

WINLING BASKETBALL CLUB LIMITED  
永倫籃球會有限公司  
REPORTS AND FINANCIAL STATEMENTS  
FOR THE PERIOD FROM MARCH 15, 1994  
(DATE OF INCORPORATION) TO MARCH 31, 2016

WINLING BASKETBALL CLUB LIMITED

永倫籃球會有限公司

REPORTS AND FINANCIAL STATEMENTS

FOR THE PERIOD FROM MARCH 15, 1994 (DATE OF INCORPORATION)

TO MARCH 31, 2016

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WINLING BASKETBALL CLUB LIMITED

永倫籃球會有限公司

DIRECTORS' REPORT

FOR THE PERIOD FROM MARCH 15, 1994 (DATE OF INCORPORATION)  
TO MARCH 31, 2016

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The directors present their first report and the audited financial statements for the period from March 15, 1994 (date of incorporation) to March 31, 2016.

**PRINCIPAL ACTIVITY**

The principal activity of the Company is to provide support of basketball coaching and related activities, which is beneficial to poor youth in Hong Kong and in charitable nature.

**ISSUE OF SHARES**

The Company was incorporated with authorised share capital of HK\$10,000 comprising 10,000 shares of HK\$1 each. At the time of incorporation, 2 shares of HK\$1 each were issued to the subscribers at par for cash.

**RESULTS**

The results of the Company for the period are set out in the income statement on page 4 of the financial statements.

**DIRECTORS**

The directors during the period and up to the date of this report were:

Chen Shu Ling Cindy	(First director appointed on May 11, 1994 and resigned on January 10, 1995)
Hui Yip Wing	(First director appointed on May 11, 1994 and resigned on January 10, 1995)
Kwong Wai Cheung	(Appointed on January 10, 1995)
Lam Chik Cheong	(Appointed on January 10, 1995)

In accordance with Provision 8 of the Articles of Association, all directors shall hold office for a term of one year, and at the expiration of the term of office shall retire from office but shall be eligible for re-election.

**DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE**

No contracts of significance, to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the period or at any time during the period.

**DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES**

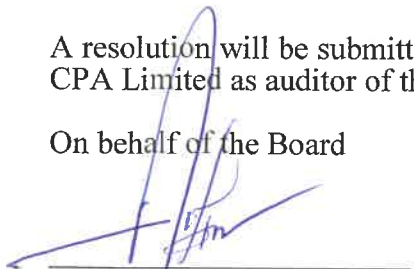
At no time during the period was the Company a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

**AUDITOR**

Vision & Co. CPA Limited was appointed as auditor of the Company.

A resolution will be submitted to the forthcoming annual general meeting to re-appoint Vision & Co. CPA Limited as auditor of the Company.

On behalf of the Board

  
\_\_\_\_\_  
Lam Chik Cheong  
Director  
- 7 FEB 2018

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE SHAREHOLDERS OF WINLING BASKETBALL CLUB LIMITED**  
**永倫籃球會有限公司**  
**(incorporated in Hong Kong with limited liability)**

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**Report on the Financial Statements**

We have audited the financial statements of Winling Basketball Club Limited (the "Company") set out on pages 4 to 8, which comprise the balance sheet as at March 31, 2016, and the income statement for the period from March 15, 1994 (date of incorporation) to March 31, 2016, and a summary of significant accounting policies and other explanatory information.

**Directors' Responsibility for the Financial Statements**

The directors are responsible for the preparation of 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 ("HKICPA"), 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 addition, section 77 of Schedule 11 to the Hong Kong Companies Ordinance (Cap.622), with reference to section 141D of the predecessor Hong Kong Companies Ordinance (Cap.32) requires that the balance sheet together with the notes thereon should be prepared in accordance with the requirements of section 77 of Schedule 11 of the Hong Kong Companies Ordinance (Cap.622), with reference to the Eleventh Schedule to the predecessor Hong Kong Companies Ordinance (Cap.32).

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. This report is made solely to you, as a body, in accordance with section 77 of Schedule 11 to the Hong Kong Companies Ordinance (Cap.622), with reference to section 141D of the predecessor Hong Kong Companies Ordinance (Cap.32) and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing and with reference to Practice Note 900 (Clarified) "Audit of Financial Statements Prepared in Accordance with the Small and Medium-sized Entity Financial Reporting Standard" issued by the HKICPA. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**INDEPENDENT AUDITOR'S REPORT - continued**  
**TO THE SHAREHOLDERS OF WINLING BASKETBALL CLUB LIMITED**  
**永倫籃球會有限公司**  
**(incorporated in Hong Kong with limited liability)**

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**Basis for Qualified Opinion**


The financial statements for current period have been prepared to cover 265 months period from March 15, 1994 (date of incorporation) to March 31, 2016. It did not comply with sections 122(1), 122(1A) and 122(2) of the predecessor Hong Kong Companies Ordinance (Cap.32) which required the financial statements of the Company to be laid before each annual general meeting, and Section 1 "Presentation of Financial Statements" of SME-FRS issued by the HKICPA which required the financial statements of the Company to be presented at least annually.

**Qualified Opinion**

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the financial statements of the Company for the period from March 15, 1994 (date of incorporation) to March 31, 2016 are prepared, in all material respects, in accordance with the SME-FRS. In addition, in our opinion except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the balance sheet together with the notes thereon is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs as at March 31, 2016 according to the best of our information and explanations given to us, and as shown by the books of the Company.

**Report on other matters under section 77 of Schedule 11 to the Hong Kong Companies Ordinance (Cap.622), with reference to section 141D of the predecessor Hong Kong Companies Ordinance (Cap.32)**

We report that we have obtained all the information and explanations which we have required.

  
Vision & Co. CPA Limited  
Certified Public Accountants  
Hong Kong, - 7 FEB 2018

Hui Wai Man, Shirley  
Practising Certificate Number P02363

WINLING BASKETBALL CLUB LIMITED

永倫籃球會有限公司

INCOME STATEMENT

FOR THE PERIOD FROM MARCH 15, 1994 (DATE OF INCORPORATION)  
TO MARCH 31, 2016

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	NOTES	3.15.1994 To 3.31.2016 HK\$
Revenue	3	300,000
Administrative expenses		( 101,229)
Profit before taxation	4	198,771
Income tax expense	5	-
Profit for the period		198,771
Retained earnings brought forward		-
Retained earnings carried forward		198,771

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WINLING BASKETBALL CLUB LIMITED  
永倫籃球會有限公司  
BALANCE SHEET  
AT MARCH 31, 2016

	NOTE	2016 HK\$
<b>Current assets</b>		
Prepayment		3,019
Bank balances and cash		223,354
		<u>226,373</u>
<b>Current liabilities</b>		
Creditors and accrued charges		27,600
		<u>27,600</u>
<b>Net current assets</b>		<u>198,773</u>
		<u>198,773</u>
<b>Equity</b>		
Share capital	7	2
Retained earnings		198,771
		<u>198,773</u>

The financial statements on pages 4 to 8 were approved and authorised for issue by the Board of Directors on **- 7 FEB 2018**

  
Lam Chik Cheong  
Director

  
Kwong Wai Cheung  
Director

WINLING BASKETBALL CLUB LIMITED

永倫籃球會有限公司

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM MARCH 15, 1994 (DATE OF INCORPORATION)  
TO MARCH 31, 2016

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1. GENERAL

The Company is a private limited company incorporated in Hong Kong and the principal activity of the Company is to provide support of basketball coaching and related activities, which is beneficial to poor youth in Hong Kong and in charitable nature. The address of its registered office is Unit A 27<sup>th</sup> Floor, E-Trade Plaza, 24 Lee Chung Street, Chai Wan, Hong Kong.

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

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The Company qualifies under the predecessor Hong Kong Companies Ordinance (Cap.32) to prepare and present its financial statements in accordance with section 141D of that Ordinance. The Company's shareholders have unanimously agreed in writing to apply section 141D with respect to the Company's financial statements for the period from March 15, 1994 (date of incorporation) to March 31, 2016.

These financial statements comply with Small and Medium-sized Entity Financial Reporting Standard issued by the Hong Kong Institute of Certified Public Accountants 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 is a summary of significant accounting policies for a proper understanding of the financial statements:

Revenue recognition

Donation is recognised when the payment is received up to the end of the reporting period.

Provisions

Provisions are recognised when the Company has present obligation as a result of a past event and it is probable that the Company will be required to settle the obligation. Provisions are measured at the director's best estimate of the expenditure required to settle the obligation at the balance sheet date, and are discounted to present values where the effect is material.

Impairment of assets

An assessment is made at each balance sheet date to determine whether there is any indication of impairment or reversal of previous impairment. 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.

Taxation

Income tax expense represents current tax expense. The tax recoverable/liabilities represents the amounts expected to be recovered from/paid to the taxation authority, using the tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is not provided.



WINLING BASKETBALL CLUB LIMITED

永倫籃球會有限公司

NOTES TO THE FINANCIAL STATEMENTS - continued

FOR THE PERIOD FROM MARCH 15, 1994 (DATE OF INCORPORATION)  
TO MARCH 31, 2016

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2. BASIS OF PREPARATION AND ACCOUNTING POLICIES - continued

Related parties

For the purposes of these financial statements, a party is considered to be related to the Company if:

- (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 of a parent of the Company.
- (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).

Close family members 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.

3. REVENUE

Revenue represents the donations received during the year.

4. PROFIT BEFORE TAXATION

	3.15.1994
	To
	3.31.2016
	HK\$
Profit before taxation has been arrived at after charging:	
Auditor's remuneration	14,000

5. INCOME TAX EXPENSE

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

WINLING BASKETBALL CLUB LIMITED

永倫籃球會有限公司

NOTES TO THE FINANCIAL STATEMENTS - continued

FOR THE PERIOD FROM MARCH 15, 1994 (DATE OF INCORPORATION)

TO MARCH 31, 2016

6. SHARE CAPITAL

	Number of shares 3.31.2016	Share capital 3.31.2016 HK\$
Authorised:		
Ordinary shares of HK\$1 each (Note i and ii)	-	-
Issued and fully paid:		
At time of incorporation and		
At end of the period	2	2

The Company was incorporated with authorised share capital of HK\$10,000 comprising 10,000 shares of HK\$1 each. At the time of incorporation, 2 shares of HK\$1 each was issued to the subscribers at par for cash.

Notes:

- (i) Under the Hong Kong Companies Ordinance (Cap.622), which commenced operation on March 3, 2014, the concept of authorised share capital no longer exists.
- (ii) In accordance with section 135 of the Hong Kong Companies Ordinance (Cap.622), the Company's shares no longer have a par or nominal value with effect from March 3, 2014. There is no impact on the number of shares in issue or the relative entitlement of any of the members as a result of this transition.

7. CHANGES IN EQUITY FOR THE PERIOD

	Share capital HK\$	Retained earnings HK\$	Total HK\$
Issue of shares	2	-	2
Profit for the period	-	198,771	198,771
Balance at March 31, 2016	2	198,771	198,773