



**HONG KONG FEDERATION OF
HANDICAPPED YOUTH**

**ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 31ST MARCH, 2015**

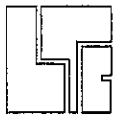


李 湯 陳 會 計 師 事 務 所

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, 2015 and have issued an unqualified auditors' report thereon dated 14 OCT 2015


We conducted our review of the attached Annual Financial Report on pages 2 to 6 of the Federation for the year ended 31st March, 2015 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, 2015:

- 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, 2015.

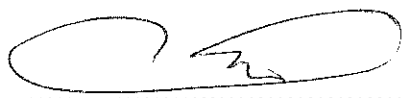
This report is intended for filing with the Social Welfare Department of the Government of the HKSAR and should not be used for any other purpose.


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

Hong Kong, 14 OCT 2015
RCMC/TKYY:al


HONG KONG FEDERATION OF HANDICAPPED YOUTH
ANNUAL FINANCIAL REPORT
FOR THE PERIOD FROM 1ST APRIL, 2014 TO 31ST MARCH, 2015

	<u>Note</u>	<u>2015</u> HK\$	<u>2014</u> HK\$
INCOME			
Lump Sum Grant		3,476,008	2,942,345
a) Lump Sum Grant (excluding Provident Fund)	1b	3,292,593	2,790,100
b) Provident fund	1c	183,415	152,245
Special One-off Grant		-	-
Fee income	2	600	600
Central items	3	265,559	255,931
Rent and rates	4	188,508	188,508
Other income	5	2,476,547	752,083
Interest received		12	15
TOTAL INCOME		6,407,234	4,139,482
EXPENDITURE			
Personal emoluments	6	2,870,862	2,395,690
a) Salaries	1b	2,741,032	2,252,625
b) Provident Fund	1c	129,830	143,065
c) Allowances		-	-
Other charges	7	2,909,995	1,605,061
Central items	3	235,559	229,681
Rent and rates	4	209,814	201,476
Special One-off Grant Payments	7a	-	-
TOTAL EXPENDITURE		6,226,230	4,431,908
SURPLUS/(DEFICIT) FOR THE YEAR	8	181,004	(292,426)



Chairperson

Date: 14 OCT 2015



Honorary Treasurer

Date: 14 OCT 2015



Executive Director

Date: 14 OCT 2015

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 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 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 have been 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	-	183,415	183,415
Provident Fund contributions paid during the year	-	(129,830)	(129,830)
Surplus for the year	-	53,585	53,585
Add: Surplus b/f	<u>37,860</u>	<u>309,899</u>	<u>347,759</u>
Surplus c/f	<u>37,860</u>	<u>363,484</u>	<u>401,344</u>

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

	<u>2015</u> HK\$	<u>2014</u> HK\$
a) Income		
Regularised Programme Assistants (PA)	235,559	229,681
Financial Incentive Scheme for Mentors of Employees with Disabilities	<u>30,000</u>	<u>26,250</u>
Total	<u><u>265,559</u></u>	<u><u>255,931</u></u>
b) Expenditure		
Regularised Programme Assistants (PA)	235,559	229,681
Financial Incentive Scheme for Mentors of Employees with Disabilities	<u>-</u>	<u>-</u>
Total	<u><u>235,559</u></u>	<u><u>229,681</u></u>

Subvented service activities of Central Items:

Please refer to Appendix 1.

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.

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 posits with annual Personal Emoluments over HK\$500,000 each is appended below:

<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

The breakdown on other charges is as follows:

	<u>2015</u> HK\$	<u>2014</u> HK\$
a) Utilities	67,867	58,576
b) Administrative expenses	209,930	187,481
c) Stores and equipment	52,258	108,216
d) Repair and maintenance	28,687	33,359
e) Programme expenses	2,330,046	1,011,585
f) Transportation and travelling	177,496	177,530
g) Insurance	38,694	34,644
h) Miscellaneous	<u>5,017</u>	<u>3,670</u>
Total	<u>2,909,995</u>	<u>1,605,061</u>

7a. SPECIAL ONE-OFF GRANT PAYMENTS

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

	<u>2015</u> HK\$	<u>2014</u> HK\$
Special One-off Grant Payments		
a) Voluntary retirement scheme	-	-
b) Compensation scheme	-	-
c) Staff training and development	-	-
d) Other staff-related initiatives	<u>-</u>	<u>-</u>
Total	<u>-</u>	<u>-</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\$	HK\$
INCOME					
Lump Sum Grant	3,476,008	-	-	-	3,476,008
Member Fee Income	600	-	-	-	600
Other Income (FSA)	2,476,547	-	-	-	2,476,547
Interest Received (Note 1)	12	-	-	-	12
Rent and Rates	-	188,508	-	-	188,508
<u>Central Items:</u>					
- Program Assistant	-	-	235,559	-	235,559
- Mentor of Employees Disabilities	-	-	-	30,000	30,000
Total Income (a)	5,953,167	188,508	235,559	30,000	6,407,234
EXPENDITURE					
Personal Emoluments	(2,870,862)	-	-	-	(2,870,862)
Other Charges	(2,909,995)	-	-	-	(2,909,995)
Rent and Rates	-	(209,814)	-	-	(209,814)
<u>Central Items:</u>					
- Program Assistant	-	-	(235,559)	-	(235,559)
- Mentor of Employees Disabilities	-	-	-	-	-
Total Expenditure (b)	(5,780,857)	(209,814)	(235,559)	-	(6,226,230)
(Deficit)/Surplus for the year (a) – (b)	172,310	(21,306)	-	30,000	181,004
Less: Surplus/(Deficit) of Provident Fund	53,585	-	-	-	53,585
	118,725	(21,306)	-	30,000	127,419
Surplus/(Deficit) b/f (Note 2)	(1,728)	(68,938)	-	31,250	(39,416)
	116,997	(90,244)	-	61,250	88,003
Less: Refund to Government	-	-	-	-	-
Transfer from LSG Reserve to cover salary adjustment for Program Assistant (Note 3)	-	-	-	-	-
Surplus/(Deficit) c/f (Note 4)	116,997	(90,244)	-	61,250	88,003

Notes:

- 1) All the interest on LSG and PF reserves, rent and rates, central items, Special One-off Grant is included as one item under LSG; and the item is considered as part of LSG reserve.
- 2) Accumulated balance of 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 Programme Assistants, care Assistants, Dementia Supplement and Infirmary Care Supplement, if any, as per Schedule of Central Items.
- 4) The level of LSG cumulative reserve (i.e. S) will be capped at 25% of the NGO's operating expenditure (excluding PF expenditure) for the year.

SCHEDULE FOR CENTRAL ITEMS

ANALYSIS OF SUBVENTION AND EXPENDITURE

FOR THE PERIOD FROM 1ST APRIL, 2014 TO 31ST MARCH, 2015

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 5) (e)	Surplus c/f (Note 6) (f) = (e) + (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\$
nnnn - xxxxxxxxxxxx	Dementia Supplement for Elderly with Disabilities							N.A.	N.A.
nnnn - xxxxxxxxxxxx	Infirmity Care Supplement for the aged Blind Persons							N.A.	N.A.
nnnn - xxxxxxxxxxxx	Dementia Supplement for Residential Elderly Services							N.A.	N.A.
nnnn - xxxxxxxxxxxx	Infirmity Care Supplement for Residential Elderly Services							N.A.	N.A.
nnnn - xxxxxxxxxxxx	Dementia Supplement for Day Care Centres/Units for the Elderly					N.A.		N.A.	N.A.
nnnn - xxxxxxxxxxxx	Foster Care Allowance/Emergency Foster Care Allowance					N.A.		N.A.	N.A.
nnnn - xxxxxxxxxxxx	After School Care Programme					N.A.		N.A.	N.A.
nnnn - xxxxxxxxxxxx	Programme Assistants/Care Assistant (Permanent) - Elderly Services					N.A.		N.A.	N.A.
nnnn - xxxxxxxxxxxx	Programme Assistants/Care Assistant (Permanent) - Rehabilitation Medical and Social Services					N.A.		N.A.	N.A.
nnnn - xxxxxxxxxxxx	Temporary Financial Aid					N.A.		N.A.	N.A.
nnnn - xxxxxxxxxxxx	Emergency Fund					N.A.		N.A.	N.A.
nnnn - xxxxxxxxxxxx	Extension of Three-year Time-defined Subsidy Scheme for Extended Hours Care Service (1 st April, 2011 - 31 st March, 2015)					N.A.		N.A.	N.A.
nnnn - xxxxxxxxxxxx	Visiting Medical Practitioner Scheme	N.A.		N.A.		N.A.		N.A.	N.A.
nnnn - xxxxxxxxxxxx	Training Subsidiary Scheme for Standalone Child Care Centre (CCC), KG-cum-CCC and Residential CCC					N.A.		N.A.	N.A.

SCHEDULE FOR CENTRAL ITEMS

ANALYSIS OF SUBVENTION AND EXPENDITURE

FOR THE PERIOD FROM 1ST APRIL, 2014 TO 31ST MARCH, 2015

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 5) (e)	Surplus c/f (Note 6) (f) = (e) + (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\$
nnnn - xxxxxxxxxxxx	Training Subsidy under Training Scheme for Child Care Supervisors and Special Child Care Works in Pre-school Rehabilitation Service					N.A.			
nnnP - xxxxxxxxxxxx	Programme Work posts for one years from 2014-15					N.A.		N.A.	N.A.
nnnS - xxxxxxxxxxxx	Regularised Programme Assistants (PA)/Care Assistants (CA)	235,559	235,559	-	-	-	-	-	-
N.A.	Subsidy under the Home Environment Improvement Scheme for the Elderly					N.A.			
nnnn - xxxxxxxxxxxx	Overnight On-site-on-call Allowance					N.A.		N.A.	N.A.
nnnn - xxxxxxxxxxxx	Neighbourhood Support Child Care Project (NSCCP) - Contract Subsidy					N.A.			
nnnn - xxxxxxxxxxxx	NSCCP - Subsidy for Fee Reduction/Waiving					N.A.			
nnnn - xxxxxxxxxxxx	Time-defined Subsidy Scheme for Occasional Child Care Service					N.A.			
nnnn - xxxxxxxxxxxx	Financial Incentive Scheme for Mentors of Employees with Disabilities	30,000	-	30,000	-	-	-	31,250	61,250
nnnn - xxxxxxxxxxxx	Cluster-based Foster Home Pool					N.A.			
Total		265,559	235,559	30,000	-	-	-	31,250	61,250

SCHEDULE FOR CENTRAL ITEMS

ANALYSIS OF SUBVENTION AND EXPENDITURE

FOR THE PERIOD FROM 1ST APRIL, 2014 TO 31ST MARCH, 2015

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 (16) in SWD/S/104/2 Point 12 dated 17th July, 2013.
 - 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 are extracted from the payroll from SWD.

SCHEDULE FOR RENT AND RATES

ANALYSIS OF SUBVENTION AND EXPENDITURE

FOR THE PERIOD FROM 1ST APRIL, 2014 TO 31ST MARCH, 2015

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	191,094	-	(19,914)
	Rate	17,328	18,720	-	(1,392)
	Total	188,508	209,814	-	(21,306)
	Rent (Note 3)				
	Rate				
	Total				
	Rent (Note 3)				
	Rate				
	Total				
	Grand Total	188,508	209,814	-	(21,306)

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, 2015****AGENCY: HONG KONG FEDERATION OF HANDICAPPED YOUTH**

	<u>2015</u> HK\$	<u>2014</u> HK\$
LSG Reserve as at 31 st March	<u>116,997</u>	<u>(1,728)</u>
Represented by:		
Investments		
a. HKD Bank Account Balances	116,997	-
b. HKD 24-hour Call Deposits	-	-
c. HKD Fixed Deposits	-	-
d. HKD Certificate of Deposits	-	-
e. HKD Bonds	-	-
	<u>116,997</u>	<u>-</u>

Note: The investments should be reported at historical cost.

Confirmed by:

Signature: 

Chairman: CHEUNG WAI LEUNG

Date: 14 OCT 2015

Signature: 

NGO Head/ Head
of Social Welfare
Services: LAU KA LUN

Date: 14 OCT 2015