

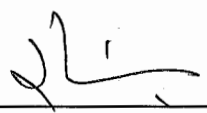
## ANNUAL FINANCIAL REPORT

NGO: Chung Shak Hei (Cheung Chau) Home for the Aged Limited (Agency code:164)

1 APRIL 2022 TO 31 MARCH 2023

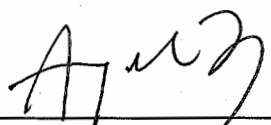
	Notes	Total 2022-2023 HK\$	Total 2021-2022 HK\$
<b>A INCOME</b>			
1 Lump Sum Grant			
a. Lump Sum Grant (excluding Provident Fund)	1b	39,085,785.00	39,691,366.00
b. Provident Fund	1c	3,057,836.00	3,109,632.00
2 Fee Income	2	3,990,702.00	4,486,343.50
3 Central Items	3	5,316,830.00	5,039,946.00
4 Rent and Rates	4	159,252.00	159,252.00
5 Other Income	5	578,004.71	430,323.50
6 Interest Received		238,890.48	142,757.38
<b>TOTAL INCOME</b>		<b>52,427,300.19</b>	<b>53,059,620.38</b>
<b>B EXPENDITURE</b>			
1 Personal Emoluments			
a. Salaries		34,625,212.20	37,184,420.81
b. Provident Fund	1c	2,670,016.35	3,022,361.18
c. Allowances		301,761.60	484,742.00
Sub-total	6	37,596,990.15	40,691,523.99
2 Other Charges	7	8,438,199.46	7,681,464.00
3 Central Items	3	5,372,098.45	4,770,399.29
4 Rent and Rates	4	114,008.00	114,008.00
<b>TOTAL EXPENDITURE</b>		<b>51,521,296.06</b>	<b>53,257,395.28</b>
<b>C SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>906,004.13</b>	<b>(197,774.90)</b>

The Annual Financial Report from Pages 2 to 8 has been prepared in accordance with the requirements as set out in the Lump Sum Grant Manual.


  
 Chairman : Kwong Kwok Wai

14 July 2023

Date


  
 Chief Executive Officer : Fung Yip, Angela

14 July 2023

Date

**NOTES ON THE ANNUAL FINANCIAL REPORT**

**1 Lump Sum Grant**

**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** such as 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 which are separately included as part of the income and expenditure of the relevant items have been shown under Note 3.

Details are analysed below :

<b><u>Provident Fund Contribution</u></b>	Snapshot Staff	6.8% and Other Posts	Total
	HK\$	HK\$	HK\$
Subvention Received	779,184.00	2,278,652.00	3,057,836.00
Provident Fund Contribution Paid during the Year	(455,268.00)	(2,214,748.35)	(2,670,016.35)
Surplus / (Deficit) for the Year	323,916.00	63,903.65	387,819.65
<u>Add: Surplus / (Deficit) b/f</u>	315,463.00	3,096,550.30	3,412,013.30
Additional subvention received for 2021-22	-	48,741.00	48,741.00
<u>Less: Refund to Government</u>	(174,146.00)	-	(174,146.00)
Surplus / (Deficit) c/f	465,233.00	3,209,194.95	3,674,427.95

**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.

**NOTES ON THE ANNUAL FINANCIAL REPORT**

**3 Central Items**

These are subsidies allocated to NGOs for specified purposes on a recurrent, time-limited or one-off basis 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. Any surplus, which is not allowed to be offset by any deficit of another item, is subject to claw-back by SWD according to the terms and conditions of individual central items. 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 item (paragraph 3.14 of the LSG Manual). The income and expenditure of each of the Central Items are as follows:

	<u>2022-2023</u>	<u>2021-2022</u>
	HK\$	HK\$
a. Income		
Dementia Supplement for Residential Elderly Services	1,811,184.00	1,889,668.00
Infirmiry Care Supplement for Residential Elderly Services	3,486,510.00	2,760,278.00
Time-Limited Programme On Enhancing Infection Control And Ventilation Of Residential Care Homes For The Elderly And Residential Care Homes For Persons With Disabilities On-Site Ventilation Assessment	19,136.00	-
One-off Subsidy for Strengthened Provision of VMO for Residential Elderly Services	-	390,000.00
Total	<u>5,316,830.00</u>	<u>5,039,946.00</u>
b. Expenditure		
Dementia Supplement for Residential Elderly Services	1,851,088.56	1,894,545.74
Infirmiry Care Supplement for Residential Elderly Services	3,442,589.89	2,750,555.55
Time-Limited Programme On Enhancing Infection Control And Ventilation Of Residential Care Homes For The Elderly And Residential Care Homes For Persons With Disabilities On-Site Ventilation Assessment	8,420.00	57,798.00
One-off Subsidy for Strengthened Provision of VMO for Residential Elderly Services	70,000.00	67,500.00
Total	<u>5,372,098.45</u>	<u>4,770,399.29</u>
c. Net (Deficit) / Surplus	<u>(55,268.45)</u>	<u>269,546.71</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 of the FSA services/ FSA-related activities reflected in the AFR.

The breakdown on Other Income is as follows:

	<u>2022-2023</u>	<u>2021-2022</u>
	HK\$	HK\$
Other Income		
(a) Fees and charges for services incidental to the operation of subvented services	-	430,323.50
(b) Programme income	16,554.50	-
(c) Donation	27,500.00	-
(d) Income from Other Activities	262,482.00	-
(e) Miscellaneous Income	271,468.21	-
Total	<u>578,004.71</u>	<u>430,323.50</u>

**NOTES ON THE ANNUAL FINANCIAL REPORT**

**6 Personal Emoluments**

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

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>2022-2023</u>	<u>2021-2022</u>
		<u>HK\$</u>	<u>HK\$</u>
HK\$700,001- HK\$800,000 p.a.	1	783,644.95	-
HK\$800,001- HK\$900,000 p.a.	Nil	-	-
HK\$900,001- HK\$1,000,000 p.a.	Nil	-	-
HK\$1,000,001- HK\$1,100,000 p.a.	Nil	-	1,020,092.00
HK\$1,100,001- HK\$1,200,000 p.a.	Nil	-	1,103,254.68
>HK\$1,200,000 p.a.	1	1,426,400.00	-

**7 Other Charges**

The breakdown on Other Charges is as follows:

<u>Other Charges</u>	<u>2022-2023</u>	<u>2021-2022</u>
	<u>HK\$</u>	<u>HK\$</u>
(a) Utilities	1,234,036.12	1,310,175.90
(b) Food	2,618,530.50	2,829,827.88
(c) Administrative Expenses	200,147.59	161,645.19
(d) Stores and Equipment	1,637,401.55	369,218.08
(e) Repair and Maintenance	808,840.80	645,455.57
(f) Special Allowances	-	-
(g) Programme Expenses	62,554.07	83,176.82
(h) Transportation and Travelling	20,397.25	9,494.63
(i) Insurance	322,547.53	344,775.10
(j) Miscellaneous	267,607.09	586,131.26
(k) Outsourcing Services	1,116,800.80	1,173,101.30
(l) Staff Training and Development	21,200.69	21,138.00
(m) Other Staff-related Benefits	128,135.47	147,324.27
<b>Total</b>	<b>8,438,199.46</b>	<b>7,681,464.00</b>

**8 Analysis of Lump Sum Grant Reserve and balance of other SWD subventions**

	Lump Sum Grant (LSG)	Holding Account (HA)	Rent and Rates	Central Items	Total
<b>INCOME</b>	\$		\$	\$	\$
Lump Sum Grant	42,143,621.00	-	-	-	42,143,621.00
Fee Income	3,990,702.00	-	-	-	3,990,702.00
Other Income	578,004.71	-	-	-	578,004.71
Interest Received (Note (1))	238,890.48	-	-	-	238,890.48
Rent and Rates	-	-	159,252.00	-	159,252.00
Central Items	-	-	-	5,316,830.00	5,316,830.00
<b>TOTAL INCOME (a)</b>	46,951,218.19	-	159,252.00	5,316,830.00	52,427,300.19
<b>EXPENDITURE</b>					
Personal Emoluments	37,596,990.15	-	-	-	37,596,990.15
Other Charges	8,438,199.46	-	-	-	8,438,199.46
Rent and Rates	-	-	114,008.00	-	114,008.00
Central Items	-	-	-	5,372,098.45	5,372,098.45
<b>TOTAL EXPENDITURE (b)</b>	46,035,189.61	-	114,008.00	5,372,098.45	51,521,296.06
<b>Surplus / (Deficits) for the year (a)-(b)</b>	916,028.58	-	45,244.00	(55,268.45)	906,004.13
Less: Surplus / (Deficit) of Provident Fund	387,819.65	-	-	-	387,819.65
<b>Surplus / (Deficit) b/f (Note (2))</b>	528,208.93	-	45,244.00	(55,268.45)	518,184.48
	10,261,407.65	8,799,464.81	45,244.00	328,114.20	19,434,230.66
	10,789,616.58	8,799,464.81	90,488.00	272,845.75	19,952,415.14
Less: Refund to Government	-	-	(45,244.00)	(257,344.71)	(302,588.71)
<b>Surplus/Deficit c/f (Note (4))</b>	10,789,616.58	8,799,464.81	45,244.00	15,501.04	19,649,826.43

**Notes:**

- (1) Interest received on LSG (including HA) and Provident Fund reserves, rent and rates, Central Items are included as one item under LSG; and the item is considered as part of LSG reserve.
- (2) Accumulated balance of LSG Surplus b/f from previous years (including all interest received in previous years (see (1) above) and the balance of HA should be separately reported as in the surplus b/f under LSG and HA respectively.
- (3) Amount of LSG Reserve used to cover the salary adjustment for Dementia Supplement and Infirmary Care Supplement, if any, as per Schedule for Central Items.
- (4) For NGOs without HA, separate disclosure of the movement of HA in their respective AFRs is not necessary. The level of LSG cumulative reserve will be capped at 25% of the NGO's operating expenditure (i.e. Total Expenditure excluding Provident Fund Contribution) for the year.

For NGOs with HA, with effect from 2022-23, the calculation of the annual claw-back is as follows:

- (i) With Snapshot Staff (SS) [i.e. Position of SS as at 1 September being reported on the Agency Staff List submitted by NGO last year was greater than zero]  
The level of LSG cumulative reserve (i.e. S1) will be capped at 25% of the NGO's operating expenditure (i.e. Total Expenditure excluding Provident Fund Contribution) for the year.
- (ii) Without SS [i.e. Position of SS as at 1 September being reported on the Agency Staff List submitted by NGO last year (which is regarded as Year 0) was zero]

For the next three years (Year 1 to Year 3), the level of LSG cumulative reserve will be capped at 25% of the NGO's operating expenditure (i.e. Total Expenditure excluding Provident Fund Contribution) for the year.

From the fourth financial year (Year 4) onwards, the level of LSG cumulative reserve and HA reserve will be counted altogether and the combined reserve amount will be capped at 25% of the NGO's operating expenditure (i.e. Total Expenditure excluding Provident Fund Contribution) for the year. In this regard, separate disclosure of the movement of HA in their respective AFRs is not necessary.

[For (4)(i) and (4)(ii) above, please also refer to SWD's letter under reference (11) in SWD/S/109/1/10 of 4 April 2022.]

For any amount above the cap, SWD would arrange the claw-back (including provisional in the following financial year) accordingly.

Schedule for Central Items  
Analysis of Subvention and Expenditure for the Period from 1 April 2022 to 31 March 2023

Appendix B

Name of Agency: Agency 164 Chung Shak Hei (Cheung Chau) Home for the Aged Limited

Unit Code and Name/Remittance Advice No. (Note 7)	Subvented Element	Subvention Released (Note 1a) (a1) \$	Reimbursement of Maternity Leave Pay (RMLP) Scheme reimbursement received (Note 1b)# \$	Actual Expenditure (Note 2a) (a2) \$	Actual Expenditure incurred under RMLP Scheme (Note 2b)# \$	Surplus (Note 3) (a) = (a1) - (a2) \$	Deficit for the Year			Surplus b/f (Note 5) (e) \$	Refund from (to) Government (f) \$	Adjustment (Note 9) (g) \$	Surplus c/f (Note 6) (h)=(e)+(a)-(d)-(f)+/-(g) \$
							Deficit (Note 3) (b) = (a1) - (a2) \$	Deficit transferred to LSG (Note 4) (c) \$	Adjusted Deficit (d) = (b) - (c) \$				
2105-Chung Shak Hei Home-DCS	Dementia Supplement for Residential Elderly Services	1,012,132.00		1,014,429.58		-	(2,297.58)	-	(2,297.58)	(2,145.06)	(2,145.06)		(2,297.58)
7908-Wan Ho Kan C&A Home-DCS	Dementia Supplement for Residential Elderly Services	799,052.00		836,658.98		-	(37,606.98)	-	(37,606.98)	(2,732.68)	(2,732.68)		(37,606.98)
2072-Chung Shak Hei Home-ICS	Infirmiry Care Supplement for Residential Elderly Services	1,224,990.00		1,197,960.72		27,029.28	-	-	-	13,937.63	13,937.63		27,029.28
2078-Wan Ho Kan C&A Home-ICS	Infirmiry Care Supplement for Residential Elderly Services	2,261,520.00		2,244,629.17		16,890.83	-	-	-	(4,215.18)	(4,215.18)		16,890.83
	Time-Limited Programme On Enhancing Infection Control And Ventilation Of Residential Care Homes For The Elderly And Residential Care Homes For Persons With Disabilities On-Site Ventilation Assessment	19,136.00		8,420.00		10,716.00	-	-	-	-	-		10,716.00
	One-off Subsidy for Strengthened Provision of VMO for Residential Elderly Services	-		70,000.00		-	(70,000.00)	-	(70,000.00)	322,500.00	252,500.00		-
	Total	5,316,830.00		5,372,098.45		54,636.11	(109,904.56)	-	(109,904.56)	327,344.71	257,344.71	-	14,731.55

# Any difference arising from the RMLP Scheme reimbursement received (see Note 1(b) below) and the corresponding expenditure under RMLP Scheme (see Note 2(b) below) will be assessed separately.  
^ Please take note of para. 4(f) of Points to Note on Preparation of AFR and Analysis Schedules in reporting the amounts of subvention.

**Notes :**

- The figures for the whole financial year are extracted from the payroll for March (Final) or remittance advice(s) issued by the Treasury or allocation letter(s) issued by Social Welfare Department of the financial year.
- This amount represents any reimbursement received from the RMLP Scheme if the NGO has temporarily paid the expenditure out of the allocation from the subvented element (see Note 2(b) below).
- Actual expenditure represents the total expenditure incurred including provident fund for the respective services after netting off (i) programme income and (ii) expenditure under RMLP Scheme mentioned in Note 2(b) below, if any.
- This amount represents the additional four weeks' MLP (i.e. the 11th to 14th weeks) paid to the employee out of the corresponding allocation.
- Surplus/Deficit for each element represents the difference between subvention released and actual expenditure.
- 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. (33) in SWD/S/104/2 Pt. 18 dated 4 March 2020.
  - Dementia Supplement for Elderly with Disabilities
  - Infirmiry Care Supplement for the Aged Blind Persons
  - Dementia Supplement for Residential Elderly Services
  - Infirmiry Care Supplement for Residential Elderly services
- "Surplus brought forward (b/f)" means surplus, if any, arising from operations in previous years.
- "Surplus carried forward (c/f)" means surplus brought forward less refund to Government plus surplus, if any, arising from operations in current year.
- Unit code and name / remittance advice no. are extracted from the payroll from SWD and remittance advice from the Treasury respectively.
- The central items as listed above may not be exhaustive and any relevant details of central items released and/or expended during the year, where appropriate, should also be included.
- For ASCP/ Enhanced ASCP, the adjustment includes the amount of expenditure overstated / (understated) in previous year(s) after taking into account the actual claw-back amount(s) per SWD's allocation letter(s), if any.
- For NGOs with Visiting Medical Practitioner Service Team which arrange delivery of the service under the Programme to all private and self-financing RCHes, RCHDs as well as contract homes operated by private operators only.

Name of Agency: **Chung Shak Hei (Cheung Chau) Home for the Aged Limited**

**Schedule for Rent and Rates**

**Analysis of Subvention and Expenditure for the period from 1 April 2022 to 31 March 2023**

Unit Code and Name	Subvention Element	Subvention Released	Actual Expenditure	Surplus	Deficit
		(Note 1)		(Note 2)	(Note 2)
		\$	\$	\$	\$
2074 Chung Shak Hei Home for the Aged	Rent (Note 3)	15,840.00	13,860.00	1,980.00	-
	Rates	21,745.00	9,100.00	12,645.00	-
	Total	37,585.00	22,960.00	14,625.00	-
2075 Wan Ho Kan Care and Attention Home	Rent (Note 3)	40,924.00	37,800.00	3,124.00	-
	Rates	70,124.00	49,000.00	21,124.00	-
	Total	111,048.00	86,800.00	24,248.00	-
2106 Wan Ho Kan Neighbourhood Elderly Centre	Rent (Note 3)	4,609.00	4,248.00	361.00	-
	Rates	6,010.00	-	6,010.00	-
	Total	10,619.00	4,248.00	6,371.00	-
	Grand Total	159,252.00	114,008.00	45,244.00	-

Notes:

- The figures can be extracted from the payroll for March plus subvention released in late March of the financial year. Reimbursement for rent and rates relating to previous financial year(s) (i.e. back payment) should not be included.
- Surplus / Deficit for each element represents the difference between subvention released and actual
- 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 31 March 2023  
Agency : Chung Shak Hei (C.C.) Home for the Aged Limited

	2023	2022
<b>LSG Reserve as at 31 March</b>	19,589,081.39	19,060,872.46

**Represented by :**

**Investments**

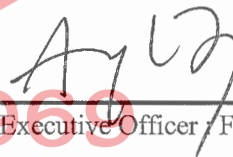
a. HKD Bank Account Balances	4,089,081.39	3,560,872.46
b. HKD 24-hour Call Deposits	-	-
c. HKD Fixed Deposits	15,500,000.00	15,500,000.00
d. HKD Certificate of Deposits	-	-
e. HKD Bonds (see appendix for breakdown)	-	-
	19,589,081.39	19,060,872.46

Note : The investments should be reported at historical cost.

**Confirmed by : —**



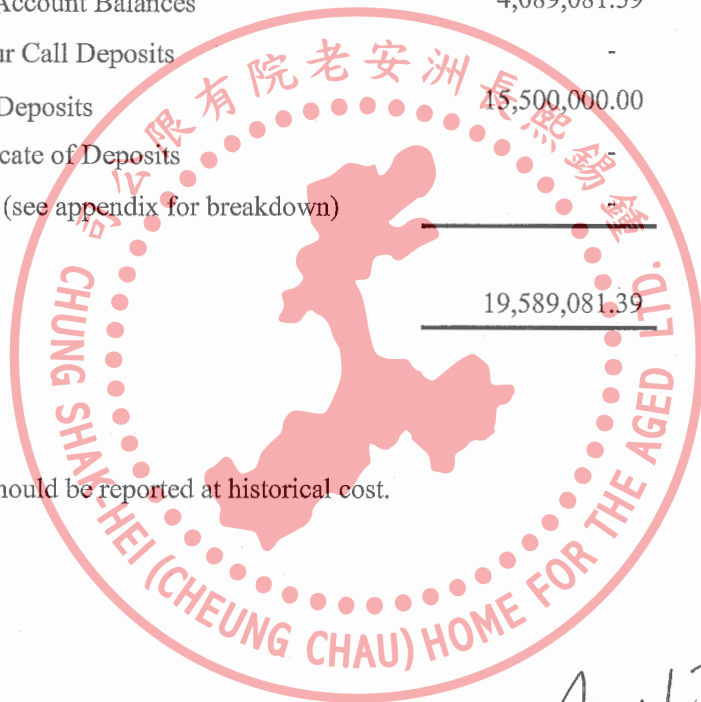
Chairman : Kwong Kwok Wai



Chief Executive Officer / Fung Yip, Angela

Date : 14 July 2023

Date : 14 July 2023



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