



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

NGO: The ABM Hong Kong Swatow Baptist Church Community Service Association

(1 April 2022 to 31 March 2023)

	Notes	2022-23 \$	2021-22 \$
A. INCOME			
1. Lump Sum Grant			
a. Lump Sum Grant (excluding Provident Fund)	1b	12,743,052.00	12,530,033.00
b. Provident Fund	1c	1,043,968.00	1,055,691.00
2. Fee Income	2	5,180.00	7,560.00
3. Central Items	3		
4. Rent and Rates	4	123,215.00	123,215.00
5. Other Income	5	101,700.17	1,171,020.00
6. Interest Received		3,160.26	122.43
TOTAL INCOME		<u>14,020,275.43</u>	<u>14,887,641.43</u>
B. EXPENDITURE			
1. Personal Emoluments			
a. Salaries		11,758,288.00	12,545,587.79
b. Provident Fund	1c	987,112.44	912,928.78
c. Allowances			
Sub-total	6	<u>12,745,400.44</u>	<u>13,458,516.57</u>
2. Other Charges	7	1,104,449.95	1,160,326.32
3. Central Items	3		
4. Rent and Rates	4	87,672.00	87,744.00
TOTAL EXPENDITURE		<u>13,937,522.39</u>	<u>14,706,586.89</u>
C. SURPLUS/ (DEFICIT) FOR THE YEAR	8	<u>82,753.04</u>	<u>181,054.54</u>

The Annual Financial Report from pages [1] to [9] has been prepared in accordance with the requirements as set out in the Lump Sum Grant Manual.

SIGNATURE

YANG Fan Shing Andrew (Dr.)
Chairman

DATE: 19 October 2023

SIGNATURE

CHANG Siu Wah (Dr.)
Chief Executive

DATE: 19 October 2023

NOTES ON THE ANNUAL FINANCIAL REPORT

1. Lump Sum Grant (LSG)

a. Basis of preparation The Annual Financial Report (AFR) is prepared in respect of all Funding and Service Agreement (FSA) services (including support services to FSA services) 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 which are separately included as part of the income and expenditure of the relevant items have been shown under **Note 3**. Details are analysed below :

<u>Provident Fund Contribution</u>	Snapshot Staff \$	6.8% and Other Posts \$	Total \$
Subvention Received	355,432.00	688,536.00	1,043,968.00
Provident Fund Contribution Paid during the Year	(321,398.25)	(740,331.32)	(1,061,729.57)
Unvested Benefit Refund		74,617.13	74,617.13
Surplus/ (Deficit) for the Year	34,033.75	22,821.81	56,855.56
Add :			
(a) Surplus/ (Deficit) b/f	95,652.50	1,316,163.39	1,411,815.89
(b) Adjusted Opening Balance		16,463.00	16,463.00
(c) Refund from Government		4,370.00	4,370.00
Less:			
(a) Adjusted Opening Balance	(16,463.00)		(16,463.00)
(b) Refund to Government	(14,398.00)		(14,398.00)
Surplus/ (Deficit) c/f	98,825.25	1,359,818.20	1,458,643.45

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 subsidies allocated to NGOs for specified purposes on a recurrent, time-limited or one-off basis 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. Any surplus, which is not allowed to be offset by any deficit of another item, is subject to claw-back by SWD according to the terms and conditions of individual central items. 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 the

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

	2022-23	2021-22
a. Income	\$	\$
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		
Foster Care Allowance/ One-off Special Allowance for Foster Children to Safeguard the Foster Children from the Coronavirus Disease / Emergency Foster Care Allowance		
After School Care Programme – Fee Waiving Subsidy Scheme		
Training Subsidy under Training Scheme for Child Care Supervisors and Special Child Care Workers in Pre-school Rehabilitation Services		
Neighbourhood Support Child Care Project (NSCCP) – Contract Subsidy		
NSCCP – Subsidy for Fee Reduction/Waiving		
NSCCP – Subsidy for Incentive Payment		
NSCCP – Rent and Rates		
Training Sponsorship Scheme for Master in Occupational Therapy and Physiotherapy programmes		
Training Subsidy Programme for Children on the Waiting List for Subvented Pre-school Rehabilitation Services		
Financial Incentive Scheme for Mentors of Employees with Disabilities		
Enhanced After School Care Programme – Fee Waiving Subsidy Scheme		
Navigation Scheme for Young Persons in Care Services - Operating Expenses		
Navigation Scheme for Young Persons in Care Services - Training Cost		
Pilot Scheme on Multi-disciplinary Outreaching Support Teams for the Elderly (MOSTE) – Annual Funding Allocation		
MOSTE – Annual Rent and Rates		
Subsidy for Enhanced Support for Ethnic Minority Children in Special Care Centre		
Subsidy for Enhanced Support for Ethnic Minority Children in Early Education and Training Centres		
Time-defined Allocation of Ethnic Minority District Ambassador Posts - salary and provident fund		
Time-defined Allocation of Ethnic Minority District Ambassador Posts –other charges		
One-off Subsidy for Strengthened Provision of Visiting Medical Practitioner Service for Residential Care Homes # (private and self-financing)		
One-off Subsidy for Strengthened Provision of Visiting Medical Officer Service for Residential Care Homes for the Elderly		

and Visiting Medical Practitioner Scheme for Residential
Care Homes for Persons with Disabilities
Short-term Food Assistance Service Teams – Food Cost
Siu Lam Integrated Rehabilitation Services Complex –
Management & Maintenance Cost for Common Area
After School Care Programme for Pre-primary Children
[ASCP(PC)] Contract Subsidy
ASCP(PC) Fee Subsidy
ASCP(PC) Rent and Rates
Time-defined Service Contract of Social Work Service for
Pre-primary Institutions
- Allocation
- Rent and Rates

For the following Central Items, please take note of para. 4(f) of Points to Note on Preparation of AFR and Analysis Schedules in reporting the amounts of subvention:

Temporary Financial Aid under Care and Support Networking
Team^
Emergency Fund for NGOs operating Integrated Services Team for
Street Sleepers^
Time-defined Subsidy Scheme for Extended Hours Service Users^
Short-term Rental Assistance for Discharged Prisoners^
Allowances for Specific Services Arising from the Implementation
of the Minimum Wage Ordinance (Overnight On-site-on-call
Allowance)^
Cash Subsidy for Integrated Support Services for Persons with
Severe Physical Disabilities^
Time-defined Subsidy Scheme for Occasional Child Care Service^

Total	E	
	2022-23	2021-22
	\$	\$
b. Expenditure		
Dementia 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		
Foster Care Allowance/ One-off Special Allowance for Foster		
Children to Safeguard the Foster Children from the		
Coronavirus Disease / Emergency Foster Care Allowance		
After School Care Programme – Fee Waiving Subsidy Scheme		
Training Subsidy under Training Scheme for Child Care		
Supervisors and Special Child Care Workers in Pre-school		
Rehabilitation Services		
Neighbourhood Support Child Care Project (NSCCP) – Contract		
Subsidy		
NSCCP – Subsidy for Fee Reduction/Waiving		
NSCCP – Subsidy for Incentive Payment		

NSCCP – Rent and Rates
 Training Sponsorship Scheme for Master in Occupational
 Therapy and Physiotherapy programmes
 Training Subsidy Programme for Children on the Waiting List
 for Subvented Pre-school Rehabilitation Services
 Financial Incentive Scheme for Mentors of Employees with
 Disabilities
 Enhanced After School Care Programme – Fee Waiving
 Subsidy Scheme
 Navigation Scheme for Young Persons in Care Services -
 Operating Expenses
 Navigation Scheme for Young Persons in Care Services -
 Training Cost
 Pilot Scheme on Multi-disciplinary Outreaching Support Teams
 for the Elderly (MOSTE) – Annual Funding Allocation
 MOSTE – Annual Rent and Rates
 Subsidy for Enhanced Support for Ethnic Minority Children in
 Special Care Centre
 Subsidy for Enhanced Support for Ethnic Minority Children in
 Early Education and Training Centres
 Time-defined Allocation of Ethnic Minority District Ambassador
 Posts – salary and provident fund
 Time-defined Allocation of Ethnic Minority District Ambassador
 Posts – other charges
 One-off Subsidy for Strengthened Provision of Visiting Medical
 Practitioner Service for Residential Care Homes # (private
 and self-financing)
 One-off Subsidy for Strengthened Provision of Visiting Medical
 Officer Service for Residential Care Homes for the Elderly
 and Visiting Medical Practitioner Scheme for Residential
 Care Homes for Persons with Disabilities
 Short-term Food Assistance Service Teams – Food Cost
 Siu Lam Integrated Rehabilitation Services Complex –
 Management & Maintenance Cost for Common Area
 After School Care Programme for Pre-primary Children
 [ASCP(PC)] Contract Subsidy
 ASCP(PC) Fee Subsidy
 ASCP(PC) Rent and Rates
 Time-defined Service Contract of Social Work Service for
 Pre-primary Institutions
 - Allocation
 - Rent and Rates
 Temporary Financial Aid under Care and Support Networking
 Team – other charges
 Emergency Fund for NGOs operating Integrated Services Team
 for Street Sleepers
 Time-defined Subsidy Scheme for Extended Hours Service Users
 Short-term Rental Assistance for Discharged Prisoners
 Allowances for Specific Services Arising from the

Implementation of the Minimum Wage Ordinance
 (Overnight On-site-on-call Allowance)
 Cash Subsidy for Integrated Support Services for Persons with
 Severe Physical Disabilities
 Time-defined Subsidy Scheme for Occasional Child Care Service

Total**O**

For NGOs with Visiting Medical Practitioner Service Team which arrange delivery of the service under the Programme to all private and self-financing RCHEs, RCHDs as well as contract homes operated by private operators only.

^Please refer to 4(f) of Points to Note on Preparation of AFR and Analysis Schedules

- 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 need not be included as Other Income in AFR. In this respect, donations have been included if it is used to finance expenditure of the FSA services/ FSA-related activities reflected in the AFR.

The breakdown on Other Income is as follows:

	2022-23	2021-22
Other Income	\$	\$
(a) Programme income	94,304.00	112,220.00
(b) Production income		
(c) Donation		
(d) Income from Other Activities		
(e) Utilised allocation under Central Items (CI): After School Care Programme (ASCP) / Enhanced ASCP / ASCP(PC) – Fee Waiving Subsidy Scheme (FWSS) which forms as part of Other Income *	-	
(f) Reimbursement of Maternity Leave Pay (RMLP) Scheme reimbursement received		
(g) Miscellaneous income	7,396.17	1,058,800.00
Sub-Total	101,700.17	1,171,020.00
<u>Less:</u> Utilised allocation under CI: ASCP / Enhanced ASCP / ASCP(PC) – FWSS which forms as part of Other Income*	-	
Total	101,700.17	1,171,020.00

*For those programmes which are regarded as FSA services/ 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\$800,000 p.a.	1	771,600.00
HK\$800,001 - HK\$900,000 p.a.		
HK\$900,001 - HK\$1,000,000 p.a.		
HK\$1,000,001 - HK\$1,100,000 p.a.	2	2,115,959.00
HK\$1,100,001 - HK\$1,200,000 p.a.		
>HK\$1,200,000 p.a.		

7. Other Charges

The breakdown on Other Charges is as follows:

	2022-23	2021-22
Other Charges	\$	\$
(a) Utilities	131,014.70	133,549.20
(b) Food		
(c) Administrative Expenses	133,025.82	131,976.20
(d) Stores and Equipment	53,941.38	58,562.54
(e) Repair and Maintenance	8,566.74	18,567.45
(f) Special Allowances		
(g) Programme Expenses	263,805.70	211,617.40
(h) Transportation and Travelling	4,365.50	6,087.20
(i) Insurance	119,855.51	114,916.53
(j) Miscellaneous	389,874.60	485,049.80
Sub-Total	1,104,449.95	1,160,326.32
<u>Less: Utilised allocation under CI:</u>		
ASCP / Enhanced ASCP /		
ASCP(PC) - FWSS* which		
forms as part of Other Income		
to fund the operating expenses		
of FSA services / FSA-related		
activities		
Total	1,104,449.95	1,160,326.32

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

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

	Lump Sum Grant (LSG)	Holding Account (HA)	Adjustment for Utilised allocation under ASCP / Enhanced ASCP / ASCP(PC) - FWSS	Rent and Rates	Central Items (CI)	Total
	\$	\$	\$	\$	\$	\$
Income						
Lump Sum Grant	13,787,020.00	-		-	-	13,787,020.00
Fee Income	5,180.00	-		-	-	5,180.00
Other Income	101,700.17	-	(Z)	-	-	101,700.17
Interest Received (Note (1))	-	3,160.26		-	-	3,160.26
Rent and Rates	-	-		123,215.00	-	123,215.00
Central Items	-	-		-	-	-
Total Income (a)	13,893,900.17	3,160.26	(Z)	123,215.00	-	14,020,275.43
Expenditure						
Personal Emoluments	12,716,485.44	28,915.00		-	-	12,745,400.44
Other Charges	1,104,449.95	-	(Z)	-	-	1,104,449.95
Rent and Rates	-	-		87,672.00	-	87,672.00
Central Items	-	-		-	-	-
Total Expenditure (b)	13,820,935.52	28,915.00	(Z)	87,672.00	-	13,937,522.39
Surplus/(Deficit) for the Year (a) - (b)	72,964.78	(25,754.74)	-	35,543.00	-	82,753.04
<u>Less</u> : Surplus/ (Deficit) of Provident Fund	(56,855.56)	-		-	-	(56,855.56)
	16,109.22	(25,754.74)	-	35,543.00	-	25,897.48
Surplus/ (Deficit) b/f (Note (2))	1,998,026.89	730,154.00		57,034.00		2,785,214.89
	2,014,136.11	704,399.26		92,577.00		2,811,112.37
<u>Add</u> :						
Upward Adjustment (a)	3.50					3.50
Upward Adjustment (b)	540.00					540.00
Upward Adjustment (c)	8,995.06					8,995.06
Upward Adjustment (d)	81,720.00					81,720.00
<u>Less</u> : Refund to Government				(35,471.00)		(35,471.00)
Transfer from LSG Reserve to cover the salary adjustment for Dementia Supplement and Infirmary Care Supplement (Note (3))						
Adjustment for utilised allocation under <u>Enhanced</u> ASCP / ASCP(PC) – FWSS* (over-estimated) / under-estimated in previous year(s)						
Surplus/ (Deficit) c/f (Note (4))	2,105,394.67	704,399.26		57,106.00		2,866,899.93

Notes:

Including an amount \$Z being the utilised allocation under CI: ASCP / Enhanced ASCP / ASCP(PC) – FWSS*

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

- (1) Interest received on LSG (including HA) 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 of LSG Surplus b/f from previous years (including all interest received in previous years (see (1) above) and the balance of HA should be separately reported as in the surplus b/f under LSG and HA respectively.
- (3) 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.
- (4) For NGOs without HA, separate disclosure of the movement of HA in their respective AFRs is not necessary. The level of LSG cumulative reserve (i.e. S1) will be capped at 25% of the NGO's operating expenditure (i.e. Total Expenditure (T1) excluding Provident Fund Contribution (K)) for the year.

For NGOs with HA, with effect from 2022-23, the calculation of the annual claw-back is as follows:

- (i) With Snapshot Staff (SS) [i.e. Position of SS as at 1 September being reported on the Agency Staff List submitted by NGO last year was greater than zero]

The level of LSG cumulative reserve (i.e. S1) will be capped at 25% of the NGO's operating expenditure (i.e. Total Expenditure (T1+T2) excluding Provident Fund Contribution (K)) for the year.

- (ii) Without SS [i.e. Position of SS as at 1 September being reported on the Agency Staff List submitted by NGO last year (which is regarded as Year 0) was zero]

For the next three years (Year 1 to Year 3), the level of LSG cumulative reserve (i.e. S1) will be capped at 25% of the NGO's operating expenditure (i.e. Total Expenditure (T1) excluding Provident Fund Contribution (K)) for the year.

From the fourth financial year (Year 4) onwards, the level of LSG cumulative reserve and HA reserve will be counted altogether and the combined reserve amount (i.e. S1+S2) will be capped at 25% of the NGO's operating expenditure (i.e. Total Expenditure (T1+T2) excluding Provident Fund Contribution (K)) for the year. In this regard, separate disclosure of the movement of HA in their respective AFRs is not necessary.

[For (4)(i) and (4)(ii) above, please also refer to SWD's letter under reference (11) in SWD/S/109/1/10 of 4 April 2022.]

For any amount above the cap, SWD would arrange the claw-back (including provisional in the following financial year) accordingly.