

Ying Wa Girls' School Alumnae Association Charity Trust Fund

Trustees' 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 CHARITY TRUST FUND

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**Trustees' Report
For the year ended 31 December 2015**

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

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 2015 are set out in the Statement of Income and Expenditures on page 3. The state of affairs as at 31 December 2015 is set out in the Statement of Financial Position on page 4.

Trustees

The Trustees who held office during the year were:

Dr. Huen Kwai Fun	
Dr. Wan Charn Wing Frank	
Ms. Lam Lai Bing, Alison	
Ms. Leung Man Ping, Priscilla	
Ms. Yau Shu Ying, Josephine	
Mr. Lau Siu Ki, Clive	(Appointed on 1 June 2015)
Ms. Lee Sai Fung, Odetta	(Appointed on 1 June 2015)
Ms. Ng Yuk Che, Regina	(Resigned on 31 May 2015)
Ms. Yeung Wai Fan, Angel	(Resigned on 31 May 2015)

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.

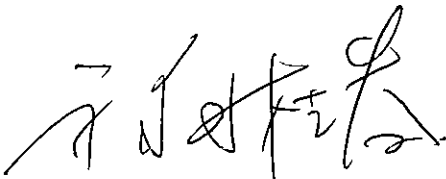
On 22 May 2015, the council meeting of the Settlor, Ying Wa Girls' School Alumnae Association Limited, approved that all the Trustees would continue their term of office until 31 May 2017.

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
17 February 2015



**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 Statement of Financial Position as at 31 December 2015, and the Statement of Income and Expenditures, Statement of Changes of Accumulated Surplus and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Trustees' responsibility of the financial statements

The Trustees of the Charity Trust Fund 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 Trustees 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 2015

YING WA GIRLS' SCHOOL ALUMNAE ASSOCIATION CHARITY TRUST FUND

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

	Notes	2015		2014	
		HK\$	HK\$	HK\$	HK\$
INCOME					
General donation			15,000		18,100
OTHER INCOME					
Bond interest income		29,195		69,467	
Bank interest income		<u>52,475</u>	<u>81,670</u>	<u>94,147</u>	<u>163,614</u>
			96,670		181,714
EXPENDITURES					
Amortization of premium - bond		2,318		14,580	
Loss on exchange		96,499		83,389	
Miscellaneous		4,560		4,828	
Deposit commission		78		155	
Subsidy payment	7	<u>288,594</u>	<u>(392,049)</u>	<u>231,592</u>	<u>(334,544)</u>
DEFICITS FOR THE YEAR			<u>(295,379)</u>		<u>(152,830)</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 Financial Position
As at 31 December 2015

	Notes	2015 HK\$	2014 HK\$
ASSETS			
NON CURRENT ASSETS			
Held-to-maturity investments	5	-	778,318
CURRENT ASSETS			
Cash and cash equivalents	6	5,246,469	4,669,541
Interest income receivables		<u>6,778</u>	<u>40,363</u>
		<u>5,253,247</u>	<u>4,709,904</u>
CURRENT LIABILITIES			
Account payables		<u>197,635</u>	<u>137,231</u>
NET CURRENT ASSETS		<u>197,635</u>	<u>4,572,673</u>
NET ASSETS		<u>5,055,612</u>	<u>5,350,991</u>
REPRESENTING:			
Accumulated surplus		<u>5,055,612</u>	<u>5,350,991</u>

The financial statements were approved by the Trustees on 17 February 2016 and signed on their behalf by



Dr. Huen Kwai Fun
Trustee



Ms. Yau Shu Ying, Josephine
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 2015**

	HKS
Balance at 1 January 2014	5,503,821
Deficits for the year	<u>(152,830)</u>
Balance at 31 December 2014 and 1 January 2015	5,350,991
Deficits for the year	<u>(295,379)</u>
Balance at 31 December 2015	<u><u>5,055,612</u></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 2015**

	Notes	2015 HK\$	2014 HK\$
OPERATING ACTIVITIES			
Deficits for the year		(295,379)	(152,830)
Adjustment for:			
Amortization of premium - bond		2,318	14,580
Interest income		<u>(81,670)</u>	<u>(163,614)</u>
Cash used in operations		(374,731)	(301,864)
Increase in account payables		<u>60,404</u>	<u>6,203</u>
		(314,327)	(295,661)
INVESTING ACTIVITIES			
Redemption of bonds		776,000	776,000
Interest received		81,670	163,614
Decrease/ (increase) in interest accrued		<u>33,585</u>	<u>(259)</u>
Net increase in cash and cash equivalents		576,928	643,694
Cash and cash equivalents at beginning of the year		<u>4,669,541</u>	<u>4,025,847</u>
Cash and cash equivalents at end of the year	6	<u>5,246,469</u>	<u>4,669,541</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

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

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

Statement of compliance and basis of preparation

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

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.

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

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 recognized 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 amortized cost using the effective interest method less any impairment losses.

5. HELD-TO-MATURITY INVESTMENTS

	2015	2014
	HK\$	HK\$
Debt securities - Bonds	-	776,000
Premium	-	2,318
	<u>-</u>	<u>778,318</u>

6. CASH AND CASH EQUIVALENTS

	2015	2014
	HK\$	HK\$
Fixed deposit accounts	1,079,173	3,138,526
Current account	20,165	248,365
Saving account	4,147,131	1,282,650
	<u>5,246,469</u>	<u>4,669,541</u>

7. SUBSIDY PAYMENT

	2015	2014
	HK\$	HK\$
AA Council Agreed Clerical Support to School	24,000	24,000
Alumnae Association Scholarship	7,300	7,300
Bible giving to S1 students	10,772	11,220
End-term activities	6,870	3,629
Mentorship program	16,958	8,137
Outward Bound course	4,251	10,182
Pre-approved subsidy to school	20,808	29,893
Production of Video Documentary	197,635	137,231
	<u>288,594</u>	<u>231,592</u>