

**THE MANCHESTER BUSINESS SCHOOL ALUMNI
ASSOCIATION (CHINA) LIMITED**
REPORT OF THE DIRECTORS
(limited by guarantee)

The directors have pleasure in submitting their report together with the audited accounts for the year ended 31st July 2022.

Principal activity

The Association is a non-profit making organisation and it was formed as an alumni of the Manchester Business School in Hong Kong.

Accounts

The results of the Association for the year ended 31st July 2022 and the state of the Association's affairs as at that date are set out on pages 4 to 9.

Directors

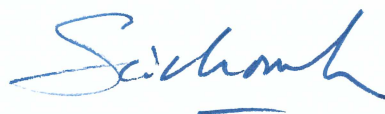
The directors of the Association during the year and up to the date of this report are as follows:

Ng Kwok Yin	
Siu Chor Wah	
Leung Tony Chi Ho	(Appointed on 29/10/2021)
Ng Siu Kei	(Appointed on 29/10/2021)
Chan Chun Hei	(Appointed on 29/10/2021)
Fong Yip Lui	(Appointed on 29/10/2021)
Mok Hoi Yan	(Resigned on 29/10/2021)
Chak Chong Pan	(Resigned on 29/10/2021)
Hui Wan Heng	(Resigned on 29/10/2021)
Li Hei Men Aurelia	(Resigned on 29/10/2021)
So Kwok Leong Jeffrey	(Resigned on 29/10/2021)
Shum Lai Ping Janny	(Resigned on 29/10/2021)

Auditors

During the year, Messrs. C. K. Kong & Co. was appointed auditors of the Association.

By order of the board



Hong Kong,

**INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF
THE MANCHESTER BUSINESS SCHOOL ALUMNI
ASSOCIATION (CHINA) LIMITED
(incorporated in Hong Kong and limited by guarantee)**

Opinion

We have audited the financial statements of The Manchester Business School Alumni Association (China) Limited (“the Association”) set out on pages 4 to 9, which comprise the statement of financial position as at 31st July 2022, the statement of comprehensive income, the statement of changes in equities and the statement of cash flow 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 PN 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 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.

Responsibilities of Directors and Those Charged with Governance for the Financial Statements

The directors are responsible for the preparation of the 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 directors 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 directors 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 directors 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. 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 directors.
- Conclude on the appropriateness of the directors' 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.

Certified Public Accountants
C. K. Kong & Co.
Hong Kong,

**THE MANCHESTER BUSINESS SCHOOL ALUMNI
ASSOCIATION (CHINA) LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST JULY 2022**
(Expressed in Hong Kong dollars)

	<u>Notes</u>	<u>2022</u>	<u>2021</u>
Incomes	2	<u>53,249</u>	<u>60,482</u>
Expenditures			
Audit fee		2,000	2,000
Business registration fee		250	250
Bank charges		324	495
Donation		22,652	42,311
Legal and professional fee		2,000	4,050
Printing and stationery		0	540
Activities		<u>29,981</u>	<u>26,643</u>
		<u>57,207</u>	<u>76,289</u>
Deficit before taxation	3	(3,958)	(15,807)
Taxation	4	<u>0</u>	<u>0</u>
Deficit and total comprehensive loss for the year		<u>(3,958)</u>	<u>(15,807)</u>

The notes on pages 8 to 9 form part of these financial statements.

**THE MANCHESTER BUSINESS SCHOOL ALUMNI
ASSOCIATION (CHINA) LIMITED**
STATEMENT OF FINANCIAL POSITION AS AT 31ST JULY 2022
(Expressed in Hong Kong dollars)

	<u>2022</u>	<u>2021</u>
Current Assets		
Deposit	3,900	4,050
Cash and bank balances	<u>250,920</u>	<u>250,978</u>
	<u>254,820</u>	<u>255,028</u>
Current Liabilities		
Sundry creditors	14,727	12,977
Accruals	<u>6,000</u>	<u>4,000</u>
	<u>20,727</u>	<u>16,977</u>
Total Net Assets	<u>234,093</u>	<u>238,051</u>
Equities		
General fund	<u>234,093</u>	<u>238,051</u>

Approved and authorized for issue by the board of directors on



Director



Director

The notes on pages 8 to 9 form part of these financial statements.

**THE MANCHESTER BUSINESS SCHOOL ALUMNI
ASSOCIATION (CHINA) LIMITED
STATEMENT OF CHANGES IN EQUITIES
FOR THE YEAR ENDED 31ST JULY 2022**
(Expressed in Hong Kong dollars)

<u>General Fund</u>	<u>2022</u>	<u>2021</u>
As at 1st August	238,051	253,858
Deficit for the year	<u>(3,958)</u>	<u>(15,807)</u>
As at 31st July	<u><u>234,093</u></u>	<u><u>238,051</u></u>

**THE MANCHESTER BUSINESS SCHOOL ALUMNI
ASSOCIATION (CHINA) LIMITED
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31ST JULY 2022**
(Expressed in Hong Kong dollars)

	<u>2022</u>	<u>2021</u>
Operating activities		
Deficit before taxation for the year	(3,958)	(15,807)
Decrease in deposits and other receivables	150	26,100
Increase in other payables	1,750	1,527
Increase in accruals	<u>2,000</u>	<u>(2,000)</u>
Net cash inflow from operating activities and increase in cash and cash equivalents	(58)	9,820
Cash and cash equivalent		
At the beginning of the year	<u>250,978</u>	<u>241,158</u>
At the end of the year	<u><u>250,920</u></u>	<u><u>250,978</u></u>
Analysis of the balances of cash and cash equivalent:		
Cash and bank balances	<u><u>250,920</u></u>	<u><u>250,978</u></u>

**THE MANCHESTER BUSINESS SCHOOL ALUMNI
ASSOCIATION (CHINA) LIMITED**
NOTES TO THE ACCOUNTS
(Expressed in Hong Kong dollars)

Reporting Entity

The Association was incorporated on 29th April 2005 under the Hong Kong Companies Ordinance as a corporation limited by guarantee. The registered office of the Association is situated at Room 3303, 33/F., Lee Garden One, 33 Hysan Ave, Causeway Bay, Hong Kong.

The Association is a non-profit making organisation and it was formed as an alumni of the Manchester Business School.

1. Significant Accounting Policies

(a) Statement of compliance

The Company qualifies 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 and accordingly, the Company has applied SME-FRS.

(b) Revenue recognition

Annual membership fee is recognised as income when the member's intention of renewal is confirmed which is generally at the time of payment.

Incomes from activities and seminars are recognised when the relevant services have been delivered to the participants.

Donation is recognised as income when it is received.

Interest income is recognised on a time proportion basis by reference to the principal outstanding and the effective interest rate.

(c) General fund

General fund represents accumulated surplus less accumulated deficits at the year end date.

2. Incomes

Incomes represent the aggregate of membership fees, activities income, seminars income, donations and bank interest received and receivable for the year.

**THE MANCHESTER BUSINESS SCHOOL ALUMNI
ASSOCIATION (CHINA) LIMITED**
NOTES TO THE ACCOUNTS
(Expressed in Hong Kong dollars)

2. Incomes (-continued-)

Incomes recognized during the year comprises of:-

	Voting members	Non-voting members & others	Total
Year 2022			
Membership fee	12,200	4,600	16,800
Activities	36,447	0	36,447
Bank interest	0	2	2
	48,647	4,602	53,249
Year 2021			
Membership fee	3,800	2,550	6,350
Activities	54,130	0	54,130
Bank interest	0	2	2
	57,930	2,552	60,482

3. Deficit before taxation

Deficit before taxation is arrived at after charging:-

	2022	2021
Auditors' remuneration	2,000	2,000
Directors' fee & other emolument	--	--
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4. Taxation

Pursuant to the Inland Revenue Ordinance, the Association is exempted from Hong Kong profits tax provide that more than 50% of its gross receipt is derived from voting members, or otherwise, the Association is deemed as carrying on business in Hong Kong.

During the year, more than 50% of its gross receipt was derived from voting members and accordingly, it is deemed as not carrying on business in Hong Kong and no provision for Hong Kong profits tax has been made.