

## ANNUAL FINANCIAL REPORT

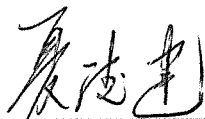
### NGO : TUNG SIN TAN HOME FOR THE AGED

1 APRIL 2022 TO 31 MARCH 2023

	Notes	Total 2022-23 \$	Total 2021-22 \$	Remarks
<b>A. INCOME</b>				
1. Lump Sum Grant				
a. Lump Sum Grant (excluding Provident Fund)	1b	9,044,376	8,912,391	
b. Provident Fund	1c	703,261	691,116	
2. Fee Income	2	1,197,974	1,223,618	
3. Central Items	3	1,544,833	1,806,776	
4. Rent and Rates	4	77,265	77,265	
5. Other Income	5	95	-	
6. Interest Received		5,446	26	
<b>TOTAL INCOME</b>		12,573,250	12,711,192	
<b>B. EXPENDITURE</b>				
1. Personal Emoluments				
a. Salaries		6,492,915	6,666,559	
b. Provident Fund	1c	519,434	601,774	
c. Allowances		-	-	
Sub-total	6	7,012,349	7,268,333	
2. Other Charges	7	3,992,629	3,721,629	
3. Central Items	3	1,237,773	1,124,836	
4. Rent and Rates	4	59,920	59,920	
<b>TOTAL EXPENDITURE</b>		12,302,671	12,174,718	
<b>C. SURPLUS/(DEFICIT) FOR THE YEAR</b>	8	270,579	536,474	

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

Chairman:

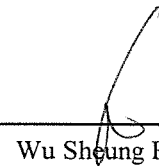


Ha Tak Kin

Date:

27 November 2023

Superintendent:



Wu Sheung Hung

Date:

27 November 2023

## NOTE 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) 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** like 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:

<b><u>Provident Fund Contribution</u></b>	Snapshot <u>Staff</u> \$	6.8% and Other Posts \$	<u>Total</u> \$
Subvention Received	194,616	508,645	703,261
Provident Fund Contribution Paid during the year	(200,373)	(319,061)	(519,434)
	-----	-----	-----
Surplus/(Deficit) for the Year	(5,757)	189,584	183,827
Add: Surplus/(Deficit) b/f Additional subvention received for previous year(s)	(58,593)	2,444,989	2,386,396
Less: Refund to Government	-	-	-
	-----	-----	-----
Surplus/(Deficit) c/f	<u>(64,350)</u>	<u>2,634,573</u>	<u>2,570,223</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 subsidies allocated to NGOs for specific 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 the 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 LSG Manual). The income and expenditure of each of the Central Items are as follows:

	2022-23	2021-22
	\$	\$
a. Income		
Dementia Supplement for Residential Elderly Services	1,544,833	1,611,776
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	-	195,000
	<u>1,544,833</u>	<u>1,806,776</u>
b. Expenditure		
Dementia Supplement for Residential Elderly Services	1,230,273	1,124,836
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	7,500	-
<b>Total</b>	<u>1,237,773</u>	<u>1,124,836</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
	\$	\$
<b>Other Income</b>		
(a) Programme income	-	-
(b) Production income	-	-
(c) Donation	-	-
(d) Income from Other Activities	-	-
(e) Utilised allocation under Central Items (CI) - After School Care Programme (ASCP) / Enhanced 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	95	-
<b>Sub-Total</b>	<u>95</u>	<u>-</u>
Less: Utilised allocation under CI - ASCP / Enhanced ASCP - FWSS which forms as part of Other Income*	-	-
<b>Total</b>	<u>95</u>	<u>-</u>

\*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

	<u>No. of Posts</u>	<u>\$</u>
HK\$700,001- HK\$800,000 p.a.	None	-
HK\$800,001- HK\$900,000 p.a.	None	-
HK\$900,001- HK\$1,000,000 p.a.	1	978,963
HK\$1,000,001- HK\$1,100,000 p.a.	None	-
HK\$1,100,001- HK\$1,200,000 p.a.	None	-
>HK\$1,200,000 p.a.	None	-

**7. Other Charges**

The breakdown on Other Charges is as follows:

<b>Other Charges</b>	<b>2022-23</b>	<b>2021-22</b>
	\$	\$
(a) Utilities	498,309	500,749
(b) Food	963,653	928,587
(c) Administrative Expenses	35,435	35,940
(d) Stores and Equipment	92,160	240,469
(e) Repair and Maintenance	210,507	179,918
(f) Special Allowances	-	-
(g) Programme Expenses	3,509	1,562
(h) Transportation and Travelling	5,179	6,550
(i) Insurance	173,417	146,293
(j) Miscellaneous	71,097	116,022
(k) Staff Training and Development	-	1,231
(l) Professional service fees	1,939,363	1,564,308
<b>Sub-Total</b>	<b>3,992,629</b>	<b>3,721,629</b>
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	-	-
<b>Total</b>	<b>3,992,629</b>	<b>3,721,629</b>

\*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
	\$	\$	\$	\$	\$	\$
<b>Income</b>						
Lump Sum Grant	9,747,637	-	-	-	-	9,747,637
Fee Income	1,197,974	-	-	-	-	1,197,974
Other Income	95	-	-	-	-	95
Interest Received (Note (1))	5,446	-	-	-	-	5,446
Rent and Rates	-	-	-	77,265	-	77,265
Central Items	-	-	-	-	1,544,833	1,544,833
<b>Total Income (a)</b>	<b>10,951,152</b>	<b>-</b>	<b>-</b>	<b>77,265</b>	<b>1,544,833</b>	<b>12,573,250</b>
<b>Expenditure</b>						
Personal Emoluments	6,870,981	141,368	-	-	-	7,012,349
Other Charges	3,968,580	24,049	-	-	-	3,992,629
Rent and Rates	-	-	-	59,920	-	59,920
Central Items	-	-	-	-	1,237,773	1,237,773
<b>Total Expenditure (b)</b>	<b>10,839,561</b>	<b>165,417</b>	<b>-</b>	<b>59,920</b>	<b>1,237,773</b>	<b>12,302,671</b>
Surplus/(Deficit) for the Year (a) - (b)	111,591	(165,417)	-	17,345	307,060	270,579
Less: Surplus/(Deficit) of Provident Fund	183,827	-	-	-	-	183,827
Surplus/(Deficit) b/f (Note (2))	(72,236)	(165,417)	-	17,345	307,060	86,752
	2,108,152	347,203	-	17,345	722,587	3,195,287
	2,035,916	181,786	-	34,690	1,029,647	3,282,039
Add: Refund from Government	-	-	-	-	-	-
Less: Refund to Government	-	-	-	(18,945)	(674,440)	(693,385)
Transfer from LSG Reserve to cover the salary adjustment for Dementia Supplement and Infirmity Care Supplement (Note (3))	-	-	-	-	-	-
Adjustment for utilised allocation under Enhanced ASCP / ASCP(PC) - FWSS* (over-estimated) / under-estimated in previous year(s)	-	-	-	-	-	-
<b>Surplus/(Deficit) c/f (Note (4))</b>	<b>2,035,916</b>	<b>181,786</b>	<b>-</b>	<b>15,745</b>	<b>355,207</b>	<b>2,588,654</b>

<sup>1</sup> Ref.: SWD/S/128/1-15 letter dated 11 March 2022 and SWD SF/SAS/4-35/2/153(742) letter dated 30 Nov 2022

**Notes:**

# Including an amount SZ 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 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 Infirmity 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 27% 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 as 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 (4)(i) and (4)(ii) above, please also refer to SWD's letter under reference (11) on SWD/S/109/10 of 4 April 2022.]

For any amount above the cap, SWD would arrange the claw-back (including provisional in the following financial year) accordingly.