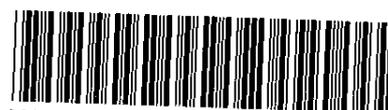


**MAKERBAY FOUNDATION LIMITED
DIRECTOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021**



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MAKERBAY FOUNDATION LIMITED

REPORT OF THE COUNCILLORS

The councillors have pleasure in submitting to the members their report together with the audited financial statements for the year ended 31st March 2021.

PRINCIPAL ACTIVITY

The principal activity of the company is promoting maker education. It is a non-profit organization that grows and nurtures youth community by infusing maker mindset and skills to the next generation so they can innovate solutions to help resolve social issues and create positive impacts.

RESULTS AND APPROPRIATION

The results of the company for year ended 31st March 2021 are set out on page 6 of the financial statements. According to Clause 7(b) of the company's Articles of Association, the company is prohibited from distribution of its incomes and properties amongst its members.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment are shown in note 7 to the financial statements.

COUNCILLORS

The Councillors in office during the year and up to the date of this report were as follows:

Jean-Cesar Minoru, HARADA	(resigned on 1 st July 2021)
Abigail Yu-Fang, JUNG	
Lok Yee, LI	(appointed on 1 st July 2021)
Chicky Ajoy BHAVNANI	(appointed on 1 st July 2021)
Sharon, MULLAN	(appointed on 1 st July 2021)
May Kuen Sylvia, CHAN	(appointed on 1 st July 2021)

There being no provision in the company's Articles of Association for the rotation of councillor, the councillors will continue in office for the ensuing year

BUSINESS REVIEW

The company is exempted from preparing the business review under the Companies Ordinance.

SIGNIFICANT CONTRACTS

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

ARRANGEMENT TO ACQUIRE DEBENTURES

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

OTHER MATTERS

At the date of this report, the councillors are not aware of any circumstances including contingencies and / or litigation not otherwise dealt with in this report or financial statements which would render any amount stated in the financial statements misleading.

AUDITOR

Ms. Chu Nun Fai Eunice was appointed as the auditor of the company and hold office until the next Annual General Meeting.

By Order of the Council



Abigail Yu-Fang, JUNG
Councillor
Hong Kong, 23rd November 2021.

Chu Nun Fai Eunice

Certified Public Accountant

*Unit 2201, Chung Kiu Commercial Building,
47-51 Shan Tung Street, Mongkok, Kowloon.
Tel No. 2498-7984 Fax No. 2415-7246*

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MAKERBAY FOUNDATION LIMITED

(Incorporated in Hong Kong with limited liability)

Opinion

I have audited the financial statements of Makerbay Foundation Limited (the "Company") set out on pages 6 to 12 which comprise the statement of financial position as at 31st March 2021 and the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my 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

I conducted my 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. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the company in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

The councillors are responsible for the other information. The other information comprises the report of the councillors, but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Chu Nun Fai Eunice

Certified Public Accountant

*Unit 2201, Chung Kiu Commercial Building,
47-51 Shan Tung Street, Mongkok, Kowloon.
Tel No. 2498-7984 Fax No. 2415-7246*

Responsibilities of Councillors and Those Charged with Governance for the Financial Statements

The councillors 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 councillors 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 councillors 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 councillors 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

My 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 councillors.

Chu Nun Fai Eunice

Certified Public Accountant

*Unit 2201, Chung Kiu Commercial Building,
47-51 Shan Tung Street, Mongkok, Kowloon.
Tel No. 2498-7984 Fax No. 2415-7246*

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

- Conclude on the appropriateness of the councillors' 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

I 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 I identify during my audit.



Chu Nun Fai Eunice
Certified Public Accountant
Hong Kong, 23th November 2021.

MAKERBAY FOUNDATION LIMITED
 INCOME STATEMENT
 FOR THE YEAR ENDED 31ST MARCH 2021

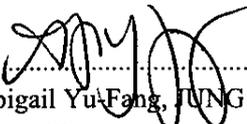
	Note	31.3.2021	31.3.2020
		HK\$	HK\$
REVENUE	1(a), 2	2,274,828	2,718,463
Cost of income		<u>(427,502)</u>	<u>(1,731,553)</u>
		1,847,326	1,186,910
Interest income	1(a)	10	159
Other income	2	<u>187,952</u>	<u>6,400</u>
		2,035,288	993,469
Administrative expenses		(2,109,190)	(874,823)
Other operating expenses		<u>(147,077)</u>	<u>(137,307)</u>
Deficit before finance costs		(220,979)	(18,661)
Finance costs	3	<u>(3,084)</u>	<u>(230)</u>
Deficit for the year		<u><u>(224,063)</u></u>	<u><u>(18,891)</u></u>

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

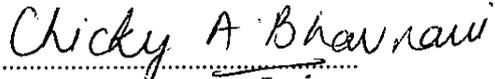
MAKERBAY FOUNDATION LIMITED
 STATEMENT OF FINANCIAL POSITION
 AS AT 31ST MARCH 2021

	Note	2021 HK\$	2020 HK\$
PROPERTY, PLANT AND EQUIPMENT	7	<u>15,920</u>	<u>23,880</u>
CURRENT ASSETS			
Account receivable		337,072	1,521,511
Deposit paid		180,000	180,000
Cash and bank balances		<u>445,081</u>	<u>746,148</u>
		<u>962,153</u>	<u>2,447,659</u>
CURRENT LIABILITIES			
Account payable		(110,101)	-
Accruals		(29,300)	(234,952)
Amount due to a founding member	8	-	(160,936)
Amount due to a related company	9	<u>(458,920)</u>	<u>(1,471,836)</u>
		<u>(598,321)</u>	<u>(1,867,724)</u>
NET CURRENT ASSETS		<u>353,832</u>	<u>579,935</u>
NET ASSETS		<u>379,752</u>	<u>603,815</u>
Financed by:			
RETAINED SURPLUS		603,815	622,706
DEFICIT FOR THE YEAR		<u>(224,063)</u>	<u>(18,891)</u>
		<u>379,752</u>	<u>603,815</u>

APPROVED BY COUNCIL



 Abigail Yu-Fang JUNG
 Councillor



 Chicky Ajoy BHAVNANI
 Councillor

Date : 23th November 2021

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

MAKERBAY FOUNDATION LIMITED
STATEMENT OF CHANGE IN EQUITY
FOR THE YEAR ENDED 31ST MARCH 2021

	Retained surplus HK\$
Balance as at 1 st April 2019	622,706
Deficit for the year ended 31 st March 2020	<u>(18,891)</u>
Balance as at 1 st April 2020	603,815
Deficit for the year ended 31 st March 2021	<u>(224,063)</u>
Balance as at 31 st March 2021	<u>379,752</u>

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

MAKERBAY FOUNDATION LIMITED

ACCOUNTING POLICIES

AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2021

Reporting entity

Makerbay Foundation Limited is a company incorporated in Hong Kong with limited guarantee liability. The company's registered office is located at G/F & 3/F, 23 Mei Wan Street, Tsuen Wan, NT, Hong Kong. The principal activity of the company is promoting maker education. It is a non-profit organization that grows and nurtures youth community by infusing maker mindset and skills to the next generation so they can innovate solutions to help resolve social issues and create positive impacts.

1. Basis of preparation and accounting policies

The company qualifies for the reporting exemption as a small private company under section 359 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.

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:

- (i) Donation income is recognized when direct costs are incurred and when the rights of claims are established; and
- (ii) Interest income is recognized on a time proportion basis taking into account the principal outstanding and the interest applicable.

(b) Borrowing costs

Borrowing costs are recognized 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 recognized 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) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

The depreciable amount of an item of property, plant and equipment is allocated on a systematic basis over its estimated useful life using the straight-line method. The principal annual rates used for depreciation are as follows:

Computer	20%
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(f) 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 property, plant and equipment, intangible assets and long-term investments. 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 recognized in the income statement. A previously recognized 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 amortization or depreciation), had no impairment losses been recognized for the asset in prior years.

(g) Trade and other receivables

Trade and other receivables are stated at estimated realizable value after each debt has been considered individually. Where the payment of a debt becomes doubtful a provision is made and charged to the income statement.

(h) Related party and company

Related party is individual or his close family members who control the company and has direct or indirect beneficial interest in the company.

Related company is company in which the councillors or members of the company, or their close relatives, have direct or indirect beneficial interest.

2. Revenue and other income

An analysis of the company's revenue and other income are as follows:

	2021	2020
	HK\$	HK\$
Donation income	2,274,828	2,718,463
Interest income	10	159
Other income	187,952	6,400
	<u>2,462,790</u>	<u>2,724,863</u>

3. Finance costs

	2021	2020
	HK\$	HK\$
Bank charges	<u>3,084</u>	<u>230</u>

4. Deficit for the year

Deficit for the year are arrived at:

	Note	2021	2020
		HK\$	HK\$
After charging the following			
Audit fee		12,000	12,000
Depreciation	7	7,960	7,960
Salaries		<u>1,466,882</u>	<u>806,523</u>

5. Director's remuneration

Director's remuneration disclosed pursuant to section 383(1) of the Companies Ordinance is as follows:

	2021	2020
	HK\$	HK\$
Fees	-	-
Other emoluments	<u>-</u>	<u>298,333</u>
	<u>-</u>	<u>298,333</u>

6. Income tax expenses

No profits tax has been provided as the company is exempt from tax under section 88 of Inland Revenue Ordinance.

7. Property, plant and equipment

	Computer HK\$
Cost	
At 1 st April 2020	39,800
Additions	<u>-</u>
At 31 st March 2021	<u>39,800</u>
Accumulated depreciation	
At 1 st April 2020	(15,920)
Charged for the year	<u>(7,960)</u>
At 31 st March 2021	<u>(23,880)</u>
Net book value	
At 31 st March 2021	<u>15,920</u>
At 31 st March 2020	<u>23,880</u>

8. Amount due to a founding member

Amount due to a founding member is unsecured, interest free, and has no fixed term of repayment.

9. Amount due to a related company

Amount due to a related company, Makerbay Limited, is unsecured, interest free, and has no fixed term of repayment.

Mr. Jean-Cesar, Minoru Harada, the member and councillor of the company, controls both the company and related company Makerbay Limited.

10. Commitments under operating leases

The company had the following total future minimum lease payments payable under non-cancellable operating leases:

	2021 HK\$	2020 HK\$
Not later than one year	720,000	720,000
Later than one year	<u>540,000</u>	<u>1,260,000</u>
	<u>1,260,000</u>	<u>1,980,000</u>

11. Approval of financial statements

These financial statements were authorized for issue by the company's Council on 23th November 2021.