

DOMAT LIMITED  
REPORTS AND FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 19 SEPTEMBER 2013 (DATE OF INCORPORATION)  
TO 30 NOVEMBER 2014  
(Expressed in Hong Kong Dollars)



**Peter Cheng & Company**  
**Certified Public Accountants (practising)**

DOMAT LIMITED  
REPORT OF THE DIRECTORS

The directors have pleasure in submitting their first report and the audited financial statements for the period from 19 September 2013 (date of incorporation) to 30 November 2014.

**Principal place of business**

The Domat Limited ("the organization") is a company incorporated and domiciled in Hong Kong and has its registered office and principal place of business at Room 1307, Block A, Ming Pao Industrial Centre, 18 Ka Yip Street, Chai Wan, Hong Kong.

**Principal activities**

Principal activities of the organisation are the provision of architectural services to schools and underprivileged communities, with the aim of improving inadequate living environment and education standard.

**Financial statements**

The result of the organization for the period from 19 September 2013 (date of incorporation) to 30 November 2014 and the state of affairs of the organization as at that date are set out in the financial

**Directors**

The directors during the period and up to the date of this report were: -

MA, Kit Yi	(appointed on 19 September 2013)
KINGSLEY, Mark	(appointed on 19 September 2013)

In accordance with the organization's Articles of Association, all the directors retire from office and, being eligible, offer themselves for re-election.

At no time during the year was the organization a party to any arrangements to enable the directors of the organization to acquire benefits by means of acquisition of an interest in or debentures of the organization or any other body corporate.

No contract of significance to which the organization was a party, and in which a director had a material interest, subsisted at the end of the year or at any time during the year.

DOMAT LIMITED  
REPORT OF THE DIRECTORS

**Auditors**

Peter Cheng & Company retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of Peter Cheng & Company as auditors of the organization is to be proposed at the forthcoming Annual General Meeting.

By order of the Board



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Director

Hong Kong, 9 February 2015

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
DOMAT LIMITED

(incorporated in Hong Kong with liabilities limited by guarantee)



We have audited the financial statements of Domat Limited ("the Organization") set out on pages 5 to 12, which comprise the statement of financial position at 30 November 2014, the statement of comprehensive income, statement of changes in funds and statement of cash flow for the period then ended and a summary of significant accounting policies and other explanatory information.

**Directors' responsibility for the financial statements**

The directors of the organization are responsible for the preparation and the true and fair presentation of these financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the disclosure requirements of the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditor's responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. This report is made solely to you, as a body, in accordance with section 141 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. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the HKICPA. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
DOMAT LIMITED

(incorporated in Hong Kong with liabilities limited by guarantee)



**Auditor's responsibility (cont'd)**

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements give a true and fair view of the state of the organization's affairs as at 30 November 2014 and of its surplus and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the Hong Kong Companies Ordinance.

Peter Cheng & Company  
Certified Public Accountants  
Rooms 1202-3, 12/F., Lucky Commercial Centre,  
103 Des Voeux Road West,  
Hong Kong, 9 February 2015

DOMAT LIMITED  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD FROM 19 SEPTEMBER 2013 (DATE OF INCORPORATION)  
TO 30 NOVEMBER 2014

	<u>2014</u> <u>HK\$</u>
<b>Revenue</b>	
Consultancy service fee income	184,856
<b>Project costs</b>	<u>(2,625)</u>
	----- 182,231
<b>Expenditure</b>	
Auditors' remuneration	4,000
Bank charges	450
Business registration fee	2,250
Computer assessories	1,399
Directors' salary	145,000
Depreciation	11,741
Electricity and water	11,459
Internet	2,088
Postage	680
Preliminary expenses	6,370
Printing and stationery	7,823
Professional fee	1,800
Rent	112,684
Repairs and maintenance	7,702
Salaries	2,000
Sundry	9,329
Telephone	596
Transportation	10,382
Volunteers messing	5,971
	<u>343,724</u>
<b>Deficit for the period</b>	----- (161,493)
<b>Other comprehensive income</b>	-
<b>Total comprehensive income for the period</b>	<u>-----</u> <u>(161,493)</u>

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

DOMAT LIMITED  
STATEMENT OF FINANCIAL POSITION  
AT 30 NOVEMBER 2014

	<u>Note</u>	<u>2014</u> <u>HK\$</u>
<b>Non-current assets</b>		
Furniture, fixture and equipment	5	..... 35,224
<b>Current assets</b>		
Bank and cash balances		..... 78,372
		..... 78,372
<b>Current liabilities</b>		
Accrued expense		..... 4,000
		..... 4,000
<b>Net current assets</b>		..... 74,372
<b>Net assets</b>		..... 109,596
 <b>Representing: -</b>		
 <b>Deficit</b>		 (161,493)
<b>Non-current liability</b>		
Advance from directors	6	..... 271,089
		..... 109,596

Approved and authorised for issue by the board of directors on 9 February 2015

  
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 Director

  
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 Director

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

**DOMAT LIMITED**  
**STATEMENT OF CASH FLOW**  
**FOR THE PERIOD FROM 19 SEPTEMBER 2013 (DATE OF INCORPORATION)**  
**TO 30 NOVEMBER 2014**

	<u>2014</u> <u>HK\$</u>
<b>Operating activities</b>	
(Deficit) for the period	(161,493)
Adjustments for: -	
Depreciation	<u>11,741</u>
Operating cash flow before working capital changes	(149,752)
Increase in accrued expenses	<u>4,000</u>
Net cash (used in) operating activities	<u>(145,752)</u>
<b>Investing activities</b>	
Purchase of furniture, fixture and equipment	<u>(46,965)</u>
Net cash (used in) investing activities	<u>(46,965)</u>
<b>Financing activities</b>	
Advance from directors	<u>271,089</u>
<b>Net increase in cash and cash equivalents</b>	<b>78,372</b>
<b>Cash and cash equivalents at 1 December</b>	<u>-</u>
<b>Cash and cash equivalents at 30 November</b>	<u><u>78,372</u></u>
<b>Analysis of the balances of cash and cash equivalents</b>	
Bank and cash balances	<u><u>78,372</u></u>

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



DOMAT LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 19 SEPTEMBER 2013 (DATE OF INCORPORATION)  
TO 30 NOVEMBER 2014

**1. Status of the organization**

Liabilities of the organization is limited by guarantee, such that under the provisions of the organization's memorandum of association, every member shall, in the event of the organization being wound up, contribute such amount as may be required to meet the liabilities of the organization, but not exceeding HK\$100 each.

Principal activities of the organisation are the provision of architectural services to schools and underprivileged communities, with the aim of improving inadequate living environment and education standard.

**2. Significant accounting policies**

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which 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 requirements of the Hong Kong Companies Ordinance. A summary of the significant accounting policies adopted by the organization is set out below.

The HKICPA has issued a number of amendments to HKFRSs and one new Interpretation that are first effective for the current accounting period of the organization. The adoption of them did not result in significant changes to the organization's accounting policies in these financial statements for the years presented.

(b) Basis of preparation of the financial statements

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

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

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

DOMAT LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 19 SEPTEMBER 2013 (DATE OF INCORPORATION)  
TO 30 NOVEMBER 2014

**2. Significant accounting policies (cont'd)**

(c) Revenue recognition

Where a revenue item is attributable to designated funds, the revenue is allocated to the respective funds; all other revenue is allocated to general fund.

Revenue is measured at the fair value of the consideration received or receivable. Provided it is probable that the economic benefits will flow to the organization and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in profit or loss as follows:

- Consultancy service fee income was recognised when the services are rendered.

(d) Operating lease

Where the organization has the use of assets under operating lease, payments made under the leases are charged to the income and expenditure account in equal installments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognized in the income and expenditure account as an integral part of the aggregated net lease payments made.

(e) Fixed assets and depreciation

Fixed assets are stated in the statement of financial position at cost less accumulated depreciation and impairment losses, if any.

Depreciation is calculated to write off the cost of items of fixed assets, less their estimated residual value, if any, on a reducing balance basis over their estimated useful lives of 4 years.

The carrying amounts of fixed assets are reviewed for indications of impairment at each balance sheet date. An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. The recoverable amount of an asset, or of the cash-generating unit to which it belongs, is the greater of its fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is reversed if there has been a favourable change in estimates used to determine the recoverable amount.

Gains or losses arising from the retirement or disposal of a fixed asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss on the date of retirement or disposal.

DOMAT LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 19 SEPTEMBER 2013 (DATE OF INCORPORATION)  
TO 30 NOVEMBER 2014

**2. Significant accounting policies (cont'd)**

(f) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits at banks, net of short-term bank loans and bank overdrafts which are repayable on demand.

(g) Account and other payables

Account and other payables are initially recognised at fair value and thereafter stated at amortised cost unless the effect of discounting would be immaterial, in which cases, they are stated at cost.

(h) Provisions

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

(i) Employee benefits

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

**3. Directors' remuneration**

Directors' remuneration disclosed pursuant to section 161 of the Hong Kong Companies Ordinance is as follows:

	<u>2014</u> <u>HK\$</u>
Fees	-
Salaries, allowances and benefits in kind	145,000
Discretionary bonuses	-
Retirement scheme contributions	-
	<u>145,000</u>

**DOMAT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD FROM 19 SEPTEMBER 2013 (DATE OF INCORPORATION)**  
**TO 30 NOVEMBER 2014**

**4. Income tax**

No provision has been made for Hong Kong Profits Tax as the organization sustained a tax loss during the period.

**5. Furniture, fixture and equipment**

	<u>Equipment</u> HK\$	<u>Leasehold</u> <u>Improvement</u> HK\$	<u>Total</u> HK\$
<b>Cost</b>			
Additions, at cost	14,965	32,000	46,965
At 30 November 2014	<u>14,965</u>	<u>32,000</u>	<u>46,965</u>
<b>Aggregated depreciation</b>			
Charge for the year	3,741	8,000	11,741
At 30 November 2014	<u>3,741</u>	<u>8,000</u>	<u>11,741</u>
<b>Net Book value</b>			
At 30 November 2014	<u>11,224</u>	<u>24,000</u>	<u>35,224</u>

**6. Advance from directors**

It is unsecured, interest free and is not repayable within one year.

**7. Financial instruments**

The Organization is exposed to credit risk, liquidity risk and market risk (currency risk and interest rate risk) arising in the normal course of its business. The Organization's risk management objectives, policies and processes mainly focus on minimizing the potential adverse effects of these risks on its financial performance and position by closely monitoring the individual exposure.

(a) Credit risk

The Organization has exposure to concentration risk as all its cash at bank are deposited in a single bank, however as it is a reputable and creditworthy bank, the directors are of the opinion that the related credit risk is low. The Organization has no other significant financial assets which lead to any credit risk to the Organization. Therefore, in the opinion of the directors, the credit risk is considered to be low and no sensitivity analysis is performed.

The directors of the Organization consider the credit risk on the financial statements as low and no impairment provision is required.

DOMAT LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 19 SEPTEMBER 2013 (DATE OF INCORPORATION)  
TO 30 NOVEMBER 2014

**7. Financial instruments (cont'd)**

(b) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash balance to meet its financial commitments and to ensure adequate funding from members so as to enable the Organization to meet its liabilities as and when they fall due and to continue operating for the foreseeable future.

As at 30 November 2014, the aging of the Organization's financial liabilities based on the remaining period at the balance sheet date to the maturity date, in contractual undiscounted cash flows, is as follows:

	<u>HK\$</u>
Less than one year	4,000
After one year	271,089
	<u>275,089</u>

(c) Market risk

i) Currency risk

The Organization's exposure to currency risk is minimal as all material financial assets and liabilities are denominated in its functional currency.

ii) Interest rate risk

The Organization's exposure to cash flow interest rate risk is minimal because the Organization does not have any floating rate borrowings.