

**CHRISTIAN & MISSIONARY ALLIANCE CHURCH
UNION HONG KONG LIMITED
- C & M A SOCIAL SERVICES**

基督教宣道會香港區聯會有限公司
宣道會社會服務處

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 31 MARCH, 2023



范陳會計師行有限公司
Fan, Chan & Co. Limited

INDEPENDENT AUDITOR'S ASSURANCE REPORT
TO THE BOARD OF DIRECTORS OF CHRISTIAN & MISSIONARY ALLIANCE CHURCH UNION
HONG KONG LIMITED

基督教宣道會香港區聯會有限公司

We have audited the financial statements of Christian & Missionary Alliance Church Union Hong Kong Limited - C & M A Social Services ("the Organization") for the year ended 31 March, 2023 in accordance with Hong Kong Standards of auditing issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have issued an unqualified auditor's report thereon dated 20 October, 2023.

Pursuant to the Lump Sum Grant ("LSG") Manual issued by the Social Welfare Department of the Government of the Hong Kong Special Administrative Region ("SWD"), we have been requested to issue this assurance report in connection with the Annual Financial Report ("AFR") of the NGO for the year ended 31 March, 2023.

Responsibilities of the Directors

In relation to this report, the directors are responsible for ensuring the AFR of the Association for the year ended 31 March, 2023 is properly prepared in accordance with the relevant accounting and financial reporting requirements set out in the LSG Manual and other instructions issued by the SWD; and the use of the funds from the LSG by the Association has complied with the purposes as specified in the LSG Manual and other instructions issued by the SWD.

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 HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

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 engagement in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised), Assurance Engagements other than Audits or Reviews of Historical Financial Information and with reference to Practice Note 851 (Revised), Reporting on the Annual Financial Reports of Non-governmental Organisations issued by the HKICPA. We have planned and performed our work to obtain reasonable assurance for giving conclusion 1 and obtain limited assurance for giving conclusion 2 below.



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Fan, Chan & Co. Limited

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Auditor's Responsibility (continued)

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.

In relation to our conclusion 1 below, we have planned and performed such procedures as we considered necessary with reference to the procedures recommended in PN851 (Revised), to satisfy ourselves that the AFR has been properly prepared, in all material respects, in accordance with the relevant accounting and financial reporting requirements set out in the LSG Manual and other instructions issued by the SWD. In relation to our conclusion 1 below, we have obtained an understanding in respect of the purposes of the use of the funds as specified in the LSG Manual and other instructions issued by the SWD and obtaining an understanding of the control procedures. We are not required to perform any procedures to search for instances of the use of funds from the LSG by the Association being non-complied with the specified purposes. Our work was limited to reporting non-compliances identified as a result of the procedures performed in relation to conclusion 2 and during the normal course of our work relating to conclusion 1. The procedures performed in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Conclusions

1. In our opinion, the AFR of the NGO for the year ended 31 March, 2023 is properly prepared, in all material respects, in accordance with the relevant accounting and financial reporting requirements set out in the LSG Manual and other instructions issued by the SWD.
2. Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the use of the funds from the LSG by the Association has not complied, in all material respects, with the purposes as specified in the LSG Manual and other instructions issued by the SWD.

Intended Users and Purpose

This report is intended solely for submission by the Association to the SWD and is not intended to be, and should not be, used for any other purpose. We agree that a copy of this report may be provided to the SWD without further comment from us.

Fan, Chan & Co. Limited
Certified Public Accountants
Leung Kwong Kin
Practising Certificate Number: P03702
Hong Kong, 20 October, 2023

ANNUAL FINANCIAL REPORT


Christian & Missionary Alliance Church Union Hong Kong Limited

(1 April 2022 TO 31 March 2023)

	Notes	Total 2022-23 \$	Total 2021-22 \$
A. INCOME			
1. Lump Sum Grant			
a. Lump Sum Grant (excluding Provident Fund)	1(b)	26,092,574.00	25,766,560.00
b. Provident Fund	1(c)	1,981,088.00	1,946,002.00
2. Fee Income	2	105,900.00	188,138.00
3. Central Items	3	1,956,775.00	1,849,072.00
4. Rent and Rates	4	735,409.00	714,853.00
5. Other Income	5	373,567.94	1,002,165.66
6. Interest Received		26,584.39	234.06
TOTAL INCOME		31,271,898.33	31,467,024.72
B. EXPENDITURE			
1. Personal Emoluments			
a. Salaries		24,314,254.07	24,221,791.14
b. Provident Fund	1(c)	1,833,614.06	2,062,739.50
c. Allowances		-	-
Sub-total	6	26,147,868.13	26,284,530.64
2. Other Charges	7	2,283,401.65	2,423,042.37
3. Central Items	3	1,767,350.00	1,506,793.60
4. Rent and Rates	4	753,410.63	682,333.77
TOTAL EXPENDITURE		30,952,030.41	30,896,700.38
C. SURPLUS/(DEFICIT) FOR THE YEAR	8	319,867.92	570,324.34

The Annual Financial report from Pages 3 to 9 has been prepared in accordance with the requirements as set out in the Lump sum Grant Manual.

SIGNATURE


 Rev. Chow Hiu Fai, Arnold
 Chairman
 Date : 20 October, 2023

SIGNATURE


 Ms. Ng Yin Hing
 General Secretary for Social Services
 Date : 20 October, 2023

NOTES ON THE ANNUAL FINANCIAL REPORT

1. Lump Sum Grant (LSG)

a. Basis of preparation

The Annual Financial Report (AFR) is prepared in respect of all Funding and Service Agreement (FSA) services (including support services to FSA services) funded by the Social Welfare Department under the Lump Sum Grant Subvention System. AFR is prepared on cash basis, that is, income is recognised upon receipt of cash and expenditure is recognised when expenses are paid. Non-cash items such as depreciation, provisions and accruals have not been included in the AFR.

b. Lump Sum Grant (excluding Provident Fund)

This represents LSG (excluding Provident Fund) received for the year.

c. Provident Fund

This is Provident Fund received and contributed during the year.

Snapshot staff are defined as those staff occupying recognised or holding against subvented posts as at 1 April 2000.

6.8% and other posts represent those staff that are employed after 1 April 2000.

The Provident Fund received and contributed for staff under the Central Items which are separately included as part of the income and expenditure of the relevant items have been shown under Note 3.

Details are analysed below :

<u>Provident Fund Contribution</u>	6.8% and		<u>Total</u>
	<u>Snapshot Staff</u>	<u>Other Posts</u>	
	\$	\$	\$
Subvention Received	386,280.00	1,594,808.00	1,981,088.00
Provident Fund Contribution Paid during the Year	(304,074.00)	(1,529,540.06)	(1,833,614.06)
Surplus/ (Deficit) for the Year	82,206.00	65,267.94	147,473.94
Add : Surplus/(Deficit) b/f	33,417.35	3,972,481.93	4,005,899.28
Additional subvention received for previous year(s)	-		
Provident Fund Forfeited for the year	-	43,656.68	43,656.68
Less: Refund to Government	1.00	-	1.00
Surplus/(Deficit) c/f	115,622.35	4,081,406.55	4,197,028.90

2. Fee Income

This represents social welfare fee income received for the year in respect of the fees and charges recognised for the purpose of subvention as set out in the LSG Manual.

3. Central items

These are subsidies allocated to NGOs for specified purposes on a recurrent, time-limited or one-off basis which are not included in LSG and are subject to their own procedures as set out in other SWD's papers and correspondence with the NGOs. Any surplus, which is not allowed to be offset by any deficit of another item, is subject to claw-back by SWD according to the terms and conditions of individual central items. The Provident Fund received and contributed for staff under the Central Items have been separately included as part of the income and expenditure of the relevant items (paragraph 3.14 of the LSG Manual).

The income and expenditure of each of the Central Items are as follows:

	2022-23	2021-22
	\$	\$
<u>a. Income</u>		
After School Care Programme - Fee Waiving Subsidy Scheme	1,797,852.00	1,767,168.00
Time-defined Subsidy Scheme for Extended Hours Service Users	35,323.00	18,304.00
Time-defined Subsidy Scheme for Occasional Child Care Service	63,600.00	63,600.00
Training Subsidy under Training Scheme for Child Care Supervisors and Special Child Care Workers in Pre-school Rehabilitation Services	60,000.00	-
Total	1,956,775.00	1,849,072.00
<u>b. Expenditure</u>		
After School Care Programme - Late Afternoon Session	1,728,103.00	1,480,544.00
Time-defined Subsidy Scheme for Extended Hours Service Users	24,247.00	26,249.60
Time-defined Subsidy Scheme for Occasional Child Care Service	-	-
Training Subsidy under Training Scheme for Child Care Supervisors and Special Child Care Workers in Pre-school Rehabilitation Services	15,000.00	-
Total	1,767,350.00	1,506,793.60

4. Rent and Rates This represents the amount paid by SWD in respect of premises recognised by SWD. Expenditure on rent and rates in respect of premises not recognised by SWD have not been included in AFR.

5. Other Income This includes programme income and all income other than recognised social welfare fee income received during the year. Non-SWD subventions and donations received need not be included as Other Income in AFR. In this respect, donations have been included if it is used to finance expenditure of the FSA services/ FSA-related activities reflected in the AFR.

The breakdown on Other Income is as follows:

	2022-23	2021-22
	\$	\$
Other Income		
(a) Programme Income	332,827.94	946,372.45
(b) Production Income	-	-
(c) Donation	40,590.00	53,752.40
(d) Income from Other Activities	-	-
(e) Utilised allocation under Central Items (CI): After School Care Programme (ASCP) / Enhanced ASCP / ASCP(PC) -- Fee Waiving Scheme (FWSS) which forms as part of Other Income *	-	-
(f) Reimbursement of Maternity Leave Pau (RMLP) Scheme reimbursement received	-	-
(g) Miscellaneous income	150.00	2,040.81
Sub-Total:	373,567.94	1,002,165.66
Less: Utilised allocation under CI: ASCP / Enhanced ASCP - FWSS which forms as part of Other Income*	-	-
Total:	373,567.94	1,002,165.66

* For those programmes which are regarded as FSA services/ FSA-related activities only

**6. Personal
Emoluments**

Personal Emoluments include salary, provident fund and salary-related allowances.

The analysis on number of posts with annual Personal Emoluments over \$700,000 each paid under LSG is appended below:

Analysis of Personal Emoluments paid under LSG	<u>No. of Posts</u>	\$
HK\$700,001 - HK\$800,000 p.a.	2	1,431,769.50
HK\$800,001 - HK\$900,000 p.a.	3	2,452,075.38
HK\$900,001 - HK\$1,000,000 p.a.	-	-
HK\$1,000,001 - HK\$1,100,000 p.a.	1	1,087,037.50
HK\$1,100,001 - HK\$1,200,000 p.a.	-	-
>HK1,200,000 p.a.	-	-

7. Other Charges

The breakdown on Other Charges is as follows:

	2022-23	2021-22
Other Charges	\$	\$
(a) Utilities	227,428.68	220,666.36
(b) Food	8,340.30	7,672.80
(c) Administrative Expenses	234,367.84	290,575.35
(d) Stores and Equipment	604,167.03	719,224.68
(e) Repair and Maintenance	244,593.16	130,537.15
(f) Special Allowances	-	-
(g) Programme Expenses	676,174.10	589,505.00
(h) Transportation and Travelling	35,281.30	29,173.93
(i) Insurance	222,853.45	227,117.23
(j) Miscellaneous	30,195.79	208,569.87
Sub-total	2,283,401.65	2,423,042.37
Less: Utilised allocation under CI: ASCP / Enhanced ASCP / ASCP(PC) - FWSS* which forms as part of Other Income to fund the operating expenses of FSA services / FSA- related activities to fund the operating expenses of FSA-related activities	-	-
Total	2,283,401.65	2,423,042.37

* For those programmes which are regarded as FSA-related activities only

8. Analysis of Lump Sum Grant Reserve and balances of other SWD subventions

	Lump Sum Grant (LSG)	Holding Accounts (HA)	Adjustment for Utilised allocation under ASCP / Enhanced ASCP - FWSS	Rent and Rates	Central Items	Total
Income						
Lump Sum Grant	28,073,662.00	-	-	-	-	28,073,662.00
Fee Income	105,900.00	-	-	-	-	105,900.00
Other Income	373,567.94	-	-	-	-	373,567.94
Interest Received (Note (1))	26,584.39	-	-	-	-	26,584.39
Rent and Rates	-	-	-	735,409.00	-	735,409.00
Central Items	-	-	-	-	1,956,775.00	1,956,775.00
Total Income (a)	28,579,714.33	-	-	735,409.00	1,956,775.00	31,271,898.33
Expenditure						
Personal Emoluments	26,147,868.13	-	-	-	-	26,147,868.13
Other Charges	2,283,401.65	-	-	-	-	2,283,401.65
Rent and Rates	-	-	-	753,410.63	-	753,410.63
Central Items	-	-	-	-	1,767,350.00	1,767,350.00
Total Expenditure (b)	28,431,269.78	-	-	753,410.63	1,767,350.00	30,952,030.41
Surplus/(Deficit) for the Year (a) - (b)	148,444.55	-	-	(18,001.63)	189,425.00	319,867.92
Less : Surplus/(Deficit) of Provident Fund	147,473.94	-	-	-	-	147,473.94
	970.61	-	-	(18,001.63)	189,425.00	172,393.98
Surplus/(Deficit) b/f (Note (2))	6,647,419.75	3,321,099.62	-	32,894.46	565,246.30	10,566,660.13
Add: Refund from Government	-	-	-	12,705.00	-	12,705.00
Less : Refund to Government	-	-	-	45,224.00	125,449.00	170,673.00
Transfer from LSG Reserve to cover the salary adjustment for Dementia Supplement and Infirmary Care Supplement (Note (3))	-	-	-	-	-	-
Adjustment for utilised allocation under Enhanced ASCP - FWSS* (over-estimated) / under-estimated in previous year(s)	-	-	-	-	-	-
Surplus/(Deficit) c/f (Note 4)	6,648,390.36	3,321,099.62	-	(17,626.17)	629,222.30	10,581,086.11

Notes:

Including an amount being the utilised allocation under CI: ASCP / Enhanced ASCP - FWSS*

* For those programmes which are regarded as FSA services/ FSA-related activities only

- (1) Interest received on LSG (including HA) and Provident Fund reserves, rent and rates, Central Items are included as one item under LSG; and the item is considered as part of LSG reserve.
- (2) Accumulated balance of LSG Surplus b/f from previous years (including all interest received in previous years (see (1) above) and the balance of HA should be separately reported as in the surplus b/f under LSG and HA respectively.
- (3) Amount of LSG Reserve used to cover the salary adjustment for Dementia Supplement and Infirmary Care Supplement, if any, as per Schedule for Central Items.
- (4) For NGOs without HA, separate disclosure of the movement of HA in their respective AFRs is not necessary. The level of LSG cumulative reserve (i.e. S1) will be capped at 25% of the NGO's operating expenditure (i.e. Total Expenditure (T1) excluding Provident Fund Contribution (K)) for the year.
 - (i) With Snapshot Staff (SS) [i.e. Position of SS as at 1 September being reported on the Agency Staff List submitted by NGO last year was greater than zero]
The level of LSG cumulative reserve (i.e. S1) will be capped at 25% of the NGO's operating expenditure (i.e. Total Expenditure (T1+T2) excluding Provident Fund Contribution (K)) for the year.
 - (ii) Without SS [i.e. Position of SS as at 1 September being reported on the Agency Staff List submitted by NGO last year (which is regarded as Year 0) was zero]
For the next three years (Year 1 to Year 3), the level of LSG cumulative reserve (i.e. S1) will be capped at 25% of the NGO's operating expenditure (i.e. Total Expenditure (T1) excluding Provident Fund Contribution (K)) for the year.
From the fourth financial year (Year 4) onwards, the level of LSG cumulative reserve and HA reserve will be counted altogether and the combined reserve amount (i.e. S1+S2) will be capped at 25% of the NGO's operating expenditure (i.e. Total Expenditure (T1+T2) excluding Provident Fund Contribution (K)) for the year. In this regard, separate disclosure of the movement of HA in their respective AFRs is not necessary.

[For (4)(i) and (4)(ii) above, please also refer to SWD's letter under reference (11) in SWD/S/109/1/10 of 4 April 2022.]

For any amount above the cap, SWD would arrange the claw-back (including provisional in the following financial year) accordingly.

9. Schedule for Rent and Rates
Analysis of Subvention and Expenditure

Unit Code and Name	Subvented Element	Subvention Released (Note 1)	Actual Expenditure	Surplus (Note 2)	Deficit (Note 2)
1986 - Central Administration	Rent (Note 3)	\$ 3,605.00	\$ 13,718.63	\$ -	\$ 10,113.63
	Rates	3,648.00	1,216.00	2,432.00	-
	Less: Rates concession			-	-
	Total	7,253.00	14,934.63	2,432.00	10,113.63
2012 - Neighbourhood Elderly Centre (Re-engineering)	Rent	637,212.00	686,268.00	-	49,056.00
	Rates	83,852.00	45,980.00	37,872.00	-
	Government Rent	7,092.00	6,228.00	864.00	-
	Less: Rates concession				
	Total	728,156.00	738,476.00	38,736.00	49,056.00
	Rent			-	-
	Rates			-	-
	Government Rent			-	-
	Less: Rates concession				
	Total	-	-	-	0.00
	Rent			-	-
	Rates			-	-
	Government Rent			-	-
	Less: Rates concession				
	Total	-	-	-	0.00
	Rent	-	-	-	-
	Rates	-	-	-	-
	Government Rent	-	-	-	-
	Less: Rates concession				
	Total	-	-	-	0.00
	Rent	-	-	-	-
	Rates	-	-	-	-
	Government Rent	-	-	-	-
	Less: Rates concession				
	Total	-	-	-	0.00
	Grand Total	735,409.00	753,410.63	41,168.00	59,169.63

Note :

1. The figures are to be extracted from the payroll for March plus subvention released in late March of the financial year.
2. Surplus/Deficit for each element represents the difference between subvention released and actual expenditure.
3. Rent includes all kinds of rent such as PHE rental, private rental, carpark rent, management fee, building maintenance fee , and Government Rent.

Schedule for Central Items
Analysis of Subvention and Expenditure for the Period from 1 April 2022 to 31 March 2023

Name of Agency : Christian & Missionary Alliance Church Union Hong Kong Limited (148)

Unit Code and Name/ Remittance Advice No. (Note 7)	Subvented Element	Subvention Released (Note 1a) (a1)	Reimbursement of Maternity Leave Pay (RMLP) Scheme reimbursement received (Note 1b)#	Actual Expenditure (Note 2a) (a2)	Actual Expenditure incurred under RMLP Scheme (Note 2b)#	Surplus (Note 3) (a) = (a1) - (a2)	Deficit for the year		Refund from (to) Government (f)	Adjustment (Note 9) (g)	Surplus or Deficit (Note 6) (b) = (e) + (f) - (g) + (h) - (i)
							Deficit (Note 3) (b) = (a1) - (a2)	Deficit transferred to LSG (Note 4) (c)			
3026- After School Care Program - Fee Waiving Subsidy Scheme	After School Care Programme - Fee Waiving Subsidy Scheme	1,797,852.00	-	1,728,103.00	-	69,749.00	0.00	N.A.	-	-	497,245.50
V148 - Lei Tung Nursery School	Subsidy Scheme for Extend Hours Service (EHS) Users (Time-defined 31/8/2021)	10,650.00	-	-	-	10,650.00	-	N.A.	-	-	0.40
6061 - Nursery Schools	Training Subsidy under Training Scheme for Care Centre Supervisors and Special Child Workers in Pre-school Rehabilitation Services	60,000.00	-	15,000.00	-	45,000.00	-	N.A.	(59,145.00)	-	67,950.00
T148 - Lei Tung Nursery School	Subsidy Scheme for Extend Hours Service (EHS) Users (Time-defined 31/8/2018)	-	-	-	-	-	-	-	-	-	0.40
W148 - Lei Tung Nursery School	Subsidy Scheme for Extend Hours Service (EHS) Users (Time-defined 31/8/2024)	24,673.00	-	24,247.00	-	426.00	-	-	(2,704.00)	-	426.00
6342 - Nursery Schools	Time-defined Subsidy Scheme for Occasional Child Care Service (Time-defined 31/3/2023)	63,600.00	-	-	-	63,600.00	-	N.A.	(63,600.00)	-	63,600.00
Total		1,956,775.00	-	1,767,350.00	-	189,425.00	-	-	(125,449.00)	-	629,222.30

Any difference arising from the RMLP Scheme reimbursement received (see Note 1(b) below) and the corresponding expenditure under RMLP Scheme (see Note 2(b) below) will be assessed separately.

^ Please take note of para. 4(f) of Points to Note on Preparation of AFR and Analysis Schedules in reporting the amounts of subvention.

Notes:

- 1(a). The figures for the whole financial year are extracted from the paylist for March (Final) or remittance advice(s) issued by the Treasury or allocation letter(s) issued by Social Welfare Department of the financial year.
- 1(b). This amount represents any reimbursement received from the RMLP Scheme if the NGO has temporarily paid the expenditure out of the allocation from the subvented element (see Note 2(b) below).
- 2(a). Actual expenditure represents the total expenditure incurred including provision fund for the respective services after netting off (i) programme income and (ii) expenditure under RMLP Scheme mentioned in Note 2(b) below, if any.
- 2(b). This amount represents the additional four weeks' MLP (i.e. the 11th to 14th weeks) paid to the employee out of the corresponding allocation.
3. Surplus/Deficit for each element represents the difference between subvention released and actual expenditure.
4. Deficit i.e. the following central items arising from salary adjustment are transferred to the Lump Sum Grant Reserve as stated in SWD's letter ref. (33) in SWD/S/104/2 Pt. 18 dated 4 March 2020.
 - (i) Dementia Supplement for Elderly with Disabilities
 - (ii) Infirmary Care Supplement for the Aged Blind Persons
 - (iii) Dementia Supplement for Residential Elderly Services
 - (iv) Infirmary Care Supplement for Residential Elderly services
5. "Surplus brought forward (b/f)" means surplus, if any, arising from operations in previous years.
6. "Surplus carried forward (c/f)" means surplus brought forward less refund to Government plus surplus, if any, arising from operations in current year.
7. Unit code and name / remittance advice no. are extracted from the paylist from SWD and remittance advice from the Treasury respectively.
8. The central items as listed above may not be exhaustive and any relevant details of central items released and/or expended during the year, where appropriate, should also be included.
9. For ASCP/ Enhanced ASCP, the adjustment includes the amount of expenditure overstated / understated in previous year(s) after taking into account the actual claw-back amount(s) per SWD's allocation letter(s), if any.
10. For NGOs with Visiting Medical Practitioner Service Team which arrange delivery of the service under the Programme to all private and self-financing RCHDs, RCHDs as well as contract homes operated by private operators only.

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CHRISTIAN & MISSIONARY ALLIANCE CHURCH UNION HONG KONG LIMITED
NOTES ON THE ANNUAL FINANCIAL REPORT
FOR THE PERIOD FROM 1 APRIL 2022 TO 31 MARCH 2023**

Appendix 1

**Schedule for Investment
Analysis of Investment as at 31 March 2023**

Agency : Christian & Missionary Alliance Church Union Hong Kong Ltd.

	2023 HK\$'000	2022 HK\$'000
LSG Reserve as at 31 March	<u>9,969</u>	<u>9,968</u>


Represented by :

Investments


a. HKD Bank Account Balances	9,969	9,968
b. HKD 24-hour Call Deposits	-	-
c. HKD Fixed Deposits	-	-
d. HKD Certificate of Deposits	-	-
e. HKD Bonds (see appendix for breakdown)	-	-
	<u>9,969</u>	<u>9,968</u>

Note: The investments should be reported at historical cost.

Confirmed by:-



Rev. Chow Hiu Fai, Arnold
Chairman
Date : 20 October, 2023



Ms. Ng Yin Hing
General Secretary for Social Services
Date : 20 October, 2023

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CHRISTIAN & MISSIONARY ALLIANCE CHURCH UNION HONG KONG LIMITED
NOTES ON THE ANNUAL FINANCIAL REPORT
FOR THE PERIOD FROM 1 APRIL, 2022 TO 31 MARCH, 2023

Appendix 2

The subvented service units are as follows:

- (1) C & M A Social Services
- (2) C & M A Bradbury King Lam Neighbourhood Elderly Centre
- (3) C & M A Yau Lai Neighbourhood Elderly Centre
- (4) C & M A Cheung Hang Neighbourhood Elderly Centre
- (5) C & M A Lei Fook Neighbourhood Elderly Centre
- (6) Christian & Missionary Alliance Fu Shan Nursery School
- (7) Christian & Missionary Alliance Lei Tung Nursery School
- (8) Christian & Missionary Alliance Shatin Nursery School
- (9) Christian & Missionary Alliance South Horizons Nursery School
- (10) Christian & Missionary Alliance Tin Chung Nursery School
- (11) Christian & Missionary Alliance Plover Cove Nursery School
- (12) The Christian & Missionary Alliance Tuen Mun Church Family Services- Hing Yiu Services Centre
- (13) The C&M Alliance Wah Kee Social Service Centre
- (14) The C&M Alliance Wah Kee Neighbourhood Centre
- (15) The C&M Alliance Wah Kee Youth Centre



范陳會計師行有限公司
Fan, Chan & Co. Limited

Appendix 3

20 October, 2023

Private & Confidential

The Board of Directors
Christian & Missionary Alliance Church Union Hong Kong Limited
M/F., GIC Building,
Olympian City (Phase 1),
Kowloon.

Dear Sir/Madam,

Re: Christian & Missionary Alliance Church Union Hong Kong Limited
- C & M A Social Services ("the Organization")
Management letter

We refer to our audit of the Organization for the year ended 31 March, 2023.

During the course of our audit procedures, we have assessed the adequacy and effectiveness of the financial and accounting records of the Organization in relation to procedures of the Organization. In making our risk assessments, we consider internal control relevant to the Organization's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing on the effectiveness of the Organization's internal control.

We are not aware of any significant internal control weakness relevant to the audit of the financial statements that have come to our attention.

It must be appreciated that the foregoing procedures are designed primarily with a view to the expression of our opinion on the accounts of the Organization and therefore do not necessarily reveal all possible weaknesses which can only be done by a more extensive special examination.

Very truly yours,

Fan, Chan & Co. Limited
Certified Public Accountants

Our ref: KK/FF/WY/cl/C149