

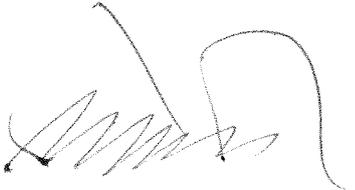
Annual Financial Report

International Social Service (Hong Kong Branch)

1 April 2024 to 31 March 2025

	Notes	2024-2025 \$	2023-2024 \$
A. INCOME			
1 Lump Sum Grant			
a. Lump Sum Grant (excluding Provident Fund)	1b	98,572,500.00	94,218,841.00
b. Provident Fund	1c	8,615,124.00	8,481,209.00
2 Fee Income	2	7,779.12	2,705.56
3 Central Items	3	46,601,054.00	30,704,208.00
4 Rent and Rates	4	1,741,262.00	1,741,262.00
5 Other Income (e.g. Program Income)	5	447,552.40	372,067.10
6 Interest Received		446,583.89	195,286.82
TOTAL INCOME		<u>156,431,855.41</u>	<u>135,715,579.48</u>
B. EXPENDITURE			
1 Personal Emoluments			
a. Salaries		90,312,683.59	84,589,328.68
b. Provident Fund	1c	8,459,136.34	8,194,899.88
c. Allowances		-	-
Sub-total	6	98,771,819.93	92,784,228.56
2 Other Charges	7	8,506,651.63	8,540,093.69
3 Central Items	3	39,636,486.21	23,146,229.52
4 Rent and Rates	4	2,104,108.24	1,985,477.20
TOTAL EXPENDITURE		<u>149,019,066.01</u>	<u>126,456,028.97</u>
C. SURPLUS/(DEFICIT) FOR THE YEAR	8	<u>7,412,789.40</u>	<u>9,259,550.51</u>

The Annual Financial Report from pages 3 to 21 has been prepared in accordance with the requirements as set out in the Lump Sum Grant Manual.

Signature: 
Name: Mr. Kenneth Kwok
Title: Chairman
Date: 30 JUL 2025

Signature: 
Name: Mr. Stephen Yau
Title: Chief Executive
Date: 30 JUL 2025

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 services defined in Funding and Service Agreement (FSA) (including support services to FSA services) funded by the Social Welfare Department (SWD) under the Lump Sum Grant Subvention System and also FSA services/FSA-related activities funded by Other Funds or Donations for Designated Purposes. 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 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.

Other posts represent those staff that are employed after 1 April 2000.

The Provident Fund received and contributed for staff under the Central Items and Other Funds or Donations for Designated Purposes which are separately included as part of the income and expenditure of the relevant disclosures have been shown under **Note 3 and 8**. Details are analysed below:

<u>Provident Fund Contribution</u>	<i>Snapshot Staff</i> \$	<i>Other Posts</i> \$	<i>Total</i> \$
Subvention Received	3,378,099.00	5,237,025.00	8,615,124.00
Provident Fund Contribution Paid during the Year	<u>(3,199,152.45)</u>	<u>(5,259,983.89)</u>	<u>(8,459,136.34)</u>
Surplus/(Deficit) for the Year	178,946.55	(22,958.89)	155,987.66
Add: Surplus/(Deficit) b/f	574,155.54	2,571,803.83	3,145,959.37
Additional subvention received for previous year(s)	59,969.00	-	59,969.00
Less: Refund to Government	<u>(214,532.00)</u>	<u>-</u>	<u>(214,532.00)</u>
Surplus/(Deficit) c/f	<u>598,539.09</u>	<u>2,548,844.94</u>	<u>3,147,384.03</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 Subvention 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 5.5.4(c) of the LSG Subvention Manual). The income and expenditure of each of the Central Items are as follows:

	2024 - 2025	2023 - 2024
	\$	\$
a. Income		
- Foster Care Allowance/One-off Special Allowance for Foster Children to Safeguard the Foster Children from the Coronavirus Disease/Emergency Foster Care Allowance	44,211,308.00	28,919,514.00
- Time-defined Allocation of Ethnic Minority District Ambassador Posts - salary and provident fund	213,612.00	100,382.00
- Time-defined Allocation of Ethnic Minority District Ambassador Posts - other charges	27,801.00	8,536.00
- Allowances for Specific Services Arising from the Implementation of the Minimum Wage Ordinance (Overnight On-site-on-call Allowance)	1,684,560.00	1,675,776.00
- Multi-faceted Support for Foster Families and Children under Foster Care Service (MSFC)		
- Subsidy for Providing Professional Services	291,666.00	-
- Subsidy to Support the Learning and Development of Foster Children	172,107.00	-
Total	46,601,054.00	30,704,208.00
b. Expenditure		
- Foster Care Allowance/One-off Special Allowance for Foster Children to Safeguard the Foster Children from the Coronavirus Disease/Emergency Foster Care Allowance	37,817,379.00	21,310,569.00
- Time-defined Allocation of Ethnic Minority District Ambassador Posts - salary and provident fund	132,594.51	164,514.20
- Time-defined Allocation of Ethnic Minority District Ambassador Posts - other charges	16,640.80	9,155.40
- Allowances for Specific Services Arising from the Implementation of the Minimum Wage Ordinance (Overnight On-site-on-call Allowance)	1,664,431.90	1,661,990.92
- Multi-faceted Support for Foster Families and Children under Foster Care Service (MSFC)		
- Subsidy for Providing Professional Services	-	-
- Subsidy to Support the Learning and Development of Foster Children	5,440.00	-
Total	39,636,486.21	23,146,229.52

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 Other Funds or Donations for Designated Purposes may be included in AFR if they are used to finance expenditure of the FSA services/FSA-related activities as reflected in the AFR.

The breakdown on Other Income is as follows:

Other Income	2024 - 2025 \$	2023 - 2024 \$
(a) Programme income	69,041.00	183,167.60
(b) Production income	-	-
(c) Other Funds or Donations for Designated Purposes	207,979.00	-
(d) Donation	142,915.00	188,678.50
(e) Utilised allocation under Central Items (CI): After School Care Programme (ASCP)/Enhanced ASCP/ASCP(PC) - Fee Waiving Subsidy Scheme (FWSS)* which forms as part of Other Income	-	-
(f) Reimbursement of Maternity Leave Pay from Labour Department	25,465.61	-
(g) Miscellaneous income (e.g. general donations, photocopying charges, etc.)	2,151.79	221.00
Sub-total	447,552.40	372,067.10
<u>Less:</u> Utilised allocation under CI : ASCP/Enhanced ASCP/ASCP(PC) - FWSS which forms as part of Other Income*	-	-
Total	447,552.40	372,067.10

* For those programmes which are regarded as FSA services 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 \$1,000,000 each paid under LSG is appended below:

Analysis of Personal Emoluments paid under LSG	No of Posts	2024 - 2025
		\$
HK\$1,000,001 - HK\$1,100,000 p.a.	1	1,013,294.00
HK\$1,100,001 - HK\$1,200,000 p.a.	12	13,784,594.00
HK\$1,200,001 - HK\$1,300,000 p.a.	2	2,545,652.00
HK\$1,300,001 - HK\$1,400,000 p.a.	3	4,039,605.00
HK\$1,400,001 - HK\$1,500,000 p.a.	1	1,435,800.00
>HK\$1,500,000 p.a.	-	-

7. Other Charges

The breakdown on Other Charges is as follows:

Other Charges	2024 - 2025	2023 - 2024
	\$	\$
(a) Utilities	928,401.02	1,037,295.65
(b) Food (including food for service users)	1,420,511.33	1,390,495.00
(c) Administrative Expenses	1,525,307.08	1,553,955.88
(d) Stores and Equipment	424,090.40	424,269.49
(e) Minor Repair and Maintenance	359,394.70	236,648.48
(f) Special Allowances (Housefather Allowance - SGH)	354,891.00	408,038.00
(g) Programme Expenses	2,394,992.60	2,032,342.73
(h) Transportation and Travelling	183,772.17	160,836.11
(i) Insurance	491,604.04	608,168.56
(j) Membership Fee	321,815.20	596,145.19
(k) Miscellaneous	101,872.09	91,898.60
Sub-Total	8,506,651.63	8,540,093.69
Less: Utilised allocation under CI: ASCP/Enhanced ASCP/ASCP(PC) - FWSS* which forms as part of Other Income	-	-
Total	8,506,651.63	8,540,093.69

* For those programmes which are regarded as FSA services only.

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

	Lump Sum Grant (LSG) \$	Holding Account (HA) \$	Other Funds or Donations for Designated Purposes \$	Adjustment for Utilised allocation under ASCP/Enhanced ASCP/ASCP(PC) - FWSS \$	Rent and Rates \$	Central Items (CI) \$	Total \$
Income							
Lump Sum Grant	107,187,624.00	-	-	-	-	-	107,187,624.00
Fee Income	7,779.12	-	-	-	-	-	7,779.12
Other Income	239,573.40	-	207,979.00	-	-	-	447,552.40
Interest Received (Note (1))	446,583.89	-	-	-	-	-	446,583.89
Rent and Rates	-	-	-	-	1,741,262.00	-	1,741,262.00
Central Items	-	-	-	-	-	46,601,054.00	46,601,054.00
Total Income (a)	107,881,560.41	-	207,979.00	-	1,741,262.00	46,601,054.00	156,431,855.41
Expenditure							
Personal Emoluments	98,234,219.93	537,600.00	-	-	-	-	98,771,819.93
Other Charges	8,204,341.93	-	302,309.70	-	-	-	8,506,651.63
Rent and Rates	-	-	-	-	2,104,108.24	-	2,104,108.24
Central Items	-	-	-	-	-	39,636,486.21	39,636,486.21
Total Expenditure (b)	106,438,561.86	537,600.00	302,309.70	-	2,104,108.24	39,636,486.21	149,019,066.01
Surplus/(Deficit) for the Year (a) - (b)	1,442,998.55	(537,600.00)	(94,330.70)	-	(362,846.24)	6,964,567.79	7,412,789.40
Less: Surplus/(Deficit) of Provident Fund	155,987.66	-	-	-	-	-	155,987.66
Surplus/(Deficit) for the Year (excl. PF)	1,287,010.89	(537,600.00)	(94,330.70)	-	(362,846.24)	6,964,567.79	7,256,801.74
Surplus/(Deficit) b/f (Note (2))	18,578,542.65	3,989,226.16	-	-	(248,089.94)	7,756,748.49	30,076,427.36
	19,865,553.54	3,451,626.16	(94,330.70)	-	(610,936.18)	14,721,316.28	37,333,229.10
Add: Refund from Government	-	-	-	-	-	-	-
Add: Backpay of Rent & Rates and other rental items for for Year 2023-2024	-	-	-	-	33,333.20	-	33,333.20
Adjustment of rates for carpark space located at Southorn Centre for Oct 23 to Mar 24	-	-	-	-	1,350.00	-	1,350.00
Less: Refund to Government Ref: 4-35-40-35-15-465P1 (SAS412)	-	-	-	-	(2,544.00)	(7,743,248.49)	(7,745,792.49)
Transfer from LSG Reserve to cover the salary adjustment Infirmity Care Supplement (Notes (3))	-	-	-	-	-	-	-
Add: Expenditure absorbed by the agency	-	-	1.50	-	-	-	1.50
Transfer from Other Funds/(to) LSG Reserve [^]	65,946.80	-	(65,946.80)	-	-	-	-
Adjustment for utilised allocation under Enhanced ASCP/ASCP(PC)-FWSS* (over-estimated)/under-estimated in previous year(s)	-	-	-	-	-	-	-
Surplus/(Deficit) c/f (Note (4))	19,931,500.34	3,451,626.16	(160,276.00)	-	(578,796.98)	6,978,067.79	29,622,121.31

Notes:

Including an amount \$Z being the utilised allocation under CI: ASCP/Enhanced ASCP/ASCP(PC) – FWSS*

* For those programmes which are regarded as FSA services only

[^] Balance generated from those completed FSA services/FSA-related activities which are funded by Other Funds or Donations for Designated Purposes

8. Analysis of Lump Sum Grant Reserve and balances of other SWD subventions (continued)

- (1) Interest received on LSG (including HA) 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 LSG Surplus b/f from previous years (including all interest received in previous years (see (1) above), the balance of HA and balance of Other Funds or Donations for Designated Purposes should be separately reported.
- (3) Amount of LSG Reserve used to cover the salary adjustment for Infirmary Care Supplement, if any, as per Schedule for Central Items.
- (4) For NGOs without HA, separate disclosure of the movement of HA in their respective AFRs is not necessary. The level of LSG cumulative reserve (i.e. S1) will be capped at 25% of the NGO's operating expenditure (i.e. Total Expenditure (T1) excluding Provident Fund Contribution (K1)) for the year.

For NGOs with HA, with effect from 2022-23, the calculation of the annual claw-back is as follows:

- (i) With Snapshot Staff (SS) [i.e. Position of SS as at 1 September being reported on the Agency Staff List submitted by NGO last year was greater than zero]

The level of LSG cumulative reserve (i.e. S1) will be capped at 25% of the NGO's operating expenditure (i.e. Total Expenditure (T1+T2) excluding Provident Fund Contribution (K1)) for the year.

- (ii) Without SS [i.e. Position of SS as at 1 September being reported on the Agency Staff List submitted by NGO last year (which is regarded as Year 0) was zero]

For the next three years (Year 1 to Year 3), the level of LSG cumulative reserve (i.e. S1) will be capped at 25% of the NGO's operating expenditure (i.e. Total Expenditure (T1) excluding Provident Fund Contribution (K1)) for the year.

From the fourth financial year (Year 4) onwards, the level of LSG cumulative reserve and HA reserve will be counted altogether and the combined reserve amount (i.e. S1+S2) will be capped at 25% of the NGO's operating expenditure (i.e. Total Expenditure (T1+T2) excluding Provident Fund Contribution (K1)) for the year. In this regard, separate disclosure of the movement of HA in their respective AFRs is not necessary.

[For details of (4)(i) and (4)(ii) above, please also refer to SWD's letter under reference (11) in SWD/S/109/1/10 of 4 April 2022.]

- (5) As a facilitating measure for the implementation of the Productivity Enhancement Programme, the claw-back arrangement of LSG cumulative reserve amount exceeding 25% of the NGO's operating expenditure would be suspended from 2023-24 (for NGOs with 2024-25 provisional subvention allocation of \$50M or more)/2024-25 (for NGOs with 2024-25 provisional subvention allocation of less than \$50M) until 2028-29 as stipulated in SWD's letter under reference (1)/(2)/(3)/(4) in SWD 0075-0010-0060-0080-0040 of 3 March 2025.