


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

1 APRIL 2020 TO 31 MARCH 2021

	Notes	2020-21 FSA \$	2019-20 FSA \$	Remarks
A. INCOME				
1. Lump Sum Grant(1a+1b+2+4+5)		45,753,290.00	44,413,867.00	
a. Lump Sum Grant (excluding Provident Fund)	1b	37,341,471.00	36,857,572.00	
b. Provident Fund	1c	2,874,137.00	2,948,727.00	
2. Fee Income	2	4,156,963.50	4,325,951.30	
3. Central Items	3	5,005,093.00	4,087,364.00	
4. Rent and Rates	4	532,589.00	520,204.00	
5. Other Income	5	33,758.00	212,456.32	
6. Interest Received		317,842.01	380,580.21	
TOTAL INCOME		50,261,853.51	49,332,854.83	
B. EXPENDITURE				
1. Personal Emoluments				
a. Salaries		33,263,067.02	32,855,106.92	
b. Provident Fund	1c	2,813,158.94	2,955,387.61	
c. Allowances		1,077,279.57	1,134,448.20	
Sub-total	6	37,153,505.53	36,944,942.73	
2. Other Charges	7	6,878,763.14	7,264,369.01	
3. Central Items	3	4,917,625.47	4,087,364.00	
4. Rent and Rates	4	488,674.40	517,117.40	
TOTAL EXPENDITURE		49,438,568.54	48,813,793.14	
C. SURPLUS / (DEFICIT) FOR THE YEAR	8	823,284.97	519,061.69	

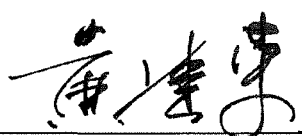
The Annual Financial Report from pages 3 to 13 has been prepared in accordance with the requirements as set out in the Lump Sum Grant Manual.

SIGNATURE



 Chau Kwok Hung
 Planning & Coordinating Officer
 Date: **31 AUG 2021**

SIGNATURE



 Wong Kin Wing
 Chairman
 The Board of Directors
 Date: **31 AUG 2021**

NOTES ON THE ANNUAL FINANCIAL REPORT FOR FY2020/21

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 Note 3.
Details are analysed below :

<u>Provident Fund Contribution</u>	<u>Snapshot Staff</u> \$	<u>6.8% and Other Posts</u> \$	<u>Total</u> \$
Subvention Received	804,949.54	2,069,187.46	2,874,137.00
Less: Provident Fund Contribution Paid during the Year	(656,293.99)	(2,156,864.95)	(2,813,158.94)
Surplus / (Deficit) for the Year	148,655.55	(87,677.49)	60,978.06
Add : Surplus / (Deficit) b/f	166,097.29	3,521,503.40	3,687,600.69
Adjustment of Provident Fund for 2017-18	-	-	-
Adjusted Surplus / (Deficit) b/f	166,097.29	3,521,503.40	3,687,600.69
Less : Adjustment of Provident Fund for 2018-19	(18,512.00)	-	(18,512.00)
Surplus / (Deficit) c/f	296,240.84	3,433,825.91	3,730,066.75

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:

	<u>2020-21</u> \$	<u>2019-20</u> \$
a. Income		
Dementia Supplement for Residential Elderly Services	3,826,303.00	3,635,219.00
Infirmity Care Supplement for Residential Elderly Services	666,274.00	452,145.00
Special Allowance for Staff (COVID-19)	450,068.00	-
Special Grant for Manpower (COVID-19)	-	-
Time-limited Programme on Enhancing infection Control and Ventilation of Residential Care Homes for the Elderly and Residential Care Homes for Persons with Disabilities - On site Ventilation	62,448.00	-
Total	5,005,093.00	4,087,364.00
b. Expenditure		
Dementia Supplement for Residential Elderly Services	3,826,303.00	3,635,219.00
Infirmity Care Supplement for Residential Elderly Services	666,274.00	452,145.00
Special Allowance for Staff (COVID-19)	387,548.47	-
Time-limited Programme on Enhancing infection Control and Ventilation of Residential Care Homes for the Elderly and Residential Care Homes for Persons with Disabilities - On site Ventilation	37,500.00	-
Total	4,917,625.47	4,087,364.00

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:

	<u>2020-21</u> \$	<u>2019-20</u> \$
Other Income		
(a) Fees and charges for services incidental to the operation of subvented services	-	149,395.90
(b) Others	33,758.00	63,060.42
Total	33,758.00	212,456.32

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:

<u>Analysis of Personal Emoluments</u>	<u>No of Posts</u>	<u>\$</u>
HK\$700,001 - HK\$800,000 p.a	3	2,208,789.04
HK\$800,001 - HK\$900,000 p.a	1	861,249.01
HK\$900,001 - HK\$1,000,000 p.a	1	947,009.60
HK\$1,000,001 - HK\$1,100,000 p.a	1	1,026,029.70
HK\$1,100,001 - HK\$1,200,000 p.a	-	-
>HK\$1,200,000 p.a	-	-

NOTES ON THE ANNUAL FINANCIAL REPORT FOR FY2020/21

7. Other Charges	The breakdown on Other Charges is as follows:	<u>2020-21</u>	<u>2019-20</u>
	<u>Other Charges</u>	\$	\$
	(a) Utilities	941,320.70	1,025,923.70
	(b) Food	2,285,572.90	2,288,923.54
	(c) Administrative Expenses	731,654.90	809,369.00
	(d) Stores and Equipment	1,322,274.92	1,449,581.28
	(e) Repair and Maintenance	-	-
	(f) Special Allowances	-	-
	(g) Programme Expenses	172,576.24	397,222.97
	(h) Transportation and Travelling	79,584.44	94,990.04
	(i) Insurance	449,058.54	402,652.58
	(j) Miscellaneous	896,720.50	795,705.90
	Total	<u><u>6,878,763.14</u></u>	<u><u>7,264,369.01</u></u>

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

	Analysis of Reserve Fund				Remark
	Lump Sum Grant (LSG)	Rent and Rates	Central Items	Total	
	\$	\$	\$	\$	
Income					
Lump Sum Grant (LSG)	40,215,608.00	-	-	40,215,608.00	
Fee Income	4,156,963.50	-	-	4,156,963.50	
Other Income	33,758.00	-	-	33,758.00	
Interest Received (Note (1))	317,842.01	-	-	317,842.01	
Rent and Rates	-	532,589.00	-	532,589.00	
Central Items	-	-	5,005,093.00	5,005,093.00	
Total Income (a)	44,724,171.51	532,589.00	5,005,093.00	50,261,853.51	
Expenditure					
Personal Emoluments	37,153,505.53	-	-	37,153,505.53	
Other Charges	6,878,763.14	-	-	6,878,763.14	
Rent and Rates	-	488,674.40	-	488,674.40	
Central Items	-	-	4,917,625.47	4,917,625.47	
Total Expenditure (b)	44,032,268.67	488,674.40	4,917,625.47	49,438,568.54	
Surplus / (Deficit) for the Year (a) – (b)	691,902.84	43,914.60	87,467.53	823,284.97	Per AFR
Less : Surplus/ (Deficit) of Provident Fund	60,978.06	-	-	60,978.06	
Surplus / (Deficit) for the year	630,924.78	43,914.60	87,467.53	762,306.91	Per IE
Surplus/ (Deficit) b/f (Note (2))	14,196,386.08	(11,094.20)	-	14,185,291.88	
	14,827,310.86	32,820.40	87,467.53	14,947,598.79	
Less: Refund to Government					
Less: Refund to Government Transfer from LSG Reserve to cover the salary adjustment for Dementia Supplement and Infirmary Care Supplementary (Note (3))					
	-	-	-	-	
	-	-	-	-	
FY2018/19 Rent & Rates					
Add : Refund from Government(C&A)	-	5,082.00	-	5,082.00	Backpayment on Rent & Rates for C&A Homes
Add : Refund from Government(HA)	-	8,225.00	-	8,225.00	Backpayment on Rent & Rates for HA
	-	13,307.00	-	13,307.00	
FY2019/20 Rent & Rates					
Less : Refund to Government(C&A)	-	(5,271.00)	-	(5,271.00)	Clawback on Rent & Rates for C&A Homes (Subvented) FY2019/20 'RV01001'
Less : Refund from Government(HA)	-	(3,152.00)	-	(3,152.00)	Clawback on Rent & Rates for Conversion Homes Providing COC FY2019/20 'RV01001'
Less : Refund from Government(HPW)	-	(5,372.60)	-	(5,372.60)	Clawback on Rent & Rates for Neighbourhood Elderly Centre FY2019/20 (\$141.60+\$5,231) 'RV01001'
Add : Refund from Government(C&A)		4,109.00		4,109.00	Backpayment on Rent & Rates for C&A Homes
Add : Refund from Government(HA)		6,600.00		4,109.00	Backpayment on Rent & Rates for HA
	-	(3,086.60)	-	(3,086.60)	
Surplus / (Deficit) c/f (Note (4))	14,827,310.86	43,040.80	87,467.53	14,957,819.19	
		*	**		As per FY2019/20 Deficit on Rent & Rate(\$11,094.20)+FY2020/21 Surplus\$43,914.60+Net Clawback FY2019/20(\$3,086.60)+Refund FY2018/19 \$13,307.00=\$43,040.80
					** As per FY2020/21 Surplus/Deficit on Central Items \$87,467.53

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