



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)

Opinion

We have audited the consolidated financial statements of Christian Family Service Centre (the "Centre") and its subsidiary ("the Group") set out on pages 110 to 115, which comprise the consolidated statements of financial position as at 31 March, 2018, 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 notes to the consolidated financial statements, including a summary of significant accounting policies.

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, 2018, 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, the Lotteries Fund Manual 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 ("HKASs") 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, the Lotteries Fund Manual 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.



Fan, Chan & Co.
Certified Public Accountants
Hong Kong, 11 September, 2018

CHRISTIAN FAMILY SERVICE CENTRE
CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH, 2018

	2018 HK\$	2017 HK\$
Income		
Social Welfare Department subvention	345,754,399.83	326,545,356.67
Government Subvention (non-social welfare department)	23,852,426.31	21,559,057.93
Community Chest Allocation	6,762,632.56	3,607,013.44
Hong Kong Jockey Club Charities Trust subvention	7,155,117.17	4,706,088.39
Other project grants	19,115,357.27	14,165,671.19
Fee income	73,172,926.96	77,601,177.78
Programme income	31,329,571.60	31,354,146.18
Donations	4,763,269.17	8,039,826.93
Bank interest income	182,825.64	132,060.41
Investment income	4,157,187.63	2,543,839.81
Other income	1,035,822.34	892,279.59
Total income	517,281,536.48	491,146,518.32
Deduct :		
Expenditures		
Personal emoluments	373,034,972.19	341,919,193.59
Staff incentive and allowance	3,247,286.44	3,143,423.86
Staff benefits and training	5,119,818.34	4,081,759.59
Administrative expenses	4,698,657.14	4,565,402.50
Finance charges	344,893.14	128,868.50
Utilities expenses	7,805,469.71	7,780,829.05
Stores and equipment	28,722,023.36	29,407,755.85
Insurance premium for office	4,179,111.79	3,781,660.77
Publicity and promotion expenses	1,211,599.35	912,400.37
Programme expenses	21,432,436.72	21,856,776.83
Hire of services	19,103,086.20	18,247,295.12
Transportation and travelling	5,120,348.16	4,102,674.67
Food for clients	10,680,913.52	11,191,307.03
Incentive payment for clients	1,754,429.70	1,751,456.31
Clients' medical care and supplies	7,603,807.06	6,957,238.72
Insurance premium for clients	118,799.70	100,757.30
Rent and rates	15,681,374.50	14,644,212.76
Miscellaneous	2,587,896.17	2,006,250.59
Total expenditures	512,446,923.19	476,579,263.41
Surplus for the year before transfer to restricted and designated reserves	4,834,613.29	14,567,254.91

CHRISTIAN FAMILY SERVICE CENTRE
CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH, 2018

	2018	2017
	HK\$	HK\$
Transferring from / (to):		
- Restricted reserves	604,597.62	(3,306,854.46)
- Designated reserves	(1,229,692.07)	(1,473,886.54)
- Unrestricted reserves	(4,498,691.85)	(3,820,810.52)
General fund	(289,173.01)	5,965,703.39

CHRISTIAN FAMILY SERVICE CENTRE
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 31 MARCH, 2018

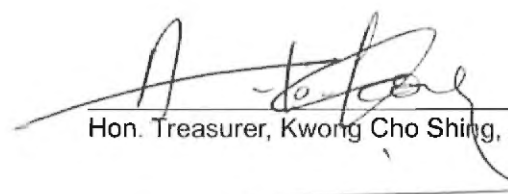
	Note	2018 HK\$	2017 HK\$
Non-current assets			
Property, plant and equipment	(8)	64,022,622.00	68,825,043.25
Available-for-sale investments	(10)	80,539,172.10	80,895,106.16
		144,561,794.10	149,720,149.41
Current assets			
Other receivables, deposits and prepayments	(11)	15,043,845.16	18,199,029.55
Pledged deposits	(12)	14,080,199.22	10,563,984.34
Cash and bank balances	(12)	52,334,867.79	53,589,050.38
		81,458,912.17	82,352,064.27
Current liabilities			
Accruals and other payables	(13)	16,952,845.71	19,063,347.22
Deferred income		32,033,484.06	35,785,557.40
Bank borrowings	(13)	20,000,000.00	15,000,000.00
		68,986,329.77	69,848,904.62
Net current assets		12,472,582.40	12,503,159.65
Net assets		157,034,376.50	162,223,309.06

CHRISTIAN FAMILY SERVICE CENTRE
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 31 MARCH, 2018

	Note	2018 HK\$	2017 HK\$
Representing: -			
General fund			
- Accumulated surplus	(14)	51,152,092.32	51,441,265.33
Restricted reserves			
- SWD Lump Sum Grant reserve	(15)	24,029,871.24	31,275,737.33
- SWD provident fund reserve	(16)	27,957,668.15	32,116,593.68
- Other restricted reserves	(17)	(16,602,121.26)	(14,726,449.41)
Capital project and restricted funds	(26)	1,421,807.36	(372,135.04)
Designated reserves	(30)	12,146,469.00	9,682,055.93
Unrestricted reserves	(31)	54,082,098.31	50,860,264.28
Fair value reserve		2,846,491.38	1,945,976.96
Total reserves and funds		157,034,376.50	162,223,309.06

The consolidated financial statements were approved and authorised for issue by the Board on 11 September 2018 and are signed on its behalf by:


 Chairman, Kwan Yui Huen, Alex


 Hon. Treasurer, Kwong Cho Shing, Antonio


 Chief Executive, Kwok Lit Yung

CHRISTIAN FAMILY SERVICE CENTRE

STATEMENT OF FINANCIAL POSITION
AT 31 MARCH, 2018

	The Centre	
	2018 HK\$	2017 HK\$
Non-current assets		
Property, plant and equipment	61,964,593.76	68,799,257.81
Interest in a subsidiary	-	-
Available-for-sale investments	80,539,172.10	80,895,106.16
	142,503,765.86	149,694,363.97
Current assets		
Other receivables, deposits and prepayments	14,245,542.88	17,858,088.64
Amount due from a subsidiary	760,371.05	-
Pledged deposits	14,080,199.22	10,563,984.34
Cash and cash equivalents	48,252,130.67	50,290,783.31
	77,338,243.82	78,712,856.29
Current liabilities		
Accruals and other payables	16,604,729.18	18,171,428.00
Amount due to a subsidiary	-	19,564.29
Deferred income	29,982,475.86	35,785,557.40
Bank borrowings	20,000,000.00	15,000,000.00
	66,587,205.04	68,976,549.69
Net current assets	10,751,038.78	9,736,306.60
Net assets	153,254,804.64	159,430,670.57

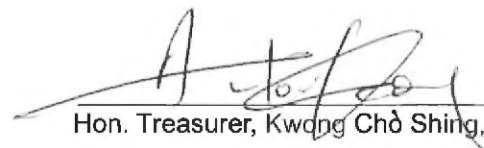
CHRISTIAN FAMILY SERVICE CENTRE

STATEMENT OF FINANCIAL POSITION
AT 31 MARCH, 2018

	Note	The Centre	
		2018 HK\$	2017 HK\$
Representing: -			
General fund			
- Accumulated surplus	(14)	51,152,092.32	51,441,265.33
Restricted reserves			
- SWD Lump Sum Grant reserve	(15)	24,029,871.24	31,275,737.33
- SWD provident fund reserve	(16)	27,957,668.15	32,116,593.68
- Other restricted reserves	(37(a))	(16,340,317.76)	(14,338,687.66)
Capital project and restricted funds	(26)	1,421,807.36	(372,135.04)
Designated reserves	(37(b))	11,765,297.63	9,682,055.93
Unrestricted reserves	(37(c))	50,421,894.32	47,679,864.04
Fair value reserve		2,846,491.38	1,945,976.96
Total reserves and funds		153,254,804.64	159,430,670.57

Approved by the Board on 11 September, 2018


Chairman, Kwan Yui Huen, Alex


Hon. Treasurer, Kwong Chò Shing, Antonio


Chief Executive, Kwok Lit Tung

第110至115頁的財務資料乃節錄自本會截至2018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107至109頁。

The financial statements as presented on page 110 to 115 are extracted from the specified financial statements of the Centre for the year ended 31 March, 2018, 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 107 to 109.

財務報告 Financial Report

收入來源表 Chart on Income Resources

2017-2018 全年總收入 Annual Income

HK\$517,281,536.48



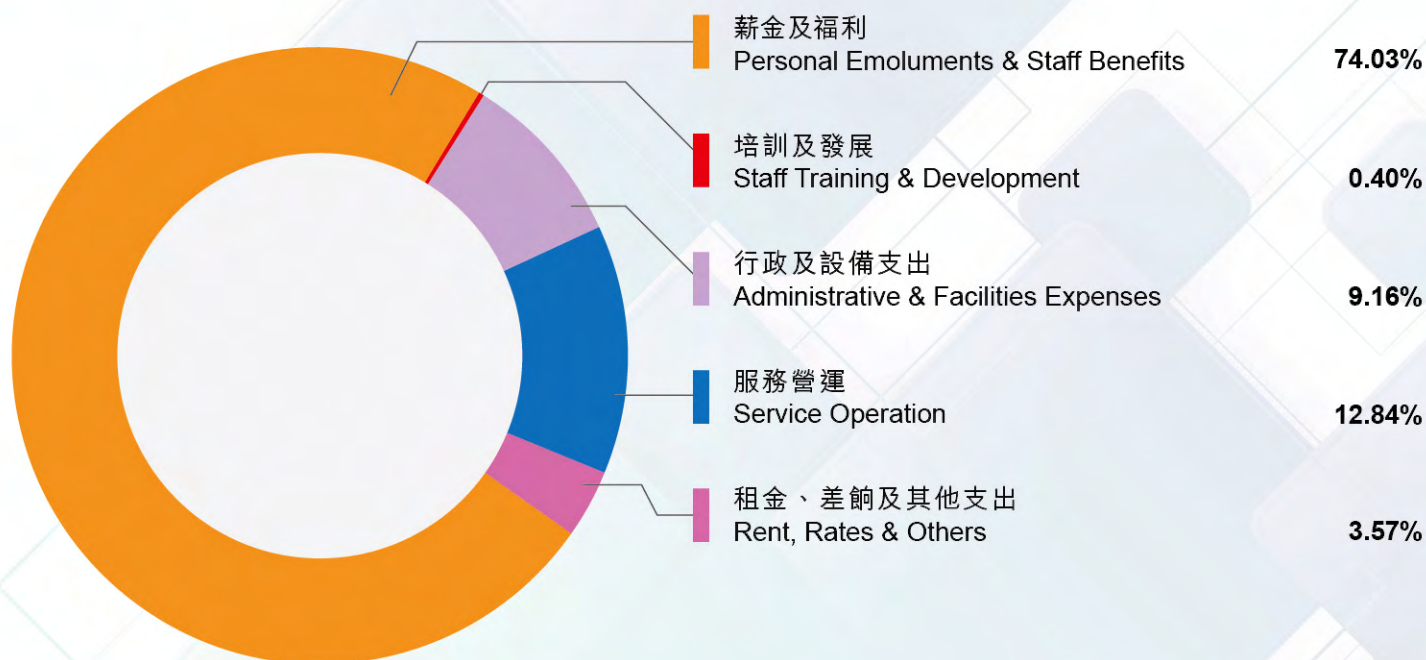
詳細核數報告及整筆撥款之周年財務報告請於本會網頁查閱

Audited Financial Statements and Annual Financial Report of Lump Sum Grant can be downloaded from CFSC's website www.cfsc.org.hk

支出表 Chart on Expenditure

2017-2018 全年總開支 Annual Expenditure

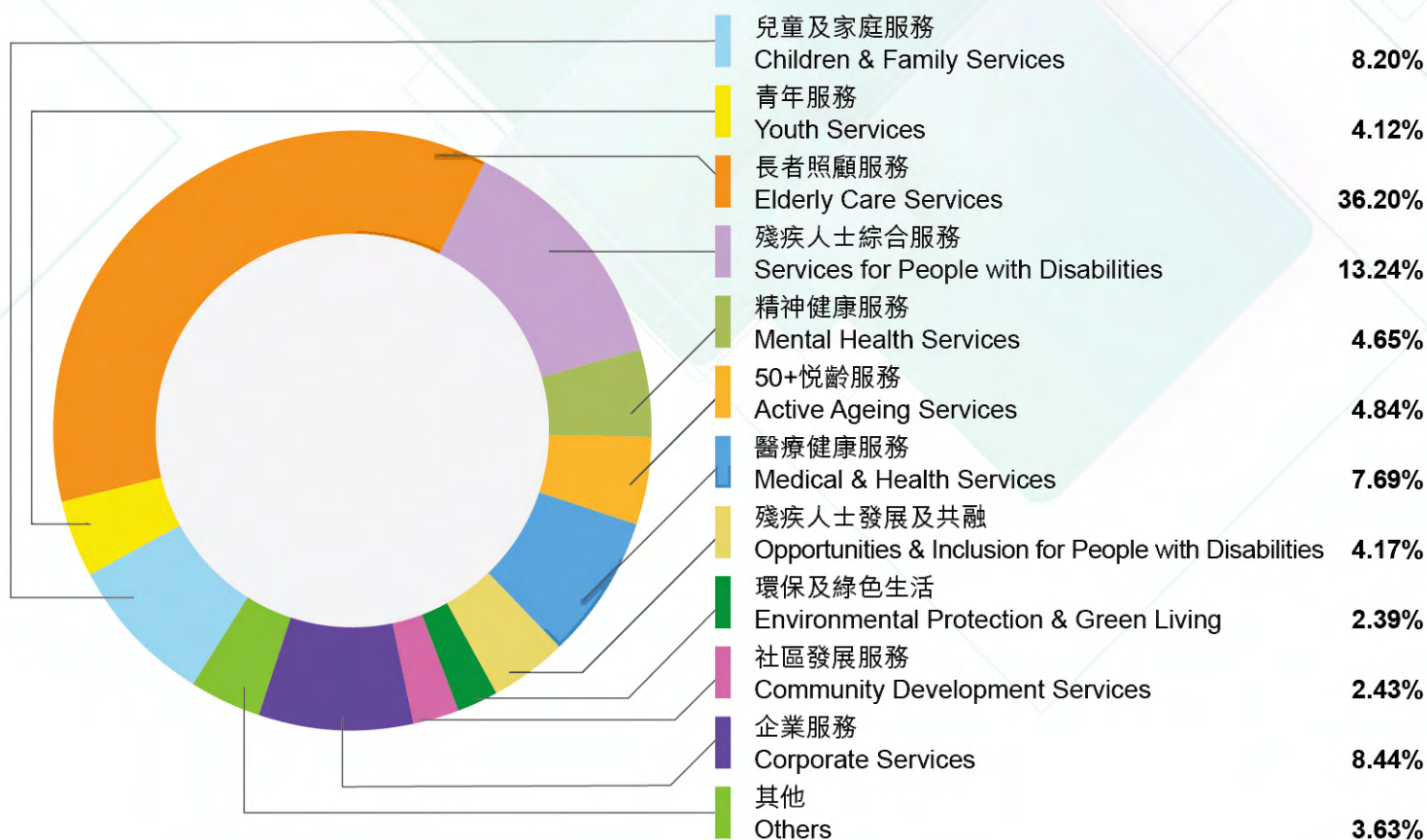
HK\$512,446,923.19



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

2017-2018 全年總開支 Annual Expenditure

HK\$512,446,923.19



2017-2018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2018年3月底，本會2017-2018年度整筆撥款服務營運錄得虧損港幣\$2,272,778，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\$23,578,080，相當於整筆撥款2017-2018年度總營運開支的8.88%。

在2017-2018年度，本會於整筆撥款儲備中撥出港幣\$4,283,025推行策略性發展工作，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；協助核心服務執行策略計劃；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。

未來兩年，即2018-2019年及2019-2020年，本會預算動用港幣\$4,800,000儲備，繼續推行策略性發展工作。項目包括跟進資訊科技檢討的建議；協助核心服務執行策略計劃；和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 2018, it recorded a deficit of HK\$2,272,778 for the LSG service operation in 2017-2018. The accumulated LSG reserve (excluding Provident Fund reserve, Rent and rates, and Central Item reserve) was HK\$23,578,080 which is 8.88% of the 2017-2018 LSG operating expenses.

In 2017-2018, HK\$4,283,025 has been drawn from LSG reserve to support the strategic development of services, including replacing the computer hardware for LSG units which had been used for over five years; supporting the core services to implement their strategic plans; implementing some of the recommendations of the IT review; and strengthening the training for staff under the LSG.

For the coming two years, that is, 2018-2019 and 2019-2020, HK\$4,800,000 has been budgeted from LSG reserve to support the following strategic development initiatives, namely to implement the recommendations of the IT review; to support the core services to execute their strategic plans, and to enhance staff training for staff under the LSG.

2017-2018年 非定影員工公積金儲備的運用及未來運用儲備計劃： Management of Provident Fund reserve for non-Snapshot staff

本會由2017年1月起調整強積金僱主供款比率，並於2017年6月，為受僱滿六個月的員工額外發放一次性的強積金供款。截至2018年3月底，本會的非定影員工公積金累積儲備為港幣\$26,555,676。

In January 2017, the employer contribution percentage for staff under MPF Scheme was enhanced. In addition, in June 2017, a one-time employer contribution was injected into staff's MPF accounts for staff who had completed six months of services. At end of March 2018, the accumulated Provident Fund for non-snapshot staff was HK\$26,555,676.

	非定影員工公積金累積儲備 Provident Fund for non-snapshot staff
截至2017年3月底 (Accumulation at end of year 2016-2017)	HK\$30,286,551
2017-2018年度收入 (Subvention Received)	HK\$13,610,779
2017-2018年度支出 (Contribution Paid)	(HK\$12,436,801)
2017年6月一次性額外供款 (One-time additional contribution paid)	(HK\$5,276,667)
調整 (Adjustment)	HK\$371,814
截至2018年3月底累積儲備 (Accumulation at end of year 2017-18)	HK\$26,555,676