

WOMEN'S WELFARE CLUB,  
WESTERN DISTRICT, HONG KONG

**ANNUAL FINANCIAL REPORT**

For the year ended 31 March 2020

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

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

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We have audited the financial statements of the Company for the year ended 31 March 2020 and have issued an unqualified auditors' report thereon dated 19 October 2020.

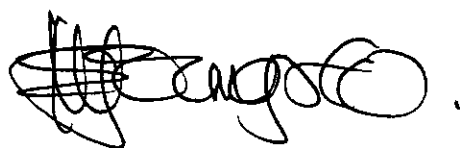
We conducted our review of the attached Annual Financial Report of the Company for the year ended 31 March 2020 in accordance with Practice Note 851 "Review of the Annual Financial Reports of Non-governmental Organisations" issued by the Hong Kong Institute of Certified Public Accountants. The review 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 2020:

- 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, 19 October 2020

## ANNUAL FINANCIAL REPORT

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

1 APRIL 2019 TO 31 MARCH 2020

	Notes	Total 2019-20 \$	Total 2018-19 \$	Remarks
<b>A. INCOME</b>				
1. Lump Sum Grant				
a. Lump Sum Grant (excluding Provident Fund)	1b	12,182,396	10,237,223	
b. Provident Fund	1c	778,857	656,053	
2. Fee Income	2	112,534	148,875	
3. Central Items	3	37,857	37,857	
4. Rent and Rates	4	210,644	197,883	
5. Other Income	5	905,359	1,784,488	
6. Interest Received		4,144	917	
<b>TOTAL INCOME</b>		14,231,791	13,063,296	
<b>B. EXPENDITURE</b>				
1. Personal Emoluments				
a. Salaries		9,788,983	8,086,287	
b. Provident Fund	1c	645,551	587,408	
c. Allowances		-	-	
Sub-total	6	10,434,534	8,673,695	
2. Other Charges	7	3,323,360	4,001,261	
3. Central Items	3	5,845	5,380	
4. Rent and Rates	4	238,669	219,858	
<b>TOTAL EXPENDITURE</b>		14,002,408	12,900,194	
<b>C. SURPLUS/(DEFICIT) FOR THE YEAR</b>	8	229,383	163,102	

The Annual Financial Report from pages 2 to 8 has been prepared in accordance with the requirement as set out in the Lump Sum Grant Manual.

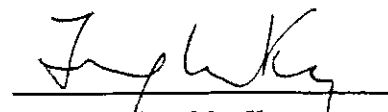
Chairman:

  
Tsang Fung Kwan

Date:

19 October 2020

NGO Head -  
Treasurer:

  
Fong Man Kay

Date:

19 October 2020

## NOTE ON THE ANNUAL FINANCIAL REPORT

### 1. Lump Sum Grant

**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>	<u>Snapshot Staff</u>	<u>6.8% and Other Posts</u>	<u>Total</u>
	\$	\$	\$
Subvention Received	-	778,857	778,857
Provident Fund Contribution Paid during the year	-	645,551	645,551
Surplus/(Deficit) for the Year	-	133,306	133,306
Add: Surplus/(Deficit) b/f Additional subvention received for previous year(s)	-	1,343,965	1,343,965
Less: Refund to Government	-	-	-
Surplus/(Deficit) c/f	-	<u>1,477,271</u>	<u>1,477,271</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.

## 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 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:

	2019-20	2018-19
	\$	\$
<b>a. <u>Income</u></b>		
Time-defined Subsidy Scheme for Extended Hours Services Users	11,357	11,357
Time-defined Subsidy Scheme for Occasional Child Care Service	26,500	26,500
	37,857	37,857
<b>b. <u>Expenditure</u></b>		
Time-defined Subsidy Scheme for Extended Hours Services Users	5,845	3,754
Time-defined Subsidy Scheme for Occasional Child Care Service	-	1,626
	5,845	5,380

- 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:

	2019-20	2018-19
	\$	\$
<b>Other Income</b>		
(a) Fees and charges for services incidental to the operation of subvented services	797,479	1,010,695
(b) Others	107,880	773,793
	905,359	1,784,488

**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 \$700,000 each paid under LSG is appended below:

<u>Analysis of Personal Emoluments paid undre LSG</u>	<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.	None	-
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:

<u>Other Charges</u>	<u>2019-20</u> \$	<u>2018-19</u> \$
(a) Utilities	73,558	78,745
(b) Food	14,780	23,993
(c) Administrative Expenses	263,762	251,213
(d) Stores and Equipment	251,999	226,115
(e) Repair and Maintenance	250,699	173,622
(f) Special Allowances	-	-
(g) Programme Expenses	2,182,017	3,107,372
(h) Transportation and Travelling	1,167	1,698
(i) Insurance	205,081	86,150
(j) Miscellaneous	80,297	52,353
<b>Total</b>	<b>3,323,360</b>	<b>4,001,261</b>

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

	Lump Sum Grant (LSG)	Rent and Rates	Central Items	Total
	\$	\$	\$	\$
<b>Income</b>				
Lump Sum Grant	12,961,253	-	-	12,961,253
Fee Income	112,534	-	-	112,534
Other Income	905,359	-	-	905,359
Interest Received (Note (1))	4,144	-	-	4,144
Rent and Rates	-	210,644	-	210,644
Central Items	-	-	37,857	37,857
<b>Total Income (a)</b>	<b>13,983,290</b>	<b>210,644</b>	<b>37,857</b>	<b>14,231,791</b>
<b>Expenditure</b>				
Personal Emoluments	10,434,534	-	-	10,434,534
Other Charges	3,323,360	-	-	3,323,360
Rent and Rates	-	238,669	-	238,669
Central Items	-	-	5,845	5,845
<b>Total Expenditure (b)</b>	<b>13,757,894</b>	<b>238,669</b>	<b>5,845</b>	<b>14,002,408</b>
Surplus/(Deficit) for the Year (a) - (b)	225,396	(28,025)	32,012	229,383
Less: Surplus/(Deficit) of Provident Fund	133,306	-	-	133,306
	92,090	(28,025)	32,012	96,077
Surplus/(Deficit) b/f (Note (2))	2,308,040	(23,023)	32,373	2,317,390
	2,400,130	(51,048)	64,385	2,413,467
Add: Refund from Government	-	28,191	-	28,191
Less: Refund to Government	-	(6,215)	(32,477)	(38,692)
Deficit of Time-defined Subsidy Scheme for Extended Hours Service Users for 2016/17 absorbed by own resources	-	-	104	104
Transfer from LSG Reserve to cover the salary adjustment for Dementia Supplement and Infirmary Care Supplementary (Note (3))	-	-	-	-
Surplus/(Deficit) c/f (Note (4))	2,400,130	(29,072)	32,012	2,403,070

Notes:

- (1) Interest received on LSG and Provident Fund reserves, rent and rates, central items are included as one item under LSG; the item is considered as part of LSG reserve.
- (2) Accumulated balance 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 Dementia Supplement and Infirmary Care Supplement, if any, as per Schedule of Central Items.
- (4) The level of LSG cumulative reserves (i.e. S), less LSG Reserve kept in the holding account, will be capped at 25% of the operating expenditure (excluding Provident Fund expenditure) for the year.

**Schedule for Central Items**  
**Analysis of Subvention and Expenditure for the Period from 1 April 2019 to 31 March 2020**

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

Unit Code and Name (Note 7)	Subvented Element	Subvention Released (Note 1)	Actual Expenditure (Note 2)	Surplus (Note 3) (a)	Deficit for the Year		Adjusted Deficit (d) = (b) - (c)	Surplus b/f (Note 5) (e)	(Refund to Government)/ Received (f)	Surplus c/f (Note 6) (g) = (e) + (f) - (d) - (f)
					Deficit (Note 3) (b)	Deficit transferred to LSG (Note 4) (c)				
T772 - Apleichau Day Nursery	Time-defined Subsidy Scheme for Extended Hours Service Users	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	978	(978)	-
V772 - Apleichau Day Nursery	Time-defined Subsidy Scheme for Extended Hours Service Users	11,357	5,845	5,512	-	-	-	6,625	(6,625)	5,512
6101 - Apleichau Day Nursery, David Woo Day Nursery & West Day Nursery	Time-defined Subsidy Scheme for Occasional Child Care Service	26,500	-	26,500	-	-	-	24,874	(24,874)	26,500
N/A	Special Allowance for Staff of Subvented Residential Service Units in respect of COVID-19	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>		<b>37,857</b>	<b>5,845</b>	<b>32,012</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>32,477</b>	<b>(32,477)</b>	<b>32,012</b>

Notes :

1. The figures for the whole financial year are extracted from the payroll for March (Final) or remittance advice(s) issued by the Treasury 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.e. the following central items arising from salary adjustment are transferred to the Lump Sum Grant Reserve as stated in SWD's letter ref. (33) in SWD/S/104/2 Pt. 18 dated 4 March 2020
  - (i) Dementia Supplement for Elderly with Disabilities
  - (ii) Infirmity Care Supplement for the Aged Blind Persons
  - (iii) Dementia Supplement for Residential Elderly Services
  - (iv) Infirmity 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 payroll from SWD and remittance advice from the Treasury respectively.
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.



**Schedule for Rent and Rates**  
**Analysis of Subvention and Expenditure for the period from 1 April 2019 to 31 March 2020**

Name 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)	188,676	220,359	-	(31,683)
	Rates	21,968	18,310	3,658	-
	Total	210,644	238,669	3,658	(31,683)
	Grand Total	210,644	238,669	3,658	(31,683)

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 2020

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

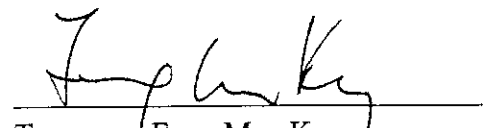
	2020 HK\$	2019 HK\$
LSG Reserve as at 31 March	<u>2,400,130</u>	<u>2,308,040</u>
Represented by:		
Investments		
a. HKD Bank Account Balances	2,400,130	2,308,040
b. HKD 24-hour Call Deposits	-	-
c. HKD Fixed Deposits	-	-
d. HKD Certificate of Deposits	-	-
e. HKD Bonds (see appendix for breakdown)	-	-
	<u>2,400,130</u>	<u>2,308,040</u>

Note: The investments should be reported at historical cost

Confirmed by:-

  
Chairman, Tsang Fung Kwan

Date 19 October 2020

  
Treasurer, Fong Man Kay

Date: 19 October 2020