

CENTRE FOR RESTORATION OF HUMAN RELATIONSHIPS LIMITED

Report of the committee and audited financial statements
for the year ended 31 December 2020

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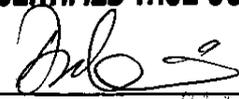
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Lai Ding Kee, Director

The Members of Committee have pleasure in presenting their report together with the audited financial statements for the year ended 31 December 2020.

PRINCIPAL ACTIVITIES The principal activities of the company is engaged in promoting and advocating harmonious human relationships. The company is a charitable organization that exempts from tax under Section 88 of Inland Revenue Ordinance. The company's registered office is located at Unit 301 & 305 Lai Ho House Lai Kok Estate Sheung Sha Wan Kowloon.

RESULTS AND APPROPRIATIONS The Result of the company for the year and the state of affairs of the Company at the relevant date are shown in the financial statements.

EQUIPMENT Details in equipment during the year are set out in financial statements.

COMMITTEE The Committee members who held office in the company during the year and up to the date of this report were:-

CHAN Wai To
LAI Ding Kee
LEE Fai Ping
WONG Sing Wing
TSANG Suk Yi, Shirley
CHOY Sai Hung
LEE Sau Ha, Elsa

According to Article 34, all the members of the committee retire and are eligible for re-election.

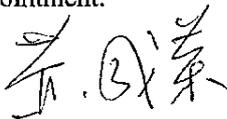
COMMITTEE MEMBERS' INTEREST No members of committee had a material interest in any contract with the company which was significant in relation to the company's business.

At no time during the financial year was the company a party to any arrangement which enabled any director of the company to acquire benefits by means of the acquisition of shares in or debentures of the company or any other body corporate.

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

SUBSEQUENT EVENT The members of committee are not aware of any fact or circumstance emerging since the balance sheet date that would make the audited financial statements materially incorrect or misleading.

AUDITORS Margaret Wong & Co. have audited the financial statements and are eligible for re-appointment.



Chairman : Mr. Wong Sing Wing

Hongkong, 23 SEP 2021

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INDEPENDENT AUDITOR'S REPORT
TO THE COMMITTEE MEMBERS OF
CENTRE FOR RESTORATION OF HUMAN RELATIONSHIPS LIMITED
(Incorporated in Hong Kong with limited by gurantee)

Opinion

We have audited the financial statements of CENTRE FOR RESTORATION OF HUMAN RELATIONSHIPS LIMITED, set out on pages 4 to 18, which comprise the statement of financial position as at 31 December 2020, and the statement of income and retained surplus, (statement of changes in reserve and funds) and 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 Company as at 31 December 2020, and of its financial performance and its 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 the Hong Kong Companies Ordinance.

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company 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 committee members are responsible for the other information. The other information comprises the information included in the report of the committee, 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.

Responsibilities of Committee Members and Those Charged with Governance for the Financial Statements

The committee members are responsible for the preparation of the 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 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 committee members are responsible for assessing the Company'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 committee members either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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

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INDEPENDENT AUDITOR'S REPORT (Cont'd)
TO THE COMMITTEE MEMBERS OF
CENTRE FOR RESTORATION OF HUMAN RELATIONSHIPS LIMITED
(Incorporated in Hong Kong with limited by gurantee)

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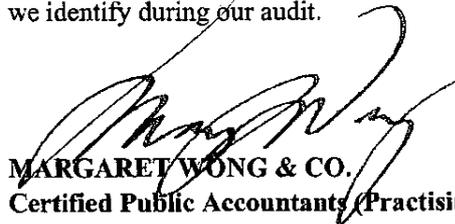
Auditor's Responsibilities for the Audit of the Financial Statements

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. We report our opinion solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with HKSAs, we exercise professional 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.
- 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee members.
- Conclude on the appropriateness of the 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 Company'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, futures events or conditions may cause the Company 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.


MARGARET WONG & CO.
Certified Public Accountants (Practising)

Hong Kong

23 SEP 2021

CENTRE FOR RESTORATION OF HUMAN RELATIONSHIPS LIMITED
STATEMENT OF INCOME AND RETAINED SURPLUS
for the year ended 31 December 2020

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	Note	2020 HK\$	2019 HK\$
TOTAL REVENUE	4.	<u>13,434,421.20</u>	<u>11,005,981.80</u>
REVENUE			
Training course and program income		10,784,924.20	9,231,110.80
Less : direct cost		<u>(161,099.45)</u>	<u>(483,928.05)</u>
		<u>10,623,824.75</u>	<u>8,747,182.75</u>
DONATION RECEIPT	18.		
Proceeds from a flag day		14,490.00	481,150.20
Less : expenditure		-	<u>(45,543.54)</u>
Excess of income over expenditure		<u>14,490.00</u>	<u>435,606.66</u>
OTHER INCOME			
Net surplus from The Community Chest 2018/2019	11.	-	0.00
Net surplus from The Community Chest 2019/2020	12.	1.07	-
Other donation income	21.	200.00	200,903.00
Other income	22.	1,973,585.00	741,468.00
Bank interest income		<u>34,943.08</u>	<u>33,540.15</u>
		<u>12,647,043.90</u>	<u>10,158,700.56</u>
Less : Expenditure		(10,324,678.20)	(8,654,870.81)
Staff salaries (Committee members : Nil)		9,485,661.22	7,816,635.11
Mandatory provident fund contributions		415,021.52	336,954.23
Audit		3,000.00	3,000.00
Rent and rates		79,296.00	78,400.00
Depreciation		152,244.75	190,305.87
Other expenditure		189,454.71	229,575.60
Less : Finance costs	6.		
Bank charges		<u>(2,502.20)</u>	<u>(2,389.20)</u>
Surplus for the year	5.	<u>2,319,863.50</u>	<u>1,501,440.55</u>
Start accumulated general fund		<u>8,797,710.72</u>	<u>7,296,270.17</u>
End accumulated general fund		<u>11,117,574.22</u>	<u>8,797,710.72</u>

1. The accompanying Accounting Policies and Explanatory notes form integral parts of these financial statements.
2. Other than the surplus for the year, the company had no recognized gains or losses nor other changes in reserve and funds. Accordingly a statement of change in reserve and funds is not presented in the financial statements.

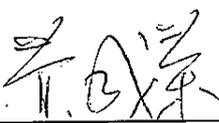
CENTRE FOR RESTORATION OF HUMAN RELATIONSHIPS LIMITED
STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

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	Note	2020 HK\$	2019 HK\$
ASSETS			
Non-Current Assets			
Equipment	7.	608,979.07	761,223.82
		11,127,228.20	8,653,626.24
CURRENT ASSETS			
Deposit-out and prepayment		10,498.00	10,498.00
Account and other receivable		558,607.00	842,422.00
Cash at bank	8.	10,557,987.90	7,800,307.44
Cash on hand	8.	135.30	398.80
		(244,256.81)	(493,056.81)
Provision for long service payment		196,050.81	196,050.81
Received in advance		5,962.00	294,006.00
Other payable		39,244.00	-
Expenses payable		3,000.00	3,000.00
NET CURRENT ASSETS		10,882,971.39	8,160,569.43
NET ASSETS		11,491,950.46	8,921,793.25
RESERVE & FUNDS			
Accumulated general fund		11,117,574.22	8,797,710.72
The Community Chest fund - 2019/2020	12.	-	1.73
The Community Chest fund - 2020/2021	13.	98,312.94	-
Quality Education Fund	16.	35,185.50	124,080.80
The Hong Kong Jockey Club Charities Trust	19.	240,877.80	-
		11,491,950.46	8,921,793.25

These financial statements were authorized for issue by the Members of Committee on **23 SEP 2021**

Approved on behalf of the
Committee Members by :


Mr. WONG Sing Wing


Mr. LAI Ding Kee

1. The accompanying Accounting Policies and Explanatory notes form integral parts of these financial statements.

2. This is the STATEMENT OF FINANCIAL POSITION as referred to in the attached Independent Auditor's Report dated **23 SEP 2021**

CENTRE FOR RESTORATION OF HUMAN RELATIONSHIPS LIMITED
STATEMENT OF CASH FLOWS for the year ended 31 December 2020

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	2020 HK\$	2019 HK\$
OPERATING ACTIVITIES		
Surplus for the year	2,319,863.50	1,501,440.55
Adjustment for :		
Depreciation	152,244.75	190,305.87
Net utilization of designated funds	<u>250,293.71</u>	<u>(40,776.67)</u>
Operating profit before changes in working capital	2,722,401.96	1,650,969.75
Increase/(Decrease) in deposit-out, account and other receivable	283,815.00	501,620.30
Increase/(Decrease) in other and expenses payable	39,244.00	(801.30)
(Increase)/Decrease in received in advance	(288,044.00)	294,006.00
Cash used in / (generated from) operating activities	<u>2,757,416.96</u>	<u>2,445,794.75</u>
INVESTING ACTIVITIES		
Payment to acquire equipment	0.00	(770,537.00)
Net cash (used in) / generated from investing activities	<u>0.00</u>	<u>(770,537.00)</u>
(INCREASE) / DECREASE IN CASH AND CASH EQUIVALENTS	2,757,416.96	1,675,257.75
CASH & CASH EQUIVALENTS AT 01.01	7,800,706.24	6,125,448.49
CASH & CASH EQUIVALENTS AT 31.12	8. <u>10,558,123.20</u>	<u>7,800,706.24</u>

The accompanying Accounting Policies and Explanatory notes form integral parts of these financial statements.

1. COMPANY INFORMATION

The company is a company limited by Guarantee and incorporated in Hong Kong. The principal activities of the company is promoting and advocating harmonious human relationships. The company is a charitable organization that exempts from tax under Section 88 of Inland Revenue Ordinance.

2. According to the Memorandum and Articles of Association of the company, the liability of the members is limited. Every member of the Centre undertakes to contribute to the assets of the Centre not exceeding Hong Kong Dollars One Hundred in the event of winding up of the company.

3. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The Company falls within the reporting exemption as a small guarantee company under section 388(3) that is exempted from including a business review in the director's report in compliance with the schedules 5 to the Hong Kong Companies Ordinance. (Cap 622). The Company prepares and presents its financial statements in accordance with the Hong Kong Financial Reporting Standard for Private Entities (HKFRS for Private Entities) issued by the Hong Kong Institute of Certified Public Accountants and the requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdraft is shown within borrowings in current liabilities on the reporting date.

Deposit out, account and other receivables

Deposit out, account and other receivables are recognized initially at the transaction price. They are subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Received in advance and expenses payable

Received in advance and expenses payable are recognized initially at the transaction price and subsequently measured at amortized cost using the effective interest method. Except for short-term payables with no stated interest rate and the effect of discounting being immaterial, that are measured at their original invoice amount.

Borrowings

Borrowings are recognized initially at the transaction price and are subsequently stated at amortized cost. Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Interest expense is recognized on the basis of the effective interest method and is included in finance costs.

3. BASIS OF PREPARATION AND ACCOUNTING POLICIES (Cont'd)

Equipment

Items of equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Where the company acquires equipment for own use under a finance lease, the prepaid cost included in equipment on initial recognition represents the fair value of the equipment, or if lower, the present value of the minimum lease payments, determined at the inception of the lease and any initial direct costs of the lessee (incremental costs that are directly attributable to negotiating and arranging a lease).

The other cost of such items of equipment comprises the following:

- the purchase price, including legal and brokerage fees, import duties and non-refundable purchase taxes, after deducting trade discounts and rebates;
- any costs directly attributable to bringing the asset to the location and condition necessary for them to be capable of operating in the manner intended by management;
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the reducing balance method. Assets held under finance leases, for which there is no reasonable certainty that the company will obtain ownership at the end of the lease term, are depreciated over their expected useful lives on the same basis as owned assets, or where shorter, the terms of the relevant lease. The following annual rates are used for the depreciation of equipment:

- | | |
|------------------------|---------------------|
| · Equipment | 20% on net plus add |
| · Furniture & fixtures | 20% on net plus add |

If there is an indication that there has been a significant change in the depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

3. BASIS OF PREPARATION AND ACCOUNTING POLICIES (Cont'd)

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the company. All other leases are classified as operating leases.

Rights to assets held under finance leases are recognised as assets of the company at the fair value of the leased property (or, if lower, the present value of minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are deducted in measuring profit or loss. Assets held under finance leases are included in property, plant and equipment, and depreciated and assessed for impairment losses in the same way as owned assets.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease.

Impairment of non-financial assets, other than inventories

At each reporting date, equipment are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If an estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (group of related assets) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements are presented in Hong Kong Dollars, which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss within "finance costs". All other foreign exchange gains and losses are presented in profit or loss within "other income" or "other expenses".

3. BASIS OF PREPARATION AND ACCOUNTING POLICIES (Cont'd)

Employee Benefits

- i). Employee benefits includes wages, salaries and allowance paid or payable during the year and the cost of retirement benefits plans.
- ii). Wages and Salaries expenses is recognized when an employee is entitled to the benefit and the amount can be estimated reliably.
- iii). Retirement Benefit Scheme
- iv). Long Service Payment under the Employment Ordinance

If the employee has completed the required number of years of service to the Company, he/she will be eligible for long service payment under the Employment Ordinance in the event of the termination of his/her employment. The Company is liable to make such payment in the event that such a termination of employment meets the circumstances specified in the Ordinance.

A provision is recognized in respect of probable future long service payments, based on the best estimate of the probable future outflow of resources which has been earned by the employees from their services to the Company at the balance sheet date. The amount of long service payment excess the benefits from the mandatory provident fund is charged in the income statement.

The Company contributes to mandatory provident fund scheme ("MPF scheme"), which are available to all employees. The assets of the schemes are held separately from those of the Company in an independently administered funds. The Company's contribution to these schemes are expensed as incurred.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and is shown net of discounts, rebates, from training courses and program organised.

Revenue is recognised in profit or loss provided it is probable that the economic benefits will flow to the company and the revenue and costs, if applicable, can be measured reliably, as follows:

- (a) Training course and program fee, over the period of instructions and services provided.
- (b) Donation, on cash receipt basis.
- (c) Grant and subvention, on cash receipt basis.
- (d) Interest income, on a time proportion basis, taking into account the principal outstanding and the effective interest rate applicable.
- (e) Other income, when the amount was received.

3. BASIS OF PREPARATION AND ACCOUNTING POLICIES

Borrowing costs

All borrowing costs are recognized in profit or loss in the period in which they are incurred.

Related parties

For the purpose of these financial statements, related party includes a person and entity as defined below:

- (a) A person or a close member of that person's family is related to the reporting entity if that person:
 - (i) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity;
 - (ii) has control or joint control over the reporting entity; or
 - (iii) has significant influence over the reporting entity.

- (b) An entity is related to the reporting entity if any of the following conditions applies:
 - (i) the entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) both entities are joint ventures of the same third entity.
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
 - (vi) the entity is controlled or jointly controlled by a person identified in (a).
 - (vii) the entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.
 - (viii) a person identified in (a)(ii) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

4. REVENUE

Revenue, which is also the company's turnover, represents the invoiced value of training courses and program fee, net of discount, donation, grant and subvention received during the year.

	<u>2020</u>	<u>2019</u>
<u>Revenue</u>	HK\$	HK\$
Income from training courses and program	<u>10,784,924.20</u>	<u>9,231,110.80</u>
 <u>Other Revenue</u>		
Net Donation receipt - proceeds from a flag day	14,490.00	435,606.66
Net Surplus from The Community Chest 2019/2020	1.07	-
Other donation income	200.00	200,903.00
Other income	1,973,585.00	741,468.00
Bank interest income	<u>34,943.08</u>	<u>33,540.15</u>
	<u>2,023,219.15</u>	<u>1,411,517.81</u>
 <u>Total Revenue</u>		
Income from training courses and program	10,784,924.20	9,231,110.80
Subvention received from The Community Chest fund - 2018/2019	-	292,375.00
Subvention received from The Community Chest fund - 2019/2020	301,150.00	903,450.00
Subvention received from The Community Chest fund - 2020/2021	1,178,760.00	-
區本計劃 - 編號 : 2018/SSP1803	-	25,036.00
區本計劃 - 編號 : 2019/SSP1903	26,847.00	-
Quality Education Fund	39,840.00	554,010.00
The Hong Kong Jockey Club Charities Trust	714,000.00	-
The Hong Kong Jockey Club Charities Trust - Covid-19 Emergency Fund	388,900.00	-
	<u>13,434,421.20</u>	<u>11,005,981.80</u>

5. SURPLUS FOR THE YEAR

	2020	2019
Surplus for the year is arrived at after charging :	HK\$	HK\$
- Audit	3,000.00	3,000.00
- Depreciation	152,244.75	190,305.87
- Rent and rates	79,296.00	78,400.00
- Salaries and allowance (Committee members: Nil)	10,961,330.22	9,271,060.41
- Mandatory provident funds	<u>470,275.76</u>	<u>399,806.91</u>
 and crediting:		
- Other donation income	200.00	200,903.00
- Other income	1,973,585.00	741,468.00
- Bank interest income	<u>34,943.08</u>	<u>33,540.15</u>

CENTRE FOR RESTORATION OF HUMAN RELATIONSHIPS LIMITED
ACCOUNTING POLICIES AND EXPLANATORY NOTES
TO THE FINANCIAL STATEMENTS 2020/2021

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6. FINANCE COSTS

	2020	2019
	HK\$	HK\$
<u>Wholly repayable within five years</u>		
Bank charges	<u>2,502.20</u>	<u>2,389.20</u>
<u>Not wholly repayable within five years</u>	<u>-</u>	<u>-</u>

7. EQUIPMENT

		Start	Add	End
		HK\$	HK\$	HK\$
Cost				
Equipment	1.	349,915.00	-	349,915.00
Furniture and Fixtures	2.	<u>1,446,284.00</u>	-	<u>1,446,284.00</u>
		<u>1,796,199.00</u>		<u>1,796,199.00</u>
Depreciation				
20% on net plus add	1.	255,567.51	18,869.49	274,437.00
20% on net plus add	2.	<u>779,407.67</u>	<u>133,375.26</u>	<u>912,782.93</u>
		<u>1,034,975.18</u>	<u>152,244.75</u>	<u>1,187,219.93</u>
Net				
	1.	94,347.49		75,478.00
	2.	<u>666,876.33</u>		<u>533,501.07</u>
		<u>761,223.82</u>		<u>608,979.07</u>

8. CASH AND CASH EQUIVALENTS

	2020	2019
	HK\$	HK\$
Cash at bank	10,557,987.90	7,800,307.44
Cash on hand	<u>135.30</u>	<u>398.80</u>
	<u>10,558,123.20</u>	<u>7,800,706.24</u>
<u>Represented by</u>		
Accumulated general fund	10,183,746.96	7,676,623.71
The Community Chest fund - 2019/2020	-	1.73
The Community Chest fund - 2020/2021	98,312.94	-
Quality Education Fund	35,185.50	124,080.80
The Hong Kong Jockey Club Charities Trust	240,877.80	-
	<u>10,558,123.20</u>	<u>7,800,706.24</u>

Cash, cash equivalents and Bank overdraft include the following for the purpose of the cash flows statement:

Cash and cash equivalents	<u>10,558,123.20</u>	<u>7,800,706.24</u>
	<u>10,558,123.20</u>	<u>7,800,706.24</u>

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9. No fee or emoluments has been paid or payable to directors or committee members for the year ended 31 December 2020 by the company.

10. OPERATING LEASE COMMITMENTS

The company has paid rent under operating leases. The leases are for an average period of three years, with fixed rentals over the same period.

	2020 HK\$	2019 HK\$
Minimum lease payments under operating lease recognized as an expense during the year	19,824.00	79,296.00
	19,824.00	79,296.00

At 31 December 2020, the company had commitments payable in the future years for rental of premises under non-cancelable operating leases as follows :

	2020 HK\$	2019 HK\$
Operating Lease payment	HK\$	HK\$
- not later than one year	19,824.00	19,824.00
- later than one year and not later than five years	-	-
- over five years	-	-
	19,824.00	19,824.00

11. THE COMMUNITY CHEST FUND

Re : 2018/2019 Approved Baseline Allocation

	2020 HK\$	2019 HK\$
b/f	-	0.60
Subvention received	-	292,375.00
<u>Less : Direct Cost</u>	-	(16,644.90)
Materials used	-	2,242.00
Promotion	-	14,402.90
<u>Less : Expenditure</u>	-	(275,730.70)
Staff salaries (Committee members : Nil)	-	257,025.00
Mandatory provident fund contributions	-	10,641.00
Electricity	-	1,829.10
Telephone	-	2,264.00
Printing and stationery	-	70.00
Postage	-	400.00
Cleaning	-	3,040.00
Sundry	-	461.60
c/f	-	0.00

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12. THE COMMUNITY CHEST FUND

Re : 2019/2020 Approved Baseline Allocation

	2020 HK\$	2019 HK\$
b/f	1.73	-
Subvention received	301,150.00	903,450.00
<u>Less : Direct Cost</u>	(11,479.80)	(58,236.91)
Materials used	1,181.30	41,054.51
Promotion	10,298.50	17,182.40
<u>Less : Expenditure</u>	(289,670.86)	(845,211.36)
Staff salaries (Committee members : Nil)	272,797.50	760,531.30
Mandatory provident fund contributions	10,365.36	31,555.48
Electricity	803.00	15,100.40
Telephone	5,262.00	15,510.00
Printing and stationery	-	12,031.10
Insurance	-	2,301.38
Postage	200.00	452.70
Cleaning	-	4,190.00
Sundry	243.00	3,539.00
c/f	1.07	1.73

13. THE COMMUNITY CHEST FUND

Re : 2020/2021 Approved Baseline Allocation

	2020 HK\$	2019 HK\$
b/f	-	-
Subvention received	1,178,760.00	-
<u>Less : Direct Cost</u>	(114,730.05)	-
Materials used	51,898.75	-
Promotion	62,831.30	-
<u>Less : Expenditure</u>	(965,717.01)	-
Staff salaries (Committee members : Nil)	870,132.50	-
Mandatory provident fund contributions	31,412.48	-
Electricity	3,400.70	-
Telephone	17,023.00	-
Printing and stationery	3,509.20	-
Insurance	24,879.53	-
Postage	1,111.00	-
Sundry	14,248.60	-
c/f	98,312.94	-

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14. 區本計劃 - 編號 : 2018/SSP1803	2020	2019
	HK\$	HK\$
b/f	-	5,117.10
Grant receipt	-	25,036.00
	-	30,153.10
<u>Less : Expenditure</u>	-	(30,153.10)
Materials used	-	6,753.10
Staff salaries (Committee members : Nil)	-	23,400.00
c/f	-	0.00
15. 區本計劃 - 編號 : 2019/SSP1903	2020	2019
	HK\$	HK\$
Grant receipts	26,847.00	-
Refundable	(23,201.00)	-
	3,646.00	-
<u>Less : Expenditure</u>	(3,646.00)	-
Materials used	450.00	-
Staff salaries (Committee members : Nil)	3,196.00	-
c/f	0.00	-
16. QUALITY EDUCATION FUND		
<u>Quality Education Fund</u>	2020	2019
	HK\$	HK\$
b/f	124,080.80	159,741.50
Grant receipts	39,840.00	554,010.00
	163,920.80	713,751.50
<u>Less : Expenditure</u>	(128,735.30)	(589,670.70)
Materials used	34,730.90	155,545.50
Staff salaries (Committee members : Nil)	89,528.00	413,469.00
Mandatory provident fund contributions	4,476.40	20,656.20
c/f	35,185.50	124,080.80

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17. FLAG DAY DONATION

	2020	2019
<u>Permit No. FD/R016/2018</u>	HK\$	HK\$
<u>Income</u>		
Street collections	-	446,910.20
Other forms of appeals	-	34,240.00
	-	481,150.20
<u>Expenditure</u>		
Printing and postage	-	2,472.40
Production cost	-	2,008.60
Insurance	-	2,080.84
Transportation	-	34,981.70
Security	-	4,000.00
Excess of income over expenditure	-	435,606.66

17a. The donations collected from the flag day appeal held on 23 March 2019 were fully utilized for staff costs, administrative expenses, utilities and management fee. The Centre used HK\$217,803.33 to promote the message of family caring to the low income families and the new arrivals and HK\$217,803.33 to reduce the occurrence of families conflict by enhancing the services targets' communication skills respectively.

18. FLAG DAY DONATION

	2020	2019
<u>Permit No. FD/R063/2020</u>	HK\$	HK\$
<u>Income</u>		
Street collections (18b.)	-	-
Other forms of appeals	14,490.00	-
	14,490.00	-

18a. The donations collected from the flag day appeal held on 18 April 2020 were fully utilized for staff costs, administrative expenses, utilities and management fee. The Centre used HK\$14,490.00 to promote the message of family caring to the low income families and the new arrivals to reduce the occurrence of families conflict by enhancing the services targets' communication skills respectively.

18b. In light of the situation of COVID-19 and public health considerations, the Permittee had made a decision to cancel the street collections as at 18 April 2020 so as to reduce social contact.

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19. THE HONG KONG JOCKEY CLUB

CHARITIES TRUST	2020 HK\$	2019 HK\$
Trust donation receipt	714,000.00	-
<u>Less : Direct Cost</u>	(224,107.20)	-
Materials used	224,107.20	-
<u>Less : Expenditure</u>	(249,015.00)	-
Staff salaries (Committee members : Nil)	240,015.00	-
Mandatory provident fund contributions	9,000.00	-
c/f	240,877.80	-

20. THE HONG KONG JOCKEY CLUB CHARITIES TRUST
 COVID-19 EMERGENCY FUND

	2020 HK\$	2019 HK\$
Trust donation receipt	388,900.00	-
<u>Less : Expenditure</u>	(388,900.00)	-
Materials and cleaning consumables		
c/f	0.00	-

21. OTHER DONATION INCOME

	2020 HK\$	2019 HK\$
The Lai Shiu On Tong Foundation	-	200,000.00
Other	200.00	903.00
	200.00	200,903.00

22. OTHER INCOME

	2020 HK\$	2019 HK\$
Capital Project Fund from The Community Chest Fund	-	741,468.00
One-off Special Allocation from The Community Chest Fund	280,000.00	-
Subsidy Schemes under Anti-epidemic Fund	1,693,585.00	-
	1,973,585.00	741,468.00

(For management purpose only)

	2020	2019
	HK\$	HK\$
Expenditure		
Staff salaries (Committee members : Nil)	9,485,661.22	7,816,635.11
Mandatory provident fund contributions	415,021.52	336,954.23
Audit	3,000.00	3,000.00
Depreciation	152,244.75	190,305.87
Insurance	87,169.91	31,698.22
Rent and rates	79,296.00	78,400.00
Staff welfare	23,886.40	43,008.00
Speakers' fee	18,310.00	58,768.20
Sundry	39,562.30	71,624.88
Traffic	15,851.10	22,876.30
Training fee	4,675.00	1,600.00
	<u>10,324,678.20</u>	<u>8,654,870.81</u>
Finance Costs		
Bank charges and interest	<u>2,502.20</u>	<u>2,389.20</u>