

Ying Wa Girls' School Alumnae Association Charity Trust Fund

Trustees' Report and Financial Statements

For the year ended 31 December 2012

Eric H. L. Chung & Co.
Certified Public Accountants
Hong Kong

YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION CHARITY TRUST FUND

Contents

	Pages
Trustees' Report	1
Auditor's Report	2
Income and Expenditure Account	3
Balance Sheet	4
Statement of Changes of Accumulated Surplus	5
Statement of Cash Flows	6
Notes to the Financial Statements	7 – 8

YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION CHARITY TRUST FUND

**Trustees' Report
For the year ended 31 December 2012**

The Trustees submit their report together with the audited financial statements for the year ended 31 December 2012.

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 2012 are set out in the Income and Expenditure Account on page 3. The state of affairs as at 31 December 2012 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 Ping Kuen
Ms. Cheng Yin Lee, Francie
Ms. Ng Yuk Che
Ms. Lam Lai Bing, Alison
Ms. Leung Man Ping
Dr. Wan Charn Wing Frank

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.

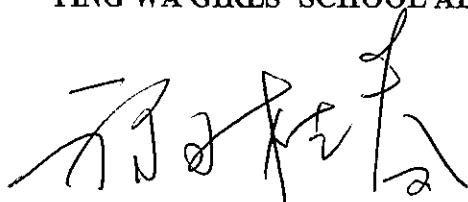
On 18 April 2011, the council meeting of the Settlor, Ying Wa Girls' School Alumnae Association Limited, approved that all the Trustees would continue their term of office until 31 May 2013.

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
27 February 2013



**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 2012, the Income and Expenditure Account, Statement of Changes of Accumulated Surplus and Cash Flow Statement for the year ended 31 December 2012, 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 ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). 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 HKICPA. 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 2012 and of its deficits and cash flows for the year ended 31 December 2012 in accordance with HKFRS.

Eric H L Chung & Co.
Certified Public Accountants (Practising)
Hong Kong
28 February 2013

YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION CHARITY TRUST FUND

**Income and Expenditure Account
For the year ended 31 December 2012**

	Notes	2012		2011	
		HK\$	HK\$	HK\$	HK\$
INCOME					
General donation			13,000		21,450
OTHER INCOME					
Gain on exchange		41,931		112,458	
Bond interest income		113,344		113,411	
Bank interest income		<u>49,339</u>	<u>204,614</u>	<u>13,958</u>	<u>239,827</u>
			217,614		261,277
EXPENDITURES					
Amortization of premium - bond		23,991		23,925	
Miscellaneous		4,158		3,712	
Deposit commission		233		233	
Subsidy payment	7	<u>342,240</u>	<u>(370,622)</u>	<u>231,749</u>	<u>(259,619)</u>
(DEFICITS) / SURPLUS FOR THE YEAR			<u>(153,008)</u>		<u>1,658</u>

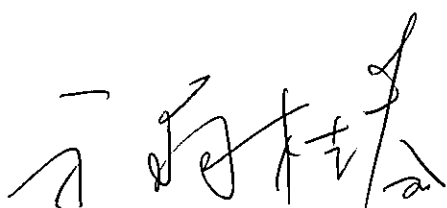
The notes on pages 7 to 8 form an integral part of these financial statements

YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION CHARITY TRUST FUND

**Balance Sheet
As at 31 December 2012**

	Notes	2012 HK\$	2011 HK\$
ASSETS			
NON CURRENT ASSETS			
Held-to-maturity investments	5	2,364,913	2,623,151
CURRENT ASSETS			
Cash and cash equivalents	6	3,336,108	3,139,033
Interest income receivables		39,895	32,797
		<u>3,376,003</u>	<u>3,171,830</u>
CURRENT LIABILITIES			
Account payables		<u>188,030</u>	<u>89,087</u>
NET CURRENT ASSETS		<u>3,187,973</u>	<u>3,082,743</u>
NET ASSETS		<u>5,552,886</u>	<u>5,705,894</u>
REPRESENTING:			
Accumulated surplus		<u>5,552,886</u>	<u>5,705,894</u>

The financial statements were approved by the Trustees on 27 February 2013 and signed on their behalf by



Dr. Huen Kwai Fun
Trustee



Ms. Ng Yuk Che
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 2012

	HK\$
Balance at 1 January 2011	5,704,236
Surplus for the year	<u>1,658</u>
Balance at 31 December 2011 and 1 January 2012	5,705,894
Deficits for the year	<u>(153,008)</u>
Balance at 31 December 2012	<u>5,552,886</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 2012**

	Notes	2012 HK\$	2011 HK\$
OPERATING ACTIVITIES			
Deficits for the year		(153,008)	1,658
Adjustment for:			
Amortization of premium - bond		23,991	23,925
Interest income		<u>(162,683)</u>	<u>(127,369)</u>
Cash used in operations		(291,700)	(101,786)
Increase in account payables		<u>98,943</u>	<u>89,087</u>
		(192,757)	(12,699)
INVESTING ACTIVITIES			
Redemption of bonds		234,247	-
Interest received		162,683	127,369
(Increase) / decrease in interest accrued for held-to-maturity investments		<u>(7,098)</u>	<u>1,339</u>
Net increase in cash and cash equivalents		197,075	116,009
Cash and cash equivalents at beginning of the year		<u>3,139,033</u>	<u>3,023,024</u>
Cash and cash equivalents at end of the year	6	<u>3,336,108</u>	<u>3,139,033</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 2012

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 preparation

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards.

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.

4. FINANCIAL INSTRUMENTS

The Charity Trust Fund classifies its financial instruments into the following category at inception, depending on the purpose for which the assets were acquired or the liabilities were incurred. Purchases and sales of the financial assets are recognised using trade date accounting.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities with the Trustees have the positive intention and ability to hold to maturity. Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment losses.

YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION CHARITY TRUST FUND

**Notes to the Financial Statements
For the year ended 31 December 2012**

5. HELD-TO-MATURITY INVESTMENTS		
	2012	2011
	HK\$	HK\$
Debt securities - Bonds	2,328,000	2,562,247
Premium	36,913	60,904
	<u>2,364,913</u>	<u>2,623,151</u>
6. CASH AND CASH EQUIVALENTS		
	2012	2011
	HK\$	HK\$
Fixed deposit accounts	2,499,568	-
Current account	283,007	66,854
Saving account	553,533	3,072,179
	<u>3,336,108</u>	<u>3,139,033</u>
7. SUBSIDY PAYMENT		
	2012	2011
	HK\$	HK\$
愛, 分享, 感恩之祝福英華大行動	1,942	-
冬令退修營會	4,200	-
英華女排馬來西亞交流集訓	46,000	-
AA Council Agreed Clerical Support to School	24,000	-
Alumnae Association Scholarship	6,000	6,000
Basketball Team Trip	25,439	-
Bible giving to S1 students	12,024	10,936
Dongguan Basketball Training	-	24,906
DVD Production – Capturing YW Heritage Project	-	30,000
End-term activities	-	39,516
Farewell Dance Event	17,030	-
German Culture and Language Exchange Programme	-	40,500
Global Cultural Exposure Scheme for Gifted Students	24,000	-
Junior assistant team	-	7,290
Mentorship program	5,453	4,110
Outward Bound course	31,890	19,030
Pre-approved subsidy to school	14,100	45,461
Production of Video Documentary	125,000	-
Retreat Camp of Christian Fellowship members and advisers	-	4,000
Volley ball team – Macau	5,162	-
	<u>342,240</u>	<u>231,749</u>