

**BRADBURY SCHOOL PARENT TEACHER ASSOCIATION LIMITED**

**REPORT OF THE DIRECTOR(S)**

**AND**

**AUDITED FINANCIAL STATEMENTS**

**FOR THE PERIOD**

**FROM 4 JUNE 2009 (DATE OF INCORPORATION) TO 30 JUNE 2010**



**AUDITED BY**

**J. B. & CO. *Certified Public Accountants***

**健榮會計師行**

Unit A, 15/F., Sunshine Plaza, 353 Lockhart Road, Wanchai, Hong Kong  
香港灣仔駱克道353號三湘大廈15樓A室

**Our Ref : LB043**

Tel : (852) 2877 9939

Email : [audit@jbcpa.com.hk](mailto:audit@jbcpa.com.hk)

**BRADBURY SCHOOL PARENT TEACHER ASSOCIATION LIMITED**

**CONTENTS**

	<b><u>PAGE(S)</u></b>
<b>Report of the Director(s)</b>	<b>1 - 2</b>
<b>Independent Auditor Report</b>	<b>3</b>
<b>Income and Expenditure Statement</b>	<b>4</b>
<b>Balance Sheet</b>	<b>5</b>
<b>Cash Flow Statement</b>	<b>6</b>
<b>Accounting Policies And Explanatory Notes To The Financial Statements</b>	<b>7 - 11</b>

# **BRADBURY SCHOOL PARENT TEACHER ASSOCIATION LIMITED**

## **REPORT OF THE DIRECTORS**

The directors have pleasure in presenting the first report and the audited financial statements for the period from 4 June 2009 (Date of Incorporation) to 30 June 2010.

### **OPERATION REVIEW**

This is the first year the Bradbury School Parent Teacher Association Limited (PTA) has been a limited liability company, and thus there are some differences in the way the accounts are presented and the way other related information about the PTA is shown. The change from being an unlimited Association to a limited liability company was made in line with ESF recommendations to limit personal risk for individual directors. The PTA Ltd applied successfully to continue the charitable status previously enjoyed, in order to ensure that no tax is paid on the assets of the PTA.

The Aims and Objectives of the PTA remain as before. These are outlined in detail in the PTA Articles of Association, but in summary the principal role of the PTA is promote cooperation between parent and teacher members for the promotion of education and the benefit of the students of Bradbury School. During the last year, the PTA ran 15 bus routes on which more than 620 students travelled to and from school every day. This is more than 85% of the school body. Almost all areas within the Bradbury catchment are covered by bus routes, and we believe this is one of the largest and most comprehensive of all school bus services provided in Hong Kong.

The PTA shop provides uniforms and stationery and other supplies for students. It is open 3 mornings per week and caters to the needs of the students.

In the school year 2009/2010 the PTA sought to increase the number of fund raising and social events held. As well as a very successful School Fair (in December 2009) which raised \$252,000, the PTA Committee introduced a Family Fun Day in Spring which was very well enjoyed and raised nearly \$30,000, and a wine-tasting evening.

As a result of this increased focus on fund-raising, and having set a specific objective to spend accumulated cash reserves on worthwhile projects, in 2009/10 the PTA donated a record amount of \$1.438m to the school. Most notable was a donation of approximately \$1.3m on playground improvements, including new equipment and flooring, which will enhance school life for current and future students. Other significant donations included :

- Learning Centre books and equipment - \$55,000
- Year 6 Graduation Party - \$30,000
- Subsidies to allow Learning Support Students to attend School Camps - \$15,000

The PTA Committee plans to continue to work on improving fund-raising efforts by increasing the frequency of fund-raising events, and to provide more opportunities for contact between members of the Association. It welcomes new ideas and suggestions from parent and teacher members.

### **RESULTS AND DIVIDENDS**

The results of the Association for the period ended 30 June 2010 and the state of affairs of the Association as at that date are set out in the Association's financial statements.

In accordance with the Association's Articles of Association, no portion of the income and property of the Association shall be paid or transferred directly or indirectly, by way of dividend, bonus, or otherwise howsoever by way of profit, to the members of the Association.

### **PRINCIPAL ACTIVITIES**

The Association is mainly engaged in promoting co-operation between the parents of the students ("the Parents") and teachers ("the Teachers") of Bradbury School ("the School"), facilitating discussion between the Parents and the Teachers on matters relating to the education offered by the School and provision of support services and amenities including operation of school bus and shop for the School as well as contributions made to the projects of the School.

Further, the Association has been successfully obtained the status of charitable organisation under Section 88 of the Inland Revenue Ordinance during the year.

**BRADBURY SCHOOL PARENT TEACHER ASSOCIATION LIMITED**

**REPORT OF THE DIRECTORS**

***DIRECTORS***

The following persons were directors of the Association during the period :-

LAO Cynthia Zorah	[Appointed on 4 June 2009 & Resigned on 25 June 2010]
MCINTYRE Jacqueline Maria	[Appointed on 4 June 2009 & Resigned on 25 June 2010]
BROWLEY Glen William	[Appointed on 4 June 2009 & Resigned on 7 December 2009]
STEADSON Annette	[Appointed on 4 June 2009 & Resigned on 13 May 2010]
GATHANI Catherine	[Appointed on 4 June 2009]
TAIT Andrew Campbell Thomson	[Appointed on 4 June 2009]
VINTON Paula Jane	[Appointed on 7 December 2009]
CALLAGHAN Catherine Maria	[Appointed on 7 December 2009]
ALDCROFT Stewart Robert Kenneth	[Appointed on 7 December 2009]
STEVENSON Judith Anne	[Appointed on 7 December 2009]
ROWLAND Karen	[Appointed on 1 February 2010]
SANI Amishi Sudesh	[Appointed on 1 February 2010]

In accordance with clause 32 of the Association's articles of association, every director (other than the Principal and the Teachers' Representatives) shall be elected at general meeting according to the provisions stated in the Articles.

***DIRECTOR'S INTERESTS***

No contracts of significance in relation to the Association's operation to which the Association was a party and in which a director of the Association had a material interest, whether directly or indirectly, subsisted at the end of the period or at any time during the period.

***MANAGEMENT CONTRACTS***

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

***AUDITORS***

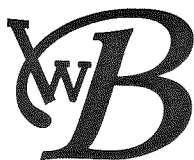
A resolution for the reappointment of Messrs. J. B. & Co. (健榮會計師行) as the auditors of the Association to be proposed at the forthcoming annual general meeting.

*On behalf of the Board*

---

*Chairman*

*Hong Kong :*



**J. B. & CO.** *Certified Public Accountants*

*Unit A, 15/F., Sunshine Plaza, 353 Lockhart Road, Wanchai, Hong Kong*

*香港灣仔駱克道 353 號三湘大廈 15 樓 A 室*

*Tel : (852) 2877 9939*

*Fax : (852) 2877 9912*

會 健  
計 榮  
師  
行

**INDEPENDENT AUDITOR REPORT  
TO THE MEMBER(S) OF BRADBURY SCHOOL PARENT TEACHER ASSOCIATION LIMITED  
("the Association")**

(Incorporated in Hong Kong with limited liability)

We have audited the financial statements of BRADBURY SCHOOL PARENT TEACHER ASSOCIATION LIMITED set out on pages 4 to 11, which comprise the balance sheet as at 30 June 2010, the income and expenditure statement, and cash flow statement for the period then ended, and a summary of significant accounting policies and other explanatory notes.

**Directors' responsibility for the financial statements**

The directors 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. 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 accounting estimates made by the Committee, 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 the state of affairs of the Association as at 30 June 2010 and of its surplus and cash flows for the period then ended in accordance with Hong Kong Financial Reporting Standards.

**J. B. & Co.**

*Certified Public Accountants (Practicing)*

Hong Kong :

**BRADBURY SCHOOL PARENT TEACHER ASSOCIATION LIMITED**

**INCOME AND EXPENDITURE STATEMENT**

**FOR THE PERIOD**

**FROM 4 JUNE 2009 (DATE OF INCORPORATION) TO 30 JUNE 2010**

*(Expressed in Hong Kong dollars)*

	<u>04/06/2009 - 30/06/2010</u>			<u>Predecessor Association 01/07/2008 - 30/06/2009</u>
	<u>Income HK\$</u>	<u>Expenditure HK\$</u>	<u>Surplus/(Deficit) HK\$</u>	<u>Surplus/(Deficit) HK\$</u>
<b>INCOME</b>				
Bus Fee	4,331,282.50	3,872,308.00	458,974.50	472,983.60
Shop Sales	709,986.90	470,974.08	239,012.82	275,049.94
Cake Sales	23,070.00	-	23,070.00	22,425.00
Pizza Sales	26,744.00	-	26,744.00	43,353.30
Calendar Sales	59,900.00	33,500.00	26,400.00	25,600.00
PTA Fairs	331,079.50	78,471.90	252,607.60	-
	<u>5,482,062.90</u>	<u>4,455,253.98</u>	<u>1,026,808.92</u>	<u>839,411.84</u>
Membership Subscriptions			175,500.00	161,000.00
Contributions from Bradbury School PTA Association		(Note 8)	2,449,877.53	-
Bank Interest Income			21.07	16,192.00
Sundry Income			55,210.20	-5,679.60
			<u>3,707,417.72</u>	<u>1,010,924.24</u>
<b>LESS : EXPENDITURE</b>				
<b>EMPLOYMENT, STAFF &amp; WELFARE</b>				
MPF Contributions			12,656.50	12,565.50
Salary			265,130.00	273,350.00
			<u>277,786.50</u>	<u>285,915.50</u>
<b>ADMINISTRATIVE EXPENSES</b>				
Accountancy Fee			33,600.00	33,600.00
AGM Expenses			2,040.60	4,975.10
Auditor Remuneration			8,800.00	7,600.00
Depreciation on Property, Plant & Equipment			2,488.40	10,220.00
Insurance			4,474.40	4,474.40
Printing & Stationery			2,250.00	639.00
Professional Fee			7,000.00	-
Telephone			6,050.14	3,381.00
			<u>66,703.54</u>	<u>64,889.50</u>
<b>GENERAL EXPENSES</b>				
Bank Charges			1,279.00	300.00
Bank Interest			279.58	-
Entertainment			3,208.00	2,738.00
Gift			2,106.00	8,042.00
Induction Day Expenses			557.60	660.50
Repairs & Maintenance			500.00	-
Sundry			499.00	-
			<u>8,429.18</u>	<u>11,740.50</u>
<b>CONTRIBUTIONS TO SCHOOL PROJECTS &amp; FACILITIES</b>		(Note 10)	1,438,237.00	615,268.77
			<u>1,791,156.22</u>	<u>977,814.27</u>
<b>NET SURPLUS FOR THE PERIOD</b>			<u>1,916,261.50</u>	<u>33,109.97</u>

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

**BRADBURY SCHOOL PARENT TEACHER ASSOCIATION LIMITED**

**BALANCE SHEET**

**AS AT 30 JUNE 2010**

*(Expressed in Hong Kong dollars)*

<b>ASSETS</b>	<b><u>NOTE</u></b>	<b>HK\$</b>	<b>HK\$</b>
<b>Non-current Assets</b>			
Property, Plant & Equipment	12		20,073.60
<b>Current Assets</b>			
Shop Inventory	13	275,629.62	
Cash & Bank Balances		<u>1,679,730.28</u>	
		<u>1,955,359.90</u>	
<b>Less : Current Liabilities</b>			
Other Payables & Accruals		40,692.00	
Income received in Advance		13,480.00	
Amount due to a Related Company		<u>5,000.00</u>	
		<u>59,172.00</u>	
<b>Net Current Assets</b>			<u>1,896,187.90</u>
<b>TOTAL NET ASSETS</b>			<u>1,916,261.50</u>
<b>RESERVES</b>			
<b>Income and Expenditure Account</b>			
Net Surplus for the period			<u>1,916,261.50</u>
<b>TOTAL ACCUMULATED FUNDS</b>			<u>1,916,261.50</u>

APPROVED BY THE EXECUTIVE COMMITTEE

\_\_\_\_\_  
*CHAIRMAN*

\_\_\_\_\_  
*HONORARY TREASURER*

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

**BRADBURY SCHOOL PARENT TEACHER ASSOCIATION LIMITED**

**CASH FLOW STATEMENT**

**FOR THE PERIOD**

**FROM 4 JUNE 2009 (DATE OF INCORPORATION) TO 30 JUNE 2010**

*(Expressed in Hong Kong dollars)*

	<u>Note</u>	HK\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Surplus for the period	11	1,916,261.50
Adjustment for :-		
Depreciation on Property, Plant & Equipment		2,488.40
Property, Plant & Equipment contributed		(22,562.00)
Interest Paid		279.58
Interest Received		(21.07)
Operating surplus before working capital changes		1,896,446.41
Increase in Shop Inventories		(275,629.62)
Increase in Other Payables & Accruals		40,692.00
Increase in Income received in Advance		13,480.00
Increase in Amount due to a Related Company		5,000.00
<b>Net Cash Inflow from Operating Activities</b>		<b>1,679,988.79</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest Paid		(279.58)
Interest Received		21.07
<b>Net Cash Outflow from Investing Activities</b>		<b>(258.51)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS AND CASH AND CASH EQUIVALENTS AT 30 JUNE</b>	14	<b>1,679,730.28</b>

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

**BRADBURY SCHOOL PARENT TEACHER ASSOCIATION LIMITED**  
**ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS**

**1. GENERAL INFORMATION**

BRADBURY SCHOOL PARENT TEACHER ASSOCIATION LIMITED ("the Association") is a company incorporated in Hong Kong with limited liability. The liability of every member of the Association shall not exceed HK\$1.00. The addresses of the registered office and principal place of operation of the Association are located at 43C Stubbs Road, Hong Kong.

The Association is mainly engaged in promoting co-operation between the parents of the students ("the Parents") and teachers ("the Teachers") of Bradbury School ("the School"), facilitating discussion between the Parents and the Teachers on matters relating to the education offered by the School and provision of support services and amenities including operation of school bus and shop for the School as well as contributions made to the projects of the School.

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

**2. BASIS FOR PREPARATION OF THE FINANCIAL STATEMENTS**

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ["HKFRSs"] (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Hong Kong (IFRIC) Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the Hong Kong Companies Ordinance.

**3. SIGNIFICANT PRINCIPAL ACCOUNTING POLICIES**

The financial statements have been prepared on the historical cost convention and in accordance with HKFRSs issued by the HKICPA and the Hong Kong Companies Ordinance. The significant accounting policies adopted are as follows :-

(a) Property, Plant & Equipment

Property, plant & equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is charged to write off the cost of the assets over their estimated useful lives on the straight line basis at the following rates per annum :-

Shop & Office Improvements	10%
Shop & Office Equipment	20%

An item of property, plant & equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the assets (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is recognised in profit or loss for the period in which the asset is derecognised.

(b) Employee Benefits

(i) Employee leave entitlements :-

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the balance sheet date.

Employee entitlements to sick leave and maternity leaves are not recognised until the time of leave.

(ii) Retirement Benefit Costs :-

The Association operates a defined contribution Mandatory Provident Fund retirement benefits scheme ("the Scheme") under the Mandatory Provident Fund Schemes Ordinance, for those employees who are eligible to participate in the Scheme. Contributions are made on a percentage of the employees' basic salaries and are charged to the profit and loss account as they become payable in accordance with the rules of the Scheme. The assets of the Scheme are held separately from those of the Association in an independently administered fund. The Association's employer contributions vest fully with the employees when contributed into the Scheme.

(c) Revenue Recognition

Revenue arising from sales is recognised upon delivery of goods to customers. Bank interest income is recognised on time proportion basis. Service income is recognised when the services are rendered. Membership subscriptions are recognised on accrual basis.

***BRADBURY SCHOOL PARENT TEACHER ASSOCIATION LIMITED***  
***ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS***

**3. SIGNIFICANT PRINCIPAL ACCOUNTING POLICIES (CON'D)**

(d) Inventory

Inventory is valued at lower of cost and net realisable value. Cost is determined on first-in, first-out method. Construction in progress and completed property held for sale is carried at cost, less any identified impairment loss. Cost includes professional fees, some of the general and administrative costs and, for qualifying assets, borrowing cost capitalized in accordance with the Association's accounting policy. Net realizable value is based on estimated selling price less further costs expected to be incurred to completion and disposal.

(e) Related Parties

A party is considered to be related to the Association if :-

- (i) The party, directly or indirectly through one or more intermediaries, (1) controls, is controlled by, or is under common control with, the Association; (2) has an interest in the Association that gives it significant influence over the Association; or (3) has joint control over the Association;
- (ii) The party is an associate;
- (iii) The party is a jointly controlled entity;
- (iv) The party is a member of the key management personnel of the Association or its parent;
- (v) The party is a close member of the family of any individual referred to in (i) or (iv);
- (vi) The party is an entity that controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides, with directly or indirectly, any individual referred to in (iv) or (v).

(f) Impairment of Assets (other than Goodwill)

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

(g) Income Tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary difference, and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary differences arises from goodwill (or negative goodwill) or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Deferred tax assets and liabilities are not discounted. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

**BRADBURY SCHOOL PARENT TEACHER ASSOCIATION LIMITED**  
**ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS**

**3. SIGNIFICANT PRINCIPAL ACCOUNTING POLICIES (CON'D)**

(h) Financial Instruments

Financial assets and financial liabilities are recognised in the statement of financial position when a group entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Financial Assets

The Association's financial assets are generally classified as loans and receivables. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery assets within the time frame established by regulation or convention in the market place. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At the end of each reporting period subsequent to initial recognition, loans and receivables including cash & bank balances are carried out at fair value less any identified impairment losses (see below).

Impairment of Financial Assets

Financial assets are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after initial recognition of the financial asset, the estimated future cash flows of the financial assets have been impacted.

An impairment loss is recognised in income and expenditure statement when there is objective evidence that the asset is impaired. If, in a subsequent period, the amount of impairment loss decrease and the decrease can be related objectively to an event occurring after the impairment losses was recognised, the previously recognised impairment loss is reversed through income and expenditure statement to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the cost would have been impairment not been recognised.

Financial Liabilities

The Association's financial liabilities are generally classified as other financial liabilities. Other financial liabilities, including other payables, accruals and income received in advance, are measured at fair value.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Association has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised directly in equity is recognised in income and expenditure statement.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in income and expenditure statement.

**4. FINANCIAL RISK MANAGEMENT**

The Association's risk management is to minimise potential adverse effects on the financial performance of the Association. The main risk arising from the Association's financial instruments is liquidity risk.

Liquidity Risk

Liquidity risk is the risk that funds will not be available to meet liabilities as they fall due.

The Association regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash and adequate source of funding to meet its liquidity requirements.

**BRADBURY SCHOOL PARENT TEACHER ASSOCIATION LIMITED**  
**ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS**

**5. CAPITAL MANAGEMENT**

The primary objective of the Association's capital management is to safeguard the Association's ability to continue as a going concern and to maintain healthy capital ratios in order to support its operation and maximise the Association's value.

**6. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES**

Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Fair Value Estimation

The carrying amounts of significant financial assets and liabilities approximate their respective fair values as at the balance sheet date because of their short maturities.

**7. REVENUE**

The Association provides support services and amenities to the Bradbury Junior School. Details of revenue recognised during the year are as follows :-

	HK\$
Bus Fee	4,331,282.50
Shop Sales	709,986.90
Cake Sales	23,070.00
Pizza Sales	26,744.00
Calendar Sales	59,900.00
PTA Fairs	<u>331,079.500</u>
	5,482,062.90
Membership Subscriptions	175,500.00
Contributions from Bradbury School PTA Association	2,449,877.53
Other Revenue - Bank Interest Income	21.07
Other Revenue - Carpet Refund	17,136.00
Other Revenue - Family Fun Day	29,544.30
Other Revenue - Gain on Student Directory	4,000.00
Other Revenue - Wine Taste	<u>4,529.90</u>
	<u><u>8,162,671.70</u></u>

**8. CONTRIBUTIONS FROM BRADBURY SCHOOL PTA ASSOCIATION**

The contributions from Bradbury School PTA Association consist of contributions of inventory of HK\$201,071.07, contributions of property, plant & equipment of HK\$20,440.00 and contributions of money of HK\$2,228,366.46.

**9. INCOME TAX**

The Association is exempt from payment of Hong Kong Profits Tax by virtue of Section 88 of the Hong Kong Inland Revenue Ordinance and therefore, no provision for Hong Kong Profits Tax is made. Accordingly, no deferred tax expense is provided.

**BRADBURY SCHOOL PARENT TEACHER ASSOCIATION LIMITED**  
**ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS**

**10. CONTRIBUTIONS TO SCHOOL PROJECTS & FACILITIES**

	HK\$
Contributions to Black Board Playground (Y1/Y2)	4,800.00
Contributions to Cake Sales	19,000.00
Contributions to Camp	15,000.00
Contributions to Garden Lesson	10,160.00
Contributions to Learning Centre	25,000.00
Contributions to Learning Centre from Sales Proceeds of Pizza	30,000.00
Contributions to PE Department	5,975.00
Contributions to Playground	4,700.00
Contributions to Sand for Sandpit	10,000.00
Contributions to School Playground Project	1,282,102.00
Contributions to Visit a Home for Aged (Y1)	1,500.00
Contributions to School Y6 Graduation Gift & Party	30,000.00
	<u>1,438,237.00</u>

**11. NET SURPLUS FOR THE PERIOD**

	HK\$
Net surplus for the period is arrived at after charging :-	
Auditor Remuneration	8,800.00
Director Remuneration	
- Fees	-
- Other Emoluments	-
Depreciation on Property, Plant & Equipment	2,488.40
Staff Costs	277,786.50

**12. PROPERTY, PLANT & EQUIPMENT**

	Shop & Office <u>Improvements</u> HK\$	Shop & Office <u>Equipment</u> HK\$	<u>Total</u> HK\$
<b>COST</b>			
Additions	20,240.00	2,322.00	22,562.00
At 30/06/2010	20,240.00	2,322.00	22,562.00
<b>ACCUMULATED DEPRECIATION</b>			
Charge for the period	2,024.00	464.40	2,488.40
At 30/06/2010	2,024.00	464.40	2,488.40
<b>NET BOOK VALUE</b>			
At 30/06/2010	18,216.00	1,857.60	20,073.60

**13. INVENTORY**

Uniforms & Stationery	HK\$
	275,629.62

**14. ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS**

Cash & Bank Balances	HK\$
	1,679,730.28

\*\*\* END \*\*\*