

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 2014

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 2014

The directors submit their report together with the audited financial statements for the year ended 31 December 2014.

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 2014 are set out in the Income and Expenditure Account on page 4. The state of affairs as at 31 December 2014 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. Man Sze Wan
Ms. Chan Oi Wah
Ms. Ip Yuen Yu
Mrs. Lo Fok Oi Ying
Ms. Yeung Wai Fan, Angel
Dr. Wan Charn Wing Frank
Ms. Tse Yu Lam
Ms. Lai Chui Yiu
Ms. Chan Wai Kuen
Ms. Kwong Wai Yu
Ms. Wong Lai Sheung
Ms. Yan Miu Kam, Vivian
Ms. So Yuet Pui
Ms. Yau Shu Ying
Ms. Li Chun Yan Selina

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.

YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION LIMITED
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Directors' Report
For the year ended 31 December 2014

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 ensuring 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 2015

**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 2014, the Income and Expenditure Account, Statement of Changes in Equity and Cash Flow Statement for the year ended 31 December 2014, 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 2014 and of its deficit and cash flows for the year ended 31 December 2014 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 2015

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

Income and Expenditure Account
For the year ended 31 December 2014

	Notes	HK\$	2014 HK\$	HK\$	2013 HK\$
INCOME					
Membership fee			<u>19,000</u>		<u>17,500</u>
			19,000		17,500
OTHER INCOME					
Bank interest income			4,548		2,961
Miscellaneous income			3,150		5,137
Surplus from founder's day dinner	6.1		<u>-</u>		<u>1,605</u>
			26,698		27,203
EXPENDITURES					
Administrative expenses		24,000		24,000	
Campus visit day		-		690	
Deficit from founder's day dinner	6.1	3,347		-	
Deficit from 115 th Dinner	6	66,750		-	
Depreciation	8	-		1,126	
Legal and professional fee		1,820		555	
Miscellaneous		746		8,514	
Postage		25,243		10,489	
Printing and publication		<u>25,488</u>	<u>(147,394)</u>	<u>21,560</u>	<u>(66,934)</u>
DEFICIT FOR THE YEAR			<u>(120,696)</u>		<u>(39,731)</u>

The notes on pages 8 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)

Balance Sheet
As at 31 December 2014

	Notes	2014 HK\$	2013 HK\$
NON CURRENT ASSETS			
Property, plant and equipment	8	-	-
CURRENT ASSETS			
Cash and cash equivalents	7	536,791	657,487
NET ASSETS		536,791	657,487
REPRESENTING:			
Accumulated Fund	3	657,487	697,218
Deficits for the year		(120,696)	(39,731)
		536,791	657,487

The financial statements were approved by the Board on 27 February 2015 and signed on its behalf by



Director



Director

The notes on pages 8 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)

Statement of Changes in Equity
For the year ended 31 December 2014

	HK\$
Balance at 1 January 2013	697,218
Deficits for the year	<u>(39,731)</u>
Balance at 31 December 2013 and 1 January 2014	657,487
Deficits for the year	<u>(120,696)</u>
Balance at 31 December 2014	<u>536,791</u>

The notes on pages 8 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)

Statement of Cash Flows
For the year ended 31 December 2014

	Notes	2014 HK\$	2013 HK\$
OPERATING ACTIVITIES			
Deficit for the year		(120,696)	(39,731)
Adjustment for:			
Interest income		(4,548)	(2,961)
Depreciation		<u>-</u>	<u>1,126</u>
Operating deficit before changes in working capital		(125,244)	(41,566)
INVESTING ACTIVITIES			
Interest received		<u>4,548</u>	<u>2,961</u>
Net cash inflow from investing activities		<u>4,548</u>	<u>2,961</u>
Net decrease in cash and cash equivalents		(120,696)	(38,605)
Cash and cash equivalents at beginning of the year		<u>657,487</u>	<u>696,092</u>
Cash and cash equivalents at end of the year	7	<u><u>536,791</u></u>	<u><u>657,487</u></u>

The notes on pages 8 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 2014

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.

YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION LIMITED
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Notes to the Financial Statements
For the year ended 31 December 2014

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\$536,791 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.

YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION LIMITED
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Notes to the Financial Statements
For the year ended 31 December 2014

6. DEFICIT FROM 115th Dinner	2014	2013
	HK\$	HK\$
Income	-	-
Less: Expenses		
Booking fee of conference room	500	-
Souvenir costs	66,250	-
	<u> </u>	<u> </u>
Deficit	<u>(66,250)</u>	<u> </u>
6.1 (DEFICIT)/SURPLUS FROM FOUNDER'S DAY DINNER	2014	2013
	HK\$	HK\$
Income	72,422	53,600
Less: Expenses		
Refreshment	-	(546)
Catering fee	(75,126)	(50,819)
Transportation	(143)	(180)
Miscellaneous	(500)	(450)
	<u> </u>	<u> </u>
(Deficit)/Surplus	<u>(3,347)</u>	<u>1,605</u>
7. CASH AND CASH EQUIVALENTS	2014	2013
	HK\$	HK\$
Saving account	1,220	72,065
Current account	535,391	25,964
Fixed deposits	-	558,998
Petty cash	180	460
	<u> </u>	<u> </u>
	<u>536,791</u>	<u>657,487</u>

YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION LIMITED
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Notes to the Financial Statements
For the year ended 31 December 2014

8. PROPERTY, PLANT AND EQUIPMENT

	Computer equipment HK\$
Cost	
At 1 January 2013 and 31 December 2014	<u>4,055</u>
Depreciation	
At 1 January 2013	2,929
Charge for the year	<u>1,126</u>
At 31 December 2013 and 1 January 2014	4,055
Charge for the year	<u>-</u>
At 31 December 2014	<u>4,055</u>
Net book values	
At 31 December 2014	<u>-</u>
At 31 December 2013	<u>-</u>