

AGAINST CHILD ABUSE LIMITED
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2020



S. Y. YANG & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

HONG KONG

AGAINST CHILD ABUSE LIMITED
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2020

C O N T E N T S

	<u>Pages</u>
Report Of The Executive Committee Members	1 - 2
Independent Honorary Auditor's Report	3 - 6
Statement Of Financial Position	7
Statement Of Income And Expenditure And Other Comprehensive Income	8 - 9
Statement Of Cash Flows	10
Notes To The Financial Statements	11 - 24

AGAINST CHILD ABUSE LIMITED
REPORT OF THE EXECUTIVE COMMITTEE MEMBERS FOR 2019/2020

The Executive Committee Members have the pleasure in presenting their annual report and the audited financial statements of the Organisation for the year ended 31st March, 2020.

Principal Activities

The principal activities of the Organisation during the year were to work for the prevention of all forms of child abuse and child neglect and to make remedial measures when they occurred.

Financial Affairs

The state of the Organisation's affairs at 31st March, 2020 is set out in the statement of financial position on page 7. The statement of income and expenditure and other comprehensive income for the year are set out on pages 8 to 9.

Executive Committee Members

The Executive Committee Members during the year and up to the date of this report were as follows:-

Dr. Patrick Cheung
Mr. James Ng
Mr. Nicholas Jim
Dr. Patricia Ip
Dr. Gladys Lam
Dr. Patrick Ip
Mr. Kwok Ka Keung
Mr. Ying Wan Chong
Dr. Hermia Chiu
Dr. Anna Cheng (appointed on 24th October, 2019)

In accordance with Article 42 and 43 of the Organisation's Articles of Association, one-third of the members of the Committee, or if their number is not a multiple of three then the number nearest to one-third, shall retire by rotation but, being eligible, offer themselves for re-election.

At no time during the year was the Organisation a party to any arrangements to enable the Executive Committee Members of the Organisation to acquire benefits by means of acquisition of shares in or debentures of any other body corporate.

No contracts of significance to which the Organisation was a party and in which any Executive Committee Members had a material interest subsisted at the end of the year or at any time during the year.

AGAINST CHILD ABUSE LIMITED
REPORT OF THE EXECUTIVE COMMITTEE MEMBERS FOR 2019/2020

Auditors

The financial statements have been audited by Messrs. S. Y. Yang & Company who have kindly consented to serve as Honorary Auditors for the ensuing year.

On Behalf Of The Executive Committee



Patrick Cheung (Dr.)
Chairperson

Hong Kong : 31st July, 2020

INDEPENDENT HONORARY AUDITOR'S REPORT TO THE MEMBERS
OF
AGAINST CHILD ABUSE LIMITED
(Incorporated In Hong Kong With Limited Liability)

Report On The Audit Of The Financial Statements

Opinion

We have audited the financial statements of Against Child Abuse Limited ("the Organisation") set on pages 7 to 24, which comprise the statement of financial position as at 31st March, 2020 and the statement of income and expenditure and other comprehensive income, and the statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Organisation as at 31st March, 2020, and of its financial performance and its cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") 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") 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 Organisation 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 Executive Committee Members are responsible for the other information. The other information comprises all the information, other than 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS
OF
AGAINST CHILD ABUSE LIMITED
(Incorporated In Hong Kong With Limited Liability)

**Information Other Than The Financial Statements And Auditor's Report Thereon
(Cont'd)**

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.

Responsibilities Of Executive Committee Members And Those Charged With Governance For The Financial Statements

The Executive Committee Members are responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the Executive Committee Members 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 Executive Committee Members are responsible for assessing the Organisation'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 Executive Committee Members either intend to liquidate the Organisation or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organisation's financial reporting process.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS
OF
AGAINST CHILD ABUSE LIMITED
(Incorporated In Hong Kong With Limited Liability)

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. This report is made solely to you, as a body, in accordance with Section 405 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 contents of this report.

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 judgement and maintain professional scepticism 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 Organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Executive Committee Members.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

OF

AGAINST CHILD ABUSE LIMITED

(Incorporated In Hong Kong With Limited Liability)

Auditor's Responsibilities For The Audit Of The Financial Statements (Cont'd)

- Conclude on the appropriateness of the Executive Committee Members' 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 Organisation'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 Organisation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.



S. Y. Yang & Company
Certified Public Accountants (Practising)

Hong Kong : 31st July, 2020

AGAINST CHILD ABUSE LIMITED

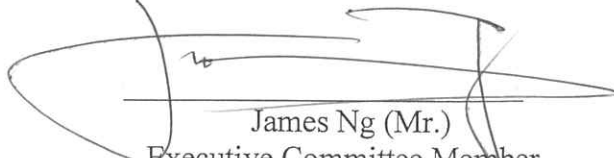
STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH, 2020

	<u>Note</u>	<u>2020</u> HK\$	<u>2019</u> HK\$
<u>Non-current Assets</u>			
Property, plant and equipment	4	8,849,590	8,859,704
<u>Current Assets</u>			
Deposits		135,780	135,780
Accounts receivable		2,923,366	1,265,065
Prepayment		31,046	554,275
Bank balance		6,686,552	8,122,279
Cash balance		13,000	13,000
		9,789,744	10,090,399
<u>Less : Current Liabilities</u>			
Accounts payable		343,701	106,288
Receipt in advance		496,358	307,090
		840,059	413,378
<u>Net Current Assets</u>		8,949,685	9,677,021
<u>Net Assets</u>		17,799,275	18,536,725
<u>Represented by :</u>			
General fund	5	2,444,265	2,836,139
Specific funds	6	6,505,420	6,840,882
Capital reserve	7	8,849,590	8,859,704
<u>Total Funds And Reserve</u>		17,799,275	18,536,725

Approved and authorised for issue by the Committee of Executive Members on 31st July, 2020.



Patrick Cheung (Dr.)
Executive Committee Member



James Ng (Mr.)
Executive Committee Member

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

AGAINST CHILD ABUSE LIMITED
STATEMENT OF INCOME AND EXPENDITURE AND
OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST MARCH, 2020

	<u>Note</u>	<u>2020</u> HK\$	<u>2019</u> HK\$
<u>Income</u>			
The Community Chest		7,080,100	6,873,800
Social Welfare Department			
- Lump sum grant		2,543,276	2,427,191
- Subvention for rent and rates		35,746	33,514
- Lotteries Fund Block Grant	8	37,008	36,000
The HK Jockey Club Charities Trust			
- General		1,054,944	1,369,400
Charity run	9	385,771	-
Flag day	10	-	946,107
Project income	11	6,150,515	4,675,778
Programme fees		358,999	612,433
Donation			
- For general purposes	12	649,162	439,661
Interest income		27,615	32,386
Membership fee		21,815	10,340
Miscellaneous income		48,615	79,237
Total Income		<u>18,393,566</u>	<u>17,535,847</u>

AGAINST CHILD ABUSE LIMITED
STATEMENT OF INCOME AND EXPENDITURE AND
OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST MARCH, 2020

	<u>Note</u>	<u>2020</u> HK\$	<u>2019</u> HK\$
<u>Expenditure</u>			
Salaries and allowances	13	9,640,052	8,843,074
Administration		609,142	608,423
Rent and rates		931,469	878,112
Transportation		114,288	105,958
Public education programmes		569,068	486,576
Charity run	9	428,151	-
Flag day	10	-	76,970
Project expenditure	14	6,534,038	5,054,975
Repair and maintenance		145,275	180,862
Fitting out and equipment			
- General		84,663	16,957
- Lotteries Fund Block Grant	8	7,286	36,000
Staff training and development	13	-	12,958
Miscellaneous		57,470	40,298
Depreciation		10,114	10,114
Total Expenditure		<u>19,131,016</u>	<u>16,351,277</u>
<u>Total (Deficit)/Surplus Before Transfer</u>			
<u>To Reserves</u>	15	(737,450)	1,184,570
Transfers from/(to) reserves:			
Development & Emergency Fund		-	(500,000)
Protection of Angels Fund		-	2,139
Staff Cost Fund		-	(500,000)
Capital Reserve	7	10,114	10,114
Dr. Jessica Ho Child Protection Memorial Fund		3,450	5,700
Ms. Eliza Yau Memorial Fund		(121,261)	-
The HK Jockey Club Charities Trust Surplus Fund		353,174	(140,220)
SWD Special Grant to Step up Preventive Measures		(10,000)	-
Lotteries Fund Block Grant Surplus Fund		(29,722)	8,781
Social Welfare Development Fund Phase III (Scope A)		158,083	(35,097)
Social Welfare Development Fund Phase III (Scope B)		(128)	392,008
Social Welfare Department Provident Fund Surplus Fund		(18,134)	(37,292)
Financial Assistance Program		-	5,666
(Deficit)/Surplus for the year		<u>(391,874)</u>	<u>396,369</u>

AGAINST CHILD ABUSE LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH, 2020

	<u>2020</u> HK\$	<u>2019</u> HK\$
<u>Operating activities</u>		
(Deficit)/Surplus from operating activities	(737,450)	1,184,570
Depreciation	10,114	10,114
Interest received	(27,615)	(32,386)
	<hr/>	<hr/>
Operating cash flows before movements in working capital	(754,951)	1,162,298
Increase in accounts receivable	(1,658,301)	(108,128)
Decrease/(Increase) in prepayment	523,229	(532,665)
Increase/(Decrease) in accounts payable	237,413	(92,517)
Increase in receipt in advance	189,268	262,800
	<hr/>	<hr/>
Net cash (used in)/generated from operating activities	(1,463,342)	691,788
	<hr/>	<hr/>
<u>Investing activities</u>		
Interest received	27,615	32,386
	<hr/>	<hr/>
Net cash generated from investing activities	27,615	32,386
	<hr/>	<hr/>
Net (decrease)/increase in cash and cash equivalents	(1,435,727)	724,174
Cash and cash equivalents at 1st April	8,135,279	7,411,105
	<hr/>	<hr/>
Cash and cash equivalents at 31st March	6,699,552	8,135,279
	<hr/>	<hr/>
<u>Analysis of balance of cash and cash equivalents</u>		
Cash at bank	6,686,552	8,122,279
Cash in hand	13,000	13,000
	<hr/>	<hr/>
	6,699,552	8,135,279
	<hr/>	<hr/>

AGAINST CHILD ABUSE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

1) General Information

The Organisation is a limited by guarantee company incorporated in Hong Kong. The address of its registered office is Flat 107-108, G/F., Wai Yuen House, Chuk Yuen (North) Estate, Wong Tai Sin, Kowloon. The principal activities of the Organisation were to work for the prevention of all forms of child abuse and child neglect and to make remedial measures when they occurred.

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (HKFRSs) which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (HKASs) and interpretations issued by the Hong Kong Institute of Certified Public Accountants (HKICPA), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance.

2) Adoption Of New And Amendments To Hong Kong Financial Reporting Standards

The HKICPA has issued a number of new HKFRSs and amendments to HKFRSs that are first effective for the current accounting period of the Organisation.

The Organisation has not applied any new standard of interpretation that is not yet effective for the current accounting period.

3) Significant Accounting Policies

a) Basis Of Preparation

The measurement basis used in the preparation of the financial statements is the historical cost basis, except for fair value measurement of certain financial assets.

The preparation of financial statements in conformity with HKFRSs requires committee members to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

b) Recognition Of Income And Expenditure

Income is recognised upon cash received (other than the accounts receivable). Expenditure is recognised when it is incurred.

AGAINST CHILD ABUSE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

3) Significant Accounting Policies (Cont'd)

c) Property, Plant And Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of a property, plant and equipment comprises its purchase price and any direct costs of bringing the property, plant and equipment to its working condition and location. Ongoing repair and maintenance expenses are charged to the income and expenditure statement.

Depreciation on property, plant and equipment is depreciated over the unexpired of lease terms of land and building.

Fitting out and equipment costs are written off to the statement of comprehensive income and expenditure in the year of purchases.

d) Cash And Cash Equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less.

e) Revenue Recognition

Government subventions and grants are accounted for on accrual basis.

Donations are accounted for a cash received basis.

Programme and membership fees are recognised in the accounting period to which the fees are related.

Project income is recognised in the accounting period in which the project is completed.

Interest income is accrued using the effective interest method.

f) Staff Cost

i) Mandatory provident fund scheme

Employer's contributions to the Mandatory Provident Fund scheme are charged to the Organisation's statement of income and expenditure for the year.

ii) Short-term employee benefit

Salaries, bonuses, paid annual leave are recognised in the year in which the associated services are rendered by employees.

AGAINST CHILD ABUSE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

3) Significant Accounting Policies (Cont'd)

g) Related Parties

A party is considered to be related to the Organisation if:-

- i) the party has the ability, directly or indirectly through one or more intermediaries, to control the company or exercise significant influence over the Organisation in making financial and operating decisions, or vice versa, or where the Organisation and the party are subject to common control or common significant influence;
- ii) the party is an associate of the Organisation;
- iii) the party is a joint venture in which the Organisation is a venture;
- iv) the party is a member of the key management personnel of the Organisation or its parent;
- v) the party is a close member of the family of any individual referred to in i) or iv);
- vi) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in iv) or v); or
- vii) the party is a post-employment benefit plan for the benefit of employees of the group, or of any entity that is a related party of the Organisation.

h) Taxation

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

i) Operating Lease

Leases where substantially all the risks and rewards of ownership of assets remain with the leasing company are accounted for as operating leases. Payments made under operating lease are charged to the Organisation's statement of income and expenditure account on a straight-line basis over the lease period.

AGAINST CHILD ABUSE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

3) Significant Accounting Policies (Cont'd)

j) Impairment Of Assets

At the end of the reporting period, the Organisation reviews the carrying amounts of its tangible and intangible 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 an expense immediately, unless the relevant asset is carried at a revalued amount under another standard, in which case, the impairment loss is treated as revaluation decrease under that other standard.

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 increase 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, unless the relevant asset is carried at a revalued amount under another standard, in which case, the reversal of the impairment loss is treated as a revaluation increase under that other standard.

k) Financial Instruments

Financial assets and financial liabilities are recognised in the statement of financial position when a Organisation entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

The Organisation's financial assets include trade and other receivable which classify as subsequently measured at amortised cost using effective interest method, less allowance for credit loss. A financial asset shall be measured at amortised cost if both of the following conditions are met:

- (a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- (b) the contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

AGAINST CHILD ABUSE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

3) Significant Accounting Policies (Cont'd)

k) Financial Instruments (Cont'd)

Financial assets

Derecognition of financial assets occurs when the rights to receive cash flows from the financial assets expire or are transferred and substantially all of the risks and rewards of ownership have been transferred.

Credit losses are measured at the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Organisation in accordance with the contract and the cash flows that the Organisation expects to receive).

Financial Liabilities

Financial liabilities include bank and other borrowings, trade payable and other monetary liabilities. All financial liabilities are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, they are subsequently measured at amortised cost using the effective interest method. Financial liabilities are derecognised when they are extinguished, i.e. when the obligation is discharged or cancelled, or expires.

4) Property, Plant And Equipment

Land And Building In HK
Under Long-Term Lease
 HK\$

Cost

Balance as at 1/4/2018, 31/3/2019, 1/4/2019 and 31/3/2020	8,948,920
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Accumulated Depreciation

Balance as at 1/4/2018	79,102
Charge for the year	10,114

Balance as at 31/3/2019 and 1/4/2019	89,216
Charge for the year	10,114

Balance as at 31/3/2020	99,330
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Net Book Value

At 31/3/2020	8,849,590
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At 31/3/2019	8,859,704
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AGAINST CHILD ABUSE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

5) General Fund

	<u>2020</u> HK\$	<u>2019</u> HK\$
Balance brought forward	2,836,139	2,439,770
Transfer from income and expenditure statement	(391,874)	396,369
Balance carried forward	<u>2,444,265</u>	<u>2,836,139</u>

6) Specific Funds

		Balance As At <u>1/4/2019</u> HK\$	Net Movement HK\$	Balance As At <u>31/3/2020</u> HK\$
Development & Emergency Fund	(a)	2,994,241	-	2,994,241
Staff Cost Fund	(b)	2,657,649	-	2,657,649
Social Welfare Development Fund Phase III (Scope A)	(c) & 17	228,925	(158,083)	70,842
Social Welfare Development Fund Phase III (Scope B)	(c) & 17	167,823	128	167,951
SWD Special Grant to Step up Preventive Measures	(c)	-	10,000	10,000
Protection of Angels Fund	(d)	25,404	-	25,404
Social Welfare Department Provident Fund Surplus Fund	(e)	217,366	18,134	235,500
Dr. Jessica Ho Child Protection Memorial Fund	(f)	196,300	(3,450)	192,850
Ms. Eliza Yau Memorial Fund	(g)	-	121,261	121,261
Lotteries Fund Block Grant Surplus Fund	(h)	-	29,722	29,722
The HK Jockey Club Charities Trust Surplus Fund	(i)	353,174	(353,174)	-
		<u>6,840,882</u>	<u>(335,462)</u>	<u>6,505,420</u>

a) Development & Emergency Fund

Allow the agency to use the fund for emergency purposes and to develop and implement projects not funded by major funding bodies.

b) Staff Cost Fund

To cover staff salary and honorarium in respect of services and functions not funded by major funding bodies.

AGAINST CHILD ABUSE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

6) Specific Funds (Cond't)

c) Project Funds

Project funds specifically funded by some funding bodies.

d) Protection of Angels Fund

To subsidise activities/training courses for children and to provide assistance to children in need.

e) Social Welfare Department Provident Fund Surplus Fund

The fund represented overpayment of provident fund subvention from Social Welfare Department in prior years. From the year of 2016/2017, the agency had been paying one-off MPF to the qualified staff until exhausting of the surplus fund.

f) Dr. Jessica Ho Child Protection Memorial Fund

The fund was established in October 2017 to commemorate the former late director Dr. Jessica Ho to advance child protection work in Hong Kong.

g) Ms. Eliza Yau Memorial Fund

The fund was established in July, 2019 to commemorate the former late Executive Committee Member Ms. Eliza Yau for professional development and emergency assistance for child protection in Hong Kong.

h) Lotteries Fund Block Grant Surplus Fund

To cover the furniture and equipment replenishment and minor works expenditure during the year.

i) The HK Jockey Club Charities Trust Surplus Fund

The fund is designated to support the Healthy Start Home Visiting Project for three years from 1st April, 2017 to 31st March, 2020.

7) Capital Reserve

	<u>2020</u> HK\$	<u>2019</u> HK\$
Balance brought forward	8,859,704	8,869,818
Transfer to general fund	(10,114)	(10,114)
Transfer from specific funds	-	-
Balance carried forward	<u>8,849,590</u>	<u>8,859,704</u>

AGAINST CHILD ABUSE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

8) Movement Of The F & E Replenishment And Minor Works Block Grant Reserve

	<u>2020</u> HK\$	<u>2019</u> HK\$
Balance brought forward	-	8,781
Add : Block Grant received during the year	37,000	36,000
Interest income received	8	-
Other income	-	-
	<u>37,008</u>	<u>44,781</u>
Less : Expenditure during the year		
Minor Work Projects	(1,286)	(12,400)
Furniture and Equipment	(6,000)	(32,532)
Vehicle Overhauling	-	-
	<u>(7,286)</u>	<u>(151)</u>
Contribution from NGO to cover the deficit	-	151
Balance carried forward	<u>29,722</u>	<u>-</u>

Capital Commitments

As at 31st March, 2020, the outstanding commitments in respect of F & E Replenishment and Mirror Works Grant were as follows : -

	<u>2020</u> HK\$	<u>2019</u> HK\$
Contracted for but not provided in the financial statement	-	-
Authorised but not contracted for	-	-
	<u>-</u>	<u>-</u>

9) Charity Run

There was a deficit for the charity run held on 12th January, 2020. The deficit was absorbed and transferred to general fund during the year.

Public Subscription Permit No. 2019/241/1 issued by SWD

	HK\$
Income	385,771
Expenditure	(428,151)
Deficit	<u>(42,380)</u>

AGAINST CHILD ABUSE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

10) Flag Day

The net proceed of the flag day held on 1st December, 2018 was used for:-

	<u>2020</u> HK\$	<u>2019</u> HK\$
a) Staff cost and administrative cost	-	740,098
b) Mass programme, public education and staff training & development	-	129,039
	<u>-</u>	<u>869,137</u>

11) Project Income

	<u>2020</u> HK\$	<u>2019</u> HK\$
Social Welfare Development Special Grant to Step up Preventive Measures		
- Lotteries Fund	20,000	-
Social Welfare Development Fund Phase III (Scope A)		
- Lotteries Fund	131	134,613
Social Welfare Development Fund Phase III (Scope B)		
- Lotteries Fund	128	20,151
Tuen Mun Summer Youth Programme		
- Tuen Mun District Youth Programme Committee	9,560	10,653
Good Parents' Networking Project 2018		
- Save the Children Hong Kong Limited	-	965,239
Good Parents' Networking Project 2019 - 2020		
- Save the Children Hong Kong Limited	1,539,699	369,566
Child Abuse Treatment Corner		
- Fu Tak Iam Foundation Limited	-	1,127,435
ACA Kwai Chung Child Protection Centre		
- Fu Tak Iam Foundation Limited	3,135,799	734,584
Rent Subsidy for Child Protection Service at Kwai Chung Centre		
- Fu Tak Iam Foundation Limited	694,452	694,452
Volunteer Home Visitation Service for New Arrivals		
- Keswick Foundation Limited	-	407,000

AGAINST CHILD ABUSE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

11) Project Income (Cond't)

	<u>2020</u> HK\$	<u>2019</u> HK\$
Child Protection and Treatment Project 2018		
- Hedge Funds Care (Asia) Limited	-	130,518
Child Protection and Treatment Project 2019		
- Hedge Funds Care (Asia) Limited	93,000	7,000
2019 Children's Rights Education Funding Scheme		
- Constitutional & Mainland Affairs Bureau	174,129	-
Ms. Eliza Yau Memorial Fund		
- Various Donors	121,261	-
不「虐」兒童・愛孩子服務計劃		
- Egive For You Charity Foundation Limited	205,180	-
「從家開始建設和諧社區」龍逸邨嘉年華		
- Lung Yat Estate Management Advisory Committee	-	14,996
「和諧家庭樂聚安定」安定邨嘉年華		
- On Ting Estate Management Advisory Committee	-	49,051
Shining Families Treatment Project		
- The UPS Foundation	157,176	10,520
	<u>6,150,515</u>	<u>4,675,778</u>

12) Donation – for general purposes

Included in the donation for the year ended 31st March 2019, the net proceeds of the fund-raising activities at Sun Hung Kai Properties Mall's Customer Care Centres held from 1st August, 2018 to 31st January, 2019 were used for sustaining the services of the Organisation and increase awareness of child protection during the year.

Public Subscription Permit No. 2018/165/1 issued by SWD

	HK\$
Income	27,814
Expenditure	-
Net Proceeds	<u>27,814</u>

AGAINST CHILD ABUSE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

13) Staff Cost

	<u>2020</u> HK\$	<u>2019</u> HK\$
Salaries and allowances	9,640,052	8,843,074
Staff training and development	-	12,958
	<u>9,640,052</u>	<u>8,856,032</u>

14) Project Expenditure

	<u>2020</u> HK\$	<u>2019</u> HK\$
Social Welfare Development Fund Phase III (Scope A)	158,214	99,516
Social Welfare Development Fund Phase III (Scope B)	-	412,159
SWD Provident Fund Surplus Fund	205	-
SWD Special Grant to Step up		
Preventive Measures	10,000	-
HKJC Healthy Start Surplus Fund	353,174	-
Tuen Mun Summer Youth Programme	9,560	10,653
Good Parents' Networking Project 2018	-	965,239
Good Parents' Networking Project 2019 - 2020	1,539,699	369,566
Child Abuse Treatment Corner	-	1,127,435
ACA Kwai Chung Child Protection Centre	3,135,799	734,584
Rent Subsidy for Child Protection Service at		
Kwai Chung Centre	694,452	694,452
Volunteer Home Visitation Service for New Arrivals	-	407,000
Child Protection and Treatment Project 2018	-	130,518
Child Protection and Treatment Project 2019	93,000	7,000
2019 Children's Rights Education Funding Scheme	174,129	-
SWD Block Grant Surplus Fund	-	8,781
Protection of Angels Fund	-	2,139
Financial Assistance Program	-	5,666
Dr. Jessica Ho Child Protection Memorial Fund	3,450	5,700
「從家開始建設和諧社區」龍逸邨嘉年華	-	14,996
「和諧家庭樂聚安定」安定邨嘉年華	-	49,051
不「虐」兒童・愛孩子服務計劃	205,180	-
Shining Families Treatment Project	157,176	10,520
	<u>6,534,038</u>	<u>5,054,975</u>

AGAINST CHILD ABUSE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

15) Surplus For The Year

	<u>Note</u>	<u>2020</u> HK\$	<u>2019</u> HK\$
General fund	5	(391,874)	396,369
Specific funds	6	(335,462)	798,315
Capital reserve	7	(10,114)	(10,114)
		<u>(737,450)</u>	<u>1,184,570</u>

16) Executive Committee Members' Remuneration

Executive Committee Members' remuneration disclosed pursuant to Section 383 of the Companies Ordinance is as follows :-

	<u>2020</u> HK\$	<u>2019</u> HK\$
Fees	-	-
Other emoluments	-	-
	<u>-</u>	<u>-</u>

17) Use of the Social Welfare Development Fund (SWDF) funded by Lotteries Fund

	<u>2020</u> HK\$	<u>2019</u> HK\$
(a) Balance of SWDF brought forward :	396,748	753,659
(b) Allocation from SWDF during the financial year :	-	154,454
(c) Interest received during the financial year :	259	310
	<u>397,007</u>	<u>908,423</u>
(d) Expenditure under SWDF during the year :		
1. Expenditure for projects under scope A	158,214	91,836
2. Expenditure for projects under scope B (non-IT)	-	-
3. Expenditure for projects under scope B (IT)	-	412,159
4. Expenditure for projects under scope C	-	-
5. Expenditure for administrative support	-	7,680
Total expenditure during the financial year :	<u>158,214</u>	<u>511,675</u>
(e) Balance carried forward to the next financial year:		
(e) = (a) + (b) + (c) - (d)	<u>238,793</u>	<u>396,748</u>

AGAINST CHILD ABUSE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

17) Use of the Social Welfare Development Fund (SWDF) funded by Lotteries Fund (Cont'd)

To above expenditures under the SWDF have been incurred in accordance with the requirements stipulated in SWDF Guidance Notes for Application, SWD's approval letter(s) and the procurement of projects and services are in line with the procedures specified in the Lotteries Fund Manual.

18) Operating Lease Arrangements

The Organisation leases its office and properties under operating lease arrangements. Leases for properties are negotiated for terms ranging from one to three years.

At the end of the reporting period, the Organisation had total future minimum lease payments under non-cancellable operating lease falling due as follows :

	<u>2020</u> HK\$	<u>2019</u> HK\$
Within one year	1,125,407	1,073,244
In the second to fifth year	82,600	983,807
	<u>1,208,007</u>	<u>2,057,051</u>

19) Financial Instruments By Category

	<u>Loan and receivable</u> <u>2020</u> HK\$	<u>Loan and receivable</u> <u>2019</u> HK\$
Financial assets:-		
Deposits	135,780	135,780
Accounts receivable	2,923,366	1,265,065
Bank balance	6,686,552	8,122,279
Cash balance	13,000	13,000
	<u>9,758,698</u>	<u>9,536,124</u>

Financial liabilities at amortised cost:-

	<u>2020</u> HK\$	<u>2019</u> HK\$
Accounts payable	343,701	106,288
	<u>343,701</u>	<u>106,288</u>

AGAINST CHILD ABUSE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

20) Financial Risk Management

a) Credit Risk

The Organisation has no significant concentration of credit risks. There is no credit term for account receivables.

b) Liquidity Risk

Liquidity risk refers to the risk that available funds may not be sufficient to meet obligations as they fall due.

To ensure sufficient liquidity to meet liabilities and the ability to raise funds to meet exceptional needs, the Organisation maintains sufficient cash and marketable securities and invests primarily in liquid financial markets and instruments.

The Organisation employs projected cash flow analysis to manage liquidity risk by forecasting the amount of cash and required and monitoring the working capital of the Organisation to ensure that all liabilities due and known funding requirements can be met.

c) Market Risk

The Organisation has no significant concentration of interest rate, currency and equity price risks.

d) Fair Value

All financial instruments are carried at amounts not materially different from their fair value as at 31st March, 2019 and 2020.