

HONG KONG WOMEN WORKERS' ASSOCIATION

香港婦女勞工協會

REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

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 2015, 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.

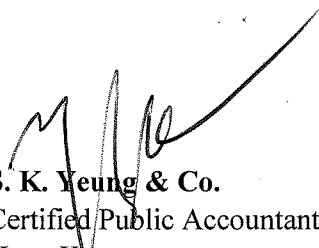
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or 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 2015 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,

24 DEC 2015

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 2015

	NOTE	2015 HK\$	2014 HK\$
REVENUE	(4)	2,495,768	2,157,726
Other revenue			
Bank interest income		5	3
Operating expenses		<u>(2,565,778)</u>	<u>(2,407,966)</u>
DEFICIT FOR THE YEAR	(5)	(70,005)	(250,237)
ACCUMULATED FUNDS BROUGHT FORWARD		<u>293,468</u>	<u>543,705</u>
ACCUMULATED FUNDS CARRIED FORWARD		<u><u>223,463</u></u>	<u><u>293,468</u></u>

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

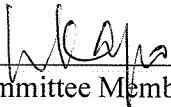
BALANCE SHEET
AS AT 31 MARCH 2015

	NOTE	2015 HK\$	2014 HK\$
NON CURRENT ASSETS			
Property, plant and equipment	(8)	47,800	91,209
CURRENT ASSETS			
Utility deposit and prepayment		96,550	6,550
Amount due from a related association		4,628	105,151
Cash and bank balances		242,985	138,058
		<u>344,163</u>	<u>249,759</u>
CURRENT LIABILITIES			
Creditors and accrued charges		168,500	47,500
		<u>168,500</u>	<u>47,500</u>
NET CURRENT ASSETS		<u>175,663</u>	<u>202,259</u>
NET ASSETS		<u>223,463</u>	<u>293,468</u>
EQUITY			
Accumulated funds		<u>223,463</u>	<u>293,468</u>
TOTAL EQUITY		<u>223,463</u>	<u>293,468</u>

The financial statements on pages 3 to 10 were approved and authorized for issue by the members of board on 24 DEC 2015



 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 2015

	2015 HK\$	2014 HK\$
Operating activities		
Deficit for the year	(70,005)	(250,237)
Adjustment:		
Bank interest income	(5)	(3)
Depreciation	43,409	89,860
Operating cash outflow before movements in working capital	<u>(26,601)</u>	<u>(160,380)</u>
Decrease in other receivable	-	6,000
Increase in utility deposit and prepayment	(90,000)	-
Decrease in amount due from a related association	100,523	18,185
Increase/(Decrease) in creditors and accrued charges	<u>121,000</u>	<u>(300,600)</u>
Net cash inflow/(outflow) from operating activities	<u><u>104,922</u></u>	<u><u>(436,795)</u></u>
Cash flows from investing activities		
Bank interest income	<u>5</u>	<u>3</u>
Cash used in investing activities	<u><u>5</u></u>	<u><u>3</u></u>
Net increase/(decrease) in cash and cash equivalents	104,927	(436,792)
Cash and cash equivalents at beginning of the year	138,058	574,850
Cash and cash equivalents at end of the year	<u><u>242,985</u></u>	<u><u>138,058</u></u>
Analysis of the balances of cash and cash equivalents		
Cash and bank balances	<u><u>242,985</u></u>	<u><u>138,058</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 2015

(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 $\frac{1}{3}$ %

(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 2015

(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 2015

(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

	2015	2014
	HK\$	HK\$
Program for cooperatives economic development	305,086	384,417
Program for women policies advocacy	-	86,767
Program for eco-friendly and healthy community	69,051	224,745
Program for cleaning worker organisation	-	9,655
Income from charity activities	62,210	36,733
Income from courses	117,659	145,745
Income from activities of resource centre	5,661	54,176
Program for equal opportunities	-	57,250
Program for training and development	-	26,249
Program for mutual-aid network	54,820	170,330
Program for employment right promotion	451,152	191,293
Cooperative association fund	-	63,048
	<u>1,065,639</u>	<u>1,450,408</u>

(5) DEFICIT FOR THE YEAR

	2015	2014
	HK\$	HK\$
Deficit for the year is arrived at after charging/(crediting):		
Audit fee	7,500	7,500
Depreciation	43,409	89,860
Staff salaries and allowances	804,696	761,074
Mandatory provident fund contributions	30,643	82,087
Rental	97,775	94,150
Bank interest income	(5)	(3)
	<u>(5)</u>	<u>(3)</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 2015

(6) EMOLUMENTS TO COMMITTEE MEMBERS

No emoluments have been paid or payable to the committee members during the year under review. (2014: 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 2014	607,055	370,633	258,199	1,235,887
Additions	-	-	-	-
At 31 March 2015	<u>607,055</u>	<u>370,633</u>	<u>258,199</u>	<u>1,235,887</u>
Accumulated depreciation				
At 1 April 2014	591,422	355,719	197,537	1,144,678
Charge for the year	15,633	7,202	20,574	43,409
At 31 March 2015	<u>607,055</u>	<u>362,921</u>	<u>218,111</u>	<u>1,188,087</u>
Net book value				
At 31 March 2015	<u>-</u>	<u>7,712</u>	<u>40,088</u>	<u>47,800</u>
At 31 March 2014	<u>15,633</u>	<u>14,914</u>	<u>60,662</u>	<u>91,209</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:

	2015	2014
	HK\$	HK\$
within one year	85,260	88,370
in the second to fifth years inclusive	-	88,370
	<u>85,260</u>	<u>176,740</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 2015

(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 2015
(For management purposes only)

	2014 HK\$	2014 HK\$
REVENUE		
Program income	1,065,639	1,450,408
Donation income	322,898	122,738
Women worker canteen income	634,485	569,730
WECONS income	458,546	-
Membership fee and sundry income	14,200	14,850
	<u>2,495,768</u>	<u>2,157,726</u>
OTHER REVENUE		
Bank interest income	5	3
	<u>2,495,773</u>	<u>2,157,729</u>
LESS: OPERATING EXPENSES		
Administrative and financial expenses	68,344	32,348
Audit fee	7,500	7,500
Depreciation	43,409	89,860
Insurance	11,645	6,686
Mandatory provident fund contribution	30,643	82,087
Members' welfare	680	500
Program expenses	465,760	806,641
Rent and rates	97,775	94,150
Repair and maintenance	8,764	9,970
Staff's salaries and allowances	804,696	761,074
Telephone and internet	3,250	3,000
Utility expenses	18,133	18,263
WECONS expenses	464,891	-
Women worker canteen expenses	540,288	495,887
	<u>2,565,778</u>	<u>2,407,966</u>
DEFICIT FROM OPERATIONS	<u>(70,005)</u>	<u>(250,237)</u>