

ART HUB ASIA COMPANY LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

**黎嘉輝會計師樓**  
**BEN K. F. LAI & COMPANY**  
**CERTIFIED PUBLIC ACCOUNTANT**  
**HONG KONG**

  
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**ART HUB ASIA COMPANY LIMITED  
DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2020**

The directors present their annual report and the audited financial statements in accordance with the Small and Medium-sized Entity Financial Reporting Standard (SME-FRS) and Hong Kong Companies Ordinance (Cap. 622) for the year ended 31 December 2020.

**Principal activity**

The principal activity of the Company is the advancement and provision of arts to the general public.

**Results**

The results of the Company for the year ended 31 December 2020 and the state of affairs of the Company at that date are set out in the financial statements on page 2 to 8.

**Directors**

The directors who held office during the year and up to the date of this report are: -

Lee Tze Leung, Terence  
Lee Mang Chuen, Anthony (resigned on 31 December 2020)  
Chong Wai Man, Clara (appointed on 31 December 2020)

In accordance with articles 20 and 21 of the Company's articles of association, at every annual general meeting all directors shall retire from office, but be eligible for re-election.

**Other matters**

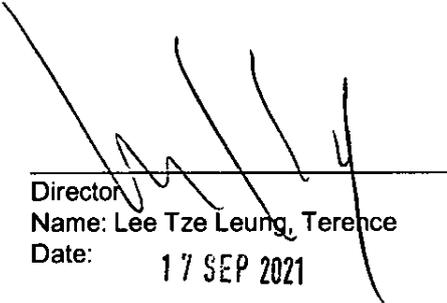
During the year the Company did not enter into any contract in which any individual, firm or body corporate had undertaken the management and administration of the whole or any substantial part of the operation of the Company.

There was no permitted indemnity provision benefiting any directors of the Company during the year.

At no time during the year was there any other matter material for the appreciation of the state of the Company's affairs by its members, the disclosure of which will not, in the opinion of the director, be harmful to the operation of the Company.

**Auditors**

The auditors, Messrs. Ben K. F. Lai and Company, certified public accountants, retire but, being eligible, offer themselves for re-appointment.

  
\_\_\_\_\_  
Director  
Name: Lee Tze Leung, Terence  
Date: 17 SEP 2021

**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF ART HUB ASIA COMPANY LIMITED**  
*(Incorporated in Hong Kong with limited liability by guarantee)*

**Report on the audit of the financial statements**

*Opinion*

We have audited the financial statements of Art Hub Asia Company Limited ("the Company") set out on pages 4 to 8, which comprise the statement of financial position as at 31 December 2020, and the income statement and statement of changes in equity 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 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 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.

*Emphasis of matter*

The financial statements have been prepared on a going concern basis, the validity of which depends upon future funding being available. The financial statements do not include any adjustments that would result from the failure to obtain such funding. Details of the circumstances relating to this material uncertainty are described in note 2 to the financial statements. We consider that appropriate estimates and disclosures have been made and our opinion is not qualified in this respect.

*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. We have nothing to report in this regard.

*Responsibilities of directors and those charged with governance for the financial statements*

The directors are responsible for the preparation of 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.

**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF ART HUB ASIA COMPANY LIMITED**  
*(Incorporated in Hong Kong with limited liability by guarantee)*

*Responsibilities of directors and those charged with governance for the financial statements (continued)*

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.

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

*Auditor's responsibilities for the audit of 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. Our opinion is made solely to you, as a body in accordance with 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 content 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.

**Report on matters under section 407 to the Hong Kong Companies Ordinance (Cap. 622)**

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



Ben K. F. Lai and Company  
Certified Public Accountants  
Room 101A, 1/F, King Yip Commercial Centre,  
272-284 Des Voeux Road Central, Hong Kong.  
Date Signed : 17 SEP 2021

**ART HUB ASIA COMPANY LIMITED**  
**INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

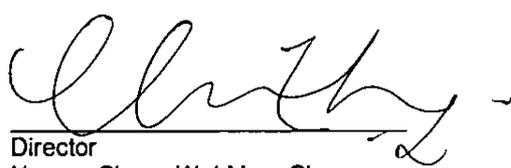
	Note	2020 HK\$	2019 HK\$
Revenue	3	-	-
Administration expenses		<u>(3,095.00)</u>	<u>(4,900.00)</u>
Deficit for the year	5	<u><u>(3,095.00)</u></u>	<u><u>(4,900.00)</u></u>

The accompanying notes form an integral part of these financial statements

**ART HUB ASIA COMPANY LIMITED**  
**STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020**

	Note	2020 HK\$	2019 HK\$
<b>Current assets</b>			
Cash at bank		<u>4,952.75</u>	<u>4,952.75</u>
<b>Current liabilities</b>			
Amount due to directors	7	11,800.00	11,800.00
Accrued charge		<u>14,895.00</u>	<u>11,800.00</u>
		<u>(26,695.00)</u>	<u>(23,600.00)</u>
Net liabilities		<u>(21,742.25)</u>	<u>(18,647.25)</u>
<b>Funds</b>			
Accumulated deficits		<u>(21,742.25)</u>	<u>(18,647.25)</u>

  
 Director  
 Name : Lee Tze Leung Terence  
 Date : 17 SEP 2021

  
 Director  
 Name : Chong Wai Man, Clara  
 Date : 17 SEP 2021

The accompanying notes form an integral part of these financial statements

**ART HUB ASIA COMPANY LIMITED  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Accumulated deficits HK\$
Balance at start	(18,647.25)
Deficit for the year	<u>(3,095.00)</u>
Balance at end	<u><u>(21,742.25)</u></u>

The accompanying notes form an integral part of these financial statements

**ART HUB ASIA COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**1. General**

Art Hub Asia Company Limited is a company incorporated in Hong Kong with limited liability by guarantee. The Company's registered office is located at Ground Floor, GB27-28, Lei King Wan, 45 Tai Hong Street, Sai Wan Ho, Hong Kong. The principal activity of the Company is the advancement and provision of arts to the general public. 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 total extent of HK\$10.00.

**2. Basis of preparation and accounting policies**

The Company qualifies for the reporting exemption as a small private company under 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. Notwithstanding the accumulated deficits and excess of liabilities over assets as at 31 December 2020, the continuance in operation as a going concern would be fully maintained by the continuing financial support from the Company's present financing directors consenting to undertake the effect as said (note 7 to the financial statements refers) together with the subordination of right of repayment to other creditors aside from the attaining of surplus operations in the future as a whole.

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**

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

Income from donations is recognized when the donations are received or receivable.

**(b) Related parties**

For the purpose of these financial statements, related party includes a person and entity as defined below: -

- (i) A person or a close member of that person's family is related to the Company if that person:
  - (1) is a member of the key management personnel of the Company or ;
  - (2) has control over the Company; or
  - (3) has joint control or significant influence over the reporting entity or has significant voting power in it.
- (ii) An entity is related to the Company if any of the following conditions applies:
  - (1) 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).
  - (2) either entity is an associate or joint venture of the other entity (or of a member of a group of which the other entity is a member).
  - (3) both entities are joint ventures of a third entity.
  - (4) either entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (5) the entity is a post-employment benefit plan for the benefit of employees of the Company or an entity related to the Company. If the reporting entity is itself such a plan, the sponsoring employers are also related to the plan.
  - (6) the entity is controlled or jointly controlled by a person identified in (i).
  - (7) a person identified in (i)(1) has significant voting power in the entity.

**ART HUB ASIA COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**2. Basis of preparation and accounting policies (continued)**

(c) Taxation

The Company being a charitable institution or trust of a public character is exempted from tax under Section 88 of the Inland Revenue Ordinance.

**3. Revenue**

The Company did not have any revenue recognized (2019: \$-) during the year.

**4. Directors' emoluments**

None of the directors received or will receive any fee or emoluments (2019: \$-) in respect of their services to the Company during the year ended 31 December 2020.

**5. Deficit for the year**

Deficit for the year was arrived at after charging the following: -

	2020 HK\$	2019 HK\$
Auditor's remuneration	1,500.00	1,500.00
Staff costs (including directors' emoluments) (Note 4)	<u>-</u>	<u>-</u>

**6. Income tax expense**

The Company being a charitable institution or trust of a public character is exempted from tax under Section 88 of the Inland Revenue Ordinance.

**7. Amount due to directors**

Resultant balance shown at the reporting date as due to directors represents non-interest bearing advances so made from the directors since inception throughout resulting as such for the year without security and no fixed term of repayment and the said balance is, as for the time being, to remain unsecured, non-interest bearing and without fixed terms of repayment as apart from being consented by the said directors to be continuously applied for subordination of right to other creditors for the purpose as indicated under note 2 to the financial statements.

**8. Significant related party transactions**

Other than those transactions as disclosed elsewhere in the financial statements, during the year the Company did not enter into any significant related party transaction.

**9. Approval of financial statements**

These financial statements were approved by the board of directors on 17 SEP 2021

**ART HUB ASIA COMPANY LIMITED**  
**DETAILED INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

(for management  
purpose only)

	2020 HK\$	2019 HK\$
<u>Revenue</u>	<u>-</u>	<u>-</u>
<u>Administration expenses</u>		
Audit fee	1,500.00	1,500.00
Secretarial fee	<u>1,595.00</u>	<u>3,400.00</u>
	<u>3,095.00</u>	<u>4,900.00</u>
<u>Deficit for the year</u>	<u>(3,095.00)</u>	<u>(4,900.00)</u>