

ST. PAUL'S CONVENT SCHOOL PARENT-TEACHER ASSOCIATION

AUDITORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST AUGUST, 2026

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

ST. PAUL'S CONVENT SCHOOL PARENT-TEACHER ASSOCIATION

Opinion

We have audited the financial statements of St. Paul's Convent School Parent-Teacher Association ("the Association") set out on pages 3 to 9, which comprise the statement of financial position as at 31st August, 2026, and the income and expenditure account of general operation and study tour events and 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 state of the Association's affairs as at 31st August, 2026 and of its surplus and cash flows for the year then ended in compliance with HKFRS for Private Entities Accounting Standards and Societies Ordinance.

Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA's") 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 Accountant ("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.

Executive Committee Members' and those charged with governance responsibility for the financial statements

The Executive Committee members are responsible for the preparation of financial statements that give a true and fair view in accordance with HKFRS for Private Entities Accounting Standards issued by the HKICPA and Societies Ordinance, and for such internal control as the Executive Committee 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 Committee 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 Committee 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

ST. PAUL'S CONVENT SCHOOL PARENT-TEACHER ASSOCIATION

Auditors' 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 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.

A further description of our responsibilities for the audit of the financial statements is located at HKICPA's website at: "<http://www.hkicpa.org.hk/en/standards-and-regulations/standards/auditing-assurance/auditre/>". This description forms part of our auditor's report.

The engagement partner on the audit resulting in this independent auditor's report is Sek Wai Tong, Stonely (practising certificate number: P01460).



Certified Public Accountants
HONG KONG, - 8 OCT 2026

ST. PAUL'S CONVENT SCHOOL PARENT-TEACHER ASSOCIATION
INCOME AND EXPENDITURE ACCOUNT - GENERAL OPERATION
FOR THE YEAR ENDED 31ST AUGUST, 2026

(Expressed in Hong Kong Dollars)

	<u>Note</u>	<u>2026</u> \$	<u>2025</u> \$
Government grants for School transfer to PTA		6,044.00	16,044.00
Membership fee received		113,100.00	113,200.00
		<u>119,144.00</u>	<u>129,244.00</u>
ADD: <u>OTHER INCOME</u>			
Bank interest income		179.74	888.66
Donation for Community Service		-	15,250.00
170 Fund Raising Campaign	4	236,892.02	830,708.00
Sundry income		2,300.00	407.00
		<u>239,371.76</u>	<u>847,253.66</u>
LESS: <u>OPERATING EXPENSES</u>			
Activity expenses		200.00	-
Audit fee		5,000.00	4,500.00
Bank charges		1,320.00	1,200.00
Donation expenses		200.00	-
170 Fund Raising Campaign	4	23,940.65	343,001.85
Event expenses for "Elderly Home Visit"		21,830.81	16,301.62
Flower basket		1,500.00	1,800.00
Gardening expenses		6,204.60	4,948.17
170th School Anniversary Event		-	9,000.00
Insurance		1,501.50	1,501.50
Printing, stationery and postage		50.00	495.60
Event expenses for seminar		1,185.00	11,850.00
Sundry expenses		2,200.00	-
Website expenses		1,822.00	1,474.00
		<u>66,954.56</u>	<u>396,072.74</u>
SURPLUS FOR THE YEAR		291,561.20	580,424.92
ACCUMULATED SURPLUS BROUGHT FORWARD		-	303,983.25
REFUND FROM/(FUNDING FOR) SEEDING FUND	5	50,000.00	100,000.00
TRANSFER TO ASSOCIATION FUND	6	(341,561.20)	(984,408.17)
ACCUMULATED SURPLUS CARRIED FORWARD		-	-

THE NOTES ON PAGE 7 TO 9 FORM PART OF THESE FINANCIAL STATEMENTS

ST. PAUL'S CONVENT SCHOOL PARENT-TEACHER ASSOCIATION
INCOME AND EXPENDITURE ACCOUNT - STUDY TOURS & EVENTS
FOR THE YEAR ENDED 31ST AUGUST, 2026

(Expressed in Hong Kong Dollars)

	<u>2026</u> \$	<u>2025</u> \$
Tour fee from participants	8,792,500.00	4,044,000.00
	<u>8,792,500.00</u>	<u>4,044,000.00</u>
ADD: <u>OTHER INCOME</u>		
Exchange gain	-	16,488.23
Interest income	33.89	-
	<u>33.89</u>	<u>16,488.23</u>
LESS: <u>OPERATING EXPENSES</u>		
Audit fee	5,000.00	4,500.00
Exchange loss	26,513.82	-
Insurance for Study tours	58,708.80	7,195.30
Program cost for Study tours	5,809,118.40	2,999,252.20
Sundry expenses	23,944.29	50,573.80
Travelling cost for Study tours	2,644,603.00	904,750.00
Uniform for Study tours	9,960.40	15,840.00
	<u>8,577,848.71</u>	<u>3,982,111.30</u>
Balance amount transfer to School	<u>214,685.18</u>	<u>78,376.93</u>

THE NOTES ON PAGE 7 TO 9 FORM PART OF THESE FINANCIAL STATEMENTS

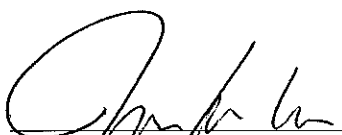
ST. PAUL'S CONVENT SCHOOL PARENT-TEACHER ASSOCIATION

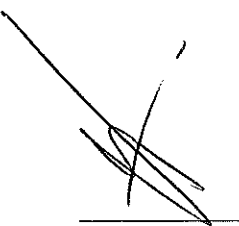
STATEMENT OF FINANCIAL POSITION AS AT 31ST AUGUST, 2026

(Expressed in Hong Kong Dollars)

	<u>Note</u>	<u>2026</u>	<u>2025</u>
		\$	\$
<u>CURRENT ASSETS</u>			
Inventory - under Seeding Fund		11,501.20	9,324.90
Inventory - under souvenirs		9,300.64	33,241.29
Accounts receivable under Seeding Fund		20,788.43	2,097.60
Deposit paid under Seeding Fund		10,000.00	10,000.00
Other receivable		32,400.00	3,000.00
Cash at bank under general operation		289,268.73	975,224.27
Cash at bank under study tours and event account		276,298.35	638,944.11
Cash in hand under study tours and event account		21,763.76	14,109.50
Cash at bank under Seeding Fund		679,055.38	856,364.34
Cash in hand under Seeding Fund		44,993.00	21,614.00
		<u>1,395,369.49</u>	<u>2,563,920.01</u>
<u>CURRENT (LIABILITIES)</u>			
Payable to School		(293,062.11)	(1,844,949.36)
Accrued expenses		(22,500.00)	(55,663.79)
		<u>(315,562.11)</u>	<u>(1,900,613.15)</u>
NET ASSETS		<u>1,079,807.38</u>	<u>663,306.86</u>
<u>REPRESENTED BY:</u>			
Seeding Fund to School	5	176,124.43	178,898.69
Association Fund	6	325,969.37	484,408.17
Student Welfare Reserve	7	577,713.58	-
MEMBERS' FUND		<u>1,079,807.38</u>	<u>663,306.86</u>

Approved by the Executive Committee of
St. Paul's Convent School Parent-Teacher Association on - 8 OCT 2026


Chairperson of St. Paul's Convent
School Parent-Teacher Association


Treasurer

THE NOTES ON PAGE 7 TO 9 FORM PART OF THESE FINANCIAL STATEMENTS

ST. PAUL'S CONVENT SCHOOL PARENT-TEACHER ASSOCIATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST AUGUST, 2026
(Expressed in Hong Kong Dollars)

	<u>2026</u> \$	<u>2025</u> \$
Operating activities		
Surplus of general operation for the year	291,561.20	580,424.92
Adjustment for		
Project surplus on Seeding Fund	47,225.74	86,356.89
Bank interest income	(259.11)	(1,110.15)
Operating surplus before working capital changes	338,527.83	665,671.66
Changes in working capital		
Decrease/(increase) in inventory	21,764.35	(35,643.14)
(Increase)decrease in accounts receivable under Seeding Fund	(18,690.83)	1,974.85
(Increase)/ decrease in other receivable	(29,400.00)	4,000.00
Decrease in deposit paid under Seeding Fund	-	120.00
(Decrease)/increase in payable to School	(1,551,887.25)	1,090,534.56
Increase in accrued expenses	(33,163.79)	31,713.27
Net cash (used in)/generated from operating activities	(1,272,849.69)	1,758,371.20
Investing activities		
Bank interest income	259.11	1,110.15
Donation to School	(500,000.00)	(500,000.00)
Student Welfare Reserve	577,713.58	-
Net cash (used in)/generated from investing activities	77,972.69	(498,889.85)
Net (decrease)/increase in cash and cash equivalents	(1,194,877.00)	1,259,481.35
Cash and cash equivalents at the beginning of the year	2,506,256.22	1,246,774.87
Cash and cash equivalents at the end of the year (Note A)	1,311,379.22	2,506,256.22

A. Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances with banks. Cash and cash equivalents included in the statement of cash flows comprise the following reporting amount:

	<u>2026</u> \$	<u>2025</u> \$
Cash at bank and in hand	1,311,379.22	2,506,256.22

ST. PAUL'S CONVENT SCHOOL PARENT-TEACHER ASSOCIATION
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST AUGUST, 2026
(Expressed in Hong Kong Dollars)

1. GENERAL INFORMATION

The St. Paul's Convent School Parent-Teacher Association ("the Association") is being operated and complied with conditions as stated in the Association's Constitution dated 4th October, 2007 and revised on 20th October, 2018, 15th October 2022, 26th October 2024, ("the Constitution") between Members and the Association. These financial statements did not include the transactions of tour income and expenditure incurred prior to 31st August, 2013.

2. PRINCIPAL ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standards for Private Entities (HKFRS for Private Entities) issued by the Hong Kong Institute of Certified Public Accountants. They have been prepared under the historical cost convention.

Revenue recognition

Revenue from Government Grants is recognized when the appropriated instructions are received from Government authority.

Membership fee for F1 to F5 is recognized on a one-off payment over the period of subscription.

Membership fee for F6 students is recognized on a straight line method over the period of subscription.

Tour fee income is recognized when the services are rendered to the clients.

Interest income is recognized as it accrues using the effective interest method.

Sales of snacks and drinks when the students and teachers takes possession of and accepts the goods.

Expenses

Expenses are recognized on an accrual basis, they are recognized when a present obligation has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of the Association are measured using the currency of the primary economic environment in which the Association operates (the functional currency). These financial statements are presented in Hong Kong Dollars, which is the Association's functional and presentation currency.

(b) Foreign exchange

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in income and expenditure account.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in income and expenditure within "finance costs". All other foreign exchange gains and losses are presented in income and expenditure within "other income" or "operating expenses".

(c) Inventory

Inventories are carried at the lower of cost and net realisable value.

Cost is calculated using the first-in first-out basis and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

ST. PAUL'S CONVENT SCHOOL PARENT-TEACHER ASSOCIATION
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST AUGUST, 2026
(Expressed in Hong Kong Dollars)

2. PRINCIPAL ACCOUNTING POLICIES (CONT')

(c) Inventory (Cont')

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs

3. RELATED PARTIES TRANSACTIONS

During the year, the Association has the following significant transactions with related party:

<u>Nature of transactions</u>	<u>Related party relationship</u>	<u>Amount \$</u>
Net income from Study Tours & Event	Some teachers of the School are also members of the Executive Committee	214,685.18

According to the letter from Education Bureau to St. Paul's Convent School ("the School") dated 21st October, 2013, the Association was delegated to make arrangement for the trading operation in the School and any net income arising from such trading operations should be credited into the School accounts and applied for any purpose directly benefiting the students of the School.

4. NET FUND RECEIVED FROM 170 FUND RAISING CAMPAIGN

	<u>2026</u>	<u>2025</u>
	<u>\$</u>	<u>\$</u>
Total income from received from the selling of souvenirs	236,892.02	830,708.00
Less: Cost of souvenirs sold	(23,940.65)	(343,001.85)
	<u>213,551.37</u>	<u>487,706.15</u>
Inventory as at 31st August 2026	<u>9,300.64</u>	<u>33,241.29</u>

5. SEEDING FUND

A total of HK\$150,000.00 was sponsored by the PTA to support the Student Entrepreneurship Programme, an initiative launched as part of the PTA's 15th Anniversary celebrations. The funding was used to lease two vending machines, providing students with a meaningful hands-on business experience within the school environment. A scholarship award is presented each year to the winning House under the programme. Through the profits generated from the vending machine operations, the sponsorship amount of HK\$150,000.00 has been fully repaid to the PTA.

	<u>2026</u>	<u>2025</u>
	<u>\$</u>	<u>\$</u>
Balances brought forward	178,898.69	192,541.80
Fund transfer (to) general operation	(50,000.00)	(100,000.00)
Add/less: Project surplus for the year	47,225.74	86,356.89
Include:		
Sales of snacks and drinks	462,930.70	578,370.60
Bank interest income	45.28	221.49
Sundry income	-	10.00
Cost of sales	(340,748.10)	(412,661.45)
Operating expenses	(65,102.14)	(72,463.75)
Scholarship expenses	(6,500.00)	(6,500.00)
Sundry expenses	(3,400.00)	(620.00)
Balances carried forward	<u>176,124.43</u>	<u>178,898.69</u>

ST. PAUL'S CONVENT SCHOOL PARENT-TEACHER ASSOCIATION
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST AUGUST, 2026
(Expressed in Hong Kong Dollars)

5. SEEDING FUND (CONT')

Referring to the meeting on 2nd May 2026, final repayment of \$50,000.00 from Seeding Fund to PTA Operations would be made in August 2026.

6. ASSOCIATION FUND

	<u>2026</u> \$	<u>2025</u> \$
Balances brought forward	484,408.17	-
Transfer from Surplus	<u>341,561.20</u>	<u>984,408.17</u>
	825,969.37	984,408.17
Less: Donation to School	<u>(500,000.00)</u>	<u>(500,000.00)</u>
Balances brought forward	<u>325,969.37</u>	<u>484,408.17</u>

Referring to the meeting on 2nd May 2026, it was decided that \$500,000.00 will be donated to support the MakerSpace project organized by the School. This amount will come from Association Fund.

7. STUDENT WELFARE FUND

	<u>2026</u> \$	<u>2025</u> \$
Balances brought forward	-	-
Transfer from Family Fun Day	<u>577,713.58</u>	<u>-</u>
Balances brought forward	<u>577,713.58</u>	<u>-</u>

Ms. Jennifer Lam, the Chairperson of the Committee, reported that there was a remaining balance of HK\$ 577,713.58 in the fund accumulated from the Family Fun Day. After discussion, the Committee unanimously agreed that the balance should be transferred to the Student Welfare Reserve to support future student welfare initiatives and related expenditures.