

## ANNUAL FINANCIAL REPORT

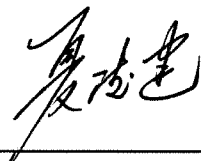
### NGO : TUNG SIN TAN HOME FOR THE AGED

1 APRIL 2020 TO 31 MARCH 2021

	Notes	Total 2020-21 \$	Total 2019-20 \$	Remarks
<b>A. INCOME</b>				
1. Lump Sum Grant				
a. Lump Sum Grant (excluding Provident Fund)	1b	8,838,393	8,707,033	
b. Provident Fund	1c	691,116	689,607	
2. Fee Income	2	1,204,806	1,226,479	
3. Central Items	3	1,772,109	1,689,401	
4. Rent and Rates	4	78,397	75,600	
5. Other Income	5	-	5,600	
6. Interest Received		29	2,235	
<b>TOTAL INCOME</b>		12,584,850	12,395,955	
<b>B. EXPENDITURE</b>				
1. Personal Emoluments				
a. Salaries		6,522,042	6,495,279	
b. Provident Fund	1c	494,388	463,516	
c. Allowances		-	-	
Sub-total	6	7,016,430	6,958,795	
2. Other Charges	7	3,351,922	3,476,530	
3. Central Items	3	922,990	806,530	
4. Rent and Rates	4	61,600	72,100	
<b>TOTAL EXPENDITURE</b>		11,352,942	11,313,955	
<b>C. SURPLUS/(DEFICIT) FOR THE YEAR</b>	8	1,231,908	1,082,000	

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

Chairman:



Ha Tak Kin

Date:

25 August 2021

Superintendent:



Wu Sheung Hung

Date:

25 August 2021

## NOTE 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 like 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>	Snapshot <u>Staff</u>	6.8% and Other <u>Posts</u>	<u>Total</u>
	\$	\$	\$
Subvention Received	189,864	501,252	691,116
Provident Fund Contribution Paid during the year	(189,864)	(304,524)	(494,388)
	-----	-----	-----
Surplus/(Deficit) for the Year	-	196,728	196,728
Add: Surplus/(Deficit) b/f Additional subvention received for previous year(s)	(10,051) 17,195	2,100,326 -	2,090,275 17,195
Less: Refund to Government	-	-	-
	-----	-----	-----
Surplus/(Deficit) c/f	<u>7,144</u>	<u>2,297,054</u>	<u>2,304,198</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. 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 \$
<b>a. Income</b>		
Dementia Supplement for Residential Elderly Services	1,656,161	1,573,453
Special Allowance for Staff of Subvented Residential Service Units in respect of COVID-19	115,948	115,948
	<u>1,772,109</u>	<u>1,689,401</u>
<b>b. Expenditure</b>		
Dementia Supplement for Residential Elderly Services	738,566	806,530
Special Allowance for Staff of Subvented Residential Service Units in respect of COVID-19	184,424	-
<b>Total</b>	<u>922,990</u>	<u>806,530</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 \$
<b>Other Income</b>		
(a) Fees and charges for services incidental to the operation of subvented services	-	5,600
(b) Subsidy from Central Items (CI) - After School Care Programme (ASCP) / Enhanced ASCP - Fee Waiving Subsidy Scheme (FWSS)*	-	-
(c) Others	-	-
	<u>-</u>	<u>-</u>
<b>Sub-Total</b>	-	5,600
Less: Utilised allocation under CI - ASCP / Enhanced ASCP - FWSS which forms as part of Other Income*	-	-
	<u>-</u>	<u>-</u>
<b>Total</b>	<u>-</u>	<u>5,600</u>

\*For those programmes which are regarded as FSA-related activities only

**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

	<u>No. of Posts</u>	<u>\$</u>
HK\$700,001- HK\$800,000 p.a.	None	-
HK\$800,001- HK\$900,000 p.a.	1	895,035
HK\$900,001- HK\$1,000,000 p.a.	None	-
HK\$1,000,001- HK\$1,100,000 p.a.	None	-
HK\$1,100,001- HK\$1,200,000 p.a.	None	-
>HK\$1,200,000 p.a.	None	-

**7. Other Charges**

The breakdown on Other Charges is as follows:

	<b>2020-21</b>	<b>2019-20</b>
	\$	\$
<b>Other Charges</b>		
(a) Utilities	410,796	429,977
(b) Food	859,442	854,942
(c) Administrative Expenses	34,565	32,634
(d) Stores and Equipment	129,707	291,558
(e) Repair and Maintenance	330,937	230,347
(f) Special Allowances	-	-
(g) Programme Expenses	1,286	12,848
(h) Transportation and Travelling	8,774	6,600
(i) Insurance	128,860	127,536
(j) Miscellaneous	86,575	83,986
(k) Professional service fees	1,360,980	1,406,102
	<u>3,351,922</u>	<u>3,476,530</u>
<b>Sub-Total</b>		
Less: Utilised allocation under CI - ASCP / Enhanced ASCP - FWSS* which forms as part of Other Income to fund the operating expenses of FSA-related activities	-	-
<b>Total</b>	<u>3,351,922</u>	<u>3,476,530</u>

\*For those programmes which are regarded as FSA-related activities only

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

	Lump Sum Grant (LSG)	Adjustment for Utilised allocation under ASCP / Enhanced ASCP- FWSS	Rent and Rates	Central Items	Total
	\$	\$	\$	\$	\$
<b>Income</b>					
Lump Sum Grant	9,529,509	-	-	-	9,529,509
Fee Income	1,204,806	-	-	-	1,204,806
Other Income	- #	-	-	-	-
Interest Received (Note (1))	29	-	-	-	29
Rent and Rates	-	-	78,397	-	78,397
Central Items	-	-	-	1,772,109	1,772,109
<b>Total Income (a)</b>	<b>10,734,344</b>	<b>-</b>	<b>78,397</b>	<b>1,772,109</b>	<b>12,584,850</b>
<b>Expenditure</b>					
Personal Emoluments	7,016,430	-	-	-	7,016,430
Other Charges	3,351,922	-	-	-	3,351,922
Rent and Rates	-	-	61,600	-	61,600
Central Items	-	-	-	922,990	922,990
<b>Total Expenditure (b)</b>	<b>10,368,352</b>	<b>-</b>	<b>61,600</b>	<b>922,990</b>	<b>11,352,942</b>
Surplus/(Deficit) for the Year (a) - (b)	365,992	-	16,797	849,119	1,231,908
Less: Surplus/(Deficit) of Provident Fund	196,728	-	-	-	196,728
	169,264	-	16,797	849,119	1,035,180
Surplus/(Deficit) b/f (Note (2))	2,538,244	-	3,500	918,343	3,460,087
	2,707,508	-	20,297	1,767,462	4,495,267
Add: Refund from Government	-	-	-	-	-
Less: Refund to Government	-	-	(7,000) <sup>1,2</sup>	(766,923) <sup>1</sup>	(773,923)
Transfer from LSG Reserve to cover the salary adjustment for Dementia Supplement and Infirmity Care Supplementary (Note (3))	-	-	-	-	-
Adjustment for utilised allocation under Enhanced ASCP - FWSS* (over-estimated) / under-estimated in previous year(s)	-	-	-	-	-
<b>Surplus/(Deficit) c/f (Note (4))</b>	<b>2,707,508</b>	<b>-</b>	<b>13,297</b>	<b>1,000,539</b>	<b>3,721,344</b>

**Notes:**

# Including an amount \$Z being the utilised allocation under CI - ASCP / Enhanced ASCP - FWSS\*

\* For those programmes which are regarded as FSA-related activities only

- (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) Amount of LSG Reserve used to cover the salary adjustment for Dementia Supplement and Infirmity Care Supplement, if any, as per Schedule of Central Items.
- (4) The level of LSG cumulative reserves (i.e. S), less LSG Reserve kept in the holding account, will be capped at 25% of the NGO operating expenditure (excluding Provident Fund expenditure) for the year.

<sup>1</sup> Ref.: SWD SF/SAS/4-55/1(742) letter dated 27 November 2020

<sup>2</sup> Annual Surplus Assessment on Rent & Rates and Central Items for 2019-20 Ref.: (12) in SWD SF/SAS/4-55/1(742) letter dated 11 March 2021