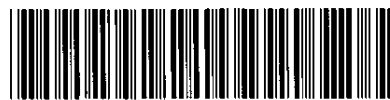


**PEAK SCHOOL PARENT TEACHERS
ASSOCIATION LIMITED
(LIMITED BY GUARANTEE)**

REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2010



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H. H. LIU & CO.
CERTIFIED PUBLIC ACCOUNTANTS

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PEAK SCHOOL PARENT TEACHERS ASSOCIATION LIMITED
REPORT OF COMMITTEE MEMBERS

The Executive Committee of the Association has pleasure in submitting the annual report together with the audited financial statements for the year ended 31 July 2010.

PRINCIPAL ACTIVITIES

The Association is a non-profit making and approved trust of a public character. It engaged in promoting co-operation between the Parents of the students of Peak School and the Teachers for the promotion of education.

FINANCIAL RESULTS

The results of the Association for the year ended 31 July 2010 and the state of its affairs at that date are set out in the financial statements on pages 6 to 15.

COMMITTEE MEMBERS

The committee members during the year and up to the date of this report were:

Emslie, Sarah Alexandra	
Garrett, Catherine Mary	(resigned on 25 September 2009)
Howell, Anna Pauline	
Legg, Sarah	
Nutman, Laura Francise	(resigned on 25 September 2009)
Page, Gillian LM	(resigned on 25 February 2010)
Salnikow, Paul Daniel	
Weeks, Joanne	
Green, Alexandra Jane	(appointed on 25 September 2009)
Groves, Kelda	(appointed on 25 September 2009)
Fabiani, Lara	(appointed on 25 September 2009)
Costley, Nina Anne-Marie	(appointed on 25 September 2009)
Needham, Katrina	(appointed on 25 September 2009)
Hoffman, Malia	(appointed on 25 September 2009 and resigned on 25 February 2010)

In accordance with the Association's Articles of Association, all committee members retire in the forthcoming annual general meeting, and being eligible, offer themselves for re-election.

PEAK SCHOOL PARENT TEACHERS ASSOCIATION LIMITED
REPORT OF COMMITTEE MEMBERS (CONTINUED)

COMMITTEE MEMBERS' INTERESTS IN CONTRACTS

No contracts of significance to which the Association was a party and in which a committee member of the Association had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.


MANAGEMENT CONTRACT

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

AUDITORS

A resolution for the reappointment of Messrs. H. H. Liu & Co. as auditors of the Association is to be proposed at the forthcoming annual general meeting.

FOR AND ON BEHALF OF
THE EXECUTIVE COMMITTEE



CHAIRMAN
HONG KONG

27 SEP 2010



廖慶雄會計師事務所

H. H. LIU & CO., *Certified Public Accountants*

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
PEAK SCHOOL PARENT TEACHERS ASSOCIATION LIMITED

(Incorporated in Hong Kong with limited by guarantee)

We have audited the financial statements of Peak School Parent Teachers Association Limited (The Association) set out on pages 6 to 15, which comprise the statement of financial position as at 31 July 2010, and the statement of comprehensive income and expenditure and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Committee members' responsibility for the financial statements

The committee members are responsible for the preparation and the true and fair presentation of these financial statements in accordance with the Hong Kong Financial Reporting Standard for Private Entities ("HKFRSPE") 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 of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.



廖慶雄會計師事務所

H. H. LIU & CO., *Certified Public Accountants*

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF
PEAK SCHOOL PARENT TEACHERS ASSOCIATION LIMITED
(Incorporated in Hong Kong with limited by guarantee)

Auditor's responsibility (Continued)

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for qualified opinion

The Association, in common with many others of similar size and organization, derives a substantial proportion of its income from various sources, the completeness of which is not susceptible to independent audit verification. Accordingly, verification of these sources of income was limited to the amounts recorded in the Association's records. There were no other satisfactory audit procedures that we could adopt to satisfy ourselves that the recorded income was free from material misstatement.

Qualified opinion arising from limitation of audit scope

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to satisfy ourselves as to the completeness of income, the financial statements give a true and fair view of the state of the Association's affairs as at 31 July 2010 and of its surplus and cash flows for the year then ended in accordance with the Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the Hong Kong Companies Ordinance.



廖慶雄會計師事務所

H. H. LIU & CO., *Certified Public Accountants*

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF
PEAK SCHOOL PARENT TEACHERS ASSOCIATION LIMITED
(Incorporated in Hong Kong with limited by guarantee)

Report on matters under sections 141(4) and 141(6) of the Hong Kong Companies Ordinance

In respect alone of the limitation on our work relating to income:

- We have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- We were unable to determine whether proper books of account had been kept.

H. H. Liu & Co.
Certified Public Accountants
Hong Kong : 27 SEP 2010

PEAK SCHOOL PARENT TEACHERS ASSOCIATION LIMITED
STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31 JULY 2010

(Expressed in Hong Kong Dollars)

	<u>Notes</u>	<u>2010</u>	<u>3/7/2008 to 31/7/2009</u>
INCOME			
Annual subscriptions		82,500	17,290
Bus fees		1,909,356	393,604
Donations		100,118	9,300
Fund raising income	9	1,037,815	777,038
Bank interest income		34	51
Sundries		4,613	495
		<u>3,134,436</u>	<u>1,197,778</u>
EXPENDITURES			
Bus hire		1,280,000	560,000
Bus coordinator and helpers' expenses		168,000	91,364
Fund raising expenses	10	556,847	389,705
School funding	11	1,651,031	149,327
Administrative expenses	12	72,266	31,759
		<u>3,728,144</u>	<u>1,222,155</u>
DEFICIT FOR THE YEAR / PERIOD		(593,708)	(24,377)
Other comprehensive income	13	<u>1,830,540</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR / PERIOD	8	<u><u>1,236,832</u></u>	<u><u>(24,377)</u></u>

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

PEAK SCHOOL PARENT TEACHERS ASSOCIATION LIMITED

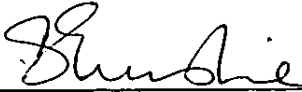
STATEMENT OF FINANCIAL POSITION

AS AT 31 JULY 2010

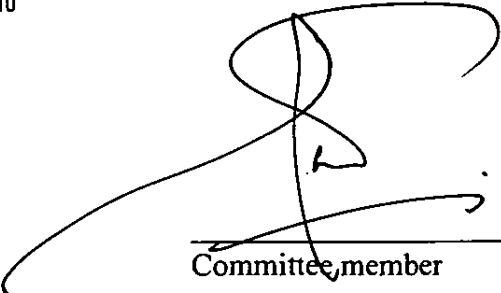
(Expressed in Hong Kong Dollars)

	<u>Notes</u>	<u>2010</u>	<u>2009</u>
ASSETS			
CURRENT ASSETS			
Prepayment		6,500	-
Cash and bank balances	6	<u>1,246,955</u>	<u>1,947,277</u>
TOTAL CURRENT ASSETS		<u>1,253,455</u>	<u>1,947,277</u>
TOTAL ASSETS		<u>1,253,455</u>	<u>1,947,277</u>
LIABILITIES AND GENERAL FUND			
CURRENT LIABILITIES			
Other payables	7	18,000	1,840,090
Accruals		<u>23,000</u>	<u>131,564</u>
TOTAL CURRENT LIABILITIES		<u>41,000</u>	<u>1,971,654</u>
TOTAL LIABILITIES		<u>41,000</u>	<u>1,971,654</u>
GENERAL FUND			
General fund	8	<u>1,212,455</u>	<u>(24,377)</u>
TOTAL GENERAL FUND		<u>1,212,455</u>	<u>(24,377)</u>
TOTAL LIABILITIES AND GENERAL FUND		<u>1,253,455</u>	<u>1,947,277</u>

Approved and authorised for issue by
the Executive Committee on: 27 SEP 2010



Committee member



Committee member

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

PEAK SCHOOL PARENT TEACHERS ASSOCIATION LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2010

(Expressed in Hong Kong Dollars)

	<u>2010</u>	<u>3/7/2008 to 31/7/2009</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Total comprehensive income / (loss) for the year / period	1,236,832	(24,377)
Adjustments for:		
Interest income	<u>(34)</u>	<u>(51)</u>
	1,236,798	(24,428)
Increase in prepayment	(6,500)	-
(Decrease) / Increase in other payables	(1,822,090)	1,840,090
(Decrease) / Increase in accruals	<u>(108,564)</u>	<u>131,564</u>
CASH (USED FOR) / GENERATED FROM OPERATIONS	(700,356)	1,947,226
Interest received	<u>34</u>	<u>51</u>
NET CASH (USED IN) / FROM OPERATING ACTIVITIES	<u>(700,322)</u>	<u>1,947,277</u>
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(700,322)	1,947,277
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR / PERIOD	<u>1,947,277</u>	<u>-</u>
CASH AND CASH EQUIVALENTS AT THE OF YEAR / PERIOD	<u><u>1,246,955</u></u>	<u><u>1,947,277</u></u>

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

PEAK SCHOOL PARENT TEACHERS ASSOCIATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2010

(Expressed in Hong Kong Dollars)

1. GENERAL

The Association is incorporated in Hong Kong. It is a Company limited by guarantee and not having a share capital.

The address of its registered office is 20 Plunketts Road, The Peak, Hong Kong.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

Summary of significant accounting policies

The financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standard for Private Entities ("HKFRSPE") issued by the Hong Kong Institute of Certified Public Accountants and the Hong Kong Companies Ordinance.

It is the first set of financial statements prepared by HKFRSPE, the adoption of the new standard did not result in substantial changes to the Company's accounting policies except certain changes to the format and titles of the primary financial statements. It mainly affects the presentation of Statement of Financial Position (previously named as Balance Sheet) and introduces a "Statement of Comprehensive Income and Expenditure". Comparatives have been restated to conform with the new standards and no prior period adjustment has been required.

a. Revenue recognition

(i) Donation is recognised on cash basis;

(ii) Activities income is recognised on cash basis; and

(iii) Interest income is recognised on a time proportion basis taking into account the principal outstanding and the interest applicable.

b. Cash and cash equivalents

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

Bank loans and overdrafts

Interest expense is recognised on the basis of the effective interest method and is included in finance costs.

PEAK SCHOOL PARENT TEACHERS ASSOCIATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2010
 (Expressed in Hong Kong Dollars)

3. INFORMATION ABOUT KEY SOURCES OF ESTIMATION UNCERTAINTY AND JUDGEMENTS

Estimates and judgements are continually evaluated by the management of the Association. They are based on historical experience and other factors, including expectations of future.

Estimated impairment of receivables

The Association records impairment of receivables based on an assessment of the recoverability of prepayments. The identification of doubtful debts requires the committee members' estimates. Where the expectation is different from the original estimate, such difference will impact the carrying values of the prepayment, in the period in which such estimates have been changed.

4. REVENUE

Revenue represents the donation received during the year.

5. COMMITTEE MEMBERS' REMUNERATION

Committee members' emoluments disclosed pursuant to Section 161 of the Hong Kong Companies Ordinance is as follows :

	<u>2010</u>	<u>3/7/2008</u> <u>to 31/7/2009</u>
Committee members' emoluments :		
Fee	-	-
Other emoluments	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>

PEAK SCHOOL PARENT TEACHERS ASSOCIATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2010
 (Expressed in Hong Kong Dollars)

6. CASH AND BANK BALANCES

	<u>2010</u>	<u>2009</u>
Cash in hand	538	514
Cash at bank	<u>1,246,417</u>	<u>1,946,763</u>
	<u>1,246,955</u>	<u>1,947,277</u>

7. OTHER PAYABLES

	<u>2010</u>	<u>2009</u>
Other payables	-	1,840,090
Receipt in advance	<u>18,000</u>	<u>-</u>
	<u>18,000</u>	<u>1,840,090</u>

8. GENERAL FUND

	<u>2010</u>	<u>2009</u>
Accumulated fund brought forward	(24,377)	-
Total comprehensive income / (loss) for the year / period	<u>1,236,832</u>	<u>(24,377)</u>
Accumulated fund carried forward	<u>1,212,455</u>	<u>(24,377)</u>

PEAK SCHOOL PARENT TEACHERS ASSOCIATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2010
 (Expressed in Hong Kong Dollars)

9. FUND RAISING INCOME

	<u>2010</u>	<u>3/7/2008 to 31/7/2009</u>
Bingo	23,620	25,563
Dance-a-thon	45,128	32,900
Family Fun Day	-	396,902
Music Concert	-	1,710
Peak School Uniform	445,210	111,350
Red House Books	-	10,733
Year 4 Production	-	2,130
Year 6 Graduation Party	-	73,960
Yearbook Sales	86,720	70,300
Yearbook Sponsorship	30,000	51,490
Lantern Festival	81,964	-
Christmas Party	78,886	-
Family Picnic	139,190	-
Sponsored Walk and BBQ	87,017	-
Talent Show	20,080	-
	<hr/>	<hr/>
	1,037,815	777,038
	<hr/>	<hr/>

PEAK SCHOOL PARENT TEACHERS ASSOCIATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2010
 (Expressed in Hong Kong Dollars)

10. FUND RAISING EXPENSES

	<u>2010</u>	<u>3/7/2008 to 31/7/2009</u>
Bingo	2,974	3,241
Dance-a-thon	17,666	11,381
Family Fun Day	-	96,229
Music Concert	-	500
Peak School Uniform	353,607	77,484
Red House Books	-	9,571
Year 4 Production	-	653
Year 6 Graduation Party	-	77,446
Yearbook Sales	-	113,200
Lantern Festival	45,645	-
Christmas Party	51,906	-
Family Picnic	47,315	-
Sponsored Walk and BBQ	33,818	-
Talent Show	3,916	-
	<u>556,847</u>	<u>389,705</u>

PEAK SCHOOL PARENT TEACHERS ASSOCIATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2010
 (Expressed in Hong Kong Dollars)

11. SCHOOL FUNDING

	<u>2010</u>	<u>3/7/2008 to 31/7/2009</u>
Greening Project	81,540	18,070
Liabrary Facilities	37,518	26,107
Lighting Project	916,518	65,000
Music Department Fund	-	5,000
Playground Project	204,830	35,150
Year 6 Graduation	11,095	-
Sports Equipment	45,000	-
IT & AV Equipment Fund	2,800	-
Hall Redecoration Fund	49,750	-
BBQ Equipment	19,980	-
Ubrary Refurbishment Fund	282,000	-
	<u>1,651,031</u>	<u>149,327</u>

12. ADMINISTRATIVE EXPENSES

	<u>2010</u>	<u>3/7/2008 to 31/7/2009</u>
Auditors' remuneration	9,000	12,000
Bank charges	644	400
Bank interests	373	168
Insurance	1,447	1,447
Postage and courier	158	228
Stationery	411	2,436
Sundry expenses	57,795	13,486
Telecommunication	1,888	1,594
Legal and professional fee	550	-
	<u>72,266</u>	<u>31,759</u>

PEAK SCHOOL PARENT TEACHERS ASSOCIATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2010
(Expressed in Hong Kong Dollars)

13. OTHER COMPREHENSIVE INCOME

The amount was received by the Association from Peak School Parent Teachers Association. It has been classified as General fund and is used for funding administration expenses for the Association.

14. TAXATION

The Association is exempted from Hong Kong profits tax under Section 88 of the Hong Kong Inland Revenue Ordinance.

15. COMPARATIVE FIGURES

Certain comparative figures have been re-classified to conform with current year's presentation.