

ANNUAL FINANCIAL REPORT

NGO: PROJECT CARE

1 APRIL 2023 TO 31 MARCH 2024

	Notes	2023-24 \$	2022-23 \$
A. INCOME			
1. Lump Sum Grant			
a. Lump Sum Grant (excluding Provident Fund)	1b	11,544,302.00	11,082,796.00
b. Provident Fund	1c	843,010.00	801,524.00
2. Fee Income	2	-	-
3. Central Items	3	698,235.00	651,395.00
4. Rent and Rates	4	581,178.00	581,178.00
5. Other Income	5	45,090.00	2,747.00
6. Interest Received		56,092.90	26,217.33
TOTAL INCOME		<u>13,767,907.90</u>	<u>13,145,857.33</u>
B. EXPENDITURE			
1. Personal Emoluments			
a. Salaries		9,096,715.80	8,509,793.99
b. Provident Fund	1c	673,893.97	681,783.10
c. Allowances		<u>43,470.00</u>	<u>12,825.00</u>
Sub-total	6	9,814,079.77	9,204,402.09
2. Other Charges	7	2,373,481.69	2,506,460.22
3. Central Items	3	685,747.91	645,538.19
4. Rent and Rates	4	585,196.00	552,346.00
TOTAL EXPENDITURE		<u>13,458,505.37</u>	<u>12,908,746.50</u>
C. SURPLUS/ (DEFICIT) FOR THE YEAR	8	<u>309,402.53</u>	<u>237,110.83</u>

The Annual Financial Report from pages 1 to 7 has been prepared in accordance with the requirements as set out in the Lump Sum Grant Manual.

SIGNATURE



CHAIRMAN

DATE: 17 OCT 2024



DEPUTY HEAD OF SERVICE

DATE: 17 OCT 2024

NOTES ON THE ANNUAL FINANCIAL REPORT

Lump Sum Grant (LSG)

a. Basis of preparation

The Annual Financial Report (AFR) is prepared in respect of all Funding and Service Agreement (FSA) services (including support services to FSA services) 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 the income and expenditure of the relevant disclosures have been shown under **Note 3**. Details are analysed below:

<u>Provident Fund Contribution</u>	<u>Snapshot Staff</u> \$	<u>6.8% and Other Posts</u> \$	<u>Total</u> \$
Subvention Received	220,493.00	622,517.00	843,010.00
Provident Fund Contribution Paid during the Year	(238,165.00)	(435,728.97)	(673,893.97)
Surplus / (Deficit) for the Year	(17,672.00)	186,788.03	169,116.03
Add: Surplus / (Deficit) b/f	(47,407.00)	1,683,119.11	1,635,712.11
Add: Additional subvention received for previous year(s)	23,413.00	-	23,413.00
Less: Refund to Government	-	-	-
Surplus / (Deficit) c/f	<u>(41,666.00)</u>	<u>1,869,907.14</u>	<u>1,828,241.14</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:

	2023-24	2022-23
Income	\$	\$
Dementia Supplement for Elderly with Disabilities		
Infirmity Care supplement for the Aged Blind Person		
Dementia supplement for Residential Elderly Services		
Infirmity Care Supplement for Residential Elderly Services		
Dementia Supplement for Day Care Centres/ units for the Elderly		
Foster Care Allowance/Emergency Foster Care Allowance		
After School Care Programme		
Temporary Financial Aid		
Emergency Fund		
Time-defined Subsidy Scheme for Extended Hours Service Users		
Training Subsidy under Training Scheme for Child Care Supervisors and Special Child Care Workers in Pre-school Rehabilitation Services		
Short-term Rental Assistance		
Neighbourhood Support Child Care Project (NSCCP) - Contract Subsidy		
Training Subsidy Scheme for Standalone Child Care Cente (CCC), KG-cum-CCC and Residential CCC		
NSCCP - Subsidy for Fee Reduction/waiving		
NSCCP - Rent and Rates		
Training Sponsorship Scheme for Master in Occupational Therapy and Physiotherapy programmes		
Training Subsidy Programme for Children on the Waiting List for Subvented Pre-school Rehabilitation Services		
Financial Incentive Scheme for Mentors of Employees with Disabilities		
Cash Subsidy for Integrated Support Services for Persons with Severe Physical Disabilities		
Allowance for Specific Services Arising from the Implementation of the Minimum Wage Ordinance (Overnight On-site-on-call Allowance)	698,235.00	651,395.00
Time-defined Subsidy Scheme for Occasional Child Care Service		
Enhanced After School Care Programme		
Navigation Scheme for Young Persons in Care Services - Operating Expenses		
Special Allowance for Staff of Subvented Residential Service Units in respect of COVID-19		
Total	<u><u>698,235.00</u></u>	<u><u>651,395.00</u></u>

	2023-24	2022-23
Expenditure	\$	\$
Dementia Supplement for Elderly with Disabilities		
Infirmity Care supplement for the Aged Blind Person		
Dementia supplement for Residential Elderly Services		
Infirmity Care Supplement for Residential Elderly Services		
Dementia Supplement for Day Care Centres/ units for the Elderly		
Foster Care Allowance/Emergency Foster Care Allowance		
After School Care Programme		
Temporary Financial Aid		
Emergency Fund		
Time-defined Subsidy Scheme for Extended Hours Service Users		
Training Subsidy under Training Scheme for Child Care Supervisors and Special Child Care Workers in Pre-school Rehabilitation Services		
Short-term Rental Assistance		
Neighbourhood Support Child Care Project (NSCCP) - Contract Subsidy		
Training Subsidy Scheme for Standalone Child Care Centre (CCC), KG-cum-CCC and Residential CCC		
NSCCP - Subsidy for Fee Reduction/waiving		
NSCCP - Rent and Rates		
Training Sponsorship Scheme for Master in Occupational Therapy and Physiotherapy programmes		
Training Subsidy Programme for Children on the Waiting List for Subvented Pre-school Rehabilitation Services		
Financial Incentive Scheme for Mentors of Employees with Disabilities		
Cash Subsidy for Integrated Support Services for Persons with Severe Physical Disabilities		
Allowance for Specific Services Arising from the Implementation of the Minimum Wage Ordinance (Overnight On-site-on-call Allowance)	685,747.91	645,538.19
Time-defined Subsidy Scheme for Occasional Child Care Service		
Enhanced After School Care Programme		
Navigation Scheme for Young Persons in Care Services - Operating Expenses		
Special Allowance for Staff of Subvented Residential Service Units in respect of COVID-19		
Total	<u>685,747.91</u>	<u>645,538.19</u>

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 be included as Other Income in AFR. In this repect, donations should be 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	2022-23
	\$	\$
Other Income		
(a) Programme income	44,720.00	1,140.00
(b) Production income	-	-
(c) Donation	-	-
(d) Income from Other Activities	-	-
(e) Miscellaneous income	370.00	1,607.00
Total:	<u>45,090.00</u>	<u>2,747.00</u>

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.	2	1,466,883.92
HK\$800,001 - HK\$900,000 p.a.	1	808,706.00
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.	1	1,364,180.00

7. Other Charges

The breakdown on Other Charges is as follows:

	2023-24	2022-23
<u>Other Charges</u>	<u>\$</u>	<u>\$</u>
(a) Utilities	100,535.40	101,215.70
(b) Food	518,796.36	523,264.00
(c) Administrative Expenses	142,024.00	179,248.00
(d) Stores and Equipment	22,166.40	59,789.00
(e) Repair and Maintenance	303,974.28	713,797.65
(f) Special Allowances	204,800.00	230,400.00
(g) Programme Expenses	263,873.20	103,973.10
(h) Transportation and Travelling	100,076.70	35,534.50
(i) Insurance	238,173.25	253,460.77
(j) Miscellaneous	479,062.10	305,777.50
Total:	<u>2,373,481.69</u>	<u>2,506,460.22</u>

Sum Grant Reserve and balances of other SWD subventions

	Lump Sum Grant (LSG)	Holding Account (HA)	Rent and Rates	Central Items (CI)	Total
Income	\$	\$	\$	\$	\$
Lump Sum Grant	12,387,312.00				12,387,312.00
Fee Income	-				-
Other Income	45,090.00				45,090.00
Interest Received (Note (1))	56,092.90				56,092.90
Rent and Rates	-		581,178.00		581,178.00
Central Items	-			698,235.00	698,235.00
Total Income (a)	12,488,494.90		581,178.00	698,235.00	13,767,907.90
Expenditure					
Personal Emoluments	9,804,079.77	10,000.00			9,814,079.77
Other Charges	2,373,481.69				2,373,481.69
Rent and Rates			585,196.00		585,196.00
Central Items				685,747.91	685,747.91
Total Expenditure (b)	12,177,561.46	10,000.00	585,196.00	685,747.91	13,458,505.37
Surplus/(Deficit) for the Year (a)-(b)	310,933.44	(10,000.00)	(4,018.00)	12,487.09	309,402.53
<u>Less</u> : Surplus/(Deficit) of Provident Fund	169,116.03	-	-	-	169,116.03
	141,817.41	(10,000.00)	(4,018.00)	12,487.09	140,286.50
Surplus/(Deficit) b/f (Note (2))	2,591,240.58	150,756.13	28,832.00	5,856.81	2,776,685.52
	2,733,057.99	140,756.13	24,814.00	18,343.90	2,916,972.02
<u>Add</u> : Refund from Government					0.00
Backpayment of Rent & Rates - 2022/23			2,378.00		2,378.00
<u>Less</u> : Refund to Government					0.00
Clawback of Rent & Rates - 2022/23			(31,210.00)		(31,210.00)
Clawback of Central Item - 2022/23				(5,856.81)	(5,856.81)
Adjustment (SWD letter ref: SWD SF/SI/4-65-122(572)IV) item 1 of appendix A	321.00				321.00
Surplus/(Deficit) c/f (Note 4)	2,733,378.99	140,756.13	(4,018.00)	12,487.09	2,882,604.21

Notes:

- (1) Interest received on LSG (including HA) and PF 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 and the balance of HA should be separately reported as in the surplus b/f under LSG and HA respectively
- (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 (i.e. S1) will be capped at 25% of the NGO's operating expenditure excluding Provident Fund Contribution for the year.