

The financial information of Annual Financial Report (AFR) presented here is not the statutory financial statements of the Society for that year. Further information relating to those statutory financial statements required to be disclosed in accordance with section 436 of the Companies Ordinance is as follows:

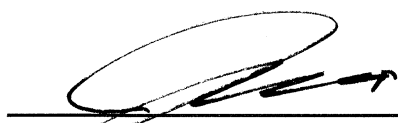
The Society would present the statutory financial statements of the Society to the Registrar of Companies as required by section 662(3) of, and part 3 of Schedule 6 to, the Companies Ordinance.

The Society's auditor has reported on those statutory financial statements. The auditor's report was neither qualified nor modified; did not refer to any matter to which the auditor drew attention by way of emphasis without qualifying the report; and did not contain a statement under section 406(2) of (3) of the Companies Ordinance.

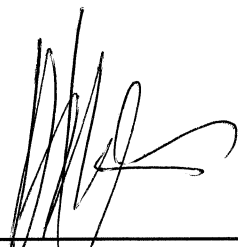
ANNUAL FINANCIAL REPORT
NGO : THE SOCIETY OF REHABILITATION AND CRIME PREVENTION, HONG KONG
1 APRIL 2021 TO 31 MARCH 2022

	Notes	<u>2021-22</u> \$	<u>2020-21</u> \$
A. INCOME			
1. Lump Sum Grant			
a. Lump Sum Grant (excluding Provident Fund)	1b	128,929,922	130,258,109
b. Provident Fund	1c	10,499,013	10,764,146
2. Fee Income	2	1,863,074	1,911,497
3. Central Items	3	4,596,600	3,764,878
4. Rent and Rates	4	4,069,312	3,591,309
5. Other Income	5	436,283	296,742
6. Interest Received		48,437	265,968
TOTAL INCOME		150,442,641	150,852,649
B. EXPENDITURE			
1. Personal Emoluments			
a. Salaries		115,932,651	114,874,292
b. Provident Fund	1c	10,185,121	10,015,659
c. Allowances		449,397	192,326
	6	126,567,169	125,082,277
2. Other Charges	7	14,982,653	13,446,196
3. Central Items	3	3,390,040	3,125,013
4. Rent and Rates	4	3,816,598	3,718,665
TOTAL EXPENDITURE		148,756,460	145,372,151
C. SURPLUS/(DEFICIT) FOR THE YEAR	8	1,686,181	5,480,498

The Annual Financial Report from pages 2 to 5 has been prepared in accordance with the requirements as set out in the Lump Sum Grant Manual.



The Hon. Mr. Justice POON Siu-tung
Chairperson
Date: 6 October, 2022



Ms. Anthea LEE Shuk-wai
Chief Executive
Date: 6 October, 2022

THE SOCIETY OF REHABILITATION AND CRIME PREVENTION, HONG KONG

NOTES ON THE ANNUAL FINANCIAL REPORT

1 APRIL 2021 TO 31 MARCH 2022

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 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>
	\$	\$	\$
Subvention Received	3,654,254	6,844,759	10,499,013
Provident Fund Contribution			
Paid during the Year	(3,315,766)	(6,869,355)	(10,185,121)
Surplus for the Year	338,488	(24,596)	313,892
Add: Surplus b/f	761,334	13,692,872	14,454,206
Less: Surplus of 2019/20 refund to government	(492,150)	-	(492,150)
Add: Additional PF for 6.8% post for 2019/20 arising from departure of Snapshot staff	-	157,406	157,406
Surplus c/f	<u>607,672</u>	<u>13,825,682</u>	<u>14,433,354</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.

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 Agency. 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)).

	<u>2021-22</u>	<u>2020-21</u>
	\$	\$
a. <u>Income</u>		
Short-term Rental Assistance to Newly Discharged Prisoners	1,600,000	1,110,000
Allowances for Specific Services Arising from the Implementation of the Minimum Wage Ordinance (Overnight On-site-on-call Allowance)	1,403,652	1,403,652
Allowance for Staff of Subvented Residential Service Units in respect of COVID-19	-	438,934
Visiting Medical Practitioner Scheme	780,000	-
Subvention Allocation of Ethnic Minority District Ambassador (EMDA) Posts	812,948	812,292
Total	<u>4,596,600</u>	<u>3,764,878</u>
b. <u>Expenditure</u>		
Short-term Rental Assistance to Newly Discharged Prisoners	1,510,307	1,303,081
Financial Incentive Scheme for Mentors of Employees with Disabilities	17,080	6,650
Allowances for Specific Services Arising from the Implementation of the Minimum Wage Ordinance (Overnight On-site-on-call Allowance)	1,135,966	1,116,757
Subvention Allocation of Ethnic Minority District Ambassador (EMDA) Posts	726,687	336,885
Allowance for Staff of Subvented Residential Service Units in respect of COVID-19	-	361,640
Total	<u>3,390,040</u>	<u>3,125,013</u>

THE SOCIETY OF REHABILITATION AND CRIME PREVENTION, HONG KONG
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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 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>	<u>2020-21</u>
	\$	\$
(a) Fees and charges for services incidental to the operation of subvented services	386,108	296,742
(b) Reimbursement of Maternity Leave Pay Scheme reimbursement received	50,175	-
	<u>436,283</u>	<u>296,742</u>

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:

<u>Analysis of Personal Emoluments</u>	<u>No. of Posts</u>	<u>\$</u>
HK\$700,001 - HK\$800,000 p.a.	12	9,035,522
HK\$800,001 - HK\$900,000 p.a.	8	6,718,647
HK\$900,001 - HK\$1,000,000 p.a.	3	2,826,530
HK\$1,000,001 - HK\$1,100,000 p.a.	10	10,210,607
HK\$1,100,001 - HK\$1,200,000 p.a.	2	2,327,304
>HK\$1,200,000 p.a.	4	5,579,617

7. Other Charges

The breakdown on Other Charges is as follows:

<u>Other Charges</u>	<u>2021-22</u>	<u>2020-21</u>
	\$	\$
(a) Utilities	1,677,755	1,109,560
(b) Food	3,109,806	2,983,252
(c) Administrative Expenses	1,020,933	922,877
(d) Stores and Equipment	2,543,000	2,216,057
(e) Repair and Maintenance	1,199,594	2,145,316
(f) Programme Expenses	2,707,056	2,062,942
(g) Transportation and Travelling	380,362	343,778
(h) Insurance	1,704,385	977,911
(i) Miscellaneous	639,762	684,503
Total	<u>14,982,653</u>	<u>13,446,196</u>

THE SOCIETY OF REHABILITATION AND CRIME PREVENTION, HONG KONG
 NOTES ON THE ANNUAL FINANCIAL REPORT
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8. Analysis of Lump Sum Grant Reserve and balances of other SWD subventions

	Lump Sum Grant (LSG)	Adjustment for utilised allocation under ASCP/ Enhanced ASCP-FWSS	Rent and Rates	Central Items	Total
	\$	\$	\$	\$	\$
Income					
Lump Sum Grant	139,428,935	-	-	-	139,428,935
Fee Income	1,863,074	-	-	-	1,863,074
Other Income	436,283	-	-	-	436,283
Interest Received (Note (1))	48,437	-	-	-	48,437
Rent and Rates	-	-	4,069,312	-	4,069,312
Central Items	-	-	-	4,596,600	4,596,600
Total Income (a)	141,776,729	-	4,069,312	4,596,600	150,442,641
Expenditure					
Personal Emoluments	126,567,169	-	-	-	126,567,169
Other Charges	14,982,653	-	-	-	14,982,653
Rent and Rates	-	-	3,816,598	-	3,816,598
Central Items	-	-	-	3,390,040	3,390,040
Total Expenditure (b)	141,549,822	-	3,816,598	3,390,040	148,756,460
Surplus/(Deficit) for the Year (a)-(b)	226,907	-	252,714	1,206,560	1,686,181
Less : Surplus of Provident Fund	(313,892)	-	-	-	(313,892)
	(86,985)	-	252,714	1,206,560	1,372,289
Surplus/(Deficit) b/f (Note (2))	41,027,416	-	(1,732,716)	1,116,996	40,411,696
Refund to Government	-	-	(240,830)	(364,189)	(605,019)
Surplus/(Deficit) c/f (Note (4))	40,940,431	-	(1,720,832)	1,959,367	41,178,966

Notes :

- # No items being the utilised allocation under CI - ASCP / Enhanced ASCP - FWSS*
- * For those programmes which are regarded as FSA-related activities only
- (1) Interest received on LSG and PF 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 Lump Sum Grant Surplus b/f from previous years (including holding account) 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 Dementia Supplement and Infirmary Care Supplement, if any, as per Schedule for Central Items.
- (4) The level of LSG cumulative reserve (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.