

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

Reports and Audited Financial Statements

For the year ended 31 August 2020



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

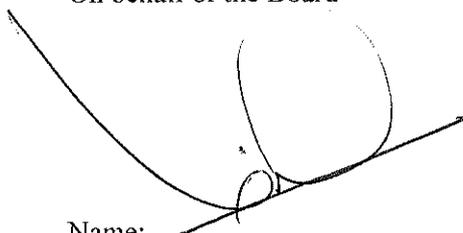
During the financial year, the Charity entered into no equity-linked agreement.

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

A handwritten signature in black ink, appearing to read 'LAU SAI YUNG', is written over a horizontal line. The signature is stylized and somewhat cursive.

Name:

Director LAU SAI YUNG

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 ("HKSA") 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 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.

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 HK\$	2019 HK\$
TURNOVER		
Donation income	349,311	23,319,772
OTHER INCOME		
Bank interest income	809	11,068
	<u>350,120</u>	<u>23,330,840</u>
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	<u>7,384,053</u>	<u>15,919,090</u>
(DEFICIT)/SURPLUS FOR THE YEAR	<u><u>(7,033,933)</u></u>	<u><u>7,411,750</u></u>

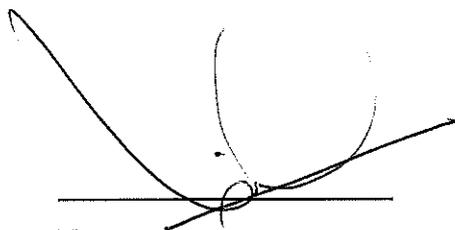
The notes on pages 9 to 11 are an integral part of these financial statements.

CUHK ALUMNI CHARITY FOUNDATION LIMITED
(LIMITED BY GUARANTEE)

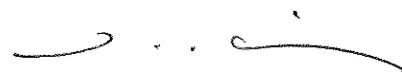
STATEMENT OF FINANCIAL POSITION AS AT 31 AUGUST 2020

	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 CHI

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><u>2,038,195</u></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.

1 February 2021

CCS & Company
Certified Public Accountants
Room E, 7/F, China Overseas Building,
139 Hennessy Road,
Wanchai, Hong Kong

Dear Sirs,

Re: CUHK ALUMNI CHARITY FOUNDATION LIMITED ("the Charity")
Financial statements for the year ended 31 August 2020

This representation letter is provided in connection with your audit of the financial statements of the Charity for the year ended 31 August 2020 for the purpose of expressing an opinion as to whether the financial statements are prepared, in all material respects, in accordance with the Small and Medium-sized Entity Financial Reporting Standard.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Financial Statements

- We consider the Charity falls within the reporting exemption set out in section 359.
- We acknowledge that section 379 of the Companies Ordinance requires us to prepare financial statements that comply with sections 380 and 383.
- We are responsible for taking all reasonable steps to ensure the Charity keeps proper accounting records which are sufficient to show and explain the Charity's transactions, disclose with reasonable accuracy at any time the Charity's financial position and financial performance and enable us to ensure that the financial statements comply with the Companies Ordinance.
- The financial statements comply with section 383 (Notes to Financial Statements to Contain Information on Directors' Emoluments etc) of the Companies Ordinance which must contain in the notes to the financial statements, the information prescribed by the Companies (Disclosure of Information about Benefits of Directors) Regulation (Cap. 622G).
- We have fulfilled our responsibilities, as set out in the terms of the audit engagement, for the preparation of the financial statements in accordance with the Small and Medium-sized Entity Financial Reporting Standard; in particular the financial statements are prepared, in all material respects, in accordance therewith.
- Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- Related party relationships and transactions (if any) have been appropriately accounted for and disclosed in accordance with the requirements of the Small and Medium-sized Entity Financial Reporting Standard.

to be continued.....

Continuation - 2 -

- All events subsequent to the date of the financial statements and for which the Small and Medium-sized Entity Financial Reporting Standard require adjustment or disclosure (if any) have been adjusted or disclosed.
- All material contingent or potential liabilities under claims or pending or threatened litigation or other material contingent liabilities (if any) have been appropriately disclosed.
- All material capital and other commitments existed at the end of the reporting period (if any) have been appropriately disclosed.
- The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole.

Directors' Report

- We are responsible for the preparation of the directors' report that:
 - (a) complies with sections 390 (Contents of Directors' Report: General) and 543(2) (Disclosure of Management Contract) of the Companies Ordinance;
 - (b) contains the information prescribed by the regulations made under section 452(3) (Financial Secretary May Make Other Regulations) of the Companies Ordinance; and
 - (c) complies with other requirements prescribed by the regulations made under section 452(3) of the Companies Ordinance.

Information Provided

- We have provided you with:
 - (a) access to all information of which we are aware that is relevant to the preparation of the financial statements, such as records, documentation and other matters;
 - (b) additional information that you have requested from us for the purpose of the audit; and
 - (c) unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- All transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
 - (a) management;
 - (b) employees who have significant roles in internal control; or
 - (c) others where the fraud could have a material effect on the financial statements.
- We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others.

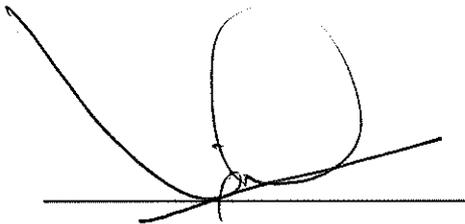
to be continued.....

Continuation - 3 -

- We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.
- We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.

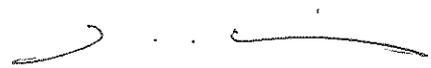
Yours faithfully,

CUHK ALUMNI CHARITY FOUNDATION LIMITED



Name:
Director

LAU SAI YUNG



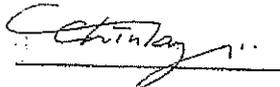
Name:
Director

YIP CHI CHIU

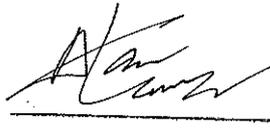
CUHK ALUMNI CHARITY FOUNDATION LIMITED

Minutes of a Board Meeting held at the registered office on 1 February 2021

Present:



Ching Sau Ying Fanny



Lam Hiu Fung



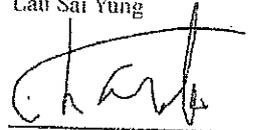
Lau Sai Yung



Leung Wing Yee



Li Yuet Fu



Ng Yuen Hing



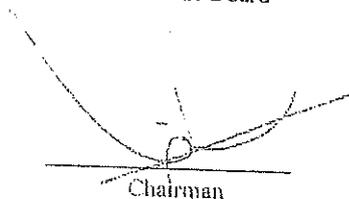
Yip Chi Chiu

Chairman:

Resolutions:

- (1) It was resolved:
THAT the report of the directors and the audited financial statements for the year ended 31 August 2020 be and are hereby approved and authorized for issue.
- (2) It was resolved:
THAT the signature of the statement of financial position by the directors on behalf of the Board be authorized.
- (3) It was resolved:
THAT an Annual General Meeting of the Company be and is hereby convened and held on at the registered office to transact the ordinary business of the Company.

On behalf of the Board



Chairman