

**HONG KONG FEDERATION OF
HANDICAPPED YOUTH**

**ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 31ST MARCH, 2013**



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, 2013 and have issued an unqualified auditors' report thereon dated 18 SEP 2013.

We conducted our review of the attached Annual Financial Report on pages 2 to 7 of the Federation for the year ended 31st March, 2013 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, 2013:

- 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, 2013.


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)

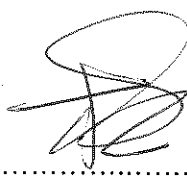
Hong Kong, 18 SEP 2013
RCMC/RCWT:vy

HONG KONG FEDERATION OF HANDICAPPED YOUTH
ANNUAL FINANCIAL REPORT
FOR THE PERIOD FROM 1ST APRIL, 2012 TO 31ST MARCH, 2013

	<u>Note</u>	<u>2013</u> HK\$	<u>2012</u> HK\$
INCOME			
Lump Sum Grant		2,829,622	2,679,266
a) Lump Sum Grant (excluding Provident Fund)	1b	2,682,985	2,540,652
b) Provident fund	1c	146,637	138,614
Special One-off Grant		-	-
Fee income	2	1,800	1,800
Central items	3	220,741	211,280
a) Program Assistant		215,741	211,280
b) Mentor of Employees with Disabilities		5,000	-
Rent and rates	4	188,508	188,508
Other income	5	877,540	497,644
Interest received		18	21
TOTAL INCOME		4,118,229	3,578,519
EXPENDITURE			
Personal emoluments	6	2,236,807	2,114,138
a) Salaries		2,105,783	1,991,219
b) Provident Fund	1c	131,024	122,919
c) Allowances		-	-
Other charges	7	1,646,995	1,184,819
Central items	3	215,741	211,280
a) Program Assistant		215,741	211,280
b) Mentor of Employees with Disabilities		-	-
Rent and rates	4	179,757	181,996
Special One-off Grant Payments		-	-
TOTAL EXPENDITURE		4,279,300	3,692,233
DEFICIT FOR THE YEAR	8	(161,071)	(113,714)


.....
Chairperson

Date: 18 SEP 2013


.....
Honorary Treasurer

Date: 18 SEP 2013


.....
Executive Director

Date: 18 SEP 2013

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	-	146,637	146,637
Provident Fund contributions paid during the year	-	(131,024)	(131,024)
Surplus for the year	-	15,613	15,613
	-----	-----	-----
Add: Surplus b/f	37,860	285,106	322,966
	-----	-----	-----
Surplus c/f	37,860	300,719	338,579
	=====	=====	=====

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.

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

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 (paragraph 3.13 of LSG Manual). The income and expenditure of each of the Central Items are as follows:

	<u>2013</u> HK\$	<u>2012</u> HK\$
a) Income		
Regularised Programme Assistants (PA)/Care Assistants (CA)	215,741	211,280
Financial Incentive Scheme for Mentors of Employees with Disabilities	<u>5,000</u>	<u>-</u>
	<u>220,741</u>	<u>211,280</u>
b) Expenditure		
Regularised Programme Assistants (PA)/Care Assistants (CA)	215,741	211,280
Financial Incentive Scheme for Mentors of Employees with Disabilities	<u>-</u>	<u>-</u>
	<u>215,741</u>	<u>211,280</u>

Subvented service activities

Please refer to page 5.

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 should not be included in AFR. 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)	171,180	173,720	(2,540)
		Rates	<u>17,328</u>	<u>6,037</u>	<u>11,291</u>
		Total	<u>188,508</u>	<u>179,757</u>	<u>8,751</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.

Service unit code	Name	Subvention element	Subvention released	Actual expenditure	Surplus (a)	Deficit (b)	Deficit transferred to LSG (c)	Adjusted deficit (d) = (b) - (c)	Surplus brought forward (e)	Surplus carried forward (f) = (e) + (a) - (d)
			HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
2886	Jockey Club Activity Centre	Programme Assistant Mentors of Employee with Disabilities	215,741	215,741	-	-	-	-	-	-
			<u>5,000</u>	-	<u>5,000</u>	-	-	-	-	<u>5,000</u>
			<u>220,741</u>	<u>215,741</u>	<u>5,000</u>	-	-	-	-	<u>5,000</u>

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. Non-SWD subventions and donations received need not be included as other income in AFR. However, treatment of fees and charges as specified under paragraph 2.27 to 2.28 of the LSG Manual remains unchanged (paragraph 3.9 of the Manual).

6. PERSONAL EMOLUMENTS

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

<u>Analysis of personal emoluments</u>	<u>No. of posts</u>	<u>2013</u> <u>HK\$</u>
HK\$500,001 per annum or above	<u>Nil</u>	<u>Nil</u>

7. OTHER CHARGES

	<u>2013</u> <u>HK\$</u>	<u>2012</u> <u>HK\$</u>
(a) Utilities	54,416	47,108
(b) Administrative expenses	178,937	172,922
(c) Stores and equipment	101,141	52,008
(d) Repair and maintenance	52,626	37,642
(e) Programme expenses	1,037,928	670,523
(f) Transportation and traveling	185,975	168,738
(g) Insurance	28,976	33,395
(h) Miscellaneous	<u>6,996</u>	<u>2,483</u>
Total	<u>1,646,995</u>	<u>1,184,819</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
			Prog. Assist.	Mentor	
	HK\$	HK\$	HK\$		HK\$
INCOME					
Lump Sum Grant	2,829,622	-	-	-	2,829,622
Rent and Rates	-	188,508	-	-	188,508
Member Fee Income	1,800	-	-	-	1,800
<u>Central Items:</u>					
- Program Assistant	-	-	215,741	-	215,741
- Mentor of Employees Disabilities	-	-	-	5,000	5,000
Other Income	877,540	-	-	-	877,540
Interest Received	18	-	-	-	18
Total Income (a)	3,708,980	188,508	215,741	5,000	4,118,229
EXPENDITURE					
Personal Emoluments	(2,236,807)	-	-	-	(2,236,807)
Other Charges	(1,646,995)	-	-	-	(1,646,995)
<u>Central Items:</u>					
- Program Assistant	-	-	(215,741)	-	(215,741)
- Mentor of Employees Disabilities	-	-	-	-	-
Rent and Rates	-	(179,757)	-	-	(179,757)
Total Expenditure (b) (A)	(3,883,802)	(179,757)	(215,741)	-	(4,279,300)
(Deficit)/Surplus for the year (a) – (b)	(174,822)	8,751	-	5,000	(161,071)
Less: Surplus of Provident Fund	15,613	-	-	-	15,613
	(190,435)	8,751	-	5,000	(176,684)
Surplus/(Deficit) b/f	503,595	(64,721)	-	-	438,874
	313,160	(55,970)	-	5,000	262,190
Less: Transfer from LSG Reserve to cover salary adjustment for Program Assistant	-	-	-	-	-
Less: Refund to Government	-	-	-	-	-
Surplus/(Deficit) c/f (B)	313,160	(55,970)	-	5,000	262,190

Note:

(A) Total expenditure excluding Provident Fund expenditure

HK\$3,883,802 (Total expenditure) -

- HK\$ (131,024) (Actual Provident Fund Paid)

HK\$3,752,778

(B) Total surplus c/f of LSG and TOG and interest received excluding PF HK\$ 313,160

Amount of cumulative reserve equal to 25% of (A) (938,195)

Amount over 25% of (A) refundable to SWD HK\$ Nil

(C) Total surplus refundable to SWD = HK\$ - (2012/13)

SCHEDULE FOR CENTRAL ITEMS

ANALYSIS OF SUBVENTION AND EXPENDITURE

FOR THE PERIOD FROM 1ST APRIL, 2012 TO 31ST MARCH, 2013

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\$	
XXXX1-xxxxx	Dementia Supplement for Elderly with Disabilities							N.A.	N.A.
XXXX2-xxxxx	Infirmary Care Supplement for the aged Blind Persons							N.A.	N.A.
XXXX3-xxxxx	Dementia Supplement for Residential Elderly Services							N.A.	N.A.
XXXX4-xxxxx	Infirmary Care Supplement for Residential Elderly Services							N.A.	N.A.
XXXX5-xxxxx	Foster Care Allowance/Emergency Foster Care Allowance							N.A.	N.A.
XXXX6-xxxxx	After School Care Programme							N.A.	N.A.
XXXX7-xxxxx	Programme Assistants/Care Assistant (Permanent) - Elderly Services							N.A.	N.A.
XXXX8-xxxxx	Programme Assistants/Care Assistant (Permanent) - Rehabilitation Medical and Social Services							N.A.	N.A.
XXXX9-xxxxx	Temporary Financial Aid							N.A.	N.A.
XXXX10-xxxxx	Emergency Fund							N.A.	N.A.
XXXX11-xxxxx	Extension of Three-year Time-defined Subsidy Scheme for Extended Hours Care Service (1 st April, 2011 - 31 st March, 2014)							N.A.	N.A.
XXXX12-xxxxx	Visiting medical Practitioner Scheme							N.A.	N.A.
XXXX13-xxxxx	Training Subsidiary Scheme for Standalone Child Care Centre (CCC), KG-cum-CCC and Residential CCC							N.A.	N.A.
XXXX14-xxxxx	Training Subsidiary under Training Scheme for Child Care Supervisors and Special Child Care Works in Pre-school Rehabilitation Service							N.A.	N.A.
XXXXPA-xxxxx	Programme Work posts for 3 years from 2011-12	215,741	215,741	-				N.A.	N.A.
XXXXS-xxxxx	Regularised Programme Assistants (PA)/Care Assistants (CA)								
N.A.	Financial Incentive Scheme for Mentors of Employees with Disabilities	5,000		5,000					5,000
N.A.	Subsidy under the Home Environment Improvement Scheme for the Elderly	220,741	215,741	5,000					5,000
Total		220,741	215,741	5,000					5,000

**SCHEDULE FOR CENTRAL ITEMS
ANALYSIS OF SUBVENTION AND EXPENDITURE
FOR THE PERIOD FROM 1ST APRIL, 2012 TO 31ST MARCH, 2013
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 11 dated 25th July, 2012.
 - (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) Regularised Programme Assistants (PA)/Care Assistants (CA)
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, 2012 TO 31ST MARCH, 2013****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	173,720	-	(2,540)
	Rate	17,328	6,037	11,291	-
	Total	188,508	179,757	11,291	(2,540)
	Rent (Note 3)				
	Rate				
	Total				
	Rent (Note 3)				
	Rate				
	Total				
	Grand Total	188,508	179,757	11,291	(2,540)

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, 2013****AGENCY: HONG KONG FEDERATION OF HANDICAPPED YOUTH**

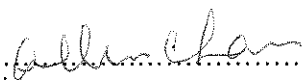
	<u>2013</u> HK\$	<u>2012</u> HK\$
LSG Reserve as at 31 st March	<u>313,160</u>	<u>503,595</u>

Represented by:


Investments

a. HKD Bank Account Balances	313,160	503,595
b. HKD 24-hour Call Deposits	-	-
c. HKD Fixed Deposits	-	-
d. HKD Certificate of Deposits	-	-
e. HKD Bonds	-	-
	<u>313,160</u>	<u>503,595</u>

Confirmed by:-


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Chairperson

Date: 18 SEP 2013


.....
Honorary Treasurer

Date: 18 SEP 2013


.....
Executive Director

Date: 18 SEP 2013

