

**HONG KONG CREATIVE OPEN TECHNOLOGY ASSOCIATION LIMITED**

**香港創意開放科技協會有限公司**

**REPORT OF THE DIRECTORS AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2016**

**YAU WANG KWONG 丘宏光執業會計師**

**Certified Public Accountant (Practising)**

**HONG KONG CREATIVE OPEN TECHNOLOGY ASSOCIATION LIMITED**

**香港創意開放科技協會有限公司**

**REPORT OF THE DIRECTORS AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2016**

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# HONG KONG CREATIVE OPEN TECHNOLOGY ASSOCIATION LIMITED

香港創意開放科技協會有限公司

## REPORT OF THE DIRECTORS

The directors present the annual report and the audited financial statements of Hong Kong Creative Open Technology Association Limited ("the Company") for the year ended 31 March 2016.

### **Principal activities**

The principal activities of the Company are to promote the awareness, benefits and usages of open technology and to promote creativity through the use of open technology.

### **Results**

The results of the Company for the year are set out in the statement of income and retained earnings on page 4. The state of affairs of the Company at 31 March 2016 is set out in the statement of financial position on page 5.

### **Directors**

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

Mr. So Hau Heng Haggen	
Mr. Wong Wan Chung	(appointed on 25 October 2015)
Mr. Yeung Shu Hung	(appointed on 7 April 2016)
Mr. Wong Wan Leung	(resigned on 25 October 2015)
Mr. Fung Chun Wah Sammy	(resigned on 7 April 2016)

Pursuant to the Company's Articles of Association, all directors shall retire and, being eligible, offer themselves for re-election at the forthcoming general meeting.

### **Directors' interest and management contract**

There was no contract of significance to which the Company was a party and in which a director had a material interest, whether directly or indirectly, subsisting at the end of the financial year or at any time during the year. No contract concerning the management and administration of the whole or any substantial part of the operation of the Company was entered into or existed during the year.

### **Auditor**

The financial statements for the year were audited by Mr. Yau Wang Kwong, Certified Public Accountant (Practising). A resolution will be proposed at the forthcoming AGM of the Company to re-appoint him as auditor of the Company.

For and on behalf of the Board of Directors

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So Hau Heng Haggen  
Chairman  
Hong Kong, 28 July 2016



**Independent auditor's report to the members of**

**HONG KONG CREATIVE OPEN TECHNOLOGY ASSOCIATION LIMITED**

香港創意開放科技協會有限公司

**(incorporated in Hong Kong, limited by guarantee and not having a share capital)**

I have audited the financial statements of Hong Kong Creative Open Technology Association Limited ("the Company") set out on pages 4 to 8, which comprise the statement of financial position as at 31 March 2016, the statement of income and retained earnings, and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Directors' responsibility for the financial statements**

The directors of the Company are responsible for the preparation of financial statements that give a true and fair view in accordance with the Hong Kong Financial Reporting Standard for Private Entities issued by the Hong Kong Institute of Certified Public Accountants 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.

**Auditor's responsibility**

My responsibility is to express an opinion on these financial statements based on my audit. This report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance (Cap.622) and for no other purpose. I do not assume responsibility towards or accept liability to any other person for the contents of this report.

I conducted my audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

...../ to be continued

**YAU WANG KWONG**

Certified Public Accountant (Practising), FCCA, MBA

Unit 504, 5/F, Hang Seng Castle Peak Road Building, 339 Castle Peak Road, Cheung Sha Wan, Kowloon, Hong Kong

香港九龍長沙灣青山道 339 號恒生青山道大廈 5 樓 504 室

Tel: (852) 2467 8028

Fax: (852) 2467 8508

Email: info@bestat.hk

丘宏光

執業會計師

**Independent auditor's report to the members of**

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**Auditor's responsibility (continued)**

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

**Opinion**

In my opinion, the financial statements give a true and fair view of the state of the Company's affairs as at 31 March 2016, and of its surplus and cash flows for the year then ended in accordance with the Hong Kong Financial Reporting Standard for Private Entities and have been properly prepared in accordance with the Hong Kong Companies Ordinance.

**YAU WANG KWONG**

Certified Public Accountant (Practising)

Hong Kong, 28 July 2016



**HONG KONG CREATIVE OPEN TECHNOLOGY ASSOCIATION LIMITED****香港創意開放科技協會有限公司****STATEMENT OF INCOME AND RETAINED EARNINGS****FOR THE YEAR ENDED 31 MARCH 2016**

	2016 HK\$	2015 HK\$
<b>REVENUE</b>		
Donation received	30,203	36,400
Open technology conference income		
- ticket sales	48,535	38,737
- sponsorship	447,804	10,500
Training course fee income	206,633	75,200
Other income		
- Bank interest income	3	-
- Gain on foreign exchange	707	-
- Miscellaneous income	1,500	1,562
	<u>735,385</u>	<u>162,399</u>
<b>EXPENDITURE</b>		
Auditor's remuneration	7,300	6,800
Bank charges	6,396	444
Company incorporation fee	-	6,800
Company secretarial service fee	1,905	-
Conference and business meals	141,963	13,521
Conference expenses	192,382	45,831
Domain registration	2,200	800
Local travelling	11,642	100
Logo design	-	1,380
Postage and delivery	1,649	2,012
Printing and stationery	13,192	977
Subscription fee	500	-
Storage	1,000	-
Sundries	669	174
Trademark registration	1,000	2,500
Training cost and materials	160,556	75,185
	<u>542,354</u>	<u>156,524</u>
<b>SURPLUS FOR THE YEAR</b>	193,031	5,875
<b>SURPLUS AT BEGINNING OF THE YEAR</b>	5,875	-
<b>SURPLUS AT END OF THE YEAR</b>	<u>198,906</u>	<u>5,875</u>

The accompanying notes from page 7 to 8 form an integral part of these financial statements.

**HONG KONG CREATIVE OPEN TECHNOLOGY ASSOCIATION LIMITED**

香港創意開放科技協會有限公司

**STATEMENT OF FINANCIAL POSITION****AT 31 MARCH 2016**

	At 31/3/2016 HK\$	At 31/3/2015 HK\$
<b>CURRENT ASSETS</b>		
Accounts receivables	202,187	2,490
Cash and cash equivalents	19,908	12,185
	<u>222,095</u>	<u>14,675</u>
<b>CURRENT LIABILITIES</b>		
Receipt in advance	15,889	2,000
Accrued expenses	7,300	6,800
	<u>23,189</u>	<u>8,800</u>
<b>NET CURRENT ASSETS</b>	<u>198,906</u>	<u>5,875</u>
<b>RESERVE</b>		
Reserve fund	<u>198,906</u>	<u>5,875</u>
	<u>198,906</u>	<u>5,875</u>

The financial statements were approved and authorized for issue by the Board of Directors on 28 July 2016.

\_\_\_\_\_  
So Hau Heng Haggan  
Director

\_\_\_\_\_  
Yeung Shu Hung  
Director

The accompanying notes from page 7 to 8 form an integral part of these financial statements.

**HONG KONG CREATIVE OPEN TECHNOLOGY ASSOCIATION LIMITED**

香港創意開放科技協會有限公司

**STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 MARCH 2016**

	2016 HK\$	2015 HK\$
<b>Operating activities</b>		
Surplus for the year before working capital changes	193,031	5,875
Increase in accounts receivable	(199,697)	(2,490)
Increase in receipt in advance	13,889	2,000
Increase in accrued expenses	500	6,800
Net cash from operating activities	7,723	12,185
<b>Investing activities</b>	-	-
<b>Financing activities</b>	-	-
<b>Net increase in cash and cash equivalents</b>	7,723	12,185
<b>Cash and Cash equivalents at beginning of the year</b>	12,185	-
<b>Cash and Cash equivalents at end of the year</b> represented by bank balances and cash on hand	19,908	12,185

The accompanying notes from page 7 to 8 form an integral part of these financial statements.



# HONG KONG CREATIVE OPEN TECHNOLOGY ASSOCIATION LIMITED

香港創意開放科技協會有限公司

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR 31 MARCH 2016

### 1. General

The Company is incorporated in Hong Kong, limited by guarantee and not having a share capital. The Company's registered office is located at 3/F, 225 Sai Yee Street, Mong Kok, Kowloon, Hong Kong. Every member undertakes to contribute to the assets of the Company in the event of its being wound up not exceeding HK\$1. The Company is a charitable institution to promote the awareness, benefits and usages of open technology and to promote creativity through the use of open technology.

### 2. Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standard for Private Entities issued by the Hong Kong Institute of Certified Public Accountants and the requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention and on the basis that the Company is a going concern.

The financial statements are presented in Hong Kong dollars, which is also the Company's functional currency.

### 3. Principal accounting policies

The principal accounting policies are set out below.

#### a) Revenue recognition

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 is recorded on cash received basis.
- ii. Ticket sales income is recognized when the conference was concluded.
- iii. Sponsorship income is recognized when the right to receive payment is established.
- iv. Training course fee income is recognized when the services are performed.

#### b) Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. When the Company expects a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

#### c) Cash and cash equivalents

Cash and cash equivalents include cash at bank and on hand, demand deposits with banks or other financial institutions, and short-term highly liquid investments with original maturities of three months or less that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR 31 MARCH 2016**

**3. Principal accounting policies (continued)**

d) Accounts receivables and other receivables

Account receivables and other receivables are recognized initially at the transaction price. They are subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of accounts receivables and other receivables are established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

e) Accounts payables and other payables

Accounts payables and other payables are recognized initially at the transaction price and subsequently measured at amortized cost using the effective interest method.

f) Foreign currency translation

Foreign currency translations are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities in foreign currencies are recognized in profit or loss.

**4. Directors' remuneration**

All directors of the Company did not receive any emoluments or allowances for their participation in the Company's affairs during the year.

**5. Taxation**

No provision for taxation has been made as the Company is exempted from tax liabilities under Section 88 of the Inland Revenue Ordinance by reason of being a charitable institution with effect from 12 August 2014.