



ANNUAL FINANCIAL REPORT

OF

香港失明人互聯會
HONG KONG FEDERATION OF THE BLIND

LUMP SUM GRANT

FOR THE YEAR ENDED 31ST MARCH 2024

(EXPRESSED IN HONG KONG DOLLARS)

葉梁會計師事務所
YIP, LEUNG & CO.
Certified Public Accountants

**REVIEW REPORT TO THE MANAGEMENT BOARD OF
HONG KONG FEDERATION OF THE BLIND (“THE NGO”)**

We have audited the financial statements of the NGO for the year ended 31st 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 unqualified auditor’s report thereon dated 21st October 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 (“AFR”) of the NGO for the year ended 31st March 2024.

Responsibilities of the Management Board

In relation to this report, the Management Board are responsible for ensuring the AFR of the NGO for the year ended 31st 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 NGO 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.

Auditors’ Responsibility

Our responsibility is to form a conclusion, based on our engagement, and to report our conclusion to you.

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 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 respect, 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 relation 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.

Conclusion

1. In our opinion, the AFR of the NGO for the year ended 31st 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 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.

Yip, Leung & Co.
Certified Public Accountants

Unit D, 12/F., Tak Lee Commercial Building,
113-7 Wan Chai Road, Wanchai, Hong Kong
Hong Kong, 21 OCT 2024

ANNUAL FINANCIAL REPORT

NGO: 328 HONG KONG FEDERATION OF THE BLIND

(1 April 2023 to 31 March 2024)

	Notes	2023-24 \$	2022-23 \$
A. INCOME			
1. Lump Sum Grant			
a. Lump Sum Grant (excluding Provident Fund)	1b	3,887,452.00	3,724,009.00
b. Provident Fund	1c	238,494.00	225,589.00
2. Fee Income	2	11,591.00	13,169.00
3. Central Items	3	-	-
4. Rent and Rates	4	38,654.00	7,345.00
5. Other Income	5	627,795.05	465,971.00
6. Interest Received		8,381.93	1,690.48
TOTAL INCOME		4,812,367.98	4,437,773.48
B. EXPENDITURE			
1. Personal Emoluments			
a. Salaries		3,440,335.88	2,906,771.15
b. Provident Fund	1c	224,600.99	190,752.80
c. Allowances		-	-
Sub-total	6	3,664,936.87	3,097,523.95
2. Other Charges	7	1,113,978.46	1,094,825.20
3. Central Items	3	-	-
4. Rent and Rates	4	15,400.00	6,566.00
TOTAL EXPENDITURE		4,794,315.33	4,198,915.15
C. SURPLUS FOR THE YEAR	8	18,052.65	238,858.33

The Annual Financial Report from pages 2 to 14 has been prepared in accordance with the requirements as set out in the Lump Sum Grant Manual.

SIGNATURE



CHAIRMAN

DATE: 21 OCT 2024

SIGNATURE

TREASURER

DATE: 21 OCT 2024

NOTES ON THE ANNUAL FINANCIAL REPORT

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) services (including support services to FSA services) 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 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	6.8% and Other Posts	Total
	\$	\$	\$
Subvention Received	-	238,494.00	238,494.00
Provident Fund Contribution Paid during the Year	-	(224,600.99)	(224,600.99)
Surplus for the Year	-	13,893.01	13,893.01
Add : Surplus b/f	-	326,623.07	326,623.07
Surplus c/f	-	340,516.08	340,516.08

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 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)). The income and expenditure of each of the Central Items are as follows:

NOTES ON THE ANNUAL FINANCIAL REPORT

	2023-24	2022-23
a. Income	\$	\$
Dementia Supplement for Elderly with Disabilities		
Infirmity Care Supplement for the Aged Blind Persons		
Dementia Supplement for Residential Elderly Services		
Infirmity Care Supplement for Residential Elderly Services		
Foster Care Allowance/ One-off Special Allowance for Foster Children to Safeguard the Foster Children from the Coronavirus Disease / Emergency Foster Care Allowance		
After School Care Programme – Fee Waiving Subsidy Scheme		
Training Subsidy under Training Scheme for Child Care Supervisors and Special Child Care Workers in Pre-school Rehabilitation Services		
Neighbourhood Support Child Care Project (NSCCP) – Contract Subsidy		
NSCCP – Subsidy for Fee Reduction/Waiving		
NSCCP – Subsidy for Incentive Payment		
NSCCP – Rent and Rates		
Training Sponsorship Scheme for Master in Occupational Therapy and Physiotherapy programmes		
Training Subsidy Programme for Children on the Waiting List for Subvented Pre-school Rehabilitation Services		
Financial Incentive Scheme for Mentors of Employees with Disabilities		
Enhanced After School Care Programme – Fee Waiving Subsidy Scheme		
Navigation Scheme for Young Persons in Care Services - Operating Expenses		
Navigation Scheme for Young Persons in Care Services - Training Cost		
Subsidy for Enhanced Support for Ethnic Minority Children in Special Care Centre		
Subsidy for Enhanced Support for Ethnic Minority Children in Early Education and Training Centres		
Time-defined Allocation of Ethnic Minority District Ambassador Posts - salary and provident fund		
Time-defined Allocation of Ethnic Minority District Ambassador Posts –other charges		
Short-term Food Assistance Service Teams – Food Cost		
Siu Lam Integrated Rehabilitation Services Complex – Management & Maintenance Cost for Common Area		
After School Care Programme for Pre-primary Children [ASCP(PC)] Contract Subsidy		
ASCP(PC) Fee Subsidy		
ASCP(PC) Rent and Rates		
Time-defined Service Contract of Social Work Service for Pre-primary Institutions		
- Allocation		
- Rent and Rates		

NOTES ON THE ANNUAL FINANCIAL REPORT

Allowances for Specific Services Arising from the Implementation of the Minimum Wage Ordinance (Overnight On-site-on-call Allowance)

Travelling Subsidy of the designated Hotline for Carer Support (Carer Hotline)

Pilot Scheme on Training to Foreign Domestic Helpers in Care for Persons with Disabilities

Special Grant for Providing Temporary Accommodation for Services Users of SAHK LOHAS Garden at Cheung Muk Tau Holiday Centre for the Elderly

Special Grant for Temporary Relocation of Service Users of SAHK LOHAS Garden to Cheung Muk Tau Holiday Centre

One-off Allocation for Providing Assistance to Persons with Disabilities under the Government Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities

For the following Central Items, please take note of para. 4(f) of Points to Note on Preparation of AFR and Analysis Schedules in reporting the amounts of subvention:

Temporary Financial Aid under Care and Support Networking Team^
Emergency Fund for NGOs operating Integrated Services Team for Street Sleepers^

Time-defined Subsidy Scheme for Extended Hours Service Users^

Short-term Rental Assistance for Discharged Prisoners^

Cash Subsidy for Integrated Support Services for Persons with Severe Physical Disabilities^

Time-defined Subsidy Scheme for Occasional Child Care Service^

Total

	-	-
	-	-

2023-24

2022-23

\$

\$

b. Expenditure

Dementia Supplement for Elderly with Disabilities

Infirmity Care Supplement for the Aged Blind Persons

Dementia Supplement for Residential Elderly Services

Infirmity Care Supplement for Residential Elderly Services

Foster Care Allowance/ One-off Special Allowance for Foster Children to Safeguard the Foster Children from the Coronavirus Disease /
Emergency Foster Care Allowance

After School Care Programme - Fee Waiving Subsidy Scheme

Training Subsidy under Training Scheme for Child Care Supervisors and Special Child Care Workers in Pre-school Rehabilitation Services

Neighbourhood Support Child Care Project (NSCCP) – Contract Subsidy

NSCCP – Subsidy for Fee Reduction/Waiving

NSCCP – Subsidy for Incentive Payment

NSCCP – Rent and Rates

NOTES ON THE ANNUAL FINANCIAL REPORT

Training Sponsorship Scheme for Master in Occupational Therapy and
Physiotherapy programmes

Training Subsidy Programme for Children on the Waiting List for
Subvented Pre-school Rehabilitation Services

Financial Incentive Scheme for Mentors of Employees with Disabilities

Enhanced After School Care Programme – Fee Waiving Subsidy
Scheme

Navigation Scheme for Young Persons in Care Services - Operating
Expenses

Navigation Scheme for Young Persons in Care Services - Training Cost
Subsidy for Enhanced Support for Ethnic Minority Children in Special
Care Centre

Subsidy for Enhanced Support for Ethnic Minority Children in Early
Education and Training Centres

Time-defined Allocation of Ethnic Minority District Ambassador
Posts – salary and provident fund

Time-defined Allocation of Ethnic Minority District Ambassador
Posts – other charges

Short-term Food Assistance Service Teams – Food Cost

Siu Lam Integrated Rehabilitation Services Complex –
Management & Maintenance Cost for Common Area

After School Care Programme for Pre-primary Children [ASCP(PC)]
Contract Subsidy

ASCP(PC) Fee Subsidy

ASCP(PC) Rent and Rates

Time-defined Service Contract of Social Work Service for Pre-primary
Institutions

- Allocation
- Rent and Rates

Allowances for Specific Services Arising from the Implementation of
the Minimum Wage Ordinance (Overnight On-site-on-call
Allowance)

Travelling Subsidy of the designated Hotline for Carer Support (Carer
Hotline)

Pilot Scheme on Training to Foreign Domestic Helpers in Care for
Persons with Disabilities

Special Grant for Providing Temporary Accommodation for Services
Users of SAHK LOHAS Garden at Cheung Muk Tau Holiday
Centre for the Elderly

Special Grant for Temporary Relocation of Service Users of SAHK
LOHAS Garden to Cheung Muk Tau Holiday Centre

One-off Allocation for Providing Assistance to Persons with
Disabilities under the Government Public Transport Fare
Concession Scheme for the Elderly and Eligible Persons with
Disabilities

Temporary Financial Aid under Care and Support Networking Team –
other charges

NOTES ON THE ANNUAL FINANCIAL REPORT

Emergency Fund for NGOs operating Integrated Services Team for Street Sleepers
 Time-defined Subsidy Scheme for Extended Hours Service Users
 Short-term Rental Assistance for Discharged Prisoners
 Cash Subsidy for Integrated Support Services for Persons with Severe Physical Disabilities
 Time-defined Subsidy Scheme for Occasional Child Care Service

Total

-	-
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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 be 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	\$	\$
(a) Fees and charges for services incidental to the operation of subvented services	189,733.05	110,371.00
(b) Baseline allocation – The Community Chest	391,160.00	355,600.00
(c) Government Public Transport Fare Concession (\$2 Scheme) for PWDS	46,902.00	-
Total	627,795.05	465,971.00

- 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:

Analysis of Personal Emoluments paid under LSG	No of Posts	\$
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.	1	930,364.34
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.	-	-

NOTES ON THE ANNUAL FINANCIAL REPORT

7. Other Charges

The breakdown on Other Charges is as follows:

	2023-24	2022-23
Other Charges	\$	\$
(a) Utilities	29,410.71	28,085.72
(b) Food	-	-
(c) Administrative Expenses	104,814.50	79,691.00
(d) Stores and Equipment	22,216.92	12,945.00
(e) Repair and Maintenance	23,507.00	24,512.30
(f) Special Allowances	-	-
(g) Programme Expenses	885,705.00	917,726.72
(h) Transportation and Travelling	8,302.20	4,802.60
(i) Insurance	28,588.70	20,005.16
(j) Miscellaneous	11,433.43	7,056.70
Total	1,113,978.46	1,094,825.20

NOTES ON THE ANNUAL FINANCIAL REPORT

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

	Lump Sum Grant (LSG)	Holding Account (HA)	Rent and Rates	Central Items (CI)	Total
	\$	\$	\$	\$	\$
Income					
Lump Sum Grant	4,125,946.00	-	-	-	4,125,946.00
Fee Income	11,591.00	-	-	-	11,591.00
Other Income	627,795.05	-	-	-	627,795.05
Interest Received (Note (1))	8,381.93	-	-	-	8,381.93
Rent and Rates	-	-	38,654.00	-	38,654.00
Central Items	-	-	-	-	-
Total Income (a)	4,773,713.98	-	38,654.00	-	4,812,367.98
Expenditure					
Personal Emoluments	3,664,936.87	-	-	-	3,664,936.87
Other Charges	1,113,978.46	-	-	-	1,113,978.46
Rent and Rates	-	-	15,400.00	-	15,400.00
Central Items	-	-	-	-	-
Total Expenditure (b)	4,778,915.33	-	15,400.00	-	4,794,315.33
Surplus/(Deficit) for the Year (a) - (b)	(5,201.35)	-	23,254.00	-	18,052.65
<u>Less</u> : Surplus of Provident Fund	(13,893.01)	-	-	-	(13,893.01)
	(19,094.36)	-	23,254.00	-	4,159.64
Surplus/(Deficit) b/f (Note (2))	928,084.34	-	(52,250.20)	-	875,834.14
	908,989.98	-	(28,996.20)	-	879,993.78
<u>Less</u> : Refund to Government	-	-	(2,242.00)	-	(2,242.00)
Surplus/(Deficit) c/f (Note (4))	908,989.98	-	(31,238.20)	-	877,751.78

Notes :

- (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.
- (2) Accumulated balance of LSG Surplus b/f from previous years (including all interest received in previous years (see (1) above) and the balance of HA should be separately reported as in the surplus b/f under LSG and HA respectively.
- (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) 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.

Schedule for Investment
Analysis of Investments as at 31st March 2024

Agency : (328) Hong Kong Federation of the Blind

	Year 2024 \$'000	Year 2023 \$'000
LSG Reserves as at 31st March	<u>908,989.98</u>	<u>928,084.34</u>
Represented by :		
Investments		
a. HKD Bank Account Balances	908,989.98	928,084.34
b. HKD 24-hour Call Deposits	-	-
c. HKD Fixed Deposits	-	-
d. HKD Certificate of Deposits	-	-
e. HKD Bonds	-	-
	<u>908,989.98</u>	<u>928,084.34</u>

Note : The investments should be reported at historical cost.

Confirmed by : -



Chairman

Date : 21 OCT 2024

Treasurer

Date : 21 OCT 2024

Hong Kong Federation of the Blind
Schedule for Rent and Rates
For the Year Ended 31st March 2024

Unit Code and Name	Subvented Element	Subvention Released (Note 1)	Actual Expenditure	Surplus (Note 2)	Deficit (Note 2)
2870 Shun Lee Centre		\$	\$	\$	\$
	Rent (Note 3)	13,957.00	5,100.00	8,857.00	-
	Rates	24,697.00	10,300.00	14,397.00	-
	Grand Total	38,654.00	15,400.00	23,254.00	-

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 represent 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.

Name of NGO: (328) Hong Kong Federation of the Blind

Disclosure in NGO's Audited Financial Statements

Movement of the F&E Replenishment and Minor Works Block Grant Reserve

	\$	\$
Balance of Block Grant Reserve brought forward from previous financial year		134,401.14
Add: Block Grant received during the year	60,000.00	
Interest income received	-	
Other income	-	60,000.00
	<hr/>	
Less: Expenditure during the year -		
Minor Works Projects	11,502.60	
Furniture & Equipment		
Vehicle Overhauling	-	11,502.60
	<hr/>	<hr/>
		182,898.54
Contribution from NGO to cover the deficit		<hr/>
		-
Balance of Block Grant Reserve carried forward to the next financial year		<hr/> <hr/>
		182,898.54

Capital Commitments

As at **31 March 2024**, there are no outstanding commitments in respect of F&E Replenishment and Minor Works Grant.

Name of Non-governmental Organisation (NGO) : Hong Kong Federation of the Blind
**Details of the Use of Furniture and Equipment Replenishment
and Minor Works Block Grant**

Item No.	Name of the SWD-subvented Unit (Note 1)	Service Nature (e.g. Sheltered Workshop)	(a) Expenditure in 2023-24				(b) Outstanding Commitments as at 31 March 2024 - Contracted for but not Provided under Column (a)			
			Furniture and Equipment (Note 2)	Minor Works (Note 3)	Vehicle Overhauling (Registration No. provided) (Note 4)	Total Expenditure	Furniture and Equipment	Minor Works	Vehicle Overhauling	Total Outstanding Commitment
1.	2870 Shun Lee Centre	Existing Service	(\$) 11,502.60	(\$) -	(\$) -	(\$) 11,502.60	(\$) -	(\$) -	(\$) -	
		Total (Note 6) :	11,502.60	-	-	11,502.60	-	-	-	

In pursuance of paragraph 4.4.4 of the Lotteries Fund (LF) Manual, we forward herewith the schedule showing the Use of Furniture and Equipment Replenishment and Minor Works Block Grant. We also confirm that expenditure from the Block Grant has been incurred in accordance with the provisions of the LF Manual.



YAN Wai Lung
Treasurer of NGO



TANG Kwong Po
Chairman of NGO

21 OCT 2024

Date

Notes:

- Each premises-tied SWD-subvented unit should not appear more than once in the schedule.
- Each furniture and equipment item should not exceed \$50,000.
- Each minor works should not cost \$500,000 or above.
- Each annual vehicle overhauling and relevant repairs should not exceed \$50,000.
- The Head of NGO should initial at the left bottom of each and every page except for the final page which should be signed by both the Head of NGO and the Chairperson of the Board of the NGO.
- The total figures should tally with those disclosed in the NGO's audited financial statements under paragraph 4.4.3 of the LF Manual.