



# 審核財務報告

Audited Financial Statements

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHRISTIAN FAMILY SERVICE CENTRE**

(incorporated in Hong Kong and limited by guarantee)

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### *Opinion*

We have audited the consolidated financial statements of Christian Family Service Centre (the "Centre") and its subsidiary ("the Group") set out on pages 116 to 121, which comprise the consolidated statements of financial position as at 31 March, 2017, and the consolidated income and expenditure account, the consolidated statement of cash flows and the consolidated statement of changes in reserves and funds for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Centre and its subsidiary as at 31 March, 2017, and of their financial performance and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in compliance with the Hong Kong Companies Ordinance, the "Lump Sum Grant Manual", the "Guide to Social Welfare Subventions" and compiled with the requirements as stipulated by Social Welfare Department and Community Care Fund on implementing the Community Care Fund Programme and other instructions issued by the Director of Social Welfare.

### *Basis for Opinion*

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group 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.

### *Other Information*

The directors are responsible for the other information. The other information comprises the information included in the directors' report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHRISTIAN FAMILY SERVICE CENTRE**

### *Responsibilities of Directors and Those Charged with Governance for the Consolidated financial statements*

The directors of the Centre are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the Hong Kong Companies Ordinance, the "Lump Sum Grant Manual", the "Guide to Social Welfare Subventions", the requirements as stipulated by Social Welfare Department and Community Care Fund on implementing the Community Care Fund Programme and other instructions issued by the Director of Social Welfare, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group'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 directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

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

### *Auditor's Responsibilities for the Audit of the Consolidated financial statements*

Our objectives are to obtain reasonable assurance about whether the consolidated 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 HKSA's 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 consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF CHRISTIAN FAMILY SERVICE CENTRE**

- Conclude on the appropriateness of the directors' 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 Group'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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors 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.



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Fan, Chan & Co.  
Certified Public Accountants  
Hong Kong, 13 September, 2017

**CHRISTIAN FAMILY SERVICE CENTRE**  
**CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH, 2017**

|   | <b>2017</b>           | <b>2016</b>           |
|---|-----------------------|-----------------------|
|   | <b>HK\$</b>           | <b>HK\$</b>           |
| <b>Income</b>   |                       |                       |
| Social Welfare Department subvention  | 326,545,356.67        | 311,556,175.27        |
| Government Subvention (non-social welfare department)                             | 21,559,057.93         | 15,178,046.92         |
| Community Chest Allocation  | 3,607,013.44          | 3,646,873.28          |
| Hong Kong Jockey Club Charities Trust subvention                                  | 4,706,088.39          | 1,682,000.00          |
| Other project grants  | 14,165,671.19         | 8,740,501.36          |
| Fee income  | 77,601,177.78         | 69,773,519.48         |
| Programme income  | 31,354,146.18         | 27,103,502.02         |
| Donations   | 8,039,826.93          | 10,551,897.17         |
| Bank interest income  | 132,060.41            | 117,090.56            |
| Investment income   | 2,543,839.81          | 1,722,053.38          |
| Other income  | 892,279.59            | 444,147.16            |
| <b>Total income</b>   | <b>491,146,518.32</b> | <b>450,515,806.60</b> |
| <b>Deduct :</b>   |                       |                       |
| <b>Expenditures</b>   |                       |                       |
| Personal emoluments   | 341,919,193.59        | 306,389,187.72        |
| Staff incentive and allowance   | 3,143,423.86          | 3,072,757.01          |
| Staff benefits and training   | 4,081,759.59          | 4,148,778.54          |
| Administrative expenses   | 4,565,402.50          | 4,352,031.80          |
| Finance charges   | 128,868.50            | -                     |
| Utilities expenses  | 7,780,829.05          | 7,783,637.31          |
| Stores and equipment  | 29,407,755.85         | 29,885,607.19         |
| Insurance premium for office  | 3,781,660.77          | 3,295,889.87          |
| Publicity and promotion expenses  | 912,400.37            | 717,273.04            |
| Programme expenses  | 21,856,776.83         | 20,551,147.90         |
| Hire of services  | 18,247,295.12         | 13,919,182.00         |
| Transportation and travelling   | 4,102,674.67          | 3,732,689.15          |
| Food for clients  | 11,191,307.03         | 10,631,498.26         |
| Incentive payment for clients   | 1,751,456.31          | 1,109,791.34          |
| Clients' medical care and supplies  | 6,957,238.72          | 6,302,825.58          |
| Insurance premium for clients   | 100,757.30            | 115,363.60            |
| Rent and rates  | 14,644,212.76         | 14,619,196.15         |
| Miscellaneous   | 2,006,250.59          | 2,077,544.46          |
| <b>Total expenditures</b>   | <b>476,579,263.41</b> | <b>432,704,400.92</b> |
| <b>Surplus for the year before transfer to restricted and designated reserves</b> | <b>14,567,254.91</b>  | <b>17,811,405.68</b>  |

**CHRISTIAN FAMILY SERVICE CENTRE**  
**CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH, 2017**

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|                         | <b>2017</b>         | <b>2016</b>         |
|-------------------------|---------------------|---------------------|
|                         | <b>HK\$</b>         | <b>HK\$</b>         |
| <b>Transferring to:</b> |                     |                     |
| - Restricted reserves   | (3,306,854.46)      | (9,039,120.00)      |
| - Designated reserves   | (1,473,886.54)      | (994,120.98)        |
| - Unrestricted reserves | (3,820,810.52)      | (2,189,313.03)      |
| <b>General fund</b>     | <b>5,965,703.39</b> | <b>5,588,851.67</b> |

**CHRISTIAN FAMILY SERVICE CENTRE**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AT 31 MARCH, 2017**

|   | Note | 2017<br>HK\$          | 2016<br>HK\$          |
|---|------|-----------------------|-----------------------|
| <b>Non-current assets</b>                   |      |                       |                       |
| Property, plant and equipment               | (8)  | 68,825,043.25         | 42,488,422.97         |
| Available-for-sale investments              | (10) | 80,895,106.16         | 77,464,815.64         |
|   |      | 149,720,149.41        | 119,953,238.61        |
| <b>Current assets</b>                       |      |                       |                       |
| Other receivables, deposits and prepayments | (11) | 18,199,029.55         | 9,517,846.57          |
| Pledged deposits                            | (12) | 10,563,984.34         | 8,400,921.50          |
| Cash and bank balances                      | (12) | 53,589,050.38         | 93,110,950.87         |
|   |      | 82,352,064.27         | 111,029,718.94        |
| <b>Current liabilities</b>                  |      |                       |                       |
| Accruals and other payables                 | (13) | 19,063,347.22         | 14,180,221.89         |
| Deferred income                             |      | 35,785,557.40         | 38,400,675.44         |
| Bank borrowings                             | (13) | 15,000,000.00         | -                     |
|   |      | 69,848,904.62         | 52,580,897.33         |
| <b>Net current assets</b>                   |      | <b>12,503,159.65</b>  | <b>58,448,821.61</b>  |
| <b>Net assets</b>                           |      | <b>162,223,309.06</b> | <b>178,402,060.22</b> |


**CHRISTIAN FAMILY SERVICE CENTRE**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AT 31 MARCH, 2017**

|                                      | Note | 2017<br>HK\$          | 2016<br>HK\$          |
|--------------------------------------|------|-----------------------|-----------------------|
| <b>Representing: -</b>               |      |                       |                       |
| General fund                         |      |                       |                       |
| - Accumulated surplus                | (14) | 51,441,265.33         | 45,475,561.94         |
| Restricted reserves                  |      |                       |                       |
| - SWD Lump Sum Grant reserve         | (15) | 31,275,737.33         | 29,054,276.37         |
| - SWD provident fund reserve         | (16) | 32,116,593.68         | 28,040,113.10         |
| - Other restricted reserves          | (17) | (14,726,449.41)       | 20,575,803.15         |
| Capital project and restricted funds | (26) | (372,135.04)          | (765,962.36)          |
| Designated reserves                  | (30) | 9,682,055.93          | 8,208,169.39          |
| Unrestricted reserves                | (31) | 50,860,264.28         | 47,793,388.52         |
| Fair value reserve                   |      | 1,945,976.96          | 20,710.11             |
| <b>Total reserves and funds</b>      |      | <b>162,223,309.06</b> | <b>178,402,060.22</b> |

The consolidated financial statements were approved and authorised for issue by the Board on 13 September, 2017 and are signed on its behalf by:



Chairman, Chiu Sai Chuen, Nicholas



Hon. Treasurer, Li Yat Shing, Daniel



Chief Executive, Kwok Lit Tung



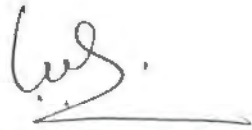
CHRISTIAN FAMILY SERVICE CENTRE  
STATEMENT OF FINANCIAL POSITION  
AT 31 MARCH, 2017

|   | The Centre     |                 |                |
|---|----------------|-----------------|----------------|
|   | 2017<br>HK\$   | 2016<br>HK\$    |                |
| <b>Non-current assets</b>                   |                |                 |                |
| Property, plant and equipment               | 68,799,257.81  | 42,435,067.44   |                |
| Interest in a subsidiary                    | -              | -               |                |
| Available-for-sale investments              | 80,895,106.16  | 77,464,815.64   |                |
|   | 149,694,363.97 | 119,899,883.08  |                |
| <b>Current assets</b>                       |                |                 |                |
| Other receivables, deposits and prepayments | 17,858,088.64  | 9,356,799.22    |                |
| Pledged deposits                            | 10,563,984.34  | 8,400,921.50    |                |
| Cash and cash equivalents                   | 50,290,783.31  | 91,190,925.96   |                |
|   | 78,712,856.29  | 108,948,646.68  |                |
| <b>Current liabilities</b>                  |                |                 |                |
| Accruals and other payables                 | 18,171,428.00  | 13,416,008.29   |                |
| Amount due to a subsidiary                  | 19,564.29      | 10,352.57       |                |
| Deferred income                             | 35,785,557.40  | 38,400,675.44   |                |
| Bank borrowings                             | 15,000,000.00  | -               |                |
|   | 68,976,549.69  | 51,827,036.30   |                |
| <b>Net current assets</b>                   | 9,736,306.60   | 57,121,610.38   |                |
| <b>Net assets</b>                           | 159,430,670.57 | 177,021,493.46  |                |
| <b>Representing: -</b>                      | <b>Note</b>    |                 |                |
| General fund                                |                |                 |                |
| - Accumulated surplus                       | (14)           | 51,441,265.33   | 45,475,561.94  |
| Restricted reserves                         |                |                 |                |
| - SWD Lump Sum Grant reserve                | (15)           | 31,275,737.33   | 29,054,276.37  |
| - SWD provident fund reserve                | (16)           | 32,116,593.68   | 28,040,113.10  |
| - Other restricted reserves                 |                | (14,338,687.66) | 20,680,811.27  |
| Capital project and restricted funds        | (26)           | (372,135.04)    | (765,962.36)   |
| Designated reserves                         | (30)           | 9,682,055.93    | 8,208,169.39   |
| Unrestricted reserves                       |                | 47,679,864.04   | 46,307,813.64  |
| Fair value reserve                          |                | 1,945,976.96    | 20,710.11      |
| <b>Total reserves and funds</b>             |                | 159,430,670.57  | 177,021,493.46 |

CHRISTIAN FAMILY SERVICE CENTRE  
STATEMENT OF FINANCIAL POSITION  
AT 31 MARCH, 2017

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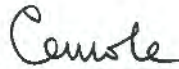
Approved by the Board on 13 September, 2017



Chairman, Chiu Sai Chuen, Nicholas



Hon. Treasurer, Li Yat Shing, Daniel



Chief Executive, Kwok Lit Tung

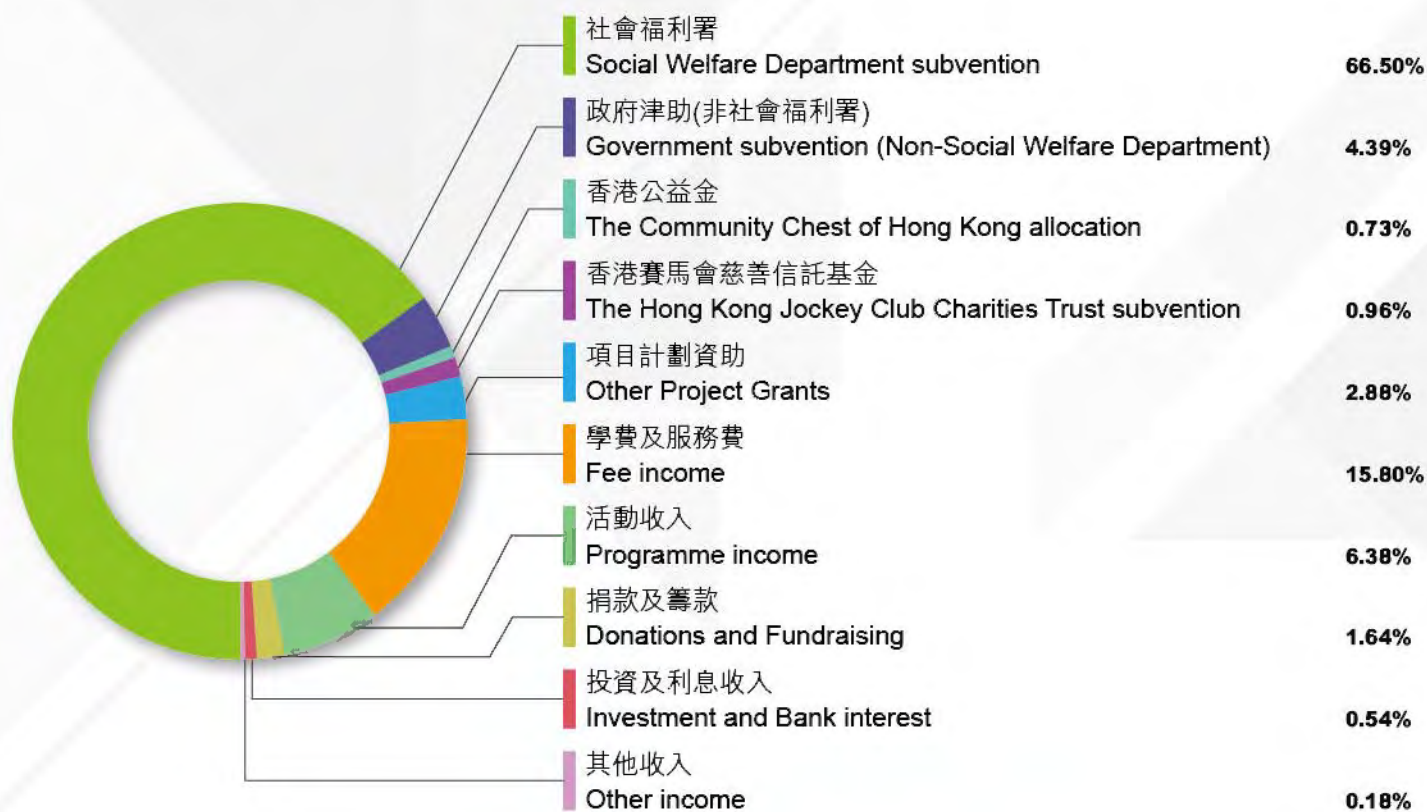
第116至121頁的財務資料乃節錄自本會截至2017年3月31日年度之指明財務報表。本年報未有刊載財務報表附註，而該附註為指明財務報表之一部分，應聯同財務報表一起閱讀。根據'公司條例'第436(2)段，本年報附上獨立核數師報告刊載於113至115頁。

The financial statements as presented on page 116 to 121 are extracted from the specified financial statements of the Centre for the year ended 31 March, 2017, and should be read in conjunction with notes of the financial statements which are not presented here. In accordance with the Companies Ordinance Sec 436(2), the auditor's report on the financial statements are accompanied here on page 113 to 115.

## 收入來源表 Chart on Income Resources

2016-2017 全年總收入 Annual Income

HK\$491,146,518.32



詳細核數報告及整筆撥款之周年財務報告請於本會網頁查閱

Audited Financial Statements and Annual Financial Report of Lump Sum Grant can be downloaded from CFSC's website [www.cfsc.org.hk](http://www.cfsc.org.hk)

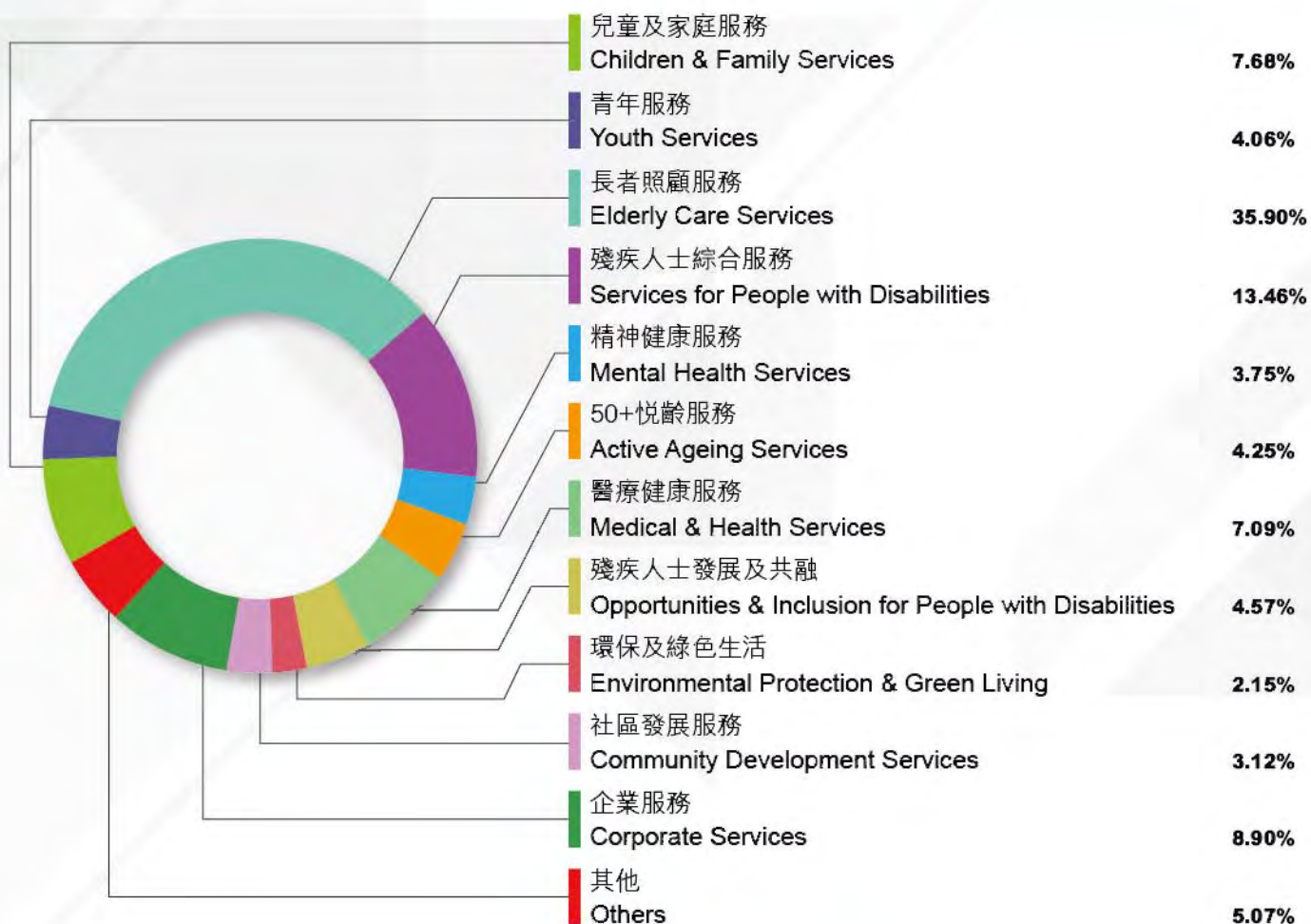
## 支出表 Chart on Expenditure

### 2016-2017 全年總開支 Annual Expenditure

HK\$476,579,263.41



## 核心服務支出表 Chart on Expenditure for Core Services



## 2016-2017年整筆撥款儲備的運用及未來運用計劃： Management of LSG reserve and future plan:

根據本會政策，整筆撥款儲備主要用於履行對員工的合約承諾、支付整筆撥款服務營運虧損、及推行策略性發展工作。截至2017年3月底，本會2016-2017年度整筆撥款錄得盈餘港幣\$760,204，整筆撥款累積儲備(不計算公積金儲備、租金差餉及中央項目儲備)為港幣\$30,133,883，相當於整筆撥款2016-2017年度總營運開支的11.87%。

在2016-2017年度，本會於整筆撥款儲備中撥出港幣\$1,399,964推行策略性發展工作，包括聘請精算顧問，研究本會在可長遠承擔的情況下如何提升強積金僱主供款比率；聘請顧問檢視機構使用資訊科技的情況，並建議資訊科技的發展策略；協助核心服務訂定及執行策略計劃；推行計劃增強開拓資源及籌募捐款的能力。

在2017-2018年，本會預算動用港幣\$4,400,000儲備，繼續推行策略性發展工作。項目包括為整筆撥款服務單位更換已使用超過5年的電腦硬件；執行服務品牌推廣工作；跟進資訊科技檢討的建議；加強整筆撥款服務員工的培訓等等。

According to the Agency policy, the Lump Sum Grant (LSG) reserve will be used for honouring the contractual commitment to snapshot staff, as a reserve for possible deficit of LSG operation, and to support the strategic development of services. At the end of March 2017, there was HK\$760,204 LSG surplus for the year 2016-2017. The accumulated LSG reserve (excluding Provident Fund reserve, Rent and rates, and Central Item reserve) is HK\$30,133,883 which is 11.87% of the 2016-2017 LSG operating expenses.

In 2016-2017, HK\$1,399,964 has been drawn from LSG reserve to support the strategic development of services, namely to conduct an actuary study to assess the long term affordability on proposals to increase the employer contribution for staff under the MPF Scheme; to conduct a review on information technology and to advise on the need of future IT support; to conduct an exercise to help formulating core service positioning; and to implement a capacity enhancement plan on strengthening the resources development and fundraising capacity.

For 2017-2018, HK\$4,400,000 has been budgeted from LSG reserve to support the following strategic development initiatives, including a plan to replace computer hardware in LSG units which have been used for over 5 years; to implement the service branding promotion project; to follow up some of the recommendations of the IT review; and to strengthen the training and development of staff under the LSG.

## 2016-2017年非定影員工公積金儲備的運用及未來運用計劃： Management of Provident Fund reserve for non-Snapshot staff :

截至2017年3月底，本會的非定影員工公積金累積儲備為港幣\$30,286,551。由2017年1月起，本會調整公積金僱主供款比率如下：

At the end of March 2017, the accumulated Provident Fund reserve for non-snapshot staff is HK\$30,286,551. Starting from January 2017, the employer contribution for staff under MPF Scheme will be improved as follows:

| 員工工作年期 Years of Employment        | 僱主供款比率 (%) Employer Contribution (%) |
|-----------------------------------|--------------------------------------|
| 六年以下 Below 6 years                | 5%                                   |
| 滿六年 Complete 6 years              | 6%                                   |
| 滿七年 Complete 7 years              | 7%                                   |
| 滿八年 Complete 8 years              | 8%                                   |
| 滿九年 Complete 9 years              | 9%                                   |
| 滿十年或以上 Complete 10 years or above | 10%                                  |

此外，本會將於2017年6月底，為受僱滿六個月的員工額外發放一次性的強積金供款，金額為港幣\$5,000或港幣\$10,000。

In addition, at the end of June 2017, a one-off injection of HK\$5,000 or HK\$10,000 will be injected into staff's MPF accounts for those staff who have completed at least six months of services.