

WINLING BASKETBALL CLUB LIMITED  
永倫籃球會有限公司  
REPORTS AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2017

WINLING BASKETBALL CLUB LIMITED  
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FOR THE YEAR ENDED MARCH 31, 2017

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WINLING BASKETBALL CLUB LIMITED  
永倫籃球會有限公司  
DIRECTORS' REPORT  
FOR THE YEAR ENDED MARCH 31, 2017

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The directors present their annual report and the audited financial statements for the year ended March 31, 2017.

**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.

**RESULTS**

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

**DIRECTORS**

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

Kwong Wai Cheung  
Lam Chik Cheong

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.

**INDEMNITY OF DIRECTOR**

A permitted indemnity provision (as defined in section 469 of the Hong Kong Companies Ordinance) for the benefit of the directors of the Company is currently in force and was in force throughout this year.

**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 year or at any time during the year.

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

At no time during the year 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**

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 MEMBERS 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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**Qualified Opinion**

We have audited the financial statements of Winling Basketball Club Limited (the "Company") set out on pages 4 to 7, which comprise the statement of financial position as at March 31, 2017, and the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of matter described in the Basis for qualified Opinion section of our report, the financial statements of the Company 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 Qualified Opinion**

The financial statements made up to March 31, 2017 have not been prepared in accordance with sections 429(1), 430(1) and 431 of the Hong Kong Companies Ordinance which requires the Company must send a copy of the reporting documents for the financial year to every member within the period of 9 months after the end of the reporting period.

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 qualified opinion.

**Other Information**

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

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. As described in the Basis for Qualified opinion section, above, we were unable to obtain sufficient appropriate evidence about the above matter. Accordingly, we are unable to concluded whether or not the other information is materially misstated with respect to this matter.

**Responsibilities of Directors 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 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.

The directors are responsible for overseeing the Company's financial reporting process.



**INDEPENDENT AUDITOR'S REPORT - continued**  
**TO THE MEMBERS 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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**Auditor's Responsibilities for the Audit of the Financial Statements**

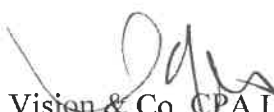
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with section 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 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 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 misstatements 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.

We communicate with the directors 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.

  
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 YEAR ENDED MARCH 31, 2017


	NOTES	4.1.2016 To 3.31.2017 HK\$	3.15.1994 To 3.31.2016 HK\$
Revenue	4	100,000	300,000
Administrative expenses		( 193,098)	( 101,229)
(Loss) profit before taxation	5	( 93,098)	198,771
Income tax expense	6	-	-
(Loss) profit for the year/period		( 93,098)	198,771
Retained earnings brought forward		198,771	-
Retained earnings carried forward		105,673	198,771

**WINLING BASKETBALL CLUB LIMITED**  
**永倫籃球會有限公司**  
**STATEMENT OF FINANCIAL POSITION**  
**AT MARCH 31, 2017**

	NOTE	2017 HK\$	2016 HK\$
<b>Current assets</b>			
Prepayments		-	3,019
Bank balances and cash		193,671	223,354
		<u>193,671</u>	<u>226,373</u>
<b>Current liabilities</b>			
Creditors and accrued charges		87,996	27,600
		<u>87,996</u>	<u>27,600</u>
<b>Net current assets</b>		<u>105,675</u>	<u>198,773</u>
		<u>105,675</u>	<u>198,773</u>
<b>Equity</b>			
Share capital	7	2	2
Retained earnings		105,673	198,771
		<u>105,675</u>	<u>198,773</u>

The financial statements on pages 4 to 7 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 YEAR ENDED MARCH 31, 2017

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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 OF FINANCIAL STATEMENTS

The financial statements for the current year cover 12 months period from April 1, 2016 to March 31, 2017. The corresponding amounts shown for the income statement and related notes cover 265 months period from March 15, 1994 (date of incorporation) to March 31, 2016, and therefore may not be comparable with amounts shown for the current year.

3. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The Company qualifies for the reporting exemption as a small private company under section 359(1)(a) of the Hong Kong Companies Ordinance and is therefore entitled to prepare and present its financial statements in accordance with the SME-FRS issued by the HKICPA.

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:

Revenue recognition

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

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. 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.

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. Provision is measured at the director's best estimate of the expenditure required to settle the obligation at the end of the reporting period date, and are discounted to present values where the effect is material.

Taxation

Income tax expense represents current tax expense. The taxation 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 end of the reporting period.

Deferred tax is not provided.

Retirement benefit costs

Payments to Mandatory Provident Fund Schemes are charged as expenses when the employees have rendered services entitling them to the contributions.



WINLING BASKETBALL CLUB LIMITED

永倫籃球會有限公司

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED MARCH 31, 2017

3. 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.

4. REVENUE

Revenue represents the donations received during the year.

5. (LOSS) PROFIT BEFORE TAXATION

(Loss) profit before taxation has been arrived at after charging:

	4.1.2016	3.15.1994
	To	To
	3.31.2017	3.31.2016
	HK\$	HK\$
Auditor's remuneration	14,000	14,000

6. INCOME TAX EXPENSE

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

7. CHANGES IN EQUITY FOR THE YEAR

	Share capital HK\$	Retained earnings HK\$	Total HK\$
Balance as at March 31, 2016	2	198,771	198,773
Loss for the year	-	( 93,098)	( 93,098)
Balance as at March 31, 2017	2	105,673	105,675