

SHARE-HAPPINESS BENEVOLENT FUND LIMITED
(Incorporated in Hong Kong as a limited by guarantee and not having
a share capital)

REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2007

樂群慈善基金有限公司
(於香港註冊成立無股本的擔保有限公司)

報告書及財務報表

截至二零零七年三月三十一日止年度

RAYMOND S. W. HO & CO.
CERTIFIED PUBLIC ACCOUNTANTS (PRACTISING)

何成偉會計師事務所
香港執業會計師

SHARE-HAPPINESS BENEVOLENT FUND LIMITED
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SHARE-HAPPINESS BENEVOLENT FUND LIMITED

樂群慈善基金有限公司

DIRECTORS' REPORT

董事局報告書

FOR THE YEAR ENDED 31 MARCH 2007

截至二零零七年三月三十一日止年度

The directors have pleasure in presenting their report and the audited financial statements of the Company for the year ended 31 March 2007.

董事局欣然提呈本公司截至二零零七年三月三十一日止年度之報告書及經審核財務報表。

PRINCIPAL ACTIVITIES

主要業務

The Company is engaged in fund raising to support the operations of digging wells and providing water pipes for the needed; helping the desperate ones and rebuilding collapsing schools in the People's Republic of China.

本公司主要宗旨為籌募捐款幫助中國貧困地區村民改善食水、掘井及鋪設水管之問題；幫助貧困人士及為國內危校進行重建工程。

RESULTS

業績

The surplus of the Company for the year ended 31 March 2007 are set out in the income and expenditure account on page 5.

本公司截至二零零七年三月三十一日止年度之盈餘刊載於第五頁的收支賬目表中。

FUNDS

基金

Details of movements in funds are set out in the statement of changes in fund balances on page 6.

本公司之基金變動詳情載於第六頁之基金變動表。

DIRECTORS

董事

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

於本年度內及截至本報告書日期止，本公司董事局成員如下：

Mr. SIU Chong
Mr. ZHANG Shi Bing
Mr. CHENG Tat Keung, Albert
Mr. TSAO Lung Yuen (Appointed on 31 August 2006)
Mr. LIU Wing Sun (Resigned on 31 August 2006)

蕭莊先生
章詩炳先生
鄭達強先生
曹龍元先生 (於二零零六年八月三十一日獲委任)
廖永生先生 (於二零零六年八月三十一日辭任)

In accordance with Article 39 of the Company's Articles of Association, the director's term of office shall be 3 years. One fourth of the directors or the number of directors elected by the resolution of the Board of Directors shall retire in the third Annual General Meeting, subsequently in every third Annual General Meeting.

根據本公司組織章程細則第三十九條，每屆董事之任期為三年。在本公司的第三次周年大會上及在其後每三年的周年大會上，董事應按四分之一的人數或董事局決議確定的人數卸任。

DIRECTORS' INTERESTS IN CONTRACTS

董事之合約權益

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

本公司概無參與訂立任何本公司董事在其中擁有重大權益且與本公司業務有直接或間接關連，而於本年度年結日或於本年度內任何時間仍然有效之重大合約。

MANAGEMENT CONTRACTS

管理合約

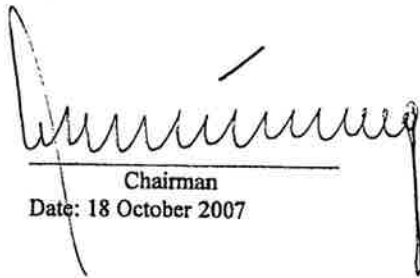
No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

本年度內，本公司並無就整體業務或任何重要業務之管理或行政工作簽訂或存在任何合約。

AUDITORS

Messrs. Raymond S. W. Ho & Co., Certified Public Accountants (Practising), who retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of Messrs. Raymond S. W. Ho & Co., Certified Public Accountants (Practising) as honorary auditors of the Company is to be proposed at the forthcoming Annual General Meeting.

By order of the Board




Chairman
Date: 18 October 2007

核數師

何成偉會計師事務所任滿告退，惟符合資格並願膺選連任。本公司將於應屆會員大會上提呈決議案，續聘何成偉會計師事務所為本公司之義務核數師。

承董事會命



主席
日期：二零零七年十月十八日



INDEPENDENT HONORARY AUDITOR'S REPORT

**TO THE MEMBERS OF SHARE-HAPPINESS
BENEVOLENT FUND LIMITED**

(Incorporated in Hong Kong as a company limited by guarantee and not having a share capital)

We have audited the financial statements of Share-Happiness Benevolent Fund Limited set out on pages 5 to 11, which comprise the balance sheet as at 31 March 2007, and the income and expenditure account, statement of changes in fund balances and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the financial statements

The directors are responsible for the preparation and the true and fair presentation of these financial statements in accordance with Hong Kong Financial Reporting Standards 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.

Honorary auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. This report is made solely to you, as a body, in accordance with Section 141 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the content of this report.

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.

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

獨立義務核數師報告書

致樂群慈善基金有限公司各會員

(於香港註冊成立無股本的擔保有限公司)

本核數師事務所(以下簡稱「我們」)已完成審核載於第五至十一頁樂群慈善基金有限公司之財務報表。該等報表包括於二零零七年三月三十一日資產負債表,與截至該日止年度的收支賬目表、基金變動表和現金流量表,以及主要會計政策摘要和其他附註解釋。

董事就財務報表須承擔的責任

公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港《公司條例》編製及真實而公平地列報該等財務報表。這責任包括設計、實施及維護與編製及真實而公平地列報財務報表相關的內部控制,以使財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述;選擇和應用適當的會計政策;及按情況下作出合理的會計估計。

義務核數師責任

我們之責任是根據我們的審核對該等財務報表作出意見,並按照香港《公司條例》第一百四十一條僅向整體會員報告,除此之外本報告別無其他目的。我們不會就本報告之內容向任何其他人士負責或承擔任何責任。

我們已根據香港會計師公會頒佈之香港審計準則進行審核。這些準則要求我們遵守道德規範,並規劃及執行審核,以合理確定此等財務報表是否不存在有任何重大錯誤陳述。

審核涉及執程序以獲取有關財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷,包括評估由於欺詐或錯誤而導致財務報表存有重大錯誤陳述的風險。在評估該等風險時,核數師考慮與該公司編製及真實而公平地列報財務報表相關的內部控制,以設計適當的審核程序,但並非為對公司的內部控制的效能發表意見。審核亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性,以及評價財務報表的整體列報方式。

我們相信,我們所獲得的審核憑證是充足和適當地為我們的審核意見提供基礎。



RAYMOND S. W. HO & CO. CERTIFIED PUBLIC ACCOUNTANTS (PRACTISING)

何成偉會計師事務所

Opinion

In our opinion, the financial statements give a true and fair view of the state of the Company's affairs as at 31 March 2007 and of its surplus and cash flows for the year ended 31 March 2007 in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the Hong Kong Companies Ordinance.

Raymond S. W. Ho & Co.
Certified Public Accountants (Practising)
Room 3602, 36/F., Tower Two, Lippo Centre
89 Queensway, Hong Kong

18 October 2007

意見

我們認為，該等財務報表已根據香港財務報告準則真實而公平地反映公司於二零零七年三月三十一日的事務狀況及公司截至該日止年度的盈餘及現金流量，並已按照香港《公司條例》妥為編製。

何成偉會計師事務所
香港執業會計師
香港金鐘道八十九號力寶中心二座
三十六樓三六零二室

二零零七年十月十八日

SHARE-HAPPINESS BENEVOLENT FUND LIMITED

樂群慈善基金有限公司

INCOME AND EXPENDITURE ACCOUNT

收支賬目表

FOR THE YEAR ENDED 31 MARCH 2007

截至二零零七年三月三十一日止年度

		2007 HK\$ 港幣	2006 HK\$ 港幣
INCOME	收入		
Donations received	捐款收入	1,946,589	1,516,206
LESS: DIRECT EXPENDITURE	減：直接支出		
Digging well engineering	打井工程	74,655	90,152
Relieving the flood victims	賑濟水災災民	418,149	-
Releasing subsidies to orphan and disable	助殘輔孤	376,137	-
Sponsoring school fee	尖子計劃	29,290	-
Children education program	助學金	22,933	8,984
Rebuilding collapsing school project	危校重建工程	752,802	1,029,181
School uniform and books subsidies	校服及書本津貼	11,291	26,725
Endowment to desperate children	資助困難兒童	-	9,434
Endowment to desperate elders	資助困難長者	1,512	-
Teacher award	教師獎勵金	14,113	-
Subsidizing operating expenses for schools	資助學校費用	47,721	1,415
Donation to rest home	敬老院捐款	29,586	28,302
		<u>1,778,189</u>	<u>1,194,193</u>
		168,400	322,013
ADD: OTHER INCOME	加：其他收入		
Bank interest income	銀行利息收入	7,795	4,916
		176,195	326,929
LESS: OTHER EXPENDITURE	減：其他支出		
Auditors' remuneration	核數師酬金	-	-
Bank charges	銀行手續費	1,745	856
Overseas traveling	海外差旅費	51,673	12,567
Postage	郵費	93	-
Printing and stationery	印刷及文具	2,923	2,307
Salaries	薪酬	21,022	16,981
Sundry expenses	雜項費用	394	6,361
Telephone	電話費用	1,249	1,415
		<u>79,099</u>	<u>40,487</u>
SURPLUS FOR THE YEAR	本年度盈餘	<u>97,096</u>	<u>286,442</u>
Transferred to	結餘轉到		
The drinking water and assistance fund	食水及困難戶基金	19,419	57,288
The collapsing school re-construction fund	危校重建工程基金	77,677	229,154
		<u>97,096</u>	<u>286,442</u>

SHARE-HAPPINESS BENEVOLENT FUND LIMITED

樂群慈善基金有限公司

STATEMENT OF CHANGES IN FUND BALANCES

基金變動表

FOR THE YEAR ENDED 31 MARCH 2007

截至二零零七年三月三十一日止年度

		The drinking water and assistance fund 食水及困難 戶基金 HK\$ 港幣	The collapsing school re-construction fund 危校重建工程 基金 HK\$ 港幣	Currency translation reserve 外幣兌換 儲備 HK\$ 港幣	Total 合計 HK\$ 港幣
At 1 April 2005	於二零零五年四月一日	751,834	381,632	-	1,133,466
Surplus for the year	本年度盈餘	57,288	229,154	-	286,442
Currency translation differences	匯兌差額	-	-	17,707	17,707
At 31 March 2006 and 1 April 2006	於二零零六年三月三十一日 及二零零六年四月一日	809,122	610,786	17,707	1,437,615
Surplus for the year	本年度盈餘	19,419	77,677	-	97,096
Currency translation differences	匯兌差額	-	-	57,649	57,649
At 31 March 2007	於二零零七年三月三十一日	828,541	688,463	75,356	1,592,360

SHARE-HAPPINESS BENEVOLENT FUND LIMITED

樂群慈善基金有限公司

BALANCE SHEET

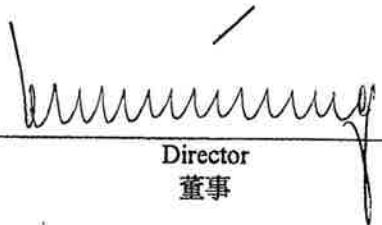
資產負債表

AT 31 MARCH 2007

於二零零七年三月三十一日

		Note	2007	2006
		附註	HK\$	HK\$
			港幣	港幣
Current assets	流動資產			
Cash and bank balances	現金及銀行結餘		1,592,360	1,437,615
Net current assets	淨流動資產		<u>1,592,360</u>	<u>1,437,615</u>
Financed by:	財政來源			
Funds	基金	(4)	<u>1,592,360</u>	<u>1,437,615</u>

Approved by the Board of Directors on 18 October 2007
董事會於二零零七年十月十八日核准。



Director
董事



Director
董事

The accompanying notes form an integral part of these financial statements.
所有附註乃為本財務報表之一部份。

SHARE-HAPPINESS BENEVOLENT FUND LIMITED

樂群慈善基金有限公司

CASH FLOW STATEMENT

現金流量表

FOR THE YEAR ENDED 31 MARCH 2007

截至二零零七年三月三十一日止年度

		2007	2006
		HK\$	HK\$
		港幣	港幣
Cash flows from operating activities	經營活動現金流量		
Surplus for the year	本年度盈餘	97,096	286,442
Adjustment for:	就下列各項之調整:		
Bank interest income	銀行利息收入	(7,795)	(4,916)
Surplus from operations before movements in working capital	營運資金變動前之經營盈餘	89,301	281,526
Decrease in accrued expenses	應計費用減少	-	(10,738)
Net cash generated from operating activities	經營活動之現金流入淨額	89,301	270,788
Cash flows from investing activities	投資活動現金流量		
Interest received	銀行利息收入	7,795	4,916
Net cash generated from operating activities	投資活動之現金流入淨額	7,795	4,916
Cash flows from financing activities	融資活動現金流量		
Currency translation differences	外幣匯率變動之影響	57,649	17,707
Net cash generated from financing activities	融資活動之現金流入淨額	57,649	17,707
Net increase in cash and cash equivalents	現金及現金等值項目增加	154,745	293,411
Cash and cash equivalents at the beginning of the year	於年初現金及現金等值項目之結餘	1,437,615	1,144,204
Cash and cash equivalents at the end of the year	於年終現金及現金等值項目之結餘	1,592,360	1,437,615
Analysis of the balance of cash and cash equivalents	現金及現金等值項目之結餘分析		
Cash and bank balances	現金及銀行結餘	1,592,360	1,437,615

SHARE-HAPPINESS BENEVOLENT FUND LIMITED

樂群慈善基金有限公司

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

FOR THE YEAR ENDED 31 MARCH 2007

截至二零零七年三月三十一日止年度

**1. STATUS AND PRINCIPAL ACTIVITIES
OF THE COMPANY**

1. 公司狀況及主要業務

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

本公司是一間於香港註冊成立之無股本的擔保有限公司。

The address of its registered office is Room 3602, 36/F., Tower Two, Lippo Centre, 89 Queensway, Hong Kong.

本公司註冊地址為香港金鐘道八十九號力寶中心二座三十六樓三六零二室。

Every member of the Company undertakes to contribute to the assets of the Company in the event of the same being wound up during the time he or she is a member or within one year after he or she ceases to be a member, for payment of the debts and liabilities of the Company contracted before the time at which he or she ceases to be a member and of the costs, charges and expenses of winding up the same and for the adjustment of the rights of the contributories amongst themselves such amount as may be required not exceeding HK\$100.

公司每名成員均承諾於公司在其身為成員期間或不再是成員之後一年內，一旦清盤，分擔提供不超過港幣一百元的所需款額予公司的資產，以用於償付公司於其仍為成員期間所訂約承擔的債項及債務，支付清盤的費用、收費和開支以及用於調整分擔人彼此之間的權利。

The Company is engaged in fund raising to support the operations of digging wells and providing water pipes for the needed; helping the desperate ones and rebuilding collapsing schools in the People's Republic of China.

本公司主要宗旨為籌募捐款幫助中國貧困地區村民改善食水、掘井及鋪設水管之問題；幫助國內貧困人仕及為國內危校進行重建工程。

These financial statements are presented in units of Hong Kong Dollars (HK\$), unless otherwise stated. These financial statements have been approved for issue by the Board of Directors on 18 October 2007.

除特別註明貨幣外，本財務報表乃以港幣(HK\$)編製。本報表已經由董事局在二零零七年十月十八日批准刊發。

2. SIGNIFICANT ACCOUNTING POLICIES

2. 主要會計政策

(a) Basis of preparation

(a) 編製基準

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the year presented, unless otherwise stated.

編製本財務報表採用的主要會計政策載於下文。除另有說明外，此等政策在所呈報的所有年度內貫徹應用。

The financial statements have been prepared in accordance with new and revised Hong Kong Financial Reporting Standards ("HKFRSs"), Hong Kong Accounting Standards ("HKASs") and Interpretations ("HK (SIC)-Ints") (collectively the "new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants which are effective for accounting periods beginning on or after 1 January 2005. They have been prepared under the historical cost convention.

本公司採納由香港會計師公會所頒佈而於二零零五年一月一日或之後開始之會計期間有效之新訂及經修訂香港財務報告準則(「香港財務報告準則」)、香港會計準則(「香港會計準則」)及詮釋(以下統稱「新香港財務報告準則」)。賬目並依據歷史成本常規法編製。

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. 主要會計政策 (續)

(b) Revenue recognition

Donations and contributions received from fund raising activities are recognised in the accounts on cash basis and includes all sums received up to the balance sheet date.

Interest income is recognised on a time proportion basis, taking into account the principal amounts outstanding and the interest rates applicable.

(c) Taxation

The Company is exempted under Section 88 of The Inland Revenue Ordinance from any tax levied in Hong Kong by reason of being a charitable institution.

(d) Foreign currency transaction

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The functional currency of the Company is Renminbi. The financial statements are presented in HK Dollars, which is the Company's presentation currency.

(ii) Transactions and balances

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 of monetary assets and liabilities denominated in foreign currencies at the exchange rates ruling at the balance sheet date are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges or qualifying net investment hedges.

As the functional currency is different from the presentation currency (none of which is currency under a hyperinflationary economy) the results and financial position of the Company are translated into the presentation currency as follows:

- assets and liabilities for the balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for the income statement are translated at average exchange rates; and
- all resulting exchange difference are recognised as a separate component of equity.

(b) 收入確認

認捐之款項以現金實收之款項計算，並包括所有截至結算日所收到之數目。

利息收入是根據未償還之本金金額及適用利率按時間比例確認入賬。

(c) 稅項

根據香港《稅務條例》第八十八條，本公司作為慈善機構可豁免香港稅項。

(d) 外幣匯兌

(i) 功能和列賬貨幣

本財務報表所列項目均以本公司營運所在的主要經濟環境的貨幣計量(「功能貨幣」)。財務報表以港幣呈報，港幣為本公司列賬貨幣。人民幣則為本公司的功能貨幣。

(ii) 交易及結餘

外幣交易按交易當日的匯率兌換為功能貨幣。除了符合在權益中遞延入賬之現金流量對沖和淨投資對沖外，因結算交易及按結算日匯率換算外幣資產及負債所產生之外幣匯兌盈虧均於損益表確認。

由於功能貨幣與列賬貨幣不同(當中沒有嚴重通脹貨幣)，本公司的業績和財務狀況按如下方法換算為列賬貨幣：

- 呈報的資產負債表內的資產和負債按該資產負債表日期的收市匯率換算；
- 損益表內的收入和費用按交易日期的平均匯率換算；及
- 所有由此生產的匯兌差額確認為權益的獨立組成項目。

SHARE-HAPPINESS BENEVOLENT FUND LIMITED

樂群慈善基金有限公司

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

FOR THE YEAR ENDED 31 MARCH 2007

截至二零零七年三月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. 主要會計政策 (續)

(e) The drinking water and assistance fund

The main purposes of the drinking water and assistance fund is to provide clean drinking water by digging wells and providing water pipes in the poor villages, and to offer financial help to the desperate and needed ones in the People's Republic of China.

(e) 食水及困難戶基金

本基金主要目的是協助中國貧困地區改善村民食水，掘井及鋪設水管之問題，並為貧困人士提供經濟上援助。

(f) The collapsing school re-construction fund

The main purposes of the collapsing school re-construction fund is to rebuild the collapsing school in the People's Republic of China.

(f) 危校重建工程基金

本基金主要目的是為國內危校進行重建工程。

3. DIRECTORS' REMUNERATION

3. 董事之酬金

Remuneration of the directors disclosed pursuant to Section 161 of the Companies Ordinance is as follows:

以下為根據公司條例第 161 條披露之董事酬金：

	2007 HK\$	2006 HK\$
Fees	Nil	Nil
Other emoluments	Nil	Nil

	二零零七年 港幣	二零零六年 港幣
袍金	無	無
其他酬金	無	無

4. FUNDS

4. 基金

Details of movements in funds are set out in the statement of changes in fund balances on page 6.

本公司之基金變動詳情載於第六頁之基金變動表。

5. COMMITMENTS

5. 承擔

	2007 HK\$	2006 HK\$
Rebuilding collapsing school project - contracted but not provided for	435,203	57,448

	二零零七年 港幣	二零零六年 港幣
危校重建工程 - 已簽約但未撥備入賬	435,203	57,448