

立信會計師事務所有限公司
Lixin C.P.A. Limited

Certified Public Accountants & Chartered Secretaries

**THE UNIVERSITY OF WARWICK AND
THE HONG KONG POLYTECHNIC UNIVERSITY
MANUFACTURING ALUMNI ASSOCIATION LIMITED**

**EXECUTIVE COMMITTEE'S REPORT AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31ST MARCH, 2017

**THE UNIVERSITY OF WARWICK AND THE HONG KONG POLYTECHNIC
UNIVERSITY MANUFACTURING ALUMNI ASSOCIATION LIMITED
REPORT OF THE EXECUTIVE COMMITTEE**

The executive committee have pleasure in submitting their annual report together with the audited financial statements for the year ended 31st March, 2017.

Principal activities

The principal activities of the Association is to cooperate with and promote the best interests of graduates from IEBMP program jointly organised by the Hong Kong Polytechnic University and the University of Warwick and the graduates of the Warwick International Manufacturing Group of the University of Warwick.

The state of the company's affairs and appropriations

The surplus of the Association for the year ended 31st March, 2017 and the state of the Association's affairs as at that date are set out in the financial statements on pages 5 to 9.

Executive committee members

The executive committee members of the Association during the financial year and up to the date of this report were:

Kwong Chu Ming	
Fung Wah Cheong, Vincent	
Lui Oi Har, Frances	
Wong Wai Kuen, Pedro	
Mok Wing Kai, Henry	
Wang Ye, Abraham	
Yick Man Lung, Allen	(Appointed on 10 th December, 2016)
Fung Sui Leung	(Retired on 10 th December, 2016)
Cheuk Mei Ling, Elinor	(Deceased on 25 th June, 2017)

In accordance with article No. 37 of the Association's Articles of Association, all executive committee members shall retire from office, and shall be eligible for re-election.

No contract of significance in relation to the Association's business in which an executive member of the Association had a material interest subsisted at the end of the year or at any time during the year.

Auditors

The financial statements have been audited by Lixin C.P.A. Limited who retire, and being eligible, offer themselves for re-appointment. A resolution for the re-appointment of Lixin C.P.A. Limited as the Association's auditors is to be proposed at the forthcoming annual general meeting.

By Order of the Executive Committee



Kwong Chu Ming
President

Hong Kong, - 2 DEC 2017



INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE UNIVERSITY OF WARWICK AND THE HONG KONG
POLYTECHNIC UNIVERSITY MANUFACTURING ALUMNI ASSOCIATION LIMITED
(Incorporated in Hong Kong with limited liability)

Opinion

We have audited the financial statements of The University of Warwick and the Hong Kong Polytechnic University Manufacturing Alumni Association Limited ("the Association") set out on pages 5 to 9, which comprise the statement of financial position as at 31st March, 2017, and the income statement 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 Association 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 Small and Medium-sized Entity Financial Reporting Standard* 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 Association 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 executive committee members are responsible for the other information. The other information comprises the information included in the executive committee' report, 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.



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

The executive committee members are responsible for the preparation of 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 executive 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 executive committee members are responsible for assessing the Association'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 executive committee members either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association'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 our agreed terms of engagement, 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 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.
- 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the executive committee members.



Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

- Conclude on the appropriateness of the executive 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 Association'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 Association 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.

For and on behalf of
立信會計師事務所有限公司
LIXIN C.P.A. Limited

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Authorized Signature(s)

CHIU CHI WING
Practising Certificate Number P01732
Lixin C.P.A. Limited

Hong Kong,- 2 DEC 2017

**THE UNIVERSITY OF WARWICK AND THE HONG KONG POLYTECHNIC
UNIVERSITY MANUFACTURING ALUMNI ASSOCIATION LIMITED**

**INCOME STATEMENT
FOR THE YEAR ENDED 31ST MARCH, 2017**

	<u>Note</u>	<u>2017</u> HK\$	<u>2016</u> HK\$
REVENUE	2	500	12,600
OTHER INCOME	3	46,327	67,030
ADMINISTRATIVE EXPENSES		<u>(33,834)</u>	<u>(34,671)</u>
SURPLUS BEFORE TAX		12,993	44,959
INCOME TAX EXPENSE	5	<u>-</u>	<u>-</u>
SURPLUS FOR THE YEAR		<u>12,993</u>	<u>44,959</u>

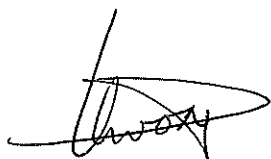
The accompanying Accounting Policies and Explanatory Notes form an integral part of, and should be read in conjunction with, these financial statements.

**THE UNIVERSITY OF WARWICK AND THE HONG KONG POLYTECHNIC
UNIVERSITY MANUFACTURING ALUMNI ASSOCIATION LIMITED**

**STATEMENT OF FINANCIAL POSITION
AS AT 31ST MARCH, 2017**

	<u>Note</u>	<u>2017</u> HK\$	<u>2016</u> HK\$
CURRENT ASSETS			
Cash at bank		349,675	337,882
 Less : CURRENT LIABILITIES			
Accrued expenses		<u>(2,000)</u>	<u>(3,200)</u>
NET ASSETS		<u>347,675</u>	<u>334,682</u>
EQUITY			
Reserves	6	<u>347,675</u>	<u>334,682</u>

APPROVED ON BEHALF OF THE BOARD BY :



Kwong Chu Ming
President



Wong Wai Kuen, Pedro
Hon. Treasurer

The accompanying Accounting Policies and Explanatory Notes form an integral part of, and should be read in conjunction with, these financial statements.

**THE UNIVERSITY OF WARWICK AND THE HONG KONG POLYTECHNIC
UNIVERSITY MANUFACTURING ALUMNI ASSOCIATION LIMITED**

**ACCOUNTING POLICIES AND EXPLANATORY NOTES
TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2017**

Reporting entity

The University of Warwick and The Hong Kong Polytechnic University Manufacturing Alumni Association Limited (“the Association”) is a limited by guarantee company domiciled and incorporated in Hong Kong. The address of its registered office and principal place of business are EF611, Core F, The Hong Kong Polytechnic University, Hung Hom, Kowloon, Hong Kong. Its principal activities is to cooperate with and promote the best interests of graduates from IEBMP program jointly organised by the Hong Kong Polytechnic University and the University of Warwick and the graduates of the Warwick International Manufacturing Group of the University of Warwick.

Under the provisions of the Association’s memorandum, every member shall, in the event of the Association being wound up, contribute such amount as may be required to meet the liabilities of the Association, but not exceeding HK\$10 each.

1. Basis of preparation and accounting policies

The Association qualifies for the reporting exemption under Section 359(3)(a) of the Hong Kong Companies Ordinance and is entitled to prepare and present its financial statements for the year ended 31st March, 2017 in accordance with the Small and Medium-sized Entity Financial Reporting Standard (the “SME-FRS”) issued by the Hong Kong Institute of Certified Public Accountants.

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

The measurement base adopted is the historical cost convention.

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

(a) Revenue

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

- (i) membership fees and other income are recognised upon receipt; and
- (ii) interest income is recognised on a time proportion basis taking into account the principal outstanding and the interest applicable.

1. Basis of preparation and accounting policies (continued)

(b) Taxation

Income tax expense represents current tax expense. The income tax payable represents the amounts expected to be paid to the taxation authority, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is not provided.

2. Revenue

An analysis of the Association's revenue is as follows :

	<u>2017</u> HK\$	<u>2016</u> HK\$
Membership fees	<u>500</u>	<u>12,600</u>

3. Other income

	<u>2017</u> HK\$	<u>2016</u> HK\$
Bank interest income	31	28
Surplus from annual dinner	45,666	62,418
Surplus from FHKPUAA	640	-
Surplus from TTI factory visit tour	190	-
Deficit from T-Park visit tour	(200)	-
Deficit from Boating Trip	-	(400)
Deficit from open forum	-	(1,320)
Surplus from Kowloon Bay Waste Recycling Centre visit	-	1,250
Surplus from Xiamen visit tour	-	3,614
Surplus from Zero Carbon building visit	-	740
Refund of scrap photo frame	-	200
Donation income	-	500
	<u>46,327</u>	<u>67,030</u>

4. Committee Members' remuneration

No fee or other emoluments was paid to Committee Members during this and preceding year.

5. Income tax expense

No provision has been made for Hong Kong profits tax as not less than half of the income was received from members of the Association which is exempted from profits tax under Section 24(1) of the Inland Revenue Ordinance.

6. Reserves

	Accumulated <u>surplus</u> HK\$
Balance as at 31.3.2016	334,682
Surplus for the year	<u>12,993</u>
Balance as at 31.3.2017	<u><u>347,675</u></u>

7. Approval of financial statements

These financial statements were authorised for issue by the Association's Executive Committee on - 2 DEC 2017

**THE UNIVERSITY OF WARWICK AND THE HONG KONG POLYTECHNIC
UNIVERSITY MANUFACTURING ALUMNI ASSOCIATION LIMITED**

**DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 31ST MARCH, 2017**

	<u>2017</u> HK\$	<u>2016</u> HK\$
INCOME		
Membership fees	500	12,600
OTHER INCOME		
Surplus from annual dinner	45,666	62,418
Donation received	-	500
Refund from FHKPUAA	640	-
Surplus from TTI factory visit tour	190	-
Deficit from T-Park visit tour	(200)	-
Deficit from Boating Trip	-	(400)
Deficit from open forum	-	(1,320)
Surplus from Kowloon Bay Waste Recycling Centre visit	-	1,250
Surplus from Xiamen visit tour	-	3,614
Surplus from Zero Carbon building visit	-	740
Refund of scrap photo frame	-	200
Bank interest received	31	28
	46,327	67,030
ADMINISTRATIVE EXPENSES		
Advertisement	1,493	3,500
Bank charges	400	550
Business registration fee	250	2,250
Donation to The Hong Kong Polytechnic University	18,000	-
Entertainment/Souvenir	4,693	9,487
FHKPUAA card fee	-	1,300
Sponsorship	4,080	2,720
Sundry expenses	120	2,250
Web site	4,798	12,614
	33,834	34,671
SURPLUS FOR THE YEAR	12,993	44,959