



PRESIDENT'S REPORT

2019-2020



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Objectives of the University and the strategy for achieving them

The vision of Hong Kong Baptist University (HKBU) is to be a leading research-led liberal arts university in Asia for the world. HKBU places a strong emphasis on the importance of impact, innovation and academic excellence. Founded in 1956 as Hong Kong Baptist College, the University has upheld its mission throughout the years:

"HKBU is committed to academic excellence in teaching, research and service, and to the development of the whole person in all these endeavours built upon the heritage of Christian higher education."

The University's 10-year Institutional Strategic Plan 2018-28 (ISP), approved by the Council in September 2017, lays the foundation for its transformation, setting ambitious key performance indicators to measure its progress. The ISP embodies HKBU's collective aspirations and presents a clear plan of action for achieving them in a caring, creative and global culture. At the heart of this bold strategy is a refreshed vision statement of how the University sees itself in 2028:

"To be a leading liberal arts University in Asia for the world delivering academic excellence in a caring, creative and global culture."

To accomplish the ISP, the University will focus its energies and resources on three strategic priorities:

- (a) The first is to deliver the **best student experience** in Hong Kong by emphasising integrity, creativity, communication, employability and commitment to the common good of humankind. This is to be achieved by enhancing and enriching students' learning both on and off campus;
- (b) Secondly, **academic excellence** at HKBU will extend the frontiers of knowledge to tackle global challenges. The University will raise the bar of excellence by conducting world-leading research in three selected research clusters: Creative Media and Practice, Health and Drug Discovery, and Data Analytics and Artificial Intelligence; and
- (c) The third priority is **capacity**. HKBU will continue investing in its most valuable resource – its people. The objective in this area is to sustain academic and research excellence through

appropriate investment in people, governance and facilities, as well as building capacity through schemes such as *Talent100*, which aims to recruit faculty members globally for positions at levels from Assistant Professor to Professor, regardless of race, nationality, creed and religion, to teach and conduct research for the advancement of humanity.

Financial performance, financial position and significant developments in 2019-20

Financial performance

The key audited financial statements of the University Group and the University for the year ended 30 June 2020, namely (a) the Statement of Comprehensive Income; (b) the Statement of Financial Position as at 30 June 2020; and (c) the Cash Flow Statement, are in **Annex 1**.

The income of the University grew 15.6% to \$3,681.6 million for 2019-20 (2018-19: \$3,185.5 million). The increase of \$496.1 million was mainly attributable to increases in Government Subventions (\$379.9 million), Tuition, Programme and Other Fees (\$87.7 million) and Donation and Benefactions (\$226 million), offset by a decrease in Auxiliary Services Income (\$55.9 million), Other Income (\$6.1 million) and Interest and Net Investment Income (\$135.5 million), due to the downturn in the global financial markets.

The University recorded 4.6% growth in expenditure to \$3,235.2 million (2018-19: \$3,091.8 million). The increase of \$143.4 million was mainly due to an upward salary adjustment of \$149.6 million for the year, which was in line with the salary increment for civil servants of the Government of the Hong Kong Special Administrative Region, and the costs of additional academic staff recruited globally under *Talent100* to enhance the University's teaching excellence and to bolster research strengths. Premises and Related Expenses increased by \$48.1 million due to depreciation, repairs of damaged facilities and implementation of precautionary and additional hygienic measures on campus to guard against the coronavirus disease (COVID-19) pandemic. Operating Costs on Teaching, Learning and Research decreased by \$65.5 million as a result of a lower activity level during the pandemic and social unrest.

As a result, the University recorded a surplus of \$446.4 million for 2019-20 (2018-19: \$93.7 million). As at 30 June 2020, net assets increased by 10.2% to \$4,819.3 million (2018-19: \$4,372.9 million).

Investments

The global financial markets were extremely volatile in 2019-20 due to the COVID-19 pandemic and geopolitical tensions. While conclusion of phase one of the trade deal between China and the United States at the beginning of 2020 boosted sentiment, the lockdown in many countries following the surge of COVID-19 infections has undermined global economic activity. It is expected that economic threats will continue to adversely affect the global financial markets. Despite market volatility, the University recorded an overall investment gain of \$46.8 million (2018-19: \$182.3 million) as a result of the implementation in 2018-19 of a more prudent strategic asset allocation for its Long-term Fund.

In December 2018, the University received a grant of \$1.16 billion from the Government's Hostel Development Fund (HDF) for the hostel portion of its hostel and academic building complex (HABC) project. The HDF grant was invested in a well-diversified mix of investment vehicles, including bank deposits, a bond fund and a multi-asset fund. For the year ended 30 June 2020, the overall investment return on the grant was \$24 million (2018-19: \$65.1 million).

The University will continue to tap the expert advice of the Investment Sub-committee (ISC) under the Finance Committee (FC) to refine its investment policies and closely monitor the financial markets. A triggering-event framework is in place to allow the ISC to make appropriate investment decisions when critical market events occur.

Teaching, research and education services

HKBU has established six new interdisciplinary research laboratories to support the ISP and enable the University to produce world-class research in selected clusters. The laboratories, which cross faculty boundaries, will create closer engagement among the sciences, arts and social sciences to generate discoveries at the frontiers of research. The University has established a *Talent100* PhD Scholarship Scheme for young doctoral students conducting research in the six interdisciplinary laboratories. The scheme attracted, over the short span of a few weeks, more than 200 applications from students at top-tier universities worldwide.

With funding support from the Government, the University is in the process of establishing a research centre for development of Chinese herbal medicine (CHM) drugs. The centre will focus on the setting up

of a CHM drug development platform and discovery of new CHM-based pharmaceuticals, with the objective of developing and marketing them as an alternative to traditional western medicine and to enhance their worldwide recognition.

The University's Academy of Film introduced a four-year Bachelor of Fine Arts (Honours) in Acting for Global Screen programme in the 2020-21 academic year. It aims to become the most competitive undergraduate programme in acting performance, with cross-cultural and global content that meets the needs of aspiring performers in acting for the stage, with the aid of media technology or for the screen and social media. With a rich curriculum and teachers possessing extensive industry experience, the new programme will groom rising stars with global perspectives.

In the 2019-20 academic year, the University enrolled 12 students through its Elite Athletes Admission Scheme (EAAS). It was the first time that rowing and volleyball athletes were recruited under the scheme. Over the past four years, a total of 48 local elite athletes were awarded EAAS scholarships to alleviate their financial burden. The University continues to provide the athletes with various types of support so that they can strike a good balance between training, competition and studying.

In response to the impact of the COVID-19 outbreak and a bleak economic outlook on students' university life and career opportunities, the University has launched Project SEED (Student Engagement, Enrichment and Development), which aims to nurture students through mentorship, jobs, internships and an incubator for supporting student start-up ventures.

In its 15th year of operations, Beijing Normal University – Hong Kong Baptist University United International College (UIC) in Zhuhai recorded a net operating loss of RMB27.5 million (2018-19: a gain of RMB142.3 million). The loss was mainly attributable to an additional provision set aside for scholarships and financial aid to UIC students. On 30 June 2020, UIC signed a cooperation agreement with the Zhuhai Municipal People's Government to promote the innovative development of higher education institutions in the Guangdong-Hong Kong-Macao Greater Bay Area, with 550 *mu* (approximately 366,700 sq.m.) of land being assigned to UIC in addition to its existing 300 *mu*. UIC has become an iconic tertiary institution in Zhuhai, with an intake of over 6,100 students in 2019-20. A closer collaboration between the Zhuhai Government and UIC will undoubtedly cultivate talent in the higher education sector for facilitating Zhuhai's industrial transformation

and contributing to the innovative development of the Zhuhai Special Economic Zone.

Fundraising efforts

Since the launch of the UGC's three-year Eighth Matching Grant Scheme (EMGS) on 1 July 2019, the University has secured donations totalling \$559.3 million and received matching grants of \$288.3 million. The Research Matching Grant Scheme (RMGS) commenced on 1 August 2019 for a three-year period. HKBU submitted applications for \$64.1 million (2018-19: nil) under the scheme and had received matching grants of \$53.9 million as of 30 June 2020. The University will continue to gear up its research collaborations with industrial partners that will attract matching funds from the UGC. Seizing the opportunity provided by the EMGS and RMGS, the University will continue its efforts to step up fundraising to support various initiatives under the ISP, including endowed professorships, scholarships to provide global experience to students and the construction in the HABC of four blocks of residential halls and a Creative Hub, which will be the home for the Creative Media and Practice Cluster and the Department of Music, with state-of-the-art facilities.

Community services

With the generous support of The Hong Kong Jockey Club Charities Trust (HKJCCT) and other donors, the University gave away over 29,000 packs of Chinese Medicine Influenza Preventive Remedy free of charge to residents of elderly care homes and families receiving Comprehensive Social Security Assistance. The packs aimed to strengthen the recipients' immunity against viral infection. The Hong Kong Baptist University – Jockey Club Chinese Medicine Disease Prevention and Health Management Centre has launched a free online video service to allow the public to make general enquiries about Chinese medicine for their health. The centre also conducted a large-scale body constitution study under HKJCCT's "Embrace Health" Chinese medicine programme, which aims to prevent diseases and speed up recovery from minor illnesses by analysing and improving the body constitution, thus reducing the number of people with suboptimal health.

Capital projects

In 2019-20, the University commenced the HABC construction project, which will provide an additional 1,726 student hostel bed spaces, a 1,570 sq.m. student activity centre and 5,250 sq.m. of academic space on campus. Upon the completion of piling and foundation works in 2020, construction of the HABC superstructure

is expected to start in the first quarter of 2021, and completion of the project is targeted for 2023-24.

The total cost of the HABC project is estimated at \$2.2 billion, with 75% of the hostel portion being funded by a grant of \$1.16 billion from the HDF, while the balance will be supported by donations and HKBU's internal resources. The University has made good progress in soliciting donations for the project and will continue its donation drive over the next few years.

Future developments and prospects

The University has made significant strides towards becoming a leading research-led liberal arts university by recruiting top-tier academic talent and setting up the six interdisciplinary laboratories to produce world-class research with a positive impact on the local and global communities. The successful bid for research funding from the Government for CHM drug development was a major milestone in the advancement of the University's research capacity.

HKBU has been shortlisted by the Government as one of the four prequalified tenderers for the operation of the proposed Chinese medicine hospital (CMH) in Tseung Kwan O. The CMH could foster the long-term development of Chinese medicine in Hong Kong and provide tremendous opportunities for clinical services, talent training, academic research and the development of the entire Chinese medicine industry. The University is proud to have the chance to participate in the final stage of the tendering exercise and will strive to contribute further to the development of Chinese medicine in Hong Kong.

The local economy and the University underwent difficult times in the past year. As HKBU has committed significant resources for academic and research development, its budget for the next few years will be tight. In view of the challenges ahead, the University will continue to implement prudent staff cost management.

The global economy is expected to be highly unpredictable and volatile under the COVID-19 pandemic and geopolitical tensions. The University will continue to exercise due care and diligence in managing its financial resources prudently. The University Administration is reviewing its financial resources allocation model so as to deploy more effectively the University's resources to achieve its aspiration of being a renowned liberal arts institution in Asia for the world.

Institutional Risk Register and risk mitigation

On 13 June 2017, the Council approved a comprehensive framework and detailed plans in relation to the University's institutional risk management. These included:

- (a) an Institutional Risk Register (IRR) which addresses eight principal risk areas: (i) strategy; (ii) branding and reputation; (iii) communication with internal and external stakeholders; (iv) academic programmes and admissions, teaching and learning; (v) scholarly activities, research strategy, quality and facilities; (vi) human resources; (vii) income, financial planning and resources allocations; and (viii) campus and infrastructure;
- (b) a risk management framework;
- (c) the establishment of a Task Force on Institutional Risk Management (TFIRM), led by the Vice-President (Administration) and Secretary and supported by the General Administration Office, to assist in the implementation of the risk management framework and reporting; and
- (d) a reporting schedule in which risk mitigation status will be updated regularly to the IRR and reported to the TFIRM, which will then consolidate the information and present a report to the senior management. The senior management will prepare annually the risks disclosed and possible control measures in the President's report to be reviewed by the Council and submitted to the UGC.

The IRR is a risk management tool to capture, manage, track and prioritise all identified risks and to address them through mitigation actions. If there are residual risks, they will be managed by contingency actions or plans.

During the social unrest in 2019, there was minor damage to some of the facilities on campus, such as the security control centre and canteens, for which immediate repair and restoration works were conducted. The University has stepped up campus security measures to safeguard the safety of students and staff. Following the outbreak of COVID-19, campus access control has remained in force to ensure the health of the University community. Students, staff and invited visitors are required to submit a health declaration before entering the campus.

The University endeavours to stay financially sound while delivering the best educational experience to students and providing staff with a vibrant working environment. It is expected that finances will be very tight in the light of the declining economy, and additional expenses will be incurred for mitigating the effects of the pandemic. The University has put in place a robust resource allocation framework to support its long-term development initiatives under the ISP. It will continue to exercise prudent cost management and enhance cost efficiency through process improvement and digital transformation.

Institutional governance arrangements

HKBU has implemented the organisation structure for its senior management shown in **Annex 2**. It will continue to steer the transformation of HKBU into a leading university in Asia for the world.

The Council, the Court and the Senate are the governing bodies established in accordance with the *Hong Kong Baptist University Ordinance*. The Council is the supreme executive body and has overall control over the management of the University. The Court is the supreme advisory body and gives advice on the development of the University. The Senate is the supreme academic body and is responsible for regulating and directing academic matters and ensuring the welfare of students.

As the supreme executive body of the University, the Council is in charge of institutional governance arrangements. As at 30 June 2020, the Council had the following key committees, including a supervisory board for its pension fund:

- (a) Audit Committee (AC);
- (b) Campus Development and Facilities Management Committee;
 - (i) Sub-committee on Hostel and Academic Building Complex Project;
- (c) Finance Committee
 - (i) Investment Sub-committee; and
 - (ii) Strategic Development Fund Allocation Sub-committee;
- (d) Honorary Degrees Committee;
- (e) Honorary University Fellowship Committee;
- (f) Personnel Committee;
- (g) Standing Committee; and
- (h) Superannuation Fund Supervisory Board.

The list of Council Members, the terms of reference and membership of the key committees/supervisory board, the number of meetings held from 1 July 2019 to 30 June 2020 by the Council and its key committees/supervisory board, and the summary attendance statistics for each meeting are provided in **Annex 3**.

The related-parties transactions for the purchase of goods and services and capital projects involving organisations in which a member of the Council or the University's key management personnel may have an interest are disclosed on pages 131 and 132 of the 2019-20 Financial Report and are extracted and presented in **Annex 4**.

Internal control systems and measures taken to review their effectiveness

The University Administration has maintained effective internal control systems and will perform ongoing monitoring of their effectiveness in ensuring the efficiency and proper control of operations, reliability of financial reporting and compliance with applicable laws and regulations.

The Council is responsible for the review and approval of any new major projects or investments. The FC and other relevant committees under the Council are responsible for monitoring the projects or investments, overseeing the finances and conducting risk assessment. In some cases, a task force or sub-committee is formed to examine details of the project or investment, monitor the progress, and to offer advice to the University Administration on the strategy before consideration by the committees.

The FC is responsible for the approval of financial matters, financial risk assessment and the review of the proposed funding requirements for projects or investments, while other committees may focus on other possible risks. The governance framework facilitates better planning of projects or investments, with risks being identified and mitigated at an early stage.

The AC oversees the University's internal and external audit processes and provides independent oversight of the governance, risk management framework and internal control systems of the University. It submits an annual report to the Council every year. Through the internal audit plan approved by the AC, the Internal Audit Office plays an important role in evaluating the internal

control systems, making recommendations on areas of improvement and ensuring the proper implementation of approved internal control enhancements.

The external auditor, bringing independent and objective views, identifies and assesses the risks of material misstatement of the statutory financial statements, obtains an understanding of the University's internal controls relevant to the audit and brings to the AC's attention any significant deficiencies detected or material weaknesses in the University's accounting system or internal controls. In the audit of the financial statements of the University for 2019-20, the external auditor did not report any deficiencies or weaknesses in internal controls to the AC.

ANNEX 1

Statement of Comprehensive Income for the year ended 30 June 2020

截至 2020 年 6 月 30 日止年度全面收益表

		Consolidated 綜合		University 大學	
		2020	2019	2020	2019
(In HK\$'000 以港幣千元計)					
Income	收入				
Government Subventions	政府撥款	1,832,602	1,448,196	1,817,856	1,437,948
Tuition, Programme and Other Fees	學費、課程及其他收費	1,298,837	1,211,163	1,298,837	1,211,163
Interest and Net Investment Income	利息及淨投資收入	47,168	182,677	46,753	182,267
Donations and Benefactions	捐款及慈善捐贈	315,397	90,214	307,313	81,276
Auxiliary Services Income	雜項服務收入	192,642	251,780	182,923	238,863
Other Income	其他收入	56,749	50,585	27,870	33,958
		<u>3,743,395</u>	<u>3,234,615</u>	<u>3,681,552</u>	<u>3,185,475</u>
Expenditure	支出				
Teaching, Learning and Research	教學、學習及科研				
Teaching and Research	教學及科研	1,926,655	1,860,313	1,899,585	1,843,205
Library	圖書館	86,652	87,383	86,652	87,383
Central Computing Facilities	中央電腦設施	103,101	99,797	103,056	99,747
Other Academic Services	其他教學服務	97,416	99,755	98,994	101,255
Institutional Support	教學支援				
Management and General	管理及一般支出	319,915	299,941	319,285	296,459
Premises and Related Expenses	校舍及有關開支	537,118	486,199	516,696	468,586
Students and General Education Services	學生及一般教育服務	193,051	181,037	193,051	181,037
Other Activities	其他活動	30,742	26,587	17,842	14,089
		<u>3,294,650</u>	<u>3,141,012</u>	<u>3,235,161</u>	<u>3,091,761</u>
Surplus from Operations	營運盈餘	448,745	93,603	446,391	93,714
Share of Profit/(Loss) of an Associate	應佔聯營公司之收益/(虧損)	645	(465)	-	-
Share of (Losses)/Profits of Joint Ventures	應佔合營機構之(虧損)/收益	(25,364)	163,382	-	-
		<u>424,026</u>	<u>256,520</u>	<u>446,391</u>	<u>93,714</u>
Surplus before Taxation	除稅前盈餘	424,026	256,520	446,391	93,714
Income Tax	所得稅	4	60	-	-
		<u>424,030</u>	<u>256,580</u>	<u>446,391</u>	<u>93,714</u>
Surplus for the Year	本年度盈餘	424,030	256,580	446,391	93,714
Attributable to:	歸屬於:				
The University	大學	425,130	257,808	446,391	93,714
Non-controlling Interests	非控股權益	(1,100)	(1,228)	-	-
		<u>424,030</u>	<u>256,580</u>	<u>446,391</u>	<u>93,714</u>
Surplus for the Year	本年度盈餘	424,030	256,580	446,391	93,714

Statement of Comprehensive Income for the year ended 30 June 2020 (Cont'd)

截至 2020 年 6 月 30 日止年度全面收益表 (續)

		Consolidated 綜合		University 大學	
		2020	2019	2020	2019
(In HK\$'000 以港幣千元計)					
Other Comprehensive Income for the Year	本年度其他全面收益				
Items that may be reclassified subsequently to surplus or deficit:	其後可能重新分類至盈餘或虧損的項目:				
Exchange differences on translation of financial statements of an overseas joint venture	換算境外合營機構財務報表之匯兌差額	(13,849)	(11,195)	-	-
Exchange differences on translation of financial statements of overseas subsidiaries	換算境外附屬公司財務報表之匯兌差額	(967)	(1,246)	-	-
Total Comprehensive Income for the Year	本年度全面收益總額	<u>409,214</u>	<u>244,139</u>	<u>446,391</u>	<u>93,714</u>
Transfers (from)/to:	轉撥(自)/至:				
General and Development Reserve Fund	一般及發展儲備基金	(62,705)	(19,097)	(64,152)	(20,317)
Restricted Funds	專用基金	260,625	254,852	299,047	103,583
Other Funds	其他基金	212,394	9,612	211,496	10,448
Non-controlling Interests	非控股權益	(1,100)	(1,228)	-	-
Total Comprehensive Income for the Year	本年度全面收益總額	<u>409,214</u>	<u>244,139</u>	<u>446,391</u>	<u>93,714</u>

Statement of Financial Position as at 30 June 2020

2020年6月30日財務狀況表

		Consolidated 綜合		University 大學	
		2020	2019	2020	2019
(In HK\$'000 以港幣千元計)					
Non-Current Assets	非流動資產				
Investment Properties	投資物業	72	78	72	78
Other Properties and Equipment	其他物業及器材	3,017,946	2,791,349	2,980,191	2,756,799
		3,018,018	2,791,427	2,980,263	2,756,877
Interest in an Associate	於聯營公司之權益	1,493	848	–	–
Interests in Joint Ventures	於合營機構之權益	347,892	387,105	146,042	146,042
Investments	投資	9,988	9,988	11,088	11,088
		3,377,391	3,189,368	3,137,393	2,914,007
Current Assets	流動資產				
Investments	投資	5,836,651	5,125,281	5,836,651	5,125,281
Inventories	存貨	2	2	–	–
Accounts Receivable, Prepayments and Deposits	應收帳款、預付帳款及按金	152,205	118,864	166,194	141,695
Income Tax Recoverable	應收稅項	–	12	–	–
Term Deposits	定期存款	638,729	568,449	638,729	568,449
Cash and Cash Equivalents	現金及等同現金	295,855	381,414	245,733	315,347
		6,923,442	6,194,022	6,887,307	6,150,772
Current Liabilities	流動負債				
Deferred Income	遞延收入	805,964	471,781	784,762	439,395
Contract Liabilities	合約負債	204,263	247,199	204,263	247,199
Lease Liabilities	租賃負債	14,354	–	6,220	–
Provision for Employee Benefits	僱員福利撥備	193,267	166,865	193,090	166,580
Accounts Payable and Accruals	應付帳款及應計項目	394,716	364,923	389,803	359,450
Government Loans	政府貸款	15,964	15,964	15,964	15,964
Bank Loans	銀行貸款	7,811	7,612	7,811	7,612
Income Tax Payable	應付稅項	1	9	–	–
		1,636,340	1,274,353	1,601,913	1,236,200
Net Current Assets	流動資產淨值	5,287,102	4,919,669	5,285,394	4,914,572
Total Assets less Current Liabilities	資產總值減流動負債	8,664,493	8,109,037	8,422,787	7,828,579
Non-Current Liabilities	非流動負債				
Provision for Employee Benefits	僱員福利撥備	132,619	116,098	132,558	116,031
Lease Liabilities	租賃負債	68,406	–	64,696	–
Government Loans	政府貸款	95,788	111,752	95,788	111,752
Bank Loans	銀行貸款	24,906	32,728	24,906	32,728
Deferred Capital Funds	遞延基建撥款	2,154,297	1,998,197	2,152,521	1,991,142
Deferred Income	遞延收入	1,133,050	1,204,049	1,133,050	1,204,049
		3,609,066	3,462,824	3,603,519	3,455,702
NET ASSETS	資產淨值	5,055,427	4,646,213	4,819,268	4,372,877
General and Development Reserve Fund	一般及發展儲備基金	343,339	396,639	337,674	392,421
Restricted Funds	專用基金	3,115,679	2,887,493	2,898,599	2,631,991
Other Funds	其他基金	1,585,402	1,349,974	1,582,995	1,348,465
FUNDS ATTRIBUTABLE TO THE UNIVERSITY	歸屬於大學的基金	5,044,420	4,634,106	4,819,268	4,372,877
Non-controlling Interests	非控股權益	11,007	12,107	–	–
TOTAL FUNDS	基金總值	5,055,427	4,646,213	4,819,268	4,372,877

Cash Flow Statement for the year ended 30 June 2020

截至2020年6月30日止年度現金流量表

		Consolidated 綜合		University 大學	
		2020	2019	2020	2019
(In HK\$'000 以港幣千元計)					
Operating Activities	營運活動				
Surplus before Taxation	除稅前盈餘	424,026	256,520	446,391	93,714
Adjustments for:	調整項目：				
Interest Income	利息收入	(16,506)	(13,454)	(16,091)	(13,044)
Dividend Income	股息收入	(58)	(65)	(58)	(65)
Depreciation	折舊	260,678	221,516	240,606	212,579
Other Investment Income	其他投資收入	(18)	(24)	(18)	(24)
Interest Expenses on lease liabilities	已付租賃租金的利息支出	2,834	–	2,413	–
Interest Expenses of loans	貸款利息支出	2,340	2,635	2,340	2,635
Loss on Disposal of Other Properties and Equipment	出售其他物業及器材之虧損	457	1,013	457	713
Net Realised and Unrealised Gains on Investments	投資之實現及未實現淨收益	(30,586)	(169,134)	(30,586)	(169,134)
Transfer from Deferred Capital Funds	由遞延基建撥款之轉撥	(180,681)	(162,347)	(173,912)	(155,787)
Share of Losses/(Profits) of Joint Ventures	應佔合營機構之虧損/(收益)	25,364	(163,382)	–	–
Share of (Profit)/Loss of an Associate	應佔聯營公司之(收益)/虧損	(645)	465	–	–
Foreign Exchange Difference	外幣匯兌差額	32	19	–	–
Operating Results before Changes in Working Capital	營運資金變動前之營運業績	487,237	(26,238)	471,542	(28,413)
Decrease in Inventories	存貨之減少	–	8	–	–
Increase in Accounts Receivable, Prepayments and Deposits	應收帳款、預付帳款及按金之增加	(16,805)	(12,234)	(7,964)	(10,783)
Increase in Accounts Payable and Accruals	應付帳款及應計項目之增加	7,846	6,525	8,124	6,114
Increase/(Decrease) in Provision for Employee Benefits	僱員福利撥備之增加/(減少)	42,923	(228)	43,037	(412)
(Decrease)/Increase in Contract Liabilities	合約負債之(減少)/增加	(42,936)	27,080	(42,936)	27,080
Increase in Deferred Income	遞延收入之增加	528,621	147,278	538,315	141,984
Cash Generated from Operating Activities	營運活動所得之現金	1,006,886	142,191	1,010,118	135,570
Tax Paid	稅項				
Hong Kong Profits Tax Refunded	退回香港利得稅	8	1	–	–
Net Cash Generated from Operating Activities	營運活動所得之淨現金	1,006,894	142,192	1,010,118	135,570

Cash Flow Statement for the year ended 30 June 2020 (Cont'd)

截至 2020 年 6 月 30 日止年度現金流量表 (續)

		Consolidated 綜合		University 大學	
		2020	2019	2020	2019
(In HK\$'000 以港幣千元計)					
Investing Activities	投資活動				
Interest Received	已收利息	16,761	13,128	16,346	12,718
Dividend Received	已收股息	58	65	58	65
(Increase)/Decrease in Term Deposits	定期存款之(增加)/減少	(70,280)	41,320	(70,280)	41,320
Payments for Acquisition of Other Properties and Equipment	購買其他物業及器材之款項	(381,041)	(317,356)	(379,040)	(310,641)
Net Cash Outflow from Sales/Purchases of Other Debt Securities, Equity Securities and Investment Funds	出售/購買其他債券、股票及投資基金之淨現金流出	(681,409)	(982,207)	(681,409)	(982,207)
Payments for Loan to a Subsidiary	支付附屬公司之貸款	-	-	-	(1,000)
Net Cash Used in Investing Activities	投資活動動用之淨現金	(1,115,911)	(1,245,050)	(1,114,325)	(1,239,745)
Financing Activities	融資活動				
Grants Received for Other Properties and Equipment Acquisition	收取用作購買其他物業及器材之撥款	71,344	1,237,323	71,344	1,237,323
Capital Element of Lease Rentals Paid	已付租賃租金之資本部份	(19,125)	-	(8,411)	-
Interest Element of Lease Rentals Paid	已付租賃租金之利息部份	(2,834)	-	(2,413)	-
Repayments of Government Loans	償還政府貸款	(17,517)	(17,642)	(17,517)	(17,642)
Repayments of Bank Loans	償還銀行貸款	(8,410)	(8,708)	(8,410)	(8,708)
Net Cash Generated from Financing Activities	融資活動所得之淨現金	23,458	1,210,973	34,593	1,210,973
Net (Decrease)/Increase in Cash and Cash Equivalents	現金及等同現金之(減少)/增加	(85,559)	108,115	(69,614)	106,798
Cash and Cash Equivalents at the beginning of the Year	現金及等同現金之年初結存	381,414	273,299	315,347	208,549
Cash and Cash Equivalents at the end of the Year	現金及等同現金之年終結存	295,855	381,414	245,733	315,347

ANNEX 2**Organisation structure of the senior management team**

ANNEX 3

Council Members

校董會成員 (1/7/2019 – 30/6/2020)

Lay members
校外成員

Dr Clement CJ Chen, GBS, JP 陳鎮仁博士
[Chairman 主席]
Executive Director, Tai Hing Cotton Mill Limited
大興紡織有限公司執行董事

Mr Paul WY Poon 潘偉賢先生
[Deputy Chairman from 1 January 2020 自2020年1月1日起任副主席]
[Member until 31 December 2019 任會員至2019年12月31日]
Vice Chancellor - CLP Power Academy, CLP Power Hong Kong Limited
中電學院校長

Mr Andrew CF Yao, BBS, JP 姚祖輝先生
[Deputy Chairman until 31 December 2019 任副主席至2019年12月31日]
Chairman, Van Shung Chong Holdings Limited
萬順昌集團有限公司主席

Ms Rosanna YT Choi 蔡懿德女士
[Treasurer 司庫]
Co-founding Partner, CW CPA
華德會計師事務所聯合創辦合夥人

Dr Terence HW Chan 陳浩華博士
Chairman, Howah Capital Holdings Limited
浩華資本控股有限公司主席

Prof Chan Wing-kwong 陳永光教授
Chinese medicine practitioner, Chan Wing Kwong Chinese Medicine Practitioner Clinic
陳永光中醫診所中醫師

Rev Dr Chu Wood-ping 朱活平牧師
Chairman, Board of Directors, Hong Kong Baptist Theological Seminary
香港浸信會神學院董事會主席

Mr Chui Wing-on 徐永安先生
Partner, Bird & Bird
鴻鵠律師事務所合夥人

Dr Eddie KW Ho 何鏡煒博士 (until 31 December 2019 任期至2019年12月31日)
Chairman, Board of Directors, Hong Kong Baptist Hospital
香港浸信會醫院董事會主席

Dr Stephen YF Lai, JP 賴旭輝博士 (from 1 January 2020 任期自2020年1月1日起)
Managing Director, Rider Levett Bucknall Limited
利比有限公司董事總經理

Mr Arthur K Lee 李健先生
Assistant President and Company Secretary, CGN New Energy Holdings Co., Ltd.
中國廣核新能源控股有限公司助理總裁兼公司秘書

Dr David KY Lee, BBS, MH, JP 李家仁醫生
Specialist in Paediatrics
兒科專科醫生

Mr Kevin CK Liem 林子傑先生
Managing Director, Masan Capital Limited
馬山資本有限公司董事總經理

Rev Dr Lo Hing-choi 羅慶才牧師
Senior Pastor, Ngau Chi Wan Chuk Yuen Swatow Baptist Church
牛池灣竹園潮語浸信會主任牧師

Dr Jennifer CY Ng, JP 伍翠瑤博士 (until 31 December 2019 任期至2019年12月31日)
Chief Executive, Marshall-Karson Construction & Engineers Limited
馬素加信建築工程有限公司行政總裁

Mr Victor WS Pang 彭穎生先生 (from 1 February 2020 任期自2020年2月1日起)
Director and General Manager, Mabco Limited
運高工安洋行有限公司董事兼總經理

Internal members
校內成員

Mr Paulo KY Pong, JP 龐建貽先生
Managing Director, Altaya Group International Limited
大亞國際集團有限公司董事總經理

Ms So Ching 蘇晴女士
Executive Director, Wong Tung & Partners Limited
王董建築師事務所有限公司執行董事

Ms Connie WC Wong, SBS, JP 王惠貞女士
Managing Director, Wong Sun Hing Limited
王新興有限公司董事總經理

Ms Sandy HY Wong, JP 黃幸怡女士
Consultant, Liao, Ho & Chan Solicitors & Notaries
廖何陳律師行顧問律師

Dr Alex WY Yu 余惠賢醫生 (from 1 January 2020 任期自2020年1月1日起)
Chief Executive Officer, Hong Kong Baptist Hospital
香港浸信會醫院行政總監

Prof Adrian Bailey 貝力行教授
Dean, Faculty of Social Sciences
社會科學院院長

Dr Albert WL Chau 周偉立博士
Vice-President (Teaching and Learning)
副校長 (教與學)

Prof Roland T Chin 錢大康教授
President and Vice-Chancellor
校長

Prof Ronald CK Chung 鍾志杰教授
Dean, School of Continuing Education
持續教育學院院長

Mr Keith CY Fong 方仲賢先生
Acting President, HKBU Students' Union (from 1 March 2020 任期自2020年3月1日起)
香港浸會大學學生會署理會長

President, HKBU Students' Union (until 29 February 2020 任期至2020年2月29日)
香港浸會大學學生會會長

Prof Cherian George 教授 (from 15 January to 14 July 2020 任期自2020年1月15日起至7月14日)
Acting Dean, School of Communication
傳理學院署理院長

Prof Guo Yike 郭毅可教授 (from 1 January 2020 任期自2020年1月1日起)
Vice-President (Research and Development)
副校長 (研究及拓展)

Prof Mette Hjort 樂美德教授
Dean, Faculty of Arts
文學院院長

Prof Huang Yu 黃煜教授
Dean, School of Communication
傳理學院院長

Prof Patrick WC Lau 劉永松教授
Professor, Department of Sport, Physical Education and Health
體育、運動及健康學系教授

Dr Andy SC Lee 李兆銓博士
Vice-President (Administration) and Secretary
行政副校長暨秘書長

Prof Lyu Aiping 呂愛平教授
Dean, School of Chinese Medicine
中醫藥學院院長

Prof Clayton MacKenzie 麥建成教授
Provost
常務副校長

Prof Eva KW Man 文潔華教授 (from 1 September 2019 任期自2019年9月1日起)
Director, Academy of Film
電影學院總監

Prof Louis Nixon 黎藝深教授
Director, Academy of Visual Arts
視覺藝術院總監

Prof Edward Snape 施立培教授
Dean, School of Business
工商管理學院院長

Dr Alfred KT Tan 陳慶忠博士
Head, Knowledge Transfer Office
知識轉移處主管

Prof Wong Man-kong 黃文江教授 (until 31 August 2019 任期至2019年8月31日)
Professor, Department of History
歷史系教授

Prof Rick WK Wong 黃偉國教授 (until 31 December 2019 任期至2019年12月31日)
Vice-President (Research and Development)
副校長 (研究及拓展)

Prof Zhang Jianhua 張建華教授
Dean, Faculty of Science
理學院院長

Terms of reference and membership of key Council committees/supervisory board as of 30 June 2020

AUDIT COMMITTEE

Terms of Reference

- To provide independent oversight of the governance, risk management and internal control systems of the University, including the adequacy and effectiveness of the University's arrangement for the use of public funds;
- To approve the appointment of the external auditors, the audit fee, and any related matters;
- To discuss with the external auditors, before the audit commences, the nature and scope of the audit;
- To review the annual financial statements before submission to the Council via the Finance Committee, focusing particularly on any changes in accounting policies and practices, major judgemental areas, compliance with accounting standards, and compliance with legal requirements;
- To discuss any problems and reservations arising from the external audit, and matters the auditors may wish to discuss (in the absence of the University Administration where necessary);
- To review other reports of the external auditors (if any) and the University Administration's response;
- To approve the internal audit plan, review the reports of the internal auditors, and ensure that the internal audit function is adequately resourced; and
- To discharge other duties assigned to it by the Council.

Membership		
Chairman	A lay Council Member appointed by the Council	Mr Arthur K Lee
Members	Five lay Council Members, none of them being the Council Chairman, appointed by the Council	Mr Chui Wing-on Dr Stephen YF Lai Rev Dr Lo Hing-choi Mr Paulo KY Pong Ms Sandy HY Wong
Secretary	Director of Internal Audit	Ms Letitia CK Tsang
Officers-in-attendance	President and Vice-Chancellor Vice-President (Administration) and Secretary Director of Finance	Prof Roland T Chin Dr Andy SC Lee Mr Edmund TM Li

CAMPUS DEVELOPMENT AND FACILITIES MANAGEMENT COMMITTEE**Terms of Reference**

- To advise and make recommendations to the Council on all matters relating to:
 - the purchase, lease, erection, alteration and renovation of buildings;
 - facilities management of the campus;
 - the acquisition of land; and
 - any other matters arising from the powers of the Council under section 7(a) and 7(c) of the *Hong Kong Baptist University Ordinance*;
- To advise and make recommendations to the Council on the physical development and facilities management of the University including but not limited to the plans and proposals for capital building projects;
- To approve the appointment of consultants for:
 - master planning and conceptual design of capital building projects; and
 - architectural and associated consultancy services and quantity surveying consultancy services for capital building projects approved by the Council and for projects approved by the University Grants Committee (UGC) under the Alterations, Additions, Repairs and Improvements (AA&I) Block Allocation;
- To approve the appointment of contractors for each major works contract exceeding \$30 million in value under a capital building project approved by the Council, the lists of tenderers for each works contract under a capital building project approved by the Council and, on an annual basis, lists of tenderers for works contracts under projects approved by the UGC under the AA&I Block Allocation and renovation, repair and maintenance works;
- To advise on the general directions for the schedules of accommodation, sketch plans and cost estimates for submission to the UGC;
- To monitor, at the macro level, the expenditure and the progress of the capital building projects and facilities management of the University; and
- To perform any other duties related to campus development and facilities management as requested by the Council from time to time.

Membership		
Chairman	A lay Council Member appointed by the Council	Dr Clement CJ Chen
Deputy Chairman	A Council Member appointed by the Council	Mr Paulo KY Pong
Members	<p>Treasurer of the Council, <i>ex officio</i></p> <p>President and Vice-Chancellor, <i>ex officio</i></p> <p>Up to eight other Council Members appointed by the Council, of whom at least three shall be lay Members</p> <p>Two Senate members nominated by the Senate who are not Vice-Presidents, Deans, students, or co-opted members</p> <p>Member appointed under section 18(1) of <i>HKBU Ordinance</i></p>	<p>Ms Rosanna YT Choi</p> <p>Prof Roland T Chin</p> <p>Prof Guo Yike</p> <p>Dr Andy SC Lee</p> <p>Mr Arthur K Lee</p> <p>Rev Dr Lo Hing-choi</p> <p>Ms So Ching</p> <p>Dr Alfred KT Tan</p> <p>Ms Sandy HY Wong</p> <p>Dr Henry KY Fock</p> <p>Prof Johnny ML Poon</p> <p>Dr Cheng Yan-kee</p> <p>Prof Barnabas HK Chung</p>
Secretary	Director of Estates	Ms Carolin SY Fong
Officer-in-attendance	Director of Finance	Mr Edmund TM Li

SUB-COMMITTEE ON HOSTEL AND ACADEMIC BUILDING COMPLEX PROJECT (UNDER CAMPUS DEVELOPMENT AND FACILITIES MANAGEMENT COMMITTEE)**Terms of Reference**

- To monitor the progress of the hostel and academic building complex project and investment of the funds provided by the Government at the macro level;
- To offer advice to the University Administration on the strategic matters related to project management and finance for the project;
- To review periodic reports on the progress of the project before submission to the University Grants Committee, Education Bureau and other relevant government departments; and
- To perform any other duties related to the project as assigned by the Council or the Campus Development and Facilities Management Committee.

Membership		
Chairman	Chairman of the Campus Development and Facilities Management Committee or past Chairman of the Council	Dr Cheng Yan-kee
Members	<p>Members of the Campus Development and Facilities Management Committee</p> <p>Co-opted member(s) appointed by the Chairman of the Campus Development and Facilities Management Committee</p>	<p>Ms Rosanna YT Choi</p> <p>Prof Barnabas HK Chung</p> <p>Dr Andy SC Lee</p> <p>Mr Paulo KY Pong</p> <p>Mr So Wing-kin</p>
Member and Secretary	Secretary to the Campus Development and Facilities Management Committee	Ms Carolin SY Fong

FINANCE COMMITTEE

Terms of Reference

- The Finance Committee shall, subject to the *Hong Kong Baptist University Ordinance* and to any directions which the Council may give from time to time, have the power to approve all financial matters which fall within its terms of reference, with the exception of:
 - estimates of income and expenditure of the University;
 - audited financial statements of the University;
 - tuition and other related fees; and
 - major fundraising activities, through donations or borrowing of money, if required;
- To review and endorse:
 - estimates of income and expenditure of the University for approval by the Council;
 - audited financial statements of the University for approval by the Council; and
 - tuition fees and related charges for approval by the Council;
- To advise and make recommendations to the Council on:
 - matters relating to the management and regulation of the finances of the University, and the borrowing of money for purposes approved by the Council;
 - the distribution of financial resources among the academic, non-academic and other areas of activities of the University, and to monitor the use of funds so allocated; and
 - the financial implications of any matters which may be referred to the Committee by the Council; and
- To approve fees and charges for the use of facilities and other services provided by the University.

Membership		
Chairman	Treasurer of the Council, <i>ex officio</i>	Ms Rosanna YT Choi
Deputy Chairman	A Council Member appointed by the Council	Mr Paul WY Poon
Members	<p>President and Vice-Chancellor, <i>ex officio</i></p> <p>Up to eight other Council Members appointed by the Council, of whom at least three shall be lay Members</p> <p>Two Senate members nominated by the Senate who are not Vice-Presidents, Deans, students, or co-opted members</p>	<p>Prof Roland T Chin</p> <p>Prof Adrian Bailey Dr Terence HW Chan Prof Ronald CK Chung Dr Andy SC Lee Mr Kevin CK Liem Prof Lyu Aiping Prof Edward Snape Dr Alex WY Yu</p> <p>Prof John Erni Prof Gordon YN Tang</p>
Secretary	Director of Finance	Mr Edmund TM Li

INVESTMENT SUB-COMMITTEE (UNDER FINANCE COMMITTEE)

Terms of Reference

- To provide advice and recommendations to the Finance Committee on the strategic matters relating the investment of the long-term funds as directed by the Finance Committee, which may include but not limited to strategic asset allocation; and
- To propose action plans, including tactical asset allocation, liquidation of investment and other risk mitigation measures, for addressing the triggering events in financial turmoil, for the approval of the Standing Committee and the Finance Committee.

Membership		
Chairman	Chairman of the Finance Committee, <i>ex officio</i>	Ms Rosanna YT Choi
Deputy Chairman	Deputy Chairman of the Finance Committee, <i>ex officio</i>	Mr Paul WY Poon
Members	<p>Vice-President (Administration) and Secretary, <i>ex officio</i></p> <p>Up to two lay Council Members appointed by the Council</p> <p>Up to three co-opted members, with knowledge of the financial markets, to be appointed by the Chairman of the Finance Committee</p>	<p>Dr Andy SC Lee</p> <p>Dr Terence HW Chan Mr Kevin CK Liem</p> <p>Mr Billy HC Hung</p>
Secretary	Director of Finance, <i>ex officio</i>	Mr Edmund TM Li

STRATEGIC DEVELOPMENT FUND ALLOCATION SUB-COMMITTEE (UNDER FINANCE COMMITTEE)

Terms of Reference

- To make recommendations to the Council, via the Finance Committee, on the appropriation of funds from the Strategic Development Fund to support the strategic development of the University; and
- To make direct appropriation of funds from the said Fund, in accordance with the authority delegated by the Council.

Membership Composition		
Chairman	President and Vice-Chancellor	Prof Roland T Chin
Members	Deputy Chairman of the Council, <i>ex officio</i>	Mr Paul WY Poon
	Treasurer of the Council, <i>ex officio</i>	Ms Rosanna YT Choi
	A lay Council Member appointed by the Council	Dr Stephen YF Lai
	Provost, <i>ex officio</i>	Prof Clayton MacKenzie
	Vice-President (Research and Development), <i>ex officio</i>	Prof Guo Yike
	Vice-President (Teaching and Learning), <i>ex officio</i>	Dr Albert WL Chau
	Vice-President (Administration) and Secretary, <i>ex officio</i>	Dr Andy SC Lee
	An Associate Vice-President	Prof Ricky NS Wong
	Two Deans to be appointed in rotation by the Chairman of the Finance Committee for a term of two years	Prof Mette Hjort Prof Lyu Aiping
	A Chair Professor (who is not a Dean/Head of Department) to be appointed by the Chairman of the Finance Committee for a term of two years	Prof Cheah Kok-wai
Secretary	Assistant to Vice-President (Research and Development)	Under recruitment
Officer-in-attendance	Director of Finance	Mr Edmund TM Li

HONORARY DEGREES COMMITTEE

Terms of Reference

To select candidates for recommendation to the Council for the award of honorary degrees, including honorary doctorates, of the University.

Membership		
Chairman	Chairman of the Council, <i>ex officio</i>	Dr Clement CJ Chen
Deputy Chairman	Deputy Chairman of the Council, <i>ex officio</i>	Mr Paul WY Poon
Members	President and Vice-Chancellor, <i>ex officio</i>	Prof Roland T Chin
	Provost, <i>ex officio</i>	Prof Clayton MacKenzie
	Up to six other Council Members appointed by the Council, of whom at least two shall be lay Members	Rev Dr Chu Wood-ping Mr Chui Wing-on Prof Guo Yike Prof Patrick WC Lau Prof Louis Nixon
	Up to four Deans appointed by the Council	Prof Adrian Bailey Prof Mette Hjort Prof Zhang Jianhua
	Up to four Senate members nominated by the Senate who are not Vice-Presidents, Deans, students, or co-opted members, and not from the same Faculties/Schools as the Deans appointed by the Council to serve on this Committee	Dr Henry KY Fock Prof Cherian George Dr Amelia NY Lee Prof Zhang Hongjie
Secretary	Director of General Administration	Ms Susan PK Ang

HONORARY UNIVERSITY FELLOWSHIP COMMITTEE

Terms of Reference

- To set the criteria for the selection of candidates for the award of Honorary University Fellowships; and
- To nominate, select and recommend to the Council candidates for the award of Honorary University Fellowship.

Membership		
Chairman	President and Vice-Chancellor, <i>ex officio</i>	Prof Roland T Chin
Deputy Chairman	Deputy Chairman of the Council, <i>ex officio</i>	Mr Paul WY Poon
Members	One lay Council Member appointed by the Council One lay Court Member appointed by the Court Provost, <i>ex officio</i> Vice-President (Research and Development), <i>ex officio</i> Up to three Deans appointed by the Committee Chairman Up to two co-opted members appointed by the Committee Chairman	Rev Dr Chu Wood-ping Prof Ho Kin-chung Prof Clayton MacKenzie Prof Guo Yike Prof Cherian George (Acting) Prof Lyu Aiping Prof Edward Snape To be appointed
Secretary	Director of General Administration	Ms Susan PK Ang
Officer-in-attendance	Associate Vice-President (Engagement) Director of Communication and Public Relations Director of University Advancement	Mr Yeung Chee-kong Ms Winnie PY Lam Mrs Lily WL Chan

PERSONNEL COMMITTEE

Terms of Reference

- To advise and make recommendations to the Council on all matters concerning the terms and conditions of service for staff and the interpretation of such terms;
- To advise and make recommendations to the Council on all matters relating to staff salary scales and staff grades;
- To advise and make recommendations to the Council on all other matters pertaining to staffing and staff establishments; and
- To consider any other personnel matters referred to the Committee by the Council.

Membership		
Chairman	A lay Council Member appointed by the Council	Mr Paul WY Poon
Deputy Chairman	A Council Member appointed by the Council	Prof Chan Wing-kwong
Members	President and Vice-Chancellor, <i>ex officio</i> Up to eight other Council Members appointed by the Council, of whom at least three shall be lay Members Up to two co-opted members to be appointed by Chairman of the Council, in consultation with Chairman of the Personnel Committee Two Senate members nominated by the Senate who are not Vice-Presidents, Deans, students, or co-opted members	Prof Roland T Chin Prof Adrian Bailey Dr Andy SC Lee Dr David KY Lee Prof Clayton MacKenzie Prof Eva KW Man Prof Louis Nixon Ms Connie WC Wong Mr Nelson HS Lai Dr William KW Cheung Dr Robert Neather
Secretary	Director of Personnel	Ms Jennifer CY Leung

STANDING COMMITTEE

Terms of Reference

1. To coordinate the affairs of the Council and provide advice/guidance to the senior management team of the University on strategic issues; and
2. To review the performance and appointment/reappointment of the senior management of the University for making recommendations to the Council.

Membership		
Chairman	Chairman of the Council	Dr Clement CJ Chen
Members	Chairman of the Audit Committee	Mr Arthur K Lee
	Chairman of the Finance Committee	Ms Rosanna YT Choi
	Chairman of the Honorary University Fellowship Committee	Prof Roland T Chin
	Chairman of the Personnel Committee	Mr Paul WY Poon
	One co-opted member appointed by the Council	Dr David TY Mong
Secretary	Vice-President (Administration) and Secretary	Dr Andy SC Lee

SUPERANNUATION FUND SUPERVISORY BOARD

Terms of Reference

1. To recommend to the Corporate Trustee of the 1998 Hong Kong Baptist University Superannuation Fund (the Fund) the investment objectives of the Fund;
2. To give recommendation on the formulation and review of the investment strategies to the Corporate Trustee for the management of the Fund, in pursuit of the agreed investment objectives;
3. Pursuant to the delegated authority from the Fund's Trust Deed, Rules and Deed of Variations, to make recommendation to the Corporate Trustee on the appointment of external fund managers and relevant service providers of the Fund that include the fund administrator, custodians, auditors, investment consultants and professionals and to terminate their engagements, where necessary;
4. Pursuant to the delegated authority from the Fund's Trust Deed, Rules and Deed of Variations to appoint or terminate the service of the Corporate Trustee of the Fund;
5. To establish the appropriate and relevant investment benchmarks and service standards, for the purpose of monitoring and evaluating the performance of external fund managers and relevant service providers including the Corporate Trustee of the Fund;
6. To set policies and administrative measures in order to protect the interests of the Fund, its members and the University;
7. To advise the University Council on matters of importance to the Fund, including the Fund's financial reports, changes to the Trust Deed and/or the Fund's structure; and
8. To perform such other functions laid upon it by the University Council and the University.

Membership		
Chairman	Chairman of the Finance Committee, <i>ex officio</i>	Ms Rosanna YT Choi
Deputy Chairman	Chairman of the Personnel Committee, <i>ex officio</i>	Mr Paul WY Poon
Members	Chairman of the Council, <i>ex officio</i>	Dr Clement CJ Chen
	President and Vice-Chancellor, <i>ex officio</i>	Prof Roland T Chin
	Up to two Council Members to be nominated by the President and Vice-Chancellor and appointed by the Chairman of the Superannuation Fund Supervisory Board	Dr Alex WY Yu
	Up to two non-executive members to be nominated by the President and Vice-Chancellor and appointed by the Chairman of the Superannuation Fund Supervisory Board	Mr Raymond KH Chan
	Director of Personnel, <i>ex officio</i>	Ms Jennifer CY Leung
Secretary	Two staff members to be nominated by the President and Vice-Chancellor and appointed by the Chairman of the Superannuation Fund Supervisory Board	Prof Patrick WC Lau Dr Lawrence SK Tsang
	Director of Finance	Mr Edmund TM Li

NUMBER OF MEETINGS AND ATTENDANCE OF THE COUNCIL AND KEY COMMITTEES/ SUPERVISORY BOARD IN 2019-20

Council/key committee/ supervisory board	No. of meetings	Attendance	Average attendance
Council	5	1st meeting (100%, 35/35) 2nd meeting (94%, 33/35) 3rd meeting (88%, 30/34) 4th meeting (97%, 34/35) 5th meeting (100%, 35/35)	96%
Audit Committee	2	1st meeting (83%, 5/6) 2nd meeting (83%, 5/6)	83%
Campus Development and Facilities Management Committee	2	1st meeting (75%, 12/16) 2nd meeting (100%, 15/15)	88%
Sub-committee on Hostel and Academic Building Complex Project (under Campus Development and Facilities Management Committee)	4	1st meeting (100%, 76/77) 2nd meeting (71%, 5/7) 3rd meeting (100%, 7/7) 4th meeting (100%, 7/7)	93%
Finance Committee	4	1st meeting (92%, 12/13) 2nd meeting (69%, 9/13) 3rd meeting (100%, 13/13) 4th meeting (100%, 13/13)	90%
Investment Sub-committee (under Finance Committee)	5	1st meeting (100%, 6/6) 2nd meeting (100%, 6/6) 3rd meeting (83%, 5/6) 4th meeting (100%, 6/6) 5th meeting (100%, 6/6)	97%
Strategic Development Fund Allocation Sub-committee (under Finance Committee)	4	1st meeting (75%, 9/12) 2nd meeting (83%, 10/12) 3rd meeting (100%, 12/12) 4th meeting (100%, 12/12)	90%
Honorary Degrees Committee	1	One meeting (100%, 16/16)	100%
Honorary University Fellowship Committee	1	One meeting (100%, 9/9)	100%
Personnel Committee	1	One meeting (85%, 11/13)	85%
Standing Committee	3	1st meeting (67%, 4/6) 2nd meeting (83%, 5/6) 3rd meeting (100%, 6/6)	83%
Superannuation Fund Supervisory Board	2	1st meeting (78%, 7/9) 2nd meeting (100%, 9/9)	89%

ANNEX 4

Related Parties Transactions 有關連人士之交易

All transactions relating to purchases of goods and services and capital projects involving organisations, in which whether a member of the University Council or the University's key management personnel may have an interest or not, are conducted during the normal course of business and in accordance with the University's financial regulations and normal procurement procedures. Donations received from members of the University Council, key management personnel, or organisations controlled or significantly influenced by them were approved in accordance with University's regulations.

During the year, the University entered into the following transactions with its related parties in the ordinary course of business:

- Donations received from the University Council members, the University's key management personnel and companies controlled or significantly influenced by them amounted to \$2.2 million (2018-19: \$0.2 million).
- The University received administrative fee, consultancy fee, management fee and licence fee totalling \$1.2 million (2018-19: \$3.4 million) from its subsidiaries and administration fee of \$6.6 million (2018-19: \$6.9 million) from a joint venture.
- The University paid for the services and goods from its subsidiaries with a total value of \$2.3 million (2018-19: \$2.5 million).
- As at 30 June 2020, the amounts due from subsidiaries and a joint venture and an associate to the University amounted to:

(In HK\$'000 以港幣千元計)		2020	2019
Subsidiaries	附屬公司	24,792	29,315
Joint Venture	合營機構	2,737	9,371
Associate	聯營公司	1,146	1,648
		<u>28,675</u>	<u>40,334</u>

The amount due from subsidiaries, a joint venture and an associate are unsecured, interest free and repayable on demand.
應收附屬公司、合營公司及聯營公司之帳款均為無抵押、無利息，及按要求償還。

All the above amounts due from subsidiaries, a joint venture and an associate are included in Accounts Receivable, Prepayments and Deposits.

以上所有應收附屬公司、合營公司及聯營公司之帳款均包括在應收帳款、預付帳款及按金內。

所有交易，包括購買貨物、服務及基建工程，不論是否有大學校董會成員或大學的主要行政人員的利益涉及其中，均按照大學的財務及採購規則來處理。大學校董會成員或主要管理人員，或受其控制或影響的機構向大學的捐款均獲得按照大學的既定規則來審批。

年內大學與其有關連人士之正常業務交易如下：

- 來自大學的校董會成員、主要管理人員、及受大學或此等人士控制或受其重大影響的公司所捐贈總額為 220萬元 (2018-19年度：20萬元)。
- 大學從附屬公司獲得的行政費、顧問費、管理費及牌照費收入合共為 120萬元 (2018-19年度：340萬元)。從合營機構所得的行政費則合共為 660萬元 (2018-19年度：690萬元)。
- 大學向其附屬公司於年內支付商品及服務費總值為230萬元 (2018-19年度：250萬元)。
- 於2020年6月30日，附屬公司、合營機構及聯營公司欠大學的總款項為：

Related Parties Transactions (Cont'd)

有關連人士之交易 (續)

(e) The total compensation to key management personnel* was:

(e) 主要管理人員*的總酬金為：

(In HK\$'000 以港幣千元計)		2020	2019
Salaries	基本薪金	47,445	40,190
Short-term Employee Benefits	短期僱員福利	9,247	7,947
Long-term Employee Benefits	長期僱員福利	7,522	6,519
		<u>64,214</u>	<u>54,656</u>

* Key management personnel included members of the Senior Executive Committee.
主要管理人員包括校務委員會成員。

(f) The University's total contributions to Hong Kong Baptist University 1998 Superannuation Fund ("the Fund") for its employees amounted to \$84.1 million (2018-19: \$81.7 million).

(f) 大學為其僱員向香港浸會大學1998公積金計劃(簡稱「公積金」)供款 8,410萬元(2018-19年度: 8,170萬元)。

(g) The University made contributions to the MPF scheme as required under the Hong Kong Mandatory Provident Fund Schemes Ordinance. Total contributions made for the employees during the year amounted to \$36.8 million (2018-19: \$35.4 million).

(g) 大學為其僱員向一個根據《香港強制性公積金計劃條例》成立的強制性公積金計劃供款，年內供款總額為 3,680萬元(2018-19年度: 3,540萬元)。