

# **HONG KONG WOMEN FOUNDATION LIMITED**

## **ANNUAL FINANCIAL REPORT**

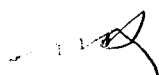
*For the year from 1st April 2017 to 31st March 2018*

*(Expressed in Hong Kong Dollars)*

	<u>Note</u>	<u>2018</u>	<u>2017</u>
<b>INCOME</b>			
Lump sum grant			
a. Lump sum grant (excluding provident fund)	1b	3,382,820	3,286,530
b. Provident fund	1c	208,753	201,610
Fee income	2	21,028	24,865
Rent and rates	3	305,723	242,365
Other income	4	659,336	743,530
Interest received		29	28
<b>TOTAL INCOME</b>		<u>4,577,689</u>	<u>4,498,928</u>
<b>EXPENDITURE</b>			
Personal emoluments	5		
a. Salaries		3,181,644	2,861,534
b. Provident fund	1c	186,007	133,253
		<u>3,367,651</u>	<u>2,994,787</u>
Rent and rates	3	333,688	267,464
Other charges	6	901,935	1,149,889
<b>TOTAL EXPENDITURE</b>		<u>4,603,274</u>	<u>4,412,140</u>
<b>(DEFICIT)/SURPLUS FOR THE YEAR</b>		<u>(25,585)</u>	<u>86,788</u>

The Annual Financial Report from pages 2 to 5 has been prepared in accordance with the requirements as set out in the Lump Sum Grant Manual.

SIGNATURE



\_\_\_\_\_  
PRESIDENT

Fei Fih

Date: 30 OCT 2018

SIGNATURE



\_\_\_\_\_  
CHAIRMAN

Ho Kwok Pui Chun Neighbourhood  
Elderly Centre Management Committee  
Chung Woon Cheung

Date: 30 OCT 2018

# **HONG KONG WOMEN FOUNDATION LIMITED**

## **NOTES ON THE ANNUAL FINANCIAL REPORT**

*For the year from 1st April 2017 to 31st March 2018*

*(Expressed in Hong Kong Dollars)*

### **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 (SWD) 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 like depreciation, provisions and accruals are not included in the AFR.

#### **b. Lump sum grant (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 1st April 2000.

6.8% and other posts represent those staff that are employed after 1st April 2000.

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	9,067	198,466	207,533
Deficit recovery from SWD for previous year	1,220	-	1,220
Provident fund contribution paid during the year	<u>(9,801)</u>	<u>(176,206)</u>	<u>(186,007)</u>
Surplus for the year	486	22,260	22,746
<u>Add: (Deficit)/surplus brought forward</u>	<u>(2,117)</u>	<u>287,684</u>	<u>285,567</u>
(Deficit)/surplus carried forward	<u>(1,631)</u>	<u>309,944</u>	<u>308,313</u>

### **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. 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 is not included in AFR.

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### **4. OTHER INCOME**

These included 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.

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

	<u>2018</u>	<u>2017</u>
a. Fees and charges for services incidental to the operation of subvented services	589,061	679,569
b. Others	70,275	63,961
	<u>659,336</u>	<u>743,530</u>

### **5. PERSONAL EMOLUMENTS**

Personal Emoluments include salaries, provident fund and salary-related allowances.

The analysis on number of posts with annual personal emoluments over HK\$700,000 each paid under LSG is appended below:

<u>Analysis of personal emoluments paid under LSG</u>	<u>No. of posts</u>	<u>HK\$</u>
HK\$700,001 or above per annum	Nil	Nil

### **6. OTHER CHARGES**

The breakdown on other charges is as follows:

	<u>2018</u>	<u>2017</u>
a. Utilities	20,684	30,752
b. Administrative expenses	64,491	48,741
c. Stores and equipment	78,810	83,316
d. Repairs and maintenance	23,570	20,428
e. Transportation and traveling	18,255	2,226
f. Programme expenses	617,047	796,453
g. Insurance	24,128	23,367
h. Furniture and equipment purchased	-	96,298
i. Miscellaneous	54,950	48,308
Total	<u>901,935</u>	<u>1,149,889</u>

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## **NOTES ON THE ANNUAL FINANCIAL REPORT**

*For the year from 1st April 2017 to 31st March 2018*

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### **7. ANALYSIS OF LUMP SUM GRANT RESERVE AND BALANCES OF OTHER SWD SUBVENTIONS**

	Lump Sum Grant (LSG)	Rent and rates	Central item	Total
<b>INCOME</b>				
Lump sum grant	3,591,573	-	-	3,591,573
Fee income	21,028	-	-	21,028
Other income	659,336	-	-	659,336
Interest received (Note 1)	29	-	-	29
Rent and rates	-	305,723	-	305,723
Total income (a)	4,271,966	305,723	-	4,577,689
<b>EXPENDITURE</b>				
Personal emoluments	3,367,651	-	-	3,367,651
Other charges	901,935	-	-	901,935
Rent and rates	-	333,688	-	333,688
Total expenditure (b)	4,269,586	333,688	-	4,603,274
Surplus/(deficit) for the year (a)-(b)	2,380	(27,965)	-	(25,585)
Less: Surplus of provident fund	(22,746)	-	-	(22,746)
Deficit for the year	(20,366)	(27,965)	-	(48,331)
Surplus/(deficit) b/f (Note 2)	1,011,969	(91,781)	-	920,188
Refund to government - clawback of LSG reserve above 25% of operating expenses (2015/2016)	(76,918)	-	-	(76,918)
Surplus/(deficit) c/f (Note 3)	914,685	(119,746)	-	794,939

**Notes:**

- 1 All the interest received on LSG and PF reserves, rent and rates, central items, Special One-off Grant should all be 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 are included in the surplus b/f under LSG.
- 3 The level of LSG cumulative reserve (i.e. HK\$914,685), 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.