

Registered number: 04454829

**WINPAC EUROPE LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**



## **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 15 Westferry Circus Canary Wharf London E14 4HD
<b>Independent auditors</b>	PKF Littlejohn LLP Statutory Auditor 15 Westferry Circus Canary Wharf London E14 4HD

# **WINPAC EUROPE LIMITED**

## **CONTENTS**

	<b>Page</b>
<b>Directors' report</b>	<b>1</b>
<b>Directors' responsibilities statement</b>	<b>2</b>
<b>Independent auditors' report</b>	<b>3 - 6</b>
<b>Statement of comprehensive income</b>	<b>7</b>
<b>Balance sheet</b>	<b>8</b>
<b>Statement of changes in equity</b>	<b>9</b>
<b>Notes to the financial statements</b>	<b>10 - 13</b>

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2021**

The Directors present their report and the financial statements for the year ended 31 December 2021.

**Principal activity**

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

**Results and dividends**

The loss for the year, after taxation, amounted to £1,154,549 (2020 - loss £18,487).

**Directors**

The Directors who served during the year were:

V K W Fung  
H H Choi

**Disclosure of information to auditors**

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 auditors are 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 auditors are aware of that information.

**Going concern**

The Directors have considered the going concern status of the Company, including considerations with regards to the continuing potential impact of the COVID-19 virus. Due to the nature of the Company's business, 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 and has the full support of its parent entity Winbox Company Limited. 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.

**Auditors**

The auditors, 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

26 SEP 2022

and signed on its behalf.



V K W Fung  
Director

**DIRECTORS' RESPONSIBILITIES STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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; and
- 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WINPAC EUROPE LIMITED**

**Opinion**

We have audited the financial statements of Winpac Europe Limited (the 'Company') for the year ended 31 December 2021, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its loss 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.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

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

**Other information**

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' report thereon. The Directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

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

In the light of the 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.

We have nothing to report in respect of the following matters in relation to which 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' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

**Responsibilities of directors**

As explained more fully in the Directors' responsibilities statement set out 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, 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 Company'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 Company or to cease operations, or have no realistic alternative but to do so.

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

**Auditors' responsibilities for the audit of the financial statements**

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 Auditors' 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 ISAs (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the sector in which the company operates to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, industry research, application of cumulative audit knowledge and experience of the sector.
- We determined the laws and regulations relevant to the company to be those arising from Companies Act 2006.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the company with those laws and regulations. These procedures included but were not limited to enquiries of management and review of minutes.
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to the testing of journals; reviewing accounting estimates for evidence of bias and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.



**WINPAC EUROPE LIMITED**

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

**Use of our report**

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 Auditors' 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.

*PKF Littlejohn LLP*

Karen Egan (Senior statutory auditor)

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

Statutory Auditor

15 Westferry Circus  
Canary Wharf  
London  
E14 4HD

Date: 26 September 2022

**WINPAC EUROPE LIMITED****STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Administrative expenses	<b>(1,282,541)</b>	<b>(145,276)</b>
Other operating income	<b>127,992</b>	<b>126,789</b>
<b>Operating loss</b>	<b>(1,154,549)</b>	<b>(18,487)</b>
<b>Loss for the financial year</b>	<b>(1,154,549)</b>	<b>(18,487)</b>

There was no other comprehensive income for 2021 (2020:£NIL).

The notes on pages 10 to 13 form part of these financial statements.

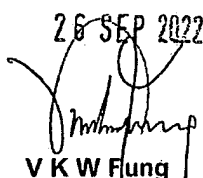
**WINPAC EUROPE LIMITED**  
**REGISTERED NUMBER: 04454829**

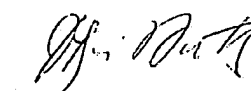
**BALANCE SHEET**  
**AS AT 31 DECEMBER 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Investments	3	-	1,138,705
		<u>-</u>	<u>1,138,705</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	4	182,313	129,338
Cash at bank and in hand	5	21,923	42,704
		<u>204,236</u>	<u>172,042</u>
Creditors: amounts falling due within one year	6	(489,007)	(440,969)
<b>Net current liabilities</b>		<u>(284,771)</u>	<u>(268,927)</u>
<b>Total assets less current liabilities</b>		<u>(284,771)</u>	<u>869,778</u>
<b>Net (liabilities)/assets</b>		<u>(284,771)</u>	<u>869,778</u>
<b>Capital and reserves</b>			
Called up share capital		500,000	500,000
Profit and loss account		(784,771)	369,778
		<u>(284,771)</u>	<u>869,778</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

26 SEP 2022  
  
**V K W Fung**  
 Director

  
**H H Choi**  
 Director

**WINPAC EUROPE LIMITED****STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>At 1 January 2020</b>	<b>500,000</b>	<b>688,265</b>	<b>1,188,265</b>
<b>Comprehensive income for the year</b>			
Loss for the year	-	(18,487)	(18,487)
<b>Total comprehensive income for the year</b>	-	(18,487)	(18,487)
Dividends: Equity capital	-	(300,000)	(300,000)
<b>At 1 January 2021</b>	<b>500,000</b>	<b>369,778</b>	<b>869,778</b>
<b>Comprehensive income for the year</b>			
Loss for the year	-	(1,154,549)	(1,154,549)
<b>Total comprehensive income for the year</b>	-	(1,154,549)	(1,154,549)
<b>At 31 December 2021</b>	<b>500,000</b>	<b>(784,771)</b>	<b>(284,771)</b>

The notes on pages 10 to 13 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**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, 15 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 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 2021 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, including considerations with regards to the potential impact of the COVID-19 virus. Due to the nature of the Company's business, 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 and the Company has received a letter of support from its fellow group undertaking Winbox Company Limited. 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 2021**

**2. Accounting policies (continued)**

**2.4 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.

**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 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

## WINPAC EUROPE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

#### 3. Fixed asset investments

	Investments in subsidiary companies £
<b>Net Book Value</b>	
At 1 January 2021	1,138,705
At 31 December 2021	1,138,705
<b>Impairment</b>	
Charge for the period	1,138,705
At 31 December 2021	1,138,705
<b>Net book value</b>	
At 31 December 2021	-
At 31 December 2020	1,138,705

The subsidiary has been heavily impacted by the Covid-19 health crisis since 2020. This situation results in significant uncertainty that could jeopardise the Company's ability to continue as a going concern. As a result of these circumstances and considering trading the Directors have taken the view that the investment is impaired in full.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021****4. Debtors**

	2021 £	2020 £
Amounts owed by group undertakings	179,907	126,789
Other debtors	2,406	2,549
	<u>182,313</u>	<u>129,338</u>

Amounts due by group undertakings are unsecured, interest free and repayable on demand.

**5. Cash**

	2021 £	2020 £
Cash at bank and in hand	21,923	42,704
	<u>21,923</u>	<u>42,704</u>

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

	2021 £	2020 £
Trade creditors	4,199	10,161
Amounts owed to group undertakings	467,084	416,651
Other creditors	207	207
Accruals and deferred income	17,517	13,950
	<u>489,007</u>	<u>440,969</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

**7. Related party transactions**

The Company has taken advantage of the exemption under Section 33 of FRS 102 regarding the disclosure of transactions entered between members of a group for wholly-owned members of that group. 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.