

ANNUAL FINANCIAL REPORT
NGO: Zion Social Service Ltd
1 April 2024 TO 31 March 2025

Appendix A

	Notes	2024-2025	2023-2024
A. INCOME			
1. Lump Sum Grant			
a. Lump Sum Grant (excluding Provident Fund)	1b	9,632,234.00	9,360,401.00
b. Provident Fund	1c	932,520.00	905,413.00
2. Fee Income	2	150.00	250.00
3. Central Items	3	149,112.00	130,968.00
4. Rent and Rates	4	104,199.00	104,199.00
5. Other Income -Subvention	5	233,798.00	278,644.00
Other Income - Funding	5	1,190,487.80	792,395.60
6. Interest Received		44,101.42	45,666.42
7. LSG Reserved Fund to cover the expenditure		0.00	0.00
TOTAL INCOME		<u>12,286,602.22</u>	<u>11,617,937.02</u>
B. EXPENDITURE			
1. Personal Emoluments			
a: Salaries		7,357,583.14	8,095,970.02
b: Provident Fund	1c	585,135.75	804,377.07
c. Allowances			0.00
Sub-total	6	<u>7,942,718.89</u>	<u>8,900,347.09</u>
2. Other Charges	7	2,731,477.99	2,194,750.42
3. Central Items	3	150,283.50	120,784.70
4. Rent and Rates	4	142,120.00	189,381.00
TOTAL EXPENDITURE		<u>10,966,600.38</u>	<u>11,405,263.21</u>
C. SURPLUS / (DEFICIT) FOR THE YEAR	8	<u>1,320,001.84</u>	<u>212,673.81</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:

13 MAY 2025

SIGNATURE

NGO HEAD/HEAD OF SOCIAL WELFARE SERVICES

DATE:

13 MAY 2025

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 be shown under Note 3. Details are analysed below :

<u>Provident Fund Contribution</u>	Snapshot <u>Staff</u> \$	6.8% and <u>Other Posts</u> \$	<u>Total</u> \$
Subvention Received	452,199.31	480,320.69	932,520.00
Provident Fund Contribution Paid during the Year	284,124.99	301,010.76	585,135.75
Surplus/ (Deficit) for the Year 2024/2025	168,074.32	179,309.93	347,384.25
Surplus/(Deficit) b/f @1/4/2024	88,854.70	777,642.80	866,497.50
Less: Refund to Government 2022-23	(18,262.69)	(0.31)	(18,263.00)
Add: Backpay from Government 2022-23	0.00	5,951.00	5,951.00
Add: Surplus/(Deficit) b/f @30/4/2024	70,592.01	783,593.49	854,185.50
Surplus/(Deficit) c/f @31/3/2025	238,666.33	962,903.42	1,201,569.75

- 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 activites 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:

	2024-2025	2023-2024
	\$	\$
<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	149,112.00	130,968.00
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	149,112.00	130,968.00
	2024-2025	2023-2024
	\$	\$
<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	150,283.50	120,784.70
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	150,283.50	120,784.70

- 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:-

	2024-2025	2023-2024
Other Income	\$	\$
(a) Fees and charges for services incidental to the operation of subvented service	233,798.00	278,644.00
(b) Subsidy from Central Items (CI) - After School Care Programme (ASCP) / Enhanced ASCP - Fee Waiving Subsidy Scheme (FWSS)*	119,028.00	130,968.00
(b) Others	1,190,487.80	792,395.60
Sub-Total	<u>1,543,313.80</u>	<u>1,202,007.60</u>
Less: Utilised allocation under CI - A / Enhanced ASCP - FWSS which forms as part of Other Income*	(119,028.00)	(130,968.00)
Total:	<u>1,424,285.80</u>	<u>1,071,039.60</u>

* 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	<u>No of Posts</u>	<u>\$</u>
HK\$700,001-HK\$800,000p.a.		
HK\$800,001-HK\$900,000p.a.	1	883,694.50
HK\$900,001-HK\$1,000,000p.a.		
HK\$1,000,001-HK\$1,100,000p.a.		
HK\$1,100,001-HK\$1,200,000p.a.		
>HK\$1,200,000p.a.	1	1,238,291.50

7 **Other Charges**

The breakdown on Other Charges is as follows:

<u>Other Charges</u>	<u>2024-2025</u>	<u>2023-2024</u>
	\$	\$
(a) Utilities	76,567.00	87,846.90
(b) Food	0.00	0.00
(c) Administrative Expenses	92,279.37	148,272.77
(d) Stores and Equipment	118,665.56	136,444.86
(e) Repair and Maintenance	670,265.00	182,250.00
Minor Purchases	241,080.70	131,786.00
(f) Special Allowances	0.00	0.00
(g) Programme Expenses	1,283,660.67	1,347,592.06
(h) Transportation and Travelling	7,367.30	6,559.20
(i) Insurance	126,572.99	98,787.24
(j) Miscellaneous		
- Sundry	5,324.00	4,604.10
- Training Course	99,596.40	41,552.29
- Staff Welfare	10,099.00	9,055.00
- Staff Encouragement	0.00	0.00
- Cleaning Materials (COVID 19)	0.00	0.00
(k) Utilised allocation under CI - ASCP	119,028.00	130,968.00
Sub-Total	<u>2,850,505.99</u>	<u>2,325,718.42</u>
Less: Utilised allocation under CI - ASCP	(119,028.00)	(130,968.00)
/ Enhanced ASCP - FWSS* which		
forms as part of Other Income to fund the operating		
expenses of FSA-related activities		
Total	<u><u>2,731,477.99</u></u>	<u><u>2,194,750.42</u></u>

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

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

	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	10,564,754.00	-	-	-	-	10,564,754.00
Fee Income	150.00	-	-	-	-	150.00
Other Income -Subvention	352,826.00	-	(119,028.00)	-	-	233,798.00
Other Income - Funding	1,190,487.80	-	-	-	-	1,190,487.80
Interest Received (Note (1))	44,101.42	-	-	-	-	44,101.42
LSG Reserved Fund to cover	-	-	-	-	-	-
Rent and Rates	-	-	-	104,199.00	-	104,199.00
Central Items	-	-	-	-	149,112.00	149,112.00
Total Income (a)	12,152,319.22	0.00	(119,028.00)	104,199.00	149,112.00	12,286,602.22
Expenditure						
Personal Emoluments	7,942,718.89	-	-	-	-	7,942,718.89
Other Charges	2,850,505.99	-	(119,028.00)	-	-	2,731,477.99
Rent and Rates	-	-	-	142,120.00	-	142,120.00
Central Items	-	-	-	-	150,283.50	150,283.50
Total Expenditure (b)	10,793,224.88	0.00	(119,028.00)	142,120.00	150,283.50	10,966,603.38
Surplus/(Deficit) for the Year (a)-(b)	1,359,094.34	-	0.00	(37,921.00)	(1,171.50)	1,320,001.84
Less: Surplus/(Deficit) of Provident Fund	347,384.25	0.00	0.00	-	-	347,384.25
	1,011,710.09	0.00	0.00	(37,921.00)	(1,171.50)	972,617.59
Surplus/(Deficit) b/f (Note (2)) @1/4/2024	2,860,537.12	958,605.08	0.00	(85,182.00)	262,494.66	3,996,454.86
	3,872,247.21	958,605.08	0.00	(123,103.00)	261,323.16	4,969,072.45
Add: Refund from Government Rent & Rate 2023-2024	0.00	0.00	0.00	85,182.00	0.00	85,182.00
Less: Refund to Government 2023-2024 surplus	(255,115.01)	0.00	0.00	-	0.00	(255,115.01)
Less: Long Service fee - Snapshot Staff	0.00	0.00	0.00	0.00	0.00	0.00
Transfer from LSG Reserve to cover the salary adjustment for Dementia Supplement and Infirmary Care Supplementary (Note (3))	0.00	0.00	0.00	0.00	0.00	0.00
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) @31/3/2025	3,617,132.20	958,605.08	0.00	(37,921.00)	261,323.16	4,799,139.44

Notes:

Including an amount SZ being the utilised allocation under CI-ASCP / Enhanced ASCP - FWSS*

* For those programmes which are regarded as PSA-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 Infirmary 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 2024/25 Schedule for Central Items all surplus is \$261,323.16
SWD will not claw back the central items of After School Care (4/2002-3/2024) surplus is HK\$261,323.16