

ANNUAL FINANCIAL REPORT
NGO: THE MISSION COVENANT CHURCH LIMITED
(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	6,756,004.00	6,228,901.00
b. Provident Fund	1c	540,035.00	495,942.00
2. Fee Income	2	5,775.00	5,691.00
3. Central Items	3	-	-
4. Rent and Rates	4	173,368.00	172,817.00
5. Other Income	5	785,532.80	159,900.00
6. Interest Received		52,859.65	1,277.05
TOTAL INCOME		<u>8,313,574.45</u>	<u>7,064,528.05</u>
B. EXPENDITURE			
1. Personal Emoluments			
a. Salaries		6,409,037.00	5,498,508.00
b. Provident Fund	1c	476,168.09	412,565.66
c. Allowances		-	-
Sub-total	6	<u>6,885,205.09</u>	<u>5,911,073.66</u>
2. Other Charges	7	1,112,225.96	917,968.97
3. Central Items	3	-	-
4. Rent and Rates	4	173,368.00	164,228.00
TOTAL EXPENDITURE		<u>8,170,799.05</u>	<u>6,993,270.63</u>
C. SURPLUS/ (DEFICIT) FOR THE YEAR	8	<u>142,775.40</u>	<u>71,257.42</u>

The Annual Financial Report from pages 1 to 6 has been prepared in accordance with the requirements as set out in the Lump Sum Grant Manual.


 KOK YIN HO TEQUILA
 CHAIRMAN

DATE: 30 SEP 2024


 REV. NG WAI MING
 GENERAL SECRETARY

DATE: 30 SEP 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 :

	Snapshot Staff \$	6.8% and Other Posts \$	Total \$
<u>Provident Fund Contribution</u>			
Subvention Received	142,443.00	397,592.00	540,035.00
Provident Fund Contribution Paid during the Year	(142,443.00)	(333,725.09)	(476,168.09)
Surplus/ (Deficit) for the Year	-	63,866.91	63,866.91
<u>Add</u> : Surplus/ (Deficit) b/f	0.50	1,127,327.90	1,127,328.40
Additional subvention received for previous year(s)	-	-	-
<u>Less</u> : Refund to Government		-	-
Surplus/ (Deficit) c/f	0.50	1,191,194.81	1,191,195.31

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 \$
a. Income		
Training Subsidy under Training Scheme for Child Care Supervisors and Special Child Care Workers in Pre-school Rehabilitation Services	-	-
	-	-
b. Expenditure		
Training Subsidy under Training Scheme for Child Care Supervisors and Special Child Care Workers in Pre-school Rehabilitation Services	-	-
Total	-	-

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 be 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:

Other Income	2023-24	2022-23
	\$	\$
(a) Programme income	376,750.00	148,700.00
(b) Production income	-	-
(c) Donation	389,881.80	-
(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 *		
(f) Reimbursement of Maternity Leave Pay	-	-
(RMLP) Scheme reimbursement received		
(g) Miscellaneous income	18,901.00	11,200.00
Sub-Total	785,532.80	159,900.00
<u>Less:</u> Utilised allocation under CI: ASCP		
/ Enhanced ASCP / ASCP(PC) -	-	-
FWSS which forms as part of Other Income*		
Total	785,532.80	159,900.00

**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:

Analysis of Personal Emoluments paid under LSG	No of Posts	\$
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.	1	1,155,014.00
>HK\$1,200,000 p.a.	-	-

7. Other Charges

The breakdown on Other Charges is as follows:

	2023-24 \$	2022-23 \$
Other Charges		
(a) Utilities	42,853.10	35,431.90
(b) Food	-	-
(c) Administrative Expenses	58,840.80	46,227.83
(d) Stores and Equipment	65,542.74	82,275.60
(e) Repair and Maintenance	120,238.80	123,777.74
(f) Special Allowances	-	-
(g) Programme Expenses	641,883.90	466,406.90
(h) Transportation and Travelling	446.20	1,091.70
(i) Insurance	36,829.87	32,565.27
(j) Miscellaneous	145,590.55	130,192.03
Sub-Total	1,112,225.96	917,968.97
<u>Less: Utilised allocation under CI: ASCP</u>		
<u>/ Enhanced ASCP / ASCP(PC) -</u>	-	-
<u>FWSS* which forms as part of Other Income</u>		
Total	1,112,225.96	917,968.97

**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

	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	7,296,039.00	-	-	-	-	7,296,039.00
Fee Income	5,775.00	-	-	-	-	5,775.00
Other Income	785,532.80	-	-	-	-	785,532.80
Interest Received (Note (1))	52,859.65	-	-	-	-	52,859.65
Rent and Rates	-	-	-	173,368.00	-	173,368.00
Central Items	-	-	-	-	-	-
Total Income (a)	8,140,206.45	-	-	173,368.00	-	8,313,574.45
Expenditure						
Personal Emoluments	6,742,394.09	142,811.00	-	-	-	6,885,205.09
Other Charges	1,112,225.96	-	-	-	-	1,112,225.96
Rent and Rates	-	-	-	173,368.00	-	173,368.00
Central Items	-	-	-	-	-	-
Total Expenditure (b)	7,854,620.05	142,811.00	-	173,368.00	-	8,170,799.05
Surplus/(Deficit) for the Year (a) - (b)	285,586.40	(142,811.00)	-	-	-	142,775.40
Less : Surplus/ (Deficit) of Provident Fund	63,866.91	-	-	-	-	63,866.91
	221,719.49	(142,811.00)	-	-	-	78,908.49
Surplus/ (Deficit) b/f (Note (2))	1,504,990.38	148,034.09	-	8,589.00	-	1,661,613.47
	1,726,709.87	5,223.09	-	8,589.00	-	1,740,521.96
Add : Refund from Government	-	-	-	-	-	-
Less : Refund to Government	-	-	-	(8,589.00)	-	(8,589.00)
Add : SWD Audit Adjustment SWD Ref: SF/SI/4-65/144(714)III	1,115.80	-	-	-	-	1,115.80
Transfer from LSG Reserve to cover the salary adjustment for Dementia Supplement and Infirmary Care Supplement (Note (3))	-	-	-	-	-	-
Adjustment for utilised allocation under Enhanced ASCP / ASCP(PC) – FWSS* (over-estimated) / under-estimated in previous year(s)	-	-	-	-	-	-
Surplus/ (Deficit) c/f (Note (4))	1,727,825.67	5,223.09	-	-	-	1,733,048.76

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