

COMBINED ANNUAL FINANCIAL REPORT
NGO: 128 Ching Chung Taoist Association of Hong Kong Limited

1 APRIL 2017 TO 31 MARCH 2018

	Notes	2017-18 FSA \$	2016-17 FSA \$	Remarks
A. INCOME				
1. Lump Sum Grant(1a+1b+2+4+5)		37,483,156.00	35,343,635.00	
a. Lump Sum Grant (excluding Provident Fund)	1b	30,381,351.00	29,408,920.00	
b. Provident Fund	1c	2,517,718.00	2,475,094.00	
2. Special One-off Grant (SOG)		-	-	
3. Fee Income	2	4,102,979.00	4,117,731.00	
4. Central Items	3	4,121,531.00	3,005,720.00	
5. Rent and Rates	4	462,556.00	453,901.00	
6. Other Income	5	371,522.90	393,184.16	
7. Interest Received		99,820.52	81,872.27	
TOTAL INCOME		42,057,478.42	39,936,422.43	
B. EXPENDITURE				
1. Personal Emoluments				
a. Salaries		27,517,651.99	27,036,170.89	
b. Provident Fund	1c	2,476,204.84	2,252,102.41	
c. Allowances		400,064.00	398,496.23	
Sub-total	6	30,393,920.83	29,686,769.53	
2. Other Charges	7	5,459,992.99	5,419,670.93	
3. Central Items	3	4,121,531.00	3,005,720.00	
4. Rent and Rates	4	503,669.40	503,669.40	
5. Special One-off Grant Payments	7a	-	-	
TOTAL EXPENDITURE		40,479,114.22	38,615,829.86	
C. SURPLUS / (DEFICIT) FOR THE YEAR	8	1,578,364.20	1,320,592.57	

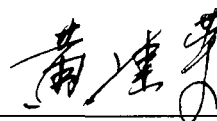
The Annual Financial Report from pages 3 to 17 has been prepared in accordance with the requirements as set out in the Lump Sum Grant Manual.

SIGNATURE



Chau Kwok Hung
 Planning & Coordinating Officer
 Date: 29 AUG 2018

SIGNATURE



Wong Kin Wing
 Chairman
 The Board of Directors
 Date: 29 AUG 2018

COMBINED OPERATING INCOME & EXPENDITURE STATEMENT 1/4/2017 TO 31/3/2018

	Notes	2017-18 FSA (a)	2017-18 Non-FSA (b)	2017-18 Total (a)+(b)	2016-17 FSA	Remarks
		\$	\$	\$	\$	
A. INCOME						
1. Lump Sum Grant(1a+1b+2+4+5)		37,483,156.00	-	37,483,156.00	35,343,635.00	
a. Lump Sum Grant (excluding PF)	1b	30,381,351.00	-	30,381,351.00	29,408,920.00	
b. Provident Fund (PF)	1c	2,517,718.00	-	2,517,718.00	2,475,094.00	
2. Special One-off Grant (SOG)		-	-	-	-	
3. Fee Income	2	4,102,979.00	-	4,102,979.00	4,117,731.00	
4. Central Items	3	4,121,531.00	-	4,121,531.00	3,005,720.00	
Dementia Supplement (DS)		3,751,736.00	-	3,751,736.00	2,736,572.00	
Infirmity Care Supplement (ICS)		369,795.00	-	369,795.00	269,148.00	
5. Rent and Rates	4	462,556.00	-	462,556.00	453,901.00	
Rent		249,782.00	-	249,782.00	246,720.00	
Rates		212,774.00	-	212,774.00	207,181.00	
6. Other Income	5	371,522.90	1,111,505.98	1,483,028.88	393,184.16	
(a) Staff food Reimbursement		-	162,735.80	162,735.80	-	HPWNEC-Purchasing of F&E (LF)
(b) Major Grant, Lotteries Fund (LF)		-	145,000.00	145,000.00	-	
(c) Jockey Club Fund		-	-	-	-	
(d) Other Income		31,663.40	-	31,663.40	43,950.66	
(e) Block Grant Income (BG, LF)		-	315,916.00	315,916.00	-	
(f) Subvented by Agency		-	331,994.68	331,994.68	-	
(g) Program Income		339,859.50	-	339,859.50	349,233.50	
(h) One-off Subsidy (OS, LF)		-	-	-	-	
(i) Paramedical Staff (LF)		-	-	-	-	
(j) Social Welfare Development Fund (SWDF, LF)		-	115,807.50	115,807.50	-	Phase III
(k) One-off Subsidy for Enhancement of Infection Control Measures (NFSA, SWD)		-	25,052.00	25,052.00	-	CCCA & CCHA
(l) One-off Subsidy for Elderly Centres for Purchase of Warm Items (NFSA, SWD)		-	15,000.00	15,000.00	-	HPWNEC
7. Interest Received		99,820.52	99.35	99,919.87	81,872.27	
TOTAL INCOME		42,057,478.42	1,111,605.33	43,169,083.75	39,936,422.43	(A)
B. EXPENDITURE						
1. Personal Emoluments :	6	30,393,920.83	9,554.71	30,403,475.54	29,686,769.53	
a. Salaries		27,518,291.19	-	27,518,291.19	27,064,830.73	
b. Provident Fund (PF)	1c	2,476,204.84	9,554.71	2,485,759.55	2,252,102.41	
c. Allowances		400,064.00	-	400,064.00	398,496.23	
Less: Forfeiture of Employer's Contributions		-	-	-	-	
Less: Employee's Compensation claim		(639.20)	-	(639.20)	(28,659.84)	
Preparatory Salaries and Provident Fund		-	-	-	-	
Responsibility Allowance		-	-	-	-	
Hardship Allowance		-	-	-	-	
Relief Workers		-	-	-	-	
Replacement for Staff on Training (Replacement Grant Unit Code: _____)		-	-	-	-	
Replacement for Staff		-	-	-	-	
Seconded to SWD (Unit Code: _____)		-	-	-	-	
Other Payments and PE		-	-	-	-	
Allowances (Please specify nature : _____)		-	-	-	-	
Total Personal Emoluments		30,393,920.83	9,554.71	30,403,475.54	29,686,769.53	

	Notes	2017-18 FSA (a)	2017-18 Non-FSA (b)	2017-18 Total (a)+(b)	2016-17 FSA	Remarks
		\$	\$	\$	\$	
2. Other Charges :	7					
(a) <u>Utilities</u>						
Electricity		846,424.00	10,354.56	856,778.56	809,247.00	
Gas and Fuel		63,688.00	-	63,688.00	72,334.00	
Water		53,093.46	-	53,093.46	55,473.96	
Sewage Charge		27,853.24	-	27,853.24	26,658.24	
Sub-total		991,058.70	10,354.56	1,001,413.26	963,713.20	
(b) <u>Food</u>						
Food for Clients		2,101,963.71	162,735.80	2,264,699.51	2,148,820.70	
Food for Staff		-	-	-	-	
Sub-total		2,101,963.71	162,735.80	2,264,699.51	2,148,820.70	
(c) <u>Administrative Expenses</u>						
Cleaning Charges		296,315.70	-	296,315.70	141,371.10	
Postage		7,004.70	-	7,004.70	7,870.60	
Telephone & Fax		48,626.00	2,421.00	51,047.00	47,301.41	
Broadband		20,412.00	-	20,412.00	20,464.20	
Advertisement		37,828.80	-	37,828.80	36,636.00	
Other Expenses		-	-	-	-	
Bank Charges for Auto-pay of Salaries / Others / Registration Fees		7,550.00	-	7,550.00	4,300.00	
Registration Fee under ORSO (Occupational Retirement Scheme Ordinance)		3,000.00	-	3,000.00	2,400.00	
Registration Fee under MPF		-	-	-	-	
Professional Charges		-	-	-	-	
Audit Fee						
(a) For Registered Occupational Retirement Scheme		-	-	-	-	
(b) Annual Audit		123,100.00	-	123,100.00	109,200.00	
Sub-total		543,837.20	2,421.00	546,258.20	369,543.31	
(d) <u>Stores and Equipment</u>						
Printing and Stationery		119,443.91	18,600.00	138,043.91	125,312.37	
Newspapers and Periodicals		19,540.00	-	19,540.00	17,913.50	
Minor Purchases		122,258.70	91,410.00	213,668.70	203,606.10	
Repair and Maintenance		321,594.80	56,445.00	378,039.80	332,358.70	
Sub-total		582,837.41	166,455.00	749,292.41	679,190.67	
(e) <u>Repair and Maintenance</u>						
Lift and Dumbwaiter		-	-	-	-	
Fire Services Equipment		-	-	-	-	
Sewage Treatment Plant		-	-	-	-	
Others		-	-	-	-	
Sub-total		-	-	-	-	

One-off Subsidy \$15,000
+ CCTA \$76,410 (Non-FSA)

	Notes	2017-18 FSA (a) \$	2017-18 Non-FSA (b) \$	2017-18 Total (a)+(b) \$	2016-17 FSA \$	Remarks
(f) <u>Special Allowances</u>						
Honorarium for Volunteers		-	-	-	-	
Incentive Allowance for Sheltered Workshops		-	-	-	-	
House-Parent Allowance for Small Group Home		-	-	-	-	
Special Allowance for Home Help / Day Care Centres for the Elderly		-	-	-	-	
Sub-total		-	-	-	-	
(g) <u>Programme Expenses</u>						
Programme Expenses		491,466.50	124,851.80	616,318.30	534,726.70	
Sub-total		491,466.50	124,851.80	616,318.30	534,726.70	
(h) <u>Transport and Travelling</u>						
Vehicle Expenses :-		95,694.39	-	95,694.39	81,756.76	
(a) Vehicle Licence		5,498.00	-	5,498.00	5,498.00	
(b) Third Party Insurance		9,353.81	-	9,353.81	9,353.81	
(c) Repair and Maintenance		51,954.00	-	51,954.00	44,401.00	
(d) Petroleum		28,888.58	-	28,888.58	22,503.95	
Other Travelling Expenses		24,196.19	-	24,196.19	33,340.32	
Sub-total		119,890.58	-	119,890.58	115,097.08	
(i) <u>Insurance Premium</u>		369,025.59	7,625.62	376,651.21	367,029.17	
Sub-total		369,025.59	7,625.62	376,651.21	367,029.17	
(j) <u>Miscellaneous</u>						
(a) Sundry Expenses & Consumable Stores		33,986.20	11,348.70	45,334.90	22,874.50	
(b) Staff Welfare & Body Check		2,815.00	14,600.60	17,415.60	1,780.00	
(c) Staff Training		-	5,870.00	5,870.00	530.00	
(d) Block Grant Expenses (BG)		-	315,916.00	315,916.00	-	
(e) Medical Expenses		139,413.70	-	139,413.70	149,546.60	One-off Subsidy \$25,052 + CCTA \$1,324 (Non-FSA)
(f) SARS Expenses		83,698.40	26,376.00	110,074.40	66,819.00	
(g) Social Welfare Development Fund (SWDF, LF) expenses		-	115,807.50	115,807.50	-	Phase III
(h) Lotteries Fund - Purchasing of F&E for HPWNEC		-	145,000.00	145,000.00	-	
Sub-total		259,913.30	634,918.80	894,832.10	241,550.10	
Total Other Charges		5,459,992.99	1,109,362.58	6,569,355.57	5,419,670.93	

	Notes	2017-18 FSA (a) \$	2017-18 Non-FSA (b) \$	2017-18 Total (a)+(b) \$	2016-17 FSA \$	Remarks
3. <u>Central Items</u>	3					
Dementia Supplement (DS)		3,751,736.00	-	3,751,736.00	2,736,572.00	CCCA\$2,521,178, CCHA\$1,230,558 CCHA
Infirmary Care Supplement (ICS)		369,795.00	-	369,795.00	269,148.00	
Total Central Items		4,121,531.00	-	4,121,531.00	3,005,720.00	
4. <u>Rent and Rates</u>	4					
<u>Rent</u>						
PHE Rental		166,320.00	2,059.20	168,379.20	166,320.00	
Private Rental		-	-	-	-	
Carpark Rental		-	-	-	-	
Management Fee		-	-	-	-	
Building Maintenance		-	-	-	-	
Other (Please specify:)		-	-	-	-	
<u>Government Rent</u>		124,920.00	-	124,920.00	124,920.00	
<u>Rates</u>		212,429.40	84.20	212,513.60	212,429.40	
Total Rent and Rates		503,669.40	2,143.40	505,812.80	503,669.40	
5. <u>Special One-off Grant Payments</u>	7a					
(a) Voluntary Retirement Scheme		-	-	-	-	
(b) Compensation Scheme		-	-	-	-	
(c) Staff Training and Development		-	-	-	-	
(d) Other Staff-related Initiatives		-	-	-	-	
		-	-	-	-	
TOTAL EXPENDITURE		40,479,114.22	1,121,060.69	41,600,174.91	38,615,829.86	(B)
C. SURPLUS / (DEFICIT) FOR THE YEAR	8	1,578,364.20	(9,455.36)	1,568,908.84	1,320,592.57	
C1. PF SURPLUS / (DEFICIT) FOR THE YEAR (FSA)		41,513.16	-	41,513.16	222,991.59	
C2. LSG SURPLUS / (DEFICIT) FOR THE YEAR (FSA)		1,536,851.04	-	1,536,851.04	1,097,600.98	
C3. SURPLUS / (DEFICIT) FOR THE YEAR (NS-LF)		-	-	-	-	
C4. SURPLUS / (DEFICIT) FOR THE YEAR (NS-CCTA)		-	(9,455.36)	(9,455.36)	-	

SIGNATURE

SIGNATURE

Chau Kwok Hung
Planning & Coordinating Officer
Date: **29 AUG 2018**

Wong Kin Wing
Chairman
The Board of Directors
Date: **29 AUG 2018**

NOTES ON THE ANNUAL FINANCIAL REPORT FOR FY2017/18

1. Lump Sum Grant (LSG)

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

b. Lump Sum Grant (excluding Provident Fund) This represents Lump Sum Grant (excluding Provident Fund) received for the year.

c. Provident Fund This is Provident Fund received and contributed during the year. Snapshot staff are defined as those staff occupying recognised or holding against subvented posts as at 1 April 2000. 6.8% and other posts represent those staff that are employed after 1 April 2000. The Provident Fund received and contributed for staff under the Central Items have been shown under 3. Details are analysed below :

Provident Fund Contribution	Snapshot Staff	6.8% and Other Posts	Total
	\$	\$	\$
Subvention Received	881,387.00	1,636,331.00	2,517,718.00
Less: Provident Fund Contribution Paid during the Year	(853,206.93)	(1,622,997.91)	(2,476,204.84)
Surplus / (Deficit) for the Year	28,180.07	13,333.09	41,513.16
Add : Surplus / (Deficit) b/f	84,873.39	3,393,201.83	3,478,075.22
Adjustment (Transfer from NFSAs to FSAs)	12,085.76	20,058.12	32,143.88
Adjusted Surplus / (Deficit) b/f	96,959.15	3,413,259.95	3,510,219.10
Add : Additional subvention received for previous year(s)	-	12,244.00	12,244.00
Less : Refund to Government	(42,386.49)	-	(42,386.49)
Surplus / (Deficit) c/f	82,752.73	3,438,837.04	3,521,589.77

2. Fee Income This represents social welfare fee income received for the year in respect of the fees and charges recognised for the purpose of subvention as set out in the Lump Sum Grant Manual.

3. Central Items These are subvented service activities which are not included in Lump Sum Grant and are subject to their own procedures as set out in other SWD's papers and correspondence with the NGOs. The Provident Fund received and contributed for staff under the Central Items have been separately included as part of the income and expenditure of the relevant items (paragraph 3.14 of the LSG Manual (October 2016)). The income and expenditure of each of the Central Items are as follows:

	2017-18	2016-17
	\$	\$
a. Income		
Dementia Supplement for Residential Elderly Services	3,751,736.00	2,736,572.00
Infirmary Care Supplement for Residential Elderly Services	369,795.00	269,148.00
Total	4,121,531.00	3,005,720.00
b. Expenditure		
Dementia Supplement for Residential Elderly Services	3,751,736.00	2,736,572.00
Infirmary Care Supplement for Residential Elderly Services	369,795.00	269,148.00
Total	4,121,531.00	3,005,720.00

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

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

The breakdown on Other Income (paragraph 2.29 of LSG Manual (October 2016)) is as follows:

	2017-18	2016-17
	\$	\$
Other Income		
(a) Fees and charges for services incidental to the operation of subvented services	339,859.50	349,233.50
(b) Others	31,663.40	43,950.66
Total	371,522.90	393,184.16

6. Personal Emoluments Personal Emoluments include salary, provident fund and salary-related allowances. The analysis on number of posts with annual Personal Emoluments over \$700,000 each paid under LSG is appended below:

Analysis of Personal Emoluments	No of Posts	\$
HK\$700,001 - HK\$800,000 p.a.	1	716,737.00
HK\$800,001 - HK\$900,000 p.a.	1	894,691.00
HK\$900,001 - HK\$1,000,000 p.a.	1	925,497.00
HK\$1,000,001 - HK\$1,100,000 p.a.	-	-
HK\$1,100,001 - HK\$1,200,000 p.a.	-	-
>HK\$1,200,000 p.a.	-	-

NOTES ON THE ANNUAL FINANCIAL REPORT FOR FY2017/18

7. Other Charges	The breakdown on Other Charges is as follows:	<u>2017-18</u>	<u>2016-17</u>
	<u>Other Charges</u>	\$	\$
	(a) Utilities	991,058.70	963,713.20
	(b) Food	2,101,963.71	2,148,820.70
	(c) Administrative Expenses	543,837.20	369,543.31
	(d) Stores and Equipment	582,837.41	679,190.67
	(e) Repair and Maintenance	-	-
	(f) Special Allowances	-	-
	(g) Programme Expenses	491,466.50	534,726.70
	(h) Transportation and Travelling	119,890.58	115,097.08
	(i) Insurance	369,025.59	367,029.17
	(j) Miscellaneous	259,913.30	241,550.10
	Total	<u><u>5,459,992.99</u></u>	<u><u>5,419,670.93</u></u>

7a. Special One-off Grant Payments	Details of Special One-off Grant Payments are as follows:	<u>2017-18</u>	<u>2016-17</u>
	<u>Special one-off Grant Payments</u>	\$	\$
	(a) Voluntary Retirement Scheme	-	-
	(b) Compensation Scheme	-	-
	(c) Staff Training and Development	-	-
	(d) Other Staff-related Initiatives	-	-
	Total	<u><u>-</u></u>	<u><u>-</u></u>

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

	Analysis of Reserve Fund					Remark
	Lump Sum Grant (LSG)	Special One-off Grant (SOG)	Rent and Rates	Central Items	Total	
	\$	\$	\$	\$	\$	
Income						
Lump Sum Grant (LSG)	32,899,069.00	-	-	-	32,899,069.00	
Special One-off Grant (SOG)	-	-	-	-	-	
Fee Income	4,102,979.00	-	-	-	4,102,979.00	
Other Income	371,522.90	-	-	-	371,522.90	
Interest Received (Note (1))	99,820.52	-	-	-	99,820.52	
Rent and Rates	-	-	462,556.00	-	462,556.00	
Central Items	-	-	-	3,614,580.00	3,614,580.00	
Total Income (a)	37,473,391.42	-	462,556.00	3,614,580.00	41,550,527.42	
Expenditure						
Personal Emoluments	30,393,920.83	-	-	-	30,393,920.83	
Other Charges	5,459,992.99	-	-	-	5,459,992.99	
Rent and Rates	-	-	503,669.40	-	503,669.40	
Central Items	-	-	-	4,121,531.00	4,121,531.00	
Special One-off Grant Payments	-	-	-	-	-	
Total Expenditure (b)	35,853,913.82	-	503,669.40	4,121,531.00	40,479,114.22	
Surplus / (Deficit) for the Year (a) – (b)	1,619,477.60	-	(41,113.40)	(506,951.00)	1,071,413.20	
Less : Surplus/ (Deficit) of Provident Fund	41,513.16	-	-	-	41,513.16	
Surplus / (Deficit) for the year	1,577,964.44	-	(41,113.40)	(506,951.00)	1,029,900.04	
Surplus/ (Deficit) b/f (Note (2))	12,102,182.97	-	(46,776.40)	1,528.40	12,056,934.97	
Prior year adjustments (As instructed by SWD on 30 Nov 2017 & 24 May 2018)	1,528.40	-	-	505,422.60	506,951.00	
	13,681,675.81	-	(87,889.80)	-	13,593,786.01	
Less: Refund to Government						
Transfer from LSG Reserve to cover the salary adjustment for Dementia Supplement and Infirmary Care Supplementary (Note (3))	-	-	-	-	-	
	-	-	-	-	-	
Virement between PA & CA (Central Items)						
Reverse of Surplus on PA of HPW vired to Deficit on CA of HA	-	-	-	-	-	
	-	-	-	-	-	
FY2015/16 Rent & Rates						
Less : Refund of Rates to Government (FY2015/16 Surplus of C&A)	-	-	(1,248.00)	-	(1,248.00)	FY2017/18 clawed back by SWD on 17.07.2017 RV07004 RV-N#00993
Less : Refund of Rates to Government (FY2015/16 Surplus of HA)	-	-	(838.00)	-	(838.00)	FY2017/18 clawed back by SWD on 17.07.2017 RV07004 RV-N#00993
Less : Refund of Rates to Government (FY2015/16 Surplus of HPW)	-	-	(1,781.00)	-	(1,781.00)	FY2017/18 clawed back by SWD on 17.07.2017 RV07004 RV-N#00993
	-	-	(3,867.00)	-	(3,867.00)	
FY2016/17 Rent & Rates						
Add : Backpay of Rent & Rates from Government (FY2016/17 deficit of C&A)	-	-	5,058.00	-	5,058.00	FY2017/18 backpay by SWD on 15.01.2017 RV01002 RV-N#01021
Add : Backpay of Rent & Rates from Government (FY2016/17 deficit of HA)	-	-	10,827.00	-	10,827.00	FY2017/18 backpay by SWD on 15.01.2017 RV01002 RV-N#01021
Add : Backpay of Rent & Rates from Government (FY2016/17 deficit of HPW)	-	-	33,884.00	-	33,884.00	FY2017/18 backpay by SWD on 15.01.2017 RV01002 RV-N#01021 (In which \$0.6 excess)
	-	-	49,769.00	-	49,769.00	
Surplus / (Deficit) c/f (Note (4))	13,681,675.81	-	(41,987.80)	-	13,639,688.01	
			*	**		* FY2003/04 Net reimbursement of rent totalling (\$875) (which at the time was inadvertently treated as income) + FY2015/16 Excess on Backpay \$0.6 [HP(\$0.6)] + FY2017/18 Deficit on Rent & Rates (\$41,113.4) [CA(\$1,933), HA(\$5,603), HP(\$33,577.4)] = Total Deficit on Rent and Rates (\$41,987.8) ** Per FY2017/18 Surplus/Deficit on Central Items \$0, thus zero balance.

Notes:

- (1) Interest received on LSG and Provident Fund reserves, rent and rates, central items, Special One-off Grant are included as one item under LSG; and the item is considered as part of LSG reserve.
- (2) Accumulated balance Lump Sum Grant Surplus b/f from previous years (including holding account) and all interest received in previous years should be included in the surplus b/f under LSG.
- (3) Amount of LSG Reserve used to cover the salary adjustment for Dementia Supplement (DS) and Infirmary Care Supplement (ICS), if any, as per Schedule of Central Items.
- (4) The level of LSG cumulative reserve (i.e. S), less LSG Reserve kept in the holding account, will be capped at 25% of the NGO's operating expenditure (excluding Provident Fund expenditure) for the year.