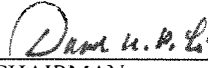


ANNUAL FINANCIAL REPORT
NGO : ST. JAMES' SETTLEMENT
1 APRIL 2023 TO 31 MARCH 2024

	Notes	Total <u>2023-24</u> \$	Total <u>2022-23</u> \$
A. INCOME			
1. Lump Sum Grant			
a. Lump Sum Grant (excluding Provident Fund)	1b	455,609,529.00	422,981,429.00
b. Provident Fund	1c	31,122,249.00	29,766,636.00
2. Fee Income	2	21,566,499.20	19,305,195.85
3. Central Items	3	32,704,972.00	27,407,338.00
4. Rent and Rates	4	10,111,907.00	9,025,121.00
5. Other Income	5	12,926,994.04	11,413,254.01
6. Interest Received		3,839,497.38	476,534.34
TOTAL INCOME		<u>567,881,647.62</u>	<u>520,375,508.20</u>
B. EXPENDITURE			
1. Personal Emoluments			
a. Salaries		391,971,139.53	346,072,302.88
b. Provident Fund	1c	25,804,944.78	22,712,114.00
c. Allowances		12,239,445.60	28,856,173.82
Sub-total	6	430,015,529.91	397,640,590.70
2. Other Charges	7	78,726,998.63	85,857,776.51
3. Central Items	3	24,383,819.68	24,639,723.89
4. Rent and Rates	4	13,845,872.69	12,674,835.15
TOTAL EXPENDITURE		<u>546,972,220.91</u>	<u>520,812,926.25</u>
C. SURPLUS/(DEFICIT) FOR THE YEAR	8	<u>20,909,426.71</u>	<u>(437,418.05)</u>

The Annual Financial Report from pages 2 to 12 has been prepared in accordance with the requirements as set out in the Lump Sum Grant Manual.

SIGNATURE


 CHAIRMAN
 DATE: 30 OCT 2024


 CHIEF EXECUTIVE OFFICER
 DATE: 30 OCT 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) 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

Provident Fund Contribution	<u>Snapshot Staff</u>	<u>6.8 % and Other Posts</u>	<u>Total</u>
	\$	\$	\$
Subvention Received	4,246,572.00	26,875,677.00	31,122,249.00
Provident Fund Contribution Paid during the Year	(4,309,809.00)	(21,495,135.78)	(25,804,944.78)
(Deficit)/ Surplus for the Year	(63,237.00)	5,380,541.22	5,317,304.22
Add: (Deficit) /Surplus b/f	(607,368.57)	23,591,439.71	22,984,071.14
Additional subvention received for previous year(s)		94,830.00	94,830.00
Less: Refund to Government	(131,214.00)		(131,214.00)
(Deficit) /Surplus c/f	(801,819.57)	29,066,810.93	28,264,991.36

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:

	<u>2023-24</u> \$	<u>2022-23</u> \$
a. <u>Income</u>		
Dementia Supplement for Elderly with Disabilities	52,357.00	53,291.00
Infirmity Care Supplement for the Aged Blind Persons		
Dementia Supplement for Residential Elderly Services		
Infirmity Care Supplement for Residential Elderly Services		
Foster Care Allowance/ One-off Special Allowance for Foster Children to Safeguard the Foster Children from the Coronavirus Disease / Emergency Foster Care Allowance		
After School Care Programme – Fee Waiving Subsidy Scheme	824,328.00	906,480.00
Training Subsidy under Training Scheme for Child Care Supervisors and Special Child Care Workers in Pre-school Rehabilitation Services		
Neighbourhood Support Child Care Project (NSCCP) – Contract Subsidy		
NSCCP – Subsidy for Fee Reduction/Waiving		
NSCCP – Subsidy for Incentive Payment		
NSCCP – Rent and Rates		
Training Sponsorship Scheme for Master in Occupational Therapy and Physiotherapy programmes	2,879,990.00	-
Training Subsidy Programme for Children on the Waiting List for Subvented Pre-school Rehabilitation Services	1,265,871.00	1,247,877.00
Financial Incentive Scheme for Mentors of Employees with Disabilities		
Enhanced After School Care Programme – Fee Waiving Subsidy Scheme	1,437,696.00	1,410,864.00
Navigation Scheme for Young Persons in Care Services - Operating Expenses		
Navigation Scheme for Young Persons in Care Services - Training Cost		
Subsidy for Enhanced Support for Ethnic Minority Children in Special Care Centre		
Subsidy for Enhanced Support for Ethnic Minority Children in Early Education and Training Centres		
Time-defined Allocation of Ethnic Minority District Ambassador Posts - salary and provident fund	501,910.00	958,960.00
Time-defined Allocation of Ethnic Minority District Ambassador Posts –other charges	42,680.00	81,420.00
Short-term Food Assistance Service Teams – Food Cost	19,391,196.00	17,231,665.00
Siu Lam Integrated Rehabilitation Services Complex – Management & Maintenance Cost for Common Area		
After School Care Programme for Pre-primary Children [ASCP(PC)] Contract Subsidy		
ASCP(PC) Fee Subsidy		
ASCP(PC) Rent and Rates		
Time-defined Service Contract of Social Work Service for Pre-primary Institutions		
- Allocation	5,763,404.00	5,158,600.00
- Rent and Rates		
Allowances for Specific Services Arising from the Implementation of the Minimum Wage Ordinance (Overnight On-site-on-call Allowance)	248,142.00	231,603.00
Travelling Subsidy of the designated Hotline for Carer Support (Carer Hotline)		
Pilot Scheme on Training to Foreign Domestic Helpers in Care for Persons with Disabilities	30,000.00	-
Special Grant for Providing Temporary Accommodation for Services Users of SAHK LOHAS Garden at Cheung Muk Tau Holiday Centre for the Elderly		
Special Grant for Temporary Relocation of Service Users of SAHK LOHAS Garden to Cheung Muk Tau Holiday Centre		
●One-off Allocation for Providing Assistance to Persons with Disabilities under the Government Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities	140,706.00	-
<i>For the following Central Items, please take note of para 4(f) of Points to Note on Preparation of AFR and Analysis Schedules in reporting the amounts of subvention</i>		
Temporary Financial Aid under Care and Support Networking Team^		
Emergency Fund for NGOs operating Integrated Services Team for Street Sleepers^	89,100.00	89,100.00
Time-defined Subsidy Scheme for Extended Hours Service Users^	11,357.00	11,243.00
Short-term Rental Assistance for Discharged Prisoners^		
Cash Subsidy for Integrated Support Services for Persons with Severe Physical Disabilities^		
Time-defined Subsidy Scheme for Occasional Child Care Service^	26,235.00	26,235.00
Total	<u>32,704,972.00</u>	<u>27,407,338.00</u>

	<u>2023-24</u> \$	<u>2022-23</u> \$
b. Expenditure		
Dementia Supplement for Elderly with Disabilities	52,200.00	53,280.00
Infinnary Care Supplement for the Aged Blind Persons		
Dementia Supplement for Residential Elderly Services		
Infinnary Care Supplement for Residential Elderly Services		
Foster Care Allowance/ One-off Special Allowance for Foster Children to Safeguard the Foster Children from the Coronavirus Disease / Emergency Foster Care Allowance		
After School Care Programme – Fee Waiving Subsidy Scheme	725,246.00	798,080.00
Training Subsidy under Training Scheme for Child Care Supervisors and Special Child Care Workers in Pre-school Rehabilitation Services		
Neighbourhood Support Child Care Project (NSCCP) – Contract Subsidy		
NSCCP – Subsidy for Fee Reduction/Waiving		
NSCCP – Subsidy for Incentive Payment		
NSCCP – Rent and Rates		
Training Sponsorship Scheme for Master in Occupational Therapy and Physiotherapy programmes	1,280,000.00	1,920,000.00
Training Subsidy Programme for Children on the Waiting List for Subvented Pre-school Rehabilitation Services	1,545,115.70	1,247,877.00
Financial Incentive Scheme for Mentors of Employees with Disabilities		
Enhanced After School Care Programme – Fee Waiving Subsidy Scheme	1,437,696.00	1,410,864.00
Navigation Scheme for Young Persons in Care Services - Operating Expenses		
Navigation Scheme for Young Persons in Care Services - Training Cost		
Subsidy for Enhanced Support for Ethnic Minority Children in Special Care Centre		
Subsidy for Enhanced Support for Ethnic Minority Children in Early Education and Training Centres		
Time-defined Allocation of Ethnic Minority District Ambassador Posts – salary and provident fund	273,222.00	540,810.00
Time-defined Allocation of Ethnic Minority District Ambassador Posts – other charges	27,030.02	41,017.83
One-off Subsidy for Strengthened Provision of Visiting Medical Officer Service for Residential Care Homes for the Elderly and Visiting Medical Practitioner Scheme for Residential Care Homes for Persons with Disabilities	-	460,100.00
Short-term Food Assistance Service Teams – Food Cost	13,561,586.98	13,077,708.71
Siu Lam Integrated Rehabilitation Services Complex – Management & Maintenance Cost for Common Area		
After School Care Programme for Pre-primary Children [ASCP(PC)] Contract Subsidy		
ASCP(PC) Fee Subsidy		
ASCP(PC) Rent and Rates		
Time-defined Service Contract of Social Work Service for Pre- primary Institutions		
- Allocation	5,322,386.18	4,869,231.25
- Rent and Rates		
Allowances for Specific Services Arising from the Implementation of the Minimum Wage Ordinance (Overnight On-site-on-call Allowance)	132,762.00	120,960.00
Travelling Subsidy of the designated Hotline for Carer Support (Carer Hotline)		
Pilot Scheme on Training to Foreign Domestic Helpers in Care for Persons with Disabilities	-	-
Special Grant for Providing Temporary Accommodation for Services Users of SAHK LOHAS Garden at Cheung Muk		
Tau Holiday Centre for the Elderly		
Special Grant for Temporary Relocation of Service Users of SAHK LOHAS Garden to Cheung Muk Tau Holiday Centre		
One-off Allocation for Providing Assistance to Persons with Disabilities under the Government Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities	4,841.80	-
Temporary Financial Aid under Care and Support Networking Team – other charges		
Emergency Fund for NGOs operating Integrated Services Team for Street Sleepers	21,733.00	99,795.10
Time-defined Subsidy Scheme for Extended Hours Service Users		
Short-term Rental Assistance for Discharged Prisoners		
Cash Subsidy for Integrated Support Services for Persons with Severe Physical Disabilities		
Time-defined Subsidy Scheme for Occasional Child Care Service		
Total	<u>24,383,819.68</u>	<u>24,639,723.89</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 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	8,935,540.93	4,515,400.21
(b) Production income	1,604,374.84	2,096,665.92
(c) Donation		
(d) Income from Other Activities		
(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 *	172,750.00	122,960.00
(f) Reimbursement of Maternity Leave Pay (RMPLP) Scheme reimbursement received	94,279.41	207,931.47
(g) Miscellaneous income	2,292,798.86	4,593,256.41
Sub-Total	13,099,744.04	11,536,214.01
Less: Utilised allocation under CI: ASCP / Enhanced ASCP / ASCP(PC) - FWSS which forms as part of Other Income*	(172,750.00)	(122,960.00)
Total	12,926,994.04	11,413,254.01

*For those programmes which are regarded as FSA services' 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:

<u>Analysis of Personal Emoluments paid under LSG</u>	<u>No of Posts</u>	<u>\$</u>
HK\$700,001 - HK\$800,000 p a	28	20,761,101.00
HK\$800,001 - HK\$900,000 p a	13	10,987,203.00
HK\$900,001 - HK\$1,000,000 p a	9	8,581,943.00
HK\$1,000,001 - HK\$1,100,000 p a	6	6,265,492.00
HK\$1,100,001 - HK\$1,200,000 p a	7	7,845,036.00
> HK\$1,200,000 p a	13	18,775,233.00

7. Other Charges

The breakdown on Other Charges is as follows:

	2023-24	2022-23
Other Charges	\$	\$
(a) Utilities	8,334,735.01	7,577,164.22
(b) Food	13,497,924.69	12,462,081.42
(c) Administrative Expenses	5,424,097.55	3,467,404.39
(d) Stores and Equipment	5,780,306.44	5,596,921.53
(e) Repair and Maintenance	7,045,871.57	6,749,741.56
(f) Special Allowances	1,667,407.64	1,750,094.02
(g) Programme Expenses	23,321,274.12	34,011,555.84
(h) Transportation and Travelling	5,747,284.13	4,330,327.37
(i) Insurance	5,303,114.64	4,108,486.02
(j) Miscellaneous	2,777,732.84	5,926,960.14
Sub-Total	78,899,748.63	85,980,736.51
Less: Utilised allocation under CI: ASCP / Enhanced ASCP / ASCP(PC) - FWSS* which forms as part of Other Income to fund the operating expenses of FSA services/ FSA-related activities	(172,750.00)	(122,960.00)
Total	78,726,998.63	85,857,776.51

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

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

	Analysis of Reserve Fund					
	Lump Sum Grant (LSG)	Holding Account (HA)	Adjustment for Utilised allocation under ASCP/Enhanced ASCP / ASCP(PC) – FWSS	Rent and Rates	Central Items (CI)	Total
Income	\$	\$	\$	\$	\$	\$
Lump Sum Grant	486,731,778.00					486,731,778.00
Fee Income	21,566,499.20					21,566,499.20
Other Income	13,099,744.04		(172,750.00)			12,926,994.04
Interest Received (Note (1))	3,839,497.38					3,839,497.38
Rent and Rates				10,111,907.00		10,111,907.00
Central Items					32,704,972.00	32,704,972.00
Total Income (a)	525,237,518.62	-	(172,750.00)	10,111,907.00	32,704,972.00	567,881,647.62
Expenditure						
Personal Emoluments	430,015,529.91					430,015,529.91
Other Charges	78,899,748.63		(172,750.00)			78,726,998.63
Rent and Rates				13,845,872.69		13,845,872.69
Central Items					24,383,819.68	24,383,819.68
Total Expenditure (b)	508,915,278.54	-	(172,750.00)	13,845,872.69	24,383,819.68	546,972,220.91
Surplus/(Deficit) for the Year (a) - (b)	16,322,240.08	-	-	(3,733,965.69)	8,321,152.32	20,909,426.71
Less: Surplus/(Deficit) of Provident Fund	5,317,304.22					5,317,304.22
	11,004,935.86	-	-	(3,733,965.69)	8,321,152.32	15,592,122.49
Surplus/(Deficit) b/f (Note (2))	88,455,062.44	-	-	(6,045,307.61)	10,664,183.88	93,073,938.71
Add:						
- Refund from Government				5,743,503.00		5,743,503.00
Less:						
- Refund to Government				(477,019.00)	(148,132.00)	(625,151.00)
Transfer from LSG Reserve to cover the salary adjustment for Dementia Supplement and Infirmary Care Supplementary (Note (3))						
Adjustment for utilised allocation under <u>Enhanced</u> ASCP / ASCP(PC) – FWSS* (over-estimated) / under-estimated in previous year(s)						
Surplus/(Deficit) c/f (Note (4))	99,459,998.30	-	-	(4,512,789.30)	18,837,204.20	113,784,413.20

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/ FSA-related activities only

(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) 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) 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 (TI) excluding Provident Fund Contribution (K)) 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 (TI+T2) excluding Provident Fund Contribution (K)) 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 (TI) excluding Provident Fund Contribution (K)) 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 (TI+T2) excluding Provident Fund Contribution (K)) for the year. In this regard, separate disclosure of the movement of HA in their respective AFRs is not necessary

[For (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.]

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