

**THE CHINESE RHENISH CHURCH
HONG KONG SYNOD**

SOCIAL SERVICE DEPARTMENT

2019

**STATEMENT OF AUDITED ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2019**



W. H. WONG & CO. (CPA)

黃永漢會計師事務所

THE CHINESE RHENISH CHURCH HONG KONG SYNOD
SOCIAL SERVICE DEPARTMENT
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

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**INDEPENDENT AUDITOR'S REPORT
TO THE CHAIRMAN OF THE CHINESE RHENISH CHURCH HONG KONG SYNOD
RE : SOCIAL SERVICE DEPARTMENT**

Opinion

We have audited the financial statements of the Social Service Department of The Chinese Rhenish Church Hong Kong Synod (the "Department") set out on pages 3 to 29, which comprise the statement of financial position as at 31 March 2019, and the statement of profit or loss and other comprehensive income, statement of changes in equities 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 Department as at 31 March 2019 and of its financial performance and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRS") issued by Hong Kong Institute of Certified Public Accountants ("HKICPA"), the "Rules on the Use of Social Welfare Subventions" and the "Rules for Aided Day Nurseries" as set out in the "Guide to Social Welfare Subventions" 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 ("HKSA") 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 Department 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.

Responsibilities Of Executive Committee Members And Those Charged With Governance For The Financial Statements

The executive committee members are responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRS issued by the HKICPA, the Hong Kong Companies Ordinance and the Guide to Social Welfare Subventions, and for such internal control as the executive 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 executive committee members are responsible for assessing the Department'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 executive committee members either intend to liquidate the Department or to cease operations, or have no realistic alternative but to do so.

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

Auditor's Responsibility

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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA 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.

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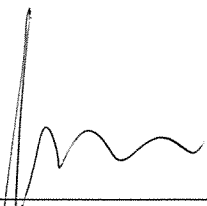
**INDEPENDENT AUDITOR'S REPORT (CONT'D)
TO THE CHAIRMAN OF THE CHINESE RHENISH CHURCH HONG KONG SYNOD
RE : SOCIAL SERVICE DEPARTMENT**

Auditor's Responsibility (Cont'd)

As part of an audit in accordance with HKSA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. 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.
2. 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 Department's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the executive committee members.
4. Conclude on the appropriateness of the executive 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 Department'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, future events or conditions may cause the Department to cease to continue as a going concern.
5. 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.




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, 21st October , 2019.

THE CHINESE RHENISH CHURCH HONG KONG SYNOD
 SOCIAL SERVICE DEPARTMENT
 STATEMENT OF FINANCIAL POSITION
 AS AT 31 MARCH 2019

2018 Total HK\$	Notes	2019 Total HK\$	Central Administration HK\$	Choi Wan Rhenish Integrated C&Y Services Centre HK\$	Kwai Shing East Rhenish Care And Attention Home HK\$	Sze Tian Rhenish Home For The Elderly HK\$	Wong Siu Ching Rhenish Home For The Elderly HK\$	Shatin Rhenish Neighbourhood Elderly Centre HK\$	Mrs.Mann Tai Po Rhenish Neighbourhood Elderly Centre HK\$	5 Nurseries (SWD Subvented Services) HK\$	Yuen Long Rhenish Day Creche HK\$	Rhenish Rejoice Centre for the Elderly HK\$	Rhenish Counselling Centre HK\$	Central Reserves HK\$
NON-CURRENT ASSETS														
9,324,590.80		8,964,773.46	57,896.36	747,473.51	887,735.70	1,502,826.75	690,354.85	2,631,034.07	2,216,936.91	-	202,319.59	27,465.06	730.66	-
CURRENT ASSETS														
19,165.50		24,776.30	2,498.00	-	-	9,280.30	198.00	1,194.00	1,967.00	-	3,550.00	6,089.00	-	-
224,854.00		224,854.00	-	16,810.00	22,780.00	44,835.00	17,997.00	22,000.00	80,072.00	-	13,050.00	7,310.00	-	-
-		-	-	-	-	-	-	-	-	-	-	-	-	-
-		-	(901,325.27)	(1,064,493.73)	(618,605.18)	448,636.83	913,511.85	(348,234.34)	(929,378.48)	(422,894.27)	(46,921.38)	-	-	2,969,703.97
-		-	-	-	-	-	-	-	-	-	-	-	-	-
-		-	176,075.52	151,759.71	50,685.51	(491,432.80)	(886,069.60)	100,994.96	-	-	(100,000.00)	(29,880.05)	-	1,027,866.75
-		-	-	-	-	-	-	-	-	-	(1,538,507.23)	-	-	1,538,507.23
6,493,660.85		3,785,765.06	6,341.00	1,293,168.67	237,129.13	106,279.50	117,505.31	604,887.00	1,204,052.21	-	15,930.00	50,012.10	-	150,460.14
928,157.60		1,063,450.36	103,456.36	179,598.60	304,892.80	147,511.10	141,076.00	31,781.00	74,150.00	22,184.00	47,708.50	8,319.00	-	2,773.00
24,488,512.08		28,181,740.78	647,247.29	1,314,846.02	647,619.71	602,336.49	470,179.99	174,810.62	314,482.20	485,812.35	1,895,410.68	209,602.95	-	21,419,392.48
110,283.02		144,734.65	1,500.00	60,386.20	20,000.00	15,513.00	25,725.00	4,095.45	7,869.00	1,646.00	4,000.00	2,000.00	-	2,000.00
32,264,633.05		33,425,321.15	35,792.90	1,952,075.47	664,501.97	882,959.42	800,123.55	591,528.69	753,213.93	86,748.08	294,220.57	253,453.00	-	27,110,703.57
41,589,223.85		42,390,094.61	93,689.26	2,699,548.98	1,552,237.67	2,385,786.17	1,490,478.40	3,222,562.76	2,970,150.84	86,748.08	496,540.16	280,918.06	730.66	27,110,703.57
CURRENT LIABILITIES														
765,653.27	6	553,127.77	-	-	-	-	-	-	-	-	-	-	-	553,127.77
782,587.32	7	250,087.85	-	-	-	-	-	-	-	-	-	-	-	250,087.85
92,300.00		114,600.00	-	-	-	50,000.00	64,600.00	-	-	-	-	-	-	-
420,532.09		306,207.39	-	-	162,182.32	81,701.10	62,323.97	-	-	-	-	-	-	-
1,455,660.93		1,076,389.12	535.32	587,679.70	80,944.48	268,819.25	37,177.50	2,910.36	4,579.66	72,893.85	12,107.00	1,396.00	-	7,346.00
470,033.40		453,878.30	-	94,223.00	2,060.00	17,900.00	16,380.00	80,611.80	76,198.50	-	157,273.00	9,232.00	-	-
3,986,767.01		2,754,290.43	535.32	681,902.70	245,186.80	418,420.35	180,481.47	83,522.16	80,778.16	72,893.85	169,380.00	10,628.00	-	810,561.62
37,602,456.84		39,635,804.18	93,153.94	2,017,646.28	1,307,050.87	1,967,365.82	1,309,996.93	3,139,040.60	2,889,372.68	13,854.23	327,160.16	270,290.06	730.66	26,300,141.95
Representing:														
RESERVES/(DEFICIT)														
8,272,507.18	23	8,843,735.56	35,257.58	1,270,172.77	419,315.17	464,539.07	619,642.08	508,006.53	672,435.77	13,854.23	124,840.57	242,825.00	-	4,472,846.79
818,218.83	8	1,407,684.83	-	-	-	-	-	-	-	-	-	-	-	1,407,684.83
16,057,392.76	9	17,169,509.78	-	-	-	-	-	-	-	-	-	-	-	17,169,509.78
1,942,060.03	10	1,698,141.33	-	-	-	-	-	-	-	-	-	-	-	1,698,141.33
1,187,687.24	11	1,551,959.22	-	-	-	-	-	-	-	-	-	-	-	1,551,959.22
9,324,590.80	5	8,964,773.46	57,896.36	747,473.51	887,735.70	1,502,826.75	690,354.85	2,631,034.07	2,216,936.91	-	202,319.59	27,465.06	730.66	-
37,602,456.84		39,635,804.18	93,153.94	2,017,646.28	1,307,050.87	1,967,365.82	1,309,996.93	3,139,040.60	2,889,372.68	13,854.23	327,160.16	270,290.06	730.66	26,300,141.95


 Chairman of Synod


 Director of Social Service Department

The notes on pages 7 to 29 form an integral part of these financial statements.

THE CHINESE RHENISH CHURCH HONG KONG SYNOD
SOCIAL SERVICE DEPARTMENT
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2019

2018 Total HK\$		Notes	2019 Total HK\$	Central Administration HK\$	Choi Wan Rhenish Integrated C&Y Services Centre HK\$	Kwai Shing East Rhenish Care And Attention Home HK\$	Sze Tian Rhenish Home For The Elderly HK\$	Wong Siu Ching Rhenish Home For The Elderly HK\$	Shatin Rhenish Neighbourhood Elderly Centre HK\$	Mrs.Mann Tai Po Rhenish Neighbourhood Elderly Centre HK\$	5 Nurseries (SWD Subvented Services) HK\$	Yuen Long Rhenish Day Creche HK\$	Rhenish Rejoice Centre for the Elderly HK\$	Rhenish Counselling Centre HK\$	Central Reserves HK\$	
	Income															
91,631,150.69	Subventible Activities	13	98,909,951.94	5,201,007.94	11,389,969.40	32,488,910.20	18,217,515.85	17,369,262.77	4,467,173.20	4,230,964.24	4,370,738.59	401,815.20	72,600.00	-	699,994.55	
5,646,776.00	Day Nursery/Creche Operation	17	5,763,983.00	-	-	-	-	-	-	-	-	5,763,983.00	-	-	-	
14,832,824.49	Other Income	14	12,085,795.31	155,774.21	4,535,169.55	479,483.73	2,047,207.93	1,171,818.26	439,466.88	804,504.54	106.01	164,627.71	1,115,903.13	694,453.15	477,280.21	
112,110,751.18			116,759,730.25	5,356,782.15	15,925,138.95	32,968,393.93	20,264,723.78	18,541,081.03	4,906,640.08	5,035,468.78	4,370,844.60	6,330,425.91	1,188,503.13	694,453.15	1,177,274.76	
	Expenses															
(91,910,094.02)	Subventible Activities	15	(98,075,333.83)	(5,357,626.59)	(11,276,765.74)	(32,381,894.21)	(18,326,671.71)	(17,416,051.13)	(4,452,838.85)	(4,224,636.61)	(4,164,138.59)	(402,110.40)	(72,600.00)	-	-	
(5,068,838.77)	Day Nursery/Creche Operation	18	(5,395,983.42)	-	-	-	-	-	-	-	-	(5,395,983.42)	-	-	-	
(12,180,114.65)	Other Expenses	16	(11,598,065.63)	(156,122.61)	(4,223,198.97)	(555,294.90)	(1,187,010.84)	(1,175,192.63)	(1,167,303.48)	(1,065,725.64)	-	(207,713.22)	(1,165,319.52)	(695,183.82)	-	
(109,159,047.44)			(115,069,382.88)	(5,513,749.20)	(15,499,964.71)	(32,937,189.11)	(19,513,682.55)	(18,591,243.76)	(5,620,142.33)	(5,290,362.25)	(4,164,138.59)	(6,005,807.04)	(1,237,919.52)	(695,183.82)	-	
2,951,703.74	Surplus/(Deficit) for the year		1,690,347.37	(156,967.05)	425,174.24	31,204.82	751,041.23	(50,162.73)	(713,502.25)	(254,893.47)	206,706.01	324,618.87	(49,416.39)	(730.67)	1,177,274.76	
882,848.58	Subvention (Surp)/Def. for the year		463,376.97	133,277.00	(113,597.50)	3,216.00	105,572.00	36,112.00	(21,544.00)	0.00	(206,600.00)	(5,558.00)	0.00	0.00	532,499.47	
3,834,552.32	Adjusted Surplus/(Deficit) for the year		2,153,724.34	(23,690.05)	311,576.74	34,420.82	856,613.23	(14,050.73)	(735,046.25)	(254,893.47)	106.01	319,060.87	(49,416.39)	(730.67)	1,709,774.23	
-	Other comprehensive income		-	-	-	-	-	-	-	-	-	-	-	-	-	
3,834,552.32	Total comprehensive income/(expenses)		2,153,724.34	(23,690.05)	311,576.74	34,420.82	856,613.23	(14,050.73)	(735,046.25)	(254,893.47)	106.01	319,060.87	(49,416.39)	(730.67)	1,709,774.23	

The notes on pages 7 to 29 form an integral part of these financial statements.

THE CHINESE RHENISH CHURCH HONG KONG SYNOD
 SOCIAL SERVICE DEPARTMENT
 STATEMENT OF CHANGES IN EQUITY
 FOR THE YEAR ENDED 31 MARCH 2019

	General Fund HK\$	Flag Day Fund HK\$	Lump Sum Grant Reserve HK\$	Lotteries Fund (Block Grant) Reserve HK\$	Day Creche Surplus Pool HK\$	Reserve for Non-current Assets HK\$	Total HK\$
<i>For the year ended 31 March 2018</i>							
Balance at 1 April 2017, as per above	7,017,483.62	293,691.90	15,728,427.37	1,789,909.78	613,432.35	8,376,936.50	33,819,881.52
Total comprehensive income	3,834,552.32	-	-	-	-	-	3,834,552.32
Surplus refunded to SWD	-	-	(51,977.00)	-	-	-	(51,977.00)
Other reserves allocated with General Fund	(2,579,528.76)	524,526.93	380,942.39	152,150.25	574,254.89	947,654.30	-
Balance at 31 March 2018	<u>8,272,507.18</u>	<u>818,218.83</u>	<u>16,057,392.76</u>	<u>1,942,060.03</u>	<u>1,187,687.24</u>	<u>9,324,590.80</u>	<u>37,602,456.84</u>
<i>For the year ended 31 March 2019</i>							
Balance at 1 April 2018, as per above	8,272,507.18	818,218.83	16,057,392.76	1,942,060.03	1,187,687.24	9,324,590.80	37,602,456.84
Total comprehensive income	2,153,724.34	-	-	-	-	-	2,153,724.34
Surplus refunded to SWD	-	-	(120,377.00)	-	-	-	(120,377.00)
Other reserves allocated with General Fund	(1,582,495.96)	589,466.00	1,232,494.02	(243,918.70)	364,271.98	(359,817.34)	-
Balance at 31 March 2019	<u>8,843,735.56</u>	<u>1,407,684.83</u>	<u>17,169,509.78</u>	<u>1,698,141.33</u>	<u>1,551,959.22</u>	<u>8,964,773.46</u>	<u>39,635,804.18</u>

The notes on pages 7 to 29 form an integral part of these financial statements.

THE CHINESE RHENISH CHURCH HONG KONG SYNOD
 SOCIAL SERVICE DEPARTMENT
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED 31 MARCH 2019

	Note	2019 HK\$	2018 HK\$
Cash flow from operating activities			
Total surplus for the year		2,153,724.34	3,834,552.32
Adjustments for:			
Depreciation		4,160,089.77	5,493,566.60
Interest income		(107,104.49)	(58,038.99)
Loss on disposal of fixed assets		33,782.43	64,313.87
		<u>6,240,492.05</u>	<u>9,334,393.80</u>
Changes in working capital			
Inventories		(5,610.80)	5,403.54
Sundry and utility deposit		-	(15,190.00)
Accounts receivable		2,707,895.79	(4,976,828.90)
Prepayment		(135,292.76)	(195,677.04)
Subvention surplus repayable to SWD		(212,525.50)	(1,301,455.00)
Deposit received		22,300.00	(4,100.00)
Cash held for Elders		(114,324.70)	91,917.85
Accounts payable and accruals		(379,271.81)	(672,336.84)
Advanced receipt		(16,155.10)	54,570.10
Loan receivable		-	320,000.00
Social Welfare Development Fund Surplus		(532,499.47)	105,764.51
		<u>7,575,007.70</u>	<u>2,746,462.02</u>
Lump Sum Grant surplus refunded to SWD		<u>(120,377.00)</u>	<u>(51,977.00)</u>
Net cash generated from operating activities		<u>7,454,630.70</u>	<u>2,694,485.02</u>
Cash flow from investing activities			
Purchase of equipment		(3,834,054.86)	(6,505,534.77)
Interest received		107,104.49	58,038.99
Net cash used in investing activities		<u>(3,726,950.37)</u>	<u>(6,447,495.78)</u>
Net increase/(decrease) in cash and cash equivalents		3,727,680.33	(3,753,010.76)
Cash and cash equivalents at beginning of the year		24,598,795.10	28,351,805.86
Cash and cash equivalents at end of the year	21	<u>28,326,475.43</u>	<u>24,598,795.10</u>

The notes on pages 7 to 29 form an integral part of these financial statements.

**THE CHINESE RHENISH CHURCH HONG KONG SYNOD
SOCIAL SERVICE DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

1. GENERAL INFORMATION

The Social Service Department of The Chinese Rhenish Church Hong Kong Synod (the "Department") is a non-governmental organisation operating under the Lump Sum Grant Subvention System monitored by the Government of the Hong Kong Special Administrative Region. The Department is controlled by The Chinese Rhenish Church Hong Kong Synod which is established and domiciled in Hong Kong. Its principal place of business is Room 310-313, Hang Ning Court, 253-263 Shun Ning Road, Shamshuipo, Kowloon, Hong Kong.

During the year, the Department had 10 social service units with their activities coordinated by the Central Administration of the Department. The service units were as follows :

- (1) Choi Wan Rhenish Integrated C&Y Services Centre
- (2) Kwai Shing East Rhenish Care And Attention Home
- (3) Sze Tian Rhenish Home For The Elderly
- (4) Wong Siu Ching Rhenish Home For The Elderly
- (5) Shatin Rhenish Neighbourhood Elderly Centre
- (6) Mrs.Mann Tai Po Rhenish Neighbourhood Elderly Centre
- (7) 5 Nurseries (SWD Subvented Services)
- (8) Yuen Long Rhenish Day Creche
- (9) Rhenish Rejoice Centre for the Elderly (Formerly known as Wo Che Rhenish Social Centre for the Elderly)
- (10) Rhenish Counselling Centre

2. SUMMARY OF BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

The basis and principal accounting policies applied in the preparation of these financial statements 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 Department have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants. They have been prepared under the historical cost convention.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Department's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates, if significant to the financial statements, are disclosed in note 4.

Standards, amendment and interpretations

The Department adopted all relevant standards, amendments and interpretations effective for the financial period. The Chairman is of the opinion that the adoption does not have any impact on the Department's financial statements.

The Department has not adopted any relevant standards, amendments and interpretations issued subsequent to but not being effective at 31 March 2019 of which the Chairman is of the opinion that there will be no material impact on the financial statements for the period of initial application.

THE CHINESE RHENISH CHURCH HONG KONG SYNOD
SOCIAL SERVICE DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

2. SUMMARY OF BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Foreign currency translation

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 profit or loss and other comprehensive income, except when deferred in equity as qualifying cash flow hedges or qualifying net investment hedges.

Translation differences on non-monetary financial assets and liabilities are reported as part of the fair value gain or loss. Translation difference on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as available for sale are included in the available-for-sale investments reserve in equity.

2.3 Equipment

The 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.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Department and the cost of the item can be measured reliably. All other repairs and maintenance are expensed in the statement of profit or loss and other comprehensive income during the financial year in which they are incurred.

Depreciation of equipment is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives, as follows:

Fitting out and fixtures	20%	per annum
Furniture and equipment	20%	per annum
Computer and accessories	33 1/3%	per annum
Motor van	20%	per annum

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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.

2.4 Financial Assets

The Department classifies its financial assets in the following categories: loans and receivables. The classification depends on the purposes for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

**THE CHINESE RHENISH CHURCH HONG KONG SYNOD
SOCIAL SERVICE DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

2. SUMMARY OF BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Financial Assets (Cont'd)

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. Loans and receivables are classified as 'receivables' and 'cash and cash equivalents' in the statement of financial position (Notes 2.6 and 2.7).

2.5 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. The cost of finished goods and work in progress comprises design costs, raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.6 Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised 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 Department will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the receivable is impaired. 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 original effective interest rate. The carrying amount of the assets is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of profit or loss and other comprehensive income. When a receivable is uncollectible, it is written off against the allowance account for receivables. Subsequent recoveries of amounts previously written off are credited in the statement of profit or loss and other comprehensive income.

2.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

2.8 Payables

Payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

**THE CHINESE RHENISH CHURCH HONG KONG SYNOD
SOCIAL SERVICE DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

2. SUMMARY OF BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.9 Current and deferred income tax

The Synod to which the Department belongs is exempted from Hong Kong Profits Tax under Section 88 of the Inland Revenue Ordinance.

2.10 Employee benefits

Employee benefits represent short term employee benefits and contributions to defined contribution retirement plans.

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

2.11 Revenue recognition

The Department recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Department's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the income have been resolved. The Department bases its estimates on historical results, taking into consideration the type of transaction and the specifics of each arrangement.

(a) Subventions / Grants
On actual receipt basis.

(b) Services income
Services income is recognized in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

(c) Interest income
Interest income is recognized on a time-proportion basis using the effective interest method. When a receivable is impaired, the Department reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognized either as cash is collected or on a cost-recovery basis as conditions warrant.

2.12 Operating lease (as the lessee)

Leases in which a 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 incentives received from the lessor) are expensed in the statement of profit or loss and other comprehensive income on a straight-line basis over the period of the lease.

THE CHINESE RHENISH CHURCH HONG KONG SYNOD
SOCIAL SERVICE DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

3. FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Department's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk, and liquidity risk. The management has policies (not written) to focus on the unpredictability of financial markets and seek to minimise potential adverse effects on the Department's financial performance as follows :-

(a) *Market risk*

(i) *Foreign exchange risk*

The Department's transactions are mainly denominated in Hong Kong dollar and hence its exposure to foreign exchange risk is insignificant.

(ii) *Price risk*

As at 31 March 2019, the Department had no material assets or liabilities of which the carrying values are affected by the prevailing market. Hence, the price risk is insignificant.

(iii) *Cash flow and fair value interest rate risk*

As at 31 March 2019, the Department had bank deposits, which expose it to cash flow interest-rate risk with minimal financial effect.

(b) *Credit risk*

The Department's credit risk restricts to its cash at bank because it is a non-governmental organisation operating on Lump Sum Grant provided by the Government of the Hong Kong Special Administrative Region.

For banks and financial institutions, only those independently rated with a minimum rating of 'A2' are accepted.

(c) *Liquidity risk*

During the year, the Department financed its working capital requirements through the fund generated from operations. In general, the Department operated with a working capital surplus.

3.2 Capital risk management

The Department's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide services to the public. The Department has operated without involving any gearing.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Except for the above-mentioned, there being no significant accounting estimates and judgements involving in the preparation of the financial statements.

THE CHINESE RHENISH CHURCH HONG KONG SYNOD
 SOCIAL SERVICE DEPARTMENT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 MARCH 2019

5. Plant and equipment

As at 31/3/2019

Central Administration

	Fitting Out & Fixtures	Furniture & Equipment	Computer & Accessories	Motor Van	Total
	HKS	HKS	HKS	HKS	HKS
Cost					
Balance b/f	2,500.00	63,182.00	334,516.00	-	400,198.00
Addition	-	2,260.00	28,756.00	-	31,016.00
Written off	-	(34,800.00)	(9,910.00)	-	(44,710.00)
Balance c/f	2,500.00	30,642.00	353,362.00	-	386,504.00
Aggregate Depreciation					
Balance b/f	(2,500.00)	(44,748.00)	(271,711.99)	-	(318,959.99)
Charges	-	(4,828.00)	(42,249.65)	-	(47,077.65)
Written off	-	27,840.00	9,590.00	-	37,430.00
Balance c/f	(2,500.00)	(21,736.00)	(304,371.64)	-	(328,607.64)
Net book value					
As at 31/3/2019	-	8,906.00	48,990.36	-	57,896.36

Choi Wan Rhenish Integrated C&Y Services Centre

	Fitting Out & Fixtures	Furniture & Equipment	Computer & Accessories	Motor Van	Total
	HKS	HKS	HKS	HKS	HKS
Cost					
Balance b/f	1,868,966.11	1,035,315.50	979,678.00	-	3,883,959.61
Addition	187,250.00	134,201.00	346,454.00	-	667,905.00
Written off	(3,640.00)	(104,555.00)	(74,005.00)	-	(182,200.00)
Balance c/f	2,052,576.11	1,064,961.50	1,252,127.00	-	4,369,664.61
Aggregate Depreciation					
Balance b/f	(1,686,366.11)	(864,344.68)	(802,391.01)	-	(3,353,101.80)
Charges	(126,752.01)	(97,331.14)	(222,774.32)	-	(446,857.47)
Written off	2,912.00	101,144.50	73,711.67	-	177,768.17
Balance c/f	(1,810,206.12)	(860,531.32)	(951,453.66)	-	(3,622,191.10)
Net book value					
As at 31/3/2019	242,369.99	204,430.18	300,673.34	-	747,473.51

Kwai Shing East Rhenish Care And Attention Home

	Fitting Out & Fixtures	Furniture & Equipment	Computer & Accessories	Motor Van	Total
	HKS	HKS	HKS	HKS	HKS
Cost					
Balance b/f	754,605.00	3,533,861.80	209,182.00	876,110.20	5,373,759.00
Addition	-	513,854.50	32,060.00	-	545,914.50
Written off	(990.00)	(189,012.00)	(29,477.00)	-	(219,479.00)
Balance c/f	753,615.00	3,858,704.30	211,765.00	876,110.20	5,700,194.50
Aggregate Depreciation					
Balance b/f	(739,805.00)	(3,067,277.60)	(172,327.33)	(525,666.12)	(4,505,076.05)
Charges	(14,800.00)	(291,406.50)	(34,258.01)	(175,222.04)	(515,686.55)
Written off	990.00	177,836.80	29,477.00	-	208,303.80
Balance c/f	(753,615.00)	(3,180,847.30)	(177,108.34)	(700,888.16)	(4,812,458.80)
Net book value					
As at 31/3/2019	-	677,857.00	34,656.66	175,222.04	887,735.70

THE CHINESE RHENISH CHURCH HONG KONG SYNOD
 SOCIAL SERVICE DEPARTMENT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 MARCH 2019

5. Plant and equipment (cont'd)

As at 31/3/2019

See Tian Rhenish Home For The Elderly

	Fitting Out & Fixtures	Furniture & Equipment	Computer & Accessories	Motor Van	Total
	HKS	HKS	HKS	HKS	HKS
Cost					
Balance b/f	6,575,910.60	3,099,015.85	164,586.00	693,190.00	10,532,702.45
Addition	965,157.90	282,303.65	42,764.00	-	1,290,225.55
Written off	-	(91,971.00)	(32,881.00)	-	(124,852.00)
Balance c/f	7,541,068.50	3,289,348.50	174,469.00	693,190.00	11,698,076.00
Aggregate Depreciation					
Balance b/f	(6,371,050.60)	(2,587,966.95)	(146,597.66)	(693,190.00)	(9,798,805.21)
Charges	(214,587.06)	(278,929.95)	(25,823.03)	-	(519,340.04)
Written off	-	90,015.00	32,881.00	-	122,896.00
Balance c/f	(6,585,637.66)	(2,776,881.90)	(139,539.69)	(693,190.00)	(10,195,249.25)
Net book value					
As at 31/3/2019	955,430.84	512,466.60	34,929.31	-	1,502,826.75

Wong Siu Ching Rhenish Home For The Elderly

	Fitting Out & Fixtures	Furniture & Equipment	Computer & Accessories	Motor Van	Total
	HKS	HKS	HKS	HKS	HKS
Cost					
Balance b/f	8,612,673.66	3,884,524.50	147,636.00	775,913.00	13,420,747.16
Addition	8,690.00	291,366.00	34,056.00	-	334,112.00
Written off	-	(102,093.90)	(12,834.00)	-	(114,927.90)
Balance c/f	8,621,363.66	4,073,796.60	168,858.00	775,913.00	13,639,931.26
Aggregate Depreciation					
Balance b/f	(8,276,159.78)	(3,359,142.54)	(118,961.00)	(775,913.00)	(12,530,176.32)
Charges	(258,139.77)	(243,240.76)	(30,222.66)	-	(531,603.19)
Written off	-	99,369.10	12,834.00	-	112,203.10
Balance c/f	(8,534,299.55)	(3,503,014.20)	(136,349.66)	(775,913.00)	(12,949,576.41)
Net book value					
As at 31/3/2019	87,064.11	570,782.40	32,508.34	-	690,354.85

Shatin Rhenish Neighbourhood Elderly Centre

	Fitting Out & Fixtures	Furniture & Equipment	Computer & Accessories	Motor Van	Total
	HKS	HKS	HKS	HKS	HKS
Cost					
Balance b/f	3,753,924.00	503,003.50	283,113.00	-	4,540,040.50
Addition	-	97,795.00	82,652.00	-	180,447.00
Written off	-	(28,474.00)	(23,365.00)	-	(51,839.00)
Balance c/f	3,753,924.00	572,324.50	342,400.00	-	4,668,648.50
Aggregate Depreciation					
Balance b/f	(750,784.80)	(203,563.70)	(210,188.00)	-	(1,164,536.50)
Charges	(750,784.80)	(101,690.66)	(71,442.67)	-	(923,918.13)
Written off	-	27,475.20	23,365.00	-	50,840.20
Balance c/f	(1,501,569.60)	(277,779.16)	(258,265.67)	-	(2,037,614.43)
Net book value					
As at 31/3/2019	2,252,354.40	294,545.34	84,134.33	-	2,631,034.07

THE CHINESE RHENISH CHURCH HONG KONG SYNOD
 SOCIAL SERVICE DEPARTMENT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 MARCH 2019

5. Plant and equipment (cont'd)

As at 31/3/2019

Mrs. Mann Tai Po Rhenish Neighbourhood Elderly Centre

	Fitting Out & Fixtures	Furniture & Equipment	Computer & Accessories	Motor Van	Total
	HKS	HKS	HKS	HKS	HKS
Cost					
Balance b/f	3,495,153.89	586,413.50	292,375.00	-	4,373,942.39
Addition	612,159.31	20,900.00	55,300.00	-	688,359.31
Written off	-	(9,928.00)	(17,696.00)	-	(27,624.00)
Balance c/f	4,107,313.20	597,385.50	329,979.00	-	5,034,677.70
Aggregate Depreciation					
Balance b/f	(1,346,686.02)	(300,707.76)	(223,069.00)	-	(1,870,462.78)
Charges	(813,762.63)	(91,009.58)	(65,616.00)	-	(970,388.21)
Written off	-	5,414.20	17,696.00	-	23,110.20
Balance c/f	(2,160,448.65)	(386,303.14)	(270,989.00)	-	(2,817,740.79)
Net book value					
As at 31/3/2019	1,946,864.55	211,082.36	58,990.00	-	2,216,936.91

5 Nurseries (SWD Subvented Services)

	Fitting Out & Fixtures	Furniture & Equipment	Computer & Accessories	Motor Van	Total
	HKS	HKS	HKS	HKS	HKS
Cost					
Balance b/f	-	-	-	-	-
Addition	-	-	-	-	-
Written off	-	-	-	-	-
Balance c/f	-	-	-	-	-
Aggregate Depreciation					
Balance b/f	-	-	-	-	-
Charges	-	-	-	-	-
Written off	-	-	-	-	-
Balance c/f	-	-	-	-	-
Net book value					
As at 31/3/2019	-	-	-	-	-

Yuen Long Rhenish Day Creche

	Fitting Out & Fixtures	Furniture & Equipment	Computer & Accessories	Motor Van	Total
	HKS	HKS	HKS	HKS	HKS
Cost					
Balance b/f	472,700.00	737,401.30	26,590.00	-	1,236,691.30
Addition	-	57,617.50	6,700.00	-	64,317.50
Written off	-	(30,319.00)	(9.00)	-	(30,328.00)
Balance c/f	472,700.00	764,699.80	33,281.00	-	1,270,680.80
Aggregate Depreciation					
Balance b/f	(456,890.00)	(494,909.74)	(22,874.00)	-	(974,673.74)
Charges	(15,810.00)	(103,412.14)	(4,091.33)	-	(123,313.47)
Written off	-	29,617.00	9.00	-	29,626.00
Balance c/f	(472,700.00)	(568,704.88)	(26,956.33)	-	(1,068,361.21)
Net book value					
As at 31/3/2019	-	195,994.92	6,324.67	-	202,319.59

THE CHINESE RHENISH CHURCH HONG KONG SYNOD
 SOCIAL SERVICE DEPARTMENT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 MARCH 2019

5. Plant and equipment (cont'd)

As at 31/3/2019

Rhenish Rejoice Centre for the Elderly

	Fitting Out & Fixtures	Furniture & Equipment	Computer & Accessories	Motor Van	Total
	HK\$	HK\$	HK\$	HK\$	HK\$
Cost					
Balance b/f	1,358,553.20	322,559.90	149,708.00	-	1,830,821.10
Addition	-	31,758.00	-	-	31,758.00
Written off	-	-	-	-	-
Balance c/f	1,358,553.20	354,317.90	149,708.00	-	1,862,579.10
Aggregate Depreciation					
Balance b/f	(1,296,248.40)	(315,079.92)	(142,611.33)	-	(1,753,939.65)
Charges	(62,304.80)	(13,439.58)	(5,430.01)	-	(81,174.39)
Written off	-	-	-	-	-
Balance c/f	(1,358,553.20)	(328,519.50)	(148,041.34)	-	(1,835,114.04)
Net book value					
As at 31/3/2019	-	25,798.40	1,666.66	-	27,465.06

Rhenish Counselling Centre

	Fitting Out & Fixtures	Furniture & Equipment	Computer & Accessories	Motor Van	Total
	HK\$	HK\$	HK\$	HK\$	HK\$
Cost					
Balance b/f	-	5,660.00	6,848.00	-	12,508.00
Addition	-	-	-	-	-
Written off	-	-	-	-	-
Balance c/f	-	5,660.00	6,848.00	-	12,508.00
Aggregate Depreciation					
Balance b/f	-	(5,264.00)	(5,782.67)	-	(11,046.67)
Charges	-	(198.00)	(532.67)	-	(730.67)
Written off	-	-	-	-	-
Balance c/f	-	(5,462.00)	(6,315.34)	-	(11,777.34)
Net book value					
As at 31/3/2019	-	198.00	532.66	-	730.66

Central Reserves

	Fitting Out & Fixtures	Furniture & Equipment	Computer & Accessories	Motor Van	Total
	HK\$	HK\$	HK\$	HK\$	HK\$
Cost					
Balance b/f	-	-	-	-	-
Addition	-	-	-	-	-
Written off	-	-	-	-	-
Balance c/f	-	-	-	-	-
Aggregate Depreciation					
Balance b/f	-	-	-	-	-
Charges	-	-	-	-	-
Written off	-	-	-	-	-
Balance c/f	-	-	-	-	-
Net book value					
As at 31/3/2019	-	-	-	-	-
Grand Total	5,484,083.89	2,702,061.20	603,406.33	175,222.04	8,964,773.46
As at 31/3/2019					

THE CHINESE RHENISH CHURCH HONG KONG SYNOD
 SOCIAL SERVICE DEPARTMENT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 MARCH 2019

5. Plant and equipment (cont'd)

As at 31/3/2018

Central Administration

	Fitting Out & Fixtures	Furniture & Equipment	Computer & Accessories	Motor Van	Total
	HK\$	HK\$	HK\$	HK\$	HK\$
Cost					
Balance b/f	2,500.00	66,155.00	250,537.00	-	319,192.00
Addition	-	4,980.00	89,459.00	-	94,439.00
Written off	-	(7,953.00)	(5,480.00)	-	(13,433.00)
Balance c/f	2,500.00	63,182.00	334,516.00	-	400,198.00
Aggregate Depreciation					
Balance b/f	(2,500.00)	(39,854.80)	(239,598.33)	-	(281,953.13)
Charges	-	(12,430.40)	(37,593.66)	-	(50,024.06)
Written off	-	7,537.20	5,480.00	-	13,017.20
Balance c/f	(2,500.00)	(44,748.00)	(271,711.99)	-	(318,959.99)
Net book value					
As at 31/3/2018	-	18,434.00	62,804.01	-	81,238.01

Choi Wan Rhenish Integrated C&Y Services Centre

	Fitting Out & Fixtures	Furniture & Equipment	Computer & Accessories	Motor Van	Total
	HK\$	HK\$	HK\$	HK\$	HK\$
Cost					
Balance b/f	1,729,316.11	1,003,027.90	814,988.00	-	3,547,332.01
Addition	139,650.00	39,683.60	209,112.00	-	388,445.60
Written off	-	(7,396.00)	(44,422.00)	-	(51,818.00)
Balance c/f	1,868,966.11	1,035,315.50	979,678.00	-	3,883,959.61
Aggregate Depreciation					
Balance b/f	(1,587,336.11)	(779,325.66)	(710,583.01)	-	(3,077,244.78)
Charges	(99,030.00)	(90,591.02)	(136,230.00)	-	(325,851.02)
Written off	-	5,572.00	44,422.00	-	49,994.00
Balance c/f	(1,686,366.11)	(864,344.68)	(802,391.01)	-	(3,353,101.80)
Net book value					
As at 31/3/2018	182,600.00	170,970.82	177,286.99	-	530,857.81

Kwai Shing East Rhenish Care And Attention Home

	Fitting Out & Fixtures	Furniture & Equipment	Computer & Accessories	Motor Van	Total
	HK\$	HK\$	HK\$	HK\$	HK\$
Cost					
Balance b/f	754,605.00	3,515,939.80	187,332.00	876,110.20	5,333,987.00
Addition	-	215,485.00	39,850.00	-	255,335.00
Written off	-	(197,563.00)	(18,000.00)	-	(215,563.00)
Balance c/f	754,605.00	3,533,861.80	209,182.00	876,110.20	5,373,759.00
Aggregate Depreciation					
Balance b/f	(723,929.00)	(2,907,419.20)	(164,939.33)	(350,444.08)	(4,146,731.61)
Charges	(15,876.00)	(352,824.00)	(25,388.00)	(175,222.04)	(569,310.04)
Written off	-	192,965.60	18,000.00	-	210,965.60
Balance c/f	(739,805.00)	(3,067,277.60)	(172,327.33)	(525,666.12)	(4,505,076.05)
Net book value					
As at 31/3/2018	14,800.00	466,584.20	36,854.67	350,444.08	868,682.95

THE CHINESE RHENISH CHURCH HONG KONG SYNOD
 SOCIAL SERVICE DEPARTMENT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 MARCH 2019

5. Plant and equipment (cont'd)

As at 31/3/2018

See Tian Rhenish Home For The Elderly

	Fitting Out & Fixtures	Furniture & Equipment	Computer & Accessories	Motor Van	Total
	HKS	HKS	HKS	HKS	HKS
Cost					
Balance b/f	6,508,510.60	2,870,038.85	162,724.00	693,190.00	10,234,463.45
Addition	152,700.00	336,954.00	19,260.00	-	508,914.00
Written off	(85,300.00)	(107,977.00)	(17,398.00)	-	(210,675.00)
Balance c/f	6,575,910.60	3,099,015.85	164,586.00	693,190.00	10,532,702.45
Aggregate Depreciation					
Balance b/f	(6,397,710.60)	(2,423,103.78)	(145,970.66)	(693,190.00)	(9,659,975.04)
Charges	(58,640.00)	(266,556.17)	(18,025.00)	-	(343,221.17)
Written off	85,300.00	101,693.00	17,398.00	-	204,391.00
Balance c/f	(6,371,050.60)	(2,587,966.95)	(146,597.66)	(693,190.00)	(9,798,805.21)
Net book value					
As at 31/3/2018	204,860.00	511,048.90	17,988.34	-	733,897.24

Wong Siu Ching Rhenish Home For The Elderly

	Fitting Out & Fixtures	Furniture & Equipment	Computer & Accessories	Motor Van	Total
	HKS	HKS	HKS	HKS	HKS
Cost					
Balance b/f	8,535,801.66	3,769,892.10	125,399.00	775,913.00	13,207,005.76
Addition	76,872.00	307,613.40	29,413.00	-	413,898.40
Written off	-	(192,981.00)	(7,176.00)	-	(200,157.00)
Balance c/f	8,612,673.66	3,884,524.50	147,636.00	775,913.00	13,420,747.16
Aggregate Depreciation					
Balance b/f	(6,901,555.85)	(2,916,289.50)	(103,711.67)	(775,913.00)	(10,697,470.02)
Charges	(1,374,603.93)	(633,854.04)	(20,366.66)	-	(2,028,824.63)
Written off	-	191,001.00	5,117.33	-	196,118.33
Balance c/f	(8,276,159.78)	(3,359,142.54)	(118,961.00)	(775,913.00)	(12,530,176.32)
Net book value					
As at 31/3/2018	336,513.88	525,381.96	28,675.00	-	890,570.84

Shatin Rhenish Neighbourhood Elderly Centre

	Fitting Out & Fixtures	Furniture & Equipment	Computer & Accessories	Motor Van	Total
	HKS	HKS	HKS	HKS	HKS
Cost					
Balance b/f	161,700.00	320,138.50	239,178.00	-	721,016.50
Addition	3,753,924.00	333,194.90	87,099.00	-	4,174,217.90
Written off	(161,700.00)	(150,329.90)	(43,164.00)	-	(355,193.90)
Balance c/f	3,753,924.00	503,003.50	283,113.00	-	4,540,040.50
Aggregate Depreciation					
Balance b/f	(158,860.00)	(231,296.34)	(202,846.66)	-	(593,003.00)
Charges	(750,784.80)	(83,886.06)	(49,378.67)	-	(884,049.53)
Written off	158,860.00	111,618.70	42,037.33	-	312,516.03
Balance c/f	(750,784.80)	(203,563.70)	(210,188.00)	-	(1,164,536.50)
Net book value					
As at 31/3/2018	3,003,139.20	299,439.80	72,925.00	-	3,375,504.00

THE CHINESE RHENISH CHURCH HONG KONG SYNOD
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 FOR THE YEAR ENDED 31 MARCH 2019

5. Plant and equipment (cont'd)

As at 31/3/2018

Mrs. Mann Tai Po Rhenish Neighbourhood Elderly Centre

	Fitting Out & Fixtures	Furniture & Equipment	Computer & Accessories	Motor Van	Total
	HKS	HKS	HKS	HKS	HKS
Cost					
Balance b/f	3,122,776.22	438,650.50	237,695.00	-	3,799,121.72
Addition	372,377.67	165,558.00	66,370.00	-	604,305.67
Written off	-	(17,795.00)	(11,690.00)	-	(29,485.00)
Balance c/f	3,495,153.89	586,413.50	292,375.00	-	4,373,942.39
Aggregate Depreciation					
Balance b/f	(655,355.24)	(228,666.58)	(168,573.01)	-	(1,052,594.83)
Charges	(691,330.78)	(88,412.18)	(65,352.66)	-	(845,095.62)
Written off	-	16,371.00	10,856.67	-	27,227.67
Balance c/f	(1,346,686.02)	(300,707.76)	(223,069.00)	-	(1,870,462.78)
Net book value					
As at 31/3/2018	2,148,467.87	285,705.74	69,306.00	-	2,503,479.61

5 Nurseries (SWD Subvented Services)

	Fitting Out & Fixtures	Furniture & Equipment	Computer & Accessories	Motor Van	Total
	HKS	HKS	HKS	HKS	HKS
Cost					
Balance b/f	-	6,416.00	2,490.00	-	8,906.00
Addition	-	-	-	-	-
Written off	-	(6,416.00)	(2,490.00)	-	(8,906.00)
Balance c/f	-	-	-	-	0.00
Aggregate Depreciation					
Balance b/f	-	(6,416.00)	(2,490.00)	-	(8,906.00)
Charges	-	-	-	-	-
Written off	-	6,416.00	2,490.00	-	8,906.00
Balance c/f	-	0.00	0.00	-	0.00
Net book value					
As at 31/3/2018	-	-	-	-	-

Yuen Long Rhenish Day Creche

	Fitting Out & Fixtures	Furniture & Equipment	Computer & Accessories	Motor Van	Total
	HKS	HKS	HKS	HKS	HKS
Cost					
Balance b/f	472,700.00	699,861.10	22,015.00	-	1,194,576.10
Addition	-	53,807.20	5,574.00	-	59,381.20
Written off	-	(16,267.00)	(999.00)	-	(17,266.00)
Balance c/f	472,700.00	737,401.30	26,590.00	-	1,236,691.30
Aggregate Depreciation					
Balance b/f	(441,080.00)	(417,688.90)	(22,015.00)	-	(880,783.90)
Charges	(15,810.00)	(93,408.04)	(1,858.00)	-	(111,076.04)
Written off	-	16,187.20	999.00	-	17,186.20
Balance c/f	(456,890.00)	(494,909.74)	(22,874.00)	-	(974,673.74)
Net book value					
As at 31/3/2018	15,810.00	242,491.56	3,716.00	-	262,017.56

THE CHINESE RHENISH CHURCH HONG KONG SYNOD
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 FOR THE YEAR ENDED 31 MARCH 2019

5. Plant and equipment (cont'd)

As at 31/3/2018

Rhenish Rejoice Centre for the Elderly

	Fitting Out & Fixtures HK\$	Furniture & Equipment HK\$	Computer & Accessories HK\$	Motor Van HK\$	Total HK\$
Cost					
Balance b/f	1,358,553.20	333,254.90	145,998.00	-	1,837,806.10
Addition	-	-	5,000.00	-	5,000.00
Written off	-	(10,695.00)	(1,290.00)	-	(11,985.00)
Balance c/f	1,358,553.20	322,559.90	149,708.00	-	1,830,821.10
Aggregate Depreciation					
Balance b/f	(1,024,537.76)	(265,392.74)	(138,471.33)	-	(1,428,401.83)
Charges	(271,710.64)	(58,243.18)	(5,430.00)	-	(335,383.82)
Written off	-	8,556.00	1,290.00	-	9,846.00
Balance c/f	(1,296,248.40)	(315,079.92)	(142,611.33)	-	(1,753,939.65)
Net book value					
As at 31/3/2018	62,304.80	7,479.98	7,096.67	-	76,881.45

Rhenish Counselling Centre

	Fitting Out & Fixtures HK\$	Furniture & Equipment HK\$	Computer & Accessories HK\$	Motor Van HK\$	Total HK\$
Cost					
Balance b/f	-	5,660.00	7,838.00	-	13,498.00
Addition	-	-	1,598.00	-	1,598.00
Written off	-	-	(2,588.00)	-	(2,588.00)
Balance c/f	-	5,660.00	6,848.00	-	12,508.00
Aggregate Depreciation					
Balance b/f	-	(5,066.00)	(7,838.00)	-	(12,904.00)
Charges	-	(198.00)	(532.67)	-	(730.67)
Written off	-	-	2,588.00	-	2,588.00
Balance c/f	-	(5,264.00)	(5,782.67)	-	(11,046.67)
Net book value					
As at 31/3/2018	-	396.00	1,065.33	-	1,461.33

Central Reserves

	Fitting Out & Fixtures HK\$	Furniture & Equipment HK\$	Computer & Accessories HK\$	Motor Van HK\$	Total HK\$
Cost					
Balance b/f	-	-	29,600.00	-	29,600.00
Addition	-	-	-	-	-
Written off	-	-	(29,600.00)	-	(29,600.00)
Balance c/f	-	-	0.00	-	0.00
Aggregate Depreciation					
Balance b/f	-	-	(29,600.00)	-	(29,600.00)
Charges	-	-	-	-	-
Written off	-	-	29,600.00	-	29,600.00
Balance c/f	-	-	0.00	-	0.00
Net book value					
As at 31/3/2018	-	-	-	-	-
Grand Total	5,968,495.75	2,527,932.96	477,718.01	350,444.08	9,324,590.80
As at 31/3/2018					

THE CHINESE RHENISH CHURCH HONG KONG SYNOD
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6. Subvention surplus

	2019 HK\$	2018 HK\$
Balance brought forward	765,653.27	2,067,108.27
Adjust : Subvention Surplus/(Deficit) for the year	<u>69,122.50</u>	<u>(1,006,760.00)</u>
	834,775.77	1,060,348.27
Less : Surplus clawed back during the year	<u>281,648.00</u>	<u>294,695.00</u>
Balance carried forward	<u>553,127.77</u>	<u>765,653.27</u>

7. Social Welfare Development Fund surplus

	2019 HK\$	2018 HK\$
Balance brought forward	782,587.32	676,822.81
Less : Surplus clawed back during the year	<u>-</u>	<u>18,146.91</u>
	782,587.32	658,675.90
Allocation from SWDF	263,000.00	743,345.00
Interest received	<u>885.53</u>	<u>28.42</u>
	<u>1,046,472.85</u>	<u>1,402,049.32</u>
Expenditure for projects under scope A	459,245.00	351,406.00
Expenditure for projects under scope B(non-IT)	159,800.00	-
Expenditure for projects under scope B(IT)	<u>177,340.00</u>	<u>268,056.00</u>
Total Expenditure	<u>796,385.00</u>	<u>619,462.00</u>
Balance carried forward	<u>250,087.85</u>	<u>782,587.32</u>

8. Flag Day Fund

	2019 HK\$	2018 HK\$
Credit balance brought forward from previous financial year	818,218.83	293,691.90
Add : Flag Day Fund Raising Income	1,806,095.80	1,635,202.80
Less : Flag Day Fund Raising Expenses	<u>(108,532.06)</u>	<u>(60,181.84)</u>
	2,515,782.57	1,868,712.86
Less : Subsidy for Rent	(89,165.00)	(90,038.00)
Subsidy to Social Centre for Elderly	(622,981.98)	(550,715.95)
Subsidy to Rhenish Counselling Centre	(394,453.15)	(408,419.49)
Administrative Expenses	<u>(1,497.61)</u>	<u>(1,320.59)</u>
Credit balance carried forward to the next financial year	<u>1,407,684.83</u>	<u>818,218.83</u>

THE CHINESE RHENISH CHURCH HONG KONG SYNOD
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9. Lump Sum Grant Reserve

	2019 HK\$	2018 HK\$
Lump Sum Grant Reserve (Salary & OC)		
Credit balance brought forward from previous financial year	10,314,404.69	10,234,907.86
Adjust :Surplus for the year	<u>925,285.52</u>	<u>79,496.83</u>
Credit balance carried forward to the next financial year	<u>11,239,690.21</u>	<u>10,314,404.69</u>

Lump Sum Grant Reserve (Salary & OC) is 14.43% of the Lump Sum Grant operating expenditure (excluding Provident Fund) for the year.

Lump Sum Grant Reserve (P. Fund)

Credit balance brought forward from previous financial year	5,742,988.07	5,493,519.51
Add :Surplus for the year	307,208.50	301,445.56
Less : Refund to SWD	<u>(120,377.00)</u>	<u>(51,977.00)</u>
Credit balance carried forward to the next financial year	<u>5,929,819.57</u>	<u>5,742,988.07</u>
Total Lump Sum Grant Reserve	<u>17,169,509.78</u>	<u>16,057,392.76</u>

10. Lotteries Fund (Block Grant) Reserve

	2019 HK\$	2018 HK\$
Credit balance brought forward from previous financial year	1,942,060.03	1,789,909.78
Add : Block Grant received during the year	1,207,000.00	1,157,000.00
Interest income received	<u>774.90</u>	<u>42.05</u>
	3,149,834.93	2,946,951.83
Less : Expenditure during the year -		
Minor Works Projects	(808,099.70)	(410,006.00)
Furniture & Equipment	(614,328.90)	(565,080.80)
Vehicle Overhauling	<u>(29,265.00)</u>	<u>(29,805.00)</u>
Credit balance carried forward to the next financial year	<u>1,698,141.33</u>	<u>1,942,060.03</u>

Capital Commitments

As at 31 March 2019, the outstanding commitments in respect of F & E Replenishment and Minor Works Grant were as follows:

	2019 HK\$	2018 HK\$
Contracted for but not provided in the financial statements	-	-
Authorized but not contracted for	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

THE CHINESE RHENISH CHURCH HONG KONG SYNOD
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11. Day Creche Surplus Pool

	2019 HK\$	2018 HK\$
Credit balance brought forward from previous financial year	1,187,687.24	613,432.35
Surplus for the year	<u>364,271.98</u>	<u>574,254.89</u>
Credit balance carried forward to the next financial year	<u>1,551,959.22</u>	<u>1,187,687.24</u>

12. Subsidy from External Funds

	2019 HK\$	2018 HK\$
Lotteries Fund	1,253,594.62	4,186,601.67
Lotteries Fund Block Grant	1,207,000.00	1,157,000.00
Others	<u>2,669,667.80</u>	<u>3,037,739.49</u>
	<u>5,130,262.42</u>	<u>8,381,341.16</u>

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2018 Total HK\$		2019 Total HK\$	Central Administration HK\$	Choi Wan Rhenish Integrated C&Y Services Centre HK\$	Kwai Shing East Rhenish Care And Attention Home HK\$	Sze Tian Rhenish Home For The Elderly HK\$	Wong Siu Ching Rhenish Home For The Elderly HK\$	Shatin Rhenish Neighbourhood Elderly Centre HK\$	Mrs.Mann Tai Po Rhenish Neighbourhood Elderly Centre HK\$	5 Nurseries (SWD Subvented Services) HK\$	Yuen Long Rhenish Day Creche HK\$	Rhenish Rejoice Centre for the Elderly HK\$	Rhenish Counselling Centre HK\$	Central Reserves HK\$
13. Subventible Activities Income														
4,305,402.00	Subvention for Rent	4,599,079.00	77,696.00	319,352.00	1,842,720.00	885,904.00	926,725.00	221,402.00	252,780.00	0.00	0.00	72,600.00	0.00	0.00
367,807.00	Subvention for Rates	363,142.00	4,354.00	68,341.00	184,284.00	12,115.00	22,426.00	41,422.00	30,200.00	0.00	0.00	0.00	0.00	0.00
10,556,906.00	Other Subventions and Subsidies	10,199,971.00	110,730.00	1,002,385.20	4,149,674.00	2,486,999.50	2,545,340.10	77,776.40	78,803.20	254,640.00	27,007.80	0.00	0.00	(533,385.00)
61,299,190.00	Lump Sum Grant - Salary & O.C.	67,935,414.00	4,469,979.73	7,513,857.57	21,095,157.64	12,023,472.92	11,337,763.21	3,414,520.64	3,332,044.23	3,635,163.53	289,823.50	0.00	0.00	823,631.03
1,376,022.00	LSG - P. Fund (Existing Staff)	1,265,419.00	301,634.25	259,568.40	297,039.75	35,225.55	78,881.75	142,047.25	143,819.70	24,295.70	0.00	0.00	0.00	(17,093.35)
3,437,578.00	LSG - P. Fund (Other Staff)	3,917,030.00	182,920.49	455,590.49	1,050,232.81	606,089.67	578,155.21	182,931.01	177,854.21	344,920.36	14,033.90	0.00	0.00	324,301.85
42,936.00	Membership Fee	31,480.00	0.00	12,350.00	0.00	0.00	0.00	5,985.00	13,145.00	0.00	0.00	0.00	0.00	0.00
7,414,948.00	Home & Hostel Fee	7,545,347.50	0.00	0.00	3,663,240.00	2,051,083.50	1,831,024.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
201,548.00	Occasional Child Care Income	172,191.00	0.00	0.00	0.00	0.00	0.00	0.00	101,241.00	70,950.00	0.00	0.00	0.00	0.00
11,414.00	Extended Hour Service Income	10,478.00	0.00	0.00	0.00	0.00	0.00	0.00	10,478.00	0.00	0.00	0.00	0.00	0.00
2,381,902.40	Program Income	2,415,901.04	0.00	1,757,124.04	78,606.00	42,236.00	48,530.00	356,203.00	133,202.00	0.00	0.00	0.00	0.00	0.00
57,750.78	Bank Interest	102,540.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	102,540.02
177,746.51	Sundry Income	351,959.38	53,693.47	1,500.70	127,956.00	74,389.91	417.50	24,885.90	69,115.90	0.00	0.00	0.00	0.00	0.00
91,631,150.69		98,909,951.94	5,201,007.94	11,389,969.40	32,488,910.20	18,217,515.85	17,369,262.77	4,467,173.20	4,230,964.24	4,370,738.59	401,815.20	72,600.00	0.00	699,994.55
14. Other Income														
1,575,020.96	Flag Day Fund Raising Income	1,697,563.74	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,697,563.74
0.00	Subsidy from Flag Day Fund	-	155,662.61	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	622,981.98	394,453.15	(1,173,097.74)
8,381,341.16	Subsidy from External Funds	5,130,262.42	0.00	2,260,447.80	267,859.00	1,245,528.61	347,254.30	398,963.60	723,538.91	0.00	73,688.90	57,674.90	0.00	(244,693.60)
1,196,106.80	Donation	1,555,747.18	0.00	955,864.84	51,143.00	48,258.40	75,968.34	22,622.20	63,529.60	0.00	0.00	134,785.50	8,200.00	195,375.30
15,200.00	Membership Fee	14,452.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	14,452.00	0.00	0.00
1,171,657.00	Home & Hostel Fee	1,284,534.40	0.00	0.00	0.00	628,574.00	655,960.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,866,638.00	Program Income	1,699,337.30	0.00	1,318,597.80	0.00	0.00	0.00	17,553.00	17,235.00	0.00	0.00	280,051.50	65,900.00	0.00
288.21	Bank Interest	4,564.47	111.60	259.11	317.73	268.92	287.22	198.08	201.03	106.01	638.81	43.45	0.00	2,132.51
367,027.00	Staff Food Contribution	377,090.00	0.00	0.00	160,164.00	124,578.00	92,348.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
150,800.00	Counselling Service Income	225,900.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	225,900.00	0.00
101,650.00	Extended Hour Service Income	90,300.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	90,300.00	0.00	0.00	0.00
7,095.36	Sundry Income	6,043.80	0.00	0.00	0.00	0.00	0.00	130.00	0.00	0.00	0.00	5,913.80	0.00	0.00
14,832,824.49		12,085,795.31	155,774.21	4,535,169.55	479,483.73	2,047,207.93	1,171,818.26	439,466.88	804,504.54	106.01	164,627.71	1,115,903.13	694,453.15	477,280.21

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2018 Total HK\$	2019 Total HK\$	Central Administration HK\$	Choi Wan Rhenish Integrated C&Y Services Centre HK\$	Kwai Shing East Rhenish Care And Attention Home HK\$	Sze Tian Rhenish Home For The Elderly HK\$	Wong Siu Ching Rhenish Home For The Elderly HK\$	Shatin Rhenish Neighbourhood Elderly Centre HK\$	Mrs.Mann Tai Po Rhenish Neighbourhood Elderly Centre HK\$	S Nurseries (SWD Subvented Services) HK\$	Yuen Long Rhenish Day Creche HK\$	Rhenish Rejoice Centre for the Elderly HK\$	Rhenish Counselling Centre HK\$	Central Reserves HK\$
15. Subventible Activities Expenses													
Personnel Emolument													
56,689,863.90	62,047,551.34	3,924,740.00	7,395,293.80	19,726,979.49	10,516,854.17	10,533,491.88	3,176,192.00	3,091,854.00	3,467,389.00	214,757.00	-	-	-
1,370,072.09	1,310,379.53	301,634.25	259,568.40	297,039.75	35,225.55	106,397.70	142,506.68	143,819.70	24,187.50	-	-	-	-
3,142,082.35	3,564,860.97	182,920.49	455,590.49	1,050,232.81	606,089.67	550,639.26	182,471.58	177,854.21	345,028.56	14,033.90	-	-	-
8,421,785.00	7,924,309.94	-	-	3,508,865.49	2,209,000.33	2,206,444.12	-	-	-	-	-	-	-
443,633.00	390,922.52	-	-	165,231.97	108,137.67	117,552.88	-	-	-	-	-	-	-
1,742,250.00	1,851,416.00	122,734.00	147,335.00	603,545.00	363,877.00	368,230.00	44,949.00	53,066.00	60,654.00	87,026.00	-	-	-
582,042.80	243,210.66	-	6,320.00	81,312.66	89,850.00	64,450.00	528.00	750.00	-	-	-	-	-
40,425.21	101,069.13	-	2,763.00	54,338.29	-	49,493.84	-	-	-	-	-	-	-
Operating Charges													
58,307.00	58,285.00	10,200.00	7,000.00	7,000.00	6,575.00	6,510.00	7,000.00	7,000.00	7,000.00	-	-	-	-
10,602.00	23,731.00	1,704.00	3,408.00	2,556.00	9,083.80	5,275.20	852.00	852.00	-	-	-	-	-
88,316.92	95,554.32	11,540.80	24,282.00	13,837.00	7,258.00	8,208.00	9,904.52	20,524.00	-	-	-	-	-
1,472,030.25	1,496,031.00	19,231.00	161,183.00	675,484.00	320,244.00	227,071.00	39,418.00	49,401.00	3,999.00	-	-	-	-
602,581.00	646,207.00	-	-	262,952.00	188,842.00	193,670.00	-	-	743.00	-	-	-	-
163,965.47	159,289.57	182.47	1,184.20	78,787.50	42,300.00	35,055.40	750.00	615.00	415.00	-	-	-	-
17,895.80	16,871.30	5,799.10	2,287.50	3,224.00	2,688.40	1,569.40	16.90	1,286.00	-	-	-	-	-
240,636.79	256,625.78	9,386.21	63,737.40	61,443.60	27,406.98	36,407.00	28,342.85	25,312.24	1,730.00	2,859.50	-	-	-
318,852.79	334,889.61	44,330.41	21,619.20	119,449.90	56,550.70	43,831.50	21,382.90	4,529.40	18,173.00	3,022.60	-	-	-
45,793.00	45,077.00	-	12,834.00	8,640.00	5,722.00	5,647.00	7,374.00	4,860.00	-	-	-	-	-
683,080.07	731,587.91	47,077.65	157,426.01	190,243.31	108,017.36	131,035.56	57,149.95	40,342.87	-	295.20	-	-	-
809,595.24	839,916.88	56,715.78	115,250.60	329,588.60	80,958.00	180,548.00	40,328.00	36,527.90	-	-	-	-	-
267,707.12	279,567.16	4,083.50	21,460.90	128,232.20	33,573.30	62,007.31	5,585.90	5,590.65	17,377.40	1,656.00	-	-	-
160,560.80	163,042.40	-	-	81,615.00	49,153.40	32,274.00	-	-	-	-	-	-	-
1,195,837.50	1,641,181.00	-	-	486,971.00	952,688.00	201,522.00	-	-	-	-	-	-	-
1,912,641.57	2,117,426.14	2,811.80	1,115,214.42	115,733.16	174,328.40	70,123.20	358,895.31	179,488.25	60,831.60	40,000.00	-	-	-
3,499,955.76	3,547,342.16	-	-	1,667,272.92	1,025,452.84	844,732.30	-	-	5,060.10	4,824.00	-	-	-
908,342.59	1,204,742.71	60,368.86	112,419.34	417,573.10	226,624.57	234,528.66	51,248.66	47,392.79	50,429.03	4,157.70	-	-	-
66,236.00	82,844.00	1,725.00	1,800.00	30,830.00	22,104.00	8,105.00	1,000.00	17,280.00	-	-	-	-	-
17,071.00	17,551.00	700.00	4,655.00	4,805.00	2,361.00	3,175.00	1,085.00	770.00	-	-	-	-	-
13,205.15	19,203.55	4,243.50	485.15	7,667.50	3,833.00	2,905.50	-	68.90	-	-	-	-	-
36,271.00	44,182.00	-	-	12,200.00	14,625.00	15,649.00	1,708.00	-	-	-	-	-	-
665,506.30	609,439.00	238,605.00	97,961.20	98,658.00	45,464.30	34,584.10	24,465.90	25,492.70	17,200.00	27,007.80	-	-	-
166,715.70	177,172.17	-	-	-	-	-	-	-	-	-	-	-	-
119,533.26	151,007.65	1,083.50	5,165.10	49,335.06	43,812.77	43,135.82	4,520.90	3,889.50	65.00	-	-	-	-
88,344.80	29,847.00	-	-	-	-	-	-	-	-	-	-	-	-
16,460.47	17,319.03	7,280.00	1,083.83	4,135.20	1,956.00	2,064.80	799.20	-	-	-	-	-	-
36,145.90	42,597.40	11,183.10	8,544.70	5,894.70	5,423.50	4,453.70	3,083.60	3,158.40	385.00	470.70	-	-	-
49,448.42	52,362.50	-	-	-	-	-	-	-	52,362.50	-	-	-	-
817,217.00	726,875.50	-	695,835.50	-	-	-	-	-	31,040.00	-	-	-	-
4,574,478.00	4,582,943.00	77,696.00	320,784.00	1,845,220.00	849,284.00	967,779.00	196,800.00	252,780.00	-	-	72,600.00	-	-
354,605.00	430,902.00	2,631.00	59,800.00	185,000.00	91,307.00	17,484.00	44,480.00	30,200.00	-	-	-	-	-
91,910,094.02	98,075,333.83	5,357,626.59	11,276,765.74	32,381,894.21	18,326,671.71	17,416,051.13	4,452,838.85	4,224,636.61	4,164,138.59	402,110.40	72,600.00	-	-

THE CHINESE RHENISH CHURCH HONG KONG SYNOD
 SOCIAL SERVICE DEPARTMENT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 MARCH 2019

2018 Total HK\$	2019 Total HK\$	Central Administration HK\$	Choi Wan Rhenish Integrated C&Y Services Centre HK\$	Kwai Shing East Rhenish Care And Attention Home HK\$	Size Tian Rhenish Home For The Elderly HK\$	Wong Siu Ching Rhenish Home For The Elderly HK\$	Shatin Rhenish Neighbourhood Elderly Centre HK\$	Mrs.Mann Tai Po Rhenish Neighbourhood Elderly Centre HK\$	5 Nurseries (SWD Subvented Services) HK\$	Yuen Long Rhenish Day Creche HK\$	Rhenish Rejoice Centre for the Elderly HK\$	Rhenish Counselling Centre HK\$	Central Reserves HK\$
16. Other Expenses													
2,756,175.50	3,142,444.75	-	1,356,037.25	-	307,664.00	259,694.00	76,800.00	-	-	-	594,079.50	548,170.00	-
177,907.16	198,591.66	-	58,848.45	-	13,913.00	13,465.00	3,840.00	-	-	992.95	41,751.86	65,780.40	-
89,844.00	99,737.00	-	4,260.00	-	9,600.00	9,600.00	-	-	-	42,447.00	16,370.00	17,460.00	-
893.00	915.00	-	-	-	425.00	490.00	-	-	-	-	-	-	-
474.00	977.00	-	-	-	629.00	348.00	-	-	-	-	-	-	-
29,950.04	48,037.00	-	35,928.00	-	487.00	544.00	-	-	-	-	8,036.00	3,042.00	-
86,018.00	90,143.00	-	33,401.00	-	21,333.00	14,999.00	-	-	-	-	20,410.00	-	-
25,632.00	26,395.00	-	944.00	-	12,666.00	12,785.00	-	-	-	-	-	-	-
5,658.00	5,362.00	-	-	-	2,790.00	2,317.00	-	-	-	-	255.00	-	-
742.70	756.00	-	454.00	-	180.00	102.00	-	-	-	-	-	20.00	-
21,739.90	22,026.30	-	12,746.00	-	1,840.00	2,462.00	337.00	-	-	-	3,959.80	681.50	-
15,343.90	13,226.40	-	4,321.00	-	3,772.00	2,852.00	-	-	-	-	2,186.90	94.50	-
3,347.50	4,086.90	-	-	-	354.00	373.00	-	-	-	-	2,399.50	930.40	-
4,807,251.13	3,425,276.56	-	289,431.46	325,443.24	411,322.68	400,567.63	866,768.18	930,045.34	-	119,792.97	81,174.39	730.67	-
373,182.00	382,593.70	-	106,194.70	35,955.00	34,680.00	156,820.00	13,050.00	5,490.00	-	1,760.00	28,644.00	-	-
44,353.90	99,431.60	-	40,435.80	500.00	2,242.00	16,423.00	29,971.30	3,052.70	-	4,971.80	1,835.00	-	-
6,259.10	5,507.00	-	-	-	3,353.00	2,154.00	-	-	-	-	-	-	-
8,541.00	12,909.00	-	-	-	6,949.00	5,960.00	-	-	-	-	-	-	-
2,803,301.70	3,038,228.21	-	2,230,841.74	25,790.00	62,107.20	42,416.00	174,728.40	122,623.80	-	-	343,937.95	35,783.12	-
491,832.72	494,875.62	-	-	160,566.66	197,842.96	136,466.00	-	-	-	-	-	-	-
49,936.30	65,300.23	1,202.61	10,921.57	-	16,376.00	13,652.00	-	-	-	788.00	15,245.82	7,114.23	-
4,779.00	2,971.00	-	-	-	1,436.00	535.00	-	-	-	-	1,000.00	-	-
489.00	379.00	-	-	-	159.00	220.00	-	-	-	-	-	-	-
343.00	548.00	-	-	-	257.00	191.00	-	-	-	-	100.00	-	-
1,361.00	2,040.00	-	-	-	979.00	1,061.00	-	-	-	-	-	-	-
14,520.00	16,330.00	-	-	-	-	-	-	-	-	-	1,330.00	15,000.00	-
4,328.20	6,678.00	-	-	-	2,986.00	2,765.00	-	-	-	-	872.60	54.40	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-
47,853.40	16,463.40	-	3,348.00	7,040.00	-	660.00	199.60	4,513.80	-	702.00	-	-	-
33,999.30	31,169.40	-	-	-	-	-	-	-	-	31,169.40	-	-	-
-	5,089.10	-	-	-	-	-	-	-	-	5,089.10	-	-	-
27,226.20	81,519.80	65,755.00	6,230.00	-	1,979.00	3,893.00	1,609.00	-	-	-	1,731.20	322.60	-
223,503.00	234,500.00	87,796.00	14,856.00	-	61,786.00	70,062.00	-	-	-	-	-	-	-
23,329.00	23,558.00	1,369.00	14,000.00	-	6,873.00	1,316.00	-	-	-	-	-	-	-
12,180,114.65	11,598,065.63	156,122.61	4,223,198.97	555,294.90	1,187,010.84	1,175,192.63	1,167,303.48	1,065,725.64	-	207,713.22	1,165,319.52	695,183.82	-

THE CHINESE RHENISH CHURCH HONG KONG SYNOD
SOCIAL SERVICE DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

17. Day Creche Operation Income (*Yuen Long Rhenish Day Creche*)

	2019	2018
	HK\$	HK\$
Subvention for Rent	210,540.00	210,540.00
Subvention for Rates	23,968.00	23,637.00
Subvention for Government Rent	16,230.00	16,414.00
Other Subventions and Subsidies	806,630.00	752,927.00
School Fee & Meal Fee	2,644,005.00	2,439,214.00
Fee Remission	1,670,811.00	1,823,186.00
CCCCSS	388,831.00	380,682.00
Program Income	2,760.00	-
Sundry Income	208.00	176.00
	<u>5,763,983.00</u>	<u>5,646,776.00</u>

18. Day Creche Operating Expenses (*Yuen Long Rhenish Day Creche*)

	2019	2018
	HK\$	HK\$
Personnel Emolument		
Salaries	3,778,012.00	3,708,516.00
Allowance	594,819.00	350,202.00
P. Fund	445,115.28	453,046.07
Salary for Relief Worker	9,150.00	18,700.00
Statutory Payment	-	2,403.00
Operating Charges		
Audit Fee	7,000.00	7,000.00
Telephone	8,848.00	9,050.00
Electricity	64,324.00	63,725.00
Gas & Fuel	17,668.00	17,455.00
Water & Sewage	6,255.10	5,654.90
Postage	159.20	211.30
Printing & Stationery	12,016.60	6,898.96
Cleaning Charges & Materials	4,436.90	5,187.80
Depreciation on Fixed Assets	3,225.30	3,235.40
Repair and Maintenance	9,071.00	5,839.00
Minor Purchase	547.90	2,406.50
Program Expenses	11,006.00	7,433.20
Food for Children	87,639.90	89,976.90
Insurance	80,816.54	51,913.49
Medical Examination Fee	1,210.00	1,630.00
Staff Uniform	5,888.00	3,326.00
Fire System Charges	500.00	3,100.00
Bank Charges	2,179.10	1,489.75
Travelling & Transportation	915.60	1,178.50
Rent & Management Fee	210,540.00	210,540.00
Rates	17,900.00	22,700.00
Government Rent	16,740.00	16,020.00
	<u>5,395,983.42</u>	<u>5,068,838.77</u>

**THE CHINESE RHENISH CHURCH HONG KONG SYNOD
SOCIAL SERVICE DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

19. Subvention from Labour and Welfare Bureau

The Department received a subvention of HK\$38,584.28 from Labour and Welfare Bureau for the Adult Education courses held during the period from 1 September 2017 to 31 August 2018.

20. Financial Instruments by Category

- (a) Long-term receivables, long-term deposits, restricted bank deposits, trade and other debtors and cash and bank balances are categorised as loans and receivables and carried at amortised cost using the effective interest method; and
- (b) Other creditors are categorised as financial liabilities and carried at amortised cost using the effective interest method.

21. Cash and cash equivalents

	2019 HK\$	2018 HK\$
Cash in hand	144,734.65	110,283.02
Cash at bank and bank deposits	<u>28,181,740.78</u>	<u>24,488,512.08</u>
	<u>28,326,475.43</u>	<u>24,598,795.10</u>

22. Commitments

Operating lease commitments – where the Department is the lessee

The lease expenditure expensed in the statement of profit or loss and other comprehensive income during the year is disclosed in Notes 15, 16 and 18.

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	2019 HK\$	2018 HK\$
Not later than 1 year	486,383.10	1,246,024.50
Later than 1 year and not later than 5 years	<u>451,704.00</u>	<u>-</u>
	<u>938,087.10</u>	<u>1,246,024.50</u>

THE CHINESE RHENISH CHURCH HONG KONG SYNOD
 SOCIAL SERVICE DEPARTMENT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 MARCH 2019

23 General Fund

Year ended 31 March 2019

	Total HKS	Central Administration HKS	Choi Wan Rhenish Integrated C&Y Services Centre HKS	Kwai Shing East Rhenish Care And Attention Home HKS	Sze Tian Rhenish Home For The Elderly HKS	Wong Siu Ching Rhenish Home For The Elderly HKS	Shatin Rhenish Neighbourhood Elderly Centre HKS	Mrs.Mann Tai Po Rhenish Neighbourhood Elderly Centre HKS	5 Nurseries (SWD Subvented Services) HKS	Yuen Long Rhenish Day Creche HKS	Rhenish Rejoice Centre for the Elderly HKS	Rhenish Counselling Centre HKS	Central Reserves HKS
Balance brought forward	8,272,507.18	35,605.98	1,175,211.73	403,947.10	463,071.35	577,852.22	498,582.85	640,786.54	13,748.22	110,349.11	242,825.00	-	4,110,527.08
Total comprehensive income	2,153,724.34	(23,690.05)	311,576.74	34,420.82	856,613.23	(14,050.73)	(735,046.25)	(254,893.47)	106.01	319,060.87	(49,416.39)	(730.67)	1,709,774.23
Day Creche Operation (Surp)/Def transferrable to/from Pool	(364,271.98)	-	-	-	-	-	-	-	-	(364,267.38)	-	-	(4.60)
(Surplus)/Deficit transferrable to Lotteries Fund (Block Grant) Reserve	243,918.70	-	-	-	-	-	-	-	-	-	-	-	243,918.70
(Surplus)/Deficit transferrable to Flag Day Fund	(589,466.00)	-	-	-	-	-	-	-	-	-	-	-	(589,466.00)
(Surplus)/Deficit transferrable to Lump Sum Grant Reserve	(1,232,494.02)	-	-	-	-	-	-	-	-	-	-	-	(1,232,494.02)
(Surplus)/Deficit transferrable to General Fund	-	-	-	-	(86,216.00)	(144,375.40)	-	-	-	-	-	-	230,591.40
Transfer from/(to) Reserve for Non-current Assets	359,817.34	23,341.65	(216,615.70)	(19,052.75)	(768,929.51)	200,215.99	744,469.93	286,542.70	-	59,697.97	49,416.39	730.67	-
Balance carried forward	8,843,735.56	35,257.58	1,270,172.77	419,315.17	464,539.07	619,642.08	508,006.53	672,435.77	13,854.23	124,840.57	242,825.00	-	4,472,846.79

Year ended 31 March 2018

	Total HKS	Central Administration HKS	Choi Wan Rhenish Integrated C&Y Services Centre HKS	Kwai Shing East Rhenish Care And Attention Home HKS	Sze Tian Rhenish Home For The Elderly HKS	Wong Siu Ching Rhenish Home For The Elderly HKS	Shatin Rhenish Neighbourhood Elderly Centre HKS	Mrs.Mann Tai Po Rhenish Neighbourhood Elderly Centre HKS	5 Nurseries (SWD Subvented Services) HKS	Yuen Long Rhenish Day Creche HKS	Rhenish Rejoice Centre for the Elderly HKS	Rhenish Counselling Centre HKS	Central Reserves HKS
Balance brought forward	7,017,483.62	35,991.35	825,761.44	318,997.09	1,340,305.95	2,051,110.02	393,683.60	599,263.10	13,742.91	101,093.97	242,825.00	-	1,094,709.19
Total comprehensive income	3,834,552.32	43,613.77	410,220.87	(233,622.43)	440,100.23	(1,349,819.24)	3,352,389.75	(201,523.84)	5.31	531,735.13	(332,522.82)	867.33	1,173,108.26
Day Creche Operation (Surp)/Def transferrable to/from Pool	(574,254.89)	-	-	-	-	-	-	-	-	(574,254.63)	-	-	(0.26)
(Surplus)/Deficit transferrable to Lotteries Fund (Block Grant) Reserve	(152,150.25)	-	-	-	-	-	-	-	-	-	-	-	(152,150.25)
(Surplus)/Deficit transferrable to Flag Day Fund	(524,526.93)	-	-	-	-	-	-	-	-	-	-	-	(524,526.93)
(Surplus)/Deficit transferrable to Lump Sum Grant Reserve	(380,942.39)	-	-	-	-	-	-	-	-	-	-	-	(380,942.39)
(Surplus)/Deficit transferrable to General Fund	-	-	-	-	(1,157,926.00)	(1,742,403.46)	-	-	-	-	-	-	2,900,329.46
Transfer from/(to) Reserve for Non-current Assets	(947,654.30)	(43,999.14)	(60,770.58)	318,572.44	(159,408.83)	1,618,964.90	(3,247,490.50)	243,047.28	-	51,774.64	332,522.82	(867.33)	-
Balance carried forward	8,272,507.18	35,605.98	1,175,211.73	403,947.10	463,071.35	577,852.22	498,582.85	640,786.54	13,748.22	110,349.11	242,825.00	-	4,110,527.08

**THE CHINESE RHENISH CHURCH HONG KONG SYNOD
SOCIAL SERVICE DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

24 Choi Wan Rhenish Integrated C&Y Services Centre

**(a) District Support Scheme for Children and Youth Development
Direct Cash Assistance**

	2019 HK\$
Income	
Allocated Sum of the Year	56,000.00
Expenses	
Approved Direct Cash Assistance	56,000.00
Surplus/(Deficit) for the year	<u><u>-</u></u>

**(b) The Hong Kong Jockey Club Charities Trust
Youth Service Innovation Programme**

	2019 HK\$	2018 HK\$
Donation received		
Default Advance Received for the Project	-	175,000.00
Claim Received: 12.2017-2.2018 Expenses	96,105.60	-
Claim Received: 3.2018-6.2018 Expenses	289,732.90	-
	<u><u>385,838.50</u></u>	<u><u>175,000.00</u></u>


25 Approval of Financial Statements

The Financial Statement were approved by the Executive Committee on 20th October, 2019.

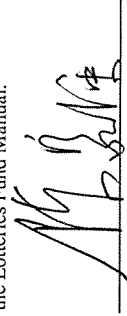
The Chinese Rhenish Church Hong Kong Synod
Details of the Use of the F&E Replenishment and Minor Works Block Grant -
(a) Expenditure in the year 2018-2019 and
(b) Outstanding commitment as at 31 March 2019

Item No.	Name of the SWD-subvented Unit (Note 1)	Service Nature (e.g. Shelterd Workshop)	(a) Expenditure in the year 2018-2019				(b) Outstanding Commitments as at 31 March 2019- Contracted for but not provided under the Expenditure Column			
			Minor Works (\$)	Furniture and Equipment (\$)	Vehicle Overhauling (with Registration No.) (\$)	Total Expenditure (\$)	Minor Works (\$)	Furniture and Equipment (\$)	Vehicle Overhauling (\$)	Total Outstanding Commitment (\$)
1	Choi Wan Rhenish Integrated C&Y Services Centre	C&Y Service Centre	120,126.70	43,941.00	-	164,067.70	-	-	-	-
2	Kwai Shing East Rhenish C&A Home	C & A Home	69,844.00	189,460.00	(TC3498) 8,555.00	267,859.00	-	-	-	-
3	Sze Tian Rhenish Home for the Elderly	Home for the Elderly	427,919.00	161,801.00	(RH3079) 10,265.00	599,985.00	-	-	-	-
4	Wong Siu Ching Rhenish Home for the Elderly	Home for the Elderly	183,410.00	145,438.00	(RA3096) 10,445.00	339,293.00	-	-	-	-
5	Shatin Rhenish Neighbourhood Elderly Centre	NEC	6,800.00	-	-	6,800.00	-	-	-	-
6	Yuen Long Rhenish Day Creche	Day Creche	-	73,688.90	-	73,688.90	-	-	-	-
Total (Note 3):			808,099.70	614,328.90	29,265.00	1,451,693.60	-	-	-	-

In pursuance of paragraph 4.4.4 of the Lotteries Fund Manual, we forward herewith the proforma showing the use of F&E Replenishment and Minor Work Block Grant. We also confirm that expenditure from the Block Grant has been incurred in accordance with the provisions of the Lotteries Fund Manual.


 (Yu Shuk Fun, Josephine)

**Chief Officer of
Social Service Department**


 (Chan Ka Keung)

Chairman of Synod

Notes:

- 1 One premises-tied SWD-subvented unit should not appear more than once in the proforma.
- 2 The Chief Executive Officer of the NGO should initial at the left bottom of each and every page except for the final page which should be signed by both the Chief Executive Officer and the Chairman of the NGO.
- 3 The total figures should tally with those disclosed in the NGO's audited financial statements under paragraph 4.4.3 of the LF Manual.