

賽馬會獎學金同學會有限公司
THE JOCKEY CLUB SCHOLARS ALUMNI ASSOCIATION LIMITED

FINANCIAL STATEMENTS

FOR THE PERIOD FROM

OCTOBER 1, 2005

TO

DECEMBER 31, 2006

WONGS & TAM
CERTIFIED PUBLIC ACCOUNTANTS

王談黃
會計師樓

賽馬會獎學金同學會有限公司

THE JOCKEY CLUB SCHOLARS ALUMNI ASSOCIATION LIMITED

EXECUTIVE COMMITTEE'S REPORT TO THE MEMBERS

The executive committee members present their report together with the audited financial statements for the period from October 1, 2005 to December 31, 2006.

FINANCIAL HIGHLIGHTS

No Surplus / (deficit) was generated for the financial period.

The attached financial statements give a true and fair view of the state of the Association's affairs and of its result.

The executive committee members are not aware of any fact or circumstance emerging since the date of the Statement of Affairs that would make the audited financial statements materially incorrect or misleading.

PRINCIPAL ACTIVITIES

The Association was engaged in the organization of training programs, community services and networking activities.

FIXED ASSETS

The Association did not have any fixed assets during the period.

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the Association was entered into or existed during the financial period.

to be continued ...

EXECUTIVE COMMITTEE MEMBER

During the financial period the members of the executive committee were :-

Wong Wan Chi	
Chan Kai Tai	
Xu Juan	(Appointed on October 4, 2005)
Chan Wai Kwok, James	
Lai Suk Ting	(Appointed on October 8, 2006)
Tsang Man Hoi, Esther	
Tung Chi Ho	(Appointed on October 4, 2005)
Li On Ki	(Appointed on October 4, 2005)
Ng Siu Kwong	(Appointed on October 4, 2005 and resigned on October 8, 2006)
Chan On Fung	(Appointed on October 4, 2005 and resigned on October 8, 2006)
Wong Kwok Hong	(Appointed on October 4, 2005 and resigned on October 8, 2006)
Law Ka Ho	(Resigned on October 4, 2005)

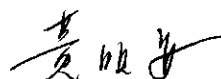
EXECUTIVE COMMITTEE MEMBER'S INTEREST

No contract of significance to which the Association was a party and in which an executive committee member had a material interest subsisted at the end of the financial period or at any time during the financial period.

AUDITORS

The retiring auditors, Messrs Wongs & Tam, Certified Public Accountants, have expressed their willingness to continue in office.

On behalf of the Executive Committee
THE JOCKEY CLUB SCHOLARS
ALUMNI ASSOCIATION LIMITED



President

Hong Kong, **SEP 6 2007**

賽馬會獎學金同學會有限公司

THE JOCKEY CLUB SCHOLARS ALUMNI ASSOCIATION LIMITED

STATEMENT OF AFFAIRS

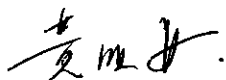
at December 31, 2006

(Expressed in Hong Kong Dollars)

	Dec 31, 2006	Sep 30, 2005
CURRENT ASSETS		
Bank Balances	\$ 54,217	\$ -
	<hr/>	<hr/>
CURRENT LIABILITIES		
Accrued Charges	\$ 1,500	\$ -
Advance from The Hong Kong Jockey Club Charities Trust	52,717	-
	<hr/>	<hr/>
	\$ 54,217	\$ -
	<hr/>	<hr/>
NET CURRENT ASSETS	\$ -	\$ -
	<hr/>	<hr/>
Represented by :		
SURPLUS FUND	\$ -	\$ -
	<hr/>	<hr/>

The annexed notes form an integral part of these financial statements.

These financial statements were approved by the Executive Committee on **SEP 6 2007** and signed on behalf of the Executive Committee by :



Committee Members



賽馬會獎學金同學會有限公司

THE JOCKEY CLUB SCHOLARS ALUMNI ASSOCIATION LIMITED

INCOME & EXPENDITURE ACCOUNT

for the period from October 1, 2005 to December 31, 2006

(Expressed in Hong Kong Dollars)

	Notes	Oct 1, 2005 - Dec 31, 2006	Nov 24, 2004 - Sep 30, 2005
INCOME			
Donation from The Hong Kong Jockey Club Charities Trust	3(c)	\$ 57,845	\$ -
Schoolala Student Fee	3(c)	3,690	-
Sales of T-shirt	3(c)	4,640	-
Sales of Folders	3(c)	280	-
Student Camp Fee	3(c)	2,040	-
Retreat Camp Fee	3(c)	5,300	-
Workshop Group	3(c)	860	-
		<hr/>	<hr/>
		\$ 74,655	\$ -
		<hr/>	<hr/>
EXPENDITURE			
AGM and Annual Dinner		\$ 4,000	\$ -
Audit Fee		1,500	-
Business Registration Fee		7,800	-
Gathering		1,706	-
Logo Registration		1,700	-
Mentoring Scheme		2,380	-
Outing and Workshops		12,370	-
Photo and Video Taking		1,467	-
Printing and Stationery		1,351	-
Retreat Camp Expenses		12,031	-
Secretarial Fee		1,600	-
Student Camp Expenses		12,362	-
Sundry		160	-
T-shirts		9,000	-
Website Design and Maintenance		5,228	-
		<hr/>	<hr/>
		\$ 74,655	\$ -
		<hr/>	<hr/>
SURPLUS FOR THE PERIOD		\$ -	\$ -
SURPLUS FUND BROUGHT FORWARD		-	-
		<hr/>	<hr/>
SURPLUS FUND		\$ -	\$ -
		<hr/>	<hr/>

The annexed notes form an integral part of these financial statements.

賽馬會獎學金同學會有限公司

THE JOCKEY CLUB SCHOLARS ALUMNI ASSOCIATION LIMITED

CASH FLOW STATEMENT

for the period ended December 31, 2006

(Expressed in Hong Kong Dollars)

Oct 1, 2005 Nov 24, 2004
- Dec 31, 2006 - Sep 30, 2005

CASH FLOWS FROM OPERATING ACTIVITIES

Surplus for the period	\$ -	\$ -
Operating Cash Flows before Working Capital Changes	\$ -	\$ -
Increase / (Decrease) in Accrued Charges	1,500	-
Increase / (Decrease) in Advance from The Hong Kong Jockey Club Charities Trust	52,717	-
NET CASH GENERATED FROM OPERATING ACTIVITIES	\$ 54,217	\$ -
NET CASH FROM INVESTING ACTIVITIES	\$ -	\$ -
NET CASH FROM FINANCING ACTIVITIES	\$ -	\$ -
NET INCREASE IN CASH AND CASH EQUIVALENTS	\$ 54,217	\$ -
CASH AND CASH EQUIVALENTS		
- at beginning of the period	-	-
- at end of the period	\$ 54,217	\$ -

賽馬會獎學金同學會有限公司

THE JOCKEY CLUB SCHOLARS ALUMNI ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the period ended December 31, 2006

(Expressed in Hong Kong Dollars)

1. CORPORATE INFORMATION

The Association is a company incorporated in Hong Kong with limited liability and is limited by guarantee. Its registered office and principal place of business is situated at 1/F., Hang Lung House, 188 Queen's Road Central, Hong Kong.

During the period, the principal activities of the Association are the organization of training programs, community services and networking activities.

The financial statements are presented in Hong Kong dollars, which is the same as the functional currency of the Association.

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRS" or the Standards)

In the financial period under review, the Association has adopted all the Standards, which also include all Hong Kong Accounting Standards ("HKAS") and interpretations issued by the Hong Kong Institute of Certified Public Accountants.

The adoption of the Standards did not result in substantial changes to the Company's accounting policies. There were no early adoption of any new standards or interpretations that have been issued but are not yet effective.

3. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation

The financial statements have been prepared under the historical cost convention.

b) Trade and Other Payables

Trade and other payables are stated at their fair value and subsequently measured at amortised cost using the effective interest method.

賽馬會獎學金同學會有限公司

THE JOCKEY CLUB SCHOLARS ALUMNI ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the period ended December 31, 2006

(Expressed in Hong Kong Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

c) Revenue

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

- (i) Revenue from the sales of T-shirt and Folders are recognised on the transfer of risks and rewards of ownership, which generally coincides with the time when the goods are delivered and the title has passed to the customers.
- (ii) Donation income is recognised according to the net amount spent on the activities of the Association.
- (iii) Student fee income is recognised when they are received.
- (iv) Student camp, retreat camp fee and workshop group income are recognised when services are rendered.

d) Income Tax

Income tax comprises current and deferred tax. Current tax is calculated on the taxable income for the year by applying the applicable tax rates. Deferred tax is provided using the balance sheet liability method, providing for all temporary differences between the carrying amounts of assets and liabilities for the financial reporting purpose and the amount used for taxation purpose. The amount of deferred tax is calculated on the basis of the enacted tax rates that are expected to apply in the period when the asset is realised or the liability is settled. The effect on deferred tax of any changes in tax rates is charged or credited to the income statement. A deferred tax asset is recognised only to the extent that it is probable that future taxable income will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Hong Kong Profits Tax had not been provided in the accounts as the Executive Committee are of opinion that the Association does not have any income subject to the Hong Kong Profits Tax. No deferred tax liabilities and assets were provided as all temporary differences are immaterial.

賽馬會獎學金同學會有限公司

THE JOCKEY CLUB SCHOLARS ALUMNI ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the period ended December 31, 2006

(Expressed in Hong Kong Dollars)

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Association does not have written risk management policies and guidelines. However, the Association's officers meet periodically to analyse and formulate measures to manage the Association's exposure to risks. Generally, the Association employs a conservative strategy regarding its risk management.

The Association's principal financial assets are bank balances and cash, which represent the Association's maximum exposure to credit risk in relation to financial assets.

The credit risk on liquid funds is limited because majority of the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

5. CHANGE OF ACCOUNTING DATE

From this period onwards, the financial statements closing date is changed from September 30 to December 31.

6. COMMENCEMENT OF BUSINESS

The Association was incorporated on November 24, 2004 and commenced its activities on November 18, 2005.

7. COMPARATIVE FIGURES

Certain comparative figures had been restated to conform to the current period's presentation.

**AUDITORS' REPORT TO THE MEMBERS OF
THE JOCKEY CLUB SCHOLARS ALUMNI ASSOCIATION LIMITED**
(Incorporated in Hong Kong with limited liability)

We have audited the financial statements of The Jockey Club Scholars Alumni Association Limited set out on page 1 to 6, which comprise the balance sheet as at December 31, 2006, and the income statement, and cash flow statement for the period then ended, and a summary of significant accounting policies and other explanatory notes.

Executive committee members' responsibility for the financial statements

The executive 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 and the Hong Kong Companies Ordinance. 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 statements based on our audit and to report our opinion solely to you, as a body, in accordance with section 141 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.


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 judgment, 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 the directors, as well as evaluating the overall presentation of the financial statements.

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 state of the Association's affairs as at December 31, 2006 and of its result of operation and cash flow for the period then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the Hong Kong Companies Ordinance.


Wongs & Tam
Certified Public Accountants
Hong Kong, SEP 6 2007

1/F., Hang Lung House,
188 Queen's Road,
Central, Hong Kong.

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