

香港元老網球總會有限公司
**THE HONG KONG VETERANS' TENNIS
ASSOCIATION LIMITED**

**REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

正霆會計師有限公司
PSN CPA LIMITED
CERTIFIED PUBLIC ACCOUNTANTS
HONG KONG

THE HONG KONG VETERANS' TENNIS ASSOCIATION LIMITED
(Limited by guarantee)

REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

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THE HONG KONG VETERANS' TENNIS ASSOCIATION LIMITED

REPORT OF THE COUNCIL

The Council has pleasure in submitting its report together with the audited financial statements of The Hong Kong Veterans' Tennis Association Limited ("the Association") for the year ended 31 December 2023.

Principal Activities

The principal activity of the Association is to promote the game of tennis.

State of Affairs and Appropriations

The state of the Association's affairs as at 31 December 2023 are set out in the financial statements on pages 5 to 10. The Council does not recommend any appropriations for the year.

Council

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

Hu Shao Ming, Herman	President	
Chan Pat Lam, David	Honorary Treasurer	
Siu Fai Ho, Samson	Honorary Secretary	
Chang Tat Chuen, Richard	Vice President/ Councilor	
Cheng Muk Lam	Vice President/ Councilor	
Ling Fong, Alexander	Vice President/ Councilor	
Tong Mo Lin	Vice President/ Councilor	
Wong Wing Kai	Vice President/ Councilor	
Chan Kui Kwan	Councilor	
Chang Tim Fuk, Jimmy	Councilor	
Kwan Ng May Lai, Mary	Councilor	
Lau Yin Fung, Terence	Councilor	(Appointed on 10 June 2023)
Ling Hay Ming, Derek	Councilor	(Appointed on 10 June 2023)
Man Kwok Chu	Councilor	
Ng Yun Biu	Councilor	
Sin Tan, Jaime	Councilor	
Tam Tin Yan	Councilor	
Wu Sin Loi	Councilor	
Yiu Wai Fan	Councilor	

In accordance with article 29 of the Association's Articles of Association, the president, Honorary Secretary and Honorary Treasurer shall be elected once every two years. The Vice-Presidents shall hold office for one term, but shall be eligible for re-election. The Councilors shall hold office for two terms but shall continue to hold office until they retire, and shall be eligible for re-election.

To be continued.....

THE HONG KONG VETERANS' TENNIS ASSOCIATION LIMITED

REPORT OF THE COUNCIL (Continued)

Permitted Indemnity Provision

At no time during the financial year and at the time of approval of this report, there are no permitted indemnity provision in force for the benefit of one or more directors of the Association.

Management contract

No contract 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.

Business Review

The Association falls within reporting exemption in the financial year. Accordingly, it is exempted from preparing a business review.

Auditors

The financial statements have been audited by PSN CPA Limited, who now retire and, being eligible, offer themselves for re-appointment.

Approval of Report of the Council

This report was approved by the Council on 10 MAY 2024

On behalf of the Council Members



Hu Shao Ming, Herman
President

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

THE HONG KONG VETERANS' TENNIS ASSOCIATION LIMITED

(incorporated in Hong Kong and limited by guarantee)

Opinion

We have audited the financial statements of The Hong Kong Veterans' Tennis Association Limited ("the Company") set out on pages 5 to 10, which comprise the statement of financial position as at 31 December 2023, and the income statement 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 ("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. 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 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 all 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.

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. We report our opinion 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.
- 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.



PSN CPA Limited
Certified Public Accountants
Ng Karen Pui-sin
Practising Certificate number P07839

10 MAY 2024

THE HONG KONG VETERANS' TENNIS ASSOCIATION LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023 HK\$	2022 HK\$
Revenue	3	1,733,223	814,708
Less: Operating expenses		1,545,273	1,142,524
Surplus/ (deficit) before tax	4	<u>187,950</u>	<u>(327,816)</u>
Less: Income tax expenses	6	0	0
Surplus/ (deficit) for the year after tax	8	<u><u>187,950</u></u>	<u><u>(327,816)</u></u>

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

THE HONG KONG VETERANS' TENNIS ASSOCIATION LIMITED

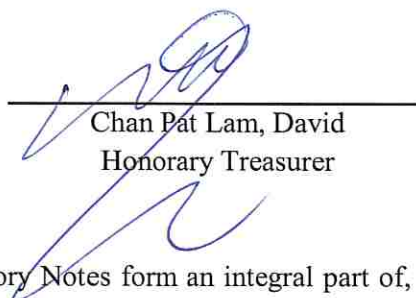
STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

	Note	2023 HK\$	2022 HK\$
Non-Current Assets			
Property, plant and equipment	7	7,670	11,144
Current Assets			
Accounts receivable		120,683	17,410
Other receivables		0	2,352
Deposits and prepayment		11,421	21,421
Fixed deposits		2,391,655	2,116,670
Cash and bank balances		198,215	139,000
		2,721,974	2,296,853
Less: Current Liabilities			
Accounts payable		5,646	49,739
Receipts in advance		376,884	8,176
Accrued expenses		29,160	120,078
		411,690	177,993
Net Current Assets		<u>2,310,284</u>	<u>2,118,860</u>
Net Assets		<u><u>2,317,954</u></u>	<u><u>2,130,004</u></u>
Equity			
Members' Funds			
Accumulated surplus	8	<u><u>2,317,954</u></u>	<u><u>2,130,004</u></u>

The statement of financial position was approved and signed on behalf of the Council. The financial statements were authorized for issue on **10 MAY 2024**



 Hu Shao Ming, Herman
 President



 Chan Pat Lam, David
 Honorary Treasurer

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

THE HONG KONG VETERANS' TENNIS ASSOCIATION LIMITED

ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1. General Information

The Hong Kong Veterans' Tennis Association Limited ("the Association") was incorporated in Hong Kong under the Companies Ordinance and limited by guarantee. Every member of the Association undertakes to contribute to the assets of the Association in the event of its being wound up while he is a member or within one year afterwards, for payment of the debts and liabilities of the Association contracted before he ceases to be a member and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories amongst themselves, such amount as may be required, not exceeding HK\$100.00.

The registered office of the Association is located at Room 1008, Olympic House, 1 Stadium Path, So Kon Po, Causeway Bay, Hong Kong. The principal activity of the Association is to promote the game of tennis.

The financial statements are presented in Hong Kong dollars, which is also the functional currency of the Association.

2. Basis of Preparation and Accounting Policies

The Association 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 Association 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 recognised when it is probable that the economic benefits will flow to the Association and when the revenue can be measured reliably, on the following bases:

- (i) entrance fee when the candidate has been admitted as a member of the Association;
- (ii) members' subscriptions is recognised on cash receipts basis;
- (iii) sponsorships and tournament fees is recognised on cash receipts basis; and
- (iv) interest income is recognised on cash receipts basis.

THE HONG KONG VETERANS' TENNIS ASSOCIATION LIMITED

ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

2. Basis of Preparation and Accounting Policies (Continued)

(b) Property, plant and equipment

Items of property, plant and equipment are measured 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:

Equipment and Furniture	25%
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(c) 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.

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

(e) Foreign exchange

The reporting currency of the Association is Hong Kong Dollars, which is the currency of the primary economic environment in which the Association 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 recognised in the income statement.

THE HONG KONG VETERANS' TENNIS ASSOCIATION LIMITED

ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

3. Revenue

	2023 HK\$	2022 HK\$
Revenue from principal activities:		
General sponsorship	300,000	300,000
Other sponsorship	300,000	0
Membership		
Life membership fees	73,000	59,240
Ordinary membership fees	0	500
Associate membership fees	12,600	24,300
Annual dinner sponsorship	59,250	0
Tournament and league fees	917,278	385,091
	1,662,128	769,131
Other revenue:		
Bank interest received	70,934	21,577
Government subsidy under the Anti-epidemic fund	0	24,000
Sundry income	161	0
	71,095	45,577
Total revenue	<u>1,733,223</u>	<u>814,708</u>

4. Surplus/ (Deficit) Before Tax

	2023 HK\$	2022 HK\$
Surplus/ (deficit) before tax is arrived at after charging the following items:		
Depreciation	6,561	7,169
Staff costs	547,973	395,693

5. Directors' Remuneration

Director's remuneration disclosed pursuant to section 383 of the Hong Kong Companies Ordinance and Companies (Disclosure of Information about Benefits of Directors) Regulation for the year is Nil (2022: Nil).

6. Income Tax Expenses

No provision for taxation has been made as the Association is deemed not to have carried on business and is exempt from profits tax under Section 24(1) of the Inland Revenue Ordinance.

THE HONG KONG VETERANS' TENNIS ASSOCIATION LIMITED

ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

7. Property, Plant and Equipment

	Equipment and Furniture HK\$
Cost	
At 1 January 2023	28,685
Additions during year	3,087
At 31 December 2023	31,772
Aggregate depreciation and impairment	
At 1 January 2023	17,541
Charge for the year	6,561
At 31 December 2023	24,102
Carrying amount	
At 31 December 2023	7,670
At 31 December 2022	11,144

8. Changes in Equity

	Accumulated surplus/ (deficit) HK\$
Balance at 1 January 2022	2,457,820
(Deficit) for the year after tax	(327,816)
Balance at 31 December 2022	2,130,004
Surplus for the year after tax	187,950
Balance at 31 December 2023	2,317,954

9. Related Party Disclosures

The Association did not enter into any material related party transactions during the year.

THE HONG KONG VETERANS' TENNIS ASSOCIATION LIMITED

TAX COMPUTATION AND SUPPORTING SCHEDULES

YEAR OF ASSESSMENT 2023/24

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THE HONG KONG VETERANS' TENNIS ASSOCIATION LIMITED

TAX COMPUTATION AND DEPRECIATION ALLOWANCES

YEAR OF ASSESSMENT 2023/24

File No.: 22/12491459

Basis Period: Year ended 31 December 2023

	HK\$	HK\$
Surplus as per detailed income statement		187,950
Add: Depreciation		6,561
		<u>194,511</u>
Less: Bank interest income - exempted	70,934	
Depreciation allowances	<u>2,586</u>	73,520
		<u>120,991</u>
		<u><u>Nil</u></u>
	Assessable profits	

Note: No profit has been assessed as the income of the Association is exempted to profits tax under Section 24(1) of the Inland Revenue Ordinance.

Depreciation Allowances	20% Pool HK\$	Allowances HK\$
W.D.V. b/f	2,439	
Addition during year	<u>3,087</u>	
	5,526	
Less: I. A. (60%)	<u>1,852</u>	1,852
	3,674	
Less: A. A.	<u>734</u>	734
W. D. V. c/f	<u>2,940</u>	
		<u>2,586</u>

Agreed and confirmed by



Director of
The Hong Kong Veterans' Tennis
Association Limited

THE HONG KONG VETERANS' TENNIS ASSOCIATION LIMITED

DETAILED INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2023

	Appendix	2023 HK\$	2022 HK\$
Revenue			
General sponsorship		300,000	300,000
Other sponsorship		300,000	0
Membership			
Life membership fees		73,000	59,240
Ordinary membership fees		0	500
Associate membership fees		12,600	24,300
Annual dinner sponsorship		59,250	0
Tournament and league fees		917,278	385,091
		1,662,128	769,131
Other revenue:			
Bank interest received		70,934	21,577
Government subsidy under the Anti-epidemic fund		0	24,000
Sundry income		161	0
		71,095	45,577
Total revenue		1,733,223	814,708
Less: Operating expenses	I	1,545,273	1,142,524
Surplus/ (deficit) for the year		187,950	(327,816)

The financial information on this page is not the Association's statutory annual financial statements for the year ended 31 December 2023. As the Association is a company limited by guarantee, the Association is required to deliver its financial statements to the Registrar of Companies and will do so. The Association's auditor has reported on those financial statements. The auditor's report was unqualified, did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2) or 407(2) or (3) of the Hong Kong Companies Ordinance.

THE HONG KONG VETERANS' TENNIS ASSOCIATION LIMITED

DETAILED INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2023

APPENDIX

	2023	2022
	HK\$	HK\$
I. Operating Expenses		
Accounting fee	51,000	9,000
Auditor's remuneration	10,000	10,000
Annual dinner fee	100,967	0
Bank charges	2,050	2,280
Building management fee	30,048	30,048
Business registration fee	2,150	150
Depreciation	6,561	7,169
Government rates	457	457
Insurance	19,513	16,308
Legal and professional fee	10,105	0
Mandatory provident fund	24,660	9,548
Meeting expenses	17,391	10,396
Postage and courier	168	0
Printing and stationery	4,705	4,141
Repairs and maintenance	900	1,000
Salary and allowance	523,313	386,145
Spring dinner fee	10,941	0
Storage fee	10,433	9,840
Sundry expenses	4,246	5,898
Telephone and communication	16,327	38,548
Tournament and league expenses	697,522	601,132
Travelling expenses	1,816	464
	<u>1,545,273</u>	<u>1,142,524</u>