

**HONG KONG FEDERATION OF
HANDICAPPED YOUTH**

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 31ST MARCH, 2012

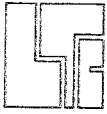


李 湯 陳 會 計 師 事 務 所

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, 2012 and have issued an unqualified auditors’ report thereon dated 04 OCT 2012.

We conducted our review of the attached Annual Financial Report on pages 2 to 7 of the Federation for the year ended 31st March, 2012 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, 2012:

- 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, 2012.

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)

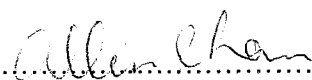
Hong Kong, 04 OCT 2012
RCMC/RCWT:al

HONG KONG FEDERATION OF HANDICAPPED YOUTH

ANNUAL FINANCIAL REPORT

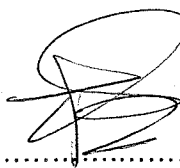
FOR THE PERIOD FROM 1ST APRIL, 2011 TO 31ST MARCH, 2012

	<u>Note</u>	<u>2012</u> HK\$	<u>2011</u> HK\$ (restated)
INCOME			
Lump Sum Grant		2,679,266	2,544,239
a) Lump Sum Grant (excluding Provident Fund)	1b	2,540,652	2,413,788
b) Provident fund	1c	138,614	130,451
Special One-off Grant		-	-
Fee income	2	1,800	1,200
Central items	3	211,280	162,202
Rent and rate	4	188,508	188,508
Other income	5	497,644	561,468
Interest received		21	21
TOTAL INCOME		3,578,519	3,457,638
EXPENDITURE			
Personal emoluments	6	2,114,138	1,946,517
a) Salaries		1,991,219	1,832,503
b) Provident Fund	1c	122,919	114,014
c) Allowances		-	-
Other charges	7	1,184,819	1,295,240
Central items	3	211,280	178,652
Rent and rates	4	181,996	176,869
Special One-off Grant Payment		-	-
TOTAL EXPENDITURE		3,692,233	3,597,278
DEFICIT FOR THE YEAR	8	(113,714)	(139,640)



 Chairperson

Date: 4/10/2012



 Honorary Treasurer

Date: 4/10/2012



 Executive Director

Date: 4/10/2012

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 on cash basis, that is, income is recognised upon receipt of cash and expenditure is recognised when expenses are paid. Non-cash items like depreciation, provisions and accruals should not be 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 1st April, 2000.

6.8% and other posts represent those staff that are employed after 1st April, 2000.

The PF received and contributed for staff under the Central Items are shown under note 3 if any. (LSG Circular No. 1/2001).

Details are analysed below:

	<u>Snapshot Staff</u> HK\$	<u>6.8% and other Posts</u> HK\$	<u>Total</u> HK\$
Subvention received	-	138,614	138,614
Provident Fund contributions paid during the year	-	(122,919)	(122,919)
Surplus for the year	-	15,695	15,695
	-----	-----	-----
Add: Surplus b/f	37,860	269,411	307,271
	-----	-----	-----
Surplus c/f	37,860	285,106	322,966
	=====	=====	=====

HONG KONG FEDERATION OF HANDICAPPED YOUTH
NOTES ON THE ANNUAL FINANCIAL REPORT

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 No. 1/2001). The income and expenditure of each of the Central Items are as follows:

	<u>2012</u> HK\$	<u>2011</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	211,280	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	211,280	178,652

Subvented service activities

Please refer to page 5.

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/ (Deficit)</u> HK\$
2886	Jockey Club Activity Centre	Rent (including Government Rent) Rates	171,180 17,328	172,620 9,376	(1,440) 7,952
		Total	<u>188,508</u>	<u>181,996</u>	<u>6,512</u>

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.

<u>Service unit code</u>	<u>Name</u>	<u>Subvention element</u>	<u>Subvention released</u>	<u>Actual expenditure</u>	<u>Surplus</u>	<u>Deficit</u>	<u>Deficit transferred to LSG</u>	<u>Adjusted deficit</u>	<u>Surplus brought forward</u>	<u>Surplus carried forward</u>
			HK\$	HK\$	(a) HK\$	(b) HK\$	(c) HK\$	(d) = (b) - (c) HK\$	(e) HK\$	(f) = (e) + (a) - (d) HK\$
2886	Jockey Club Activity Centre	Programme Assistant	211,280	211,280	-	-	-	-	-	-

HONG KONG FEDERATION OF HANDICAPPED YOUTH
NOTES ON THE ANNUAL FINANCIAL REPORT

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	Nil	Nil

7. OTHER CHARGES

	<u>2012</u>	<u>2011</u>
	<u>HK\$</u>	<u>HK\$</u>
(a) Utilities	47,108	40,675
(b) Administrative expenses	172,922	173,135
(c) Stores and equipment	52,008	49,352
(d) Repair and maintenance	37,642	29,966
(e) Programme expenses	670,523	813,169
(f) Transportation and traveling	168,738	154,811
(g) Insurance	33,395	31,741
(h) Miscellaneous	2,483	2,391
Total	<u>1,184,819</u>	<u>1,295,240</u>

HONG KONG FEDERATION OF HANDICAPPED YOUTH
NOTES ON THE ANNUAL FINANCIAL REPORT

8. ANALYSIS OF RESERVE FUND

	Lump Sum Grant	Rent and Rates	Central Items	Total
	HK\$	HK\$	HK\$	HK\$
INCOME				
Lump Sum Grant	2,679,266	-	-	2,679,266
Rent and Rates	-	188,508	-	188,508
Member Fee Income	1,800	-	-	1,800
Central Items	-	-	211,280	211,280
Other Income	497,644	-	-	497,644
Interest Received	21	-	-	21
Total Income (a)	3,178,731	188,508	211,280	3,578,519
EXPENDITURE				
Personal Emoluments	2,114,138	-	-	2,114,138
Other Charges	1,184,819	-	-	1,184,819
Central Items	-	-	211,280	211,280
Rent and Rates	-	181,996	-	181,996
Total Expenditure (b) (A)	3,298,957	181,996	211,280	3,692,233
Surplus/(Deficit) for the year (a) – (b)	(120,226)	6,512	-	(113,714)
Less: Surplus/(Deficit) of Provident Fund	15,695	-	-	15,695
	(135,921)	6,512	-	(129,409)
Surplus/(Deficit) b/f (restated)	655,516	(71,233)	-	584,283
Add:/(Less): Transfer from LSG Reserve to cover salary adjustment for Programme Assistant	-	-	-	-
	655,516	(71,233)	-	584,283
Less: Refund to Government	519,595	(64,721)	-	454,874
	(16,000)	-	-	(16,000)
Surplus/(Deficit) c/f	503,595	(64,721)	-	438,874

Note:

(A) Total expenditure excluding Provident Fund expenditure

HK\$3,298,956 (Total expenditure) -
 - HK\$ (122,919) (Actual Provident Fund Paid)
HK\$3,176,037

(B) Total surplus c/f of LSG and TOG and interest received excluding PF HK\$ 503,595
 =====
 Amount of cumulative reserve equal to 25% of (A) (794,010)
 =====
 Amount below 25% of (A) refundable to SWD HK\$ Nil
 =====

(C) Total surplus of refundable to SWD = HK\$ - (2011/12)
 =====

SCHEDULE FOR CENTRAL ITEMS

ANALYSIS OF SUBVENTION AND EXPENDITURE

FOR THE PERIOD FROM 1ST APRIL, 2011 TO 31ST MARCH, 2012

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	Infirmiry 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	Infirmiry 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 2011-11					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	211,280	211,280		-	-	-	-	-
N.A.	Subsidiary under the Home Environment Improvement Scheme for the Elderly					N.A.		N.A.	N.A.
Total		211,280	211,280		-	-	-	-	-

SCHEDULE FOR CENTRAL ITEMS

ANALYSIS OF SUBVENTION AND EXPENDITURE

FOR THE PERIOD FROM 1ST APRIL, 2011 TO 31ST MARCH, 2012

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, 2011 TO 31ST MARCH, 2012

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)	171,180	172,620	(1,440)	-
	Rate	17,328	9,376	7,952	-
	Total	188,508	181,996	6,512	-
	Rent (Note 3) Rate				
	Total				
	Rent (Note 3) Rate				
	Total				
	Grand Total	188,508	181,996	6,512	-

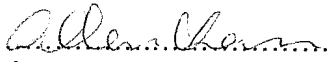
Notes:

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.

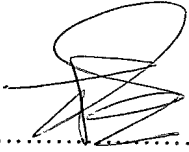
SCHEDULE FOR INVESTMENT**ANALYSIS OF INVESTMENT AS AT 31ST MARCH, 2012****AGENCY: HONG KONG FEDERATION OF HANDICAPPED YOUTH**

	<u>2012</u> HK\$	<u>2011</u> HK\$
LSG Reserve as at 31 st March	503,595	655,515
Represented by:		
Investments		
a. HKD Bank Account Balances	503,595	655,515
b. HKD 24-hour Call Deposits	-	-
c. HKD Fixed Deposits	-	-
d. HKD Certificate of Deposits	-	-
e. HKD Bonds	-	-
	<u>503,595</u>	<u>655,515</u>

Confirmed by:-


.....
Chairperson

Date: 4/10/2012


.....
Honorary Treasurer

Date: 4/10/2012


.....
Executive Director

Date: 4/10/2012