

**THE EDUCATION FOUNDATION OF THE FEDERATION
OF THE ALUMNI ASSOCIATIONS OF THE CHINESE
UNIVERSITY OF HONG KONG LIMITED**

**REPORT AND FINANCIAL STATEMENTS
2013/14**



WONG BROTHERS & CO.
CERTIFIED PUBLIC ACCOUNTANTS

**THE EDUCATION FOUNDATION OF THE FEDERATION OF THE ALUMNI
ASSOCIATIONS OF THE CHINESE UNIVERSITY OF HONG KONG LIMITED**

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2014

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Independent Auditors' Report to the Members of

**THE EDUCATION FOUNDATION OF THE FEDERATION OF THE ALUMNI
ASSOCIATIONS OF THE CHINESE UNIVERSITY OF HONG KONG LIMITED
(Incorporated in Hong Kong and limited by guarantee)**

We have audited the financial statements of The Education Foundation of the Federation of the Alumni Associations of the Chinese University of Hong Kong Limited (the Foundation) set out on pages 3 to 16, which comprise the statement of financial position as at 30 September 2014, the statements of comprehensive income, the statement of changes in funds and reserve and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Directors' responsibility for the financial statements

The directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the Predecessor Hong Kong Companies Ordinance Cap 32 ("the Companies Ordinance"), and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. This report is made solely to you, as a body, in accordance with section 141 of the Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of the report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. 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 auditors' judgement, 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 auditors consider internal control relevant to the Foundation's preparation of the financial statements that give a true and fair view 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 Foundation'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.

Independent Auditors' Report to the Members of

**THE EDUCATION FOUNDATION OF THE FEDERATION OF THE ALUMNI
ASSOCIATIONS OF THE CHINESE UNIVERSITY OF HONG KONG LIMITED**
(Incorporated in Hong Kong and limited by guarantee)

Opinion

In our opinion, the financial statements give a true and fair view of the state of the Foundation's affairs as at 30 September 2014 and of its surplus and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the Companies Ordinance.



Wong Brothers & Co.
Certified Public Accountants
Hon. Auditors

Hong Kong, 18 JUN 2015

**THE EDUCATION FOUNDATION OF THE FEDERATION OF THE ALUMNI
ASSOCIATIONS OF THE CHINESE UNIVERSITY OF HONG KONG LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME –
CHINA EDUCATION DEVELOPMENT FUND**

FOR THE YEAR ENDED 30 SEPTEMBER 2014

	2014 HK\$	2013 HK\$
Income		
Donations received	1,025,567	540,381
Dividend income	2,177	2,044
Surplus on functions	1,596	2,038
Interest income	2,022	8,310
Gain on exchange	14,435	11,266
	<u>1,045,797</u>	<u>564,039</u>
 EXPENDITURE ON SCHOOLS AND EDUCATION DEVELOPMENT		
Bursary	263,673	210,445
New buildings	-	503,145
Prizes	72,201	71,006
Special support	68,026	76,532
Subsidies and scholarship	42,283	18,550
	<u>(446,183)</u>	<u>(879,678)</u>
 ADMINISTRATIVE EXPENDITURE		
Bank charges	799	704
Inventory written off	30	576
Postage	1,807	356
Printing and stationery	1,845	2,123
Sundry expenses	4,709	2,129
Telephone and fax	6,583	5,775
Travelling expenses	1,261	1,069
Utilities	3,388	2,596
	<u>(20,422)</u>	<u>(15,328)</u>
 TOTAL EXPENDITURE	<u>(466,605)</u>	<u>(895,006)</u>
 Surplus/(deficit) for the year	579,192	(330,967)
 <i>Items that may be reclassified subsequently to profit or loss</i>		
Other comprehensive income, net of tax		
Fair value (loss)/gain on revaluation of available-for-sale financial assets	(2,882)	6,526
 Total comprehensive income for the year	<u>576,310</u>	<u>(324,441)</u>

**THE EDUCATION FOUNDATION OF THE FEDERATION OF THE ALUMNI
ASSOCIATIONS OF THE CHINESE UNIVERSITY OF HONG KONG LIMITED**

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2014

1. GENERAL INFORMATION

The principal activities of the Foundation are establishing non-profit-making schools and promoting education development.

The Foundation is incorporated in Hong Kong and limited by guarantee. The address of its registered office is Alumni Affairs Office, 3/F., John Fulton Centre, The Chinese University of Hong Kong, Shatin, New Territories, Hong Kong.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied during the year presented, unless otherwise stated.

2.1 Basis of preparation

(a) Statement of compliances

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and under the historical cost convention, as modified by the available-for-sale financial assets and financial assets at fair value through profit or loss.

(b) Impact of new and revised HKFRS

(i) Standards, interpretations and amendments effective in 2014

There are a number of amendments, new/revised standards and new/revised interpretations to HKFRS that are effective for the current financial year of the Foundation. Among these standards, none of them is relevant to preparation of the financial statements of the foundation for the year ended 30 September 2014.

(ii) Impact of standards, amendments and interpretations yet to be adopted

Up to the date of approval of these financial statements, the HKICPA has issued a number of new/revised standards, amendments and new/revised interpretations, which are not yet effective and which have not been early adopted by the Foundation for the year ended 30 September 2014. The directors are in the process of making an assessment and are not yet in a position to determine of what the impact of these new/revised standards, amendments and new/revised interpretations to the results and financial position of the Foundation upon adoption.