

THE BOYS' BRIGADE, HONG KONG  
香港基督少年軍  
(INCORPORATED IN HONG KONG)

REPORTS AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024



沁薈會計師事務所有限公司

**Evabest CPA Limited**

Certified Public Accountants

**THE BOYS' BRIGADE, HONG KONG  
REPORTS AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

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## THE BOYS' BRIGADE, HONG KONG REPORT OF THE DIRECTORS

The directors present their annual report together with the audited financial statements for the year ended 31 March 2024.

### 1. PRINCIPAL ACTIVITIES

The principal activities of the company during the year were providing integrated youth services and training activities for young people.

### 2. BUSINESS REVIEW

#### **Background**

##### *A Brief History*

The Boys' Brigade, Hong Kong ("BBHK") was incorporated in Hong Kong as a company limited by guarantee. BBHK principally engages in the provision of integrated services and training for the youth.

BBHK was established in 1959. With a heritage dating back to 1883, The Boys' Brigade, its genesis, was founded by Sir William Alexander Smith in Glasgow as a well-known international Christian uniform organization for the youth. Nowadays, The Boys' Brigade has become an international mission movement with its global presence in over 60 countries.

In Hong Kong, BBHK currently serves more than 11,760 members with 407 companies from churches, secondary schools, primary schools, kindergartens and youth centres all over the territory. BBHK strives to provide teenagers and children with all-round training and helps them cultivate positive personality traits comprising patience, kindness, loyalty and faithfulness as well as the sense of commitment through regular meetings with the companies on Christian education, foot drills, skills training and award programmes.

##### *Our Vision*

**Whole-Person Development:** Being the training base for the whole-person development of youths, we facilitate intercultural learning and exchanges among young people from local, overseas and mainland China.

**Character Building:** We emphasize the value on character development and devote ourselves to helping youths to build positive core values.

**Youth Integration with Community:** We raise social awareness of the youth through community services and training so as to enrich their knowledge and enhance their willingness to take on social responsibilities.

**Advocacy of Family Values:** We promote the importance of harmony in families, care for their spiritual needs, and strengthen what it entails in a healthy family.

**Living out Christ's Life:** Encourage youths to imitate Christ through spiritual disciplining, and influence life with one's own as faith being lived out.

## **THE BOYS' BRIGADE, HONG KONG**

### **REPORT OF THE DIRECTORS (Continued)**

#### **2. BUSINESS REVIEW (Continued)**

##### **Background (Continued)**

###### *Our Mission*

Helping young people develop respectable values and builds a good character based on Christian education and beliefs.

Exploring youth leadership potential and training young people to become leaders of the church and society; training life coaches to serve young people.

Promoting whole-person growth in youths by adopting the training approach of uniformed group.

Leading young people to know and accept Jesus Christ as the Lord of their lives.

###### *Our Objective*

The advancement of the Christ's Kingdom among young people and the promotion of habits of obedience, reverence, discipline, self-respect and all that tends towards a true Christian Manliness.

###### *Our Core Services*

Uniformed Group Service  
Professional Training Service  
Social Work Service  
Character Nurturing Service

##### **Our Achievements**

Our uniformed group services mainly provide youth training and leadership programmes to boys and girls in aged 3 to 21. As at 31 March 2024, we had a total of 407 units in across churches, secondary schools, primary schools, kindergartens and youth centres in Hong Kong with 11,760 youth members. There was a 2.2% decrease in youth members due to the wide spread of COVID-19 across the globe and the prolonged restrictions on group gathering in the territory.

As the pandemic was over, most of the physical gatherings were resumed in March 2024. Over 700 training programmes were conducted in Ma Wan. We consistently received positive feedback from our service users on the arrangement of our activities.

We successfully operated a comprehensive adventure training facility in Ma Wan Park which comprised of the Ma Wan Event Centre, its surrounding natural environment and the Adventureland in Noah's Ark. These facilities enabled us to provide a wide range of experiential learning activities, e.g. indoor and outdoor rope courses, abseiling, tree climbing, creative sports, cultural and heritage orienteering, for both our participants from uniformed group and professional training services to achieve whole person development. In short, our total training facility enhanced our training service provision and also increased our training revenue.



## THE BOYS' BRIGADE, HONG KONG REPORT OF THE DIRECTORS (Continued)

### 2. BUSINESS REVIEW (Continued)

#### Our Achievements (Continued)

In response to the social needs, we have started our service to character and family education since 2010. We have launched our signature programmes, Love Family Project and Experiential Education Programmes, to promote harmony and positive mind in family and demonstrate our commitment on serving our society. These projects also arouse public awareness on these social agendas. At the same time, we have introduced a Parent Volunteer Group in February 2019 to extend our connection between our youth members and their parents.

The Waste Recovery Centre ("WRC") was established in 2011 to promote environmental protection and to encourage recycling in the community. Since July 2020, WRC has become a member of Green@Community. We have then set up several recycling points – "Green@To Kwa Wan", "Green@Hung Hom", "Green@Kwai Chung" and "Green@Lo Tak Court". This scheme has been successfully concluded in 15 April 2023.

#### Key Performance Indicators

|                                                       | 2024                 | 2023                 |
|-------------------------------------------------------|----------------------|----------------------|
| <b>Uniformed Group Services</b>                       |                      |                      |
| ● Number of youth members                             | 11,760 members       | 12,025 members       |
| ● Number of officers & volunteers                     | 2,719 members        | 2,612 members        |
| ● Total number of members                             | 14,479 members       | 14,637 members       |
| ● Number of companies                                 | 407 companies        | 400 companies        |
| ● Training programmes provided                        | 72 programmes        | 77 programmes        |
| <b>Professional Training Services</b>                 |                      |                      |
| ● Number of programmes offered                        | 789 programmes       | 719 programmes       |
| ● Number of participants                              | 54,772 participants  | 50,234 participants  |
| <b>School Social Work Services</b>                    |                      |                      |
| ● Number of schools supported:                        | 4 schools            | 4 schools            |
| ● Number of case:                                     | 378 cases            | 391 cases            |
| ● Number of program / sessions provided:              | 179 / 500            | 180 / 567            |
| ● Number of consultation provided:                    | 4,371                | 4,489                |
| <b>Character Nurturing Services</b>                   |                      |                      |
| ● Number of sessions provided                         | 11,488 sessions      | 10,973 sessions      |
| ● Number of participants                              | 129,367 participants | 127,410 participants |
| <b>Environmental Education and Recycling Services</b> |                      |                      |
| ● Number of Community Recycling Centre                | -                    | 4 centres            |
| ● Volume of waste collected                           | -                    | 1,484.02 tonnes      |

## THE BOYS' BRIGADE, HONG KONG REPORT OF THE DIRECTORS (Continued)

### 2. BUSINESS REVIEW (Continued)

#### Financial performance

We adopt a prudent approach in managing our finance and maintaining a balanced budget to support our daily operations and sustain our future growth. We receive different sources of funding, including government subventions under Home Affairs Bureau and Social Welfare Department for our Uniformed Group Service and our Social Work Service, as well as designated funds from Home Affairs Bureau, Education Bureau, Environmental Protection Department and other government offices and organizations for our Character Nurturing Services and Community Recycling Centres. On the other hand, our Professional Training Services operations is self-financed. On top of the above, BBHK also receives various funding and donations from different parties, including public and corporate sectors, as well as from the general public.

For the financial year ended 31 March 2024, BBHK recorded a surplus of HK\$15,783 with a total income for the year at HK\$67 million. The decrease in total income for the year is HK\$25 million (-28%). Our designated fund income also dropped 24 million (-32%). Our donation income dropped 9% in HK\$0.26 million.

#### Key Financial Indicators

|                                      | 2024           | 2023           |                      |
|--------------------------------------|----------------|----------------|----------------------|
| Total income                         | HK\$67,100,248 | HK\$92,746,242 | Decreased 28%        |
| Donation income                      | HK\$2,642,868  | HK\$2,897,339  | Decreased 9%         |
| Designated fund and Programme Income | HK\$50,547,000 | HK\$74,737,453 | Decreased 32%        |
| Staff Costs                          |                |                |                      |
| General Staff                        | HK\$27,691,710 | HK\$27,544,361 | Increased 0.5%       |
| Environmental Service Staff          | -              | HK\$16,480,181 | Discontinued in 2024 |
| Surplus for the year                 | HK\$15,783     | HK\$7,436,227  | Decreased 99.8%      |

#### Environmental Policies and Performance

BBHK supports and advocates environmental protection. We have been adopting an energy-saving approach and encouraging an eco-friendly practice in our workplace.

#### Key Stakeholder Relationships

BBHK keeps our companies and members well informed through our official website and distribution of electronic communications. We establish effective communication channels with our members through annual events, regional activities, committee meetings, companies' visits, surveys and corporate publications.

BBHK maintains close connection with government departments, various local non-government organizations and other youth uniformed groups in Hong Kong. We are a member agency of the Community Chest and the Hong Kong Council of Social Service. We are also one of the subvented uniformed youth organizations under subvented by Home Affairs Bureau, as well as a founding member of Boys' Brigade Asia. We actively participate in forums and seminars with these bodies to share experience and knowledge on organizing youth services and operating of non-governmental organizations.

## **THE BOYS' BRIGADE, HONG KONG REPORT OF THE DIRECTORS (Continued)**

### **2. BUSINESS REVIEW (Continued)**

#### **Key Stakeholder Relationships (Continued)**

We consistently obtain feedbacks and insights from our service partners and participants through surveys and research to understand the needs of our society and continue improve the quality of our services.

BBHK is a caring employer which offers fair and competitive remuneration packages. We help our staff members to maintain high productivity, team spirit and morale through team building and provision of learning and development opportunities. We maintain a rapport with our employees through regular meetings and other informal communications.

#### **Principal Risks and Uncertainties**

BBHK is a non-governmental organization. Our financial resources are not fully supported by government subventions. Other income comes from one-off programme funding, programme and training income, which depends on availability of funding programmes and competitions from other fund applicants. Another source of income is from donations which is largely affected by general economic performance. In addition, our Anchor House is a self-sustained social enterprise providing adventure training programmes to members, churches, corporations and the general public at the Noah's Ark. Our operation faces competition from similar organizations from both the public and private sectors.

Due to prolonged outbreak of COVID-19 since January 2020, our operations have inevitably impacted, in particular on our professional training services and donations received. While there are signs of relief on the pandemic with the introduction of vaccines, social restrictions are expected to prevail for a foreseeable future. Furthermore, continued change in population structure with decreasing youth population in Hong Kong places challenges to our core services. At the same time, changing in culture and interests of the youth also brings challenges on recruiting and maintaining members of our uniform group.

#### **Future Development**

We have formulated a long-ranged strategic plan to extend our "Professional Training" to enhance our service coverage and uplift the image of BBHK. From 2023/24 and onwards, we have further expanded our operations in Ma Wan Event Centre and Noah's Ark to enhance our youth adventure and experiential training services. In particular, we have been upgrading our physical environment at Event Centre and revamping our programme design to introduce environmental education and cultural activities, innovative experiential learning programmes, and also wide-ranged on-line workshops. We aim at strengthening our position in providing quality and professional training programmes in Hong Kong.

## **THE BOYS' BRIGADE, HONG KONG REPORT OF THE DIRECTORS (Continued)**

### **2. BUSINESS REVIEW (Continued)**

#### **Future Development (Continued)**

Beside the training professional, BBHK has successfully secured the 6th round of the Revitalising Historic Buildings Through Partnership Scheme to transform the Fong Yuen Study Hall in Ma Wan. This historic site will undergo a comprehensive revitalization project that will not only expand its original functions, but also incorporate STEM and innovation elements into its programming focused on historical, cultural, and ecological education. The Fong Yuen Study Hall has received approval from the Antiquities Advisory Board for the Heritage Impact Assessment, paving the way for its redevelopment. BBHK has established a specially designated Special Purpose Company (SPC) to oversee the further development and transformation of this iconic landmark. The refurbished Fong Yuen Study Hall is expected to open to the public by the end of 2025, offering the community a unique blend of historical significance and modern, interactive learning experiences.

Alongside these heritage preservation efforts, BBHK has also invested in new sports facilities to enhance the recreational experiences of our service users. This strategic move aims to better cater to the growing physical health needs and demands of our members. Looking ahead, BBHK will be hosting a public sports event in Ma Wan, with the dual objectives of promoting physical wellness and supporting the mental health of participants. By expanding these sports-focused activities, BBHK aspires to address the overall wellbeing of the people we serve in a holistic manner. Through this multifaceted approach, we are confident that we can positively impact and elevate both the physical and mental health of our cherished community.

Despite the ceased operation of four Community Recycle Centre on April 2023, BBHK still dedicated to cultivating strong community engagement in different areas. Besides our strong schools & churches network in Hong Kong, we proactively established community engagement in Ma Wan. We engage with a diverse array of local stakeholders, including the Ma Wan Caring Team, the Park Island Owners' Committee (PIOC), and the Ma Wan Rural Committee. By forging these connections, we are able to co-host a series of public health seminars and volunteer initiatives aimed at promoting wellness and environmental stewardship within the community. Through these collaborative efforts, we leverage the expertise and reach of our community partners, ensuring that our health and sustainability programs have a meaningful and far-reaching impact on the lives of Ma Wan residents. By adopting this collaborative approach, BBHK underscores its steadfast commitment to empowering the local community and addressing their multifaceted needs in a comprehensive and responsive manner.

In response to the expectations from our members and stakeholders, we have commissioned several taskforces at Board level to review our organizational structure and constitution in order to strengthen our corporate governance and communication throughout the organization.

Despite year 2023/24 was full of challenges, BBHK demonstrated resilience against uncertainties with the Board and management's leadership, commitments from our staff and supports from our stakeholders. We believe our plan will continue to achieve a sustainable growth of our organization by bringing benefits to all of our members, strengthening our corporate images, and most importantly, achieving our organization's objectives.

**THE BOYS' BRIGADE, HONG KONG**  
**REPORT OF THE DIRECTORS (Continued)**

**3. DIRECTORS**

The directors who held office during the year and up to the date of this report were:

|                        |                                 |
|------------------------|---------------------------------|
| CHEUNG Lit Man         |                                 |
| CHIU Frong             |                                 |
| FUNG Siu Bun           |                                 |
| LO Chi Man             |                                 |
| LO Wing Ching          |                                 |
| MA Ka Lun Alan         |                                 |
| SIU Chi Kong           |                                 |
| WU Ting Pang           |                                 |
| WONG Yin Yi            |                                 |
| CHAN Ho Yan            |                                 |
| HO Denny King-Leung    |                                 |
| LEE Chun Ming          |                                 |
| FONG Wai Kin Alex      | (Appointed on 1 September 2023) |
| FUNG Shing Wah         | (Appointed on 1 September 2023) |
| CHUNG Chi Kong         | (Appointed on 1 September 2023) |
| CHAN Kin Wing Benjamin | (Retired on 1 September 2023)   |
| KING Sik Tai Horace    | (Retired on 1 September 2023)   |
| WONG Sai Chiu William  | (Retired on 1 September 2023)   |

**4. DIRECTORS' RIGHTS TO ACQUIRE SHARES AND DEBENTURES**

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

**5. DIRECTORS' INDEMNITIES**

As permitted by the Articles of Association of the company, a director of the company may be indemnified out of the company's assets against any liability incurred by the director that attaches to such director in his or her company as a director of the company, to the extent permitted by law.

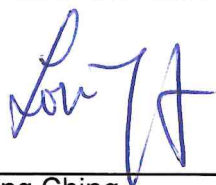
**6. MANAGEMENT CONTRACTS**

The company did not enter into any contract, other than the contracts of service with any director of the company or any person engaged in the full-time employment of the company, by which a person or entity undertakes the management and administration of the whole or any substantial part of any business of the company.

**7. HONORARY AUDITOR**

The financial statements have been audited by Messrs. Evabest CPA Limited, Certified Public Accountants who retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of Messrs. Evabest CPA Limited, Certified Public Accountants as the company's auditor is to be proposed at the forthcoming annual general meeting.

On behalf of the board



LO Wing Ching  
Chairman  
Date:

14 JUN 2024



**INDEPENDENT AUDITOR'S REPORT**  
TO THE MEMBERS OF  
THE BOYS' BRIGADE, HONG KONG  
(Incorporated in Hong Kong with limited liability)

**Opinion**

We have audited the financial statements of The Boys' Brigade, Hong Kong ("the company") set out on pages 11 to 24, which comprise the statement of financial position as at 31 March 2024, and the income and expenditure account, the statement of changes in equity and the 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 company as at 31 March 2024, and of its financial performance and its cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards for Private Entities ("HKFRS for Private Entities") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Companies Ordinance.

**Basis for Opinion**

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the company 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.

**Other Information**

The directors are responsible for the other information. The other information comprises the information included in the Report of the Directors, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**INDEPENDENT AUDITOR'S REPORT (Continued)**  
**TO THE MEMBERS OF**  
**THE BOYS' BRIGADE, HONG KONG**  
(Incorporated in Hong Kong with limited liability)

**Responsibilities of Directors and Those Charged with Governance for the Financial Statements**

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with HKFRS for Private Entities issued by the HKICPA and the Companies Ordinance, and for such internal control as the directors 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 directors are responsible for assessing the company'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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. The report is made solely to you, as a body, in accordance with Section 405 of the Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.



**INDEPENDENT AUDITOR'S REPORT (Continued)**  
TO THE MEMBERS OF  
THE BOYS' BRIGADE, HONG KONG  
(Incorporated in Hong Kong with limited liability)

**Auditor's Responsibilities for the Audit of the Financial Statements (Continued)**

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 company'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 company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*Evabest CPA Ltd*

Evabest CPA Limited  
Certified Public Accountants

Tsoi Yuen Yung  
Practising Certificate No. P07126  
Hong Kong,

14 JUN 2024



**THE BOYS' BRIGADE, HONG KONG**  
**INCOME AND EXPENDITURE ACCOUNT**  
For the year ended 31 March 2024

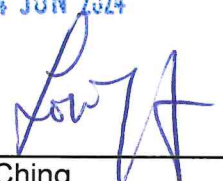
|                                                            | Note | 2024<br>HK\$          | 2023<br>HK\$            |
|------------------------------------------------------------|------|-----------------------|-------------------------|
| <b>Revenue</b>                                             |      |                       |                         |
| Government subvention                                      |      | 12,044,531            | 11,860,342              |
| Funds received                                             |      | 20,587,475            | 14,849,694              |
| Programme income                                           |      | 31,326,083            | 61,409,699              |
| Donation income                                            |      | 2,115,745             | 2,685,473               |
| Bank interest income                                       |      | 444,656               | 106,317                 |
| Other income                                               |      | 530,198               | 524,151                 |
| Government subsidies                                       |      | -                     | 1,102,800               |
|                                                            | 4    | <u>67,048,688</u>     | <u>92,538,476</u>       |
| <b>Expenditure</b>                                         |      |                       |                         |
| Staff costs                                                |      | 27,755,888            | 43,452,065              |
| Rent and rates                                             |      | 4,250,940             | 3,941,776               |
| Other administrative expenses                              |      | 4,589,820             | 4,110,816               |
| Funding expenses                                           |      | 19,618,940            | 13,734,834              |
| Programme and fund raising expenses                        |      | 10,817,317            | 19,862,758              |
|                                                            | 5    | <u>67,032,905</u>     | <u>85,102,249</u>       |
| <b>Surplus before tax</b>                                  |      | 15,783                | 7,436,227               |
| Income tax expense                                         | 8    | <u>-</u>              | <u>-</u>                |
| <b>Surplus for the year</b>                                |      | 15,783                | 7,436,227               |
| Other comprehensive income                                 |      | <u>527,124</u>        | <u>211,866</u>          |
| <b>Surplus and total comprehensive income for the year</b> |      | <u><u>542,907</u></u> | <u><u>7,648,093</u></u> |

The notes on pages 15 to 24 are part of these financial statements.

**THE BOYS' BRIGADE, HONG KONG**  
**STATEMENT OF FINANCIAL POSITION**  
As at 31 March 2024

|                                                                           | Note | 2024<br>HK\$      | 2023<br>HK\$      |
|---------------------------------------------------------------------------|------|-------------------|-------------------|
| <b>Non-Current Assets</b>                                                 |      |                   |                   |
| Intangible asset                                                          | 9    | -                 | 148,214           |
| Property, plant and equipment                                             | 10   | <u>676,748</u>    | <u>899,981</u>    |
|                                                                           |      | <u>676,748</u>    | <u>1,048,195</u>  |
| <b>Current Assets</b>                                                     |      |                   |                   |
| Accounts receivable                                                       |      | 5,672,255         | 7,244,848         |
| Payment in advance                                                        |      | 1,942,674         | 422,518           |
| Deposits, prepayments and other receivables                               |      | 2,906,863         | 4,133,372         |
| Fixed deposit                                                             |      | 17,000,000        | 10,000,000        |
| Cash and bank balances                                                    |      | <u>32,784,942</u> | <u>40,395,207</u> |
|                                                                           |      | <u>60,306,734</u> | <u>62,195,945</u> |
| <b>Less : Current Liabilities</b>                                         |      |                   |                   |
| Accounts payable and receipts in advance                                  |      | 14,965,244        | 15,430,740        |
| Accrued expenses                                                          |      | 3,024,870         | 5,427,117         |
| Provision for long service payments                                       |      | <u>209,933</u>    | <u>145,755</u>    |
|                                                                           |      | <u>18,200,047</u> | <u>21,003,612</u> |
| <b>Net Current Assets</b>                                                 |      | <u>42,106,687</u> | <u>41,192,333</u> |
| <b>Net Assets</b>                                                         |      | <u>42,783,435</u> | <u>42,240,528</u> |
| <b>Reserves</b>                                                           |      |                   |                   |
| General fund                                                              |      | 19,176,262        | 19,578,720        |
| Youth development fund                                                    |      | 2,925,892         | 2,925,892         |
| Reserve from LSG (except provident fund)                                  |      | 1,481,976         | 1,527,277         |
| Provident fund reserve                                                    |      | 138,414           | 217,413           |
| Reserve for new headquarters - general purpose                            |      | 8,872,198         | 8,345,074         |
| Reserve for new headquarters - use for renovation                         |      | 3,780,372         | 3,780,372         |
| Reserve for new headquarters - use for purchase of furniture and fixtures |      | 486,466           | 486,466           |
| Reserve for Taiwan Ministry                                               |      | 236,298           | 234,739           |
| Reserve for HAB needy students                                            |      | 82,509            | 66,383            |
| Operating reserve                                                         |      | <u>5,603,048</u>  | <u>5,078,192</u>  |
|                                                                           |      | <u>42,783,435</u> | <u>42,240,528</u> |

The financial statements were approved and authorised for issue by the Board of Directors on

14 JUN 2024  
  
\_\_\_\_\_  
LO Wing Ching  
Chairman

  
\_\_\_\_\_  
FONG Wai Kin Alex  
Treasurer

The notes on pages 15 to 24 are part of these financial statements.

**THE BOYS' BRIGADE, HONG KONG**  
**STATEMENT OF CHANGES IN EQUITY**  
For the year ended 31 March 2024

|                                                      | General fund<br>HK\$ | Youth development fund<br>HK\$ | Reserve from Lump Sum Grant (LSG) (except provident fund)<br>HK\$ | Provident fund reserve<br>HK\$ | Reserve for new headquarters - general purpose<br>HK\$ | Reserve for new headquarters - use for renovation<br>HK\$ | Reserve for new headquarters - purchase of furniture and fixtures<br>HK\$ | Reserve for Taiwan Ministry<br>HK\$ | Reserve for HAB needy students<br>HK\$ | Operating reserve<br>HK\$ | Total<br>HK\$ |
|------------------------------------------------------|----------------------|--------------------------------|-------------------------------------------------------------------|--------------------------------|--------------------------------------------------------|-----------------------------------------------------------|---------------------------------------------------------------------------|-------------------------------------|----------------------------------------|---------------------------|---------------|
| Balance at 1 April 2022                              | 16,287,594           | 2,925,892                      | 882,112                                                           | 217,413                        | 8,133,208                                              | 3,780,372                                                 | 486,466                                                                   | 234,299                             | 27,482                                 | 1,617,597                 | 34,592,435    |
| Surplus and total comprehensive income for the year  | 7,200,872            | -                              | 196,014                                                           | -                              | 211,866                                                | -                                                         | -                                                                         | 440                                 | 38,901                                 | -                         | 7,648,093     |
| Transfer to operating reserve                        | (3,460,595)          | -                              | -                                                                 | -                              | -                                                      | -                                                         | -                                                                         | -                                   | -                                      | 3,460,595                 | -             |
| Transfer to reserve from LSG (except provident fund) | (449,151)            | -                              | 449,151                                                           | -                              | -                                                      | -                                                         | -                                                                         | -                                   | -                                      | -                         | -             |
| Balance at 31 March 2023                             | 19,578,720           | 2,925,892                      | 1,527,277                                                         | 217,413                        | 8,345,074                                              | 3,780,372                                                 | 486,466                                                                   | 234,739                             | 66,383                                 | 5,078,192                 | 42,240,528    |
| Surplus and total comprehensive income for the year  | 43,399               | -                              | (45,301)                                                          | -                              | 527,124                                                | -                                                         | -                                                                         | 1,559                               | 16,126                                 | -                         | 542,907       |
| Transfer to operating reserve                        | (524,856)            | -                              | -                                                                 | -                              | -                                                      | -                                                         | -                                                                         | -                                   | -                                      | 524,856                   | -             |
| Transfer from provident fund reserve                 | 78,999               | -                              | -                                                                 | (78,999)                       | -                                                      | -                                                         | -                                                                         | -                                   | -                                      | -                         | -             |
| Balance at 31 March 2024                             | 19,176,262           | 2,925,892                      | 1,481,976                                                         | 138,414                        | 8,872,198                                              | 3,780,372                                                 | 486,466                                                                   | 236,298                             | 82,509                                 | 5,603,048                 | 42,783,435    |

The notes on pages 15 to 24 are part of these financial statements.

**THE BOYS' BRIGADE, HONG KONG**  
**STATEMENT OF CASH FLOWS**  
For the year ended 31 March 2024

|                                                               | Note | 2024<br>HK\$             | 2023<br>HK\$             |
|---------------------------------------------------------------|------|--------------------------|--------------------------|
| <b>Cash flows from operating activities</b>                   |      |                          |                          |
| Surplus before tax                                            |      | 15,783                   | 7,436,227                |
| Adjustment for:-                                              |      |                          |                          |
| Amortisation                                                  | 5    | 148,214                  | 148,213                  |
| Bank interest income                                          | 4    | (444,656)                | (106,317)                |
| Depreciation                                                  | 5    | 338,373                  | 589,730                  |
| Provision for long service payments                           |      | <u>64,178</u>            | <u>32,151</u>            |
| <b>Operating surplus before working capital changes</b>       |      | 121,892                  | 8,100,004                |
| <b>Changes in working capital:</b>                            |      |                          |                          |
| Decrease/(Increase) in accounts receivable                    |      | 1,572,593                | (2,922,248)              |
| (Increase)/Decrease in payment in advance                     |      | (1,520,156)              | 1,209,646                |
| Decrease in deposits, prepayments and other receivables       |      | 1,226,509                | 77,884                   |
| Decrease in accounts payable and receipts in advance          |      | (465,496)                | (7,681,641)              |
| (Decrease)/Increase in accrued expenses                       |      | <u>(2,402,247)</u>       | <u>2,603,646</u>         |
| <b>Net cash (used in)/generated from operating activities</b> |      | <u>(1,466,905)</u>       | <u>1,387,291</u>         |
| <b>Cash flows from investing activities</b>                   |      |                          |                          |
| Purchases of property, plant and equipment                    | 10   | (115,140)                | -                        |
| Bank interest received                                        |      | <u>971,780</u>           | <u>318,183</u>           |
| <b>Net cash generated from investing activities</b>           |      | <u>856,640</u>           | <u>318,183</u>           |
| <b>Cash flows from financing activities</b>                   |      | <u>-</u>                 | <u>-</u>                 |
| <b>Net (decrease)/increase in cash and cash equivalents</b>   |      | (610,265)                | 1,705,474                |
| <b>Cash and cash equivalents at beginning of the year</b>     |      | <u>50,395,207</u>        | <u>48,689,733</u>        |
| <b>Cash and cash equivalents at end of the year</b>           |      | <u><u>49,784,942</u></u> | <u><u>50,395,207</u></u> |
| <b>Analysis of the balances of cash and cash equivalents</b>  |      |                          |                          |
| Cash and bank balances                                        |      | 32,784,942               | 40,395,207               |
| Fixed deposit                                                 |      | <u>17,000,000</u>        | <u>10,000,000</u>        |
|                                                               |      | <u><u>49,784,942</u></u> | <u><u>50,395,207</u></u> |

The notes on pages 15 to 24 are part of these financial statements.



**THE BOYS' BRIGADE, HONG KONG**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 March 2024

**1. General information**

The Boys' Brigade, Hong Kong (the "company") was incorporated in Hong Kong as a non-private company limited by guarantee and is engaged in provision of integrated youth service and training activities for young people. The company's registered office and business address is located at G/F., Block A, Lok Man Sun Chuen, To Kwa Wan, Kowloon, Hong Kong.

The company is a member agency of the Community Chest and the Hong Kong Council of Social Service.

On 25 February 2009, the company was approved by the Inland Revenue Department to a charitable institution or trust of a public character, which is entitled to exemption from tax under Section 88 of the Inland Revenue Ordinance.

On 7 November 2012, the company was approved by the Companies Registry to change its name from "The Boys' Brigade, Hong Kong Limited" to "The Boys' Brigade, Hong Kong" of having been granted a licence to dispense with the word "Limited" in company name.

Under the provision of the company's Memorandum of Association, the liability of the members is limited and every member shall, in the event of the company being wound up, contribute such amount as may be required to meet the liabilities of the company but not exceeding HK\$10 each.

**2. Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standards for Private Entities ("HKFRS for Private Entities") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the requirements of the Companies Ordinance. The financial statements have been prepared under the historical cost convention.

**3. Significant accounting policies**

The financial statements have been prepared in accordance with generally accepted accounting principles in Hong Kong and with accounting standards issued by the HKICPA.

**(a) Intangible assets**

Intangible assets are stated at cost less accumulated amortisation and any accumulated impairment losses. Intangible assets are amortised over their estimated useful lives using straight-line method.

**THE BOYS' BRIGADE, HONG KONG**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
For the year ended 31 March 2024

**3. Significant accounting policies (Continued)**

(b) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The following annual rates are used for the depreciation of property, plant and equipment:-

|                        |                            |
|------------------------|----------------------------|
| Leasehold improvements | Lower of lease term or 20% |
| Furniture and fixtures | 33.33%                     |
| Electrical equipment   | 33.33%                     |
| Computer equipment     | 33.33%                     |
| Motor vehicle          | 20%                        |

If there is an indication that there has been a significant change in the depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

As 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.

(c) Accounts and other receivables

Accounts and other receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of accounts and other receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

(d) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdraft is shown within borrowings in current liabilities on the statement of financial position.

(e) Accounts and other payables

Accounts and other payables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method.

**THE BOYS' BRIGADE, HONG KONG**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
For the year ended 31 March 2024

**3. Significant accounting policies (Continued)**

**(f) Impairment of non-financial assets**

At each reporting date, property, plant and equipment and intangible assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of related assets) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

**(g) Income recognition**

Funds received and donations and other income is measured at the fair value of the consideration received or receivable. Income is recognised in profit or loss provided that it is probable that the economic benefits will flow to the company and when income and costs, if applicable, can be measured reliably, as follows:

- i) Government grants and subvention are recognised as income over the periods necessary to match them with related costs. Grants related to expense items are recognised in the same period in which those expenses are charged in the income and expenditure account and are deducted from the reporting related expenses.
- ii) Funds received are recognised as income on receipt. Donations-in-kind received are not recorded and reflected in the financial statements as it is usually not practicable or possible to obtain or determine their precise fair value.
- iii) Programme income is recognised in the period in which the relevant programme is completed.
- iv) Donation income is recognised as income upon receipt.
- v) Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.
- vi) Government subsidies that compensate the company for expenses incurred are recognised as income in the income and expenditure account on a systematic basis in the same periods in which the expenses are incurred.

**THE BOYS' BRIGADE, HONG KONG**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
For the year ended 31 March 2024

**3. Significant accounting policies (Continued)**

(h) Operating leases

Leases where substantially all the risks and rewards of ownership of assets remain with the leasing company are accounted for as operating leases. Rentals applicable to such operating leases are charged to profit or loss on a straight-line basis over the lease terms.

(i) Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of obligation can be made. Expenditures for which a provision has been recognised are charged against the related provision in the year in which the expenditures are incurred. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Where the company expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

(j) Employee benefits

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 value.

The company operates a Mandatory Provident Fund Scheme (the MPF scheme) under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance and not previously covered by the defined benefit retirement plan. The MPF scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make compulsory contributions to the plan at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK\$30,000. Contributions to the plan vest immediately.

(k) Translation of foreign currencies

Items included in the financial statements are measured using the currency of the primary economic environment in which the company operates ("the functional currency"). The financial statements are presented in Hong Kong dollars, which is the company's functional and presentation currency.

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 profit or loss.

**THE BOYS' BRIGADE, HONG KONG**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
For the year ended 31 March 2024

**3. Summary of significant accounting policies (Continued)**

(l) Related parties

A related party is a person or entity that is related to the company that is preparing its financial statements (the "reporting entity").

(i) A person or a close member of that person's family is related to a company if that person:

- i) has control or joint control of the company;
- ii) has significant influence over the company; or
- iii) is a member of the key management personnel of the company or of a parent of the company.

(ii) An entity is related to a company if any of the following conditions applies:

- i) The entity and the company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- iii) Both entities are joint ventures of the same third party.
- iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- v) The entity is a post-employment benefit plan for the benefit of employees of either the company or an entity related to the company.
- vi) The entity is controlled or jointly controlled by a person identified in (i).
- vii) A person identified in (i) i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the company or to the parent of the company.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.



**THE BOYS' BRIGADE, HONG KONG**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
For the year ended 31 March 2024

**4. Income**

|                                                                      | Note       | General fund - headquarters<br>HK\$ | General fund - school social work unit<br>HK\$ | Youth headquarters development fund<br>HK\$ | Reserve for new headquarters - general purpose<br>HK\$ | Reserve for HAB needy students<br>HK\$ | Reserve for Taiwan Ministry<br>HK\$ | 2024 Total<br>HK\$ | 2023 Total<br>HK\$ |
|----------------------------------------------------------------------|------------|-------------------------------------|------------------------------------------------|---------------------------------------------|--------------------------------------------------------|----------------------------------------|-------------------------------------|--------------------|--------------------|
| <b>Government subvention:</b>                                        |            |                                     |                                                |                                             |                                                        |                                        |                                     |                    |                    |
| Home Affairs Bureau (Headquarters)                                   |            | 5,231,059                           | -                                              | -                                           | -                                                      | -                                      | -                                   | 5,231,059          | 5,231,059          |
| Government subvention income                                         |            | -                                   | -                                              | -                                           | -                                                      | -                                      | -                                   | -                  | 41,281             |
| Social Welfare Department (Others)                                   |            | -                                   | 511,791                                        | -                                           | -                                                      | -                                      | -                                   | 511,791            | 29,779             |
| Social Welfare Department (School social work unit)                  |            | -                                   | 6,301,681                                      | -                                           | -                                                      | -                                      | -                                   | 6,301,681          | 6,558,223          |
|                                                                      |            | <u>5,231,059</u>                    | <u>6,813,472</u>                               | <u>-</u>                                    | <u>-</u>                                               | <u>-</u>                               | <u>-</u>                            | <u>12,044,531</u>  | <u>11,860,342</u>  |
| <b>Funds received:</b>                                               |            |                                     |                                                |                                             |                                                        |                                        |                                     |                    |                    |
| Community Chest                                                      |            | 862,290                             | -                                              | -                                           | -                                                      | -                                      | -                                   | 862,290            | 783,900            |
| Stedfast Association, Hong Kong Limited                              |            | 300,000                             | -                                              | -                                           | -                                                      | -                                      | -                                   | 300,000            | 300,000            |
| Anchorner project                                                    |            | 734,253                             | -                                              | -                                           | -                                                      | -                                      | -                                   | 734,253            | 30,980             |
| Education Bureau                                                     |            | -                                   | -                                              | -                                           | -                                                      | -                                      | -                                   | -                  | -                  |
| School Based After School Learning                                   | 11,047,393 | -                                   | -                                              | -                                           | -                                                      | -                                      | -                                   | 11,047,393         | 8,570,626          |
| Environment and Conservation Fund Secretariat                        |            | -                                   | -                                              | -                                           | -                                                      | -                                      | -                                   | -                  | -                  |
| MV Clean Shorelines                                                  |            | -                                   | -                                              | -                                           | -                                                      | -                                      | -                                   | -                  | 108,331            |
| Home Affairs Department                                              |            | -                                   | -                                              | -                                           | -                                                      | -                                      | -                                   | -                  | -                  |
| Committee on promotion of civic education - 藝粹學堂                     | 101,116    | -                                   | -                                              | -                                           | -                                                      | -                                      | -                                   | 101,116            | -                  |
| Home Affairs Bureau                                                  |            | -                                   | -                                              | -                                           | -                                                      | -                                      | -                                   | -                  | -                  |
| Assistance Scheme to Needy Student Members                           |            | -                                   | -                                              | -                                           | -                                                      | 544,500                                | -                                   | 544,500            | 544,500            |
| One off funding to support national education work in the community  |            | 225,000                             | -                                              | -                                           | -                                                      | -                                      | -                                   | 225,000            | 244,700            |
| Thematic fund                                                        | 2,178,451  | -                                   | -                                              | -                                           | -                                                      | -                                      | -                                   | 2,178,451          | 1,521,940          |
| Labour and Welfare Bureau                                            |            | -                                   | -                                              | -                                           | -                                                      | -                                      | -                                   | -                  | -                  |
| Commission on Children 童遊童藝                                          | 79,009     | -                                   | -                                              | -                                           | -                                                      | -                                      | -                                   | 79,009             | 26,337             |
| Mental Health Initiatives Funding Scheme                             |            | -                                   | -                                              | -                                           | -                                                      | -                                      | -                                   | -                  | -                  |
| 「SOUL 醒」青少年心靈內省成長計劃                                                  | 676,491    | -                                   | -                                              | -                                           | -                                                      | -                                      | -                                   | 676,491            | 500,355            |
| Quality Education Fund Secretariat                                   |            | -                                   | -                                              | -                                           | -                                                      | -                                      | -                                   | -                  | -                  |
| Quality Education Fund                                               |            | -                                   | -                                              | -                                           | -                                                      | -                                      | -                                   | -                  | 76,976             |
| Social Welfare Department                                            |            | -                                   | -                                              | -                                           | -                                                      | -                                      | -                                   | -                  | -                  |
| Children Development Fund (CDF) Projects                             | 2,218,904  | -                                   | -                                              | -                                           | -                                                      | -                                      | -                                   | 2,218,904          | 1,807,535          |
| Sir David Trench Fund                                                |            | -                                   | -                                              | -                                           | -                                                      | -                                      | -                                   | -                  | 74,193             |
| Standing Committee on Language Education & Research Education Bureau |            | -                                   | -                                              | -                                           | -                                                      | -                                      | -                                   | -                  | -                  |
| Project of Adventure Time - Word Detective                           | 1,620,068  | -                                   | -                                              | -                                           | -                                                      | -                                      | -                                   | 1,620,068          | 257,581            |
| The Hong Kong Council of Social Service                              |            | -                                   | -                                              | -                                           | -                                                      | -                                      | -                                   | -                  | -                  |
| 立志啟航                                                                 |            | -                                   | -                                              | -                                           | -                                                      | -                                      | -                                   | -                  | 1,740              |
|                                                                      |            | <u>20,042,975</u>                   | <u>-</u>                                       | <u>-</u>                                    | <u>-</u>                                               | <u>544,500</u>                         | <u>-</u>                            | <u>20,587,475</u>  | <u>14,849,694</u>  |
| <b>Programme income:</b>                                             |            |                                     |                                                |                                             |                                                        |                                        |                                     |                    |                    |
| Uniformed Group Programme and Training                               |            | 1,347,423                           | -                                              | -                                           | -                                                      | -                                      | -                                   | 1,347,423          | 883,533            |
| Non-Uniformed Group Programme and Training                           |            | 29,978,660                          | -                                              | -                                           | -                                                      | -                                      | -                                   | 29,978,660         | 60,526,166         |
|                                                                      |            | <u>31,326,083</u>                   | <u>-</u>                                       | <u>-</u>                                    | <u>-</u>                                               | <u>-</u>                               | <u>-</u>                            | <u>31,326,083</u>  | <u>61,409,699</u>  |
| <b>Donation income:</b>                                              |            |                                     |                                                |                                             |                                                        |                                        |                                     |                    |                    |
| Donation income                                                      |            | 1,786,755                           | -                                              | -                                           | -                                                      | -                                      | -                                   | 1,786,755          | 1,960,354          |
| Donation income from flag day                                        | 6          | -                                   | -                                              | -                                           | -                                                      | -                                      | -                                   | -                  | 725,119            |
| Donation income from Anchor Run                                      |            | 328,990                             | -                                              | -                                           | -                                                      | -                                      | -                                   | 328,990            | -                  |
|                                                                      |            | <u>2,115,745</u>                    | <u>-</u>                                       | <u>-</u>                                    | <u>-</u>                                               | <u>-</u>                               | <u>-</u>                            | <u>2,115,745</u>   | <u>2,685,473</u>   |
| <b>Bank interest income:</b>                                         |            |                                     |                                                |                                             |                                                        |                                        |                                     |                    |                    |
| Bank interest income                                                 |            | 440,998                             | 1,339                                          | -                                           | -                                                      | 760                                    | 1,559                               | 444,656            | 106,317            |
|                                                                      |            | <u>440,998</u>                      | <u>1,339</u>                                   | <u>-</u>                                    | <u>-</u>                                               | <u>760</u>                             | <u>1,559</u>                        | <u>444,656</u>     | <u>106,317</u>     |
| <b>Other income:</b>                                                 |            |                                     |                                                |                                             |                                                        |                                        |                                     |                    |                    |
| Company annual subscription                                          |            | 493,200                             | -                                              | -                                           | -                                                      | -                                      | -                                   | 493,200            | 486,000            |
| Other income                                                         |            | 36,998                              | -                                              | -                                           | -                                                      | -                                      | -                                   | 36,998             | 38,151             |
|                                                                      |            | <u>530,198</u>                      | <u>-</u>                                       | <u>-</u>                                    | <u>-</u>                                               | <u>-</u>                               | <u>-</u>                            | <u>530,198</u>     | <u>524,151</u>     |
| <b>Government subsidies:</b>                                         |            |                                     |                                                |                                             |                                                        |                                        |                                     |                    |                    |
| Government subsidies                                                 |            | -                                   | -                                              | -                                           | -                                                      | -                                      | -                                   | -                  | 1,102,800          |
|                                                                      |            | <u>-</u>                            | <u>-</u>                                       | <u>-</u>                                    | <u>-</u>                                               | <u>-</u>                               | <u>-</u>                            | <u>-</u>           | <u>1,102,800</u>   |
|                                                                      |            | <u>59,687,058</u>                   | <u>6,814,811</u>                               | <u>-</u>                                    | <u>-</u>                                               | <u>545,260</u>                         | <u>1,559</u>                        | <u>67,048,688</u>  | <u>92,538,476</u>  |

**THE BOYS' BRIGADE, HONG KONG**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
For the year ended 31 March 2024

**5. Expenditure**

|                                                                     | Note | General fund - headquarters<br>HK\$ | General fund - school social work unit<br>HK\$ | Youth development fund<br>HK\$ | Reserve for new headquarters - general purpose<br>HK\$ | Reserve for HAB needy students<br>HK\$ | Reserve for Taiwan Ministry<br>HK\$ | 2024 Total<br>HK\$ | 2023 Total<br>HK\$ |
|---------------------------------------------------------------------|------|-------------------------------------|------------------------------------------------|--------------------------------|--------------------------------------------------------|----------------------------------------|-------------------------------------|--------------------|--------------------|
| <b>Staff costs:</b>                                                 |      |                                     |                                                |                                |                                                        |                                        |                                     |                    |                    |
| Staff salaries and allowances                                       |      | 19,902,660                          | 6,019,875                                      | -                              | -                                                      | -                                      | -                                   | 25,922,535         | 41,027,125         |
| Provident fund / MPF contribution                                   |      | 1,227,829                           | 541,346                                        | -                              | -                                                      | -                                      | -                                   | 1,769,175          | 2,392,789          |
| Provision for long service payment                                  |      | 64,178                              | -                                              | -                              | -                                                      | -                                      | -                                   | 64,178             | 32,151             |
|                                                                     |      | <u>21,194,667</u>                   | <u>6,561,221</u>                               | <u>-</u>                       | <u>-</u>                                               | <u>-</u>                               | <u>-</u>                            | <u>27,755,888</u>  | <u>43,452,065</u>  |
| <b>Rent and rates:</b>                                              |      |                                     |                                                |                                |                                                        |                                        |                                     |                    |                    |
| Rent and rates                                                      |      | <u>4,207,072</u>                    | <u>43,868</u>                                  | <u>-</u>                       | <u>-</u>                                               | <u>-</u>                               | <u>-</u>                            | <u>4,250,940</u>   | <u>3,941,776</u>   |
|                                                                     |      | <u>4,207,072</u>                    | <u>43,868</u>                                  | <u>-</u>                       | <u>-</u>                                               | <u>-</u>                               | <u>-</u>                            | <u>4,250,940</u>   | <u>3,941,776</u>   |
| <b>Other administrative expenses:</b>                               |      |                                     |                                                |                                |                                                        |                                        |                                     |                    |                    |
| Advertising, promotion and administrative expenses                  |      | 880,532                             | 132,359                                        | -                              | -                                                      | -                                      | -                                   | 1,012,891          | 1,185,059          |
| Amortisation                                                        |      | 148,214                             | -                                              | -                              | -                                                      | -                                      | -                                   | 148,214            | 148,213            |
| Bank charges                                                        |      | 17,639                              | 600                                            | -                              | -                                                      | -                                      | -                                   | 18,239             | -                  |
| Building management fee                                             |      | 280,231                             | -                                              | -                              | -                                                      | -                                      | -                                   | 280,231            | 274,175            |
| Depreciation                                                        |      | 338,373                             | -                                              | -                              | -                                                      | -                                      | -                                   | 338,373            | 589,730            |
| Electricity, water, internet, telephone and fax                     |      | 591,094                             | 38,972                                         | -                              | -                                                      | -                                      | -                                   | 630,066            | 588,680            |
| Insurance                                                           |      | 464,307                             | 26,834                                         | -                              | -                                                      | -                                      | -                                   | 491,141            | 393,062            |
| Legal & Professional Fee                                            |      | 8,080                               | -                                              | -                              | -                                                      | -                                      | -                                   | 8,080              | -                  |
| Membership Fee                                                      |      | 11,955                              | -                                              | -                              | -                                                      | -                                      | -                                   | 11,955             | -                  |
| Repairs, maintenance and renovation                                 |      | 1,080,992                           | 4,411                                          | -                              | -                                                      | -                                      | -                                   | 1,085,403          | 383,947            |
| Staff development and welfare                                       |      | 153,662                             | 43,783                                         | -                              | -                                                      | -                                      | -                                   | 197,445            | 173,112            |
| Sundry expenses                                                     |      | 157,878                             | 5,939                                          | -                              | -                                                      | -                                      | -                                   | 163,817            | 147,350            |
| Travelling and transportation                                       |      | 201,840                             | 2,125                                          | -                              | -                                                      | -                                      | -                                   | 203,965            | 227,488            |
|                                                                     |      | <u>4,334,797</u>                    | <u>255,023</u>                                 | <u>-</u>                       | <u>-</u>                                               | <u>-</u>                               | <u>-</u>                            | <u>4,589,820</u>   | <u>4,110,816</u>   |
| <b>Funding expenses:</b>                                            |      |                                     |                                                |                                |                                                        |                                        |                                     |                    |                    |
| Anchorer project                                                    |      | 734,253                             | -                                              | -                              | -                                                      | -                                      | -                                   | 734,253            | 30,980             |
| Education Bureau                                                    |      |                                     |                                                |                                |                                                        |                                        |                                     |                    |                    |
| School Based After School Learning                                  |      | 11,047,393                          | -                                              | -                              | -                                                      | -                                      | -                                   | 11,047,393         | 8,570,626          |
| Environment and Conservation Fund Secretariat                       |      |                                     |                                                |                                |                                                        |                                        |                                     |                    |                    |
| MW Clean Shorelines                                                 |      | -                                   | -                                              | -                              | -                                                      | -                                      | -                                   | -                  | 108,331            |
| Home Affairs Department                                             |      |                                     |                                                |                                |                                                        |                                        |                                     |                    |                    |
| Committee on promotion of civic education - 藝粹學堂                    |      | 101,116                             | -                                              | -                              | -                                                      | -                                      | -                                   | 101,116            | -                  |
| Home Affairs Bureau                                                 |      |                                     |                                                |                                |                                                        |                                        |                                     |                    |                    |
| Assistance Scheme to Needy Student Members                          |      | -                                   | -                                              | -                              | -                                                      | 529,134                                | -                                   | 529,134            | 506,040            |
| One off funding to support national education work in the community |      | 239,118                             | -                                              | -                              | -                                                      | -                                      | -                                   | 239,118            | 252,200            |
| Thematic fund                                                       |      | 2,373,490                           | -                                              | -                              | -                                                      | -                                      | -                                   | 2,373,490          | 1,521,940          |
| Labour and Welfare Bureau                                           |      |                                     |                                                |                                |                                                        |                                        |                                     |                    |                    |
| Commission on Children 童遊童藝                                         |      | 79,009                              | -                                              | -                              | -                                                      | -                                      | -                                   | 79,009             | 26,337             |
| Mental Health Initiatives Funding Scheme                            |      |                                     |                                                |                                |                                                        |                                        |                                     |                    |                    |
| 「SOUL 醒」青少年心靈內省成長計劃                                                 |      | 676,491                             | -                                              | -                              | -                                                      | -                                      | -                                   | 676,491            | 500,355            |
| Quality Education Fund Secretariat                                  |      |                                     |                                                |                                |                                                        |                                        |                                     |                    |                    |
| Quality Education Fund                                              |      | -                                   | -                                              | -                              | -                                                      | -                                      | -                                   | -                  | 76,976             |
| Social Welfare Department                                           |      |                                     |                                                |                                |                                                        |                                        |                                     |                    |                    |
| Children Development Fund (CDF) Projects                            |      | 2,218,905                           | -                                              | -                              | -                                                      | -                                      | -                                   | 2,218,905          | 1,807,535          |
| Sir David Trench Fund                                               |      | -                                   | -                                              | -                              | -                                                      | -                                      | -                                   | -                  | 74,193             |
| Standing Committee on Language                                      |      |                                     |                                                |                                |                                                        |                                        |                                     |                    |                    |
| Education & Research Education Bureau                               |      |                                     |                                                |                                |                                                        |                                        |                                     |                    |                    |
| Project of Adventure Time - Word Detective                          |      | 1,620,031                           | -                                              | -                              | -                                                      | -                                      | -                                   | 1,620,031          | 257,581            |
| The Hong Kong Council of Social Service                             |      |                                     |                                                |                                |                                                        |                                        |                                     |                    |                    |
| 立志啟航                                                                |      | -                                   | -                                              | -                              | -                                                      | -                                      | -                                   | -                  | 1,740              |
|                                                                     |      | <u>19,089,806</u>                   | <u>-</u>                                       | <u>-</u>                       | <u>-</u>                                               | <u>529,134</u>                         | <u>-</u>                            | <u>19,618,940</u>  | <u>13,734,834</u>  |
| <b>Programme income:</b>                                            |      |                                     |                                                |                                |                                                        |                                        |                                     |                    |                    |
| Uniformed Group Programme and Training                              |      | 1,134,480                           | -                                              | -                              | -                                                      | -                                      | -                                   | 1,134,480          | 562,167            |
| Non-Uniformed Group Programme and Training                          |      | <u>9,529,293</u>                    | <u>-</u>                                       | <u>-</u>                       | <u>-</u>                                               | <u>-</u>                               | <u>-</u>                            | <u>9,529,293</u>   | <u>19,116,547</u>  |
|                                                                     |      | <u>10,663,773</u>                   | <u>-</u>                                       | <u>-</u>                       | <u>-</u>                                               | <u>-</u>                               | <u>-</u>                            | <u>10,663,773</u>  | <u>19,678,714</u>  |
| <b>Fund Raising expenses:</b>                                       |      |                                     |                                                |                                |                                                        |                                        |                                     |                    |                    |
| Expenditure for fund raising                                        |      | 33,226                              | -                                              | -                              | -                                                      | -                                      | -                                   | 33,226             | 113,757            |
| Expenditure for flag day                                            | 6    | -                                   | -                                              | -                              | -                                                      | -                                      | -                                   | -                  | 70,287             |
| Expenditure for Anchor Run                                          |      | <u>120,318</u>                      | <u>-</u>                                       | <u>-</u>                       | <u>-</u>                                               | <u>-</u>                               | <u>-</u>                            | <u>120,318</u>     | <u>-</u>           |
|                                                                     |      | <u>153,544</u>                      | <u>-</u>                                       | <u>-</u>                       | <u>-</u>                                               | <u>-</u>                               | <u>-</u>                            | <u>153,544</u>     | <u>184,044</u>     |
|                                                                     |      | <u>59,643,659</u>                   | <u>6,860,112</u>                               | <u>-</u>                       | <u>-</u>                                               | <u>529,134</u>                         | <u>-</u>                            | <u>67,032,905</u>  | <u>85,102,249</u>  |

**THE BOYS' BRIGADE, HONG KONG**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
For the year ended 31 March 2024

**6. Income and expenditure of flag day fund-raising activities**

|                     | 2024<br>HK\$    | 2023<br>HK\$          |
|---------------------|-----------------|-----------------------|
|                     |                 | (FD/T027/2022)        |
| Donation income     | -               | 725,119               |
| Expenditure         | <u>-</u>        | <u>(70,287)</u>       |
| Net donation income | <u><u>-</u></u> | <u><u>654,832</u></u> |

For the funds raised in the flag day, 70% of net income had been used for uniformed group service and remaining 30% had been used for administrative support for the years ended 31 March 2023.

**7. Directors' remuneration**

According to the clause 45 under the company's Articles of Association, all directors are not allowed for drawing salary and allowance.

**8. Income tax expense**

No provision for Hong Kong profits tax has been made as the company is exempted under Section 88 of the Hong Kong Inland Revenue Ordinance.

**9. Intangible assets**

|                                      | Membership<br>system<br>HK\$ |
|--------------------------------------|------------------------------|
| <b>Cost:</b>                         |                              |
| At 1 April 2023 and<br>31 March 2024 | <u>444,640</u>               |
| <b>Accumulated amortisation:</b>     |                              |
| At 1 April 2023                      | 296,426                      |
| Charge for the year                  | <u>148,214</u>               |
| At 31 March 2024                     | <u><u>444,640</u></u>        |
| <b>Net carrying amount:</b>          |                              |
| At 31 March 2024                     | <u><u>-</u></u>              |
| At 31 March 2023                     | <u><u>148,214</u></u>        |

**THE BOYS' BRIGADE, HONG KONG**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
For the year ended 31 March 2024

**10. Property, plant and equipment**

|                                  | Leasehold<br>improvements<br>HK\$ | Furniture<br>and<br>fixtures<br>HK\$ | Electrical<br>equipment<br>HK\$ | Computer<br>equipment<br>HK\$ | Motor<br>vehicle<br>HK\$ | Total<br>HK\$    |
|----------------------------------|-----------------------------------|--------------------------------------|---------------------------------|-------------------------------|--------------------------|------------------|
| <b>Cost:</b>                     |                                   |                                      |                                 |                               |                          |                  |
| At 1 April 2023                  | 3,672,876                         | 339,822                              | 153,684                         | 993,796                       | 347,636                  | 5,507,814        |
| Additions                        | -                                 | 4,140                                | 42,700                          | 68,300                        | -                        | 115,140          |
| Written off                      | (224,239)                         | (257,485)                            | (70,966)                        | (932,432)                     | (347,636)                | (1,832,758)      |
| At 31 March 2024                 | <u>3,448,637</u>                  | <u>86,477</u>                        | <u>125,418</u>                  | <u>129,664</u>                | <u>-</u>                 | <u>3,790,196</u> |
| <b>Accumulated depreciation:</b> |                                   |                                      |                                 |                               |                          |                  |
| At 1 April 2023                  | 2,772,895                         | 339,822                              | 153,684                         | 993,796                       | 347,636                  | 4,607,833        |
| Charge for the year              | 299,993                           | 1,380                                | 14,233                          | 22,767                        | -                        | 338,373          |
| Written back                     | (224,239)                         | (257,485)                            | (70,966)                        | (932,432)                     | (347,636)                | (1,832,758)      |
| At 31 March 2024                 | <u>2,848,649</u>                  | <u>83,717</u>                        | <u>96,951</u>                   | <u>84,131</u>                 | <u>-</u>                 | <u>3,113,448</u> |
| <b>Net carrying amount:</b>      |                                   |                                      |                                 |                               |                          |                  |
| At 31 March 2024                 | <u>599,988</u>                    | <u>2,760</u>                         | <u>28,467</u>                   | <u>45,533</u>                 | <u>-</u>                 | <u>676,748</u>   |
| At 31 March 2023                 | <u>899,981</u>                    | <u>-</u>                             | <u>-</u>                        | <u>-</u>                      | <u>-</u>                 | <u>899,981</u>   |

**11. Lease commitments**

At 31 March 2024, the company had future aggregate minimum commitments under non-cancellable operating leases in respect of land and buildings as follows:-

|                              | 2024<br>HK\$     | 2023<br>HK\$      |
|------------------------------|------------------|-------------------|
| Within one year              | 3,855,600        | 3,855,600         |
| In the second to fifth years | 2,982,300        | 6,837,900         |
| More than five years         | -                | -                 |
|                              | <u>6,837,900</u> | <u>10,693,500</u> |

**THE BOYS' BRIGADE, HONG KONG**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
For the year ended 31 March 2024

**12. Related party transactions**

In addition to the transaction/information disclosed elsewhere in these financial statements, during the year, the company had the following material transactions with its related parties:

|                                         | 2024<br>HK\$  | 2023<br>HK\$   |
|-----------------------------------------|---------------|----------------|
| <u>Key management personnel</u>         |               |                |
| Salaries                                | 1,215,720     | 2,527,645      |
| Provident fund/MPF contribution         | 121,572       | 249,766        |
| <u>Related company</u>                  |               |                |
| Stedfast Association, Hong Kong Limited |               |                |
| - Funds and donations received          | <u>96,619</u> | <u>351,674</u> |

Mr. CHEUNG Lit Man, Ms. WONG Yin Yi and Mr. Ho Denny King-Leung, the company's directors, are also the directors of Stedfast Association, Hong Kong Limited.

All the related party transactions were made in accordance with the terms authorised by the Board of Directors.

**13. Comparative figures**

Certain comparative figures have been reclassified to conform with current year's presentation.