

**DRAFT**

SAINT JOSEPH'S COLLEGE FOUNDATION LIMITED

REPORTS AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2012

## DRAFT

### SAINT JOSEPH'S COLLEGE FOUNDATION LIMITED

#### REPORT OF THE DIRECTORS

#### YEAR ENDED 31 DECEMBER 2012

1. The directors present herewith their report and the audited financial statements for the year ended 31 December 2012.

#### FINANCIAL STATEMENTS

2. The results for the year ended 31 December 2012 are set out in the statement of income and retained earnings.

3. The state of affairs of the Foundation as at 31 December 2012 is set out in the balance sheet.

#### PRINCIPAL ACTIVITIES

4. During the year, the Foundation engaged in the promotion of education in Hong Kong.

#### DIRECTORS

5. The directors who held office during the year and up to the date of this report were:

Bro. Thomas Favier  
Leung Cheung Hing  
Lam Kin Fung, Jeffrey  
Woo Po Shan  
Ng Kwok Tung  
Li Kwok Po, David  
Ronald Joseph Arculli  
Ho Sing Tin Beauchamp Edward  
Leong Che Hung, Edward  
Chan May Mui, Caroline

The directors retire in accordance with Article 32 of the Foundation's Articles of Association and, being eligible, offer themselves for re-election.

#### DIRECTORS' INTERESTS

6. No contracts of significance in relation to the company's business to which the Foundation was a party and in which a director had a material interest subsisted at the end of the year or at any time during the year.

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

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SAINT JOSEPH'S COLLEGE FOUNDATION LIMITED

REPORT OF THE DIRECTORS

YEAR ENDED 31 DECEMBER 2012

HONORARY AUDITORS

7. The auditors, Leung & Puen CPA Limited, Certified Public Accountants, retire and, being eligible, offer themselves for re-appointment.

On behalf of the Board

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Chairman

Hong Kong,

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### REPORT OF THE INDEPENDENT HONORARY AUDITORS

#### TO THE MEMBERS OF SAINT JOSEPH'S COLLEGE FOUNDATION LIMITED

(incorporated in Hong Kong and limited by guarantee)

We have audited the financial statements of Saint Joseph's College Foundation Limited ("the Foundation") set out on pages 5 to 9, which comprise the balance sheet as at 31 December 2012, and the statement of income and retained earnings 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 financial statements that give a true and fair view in accordance with the Hong Kong Financial Reporting Standard for Private Entities issued by the Hong Kong Institute of Certified Public Accountants 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.

#### **Auditors' responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit, and to report our opinion solely to you, as a body, in accordance with Section 141 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.

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 about 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 entity's preparation of 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 entity'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.

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### Opinion

In our opinion, the financial statements give a true and fair view of the state of the Foundation's affairs as at 31 December 2012, and of its surplus and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standard for Private Entities and have been properly prepared in accordance with the Hong Kong Companies Ordinance.

CERTIFIED PUBLIC ACCOUNTANTS (PRACTISING)

Hong Kong

Date:

Leung Nai Chau, Jesse

Practising Certificate number P00628

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SAINT JOSEPH'S COLLEGE FOUNDATION LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS

YEAR ENDED 31 DECEMBER 2012

	<u>2012</u>	<u>2011</u>
	HK\$	HK\$
INCOME		
Donations	1,093,601.10	1,529,867.80
Interest income	<u>1,487.02</u>	<u>747.33</u>
	<u>1,095,088.12</u>	<u>1,530,615.13</u>
EXPENDITURE		
Donations to St. Joseph's College		
School Improvement Project	498,614.00	553,130.00
Bank charges	2,220.00	1,930.00
General	105.00	105.00
Scholarship	<u>20,000.00</u>	<u>26,200.00</u>
	<u>520,939.00</u>	<u>581,365.00</u>
SURPLUS FOR THE YEAR	574,149.12	949,250.13
ACCUMULATED SURPLUS BROUGHT FORWARD	<u>3,006,774.48</u>	<u>2,057,524.35</u>
ACCUMULATED SURPLUS CARRIED FORWARD	<u>3,580,923.60</u>	<u>3,006,774.48</u>

The notes on pages 8 to 9 form part of these financial statements.

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SAINT JOSEPH'S COLLEGE FOUNDATION LIMITED

BALANCE SHEET - 31 DECEMBER 2012

	<u>Note</u>	<u>2012</u> HK\$	<u>2011</u> HK\$
CURRENT ASSETS			
Cash and cash equivalents	6	3,580,923.60 =====	3,006,774.48 =====
EQUITY			
Accumulated surplus		3,580,923.60 =====	3,006,774.48 =====

On behalf of the Board

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

The notes on pages 8 to 9 form part of these financial statements.

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SAINT JOSEPH'S COLLEGE FOUNDATION LIMITED

STATEMENT OF CASH FLOWS

YEAR ENDED 31 DECEMBER 2012

	<u>Note</u>	<u>2012</u> HK\$	<u>2011</u> HK\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus for the year		574,149.12	949,250.13
Interest income		<u>(1,487.02)</u>	<u>(747.33)</u>
Net cash generated from operating activities		----- 572,662.10	----- 948,502.80
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		<u>1,487.02</u>	<u>747.33</u>
Net cash generated from investing activities		----- <u>1,487.02</u>	----- <u>747.33</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS		574,149.12	949,250.13
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		<u>3,006,774.48</u>	<u>2,057,524.35</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR		<u>3,580,923.60</u> =====	<u>3,006,774.48</u> =====
ANALYSIS OF BALANCE OF CASH AND CASH EQUIVALENTS			
Cash at banks	6	<u>3,580,923.60</u> =====	<u>3,006,774.48</u> =====

The notes on pages 8 to 9 form part of these financial statements.

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### SAINT JOSEPH'S COLLEGE FOUNDATION LIMITED

#### NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2012

#### 1. CORPORATE INFORMATION

Saint Joseph's College Foundation Limited was incorporated in Hong Kong under the Hong Kong Companies Ordinance as a Foundation limited by guarantee and not having a share capital. Under the provisions of the Foundation's Memorandum of Association, in the event of the Foundation being wound up, every member, and every former member who ceased to be a member within one year of such event, of the Foundation undertakes to contribute not exceeding HK\$100.00 towards payment of the debts and liabilities of the Foundation contracted before one ceases to be a member.

The Foundation is a charitable body engaged in the promotion of education in Hong Kong. The money or property of the Foundation is applied solely towards the promotion of objects set out in its Memorandum of Association, and shall not be paid to or distributed among its members, but shall be donated first to Saint Joseph's College and then to Community Chest of Hong Kong.

The registered office of the Foundation is located at 7 Kennedy Road, Hong Kong..

These financial statements cover the Foundation individually and are presented in Hong Kong dollars (HK\$) unless otherwise stated.

#### 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention and 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 and the requirements of the Hong Kong Companies Ordinance. The principal accounting policies adopted are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### (a) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

Revenue is recognised in profit or loss provided it is probable that the economic benefits will flow to the Foundation and the revenue and costs, if applicable, can be measured reliably, as follows:

##### (i) Donation

Donation is recognised when received.

##### (ii) Interest income

Interest income is recognised on a time proportion basis.

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SAINT JOSEPH'S COLLEGE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2012

(b) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments with original maturity of three months or less.

3. KEY SOURCES OF ESTIMATION UNCERTAINTY

There is no significant risk of key assumptions concerning the future and other key sources of estimation at the balance sheet date which will cause an adjustment to carrying amounts of assets and liabilities within the next financial year.

There are no significant effects on amounts recognised in the financial statements arising from the judgement or estimates used by management.

4. DIRECTORS' REMUNERATION

No directors' remuneration was paid or made payable during the year (2011: Nil).

5. INCOME TAX

No provision for Hong Kong profits tax has been made in the financial statements as the Foundation is an approved charitable institution and, as such, is exempted from payment of tax by virtue of Section 88 of the Inland Revenue Ordinance.

6. CASH AND CASH EQUIVALENTS

	<u>2012</u>	<u>2011</u>
	HK\$	HK\$
Cash at banks	3,580,923.60	3,006,774.48
	=====	=====

7. APPROVAL OF FINANCIAL STATEMENTS

The financial statements set out on pages 5 to 9 were approved and authorised for issue by the Board of Directors on .