

SECURE CONNECTION LIMITED

**REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023**

CONTENTS	PAGE(S)
REPORT OF THE DIRECTORS	1
INDEPENDENT AUDITOR'S REPORT	2 - 4
INCOME STATEMENT	5
BALANCE SHEET	6
NOTES TO THE FINANCIAL STATEMENTS	7 - 11

SECURE CONNECTION LIMITED

REPORT OF THE DIRECTORS

The directors have pleasure in submitting the annual report together with the audited financial statements for the year ended 31st March, 2023.

PRINCIPAL ACTIVITY

The Company during the year was general trading.

RESULTS AND RESERVE

The result of the company for the year ended 31st March, 2023 and the state of the company's affairs at that date are set out in the financial statements on pages 5 to 11.

The directors do not recommend the payment of a dividend for the year. No transfer to or from reserve was made during the year.

BUSINESS REVIEW

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

DIRECTORS

The directors of the Company during the year and up to the date of this report were:

Mohit Anand

Ketan Chhaganlal Patel

In accordance with the provision in the Company's Articles of Association, the directors are not subject to rotation or retirement at the annual general meeting and thus shall continue in office.

AUDITOR

The financial statements together with the notes thereon has been audited by Messrs Chiu Yu Choi, Certified Public Accountant (Practising), who retires and, being eligible, offers himself for re-appointment.

On behalf of the Board



Chairman

HONG KONG, 27 MAY 2023

CHIU YU CHOI Certified Public Accountant (Practising)

趙汝才執業會計師

Address: Room 1701, Wai Fung Plaza, 664 Nathan Road, Mongkok, Kowloon.

Telephone: (852) 6216 8811 Fax: (852) 3005 4584 Email: ycchiu@accamail.com

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF SECURE CONNECTION LIMITED (incorporated in Hong Kong with limited liability)

Qualified Opinion

I have audited the financial statements of Secure Connection Limited ("the Company") set out on pages 5 to 11 which comprise the balance sheet as at 31 March, 2023, the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements of the Company are prepared, in all material respects, in accordance with the Hong Kong Small and Medium-Sized Entity Financial Reporting Standards ("SME-FRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Basis for Qualified Opinion

I was not invited to perform a physical stock count at the balance sheet date and thus the quantity and value of the closing inventories in the amount of HK\$4,356,298. cannot be ascertained. And there was no system of control on which I could rely for the purpose of my audit. There was no other satisfactory audit procedures that I could adopt to confirm that the quantity and value of the closing inventories were properly recorded.

I conducted my audit in accordance with Hong Kong Standards on Auditing ("HKSAs") and with reference to PN 900 (Revised) Audit of financial statements Prepared in Accordance with the Small and Medium-Sized Entity Financial Reporting Standard issued by the HKICPA. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and I have fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

The director is responsible for the other information. The other information comprises the information included in the directors' report, but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

CHIU YU CHOI Certified Public Accountant (Practising)

趙汝才執業會計師

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Telephone: (852) 6216 8811 Fax: (852) 3005 4584 Email: ycchiu@accamail.com

**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDER OF
SECURE CONNECTION LIMITED**
(incorporated in Hong Kong with limited liability)

Information Other than the Financial Statements and Auditor's Report Thereon (continued)

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Director and Those Charged with Governance for the financial statements

The director is responsible for the preparation of the financial statements in accordance with SME-FRS issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the director 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 director is 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 director either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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

Auditor's responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. This report is made solely to you, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. I do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with HKSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

CHIU YU CHOI Certified Public Accountant (Practising)

趙汝才執業會計師

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INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDER OF

SECURE CONNECTION LIMITED

(incorporated in Hong Kong with limited liability)

Auditor's responsibilities for the Audit of the Financial Statements (Continued)


- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

I communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report on Other Matters under sections 407(2) and 407(3) of the Hong Kong Companies Ordinance

In respect alone of the inability to obtain sufficient appropriate audit evidence about the closing stock as described in the Basis for Qualified Opinion section of my report above:

- I was unable to determine whether adequate accounting records had been kept; and
- I have not obtained all the information or explanations that, to the best of my knowledge and belief, are necessary and material for the purpose of the audit.


Chiu Yu Choi
Certified Public Accountant (Practising)
Practising certificate no.: P05070

HONG KONG, 27 MAY 2023

SECURE CONNECTION LIMITED**INCOME STATEMENT
FOR THE YEAR ENDED 31ST MARCH, 2023**

	Notes	2023 HK\$	2022 HK\$
TURNOVER	3	4,05,06,105	5,23,22,292
COST OF INCOME		<u>(1,94,33,317)</u>	<u>(3,08,82,087)</u>
GROSS PROFIT		2,10,72,788	2,14,40,205
BANK INTEREST INCOME		-	163
Administrative Expenses		<u>(1,60,28,973)</u>	<u>(1,43,73,334)</u>
PROFIT BEFORE TAX	4	50,43,814	70,67,034
Tax	5	<u>-</u>	<u>-</u>
NET PROFIT FOR THE YEAR		<u><u>50,43,814</u></u>	<u><u>70,67,034</u></u>

The accompanying Accounting Policies and Explanatory Notes form an integral part of, and should be read in conjunction with, these financial statements.

SECURE CONNECTION LIMITED

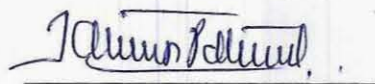
BALANCE SHEET AS AT 31ST MARCH, 2023

	Notes	2023 HK\$	2022 HK\$
CURRENT ASSETS			
Stock	6	43,56,298	55,12,394
Account receivable		1,97,72,017	1,47,24,573
Deposit paid to supplier		34,41,027	4,14,094
Cash at bank		5,00,927	5,66,966
		<u>2,80,70,269</u>	<u>2,12,18,027</u>
LESS: CURRENT LIABILITIES			
Amount due to the director	7	(1,58,507)	(46,721)
Account payable		(52,03,533)	(24,07,185)
Receipt in advance		(2,33,357)	(3,20,394)
Accrual		(39,250)	(10,51,919)
		<u>(56,34,647)</u>	<u>(38,26,219)</u>
NET ASSETS		<u><u>2,24,35,621</u></u>	<u><u>1,73,91,807</u></u>
EQUITY			
Share capital	8	1,17,10,615	1,17,10,615
Retained earning	9	<u>1,07,25,006</u>	<u>56,81,192</u>
TOTAL EQUITY		<u><u>2,24,35,621</u></u>	<u><u>1,73,91,807</u></u>

The accompanying Accounting Policies and Explanatory Notes form an integral part of, and should be read in conjunction with, these financial statements.

The financial statements on pages 5 to 11 were approved by the Board of Directors on

27 MAY 2023


Director


Director

SECURE CONNECTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

1 GENERAL INFORMATION

The Company is a limited liability company incorporated in Hong Kong. The address of its registered office is located at Flat C, 61/F., Block A, La Rossa, Coastal Skyline, 12 Tung Chung Water Front Road, Tung Chung, Hong Kong. The principal activity of the company during the period was general trading.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The company qualifies for the reporting exemption as a small private company under section 359(1)(a) of the Hong Kong Companies Ordinance (Cap. 622) and is therefore entitled to prepare and present its financial statements in accordance with the Small and Medium-sized Entity Financial Reporting Standard (SME-FRS) issued by the Hong Kong Institute of Certified Public Accountants.

These financial statements comply with the Small and Medium-sized Entity Financial Reporting Standard ("SME-FRS") issued by the Hong Kong Institute of Certified Public Accountants and have been prepared under the accrual basis of accounting and on the basis that the Company is a going concern.

The measurement base adopted is the historical cost convention.

The following are the specific accounting policies that are necessary for a proper understanding of the financial statements.

(a) Revenue recognition

- (i) Service income was recognised when the services were rendered to the customers.
- (ii) Interest income is recognised as it accrues using the effective interest method.
- (iii) Sundry income is recognized when the amount is received from all other sources of income which does not fall under each significant category of revenue recognised on ordinary activities.

(b) Share capital

Ordinary shares are classified as equity.

(c) Taxation

Income tax expense represents current tax expenses. The income tax payable represents the amount expected to be paid to the taxation authority, using the tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is not provided.

SECURE CONNECTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Leases

Leases that transfer substantially all the rewards and risks of ownership of assets to the company are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the income statement.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Leases where substantially all the risks and rewards of ownership of assets are not transferred to the lessee are accounted for as operating leases. Annual rents applicable to such operating leases are charged to the income statement on a straight-line basis over the lease term.

(e) Impairment of assets

An assessment is made at each balance sheet date to determine whether there is any indication of impairment or reversal of previous impairment, including items of property, plant and equipment. In the event that an asset's carrying amount exceeds its recoverable amount, the carrying amount is reduced to recoverable amount and an impairment loss is recognized in the profit and loss account. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount, however not to an amount higher than the carrying amount that would have been determined (net of amortization or depreciation), had no impairment losses been recognized for the asset in prior years.

(f) Employee benefits

(i) Paid leave carried forward

The Company provides annual leave to its employees under their employment contracts on a calendar year basis. Under certain circumstances, such leave which remains untaken as at the balance sheet date is permitted to be carried forward and utilised by the respective employees in the following year. An accrual is made at the end of the reporting period for the expected future cost of such paid leave earned during the by the employees and carried forward.

SECURE CONNECTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Employee benefits (continued)

(ii) Retirement benefit costs

The Company operates a defined contribution Mandatory Provident Fund retirement benefits scheme in Hong Kong (the "MPF Scheme") under the Mandatory Provident Fund Schemes ordinance, for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to the income statement as they become payable in accordance with the rules of the MPF Scheme. The Company's employer contributions vest fully with the employees when contributed into the MPF Scheme.

(iii) Termination Benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits when it is demonstrably committed to either; terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(g) Foreign exchange

Foreign currency transactions are converted at the exchange rate applicable at the transaction date. Foreign currency monetary items are translated into Hong Kong Dollars using exchange rates applicable at the balance sheet date. Gains and losses on foreign exchange are recognised in the income statement.

3	Turnover	2023	2022
		HK\$	HK\$
	Service income	<u>4,05,06,105</u>	<u>5,23,22,292</u>
4	Profit Before Tax	HK\$	HK\$
	This has been arrived at after charging:		
	Auditors' remuneration	56,481	52,572
	Director's emolument		
	-fee	-	-
	-other emolument	-	-
	-pension fund contributions	<u>-</u>	<u>-</u>

SECURE CONNECTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

5	Tax	2023 HK\$	2022 HK\$
	Income tax expense	<u>-</u>	<u>-</u>

No profit tax is provided as the profit was arisen outside Hong Kong (2022: Nil).

6	Stock	2023 HK\$	2022 HK\$
	Stock in trade, at cost	<u>43,56,298</u>	<u>55,12,394</u>

7 Amount due to the director

The amount due is interest-free, unsecured and repayable on demand.

8	Share Capital	2023 HK\$	2022 HK\$
	Issued and fully paid: 10,000 shares of \$1.00 each	<u>1,17,10,615</u>	<u>1,17,10,615</u>

9	Changes In Equity	Share capital HK\$	Accumulated losses HK\$	Total HK\$
	Balance at 31st March, 2022	1,17,10,615	56,81,192	1,73,91,807
	Net profit for the year	<u>-</u>	<u>50,43,814</u>	<u>50,43,814</u>
	Balance at 31st March, 2023	<u>1,17,10,615</u>	<u>1,07,25,006</u>	<u>2,24,35,621</u>

SECURE CONNECTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

10 Related party transaction

The following related party transaction was entered into between the related party and the Company.

	2023 HK\$	2022 HK\$
Sale to related party	<u>1,84,61,352</u>	<u>4,60,52,580</u>
Purchase	<u>40,11,229</u>	<u>28,85,267</u>

27 MAY 2023