

寰宇希望
HOPE WORLDWIDE

REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

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Your Business Success is Our Mission



**HOPE WORLDWIDE
REPORTS AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

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HOPE WORLDWIDE
REPORT OF THE EXECUTIVE COMMITTEE

The members of the executive committee present their report together with the audited consolidated financial statements of the Company for the year ended 31 December 2020.

Principal Activities

The Company is organized as a non-profit making organization. Its objectives are to initiate and organize charitable and community programmes mainly in Hong Kong. The principal activity of its subsidiary is set out in note 12(a) to the consolidated financial statements.

Results and Appropriations

The results of the Company and its subsidiary (collectively "the Group") for the year ended 31 December 2020 are set out in consolidated the income statement on page 5.

The state of the Group's affairs as at 31 December 2020 are set out in the annexed consolidated statement of financial position on page 6.

In accordance with Article 5(2) of the Company's Articles of Association, no dividend shall be distributed to the member of the Company.

Property, Plant and Equipment

Details of movements in property, plant and equipment of the Group are set out in note 8 to the consolidated financial statements.

Members of the Executive Committee

The members of the executive committee of the Company during the financial year and up to the date of this report were:

Dr. WONG Kin Hung Jeffrey (Resigned on 4 January 2021)
MAK Wing Fan Francis
CHOW Tak Kin Aaron
HUI Chi Wang
CHAN Shu Cheong (Appointed on 26 January 2021)
CHAN Shek Ming (Appointed on 26 January 2021)
CHENG Kwok Kee (Appointed on 26 January 2021)

The directors of the subsidiary incorporated in the Hong Kong during the year and up to the date of this report are:

MUI Cheung Wah
LIU Lap Hang
CHEE Ban Wa Elizabeth

In accordance with Article 42, 43 and 44 of the Company's Articles of Association, Dr. Wong Kin Hung Jeffrey and Mr. Hui Chi Wang shall retire and, being eligible, offer themselves for re-election.

Permitted Indemnity Provision

During the financial year and up to the date of this Directors' Report, there was or is, permitted indemnity provision being in force for the benefit of the directors of the Company.

HOPE WORLDWIDE
REPORT OF THE EXECUTIVE COMMITTEE

Management Contracts

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

Business Review

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

Event After the end of the Reporting Year

Details of a significant event occurring after the end of the reporting year are set out in note 15 to the consolidated financial statements.

Auditors

Messrs. Alex So & Co., Certified Public Accountants, have expressed their willingness to continue in office. A resolution to re-appoint them as auditors of the Company will be proposed at the forthcoming annual general meeting.

On behalf of the Executive Committee



MAK Wing Fan Francis
Chairman

Hong Kong, 29 September 2021

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
HOPE WORLDWIDE
(Incorporated in Hong Kong with limited liability by Guarantee)**

Opinion

We have audited the consolidated financial statements of Hope Worldwide 寰宇希望 ("the Company") and its subsidiary (collectively "the Group") set out on pages 5 to 13, which comprise the consolidated statement of financial position as at 31 December 2020, and the consolidated income statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements of the Group are prepared, in all material respects, in accordance with the Hong Kong Small and Medium-sized Entity Financial Reporting Standard ("SMEFRS") 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") 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.

Information other than the Financial Statements and Auditor's Report thereon

The members of the executive committee are responsible for the other information. The other information comprises all information included in the report of the executive committee and the schedule of expenses by programme of the Company, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 Members of the Executive Committee and Those Charged with Governance for the Consolidated Financial Statement

The members of the executive committee are responsible for the preparation of the consolidated 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 members of the executive committee determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the members of the executive committee are responsible for assessing the Group'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 members of the executive committee either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

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

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
HOPE WORLDWIDE
(Incorporated in Hong Kong with limited liability by Guarantee)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 (Cap. 622), and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of the report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's 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 consolidated 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 consolidated 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the members of the executive committee.
- Conclude on the appropriateness of the members of the executive committee's 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 Group'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 Group 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.



Alex So & Co.
Certified Public Accountants

Hong Kong, 29 September 2021

SH/Co/HWWD

HOPE WORLDWIDE
CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 HK\$	2019 HK\$
Income	5		
Donations and Grants Received		8,684,967	9,638,861
Dental Services Income		5,421,412	5,442,728
Bank Interest Income		7	682
Expenditures			
Bank Charges		(127,446)	(135,447)
Expenditure of Hope for Kids Centre subsidised	6	(1,477,211)	(1,640,557)
Expenditure	7	(12,155,938)	(13,551,884)
Surplus / (Deficit) before Tax		345,791	(245,617)
Taxation		-	-
Surplus / (Deficit) for the year		345,791	(245,617)

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

HOPE WORLDWIDE
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Note	2020 HK\$	2019 HK\$
Non-Current Assets			
Property, Plant and Equipment	8	961,486	1,321,694
		<u>961,486</u>	<u>1,321,694</u>
Current Assets			
Accounts Receivable		331,300	376,815
Other Receivable		38,000	128,724
Deposit and Prepayment		721,834	447,895
Grant Receivable from Education Bureau	9	329	2,784
Cash and Bank Balance		3,075,725	2,355,133
		<u>4,167,188</u>	<u>3,311,351</u>
Less: Current Liabilities			
Other Payable and Accruals		(586,643)	(511,058)
Grants Received in Advance		(1,594,235)	(1,599,982)
Provision for Untaken Annual Leave		(136,000)	(136,000)
Provision for Long Services Payment		(140,000)	(60,000)
Amount due to Parent Company		-	-
		<u>(2,456,878)</u>	<u>(2,307,040)</u>
Net Current Assets		<u>1,710,310</u>	<u>1,004,311</u>
Net Assets		<u>2,671,796</u>	<u>2,326,005</u>
Reserve			
Retained Surplus		2,671,796	2,326,005
Surplus Funds	10	<u>2,671,796</u>	<u>2,326,005</u>

Approved and authorized for issue by the Executive Committee on 29 September 2021.



 MAK Wing Fan Francis
 Member of the
 Executive Committee



 HUI Chi Wang
 Member of the
 Executive Committee

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

HOPE WORLDWIDE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. General

The Company is a non-profit making organisation incorporated in Hong Kong and limited by guarantee under the Hong Kong Companies Ordinance. Under the provisions of the Company's Articles of Association, every member shall, in the event of the Company being wound up, contribute to the assets of the Company to the extent of no exceeding the sum of HK\$10.

The Company's registered office is located at 1-6A, G/F, Tung Fai House, Tai Hang Tung Estate, Shek Kip Mei, Kowloon.

The principal activities of the Company are to initiate and organize charitable and community programmes in the People's Republic of China. The principal activity of its subsidiary is to provide dental services and to develop and promote dental health for the elderly, the sick and the poor on a charitable basis.

The Company is exempt from Hong Kong Profits Tax under Section 88 of the Inland Revenue Ordinance.

2. Basis of Preparation

The Company and its subsidiary qualifies for the reporting exemption as a small guarantee company under Section 359(1)(a) for the Hong Kong Companies Ordinance (Cap. 622) and the Group as a whole qualifies for the reporting exemption as a small guarantee group and limited by guarantee under Section 359(3). The Group is therefore entitled to prepare and present its financial statements in accordance with the Small and Medium-sized Entity Financial Reporting Standard (the "SME-FRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

In Note 12, the Company has two subsidiary Companies. In the opinion of directors, one of the Company, Hope Worldwide Elderly Care Service Company Limited, was excluded from consolidation due to the exclusion measured on an aggregate basis is not material to the Group as a whole.

Hope Worldwide Elderly Care Service Company Limited was incorporated in Hong Kong on 13 August 2020 and no business carry on during 2020.

3. Application of Small and Medium-Sized Entity Financial Reporting Standard

In prior years, the Group prepared its consolidated financial statements in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA. The Group's financial statements for the year ended 31 December 2020 are its second year annual consolidated financial statements prepared under accounting policies that comply with the SME-FRS.

The application of the SME-FRS in the current year has no material effect on the Group's financial statements for the current and prior years.

4. Significant Accounting Policies

These consolidated 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 consolidated financial statements:

(a) **Subsidiary**

A subsidiary is an entity controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

The investment in the subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances and transactions and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

HOPE WORLDWIDE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4. Significant Accounting Policies (Continued)

(b) Revenue

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

- (i) service and program income is recognised when services are provided;
- (ii) donations are recognised when no significant uncertainty as to their collectability exists;
- (iii) grants received are recognised when there is reasonable assurance that the Group implements and complies with the conditions attached to the funding and when funds are received or receivable; and
- (iv) interest income is recognised on a time proportion basis taking into account the principal outstanding and the interest applicable.

(c) Lease

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.

(d) Retirement benefit costs

Payments to the Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

(e) Property, Plant and Equipment

Property, plant and equipment are stated at 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 items of property, plant and equipment are depreciated on a straight-line basis at the following rates per annum:

Leasehold Improvement	10% to 20%
All other property, plant and equipment	20%

(f) Accounts and Others Receivable

Accounts and others receivable are stated at estimated realisable value after each debt has been considered individually. Where the payment of a debt becomes doubtful a provision is made and changes to the income statement.

(g) Impairment Loss

An assessment is made at each reporting date to determine whether there is any indication of impairment or reversal of previous impairment on investment property. 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 recognized in the income statement. A previously recognized 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 amortization or depreciation), had no impairment losses been recognized for the asset in prior years.

HOPE WORLDWIDE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4. Significant Accounting Policies (Continued)

(h) Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the condition attached to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income/a deduction from the carrying amount of the relevant asset in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purposes of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the year in which they become receivable.

(i) Provision

Provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the best estimate of the consideration required to settle the present obligation at the end of the reporting year, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of

5. Income and Revenue

Revenue represents donations, grants received, programme income and dental service income and by the Group during the year as follows:

	2020	2019
	HK\$	HK\$
Donation Received	6,467,522	6,964,302
Donations in Kind	62,268	82,228
Grants Received	1,631,422	1,436,375
Programme Income	209,182	1,155,956
Dental Service Income	5,421,412	5,442,728
	<u>13,791,806</u>	<u>15,081,589</u>
Proceeds from Flag Day	309,733	-
Grants Received from Community Care Service Voucher for Elderly ("CCSV")	4,452	-
Programme Income from Community Care Service Voucher for Elderly ("CCSV")	388	-
	<u><u>14,106,379</u></u>	<u><u>15,081,589</u></u>

The purpose of the flag day fund-raising is for the expenses of non-subservent services for the underprivileged children at HOPE Worldwide Centre for Kids (Shek Kip Mei).

HOPE WORLDWIDE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6. Expenditure of Hope For Kids Centre Subsidised by General Income

	2020	2019
	HK\$	HK\$
Contribution to Mandatory Provident Fund	30,955	42,948
Depreciation	2,087	856
Insurance	58,206	41,134
Legal and Professional Fee	5,550	11,550
Local Meals	3,074	3,682
Printing and Stationery	239	32,314
Project Expenses	198,952	199,722
Promotional Expenses	32,184	-
Rental Expenses	100,001	109,423
Repairs and Maintenance	143,277	14,082
Staff Salaries and Benefits	840,095	1,085,319
Sundry Expenses	41,502	53,691
Telephone and Postage	8,071	11,949
Travelling -Local	216	3,181
Utilities	12,802	30,706
	<u>1,477,211</u>	<u>1,640,557</u>

7. Expenditure

	2020	2019
	HK\$	HK\$
Auditors' Remuneration	82,000	86,000
Overprovision of Auditors' Remuneration	-	(1,500)
Consulting Fee	2,571,217	1,644,098
Contributions to Mandatory Provident Fund	198,851	234,516
Dental Supplies	454,506	481,437
Depreciation	397,835	396,531
Donation	-	156,896
Increase in Provision for Long Services Payment	80,000	-
Insurance	375,689	231,985
Legal and Professional Fee	34,403	14,605
Local Meals	48,680	85,950
Printing and Stationery	68,383	83,753
Program Grants	391,049	349,752
Project Expenses	1,345,536	3,032,841
Project Expenses and Rental for Community Care Service Voucher for Elderly ("CCSV")	9,661	-
Promotional Expenses	14,184	120,469
Rates and Management Fee	110,853	112,015
Remuneration of Members of the Executive Committee (including Fees and Other Emoluments)	-	-
Rental Expenses	745,318	835,201
Repairs and Maintenance	100,282	80,472
Staff Salaries and Benefits	4,828,638	5,287,769
Sundry Expenses	193,691	190,425
Telephone and Postage	64,004	61,150
Travelling -Local	31,242	31,091
Travelling -Overseas	-	15,730
Utilities	9,916	20,698
	<u>12,155,938</u>	<u>13,551,884</u>

HOPE WORLDWIDE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

8. Property, Plant and Equipment

	Dental Equipment HK\$	Furnitures and Fixtures HK\$	Leasehold Improvement HK\$	Office Equipment HK\$	Total HK\$
Cost:					
At 1 January 2020	882,825	688,112	1,846,547	444,177	3,861,661
Additions / Disposal	-	-	-	39,714	39,714
At 31 December 2020	<u>882,825</u>	<u>688,112</u>	<u>1,846,547</u>	<u>483,891</u>	<u>3,901,375</u>
Accumulated Depreciation:					
At 1 January 2020	(441,412)	(416,290)	(1,336,836)	(345,429)	(2,539,967)
Charges for the year	(176,565)	(108,728)	(67,962)	(46,667)	(399,922)
At 31 December 2020	<u>(617,977)</u>	<u>(525,018)</u>	<u>(1,404,798)</u>	<u>(392,096)</u>	<u>(2,939,889)</u>
Net Carrying Amount:					
At 31 December 2020	<u>264,848</u>	<u>163,094</u>	<u>441,749</u>	<u>91,795</u>	<u>961,486</u>
At 31 December 2019	<u>441,413</u>	<u>271,822</u>	<u>509,711</u>	<u>98,748</u>	<u>1,321,694</u>

9. Grants Receivable From Education Bureau

Details of School-based After-school Learning and Support Programmes for Sham Shui Po Centre for the years are as follows:

	2020			2019		
	2019/20	2020/21	Total	2019/20	2020/21	Total
Balance at 1 January	2,784	-	2,784	-	-	-
Grant Received	(9,197)	(6,898)	(16,095)	(6,898)	-	(6,898)
Grant Refunded	-	-	-	-	-	-
Less: Expenditure						
Extra-curricular activities	7,878	5,762	13,640	9,682	-	9,682
Balance at 31 December	<u>1,465</u>	<u>(1,136)</u>	<u>329</u>	<u>2,784</u>	<u>-</u>	<u>2,784</u>

10. Retained Surpluses

	HK\$
At 1 January 2020	2,326,005
Surplus for the Year	345,791
At 31 December 2020	<u>2,671,796</u>

11. Commitments under Operating Leases

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

	2020 HK\$	2019 HK\$
Within One Year	683,040	521,196
Later than One Year	992,620	147,795
	<u>1,675,660</u>	<u>668,991</u>

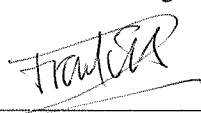
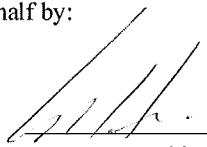
Operating lease payments represent rental payable by the Group for its office and dental clinic premises. Leases are negotiated for an average terms of three years.

HOPE WORLDWIDE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

12. Statement of Financial Position of the Company

	2020 HK\$	2019 HK\$
Non-Current Assets		
Property, Plant and Equipment	37,983	9,059
Investment in Subsidiary	-	-
Note 12(a)	37,983	9,059
Current Assets		
Account Receivable	104,945	128,724
Deposit and Prepayment	457,063	153,254
Grant Receivable from Education Bureau	38,000	2,784
Amount due from Subsidiary	21,313	27,584
Cash and Bank Balance	2,110,517	1,722,296
	2,731,838	2,034,642
Current Liabilities		
Other Payable and Accruals	(124,050)	(374,876)
Grants Receivable in Advance	(547,510)	(416,327)
Provision for Untaken Annual Leave	(136,000)	(136,000)
Provision for Long Services Payment	(140,000)	(60,000)
	(947,560)	(987,203)
Net Current Assets	1,784,278	1,047,439
Net Assets	1,822,261	1,056,498
Reserve		
Retained Surplus	1,822,261	1,056,498

The Company's statement of financial position was approved and authorised for issue by the members of the executive committee on 29 September 2021 and are signed on its behalf by:

 _____ MAK Wing Fan Francis Member of the Executive Committee	 _____ HUI Chi Wang Member of the Executive Committee
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(a) Details of the Company's subsidiary incorporated in Hong Kong and limited by guarantee as at 31 December 2020 are as follows:

Name of Subsidiary	Place of Incorporation and Principal Place of Operation	% of Ownership and Voting Power Power	Nature of Business
Hope Worldwide Dental Centre Ltd	Hong Kong	100%	Dental Services
Hope Worldwide Elderly Care Service Company Limited	Hong Kong	100%	Elderly Care Services

(b) Equity attributable to members of the Company:

	Retained Surplus
	HK\$
At 1 January 2020	1,269,507
Deficit for the Year	(419,972)
At 31 December 2020	849,535

HOPE WORLDWIDE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

13. Capital Commitments

There were no capital commitments outstanding at 31 December 2020.

14. Contingent Liabilities

There were no contingent liabilities at 31 December 2020.

15. Event After the end of the Reporting Year

The outbreak of coronavirus disease COVID-19 in various countries has affected many businesses to different extent. As the Group' s ability to serve its participants may be largely depending on various government measures and continuous supply from its service providers and the availability of workforce, which may be affected by the temporary suspension of service provided and/or travel restrictions and home quarantine requirements. Due to the inherent unpredictable nature and rapid development relating to the novel COVID-19 and its pervasive impact, the Group has taken action to negotiate with its major service providers, suppliers and employees to confirm continuous and adequate service provided and manpower.

Given the dynamic nature of these circumstances and unpredictability of future development, the members of the executive committee consider that the financial effects on the consolidated financial statements cannot be reasonably estimated as at the date these consolidated financial statements are authorised for issue, but will be reflected in the Group's future consolidated financial statements.