

# **Ying Wa Girls' School Alumnae Association Charity Trust Fund**

**Trustees' Report and Financial Statements**

**For the period from 1 March 2006 (Date of Commencement) to 31 December 2006**

---

**Eric H. L. Chung & Co.**

Certified Public Accountants

Hong Kong

---

## **YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION CHARITY TRUST FUND**

---

### **Contents**

	<b>Pages</b>
<b>Trustees' Report</b>	<b>1</b>
<b>Auditor's Report</b>	<b>2</b>
<b>Income and Expenditure Account</b>	<b>3</b>
<b>Balance Sheet</b>	<b>4</b>
<b>Statement of Changes in Equity</b>	<b>5</b>
<b>Cash Flow Statement</b>	<b>6</b>
<b>Notes to the Financial Statements</b>	<b>7 - 8</b>

---

## YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION CHARITY TRUST FUND

---

### Trustees' Report

For the period from 1 March 2006 (Date of Commencement) to 31 December 2006

The Trustees submit their report together with the audited financial statements for the period from 1 March 2006 (Date of Commencement) to 31 December 2006.

### Principal activities

The principal activities of the Charity Trust Fund are providing assistance and facilities for the advancement of education of the students of Ying Wa Girls' School.

### Results

The income received and expenditure paid by the Charity Trust Fund for the period from 1 March 2006 (Date of Commencement) to 31 December 2006 are set out in the Income and Expenditure Account on page 3. The state of affairs as at 31 December 2006 is set out in the Balance Sheet on page 4.

### Trustees

The Trustees who held office during the period were:

Rev. Lee Ching Chee	(appointed on 1 March 2006)
Dr. Huen Kwai Fun	(appointed on 1 March 2006)
Ms. Chan Seung Yan, Sonja	(appointed on 1 March 2006)
Ms. Chow Siu Fung	(appointed on 1 March 2006)
Ms. Lai Yuk Fai	(appointed on 1 March 2006)
Ms. Lam Lai Bing, Alison	(appointed on 1 March 2006)
Ms. Lee Man Shiu, Margaret	(appointed on 1 March 2006)

In accordance with the Deed of Trust, the total number of Trustees shall at least be five, but not more than nine, and shall always be an odd number.

The length of appointment shall not exceed twenty-four months, but provided that Trustees are eligible for further terms of appointment.

### Honorary Auditors

Eric H.L. Chung & Co. Certified Public Accountants were appointed as honorary auditors of the Charity Trust Fund on 12 January 2007, a resolution proposing their appointment will be put to the Annual General Meeting of the Settlor, Ying Wa Girls' School Alumnae Association Limited.

On behalf of the Trustees

**YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION CHARITY TRUST FUND**



**Chan Seung Yan, Sonja**  
**Chairman**  
15 March 2007

**Independent Auditor's Report to the Trustees of  
YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION CHARITY TRUST FUND**

We have audited the financial statements of Ying Wa Girls' School Alumnae Association Charity Trust Fund set out on pages 3 to 8, which comprise the Balance Sheet as at 31 December 2006, the Income and Expenditure Account, Statement of Changes in Equity and Cash Flow Statement for the period from 1 March 2006 (Date of Commencement) to 31 December 2006, and a summary of significant accounting policies and other explanatory notes.

**Trustees' responsibility of the financial statements**

The Trustees are responsible for the preparation and the true and fair presentation of these financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditor's responsibility for the financial statements**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and true and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Trustees, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements give a true and fair view of the state of affairs of the Charity Trust Fund as at 31 December 2006 and of its surplus and cash flows for the period from 1 March 2006 (Date of Commencement) to 31 December 2006 in accordance with Hong Kong Financial Reporting Standards.



**Eric H L Chung & Co.**  
**Certified Public Accountants (Practising)**  
**Hong Kong**  
16 March 2007



---

**YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION CHARITY TRUST FUND**

---

**Income and Expenditure Account**  
**For the period from 1 March 2006 (Date of Commencement) to 31 December 2006**

	Notes	HK\$	2006 HK\$
<b>INCOME</b>			
Donation from Ying Wa Girls' School	4		788,677
Donation from Holistic Education Fund			515,903
Donation from Movie Gala	5		5,238,742
Surplus of Library Fund	6		<u>1,499</u>
			6,544,821
<b>OTHER INCOME</b>			
Bank interest income			<u>20,859</u>
			6,565,680
<b>EXPENDITURES</b>			
Advertising		61,200	
Event management fee		100,000	
Miscellaneous		14,703	
Postage		10,318	
Printing		1,914	
Transportation		2,352	
Venue expenses	7	96,014	
Subsidy payment		<u>3,868</u>	<u>(290,369)</u>
<b>SURPLUS FOR THE PERIOD</b>			<u><u>6,275,311</u></u>

The notes on pages 7 to 8 form an integral part of these financial statements

---

---

YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION CHARITY TRUST FUND

---

**Balance Sheet**  
**As at 31 December 2006**

	Notes	2006 HK\$
<b>CURRENT ASSETS</b>		
Cash and bank balances	8	6,283,753
Interest income receivables		<u>6,558</u>
		<u>6,290,311</u>
<b>CURRENT LIABILITIES</b>		
Account payable		<u>15,000</u>
<b>NET CURRENT ASSETS</b>		<u>6,275,311</u>
<b>REPRESENTING:</b>		
Surplus for the period		<u>6,275,311</u>

The financial statements were approved by the Trustees on 15 March 2007 and signed on its behalf by



**Chan Seung Yan, Sonja**  
Trustee



**Lee Man Shiu, Margaret**  
Trustee

The notes on pages 7 to 8 form an integral part of these financial statements

---

**YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION CHARITY TRUST FUND**

---

**Statement of Changes in Equity**  
**For the period from 1 March 2006 (Date of Commencement) to 31 December 2006**

	<b>HK\$</b>
Surplus for the period	<u>6,275,311</u>
Balance at 31 December 2006	<u><u>6,275,311</u></u>

The notes on pages 7 to 8 form an integral part of these financial statements

---

---

**YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION CHARITY TRUST FUND**

---

**Cash Flow Statement**  
**For the period from 1 March 2006 (Date of Commencement) to 31 December 2006**

	Notes	2006 HK\$
<b>OPERATING ACTIVITIES</b>		
Surplus for the period		6,275,311
Adjustment for:		
Interest income		<u>(20,859)</u>
<b>Operating surplus before changes in working capital</b>		6,254,452
Increase in account payable		<u>15,000</u>
<b>Net cash generated from operating activities</b>		6,269,452
<b>INVESTING ACTIVITIES</b>		
Interest received		<u>14,301</u>
<b>Net increase in cash and cash equivalents</b>		6,283,753
<b>Cash and cash equivalents at 1 March 2006</b>		<u>-</u>
<b>Cash and cash equivalents at 31 December 2006</b>	8	<u>6,283,753</u>

The notes on pages 7 to 8 form an integral part of these financial statements

---



**Notes to the Financial Statements**

**For the period from 1 March 2006 (Date of Commencement) to 31 December 2006**

**1. ESTABLISHMENT DETAILS AND TRUSTEES' LIABILITY**

Establishment details

The fund is a charitable trust and was established by a Deed of Trust dated 26 May 2006 under the Laws of Hong Kong. It was deemed to have taken effect as from 1 March 2006. The settlor is Ying Wa Girls' School Alumnae Association Limited.

Trustees' liability

No Trustee shall be liable to any loss to the Fund arising by reason of any investment made in good faith, or due to the negligence or fraud of any employee or agent retained by the Trustees, or by reason of any mistake or omission made in good faith by any Trustee, or by reason of any other matter or thing, except willful and fraudulent act or omission on the part of the Trustee who is sought to be made liable.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of accounting

The financial statements have been drawn up in accordance with the accounting principles generally accepted in Hong Kong.

Income recognition

Donation income are recognized on a cash basis.

Bank interest income are recognized on an accrual basis.

Taxation

The Charity Trust Fund is exempted from Hong Kong profit tax in accordance with provisions of Section 88 of the Inland Revenue Ordinance.

**3. TRUSTEES' REMUNERATION**

None of the Trustees received any remuneration in respect of their services rendered to the Fund during the period.

**4. DONATION FROM YING WA GIRLS' SCHOOL**

The donation was collected on the occasion of Ying Wa Girls' School's 105<sup>th</sup> Anniversary Dinner under the name of the Charity Trust Fund.

---

**YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION CHARITY TRUST FUND**

---

**Notes to the Financial Statements**

**For the period from 1 March 2006 (Date of Commencement) to 31 December 2006**

**5. DONATION FROM MOVIE GALA**

The Charity Trust Fund's Fund-raising Movie Gala was held on 11 December 2006 at Grand Theatre, Hong Kong Cultural Centre.

**6. SURPLUS OF LIBRARY FUND**

	HK\$
Donation income for Library Fund	30,000
Less: Acquisition of books	<u>(28,501)</u>
Surplus for the period	<u><u>1,499</u></u>

**7. VENUE EXPENSES**

	HK\$
Rental of Grand Theatre	24,200
Cocktail reception	13,200
Decoration	28,500
Subsidy to student helpers	2,750
Rental of theatre and foyer	<u>27,364</u>
	<u><u>96,014</u></u>

**8. CASH AND BANK BALANCES**

	HK\$
Fixed deposit accounts	5,808,840
Current account	246,579
Saving account	<u>228,334</u>
	<u><u>6,283,753</u></u>