

**ANNUAL FINANCIAL REPORT
NGO : HONG KONG BLIND UNION
1 APRIL 2022 TO 31 MARCH 2023**

	Notes	2022 - 23 \$	2021 - 22 \$
A. INCOME			
1 Lump Sum Grant			
a. Lump Sum Grant (Excluding Provident Fund)	1b	6,016,055.00	5,946,846.00
b. Provident Fund	1c	324,780.00	320,060.00
2 Fee Income	2	29,800.00	28,500.00
3 Central Items	3	-	-
4 Rent and Rates	4	217,326.00	207,534.00
5 Other Income	5	138,560.00	17,497.00
6 Interest Received		12,270.69	4,859.61
TOTAL INCOME		<u>6,738,791.69</u>	<u>6,525,296.61</u>
B. EXPENDITURE			
1 Personal Emoluments			
a. Salaries		4,878,945.21	4,788,612.34
b. Provident Fund	1c	311,461.89	245,249.84
c. Allowances		-	-
Sub-total	6	<u>5,190,407.10</u>	<u>5,033,862.18</u>
2 Other Charges	7	1,810,965.47	1,363,713.80
3 Central Items	3	-	-
4 Rent and Rates	4	<u>208,814.00</u>	<u>199,022.00</u>
TOTAL EXPENDITURE		<u>7,210,186.57</u>	<u>6,596,597.98</u>
C. SURPLUS/(DEFICIT) FOR THE YEAR	8	<u><u>(471,394.88)</u></u>	<u><u>(71,301.37)</u></u>

The Annual Financial Report from pages 3 to 10 has been prepared in accordance with the requirements as set out in the Lump Sum Grant Manual.

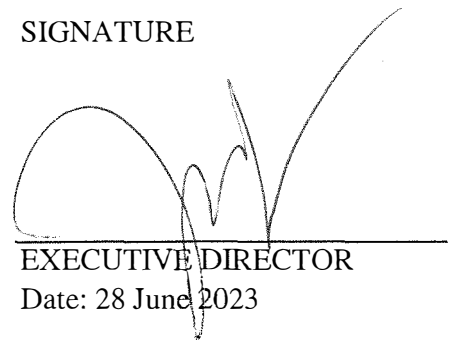
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PRESIDENT

Date: 28 June 2023

SIGNATURE



EXECUTIVE DIRECTOR

Date: 28 June 2023

NOTES ON THE ANNUAL FINANCIAL REPORT

1. Lump Sum Grant

a. Basis of preparation

The Annual Financial Report (AFR) is prepared in respect of all Funding and Service Agreement (FSA) activities (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 items 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	-	324,780.00	324,780.00
Provident Fund Contribution Paid during the Year	-	311,461.89	311,461.89
Surplus/(Deficit) for the Year	-	13,318.11	13,318.11
Add : Surplus/(Deficit) b/f	-	626,990.81	626,990.81
Refund to Government	-	-	-
Surplus/(Deficit) c/f	-	640,308.92	640,308.92

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 subsidies allocated to NGOs for specified purposes on a recurrent, time-limited or one-off basis 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. Any surplus, which is not allowed to be offset by any deficit of another item, is subject to claw-back by SWD according to the terms and conditions of individual central items. 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 LGS Manual). The income and expenditure of each of the Central Items are as follows:

	2022 - 23	2021 - 22
	\$	\$
<u>a. Income</u>		
One-off Subsidy for Organising Social Activities for Elderly Persons and Persons with Disabilities	-	-
Total	-	-

NOTES ON THE ANNUAL FINANCIAL REPORT

3. Central Items - continued

	2022 - 23	2021 - 22
	\$	\$
<u>b. Expenditure</u>		
One-off Subsidy for Organising Social Activities for Elderly Persons and Persons with Disabilities	-	-
Total	<u>-</u>	<u>-</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 need not be included as Other Income in AFR. In this respect, donations have been 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:

	2022 - 23	2021 - 22
	\$	\$
Other Income		
a) Fees and charges for services incidental to the operation of subvented services	138,560.00	17,297.00
b) Others	-	200.00
Total	<u>138,560.00</u>	<u>17,497.00</u>

6. Personal Emoluments Personal Emoluments include salary, provident fund, 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.	N.A.	N.A.
HK\$800,001 - HK\$900,000 p.a.	N.A.	N.A.
HK\$900,001 - HK\$1,000,000 p.a.	N.A.	N.A.
HK\$1,000,001 - HK\$1,100,000 p.a.	N.A.	N.A.
HK\$1,100,001 - HK\$1,200,000 p.a.	N.A.	N.A.
>HK\$1,200,000 p.a.	N.A.	N.A.

NOTES ON THE ANNUAL FINANCIAL REPORT

7. Other Charges	<u>2022 - 23</u>	<u>2021 - 22</u>
<u>The breakdown on Other Charges is as follows:</u>	<u>\$</u>	<u>\$</u>
(a) Utilities	69,676.30	77,821.15
(b) Food	-	-
(c) Administrative Expenses	143,137.61	128,412.94
(d) Stores and Equipment	159,062.57	199,669.76
(e) Repair and Maintenance	348,785.50	123,613.00
(f) Special Allowance	-	-
(g) Programme Expenses	1,035,028.06	691,031.62
(h) Transportation and Travelling	3,942.50	5,521.30
(i) Insurance	23,108.91	68,290.13
(j) Miscellaneous	28,224.02	69,353.90
Total	<u>1,810,965.47</u>	<u>1,363,713.80</u>

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

	Analysis of Reserve Fund				
	Lump Sum Grant (LSG)	Holding Account (HA)	Rent and Rates	Central Items	Total
	\$		\$	\$	\$
Income					-
Lump Sum Grant	6,340,835.00	-	-	-	6,340,835.00
Fee Income	29,800.00	-	-	-	29,800.00
Other Income	138,560.00	-	-	-	138,560.00
Interest Received (Note 1)	12,270.69	-	-	-	12,270.69
Rent and Rates	-	-	217,326.00	-	217,326.00
Central Items	-	-	-	-	-
Total Income (a)	6,521,465.69	-	217,326.00	-	6,738,791.69
Expenditure					
Personal Emoluments	5,190,407.10	-	-	-	5,190,407.10
Other Charges	1,810,965.47	-	-	-	1,810,965.47
Rent and Rates	-	-	208,814.00	-	208,814.00
Central Items	-	-	-	-	-
Special One-off Grant Payments	-	-	-	-	-
Total Expenditure (b)	7,001,372.57	-	208,814.00	-	7,210,186.57
Surplus/(Deficit) for the Year (a) - (b)	(479,906.88)	-	8,512.00	-	(471,394.88)
Less: Surplus/(Deficit) of Provident Fund	13,318.11	-	-	-	13,318.11
Surplus/(Deficit) for the year	(493,224.99)	-	8,512.00	-	(484,712.99)
Surplus/(Deficit) b/f (Note 2)	981,939.29	46,448.64	8,512.00	61,250.00	1,098,149.93
	488,714.30	46,448.64	17,024.00	61,250.00	613,436.94
Less:					
Refund to Government	-	-	(8,512.00)	-	(8,512.00)
Deficit absorbed by HKBU	505,495.68	-	-	-	505,495.68
Surplus/(Deficit) c/f (Note 3)	947,761.34	46,448.64	8,512.00	61,250.00	1,110,420.62

Note

(1) Interest received on LSG 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 Lump Sum Grant Surplus b/f from previous years (including holding account) and all interest received in previous years should be included in the surplus b/f under LSG.

(3) The level of LSG cumulative reserve, less LSG Reserve kept in the holding account, will be capped at 25% of the NGO's operating expenditure (excluding Provident Fund expenditure) for the year.