



**HONG KONG FEDERATION OF
HANDICAPPED YOUTH**

**ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 31 MARCH 2022**



**REVIEW REPORT
TO THE EXECUTIVE COMMITTEE OF HONG KONG FEDERATION OF HANDICAPPED
YOUTH (“THE FEDERATION”)**

We have audited the financial statements of the Federation for the year ended 31 March 2022 and have issued an unqualified auditors’ report thereon dated 13 September 2022.

We conducted our review of the attached Annual Financial Report on pages 2 to 6 of the Federation for the year ended 31 March 2022 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 Federation, on which the above audited financial statements of the Federation 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 Federation for the year ended 31 March 2022:

- a. in our opinion the Annual Financial Report has been properly prepared from the books and records of the Federation; and
- b. no matters have come to our attention during the course of our review, which cause us to believe that the Federation has not:
 - i. 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 2022.

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.

Li Tang Chen & Co.

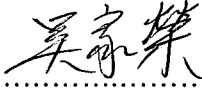


Li, Tang, Chen & Co.
Certified Public Accountants (Practising)

Hong Kong, 13 September 2022
RCCM/MACH

HONG KONG FEDERATION OF HANDICAPPED YOUTH
ANNUAL FINANCIAL REPORT
FOR THE PERIOD FROM 1 APRIL 2021 TO 31 MARCH 2022

	<u>Notes</u>	<u>2022</u> HK\$	<u>2021</u> HK\$
INCOME			
Lump Sum Grant		6,615,801	5,880,357
a) Lump Sum Grant (excluding Provident Fund)	1b	6,273,545	5,581,373
b) Provident fund	1c	342,256	298,984
Fee income	2	-	1,900
Rent and rates	4	236,052	236,693
Other income	5	606,186	535,405
Interest received		35	24
TOTAL INCOME		7,458,074	6,654,379
EXPENDITURE			
Personal emoluments	6	5,588,513	4,505,457
a) Salaries	1b	5,293,358	4,242,645
b) Provident Fund	1c	295,155	262,812
Other charges	7	1,647,251	1,181,003
Rent and rates		206,795	202,462
TOTAL EXPENDITURE		7,442,559	5,888,922
SURPLUS FOR THE YEAR	8	15,515	765,457

The Annual Financial Report from pages 2 to 6 has been prepared in accordance with the requirements as set out in the Lump Sum Grant Manual.

		
..... Chairperson Honorary Treasurer Executive Director
Date: 13 September 2022	Date: 13 September 2022	Date: 13 September 2022

HONG KONG FEDERATION OF HANDICAPPED YOUTH
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 (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:

<u>Provident Fund Contribution</u>	<u>Snapshot Staff</u> HK\$	<u>6.8% and other Posts</u> HK\$	<u>Total</u> HK\$
Subvention Received	-	342,256	342,256
Provident Fund Contributions paid during the year	-	(295,155)	(295,155)
Surplus for the year	-	47,101	47,101
Add: Surplus b/f	-	495,087	495,087
Surplus c/f	-	542,188	542,188

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.

HONG KONG FEDERATION OF HANDICAPPED YOUTH
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:

	<u>2022</u> HK\$	<u>2021</u> HK\$
a) Income		
- Financial Incentive Scheme for Mentors of Employees with Disabilities	-	-
b) Expenditure		
- Financial Incentive Scheme for Mentors of Employees with Disabilities	-	-

4. RENT AND RATES

This represents the amount paid by SWD in respect of premises recognised by SWD. Expenditures on rent and rates in respect of premises not recognised by SWD have not been included in AFR. Please refer to Appendix 2.

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:

	<u>2022</u> HK\$	<u>2021</u> HK\$
Other Income		
a) Fees and charges for services incidental to the operation of subvented services	-	-
b) Subsidy from Central Items (CI) – After School Care Programme (ASCP) / Enhanced ASCP – Fee Waiving Subsidy Scheme (FWSS)*	-	-
c) Others	606,186	535,405
Sub-Total	606,186	535,405
Less: Utilised allocation under CI – ASCP / Enhanced ASCP – FWSS which forms as part of Other Income*	-	-
Total	606,186	535,405

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

HONG KONG FEDERATION OF HANDICAPPED YOUTH

NOTES ON THE ANNUAL FINANCIAL REPORT

6. PERSONAL EMOLUMENTS

Personal Emoluments include salary, provident fund, salary-related allowances.

The analysis on number of posts with annual Personal Emoluments over HK\$700,000 each paid under LSG is appended below:

<u>Analysis of personal emoluments paid under LSG</u>	<u>No. of posts</u>	<u>HK\$</u>
HK\$700,001 per annum or above	<u>Nil</u>	<u>Nil</u>

7. OTHER CHARGES

The breakdown on Other Charges is as follows:

	<u>2022</u> HK\$	<u>2021</u> HK\$
a) Utilities	71,759	24,852
b) Food	-	-
c) Administrative expenses	265,677	248,682
d) Stores and equipment	201,710	117,793
e) Repair and maintenance	58,570	26,142
f) Special allowances	-	-
g) Programme expenses	821,040	661,553
h) Transportation and travelling	173,872	54,422
i) Insurance	45,946	40,628
j) Miscellaneous	8,677	6,931
Sub-Total	<u>1,647,251</u>	<u>1,181,003</u>
Less: Utilised allocation under CI – ASCP / Enhanced ASCP – FWSS* which forms as part of Other Income to fund the operating expenses of FSA-related activities	<u>-</u>	<u>-</u>
Total	<u>1,647,251</u>	<u>1,181,003</u>

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

HONG KONG FEDERATION OF HANDICAPPED YOUTH

NOTES ON THE ANNUAL FINANCIAL REPORT

8. ANALYSIS OF LUMP SUM GRANT RESERVE AND BALANCES OF OTHER SWD SUBVENTIONS

	Lump Sum Grant HK\$	Rent and Rates HK\$	Central Items	Total HK\$
			Mentor HK\$	
INCOME				
Lump Sum Grant	6,615,801	-	-	6,615,801
Other Income (FSA)	606,186	-	-	606,186
Interest Received (Note 1)	35	-	-	35
Rent and Rates	-	236,052	-	236,052
Total Income (a)	7,222,022	236,052	-	7,458,074
EXPENDITURE				
Personal Emoluments	5,588,513	-	-	5,588,513
Other Charges	1,647,251	-	-	1,647,251
Rent and Rates	-	206,795	-	206,795
Total Expenditure (b)	7,235,764	206,795	-	7,442,559
Surplus/(Deficit) for the year (a) – (b)	(13,742)	29,257	-	15,515
Less: Surplus of Provident Fund	(47,101)	-	-	(47,101)
	(60,843)	29,257	-	(31,586)
Surplus/(Deficit) b/f (Note 2)	1,977,416	(122,495)	61,250	1,916,171
Less: CAW back the excess LSG reserve (Note 4)	(589,772)	-	-	(589,772)
Prior Years Adjustments				
Add: 2019-20 SWDF 1590 contribution wrongly charged (Note 5)	7,500	-	-	7,500
Less: 2017-18 wrong opening balance of PF reserve (Note 6)	(2)	-	-	(2)
Revised Surplus/(Deficit) b/f	1,395,142	(122,495)	61,250	1,333,897
Surplus/(Deficit) c/f (Note 4)	1,334,299	(93,238)	61,250	1,302,311

Notes:

- 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 08 LSG reserve.
- 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.
- 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. The excessive amount of LSG surplus will be clawed back under the prevailing policy.
- Prior Years Adjustments requested by Social Welfare Department on 18 March 2022. The correction made is related to the recognition of expenditures of software development fee for Placement Management and Lotteries Fund, Charged to Lump Sum Grant as Other Charges in 2019/20 AFR.
- Prior Years Adjustments requested by Social Welfare Department on 18 March 2022. The correction made is related to the opening balance of Provident Fund (PF) Reserve in 2017/18 AFR.

SCHEDULE FOR CENTRAL ITEMS
ANALYSIS OF SUBVENTION AND EXPENDITURE
FOR THE PERIOD FROM 1 APRIL 2021 TO 31 MARCH 2022
AGENCY: HONG KONG FEDERATION OF HANDICAPPED YOUTH

Unit Code and Name (Note 7)	Subvention element	Subvention Released (Note 1)	Actual Expenditure (Note 2)	Surplus (Note 3)	Deficit for the Year		Refund to Government (f)	Adjustment (Note 9) (g)	Surplus b/f (Note 5) (e)	Surplus c/f (Note 6) (h) = (e) + (a) - (d) - (f) +/- (g)
					Deficit transferred to LSG (Note 4) (c)	Adjusted Deficit (d) = (b) - (c)				
		HK\$	HK\$	(a)	(b)	(c)	(e)	(g)	HK\$	HK\$
mnn - xxxxxxxxxxxxxxx	Neighbourhood Support Child Care Project (NSCCP) - Contract Subsidy	[a] Contract Sum released during the year	[c]=[f] Total Expenditure of the Project minus the following items for the reporting period: [g] Fee Income from service users [h] Subsidy for Fee Waiving claimed from SWD; [k] Premises related expenses, and [j] Subsidy for Incentive Payment claimed from SWD	[a]-[e] if >0	[a]-[e] if <0	N.A.	HK\$		HK\$	
mnn-xxxxxxxxxxxxxxxx	NSCCP - Subsidy for Fee Reduction /Waiving	[b] Subsidy released for Fee Waiving during the reporting period	[h] Subsidy for Fee Waiving claimed from SWD during the reporting period	[b]-[h] if >0	[b]-[h] if <0	N.A.	HK\$		HK\$	
mnn-xxxxxxxxxxxxxxxx	NSCCP - Subsidy for Incentive Payment	[d] Subsidy released for Incentive Payment during the reporting period	[j] Subsidy for Incentive Payment claimed from SWD during the reporting period	[d]-[j] if >0	[d]-[j] if <0	N.A.	HK\$		HK\$	

SCHEDULE FOR CENTRAL ITEMS
ANALYSIS OF SUBVENTION AND EXPENDITURE
FOR THE PERIOD FROM 1 APRIL 2021 TO 31 MARCH 2022
AGENCY: HONG KONG FEDERATION OF HANDICAPPED YOUTH

Unit Code and Name (Note 7)	Subvention element	Subvention Released (Note 1)	Actual Expenditure (Note 2)	Surplus (Note 3)	Deficit for the Year			Refund to Government (f)	Adjustment (Note 9) (g)	Surplus c/f (Note 6) (h) = (c) + (a) - (d) - (f) +/- (g)
					Deficit (Note 3) (b)	Deficit transferred to LSG (Note 4) (c)	Adjusted Deficit (d) = (b) - (c)			
mmmm-xxxxxxxxxxxxxx	Child Care Training for Grandparents - Contact Subsidy	HK\$ [a] Contract Sum released during the reporting period	HK\$ [(f)=[d] Total Expenditure of Project minus [b] Fee Income from Participants and [e] Subsidy from Fee Waiving claimed from SWD during the reporting period	HK\$ [a]-[f] if >0	HK\$ [a]-[f] if <0	HK\$ [c]	HK\$ [d] = (b) - (c)	HK\$	HK\$	HK\$
mmmm-xxxxxxxxxxxxxx	Child Care Training for Grandparents Subsidy for Fee Reduction/Waiving	[c] Subsidy released for Fee Waiving during the reporting period	[e] Subsidy for Fee Waiving claimed from SWD during the reporting period			N.A.	N.A.			
mmmm-xxxxxxxxxxxxxx	Subsidy for Enhanced Support for Ethnic Minority Children in Special Care Centre					N.A.	N.A.			
mmmm-xxxxxxxxxxxxxx	Subsidy for Enhanced Support for Ethnic Minority Children in Education and Training Centres					N.A.	N.A.			
mmmm-xxxxxxxxxxxxxx	Time-defined Allocation of Ethnic Minority District Ambassador Posts-Central item (A) Salary and Mandatory Provident Fund					N.A.	N.A.			
mmmm-xxxxxxxxxxxxxx	Time-defined Allocation of Ethnic Minority District Ambassador Posts-Central item (B) Salary and Other Charges					N.A.	N.A.			
mmmm-xxxxxxxxxxxxxx	Time-limited programme on enhancing Infection Control and Ventilation of Residential Care Homes for the Elderly and Residential Care Homes for Persons with Disabilities-On-Site Ventilation Assessment (Note 10)					N.A.	N.A.			

SCHEDULE FOR CENTRAL ITEMS
ANALYSIS OF SUBVENTION AND EXPENDITURE
FOR THE PERIOD FROM 1 APRIL 2021 TO 31 MARCH 2022
AGENCY: HONG KONG FEDERATION OF HANDICAPPED YOUTH

Unit Code and Name (Note 7)	Subvention element	Subvention Released (Note 1)	Actual Expenditure (Note 2)	Surplus (Note 3)	Deficit for the Year			Refund to Government	Adjustment (Note 9)	Surplus b/f (Note 5)	Surplus e/f (Note 6) (h) = (e) + (a) - (d) - (f) +/- (g)
					Deficit (Note 3)	Deficit transferred to LSG (Note 4)	Adjusted Deficit (c)				
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
mmmm - xxxxxxxxxxxxxxxx	One-off Subsidy for Strengthened Provision of Visiting Medical Practitioner Service for Residential Care Homes (private and self-financing) (Note 10)					N.A.					
mmmm - xxxxxxxxxxxxxxxx	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					N.A.					
mmmm - xxxxxxxxxxxxxxxx	Short-term Food Assistance Service Teams (STFASTs) - Food Cost					N.A.					
mmmm - xxxxxxxxxxxxxxxx	Siu Lam Integrated Rehabilitation Services Complex - Management & Maintenance Cost for Common Area					N.A.					
mmmm - xxxxxxxxxxxxxxxx	After School Care Programme for Pre-primary Children [ASCP(PC)]					N.A.					
	ASCP(PC) Fee Subsidy										
	ASCP(PC) Rent and Rates										
Total										61,250	61,250

SCHEDULE FOR CENTRAL ITEMS
ANALYSIS OF SUBVENTION AND EXPENDITURE
FOR THE PERIOD FROM 1 APRIL 2021 TO 31 MARCH 2022
AGENCY: HONG KONG FEDERATION OF HANDICAPPED YOUTH

Note:

1. The figures for the whole financial year are extracted from the payroll for March (Final) of the financial year.
2. Actual expenditure represents the total expenditure incurred including provident fund for the respective services after netting off programme income, if any.
3. Surplus/deficit for each element represents the difference between subvention released and actual expenditure.
4. Deficit i.r.o. the following central items arising from salary adjustment are transferred to the Lump Sum Grant Reserve as stated in SWD's letter ref (5) in SWD/S/104/2 Point 18 dated 4 March 2020
 - i) Dementia Supplement for Elderly with Disabilities
 - ii) Infirmary Care Supplement for the Aged Blind Persons
 - iii) Dementia Supplement for Residential Elderly Services
 - iv) Infirmary Care Supplement for Residential Elderly Services
5. "Surplus brought forward (b/f)" means surplus, if any arising from operations in previous year.
6. "Surplus carried forward (c/f)" means surplus brought forward less refund to Government plus surplus, if any, arising from operations in current year.
7. Unit codes and name / remittance advice no. are extracted from the payroll from SWD and remittance advice from the Treasury respectively.
8. The central items as listed above may not be exhaustive and any relevant details of central items released and/or expended during the year, where appropriate, should also be included.
9. For ASCP/Enhanced ASCP, the adjustment includes the amount of expenditure overstated / (understated) in previous year(s) after taking into account the actual claw-back amount(s) per SWD's allocation letter(s), if any.
10. For NGOs with Visiting Medical Practitioner Service Team which arrange delivery of the service under the Programme to all private and self-financing RCHEs, RCHEs as well as contract homes operated by private operators only.

SCHEDULE FOR RENT AND RATES**ANALYSIS OF SUBVENTION AND EXPENDITURE****FOR THE PERIOD FROM 1 APRIL 2021 TO 31 MARCH 2022****AGENCY: HONG KONG FEDERATION OF HANDICAPPED YOUTH**

Unit Code and Name	Subvented Element	Subvention Released (Note 1)	Actual Expenditure	Surplus (Note 2)	Deficit (Note 2)
		HK\$	HK\$	HK\$	HK\$
Unit Code: 2886 Name: Jockey Club Activity Centre	Rent (Note 3)	218,724	200,364	18,360	
	Rate	17,328	6,430	10,898	
	Total	236,052	206,794	29,258	
	Rent (Note 3)				
	Rate				
	Total				
	Rent (Note 3)				
	Rate				
	Total				
	Grand Total				

Notes:

1. The figures are to be extracted from the payroll for March plus subvention released in late March of the financial year. Reimbursement for rent and rates relating to previous financial years (i.e. back payments) should not be included.
2. Surplus/deficit for each element represents the difference between subvention released and accrual 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 2022****AGENCY: HONG KONG FEDERATION OF HANDICAPPED YOUTH**

	<u>2022</u> HK\$	<u>2021</u> HK\$
LSG Reserve as at 31 March	<u>1,334,299</u>	<u>1,977,416</u>
Represented by:		
Investments		
a. HKD Bank Account Balances	<u>1,334,299</u>	<u>1,977,416</u>

Note: The investments should be reported at historical cost.

Confirmed by:

Signature: 
Chairperson: Ng Ka Wing

Signature: 
Executive Director: Lau Ka Lun

Date: 13 September 2022

Date: 13 September 2022

Claim for 2021-22 Subventions for Provident Fund - Snapshot Staff

Organisation Code and Name : 324 / Hong Kong Federation of Handicapped Youth

Name of Snapshot Staff	Reported Rank	Salary Paid for the year \$	PF Contribution Rate %	PF Contribution Paid for the year \$
1. Nil	Nil	Nil	-	-
2. Nil	Nil	Nil	-	-
3. Nil	Nil	Nil	-	-
4. Nil	Nil	Nil	-	-
5. Nil	Nil	Nil	-	-
Total Amount of PF Contribution Paid for the Year				-
Less: Subventions of PF-Snapshot Staff Received for the Year				-
Amount of Additional Subvention Applied for				-

Declaration

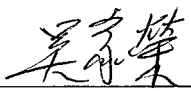
1. I declare that all reported information is correct and that the staff as reported are employed by our Organisation solely for services funded by subventions and grants within the control of SWD

2. I also agree that SWD shall have the right to recover at any time from recurrent subventions any overpaid amount.

Contact Person : 

Signature of
Chairperson of Hong
Kong Federation of
Handicapped Youth :

Name : Lau Ka Lun



Title : Executive Director

Name : Ng Ka Wing

Tel No. : 23385111

Title : Chairperson

Date : 13 September 2022