



THE ABM HONG KONG SWATOW BAPTIST CHURCH
COMMUNITY SERVICE ASSOCIATION
美差會潮浸服務聯會

4/F, FUNG TAK ESTATE COMMUNITY CENTRE,
DIAMOND HILL, KOWLOON

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Statement

The Annual Financial Report (AFR) does not constitute the subvented agencies' statutory annual financial statements. The AFR is prepared on cash basis, in accordance with the requirements set out in Lump Sum Grant Manual issued by the Social Welfare Department of the Government of the Hong Kong Special Administrative Region, which is different from the financial reporting standards issued by the Hong Kong Institute of Certified Public Accountants normally adopted in statutory annual financial statements.

ANNUAL FINANCIAL REPORT

THE ABM HONG KONG SWATOW BAPTIST CHURCH
COMMUNITY SERVICE ASSOCIATION

1 APRIL 2015 TO 31 MARCH 2016

	<u>NOTES</u>	<u>2015/16</u> HK\$	<u>2014/15</u> HK\$
INCOME			
Lump Sum Grant			
a. Lump sum grant excluding provident fund	1b	9,371,034	8,716,270
b. Provident fund	1c	936,172	876,107
Fee Income	2	36,712	37,136
Central Items	3	---	264,345
Rent and Rates	4	130,975	198,726
Other Income	5	345,503	808,364
Interest Received		88	101
TOTAL INCOME		<u>10,820,484</u>	<u>10,901,049</u>
EXPENDITURE			
Personal Emoluments			
a. Salaries	6	8,510,738	8,279,099
b. Provident Fund	1c	796,111	744,611
		<u>9,306,849</u>	<u>9,023,710</u>
Other Charges	7	1,241,336	1,282,736
Central Items	3	---	276,652
Rent and Rates	4	64,200	66,600
TOTAL EXPENDITURE		<u>10,612,385</u>	<u>10,649,698</u>
SURPLUS FOR THE YEAR	8	<u>208,099</u>	<u>251,351</u>

Approved by the Directors of The ABM Hong Kong Swatow Baptist Church Community Service Association and signed on its behalf on 25 October 2016.

Yang Fan Shing
Chairman

Chang Siu Wah
Head of Social Welfare

NOTES ON THE ANNUAL FINANCIAL REPORT

for the period from 1 April 2015 to 31 March 2016

1. Lump Sum Grant

- a. Basis of preparation
The Annual Financial Report (AFR) is prepared on cash basis; that is, income is recognized upon receipt of cash and expenditure is recognized when expenses are paid. Non-cash items like depreciation, provisions and accruals have not 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 recognized 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.
PF received and contributed for staff under the Central Items have been shown under 3.

Details are analysed below:

	<u>Snapshot Staff</u> HK\$	<u>6.8% Posts</u> HK\$	<u>Total</u> HK\$
Subventions received	515,776	420,396	936,172
Provident fund contribution paid during the year	<u>408,022</u>	<u>388,089</u>	<u>796,111</u>
Surplus for the year	107,754	32,307	140,061
<u>Add: Surplus b/f</u>	<u>104,197</u>	<u>707,662</u>	<u>811,859</u>
Surplus c/f	211,951	739,969	951,920
Refunded to Government	<u>(67,311)</u>	<u>---</u>	<u>(67,311)</u>
	<u>144,640</u>	<u>739,969</u>	<u>884,609</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 Lump Sum Grant Manual.

NOTES ON THE ANNUAL FINANCIAL REPORT (Continued)

for the period from 1 April 2015 to 31 March 2016

3. Central Items

These are subvented service activities which are not included in Lump Sum Grant and are subject to their own procedures as set out in other Social Welfare Department's and correspondence with the Agency.

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

	<u>2015/16</u>	<u>2014/15</u>
	\$	\$
a. Income		
After school care programme	---	18,000
Regularized Programme Assistant (PA)	---	246,345
Programme work posts extended for one year in 2015-2016	---	---
Total	<u>---</u>	<u>264,345</u>
b. Expenditure		
After school care programmes	---	27,304
Regularized Programme Assistant (PA)	---	249,348
Total	<u>---</u>	<u>276,652</u>

4. Rent and Rates

This represents the amount paid by SWD in respect of premises recognized by SWD. Expenditure on rent and rates in respect of premises not recognized by SWD have not been included in AFR.

5. Other Income

These include programme income and all income other than recognised social welfare fee income received during the year.

Non-SWD subventions and donations received have not included as other income in AFR.

6. Personal Emoluments

Personal emoluments include salary, provident fund and salary-related allowances.

The analysis on number of posts with annual Personal Emolument are \$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.	Nil	
HK\$600,001 – HK\$700,000 p.a.	Nil	
HK\$700,001 – HK\$800,000 p.a.	Nil	
HK\$800,001 – HK\$900,000 p.a.	Nil	
HK\$900,001 – HK\$1,000,000 p.a.	One	905,890
Over HK\$1,000,000 p.a.	One	1,116,341

NOTES ON THE ANNUAL FINANCIAL REPORT (Continued)

for the period from 1 April 2015 to 31 March 2016

7. Other Charges

The breakdown on Other Charge is as follow:

	<u>2015/16</u>	<u>2014/15</u>
	\$	\$
<u>Items</u>		
(a) Utilities	118,508	115,143
(b) Food	0	0
(c) Administrative Expenses	81,219	81,349
(d) Stores and Equipment	119,544	172,745
(e) Repair and Maintenance	2,080	25,730
(f) Special Allowance	0	0
(g) Programme Expenses	763,678	777,385
(h) Transportation and Travelling	5,933	10,490
(i) Insurance	98,896	91,894
(n) Miscellaneous	51,478	8,000
Total	<u>1,241,336</u>	<u>1,282,736</u>

8. ANALYSIS OF RESERVE FUND

	Lump Sum Grant HK\$	Special one-off Grant (SOG)	Rent and Rates HK\$	Central Items HK\$	Total HK\$
Income					
Lump Sum Grant	10,307,206	0	0	0	10,307,206
Special one-off Grant	0	0	0	0	0
Fee Income	36,712	0	0	0	36,712
Other Income	345,503	0	0	0	345,503
Interest Received (note 1)	88	0	0	0	88
Rent and Rates	0	0	130,975	0	130,975
Central Items	0	0	0	0	0
Total Income	10,689,509	0	130,975	0	10,820,484
Expenditure					
Personal Emoluments	9,306,849	0	0	0	9,306,849
Other Charges	1,241,336	0	0	0	1,241,336
Rent and Rates	0	0	64,200	0	64,200
Central Items	0	0	0	0	0
Special One-off Grant payment	0	0	0	0	0
Total Expenditure	10,548,185	0	64,200	0	10,612,385
Surplus for the Year	141,324	0	66,775	0	208,099
<u>Less: Surplus of Provident Fund</u>	<u>(140,061)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(140,061)</u>
	1,263	0	66,775	0	68,038
Surplus b/f (note 2)	2,430,164	0	52,062	257,691	2,739,917
	2,431,427	0	118,837	257,691	2,807,955
Add back TOG written off in prior year	0	0	0	0	0
<u>Add: Agency refund for extra salary</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Less: Refund to Government</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(260,645)</u>	<u>(260,645)</u>
Modernization (exceeded costs for F&E)	0	0	0	0	0
Surplus c/f (note 4)	2,431,427	0	118,837	(2,954)	2,547,310

Notes:

- 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.
- Accumulated balances 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.
- The level of cumulative reserve will be capped at 25% of the Association's 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

(excluding Blister Programme for Pupil Nurse)

Name of Agency : The ABM Hong Kong Swatow Baptist Church Community Service Association

Unite Code and Name	Subvented Element	Subvention Released (Note 1)	Actual Expenditure (Note 2)	Surplus (Note 3) (a)	Deficit For The Year			Surplus b/f (Note 5) (e)	Surplus c/f (Note 6) (f)=(e)+(a)-(d)
					Deficit (Note 3) (b)	Deficit Transferred to LSG (Note 4) (c)	Adjusted Deficit (d)=(b)-(c)		
		\$	\$	\$	\$	\$	\$	\$	\$
3014 -AFTER SCHOOL CARE PROGRAMME LATE AFTERNOON SESSION	After school care programmes	0	0	0	0	0	0	0	0
024P - PROGRAMME WORKERS	Programme work posts extended for one-year in 2013-2014	0	0	0	0	0	0	227,276	227,276
024S - PROGRAMME ASSISTANT	Regularized programme assistant	0	0	0	0	0	0	30,366	30,366
YOUTH AMBASSADORS	Youth Ambassadors	0	0	0	0	0	0	49	49
Grand Total		0	0	0	0	0	0	257,691	257,691
Refund to Government		0	0	0	0	0	0	0	(260,645)
Surplus c/f (note 6)									(2,954)

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.
- Surplus/Deficit for each element represents the difference between subvention released and actual expenditure.
- Deficit in respect of the certain central items arising from salary adjustments can be transferred to Lump Sum Grant Reserve as stated in SWD letter ref. (16) in SWD/S/104/2 pt. 12 dated 17 July 2013.
 - Dementit Supplement for Elderly with Disabilities.
 - Infirmary Care Supplement for the Aged Blind Persons.
 - Dementia Supplement for Residential Elderly Services.
 - Infirmary Care Supplement for Residential Elderly services.
 - Regularized Programme Assistants (PA) / Care Assisnats (CA).
- "Surplus brought forward (b/f)" means, if any, surplus arising from operations in previous years.
- "Surplus carried forward (c/f)" means surplus brought forward less refund plus surplus arising, if any, from operations in current year.
- Unit codes and names are extracted from the payroll from SWD.

Schedule for Rent and Rates

Analysis of Subvention and Expenditure for the period from 1 April 2015 to 31 March 2016

Name of Agency : The ABM Hong Kong Swatow Baptist Church Community Service Association

Unit Code and Name	Subvented Element	Subvention Release (Note 1)		Actual Expenditure	Surplus (Note 3)	Deficit (Note 3)
		Current Year	Backpayment			
		\$	\$	\$	\$	\$
1049 - FUNG TAK INTEGRATED CHILDREN AND YOUTH SERVICE CENTRE - ditto - - ditto -	Rent	76,895	0	0	76,895	0
	Rates	54,080	0	64,200	0	10,120
	Government Rent	0	0	0	0	0
	Grand Total	130,975	0	64,200	76,895	10,120

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

	<u>2016</u> HK\$	<u>2015</u> HK\$
LSG Reserve as at 31 March (note 2)	<u>2,431,427</u>	<u>2,430,164</u>
Represented by :		
Investments		
a. HKD Bank Account Balances	2,431,427	2,430,164
b. HKD 24-hour Call Deposits	0	0
c. HKD Fixed Deposits	0	0
d. HKD Certificate of Deposits	0	0
e. HKD Bonds	0	0
	<u>2,431,427</u>	<u>2,430,164</u>

Notes:

1. The investments are reported at historical cost.
2. Other bank account balances represent the investment of other funds.
3. LSG reserve includes interest earned on reserve.

Confirmed by:-

Name : Yang Fan Shing
Title : Chairman
Date : 25 October 2016

Name : Chang Siu Wah
Title : Chief Executive
Date : 25 October 2016

**FURNITURE AND EQUIPMENT REPLENISHMENT AND
MINOR WORKS BLOCK GRANT RESERVE**

a. Movement of the Furniture and Equipment Replenishment and
Minor Works Block Grant Reserve

		<u>HK\$</u>
Balance of Block Grant Reserve brought forward from previous financial year at beginning of year		771,248
<u>Add:</u>	Block Grant received during the year	114,000
	Interest income received	<u>19</u>
		114,019
<u>Less:</u>	Expenditure during the year -	
	Furniture & equipment	(234,426)
	Repair and maintenance	(71,608)
	Minor works projects	<u>(7,915)</u>
		<u>(313,949)</u>
		571,318
<u>Less:</u>	Contribution from The Association	<u>0</u>
	Credit balance carried forward to the next financial year	<u><u>571,318</u></u>

b. Capital Commitments

As at 31 March 2015, there was no outstanding commitments in respect of F & E Replenishment and Minor Works Grant.

The ABM Hong Kong Swatow Baptist Church Community Service Association

Details of the Use of the Furniture and Equipment Replenishment and Minor Works Block Grant-

Item No.	Name of the SWD-subvented Unit (Note 1)	Service Nature	(a) Expenditure in the year 2015-16				(b) Outstanding Commitments as at 31 March 2016 - Contracted for but not provided under the Expenditure Column			
			Furniture and Equipment (\$)	Minor Works (\$)	Vehicle Overhauling (\$)	Total Expenditure (\$)	Furniture and Equipment (\$)	Minor Works (\$)	Vehicle Overhauling (\$)	Total outstanding Commitment (\$)
1	Fung Tak Children & Youth Integrated Service	Children & Youth Services	234,426	79,523	0	313,949	0	0	0	0
Total (Note 2):			234,426	79,523	0	313,949	0	0	0	0

In pursuance of paragraph 4.4.4 of the Lotteries Fund Manual, we forward herewith the schedule showing the use of F & E Replenishment and Minor Works Grant. We also confirm that expenditure from the Block Grant has been incurred in accordance with the provisions of the Lotteries Fund Manual.

Name : Yang Fan Shing
 Title : Chairman
 Date : 25 October 2016

Name : Chang Siu Wah
 Title : Chief Executive
 Date : 25 October 2016

Notes:

- Each premises-tied SWD-subvented unit should not appear more than one in the schedule.
- Each furniture and equipment item should not exceed \$50,000.
- The Head of the NGO should initial at the left bottom of each and every page except for the final page which should be signed by both the Head of NGO and the Chairman of the Board of NGO.
- The total figures should tally with those disclosed in the audited financial statements under paragraph 4.4.3 of the Lotteries Fund Manual.

Use of the Social Welfare Development Fund (SWDF) Phase 2 funded by Lotteries Fund
for the Financial Year 2015-16

Name of NGO and Code: The ABM Hong Kong Swatow Baptist Church
Community Service Association

Amount of SWDF approved for the year: \$259,150

	Particular	\$	\$
(a)	Balance of SWDF brought forward (a):		262,054
(b)	Allocation from SWDF during the year (b):		259,150
(c)	Interest received during the year (c):		4
(d)	Expenditure under SWDF during the year:		
	1. Expenditure for projects under scope A	146,860	
	2. Expenditure for projects under scope B	109,600	
	3. Expenditure for projects under scope C		
	4. Expenditure for administrative support		
	Total expenditure during the year (d):		256,460
(e)	Balance carried forward to the next financial year (e): (e) = (a) + (b) + (c) - (d)		264,748

We confirm that the above expenditure under SWDF has been incurred in accordance with the

Signature :

Name in Block Letter : Yang Fan Shing Chang Siu Wah
Title : Board Chairperson Chief Executive
Date : 25 October 2016 25 October 2016

Notes:

- The above expenditure under the SWDF have been incurred in accordance with the requirements stipulated in SWDF Guidance Notes for Application and SWD's approval letter(s), and the procurement of projects and services are in line with the procedures specified in the Lotteries Fund Manual.
- The above information has been audited by external auditors and included as part of the notes to the Agency's audited financial statements submitted to SWD.