

HONG KONG WOMEN WORKERS' ASSOCIATION

香 港 婦 女 勞 工 協 會

REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2014

楊純基會計師事務所

S.K. YEUNG & CO.

Certified Public Accountants

HONG KONG

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
HONG KONG WOMEN WORKERS' ASSOCIATION**
香港婦女勞工協會
(Registered under the Societies Ordinance of Hong Kong)

We have audited the financial statements of Hong Kong Women Workers' Association (the "Association") set out on pages 3 to 10, which comprise the balance sheet as at 31 March 2014, the statement of income and retained earnings and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

COMMITTEE MEMBERS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The committee members are responsible for the preparation and the true and fair presentation of these financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statement based on our audit and to report our opinions solely to you, as a body, in accordance with the instructions given by the committee members, and for no other purpose. 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 as to whether the financial statements are free from material misstatement.

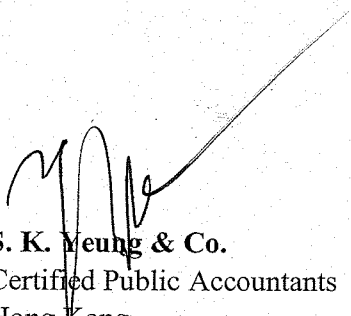
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and true and fair presentation of the financial statements 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 committee members, as well as evaluating the overall presentation of the financial statements.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
HONG KONG WOMEN WORKERS' ASSOCIATION - continued**
香港婦女勞工協會
(Registered under the Societies Ordinance of Hong Kong)

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the financial statements give a true and fair view of the state of the association's affairs as at 31 March 2014 and of its deficit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards.



S. K. Yeung & Co.
Certified Public Accountants
Hong Kong,

- 2 DEC 2014

HONG KONG WOMEN WORKERS' ASSOCIATION
香港婦女勞工協會

STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 MARCH 2014

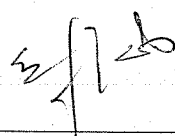
	NOTE	2014 HK\$	2013 HK\$
REVENUE	(4)	2,157,726	1,302,941
Other revenue			
Bank interest income		3	-
Operating expenses		<u>(2,407,966)</u>	<u>(1,425,243)</u>
DEFICIT FOR THE YEAR	(5)	<u>(250,237)</u>	<u>(122,302)</u>
ACCUMULATED FUNDS BROUGHT FORWARD		<u>543,705</u>	<u>666,007</u>
ACCUMULATED FUNDS CARRIED FORWARD		<u><u>293,468</u></u>	<u><u>543,705</u></u>

HONG KONG WOMEN WORKERS' ASSOCIATION
香港婦女勞工協會

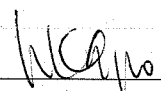
BALANCE SHEET
AS AT 31 MARCH 2014

	NOTE	2014 HK\$	2013 HK\$
NON CURRENT ASSETS			
Property, plant and equipment	(8)	91,209	181,069
CURRENT ASSETS			
Other receivable		-	6,000
Utility deposit and prepayment		6,550	6,550
Amount due from a related association		105,151	123,336
Cash and bank balances		138,058	574,850
		<u>249,759</u>	<u>710,736</u>
CURRENT LIABILITIES			
Creditors and accrued charges		47,500	348,100
		<u>47,500</u>	<u>348,100</u>
NET CURRENT ASSETS		<u>202,259</u>	<u>362,636</u>
NET ASSETS		<u>293,468</u>	<u>543,705</u>
EQUITY			
Accumulated funds		<u>293,468</u>	<u>543,705</u>
TOTAL EQUITY		<u>293,468</u>	<u>543,705</u>

The financial statements on pages 3 to 10 were approved and authorized for issue by the members of board on **2 DEC 2014**



 Committee Member



 Committee Member

HONG KONG WOMEN WORKERS' ASSOCIATION
香港婦女勞工協會

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2014

	2014	2013
	HK\$	HK\$
Operating activities		
Deficit for the year	(250,237)	(122,302)
Adjustment:		
Bank interest income	(3)	-
Depreciation	89,860	89,859
Operating cash outflow before movements in working capital	(160,380)	(32,443)
Decrease/(Increase) in other receivable	6,000	(6,000)
Decrease in amount due from a related association	18,185	6,485
(Decrease)/Increase in creditors and accrued charges	(300,600)	333,100
Net cash (outflow)/inflow from operating activities	(436,795)	301,142
Cash flows from investing activities		
Acquisition of fixed assets	-	(147,020)
Bank interest income	3	-
Cash used in investing activities	3	(147,020)
Net (decrease)/increase in cash and cash equivalents	(436,792)	154,122
Cash and cash equivalents at beginning of the year	574,850	420,728
Cash and cash equivalents at end of the year	138,058	574,850
Analysis of the balances of cash and cash equivalents		
Cash and bank balances	138,058	574,850

HONG KONG WOMEN WORKERS' ASSOCIATION
香港婦女勞工協會

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

(1) GENERAL INFORMATION

Hong Kong Women Workers' Association is a society registered in Hong Kong under the Societies Ordinance. The Association's registered office is located at 1-3A, Tsui Ying House, Tsui Ping Estate, Kwun Tong, Kowloon, Hong Kong. The principal activities of the Association are provision of non-profitable charity and social welfare services to the women workers in Hong Kong.

(2) PRINCIPAL ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these financial statements are set out below:

(a) Basis of preparation of financial statements

The Association's financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants.

The measurement basis used in preparing the financial statements is historical cost.

(b) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

The depreciable amount of an item of property, plant and equipment is allocated on systematic basis over its estimated useful life using straight-line method. The principal annual rates used for depreciation are as follows:

Furniture and fixtures	20%
Office equipment	20%
Leasehold improvement	33 ¹ / ₃ %

(c) Impairment of assets

At the end of each year, the Association reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and impairment loss is recognized as an expense immediately. If the recoverable amount of the asset is estimated to be higher than its carrying amount, the carrying amount of the asset is increased to an amount which is the lower of its recoverable amount and the carrying amount that would have been determined had no impairment losses been recognized for the asset in prior years and the previously recognized impairment loss is reversed and recognized as an income immediately.

HONG KONG WOMEN WORKERS' ASSOCIATION
香港婦女勞工協會

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

(2) PRINCIPAL ACCOUNTING POLICIES - continued

(d) Receivables

Receivables are initially stated at fair value and subsequently carried at amortized cost using the effective interest method less impairment losses. An impairment loss or reversal of impairment loss of receivables is measured as the difference between its carrying amount and its present value of the estimated future cash flows discounted at the original effective interest rate and is recognized in Statement of Income and Retained Earnings.

(e) Payables

Payables are initially recognized at fair value and subsequently stated at amortized cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

(f) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdraft is shown within borrowings in current liabilities on the statement of financial position.

(g) Recognition of income

Income is recognized when it is probable that the economic benefits will flow to the entity and when the income can be measured reliably, on the accrual basis.

(h) Retirement benefit costs

Retirement benefit costs represent payments to the defined contribution retirement benefit plan which are charged to Statement of Income and Retained Earnings as an expense when the employees have rendered their services.

(i) Operating lease

Lease where substantially all the rewards and risks of ownership of asset remains with the lessor is accounted for as operating lease. Rental payable under operating lease is recognized in the Statement of Income and Retained Earnings on a straight-line basis over the lease term.

(j) Taxation

The association was exempted from Hong Kong tax under Section 88 of the Hong Kong Inland Revenue Ordinance.

HONG KONG WOMEN WORKERS' ASSOCIATION
香港婦女勞工協會

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

(3) CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES

In the application of the Association's accounting policies as described in note 2, the management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities, income and expenses that are not readily apparent from other sources. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current year and future years.

In the process of applying the association's accounting policies during the year, the management has not made any critical judgments, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year.

(4) PROGRAM INCOME

	2014 HK\$	2013 HK\$
Program for cooperatives economic development	384,417	120,935
Program for women policies advocacy	86,767	-
Program for eco-friendly and healthy community	224,745	78,331
Program for cleaning worker organisation	9,655	-
Income from charity activities	36,733	127,043
Income from courses	145,745	43,320
Income from activities of resource centre	54,176	15,798
Program for equal opportunities	57,250	29,640
Program for training and development	26,249	215,960
Program for mutual-aid network	170,330	46,555
Program for employment right promotion	191,293	469,376
Cooperative association fund	63,048	-
Program for CEPAW promotion	-	-
	<u>1,450,408</u>	<u>1,146,958</u>

(5) DEFICIT FOR THE YEAR

	2014 HK\$	2013 HK\$
Deficit for the year is arrived at after charging/(crediting):		
Audit fee	7,500	7,500
Depreciation	89,860	89,859
Staff salaries and allowances	761,074	751,788
Mandatory provident fund contributions	82,087	55,986
Rental	94,150	82,361
Bank interest income	(3)	-
	<u> </u>	<u> </u>

HONG KONG WOMEN WORKERS' ASSOCIATION
香港婦女勞工協會

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

(6) EMOLUMENTS TO COMMITTEE MEMBERS

No emoluments have been paid or payable to the committee members during the year under review. (2013: Nil)

(7) TAXATION

The association was exempted from Hong Kong tax under Section 88 of the Hong Kong Inland Revenue Ordinance.

(8) PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvement HK\$	Office equipment HK\$	Furniture & fixtures HK\$	Total HK\$
Cost				
At 1 April 2013	607,055	370,633	258,199	1,235,887
Additions				-
At 31 March 2014	<u>607,055</u>	<u>370,633</u>	<u>258,199</u>	<u>1,235,887</u>
Accumulated depreciation				
At 1 April 2013	529,338	348,517	176,963	1,054,818
Charge for the year	62,084	7,202	20,574	89,860
At 31 March 2014	<u>591,422</u>	<u>355,719</u>	<u>197,537</u>	<u>1,144,678</u>
Net book value				
At 31 March 2014	<u>15,633</u>	<u>14,914</u>	<u>60,662</u>	<u>91,209</u>
At 31 March 2013	<u>77,717</u>	<u>22,116</u>	<u>81,236</u>	<u>181,069</u>

(9) OPERATING LEASE COMMITMENTS

At the end of the year, the Association had the following total future lease payments under the operating lease of the land and buildings payable:

	2014 HK\$	2013 HK\$
within one year	88,370	88,370
in the second to fifth years inclusive	88,370	173,630
	<u>176,740</u>	<u>262,000</u>

HONG KONG WOMEN WORKERS' ASSOCIATION
香港婦女勞工協會

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

(10) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Association's major financial instruments comprise bank balances, receivables and payables. The main risks arising from the said financial instruments are interest rate, credit and liquidity risks. To mitigate these risks, the management closely monitors these exposures and takes appropriate measures on a timely and effective manner and has not adopted any policy.

HONG KONG WOMEN WORKERS' ASSOCIATION
香港婦女勞工協會

DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2014
(For management purposes only)

	2014 HK\$	2013 HK\$
REVENUE		
Program income	1,450,408	1,146,958
Donation income	122,738	140,333
Women worker canteen income	569,730	-
Membership fee and sundry income	14,850	15,650
	<u>2,157,726</u>	<u>1,302,941</u>
OTHER REVENUE		
Bank interest income	3	-
	<u>2,157,729</u>	<u>1,302,941</u>
LESS: OPERATING EXPENSES		
Advertising and financial expenses	32,348	39,038
Audit fee	7,500	7,500
Depreciation	89,860	89,859
Insurance	6,686	10,326
Mandatory provident fund contribution	82,087	55,986
Members' welfare	500	17,760
Program expenses	806,641	339,589
Rent and rates	94,150	82,361
Repair and maintenance	9,970	8,586
Staff's salaries and allowances	761,074	751,788
Telephone and internet	3,000	2,500
Utility expenses	18,263	19,950
Women worker canteen expenses	495,887	-
	<u>2,407,966</u>	<u>1,425,243</u>
DEFICIT FROM OPERATIONS	<u>(250,237)</u>	<u>(122,302)</u>