

**ANNUAL FINANCIAL REPORT**  
**BAPTIST OI KWAN SOCIAL SERVICE 浸信會愛羣社會服務處**  
**1 APRIL 2022 TO 31 MARCH 2023**

<b>A. INCOME</b>	<b>NOTE</b>	<b>Total 2022-23 HK\$</b>	<b>Total 2021-22 HK\$</b>
1. Lump Sum Grant			
a. Lump Sum Grant (excluding Provident Fund)	1b	182,186,546.00	170,399,428.00
b. Provident Fund	1c	9,295,613.00	8,530,075.00
2. Fee Income	2	4,533,867.70	3,577,278.20
3. Central Items	3	32,181,684.00	71,489,969.00
4. Rent and Rates	4	3,190,226.00	2,856,413.00
5. Other Income	5	4,396,851.69	4,210,720.39
6. Interest Received		330,961.32	22,685.88
<b>TOTAL INCOME</b>		<b>236,115,749.71</b>	<b>261,086,569.47</b>
<b>B. EXPENDITURE</b>			
1. Personal Emoluments			
a. Salaries		126,211,560.95	117,920,586.33
b. Provident Fund	1c	7,921,995.66	7,503,290.87
c. Allowances		—	—
<b>Sub-total</b>	6	<b>134,133,556.61</b>	<b>125,423,877.20</b>
2. Other Charges	7	61,375,237.85	56,330,407.56
3. Central Items	3	39,537,181.64	40,362,649.48
4. Rent and Rates	4	4,104,343.39	3,855,109.77
<b>TOTAL EXPENDITURE</b>		<b>239,150,319.49</b>	<b>225,972,044.01</b>
<b>C. (DEFICIT) / SURPLUS FOR THE YEAR</b>	8	<b>(3,034,569.78)</b>	<b>35,114,525.46</b>

The Annual Financial Report from pages 3 to 13 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 9 October 2023

**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 which are separately included as part of the income and expenditure of the relevant items have been shown 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	911,817.00	8,383,796.00	9,295,613.00
Provident Fund Contribution Paid during the year	(962,097.53)	(6,959,898.13)	(7,921,995.66)
(Deficit) / surplus for the year	(50,280.53)	1,423,897.87	1,373,617.34
Add: (Deficit) / surplus b/f	(21,417.83)	10,106,843.15	10,085,425.32
Additional subvention received for previous years	—	21,832.00	21,832.00
(Deficit) / surplus c/f	(71,698.36)	11,552,573.02	11,480,874.66

**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 2022-23 HK\$	Total 2021-22 HK\$
<b>a. Income</b>		
Time-defined Subsidy Scheme for Extended Hours Service Users	3,718.00	4,535.00
After School Care Programme – Enhanced	434,112.00	430,272.00
After School Care Programme	929,142.00	823,680.00
Allowance for Specific Services Arising from the Implementation of the Minimum Wage Ordinance (TKSH)	231,566.00	233,942.00
Time-defined Subsidy Scheme for Occasional Child Care Service	15,741.00	15,900.00
Neighbourhood Support Child Care Project (NSCCP)		
– Contract Subsidy (Eastern)	1,180,050.00	2,247,250.00
NSCCP – Subsidy for Fee Reduction / Waiving (Eastern)	–	746,000.00
NSCCP – Rent and rates (Eastern)	62,551.00	59,671.00
NSCCP – Subsidy for Incentive Payment (Eastern)	–	195,000.00
Neighbourhood Support Child Care Project (NSCCP)		
– Contract Subsidy (Wanchai)	1,180,050.00	2,247,250.00
NSCCP – Subsidy for Fee Reduction / Waiving (Wanchai)	–	–
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	27,028,754.00	30,459,996.00
MOSTE – Annual rent and rates	1,116,000.00	1,116,000.00
Project on Child Care Training for Grandparents – Contract Subsidy	–	115,973.00
Project on Child Care Training for Grandparents – Subsidy for Fee Reduction / Waiving	–	7,000.00
Time-limited programme on Enhancing Infection Control and Ventilation of Residential Care Homes for the Elderly – On-site Ventilation Assessment (HKE)	–	–
Time-limited programme on Enhancing Infection Control and Ventilation of Residential Care Homes for the Elderly – On-site Ventilation Assessment (NTE)	–	–
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)	–	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>32,181,684.00</b>	<b>71,489,969.00</b>

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

	Total 2022-23 HK\$	Total 2021-22 HK\$
<b>b. Expenditure</b>		
Time-defined Subsidy Scheme for Extended Hours Service Users	1,237.60	—
After School Care Programme – Enhanced	329,234.00	398,637.00
After School Care Programme	849,287.00	818,336.70
Allowance for Specific Services Arising from the Implementation of the Minimum Wage Ordinance (TKSH)	231,566.00	233,942.00
Time-defined Subsidy Scheme for Occasional Child Care Service	—	—
Neighbourhood Support Child Care Project (NSCCP) – Contract Subsidy (Eastern)	1,654,072.79	1,543,281.28
NSCCP – Subsidy for Fee Reduction / Waiving (Eastern)	64,381.00	89,131.30
NSCCP – Rent and rates (Eastern)	62,551.00	59,671.00
NSCCP – Subsidy for Incentive Payment (Eastern)	38,316.00	80,728.50
Neighbourhood Support Child Care Project (NSCCP) – Contract Subsidy (Wanchai)	1,444,317.06	1,774,798.77
NSCCP – Subsidy for Fee Reduction / Waiving (Wanchai)	26,248.80	58,441.00
NSCCP – Subsidy for Incentive Payment (Wanchai)	11,799.00	20,001.00
Financial Incentive Scheme for Mentors of Employees with Disabilities	2,000.00	—
Pilot Scheme on Multi-Disciplinary Outreaching Support Teams for the Elderly – NTE Cluster	22,037,911.39	26,399,804.67
MOSTE – Annual rent and rates	2,046,000.00	2,232,000.00
Project on Child Care Training for Grandparents – Contract Subsidy	—	182,033.10
Project on Child Care Training for Grandparents – Subsidy for Fee Reduction / Waiving	—	800.00
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
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
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)	3,943,760.00	1,079,096.00
One-off Subsidy for Strengthened Provision of Visiting Medical Practitioner Service for Residential Care Homes (Private and Self-financing) (NTE)	5,694,500.00	1,566,684.00
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>39,537,181.64</b>	<b>40,362,649.48</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 need 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:

	2022-23 HK\$	2021-22 HK\$
Other Income		
(a) Fees and charges for services incidental to the operation of subvented services	1,697,994.00	1,957,921.37
(b) Utilized allocation under Central Items (CI) – After School Care Programme (ASCP) / Enhanced ASCP – Fee Waiving Subsidy Scheme (FWSS) which forms as part of Other Income	683,689.00	725,613.00
(c) Reimbursement of Maternity Leave Pay (RMLP) Scheme reimbursement received	62,065.15	125,137.43
(d) Others	1,953,103.54	1,402,048.59
	<u>4,396,851.69</u>	<u>4,210,720.39</u>
Less: Utilized allocation under CI: ASCP / Enhanced ASCP / ASCP (PC) – FWSS which forms as part of Other Income*	<u>(683,689.00)</u>	<u>(725,613.00)</u>
	<u>3,713,162.69</u>	<u>3,485,107.39</u>

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

**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.	12	9,054,905.32
HK\$800,001 – HK\$900,000 p.a.	4	3,338,434.35
HK\$900,001 – HK\$1,000,000 p.a.	3	2,904,793.65
HK\$1,000,001 – HK\$1,100,000 p.a.	3	3,077,946.50
HK\$1,100,001 – HK\$1,200,000 p.a.	2	2,326,366.35
>HK\$1,200,000 p.a.	4	5,358,851.86

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

	Total 2022-23 HK\$	Total 2021-22 HK\$
(a) Utilities	2,050,462.98	1,685,653.91
(b) Food	2,637,846.45	2,533,052.67
(c) Administrative expenses	6,952,071.99	7,796,096.86
(d) Stores and equipment	2,845,952.98	1,896,177.27
(e) Repairs and maintenance	2,496,199.93	1,674,644.76
(f) Programme expenses	42,543,806.85	38,130,949.98
(g) Transportation and travelling	459,947.67	453,762.69
(h) Insurance	993,470.85	1,408,114.12
(i) Miscellaneous	395,478.15	751,955.30
	<hr/> 61,375,237.85	<hr/> 56,330,407.56
Less: Utilized allocation under CI : ASCP / Enhanced ASCP – ASCP(PC) – FWSS* which forms as part of Other Income to fund the operating expenses of FSA services / FSA-related activities	<hr/> (683,689.00)	<hr/> (725,613.00)
	<hr/> <hr/> 60,691,548.85	<hr/> <hr/> 55,604,794.56

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

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)	Holding Account (HA)	Adjustment for Utilised Allocation under ASCP / Enhanced ASCP / ASCP(PC) - FWSS	Rent and Rates	Central Items (CI)	Total
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
<b>Income</b>						
Lump Sum Grant	191,482,159.00	-	-	-	-	191,482,159.00
Fee Income	4,533,867.70	-	-	-	-	4,533,867.70
Other Income	4,396,851.69 #	-	(683,689.00)	-	-	3,713,162.69
Interest Received (Note (1))	330,961.32	-	-	-	-	330,961.32
Rent and Rates	-	-	-	3,190,226.00	-	3,190,226.00
Central Items	-	-	-	-	32,181,684.00	32,181,684.00
<b>Total Income (a)</b>	<b>200,743,839.71</b>	<b>-</b>	<b>(683,689.00)</b>	<b>3,190,226.00</b>	<b>32,181,684.00</b>	<b>235,432,060.71</b>
<b>Expenditure</b>						
Personal Emoluments	133,670,657.61	462,899.00	-	-	-	134,133,556.61
Other Charges	61,375,237.85	-	(683,689.00)	-	-	60,691,548.85
Rent and Rates	-	-	-	4,104,343.39	-	4,104,343.39
Central Items	-	-	-	-	39,537,181.64	39,537,181.64
<b>Total expenditure (b)</b>	<b>195,045,895.46</b>	<b>462,899.00</b>	<b>(683,689.00)</b>	<b>4,104,343.39</b>	<b>39,537,181.64</b>	<b>238,466,630.49</b>
<b>Surplus/(Deficit) for the year (a) - (b)</b>	<b>5,697,944.25</b>	<b>(462,899.00)</b>	<b>-</b>	<b>(914,117.39)</b>	<b>(7,355,497.64)</b>	<b>(3,034,569.78)</b>
Less: Surplus of Provident Fund	1,373,617.34	-	-	-	-	1,373,617.34
	4,324,326.91	(462,899.00)	-	(914,117.39)	(7,355,497.64)	(4,408,187.12)
<b>Surplus/(Deficit) b/f (Note (2))</b>	<b>35,744,957.16</b>	<b>9,087,643.17</b>	<b>-</b>	<b>(998,692.66)</b>	<b>76,153,395.74</b>	<b>119,987,303.41</b>
Add: Refund from Government	-	-	-	1,107,065.00	-	1,107,065.00
Less: Refund to Government	-	-	-	(152,233.04)	(192,608.00)	(344,841.04)
Transfer from LSG Reserve to cover the salary adjustment for Dementia Supplement and Infirmary Care Supplement (Note (3))	-	-	-	-	-	-
Adjustment for utilised allocation under Enhanced ASCP / ASCP(PC) - FWSS* (over-estimated) / under-estimated in previous year(s)	(73,243.00)	-	-	-	73,243.00	-
<b>Surplus / (deficit) c/f (Note (4))</b>	<b>39,996,041.07</b>	<b>8,624,744.17</b>	<b>-</b>	<b>(957,978.09)</b>	<b>68,678,533.10</b>	<b>116,341,340.25</b>
	<b>S1</b>	<b>S2</b>				

# Including an amount \$683,689 being the utilised allocation under CI: ASCP / Enhanced ASCP / ASCP(PC) - FWSS\*

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

Notes:

- 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.
- 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).
- 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.
- For NGOs without HA, separate disclosure of the movement of HA in their respective AFRs is not necessary. The level of LSG cumulative reserve (i.e. S1) will be capped at 25% of the NGO's operating expenditure (i.e. Total Expenditure (T1) excluding Provident Fund Contribution (K)) for the year.  
For NGOs with HA, with effect from 2022-23, the calculation of the annual claw-back is as follows:
  - 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 (T1+T2) excluding Provident Fund Contribution (K)) for the year.
  - 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 (i.e. S1) will be capped at 25% of the NGO's operating expenditure (i.e. Total Expenditure (T1) excluding Provident Fund Contribution (K)) 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 (i.e. S1+S2) will be capped at 25% of the NGO's operating expenditure (i.e. Total Expenditure (T1+ T2) excluding Provident Fund Contribution (K)) 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.

**11. COMPARATIVE FIGURES**

Certain comparative figures in the 2022 financial statements have been reclassified to conform with current year's presentation.

**12. APPROVAL OF ANNUAL FINANCIAL REPORT**

The annual financial report of the Agency for the year ended 31 March 2023 was approved and authorized for issue by the board members and the Chief Executive Officer on 9 October 2023.