

**HONG KONG JUVENILE CARE CENTRE**

**ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED 31 MARCH 2021**

**SIMON Y. P. CHAN & CO.**

Certified Public Accountants

**陳以波會計師事務所**

HONG KONG



# SIMON Y. P. CHAN & CO.

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## REVIEW REPORT ON THE ANNUAL FINANCIAL REPORT TO THE EXECUTIVE COMMITTEE OF HONG KONG JUVENILE CARE CENTRE ("THE CENTRE")

We have audited the financial statements of the Centre for the year ended 31 March 2021 and have issued an unqualified auditors' report thereon dated 29 SEP 2021

We conducted our review of the attached Annual Financial Report on pages 2 to 8 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, 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, Tide-over Grant 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 Special One-off Grant and 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.

Simon Y.P. Chan & Co.

Certified Public Accountants (Practising)

Practising Certificate number 1350

Hong Kong, 29 SEP 2021

**HONG KONG JUVENILE CARE CENTRE**  
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		<u>Note</u>	<u>2020-21</u> <u>HK\$</u>	<u>2019-20</u> <u>HK\$</u>
<b>A. INCOME</b>				
1.	Lump Sum Grant			
	a. Lump Sum Grant (excluding provident fund)	1b	21,230,279.00	21,151,917.00
	b. Provident fund	1c	1,975,396.00	1,949,585.00
2.	Fee income	2	-	-
3.	Central items	3	647,751.00	830,934.00
4.	Rent and rates	4	203,215.00	198,396.00
5.	Other income	5	82,100.00	78,160.00
6.	Interest received		17,582.16	19,010.65
	TOTAL INCOME		<u>24,156,323.16</u>	<u>24,228,002.65</u>
<b>B. EXPENDITURE</b>				
1.	Personal emoluments			
	a. Salaries		17,793,232.95	15,352,510.03
	b. Provident fund	1c	1,829,155.56	1,628,056.32
	c. Allowances		-	-
	Sub Total	6	<u>19,622,388.51</u>	<u>16,980,566.35</u>
2.	Other charges	7	3,100,578.47	2,850,360.84
3.	Central items	3	588,882.24	543,976.26
4.	Rent and rates	4	<u>196,000.00</u>	<u>196,000.00</u>
	TOTAL EXPENDITURE		<u>23,507,849.22</u>	<u>20,570,903.45</u>
<b>C. SURPLUS FOR THE YEAR</b>		8	<u>648,473.94</u>	<u>3,657,099.20</u>

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.



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Ms. Jolanda Y. Chan  
Chairman  
Date: 29 SEP 2021



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Mr. Tam Kwok Keung  
Superintendent  
Date: 29 SEP 2021

**HONG KONG JUVENILE CARE CENTRE**  
**NOTES TO THE ANNUAL FINANCIAL REPORT**  
**FOR THE PERIOD FROM 1 APRIL 2020 TO 31 MARCH 2021**

**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 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 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</u> <u>HK\$</u>	<u>6.8% and</u> <u>Other Posts</u> <u>HK\$</u>	<u>Total</u> <u>HK\$</u>
Subvention received	1,096,732.00	878,664.00	1,975,396.00
Provident fund contribution paid during the year	1,022,620.82	806,534.74	1,829,155.56
Surplus for the year	74,111.18	72,129.26	146,240.44
<u>Add</u> : Surplus brought forward	327,830.96	1,753,053.65	2,080,884.61
<u>Less</u> : Refund to government	(173,734.00)	-	(173,734.00)
Surplus carried forward	<u>228,208.14</u>	<u>1,825,182.91</u>	<u>2,053,391.05</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.

**HONG KONG JUVENILE CARE CENTRE**  
**NOTES TO THE ANNUAL FINANCIAL REPORT**  
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**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>2020-21</u>	<u>2019-20</u>
	<u>HKS</u>	<u>HKS</u>
<b><u>a. Income</u></b>		
Dementia supplement for elderly with disabilities	-	-
Infirmary care supplement for the aged blind person	-	-
Dementia supplement for residential elderly services	-	-
Infirmary care supplement for residential elderly services	-	-
Dementia supplement for day care centres/units for the elderly	-	-
Foster Care Allowance/Emergency Foster Care Allowance	-	-
After School Care Programme	-	-
Allowances for Specific Services Arising from the Implementation of the Minimum Wage Ordinance (Overnight On-site-on-call Allowance)	350,911.00	348,569.00
Special Grant on manpower Support for Residential and Home-based Care Service Units in respect of the Severe Respiratory Disease associated with a Novel Infections Agent	-	185,525.00
Special Allowance for Staff of Subvented Residential Service Units in respect of COVID-19	296,840.00	296,840.00
<b>Total</b>	<u>647,751.00</u>	<u>830,934.00</u>
<b><u>b. Expenditure</u></b>		
Dementia supplement for elderly with disabilities	-	-
Infirmary care supplement for the aged blind person	-	-
Dementia supplement for residential elderly services	-	-
Infirmary care supplement for residential elderly services	-	-
Dementia supplement for day care centres/units for the elderly	-	-
Foster Care Allowance/Emergency Foster Care Allowance	-	-
After School Care Programme	-	-
Allowances for Specific Services Arising from the Implementation of the Minimum Wage Ordinance (Overnight On-site-on-call Allowance)	373,187.74	344,152.61
Special Grant on manpower Support for Residential and Home-based Care Service Units in respect of the Severe Respiratory Disease associated with a Novel Infections Agent	-	-
Special Allowance for Staff of Subvented Residential Service Units in respect of COVID-19	215,694.50	199,823.65
<b>Total</b>	<u>588,882.24</u>	<u>543,976.26</u>

**HONG KONG JUVENILE CARE CENTRE**  
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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:

	<u>2021</u>	<u>2020</u>
	<u>HK\$</u>	<u>HK\$</u>
<b><u>Other Income</u></b>		
(a) Fees and charges for services incidental to the operation of subvented services	82,100.00	78,160.00
(b) Subsidy from Central Items(CI)-After School Care Programme(ASCP)/Enhanced ASCP-Fee Waiving Subsidy Scheme (FWSS)*	-	-
(c) Others	-	-
	82,100.00	78,160.00
<u>Less:</u>		
Utilised allocation under CI-ASCP/Enhanced ASCP-FWSS which forms as part of Other Income*	-	-
	82,100.00	78,160.00

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

6. **PERSONAL EMOLUMENTS**

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

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

	<u>No. of posts</u>	<u>2021</u>
		<u>HK\$</u>
<b><u>Analysis of personal emoluments paid under LSG</u></b>		
HK\$700,001 - HK\$800,000 p.a.	2	1,524,857.51
HK\$800,001 - HK\$900,000 p.a.	1	826,486.05
HK\$900,001 - HK\$1,000,000 p.a.	1	970,478.71
HK\$1,000,001 - HK\$1,100,000 p.a.	-	-
HK\$1,100,001 - HK\$1,200,000 p.a.	-	-
>HK\$1,200,000.00 p.a	1	1,415,984.11

7. **OTHER CHARGES**

The breakdown on Other Charges is as follows:

	<u>2021</u>	<u>2020</u>
	<u>HK\$</u>	<u>HK\$</u>
<b><u>Other Charges</u></b>		
(a) Utilities	467,906.76	508,856.15
(b) Food	1,128,109.60	1,198,446.28
(c) Administrative expenses	49,738.80	60,665.60
(d) Stores and equipment	413,632.19	327,148.18
(e) Repair and maintenance	304,863.70	195,137.20
(f) Special Allowances	-	-
(g) Programme expenses	54,512.87	153,880.43
(h) Transportation and travelling	80,727.26	105,395.43
(i) Insurance	121,094.59	99,235.27
(j) Miscellaneous	479,992.70	201,596.30
	3,100,578.47	2,850,360.84
<u>Less:</u>		
Utilised allocation under CI-ASCP/Enhanced ASCP-FWSS* which forms as part of Other Income to fund the operating expenses of FSA-related activities	-	-
	3,100,578.47	2,850,360.84

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

**HONG KONG JUVENILE CARE CENTRE**  
**NOTES TO THE ANNUAL FINANCIAL REPORT**  
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**8. ANALYSIS OF LUMP SUM GRANT RESERVE AND BALANCES OF OTHER SWD SUBVENTIONS**

	Analysis of reserve fund				
	Lump Sum Grant (LSG)	Adjustment for utilised allocation under ASCP/Enhanced ASCP-FWSS	Rent and rates	Central items	Total
	HK\$	HK\$	HK\$	HK\$	HK\$
<b>Income</b>					
Lump sum grant	23,205,675.00	-	-	-	23,205,675.00
Fee income	-	-	-	-	-
Other income	82,100.00	-	-	-	82,100.00
Interest received (Note 1)	17,582.16	-	-	-	17,582.16
Rent and rates	-	-	203,215.00	-	203,215.00
Central items	-	-	-	647,751.00	647,751.00
<b>Total income (a)</b>	<b>23,305,357.16</b>	<b>-</b>	<b>203,215.00</b>	<b>647,751.00</b>	<b>24,156,323.16</b>
<b>Expenditure</b>					
Personal emoluments	19,622,388.51	-	-	-	19,622,388.51
Other charges	3,100,578.47	-	-	-	3,100,578.47
Rent and rates	-	-	196,000.00	-	196,000.00
Central items	-	-	-	588,882.24	588,882.24
<b>Total expenditure (b)</b>	<b>22,722,966.98</b>	<b>-</b>	<b>196,000.00</b>	<b>588,882.24</b>	<b>23,507,849.22</b>
Surplus for the year (a)-(b)	582,390.18	-	7,215.00	58,868.76	648,473.94
Less : Surplus/(Deficit) of provident fund	(146,240.44)	-	-	-	(146,240.44)
	436,149.74	-	7,215.00	58,868.76	502,233.50
Surplus/(Deficit) b/f (Note 2)	7,276,990.58	-	-	286,957.74	7,563,948.32
	7,713,140.32	-	7,215.00	345,826.50	8,066,181.82
Add : Refund from Government	-	-	-	-	-
Less : Refund to Government	(2,726,272.86)	-	-	(286,957.74)	(3,013,230.60)
Add :Per SWD's letter of 24/06/2020 under ref. (28) in SWD SF/SAS/4-65/74(340)II pages 1, (a) LSG Reserves (i) adjustment	756,765.64	-	-	-	756,765.64
Add :Per SWD's letter of 05/03/2021 under SWD SF/SI/4-65/74(340)III pages 2 Appendix A1, AFR (i) adjustment	21.48	-	-	-	21.48
Less : Refund/backpayment to Government	-	-	-	-	-
Transfer from LSG Reserve to cover the salary adjustment for Dementia Supplement and Infirmary Care Supplementary (Note 3)	-	-	-	-	-
: Adjustment for utilised allocation under Enhanced ASCP-FWSS* (over-estimated)/under-estimated in previous year(s)	-	-	-	-	-
<b>Surplus c/f (Note 4)</b>	<b>5,743,654.58</b>	<b>-</b>	<b>7,215.00</b>	<b>58,868.76</b>	<b>5,809,738.34</b>

Notes:

# Including an amount \$- being the utilised allocation under CI-ASCP/Enhanced ASCP-FWSS\*

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

- (1) Interest received on LSG and PF 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 Lump Sum grant Surplus brought forward from previous years (including holding account) and all interest received in previous years should be included in the surplus brought forward under LSG.
- (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) The level of LSG cumulative reserve (i.e. S) less LSG Reserve kept in the holding account, will be capped at 25% of the NGO's operating expenditure (excluding PF expenditure) for the year.

**HONG KONG JUVENILE CARE CENTRE**

**SCHEDULE FOR CENTRAL ITEMS**

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

Unit Code and Name (Note 7)	Subvented element	Subvention Released (Note 1)	Actual Expenditure (Note 2)	Surplus (Note 3)	Deficit for the Year		Surplus/b/f (Note 5)	Refund to Government	Adjustment (Note 9)	Surplus/c/f (Note 6)
					Deficit (Note 3)	Deficit transferred to LSC (Note 4)				
340	Hong Kong Juvenile Care Centre	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
	Overnight On-site-on-call Allowance	350,911.00	373,187.74	-	(22,276.74)	-	4,416.39	4,416.39	-	-
340	Hong Kong Juvenile Care Centre	-	-	-	-	-	185,525.00	185,525.00	-	-
	Special Grant on manpower Support for Residential and Home-based Care Service Units in respect of the Severe Respiratory Disease associated with a Novel Infections Agent	296,840.00	215,694.50	81,145.50	-	-	97,016.35	97,016.35	-	81,145.50
340	Hong Kong Juvenile Care Centre	647,751.00	588,882.24	81,145.50	(22,276.74)	-	286,957.74	286,957.74	-	81,145.50
	<b>Total</b>									

**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 SWD of the financial year.
- Actual expenditure represents the total expenditure incurred including provident fund for the respective services after netting off programme income, if any.
- Surplus/Deficit for each element represents the difference between subvention released and actual expenditure.
- Deficit i.e. 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
  - Infirmary Care Supplement for the Aged Blind Persons
  - Dementia Supplement for Residential Elderly Services
  - Infirmary 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.

## HONG KONG JUVENILE CARE CENTRE

### SCHEDULE FOR RENT AND RATES

10. Analysis of subvention and expenditure for the period from 1 April 2020 to 31 March 2021

UNIT code and name	Subvented element	Subvention released (Note 1)	Actual expenditure	Surplus (Note 2)	Deficit (Note 2)
		HK\$	HK\$	HK\$	HK\$
Unit 3066 - Bradbury Hostel	Rent (Note 3)	1,000.00	(1,000.00)	-	-
	Rates	202,215.00	(195,000.00)	7,215.00	-
	Total	203,215.00	(196,000.00)	7,215.00	-
Unit 3065 - Accounting Support	Rent (Note 3)	-	-	-	-
	Rates	-	-	-	-
	Total	-	-	-	-
Grand Total		203,215.00	(196,000.00)	7,215.00	-

**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 actual 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 31 MARCH 2021**  
**HONG KONG JUVENILE CARE CENTRE**

	<u>2021</u> HK\$	<u>2020</u> HK\$
LSG Reserve as at 31 March	5,743,654.58	7,276,990.58

Represented by:

Investment

a. HKD Bank Account Balances	1,192,936.86	-
b. HKD 24-hour Call Deposits	-	-
c. HKD Fixed Deposits	4,550,717.72	7,276,990.58
d. HKD Certificate of Deposits	-	-
e. HKD Bonds (see appendix for breakdown)	-	-
	5,743,654.58	7,276,990.58

Note: The investments should be reported as historical cost.

Confirmed by:-



Ms. Jolanda Y. Chan  
Chairman

DATE: 29 SEP 2021



Mr. Tam Kwók Keung  
Superintendent

DATE: 29 SEP 2021



**DISCLOSURE IN NGO'S AUDITED FINANCIAL STATEMENTS**  
**MOVEMENT OF THE FURNITURE AND EQUIPMENT REPLENISHMENT**  
**AND MINOR WORKS BLOCK GRANT RESERVE**

	<u>HK\$</u>	<u>HK\$</u>
<b>Balance of Block Grant Reserve brought forward from previous financial year</b>		135,659.35
<u>Add :</u>		
Block Grant received during the year	354,000.00	
Interest received	-	
Other income	-	
	-	354,000.00
<u>Less :</u>		
Expenditure during the year (Note) -		
Minor Works Projects	49,800.00	
Furniture and Equipment	107,960.00	
Other	-	
	-	157,760.00
		331,899.35
Contribution from NGO to cover the deficit (if any)		-
<b>Balance of Block Grant Reserve carried forward to the next financial year</b>		331,899.35

**CAPITAL COMMITMENTS**

At 31 March 2021, the outstanding commitments in respect of Furniture and Fixture Replenishment and Minor Works Grant were as follows:

Contracted for but not provided in the financial statements	-	
Authorised but not contracted for	-	
	-	-

Notes:

Expenditure charged to Block Grant during the year should be full expenditure amount, i.e. the actual expenditure incurred in 2020-21.

HONG KONG JUVENILE CARE CENTRE

## Details of the Use of the Furniture and Equipment Replenishment and Minor Works Block Grant

Item No.	Name of the SWD-subvented Unit (Note 1)	Service Nature (e.g. Sheltered Workshop)	(a) Expenditure in the year 2020-21				(b) Outstanding Commitment as at 31 March 2021 - Contracted for but not provided under Column(a)			
			Furniture and Equipment	Minor Works	Vehicle Overhauling (Registration No. provided)	Total Expenditure	Furniture and Equipment	Minor Works	Vehicle Overhauling	Total Outstanding Commitment
			HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	
1.	Bradbury Hostel	Boys' Home	107,960.00	49,800.00	-	157,760.00	-	-	-	
Total:			107,960.00	49,800.00	-	157,760.00	-	-	-	

In pursuance of paragraph 4.4.4 of the Lotteries Fund (LF) Manual, we forward herewith the schedule showing the use of Furniture and Equipment Replenishment and Minor works Block Grant. We also confirm that expenditure from the Block Grant has been incurred in accordance with the provisions of the LF Manual.



Mr. Tam Kwok Keung  
Superintendent



Ms. Jolanda Y. Chan  
Chairman

29 SEP 2021

Date

## Notes:

1. Each premises-tied SWD-subvented unit should not appear more than once in the schedule.
2. Each Furniture and Equipment item should not exceed HK\$50,000.
3. The Head of the NGO should initial at the left bottom of each and every page except for the final page which should be signed by both the Head of the NGO and the Chairperson of the Board of the NGO.
4. The total figures should tally with those disclosed in the NGO's audited financial statements under paragraph 4.4.3 of the LF Manual.