

EVANGELICAL LUTHERAN CHURCH SOCIAL SERVICE -

HONG KONG

**HOME AFFAIRS BUREAU
FUNDING SCHEME FOR YOUTH LIFE PLANNING ACTIVITIES
(2016-18) - PROJECT EXTENSION**

YOUTH CAREER DEVELOPMENT PROJECT

**INDEPENDENT AUDITOR'S REPORT,
STATEMENT OF FINANCIAL POSITION
AND**

STATEMENT OF INCOME AND EXPENDITURE

**FOR THE PERIOD FROM 1ST SEPTEMBER, 2018
TO 31ST AUGUST, 2019**



W. H. WONG & CO. (CPA)

黃永漢會計師事務所

INDEPENDENT AUDITOR’S REPORT
TO THE MANAGEMENT OF
EVANGELICAL LUTHERAN CHURCH SOCIAL SERVICE - HONG KONG
HOME AFFAIRS BUREAU
FUNDING SCHEME FOR YOUTH LIFE PLANNING ACTIVITIES (2016-18) - PROJECT EXTENSION
YOUTH CAREER DEVELOPMENT PROJECT
(PROJECT REF: HAB/CA1/8/21(2016-18) Ext - 002)
FOR THE PERIOD FROM 1ST SEPTEMBER, 2018 TO 31ST AUGUST, 2019

Pursuant to the undertaking made by Evangelical Lutheran Church Social Service – Hong Kong (“ELCSS-HK”) and the conditions of grant for implementation in respect of the captioned project (the “Project”) funded by the Home Affairs Bureau (the “Bureau”), we have performed a reasonable assurance engagement to report on whether ELCSS-HK has complied with, in all material respects, the requirements set by the Bureau (including the requirements to keep proper books and records and to prepare proper accounts of the Project) for the period from 1st September, 2018 to 31st August, 2019 on pages 4 to 7 and all the conditions of grants, as specified in the following documents:

- (a) The audited account is prepared in accordance with the provisions of the Funding Scheme for Youth Life Planning Activities (2016-18) - Project Extension Grant Agreement (the “Grant Agreement”) issued by the Bureau; and
- (b) The expenditure incurred by the ELCSS-HK is made in accordance with the Guide to Application and the Grant Agreement (including without limitation, the Approved Proposal) and the requirements and directives relating to the Project as may from time to time be prescribed or given by the Bureau.

Respective responsibilities of ELCSS-HK and auditor

ELCSS-HK is required to comply with the requirements set by the Bureau (including the requirements to keep proper books and records and to prepare proper final accounts of the Project), and all the conditions of grant, as specified in the documents mentioned in the above paragraph.

It is our responsibility to form an independent conclusion, based on our reasonable assurance engagement, and to report our conclusion to you.

INDEPENDENT AUDITOR'S REPORT
TO THE MANAGEMENT OF
EVANGELICAL LUTHERAN CHURCH SOCIAL SERVICE - HONG KONG
HOME AFFAIRS BUREAU
FUNDING SCHEME FOR YOUTH LIFE PLANNING ACTIVITIES (2016-18) - PROJECT EXTENSION
YOUTH CAREER DEVELOPMENT PROJECT
(PROJECT REF: HAB/CA1/8/21(2016-18) Ext – 002)
FOR THE PERIOD FROM 1ST SEPTEMBER, 2018 TO 31ST AUGUST, 2019

Basis of conclusion

We conducted our reasonable assurance engagement in accordance with Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and the latest Notes for Auditor of grantees issued by the Home Affairs Bureau.

Our reasonable assurance engagement includes examination, on a test basis, of evidence relevant to ELCSS-HK's compliance with the requirements set by the Bureau and all the conditions of grant, as specified in the documents and the significant estimates and judgments made by ELCSS-HK in the preparation of the final audited accounts of the Project, and of whether the accounting policies have followed the requirements of the Bureau's funding, consistently applied and adequately disclosed.

We planned and performed our reasonable assurance engagement so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give our conclusion as to whether ELCSS-HK has complied with, in all material respects, the requirements set by the Bureau. In forming our conclusion, we also evaluated the overall adequacy of the presentation of information in the accounts. We believe that our reasonable assurance engagement provides a reasonable basis for our conclusion.

INDEPENDENT AUDITOR'S REPORT (CONT'D)
TO THE MANAGEMENT OF
EVANGELICAL LUTHERAN CHURCH SOCIAL SERVICE - HONG KONG
HOME AFFAIRS BUREAU
FUNDING SCHEME FOR YOUTH LIFE PLANNING ACTIVITIES (2016-18) - PROJECT EXTENSION
YOUTH CAREER DEVELOPMENT PROJECT
(PROJECT REF: HAB/CA1/8/21(2016-18) Ext – 002)
FOR THE PERIOD FROM 1ST SEPTEMBER, 2018 TO 31ST AUGUST, 2019

Conclusion

Based on the foregoing, in our opinion, ELCSS-HK has complied with, in all material respects, the requirements set by the Bureau (including the requirements to keep proper books and records and to prepare proper final accounts of the project) from 1st September, 2018 to 31st August, 2019, and all the conditions of grant, as specified in the documents mentioned in the above first paragraph.

Use of this report

This report is intended for filing by ELCSS-HK with the Bureau, and is not intended to be, and should not be, used by anyone except the above two parties for any other purposes.



W. H. Wong and Company
Certified Public Accountants

Room 6, 16/F., Enterprise Square 3,
39 Wang Chiu Road,
Kowloon Bay, Hong Kong


Hong Kong, 24th October, 2019.

EVANGELICAL LUTHERAN CHURCH SOCIAL SERVICE - HONG KONGHOME AFFAIRS BUREAUFUNDING SCHEME FOR YOUTH LIFE PLANNING ACTIVITIES (2016-18) - PROJECT EXTENSIONYOUTH CAREER DEVELOPMENT PROJECTSTATEMENT OF INCOME & EXPENDITUREFOR THE PERIOD FROM 1ST SEPTEMBER, 2018 TO 31ST AUGUST, 2019

(Expressed in Hong Kong Dollars)

	HK\$
Income	
Home Affairs Bureau Grant	\$ 1,135,972.34
Interest income	302.06
Total income	<u>\$ 1,136,274.40</u>
Expenditure	
Personal emoluments	\$ 979,758.47
Advertisement	24,655.00
Programme expenses	307,388.20
Others	4,519.00
Audit Fee	4,200.00
Total expenditure	<u>\$ 1,320,520.67</u>
Deficit for the project	<u>\$ (184,246.27)</u>
Borne by agency	
Personal emoluments	\$ 183,033.47
Programme expenses	1,212.80
Total borne by agency	<u>\$ 184,246.27</u>

We certify that all income received and expenditure incurred for the Project were within the approved scope of the Funding Scheme for Youth Life Planning Activities (2016-18) - Project Extension Grant Agreement of Home Affairs Bureau.

Authorized
signature : 
Name : Ms. Chan Lai Kwan
Title : Chief Executive
Date : 23rd October, 2019

Authorized
signature : 
Name : Mr. Chuk Wing Hung
Title : Service Director
Date : 23rd October, 2019

EVANGELICAL LUTHERAN CHURCH SOCIAL SERVICE - HONG KONG
HOME AFFAIRS BUREAU
FUNDING SCHEME FOR YOUTH LIFE PLANNING ACTIVITIES (2016-18) - PROJECT EXTENSION
YOUTH CAREER DEVELOPMENT PROJECT
STATEMENT OF FINANCIAL POSITION
AS AT 31ST AUGUST, 2019
(Expressed in Hong Kong Dollars)

As at 31/8/2019

HK\$

Current Assets

Amount due from Home Affairs Bureau	\$	566,883.09
Cash at bank		431,154.71

Total

	\$	998,037.80
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Current Liabilities

Accounts Payable	\$	70,751.60
Amount due to ELCSS-HK		1,111,532.47

	\$	1,182,284.07
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Net Current Liabilities

	\$	(184,246.27)
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Represented by**Accumulated Deficit**


	\$	(184,246.27)
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Authorized
signature :Name : Ms. Chan Lai KwanTitle : Chief ExecutiveDate : 23rd October, 2019Authorized
signature :Name : Mr. Chuk Wing HungTitle : Service DirectorDate : 23rd October, 2019

EVANGELICAL LUTHERAN CHURCH SOCIAL SERVICE - HONG KONG
HOME AFFAIRS BUREAU
FUNDING SCHEME FOR YOUTH LIFE PLANNING ACTIVITIES (2016-18) - PROJECT EXTENSION
YOUTH CAREER DEVELOPMENT PROJECT
STATEMENT OF CASH FLOW
FOR THE PERIOD FROM 1ST SEPTEMBER, 2018 TO 31ST AUGUST, 2019
 (Expressed in Hong Kong Dollars)

		HK\$
Deficit for the period	\$	(184,246.27)
Increase in amount due from Home Affairs Bureau		(566,883.09)
Increase in accounts payable		70,751.60
Increase in amount due to ELCSS-HK		1,111,532.47
NET CASH GENERATED FROM OPERATIONS		431,154.71
 CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	 \$	 431,154.71

Authorized
 signature : 
 Name : Ms. Chan Lai Kwan
 Title : Chief Executive
 Date : 23rd October, 2019

Authorized
 signature : 
 Name : Mr. Chuk Wing Hung
 Title : Service Director
 Date : 23rd October, 2019

EVANGELICAL LUTHERAN CHURCH SOCIAL SERVICE - HONG KONG
HOME AFFAIRS BUREAU
FUNDING SCHEME FOR YOUTH LIFE PLANNING ACTIVITIES (2016-18) - PROJECT EXTENSION
YOUTH CAREER DEVELOPMENT PROJECT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM 1ST SEPTEMBER, 2018 TO 31ST AUGUST, 2019
(Expressed in Hong Kong Dollars)

1. GENERAL

Evangelical Lutheran Church Social Service – Hong Kong (“ELCSS-HK”) is part of The Evangelical Lutheran Church of Hong Kong (“ELCHK”) which is registered under the Hong Kong Companies Ordinance and is limited by guarantee. The registered office of ELCHK is at 4th Floor, Lutheran Building, 50A Waterloo Road, Kowloon.

“Youth Career Development Project” aims to organize, in collaboration with secondary schools, projects which aim at enhancing students’ as well as their parent’s and teacher’s knowledge and awareness of life planning and multiple pathways.

ELCSS-HK was approved with a grant not exceeding HK1,138,178.50 by Home Affairs Bureau on 1st September, 2018 to conduct the Project for the 12-month period from 1st September, 2018 to 31st August, 2019.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The Statement of Income and Expenditure and Statement of Financial Position have been prepared in accordance with accounting principles generally accepted in Hong Kong, and in accordance with the requirements of the guidelines and conditions of grant issued by the Bureau.

The measurement basis used in the preparation of the financial statements is the historical cost and accrual accounting.

3. PRINCIPAL ACCOUNTING POLICIES

Income recognition

Income from the Project is recognized when the income is received or becomes receivable and includes all sums received up to 31st August, 2019.

4. TAXATION

ELCSS-HK is exempted from Hong Kong profits tax under the provision of Section 88 of the Inland Revenue Ordinance.

5. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Management on 23rd October, 2019.