

Report of the Directors

Audited Financial Statements

SOUTH KWAI CHUNG SOCIAL SERVICE

(a company limited by guarantee and not having a share capital)

南葵涌社會服務處

31st March, 2021



Robert Chui CPA Limited

Certified Public Accountants
Hong Kong

SOUTH KWAI CHUNG SOCIAL SERVICE
南葵涌社會服務處

31st March, 2021

CONTENTS

	Page
Report of the directors	1 - 2
Independent auditor's report	3 - 5
Statement of comprehensive income	6
Statement of financial position	7
Statement of changes in funds	8
Statement of cash flows	9
Notes to financial statements	10 - 16

SOUTH KWAI CHUNG SOCIAL SERVICE
南葵涌社會服務處

REPORT OF THE DIRECTORS

31st March, 2021

The directors submit their report together with the audited financial statements of South Kwai Chung Social Service (“Association”) for the year ended 31st March, 2021.

Principal activities

The principal activities of the Association are to provide various social services to the public, including:

- (i) holding courses for recreation, health improvement, adult education and computer training;
- (ii) establishing a project known as “Elderly Health Project” as sponsored by The Community Chest. The objective of this project is to promote the health and well being of elderly; encourage public awareness and participation to support the elderly people; enhance the knowledge, skills and abilities of caregivers to provide caring and support to elderly in the community;
- (iii) establishing a project known as “Healthy and Joyful Ageing Project in Shek Lei Estate” as sponsored by the Hong Kong Jockey Club Charities Trust for a term of 3 years and 4 months from 1st January, 2018 to 30th April, 2021. The objective of this project is designed to help building the Shek Lei Estate into an age-friendly community;
- (iv) establishing an e-Health station for the elderly and to provide the administrative support, as sponsored by the Hong Kong Jockey Club Charities Trust. The objective of this project is designed to help the health of the elderly; and
- (v) collaborating two satellite centres of Kwai Tsing District Health Centre and to provide the primary health care services to the residents in Kwai Tsing District.

Results

The results of the Association for the year ended 31st March, 2021 and the financial position of the Association at that date are set out in the attached financial statements.

Share capital

The Association is a company limited by guarantee without a share capital.

Directors

The directors during the year and up to the date of this report are:

Lee Wai Lan
Ko Tip Ngan
Lam Pui Lin
Leung Yuen Wa

In accordance with Article 32 of the Association’s Articles of Association, the term of office of all directors shall be two years. In respect of the current year, all directors shall retire and, being eligible, offer themselves for re-election.

SOUTH KWAI CHUNG SOCIAL SERVICE
南葵涌社會服務處

REPORT OF THE DIRECTORS (“Continued”)

31st March, 2021

Management contracts

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

Permitted indemnity provisions

No permitted indemnity provision was in force during the year, or is in force at the date of this report, for the benefit of a then director or a director of the Association (whether made by the Association or otherwise).

Business review

The Association is eligible for the reporting exemption from preparing a business review for the financial year.

Directors’ material interests in transactions, arrangements and contracts that are significant in relation to the Association’s business

There were no transactions, arrangements and contracts of significance to which the Association was a party and in which a director of the Association had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Directors’ interest in the shares, underlying shares and debentures of the Association or any specific undertaking of the Association

The Association is a company limited by guarantee and has not issued any shares or debentures. As such, at no time during the year was the Association a party to any arrangement to enable the directors of the Association to hold any interests in the shares or debentures of the Association on its specified undertaking.

Auditor

The auditor, Messrs Robert Chui CPA Limited, who retire and offer themselves for re-appointment.

On behalf of the Board



Chairman
Hong Kong

30 NOV 2021



志仁會計師行有限公司
Robert Chui CPA Limited
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
SOUTH KWAI CHUNG SOCIAL SERVICE
南葵涌社會服務處

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

Opinion

We have audited the financial statements of South Kwai Chung Social Service (the "Association") set out on pages 6 to 16, which comprise:

- the statement of financial position as at 31st March, 2021;
- the statement of comprehensive income for the year then ended;
- the statement of changes in funds for the year then ended; and
- the statement of cash flows 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 Association as at 31st March, 2021 and of its financial performance, statement of changes in funds and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standard for Private Entities ("HKFRS for Private Entities") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with 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 Association 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 directors are responsible for the other information. The other information comprises all information included in the directors' report, but does not include 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.

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.



志仁會計師行有限公司
Robert Chui CPA Limited
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ("Continued")

TO THE MEMBERS OF
SOUTH KWAI CHUNG SOCIAL SERVICE

南葵涌社會服務處

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

Responsibilities of Directors and Those Charged with Governance for the Financial Statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with HKFRS for Private Entities issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Association'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 intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

The directors are responsible for overseeing the Association's financial reporting process.

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 the Hong Kong Companies Ordinance, for no other purpose. We do not assume any responsibility 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 judgment and maintain professional skepticism 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.



志仁會計師行有限公司
Robert Chui CPA Limited
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ("Continued")

TO THE MEMBERS OF
SOUTH KWAI CHUNG SOCIAL SERVICE

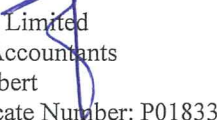
南葵涌社會服務處

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

Auditor's Responsibilities for the Audit of the Financial Statements ("Continued")

- 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- 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 Association'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 Association 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 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.


Robert Chui CPA Limited
Certified Public Accountants
Chui Chi Yun Robert
Practising Certificate Number: P01833

Hong Kong

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SOUTH KWAI CHUNG SOCIAL SERVICE**南葵涌社會服務處**

STATEMENT OF COMPREHENSIVE INCOME

Year ended 31st March, 2021

	Note	2021 HK\$	2020 HK\$
INCOME			
Subvented programme activities income	5	61,002	41,928
Donation from the Hong Kong Jockey Club Charities Trust	6	2,701,597	856,687
Proceeds from Flag Day	7	51,688	-
The Community Chest allocation	8	1,000,440	859,400
Government rent and rates subsidies		145,140	201,684
CCSV		65,500	66,475
Speech Therapy		99,660	145,040
Grant from the Jockey Club Community age-friendly city project		-	179,620
Grant from The Jockey Club Community eHealth Care Project		1,455,290	1,102,052
Grant from the Kwai Tsing District Council (Towards 2025)		-	226,241
Activities and sundry income		223,587	306,322
Wages subsidies for Employment Support Scheme		538,188	-
Administrative fee income		564,194	-
Donations		28,403	-
Donations for designated purposes		250,000	-
		<u>7,184,689</u>	<u>3,985,448</u>
EXPENDITURE			
Subvented programme activities expenses	5	29,215	67,245
Hong Kong Jockey Club Charities Trust expenses	6	2,727,250	1,209,545
Expenditure on Flag Day	7	-	-
The Community Chest expenses	8	848,785	810,149
Rental expenses		184,508	201,684
CCSV expenditure		57,120	56,289
Speech Therapy Expense		106,416	70,073
Expenditure for the Jockey Club Community age-friendly city project		-	254,227
Expenditure for The Jockey Club Community eHealth Care Project		1,028,695	880,138
Expenditure for the Kwai Tsing District Council (Towards 2025)		-	226,241
Activities expenses		808,154	259,255
Expenditure for designated purposes		250,497	-
		<u>6,040,640</u>	<u>4,034,846</u>
SURPLUS/(DEFICIT) ON ACTIVITIES		1,144,049	(49,398)
ADMINISTRATIVE EXPENSES			
Auditor's remuneration			
-current year		16,000	16,000
-(Over)/under-provision in prior year		-	(4,000)
Professional fee		120,000	-
Office expenses		54,764	17,799
MPF contributions		37,219	4,348
Printing and stationery		9,131	580
Repairs and maintenance		36,725	1,100
Salary and wages		570,043	67,562
Sundries		32,133	8,336
		<u>876,015</u>	<u>111,725</u>
SURPLUS/(DEFICIT) BEFORE TRANSFER		268,034	(161,123)
Net surplus of Speech Therapy transfer to Social Enterprise Development Fund		-	(74,967)
		<u>268,034</u>	<u>(236,090)</u>
SURPLUS/(DEFICIT) FOR THE YEAR		<u>268,034</u>	<u>(236,090)</u>

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

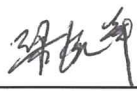
SOUTH KWAI CHUNG SOCIAL SERVICE

南葵涌社會服務處

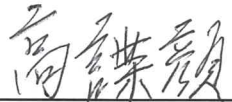
STATEMENT OF FINANCIAL POSITION

31st March, 2021

	Note	2021 HK\$	2020 HK\$
NON-CURRENT ASSETS			
Plant and equipment	11	-	-
CURRENT ASSETS			
Grant receivables from Hong Kong Jockey Club Charities Trust		437,259	564,432
Other receivables		105,878	148,765
Rental and utility deposits paid		25,500	25,500
Cash and bank balances		3,078,081	1,560,192
		<u>3,646,718</u>	<u>2,298,889</u>
CURRENT LIABILITIES			
Amount due to the chief executive	12	1,749,380	1,569,585
Accrual		16,500	16,500
		<u>1,765,880</u>	<u>1,586,085</u>
NET CURRENT ASSETS		<u>1,880,838</u>	<u>712,804</u>
NET ASSETS		<u>1,880,838</u>	<u>712,804</u>
Represented by:			
Accumulated funds		447,509	179,475
Social Enterprise Development Fund		74,967	74,967
Community Health Project Fund		458,362	458,362
Jockey Club Community Sustainability Fund		900,000	-
TOTAL FUNDS		<u>1,880,838</u>	<u>712,804</u>



 Leung Yuen Wa
 Director



 Ko Tip Ngan
 Director

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

SOUTH KWAI CHUNG SOCIAL SERVICE
南葵涌社會服務處

STATEMENT OF CHANGES IN FUNDS

Year ended 31st March, 2021

	Accumulated Fund HK\$	Jockey Club Community Sustainability Fund* HK\$	Community Health Project Fund** HK\$	Social Enterprise Development Fund*** HK\$	Total HK\$
At 1st April, 2019	415,565	-	458,362	-	873,927
Deficit for the year	(161,123)	-	-	-	(161,123)
Net proceeds of Speech Therapy transfer to Social Enterprise Development Fund	<u>(74,967)</u>	-	-	<u>74,967</u>	-
At 31st March, 2020 and at 1st April, 2020	179,475	-	458,362	74,967	712,804
Addition for the year	-	900,000	-	-	900,000
Surplus for the year	<u>268,034</u>	-	-	-	<u>268,034</u>
At 31st March, 2021	<u>447,509</u>	<u>900,000</u>	<u>458,362</u>	<u>74,967</u>	<u>1,880,838</u>

* Jockey Club Community Sustainability Fund is reserved for funding in continuous anti-epidemic measures.

** Community Health Project Fund is reserved for the provision of caring and support to the elderly in the community.

***Social Enterprise Development Fund is reserved for the development of social community health care service

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

SOUTH KWAI CHUNG SOCIAL SERVICE
南葵涌社會服務處

STATEMENT OF CASH FLOWS

Year ended 31st March, 2021

	2021 HK\$	2020 HK\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus/(deficit) for the year	268,034	(236,090)
Adjustments for:		
Net proceeds of Speech Therapy transfer to Social Enterprise Development Fund	-	74,967
Operating surplus/(deficit) before working capital changes	<u>268,034</u>	<u>(161,123)</u>
Decrease in grant receivables from CIIF	-	318,967
Decrease/(increase) in grant receivables from Hong Kong Jockey Club Charities Trust	127,173	(261,828)
Decrease/(increase) in other receivables	42,887	(54,606)
Increase in amount due to the chief executive	179,795	507,321
Increase in accrual	<u>-</u>	<u>4,500</u>
Net cash inflow from operating activities	<u>617,889</u>	<u>353,231</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Grant from Hong Kong Jockey Club Charities Trust for anti-epidemic measures	<u>900,000</u>	-
Net cash inflow from investing activities	<u>900,000</u>	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,517,889	353,231
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>1,560,192</u>	<u>1,206,961</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>3,078,081</u></u>	<u><u>1,560,192</u></u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	<u><u>3,078,081</u></u>	<u><u>1,560,192</u></u>

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

SOUTH KWAI CHUNG SOCIAL SERVICE
南葵涌社會服務處

NOTES TO FINANCIAL STATEMENTS

31st March, 2021

1. GENERAL

The Association is a non-profit making body incorporated under the Hong Kong Companies Ordinance in the name of “South Kwai Chung Social Service” as a company limited by guarantee and not having a share capital. Under the provision of the Memorandum of Association of the Association, every member, shall in the event of the Association being wound up, contribute to the assets of the Association an amount of not exceeding HK\$100.

The Association has been registered as a charitable organisation and is exempted from taxes under section 88 of the Inland Revenue Ordinance. The registered office of the Association is No.4 G/F., On King House, Lai King Estate, Kwai Chung, New Territories, Hong Kong.

The principal activities of the Association are to provide various social services to the public, including:

- (a) holding courses for recreation, health improvement, adult education and computer training;
- (b) establishing a project known as “Elderly Health Project” as sponsored by The Community Chest. The objective of this project is to promote the health and well being of elderly; encourage public awareness and participation to support the elderly people; enhance the knowledge, skills and abilities of caregivers to provide caring and support to elderly in the community;
- (c) establishing a project known as “Healthy and Joyful Ageing Project in Shek Lei Estate” as sponsored by the Hong Kong Jockey Club Charities Trust for a term of 3 years and 4 months from 1st January, 2018 to 30th April, 2021. The objective of this project is designed to help building the Shek Lei Estate into an age-friendly community;
- (d) establishing an e-Health station for the elderly and to provide the administrative support, as sponsored by the Hong Kong Jockey Club Charities Trust. The objective of this project is designed to help the health of the elderly; and
- (e) collaborating two satellite centres of Kwai Tsing District Health Centre and to provide the primary health care services to the residents in Kwai Tsing District.

SOUTH KWAI CHUNG SOCIAL SERVICE
南葵涌社會服務處

NOTES TO FINANCIAL STATEMENTS

31st March, 2021

2. PRINCIPAL ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with HKFRS for Private Entities issued by the HKICPA, accounting principles generally accepted in Hong Kong. They have been prepared under the historical cost convention.

Revenue

Revenue is recognised as income when it is probable that the economic benefits associated with transaction will flow to the Association and when the amount of revenue as well as costs incurred for the transaction can be measured reliably. Revenue is measured at fair value of the consideration received or receivable and is shown net of discounts, rebates, returns and sales-related taxes on the following bases:

- i) Donations are accounted for in the relevant year on a receipt basis or as designated by the donors;
- ii) Subventions are recognised upon receipt of payment advice approved by the relevant authorities and institutes;
- iii) Programme income are recognised on accrual basis; and
- iv) Sponsorship and other income are recognised on accrual basis.

Accounts receivable

Accounts receivable are recognised initially at transaction price and subsequently measured at amortised cost using effective interest method, less provision for impairment. A provision for impairment of accounts receivable is established when there is objective evidence that the Association will not be able to collect the amounts.

Accounts payable

Accounts payable are initially recognised at transaction price and subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

Cash equivalents

Cash equivalents represent short term highly liquid investments which are readily convertible into known amounts of cash and which were within three months of maturity when acquired, less advances from banks repayable within three months from the date of the advance.

Government grants

Grants from the Government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Association has complied with all attached performance conditions.

Government grants relating to expense items are recognised in the statement of comprehensive income as income over the period necessary to match them with the costs that they are intended to compensate. Government grants relating to assets are deducted from the carrying amount of the relevant assets.

SOUTH KWAI CHUNG SOCIAL SERVICE
南葵涌社會服務處

NOTES TO FINANCIAL STATEMENTS

31st March, 2021

3. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Association's activities mainly expose it to credit risk and liquidity risk. The Association's overall risks management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Association's financial performance.

Risk management is carried out by the Board of Directors who provides guidance for overall risk management.

i. Liquidity risk

In respect of liquidity risk, the Association ensures that it maintains and obtains sufficient cash and funding to meet its liquidity requirement. As at the reporting date, all financial liabilities of the Association were due within one year.

ii. Credit risk

Credit risk relates to the extent to which failure by counterparties to discharge their obligations could reduce the amount of future cash flows to the Association from financial assets on hand as at the reporting date.

The Association is exposed to credit risk on its cash placed in a financial institution. The Association has a concentration of credit risk, as all of the bank balance is with one financial institution located in Hong Kong.

Fair value estimation

The carrying value of all financial assets and liabilities are reasonable approximation of their fair values.

4. CAPITAL MANAGEMENT

The Association has no share capital. The operation of the Association is mainly financed by funding from government subvention and general donations.

The Association manages accumulated funds by regularly monitoring its current and expected liquidity requirements. The Association's objective when managing accumulated fund is to safeguard its ability to continue as a going concern, so that it can continue its operation.

SOUTH KWAI CHUNG SOCIAL SERVICE
南葵涌社會服務處

NOTES TO FINANCIAL STATEMENTS

31st March, 2021

5. SUBVENTED PROGRAMME ACTIVITIES

	Income & government subsidy HK\$	Expenditures HK\$	Surplus/ (deficit) HK\$
<u>31/3/2021</u>			
i) Adult Education Subvention Scheme	61,002	29,215	31,787
	<u>=====</u>	<u>=====</u>	<u>=====</u>
<u>31/3/2020</u>			
i) Adult Education Subvention Scheme	41,928	67,245	(25,317)
	<u>=====</u>	<u>=====</u>	<u>=====</u>

6. GRANT FROM HONG KONG JOCKEY CLUB CHARITIES TRUST

Grant from Hong Kong Jockey Club Charities Trust ("JCC Trust") represents:-

	2021 HK\$	2020 HK\$
- Grant relating to assets (leasehold improvement)	1,114,813	-
- Grant relating to operating expenses of the Project	<u>1,586,784</u>	<u>856,687</u>
	<u>2,701,597</u>	<u>856,687</u>
	<u>=====</u>	<u>=====</u>
		-

The grant related expenditure for the year was HK\$2,727,250 (2020: HK\$1,209,545).

SOUTH KWAI CHUNG SOCIAL SERVICE
南葵涌社會服務處

NOTES TO FINANCIAL STATEMENTS

31st March, 2021

7. PROCEEDS AND EXPENDITURE FROM FLAG DAY

	2021 HK\$	2020 HK\$
<u>Flag Day</u>		-
Donation received	51,688	-
Total expenditure	<u>-</u>	<u>-</u>
Net surplus	<u>51,688</u>	<u>-</u>

The Association held a charitable flag day on 22nd July, 2020 (FD/R075/2020) and the net proceed from the flag day 2021 was utilized as follows:-

	HK\$
i. Program expenses 活動開支	
Allocation b/f	58,424
Addition	15,480
Less: program expenses during the year ended 31st March, 2021	<u>(73,904)</u>
Balance c/f	<u>-</u>
i. Center's administrative expenses 中心營運開支	
Allocation b/f	97,306
Addition	32,765
Less: center's administrative expenses during the year ended 31st March, 2021	<u>(130,071)</u>
Balance c/f	<u>-</u>
ii. Minor decoration and equipment expenses 裝修及購置設備開支	
Allocation	29,602
Addition	3,443
Less: minor decoration and equipment expenses during the year ended 31st March, 2021	<u>(33,045)</u>
Balance c/f	<u>-</u>

SOUTH KWAI CHUNG SOCIAL SERVICE
南葵涌社會服務處

NOTES TO FINANCIAL STATEMENTS

31st March, 2021

8. THE COMMUNITY CHEST ALLOCATION

In the current year, the Association commenced a project known as “Elderly Health Project” sponsored by The Community Chest. The total amount of the approved allocation is HK\$1,000,440 (2020: HK\$859,400)

	2021 HK\$	2020 HK\$
Funds received from The Community Chest		
- Operation	1,000,440	859,400
- Renovation/minor purchases	<u>-</u>	<u>-</u>
	<u>1,000,440</u>	<u>859,400</u>
- Rental	-	12
- Administration	56,814	153,481
- Salary	786,321	653,013
- Renovation/minor purchase	<u>5,650</u>	<u>3,643</u>
	<u>848,785</u>	<u>810,149</u>
Surplus of the project	<u>151,655</u>	<u>49,251</u>

The objective of this project is to promote health and well-being of elderly; encourage public awareness and participation to support the elderly people; enhance the knowledge, skills and abilities of caregivers to provide caring and support to elderly in the community.

9. INCOME TAX

No provision for Hong Kong profits tax has been made in the financial statements as the Association is exempted from Hong Kong Profits Tax under Section 88 of the Inland Revenue Ordinance.

10. DIRECTORS' EMOLUMENTS

Directors' emoluments disclosed pursuant to section 161 of the Hong Kong Companies Ordinance for the year are Nil.

SOUTH KWAI CHUNG SOCIAL SERVICE
南葵涌社會服務處

NOTES TO FINANCIAL STATEMENTS

31st March, 2021

11. PLANT AND EQUIPMENT

	Decoration HK\$	Furniture, fixtures and office equipment HK\$	Total HK\$
Cost:			
At 1st April, 2020 and at 31st March, 2021	<u>1,931,380</u>	<u>108,204</u>	<u>2,039,584</u>
Accumulated depreciation:			
At 1st April, 2020			
At 31st March, 2021	<u>1,931,380</u>	<u>108,204</u>	<u>2,039,584</u>
Net book value:			
At 31st March, 2021	=====	=====	=====
At 31st March, 2020	=====	=====	=====

12. AMOUNT DUE TO THE CHIEF EXECUTIVE

Mr Chow Yick Hay is the chief executive. The amount was un-secured, interest free and had no fixed terms of repayment.

13. OPERATING LEASE COMMITMENTS

At the reporting date, the Association had commitments for future minimum lease payments under non-cancellable operating lease which fall due as follows:

	2021 HK\$	2020 HK\$
Minimum lease payments fall due:		
Within 1 year	287,364	287,364
Within 2 to 5 years	<u>-</u>	<u>287,364</u>
	<u>287,364</u>	<u>574,728</u>

14. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved and authorised for issue by the Board of Directors on

30 NOV 2021