

**THE HONG KONG BASEBALL ASSOCIATION LIMITED**  
**REPORT OF THE DIRECTORS**  
**AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**



**國衛會計師事務所有限公司**  
**Hodgson Impey Cheng Limited**

## **REPORT OF THE DIRECTORS**

The directors of The Hong Kong Baseball Association Limited (hereinafter referred to as “the Association”) present their report together with the audited financial statements of the Association for the year ended 31 March 2018.

### **Principal activities**

The Association is a company limited by guarantee. The principal activities of the Association are to promote and develop baseball sports in Hong Kong. There was no significant change in these activities during the year.

### **Results**

The results of the Association for the year ended 31 March 2018 are set out in the statement of profit or loss and other comprehensive income on page 7.

The state of affairs of the Association as at 31 March 2018 and 2017 is set out in the statement of financial position on page 8.

### **Business review**

The Association has satisfied the exemption criteria set out in Section 388(3)(a) of the Hong Kong Companies Ordinance. Therefore, the directors of the Association are not required to prepare the report for the business review in accordance with the Hong Kong Companies Ordinance (Cap. 622).

### **Donations**

No charitable and other donations made by the Association during the year (2017: HK\$500).

### **General fund**

Details of the movements in general fund of the Association during the year are set out in the statement of changes in funds on page 9.

### **Equipment**

Details of the movements in equipment of the Association during the year are set out in Note 11 to the financial statements.

## **REPORT OF DIRECTORS (CONTINUED)**

### **Directors**

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

Au Hok Leung  
Au Kit Yi, Kitty  
Au Wing Leung  
Fan Chun Wah, Andrew (appointed on 31 October 2017)  
Fang Ka Wor  
Lai Wai Tat, Pazu  
Leung Tak Kwong  
Li Wing Kuen, Philip  
Mak Nin Fung  
Miyoshi Masanori  
Ng Kwong Yuen  
Tse Kam Man, Edward  
Wong Ki, Jonathan  
Wu Suet Kong  
Yip Wai Kwong, Felix  
Cheuk Woon Yee, Sinney (resigned on 21 October 2017)

In accordance with Article 30 of the Articles of Association, the directors shall resign and are eligible for reappointment at the annual general meeting upon expiry of two consecutive terms.

### **Directors' material interests in transactions, arrangements and contracts that are significant in relation to the Association's business**

No transactions, arrangements and contracts of significance business to which the Association, was a party and in which the directors of the Association had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

### **Directors' interests, underlying shares and debentures of the Association or any specified undertaking of the Association**

At no time during the year was the Association a party to any arrangement to enable the directors of the Association to hold any interests in the shares or debentures of, the Association or its specified undertakings.

### **Management contracts**


No contracts concerning the management and administration of the whole or any substantial part of the business of the Association were entered into or existed during the year.

**REPORT OF DIRECTORS (CONTINUED)**

**Auditor**

The financial statements of the Association for the year ended 31 March 2017 have been audited by Messrs. Y. H. Cheung & Company, Certified Public Accountants, who retired as auditors of the Association on 28 June 2018. HLB Hodgson Impey Cheng Limited ("HLB") was appointed as the auditors of the Association to fill the casual vacancy. The financial statements of the Association for the year ended 31 March 2018 have been audited by HLB who shall retire and, being eligible, offer themselves for re-appointment as the auditors of the Association at the forthcoming annual general meeting.

On behalf of the board of directors

  
.....  
Yip Wai Kwong, Felix  
Chairman

Hong Kong, 21 September 2018  
.....





**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF  
THE HONG KONG BASEBALL ASSOCIATION LIMITED**

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(Incorporated in Hong Kong with limited liability by guarantee)

**Opinion**

We have audited the financial statements of The Hong Kong Baseball Association Limited ("the Association") set out on pages 7 to 29, which comprise the statement of financial position as at 31 March 2018, and the statement of profit or loss and other comprehensive income, the statement of changes in funds and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Association as at 31 March 2018, and of its financial performance and its cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

**Other Matter**

The financial statements of the Association for the year ended 31 March 2017 prepared under Small and Medium-sized Entity Financial Reporting Standard ("SME-FRS") were audited by another auditor who expressed an unmodified opinion on those financial statements on 17 September 2017.

**Basis for Opinion**

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Association in accordance with the HKICPA's *Code of Ethics for Professional Accountants* ("the Code"), and we have fulfilled our other ethical 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 report of directors, but does not include the financial statements and our auditors' report thereon (the "Other Information").

Our opinion on the financial statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.



## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF

### THE HONG KONG BASEBALL ASSOCIATION LIMITED (CONTINUED) \_\_\_\_\_ 5

(Incorporated in Hong Kong with limited liability by guarantee)

#### Other Information (continued)

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.

#### Responsibilities of Directors and Those Charged with Governance for the Financial Statements

The directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRSs 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 Association'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 Association or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

#### Auditors' 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 auditors' 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 HKSAAs 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 HKSAAs, 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.





**INDEPENDENT AUDITORS' REPORT**

**TO THE MEMBERS OF**

**THE HONG KONG BASEBALL ASSOCIATION LIMITED (CONTINUED)** \_\_\_\_\_ 6

(Incorporated in Hong Kong with limited liability by guarantee)

**Auditors' Responsibilities for the Audit of the Financial Statements (continued)**

- 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- 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 Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Certified Public Accountants

**Shek Lui**

Practicing Certificate Number: P05895

Hong Kong, 21 September 2018

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**


For the year ended 31 March 2018 (in HK Dollars)	Notes	2018	2017
Revenue	7	12,483,290	8,694,151
Other revenue	8	535,539	267,832
Training, championship and tournaments expenses		(11,163,814)	(7,459,732)
General expenses		<u>(2,179,673)</u>	<u>(1,776,534)</u>
<b>Deficit before taxation</b>	9	(324,658)	(274,283)
Taxation	10	<u>-</u>	<u>-</u>
<b>Deficit for the year and total comprehensive loss for the year</b>		<u><u>(324,658)</u></u>	<u><u>(274,283)</u></u>

The accompanying notes form an integral part of these financial statements.


## STATEMENT OF FINANCIAL POSITION

As at 31 March 2018 (in HK Dollars)	Notes	2018	2017
<b>Current assets</b>			
Account receivables	12	708,387	122,722
Deposits and prepayments	13	298,245	145,029
Fixed deposits	14	1,331,928	1,331,792
Bank balances and cash	14	5,710,873	4,021,128
		8,049,433	5,620,671
<b>Current liabilities</b>			
Account payables		7,232,259	4,416,038
Deposits received and accruals		67,440	-
Receipts in advance		483,517	613,758
		7,783,216	5,029,796
<b>Net current assets</b>		266,217	590,875
<b>Total assets less current liabilities</b>		266,217	590,875
<b>Net assets</b>		266,217	590,875
<b>General fund</b>		266,217	590,875

The financial statements were approved and authorised for issue by the board of directors on 21 September 2018:



Yip Wai Kwong, Felix  
Chairman



Mak Nin Fung  
Secretary General

The accompanying notes form an integral part of these financial statements.

**STATEMENT OF CHANGES IN FUNDS**

For the year ended 31 March 2018 (in HK Dollars)

	<b>General fund</b>
As at 1 April 2016	865,158
Deficit for the year	<u>(274,283)</u>
As at 31 March 2017 and 1 April 2017	590,875
Deficit for the year	<u>(324,658)</u>
<b>As at 31 March 2018</b>	<b><u>266,217</u></b>

The accompanying notes form an integral part of these financial statements.

**STATEMENT OF CASH FLOWS**

For the year ended 31 March 2018 (in HK Dollars)	2018	2017
<b>Cash flows from operating activities</b>		
Deficit before taxation	(324,658)	(274,283)
<b>Adjustment for:</b>		
Bank interest income	(905)	(705)
<b>Operating deficit before changes in working capital</b>	<b>(325,563)</b>	<b>(274,988)</b>
Increase in account receivables	(585,665)	(3,624)
(Increase)/decrease in deposits and prepayments	(153,216)	123,541
Decrease in receipts in advance	(130,241)	(12,959)
Increase in account payables	2,816,221	577,337
Increase in deposits received and accruals	67,440	-
<b>Net cash generated from operating activities</b>	<b>1,688,976</b>	<b>409,307</b>
<b>Cash flows from investing activity</b>		
Bank interest received	905	705
<b>Net cash generated from investing activity</b>	<b>905</b>	<b>705</b>
<b>Net increase in cash and cash equivalents</b>	<b>1,689,881</b>	<b>410,012</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>5,352,920</b>	<b>4,942,908</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>7,042,801</b>	<b>5,352,920</b>
<b>Analysis of cash and cash equivalents</b>		
Bank balances and cash	5,710,873	4,021,128
Fixed deposits	1,331,928	1,331,792
	<b>7,042,801</b>	<b>5,352,920</b>

The accompanying notes form an integral part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS**For the year ended 31 March 2018 (in HK Dollars)

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**1. GENERAL INFORMATION**

The Hong Kong Baseball Association Limited (“the Association”) is a company limited by guarantee in Hong Kong. The registered office of the Association is located at Room 1003, 1/F., Olympic House, 1 Stadium Path, Causeway Bay, Hong Kong.

The principal activities of the Association are to promote and develop baseball sports in Hong Kong.

The financial statements are presented in Hong Kong Dollars, which is the same as the functional currency of the Association.

**2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)**

The Association has applied HKFRSs effective for its annual financial statements beginning from 1 April 2017. These financial statements are the Association’s first annual financial statements prepared in accordance with HKFRSs. For all periods up to financial year ended 31 March 2017, the Association prepared its annual financial statements in accordance with Small and Medium-size Entity Financial Reporting Standard (“SME-FRS”).

According to HKFRS 1 *First-time Adoption of Hong Kong Financial Reporting Standards*, the Association as a first-time adopter requires to retrospectively apply all HKFRSs and accordingly the financial statements as at 31 March 2017 and 1 April 2016 and no presentation have been restated in accordance with HKAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”.

**3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)**

In the current year, the Association has applied for the first time, the following new and revised standards, amendments and interpretations (“new and revised HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), which are effective for the Association’s financial year beginning on 1 April 2017. A summary of the new HKFRSs are set out as below:

HKAS 7 (Amendments)	Disclosure Initiative
HKAS 12 (Amendments)	Recognition of Deferred Tax Assets for Unrealised Losses
HKFRS 12 (Amendment)	As part of the Annual Improvements to HKFRSs 2014-2016 Cycle

The application of the amendments to HKFRSs in the current period has had no material impact on the Association’s financial performance and positions for the current and prior year and/or on the disclosures set out in these financial statements.



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2018 (in HK Dollars)

**3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)**

The Association has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

HKFRS 2 (Amendments)	Classification and Measurement of Share-based Payment Transactions <sup>1</sup>
HKFRS 4 (Amendments)	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts <sup>1</sup>
HKFRS 9	Financial Instruments <sup>1</sup>
HKFRS 9 (Amendments)	Prepayment Features with Negative Compensation <sup>2</sup>
HKFRS 15	Revenue from Contracts with Customers <sup>1</sup>
HKFRS 15 (Amendments)	Clarifications to HKFRS 15 Revenue from Contracts with Customers <sup>1</sup>
HKFRS 16	Leases <sup>2</sup>
HKFRS 17	Insurance Contracts <sup>4</sup>
HKFRS 10 and HKAS 28 (Amendments)	Sales or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>3</sup>
HKAS 19 (Amendments)	Plan Amendments Curtailment or settlement <sup>2</sup>
HKAS 28 (Amendments)	Long-term Interests in Associates and Joint Ventures <sup>2</sup>
HKAS 28 (Amendments)	As part of the Annual Improvements to HKFRSs 2014-2016 Cycle <sup>1</sup>
HKAS 40 (Amendments)	Transfer of Investment Property <sup>1</sup>
HKFRSs (Amendments)	Annual Improvements to HKFRSs 2015-2017 Cycle <sup>2</sup>
HK (IFRIC) – Int 22	Foreign Currency Transactions and Advance Consideration <sup>1</sup>
HK (IFRIC) – Int 23	Uncertainty over Income Tax Treatments <sup>2</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2018.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2019.

<sup>3</sup> Effective for annual periods beginning on or after a date to be determined.

<sup>4</sup> Effective for annual periods beginning on or after 1 January 2021.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 March 2018 (in HK Dollars)

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**3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (CONTINUED)*****HKFRS 9 Financial Instruments***

HKFRS 9 introduces new requirements for the classification and measurement of financial assets, financial liabilities, general hedge accounting and impairment requirements for financial assets.

Key requirements of HKFRS 9 are described below:

- All recognised financial assets that are within the scope of HKFRS 9 are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are generally measured at fair value through other comprehensive income. All other financial assets are measured at their fair value at subsequent accounting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.
- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities' credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.
- In relation to the impairment of financial assets, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 March 2018 (in HK Dollars)

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**3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (CONTINUED)****HKFRS 9 *Financial Instruments* (continued)**

Key requirements of HKFRS 9 are described below: (continued)

- The new general hedge accounting requirements retain the three types of hedge accounting. However, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an 'economic relationship'. Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

The directors of the Association do not anticipate that the application of these amendments to HKFRS 10 and HKAS 28 will have a material impact on the Association's financial statements.

**HKFRS 15 *Revenue from Contracts with Customers***

HKFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 *Revenue*, HKAS 11 *Construction Contracts* and the related interpretations when it becomes effective.

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, HKFRS 15 introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under HKFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 March 2018 (in HK Dollars)

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**3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)*****HKFRS 15 Revenue from Contracts with Customers (continued)***

Based on the current business model, the directors of the Association do not expect the adoption of HKFRS 15 would result in significant impact on the amounts reported on the Association’s financial statements in the future. However, there will be additional qualitative and quantitative disclosures upon the adoption of HKFRS 15.

***HKFRS 16 Leases***

HKFRS 16 provides new provisions for the accounting treatment of leases and will in the future no longer allow lessees to account for certain leases outside the statement of financial position. Instead, all long-term leases must be recognised in the statement of financial position in the form of assets (for the rights of use) and lease liabilities (for the payment obligations). Short-term leases with a lease term of twelve months or less and leases of low-value assets are exempt from such reporting obligations. The new standard will therefore result in recognition of a right-to-use asset and an increase in lease liabilities in the statement of financial position. In the statement of profit or loss and other comprehensive income, rental expenses will be replaced with depreciation and interest expense. The new standard is not expected to be applied by the Group until the financial year ending 31 March 2020. HKFRS 16 will primarily affect the accounting for the Group’s operating leases. At 31 March 2018, the Group had non-cancellable operating lease commitments of approximately HK\$49,000 as disclosed in Note 15. Upon adoption of HKFRS 16 the majority of operating lease commitments will be recognised in the statement of financial position as lease liabilities and right-of-use assets. The lease liabilities would subsequently be measured at amortised cost and the right-of-use assets will be depreciated on a straight-line basis during the lease term.

The Association is in the process of assessing the potential impact of the other new and revised HKFRSs upon initial application but is not yet in a position to state whether the other new and revised HKFRSs will have a significant impact on the Association’s financial performance and position.

**4. SIGNIFICANT ACCOUNTING POLICIES****Statement of compliance**

These financial statements have been prepared in accordance with all applicable HKFRSs, which collective term includes all applicable individual HKFRSs, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the HKICPA and accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 March 2018 (in HK Dollars)

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**4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****Basis of preparation of the financial statements**

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

The preparation of financial statements in conformity with HKFRSs requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the year of the revision and future periods if the revision affects both current and future periods.

**Equipment**

Equipment is stated at cost less accumulated depreciation and impairment losses. The cost of an item of equipment comprises its purchase price and any directly attributable costs of bringing the assets to its location and working condition for its intended use. Expenses incurred after item of equipment has been put into operation, such as repair and maintenance, is normally charged to the statement of profit or loss and other comprehensive income in the period in which it is incurred. In situation where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of equipment and where the cost of the item can be measured reliably, the expenditure is capitalised as an additional cost of that asset or as a replacement.

Depreciation is calculated to write off the cost of items of equipment, less its estimated residual value, if any, using the straight-line method over its estimated useful life at the following rates per annum:

Office equipment	20%
Baseball equipment	20%

Where parts of an item of equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period.

An item of equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the statement of profit or loss in the period the asset is derecognised is the difference between the net proceeds and the carrying amount of the relevant assets.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 March 2018 (in HK Dollars)

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**4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****Cash and cash equivalents**

For the purpose of the statement of cash flows, cash and cash equivalents comprise fixed deposits, cash on hand and at a bank and short term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired form an integral part of the Association's cash management.

For the purpose of the statement of financial position, cash and cash equivalents comprise fixed deposits, cash on hand and at a bank and deposits held at call with a bank.

**Revenue recognition**

Revenue is recognised in statement of profit or loss and other comprehensive income provided it is probable that the economic benefits will flow to the Association and the revenue and costs, if applicable, can be measured reliably.

**(i) Membership fees and donations**

Membership fees and donations are recognised on the cash received basis.

**(ii) Government subsidies and events fees**

Government subsidies and events fees are recognised as income when designated activities as performed and expenses are incurred.

**Leasing**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

*The Association as lessee*

Operating lease payments are recognised as an expense on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight-line basis.

**Financial instruments**

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 March 2018 (in HK Dollars)

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**4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****Financial instruments (continued)**

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at “fair value through profit or loss”) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

***Financial assets***

Financial assets are classified into loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

***Effective interest method***

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

***Loans and receivables***

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including account receivables, deposits, fixed deposits and bank balances and cash) are measured at amortised cost using the effective interest method, less any impairment.

Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

***Impairment of financial assets***

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2018 (in HK Dollars)

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**4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****Financial instruments (continued)***Financial assets (continued)**Impairment of financial assets (continued)*

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of other receivables, where the carrying amount is reduced through the use of an allowance account. When an account receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 March 2018 (in HK Dollars)

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**4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****Financial instruments (continued)***Financial liabilities**Other financial liabilities*

Other financial liabilities (including account payables, deposits received and accruals and receipts in advance) are subsequently measured at amortised cost using the effective interest method.

*Effective interest method*

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

*Derecognition*

The Association derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Association neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Association continues to recognise the asset to the extent of its continuing involvement and recognises an associated liability. If the Association retains substantially all the risks and rewards of ownership of a transferred financial asset, the Association continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

On derecognition of a financial asset other than in its entirety, the Association allocates the previous carrying amount of the financial asset between the part it continues to recognise, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 March 2018 (in HK Dollars)

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**4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****Financial instruments (continued)*****Derecognition (continued)***

The Association derecognises financial liabilities when, and only when, the Association's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

**Related parties**

A party is considered to be related to the Association if:

- (a) A person, or a close member of that person's family, is related to the Association if that person:
  - (i) has control or joint control over the Association;
  - (ii) has significant influence over the Association; or
  - (iii) is a member of the key management personnel of the Association or the Association's parent.
- (b) An entity is related to the Association if any of the following conditions applies:
  - (i) the entity and the Association 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 and the Association are joint ventures of the same third party.
  - (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 Association or an entity related to the Association. If the Association is itself such a plan, the sponsoring employees are also related to the Association;
  - (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 Association or to the parent of the Association.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 March 2018 (in HK Dollars)

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**4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****Related parties (continued)**

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

- (i) that person's children and spouse or domestic partner;
- (ii) children of that person's spouse or domestic partner; and
- (iii) dependants of the person or that person's spouse or domestic partner.

A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between the Association and a related party, regardless of whether a price is charged.

**Employee benefits***(i) Short term employee benefits*

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

*(ii) Employee leave entitlement*

Employee entitlements to annual leave are recognised when they accrue to employees and a provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values. Employee entitlement to sick leave and maternity or paternity leave is not recognised until the time of leave.

*(iii) Pensions obligations*

A defined contribution plan is a pension plan under which the Association pays fixed contributions into a separate entity. The Association has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient asset to pay all employees the benefits relating to employee service in the current and prior years.

The Association contributes to a defined contribution mandatory provident fund retirement benefits scheme (the "MPF Scheme") in accordance with the Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate. Contributions are made based on a percentage of the employee's basic salaries and charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 March 2018 (in HK Dollars)

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**5. CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES**

In the application of the Association's accounting policies, which are described in Note 4, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

**(a) Impairment of account receivables**

In determining whether there is objective evidence of impairment loss, the Association takes into consideration the credit history of the creditors and the current market condition. The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Management reassesses the adequacy of impairment on a regular basis. Where the actual cash flows are less than expected, a material impairment loss may arise.

**(b) Useful lives and impairment of equipment**

In accordance with HKAS 16, the Association estimates the useful lives of equipment in order to determine the amount of depreciation expenses to be recorded. The useful lives are estimated at the time the asset is acquired based on historical experience, the expected usage, wear and tear of the assets, as well as technical obsolescence arising from changes in the market demands or service output of the assets. The Association also performs annual reviews on whether the assumptions made on useful lives continue to be valid. The Association tests annually whether the assets have suffered any impairment. The recoverable amount of an asset or a cash generating units is determined based on value in use calculations which require the use of assumptions and estimates.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2018 (in HK Dollars)

## 6. FINANCIAL RISK MANAGEMENT

## (a) Categories of financial instruments

	<u>2018</u>	<u>2017</u>
<b>Financial assets</b>		
Loans and receivables (including bank balances and cash)		
- Account receivables	708,387	122,722
- Deposits	46,000	46,000
- Fixed deposits	1,331,928	1,331,792
- Bank balances and cash	5,710,873	4,021,128
	<hr/>	<hr/>
<b>Financial liabilities</b>		
Amortised cost		
- Account payables	7,232,259	4,416,038
- Deposits received and accruals	67,440	-
- Receipts in advance	483,517	613,758
	<hr/>	<hr/>

## (b) Financial risk management and fair values

The directors of the Association monitor and manage the financial risks relating to the operations of the Association through internal risks reports which analyse exposures by degree and magnitude of risks. These risks include credit risk and liquidity risk.

The Association's major financial instruments include account receivables, deposits, fixed deposits, bank balances and cash, account payables, deposits received and accruals and receipts in advance. Details of these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

**Credit risk**

The Association's credit risk is primarily attributable to fixed deposits and bank balances and cash. The management maintains a defined credit policy and the exposure to these credit risks are monitored on an ongoing basis.

Cash is deposited with financial institutions with sound credit ratings and the Association has exposure limit to any single financial institution. Given their high credit ratings, management does not expect any of these financial institutions will fail to meet their obligations.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2018 (in HK Dollars)

## 6. FINANCIAL RISK MANAGEMENT (CONTINUED)

## (b) Financial risk management and fair values (continued)

**Liquidity risk**

Ultimate responsibility for liquidity risk management rests with the directors, which has built an appropriate liquidity risk management framework to meet the Association's short, medium and long-term funding and liquidity management requirements.

The following tables detail the Association's contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest dates on which the Association can be required to pay. The tables include both interest and principal cash flows.

	Weighted average interest rate %	On demand or within one year	More than one year but less than two years	More than two years but less than five years	Total undiscounted cash flow	Carrying amount
<b>As at 31 March 2018</b>						
<b>Non-derivative financial liabilities</b>						
Account payables	-	7,232,259	-	-	7,232,259	7,232,259
Deposits received and accruals	-	67,440	-	-	67,440	67,440
Receipts in advance	-	483,517	-	-	483,517	483,517
<b>Total</b>		<b>7,783,216</b>	<b>-</b>	<b>-</b>	<b>7,783,216</b>	<b>7,783,216</b>

	Weighted average interest rate %	On demand or within one year	More than one year but less than two years	More than two years but less than five years	Total undiscounted cash flow	Carrying amount
<b>As at 31 March 2017</b>						
<b>Non-derivative financial liabilities</b>						
Account payables	-	4,416,038	-	-	4,416,038	4,416,038
Receipts in advance	-	613,758	-	-	613,758	613,758
<b>Total</b>		<b>5,029,796</b>	<b>-</b>	<b>-</b>	<b>5,029,796</b>	<b>5,029,796</b>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 March 2018 (in HK Dollars)

**6. FINANCIAL RISK MANAGEMENT (CONTINUED)****(c) Fair value**

The fair value of other financial assets and financial liabilities is determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The directors of the Association consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the financial statements approximate to their fair values.

**(d) Capital risk management**

The objectives of the Association's capital management are to safeguard its ability to continue as a going concern and to promote and develop baseball sports in Hong Kong. The Association defines "capital" as including the general fund maintained by the Association. The Association manages its capital structure and makes adjustment. No changes were made in the objectives, policies or processes during the years ended 31 March 2018 and 2017.

**7. REVENUE**

	<u>2018</u>	<u>2017</u>
Membership fees	278,620	108,460
Training and events fees	1,201,001	1,597,367
Subsidies and donations received for the year	<u>11,003,669</u>	<u>6,988,324</u>
	<u>12,483,290</u>	<u>8,694,151</u>

**8. OTHER REVENUE**

	<u>2018</u>	<u>2017</u>
Management services fees	51,087	65,550
Sale of baseball related products and sundry income	245,318	159,422
Income from activities	238,229	42,155
Bank interest	<u>905</u>	<u>705</u>
	<u>535,539</u>	<u>267,832</u>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 March 2018 (in HK Dollars)

**9. DEFICIT BEFORE TAXATION**

	<u>2018</u>	<u>2017</u>
Deficit before taxation is arrived at after charging:		
Auditors' remuneration	49,500	33,000
Directors' remuneration		
- Fees	-	-
- Other emoluments	-	-
Salaries, wages and other benefits (excluding directors' remuneration)	1,562,410	1,237,347
Operating lease rental expenses	133,710	117,667

**10. TAXATION**

No taxation is provided as the Association has not been carrying on business and the income of the Association is mainly derived from the members and from Government subsidies.

**11. EQUIPMENT**

	<u>Office equipment</u>	<u>Baseball equipment</u>	<u>Total</u>
<b>Cost:</b>			
As at 1 April 2016, 1 April 2017 and 31 March 2018	13,100	31,495	44,595
<b>Accumulated depreciation:</b>			
As at 1 April 2016, 1 April 2017 31 March 2018	13,100	31,495	44,595
<b>Carrying amount:</b>			
As at 31 March 2018	-	-	-
As at 31 March 2017	-	-	-



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2018 (in HK Dollars)

## 12. ACCOUNT RECEIVABLES

	<u>2018</u>	<u>2017</u>
Account receivables	708,387	122,722

Receivables that were neither past due nor impaired related to creditors for whom there was no default. Receivables that were past due but not impaired related to creditors that have good creditworthiness. Based on past experience, the management considered no impairment is necessary as there has not been a significant change in credit quality of these balances, which are still considered fully recoverable.

The Association does not hold any collateral over the balances.

## 13. DEPOSITS AND PREPAYMENTS

	<u>2018</u>	<u>2017</u>
Prepayments	252,245	99,029
Deposits	46,000	46,000
	<u>298,245</u>	<u>145,029</u>

## 14. FIXED DEPOSITS/BANK BALANCES AND CASH

	<u>2018</u>	<u>2017</u>
Fixed deposits	1,331,928	1,331,792
Bank balances and cash	5,710,873	4,021,128
	<u>7,042,801</u>	<u>5,352,920</u>

The fixed deposits are short-term fixed deposits with an original maturity of two months or less which are held for the purpose of meeting short-term cash commitments and are subject to an insignificant risk of changes in value. These fixed deposits carry fixed interest rate at 0.01% per annum as at 31 March 2018.

Bank balances and cash carrying interest at market rates of 0.01% per annum for the years ended 31 March 2018 and 2017.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**For the year ended 31 March 2018 (in HK Dollars)

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**15. OPERATING LEASE COMMITMENTS****The Association as lessee**

The Association has rentals payable for its storage under operating lease arrangements, with lease term negotiated for two years with fixed rentals.

At the end of the reporting period, the Association had total future minimum lease payable under non-cancellable operating leases with its landlord falling due as follows:

	<u>2018</u>	<u>2017</u>
Within one year	49,000	84,000
In the second to fifth years inclusive	-	49,000
	<u>49,000</u>	<u>133,000</u>

**16. MATERIAL RELATED PARTY TRANSACTIONS**

No compensation of any kind was paid to the directors who were key management personnel of the Association during the year (2017: Nil).

Save as disclosed elsewhere in the financial statements, the Association had not entered into other significant transactions with related parties during the year (2017: Nil).

**17. COMPARATIVES**

Certain comparative amounts have been reclassified to conform with current year's presentation.

**18. APPROVAL OF THE FINANCIAL STATEMENTS**

The financial statements were approved and authorised for issue by the board of directors on 21 September 2018.

----- End of Notes -----

**DETAILED STATEMENT OF PROFIT OR LOSS**

(For management use only)

For the year ended 31 March 2018 (in HK Dollars)	2018	2017
<b>Revenue</b>		
Membership fees	278,620	108,460
Training and events fees	1,201,001	1,597,367
Subsidies and donations received for the year	11,003,669	6,988,324
	<b>12,483,290</b>	<b>8,694,151</b>
<b>Other revenue</b>		
Management services fees	51,087	65,550
Sale of baseball related products and sundry income	245,318	159,422
Income from activities	238,229	42,155
Bank interest	905	705
	<b>535,539</b>	<b>267,832</b>
<b>Training, championship and tournaments expenses</b>	<b>(11,163,814)</b>	<b>(7,459,732)</b>
<b>General expenses</b>		
Auditors' remuneration	(49,500)	(33,000)
Business registration fee	(2,850)	(250)
Donation	-	(500)
Entertainment	-	(25,348)
Insurance	(124,691)	(4,031)
Legal and professional fee	(36,480)	-
Membership subscription	(4,260)	(4,075)
Mandatory provident fund contributions	(68,089)	(57,821)
Office and storage rental	(133,710)	(117,667)
Office furniture and equipment	(12,417)	(823)
Printing, stationery and postage	(123,063)	(35,666)
Propagation	-	(104,600)
Public relation	(18,002)	-
Repairs and maintenances	(5,520)	(14,699)
Souvenir	-	(6,043)
Salaries and other allowances	(1,494,321)	(1,237,347)
Staff welfare	(23,051)	(20,840)
Sundry expenses	(29,055)	(30,073)
Telephone and fax	(43,889)	(36,151)
Transportation and travelling	(10,775)	(2,000)
Volunteers' allowance	-	(45,600)
	<b>(2,179,673)</b>	<b>(1,776,534)</b>
<b>Deficit before taxation</b>	<b>(324,658)</b>	<b>(274,283)</b>
<b>Taxation</b>	<b>-</b>	<b>-</b>
<b>Deficit for the year</b>	<b>(324,658)</b>	<b>(274,283)</b>

