

ANNUAL FINANCIAL REPORT

NGO: THE CHILD DEVELOPMENT CENTRE

1 APRIL 2012 to 31 MARCH 2013

	Notes	2012-13 \$	2011-12 \$
A. INCOME			
1. Lump Sum Grant		3,547,163	3,354,273
a. Lump Sum Grant (excluding Provident Fund)	1b	3,340,739	3,159,142
b. Provident Fund	1c	206,424	195,131
2. Special One-off Grant		-	-
3. Fee Income	2	-	-
4. Central Items	3	87,941	85,846
5. Rent and Rates	4	496,833	792,261
6. Other Income	5	-	-
7. Interest Received		-	-
TOTAL INCOME		4,131,937	4,232,380
 B. EXPENDITURE			
1. Personal Emoluments			
a. Salaries		3,408,219	3,230,767
b. Provident Fund	1c	148,089	116,142
c. Allowances		-	-
Sub-total	6	3,556,308	3,346,909
2. Other Charges	7		
3. Central Items	3	86,459	84,217
4. Rent and Rates	4	489,170	481,507
5. Special One-off Grant Payments	7a	-	-
TOTAL EXPENDITURE		4,131,937	3,912,633
 C. SURPLUS/(DEFICIT) FOR THE YEAR	 8	 -	 319,747

SIGNATURE

Gavin Lee

CHAIRMAN

DATE: 09 DEC 2013

[Signature]

CHIEF EXECUTIVE

DATE: 09 DEC 2013

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 **should not be 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 should be shown under **3**. In other words, such PF should not be included here (paragraph 3.12 of LSG Manual). Details are analysed below :

<u>Provident Fund Contribution</u>	Snapshot Staff	6.8% and Other Posts	Total
	\$	\$	\$
Subvention Received	-	206,424	206,424
Provident Fund Contribution Paid during the Year	-	(148,089)	(148,089)
Surplus/ (Deficit) for the Year	-	58,335	58,335
<u>Add</u> : Surplus/(Deficit) b/f	-	121,138	121,138
Surplus/(Deficit) c/f	-	179,473	179,473

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

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 should be 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:

a. Income	2012-13	2011-12
	\$	\$
Dementia Supplement for Elderly with Disabilities	-	-
Infirmity Care Supplement for the Aged Blind Person	-	-
Dementia Supplement for Residential Elderly Services	-	-
Infirmity 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	-	-
Permanent and Time-defined Programme Assistants/Care Assistants for Elderly Services and Rehabilitation Medical and Social Services	-	-
Temporary Financial Aid	-	-
Emergency Fund	-	-
Time-defined Subsidy Scheme for Extended Hours Child Care Services	-	-
Visiting Medical Practitioner Scheme ¹	-	-
Training Subsidy Scheme for Standalone Child Care Centre (CCC), KG-cum-CCC and Residential CCC	-	-
Training Subsidy under Training Scheme for Child Care Supervisors and Special Child Care Workers in Pre-school Rehabilitation Services	-	-
Programme Work posts extended for one year in 2011-12	-	-
Regularized Programme Assistant (PA)/Care Assistants (CA)	87,941	85,846
Subsidy under the Home Environment Improvement Scheme for the Elderly	-	-
Short-term Rental Assistance to Newly Discharged Prisoners	-	-
One-off Supplementary Grant for Service Re-engineering Plan of the Factory for the Blind	-	-
Overnight On-site-on-call Allowance	-	-
Neighbourhood Service Child Care Project (NSCCP) - Contract Subsidy	-	-
NSCCP - Subsidy for Fee Reducdtion/waiving	-	-
Total	87,941	85,846

¹ Visiting Medical Practitioner Scheme has ceased to be a Central Item with effect from 1 August 2009.

b. Expenditure	2012-13	2011-12
	\$	\$
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	-	-
Permanent and Time-defined Programme Assistants/Care Assistants for Elderly Services and Rehabilitation Medical and Social Services	-	-
Temporary Financial Aid	-	-
Emergency Fund	-	-
Time-defined Subsidy Scheme for Extended Hours Child Care Services	-	-
Visiting Medical Practitioner Scheme ¹	-	-
Training Subsidy Scheme for Standalone Child Care Centre (CCC), KG-cum-CCC and Residential CCC	-	-
Training Subsidy under Training Scheme for Child Care Supervisors and Special Child Care Workers in Pre-school Rehabilitation Services	-	-
Programme Work posts extended for one year in 2011-12	-	-
Regularized Programme Assistant (PA)/Care Assistants (CA)	86,459	84,217
Subsidy under the Home Environment Improvement Scheme for the Elderly	-	-
Short-term Rental Assistance to Newly Discharged Prisoners	-	-
One-off Supplementary Grant for Service Re-engineering Plan of the Factory for the Blind	-	-
Overnight On-site-on-call Allowance	-	-
Neighbourhood Service Child Care Project (NSCCP) - Contract Subsidy	-	-
NSCCP - Subsidy for Fee Reducdtion/waiving	-	-
Total	86,459	84,217

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 should not be 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 need not be included as Other Income in AFR. However, treatment of fees and charges as specified under para.2.27 to 2.28 of the LSG Manual remains unchanged (paragraph 3.9 of the Manual).
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:

Analysis of Personal Emoluments	No of Posts	\$
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 :

	2012 - 13	2011 - 12
Other Charges	\$	\$
(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	-	-
Total	-	-

7a. Special One-off Grant Payments

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

	2012 - 13	2011 - 12
Special one-off Grant Payment	\$	\$
(a) Voluntary Retirement Scheme	-	-
(b) Compensation Scheme	-	-
(c) Staff Training and Development	-	-
(d) Other Staff-related Initiatives	-	-
Total	<u>-</u>	<u>-</u>

8. Analysis of Reserve Fund

	Analysis of Reserve Fund				
	Lump Sum Grant (LSG)	Special One-off Grant (SOG)	Rent and Rates	Central Items	Total
	\$	\$	\$	\$	\$
Income					
Lump Sum Grant	3,547,163	-	-	-	3,547,163
Special One-off Grant	-	-	-	-	-
Fee Income	-	-	-	-	-
Other Income	-	-	-	-	-
Interest Received (Note (1))	-	-	-	-	-
Rent and Rates	-	-	496,833	-	496,833
Central Items	-	-	-	87,941	87,941
Total Income (a)	3,547,163	-	496,833	87,941	4,131,937
Expenditure					
Personal Emoluments	3,556,308	-	-	-	3,556,308
Other Charges	-	-	-	-	-
Rent and Rates	-	-	489,170	-	489,170
Central Items	-	-	-	86,459	86,459
Special One-off Grant Payments	-	-	-	-	-
Total Expenditure (b)	3,556,308	-	489,170	86,459	4,131,937
Surplus/(Deficit) for the Year (a) - (b)	(9,145)	-	7,663	1,482	-
Less: Surplus/(Deficit) of Provident Fund	58,335	-	-	-	58,335
	(67,480)	-	7,663	1,482	(58,335)
Surplus/(Deficit) b/f (Note (2))	-	-	-	1,629	1,629
	(67,480)	-	7,663	3,111	(56,706)
Less: Refund to Government	-	-	-	-	-
Transfer from LSG Reserve to cover the salary adjustment for Programme Assistants, Care Assistants, Dementia Supplement and Infirmity Care Supplementary (Note (3))	-	-	-	-	-
Income for 2011/2012	-	-	7,663	-	7,663
Add: Deficit absorb by Agency	67,480	-	-	-	67,480
Surplus/(Deficit) c/f (Note (4))	-	-	-	3,111	3,111

Notes:

- (1) Interest received on LSG and PF reserves, rent and rates, central items, Special One-off Grant should all be included as one item under LSG; and the item is considered as part of LSG reserve.
- (2) Accumulated balance Lump Sum Grant Surplus b/f from previous years and all interest received in previous years should be included in the surplus b/f under LSG.
- (3) Amount of LSG Reserve used to cover the salary adjustment for Programme Assistants, Care Assistants, Dementia Supplement and Infirmity Care Supplement, if any, as per **Annex 2**.
- (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 2012 to 31st March 2013**

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		Surplus b/f (Note 5) (e)	Surplus c/f (Note 6) (f)=(e)+(a)-(d)
						Deficit transferred to LSG (Note 4) (c)	Adjusted Deficit (d) = (b) - (c)		
		\$	\$	\$	\$	\$	\$		
	Dementia Supplement for Elderly with Disabilities							N.A.	N.A.
	Infirmity Care Supplement for the Aged Blind Persons							N.A.	N.A.
	Dementia Supplement for Residential Elderly Services							N.A.	N.A.
	Infirmity Care Supplement for Residential Elderly services							N.A.	N.A.
	Dementia Supplement for Day Care Centres/Units for the Elderly							N.A.	N.A.
	Foster Care Allowance / Emergency Foster Care Allowance							N.A.	N.A.
	After School Care Programme							N.A.	N.A.
	Programme Assistants / Care Assistant (Permanent) - Elderly Services							N.A.	N.A.
	Programme Assistants / Care Assistant (Permanent) - Rehabilitation Medical and Social Services							N.A.	N.A.
498 - The Child Development Centre	Temporary Financial Aid	87,941	86,459	1,482	-			1,629	3,111
	Emergency Fund								
	Extension of Time-defined Subsidy Scheme for Extended Hours Child Care Service (1 April 2011 - 31 March 2014)								
	Visiting Medical Practitioner Scheme	N.A.							
	Training Subsidy Scheme for Standalone Child Care Centre (CCC), KG- cum-CCC and Residential CCC								
	Training Subsidy under Training Scheme for Child Care Supervisors and Special Child Care Workers in Pre-school Rehabilitation Services								
	Programme Work posts extended for one year in 2011-12								
	Regularized Programme Assistants (PA) / Care Assistants (CA)								
N.A.	Subsidy under the Home Environment Improvement Scheme for the Elderly								
	Overnight On-site-on-call Allowance								
	Neighbourhood Service Child Care Project - Contract Subsidy								
	Neighbourhood Service Child Care Project - Subsidy for Fee Reduction/Waiving								
TOTAL		87,941	86,459	1,482	-	-	-	1,629	3,111

Schedule for Central Items
Analysis of Subvention and Expenditure for the Period from 1st April 2012 to 31st March 2013

Notes:

1. The figures for the whole financial year can be 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 can be transferred to the Lump Sum Grant Reserve as stated in our letter ref. (23) in SWD/S/104/2 Pt. 4 dated 16 July 2008.
 - (i) Dementia Supplement for Elderly with Disabilities
 - (ii) Infirmity Care Supplement for the Aged Blind Persons
 - (iii) Dementia Supplement for Residential Elderly Services
 - (iv) Infirmity Care Supplement for Residential Elderly services
 - (v) Regularized Programme Assistants (PA) / Care Assistants (CA)
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 codes and names assigned by SWD should be filled, if available.
8. 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.

Schedule for Rent and Rates

Analysis of Subvention and Expenditure for the period from 01-04-2012 to 31-03-2013

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)
2011/2012		\$	\$	\$	\$
A498 - The Child Development Centre	Rent (Note 3)	7,663	-	7,663	
	Rates	-	-	-	
	Total	7,663	-	7,663	
2012/2013					
A498 - The Child Development Centre	Rent (Note 3)	460,766	460,766	-	
	Rates	28,404	28,404	-	
	Total	489,170	489,170	-	
	Rent (Note 3)				
	Rates				
	Total				
	Rent (Note 3)				
	Rates				
	Total				
	Rent (Note 3)				
	Rates				
	Total				
	Grand Total	496,833	489,170	7,663	-

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.