

WOMEN'S WELFARE CLUB,
WESTERN DISTRICT, HONG KONG

ANNUAL FINANCIAL REPORT

For the year ended 31 March 2016

楊少銓會計師事務所
ALBERT S. C. YOUNG & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS
HONG KONG

楊少銓會計師事務所 香港執業會計師

ALBERT S. C. YOUNG & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

89-93 Bonham Strand, 2nd Floor, Office C, Man Lok Building, Hong Kong.

**Review Report to the Committee of Women's Welfare Club,
Western District, Hong Kong ("the Company")**

We have audited the financial statements of the Company for the year ended 31 March 2016 and have issued an unqualified auditors' report thereon dated 31 October 2016.

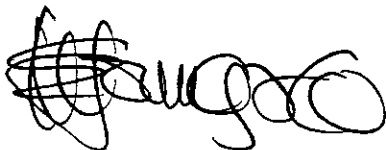
We conducted our review of the attached Annual Financial Report of the Company for the year ended 31 March 2016 in accordance with Practice Note 851 "Review of the Annual Financial Reports of Non-governmental Organisations" issued by the Hong Kong Institute of Certified Public Accountants. The review includes considering the procedures and records relevant to the preparation of the Annual Financial Report and performing procedures to satisfy ourselves that the Annual Financial Report has been properly prepared from the books and records of the Company, on which the above audited financial statements of the Company are based.

Review conclusions

On the basis of the results of our review and having regard to the audit procedures performed by us in relation to the audit of the financial statements of the Company for the year ended 31 March 2016:

- a. in our opinion the Annual Financial Report has been properly prepared from the books and records of the Company;
- b. no matters have come to our attention during the course of our review, which cause us to believe that the Company has not:
 - i. properly accounted for the receipt of Lump Sum Grant, Provident Fund, Special One-off Grant and other social welfare subventions and expenditure in respect of Funding and Services Agreement activities and support services;
 - ii. kept separate Operating Income and Expenditure Account for each subvented service unit as required by the Lump Sum Grant Manual (LSG Manual) published by the Social Welfare Department of the Government of the HKSAR; and
 - iii. prepared the Annual Financial Report in accordance with the format and requirements set out in the LSG Manual; and
 - iv. employed the staff quoted in the Special One-off Grant and Provident Fund arrangements during the report period.

This report is intended for filing with the Social Welfare Department of the Government of the HKSAR and should not be used for any other purpose.



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Albert S. C. Young & Company
Certified Public Accountants

Hong Kong, 31 October 2016

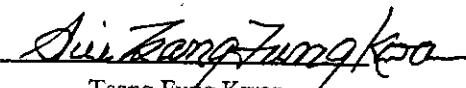
ANNUAL FINANCIAL REPORT

NGO : WOMEN'S WELFARE CLUB, WESTERN DISTRICT, HONG KONG (772)

1 APRIL 2015 TO 31 MARCH 2016

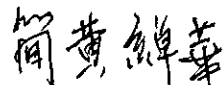
	Notes	Total 2015-16 \$	Total 2014-15 \$	Remarks
A. INCOME				
1. Lump Sum Grant				
a. Lump Sum Grant (excluding Provident Fund)	1b	7,590,097	5,469,404	
b. Provident Fund	1c	489,212	354,397	
2. Special One-off Grant		-	-	
3. Fee Income	2	198,283	145,331	
4. Central Items	3	25,345	141,892	
5. Rent and Rates	4	151,943	141,372	
6. Other Income	5	801,942	667,586	
7. Interest Received		52	33	
TOTAL INCOME		9,256,874	6,920,015	
 B. EXPENDITURE				
1. Personal Emoluments				
a. Salaries		5,345,863	4,428,938	
b. Provident Fund	1c	303,604	220,387	
c. Allowances		-	-	
Sub-total	6	5,649,467	4,649,325	
2. Other Charges	7	1,666,480	1,427,351	
3. Central Items	3	15,820	182,834	
4. Rent and Rates	4	203,249	151,400	
5. Special One-off Grant Payments	7a	-	-	
TOTAL EXPENDITURE		7,535,016	6,410,910	
 C. SURPLUS FOR THE YEAR	 8	 1,721,858	 509,105	

Chairman:


Tsang Fung Kwan

Date: 31 OCT 2016

Treasurer:



Wong Cheuk Wah, Sheila

Date: 31 OCT 2016

NOTE ON THE ANNUAL FINANCIAL REPORT

1. Lump Sum Grant

- a. Basis of preparation** The Annual Financial Report (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. Please note that the PF received and contributed for staff under the Central Items have been shown under 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	-	489,212	489,212
Provident Fund Contribution Paid during the year	-	303,604	303,604

Surplus/(Deficit) for the Year	-	185,608	185,608
Add: Surplus/(Deficit) b/f	75,358 *	890,245	965,603
Transfer from Snapshot Staff to 6.8% and other posts	-	-	-
Less: Refund to Government	-	-	-

Add: Surplus/(Deficit) c/f	<u>75,358</u>	<u>1,075,853</u>	<u>1,151,211</u>

* SWD/4-55/12 (772) dated 10 April 2015 for the transfer of the surplus of \$139,339 to the PF Reserve for non-Snapshot staff.

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.

NOTE ON THE ANNUAL FINANCIAL REPORT

3. Central Items

These are subvented services 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 PF 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 3.13 of LSG Manual). The income and expenditure of each of the Central Items are as follows:

	2015-16	2014-15
	\$	\$
a. <u>Income</u>		
Regularized Programme Assistants (PA)/ Care Assistants (CA)	-	123,172
Time-defined Subsidy Scheme for Extended Hours Child Care Services	25,345	18,720
Training Subsidy Scheme for Standalone Child Care Centre (CCC), KG-cum-CCC and Residential CCC	-	-
	25,345	141,892
b. <u>Expenditure</u>		
Regularized Programme Assistants (PA)/ Care Assistants (CA)	-	150,544
Time-defined Subsidy Scheme for Extended Hours Child Care Services	15,820	17,290
Training Subsidy Scheme for Standalone Child Care Centre (CCC), KG-cum-CCC and Residential CCC	-	15,000
	15,820	182,834

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.

NOTE ON THE ANNUAL FINANCIAL REPORT

6. Personal Emoluments

Personal Emoluments include salary, provident fund and salary-related allowances. The analysis on number of posts with annual Personal Emoluments over \$500,000 each is appended below:

Analysis of Personal Emoluments

	<u>No. of Posts</u>	<u>\$</u>
HK\$500,001- HK\$600,000 p.a.	None	-
HK\$600,001- HK\$700,000 p.a.	None	-
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.	None	-
>HK\$1,000,000 p.a.	None	-

7. Other Charges

<u>Other Charges</u>	<u>2015-16</u>	<u>2014-15</u>
	<u>\$</u>	<u>\$</u>
(a) Utilities	99,362	100,109
(b) Food	15,372	19,699
(c) Administrative Expenses	156,935	116,302
(d) Stores and Equipment	94,775	101,169
(e) Repair and Maintenance	73,387	108,922
(f) Special Allowances	-	-
(g) Programme Expenses	1,133,468	884,954
(h) Transportation and Travelling	9,163	11,626
(i) Insurance	40,224	35,670
(j) Miscellaneous	43,794	48,900
Total	1,666,480	1,427,351

7a. Special One-off Grant Payments

Details of Special One-Off Grant Payments are as follows:

<u>Special one-off Grant Payments</u>	<u>2015-16</u>	<u>2014-15</u>
	<u>\$</u>	<u>\$</u>
(a) Voluntary Retirement Scheme	-	-
(b) Compensation Scheme	-	-
(c) Staff Training and Development	-	-
(d) Other Staff-related Initiatives	-	-
Total	-	-

8. Analysis of Reserve Fund

	Analysis of Reserve Fund				
	Lump Sum Grant (LSG)	Special One-off Grant (SOG)	Rent and Rates	Central Items	Total
Income					
Lump Sum Grant	8,079,309	-	-	-	8,079,309
Fee Income	198,283	-	-	-	198,283
Other Income	801,942	-	-	-	801,942
Interest Received (Note (1))	52	-	-	-	52
Rent and Rates	-	-	151,943	-	151,943
Central Items	-	-	-	25,345	25,345
Total Income (a)	9,079,586	-	151,943	25,345	9,256,874
Expenditure					
Personal Emoluments	5,649,467	-	-	-	5,649,467
Other Charges	1,666,480	-	-	-	1,666,480
Rent and Rates	-	-	203,249	-	203,249
Central Items	-	-	-	15,820	15,820
Total Expenditure (b)	7,315,947	-	203,249	15,820	7,535,016
Surplus/(Deficit) for the Year (a) - (b)	1,763,639	-	(51,306)	9,525	1,721,858
Less: Surplus/(Deficit) of Provident Fund	185,608	-	-	-	185,608
	1,578,031	-	(51,306)	9,525	1,536,250
Surplus/(Deficit) b/f (Note (2))	817,388	-	(15,274)	41,575	843,689
	2,395,419	-	(66,580)	51,100	2,379,939
Less: Refund to Government	-	-	(5,500)	-	(5,500)
Transfer from LSG Reserve to cover the salary adjustment for Dementia Supplement and Infirmary Care Supplementary (Note (3))	-	-	-	-	-
Surplus/(Deficit) c/f (Note (4))	2,395,419	-	(72,080)	51,100	2,374,439

- Notes: (1) All the interest received on LSG and PF reserves, rent and rates, central items, Special One-off Grant is 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 and all interest received in previous years are included in the surplus b/f under LSG.
- (3) Amount of LSG Reserve used to cover the salary adjustment for Dementia Supplement and Infirmary Care Supplement, if any, as per Schedule of Central Items.
- (4) The level of LSG cumulative reserves (i.e. S) will be capped at 25% of the NGO's operating expenditure (excluding PF expenditure) for the year.

Schedule for Central Items
Analysis of Subvention and Expenditure for the Period from 1 April 2015 to 31 March 2016

Name of Agency : Women's Welfare Club, Western District, Hong Kong (772)

Unit Code and Name (Note 6)	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)/ Received (g)	Surplus c/f (Note 6) (f)=(e)+(a)-(g)-(g)
					Deficit (Note 3) (b)	Deficit transferred to LSG (Note 4) (c)	Adjusted Deficit (d) = (b) - (c)			
		\$	\$	\$	\$	\$	\$			
5533 - Apleichau Day Nursery	Time-defined Subsidy Scheme for Extended Hours Child Care Service	25,345	15,820	9,525	-	-	-	6,182	-	15,707
6991 - Apleichau Day Nursery, David Woo Day Nursery & West Day Nursery	Training Subsidy Scheme for Standalone Child Care Centre (CCC), KG-cum-CCC and Residential CCC	-	-	-	-	-	-	35,393	-	35,393
TOTAL		25,345	15,820	9,525	-	-	-	41,575	-	51,100

Notes :

- The figures for the whole financial year are extracted from the payroll for March (Final) of the financial year.
- Actual expenditure represents the total expenditure incurred including provident fund for the respective services after netting off programme income, if any.
- Surplus/(Deficit) for each element represents the difference between subvention released and actual expenditure.
- Deficit i.e. the following central items arising from salary adjustment are transferred to the Lump Sum Grant Reserve as stated in SWD's letter ref. (16) in SWD/S/104/2 Pt. 12 dated 22 July 2015.
 - Dementia Supplement for Elderly with Disabilities
 - Infirmity Care Supplement for the Aged/Blind Persons
 - Dementia Supplement for Residential Elderly Services
 - Infirmity Care Supplement for Residential Elderly Services
- "Surplus brought forward (b/f)" means surplus, if any, arising from operations in previous years.
- "Surplus carried forward (c/f)" means surplus brought forward plus surplus, if any, arising from operations in current year.
- Unit code and name are extracted from the payroll from SWD.
- The income and expenditure for the Special one-off Subsidy for Better Care for Elderly Persons with Dementia or Requiring Infirmity Care as allocated via SWD's letter ref SWD/S/ERC/3 Pt.4 dated 4 March 2015 should also be included in the income/expenditure of the respective items.
- 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.

Schedule for Rent and RatesAnalysis of Subvention and Expenditure for the period from 1 April 2015 to 31 March 2016Name Agency : Women's Welfare Club, Western District, Hong Kong (772)

Unit Code and Name	Subvented Element	Subvention Released (Note1)	Actual Expenditure	Surplus (Note 2)	Deficit (Note 2)
7770 - Kwan Kai Ming Memorial Chung Hok Elderly Centre	Rent (Note 3)	131,496	180,909	-	49,413
	Rates	20,447	22,340	-	1,893
	Total	151,943	203,249	-	51,306
Grand Total		151,943	203,249	-	51,306

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 Investment
Analysis of Investment as at 31 March 2016

Agency : Women's Welfare Club, Western District, Hong Kong (772)

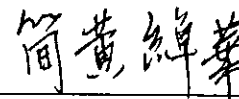
	2016 HK\$	2015 HK\$
LSG Reserve as at 31 March	<u>2,395,419</u>	<u>817,388</u>
Represented by:		
Investments		
a. HKD Bank Account Balances	2,395,419	817,388
b. HKD 24-hour Call Deposits	-	-
c. HKD Fixed Deposits	-	-
d. HKD Certificate of Deposits	-	-
e. HKD Bonds (see appendix for breakdown)	-	-
	<u>2,395,419</u>	<u>817,388</u>

Note: The investments should be reported at historical cost

Confirmed by:-


Chairman: Tsang Fung Kwan

Date: 31 OCT 2016


Treasurer: Wong Cheuk Wah, Sheila

Date: 31 OCT 2016