

## ANNUAL FINANCIAL REPORT

**NGO : (768) Women's Welfare Club (Eastern District) Hong Kong (Combined Service Units)**

**1 April 2017 to 31 March 2018**

	Notes	Total	Total	Remarks
		2017-18	2016-17	
		\$	\$	
<b>A. INCOME</b>				
1. Lump Sum Grant				
a. Lump Sum Grant (excluding Provident Fund)	1b	29,322,910.00	28,322,996.00	
b. Provident Fund	1c	2,555,369.00	2,501,990.00	
2. Special One-off Grant		0.00	0.00	
3. Fee Income	2	4,521,646.55	4,258,707.00	
4. Central Items	3	2,533,980.00	2,115,309.00	
5. Rent and Rates	4	2,815,794.00	2,765,392.00	
6. Other Income	5	1,134,448.40	1,225,895.00	
7. Interest Received		107,410.00	80,407.33	
<b>TOTAL INCOME</b>		42,991,557.95	41,270,696.33	
<b>B. EXPENDITURE</b>				
1. Personal Emoluments				
a. Salaries		27,680,624.27	26,257,488.12	
b. Provident Fund	1c	2,251,245.13	2,209,184.98	
c. Allowances		0.00	0.00	
Sub-total	6	29,931,869.40	28,466,673.10	
2. Other Charges	7	6,795,181.36	7,269,339.93	
3. Central Items	3	2,787,867.00	2,178,225.00	
4. Rent and Rates	4	2,826,995.40	2,798,562.00	
5. Special One-off Grant Payments	7a	0.00	0.00	
<b>TOTAL EXPENDITURE</b>		42,341,913.16	40,712,800.03	
<b>C. SURPLUS/(DEFICIT) FOR THE YEAR</b>	8	649,644.79	557,896.30	

The Annual Financial Report from pages 2 to 11 has been prepared in accordance with the requirements as set out in the Lump Sum Grant Manual.

SIGNATURE

  
 \_\_\_\_\_  
 Chairman

MS. LEUNG SUK CHONG

DATE: 24th October, 2018

SIGNATURE

  
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 Committee Member

MS. TING YUK CHEE, CHRISTINA

DATE: 24th October, 2018

**Agency 768 - Women's Welfare Club (Eastern District) Hong Kong (Combined Service Units)**

**NOTE 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 3. Details are analysed below:

<b><u>Provident Fund Contribution</u></b>	Snapshot Staff	6.8% and Other Posts	Total
	\$	\$	\$
Subvention Received	1,017,464.00	1,537,905.00	2,555,369.00
Provident Fund Contribution			
Paid during the Year	(943,138.00)	(1,308,107.13)	(2,251,245.13)
Surplus/ (Deficit) for the Year	74,326.00	229,797.87	304,123.87
<u>Add:</u> Surplus/ (Deficit) b/f	190,098.83	3,334,357.58	3,524,456.41
Additional subvention received for previous year(s)	26,832.00	57,069.00	83,901.00
Prior Year Adjustment	16,679.70	0.00	16,679.70
<u>Less:</u> Refund to Government	(182,167.00)	0.00	(182,167.00)
Surplus/ (Deficit) c/f	<u>125,769.53</u>	<u>3,621,224.45</u>	<u>3,746,993.98</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 LSG Manual (October 2016)). The income and expenditure of each of the Central Items are as follows:

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<b>a. Income</b>	<b>2017-18</b>	<b>2016-17</b>
	<u>\$</u>	<u>\$</u>
Dementia Supplement for Elderly with Disabilities	0.00	0.00
Infirmiry Care Supplement for the Aged Blind Person	0.00	0.00
Dementia Supplement for Residential Elderly Services	2,017,440.00	1,835,560.00
Infirmiry Care Supplement for Residential Elderly Services	336,240.00	274,449.00
Dementia Supplement for Day Care Centres/units for the Elderly	0.00	0.00
Foster Care Allowance/Emergency Foster Care Allowance	0.00	0.00
After School Care Programme	0.00	0.00
Temporary Financial Aid	0.00	0.00
Emergency Fund	0.00	0.00
Time-defined Subsidy Scheme for Extended Hours Services	0.00	0.00
Training Subsidy under Training Scheme for Child Care	0.00	0.00
Supervisors and Special Child Care Workers in Pre-school		
Short-term Rental Assistance	0.00	0.00
Allowances for Specific Services Arising from the	0.00	0.00
Implementation of the Minimum Wage Ordinance (Overnight On-Neighbourhood Support Child Care Project (NSCCP) – Contract Subsidy	0.00	0.00
NSCCP – Subsidy for Fee Reduction/waiving	0.00	0.00
NSCCP – Rent and Rates	0.00	0.00
Training Sponsorship Scheme for Master in Occupational Therapy and Physiotherapy programmes	0.00	0.00
Training Subsidy Programme for Children on the Waiting List for Subvented Pre-school Rehabilitation Services	0.00	0.00
Financial Incentive Scheme for Mentors of Employees with	0.00	0.00
Cash Subsidy for Integrated Support Services for Persons with Severe Physical Disabilities	0.00	0.00
Time-defined Subsidy Scheme for Occasional Child Care Service	5,300.00	5,300.00
Enhanced After School Care Programme - Fee Waiving Subsidy	0.00	0.00
Navigation Scheme for Young Persons in Care Services - Operating Expenses	0.00	0.00
Navigation Scheme for Young Persons in Care Services - Grant under the Pilot Scheme on On-site Pre-school Rehabilitation Services	0.00	0.00
One-off Subsidy for Enhanced Provision of Visiting Medical Officer for Residential Care Homes for the Elderly	175,000.00	0.00
One-off Subsidy for Enhanced Provision of Visiting Medical Practitioner Scheme for Residential Care Homes for the Persons	0.00	0.00
<b>Total</b>	<b><u>2,533,980.00</u></b>	<b><u>2,115,309.00</u></b>

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<b>b. Expenditure</b>	<b>2017-18</b>	<b>2016-17</b>
	<b>\$</b>	<b>\$</b>
Dementia Supplement for Elderly with Disabilities	0.00	0.00
Infirmiry Care Supplement for the Aged Blind Person	0.00	0.00
Dementia Supplement for Residential Elderly Services	2,311,272.00	1,804,888.00
Infirmiry Care Supplement for Residential Elderly Services	369,795.00	368,037.00
Dementia Supplement for Day Care Centres/units for the Elderly	0.00	0.00
Foster Care Allowance/Emergency Foster Care Allowance	0.00	0.00
After School Care Programme	0.00	0.00
Temporary Financial Aid	0.00	0.00
Emergency Fund	0.00	0.00
Time-defined Subsidy Scheme for Extended Hours Services	0.00	0.00
Training Subsidy under Training Scheme for Child Care Supervisors and Special Child Care Workers in Pre-school	0.00	0.00
Short-term Rental Assistance	0.00	0.00
Allowances for Specific Services Arising from the Implementation of the Minimum Wage Ordinance (Overnight Neighbourhood Support Child Care Project (NSCCP) – Contract Subsidy	0.00	0.00
NSCCP – Subsidy for Fee Reduction/waiving	0.00	0.00
NSCCP – Rent and Rates	0.00	0.00
Training Sponsorship Scheme for Master in Occupational Therapy and Physiotherapy programmes	0.00	0.00
Training Subsidy Programme for Children on the Waiting List for Subvented Pre-school Rehabilitation Services	0.00	0.00
Financial Incentive Scheme for Mentors of Employees with Severe Physical Disabilities	0.00	0.00
Cash Subsidy for Integrated Support Services for Persons with Severe Physical Disabilities	0.00	0.00
Time-defined Subsidy Scheme for Occasional Child Care Service	5,300.00	5,300.00
Enhanced After School Care Programme - Fee Waiving Subsidy	0.00	0.00
Navigation Scheme for Young Persons in Care Services - Operating Expenses	0.00	0.00
Navigation Scheme for Young Persons in Care Services - Grant under the Pilot Scheme on On-site Pre-school Rehabilitation Services	0.00	0.00
One-off Subsidy for Enhanced Provision of Visiting Medical Officer for Residential Care Homes for the Elderly	101,500.00	0.00
One-off Subsidy for Enhanced Provision of Visiting Medical Practitioner Scheme for Residential Care Homes for the Persons	0.00	0.00
<b>Total</b>	<b><u>2,787,867.00</u></b>	<b><u>2,178,225.00</u></b>

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- 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	1,134,448.40	1,089,609.50
(b) Others	0.00	136,285.50
<b>Total</b>	<u>1,134,448.40</u>	<u>1,225,895.00</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	No of Posts	\$
HK\$700,001 - HK\$800,000 p.a.	----	0.00
HK\$800,001 - HK\$900,000 p.a.	----	0.00
HK\$900,001 - HK\$1,000,000 p.a.	----	0.00
(i) <b>Wong Fung Ting Hostel for the Elderly</b>	<b>1</b>	<b>925,490.00</b>
HK\$1,000,001 - HK\$1,100,000 p.a.	----	0.00
HK\$1,100,001 - HK\$1,200,000 p.a.	----	0.00
> HK\$1,200,000 p.a.	----	0.00

- 7. Other Charges** The breakdown on Other Charges is as follows:

	2017-18	2016-17
<b>Other Charges</b>	<b>\$</b>	<b>\$</b>
(a) Utilities	1,140,157.10	1,027,567.70
(b) Food	1,818,493.85	1,855,174.14
(c) Administrative Expenses	341,730.90	316,263.70
(d) Stores and Equipment	733,764.45	1,145,380.32
(e) Repair and Maintenance	56,095.00	43,045.00
(f) Special Allowances	0.00	0.00
(g) Programme Expenses	1,350,946.11	1,422,894.18
(h) Transportation and Travelling	30,039.36	31,289.76
(i) Insurance	409,415.20	560,479.27
(j) Miscellaneous	914,539.39	867,245.86
<b>Total</b>	<u>6,795,181.36</u>	<u>7,269,339.93</u>

**7a. Special One-off Grant Payments**

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

	2017-18	2016-17
<b>Special one-off Grant Payments</b>	<b>\$</b>	<b>\$</b>
(a) Voluntary Retirement Scheme	0.00	0.00
(b) Compensation Scheme	0.00	0.00
(c) Staff Training and Development	0.00	0.00
(d) Other Staff-related Initiatives	0.00	0.00
<b>Total</b>	<u>0.00</u>	<u>0.00</u>

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**8. Analysis of Reserve Fund**

	Analysis of Reserve Fund				
	Lump Sum Grant (LSG)	Special One-off Grant (SOG)	Rent and Rates	Central Item	Total
<b>Income</b>					
Lump Sum Grant	31,878,279.00	0.00	0.00	0.00	31,878,279.00
Special One-off Grant	0.00	0.00	0.00	0.00	0.00
Fee Income	4,521,646.55	0.00	0.00	0.00	4,521,646.55
Other Income	1,134,448.40	0.00	0.00	0.00	1,134,448.40
Interest Received (Note (1))	107,410.00	0.00	0.00	0.00	107,410.00
Rent and Rates	0.00	0.00	2,815,794.00	0.00	2,815,794.00
Central Items	0.00	0.00	0.00	2,533,980.00	2,533,980.00
<b>Total Income (a)</b>	<b>37,641,783.95</b>	<b>0.00</b>	<b>2,815,794.00</b>	<b>2,533,980.00</b>	<b>42,991,557.95</b>
<b>Expenditure</b>					
Personal Emoluments	29,931,869.40	0.00	0.00	0.00	29,931,869.40
Other Charges	6,795,181.36	0.00	0.00	0.00	6,795,181.36
Rent and Rates	0.00	0.00	2,826,995.40	0.00	2,826,995.40
Central Items	0.00	0.00	0.00	2,787,867.00	2,787,867.00
Special One-off Grant Payments					
<b>Total Expenditure (b)</b>	<b>36,727,050.76</b>	<b>0.00</b>	<b>2,826,995.40</b>	<b>2,787,867.00</b>	<b>42,341,913.16</b>
<b>Surplus/(Deficit) for the Year (a) - (b)</b>	<b>914,733.19</b>	<b>0.00</b>	<b>(11,201.40)</b>	<b>(253,887.00)</b>	<b>649,644.79</b>
Less: Surplus/(Deficit) of Provident Fund	304,123.87	0.00	0.00	0.00	304,123.87
	610,609.32	0.00	(11,201.40)	(253,887.00)	345,520.92
<b>Surplus/ (Deficit) b/f (Note (2))</b>	<b>14,382,431.27</b>	<b>0.00</b>	<b>(143,956.00)</b>	<b>327,387.00</b>	<b>14,565,862.27</b>
	14,993,040.59	0.00	(155,157.40)	73,500.00	14,911,383.19
Less: Refund to Government	0.00	0.00	(1,391.00)	0.00	(1,391.00)
Transfer from LSG Reserve to cover the salary adjustment for Dementia Supplement and Infirmary Care Supplementary (Note (3))	0.00	0.00	0.00	0.00	0.00
<b>Surplus/(Deficit) c/f (Note (4))</b>	<b>14,993,040.59</b>	<b>0.00</b>	<b>(156,548.40)</b>	<b>73,500.00</b>	<b>14,909,992.19</b>

**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 of 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 Infirmary Care Supplement, if any, as per Schedule of 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.