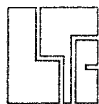


**HONG KONG FEDERATION OF
HANDICAPPED YOUTH**

**ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 31ST MARCH, 2010**



李 湯 陳 會 計 師 事 務 所

LI, TANG, CHEN & CO.

Certified Public Accountants (Practising)

Hong Kong



**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 31st March, 2010 and have issued an unqualified auditors’ report thereon dated 4 SEP 2010.

We conducted our review of the attached Annual Financial Report on pages 2 to 6 of the Federation for the year ended 31st March, 2010 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 31st March, 2010:

- 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 31st March, 2010.

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, 4 SEP 2010
RCMC/RCWT:mc

HONG KONG FEDERATION OF HANDICAPPED YOUTH
ANNUAL FINANCIAL REPORT

FOR THE PERIOD FROM 1ST APRIL, 2009 TO 31ST MARCH, 2010

	<u>Note</u>	<u>2010</u> HK\$	<u>2009</u> HK\$
INCOME			
Lump Sum Grant		2,530,287	2,522,210
a) Lump Sum Grant (excluding Provident Fund)	1a	2,400,168	2,391,996
b) Provident fund	1b	130,119	130,214
Fee income	2	600	300
Central items	3	162,202	162,202
Rent and rate	4	182,508	171,180
Other income	5	-	-
Interest received		53	1,010
TOTAL INCOME		2,875,650	2,856,902
EXPENDITURE			
Personal emoluments	6	1,826,863	1,589,567
a) Salaries		1,707,315	1,494,875
b) Provident Fund	1b	119,548	94,692
c) Allowances		-	-
Other charges	7	569,763	531,805
Central items	3	177,657	177,657
Rent and rates	4	188,943	183,025
TOTAL EXPENDITURE		2,763,226	2,482,054
SURPLUS FOR THE YEAR	8	112,424	374,848



.....
Chairperson

Date: 4 SEP 2010



.....
Honorary Treasurer

Date: 4 SEP 2010

HONG KONG FEDERATION OF HANDICAPPED YOUTH

NOTES ON THE ANNUAL FINANCIAL REPORT

1. LUMP SUM GRANT

a) Lump Sum Grant (excluding Provident Fund):

This represents Lump Sum Grant (excluding Provident Fund) received for the year.

b) Provident Fund:

This is Provident Fund received and contributed during the year. Details are analysed below:

	<u>Existing Staff</u> HK\$	<u>6.8% and other Posts</u> HK\$	<u>Total</u> HK\$
Subvention received	-	130,119	130,119
Provident Fund contributions paid during the year	-	(119,548)	(119,548)
Surplus for the year	-	10,571	10,571
	-----	-----	-----
Add: Surplus b/f	37,860	242,403	280,263
	-----	-----	-----
Surplus c/f	37,860	252,974	290,834
	=====	=====	=====

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.

3. CENTRAL ITEMS

These are subvented services activities which are not included in Lump Sum Grant and are subject to their own procedures as set out in other SWD's papers and correspondence with NGOs. The PF received and contributed for staff under the Central Items should be separately included as part of the income and expenditure of the relevant items (LSG Circular N. 1/2001). The income and expenditure of each of the Central Items are as follows:

	<u>2010</u> HK\$	<u>2009</u> HK\$
a) Income		
Programme Assistant (PA) allocated vide management letter ref. (17) in SWD/S/203/1 Point. 8 dated 17 th March, 2007	162,202	162,202
	=====	=====
b) Expenditure		
Programme Assistant (PA) allocated vide management letter ref. (17) in SWD/S/203/1 Point. 8 dated 17 th March, 2007	177,657	177,657
	=====	=====

HONG KONG FEDERATION OF HANDICAPPED YOUTH

NOTES ON THE ANNUAL FINANCIAL REPORT

3. CENTRAL ITEMS (CONT'D)

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 SWD's papers and correspondence with the Agency.

Service unit code	Name	Subvention element	Subvention released	Actual expenditure	Surplus (a)	Deficit (b)	Deficit	Adjusted deficit (d) = (b) - (c)	Surplus brought forward (e)	Surplus carried forward (f) = (e) + (a) - (d)
							transferred to LSG (c)			
			HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
2886	Jockey Club Activity Centre	Programme Assistant	162,202	177,657	-	(15,455)	N/A	(15,455)	22,254	6,799

HONG KONG FEDERATION OF HANDICAPPED YOUTH

NOTES ON THE ANNUAL FINANCIAL REPORT

4. RENT AND RATES

This represents the amount paid by Social Welfare Department. Details are analysed below:

<u>Unit Code</u>	<u>Name</u>	<u>Subvented element</u>	<u>Subvention released</u> HK\$	<u>Actual expenditure</u> HK\$	<u>Surplus</u> HK\$	<u>Deficit</u> HK\$
2886	Jockey Club Activity Centre	Rent (including Government Rent) Rates	171,180 <u>11,328</u>	172,620 <u>16,323</u>	- -	(1,440) <u>(4,995)</u>
		Total	<u>182,508</u>	<u>188,943</u>	-	<u>(6,435)</u>

5. OTHER INCOME

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

6. PERSONAL EMOLUMENTS

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

<u>Analysis of personal emoluments</u>	<u>No. of posts</u>	<u>HK\$</u>
HK\$500,001 per annum or above	<u>Nil</u>	<u>Nil</u>

7. OTHER CHARGES

	<u>2010</u> HK\$	<u>2009</u> HK\$
(a) Utilities	36,419	37,459
(b) Administrative expenses	168,837	172,893
(c) Stores and equipment	27,203	27,061
(d) Repair and maintenance	26,192	38,876
(e) Programme expenses (net)	160,097	101,126
(f) Transportation and traveling	129,946	131,153
(g) Insurance	19,925	22,431
(h) Miscellaneous	<u>1,144</u>	<u>806</u>
Total	<u>569,763</u>	<u>531,805</u>

(For management purposes only)

HONG KONG FEDERATION OF HANDICAPPED YOUTH

**COMBINED INCOME AND EXPENDITURE ACCOUNT FOR THE HEAD OFFICE, FIRST SENSE DESIGN, FLOWER WORKSHOP,
JOCKEY CLUB ACTIVITY CENTRE, EMPLOYMENT SERVICE CENTRE, ACCOUNTING SUPPORT AND SUPERVISORY SUPPORT**

FOR THE YEAR ENDED 31ST MARCH, 2010

	Non-subvented Head Office HK\$	Non-subvented First Sense Design HK\$	Non-subvented Flower Workshop HK\$	Non-subvented Jockey Club Activity Centre HK\$	Subvented Activity Centre HK\$	Non-subvented Employment Service Centre HK\$	Subvented Service Centre HK\$	Subvented Accounting Support HK\$	Subvented Supervisory Support HK\$	2010 Total HK\$	2009 Total HK\$
INCOME											
Lump Sum Grant (LSG)	-	-	-	-	1,619,350	-	754,617	88,941	67,379	2,530,287	2,522,210
Lotteries Fund (Personal Computer replacement)	-	-	-	20,735	-	-	-	-	-	20,735	-
Lotteries Fund Block Grant (Vehicle replacement)	-	-	-	515,913	-	-	-	-	-	515,913	-
Lotteries Fund Block Grant (F&E, Vehicle Overhauling)	-	-	-	43,500	-	-	-	-	-	43,500	15,000
Other fund (Non-FSA)	-	-	-	141,974	-	-	-	-	-	141,974	202,943
Rent and rates from SWD	-	121,372	-	-	182,508	46,689	-	-	-	350,569	334,560
Membership fees	-	-	-	-	600	-	-	-	-	600	300
Central item	-	-	-	-	162,202	-	-	-	-	162,202	162,202
Walk Aids Rubber Income	-	-	-	3,168	-	-	-	-	-	3,168	2,244
Sales income	-	2,991,601	1,010,331	-	-	-	-	-	-	4,001,932	3,797,579
Other income (Non-FSA)	26,749	479	500	10,614	-	10	-	-	-	38,352	43,924
Swine Influenza Income (Non-FSA)	-	-	-	6,000	-	-	-	-	-	6,000	-
Secretarial Service Income	24,000	-	-	-	-	-	-	-	-	24,000	24,000
Clerical Support Income	60,000	-	-	-	-	-	-	-	-	60,000	60,000
Warehouse Rental Income	3,600	-	-	-	-	-	-	-	-	3,600	1,800
General Donation	691,637	-	-	664	-	10,054	-	-	-	702,355	900,540
Donation and collection from flag day	2,959,422	-	-	-	-	-	-	-	-	2,959,422	-
First Sense administration and management fee income	30,000	-	-	-	-	-	-	-	-	30,000	60,000
Income from HSBC Rights sold	-	-	-	-	-	-	-	-	-	-	224,086
Interest from other investment	89,603	-	-	-	-	-	-	-	-	89,603	171,329
Interest from bank deposits	210	-	23	-	53	-	-	-	-	286	19,244
TOTAL INCOME	3,885,221	3,113,452	1,010,854	742,568	1,964,713	56,753	754,617	88,941	67,379	11,684,498	8,541,962

(For management purposes only)

HONG KONG FEDERATION OF HANDICAPPED YOUTH

**COMBINED INCOME AND EXPENDITURE ACCOUNT FOR THE HEAD OFFICE, FIRST SENSE DESIGN, FLOWER WORKSHOP,
JOCKEY CLUB ACTIVITY CENTRE, EMPLOYMENT SERVICE CENTRE, ACCOUNTING SUPPORT AND SUPERVISORY SUPPORT**

FOR THE YEAR ENDED 31ST MARCH, 2010

	Non-subvented Head Office HK\$	Non-subvented First Sense Design HK\$	Non-subvented Flower Workshop HK\$	Non-subvented Jockey Club Activity Centre HK\$	Subvented HK\$	Non-subvented Employment Service Centre HK\$	Subvented HK\$	Subvented Accounting Support HK\$	Subvented Supervisory Support HK\$	2010 Total HK\$	2009 Total HK\$
EXPENDITURE											
Personal emoluments											
a) Salaries	(1,103,258)	(983,565)	(355,505)	-	(1,032,788)	-	(524,242)	(84,706)	(65,579)	(4,149,643)	(4,076,163)
b) Provident Fund contributions	-	(30,695)	-	-	-	-	-	-	-	(30,695)	(30,060)
c) Mandatory Provident Fund contributions	(51,289)	(29,828)	(20,947)	-	(50,568)	-	(62,944)	(4,235)	(1,800)	(221,611)	(204,631)
d) Incentive	-	-	(66,387)	-	-	-	-	-	-	(66,387)	(64,405)
Production cost	-	(1,746,835)	(466,903)	-	-	-	-	-	-	(2,213,738)	(2,040,901)
Other charges:											
Utilities	(22,858)	(24,595)	(13,284)	-	(24,871)	-	(11,548)	-	-	(97,156)	(97,047)
Administrative expenses	(184,323)	(92,688)	(15,430)	-	(94,516)	-	(74,321)	-	-	(461,278)	(434,344)
Stores and equipment	(209,777)	(49,418)	(24,049)	-	(25,373)	-	(28,022)	-	-	(336,639)	(335,479)
Programme expenses (net)	(45,162)	-	-	-	(289,916)	-	129,819	-	-	(205,259)	(131,514)
Transportation and traveling	(7,340)	(6,400)	-	-	(125,578)	-	(4,367)	-	-	(143,685)	(150,802)
Insurance premium	(17,418)	(15,620)	(9,525)	-	(11,791)	-	(8,134)	-	-	(62,488)	(61,319)
Walk Aids rubber expenses (Non-FSA)	-	-	-	(7,200)	-	-	-	-	-	(7,200)	-
Swine Influenza Prevent expenses (Non-FSA)	-	-	-	(3,582)	-	(1,134)	-	-	-	(4,716)	-
Coupon charges	(800)	-	-	-	-	-	-	-	-	(800)	-
Outgoings from General Donation	(148,841)	-	-	-	-	-	-	-	-	(148,841)	-
Miscellaneous	(163,762)	(1,176)	(2,424)	-	(551)	-	(594)	-	-	(168,507)	(85,830)
Outgoing Incidental expenses from Flay Day	(199,854)	-	-	-	-	-	-	-	-	(199,854)	-
Total other charges	(1,000,134)	(189,897)	(64,712)	(10,782)	(572,596)	(1,134)	2,833	-	-	(1,836,422)	(1,296,335)
Central items	-	-	-	-	(177,657)	-	-	-	-	(177,657)	(177,657)
Lotteries Fund (Personal Computer replacement)	-	-	-	(47,185)	-	-	-	-	-	(47,185)	-
Lotteries Fund Block Grant (Vehicle replacement)	-	-	-	(515,913)	-	-	-	-	-	(515,913)	-
Lotteries Fund Block Grant (F&E, Vehicle Overhauling)	-	-	-	(33,323)	-	-	-	-	-	(33,323)	(37,497)
Fund expenditure (Non-FSA)	-	-	-	(122,660)	-	-	-	-	-	(122,660)	(213,765)
Rent and rates (including parking rental)	(84,905)	(121,372)	-	-	(188,943)	(59,100)	-	-	-	(454,320)	(440,966)
TOTAL EXPENDITURE	(2,239,587)	(3,102,192)	(974,454)	(729,863)	(2,022,552)	(60,234)	(584,353)	(88,941)	(67,379)	(9,869,555)	(8,582,380)

(For management purposes only)

HONG KONG FEDERATION OF HANDICAPPED YOUTH

**COMBINED INCOME AND EXPENDITURE ACCOUNT FOR THE HEAD OFFICE, FIRST SENSE DESIGN, FLOWER WORKSHOP,
JOCKEY CLUB ACTIVITY CENTRE, EMPLOYMENT SERVICE CENTRE, ACCOUNTING SUPPORT AND SUPERVISORY SUPPORT**

FOR THE YEAR ENDED 31ST MARCH, 2010

	Non-subvented Head Office	Non-subvented First Sense Design	Non-subvented Flower Workshop	Non-subvented Jockey Club Activity Centre	Subvented	Non-subvented Employment Service Centre	Subvented	Subvented Accounting Support	Subvented Supervisory Support	2010 Total	2009 Total
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
SURPLUS/(DEFICIT) FOR THE YEAR	1,645,634	11,260	36,400	12,705	(57,839)	(3,481)	170,264	-	-	1,814,943	(40,418)
TRANSFER TO RESERVE FUND	(134,314)	-	-	-	-	-	-	-	-	(134,314)	(402,148)
TRANSFER TO LOTTERIES FUND BLOCK GRANT	-	-	-	(10,177)	-	-	-	-	-	(10,177)	-
TRANSFER FROM INFORMATION TECHNOLOGY	-	-	-	-	-	-	-	-	-	-	33,482
TRANSFER TO POLICY ADVOCACY FUND (DEFICIT)	-	-	-	-	-	-	-	-	-	-	(250,000)
TRANSFER FROM BEIJING 2008 PARALYMPICS GAME FUND	148,863	-	-	-	-	-	-	-	-	148,863	-
TRANSFER FROM EMPLOYEES RETRAINING BOARD (DEFICIT)	(1,485)	-	-	-	-	-	-	-	-	(1,485)	-
TRANSFER FROM FAMILY RESPITE SERVICE (DEFICIT)	(2,883)	-	-	-	-	-	-	-	-	(2,883)	-
TRANSFER FROM HONG KONG JOCKEY CLUB CHARITIES TRUST FOR RENOVATION (DEFICIT)	(242,086)	-	-	-	-	-	-	-	-	(242,086)	-
TRANSFER FROM LEE HYSAN FUND FOR RENOVATION (DEFICIT)	(35,585)	-	-	-	-	-	-	-	-	(35,585)	-
BALANCE CARRIED FORWARD	<u>1,378,144</u>	<u>11,260</u>	<u>36,400</u>	<u>2,528</u>	<u>(57,839)</u>	<u>(3,481)</u>	<u>170,264</u>	<u>-</u>	<u>-</u>	<u>1,537,276</u>	<u>(659,084)</u>

SCHEDULE FOR INVESTMENT**ANALYSIS OF INVESTMENT AS AT 31ST MARCH, 2010****AGENCY: HONG KONG FEDERATION OF HANDICAPPED YOUTH**

	<u>2010</u> HK\$	<u>2009</u> HK\$
LSG Reserve as at 31 st March	816,431	692,688
Represented by:		
Investments		
a. HKD Bank Account Balances	816,431	692,688
b. HKD 24-hour Call Deposits	-	-
c. HKD Fixed Deposits	-	-
d. HKD Certificate of Deposits	-	-
e. HKD Bonds	-	-
	<u>816,431</u>	<u>692,688</u>

Confirmed by:-


.....
Chairperson

Date: 4 SEP 2010


.....
Honorary Treasurer

Date: 4 SEP 2010

SCHEDULE FOR CENTRAL ITEMS

ANALYSIS OF SUBVENTION AND EXPENDITURE

FOR THE PERIOD FROM 1ST APRIL, 2009 TO 31ST MARCH, 2010

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) (a)	Deficit for the Year			Surplus b/f (Note 4) (e)	Surplus c/f (Note 5) (d) = (c) + (a) - (d)
					Deficit (Note 3) (b)	Deficit transferred to LSG (Note 4) (c)	Adjusted Deficit (d) = (b) - (c)		
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
XXX1-xxxxx	Dementia Supplement for Elderly with Disabilities					N.A.		N.A.	N.A.
XXX2-xxxxx	Infirmity Care Supplement for the aged Blind Persons					N.A.		N.A.	N.A.
XXX3-xxxxx	Dementia Supplement for Residential Elderly Services					N.A.		N.A.	N.A.
XXX4-xxxxx	Infirmity Care Supplement for Residential Elderly Services					N.A.		N.A.	N.A.
XXX5-xxxxx	Foster Care Allowance/Emergency Foster Care Allowance					N.A.		N.A.	N.A.
XXX6-xxxxx	After School Care Programme					N.A.		N.A.	N.A.
XXX7-xxxxx	Programme Assistants/Care Assistant (Permanent) - Elderly Services					N.A.		N.A.	N.A.
XXX8-xxxxx	Programme Assistants/Care Assistant (Permanent) - Rehabilitation Medical and Social Services					N.A.		N.A.	N.A.
XXX9-xxxxx	Temporary Financial Aid					N.A.		N.A.	N.A.
XXX10-xxxxx	Emergency Fund					N.A.		N.A.	N.A.
XXX11-xxxxx	Extension of Three-year Time-defined Subsidy Scheme for Extended Hours Care Service (1 st September 2008 – 31 st March, 2011)					N.A.		N.A.	N.A.
XXX12-xxxxx	Visiting medical Practitioner Scheme					N.A.		N.A.	N.A.
XXX13-xxxxx	Training Subsidiary Scheme for Standalone Child Care Centre (CCC), KG-cum-CCC and RESidential CCC					N.A.		N.A.	N.A.
XXX14-xxxxx	Training Subsidiary under Training Scheme for Child Care Supervisors and Special Child Care Works in Pre-school Rehabilitation Service					N.A.		N.A.	N.A.
XXXPA-xxxxx	Programme Work posts for 3 years from 2008-09 to 2010-11					N.A.		N.A.	N.A.
XXXS-xxxxx	Programme Assistants (PA)/Care Assistants (CA) allowed vide our letter ref. (17) in SWD/S/203/1 Point 8 dated 17 th March, 2007	162,202	177,657		(15,455)	0		22,254	6,799
N.A.	Subsidiary under the Home Environment Improvement Scheme for the Elderly					N.A.			
Total		162,202	177,657		(15,455)			22,254	6,799

SCHEDULE FOR CENTRAL ITEMS

ANALYSIS OF SUBVENTION AND EXPENDITURE

FOR THE PERIOD FROM 1ST APRIL, 2009 TO 31ST MARCH, 2010

AGENCY: HONG KONG FEDERATION OF HANDICAPPED YOUTH

Note:

1. The figures for the whole financial year can be 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 can be transferred to the Lump Sum Grant Reserve as stated in our letter ref (23) in SWD/S/104/2 Point 4 dated 16th July, 2008.
 - (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
 - (v) Programme Assistants (PA)/Care Assistants (CA) allocated vide our letter ref. (17) in SWD/S/203/1 Point 8 dated 17th March, 2007
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 plus surplus, if any arising from operations in current year.
7. Unit codes and names assigned by SWD should be filled, if available.
8. As the above schedule may not be exhaustive in content, any relevant details in respect of central items released and/or expended during the year may also be included where appropriate.

SCHEDULE FOR RENT AND RATES**ANALYSIS OF SUBVENTION AND EXPENDITURE****FOR THE PERIOD FROM 1ST APRIL, 2009 TO 31ST MARCH, 2010****AGENCY: HONG KONG FEDERATION OF HANDICAPPED YOUTH**

Unit Code and Name	Subvented Element	Subvention Released (Note 1) HK\$	Actual Expenditure HK\$	Surplus (Note 2) HK\$	Deficit (Note 2) HK\$
Unit Code: 2886 Name: Jockey Club Activity Centre	Rent (Note 3)	171,180	172,620	-	(1,440)
	Rate	11,328	16,323	-	(4,995)
	Total	182,508	188,943	-	(6,435)
	Rent (Note 3)				
	Rate				
	Total				
	Rent (Note 3)				
	Rate				
	Total				
	Grand Total	182,508	188,943	-	(6,435)

Notes:

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 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.