

EVANGELICAL LUTHERAN CHURCH SOCIAL SERVICE -

HONG KONG

**HOME AND YOUTH AFFAIRS BUREAU
FUNDING SCHEME FOR
YOUTH LIFE PLANNING ACTIVITIES (2019-22)
YOUTH CAREER DEVELOPMENT PROJECT
(PROJECT REF: HAB/CA1/8/21(2019-22)-009)**

**INDEPENDENT AUDITOR'S ASSURANCE REPORT AND
FINANCIAL STATEMENTS**

**FOR THE PERIOD FROM 1ST SEPTEMBER, 2019
TO 31ST AUGUST, 2022**



W. H. WONG & CO. (CPA)

黃永漢會計師事務所

INDEPENDENT AUDITOR'S ASSURANCE REPORT
TO THE MANAGEMENT OF
EVANGELICAL LUTHERAN CHURCH SOCIAL SERVICE - HONG KONG
HOME AND YOUTH AFFAIRS BUREAU
YOUTH CAREER DEVELOPMENT PROJECT
(PROJECT REF: HAB/CA1/8/21(2019-22)-009)
FOR THE PERIOD FROM 1ST SEPTEMBER, 2019 TO 31ST AUGUST, 2022

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 and Youth 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 final audited accounts of the Project) for the period from 1st September, 2019 to 31st August, 2022 on pages 4 to 8 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 (2019-22) 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.

Responsibilities of ELCSS-HK

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.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

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EVANGELICAL LUTHERAN CHURCH SOCIAL SERVICE - HONG KONG
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YOUTH CAREER DEVELOPMENT PROJECT
(PROJECT REF: HAB/CA1/8/21(2019-22)-009)
FOR THE PERIOD FROM 1ST SEPTEMBER, 2019 TO 31ST AUGUST, 2022

Our Independence and Quality Management (Cont'd)

The firm applies Hong Kong Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's Responsibility

Our responsibility is to form a conclusion, based on our engagement, and to report our conclusion to you.

We conducted our reasonable assurance engagement in accordance with Hong Kong Standards on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information, issued by the HKICPA and the requirements specified in the Grant Agreement of the Project.

The work undertaken in connection with this engagement is less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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.

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(PROJECT REF: HAB/CA1/8/21(2019-22)-009)
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Auditor's Responsibility (Cont'd)

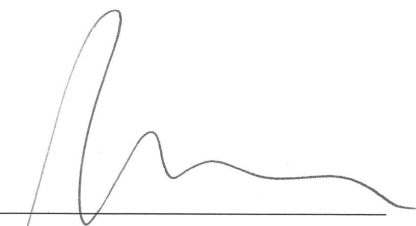
We planned and performed our reasonable assurance engagement so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give our conclusion as to whether ELCSS-HK has complied with, in all material respects, the requirements set 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.

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) 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, 4th January, 2023

EVANGELICAL LUTHERAN CHURCH SOCIAL SERVICE - HONG KONG
HOME AND YOUTH AFFAIRS BUREAU
YOUTH CAREER DEVELOPMENT PROJECT
(PROJECT REF: HAB/CA1/8/21(2019-22)-009)
STATEMENT OF INCOME & EXPENDITURE


FOR THE PERIOD FROM 1ST SEPTEMBER, 2019 TO 31ST AUGUST, 2022

(Expressed in Hong Kong Dollars)

	Schedule II (A) HK\$	Schedule II (B) HK\$	Schedule II (C) HK\$	Total HK\$
INCOME (Note 3 and 4)				
Home and Youth Affairs Bureau Grant	5,971,200.00	179,052.47	361,018.68	6,511,271.15
LESS: EXPENDITURE				
Personnel emoluments	4,552,205.95	-	165,761.51	4,717,967.46
Advertisement	51,445.00	-	-	51,445.00
Programme expenses	1,472,256.07	179,052.47	191,617.10	1,842,925.64
Administrative overhead	10,550.00	-	4,951.58	15,501.58
External audit fee	6,804.00	-	-	6,804.00
TOTAL EXPENDITURE	6,093,261.02	179,052.47	362,330.19	6,634,643.68
DEFICIT FOR THE PERIOD	(122,061.02)	-	(1,311.51)	(123,372.53)
BORNE BY GRANTEE				
Personnel emoluments	73,805.95	-	0.01	73,805.96
Advertisement	6,445.00	-	-	6,445.00
Programme expenses	-	-	1,311.50	1,311.50
Staff travelling expenses	39,456.07	-	-	39,456.07
Other expenses	2,354.00	-	-	2,354.00
TOTAL BORNE BY GRANTEE	122,061.02	-	1,311.51	123,372.53

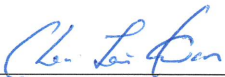
We certify that all income received and expenditure incurred for the Project were within the approved scope of the Funding Scheme for Youth Life Planning Activities (2019-22) Grant Agreement of Home and Youth Affairs Bureau.


Authorized
signature : 
Name : Ms. Chan Lai Kwan
Title : Chief Executive
Date : 4th January, 2023

Authorized
signature : 
Name : Mr. Chuk Wing Hung
Title : Assistant Chief Executive
Date : 4th January, 2023

EVANGELICAL LUTHERAN CHURCH SOCIAL SERVICE - HONG KONG
HOME AND YOUTH AFFAIRS BUREAU
YOUTH CAREER DEVELOPMENT PROJECT
(PROJECT REF: HAB/CA1/8/21(2019-22)-009)
STATEMENT OF FINANCIAL POSITION
AS AT 31ST AUGUST, 2022
(Expressed in Hong Kong Dollars)

CURRENT ASSETS	Schedule II (A) HK\$	Schedule II (B) HK\$	Schedule II (C) HK\$	Total HK\$
Amount due from Home and Youth Affairs Bureau	1,194,240.00	-	161,018.68	1,355,258.68
Accounts Receivable	2,901.00	-	-	2,901.00
Cash at Bank	250.00	-	-	250.00
	1,197,391.00	-	161,018.68	1,358,409.68
CURRENT LIABILITIES				
Accounts Payable	30,409.07	-	-	30,409.07
Amount due to ELCSS-HK	1,289,042.95	-	162,330.19	1,451,373.14
	1,319,452.02	-	162,330.19	1,481,782.21
NET CURRENT LIABILITIES	(122,061.02)	-	(1,311.51)	(123,372.53)
REPRESENTED BY ACCUMULATED DEFICIT	(122,061.02)	-	(1,311.51)	(123,372.53)

Authorized
signature : 
Name : Ms. Chan Lai Kwan
Title : Chief Executive
Date : 4th January, 2023

Authorized
signature : 
Name : Mr. Chuk Wing Hung
Title : Assistant Chief Executive
Date : 4th January, 2023

EVANGELICAL LUTHERAN CHURCH SOCIAL SERVICE - HONG KONG
HOME AND YOUTH AFFAIRS BUREAU
YOUTH CAREER DEVELOPMENT PROJECT
(PROJECT REF: HAB/CA1/8/21(2019-22)-009)
STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM 1ST SEPTEMBER, 2019 TO 31ST AUGUST, 2022
 (Expressed in Hong Kong Dollars)

	Schedule II A, B & C HK\$
Cash inflow from operating activities :-	
Deficit for the period	(123,372.53)
Adjustment for:-	
Increase in amount due from Home and Youth Affairs Bureau	(1,355,258.68)
Increase in accounts receivable	(2,901.00)
Increase in accounts payable	30,409.07
Increase in amount due to ELCSS-HK	1,451,373.14
Cash inflow from operation	250.00
 NET INCREASE IN CASH AND CASH EQUIVALENTS	 250.00
CASH AND CASH EQUIVALENTS AT BEGINNING	-
CASH AND CASH EQUIVALENTS AT THE END	250.00

EVANGELICAL LUTHERAN CHURCH SOCIAL SERVICE - HONG KONG
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YOUTH CAREER DEVELOPMENT PROJECT
(PROJECT REF: HAB/CA1/8/21(2019-22)-009)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM 1ST SEPTEMBER, 2019 TO 31ST AUGUST, 2022
(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.

“Funding Scheme for Youth Life Planning Activities (2019-22)” aims to support non-governmental organizations with funding to organize, in collaboration with secondary schools, various life planning projects which aim at enhancing students’ as well as their parents’ and teachers’ knowledge and awareness of life planning and multiple pathways.

ELCSS-HK was approved with a grant not exceeding HK\$5,971,200 on 30th August, 2019, a first supplemental grant of \$179,136 on 24th April, 2020 and a second supplemental grant of \$400,000 on 19th February, 2021 by Home and Youth Affairs Bureau to conduct the Project for the 3-year period from 1st September, 2019 to 31st August, 2022.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The Financial Statements 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.

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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, 2022.

4. HOME AND YOUTH AFFAIRS BUREAU GRANT

Home and Youth Affairs Bureau Grant represents the grant received in connection with the Project approved by the Bureau during the period.

5. TAXATION

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

6. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Management on 4th January, 2023.