

黃姚會計師事務所有限公司  
WYN CPA LIMITED  
CERTIFIED PUBLIC ACCOUNTANTS

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CPA (Practising)

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**REPORT OF THE HONORARY AUDITOR  
TO THE MEMBERS OF HONG KONG UNIVERSITY ALUMNI ASSOCIATION**  
香港大學校友會  
(incorporated in Hong Kong with liability limited by guarantee)

**Opinion**

We have audited the financial statements of Hong Kong University Alumni Association (the "Association") set out on pages 4 to 16, which comprise the statement of financial position as at 31 January 2020, and the statement of income and retained surplus and cash flow 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 give a true and fair view of the financial position of the Association as at 31 January 2020, and of its financial performance and its cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standard for Private Entities ("HKFRS for Private Entities") 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 ("HKSAs") 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 audit opinion.

**Other Information**

The executive committee of the Association are responsible for the other information. The other information 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.



**REPORT OF THE HONORARY AUDITOR (CONT'D)**  
**TO THE MEMBERS OF HONG KONG UNIVERSITY ALUMNI ASSOCIATION**  
香港大學校友會  
(incorporated in Hong Kong with liability limited by guarantee)

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

The executive committee of the Association are responsible for the preparation of financial statements that give a true and fair view in accordance with HKFRS for Private Entities issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the executive 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 executive committee 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 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. This 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.



黃姚會計師事務所有限公司  
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CERTIFIED PUBLIC ACCOUNTANTS

**REPORT OF THE HONORARY AUDITOR (CONT'D)**  
**TO THE MEMBERS OF HONG KONG UNIVERSITY ALUMNI ASSOCIATION**  
香港大學校友會  
(incorporated in Hong Kong with liability limited by guarantee)

- \* 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 of the Association.
- \* Conclude on the appropriateness of the executive committees' 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.
- \* Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

WYN CPA Limited  
Certified Public Accountants  
Hong Kong,

YIU Ying Wai  
Practising Certificate No. P02937

# HONG KONG UNIVERSITY ALUMNI ASSOCIATION

## 香港大學校友會

### STATEMENT OF INCOME AND RETAINED SURPLUS FOR THE YEAR ENDED 31 JANUARY 2020

	<u>Note</u>	<u>2020</u> HK\$	<u>2019</u> HK\$
Revenue	3	5,162,491	4,101,999
Administrative and other operating expenses		<u>(3,489,258)</u>	<u>(3,679,876)</u>
<b>Total surplus for the year</b>	5	1,673,233	422,123
General reserves at beginning of year		8,303,787	7,889,766
Transfer the choir reserves for the year	12	<u>(14,373)</u>	<u>(8,102)</u>
<b>General reserves at end of year</b>		<u><u>9,962,647</u></u>	<u><u>8,303,787</u></u>

*The annexed notes form part of these financial statements, and should be read in conjunction with these financial statements.*



# HONG KONG UNIVERSITY ALUMNI ASSOCIATION

## 香港大學校友會

### STATEMENT OF FINANCIAL POSITION

#### AS AT 31 JANUARY 2020

	<u>Note</u>	<u>2020</u> HK\$	<u>2019</u> HK\$
<b>Non-current assets</b>			
Property, plant and equipment	7	4,081,548	4,359,995
<b>Current assets</b>			
Inventories	8	66,019	104,842
Other receivables	9	2,171,894	421,217
Cash and cash equivalents	10	5,350,139	5,394,862
		<u>7,588,052</u>	<u>5,920,921</u>
<b>Current liabilities</b>			
Other payables	11	981,553	1,177,929
		<u>981,553</u>	<u>1,177,929</u>
<b>Net current assets</b>		<u>6,606,499</u>	<u>4,742,992</u>
<b>NET TOTAL ASSETS</b>		<u>10,688,047</u>	<u>9,102,987</u>
<b>Fund and reserves</b>			
General reserves	12	9,962,647	8,303,787
Life members' subscription fund	13	725,400	799,200
<b>TOTAL FUNDS</b>		<u>10,688,047</u>	<u>9,102,987</u>

These financial statements were approved and authorized for issue by the Executive Committee on  
and are signed on its behalf by:

\_\_\_\_\_  
Dr. Evelyn Y.F. Man  
President

\_\_\_\_\_  
Danny F.L. Li  
Hon. Treasurer

*The annexed notes form part of these financial statements, and should be read in conjunction with these financial statements.*

# HONG KONG UNIVERSITY ALUMNI ASSOCIATION

## 香港大學校友會

### CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 JANUARY 2020

	Note	2020 HK\$	2019 HK\$
<b>Operating activities</b>			
Surplus for the year		1,673,233	422,123
Adjustments for:			
Depreciation of property, plant and equipment		338,047	391,488
Interest income		(51,185)	(37,291)
Life membership subscription	13	(73,800)	(21,600)
Transfer from choir reserves	12	(14,373)	(8,102)
Operating surplus before changes in working capital		1,871,922	746,618
Increase in other receivables		(1,750,677)	(103,241)
Decrease in inventories		38,823	23,218
Decrease in other payables		(196,376)	(273,714)
<b>Net cash (used in) / generated from operating activities</b>		<b>(36,308)</b>	<b>392,881</b>
<b>Investing activities</b>			
Interest received		51,185	37,291
Payment for purchase of property, plant and equipment	7	(59,600)	(347,839)
<b>Net cash used in investing activities</b>		<b>(8,415)</b>	<b>(310,548)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(44,723)</b>	<b>82,333</b>
<b>Cash and cash equivalents at 1 February</b>		<b>5,394,862</b>	<b>5,312,529</b>
<b>Cash and cash equivalents at 31 January</b>	10	<b>5,350,139</b>	<b>5,394,862</b>

*The annexed notes form part of these financial statements, and should be read in conjunction with these financial statements.*



# HONG KONG UNIVERSITY ALUMNI ASSOCIATION

## 香港大學校友會

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2020

#### 1 General information

Hong Kong University Alumni Association ("the Association") is an Association incorporated in Hong Kong with liability limited by guarantee and does not have a share capital. Under the provision of the Articles of Association, every member shall, in the event of its being wound up while he is a member or within one year after he ceased to be a member, for payment of the debts and liabilities of the Association contracted before he ceases to be a member, and of the costs, charges, and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding HK\$20.

The registered office of the Association is located at Room 101, 1st Floor, Yip Fung Building, No. 2 D'Aguilar Street, Hong Kong. The principal activities of the Association are to engage in the provision of club catering services and the promotion of welfare and social activities for members.

#### 2 Basis of preparation and significant accounting policies

The Association qualifies for the reporting exemption as a small guarantee 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 Hong Kong Financial Reporting Standard for Private Entities ("HKFRS for Private Entities") issued by the Hong Kong Institute of Certified Public Accountants.

For the purpose of compliance with section 379 and 380 of the Hong Kong Companies Ordinance (Cap. 622), these financial statement have been prepared to present a true and fair view of the financial position and financial performance of the Association. They have been prepared under the historical cost convention as explained in the accounting policies set out below.

##### *(a) Property, plant and equipment*

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Where the Association acquires leasehold land for own use under a finance lease, the prepaid cost included in property, plant and equipment on initial recognition represents the fair value of the leasehold land, or if lower, the present value of the minimum lease payments, determined at the inception of the lease and any initial direct costs of the lessee (incremental costs that are directly attributable to negotiating and arranging a lease).



# HONG KONG UNIVERSITY ALUMNI ASSOCIATION

## 香港大學校友會

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2020

#### 2 Basis of preparation and significant accounting policies (cont'd)

##### (a) Property, plant and equipment (cont'd)

The other cost of such items of property, plant and equipment comprises the following:

- the purchase price, including legal and brokerage fees, import duties and non-refundable purchase taxes, after deducting trade discounts and rebates;
- any costs directly attributable to bringing the asset to the location and condition necessary for them to be capable of operating in the manner intended by management;
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Depreciation is calculated using the following basis to write down the cost of assets less their residual values over their estimated useful lives:

<u>Property, plant and equipment</u>	<u>Annual depreciation rate</u>
Leasehold land held for own use under a finance lease	over the leased term
Buildings held for own use	2% p.a.
Furniture, fixtures and equipment	20% p.a. on diminishing value
Crockery, silverware and kitchen equipment	20% p.a. on diminishing value
Decoration and leasehold improvement	20% p.a. on diminishing value

Assets held under finance leases, for which there is no reasonable certainty that the Association will obtain ownership at the end of the lease term, are depreciated over their expected useful lives on the same basis as owned assets, or where shorter, the terms of the relevant lease.

If there is an indication that there has been a significant change in the depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

##### (b) Trade and other receivables

Trade and other receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Association will not be able to collect all amounts due according to the original terms of the receivables.



# HONG KONG UNIVERSITY ALUMNI ASSOCIATION

## 香港大學校友會

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2020

#### 2 Basis of preparation and significant accounting policies (cont'd)

(c) *Inventories*

Inventories are stated at the lower of cost and net realizable value. At each reporting date, inventories are assessed for impairment and the carrying amount is reduced to its net realizable value with the impairment loss recognised immediately in profit or loss.

(d) *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.

(e) *Trade payables*

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

(f) *Employee benefit obligations*

Salaries, annual bonuses, paid annual leave, leave passage and the cost to the Association of non-monetary benefits are accrued in the year in which the associated services are rendered by employees of the Association. Contributions to Mandatory Provident Funds as required under the Hong Kong Mandatory Provident Fund Schemes Ordinance, are recognised as an expense in the income statement as incurred.

(g) *Taxation*

The Association is exempted from Hong Kong Profits Tax in accordance with Section 24(1) of the Inland Revenue Ordinance.

(h) *Leases*

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the Association. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to the income statement on a straight-line basis over the term of the relevant lease.

# HONG KONG UNIVERSITY ALUMNI ASSOCIATION

## 香港大學校友會

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2020

#### 2 Basis of preparation and significant accounting policies (cont'd)

##### (i) *Impairment of non-financial assets, other than inventories*

At each reporting date, property, plant and equipment are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If an estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of related assets) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

##### (j) *Revenue recognition*

Revenue is measured at the fair value of the consideration received or receivable and is shown net of discounts.

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

- i) Subscription from life member of the Association is credited, on a straight line basis, over ten years to the income statement.
- ii) All donation and subscription other than subscription from life member of the Association is accounted for on cash basis.
- iii) Taking and service charges from catering and bar services are recognised as revenue when services are rendered to customers.
- iv) Interest income is recognized as it accrues using the effective interest method.
- v) Licence income is recognized on a time proportion basis over the licence period and included in "other income".



# HONG KONG UNIVERSITY ALUMNI ASSOCIATION

## 香港大學校友會

### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED 31 JANUARY 2020

## 2 Basis of preparation and significant accounting policies (cont'd)

### (k) Related parties

For the purpose of these financial statements, related party includes a person and entity as defined below:

- 1) A person or a close member of that person's family is related to the Association if that person:
  - i) is a committee member of the Association;
  - ii) has control or joint control over the Association ; or
  - iii) has significant influence over the Association.
- 2) An entity is related to the Association if any of the following conditions applies:
  - i) the entity and the Association are members of the same group.
  - ii) either entity is an associate or joint venture of the other entity.
  - iii) both entities are joint ventures of the same third entity.
  - iv) either entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - v) the entity is a post-employment benefit plan for the benefit of employees of either the Association or an entity related to the Association.
  - vi) the entity is controlled or jointly controlled by a person identified in 1).
  - vii) a person identified in 1) i) has significant voting power over the entity.

## 3 Revenue

Revenue, which is also the Association's turnover, comprise the following:

	Note	<u>2020</u> HK\$	<u>2019</u> HK\$
Members' subscription		192,600	197,400
Association activities, net income	4	1,967,621	2,188,383
Levy on sales at club premises		1,331,242	1,547,273
Other income		171,028	168,943
Donation from a member		1,500,000	-
		<u>5,162,491</u>	<u>4,101,999</u>

# HONG KONG UNIVERSITY ALUMNI ASSOCIATION

## 香港大學校友會

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2020

#### 4 Association activities, net income

	<u>Note</u>	<u>2020</u> HK\$	<u>2019</u> HK\$
Catering			
Income		10,484,651	12,319,226
Direct expenses		(8,662,805)	(10,340,652)
		<u>1,821,846</u>	<u>1,978,574</u>
Bar			
Income		242,580	303,499
Direct expenses		(96,805)	(93,690)
		<u>145,775</u>	<u>209,809</u>
	3	<u>1,967,621</u>	<u>2,188,383</u>

#### 5 Total surplus for the year

The following items have been recognised as expenditure in determining total surplus for the year:

	<u>2020</u> HK\$	<u>2019</u> HK\$
Depreciation of property, plant and equipment	338,047	391,488
Staff cost		
Comprising:		
- Salaries and wages	1,357,563	1,434,382
- Bar commission	24,258	30,372
- Bonus	58,332	68,607
- Commission	84,144	103,165
- Messing	66,000	66,604
- Mandatory provident fund contributions	69,838	77,621
- Uniform	1,376	1,379
Operating lease charges on property rental	<u>410,292</u>	<u>410,292</u>



# HONG KONG UNIVERSITY ALUMNI ASSOCIATION

## 香港大學校友會

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2020

#### 6 Remuneration of committee members

None of the committee members received or will receive any fees or other remuneration in respect of their services rendered to the Association during the year (2019: nil).

Except for the income received by the Association in the ordinary course of business, such as catering and bar income, subscriptions and fees, there were no material related party transactions between the Association and its committee members or parties related to the committee members.

#### 7 Property, plant and equipment

	Leasehold land and buildings HK\$	Furniture, fixtures and equipment HK\$	Crockery, silverware and kitchen equipment HK\$	Decoration and leasehold improvement HK\$	Total HK\$
Cost:					
As at 1.2.2019	3,246,529	1,614,750	630,446	4,191,886	9,683,611
Additions	-	-	-	59,600	59,600
As at 31.1.2020	3,246,529	1,614,750	630,446	4,251,486	9,743,211
Accumulated depreciation and impairment:					
As at 1.2.2019	467,305	1,330,507	552,853	2,972,951	5,323,616
Annual depreciation	14,117	56,848	15,518	251,564	338,047
As at 31.1.2020	481,422	1,387,355	568,371	3,224,515	5,661,663
Carrying amount:					
As at 31.1.2020	2,765,107	227,395	62,075	1,026,971	4,081,548
As at 31.1.2019	2,779,224	284,243	77,593	1,218,935	4,359,995

- (a) The Association's leasehold land and building is situated in Hong Kong and is held under long term lease.
- (b) At 31 January 2020 and 2019, the leasehold land and buildings have been pledged as security for the overdraft facilities granted to the Association.
- (c) The fair value of Association's leasehold land and buildings at 31 January 2020 amounting to HK\$80,700,000 (2019: HK\$77,500,000) has been arrived at on the basis of a valuation carried out by CHFT Advisory And Appraisal Limited, a firm of qualified professional valuers.

# HONG KONG UNIVERSITY ALUMNI ASSOCIATION

## 香港大學校友會

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2020

#### 8 Inventories

	<u>2020</u>	<u>2019</u>
	HK\$	HK\$
Bar inventories	36,666	46,156
Challenge cup	29,333	58,666
Other	20	20
	<u>66,019</u>	<u>104,842</u>

#### 9 Other receivables

	<u>2020</u>	<u>2019</u>
	HK\$	HK\$
Utility and other deposits	234,390	233,254
Sundry debtors	52,588	81,754
Prepayments	1,884,916	106,209
	<u>2,171,894</u>	<u>421,217</u>

#### 10 Cash and cash equivalents

	<u>2020</u>	<u>2019</u>
	HK\$	HK\$
Cash at bank and on hand	<u>5,350,139</u>	<u>5,394,862</u>

Cash and cash equivalents include the following for the purpose of the cash flow statement.

	<u>2020</u>	<u>2019</u>
	HK\$	HK\$
Cash at bank	5,331,617	5,381,062
Cash on hand	18,522	13,800
	<u>5,350,139</u>	<u>5,394,862</u>

#### 11 Other payables

	<u>2020</u>	<u>2019</u>
	HK\$	HK\$
Accruals and sundry creditors	622,152	747,565
Deposit received	300,000	300,000
Temporary receipts	59,401	130,364
	<u>981,553</u>	<u>1,177,929</u>



# HONG KONG UNIVERSITY ALUMNI ASSOCIATION

## 香港大學校友會

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2020

#### 12 Changes in fund and reserves

	General reserves HK\$	Life members' subscription fund HK\$	Total HK\$
Balance as at 1 February 2019	8,303,787	799,200	9,102,987
Surplus for the year	1,673,233	-	1,673,233
Transfer the choir reserves to settle insurance paid	(14,373)	-	(14,373)
Decrease in life members' subscription fund	-	(73,800)	(73,800)
Balance as at 31 January 2020	<u>9,962,647</u>	<u>725,400</u>	<u>10,688,047</u>
		(Note 13)	

#### 13 Movement in life members' subscription fund

	2020 HK\$	2019 HK\$
Balance as at 1 February 2019	799,200	820,800
Additions for the year	90,000	135,000
	<u>889,200</u>	<u>955,800</u>
Less: Amount recognised as income for the year	(163,800)	(156,600)
Balance as at 31 January 2020	<u>725,400</u>	<u>799,200</u>

#### 14 Employee benefit obligations

The Association operates a Mandatory Provident Fund Scheme (the "MPF scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance and not previously covered by the defined benefit retirement plan. The MPF scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK\$30,000. Contributions to the plan vest immediately.

# HONG KONG UNIVERSITY ALUMNI ASSOCIATION

## 香港大學校友會

### NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 JANUARY 2020

#### 15 Commitments

##### (a) Commitment under operating lease

The Association rent an office under operating lease. The lease is for an average period of two years, with fixed rental over the same period.

	<u>2020</u> HK\$	<u>2019</u> HK\$
Minimum lease payment under operating lease as expense during the year	410,292	410,292

At 31 January 2020, the Association had outstanding commitment under non-cancellable operating lease payable that fall due as follows:

	<u>2020</u> HK\$	<u>2019</u> HK\$
Within one year	492,000	492,000
Later than one year but within five years	492,000	-
	<u>984,000</u>	<u>492,000</u>

##### (b) Capital commitment

At 31 January 2020, the Association had outstanding capital commitment for renovation as follows:

	<u>2020</u> HK\$	<u>2019</u> HK\$
Contracted but not provided for	4,279,600	-