

**ANNUAL FINANCIAL REPORT
NGO : HONG KONG BLIND UNION
1 APRIL 2020 TO 31 MARCH 2021**

	Notes	2020 - 21 \$	2019 - 20 \$
A. INCOME			
1 Lump Sum Grant			
a. Lump Sum Grant (Excluding Provident Fund)	1b	5,256,629.00	4,726,866.00
b. Provident Fund	1c	276,788.00	245,908.00
2 Fee Income	2	27,640.00	25,080.00
3 Central Items	3	-	50,000.00
4 Rent and Rates	4	207,534.00	207,000.00
5 Other Income	5	330.00	198,754.00
6 Interest Received		2,594.79	9,772.89
TOTAL INCOME		5,771,515.79	5,463,380.89
B. EXPENDITURE			
1 Personal Emoluments			
a. Salaries		4,014,509.00	3,639,628.44
b. Provident Fund	1c	224,480.89	212,999.59
c. Allowances		-	-
Sub-total	6	4,238,989.89	3,852,628.03
2 Other Charges	7	577,650.28	1,067,110.33
3 Central Items	3	-	-
4 Rent and Rates	4	196,422.00	203,034.00
TOTAL EXPENDITURE		5,013,062.17	5,122,772.36
C. SURPLUS/(DEFICIT) FOR THE YEAR	8	758,453.62	340,608.53

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.

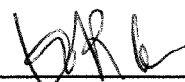
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PRESIDENT

Date: 30 July 2021

SIGNATURE



EXECUTIVE DIRECTOR

Date: 30 July 2021

NOTES ON THE ANNUAL FINANCIAL REPORT

1. Lump Sum Grant

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	-	276,788.00	276,788.00
Provident Fund Contribution Paid during the Year	-	224,480.89	224,480.89
Surplus/(Deficit) for the Year	-	52,307.11	52,307.11
Add : Surplus/(Deficit) b/f Additional subvention received for previous year(s)	-	488,396.54	488,396.54
Refund to Government	-	-	-
Surplus/(Deficit) c/f	-	540,703.65	540,703.65

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:

	2020 - 21	2019 - 20
<u>a. Income</u>	\$	\$
One-off Subsidy for Organising Social Activities for Elderly Persons and Persons with Disabilities	-	50,000.00
Total	-	50,000.00

NOTES ON THE ANNUAL FINANCIAL REPORT

3. Central Items - continued

	2020 - 21	2019 - 20
<u>b. Expenditure</u>	<u>\$</u>	<u>\$</u>
One-off Subsidy for Organising Social Activities for Elderly Persons and Persons with Disabilities	-	-
Total	<u>-</u>	<u>-</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 is as follows:

	2020 - 21	2019 - 20
Other Income	<u>\$</u>	<u>\$</u>
a) Fees and charges for services incidental to the operation of subvented services	330.00	195,654.00
b) Others	-	3,100.00
Total	<u>330.00</u>	<u>198,754.00</u>

6. Personal Emoluments Personal Emoluments include salary, provident fund, salary related allowance. The analysis on number of post 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.	N.A.	N.A.
HK\$800,001 - HK\$900,000 p.a.	N.A.	N.A.
HK\$900,001 - HK\$1,000,000 p.a.	N.A.	N.A.
HK\$1,000,001 - HK\$1,100,000 p.a.	N.A.	N.A.
HK\$1,100,001 - HK\$1,200,000 p.a.	N.A.	N.A.
>HK\$1,200,000 p.a.	N.A.	N.A.

NOTES ON THE ANNUAL FINANCIAL REPORT

7. Other Charges

	<u>2020 - 21</u>	<u>2019 - 20</u>
<u>The breakdown on Other Charges is as follows:</u>	<u>\$</u>	<u>\$</u>
(a) Utilities	29,109.70	67,671.60
(b) Food	-	-
(c) Administrative Expenses	93,592.94	100,680.00
(d) Stores and Equipment	50,090.06	26,811.85
(e) Repair and Maintenance	93,045.50	55,126.00
(f) Special Allowance	-	-
(g) Programme Expenses	289,819.15	738,669.19
(h) Transportation and Travelling	2,421.90	4,214.60
(i) Insurance	7,544.28	64,588.34
(j) Miscellaneous	12,026.75	9,348.75
Total	<u><u>577,650.28</u></u>	<u><u>1,067,110.33</u></u>

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

	Analysis of Reserve Fund			
	Lump Sum Grant (LSG)	Rent and Rates	Central Items	Total
	\$	\$	\$	\$
Income				-
Lump Sum Grant	5,533,417.00	-	-	5,533,417.00
Fee Income	27,640.00	-	-	27,640.00
Other Income	330.00	-	-	330.00
Interest Received (Note 1)	2,594.79	-	-	2,594.79
Rent and Rates	-	207,534.00	-	207,534.00
Central Items	-	-	-	-
Total Income (a)	5,563,981.79	207,534.00	-	5,771,515.79
Expenditure				
Personal Emoluments	4,238,989.89	-	-	4,238,989.89
Other Charges	577,650.28	-	-	577,650.28
Rent and Rates	-	196,422.00	-	196,422.00
Central Items	-	-	-	-
Special One-off Grant Payments	-	-	-	-
Total Expenditure (b)	4,816,640.17	196,422.00	-	5,013,062.17
Surplus/(Deficit) for the Year (a) - (b)	747,341.62	11,112.00	-	758,453.62
Less: Surplus/(Deficit) of Provident Fund	52,307.11	-	-	52,307.11
Surplus/(Deficit) for the year	695,034.51	11,112.00	-	706,146.51
Surplus/(Deficit) b/f (Note 2)	861,490.66	3,966.00	111,250.00	976,706.66
	1,556,525.17	15,078.00	111,250.00	1,682,853.17
Add:				
Refund from Government	-	-	-	-
Less:				
Refund to Government	-	(3,966.00)	-	(3,966.00)
Surplus/(Deficit) c/f (Note 3)	1,556,525.17	11,112.00	111,250.00	1,678,887.17

Note

- (1) Interest received on LSG and Provident Fund reserves, rent and rates, central items 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) The level of LSG cumulative reserve, 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.