

ANNUAL FINANCIAL REPORT
NGO: HONG KONG REHABILITATION POWER
(1 April, 2023 to 31 March, 2024)

	Notes	2023-24 HK\$	2022-23 HK\$
A. INCOME			
1. Lump sum Grant			
a. Lump Sum Grant (excluding Provident Fund)	1b	5,417,128	5,226,910
b. Provident Fund	1c	258,672	247,177
2. Fee Income	2	-	-
3. Central Items	3	-	-
4. Rent and Rates	4	70,302	70,302
5. Other Income	5	-	-
6. Interest Received		11,130	1,750
TOTAL INCOME		5,757,232	5,546,139
B. EXPENDITURE			
1. Personal Emoluments			
a. Salaries		4,807,401	4,861,064
b. Provident Fund	1c	209,537	213,279
c. Allowances		29,772	24,113
Subtotal	6	5,046,710	5,098,455
2. Other Charges	7	643,915	561,510
3. Central Items	3	2,000	1,500
4. Rent and Rates	4	71,912	66,262
TOTAL EXPENDITURE		5,764,537	5,727,727
C. SURPLUS/(DEFICIT) FOR THE YEAR	8	(7,305)	(181,588)

The Annual Financial Report from pages 3 to 11 has been prepared in accordance with the requirements as set out in the Lump Sum Grant Manual.

HONG KONG REHABILITATION POWER
CHAIRMAN



YIP CHAM KAI

DATE: 8 AUGUST 2024

HONG KONG REHABILITATION POWER
EXECUTIVE DIRECTOR



CHIU LAP KEE

DATE: 8 AUGUST 2024

NOTES 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** 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 which are separately included as part of income and expenditure of the relevant disclosures have been shown under Note 3. Details are analysed below:

<u>Provident Fund (PF) Contribution</u>	<u>Snapshot Staff</u>	<u>Other Posts</u>	<u>Total</u>
	HK\$	HK\$	HK\$
Subvention Received	-	258,672	258,672
Provident Fund Contribution	-	(209,537)	(209,537)
Paid during the Year			
Surplus for the year	-	49,135	49,135
Add: Surplus b/f	-	436,250	436,250
Less: One-off Voluntary Provident Fund Contribution	-	(181,661)	(181,661)
Less: Refund to Government	-	-	-
Surplus c/f	<u>-</u>	<u>303,724</u>	<u>303,724</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.

NOTES ON THE ANNUAL FINANCIAL REPORT

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:

	2023-24 HK\$	2022-23 HK\$
<u>a. Income</u>		
Financial Incentive Scheme for Mentors of Employees with Disabilities	-	-
	-	-
<u>b. Expenditure</u>		
Financial Incentive Scheme for Mentors of Employees with Disabilities	2,000.00	1,500.00
	2,000.00	1,500.00

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 of the FSA services / FSA-related activities reflected in the AFR.

The breakdown on Other Income is as follows:

	2023-24 HK\$	2022-23 HK\$
<u>Other Income</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 paid under LSG	No of Posts	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>Other Charges</u>	2023-24 HK\$	2022-23 HK\$
(a) Utilities	29,798	26,216
(b) Food	-	-
(c) Administrative Expenses	269,426	222,152
(d) Stores and Equipment	26,117	24,992
(e) Repair and Maintenance	12,292	5,933
(f) Special Allowances	107,576	95,106
(g) Programme Expenses	167,309	132,441
(h) Transportation and Travelling	1,339	1,594
(i) Insurance	17,405	40,226
(j) Miscellaneous	12,653	12,850
Total	643,915	561,510

NOTES ON THE ANNUAL FINANCIAL REPORT

8. Analysis of Lump Sum Grant Reserve and balances of other SWD subventions (Year 2023-24)

	Analysis of Reserve Fund			
	Lump Sum Grant (LSG)	Rent and Rates	Central Items	Total
	HK\$	HK\$	HK\$	HK\$
Income				
Lump Sum Grant	5,675,800	-	-	5,675,800
Fee Income	-	-	-	-
Other Income	-	-	-	-
Interest Received (Note(1))	11,130	-	-	11,130
Rent and Rates	-	70,302	-	70,302
Central Items	-	-	-	-
Total Income (a)	5,686,930	70,302	-	5,757,232
Expenditure				
Personal Emoluments	5,046,710	-	-	5,046,710
Other Charges	643,915	-	-	643,915
Rent and Rates	-	71,912	-	71,912
Central Items	-	-	2,000	2,000
Total Expenditure (b)	5,690,625	71,912	2,000	5,764,537
Surplus / (Deficit) for the Year (a) - (b)	(3,695)	(1,610)	(2,000)	(7,305)
Less: Surplus / (Deficit) of Provident Fund	49,135	-	-	49,135
	(52,830)	(1,610)	(2,000)	(56,440)
Surplus/(Deficit) b/f (Note(2))	829,433	4,040	96,500	929,973
	776,603	2,430	94,500	873,533
Less: Refund to Government - 2022-23 Rates	-	(4,040)	-	(4,040)
Add: Transfer from LSG Reserve to cover the salary adjustment for Dementia Supplement and Infirmary Care Supplementary (Note (3))	-	-	-	-
	776,603	(1,610)	94,500	869,493
Surplus / (Deficit) c/f (Note (4))	776,603	(1,610)	94,500	869,493

Notes:

- (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 of Lump Sum Grant Surplus b/f from previous years (including all interest received in previous years (see (1) above) should be reported 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 for Central Items.
- (4) The level of LSG cumulative reserve, will be capped at 25% of the NGO's operating expenditure (i.e. Total expenditure excluding Provident Fund contribution) for the year.
For any amount above the cap, SWD would arrange the claw-back (including provisional in the following financial year except for those 58 NGOs which are subject to Productivity Enhancement Programme as stipulated in SWD 's letter under reference (9) in SWD/S/133/1 of 6 March 2024. For details of the claw-back arrangement of the said 58 NGOs, please refer to the above letter.) accordingly.