

Ying Wa Girls' School Alumnae Association Limited
(Incorporated in Hong Kong and Limited by Guarantee)

Directors' Report and Financial Statements

For the year ended 31 December 2020

Eric H. L. Chung & Co.

Certified Public Accountants

Hong Kong

YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION LIMITED
(Incorporated in Hong Kong and Limited by Guarantee)

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YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION LIMITED
(Incorporated in Hong Kong and Limited by Guarantee)

Directors' Report
For the year ended 31 December 2020

The directors submit their report together with the audited financial statements for the year ended 31 December 2020.

Principal activities

The principal activities of the association are to foster and promote close relationship and better understanding among the past and present students and staff of Ying Wa Girls' School ("YWGS") as well as to assist YWGS in all its projects and activities when necessary.

Results

The income received and expenditure paid by the association for the year ended 31 December 2020 are set out in the Statement of Profit or Loss on page 5. The state of affairs as at 31 December 2020 is set out in the Statement of Financial Position on page 6.

Directors

The directors who held office during the year were:

Ms. Chow Siu Fung
Ms. Man Sze Wan
Ms. Li Chun Yan Selina
Ms. Mak Wing Hin Christy
Ms. Chui Wai Shan Anita
Mr. Lau Siu Ki Clive
Ms. Ching Tak Ying
Ms. Chan Wai Man
Ms. Choy Sai Mui Portia
Ms. Cheung Siu Ping
Ms. Mak Yin Ping Elke
Ms. Pang Fung Lin Florence
Ms. Tam Chi Man Doris
Ms. Yan Miu Kam Vivian
Ms. Ho Chung Sang
Ms. Hui Mung Yee
Ms. Yip Ka Hei
Ms. Lee Suet Yee
Ms. Moo Shuet Ching

In accordance with Article 25 of the association's Articles of Association, all directors shall retire at every bi-yearly Annual General Meeting and shall be eligible for re-election.

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Directors' Report
For the year ended 31 December 2020

Directors' interests

No contracts of significance in relation to the activities of the association to which the association was a party and in which a director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Honorary Auditors

Eric H.L. Chung & Co. Certified Public Accountants were appointed by the directors as honorary auditors of the association.

A resolution for their re-appointment as the association's honorary auditors for the ensuing year is to be proposed at the forthcoming annual general meeting.

On behalf of the Board

YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION LIMITED



Chairman

Hong Kong, 28 February 2021

**Independent Auditor's Report to the Members of
YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION LIMITED
(Incorporated in Hong Kong and Limited by Guarantee)**

Opinion

We have audited the financial statements of Ying Wa Girls' School Alumnae Association Limited ("the Association") set out on pages 5 to 11, which comprise the Statement of Financial Position as at 31 December 2020, the Statement of Profit or Loss, the Statement of Changes in Equity 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 Association 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 ("HKSA") 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 Association 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.

Other information

The directors are responsible for the other information. The other information obtained at the date of this auditors' report is information included in the directors' report set out on pages 1 to 2, but does not include the financial statements and our auditors' report thereon.

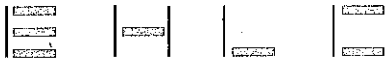
Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our 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. If, based on the work we have performed on the other information obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The directors are responsible for the preparation of these 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 directors determine is necessary to enable to the preparation of financial statement that are free from material misstatement, whether due to fraud or error.

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



**Independent Auditor's Report to the Members of
YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION LIMITED
(Incorporated in Hong Kong and Limited by Guarantee)**

Auditor's Responsibility for the Audit of 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 HKSA's 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.

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We 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 our 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.
- 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 Association'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 Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Eric H L Chung & Co.
Certified Public Accountants (Practising)
Hong Kong
3 March 2021

YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION LIMITED
(Incorporated in Hong Kong and Limited by Guarantee)

Statement of Profit or Loss
For the year ended 31 December 2020

| | Notes | HK\$ | 2020 HK\$ | HK\$ | 2019 HK\$ |
|--|----------|------------|------------------|---------------|------------------|
| INCOME | | | | | |
| Donation | | | 6,840 | | 24,093 |
| Membership fee | | | <u>10,600</u> | | <u>22,300</u> |
| | | | 17,440 | | 46,393 |
| OTHER INCOME | | | | | |
| Bank interest income | | 4,472 | | 4,517 | |
| Souvenirs sales income | | 225,045 | | 20,408 | |
| Surplus from Founder's day dinner | 6 | <u>-</u> | 229,517 | <u>16,058</u> | 40,983 |
| EXPENDITURES | | | | | |
| Administrative expenses | | 24,000 | | 24,000 | |
| Bank charges | | 60 | | 40 | |
| Legal and professional fee | | 1,150 | | 3,105 | |
| Miscellaneous | | 897 | | 726 | |
| Plaque for Ms. Silcocks | | - | | 2,318 | |
| Postage | | 10,623 | | 10,643 | |
| Printing and publication | | 28,529 | | 34,224 | |
| Refreshment for S6 Graduates | | 5,661 | | 2,434 | |
| School magazine 120 th congratulatory message | | 12,000 | | - | |
| Souvenir sales expenses | | 80,482 | | 39,010 | |
| Sponsorship | | 3,410 | | 7,571 | |
| Wreath | | <u>940</u> | <u>(167,752)</u> | <u>2,400</u> | <u>(126,471)</u> |
| SURPLUS / (DEFICIT) FOR THE YEAR | | | <u>79,205</u> | | <u>(39,095)</u> |

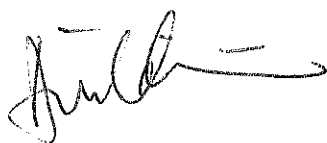
The notes on pages 9 to 11 form an integral part of these financial statements

YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION LIMITED
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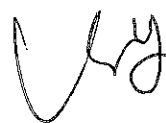
Statement of Financial Position
As at 31 December 2020

| | Notes | 2020 HK\$ | 2019 HK\$ |
|--------------------------------------|-------|--------------|--------------|
| NON CURRENT ASSETS | | | |
| Property, plant and equipment | 7 | - | - |
| CURRENT ASSETS | | | |
| Accrued time deposit interest income | | 385 | 808 |
| Cash and cash equivalents | 8 | 474,593 | 394,965 |
| NET ASSETS | | 474,978 | 395,773 |
| REPRESENTING: | | | |
| Accumulated Fund | 3 | 395,773 | 434,868 |
| Surplus / (Deficit) for the year | | 79,205 | (39,095) |
| | | 474,978 | 395,773 |

The financial statements were approved by the Board on 28 February 2021 and signed on its behalf by



Director



Director

The notes on pages 9 to 11 form an integral part of these financial statements

YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION LIMITED
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Statement of Changes in Equity
For the year ended 31 December 2020

| | HKS |
|--|-----------------------|
| Balance at 1 January 2019 | 434,868 |
| (Deficit) for the year | <u>(39,095)</u> |
| Balance at 31 December 2019 and 1 January 2020 | 395,773 |
| Surplus for the year | <u>79,205</u> |
| Balance at 31 December 2020 | <u><u>474,978</u></u> |

The notes on pages 9 to 11 form an integral part of these financial statements

YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION LIMITED
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Statement of Cash Flows
For the year ended 31 December 2020

| | Notes | 2020 HK\$ | 2019 HK\$ |
|---|--------------|----------------------------|----------------------------|
| OPERATING ACTIVITIES | | | |
| Surplus / (deficit) for the year | | 79,205 | (39,095) |
| Adjustment for: | | | |
| Interest income | | <u>(4,472)</u> | <u>(4,517)</u> |
| Operating surplus / (deficit) before changes in working capital | | 74,733 | (43,612) |
| Decrease / (increase) in accrued time deposit interest income | | 423 | (142) |
| Decrease in Deposit for the Founder's day Dinner 2019 | | <u>-</u> | <u>10,000</u> |
| Cash inflow / (outflow) from operation | | 75,156 | (33,754) |
| INVESTING ACTIVITIES | | | |
| Interest received | | <u>4,472</u> | <u>4,517</u> |
| Net cash inflow from investing activities | | <u>4,472</u> | <u>4,517</u> |
| Net increase / (decrease) in cash and cash equivalents | | 79,628 | (29,237) |
| Cash and cash equivalents at beginning of the year | | <u>394,965</u> | <u>424,202</u> |
| Cash and cash equivalents at end of the year | 8 | <u>474,593</u> | <u>394,965</u> |

The notes on pages 9 to 11 form an integral part of these financial statements

YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION LIMITED
(Incorporated in Hong Kong and Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 December 2020

1. INCORPORATION DETAILS AND MEMBERS' LIABILITY

Incorporation details

The Association was incorporated under the Laws of Hong Kong on 1 March 2006 as limited by guarantee.

The objects for which the Association is established are to acquire and take over the whole of the assets and liabilities of the existing unincorporated institution known as Ying Wa Girls' School Alumnae Association ("YWGSA").

Members' liability

The liability of the members is limited.

Every member of the Association undertakes to contribute to the assets of the Association in the event of the same being wound-up during the time that he is a member, or within one year afterwards, for payment of the debts and liabilities of the Association contracted before the time at which he ceases to be a member, and of the costs, charges and expenses of winding up the same, and for the adjustment of the rights of the contributories amongst themselves, such amount as may be required, not exceeding ten Hong Kong dollars (HK\$10).

2. PRINCIPAL ACCOUNTING POLICIES

The Association qualifies for the reporting exemption as a small guarantee company under Section 359(1)(a) for the Hong Kong Companies Ordinance (Cap. 622). The Association 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.

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

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

The depreciation amount of an item of property, plant and equipment is allocated on a systematic basis over its estimated useful life using the straight-line method. The principal annual rates used for depreciation are as following:

| | | |
|--------------------|--------|---------------|
| Computer equipment | 33.33% | straight line |
|--------------------|--------|---------------|

YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION LIMITED
(Incorporated in Hong Kong and Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 December 2020

2. PRINCIPAL ACCOUNTING POLICIES (CONT'D)

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, intangible assets and long-term investments. 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 income statement. 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.

Income recognition

Donation income are recognized on a cash basis.

Membership fee income are recognized on a cash basis.

Interest income are recognized on an accrual basis.

3. RESERVES

Of the total reserve HK\$474,978 at the year end date, HK\$798,456 represented the surplus retained in the previous entity, namely Ying Wa Girls' School Alumnae Association ("YWGSAA"), as at 1 March 2006, subsequently brought forward to the Association upon incorporation.

4. DIRECTORS' EMOLUMENTS

None of the directors received any remuneration in respect of their services rendered to the Association during the year.

5. TAXATION

Under Section 24 (1) of the Inland Revenue Ordinance, where a corporation carries on a club or similar institution which receives from its members not less than half of its gross receipts on revenue account, such corporation shall be deemed not to carry on a business subject to Hong Kong profits tax.

YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION LIMITED
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Notes to the Financial Statements
For the year ended 31 December 2020

| | | |
|---|----------------------------|--|
| 6. SURPLUS FROM FOUNDER'S DAY DINNER | 2020 HK\$ | 2019 HK\$ |
| Income | | |
| Table | - | 107,800 |
| Donation | - | 13,000 |
| | - | 120,800 |
| Less: Expenses | | |
| Dinner | - | 102,312 |
| Fuji Film | - | - |
| Van | - | - |
| Rental for Piano | - | 1,695 |
| Travelling | - | 120 |
| T-Shirt | - | - |
| Backdrop | - | - |
| Purchase the paper for invitation card | - | - |
| Printing the leaflet | - | 615 |
| | - | 615 |
| Surplus | - | 16,058 |
| 7. PROPERTY, PLANT AND EQUIPMENT | | Computer equipment HK\$ |
| Cost | | |
| At 1 January 2019, 31 December 2019 and 31 December 2020 | | 4,055 |
| | | 4,055 |
| Accumulated depreciation | | |
| At 1 January 2019, 31 December 2019 and 31 December 2020 | | 4,055 |
| | | 4,055 |
| Net book values | | |
| At 31 December 2020 | | - |
| At 31 December 2019 | | - |
| 8. CASH AND CASH EQUIVALENTS | 2020 HK\$ | 2019 HK\$ |
| Saving account | 16,932 | 737 |
| Current account | 140,161 | 81,286 |
| Fixed deposits | 316,899 | 312,049 |
| Petty cash | 601 | 893 |
| | 474,593 | 394,965 |
| | 474,593 | 394,965 |