

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

**Trustees' Report and Financial Statements**

**For the year ended 31 December 2007**

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

Certified Public Accountants

Hong Kong

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

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### **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>

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

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### Trustees' Report For the year ended 31 December 2007

The Trustees submit their report together with the audited financial statements for the year ended 31 December 2007.

#### 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 year ended 31 December 2007 are set out in the Income and Expenditure Account on page 3. The state of affairs as at 31 December 2007 is set out in the Balance Sheet on page 4.

#### Trustees

The Trustees who held office during the year were:

Rev. Lee Ching Chee  
Dr. Huen Kwai Fun  
Ms. Chan Seung Yan, Sonja  
Ms. Chow Siu Fung  
Ms. Lai Yuk Fai  
Ms. Lam Lai Bing, Alison  
Ms. Lee Man Shiu, Margaret

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 term of office of the Trustees had expired on 31 May 2007. On 9 June 2007, the council meeting of the Settlor, Ying Wa Girls' School Alumnae Association Limited, approved that all the Trustees would continue their term of office until 31 May 2008.

#### Honorary Auditors

Eric H.L. Chung & Co. Certified Public Accountants were appointed as honorary auditors of the Charity Trust Fund.

On behalf of the Trustees

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



Chan Seung Yan, Sonja  
Chairman  
25 February 2008



**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 2007, the Income and Expenditure Account, Statement of Changes in Equity and Cash Flow Statement for the year ended 31 December 2007, 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 2007 and of its surplus and cash flows for the year ended 31 December 2007 in accordance with Hong Kong Financial Reporting Standards.

Eric H L Chung & Co.  
Certified Public Accountants (Practising)  
Hong Kong  
26 February 2008

# YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION CHARITY TRUST FUND

## Income and Expenditure Account For the year ended 31 December 2007

		For the year ended 31 December 2007		For the period from 1 March 2006 (Date of Commencement) to 31 December 2006	
	Notes	HK\$	HK\$	HK\$	HK\$
<b>INCOME</b>					
Donation from Ying Wa Girls' School	4		68,350		788,677
Donation from Holistic Education Fund			-		515,903
Donation from Movie Gala			-		5,238,742
General donation			57,418		-
Surplus of Library Fund			-		1,499
			125,768		6,544,821
<b>OTHER INCOME</b>					
Bank interest income			243,347		20,859
			369,115		6,565,680
<b>EXPENDITURES</b>					
Advertising			-		61,200
Event management fee			-		100,000
Miscellaneous		1,002			14,703
Postage		40			10,318
Printing		-			1,914
Transportation		-			2,352
Venue expenses		-			96,014
Subsidy payment	6	215,105	(216,147)	3,868	(290,369)
<b>SURPLUS FOR THE YEAR / PERIOD</b>			152,968		6,275,311

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

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

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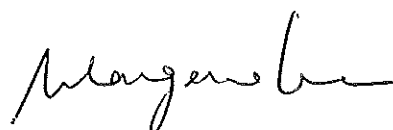
**Balance Sheet**  
**As at 31 December 2007**

	Notes	2007 HK\$	2006 HK\$
<b>CURRENT ASSETS</b>			
Cash and bank balances	5	6,423,801	6,283,753
Interest income receivables		4,478	6,558
		<u>6,428,279</u>	<u>6,290,311</u>
<b>CURRENT LIABILITIES</b>			
Account payable		<u>-</u>	<u>15,000</u>
<b>NET CURRENT ASSETS</b>		<u>6,428,279</u>	<u>6,275,311</u>
<b>REPRESENTING:</b>			
Accumulated surplus		<u>6,428,279</u>	<u>6,275,311</u>

The financial statements were approved by the Trustees on 25 February 2008 and signed on their 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

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

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**Statement of Changes in Equity  
For the year ended 31 December 2007**

	HK\$
Balance at 1 January 2007	6,275,311
Surplus for the year	<u>152,968</u>
Balance at 31 December 2007	<u><u>6,428,279</u></u>

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

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

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**Cash Flow Statement  
For the year ended 31 December 2007**

		<b>For the period from 1 March 2006 (Date of Commencement) to 31 December 2006 HK\$</b>
	<b>Notes</b>	<b>2007 HK\$</b>
<b>OPERATING ACTIVITIES</b>		
Surplus for the year / period		152,968
Adjustment for:		
Interest income		<u>(243,347)</u>
<b>Operating (deficit) / surplus before changes in working capital</b>		<b>6,275,311</b>
(Decrease) / increase in account payable		<u>(90,379)</u>
<b>Net cash (used in) / generated from operating activities</b>		<b>15,000</b>
<b>INVESTING ACTIVITIES</b>		
Interest received		<u>245,427</u>
<b>Net increase in cash and cash equivalents</b>		<b>14,301</b>
<b>Cash and cash equivalents at beginning of the year / period</b>		<b>140,048</b>
<b>Cash and cash equivalents at end of the year/ period</b>	<b>5</b>	<b>6,283,753</b>
		<u>6,283,753</u>
		<u>6,423,801</u>

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

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Notes to the Financial Statements  
For the year ended 31 December 2007

**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 year.

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

The donation received was a portion of the funds raised through Ying Wa Girls' School's Annual Sponsored Walk.

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

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**Notes to the Financial Statements  
For the year ended 31 December 2007**

**5. CASH AND BANK BALANCES**

	<b>2007 HK\$</b>	<b>2006 HK\$</b>
Fixed deposit accounts	6,044,715	5,808,840
Current account	65,064	246,579
Saving account	314,022	228,334
	<u>6,423,801</u>	<u>6,283,753</u>

**6. SUBSIDY PAYMENT**

	<b>2007 HK\$</b>	<b>2006 HK\$</b>
DVD production – Capturing Ying Wa Heritage	6,200	-
Alumnae Association scholarship	6,000	-
Beijing tour	53,786	-
Mentorship programme	11,776	3,868
New Zealand tour	31,024	-
Outward Bound course	25,035	-
Pre-approved subsidy to school	13,940	-
School choir / musicians CD production	38,250	-
Bible giving to S1 student	11,424	-
Exploring physics concepts at Disney	17,670	-
	<u>215,105</u>	<u>3,868</u>