

AGENCY FOR VOLUNTEER SERVICE

**ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

(To: Social Welfare Department)



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

**Chartered Accountants
Certified Public Accountants**

AGENCY FOR VOLUNTEER SERVICE

**ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

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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 2022 and have issued an unqualified auditor's report dated 27 SEP 2022

We conducted our review of the attached Annual Financial Report on pages 3 to 7 of the Agency for the year ended 31 March 2022 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 2022:

- 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 2022.



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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 P00553

Hong Kong **27 SEP 2022**

ANNUAL FINANCIAL REPORT
AGENCY FOR VOLUNTEER SERVICE
(WESTERN GARDEN NEIGHBOURHOOD ELDERLY CENTRE)
FOR THE YEAR FROM 1 APRIL 2021 TO 31 MARCH 2022

	<u>Note</u>	<u>Total</u> <u>2021-22</u> <u>HK\$</u>	<u>Total</u> <u>2020-21</u> <u>HK\$</u>
A. Income			
1. Lump Sum Grant			
a) Lump Sum Grant (excluding Provident Fund)	1b	5,151,226	5,147,251
b) Provident fund	1c	306,748	306,748
2. Fee income	2	9,324	10,962
3. Central items	3	-	-
4. Rent and rates	4	1,343,708	1,156,314
5. Other income	5	22,045	5,133
6. Interest received		2,245	10,969
Total income		<u>6,835,296</u>	<u>6,637,377</u>
B. Expenditure			
1. Personal emoluments			
a) Salaries		4,307,735	4,200,131
b) Provident fund	1c	281,802	269,282
c) Allowances		-	-
Sub-total	6	<u>4,589,537</u>	<u>4,469,413</u>
2. Other charges	7	590,040	364,288
3. Central items	3	-	-
4. Rent and rates	4	<u>787,848</u>	<u>651,348</u>
Total expenditure		<u>5,967,425</u>	<u>5,485,049</u>
C. Surplus for the year	8	<u>867,871</u>	<u>1,152,328</u>

The Annual Financial Report from pages 3 to 7 has been prepared in accordance with the requirements as set out in the Lump Sum Grant Manual.

Signature

Chairman

Date: 27 SEP 2022

Chief Executive Officer

Date: 27 SEP 2022

**ANNUAL FINANCIAL REPORT
AGENCY FOR VOLUNTEER SERVICE
NOTES TO THE ANNUAL FINANCIAL REPORT
FOR THE YEAR FROM 1 APRIL 2021 TO 31 MARCH 2022**

1. Lump Sum Grant (the "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 (the "SWD") under the Lump Sum Grant Subvention System. The 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

- (i) This is the Provident Fund (the "PF") 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 PF received and contributed for staff under the Central items have been 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>
	HK\$	HK\$	HK\$
Subvention received	-	306,748	306,748
PF Contribution paid during the year	-	(281,802)	(281,802)
Surplus for the year	-	24,946	24,946
Add: Surplus b/f	-	279,750	279,750
Surplus c/f	-	304,696	304,696

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 Lump Sum Grant Manual.

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 papers from the SWD and correspondence with the Non-governmental Organisations (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 the LSG Manual (October 2016)).

**ANNUAL FINANCIAL REPORT
AGENCY FOR VOLUNTEER SERVICE
NOTES TO THE ANNUAL FINANCIAL REPORT
FOR THE YEAR FROM 1 APRIL 2021 TO 31 MARCH 2022**

3. Central items (Continued)

The income and expenditure of each of the Central items are as follows:

	<u>2021-22</u> HK\$	<u>2020-21</u> HK\$
<u>Income</u>		
Programme Assistant	-	-
Total	<u>-</u>	<u>-</u>
<u>Expenditure</u>		
Programme Assistant	-	-
Total	<u>-</u>	<u>-</u>

4. Rent and rates

This represents the amount paid by the SWD in respect of premises recognised by the SWD. Expenditures on rent and rates in respect of premises not recognised by the SWD have not been included in the 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 the 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:

	<u>2021-22</u> HK\$	<u>2020-21</u> HK\$
a) Fees and charges for services incidental to the operation of subvented services	22,045	5,133
b) Utilised allocation under Central Items (CI) - After School Care Programme (ASCP)/Enhanced ASCP - Fee Waiving Subsidy Scheme (FWSS) which forms as part of Other Income*	-	-
c) Reimbursement of Maternity Leave Pay (RMLP) Scheme reimbursement received	-	-
d) Others	-	-
Sub-total	<u>22,045</u>	<u>5,133</u>
Less: Utilised allocation under CI - ASCP/Enhanced ASCP - FWSS which forms as part of Other Income*	-	-
Total	<u>22,045</u>	<u>5,133</u>

**ANNUAL FINANCIAL REPORT
AGENCY FOR VOLUNTEER SERVICE
NOTES TO THE ANNUAL FINANCIAL REPORT
FOR THE YEAR FROM 1 APRIL 2021 TO 31 MARCH 2022**

6. Personal emoluments

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

7. Other charges

	<u>2021-22</u> HK\$	<u>2020-21</u> HK\$
a) Utilities	66,965	44,085
b) Food	-	-
c) Administrative expenses	123,695	55,564
d) Stores and equipment	-	-
e) Repair and maintenance	39,786	26,095
f) Special allowances	-	-
g) Volunteer staff system	12,435	12,806
h) Programme expenses	256,449	154,159
i) Transportation and travelling	1,475	731
j) Insurance	35,140	22,835
k) Miscellaneous	54,095	48,013
Sub-Total	<u>590,040</u>	<u>364,288</u>
Less: Utilised allocation under GI - ASCP / Enhanced ASCP - FWSS* which forms as part of Other Income to fund the operating expenses of FSA-related	-	-
Total	<u><u>590,040</u></u>	<u><u>364,288</u></u>

ANNUAL FINANCIAL REPORT
AGENCY FOR VOLUNTEER SERVICE
NOTES TO THE ANNUAL FINANCIAL REPORT
FOR THE YEAR FROM 1 APRIL 2021 TO 31 MARCH 2022

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

	Analysis of Reserve Fund				
	Lump Sum Grant (LSG) HK\$	Adjustment for Utilised allocation under ASCP/ Enhanced ASCP-FWSS* HK\$	Rent and Rates HK\$	Central Item HK\$	Total HK\$
Income					
Lump Sum Grant	5,457,974	-	-	-	5,457,974
Fee income	9,324	-	-	-	9,324
Other income#	22,045	-	-	-	22,045
Interest received (Note (1))	2,245	-	-	-	2,245
Rent and rates	-	-	1,343,708	-	1,343,708
Central items	-	-	-	-	-
Total income (a)	5,491,588	-	1,343,708	-	6,835,296
Expenditure					
Personal emoluments	4,589,537	-	-	-	4,589,537
Other charges	590,040	-	-	-	590,040
Rent and rates	-	-	787,848	-	787,848
Central items	-	-	-	-	-
Total expenditure (b)	5,179,577	-	787,848	-	5,967,425
Surplus for the year (a) - (b)	312,011	-	555,860	-	867,871
Less: Surplus of provident fund	24,946	-	-	-	24,946
	287,065	-	555,860	-	842,925
Surplus b/f (Note (2))	1,956,174	-	118,944	-	2,075,118
	2,243,239	-	674,804	-	2,918,043
Add: Refund from Government (Note (3))	-	-	537,410	-	537,410
Less: Refund to Government	(797,439)	-	(456,689)	-	(1,254,128)
Adjustment of Rent and rates expenses (Note (4))	-	-	(38,885)	-	(38,885)
Transfer from LSG Reserve to cover the salary adjustment for Programme Assistants, Care Assistants, Dementia Supplement and Infirmity Care	-	-	-	-	-
Adjustment for utilised allocation Enhanced ASCP-FWSS* (over-estimated) / under-estimated in previous year(s)	-	-	-	-	-
Surplus c/f (Note (5) & (6))	1,445,800	-	716,640	-	2,162,440

Notes :

No amount was included in the utilised allocation under CI-ASCP / Enhanced ASCP-FWSS*

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

- (1) Interest received on the LSG and the PF reserves, rent and rates, central item are included as one item under the LSG; and the item is considered as part of the LSG Reserve.
- (2) Accumulated balance of the LSG Surplus brought forward from previous years (including holding account) and all interest received in previous years are included in the surplus brought forward under the LSG.
- (3) Refund of rent and rates in previous year.
- (4) Rent & rates expenses previously absorbed by the NGO.
- (5) Amount of the LSG Reserve used to cover the salary adjustment for Dementia Supplement and Infirmity Care Supplement, if any, as per Schedule of Central Items.
- (6) The level of LSG cumulative reserve, less LSG Reserve kept in holding account, will be capped at 25% of the NGO's operating expenditure (excluding PF expenditure) for the year.

Schedule for Rent and Rates
Analysis of Subvention and Expenditure for the year from 1 April 2021 to 31 March 2022

AGENCY FOR VOLUNTEER SERVICE
(Western Garden Neighbourhood Elderly Centre)

Unit Code and Name	Subvented Element	Reimbursement of prior year expenditure	Subvention Released (Note 1) (a)	Actual Expenditure (b)	Surplus (Note 2) (a)-(b)	Deficit (Note 2)
1029 - Western Garden Neighbourhood Elderly Centre	Rent (Note 3) Rates	\$	\$	\$	\$	\$
		-	1,296,425	759,202	537,223	-
	Total	-	1,343,708	787,848	555,860	-

Notes :

- (1) The figures are to be extracted from the payroll for March plus subvention released in late March of the financial year. Reimbursement for Rent and rates relating to previous financial year(s) (i.e. back payments) should not be included.
- (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.

Schedule for Investment
Analysis of Investment as at 31 March 2022

AGENCY FOR VOLUNTEER SERVICE
(Western Garden Neighbourhood Elderly Centre)

	<u>2021-22</u>	<u>2020-21</u>
	HK\$'000	HK\$'000
LSG Reserve as at 31 March*	1,446	1,956
Represented by:		
Investments		
a. HKD Bank Account Balances	466	947
b. HKD 24-hour Call Deposits	-	-
c. HKD Fixed Deposits	980	1,009
d. HKD Certificate of Deposits	-	-
e. HKD Bonds	-	-
	1,446	1,956

* This represents accumulated surplus from Lump Sum Grant (excluding Provident Fund)

Note :

The investments are reported as historical cost.

Signature

Chairman

Date: 27 SEP 2022



Chief Executive Officer

Date: 27 SEP 2022

