

CORNERSTONE ASSOCIATION LIMITED
(LIMITED BY GUARANTEE)
房角石協會有限公司(無股本的擔保有限公司)

REPORTS AND FINANCIAL STATEMENTS
報告及財務報表

FOR THE YEAR ENDED DECEMBER 31, 2017
截至二零一七年十二月三十一日止年度

CORNERSTONE ASSOCIATION LIMITED
(Limited by Guarantee)
房角石協會有限公司(無股本的擔保有限公司)

REPORTS AND FINANCIAL STATEMENTS 報告及財務報表
FOR THE YEAR ENDED DECEMBER 31, 2017 截至二零一七年十二月三十一日止年度

<u>CONTENTS</u> 內容	<u>PAGE(S)</u> 頁數
DIRECTORS' REPORT 董事報告	1 - 3
INDEPENDENT AUDITOR'S REPORT 獨立核數師報告	4 - 9
STATEMENT OF FINANCIAL POSITION 財務狀況表	10 - 11
STATEMENT OF COMPREHENSIVE INCOME 全面收益表	12
STATEMENT OF CHANGES IN RESERVES AND FUNDS 儲備及基金變動表	13 - 14
STATEMENT OF CASH FLOWS 現金流量表	15
NOTES TO THE FINANCIAL STATEMENTS 賬目附註	16 - 27

CORNERSTONE ASSOCIATION LIMITED
(Limited by Guarantee)
房角石協會有限公司(無股本的擔保有限公司)

DIRECTORS' REPORT 董事報告

The directors presented their annual report and the audited financial statements of the Association for the year ended December 31, 2017.

董事會將本協會截至二零一七年十二月三十一日止年度之年報及經審核之財務報表呈覽。

PRINCIPAL ACTIVITIES 主要業務範圍

The Association is incorporated to promote the extension of the Christian religion throughout Hong Kong and elsewhere in accordance with the Doctrinal Basis of the Christian & Missionary Alliance and to carry out community services for religious and benevolent purposes.

本協會主要業務為遵循基督教宣道會之教義，在香港及其他地方宣揚基督教信仰及為此信仰與慈善目的實踐社會服務。

BUSINESS REVIEW 業務回顧

The Association falls within reporting exemption for the financial period. Accordingly, the Association is exempted from preparing a business review.

本協會在本財政年度豁免編製業務回顧。

RESULTS 財務狀況

The result of the Association for the year ended December 31, 2017 and the state of the Association's affairs at that date are set out in the financial statements on pages 10 to 27.

本協會截至二零一七年十二月三十一日止年度之業績及事務狀況均列載於財務報表第十頁至二十七頁。

FIXED ASSETS 固定資產

Movements in fixed assets during the year are set out in notes 4 and 5 to the financial statements.

本年度有關於固定資產之變動列載於財務報表附註四及五。

CORNERSTONE ASSOCIATION LIMITED
(Limited by Guarantee)
房角石協會有限公司(無股本的擔保有限公司)

DIRECTORS' REPORT - CONTINUED 董事報告 - 續

DIRECTORS 董事

The directors of the Association during the year and up to the date of this report were:
本協會於本年度及截至本報告簽署日期之董事如下:

But Tak Fu 畢德富	
Chan Yu Kow 陳茹九	
Chow Tak Kun 鄒德根	
Chung Sheung Kam 鍾尚甘	
Chung Woon Cheung 鍾煥璋	
Kan Yiu Tong 簡耀堂	
Phang Chew Fun 彭秋芬	
Poon Kwok Yin 潘國賢	
Poon Tat Man 潘達文	
Tong Chung Lin 湯頌年	
Yeung Kwan Mo 楊君武	
Yuen Shing Kwok 阮成國	
Yick Kar Lim 易嘉濂	
Wang Reng Fu Douglas 王弼福	(Date of appointment: May 26, 2017)
Hui Kam Kun 許金根	(Date of cessation: May 26, 2017)
Kwok Shui Wing 郭瑞榮	(Date of cessation: May 26, 2017)
Poon See Tat 潘士達	(Date of cessation: May 26, 2017)

In accordance with Article 43 of the Association's Articles of Association, all directors, after two years term of office, shall retire and being eligible, offer themselves for re-election.

根據本協會之組織章程第四十三條，所有董事任期二年後須遵章告退，符合資格者可候選連任。

DIRECTORS' INTERESTS IN CONTRACTS 董事合約權益

Save as transactions disclosed in note 12 to the financial statements for which the directors have beneficial interests, no other contracts of significance in relation to the Association's business to which the Association was a party, and in which any directors of the Association had a material interest, whether directly or indirectly, subsisted at the end of the year or any time during the year.

除了刊登於財務報告內附註12的交易有利益外，於結算日或本年度內任何時間，本協會概無訂立與本協會業務有關之任何重要合約，而使本協會任何董事以任何形式，直接或間接獲得重大利益。

CORNERSTONE ASSOCIATION LIMITED

(Limited by Guarantee)

房角石協會有限公司(無股本的擔保有限公司)

DIRECTORS' REPORT - CONTINUED 董事報告 - 續

ARRANGEMENTS TO ACQUIRE SHARES OR DEBENTURES 董事於股份及債券認購之權益

At no time during the year was the Association a party to any arrangement to enable the directors of the Association to acquire benefits by means of the acquisition of shares in or debentures of the Association or its associated corporations.

本協會於本年底及本年內任何時間，並無提供董事認購本協會及相關法團的股份及債券之權益。

EQUITY-LINKED AGREEMENTS 股票掛鉤協議

No equity-linked agreements were entered into during the year.

年內並無訂立任何股票掛鉤協議。

INDEMNITY OF DIRECTORS 董事彌償

No permitted indemnity provision (as defined in section 469 of the Hong Kong Companies Ordinance) for the benefit of the directors of the Association has in force in the Association.

本協會並無訂定符合香港《公司條例》第 469 條指明的規定之獲准許的彌償條文向董事提供彌償。

AUDITORS 核數師委任

A resolution will be submitted to the annual general meeting of the Association to re-appoint Messrs. Ng, Suen, Lau C.P.A. Limited.

聘請吳孫劉會計師事務所有限公司為本協會核數師之決議案將於應屆週年大會提呈。

On behalf of the Board

承董事會命


Tong Chung Lin 湯頌年

Hong Kong, 25 MAY 2018
香港，

INDEPENDENT AUDITOR'S REPORT

To the members of
CORNERSTONE ASSOCIATION LIMITED
(Incorporated in Hong Kong with liability limited by guarantee)

Opinion

We have audited the financial statements of Cornerstone Association Limited (the "Association") set out on pages 10 to 27, which comprise the statement of financial position as at December 31, 2017, and the statement of comprehensive income, statement of changes in reserves and funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Association as at December 31, 2017, 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 Hong Kong 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 Association 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.

Information Other than the Financial Statements and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the directors' report, 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
CORNERSTONE ASSOCIATION LIMITED
(Incorporated in Hong Kong with liability limited by guarantee)

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 Hong Kong 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 Association'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 Association or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association'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. This report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of the 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.

INDEPENDENT AUDITOR'S REPORT - CONTINUED

To the members of
CORNERSTONE ASSOCIATION LIMITED
(Incorporated in Hong Kong with liability limited by guarantee)

Auditor's Responsibilities for the Audit of the Financial Statements - Continued

- 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 Association's internal control.
- 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 Association'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 Association 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.



Ng, Suen, Lau C.P.A. Limited
Certified Public Accountants (Practising)

Hong Kong, **25 MAY 2018**

Ng Sau Wa, Sylvia
Practising Certificate Number: P01895

獨立核數師報告

致：房角石協會有限公司成員
(於香港註冊成立的無股本的擔保有限公司)

意見

本核數師(以下簡稱「我們」)已審計列載於第十至二十七頁的房角石協會有限公司(以下簡稱「貴協會」)的財務報表,此財務報表包括於二零一七年十二月三十一日的財務狀況表與截至該日止年度的全面收益表、儲備及基金變動表及現金流量表,以及財務報表附註,包括主要會計政策概要。

我們認為,該等財務報表已根據香港會計師公會頒佈的《私營企業香港財務報告準則》真實而中肯地反映了貴協會於二零一七年十二月三十一日的財務狀況及截至該日止年度的財務表現及現金流量,並已遵照香港《公司條例》妥為擬備。

意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》(以下簡稱「守則」),我們獨立於貴協會,並已履行守則中的其他專業道德責任。我們相信,我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

刊載於年度報告內其他信息

董事需對其他信息負責。其他信息包括刊載於年度報告內的董事報告,但不包括財務報表及我們的核數師報告。

我們對財務報表的意見並不涵蓋其他信息,我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對財務報表的審計,我們的責任是閱讀其他信息,在此過程中,考慮其他信息是否與財務報表或我們在審計過程中所瞭解的情況存在重大抵觸或者似乎存在重大錯報的情況。基於我們已執行的工作,如果我們認為其他信息存在重大錯報,我們需要報告該事實。在這方面,我們沒有任何報告。

獨立核數師報告 - 續

致：房角石協會有限公司成員
(於香港註冊成立的無股本的擔保有限公司)

董事與治理層就財務報表須承擔的責任

董事須負責根據香港會計師公會頒佈的《私營企業香港財務報告準則》及香港《公司條例》擬備真實而中肯的財務報表，並對其認為為使財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備財務報表時，董事負責評估貴協會持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將貴協會清盤或停止經營，或別無其他實際的替代方案。

治理層須負責監督貴協會的財務報告過程。

核數師就審計財務報表承擔的責任

我們的目標，是對財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯報取得合理保證，並出具包括我們意見的核數師報告及按照香港《公司條例》第405條之規定，僅向成員報告，除此以外，本報告並無其他用途。我們不會就核數師報告的內容向任何其他人士負上或承擔任何責任。

合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯報存在時總能發現。錯報可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯報可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致財務報表存在重大錯報的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯報的風險高於未能發現因錯誤而導致的重大錯報的風險。
- 瞭解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴協會內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

獨立核數師報告 - 續

致：房角石協會有限公司成員
(於香港註冊成立的無股本的擔保有限公司)

核數師就審計財務報表承擔的責任 - 續

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴協會的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴協會不能持續經營。
- 評價財務報表的整體列報方式、結構和內容，包括披露，以及財務報表是否公允反映交易和事項。

除其他事項外，我們與審計委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

吳孫劉會計師事務所有限公司
香港執業會計師

香港， **25 MAY 2018**

吳秀華會計師
執業證書編號：P01895

CORNERSTONE ASSOCIATION LIMITED
(Limited by Guarantee)
房角石協會有限公司(無股本的擔保有限公司)

STATEMENT OF FINANCIAL POSITION 財務狀況表

AS AT DECEMBER 31, 2017 於二零一七年十二月三十一日
(Expressed in Hong Kong Dollars 賬項以港幣計算)

	Notes 附註	2017	2016
ASSETS 資產			
Non-current assets 非流動資產			
Property, plant and equipment 物業、機器及設備	4	219,008	320,308
Land use rights 土地使用權證	5	309,860	318,713
		<u>528,868</u>	<u>639,021</u>
Current assets 流動資產			
Accounts receivables 應收款項		182,512	113,301
Utility and sundry deposits 按金		19,077	16,130
Prepayments 預付款		40,029	28,028
Bank balances and cash 銀行存款及現金	6	17,108,188	16,245,115
		<u>17,349,806</u>	<u>16,402,574</u>
Total assets 資產總額		<u>17,878,674</u>	<u>17,041,595</u>

CORNERSTONE ASSOCIATION LIMITED
(Limited by Guarantee)
房角石協會有限公司(無股本的擔保有限公司)

STATEMENT OF FINANCIAL POSITION - CONTINUED 財務狀況表 - 續

AS AT DECEMBER 31, 2017 於二零一七年十二月三十一日

(Expressed in Hong Kong Dollars 賬項以港幣計算)

	<u>2017</u>	<u>2016</u>
LIABILITY AND RESERVES 負債及儲備		
Current liability 流動負債		
Accounts payables and accruals 應付及應付未付款項	96,049	31,593
Reserves 儲備		
General fund 常費	(3,480,158)	(2,442,127)
Designated funds 各項基金	20,362,783	18,552,129
Multi-purpose service/development fund 綜合服務發展獻金	900,000	900,000
	<u>17,782,625</u>	<u>17,010,002</u>
Total liability and reserves 負債及儲備總額	<u>17,878,674</u>	<u>17,041,595</u>


The accompanying Accounting Policies and Explanatory Notes form an integral part of, and should be read in conjunction with, these financial statements.

所有賬目會計準則和附註組成此等財務報告之一部份，並應一併使用來閱讀此財務報表。

Approved on behalf of the Board by:

此財務報表已交董事局審議及通過，並由以下代表簽署：


Tong Chung Lin 湯頌年


Yeung Kwan Mo 楊君武

CORNERSTONE ASSOCIATION LIMITED
(Limited by Guarantee)
房角石協會有限公司(無股本的擔保有限公司)

STATEMENT OF COMPREHENSIVE INCOME 全面收益表

FOR THE YEAR ENDED DECEMBER 31, 2017 截至二零一七年十二月三十一日止年度
(Expressed in Hong Kong Dollars 賬項以港幣計算)

	Notes 附註	2017	2016
Revenue 收益			
Offerings received 奉獻收入	7	12,403,375	10,539,529
Received from interflow team 交流團收入	8	1,414,317	2,032,597
Interest income 利息收入		55,830	125,091
Sponsor received 津貼收入		400,000	400,000
Exchange gain 匯兌收益		10,216	30,690
Other income 其他收入	9	628,515	561,606
Activities income 活動收入		-	910
		<u>14,912,253</u>	<u>13,690,423</u>
Expenditure 支出			
Administrative expenditure 行政支出	10	4,968,772	4,969,550
Designated funds expenditure 各項基金支出	11	9,170,858	9,842,286
		<u>14,139,630</u>	<u>14,811,836</u>
Surplus/(deficit) for the year 本年度盈餘/(虧損)		<u>772,623</u>	<u>(1,121,413)</u>

The accompanying Accounting Policies and Explanatory Notes form an integral part of, and should be read in conjunction with, these financial statements.

所有賬目會計準則和附註組成此等財務報告之一部份，並應一併使用來閱讀此財務報表。

CORNERSTONE ASSOCIATION LIMITED
(Limited by Guarantee)
房角石協會有限公司(無股本的擔保有限公司)

STATEMENT OF CHANGES IN RESERVES AND FUNDS 儲備及基金變動表

FOR THE YEAR ENDED DECEMBER 31, 2017 截至二零一七年十二月三十一日止年度
(Expressed in Hong Kong Dollars 賬項以港幣計算)

	2016年度	Multi-purpose service/development fund 綜合服務發展基金														Total 總計
		General fund 常費	Jiang-men fund 江門基金	Hu-nan fund 湖南基金	Hu-bei fund 湖北基金	Yun-nan fund 雲南基金	Qing-yuan fund 清遠基金	Guang-xi fund 廣西基金	He-bei fund 河北基金	Si-chuan fund 四川基金	Qing-hai fund 青海基金	Gui-zhou fund 貴州基金	Medical fund 醫療基金	Unallocated fund 未分配基金		
Balance brought forward	上年度結轉	(848,117)	368	(62,506)	(123,911)	533,970	(397,061)	1,564,770	307,902	4,539,941	215,068	18,348	7,902,660	3,579,983	900,000	18,131,415
Income	本年度收入	13,690,423	-	-	-	-	-	-	-	-	-	-	-	-	-	13,690,423
Expenditure	本年度支出	(14,811,836)	-	-	-	-	-	-	-	-	-	-	-	-	-	(14,811,836)
Deficit for the year	本年度虧損	(1,121,413)	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,121,413)
Transfer net result of designated funds	轉撥各項基金淨收支	(472,597)	99,287	204,020	1,966	(37,364)	158,778	158,102	-	124,235	(10,945)	(9,515)	(134,232)	(81,735)	-	-
Transfer	轉賬	-	100,000	40,000	-	-	(64,967)	(100,000)	-	-	-	-	24,967	-	-	-
Net movement for the year	本年度淨變動	(1,594,010)	199,287	244,020	1,966	(37,364)	93,811	58,102	-	124,235	(10,945)	(9,515)	(109,265)	(81,735)	-	(1,121,413)
Balance carried forward	結餘轉入下年度	(2,442,127)	199,655	181,514	(121,945)	496,606	(303,250)	1,622,872	307,902	4,664,176	204,123	8,833	7,793,395	3,498,248	900,000	17,010,002

CORNERSTONE ASSOCIATION LIMITED
(Limited by Guarantee)
房角石協會有限公司(無股本的擔保有限公司)

STATEMENT OF CHANGES IN RESERVES AND FUNDS 儲備及基金變動表 - 續

FOR THE YEAR ENDED DECEMBER 31, 2017 截至二零一七年十二月三十一日止年度

(Expressed in Hong Kong Dollars 賬項以港幣計算)

Year 2017	2017年度	Multi-purpose service/development fund 綜合服務發展基金														Total 總計
Balance brought forward	上年度結轉	General fund 常費	Jiang-men fund 江門基金	Hu-nan fund 湖南基金	Hu-bei fund 湖北基金	Yun-nan fund 雲南基金	Qing-yuan fund 清遠基金	Guang-xi fund 廣西基金	He-bei fund 河北基金	Si-chuan fund 四川基金	Qing-hai fund 青海基金	Gui-zhou fund 貴州基金	Medical fund 醫療基金	Unallocated fund 未分配基金		
Income	本年度收入	(2,442,127)	199,655	181,514	(121,945)	496,606	(303,250)	1,622,872	307,902	4,664,176	204,123	8,833	7,793,395	3,498,248	900,000	17,010,002
Expenditure	本年度支出	14,912,253 (14,139,630)	-	-	-	-	-	-	-	-	-	-	-	-	-	14,912,253 (14,139,630)
Surplus for the year	本年度盈餘	772,623	-	-	-	-	-	-	-	-	-	-	-	-	-	772,623
Transfer net result of designated funds	轉撥各項基金本年度淨收支	(1,810,654)	20,147	(122,893)	90,813	238,055	(58,828)	671,030	-	(277,400)	-	(20,752)	326,297 (40,000)	944,185 (49,253)	-	-
Transfer	轉帳	-	-	89,253	-	-	-	-	-	-	-	-	-	-	-	-
Net movement for the year	本年度淨變動	(1,038,031)	20,147	(33,640)	90,813	238,055	(58,828)	671,030	-	(277,400)	-	(20,752)	286,297	894,932	-	772,623
Balance carried forward	結餘轉入下年度	(3,480,158)	219,802	147,874	(31,132)	734,661	(362,078)	2,293,902	307,902	4,386,776	204,123	(11,919)	8,079,692	4,393,180	900,000	17,782,625

CORNERSTONE ASSOCIATION LIMITED
(Limited by Guarantee)
房角石協會有限公司(無股本的擔保有限公司)

STATEMENT OF CASH FLOWS 現金流量表

FOR THE YEAR ENDED DECEMBER 31, 2017 截至二零一七年十二月三十一日止年度
(Expressed in Hong Kong Dollars 賬項以港幣計算)

	2017	2016
Cash flows from operating activities 經營活動現金流量		
Cash receipts from donors 會友奉獻現金流入	14,856,423	13,565,332
Cash paid to employees and suppliers 現金流出	(14,031,724)	(14,617,274)
Net cash generated from/(used in) operating activities 經營活動所得/(支付)的現金淨額	824,699	(1,051,942)
Cash flows from investing activities 投資活動現金流量		
Purchase of property, plant and equipment 物業、機器及設備購置	(17,456)	(42,550)
Interest income received 已收利息收入	55,830	125,091
Net cash generated from investing activities 投資活動所得的現金淨額	38,374	82,541
Net increase/(decrease) in cash and cash equivalents 現金及現金等價物增加/(減少)淨額	863,073	(969,401)
Cash and cash equivalents at beginning of the year 於年初的現金及現金等價物	16,245,115	17,214,516
Cash and cash equivalents at end of the year 於年末的現金及現金等價物	17,108,188	16,245,115
Analysis of the balance of cash and cash equivalents 現金及現金等價物分析		
Bank balances and cash 銀行存款及現金	6,326,688	6,245,115
Time deposit within maturity of three months 原訂到期時間不超過三個月之定期存款	10,781,500	10,000,000
	17,108,188	16,245,115

CORNERSTONE ASSOCIATION LIMITED
(Limited by Guarantee)
房角石協會有限公司(無股本的擔保有限公司)

NOTES TO THE FINANCIAL STATEMENTS 賬目附註

FOR THE YEAR ENDED DECEMBER 31, 2017 截至二零一七年十二月三十一日止年度
(Expressed in Hong Kong Dollars 賬項以港幣計算)

1. GENERAL 概況

The Association was incorporated under the Hong Kong Companies Ordinance on September 6, 1994 as a company limited by guarantee and not having a share capital. The registered address of the Association is Room 504, Austin Tower, 22-26A Austin Avenue, Tsim Sha Tsui, Kowloon, Hong Kong. The liability of each member is limited to the extent of HK\$20.

本協會根據香港公司條例於一九九四年九月六日註冊成立為一間無股本的擔保有限公司。本協會註冊地址位於香港九龍尖沙咀柯士甸路 22-26A 號好兆年行 504 室。每一位會友的負債上限最高為港幣二十元。

The principal activity of the Association is to promote the extension of the Christian religion throughout Hong Kong and elsewhere in accordance with the Doctrinal Basis of the Christian & Missionary Alliance and to carry out community services for religious and benevolent purposes.

本協會主要業務為遵循基督教宣道會之教義，在香港及其他地方宣揚基督教信仰及為此信仰與慈善目的實踐社會服務。

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES 編制基準及會計政策

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards for Private Entities issued by the Hong Kong Institute of Certified Public Accountants. These financial statements also comply with the applicable requirements of the Hong Kong Companies Ordinance. They have been prepared using the historical cost convention.

本協會之財務報告乃根據香港會計師公會頒佈之《私營企業香港財務報告準則》及香港《公司條例》之規定而編製。此等財務報表符合香港《公司條例》之披露規定。此等財務報表乃按歷史成本會計基礎編製。

CORNERSTONE ASSOCIATION LIMITED
(Limited by Guarantee)
房角石協會有限公司(無股本的擔保有限公司)

NOTES TO THE FINANCIAL STATEMENTS 賬目附註

FOR THE YEAR ENDED DECEMBER 31, 2017 截至二零一七年十二月三十一日止年度
(Expressed in Hong Kong Dollars 賬項以港幣計算)

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES - Continued

編制基準及會計政策 - 續

a. Property, plant and equipment 物業、機器及設備

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment loss.

物業、機器及設備均按成本值累積減折舊及累積減值虧損入賬。

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:

物業、機器及設備均以直線折舊法按其估計與使用年期攤銷應折金額，每年之折舊率如下：

Leasehold land 土地	Over the remaining term of lease 以租賃的剩餘期限
Building 樓宇	Over the remaining term of lease or estimated useful life of 50 years, whichever is shorter 以租賃的剩餘期限或五十年的使 用壽命，較短為準
Leasehold improvement 裝修	20%
Furniture and fixture 傢俬及裝置	20%
Computer and equipment 電腦及設備	33⅓%

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.

如有任何折舊年率、資產使用年限或剩餘價值之重大變動跡象，該資產之折舊即跟隨其變動而註銷。

CORNERSTONE ASSOCIATION LIMITED
(Limited by Guarantee)
房角石協會有限公司(無股本的擔保有限公司)

NOTES TO THE FINANCIAL STATEMENTS 賬目附註

FOR THE YEAR ENDED DECEMBER 31, 2017 截至二零一七年十二月三十一日止年度
(Expressed in Hong Kong Dollars 賬項以港幣計算)

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES - Continued
編制基準及會計政策 - 續

b. Impairment of assets 資產減值

At each year end date, property, plant and equipment in the Association 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 is estimated and compared with its carrying amount. If an 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.

本協會於每個會計年度結算日均會對物業、機器及設備進行評估，決定是否出現任何減值跡象。資產如有可減值的跡象，該資產之可收回值會被重估，並將之與賬面值比較。如資產之可收回值比賬面值為低，其賬面值將調低至可收回值，減值虧損則於全面收益表內確認。

If an impairment loss subsequently reverses, the carrying amount of the asset 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 in prior years. A reversal of an impairment loss is recognised immediately in profit or loss. 減值虧損之逆轉僅以該等減值虧損從未於過往年度確認時所釐定的資產賬面值為限，增加其賬面值至重估的可收回值，而減值虧損之逆轉將於收益表內確認。

c. Account receivables 應收款項

Account 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 account receivables is established when there is objective evidence that the Association will not be able to collect all amounts due according to the original terms of the receivables.

應收款項於初次確認時按交易價值計量，其後按實際利息法計算攤銷成本計算。倘若客觀情況證明本協會不能收取該應收款項時，減值虧損金額設立確認。

d. Cash and cash equivalents 現金及現金等價物

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.

現金及現金等價物為庫存現金、銀行結餘及原則到期日為三個月或以下的短期高流動性投資。

CORNERSTONE ASSOCIATION LIMITED
(Limited by Guarantee)
房角石協會有限公司(無股本的擔保有限公司)

NOTES TO THE FINANCIAL STATEMENTS 賬目附註

FOR THE YEAR ENDED DECEMBER 31, 2017 截至二零一七年十二月三十一日止年度
(Expressed in Hong Kong Dollars 賬項以港幣計算)

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES - Continued

編制基準及會計政策 - 續

e. Account payables 應付未付款項

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

應付未付款項於初次確認時按交易價值計量，其後按實際利息法計算攤銷成本計算。

f. Revenue recognition 收益確認

Revenue is recognised when the amount can be measured reliably and when it is probable that the economic benefits associated with the transaction will flow to the Association, on the following bases:

收益乃於本協會能可靠地計算及可從該事取得經濟利益時確認，按以下基準確認：

- (i) Offerings received for general fund are recognised upon the amounts are properly received.
常費奉獻收入以款項收妥時確認。
- (ii) Offerings received for designated funds are recognised upon the amounts are properly received less administration charges transfer to the general fund to share the burden of the Association's administrative expenses.
各基金奉獻收入以款項收妥時確認，並轉撥其行政費用往常費以分擔協會之行政費用。
- (iii) Received from interflow team and activities income are recognised when event takes place.
交流團收入及活動收入是在交流團及活動發生時確認。
- (iv) Interests is recognised using effective interest method.
利息收入是在產生時按實際利息法確認。
- (v) Sponsor received is recognised mainly on accrual basis.
津貼收入按應計基準確認。
- (vi) Other income is recognised mainly on cash basis.
其他收入按現金基準確認。

CORNERSTONE ASSOCIATION LIMITED
(Limited by Guarantee)
房角石協會有限公司(無股本的擔保有限公司)

NOTES TO THE FINANCIAL STATEMENTS 賬目附註

FOR THE YEAR ENDED DECEMBER 31, 2017 截至二零一七年十二月三十一日止年度
(Expressed in Hong Kong Dollars 賬項以港幣計算)

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES - Continued
編制基準及會計政策 - 續

g. Foreign currency translation 外幣換算

(i) Functional and presentation currency 運作及呈列貨幣

Items included in the financial statements of the Association are measured using the currency of the primary economic environment in which the Association operates - the functional currency. The financial statements are presented in Hong Kong Dollars, which is the Association's functional and presentation currency.

本協會之財務報表中所載項目乃採用本協會之主要經濟環境所使用之貨幣計量。財務報表乃以港元呈列。港元乃本協會之運作及呈列貨幣。

(ii) Transactions and balances 交易及結餘

Foreign currency translations 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.

外幣之交易按交易日現行之運作貨幣匯率換算。該等交易結算及以外幣結算之貨幣性資產及負債均按年終日之匯率換算所產生之匯兌收益及虧損，將於全面收益表內確認。

h. Operating leases 經營租賃

All rental receivables and payables under operating lease are credited or charged to profit or loss on a straight line basis over the duration of the leases.

所有由營業租賃合約收取或支付的租金，均已按其租賃合約期限，平均攤分記錄在全面收益表內。

i. Employee benefits 僱員福利

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

薪金、有薪假期及定額供款退休金計劃，均在本協會僱員提供相關服務的年度內累計。如延遲付款或結算後構成重大的貨幣時間價值，則上述數額須按現值列賬。

CORNERSTONE ASSOCIATION LIMITED
(Limited by Guarantee)
房角石協會有限公司(無股本的擔保有限公司)

NOTES TO THE FINANCIAL STATEMENTS 賬目附註

FOR THE YEAR ENDED DECEMBER 31, 2017 截至二零一七年十二月三十一日止年度
(Expressed in Hong Kong Dollars 賬項以港幣計算)

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES - Continued

編制基準及會計政策 - 續

i. Employee benefits - Continued 僱員福利 - 續

Pension scheme 退休金計劃

The Association operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the “MPF Scheme”) under the Mandatory Provident Fund Schemes Ordinance, for those employees who are eligible to participate in the scheme. The Association’s contributions are made to the MPF Scheme based on a percentage of the employees’ relevant income. These contributions are charged to profit or loss as the Association become payable in accordance with the Schemes. The assets of the MPF Scheme are held separately from those of the Association in an independently administrated trust fund.

本協會根據強制性公積金計劃條例為合資格之員工提供定額供款退休金計劃。強制性公積金計劃之供款乃根據合資格員工相關收入計算。該等供款會於產生時計入全面收益表。上述計劃之資產乃由獨立管理之基金持有，與本協會之資產分開管理。

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENT

關鍵會計估計及假設

Estimates and judgment used in preparing the financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

用於編制財務報告之估算和判斷會被持續評估，並根據過往經驗和其他因素進行評價，包括在有關情況下相信為合理的對未來事件的預測。

The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumption that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. 所得的會計估算如其定義，很少會與實際結果相同。具很大機會導致下個財政年度的資產和負債賬面值作出重大調整的估算和假設之討論如下：

Useful life of property, plant and equipment 物業、機器及設備

Management determines the estimated useful lives and residual values for the Association’s property, plant and equipment. Management will revise the depreciation charge where useful lives and residual values are different to previously estimated, or it will write off or write down technically obsolete or non-strategy assets that have been abandoned or sold.

管理層考慮本協會物業、機器及設備之預計可用年期及殘值。當可用年期及殘值與過往估計不同時，管理層將重訂折舊支出。或當科技落伍或非策略資產被放棄或出售時，將其註銷或減值。

CORNERSTONE ASSOCIATION LIMITED
(Limited by Guarantee)
房角石協會有限公司(無股本的擔保有限公司)

NOTES TO THE FINANCIAL STATEMENTS 賬目附註

FOR THE YEAR ENDED DECEMBER 31, 2017 截至二零一七年十二月三十一日止年度
(Expressed in Hong Kong Dollars 賬項以港幣計算)

4. PROPERTY, PLANT AND EQUIPMENT 物業、機器及設備

	Leasehold land and building 土地及樓宇	Leasehold improvement 裝修	Furniture and fixture 傢俬及裝置	Computer and equipment 電腦及設備	Total 總數
<u>At cost</u> 成本值					
As at 1.1.2017 於2017年1月1日	-	720,845	45,421	139,104	905,370
Additions 添置	-	-	4,488	12,968	17,456
As at 31.12.2017 於2017年12月31日	-	720,845	49,909	152,072	922,826
<u>Accumulated depreciation</u> 累積折舊					
As at 1.1.2017 於2017年1月1日	-	431,848	28,054	125,160	585,062
Charge for the year 本年度折舊	-	93,599	6,889	18,268	118,756
As at 31.12.2017 於2017年12月31日	-	525,447	34,943	143,428	703,818
<u>Carrying amount</u> 淨賬面值					
As at 31.12.2017 於2017年12月31日	-	195,398	14,966	8,644	219,008

The leasehold land and building was given to the Association as a gift.
土地及樓宇乃以禮物形式贈送與本協會。

CORNERSTONE ASSOCIATION LIMITED
(Limited by Guarantee)
房角石協會有限公司(無股本的擔保有限公司)

NOTES TO THE FINANCIAL STATEMENTS 賬目附註

FOR THE YEAR ENDED DECEMBER 31, 2017 截至二零一七年十二月三十一日止年度
(Expressed in Hong Kong Dollars 賬項以港幣計算)

5. <u>LAND USE RIGHTS</u> 土地使用權證	<u>2017</u>	<u>2016</u>
As at January 1 於一月一日	318,713	327,566
Amortised during the year 本年度攤銷	(8,853)	(8,853)
As at December 31 於十二月三十一日	<u>309,860</u>	<u>318,713</u>

The land-use-rights of land situated at “中國廣東省清遠市清城區源潭鎮秀溪村，高灘尾南側鶴仔塘” are held by Orientway Holdings Limited, a company incorporated in Hong Kong, as trustee for and on behalf of the Association and held under medium term lease.

該土地使用權證之土地位於「中國廣東省清遠市清城區源潭鎮秀溪村，高灘尾南側鶴仔塘」，並以貫東集團有限公司(一間於香港註冊之有限公司)名義代本協會登記及以中期租約持有。

6. <u>BANK BALANCES AND CASH</u> 銀行存款及現金	<u>2017</u>	<u>2016</u>
Cash at banks 銀行存款	6,087,264	6,060,210
Time deposits 定期存款	10,781,500	10,000,000
Cash in hand 庫存現金	239,424	184,905
	<u>17,108,188</u>	<u>16,245,115</u>

7. <u>OFFERINGS RECEIVED</u> 奉獻收入	<u>2017</u>	<u>2016</u>
General fund 常費	2,884,221	2,361,785
Designated funds 各項基金		
Jiang-men 江門	87,667	93,826
Hu-nan 湖南	1,911,558	2,136,676
Hu-bei 湖北	106,857	60,952
Yun-nan 雲南	800,869	355,779
Qing-yuan 清遠	35,911	417,518
Guang-xi 廣西	2,272,362	2,154,571
Si-chuan 四川	270,141	359,868
Qing-hai 青海		10,895
Gui-zhou 貴州	84,152	71,978
Medical fund 醫療基金	2,553,552	1,600,989
Unallocated fund 未分配基金	1,396,085	914,692
	<u>12,403,375</u>	<u>10,539,529</u>

CORNERSTONE ASSOCIATION LIMITED
(Limited by Guarantee)
房角石協會有限公司(無股本的擔保有限公司)

NOTES TO THE FINANCIAL STATEMENTS 賬目附註

FOR THE YEAR ENDED DECEMBER 31, 2017 截至二零一七年十二月三十一日止年度
(Expressed in Hong Kong Dollars 賬項以港幣計算)

8.	<u>RECEIVED FROM INTERFLOW TEAM</u> 交流團收入	<u>2017</u>	<u>2016</u>
	Designated funds 各項基金		
	Jiang-men 江門	34,685	122,295
	Hu-nan 湖南	306,684	607,590
	Yun-nan 雲南	234,800	166,710
	Guang-xi 廣西	232,198	429,367
	Si-chuan 四川	238,900	357,256
	Qing-hai 青海	-	49,000
	Gui-zhou 貴州	23,800	-
	Medical fund 醫療基金	183,600	151,579
	Unallocated 未分配基金	159,650	148,800
		<u>1,414,317</u>	<u>2,032,597</u>
9.	<u>OTHER INCOME</u> 其他收入	<u>2017</u>	<u>2016</u>
	General fund 常費	580,474	457,064
	Designated funds 各項基金		
	Hu-nan 湖南	-	13,535
	Yun-nan 雲南	-	4,600
	Qing-yuan 清遠	-	565
	Guang-xi 廣西	250	-
	Si-chuan 四川	-	10,548
	Qing-hai 青海	-	890
	Medical fund 醫療基金	47,791	72,075
	Unallocated fund 未分配基金	-	2,329
		<u>628,515</u>	<u>561,606</u>

CORNERSTONE ASSOCIATION LIMITED
(Limited by Guarantee)
房角石協會有限公司(無股本的擔保有限公司)

NOTES TO THE FINANCIAL STATEMENTS 賬項附註

FOR THE YEAR ENDED DECEMBER 31, 2017 截至二零一七年十二月三十一日止年度
(Expressed in Hong Kong Dollars 賬項以港幣計算)

10. <u>ADMINISTRATIVE EXPENDITURE</u> 行政支出	<u>2017</u>	<u>2016</u>
Bank charges 銀行費用	5,729	5,124
Books and magazine 資料刊物	1,863	590
Building management fee 大廈管理費	113,256	109,190
Depreciation 折舊	118,756	117,771
Electricity 電費	19,181	19,086
Entertainment 交誼費	17,838	19,490
Government rent and rates 政府地租及差餉	23,870	25,245
Insurance 保險費	75,696	82,433
Legal and professional fee 律師及專業費	1,610	1,610
Mandatory provident fund 強積金	221,098	177,673
Offerings 奉獻支出	36,000	36,000
Office supplies 辦公室用品	8,150	2,282
Postage and stamps 郵費	36,191	44,804
Printing and stationery 影印及文具	26,896	26,440
Promotion expenses 宣傳費用	166,192	166,079
Rental expenses 租金支出	297,834	295,812
Repair and maintenance 維修及保養	58,830	57,700
Salaries and allowances 薪酬及津貼	3,626,730	3,610,857
Staff activity expenses 同工活動	38,079	87,629
Staff training 同工進修費	900	6,300
Sundry expenses 雜項	59,293	59,263
Telephone and paging 電話及傳訊	8,441	10,057
Travelling 交通費	6,339	8,115
	<u>4,968,772</u>	<u>4,969,550</u>

CORNERSTONE ASSOCIATION LIMITED
(Limited by Guarantee)
房角石協會有限公司(無股本的擔保有限公司)

NOTES TO THE FINANCIAL STATEMENTS 賬項附註

FOR THE YEAR ENDED DECEMBER 31, 2017 截至二零一七年十二月三十一日止年度
(Expressed in Hong Kong Dollars 賬項以港幣計算)

11. <u>DESIGNATED FUNDS EXPENDITURE</u>	<u>2017</u>	<u>2016</u>
各項基金支出		
Amortisation 攤銷	8,853	8,853
Education expenditure 教育支出	2,312,891	2,842,523
Interflow team expenses 交流團支出	1,489,544	2,108,525
Mandatory provident fund 強積金	45,363	53,331
Medical expenditure 醫療支出	1,677,343	1,239,483
Ministry expenses 事工支出	1,600,857	1,790,319
Planting expenditure 建設工程支出	316,592	165,570
Relief expenses 援災撥款	125,465	120,012
Salaries and allowance 薪酬及津貼	907,597	1,100,587
Social services expenditure 社區服務支出	686,353	413,083
	<u>9,170,858</u>	<u>9,842,286</u>

12. DIRECTORS' REMUNERATION 董事酬金

Directors' remuneration disclosed pursuant to section 383(1) of the Companies Ordinance is as follows:

按照《公司條例》第383(1)條的要求所披露之董事酬金如下：

	<u>2017</u>	<u>2016</u>
Directors' fee 董事酬金	-	-
Other emoluments 其他薪酬	-	-
Contributions to defined contribution plan 退休金供款	-	-
	<u>-</u>	<u>-</u>

CORNERSTONE ASSOCIATION LIMITED
(Limited by Guarantee)
房角石協會有限公司(無股本的擔保有限公司)

NOTES TO THE FINANCIAL STATEMENTS 賬項附註

FOR THE YEAR ENDED DECEMBER 31, 2017 截至二零一七年十二月三十一日止年度
(Expressed in Hong Kong Dollars 賬項以港幣計算)

13. TAXATION 稅項

No provision for Hong Kong Profits Tax has been made in the financial statements as the Association is a charitable institution under Section 88 of the Inland Revenue Ordinance (Chapter 112) and is therefore exempted from taxes levied under this Ordinance.

本協會乃香港政府認可之慈善團體，根據稅務條例(香港法例第一一二章)第八十八條予以豁免繳納利得稅。

14. APPROVAL OF FINANCIAL STATEMENTS 批准財務報表

These financial statements have been approved and authorised to issue by the Board of Directors on **25 MAY 2018**.
本財務報表於 獲董事會批准及授權刊發。