

**MUSICAL TRIO LIMITED**

**音樂劇作有限公司**

(Incorporated in Hong Kong and limited by guarantee)

**Reports and financial statements**

**For the period from 25 February 2020 (date of incorporation)  
to 31 March 2021**

Certified True and Correct:



Au Wing Tung  
Director

李振鴻會計師事務所有限公司  
SANTOS C.H. LI CPA LIMITED  
Certified Public Accountants (Practising)  
Hong Kong



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**MUSICAL TRIO LIMITED 音樂劇作有限公司**

**Reports and financial statements**

**For the period from 25 February 2020 (date of incorporation) to 31 March 2021**

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The directors have pleasure in submitting the first report together with the audited financial statements of MUSICAL TRIO LIMITED 音樂劇作有限公司 (the company) for the period from 25 February 2020 (date of incorporation) to 31 March 2021.

**Directors**

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

Au Wing Tung	(appointed on 25 February 2020)
Lo Hau Man	(appointed on 25 February 2020)
Ng Yen Yen Susana	(appointed on 25 February 2020)

**Principal activities**

The principal activities of the company are to promote the education of performing arts for the benefit of the public on a non-profit making basis as stated in the articles of association.

The income of the company whatsoever derived are applied solely towards the promotion of the objects of the company, and no portion thereof are paid nor transferred directly or indirectly by way of profit to the members of the company.

**Management contracts**

There were no contract concerning the management and administration of the company existed during the period.

**Business review**

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

**Debentures issued**

There were no debentures issued during the period.

**Equity-linked arrangements**

During the period, the company entered into no equity-linked agreement.

At the end of the financial period, the company subsisted of no equity-linked agreement.

**Permitted indemnity provision**

Article 29(1) of the company's Articles provides that a director or former director of the company may be indemnified out of the company's assets against any liability incurred by the director to a person other than the company or an associated company of the company in connection with any negligence, default, breach of duty or breach of trust in relation to the company or associated company (as the case may be). This Article only applies if the indemnity does not cover the liability set out in Article 29(2) of the company's Articles. This permitted indemnity provision is in force during the financial period and at the time of approval of this report.

**Approval of directors' report**

This report was approved by the directors on 6 November 2021.

On behalf of the directors



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Au Wing Tung  
Director

# SANTOS C.H. LI CPA LIMITED

Certified Public Accountants (Practising)

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Managing Director

Santos C.H. Li 李振鴻  
CPA (Practising), FCPA, FTIHK, FAIA,  
FSCA, FCMA, MCI Arb

李振鴻會計師事務所有限公司

香港九龍荔枝角長裕街十號億京廣場二期十七樓D室

## Independent Auditor's Report

### To the Members of

### MUSICAL TRIO LIMITED 音樂劇作有限公司

(Incorporated in Hong Kong and limited by guarantee and not having a share capital)

#### Opinion

We have audited the financial statements of MUSICAL TRIO LIMITED 音樂劇作有限公司 (the company) set out on pages 8 to 12, which comprise the statement of financial position as at 31 March 2021, and the income statement for the period 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 (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 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.

#### 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.

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# SANTOS C.H. LI CPA LIMITED

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Managing Director

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香港九龍荔枝角長裕街十號億京廣場二期十七樓D室

## Independent Auditor's Report (continued)

To the Members of

**MUSICAL TRIO LIMITED 音樂劇作有限公司**

(Incorporated in Hong Kong and limited by guarantee and not having a share capital)

### Responsibilities of the Directors 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.

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.

### 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 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 directors.

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# SANTOS C.H. LI CPA LIMITED

Certified Public Accountants (Practising)

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**Managing Director**

Santos C.H. Li 李振鴻

CPA (Practising), FCPA, FTIHK, FAIA,

FSCA, FCMA, MCI Arb

李振鴻會計師事務所有限公司

## Independent Auditor's Report (continued)

To the Members of

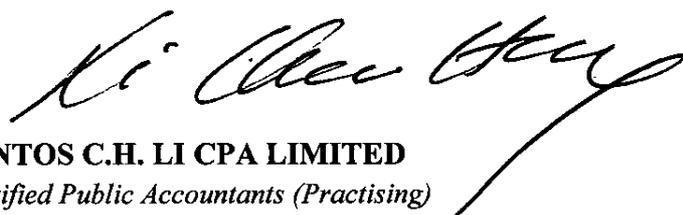
**MUSICAL TRIO LIMITED 音樂劇作有限公司**

(Incorporated in Hong Kong and limited by guarantee and not having a share capital)

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

- 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 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.



**SANTOS C.H. LI CPA LIMITED**

*Certified Public Accountants (Practising)*

**Li Chun Hung**

*Practising Certificate Number: P04703*

Hong Kong, 6 November 2021

香港九龍荔枝角長裕街十號億京廣場二期十七樓D室

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**Income statement for the period ended 31 March 2021***(In Hong Kong dollars)*

	<u>Notes</u>	25/2/2020 to <u>31/3/2021</u> HK\$
<b>Income</b>		
Project income		177,000
Donation income		35,000
Sundry income		250
		<u>212,250</u>
<b>Deduct: expenditure</b>		
Auditors' remuneration		4,000
Project expenses		167,250
Secretarial expense		2,000
Preliminary expense		13,000
		<u>186,250</u>
Surplus before tax		<u>26,000</u>
Income tax expense	(4)	<u>--</u>
<b>Surplus for the period</b>		<u><u>26,000</u></u>

The accompanying accounting policies and explanatory notes form an integral part of, and should be read in conjunction with, these financial statements.

**Statement of financial position as at 31 March 2021***(In Hong Kong dollars)*

	<u>Notes</u>	Period ended <u>31/3/2021</u> HK\$
<b>Current assets</b>		
Bank balance		30,000
<b>Less: current liabilities</b>		
Accruals		<u>4,000</u>
<b>NET ASSETS</b>		<u><u>26,000</u></u>
<b>MEMBERS' EQUITY</b>		
Accumulated surplus	(6)	<u><u>26,000</u></u>

Approved on behalf of the directors by:




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 Au Wing Tung  
 Director




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 Lo Hau Man  
 Director

The accompanying accounting policies and explanatory notes form an integral part of, and should be read in conjunction with, these financial statements.

## **Accounting policies and explanatory notes to the financial statements for the period ended 31 March 2021**

*(In Hong Kong dollars)*

### **1. General information**

MUSICAL TRIO LIMITED 音樂劇作有限公司 (the company) was incorporated in Hong Kong with limited liability by guarantee and not having a share capital. The address of the registered office of the company is located at Room D-1, 17/F., Billion Plaza 2, 10 Cheung Yue Street, Lai Chi Kok, Kowloon, Hong Kong.

The principal activities of the company are to promote the education of performing arts for the benefit of the public on a non-profit making basis as stated in the articles of association.

Unless stated otherwise, all currency figures in these financial statements are presented in Hong Kong Dollars (HK\$) rounded to the nearest one dollar.

### **2. Limited by guarantee**

Under the provision of the company's Memorandum and Articles of Association, every member shall, in the event of the company being wound up, contribute such an amount as may be required to meet the liabilities of the company but not exceeding the sum of HK\$100 for each member.

### **3. Basis of preparation and accounting policies**

The company qualifies for the reporting exemption as a small private company under sections 359(1)(a) and 361 of the Hong Kong Companies Ordinance 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. 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*

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

- (a) Project income is recognised by reference to the work done and service performed during the period; and
- (b) Donation income is recognised in the financial year of receipts.

### 3. Basis of preparation and accounting policies (continued)

#### *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 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 entity.
  - (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. 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).

#### *Preliminary expenses*

Preliminary expenses are charged as expenses in the period in which they are incurred.

### 4. Income tax expense

No provision for Hong Kong profits tax has been made as the company is exempted from tax payment under Section 88 of the Inland Revenue Ordinance as an approved charitable organisation.

**5. Directors' benefits and interests**

- (a) Directors' remuneration disclosed pursuant to section 383 of the Hong Kong Companies Ordinance and Companies (Disclosure of Information about Benefits of Directors) Regulation for the period is nil.
- (b) No loans, quasi-loans and other dealings in favour of the directors of the company were entered into during the period nor subsisted of at the end of the period.

**6. Changes in equity**

	Accumulated surplus HK\$
Balance at 25 February 2020	--
Surplus for the period	26,000
Balance at 31 March 2021	<u>26,000</u>

**7. Related party transactions**

There was no material related party transaction during the period presented.

**8. Period covered by the financial statements**

The financial statements for the current period cover the 14-month period from 25 February 2020 to 31 March 2021, a period more than one year, because this is the first set of financial statements of the company.

**9. Approval of financial statements**

These financial statements were approved and authorised for issue by the directors on 6 November 2021.