



Hong Kong Green Building  
Council Limited

Financial statements  
for the year ended 31 December 2020

## Directors' Report

The directors have pleasure in submitting their annual report together with the audited financial statements for the year ended 31 December 2020.

### **Principal place of business**

Hong Kong Green Building Council Limited ("the Council") was incorporated and domiciled in Hong Kong and has its registered office and principal place of business at Room 102, 1/F, Jockey Club Environmental Building, 77 Tat Chee Avenue, Kowloon Tong, Hong Kong.

### **Principal activities**

The principal activities of the Council are to promote the adoption of green building standards and construction of green buildings in Hong Kong for environmental protection for the benefit of the community of Hong Kong.

### **Business Review**

#### **Vision and Mission**

The Council is a non-profit, member led organisation with the vision to help save the planet and improve the wellbeing of the people of Hong Kong by transforming the city into a greener built environment. Its mission is to lead market transformation by advocating green policies to the Government; introducing green building practices to all stakeholders; setting design, construction and management standards for the building profession; and promoting green living to the people of Hong Kong.

#### **Our Work**

The Council is committed to realising its mission and has carried out various activities and events in 2020 with the following highlights:

- *Driving BEAM Plus Existing Buildings, Smart Technologies and Education to the School Sector*
  - successfully solicited funding from the Hong Kong Jockey Club Charities Trust ("HKJC") to expand the BEAM Plus Existing Buildings' certification and education to 120 primary and secondary schools in Hong Kong

## Business Review (continued)

- *Promoting Retro-commissioning (RCx) Best Practices to Greater Bay Area (GBA), Belt-and-Road Countries and Local Industry*

Through working with all the signatories of the Memorandum of Collaboration, the Council has:

- signed a collaboration agreement with 廣東省建築科學研究院集團股份有限公司 (Guangdong Provincial Academy of Building Research Group) and 廣東省生產力促進中心 (Guangdong Productivity Centre) to set up a “粵港建設工程智慧運維聯合實驗室” to promote energy reduction and build professional’s capacity in the GBA and the Belt and Road region through funding application
  - been standardising training material that can be applied in the GBA
  - been developing technical guidelines on RCx that can be applied in the GBA
  - two government buildings to undergo a joint RCx process with all signatories while four buildings engaged for the same within the GBA
  - been developing RCx demonstration videos and case book with BSOMES and HKPC under PASS project
  - provided training and CPD seminars for practitioners in Hong Kong, Macau and Mainland
  - been working with the Electrical and Mechanical Services Department (“EMSD”), CLP Power Hong Kong Limited (“CLP”), Airport Authority Hong Kong and Hong Kong Observatory to carry out researches to advance knowledge and technology on RCx
  - been organising a competition hosted by Environment Bureau on promoting the best practices of RCx
  - been organising a series of talks hosted by EMSD and producing demonstration video for tertiary education institutes on raising the awareness on RCx
  - been providing services and trainings for Hospital Authority to conduct RCx works
- *BEAM Plus*
    - operation of BEAM Plus green building assessment schemes (N.B. In 2020, the Council received 212 project registrations and certified 264 projects. The said 212 registrations include 63 existing properties joining the “Volume Certification” programme.)
    - accreditation of new BEAM Practitioners and Assessors (N.B. The Council accredited 216 BEAM Pro, 85 BEAM Affiliates and 8 BEAM Assessors during the year.)
    - provision of CPD training to BEAM Practitioners

## Business Review (continued)

- *Scheme and Tool Development*
  - signed the Memorandum of Understanding with City University of Hong Kong School of Energy and Environment to set up the “Industry Ready Programme” for providing RCx training to undergraduate students
  - established a RCx Training and Registration Scheme to equip 3 levels of RCx professionals and 3 types of services providers through training, examination and continued professional development and recognise individuals and companies’ professionalism. Over 600 RCx Practitioners and Professionals were trained. Over 200 individuals and 5 services providers have been registered successfully under our Scheme.
  - developed an energy performance database and diagnostic analytics dashboard to facilitate benchmarking and performance evaluation
- *Engagement and Outreach Activities*
  - engaging with the Government, Construction Industry Council (“CIC”) and industry stakeholders by organising Hong Kong’s participation at the World Sustainable Built Environment Online Conference 2020 (“WSBE2020”)
  - engaging with Council’s Members via various activities including the online version of HKGBC 11th Anniversary as well as other marketing and media opportunities
  - promoting the Hong Kong Green Shop Alliance (“HKGSA”) to foster a green shopping environment in Hong Kong
  - hosting of the first-ever virtual Hong Kong Green Building Week (“HKGBW”), a city-wide public campaign, as well as other educational and publicity initiatives to arouse public awareness on green building and BEAM Plus

## Financial Highlights

The financial position of the Council was healthy in 2020. As at 31 December 2020, net current assets was HK\$45.9 million (2019: HK\$36.9 million) and current ratio was 13.64 (2019: 16.40) respectively. The total revenue in 2020 was HK\$44.5 million, a decrease of 16.8% compared to last year which was mainly due to decrease in BEAM Plus registration income and funding support from the HKJC.

The total funding support from the CIC amounted to HK\$4.8 million, decreased by 18.6% from last year, in which HK\$3.5 million was to support HKGBC’s justifiable projects and events while the remaining HK\$1.3 million was for the operation of green product certification scheme owned by CIC.

Income from BEAM Plus registration fees reached HK\$25.4 million this year, decreased by 20.7% from last year. Membership fee income for the year amounted to HK\$3.9 million, a slight decrease of 7.5% from last year. Project and programmes income and other funding support income amounted to \$4.7 million, the increase of 46.6% was mainly contributed by RCx training income.



## **Business Review (continued)**

On expenditure side, HK\$8.4 million was spent on projects and programmes, representing a reduction of 34.4% as compared to last year. Such reduction was mainly attributed to completion of a project funded by HKJC. Publicity and advertising expense decreased by 70.7% to HK\$0.7 million. Due to the COVID-19 pandemic, many publicity activities of HKGBC were scaled down and conducted on-line. The general and administrative expenses were HK\$24.0 million, representing an increase of 8.0% as compared to last year.

## **Governance and Control**

The Council has two Standing Committees to look after governance and control.

Finance and Executive Committee assists the Board in various control functions including overseeing corporate governance on approvals, developing policies and procedures, monitoring the financial position and maintaining budgetary control of the Council.

Governance and Quality Committee, with majority of its members from external parties, monitors the compliance and effectiveness of governance and quality standards as well as recommends necessary improvements.

During the year, the Council continued to carry out audit on BEAM Society Limited (“BSL”)’s assessment operations.

## **Law Compliance**

A Guide to Directors’ Duties issued by the Companies Registry was issued to all directors to remind them of their duty to act in good faith in the best interests of the Council. All directors, committee members and staff were also provided with the Code of Conduct (in light of the Council’s public body status) to remind their role as public servants, particularly on the matters regarding the conflict of interest and acceptance of advantage for the purpose of complying with the Prevention of Bribery Ordinance (Cap. 201).

In the year, the Council experienced no known non-compliance issues with laws or regulations, nor was any material claim brought against the Council.

## **Risks and Uncertainties**

To manage the uncertainty over income, the Council has proactively solicited funding and generated income from different sources. By end of 2020, the Council has accumulated a General Fund balance of HK\$26.0 million, which buffers the financial uncertainty and enables the Council to better meet future resource needs. The Council will continue to diversify its funding and income sources.

In the course of Buildings Department (BD)’s review of gross floor area (“GFA”) concession mechanism, the Council maintained close coordination with BD in the finalisation of the mechanism.

Hong Kong’s construction works progress and commercial real estate market were badly affected by the COVID-19 pandemic in 2020. The Council continues to expand its income sources so that its income will not overly rely on BEAM Plus project registration. This includes our initiatives to provide RCx training and registration and expand our rating systems to cover civil infrastructure as well as the entire built environment.

## **Business Review (continued)**

### **Key Relationships**

#### ***Staff***

The Council highly regarded the staff force a valuable asset and encouraged staff's development to boost the internal core competence. During the year, training sessions for professional development, workshops on health care and green awareness, and overseas exposure for capacity building were provided to staff.

#### ***BEAM Society Limited ("BSL")***

BSL is a key partner of HKGBC in BEAM Plus and BEAM Practitioner schemes. HKGBC works closely with BSL in the rating tool development work and entrusts BSL with BEAM Plus project assessment, as well as training and examination of BEAM Practitioners.

#### ***Members***

As of the end of 2020, the Council recruited 132 Institutional Members including 74 Patron Members, and another 3,299 Associate Members. They continued to enjoy preferential discount to the Council's activities including conferences and CPD seminars as well as marketing exposure and networking opportunities in various events or projects organised by the Council. In addition, the number of Green Building Faculty ("GBF") members who provided pro bono services to the Council and BSL amounted to 151.

#### ***Customers***

To be more customer-oriented, the Council has put in place a number of procedural and services enhancements during the year including:

- developing a BEAM Plus Existing Buildings resource website to help potential clients to kick-start their certification process;
- developing an online platform for assessment and registration of RCx Practitioners and Professionals, and offering company package for customer convenience and facilitating more trainees in their organisation;
- launching the CIC Green Product Certification scheme website and soft launching of Eco-Product Directory commenced in 2020. A direct emailing to local suppliers to encourage product listing.

#### ***Government***

The Council has actively coordinated with the Development Bureau, the Environment Bureau, the EMSD and the BD in matters related to BEAM Plus, infrastructure rating tool development, retro-commissioning and society's carbon reduction as a whole.

The Council proactively supports the Government's promotion on RCx and collaborates with EMSD to conduct RCx projects, organise RCx competition, talk, and demonstration video, and establish the way forward to promote RCx to local industry and the GBA.

## **Business Review (continued)**

### ***Industry***

During the year, the Council has

- developed the Hong Kong Smart Green Building Design Best Practice Guidebook Including Interfacing with Smart City with a set of practical guidelines/ strategies, design and operational best practices pertaining to smart green building development and optimising the performance of buildings
- launched the RCx Training and Registration Scheme to equip RCx practitioners, professionals and services providers' capabilities and expand the RCx market
- organised Hong Kong's participation at the WSBE2020 with over 160 Hong Kong delegates participating
- continuously promoted the HKGSA as a valuable platform to the mall operators to share experience as well as green and healthy messages. By end of 2020, 28 Developers, 143 Shopping Malls and over 685 Shops have joined the Alliance.
- celebrated the 11th Anniversary of the Council in an online format with top government officials, HKGBC members and industry stakeholders
- engaged with other industry associations or institutions by acting as Supporting Organisations for their green building related events, sending speakers or joining committees to contribute.

### ***Community***

The Council held its signature public campaign, the HKGBW 2020 in a virtual format for the first time to boost the public awareness on local green building development and encourage the public to adopt a greener lifestyle.

A forum was co-organised with the Open University of Hong Kong, and "My Green Space" Student Competition 2020-2021 was also launched, to educate the younger generation with green building knowledge, and nurture them into pioneers in promoting green building concepts.

### ***International Outreach***

The Council continued to engage actively in various global initiatives of the World Green Building Councils and participated at the WorldGBC Asia Pacific Network Awards. HKGBC Executive Director continued to be the Vice Chairman of WorldGBC Asia Pacific Regional Network to lead the green building movement on regional and global level.

The Council committed to WorldGBC's global projects "Advancing Net Zero" and "Better Places for People". The Advancing Net Zero project aims to accelerate uptake of net zero carbon buildings to 100% by 2050. The Better Places for People launched the Health and Wellbeing Framework and the accompanying Executive Report aimed at driving a healthier and equitable built environment.

## **Business Review (continued)**

In view of the daunting challenges posed by the COVID-19 pandemic, the Council organised a webinar series – “COVID-19: Towards The New Norm” to create a platform for international professionals from different sectors to share their research outcomes, updates of services and technologies on prevention of disease transmission, disinfection methods and air quality monitoring in indoor environment.

## **Environmental Policies and Performance**

In 2020, the Council continued to operate in an environmentally responsible manner. There has been an increased use of on-line meeting and electronic tools/platforms to help reduce the Council’s carbon footprint.

## **Subsequent Events**

No important event affecting the Council has occurred since the end of the financial year.

## **Future Development of the Council**

The Council will move forward in a few key strategic directions.

Enhancing the environmental performance of existing buildings is a challenge for major cities. The Council will make efforts to engage more existing buildings to adopt BEAM Plus. This will be accomplished by aligning our assessment tools to the requirements of global real estate sustainability benchmarks such as GRESB and promoting these tools to existing building owners.

To meet the needs of specific types of assets, the Council will soon launch a BEAM Plus rating tool for both new and existing data centres, and is in the process of developing a BEAM Plus tool for existing primary and secondary schools.

The COVID-19 pandemic has reminded the general public about the importance of good indoor environment. The Council will, through participating in the “Better Places for People” initiative of the WorldGBC, drive for higher standards of indoor environment and resilience to the outbreak of virus diseases.

There will be a lot of new towns and infrastructure to be developed in Hong Kong and the Greater Bay Area. It is of paramount importance that those are planned, designed, built and operated in a sustainable manner. To this end, the Council will work closely with the Government to develop sustainability rating tools and guidelines to meet the needs in these areas.

The Council will also explore opportunities of collaborating with organisations in the GBA, the Belt and Road countries, and APEC economies on matters such as RCx, green products and promotion of green practices. Besides, a Chinese translation of the BEAM Plus New Buildings Manual and a BEAM Plus rating tool adapted for Macau use are being developed.

The Council will also strive to enhance our global profile through strong presence in international events and also contributions to the WorldGBC.

The Council will continue to be the closest partner with the Government in driving the sustainable built environment and carbon neutrality agenda.

## Directors

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

Cheung Hau Wai (Chairman)	
Chan Sau Kit Allan	
Chan Suk Fun Mary	
Cheng Sai Yau Vincent	
Cheung Po Chung	
Ho Hok Keung	
Koo Tze Cheung Adam	
Lee Siu Wing Ivy	
Leung Man Kit	
Li Ho Kin	
So Hung Fai	
Yeung Hon Chung	
Cheng Chin Pang	(appointed on 1 January 2020)
Cheung Tin Cheung	(appointed on 1 January 2021)
Cheng Ting Ning	(appointed on 1 January 2020)
Choi Wun Hing Donald	(appointed on 1 January 2020)
Ip Chung Man	(appointed on 1 January 2020)
Kong Chi Yuen	(appointed on 1 January 2020)
Lai Yuk Fai Stephen	(appointed on 1 January 2020)
Leung Kin Man Stephen	(appointed on 1 January 2020)
Li Siu Kong Kenneth	(appointed on 1 January 2020)
Pan ShuJie	(appointed on 1 January 2020)
Poon Shun Wing	(appointed on 1 January 2020)
Yau Man Hung Raymond	(appointed on 15 December 2020)
Yu Franklin	(appointed on 1 January 2021)
Leung King Yin Kevin	(appointed on 1 January 2020 and resigned on 6 October 2020)
Chan Chi Ming, Antonio	(resigned on 1 January 2020)
Chan Ka Lung Raymond	(resigned on 1 January 2020)
Chong Kin Lit Paul	(resigned on 1 January 2020)
Chow Ka Ming	(resigned on 1 January 2020)
Chung Chi Leong	(resigned on 1 January 2020)
Fung Yin Suen Ada	(resigned on 1 January 2020)
Ho Man Yiu Ivan	(resigned on 1 January 2021)
Lam Ping Hong, Robert	(resigned on 1 January 2020)
Lee Man Kwong	(resigned on 1 January 2020)
Sin Wing Ning	(resigned on 1 January 2020)
Wong Bay	(resigned on 1 January 2021)
Wong Kwong Yiu	(resigned on 1 January 2020)
Wong Sze Chun	(resigned on 1 January 2020)

In accordance with the Council's existing Articles of Association, there being no provision in connection with the retirement of directors appointed by the Founding Members, and all elected directors will retire from the board at the end of the term of office of two years and will be eligible for re-election, provided that no directors shall serve on the Board for an aggregate period of more than six years, whether consecutive or not. In the event that an elected Director has served on the board as a director appointed by a Founding Member, such years of service shall be counted towards the said maximum six-year period.

As the composition of the Board of Directors of the Council was being drawn from private or public construction industry sector organisations, it is inevitable that transactions will take place with organisations in which a director may have an interest. All transactions involving organisations in which directors of the Council may have an interest, subsisted at the end of the year or at any time during the year, were conducted on normal commercial terms and in accordance with the Council's procurement procedures.

### **Directors (continued)**

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

### **Indemnity of directors**

A permitted indemnity provision (as defined in section 469 of the Hong Kong Companies Ordinance) for the benefit of the directors of the Council is currently in force and was in force throughout this year.

### **Auditors**

KPMG retire and, being eligible, offer themselves for re-appointment.

By order of the board



Director (Cheung Hau Wai)

Hong Kong,

**26 MAY 2021**



# Independent auditor's report to the members of Hong Kong Green Building Council Limited

*(Incorporated in Hong Kong, limited by guarantee)*

## Opinion

We have audited the financial statements of Hong Kong Green Building Council Limited ("the Council") set out on pages 13 to 30, which comprise the statement of financial position as at 31 December 2020, the statement of profit or loss and other comprehensive income, the statement of changes in reserve and funds and the cash flow statement 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 Council as at 31 December 2020 and of its financial performance and its cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") 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 ("HKSA") issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Council 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 annual report, but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will 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 identified above when it becomes available 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 to the members of Hong Kong Green Building Council Limited (continued)

*(Incorporated in Hong Kong, limited by guarantee)*

## **Responsibilities of the directors for the financial statements**

The directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRSs 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 Council'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 Council or to cease operations, or have no realistic alternative but to do so.

## **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 this report.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with HKSAAs 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 HKSAAs, we exercise professional judgement and maintain professional scepticism 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 Council's internal control.





## Independent auditor's report to the members of Hong Kong Green Building Council Limited (continued)

*(Incorporated in Hong Kong, limited by guarantee)*

### **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 Council'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 Council 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 the directors 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.

Certified Public Accountants

8th Floor, Prince's Building  
10 Chater Road  
Central, Hong Kong

**26 MAY 2021**

**Statement of profit or loss and other comprehensive income  
for the year ended 31 December 2020**  
(Expressed in Hong Kong dollars)

	Note	2020	2019
<b>Revenue</b>			
Funding support from a founding member, the Construction Industry Council ("CIC")		\$ 4,772,325	\$ 5,865,382
Donation from The Hong Kong Jockey Club Charities Trust		76,260	4,376,952
Other funding support income		498,709	588,488
Registration fee income	3	25,401,020	32,050,420
Membership fee income	4	3,946,000	4,267,000
Functions and events income	5	225,000	1,607,200
Seminar income		157,185	272,680
Projects and programmes income		4,180,363	2,603,879
BEAM practitioner's qualification renewal fee income		823,450	769,730
Income from sharing the surplus of BEAM Plus operations		1,883,040	772,094
Other income		2,548,187	333,276
		<u>\$ 44,511,539</u>	<u>\$ 53,507,101</u>
<b>Less: Expenditure</b>			
Projects and programmes expenses	6	\$ 8,364,517	\$ 12,757,965
General and administrative expenses	7	24,009,989	22,227,076
Functions and events expenses	8	2,108,637	3,240,325
Publicity and advertising expenses		697,119	2,381,193
Seminar expenses		68,530	140,472
Depreciation		208,443	280,117
World Green Building Council membership expenses		194,619	196,949
		<u>\$ 35,651,854</u>	<u>\$ 41,224,097</u>
<b>Surplus and total comprehensive income for the year</b>		<u>\$ 8,859,685</u>	<u>\$ 12,283,004</u>

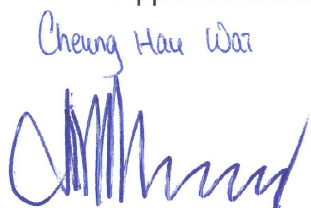
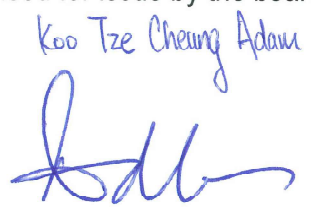
The notes on pages 17 to 30 form part of these financial statements.

## Statement of financial position at 31 December 2020

(Expressed in Hong Kong dollars)

	Note	2020	2019
<b>Non-current asset</b>			
Property, plant and equipment	10	\$ 237,663	\$ 389,837
<b>Current assets</b>			
Deposits, prepayments and other receivables	11	\$ 1,970,936	\$ 4,445,485
Amounts due from founding members	14	191,478	425,866
Cash and bank deposits	12	47,358,720	34,401,889
		<u>\$ 49,521,134</u>	<u>\$ 39,273,240</u>
<b>Current liabilities</b>			
Payables and accruals	13	\$ 3,477,447	\$ 2,088,083
Amount due to a founding member	14	153,306	306,635
		<u>\$ 3,630,753</u>	<u>\$ 2,394,718</u>
<b>Net current assets</b>		<u>\$ 45,890,381</u>	<u>\$ 36,878,522</u>
<b>NET ASSETS</b>		<u>\$ 46,128,044</u>	<u>\$ 37,268,359</u>
<b>Founding members' reserve</b>	16	\$ 200,000	\$ 200,000
<b>Accumulated fund</b>		5,884,044	5,668,359
<b>Operation reserve fund</b>		14,000,000	14,000,000
<b>General fund</b>		26,044,000	17,400,000
<b>TOTAL RESERVE AND FUNDS</b>		<u>\$ 46,128,044</u>	<u>\$ 37,268,359</u>

Approved and authorised for issue by the board of directors on **26 MAY 2021**

)  
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) Directors  
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The notes on pages 17 to 30 form part of these financial statements.

## Statement of changes in reserve and funds for the year ended 31 December 2020

(Expressed in Hong Kong dollars)

	<i>Founding members' reserve</i>	<i>Accumulated fund</i>	<i>Operation reserve fund</i>	<i>General fund</i>	<i>Total</i>
<b>Balance at 1 January 2019</b>	\$ 200,000	\$ 3,385,355	\$ 12,000,000	\$ 9,400,000	\$ 24,985,355
<b>Changes in reserve and funds for 2019:</b>					
Surplus and total comprehensive income for the year	-	12,283,004	-	-	12,283,004
Transfer of funds	-	(10,000,000)	2,000,000	8,000,000	-
<b>Balance at 31 December 2019 and 1 January 2020</b>	\$ 200,000	\$ 5,668,359	\$ 14,000,000	\$ 17,400,000	\$ 37,268,359
<b>Changes in reserve and funds for 2020:</b>					
Surplus and total comprehensive income for the year before usage of funds	-	9,215,685	-	-	9,215,685
Usage of general fund	-	-	-	(356,000)	(356,000)
Surplus and total comprehensive income for the year	-	9,215,685	-	(356,000)	8,859,685
Transfer of funds	-	(9,000,000)	-	9,000,000	-
<b>Balance at 31 December 2020</b>	\$ 200,000	\$ 5,884,044	\$ 14,000,000	\$ 26,044,000	\$ 46,128,044

The notes on pages 17 to 30 form part of these financial statements.

## Cash flow statement for the year ended 31 December 2020

(Expressed in Hong Kong dollars)

	<i>Note</i>	2020	2019
<b>Cash generated from operations</b>	12(b)	<u>\$ 13,013,100</u>	<u>\$ 10,622,206</u>
<b>Investing activities</b>			
Payment for purchase of property, plant and equipment		<u>\$ (56,269)</u>	<u>\$ (91,078)</u>
<b>Net cash used in investing activities</b>		<u>\$ (56,269)</u>	<u>\$ (91,078)</u>
<b>Net increase in cash and cash equivalents</b>		\$ 12,956,831	\$ 10,531,128
<b>Cash and cash equivalents at 1 January</b>		<u>22,401,889</u>	<u>11,870,761</u>
<b>Cash and cash equivalents at 31 December</b>	12(a)	<u>\$ 35,358,720</u>	<u>\$ 22,401,889</u>

Note: Cash and cash equivalents represented cash at bank and on hand at 31 December 2020 and 2019.

The notes on pages 17 to 30 form part of these financial statements.

# Notes to the financial statements

(Expressed in Hong Kong dollars)

## 1 Status of the Council

The Council was incorporated in Hong Kong under the Hong Kong Companies Ordinance on 27 November 2009 and is limited by guarantee whereby in the event of the Council being wound up each member agrees to contribute to the assets of the Council an amount not exceeding HK\$100. The Council has become public body under the Prevention of Bribery Ordinance since 2016.

The principal activities of the Council are to promote the adoption of green building standards and construction of green buildings in Hong Kong for environmental protection for the benefit of the community of Hong Kong.

## 2 Significant accounting policies

### (a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance. Significant accounting policies adopted by the Council are disclosed below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Council. Note 2(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Council for the current and prior accounting periods reflected in these financial statements.

### (b) Basis of preparation of the financial statements

The measurement basis used in the preparation of the financial statements is the historical cost basis.

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

## 2 Significant accounting policies (continued)

### (c) Changes in accounting policies

The HKICPA has issued certain amendments to HKFRS that are first effective for the current accounting period of the Council.

None of these developments have had a material effect on how the Council's results and financial position for the current or prior periods have been prepared. The Council has not applied any new standard or interpretation that is not yet effective for the current accounting period.

### (d) Property, plant and equipment

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

Depreciation is calculated to write-off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight-line method over their estimated useful lives as follows:

- Leasehold improvements	50%
- Plant and machinery	50%
- Furniture and fixtures	20%
- Computer equipment	30%
- Office equipment	20%

Both the useful life of an asset and its residual value, if any, are reviewed annually.

The carrying amounts of property, plant and equipment are reviewed for indications of impairment at the end of each reporting period. An impairment loss is recognised in the statement of profit or loss and other comprehensive income if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. The recoverable amount of an asset, or of the cash-generating unit to which it belongs, is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets. An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in the statement of profit or loss and other comprehensive income on the date of retirement or disposal.

## **2 Significant accounting policies (continued)**

### **(e) Receivables (including amounts due from founding members)**

A receivable is recognised when the Council has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the Council has an unconditional right to receive consideration, the amount is presented as a contract asset.

Receivables are stated at amortised cost using the effective interest method less allowance for credit losses as determined below:

The loss allowance is measured at an amount equal to lifetime expected credit losses (ECLs), which are those losses that are expected to occur over the expected life of the trade receivables. The loss allowance is estimated using a provision matrix based on the Council's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

ECLs are remeasured at each reporting date with any changes recognised as an impairment gain or loss in profit or loss. The Council recognises an impairment gain or loss with a corresponding adjustment to the carrying amount of trade and other receivables through a loss allowance account.

The gross carrying amount of a trade debtor or other receivable is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Council determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

### **(f) Payables (including amount due to a founding member)**

Payables are initially recognised at fair value and subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

### **(g) Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

### **(h) 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 values.



## 2 Significant accounting policies (continued)

### (i) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Council has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

### (j) Revenue recognition

Income is classified by the Council as revenue when it arises from the provision of services in the ordinary course of the Council's business.

Revenue is recognised when control over service is transferred to the customer, at the amount of promised consideration to which the Council is expected to be entitled, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

Further details of the Council's revenue and other income recognition policies are as follows:

Funding support income and donation income are recognised when the Council's right to receive payment has been established.

Income from sharing the surplus of BEAM Plus operations is recognised based on 20% share of surplus derived from BEAM Plus operations earned by BEAM Society Limited, a founding member, from the date when the Council's right to receive payment has been established.

Membership fee income and qualification renewal fee income are recognised over the period/year of membership or qualification.

Registration fee, functions and events, seminar and projects and programmes income are recognised when the services are rendered.

Interest income is recognised as it accrues using the effective interest method.

Except for the funding support income and donation income of \$5,347,294 (2019: \$10,830,822) in total, all of other sources of revenue are within the scope of HKFRS 15.

## 2 Significant accounting policies (continued)

### (k) Leases

At inception of a contract, the Council assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

At the lease commencement date, the lease payments associated with short-term leases that have a lease term of 12 months which are not capitalised are recognised as an expense on a systematic basis over the lease term.

### (l) Related parties

- (a) A person, or a close member of that person's family, is related to the Council if that person:
- (i) has control or joint control over the Council;
  - (ii) has significant influence over the Council; or
  - (iii) is a member of the key management personnel of the Council or the Council's parent.
- (b) An entity is related to the Council if any of the following conditions applies:
- (i) The entity and the Council 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 Council or an entity related to the Council.
  - (vi) The entity is controlled or jointly controlled by a person identified in (a).
  - (vii) A person identified in (a)(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 Council.

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.

### 3 Registration fee income

Registration fee income represents registration fee received and receivable for registration services rendered by the Council for the applicants who apply to take part in a green building assessment and accreditation programme.

### 4 Membership fee income

	2020	2019
Platinum patron members	\$ 600,000	\$ 560,000
Gold patron members	1,800,000	2,200,000
Silver patron members	770,000	640,000
Bronze patron members	148,000	132,000
Marble patron members	284,000	298,000
Institutional members	290,000	370,000
Associate members	54,000	67,000
	<u>\$ 3,946,000</u>	<u>\$ 4,267,000</u>

### 5 Functions and events income

	2020	2019
Income from Green Building Awards 2019	\$ -	\$ 1,107,200
Income from other events	225,000	500,000
	<u>\$ 225,000</u>	<u>\$ 1,607,200</u>

### 6 Projects and programmes expenses

	2020	2019
Expenses for projects and programmes funded by CIC	\$ 4,279,382	\$ 4,720,629
Expenses for other projects and programmes	4,085,135	8,037,336
	<u>\$ 8,364,517</u>	<u>\$ 12,757,965</u>

## 7 General and administrative expenses

### *General and administrative expenses included:*

	2020	2019
<b>(a) Staff costs</b>		
Contribution to defined contribution retirement plan	\$ 692,840	\$ 638,461
Salaries, wages and other benefits	19,793,451	17,661,294
	<u>\$ 20,486,291</u>	<u>\$ 18,299,755</u>
<b>(b) Other items</b>		
Auditor's remuneration	\$ 103,200	\$ 98,500
Loss on disposal of property, plant and equipment	-	1,132
Depreciation	208,443	280,117
Facilities service fee – short term operating lease charges	2,241,768	2,151,440
	<u>2,241,768</u>	<u>2,151,440</u>

## 8 Functions and events expenses

	2020	2019
Expenses for Hong Kong Green Building Week	\$ 1,649,675	\$ 1,975,231
Expenses for Green Building Awards 2019	-	800,565
Expenses for other events	458,962	464,529
	<u>\$ 2,108,637</u>	<u>\$ 3,240,325</u>

## 9 Directors' emoluments

Directors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

	2020	2019
Directors' fees	\$ -	\$ -
Salaries, allowances and benefits in kind	-	-
Discretionary bonuses	-	-
Retirement scheme contributions	-	-
	<u>-</u>	<u>-</u>

## 10 Property, plant and equipment

	<i>Leasehold improvements</i>	<i>Plant and machinery</i>	<i>Furniture and fixtures</i>	<i>Office equipment</i>	<i>Computer equipment</i>	<i>Total</i>
<b>Cost:</b>						
At 1 January 2019	\$ 436,612	\$ 1,324,982	\$ 1,651,929	\$ 321,848	\$ 1,689,511	\$ 5,424,882
Additions	-	-	8,508	-	82,570	91,078
Disposals	-	-	(4,850)	-	-	(4,850)
At 31 December 2019	<u>\$ 436,612</u>	<u>\$ 1,324,982</u>	<u>\$ 1,655,587</u>	<u>\$ 321,848</u>	<u>\$ 1,772,081</u>	<u>\$ 5,511,110</u>
<b>Accumulated depreciation:</b>						
At 1 January 2019	\$ 436,612	\$ 1,276,564	\$ 1,459,870	\$ 268,403	\$ 1,403,425	\$ 4,844,874
Charge for the year	-	33,845	91,807	21,641	132,824	280,117
Written back on disposals	-	-	(3,718)	-	-	(3,718)
At 31 December 2019	<u>\$ 436,612</u>	<u>\$ 1,310,409</u>	<u>\$ 1,547,959</u>	<u>\$ 290,044</u>	<u>\$ 1,536,249</u>	<u>\$ 5,121,273</u>
<b>Net book value:</b>						
At 31 December 2019	<u>\$ -</u>	<u>\$ 14,573</u>	<u>\$ 107,628</u>	<u>\$ 31,804</u>	<u>\$ 235,832</u>	<u>\$ 389,837</u>
<b>Cost:</b>						
At 1 January 2020	\$ 436,612	\$ 1,324,982	\$ 1,655,587	\$ 321,848	\$ 1,772,081	\$ 5,511,110
Additions	-	-	-	17,572	38,697	56,269
Disposals	-	-	-	-	-	-
At 31 December 2020	<u>\$ 436,612</u>	<u>\$ 1,324,982</u>	<u>\$ 1,655,587</u>	<u>\$ 339,420</u>	<u>\$ 1,810,778</u>	<u>\$ 5,567,379</u>
<b>Accumulated depreciation:</b>						
At 1 January 2020	\$ 436,612	\$ 1,310,409	\$ 1,547,959	\$ 290,044	\$ 1,536,249	\$ 5,121,273
Charge for the year	-	14,573	51,810	19,594	122,466	208,443
Written back on disposals	-	-	-	-	-	-
At 31 December 2020	<u>\$ 436,612</u>	<u>\$ 1,324,982</u>	<u>\$ 1,599,769</u>	<u>\$ 309,638</u>	<u>\$ 1,658,715</u>	<u>\$ 5,329,716</u>
<b>Net book value:</b>						
At 31 December 2020	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 55,818</u>	<u>\$ 29,782</u>	<u>\$ 152,063</u>	<u>\$ 237,663</u>

## 11 Deposits, prepayments and other receivables

The amount of the Council's prepayments expected to be recovered or recognised after more than one year are HK\$2,329 (2019: HK\$24,370) respectively. All of the other deposits, prepayments and other receivables are expected to be recovered or recognised within one year.

Based on past experience, the directors consider that the expected credit loss ("ECL") allowance is insignificant in respect of these balances as there has not been any significant change in credit quality and due to the short duration of the receivables.

## 12 Cash and bank deposits

### (a) Cash and bank deposits comprise:

	2020	2019
Cash at bank and on hand	\$ 35,358,720	\$ 22,401,889
Time deposits with original maturity over three months	12,000,000	12,000,000
	<u>\$ 47,358,720</u>	<u>\$ 34,401,889</u>

### (b) Reconciliation of surplus to cash generated from operations:

	2020	2019
Surplus for the year	\$ 8,859,685	\$ 12,283,004
Adjustments for:		
Depreciation	208,443	280,117
Loss on disposal of property, plant and equipment	-	1,132
Changes in working capital:		
Decrease/(increase) in deposits, prepayments and other receivables	2,474,549	(2,035,920)
Increase/(decrease) in payables and accruals	1,389,364	(97,887)
Decrease/(increase) in amounts due from founding members	234,388	(114,875)
(Decrease)/increase in amounts due to founding members	<u>(153,329)</u>	<u>306,635</u>
Cash generated from operations	<u>\$ 13,013,100</u>	<u>\$ 10,622,206</u>

## 13 Payables and accruals

All of the payables and accruals are expected to be settled within one year or are repayable on demand.

## 14 Amounts due from/(to) founding members

	2020	2019
<b>Amounts due from founding members</b>		
BEAM Society Limited ("BSL")	\$ 162,225	\$ 225,015
CIC	-	185,722
Business Environment Council Limited ("BEC")	29,253	15,129
	<u>\$ 191,478</u>	<u>\$ 425,866</u>
<b>Amount due to a founding member</b>		
CIC	\$ 153,306	\$ -
Professional Green Building Council Limited ("PGBC")	-	306,635
	<u>\$ 153,306</u>	<u>\$ 306,635</u>

The amounts due from/(to) founding members are unsecured, interest-free and recoverable/(repayable) on demand. They are expected to be recovered/(repaid) within one year.

The amounts due from founding members are not past due and expected credit losses on the amounts are considered insignificant.

## 15 Taxation

No provision for Hong Kong Profits Tax has been made in the financial statements as the Council is exempted from taxation pursuant to Section 88 of the Inland Revenue Ordinance.

## 16 Funding members' reserve and funds

### (a) Components of the Council's reserve and funds

The reconciliation between the opening and closing balances of each component of the Council's reserve and funds is set out in the statement of changes in reserve and funds.

### (b) Founding members' reserve

The founding members' reserve represents the contributions made by the four founding members of \$50,000 each upon the incorporation of the Council.

## **16 Funding members' reserve and funds (continued)**

### **(c) Nature and purpose of funds**

#### *Operation reserve fund*

The operation reserve fund was established to retain the Patron Membership fee income and any other income which CIC allows the Council to keep at the end of a financial year, to serve as a reserve to sustain at least 6 months' operation of the Council during a prolonged period of financial shortfall, and to retain additional provision of reserve that the Board of the Council sees appropriate due to inflation in order to maintain at least 6 months' operation of the Council.

During the year ended 31 December 2020, no surplus generated from self-financed core operation and activities was transferred from accumulated fund to operating reserve fund (2019: \$2,000,000).

#### *General fund*

The general fund was established to retain surplus generated by the Council's self-financed core operation and activities at the end of a financial year (excluding surplus generated by projects and events funded by third parties), as approved by the Board of the Council and to finance any ad-hoc researches, tool development and other activities that the Board of the Council thinks fit to carry out.

During the year ended 31 December 2020, surplus generated from self-financed core operation and activities of \$9,000,000 (2019: \$8,000,000) was transferred from accumulated fund to general fund.

### **(d) Capital management**

The Council's primary objectives when managing capital are to safeguard the Council's ability to continue as a going concern.

The Council defines "capital" as including all components of reserve and funds.

The Council's capital structure is regularly reviewed and managed with due regard to the capital management practices of the Council.

The Council is not subject to any externally imposed capital requirements.



## **17 Financial risk management and fair values of financial instruments**

Exposure to credit and liquidity risks arises in the normal course of the Council's business. The Council's exposure to these risks and the financial management policies and practices used by the Council to manage these risks are described below.

### **(a) Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Council. The Council's credit risk is primarily attributable to amounts due from founding members and other receivables. The Council's credit risk arising from cash and cash equivalents and time deposits is limited because the counterparties are banks with sound credit rating, for which the Council considers to have low credit risk. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

### **(b) Liquidity risk**

The Council's policy is to regularly monitor its liquidity requirements to ensure that it maintains sufficient reserves of cash and adequate funding from founding members to meet its liquidity requirements in the short and longer term.

### **(c) Fair values**

The carrying amounts of the Council's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 31 December 2020 and 2019.

## **18 Material related party transactions**

### **(a) Transactions with key management personnel**

All members of key management personnel are directors of the Council, and their remuneration is disclosed in note 9.

**18 Material related party transactions (continued)**

**(b) Transactions with other related parties**

In addition to the transactions and balances disclosed elsewhere in these financial statements, the Council entered into the following material related party transactions:

	2020	2019
Funding support for consultancy study on BEAM Plus BI Major Revision paid to BSL, a founding member	\$ 356,000	\$ -
Funding support for consultancy study on pilot project assessment paid to BSL, a founding member	88,000	-
Training & exam materials for BEAM Pro & BEAM Affiliates for Development of BEAM Plus paid to BSL, a founding member	94,680	-
Funding support from CIC, a founding member	4,772,325	5,865,382
Facilities service fee paid to BEC, a founding member	2,259,280	2,227,888
Income from sharing the surplus of BEAM Plus operations received from BSL, a founding member	1,883,040	772,094
Functions and events surplus payable to PGBC, a founding member	-	306,635
Projects and programmes income received and receivable from BSL, a founding member	203,975	225,015
Projects and programmes expense paid to BSL, a founding member	22,077	139,526
Refund of facilities service fee received and receivable from BEC, a founding member	47,401	32,372
Functions and events expenses paid to CIC, a founding member	-	20,568
Membership fee for BEAM Practitioners Annual Qualification received from BSL, a founding member	4,350	4,200
Training course fee paid to BEC, a founding member	-	400
	<u>                    </u>	<u>                    </u>

## 19 Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 December 2020

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments and a new standard, HKFRS 17, *Insurance contracts*, which are not yet effective for the year ended 31 December 2020 and which have not been adopted in these financial statements. These amendments include the following which may be relevant to the Council.

	<i>Effective for accounting periods beginning on or after</i>
Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16, <i>Interest Rate Benchmark Reform — Phase 2</i>	1 January 2021
Amendments to HKAS 16, <i>Property, Plant and Equipment: Proceeds before Intended Use</i>	1 January 2022
Amendments to HKAS 37, <i>Onerous Contracts - Cost of Fulfilling a Contract</i>	1 January 2022
Annual Improvements to HKFRSs 2018-2020 Cycle	1 January 2022
Amendments to HKAS 1, <i>Classification of Liabilities as Current or Non-current</i>	1 January 2023

The Council is in the process of making an assessment of what the impact of these amendments, new standards and interpretations is expected to be in the period of initial application. So far the Council has not identified any aspects of the new standards which may have a significant impact on the financial statements. The Council does not intend to early adopt any of these amendments or new standards.

Management accounts in respect of the  
Hong Kong Green Building Week 2020 (“HKGBW 2020”)  
held from August – October 2020  
(Expressed in Hong Kong Dollars)

**Revenue**

Funding support from Construction Industry Council for HKGBW 2020 \$ 1,319,740

**Total income** \$ 1,319,740

**Expenditure**

Expenses for API Production \$ (473,308)

Expenses for Programme fee (583,183)

Expenses for Agency Management Fee (360,000)

Expenses for Staff Cost (200,000)

Miscellaneous & Auditor's Remuneration (33,184)

**Total expenditure** \$ (1,649,675)

**Deficit for the event (to be borne by the Council)** \$ (329,935)

**Summary of management accounts in respect of the  
3 projects, 1 event and 1 scheme approved and funded by  
Construction Industry Council (“CIC”) in 2020**  
(Expressed in Hong Kong Dollars)

**Revenue**

Funding Support from CIC for Green Shop Alliance	\$ 683,295
Funding Support from CIC for Smart Green Building Design Best Practice Guidebook	628,560
Funding Support from CIC for Energy Performance Database	604,560
Funding Support from CIC for World Sustainable Built Environment 2020	236,170
Funding Support from CIC for CIC Green Product Certification Scheme	1,300,000
<b>Total Income</b>	<b>\$ 3,452,585</b>

**Expenditure**

Expenses for Green Shop Alliance	\$ (854,119)
Expenses for Smart Green Building Design Best Practice Guidebook	(1,369,563)
Expenses for Energy Performance Database	(755,700)
Expenses for World Sustainable Built Environment 2020	(268,375)
Expenses for CIC Green Product Certification Scheme	(1,300,000)
<b>Total expenditure</b>	<b>\$ (4,547,757)</b>
<b>Deficit for the projects (to be borne by the Council)</b>	<b>\$ (1,095,172)</b>