

REPORTS AND FINANCIAL STATEMENTS

CHINESE UNDERWRITERS CLUB LIMITED
保險從業華員會有限公司

YEAR ENDED 31 MAY 2023



盧子葵會計師事務所
T. K. LO & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS
HONG KONG

REPORTS AND FINANCIAL STATEMENTS

CHINESE UNDERWRITERS CLUB LIMITED 保險從業華員會有限公司

YEAR ENDED 31 MAY 2023

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CHINESE UNDERWRITERS CLUB LIMITED
保險從業華員會有限公司

GENERAL COMMITTEE'S REPORT

The General Committee Members have pleasure in presenting this report together with audited financial statements for the year ended 31 May 2023.

Principal Activities

The principal activities of the Club are to create, develop, maintain fraternal relations and good fellowship among members of the Club. The results and state of affairs of the Club for the year are set out in income and financial position statements respectively.

During the year, no contracts concerning the management and administration of the whole or any substantial part of the operation of the Club were entered or in force.

Share, Debenture and Equity-linked Agreement

The Club is a company incorporated in Hong Kong with limited liability by guarantee and not having any share capital. No shares or debentures are issued by Club during the year and no equity-linked agreements are entered into during the year or in force at the end of the year.

General Committee Members

During the year and up to the date of this report, the General Committee Members of the Club were:

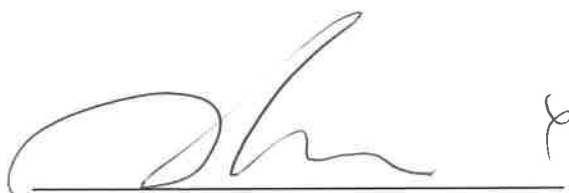
Ho Man Kit	(President)
Lee Chun Ming	(1st Vice-President)
Li Haibin	(2nd Vice-President)
Chan Pak Yip Jeffery	(Immediate Past President)
Lai Yik Tung	(Honorary Secretary)
Ngai Cheung Fai Francis	(Honorary Treasurer)
Chan Chung Yin	
Chan Hung Yip	(Resigned on 28 February 2023)
Chan Tak Yeung	(Resigned on 28 February 2023)
Chu Nim Chee	
Ip Siu Him Kenneth	(Resigned on 28 February 2023)
Lam Wai Man	(Resigned on 28 February 2023)
Wong Wing Hoi	(Resigned on 28 February 2023)
Yuen Wan Ho	
Mak Yiu Tung	(Appointed on 29 September 2023)
Ching Yung Fai	(Appointed on 28 February 2023)
Hau Pak Him	(Appointed on 28 February 2023)
Lau Ho Fu	(Appointed on 28 February 2023)
Tang Cheuk Hung Ronald	(Appointed on 28 February 2023)
Yau Kai Hang	(Appointed on 28 February 2023)

No permitted indemnity provisions were in force for the benefit of any members of the General Committee of the Club or of its associated party at any time during the year and up to the date of this report.

Auditor

The financial statements have been audited by T. K. Lo & Company who will offer themselves for the re-appointment at the forthcoming general meeting or resolution of the Club.

On behalf of the General Committee



Mr. Ho Man Kit
President

Hong Kong

29 JAN 2024



INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF
CHINESE UNDERWRITERS CLUB LIMITED**
保險從業華員會有限公司
(incorporated in Hong Kong limited liability by guarantee)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Chinese Underwriters Club Limited (Club) set out on pages 4 to 10 which comprise financial position statement as at 31 May 2023, income statement for the year ended, accounting policies and notes to the financial statements.

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

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing (HKSA) and with reference to Practice Note 900 "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 Responsibilities of Auditor section of our report. We are independent of the Club and have fulfilled our ethical responsibilities in accordance with the HKICPA's Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

General Committee Members' Report

The general committee members are responsible for preparation and approval of the general committee members' report. Our opinion on the financial statements does not cover this report 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 this report and consider whether there is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we conclude that there is a material misstatement of this report based on the work we have performed, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of General Committee Members

The general committee members are responsible for preparation of the financial statements in accordance with HKSMEFRS issued by the HKICPA and in compliance with the HKCO, and for maintaining internal control necessary to enable the financial statements are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the general committee members are responsible for assessing the Club's ability to continue as a going concern, disclosing any matters related to going concern and using the going concern basis of accounting unless the general committee members have intention to cease the Club's operations or have no realistic alternative but to do so.



INDEPENDENT AUDITOR'S REPORT (Continued)

Responsibilities of Auditor

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 solely to you as a body an auditor's report of our opinion 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 HKSA will always detect a material misstatement or misconduct when it exists. Misstatements or misconducts can arise from fraud or error and are considered material if they individually or in the aggregate 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 HKSA, 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 Club's internal control.
- Evaluate the appropriateness of accounting policies used, the reasonableness of accounting estimates and the related disclosures made by the general committee members.
- Conclude on the appropriateness of the general committee members' use of the going concern basis of accounting and whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Club'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 Club to cease to continue as a going concern.

We communicate with the general committee members regarding the planned scope and timing of the audit, findings and deficiencies in internal control that we identify during our audit.

T. K. LO & COMPANY

Certified Public Accountants

Hong Kong
29 JAN 2024

CHINESE UNDERWRITERS CLUB LIMITED
保險從業華員會有限公司

INCOME STATEMENT

YEAR ENDED 31 MAY 2023

	<u>Notes</u>	<u>2023</u> HK\$	<u>2022</u> HK\$
Membership subscription income		15,420	6,720
Function income	2	81,750	1,320
Other income	3	485	34
Function expenses	4	(72,112)	(4,100)
Other operating expenses	5	(15,811)	(19,192)
Surplus/(Deficit) before tax		<u>9,732</u>	<u>(15,218)</u>
Income tax expense	8	—	—
Surplus/(Deficit) for the year		<u><u>9,732</u></u>	<u><u>(15,218)</u></u>

CHINESE UNDERWRITERS CLUB LIMITED
保險從業華員會有限公司

FINANCIAL POSITION STATEMENT

AT 31 MAY 2023

	<u>Notes</u>	<u>2023</u> HK\$	<u>2022</u> HK\$
ASSETS			
Current assets			
Cash and cash equivalents	7	190,521	168,684
Total assets		<u>190,521</u>	<u>168,684</u>
FUNDS			
Funds			
Education Fund	9	95,595	94,515
Accumulated Fund	9	79,821	71,169
		<u>175,416</u>	<u>165,684</u>
Current liabilities			
Accruals		15,105	3,000
Total funds and liabilities		<u>190,521</u>	<u>168,684</u>

Approved by the General Committee on 29 JAN 2024



Mr. Ho Man Kit
President



Mr. Ngai Cheung Fai Francis
Hon. Treasurer

CHINESE UNDERWRITERS CLUB LIMITED
保險從業華員會有限公司

ACCOUNTING POLICIES

YEAR ENDED 31 MAY 2023

A. Statement of Compliance

The Club qualifies for the reporting exemption as a small guarantee company under section 359(1)(a) of the HKCO and is therefore entitled to prepare and present these financial statements in accordance with the HKSMEFRS issued by the HKICPA. The financial have been prepared under historical cost convention, accrual and going concern basis.

The following abbreviations are used in the financial statements.

HKCO	Hong Kong Companies Ordinance (Cap. 622)
HKICPA	Hong Kong Institute of Certified Public Accountants
HKSMEFRS	Small and Medium-sized Entity Financial Reporting Standard

B. Revenue

Revenue are recognised as below:

- i) Subscription fees are recognised in the financial year of receipt.
- ii) Function income is recognised upon completion of the function.
- iii) Interest income is recognised on a time apportionment basis using the effective interest rate.

C. Cash and Cash Equivalents

Cash equivalents represent 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.

D. Taxation

Income tax represents current tax expense or credit. The income tax payable represents the amounts payable to the taxation authority, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is not provided in the financial statements.

CHINESE UNDERWRITERS CLUB LIMITED
保險從業華員會有限公司

ACCOUNTING POLICIES

YEAR ENDED 31 MAY 2023

E. Impairment of Assets

An assessment is made at the end of each reporting period to determine whether there is any indication of impairment or reversal of previous impairment, including items of property, plant and equipment, intangible assets, trade receivables and long-term investments. In the event that an asset's carrying amount exceeds its recoverable amount, the carrying amount is reduced to recoverable amount and impairment is recognised in the income statement. A previously recognised impairment is reversed only if there has been a change in the estimates used to determine the recoverable amount, however not to an amount higher than the carrying amount that would have been determined had no impairment been recognised for the asset in prior years.

F. Offsetting and Written Off

Financial assets and liabilities are offset and the net amount is reported where the Club has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis or to realise simultaneously. Other assets and liabilities and revenue and expenses must not be offset unless required or permitted by accounting standards. Assets and liabilities must not be written off unless the Club has a legally enforceable right.

CHINESE UNDERWRITERS CLUB LIMITED
保險從業華員會有限公司

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 2023

1. General

The Club is a company limited by guarantee incorporated in Hong Kong.

The Club's registered office is located at Room 1905, 19/F, Olympia Plaza, 255 King's Road, North Point, Hong Kong.

The financial statements are presented in Hong Kong Dollars, the functional currency of primary economic environment in which the Club operates.

2. Function Income

	<u>2023</u> HK\$	<u>2022</u> HK\$
Education	8,100	1,320
Social	73,650	-
	<u>81,750</u>	<u>1,320</u>

3. Other Income

	<u>2023</u> HK\$	<u>2022</u> HK\$
Bank interest income	485	34

4. Function Expenses

	<u>2023</u> HK\$	<u>2022</u> HK\$
Education	7,020	4,100
Social	65,092	-
	<u>72,112</u>	<u>4,100</u>

CHINESE UNDERWRITERS CLUB LIMITED
保險從業華員會有限公司

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 2023

5. Other Operating Expenses

	<u>2023</u> HK\$	<u>2022</u> HK\$
Audit fee	3,000	3,000
Bank charges	1,150	850
Business registration fee	150	250
Insurance	—	6,606
Secretarial fee	9,105	6,780
Sundries	1,516	816
Postal box rental expenses	890	890
	<u>15,811</u>	<u>19,192</u>

6. Emoluments of General Committee Members

None of the general committee members received or will receive any fees or emoluments in respect of their services to the Club during the year (2022: Nil).

7. Cash and Cash Equivalents

	<u>2023</u> HK\$	<u>2022</u> HK\$
Time deposit (Education Fund)	97,606	97,340
Current account	24,442	6,990
Saving account	68,473	64,354
	<u>190,521</u>	<u>168,684</u>

CHINESE UNDERWRITERS CLUB LIMITED
保險從業華員會有限公司

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 2023

8. Income Tax

No provision for Hong Kong Profits Tax has been made in the financial statements as 50% or more of the Club's gross receipts were derived from the members of the Club pursuant to Section 24(1) of the Inland Revenue Ordinance.

9. Funds

	<u>Education Fund</u>	<u>Accumulated</u> <u>Fund</u>	<u>Total</u>
	HK\$	HK\$	HK\$
Balance at 1 June 2022	94,515	71,169	165,684
Surplus for the year	1,080	8,652	9,732
Balance at 31 May 2023	95,595	79,821	175,416

Education Fund is to promote interest amongst insurance practitioners to pursue further studies and to assist those who are keen to further enrich their academic knowledge.

Education Fund

	<u>2023</u>	<u>2022</u>
	HK\$	HK\$
Total income	8,100	1,320
Total expenses	(7,020)	(4,100)
Surplus/(Deficit) for the year	1,080	(2,780)