

**THE HONG KONG SOCIETY FOR THE BLIND**  
**ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED**  
**31ST MARCH 2024**

## ANNUAL FINANCIAL REPORT

## THE HONG KONG SOCIETY FOR THE BLIND

1 APRIL 2023 TO 31 MARCH 2024

	Notes	2023-24 \$	2022-23 \$
<b>A. INCOME</b>			
1. Lump Sum Grant			
a. Lump Sum Grant (excluding Provident Fund)	<b>1b</b>	160,720,076.00	151,369,078.00
b. Provident Fund	<b>1c</b>	10,830,494.00	10,716,605.00
Sub-total		<u>171,550,570.00</u>	<u>162,085,683.00</u>
2. Special One-off Grant			
3. Fee Income	<b>2</b>	10,904,096.30	10,515,613.28
4. Central Items	<b>3</b>	9,700,904.00	8,843,122.00
5. Rent and Rates	<b>4</b>	1,961,604.00	2,023,149.00
6. Other Income	<b>5</b>	20,344,457.59	22,316,883.47
7. Interest Received		1,891,701.33	145,554.82
<b>TOTAL INCOME</b>		<u>216,353,333.22</u>	<u>205,930,005.57</u>
<b>B. EXPENDITURE</b>			
1. Personal Emoluments			
a. Salaries		150,141,095.08	142,244,475.39
b. Provident Fund	<b>1c</b>	9,936,106.76	9,356,893.03
c. Allowances		0.00	77,500.00
Sub-total	<b>6</b>	<u>160,077,201.84</u>	<u>151,678,868.42</u>
2. Other Charges	<b>7</b>	44,599,085.65	45,728,565.97
3. Central Items	<b>3</b>	9,364,241.99	10,035,125.61
4. Rent and Rates	<b>4</b>	2,561,694.98	2,554,015.24
<b>TOTAL EXPENDITURE</b>		<u>216,602,224.46</u>	<u>209,996,575.24</u>
<b>C. SURPLUS/(DEFICIT) FOR THE YEAR</b>	<b>8</b>	<u>(248,891.24)</u>	<u>(4,066,569.67)</u>

The Annual Financial Report from pages [1] to [6] has been prepared in accordance with the requirements as set out in the Lump Sum Grant Manual.

SIGNATURESIGNATURE\_\_\_\_\_  
CHAIRMAN

DATE:

\_\_\_\_\_  
CHIEF EXECUTIVE

DATE:

## NOTES ON THE ANNUAL FINANCIAL REPORT

**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 which are separately included as part of the income and expenditure of the relevant items have been shown under **Note 3**.

Details are analysed below:

<b><u>Provident Fund Contribution</u></b>	Snapshot Staff	6.8% and Other Posts	Total
	\$	\$	\$
Subvention Received	2,140,040.00	8,690,454.00	10,830,494.00
Provident Fund Contribution Paid during the Year	<u>1,740,731.58</u>	<u>8,195,375.18</u> <i>(Note)</i>	<u>9,936,106.76</u>
Surplus/ (Deficit) for the year of 2023-24	399,308.42	495,078.82	894,387.24
<b><u>Add:</u></b> Surplus/ (Deficit) b/f	735,647.75	17,033,026.24	17,768,673.99
Additional PF for 6.8% posts for 2021-22 or before arising from departure of Snapshot Staff	-	136,756.00	136,756.00
<b>Less: Refund to Government</b>			
Surplus in 2021-22 PF for Snapshot Staff to be deducted in 2023-24 subvention payment	<u>(437,569.00)</u>	-	<u>(437,569.00)</u>
<b>Surplus/ (Deficit) c/f</b>	<u><u>697,387.17</u></u>	<u><u>17,664,861.06</u></u>	<u><u>18,362,248.23</u></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 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 the LSG Manual). The income and expenditure of each of the Central Items are as follows:

	<b>2023-24</b>	<b>2022-23</b>
	<b>\$</b>	<b>\$</b>
<b>a. Income</b>		
Dementia Supplement for Elderly with Disabilities	4,816,844.00	4,902,772.00
Infirmity Care Supplement for Aged Blind Persons	3,284,060.00	4,240,350.00
Training Sponsorship Scheme for Master in Physiotherapy (MPT/MOT) of the HK PolyU	1,600,000.00	(300,000.00)
<b>Total</b>	<u>9,700,904.00</u>	<u>8,843,122.00</u>
<b>b. Expenditure</b>		
Dementia Supplement for Elderly with Disabilities	4,801,965.81	4,724,430.16
Infirmity Care Supplement for Aged Blind Persons	3,282,276.18	4,234,795.45
Training Sponsorship Scheme for Master in Physiotherapy (MPT/MOT) of the HK PolyU	1,280,000.00	960,000.00
One-off Subsidy for Strengthened Provision of Visiting Medical Officer Service for Residential Care Homes for the Elderly and Visiting Medical Practitioner Scheme for Residential Care Homes for Persons with Disabilities	-	115,900.00
<b>Total</b>	<u>9,364,241.99</u>	<u>10,035,125.61</u>

#### 4. Rent and Rates

This represents the amount paid by SWD in respect of premises recognised by SWD. Expenditure on rent & 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 need not be 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:

	2023-24	2022-23
Other Income	\$	\$
(a) Programme income	-	-
(b) Production income from SWs/IVRSCs	1,518,425.03	1,075,656.43
(c) Donation	457,223.20	314,761.10
(d) Income from Other Activities	17,210,577.38	18,730,698.35
(e) Utilised allocation under Central Items (CI): After School Care Programme (ASCP) / Enhanced ASCP / ASCP(PC) - Fee Waiving Subsidy Scheme (FWSS) which forms as part of Other Income *	-	-
(f) Reimbursement of Maternity Leave Pay (RMLP) Scheme reimbursement received	43,867.36	-
(g) Miscellaneous income	1,114,364.62	2,195,767.59
<b>Total</b>	<b>20,344,457.59</b>	<b>22,316,883.47</b>

#### 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:

Analysis of Personal Emoluments paid under LSG	No of Posts	HK\$
HK\$700,001-HK\$800,000 p.a.	7	5,267,025.00
HK\$800,001-HK\$900,000 p.a.	6	5,053,971.00
HK\$900,001-HK\$1,000,000 p.a.	4	3,830,959.00
HK\$1,000,001-HK\$1,100,000 p.a.	4	5,205,124.00
HK\$1,100,001-HK\$1,200,000 p.a.	2	2,351,821.00
>HK\$1,200,000 p.a.	0	0.00

## 7. Other Charges

The breakdown on Other Charges is as follows:

<b>Other Charges</b>	<b>2023-24</b>	<b>2022-23</b>
	<b>\$</b>	<b>\$</b>
(a) Utilities	7,859,774.66	7,374,517.19
(b) Food	6,995,633.44	6,091,110.44
(c) Administrative Expenses	1,379,639.37	1,289,641.95
(d) Stores and Equipment	1,337,064.33	1,350,476.06
(e) Repair and Maintenance	7,744,552.86	10,442,941.93
(f) Programme Expenses	6,722,391.07	5,874,692.39
(g) Transportation and Travelling	613,382.35	645,271.42
(h) Insurance	1,334,099.85	1,215,238.70
(i) Miscellaneous	10,612,547.72	11,444,675.89
Direct Production Cost	5,265,798.80	4,502,871.01
Direct Raw Materials	2,961,014.70	4,513,063.29
Indirect Production Cost	299,364.55	309,317.83
Others	2,086,369.67	2,119,423.76
<b>Total</b>	<b>44,599,085.65</b>	<b>45,728,565.97</b>

## 8. Analysis of Lump Sum Grant Reserve and balances of other SWD subventions as at 31/3/2024

Analysis of Reserve Fund						
	Lump Sum Grant (LSG)	Holding Account	Special One-off Grant (SOG)	Rent and Rates	Central Items	Total
<b>Income</b>						
Lump Sum Grant	171,550,570.00	0.00	-			171,550,570.00
Special One-off Grant	-	-	-			-
Fee Income	10,904,096.30					10,904,096.30
Other Income	20,344,457.59					20,344,457.59
Interest Received (Note (1))	1,891,701.33					1,891,701.33
Rent and Rates				1,961,604.00		1,961,604.00
Central Items					9,700,904.00	9,700,904.00
<b>Total Income</b>	<b>(a) 204,690,825.22</b>	<b>-</b>	<b>-</b>	<b>1,961,604.00</b>	<b>9,700,904.00</b>	<b>216,353,333.22</b>
<b>Expenditure</b>						
Personal Emoluments	156,582,915.84	3,494,286.00				160,077,201.84
Other Charges	44,599,085.65					44,599,085.65
Rent and Rates				2,561,694.98		2,561,694.98
Central Items					9,364,241.99	9,364,241.99
Special One-off Grant Payments						-
<b>Total Expenditure</b>	<b>(b) 201,182,001.49</b>	<b>3,494,286.00</b>	<b>-</b>	<b>2,561,694.98</b>	<b>9,364,241.99</b>	<b>216,602,224.46</b>
<b>Surplus/(Deficit) for the Year (a) - (b) = (c)</b>	<b>(c) 3,508,823.73</b>	<b>(3,494,286.00)</b>	<b>-</b>	<b>(600,090.98)</b>	<b>336,662.01</b>	<b>(248,891.24)</b>
Less: Surplus/(Deficit) of Provident Fund	894,387.24					894,387.24
<b>Surplus/(Deficit) for the Year excluding Provident Fund</b>	<b>2,614,436.49</b>	<b>(3,494,286.00)</b>	<b>-</b>	<b>(600,090.98)</b>	<b>336,662.01</b>	<b>(1,143,278.48)</b>
Surplus/(Deficit) b/f	16,133,603.03	23,734,971.92		(530,866.24)	198,188.39	39,535,897.10
Adjustment for Surplus/(Deficit) - VMO & VMP subsidies b/f						0.00
Prior-year adjustment in order to tally the balance with Schedule 7 (Schedule for Central Items)						0.00
<b>Adjusted Surplus/(Deficit) b/f (Note (2))</b>	<b>(d) 16,133,603.03</b>	<b>23,734,971.92</b>	<b>0.00</b>	<b>(530,866.24)</b>	<b>198,188.39</b>	<b>39,535,897.10</b>
<b>Surplus/(Deficit) c/f (before adjustment / refund / support for prior years)</b>	<b>18,748,039.52</b>	<b>20,240,685.92</b>	<b>0.00</b>	<b>(1,130,957.22)</b>	<b>534,850.40</b>	<b>38,392,618.62</b>
Supported by Government - Rent and Rates for 2022/23 FTY: \$187,034; KHAB: \$17,881; RC: \$14,605; MGCH: \$38,401				257,921.00		257,921.00
Refund to Government for 2022/23- IAC: \$32,458.84; FTY: \$27,615; KHAB: \$3,908.62; THAB: \$30,281.4; MGCH:\$15,006; HOD: \$5,222.08; YHAB: \$36,144				(150,635.94)		(150,635.94)
Unsupport balance of Rent and Rates for 2022/23				423,581.18		423,581.18
Refund to Government					(183,896.39)	(183,896.39)
						0.00
<b>Surplus/(Deficit) c/f (Note (4))</b>	<b>18,748,039.52</b>	<b>20,240,685.92</b>	<b>-</b>	<b>(600,090.98)</b>	<b>350,954.01</b>	<b>38,739,588.47</b>
	<b>38,988,725.44</b>					

**Notes:**

(1) 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.

(2) Accumulated balance of LSG Surplus b/f from previous years (including all interest received in previous years and the balance of HA should be separately reported as in the surplus b/f under LSG and HA respectively).

(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) For NGOs with HA, with effect from 2022-23, the calculation of the annual claw-back is as follows (With Snapshot Staff (SS) ):

Net:	204,676,287.49
Capped %	(9,936,106.76)
Capped ceiling	194,740,180.73
	25%
Total LSG reserve:	48,685,045.18

No clawback is required as the total LSG reserve (\$38,988,725.44 is lesser than the Capped ceiling level \$48,685,045.18.)