

ANNUAL FINANCIAL REPORT

NGO: 216 Five Districts Business Welfare Association

(1 April 2017 to 31 March 2018)

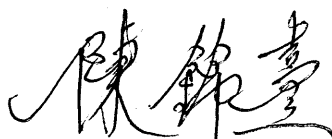
	Notes	2017-18 \$	2016-17 \$
A. INCOME			
1. Lump Sum Grant			
a. Lump Sum Grant (excluding Provident Fund)	1b	1,254,912.00	1,116,769.00
b. Provident Fund	1c	84,350.00	86,536.00
2. Special One-off Grant			-
3. Fee Income	2	58,511.20	96,112.40
4. Central Items	3	37,289.00	97,289.00
5. Rent and Rates	4	-	-
6. Other Income	5	-	-
7. Interest Received		-	-
TOTAL INCOME		1,435,062.20	1,396,706.40
B. EXPENDITURE			
1. Personal Emoluments			
a. Salaries		917,156.50	1,094,489.96
b. Provident Fund	1c	70,438.97	114,128.50
c. Allowances		-	-
Sub-total	6	987,595.47	1,208,618.46
2. Other Charges	7	29,325.50	56,444.60
3. Central Items	3	-	15,000.00
4. Rent and Rates	4	-	-
5. Special One-off Grant Payments	7a	-	-
TOTAL EXPENDITURE		1,016,920.97	1,280,063.06
C. SURPLUS/ (DEFICIT) FOR THE YEAR	8	418,141.23	116,643.34

The Annual Financial Report from pages [2] to [9] has been prepared in accordance with the requirements as set out in the Lump Sum Grant Manual.

SIGNATURESIGNATURE

CHAIRMAN

DATE: 22 MAR 2019


NGO HEAD/ HEAD OF SOCIAL WELFARE SERVICES

DATE: 22 MAR 2019

NOTES ON THE ANNUAL FINANCIAL REPORT

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 LSG (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 :

<u>Provident Fund Contribution</u>	Snapshot Staff \$	6.8% and Other Posts \$	Total \$
Subvention Received	-	84,350.00	84,350.00
Provident Fund Contribution Paid during the Year	-	(70,438.97)	(70,438.97)
Surplus/ (Deficit) for the Year	-	13,911.03	13,911.03
Add : Surplus/ (Deficit) b/f Additional subvention received for previous year(s)	-	33,689.30	33,689.30
Less : Refund to Government	-	-	-
Surplus/ (Deficit) c/f	-	47,600.33	47,600.33

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 LSG Manual.

3. Central Items These are subvented service activities which are not included in LSG 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		
Time-defined Subsidy Scheme for Extended Hours Service Users (unit T216)	16,089.00	16,089.00
Training Subsidy under Training Scheme for Child Care Supervisors and Special Child Care Workers in Pre-school Rehabilitation Services (unit 6051)	-	60,000.00
Time-defined Subsidy Scheme for Occasional Child Care Service (unit 6346)	<u>21,200.00</u>	<u>21,200.00</u>
Total	<u>37,289.00</u>	<u>97,289.00</u>

	2017-18	2016-17
	\$	\$
b. Expenditure		
Training Subsidy under Training Scheme for Child Care Supervisors and Special Child Care Workers in Pre-school Rehabilitation Services (unit 6051)	-	15,000.00
Time-defined Subsidy Scheme for Occasional Child Care Service (unit 6346)	<u>-</u>	<u>-</u>
Total	<u>-</u>	<u>15,000.00</u>

4. Rent and Rates This represents the amount paid by SWD 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	-	-
(b) Others	<u>-</u>	<u>-</u>
Total	<u>-</u>	<u>-</u>

- 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 paid under LSG	No of Posts	\$
HK\$700,001 - HK\$800,000 p.a.	-	-
HK\$800,001 - HK\$900,000 p.a.	-	-
HK\$900,001 - HK\$1,000,000 p.a.	-	-
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.	-	-

Other Charges

The breakdown on Other Charges is as follows:

	2017-18	2016-17
Other Charges	\$	\$
(a) Utilities	-	-
(b) Food	2,432.00	1,695.40
(c) Administrative Expenses	-	-
(d) Stores and Equipment	-	980.30
(e) Repair and Maintenance	-	-
(f) Special Allowances	-	-
(g) Programme Expenses	26,604.00	53,677.50
(h) Transportation and Travelling	-	-
(i) Insurance	-	-
(j) Miscellaneous	289.50	91.40
Total	29,325.50	56,444.60

7a. Special One-off Grant Payments

Details of Special One-off Grant Payments are as follows:

	2017-18	2016-17
Special One-off Grant Payments	\$	\$
(a) Voluntary Retirement Scheme	-	-
(b) Compensation Scheme	-	-
(c) Staff Training and Development	-	-
(d) Other Staff-related Initiatives	-	-
Total	-	-

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

	Lump Sum Grant (LSG)	Special One-off Grant (SOG)	Rent and Rates	Central Items	Total
	\$	\$	\$	\$	\$
Income					
Lump Sum Grant	1,339,262.00	-	-	-	1,339,262.00
Special One-off Grant	-	-	-	-	-
Fee Income	58,511.20	-	-	-	58,511.20
Other Income	-	-	-	-	-
Interest Received (Note (1))	-	-	-	-	-
Rent and Rates	-	-	-	-	-
Central Items	-	-	-	37,289.00	37,289.00
Total Income (a)	1,397,773.20	-	-	37,289.00	1,435,062.20
Expenditure					
Personal Emoluments	987,595.47	-	-	-	987,595.47
Other Charges	29,325.50	-	-	-	29,325.50
Rent and Rates	-	-	-	-	-
Central Items	-	-	-	-	-
Special One-off Grant Payments	-	-	-	-	-
Total Expenditure (b)	1,016,920.97	-	-	-	1,016,920.97
Surplus/(Deficit) for the Year (a) - (b)	380,852.23	-	-	37,289.00	418,141.23
Less : Surplus/ (Deficit) of Provident Fund	13,911.03	-	-	-	13,911.03
	366,941.20	-	-	37,289.00	404,230.20
Surplus/ (Deficit) b/f (Note (2))	237,334.78	-	-	234,796.00	472,130.78
	604,275.98	-	-	272,085.00	876,360.98
Less : Refund to Government	-	-	-	114,796.00	114,796.00
Transfer from LSG Reserve to cover the salary adjustment for Dementia Supplement and Infirmery Care Supplementary (Note (3))	-	-	-	-	-
Surplus/ (Deficit) c/f (Note (4))	604,275.98	-	-	157,289.00	761,564.98

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 and Infirmery Care Supplement, if any, as per Schedule for 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