

The University of Hong Kong

POSTGRADUATE STUDENT ASSOCIATION

Annual Financial Report Executive Committee Session 2018-2019

**THE UNIVERSITY OF HONG KONG
POSTGRADUATE STUDENT ASSOCIATION**

Statement of Financial Position

As at July 1, 2019

in HK\$

	<i>Notes</i>	Jul 1, 2019	*Aug 1, 2018
Assets			
Cash and cash equivalents	1,2		
Cash		\$ 6,616.37	\$ 22,412.40
HSBC		\$ 92,845.49	\$ 34,719.22
Alipay (converted in HK\$)		\$ 140,543.91	\$ 93,997.73
Adjustment on exchange rate		\$ -	\$ -
Account Receivables	2	\$ 9,100.00	\$ -
Total assets		\$ 249,105.77	\$ 151,129.35
Liabilities			
Accounts payable and accrued liabilities		\$ -	\$ -
Unearned Revenue		\$ -	\$ -
Debt		\$ -	\$ -
Total liabilities	3	\$ -	\$ -
Equity			
Retained earnings		\$ 249,105.77	\$ 151,129.35
Total equity		\$ 249,105.77	\$ 151,129.35
Total liabilities and shareholders' equity	3	\$ 249,105.77	\$ 151,129.35

1. Postgraduate Student Association of HKU holds its cash and cash equivalents in two different currencies, the Hong Kong dollar (HKD) and the Chinese Yuan (CNY). Currently, the HSBC bank account is this only bank account. Alipay is used for collecting fees and purchasing goods in CNY. As there was no direct currency exchange transaction being made in the recent two years, there was not any gain or loss occur for the change of the exchange rate. Here, the value of CNY is converted to HKD at the current average exchange rate (0.88 CNY/HKD). In the last fiscal year, both HSBC account and Alipay account show an increase, reflecting a healthier liquidity situation of the Association.
2. The \$9,100 account receivable is the revenue from a recruitment talk sponsorship to be received.
3. The Association has not raised any debt during the year and has zero liability. The total asset and the total liabilities and shareholders' equity balance at \$249,105.77 as at the year-end. Normally, a balance greater than \$100,000 shall guarantee the cash flow for the coming year's operation.

* The ending balance of the 17-18 fiscal year was calculated as at August 1, 2018.

**THE UNIVERSITY OF HONG KONG
POSTGRADUATE STUDENT ASSOCIATION**

Statement of Comprehensive Income

For the fiscal year ended July 1, 2019

in HK\$

	<i>Notes</i>	2018-2019	2017-2018
Revenue			
Membership fees	1	\$ 49,235.00	\$ 43,356.82
Events admission (except HTD)	2	\$ 10,868.64	\$ 4,442.05
High table dinner	3	\$ 89,411.36	\$ 96,054.55
Sponsorship	4	\$ 441,654.18	\$ 165,469.55
Other income		\$ -	\$ -
Total revenue		\$ 591,169.18	\$ 309,322.95
Expenses			
Student welfare	1	\$ 61,014.23	\$ 42,557.63
Activities (except HTD)	2	\$ 90,949.12	\$ 52,745.97
High table dinner	3	\$ 205,528.75	\$ 201,378.38
External liaison	5	\$ 114,175.14	\$ 6,286.30
General and administrative	6	\$ 13,316.48	\$ 2,206.57
Sub-organization funding	7	\$ 8,209.04	\$ 585.20
Total expenses		\$ 493,192.76	\$ 305,760.06
Net income	8	\$ 97,976.42	\$ 3,562.90

1. Postgraduate Student Association charges HK\$100 for the Full Membership. For convenience, the price in CNY is ¥90 regardless of the exchange rate. During the year, more than 600 postgraduate students were attracted to become new Full Members; however, due to the drawback of our webpage, some students might not have completed their payment procedure after registration. The total membership fee is greater than last year, showing a better performance in attracting students to join as Full Members. Besides, a student who was not a Full Member and came to the Graduation High Table Dinner paying the regular price was given Full Membership if he/she requests. Therefore, the increment of Full Membership during the year is more than this total membership fee value suggests. Student welfare involves giftpacks and souvenirs distributed to members. In Session 17-18, the cost in student welfare was slightly lower than the total membership fee collected. In this year, the Association has raised the value of the giftpacks and rewarded our members with more than what they have paid for membership fees.
2. Events admission (except HTD) includes the following events that charged fees for admission: Bus Tour Hong Kong (Sep 8, 2018), Single Day Party (Nov 11, 2018), and Christmas Feast (Dec 21, 2018). The expenses of all activities (except HTD) include the

events that did not charge admission fees. More activities were held in this year than last year.

3. The Graduation High Table Dinner (HTD) is usually the largest event in a year. This year, about 400 students were hosted in Loke Yew Hall, Main Building. The revenue of HTD (\$89,411.36) is slightly lower than last year (\$96,054.55) because we reduced the price. The total expenses of HTD (\$205,528.75) are higher than last year (\$201,378.38) as we raised the standard of the menu and the prizes.
4. Sponsorship is the main source of our funding, as all the membership fees were rewarded back to our members. Sponsorship comes from cooperation with companies, universities, and NGOs in events such as recruitment talk, career training, brand promotion and so on. The total sponsorship received this year (\$441,654.18) is more than doubled of last year (\$165,469.55) mainly because the Career Development Office held two times more campus recruitment events than last year, which also helped a lot of postgraduate students find their jobs.
5. The expenses of external liaison involve the cost of hosting visitors from other universities and visiting the postgraduate organizations of other universities. In this year, the Association has actively strengthened the relationship with companion student organizations in the US, Singapore, Taiwan, Macau, and Mainland China. It not only helped the Association to learn operation experiences from those companion student organizations but allowed the Association to promote its idea and experiences to others.
6. General and administrative expenses include the cost of printing posters, banners, and business cards, office utilities, decoration materials, and various other administrative stuff.
7. Sub-organization funding is used to support the affiliated societies of the Association. This year, more societies became aware of this policy and managed to apply for this funding.
8. As a non-profit organization, the net income of this year (\$97,976.42) shall be retained for next year's operation. The Association can moderately raise its expenses to hold more and better events to enhance the extracurricular life of the postgraduate students, serve the postgraduate students, and support the sub-organizations.

Other notes:

1. Centre of Development and Resources for Students (CEDARS) of HKU provides the Association with a Virtual Budget of \$26,000 for space booking on campus every year.
2. Graduate School of HKU offers the Association with a funding of \$5,000 per semester for holding academic events.
3. The *Statement of Cash Flow* and the *Statement of Changes in Equity* are omitted as the Association's cash flow and equity categorizations are dull and straightforward.