

END CHILD SEXUAL ABUSE FOUNDATION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2020

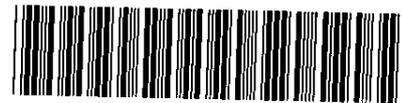
I, NG Wai Ching, being the Director of
End Child Sexual Abuse Foundation,
hereby certify that this is a true copy





NG Wai Ching
Director

Date: 31 March 2021



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**END CHILD SEXUAL ABUSE FOUNDATION
GOVERNORS' REPORT AND AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2020**

Contents	Pages
REPORT OF THE GOVERNORS	1 - 2
INDEPENDENT AUDITORS' REPORT	3 - 5
STATEMENT OF FINANCIAL POSITION	6
STATEMENT OF COMPREHENSIVE INCOME	7
STATEMENT OF CHANGES IN FUNDS	8
STATEMENT OF CASH FLOWS	9
NOTES TO THE FINANCIAL STATEMENTS	10 - 20

**END CHILD SEXUAL ABUSE FOUNDATION
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 30TH JUNE 2020**

The governors submit their report together with the audited financial statements for the year ended 30th June 2020.

Principal activities

The principal activities of End Child Sexual Abuse Foundation (the "Foundation") are to promote public awareness to the problem of child sexual abuse; to co-ordinate/undertake work to remedy physical injury and suffering of sexually abused children; and to provide appropriate support in connection therewith.

Results

The results of the Foundation for the year ended 30th June 2020 and the financial position of the Foundation as at that date are set out in the financial statements on pages 6 to 20.

Governors

The governors who held office during the year and up to the date of this report are:

NG Wai Ching, Chairperson
PO Kam Man, Chairman (resigned on 16th November 2019)
NG Wing Ying, Vice-Chairperson
SHI Nan Sun, Vice-Chairperson
FU Mee Yuk Shirley, Honorary Treasurer
CHAN Yi Man Magdalen, Honorary Secretary
CHAN Kwok Ling Phyllis
CHAN Po Chui Sophia (resigned on 16th November 2019)
CHAN Po King
CHAN Suk Han
CHAU Mat Mat
CHEUNG Kam Fong Monit
CHUI Wing Hong
HO Nim Chee
KWONG Fung Ling Nanette
LEE CHEUNG Po Chee Ina
LEUNG Ho Yin Henry
MOK Fung Yee Emily (resigned on 16th November 2019)

The governors, who retire by rotation upon expiry of their terms and being eligible, will offer themselves for re-election in accordance with the Foundation's articles of association.

**END CHILD SEXUAL ABUSE FOUNDATION
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 30TH JUNE 2020**

Governors' interests

No contracts of significance in relation to the Foundation's business to which the Foundation was a party and in which a governor of the Foundation had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

At no time during the year was the Foundation a party to any arrangement to enable the governors of the Foundation to acquire benefits by means of the acquisition of shares in, or debentures of, any other body corporate.

Management contracts

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

Permitted indemnity provision

At no time during the year were there any permitted indemnity provisions in force for the benefit of one or more governors of the Foundation.

At the time of approval of this report, there are no permitted indemnity provisions in force for the benefit of one or more governors of the Foundation.

Business review

The Foundation qualified for simplified reporting during the year and was accordingly exempted from preparing a business review.

Auditors

The financial statements have been audited by P Tse & Company Certified Public Accountants who retire and, being eligible, offer themselves for re-appointment.

On behalf of the Board



NG Wai Ching
Chairperson
Hong Kong, 24th October 2020

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
END CHILD SEXUAL ABUSE FOUNDATION (THE "FOUNDATION")
(incorporated in Hong Kong and limited by guarantee)**

Opinion

We have audited the financial statements of the Foundation set out on pages 6 to 20, which comprise the statement of financial position as at 30th June 2020, and the statement of comprehensive income, statement of changes in 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 Foundation as at 30th June 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 auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Foundation 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 auditors' report thereon

The governors are responsible for the other information. The other information comprises all the information included in the annual report and the report of the governors, other than the financial statements and our auditors' 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 regards.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
END CHILD SEXUAL ABUSE FOUNDATION (THE "FOUNDATION")
(incorporated in Hong Kong and limited by guarantee)**

Responsibilities of governors and those charged with governance for the financial statements

The governors 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 governors determine is necessary to enable the presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' 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 auditors' 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 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 Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the governors.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
END CHILD SEXUAL ABUSE FOUNDATION (THE "FOUNDATION")
(incorporated in Hong Kong and limited by guarantee)**

Auditors' responsibilities for the audit of the financial statements (Continued)

- Conclude on the appropriateness of the governors' 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 Foundation'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 auditors' report. However, future events or conditions may cause the Foundation 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, if any, that we identify during our audit.

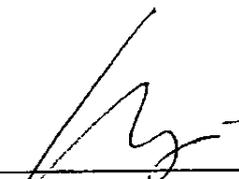


P Tse & Company
Certified Public Accountants
Hong Kong
24th October 2020

END CHILD SEXUAL ABUSE FOUNDATION
STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2020

	Notes	2020 HK\$	2019 HK\$
ASSETS			
Non-current assets			
Property, plant and equipment	3	1,589,858	937,785
Debt securities	4	6,451,016	11,471,345
		<u>8,040,874</u>	<u>12,409,130</u>
Current assets			
Debt securities	4	4,999,700	-
Receivables, deposits and prepayments	5	572,270	1,283,456
Cash and bank balances	6	33,507,837	36,501,299
		<u>39,079,807</u>	<u>37,784,755</u>
Total assets		<u>47,120,681</u>	<u>50,193,885</u>
FUNDS			
General fund - accumulated surplus		11,387,081	11,087,562
Specific funds	7	33,500,000	33,500,000
		<u>44,887,081</u>	<u>44,587,562</u>
LIABILITIES			
Current and total liabilities			
Donations received in advance		1,254,415	4,360,046
Accrued charges		710,915	1,246,277
Temporary receipts		268,270	-
		<u>2,233,600</u>	<u>5,606,323</u>
Total funds and liabilities		<u>47,120,681</u>	<u>50,193,885</u>

Approved for issue by the board of governors on 24th October 2020



NG Wai Ching
Chairperson



FU Mee Yuk Shirley
Treasurer

The notes on pages 10 to 20 form part of these financial statements.

END CHILD SEXUAL ABUSE FOUNDATION
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30TH JUNE 2020

	2020 HK\$	2019 HK\$
Income		
Public fund raising income -		
Flag day appeal	-	454,508
General donations -	2,321,160	2,131,626
Donations for programme support from -		
Project WAO x Kiehl's Charity Concert	944,000	722,000
Harper's BAZAAR SCMP Hearst Publications Limited	936,000	64,000
Wing Sum Construction & Engineering Co., Limited	500,000	200,000
L'Oreal Hong Kong Limited	365,000	545,000
Mr. Chan Tin Sang	275,000	-
Bruton Limited	200,000	-
Goods from Spain Limited	-	198,389
Joyce Boutique	-	182,000
Dr. & Mrs. Samson Sun	-	180,000
Air Cargo Community Golf Competition	-	127,719
Others	385,630	1,299,052
	3,605,630	3,518,160
Education programme fees	315,245	659,465
Interest income	922,801	934,585
Others	141,620	12,119
Total income	<u>7,306,456</u>	<u>7,710,463</u>
Less: Expenditure		
Education programmes -		
Employee benefit expense	3,348,022	3,320,260
Teaching materials	-	313,380
Operating lease rentals	109,740	104,160
Depreciation	212,214	4,360
Others	747,670	845,767
	4,417,646	4,587,927
Public education	925,068	1,396,038
Hug-line service	550,964	539,846
Education week	622,789	255,388
Advocacy and research	226,476	218,552
Employee benefit expense - administration	64,769	63,017
Amortisation of debt securities	20,629	57,401
Flag day expenses	-	45,060
Audit fee	28,000	28,000
Others	150,596	142,354
Total expenditure	<u>7,006,937</u>	<u>7,333,583</u>
Surplus for the year	<u>299,519</u>	<u>376,880</u>

0094

The notes on pages 10 to 20 form part of these financial statements.

**END CHILD SEXUAL ABUSE FOUNDATION
STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED 30TH JUNE 2020**

	General fund -accumulated surplus HK\$	Specific funds HK\$	Total HK\$
At 1st July 2018	10,710,682	33,500,000	44,210,682
Surplus for the year	<u>376,880</u>	<u>-</u>	<u>376,880</u>
At 30th June and 1st July 2019	11,087,562	33,500,000	44,587,562
Surplus for the year	<u>299,519</u>	<u>-</u>	<u>299,519</u>
At 30th June 2020	<u><u>11,387,081</u></u>	<u><u>33,500,000</u></u>	<u><u>44,887,081</u></u>

The notes on pages 10 to 20 form part of these financial statements.

**END CHILD SEXUAL ABUSE FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2020**

	Notes	2020 HK\$	2019 HK\$
Cash flows from operating activities			
Cash (used in) operations	12	(2,613,646)	(663,293)
Interest income		922,801	934,585
Net cash (used in) / generated from operating activities		<u>(1,690,845)</u>	<u>271,292</u>
Cash flows from investing activities			
Purchases of property, plant and equipment		(1,302,617)	(1,190,440)
Purchases of debt securities		-	(6,474,013)
Redemption of debt securities		-	8,000,000
Increase in bank deposits with maturity of over three months		(591,220)	(446,985)
Net cash (used in) investing activities		<u>(1,893,837)</u>	<u>(111,438)</u>
(Decrease) / increase in cash and cash equivalents		(3,584,682)	159,854
Cash and cash equivalents at beginning of the year		5,282,007	5,122,153
Cash and cash equivalents at end of the year		<u>1,697,325</u>	<u>5,282,007</u>

The notes on pages 10 to 20 form part of these financial statements.

0095

**END CHILD SEXUAL ABUSE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2020**

1. General information

End Child Sexual Abuse Foundation (the "Foundation") is incorporated under the Hong Kong Companies Ordinance and is limited by guarantee.

Under the provisions of the Foundation's articles of association, every member of the Foundation shall, in the event of the Foundation being wound up, contribute an amount of not exceeding HK\$100 to the assets of the Foundation.

The principal activities of the Foundation are to promote public awareness to the problem of child sexual abuse; to co-ordinate/undertake work to remedy physical injury and suffering of sexually abused children; and to provide appropriate support in connection therewith.

The address of the Foundation's registered office is Unit 1-12, G/F, Nam Tai House, Nam Shan Estate, Shek Kip Mei, Kowloon.

2. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements of the Foundation are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements of the Foundation have been prepared 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 and the requirements of the Hong Kong Companies Ordinance. Such financial statements have been prepared under the historical cost convention, as modified by the revaluation of held-to-maturity investments, which are carried at amortised cost.

The preparation of the financial statements of the Foundation in conformity with HKFRS for Private Entities requires the governors to make judgment, estimates and assumptions which are based on historical experience and various other factors that are believed to be reasonable under the circumstances. The estimates and associated assumptions are reviewed on an ongoing basis. Revisions thereto 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.

END CHILD SEXUAL ABUSE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED 30TH JUNE 2020

2. Summary of significant accounting policies (continued)

2.2 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of the Foundation are measured using the currency of the primary economic environment in which the Foundation operates (the "Functional Currency"). The financial statements are presented in Hong Kong dollar, which is the Foundation'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 the statement of comprehensive income.

2.3 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate cost to the residual value over estimated useful life of four years.

The asset's residual value and useful life are reviewed, and adjusted if appropriate, at each reporting period end date.

2.4 Debt securities

Debt securities are non-derivative financial assets with fixed or determinable payments and fixed maturities that the governors have the positive intention and ability to hold to maturity. Debt securities are included in non-current assets, except for those with maturities of less than twelve months from the reporting period end date, which are then classified as current assets.

Purchases and sales of debt securities are recognised on trade date - the date on which the Foundation commits to purchase or sell the asset. Debt securities are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Debt securities are derecognised when the rights to receive cash flows therefrom have expired or have been transferred and the Foundation has transferred substantially all risks and rewards of ownership. Debt securities are carried at amortised cost.

END CHILD SEXUAL ABUSE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED 30TH JUNE 2020

2. Summary of significant accounting policies (continued)

2.5 Receivables

Receivables, if significant, are recognised initially at fair value and subsequently measured at amortised cost, less provision for impairment. A provision for impairment of receivables is established when there is objective evidence that the Foundation will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate, if significant. The amount of the provision is recognised in the statement of comprehensive income.

2.6 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and at bank, demand deposits and other short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

2.7 Employee benefits

(a) Employee leave entitlements

Employee entitlements to annual leave are recognised when they are accrued to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting period end date.

(b) Pension obligations

The Foundation has established a mandatory provident fund scheme ("MPF Scheme") in Hong Kong. The assets of the MPF Scheme are held in separately trustee-administered funds. Both the Foundation and the employees are required to contribute 5% of the employees' relevant income up to a maximum of HK\$1,500 for each employee per month. The Foundation's contributions to the MPF Scheme are expensed as incurred.

The Foundation has no further payment obligations once the contributions have been made. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

END CHILD SEXUAL ABUSE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED 30TH JUNE 2020

2. Summary of significant accounting policies (continued)

2.8 Revenue recognition

(a) Donations

Donations, which are earmarked for specific purposes, are initially recognised as donations received in advance and then they are recognised in the statement of comprehensive income over the period necessary to match with the related costs which they are intended to compensate. Other donations are recognised when the right to receive payment is established.

(b) Public fund raising income

Income arising from public fund raising events is recognised when the right to receive payment is established.

(c) Interest income

Interest income is recognised on a time-proportion basis.

(d) Education programme fees and other income

Education programme fees and other income are recognised on an accrual basis.

2.9 Operating leases

Leases in which significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentive received from the lessor) are expensed in the statement of comprehensive income on a straight-line basis over the period of the lease.

END CHILD SEXUAL ABUSE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED 30TH JUNE 2020

3. Property, plant and equipment

	Leasehold improvements HK\$	Furniture/ fixtures/ office equipment HK\$	Mobile classroom - truck/fittings/ equipment HK\$	Total HK\$
At 1st July 2018				
Cost	715,984	478,299	2,083,679	3,277,962
Accumulated depreciation	(706,984)	(423,783)	(2,074,960)	(3,205,727)
Net book amount	<u>9,000</u>	<u>54,516</u>	<u>8,719</u>	<u>72,235</u>
Year ended 30th June 2019				
Opening net book amount	9,000	54,516	8,719	72,235
Additions	1,190,440	-	-	1,190,440
Depreciation charged	(302,110)	(18,420)	(4,360)	(324,890)
Closing net book amount	<u>897,330</u>	<u>36,096</u>	<u>4,359</u>	<u>937,785</u>
At 1st July 2019				
Cost	1,906,424	478,299	2,083,679	4,468,402
Accumulated depreciation	(1,009,094)	(442,203)	(2,079,320)	(3,530,617)
Net book amount	<u>897,330</u>	<u>36,096</u>	<u>4,359</u>	<u>937,785</u>
Year ended 30th June 2020				
Opening net book amount	897,330	36,096	4,359	937,785
Additions	471,200	-	831,417	1,302,617
Disposals	(673,384)	(357,525)	(934,548)	(1,965,457)
Depreciation eliminated	673,384	357,525	934,548	1,965,457
Depreciation charged	(419,910)	(18,420)	(212,214)	(650,544)
Closing net book amount	<u>948,620</u>	<u>17,676</u>	<u>623,562</u>	<u>1,589,858</u>
At 30th June 2020				
Cost	1,704,240	120,774	1,980,548	3,805,562
Accumulated depreciation	(755,620)	(103,098)	(1,356,986)	(2,215,704)
Net book amount	<u>948,620</u>	<u>17,676</u>	<u>623,562</u>	<u>1,589,858</u>

END CHILD SEXUAL ABUSE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED 30TH JUNE 2020

4. Debt securities

	2020	2019
	HK\$	HK\$
At amortised cost		
Listed in Hong Kong	4,999,700	4,999,100
Listed outside Hong Kong	6,451,016	6,472,245
	<u>11,450,716</u>	<u>11,471,345</u>
Current portion	(4,999,700)	-
Non-current portion	<u>6,451,016</u>	<u>11,471,345</u>
Market value of debt securities	<u>11,787,937</u>	<u>11,522,929</u>

5. Receivables, deposits and prepayments

	2020	2019
	HK\$	HK\$
Receivables	285,824	416,522
Deposits	22,960	22,960
Prepayments	263,486	843,974
	<u>572,270</u>	<u>1,283,456</u>

The fair values of receivables, deposits and prepayments approximated to their carrying amounts for the financial years ended 30th June 2020 and 2019.

END CHILD SEXUAL ABUSE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED 30TH JUNE 2020

6. Cash and bank balances

	2020 HK\$	2019 HK\$
Cash at banks and in hand	1,362,746	4,292,007
Short-term bank deposits	32,145,091	32,209,292
	<u>33,507,837</u>	<u>36,501,299</u>

Cash and cash equivalents include the following for the purposes of the statement of cash flows:-

	2020 HK\$	2019 HK\$
Cash and bank balances		
- Gross	33,507,837	36,501,299
- Bank deposits with maturity of over three months	(31,810,512)	(31,219,292)
	<u>1,697,325</u>	<u>5,282,007</u>

Cash at banks earned interest on floating rates based on daily bank deposit rates. Short-term bank deposits were made for less than twelve months depending on the immediate cash requirements of the Foundation, and earned interest at the respective short-term bank deposit rates. The effective interest rate on short-term bank deposits was 1.79% (2019: 1.80%) and these deposits had an average maturity of 179 days (2019: 176 days).

7. Specific funds

	Public education development reserve fund (note a) HK\$	Service development reserve fund (note b) HK\$	Child sexual abuse research reserve fund (note c) HK\$	Centre operation reserve fund (note d) HK\$	Total HK\$
At 1st July 2018, at 30th June 2019, at 1st July 2019 and at 30th June 2020	<u>20,000,000</u>	<u>2,000,000</u>	<u>1,500,000</u>	<u>10,000,000</u>	<u>33,500,000</u>

- (a) It represents fund available for education programmes and public education.
- (b) It represents fund available for hug-line and counselling services.
- (c) It represents fund available for research in child sexual abuse.
- (d) It represents fund available for the operation of End Child Sexual Abuse Foundation Centre.

END CHILD SEXUAL ABUSE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED 30TH JUNE 2020

8. Employee benefit expense

The Foundation has allocated employee benefit expense incurred to respective activities and total employee benefit expense of the Foundation for the year is summarised as follows:

	2020	2019
	HK\$	HK\$
Education programmes	3,348,022	3,320,261
Public education	766,196	727,212
Hug-line service	397,924	380,725
Advocacy and research	129,538	126,033
Education week	129,538	126,033
Administration	64,769	63,017
	<u>4,835,987</u>	<u>4,743,281</u>

Analysis of the above total employee benefit expense is as follows:

	2020	2019
	HK\$	HK\$
Salaries and allowances	4,637,499	4,545,401
Pension costs - MPF scheme	198,488	197,880
	<u>4,835,987</u>	<u>4,743,281</u>

9. Income tax expense

By virtue of section 88 of the Inland Revenue Ordinance, the Foundation is exempt from Hong Kong profits tax (2019: Nil).

END CHILD SEXUAL ABUSE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED 30TH JUNE 2020

10. Payments and commitments under operating leases

The Foundation has allocated operating lease payments incurred in respect of land and buildings to respective activities and total operating lease payments for the current year are summarised as follows:

	2020	2019
	HKS	HKS
Education programmes	109,740	104,160
Public education	21,948	20,832
Hug-line service	32,922	31,248
Advocacy and research	21,948	20,832
Education week	21,948	20,832
Administration	10,974	10,416
	<u>219,480</u>	<u>208,320</u>

At the reporting period end date the Foundation had future minimum lease payments under non-cancellable operating leases in respect of land and buildings as follows:

	2020	2019
	HKS	HKS
Not later than one year	219,480	219,480
Later than one year and not later than five years	164,610	384,090
	<u>384,090</u>	<u>603,570</u>

11. Capital commitments

The Foundation entered into a contract to acquire a motor vehicle at a consideration of HK\$700,000, of which deposit of HK\$70,000 (2019: HK\$620,000) was paid as at the reporting period end date.

END CHILD SEXUAL ABUSE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED 30TH JUNE 2020

12. Cash flows from operating activities

	2020	2019
	HK\$	HK\$
Surplus for the year	299,519	376,880
Adjustments for:		
- Interest income	(922,801)	(934,585)
- Amortisation of debt securities	20,629	57,401
- Depreciation	650,544	324,890
Changes in working capital:		
- Receivables, deposits and prepayments	711,186	(173,954)
- Donations received in advance	(3,105,631)	(893,178)
- Accrued charges	(535,362)	579,253
- Temporary receipts	268,270	-
Cash (used in) operations	<u>(2,613,646)</u>	<u>(663,293)</u>

13. Governors' emoluments

None of the governors received or would receive any fees or other emoluments in respect of their services to the Foundation during the year (2019: Nil).

14. Donations from flag day appeal

	2020	2019
	HK\$	HK\$
(a) Flag day fund raising event held on 21st April 2018		
Balance at beginning of the year	<u>39,180</u>	<u>167,280</u>
Use of donations on recurrent expenditure of a mobile classroom for sexual abuse preventive programme for primary one to three students -		
Reinforcement education materials	<u>-</u>	<u>(128,100)</u>
Total expenditure	<u>-</u>	<u>(128,100)</u>
Balance at end of the year	<u>39,180</u>	<u>39,180</u>

END CHILD SEXUAL ABUSE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS - Continued
FOR THE YEAR ENDED 30TH JUNE 2020

14. Donations from flag day appeal (Continued)

	2020	2019
	HK\$	HK\$
(b) Flag day fund raising event held on 4th May 2019		
Balance at beginning of the year	121,101	-
Receipts -		
Flag day street collections	-	293,182
Other donations	-	161,326
Flag day expenses	-	(45,060)
	-	409,448
Use of donations on recurrent expenditure of a mobile classroom for sexual abuse preventive programme for primary five to six students -		
Staffing	-	(247,716)
Reinforcement education materials	-	(7,875)
Vehicle and maintenance	-	(32,756)
Total expenditure	-	(288,347)
Balance at end of the year	121,101	121,101