and sub-section 3 of section 363 of the Hong Kong Companies Ordinance, the fellowship qualifies for the reporting exemption as a small guarantee company and is therefore entitled to prepare and present its annual financial statements in accordance with the Small and Medium-sized Entity Reporting Standard (“SME-FRS”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). These financial statements have been prepared in accordance with the SME-FRS.

These financial statements comply with all applicable sections of the SME-FRS and have been prepared under the accrual basis of accounting and on the basis that the fellowship is a going concern.

**(b) Basis of measurement**

The measurement base used in preparing these financial statements is historical cost convention.

**THE INDUSTRIAL EVANGELISTIC FELLOWSHIP LIMITED**

**(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED MARCH 31, 2024**

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The following are the specific accounting policies that are necessary for a proper understanding of financial statements:

**(a) Revenue**

Revenue is recognised as income when it is probable that the economic benefits will flow to the fellowship and when the revenue can be measure reliably, on the following bases:

- (i) Donations income is recognised only when money in Hong Kong currency has been actually received by the fellowship;
- (ii) Project sponsorship income in recognition of specific expenses is recognised in surplus or deficit in the same period as the relevant expenses; and
- (iii) Interest income is recognised on a time proportion basis by reference to the principal amounts outstanding and the interest rates applicable.

**(b) Foreign exchange**

The reporting currency of the fellowship is Hong Kong dollars, which is the currency of the primary economic environment in which the fellowship operates. Foreign currency transactions are converted at the exchange rate applicable at the transaction date. Foreign currency monetary items are translated into Hong Kong dollars using exchange rates applicable at the end of the reporting period. Gains and losses on foreign exchange are recognised in the income statement.

**(c) Plant and equipment**

Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

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

Leasehold improvement	20%
Equipment	33%
Furniture and fixtures	20%

**THE INDUSTRIAL EVANGELISTIC FELLOWSHIP LIMITED**

**(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED MARCH 31, 2024**

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(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 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.

**(e) Operating 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 income statement on a straight-line basis over the lease term.

**(f) Accounts and other receivables**

Accounts and other receivables are initially recognised at fair value and thereafter stated at estimated realisable value after each debt has been considered individually. When the payment of a debt become doubtful a provision is made and change to the income statement.

**(g) Government grants**

The government grants in recognition of specific expenses are recognised in surplus or deficit in the same period as the relevant expenses.

**4. TAXATION**

No provision has been made for Hong Kong Profits Tax in the financial statements as the fellowship is a charitable organisation exempted from tax under section 88 of the Hong Kong Inland Revenue Ordinance.

**THE INDUSTRIAL EVANGELISTIC FELLOWSHIP LIMITED**

**(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED MARCH 31, 2024**

**5. EXECUTIVE COMMITTEE MEMBERS' REMUNERATION**

Remuneration of the executive committee members of the fellowship 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 are as follows:

Only the ex-officio members received remuneration. The executive committee members received no remuneration for their services to the fellowship during the year (2023: Nil).

**6. ACTIVITIES EXPENSES**

The activities expenses comprise:

	<u>2024</u>	<u>2023</u>
	<u>\$</u>	<u>\$</u>
Activities expenses	646,266	378,140
Child Development Fund	517,233	773,876
Collection on Flag Day sales	--	27,260
District Support Scheme for Children and Youth Development	70,000	70,000
Nethersole Fund	800,000	800,000
兒童發展基金校本計劃	231,385	307,490
童你玩餐飽	69,265	288,815
新宣教企劃撥備	--	150,000
50 週年活動支出	209,947	--
	<u>2,544,096</u>	<u>2,795,581</u>
	=====	=====



**THE INDUSTRIAL EVANGELISTIC FELLOWSHIP LIMITED**

**(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED MARCH 31, 2024**

**7. PLANT AND EQUIPMENT**

	<u>Leasehold improvement</u> \$	<u>Equipment</u> \$	<u>Furniture and fixtures</u> \$	<u>Total</u> \$
<u>Cost:</u>				
At April 1, 2023 and March 31, 2024	2,924,406 -----	808,398 -----	604,413 -----	4,337,217 -----
<u>Accumulated depreciation and impairment losses:</u>				
At April 1, 2023	2,906,806	808,398	604,413	4,319,617
Depreciation charge for the year	17,600	--	--	17,600
At March 31, 2024	<u>2,924,406</u> =====	<u>808,398</u> =====	<u>604,413</u> =====	<u>4,337,217</u> =====
<u>Carrying amount:</u>				
At April 1, 2023	<u>17,600</u> =====	-- =====	-- =====	<u>17,600</u> =====
At March 31, 2024	<u>--</u> =====	-- =====	-- =====	<u>--</u> =====

**8. PROVISIONS FOR OTHER LIABILITIES**

	<u>2024</u> \$	<u>2023</u> \$
Provision for long service payment	909,636	534,593
Provision for annual leave	255,415	283,332
	<u>1,165,051</u> =====	<u>817,925</u> =====

**THE INDUSTRIAL EVANGELISTIC FELLOWSHIP LIMITED**

**(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED MARCH 31, 2024**

**9. IEF EMERGENCY ASSISTANCE FUND**

IEF Emergency Assistance fund was set up to provide rapid response to people who find themselves in an emergency financial crisis for which other sources of help may not be available. Movements in the fund during the year are as follows:

	<u>2024</u>	<u>2023</u>
	<u>\$</u>	<u>\$</u>
At beginning of year	5,493,541	5,492,591
	-----	-----
Donation received	222,195	141,450
Expenses incurred	(152,000)	(140,500)
	-----	-----
Surplus for the year	70,195	950
	-----	-----
At end of year	5,563,736	5,493,541
	=====	=====

**10. OPERATING LEASE COMMITMENTS**

At March 31, 2024, the fellowship had commitments for future minimum lease payments in respect of land and buildings under non-cancellable operating lease which fall due as follows:

	<u>2024</u>	<u>2023</u>
	<u>\$</u>	<u>\$</u>
Within 1 year	1,497,000	1,112,000
After 1 year but within 5 years	1,238,968	9,000
	-----	-----
	2,735,968	1,121,000
	=====	=====