

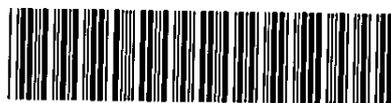
ACTORS' FAMILY (HONG KONG) LIMITED
(Limited by Guarantee)

REPORTS & FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 JUNE 2020

張坤會計師行
ERIC CHEUNG & CO.
CERTIFIED PUBLIC ACCOUNTANTS
HONG KONG



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ACTORS' FAMILY (HONG KONG) LIMITED

DIRECTORS' REPORT

The directors hereby present their annual report and the audited financial statements of the Company for the year ended 30 June 2020.

PRINCIPAL ACTIVITY

The Company is principally engaged in promoting the creation of performing arts on a professional basis for the benefit of the public.

RESULTS AND STATE OF AFFAIRS

The results of the Company for the year ended 30 June 2020 and the state of affairs of the Company at that date are set out in the annexed financial statements.

DIRECTORS

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

Li Kam Tao Philip
Chan Man Yee Rita
Chung Siu Mui Ribble
Yu Kit Yee Flora
Woo Suet Lai

DIRECTORS' INTEREST

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

No arrangement to which the Company was a party subsisted during the year to enable the directors to acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate.

AUDITORS

The auditors Messrs Eric Cheung & Co., Certified Public Accountants, now retire and, being eligible, offer themselves for re-appointment.

For and on behalf of the Board



Li Kam Tao Philip
Director

Hong Kong, 18 March 2021

ERIC CHEUNG & CO
CERTIFIED PUBLIC ACCOUNTANTS
張坤會計師行

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

ACTORS' FAMILY (HONG KONG) LIMITED
(incorporated in Hong Kong and limited by guarantee)

Opinion

We have audited the financial statements of Actors' Family (Hong Kong) Limited ("the Company") set out on pages 5 to 10, which comprise the statement of financial position as at 30 June 2020, the income statement and the statement of changes in reserves 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 ("HKSAs") 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 2a in the financial statements, which indicates that the Company incurred a net surplus of HK\$2,091 during the year ended 30 June 2020 and, as of that date, the Company's current liabilities exceeded its total assets by HK\$11,909. As stated in Note 2a, these events or conditions, along with other matters as set forth in Note 2a, 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.

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

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.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

ACTORS' FAMILY (HONG KONG) LIMITED
(incorporated in Hong Kong and limited by guarantee) - continued

Responsibilities of Directors 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 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.

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. The 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 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.

ERIC CHEUNG & CO
CERTIFIED PUBLIC ACCOUNTANTS
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Email: ekcheung123@yahoo.com

INDEPENDENT AUDITOR'S REPORT

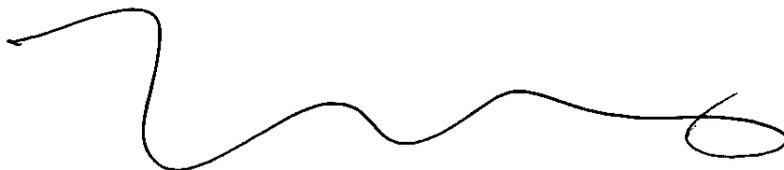
TO THE MEMBERS OF

ACTORS' FAMILY (HONG KONG) LIMITED
(incorporated in Hong Kong and limited by guarantee) - continued

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.



Eric Cheung & Co.
Certified Public Accountants
Hong Kong, 18 March 2021

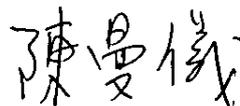
ACTORS' FAMILY (HONG KONG) LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

	Note	2020 HK\$	2019 HK\$
ASSETS			
Current assets			
Accounts receivables		103,957	-
Prepayments and deposits		232,547	4,800
Cash and bank balances		<u>583,171</u>	<u>-</u>
		919,675	4,800
Less: Current liabilities			
Accounts payable and accrued expenses		<u>182,150</u>	<u>1,500</u>
Receipts in advance		359,931	-
Amount due to a related company	3	<u>389,503</u>	<u>17,300</u>
		<u>931,584</u>	<u>18,800</u>
Net liabilities		<u>(11,909)</u>	<u>(14,000)</u>
RESERVES			
Accumulated deficit		<u>(11,909)</u>	<u>(14,000)</u>



Li Kam Tao Philip
Director



Chan Man Yee Rita
Director

The annexed notes form part of the financial statements.

ACTORS' FAMILY (HONG KONG) LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2020

	Note	Year ended 30.6.2020 HK\$	3.12.2018 - 30.6.2019 HK\$
Revenue			
Sponsorship and receipts from drama projects		1,225,067	-
Grant from Hong Kong Arts Development Council		1,000,000	-
Arts and Culture Sector Subsidy Scheme under Anti-epidemic Fund		130,000	-
Employment Support Scheme under Anti-epidemic Fund		46,150	-
Studio and equipment rental income		24,440	-
Bank interest income		24	-
Donations		10,000	-
Other income		664	-
		<u>2,436,345</u>	<u>-</u>
Drama project expenses		(927,842)	-
Administrative expenses		<u>(1,506,412)</u>	<u>(14,000)</u>
Surplus/(Deficit) before tax		2,091	(14,000)
Income tax expense	4	<u>-</u>	<u>-</u>
Surplus/(Deficit) for the year/period		<u><u>2,091</u></u>	<u><u>(14,000)</u></u>

The annexed notes form part of the financial statements.

ACTORS' FAMILY (HONG KONG) LIMITED

STATEMENT OF CHANGES IN RESERVES

FOR THE YEAR ENDED 30 JUNE 2020

	Accumulated deficit HK\$
Balance at 3.12.2018 (date of incorporation)	-
Deficit for the period	<u>(14,000)</u>
Balance at 30.6.2019	(14,000)
Surplus for the year	<u>2,091</u>
Balance at 30.6.2020	<u><u>(11,909)</u></u>

The annexed notes form part of the financial statements.

ACTORS' FAMILY (HONG KONG) LIMITED

NOTES TO FINANCIAL STATEMENTS

1. REPORTING ENTITY

Actors' Family (Hong Kong) Limited is a company limited by guarantee and not having a share capital, domiciled and incorporated in Hong Kong. The address of its registered office was Room 4, 12/F, Wah Fat Industrial Building Rear Block, 10-14 Kung Yip Street, Kwai Chung, New Territories, Hong Kong. The Company is principally engaged in promoting the creation of performing arts on a professional basis for the benefit of the public.

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The Company qualifies for the reporting exemption as a small guarantee company under section 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. They are presented in Hong Kong dollars.

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. Going Concern

The financial statements have been prepared on a going concern basis. In view of the accumulated losses and net liabilities as at 30 June 2020 continuance in business as a going concern depends on the Company maintaining profitable operation and the continuing financial support of its directors and members.

b. Basis of preparation

The measurement basis used in the preparation of the financial statements is the historical cost basis.

c. Revenue recognition

- i.) Receipts from drama performances are recognized as and when they are completed. Revenue from drama projects is recognized when the services are rendered in stages as separately identifiable phases of a project are completed.
- ii.) Grant is recognized as and when it is accrued.
- iii.) Interest income is recognized on a time proportion basis.

d. Impairment of assets

An assessment is made at each date of statement of financial position 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.

ACTORS' FAMILY (HONG KONG) LIMITED

NOTES TO FINANCIAL STATEMENTS - continued

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES - continued

e. Operating lease

Rentals payable under operating leases are charged to the income statement on a straight-line basis over the terms of the relevant leases.

f. Provisions and contingent liabilities

Provisions are recognized for liabilities of uncertain timing or amount when the Company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probable of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liability unless the probability of outflow of economic benefits is remote.

g. Related parties

For the purpose of these financial statements, a party is considered to be related to the Company if:

- i. the party has the ability, directly or indirectly through one or more intermediaries, to control the Company or exercise significant influence over the Company in making financial and operating policy decisions, or has joint control over the Company;
- ii. the Company and the party are subject to common control;
- iii. the party is an associate of the Company or a joint venture in which the Company is a venturer;
- iv. the party is a member of key management personnel of the Company or the Company is a parent, or close family member of such an individual, or is an entity under the control, joint control or significant influence of such individuals;
- v. the party is a close family member of a party referred to in (i.) or is an entity under the control, joint control or significant influence of such individuals; or
- vi. the party is a post-employment benefit plan which is for the benefit of employees of the Company or of any entity that is a related party of the Company.

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.

h. 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 date of statement of financial position. Deferred tax is not provided.

ACTORS' FAMILY (HONG KONG) LIMITED

NOTES TO FINANCIAL STATEMENTS - continued

3. AMOUNT DUE TO A RELATED COMPANY

The advances are interest-free, unsecured and repayable on demand.

4. INCOME TAX EXPENSE

The Company is a recognized charitable institution and is exempted from profits tax.

5. EMOLUMENTS OF THE DIRECTORS

Emoluments of the directors disclosed pursuant to section 383(1) of the Companies Ordinance for the year was HK\$ nil (2019: HK\$ nil).

6. MATERIAL RELATED PARTY TRANSACTIONS

Balances with related parties are included in amounts due from/to respective parties in the statement of financial position. The terms of these amounts are disclosed in Note 3.

7. APPROVAL OF FINANCIAL STATEMENTS

The financial statement was approved and authorized to issue by the Board of Directors on 18 March 2021.