

AGENCY FOR VOLUNTEER SERVICE

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 31 MARCH 2024

(To: Social Welfare Department)



Moores Rowland (HK) CPA Limited
Certified Public Accountants
嘉信會計師事務所有限公司

AGENCY FOR VOLUNTEER SERVICE
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 31 MARCH 2024

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Independent Auditor's Assurance Report

To the Board of Directors of Agency for Volunteer Service 義務工作發展局

(incorporated in Hong Kong with limited liability 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 2024 in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), and have issued an unmodified auditor's report thereon dated 30 September 2024.

Pursuant to the Lump Sum Grant ("LSG") Manual issued by the Social Welfare Department of the Government of the Hong Kong Special Administrative Region ("SWD"), we have been requested to issue this assurance report in connection with the Annual Financial Report (the "AFR") of the Agency for the year ended 31 March 2024.

Responsibilities of the Management

In relation to this report, the management are responsible for ensuring the AFR of the Agency for the year ended 31 March 2024 is properly prepared in accordance with the relevant accounting and financial reporting requirements set out in the LSG Manual and other instructions issued by the SWD; and the use of the funds from the LSG by the Agency has complied with the purposes as specified in the LSG Manual and other instructions issued by the SWD.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Hong Kong Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's Responsibility

Our responsibility is to form a conclusion, based on our engagement, and to report our conclusion to you. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

嘉信會計師事務所有限公司

香港灣仔告士打道 138 號聯合鹿島大廈 1102-5 室
1102-5 Allied Kajima Building, 138 Gloucester Road, Wanchai, Hong Kong

Independent Auditor's Assurance Report

To the Board of Directors of Agency for Volunteer Service 義務工作發展局

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

Auditor's Responsibility (Cont'd)

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised), *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and with reference to Practice Note 851 (Revised), *Reporting on the Annual Financial Reports of Non-governmental Organisations* (the "NGO") issued by the HKICPA. We have planned and performed our work to obtain reasonable assurance for giving conclusion 1 and obtain limited assurance for giving conclusion 2 below.

The work undertaken in connection with this engagement is less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

In relation to our conclusion 1 below, we have planned and performed such procedures as we considered necessary with reference to the procedures recommended in PN 851 (Revised), to satisfy ourselves that the AFR has been properly prepared, in all material respects, in accordance with the relevant accounting and financial reporting requirements set out in the LSG Manual and other instructions issued by the SWD.

In relation to our conclusion 2 below, we have obtained an understanding in respect of the purposes of the use of the funds as specified in the LSG Manual and other instructions issued by the SWD and obtaining an understanding of the control procedures. We are not required to perform any procedures to search for instances of the use of funds from the LSG by the NGO being non-complied with the specified purposes. Our work was limited to reporting non-compliances identified as a result of the procedures performed in relation to conclusion 2 and during the normal course of our work relating to conclusion 1. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.



Independent Auditor's Assurance Report

To the Board of Directors of Agency for Volunteer Service 義務工作發展局

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

Conclusion

1. In our opinion, the AFR of the Agency for the year ended 31 March 2024 is properly prepared, in all material respects, in accordance with the relevant accounting and financial reporting requirements set out in the LSG Manual and other instructions issued by the SWD.
2. Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the use of the funds from the LSG by the NGO has not complied, in all material respects, with the purposes as specified in the LSG Manual and other instructions issued by the SWD.

Intended Users and Purpose

This report is intended solely for submission by the NGO to the SWD and is not intended to be, and should not be, used for any other purpose. We agree that a copy of this report may be provided to the SWD without further comment from us.



Moore's Rowland (HK) CPA Limited

Certified Public Accountants

Hong Kong, 30 September 2024

The engagement director on the audit resulting in this independent auditor's assurance report is:

Dr. Wan Alvin Tin Yau

Practising Certificate number: P04716

ANNUAL FINANCIAL REPORT
AGENCY FOR VOLUNTEER SERVICE
(WESTERN GARDEN NEIGHBOURHOOD ELDERLY CENTRE)
FOR THE YEAR FROM 1 APRIL 2023 TO 31 MARCH 2024

	Notes	Total 2023-24 HK\$	Total 2022-23 HK\$
A. INCOME			
1. Lump Sum Grant			
a. Lump Sum Grant (excluding Provident Fund)	1.2	5,701,852	5,221,520
b. Provident Fund	1.3	340,344	311,273
2. Fee Income	2	15,456	15,834
3. Central Items	3	-	-
4. Rent and Rates	4	1,343,708	1,343,708
5. Other Income	5	237,358	52,420
6. Interest Received		<u>20,966</u>	<u>14,825</u>
TOTAL INCOME		<u>7,659,684</u>	<u>6,959,580</u>
B. EXPENDITURE			
1. Personal Emoluments			
a. Salaries		4,597,358	4,588,857
b. Provident Fund	1.3	302,367	304,958
c. Allowances		-	-
Sub-total	6	<u>4,899,725</u>	<u>4,893,815</u>
2. Other Charges	7	812,531	736,715
3. Central Items	3	-	-
4. Rent and Rates	4	<u>1,408,675</u>	<u>978,359</u>
TOTAL EXPENDITURE		<u>7,120,931</u>	<u>6,608,889</u>
C. SURPLUS FOR THE YEAR	8	<u>538,753</u>	<u>350,691</u>

The Annual Financial Report from pages 4 to 9 has been prepared in accordance with the requirements as set out in the Lump Sum Grant Manual.

Signature



Ms. PANG, Melissa Kaye, BBS, MH, JP
Chairman
Date: **30 SEP 2024**



Ms. LEE, Pui Ki, Likie
Chief Executive Officer
Date: **30 SEP 2024**

ANNUAL FINANCIAL REPORT
AGENCY FOR VOLUNTEER SERVICE
NOTES TO THE ANNUAL FINANCIAL REPORT
FOR THE YEAR FROM 1 APRIL 2023 TO 31 MARCH 2024

1 Lump Sum Grant (LSG)

1.1 Basis of preparation

The Annual Financial Report (AFR) is prepared in respect of all Funding and Service Agreement (FSA) services (including support services to FSA services) funded by the Social Welfare Department 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.

1.2 Lump Sum Grant (excluding Provident Fund)

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

1.3 Provident Fund

- (a) This is Provident Fund received and contributed during the year.
- (b) Snapshot Staff are defined as those staff occupying recognised or holding against subvented posts as at 1 April 2000.
- (c) 6.8% and other posts represent those staff that are employed after 1 April 2000.
- (d) 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 disclosures have been shown under Note 3.

Details are analysed below:

<u>Provident Fund Contribution</u>	Snapshot Staff HK\$	6.8% and Other Posts HK\$	Total HK\$
Subvention Received	-	340,344	-
Provident Fund Contribution Paid during the Year	-	(302,367)	-
Surplus for the Year	-	37,977	-
<u>Add : Surplus brought forward</u>	<u>-</u>	<u>311,011</u>	<u>311,011</u>
Surplus carried forward	<u>-</u>	<u>348,988</u>	<u>311,011</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 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 2023 TO 31 MARCH 2024

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 (October 2016)).

No income was received and no expenditure was incurred for Central items.

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. In this respect, donations should be 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	HK\$	HK\$
(a) Programme income	237,358	42,420
(b) Production income	-	-
(c) Donation	-	10,000
(d) Income from Other Activities	-	-
Utilised allocation under Central Items (CI): After School Care Programme (ASCP) / Enhanced ASCP / ASCP(PC) – Fee	-	-
(e) Waiving Subsidy Scheme (FWSS) which forms as part of Other Income *	-	-
(f) Reimbursement of Maternity Leave Pay (RMLP) Scheme reimbursement received	-	-
(g) Miscellaneous income	-	-
Sub-Total	237,358	52,420
Less: Utilised allocation under CI: ASCP / Enhanced ASCP / ASCP(PC) - FWSS which forms as part of Other Income*	-	-
Total	237,358	52,420

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

ANNUAL FINANCIAL REPORT
AGENCY FOR VOLUNTEER SERVICE
NOTES TO THE ANNUAL FINANCIAL REPORT
FOR THE YEAR FROM 1 APRIL 2023 TO 31 MARCH 2024

6 Personal Emoluments

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

7 Other Charges

The breakdown on Other Charges is as follows:

	2023-24	2022-23
Other Charges	HK\$	HK\$
(a) Utilities	84,463	75,347
(b) Food	-	-
(c) Administrative Expenses	107,391	91,847
(d) Stores and Equipment	-	-
(e) Repair and Maintenance	35,312	56,910
(f) Special Allowances	-	-
(g) Volunteer Staff System	12,465	10,325
(h) Programme Expenses	465,737	376,045
(i) Transportation and Travelling	830	2,101
(j) Insurance [†]	26,633	5,622
(k) Miscellaneous	79,700	72,148
(l) Strengthen Controls for Pandemic [#]	-	46,370
Sub-Total	812,531	736,715
<u>Less:</u> Utilised allocation under CI: ASCP / Enhanced ASCP / ASCP(PC) - FWSS* which forms as part of Other Income	-	-
	812,531	736,715

[†] Insurance expenses of HK\$14,338 for 2022-23 was prepaid in 2021-22.

[#] SWD's letter of 8 Mar 2022 [Ref (49) in SWD/S/128/1-7] approving the use of LSG or LSG Reserve for the strengthening controls for COVID.

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

ANNUAL FINANCIAL REPORT
AGENCY FOR VOLUNTEER SERVICE
NOTES TO THE ANNUAL FINANCIAL REPORT
FOR THE YEAR FROM 1 APRIL 2023 TO 31 MARCH 2024

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\$
Income						
Lump Sum Grant	6,042,196	-	-	-	-	6,042,196
Fee Income	15,456	-	-	-	-	15,456
Other Income ⁺	237,358	-	-	-	-	237,358
Interest Received (Note (8.1))	20,966	-	-	-	-	20,966
Rent and Rates	-	-	-	1,343,708	-	1,343,708
Central Items	-	-	-	-	-	-
Total Income (a)	6,315,976	-	-	1,343,708	-	7,659,684
Expenditure						
Personal Emoluments	4,899,725	-	-	-	-	4,899,725
Other Charges	795,531	17,000	-	-	-	812,531
Rent and Rates	-	-	-	1,408,675	-	1,408,675
Central Items	-	-	-	-	-	-
Total Expenditure (b)	5,695,256	17,000	-	1,408,675	-	7,120,931
Surplus/(Deficit) for the Year (a) - (b)	620,720	(17,000)	-	(64,967)	-	538,753
Less						
Surplus of Provident Fund	37,977	-	-	-	-	37,977
	582,743	(17,000)	-	(64,967)	-	500,776
Surplus/ (Deficit) b/f (Note (8.2))	1,203,471	17,630	-	365,349	-	1,586,450
	1,786,214	630	-	300,382	-	2,087,226
Add : Refund from Government	-	-	-	-	-	-
Less						
Refund to Government	-	-	-	(365,349)	-	(365,349)
Transfer from LSG Reserve to cover the salary adjustment for Dementia Supplement and Infirmary Care Supplement (Note (8.3))	-	-	-	-	-	-
Adjustment for utilised allocation under Enhanced ASCP / ASCP(PC) – FWSS* (over-estimated) / under-estimated in previous year(s)	-	-	-	-	-	-
Surplus/ (Deficit) c/f (Note (8.4))	1,786,214	630	-	(64,967)	-	1,721,877

+ No amount was included in the utilised allocation under CI: ASCP / Enhanced ASCP / ASCP(PC) – FWSS*

Refer to SWD's letter on 4 April 2022 [Ref(11) in SWD/S/109/1-10], HA reserve of HK\$17,630 was merged with LSG reserve in 2022-23 as there was no Snapshot Staff as of September 2021

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

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AGENCY FOR VOLUNTEER SERVICE
NOTES TO THE ANNUAL FINANCIAL REPORT
FOR THE YEAR FROM 1 APRIL 2023 TO 31 MARCH 2024

8. Analysis of Lump Sum Grant Reserve and balances of other SWD subventions (*Cont'd*)

Notes:

- 8.1 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.
- 8.2 Accumulated balance of LSG Surplus b/f from previous years (including all interest received in previous years (see (8.1) above) and the balance of HA should be separately reported as in the surplus b/f under LSG and HA respectively.
- 8.3 Amount of LSG Reserve used to cover the salary adjustment for Dementia Supplement and Infirmity Care Supplement, if any, as per Schedule for Central Items.
- 8.4 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:

- (a) 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.

- (b) 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 details of (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 except for those 58 NGOs which are subject to Productivity Enhancement Programme as stipulated in SWD's letter under reference (9) in SWD/S/133/1 of 6 March 2024. For details of the claw-back arrangement of the said 58 NGOs, please refer to the above letter.) accordingly.

Schedule for Rent and Rates

Analysis of Subvention and Expenditure for the year from 1 April 2023 to 31 March 2024

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)	Deficit (Note 2) (a)-(b)
		HK\$	HK\$	HK\$	HK\$	HK\$
1029- Western Garden Neighbourhood Elderly Centre	Rent (Note 3)	-	1,296,425	1,359,296	-	(62,871)
	Rates	-	47,283	49,379	-	(2,096)
	Total	-	1,343,708	1,408,675	-	(64,967)

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

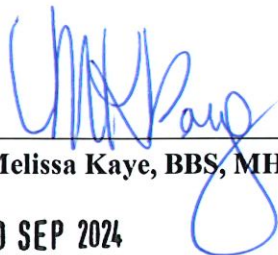
Analysis of Investment as at 31 March 2024

AGENCY FOR VOLUNTEER SERVICE
(Western Garden Neighbourhood Elderly Centre)

	2023-24 HK\$'000	2022-23 HK\$'000
LSG Reserve as at 31 March*	<u><u>1,787</u></u>	<u><u>1,221</u></u>
Represented by:		
Investments		
a. HKD Bank Account Balances	927	230
b. HKD 24-hour Call Deposits	-	-
c. HKD Fixed Deposits	860	991
d. HKD Certificate of Deposits	-	-
e. HKD Bonds	-	-
	<u><u>1,787</u></u>	<u><u>1,221</u></u>

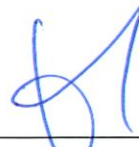
* This represents accumulated surplus from Lump Sum Grant (excluding Provident Fund)

Note: The investments are reported as historical cost

Signature


 Ms. PANG, Melissa Kaye, BBS, MH, JP
 Chairman

Date: 30 SEP 2024



 Ms. LEE, Pui Ki, Likie
 Chief Executive Officer

Date: 30 SEP 2024

Schedule for the Utilisation of Reserve in Holing Account (HA) for 2023-24
and the Plan of Utilization of HA Reserve for 2024-25

AGENCY FOR VOLUNTEER SERVICE
(Western Garden Neighbourhood Elderly Centre)

(A) Utilisation of HA Reserve (2023-24)

			HK\$
(1)	Balance as at 31 March 2023 brought forward	(a)	17,630
(2)	Actual Expenditure		
	(i) Meeting contractual commitments towards Snapshot Staff	(b)	-
	(ii) Enhancing human resources management - Staff development programme	(c)	17,000
	(iii) Others [applicable to NGOs without Snapshot Staff]	(d)	-
	Total= (b) + (c) + (d)	(e)	17,000
(3)	Balance as at 31 March 2024 carried forward [i.e.= (a) - (e)]	(f)	630
(4)	No. of Snapshot Staff (as at 1 September 2023)		NIL

(B) Plan of Utilisation of HA Reserve (2024-25)

			HK\$
(1)	Balance as at 31 March 2024 brought forward	(a)	630
(2)	Actual Expenditure		
	(i) Meeting contractual commitments towards Snapshot Staff	(b)	-
	(ii) Enhancing human resources management - Staff development programme	(c)	-
	(iii) Others [applicable to NGOs without Snapshot Staff]	(d)	-
	Total= (b) + (c) + (d)	(e)	630
(3)	Estimated balance as at 31 March 2025 carried forward [i.e.= (a) - (e)] #	(f)	630
(4)	No. of Snapshot Staff (as at 1 September 2024)		NIL

Refer to SWD's letter on 4 April 2022 [Ref (11) in SWD/S/109/1-10], HA reserve of HK\$17,630 was merged with LSG reserve in 2022-23 as there was no Snapshot Staff as of September 2021. From the fourth financial year onwards (2025-26), any balance of this HA reserve will be counted as a combined reserve with LSG reserve, of which any amount over 25% of the operating expenditure of the year shall be refunded to the Government