

**ANNUAL FINANCIAL REPORT**  
**BAPTIST OI KWAN SOCIAL SERVICE 浸信會愛羣社會服務處**  
**1 APRIL 2021 TO 31 MARCH 2022**

		<b>Total 2021-22 HK\$</b>	<b>Restated Total 2020-21 HK\$</b>
<b>A. INCOME</b>	<b>NOTE</b>		
1. Lump Sum Grant			
a. Lump Sum Grant (excluding Provident Fund)	1b	170,399,428.00	169,428,845.00
b. Provident Fund	1c	8,530,075.00	8,567,706.00
2. Fee Income	2	3,577,278.20	2,710,164.50
3. Central Items	3	71,489,969.00	44,014,395.00
4. Rent and Rates	4	2,856,413.00	2,698,146.00
5. Other Income	5	4,210,720.39	4,315,552.75
6. Interest Received		22,685.88	55,095.50
<b>TOTAL INCOME</b>		<u>261,086,569.47</u>	<u>231,789,904.75</u>
<b>B. EXPENDITURE</b>			
1. Personal Emoluments			
a. Salaries		117,920,586.33	113,252,910.85
b. Provident Fund	1c	7,503,290.87	7,333,226.86
c. Allowances		—	—
<b>Sub-total</b>	6	<u>125,423,877.20</u>	<u>120,586,137.71</u>
2. Other Charges	7	56,330,407.56	57,371,056.69
3. Central Items	3	40,362,649.48	22,245,425.68
4. Rent and Rates	4	3,855,109.77	3,100,316.05
<b>TOTAL EXPENDITURE</b>		<u>225,972,044.01</u>	<u>203,302,936.13</u>
<b>C. SURPLUS FOR THE YEAR</b>	8	<u>35,114,525.46</u>	<u>28,486,968.62</u>

The Annual Financial Report from pages 2 to 12 has been prepared in accordance with the requirements as set out in the Lump Sum Grant Manual.



Rev Dave KWOK Siu Nam  
Chairman



Mr Raymond CHIU Han Man  
Chief Executive Officer

Dated this 17 October 2022

**BAPTIST OI KWAN SOCIAL SERVICE 浸信會愛羣社會服務處**  
**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 recognized upon receipt of cash and expenditure is recognized 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 recognized 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 stated under Note 3.

Details are analyzed below:

**Provident Fund Contribution**

	<b>Snapshot Staff HK\$</b>	<b>6.8% and Other Posts HK\$</b>	<b>Total HK\$</b>
Subvention Received	918,765.00	7,611,310.00	8,530,075.00
Provident Fund Contribution Paid during the year	(961,732.14)	(6,541,558.73)	(7,503,290.87)
(Deficit) / surplus for the year	(42,967.14)	1,069,751.27	1,026,784.13
Add: (Deficit) / surplus b/f	(58,863.69)	8,995,660.88	8,936,797.19
Additional subvention received for previous years	108,289.00	13,555.00	121,844.00
Adjustment (Note 1)	(27,876.00)	27,876.00	—
(Deficit) / surplus c/f	(21,417.83)	10,106,843.15	10,085,425.32

**Note:**

- Referring to Enclosure I (attachment B) of the letter with reference SWD/S/102/1 (2020) dated 20 March 2020, SWD has paid an additional PF for 6.8% post in 2018-19 amounting to HK\$37,347 and deducted a surplus from PF for Snapshot staff in 2018-19 amounting to HK\$27,876 during the year 2020/21. However, the payroll in 2020/21 only showed a net figure of HK\$9,471 as additional subvention of PF for 6.8% post and the agency had mistakenly followed the payroll and only reported the net figure HK\$9,471. Accordingly, the adjustment is provided.

**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.

**BAPTIST OI KWAN SOCIAL SERVICE 浸信會愛羣社會服務處**  
**NOTES ON THE ANNUAL FINANCIAL REPORT CONTINUED**

- 3. Central Items** These are subvented service activities which are not included in the 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 the LSG Manual (October 2016)). The income and expenditure of each of the Central Items are as follows:

	Total 2021-22 HK\$	Total 2020-21 HK\$
<b>a. Income</b>		
Time-defined Subsidy Scheme for Extended Hours Service Users	4,535.00	5,678.00
After School Care Programme – Enhanced	430,272.00	368,016.00
After School Care Programme	823,680.00	515,220.00
Allowance for Specific Services Arising from the Implementation of the Minimum Wage Ordinance (TKSH)	233,942.00	233,942.00
Time-defined Subsidy Scheme for Occasional Child Care Service	15,900.00	15,900.00
Neighbourhood Support Child Care Project (NSCCP) – Contract Subsidy (Eastern)	2,247,250.00	2,245,800.00
NSCCP – Subsidy for Fee Reduction / Waiving (Eastern)	746,000.00	–
NSCCP – Rent and rates (Eastern)	59,671.00	58,848.00
NSCCP – Subsidy for Incentive Payment (Eastern)	195,000.00	–
Neighbourhood Support Child Care Project (NSCCP) – Contract Subsidy (Wanchai)	2,247,250.00	2,245,800.00
NSCCP – Subsidy for Fee Reduction / Waiving (Wanchai)	–	746,000.00
NSCCP – Subsidy for Incentive Payment (Wanchai)	–	–
Financial Incentive Scheme for Mentors of Employees with Disabilities	–	–
Pilot Scheme on Multi-Disciplinary Outreaching Support Teams for the Elderly – NTE Cluster	30,459,996.00	30,446,004.00
MOSTE – Annual rent and rates	1,116,000.00	2,232,000.00
Project on Child Care Training for Grandparents – Contract Subsidy	115,973.00	231,945.00
Project on Child Care Training for Grandparents – Subsidy for Fee Reduction / Waiving	7,000.00	–
Special Allowance for Staff of Subvented Residential Service Units in respect of COVID-19 (“Special Allowance”)	–	277,914.00
Time-limited programme on Enhancing Infection Control and Ventilation of Residential Care Homes for the Elderly – On-site Ventilation Assessment (HKE)	–	1,775,792.00
Time-limited programme on Enhancing Infection Control and Ventilation of Residential Care Homes for the Elderly – On-site Ventilation Assessment (NTE)	–	2,295,536.00
Training Sponsorship Scheme for Master in Occupational Therapy Programme	320,000.00	320,000.00
One-off Subsidy for Strengthened Provision of Visiting Medical Practitioner Service for Residential Care Homes (Private and Self-financing) (HKE)	14,300,000.00	–
One-off Subsidy for Strengthened Provision of Visiting Medical Practitioner Service for Residential Care Homes (Private and Self-financing) (NTE)	17,387,500.00	–
One-off subsidy for Strengthened Provision of Visiting Medical Officer Service for Residential Care Homes for Persons with Disabilities	780,000.00	–
<b>Total</b>	<b>71,489,969.00</b>	<b>44,014,395.00</b>

**BAPTIST OI KWAN SOCIAL SERVICE 浸信會愛羣社會服務處**  
**NOTES ON THE ANNUAL FINANCIAL REPORT CONTINUED**

	Total 2021-22 HK\$	Total 2020-21 HK\$
<b>b. Expenditure</b>		
Time-defined Subsidy Scheme for Extended Hours Service Users	—	582.40
After School Care Programme – Enhanced	398,637.00	368,016.00
After School Care Programme	818,336.70	272,432.00
Allowance for Specific Services Arising from the Implementation of the Minimum Wage Ordinance (TKSH)	233,942.00	233,942.00
Time-defined Subsidy Scheme for Occasional Child Care Service	—	—
Neighbourhood Support Child Care Project (NSCCP) – Contract Subsidy (Eastern)	1,543,281.28	1,389,814.29
NSCCP – Subsidy for Fee Reduction / Waiving (Eastern)	89,131.30	68,576.50
NSCCP – Rent and rates (Eastern)	59,671.00	58,406.10
NSCCP – Subsidy for Incentive Payment (Eastern)	80,728.50	63,024.00
Neighbourhood Support Child Care Project (NSCCP) – Contract Subsidy (Wanchai)	1,774,798.77	1,595,488.18
NSCCP – Subsidy for Fee Reduction / Waiving (Wanchai)	58,441.00	97,226.60
NSCCP – Subsidy for Incentive Payment (Wanchai)	20,001.00	21,135.00
Financial Incentive Scheme for Mentors of Employees with Disabilities	—	—
Pilot Scheme on Multi-Disciplinary Outreaching Support Teams for the Elderly – NTE Cluster	26,399,804.67	15,273,206.54
MOSTE – Annual rent and rates	2,232,000.00	2,232,000.00
Project on Child Care Training for Grandparents – Contract Subsidy	182,033.10	226,593.90
Project on Child Care Training for Grandparents – Subsidy for Fee Reduction / Waiving	800.00	400.00
Special Allowance for Staff of Subvented Residential Service Units in respect of COVID-19 (“Special Allowance”)	—	202,085.17
Time-limited programme on Enhancing Infection Control and Ventilation of Residential Care Homes for the Elderly – On-site Ventilation Assessment (HKE)	1,633,291.86	62,153.00
Time-limited programme on Enhancing Infection Control and Ventilation of Residential Care Homes for the Elderly – On-site Ventilation Assessment (NTE)	1,871,971.30	80,344.00
Training Sponsorship Scheme for Master in Occupational Therapy Programme	320,000.00	—
One-off Subsidy for Strengthened Provision of Visiting Medical Practitioner Service for Residential Care Homes (Private and Self-financing) (HKE)	1,079,096.00	—
One-off Subsidy for Strengthened Provision of Visiting Medical Practitioner Service for Residential Care Homes (Private and Self-financing) (NTE)	1,566,684.00	—
One-off subsidy for Strengthened Provision of Visiting Medical Officer Service for Residential Care Homes for Persons with Disabilities	—	—
<b>Total</b>	<b>40,362,649.48</b>	<b>22,245,425.68</b>

**BAPTIST OI KWAN SOCIAL SERVICE 浸信會愛羣社會服務處**  
**NOTES ON THE ANNUAL FINANCIAL REPORT CONTINUED**

- 4. Rent and Rates** This represents the amount paid by the SWD in respect of premises recognized by SWD. Expenditure on rent and rates in respect of premises not recognized by SWD have not been included in AFR.

- 5. Other Income** This includes programme income and all income other than recognized 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:

	<b>2021-22</b> <b>HK\$</b>	<b>2020-21</b> <b>HK\$</b>
Other Income		
(a) Fees and charges for services incidental to the operation of subvented services	1,957,921.37	2,729,606.08
(b) Utilized allocation under Central items (CI) – After School Care Programme (ASCP) – Fee Waiving Subsidy Scheme (FWSS) which forms as part of Other Income	725,613.00	299,164.00
(c) Reimbursement of Maternity Leave Pay (RMLP) Scheme reimbursement received	125,137.43	–
(d) Others	1,402,048.59	1,286,782.67
	<u>4,210,720.39</u>	<u>4,315,552.75</u>
Less: Utilized allocation under CI – ASCP / Enhanced ASCP – FWSS which forms as part of Other Income	<u>(725,613.00)</u>	<u>(299,164.00)</u>
	<u><u>3,485,107.39</u></u>	<u><u>4,016,388.75</u></u>

**BAPTIST OI KWAN SOCIAL SERVICE 浸信會愛羣社會服務處**  
**NOTES ON THE ANNUAL FINANCIAL REPORT CONTINUED**

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

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

Analysis of Personal Emoluments paid under LSG

	No. of Posts	HK\$
HK\$700,001 – HK\$800,000 p.a.	3	2,300,754.30
HK\$800,001 – HK\$900,000 p.a.	4	3,399,962.95
HK\$900,001 – HK\$1,000,000 p.a.	5	4,860,919.30
HK\$1,000,001 – HK\$1,100,000 p.a.	1	1,054,896.15
HK\$1,100,001 – HK\$1,200,000 p.a.	1	1,112,093.00
>HK\$1,200,000 p.a.	4	5,139,539.06

- 7. Other Charges** The breakdown on Other Charges is as follows:

	Total 2021-22 HK\$	Total 2020-21 HK\$
(a) Utilities	1,685,653.91	1,108,524.36
(b) Food	2,533,052.67	1,939,482.25
(c) Administrative expenses	7,796,096.86	7,274,953.41
(d) Stores and equipment	1,896,177.27	7,225,559.79
(e) Repairs and maintenance	1,674,644.76	2,902,078.90
(f) Programme expenses	38,130,949.98	35,011,139.62
(g) Transportation and travelling	453,762.69	203,450.44
(h) Insurance	1,408,114.12	1,322,389.43
(i) Miscellaneous	751,955.30	383,478.49
	<hr/> 56,330,407.56	<hr/> 57,371,056.69
Less: Utilized allocation under CI – ASCP / Enhanced ASCP – FWSS which forms as part of Other Income to fund the operating expenses of FSA-related activities	(725,613.00)	(299,164.00)
	<hr/> 55,604,794.56	<hr/> 57,071,892.69

BAPTIST OI KWAN SOCIAL SERVICE 浸信會愛羣社會服務處  
NOTES ON THE ANNUAL FINANCIAL REPORT CONTINUED

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	178,929,503.00	-	-	-	178,929,503.00
Fee Income	3,577,278.20	-	-	-	3,577,278.20
Other Income	4,210,720.39	(725,613.00)	-	-	3,485,107.39
Interest Received (Note (1))	22,685.88	-	-	-	22,685.88
Rent and Rates	-	-	2,856,413.00	-	2,856,413.00
Central Items	-	-	-	71,489,969.00	71,489,969.00
<b>Total Income (a)</b>	<b>186,740,187.47</b>	<b>(725,613.00)</b>	<b>2,856,413.00</b>	<b>71,489,969.00</b>	<b>260,360,956.47</b>
<b>Expenditure</b>					
Personal Emoluments	125,423,877.20	-	-	-	125,423,877.20
Other Charges	56,330,407.56	(725,613.00)	-	-	55,604,794.56
Rent and Rates	-	-	3,855,109.77	-	3,855,109.77
Central Items	-	-	-	40,362,649.48	40,362,649.48
<b>Total expenditure (b)</b>	<b>181,754,284.76</b>	<b>(725,613.00)</b>	<b>3,855,109.77</b>	<b>40,362,649.48</b>	<b>225,246,431.01</b>
<b>Surplus/(Deficit) for the year (a) - (b)</b>	<b>4,985,902.71</b>	<b>-</b>	<b>(998,696.77)</b>	<b>31,127,319.52</b>	<b>35,114,525.46</b>
Less: Surplus of Provident Fund	1,026,784.13	-	-	-	1,026,784.13
	3,959,118.58	-	(998,696.77)	31,127,319.52	34,087,741.33
<b>Surplus/(Deficit) b/f as previously reported</b>	<b>40,677,144.68</b>	<b>-</b>	<b>(402,167.82)</b>	<b>45,161,930.65</b>	<b>85,436,907.51</b>
Add: Result of After School Care Programme operated under a LSG subvented premise (Ref: SWD SF/SAS/4-35/1) (Note (5))	196,337.07	-	-	-	196,337.07
<b>Surplus/(Deficit) c/f (Note (4))</b>	<b>40,873,481.75</b>	<b>-</b>	<b>(402,167.82)</b>	<b>45,161,930.65</b>	<b>85,633,244.58</b>
Add: Refund from Government	-	-	598,684.00	-	598,684.00
Less: Refund to Government	-	-	(196,512.07)	(135,854.43)	(332,366.50)
Transfer from LSG Reserve to cover the salary adjustment for Dementia Supplement and Infirmary Care Supplement (Note (3))	-	-	-	-	-
Adjustment for utilised allocation under <u>Enhanced</u> ASCP - FWSS (over-estimated) / under-estimated in previous year(s)	-	-	-	-	-
<b>Surplus / (deficit) c/f (Note (4))</b>	<b>44,832,600.33</b>	<b>-</b>	<b>(998,692.66)</b>	<b>76,153,395.74</b>	<b>119,987,303.41</b>
	<b>S</b>				

The cumulative LSG reserves as at 31 March 2007 not subject to clawback was HK\$9,087,643.17.

Notes:

- (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 reserve.
- (2) Accumulated balance of Lump Sum Grant 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 Infirmary Care Supplement, if any, as per Schedule for 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.
- (5) The agency has operated two after school care programme in which one of them is operated in a LSG subvented premises. As required from the letter of SWD with reference SWD SF/SAS/4-35/1, the surplus was for the period from Oct 2020 to Mar 2021.

**BAPTIST OI KWAN SOCIAL SERVICE 浸信會愛羣社會服務處**  
**NOTES ON THE ANNUAL FINANCIAL REPORT CONTINUED**

**11. COMPARATIVE FIGURES**

In accordance with SWD's letter with reference SWD S/SAS/4-35-1 issued on 13 December 2021, the income and expenses of After School Care Programme (ASCP) / Enhanced ASCP operated in subvented premises from October 2020 to March 2021 should be included in the 2021 financial statements.

**12. APPROVAL OF ANNUAL FINANCIAL REPORT**

The annual financial report of the Agency for the year ended 31 March 2022 was approved and authorized for issue by the board members and the Chief Executive Officer on 17 October 2022.