

WOMEN'S WELFARE CLUB,
WESTERN DISTRICT, HONG KONG

ANNUAL FINANCIAL REPORT

For the year ended 31 March 2021

楊少銓會計師事務所
ALBERT S. C. YOUNG & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS
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 2020 and have issued an unqualified auditors' report thereon dated 11 October 2021.

We conducted our review of the attached Annual Financial Report of the Company for the year ended 31 March 2021 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 2021:

- 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, 11 October 2021

ANNUAL FINANCIAL REPORT


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

1 APRIL 2020 TO 31 MARCH 2021

| | Notes | Total 2020-21 \$ | Total 2019-20 \$ | Remarks |
|--|-------|------------------------|------------------------|---------|
| A. INCOME | | | | |
| 1. Lump Sum Grant | | | | |
| a. Lump Sum Grant (excluding Provident Fund) | 1b | 12,312,577 | 12,182,396 | |
| b. Provident Fund | 1c | 778,848 | 778,857 | |
| 2. Fee Income | 2 | 73,669 | 112,534 | |
| 3. Central Items | 3 | 37,857 | 37,857 | |
| 4. Rent and Rates | 4 | 211,457 | 210,644 | |
| 5. Other Income | 5 | 119,825 | 905,359 | |
| 6. Interest Received | | 40 | 4,144 | |
| TOTAL INCOME | | 13,534,273 | 14,231,791 | |
| B. EXPENDITURE | | | | |
| 1. Personal Emoluments | | | | |
| a. Salaries | | 10,084,301 | 9,788,983 | |
| b. Provident Fund | 1c | 671,112 | 645,551 | |
| c. Allowances | | - | - | |
| Sub-total | 6 | 10,755,413 | 10,434,534 | |
| 2. Other Charges | 7 | 2,336,624 | 3,323,360 | |
| 3. Central Items | 3 | 63 | 5,845 | |
| 4. Rent and Rates | 4 | 217,240 | 238,669 | |
| TOTAL EXPENDITURE | | 13,309,340 | 14,002,408 | |
| C. SURPLUS/(DEFICIT) FOR THE YEAR | 8 | 224,933 | 229,383 | |

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:

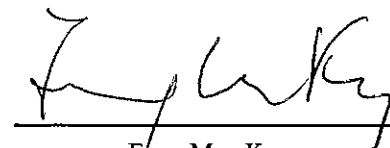


Tsang Fung Kwan

Date:

11 October 2021

NGO Head -
Treasurer:



Fong Man Kay

Date:

11 October 2021

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> | Snapshot <u>Staff</u> \$ | 6.8% and Other <u>Posts</u> \$ | <u>Total</u> \$ |
|---|--------------------------------|---|--------------------|
| Subvention Received | - | 778,848 | 778,848 |
| Provident Fund Contribution Paid during the year | - | 671,112 | 671,112 |
| Surplus/(Deficit) for the Year | - | 107,736 | 107,736 |
| Add: Surplus/(Deficit) b/f Additional subvention received for previous year(s) | - | 1,477,271 | 1,477,271 |
| Less: Refund to Government | - | - | - |
| Surplus/(Deficit) c/f | - | 1,585,007 | 1,585,007 |

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:

| | 2020-21 | 2019-20 |
|---|---------|---------|
| | \$ | \$ |
| a. <u>Income</u> | | |
| 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. <u>Expenditure</u> | | |
| Time-defined Subsidy Scheme for Extended Hours Services Users | 63 | 5,845 |
| Time-defined Subsidy Scheme for Occasional Child Care Service | - | - |
| | 63 | 5,845 |

- 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:

| | 2020-21 | 2019-20 |
|---|---------|---------|
| | \$ | \$ |
| Other Income | | |
| (a) Fees and charges for services incidental to the operation of subvented services | 60,575 | 797,479 |
| (b) Subsidy from Central Items (CI) - After School Care Programme (ASCP) / Enhanced ASCP - Fee Waiving Subsidy Scheme (FWSS)* | - | - |
| (b) Others | 59,010 | 107,880 |
| Sub-Total | 119,585 | 905,359 |
| Less: Utilised allocation under CI - ASCP / Enhanced ASCP - FWSS which forms as part of Other Income* | - | - |
| Total | 119,585 | 905,359 |

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

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>2020-21</u> \$ | <u>2019-20</u> \$ |
|--|----------------------|----------------------|
| (a) Utilities | 29,087 | 73,558 |
| (b) Food | 2,608 | 14,780 |
| (c) Administrative Expenses | 248,117 | 263,762 |
| (d) Stores and Equipment | 423,875 | 251,999 |
| (e) Repair and Maintenance | 328,177 | 250,699 |
| (f) Special Allowances | - | - |
| (g) Programme Expenses | 1,083,188 | 2,182,017 |
| (h) Transportation and Travelling | 934 | 1,167 |
| (i) Insurance | 149,793 | 205,081 |
| (j) Miscellaneous | 70,845 | 80,297 |
| Sub-Total | 2,336,624 | 3,323,360 |
| 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 | 2,336,624 | 3,323,360 |

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

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

| | Lump Sum Grant (LSG) | Adjustment for Utilised allocation under ASCP / Enhanced ASCP- FWSS | Rent and Rates | Central Items (CI) | Total |
|--|----------------------|---|----------------|--------------------|-------------------|
| | \$ | \$ | \$ | \$ | \$ |
| Income | | | | | |
| Lump Sum Grant | 13,091,425 | - | - | - | 13,091,425 |
| Fee Income | 73,669 | - | - | - | 73,669 |
| Other Income | 119,825 | - | - | - | 119,825 |
| Interest Received (Note (1)) | 40 | - | - | - | 40 |
| Rent and Rates | - | - | 211,457 | - | 211,457 |
| Central Items | - | - | - | 37,857 | 37,857 |
| Total Income (a) | 13,284,959 | - | 211,457 | 37,857 | 13,534,273 |
| Expenditure | | | | | |
| Personal Emoluments | 10,755,413 | - | - | - | 10,755,413 |
| Other Charges | 2,336,624 | - | - | - | 2,336,624 |
| Rent and Rates | - | - | 217,240 | - | 217,240 |
| Central Items | - | - | - | 63 | 63 |
| Total Expenditure (b) | 13,092,037 | - | 217,240 | 63 | 13,309,340 |
| Surplus/(Deficit) for the Year (a) - (b) | 192,922 | - | (5,783) | 37,794 | 224,933 |
| Less: Surplus/(Deficit) of Provident Fund | 107,736 | - | - | - | 107,736 |
| | 85,186 | - | (5,783) | 37,794 | 117,197 |
| Surplus/(Deficit) b/f (Note (2)) | 2,400,130 | - | (29,072) | 32,012 | 2,403,070 |
| | 2,485,316 | - | (34,855) | 69,806 | 2,520,267 |
| Add: Refund from Government | - | - | 31,683 | - | 31,683 |
| Less: Refund to Government | - | - | (3,658) | (32,012) | (35,670) |
| Transfer from LSG Reserve to cover the salary adjustment for Dementia Supplement and Infirmity Care Supplement (Note (3)) | - | - | - | - | - |
| Adjustment for utilised allocation under <u>Enhanced</u> ASCP - FWSS* (over-estimated) / under-estimated in previous year(s) | - | - | - | - | - |
| Surplus/(Deficit) c/f (Note (4)) | 2,485,316 | - | (6,830) | 37,794 | 2,516,280 |

¹ Letter ref: WD SF/SAS/ 4-55/1(772) dated 27 November 2020

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 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 Infirmity 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 NGC operating expenditure (excluding Provident Fund expenditure) for the year.

Schedule for Central Items
Analysis of Subvention and Expenditure for the Period from 1 April 2020 to 31 March 2021

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

| Unit Code and Name/ Remittance Advice No. (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) (c) | (Refund to Government)/ Received (f) | Adjustment (Note 9) (g) | Surplus c/f (Note 6) (b)-(e)+(g)-(f)-(-g) |
|--|--|------------------------------------|-----------------------------------|----------------------------|----------------------------|--|-----------------------------------|---|-------------------------------|--|
| | | | | | Deficit (Note 3) (b) | Adjusted Deficit (d) = (b) - (c) | | | | |
| V772 - Apleichau Day Nursery | Time-defined Subsidy Scheme for Extended Hours Service Users | \$ 11,357 | 63 | \$ 11,294 | \$ - | \$ - | 5,512 | (5,512) | - | 11,294 |
| 6101 - Apleichau Day Nursery, David Woo Day Nursery & West Day Nursery | Time-defined Subsidy Scheme for Occasional Child Care Service | 26,500 | - | 26,500 | - | - | 26,500 | (26,500) | - | 26,500 |
| TOTAL | | 37,857 | 63 | 37,794 | - | - | 32,012 | (32,012) | - | 37,794 |

Notes :

- The figures for the whole financial year are extracted from the payroll for March (Final) or remittance advice(s) issued by the Treasury or allocation letter(s) issued by Social Welfare Department 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.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. (33) in SWD/S/104/2 Pt. 18 dated 4 March 2020
 - 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 less refund to Government plus surplus, if any, arising from operations in current year.
- Unit code and name / remittance advice no. are extracted from the payroll from SWD and remittance advice from the Treasury respectively.
- 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.
- For ASCP / Enhanced ASCP, the adjustment includes the amount of expenditure overstated / (understated) in previous year(s) after taking into account the actual claw-back amount(s) per SWD's allocation letter(s), if any.

Schedule for Rent and Rates
Analysis of Subvention and Expenditure for the period from 1 April 2020 to 31 March 2021

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 | 213,840 | - | (25,164) |
| | Rates | 22,781 | 3,400 | 19,381 | - |
| | Total | 211,457 | 217,240 | 19,381 | (25,164) |
| | Grand Total | 211,457 | 217,240 | 19,381 | (25,164) |

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 2021

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

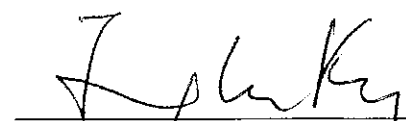
| | 2021 HK\$ | 2020 HK\$ |
|---|------------------|------------------|
| LSG Reserve as at 31 March | <u>2,485,316</u> | <u>2,400,130</u> |
| Represented by: | | |
| Investments | | |
| a. HKD Bank Account Balances | 2,485,316 | 2,400,130 |
| b. HKD 24-hour Call Deposits | - | - |
| c. HKD Fixed Deposits | - | - |
| d. HKD Certificate of Deposits | - | - |
| e. HKD Bonds (see appendix for breakdown) | - | - |
| | <u>2,485,316</u> | <u>2,400,130</u> |

Note: The investments should be reported at historical cost

Confirmed by:-


Chairman: Tsang Fung Kwan

Date 11 October 2021


Treasurer: Hong Man Kay

Date: 11 October 2021