

**YING WA COLLEGE OLD BOYS'
ASSOCIATION LIMITED**

英華書院校友會有限公司

**STATEMENT OF ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2019**

YING WA COLLEGE OLD BOYS' ASSOCIATION LIMITED

EXECUTIVE COMMITTEE'S REPORT

The Executive Committee has pleasure in submitting the annual report together with the audited financial statements for the year ended 30 June 2019.

PRINCIPAL ACTIVITIES

The principal activities of the Association were engaged in promoting the relationship of the past and present students of Ying Wa College.

RESULTS AND APPROPRIATIONS

The results of the Association for the year ended 30 June 2019 are set out in the statement of profit or loss and other comprehensive income on page 6.

The state of the Association's affairs at 30 June 2019 is set out in the statement of financial position on page 7.

RESERVES

Movements in the reserves of the Association during the year are set out in the statement of changes in equity on page 8.

DONATION

A donation of HK\$444,772 (2018: Nil) was made to Ying Wa Education Foundation Limited during the year.

EXECUTIVE COMMITTEE MEMBERS

The Executive Committee members who hold office at the date of this report were:

Chan Ting Kwong, Vincent
Fong Pui Cheung
Ho Lap Yiu
Ip Che Ho
Kwan Kai Cheong
Lam Yan Wing
Lau Tin Shing, Adi
Law Siu Chau
Lee Wai Lun
Li Chun Wai
Liu Lik Hang, Rex
Lo Kwing Yu
Lui Ping Keung
Luk Chi Tao
Ng Chi Kwong Gareth
Ng Kam Wah
Ng King Him
Ng Yum Fai, John
Shum Ping Sang
Tsze Chi Ho
Yeung Wai Yuen

YING WA COLLEGE OLD BOYS' ASSOCIATION LIMITED

EXECUTIVE COMMITTEE'S REPORT

EXECUTIVE COMMITTEE MEMBERS (CONTINUED)

In accordance with Article 35 of the Association's Articles of Association, all the executive committee members shall retire from office at the forthcoming Annual General Meeting, but being eligible, may offer themselves for re-election.

EXECUTIVE COMMITTEE MEMBERS' SERVICE CONTRACTS

No executive members proposed for re-election at the forthcoming Annual General Meeting has a service contract with the Association which is not determinable by the Association within one year without payment of compensation, other than statutory compensation.

EXECUTIVE COMMITTEE MEMBERS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS THAT ARE SIGNIFICANT IN RELATION TO THE ASSOCIATION'S BUSINESS

No transaction, arrangements and contracts of significance in relation to the Association's business to which an executive member of the Association had a material interest, whether directly and indirectly, subsisted at the end of the year or at any time during the year.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Association were entered into or existed during the year.

HONORARY AUDITORS

Ho, Sneddon, Chow, Certified Public Accountants Limited retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of Ho, Sneddon, Chow, Certified Public Accountants Limited as the Association's auditors is to be proposed at the forthcoming annual general meeting.

On behalf of the Executive Committee



Chairman, Lo Kwing Yu
Hong Kong,

19 SEP 2019



INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF YING WA COLLEGE OLD BOYS' ASSOCIATION LIMITED
(incorporated in Hong Kong with limited liability by guarantee and not having any share capital)

Opinion

We have audited the financial statements of Ying Wa College Old Boys' Association Limited ("the Association") set out on pages 6 to 13, which comprise the statement of financial position as at 30 June 2019, the statement of profit or loss, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Association as at 30 June 2019, and of its financial performance and its cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Association in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

The Executive Committee is responsible for the other information. The other information comprises the information included in the Executive Committee's report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Executive Committee for the Financial Statements

The Executive Committee is responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the Executive Committee's determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF YING WA COLLEGE OLD BOYS' ASSOCIATION LIMITED**
(incorporated in Hong Kong with limited liability by guarantee and not having any share capital)

Responsibilities of Executive Committee for the Financial Statements (continued)

In preparing the financial statements, The Executive Committee is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Executive Committee either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

The Executive Committee is responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Executive Committee.



HO SNEDDON CHOW
Certified Public Accountants Ltd.
何邵周會計師事務所有限公司

Unit 1202, Mirror Tower, 61 Mody Road,
TST East, Kowloon, Hong Kong
香港九龍尖沙咀東部麼地道61號冠華中心1202室
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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF YING WA COLLEGE OLD BOYS' ASSOCIATION LIMITED**
(incorporated in Hong Kong with limited liability)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Conclude on the appropriateness of the Executive Committee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.

We communicate with the Executive Committee of the Association, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ho, Sneddon, Chow
Certified Public Accountants Limited

Mr. Ho Siu Kau
Practising Certificate Number: P02359

Hong Kong, 19 SEP 2019

YING WA COLLEGE OLD BOYS' ASSOCIATION LIMITED

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019**

	Note	2019 HK\$	2018 HK\$
INCOME			
Bank interest income		13,034	2
Membership fees		83,700	64,900
Profit / (Loss) on function activities	6	536,459	5,452
Profit on sale of history books, ties and badge pins		363,556	122,910
Sundry income		<u>107,580</u>	<u>1,735</u>
		<u>1,104,329</u>	<u>194,999</u>
EXPENDITURE			
Bank charges		1,490	2,115
Business registration fee		250	2,250
Contribution to "Torch"		22,952	13,733
Donation		444,772	--
Postage		12,132	13,975
Printing and stationery		150	--
Sundry expenses		<u>6,498</u>	<u>8,196</u>
		<u>488,244</u>	<u>40,269</u>
SURPLUS FOR THE YEAR		<u><u>616,085</u></u>	<u><u>154,730</u></u>

The accompanying Accounting Policies and Explanatory Notes form an integral part of, and should be read in conjunction with, these financial statements.

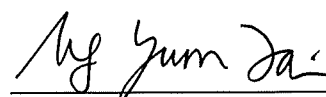
YING WA COLLEGE OLD BOYS' ASSOCIATION LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	Note	2019 HK\$	2018 HK\$
Current assets			
Inventories - merchandise	3(b)	268,838	111,363
Deposits		--	1,257,250
Prepayments and other receivables		2,299	9,151
Bank balances	7	<u>1,070,173</u>	<u>4,130,683</u>
		<u>1,341,310</u>	<u>5,508,447</u>
Current liabilities			
Other payables and accruals		25,970	26,605
Receipt in advance		--	4,298,426
Bank overdraft - unsecured	7	<u>--</u>	<u>484,161</u>
		<u>25,970</u>	<u>4,809,192</u>
Net assets		<u>1,315,340</u>	<u>699,255</u>
Fund and reserves			
Accumulated fund		1,156,876	540,791
General reserve fund		92,667	92,667
Other funds	8	<u>65,797</u>	<u>65,797</u>
		<u>1,315,340</u>	<u>699,255</u>



Chairman, Lo Kwing Yu



Hon Treasurer, Ng Yum Fai, John

The accompanying Accounting Policies and Explanatory Notes form an integral part of, and should be read in conjunction with, these financial statements.

YING WA COLLEGE OLD BOYS' ASSOCIATION LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

	Accumulated fund HK\$	General reserve fund HK\$	Other funds HK\$	Total HK\$
Balance as at 1 July 2017	386,061	92,667	65,797	544,525
Surplus for the year	154,730	--	--	154,730
Balance as at 30 June 2018	540,791	92,667	65,797	699,255
Surplus for the year	616,085	--	--	616,085
Balance as at 30 June 2019	1,156,876	92,667	65,797	1,315,340

YING WA COLLEGE OLD BOYS' ASSOCIATION LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2019**

	Note	2019 HK\$	2018 HK\$
CASH FLOW FROM OPERATING ACTIVITIES			
Surplus for the year		616,085	154,730
Adjustment for :			
Bank interest income		<u>(13,034)</u>	<u>(2)</u>
Operating profit before working capital change		603,051	154,728
Increase in inventories		(157,475)	(72,211)
Decrease / (Increase) in deposits paid		1,257,250	(1,257,250)
Decrease / (Increase) in prepayments and other receivables		6,852	(2,813)
(Decrease) / Increase in other payable and accruals		(635)	18,705
(Decrease) / Increase in receipt in advance		<u>(4,298,426)</u>	<u>4,298,426</u>
Cash (used in) / generated from operations		(2,589,383)	3,139,585
Bank interest income		<u>13,034</u>	<u>2</u>
Net cash (used in) / generated from operating activities		<u>(2,576,349)</u>	<u>3,139,587</u>
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS		(2,576,349)	3,139,587
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		<u>3,646,522</u>	<u>506,935</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	7	<u><u>1,070,173</u></u>	<u><u>3,646,522</u></u>

The accompanying Accounting Policies and Explanatory Notes form an integral part of, and should be read in conjunction with, these financial statements.

YING WA COLLEGE OLD BOYS' ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

1. GENERAL

Ying Wa College Old Boys' Association Limited is incorporated in Hong Kong as a limited liability Association by guarantee and not having any share capital. The Association's registered office is located at 1 Ying Wa Street, Shamshuipo, Kowloon, Hong Kong. The principal activities of the Association were engaged in promoting the relationship of the past and present students of Ying Wa College.

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS AND REQUIREMENTS

(a) Application of new and revised HKFRSs

There are no new standards or amendments to HKFRSs issued by HKICPA that are first effective for the current accounting period of the Association.

(b) New and revised HKFRSs in issue but not yet effective

The Association has not early applied the following new and revised HKFRSs and amendments that have been issued but are not yet effective:

Annual Improvements Project	Annual Improvements 2015-2017 Cycle (amendments)
HKAS 19	Plan Amendment, Curtailment or Settlement (amendments)
HKAS 28	Long-term Interests in Associates and Joint Ventures (amendments)
HKFRS 9	Prepayment Features with Negative Compensation (amendments)
HKFRS 16	Leases (new standard)
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments (new interpretation)

Effective for annual periods beginning on or after 1 January 2019

The Executive Committee of the Association anticipates that the application of these new and revised HKFRSs and amendments will have no material financial impact on the financial statements of the Association.

3. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared under the historical cost convention.

The significant accounting policies applied in the preparation of these financial statements are set out below.

a. Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Association and when the revenue and costs, if applicable, can be measured reliably and on the following bases.

Membership fees are recognised upon receipt.

Activities and programme income are recognised when activities and programme are completed.

Bank interest income is recognized as it accrues using the effective interest method.

YING WA COLLEGE OLD BOYS' ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

b. Inventories - merchandise

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a first in, first out basis, and includes all costs of purchase, costs of conversion, and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

c. Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment.

d. Impairment of assets

Assets that have an indefinite useful life or not yet available for use are reviewed annually for impairment and are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount may not be recoverable. Other assets are subject to review for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An asset is impaired when its carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Impairment loss is recognised in profit or loss to reduce the asset to its recoverable amount.

e. Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents represent cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term highly liquid investments which are readily convertible into known amounts of cash and subject to an insignificant risk of change in value. Bank overdrafts which are repayable on demand and form an integral part of the Association's cash management are also included as a component of cash and cash equivalents.

f. Employee benefits

Obligations for contributions to defined contribution retirement plans, including contributions payable under the Hong Kong Mandatory Provident Fund Schemes Ordinance, are recognised as expenses in the income statement as incurred.

g. Taxation

In the opinion of the Executive Committee, the Association is exempt from Hong Kong Profits Tax under the provision of Section 24(1) of the Inland Revenue Ordinance.

YING WA COLLEGE OLD BOYS' ASSOCIATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

4. REMUNERATION TO MEMBERS OF EXECUTIVE COMMITTEE

Members of the Executive Committee received no fees and other emoluments for their services rendered during the year (2018: Nil).

5. INCOME TAX EXPENSE

No provision for Hong Kong profits tax is required since the Association has no assessable profit for the year (2018 : Nil).

Further the Association was exempted from taxation under Section 24(1) of the Hong Kong Inland Revenue Ordinance.

6. PROFIT / (LOSS) ON FUNCTION ACTIVITIES

	Income HK\$	Expenses HK\$	Total HK\$
Annual General Meeting dinner	32,500	41,180	(8,680)
Bicentennial anniversary dinner	4,549,700	3,990,495	559,205
Chinese New Year gathering	62,550	86,991	(24,441)
Financial Chapter dinner	20,290	18,720	1,570
Golf day	105,200	88,880	16,320
Sale of souvenirs	14,050	--	14,050
Souvenirs to current year's graduates	--	4,000	(4,000)
Sunday activities	--	17,565	(17,565)
	<u>4,784,290</u>	<u>4,247,831</u>	<u>536,459</u>

7. CASH AND CASH EQUIVALENTS

	2019 HK\$	2018 HK\$
Bank balances	1,070,173	4,130,683
Bank overdraft - unsecured	<u>--</u>	<u>(484,161)</u>
Cash and cash equivalents in the statement of cash flows	<u>1,070,173</u>	<u>3,646,522</u>

YING WA COLLEGE OLD BOYS' ASSOCIATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

8. OTHER FUNDS

	Mother school welfare fund HK\$	Education loan fund HK\$	Total HK\$
Balance as at 1 July 2017, at 30 June 2018 and at 30 June 2019	<u>14,673</u>	<u>51,124</u>	<u>65,797</u>

9. SUBSEQUENT EVENT

Surplus of the bicentennial anniversary dinner of HK\$559,205 was donated to Ying Wa Education Foundation Limited in July 2019.

10. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorised for issue by the Association's Executive Committee on

19 SEP 2019