

ASIAN CHAMBER ORCHESTRA LIMITED
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

OSCAR YIU & CO. CPA
CERTIFIED PUBLIC ACCOUNTANTS
Hong Kong



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The directors present their report with the audited financial statements for the year ended 31 March 2020.

PRINCIPAL ACTIVITIES

The principal activities of the Company are engaged in promotion and exchange of music and culture within Asian region.

FINANCIAL STATEMENTS

The results of the Company for the year ended 31 March 2020 are set out in the income statement on page 6.

The financial position of the Company as at 31 March 2020 is set out in the statement of financial position on page 7.

PLANT AND EQUIPMENT

Details of the movements during the year in the plant and equipment of the Company are set out in note 8 to the financial statements.

DIRECTORS

The directors who held office during the year and up to date of this report were as follow:

Chan Man Tat, Eric
Chan Man Fung, Jacki

In accordance with Article 33 of the Company's Articles of association for rotation, the director shall retire and shall be eligible for re-election.

DIRECTORS' INTERESTS IN CONTRACTS

No contracts of significance to which the Company was a party subsisted at the year end or at any time during the year in which any director had a material interest.

At no time during the year was the Company a party to arrangement to enable the director of the Company to acquire benefits by means of the acquisition of shares in, or debentures, the company or any other body corporate.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered 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.

AUDITOR

The financial statements have been audited by Messrs. Oscar Yiu & Co. CPA Certified Public Accountants (Practising), who now retire and, being eligible, offer themselves for re-appointment. A resolution will be submitted to the annual general meeting to re-appoint Messrs. Oscar Yiu & Co. CPA Certified Public Accountants (Practising) as auditor of the Company.



Chan Man Tat, Eric

Chairman

Hong Kong, 18 January 2021



OSCAR YIU & CO. CPA

Certified Public Accountants (Practising)

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INDEPENDENT AUDITOR'S REPORT

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TO THE MEMBERS OF ASIAN CHAMBER ORCHESTRA LIMITED

(Incorporated in Hong Kong limited by guarantee)

Opinion

We have audited the financial statements of Asian Chamber Orchestra Limited (the "Company") set out on pages 6 to 11, which comprise the statement of financial position as at 31 March 2020, and the statement of comprehensive income for the year then ended and a summary of significant accounting policies and other explanatory notes.

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 PN 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 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 2(c) to the financial statements, which indicates that the Company incurred a net loss of HK\$5,882 during the year ended 31 March 2020 and, as of that date, the Company's current liability exceeded its total assets by HK\$64,738. As stated in Note 2(c), these events or conditions, along with other matters as set forth in Note 2(c), indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Council Member' 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.



**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ASIAN CHAMBER ORCHESTRA LIMITED
(Incorporated in Hong Kong limited by guarantee)**

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Responsibilities of Council Member and Those Charged with Governance 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 Council Member 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 Council Member 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 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. 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the council member.



**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ASIAN CHAMBER ORCHESTRA LIMITED
(Incorporated in Hong Kong limited by guarantee)**

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

- Conclude on the appropriateness of the Council Member 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 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.

Oscar Yiu & Co. CPA
Certified Public Accountants (Practising)
Hong Kong, 18 January 2021

ASIAN CHAMBER ORCHESTRA LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2020

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	Note	2020 HK\$	2019 HK\$
Revenue	4	<u>-</u>	<u>-</u>
Other income	4	-	1
Administrative expenses		<u>(5,882)</u>	<u>(6,383)</u>
Deficit for the year before tax	5	(5,882)	(6,382)
Income tax expense	6	<u>-</u>	<u>-</u>
Deficit for the year		<u><u>(5,882)</u></u>	<u><u>(6,382)</u></u>

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

ASIAN CHAMBER ORCHESTRA LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2020

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	Note	2020 HK\$	2019 HK\$
Non-current asset			
Property, plant and equipment	8	-	1,278
Current asset			
Cash and cash equivalents	9	547	547
Current liability			
Accrued expenses		65,285	60,681
Net current liability		(64,738)	(60,134)
Net liability		(64,738)	(58,856)
Equity			
Accumulated deficit	10	(64,738)	(58,856)
Total deficit		(64,738)	(58,856)

Approved and authorised for issue by the Company's board of directors on 18 January 2021


 _____ ←
 Chan Man Tat, Eric
 Director


 _____ ←
 Chan Man Fung, Jacki
 Director

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

1. CORPORATE INFORMATION

Asian Chamber Orchestra Limited is a company incorporated and domiciled in Hong Kong. The Company is limited by guarantee and does not have a share capital. The Company has its registered office and principal place of business at Room 709, 7/F., Block 3, Nan Fung Industrial City, 18 Tin Hau Road, Tuen Mun, New Territories, Hong Kong. The principal activities of the Company are engaged in promotion and exchange of music and culture within Asian region.

2. BASIS OF PREPARATION

a. Statement of compliance

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

b. Basis of measurement

The measurement bases used in preparing these financial statements are set out in note 3 to the financial statements.

c. Going concern

The Company has incurred a loss for the year. At the end of the reporting year, the current liabilities of the Company exceeded its total assets and the Company sustained substantial capital deficiency. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. In preparing these financial statements, the directors were given careful consideration to the current and future liquidity of the Company. The directors have gained the commitment of the Company's members to provide continued financial support to the Company. On the basis that continued financial support will be provided by the Company's members to the Company upon request, the directors are of their opinion that the Company will have sufficient working capital to finance its operations in the foreseeable future. Accordingly, the directors are satisfied that it is appropriate to prepare these financial statements on a going concern basis.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Company qualifies for the reporting exemption as a small private company under section 359(1)(a) and 363 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) (Revised) issued by the Hong Kong Institute of Certified Public Accountants.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

a. Revenue

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

- (i) Orchestra performance tickets sales income is recognised when orchestra performance has been substantially rendered to third parties and usual payment term at an arm's length transactions; and
- (ii) Interest income is recognised on a time proportion basis taking into account the principal outstanding and the interest applicable.

b. Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

c. Foreign exchange

The reporting currency of the Company is Hong Kong Dollars, which is the currency of the primary economic environment in which the company 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.

d. Taxation

Income tax expense represents current tax expense. The income tax payable represents the amounts expected to be 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.

e. Plant and equipment and depreciation

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

Depreciation of plant and equipment is calculated on a straight-line basis to allocate the cost less accumulated impairment of each component of the asset to its residual value over its estimated useful life as follows:

Furniture and equipment 20%

f. Related parties

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

- a) A person or a close member of that person's family is related to the reporting entity if that person:

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

f. Related parties (continued)

- (i) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
 - (ii) has control or joint control over the reporting entity; or
 - (iii) has significant influence over the reporting entity or has significant voting power in it.
- b) An entity is related to the Group and the Company if any of the following conditions applies:
- (i) the entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) either 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 entity.
 - (iv) either 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 reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
 - (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).
 - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to the Company's parent.

Close family members of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

4. REVENUE AND OTHER INCOME

No income was received during the year. (2019:NIL)

	2020 HK\$	2019 HK\$
Bank interest income	<u>-</u>	<u>1</u>

5. DEFICIT FOR THE YEAR BEFORE TAX

	2020 HK\$	2019 HK\$
The deficit for the year before tax is stated after charging the below item:		
Depreciation	<u>1,277</u>	<u>1,278</u>

6. INCOME TAX EXPENSE

No provision for Hong Kong profits tax is required as the Company is exempted for all tax payable under section 88 of the Inland Revenue Ordinance .

7. DIRECTORS' REMUNERATION

The directors did not receive or will not receive any fees or emoluments in respect of their services to the Company during the year (2019:NIL).

8. PROPERTY, PLANT AND EQUIPMENT

	Furniture and equipment HK\$
COST	
Balance as at 1 April 2019	6,388
Balance as at 31 March 2020	<u>6,388</u>
ACCUMULATED DEPRECIATION	
Balance as at 1 April 2019	5,111
Charge for the year	<u>1,277</u>
Balance as at 31 March 2020	<u>6,388</u>
NET CARRYING AMOUNT	
Balance as at 31 March 2020	<u>-</u>
Balance as at 31 March 2019	<u>1,277</u>

9. CASH AND CASH EQUIVALENTS

	2020 HK\$	2019 HK\$
Bank balance	<u>547</u>	<u>547</u>

10. CHANGE IN EQUITY

	Accumulated deficit HK\$
Balance as at 1 April 2019	(58,856)
Deficit for the year	(5,882)
Balance as at 31 March 2020	<u>(64,738)</u>

11. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorised for issue by the Company's board of directors on 18 January 2021.

ASIAN CHAMBER ORCHESTRA LIMITED
DETAILED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2020

APPENDIX

	2020 HK\$	2019 HK\$
REVENUE	-	-
OTHER INCOME		
Bank interest income	-	1
ADMINISTRATIVE EXPENSES		
Auditor's remuneration	4,000	4,500
Company secretarial fee	605	605
Depreciation	1,277	1,278
TOTAL EXPENSES	5,882	6,383
DEFICIT FOR THE YEAR	(5,882)	(6,382)

This appendix has been prepared for management information only and does not form part of the audited financial statements.