

UAL Ventures (China) Limited
英國倫藝（中國）有限公司

Director's Report and Financial Statements
31 July 2020

Director's report

The director submits herewith her annual report together with the audited financial statements for the year ended 31 July 2020.

Principal place of business

UAL Ventures (China) Limited (“the company”) is a company incorporated and domiciled in Hong Kong and has its registered office and principal place of business at Suite 1701-02, 17/F, FWD Financial Centre, 308 Des Voeux Road Central, Hong Kong.

Principal activities

The company has remained inactive during the year.

Share capital

Details of the share capital of the company are set out in note 5 to the financial statements. There were no movements during the year ended 31 July 2020.

Director

The director during the financial year and up to the date of this report was:

Kan Mun Kiu Justin

At no time during the year was the company, or any of its holding companies or fellow subsidiaries a party to any arrangement to enable the director of the company to acquire benefits by means of the acquisition of shares in or debentures of the company or any other body corporate.

Director's interests in transactions, arrangements or contracts

No contracts of significance to which the company, any of its holding companies or fellow subsidiaries was a party, and in which a director of the company had a material interest, subsisted at the end of the year or at any time during the year.

Statement of financial position at 31 July 2020

(Expressed in Hong Kong dollars)

	Notes	2020 \$	2019 \$
Current liabilities			
Amounts due to a holding company	3	<u>32,267</u>	<u>32,267</u>
Net current liabilities and net liabilities		<u>(32,267)</u>	<u>(32,267)</u>
Capital and reserve			
Share capital	5	1	1
Accumulated losses		<u>(32,268)</u>	<u>(32,268)</u>
Total deficit		<u>(32,267)</u>	<u>(32,267)</u>

Approved and authorised for issue by the sole director on 3 December 2020.



Kan Mun Kiu Justin

Director

The notes on page 3 to 7 form part of these financial statements.

Notes to the financial statements

(Expressed in Hong Kong dollars unless otherwise indicated)

1 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. Significant accounting policies adopted by the company are disclosed below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the company. The adoption of the new and revised HKFRSs has no significant impact on the financial statements of the company for the year ended 31 July 2020

The company has not applied any new standard that is not yet effective for the current accounting period (see note 8).

(b) Basis of preparation of the financial statements

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

Notwithstanding that the company had net current liabilities and net liabilities of \$32,267 at 31 July 2020, these financial statements have been prepared on a going concern basis as the company’s ultimate parent, University of the Arts London confirmed that it will not call upon the company to repay the amounts due to the parent within the next twelve months from the date of these financial statements.

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, 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 judgements 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.

1 Significant accounting policies (continued)

(c) Statement of profit or loss and other comprehensive income

During the years ended 31 July 2020 and 2019, the company earned no income and all of its expenses, including audit fee of nil (2019: nil) have been borne by the company's ultimate holding company which has waived its right of recovery thereof. Accordingly, no statement of profit or loss and other comprehensive income has been prepared.

(d) Statement of changes in equity and cash flow statement

There have been no change in equity and no cash and cash equivalents for the years ended 31 July 2020 and 2019. Accordingly, no statement of changes in equity and cash flow statement have been prepared.

(e) Payables

Payables are initially recognised at fair value and subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

(f) Income tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits. Apart from differences which arise on initial recognition of assets and liabilities, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised.

(g) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

1 Significant accounting policies (continued)

(h) Related parties

- (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 or the company's parent.
- (b) An entity is related to the company if any of the following conditions applies:
- (i) The entity and the company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the company or an entity related to the company.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the company or to the company's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

2. Status of the company and income tax

- (a) The company has remained inactive during the year.
- (b) No provision for Hong Kong Profits Tax has been made for the year ended 31 July 2020 (2019: nil) as the company had no assessable profits for the current year and prior year.

3. Amounts due to a holding company

The amounts due to a holding company are unsecured, interest-free and have no fixed terms of repayment.

4. Director's emoluments

No emoluments of any kind were paid to the sole director during the year ended 31 July 2020 (2019: nil) and therefore no director's emoluments are disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation.

5. Share capital

(a) Issued share capital

	2020		2019	
	No. of share	Amount \$	No. of share	Amount \$
Ordinary share, issued and fully paid				
At 1 August and 31 July	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

In accordance with Section 135 of the Hong Kong Companies Ordinance, the ordinary share of the company does not have a par value.

The holder of ordinary share is entitled to receive dividends as declared from time to time and is entitled to one vote per share at meetings of the company. All ordinary shares rank equally with regard to the company's residual assets.

(b) Capital management

The company manages its capital to ensure that the company will meet its working capital requirements when considering required returns to shareholder and options available in relation to the balance of debt and deficit. The management reviews the capital structure and considers the cost of capital and risk associated with each. In view of this, where required, the company will balance its overall capital structure through the payment of dividends and issue of new shares as it sees fit and appropriate.

6. Financial risk management and fair values

Exposure to liquidity risk arises in the normal course of the company's business. The company's exposure to the risk and the financial risk management policies and practices used by the company to manage the risk are described below.

(a) *Liquidity risk*

The company's policy is to regularly monitor its liquidity requirements and to ensure that it maintains sufficient reserves of cash and/or adequate funding from other group companies to meet its liquidity requirements in the short term. All of the company's expenses, including audit fee have been borne by the company's ultimate holding company which has waived its right of recovery thereof.

All financial liabilities are carried at amounts not materially different from their contractual undiscounted cash flows. All financial liabilities have no fixed terms of repayment.

(b) *Fair value measurement*

The carrying amounts of the company's financial liabilities are not materially different from their fair values as at 31 July 2020 and 2019.

7. Immediate and ultimate controlling party

At 31 July 2020, the sole director considers the immediate parent and ultimate controlling party of the company to be UAL Ventures Limited and University of the Arts London respectively, both of which are incorporated in the United Kingdom. Financial statements for both organisations can be obtained from University of the Arts London, 272 High Holborn, London, WC1N 3LA.

8. Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 July 2020

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments and new standards which are not yet effective for the year ended 31 July 2020 and which have not been adopted in these financial statements.

Given that the company has no operations, so far it has concluded that the adoption of them is unlikely to have a significant impact of the company's financial statements.