

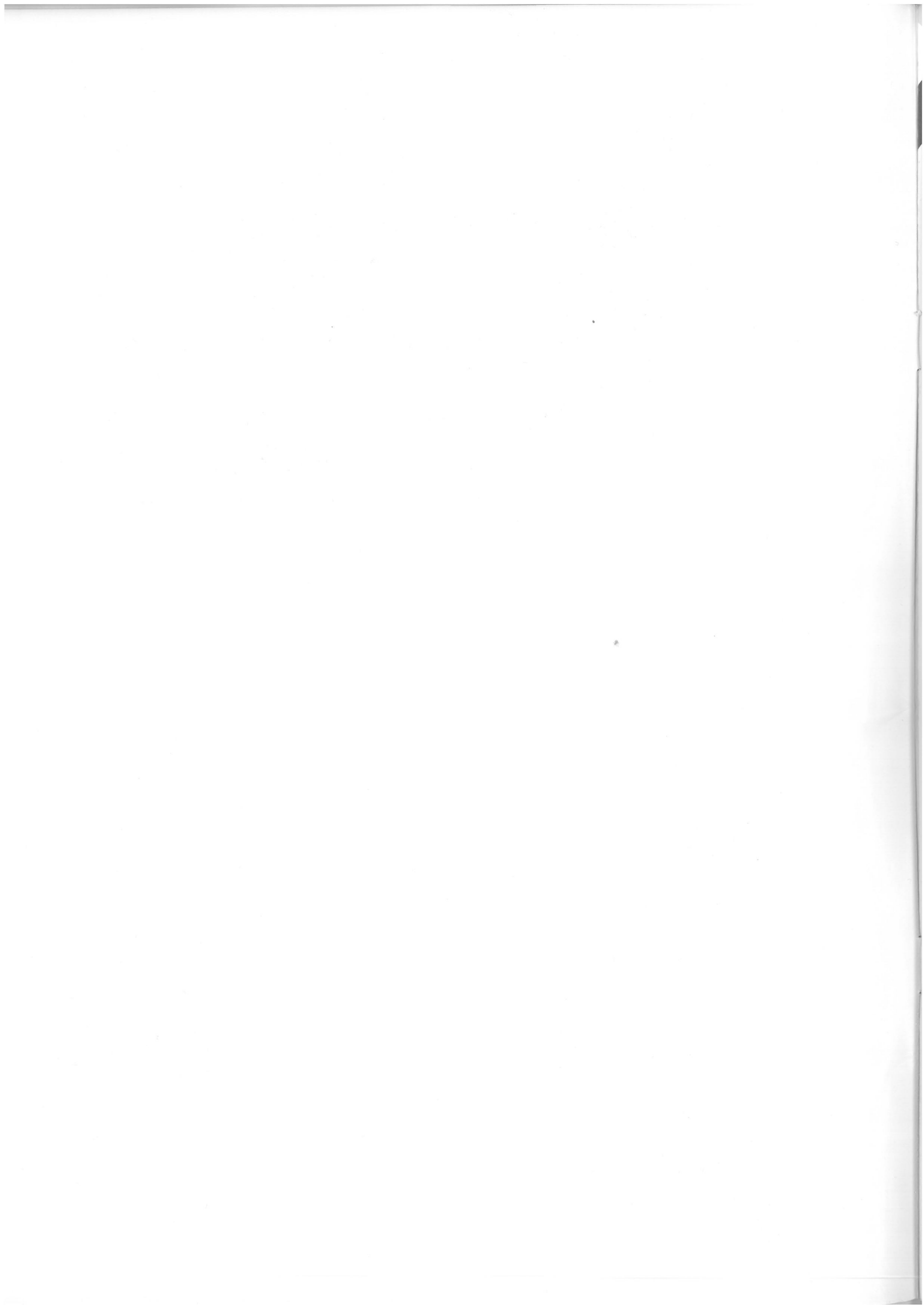


# 周年報告 ANNUAL REPORT 2016-17

奧運大樓管理有限公司

MANAGEMENT COMPANY OF OLYMPIC HOUSE LIMITED





# Management Company of Olympic House Limited 奧運大樓管理有限公司

## Annual Report 年報

1 April 2016 to 31 March 2017  
2016年4月1日至2017年3月31日

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## PREFACE

### 序言

The Olympic House (OH) was built in 1994. Experiencing the rapid development of Hong Kong sports, the increasing support from the government and citizens over these 20 years and with increasing number of staff members, activities organized, the offices and facilities of the OH could not match the needs of the National Sports Associations. The demand for office space, tournament office, storage area has increased tremendously. The government, apart from the coaches, technical officials, should also support the sports administrators who backed up the athletes performing in so many international competitions.



With the limited resources, the Management Company of Olympic House Limited (MCOHL) has carried out different improvement works in OH. The hardware of environmental friendly facilities and equipment of the OH has been almost well-installed. In the coming years, the MCOHL would focus on increasing the eco-awareness and education in OH to enhance the efficiency and effectiveness. MCOHL has been also taking up the task of Olympic education. MCOHL welcomes all local schools to visit to OH. Every visit acts as a great opportunity for the students to learn what Olympic spirit and Olympic value are, and to understand what sports administrative affairs is as well.

In the Financial Secretary's Speech of 2017/18, the government would do a study on feasibility for the redevelopment of OH. The SF&OC and HAB has started liaising with all Member Associations for their viewpoints and in turn respond to their requests for more office and storage area. We anticipate that there will be a better working place for the NSAs in the future OH.

奧運大樓於1994年興建，經過20餘年香港體育的迅速發展，政府及市民對體育運動的支持，體育總會職員人數增加，舉辦活動數目上升，還有更多大型比賽，大樓當初的設置和配備已經不敷應用。不論是辦公室、籌備賽事、儲存物資的空間需求大幅飆升。隨著香港運動員在各個大型國際性比賽中表演出色，除了教練、技術人員外，背後支持著他們的體育行政人員亦相當重要，體育總會日常運作遇到的需要，實需政府關注。

近年奧運大樓管理有限公司(管理公司)在有限的資源下進行了不少改善工程，而環保工作在硬件上亦日趨完備，來年的方向是加強同事及租戶對環保的教育和意識，讓大樓的環保成效擴大。管理公司近年亦著手於奧林匹克教育，歡迎本地學校安排到訪大樓參觀，可讓學生認識奧林匹克精神之餘，亦可了解體育事務的工作。

於2017/18年度財政預算案中提及到，政府會對重建奧運大樓進行可行性的研究。奧委會及民政事務局亦為此而展開工作，收集總會的意見及要求，希望為體育總會爭取更好的辦公室地方。

A handwritten signature in black ink, consisting of stylized, overlapping strokes that form the name 'Timothy T. T. Fok'.

**Timothy T. T. FOK 霍震霆 GBS, JP**

Director & Chairman 董事及主席

Management Company of Olympic House Limited 奧運大樓管理有限公司



## VISION & MISSION

### 理想及使命

#### Vision

We provide a quality office and assembly facility service support under the green concept to the Hong Kong sports community at Olympic House, the hub of local sports.

#### Mission

- (a) To provide a most favorable green environment for sports administrators of local National Sports Associations;
- (b) To collaborate with different sectors of the local community in organizing sports education programmes;
- (c) To offer the facilities and services at Olympic House readily available for use by the local community;
- (d) To implement measures of environmental protection and to encourage tenants, hirers, sports community to be more conscious towards the goal in sustaining the long term use of a functional sports administration building in a green environment.

#### 理想

在環境保護的大前提下，我們致力為香港體育界提供具素質的辦公室及集會設施，把奧運大樓發展成為香港體育行政的樞紐。

#### 使命

- (a) 致力為本地體育總會提供一個理想及具環保的工作環境；
- (b) 與不同的本地體育團體合辦運動教育計劃；
- (c) 提供奧運大樓各項設施及服務給本地團體使用；
- (d) 推行環境保護的措施、鼓勵用戶、租用人及體育社群對提高環境保護的意識。

# BOARD OF DIRECTORS & OLYMPIC HOUSE MANAGEMENT COMMITTEE

## 董事局及奧運大樓管理委員會

Board of Directors	董事局
<b>Director &amp; Chairman</b> Mr. Timothy T. T. FOK, GBS, JP	<b>董事及主席</b> 霍震霆 GBS 太平紳士
<b>Director &amp; Secretary</b> Mr. Ronnie M. C. WONG, JP	<b>董事及秘書</b> 王敏超太平紳士
<b>Director &amp; Treasurer</b> Mr. Derrick L. W. WONG, FCCA, CPA, CTA, RFP	<b>董事及司庫</b> 黃良威先生 FCCA, CPA, CTA, RFP
<b>Directors</b> Ms. Vivien C. C. LAU, BBS, JP Prof. LEUNG Mee Lee, Ed.D MH Mr. Edgar J.T. YANG, PDSM Mr. WONG Po Kee, MH	<b>董事</b> 劉掌珠 BBS 太平紳士 梁美莉教授 Ed.D MH 楊祖賜先生 PDSM 黃寶基先生 MH

## Olympic House Management Committee

## 奧運大樓管理委員會

### Chairman

Mr. Ronnie M. C. WONG, JP  
Director & Secretary, MCOHL

### 主席

奧運大樓管理有限公司董事及秘書  
王敏超太平紳士

### Vice-Chairman

Mr. Herman S. M. HU, SBS, JP  
Hon. President, The Cycling Association of Hong Kong,  
China Limited

### 副主席

中國香港單車總會有限公司名譽會長  
胡曉明 SBS 太平紳士

### Members

Mr. David P. CHAN  
Hon. President, The Hong Kong Weightlifting  
and Powerlifting Association Limited

Mr. TONG Wai Lun, BBS, JP  
Chairman, Hong Kong Badminton Association Limited

Mr. PUI Kwan Kay, SBS  
President, The Judo Association of Hong Kong, China

Prof. LEUNG Mee Lee, Ed.D MH  
Director, MCOHL

Mr. Edgar J.T. YANG, PDSM  
Director, MCOHL

Mr. WONG Po Kee, MH  
Director, MCOHL

Ms. SIU Kit Ping, Currie  
Senior Leisure Manager, Home Affairs Bureau

### 成員

香港舉重健力總會有限公司名譽會長  
陳 斌先生

香港羽毛球總會有限公司主席  
湯偉掄 BBS 太平紳士

中國香港柔道總會會長  
貝鈞奇先生 SBS

奧運大樓管理有限公司董事  
梁美莉教授 Ed.D MH

奧運大樓管理有限公司董事  
楊祖賜先生 PDSM

奧運大樓管理有限公司董事  
黃寶基先生 MH

民政事務局高級康樂事務經理  
蕭潔冰女士



# TENANTS OF OLYMPIC HOUSE

## 奧運大樓租戶

(1.4.2016 - 31.3.2017)

	Sports Federation & Olympic Committee of Hong Kong, China (SF&OC)	中國香港體育協會暨奧林匹克委員會 (港協暨奧委會)	Office 辦公室
1	President's Office	會長辦公室	2/F
2	Secretariat	秘書處	2/F
3	Office of Hong Kong Athletes Career & Education Programme	香港運動員就業及教育計劃辦事處	1004
4	SF&OC Sports Legacy Company Limited	港協暨奧委會奧夢成真有限公司	1004
5	Hong Kong Centre for Olympic Studies	香港奧林匹克資料中心	1018

	National Sports Associations (NSAs)	體育總會	
6	Hong Kong Archery Association	香港射箭總會	1010
7	Hong Kong Amateur Athletic Association Limited	香港業餘田徑總會有限公司	2015
8	Hong Kong Badminton Association Limited	香港羽毛球總會有限公司	2005
9	The Hong Kong Baseball Association Limited	香港棒球總會有限公司	1003
10	Hong Kong Basketball Association Limited	香港籃球總會有限公司	1006
11	Hong Kong Billiard Sports Control Council Company Limited	香港桌球總會有限公司	1027
12	Hong Kong China Bodybuilding and Fitness Association	中國香港健美總會	1028
13	Hong Kong Boxing Association Limited	香港拳擊總會有限公司	1012
14	The Hong Kong Canoe Union Limited	香港獨木舟總會有限公司	2014
15	Hong Kong Chinese Martial Arts Dragon and Lion Dance Association Limited	香港中國國術龍獅總會有限公司	1008
16	The Hong Kong Cricket Association	香港板球總會	1019
17	The Cycling Association of Hong Kong, China Limited	中國香港單車總會有限公司	1015
18	Hong Kong China Dragon Boat Association	中國香港龍舟總會	1032
19	Hong Kong Fencing Association	香港劍擊總會	1011
20	Hong Kong Golf Association Limited	香港高爾夫球總會有限公司	2003
21	The Gymnastics Association of Hong Kong, China	中國香港體操總會	1002
22	Handball Association of Hong Kong, China Limited	中國香港手球總會有限公司	2007
23	Hong Kong Ice Hockey Association Limited	香港冰球協會有限公司	1023
24	The Judo Association of Hong Kong, China	中國香港柔道總會	1024
25	The Karatedo Federation of Hong Kong, China Limited	中國香港空手道總會有限公司	1031



26	Hong Kong Kart Club Limited	香港小型賽車會有限公司	1030
27	Hong Kong Kendo Association Limited	香港劍道協會有限公司	1029
28	Hong Kong Lawn Bowls Association	香港草地滾球總會	2010
29	Hong Kong Little League Limited	香港少年棒球聯盟有限公司	1005
30	China Hong Kong Mountaineering and Climbing Union Limited	中國香港攀山及攀登總會有限公司	1013
31	Hong Kong Netball Association Limited	香港投球總會有限公司	1016
32	Orienteering Association of Hong Kong Limited	香港定向總會有限公司	1014
33	Hong Kong Federation of Roller Sports Limited	香港滾軸運動總會有限公司	1016
34	Hong Kong Rugby Union	香港欖球總會	2001
35	Hong Kong Sailing Federation	香港帆船運動總會	1009
36	Hong Kong Shooting Association	香港射擊聯合總會	2011
37	Hong Kong Shuttlecock Association Limited	香港足毽總會有限公司	1014
38	Hong Kong Skating Union Limited	香港滑冰聯盟有限公司	1023
39	Hong Kong Table Tennis Association Limited	香港乒乓總會有限公司	2008
40	Hong Kong Taekwondo Association Limited	香港跆拳道協會有限公司	2012
41	Hong Kong Tennis Association Limited	香港網球總會有限公司	1021
42	Hong Kong Tenpin Bowling Congress Limited	香港保齡球總會有限公司	2004
43	Hong Kong Triathlon Association Limited	香港三項鐵人總會有限公司	1020
44	Hong Kong Underwater Association Limited	香港潛水總會有限公司	1012
45	The University Sports Federation of Hong Kong, China Limited	香港大專體育協會有限公司	1013
46	Volleyball Association of Hong Kong, China Limited	香港排球總會有限公司	1007
47	Hong Kong Water Ski Association Limited	香港滑水總會有限公司	1025
48	The Hong Kong Weightlifting and Powerlifting Association Limited	香港舉重健力總會有限公司	1005
49	Windsurfing Association of Hong Kong	香港滑浪風帆會	1001
50	Hong Kong Wushu Union Limited	香港武術聯會有限公司	1017

Sports Related Organizations (SROs)		其他體育機構	
51	Hong Kong Sports Press Association Limited	香港體育記者協會有限公司	2013
52	The Hong Kong Veterans' Tennis Association Limited	香港元老網球總會有限公司	1008



## IMPROVEMENT WORK 改善工程

The Management Company of Olympic House Limited (MCOHL) had carried out several improvement works in Olympic House (OH) during the reporting year:

1. In order to solve the water leakage problem of the office of Hong Kong Archery Association, the waterproofing work for the external wall was carried out in January 2017.



奧運大樓管理有限公司(管理公司)於過去一年為奧運大樓進行了多項改善項目：

1. 於2017年1月期間，為香港射箭總會的辦公室外牆進行了修補及防水工程，以解決該處的漏水問題。



2. The replacement work for the silicon and fiber glass wall panel at the 2/F corridor was completed in March 2017.

2. 於二樓走廊的膠合板牆已於2017年3月完成更換工程。





3. The painting work for the wall of walking path heading to the OH was completed in March 2017.

3. 奧運大樓的行人路圍牆於2017年3月完成油漆工程。





## ACTIVITIES HIGHLIGHTS

### 活動概要

1. In order to arouse the awareness of tenants on fire safety, MCOHL arranged a Fire Drill and Fire Safety Talk on 13 January 2017. With support from the Hong Kong Fire Services Department, a team of firemen from Wan Chai Fire Station was appointed to demonstrate the use of fire extinguishers and convey fire safety information to the participants. A total of 218 OH tenants participated in the fire drill and 37 participants in the talk.



2. In July every year, MCOHL shared the joy with all tenants about the OH Renaming Anniversary. It was the 11<sup>th</sup> Anniversary in 2016. MCOHL prepared seasonal fruits for all tenants on 13 July 2016 wishing them all a good health in every year.



2. 每年七月，管理公司與各租戶分享大樓易名的喜悅。踏入2016是大樓易名11週年。管理公司預備了時令蔬果於2016年7月11日送給各個租戶，藉此祝願各位身體健康。

3. A total of 43 participants from SF&OC Secretariat, MCOHL, NSAs and Kwik Park Limited joined the 2017 Hong Kong Tree Planting Day at Lions Nature Education Centre, Sai Kung on 1 April 2017.

3. 於2017年4月1日在西貢蕉坑獅子會自然教育中心舉行「香港植樹日2017」，43位來自港協暨奧委會秘書處、奧運大樓管理有限公司、體育總會及佳栢停車場有限公司的代表參加。





## NEW INITIATIVES 大樓新動向

1. In line with the popularity of electric vehicles in recent years, on top of the existing charging facility, an additional charge was installed in November 2016 to reduce the waiting time of users.



1. 為配合近年環保電動車使用普及化，於2016年11月在停車場增設多一個電動車充電位，以減少使用者輪候充電車位時間。



2. The new composition of the Olympic House Management Committee was endorsed in the SF&OC 370<sup>th</sup> Council Meeting. Mr. Ronnie WONG, Director & Secretary of MCOHL had been appointed as Chairman, while Mr. Herman HU, Hon. President of The Cycling Association of Hong Kong, China Limited as Vice-Chairman. Members were Mr. David CHAN, Hon. President of The Hong Kong Weightlifting and Powerlifting Association, Mr. PUI Kwan Kay, President of The Judo Association of Hong Kong, China, Mr. TONG Wai Lun, Chairman of Hong Kong Badminton Association Limited, Prof. LEUNG Mee Lee, Mr. Edgar YANG and Mr. WONG Po KEE, Directors of MCOHL. The tenure of office has been effective from 1 December 2016 to 30 November 2018.

2. 於3月在第370次港協暨奧委會常務會議中通過新一屆奧運大樓委員會成員，委任管理公司董事及秘書王敏超先生擔任主席，中國香港單車總會有限公司名譽會長胡曉明先生為副主席，委員包括香港舉重健力總會有限公司名譽會長陳斌先生、中國香港柔道總會會長貝鈞奇先生、香港羽毛球總會有限公司主席湯偉掄先生、管理公司董事梁美莉教授、楊祖賜先生及黃寶基先生，任期由2016年12月1日至2018年11月30日。



# EDUCATION PROGRAMME

## 教育活動

### 1. Visiting Programme

MCOHL had organized a number of educational visits for over 400 local secondary schools and tertiary students during the reporting year. The visit programme included the talk of the Sports Education on Olympism Programme introducing the history and the roles of SF&OC and a guided tour for the practical knowledge of facility management of OH. Introduction or demonstration of individual sport and sharing session by the speaker athletes were also arranged during the Olympism talk.

### 1. 參觀導覽服務

管理公司在本年度為超過 400 名來自本地中學及大專院校的學生安排了參觀導覽活動，內容包括「體育與奧林匹克主義社區教育計劃」講座，介紹港協暨奧委會的歷史背景，及導覽奧運大樓的設施等。在講座環節中，更加入專項運動示範及分享環節，以加深參加者對講者運動員的了解。





## 2. 2016 Summer Youth Leadership Camp on Olympism

In response to the SF&OC's mission of promoting sports education and Olympism, the fourth Summer Youth Leadership Camp on Olympism was organized by the Hong Kong Olympic Academy (HKOA) with the implementation undertaken by the MCOHL on 20-22 July 2016 at Tai Tam Scout Centre.

In this year, the participatory pool was enlarged to 92 secondary schools which had previously participated in the Schools Education on Olympism Programme for the Community (SEOP). Finally, 40 sports team students from 20 participating schools were nominated to join the camp. The core value of Olympism "Excellence, Friendship and Respect" and leadership skill were well delivered by the athlete team leaders and experienced among the young participants throughout their participation of sports exercises, teambuilding activities, and seminars.

## 2. 2016 青少年奧林匹克主義及領袖訓練夏令營

為響應港協暨奧委會推廣奧林匹克主義的宗旨，香港奧林匹克學院及管理公司於2016年7月20日至22日，假港島大潭童軍中心舉辦第四屆青少年奧林匹克主義及領袖訓練夏令營。

本屆夏令營邀請了92間曾參與「體育與奧林匹克主義社區教育」計劃的中學參加。最後獲20間中學提名共40位學界精英參與，由運動員領隊帶領下，通過講座、團隊活動及分享環節親身體驗奧林匹克主義的三個核心價值，包括：卓越、友誼及尊重，並培育及提高個人領導才能。





# GREEN OLYMPIC HOUSE

## 綠色 • 奧運大樓

A number of green measures and activities had been organized in OH to arouse tenants' awareness and promote green message among the tenants.

### 1. Green Activities

- i) In order to promote the environmental protection message to tenants and users, totally 5 sets of display panels were borrowed from the Environmental Protection Department and displayed at the 1/F lobby from 1 April 2016 to 5 June 2016 respectively.

大樓推行多項環境保護的措施及活動，藉此提高租戶的環保意識及推廣環保訊息。

### 1. 環保活動

- i) 管理公司向環境保護署借用了5套展板，並分別於2016年4月1日至6月5日期間在奧運大樓一樓大堂擺放供租戶及使用者參閱，藉以推廣環境保護信息。



### ii) Recycling of Mooncake Boxes

A collection bin for the wasted mooncake boxes was placed at 1/F lobby from 15 September 2016 to 6 October 2016.

### ii) 月餅盒回收

於2016年9月15日至10月6日中秋節期間，擺放一個月餅盒回收箱於一樓大堂，以回收各租戶棄置的月餅盒。



### iii) EARTH HOUR 2017

In response to the “EARTH HOUR 2017” campaign organized by the WWF Hong Kong, the ornamental lighting of OH was switched off for one hour from 8:30pm to 9:30pm on Saturday, 25 March 2017 on conditions that public safety and operation of the OH were not being affected.

### iii) 地球一小時 2017

為響應世界自然基金會舉辦的「地球一小時 2017」活動，在不影響公眾安全及維持正常運作的情況下，管理公司於2017年3月25日（星期六）晚上8時30分至9時30分關掉大樓內外的裝飾燈。

### iv) Green Workshop 2016

In order to introduce the harmful impacts caused by chemical insecticide and sharing some natural methods of pest control and bug repelling, a Green Workshop “Asiatic Wormwood Mosquito Repellent DIY” was held on 26 August 2016 at OH. The workshop was delivered by the instructors from Lung Fu Shan Environmental Education Centre. There were 28 participants of tenants NSAs and MCOHL joined the workshop.

### iv) 綠色工作坊 2016

管理公司於2016年8月26日假奧運大樓舉辦「綠色工作坊：自製艾草蚊香」，並獲龍虎山環境教育中心導師講解化學驅蟲產品對人體及環境的影響，學習天然驅蟲法及使用艾草製作天然蚊香。當日共有28名大樓租戶及管理公司職員參加。



## 2. Environmental Friendly Recognition 環保認證



i

MCOHL was bestowed “2016 Hong Kong Awards for Environmental Excellence — Gold Award (SMEs-Servicing Industry)” by the Environmental Excellence Committee (ECC) in recognition of its outstanding performance and efforts in promoting environmental protection and management.

管理公司榮獲環境運動委員會頒發「2016 香港環境卓越大獎」—金獎(中小企界別—服務業)以表揚及肯定管理公司在推動環保工作上的努力。



ii

Recognized by the ECC as one of the “Hong Kong Green Organizations”.

獲環境運動委員會認可為「香港綠色機構」。



iii

“Indoor Air Quality Certificate — Excellent Class” by the Environmental Protection Department.

獲環境保護署頒發「室內空氣質素檢定」卓越級別證書。





iv

“Quality Water Supply Scheme for Buildings – Fresh Water (Plus) (Basic Plan) – Gold Certificate” by the Water Supplies Department. 獲水務署頒發「大廈優質供水認可計劃－食水（2.0版）」基本級別金證書。



v

“Recycle your own Cartridge – Certificate of Appreciation” by the Greeners Action. 獲綠領行動頒發「粉墨再生回收計劃」感謝狀。



vi

“Commendation Scheme on Source Separation of Commercial and Industrial Waste 2016/17 – Certificate of Appreciation” by the Environmental Protection Department. 獲環境保護署頒發「工商業廢物源頭分類獎勵計劃2016/17」感謝狀。

MCOHL was also bestowed the “5 Years Plus Caring Company Certificate of Caring Company Scheme” for over three years by the Hong Kong Council of Social Services in appreciation of our social commitment and environmental friendly participation. 此外，奧運大樓管理有限公司更連續三年獲得由香港社會服務聯會頒發的「5年Plus 商界展關懷」証書，以表揚管理公司履行社會責任和積極推動環保活動。



vii

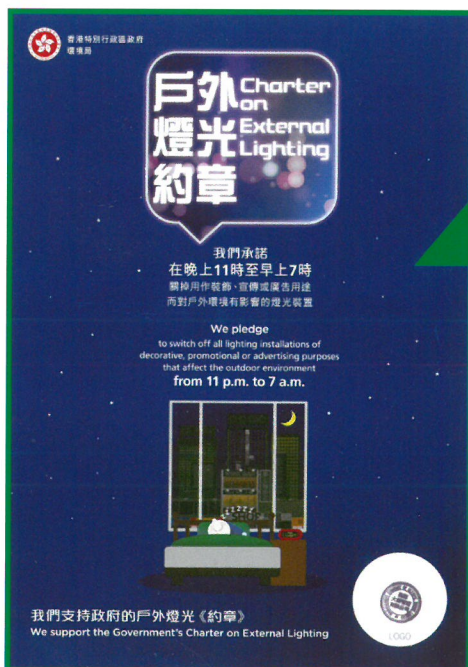
### 3. Green Charter 環保約章



i Food Wise Charter by the Environmental Protection Department  
「惜食約章」(由環境保護署主辦)



ii Energy Saving Charter on "NO ILB" by the Environment Bureau  
「“不要鎢絲燈泡” 節能約章」(由環境局主辦)



iii Charter on External Lighting by the Environment Bureau  
「戶外燈光約章」(由環境局主辦)



*Directors' Report*

*Audited Financial Statements*

***Management Company of Olympic House  
Limited***

*31 March 2017*

# Management Company of Olympic House Limited

## Directors' Report

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The directors submit herewith their report and audited financial statements of Management Company of Olympic House Limited (the "Company") for the year ended 31 March 2017.

### Principal activities

The principal activities of the Company are the operation, management and maintenance of the Olympic House as a prestigious building for the promotion and administration of sports in Hong Kong.

### Results

The results of the Company for the year ended 31 March 2017 are set out in the statement of comprehensive income on page 6.

### Directors

The directors who held office during the year or during the period from the end of the year to the date of this report were:

Fok Timothy Tsun Ting (Chairman)

Lau Chiang Chu Vivien

Leung Mee Lee

Wong Leung Wai

Wong Man Chiu Ronnie

Fok Kai Kong Kenneth

(resigned on 20 June 2016)

Yang Joe Tsi

(appointed on 20 June 2016)

Wong Po Kee

(appointed on 20 June 2016)

In accordance with the Company's Articles of Association, all directors are appointed to take office until the conclusion of the second annual general meeting following their appointment, and shall then retire at that annual general meeting. A retiring director shall be eligible for re-election.

### Management contracts

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

### Equity-linked agreements

No equity-linked agreements into which the Company entered subsisted at any time during the year.

### Permitted indemnity provisions

No permitted indemnity provision was in force during the year, or is in force at the date of this report, for the benefit of a then director or a director of the Company (whether made by the Company or otherwise).



## Management Company of Olympic House Limited

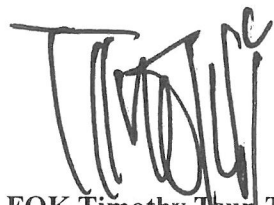
### Directors' Report

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#### Auditor

A resolution will be submitted to the annual general meeting to re-appoint Mazars CPA Limited, *Certified Public Accountants*, as the auditor of the Company.

*Approved by the Board of Directors and signed on its behalf by*



**FOK Timothy Tsun Ting**  
*Chairman*

15 SEP 2017

## Independent Auditor's Report

To the members of

### **Management Company of Olympic House Limited**

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

#### **Opinion**

We have audited the financial statements of Management Company of Olympic House Limited (the "Company") set out on pages 6 to 21, which comprise the statement of financial position as at 31 March 2017, the statement of comprehensive income, the statement of changes in equity 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 Company as at 31 March 2017, and of its financial performance and 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 (the "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") 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 of the Company are responsible for the other information. The other information comprises the directors' report.

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

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



## Independent Auditor's Report

To the members of

### **Management Company of Olympic House Limited**

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

#### **Responsibilities of directors for the financial statements**

The directors of the Company 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 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.

#### **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. This report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 judgement 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.

## Independent Auditor's Report

To the members of

### **Management Company of Olympic House Limited**

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

#### **Auditor's responsibilities for the audit of the financial statements (Continued)**

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- 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 the directors 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*

Hong Kong, 15 SEP 2017

The engagement director on the audit resulting in this independent auditor's report is:

**Chan Wai Man**

Practising Certificate number: P02487



# Management Company of Olympic House Limited

## Statement of Comprehensive Income

Year ended 31 March 2017

	<i>Note</i>	<b>2017</b> <i>HK\$</i>	<b>2016</b> <i>HK\$</i>
<b>Revenue</b>			
Subvention from Home Affairs Bureau ("HAB")			
- Recurrent subvention		7,209,000	7,459,000
- One-off grant		952,887	1,013,286
Income from commercial activities		2,494,975	2,601,299
Rental income from tenants		1,418,010	1,426,566
Interest income		1	1
<b>Total revenue</b>		<b>12,074,873</b>	<b>12,500,152</b>
<b>Other income</b>	3	819,011	739,043
<b>Expenditure reimbursed by one-off grant</b>			
Depreciation and amortisation		952,887	1,013,286
<b>Staff costs</b>	4	4,163,668	4,206,986
<b>Project expenses</b>			
Education programmes		154,229	130,000
Youth summer camp		59,500	-
		<b>213,729</b>	<b>130,000</b>
<b>Other expenditure</b>			
Premises rent and rates		2,588,000	2,460,080
Utilities		1,241,392	1,351,809
Repair and maintenance		678,894	513,196
Facilities operating expenses		3,103,523	3,099,557
Office and administration expenses		737,335	331,680
Depreciation		270,544	344,452
		<b>8,619,688</b>	<b>8,100,774</b>
<b>Total expenditure</b>		<b>13,949,972</b>	<b>13,451,046</b>
<b>Deficit for the year</b>	4	<b>(1,056,088)</b>	<b>(211,851)</b>
<b>Other comprehensive income for the year, net of tax</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive loss for the year</b>		<b>(1,056,088)</b>	<b>(211,851)</b>

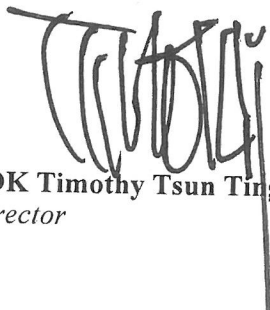
# Management Company of Olympic House Limited

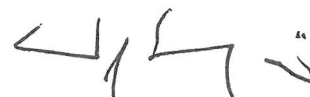
## Statement of Financial Position

At 31 March 2017

	Note	2017 HK\$	2016 HK\$
<b>Non-current assets</b>			
Property, plant and equipment	7	<u>1,096,561</u>	<u>2,224,494</u>
<b>Current assets</b>			
Accounts receivable	8	135,493	118,253
Prepayments and other debtors		261,387	253,562
Deposits		822,300	744,300
Cash and bank balances		<u>1,184,819</u>	<u>1,261,135</u>
		<u>2,403,999</u>	<u>2,377,250</u>
<b>Current liabilities</b>			
Receipts in advance		264,544	228,688
Other payables and accruals		452,378	326,702
Amount due to related party	9	800,000	-
Deferred income	10	<u>681,984</u>	<u>1,006,628</u>
		<u>2,198,906</u>	<u>1,562,018</u>
<b>Net current assets</b>		<u>205,093</u>	<u>815,232</u>
<b>Total assets less current liabilities</b>		<u>1,301,654</u>	<u>3,039,726</u>
<b>Non-current liabilities</b>			
Deferred income	10	<u>195,783</u>	<u>877,767</u>
<b>NET ASSETS</b>		<u><u>1,105,871</u></u>	<u><u>2,161,959</u></u>
<b>RESERVES</b>			
General reserve		<u><u>1,105,871</u></u>	<u><u>2,161,959</u></u>

Approved and authorised for issue by the Board of Directors on 15 SEP 2017 and signed on its behalf by

  
**FOK Timothy Tsun Ting**  
 Director

  
**WONG Leung Wai**  
 Director



## Management Company of Olympic House Limited

### Statement of Changes in Equity

Year ended 31 March 2017

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	<b>General reserve HK\$</b>
At 1 April 2015	2,373,810
Deficit for the year and total comprehensive loss for the year	<u>(211,851)</u>
At 31 March 2016 and 1 April 2016	2,161,959
Deficit for the year and total comprehensive loss for the year	<u>(1,056,088)</u>
<b>At 31 March 2017</b>	<b><u>1,105,871</u></b>

*Note:*

The general reserve represents the accumulated surplus or deficit of the Company.

# Management Company of Olympic House Limited

## Statement of Cash Flows

Year ended 31 March 2017

	2017 HK\$	2016 HK\$
<b>OPERATING ACTIVITIES</b>		
Deficit for the year	(1,056,088)	(211,851)
Depreciation	1,223,431	1,357,738
Interest income	(1)	(1)
Changes in working capital:		
Accounts receivable and other debtors	(103,065)	4,245
Receipt in advance, other payables and accruals	161,532	(178,051)
Amount due to related party	800,000	-
Deferred income	(1,006,628)	(940,760)
<b>Net cash from operating activities</b>	<b>19,181</b>	<b>31,320</b>
<b>INVESTING ACTIVITIES</b>		
Interest received	1	1
Purchase of property, plant and equipment	(95,498)	(183,130)
<b>Net cash used in investing activities</b>	<b>(95,497)</b>	<b>(183,129)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(76,316)</b>	<b>(151,809)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>1,261,135</b>	<b>1,412,944</b>
<b>Cash and cash equivalents at end of year, represented by bank balances and cash</b>	<b>1,184,819</b>	<b>1,261,135</b>



# Management Company of Olympic House Limited

## Notes to the Financial Statements

Year ended 31 March 2017

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### 1. CORPORATE INFORMATION

Management Company of Olympic House Limited (the “Company”) is incorporated in Hong Kong with liability limited by guarantee and not having a share capital. The Company's registered office is located at 1/F, Olympic House, 1 Stadium Path, So Kon Po, Causeway Bay, Hong Kong.

Every member of the Company undertakes to contribute to the assets of the Company, in the event of its being wound up while he/she is a member, or within one year after he/she ceases to be a member, for payment of the debts and liabilities of the Company contracted before he/she 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 among themselves, such amount as may be required but not exceeding the sum of one hundred dollars.

The principal activities of the Company are the operation, management and maintenance of the Olympic House as a prestigious building for the promotion and administration of sports in Hong Kong.

### 2. PRINCIPAL ACCOUNTING POLICIES

#### **Basis of preparation**

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

These financial statements have been prepared on a basis consistent with the accounting policies adopted in the 2016 financial statements. The adoption of the new / revised HKFRSs that are relevant to the Company and effective from the current year had no significant effects on the results and financial position of the Company for the current and prior years. A summary of the principal accounting policies adopted by the Company is set out below.

#### **Adoption of the new / revised HKFRSs**

##### Amendments to HKAS 1: Disclosure Initiative

The amendments include changes in the following five areas: (1) materiality; (2) disaggregation and subtotals; (3) structure of notes; (4) disclosure of accounting policies; (5) presentation of items of other comprehensive income arising from investments accounted for using equity method. It is considered that these amendments are clarifying amendments that do not directly affect an entity's accounting policies or accounting estimates. The adoption of the amendments did not have any significant impact on the financial statements.

# Management Company of Olympic House Limited

## Notes to the Financial Statements

Year ended 31 March 2017

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### 2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

#### **Adoption of the new / revised HKFRSs (Continued)**

##### *Amendments to HKASs 16 and 38: Clarification of Acceptable Methods of Depreciation and Amortisation*

HKAS 16 and HKAS 38 both establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset. The amendments to HKAS 16 clarify that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset.

The amendments to HKAS 38 clarify that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances.

The adoption of the amendments did not have any significant impact on the financial statements.

#### **Basis of measurement**

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

#### **Property, plant and equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Repairs and maintenance are charged to profit or loss during the year in which they are incurred.

Depreciation is provided to write off the cost less accumulated impairment losses of property, plant and equipment over their estimated useful lives as set out below from the date on which they are available for use and after taking into account their estimated residual values, using the straight-line method at the following annual rates:

Furniture and fixtures	15%
Machinery and equipment	20%

Where parts of an item of property, plant and equipment have different useful lives, the cost or valuation of the item is allocated on a reasonable basis and depreciated separately.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in profit or loss in the year in which the item is derecognised.



# Management Company of Olympic House Limited

## Notes to the Financial Statements

Year ended 31 March 2017

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### 2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

#### **Financial instruments**

##### *Recognition and derecognition*

Financial assets and financial liabilities are recognised when and only when the Company becomes a party to the contractual provisions of the instruments and on a trade date basis.

A financial asset is derecognised when and only when (i) the Company's contractual rights to receive future cash flows from the financial asset expire or (ii) the Company transfers the financial asset and either (a) the Company transfers substantially all the risks and rewards of ownership of the financial asset, or (b) the Company neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset but it does not retain control over the financial asset.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises the financial asset to the extent of its continuing involvement and an associated liability for amounts it may have to pay.

A financial liability is derecognised when and only when the liability is extinguished, that is, when the obligation specified in the relevant contract is discharged, cancelled or expires.

##### *Classification and measurement*

Financial assets or financial liabilities are initially recognised at their fair value plus, in the case of financial assets or financial liabilities not carried at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial assets or financial liabilities.

#### *1) Loans and receivables*

Loans and receivables including cash and bank balances, trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are not held for trading. They are measured at amortised cost using the effective interest method, except where the receivables are interest-free loans and without any fixed repayment term or the effect of discounting would be insignificant. In such case, the receivables are stated at cost less impairment loss. Amortised cost is calculated by taking into account any discount or premium on acquisition over the period to maturity. Gains and losses arising from derecognition, impairment or through the amortisation process are recognised in profit or loss.

#### *2) Financial liabilities*

The Company's financial liabilities include other payables and accruals. All financial liabilities except for derivatives are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest method, unless the effect of discounting would be insignificant, in which case they are stated at cost.

# Management Company of Olympic House Limited

## Notes to the Financial Statements

Year ended 31 March 2017

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### 2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

#### **Financial instruments (Continued)**

##### *Impairment of financial assets*

At the end of each reporting period, the Company assesses whether there is objective evidence that financial assets, other than those at fair value through profit or loss, are impaired. The impairment loss of financial assets carried at amortised cost is measured as the difference between the assets' carrying amount and the present value of estimated future cash flow discounted at the financial asset's original effective interest rate. Such impairment loss is reversed in subsequent periods through profit or loss when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

#### **Cash equivalents**

For the purpose of the statement of cash flows, cash equivalents represent 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, net of bank overdrafts.

#### **Leases**

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.

Rentals payable and receivable under operating leases are charged and credited to profit or loss respectively on a straight-line basis over the term of the relevant lease.

#### **Revenue recognition**

Revenue is recognised when it is probable that future economic benefits will flow to the Company and when the revenue and costs, if applicable, can be measured reliably and on the following bases:

Subvention income and income from commercial activities are recognised when the rights to receive payment have been established.

Rental income from tenants is recognised when the properties are let out and on the straight-line basis over the lease terms.

Interest income from financial assets is accrued on a time proportion basis, by reference to the principal outstanding and at the effective interest rate applicable.



# Management Company of Olympic House Limited

## Notes to the Financial Statements

Year ended 31 March 2017

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### 2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

#### **Impairment of non-financial assets**

At the end of each reporting period, the Company reviews internal and external sources of information to assess whether there is any indication that its property, plant and equipment may be impaired or impairment loss previously recognised no longer exists or may be reduced. If any such indication exists, the recoverable amount of the asset is estimated, based on the higher of its fair value less costs to sell and value in use. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the smallest group of assets that generates cash flows independently (i.e. a cash-generating unit).

If the recoverable amount of an asset or a cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately.

A reversal of impairment loss is limited to the carrying amount of the asset or cash-generating unit that would have been determined had no impairment loss been recognised in prior years. Reversal of impairment loss is recognised as income in profit or loss immediately.

#### **Employee benefits**

##### *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.

##### *Defined contribution plans*

The obligations for contributions to defined contribution retirement scheme are recognised as an expense in profit or loss as incurred. The assets of the scheme are held separately from those of the Company in an independently administered fund. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

#### **Government grants and Sports Federation & Olympic Committee of Hong Kong, China ("SF&OC") subsidy**

Government grants and subsidies from SF&OC are recognised at their fair value where there is reasonable assurance that the grant or subsidy will be received and all attaching conditions are complied with. When the grant or subsidy relates to an expense item, it is recognised as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant or subsidy relates to an asset, the fair value is credited to a deferred income account and is released to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

# Management Company of Olympic House Limited

## Notes to the Financial Statements

Year ended 31 March 2017

### 2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

#### Related parties

A related party is a person or entity that is related to the Company.

- (a) A person or a close member of that person's family is related to the Company if that person:
  - (i) has control or joint control over the Company;
  - (ii) has significant influence over the Company; or
  - (iii) is a member of the key management personnel of the Company.
- (b) An entity is related to the Company if any of the following conditions applies:
  - (i) the entity is controlled or jointly controlled by a person identified in (a).
  - (ii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity.

#### Future changes in HKFRSs

At the date of authorisation of these financial statements, the HKICPA has issued a number of new / revised HKFRSs that are not yet effective for the current year, which the Company has not early adopted. The directors are in the process of assessing the possible impact on the future adoption of the new / revised HKFRSs, but are not yet in a position to reasonably estimate their impact on the Company's financial statements.

### 3. OTHER INCOME

	2017 HK\$	2016 HK\$
Short-term hiring income of spare storage closet / temporary office	163,120	157,970
Amortisation of deferred income of SF&OC subsidy relating to property, plant and equipment	53,740	53,740
Rental and electricity charge of mobile radio basestation	190,878	185,538
Forfeiture of deposits received	17,002	13,369
Subsidies from SF&OC	388,331	323,275
Others	5,940	5,151
	<u>819,011</u>	<u>739,043</u>



# Management Company of Olympic House Limited

## Notes to the Financial Statements

Year ended 31 March 2017

### 4. DEFICIT FOR THE YEAR

	2017 HK\$	2016 HK\$
This is stated after charging (crediting):		
Staff costs		
Salaries and allowances	3,941,187	3,969,181
Contributions to defined contribution retirement plan	153,558	160,625
Employee benefits	68,923	77,180
	<u>4,163,668</u>	<u>4,206,986</u>
Auditor's remuneration	33,910	32,966
Operating lease payments	2,276,000	2,172,000
Depreciation	1,223,431	1,357,738
of which reimbursed by one-off grant	(952,887)	(1,013,286)
	<u><u></u></u>	<u><u></u></u>

### 5. INFORMATION ABOUT THE BENEFITS OF DIRECTORS

#### (a) Directors' remuneration

There is no directors' remuneration for the year (2016: nil).

#### (b) Loans, quasi-loans and other dealings in favour of directors

There are no loans, quasi-loans or other dealings in favour of the directors of the Company that were entered into or subsisted at the end of the year or at any time during the year (2016: nil).

#### (c) Directors' material interests in transactions, arrangements or contracts

After consideration, the directors are of the opinion that no transactions, arrangements and contracts of significance in relation to the Company's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year (2016: nil).

### 6. INCOME TAX EXPENSE

No provision for Hong Kong Profits Tax has been made as the Company is exempt from Hong Kong Profits Tax under Section 88 of the Hong Kong Inland Revenue Ordinance.

# Management Company of Olympic House Limited

## Notes to the Financial Statements

Year ended 31 March 2017

### 7. PROPERTY, PLANT AND EQUIPMENT

	Furniture and fixtures HK\$	Machinery and equipment HK\$	Total HK\$
Reconciliation of carrying amount - year ended 31 March 2016			
At beginning of the year	1,203,521	2,195,581	3,399,102
Additions	141,296	41,834	183,130
Depreciation	(460,099)	(897,639)	(1,357,738)
At the end of the reporting period	<u>884,718</u>	<u>1,339,776</u>	<u>2,224,494</u>
Reconciliation of carrying amount - year ended 31 March 2017			
At beginning of the year	884,718	1,339,776	2,224,494
Additions	-	95,498	95,498
Depreciation	(381,661)	(841,770)	(1,223,431)
At the end of the reporting period	<u>503,057</u>	<u>593,504</u>	<u>1,096,561</u>
At 1 April 2016			
Cost	7,102,496	9,352,659	16,455,155
Accumulated depreciation	(6,217,778)	(8,012,883)	(14,230,661)
	<u>884,718</u>	<u>1,339,776</u>	<u>2,224,494</u>
At 31 March 2017			
Cost	7,102,496	9,448,157	16,550,653
Accumulated depreciation	(6,599,439)	(8,854,653)	(15,454,092)
	<u>503,057</u>	<u>593,504</u>	<u>1,096,561</u>

# Management Company of Olympic House Limited

## Notes to the Financial Statements

Year ended 31 March 2017

### 8. ACCOUNTS RECEIVABLE

	2017 HK\$	2016 HK\$
From third parties	<u>135,493</u>	<u>118,253</u>

The ageing analysis of the Company's accounts receivable that were past due as at the end of the reporting period but not impaired are as follows:

	2017 HK\$	2016 HK\$
Within one month past due	131,270	112,863
Over one month but within two months past due	1,920	3,892
Over two months past due	<u>407</u>	<u>904</u>
	<u>133,597</u>	<u>117,659</u>

Accounts receivable that were past due but not impaired related to a number of independent tenants that have good payment track records with the Company. Based on past experiences, management believes that no impairment allowance is necessary in respect of these balances as there have not been significant changes in credit quality and the balances are considered to be fully recoverable. The Company did not hold any collateral from its tenants. Details of credit policies are set out in note 13.

### 9. AMOUNT DUE TO RELATED PARTY

The balance represents the borrowing from Sports Federation and Olympic Committee of Hong Kong, China, which is under common control of the directors of the Company. The amount due is unsecured, interest-free and has no fixed repayment term.

### 10. DEFERRED INCOME

The accounting policy for the recognition of government grant and the related expenditure is detailed in note 2 "Government grants and SF&OC subsidy".

Deferred income for unamortised government grants relating to property, plant and equipment at the end of the reporting period is as follows:

	2017 HK\$	2016 HK\$
Deferred income	789,381	1,742,268
Portion classified as current liabilities	<u>(663,044)</u>	<u>(952,887)</u>
Non-current portion	<u>126,337</u>	<u>789,381</u>



# Management Company of Olympic House Limited

## Notes to the Financial Statements

Year ended 31 March 2017

### 10. DEFERRED INCOME (CONTINUED)

Deferred income for unamortised SF&OC subsidy relating to property, plant and equipment at the end of the reporting period is as follows:

	2017 HK\$	2016 HK\$
Deferred income	88,386	142,127
Portion classified as current liabilities	(18,940)	(53,741)
Non-current portion	69,446	88,386
<b>Total</b>		
Deferred income	877,767	1,884,395
Portion classified as current liabilities	(681,984)	(1,006,628)
Non-current portion	195,783	877,767

### 11. RELATED PARTY TRANSACTIONS

In addition to the transactions / information disclosed elsewhere in these financial statements, during the year, the Company had the following significant transactions with its related parties.

Related party relationship	Nature of transaction	2017 HK\$	2016 HK\$
Sports Federation & Olympic Committee of Hong Kong, China	Equipment rental income	6,502	9,786
	Tea refreshment service income	14,859	17,275
	Car park rental	494	1,178

The Company also provides office space of Olympic House to Sports Federation & Olympic Committee of Hong Kong, China and SF&OC Sports Legacy Company Limited on a rent-free basis (2016: rent-free) during the year.

### 12. TRANSACTION WITH HIGH PAY STAFF

Relationship	Nature of transaction	2017 HK\$	2016 HK\$
Management staff compensation, in relation to a manager and two assistant managers	Salaries, allowances and gratuities	1,603,613	1,655,749
	Contributions to defined contribution retirement plan	50,254	54,000

# Management Company of Olympic House Limited

## Notes to the Financial Statements

Year ended 31 March 2017

### 13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to financial risk through its use of financial instruments which arises from ordinary course of operation. The main risks arising from these instruments are credit risk and liquidity risk. The Company does not have written risk management policies and guidelines. However, the Company's directors generally adopt conservative strategies on its risk management and limit the Company's exposure to these risks to a minimum.

#### Credit risk

Credit risk relates to the risk that the counterparty of the financial instruments would fail to discharge its obligations under the terms of the financial instruments and cause a financial loss to the Company. The Company's exposure to credit risk mainly arises from granting credit to debtors in the ordinary course of its operations and placing deposits with banks.

At the end of the reporting period, the Company's maximum exposure to credit risk on recognised financial assets is limited to each of their carrying amount as summarised below:

	2017 HK\$	2016 HK\$
<b>Financial assets measured at amortised costs</b>		
Accounts receivable	135,493	118,253
Other debtors	606	15,154
Cash and bank balances	1,184,819	1,261,135
	<u>1,320,918</u>	<u>1,394,542</u>

To limit its exposure to credit risk, the Company places deposits only with major financial institutions in Hong Kong with good credit rating.

Management closely monitors all outstanding debts and reviews collectability of debtors periodically. The Company offers 14 days credit term to its tenants. The Company did not hold any collateral from its tenants.

#### Liquidity risk

The Company's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements.

The maturity profile of the Company's financial liabilities at the end of the reporting period based on contractual undiscounted payments is either on demand or within one year.

#### Fair values

The financial assets and financial liabilities are carried at amounts which approximate their fair values.

# Management Company of Olympic House Limited

## Notes to the Financial Statements

Year ended 31 March 2017

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### 14. COMMITMENTS UNDER OPERATING LEASES

#### The Company as lessee

At the end of the reporting period, the Company had total future minimum lease payments under non-cancellable operating leases, which are payable as follows:

	2017 HK\$	2016 HK\$
Within one year	2,484,000	2,172,000
In the second to fifth years inclusive	4,140,000	5,792,000
	<u>6,624,000</u>	<u>7,964,000</u>

#### The Company as lessor

At the end of the reporting period, the Company had total future minimum sublease receipts to be received under non-cancellable subleases, which are receivable as follows:

	2017 HK\$	2016 HK\$
Within one year	1,361,575	1,548,412
In the second to fifth years inclusive	-	991,954
	<u>1,361,575</u>	<u>2,540,366</u>

### 15. CAPITAL MANAGEMENT

The objectives of the Company's capital management are to safeguard its ability to continue as a going concern and to manage the Olympic House as a prestigious building for the promotion and administration of sports in Hong Kong. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and business strategies. No changes were made in the objectives, policies or processes during the years ended 31 March 2017 and 2016.







## 周年報告 ANNUAL REPORT 2016-17

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