

**CUHK ALUMNI CHARITY FOUNDATION LIMITED
(LIMITED BY GUARANTEE)**

Reports and Audited Financial Statements

For the year ended 31 August 2020

安德 CCS



CCS & Company
Certified Public Accountants

**CUHK ALUMNI CHARITY FOUNDATION LIMITED
(LIMITED BY GUARANTEE)**

REPORT OF THE DIRECTORS

The directors submit the annual report together with the audited financial statements for the year ended 31 August 2020.

PRINCIPAL ACTIVITY

The Charity was aimed at establishing platforms to facilitate and encourage individuals and organisations associated with the Chinese University of Hong Kong to relieve poverty and advance education and for the aforesaid purposes to promote and motivate charitable services and helping spirit at-large.

RESULTS AND STATE OF AFFAIRS

The results of the Charity for the year ended 31 August 2020 and the state of the Charity's affairs at that date are set out in the financial statements on pages 6 to 11.

DIRECTORS

The directors during the year and up to the date of this report were:

Ching Sau Ying Fanny
Lam Hiu Fung
Lau Sai Yung
Leung Wing Yee
Li Yuet Fu
Ng Yuen Hing
Yip Chi Chiu
Lam Ching Wan (resigned on 2 July 2020)

In accordance with Articles 20 and 21 of the Charity's Articles of Association, all existing directors retire and, being eligible, offer for re-election.

PERMITTED INDEMNITY PROVISION

At no time during the financial year were there any permitted indemnity provisions in force for the benefit of one or more directors of the Charity.

At the time of approval of this report, there are no permitted indemnity provisions in force for the benefit of one or more directors of the Charity.

to be continued.....

**CUHK ALUMNI CHARITY FOUNDATION LIMITED
(LIMITED BY GUARANTEE)**

REPORT OF THE DIRECTORS

Continuation - 2 -

BUSINESS REVIEW

The Charity falls within reporting exemption for the financial year. Accordingly, the Charity is exempted from preparing a business review.

EQUITY-LINKED ARRANGEMENTS

During the financial year, the Charity entered into no equity-linked agreement.

At the end of the financial year, the Charity subsisted of no equity-linked agreement.

HONORARY AUDITORS

The financial statements have been audited by CCS & Company who retire and, being eligible, offer themselves for re-appointment.

On behalf of the Board

Name:
Director *Lau SAI YUN GI*
Hong Kong, 1 February 2021

**INDEPENDENT HONORARY AUDITOR'S REPORT
TO THE MEMBERS OF CUHK ALUMNI CHARITY FOUNDATION LIMITED
(incorporated in Hong Kong with limited liability by guarantee)**

Opinion

We have audited the financial statements of CUHK Alumni Charity Foundation Limited (the "Charity") set out on pages 6 to 11, which comprise the statement of financial position as at 31 August 2020, and the income statement and statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements of the Charity are prepared, in all material respects, in accordance with the Hong Kong Small and Medium-sized Entity Financial Reporting Standard ("SME-FRS") 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") and with reference to Practice Note 900 (Revised), Audit of Financial Statements Prepared in Accordance with the SME-FRS 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 Charity 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.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the directors' report set out on pages 1 to 2, 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.

to be continued.....

**INDEPENDENT HONORARY AUDITOR'S REPORT
TO THE MEMBERS OF CUHK ALUMNI CHARITY FOUNDATION LIMITED
(incorporated in Hong Kong with limited liability by guarantee)**

Continuation - 2 -

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation of the financial statements in accordance with the SME-FRS issued by the HKICPA and the Hong Kong 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.

In preparing the financial statements, the directors are responsible for assessing the Charity'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 directors either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report 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. 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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs 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 HKSAs, 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.

to be continued.....

**INDEPENDENT HONORARY AUDITOR'S REPORT
TO THE MEMBERS OF CUHK ALUMNI CHARITY FOUNDATION LIMITED
(incorporated in Hong Kong with limited liability by guarantee)**

Continuation - 3 -

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

- 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 Charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 Charity'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 Charity to cease to continue as a going concern.

We communicate with those charged with governance regarding, 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.



CCS & Company
Certified Public Accountants
Hong Kong, 1 February 2021

**CUHK ALUMNI CHARITY FOUNDATION LIMITED
(LIMITED BY GUARANTEE)**

INCOME STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

	2020	2019
	HK\$	HK\$
TURNOVER		
Donation income	349,311	23,319,772
OTHER INCOME		
Bank interest income	809	11,068
	<hr/>	<hr/>
	350,120	23,330,840
EXPENDITURES		
Activity costs	3,858	429,594
Bank charges	650	515
Computer expense	-	2,025
Donations:		
- Career expo, interview and resume writing skills workshop	35,000	-
- Daily necessities for elderly	60,000	-
- Emergency aids for eye medical	321,442	110,870
- Financial assistance to an aviation victim	42,511	2,853,003
- Financial assistance to organizations	-	1,020,000
- Medical subsidies to cancer children	6,820,433	10,998,432
- Subsidies to education	100,000	500,000
Postage and stamp	54	4,651
Secretarial fee	105	-
TOTAL EXPENDITURE	<hr/>	<hr/>
	7,384,053	15,919,090
(DEFICIT)/SURPLUS FOR THE YEAR	<hr/>	<hr/>
	(7,033,933)	7,411,750

The notes on pages 9 to 11 are an integral part of these financial statements.

**CUHK ALUMNI CHARITY FOUNDATION LIMITED
(LIMITED BY GUARANTEE)**

STATEMENT OF FINANCIAL POSITION AS AT 31 AUGUST 2020

	2020 HK\$	2019 HK\$
Current assets		
Other receivable		600
Cash and cash equivalents	2,038,195	9,071,528
	<u>2,038,195</u>	<u>9,072,128</u>
Net assets	<u>2,038,195</u>	<u>9,072,128</u>
Representing:		
Accumulated funds	<u>2,038,195</u>	<u>9,072,128</u>

The financial statements were approved and authorised for issue by Board of Directors on 1 February 2021:

Name:
Director *LAU SAI YUNG*

Name:
Director *YIP CHI CHUN*

The notes on pages 9 to 11 are an integral part of these financial statements.

**CUHK ALUMNI CHARITY FOUNDATION LIMITED
(LIMITED BY GUARANTEE)**

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 AUGUST 2020

	Accumulated funds HK\$
Accumulated surplus at 31 August 2019	9,072,128
Deficits for the year	<u>(7,033,933)</u>
Accumulated surplus at 31 August 2020	<u>2,038,195</u>

The notes on pages 9 to 11 are an integral part of these financial statements.

**CUHK ALUMNI CHARITY FOUNDATION LIMITED
(LIMITED BY GUARANTEE)**

NOTES TO THE FINANCIAL STATEMENTS - 31 AUGUST 2020

1 GENERAL INFORMATION

CUHK Alumni Charity Foundation Limited (“the Charity”) is a non-profit-making organization with limited liability by guarantee. Every member is liable to contribute to the assets of the Charity a sum not exceeding HK\$10 in the event of its winding up.

The Charity was aimed at establishing platforms to facilitate and encourage individuals and organisations associated with the Chinese University of Hong Kong to relieve poverty and advance education and for the aforesaid purposes to promote and motivate charitable services and helping spirit at-large.

The Charity’s registered address is Room 1802, Dominion Centre, 43-59 Queen’s Road East, Hong Kong.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following are the specific accounting policies that are necessary for a proper understanding of the financial statements:

(a) Basis of preparation

These financial statements comply with all applicable sections of SME-FRS and have been prepared under the accrual basis of accounting and on the basis that the Charity is a going concern.

The Charity qualifies for the reporting exemption as a small guarantee company under sections 359(1)(a) and 363 of the Hong Kong Companies Ordinance and is therefore entitled to prepare and present its annual financial statements in accordance with SME-FRS. The financial statements have been prepared in accordance with SME-FRS.

The measurement base adopted is the historical cost convention.

(b) Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Charity and when the revenue can be measured reliably, on the following bases:

- (i) Donation income is recognised when it is received from the donators and members; and
- (ii) Bank Interest income is recognised on a time proportion basis taking into account the principal amounts outstanding and the interest rates applicable.

**CUHK ALUMNI CHARITY FOUNDATION LIMITED
(LIMITED BY GUARANTEE)**

NOTES TO THE FINANCIAL STATEMENTS - 31 AUGUST 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Taxation

No provision for Hong Kong profit tax is made in the financial statements as the Charity is exempted from all taxes under section 88 of the Inland Revenue Ordinance. Accordingly, no current and deferred taxation is accounted for in the financial statements.

(d) Trade and other receivables

Trade and other receivables are stated at estimated realisable value after each debt has been considered individually. Where the payment of a debt becomes doubtful a provision is made and charged to the income statement.

(e) Related parties

A party is considered to be related to the Charity if:

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Charity;
 - (ii) has significant influence over the Charity; or
 - (iii) is a member of the key management personnel of the Charity or of a parent of the Charity; or
- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Charity are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Charity are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Charity or an entity related to the Charity;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a); and
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

**CUHK ALUMNI CHARITY FOUNDATION LIMITED
(LIMITED BY GUARANTEE)**

NOTES TO THE FINANCIAL STATEMENTS - 31 AUGUST 2020

3 TURNOVER AND OTHER INCOME

	2020	2019
	HK\$	HK\$
Turnover		
Donation income	349,311	23,319,772
Other income		
Bank interest income	809	11,068
Total income		
	<u>350,120</u>	<u>23,330,840</u>

4 DIRECTORS' REMUNERATION

The directors do not receive any fees or emoluments in respect of their services to the Charity during the year (2019: nil).

5 TAXATION

No provision for taxation has been made in the financial statements as the Charity is exempt from Hong Kong tax under Section 88 of the Inland Revenue Ordinance (2019: nil).

6 RELATED PARTY TRANSACTIONS

During the year, the Charity has the following transactions with related parties:

	2020	2019
	HK\$	HK\$
Certain directors:		
Donation income	<u>10,000</u>	<u>150,000</u>

In the opinion of the directors, the above transactions were entered into at normal terms.