

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 2015

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 2015

The directors submit their report together with the audited financial statements for the year ended 31 December 2015.

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 2015 are set out in the Statement of Income and Expenditures on page 4. The state of affairs as at 31 December 2015 is set out in the Statement of Financial Position on page 5.

Directors

The directors who held office during the year were:

Ms. Chow Siu Fung	
Ms. Man Sze Wan	
Ms. Chan Wai Kuen	
Ms. Kwong Wai Yu	
Ms. Wong Lai Sheung	
Ms. So Yuet Pui	
Ms. Yau Shu Ying	
Ms. Li Chun Yan Selina	
Ms. Lui Chau Man Shirley	(Appointed on 28 March 2015)
Ms. Cheung Ka Suen Jocelyn	(Appointed on 28 March 2015)
Ms. Lee Sai Fung Odetta	(Appointed on 28 March 2015)
Ms. Wong Ka Wai	(Appointed on 28 March 2015)
Ms. Mak Wing Hin Christy	(Appointed on 28 March 2015)
Ms. Chui Wai Shan Anita	(Appointed on 28 March 2015)
Mr. Lau Siu Ki Clive	(Appointed on 28 March 2015)
Ms. Ching Tak Ying	(Appointed on 28 March 2015)
Mrs. Lo Fok Oi Ying	(Resigned on 28 March 2015)
Dr. Wan Charn Wing Frank	(Resigned on 28 March 2015)
Ms. Yan Miu Kam, Vivian	(Resigned on 28 March 2015)
Ms. Tse Yu Lam	(Resigned on 28 March 2015)
Ms. Ip Yuen Yu	(Resigned on 28 March 2015)
Ms. Lai Chui Yiu	(Resigned on 28 March 2015)
Ms. Yeung Wai Fan, Angel	(Resigned on 28 March 2015)
Ms. Chan Oi Wah	(Resigned on 28 March 2015)
Ms. Leung Wai Kuen	(Resigned on 28 March 2015)

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 2015

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

17 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 10, which comprise the Statement of Financial Position as at 31 December 2015, and the Statement of Income and Expenditures and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the financial statements

The directors of the Association is responsible for the preparation and presentation of these financial statements in accordance with the Small and Medium-sized Entity Financial Reporting Standard ("SME-FRS") issued by the Hong Kong Institute of Certified Public Accountants ("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 statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the financial statements

Our responsibility is to express an opinion on these financial statements based on our audit. The report is made solely to you, as a body, in accordance with Section 405 of the Companies Ordinance, and for no other purpose. We conducted our audit in accordance with Hong Kong Standards on Auditing with reference to Practice Note 900 (Revised) "Audit of Financial Statements Prepared in According with the SME-FRS" issued by the HKICPA. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about 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 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 for the year ended 31 December 2015 are prepared, in all material respects, in accordance with the SME-FRS and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Eric H L Chung & Co.
Certified Public Accountants (Practising)
Hong Kong
18 February 2016

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

Statement of Income and Expenditures
For the year ended 31 December 2015

	Notes	HK\$	2015 HK\$	HK\$	2014 HK\$
INCOME					
Membership fee			<u>19,300</u>		<u>19,000</u>
			19,300		19,000
OTHER INCOME					
Bank interest income		1		4,548	
Miscellaneous income		8,070		3,150	
Surplus from 115 th Dinner	6	<u>66,750</u>	94,121	<u>-</u>	26,698
EXPENDITURES					
Administrative expenses		28,605		24,000	
Congratulatory message in the 115 th school magazine		12,000		-	
Deficit from founder's day dinner	6.1	-		3,347	
Deficit from 115 th Dinner	6	-		66,750	
Legal and professional fee		710		1,820	
Miscellaneous		421		746	
Postage		20,492		25,243	
Printing and publication		22,760		25,488	
Retirement gifts to Principal Mrs. Lee		<u>8,589</u>	<u>(93,577)</u>	<u>-</u>	<u>(147,394)</u>
SURPLUS / (DEFICIT) FOR THE YEAR			<u>544</u>		<u>(120,696)</u>

The notes on pages 8 to 10 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 Financial Position
As at 31 December 2015

	Notes	2015 HK\$	2014 HK\$
NON CURRENT ASSETS			
Property, plant and equipment	8	-	-
CURRENT ASSETS			
Cash and cash equivalents	7	537,335	536,791
NET ASSETS		537,335	536,791
REPRESENTING:			
Accumulated Fund	3	536,791	657,487
Surplus / (deficit) for the year		544	(120,696)
		537,335	536,791

The financial statements were approved by the Board on 17 February 2016 and signed on its behalf by



Director



Director

The notes on pages 8 to 10 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 2015

	HK\$
Balance at 1 January 2014	657,487
Deficit for the year	<u>(120,696)</u>
Balance at 31 December 2014 and 1 January 2015	536,791
Surplus for the year	<u>544</u>
Balance at 31 December 2015	<u><u>537,335</u></u>

The notes on pages 8 to 10 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 2015

	Notes	2015 HK\$	2014 HK\$
OPERATING ACTIVITIES			
Surplus / (deficit) for the year		544	(120,696)
Adjustment for:			
Interest income		<u>(1)</u>	<u>(4,548)</u>
Operating surplus / (deficit) before changes in working capital		543	(125,244)
INVESTING ACTIVITIES			
Interest received		<u>1</u>	<u>4,548</u>
Net cash inflow from investing activities		<u>544</u>	<u>4,548</u>
Net increase / (decrease) in cash and cash equivalents		544	(120,696)
Cash and cash equivalents at beginning of the year		<u>536,791</u>	<u>657,487</u>
Cash and cash equivalents at end of the year	7	<u>537,335</u>	<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)

Notes to the Financial Statements
For the year ended 31 December 2015

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. PRINCIPAL ACCOUNTING POLICIES

Statement of compliance and basis of preparation

The Foundation qualifies for the reporting exemption as a small guarantee company under Section 359(1)(a) for the Hong Kong Companies Ordinance (Cap. 622). The Foundation 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 Foundation's financial statements for the year ended 31 December 2015 are its first annual financial statements prepared under accounting policies that comply with the SME-FRS.

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
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Notes to the Financial Statements
For the year ended 31 December 2015

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\$537,335 at the balance sheet date, HK\$798,456 represented the surplus retained in the previous entity, namely Ying Wa Girls' School Alumnae Association ("YWGSA"), 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.

6. SURPLUS / (DEFICIT) FROM 115 th DINNER	2015 HK\$	2014 HK\$
Income	176,000	-
Less: Expenses		
Booking fee of conference room	-	500
Souvenir costs	(109,250)	66,250
Surplus / (deficit)	<u>66,750</u>	<u>(66,750)</u>

YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION LIMITED
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Notes to the Financial Statements
For the year ended 31 December 2015

6.1	DEFICIT FROM FOUNDER'S DAY DINNER	2015	2014
		HK\$	HK\$
	Income	-	72,422
	Less: Expenses		
	Catering fee	-	(75,126)
	Transportation	-	(143)
	Miscellaneous	-	(500)
	Deficit	<u>-</u>	<u>(3,347)</u>
7.	CASH AND CASH EQUIVALENTS	2015	2014
		HK\$	HK\$
	Saving account	28,091	1,220
	Current account	208,961	535,391
	Fixed deposits	300,000	-
	Petty cash	283	180
		<u>537,335</u>	<u>536,791</u>
8.	PROPERTY, PLANT AND EQUIPMENT		Computer equipment
			HK\$
	Cost		
	At 1 January 2014 and 31 December 2015		<u>4,055</u>
	Depreciation		
	At 1 January 2014 and 31 December 2015		<u>4,055</u>
	Net book values		
	At 31 December 2015		<u>-</u>
	At 31 December 2014		<u>-</u>