

TBA Limited

Directors' Report and Financial Statements
For the year ended 31 March 2019

Certified True Copy

A handwritten signature in black ink, appearing to read 'Bryan', with a long, sweeping horizontal line extending to the right across the 'Certified True Copy' text.

Cheung Bryan Anthony Tsz Fung
Director

TBA Limited

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TBA Limited

Directors' Report

For the year ended 31 March 2019

The directors present their report and the audited financial statements of the Association for the year ended 31 March 2019.

Objects

The objects of the Association are:

- (1) to promote Bitcoin, Blockchain and distributed ledger technology, protocols and applications;
- (2) to develop a healthy and vibrant community of individuals and companies in Hong Kong who or which use Bitcoin, Blockchain and its technology, protocols and applications;
- (3) to educate the public, governmental authorities and other organisations about the benefits and risks of Bitcoin, Blockchain and distributed ledger technology;
- (4) to be a reliable, trusted and accessible source of information and assistance for the Bitcoin and Blockchain community in Hong Kong and other parts of the world;
- (5) to represent its members in relation to matters involving the governmental authorities of, and other relevant bodies in, Hong Kong and elsewhere as desired;
- (6) to provide a forum for its members;
- (7) to connect its members with other individuals or organisations in Hong Kong or elsewhere who or which have objects similar to those of the Association or are otherwise concerned with Bitcoin, Blockchain and distributed ledger technology;
- (8) to establish and maintain relationships with chambers of commerce, associations, foundations and other bodies in Hong Kong and worldwide and collaborate with them on matters of mutual interest or common concern;
- (9) to develop technical and business standards and best common practice; and
- (10) to do all such other lawful things as are incidental or conducive to the attainment of any of the above objects.

Results and appropriations

The results for the year ended 31 March 2019 and the state of affairs of the Association are set out on pages 6 to 11.

Directors

The directors who held office during the year and up to the date of this report are:

CHEUNG Bryan Anthony Tsz Fung	(appointed on 30 October 2019)
CHOI Clifford K	(appointed on 30 October 2019)
Olha KOCHMAR	(appointed on 30 May 2019)
Leonhard Armin WEESE	(resigned on 30 October 2019)
Chechung CHANG	(resigned on 30 October 2019)
Dominique Mendoza ABAD	(resigned on 30 May 2019)

In accordance with Articles 20 and 21 of Part B of the Association's Articles of Association, a retiring director is eligible for reappointment and other directors continue in office.

TBA Limited

Directors' Report

For the year ended 31 March 2019

Permitted indemnity provision

Article 29(1) of Part B of the Association's Articles provides that a director or former director of the Association may be indemnified out of the Association's assets against any liability incurred by the director to a person other than the Association or an associated company of the Association in connection with any negligence, default, breach of duty or breach of trust in relation to the Association or associated company (as the case may be). This Article only applies if the indemnity does not cover the liability as set out in Article 29(2) of Part B of the Association's Articles. This permitted indemnity provision is in force during the financial year and at the time of approval of this report.

Management contract

The Association has not entered into any contract whereby the management and administration of the whole or any substantial part of the Association's business has been undertaken by a party other than the Association's directors or employees.

Business review

The Association falls within reporting exemption for the financial period. Accordingly, the Association is exempted from preparing a business review.

Auditor

The financial statements have been audited by Messrs. FTW & Partners CPA Limited, who retire and, being eligible offer themselves for re-appointment.

On behalf of the Board



CHEUNG Bryan Anthony Tsz Fung
Chairperson

Hong Kong, 6 March 2020

**Independent Auditor's Report to the Members of
TBA Limited**

(incorporated in Hong Kong and limited by guarantee)

Opinion

We have audited the financial statements of TBA Limited ("the Association") set out on pages 6 to 11, which comprise the statement of financial position as at 31 March 2019, and the income statement and statement of changes in funds for the year then ended 31 March 2019, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements of the Association are prepared, in all material respects, in accordance with the Hong Kong Small and Medium-Sized Entity Financial Reporting Standard ("SME-FRS") issued by the Hong Kong Institute of Certified Public Accountants ("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") and with reference to Practice Note 900 (Revised) "Audit of Financial Statements Prepared in Accordance with the Small and Medium-Sized Entity Financial Reporting Standard" 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 Association 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 are responsible for the other information. The other information comprises the information included in the directors' report, but does not include the financial statements and our auditor's report thereon.

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
TBA Limited**

(incorporated in Hong Kong and limited by guarantee)

Responsibilities of the directors and those charged with governance for the financial statements

The directors are responsible for the preparation of the financial statements in accordance with the SME-FRS 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 Association'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 Association or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

It is our responsibility to form an independent opinion, based on our audit, on those financial statements 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. 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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's 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 HKSA's, we exercise professional judgment 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 Association's internal control.

**Independent Auditor's Report to the Members of
TBA Limited**

(incorporated in Hong Kong and limited by guarantee)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- 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 Association'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 Association to cease to continue as a going concern.

We communicate with those charged with governance 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.



FTW & Partners CPA Limited
Certified Public Accountants
Hong Kong, 6 March 2020

HO Cheung Kong
Practising Certificate Number: P5214

TBA Limited

Income Statement

For the year ended 31 March 2019


	Note	Year ended to 31.3.2019 HK\$	31.10.2017 to 31.3.2018 HK\$
Income			
Sales of tickets		6,710	5,588
Membership fee income		25,555	41,315
Advertising income		5,117	-
		<u>37,382</u>	<u>46,903</u>
Other income			
Waiver of amounts due to directors		140,000	-
Sundry income		123	-
		<u>140,123</u>	<u>-</u>
Other net loss			
Exchange difference, net		1,016	-
Change in value on current investments		(137,568)	(7,020)
		<u>(136,552)</u>	<u>(7,020)</u>
Expenditure			
Auditor's remuneration		(9,000)	(8,500)
Computer expenses		-	(7,586)
Internet charges		(5,819)	(4,378)
Legal and professional fees		(13,663)	-
Seminar expenses		(11,497)	(3,658)
Sundry expenses		(1,323)	(3,676)
		<u>(41,302)</u>	<u>(27,798)</u>
(Deficit)/surplus before tax	3	(349)	12,085
Taxation	5	-	(498)
(Deficit)/surplus for the year/period		<u>(349)</u>	<u>11,587</u>

TBA Limited

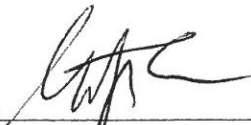
Statement of Financial Position As at 31 March 2019

	Note	2019 HK\$	2018 HK\$
Current assets			
Current investments	6	<u>175,781</u>	<u>315,630</u>
Current liabilities			
Due to directors	7	155,045	295,045
Accruals		9,000	8,500
Tax liabilities		<u>498</u>	<u>498</u>
		<u>164,543</u>	<u>304,043</u>
Net current assets		<u>11,238</u>	<u>11,587</u>
Net assets		<u><u>11,238</u></u>	<u><u>11,587</u></u>
Represented by:			
General reserves		<u><u>11,238</u></u>	<u><u>11,587</u></u>

The financial statements were approved by the Board on 6 March 2020
and signed on its behalf by:



CHEUNG Bryan Anthony Tsz Fung
Director



CHOI Clifford K
Director

TBA Limited

Statement of Changes in Funds For the year ended 31 March 2019

	General reserves HK\$
Balance at 31 March 2018	11,587
Deficit for the year	<u>(349)</u>
Balance at 31 March 2019	<u><u>11,238</u></u>

TBA Limited

Notes to Financial Statements

For the year ended 31 March 2019

1. General information

TBA Limited is an Association limited by guarantee which incorporated in Hong Kong. Its registered office is located at 29/F, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong.

The objects of the Association are:

- (1) to promote Bitcoin, Blockchain and distributed ledger technology, protocols and applications;
- (2) to develop a healthy and vibrant community of individuals and companies in Hong Kong who or which use Bitcoin, Blockchain and its technology, protocols and applications;
- (3) to educate the public, governmental authorities and other organisations about the benefits and risks of Bitcoin, Blockchain and distributed ledger technology;
- (4) to be a reliable, trusted and accessible source of information and assistance for the Bitcoin and Blockchain community in Hong Kong and other parts of the world;
- (5) to represent its members in relation to matters involving the governmental authorities of, and other relevant bodies in, Hong Kong and elsewhere as desired;
- (6) to provide a forum for its members;
- (7) to connect its members with other individuals or organisations in Hong Kong or elsewhere who or which have objects similar to those of the Association or are otherwise concerned with Bitcoin, Blockchain and distributed ledger technology;
- (8) to establish and maintain relationships with chambers of commerce, associations, foundations and other bodies in Hong Kong and worldwide and collaborate with them on matters of mutual interest or common concern;
- (9) to develop technical and business standards and best common practice; and
- (10) to do all such other lawful things as are incidental or conducive to the attainment of any of the above objects.

2. Basis of preparation and significant accounting policies

(a) Basis of preparation of financial statements

The Association qualifies for the reporting exemption as a small guarantee company under sections 359(1)(a) and 363 of the Hong Kong Companies Ordinance and is therefore entitled to prepare and present its financial statements in accordance with the Small and Medium-sized Entity Financial Reporting Standard ("SME-FRS") issued by the Hong Kong Institute of Certified Public Accountants.

These financial statements comply with the SME-FRS and have been prepared under the accrual basis of accounting and on the basis that the Association is a going concern. The measurement base adopted is the historical cost convention.

TBA Limited

Notes to Financial Statements

For the year ended 31 March 2019

2. Basis of preparation and significant accounting policies (cont'd)

(b) Reporting currency

The financial statements are presented in Hong Kong Dollars ("HK\$") which is the Association's functional and presentation currency.

(c) Investments

Current investments are stated at the lower of cost and net realisable value. Long-term investments are stated at cost less accumulated impairment losses.

(d) Income tax

Income tax expense represents current tax expense. The income tax payable represents the amounts expected to be paid to the taxation authority, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of reporting period.

Deferred tax is not provided.

(e) Recognition of revenue

Sales of tickets are recognised upon completion of the events.

Membership subscriptions are recognised over time upon receipts.

Revenue from services provided is recognised when the services are rendered, the revenue can be reliably estimated and it is probable that the revenue will be received.

(f) Related parties

Two parties are considered to be related if one party 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 or common significant influence.

3. (Deficit)/surplus before tax

	Year ended 31.3.2019 HK\$	31.10.2017 to 31.3.2018 HK\$
(Deficit)/surplus before tax is stated after charging:		
Auditor's remuneration	<u>9,000</u>	<u>8,500</u>
and after crediting:		
Waiver of amounts due to directors	<u>140,000</u>	<u>-</u>

TBA Limited

Notes to Financial Statements For the year ended 31 March 2019

4. Directors' remuneration

None of the directors received any remuneration in respect of their services rendered for the year (2018: Nil).

5. Taxation

	Year ended 31.3.2019 HK\$	31.10.2017 to 31.3.2018 HK\$
Current tax - Hong Kong Profits Tax Provision for the year/period	-	498

Provision for Hong Kong Profits Tax has not been made as the Association sustained a taxation loss during the year (2018: 16.5%).

6. Current investments

	2019 HK\$	2018 HK\$
Unlisted investments, at cost	313,349	322,650
Change in value	(137,568)	(7,020)
Net realisable value	175,781	315,630

The investments included the Bitcoins held by the Association. They are measured at the lower of cost and net realisable value.

7. Due to directors

The amounts are unsecured, interest-free and repayable on demand.

8. Status of Association

The Association is limited by guarantee. Pursuant to Article 4 of Part A of the Association's Articles, every member of the Association undertakes to contribute to the assets of the Association in the event of its being wound up while he is a member, or within 1 year afterwards, for the payment of the debts and liabilities of the Association contracted before he ceases to be a member, and 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 not exceeding HK\$100.