

ANNUAL FINANCIAL REPORT

NGO: Light and Love Kwai Fong Neighbourhood Elderly Centre

(1 April 2018 to 31 March 2019)

	Notes	2018-19 \$	2017-18 \$
A. INCOME			
1. Lump Sum Grant			
a. Lump Sum Grant (excluding Provident Fund)	1b	4,201,058.00	3,383,596.00
b. Provident Fund	1c	263,750.00	212,822.00
2. Fee Income	2	358,220.00	291,635.00
3. Central Items	3	0.00	0.00
4. Rent and Rates	4	144,797.00	144,639.00
5. Other Income	5	632.70	1,612.20
6. Interest Received		241.20	28.57
TOTAL INCOME		4,968,698.90	4,034,332.77
B. EXPENDITURE			
1. Personal Emoluments			
a. Salaries		3,565,777.77	2,898,641.63
b. Provident Fund	1c	190,077.79	165,423.28
c. Allowances		0.00	0.00
Sub-total	6	3,755,855.56	3,064,064.91
2. Other Charges	7	892,090.90	721,634.24
3. Central Items	3	0.00	0.00
4. Rent and Rates	4	141,319.90	146,420.00
TOTAL EXPENDITURE		4789,266.36	3,932,119.15
C. SURPLUS/ (DEFICIT) FOR THE YEAR	8	179,432.54	102,213.62

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

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 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 have been shown under **Note 3**. Details are analysed below :

<u>Provident Fund Contribution</u>	Snapshot Staff \$	6.8% and Other Posts \$	Total \$
Subvention Received	32,121.00	231,629.00	263,750.00
Provident Fund Contribution Paid during the Year	(33,460.75)	(156,617.04)	(190,077.79)
Surplus/ (Deficit) for the Year	(1,339.75)	75,011.96	73,672.21
<u>Add</u> : Surplus/ (Deficit) b/f	2,349.30	179,447.57	181,796.87
Additional subvention received for previous year(s)	0.00	0.00	0.00
<u>Less</u> : Refund to Government	0.00	0.00	0.00
Surplus/ (Deficit) c/f	1,009.55	254,459.53	255,469.08

- 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 the LSG Manual (October 2016)). The income and expenditure of each of the Central Items are as follows:

	2018-19	2017-18
	\$	\$
a. Income		
Dementia Supplement for Elderly with Disabilities		
Infirmiry Care Supplement for the Aged Blind Persons		
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 – Fee Waiving Subsidy Scheme		
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		
Allowances for Specific Services Arising from the Implementation		
of the Minimum Wage Ordinance (Overnight On-site-on-call		
Allowance)		
Neighbourhood Support Child Care Project (NSCCP) – Contract		
Subsidy		
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		
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		
Grant under the Pilot Scheme on On-site Pre-school Rehabilitation		
Services		
One-off Subsidy for Enhanced Provision of Visiting Medical		
Officer for Residential Care Homes for the Elderly		
One-off Subsidy for Enhanced Provision of Visiting Medical		
Practitioner Scheme for Residential Care Homes for the		
Persons with Disabilities		
Pilot Scheme on Multi-disciplinary Outreaching Support Teams		
for the Elderly (MOSTE)		
Total	0.00	0.00

	2018-19	2017-18
	\$	\$
b. Expenditure		
Dementia Supplement for Elderly with Disabilities		
Infirmiry Care Supplement for the Aged Blind Persons		
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 – Fee Waiving Subsidy Scheme		
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		
Allowances for Specific Services Arising from the		
Implementation of the Minimum Wage Ordinance		
(Overnight On-site-on-call Allowance)		
Neighbourhood Support Child Care Project (NSCCP) – Contract		
Subsidy		
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		
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		
Grant under the Pilot Scheme on On-site Pre-school		
Rehabilitation Services		
One-off Subsidy for Enhanced Provision of Visiting Medical		
Officer for Residential Care Homes for the Elderly		
One-off Subsidy for Enhanced Provision of Visiting Medical		
Practitioner Scheme for Residential Care Homes for the		
Persons with Disabilities		
Pilot Scheme on Multi-disciplinary Outreaching Support Teams		
for the Elderly (MOSTE)		
Total	0.00	0.00

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

The breakdown on Other Income is as follows:

	2018-19	2017-18
Other Income	\$	\$
(a) Fees and charges for services incidental to the operation of subvented services	632.70	1,612.20
(b) Others	0.00	0.00
Total	<u><u>632.70</u></u>	<u><u>1,612.20</u></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	No of Posts	\$
HK\$700,001 - HK\$800,000 p.a.		
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.		

7. Other Charges

The breakdown on Other Charges is as follows:

	2018-19	2017-18
	\$	\$
Other Charges		
(a) Utilities	42,994.00	43,586.60
(b) Food	0.00	0.00
(c) Administrative Expenses	243,985.40	265,607.92
(d) Stores and Equipment	83,015.90	20,730.00
(e) Repair and Maintenance	10,831.70	8,522.50
(f) Special Allowances	56,710.60	10,800.00
(g) Programme Expenses	382,843.20	308,936.20
(h) Transportation and Travelling	1,740.00	1,469.40
(i) Insurance	16,152.90	14,400.32
(j) Miscellaneous	53,817.20	47,581.30
Total	<u>892,090.90</u>	<u>721,634.24</u>

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

	Lump Sum Grant (LSG)	Rent and Rates	Central Items	Total
	\$	\$	\$	\$
Income				
Lump Sum Grant	4,464,808.00	-	-	4,464,808.00
Fee Income	358,220.00	-	-	358,220.00
Other Income	632.70	-	-	632.70
Interest Received (Note (1))	241.20	-	-	241.20
Rent and Rates	-	144,797.00	-	144,797.00
Central Items	-	-	-	-
Total Income (a)	4,823,901.90	144,797.00	0.00	4,968,698.90
Expenditure				
Personal Emoluments	3,755,855.56	-	-	3,755,855.56
Other Charges	892,090.90	-	-	892,090.90
Rent and Rates	-	141,319.90	-	141,319.90
Central Items	-	-	-	-
Total Expenditure (b)	4,647,946.46	141,319.90	0.00	4,789,266.36
Surplus/(Deficit) for the Year (a) - (b)	175,955.44	3,477.10	0.00	179,432.54
<u>Less</u> : Surplus/ (Deficit) of Provident Fund	73,672.21	-	-	73,672.21
Surplus/ (Deficit) b/f (Note (2))	102,283.23	3,477.10	0.00	105,760.33
<u>Add</u> : Refund from Government	561,217.53	(4,882.00)	0.00	556,335.53
<u>Less</u> : Refund to Government	663,500.76	(1,404.90)	0.00	662,095.86.
Transfer from LSG Reserve to cover the salary adjustment for Dementia Supplement and Infirmiry Care Supplement (Note (3))		-		-
Surplus/ (Deficit) c/f (Note (4))	663,500.76	(1,404.90)	0.00	662,095.86

Notes:

- (1) Interest received on LSG and Provident Fund reserves, rent and rates, central items, Special One-off Grant 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 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 Dementia Supplement and Infirmiry 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.

Schedule for Rent and Rates**Analysis of Subvention and Expenditure for the period from 1/4/2018 to 31/3/2019****Name of Agency: Light and Love Home Limited**

Unit Code and Name	Subvented Element	Subvention Released (Note 1)	Actual Expenditure	Surplus (Note 2)	Deficit (Note 2)
470		\$	\$	\$	
Light and Love Kwai Fong Neighbourhood Elderly Centre	Rent (Note 3)	133,320.00	133,319.80	0.20	
	Rates	11,477.00	8,000.10	3,477.90	
	Total	144,797.00	141,319.90	3,477.10	
	Rent (Note 3)				
	Rates				
	Total				
	Rent (Note 3)				
	Rates				
	Total				
	Rent (Note 3)				
	Rates				
	Total				
	Rent (Note 3)				
	Rates				
	Total				
	Grand Total	144,797.00	141,319.90	3,477.10	

Notes:

1. The figures are to be extracted from the payroll for March plus subvention released in late March of the financial year.
2. Surplus/Deficit for each element represents the difference between subvention released and actual expenditure.
3. Rent includes all kinds of rent such as PHE rental, private rental, carpark rent, management fee, building maintenance fee and Government Rent.

Schedule for Central Items
Analysis of Subvention and Expenditure for the Period from 1 April 2018 to 31 March 2019

Name of Agency : _____

Unit Code and Name (Note 7)	Subvented Element	Subvention Released (Note 1)	Actual Expenditure (Note 2)	Surplus (Note 3) (a)	Deficit for the Year		Surplus b/f (Note 5) (e)	Refund to Government (f)	Surplus c/f (Note 6) (g)=(e)+(a)-(f)-(f)
					Deficit (Note 3) (b)	Deficit transferred to LSG (Note 4) (c)			
nnnn - xxxxxxxxxxxxxxxx	Dementia Supplement for Elderly with Disabilities	\$	\$	\$	\$	\$	N.A.	N.A.	N.A.
nnnn - xxxxxxxxxxxxxxxx	Infirmary Care Supplement for the Aged Blind Persons						N.A.	N.A.	N.A.
nnnn - xxxxxxxxxxxxxxxx	Dementia Supplement for Residential Elderly Services						N.A.	N.A.	N.A.
nnnn - xxxxxxxxxxxxxxxx	Infirmary Care Supplement for Residential Elderly Services						N.A.	N.A.	N.A.
nnnn - xxxxxxxxxxxxxxxx	Dementia Supplement for Day Care Centres/Units for the Elderly						N.A.	N.A.	N.A.
nnnn - xxxxxxxxxxxxxxxx	Foster Care Allowance / Emergency Foster Care Allowance						N.A.	N.A.	N.A.
nnnn - xxxxxxxxxxxxxxxx	Alter School Care Programme - Fee Waiving Subsidy Scheme						N.A.	N.A.	N.A.
nnnn - xxxxxxxxxxxxxxxx	Temporary Financial Aid						N.A.	N.A.	N.A.
nnnn - xxxxxxxxxxxxxxxx	Emergency Fund						N.A.	N.A.	N.A.
nnnn - xxxxxxxxxxxxxxxx	Time-defined Subsidy Scheme for Extended Hours Service Users						N.A.	N.A.	N.A.
nnnn - xxxxxxxxxxxxxxxx	Training Subsidy under Training Scheme for Child Care Supervisors and Special Child Care Workers in Pre-school Rehabilitation Services						N.A.	N.A.	N.A.
nnnn - xxxxxxxxxxxxxxxx	Short-term Rental Assistance						N.A.	N.A.	N.A.
nnnn - xxxxxxxxxxxxxxxx	Overnight On-site-on-call Allowance						N.A.	N.A.	N.A.
nnnn - xxxxxxxxxxxxxxxx	Neighbourhood Support Child Care Project (NSCCP) - Contract Subsidy						N.A.	N.A.	N.A.
nnnn - xxxxxxxxxxxxxxxx	NSCCP - Subsidy for Fee Reduction/Waiving						N.A.	N.A.	N.A.
nnnn - xxxxxxxxxxxxxxxx	NSCCP - Rent and Rates						N.A.	N.A.	N.A.
nnnn - xxxxxxxxxxxxxxxx	Training Sponsorship Scheme for Master in Occupational Therapy and Physiotherapy programmes						N.A.	N.A.	N.A.
nnnn - xxxxxxxxxxxxxxxx	Training Subsidy Programme for Children on the Waiting List for Subvented Pre-school Rehabilitation Services						N.A.	N.A.	N.A.
nnnn - xxxxxxxxxxxxxxxx	Financial Incentive Scheme for Mentors of Employees with Disabilities						N.A.	N.A.	N.A.
nnnn - xxxxxxxxxxxxxxxx	Cash Subsidy for Integrated Support Service for Persons with Severe Physical Disabilities						N.A.	N.A.	N.A.
nnnn - xxxxxxxxxxxxxxxx	Time-defined Subsidy Scheme for Occasional Child Care Service						N.A.	N.A.	N.A.
nnnn - xxxxxxxxxxxxxxxx	Enhanced Alter School Care Programme - Fee Waiving Subsidy Scheme						N.A.	N.A.	N.A.
nnnn - xxxxxxxxxxxxxxxx	Navigation Scheme for Young Persons in Care Services - Operating Expenses						N.A.	N.A.	N.A.
nnnn - xxxxxxxxxxxxxxxx	Navigation Scheme for Young Persons in Care Services - Training Cost						N.A.	N.A.	N.A.
nnnn - xxxxxxxxxxxxxxxx	Grant under the Pilot Scheme on On-site Pre-school Rehabilitation Services						N.A.	N.A.	N.A.
nnnn - xxxxxxxxxxxxxxxx	One-of Subsidy for Enhanced Provision of Visiting Medical Officer for Residential Care Homes for the Elderly						N.A.	N.A.	N.A.
nnnn - xxxxxxxxxxxxxxxx	One-of Subsidy for Enhanced Provision of Visiting Medical Practitioner Scheme for Residential Care Homes for the Persons with Disabilities						N.A.	N.A.	N.A.
nnnn - xxxxxxxxxxxxxxxx	Pilot Scheme on Multi-disciplinary Outreaching Support Teams for the Elderly (MOSTE)						N.A.	N.A.	N.A.
TOTAL									

Schedule for Central Items
Analysis of Subvention and Expenditure for the Period from 1 April 2018 to 31 March 2019

Notes :

1. The figures for the whole financial year are extracted from the paylist for March (Final) of the financial year.
2. Actual expenditure represents the total expenditure incurred including provident fund for the respective services after netting off programme income, if any.
3. Surplus/Deficit for each element represents the difference between subvention released and actual expenditure.
4. Deficit i.r.o. the following central items arising from salary adjustment are transferred to the Lump Sum Grant Reserve as stated in SWD's letter ref. (S) in SWD/S/104/2 Pt. 18 dated 20 July 2018.
 - (i) Dementia Supplement for Elderly with Disabilities
 - (ii) Infirmary/ Care Supplement for the Aged Blind Persons
 - (iii) Dementia Supplement for Residential Elderly Services
 - (iv) Infirmary/ Care Supplement for Residential Elderly services
5. "Surplus brought forward (b/f)" means surplus, if any, arising from operations in previous years.
6. "Surplus carried forward (c/f)" means surplus brought forward less refund to Government plus surplus, if any, arising from operations in current year.
7. Unit code and name are extracted from the paylist from SWD.
8. The central items as listed above may not be exhaustive and any relevant details of central items released and/or expended during the year, where appropriate, should also be included.