

ANNUAL FINANCIAL REPORT

NGO: PROJECT CARE

1 APRIL 2022 TO 31 MARCH 2023

A. INCOME	Notes	2022-23 \$	2021-22 \$
1. Lump Sum Grant			
a. Lump Sum Grant (excluding Provident Fund)	1b	11,082,796.00	10,949,652.00
b. Provident Fund	1c	801,524.00	787,836.00
2. Fee Income	2	-	-
3. Central Items	3	651,395.00	657,975.00
4. Rent and Rates	4	581,178.00	555,474.00
5. Other Income	5	2,747.00	18,327.85
6. Interest Received		26,217.33	3,829.57
TOTAL INCOME		<u>13,145,857.33</u>	<u>12,973,094.42</u>
B. EXPENDITURE			
1. Personal Emoluments			
a. Salaries		8,509,793.99	8,067,705.86
b. Provident Fund	1c	681,783.10	643,832.15
c. Allowances		12,825.00	9,787.50
Sub-total	6	<u>9,204,402.09</u>	<u>8,721,325.51</u>
2. Other Charges	7	2,506,460.22	2,792,829.62
3. Central Items	3	645,538.19	646,157.46
4. Rent and Rates	4	552,346.00	526,642.00
TOTAL EXPENDITURE		<u>12,908,746.50</u>	<u>12,686,954.59</u>
C. SURPLUS/ (DEFICIT) FOR THE YEAR	8	<u>237,110.83</u>	<u>286,139.83</u>

The Annual Financial Report from pages 1 to 7 has been prepared in accordance with the requirements as set out in the Lump Sum Grant Manual.

SIGNATURE



CHAIRMAN

DATE: 25 OCT 2023



DEPUTY HEAD OF SERVICE

DATE: 25 OCT 2023

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 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	206,405.00	595,119.00	801,524.00
Provident Fund Contribution Paid during the Year	(230,399.00)	(451,384.10)	(681,783.10)
Surplus / (Deficit) for the Year	(23,994.00)	143,734.90	119,740.90
Add: Surplus / (Deficit) b/f	133,318.00	1,483,878.21	1,617,196.21
Add: Additional subvention received for previous year(s)	-	55,506.00	55,506.00
Less: Refund to Government	(156,731.00)	-	(156,731.00)
Surplus / (Deficit) c/f	(47,407.00)	1,683,119.11	1,635,712.11

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 LSG Manual). The income and expenditure of each of the Central items are as follows:

a. Income	2022-23 \$	2021-22 \$
Dementia Supplement for Elderly with Disabilities		
Infirmiry Care supplement for the Aged Blind Person		
Dementia supplement for Residential Elderly Services		
Infirmiry Care Supplement for Residential Elderly Services		
Dementia Supplement for Day Care Centres/ units for the Elderly		
Foster Care Allowance/Emergency Foster Care Allowance		
After School Care Programme		
Temporarty Financial Aid		
Emergency Fund		
Time-defined Subsidy Scheme for Extended Hours Service Users		
Training Subsidy under Training Scheme for Child Care Supervisors and Special Child Care Workers in Pre-school Rehabilitation Services		
Short-term Rental Assistance		
Neighbourhood Support Child Care Project (NSCCP) - Contract Subsidy		
Training Subsidy Scheme for Standalone Child Care Cente (CCC), KG-cum-CCC and Residential CCC		
NSCCP - Subsidy for Fee Reduction/waiving		
NSCCP - Rent and Rates		
Training Sponsorship Scheme for Master in Occupational Therapy and Physiotherapy programmes		
Training Subsidy Programme for Children on the Waiting List for Subvented Pre-school Rehabilitation Services		
Financial Incentive Scheme for Mentors of Employees with Disabilities		
Cash Subsidy for Integrated Support Services for Persons with Severe Physical Disabilities		
Allowance for Specific Services Arising from the Implementation of the Minimum Wage Ordinance (Overnight On-site-on-call Allowance)	651,395.00	657,975.00
Time-defined Subsidy Scheme for Occasional Child Care Service		
Enhanced After School Care Programme		
Navigation Scheme for Young Persons in Care Services - Operating Expenses		
Special Allowance for Staff of Subvented Residential Service Units in respect of COVID-19		
Total	<u><u>651,395.00</u></u>	<u><u>657,975.00</u></u>

	2022-23	2021-22
	\$	\$
b. Expenditure		
Dementia Supplement for Elderly with Disabilities		
Infirmary Care supplement for the Aged Blind Person		
Dementia supplement for Residential Elderly Services		
Infirmary Care Supplement for Residential Elderly Services		
Dementia Supplement for Day Care Centres/ units for the Elderly		
Foster Care Allowance/Emergency Foster Care Allowance		
After School Care Programme		
Temporary Financial Aid		
Emergency Fund		
Time-defined Subsidy Scheme for Extended Hours Service Users		
Training Subsidy under Training Scheme for Child Care Supervisors and Special Child Care Workers in Pre-school Rehabilitation Services		
Short-term Rental Assistance		
Neighbourhood Support Child Care Project (NSCCP) - Contract Subsidy		
Training Subsidy Scheme for Standalone Child Care Cente (CCC), KG-cum-CCC and Residential CCC		
NSCCP - Subsidy for Fee Reduction/waiving		
NSCCP - Rent and Rates		
Training Sponsorship Scheme for Master in Occupational Therapy and Physiotherapy programmes		
Training Subsidy Programme for Children on the Waiting List for Subvented Pre-school Rehabilitation Services		
Financial Incentive Scheme for Mentors of Employees with Disabilities		
Cash Subsidy for Integrated Support Services for Persons with Severe Physical Disabilities		
Allowance for Specific Services Arising from the Implementation of the Minimum Wage Ordinance (Overnight On-site-on-call Allowance)	645,538.19	646,157.46
Time-defined Subsidy Scheme for Occasional Child Care Service		
Enhanced After School Care Programme		
Navigation Scheme for Young Persons in Care Services - Operating Expenses		
Special Allowance for Staff of Subvented Residential Service Units in respect of COVID-19		
Total	<u>645,538.19</u>	<u>646,157.46</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) Programme income	1,140.00	2,585.00
(b) Production income	-	-
(c) Donation	-	-
(d) Income from Other Activities	-	-
(e) Miscellaneous income	1,607.00	15,742.85
Total:	<u>2,747.00</u>	<u>18,327.85</u>

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>	\$
HK\$700,001 - HK\$800,000 p.a.	1	721,673.00
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.		
>HK\$1,200,000 p.a.	1	1,326,089.00

7. Other Charges

The breakdown on Other Charges is as follows:

<u>Other Charges</u>	<u>2022-23</u>	<u>2021-22</u>
	\$	\$
(a) Utilities	101,215.70	95,787.80
(b) Food	523,264.00	462,191.40
(c) Administrative Expenses	179,248.00	160,244.40
(d) Stores and Equipment	59,789.00	91,293.00
(e) Repair and Maintenance	713,797.65	1,141,427.92
(f) Special Allowances	230,400.00	289,066.67
(g) Programme Expenses	103,973.10	146,449.70
(h) Transportation and Travelling	35,534.50	47,347.60
(i) Insurance	253,460.77	230,971.42
(j) Miscellaneous	305,777.50	128,049.71
Total:	<u>2,506,460.22</u>	<u>2,792,829.62</u>

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

	Lump Sum Grant (LSG)	Holding Account (HA)	Rent and Rates	Central Items (CI)	Total
Income	\$	\$	\$	\$	\$
Lump Sum Grant	11,884,320.00				11,884,320.00
Fee Income	-				-
Other Income	2,747.00				2,747.00
Interest Received (Note (1))	26,217.33				26,217.33
Rent and Rates	-		581,178.00		581,178.00
Central Items	-			651,395.00	651,395.00
Total Income (a)	11,913,284.33		581,178.00	651,395.00	13,145,857.33
Expenditure					
Personal Emoluments	9,194,402.09	10,000.00			9,204,402.09
Other Charges	2,506,460.22				2,506,460.22
Rent and Rates			552,346.00		552,346.00
Central Items				645,538.19	645,538.19
Total Expenditure (b)	11,700,862.31	10,000.00	552,346.00	645,538.19	12,908,746.50
Surplus/(Deficit) for the Year (a)-(b)	212,422.02	(10,000.00)	28,832.00	5,856.81	237,110.83
<u>Less</u> : Surplus/(Deficit) of Provident Fund	119,740.90	-	-	-	119,740.90
	92,681.12	(10,000.00)	28,832.00	5,856.81	117,369.93
Surplus/(Deficit) b/f (Note (2))	2,498,559.46	160,756.13	28,832.00	24,270.80	2,712,418.39
	2,591,240.58	150,756.13	57,664.00	30,127.61	2,829,788.32
<u>Add</u> : Refund from Government					0.00
Backpayment of Rent & Rates - 2021/22			2,378.00		2,378.00
<u>Less</u> : Refund to Government					0.00
Clawback of Rent & Rates - 2021/22			(31,210.00)		(31,210.00)
Clawback of Central Item - 2021/22				(11,817.54)	(11,817.54)
Clawback of Central Item in 2021/22 (Special Allowance)				(12,453.26)	(12,453.26)
Transfer from LSG Reserve to cover the salary adjustment for Dementia Supplement and Infirmary Care Supplement (Note(3))					
Surplus/(Deficit) c/f (Note 4)	2,591,240.58	150,756.13	28,832.00	5,856.81	2,776,685.52

Notes:

- (1) Interest received on LSG (including HA) and PF 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 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) The level of LSG cumulative reserve (i.e.S), 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.