

Annual financial report International Social Service (Hong Kong Branch) 1 April 2021 to 31 March 2022

	Notes	Total 2021/2022 \$	Total 2020/2021 \$
A. INCOME			
1 Lump Sum Grant			
a. Lump Sum Grant (excluding Provident Fund)	1(b)	90,093,070.00	89,026,840.00
b. Provident Fund	1(c)	8,323,972.00	8,394,592.00
2 Fee Income	2	4,528.89	14,054.64
3 Central Items	3	29,912,161.00	29,861,927.00
4 Rent and Rates	4	1,684,598.00	1,684,598.00
5 Other Income (e.g. Program Income)	5	263,999.30	382,561.50
6 Interest Received		5,810.58	30,475.83
TOTAL INCOME		<u>130,288,139.77</u>	<u>129,395,048.97</u>
B. EXPENDITURE			
1 Personal Emoluments			
a. Salaries		78,249,532.81	78,750,954.67
b. Provident Fund	1(c)	7,412,386.55	7,766,225.59
c. Allowances		-	-
Sub-total	6	85,661,919.36	86,517,180.26
2 Other Charges	7	7,608,457.62	6,655,963.86
3 Central Items	3	24,498,420.26	24,924,096.30
4 Rent and Rates	4	1,749,356.00	1,702,655.00
TOTAL EXPENDITURE		<u>119,518,153.24</u>	<u>119,799,895.42</u>
C. SURPLUS/(DEFICIT) FOR THE YEAR		<u>10,769,986.53</u>	<u>9,595,153.55</u>

The Annual Financial Report from pages from 3 to 20 has been prepared in accordance with the requirements as set out in the Lump Sum Grant Manual.



Chairman

Date: 27 JUL 2022



Chief Executive

Date: 27 JUL 2022

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) 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 have been shown under Note 3.

Details are analysed below:

<i>Provident Fund Contribution</i>	<i>Snapshot Staff</i> \$	<i>6.8% and Other Posts</i> \$	<i>Total</i> \$
Subvention Received	3,865,996.00	4,457,976.00	8,323,972.00
Provident Fund Contribution Paid during the Year	(3,209,930.48)	(4,202,456.07)	(7,412,386.55)
Surplus/(Deficit) for the year	656,065.52	255,519.93	911,585.45
Add: Surplus/(Deficit) b/f	917,473.25	1,813,412.60	2,730,885.85
Additional Subvention received for previous year(s)	-	43,199.00	43,199.00
Less: Refund to Government	(392,424.00)	-	(392,424.00)
Surplus/(Deficit) c/f	<u>1,181,114.77</u>	<u>2,112,131.53</u>	<u>3,293,246.30</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 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 LSG Manual (October 2016)). The income and expenditure of each of the Central items are as follows:

	2021 - 2022	2020 - 2021
	\$	\$
a. Income		
- Dementia Supplement for Elderly with Disabilities	/	/
- Infirmary Care Supplement for the Aged Blind Persons	/	/
- Dementia Supplement for Residential Elderly Services	/	/
- Infirmary Care Supplement for Residential Elderly Services	/	/
- Foster Care Allowance/Emergency Foster Care Allowance	28,129,772.00	27,824,322.00
- After School Care Programme		
- Fee Waiving Subsidy Scheme	/	/
- Temporary Financial Aid under Care and Support Networking Team	/	/
- Emergency Fund for NGOs operating Integrated Services Team for Street Sleepers	/	/
- Time-defined Subsidy Scheme for Extended Hours Services Users	/	/
- Training Subsidy under Training Scheme for Child Care Supervisors and Special Child Care Workers in Pre-school Rehabilitation Services	/	/
- Short-term Rental Assistance for Discharged Prisoners	/	/
- Allowances for Specific Services Arising from the Implementation of the Minimum Wage Ordinance (Overnight On-site-on-call Allowance)	1,579,152.00	1,579,152.00
- Neighbourhood Support Child Care Project (NSCCP) - Contract Subsidy	/	/
- NSCCP – Subsidy for Fee Reduction/Waiving	/	/
- NSCCP – Subsidy for Incentive Payment	/	/
- 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	/	/
- Time-defined Subsidy Scheme for Occasional Child Care Service	/	/
- Enhanced After School Care - Programme Fee Waiving Subsidy Scheme	/	/
- Navigation Scheme for Young Persons in Care Services		
- Operating Expenses	/	/
- Navigation Scheme for Young Persons in Care Services		
- Training Cost	/	/
- Pilot Scheme on Multi-disciplinary Outreaching Support Teams for the Elderly (MOSTE) - Annual Funding Allocation	/	/
- MOSTE - Annual Rent and Rates	/	/
- Child Care Training for Grandparents – Contract Subsidy	/	/

3 Central Items (continued)

	2021 - 2022	2020 - 2021
- Child Care Training for Grandparents – Subsidy for Fee Reduction/Waiving	/	/
- Special Allowance for Staff of Subverted Residential Service Units in respect of COVID-19	/	255,380.00
- Subsidy for Enhanced Support for Ethnic Minority Children in Special Care Centre	/	/
- Subsidy for Enhanced Support for Ethnic Minority Children in Early Education and Training Centres	/	/
- Time-defined Allocation of Ethnic Minority District Ambassador Posts – salary and provident fund	187,114.00	187,114.00
- Time-defined Allocation of Ethnic Minority District Ambassador Posts – other charges	16,123.00	15,959.00
- Time-limited programme on Enhancing Infection Control and Ventilation of Residential Care Homes for the Elderly and Residential Care Homes for Persons with Disabilities - On-site Ventilation Assessment	/	/
- One-off Subsidy for Strengthened Provision of Visiting Medical Practitioner Service for Residential Care Homes # (private and self-financing)	/	/
- 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	/	/
- Short-term Food Assistance Service Teams - Food Cost	/	/
- Siu Lam Integrated Rehabilitation Services Complex – Management & Maintenance Cost for Common Area	/	/
- After School Care Programme for Pre-primary Children [ASCP(PC)] Contract Subsidy	/	/
- ASCP(PC) Fee Subsidy	/	/
- ASCP(PC) Rent and Rates	/	/
Total	29,912,161.00	29,861,927.00

	2021 - 2022	2020 - 2021
b. Expenditure	\$	\$
- Dementia Supplement for Elderly with Disabilities	/	/
- Infirmary Care Supplement for the Aged Blind Persons	/	/
- Dementia Supplement for Residential Elderly Services	/	/
- Infirmary Care Supplement for Residential Elderly Services	/	/
- Foster Care Allowance/Emergency Foster Care Allowance	22,748,491.00	23,081,248.50
- After School Care Programme	/	/
- Fee Waiving Subsidy Scheme	/	/
- Temporary Financial Aid under Care and Support Networking Team	/	/
- Emergency Fund for NGOs operating Integrated Services Team for Street Sleepers	/	/
- Time-defined Subsidy Scheme for Extended Hours Services Users	/	/
- Training Subsidy under Training Scheme for Child Care Supervisors and Special Child Care Workers in Pre-school Rehabilitation Services	/	/
- Short-term Rental Assistance for Discharged Prisoners	/	/
- Allowances for Specific Services Arising from the Implementation of the Minimum Wage Ordinance (Overnight On-site-on-call Allowance)	1,561,996.08	1,567,101.81
- Neighbourhood Support Child Care Project (NSCCP) - Contract Subsidy	/	/
- NSCCP – Subsidy for Fee Reduction/Waiving	/	/
- NSCCP – Subsidy for Incentive Payment	/	/

3 Central Items (continued)

	2021 - 2022	2020 - 2021
- 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 Service for Persons with Severe Physical Disabilities	/	/
- Time-defined Subsidy Scheme for Occasional Child Care Service		
- Enhanced After School Care - Programme Fee Waiving Subsidy Scheme	/	/
- Navigation Scheme for Young Persons in Care Services - Operating Expenses	/	/
- Navigation Scheme for Young Persons in Care Services - Training Cost	/	/
- Pilot Scheme on Multi-disciplinary Outreaching Support Teams for the Elderly (MOSTE) - Annual Funding Allocation	/	/
- MOSTE - Annual Rent and Rates		
- Child Care Training for Grandparents – Contract Subsidy	/	/
- Child Care Training for Grandparents – Subsidy for Fee Reduction/Waiving	/	/
- Special Allowance for Staff of Subvented Residential Service Units in respect of COVID-19	/	180,268.35
- Subsidy for Enhanced Support for Ethnic Minority Children in Special Care Centre	/	/
- Subsidy for Enhanced Support for Ethnic Minority Children in Early Education and Training Centres	/	/
- Time-defined Allocation of Ethnic Minority District Ambassador Posts – salary and provident fund	184,656.18	90,228.16
- Time-defined Allocation of Ethnic Minority District Ambassador Posts – other charges	3,277.00	5,249.48
- Time-limited programme on Enhancing Infection Control and Ventilation of Residential Care Homes for the Elderly and Residential Care Homes for Persons with Disabilities - On-site Ventilation Assessment	/	/
- One-off Subsidy for Strengthened Provision of Visiting Medical Practitioner Service for Residential Care Homes # (private and self-financing)	/	/
- 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	/	/
- Short-term Food Assistance Service Teams - Food Cost	/	/
- Siu Lam Integrated Rehabilitation Services Complex – Management & Maintenance Cost for Common Area	/	/
- After School Care Programme for Pre-primary Children [ASCP(PC)] Contract Subsidy	/	/
- ASCP(PC) Fee Subsidy	/	/
- ASCP(PC) Rent and Rates	/	/
Total	<u>24,498,420.26</u>	<u>24,924,096.30</u>

For NGOs with Visiting Medical Practitioner Service Team which arrange delivery of the service under the Programme to all private and self-financing RCHes, RCHDs as well as contract homes operated by private operations only.

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 include 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 have been included if it is used to finance expenditure reflected in the AFR.

The breakdown on Other Income is as follows:

Other Income	2021 - 2022 \$	2020 - 2021 \$
(a) Fees and charges for services incidental to the operation of subvented services	263,999.30	382,544.50
(b) Utilised allocation under Central Items (CI) – After School Care Programme (ASCP) / Enhanced ASCP – Fee Waiving Subsidy Scheme (FWSS) which forms as part of Other Income *	-	-
(c) Reimbursement of Maternity Leave Pay (RMLP) Scheme reimbursement received	-	-
(c) Others (copy charges of service user's data)	-	17.00
Sub-total	<u>263,999.30</u>	<u>382,561.50</u>
Less: Utilised allocation under CI - ASCP/Enhanced ASCP - FWSS which forms as part of Other Income*	<u>-</u>	<u>-</u>
Total	<u><u>263,999.30</u></u>	<u><u>382,561.50</u></u>

* For those programmes which are regarded as 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:

<i>Analysis of Personal Emoluments paid under LSG</i>	<i>No of Posts</i>	<i>2021 - 2022</i> \$
HK\$700,001 - HK\$800,000 p.a.	14	10,383,817.05
HK\$800,001 - HK\$900,000 p.a.	0	-
HK\$900,001 - HK\$1,000,000 p.a.	0	-
HK\$1,000,001 - HK\$1,100,000 p.a.	16	16,513,108.10
HK\$1,100,001 - HK\$1,200,000 p.a.	0	-
>HK\$1,200,001 p.a.	5	6,281,484.00

7 Other Charges

The breakdown on Other Charges is as follows:

Other Charges	<i>2021 - 2022</i> \$	<i>2020 - 2021</i> \$
(a) Utilities	837,889.42	682,153.42
(b) Food	1,205,293.40	1,171,783.70
(c) Administrative Expenses	1,436,602.08	1,247,218.56
(d) Stores and Equipment	404,186.03	416,704.90
(e) Repair and Maintenance	293,531.30	255,578.94
(f) Special Allowances (Housefather Allowance – SGH)	531,611.70	522,464.50
(g) Programme Expenses	1,656,662.05	1,231,746.99
(h) Transportation and Travelling	146,986.75	124,511.51
(i) Insurance	432,449.88	408,310.48
(j) Membership Fee	554,192.63	543,710.26
(k) Miscellaneous	109,052.38	51,780.60
Sub-total	7,608,457.62	6,655,963.86
Less: Utilised allocation under CI - ASCP / Enhanced ASCP - FWSS* which forms as part of Other Income to fund the operating expenses of FSA-related activities	-	-
Total	<u>7,608,457.62</u>	<u>6,655,963.86</u>

* For those programmes which are regarded as FSA-related activities only.

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

	<u>Lump Sum Grant Reserve and balances of other SWD subventions</u>				
		Adjustment for Utilised allocation under ASCP /		Central Items(CI)	Total
Income	Lump Sum Grant (LSG)	Enhanced ASCP - FWSS	Rent and Rates		
	\$	\$	\$	\$	\$
Lump Sum Grant	98,417,042.00	-	-	-	98,417,042.00
Fee Income	4,528.89	-	-	-	4,528.89
Other Income (Note (5))	263,999.30	-	-	-	263,999.30
Interest Received (Note (1))	5,810.58	-	-	-	5,810.58
Rent and Rates	-	-	1,684,598.00	-	1,684,598.00
Central Items	-	-	-	29,912,161.00	29,912,161.00
Total Income (a)	98,691,380.77	-	1,684,598.00	29,912,161.00	130,288,139.77
Expenditure					
Personal Emoluments	85,661,919.36	-	-	-	85,661,919.36
Other Charges	7,608,457.62	-	-	-	7,608,457.62
Rent and Rates	-	-	1,749,356.00	-	1,749,356.00
Central Items	-	-	-	24,498,420.26	24,498,420.26
Total Expenditure (b)	93,270,376.98	-	1,749,356.00	24,498,420.26	119,518,153.24
Surplus/(Deficit) for the Year					
(a) - (b)	5,421,003.79	-	(64,758.00)	5,413,740.74	10,769,986.53
Less: Surplus/(Deficit) of Provident Fund	911,585.45	-	-	-	911,585.45
	4,509,418.34	-	(64,758.00)	5,413,740.74	9,858,401.08
Surplus/(Deficit) b/f (Note (2))	13,601,871.88	-	(260,293.34)	4,951,330.70	18,292,909.24
Add: Refund from Government					
Ref: Rent and Rates for 1/2022 (INV2110015 - 5/ Jan 2022)	-	-	217,169.00	-	217,169.00
Ref: Rent and Rates for 2/2022 (INV2111414 - 9/ Feb 2022)	-	-	156,930.00	-	156,930.00
Less: Refund to Government					
Ref: SWD SF/SAS/4-35/2/93 (412) (30 November 2021)	-	-	(106,181.00)	(4,830,235.34)	(4,936,416.34)
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-FWSS* (over-estimated) / under-estimated in previous year(s)	-	-	-	-	-
Surplus/(Deficit) c/f (Note (4))	18,111,290.22	-	(57,133.34)	5,534,836.10	23,588,992.98

8 Analysis of Lump Sum Grant Reserve and balances of other SWD subventions (continued)

Notes:

Including an amount \$Z being the utilised allocation under CI-ASCP / Enhanced ASCP FWSS*

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

- (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 of 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) Amount of LSG Reserve used to cover the salary adjustment for Demetia Supplement and Infirmary Care Supplement, if any, as per Schedule of Central Items.
- (4) The level of LSG cumulative reserves, 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.
- (5) Included \$109,340 as amount raised by Lottery Ticket Sale.