

WOMEN'S WELFARE CLUB WESTERN DISTRICT  
DAVID WOO MEMORIAL DAY NURSERY

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**STATEMENTS OF ACCOUNTS**

Year ended 31 March 2021

楊少銓會計師事務所  
**ALBERT S. C. YOUNG & COMPANY**  
CERTIFIED PUBLIC ACCOUNTANTS  
HONG KONG

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**INDEPENDENT AUDITOR'S REPORT TO THE COMMITTEE OF  
WOMEN'S WELFARE CLUB WESTERN DISTRICT  
DAVID WOO MEMORIAL DAY NURSERY**

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**Opinion**

We have audited the financial statements of Women's Welfare Club Western District David Woo Memorial Day Nursery ("the Day Nursery") set out on pages 3 to 10, which comprise the statement of financial position as at 31 March 2021, 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 Day Nursery 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 PN 900 (Revised) Audit of Financial Statements Prepared in Accordance with the SME-FRS 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 Day Nursery in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other 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 committee are responsible for the other information 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 the committee for the financial statements**

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

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**INDEPENDENT AUDITOR'S REPORT TO THE COMMITTEE OF  
WOMEN'S WELFARE CLUB WESTERN DISTRICT  
DAVID WOO MEMORIAL DAY NURSERY**

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**Auditor's responsibilities for the audit of the financial statements**

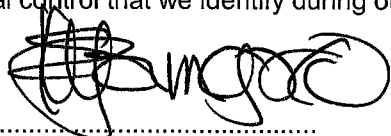
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our report is made solely to you, as a body, in accordance with section 405 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 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 Day Nursery's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by committee.
- Conclude on the appropriateness of the committee's 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 Day Nursery'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 Day Nursery 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.



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Albert S. C. Young & Company,  
Certified Public Accountants.

Hong Kong, 11 October 2021

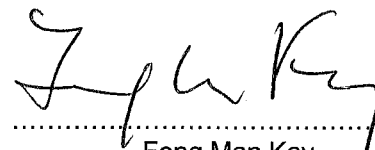
**WOMEN'S WELFARE CLUB WESTERN DISTRICT  
DAVID WOO MEMORIAL DAY NURSERY**

**STATEMENT OF FINANCIAL POSITION as at 31 March 2021**

	<u>Note</u>	\$	\$	<u>2021</u> \$	<u>2020</u> \$
<b><u>NON-CURRENT ASSETS</u></b>					
Property, plant and equipment	6			1	1
<b><u>CURRENT ASSETS</u></b>					
Cash at bank -					
Current account		61,078			58,585
Savings account		<u>92,497</u>	153,575		142,496
Cash in hand			-	153,575	-
			<u>                    </u>	<u>153,576</u>	<u>201,082</u>
Representing:-					
<b><u>(DEFICIT)/SURPLUS RETAINED</u></b>					
Integrated programme unit	9		(36,418)		(27,690)
Occasional child care service	9		<u>(11,090)</u>	(47,508)	6,208
<b><u>LSG RESERVE FUND</u></b>	9			<u>201,084</u>	<u>222,564</u>
				<u>153,576</u>	<u>201,082</u>

Approved on behalf of the Committee by:

  
.....  
Tsang Fung Kwan  
Chairman

  
.....  
Fong Man Kay  
Treasurer

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

**WOMEN'S WELFARE CLUB WESTERN DISTRICT**  
**DAVID WOO MEMORIAL DAY NURSERY**  
**(INTEGRATED PROGRAMME UNIT)**

**INCOME STATEMENT**  
**For the year ended 31 March 2021**

	\$	<u>2021</u> \$	<u>2020</u> \$
<b><u>INCOME</u></b>			
Subventions from SWD		408,000	405,540
		408,000	405,540
		408,000	405,540
 <b><u>EXPENDITURE</u></b>			
<b><u>Personal Emoluments</u></b>			
Salaries	420,480		411,730
MPF mandatory contributions	18,000	438,480	18,000
 <b><u>Other Charges</u></b>			
Audit fee	3,500		3,500
Insurance	2,438	5,938	-
		444,418	433,230
 <b><u>Deficit for the year</u></b>		<b>(36,418)</b>	<b>(27,690)</b>

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

**WOMEN'S WELFARE CLUB WESTERN DISTRICT**  
**DAVID WOO MEMORIAL DAY NURSERY**  
**(OCCASIONAL CHILD CARE SERVICE)**

**INCOME STATEMENT**  
**For the year ended 31 March 2021**

	\$	<u>2021</u> \$	<u>2020</u> \$
<b><u>INCOME</u></b>			
Fees		-	11,533
Subventions from SWD		95,555	94,924
		95,555	106,457
		95,555	106,457
<b><u>EXPENDITURE</u></b>			
<b><u>Personal Emoluments</u></b>			
Salaries	78,700		72,687
MPF mandatory contributions	3,935	82,635	3,137
	78,700		75,824
<b><u>Other Charges</u></b>			
Audit fee	3,500		3,500
Cleaning	1,010		46
Food	-		1,696
Programme expenses	-		18,175
Printing and stationery	-		1,008
Repairs and maintenance	19,500	24,010	-
	19,500	24,010	-
		106,645	100,249
		106,645	100,249
 <b><u>(Deficit)/surplus for the year</u></b>		(11,090)	6,208

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

**WOMEN'S WELFARE CLUB WESTERN DISTRICT**  
**DAVID WOO MEMORIAL DAY NURSERY**

**NOTES TO THE ACCOUNTS**

1. General

The Day Nursery is an affiliation under Women's Welfare Club, Western District, Hong Kong which is an approved charitable institution. The principal activities of the Day Nursery are to provide child care, food and other services to the child.

The address of the Day Nursery is G/F, Yiu Ming House, Yiu Tung Estate, Shaukiwan, Hong Kong.

2. Basis of preparation and accounting policies

The Day Nursery qualifies for the reporting exemption as a small private company under section 359(1)(a) of the Hong Kong Companies Ordinance (Cap. 622) and is therefore entitled to prepare and present its financial statements in accordance with the Small and Medium-sized Entity Financial Reporting Standard (SME-FRS) issued by the Hong Kong Institute of Certified Public Accountants.

These financial statements have been prepared in accordance with accounting requirements of the Social Welfare Department Notes on Accounting for Subvented Welfare Agencies and these financial statements comply with the SME-FRS and have been prepared under the accrual basis of accounting and on the basis that the Day Nursery 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 recognition

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

- Subventions from Social Welfare Department (SWD) is recognised when it is received from Agency.
- Other revenue is recognised when the amount is received.
- Government grants related to assets are presented in the statement of financial position by deducting the grant in arriving at the carrying amount of the asset. The grant is recognised as income over the life of a depreciable asset by way of a reduced depreciation charge.

(b) Foreign exchange

The reporting currency of the Day Nursery is Hong Kong Dollars, which is the currency of the primary economic environment in which the Day Nursery operates.

Foreign currency transactions are converted at the exchange rate applicable at the transaction date. Foreign currency monetary items are translated into Hong Kong Dollars using exchange rates applicable at the end of the reporting period. Gains and losses on foreign exchange are recognised in the income statement.

(c) Property, plant and equipment

In prior years, furniture and equipment are stated at a nominal value of \$1. This value is taken as the deemed cost brought forward. Additions are stated at cost less accumulated depreciation calculated on a straight line basis to write off the assets over their estimated useful lives of 4 years.

**WOMEN'S WELFARE CLUB WESTERN DISTRICT**  
**DAVID WOO MEMORIAL DAY NURSERY**

**NOTES TO THE ACCOUNTS**

2. Basis of preparation and accounting policies (continued)

(d) Impairment of assets

An assessment is made at the end of each reporting period to determine whether there is any indication of impairment or reversal of previous impairment, including items of property, plant and equipment, intangible assets and long-term investments. In the event that an asset's carrying amount exceeds its recoverable amount, the carrying amount is reduced to recoverable amount and an impairment loss is recognised in the income statement. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount, however not to an amount higher than the carrying amount that would have been determined (net of amortisation or depreciation), had no impairment losses been recognised for the asset in prior years.

(e) Trade and other receivables

Trade and other receivables are stated at estimated realisable value after each debt has been considered individually. Where the payment of a debt becomes doubtful a provision is made and charged to the income statement.

(f) Provisions

Provisions are recognised when the Day Nursery has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of obligation can be made. Expenditures for which a provision has been recognised are charged against the related provision in the year in which the expenditures are incurred. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount provided is the present value of the expenditures expected to be required to settle the obligation. Where the Day Nursery expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

(g) Employee benefits

The Day Nursery participates in a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for all of its employees. Contributions are made based on a percentage of the employees' basic salaries and are charged to the statement of financial position as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Day Nursery in an independently administered fund. The Day Nursery's employer contributions vest fully with the employees when contributed into the MPF Scheme.

The Day Nursery operates a defined contribution scheme for its employees, the assets of which are held separately from those of the Day Nursery in an independently administered fund. Contributions are made based on a percentage of the eligible employees' salaries and are charged to the statement of financial position as they become payable in accordance with the rules of the scheme. When an employee leaves the scheme prior to his/her interest in the Day Nursery employer contributions vesting fully, the ongoing contributions payable by the Day Nursery may be reduced by the relevant amount of forfeited contributions.



**WOMEN'S WELFARE CLUB WESTERN DISTRICT**  
**DAVID WOO MEMORIAL DAY NURSERY**

**NOTES TO THE ACCOUNTS**

	<u>2021</u>	<u>2020</u>
	\$	\$
3. <u>Surplus/(deficit) for the year</u>		
Surplus/(deficit) for the year is stated after charging the followings:		
Auditor's remuneration	3,500	3,500
- Integrated programme unit	3,500	3,500
- Occasional child care service		
Directors' emoluments:		
Fees	-	-
Other emoluments	-	-
Staff costs:		
Salaries & allowance	420,480	411,730
- Integrated programme unit	78,700	72,687
- Occasional child care service		
MPF contributions	18,000	18,000
- Intergrated programme unit	3,935	3,137
- Occasional child care service		
	3,500	3,500
4. <u>Directors' remuneration</u>		
Remuneration to directors disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance (Chapter 622) is as follows:		
Fees	-	-
Other emoluments	-	-
	-	-
5. <u>LSG reserve fund</u>		
Interest income	2	148
Expenditure	-	-
Net surplus for the year	2	148

LSG represents Lump Sum Grant.

**WOMEN'S WELFARE CLUB WESTERN DISTRICT  
DAVID WOO MEMORIAL DAY NURSERY**

**NOTES TO THE ACCOUNTS**

6. Property, plant and equipment

	<u>Furniture and equipment</u> \$	<u>Computer hardward and software</u> \$	<u>Total</u> \$
At cost -			
At 31.3.2020	-	10,828	10,828
Additions	-	-	-
At 31.3.2021	-	10,828	10,828
Accumulated depreciation and impairment losses -			
At 31.3.2020	-	10,827	10,827
Charges for the year	-	-	-
At 31.3.2021	-	10,827	10,827
Net book value -			
At 31.3.2021	-	1	1
At 31.3.2020	-	1	1

7. Movement of lotteries fund block grant

		<u>Total</u> \$
Subvention reallocated for the year	5,783	
Amount transferred for the purchase of fixed assets	(5,783)	-
Less: Expenditure -		
Minor Works Projects	-	
Furniture and Equipment	5,783	
Amount transferred for the purchase of fixed assets	(5,783)	-
Deficit for the year ended 31.3.2020		-
Subvention reallocated for the year	-	
Amount transferred for the purchase of fixed assets	-	-
Less: Expenditure -		
Minor Works Projects	-	
Furniture and Equipment	-	
Amount transferred for the purchase of fixed assets	-	-
Deficit for the year ended 31.3.2021		-

Capital Commitments

As at 31 March 2021, the outstanding commitments in respect of Furniture and Equipment Replenishment and Minor Works Grant were as follows:

	HK\$
Contracted for but not provided in the financial statements	-
Authorized but not contracted for	-
	-

**WOMEN'S WELFARE CLUB WESTERN DISTRICT  
DAVID WOO MEMORIAL DAY NURSERY**

**NOTES TO THE ACCOUNTS**

	<u>2021</u>	<u>2020</u>
	\$	\$
8. <u>Government grant and subsidy</u>		
(i) <u>Special Grant to Set up Preventive Measures against the Spread of Severe Respiratory Disease associated with a Novel Infectious Agent</u>		
Total allocation made to the organization (1st and 2nd round)	-	10,000
Less:	-----	-----
Amount of resources spent on the following items:		
Purchase of disinfection supplies	-	1,300
Hiring services	-	8,700
Total expenditures	-----	-----
Amount of unspent allocation	-----	-----
(ii) <u>Special Grant to Set up Preventive Measures against the Spread of Coronavirus Disease 2019 (COVID-19)</u>		
Total allocation made to the organization (3rd to 5th round)	30,000	-
Less:	-----	-----
Amount of resources spent on the following items:		
Purchase of personal protective equipment	14,575	-
Purchase of disinfection supplies	15,425	-
Total expenditures	-----	-----
Amount of unspent allocation	-----	-----

9. Changes in funds

	Occasional child care service unit			<u>Total</u>
	<u>Integrated programme unit</u>	<u>Non Time-defined Subsidy</u>	<u>LSG reserve fund</u>	
	\$	\$	\$	\$
Balance at 31 March 2020	(27,690)	6,208	222,564	201,082
Total surplus/(deficit) for the year	(36,418)	(11,090)	2	(47,506)
Transfer of funds	27,690	(6,208)	(21,482)	-
Balance at 31 March 2021	-----	-----	-----	-----

10. Approval of the financial statements

These financial statements were authorised for issue by the Association's board of committee members on 11 October 2021.