

ANNUAL FINANCIAL REPORT
NGO: Zion Social Service Ltd
1 April 2022 TO 31 March 2023

Appendix A

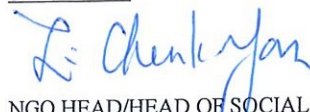
	Notes	2022-2023	2021-2022
A. INCOME			
1. Lump Sum Grant			
a. Lump Sum Grant (excluding Provident Fund)	1b	8,970,891.00	8,832,439.00
b. Provident Fund	1c	880,436.00	870,577.00
2. Fee Income	2	25.00	325.00
3. Central Items	3	120,864.00	89,856.00
4. Rent and Rates	4	104,199.00	104,199.00
5. Other Income -Subvention	5	234,600.00	167,010.00
Other Income - Funding	5	879,537.00	915,728.77
6. Interest Received		8,749.70	131.76
7. LSG Reserved Fund to cover the expenditure		0.00	51,000.00
TOTAL INCOME		<u>11,199,301.70</u>	<u>11,031,266.53</u>
B. EXPENDITURE			
1. Personal Emoluments			
a: Salaries		7,556,983.30	6,916,928.00
b: Provident Fund	1c	830,969.19	802,040.31
c. Allowances		0.00	0.00
Sub-total	6	<u>8,387,952.49</u>	<u>7,718,968.31</u>
2. Other Charges	7	1,466,140.85	1,365,472.35
3. Central Items	3	130,070.93	70,120.50
4. Rent and Rates	4	<u>132,531.00</u>	<u>107,900.00</u>
TOTAL EXPENDITURE		<u>10,116,695.27</u>	<u>9,262,461.16</u>
C. SURPLUS / (DEFICIT) FOR THE YEAR	8	<u>1,082,606.43</u>	<u>1,768,805.37</u>

The Annual Financial Report from pages [1] to [6] has been prepared in accordance with the requirements as set out in the Lump Sum Grant Manual.

SIGNATURE


CHAIRMAN
 DATE: 15 MAY 2023

SIGNATURE


NGO HEAD/HEAD OF SOCIAL WELFARE SERVICE
 DATE: 15 MAY 2023

NOTES ON THE ANNUAL FINANCIAL REPORT

1. Lump Sum Grant

- a. Basis of preparation (i) The Annual Financial Report (AFR) is prepared in respect of all Funding and Service Agreement (FSA) activities (including support service of 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	459,171.00	430,288.00	889,459.00
Add: Refund of MPF subvention underpaid for the period 4/2022-8/2022 (Ref. file #: (8) in SWD/SF/4-55/13 Part V)		4,021.00	4,021.00
Less: Refund of PF subvention overpaid for the period 4/2022-8/2022 (Ref. file #: (8) in SWD/SF/4-55/13 Part V)	(13,044.00)		(13,044.00)
Total Subvention Received	446,127.00	434,309.00	880,436.00
Provident Fund Contribution Paid during the Year	427,864.31	403,104.88	830,969.19
Surplus/ (Deficit) for the Year 2022/2023	18,262.69	31,204.12	49,466.81
Add: Surplus/(Deficit) b/f @1/4/2022	9,243.00	715,994.76	725,237.76
Less: Refund to Government	(9,243.00)	0.00	(9,243.00)
Surplus/(Deficit) c/f @31/3/2023	18,262.69	747,198.88	765,461.57

- 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:

	2022-2023	2021-2022
	\$	\$
<u>a. Income</u>		
Dementia Supplement for Elderly with Disabilities		
Infirmity Care Supplement for the Aged Blind Person		
Dementia Supplement for Residential Elderly Services		
Foster Care Allowance/Emergency Foster Care Allowance		
After School Care Programme - fee Waiving Subsidy Scheme	120,864.00	89,856.00
Temporary Financial Aid		
Emergency Fund		
Time-defined Subsidy Scheme for Extended Hours Child Care Services		
Training Subsidy under Training Scheme for Child Care Supervisor and Special Child Care Workers in pre-School Rehabilitation Services		
Regularized Programme Assistance (PA) /Care Assistants (CA)		
Subsidy under the Home Environment Improvement Scheme for the Elderly		
Total	120,864.00	89,856.00

	2022-2023	2021-2022
	\$	\$
<u>b. Expenditure</u>		
Dementia Supplement for Elderly with Disabilities		
Infirmity Care Supplement for the Aged Blind Person		
Dementia Supplement for Residential Elderly Services		
Foster Care Allowance/Emergency Foster Care Allowance		
After School Care Programme - fee Waiving Subsidy Scheme	130,070.93	70,120.50
Temporary Financial Aid		
Emergency Fund		
Time-defined Subsidy Scheme for Extended Hours Child Care Services		
Training Subsidy under Training Scheme for Child Care Supervisor and Special Child Care Workers in pre-School Rehabilitation Services		
Regularized Programme Assistance (PA) /Care Assistants (CA)		
Subsidy under the Home Environment Improvement Scheme for the Elderly		
Total	130,070.93	70,120.50

- 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 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:-

	2022-23	2021-22
Other Income	\$	\$
(a) Fees and charges for services incidental to the operation of subvented service	234,600.00	167,010.00
(b) Subsidy from Central Items (CI) - After School Care Programme (ASCP) / Enhanced ASCP - Fee Waiving Subsidy Scheme (FWSS)*	112,478.00	81,120.00
(b) Others	879,537.00	915,728.77
Sub-Total	1,226,615.00	1,163,858.77
Less: Utilised allocation under CI - A / Enhanced ASCP - FWSS which forms as part of Other Income*	(112,478.00)	(81,120.00)
Toal:	1,114,137.00	1,082,738.77

* 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:

Analysis of Personal Emoluments paid under LSG	No of Posts	\$
HK\$700,001-HK\$800,000p.a.	1	788,525.00
HK\$800,001-HK\$900,000p.a.		
HK\$900,001-HK\$1,000,000p.a.		
HK\$1,000,001-HK\$1,100,000p.a.	1	1,088,537.50
HK\$1,100,001-HK\$1,200,000p.a.		
>HK\$1,200,000p.a.	1	1,325,252.75

7 Other Charges

The breakdown on Other Charges is as follows:

<u>Other Charges</u>	<u>4/2022 - 3/2023</u> \$	<u>2021-2022</u> \$
(a) Utilities	76,502.50	82,760.00
(b) Food	0.00	0.00
(c) Administrative Expenses	121,399.78	90,234.93
(d) Stores and Equipment	61,847.48	79,558.40
(e) Repair and Maintenance	245,572.90	129,569.00
Minor Purchases	74,989.50	15,007.00
(f) Special Allowances	0.00	0.00
(g) Programme Expenses	795,303.54	645,539.99
(h) Transportation and Travelling	3,146.10	798.10
(i) Insurance	46,614.65	48,243.13
(j) Miscellaneous		0.00
- Sundry	2,491.90	2,953.60
- Training Course	23,352.60	27,547.00
- Staff Welfare	14,618.90	10,652.70
- Staff Encouragement	40.00	162,015.50
- Cleaning Materials (COVID 19)	261.00	70,593.00
(k) Utilised allocation under CI - ASCP	112,478.00	81,120.00
Sub-Total	1,578,618.85	1,446,592.35
Less: Utilised allocation under CI - ASCP	(112,478.00)	(81,120.00)
/ Enhanced ASCP - FWSS* which		
forms as part of Other Income to fund the operating		
expenses of FSA-related activities		
Total	1,466,140.85	1,365,472.35

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

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

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	Lump Sum Grant (LSG)	Holding Account (HA)	Adjustment for Utilised allocation under ASCP / Enhanced ASCP - FWSS	Rent and Rates	Central Item (CI)	Total
Income	\$	\$	\$	\$	\$	\$
Lump Sum Grant	9,851,327.00	-	-	-	-	9,851,327.00
Fee Income	25.00	-	-	-	-	25.00
Other Income - Subvention	347,078.00	-	(112,478.00)	-	-	234,600.00
Other Income - Funding	879,537.00	-	-	-	-	879,537.00
Interest Received (Note (1))	8,749.70	-	-	-	-	8,749.70
LSG Reserved Fund to cover	-	-	-	-	-	-
Rent and Rates	-	-	-	104,199.00	-	104,199.00
Central Items	-	-	-	-	120,864.00	120,864.00
Total Income (a)	11,086,716.70	-	(112,478.00)	104,199.00	120,864.00	11,199,301.70
Expenditure						
Personal Emoluments	8,387,952.49	-	-	-	-	8,387,952.49
Other Charges	1,578,618.85	-	(112,478.00)	-	-	1,466,140.85
Rent and Rates	-	-	-	132,531.00	-	132,531.00
Central Items	-	-	-	-	130,070.93	130,070.93
Total Expenditure (b)	9,966,571.34	-	(112,478.00)	132,531.00	130,070.93	10,116,695.27
Surplus/(Deficit) for the Year (a)-(b)	1,120,145.36	-	-	(28,332.00)	(9,206.93)	1,082,606.43
Less: Surplus/(Deficit) of Provident Fund	49,466.81	-	-	-	-	49,466.81
Surplus/(Deficit) b/f (Note (2)) @AFS P.8	1,070,678.55	0.00	0.00	(28,332.00)	(9,206.93)	1,033,139.62
Surplus/(Deficit) b/f (Note (2)) @1/4/2022	3,538,491.87	1,348,605.08	0.00	(3,701.00)	261,518.29	5,144,914.24
Add: Refund from Government	4,609,170.42	1,348,605.08	0.00	(32,033.00)	252,311.36	6,178,053.86
Less: Refund to Government (2021-2022)	(1,447,611.78)	0.00	0.00	21,251.00	0.00	21,251.00
				(17,550.00)	0.00	(1,465,161.78)
Transfer from LSG Reserve to cover (Ref. file #: (8) in SWD/SF/4-55/13 Part V) the salary adjustment for Dementia Supplement and Infirmity Care Supplementary (Note (3))	(87,866.00)	0.00	0.00	0.00	0.00	(87,866.00)
Adjustment for Utilised allocation under Enhanced ASCP - FWSS* (over-estimated) / under-estimated in previous year(s)	0.00	0.00	0.00	0.00	0.00	0.00
Surplus/(Deficit) c/f (Notes 4) @31/3/2023	3,073,692.64	1,348,605.08	0.00	(28,332.00)	252,311.36	4,646,277.08
					(Notes A)	

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

- 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.
 - 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.
 - Amount of LSG Reserve used to cover the salary adjustment for Dementia Supplement and Infirmity Care Supplement, if any, as per Schedule for Central Items.
 - 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.
- (A) The 2022/23 Schedule for Central Items all surplus is \$252,311.36
SWD will not claw back the central items of After School Care (4/2002-3/2023) surplus is HK\$252,311.36

Schedule for Investment
Analysis of Investment as at 31 March 2023

Agency: Zion Social Service Ltd

	2022/2023 HK\$	2021/2022 HK\$
LSG Reserve as at 31 March 2023	<u>4,422,297.72</u>	<u>4,887,096.95</u>

Represented by:

Investments

a. HKD Bank Account Balances	3,922,297.72	4,387,096.95
b. HKD 24-hour Call Deposits	0.00	0.00
c. HKD Fixed Deposits	500,000.00	500,000.00
d. HKD Certificate of Deposits	0.00	0.00
e. HKD Bonds (see appendix for breakdown)	0.00	0.00
	<u>4,422,297.72</u>	<u>4,887,096.95</u>

Notes: The investments should be reported at historical cost.

Confirmed by:-


CHAIRMAN

DATE:

15 MAY 2023


CHIEF EXECUTIVE

DATE: 15 MAY 2023

Appendix B

Unit Code and Name	Subvented Element	Subvention Released	Actual Expenditure	Surplus/(Deficit) 2022/23	Surplus/(Deficit) 2002-2022	SWD clawed back	Surplus/(Deficit) closing bal.c/f
		(Note 1)	(Note 2)	(Note 3)	b/f		
		\$	\$	\$	\$	\$	\$
XXX1 - xxxxx	Dementia Supplement for Elderly with disabilities						
	Infirmiry Care Supplement for the Aged Blind Persons						
XXX2 - xxxxx	Dementia Supplement for Residential Elderly Services						
	Infirmiry Care Supplement for Residential Elderly Services						
XXX3 - xxxxx	Replacement Grant						
XXX4 - xxxxx	Foster Care Allowance						
XXX5 - xxxxx	Tide over grant under FER for Youth Services						
		-	-	-	-	-	-
XXX6 - xxxxx	After School Care Programme - Fee Waiving Subsidy Scheme	120,864.00	130,070.93	(9,206.93)	261,518.29	-	252,311.36
		-	-	-	-	-	-
		-	-	-	-	-	-
		-	-	-	-	-	-
	Total	120,864.00	130,070.93	(9,206.93)	261,518.29	-	252,311.36

(A)

1. The figures for the whole financial year can be extracted from the payroll for March plus subvention released in late March 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.

(A) The 2002/23 Schedule for Central Items all surplus is \$252,311.36
SWD will not claw back Central Item for After School Care surplus was \$252,311.36

Schedule for Rent and Rates
Analysis of Subvention and Expenditure for the period from 1 April 2022 to 31 March 2023

Name of Agency: Zion Social Service Ltd

Unit Code and Name	Subvented Element	Subvention					2022/2023 c/f
		Released	Actual	Surplus/Deficit	Surplus/Deficit	Backpayment	Surplus/Deficit
		(Note 1)	Expenditure	(Note 2) b/f	(Note 2) b/f		(Note 2)
		\$	\$	\$	\$	\$	\$
5783 - Kwun Tong IC	Rent (Note 3)	63,949.00	109,831.00				(45,882.00)
	Rates	40,250.00	22,700.00				17,550.00
	Total	104,199.00	132,531.00				(28,332.00)
A002 - xxxxx	Rent						
	Rates						
	Total						
A003 - xxxxx	Rent						
	Rates						
	Total						
A004 - xxxxx	Rent						
	Rates						
	Total						
	Grant Total	104,199.00	132,531.00	-	-	-	(28,332.00)

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.