

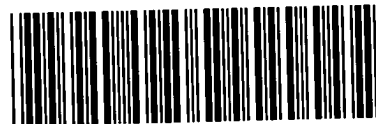
Registered number: 04454829

## **WINPAC EUROPE LIMITED**

### **DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

WEDNESDAY



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**WINPAC EUROPE LIMITED**

**COMPANY INFORMATION**

<b>Directors</b>	V K W Fung H H Choi
<b>Registered number</b>	04454829
<b>Registered office</b>	c/o PKF Littlejohn LLP 2nd Floor, 1 Westferry Circus Canary Wharf London E14 4HD
<b>Independent auditor</b>	PKF Littlejohn LLP Statutory Auditor 1 Westferry Circus Canary Wharf London E14 4HD

# **WINPAC EUROPE LIMITED**

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**WINPAC EUROPE LIMITED**

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2016**

The Directors present their report and the financial statements for the year ended 31 December 2016.

**Principal activity**

The principal activity of the Company is that of an investment company.

**Directors**

The Directors who served during the year were:

V K W Fung  
H H Choi

**Disclosure of information to auditor**

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

**Auditor**

The auditor, PKF Littlejohn LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

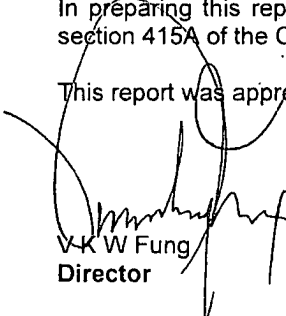
**Small companies note**

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on

18 August 2017

and signed on its behalf.

  
V K W Fung  
Director

## **WINPAC EUROPE LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2016**

The Directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **WINPAC EUROPE LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WINPAC EUROPE LIMITED**

We have audited the financial statements of Winpac Europe Limited for the year ended 31 December 2016, set out on pages 5 to 13. The relevant financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of Directors and Auditor**

As explained more fully in the Directors' responsibilities statement on page 2, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with those financial statements and this report has been prepared in accordance with applicable legal requirements.

In the light of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

**WINPAC EUROPE LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WINPAC EUROPE LIMITED (CONTINUED)**

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Directors' report and take advantage of the small companies' exemption from the requirement to prepare a Strategic report.



David Thompson (Senior statutory auditor)

for and on behalf of  
**PKF Littlejohn LLP**

Statutory Auditor

1 Westferry Circus  
Canary Wharf  
London  
E14 4HD

Date:

18 August 2017

WINPAC EUROPE LIMITED

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 £	2015 £
Administrative expenses		85,941	(169,878)
Other operating income	3	130,805	120,138
<b>Operating profit/(loss)</b>		<b>216,746</b>	<b>(49,740)</b>
Income from fixed assets investments		-	90,933
Reversal of impairment to/(impairment of) investments		123,168	(123,168)
<b>Profit/(loss) before tax</b>		<b>339,914</b>	<b>(81,975)</b>
<b>Profit/(loss) for the year</b>		<b>339,914</b>	<b>(81,975)</b>

There was no other comprehensive income for 2016 (2015:£NIL).

The notes on pages 8 to 13 form part of these financial statements.



WINPAC EUROPE LIMITED  
REGISTERED NUMBER: 04454829

BALANCE SHEET  
AS AT 31 DECEMBER 2016

	Note	2016 £	2015 £
<b>Fixed assets</b>			
Investments	5	1,138,705	1,015,537
		<u>1,138,705</u>	<u>1,015,537</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	6	511,150	359,785
Cash at bank and in hand	7	313,321	92,372
		<u>824,471</u>	<u>452,157</u>
Creditors: amounts falling due within one year	8	(554,870)	(399,302)
<b>Net current assets</b>		<u>269,601</u>	<u>52,855</u>
<b>Total assets less current liabilities</b>		<u>1,408,306</u>	<u>1,068,392</u>
<b>Net assets</b>		<u><u>1,408,306</u></u>	<u><u>1,068,392</u></u>
<b>Capital and reserves</b>			
Called up share capital		500,000	500,000
Profit and loss account		908,306	568,392
		<u><u>1,408,306</u></u>	<u><u>1,068,392</u></u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

18 August 2017.

V K W Fung  
Director

H H Choi  
Director

The notes on pages 8 to 13 form part of these financial statements.

**WINPAC EUROPE LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2016**

	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>
At 1 January 2016	500,000	568,392	1,068,392
<b>Comprehensive income for the year</b>			
Profit for the year	-	339,914	339,914
<b>Total comprehensive income for the year</b>	-	339,914	339,914
<b>At 31 December 2016</b>	<b>500,000</b>	<b>908,306</b>	<b>1,408,306</b>

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2015**

	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>
At 1 January 2015	500,000	650,367	1,150,367
<b>Comprehensive income for the year</b>			
Loss for the year	-	(81,975)	(81,975)
<b>Total comprehensive income for the year</b>	-	(81,975)	(81,975)
<b>At 31 December 2015</b>	<b>500,000</b>	<b>568,392</b>	<b>1,068,392</b>

The notes on pages 8 to 13 form part of these financial statements.

## **WINPAC EUROPE LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

#### **1. General information**

Winpac Europe Limited ('the Company') is an investment company.

The Company is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is c/o PKF Littlejohn LLP, 1 Westferry Circus, Canary Wharf, London, E14 4HD.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

Management have exercised significant judgement regarding the carrying value of the investment in subsidiary companies in respect of the expected recoverability.

The following principal accounting policies have been applied:

##### **2.2 Financial reporting standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d).

This information is included in the consolidated financial statements of Goodwill International (Holdings) Limited as at 31 December 2016 and these financial statements may be obtained from Suite B, 10th Floor, Yardley Commercial Building, 3 Connaught Road West, Sheung Wan, Hong Kong.

##### **2.3 Going concern**

The Directors have considered the going concern status of the Company. Due to the nature of the Company's business and geographical locations of its subsidiaries, the Directors believe that the Company is well placed to manage its business risks successfully. The Company is able to control its costs as these are linked to the activities of their subsidiaries. The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**2. Accounting policies (continued)**

**2.4 Impairment of fixed assets and goodwill**

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

**2.5 Investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

**2.6 Cash**

Cash is represented by deposits with financial institutions repayable without penalty on notice of not more than 24 hours. There was no cash equivalents.

**2.7 Financial instruments**

The Company has chosen to adopt Section 11 of FRS 102 in respect of financial instruments. The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities such as trade and other accounts receivable and payable and amounts owed to related parties.

**i) Financial assets**

Basic financial assets, represented by amounts owed by group undertakings and cash and bank balances, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

**ii) Financial liabilities**

Basic financial liabilities, comprising of trade creditors and amounts owed to group companies, are initially recognised at transaction price, unless the arrangement constitutes a financial transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary

WINPAC EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.7 Financial instruments (continued)

course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, which is when the contractual obligation is discharged, cancelled or expires.

2.8 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income.

3. Other operating income

	2016 £	2015 £
Service charge receivable	130,805	120,138
	<u>130,805</u>	<u>120,138</u>

4. Auditor's remuneration

	2016 £	2015 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	8,500	8,500
	<u>8,500</u>	<u>8,500</u>

WINPAC EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016

5. Fixed asset investments

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 1 January 2016	1,138,705
At 31 December 2016	1,138,705
At 1 January 2016	123,168
Reversal of impairment losses	(123,168)
At 31 December 2016	-
<b>Net book value</b>	
At 31 December 2016	1,138,705
At 31 December 2015	1,015,537

**WINPAC EUROPE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**6. Debtors**

	2016 £	2015 £
Amounts owed by group undertakings	511,150	359,785
	<u>511,150</u>	<u>359,785</u>

**7. Cash**

	2016 £	2015 £
Cash at bank	313,321	92,372
	<u>313,321</u>	<u>92,372</u>

**8. Creditors: Amounts falling due within one year**

	2016 £	2015 £
Trade creditors	22,643	-
Amounts owed to group undertakings	523,727	376,844
Accruals and deferred income	8,500	22,458
	<u>554,870</u>	<u>399,302</u>

**WINPAC EUROPE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**9. Financial instruments**

	2016 £	2015 £
<b>Financial assets</b>		
Financial assets measured at amortised cost	824,471	452,157
	<u>824,471</u>	<u>452,157</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	546,370	376,844
	<u>546,370</u>	<u>376,844</u>

Financial assets measured at amortised cost comprise of cash at bank and amounts owed by group undertakings.

Financial liabilities measured at amortised cost comprise of trade creditors and amounts owed to group undertakings.

**10. Related party transactions**

As the Company is a wholly owned subsidiary and as the consolidated financial statements which include the results of the subsidiaries are publicly available, it has taken advantage of the exemption in Section 33 of FRS 102 from disclosing transactions with Group undertakings.

**11. Controlling party**

The immediate parent undertaking is Winpac International (Holdings) limited, a company registered in Hong Kong. The Company's ultimate holding company is Goodwill International (Holdings) Limited, a company incorporated in Hong Kong. A copy of the financial statements of Goodwill International (Holdings) Limited can be obtained from Suite B, 10th Floor, Yardley Commercial Building, 3 Connaught Road West, Sheung Wan, Hong Kong.

In the opinion of the Directors, there is no one ultimate controlling individual.