

**ANNUAL FINANCIAL REPORT
NGO : EVANGEL CHILDREN'S HOME**

1 APRIL 2019 TO 31 MARCH 2020

	Notes	Total 2019-20 \$	Total 2018-19 \$
A. INCOME			
1. Lump Sum Grant			
a. Lump Sum Grant (excluding Provident Fund)	1b	13,499,884.00	11,819,375.00
b. Provident Fund	1c	1,045,732.00	959,980.00
2. Fee Income	2	-	-
3. Central Items	3	639,375.00	322,795.00
4. Rent and Rates	4	138,438.00	135,458.00
5. Other Income	5	271,918.00	282,447.30
6. Interest Received		2,350.53	764.78
TOTAL INCOME		15,597,697.53	13,520,820.08
B. EXPENDITURE			
1. Personal Emoluments			
a. Salaries		10,498,451.28	9,395,391.11
b. Provident Fund	1b	1,267,291.64	768,736.54
c. Allowance		332,520.16	198,413.02
Sub-total	6	12,098,263.08	10,362,540.67
2. Other Charges	7	2,249,777.68	2,358,548.74
3. Central Items	3	527,523.00	322,795.00
4. Rent and Rates	4	217,099.00	216,702.00
TOTAL EXPENDITURE		15,092,662.76	13,260,586.41
C. SURPLUS/(DEFICIT) FOR THE YEAR	8	505,034.77	260,233.67

The Annual Financial Report from pages 1 to 5 has been prepared in accordance with the requirements as set out in the Lump Sum Grant Manual

SIGNATURE



CHAIRMAN

DATE : 21 AUG 2020

SIGNATURE



NGO HEAD/HEAD OF SOCIAL WELFARE SERVICES

DATE : 21 AUG 2020

NOTES ON THE ANNUAL FINANCIAL REPORT

1. Lump Sum Grant

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 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 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.

Please note that the PF received and contributed for staff under the Central Items have been shown under 3.

(LSG Circular No. 1/2001).

Details are analysed below :

<u>Provident Fund Contribution</u>	<u>Existing Staff</u>	<u>6.8% Posts</u>	<u>Total</u>
	\$	\$	\$
Subvention Received	367,423.00	678,309.00	1,045,732.00
Provident Fund Contribution Paid during the year	361,792.08	905,499.56	1,267,291.64
Surplus/(Deficit) for the year	5,630.92	(227,190.56)	(221,559.64)
Add : Surplus/(Deficit) b/f	47,133.84	1,678,062.15	1,725,195.99
Less : Government claw back	-	-	-
Surplus/(Deficit) c/f	52,764.76	1,450,871.59	1,503,636.35

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 Lump Sum Grant 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	2018-19
	\$	\$
a. Income		
Allowances for Specific Services Arising from the Implementation of the Minimum Wage Ordinance (Overnight On-site-on-call Allowance)	348,559.00	322,795.00
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	178,964.00	
Special Allowance for Staff of Subvented Residential Service Units in respect of COVID-19	111,852.00	
Total	639,375.00	322,795.00
b. Expenditure		
Allowances for Specific Services Arising from the Implementation of the Minimum Wage Ordinance (Overnight On-site-on-call Allowance)	348,559.00	322,795.00
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	178,964.00	
Special Allowance for Staff of Subvented Residential Service Units in respect of COVID-19	-	
Total	527,523.00	322,795.00

4. Rent and Rates

This represents the amount paid by Social Welfare Department 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 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:

Other Income	2019-20	2018-19
	\$	\$
(a) Fees and charges for services incidental to the operation of subvented services		
(b) Others	271,918.00	282,447.30
Total	271,918.00	282,447.30

6. Personal Emoluments

Personal Emoluments include salary, provident fund, 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

	No of Posts	\$
HK\$700,001 - HK\$800,000 p.a.	1	781,931.00
HK\$800,001 - HK\$900,000 p.a.	N/A	
HK\$900,001 - HK\$1,000,000 p.a.	N/A	
HK\$1,000,000 - HK\$1,100,000 p.a.	1	1,027,295.00
HK\$1,100,000 - HK\$1,200,000 p.a.	N/A	
>HK\$1,200,000 p.a.	N/A	

7. Other Charges

Other Charges	2019-20 \$	2018-19 \$
a. Utilities	373,919.50	371,713.50
b. Food	858,665.14	935,213.68
c. Administrative Expenses	252,847.60	328,589.30
d. Stores and Equipment *	173,130.51	182,205.97
e. Repair and Maintenance	343,255.00	245,903.50
f. Special Allowances	-	-
g. Programme Expenses	99,704.50	141,004.00
h. Transportation and Travelling	5,868.30	8,711.20
i. Insurance	94,542.13	102,735.79
j. Miscellaneous	47,845.00	42,471.80
Total	2,249,777.68	2,358,548.74

* Furniture & Equipment included

7a. Special One-off Grant Payments

Details of Special One-off Grant Payments are as follows:

Special one-off Grant Payments	2019-20 \$	2018-19 \$
(a) Voluntary Retirement Scheme	-	-
(b) Compensation Scheme	-	-
(c) Staff Training and Development	-	-
(d) Other Staff-related Initiatives	-	-
Total	-	-

8. Analysis of Reserve Fund

	Analysis of Reserve Fund				
	Lump Sum Grant & (LSG)	Special One-off Grant (SOG)	Rent and Rates	Central Items	Total
Income					
Lump Sum Grant	14,545,616.00	-	-	-	14,545,616.00
Fee Income	-	-	-	-	-
Other Income	271,918.00	-	-	-	271,918.00
Interest Received (Note(1))	2,350.53	-	-	-	2,350.53
Rent and Rates	-	-	138,438.00	-	138,438.00
Central Items	-	-	-	639,375.00	639,375.00
Total Income (a)	14,819,884.53	-	138,438.00	639,375.00	15,597,697.53
Expenditure					
Personal emoluments	12,098,263.08	-	-	-	12,098,263.08
Other Charges	2,249,777.68	-	-	-	2,249,777.68
Rent and Rates	-	-	217,099.00	-	217,099.00
Central Items	-	-	-	527,523.00	527,523.00
Total Expenditure (b)	14,348,040.76	-	217,099.00	527,523.00	15,092,662.76
Surplus/(Deficit) for the Year (a) - (b)	471,843.77	-	(78,661.00)	111,852.00	505,034.77
Less : Surplus/(Deficit) of Provident Fund	(221,559.64)	-	-	-	(221,559.64)
	693,403.41	-	(78,661.00)	111,852.00	726,594.41
Surplus/(Deficit) b/f (Note (2))	904,668.18	-	(266,282.00)	-	638,386.18
	1,598,071.59	-	(344,943.00)	111,852.00	1,364,980.59
Add : Back payment					
Backpayment on Rent for Residential Home (over 6) 2018/19	-	-	45,368.00	-	45,368.00
Backpayment on Rent for Residential Home (over 6) 2018/19	-	-	35,876.00	-	35,876.00
Surplus/(Deficit) c/f (Note (3))	1,598,071.59	-	(263,699.00)	111,852.00	1,446,224.59

Notes:

- (1) All the 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 items is considered as part of LSG reserve.
- (2) Accumulated balance 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.
- (3) Amount of LSG Reserve used to cover the salary adjustment for Dementia Supplement and Infirmary Care Supplement, if any, as per Schedule of Central Items.
- (4) The Level of LSG cumulative reserves will be capped at 25% of the NGO's operating expenditure (excluding PF expenditure) for that year.

**Remuneration Packages for Staff in the Top Three Tiers
of Subvented Non-governmental Organisations**

Review Report for the Reporting Year of 2019-20

(to be completed if not exempt from the Government Guidelines)

To: Director of Social Welfare
(Attn: Subventions Section)
38/F, Sunlight Tower,
248 Queen's Road East
Wan Chai, Hong Kong

Fax No. : 2575 6537 or email at suenq@swd.gov.hk

[Please read the explanatory notes before completing this form. The completed form should reach Social Welfare Department (SWD) by 31 October 2020.]

Name of NGO (code) : EFCC-Evangel Children's Home (200)

Part (A): Remuneration Packages

Information of my staff in the top three tiers -

(1) Staff of 1st Tier ^[1]

(a) Number of staff One

(b) Comparable rank in civil service ^[2] ASWO

(c) Post Superintendent

(d) Total annual staff costs ^[3] (including those not under SWD subventions, if applicable) \$1,027,295
[1(d) should be equal to or greater than 1(e)]
(round up to the nearest dollar)

(e) Total annual staff costs under SWD subventions \$1,027,295
[1(e)=1(g)(i)+(ii)+(iii)+(iv)]
(round up to the nearest dollar)

(f) Please specify the months covered if 1(e) was not incurred for the full year: _____ months

(g) Breakdown of 1(e)

(i) Salary ^[4] \$ 893,300

(ii) Provident fund \$133,995

(iii) Cash allowance ^[5] (please specify if any:) \$ _____

(iv) Non-cash based benefits ^[6] (please specify if any:) \$ _____

(2) Staff of 2nd Tier ^[1]

(a) Number of staff	One	
(b) Comparable rank in civil service ^[2]	ASWO	
(c) Post	Deputy Superintendent	
(d) Total annual staff costs ^[3] (including those not under SWD subventions, if applicable) [2(d) should be equal to or greater than 2(e)]		<u>\$ 781,931</u> <i>(round up to the nearest dollar)</i>
(e) Total annual staff costs under SWD subventions [2(e)=2(f)(i)+(ii)+(iii)+(iv)]		<u>\$ 781,931</u> <i>(round up to the nearest dollar)</i>
(f) Breakdown of (2)(e)		
(i) Salary ^[4]		<u>\$ 679,940</u>
(ii) Provident fund		<u>\$ 101,991</u>
(iii) Cash allowance ^[5] (please specify if any:)		<u>\$</u>
(iv) Non-cash based benefits ^[6] (please specify if any:)		<u>\$</u>

(3) Staff of 3rd Tier ^[1]

(a) Number of staff	One	
(b) Comparable rank in civil service ^[2]	SSWA	
(c) Post	Supervisor	
(d) Total annual staff costs ^[3] (including those not under SWD subventions, if applicable) [3(d) should be equal to or greater than 3(e)]		<u>\$ 683,259</u> <i>(round up to the nearest dollar)</i>
(e) Total annual staff costs under SWD subventions [3(e)=3(f)(i)+(ii)+(iii)+(iv)]		<u>\$ 683,259</u> <i>(round up to the nearest dollar)</i>

(f) Breakdown of (3)(e)

(i) Salary ^{14]}		\$ 594,138
(ii) Provident fund		\$ 89,121
(iii) Cash allowance ^{15]} (please specify if any:)	\$ _____
(iv) Non-cash based benefits ^{16]} (please specify if any:)	\$ _____

(4) Review for changes ^{17]}

	<u>2018-19</u> (the year before)	<u>2019-20</u> (the reporting year)
(a) Total annual staff costs under SWD subventions in respect of the top three tiers [(1)(e)+(2)(e)+(3)(e)]	\$ 2,341,929	\$ 2,492,485

(b) Please tick and complete the following as appropriate to state the result of your review -

- I have reviewed the remuneration packages of the staff in the top three tiers and **found no change** in their remunerations as compared with the preceding year.

- I have reviewed the remuneration packages of the staff in the top three tiers and **found change(s)** in their remunerations as compared with the preceding year. The tier(s) having changes and reasons for such changes are stated below –
 - Upward/downward pay adjustment in accordance with Civil Service Pay Adjustment (details are given at the bottom).
 - Upward/downward pay adjustment other than Civil Service Pay Adjustment (details are given at the bottom).
 - Incremental creep (details are given at the bottom).
 - Organisational restructuring or upgrading/downgrading of top three tier posts (details are given at the bottom).
 - Increase/decrease of number of staff of the top three tiers (details are given at the bottom).
 - Other circumstances (details are given at the bottom).

Details (please use additional sheet as necessary):
