

**THE RUGBY UNION CLUB LIMITED**  
(Incorporated in Hong Kong and limited by guarantee)

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**30TH APRIL 2015**

Company Number: 1837735

CERTIFIED TRUE COPY  
For and on behalf of  
TRICOR CORPORATE SECRETARY LIMITED



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Authorised Signatory  
Secretary  
26 February 2016



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AC  
26/02/2016

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## **THE RUGBY UNION CLUB LIMITED**

### **REPORT OF THE DIRECTORS**

The directors submit their report together with the audited financial statements for the year ended 30th April 2015.

#### **Principal activity**

The principal activities of the Company are to encourage, promote and provide opportunities for:

- (i) Activities, including social entertainment, incidental to the playing and support for the playing of rugby;
- (ii) Contact, communication and cooperation between persons interested in the playing and support for the playing of rugby.

#### **Results and appropriations**

The results for the year are set out in the income statement on page 6 of the financial statements.

The directors do not recommend the payment of a dividend (2014: nil).

#### **Reserves**

Movements in reserves during the year are set out in the statement of changes in equity on page 8.

#### **Directors**

The directors of the Company during the period were:

Mr Pieter Schats (Appointed on 21<sup>st</sup> August 2014)

Mr T Gregory (Resigned on 21<sup>st</sup> August 2014)

Mr G A Jamieson

Mr M G Kibble

Mr P M Daley

Mr G R A Haley

Mr J B Molloy

In accordance with Article 7 of the Articles of Association, all directors retire and offer themselves for re-election.

#### **Directors' interests**

No contracts of significance in relation to the Company's business to which the Company or its related companies 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 period or at any time during the period.

At no time during the period was the Company or its related companies a party to any arrangement to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

# **THE RUGBY UNION CLUB LIMITED**

## **REPORT OF THE DIRECTORS (CONTINUED)**

### **Management contracts**

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

### **Related party transactions**

Details of significant related party transactions undertaken in the normal course of business are provided in Note 11 to the financial statements.

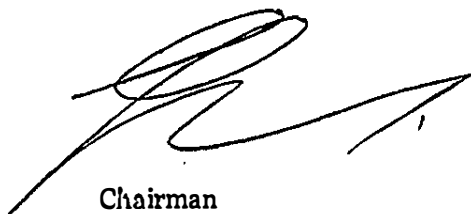
### **Business Review**

The Company is exempted from preparation of a business review since the Company is a wholly owned subsidiary of another body corporate (the Hong Kong Rugby Football Union, a company incorporated in Hong Kong) during the year.

### **Auditors**

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

On behalf of the Board



Chairman

Hong Kong, 24th July 2015



羅兵咸永道

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF THE RUGBY UNION CLUB LIMITED**  
(Incorporated in Hong Kong and limited by guarantee)

We have audited the financial statements of The Rugby Union Club Limited (the "Company") set out on pages 5 to 14, which comprise the statement of financial position as at 30th April 2015, and the income statement, the statement of comprehensive income, the statement of changes in equity and cash flow statement 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 Company are responsible for the preparation of financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants, 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.

**Auditor's responsibility**

Our responsibility is to express an opinion on the financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. 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 of financial statements that give a true and fair view 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.

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



羅兵咸永道

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF THE RUGBY UNION CLUB LIMITED (CONTINUED)**  
(Incorporated in Hong Kong and limited by guarantee)

**Opinion**

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 30th April 2015, and of its deficit 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.

**Emphasis of Matter**

Without qualifying our opinion, we draw attention to Note 2(a) to the financial statements which indicate that the Company has net current liabilities of HK\$80,577, an accumulated deficit of the same amount and is entirely reliant upon the continuing financial support of a relevant company. This indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

A handwritten signature in black ink, likely belonging to a representative of PricewaterhouseCoopers.

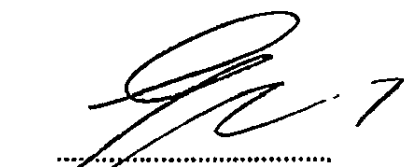
**PricewaterhouseCoopers**  
Certified Public Accountants


Hong Kong, 24th July 2015

**THE RUGBY UNION CLUB LIMITED**  
(Incorporated in Hong Kong and limited by guarantee)

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30TH APRIL 2015**

	Note	2015 HK\$	2014 HK\$
<b>Current assets</b>			
Cash and cash equivalents	5	79,310	84,660
		-----	-----
<b>Current liabilities</b>			
Other payables and accruals	6	23,000	22,500
Amount due to a related company	7	136,887	85,483
		-----	-----
		159,887	107,983
		=====	=====
<b>Net current liabilities</b>		(80,577)	(23,323)
		-----	-----
<b>Net liabilities</b>		(80,577)	(23,323)
		=====	=====
<b>Financed by:</b>			
Accumulated deficit		(80,577)	(23,323)
		=====	=====

  
.....  
Chairman

  
.....  
Director

As approved on 24th July 2015.

The notes on pages 10 to 14 are an integral part of these financial statements.

**THE RUGBY UNION CLUB LIMITED**  
(Incorporated in Hong Kong and limited by guarantee)

**INCOME STATEMENT**  
**FOR THE YEAR ENDED 30TH APRIL 2015**

		For the year ended 30th April 2015 HK\$	For the period from 12th December 2012 (date of incorporation) to 30th April 2014 HK\$
	Note		
Interest income		6	-
Administration expenses	8	(57,260)	(23,323)
Deficit before taxation		(57,254)	(23,323)
Taxation	9	-	-
Deficit for the year/period		(57,254)	(23,323)

The notes on pages 10 to 14 are an integral part of these financial statements.

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**THE RUGBY UNION CLUB LIMITED**  
(Incorporated in Hong Kong and limited by guarantee)

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30TH APRIL 2015**

	For the year ended 30th April 2015 HK\$	For the period from 12th December 2012 (date of incorporation) to 30th April 2014 HK\$
Deficit for the year/period	(57,254)	(23,323)
Total comprehensive loss for the year/period	<u>(57,254)</u>	<u>(23,323)</u>

The notes on pages 10 to 14 are an integral part of these financial statements.



**THE RUGBY UNION CLUB LIMITED**  
(Incorporated in Hong Kong and limited by guarantee)

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30TH APRIL 2015**

	Accumulated deficit HK\$
At 12th December 2012 (date of incorporation)	-
Total comprehensive loss for the period	(23,323)
At 30th April 2014	<u>(23,323)</u>
At 1st May 2014	(23,323)
Total comprehensive loss for the year	(57,254)
At 30th April 2015	<u>(80,577)</u>

The notes on pages 10 to 14 are an integral part of these financial statements.

**THE RUGBY UNION CLUB LIMITED**  
(Incorporated in Hong Kong and limited by guarantee)

**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 30TH APRIL 2015**

	For the year ended 30th April 2015 HK\$	For the period from 12th December 2012 (date of incorporation) to 30th April 2014 HK\$
Cash flows from operating activities		
Deficit before taxation	(57,254)	(23,323)
Operating deficit before working capital changes	(57,254)	(23,323)
Increase in other payables and accruals	500	22,500
Net cash used in operating activities	(56,754)	(823)
Cash flows from a financing activity		
Increase in amount due to a related company	51,404	85,483
Net cash generated from a financing activity	51,404	85,483
Net (decrease)/increase in cash and cash equivalents	(5,350)	84,660
Cash and cash equivalents at beginning of the period	84,660	-
Cash and cash equivalents at end of the period	79,310	84,660
Analysis of cash and cash equivalents		
Bank balances and cash	79,310	84,660

The notes on pages 10 to 14 are an integral part of these financial statements.

## **THE RUGBY UNION CLUB LIMITED**

(Incorporated in Hong Kong and limited by guarantee)

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **1 General information**

The principal activity of the Company is to encourage, promote and provide opportunities for:

- (i) Activities, including social entertainment, incidental to the playing and support for the playing of rugby;
- (ii) Contact, communication and cooperation between persons interested in the playing and support for the playing of rugby.

The Company is limited by guarantee with no share capital and incorporated in Hong Kong.

The registered office of the company is Room 2001, Olympic House, 1 Stadium Path, So Kon Po, Causeway Bay, Hong Kong.

#### **2 Summary of significant accounting policies**

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to the period presented, unless otherwise stated.

##### **(a) Basis of preparation**

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). They have been prepared under the historical cost convention. The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates and judgement in the process of applying the Company's accounting policies.

At 30th April 2015, the Company's net current liabilities amounted to HK\$80,577 (30th April 2014: HK\$23,323). A related company, Hong Kong Rugby Football Union, has confirmed its intention to provide continuing financial support to the Company so as to enable the Company to meet its liabilities as and when they fall due and to enable the Company to continue operating in the foreseeable future. The Directors believe that the Company will continue as a going concern and accordingly have prepared the financial statements on a going concern basis.

The Company was incorporated on 12th December 2012 and its first financial year end covered a period of approximately 17 months from 12th December 2012 to 30th April 2014. The comparative figures presented for the income statement, statement of comprehensive income, statement of changes in equity, cash flow statement and related notes cover a period of approximately 17 months, and therefore they are not entirely comparable.

##### **(b) Changes in accounting policies**

As at the date of approval of these financial statements, there are new standards and amendments and interpretations to existing standards which have been issued by the HKICPA. Some are already effective for the period ended 30th April 2015 and some are not yet effective. Management have performed an assessment of those new standards and amendments and interpretations to existing standards and consider that they are not relevant to the Company's operations.

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## **THE RUGBY UNION CLUB LIMITED**

(Incorporated in Hong Kong and limited by guarantee)

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **2 Summary of significant accounting policies (Continued)**

##### **(c) Cash and cash equivalents**

Cash and cash equivalents include cash in hand and cash at banks.

##### **(d) Provisions**

Provisions are recognised when the Company 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.

##### **(e) Revenue Recognition**

Interest income is recognised on a time proportion basis, using the effective interest method.

##### **(f) Foreign currency translation**

The financial statements are presented in Hong Kong dollars, which is the Company's functional and presentation currency.

Foreign currency transactions are translated into Hong Kong dollars using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into Hong Kong dollars at the rates of exchange prevailing at the balance sheet date. All unrealised and realised exchange differences are recognised in the income statement.

##### **(g) Related parties**

Related parties are individuals and companies, where the individual or company has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control.

#### **3 Financial risk management**

##### **(a) Financial risk factors**

The Company's activities expose it to a variety of financial risks: credit risk and liquidity risk. The Company's overall risk management strategy seeks to minimise adverse effects on the Company's financial performance.

###### **(i) Credit risk**

The Company minimises its credit risk in relation to receivables through the close monitoring of receivable balances.

For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted.

**THE RUGBY UNION CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**

**3 Financial risk management (Continued)**

**(a) Financial risk factors (Continued)**

**(ii) Liquidity risk**

Prudent liquidity risk management includes maintaining sufficient cash to meet the commitments and obligations of the Company.

The table below analyses the Company's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date.

	Less than 1 year HK\$	Between 1 and 2 years HK\$	Between 2 and 5 years HK\$	Over 5 years HK\$
At 30th April 2015				
Other payables and accruals	<u>23,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 30th April 2014				
Other payables and accruals	<u>22,500</u>	<u>-</u>	<u>-</u>	<u>-</u>

The Company does not have any non-current liabilities. Current liabilities are other payable and accruals and amount due to a related company. Current liabilities are all due with 12 months of the balance sheet date. The fair values of the balances due are equal to their carrying amount as the impact of discounting is not significant.

**(iii) Capital risk management**

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern.

The capital structure of the Company consists of amount due to a related company and cash and cash equivalents.

To maintain or adjust the capital structure, the Company may make arrangements with related companies to obtain funding.

**(iv) Offsetting financial assets and financial liabilities**

There is no material offsetting, enforceable master netting arrangement and similar agreements during the year.

**4 Critical accounting estimates and judgements**

During the period, the Company made estimates and judgements concerning the future. The resulting accounting estimates will by definition seldom equal the related actual results. However, there are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

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**THE RUGBY UNION CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**

**5 Cash and cash equivalents**

	30th April 2015 HK\$	30th April 2014 HK\$
Cash at bank and in hand	<u>79,310</u>	<u>84,660</u>

All cash and cash equivalents are denominated in Hong Kong dollars.

**6 Other payables and accruals**

	30th April 2015 HK\$	30th April 2014 HK\$
Other payables and accruals	<u>23,000</u>	<u>22,500</u>

The fair values of the balances due are equal to their carrying amounts as the impact of discounting is not significant. The balances are all denominated in Hong Kong dollars.

**7 Amount due to a related company**

Hong Kong Rugby Football Union ("HKRFU") is a related company to the Company. The amount due to HKRFU is unsecured, interest free and has no fixed terms of repayment. The balance is denominated in Hong Kong dollars.

**8 Expenses by nature**

	For the year ended 30th April 2015 HK\$	For the period from 12th December 2012 (date of incorporation) to 30th April 2014 HK\$
Auditor's remuneration	23,000	22,500
Professional fee	33,710	-
Bank charges	550	823
Total expenditure	<u>57,260</u>	<u>23,323</u>

# THE RUGBY UNION CLUB LIMITED

(Incorporated in Hong Kong and limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS

### 9 Taxation

No provision for Hong Kong profits tax has been made in the financial statements as the Company has no estimated assessable income for the year.

The taxation on the Company's deficit before taxation differs from the theoretical amount that would arise using the Hong Kong profits tax rate as follows:

	For the year ended 30th April 2015 HK\$	For the period from 12th December 2012 (date of incorporation) to 30th April 2014 HK\$
Deficit before taxation	(57,254)	(23,323)
Calculated at a taxation rate of 16.5% (2014:16.5%)	(9,447)	(3,848)
Expenses not deductible for taxation purpose	9,447	3,848
	-	-

### 10 Directors' emoluments

None of the directors received or will receive any fees or emoluments in respect of services provided to the company during the period.

### 11 Related parties

During the year, the Company did not undertake any transaction with related parties in the normal course of its business, other than the financing disclosed in Note 7 (2014: same).

None of the directors received or are entitled to receive any fees or emoluments in respect of services provided to the Company during the period.

### 12 Approval of financial statements

The financial statements were approved by the board of directors on 24th July 2015.