

# ANNUAL FINANCIAL REPORT

## NGO: THE CHILD DEVELOPMENT CENTRE

**1 APRIL 2015 to 31 MARCH 2016**

	Notes	2015-16 \$	2014-15 \$
<b>A. INCOME</b>			
1. Lump Sum Grant		6,483,234	5,413,952
a. Lump Sum Grant (excluding Provident Fund)	<b>1b</b>	6,096,229	5,092,625
b. Provident Fund	<b>1c</b>	387,005	321,327
2. Special One-off Grant		-	-
3. Fee Income	<b>2</b>	-	-
4. Central Items	<b>3</b>	-	62,730
5. Rent and Rates	<b>4</b>	490,363	489,170
6. Other Income	<b>5</b>	-	-
7. Interest Received		-	-
<b>TOTAL INCOME</b>		6,973,597	5,965,852
 <b>B. EXPENDITURE</b>			
1. Personal Emoluments			
a. Salaries		6,096,229	5,092,625
b. Provident Fund	<b>1c</b>	341,002	321,327
c. Allowances		-	-
Sub-total	<b>6</b>	6,437,231	5,413,952
2. Other Charges	<b>7</b>	-	-
3. Central Items	<b>3</b>	-	62,730
4. Rent and Rates	<b>4</b>	490,363	489,170
5. Special One-off Grant Payments	<b>7a</b>	-	-
<b>TOTAL EXPENDITURE</b>		6,927,594	5,965,852
 <b>C. SURPLUS FOR THE YEAR</b>			
	<b>8</b>	46,003	-

SIGNATURE

CHAIRPERSON

DATE: 24 OCT 2016

SIGNATURE

CHIEF EXECUTIVE

DATE: 24 OCT 2016

## NOTES ON THE ANNUAL FINANCIAL REPORT

### 1. Lump Sum Grant

**a. Basis of preparation** The Annual Financial Report (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 like 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. Please note that the PF received and contributed for staff under the Central Items have been shown under 3. Details are analysed below :

<u>Provident Fund Contribution</u>	<u>Snapshot Staff</u>	<u>6.8% and Other Posts</u>	<u>Total</u>
	\$	\$	\$
Subvention Received	-	387,005	387,005
Provident Fund Contribution Paid during the Year	-	(341,002)	(341,002)
Surplus for the Year	-	46,003	46,003
<b>Add</b> : Surplus b/f	-	247,065	247,065
<b>Surplus c/f</b>	-	<b>293,068</b>	<b>293,068</b>

**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 PF 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 3.13 of LSG Manual). The income and expenditure of each of the Central Items are as follows:

	2015-16	2014-15
	\$	\$
<b>a. Income</b>		
Dementia Supplement for Elderly with Disabilities	-	-
Infirmiry Care Supplement for the Aged Blind Person	-	-
Dementia Supplement for Residential Elderly Services	-	-
Infirmiry 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	-	-
Temporary Financial Aid	-	-
Emergency Fund	-	-
Time-defined Subsidy Scheme for Extended Hours Child Care Services	-	-
Training Subsidy Programme for Child Care Supervisors and Special Child Care Workers in Pre-school Rehabilitation Services	-	62,730
Short-term Rental Assistance	-	-
One-off Supplementary Grant for Service Re-engineering Plan of the Factory Section of the Factory for the Blind	-	-
Allowances for Specific Services Arising from the Implementation of the Minimum Wage Ordinance (Overnight On-site-on-call Allowance)	-	-
Neighbourhood Support Child Care Project (NSCCP) – Contract Subsidy	-	-
NSCCP – Subsidy for Fee Reduction/waiving	-	-
Training Sponsorship Scheme for Master in Occupational Therapy and Physiotherapy programmes	-	-
Time-defined Subsidy Scheme for Occasional Child Care Service	-	-
Training Subsidy Programme for Children on the Waiting List for Subvented Pre-school Rehabilitation Services	-	-
Financial Incentive Scheme for Mentors of Employees with Disabilities	-	-
Subsidy for Integrated Support Services for Persons with Severe Physical Disabilities	-	-
Enhanced After School Care Programme	-	-
Cluster-based Foster Home Pool	-	-
<b>Total</b>	<u>-</u>	<u>62,730</u>

	2015-16	2014-15
	\$	\$
<b>b. Expenditure</b>		
Dementia Supplement for Elderly with Disabilities	-	-
Infirmiry Care Supplement for the Aged Blind Person	-	-
Dementia Supplement for Residential Elderly Services	-	-
Infirmiry 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	-	-
Temporary Financial Aid	-	-
Emergency Fund	-	-
Time-defined Subsidy Scheme for Extended Hours Child Care Services	-	-
Training Subsidy Programme for Child Care Supervisor and Special Child Care Workers in Pre-school Rehabilitation Services	-	62,730
Short-term Rental Assistance	-	-
One-off Supplementary Grant for Service Re-engineering Plan of the Factory Section of the Factory for the Blind	-	-
Allowances for Specific Services Arising from the Implementation of the Minimum Wage Ordinance (Overnight On-site-on-call Allowance)	-	-
Neighbourhood Support Child Care Project (NSCCP) – Contract Subsidy	-	-
NSCCP – Subsidy for Fee Reduction/waiving	-	-
Training Sponsorship Scheme for Master in Occupation Therapy and Physiotherapy programmes	-	-
Time-defined Subsidy Scheme for Occasional Child Care Service	-	-
Training Subsidy Programme for Children on the Waiting List for Subvented Pre-school Rehabilitation Services	-	-
Financial Incentive Scheme for Mentors of Employees with Disabilities	-	-
Subsidy for Integrated Support Services for Persons with Severe Physical Disabilities	-	-
Enhanced After School Care Programme	-	-
Cluster-based Foster Home Pool	-	-
<b>Total</b>	<u>-</u>	<u>62,730</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.
6. **Personal Emoluments** Personal Emoluments include salary, provident fund and salary-related allowances.

The analysis on number of posts with annual Personal Emoluments over \$500,000 each is appended below:

<b>Analysis of Personal Emoluments</b>	<b>No of Posts</b>	<b>\$</b>
HK\$500,001 - HK\$600,000 p.a.	-	-
HK\$600,001 - HK\$700,000 p.a.	-	-
HK\$700,001 - HK\$800,000 p.a.	-	-
HK\$800,001 - HK\$900,000 p.a.	-	-
HK\$900,001 - HK\$1,000,000 p.a.	-	-
>HK\$1,000,000 p.a.	-	-

7. **Other Charges**

The breakdown on Other Charges is as follows :

	<b>2015-16</b>	<b>2014-15</b>
<b>Other Charges</b>	<b>\$</b>	<b>\$</b>
(a) Utilities	-	-
(b) Food	-	-
(c) Administrative Expenses	-	-
(d) Stores and Equipment	-	-
(e) Repair and Maintenance	-	-
(f) Special Allowances	-	-
(g) Programme Expenses	-	-
(h) Transportation and Travelling	-	-
(i) Insurance	-	-
(j) Miscellaneous	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

7a. **Special One-off Grant Payments**

Details of Special One-off Grant Payments are as follows :

	<b>2015-16</b>	<b>2014-15</b>
<b>Special one-off Grant Payments</b>	<b>\$</b>	<b>\$</b>
(a) Voluntary Retirement Scheme	-	-
(b) Compensation Scheme	-	-
(c) Staff Training and Development	-	-
(d) Other Staff-related Initiatives	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## 8. Analysis of Reserve Fund

	Analysis of Reserve Fund				
	Lump Sum Grant (LSG)	Special One-off Grant (SOG)	Rent and Rates	Central Items	Total
<b>Income</b>	\$	\$	\$	\$	\$
Lump Sum Grant	6,483,234	-	-	-	6,483,234
Special One-off Grant	-	-	-	-	-
Fee Income	-	-	-	-	-
Other Income	-	-	-	-	-
Interest Received (Note (1))	-	-	-	-	-
Rent and Rates	-	-	490,363	-	490,363
Central Items	-	-	-	-	-
<b>Total Income (a)</b>	<b>6,483,234</b>	<b>-</b>	<b>490,363</b>	<b>-</b>	<b>6,973,597</b>
<b>Expenditure</b>					
Personal Emoluments	6,437,231	-	-	-	6,437,231
Other Charges	-	-	-	-	-
Rent and Rates	-	-	490,363	-	490,363
Central Items	-	-	-	-	-
Special One-off Grant Payments	-	-	-	-	-
<b>Total Expenditure (b)</b>	<b>6,437,231</b>	<b>-</b>	<b>490,363</b>	<b>-</b>	<b>6,927,594</b>
<b>Surplus for the Year (a) - (b)</b>	<b>46,003</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>46,003</b>
Less : Surplus of Provident Fund	46,003	-	-	-	46,003
	-	-	-	-	-
<b>Surplus b/f (Note (2))</b>	<b>4,689</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,689</b>
	4,689	-	-	-	4,689
<u>Less</u> : Refund to Government					
Transfer from LSG Reserve to cover the salary adjustment for Dementia Supplement and Infirmary Care Supplementary (Note (3))	-	-	-	-	-
<b>Surplus c/f (Note (4))</b>	<b>4,689</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,689</b>

### Notes:

- (1) All the interest received on LSG and PF reserves, rent and rates, central items, Special One-off Grant is 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 and all interest received in previous years are 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 of Central Items.
- (4) The level of LSG cumulative reserve (i.e. S) will be capped at 25% of the NGO's operating expenditure (excluding PF expenditure) for the year.

**Schedule for Central Items**  
**Analysis of Subvention and Expenditure for the Period from 1st April 2015 to 31st March 2016**

Name of Agency : The Child Development Centre

Unit Code and Name (Note 7)	Subvented Element	Subvention Released (Note 1)	Actual Expenditure (Note 2)	Surplus (Note 3) (a)	Deficit (Note 3) (b)	Deficit for the Year Deficit transferred to LSG (Note 4) (c)	Adjusted Deficit (d) = (b) - (c)	Surplus b/f (Note 5) (e)	Surplus c/f (Note 6) (f) = (e) + (a) - (d)
	Dementia Supplement for Elderly with Disabilities (Note 8)								
	Infirmity Care Supplement for the Aged Blind Persons (Note 8)								
	Dementia Supplement for Residential Elderly Services (Note 8)								
	Infirmity Care Supplement for Residential Elderly Services (Note 8)								
	Dementia Supplement for Day Care Centres/Units for the Elderly								
	Foster Care Allowance / Emergency Foster Care Allowance								
	After School Care Programme								
	Temporary Financial Aid								
	Emergency Fund								
	Short-term Rental Assistance								
	Time-defined Subsidy Scheme for Extended Hours Child Care Service								
498 - The Child Development Centre	Training Subsidy under Training Scheme for Child Care Supervisors and Special Child Care Workers in Pre-school Rehabilitation Services								
	One-off Supplementary Grant for Service Re-engineering Plan of the Factory Section of the Factory for the Blind								
	Overnight On-site-on-call Allowance								
	Neighbourhood Support Child Care Project (NSCCP) - Contract Subsidy								
	NSCCP - Subsidy for Fee Reduction/Waiving								
	Training Sponsorship Scheme for Master in Occupational Therapy and Physiotherapy programmes								
	Time-defined Subsidy Scheme for Occasional Child Care Service								
	Training Subsidy Programme for Children on the Waiting List for Subvented Pre-school Rehabilitation Services								
	Financial Incentive Scheme for Mentors of Employees with Disabilities								
	Subsidy for Integrated Support Services for Persons with Severe Physical Disabilities								
	Enhanced After School Care Programme								
	Cluster-based Foster Home Pool								
<b>TOTAL</b>									

**Schedule for Central Items**  
**Analysis of Subvention and Expenditure for the Period from 1st April 2015 to 31st March 2016**

**Notes :**

1. The figures for the whole financial year are extracted from the payroll for March (Final) 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/104/2 Pt. (64) in SWD/S/104/2 Pt.14 dated 22 July 2015.
  - (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 Residential Elderly services
5. "Surplus brought forward (b/f)" means surplus, if any, arising from operations in previous years.
6. "Surplus carried forward (c/f)" means surplus brought forward plus surplus, if any, arising from operations in current year.
7. Unit code and names are extracted from the payroll from SWD.
8. The income and expenditure for the Special one-off Subsidy for Better Care for Elderly Persons with Dementia or Requiring Infirmary Care as allocated via SWD's letter ref SWD/S/E/RC/3 Pt. 4 dated 4 March 2015 should also be included in the income/expenditure of the respective items.
9. 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.



**Schedule for Rent and Rates****Analysis of Subvention and Expenditure for the period from 01-04-2015 to 31-03-2016****Name of Agency: The Child Development Centre**

Unit Code and Name	Subvented Element	Subvention Released (Note 1)	Actual Expenditure	Surplus (Note 2)	Deficit (Note 2)
2015/16 498 - The Child Development Centre	Rent (Note 3) Rates	\$ 460,766 29,597	\$ 460,766 29,597	\$	\$
	Total	490,363	490,363		
	Rent (Note 3) Rates				
	Total				
	Rent (Note 3) Rates				
	Total				
	Rent (Note 3) Rates				
	Total				
	Rent (Note 3) Rates				
	Total				
	Grand Total	490,363	490,363		

**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.