Annual Financial Report For the year ended 31 March 2020



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### REVIEW REPORT TO THE BOARD OF DIRECTORS OF HONG KONG YOUNG WOMEN'S CHRISTIAN ASSOCIATION

We have audited the financial statements of the Hong Kong Young Women's Christian Association (the "Association") for the year ended 31 March 2020 and have issued an unqualified auditor's report thereon dated 17 September 2020.

We conducted our review of the attached Annual Financial Report of the Association for the year ended 31 March 2020 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 Association, on which the above audited financial statements of the Association 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 Association for the year ended 31 March 2020:

- (a) in our opinion the Annual Financial Report has been properly prepared from the books and records of the Association; and
- (b) no matters have come to our attention during the course of our review, which cause us to believe that the Association has not:
  - properly accounted for the receipt of Lump Sum Grant, Provident Fund 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;
  - (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 Provident Fund arrangements during the year ended 31 March 2020.

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.

B130 limited

BDO Limited Certified Public Accountants Yu Tsui Fong Practising Certificate Number P05440

Hong Kong, 17 September 2020

#### ANNUAL FINANCIAL REPORT

#### NGO: HONG KONG YOUNG WOMEN'S CHRISTIAN ASSOCIATION

#### (1 APRIL 2019 to 31 MARCH 2020)

	Notes	2019-20 HK\$	2018-19 HK\$ (Restated)
A. INCOME			
1. Lump Sum Grant	4.5	200 (14 522	225 970 122
a. Lump Sum Grant (excluding Provident Fund)	1b	280,614,532	235,879,132 20,714,690
b. Provident Fund	1c	23,701,397	10,933,767
2. Fee Income	2 3	10,656,633 10,510,627	15,453,865
3. Central Items	4	8,605,570	8,226,067
4. Rent and Rates	5	27,594,027	29,119,823
5. Other Income	3	2,404,493	1,692,446
6. Interest Received	-	2,404,173	1,022,110
TOTAL INCOME		364,087,279	322,019,790
B. EXPENDITURE			
1. Personal Emoluments			
a. Salaries		256,201,612	217,232,721
b. Provident Fund	1c	20,012,761	17,547,825
c. Allowances		-	
Sub-total	6	276,214,373	234,780,546
2. Other Charges	7	48,132,189	46,204,481
3. Central Items	3	9,074,626	14,448,376
4. Rent and Rates	4	10,017,241	9,612,607
TOTAL EXPENDITURE		343,438,429	305,046,010
C. SURPLUS/(DEFICIT) FOR THE YEAR	8	20,648,850	16,973,780

The Annual Financial Report from pages 2 to 10 has been prepared in accordance with the requirements as set out in the Lump Sum Grant Manual.

**SIGNATURE** 

**SIGNATURE** 

### **PRIVATE & CONFIDENTIAL**

CHAIRMAN

DATE: 17 September 2020

CHIEF EXECUTIVE

DATE: 17 September 2020

#### 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) 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:

		6.8% and Other	
Provident Fund Contribution	Snapshot Staff	<u>Posts</u>	<u>Total</u>
	HK\$	HK\$	HK\$
Subvention received	8,858,058	14,843,339	23,701,397
Provident Fund Contribution paid			
during the Year	(8,290,243)	(11,722,518)	(20,012,761)
Surplus / (Deficit) for the Year	567,815	3,120,821	3,688,636
Add: Surplus/(Deficit) b/f	628,849	26,450,201	27,079,050
Add: Additional Subvention received for previous year(s)	-	230,017	230,017
Less: Refund to Government	(599,762)		(599,762)
			20.207.041
Surplus/(Deficit) c/f	596,902	29,801,039	30,397,941

#### 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.

#### NOTES ON THE ANNUAL FINANCIAL REPORT

#### 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 the LSG Manual (October 2016)).

The income and expenditure of each of the Central Items are as follows:

		2019-20 HK\$	2018-19 HK\$ (Restated)
i)	a. Income		
	Dementia Supplement for Residential Elderly Services	4,503,331	3,738,168
	Dementia Supplement for Day Care Centres	1 <del>4</del>	171,331
	Infirmary Care Supplement for Residential Elderly Services	2,441,583	2,163,275
	After School Care Programme - Fee Waiving Subsidy Scheme	680,400	639,900
	Time-defined Subsidy Scheme for Extended Hours Service Users	27,716	27,716
	Training Sponsorship Scheme for Two-Year MOT/MPT Programme of POLYU	540,000	540,000
	Training Subsidy Programme for Children on the Waiting List for		
	Subvented Pre-school Rehabilitation Services	936,014	825,185
	Time-defined Subsidy Scheme for OCC Service	74,200	74,200
	Pilot Scheme on On-site Pre-school Rehabilitation Services	( <del>**</del> )	7,274,090
	One-off Subsidy for Enhanced Provision of Visiting Medical Officer for Residential Care		
	Homes for the Elderly		-
	Child Care Training for Grand parents	122,972	-
	Special Grant on Manpower Support for Residential and Home-based		
	Care Service Units in respect of the Severe Respiratory		
	Disease associated with a Novel Infectious Agent	584,035	-
	Special Allowance for Staff of Subvented Residential Service	(00.37(	
	Units in respect of COVID-19	600,376	•
	Total [Annex 1]	10,510,627	15,453,865
	b. Expenditure		
	Dementia Supplement for Residential Elderly Services	4,486,997	3,708,568
	Dementia Supplement for Day Care Centres		176,489
	Infirmary Care Supplement for Residential Elderly Services	2,447,785	2,144,382
	After School Care Programme - Fee Waiving Subsidy Scheme	246,111	103,696
	Time-defined Subsidy Scheme for Extended Hours Service Users	-	
	Training Sponsorship Scheme for Two-Year MOT/MPT Programme of POLYU	540,000	-
	Training Subsidy Programme for Children on the Waiting List for		
	Subvented Pre-school Rehabilitation Services	742,605	792,711
	Time-defined Subsidy Scheme for OCC Service	-	·-
	Pilot Scheme on On-site Pre-school Rehabilitation Services	-	7,436,080
	One-off Subsidy for Enhanced Provision of Visiting Medical Officer for Residential Care		
	Homes for the Elderly (refer to Note 8)		86,450
	Child Care Training for Grand parents		-
	Special Grant on Manpower Support for Residential and Home-based		
	Care Service Units in respect of the Severe Respiratory		
	Disease associated with a Novel Infectious Agent	49,777	-
	Special Allowance for Staff of Subvented Residential Service		
	Units in respect of COVID-19	561,351	-
		9,074,626	14,448,376
	Total [Annex 1]	7,074,020	14,440,570

<sup>\*</sup> Claw back and back payment are not included, please refer to Note 8 for claw back and back payment (if any)

#### 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 <u>not</u> been included in AFR.

#### NOTES ON THE ANNUAL FINANCIAL REPORT

#### 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 <u>not</u> 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:

	2019-20	2018-19
Other Income	\$	\$
(a) Fees and charges for services incidental to the	27,508,588	28,776,419
operation of subvented services	0.5.400	242.404
(b) Others	85,439	343,404
Total	27,594,027	29,119,823

#### 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	<u>HK\$</u>
HK\$700,001 - HK\$800,000 p.a.	38	28,373,652
HK\$800,001 - HK\$900,000 p.a.	13	10,891,251
HK\$900,001 - HK\$1,000,000 p.a.	11	10,434,047
HK\$1,000,001 - HK\$1,100,000 p.a.	17	17,829,628
HK\$1,100,001 - HK\$1,200,000 p.a.	2	2,292,523
>HK\$1,200,000 p.a.	10	12,900,188

#### NOTES ON THE ANNUAL FINANCIAL REPORT

#### 7. Other Charges

The breakdown on Other Charges is as follows:

The breakdown on Other Charges is as follows.	2019-20 HK\$	2018-19 HK\$
<ul> <li>(a) Utilities</li> <li>(b) Food</li> <li>(c) Administrative Expenses</li> <li>(d) Stores and Equipment</li> <li>(e) Repair and Maintenance</li> <li>(f) Special Allowances</li> <li>(g) Programme Expenses</li> <li>(h) Transportation and Travelling</li> <li>(i) Insurance</li> <li>(j) Staff Training &amp; Development</li> <li>(k) Other Staff-related Initiatives</li> <li>(l) Miscellaneous</li> </ul>	4,235,605 5,196,408 3,447,465 5,000,790 2,115,728 - 21,413,449 791,741 1,261,815 774,775 3,693,865 200,548	4,036,013 5,013,127 2,773,979 3,768,786 2,177,044 
Total	48,132,189	46,204,481

#### NOTES ON THE ANNUAL FINANCIAL REPORT

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

	Lump Sum Grant (LSG)	Rent and Rates	Central Items	Total
	HK\$	HK\$	HK\$	HK\$
Income			5.5555	
Lump Sum Grant	304,315,929		-	304.315.929
Fee Income	10,656,633		-	10,656,633
Other Income	27,594,027	_	2	27,594,02
Interest Received (Note (1))	2,404,493		2	2,404,493
Rent and Rates	2,101,173	8,605,570	_	8,605,570
Central Items		8,005,570	10,510,627	10,510,627
Total Income (a)	344,971,082	8,605,570	10,510,627	364,087,279
Forman ditares				
Expenditure	276,214,373	1		276,214,373
Personal Emoluments		-1	-	48,132,189
Other Charges	48,132,189	10.017.241	-	10,017,241
Rent and Rates	-	10,017,241	0.074.626	
Central Items	•	•	9,074,626	9,074,626
Total Expenditure (b)	324,346,562	10,017,241	9,074,626	343,438,429
Surplus/(Deficit) for the Year (a) - (b)	20,624,520	(1,411,671)	1,436,001	20,648,850
Less : Surplus / (Deficit) of Provident Fund	(3,688,636)			(3,688,636
Supras, (Sonot), or the main rand	16,935,884	(1,411,671)	1,436,001	16,960,214
Surplus/(Deficit) b/f (note 2)	84,891,086	(5,529,847)	5,600,252	84,961,491
Adjustment*	-	-	(86,450)	(86,450
Adjustment**	-	(508,135)	(222,966)	(731,101
Adjusted Surplus/(Deficit) b/f	84,891,086	(6,037,982)	5,290,836	84,143,940
	101,826,970	(7,449,653)	6,726,837	101,104,154
Add : Backpayment of Rent & Rates		31,311	-	31,311
Less:				1,020022
Refund to Government - DS / ICS	-	-	(48,493)	(48,493
Refund to Government - Extended Hours Service Users	-		(27,716)	(27,716
Refund to Government - Time-defined				garanaan
Subsidy Scheme for OCCS	-	-	(74,200)	(74,200
Refund to Government - Rent and Rate	-	(415,618)		(415,618
Transfer from LSG Reserve to cover the	-	*	-	1.5
salary adjustment for Dementia		1		
Supplement and Infirmary Care		1		
Supplement (Note (3))				
Surplus/(Deficit) c/f (Note (4))	101,826,970	(7,833,960)	6,576,428	100,569,438

#### Note:

- (2) Accumulated balance of LSG 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 Infimary Care Supplement, if any, as per Schedule for Central Items
- (4) The level of LSG cumulative reserve, 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.

\*Central Items - One-off Subsidy for Enhanced Provision of Visiting Medical Officer for Residential Care Homes for the Elderly

Central Items (86,450) 2018/19 AFR Note3 (86,450) \*\*Ajustment for 2018/19 HKYWCA AFR Note 8 Surplus/(Deficit) b/f Central Items Rent and Rates (5,920,636) 4,546,213 2017/18 AFR Surplus/(Deficit) c/f Less:2018/19 AFR Surplus/(Deficit) b/f (5,412,501) 4,769,179 (508, 135) (222,966)

<sup>(1)</sup> 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.

### Schedule for Central Items Analysis of Subvention and Expenditure for the Period from 1 April 2019 to 31 March 2020

Name of Agency: HONG KONG YOUNG WOMEN'S CHRISTIAN ASSOCIATION

						1	Deficit for the Ye	ar		I
							Deficit			
							transferred to		Surplus /	Surplus / (Deficit)
	nit Code and Name/		Subvention	Actual	Surplus	Deficit	LSG	Adjusted Deficit	(Deficit) b/f	c/f
Rei	mittance Advice No.	Subvented Element	Released	Expenditure	(a)	(b)	(c)	(d) = (b)-(c)	(e)	(f)=(e)+(a)-(d)
			HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		Dementia Supplement for								
7978		Residential Elderly Services	3,201,163	3,197,949	3,214	0	0	0	N.A	N.A
	Cheng Pon Hing C&A	Dementia Supplement for								
3608		Residential Elderly Services	1,302,168	1,289,048	13,120	0	0	0	N.A	N.A
		Infirmary Care Supplement for								
3723	Wan Wah C&A Home	Residential Elderly Services	2,441,583	2,447,785	0	(6,202)	0	(6,202)	N.A	N.A
		After School Care Programme - Fee								
		Waiving Subsidy Scheme	680,400	246,111	434,289	0	0	0	N.A	N.A
		Time-defined Subsidy Scheme for								
	V388	Extended Hours Service Users	27,716	0	27,716	0	0	0	N.A	N.A
1 - 1 - 2 - 2 - 2		Training Sponsorship Scheme for								
		Two-Year MOT/MPT Programme								
	6541	of POLYU	540,000	540,000	0	0	0	0	540,000	540,000
		Training Subsidy Programme for	0.0,000	210,000	-		· · ·	· · ·	5 10,000	2 10,000
		Children on the Waiting List for							İ	
		Subvented Pre-school								17
	6524	Rehabilitation Services	936,014	742,605	193,409	0	0	0	N.A	N.A
	1	Time-defined Subsidy Scheme for	750,014	742,003	193,409	0	0	0	14.7	14.73
6353	Nursery	OCC Service	74,200	0	74,200	0	0	0	N.A	N.A
3146	Truisery .	Child Care Training for Grand	74,200	0	74,200	0	0	ļ	19.7	19.74
&3147		parents	122,972	0	122.072	0	0	0	l ,	122.072
0.5147			122,972	0	122,972	0	0	0	-	122,972
		Special Grant on Manpower						1		
		Support for Residential and Home-								
		based Care Service Units in respect								
		of the Severe Respiratory Disease								
n	11: 11 100//05	associated with a Novel Infectious							1	
Remitt	ance Advice No. 4286687	Agent	584,035	49,777	534,258	0	0	0		534,258
		Special Allowance for Staff of						1		
		Subvented Residential Service			99-1992		1			
-		Units in respect of COVID-19	600,376	561,351	39,025	0	0	0		39,025
Total fo	or Central Item		10,510,627	9,074,626	1,442,203	(6,202)	0	(6,202)	N.A	. 1,236,255
Add/L	ess : Amount of Deficit fr	om salary adjustment transferred	•							
to LSG	Reserve		0	0	0			0	N.A	C
Adjuste	ed Total for Central Item		10,510,627	9,074,626	1,442,203	(6,202)	0	(6,202)	N.A	1,236,255

# Schedule for Rent & Rates Analysis of Subvention and Expenditure for the Period from 1 April 2019 to 31 March 2020

Unit Code	Name	Subvented Element	Subvention Released	Actual Expenditure	Surplus	Deficit
			HK\$	HK\$	HK\$	HK\$
3557	Neighbourhood Elderly Centre	Rent & Gov't Rent Rates	292,163 37,171	308,780 32,150	5,021	(16,617)
			220 224	240.020	5.021	(16 617)
		Total	329,334	340,930	5,021	(16,617)
3570	Central Adm-Headquarters	Rent & Gov't Rent Rates	12,996 25,989	20,832 33,702	-	(7,836) (7,713)
		Total	38,985	54,534	-	(15,549)
3571	Central Adm-Ming Yue	Rent & Gov't Rent	436,836	436,836	-	
		Rates	47,611	52,300	-	(4,689)
		Total	484,447	489,136	-	(4,689)
3573	Home Help-Ming Yue	Rent & Gov't Rent	20,760	43,200	-	(22,440)
	and the same and t	Rates	-		•	-
		Total	20,760	43,200	-	(22,440)
3591	IT-Western District	Rent & Gov't Rent	583,056	1,355,616	-	(772,560)
		Rates	37,804	45,310	-	(7,506)
		Total	620,860	1,400,926	-	(780,066)
3592	IT-Tsing Yi	Rent & Gov't Rent	11,464	34,045	-	(22,581)
		Rates	41,057	50,500	-	(9,443)
		Total	52,521	84,545	-	(32,024)
3594	IT-Sham Shui Po	Rent & Gov't Rent	34,258	79,268	-	(45,010)
		Rates	52,788	51,100	1,688	
		Total	87,046	130,368	1,688	(45,010)
3596	IT-Butterfly	Rent & Gov't Rent	433,296	433,296	-	-
		Rates	27,813	30,100	-	(2,287)
		Total	461,109	463,396	-	(2,287)
3597	IT-Tin Shui Wai	Rent & Gov't Rent	25,157	47,040	-	(21,883)
		Rates	38,640	53,500	-	(14,860)
		Total	63,797	100,540	-	(36,743)
3598	IT-Lung Cheung	Rent & Gov't Rent	581,268	581,268	-	-
		Rates	46,751	41,755	4,996	-
		Total	628,019	623,023	4,996	-
3599	ICYSC TKO	Rent & Gov't Rent	211,536	286,416	-	(74,880)
		Rates	37,951	46,300	•	(8,349)
		Total	249,487	332,716	-	(83,229)
3645	Home Help-Kowloon City	Rent & Gov't Rent	238,800	299,820	-	(61,020)
		Rates	10,351	12,699	-	(2,348)
		Total	249,151	312,519	-	(63,368)
3648	Cheng Pon Hing Hostel	Rent & Gov't Rent	837,763	1,199,887	-	(362,124)
20.0		Rates	10,861	4,545	6,316	•
		Total	848,624	1,204,432	6,316	(362,124)

## Schedule for Rent & Rates Analysis of Subvention and Expenditure for the Period from 1 April 2019 to 31 March 2020

Unit Code	Name	Subvented Element	Subvention Released	Actual Expenditure	Surplus	Deficit
			HK\$	HK\$	HK\$	HK\$
3664	IT-Shatin	Rent & Gov't Rent Rates	421,220 61,255	481,459 73,400		(60,239) (12,145)
		Total	482,475	554,859	-	(72,384)
3695	School Social Work	Rent & Gov't Rent	172,752	172,752	-	-
5075	Solitor Social Work	Rates	19,866	20,500	,=	(634)
		Total		193,252	-	(634)
3700	CD Project-Tai O	Rent & Gov't Rent Rates	96,996 2,209	96,996	2,209	-
		Total	99,205	96,996	2,209	-
3735	Outreaching-CW & I	Rent & Gov't Rent Rates	11,869 14,664	18,927 11,500	3,164	(7,058)
			26.522	20,427	2164	(7,058)
2526	TO L. I. W. I.	Total	26,533 14,846	30,427 40,644	3,164	(25,798)
3736	IT-Lok Wah	Rent & Gov't Rent Rates	61,585	65,505	-	(3,920)
		Total	76,431	106,149		(29,718)
3737	IT-Tuen Mun	Rent & Gov't Rent	550,116	550,116	-	-
3737		Rates	30,329	31,765	3	(1,436)
		Total	580,445	581,881	-	(1,436)
3738	Outreaching - TKO	Rent & Gov't Rent Rates	35,200	47,000	-	(11,800)
		Total	35,200	47,000	-	(11,800)
3748	CD Project-Kwunlunglau	Rent & Gov't Rent Rates	43,200	123,000	-	(79,800)
		Total	43,200	123,000	-	(79,800)
7227	Wan Wah C&A Home	Rent & Gov't Rent	1,958,256	1,976,616	-	(18,360)
		Rates	211,834	266,500	-	(54,666)
		Total	2,170,090	2,243,116	-	(73,026)
7285	Lam Woo	Rent & Gov't Rent Rates	198,804 21,046	235,524 19,000	2,046	(36,720)
		Total	219,850	254,524	2,046	(36,720)
7325	Central Adm-Ellen Li	Rent & Gov't Rent Rates	416,089 37,083	50,000 42,700	366,089	(5,617)
		Total	453,172	92,700	366,089	(5,617)
7327	Home Help-Ellen Li	Rent & Gov't Rent Rates	27,720	-	27,720	-
			25 522		27,720	
7000	Hama Hala Chamalasta	Total	27,720 61,248	87,948	21,120	(26,700)
7892	Home Help-Shamshuipo	Rent & Gov't Rent Rates	3,243	-	3,243	(20,700)
		Total	64,491	87,948	3,243	(26,700)
	OPRS-Y Seeds Wellness Service	Rent & Gov't Rent Rates	-	25,125	-	(25,125)
		Total	-	25,125	-	(25,125)
		Grand Total	8,605,570	10,017,241	422,492	(1,834,163)