

AGENCY FOR VOLUNTEER SERVICE

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 31 MARCH 2017

(Revised in April 2019)



眾環香港會計師事務所有限公司
UNION POWER HK CPA LIMITED

Chartered Accountants
Certified Public Accountants

捷安國際會計師聯盟成員

An independent member of AGN International

AGENCY FOR VOLUNTEER SERVICE

**ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 31 MARCH 2017**

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UNION POWER HK CPA LIMITED

**Chartered Accountants
Certified Public Accountants**

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**REVIEW REPORT
TO THE BOARD OF DIRECTORS OF
AGENCY FOR VOLUNTEER SERVICE**

(incorporated in Hong Kong limited by guarantee and not having a share capital)

We have audited the financial statements of Agency for Volunteer Service (the "Agency") for the year ended 31 March 2017 and have issued an unqualified auditor's report dated - 9 OCT 2017.

We conducted our review of the attached Annual Financial Report on pages 3 to 8 of the Agency for the year ended 31 March 2017 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 Agency, on which the above audited financial statements of the Agency 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 Agency for the year ended 31 March 2017:

- a. in our opinion the Annual Financial Report has been properly prepared from the books and records of the Agency; and
- b. no matters have come to our attention during the course of our review, which cause us to believe that the Agency has not:
 - i. properly accounted for the receipt of Lump Sum Grant, Provident Fund 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 Provident Fund arrangements during the year ended 31 March 2017.



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REVIEW REPORT

**TO THE BOARD OF DIRECTORS OF
AGENCY FOR VOLUNTEER SERVICE**

(incorporated in Hong Kong limited by guarantee and not having a share capital)

Review conclusions (Continued)

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.

**Union Power HK CPA Limited
Certified Public Accountants**

**David Tze Kin Ng, Auditor
Practicing Certificate Number P553**

Hong Kong, - 9 OCT 2017

ANNUAL FINANCIAL REPORT

**AGENCY FOR VOLUNTEER SERVICE
(WESTERN GARDEN NEIGHBOURHOOD ELDERLY CENTRE)**

FOR THE YEAR FROM 1 APRIL 2016 TO 31 MARCH 2017

	<u>Notes</u>	<u>Total 2016-17</u> \$	<u>Total 2015-16</u> \$
A. INCOME			
1. Lump Sum Grant			
a) Lump Sum Grant (excluding Provident Fund)	1b	3,259,474	3,115,201
b) Provident Fund	1c	192,923	184,298
2. Special One-off Grant		-	-
3. Fee Income	2	12,356	12,692
4. Central Items	3	-	-
5. Rent and Rates	4	1,387,548	675,038
6. Other Income	5	293,522	301,924
7. Interest Received		3	3
TOTAL INCOME		<u>5,145,826</u>	<u>4,289,156</u>
B. EXPENDITURE			
1. Personal Emoluments			
a) Salaries		2,647,375	2,677,123
b) Provident Fund	1c	166,463	157,415
c) Allowances		-	-
Sub-total	6	<u>2,813,838</u>	<u>2,834,538</u>
2. Other Charges	7	612,935	557,862
3. Central Items	3	-	-
4. Rent and Rates	4	1,130,399	972,528
5. Special One-off Grant Payments		-	-
TOTAL EXPENDITURE		<u>4,557,172</u>	<u>4,364,928</u>
C. (DEFICIT)/SURPLUS FOR THE YEAR	8	<u>588,654</u>	<u>(75,772)</u>

The Annual Financial Report from pages 3 to 11 has been prepared in accordance with the requirements as set out in the Lump Sum Grant Manual.

Signature


Chairman
Date: 8 APR 2019


Chief Executive Officer
Date: 8 APR 2019

**ANNUAL FINANCIAL REPORT
AGENCY FOR VOLUNTEER SERVICE
NOTES TO THE ANNUAL FINANCIAL REPORT
FOR THE YEAR FROM 1 APRIL 2016 TO 31 MARCH 2017**

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 are not included in the AFR.

b. Lump Sum Grant (excluding Provident Fund)

This represents LSG (excluding Provident Fund) received for the year.

c. Provident Fund

- (i) This is Provident Fund received and contributed during the year.
- (ii) Snapshot staff are defined as those staff occupying recognised or holding against subvented posts as at 1 April 2000.
- (iii) 6.8% and other posts represent those staff that are employed after 1 April 2000.
- (iv) The Provident Fund (PF) received and contributed for staff under the Central Items are shown under note 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	-	192,923	192,923
Provident Fund Contribution Paid during the Year	-	(166,463)	(166,463)
Surplus for the Year	-	26,460	26,460
Add: Surplus/(Deficit) b/f	-	69,155	69,155
Surplus/(Deficit) c/f	-	95,615	95,615

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.

**ANNUAL FINANCIAL REPORT
AGENCY FOR VOLUNTEER SERVICE
NOTES TO THE ANNUAL FINANCIAL REPORT
FOR THE YEAR FROM 1 APRIL 2016 TO 31 MARCH 2017**

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 3.14 of LSG Manual (October 2016)). The income and expenditure of each of the Central Items are as follows:

	<u>2016-17</u>	<u>2015-16</u>
	\$	\$
<u>Income</u>		
Programme Assistant	-	-
Total	-	-
 <u>Expenditure</u>		
Programme Assistant	-	-
Total	-	-

4. Rent and Rates

This represents the amount paid by Social Welfare Department ("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 are not included as Other Income in AFR. In this respect, donations are included if it is used to finance expenditure reflected in the AFR.

	<u>2016-17</u>	<u>2015-16</u>
		\$
Details breakdown		
Programme Service income	293,522	301,924
	293,522	301,924

6. Personal Emoluments

Personal Emoluments include salary, provident fund, salary-related allowances. All post of Personal Emoluments are under HK\$700,000 per annum.

**ANNUAL FINANCIAL REPORT
 AGENCY FOR VOLUNTEER SERVICE
 NOTES TO THE ANNUAL FINANCIAL REPORT
 FOR THE YEAR FROM 1 APRIL 2016 TO 31 MARCH 2017**

7. Other Charges

<u>Other Charges</u>	<u>2016-17</u>	<u>2015-16</u>
	\$	\$
a) Utilities	43,789	41,915
b) Food	-	-
c) Administrative Expenses	67,822	45,286
d) Stores and Equipment	-	-
e) Repair and Maintenance	26,864	35,277
f) Special Allowances	-	-
g) Volunteer Staff System	12,620	8,640
h) Programme expenses	418,358	398,253
i) Transportation and Travelling	521	759
j) Insurance	(2,061)	14,298
k) Miscellaneous	45,022	13,434
Total	<u><u>612,935</u></u>	<u><u>557,862</u></u>

**ANNUAL FINANCIAL REPORT
AGENCY FOR VOLUNTEER SERVICE
NOTES TO THE ANNUAL FINANCIAL REPORT
FOR THE YEAR FROM 1 APRIL 2016 TO 31 MARCH 2017**

8. Analysis of Lump Sum Grant Reserve and balances of other SWD subventions

	Lump Sum Grant (LSG) \$	Special One-off Grant (SOG) \$	Rent and Rates \$	Central Item \$	Total \$
Income					
Lump Sum Grant	3,452,397	-	-	-	3,452,397
Special One-off Grant	-	-	-	-	-
Fee Income	12,356	-	-	-	12,356
Other Income	293,522	-	-	-	293,522
Interest Received (Note (1))	3	-	-	-	3
Rent and Rates	-	-	1,387,548	-	1,387,548
Central Items	-	-	-	-	-
Total Income (a)	3,758,278	-	1,387,548	-	5,145,826
Expenditure					
Personal Emoluments	2,813,838	-	-	-	2,813,838
Other Charges	612,935	-	-	-	612,935
Rent and Rates	-	-	1,130,399	-	1,130,399
Central Items	-	-	-	-	-
Total Expenditure (b)	3,426,773	-	1,130,399	-	4,557,172
Surplus/(Deficit) for the Year (a) - (b)	331,505	-	257,149	-	588,654
Less: Surplus/(Deficit) of Provident Fund	26,460	-	-	-	26,460
	305,045	-	257,149	-	562,194
Surplus/(Deficit) b/f (Note (2))	925,518	-	(672,920)	28,328	280,926
	1,230,563	-	(415,771)	28,328	843,120
Less: Refund to Government	-	-	-	(28,328)	(28,328)
Surplus/(Deficit) c/f (Note (3) & (4))	1,230,563	-	(415,771)	-	814,792

Notes: (1) Interest received on LSG and Provident Fund reserves, rent and rates, central items, Special One-off Grant 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 are included in the surplus b/f under LSG.

(3) 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.

**ANNUAL FINANCIAL REPORT
AGENCY FOR VOLUNTEER SERVICE
NOTES TO THE ANNUAL FINANCIAL REPORT
FOR THE YEAR FROM 1 APRIL 2016 TO 31 MARCH 2017**

**9. Analysis of Income and Expenditures by Programme Area and Funding and Service Agreements
(including support services)**

	INCOME						EXPENDITURE						Surplus/ (Deficits) (1)-(2)	Remarks
	LSG	Fee Income	Central Items	Rent and Rates	Other Income	Total Income (1)	Personal Emoluments	Other Charges	Central Items	Rent and Rates	Total Expenditure (2)			
Programme Area 1 Service Unit 1029	\$ 3,452,397	\$ 12,356	\$ -	\$ 1,387,548	\$ 293,522	\$ 5,145,823	\$ 2,813,838	\$ 612,935	\$ -	\$ 1,130,399	\$ 4,557,172	\$ 588,651		
Sub-total	3,452,397	12,356	-	1,387,548	293,522	5,145,823	2,813,838	612,935	-	1,130,399	4,557,172	588,651		
SOG	-	-	-	-	-	3	-	-	-	-	-	-	3	
Interest Received	3	-	-	-	-	3	-	-	-	-	-	-	3	
Total	3,452,400	12,356	-	1,387,548	293,522	5,145,826	2,813,838	612,935	-	1,130,399	4,557,172	588,654		

Schedule for Rent and Rates

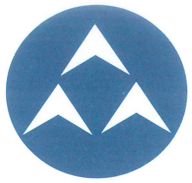
Analysis of Subvention and Expenditure for the year from 1 April 2016 to 31 March 2017

Name of Agency : AGENCY FOR VOLUNTEER SERVICE

Unit Code and Name	Subvented Element	Reimbursement of prior year expenditure	Subvention Released (Note 1) (a)	Actual Expenditure (b)	Surplus (Note 2)	Deficit (Note 2) (a)-(b)
			\$	\$	\$	\$
1029 - Western Garden Neighbourhood Elderly Centre	Rent (Note 3)	671,869	655,032	1,086,401	-	(431,369)
	Rates	39,901	20,746	43,998	-	(23,252)
	Total	711,770	675,778	1,130,399	-	(454,621)

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.



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Date: - 9 OCT 2017

Annex 2

The Board of Directors
Agency for Volunteer Service
Room 602,
Duke of Windsor Social Service Building,
15 Hennessy Road,
Wanchai, Hong Kong

Dear Sir/Madam,

**Re: Agency for Volunteer Service
Management letter**

We have pleasure in submitting our audited financial statements of Agency for Volunteer Service (Agency) for the year ended 31 March 2017.

During the course of our audit, we have reviewed the accounting records and procedures of the Agency and we consider them adequate having regard to the level and nature of activities.

Yours sincerely,
For and on behalf of
Union Power HK CPA Limited

Director

Schedule for Central Items

Analysis of Subvention and Expenditure for the period from 1 April 2016 to 31 March 2017

Name of Agency : AGENCY FOR VOLUNTEER SERVICE

Unit Code and Name (Note 7)	Subvention Released (Note 1)	Actual Expenditure (Note 2)	Surplus (Note 3)	Deficit for the Year		Surplus b/f (Note 5)	(Refund) to Government (g)	Surplus c/f (Note 6)
				Deficit (Note 3)	Deficit transferred to LSG (note 4)			
	(a)	(b)	(c)	(d)	(e)	(f)=(e)+(a)-(d)+(g)		
Programme Assistant (PA) / Care Assistants (CA) allocated vide our letter ref. (17) in SWD/S/203/1 Pt.8 dated 17 March 2007	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1029 - Western Garden Neighbourhood Elderly Centre	-	-	-	-	28,328	-	(28,328)	-
TOTAL	-	-	-	-	28,328	-	(28,328)	-

Notes:

- The figures for the whole financial year can be extracted from the payroll for March (Final) 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.r.o. the following central items arising from salary adjustment can be transferred to the Lump Sum Grant Reserve as stated in our letter ref.(9) in SWD/S/104/2 Pt.16 dated 20 July 2016.
 - Dementia Supplement for Elderly with Disabilities
 - Infirmity Care Supplement for the Aged Blind Persons
 - Dementia Supplement for Residential Elderly Services
 - Infirmity Care Supplement for Residential Elderly Services
 - Regularized Programme Assistants (PA) / Care Assistants (CA)
- "Surplus brought forward (b/f)" means surplus, if any, arising from operations in previous years.
- "Surplus carried forward (c/f)" means surplus brought forward plus surplus, if any, arising from operations in current year.
- Unit codes and names assigned by SWD should be filled, if available.
- The income and expenditure for the Special one-off Subsidy for Better Care for Elderly Persons with Dementia or Requiring Infirmity Care as allocated via SWD's letter ref SWD/S/ERC/3 Pt.6 dated 4 February 2016 should be included in the income/expenditure of the respective items.
- As the above schedule may not be exhaustive in content, any relevant details in respect of central items released and/or expended during the year may also be included, where appropriate.