The Iyengar Yoga Association of Hong Kong
Annual General Meeting 2020

MINUTES

DATE         Sunday, 19 April, 2020
TIME         17:00 – 18:30
HOST         A1, 9/F, 33 South Bay Close, Hong Kong (meeting was held via video
             conferencing)

Present
Executive Committee Members
Ms Karen Lam (Chair)
Ms Aishah Binte Jantan (Vice Chair)
Ms Rhonda Yung (Secretary)
Mr Arnold Ip (Hong Kong Island Representative)
Mr Ray Lui (Kowloon / New Territories Representative) *
Ms Kitty Wong (Kowloon / New Territories Representative)

Standing Committee Members
Ms Icy Lee (Chair - Ethics and Certification Committee)
Mr George Dovas (Chair - Assessment and Teacher Training)
Ms Theresa Leung (Chair - Events Committee)
Mr Chun Pang Yu (Membership Coordinator)
Ms Tiffany Hambley (Public Relations / Press and Communication Coordinator)

In attendance
The attendance record is attached at Annex A.

Absent with Apologies
Mr Marshall Ng (Treasurer)
Ms Helen Mahtani (Hong Kong Island Representative)

*To be re-elected according to the tenure defined by the Constitution
Invocation to Patanjali
The Chair led the Invocation to Patanjali.

Approve the Minutes of Last Meeting
1. The Chair asked for amendments on the minutes of the last meeting, which were uploaded to the Association’s website for members’ review before meeting. The minutes were approved without amendment.

Committee Reports
2. The Chair welcomed those present at the meeting, and invited the Standing Committees to present reports of the past year.

Financial Report
3. The Chair presented the financial report on behalf of the Treasurer in his absence. She reported that the financial situation of the Association has been healthy. The supplementary audit report is attached at Annex B.

4. She highlighted the major sources of revenue (i.e. Activity income and Members’ contributions) and the major expenditure (i.e. Legal and professional fee and the Paypal services expenditure).

5. She anticipated that the Association will spend part of the accumulated revenue on the additional trademark applications (see No. 8 below).

6. The Chair proposed to reappoint Nicholas Fung & Company as the accounting firm for the Association in the new-year term from 2020 to 2021, and the proposal was passed.

Ethics and Certification Committee
7. The Chair of the Committee informed that the trademarks for the ‘certification mark’ and ‘teacher mark’ had been completed. However, the application for the trademarks of the plain texts, ‘Iyengar Yoga’ and ‘Certified Iyengar Yoga Teachers’ respectively, were unsuccessful. The Association continued to pursue further trademark applications to reinforce the integrity and the legitimacy of Iyengar Yoga and the local Certified Iyengar Yoga Teachers.

8. The applications for trademarking four Iyengar yoga logos with texts have been in progress, namely a. ‘Iyengar Yoga’ and b. ‘艾揚格瑜伽’ with BKS Iyengar in
Natarajasana as the symbol for both, and c. ‘Certified Iyengar Yoga Teacher’ and d. ‘艾揚格瑜伽認證導師’ with BKS Iyengar in Hanumanasana for both.

9. The Chair of the Committee reiterated the importance of applying Yamas and Niyamas to daily life and to yoga practice, and one needs Tapas to realise such volition as Prashantji taught often in his classes. She stressed that all members, especially certified teachers, should reflect upon their own Tapas. Meanwhile, members were reminded of the blessing to be on the yogic path following Guruji’s and his family’s guidance.

Assessment Committee
10. The Chair of the Committee thanked the community’s joint effort to make the September 2019 assessment possible amidst social unrest. The assessments consisted of Intro 2, JI1 and JI3 levels.

11. He also reported that in December 2019, RIMYI announced the changes in the assessment system and the certification system for teachers, and, therefore, the draft of the local assessment manual which was near completion must be abandoned.

12. He highlighted that there will be less assessments in the new system, and the aim is to “make things more user-friendly for the younger generation” according to Abhijata.

13. RIMYI emailed the draft guidelines to the worldwide community for review early this year. The Chair of the Committee then introduced the highlights of Abhijata’s follow-up FAQ document emailed recently to the community as feedback, while explaining the reasons behind the changes as Abhijata had stated in December 2019.

14. Members were encouraged to read the FAQ document thoroughly for the history of assessment and the changes that are going to happen, while the final guidelines from RIMYI are expected in due course.

15. In light of the outbreak of COVID-19, Abhijata mentioned in yet another recent letter that the issues concerning the old and the new assessments are not the priority at the moment.
16. The Chair of the Committee concluded that the changes implied that teachers will be teaching more asanas than they had been teaching before, thus they are expected to upgrade their practice and learning, and continue to practise yoga because of the love of yoga and the desire to learn yoga but not solely for assessments.

Events Committee
17. The Chair of the Committee reported that the Association set up a taskforce to organise Father Joe’s Yoga Convention in Hong Kong (23/04/2020 – 26/04/2020) with an initial participation of 40+ students locally.

18. The Convention was cancelled due to the outbreak of COVID-19 but the convention T-shirt with printed selected sutra II.47 & II.48 by Father Joe has remained in production. It comes in 2 colours for both genders and the sales details will be announced in early May.

19. The Chair thanked Fanny Tse for her design contribution.

Membership Committee
20. The Membership Coordinator reported that the Association has continued to subscribe to ‘Wild Apricot’ to manage the website, mass email communications, membership renewal, event-hosting and online payments. Members have become more familiar with the use of the system.

21. He also reported that the total number of members in 2020 is 93, of which 20 are student members, 37 are trainee members and 36 are teacher members.

22. As for Yoga Rahasya 2020 subscription, it has been opened for a while but the final subscription deadline has been extended to the end of April. Members were reminded to subscribe asap.

23. The Association has planned to revamp its website now being hosted by Wild Apricot. Members having the relevant skillsets are encouraged to come forward and contribute.

Public Relations / Press and Communication Committee
24. Public Relations / Press and Communication Coordinator reported that two issues of the Association’s e-newsletter, SANGHA, have been published since the last
AGM.

25. As the Association and the community has evolved to become more bilingual, the editorial team also needs more bilingual help. Members with such capability are invited to participate in the production.

26. She also solicited members’ help in visual art contribution. Members who are skilled in art, graphic design as well as image or artwork production were invited to contribute contents for the e-newsletter and the Association’s social media platforms.

27. Aleydis Chan, who volunteers to maintain the Association’s social media platforms, reported that the Association’s Instagram account has just been launched, of which the contents thus far have been focused on Prashantji’s online education.

28. She reported that the Association’s Facebook page has been automatically linked with the Instagram account, and, therefore, the contents are synchronised and have engaged more audience from the community at large.

29. From 21 March to 17 April, the Facebook gained 18 more likes, with Post Reach and Post Engagements enjoyed significant increase. The most engaging posts include Prashantji’s online education and the subject on Lord Hanuman.

Appointment of New Members for the Executive Council and Standing Committees

30. The Chair informed that one of the Kowloon / New Territories Representatives, Ray Lui, has reached the end of the tenure of 3 years in 2020 according to the Constitution of the Association approved by Pune. In view of the COVID-19 outbreak, such reelection will be postponed. Nomination for the next term is welcome and members can email to Secretary and the Chair.

Any Other Business

31. The Chair invited members to receive and read the updated messages from RIMYI actively via more frequent access to IYAHK’s mass-emails, and following the Association’s Facebook and Instagram. Members were encouraged to seek language or any help directly from their teachers regarding those messages if necessary, and advised how the Association can best communicate with the community going forward.
32. Chinese translation of English messages and contents – the Chair invited members to assist and an honorarium will be offered subject to the financial situation of the Association.

33. The Chair thanked the Vice Chair for hosting and arranging the online AGM.

34. The Chair concluded the meeting by referring to Item 2. Aims & Objects from the Pune Constitution, whereby she stressed the importance of sharing and communication stated in the first 3 points (out of 13):

   a. to spread and maintain BKS Iyengar’s teachings;
   b. to provide facilities for instruction and training of the public in the principles of yoga;
   c. to advance public education in the essential teachings of the science of Yoga based upon the principles of the highest standards of personal conduct and service to others.

**Next Meeting**

35. The details of next AGM will be announced in due course.

The meeting was adjourned at 6:45pm.

**Distribution**

All members

Signed
Rhonda Yung
Secretary
Annex A
Attendance Record

1. Aleydis Chan
2. Anna Oedman
3. Ave Chu
4. Cary Au Yeung
5. Ching Man Keely Yau
6. Choy Peng Foo
7. Clara Lam
8. Daphne Wong
9. Deborah Cheng
10. Devika Virmani
11. Edith Chan
12. Eva Chui
13. Hoi Ying (Cecilia) Lee
14. Judy Zhou
15. Ka Ming Chu
16. Katharine Lock
17. Kathy Cook
18. Margie, Yan Tung Lau
19. Olivia Lee
20. Sandy Yip
21. Sin Fun Sindy Siu
22. Siriluck Triyangkulsri
23. Suk Fan Fanny Tse
24. Ursula Tuck
25. Valerie Gazzano
26. Winifred Yuk Ying Leung
27. Winnie Yu
28. Yuen Kan Tsoi
29. Yuk Choi Leung, Irene
IVENGAR YOGA ASSOCIATION OF
HONG KONG LIMITED

REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2019

NICHOLAS FUNG & CO.
Certified Public Accountants
IYENGAR YOGA ASSOCIATION OF HONG KONG LIMITED

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 JUNE 2019

The directors have pleasure in submitting their annual report together with the audited financial statements for the year ended 30 June 2019.

PRINCIPAL ACTIVITY

The principal activity of the Company is to provide advancing public education in the classical teachings of the science of Yoga based upon the principles of the highest standards of personal conduct and services to others.

STATE OF AFFAIRS

The state of the Company's affairs as at 30 June 2019 is set out in the annexed statement of financial position.

DIRECTORS

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

Lui Wing Tat
Jantan Aishah Binte
Ip Arnold Tin Chee
Ng Wai Sang
Lam Pui Fong Karen (Appointed on 15 April 2019)
George Dovas (Resigned on 15 April 2019)
Yu Chun Pang (Resigned on 15 April 2019)

In accordance with the Article 20 of the Company's Articles of Association, all the remaining directors continue in office.

BUSINESS REVIEW

The Company falls within the reporting exemption for the financial year in accordance with the Companies Ordinance and is not required to prepare business review for the year.

MANAGEMENT CONTRACTS

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

PERMITTED INDEMNITY PROVISIONS

A permitted indemnity provision for the benefit of the directors of the Company is currently in force and was in force throughout this year.
AUDITORS

Messrs. Nicholas Fung & Co., Certified Public Accountants, retire and, being eligible, offer themselves for re-appointment.

On behalf of the Board

[Signature]

Lam Pui Fong Karen
Chairman

Hong Kong, 19 April 2020
INDEPENDENT AUDITOR’S REPORT
TO THE MEMBERS OF
IYENGAR YOGA ASSOCIATION OF HONG KONG LIMITED
(Incorporated in Hong Kong and limited by guarantee)

Opinion

We have audited the financial statements of Iyengar Yoga Association of Hong Kong Limited ("the Company") set out on pages 6 to 11, which comprise the statement of financial position as at 30 June 2019, and the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements of the Company are prepared, in all material respects, in accordance with the Hong Kong Small and Medium-Sized Entity Financial Reporting Standard ("SME-FRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") and with reference to Practice Note 900 (Revised) Audit of Financial Statements Prepared in Accordance with the Small and Medium-Sized Entity Financial Reporting Standard 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 the information included in the directors' report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
IYENGAR YOGA ASSOCIATION OF HONG KONG LIMITED
(Incorporated in Hong Kong and 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 in accordance with the SME-FRS 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. 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.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
IYENGAR YOGA ASSOCIATION OF HONG KONG LIMITED
(Incorporated in Hong Kong and limited by guarantee)

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

- 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.

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.

Nicholas Fung & Co.
Certified Public Accountants

Hong Kong, 19 April 2020
IYENGAR YOGA ASSOCIATION OF HONG KONG LIMITED

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019

<table>
<thead>
<tr>
<th>Note</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>HK$</td>
<td>HK$</td>
</tr>
<tr>
<td>Revenues</td>
<td>313,670</td>
<td>598,100</td>
</tr>
<tr>
<td>Direct costs</td>
<td>(230,884)</td>
<td>(439,064)</td>
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<tr>
<td>Surplus for activities</td>
<td>82,786</td>
<td>159,036</td>
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<tr>
<td>Other income</td>
<td>301</td>
<td>1,526</td>
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<tr>
<td>Expenditure</td>
<td>(54,984)</td>
<td>(29,309)</td>
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<tr>
<td>Surplus before taxation</td>
<td>28,103</td>
<td>131,253</td>
</tr>
<tr>
<td>Taxation</td>
<td>2,707</td>
<td>(2,706)</td>
</tr>
<tr>
<td>Surplus for the year</td>
<td>30,810</td>
<td>128,547</td>
</tr>
</tbody>
</table>

The accompanying Accounting Policies and Explanatory Notes form an integral part of, and should be read in conjunction with, these financial statements.
<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Note</td>
<td>HK$</td>
</tr>
<tr>
<td>Current assets</td>
<td></td>
<td>HK$</td>
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<tr>
<td>Accounts receivable</td>
<td>260,182</td>
<td>1</td>
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<tr>
<td>Prepayment</td>
<td>4,611</td>
<td>3,518</td>
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<tr>
<td>Cash at bank</td>
<td>259,646</td>
<td>492,023</td>
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<tr>
<td>Tax recoverable</td>
<td>3,665</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td></td>
<td>528,104</td>
</tr>
<tr>
<td>Current liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accrued charges</td>
<td>64,789</td>
<td>60,000</td>
</tr>
<tr>
<td>Provision for taxation</td>
<td>-</td>
<td>3,037</td>
</tr>
<tr>
<td></td>
<td></td>
<td>64,789</td>
</tr>
<tr>
<td>NET ASSETS</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>463,315</td>
<td>432,505</td>
</tr>
<tr>
<td>Reserve</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Surplus carried forward</td>
<td>7</td>
<td>463,315</td>
</tr>
</tbody>
</table>

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

Approved by the Board of Directors on 19 April 2020

Lam Pui Pong Kar
Director

Ng Wai Sang
Director
IYENGAR YOGA ASSOCIATION OF HONG KONG LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

REPORTING ENTITY

Iyengar Yoga Association of Hong Kong Limited is a company incorporated in Hong Kong and limited by guarantee. In the event of winding up, each member is liable to contribute not exceeding HK$100. The Company's registered office is located at 2C, Welley Building, 97 Wellington Street, Central, Hong Kong.

The principal activity of the Company is to provide advancing public education in the classical teachings of the science of Yoga based upon the principles of the highest standards of personal conduct and services to others.

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The Company qualifies for the reporting exemption as a small private company under section 359(1)(a) of the Hong Kong Companies Ordinance (Cap.622) and is therefore entitled to prepare and present its financial statements in accordance with the Small and Medium-sized Entity Financial Reporting Standard (SME-FRS) issued by the Hong Kong Institute of Certified Public Accountants.

These financial statements comply with the SME-FRS and have been prepared under the accrual basis of accounting and on the basis that the Company is a going concern.

The measurement base adopted is the historical cost convention.

The following are the specific accounting policies that are necessary for a proper understanding of the financial statements:

(a) Revenue recognition

Revenue is 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 bases:

(i) Certification mark income is recognised when the services are rendered.

(ii) Members' contributions are recognised on a cash receipt basis.

(iii) Activity income is recognised when the relevant activities are completed.

(iv) Course income is recognised when the training services are rendered to the students.

(v) Interest income from bank deposits is accrued on a time proportion basis on the principal outstanding at the applicable rate.

(b) Taxation

Income tax expense represents current tax expense. The income tax payable represents the amount expected to be paid to the taxation authority, using the tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is not provided.
1. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

(c) Accounts and other receivables

Accounts and other receivables are initially recognised at fair value and thereafter stated at amortised cost less impairment losses for bad and 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 impairment losses for bad and doubtful debts.

(d) Accounts and other payables

Accounts and other payables are initially recognised at fair value and thereafter stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

(e) Impairment

At the end of each reporting period, the Company reviews the carrying amounts of its assets 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. Impairment losses are recognised as expenses 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.

(f) Foreign currency translation

Transactions during the year in foreign currencies are translated into Hong Kong dollars at the approximate exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are translated into Hong Kong dollars at the approximate rates of exchange ruling at that date. Exchange differences are dealt with in the statement of income and retained profits.

2. REVENUES

An analysis of the Company’s revenues is as follows:

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>HK$</td>
<td>HK$</td>
</tr>
<tr>
<td>Activity income</td>
<td>192,450</td>
<td>478,400</td>
</tr>
<tr>
<td>Members’ contributions</td>
<td>121,220</td>
<td>119,700</td>
</tr>
<tr>
<td></td>
<td>313,670</td>
<td>598,100</td>
</tr>
</tbody>
</table>

- 9 -
3. OTHER INCOME

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank interest income</td>
<td>301</td>
<td>4</td>
</tr>
<tr>
<td>Exchange gain</td>
<td></td>
<td>1,522</td>
</tr>
<tr>
<td></td>
<td>301</td>
<td>1,526</td>
</tr>
</tbody>
</table>

4. DIRECTORS’ REMUNERATION

Directors’ remuneration disclosed pursuant to section 383(1) of Companies Ordinance is as follows:

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other emoluments</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

5. SURPLUS BEFORE TAXATION

Surplus before taxation is arrived at after charging:

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Auditors’ remuneration</td>
<td>7,500</td>
<td>7,500</td>
</tr>
</tbody>
</table>

6. TAXATION

(a) Hong Kong Profits Tax has been provided in the financial statements at the rates of 8.25% on the first HK$2,000,000 of the estimated assessable profits and 16.5% on the remaining estimated assessable profits, which is in accordance with the two-tiered profits tax rates regime with effect from the year of assessment of 2018/19, and after deducting the one-off reduction for Hong Kong Profits Tax proposed by Inland Revenue Department for the year of assessment 2019/20.

(b) Taxation in the income statement represents:

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hong Kong Profits Tax</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Provision for current year</td>
<td></td>
<td>(2,707)</td>
</tr>
<tr>
<td>- Overprovision in prior year</td>
<td>2,707</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>2,707</td>
<td>(2,706)</td>
</tr>
<tr>
<td></td>
<td>2019</td>
<td>2018</td>
</tr>
<tr>
<td>--------------------------</td>
<td>-------</td>
<td>-------</td>
</tr>
<tr>
<td>Surplus brought forward</td>
<td>HK$432,505</td>
<td>HK$303,958</td>
</tr>
<tr>
<td>Surplus for the year</td>
<td>HK$30,810</td>
<td>HK$128,547</td>
</tr>
<tr>
<td>Surplus carried forward</td>
<td>HK$463,315</td>
<td>HK$432,505</td>
</tr>
</tbody>
</table>

- END -
# Detailed Income Statement

**For the Year Ended 30 June 2019**

*(For Management Purposes Only)*

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Activity income</td>
<td>192,450</td>
<td>478,400</td>
</tr>
<tr>
<td>Members' contributions</td>
<td>121,220</td>
<td>119,700</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>313,670</td>
<td>598,100</td>
</tr>
<tr>
<td><strong>Less: Direct Cost</strong></td>
<td></td>
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<tr>
<td>Activity expenses</td>
<td>183,586</td>
<td>434,529</td>
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<tr>
<td>Course expenses</td>
<td>7,620</td>
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<tr>
<td>Certification expenses</td>
<td>34,055</td>
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<tr>
<td>Subscription fee paid</td>
<td>5,623</td>
<td>4,535</td>
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<tr>
<td><strong>Total</strong></td>
<td>230,884</td>
<td>439,064</td>
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<tr>
<td><strong>Surplus for activities</strong></td>
<td>82,786</td>
<td>159,036</td>
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<tr>
<td><strong>Other Income</strong></td>
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<td></td>
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<tr>
<td>Bank interest income</td>
<td>301</td>
<td>4</td>
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<tr>
<td>Exchange gain</td>
<td>-</td>
<td>1,522</td>
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<tr>
<td><strong>Total</strong></td>
<td>83,087</td>
<td>160,562</td>
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<tr>
<td><strong>Expenditure -</strong></td>
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<td></td>
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<tr>
<td>Accounting fee</td>
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<tr>
<td>Advertising and promotion</td>
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<tr>
<td>Auditors' remuneration</td>
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<tr>
<td>Bank charges</td>
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<td>Business registration fee</td>
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<td>Legal and professional fee</td>
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<td>Paypal services expenses</td>
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<td>Penalty</td>
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<td>Postage and courier</td>
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<td>Printing and stationery</td>
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<td>5,456</td>
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<td>Sundries</td>
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<td><strong>Total</strong></td>
<td>54,984</td>
<td>29,309</td>
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<tr>
<td><strong>Surplus before taxation</strong></td>
<td>28,103</td>
<td>131,253</td>
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