

S.K.H. ST. SIMON'S SOCIAL SERVICES

THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 31 MARCH 2021

范陳會計師行有限公司
FAN, CHAN & CO. LIMITED
CERTIFIED PUBLIC ACCOUNTANTS
HONG KONG



**REVIEW REPORT ON THE ANNUAL FINANCIAL REPORT
TO THE EXECUTIVE COMMITTEE OF
S.K.H. ST. SIMON'S SOCIAL SERVICES**

We have audited the consolidated financial statements of S.K.H. St. Simon's Social Services ("the Centre") for the year ended 31 March 2021 and have issued an unqualified auditor's report thereon dated, 17 September 2021.

We conducted our review of the attached Annual Financial Report on pages 2 to 7 of the Centre for the year ended 31 March 2021 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 Centre and its subsidiaries, on which the above audited financial statements of the Centre 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 Centre for the year ended 31 March 2021.

- a. in our opinion the Annual Financial Report has been properly prepared from the books and records of the Centre; and
- b. no matters have come to our attention during the course of our review, which cause us to believe that the Centre 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 LSG Manual; and
 - iv. employed the staff quoted in the Provident Fund arrangements during the year ended 31 March 2021.

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.

Fan, Chan & Co. Limited
Certified Public Accountants
Leung Kwong Kin
Practising Certificate Number: P03702

Hong Kong, 17 September 2021



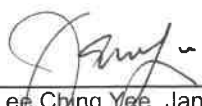
A member of
Nexia
International

Rooms 1007-1012, 10/F., K. Wah Centre, 191 Java Road, North Point, Hong Kong
香港北角渣華道191號嘉華國際中心10樓1007-1012室
Tel: (852) 2816 3188 Fax: (852) 2891 5103 Email: fanchan@fanchan.com


ANNUAL FINANCIAL REPORT
NGO: S.K.H. ST SIMON'S SOCIAL SERVICES
1 APRIL 2020 TO 31 MARCH 2021

	Note	2020-21 HK\$	2019-20 HK\$
A. INCOME			
1. Lump Sum Grant			
a. Lump Sum Grant (excluding Provident Fund)	1b	2,708,203.00	2,701,134.00
b. Provident Fund	1c	171,384.00	171,387.00
2. Fee Income	2	4,677.00	100,019.00
3. Central Items	3	47,132.00	47,132.00
4. Rent and Rates	4	-	-
5. Other Income	5	42,831.74	-
6. Interest Received		5,852.76	9,263.03
TOTAL INCOME		<u>2,980,080.50</u>	<u>3,028,935.03</u>
B. EXPENDITURE			
1. Personal Emoluments			
a. Salaries		2,816,529.89	2,777,647.15
b. Provident Fund	1c	171,384.00	171,387.00
c. Allowances		12,877.50	18,180.00
Sub-total	6	<u>3,000,791.39</u>	<u>2,967,214.15</u>
2. Other Charges	7	66,194.92	73,574.60
3. Central Items	3	-	12,100.00
4. Rent and Rates	4	-	-
TOTAL EXPENDITURE		<u>3,066,986.31</u>	<u>3,052,888.75</u>
C. DEFICIT FOR THE YEAR	8	<u>(86,905.81)</u>	<u>(23,953.72)</u>

The Annual Financial Report from Pages 2 to 7 has been prepared in accordance with the requirements as set out in the Lump Sum Grant Manual.



 Lee Ching Yee, Jane
 Director
 Date: 17 September 2021



 Li Kwok Tung, Donald
 Chairman
 Date: 17 September 2021

S.K.H. ST SIMON'S SOCIAL SERVICES - SUBVENTED SERVICE UNITS

NOTES TO THE ANNUAL FINANCIAL REPORT

1 APRIL 2020 TO 31 MARCH 2021

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 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 have been shown under Note 3. Details are analysed below:

<u>Provident fund contribution</u>	<u>Snapshot Staff HK\$</u>	<u>6.8% and Other Posts HK\$</u>	<u>Total HK\$</u>
Subvention received	-	171,384.00	171,384.00
Provident fund contribution paid during the year	-	<u>(292,724.33)</u>	<u>(292,724.33)</u>
Surplus/(deficit) for the Year	-	(121,340.33)	(121,340.33)
Add: Surplus/(deficit) b/f	-	-	-
Additional subvention received for previous year(s)	-	-	-
Less : Refund to Government	-	-	-
Transfer to accumulated general fund	-	<u>121,340.33</u>	<u>121,340.33</u>
Surplus/(deficit) c/f	<u>-</u>	<u>-</u>	<u>-</u>

S.K.H. ST SIMON'S SOCIAL SERVICES - SUBVENTED SERVICE UNITS

NOTES TO THE ANNUAL FINANCIAL REPORT

1 APRIL 2020 TO 31 MARCH 2021

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:

	2020-21	2019-20
	HK\$	HK\$
a. Income		
Time-defined Subsidy Scheme for Extended Hours Service Users	4,732.00	4,732.00
Training Subsidy under Training Scheme for Child Care Supervisors and Special Child Care Workers in Pre-School Rehabilitation Services	-	-
Time-defined Subsidy Scheme for Occasional Child Care Service	42,400.00	42,400.00
	<hr/>	<hr/>
Total	47,132.00	47,132.00
	<hr/> <hr/>	<hr/> <hr/>
b. Expenditure		
Time-defined Subsidy Scheme for Extended Hours Service Users	-	-
Training Subsidy under Training Scheme for Child Care Supervisors and Special Child Care Workers in Pre-School Rehabilitation Services	-	12,100.00
Time-defined Subsidy Scheme for Occasional Child Care Service	-	-
	<hr/>	<hr/>
Total	-	12,100.00
	<hr/> <hr/>	<hr/> <hr/>

S.K.H. ST SIMON'S SOCIAL SERVICES - SUBVENTED SERVICE UNITS

NOTES TO THE ANNUAL FINANCIAL REPORT

1 APRIL 2020 TO 31 MARCH 2021

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 is as follows:

Other Income	2020-21	2019-20
	HK\$	HK\$
(a) Fees and charges for services incidental to the operation of subvented services	-	-
(b) Subsidy from Central Items (CI) - After School Care Programme (ASCP) / Enhanced ASCP - Fee Waiving Subsidy Scheme (FWSS)*	-	-
(c) Others	42,831.74	-
Subtotal	<u>42,831.74</u>	<u>-</u>
Less: Utilised allocation under CI - ASCP / Enhanced ASCP - FWSS which forms as part of Other Income*	-	-
Total	<u>42,831.74</u>	<u>-</u>

** For those programmes which are regarded as FSA-related activities only*

S.K.H. ST SIMON'S SOCIAL SERVICES - SUBVENTED SERVICE UNITS

NOTES TO THE ANNUAL FINANCIAL REPORT

1 APRIL 2020 TO 31 MARCH 2021

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>HK\$</u>
HK\$700,001 - HK\$800,000 p.a.	Nil	Nil
HK\$800,001 - HK\$900,000 p.a.	Nil	Nil
HK\$900,001 - HK\$1,000,000 p.a.	Nil	Nil
HK\$1,000,001 - HK\$1,100,000 p.a.	Nil	Nil
HK\$1,100,001 - HK\$1,200,000 p.a.	Nil	Nil
>HK\$1,200,000 p.a.	Nil	Nil

7. Other Charges

The breakdown on other charges is as follows:

	2020-21 HK\$	2019-20 HK\$
Other Charges		
(a) Utilities	875.99	1,468.22
(b) Food	183.86	9,470.14
(c) Administrative Expenses	12,248.57	11,779.08
(d) Stores and Equipment	13,353.07	21,216.17
(e) Repair and Maintenance	393.60	4,351.27
(f) Special Allowances	-	-
(g) Programme Expenses	30.00	140.10
(h) Transportation and Travelling	1,387.92	596.50
(i) Insurance	35,897.61	23,543.12
(j) Miscellaneous	1,824.30	1,010.00
Sub-Total	66,194.92	73,574.60
Less: Utilised allocation under CI - ASCP / Enhanced ASCP - FWSS* which forms as part of Other Income to fund the operating expenses of FSA-related activities	-	-
Total	66,194.92	73,574.60

* For those programmes which are regarded as FSA-related activities only

S.K.H. ST SIMON'S SOCIAL SERVICES - SUBVENTED SERVICE UNITS

NOTES TO THE ANNUAL FINANCIAL REPORT

1 APRIL 2020 TO 31 MARCH 2021

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

	Lump Sum Grant (LSG)	Utilised allocation under ASCP / Enhanced ASCP - FWSS	Rent and Rates	Central Items	Total
	HK\$	HK\$	HK\$	HK\$	HK\$
Income					
Lump Sum Grant	2,879,587.00	-	-	-	2,879,587.00
Fee Income	4,677.00	-	-	-	4,677.00
Other Income	42,831.74	-	-	-	42,831.74
Interest Received (Note (1))	5,852.76	-	-	-	5,852.76
Rent and Rates	-	-	-	-	-
Central Items	-	-	-	47,132.00	47,132.00
Total Income (a)	2,932,948.50	-	-	47,132.00	2,980,080.50
Expenditure					
Personal Emoluments	3,000,791.39	-	-	-	3,000,791.39
Other Charges	66,194.92	-	-	-	66,194.92
Rent & Rates	-	-	-	-	-
Central Items	-	-	-	-	-
Total Expenditure (b)	3,066,986.31	-	-	-	3,066,986.31
Surplus/(Deficit) for the Year (a) - (b)	(134,037.81)	-	-	47,132.00	(86,905.81)
Less : Surplus/(Deficit) of Provident Fund	-	-	-	-	-
Surplus/(Deficit) for the year	(134,037.81)	-	-	47,132.00	(86,905.81)
Surplus/(Deficit) b/f (Note (2))	945,385.96	-	-	117,557.00	1,062,942.96
	811,348.15	-	-	164,689.00	976,037.15
<u>Add</u> : Refund from Government	-	-	-	-	-
<u>Less</u> : Refund to Government	-	-	-	(47,132.00)	(47,132.00)
Reallocate interest from Lump Sum Grant Reserve to Block Grant Reserve for 2018/2019 and 2019/2020	(22.70)	-	-	-	(22.70)
Transfer from LSG Reserve to cover the salary adjustment for Dementia Supplement and Infirmity Care Supplementary (Note (3))	-	-	-	-	-
Adjustment for utilised allocation under Enhanced ASCP-FWSS*(over-estimated) / under-estimated in previous year (s)	-	-	-	-	-
Surplus/(Deficit) c/f (Note (4))	811,325.45	-	-	117,557.00	928,882.45

Notes:

- * For those programmes which are regarded as FSA-related activities only
- (1) Interest received on LSG 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 reverse.
 - (2) Accumulated balance of LSG Surplus b/f from previous years (including holding account) and all interest received in previous years should be included in the surplus b/f under LSG.
 - (3) Amount of LSG Reserve used to cover the salary adjustment for Dementia Supplement and Infirmity Care Supplement, if any, as per Schedule of Central Items.
 - (4) The Level of LSG cumulative reserves (i.e. S), less LSG Reserve kept in the holding account, will be capped at 25% of the NGO's operating expenditure (excluding Provident Fund expenditure) for the year.

Schedule for Central Items

Analysis of Subvention and Expenditure for the Period from 1 April 2020 to 31 March 2021

Name of Agency : S.K.H. ST. SIMON'S SOCIAL SERVICES

Unit Code and Name/ Remittance Advice No. (Note 7)	Subvented Element	Subvention Released (Note 1)	Actual Expenditure (Note 2)	Surplus (Note 3) (a)	Deficit for the Year			Refund to Government (f)	Adjustment (Note 9) (g)	Surplus c/f (Note 6) (h)=(e)+(a)-(d)-(f)+/(g)
					Deficit (Note 3) (b)	Deficit transferred to LSG (Note 4) (c)	Adjusted Deficit (d)=(b)-(c)			
V544 Subsidy Scheme for Extended Hours Service(EHS) Users	Time-defined Subsidy Scheme for Extended Hours Service Users	4,732.00	-	4,732.00	-	N.A.	-	4,732.00	-	4,732.00
6054 Training Subsidy for CCS/SCCW in Pre-school Rehabilitation Services	Training Subsidy under Training Scheme for Child Care Supervisor and Special Child Care Workers in Pre-School Rehabilitation Services	-	-	-	-	N.A.	-	-	-	70,425.00
6357 Time-defined subsidy Scheme for Occasional Child Care Service	Time-defined subsidy Scheme for Occasional Child Care Service	42,400.00	-	42,400.00	-	N.A.	-	42,400.00	-	42,400.00
TOTAL		47,132.00	-	47,132.00	-	N.A.	-	47,132.00	-	117,557.00

/...Notes

SCHEDULE FOR CENTRAL ITEMS

ANALYSIS OF SUBVENTION AND EXPENDITURE FOR THE PERIOD FROM 1 APRIL 2020 TO 31 MARCH 2021

AGENCY : S.K.H. ST. SIMON'S SOCIAL SERVICES

Note:

1. 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.
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. (33) in SWD/S/104/2 Pt. 18 dated 4 March 2020.
 - (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 the Residential Elderly Services
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 less refund to Government plus surplus, if any, arising from operations in current year.
7. Unit code and name/ remittance advice no. are extracted from the payroll from SWD and remittance advice from the Treasury respectively.
8. 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.
9. 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.