

THE HONG KONG DOWN SYNDROME ASSOCIATION
香港唐氏綜合症協會

(INCORPORATED IN HONG KONG AND LIMITED BY GUARANTEE)

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 31 MARCH 2021
FOR SUBMISSION TO THE SOCIAL WELFARE DEPARTMENT



**REVIEW REPORT ON THE ANNUAL FINANCIAL REPORT
TO THE COMMITTEE OF
THE HONG KONG DOWN SYNDROME ASSOCIATION
香港唐氏綜合症協會
(incorporated in Hong Kong and limited by guarantee)**

譚根榮會計師行
香港九龍觀塘道 370 號
創紀之城 3 期 20 樓 2002 室

K.W. Tam & Co.
Certified Public Accountants (Practising)
Unit 2002, 20/F, Millennium City 3,
370 Kwun Tong Road, Kowloon,
Hong Kong

Tel : (852) 2393 1168
Fax : (852) 2393 2988
www.kwtamco.com.hk

We have audited the financial statements of The Hong Kong Down Syndrome Association (“the Association”) for the year ended 31 March 2021 and have issued an unqualified auditors’ report thereon dated 27 October 2021.

We conducted our review of the attached Annual Financial Report on pages 2 to 9 of the Association for the year ended 31 March 2021 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 Association, on which the above audited financial statements of the Association 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 Association for the year ended 31 March 2021:

- a. in our opinion the Annual Financial Report has been properly prepared from the books and records of the Association; and
- b. no matters have come to our attention during the course of our review, which cause us to believe that the Association 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 2021.

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.

K.W. Tam & Co.
Certified Public Accountants (Practising)
Unit 2002, 20th Floor,
Millennium City 3,
370 Kwun Tong Road,
Kowloon, Hong Kong

27 October 2021

ANNUAL FINANCIAL REPORT

NGO : 315 THE HONG KONG DOWN SYNDROME ASSOCIATION

香港唐氏綜合症協會

1 APRIL 2020 TO 31 MARCH 2021

	Note	Total 2020-21 HK\$	Total 2019-20 HK\$
A. INCOME			
1. Lump Sum Grant		18,199,296.00	18,012,630.00
a. Lump Sum Grant (excluding Provident Fund)	1b	17,300,982.00	17,114,208.00
b. Provident Fund	1c	898,314.00	898,422.00
2. Fee Income	2	4,288.00	4,859.00
3. Central Items	3	---	---
4. Rent and Rates	4	748,457.00	746,345.00
5. Other Income	5	84,291.20	503,860.36
6. Interest Received		78,933.12	53,452.23
TOTAL INCOME		19,115,265.32	19,321,146.59
B. EXPENDITURE			
1. Personal Emoluments			
a. Salaries		14,801,160.90	13,164,513.26
b. Provident Fund	1c	794,755.76	732,071.85
c. Allowances		---	---
Sub-total	6	15,595,916.66	13,896,585.11
2. Other Charges	7	2,369,199.72	2,526,903.77
3. Central Items	3	---	---
4. Rent and Rates	4	733,031.20	752,412.40
TOTAL EXPENDITURE		18,698,147.58	17,175,901.28
C. SURPLUS FOR THE YEAR	8	417,117.74	2,145,245.31

The Annual Financial Report from pages 2 to 9 has been prepared in accordance with the requirements as set out in the Lump Sum Grant Manual.

SIGNATURE


Chairman
Date: 27 October 2021

SIGNATURE


Chief Executive
Date: 27 October 2021

NGO: 315 THE HONG KONG DOWN SYNDROME ASSOCIATION 香港唐氏綜合症協會
ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 31 MARCH 2021

NOTES ON THE ANNUAL FINANCIAL REPORT

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 (SWD) 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. Please note that the PF received and contributed for staff under the Central Item have been shown under 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	41,231.00	857,083.00	898,314.00
Provident Fund Contribution Paid during the Year	<u>(41,632.80)</u>	<u>(753,122.96)</u>	<u>(794,755.76)</u>
Surplus / (Deficit) for the Year	(401.80)	103,960.04	103,558.24
<u>Add:</u> Surplus b/f	(781.00)	2,008,867.15	2,008,086.15
Additional subvention received for previous year	<u>380.00</u>	---	<u>380.00</u>
Surplus c/f	<u><u>(802.80)</u></u>	<u><u>2,112,827.19</u></u>	<u><u>2,112,024.39</u></u>

NGO: 315 THE HONG KONG DOWN SYNDROME ASSOCIATION 香港唐氏綜合症協會
ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 31 MARCH 2021

NOTES ON THE ANNUAL FINANCIAL REPORT

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 NGOs. The PF received and contributed for staff under 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>2020-21</u> HK\$	<u>2019-20</u> HK\$
a. Income		
Regularised Programme Assistants (PA)	---	---
Mentors of Employees with Disabilities	---	---
	<hr/>	<hr/>
Total	---	---
	<hr/> <hr/>	<hr/> <hr/>
b. Expenditure		
Regularised Programme Assistants (PA)	---	---
Mentors of Employees with Disabilities	---	---
	<hr/>	<hr/>
Total	---	---
	<hr/> <hr/>	<hr/> <hr/>

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 (paragraph 2.29 of LSG Manual (October 2016)) is as follows:

	<u>2020-21</u> HK\$	<u>2019-20</u> HK\$
Other Income		
(a) Fees and charges for services incidental to the operation of subvented services	74,791.20	347,060.00
(b) Others	9,500.00	156,800.36
	<hr/>	<hr/>
Total	84,291.20	503,860.36
	<hr/> <hr/>	<hr/> <hr/>

NGO: 315 THE HONG KONG DOWN SYNDROME ASSOCIATION 香港唐氏綜合症協會
ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 31 MARCH 2021

NOTES ON THE ANNUAL FINANCIAL REPORT

6 Personal Emoluments Personal Emoluments include salary, provident fund and salary-related allowances.

The analysis on number of posts with annual Personal Emoluments over HK\$700,000 each is appended below:

<u>Analysis of Personal Emoluments</u>	<u>No of Posts</u>	<u>HK\$</u>
HK\$700,001 - HK\$800,000 p.a.	---	---
HK\$800,001 - HK\$900,000 p.a.	1	800,501.00
HK\$900,001 - HK\$1,000,000 p.a.	---	---
HK\$1,000,001 - HK\$1,100,000 p.a.	---	---
HK\$1,100,001 - HK\$1,200,000 p.a.	---	---
>HK\$1,200,000 p.a.	---	---

7 Other Charges

The breakdown on Other Charges is as follows:

<u>Other Charges</u>	<u>2020-21</u>	<u>2019-20</u>
	<u>HK\$</u>	<u>HK\$</u>
(a) Utilities	97,455.95	206,727.30
(b) Food	81.50	794.50
(c) Administrative Expenses	192,360.60	254,918.08
(d) Stores and Equipment	555,433.79	602,701.19
(e) Repair and Maintenance	198,921.15	125,970.70
(f) Special Allowances	756,779.54	495,697.02
(g) Programme Expenses	232,958.95	540,208.84
(h) Transportation and Travelling	36,460.94	42,711.32
(i) Insurance	201,401.50	154,976.32
(j) Miscellaneous	97,345.80	102,198.50
Total:	<u>2,369,199.72</u>	<u>2,526,903.77</u>

NGO: 315 THE HONG KONG DOWN SYNDROME ASSOCIATION 香港唐氏綜合症協會
ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 31 MARCH 2021

NOTES ON THE ANNUAL FINANCIAL REPORT

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

	Lump Sum Grant (LSG)	Rent and Rates	Central Items	Total
	HK\$	HK\$	HK\$	HK\$
Income				
Lump Sum Grant	18,199,296.00	---	---	18,199,296.00
Fee Income	4,288.00	---	---	4,288.00
Other Income	84,291.20	---	---	84,291.20
Interest Received (Note (1))	78,933.12	---	---	78,933.12
Rent and Rates	---	748,457.00	---	748,457.00
Central Items	---	---	---	---
Total Income (a)	18,366,808.32	748,457.00	---	19,115,265.32
Expenditure				
Personal Emoluments	15,595,916.66	---	---	15,595,916.66
Other Charges	2,369,199.72	---	---	2,369,199.72
Rent and Rates	---	733,031.20	---	733,031.20
Central Items	---	---	---	---
Total Expenditure (b)	17,965,116.38	733,031.20	---	18,698,147.58
Surplus/ (Deficit) for the year (a) - (b)	401,691.94	15,425.80	---	417,117.74
Less: Surplus/ (Deficit) of Provident Fund	103,558.24	---	---	103,558.24
	298,133.70	15,425.80	---	313,559.50
Surplus/ (Deficit) b/f (Note (2))	6,541,961.00	(12,432.00)	220,500.00	6,750,029.00
	6,840,094.70	2,993.80	220,500.00	7,063,588.50
Add: Refund from Government	---	16,404.00	---	16,404.00
Less: Refund to Government (Note (3))	(1,261,197.00)	(344.00)	---	(1,261,541.00)
Less: Adjustment for Rent and Rates in previous years	(28,036.00)	---	---	(28,036.00)
Surplus/ (Deficit) c/f (Note (4))	5,550,861.70	19,053.80	220,500.00	5,790,415.50

Notes:

- (1) Interest received on LSG and PF reserves, rent and rates, central items, Special One-off Grant is included as one item under LSG; and the item is considered as part of LSG reserve.
- (2) Accumulated balance of LSG 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, less LSG Reserve kept in the holding account, 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 01-04-2020 to 31-03-2021

Name of Agency : 315 THE HONG KONG DOWN SYNDROME ASSOCIATION 香港唐氏綜合症協會
 2020/21

Unit Code and Name (Note 7)	Subvented Element	Subvention Released (Note 1)	Actual Expenditure (Note 2)	Surplus (Note 3) (a)	Deficit for the year			Surplus b/f (Note 5) (e)	Surplus c/f (Note 6) (f)=(e)+(a)-(d)
					Deficit (Note 3) (b)	Deficit transferred to LSG (Note 4) (c)	Adjusted Deficit (d)=(b)-(c)		
315S	Regularised Programme Assistants (PA)/ Care Assistants (CA)	HK\$ ---	HK\$ ---	HK\$ ---	HK\$ ---	N.A.	HK\$ ---	N.A.	N.A.
6455	Mentors of Employees with Disabilities	---	---	---	---	N.A.	---	220,500.00	---
Total:		---	---	---	---	N.A.	---	220,500.00	---

Notes:

1. The figures for the whole financial year are 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 are transferred to the Lump Sum Grant Reserve as stated in SWD's letter ref. (9) in SWD/S/104/2 Pt.16 dated 20 July 2016
 - (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
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 code and name are extracted from the payroll from SWD.
8. The central items as listed above may not be exhaustive and any relevant details of central items released and/or expended during the year, where appropriate, should also be included.

Schedule for Rent and Rates
Analysis of Subvention and Expenditure for the period from 01-04-2020 to 31-03-2021

Name of Agency : 315 THE HONG KONG DOWN SYNDROME ASSOCIATION 香港唐氏綜合症協會

Unit Code and Name	Subvented Element	Subvention Released (Note 1)	Actual Expenditure	Surplus (Note 2)	Deficit (Note 2)
		HK\$	HK\$	HK\$	HK\$
Unit 2271 Bradbury Parents Resource Centre	Rent (Note 3)	131,621.00	131,208.00	413.00	---
	Rates	13,136.00	6,709.20	6,426.80	---
	Total	144,757.00	137,917.20	6,839.80	---
Unit 2272 Supported Employment Programme	Rent (Note 3)	67,890.00	66,114.00	1,776.00	---
	Rates	1,357.00	---	1,357.00	---
	Total	69,247.00	66,114.00	3,133.00	---
Unit 2771 Tiptop Training Centre	Rent (Note 3)	482,000.00	467,280.00	14,720.00	---
	- Carpark Rent	45,953.00	39,720.00	6,233.00	---
	Rates	22,904.00	22,000.00	904.00	---
	Total	550,857.00	529,000.00	21,857.00	---
	Grand Total:	764,861.00	733,031.20	31,829.80	---

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.

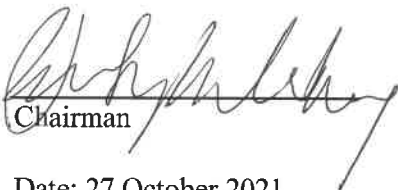
Schedule for Investment
Analysis of Investment as at 31 March 2021

Agency: The Hong Kong Down Syndrome Association

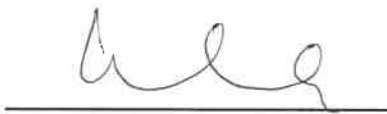
	<u>4/2020 to 3/2021</u>	<u>4/2019 to 3/2020</u>
	<u>HK\$'000</u>	<u>HK\$'000</u>
	<u>\$</u>	<u>\$</u>
LSG Reserve as at 31 March	<u>5,550</u>	<u>6,542</u>
Represented by:		
Investments		
a. HKD Bank Account Balances	269	1,484
b. HKD 24-hour Call Deposits	---	---
c. HKD Fixed Deposits	5,281	5,058
d. HKD Certificate of Deposits	---	---
e. HKD Bonds (see appendix for breakdown)	---	---
	<u>5,550</u>	<u>6,542</u>

Note: The investments should be reported at historical cost.

Confirmed by:-


Chairman

Date: 27 October 2021


Chief Executive

Date: 27 October 2021