

Ying Wa Girls' School Alumnae Association Charity Trust Fund

Trustees' Report and Financial Statements

For the year ended 31 December 2008

Eric H. L. Chung & Co.

Certified Public Accountants
Hong Kong

YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION CHARITY TRUST FUND

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YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION CHARITY TRUST FUND

Trustees' Report For the year ended 31 December 2008

The Trustees submit their report together with the audited financial statements for the year ended 31 December 2008.

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 2008 are set out in the Income and Expenditure Account on page 3. The state of affairs as at 31 December 2008 is set out in the Balance Sheet on page 4.

Trustees

The Trustees who held office during the year were:

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
Ms. Leung Man Ping (Appointed on 6 June 2008)
Rev. Lee Ching Chee (Resigned on 6 June 2008)

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 2008. On 25 April 2008, 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 2009.

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

Signed
Chan Seung Yan, Sonja
Chairman
23 February 2009

**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 2008, the Income and Expenditure Account, Statement of Changes in Equity and Cash Flow Statement for the year ended 31 December 2008, 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 2008 and of its deficit and cash flows for the year ended 31 December 2008 in accordance with Hong Kong Financial Reporting Standards.

Signed
Eric H. L. Chung & Co.
Certified Public Accountants (Practising)
Hong Kong
24 February 2009

YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION CHARITY TRUST FUND

**Income and Expenditure Account
For the year ended 31 December 2008**

		2008		2007	
	Notes	HK\$	HK\$	HK\$	HK\$
INCOME					
Donation from Ying Wa Girls' School	4		-		68,350
General donation			<u>50,750</u>		<u>57,418</u>
			50,750		125,768
OTHER INCOME					
Bank interest income			<u>127,386</u>		<u>243,347</u>
			178,136		369,115
EXPENDITURES					
Miscellaneous		1,090		1,002	
Postage		-		40	
Subsidy payment	6	<u>393,122</u>	<u>(394,212)</u>	<u>215,105</u>	<u>(216,147)</u>
(DEFICIT) / SURPLUS FOR THE YEAR			<u>(216,076)</u>		<u>152,968</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 2008

	Notes	2008 HK\$	2007 HK\$
CURRENT ASSETS			
Cash and bank balances	5	6,201,200	6,423,801
Interest income receivables		<u>11,003</u>	<u>4,478</u>
		<u>6,212,203</u>	<u>6,428,279</u>
NET CURRENT ASSETS		<u>6,212,203</u>	<u>6,428,279</u>
REPRESENTING:			
Accumulated surplus		<u>6,212,203</u>	<u>6,428,279</u>

The financial statements were approved by the Trustees on 23 February 2009 and signed on their behalf by

Signed
Chan Seung Yan, Sonja
Trustee

Signed
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 year ended 31 December 2008

	HK\$
Balance at 1 January 2008	6,428,279
Deficit for the year	<u>(216,076)</u>
Balance at 31 December 2008	<u>6,212,203</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 year ended 31 December 2008

	Notes	2008 HK\$	2007 HK\$
OPERATING ACTIVITIES			
(Deficit) / surplus for the year		(216,076)	152,968
Adjustment for:			
Interest income		<u>(127,386)</u>	<u>(243,347)</u>
Operating (deficit)			
before changes in working capital		(343,462)	(90,379)
Decrease in account payable		<u>-</u>	<u>(15,000)</u>
Net cash used in operating activities		(343,462)	(105,379)
INVESTING ACTIVITIES			
Interest received		<u>120,861</u>	<u>245,427</u>
Net (decrease) / increase in cash and cash equivalents		(222,601)	140,048
Cash and cash equivalents at beginning of the year		<u>6,423,801</u>	<u>6,283,753</u>
Cash and cash equivalents at end of the year	5	<u>6,201,200</u>	<u>6,423,801</u>

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

Notes to the Financial Statements
For the year ended 31 December 2008

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.

YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION CHARITY TRUST FUND

Notes to the Financial Statements
For the year ended 31 December 2008

5. CASH AND BANK BALANCES

	2008 HK\$	2007 HK\$
Fixed deposit accounts	5,587,567	6,044,715
Current account	121,602	65,064
Saving account	492,031	314,022
	<u>6,201,200</u>	<u>6,423,801</u>

6. SUBSIDY PAYMENT

	2008 HK\$	2007 HK\$
Alumnae Association scholarship	6,000	6,000
Aquarium project	7,484	-
Beijing tour	-	53,786
Bible giving to SI students	11,424	11,424
DVD production – Capturing Ying Wa Heritage	-	6,200
End-term activities	55,215	-
Exploring physics concepts at Disney	8,200	17,670
Mentorship programme	10,099	11,776
New Zealand tour	-	31,024
Outward Bound course	47,730	25,035
Pre-approved subsidy to school	65,355	13,940
Purchase of sports equipment	48,360	-
School choir / musicians CD production	46,800	38,250
Singapore interflow	86,455	-
	<u>393,122</u>	<u>215,105</u>