

Notes to the Consolidated Financial Statements

財務報表附註

(Expressed in Hong Kong dollars)(以港幣列示)

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 Hong Kong Internet Registration Corporation Limited (“the Company”) and its subsidiary (together referred to as “the Group”) 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 Group. Note 1(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2018 comprise the Company and its subsidiary.

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

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 主要會計政策

(a) 合規聲明

本財務報表是按照所有適用之《香港財務報告準則》而編製，該統稱包括香港會計師公會頒佈之所有適用之個別《香港財務報告準則》、《香港會計準則》及其詮釋、香港公認會計原則及香港《公司條例》之規定。以下是香港互聯網註冊管理有限公司(「本公司」)及本公司的附屬公司(以下統稱「本集團」)採用之主要會計政策概要。

香港會計師公會已頒佈若干新訂及經修訂之《香港財務報告準則》，並於本集團之本期會計期間首次生效或可供提早採納。首次應用此等適用於本集團之新訂及經修訂準則所引致當前和以往會計期間之會計政策變動，已反映於本財務報表內，有關資料列載於附註第1(c)項。

(b) 財務報表的編製基準

截至二零一八年十二月三十一日止年度的綜合財務報表涵蓋本公司及本公司的附屬公司。

本財務報表是以歷史成本作為編製基準。

在編製符合香港財務報告準則的財務報表時，管理層需作出判斷、估計和假設，並影響會計政策的應用，以及資產、負債、收入和支出的報告數額。這些估計和相關假設是根據以往經驗和管理層因應當時情況認為合理的多項其他因素作出的，其結果構成了管理層在無法依循其他途徑即時得知資產與負債的賬面價值時所作出判斷的基礎。實際結果可能有別於估計數額。

管理層會不斷審閱各項估計和相關假設。如果會計估計的修訂只是影響某一期間，其影響便會在該期間內確認；如果修訂對當前和未來期間均有影響，則在作出修訂的期間和未來期間確認。

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(Expressed in Hong Kong dollars)(以港幣列示)

1 Significant accounting policies (continued)

(b) Basis of preparation of the financial statements (continued)

In order to better reflect the vision and focus of the public mission activities of the Group and to allow a more comprehensive and informative presentation of the Group's results to the financial statement users, management of the Group has reconsidered the presentation in the consolidated statement of profit or loss and other comprehensive income and has changed the presentation of expenses from being based on their function to being based on their nature.

In addition, certain expenses in connection with public mission activities (see note 4(c)) have been reclassified as "public mission activities expenses" and disclosed as a separate line item on the face of the consolidated statement of profit or loss and other comprehensive income. Accordingly, the relevant comparative administrative and other operating expenses of \$26,407,040 have been reclassified as staff costs of \$13,316,850, office costs of \$4,617,800, marketing costs of \$939,858, IT & networks costs of \$1,726,511, other costs of \$3,627,983 and depreciation of \$2,178,038.

(c) Changes in accounting policies

The HKICPA has issued a number of new HKFRSs and amendments to HKFRSs that are first effective for the current accounting period of the Group. Of these, the following developments are relevant to the Group's financial statements:

- (i) HKFRS 9, Financial instruments
- (ii) HKFRS 15, Revenue from contracts with customers

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

1 主要會計政策(續)

(b) 財務報表的編製基準(續)

為了更好地反映本集團公眾使命活動的願景和重點，並允許向財務報表使用者更全面和詳實地介紹本集團的業績，本集團管理層已重新思考綜合損益及其他全面收益表的呈現方式，並將費用部分由基於其用途的基礎改為基於其性質呈現，並將費用部分由基於其用途改為基於其性質呈現。

此外，與公眾使命活動有關的若干開支(見附註4(c))已重新分類為「公眾使命活動開支」，並在綜合損益及其他全面收益表中作為單獨的項目列出。因此，相關的行政和其他業務費用26,407,040元已重新分類為員工成本13,316,850元，辦公室成本4,617,800元，市場成本939,858元，資訊科技及網路成本1,726,511元，其他成本3,627,983元和折舊2,178,038元。

(c) 會計政策的變化

香港會計師公會已頒布多項新的香港財務報告準則及香港財務報告準則的修訂，並於本集團的本會計期間首次生效。其中，以下發展與本集團的財務報表有關：

- (i) 香港財務報告準則第9號，金融工具
- (ii) 香港財務報告準則第15號，來自與客戶所訂立合約的收入

本集團並無應用於現行會計期間尚未生效的任何新準則或詮釋。

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(Expressed in Hong Kong dollars)(以港幣列示)

1 Significant accounting policies (continued)

(c) Changes in accounting policies (continued)

(i) HKFRS 9, Financial instruments

HKFRS 9 replaces HKAS 39, Financial instruments: recognition and measurement. It sets out the requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items.

Further details of the nature and effect of the changes to previous accounting policies and the transition approach are set out below:

A *Classification of financial assets and financial liabilities*

HKFRS 9 categorises financial assets into three principal classification categories: measured at amortised cost, at fair value through other comprehensive income ("FVOCI") and at fair value through profit or loss ("FVPL"). These supersede HKAS 39's categories of held-to-maturity investments, loans and receivables, available-for-sale financial assets and financial assets measured at FVPL. The classification of financial assets under HKFRS 9 is based on the business model under which the financial asset is managed and its contractual cash flow characteristics. Under HKFRS 9, derivatives embedded in contracts where the host is a financial asset in the scope of the standard are not separated from the host. Instead, the hybrid instrument as a whole is assessed for classification.

The measurement categories for all financial assets and liabilities remain the same. The carrying amounts for all financial assets and liabilities at 1 January 2018 have not been impacted by the initial application of HKFRS 9.

1 主要會計政策(續)

(c) 會計政策的變化(續)

(i) 香港財務報告準則第9號·金融工具

香港財務報告準則第9號取代香港會計準則第39號金融工具：確認及計量。它規定了如何確認和計量金融資產、金融負債和一些買賣非金融項目的合約的要求。

會計政策和過渡方法變更的性質和影響的進一步詳情如下：

A *金融資產和金融負債的分類*

香港財務報告準則第9號將金融資產分類為三個主要分類類別：按攤銷成本、按公允值計入其他全面收益(「FVOCI」)及按公允值計入損益(「FVPL」)。這些取代香港會計準則第39號的持有至到期投資、貸款及應收款項、可供出售金融資產及按FVPL計量的金融資產。根據香港財務報告準則第9號，包含於合約中的衍生工具，若其主體合約符合準則內金融資產的範圍，將不用跟其主體分開，該混合工具將作以一整體進行分類。

所有金融資產和負債的計量類別保持不變。所有金融資產及負債於二零一八年一月一日的賬面值並未受香港財務報告準則第9號的初步應用所影響。

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(Expressed in Hong Kong dollars)(以港幣列示)

1 Significant accounting policies (continued)

(c) Changes in accounting policies (continued)

(i) HKFRS 9, Financial instruments (continued)

B Credit losses

HKFRS 9 replaces the “incurred loss” model in HKAS 39 with the “expected credit loss” (“ECL”) model. The ECL model requires an ongoing measurement of credit risk associated with a financial asset and therefore recognises ECLs earlier than under the “incurred loss” accounting model in HKAS 39.

The Group applies the new ECL model to financial assets measured at amortised cost (including cash and cash equivalents and trade and other receivables).

For further details on the Company’s accounting policy for accounting for credit losses, see accounting policy note 1(g).

There is no material impact on the carrying amount for all financial assets measured at amortised cost at 1 January 2018 upon initial application of HKFRS 9, where the closing loss allowance is determined in accordance with HKAS 39 as at 31 December 2017 and the opening loss allowance determined in accordance with HKFRS 9 as at 1 January 2018.

1 主要會計政策(續)

(c) 會計政策的變化(續)

(i) 香港財務報告準則第9號，金融工具(續)

B 信貸損失

香港財務報告準則第9號以「預期信貸虧損」(「ECL」)模式替換香港會計準則第39號「已產生虧損」模式。ECL模型要求持續計量與金融資產相關的信貸風險，因此較香港會計準則第39號中的「已發生虧損」會計模式更早確認ECL。

本集團將新ECL模型應用於按攤銷成本(包括現金及現金等價物以及貿易及其他應收款項)。

有關本集團就處理信貸虧損的會計政策的進一步詳情，請參閱會計政策附註1(g)。

比較於2017年12月31日截止根據香港會計準則第39號釐定虧損撥備及於2018年1月1日根據香港財務報告準則第9號釐定虧損撥備期初餘額，2018年1月1日首次應用香港財務報告準則第9號按攤銷成本計量後的所有金融資產的賬面值並無重大影響。

Notes to the Consolidated Financial Statements 財務報表附註

(Expressed in Hong Kong dollars)(以港幣列示)

1 Significant accounting policies (continued)

(c) Changes in accounting policies (continued)

(ii) HKFRS 15 Revenue from contracts with customers

HKFRS 15 establishes a comprehensive framework for recognising revenue and some costs from contracts with customers. HKFRS 15 replaces HKAS 18, Revenue, which covered revenue arising from sale of goods and rendering of services, and HKAS 11, Construction contracts, which specified the accounting for construction contracts.

HKFRS 15 also introduces additional qualitative and quantitative disclosure requirements which aim to enable users of the financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

The Group has elected to use the cumulative effect transition method and has recognised the cumulative effect of initial application as an adjustment to the opening balance of equity at 1 January 2018. Therefore, comparative information has not been restated and continues to be reported under HKAS 18. As allowed by HKFRS 15, the Group has applied the new requirements only to contracts that were not completed before 1 January 2018.

The initial application of HKFRS 15 has no material impact on the financial statements except as set out below.

1 主要會計政策(續)

(c) 會計政策的變化(續)

(ii) 香港財務報告準則第15號，來自與客戶所訂立合約的收入

香港財務報告準則第15號建立了一個全面的框架，用於識別與客戶簽訂合約產生的收入和某些成本。香港財務報告準則第15號取代香港會計準則第18號「收入」(涵蓋銷售貨品及提供服務產生的收入)及香港會計準則第11號(建築合約)，其中指明建築合約的會計處理。

香港財務報告準則第15號亦引入額外的定性及定量披露規定，旨在讓財務報表使用者了解與客戶合約產生的收入及現金流量的性質，金額，時間及不確定性。

本集團已選擇採用累計影響的過渡方法，並已確認首次應用的累計影響作為2018年1月1日權益期初餘額的調整。因此，比較資料不會重列，並繼續根據香港會計準則第18號報告。根據香港財務報告準則第15號，本集團僅對2018年1月1日前尚未完成的合約應用新準則要求。

惟下文所述者除外，香港財務報告準則第15號的初步應用對財務報表並無重大影響。

Notes to the Consolidated Financial Statements 財務報表附註

(Expressed in Hong Kong dollars)(以港幣列示)

1 Significant accounting policies (continued)

(c) Changes in accounting policies (continued)

- (ii) HKFRS 15 Revenue from contracts with customers (continued)

Presentation of contract assets and liabilities

Under HKFRS 15, a receivable is recognised only if the Group has an unconditional right to consideration. If the Group recognises the related revenue (see note 1(m)) before being unconditionally entitled to the consideration for the promised goods and services in the contract, then the entitlement to consideration is classified as a contract asset. Similarly, a contract liability, rather than a payable, is recognised when a customer pays non-refundable consideration, or is contractually required to pay non-refundable consideration and the amount is already due, before the Group recognises the related revenue. For a single contract with the customer, either a net contract asset or a net contract liability is presented.

For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

The Group presents its contract liabilities as “deferred registration income” (see note 12) in the consolidated statement of financial position and accordingly, no reclassification was required at 1 January 2018.

As at 1 January 2018 and 31 December 2018, the Group’s right to consideration for the services transferred to the customers is unconditional (i.e. only the passage of time is required before the payment is due). Accordingly, the Group presents such right to consideration as receivables rather than contract assets.

1 主要會計政策(續)

(c) 會計政策的變化(續)

- (ii) 香港財務報告準則第15號，來自客戶合約的收益(續)

合約資產和負債

根據香港財務報告準則第15號，只有本集團在無條件接納價款之權利時，才確認應收款項。如果本集團在無條件有權獲得合約中承諾的商品和服務的價款之前確認相關收入(參見附註1(m))，則對應的權利歸類為合約資產。同樣，在本集團確認相關收入前，當客戶支付不可退還的價款，或合約要求支付不可退還的價款且金額已到期時，確認合約負債而非應付負債。對於與客戶的單一合約，僅呈現淨合約資產或淨合約負債。

對於多份合約，合約資產和無關合約的合約負債不以淨額列報。

本集團於綜合財務狀況表呈列其合約負債為「遞延登記收入」(見附註12)，因此，2018年1月1日無需重新分類。

於二零一八年一月一日及二零一八年十二月三十一日，本集團有權考慮轉讓予客戶的服務為無條件(即在付款到期前僅需度過時間)。因此，本集團將此權利視為應收款項而非合約資產。

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(Expressed in Hong Kong dollars)(以港幣列示)

1 Significant accounting policies (continued)

(d) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed or has right, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gain but only to the extent that there is no evidence of impairment.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses.

1 主要會計政策(續)

(d) 附屬公司

附屬公司是指本集團控制的實體。當本集團因參與實體業務而承擔可變動回報的風險或因此享有可變動回報，且有能力透過向實體施加權力而影響該等回報時，則本集團控制該實體。在評估本集團是否擁有上述權力時，僅考慮(本集團和其他方所持有的)實質權利。

於附屬公司的投資由控制開始當日至控制終止當日在綜合財務報表中合併計算。集團內部往來的結餘以及交易、現金流量，以及集團內部交易所產生的任何未實現溢利，會在編製綜合財務報表時全數抵銷。集團內部交易所引致未變現虧損的抵銷方法與未變現收益相同，但抵銷額只限於沒有證據顯示已出現減值的部分。

本集團於附屬公司的權益變動，如不會導致喪失控制權，便會按權益交易列賬，並在綜合權益項目中調整控股及非控股權益的數額，以反映相對權益的變動，但不會調整商譽，亦不會確認損益。

當本集團喪失於附屬公司的控制權時，按出售有關附屬公司的全部權益列賬，由此產生的收益或虧損在損益中確認。在喪失控制權日期所保留有關附屬公司的任何權益，按公允價值確認，而此筆金額在初始確認金融資產時當作公允價值，或(如適用)在初始確認於聯營公司或合營公司的投資時當作成本。

本公司的資產負債表所示的於附屬公司的投資是按成本減去減值虧損後入賬。

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1 Significant accounting policies (continued)

(e) Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and impairment losses.

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight-line method over their estimated useful lives as follows:

— Office machinery and equipment	3 years
— Furniture and fixtures	3–6 years
— Network and computer hardware/ software and equipment	3 years

Both the useful life of an asset and its residual value, if any, are reviewed annually.

The carrying amounts of property, plant and equipment are reviewed for indications of impairment at the end of each reporting period. An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. The recoverable amount of an asset, or of the cash generating unit to which it belongs, is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

1 主要會計政策(續)

(e) 物業、廠房及設備

物業、廠房及設備是以成本減去累計折舊及減值虧損後入賬。

物業、廠房及設備項目的折舊是以直線法在以下預計可使用年限內沖銷其成本(已扣除估計殘值(如有))計算：

辦公室機器及設備	3年
傢俱及裝置	3–6年
網絡及電腦硬件／軟件及設備	3年

本集團會每年審閱資產的可使用年限及其殘值(如有)。

在每個結算日，物業、廠房及設備均會被審閱是否出現減值跡象。如果資產或其所屬的現金產生單位的賬面價值超過其可收回數額，則將減值損失確認為損益。資產的可收回數額是按其公允價值減出售成本與使用價值兩者中的較高額。在評估使用價值時，預計未來現金流量會按照能反映當時市場對貨幣時間值和資產特定風險的評估的稅前折現率，折現至其現值。如果用以釐定可收回數額的估計出現有利的變化，有關的減值虧損便會撥回。

報廢或出售物業、廠房及設備項目所產生的損益是以出售所得款項淨額與資產賬面價值之差額釐定，並於報廢或出售日在收益表內確認。

Notes to the Consolidated Financial Statements 財務報表附註

(Expressed in Hong Kong dollars)(以港幣列示)

1 Significant accounting policies (continued)

(f) Leased assets

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

(i) Classification of assets leased to the Group

Assets that are held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases.

(ii) Operating lease charges

Where the Group has the use of other assets held under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made.

1 主要會計政策(續)

(f) 租賃資產

如果本集團把一項安排(包括一項交易或一系列交易)確定為在一段商定期間轉讓一項或一些特定資產的使用權,以換取一筆或多筆付款,則這項安排屬於或包含一項租賃。確定時是以對有關安排的實質所作評估為準,而不管這項安排是否涉及租賃的法律形式。

(i) 本集團租賃資產的分類

對於本集團以租賃持有的資產,如果租賃使所有權的絕大部分風險和回報轉移至本集團,有關的資產便會劃歸為以融資租賃持有;如果租賃不會使所有權的絕大部分風險和回報轉移至本集團,則劃歸為經營租賃。

(ii) 經營租賃費用

如果本集團透過經營租賃使用資產,則租賃付款會在租賃期所涵蓋的會計期間內以等額計入當期損益;但如果有其他基準能更清楚地反映租賃資產所產生的收益模式則除外。經營租賃協議所涉及的激勵措施均在收益表內確認為租賃淨付款總額的組成部分。

Notes to the Consolidated Financial Statements 財務報表附註

(Expressed in Hong Kong dollars)(以港幣列示)

1 Significant accounting policies (continued)

(g) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset.

Receivables are stated at amortised cost using the effective interest method less allowance for credit losses as determined below:

A Policy applicable from 1 January 2018

The loss allowance is measured at an amount equal to lifetime ECLs, which are those losses that are expected to occur over the expected life of the trade receivables. The loss allowance is estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

ECLs are remeasured at each reporting date with any changes recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss with a corresponding adjustment to the carrying amount of trade and other receivables through a loss allowance account.

The gross carrying amount of a trade debtor or other receivable is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

1 主要會計政策(續)

(g) 應收賬款及其他應收款

應收款項於本集團擁有無條件接納價款之權利時確認。如果在支付該價款到期之前僅需要經過一段時間，則視為獲得該價款的權利是無條件的。如果在本集團有無條件接收對價的權利之前確認收入，則該金額作為合約資產列報。

應收款項採用實際利率法減去信貸損失準備，按攤銷成本列示，具體如下：

A 適用於2018年1月1日的政策

虧損撥備的計算金額等於永久信貸虧損，即預期在貿易應收款項預計使用年限內發生的損失。虧損撥備乃使用基於本集團歷史信貸虧損經驗的撥備矩陣估計，並根據債務人特定因素作出調整，並於報告日期評估當前及預測一般經濟狀況。

永久信貸虧損在每個報告日期重新計量，任何變更均確認為減值損益。本集團確認減值損益，並通過虧損撥備賬戶對應收賬及其他應收款項的賬面值作出相應調整。

債務人或其他應收款的賬面總額在沒有實際償付可能的情況下(部分或全部)予以沖銷。本集團在決定沖銷金額時通常以此方式確定債務人沒有可產生足夠現金流量以償還註銷金額的資產或收入來源。

Notes to the Consolidated Financial Statements 財務報表附註

(Expressed in Hong Kong dollars)(以港幣列示)

1 Significant accounting policies (continued)

(g) Trade and other receivables (continued)

B Policy applicable prior to 1 January 2018

Impairment losses were recognised when there was objective evidence of impairment and were measured as the difference between the carrying amount of the financial asset and the estimated future cash flows, discounted at the asset's original effective interest rate where the effect of discounting was material. Objective evidence of impairment included observable data that came to the attention of the Group about events that had an impact on the asset's estimated future cash flows such as significant financial difficulty of the debtor.

When the recovery of a trade debtor or other receivable was considered doubtful but not remote, associated impairment losses were recorded using an allowance account. When the Group was satisfied that recovery was remote, the amount considered irrecoverable was written off against the gross carrying amount of those assets directly. Subsequent recoveries of amounts previously charged to the allowance account were reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly were recognised in profit or loss.

1 主要會計政策(續)

(g) 應收賬款及其他應收款(續)

B 適用於2018年1月1日之前的政策

呆壞賬減值虧損在具有客觀的減值證據時確認，並以金融資產的賬面金額與以其初始實際利率折現，即在相關資產初始確認時計算的實際利率，(如果折現會造成重大的影響)的預計未來現金流量的現值之間的差額計量。減值的客觀證據包括本集團注意到會對資產的估計未來現金流量的現值構成影響的事件(例如債務人出現重大財務困難)的可觀察數據。

可收回性被視為可疑但並非完全沒有可能回收的情況下，呆賬的減值虧損會採用準備賬來記錄。當本集團認為收回的可能性極低時，被視為不可收回的數額便會直接沖銷應收賬款，與該債務有關而在準備賬內持有的任何數額也會轉回。其後收回早前計入準備賬的數額會在準備賬轉回。準備賬的其他變動和其後收回早前直接沖銷的數額均在收益表內確認。

Notes to the Consolidated Financial Statements 財務報表附註

(Expressed in Hong Kong dollars)(以港幣列示)

1 Significant accounting policies (continued)

(h) Other payables and contract liabilities

(i) Other payables

Other 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.

(ii) Contract liabilities

A contract liability is recognised when the customer pays non-refundable consideration before the Group recognises the related revenue (see note 1(m)). A contract liability would also be recognised if the Group has an unconditional right to receive non-refundable consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would be recognised (see note 1(g)).

(i) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

(j) Employee benefits

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

1 主要會計政策(續)

(h) 其他應付款和合約負債

(i) 其他應付款

其他應付款首先按公允價值確認，其後按攤銷成本入賬，惟倘貼現影響並不重大，則按成本入賬。

(ii) 合約責任

當客戶在本集團確認相關收入前支付不可退還的價款時，合約負債即確認(見附註1(m))。倘本集團於確認相關收入前擁有無條件接收不可退還價款之權利，則合約負債亦算確認。在這種情況下，應確認相應的應收款(見附註1(g))。

(i) 現金及現金等價物

現金及現金等價物包括銀行存款及手頭現金、存放於銀行及其他財務機構的活期存款，以及短期和高流動性的投資。這些投資可以隨時換算為已知的現金額、價值變動方面的風險不大，並在購入後三個月內到期。

(j) 僱員福利

薪金、年度獎金、有薪年假、度假旅費和非貨幣福利成本在本集團僱員提供相關服務的年度內累計。如果延遲付款或結算會造成重大的影響，則這些數額會以現值列賬。

Notes to the Consolidated Financial Statements 財務報表附註

(Expressed in Hong Kong dollars)(以港幣列示)

1 Significant accounting policies (continued)

(k) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

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.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

1 主要會計政策(續)

(k) 所得稅

本年度所得稅包括本期稅項和遞延稅項資產與負債的變動。本期稅項和遞延稅項資產與負債的變動均在收益表內確認，但在其他全面收益或直接在權益中確認的相關項目，則相關稅款分別在其他全面收益或直接在權益中確認。

本期稅項是按本年度應稅所得，根據已執行或在結算日實質上已執行的稅率計算的預期應付稅項，加上以往年度應付稅項的任何調整。

遞延稅項資產與負債分別由可抵扣和應稅暫時性差異產生。暫時性差異是指資產與負債在財務報表上的賬面金額跟這些資產與負債的計稅基礎的差異。遞延稅項資產也可以由未利用可抵扣虧損和未利用稅款抵減產生。除了初始確認的資產及負債產生的差異外，所有遞延稅項負債和遞延稅項資產(僅限於有可能得以利用來抵扣未來可能取得的應稅溢利的部分)均予以確認。

已確認遞延稅額是按照資產與負債賬面金額的預期實現或清償方式，根據已執行或在結算日實質上已執行的稅率計量。遞延稅項資產與負債均不折現計算。

Notes to the Consolidated Financial Statements 財務報表附註

(Expressed in Hong Kong dollars)(以港幣列示)

1 Significant accounting policies (continued)

(l) Provisions and contingent liabilities

Provisions are recognised for other liabilities of uncertain timing or amount when the Group 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.

(m) Revenue and other income

Income is classified by the Group as revenue when it arises from the provision of services in the ordinary course of the Group's business.

Revenue is recognised when control over a service is transferred to the customer at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on the behalf of third parties.

The Group's revenue under HKFRS 15 was recognised on a similar basis in the comparative period under HKAS 18. Further details of the Group's revenue and other income recognition policies are as follows:

1 主要會計政策(續)

(l) 其他撥備和或有負債

如果本集團或本公司須就已發生的事件承擔法律或推定責任，因而預期會導致經濟效益外流，在可以作出可靠的估計時，本集團或本公司便會就該時間或數額不確定的負債計算撥備。如果貨幣時間值重大，則按預計須就履行該義務所需支出的現值計算撥備。

如果經濟效益外流的可能性較低，或是無法對有關數額作出可靠的估計，便會披露為或有負債，資源外流的可能性極低則除外。如果本公司的義務須視乎某宗或多宗未來事件是否發生才能確定是否存在，亦會披露為或有負債，但資源外流的可能性極低則除外。

(m) 收入確認

當本集團於其日常業務過程中提供服務產生收入時，本集團將此分類為營業額。

收入當服務控制權轉移至客戶且本集團預期獲得承諾價款時確認，但不包括代表第三方收取的金額。

根據香港財務報告準則第15號，本集團的收入於香港會計準則第18號的比較期內按類似基準確認。有關本集團收入及其他收入確認政策的進一步詳情如下：

Notes to the Consolidated Financial Statements 財務報表附註

(Expressed in Hong Kong dollars)(以港幣列示)

1 Significant accounting policies (continued)

(m) Revenue and other income (continued)

(i) Registration fees income

Registration fees income is recognised over time on a straight-line basis over the registration period of one to five years. Fees received relating to future periods are classified as deferred registration income in the consolidated statement of financial position.

(ii) Service fees income

Service fees income is recognised based on the performance obligation identified in the contract with customers.

(iii) Interest income

Interest income is recognised as it accrues under the effective interest method using the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset.

(n) Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies and non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

(o) Related parties

(a) A person, or a close member of that person's family, is related to the Group if that person:

- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Group or the Group's parent.

1 主要會計政策(續)

(m) 收入確認(續)

(i) 註冊費收入

註冊費收入在一至五年的註冊期內以直線法確認。收到的與未來期間有關的費用在綜合財務狀況表中歸類為遞延登記收入。

(ii) 服務費收入

服務費收入根據與客戶簽訂的合約中確定的履約義務來確認。

(iii) 利息收入

利息收入以實際利率法按應計基準，採用將金融工具預計年期之估計未來現金收入準確貼現至金融資產賬面值之利率確認。

(n) 外幣換算

年內的外幣交易按交易日的外幣匯率換算。於結算日，以外幣為單位的貨幣資產及負債及以外幣為單位並按公允價值列賬的非貨幣資產及負債，則按結算日的外幣匯率換算。匯兌收益及虧損於收益內確認。

(o) 關聯方

(a) 如屬以下人士，即該人士或該人士的近親是本集團的關聯方：

- (i) 控制或與第三方共同控制本集團；
- (ii) 對本集團具有重大的影響力；或
- (iii) 是本集團或本集團母公司的關鍵管理人員。

Notes to the Consolidated Financial Statements 財務報表附註

(Expressed in Hong Kong dollars)(以港幣列示)

1 Significant accounting policies (continued)

(o) Related parties (continued)

- (b) An entity is related to the Group if any of the following conditions apply:
- (i) The entity and the Group 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 Group or an entity related to the Group.
 - (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 Group or the Group'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.

1 主要會計政策(續)

(o) 關聯方(續)

- (b) 如屬下列任何一種情況，企業實體可視為本集團的關聯方：
- (i) 該實體與本集團隸屬同一集團(意指彼此的母公司、附屬公司和同系附屬公司互有關聯)。
 - (ii) 一家實體是另一實體的聯營公司或合營企業(或是另一實體所屬集團旗下成員公司的聯營公司或合營企業)。
 - (iii) 兩家實體是同一第三方的合營企業。
 - (iv) 一家實體是第三方實體的合營企業，而另一實體是第三方實體的聯營公司。
 - (v) 該實體是為本集團或作為本集團關聯方的任何實體的僱員福利而設的離職後福利計劃。
 - (vi) 該實體受到上述第(a)項內所認定人士控制或與第三方共同控制。
 - (vii) 上述第(a)(i)項內所認定人士對該實體具有重大的影響力或是該實體(或該實體母公司)的關鍵管理人員。
 - (viii) 該實體或集團內的任何人士向本集團或本集團母公司提供關鍵管理服務。

任何人士的近親是指預期會在與該實體的交易中影響該名人士或受其影響的家屬。

Notes to the Consolidated Financial Statements

財務報表附註

(Expressed in Hong Kong dollars)(以港幣列示)

2 Revenue

The principal activity of the Company is administrating the registration of internet domain names under “.hk” and “.香港” country-code top level domains. The Company provides registration of domain names through its registrars, one of which is its wholly-owned subsidiary.

Revenue represents total income from provision of domain name registration services. The amount of each significant category of revenue from contracts with customers within the scope of HKFRS 15 is as follows:

		2018	2017
Registration fees	註冊費	\$ 35,102,860	\$ 35,440,755
Service fees	服務費	1,129,274	1,121,151
		\$ 36,232,134	\$ 36,561,906

Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date

As at 31 December 2018, the aggregated amount of the transaction price allocated to the remaining performance obligations under the Company's existing contracts is \$42,133,841. This amount represents revenue expected to be recognised in the future from deferred registration income (see note 12).

2 營業額

本公司的主要業務為管理香港地區頂級域名(即「.hk」及「.香港」)的註冊事宜。本公司通過所屬註冊服務機構(其中之一為其全資附屬公司香港域名註冊有限公司)提供域名註冊服務。

營業額代表提供域名註冊服務的收入總額。依照香港財務報告準則第15號範圍內與客戶訂立的合約的各項重大收入金額如下：

預期將於報告日期與客戶訂立的合約產生的收入確認

至2018年12月31日，本公司現有合約下剩餘履約責任的分配交易價格總額為42,133,841元。該金額表示預期未來將從遞延登記收入中確認的收入(見附註12)。

3 Other net income

		2018	2017
Bank interest income	銀行利息收入	\$ 2,763,480	\$ 1,456,230
Exchange (loss)/gain, net	匯兌(損)益淨額	(619)	265
Sundry income	雜項收入	693,364	500,266
		\$ 3,456,225	\$ 1,956,761

3 其他收入

Notes to the Consolidated Financial Statements 財務報表附註

(Expressed in Hong Kong dollars)(以港幣列示)

4 Profit before taxation

Profit before taxation is arrived at after charging:

4 除稅前溢利

除稅前溢利已扣除下列各項：

		2018	2017
(a) Staff costs	(a) 員工成本		
Contributions to defined contribution retirement plan	界定供款退休計劃的供款	\$ 429,783	\$ 383,206
Salaries, wages and other benefits	薪金、工資及其他福利	13,894,937	12,933,644
		\$ 14,324,720	\$ 13,316,850
(b) Other items	(b) 其他項目		
Depreciation	折舊	\$ 2,509,438	\$ 2,178,038
Operating lease charges in respect of premises: minimum lease payment	經營租賃支出關於房產項：最低租賃付款額	1,986,906	2,526,818
Operating lease charges in respect of equipment and facilities: minimum lease payment	經營租賃支出關於器械及設備：最低租賃付款額	1,589,800	1,593,123
Auditor's remuneration	核數師酬金		
— audit services	— 審計服務	206,700	198,000
— tax services	— 稅務服務	50,500	49,000
Loss on disposal of property, plant and equipment	處置物業、廠房及設備的損失	5,000	15,395

(c) Public mission activities expenses

Public mission activities expenses represent the expenses incurred in respect of the Web Accessibility Recognition Scheme. Public mission activities of the Group are to organize, co-organize, fund, seed, sponsor and co-sponsor activities to make Hong Kong an inclusive and secured environment for the use of the internet, and to encourage the use of the internet and related technologies. All direct expenses incurred for the primary and dominant purpose of public mission and that contribute to the successful running of public mission activities are considered as public mission activities expenses. Such expenses comprise:

(c) 公眾使命活動開支

公眾使命活動費用是指無障礙網頁嘉許計劃所產生的費用。本集團的公眾使命活動是透過組織、共同組織、資助、培育種子、贊助及共同贊助活動，使香港在互聯網使用上呈現出一個更包容和安全環境，並鼓勵使用互聯網及相關技術。所有直接因公眾使命活動為主要目的所產生以及所有有助於公眾使命活動成功運作的費用被歸納為公眾使命活動費用。這些費用包括：

		2018	2017
Professional fees	專業支出	\$ 1,208,460	\$ —
Promotion expenses	推廣支出	438,448	—
Staff costs	員工成本	111,491	—
Programme expenses (award ceremony)	活動支出(典禮)	102,863	—
Miscellaneous costs	雜項支出	13,032	—
		\$ 1,874,294	\$ —

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財務報表附註

(Expressed in Hong Kong dollars)(以港幣列示)

5 Directors' emoluments

Directors' emoluments 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 are as follows:

		2018		2017	
Directors' fees	董事袍金	\$	—	\$	—
Salaries, allowance and benefits in kind	薪金、津貼及實物收益		—		—
Discretionary bonuses	酌情獎金		—		—
Retirement scheme contributions	退休計劃供款		—		—

5 董事酬金

根據香港《公司條例》第383(1)條及《公司(披露董事利益資料)規例》第2部列報之董事酬金如下：

6 Income tax in the consolidated statement of profit or loss and other comprehensive income

(a) Taxation in the consolidated statement of profit or loss and other comprehensive income

The provision for Hong Kong Profits Tax for 2018 is calculated at 16.5% (2017: 16.5%) of the estimated assessable profits for the year. The Company is exempted from Hong Kong Profits Tax according to section 87 of the Inland Revenue Ordinance.

(b) Reconciliation between tax expenses and accounting profit at applicable tax rate:

6 綜合損益及其他全面收益表所示的所得稅

(a) 綜合損益及其他全面收益表所示的稅項為：

二零一八年的香港利得稅撥備是按本年度的估計應評稅利潤以16.5%(二零一七年：16.5%)的稅率計算。根據《稅務條例》第87條，本公司獲豁免繳納香港利得稅。

(b) 稅項支出與會計溢利按適用稅率計算的對賬：

		2018		2017	
Profit before taxation	除稅前溢利	\$	10,971,146	\$	12,111,627
Notional tax on profit before taxation, calculated at 16.5% (2017: 16.5%)	按照稅率16.5% (2017年：16.5%)計算				
	除稅前溢利的名義稅項	\$	1,810,239	\$	1,998,418
Tax effect of non-taxable revenue	毋須課稅收益的稅務影響		(122)		(133)
Tax effect of unused tax losses not recognised	未確認稅務虧損的稅務影響		(17,528)		(55,744)
Tax effect of profit exempted from profits tax	豁免利得稅的溢利		(1,792,589)		(1,942,541)
Actual tax expense	在損益表內列支的實際稅項支出	\$	—	\$	—

Notes to the Consolidated Financial Statements 財務報表附註

(Expressed in Hong Kong dollars)(以港幣列示)

7 Property, plant and equipment

7 物業、廠房及設備

		Office machinery and equipment 辦公室 機器及設備	Furniture and fixtures 傢俱及裝置	Network and computer hardware/ software and equipment 網絡及電腦 硬件／軟件 及設備	Total 總計
Cost:	成本：				
At 1 January 2018	於2018年1月1日	\$ 412,016	\$ 3,605,688	\$ 16,637,391	\$ 20,655,095
Additions	增置	73,500	145,839	504,630	723,969
Disposals	處置	(87,320)	—	(21,830)	(109,150)
At 31 December 2018	於2018年12月31日	\$ 398,196	\$ 3,751,527	\$ 17,120,191	\$ 21,269,914
Accumulated depreciation:	累計折舊：				
At 1 January 2018	於2018年1月1日	\$ 237,015	\$ 654,859	\$ 13,404,277	\$ 14,296,151
Charge for the year	本年度折舊	82,729	706,096	1,720,613	2,509,438
Written back on disposals	處置時撥回	(67,320)	—	(21,830)	(89,150)
At 31 December 2018	於2018年12月31日	\$ 252,424	\$ 1,360,955	\$ 15,103,060	\$ 16,716,439
Net book value:	賬面淨值：				
At 31 December 2018	於2018年12月31日	\$ 145,772	\$ 2,390,572	\$ 2,017,131	\$ 4,553,475

		Office machinery and equipment 辦公室 機器及設備	Furniture and fixtures 傢俱及裝置	Network and computer hardware/ software and equipment 網絡及電腦 硬件／軟件 及設備	Total 總計
Cost:	成本：				
At 1 January 2017	於2017年1月1日	\$ 321,939	\$ 1,225,315	\$ 16,205,925	\$ 17,753,179
Additions	增置	202,170	3,581,733	2,057,990	5,841,893
Disposals	處置	(112,093)	(1,201,360)	(1,626,524)	(2,939,977)
At 31 December 2017	於2017年12月31日	\$ 412,016	\$ 3,605,688	\$ 16,637,391	\$ 20,655,095
Accumulated depreciation:	累計折舊：				
At 1 January 2017	於2017年1月1日	\$ 284,632	\$ 1,208,800	\$ 13,548,763	\$ 15,042,195
Charge for the year	本年度折舊	62,815	633,185	1,482,038	2,178,038
Written back on disposals	處置時撥回	(110,432)	(1,187,126)	(1,626,524)	(2,924,082)
At 31 December 2017	於2017年12月31日	\$ 237,015	\$ 654,859	\$ 13,404,277	\$ 14,296,151
Net book value:	賬面淨值：				
At 31 December 2017	於2017年12月31日	\$ 175,001	\$ 2,950,829	\$ 3,233,114	\$ 6,358,944

Notes to the Consolidated Financial Statements

財務報表附註

(Expressed in Hong Kong dollars)(以港幣列示)

8 Investment in a subsidiary

The Company's investment in a subsidiary was fully impaired during the year ended 31 December 2014 based on an assessment of its recoverable amount. At 31 December 2018, the directors carried out an assessment of the recoverable amount of the investment in a subsidiary. Based on their review, no reversal of impairment losses was recognised during the year.

8 於附屬公司的投資

在二零一四年間，根據對本公司可收回數額的評估，本公司於香港域名註冊的投資全數減值。於二零一八年十二月三十一日，董事會就於香港域名註冊的投資的可收回數額進行評估。根據他們的評估，本年間未對投資減值進行轉回。

Name of company	Place of incorporation and operation	Particulars of issued capital	Percentage of issued capital directly held by the Company	Principal activity
公司名稱	註冊成立及經營地點	已發行股本的詳情	本公司直接持有的已發行股本百分比	主要業務
Hong Kong Domain Name Registration Company Limited	Hong Kong	2 shares	100%	Provision of ".hk" and ".香港" domain name registration services
香港域名註冊有限公司	香港	2股普通股	100%	提供「.hk」及「.香港」域名註冊服務

9 Trade and other receivables

9 應收賬款及其他應收款

		2018	2017
Trade receivables	應收賬款	\$ 53,470	\$ 61,905
Deposits, prepayments and other receivables	按金、預付款項及其他應收款	3,207,618	2,619,914
		\$ 3,261,088	\$ 2,681,819

The amount of the Group's trade and other receivables expected to be recovered or recognised as expenses after more than one year is \$507,727 (2017: \$507,727). All of the other trade and other receivables are expected to be recovered or recognised as expenses within one year.

本集團預期在一年後收回或確認為開支的應收賬款及其他應收款為507,727元(二零一七年：507,727元)。本集團的其餘所有應收賬款及其他應收款將會在一年內收回或確認為開支。

Trade receivables are due within 30 days from the date of billing. Further details on the Group's credit policy are set out in note 15(a).

應收賬款在發出賬單日起計三十天內到期。本集團信貸政策的其他詳情載列於附註15(a)。

Notes to the Consolidated Financial Statements 財務報表附註

(Expressed in Hong Kong dollars)(以港幣列示)

9 Trade and other receivables (continued)

The ageing analysis of trade receivables that are neither individually nor collectively considered to be impaired is as follows:

		2018	2017
Neither past due nor impaired	未逾期也未減值的應收賬款	\$ 47,415	\$ 47,305
Less than 1 month past due	逾期不超過1個月	\$ 3,105	\$ 13,600
1 to 3 months past due	逾期超過1個月至3個月	—	1,000
More than 3 months past due	逾期超過3個月	2,950	—
		\$ 6,055	\$ 14,600
		\$ 53,470	\$ 61,905

Receivables that were neither past due nor impaired relate to customers with no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that the ECL allowance is considered insignificant in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

9 應收賬款及其他應收款(續)

在個別或整體評估下均不視為需作減值的應收賬款賬齡分析如下：

未逾期也未有減值虧損的應收款是與近期無拖欠還款記錄的客戶有關。

已逾期但並無減值虧損的應收款是與本集團多個還款記錄良好的獨立客戶有關。根據以往的經驗，管理層認為，由於信貸質量並無重大變動，而且有關結餘仍被視為可全數收回，因此毋須就這些結餘計算減值撥備。本集團並無就這些結餘持有任何抵押品。

10 Cash and cash equivalents

		2018	2017
Bank deposits maturing after three months when placed	存款期超過三個月之 銀行存款	\$162,131,850	\$ 143,011,296
Cash at bank and on hand (cash and cash equivalents in the consolidated cash flow statement)	銀行存款及現金 (綜合現金流量表所示的 現金及現金等價物)	26,095,888	33,468,295
Cash and cash equivalents in the consolidated statement of financial position	綜合財務狀況的現金及 現金等價物	\$188,227,738	\$ 176,479,591

10 現金及現金等價物

Notes to the Consolidated Financial Statements

財務報表附註

(Expressed in Hong Kong dollars)(以港幣列示)

11 Other payables

11 其他應付款

		2018	2017
Accrued charges and other creditors	應計費用及其他應付款	\$ 3,475,185	\$ 3,034,386
Advances received	已收預付款	2,781,047	3,449,338
		\$ 6,256,232	\$ 6,483,724

All of the other payables are expected to be settled within one year.

所有其他應付款預計會在一年內償付。

12 Deferred registration income

12 遞延註冊收入

At 31 December 2018, the deferred registration income expected to be recognised as income is as follows:

於二零一八年十二月三十一日，遞延註冊收入預計會於下列期間確認為收入如下：

		2018	2017
Within 1 year	1年內	\$ 22,666,017	\$ 23,505,374
After 1 year but within 2 years	1年後但2年內	\$ 9,148,728	\$ 9,132,910
After 2 years but within 5 years	2年後但5年內	9,375,144	8,976,244
After 5 years	5年後	943,952	810,542
		\$ 19,467,824	\$ 18,919,696
		\$ 42,133,841	\$ 42,425,070

The Group typically receives full prepayments from customers when they register internet domain names. Fee received relating to future periods is recognised as a contract liability and is classified as deferred registration income in the consolidated statement of financial position. Registration fees income is recognised over time on a straight-line basis over the registration period of one to five years.

本集團通常會在註冊互聯網域名時收到客戶的全額預付款。收到與未來期間有關的費用確認為合約負債，並在綜合財務狀況表中歸類為遞延登記收入。註冊費收入在一至五年的註冊期內以直線法確認。

Notes to the Consolidated Financial Statements 財務報表附註

(Expressed in Hong Kong dollars)(以港幣列示)

12 Deferred registration income (continued)

12 遞延註冊收入(續)

Movements in contract liabilities

合約負債的變動

		2018
Balance at 1 January	於1月1日的結餘	\$ 42,425,070
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year	於在年初確認包含在合約負債中的年度收入而導致合約負債減少	(23,505,374)
Increase in contract liabilities as a result of receiving registration fees during the year	由於在年內收到註冊費而增加的合約負債	23,214,145
Balance at 31 December	於12月31日的結餘	\$ 42,133,841

13 Income tax in the consolidated statement of financial position

13 綜合資產負債表所示的所得稅

(a) Current taxation in the consolidated statement of financial position represents:

(a) 綜合資產負債表所示的本期稅項為：

		2018	2017
Provision for Hong Kong Profits Tax for the year	本年度香港利得稅撥備已付暫繳利得稅	\$ —	\$ —
Balance of profits tax provision relating to prior years	與往年有關的利潤稅撥備餘額	—	(69,522)
Tax recoverable	可收回稅項	\$ —	\$ (69,522)

Notes to the Consolidated Financial Statements 財務報表附註

(Expressed in Hong Kong dollars)(以港幣列示)

13 Income tax in the consolidated statement of financial position (continued)

(b) Deferred tax assets and liabilities recognised:

The component of deferred tax (assets)/liabilities recognised in the consolidated statement of financial position and the movements during the year are as follows:

			Depreciation allowances in excess of the related depreciation 超出有關折舊的折舊免稅額		Future benefits of tax losses 稅務虧損的未來利益	Total 總計
Deferred tax arising from:	遞延稅項來自於：					
At 1 January 2017	於2017年1月1日	\$	391,752	\$	(391,752)	\$ —
Charged/(credited) to profit or loss	扣除/(計入)損益		107,876		(107,876)	—
At 31 December 2017	於2017年12月31日	\$	499,628	\$	(499,628)	\$ —
At 1 January 2018	於2018年1月1日	\$	499,628	\$	(499,628)	\$ —
(Credited)/charged to profit or loss	(計入)/扣除損益		(62,717)		62,717	—
At 31 December 2018	於2018年12月31日	\$	436,911	\$	(436,911)	\$ —

(c) Deferred tax assets not recognised:

In accordance with the accounting policy set out in note 1(k), the Group has not recognised deferred tax assets in respect of cumulative tax losses of \$215,651 (2017: \$321,880) as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdiction and entity. The tax losses do not expire under the current tax legislation.

13 綜合資產負債表所示的所得稅 (續)

(b) 已確認遞延稅項資產及負債：

本集團已在綜合資產負債表確認的遞延稅項(資產)/負債的組成部分和本年度變動如下：

(c) 未確認的遞延稅項資產

根據附註1(k)所載的會計政策，本集團並無確認有關稅務虧損215,651元(2017：321,880元)的遞延稅項資產是因為在相關稅務地區及實體下獲得能抵扣虧損的未來應課稅溢利的可能性不大。該稅項在現行稅務法例下並無到期日。

Notes to the Consolidated Financial Statements 財務報表附註

(Expressed in Hong Kong dollars)(以港幣列示)

14 Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to serve the internet community of the Hong Kong Special Administrative Region, as well as the global internet community, in relation to the administration of the ".hk" and ".香港" country-code top-level domain.

The Group defines "capital" as including all components of equity.

The Group's capital structure is regularly reviewed and managed. Adjustments are made to the capital structure in light of changes in economic conditions affecting the Group, to the extent that these do not conflict with the directors' fiduciary duties towards the Group or the requirements of the Hong Kong Companies Ordinance.

The Group was not subject to externally imposed capital requirements in either the current or the prior year.

15 Financial risk management and fair values of financial instruments

Exposure to credit, liquidity and currency risks arises in the normal course of the Group's business. The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

The Group's credit risk is primarily attributable to cash and deposits with banks and trade and other receivables. Management has a credit policy in place and exposures to these credit risks are monitored on an ongoing basis.

The Group's cash and deposits with banks are placed with major financial institutions.

14 資本管理

本集團管理資本的主要目的是保障本集團可持續經營，使其可以繼續為香港特別行政區及全球的互聯網社羣提供香港地區頂級域名(即「.hk」及「.香港」)的註冊及管理服務。

本集團把「資本」界定為權益的所有組成部分。

本集團會定期檢討和管理資本架構，並在不抵觸董事對本集團的受託人責任或香港《公司條例》的規定的範圍內，因應對本公司或本集團構成影響的經濟狀況的轉變而調整資本架構。

本集團在本年度或上年度均毋須受外間訂立的資本規定所規限。

15 財務風險管理及金融工具的公允價值

本集團在正常業務過程中會承受信貸、流動資金和外幣風險。本集團在這方面的風險承擔以及透過財務風險管理政策和慣常做法去控制這些風險的詳情如下。

(a) 信貸風險

本集團的信貸風險主要來自現金和銀行存款，以及應收賬款及其他應收款。管理層制訂信貸政策，並按持續基準監察此等信貸風險。

本集團的現金和銀行存款存放於大型金融機構。

Notes to the Consolidated Financial Statements 財務報表附註

(Expressed in Hong Kong dollars)(以港幣列示)

15 Financial risk management and fair values of financial instruments (continued)

(a) Credit risk (continued)

In respect of trade and other receivables, individual credit evaluations are performed on all customers requiring credit over a certain amount. These take into account the customer's past payments history, financial position and other factors. Trade receivables are due within 30 days from the date of billings. Normally, the Group does not obtain collateral from customers.

At the end of the reporting period, there is no significant concentration of credit risk with respect to trade and other receivables from third party customers. The Group measures loss allowances for the trade receivables at an amount equal to lifetime ECLs (which is calculated using a provision matrix). Due to the financial strength of its customers and the short duration of the trade receivables, the ECL allowance is considered insignificant.

The maximum exposure to credit risk is represented by the carrying amount of cash and deposits with banks and trade and other receivables in the consolidated statement of financial position. The Group does not provide any guarantees which would expose the Group to credit risk.

(b) Liquidity risk

The Group's policy is to regularly monitor its current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

All financial liabilities as disclosed in the Group's consolidated statement of financial position are required to be settled within one year or on demand. The total contractual undiscounted cash flows of these financial liabilities equal their carrying amounts on the consolidated statement of financial position as at 31 December 2018 and 2017.

15 財務風險管理及金融工具的公允 價值(續)

(a) 信貸風險(續)

本集團會對所有申請超逾某水平信貸金額的客戶進行信貸評估。這些評估了客戶過往償還到貸款的記錄及現時償付能力及特定客戶其所處的經營環境。本集團一般給予三十日的信貸期。在一般情況下，本集團並無持有客戶提供的抵押品。

於本報告期末，本集團於第三方客戶及其他應收款項沒有重大和集中的信貸風險。本集團將應收賬款金額以永久信貸損失(使用撥備矩陣計算)模式評估應收賬的借貸風險的損失準備。鑒於客戶的財務實力及貿易應收款項的時間過短，信貸虧損撥備被視為影響較少。

本集團所承受的信貸風險上限為資產負債表中的銀行存款、應收賬款及其他應收款。本集團沒有提供任何可能令本集團承受信貸風險的擔保。

(b) 流動資金風險

本集團的政策是定期監督現時和預期的流動資金需求，以確保維持充足的現金儲備，滿足短期與較長期的流動資金需求。

於集團綜合財務報表披露的所有金融負債均須於一年內或被要求時支付。於二零一八年及二零一七年十二月三十一日，此等金融負債的訂約未折現現金流量總和相等於其賬面金額。

Notes to the Consolidated Financial Statements 財務報表附註

(Expressed in Hong Kong dollars)(以港幣列示)

15 Financial risk management and fair values of financial instruments (continued)

(c) Currency risk

The Group is exposed to currency risks through certain transactions that are dominated in the United States dollars ("USD"). As the Hong Kong dollar ("HKD") is pegged to the USD, the Group considers the risk of movements in exchange rate between the HKD and the USD to be insignificant.

(d) Fair values

The carrying amounts of the Group's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 31 December 2018 and 2017.

15 財務風險管理及金融工具的公允 價值(續)

(c) 外幣風險

本集團因進行一些以美元計價的交易而須面對外幣風險。由於港幣與美元掛鈎，本集團預計港幣兌美元匯率不會出現重大變動。

(d) 公允價值的計量

於二零一八年及二零一七年十二月三十一日，本集團所有按成本或攤銷成本列賬之金融工具與其公允價值無重大差異。

16 Operating lease commitments

At 31 December 2018, the total future minimum lease payments under non-cancellable operating leases are payable by the Group as follows:

		2018	2017
Premises	樓宇		
Within 1 year	1年內	\$ 1,737,120	\$ 1,986,906
After 1 year but within 5 years	1年後但5年內	—	1,737,120
		\$ 1,737,120	\$ 3,724,026
Equipment and facilities	器械及設備		
Within 1 year	1年內	\$ 1,503,682	\$ 1,517,160
After 1 year but within 5 years	1年後但5年內	2,905,802	910,110
		\$ 4,409,484	\$ 2,427,270

The Group is the lessee in respect of a number of premises and items of internet facilities under short-term operating lease. The leases typically run for an initial period of two to four years, at the end of which period all terms are renegotiated. None of the leases includes contingent rentals.

16 經營租賃承擔

於二零一八年十二月三十一日，本集團根據不可撤銷經營租賃的將來最低租賃付款總額如下：

本集團根據經營短期租賃租用樓宇及互聯網設備，有關租賃一般初步為期兩年至四年，所有租賃到期後要進行所有條款的再協商。各項經營租賃均不包含或有租金。

Notes to the Consolidated Financial Statements

財務報表附註

(Expressed in Hong Kong dollars)(以港幣列示)

17 Material related party transactions

In addition to the transactions and balances disclosed elsewhere in these financial statements during the year, the Group entered into the following material related parties transactions:

	2018	2017
Key management personnel, including directors: 管理要員，包括董事：		
— Short-term employee benefits 一短期僱員福利	\$3,695,165	\$4,323,809

18 Comparative figures

Certain comparative figures have been reclassified to conform with the current year's presentation of the financial statements. Please refer to note 1(b) for details.

17 重大關連方交易

除本財務報表所披露的交易及結餘外，本集團於年內還與關聯方進行下列重大交易：

18 比較數字

若干比較數字已重新分類，以符合本年度之呈報方式。詳情請參閱附註1(b)。

Notes to the Consolidated Financial Statements 財務報表附註

(Expressed in Hong Kong dollars)(以港幣列示)

19 Company-level statement of financial position 19 本公司之財務狀況表

		2018	2017
Non-current asset	非流動資產		
Deposits	按金	\$ 507,727	\$ 507,727
Current assets	流動資產		
Trade receivables	應收賬款	\$ 405	\$ —
Prepayments and other receivables	預付款及其他應收款	1,624,426	1,340,174
Amount due from a subsidiary	應收附屬公司款項	963,596	371,041
Cash and deposits with banks	現金及銀行存款	180,278,001	170,330,465
		\$182,866,428	\$ 172,041,680
Current liabilities	流動負債		
Other payables	其他應付款	\$ 3,442,999	\$ 3,932,857
Deferred registration income	遞延註冊收入	16,962,778	17,375,745
		\$ 20,405,777	\$ 21,308,602
Net current assets	流動資產淨值	\$162,460,651	\$ 150,733,078
Total assets less current liabilities	資產總值減流動負債	\$162,968,378	\$ 151,240,805
Non-current liability	非流動負債		
Deferred registration income	遞延註冊收入	\$ 14,927,192	\$ 14,063,798
NET ASSETS	資產淨值	\$148,041,186	\$ 137,177,007
Representing:	代表：		
Retained profits	保留溢利	\$148,041,186	\$ 137,177,007

Approved and authorised for issue by the board of directors on 19 March 2019. 董事局於二零一九年三月十九日核准並許可發出。

Chan Sai Ming
Chairman

陳細明
主席

Ho Wai Chung Stephen
Director

何偉中
董事

Notes to the Consolidated Financial Statements 財務報表附註

(Expressed in Hong Kong dollars)(以港幣列示)

20 Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 December 2018

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments, new standards and interpretations which are not yet effective for the year ended 31 December 2018 and which have not been adopted in these financial statements. These include the following which may be relevant to the Group.

20 截至二零一八年十二月三十一日止年度已頒布但尚未生效的修訂、新準則及詮釋可能產生的影響

截至本財務報表刊發日期，香港會計師公會已頒布於截至二零一八年十二月三十一日止年度尚未生效，亦沒有在本財務報表採納的多項修訂和新準則。這些準則變化包括下列可能與本集團有關的項目：

		Effective for accounting periods beginning on or after 在以下日期或 之後開始的 會計期間生效
HKFRS 16, <i>Leases</i>	《香港財務報告準則》第16號，「租賃」	1 January 2019 二零一九年一月一日
HK(IFRIC) 23, <i>Uncertainty over income tax treatments</i>	《香港財務報告準則》第23號， 「所得稅之不確定性之處理」	1 January 2019 二零一九年一月一日
Annual Improvements to HKFRSs 2015 – 2017 Cycle	《香港財務報告準則2015年至2017年 周期的年度改進》	1 January 2019 二零一九年一月一日

The Group is in the process of making an assessment of what the impact of these amendments, new standards and interpretations is expected to be in the period of initial application. So far the Group has identified some aspects of HKFRS 16 which may have a significant impact on the financial statements. Further details of the expected impacts are discussed below. While the assessment has been substantially completed for HKFRS 16, the actual impacts upon the initial adoption of the standard may differ as the assessment completed to date is based on the information currently available to the Group, and further impacts may be identified before the standard is initially applied in the Group's consolidated financial statements for the year ending 31 December 2019. The Group may also change its accounting policy elections, including the transition options, until the standards are initially applied in the financial statements.

本集團正評估該等修訂及新訂準則於首次應用期間預期帶來的影響。迄今，本集團已識別香港財務報告準則第16號的若干方面可能對財務報表產生重大影響。有關預期影響的進一步詳情於下文論述。香港財務報告準則第16號的評估已大致完成，但由於迄今完成的評估基於本集團目前可獲得的資訊，因此對首次採納標準的實際影響可能有所不同，該準則初步適用於本集團截至2019年12月31日止年度的綜合財務報表。預期影響的細節。雖然香港財務報告準則第16號的評估已基本完成，但初步採納該準則後實際影響可能有所不同，因為迄今已完成的評估乃基於本集團當時可獲得的資料，而在此準則初始套用至本集團截至2019年12月31日止年度的綜合財務報表之前，可能還會發現進一步的影響。本集團亦可更改其會計政策選擇，包括過渡期政策，直至標準初步應用於財務報表。

Notes to the Consolidated Financial Statements 財務報表附註

(Expressed in Hong Kong dollars)(以港幣列示)

20 Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 December 2018 (continued)

HKFRS 16, Leases

As disclosed in note 1(f), currently the Group classifies leases into finance leases and operating leases and accounts for the lease arrangements differently, depending on the classification of the lease. The Group enters into leases as the lessee.

Once HKFRS 16 is adopted, the Group will no longer distinguish between finance leases and operating leases when it is the lessee under the lease. Instead, subject to practical expedients, the Group will be required to account for all leases of more than 12 months in a similar way to current finance lease accounting.

The application of the new accounting model is expected to lead to an increase in both assets and liabilities and to impact on the timing of the expense recognition in the statement of profit or loss over the period of the lease.

HKFRS 16 is effective for annual periods beginning on or after 1 January 2019. The Group plans to elect to use the modified retrospective approach for the adoption of HKFRS 16 and will recognise the cumulative effect of initial application as an adjustment to the opening balance of equity at 1 January 2019 and will not restate the comparative information. As disclosed in note 16, at 31 December 2018 the Group's future minimum lease payments under non-cancellable operating leases amount to \$1,737,120 and \$4,409,484 for premises and equipment and facilities respectively, a portion of which is payable between 1 and 5 years after the reporting date. Upon the initial adoption of HKFRS 16, the opening balances of lease liabilities and the corresponding right-of-use assets will be adjusted to \$3,919,934 and \$3,919,934 respectively, after taking account the effects of discounting, as at 1 January 2019.

20 截至二零一八年十二月三十一日止年度已頒布但尚未生效的修訂、新準則及詮釋可能產生的影響(續)

《香港財務報告準則》第16號，「租賃」

誠如附註1(f)所披露，本集團現時將租賃分類為融資租賃與經營租賃，並根據不同租賃的性質對租賃安排進行列賬。本集團分別作承租人訂立租約。

一旦採納香港財務報告準則第16號，本集團作為承租人時將不再區分融資租賃及經營租賃。相反，受可行權宜方法的規限，本集團需按與現有超過十二個月以上的融資租賃會計處理方法類似的方式將所有租約入賬。

預期應用新會計模式將導致資產及負債均有所增加，及影響租約期間於損益表確認開支的時間。

香港財務報告準則第16號由二零一九年一月一日或之後開始的年度期間生效。本集團計劃選擇採用經修訂的追溯法以採納香港財務報告準則第16號，並將確認首次應用所產生的累積影響作為2019年1月1日權益期初餘額的調整，並不會重列比較資料。誠如附註16所披露，於二零一八年十二月三十一日，本集團於不可撤銷經營租賃項下就物業及其他資產的日後最低租賃付款分別達1,737,120元及4,409,484元，其中部分須於報告日期後一至五年內支付。當初步採納香港財務報告準則第16號後，在二零一九年一月一日考量折扣影響後，租賃負債及相應使用權資產的期初結餘將分別調整為3,919,934元及3,919,934元。