

**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 2012**

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

Certified Public Accountants

Hong Kong

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

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

**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 2012 are set out in the Income and Expenditure Account on page 4. The state of affairs as at 31 December 2012 is set out in the Balance Sheet on page 5.

**Directors**

The directors who held office during the year were:

Ms. Chow Siu Fung  
Ms. Leung Wai Kuen  
Ms. Mak Lim Luen  
Ms. Man Sze Wan  
Ms. Yip Chui Man  
Ms. Chan Oi Wah  
Ms. Chan Ping Kuen  
Ms. Cheng Yin Lee, Francie  
Ms. Cheung Ming Yee  
Ms. Ip Yuen Yu  
Ms. Lai Chui Yiu  
Mrs. Lo Fok Oi Ying  
Ms. Yeung Wai Fan, Angel  
Ms. Tsui Ka Seen Leslie  
Dr. Wan Charn Wing Frank  
Ms. Lui Chau Man (Resigned on 1 September 2012)  
Ms. Tse Yu Lam

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.

**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.

**YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION LIMITED**  
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**Directors' Report**  
**For the year ended 31 December 2012**

**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**  
27 February 2013

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

We have audited the financial statements of Ying Wa Girls' School Alumnae Association Limited ("Association") set out on pages 4 to 11, which comprise the Balance Sheet as at 31 December 2012, the Income and Expenditure Account, Statement of Changes in Equity and Cash Flow Statement for the year ended 31 December 2012, and a summary of significant accounting policies and other explanatory notes.

**Directors' responsibility for the financial statements**

The directors 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") and the Hong Kong Companies Ordinance. 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 directors, 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 the association's affairs as at 31 December 2012 and of its deficit and cash flows for the year ended 31 December 2012 in accordance with HKFRS and have been properly prepared in accordance with the Hong Kong Companies Ordinance.



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

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

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

	Notes	HK\$	2012 HK\$	HK\$	2011 HK\$
<b>INCOME</b>					
Donation from members			1,000		670
Membership fee			<u>22,400</u>		<u>1,800</u>
			23,400		2,470
<b>OTHER INCOME</b>					
Bank interest income			4,388		1,751
Miscellaneous income			<u>64,812</u>		<u>6,855</u>
			92,600		11,076
<b>EXPENDITURES</b>					
Administrative expenses		24,000		-	
Campus Farewell Day		1,395		-	
Deficit from farewell school campus photography project	6	45,000		25,112	
Deficit from founder's day dinner	6.1	-		19,741	
Depreciation	8	1,352		1,352	
Legal and professional fee		3,005		1,155	
Miscellaneous		3,892		3,649	
Photo-taking day		376		1,576	
Postage		8,362		12,485	
Printing and publication		22,190		21,560	
Rev.C.C. Lee Tea Party		<u>1,291</u>	<u>(110,863)</u>	<u>-</u>	<u>(86,630)</u>
<b>DEFICIT FOR THE YEAR</b>			<u>(18,263)</u>		<u>(75,554)</u>

The notes on pages 8 to 11 form an integral part of these financial statements

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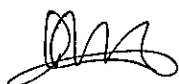
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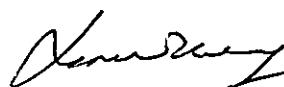
**Balance Sheet**  
**As at 31 December 2012**

	Notes	2012 HK\$	2011 HK\$
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	8	<u>1,126</u>	<u>2,478</u>
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	7	<u>696,092</u>	<u>713,003</u>
<b>NET ASSETS</b>		<u>697,218</u>	<u>715,481</u>
<b>REPRESENTING:</b>			
Accumulated Fund	3	715,481	791,035
Deficits for the year		<u>(18,263)</u>	<u>(75,554)</u>
		<u>697,218</u>	<u>715,481</u>

The financial statements were approved by the Board on 27 February 2013 and signed on its behalf by



**Director**



**Director**

The notes on pages 8 to 11 form an integral part of these financial statements

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**YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION LIMITED**  
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**Statement of Changes in Equity**  
**For the year ended 31 December 2012**

	<b>HK\$</b>
Balance at 1 January 2011	791,035
Deficits for the year	<u>(75,554)</u>
Balance at 31 December 2011 and 1 January 2012	715,481
Deficits for the year	<u>(18,263)</u>
Balance at 31 December 2012	<u>697,218</u>

The notes on pages 8 to 11 form an integral part of these financial statements

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**YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION LIMITED**  
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**Statement of Cash Flows**  
**For the year ended 31 December 2012**

	Notes	2012 HK\$	2011 HK\$
<b>OPERATING ACTIVITIES</b>			
Deficit for the year		(18,263)	(75,554)
Adjustment for:			
Interest income		(4,388)	(1,751)
Depreciation		1,352	1,352
		<hr/>	<hr/>
Operating deficit before changes in working capital		(21,299)	(75,953)
Decrease in advance receipt		-	(9,450)
		<hr/>	<hr/>
<b>Net cash (used in) operating activities</b>		<b>(21,299)</b>	<b>(85,403)</b>
<b>INVESTING ACTIVITIES</b>			
Interest received		4,388	1,751
<b>Net cash inflow from investing activities</b>		<b>4,388</b>	<b>1,751</b>
		<hr/>	<hr/>
<b>Net decrease in cash and cash equivalents</b>		<b>(16,911)</b>	<b>(83,652)</b>
<b>Cash and cash equivalents at beginning of the year</b>		<b>713,003</b>	<b>796,655</b>
		<hr/>	<hr/>
<b>Cash and cash equivalents at end of the year</b>	<b>7</b>	<b>696,092</b>	<b>713,003</b>
		<hr/>	<hr/>

The notes on pages 8 to 11 form an integral part of these financial statements

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

**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 ("YWGSAA").

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. 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.

Membership fee income are recognized on a cash basis.

Interest income are recognized on an accrual basis.

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 recognised in the income statement. A previously recognised 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 amortisation or depreciation), had no impairment losses been recognised for the asset in prior years.

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

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Subsequent expenditure is capitalised if it can be demonstrated that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Depreciation is provided at rates calculated to write off the cost less residual value of each assets over its expected useful life, as follows:

Computer equipment	33.33%	straight line
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Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately.

Residual value, useful lives and depreciation methods are reviewed and adjusted if appropriate, at each balance sheet date.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the income statement in the year is the difference between the net sales proceeds and the carrying amount of the relevant asset.

**3. RESERVES**

Of the total reserve HK\$715,481 at the balance sheet 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.

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

<b>6. DEFICIT FROM FAREWELL SCHOOL CAMPUS PHOTOGRAPHY PROJECT</b>	<b>2012</b> <b>HKS</b>	<b>2011</b> <b>HKS</b>
Income	-	-
<b>Less: Expenses</b>		
Drinks for photo taking project	-	(112)
Location photography	(45,000)	(25,000)
Deficit	<u>(45,000)</u>	<u>(25,112)</u>
<b>6.1 DEFICIT FROM FOUNDER'S DAY DINNER</b>	<b>2012</b> <b>HKS</b>	<b>2011</b> <b>HKS</b>
Income	-	100,296
<b>Less: Expenses</b>		
Souvenir	-	(27,400)
Catering fee	-	(83,846)
Lift maintenance extra service	-	(2,324)
Worker's Meal	-	(1,380)
Miscellaneous	-	(5,087)
Deficit	<u>-</u>	<u>(19,741)</u>
<b>7. CASH AND CASH EQUIVALENTS</b>	<b>2012</b> <b>HKS</b>	<b>2011</b> <b>HKS</b>
Saving account	44,802	74,072
Current account	94,055	85,954
Fixed deposits	556,051	551,681
Petty cash	1,184	1,296
	<u>696,092</u>	<u>713,003</u>

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

**8. PROPERTY, PLANT AND EQUIPMENT**

	<b>Computer equipment HK\$</b>
<b>Cost</b>	
At 1 January 2011 and 31 December 2012	<u>4,055</u>
<b>Depreciation</b>	
At 1 January 2011	225
Charge for the year	<u>1,352</u>
At 31 December 2011 and 1 January 2012	1,577
Charge for the year	<u>1,352</u>
At 31 December 2012	<u>2,929</u>
<b>Net book values</b>	
At 31 December 2012	<u>1,126</u>
At 31 December 2011	<u>2,478</u>