



奧運大樓管理有限公司
MANAGEMENT COMPANY OF OLYMPIC HOUSE LIMITED

周年報告
ANNUAL REPORT 2018-19

Management Company of Olympic House Limited

奧運大樓管理有限公司

Annual Report 年報

1 April 2018 to 31 March 2019

2018 年 4 月 1 日至 2019 年 3 月 31 日

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PREFACE

序言

During the reporting year, to uphold the quality services to the hirers, the Management Company of Olympic House Limited (MCOHL) has mainly upgraded the facility and equipment in the Jockey Club Theatre Lecture. Besides, a prestige SF&OC Hall of Fame and a new batch of 46 commemorative plaques for the Hong Kong medalists of the 18th Asian Games have been erected on both 2/F and in order to recognize the outstanding sports personnel and Hong Kong athletes. Apart from using the meeting facilities, visitors can also learn more about the development and achievements of Hong Kong sports in the Olympic House (OH).

The MCOHL is not only a company which manages the OH itself, but also takes action to show the care of the sports community towards the society. Apart from participating in the Hong Kong Tree Planting Day since 2005, the MCOHL also initiated blood donation day in 2019 to raise the awareness of the need of constant blood donation and foster the caring culture in the sports community.

In the future year, MCOHL would still support the sports community in terms of providing offices and meeting facilities and also motivate the Olympism education, environmental protection, and caring towards the society.

為了保持有質素的會議設施予租用人士使用，在年報期間，奧運大樓管理有限公司集中提升賽馬會演講廳的設備。此外，亦於二樓增設港協暨奧委會名人堂及第十八屆亞運會香港獎牌得主運動員的 46 個牌匾，以示對香港體育界先進及運動員致敬。到訪大樓的人士除了可以享用大樓會議設施，更能加深了解香港體育界的發展和成就。

管理公司不但是管理奧運大樓，更以行動表示關懷社區。除了自 2005 年參加每年的香港植樹日外，在 2019 年更舉辦奧運大樓愛心捐血日。管理公司期望藉此機會向體育界推廣恆常捐血的文化，表達關懷社會的訊息。

在來年，管理公司除了肩負支援體育總會辦公室和提供會議設施的角色外，還會繼續成為推動奧林匹克教育、環保、以及關懷社區的先驅。

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.

理想及使命

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

Director & Chairman

Mr. Timothy T. T. FOK, GBS, JP

Director & Secretary

Mr. Ronnie M. C. WONG, BBS, JP

Director & Treasurer

Mr. Derrick L. W. WONG,
FCCA, CPA, CTA, RFP

Directors

Ms. Vivien C. C. LAU, BBS, JP

Mr. Edgar J.T. YANG, PDSM

Mr. WONG Po Kee, MH

Ms. Fay K.F. HO

Mr. TONG Wai Lun, BBS, JP

Dr. Karl C. KWOK, BBS, MH

董事局

董事及主席

霍震霆 GBS 太平紳士

董事及秘書

王敏超 BBS 太平紳士

董事及司庫

黃良威先生

FCCA, CPA, CTA, RFP

董事

劉掌珠 BBS 太平紳士

楊祖賜先生 PDSM

黃寶基先生 MH

何劍暉女士

湯偉掄先生, BBS, JP

郭志樑博士, BBS, MH

Olympic House Management Committee

奧運大樓管理委員會

Chairman

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

主席

奧運大樓管理有限公司董事及秘書
王敏超 BBS 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. TONG Wai Lun, BBS, JP
Chairman, Hong Kong Badminton Association Limited

成員

香港羽毛球總會有限公司主席
湯偉掄 BBS 太平紳士

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

中國香港柔道總會會長
貝鈞奇先生 SBS

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

奧運大樓管理有限公司董事
楊祖賜先生 PDSM

Mr. WONG Po Kee, MH
Director, MCOHL

奧運大樓管理有限公司董事
黃寶基先生 MH

Ms. Fay K. F. HO
Director of MCOHL

奧運大樓管理有限公司董事
何劍暉女士

Representative of
Home Affairs Bureau

民政事務局代表

Tenants of Olympic House

(1.4.2018 - 31.3.2019)

奧運大樓租戶

Office

辦公室

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)	
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	Cricket Hong Kong	香港板球	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	香港足毬總會有限公司	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:
奧運大樓管理有限公司(管理公司)於過去一年為奧運大樓(大樓)進行了多項改善項目：

1. To improve the meeting facilities of the OH, the replacement project of the floor mat at the Jockey Club Lecture Theatre (JCLT) was completed in June 2018.

為優化大樓會議設施，賽馬會演講廳地氈更換工程於 2018 年 6 月完成。

Before 前

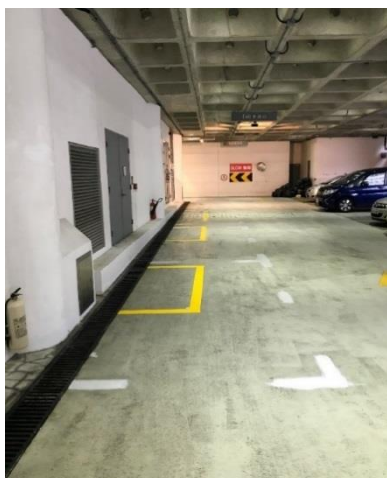


After 後



2. In order to fully utilize the car park space, 4 private car parking spaces were converted into 5 motorcycle parking spaces. The total number of parking spaces for motorcycle was increased from 6 to 11 from 1 April 2018 onwards.

為善用大樓停車場的泊車空間，管理公司把 4 個私家車車位改成 5 個電單車車位，電單車車位數量由 6 個增加至 11 個，並於 2018 年 4 月 1 日起投入服務。



Activities Highlights

活動概要

1. To commemorate the OH 13rd Renaming Anniversary in 2018, MCOHL shared seasonal fruits with all tenants on 11 July 2018. Wishing them all a good health in every year.

為與各租戶分享大樓易名 13 週年的喜悅，管理公司預備了時令蔬果，並於 2018 年 7 月 11 日送給各個租戶，藉此祝願各位身體健康。



2. In response to the appeal of the Hong Kong Red Cross Blood Transfusion Service and to promote the spirit of caring for society, MCOHL held a “Olympic House Blood Donation Day” on 1 February 2019. There were 44 successful donators at the event. The MCOHL would organize the Blood Donation Day regularly to foster a good blood donation culture in the sports community.

為響應香港紅十字會輸血服務中心的呼籲及推動關懷社會的精神，管理公司於 2019 年 2 月 1 日舉行「奧運大樓愛心捐血日」。活動當天共有 44 名參加者成功捐血。管理公司有意持續舉辦捐血日，希望在體育界內營造一個強而有力的捐血文化。



3. The 2019 Hong Kong Tree Planting Day was took place at Tsiu Hang, Sai Kung on 23 March 2019. A total of 31 participants from SF&OC Secretariat, MCOHL, NSAs and Kwik Park Limited joined.

於 2019 年 3 月 23 日在西貢蕉坑舉行「2019 香港植樹日」，31 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 order to enhance the resolution of the theatre projector in JCLT, the video transmission system has been upgraded to High-Definition Multimedia Interface in April 2018.

為提升賽馬會演講廳投影機放映質素至高畫質多媒體介面(HDMI)，管理公司於 2018 年 4 月進行影音設備更新工程。



2. In order to optimize various types of audio-visual equipment in the JCLT, MCOHL also replaced the two display monitors at JCLT in December 2018. The resolution of the screens has been upgraded to 4K.

此外，為全面優化各類影音設備，管理公司於 2018 年 12 月更換兩部顯示屏，畫面提升至 4k 畫質。



3. In recognition of Hong Kong outstanding sports leaders, the SF&OC Hall of Fame has been set up at the 2/F of OH. The unveiling ceremony of the Hall of Fame was carried out on 22 June 2018.

為表揚對香港體壇作出重大貢獻的人士，港協暨奧委會在大樓二樓設立「名人堂」，並於 2018 年 6 月 22 日正式揭幕。



4. With effect from 1 July 2017, the motorcycle monthly rate, hourly rate and concessionary rate of OH car park had been revised upward.

由 2018 年 7 月 1 日起，大樓電單車月租、時租及特惠租金作出調整，各項收費均有加幅。

5. In appreciation of the outstanding achievements of athletes in the 18th Asian Games, a total of 46 commemorative plaques were installed in the lobby, 1/F. Mr. Timothy FOK, President of the SF&OC unveiled the plaques on 20 March 2019.

為了表揚運動員在第 18 屆亞洲運動會的卓越成就，共 46 面的紀念牌匾添置在一樓大堂的獎牌榜上，並由港協暨奧委會會長霍震霆先生於 2019 年 3 月 20 日正式揭幕。



Education Programme

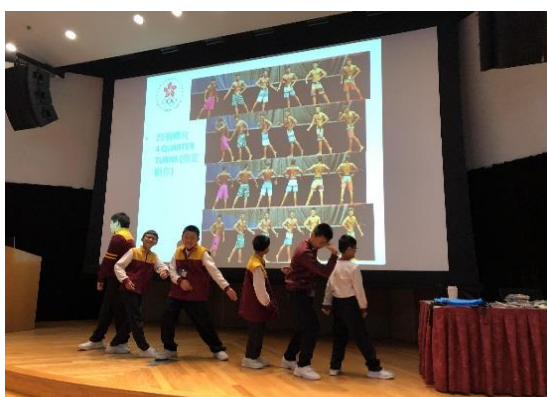
教育活動

1. Visiting Programme

參觀導覽活動

管理公司本年度為約 370 名本港中、小學及大專院校的學生安排了參觀導覽活動，活動內容包括參觀大樓設施及「奧林匹克資料中心」，讓參加者了解管理公司的日常運作及本地體育總會的辦公環境。此外，由現役或退役運動員主講的「奧林匹克主義教育計劃」講座亦是活動重點之一，講座內容包括宣揚奧林匹克精神、介紹港協暨奧委會的歷史及架構、講者專項運動示範及分享環節等。

MCOHL had organized a number of educational visits for around 370 local primary, secondary and tertiary students during the reporting year. The visiting programme including the guided tour for the practical knowledge of facility management of OH and visit to the “Centre for Olympic Studies”. Apart from the guided tour, the educational talk on “Olympism Education Programme” hosted by the serving or retired athlete was also the highlight of the programme. The content of the talk included promotion of Olympism, introduction the history and the roles of SF&OC, demonstration of individual sport and sharing session by the speaker athletes.



2. Asian Games Educational Display Panel 亞洲運動會教育展板

第 18 屆亞洲運動會（亞運會）於 2018 年 8 月 18 日至 9 月 2 日在印尼雅加達及巨港舉行，為加深本港專上院校和中小學生對大型綜合運動會的認識，一套共十塊以亞運會為主題的教育展板，在 2018 年 1 月 2 日至 8 月 31 日期間，透過「外借教育展板」計劃供有興趣的院校／學校借用作展覽用途，以提升學生們對亞運會的認識及關注。

The 18th Asian Games was held in Jakarta and Palembang, Indonesia from 18 August to 2 September 2018. A set of 10 educational display panels related to the history of Hong Kong's participation in the Asian Games were produced. This set of panels was then on loan to local schools from 2 January to 31 August 2018 in order to promote the Games to the Hong Kong students.

Display at Local Schools



3. 2019 Olympism Camp 2019「奧林匹克主義體驗營」

為響應港協暨奧委會推廣奧林匹克主義的宗旨，由港協暨奧委會及香港體育學院聯合主辦的 2019「奧林匹克主義體驗營」於 2019 年 2 月 11 至 13 日假賽馬會西貢戶外訓練營舉行。本屆體驗營沿用上屆形式，安排了精英運動員及中學生運動員一同參與，參加人數達 61 人。

適逢北京成功申辦 2022 年冬季奧運會，為響應此盛事，今年的體驗營亦以此為主題，加入冬奧元素，希望所有參加者能夠於三日兩夜的營地生活、團體活動及分享環節中，加深對奧運會及奧林匹克主義的認識，同時親身體驗及展現奧林匹克的三個核心價值，包括「卓越」、「友誼」和「尊重」。

In response to the SF&OC's mission of promoting sports education and Olympism, the 2019 Olympism Camp was jointly organized by the Federation and the Hong Kong Sports Institute Limited on 11 - 13 February 2019 at the Hong Kong Jockey Club Sai Kung Outdoor Training Camp. Following the successful experience of mixing elite athletes and student athletes in the last Olympism Camp in 2017, there were a total of 61 elite athletes and student athletes joining the camp this year.

To celebrate Beijing's winning of the bid to be the host city of the Winter Olympic Games 2022 and deliver the three Olympism Values, "Excellence", "Friendship" and "Respect", Winter Olympic Games elements were included in this Camp through various interactive games, team activities, seminars and sharing sessions.



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.

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. Green Activities 環保活動

i) Recycling of Mooncake Boxes 月餅盒回收

A collection bin for the wasted mooncake boxes was placed at 1/F lobby from 26 September to 11 October 2018.

於 2018 年 9 月 26 日至 10 月 11 日中秋節期間，於一樓大堂擺放一個月餅盒回收箱，以回收各租戶棄置的月餅盒。

ii) Recycling of Red Packet 紅封包回收

To enhance tenants' awareness in waste reclamation and reduction, a Red Packet Recycle Box was placed at Reception Desk of 1/F from 11 to 22 February 2019 to collect the used red pockets.

為宣揚循環再造、減少廢物的訊息，管理公司於 2019 年 2 月 11 日至 22 日在大樓一樓接待處擺放一個紅封包回收箱，以收集各租戶曾使用的紅封包。

iii) Green Workshop 2018 綠色工作坊 2018

In order to raise the awareness of the impact on the environment if we overuse, a hand soap making workshop "Green soap" was held on 27 November 2018 at OH. The workshop was delivered by the instructors from Lung Fu Shan Environmental Education Centre. There were 30 participants tenants joined the workshop.

管理公司於 2018 年 11 月 27 日在大樓舉辦「綠色工作坊：綠色手皂」，並獲龍虎山環境教育中心導師講解清潔劑成分標籤和濫用清潔劑對環境的損害，學習手皂製作原理，和其他環保清潔方法及利用廢油再造成可清潔家居的環保手皂。當日共有 30 名大樓租戶參加。



iv) EARTH HOUR 2019 地球一小時 2019

In response to the “EARTH HOUR 2019” 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, 30 March 2019 on conditions that public safety and operation of the OH were not being affected.

為響應世界自然基金會舉辦的「地球一小時 2019」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 2019 年 3 月 30 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。

2. Environmental Friendly Recognition 環保認證

i) Recognized by the Environmental Campaign Committee 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」。



- ii) “Indoor Air Quality Certificate - Excellent Class” by the Environmental Protection Department (EPD).

獲環境保護署頒發「室內空氣質素檢定」卓越級別證書。



- iii) “Charter on External Lighting – Platinum Award” by the Environment Bureau.

獲環境局頒發「戶外燈光約章-鉑金獎」



- 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) “Hong Chi Jockey Club Glass Bottle Recycling Project - Gold Certificate of Supporting Partner” by the Hong Chi Association.
獲匡智會頒發「賽馬會玻璃樽回收計劃 - 金鑽級支持伙伴」嘉許狀。



- vi) MCOHL bestowed the “5 Years Plus Caring Company Certificate of Caring Company Scheme” since 2014 by the Hong Kong Council of Social Services in appreciation of our social commitment and environmental friendly participation.
自 2014 年奧運大樓管理有限公司已獲頒發的「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。



3. Green Charter 環保約章

(i) Food Wise Charter by the EPD

「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)



(iv) Energy Saving Charter 2018 by the Environment Bureau

「節能約章 2018」(由環境局主辦)



Directors' Report

Audited Financial Statements

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

31 March 2019

Management Company of Olympic House Limited

Directors' Report

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 2019.

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 2019 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 (Resigned on 19 Dec 2018)

WONG Leung Wai

WONG Man Chiu Ronnie

YANG Joe Tsi

WONG Po Kee

KWOK Chi Leung Karl (Appointed on 5 Mar 2019)

PERRY HO Kim Fai (Appointed on 29 Jan 2019)

TONG Wai Lun William (Appointed on 29 Jan 2019)

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).

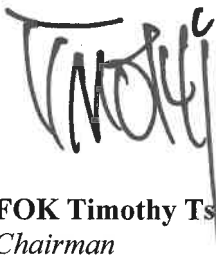
Management Company of Olympic House Limited

Directors' Report

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

22 OCT 2019

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 23, which comprise the statement of financial position as at 31 March 2019, 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 2019, 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, 22 OCT 2019

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 2019

	<i>Note</i>	2019 <i>HK\$</i>	2018 <i>HK\$</i>
Revenue			
Subvention from Home Affairs Bureau ("HAB")			
- Recurrent subvention		6,759,000	6,759,000
- One-off grant		104,630	663,046
- One-off allocation	9	863,235	892,502
Rental income from commercial activities		4,100,904	3,725,918
Income from tenants		2,256,305	2,018,998
Interest income calculated using the effective interest method:			
- general		32	1
- one-off allocation		73,246	51,513
Total revenue		14,157,352	14,110,978
Other income	3	174,638	261,334
Expenditure reimbursed by one-off grant			
Depreciation and amortisation		159,504	687,531
Staff costs	4	4,883,004	4,300,361
Project expenses			
Education programmes		42,000	40,860
Youth summer camp		300	-
		42,300	40,860
Other expenditure			
Premises rent and rates		2,941,080	2,792,640
Utilities		1,180,944	1,172,794
Repair and maintenance		564,528	516,339
Facilities operating expenses		3,002,440	3,094,145
Office and administration expenses		484,444	362,110
Depreciation		167,993	175,627
		8,341,429	8,113,655
Total expenditure		13,426,237	13,142,407
Surplus for the year	4	905,753	1,229,905
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		905,753	1,229,905


Management Company of Olympic House Limited


Statement of Financial Position

At 31 March 2019

	Note	2019 HK\$	2018 HK\$
Non-current assets			
Property, plant and equipment	7	693,446	563,826
Current assets			
Accounts receivable	8	49,410	71,210
Prepayments and other debtors		274,330	255,497
Deposits		927,300	822,300
Cash and bank balances		9,474,089	9,774,956
		10,725,129	10,923,963
Current liabilities			
Receipts in advance – rental		404,087	430,148
Other payables and accruals		456,486	418,586
Deferred income			
- One-off allocation	9	1,580,000	1,411,000
- Others	10	95,519	148,055
		2,536,092	2,407,789
Net current assets		8,189,037	8,516,174
Total assets less current liabilities		8,882,483	9,080,000
Non-current liabilities			
Deferred income			
- One-off allocation	9	5,469,252	6,598,559
- Others	10	171,702	145,665
		5,640,954	6,744,224
NET ASSETS		3,241,529	2,335,776
RESERVES			
General reserve		3,241,529	2,335,776

Approved and authorised for issue by the Board of Directors on 22 OCT 2019 and signed on its behalf by


FOK Timothy Tsun Ting
 Director


WONG Leung Wal
 Director

Management Company of Olympic House Limited

Statement of Changes in Equity

Year ended 31 March 2019

	General reserve HK\$
At 1 April 2017	1,105,871
Surplus for the year and total comprehensive income for the year	<u>1,229,905</u>
At 31 March 2018 and 1 April 2018	2,335,776
Surplus for the year and total comprehensive income for the year	<u>905,753</u>
At 31 March 2019	<u>3,241,529</u>

Note:

The general reserve represents the accumulated surplus or deficit of the Company, and includes the accumulated savings of the recurrent subvention from Home Affairs Bureau ("HAB"). Under the agreement with HAB, the Company is allowed to retain such recurrent subvention of HK\$2,764,798 as at 31 March 2019 (2018: HK\$1,996,224) in a reserve fund to meet its future financial needs.

Management Company of Olympic House Limited

Statement of Cash Flows

Year ended 31 March 2019

	2019 HK\$	2018 HK\$
OPERATING ACTIVITIES		
Surplus for the year	905,753	1,229,905
Depreciation	327,497	863,158
Interest income	(73,278)	(51,514)
Changes in working capital:		
Accounts receivable and other debtors	(102,033)	70,173
Receipt in advance, other payables and accruals	11,839	131,812
Amount due to a related party	-	(800,000)
Deferred income	(986,806)	7,425,512
Net cash from operating activities	82,972	8,869,046
INVESTING ACTIVITIES		
Interest received	73,278	51,514
Purchase of property, plant and equipment	(457,117)	(330,423)
Net cash used in investing activities	(383,839)	(278,909)
Net (decrease) increase in cash and cash equivalents	(300,867)	8,590,137
Cash and cash equivalents at beginning of year	9,774,956	1,184,819
Cash and cash equivalents at end of year, represented by bank balances and cash	9,474,089	9,774,956

Management Company of Olympic House Limited

Notes to the Financial Statements

Year ended 31 March 2019

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 2018 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

HKFRS 9: Financial Instruments

HKFRS 9 replaces HKAS 39 *Financial Instruments: Recognition and Measurement* for annual periods beginning on or after 1 April 2018. It introduces new requirements for the classification and measurement of financial assets and financial liabilities, impairment for financial assets and hedge accounting.

The adoption of HKFRS 9 has no significant effect on the classification and measurement of the Company's financial assets and liabilities. The carrying amounts for all financial assets and financial liabilities at 1 April 2018 have not been impacted by the initial application of HKFRS 9.

Management Company of Olympic House Limited

Notes to the Financial Statements

Year ended 31 March 2019

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

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 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.

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.

Classification and measurement – applicable from 1 April 2018

Financial assets (except for trade receivable without a significant financing component) are initially recognised at their fair value plus, in the case of financial assets not carried at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial assets. Such trade receivables are initially measured at their transaction price.

Management Company of Olympic House Limited

Notes to the Financial Statements

Year ended 31 March 2019

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Classification and measurement – applicable from 1 April 2018 (Continued)

On initial recognition, the Company's financial assets are classified as measured at amortised cost.

The classification of financial assets at initial recognition depends on the Company's business model for managing the financial assets and the financial asset's contractual cash flow characteristics. Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing them, in which case all affected financial assets are reclassified on the first day of the first annual reporting period following the change in the business model (the "reclassification date").

Financial assets measured at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVPL:

- (i) it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- (ii) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate method and are subject to impairment. Gains and losses arising from impairment, derecognition or through the amortisation process are recognised in profit or loss.

The Company's financial assets at amortised cost include accounts receivables and other debtors, deposits and cash and bank balances.

Financial assets

Applicable before 1 April 2018

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

Loans and receivables

Loans and receivables including cash and bank balances, accounts receivables, other debtors and deposits 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.

Management Company of Olympic House Limited

Notes to the Financial Statements

Year ended 31 March 2019

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Financial liabilities

Recognition and derecognition

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 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 liabilities are initially recognised at their fair value plus, in the case of financial liabilities not carried at FVPL, transaction costs that are direct attributable to the issue of the financial liabilities.

The Company's financial liabilities include other payables and accruals. All financial liabilities 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.

Impairment of financial assets and other items under HKFRS 9

Applicable from 1 April 2018

The Company recognises loss allowances for expected credit losses ("ECL") on financial assets that are measured at amortised cost to which the impairment requirements apply in accordance with HKFRS 9.

The Company's financial assets at amortised cost include accounts receivables, other debtors, deposits and cash and bank balances which are determined to have low credit risk. Accordingly, a 12-month ECL is applied.

Applicable from 1 April 2018

Low credit risk

A financial instrument is determined to have low credit risk if:

- (i) it has a low risk of default;
- (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and
- (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

Applicable before 1 April 2018

At the end of each reporting period, the Company assesses whether there is objective evidence that financial assets 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.

Management Company of Olympic House Limited

Notes to the Financial Statements

Year ended 31 March 2019

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

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

Subvention income is recognised when the rights to receive payment have been established.

Rental income from commercial activities and income from tenants are 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.

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.

Management Company of Olympic House Limited

Notes to the Financial Statements

Year ended 31 March 2019

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

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.

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.

Management Company of Olympic House Limited

Notes to the Financial Statements

Year ended 31 March 2019

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

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.

Except for HKFRS 16 as set out below, the directors of the Company does not anticipate that the adoption of the new/revised HKFRSs in future periods will have any material impact on the results of the Company.

HKFRS 16: Leases

HKFRS 16 significantly changes the lessee accounting by replacing the dual-model under HKAS 17 with a single model which requires a lessee to recognise assets and liabilities for the rights and obligations created by leases unless the exemptions apply. For lessor accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. Besides, among other changes, it requires enhanced disclosures to be provided by lessees and lessors.

Based on the preliminary assessment, the management is of the opinion that the adoption of HKFRS 16 in the future will have no significant impact for the Company as a lessor on recognition of its rights and obligations under a lease. However, the application of HKFRS 16 in future may result in more disclosures. The management is of the opinion that the leases of certain properties of which the Company as a lessee which are currently classified as operating leases under HKAS 17 will trigger the recognition of right-of-use assets and lease liabilities in accordance with HKFRS 16. In subsequent measurement, depreciation (and, if applicable, impairment loss) and interest will be recognised on the right-of-use assets and the lease liabilities respectively, of which the amount in total for each reporting period is not expected to be significantly different from the periodic operating lease expenses recognised under HKAS 17. It is not expected that HKFRS 16 will have a material impact on the future financial position, financial performance and cash flows of the Company upon adoption.

3. OTHER INCOME

	2019 HK\$	2018 HK\$
Amortisation of deferred income of SF&OC subsidy relating to property, plant and equipment	18,940	18,940
Subsidies from SF&OC	42,300	144,824
Sundry income	113,398	97,570
	<u>174,638</u>	<u>261,334</u>

Management Company of Olympic House Limited

Notes to the Financial Statements

Year ended 31 March 2019

4. SURPLUS FOR THE YEAR

	2019 HK\$	2018 HK\$
This is stated after charging (crediting):		
Staff costs		
Salaries and allowances	4,618,873	4,056,149
Contributions to defined contribution retirement plan	176,251	160,502
Employee benefits	87,880	83,710
	4,883,004	4,300,361
Auditor's remuneration	35,850	34,840
Operating lease payments	2,624,000	2,484,000
Depreciation	327,497	863,158
of which reimbursed by one-off grant	(159,504)	(687,531)

5. INFORMATION ABOUT THE BENEFITS OF DIRECTORS

(a) Directors' remuneration

There is no directors' remuneration for the year (2018: 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 (2018: 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 (2018: 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 2019

7. PROPERTY, PLANT AND EQUIPMENT

	Furniture and fixtures HK\$	Machinery and equipment HK\$	Total HK\$
Reconciliation of carrying amount - year ended 31 March 2018			
At beginning of the year	503,057	593,504	1,096,561
Additions	-	330,423	330,423
Depreciation	(284,063)	(579,095)	(863,158)
At the end of the reporting period	<u>218,994</u>	<u>344,832</u>	<u>563,826</u>
Reconciliation of carrying amount - year ended 31 March 2019			
At beginning of the year	218,994	344,832	563,826
Additions	-	457,117	457,117
Depreciation	(136,061)	(191,436)	(327,497)
At the end of the reporting period	<u>82,933</u>	<u>610,513</u>	<u>693,446</u>
At 1 April 2018			
Cost	7,102,496	9,778,580	16,881,076
Accumulated depreciation	(6,883,502)	(9,433,748)	(16,317,250)
	<u>218,994</u>	<u>344,832</u>	<u>563,826</u>
At 31 March 2019			
Cost	7,102,496	10,235,697	17,338,193
Accumulated depreciation	(7,019,563)	(9,625,184)	(16,644,747)
	<u>82,933</u>	<u>610,513</u>	<u>693,446</u>

8. ACCOUNTS RECEIVABLE

	2019 HK\$	2018 HK\$
Trade receivable		
From third parties	39,753	20,112
From a related company with common directors (Note)	<u>9,657</u>	<u>51,098</u>
	<u>49,410</u>	<u>71,210</u>

(Note) The amount due is unsecured, interest-free and has no fixed repayment term.

Management Company of Olympic House Limited

Notes to the Financial Statements

Year ended 31 March 2019

9. DEFERRED INCOME - ONE-OFF ALLOCATION

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

On 2 June 2017, the Company received a one-off allocation fund in the amount of HK\$9,000,000 from Home Affairs Bureau ("HAB") to subsidise certain specific expenditure. Deferred income for unamortised government grant relating to operation expenditures at the end of the reporting period is as follows:

	2019 HK\$	2018 HK\$
At beginning of the year	8,009,559	-
Cash injection	-	9,000,000
Less: Release to statement of comprehensive income	(863,235)	(892,502)
Less: Transfer to deferred income-others	(97,072)	(97,939)
At end of reporting period	7,049,252	8,009,559
Portion classified as current liabilities	(1,580,000)	(1,411,000)
Non-current portion	5,469,252	6,598,559

10. DEFERRED INCOME- OTHERS

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 grant relating to property, plant and equipment at the end of the reporting period is as follows:

	2019 HK\$	2018 HK\$
Deferred income	216,715	224,274
Portion classified as current liabilities	(76,579)	(129,115)
Non-current portion	140,136	95,159

Management Company of Olympic House Limited

Notes to the Financial Statements

Year ended 31 March 2019

10. DEFERRED INCOME- OTHERS (CONTINUED)

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

	2019 HK\$	2018 HK\$
Deferred income	50,506	69,446
Portion classified as current liabilities	(18,940)	(18,940)
Non-current portion	31,566	50,506
	2019 HK\$	2018 HK\$
Deferred income	267,221	293,720
Portion classified as current liabilities	(95,519)	(148,055)
Non-current portion	171,702	145,665

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	2019 HK\$	2018 HK\$
SF&OC (Company with common directors)	Rental income	4,500	-
	Meeting facilities & equipment rental income	85,240	44,749
	Tea refreshment service income	20,785	6,960
	Car park rental income	3,288	5,640
	Office licence & management income	120,048	38,064
	Short-term hiring of temporary office	26,650	-
	Subsidy receipt for salary adjustment	-	103,964
	Subsidy receipt for Sports Education Programs	42,300	40,860
	Staff cost of driver	92,190	85,680
SF&OC Sports Legacy Company Limited (Company with common directors)	Meeting facilities & equipment rental income	6,403	3,806
	Tea refreshment service income	1,650	280
	Office licence & management income	10,004	3,172

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Notes to the Financial Statements

Year ended 31 March 2019

12. TRANSACTION WITH HIGH PAY STAFF

The high pay staff represents by the top 2 tiers of key manager of the Company (Assistant managers or above), during the year, the Company had the following transactions with its high pay staffs.

Relationship	Nature of transaction	2019 HK\$	2018 HK\$
Management staff compensation, in relation to a manager and assistant managers	Salaries, allowances and gratuities	1,859,986	1,495,088
	Contributions to defined contribution retirement plan	54,000	47,648

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial instrument comprises of cash and bank balance. The main purpose of this financial instrument is to raise and maintain finance for the Company's operations. The Company has various other financial instruments such as account and other receivables and other payables and accrual which arise directly from its operating activities.

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

The carrying amount of financial assets recognised on the statement of financial position represents the Company's exposure to credit risk without taking into account the value of any collateral held or other credit enhancements.

Trade receivables from third parties and a related company with common directors

The Company has adopted procedures in extending credit terms to customers and in monitoring its credit risk. The credit policy on extending credit terms to customers includes assessing and evaluating of customers' creditworthiness and financial standing. Management also closely monitors all outstanding debts and reviews the collectability of trade debts periodically.

All trade receivables outstanding at the end of the reporting period have been fully settled subsequently.

Bank deposits

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

Management Company of Olympic House Limited

Notes to the Financial Statements

Year ended 31 March 2019

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

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.

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:

	2019 HK\$	2018 HK\$
Within one year	1,936,000	2,484,000
In the second to fifth years inclusive	-	1,656,000
	<u>1,936,000</u>	<u>4,140,000</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:

	2019 HK\$	2018 HK\$
Within one year	1,461,913	2,133,709
In the second to fifth years inclusive	-	1,389,593
	<u>1,461,913</u>	<u>3,523,302</u>

Management Company of Olympic House Limited

Notes to the Financial Statements

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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 2019 and 2018.

16. COMPARATIVE FIGURES

Conforming to current year's presentation, other income of HK\$602,774 in respect of short-term rental fee for commercial activities has been reclassified under the rental income from commercial activities in revenue. The revised presentation reflects more appropriately the nature of this item. This reclassification has no effect on the reported financial position, results or cash flows of the Company.



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MANAGEMENT COMPANY OF OLYMPIC HOUSE LIMITED

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