

SHAMSHUIPO KAIFONG WELFARE ADVANCEMENT ASSOCIATION

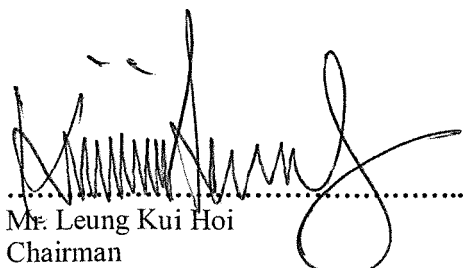
(BY GUARANTEE)

ANNUAL FINANCIAL REPORT


FOR THE PERIOD FROM 1 APRIL 2020 TO 31 MARCH 2021

	<u>Note</u>	<u>2020-21</u> HK\$	<u>2019-20</u> HK\$
INCOME			
Lump Sum Grant			
a) Lump Sum Grant (excluding Provident Fund)	1b	4,819,853.00	4,766,143.00
b) Provident Fund	1c	338,286.00	338,286.00
		5,158,139.00	5,104,429.00
Fee Income	2	39,990.00	40,980.00
Central Items	3	-	-
Rent and Rates	4	8,397.00	8,320.00
Other Income	5	165,602.10	310,839.50
Interest Received		46.19	2,686.97
TOTAL INCOME		5,372,174.29	5,467,255.47
EXPENDITURE			
Personal Emoluments			
a) Salaries		1,915,758.26	1,871,796.00
b) Provident Fund	1c	142,964.89	145,191.10
c) Allowances		-	-
Sub-total	6	2,058,723.15	2,016,987.10
Other Charges	7	520,203.10	566,654.66
Central Items	3	-	-
Rent and Rates	4	8,397.00	8,320.00
TOTAL EXPENDITURE		2,587,323.25	2,591,961.76
SURPLUS FOR THE YEAR	8	2,784,851.04	2,875,293.71

The Annual Financial Report from pages 2 to 7 has been prepared in accordance with the requirements as set out in the Lump Sum Grant Manual.



 Mr. Leung Kui Hoi
 Chairman
 Date: 26 OCT 2021



 Ms. Wong Mee Kuen
 Centre-in-charge
 Date: 26 OCT 2021

SHAMSHUIPO KAIFONG WELFARE ADVANCEMENT ASSOCIATION

(BY GUARANTEE)

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 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 Note 3.

Details are analysed below:

<u>Provident Fund Contribution</u>	<u>Snapshot Staff HK\$</u>	<u>6.8% and Other Posts HK\$</u>	<u>Total HK\$</u>
Subvention Received	80,199.00	258,087.00	338,286.00
Provident Fund Contribution Paid during the Year	<u>(80,199.00)</u>	<u>(62,765.89)</u>	<u>(142,964.89)</u>
Surplus for the Year	-	195,321.11	195,321.11
Add: Surplus b/f	38,399.25	721,320.70	759,719.95
Additional subvention received for previous year(s)	-	-	-
Less: Refund to Government Adjustment for the refund to government [SWD SF/SAS/4-35-127(612)]	(38,399.00)	-	(38,399.00)
Adjustment to additional subvention received for previous year(s) [SWD SF/SAS/4-35-127(612)]	<u>-</u>	<u>17,771.00</u>	<u>17,771.00</u>
Surplus c/f	<u>0.25</u>	<u>934,412.81</u>	<u>934,413.06</u>

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NOTES ON THE ANNUAL FINANCIAL REPORT

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 Central Items have been separately included as part of the income and expenditure of the relevant items (paragraph 3.14 of LSG Manual (October 2016)). The income and expenditure of each of the Central Items are as follows:

	<u>2020-21</u> HK\$	<u>2019-20</u> HK\$
a. <u>Income</u>	-	-
b. <u>Expenditure</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.

Details are analysed in Annex 1.

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NOTES ON THE ANNUAL FINANCIAL REPORT

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:

	<u>2020-21</u> HK\$	<u>2019-20</u> HK\$
<u>Other Income</u>		
(a) Fees and charges for services incidental to the operation of subvented services	145,602.10	298,767.50
(b) Others	<u>20,000.00</u>	<u>12,072.00</u>
Total	<u>165,602.10</u>	<u>310,839.50</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 HK\$700,000.00 each paid under LSG is appended below:

<u>Analysis of Personal Emoluments paid under LSG</u>	<u>No. of Posts</u>	<u>2020-21</u> HK\$
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.	-	-

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7. OTHER CHARGES

The breakdown on Other Charges is as follows:

	<u>2020-21</u> HK\$	<u>2019-20</u> HK\$
Other charges		
(a) Utilities	20,632.00	50,948.00
(b) Food	-	-
(c) Administrative Expenses	46,888.00	25,321.60
(d) Stores and Equipment	12,258.00	24,628.50
(e) Repair and Maintenance	52,311.20	33,527.70
(f) Special Allowances	-	-
(g) Programme Expenses	347,583.50	389,716.86
(h) Transportation and Travelling	658.30	620.00
(i) Insurance	37,903.00	38,065.00
(j) Miscellaneous	<u>1,969.10</u>	<u>3,827.00</u>
Total	<u>520,203.10</u>	<u>566,654.66</u>

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NOTES ON THE ANNUAL FINANCIAL REPORT

8. ANALYSIS OF LUMP SUM GRANT RESERVE AND BALANCES OF OTHER SWD SUBVENTIONS

	Analysis of Lump Sum Grant Reserve and Balances of Other SWD Subventions			
	Lump Sum Grant	Rent and Rates	Central Items	Total
	HK\$	HK\$	HK\$	HK\$
INCOME				
Lump Sum Grant	5,158,139.00	-	-	5,158,139.00
Fee Income	39,990.00	-	-	39,990.00
Other Income	165,602.10	-	-	165,602.10
Interest Received (Note (1))	46.19	-	-	46.19
Rent and Rates	-	8,397.00	-	8,397.00
Central Items	-	-	-	-
Total Income (a)	5,363,777.29	8,397.00	-	5,372,174.29
EXPENDITURE				
Personal Emoluments	2,058,723.15	-	-	2,058,723.15
Other Charges	520,203.10	-	-	520,203.10
Rent and Rates	-	8,397.00	-	8,397.00
Central Items	-	-	-	-
Total Expenditure (b)	2,578,926.25	8,397.00	-	2,587,323.25
Surplus/(Deficit) for the year (a) – (b)	2,784,851.04	-	-	2,784,851.04
Less: Surplus of Provident Fund	195,321.11	-	-	195,321.11
Surplus/(Deficit) b/f (Note (2))	2,589,529.93	-	-	2,589,529.93
Adjustment for overstated refund to Government in 2019-20 AFR	20,628.00	-	-	20,628.00
Add: Refund from Government	-	-	-	-
Less: Refund to Government	(2,255,255.56)	-	-	(2,255,255.56)
Surplus/(Deficit) c/f (Note (3))	4,738,874.31	-	-	4,738,874.31

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) 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.
- (A) Total expenditure excluding PF expenditure
 = HK\$2,578,926.25 – HK\$142,964.89
 = HK\$2,435,961.36
- (B) Total surplus of LSG and TOG and interest received excluding PF
 = HK\$4,738,874.31
- (B)/(A) = 194.54%

Surplus refundable to SWD = HK\$4,738,874.31 – (HK\$2,435,961.36 x 25%)
 = HK\$4,129,883.97