

ASIAN UNIVERSITY FOR WOMEN SUPPORT FOUNDATION
(HONG KONG) LIMITED
(LIMITED BY GUARANTEE)

Report of the Directors and Audited Financial Statements

For the year ended 30 June 2020

CONTENTS

	Pages
Report of the directors	1 - 3
Independent auditor's report	4 - 6
Statement of profit or loss and other comprehensive income	7
Statement of financial position	8
Statement of changes in total funds	9
Cash flow statement	10
Notes to financial statements	11 – 17

Report of the directors

The directors have pleasure in submitting the annual report together with the audited financial statements of Asian University for Women Support Foundation (Hong Kong) Limited (“the Company”) for the year ended 30 June 2020.

Principal place of business

The Company is a company incorporated and domiciled in Hong Kong and has its registered office and principal place of business at 1703 Wing On Centre, 111 Connaught Road Central, Hong Kong.

Principal activities

The principal activities of the Company are planning and holding fund-raising events and collection and remission of donations to Asian University for Women Support Foundation (“AUWF”), the sole member of the Company, for the scholarship sponsorship at the Asian University for Women, Bangladesh.

Results and appropriations

The results of the Company for the year ended 30 June 2020 and financial position of the Company as at the date are set out in the financial statements on pages 7 to 17.

Funds and reserves

Details of movements in the fund of the Company during the year are set out in the statement of changes in total funds on Page 9.

Contributions

Total contributions made by the Company to Asian University for Women for charitable and other purposes during the year was HK\$5,162,982 (2019: HK\$4,353,962).

Directors

The directors of the Company during the year and up to the date of this report were:

Abigail A ADAMS-DeLESSIO

Lynne Anne Stevenson DAVIS

LI Yan

Jennifer Carver McLENNAN

Richard Lee FOLSOM

Anne CHARRON

Craig Unsworth DANA JR

(resigned on 12 October 2020)

Rebecca IP

Eva Maria BOURGEOIS

CHIU Su Yuen Caroline

Peggy Fang ROE

CHEN Xi Anne

Ferheen MAHOMED

Mallika KAPUR

(resigned on 12 October 2020)

Mark Russell UHRYNUK

Natalie May Lynne ACKERMAN

Marc Bovell Paul Desmidt

Report of the directors (continued)

Directors (continued)

The directors of the Company during the year and up to the date of this report were: (continued)

YU Po Chun	(appointed on 27 May 2020)
Jennifer Paige PARKS	(appointed on 27 May 2020)
Pooja Grover MADDURI	(appointed on 27 May 2020)
Rimmo JOLLY	(appointed on 27 May 2020)

In accordance with the Articles 12.1 and 12.2 of the Company's Articles of Association, one-third, or the nearest whole number to one-third, of the directors retire and being eligible, offer themselves for re-election at the forthcoming Annual General Meeting.

Rebecca Ip, Eva Maria BOURGEOIS, CHIU Su Yuen Caroline, Peggy Fang ROE, Ferheen MAHOMED and Mark Russell UHRYNUK retire and, being eligible, offer themselves for re-election for the forthcoming year.

In accordance with the Articles 12.6 of the Company's Articles of Association, any Director appointed by the Directors to fill a casual vacancy or as an addition to the existing Directors will hold office only until the next annual general meeting, and that Director will then be eligible for re-election.

YU Po Chun, Jennifer Paige PARKS, Pooja Grover MADDURI and Rimmo JOLLY retire and, being eligible, offers themselves for re-election for the forthcoming year.

Business review

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

Indemnity of directors

A permitted indemnity provision (as defined in section 469 of the Hong Kong Companies Ordinance) for the benefit of the directors of the Company is currently in force and was in force throughout this year.

Directors' interests in transactions, arrangements or contracts

At no time during the year was the Company a party to any arrangement to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

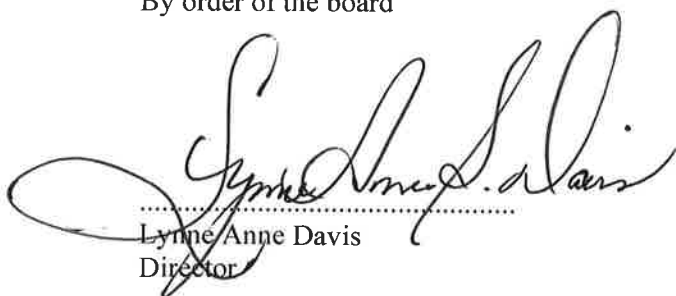
No contract of significance to which the Company was a party, and in which a director of the Company had a material interest, subsisted at the end of the year or at any time during the year.

Report of the directors (continued)

Auditors

Stella C Chen & Company retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of Stella C Chen & Company as the auditor of the Company is to be proposed at the forthcoming annual general meeting.

By order of the board



.....
Lynne Anne Davis
Director

Hong Kong, 21 October 2020



Stella C Chen & Company

陳靜會計師事務所

Independent auditor's report to the sole member of
Asian University for Women Support Foundation
(Hong Kong) Limited
(Incorporated in Hong Kong with limited by guarantee)

Opinion

We have audited the financial statements of Asian University for Women Support Foundation (Hong Kong) Limited ("the Company") set out on pages 7 to 17, which comprise the statement of financial position as at 30 June 2020, and the statement of profit or loss and other comprehensive income, statement of changes in total funds and the statement of cash flows 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 Company as at 30 June 2020, and of its financial performance and its cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") 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") 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 Company 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.

Information other than the financial statements and auditor's report thereon

The Directors are responsible for the other information. The other information comprises all the information included in the directors' report, other than 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 sole member of
Asian University for Women Support Foundation
(Hong Kong) Limited (continued)
(Incorporated in Hong Kong with limited by guarantee)

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

The directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRSs 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 Company'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 Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company'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 HKSAs 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 HKSAs, 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 Company's internal control.

Independent auditor's report to the sole member of
Asian University for Women Support Foundation
(Hong Kong) Limited (continued)
(Incorporated in Hong Kong with limited by guarantee)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- 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 Company'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 Company 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.



Stella C Chen & Company
Certified Public Accountants
Suite 1702 Wing On Centre
No. 111 Connaught Road Central
Hong Kong, 21 October 2020

Statement of profit or loss and other comprehensive income for the year ended 30 June 2020

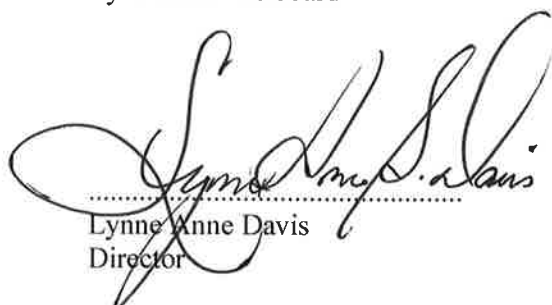
	<i>Note</i>	2020 HK\$	2019 HK\$
Revenue			
Donations	12	637,461	817,827
Net surplus from the Gala Dinner	3	129,678	4,753,834
Net surplus from the AUW Cocktail	4	-	351,430
Net surplus from the Dbgo Donation	5	47,358	-
		814,497	5,923,091
Other income			
Interest income		2,211	3,935
Non-monetary donations		358,377	704,931
Sundry income		27,000	-
		387,588	708,866
Expenditure			
Accountancy fee		8,000	8,000
Audit fee		32,000	34,000
Bank charges		3,408	4,191
Contributions to Asian University for Women	12	5,162,982	4,353,962
Courier and postage		721	1,093
Exchange loss		3,942	3,290
Insurance		18,626	19,646
Legal fee (donated services)		41,877	31,803
Meals and entertainment		-	3,003
Other professional fees		20,200	23,500
Public relations services fee (donated services)		316,500	680,927
Salary, MPF & Bonus		273,495	241,740
Secretarial fee		5,000	5,600
Stationery & Office Supplies		881	957
Sundry expenses		4,230	2,155
Travelling expenses		4,770	8,533
		5,896,632	5,422,400
(Loss)/surplus before income tax expenses		(4,694,547)	1,209,557
Income tax expenses	7	-	-
(Loss)/surplus and total comprehensive (loss)/income for the year		(4,694,547)	1,209,557

The notes on pages 11 to 17 form part of these financial statements.


Statement of financial position at 30 June 2020

	<i>Note</i>	2020 HK\$	2019 HK\$
Current assets			
Accounts receivable	8	48,370	2,779,887
Prepayment		8,895	7,500
Cash and cash equivalents		1,471,142	3,972,538
		<u>1,528,407</u>	<u>6,759,925</u>
Current liabilities			
Accrued charges and other payables	9	54,650	279,021
Amount due to a sole member	10	-	312,600
		<u>54,650</u>	<u>591,621</u>
Net Current assets		<u>1,473,757</u>	<u>6,168,304</u>
Total assets		<u>1,473,757</u>	<u>6,168,304</u>
Representing			
Accumulated funds		<u>1,473,757</u>	<u>6,168,304</u>
Total funds		<u>1,473,757</u>	<u>6,168,304</u>

By order of the board



.....
Lynne Anne Davis
Director



.....
Chiu Su Yuen Caroline
Director

The notes on pages 11 to 17 form part of these financial statements.

**Statement of changes in total funds
for the year ended 30 June 2020**

	Accumulated Funds HK\$
Balance at 1 July 2018	4,958,747
Surplus and total comprehensive income for the year	<u>1,209,557</u>
At 30 June 2019 and 1 July 2019	6,168,304
Loss and total comprehensive loss for the year	<u>(4,694,547)</u>
At 30 June 2020	<u>1,473,757</u>

The notes on pages 11 to 17 form part of these financial statements.

**Statement of cashflows
for the year ended 30 June 2020**

	2020 HK\$	2019 HK\$
(Loss)/surplus before taxation	(4,694,547)	1,209,557
Adjustments for :		
Bank interest income	<u>(2,211)</u>	<u>(3,935)</u>
Changes in working capital :	(4,696,758)	1,205,622
Decrease/(increase) in accounts receivables	2,731,517	(180,257)
Increase in prepayment	(1,395)	(5,000)
(Decrease)/increase in accrued charges	(224,371)	97,732
(Decrease)/increase in amount due to a sole member	(312,600)	312,600
Net cash generated from operations activities	<u>(2,503,607)</u>	<u>1,430,697</u>
Investing activities		
Interest received	2,211	3,935
Net cash generated from investing activities	<u>2,211</u>	<u>3,935</u>
Net increase in cash and cash equivalents	(2,501,396)	1,434,632
Cash and cash equivalents at 1 July	3,972,538	2,537,906
Cash and cash equivalents at 30 June	<u>1,471,142</u>	<u>3,972,538</u>
Analysis of balances of cash and cash equivalents		
Cash at bank	<u>1,471,142</u>	<u>3,972,538</u>

The notes on pages 11 to 17 form part of these financial statements.

Notes of financial statements

1. Corporate information

Asian University for Women Support Foundation (Hong Kong) Limited is a company incorporated in Hong Kong limited by guarantee and not having a share capital. The liability of the members is limited to HKD100 per member in the event of the Company being wound up, whilst they remain a member, or within one year after they cease to be a member. Its registered office is located at 1703 Wing On Centre, 111 Connaught Road Central, Hong Kong.

The principal activities of the Company are planning and holding fund-raising events and collection and remission of donations to its sole member, Asian University for Women Support Foundation (“AUWF”), an entity incorporated in the United States of America, for the scholarship sponsorship at the Asian University for Women, Bangladesh.

2. Significant accounting policies

(a) *Statement of compliance*

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (HKFRSs), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (HKASs) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (HKICPA), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance. A summary of significant accounting policies is set out below.

(b) *Basis of preparation of financial statements*

These financial statements have been prepared on the historical cost basis and are presented in Hong Kong dollars (“HK\$”), which is also the Company’s functional currency.

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amount of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(c) *Changes in accounting policies*

The HKICPA has issued a new HKFRS, HKFRS 16, *Leases*, and a number of amendments to HKFRSs that are first effective for the current accounting period of the Company. None of these developments have had a material effect on how the Company’s results and financial position for the current or prior periods have been prepared or presented.

2. Significant accounting policies (continued)

(d) *Issued but not yet effective HKFRSs*

The Company has not applied any new standards and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

The Company is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application. So far, the Company considers that these new standards and revised HKFRSs are unlikely to have a significant impact on the Company's results of operations and financial position.

(e) *Impairment of assets*

The Company's financial assets measured at amortised cost are subject to HKFRS9's expected credit loss model. The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 10(d) sets out the details on how the Company determines whether there has been a significant increase in credit risk.

Impairment of trade receivables

The Company applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9, which permits the use of the lifetime expected losses for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. Future cash flows for each group of receivables are estimated on the basis of historical loss experience, adjusted to reflect the effects of current conditions as well as forward looking information on macroeconomic factors affecting the ability of the debtors to settle the receivables. Trade receivables in dispute are assessed individually for impairment allowance and determined whether specific provisions are required. Trade receivables are written off when there is no reasonable expectation of recovery.

The Company has assessed the adoption of expected credit loss model on trades and the change in impairment methodologies have no significant impact to the Company's financial statements. The opening loss allowance as at 1 July 2018 is not restated.

Impairment of financial assets carried at amortised cost

The Company's other financial assets carried at amortised cost include cash and cash equivalents and other receivables in the statement of financial position. The impairment loss of other financial assets carried at amortised cost is measured based on the 12-month expected credit loss. The 12-month expected credit loss is the portion of lifetime expected credit loss that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime expected credit loss.

The Company has assessed the adoption of the expected credit loss model on these other financial assets carried at amortised cost as at 1 July 2018 and the change in impairment methodologies have no significant impact to the Company's financial statements. The opening loss allowance as at 1 July 2018 is not restated.

2. Significant accounting policies (continued)

(f) *Accounts receivables*

Accounts receivables are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less allowance for impairment of doubtful debts, except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less allowance for impairment of doubtful debts.

(g) *Cash and cash equivalents*

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

(h) *Provisions and contingent liabilities*

Provisions are recognised for liabilities of uncertain timing or amount when the Company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(i) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Provided it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in profit or loss as follows:

- (i) **Donation income**
Donation income is recognised when the donation is received and receivable.
- (ii) **Net surplus from the Gala Dinner**
Net surplus from the Gala Dinner is recognised on an accrual basis upon the completion of the event.
- (iii) **Net surplus from the AUW Cocktail**
Net surplus from the AUW Cocktail is recognised on an accrual basis upon the completion of the event.
- (iv) **Net surplus from the Dbgo Donation**
Net surplus from the Dbgo Donation is recognised on an accrual basis upon the completion of the event.

2. Significant accounting policies (continued)

(i) Revenue recognition (continued)

(v) Interest income

Interest income is recognised on a time proportion basis, taking into account the principal outstanding and the effective interest rate applicable.

(vi) Non-monetary donation

Non-monetary donation is recognised when honorary professional services were received from the donors.

(j) *Related parties*

(i) A person, or a close member of that person's family, is related to the Company if that person:

- (1) has control or joint control over the Company;
- (2) has significant influence over the Company; or
- (3) is a member of the key management personnel of the Company or the Company's parent.

(ii) An entity is related to the Company if any of the following conditions applies:

- (1) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (2) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member)
- (3) Both entities are joint ventures of the same third party.
- (4) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (5) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company.
- (6) The entity is controlled or jointly controlled by a person identified in (i).
- (7) A person identified in (i)(1) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (8) The entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to the Company's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

(k) *Translation of foreign currencies*

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies and non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated at the foreign exchange rates ruling at the end of the reporting year. Exchange gains and losses are recognised in profit or loss.

3 Net surplus from the Gala Dinner

	2020 HK\$	2019 HK\$
Revenue		
Sponsorships	<u>129,678</u>	<u>5,259,867</u>
Expenditure		
Food and Beverage	-	399,520
Others	-	106,513
	<u>-</u>	<u>506,033</u>
	<u>129,678</u>	<u>4,753,834</u>

4 Net surplus from the AUW Cocktail

	2020 HK\$	2019 HK\$
Revenue		
Donations	<u>-</u>	<u>351,430</u>
Expenditure		
Others	<u>-</u>	<u>-</u>
	<u>-</u>	<u>351,430</u>

5 Net surplus from the Dbgo Donation

	2020 HK\$	2019 HK\$
Revenue		
Donations	<u>123,358</u>	<u>-</u>
Expenditure		
Others	<u>(76,000)</u>	<u>-</u>
	<u>-</u>	<u>-</u>
	<u>47,358</u>	<u>-</u>

6 Directors' emoluments, benefits, loans and other material interests

No directors' remuneration as defined in section 383(1)(a),(b),(c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation was paid or payable for the year.

7 Taxation

The Company is a charitable organisation within the meaning of Section 88 of the Inland Revenue Ordinance and accordingly is exempted from Hong Kong profits tax. Accordingly, no provision has been made for deferred taxation.

8 Accounts receivables

All accounts receivable are expected to be recovered within 6 months.

9 Accruals and other payables

	2020 HK\$	2019 HK\$
Other payables	-	234,021
Accruals	54,650	45,000
	<u>54,650</u>	<u>279,021</u>

All of the other payables and accruals are expected to be settled within one year or are repayable on demand.

10 Amount due to a sole member

The amount due to a sole member is unsecured, interest free and repayable on demand.

11 Financial risk management objectives and policies

The Company's activities may expose it to certain financial risks including foreign currency risk liquidity risk and credit risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. As at 30 June 2020, there are no outstanding hedging transactions or derivative financial instruments.

(a) Currency risk

Foreign currency risk is the risk that the future cash flows or the fair value of financial instruments will fluctuate because of changes in foreign exchange rates.

The cash balances of the Company are denominated in Hong Kong dollars and United States dollars. Hong Kong dollar and United States dollar are linked currencies. The directors consider that the foreign currency risk in United States dollar to be minimal.

(b) Liquidity risk

The Company's policy is to regularly monitor its liquidity requirements, to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

Payables are repayable within one year or on demand. The total contractual undiscounted cash outflow of the financial liabilities equals their carrying amounts in the statement of financial position.

(c) Capital management

The primary objectives of the Company's capital management are to safeguard the Company's ability to continue as a going concern in order to carry out its principal activities, i.e. to plan and hold fund-raising events and collection and remission of donations to AUWF.

11 Financial risk management objectives and policies (continued)

(c) Capital management (continued)

The capital structure of the Company consists of accumulated fund. The directors regularly review and manage the capital to ensure adequacy for the Company's operational efficiency.

(d) Credit risk

Credit risk arise mainly from cash at bank.

The Company's bank balances are deposited in internationally reputable bank. As such, no significant credit risk is anticipated.

(e) Fair value

All financial instruments are carried at amounts not materially different from their fair values as at 30 June 2020 and 2019.

12 Material related party transactions

During the year ended 30 June 2020, the Company entered into the following related party transactions:

Donations of HK\$58,150 were reversed (2019: HK\$500,384 were received) from directors and related parties of the directors of the Company.

Contribution of HK\$5,162,982 (2019: HK\$4,353,962) was paid to Asian University for Women for the scholarship sponsorship at the Asian University for Women, Chittagong, Bangladesh.

13 Subsequent events

The outbreak of the Coronavirus Disease 2019 ("COVID-19 outbreak") since January 2020 severely affected the operating environment of fund-raising events. To avoid the spread of COVID-19, there are postponement and rescheduling of the events by the organizers so as to comply with the social distancing measures as set by the various authorities. The Company will pay close attention to the development of the COVID-19 outbreak and evaluate its impact on the financial position and operating results.

14 Approval of the financial statements

The financial statements were approved and authorised for issue by the board of directors on 21 October 2020.