

ANNUAL FINANCIAL REPORT

HONG KONG CHILDREN AND YOUTH SERVICES

1 APRIL 2016 TO 31 MARCH 2017

	Notes	Total 2016-17 \$	Total 2015-16 \$
A. INCOME			
1. Lump Sum Grant			
a. Lump Sum Grant (excluding Provident Fund)	1b	142,272,452.00	136,015,753.00
b. Provident Fund	1c	14,936,387.00	15,164,666.00
2. Special One-off Grant		0.00	0.00
3. Fee Income	2	1,023,596.90	979,012.30
4. Central Items	3	6,303,008.00	5,910,006.00
5. Rent and Rates	4	3,709,437.00	3,334,858.00
6. Other Income	5	15,079,779.71	15,886,199.32
7. Interest Received		256,623.45	179,511.17
TOTAL INCOME		<u>183,581,284.06</u>	<u>177,470,005.79</u>
B. EXPENDITURE			
1. Personal Emoluments			
a. Salaries		128,754,745.16	125,012,683.72
b. Provident Fund	1c	14,514,326.80	14,305,643.81
c. Allowances		0.00	0.00
Sub-total	6	<u>143,269,071.96</u>	<u>139,318,327.53</u>
2. Other Charges	7	28,162,655.87	24,136,817.12
3. Central Items	3	5,578,174.29	5,995,481.27
4. Rent and Rates	4	4,033,849.68	3,681,971.85
5. Special One-off Grant Payments	7a	0.00	0.00
TOTAL EXPENDITURE		<u>181,043,751.80</u>	<u>173,132,597.77</u>
C. SURPLUS/(DEFICIT) FOR THE YEAR	8	<u>2,537,532.26</u>	<u>4,337,408.02</u>

The Annual Financial Report from pages 46 to 53 has been prepared in accordance with the requirements as set out in the Lump Sum Grant Manual.

SIGNATURE



CHAIRMAN

DATE: - 6 OCT 2017

SIGNATURE



AGENCY DIRECTOR

DATE: - 6 OCT 2017

NOTES ON THE ANNUAL FINANCIAL REPORT

1. Lump Sum Grant (LSG)

- 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 like depreciation, provisions and accruals have not been included in the AFR.
- b. Lump Sum Grant (excluding Provident Fund)** This represents 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 3. Details are analysed below:

<u>Provident Fund Contribution</u>	<u>Snapshot Staff</u>	<u>6.8% and Other Posts</u>	<u>Total</u>
	\$	\$	\$
Subvention Received	9,619,749.00	5,316,638.00	14,936,387.00
Provident Fund Contribution Paid during the Year	(9,191,353.75)	(5,322,973.05)	(14,514,326.80)
Surplus/(Deficit) for the Year	428,395.25	(6,335.05)	422,060.20
Add: Surplus/(Deficit) b/f	1,562,792.41	12,333,269.27	13,896,061.68
Transfer from Snapshot Staff to 6.8% and other posts	(6,118.75)	6,118.75	0.00
Refund from the company's General Fund	12,786.75	0.00	12,786.75
Surplus/(deficit) c/f	<u>1,997,855.66</u>	<u>12,333,052.97</u>	<u>14,330,908.63</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 LSG Manual.

- 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 LSG Manual (October 2016)). The income and expenditure of each of the Central items are as follows:

<u>a. Income</u>	<u>2016-17</u>	<u>2015-16</u>
	\$	\$
After School Care Programme	438,750.00	434,250.00
Enhanced After School Care Programme	510,565.00	218,306.00
Cluster-based Foster Home Pool in New Territories East	0.00	65,045.00
Foster Care Allowance	4,327,360.00	4,172,660.00
Allowances for Specific Services Arising from the Implementation of the Minimum Wage Ordinance (Overnight On-site-on-call Allowance)	1,026,333.00	1,019,745.00
Total	<u>6,303,008.00</u>	<u>5,910,006.00</u>
<u>b. Expenditure</u>		
After School Care Programme	383,130.00	387,302.50
Enhanced After School Care Programme	517,440.00	477,025.77
Cluster-based Foster Home Pool in New Territories East	0.00	75,973.34
Foster Care Allowance	3,681,824.94	4,042,836.34
Allowances for Specific Services Arising from the Implementation of the Minimum Wage Ordinance (Overnight On-site-on-call Allowance)	995,779.35	1,012,343.32
Total	<u>5,578,174.29</u>	<u>5,995,481.27</u>

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 have not been included in AFR.

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 (paragraph 2.29 of LSG Manual (October 2016)) is as follows:

	2016-17	2015-16
Other Income	\$	\$
(a) Fees and charges for services incidental to the operation of subvented services	10,920,521.70	10,592,616.30
(b) Others	4,159,258.01	5,293,583.02
Total	<u>15,079,779.71</u>	<u>15,886,199.32</u>

6. Personal Emoluments

Personal Emoluments include salary, provident fund and salary-related allowance.

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

<u>Analysis of Personal Emoluments paid under LSG</u>	<u>No. of Posts</u>	<u>\$</u>
HK\$700,001 - HK\$800,000 p.a.	1	737,104.00
HK\$800,001 - HK\$900,000 p.a.	43	38,660,250.76
HK\$900,001 - HK\$1,000,000 p.a.	4	3,747,666.00
HK\$1,000,001 - HK\$1,100,000 p.a.	1	1,020,234.00
HK\$1,100,001 - HK\$1,200,000 p.a.	5	5,575,008.00
>HK\$1,200,000 p.a.	2	2,548,049.25

7. Other Charges

The breakdown on Other Charges is as follows:

	2016-17	2015-16
Other Charges	\$	\$
(a) Utilities	1,645,379.00	1,680,087.20
(b) Food	1,126,864.80	1,089,802.40
(c) Administrative Expenses	1,028,932.72	1,017,931.24
(d) Stores and Equipment	2,505,439.48	1,963,172.87
(e) Repair and Maintenance	1,835,772.70	1,237,820.88
(f) House-parent / Special Allowance	797,303.00	746,457.35
(g) Programme Expenses	12,696,463.63	10,291,740.41
(h) Transportation and Travelling	605,618.97	566,283.19
(i) Insurance	848,219.65	847,716.10
(j) Staff Training and Development	39,728.30	27,620.00
(k) Interest Group Expenses	4,790,269.87	4,568,060.86
(l) Miscellaneous	242,663.75	100,124.62
Total	<u>28,162,655.87</u>	<u>24,136,817.12</u>

7a. Special One-off Grant Payments

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

	2016-17	2015-16
Special one-off Grant Payments	\$	\$
(a) Voluntary Retirement Scheme	0.00	0.00
(b) Compensation Scheme	0.00	0.00
(c) Staff Training and Development	0.00	0.00
(d) Other staff-related Initiatives	0.00	0.00
Total	<u>0.00</u>	<u>0.00</u>

8. Analysis of Lump Sum Grant Reserve and balances of other SWD subventions

	Lump Sum Grant (LSG)	Special One-off Grant (SOG)	Rent and Rates	Central Items	Total
	\$	\$	\$	\$	\$
Income					
Lump Sum Grant	157,208,839.00	-	-	-	157,208,839.00
Special One-off Grant	-	-	-	-	-
Fee Income	1,023,596.90	-	-	-	1,023,596.90
Other Income	15,079,779.71	-	-	-	15,079,779.71
Interest Received	256,623.45	-	-	-	256,623.45
Rent and Rates	-	-	3,709,437.00	-	3,709,437.00
Central Items	-	-	-	6,303,008.00	6,303,008.00
Total Income (a)	173,568,839.06	-	3,709,437.00	6,303,008.00	183,581,284.06
Expenditure					
Personal Emoluments	143,269,071.96	-	-	-	143,269,071.96
Other Charges	28,162,655.87	-	-	-	28,162,655.87
Rent and Rates	-	-	4,033,849.68	-	4,033,849.68
Central Items	-	-	-	5,578,174.29	5,578,174.29
Special One-off Grant Payments	-	-	-	-	-
Total Expenditure (b)	171,431,727.83	-	4,033,849.68	5,578,174.29	181,043,751.80
Surplus/(Deficit) for the Year (a)-(b)	2,137,111.23	-	(324,412.68)	724,833.71	2,537,532.26
Less : Surplus/(Deficit) of Provident Fund	422,060.20	-	-	-	422,060.20
	1,715,051.03	-	(324,412.68)	724,833.71	2,115,472.06
Surplus/(Deficit) b/f	75,336,886.72	-	(849,847.20)	1,284,076.53	75,771,116.05
	77,051,937.75	-	(1,174,259.88)	2,008,910.24	77,886,588.11
Less: Refund to Government	-	-	(17,497.20)	(969,447.09)	(986,944.29)
Backpayment Subvention	-	-	909,790.00	-	909,790.00
Surplus/(Deficit) c/f	77,051,937.75	-	(281,967.08)	1,039,463.15	77,809,433.82

HONG KONG CHILDREN AND YOUTH SERVICES

Annex 1

Schedule for Central Items
Analysis of Subvention and Expenditure for the Period from April 1, 2016 to March 31, 2017

Unit Code and Name	Subvented Element	Subvention Released	Actual Expenditure	Surplus	Deficit for the Year			Surplus (Deficit) b/f	Refund from / (to) Government	Surplus (Deficit) c/f (g)-(e)+(a) -(d)+(f)
					Deficit	Deficit transferred to LSG	Adjusted Deficit			
		\$	\$	(a)	(b)	(c)	(d)=(b)-(c)	(e)	(f)	\$
3031 After School Care Programme - Late Afternoon Session	After School Care Programme	438,750.00	383,130.00	55,620.00	0.00	0.00	0.00	174,388.80	0.00	230,008.80
1894 After School Care Programme - Enhanced	After School Care Programme	510,565.00	517,440.00	0.00	6,875.00	0.00	6,875.00	2,695.23	0.00	(4,179.77)
2544 Cluster-based Foster Home Pool in New Territories East	Cluster-based Foster Home Pool (Time-defined 31/12/2015)	0.00	0.00	0.00	0.00	0.00	0.00	320.07	0.00	320.07
4245, 4246 Foster Care Service	Foster Care Allowance	3,029,152.00	2,383,616.94	645,535.06	0.00	0.00	0.00	584,481.81	(454,658.15)	775,358.72
3991, 2543 Foster Care	Foster Care Allowance (Time-defined)	1,298,208.00	1,298,208.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
288P Programme Worker (PW)	Programme Worker posts extended for the years from 1.4.2011 to 31.3.2014	0.00	0.00	0.00	0.00	0.00	0.00	(16,206.90)	16,206.90	0.00
288S Programme Assistant / Care Assistant	Regularized Programme Assistants (PA) / Care Assistants (CA)	0.00	0.00	0.00	0.00	0.00	0.00	528,155.84	(528,155.84)	0.00
Overnight On-site-on-call Allowance	Overnight On-site-on-call Allowance	1,026,333.00	995,779.35	30,553.65	0.00	0.00	0.00	10,241.68	(2,840.00)	37,955.33
Total		6,303,008.00	5,578,174.29	731,708.71	6,875.00	0.00	6,875.00	1,284,076.53	(969,447.09)	1,039,463.15

Schedule for Rent and Rates
Analysis of Subvention and Expenditure for the Period from April 1, 2016 to March 31, 2017

Unit Code and Name	Subvented Element	Subvention Released	Actual Expenditure	Surplus	Deficit	Surplus b/f	Refund to Government	Backpayment Subvention	Surplus c/f
	\$	\$	\$	\$	\$	\$	\$	\$	\$
2525 Central Administration	Rent	0.00	0.00	-	-	0.00	0.00	0.00	0.00
	Rates	0.00	0.00	-	-	0.00	0.00	0.00	0.00
	Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2550 School Social Work	Rent	171,649.00	175,560.00	-	3,911.00	(2,314.00)	0.00	2,314.00	(3,911.00)
	Rates	22,838.00	23,870.00	-	1,032.00	123.00	0.00	2,085.00	1,176.00
	Total	194,487.00	199,430.00	0.00	4,943.00	(2,191.00)	0.00	4,399.00	(2,735.00)
2535 Family Life Education	Rent	0.00	0.00	-	-	0.00	0.00	0.00	0.00
	Rates	0.00	0.00	-	-	0.00	0.00	0.00	0.00
	Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1241 Hung Hom IFSC	Rent	60,291.00	60,291.00	-	-	0.40	(0.20)	0.00	0.20
	Rates	5,616.00	7,284.33	-	1,668.33	(1,001.46)	0.00	1,003.00	(1,666.79)
	Total	65,907.00	67,575.33	0.00	1,668.33	(1,001.06)	(0.20)	1,003.00	(1,666.59)
2558 Shatin Home Help	Rent	112,020.00	121,650.00	-	9,630.00	(6,560.00)	0.00	7,040.00	(9,150.00)
	Rates	7,326.00	6,860.00	466.00	-	1,745.00	0.00	0.00	2,211.00
	Total	119,346.00	128,510.00	466.00	9,630.00	(4,815.00)	0.00	7,040.00	(6,939.00)
2559 Tai Po Home Help	Rent	120,660.00	123,772.00	-	3,112.00	(4,628.00)	0.00	6,428.00	(1,312.00)
	Rates	10,266.00	6,920.00	3,346.00	-	7,936.00	(3,000.00)	0.00	8,282.00
	Total	130,926.00	130,692.00	3,346.00	3,112.00	3,308.00	(3,000.00)	6,428.00	6,970.00
7222 Taiipo YOT	Rent	115,920.00	118,980.00	-	3,060.00	(4,968.00)	0.00	4,968.00	(3,060.00)
	Rates	8,711.00	9,500.00	-	789.00	73.00	0.00	840.00	124.00
	Total	124,631.00	128,480.00	0.00	3,849.00	(4,895.00)	0.00	5,808.00	(2,936.00)
2653 Ma On Shan YOT	Rent	0.00	28,350.00	-	28,350.00	(48,300.00)	0.00	48,300.00	(28,350.00)
	Rates	0.00	0.00	-	-	0.00	0.00	0.00	0.00
	Total	0.00	28,350.00	0.00	28,350.00	(48,300.00)	0.00	48,300.00	(28,350.00)
7507 Clinical Psychology	Rent	16,269.00	16,269.00	-	-	(0.20)	0.00	0.00	(0.20)
	Rates	1,602.00	1,965.67	-	363.67	(186.74)	0.00	187.00	(363.41)
	Total	17,871.00	18,234.67	0.00	363.67	(186.94)	0.00	187.00	(363.61)
2540 Kwai Shing SGH	Rent	89,324.00	89,910.00	-	586.00	(586.00)	0.00	586.00	(586.00)
	Rates	6,678.00	5,480.00	1,198.00	-	2,540.00	(600.00)	0.00	3,138.00
	Total	96,002.00	95,390.00	1,198.00	586.00	1,954.00	(600.00)	586.00	2,552.00
2555 Wang Tau Hom SGH	Rent	85,800.00	85,800.00	-	-	0.00	0.00	0.00	0.00
	Rates	9,563.00	10,220.00	-	657.00	662.00	0.00	0.00	5.00
	Total	95,363.00	96,020.00	0.00	657.00	662.00	0.00	0.00	5.00
2541 Sheung Tak SGH	Rent	97,020.00	97,020.00	-	-	0.00	0.00	0.00	0.00
	Rates	8,266.00	8,120.00	146.00	-	1,451.00	0.00	0.00	1,597.00
	Total	105,286.00	105,140.00	146.00	0.00	1,451.00	0.00	0.00	1,597.00
2533 Fu Heng SGH	Rent	97,760.00	99,072.00	-	1,312.00	(1,024.00)	0.00	1,024.00	(1,312.00)
	Rates	6,808.00	6,020.00	788.00	-	2,035.00	(240.00)	0.00	2,583.00
	Total	104,568.00	105,092.00	788.00	1,312.00	1,011.00	(240.00)	1,024.00	1,271.00

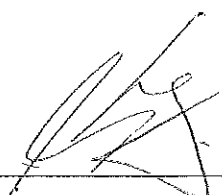
Unit Code and Name	Subvented Element	Subvention Released	Actual Expenditure	Surplus	Deficit	Surplus b/f	Refund to Government	Backpayment Subvention	Surplus c/f
	\$	\$	\$	\$	\$	\$	\$	\$	\$
7100 Kwai Hing SGH	Rent	95,370.00	96,612.00	-	1,242.00	(954.00)	0.00	954.00	(1,242.00)
	Rates	7,131.00	6,320.00	811.00	-	2,197.00	(240.00)	0.00	2,768.00
	Total	102,501.00	102,932.00	811.00	1,242.00	1,243.00	(240.00)	954.00	1,526.00
7606 Choi Yip SGH	Rent	85,800.00	85,800.00	-	-	0.00	0.00	0.00	0.00
	Rates	11,346.00	12,800.00	-	1,454.00	41.00	0.00	0.00	(1,413.00)
	Total	97,146.00	98,600.00	0.00	1,454.00	41.00	0.00	0.00	(1,413.00)
2532 Chung On SGH I	Rent	97,020.00	97,020.00	-	-	0.00	0.00	0.00	0.00
	Rates	8,320.00	10,866.72	-	2,546.72	(1,910.72)	0.00	1,910.72	(2,546.72)
	Total	105,340.00	107,886.72	0.00	2,546.72	(1,910.72)	0.00	1,910.72	(2,546.72)
2534 Chung On SGH II	Rent	97,020.00	97,020.00	-	-	0.00	0.00	0.00	0.00
	Rates	8,320.00	10,866.72	-	2,546.72	(1,910.72)	0.00	1,910.72	(2,546.72)
	Total	105,340.00	107,886.72	0.00	2,546.72	(1,910.72)	0.00	1,910.72	(2,546.72)
2538 Chung On SGH III	Rent	97,020.00	97,020.00	-	-	0.00	0.00	0.00	0.00
	Rates	8,320.00	10,866.56	-	2,546.56	(1,909.56)	0.00	1,909.56	(2,546.56)
	Total	105,340.00	107,886.56	0.00	2,546.56	(1,909.56)	0.00	1,909.56	(2,546.56)
2576 Heng On IT	Rent	42,541.00	68,088.00	-	25,547.00	28,910.00	(13,417.00)	0.00	(10,054.00)
	Rates	40,845.00	56,000.00	-	15,155.00	(25,812.00)	0.00	25,812.00	(15,155.00)
	Total	83,386.00	124,088.00	0.00	40,702.00	3,098.00	(13,417.00)	25,812.00	(25,209.00)
2642 Belvedere Garden IT	Rent	23,040.00	36,360.00	-	13,320.00	(21,240.00)	0.00	21,240.00	(13,320.00)
	Rates	41,493.00	56,600.00	-	15,107.00	(25,787.00)	0.00	25,787.00	(15,107.00)
	Total	64,533.00	92,960.00	0.00	28,427.00	(47,027.00)	0.00	47,027.00	(28,427.00)
2641 Fong Shu Chuen IT	Rent	159,324.00	207,690.00	-	48,366.00	(84,450.00)	0.00	84,450.00	(48,366.00)
	Rates	82,338.00	122,000.00	-	39,662.00	(70,400.00)	0.00	70,400.00	(39,662.00)
	Total	241,662.00	329,690.00	0.00	88,028.00	(154,850.00)	0.00	154,850.00	(88,028.00)
7867 Tai Po IT	Rent	617,760.00	617,760.00	-	-	(89,856.00)	0.00	89,856.00	0.00
	Rates	39,548.00	50,500.00	-	10,952.00	(17,263.00)	0.00	17,263.00	(10,952.00)
	Total	657,308.00	668,260.00	0.00	10,952.00	(107,119.00)	0.00	107,119.00	(10,952.00)
2542 Tin Ping IT	Rent	543,048.00	553,704.00	-	10,656.00	(93,540.00)	0.00	93,540.00	(10,656.00)
	Rates	32,852.00	41,440.00	-	8,588.00	(11,288.40)	0.00	12,119.00	(7,757.40)
	Total	575,900.00	595,144.00	0.00	19,244.00	(104,828.40)	0.00	105,659.00	(18,413.40)
2539 Fanling IT	Rent	244,724.00	289,977.68	-	45,253.68	(106,987.93)	0.00	106,989.00	(45,252.61)
	Rates	42,142.00	54,400.00	-	12,258.00	(19,862.00)	0.00	19,862.00	(12,258.00)
	Total	286,866.00	344,377.68	0.00	57,511.68	(126,849.93)	0.00	126,851.00	(57,510.61)
4855 On-site Medical support service at CCPSA	Rent	229,728.00	247,584.00	-	17,856.00	(243,480.87)	0.00	249,672.00	(11,664.87)
	Rates	0.00	3,640.00	-	3,640.00	(11,340.00)	0.00	11,340.00	(3,640.00)
	Total	229,728.00	251,224.00	0.00	21,496.00	(254,820.87)	0.00	261,012.00	(15,304.87)
	Grand Total	3,709,437.00	4,033,849.68	6,755.00	331,167.68	(849,847.20)	(17,497.20)	909,790.00	(281,967.08)

Schedule for Investment

Analysis of Investment as at March 31, 2017

	2016-17 HK.\$'000	2015-16 HK.\$'000
LSG Reserve as at March 31, 2017	<u>77,052</u>	<u>75,337</u>
Represented by:		
Investments		
a) HKD Bank Account Balances	610	2,272
b) HKD Fixed Deposits	<u>76,442</u>	<u>73,065</u>
	<u>77,052</u>	<u>75,337</u>

Confirmed by:-



 Chairman
 Date: - 6 OCT 2017



 Agency Director
 Date: - 6 OCT 2017