

**COMBINED ANNUAL FINANCIAL REPORT**  
**NGO: 128 Ching Chung Taoist Association of Hong Kong Limited**

**1 APRIL 2023 TO 31 MARCH 2024**

	Notes	2023-24 FSA \$	2022-23 FSA \$	Remarks
<b>A. INCOME</b>				
1. Lump Sum Grant(1a+1b+2+4+5)		47,731,280.00	45,944,538.00	
a. Lump Sum Grant (excluding Provident Fund)	1b	40,166,861.00	38,144,081.00	
b. Provident Fund	1c	2,935,299.00	2,841,629.00	
2. Fee Income	2	4,016,891.20	3,834,657.90	
3. Central Items	3	4,087,459.00	4,417,167.00	
4. Rent and Rates	4	541,661.00	541,661.00	
5. Other Income	5	243,673.07	132,288.23	
6. Interest Received		714,290.28	54,551.83	
<b>TOTAL INCOME</b>		<b>52,706,134.55</b>	<b>49,966,035.96</b>	
<b>B. EXPENDITURE</b>				
1. Personal Emoluments				
a. Salaries		33,397,855.56	31,962,145.98	
b. Provident Fund	1c	2,774,720.11	2,750,187.66	
c. Allowances		2,302,118.15	2,457,294.24	
Sub-total	6	38,474,693.82	37,169,627.88	
2. Other Charges	7	8,217,134.58	7,582,782.14	
3. Central Items	3	4,259,039.14	4,521,826.52	
4. Rent and Rates	4	506,455.20	471,329.20	
<b>TOTAL EXPENDITURE</b>		<b>51,457,322.74</b>	<b>49,745,565.74</b>	
<b>C. SURPLUS / (DEFICIT) FOR THE YEAR</b>	8	<b>1,248,811.81</b>	<b>220,470.22</b>	

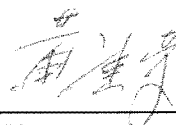
The Annual Financial Report from pages 3 to 14 has been prepared in accordance with the requirements as set out in the Lump Sum Grant Manual.

SIGNATURE



Chau Kwok Hung  
 Planning & Coordinating Officer  
 Date: **30 SEP 2024**

SIGNATURE



Wong Kin Wing  
 Chairman  
 The Board of Directors  
 Date: **30 SEP 2024**

Name of Agency : 128 Ching Chung Taoist Association of Hong Kong LimitedAgency Code : 128**COMBINED OPERATING INCOME & EXPENDITURE STATEMENT 1/4/2023 TO 31/3/2024**

	Notes	2023-24 FSA (a)	2023-24 Non-FSA (b)	2023-24 Total (a)+(b)	2022-23 FSA	Remarks
<b>A. INCOME</b>		\$	\$	\$	\$	
1. Lump Sum Grant(1a+1b+2+4+5)		47,731,280.00	-	47,731,280.00	45,944,538.00	
a. Lump Sum Grant (excluding PF)	1b	40,166,861.00	-	40,166,861.00	38,144,081.00	
b. Provident Fund (PF)	1c	2,935,299.00	-	2,935,299.00	2,841,629.00	
2. Fee Income	2	4,016,891.20	-	4,016,891.20	3,834,657.90	
3. Central Items	3	4,087,459.00	-	4,087,459.00	4,417,167.00	
Dementia Supplement (DS)		3,507,919.00	-	3,507,919.00	3,569,097.00	
Infirmary Care Supplement (ICS)		579,540.00	-	579,540.00	848,070.00	
4. Rent and Rates	4	541,661.00	-	541,661.00	541,661.00	
Rent		312,645.00	-	312,645.00	312,645.00	
Rates		229,016.00	-	229,016.00	229,016.00	
5. Other Income	5	243,673.07	517,324.26	760,997.33	132,288.23	
(a) Staff food Reimbursement		-	169,072.30	169,072.30	-	
(b) Major Grant, Lotteries Fund (LF)		-	-	-	-	
(c) Jockey Club Fund		-	-	-	-	
(d) Other Income		67,578.07	21,724.00	89,302.07	84,203.23	
(e) Block Grant Income (BG)		-	56,900.00	56,900.00	-	
(f) Subvented by Agency		-	179,359.96	179,359.96	-	
(g) Program Income		176,095.00	-	176,095.00	48,085.00	
(h) One-off Subsidy for Organising Social Activities		-	-	-	-	
(i) Social Welfare Development Fund (SWDF)		-	-	-	-	
(j) One-off Subsidy for Elderly Centres for Purchase of Warm Items		-	20,800.00	20,800.00	-	
(k) Innovation and Technology Fund		-	6,884.00	6,884.00	-	
(l) Pilot Project on Provision of Wi-Fi Service		-	19,584.00	19,584.00	-	
(m) Continuous Enhancement Programme on Infection Control for Residential Care Homes for the Elderly (RCHes) and Residential Care Homes for Persons with Disabilities (RCHDs)		-	11,960.00	11,960.00	-	
(n) Minor Grant, Lotteries Fund (LF) (Purchasing Furniture and Equipment for Ching Chung Home for the Aged)		-	8,640.00	8,640.00	-	
(o) Training Subsidy Scheme for Staff of Residential Care Homes		-	22,400.00	22,400.00	-	
6. Interest Received		714,290.28	10,472.60	724,762.88	54,551.83	
<b>TOTAL INCOME</b>		<b>52,706,134.55</b>	<b>527,796.86</b>	<b>53,233,931.41</b>	<b>49,966,035.96</b>	(A)
<b>B. EXPENDITURE</b>						
1. <u>Personal Emoluments</u> :	6	38,474,693.82	7,400.00	38,482,093.82	37,169,627.88	
a. Salaries		33,823,473.83	-	33,823,473.83	31,974,338.94	
b. Provident Fund (PF)	1c	2,774,720.11	-	2,774,720.11	2,750,187.66	
c. Allowances		2,302,118.15	7,400.00	2,309,518.15	2,457,294.24	
Less: Forfeiture of Employer's Contributions		-	-	-	-	
Less: Employee's Compensation claim		(425,618.27)	-	(425,618.27)	(12,192.96)	
Total Personal Emoluments		38,474,693.82	7,400.00	38,482,093.82	37,169,627.88	

	Notes	2023-24 FSA (a) \$	2023-24 Non-FSA (b) \$	2023-24 Total (a)+(b) \$	2022-23 FSA \$	Remarks
<b>2. Other Charges :</b>	<b>7</b>					
(a) <u>Utilities</u>						
Electricity		1,034,481.00	-	1,034,481.00	959,214.60	
Gas and Fuel		165,451.00	-	165,451.00	150,932.00	
Water		41,613.10	-	41,613.10	18,410.55	
Sewage Charge		18,513.80	-	18,513.80	6,090.95	
Sub-total		1,260,058.90	-	1,260,058.90	1,134,648.10	
(b) <u>Food</u>						
Food for Clients		2,230,143.95	-	2,230,143.95	2,178,162.38	
Food for Staff		-	169,072.30	169,072.30	-	
Sub-total		2,230,143.95	169,072.30	2,399,216.25	2,178,162.38	
(c) <u>Administrative Expenses</u>						
Cleaning Charges		337,078.50	-	337,078.50	382,833.60	
Postage		10,786.50	-	10,786.50	9,389.20	
Telephone & Fax		68,461.00	2,551.00	71,012.00	65,206.00	
Broadband		33,966.00	19,584.00	53,550.00	22,868.00	
Advertisement		82,323.24	-	82,323.24	66,912.40	
Other Expenses		-	-	-	-	
Bank Charges for Auto-pay of Salaries / Others / Registration Fees		9,539.00	-	9,539.00	5,090.00	
Registration Fee under ORSO (Occupational Retirement Scheme Ordinance)		1,800.00	-	1,800.00	1,800.00	
Registration Fee under MPF		-	-	-	-	
Professional Charges		-	78,500.00	78,500.00	-	
Audit Fee		-	-	-	-	
(a) For Registered Occupational Retirement Scheme		-	-	-	1,500.00	
(b) Annual Audit		160,400.00	-	160,400.00	153,900.00	
Website Administration Fee		40,800.00	-	40,800.00	-	
Sub-total		745,154.24	100,635.00	845,789.24	709,499.20	
(d) <u>Stores and Equipment</u>						
Printing and Stationery		120,888.46	-	120,888.46	143,769.60	
Newspapers and Periodicals		28,440.00	-	28,440.00	23,915.00	
Minor Purchases		798,581.06	-	798,581.06	760,192.12	
Repair and Maintenance		718,808.80	7,280.00	726,088.80	725,157.20	
Sub-total		1,666,718.32	7,280.00	1,673,998.32	1,653,033.92	
(e) <u>Repair and Maintenance</u>						
Lift and Dumbwaiter		-	-	-	-	
Fire Services Equipment		-	-	-	-	
Sewage Treatment Plant		-	-	-	-	
Others		-	-	-	-	
Sub-total		-	-	-	-	

	Notes	2023-24 FSA (a)	2023-24 Non-FSA (b)	2023-24 Total (a)+(b)	2022-23 FSA	Remarks
(f) <u>Special Allowances</u>		\$	\$	\$	\$	
Sub-total		-	-	-	-	
(g) <u>Programme Expenses</u>						
Programme Expenses		507,284.14	43,122.00	550,406.14	314,697.62	
Sub-total		507,284.14	43,122.00	550,406.14	314,697.62	
(h) <u>Transport and Travelling</u>						
Vehicle Expenses :-		84,544.02	-	84,544.02	120,787.50	
(a) Vehicle Licence		114.00	-	114.00	114.00	
(b) Third Party Insurance		27,566.82	-	27,566.82	28,422.70	
(c) Repair and Maintenance		24,944.00	-	24,944.00	62,266.00	
(d) Petroleum		31,919.20	-	31,919.20	29,984.80	
Other Travelling Expenses		16,236.81	-	16,236.81	13,321.72	
Sub-total		100,780.83	-	100,780.83	134,109.22	
(i) <u>Insurance Premium</u>		394,752.30	11,902.26	406,654.56	408,357.10	
Sub-total		394,752.30	11,902.26	406,654.56	408,357.10	
(j) <u>Miscellaneous</u>						
(a) Sundry Expenses & Consumable Stores		56,906.07	6,179.00	63,085.07	58,407.90	
(b) Staff Welfare & Body Check		35,918.00	23,799.00	59,717.00	14,290.00	
(c) Staff Training		24,190.00	6,026.70	30,216.70	21,320.00	
(d) Block Grant Expenses (BG)		-	56,900.00	56,900.00	-	
(e) Medical Expenses		610,352.20	21,724.00	632,076.20	659,067.90	
(f) SARS Expenses		36,150.00	-	36,150.00	128,518.80	
(g) Hiring Outside Services		548,725.63	-	548,725.63	168,670.00	
(h) Social Welfare Development Fund (SWDF) expenses		-	-	-	-	
(i) Continuous Enhancement Programme on Infection Control for Residential Care Homes for the Elderly (RCHes) and Residential Care Homes for Persons with Disabilities (RCHDs)		-	11,960.00	11,960.00	-	
(j) Minor Grant, Lotteries Fund (LF) (Purchasing Furniture and Equipment for Ching Chung Home for the Aged)		-	8,640.00	8,640.00	-	
(k) Training Subsidy Scheme for Staff of Residential Care Homes		-	15,000.00	15,000.00	-	
(l) One-off Subsidy for Elderly Centres for Purchase of Warm Items		-	20,800.00	20,800.00	-	
Sub-total		1,312,241.90	171,028.70	1,483,270.60	1,050,274.60	
Total Other Charges		8,217,134.58	503,040.26	8,720,174.84	7,582,782.14	

Name of Agency : 128 Ching Chung Taoist Association of Hong Kong LimitedAgency Code : CIE (4) (Cont'd)  
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	Notes	2023-24 FSA (a) \$	2023-24 Non-FSA (b) \$	2023-24 Total (a)+(b) \$	2022-23 FSA \$	Remarks
3. <u>Central Items</u>	3					
Dementia Supplement (DS)		3,653,217.87	-	3,653,217.87	3,646,854.52	
Infirmity Care Supplement (ICS)		605,821.27	-	605,821.27	874,972.00	
Total Central Items		4,259,039.14	-	4,259,039.14	4,521,826.52	
4. <u>Rent and Rates</u>	4					
<u>Rent</u>						
PHE Rental		189,595.20	-	189,595.20	187,339.20	
Private Rental		-	-	-	-	
Carpark Rental		-	-	-	-	
Management Fee		-	-	-	-	
Building Maintenance		-	-	-	-	
Other (Please specify: )		-	-	-	-	
<u>Government Rent</u>		115,920.00	-	115,920.00	115,920.00	
<u>Rates</u>		200,940.00	-	200,940.00	168,070.00	
Total Rent and Rates		506,455.20	-	506,455.20	471,329.20	
<b>TOTAL EXPENDITURE</b>		<b>51,457,322.74</b>	<b>510,440.26</b>	<b>51,967,763.00</b>	<b>49,745,565.74</b>	(B)
<b>C. SURPLUS / (DEFICIT) FOR THE YEAR</b>	8	<b>1,248,811.81</b>	<b>17,356.60</b>	<b>1,266,168.41</b>	<b>220,470.22</b>	
<b>C1. PF SURPLUS / (DEFICIT) FOR THE YEAR (FSA)</b>		<b>160,578.89</b>	<b>-</b>	<b>160,578.89</b>	<b>91,441.34</b>	
<b>C2. LSG SURPLUS / (DEFICIT) FOR THE YEAR (FSA)</b>		<b>1,088,232.92</b>	<b>-</b>	<b>1,088,232.92</b>	<b>129,028.88</b>	
<b>C3. SURPLUS / (DEFICIT) FOR THE YEAR (NS-LF)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>C4. SURPLUS / (DEFICIT) FOR THE YEAR (NS-CCTA)</b>		<b>-</b>	<b>17,356.60</b>	<b>17,356.60</b>	<b>-</b>	

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Chau Kwok Hung  
Planning & Coordinating Officer  
Date: **30 SEP 2024**

Wong Kin Wing  
Chairman  
The Board of Directors  
Date: **30 SEP 2024**

## NOTES ON THE ANNUAL FINANCIAL REPORT FOR FY2023/24

## 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 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 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. 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	650,376.00	2,284,923.00	2,935,299.00
Provident Fund Contribution Paid during the Year	(570,733.40)	(2,203,986.71)	(2,774,720.11)
<b>Surplus / (Deficit) for the Year</b>	<b>79,642.60</b>	<b>80,936.29</b>	<b>160,578.89</b>
<b>Add : Surplus / (Deficit) b/f</b>	<b>65,822.27</b>	<b>3,478,083.56</b>	<b>3,543,905.83</b>
Additional Subvention Received for 2021/22	0.00	29,393.00	29,393.00
<b>Less : Refund to Government</b>	<b>(109,114.00)</b>	<b>-</b>	<b>(109,114.00)</b>
<b>Surplus / (Deficit) c/f</b>	<b>36,350.87</b>	<b>3,588,412.85</b>	<b>3,624,763.72</b>

**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 Lump Sum Grant Manual.

**3. Central Items** These are subvented service activities which are not included in Lump Sum Grant 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>
	\$	\$
<b>a. Income</b>		
Dementia Supplement for Residential Elderly Services	3,507,919.00	3,569,097.00
Infirmary Care Supplement for Residential Elderly Services	579,540.00	848,070.00
<b>Total</b>	<b>4,087,459.00</b>	<b>4,417,167.00</b>
<b>b. Expenditure</b>		
Dementia Supplement for Residential Elderly Services	3,653,217.87	3,646,854.52
Infirmary Care Supplement for Residential Elderly Services	605,821.27	874,972.00
<b>Total</b>	<b>4,259,039.14</b>	<b>4,521,826.52</b>

**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:

	<u>2023-24</u>	<u>2022-23</u>
<u>Other Income</u>	<u>\$</u>	<u>\$</u>
(a) Programme income	176,095.00	48,085.00
(b) Production income	-	-
(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 *	-	-
(f) Reimbursement of Maternity Leave Pay (RMLP) Scheme reimbursement received	-	27,964.20
(g) Miscellaneous income	67,578.07	56,239.03
<b>Sub-Total</b>	<b>243,673.07</b>	<b>132,288.23</b>
<b>Less: Utilised allocation under CI: ASCP / Enhanced ASCP / ASCP(PC) - FWSS which forms as part of Other Income*</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>243,673.07</b>	<b>132,288.23</b>

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

**NOTES ON THE ANNUAL FINANCIAL REPORT FOR FY2023/24**

<b>6. Personal Emoluments</b>	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</u>	<u>No of Posts</u>
	HK\$700,001 - HK\$800,000 p.a.	3
	HK\$800,001 - HK\$900,000 p.a.	2
	HK\$900,001 - HK\$1,000,000 p.a.	1
	HK\$1,000,001 - HK\$1,100,000 p.a.	1
	HK\$1,100,001 - HK\$1,200,000 p.a.	-
	>HK\$1,200,000 p.a.	-

<b>7. Other Charges</b>	The breakdown on Other Charges is as follows:	
	<u>2023-24</u>	<u>2022-23</u>
	\$	\$
(a) Utilities	1,260,058.90	1,134,648.10
(b) Food	2,230,143.95	2,178,162.38
(c) Administrative Expenses	745,154.24	709,499.20
(d) Stores and Equipment	1,666,718.32	1,653,033.92
(e) Repair and Maintenance	-	-
(f) Special Allowances	-	-
(g) Programme Expenses	507,284.14	314,697.62
(h) Transportation and Travelling	100,780.83	134,109.22
(i) Insurance	394,752.30	408,357.10
(j) Miscellaneous	1,312,241.90	1,050,274.60
<b>Sub-Total</b>	<b>8,217,134.58</b>	<b>7,582,782.14</b>

Less : Utilised allocation under CI: ASCP / Enhanced ASCP /

ASCP(PC) - FWSS\* which forms as part of Other

<b>Total</b>	<b>8,217,134.58</b>	<b>7,582,782.14</b>
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\*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
	\$	\$	\$	\$	\$	\$
<b>Income</b>						
Lump Sum Grant (LSG)	43,102,160.00	-	-	-	-	43,102,160.00
Fee Income	4,016,891.20	-	-	-	-	4,016,891.20
Other Income	243,673.07	-	-	-	-	243,673.07
Interest Received (Note (1))	714,290.28	-	-	-	-	714,290.28
Rent and Rates	-	-	-	541,661.00	-	541,661.00
Central Items	-	-	-	-	4,087,459.00	4,087,459.00
<b>Total Income (a)</b>	<b>48,077,014.55</b>	<b>0.00</b>	<b>0.00</b>	<b>541,661.00</b>	<b>4,087,459.00</b>	<b>52,706,134.55</b>
<b>Expenditure</b>						
Personal Emoluments	38,474,693.82	-	-	-	-	38,474,693.82
Other Charges	8,217,134.58	-	-	-	-	8,217,134.58
Rent and Rates	-	-	-	506,455.20	-	506,455.20
Central Items	-	-	-	-	4,259,039.14	4,259,039.14
<b>Total Expenditure (b)</b>	<b>46,691,828.40</b>	<b>0.00</b>	<b>0.00</b>	<b>506,455.20</b>	<b>4,259,039.14</b>	<b>51,457,322.74</b>
<b>Surplus / (Deficit) for the Year (a) - (b)</b>	<b>1,385,186.15</b>	<b>0.00</b>	<b>0.00</b>	<b>35,205.80</b>	<b>(171,580.14)</b>	<b>1,248,811.81</b>
<b>Less : Surplus/ (Deficit) of Provident Fund</b>	<b>160,578.89</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>160,578.89</b>
<b>Surplus / (Deficit) for the year</b>	<b>1,224,607.26</b>	<b>0.00</b>	<b>0.00</b>	<b>35,205.80</b>	<b>(171,580.14)</b>	<b>1,088,232.92</b>
<b>Surplus/ (Deficit) b/f (Note (2))</b>	<b>10,364,168.09</b>	<b>4,604,738.73</b>	<b>0.00</b>	<b>69,458.00</b>	<b>0.00</b>	<b>15,038,364.82</b>
	<b>11,588,775.35</b>	<b>4,604,738.73</b>	<b>0.00</b>	<b>104,663.80</b>	<b>(171,580.14)</b>	<b>16,126,597.74</b>
<b>FY2022/23 Rent &amp; Rates(CA)</b>						
Less : Refund to Government (Rent)	-	-	-	(3,324.00)	-	(3,324.00)
Less : Refund to Government (Rates)	-	-	-	(22,256.00)	-	(22,256.00)
<b>FY2022/23 Rent &amp; Rates(HA)</b>						
Less : Refund to Government (Rent)	-	-	-	(5,913.00)	-	(5,913.00)
Less : Refund to Government (Rates)	-	-	-	(28,417.00)	-	(28,417.00)
<b>FY2022/23 Rent &amp; Rates(HP)</b>						
Less : Refund to Government (Rent)	-	-	-	(148.80)	-	(148.80)
Less : Refund to Government (Rates)	-	-	-	(10,273.00)	-	(10,273.00)
<b>FY2023/24 Central Items</b>						
Transfer from LSG Reserve to cover the salary adjustment for Dementia Supplement and Infirmary Care Supplement (Note (3))	(171,580.14)	-	-	-	171,580.14	-
Adjustment for utilised allocation under Enhanced ASCP / ASCP(PC) - FWSS* (overestimated) / under-estimated in previous year(s)						
<b>Surplus / (Deficit) c/f (Note (4))</b>	<b>11,417,195.21</b>	<b>4,604,738.73</b>	<b>0.00</b>	<b>34,332.00</b>	<b>0.00</b>	<b>16,056,265.94</b>

## 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 of 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 (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 (T1+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 (T1) 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 (T1+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 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.]

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.