

AGAINST CHILD ABUSE LIMITED
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2022



S. Y. YANG & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

HONG KONG

AGAINST CHILD ABUSE LIMITED
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2022

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 - 27

[For the sole use by executive committee and members only]

AGAINST CHILD ABUSE LIMITED
REPORT OF THE EXECUTIVE COMMITTEE MEMBERS FOR 2021/2022

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, 2022.

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, 2022 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. Patrick Ip

Mr. Kwok Ka Keung

Mr. Ying Wan Chong

Dr. Hermia Chiu

Dr. Anna Cheng

Dr. Gladys Lam

(Resigned on 29th October, 2021)

Dr. Leung Kit Ting

(Appointed on 19th November, 2021)

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 2021/2022

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 : 4th August, 2022

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 27, which comprise the statement of financial position as at 31st March, 2022 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, 2022, 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 ("HKSA") 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 HONORARY 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 HONORARY 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 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 financial statements.

As part of an audit in accordance with HKSA's, 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 HONORARY 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 : 4th August, 2022

AGAINST CHILD ABUSE LIMITED

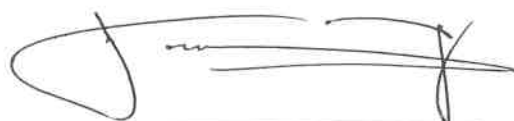
STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH, 2022

	<u>Note</u>	<u>2022</u> HK\$	<u>2021</u> HK\$
<u>Non-current Assets</u>			
Property, plant and equipment	4	8,829,362	8,839,476
Right-of-use assets	5	3,799,139	-
		<u>12,628,501</u>	<u>8,839,476</u>
<u>Current Assets</u>			
Deposits		135,780	135,780
Accounts receivable		1,737,725	1,644,467
Prepayment		43,123	26,996
Bank balance		7,611,695	7,161,267
Cash balance		13,000	13,000
		<u>9,541,323</u>	<u>8,981,510</u>
<u>Less : Current Liabilities</u>			
Accounts payable		301,524	205,726
Receipt in advance		65,925	6,345
		<u>367,449</u>	<u>212,071</u>
<u>Net Current Assets</u>		<u>9,173,874</u>	<u>8,769,439</u>
<u>Non-Current Liabilities</u>			
Lease liabilities	6	3,891,604	-
<u>Net Assets</u>		<u>17,910,771</u>	<u>17,608,915</u>
<u>Represented by :</u>			
General fund	7	2,586,917	2,363,442
Specific funds	8	6,494,492	6,405,997
Capital reserve	9	8,829,362	8,839,476
<u>Total Funds And Reserve</u>		<u>17,910,771</u>	<u>17,608,915</u>

Approved and authorised for issue by the Committee of Executive Members on 4th August, 2022.



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, 2022

	<u>Note</u>	<u>2022</u> HK\$	<u>2021</u> HK\$
<u>Income</u>			
The Community Chest		7,292,600	7,892,600
Social Welfare Department			
- Lump sum grant		2,545,656	2,544,949
- Subvention for rent and rates		35,864	35,864
- Lotteries Fund Block Grant	10	39,000	39,001
The HK Jockey Club Charities Trust			
- General		1,527,000	1,527,000
Flag day income	11	1,084,045	-
Project income	12	6,719,553	6,035,124
Programme fees		427,752	268,351
Donation			
- For general purposes	13	886,203	401,722
Interest income		3,824	14,214
Membership fee		11,280	8,580
Miscellaneous income		72,411	40,563
Total Income		<u>20,645,188</u>	<u>18,807,968</u>

AGAINST CHILD ABUSE LIMITED
STATEMENT OF INCOME AND EXPENDITURE AND
OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST MARCH, 2022

	<u>Note</u>	<u>2022</u> HK\$	<u>2021</u> HK\$
<u>Expenditure</u>			
Salaries and allowances	14	10,998,438	10,368,114
Administration		643,599	587,742
Rent and rates and building management fee		95,718	898,961
Transportation		104,946	102,844
Public education programmes		337,158	332,523
Flag day	11	88,929	-
Project expenditure	15	6,739,240	6,295,948
Repair and maintenance		204,138	238,507
Fitting out and equipment			
- General		134,928	59,102
- Lotteries Fund Block Grant	10	11,800	39,001
Staff training and development	14	11,422	4,580
Miscellaneous		58,349	60,892
Depreciation		10,114	10,114
Depreciation of right-of-use assets	5	675,121	-
Finance cost			
- Interest on lease liabilities	5	229,432	-
Total Expenditure		<u>20,343,332</u>	<u>18,998,328</u>
<u>Total Surplus/(Deficit) Before</u>			
<u>Transfer To Reserves</u>	16	301,856	(190,360)
Transfers from/(to) reserves:			
Protection of Angels Fund		-	300
Dr. Jessica Ho Child Protection Memorial Fund		-	8,589
Ms. Eliza Yau Memorial Fund		1,500	14,950
The HK Jockey Club Charities Trust Surplus Fund	(31,124)	(128,232)
SWD Special Grant to Step up Preventive Measures		-	10,000
Lotteries Fund Block Grant Surplus Fund	(27,200)	5,856
Social Welfare Development Fund Phase III (Scope A)		-	70,842
Social Welfare Development Fund Phase III (Scope B)		-	167,951
Social Welfare Development Fund Phase III (Third Round)		17,900	(17,900)
Social Welfare Department Provident Fund Surplus Fund	(49,571)	(32,933)
Capital Reserve	9	10,114	10,114
Surplus/(deficit) for the year		<u>223,475</u>	<u>(80,823)</u>

AGAINST CHILD ABUSE LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH, 2022

	<u>2022</u>	<u>2021</u>
	HK\$	HK\$
<u>Operating activities</u>		
Surplus/(Deficit) from operating activities	301,856	(190,360)
Depreciation	10,114	10,114
Depreciation of right-of-use assets	675,121	-
Interest received	(3,824)	(14,214)
Interest on lease liabilities	229,432	-
	<hr/>	<hr/>
Operating cash flows before movements in working capital	1,212,699	(194,460)
(Increase)/Decrease in accounts receivable	(93,258)	1,278,899
(Increase)/Decrease in prepayment	(16,127)	4,050
Increase/(Decrease) in accounts payable	95,798	(137,975)
Increase/(Decrease) in receipt in advance	59,580	(490,013)
	<hr/>	<hr/>
Net cash generated from operating activities	1,258,692	460,501
	<hr/>	<hr/>
<u>Investing activities</u>		
Interest received	3,824	14,214
	<hr/>	<hr/>
Net cash generated from investing activities	3,824	14,214
	<hr/>	<hr/>
<u>Financing activities</u>		
Principal portion of lease liabilities	(812,088)	-
	<hr/>	<hr/>
Net cash generated from financing activities	(812,088)	-
	<hr/>	<hr/>
Net increase in cash and cash equivalents	450,428	474,715
Cash and cash equivalents at 1st April	7,174,267	6,699,552
	<hr/>	<hr/>
Cash and cash equivalents at 31st March	7,624,695	7,174,267
	<hr/>	<hr/>
<u>Analysis of balance of cash and cash equivalents</u>		
Cash at bank	7,611,695	7,161,267
Cash in hand	13,000	13,000
	<hr/>	<hr/>
	7,624,695	7,174,267
	<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, HKFPS 16, Leases, and a number of amendments to HKFRSs that are first effective for the current accounting period of the Organisation. Except for HKFRS 16, Leases, none of the developments have had a material effect on how the Organisation's results and financial position for the current or prior periods have been prepared or presented. The Organisation has not applied any new standard or 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.

AGAINST CHILD ABUSE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

3) Significant Accounting Policies (Cont'd)

b) Recognition Of Income And Expenditure

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

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) Leased assets

At inception of a contract, the Organisation assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

Where the contract contains lease components and non-lease components, the Organisation has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases. At the lease commencement date, the Organisation recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the Organisation enters into a lease in respect of a low-value asset, the Organisation decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term. Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

AGAINST CHILD ABUSE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

3) Significant Accounting Policies (Cont'd),

d) Leased assets (Cont'd)

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Organisation's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Organisation will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

e) 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.

f) 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.

g) 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.

AGAINST CHILD ABUSE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

3) Significant Accounting Policies (Cont'd)

g) Staff Cost (Cont'd)

ii) Short-term employee benefit

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

h) 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.

i) Taxation

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

j) 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)

k) 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 increased 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.

l) Financial Instruments

Financial assets and financial liabilities are recognised in the statement of financial position when the 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)

1) 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 extinguished, i.e. when the obligation is discharged or cancelled, or expires.

4) Property, Plant And Equipment

	<u>Land And Building In HK Under Long-Term Lease</u> HK\$
<u>Cost</u>	
Balance as at 1/4/2020, 31/3/2021, 1/4/2021 and 31/3/2022	8,948,920
<u>Accumulated Depreciation</u>	
Balance as at 1/4/2020	99,330
Charge for the year	10,114
Balance as at 31/3/2021 and 1/4/2021	109,444
Charge for the year	10,114
Balance as at 31/3/2022	119,558
<u>Net Book Value</u>	
At 31/3/2022	8,829,362
At 31/3/2021	8,839,476

AGAINST CHILD ABUSE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

5) Right-of-use assets

The analysis of the net book value of right-of-use assets by class of underlying asset is as follows:

Cost

Additions	5,168,712
Written-off	(283,947)
	<u>4,884,765</u>
At 31/3/2022	<u>4,884,765</u>

Accumulated depreciation

Charge for the year	1,369,573
Written-off	(283,947)
	<u>1,085,626</u>
At 31/3/2022	<u>1,085,626</u>

Net Book Value

At 31/3/2022	<u>3,799,139</u>
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Disclosure for leases include : -

	<u>2022</u> HK\$	<u>2021</u> HK\$
<u>Depreciation of right-of-use assets</u>		
Charge for the year	1,369,573	-
Subsidised by Fu Tak Iam Foundation Limited	(694,452)	-
	<u>675,121</u>	<u>-</u>
Amount in the statement of income and expenditure	<u>675,121</u>	<u>-</u>
<u>Interest on lease liabilities</u>	<u>229,432</u>	<u>-</u>

The Organisation entered into lease agreements in respect of premises at four office buildings. All the lease payments are fixed. The leases include an option to renew the lease for an additional period after the end of the contract term. Where practicable, the Organisation seeks to include such extension options exercisable by the Organisation to provide operational flexibility. The Organisation assesses at lease commencement date whether it is reasonably certain to exercise the extension options. If the Organisation is not reasonably certain to exercise the extension options, the future lease payments during the extension periods are not included in the measurement of lease liabilities.

AGAINST CHILD ABUSE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

6) Lease liabilities

The following table shows the remaining contractual maturities of the Organisation's lease liabilities at the end of the current and previous reporting period:

	<u>2022</u>		<u>2021</u>	
	Present value of lease payments HK\$	Total lease payments HK\$	Present value of lease payments HK\$	Total lease payments HK\$
Within one year	984,479	1,155,844	-	-
In the second to fifth year	2,907,125	3,130,295	-	-
	<u>3,891,604</u>	<u>4,286,139</u>	<u>-</u>	<u>-</u>
Less: Total future interest expenses		(394,535)		-
Present value of lease liabilities		<u>3,891,604</u>		<u>-</u>

7) General Fund

	<u>2022</u> HK\$	<u>2021</u> HK\$
Balance brought forward	2,363,442	2,444,265
Transfer from income and expenditure statement	223,475	(80,823)
Balance carried forward	<u>2,586,917</u>	<u>2,363,442</u>

AGAINST CHILD ABUSE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

8) Specific Funds

		Balance As At <u>1/4/2021</u> HK\$	Net <u>Movement</u> HK\$	Balance As At <u>31/3/2022</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 (Third Round)	(c) & 18	17,900	(17,900)	-
Protection of Angels Fund	(d)	25,104	-	25,104
Social Welfare Department Provident Fund Surplus Fund	(e)	268,433	49,571	318,004
Dr. Jessica Ho Child Protection Memorial Fund	(f)	184,261	-	184,261
Ms. Eliza Yau Memorial Fund	(g)	106,311	(1,500)	104,811
Lotteries Fund Block Grant Surplus Fund	(h) & 10	23,866	27,200	51,066
The HK Jockey Club Charities Trust Surplus Fund	(i)	128,232	31,124	159,356
		<u>6,405,997</u>	<u>88,495</u>	<u>6,494,492</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.

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.

AGAINST CHILD ABUSE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

8) Specific Funds (Cont'd)

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, 2020 to 31st March, 2023.

9) Capital Reserve

	<u>2022</u> HK\$	<u>2021</u> HK\$
Balance brought forward	8,839,476	8,849,590
Transfer to general fund	(10,114)	(10,114)
Balance carried forward	<u>8,829,362</u>	<u>8,839,476</u>

AGAINST CHILD ABUSE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

10) Movement Of The Furniture & Equipment Replenishment And Minor Works Block Grant Reserve

	<u>2022</u> HK\$	<u>2021</u> HK\$
Balance brought forward	23,866	29,722
Add : Block Grant received during the year	39,000	39,000
Interest income received	-	1
Other income	-	-
	<u>62,866</u>	<u>68,723</u>
Less : Expenditure during the year		
Minor Work Projects	(6,000)	(36,700)
Furniture and Equipment	(5,800)	(8,157)
Vehicle Overhauling	-	-
	<u>(11,800)</u>	<u>(44,857)</u>
Contribution from NGO to cover the deficit	-	-
Balance carried forward	<u>51,066</u>	<u>23,866</u>

Capital Commitments

As at 31st March, 2022, the outstanding commitments in respect of Furniture & Equipment Replenishment and Mirror Works Grant were as follows : -

	<u>2022</u> HK\$	<u>2021</u> HK\$
Contracted for but not provided in the financial statement	-	-
Authorised but not contracted for	-	-
	<u>-</u>	<u>-</u>

AGAINST CHILD ABUSE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

11) Flag day

The net proceed of the flag day held on 24th July, 2021 was used for:-

Public Subscription Permit No. FD/R021/2021 issued by SWD

	<u>2022</u> HK\$	<u>2021</u> HK\$
a) Staff cost and administrative cost	846,857	-
b) Mass programme, public education and staff training & development	148,259	-
	<u>995,116</u>	<u>-</u>

12) Project Income

	<u>2022</u> HK\$	<u>2021</u> HK\$
Social Welfare Development Special Grant to Step up Preventive Measures - Lotteries Fund	20,000	20,000
Social Welfare Development Fund Phase III (Scope A) - Lotteries Fund	-	(48,787)
Social Welfare Development Fund Phase III (Scope B) - Lotteries Fund	-	(140,325)
Social Welfare Development Fund Phase III (Third Round) - Lotteries Fund	42,015	17,900
Tuen Mun Summer Youth Programme - Tuen Mun District Youth Programme Committee	12,412	1,256
Good Parents' Networking Project 2019 - 2020 - Save the Children Hong Kong Limited	-	1,016,311
Good Parents' Networking Project 2021 - 2022 - Save the Children Hong Kong Limited	1,391,180	374,929
ACA Kwai Chung Child Protection Centre - Fu Tak Iam Foundation Limited	3,414,479	3,237,746
Rent Subsidy for Child Protection Service at Kwai Chung Centre - Fu Tak Iam Foundation Limited	694,452	694,452

AGAINST CHILD ABUSE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

12) Project Income (Cont'd)

	<u>2022</u>	<u>2021</u>
	HK\$	HK\$
Give Children the Best Start Home Visiting Project - BOCHK Centenary Charity Programme (Allocation via CCHK)	951,059	811,773
2021 Children's Rights Education Funding Scheme - Constitutional & Mainland Affairs Bureau	167,280	-
不「虐」兒童・愛孩子服務計劃 - Egive For You Charity Foundation Limited	26,676	46,000
Shining Families Treatment Project - The UPS Foundation	-	3,869
	6,719,553	6,035,124

13) Donation – for general purposes

The following fund-raising activities at Sun Hung Kai Properties Mall's Customer Care Centres held from 1st February, 2021 to 31st July, 2021 was included in the donation for the year ended 31st March 2022.

Public Subscription Permit No. 2021/006/1 issued by SWD

	HK\$
Income	18,867
Expenditure	(1,000)
Net Proceed	17,867

The net proceed of the fund-raising activity was used for:-

	HK\$
a) Sustain existing services of the organisation	12,867
b) Increase public awareness and promote messages of child protection	5,000
	17,867

AGAINST CHILD ABUSE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

14) Staff Cost

	<u>2022</u> HK\$	<u>2021</u> HK\$
Salaries and allowances	10,998,438	10,368,114
Staff training and development	11,422	4,580
	<u>11,009,860</u>	<u>10,372,694</u>

15) Project Expenditure

	<u>2022</u> HK\$	<u>2021</u> HK\$
Social Welfare Development Fund Phase III (Scope A)	-	22,055
Social Welfare Development Fund Phase III (Scope B)	-	27,625
Social Welfare Development Fund Phase III (Third Round)	59,915	-
SWD Provident Fund Surplus Fund	287	237
SWD Special Grant to Step up Preventive Measures	20,000	30,000
Tuen Mun Summer Youth Programme	12,412	1,256
Good Parents' Networking Project 2019 - 2020	-	1,016,311
Good Parents' Networking Project 2021 - 2022	1,391,180	374,929
ACA Kwai Chung Child Protection Centre Rent Subsidy for Child Protection Service at Kwai Chung Centre	3,414,479	3,237,746
Give Children the Best Start Home Visiting Project	694,452	694,452
2021 Children's Rights Education Funding Scheme	951,059	811,773
SWD Block Grant Surplus Fund	167,280	-
Protection of Angels Fund	-	5,856
Ms. Eliza Yau Memorial Fund	-	300
Dr. Jessica Ho Child Protection Memorial Fund	1,500	14,950
不「虐」兒童・愛孩子服務計劃	-	8,589
Shining Families Treatment Project	26,676	46,000
	-	3,869
	<u>6,739,240</u>	<u>6,295,948</u>

AGAINST CHILD ABUSE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

16) Surplus For The Year

	<u>Note</u>	<u>2022</u> HK\$	<u>2021</u> HK\$
General fund	7	223,475	(80,823)
Specific funds	8	88,495	(99,423)
Capital reserve	9	(10,114)	(10,114)
		<u>301,856</u>	<u>(190,360)</u>

17) Executive Committee Members' Remuneration

No Executive Committee Members' remuneration have been paid/payable for the year disclosed pursuant to Section 383 of the Companies Ordinance for the year ended 31st March, 2021 and 2022.

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

	<u>2022</u> HK\$	<u>2021</u> HK\$
(a) Balance of SWDF brought forward :	17,900	238,793
(b) Allocation from SWDF during the financial year :	42,100	17,900
(c) Interest received during the financial year :	-	2
	<u>60,000</u>	<u>256,695</u>
(d) Expenditure under SWDF during the year :		
1. Expenditure for projects under scope A	56,925	16,855
2. Expenditure for projects under scope B (non-IT)	-	-
3. Expenditure for projects under scope B (IT)	-	27,625
4. Expenditure for projects under scope C	-	-
5. Expenditure for administrative support	2,990	5,200
Total expenditure during the financial year :	<u>59,915</u>	<u>49,680</u>
(e) Amount subject to clawback by SWD : (Note)	<u>85</u>	<u>189,115</u>
(f) Balance carried forward to the next financial year:		
(f) = (a) + (b) + (c) - (d) - (e)	<u>-</u>	<u>17,900</u>

AGAINST CHILD ABUSE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

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

Note:

Amount subject to clawback by SWD :

Amount subject to clawback in 2020/21	189,115	189,115
Amount subject to clawback in 2021/22	85	-
	<u>189,200</u>	<u>189,115</u>

The 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.

19) 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>2022</u> HK\$	<u>2021</u> HK\$
Within one year	-	1,155,844
In the second to fifth year	-	4,203,539
	<u>-</u>	<u>5,359,383</u>

20) Financial Instruments By Category

	<u>Loan and</u> <u>receivable</u> <u>2022</u> HK\$	<u>Loan and</u> <u>receivable</u> <u>2021</u> HK\$
Financial assets:-		
Deposits	135,780	135,780
Accounts receivable	1,737,725	1,644,467
Bank balance	7,611,695	7,161,267
Cash balance	13,000	13,000
	<u>9,498,200</u>	<u>8,954,514</u>

AGAINST CHILD ABUSE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

20) Financial Instruments By Category (Cont'd)

Financial liabilities at amortised cost:-

	<u>2022</u>	<u>2021</u>
	HK\$	HK\$
Accounts payable	301,524	205,726
	301,524	205,726

21) 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, 2021 and 2022.