

Ying Wa Girls' School Alumnae Association Charity Trust Fund

Trustees' Report and Financial Statements

For the year ended 31 December 2016

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 2016**

The Trustees submit their report together with the audited financial statements for the year ended 31 December 2016.

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 2016 are set out in the Statement of Income and Expenditures on page 3. The state of affairs as at 31 December 2016 is set out in the Statement of Financial Position on page 4.

Trustees

The Trustees who held office during the year were:

Dr. Huen Kwai Fun
Dr. Wan Charn Wing Frank
Ms. Lam Lai Bing, Alison
Ms. Leung Man Ping, Priscilla
Ms. Yau Shu Ying, Josephine
Mr. Lau Siu Ki, Clive
Ms. Lee Sai Fung, Odetta

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.

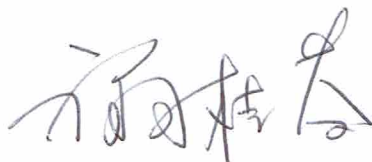
On 22 May 2015, the council meeting of the Settlor, Ying Wa Girls' School Alumnae Association Limited, approved that all the Trustees would continue their term of office until 31 May 2017.

Honorary Auditors

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

On behalf of the Trustees

YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION CHARITY TRUST FUND



Dr. Huen Kwai Fun
Chairman
17 February 2017

**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 ("Charity Trust Fund") set out on pages 3 to 8, which comprise the Statement of Financial Position as at 31 December 2016, the Statement of Income and Expenditures, the Statement of Changes of Accumulated Surplus and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements of the Charity Trust Fund are prepared, in all material respects, in accordance with Hong Kong Small and Medium-sized Entity Financial Reporting Standard ("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 Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") and with reference to Practice Note 900 (Revised), Audit of Financial Statements Prepared in Accordance with the SME-FRS issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Charity Trust Fund in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Trustees and Those Charged with Governance for the Financial Statements

The trustees are responsible for the preparation of the financial statements in accordance with the SME-FRS issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the trustees determine is necessary to enable to the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity Trust Fund'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 trustees either intend to liquidate the Charity Trust Fund or to cease operations, or have no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Charity Trust Fund's financial reporting process.

Auditor's responsibility for the financial statements

Our 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 our opinion. 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 of these financial statements.



Eric H L Chung & Co.
Certified Public Accountants (Practising)
Hong Kong
18 February 2017

YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION CHARITY TRUST FUND

**Statement of Income and Expenditures
For the year ended 31 December 2016**

		<u>2016</u>		<u>2015</u>	
	Notes	HK\$	HK\$	HK\$	HK\$
INCOME					
General donation			500		15,000
OTHER INCOME					
Bond interest income		-		29,195	
Bank interest income		<u>43,204</u>	<u>43,204</u>	<u>52,475</u>	<u>81,670</u>
			43,704		96,670
EXPENDITURES					
Amortization of premium - bond		-		2,318	
Loss on exchange		60,620		96,499	
Miscellaneous – Bank charges		3,030		4,560	
Deposit commission		-		78	
Subsidy payment	5	<u>317,566</u>	<u>(381,216)</u>	<u>288,594</u>	<u>(392,049)</u>
DEFICITS FOR THE YEAR			<u>(337,512)</u>		<u>(295,379)</u>

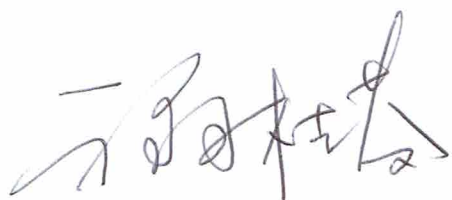
The notes on pages 7 to 8 form an integral part of these financial statements

YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION CHARITY TRUST FUND

Statement of Financial Position
As at 31 December 2016

	Notes	2016 HK\$	2015 HK\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	4,937,351	5,246,469
Interest income receivables		<u>8,000</u>	<u>6,778</u>
		<u>4,945,351</u>	<u>5,253,247</u>
CURRENT LIABILITIES			
Account payables		<u>227,251</u>	<u>197,635</u>
NET CURRENT ASSETS		<u>227,251</u>	<u>197,635</u>
NET ASSETS		<u>4,718,100</u>	<u>5,055,612</u>
REPRESENTING:			
Accumulated surplus		<u>4,718,100</u>	<u>5,055,612</u>

The financial statements were approved by the Trustees on 17 February 2017 and signed on their behalf by



Dr. Huen Kwai Fun
Trustee



Ms. Leung Man Ping Priscilla
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 of Accumulated Surplus
For the year ended 31 December 2016**

	HK\$
Balance at 1 January 2015	5,350,991
Deficits for the year	<u>(295,379)</u>
Balance at 31 December 2015 and 1 January 2016	5,055,612
Deficits for the year	<u>(337,512)</u>
Balance at 31 December 2016	<u><u>4,718,100</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

**Statement of Cash Flows
For the year ended 31 December 2016**

	Notes	2016 HK\$	2015 HK\$
OPERATING ACTIVITIES			
Deficits for the year		(337,512)	(295,379)
Adjustment for:			
Amortization of premium - bond		-	2,318
Interest income		<u>(43,204)</u>	<u>(81,670)</u>
Cash used in operations		(380,716)	(374,731)
Increase in account payables		<u>29,616</u>	<u>60,404</u>
		(351,100)	(314,327)
INVESTING ACTIVITIES			
Redemption of bonds		-	776,000
Interest received		43,204	81,670
(Increase) / decrease in interest accrued		<u>(1,222)</u>	<u>33,585</u>
Net (decrease) / increase in cash and cash equivalents		(309,118)	576,928
Cash and cash equivalents at beginning of the year		<u>5,246,469</u>	<u>4,669,541</u>
Cash and cash equivalents at end of the year	4	<u><u>4,937,351</u></u>	<u><u>5,246,469</u></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 2016**

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

Statement of compliance and basis of preparation

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

The financial statements comply with the SME-FRS and have been prepared under the accrual basis of accounting and on the basis that the Ensemble is a going concern.

The measurement base adopted is the historical cost convention.

Income recognition

Donation income is recognized on a cash basis.

Bank and bond 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.

YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION CHARITY TRUST FUND

**Notes to the Financial Statements
For the year ended 31 December 2016**

4. CASH AND CASH EQUIVALENTS

	2016	2015
	HK\$	HK\$
Fixed deposit accounts	3,804,738	1,079,173
Current account	32,204	20,165
Saving account	<u>1,100,409</u>	<u>4,147,131</u>
	<u><u>4,937,351</u></u>	<u><u>5,246,469</u></u>

5. SUBSIDY PAYMENT

	2016	2015
	HK\$	HK\$
AA Council Agreed Clerical Support to School	24,000	24,000
Alumnae Association Scholarship	7,300	7,300
Bible giving to S1 students	10,640	10,772
End-term activities	6,075	6,870
Mentorship program	1,648	16,958
Outward Bound course	-	4,251
Pre-approved subsidy to school	40,652	20,808
Production of Video Documentary	<u>227,251</u>	<u>197,635</u>
	<u><u>317,566</u></u>	<u><u>288,594</u></u>