

EDIVERSITY LIMITED
教育大同有限公司
(INCORPORATED IN HONG KONG WITH LIMITED
BY GUARANTEE)

REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

EDIVERSITY LIMITED
教育大同有限公司
(INCORPORATED IN HONG KONG WITH LIMITED
BY GUARANTEE)

REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

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EDIVERSITY LIMITED
教育大同有限公司
(INCORPORATED IN HONG KONG WITH LIMITED BY GUARANTEE)
REPORT OF THE EXECUTIVE MEMBERS

The Executive Members present herewith the annual report and the audited financial statements of the Company (hereinafter called “the Association”) for the year ended 31 March 2018.

Principal activity

The principal activity of the Association is to concern about the education available to the children in Hong Kong. There was no significant change in the nature of the Association’s principal activity during the year.

The state of the Association’s affairs and appropriation

The results of the Association for the year are set out in the income statement on page 6. The state of the Association’s affairs as at 31 March 2018 is set out in the statement of financial position on page 7.

Executive Members

The names of persons who were the Executive Members of the Association during the period beginning with the end of the financial year and ending on the date of this report are as follow:

Highfield Robert Arnold
Chan Ho Ting

In accordance with the Article no. 27 of the Association’s Articles of Association, all the Executive Members shall hold office for a term of 2 years and, being eligible, offer themselves for re-appointment as directors of the Association.

Permitted indemnity provision

At no time during the financial year were there any permitted indemnity provisions in force for the benefit of one or more Executive Members of the Association.

At the time of approval of this report, there are no permitted indemnity provisions in force for the benefit of one or more Executive Members of the Association.

Management contracts

No contracts concerning the management and administration of the whole or any substantial part of the business of the Association were entered into or existed during the year.

Business review

The Association falls within reporting exemption for the financial year. Accordingly, the Association is exempted from preparing a business review.

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REPORT OF THE EXECUTIVE MEMBERS

Equity-linked agreements

During the financial year, the Association entered into no equity-linked agreement.

At the end of the financial year, the Association subsisted of no equity-linked agreement.

Auditor

The financial statements have been audited by Messrs. C K Fung CPA Limited, Certified Public Accountants, who retired and, being eligible, offer themselves for re-appointment. A resolution will be submitted to the annual general meeting to re-appoint Messrs. C K Fung CPA Limited, Certified Public Accountants, as auditor of the Association.

For and on behalf of the Board



Chan Ho Ting
Chairman

Hong Kong

Date: 22 NOV 2018

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
EDIVERSITY LIMITED**

教育大同有限公司

(incorporated in Hong Kong with limited by guarantee)

Opinion

We have audited the financial statements of Ediversity Limited 教育大同有限公司 (hereinafter called "the Association") set out on pages 6 to 11, which comprise the statement of financial position as at 31 March 2018, 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 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 ("HKSAs") and with reference to Practice Note 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 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 opinion.

Other Information

The Executive Members are responsible for the other information. The other information comprises the information included in the Executive Members' report set out on pages 1 to 2 and detailed income statement set out on page 12, 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.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
EDIVERSITY LIMITED**

教育大同有限公司

(incorporated in Hong Kong with limited by guarantee)

Responsibilities of the Executive Member(s) and Those Charged with Governance for the Financial Statements

The Executive Members 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 Executive Members 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 Members 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 Members 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 Executive Members.
- Conclude on the appropriateness of the Executive Members' 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.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
EDIVERSITY LIMITED
教育大同有限公司**
(incorporated in Hong Kong with limited by guarantee)

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.



C K FUNG CPA LIMITED
Certified Public Accountants
Room 902, 9/F., Bank Centre,
636 Nathan Road,
Kowloon,
Hong Kong, 22 NOV 2018

Fung Chun Kai
Practising Certificate number P03729

EDIVERSITY LIMITED
教育大同有限公司
(INCORPORATED IN HONG KONG WITH LIMITED BY GUARANTEE)
INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 HK\$	2017 HK\$
Revenue	2	2,574,946	1,860,272
Administration expenses		(2,246,491)	(1,783,176)
Surplus for the year	3	<u>328,455</u>	<u>77,096</u>

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

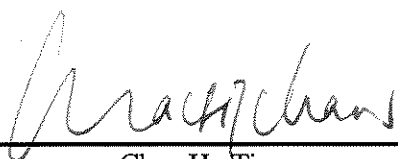
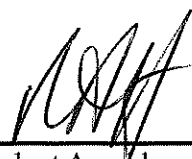
EDIVERSITY LIMITED

教育大同有限公司

(INCORPORATED IN HONG KONG WITH LIMITED BY GUARANTEE)**STATEMENT OF FINANCIAL POSITION****AT 31 MARCH 2018**

	Note	2018 HK\$	2017 HK\$
Non-current assets			
Property, plant and equipment	6	<u>13,494</u>	<u>3,080</u>
Current assets			
Deposits		40	0
Other receivables		56,108	681,080
Cash and bank balances		<u>841,959</u>	<u>432,586</u>
		<u>898,107</u>	<u>1,113,666</u>
Current liabilities			
Bank overdrafts		0	1,355
Accounts payables		133,959	0
Accruals		9,000	223,905
Other payables		<u>276,201</u>	<u>727,500</u>
		<u>419,160</u>	<u>952,760</u>
Net current assets		<u>478,947</u>	<u>160,906</u>
Net assets		<u>492,441</u>	<u>163,986</u>
ACCUMULATED FUNDS			
Retained surplus	7	<u>492,441</u>	<u>163,986</u>

Approved on behalf of the Board by

Chan Ho Ting
Executive MemberHighfield Robert Arnold
Executive Member

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

EDIVERSITY LIMITED

教育大同有限公司

(INCORPORATED IN HONG KONG WITH LIMITED BY GUARANTEE)

**ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

Reporting entity

Ediversity Limited 教育大同有限公司 (hereinafter called “the Association”) is an Association incorporated in Hong Kong with limited by guarantee without a share capital. The Association’s registered office and principal place of business are located at The Mission Covenant Church Holm Glad No. 2 Primary School, Estate School No. 1, Shun On Estate, Kwun Tong, Kowloon, Hong Kong.

Every member of the Association undertakes to contribute to the assets of the Association if required in the event of its being wound up such amounts not exceeding HK\$10.

The principal activity of the Association is to concern about the education available to the children in Hong Kong.

Unless stated otherwise, all currency figures in these financial statements are presented in Hong Kong Dollars (HK\$) rounded to the nearest one dollar.

1. Basis of preparation of the financial statements

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). The Company 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 comply with the SME-FRS and have been prepared under the accrual basis of accounting and on the basis that the Association 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 recognized when it is probable that the economic benefits will flow to the company and when the revenue can be measured reliably, on the following bases:

- (1) Donation income and event income are accounted for on an accrual basis;
- (2) Event income is recognized when the event is completed;
- (3) Workshop income is recognized when the workshop is completed; and
- (4) Interest income is recognized on a time proportion basis taking into account the principal outstanding and the interest applicable.

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**ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

1. Basis of preparation of the financial statements (Continued)

b. Foreign exchange

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 recognized in the income statement.

c. Property, plant and equipment

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

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

Furniture and fixtures	20%
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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 recognized in the income statement. A previously recognized 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 amortization or depreciation), had no impairment losses been recognized for the asset in prior years.

e. Employee benefits - Retirement benefit costs

The Association operates a defined contribution Mandatory Provident Fund retirement benefits scheme in Hong Kong (the "MPF Scheme") under the Mandatory Provident Fund Schemes ordinance, for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to the income statement as they become payable in accordance with the rules of the MPF Scheme. The Association's employer contributions vest fully with the employees when contributed into the MPF Scheme.

f. Provisions

Provisions are recognized when the Association has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Association expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

EDIVERSITY LIMITED

教育大同有限公司

(INCORPORATED IN HONG KONG WITH LIMITED BY GUARANTEE)

**ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018****2. Revenue**

Analysis of the company's revenue is as follows:

	2018	2017
	HK\$	HK\$
Donation from The Hong Kong Jockey Club Charities Trust	2,335,754	1,735,069
Other donation income	80,734	120,381
Event income	149,256	4,814
Workshop income	9,200	0
Interest income	2	8
	<u>2,574,946</u>	<u>1,860,272</u>

3. Surplus for the year

	2018	2017
	HK\$	HK\$
Surplus for the year is arrived at:		
After crediting the following item:		
Donation from The Hong Kong Jockey Club Charities Trust	2,335,754	1,735,069
Other donation income	80,734	120,381
Event income	149,256	4,814
Workshop income	9,200	0
And after charging the following items:		
Other items		
Depreciation		
Owned assets	3,566	770
Key management personnel's salaries	0	0
Other staff salaries	<u>533,200</u>	<u>358,000</u>

4. Executive Members' remuneration and loans

- (a) During the year, there was no Executive Members' remuneration paid or payable to any of the Executive Members as disclosed pursuant to section 383(1) of the Companies Ordinance.
- (b) There were no loans, quasi-loans and other dealings in favour of any Executive Member (including shadow Executive Members) of the Association that are required to be disclosed pursuant to section 383(1)(d) of the Hong Kong Companies Ordinance and Part 3 of the Companies (Disclosure of Information about Benefits of Directors) Regulation.

5. Income tax expenses

The Association is an approved charitable organization incorporate in Hong Kong with limited by guarantee and exempted from profits tax under Section 88 of the Inland Revenue Ordinance and hence no provision for taxation is required.

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**ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018****6. Property, plant and equipment**

	Furniture and fixtures HK\$
Cost	
At beginning of year	3,850
Additions	13,980
At end of year	<u>17,830</u>
Aggregate depreciation	
At beginning of year	770
Depreciation for the year	3,566
At end of year	<u>4,336</u>
Net book value	
At end of year	<u>13,494</u>
At end of last year	<u>3,080</u>

7. Changes in equity

	HK\$
Balance at 1 April 2017	163,986
Surplus for the year	328,455
Balance at 31 March 2018	<u>492,441</u>

8. Approval of financial statements

These financial statements were authorized for issue by the Association's Board of Executive Members
on 22 NOV 2018

EDIVERSITY LIMITED
教育大同有限公司
(INCORPORATED IN HONG KONG WITH LIMITED BY GUARANTEE)
DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2018
(For Management Purpose Only)

	2018	2017
	HK\$	HK\$
Donation from The Hong Kong Jockey Club Charities Trust	2,335,754	1,735,069
Other donation income	80,734	120,381
Event income	149,256	4,814
Workshop income	9,200	0
Interest income	2	8
	<u>2,574,946</u>	<u>1,860,272</u>
Administrative expenses		
Accounting fee	0	12,000
Auditors' remuneration	9,000	9,000
Bank charges	8,193	2,617
Computer supplies	0	39,978
Consultancy	0	40,000
Depreciation	3,566	770
Donations	0	3,900
Event expenses	1,435,512	1,119,671
Freelance	45,700	99,498
Freight	13,176	0
Legal fee	7,000	7,000
MPF	24,330	16,800
Insurance	1,108	0
Office expenses	24,014	26,742
Recruitment expenses	784	0
Salaries	533,200	358,000
Subcontractor	130,400	47,200
Workshop expenses	10,508	0
	<u>2,246,491</u>	<u>1,783,176</u>
Surplus for the year	<u>328,455</u>	<u>77,096</u>

The financial information on this page is not the Association's statutory annual financial statements for the year ended 31 March 2018. As the Association is a private company with limited by guarantee, the Association is required to deliver its financial statements to the Registrar of Companies and has done so. The Association's auditor has reported on those financial statements. The auditor's report was unqualified, did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2) or 407(2) or (3) of the Hong Kong Companies Ordinance.