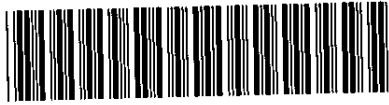


ANGLICAN (HONG KONG) PRIMARY SCHOOLS COUNCIL LIMITED
聖公宗(香港)小學監理委員會有限公司

REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020



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眾環香港會計師事務所有限公司
UNION POWER HK CPA LIMITED

Chartered Accountants
Certified Public Accountants

捷安國際會計師聯盟成員
An independent member of AGN International

ANGLICAN (HONG KONG) PRIMARY SCHOOLS COUNCIL LIMITED
聖公宗(香港)小學監理委員會有限公司
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

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ANGLICAN (HONG KONG) PRIMARY SCHOOLS COUNCIL LIMITED

聖公宗(香港)小學監理委員會有限公司

REPORT OF THE EXECUTIVE COMMITTEE

The Executive Committee submit herewith their Annual Report together with the audited financial statements of Anglican (Hong Kong) Primary Schools Council Limited (the "Council") for the year ended 31 August 2020.

Principal activities

The principal activities of the Council are providing educational and supportive services to Sheng Kung Hui primary schools.

Business review

The Council is exempted from including a business review in the Report of the Executive Committee as the Council falls within the reporting exemption for the year.

Property, plant and equipment

Details of the movements in property, plant and equipment of the Council during the year are set out in note 8 to the financial statements.

Financial results

The results of the Council for the year ended 31 August 2020 and the state of affairs of the Council are set out in the financial statements on pages 6 to 16.

Committee members

The Committee members who held office during the financial year and up to the date of this report were:

Au-Yeung Ho Wing, Herbert

Chan Au Ming, Andrew

Chan Kwok Keung

Cheng Cheuk Sang

Cheng Mo Chi, Moses

Chow Siu Ngor

Ha Wing Ho, Timothy

Ho Shau Kwun

Kwok Chi Kay, Peter

Lai Kam Cheung, Michael

Mok Yu Sang, Wilson

Shea Tak Shun

So Kai Ming

Tai Tak Ching

Tsang Hing Chung

Wong Lai Fun, Paulina

Tseng Yen-wei William

Chan Yuen Ling

(Appointed on 8 July 2019)

(Appointed on 17 December 2019)

ANGLICAN (HONG KONG) PRIMARY SCHOOLS COUNCIL LIMITED

聖公宗(香港)小學監理委員會有限公司

REPORT OF THE EXECUTIVE COMMITTEE (CONTINUED)

Committee members (Continued)

In accordance with the article 58 of the Council's Articles of Association, a Committee member shall hold office for a term of 3 years or for a specified period of time to be determined by the Executive Committee and shall be eligible for re-election.

Donation

During the year, no donation had been made by the Council (2019: HK\$6,000,000).

Committee members' interests in contracts

No contracts of significance to which the Council was a party subsisted at the end of the year or at any time during the year in which any committee member had a material interest.

Permitted indemnity provision

At no time during the financial year and up to the date of this Executive Committee's Report was or is there any permitted indemnity provision being in force for the benefit of any of the members of the Council (whether made by the Council or otherwise).

Arrangements to acquire shares or debentures

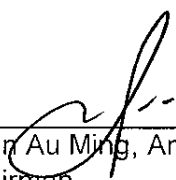
At no time during the year was the Council a party to any arrangements to enable the committee members of the Council to acquire benefits by means of acquisition of shares in or debentures of the Council or any other body corporate.

Auditor

The financial statements have been audited by Union Power HK CPA Limited who retire and, being eligible, offer themselves for re-appointment.

A resolution for the re-appointment of Union Power HK CPA Limited as auditor of the Council is to be proposed at the forthcoming Annual General Meeting.

On behalf of the Executive Committee



Chan Au Ming, Andrew
Chairman

Hong Kong, - 7 OCT 2020.

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眾環香港會計師事務所有限公司
UNION POWER HK CPA LIMITED

**Chartered Accountants
Certified Public Accountants**

香港灣仔告士打道50號馬來西亞大廈2字樓201室
Unit 201, 2/F., Malaysia Building, 50 Gloucester Road, Wanchai, Hong Kong.
Tel: (852) 2528 1768 (23 lines) Fax: (852) 2520 6180 E-mail: a@upicpa-hk.com

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
ANGLICAN (HONG KONG) PRIMARY SCHOOLS COUNCIL LIMITED**

聖公宗(香港)小學監理委員會有限公司
(incorporated in Hong Kong with limited by guarantee and not having a share capital)

Opinion

We have audited the financial statements of Anglican (Hong Kong) Primary Schools Council Limited (the "Council") set out on pages 6 to 16, which comprise the statement of financial position as at 31 August 2020, and the statement of profit or loss and other comprehensive income, statement of changes in reserves and 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 Council as at 31 August 2020, and of its financial performance and its cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standard for Private Entities ("HKFRS for Private Entities") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") 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 Council 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 committee members are responsible for the other information. The other information comprise the information included in the executive committee's report, but does not include the financial statements and our auditor 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.

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捷安國際會計師聯盟成員

An independent member of AGN International



眾環香港會計師事務所有限公司
UNION POWER HK CPA LIMITED

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香港灣仔告士打道 50 號馬來西亞大廈 2 字樓 201 室
Unit 201, 2/F., Malaysia Building, 50 Gloucester Road, Wanchai, Hong Kong.
Tel: (852) 2528 1768 (23 lines) Fax: (852) 2520 6180 E-mail: a@upicpa-hk.com

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF
ANGLICAN (HONG KONG) PRIMARY SCHOOLS COUNCIL LIMITED**

聖公宗(香港)小學監理委員會有限公司

(incorporated in Hong Kong with limited by guarantee and not having a share capital)

**Responsibilities of Committee Members and Those Charged with Governance for the
Financial Statements**

The committee members are responsible for the preparation of financial statements that give a true and fair view in accordance with the HKFRS for Private Entities issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the committee members 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 committee members are responsible for assessing the Council'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 committee members either intend to liquidate the Council or to cease operations or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Council'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. We 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. 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 judgement 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.

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捷安國際會計師聯盟成員

An independent member of **AGN International**



眾環香港會計師事務所有限公司
UNION POWER HK CPA LIMITED

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**INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF
ANGLICAN (HONG KONG) PRIMARY SCHOOLS COUNCIL LIMITED**

聖公宗(香港)小學監理委員會有限公司
(incorporated in Hong Kong with limited by guarantee and not having a share capital)

Auditor's Responsibilities 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 Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee members.
- Conclude on the appropriateness of the committee members' 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 Council'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 Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Union Power HK CPA Limited
Certified Public Accountants

David Tze Kin Ng, Auditor
Practising Certificate Number P00553

Hong Kong, - 7 OCT 2020

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ANGLICAN (HONG KONG) PRIMARY SCHOOLS COUNCIL LIMITED

聖公宗(香港)小學監理委員會有限公司

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	2020 HK\$	2019 HK\$
Income			
Donations received	2.7 & 4	5,000	6,477,020
Other income	5	5,761,586	2,392,952
Administrative expenses	6	<u>(5,510,154)</u>	<u>(11,953,983)</u>
Surplus/(Deficit) before income tax		256,432	(3,084,011)
Income tax expense	12	<u>-</u>	<u>-</u>
Surplus/(Deficit) for the year		256,432	(3,084,011)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Change in fair value of equity securities designated at fair value through other comprehensive income		<u>-</u>	<u>(29,855)</u>
Total comprehensive income for the year		<u>256,432</u>	<u>(3,113,866)</u>

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The accompanying notes on pages 10 to 16 are an integral part of these financial statements.


ANGLICAN (HONG KONG) PRIMARY SCHOOLS COUNCIL LIMITED

聖公宗(香港)小學監理委員會有限公司

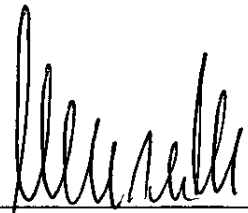
STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2020

	Note	2020 HK\$	2019 HK\$
ASSETS			
Non-current assets			
Property, plant and equipment	2.2 & 8	<u>95,379</u>	<u>26,162</u>
Current assets			
Utility deposits		39,637	39,637
Accounts and other receivables	2.4 & 9	408,935	175,445
Temporary payment		461,025	447,292
Cash and cash equivalents	2.5 & 10	<u>29,107,986</u>	<u>30,263,101</u>
		<u>30,017,583</u>	<u>30,925,475</u>
LIABILITIES			
Current liabilities			
Received in advance		1,780,151	2,973,454
Deposit received		6,636,968	6,518,951
Accounts and other payables	2.6 & 11	855,938	931,259
Obligation under finance leases		<u>13,320</u>	<u>-</u>
		<u>9,286,377</u>	<u>10,423,664</u>
Non-current liabilities			
Obligation under finance leases		<u>42,180</u>	<u>-</u>
Total liabilities		<u>9,328,557</u>	<u>20,501,811</u>
Total assets less current liabilities		<u>20,784,405</u>	<u>20,527,973</u>
RESERVES			
Accumulated fund		(11,825,748)	(12,082,180)
Education development fund	13	<u>32,610,153</u>	<u>32,610,153</u>
		<u>20,784,405</u>	<u>20,527,973</u>

The financial statements were approved and authorised for issue by the Executive Committee on **- 7 OCT 2020**



Chan Au Ming, Andrew
Member of the Executive Committee



Mok Yu Sang, Wilson
Member of the Executive Committee

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The accompanying notes on pages 10 to 16 are an integral part of these financial statements.

ANGLICAN (HONG KONG) PRIMARY SCHOOLS COUNCIL LIMITED

聖公宗(香港)小學監理委員會有限公司

STATEMENT OF CHANGES IN RESERVES AND FUNDS
FOR THE YEAR ENDED 31 AUGUST 2020

	Accumulated fund HK\$	Education development fund HK\$	Fair value reserve HK\$	Total HK\$
Balance as at 1 September 2018	(13,273,779)	32,610,153	4,305,465	23,641,839
Deficit for the year	(3,084,011)	-	-	(3,084,011)
Change in fair value during the year	-	-	(29,855)	(29,855)
Transfer of gain on disposal of equity securities designated at fair value through other comprehensive income to accumulated fund	4,275,610	-	(4,275,610)	-
Balance as at 31 August 2019	<u>(12,082,180)</u>	<u>32,610,153</u>	<u>-</u>	<u>20,527,973</u>
Surplus for the year	256,432	-	-	256,432
Balance as at 31 August 2020	<u><u>(11,825,748)</u></u>	<u><u>32,610,153</u></u>	<u><u>-</u></u>	<u><u>20,784,405</u></u>

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The accompanying notes on pages 10 to 16 are an integral part of these financial statements.

ANGLICAN (HONG KONG) PRIMARY SCHOOLS COUNCIL LIMITED

聖公宗(香港)小學監理委員會有限公司

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 HK\$	2019 HK\$
Cash flows from operating activities			
Surplus/(Deficit) for the year		256,432	(3,084,011)
Adjustments for:			
Bank interest received		(317,338)	(353,976)
Dividend income		-	(56,598)
Depreciation		30,456	18,225
Repayment of finance leases		(11,100)	-
Operating deficit before working capital changes		<u>(41,550)</u>	<u>(3,476,360)</u>
Accounts and other receivables		(233,490)	(98,276)
Temporary payment		(13,733)	403,296
Received in advance		(1,193,303)	(319,292)
Deposit received		118,017	384,679
Accounts and other payables		(75,321)	287,320
Net cash used in operating activities		<u>(1,439,380)</u>	<u>(2,818,633)</u>
Cash flows from investing activities			
Sales proceeds from disposal of equity securities designated at fair value through other comprehensive income		-	7,592,041
Dividend income		-	56,598
Purchase of property, plant and equipment		(33,073)	(30,147)
Bank interest received		317,338	353,976
Net cash generated from investing activities		<u>284,265</u>	<u>7,972,468</u>
Net (decrease)/increase in cash and cash equivalents		(1,155,115)	5,153,835
Cash and cash equivalents at the beginning of the year		<u>30,263,101</u>	<u>25,109,266</u>
Cash and cash equivalents at the end of the year	10	<u><u>29,107,986</u></u>	<u><u>30,263,101</u></u>

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The accompanying notes on pages 10 to 16 are an integral part of these financial statements.

ANGLICAN (HONG KONG) PRIMARY SCHOOLS COUNCIL LIMITED

聖公宗(香港)小學監理委員會有限公司

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

1. General information

Anglican (Hong Kong) Primary Schools Council Limited (the "Council") is a council established in Hong Kong as a non-profit making organisation and as a Council limited by guarantee and not having a share capital incorporated in Hong Kong. Every member of the Council undertakes to contribute, if required, an amount not exceeding HK\$100, to the assets of the Council in the event of its being wound up. The address of its registered office is Rooms 2-4, No. 1 Upper Albert Road, Central, Hong Kong.

The Council was engaged in providing educational and supportive services to Sheng Kung Hui primary schools.

These financial statements are presented in Hong Kong dollars ("HK\$"), unless otherwise stated. These financial statements have been approved for issue by the Executive Committee on **- 7 OCT 2020**

2. Significant accounting policies

2.1 Statement of compliance

These financial statements of Anglican (Hong Kong) Primary Schools Council Limited have been prepared in accordance with the Hong Kong Financial Reporting Standard for Private Entities ("HKFRS for Private Entities") issued by the Hong Kong Institute of Certified Public Accountants.

The financial statements have been prepared under the historical cost convention except for equity securities that are measured at fair value through other comprehensive income.

The preparation of financial statements in conformity with the HKFRS for Private Entities requires the use of certain critical accounting estimates. It also requires the Management Committee to exercise their judgement in the process of applying the Council's accounting policies. Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimations are significant to the financial statements, are disclosed in note 3.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

2.2 Property, plant and equipment and depreciation

Property, plant and equipment are stated in the statement of financial position at cost less aggregate depreciation and impairment losses.

Depreciation is calculated using the straight-line method to write off the cost, less accumulated impairment loss of each asset to its residual value over its estimated useful life as follows :

Furniture and equipment	: 25% per annum
Office equipment	: 25% per annum

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ANGLICAN (HONG KONG) PRIMARY SCHOOLS COUNCIL LIMITED

聖公宗(香港)小學監理委員會有限公司

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

2. Significant accounting policies (Continued)

2.3 Impairment of non-financial assets

Assets that are subject to depreciation or amortisation are assessed, at each reporting date, to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset might be impaired, the carrying value of the asset (or CGU to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.4 Accounts and other receivables

Accounts and other receivables are initially recognised at fair value and thereafter stated at amortised cost less accumulated impairment losses for bad and doubtful debts, except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad and doubtful debts.

2.5 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits, and short term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired form an integral part of the Council's cash management.

2.6 Accounts and other payables

Accounts and other payables are initially measured at fair value and, after initial recognition, at amortised cost, except for short-term payables with no stated interest and the effect of discounting being immaterial, that are measured at their original invoice amount.

ANGLICAN (HONG KONG) PRIMARY SCHOOLS COUNCIL LIMITED

聖公宗(香港)小學監理委員會有限公司

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

2. Significant accounting policies (Continued)

2.7 Revenue recognition

Revenues is measured at the fair value of the consideration received or receivable by the Council. Provided that it is probable that the economic benefits associated with the revenue transaction will flow to the Council and the revenue and the cost, if any, in respect of the transaction can be measured reliably, revenue is recognised as follows:

- i) Donation income is recognised in income upon actual receipt;
- ii) Service income is recognised when service is provided;
- iii) Subscription fee is recognised when the Council's right to receive payment is established;
- iv) Dividend income is recognised when the shareholder's right to receive payment is established; and
- v) Interest income is recognised as it accrues using the effective interest method.

2.8 Employee benefits

(a) Salaries, bonuses and leave benefits

Employee entitlements to salaries, annual bonuses, paid annual leave, leave passage and the cost to the Council of non-monetary benefits are recognised when they accrue to employee. An accrual is made for the estimated liability for leave as a result of services rendered by employees up to the statement of financial position date, if employees are entitled to a cash payment for the unused leave.

(b) Mandatory Provident Funds ("MPF")

The Council has set up a MPF scheme for certain of its employees by participation in a master trust scheme provided by an independent MPF service provider to comply with requirements under the MPF Schemes Ordinance. Contributions paid and payable by the Council under the MPF schemes are charged to the statement of profit or loss and other comprehensive income.

2.9 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of the Council are measured using the currency of the primary economic environment in which the Council operates ("the functional currency"). The financial statements are presented in Hong Kong dollars ("HK\$"), which is the Council's functional and presentation currency.

ANGLICAN (HONG KONG) PRIMARY SCHOOLS COUNCIL LIMITED

聖公宗(香港)小學監理委員會有限公司

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

2. Significant accounting policies (Continued)

2.9 Foreign currency translation (Continued)

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss and other comprehensive income, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

2.10 Related parties

(a) A person, or a close member of that person's family, is related to the Council if that person:

- (i) has control or joint control of the Council;
- (ii) has significant influence over the Council; or
- (iii) is a member of the key management personnel of the Council or the Council's parent.

(b) An entity is related to the Council if any of the following conditions applies:

- (i) The entity and the Council are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities 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 Council or an entity related to the Council.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (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).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Close family members of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

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ANGLICAN (HONG KONG) PRIMARY SCHOOLS COUNCIL LIMITED

聖公宗(香港)小學監理委員會有限公司

NOTES TO THE FINANCIAL STATEMENTS**FOR THE YEAR ENDED 31 AUGUST 2020****3. Critical accounting estimates and judgements**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Council makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. In the opinion of the executive committee, the estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. Income

	2020 HK\$	2019 HK\$
Donations received	<u>5,000</u>	<u>6,477,020</u>

5. Other income

	2020 HK\$	2019 HK\$
Bank interest received	317,338	353,976
Dividend income	-	56,598
Service income	3,274,520	223,000
Subscription fees and other activity income	837,168	919,518
Speech Therapy service income	63,700	-
QEF service income	418,254	27,057
IMC service income	804,255	812,803
Sundry income	46,351	-
	<u>5,761,586</u>	<u>2,392,952</u>

Subscription fees include membership fees derived from ordinary members and institution members and subscription of "Spring Rain" magazine derived from primary schools.

6. Expenses by nature

	2020 HK\$	2019 HK\$
Auditor's remuneration	24,400	24,300
Depreciation (note 8)	30,456	18,225
IMC expenses	804,255	812,803
Staff costs		
- Mandatory provident fund contributions	100,258	113,535
- Salaries, wages and other benefits	2,832,185	3,184,337
Others	1,718,600	7,800,783
	<u>5,510,154</u>	<u>11,953,983</u>

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ANGLICAN (HONG KONG) PRIMARY SCHOOLS COUNCIL LIMITED

聖公宗(香港)小學監理委員會有限公司

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

7. Committee members' remuneration

During the years ended 31 August 2020 and 2019, no amounts have been paid to any committee members in respect of their services rendered to the Council.

8. Property, plant and equipment

	Furniture and equipment HK\$	Office equipment HK\$	Total HK\$
Cost			
At 1 September 2018	271,970	48,000	319,970
Additions	30,147	-	30,147
At 31 August 2019	302,117	48,000	350,117
Additions	33,073	66,600	99,673
Disposal	-	(48,000)	(48,000)
At 31 August 2020	335,190	66,600	401,790
Accumulated depreciation and impairment losses			
At 1 September 2018	257,730	48,000	305,730
Charge for the year	18,225	-	18,225
At 31 August 2019	275,955	48,000	323,955
Charge for the year	19,356	11,100	30,456
Written back	-	(48,000)	(48,000)
At 31 August 2020	295,311	11,100	306,411
Net carrying amount			
At 31 August 2020	39,879	55,500	95,379
At 31 August 2019	26,162	-	26,162

9. Accounts and other receivables

	2020 HK\$	2019 HK\$
Other receivables	387,445	154,905
Prepayments	21,490	20,540
	408,935	175,445

The carrying amounts of accounts and other receivables approximated to their fair values and were demoninated in Hong Kong dollar.

ANGLICAN (HONG KONG) PRIMARY SCHOOLS COUNCIL LIMITED

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NOTES TO THE FINANCIAL STATEMENTS**FOR THE YEAR ENDED 31 AUGUST 2020****10. Cash and cash equivalents**

	2020	2019
	HK\$	HK\$
Cash at bank	4,118,671	4,308,289
Time deposits with banks	24,982,315	25,950,410
Cash in hand	7,000	4,402
Cash and cash equivalents in the statement of cash flows	<u>29,107,986</u>	<u>30,263,101</u>

The carrying amounts of the Council's cash and cash equivalents are denominated in Hong Kong dollar.

11. Accounts and other payables

	2020	2019
	HK\$	HK\$
Accounts payable	830,913	906,344
Accrued expenses	25,025	24,915
	<u>855,938</u>	<u>931,259</u>

The carrying amounts of accounts and other payables approximated to their fair values and were denominated in Hong Kong dollar.

12. Income tax expense

No provision for Hong Kong Profits Tax has been made in the financial statements as the Council has obtained tax exemption under Section 88 of the Inland Revenue Ordinance (2019: HK\$ Nil).

13. Education development fund

	2020	2019
	HK\$	HK\$
At the beginning and the end of the year	<u>32,610,153</u>	<u>32,610,153</u>