

**HONG KONG & MACAU LUTHERAN
CHURCH SOCIAL SERVICE LIMITED**

港澳信義會社會服務有限公司

**EXECUTIVE COUNCIL'S REPORT
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2022**

NICHOLAS FUNG & CO.
Certified Public Accountants

HONG KONG & MACAU LUTHERAN CHURCH SOCIAL SERVICE LIMITED
港澳信義會社會服務有限公司

**REPORT OF THE EXECUTIVE COUNCIL
FOR THE YEAR ENDED 31 MARCH 2022**

The Executive Council Members have pleasure in submitting their annual report and the audited financial statements for the year ended 31 March 2022.

ASSOCIATION'S ACTIVITY

The Association is engaged in provision of social and hostel services to the elderly persons.

ACCOUNTS

The surplus for the year ended 31 March 2022 and the financial position of the Association at 31 March 2022 are set out on pages 6 to 49 of the financial statements.

EXECUTIVE COUNCIL MEMBERS

The Executive Council Members during the year and up to the date of this report were:

Leung Yat Man (President)
Yeung Man Yuk (Vice-president)
Wong Wai Tak
Luk Chi Ho
Li Man Tung Raymond
Pang Tak Kin
Shek Shui Hung
Yu Sau Ching Rachel
Wong Wan (Appointed on 1 January 2022)
Ip Sau Ying (Resigned on 1 January 2022)

In accordance with the Association's Articles of Association, all the remaining Executive Council Members retire and, being eligible, offer themselves for re-election in the next annual general meeting.

No contract of significance to which the Association was a party and in which an Executive Council Member had a material interest subsisted at the end of the year or at any time during the year.

At no time during the year was the Association a party to any arrangement to enable the Executive Council Members to acquire benefits by means of acquisition of shares in or debentures of the Association or any other body corporate.

BUSINESS REVIEW

The Association falls within the reporting exemption for the financial year in accordance with the Companies Ordinance and is not required to prepare a business review for the year.

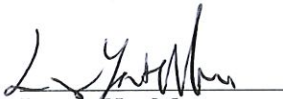
MANAGEMENT CONTRACTS

No substantial contract concerning the management and administration of the Association was entered into and existed during the year.

AUDITORS

Messrs. Nicholas Fung & Co., Certified Public Accountants, retire and, being eligible, offer themselves for re-appointment.

On behalf of the Executive Council



Leung Yat Man
President

Hong Kong, 5 October 2022

馮卓堅會計師事務所
NICHOLAS FUNG & CO.

Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT
TO THE EXECUTIVE COUNCIL MEMBERS OF
HONG KONG & MACAU LUTHERAN CHURCH SOCIAL SERVICE LIMITED**
港澳信義會社會服務有限公司

(Incorporated in Hong Kong and limited by guarantee)

Opinion

We have audited the financial statements of Hong Kong and Macau Lutheran Church Social Service Limited ("the Association") set out on pages 6 to 49, which comprise the statement of financial position as at 31 March 2022, and the statement of comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Association as at 31 March 2022, and of its financial performance and its cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance, the "Lump Sum Grant Manual" and the "Rules on the Use of Social Welfare Subventions" as set out in the "Guide to Social Welfare Subventions" and other instructions issued by the Director of Social Welfare from time to time.

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Association in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

The Executive Council Members are responsible for the other information. The other information comprises the information included in the Executive Council Members' report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

馮卓堅會計師事務所
NICHOLAS FUNG & CO.

Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT
TO THE EXECUTIVE COUNCIL MEMBERS OF
HONG KONG & MACAU LUTHERAN CHURCH SOCIAL SERVICE LIMITED**
港澳信義會社會服務有限公司

(Incorporated in Hong Kong with limited liability)

Responsibilities of Executive Council Members and Those Charged with Governance for the Financial Statements

The Executive Council Members are responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the Hong Kong Companies Ordinance, the "Lump Sum Grant Manual" and the "Rules on the Use of Social Welfare Subvention" as set out in the "Guide to Social Welfare Subventions" and other instructions issued by the Director of Social Welfare from time to time, and for such internal control as the Executive Council Members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Executive Council Members are responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Executive Council Members either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with HKSAAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.

馮卓堅會計師事務所
NICHOLAS FUNG & CO.

Certified Public Accountants

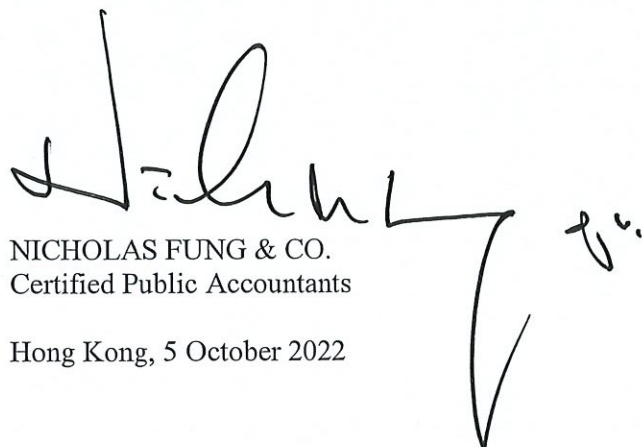
**INDEPENDENT AUDITOR'S REPORT
TO THE EXECUTIVE COUNCIL MEMBERS OF
HONG KONG & MACAU LUTHERAN CHURCH SOCIAL SERVICE LIMITED**
港澳信義會社會服務有限公司

(Incorporated in Hong Kong with limited liability)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Executive Council Members.
- Conclude on the appropriateness of the Executive Council Members' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



NICHOLAS FUNG & CO.
Certified Public Accountants

Hong Kong, 5 October 2022

HONG KONG & MACAU LUTHERAN CHURCH SOCIAL SERVICE LIMITED
港澳信義會社會服務有限公司

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	Note	2022 HK\$	2021 HK\$
Non-current assets			
Property, plant and equipment	8	1,217,725.63	1,717,648.71
Current assets			
Account receivables		338,912.80	1,000.00
Rent and rates subvention deficit account	9	642,338.50	409,040.50
Deposits and prepayment		271,279.00	268,345.00
Prevention of antibiotic resistant bacteria deficit account	10	120,409.80	58,236.80
Other grants receivables		437,506.92	2,093,008.30
Special grant on manpower support for residential and home-based care service units in respect of COVID-19 deficit account	11	165,654.00	-
Special allowance for the staff of residential care homes for the elderly ("RCHEs") and residential care homes for persons with disabilities ("RCHDs") deficit account	12	76,000.00	-
Cash and bank balances		10,536,642.05	9,785,423.99
		<u>12,588,743.07</u>	<u>12,615,054.59</u>
Current liabilities			
Receipts in advance and temporary receipts		52,993.70	231,008.40
Accounts payable and accrued charges		1,016,108.65	2,061,237.30
Rent and rates subvention surplus account	9	3,313.00	7,280.20
Care assistants and programme assistants surplus account	13	1,025.00	1,025.00
Special subsidy for on-site quarantine allowance surplus account	16	964,000.00	-
Special allowance for staff of subvented residential service units in respect of COVID-19 surplus account	17	-	29,707.73
Special subsidy for visiting medical practitioner Scheme for RCHEs & RCHDs surplus account	18	195,000.00	-
Lotteries Fund for Wi-Fi project surplus account	19	78,330.63	37,600.17
Lotteries fund for internet access surplus account	20	3,785.20	3,785.20
Social welfare development fund surplus account	21	501,944.69	469,789.66
Time-limited posts for elderly and rehabilitation services surplus account	22	88,402.58	65,400.00
Anti-virus coating spray for residential care homes for the elderly surplus account	23	0.20	0.20
Time-limited programme on enhancing infection control and ventilation of residential care homes for elderly surplus account	24	-	13,224.00
Staff of subvented RCHEs/NHs and their attached day service units requiring compulsory COVID-19 testing surplus account	25	-	2,000.00
Deferred income on other grant	26	770,959.64	635,675.14
Deferred income on lotteries fund block grant	27	76,165.54	160,941.51
		<u>3,752,028.83</u>	<u>3,718,674.51</u>
Net current assets		<u>8,836,714.24</u>	<u>8,896,380.08</u>

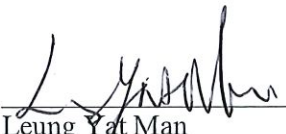
HONG KONG & MACAU LUTHERAN CHURCH SOCIAL SERVICE LIMITED
 港澳信義會社會服務有限公司

STATEMENT OF FINANCIAL POSITION
 AS AT 31 MARCH 2022

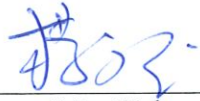
	Note	2022 HK\$	2021 HK\$
Non-current liabilities			
Deferred income on other grant	26	178,760.63	592,199.00
Deferred income on lotteries fund block grant	27	26,963.32	49,202.20
		<u>205,723.95</u>	<u>641,401.20</u>
NET ASSETS		<u><u>9,848,715.92</u></u>	<u><u>9,972,627.59</u></u>
FUNDS AND RESERVES			
Accumulated surplus	28	166,385.26	180,324.62
Reserve fund	29	7,835,380.94	8,199,468.22
Flag day fund	30	1,249,767.50	1,249,767.50
F & E replenishment and minor works block grant reserve	31	597,182.22	343,067.25
		<u>9,848,715.92</u>	<u>9,972,627.59</u>

The accompanying Accounting Policies and Explanatory Notes form an integral part of, and should be read in conjunction with, these financial statements.

Approved by the Council on 5 October 2022



 Leung Yat Man
 President



 Yeung Man Yuk
 Vice-president

HONG KONG & MACAU LUTHERAN CHURCH SOCIAL SERVICE LIMITED
港澳信義會社會服務有限公司

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 HK\$	2021 HK\$
INCOME			
Social welfare subventions			
Lump Sum Grant		19,176,598.00	19,128,525.00
Subvention for -			
Special subsidy for visiting medical practitioner scheme for RCHEs and RCHDs	18	195,000.00	-
Special allowance for staff of subvented residential service units in respect of COVID-19	17	-	172,668.00
Time-limited programme on enhancing infection control and ventilation of RCHEs and RCHDs	24	-	31,224.00
Infirmiry care supplement for residential elderly services	14	1,047,002.00	856,638.00
Dementia supplement for residential elderly services	15	944,834.00	970,853.00
Rent and rates		1,023,688.00	1,023,688.00
		<u>22,387,122.00</u>	<u>22,183,596.00</u>
Grant received from social welfare development fund		37,000.00	23,000.00
Grant to time-limited posts for elderly and rehabilitation services	22	65,400.00	65,400.00
Grant to anti-virus coating spray for RCHEs	23	19,764.05	64,327.00
Special grant to staff of subvented RCHEs/NHs and their attached day service units requiring compulsory COVID-19 testing	25	83,160.00	41,000.00
Special grant to step up preventive measures against the spread of COVID-19		40,000.00	40,000.00
Special allowance for the staff of RCHEs and RCHDs	12	70,000.00	-
Special subsidy for on-site quarantine allowance	16	1,484,000.00	-
One-off special allowance for vaccinations to staff of RCHEs/NHs		27,200.00	-
One-off subsidy for organising social activities for elderly persons and persons with disabilities		55,000.00	-
Training subsidy to staff of RCHEs		6,000.00	-
Subsidy for prevention of antibiotic resistant bacteria	10	-	52,917.60
One-off subsidy for elderly centres for purchase of warm items		20,400.00	20,400.00
Subsidy for Wi-Fi project	19	51,100.00	13,200.00
Membership fee income		25,900.00	22,600.00
Programme income		58,452.70	7,729.50
Boarding fee income		1,804,887.50	1,772,986.00
Messing income		111,625.00	110,954.50
Bank interest income		163.53	194.87
Lotteries fund block grant recognised	27	187,904.85	243,036.75
Other grant recognised	26	814,435.77	823,278.85
Donation received		102,811.00	148,154.60
Other income		82,276.70	100,938.16
		<u>27,534,603.10</u>	<u>25,733,713.83</u>
LESS: EXPENDITURE (SCH.1)		<u>(27,521,680.96)</u>	<u>(25,195,348.06)</u>
INCOME OVER EXPENDITURE		<u>12,922.14</u>	<u>538,365.77</u>

HONG KONG & MACAU LUTHERAN CHURCH SOCIAL SERVICE LIMITED
港澳信義會社會服務有限公司

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 HK\$	2021 HK\$
Transfer of deficit/(surplus) to -			
Rent and rates recoverable from Social Welfare Department (“SWD”)	9	642,339.00	409,040.50
Prevention of antibiotic resistant bacteria deficit account		62,173.00	(18,357.10)
Rent and rates surplus account	9	(3,313.00)	(7,280.20)
Special allowance for staff of subvented residential service units in respect of COVID-19 surplus account	17	-	(29,707.73)
Special grant to step up preventive measures against the spread of COVID-19 surplus account		-	10,500.00
Manpower support for residential and home-based care service units in respect of COVID-19	11	165,654.00	-
Special allowance for the staff of RCHEs and RCHDs	12	76,000.00	-
Social welfare development fund surplus account	21	(32,150.00)	25,545.00
Time-limited posts for elderly and rehabilitation services surplus account	22	(23,002.58)	(65,400.00)
Anti-virus coating spray for residential care homes for the elderly surplus account	23	-	(0.20)
Time-limited programme on enhancing infection control and ventilation of residential care homes for elderly surplus account	24	9,568.00	(13,224.00)
Staff of subvented RCHEs/NHs and their attached day service units requiring compulsory COVID-19 testing surplus account	25	(66,360.00)	(2,000.00)
Special subsidy for visiting medical practitioner Scheme for RCHE and RCHD	18	(195,000.00)	-
On-site quarantine allowance	16	(964,000.00)	-
Organising social activities for elderly persons and persons with disabilities		(1,023.20)	-
Lotteries Fund for Wi-Fi project surplus account		(40,730.00)	(9,500.00)
		<u>(369,844.78)</u>	<u>299,616.27</u>
(DEFICIT)/SURPLUS FOR THE YEAR		<u><u>(356,922.64)</u></u>	<u><u>837,982.04</u></u>

HONG KONG & MACAU LUTHERAN CHURCH SOCIAL SERVICE LIMITED
港澳信義會社會服務有限公司

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2022

SCHEDULE 1 – EXPENDITURE

	Note	2022 HK\$	2021 HK\$
Auditors' remuneration		37,000.00	34,000.00
Advertising		28,350.30	23,004.00
Aromatherapy service expenses		270,250.00	153,500.00
Bank charges		1,055.50	1,040.25
Cleaning		119,487.50	87,751.40
Computer expenses		11,282.00	11,283.20
Dementia supplement for residential elderly services	15	944,834.00	970,853.00
Depreciation		1,231,290.98	1,275,873.84
Disinfection coating expenses		10,455.00	20,300.00
Electricity, gas and water		521,067.42	433,985.36
Expenses for Special allowance for Staff of RCHE and RCHD		146,000.00	-
Expenses for prevention for antibiotic resistant bacteria	10	62,173.00	34,560.50
Expenses for elderly centres for purchase of warm items		20,400.00	20,400.00
Expenses for organising social activities for elderly persons and persons with disabilities		53,976.80	-
Expenses for special allowance for staff of subvented residential service units in respect of COVID-19		-	142,960.27
Expenses for step up preventive measures against the spread of severe respiratory disease associated with a novel infectious agent		40,000.00	50,500.00
Expenses for anti-virus coating spray for residential care homes for the elderly	23	19,764.05	64,326.80
Expenses for time-limited programme on enhancing infection control and ventilation of RCHEs	24	9,568.00	18,000.00
Expenses for staff of subvented RCHEs/NHs and their attached day service units requiring compulsory COVID-19 testing	25	16,800.00	39,000.00
Expenses for time-limited posts for elderly and rehabilitation services	22	42,397.42	-
Expenses for on-site quarantine allowance	16	520,000.00	-
Expenses for manpower support for residential and home-based care service units in respect of COVID-19	11	165,654.00	-
Expenses for Training Subsidy Scheme		7,000.00	-
Expenses for vaccination allowance		27,200.00	-
Food		1,250,425.82	984,940.46
Infection control expenses		10,413.00	-
Infirmary care supplement for residential elderly services	14	1,047,002.00	856,638.00
Insurance		107,589.16	96,540.31
Laundry charges		35,611.00	6,750.00
Legal and professional fee		2,000.00	4,939.50
Medical expenses		44,790.00	40,287.00
Medical instrument and expenses		290,729.86	287,512.40

HONG KONG & MACAU LUTHERAN CHURCH SOCIAL SERVICE LIMITED
 港澳信義會社會服務有限公司

STATEMENT OF COMPREHENSIVE INCOME
 FOR THE YEAR ENDED 31 MARCH 2022

SCHEDULE 1 – EXPENDITURE (CONTINUED)

	Note	2022 HK\$	2021 HK\$
Motor vehicle operating expenses		33,770.82	28,488.33
Newspaper and magazine		13,950.00	12,598.00
Occupational therapy and physiotherapy expenses		605,747.50	518,975.00
Patient accompany fee		49,720.00	86,592.00
Postage		15,492.80	15,529.50
Printing and stationery		61,121.60	64,369.70
Programme expenses		395,732.27	483,554.70
Provident fund contributions		855,919.17	837,281.23
Registration fee		1,800.00	1,800.00
Relief staff service fee		2,349,114.00	1,705,171.00
Rent, rates and building management fee	9		
- Rent and rates		1,363,705.10	1,192,661.86
- Carpark rental		83,100.00	40,560.00
- Building management fee		220,110.00	194,880.00
Repairs and maintenance		139,780.32	189,239.48
Salaries and responsibility allowance			
- Salaries		13,394,770.31	13,579,026.11
- Relief workers salaries		407,701.00	128,830.00
Speech therapy services fee		89,718.80	92,832.00
Spiritual care service expenses		96,111.00	19,533.00
Staff training expenses		4,850.00	66,745.00
Secretarial fee		1,800.00	1,700.00
Sewage charges		7,092.98	10,516.24
Sundry expenses		172,624.78	204,561.22
Telephone		43,644.00	47,108.00
Travelling and transportation		9,367.70	10,149.40
Wifi expenses	19	10,370.00	3,700.00
		<u>27,521,680.96</u>	<u>25,195,348.06</u>

HONG KONG & MACAU LUTHERAN CHURCH SOCIAL SERVICE LIMITED
 港澳信義會社會服務有限公司

STATEMENT OF CHANGES IN FUNDS
 FOR THE YEAR ENDED 31 MARCH 2022

	(Accumulated deficit)/ Accumulated surplus HK\$	Reserve fund HK\$	Flag day fund HK\$	F & E replenishment and minor works block grant reserve HK\$	Total HK\$
Balance as at 1 April 2020	(24,503.24)	7,578,094.04	1,249,767.50	161,671.04	8,965,029.34
Surplus of block grant over expenditure	-	-	-	181,396.21	181,396.21
Surplus for the year	837,982.04	-	-	-	837,982.04
Transfer from accumulated fund to reserve fund	(633,154.18)	633,154.18	-	-	-
Refund of provident fund to the Government	-	(11,780.00)	-	-	(11,780.00)
Balance as at 31 March 2021	180,324.62	8,199,468.22	1,249,767.50	343,067.25	9,972,627.59
Surplus of block grant over expenditure	-	-	-	254,114.97	254,114.97
Deficit for the year	(356,922.64)	-	-	-	(356,922.64)
Transfer from accumulated fund to reserve fund	342,983.28	(342,983.28)	-	-	-
Refund of provident fund to the Government	-	(21,104.00)	-	-	(21,104.00)
Balance as at 31 March 2022	166,385.26	7,835,380.94	1,249,767.50	597,182.22	9,848,715.92

The accompanying Accounting Policies and Explanatory Notes form an integral part of, and should be read in conjunction with, these financial statements.

HONG KONG & MACAU LUTHERAN CHURCH SOCIAL SERVICE LIMITED
 港澳信義會社會服務有限公司

STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED 31 MARCH 2022

	2022 HK\$	2021 HK\$
Cash flows from operating activities		
(Deficit)/Surplus for the year	(356,922.64)	837,982.04
Adjustments for:		
Depreciation	1,231,290.98	1,275,873.84
Bank interest income	(163.53)	(194.87)
Lotteries fund block grant	(187,904.85)	(243,036.75)
Other grant recognised	(814,435.77)	(823,278.85)
	<hr/>	<hr/>
Operating (deficit)/surplus before working capital changes	(128,135.81)	1,047,345.41
Decrease in amount due from the Church	-	1,605.00
(Increase)/Decrease in accounts receivable	(337,912.80)	56,906.00
Increase in rent and rates subvention deficit account	(233,298.00)	(299,169.50)
Increase in deposits and prepayment	(2,934.00)	(160,540.00)
(Increase)/Decrease in prevention of antibiotic resistant bacteria deficit account	(62,173.00)	18,357.10
Decrease/(Increase) in other grants receivables	1,655,501.38	(1,656,597.00)
Increase in special grant on manpower support for residential and home-based care service units in respect of COVID-19 deficit account	(165,654.00)	-
Increase in special allowance for the staff of RCHEs and RCHDs deficit account	(76,000.00)	-
Decrease in receipts in advance and temporary receipts	(178,014.70)	(62,399.20)
(Decrease)/Increase in accounts payable and accrued charges	(1,045,128.65)	1,143,712.25
(Decrease)/Increase in rent and rates surplus account	(3,967.20)	7,280.20
Increase in special subsidy for on-site quarantine allowance surplus account	964,000.00	-
Decrease in special allowance for staff of subvented residential service units in respect of COVID-19 surplus account	(29,707.73)	-
Increase in special subsidy for visiting medical practitioner scheme for RCHEs & RCHDs surplus account	195,000.00	-
Decrease in special grant on manpower support for residential and home-based care service units in respect of the severe respiratory disease associated with a novel infectious agent surplus account	-	(107,917.00)
Increase in special allowance for staff of subvented residential service units in respect of COVID-19 surplus account	-	17,275.05
Decrease in special grant to step up preventive measures against the spread of COVID-19 surplus account	-	(10,500.00)
Increase in Lotteries Fund for Wi-Fi project surplus account	40,730.46	9,500.17
Increase/(Decrease) in social welfare development fund surplus account	32,155.03	(269,105.90)

HONG KONG & MACAU LUTHERAN CHURCH SOCIAL SERVICE LIMITED
港澳信義會社會服務有限公司

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	2022 HK\$	2021 HK\$
Cash flows from operating activities (continued)		
Increase in time-limited posts for elderly and rehabilitation services surplus account	23,002.58	65,400.00
Increase in anti-virus coating spray for residential care homes for the elderly surplus account	-	0.20
(Decrease)/Increase in time-limited programme on enhancing infection control and ventilation of residential care homes for elderly surplus account	(13,224.00)	13,224.00
(Decrease)/Increase in staff of subvented RCHEs/NHs and their attached day service units requiring compulsory COVID-19 testing surplus account	(2,000.00)	2,000.00
Net cash generated from/(used in) operating activities	<u>632,239.56</u>	<u>(183,623.22)</u>
Cash flows from investing activities		
Acquisition of property, plant and equipment	(731,367.90)	(2,190,435.10)
Interest received	163.53	194.87
Net cash used in investing activities	<u>(731,204.37)</u>	<u>(2,190,240.23)</u>
Cash flows from financing activities		
Lotteries fund block grant received	335,004.97	329,002.81
Other grants received	536,281.90	1,776,597.00
Refund of provident fund to the Government	(21,104.00)	(11,780.00)
Net cash generated from financing activities	<u>850,182.87</u>	<u>2,093,819.81</u>
Net increase/(decrease) in cash and cash equivalents	<u>751,218.06</u>	<u>(280,043.64)</u>
Cash and cash equivalents at beginning of the reporting period	<u>9,785,423.99</u>	<u>10,065,467.63</u>
Cash and cash equivalents at the end of the reporting period	<u><u>10,536,642.05</u></u>	<u><u>9,785,423.99</u></u>
Analysis of cash and cash equivalents		
Cash and bank balances	<u><u>10,536,642.05</u></u>	<u><u>9,785,423.99</u></u>

The accompanying Accounting Policies and Explanatory Notes form an integral part of, and should be read in conjunction with, these financial statements.

NAME OF AGENCY: HONG KONG & MACAU LUTHERAN CHURCH SOCIAL SERVICE LIMITED

NAME OF SUBVENTED SERVICE UNIT: SUPERVISORY SUPPORT FOR ELDERLY

AGENCY CODE: 260

UNIT CODE: 2484

BASIS: LUMP SUM GRANT

OPERATING INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD FROM 1 APRIL 2021 TO 31 MARCH 2022

2021 HK\$		2022 HK\$	Remark/ Notes
	INCOME		
19,128,525.00	Social welfare subventions		
	Lump Sum Grant	19,176,598.00	
23,000.00	Grant received from SWDF	37,000.00	
65,400.00	Grant to time-limited posts for elderly and rehabilitation Services	65,400.00	Note 22
194.87	Bank interest income	163.53	
117,114.00	Donation received	64,318.00	
7,161.67	Lotteries fund block grant	4,948.66	Note 27
19,341,395.54	TOTAL INCOME	19,348,428.19	(A)
	EXPENDITURE		
	PERSONAL EMOLUMENTS:		
1,615,092.97	Salaries	1,686,997.16	
175,790.01	Provident fund contributions	178,678.81	
3,100.00	Medical expenses	6,000.00	
1,793,982.98	TOTAL PERSONAL EMOLUMENTS	1,871,675.97	
	OTHER CHARGES:		
	UTILITIES		
-	Electricity	6,273.00	
-	FOOD	-	
	ADMINISTRATIVE EXPENSES		
611.50	Postage	223.50	
5,472.00	Telephone	7,296.00	
689.90	Bank charges	716.20	
2,653.56	Rent and rates	4,201.10	
500.00	Legal and professional fee	-	
1,700.00	Secretarial fee	1,800.00	
3,000.00	Staff training	1,240.00	
	Audit fee		
7,000.00	a) Annual audit	8,000.00	
21,626.96	SUB-TOTAL	23,476.80	

NAME OF AGENCY: HONG KONG & MACAU LUTHERAN CHURCH SOCIAL SERVICE
LIMITED

NAME OF SUBVENTED SERVICE UNIT: SUPERVISORY SUPPORT FOR ELDERLY

AGENCY CODE: 260

UNIT CODE: 2484

BASIS: LUMP SUM GRANT

OPERATING INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD FROM 1 APRIL 2021 TO 31 MARCH 2022

2021 HK\$		2022 HK\$	Remark/ Notes
	STORES AND EQUIPMENT		
1,555.50	Cleaning materials	1,718.70	
17,382.40	Printing and stationery	8,686.10	
18,937.90		10,404.80	
	REPAIRS AND MAINTENANCE		
-	Minor purchases, repair and maintenance	6,259.00	
-		6,259.00	
	TRANSPORT AND TRAVELLING		
2,285.70	Other traveling expenses	1,438.80	
	INSURANCE PREMIUM		
28,029.81	Public liability	31,392.74	
56,900.64	Employees' compensation	64,584.82	
84,930.45	SUB-TOTAL	95,977.56	
	MISCELLANEOUS		
47,664.67	Depreciation	43,518.34	
9,535.00	Expenses for anti-virus coating spray for residential care homes for the elderly	2,025.00	
31,199.30	Sundry expenses	12,150.90	
88,398.97	SUB-TOTAL	57,694.24	
216,179.98	TOTAL OTHER CHARGES	201,524.20	
2,010,162.96	TOTAL EXPENDITURE	2,073,200.17	(B)
17,331,232.58	INCOME LESS EXPENDITURE (A) – (B)	17,275,228.02	
(20,000.00)	TRANSFER OF SURPLUS TO SOCIAL WELFARE DEVELOPMENT FUND SURPLUS ACCOUNT	(35,760.00)	

NAME OF AGENCY: HONG KONG & MACAU LUTHERAN CHURCH SOCIAL SERVICE LIMITED

NAME OF SUBVENTED SERVICE UNIT: SUPERVISORY SUPPORT FOR ELDERLY

AGENCY CODE: 260

UNIT CODE: 2484

BASIS: LUMP SUM GRANT

OPERATING INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD FROM 1 APRIL 2021 TO 31 MARCH 2022

2021 HK\$		2022 HK\$	Remark/ Notes
(65,400.00)	TRANSFER OF SURPLUS TO TIME-LIMITED POSTS FOR ELDERLY AND REHABILITATION SERVICES SURPLUS ACCOUNT	(65,400.00)	
(17,116,514.58)	TRANSFER OF SURPLUS TO RESERVE FUND	(17,148,319.70)	
129,318.00	BALANCE FOR THE YEAR TRANSFERRED TO ACCUMULATED GENERAL FUND	25,748.32	

Notes: The entire activities of the centre are complied with those as set out in the Funding and Service Agreement.

**NAME OF AGENCY: HONG KONG & MACAU LUTHERAN CHURCH SOCIAL SERVICE
LIMITED**

NAME OF SUBVENTED SERVICE UNIT: WAI KEI HOSTEL

AGENCY CODE: 260

UNIT CODE: 2486

BASIS: LUMP SUM GRANT

OPERATING INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD FROM 1 APRIL 2021 TO 31 MARCH 2022

2021 HK\$		2022 HK\$	Remark/ Notes
	INCOME		
	Social welfare subventions		
-	Special subsidy for visiting medical practitioner scheme for RCHEs and RCHDs	195,000.00	Note 18
172,668.00	Special allowance for staff of subvented residential service units in respect of COVID-19	-	Note 17
31,224.00	Time-limited programme on enhancing infection control and ventilation of RCHEs and RCHDs	-	Note 24
856,638.00	Subvention for infirmary care supplement for residential elderly services	1,047,002.00	Note 14
970,853.00	Subvention for dementia supplement for residential elderly services	944,834.00	Note 15
875,213.00	Subvention for rent and rates	875,213.00	Note 9
64,327.00	Grant to anti-virus coating spray for residential care homes for the elderly	19,764.05	Note 23
41,000.00	Special grant to staff of subvented RCHEs/NHs and their attached day service units requiring compulsory COVID-19 testing	83,160.00	Note 25
20,000.00	Special grant to step up preventive measures against the spread of COVID-19	20,000.00	
52,917.60	Subsidy for prevention of antibiotic resistant bacteria	-	Note 10
-	Special allowance for the staff of RCHEs and RCHDs	70,000.00	Note 12
-	Special subsidy for on-site quarantine allowance	1,484,000.00	Note 16
-	One-off special allowance for vaccinations to staff of RCHEs/NHs	27,200.00	
1,772,986.00	Fee income		
	Boarding fee	1,804,887.50	
110,954.50	Staff messing income	111,625.00	
	Other income		
85,821.63	Sundry income	51,792.00	
-	Programme income	6,372.70	
-	Training subsidy to staff of RCHEs	6,000.00	
570.60	Donation received	153.00	
209,344.75	Lotteries fund block grant	167,415.86	Note 27
327,142.57	Other grant income	260,296.90	Note 26
5,591,660.65	TOTAL INCOME	7,174,716.01	(A)
	EXPENDITURE		
	PERSONAL EMOLUMENTS:		
8,444,447.20	Salaries	8,182,332.15	
128,830.00	Relief workers	407,701.00	
431,630.17	Provident fund contributions	434,980.22	
25,027.00	Medical expenses	28,795.00	
9,029,934.37	TOTAL PERSONAL EMOLUMENTS	9,053,808.37	

NAME OF AGENCY: HONG KONG & MACAU LUTHERAN CHURCH SOCIAL SERVICE LIMITED

NAME OF SUBVENTED SERVICE UNIT: WAI KEI HOSTEL

AGENCY CODE: 260

UNIT CODE: 2486

BASIS: LUMP SUM GRANT

OPERATING INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD FROM 1 APRIL 2021 TO 31 MARCH 2022

2021 HK\$		2022 HK\$	Remark/ Notes
	OTHER CHARGES: UTILITIES		
251,984.00	Electricity	328,688.00	
149,737.00	Gas and fuel	152,357.00	
24,128.36	Water	16,564.42	
10,516.24	Sewage charge	7,092.98	
436,365.60	SUB-TOTAL	504,702.40	
	FOOD		
83,249.30	Food for staff	84,588.20	
901,691.16	Food for clients	1,165,837.62	
984,940.46	SUB-TOTAL	1,250,425.82	
	ADMINISTRATIVE EXPENSES		
2,293.30	Postage	2,119.30	
20,541.00	Telephone	22,436.00	
23,004.00	Advertisement for staff recruitment	28,350.30	
262.60	Bank charges for auto-pay of salaries/residential fees	256.10	
5,641.60	Computer expenses	5,641.00	
-	Infection control expenses	10,413.00	
1,800.00	Registration fee under Occupational Retirement Scheme Ordinance	1,800.00	
-	Staff training	1,680.00	
2,000.00	Audit fee		
16,000.00	a) For Registered Occupational Retirement Scheme	2,000.00	
	b) Annual audit	17,000.00	
71,542.50	SUB-TOTAL	91,695.70	
	STORES AND EQUIPMENT		
77,785.60	Cleaning materials	97,855.50	
18,857.60	Printing and stationery	24,846.50	
12,598.00	Newspapers and periodicals	13,950.00	
109,241.20	SUB-TOTAL	136,652.00	
	REPAIRS AND MAINTENANCE		
175,065.28	Minor purchases, repairs and maintenance	87,315.82	
9,060.00	Fire services equipment	17,245.00	
184,125.28	SUB-TOTAL	104,560.82	

NAME OF AGENCY: HONG KONG & MACAU LUTHERAN CHURCH SOCIAL SERVICE LIMITED

NAME OF SUBVENTED SERVICE UNIT: WAI KEI HOSTEL

AGENCY CODE: 260

UNIT CODE: 2486

BASIS: LUMP SUM GRANT

OPERATING INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD FROM 1 APRIL 2021 TO 31 MARCH 2022

2021 HK\$		2022 HK\$	Remark/ Notes
	PROGRAMME EXPENSES		
51,666.40	Programme expenses	68,593.47	
	TRANSPORT AND TRAVELLING		
	Vehicle expenses:-		
114.00	a) Vehicle license	114.00	
6,709.63	b) Third party insurance	7,641.52	
21,664.70	c) Petroleum	26,015.30	
3,628.40	Other traveling expenses	3,214.50	
32,116.73	SUB-TOTAL	36,985.32	
	MISCELLANEOUS		
153,500.00	Aromatherapy service expenses	270,250.00	
287,351.40	Medical instrument and expenses	290,439.86	
658,356.86	Depreciation	570,993.32	
20,500.00	Expenses for step up preventive measures against the spread of COVID-19	20,000.00	
64,326.80	Expenses for anti-virus coating spray for residential care homes for the elderly	19,764.05	Note 23
39,000.00	Expenses for staff of subvented RCHEs/NHs and their attached day service units requiring compulsory COVID-19 testing	16,800.00	Note 25
34,560.50	Expenses for prevention for antibiotic resistant bacteria	62,173.00	Note 10
-	Expenses for Special allowance for Staff of RCHEs and RCHDs	146,000.00	Note 12
-	Expenses for Time-limited Posts for Elderly and Rehabilitation Services	34,332.90	Note 22
-	Expenses for on-site quarantine allowance	520,000.00	Note 16
-	Expenses for manpower support for residential and home-based care service units in respect of COVID-19	165,654.00	Note 11
-	Expenses for Training Subsidy Scheme	7,000.00	
-	Expenses for vaccination allowance	27,200.00	
6,750.00	Laundry charges	35,611.00	
105,910.00	Occupational therapy and physiotherapy expenses	136,272.50	
86,592.00	Patient accompany fee	49,720.00	
1,705,171.00	Relief staff service fee	2,349,114.00	
92,832.00	Speech therapy services fee	89,718.80	
19,533.00	Spiritual care service	96,111.00	
78,968.72	Sundry expenses	111,438.70	
3,353,352.28	SUB-TOTAL	5,018,593.13	

NAME OF AGENCY: HONG KONG & MACAU LUTHERAN CHURCH SOCIAL SERVICE LIMITED

NAME OF SUBVENTED SERVICE UNIT: WAI KEI HOSTEL

AGENCY CODE: 260

UNIT CODE: 2486

BASIS: LUMP SUM GRANT

OPERATING INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD FROM 1 APRIL 2021 TO 31 MARCH 2022

2021 HK\$		2022 HK\$	Remark/ Notes
5,223,350.45	TOTAL OTHER CHARGES	7,212,208.66	
	COST OF ACCOMMODATION:		
	RENT		
796,500.00	PHE rental	796,500.00	
40,560.00	Carpark rental	40,560.00	
837,060.00	SUB-TOTAL	837,060.00	Note 9
-	GOVERNMENT RENT	-	
55,600.00	RATES	52,600.00	Note 9
892,660.00	TOTAL COST OF ACCOMMODATION	889,660.00	
856,638.00	INFIRMARY CARE SUPPLEMENT FOR RESIDENTIAL ELDERLY SERVICES	1,047,002.00	Note 14
970,853.00	DEMENTIA SUPPLEMENT FOR RESIDENTIAL ELDERLY SERVICES	944,834.00	Note 15
142,960.27	SPECIAL ALLOWANCE FOR STAFF OF SUBVENTED RESIDENTIAL SERVICE UNITS IN RESPECT OF COVID-19	-	Note 17
18,000.00	TIME-LIMITED PROGRAMME ON ENHANCING INFECTION CONTROL AND VENTILATION OF RESIDENTIAL CARE HOMES FOR ELDERLY SURPLUS ACCOUNT	9,568.00	Note 24
17,134,396.09	TOTAL EXPENDITURE	19,157,081.03	(B)
(11,542,735.44)	INCOME LESS EXPENDITURE (A)-(B)	(11,982,365.02)	
17,760.00	DEFICIT ON RENT AND RATES REFUNDABLE FROM SWD	17,760.00	Note 9
(18,357.10)	DEFICIT ON PREVENTION OF ANTIBIOTIC RESISTANT BACTERIA	62,173.00	Note 10

NAME OF AGENCY: HONG KONG & MACAU LUTHERAN CHURCH SOCIAL SERVICE LIMITED

NAME OF SUBVENTED SERVICE UNIT: WAI KEI HOSTEL

AGENCY CODE: 260

UNIT CODE: 2486

BASIS: LUMP SUM GRANT

OPERATING INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD FROM 1 APRIL 2021 TO 31 MARCH 2022

2021 HK\$		2022 HK\$	Remark/ Notes
(313.00)	TRANSFER OF RENT AND RATES SURPLUS ACCOUNT	(3,313.00)	Note 9
-	TRANSFER OF DEFICIT TO SPECIAL GRANT ON MANPOWER SUPPORT FOR RESIDENTIAL AND HOME-BASED CARE SERVICE UNITS IN RESPECT OF COVID-19	165,654.00	Note 11
-	TRANSFER OF DEFICIT TO SPECIAL ALLOWANCE FOR THE STAFF OF RCHEs AND RCHDs	76,000.00	Note 12
-	TRANSFER OF DEFICIT TO SOCIAL WELFARE DEVELOPMENT FUND	1,680.00	
(0.20)	TRANSFER OF SURPLUS TO ANTI-VIRUS COATING SPRAY FOR RESIDENTIAL CARE HOMES FOR THE ELDERLY	-	Note 23
(13,224.00)	TRANSFER OF SURPLUS TO TIME-LIMITED PROGRAMME ON ENHANCING INFECTION CONTROL AND VENTILATION OF RCHEs	9,568.00	Note 24
500.00	TRANSFER OF SURPLUS TO SPECIAL GRANT TO STEP UP PREVENTIVE MEASURES AGAINST THE SPREAD OF COVID-19	-	
(2,000.00)	TRANSFER OF SURPLUS TO STAFF OF SUBVENTED RCHEs/NHS AND THEIR ATTACHED DAY SERVICE UNITS REQUIRING COMPULSORY COVID-19 TESTING	(66,360.00)	Note 25
-	TRANSFER OF SURPLUS TO SPECIAL SUBSIDY FOR VISITING MEDICAL PRACTITIONER SCHEME FOR RCHEs & RCHDs	(195,000.00)	Note 18
-	TRANSFER OF SURPLUS TO SPECIAL SUBSIDY FOR ON-SITE QUARANTINE ALLOWANCE	(964,000.00)	Note 16

NAME OF AGENCY: HONG KONG & MACAU LUTHERAN CHURCH SOCIAL SERVICE LIMITED

NAME OF SUBVENTED SERVICE UNIT: WAI KEI HOSTEL

AGENCY CODE: 260

UNIT CODE: 2486

BASIS: LUMP SUM GRANT

OPERATING INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD FROM 1 APRIL 2021 TO 31 MARCH 2022

2021 HK\$		2022 HK\$	Remark/ Notes
-	TRANSFER OF SURPLUS TO TIME-LIMITED POSTS FOR ELDERLY AND REHABILITATION SERVICES	34,332.90	Note 22
(29,707.73)	TRANSFER OF SURPLUS TO SPECIAL ALLOWANCE FOR STAFF OF SUBVENTED RESIDENTIAL SERVICE UNITS IN RESPECT OF COVID-19	-	Note 17
11,610,493.03	TRANSFER OF DEFICIT TO RESERVE FUND	12,804,580.56	
22,415.56	BALANCE FOR THE YEAR TRANSFERRED TO ACCUMULATED GENERAL FUND	(39,289.56)	

Notes: The entire activities of the centre are complied with those as set out in the Funding and Service Agreement.

NAME OF AGENCY: HONG KONG & MACAU LUTHERAN CHURCH SOCIAL SERVICE LIMITED

NAME OF SUBVENTED SERVICE UNIT: KEI FUK ELDERLY CENTRE

AGENCY CODE: 260

UNIT CODE: 7750

BASIS: LUMP SUM GRANT

OPERATING INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD FROM 1 APRIL 2021 TO 31 MARCH 2022

2021 HK\$		2022 HK\$	Remark/ Notes
	INCOME		
148,475.00	Subvention for rent and rates	148,475.00	Note 9
20,000.00	Special grant to step up preventive measures against the spread of COVID-19	20,000.00	
-	One-off subsidy for organising social activities for elderly persons and persons with disabilities	55,000.00	
13,200.00	Subsidy for Wi-Fi project	51,100.00	Note 19
22,600.00	Fee income (membership fee)	25,900.00	
15,116.53	Sundry income	30,484.70	
7,729.50	Programme income	52,080.00	
20,400.00	One-off subsidy for elderly centres for purchase of warm items	20,400.00	
30,470.00	Donation received	38,340.00	
26,530.33	Lotteries fund block grant	15,540.33	Note 27
496,136.28	Other grant income	554,138.87	Note 26
800,657.64	TOTAL INCOME	1,011,458.90	(A)
	EXPENDITURE		
	PERSONAL EMOLUMENTS:		
3,519,485.94	Salaries	3,525,441.00	
229,861.05	Provident fund contributions	242,260.14	
12,160.00	Medical expenses	9,995.00	
3,761,506.99	TOTAL PERSONAL EMOLUMENTS	3,777,696.14	
	OTHER CHARGES:		
	UTILITIES		
8,136.00	Electricity	17,185.00	
-	FOOD	-	
	ADMINISTRATIVE EXPENSES		
12,624.70	Postage	13,150.00	
21,095.00	Telephone	13,912.00	
87.75	Bank charges for auto-pay of salaries/residential fees	83.20	
5,641.60	Computer expenses	5,641.00	
2,439.50	Legal and professional fee	-	
63,745.00	Staff training	1,930.00	
11,000.00	Audit fee		
	a) Annual audit	12,000.00	
116,633.55	SUB-TOTAL	46,716.20	

NAME OF AGENCY: HONG KONG & MACAU LUTHERAN CHURCH SOCIAL SERVICE LIMITED

NAME OF SUBVENTED SERVICE UNIT: KEI FUK ELDERLY CENTRE

AGENCY CODE: 260

UNIT CODE: 7750

BASIS: LUMP SUM GRANT

OPERATING INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD FROM 1 APRIL 2021 TO 31 MARCH 2022

2021 HK\$		2022 HK\$	Remark/ Notes
	STORES AND EQUIPMENT		
8,410.30	Cleaning materials	19,913.30	
28,129.70	Printing and stationery	27,589.00	
36,540.00	SUB-TOTAL	47,502.30	
	REPAIRS AND MAINTENANCE		
214.20	Minor purchases, repairs and maintenance	10,460.50	
4,900.00	Fire services equipment	18,500.00	
5,114.20	SUB-TOTAL	28,960.50	
	PROGRAMME EXPENSES		
431,888.30	Programme expenses	327,138.80	
	TRANSPORT AND TRAVELLING		
4,235.30	Transportation	4,714.40	
-	ITEM FOR SPECIFIC PURPOSE		
	INSURANCE PREMIUM		
11,609.86	Public liability	11,611.60	
	MISCELLANEOUS		
161.00	Medical instrument and expenses	290.00	
569,852.31	Depreciation	616,779.32	
20,400.00	Expenses for elderly centres for purchase of warm items	20,400.00	
30,000.00	Expenses for step up preventive measures against the spread of COVID-19	20,000.00	
10,765.00	Expenses for anti-virus coating spray for residential care homes for the elderly	8,430.00	
-	Expenses for time-limited posts for elderly and rehabilitation services	8,064.52	Note 22
-	Expenses for organising social activities for elderly persons and persons with disabilities	53,976.80	
413,065.00	Occupational therapy and physiotherapy expenses	469,475.00	
94,393.20	Sundry expenses	49,035.18	
3,700.00	Wi-Fi expenses	10,370.00	Note 19
1,142,336.51	SUB-TOTAL	1,256,820.82	
1,756,493.72	TOTAL OTHER CHARGES	1,740,649.62	

NAME OF AGENCY: HONG KONG & MACAU LUTHERAN CHURCH SOCIAL SERVICE LIMITED

NAME OF SUBVENTED SERVICE UNIT: KEI FUK ELDERLY CENTRE

AGENCY CODE: 260

UNIT CODE: 7750

BASIS: LUMP SUM GRANT

OPERATING INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD FROM 1 APRIL 2021 TO 31 MARCH 2022

2021 HK\$		2022 HK\$	Remark/ Notes
	COST OF ACCOMMODATION:		
	RENT		
284,284.00	PHE rental	522,444.00	
31,970.50	Government rent	-	
316,254.50	SUB-TOTAL	522,444.00	Note 9
194,880.00	Building management fee	220,110.00	Note 9
194,880.00	SUB-TOTAL	220,110.00	
21,653.80	RATES	30,500.00	Note 9
532,788.30	TOTAL COST OF ACCOMMODATION	773,054.00	
6,050,789.01	TOTAL EXPENDITURE	6,291,399.76	(B)
(5,250,131.37)	INCOME LESS EXPENDITURE (A)-(B)	(5,279,940.86)	
391,280.50	DEFICIT ON RENT AND RATES REFUNDABLE FROM SWD	624,579.00	Note 9
10,000.00	TRANSFER OF SURPLUS TO SPECIAL GRANT TO STEP UP PREVENTIVE MEASURES AGAINST THE SPREAD OF COVID-19	-	
45,545.00	TRANSFER OF SURPLUS TO SOCIAL WELFARE DEVELOPMENT FUND	1,930.00	
-	TRANSFER OF ORGANISING SOCIAL ACTIVITIES FOR ELDERLY PERSONS AND PERSONS WITH DISABILITIES	(1,023.20)	
-	TRANSFER OF ORGANISING SOCIAL ACTIVITIES FOR ELDERLY PERSONS AND PERSONS WITH DISABILITIES	8,064.52	Note 22
(6,967.20)	TRANSFER OF RENT AND RATES SURPLUS ACCOUNT	-	Note 9
(9,500.00)	TRANSFER OF SURPLUS TO WI-FI PROJECT SURPLUS ACCOUNT	(40,730.00)	

NAME OF AGENCY: HONG KONG & MACAU LUTHERAN CHURCH SOCIAL SERVICE LIMITED

NAME OF SUBVENTED SERVICE UNIT: KEI FUK ELDERLY CENTRE

AGENCY CODE: 260

UNIT CODE: 7750

BASIS: LUMP SUM GRANT

OPERATING INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD FROM 1 APRIL 2021 TO 31 MARCH 2022

2021 HK\$		2022 HK\$	Remark/ Notes
4,872,867.37	TRANSFER OF DEFICIT TO RESERVE FUND	4,686,722.42	
53,094.30	BALANCE FOR THE YEAR TRANSFERRED TO ACCUMULATED GENERAL FUND	(398.12)	

Notes: The entire activities of the centre are complied with those as set out in the Funding and Service Agreement.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. STATUS OF THE ASSOCIATION

The Association was incorporated in Hong Kong on 7 January 2014 under the Hong Kong Companies Ordinance as a company limited by guarantee. Pursuant to the Association's Memorandum of Association, every member of the Association undertakes to contribute to the assets of the Association, in the event of its being wound up, to the extent of HK\$100.

The Association's registered office is located at Shek On Building, 8 Chun Yan Street, Wong Tai Sin, Kowloon, Hong Kong.

The financial statements are presented in Hong Kong dollars, which is the same as the functional currency of the Association.

2. BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which also include Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong, the Hong Kong Companies Ordinance, the "Lump Sum Grant Manual", the "Rules on the use on the Social Welfare Subvention" and the "Rules for Aided Day Nurseries" as set out in the Guide to Social Welfare Subventions and other instructions issued by the Director of Social Welfare from time to time.

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Standards, amendment and interpretations

The Association has adopted all relevant standards, amendment and interpretations effective for the financial period. The management is of the opinion that the adoption does not have any impact on the Association's financial statements.

The Association has not adopted any relevant standards, amendment and interpretations issued subsequent to but not being effective at 31 March 2022 of which the management is of the opinion that there will be no material impact on the financial statements for the period of initial application.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Association and when the revenue can be measured reliably, on the following bases:

- (i) Social welfare subvention from the government are recognised on an accrual basis.
- (ii) Government grants relating to general expenses are recognised as income as it received. Government grants relating to the purchases of property, plant and equipment are recognised as income on a systematic and rational basis over the useful life of the asset.
- (iii) Boarding fee income, messing income and programme income are recognised in the year in which the services are rendered.
- (iv) Donation received is recognised when the donation is received.
- (v) Membership fee is recognised in the accounting period to which the subscriptions are related.
- (vi) Interest income is recognised as it accrues using effective interest method.

(b) Property, plant and equipment

Property, plant and equipment are stated at cost less depreciation and are derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset calculated as the difference between the net disposal proceeds and the carrying amount of the item is included in the income and expenditure account in the year in which the item is derecognised.

Depreciation is provided to write off the cost of items of property, plant and equipment using the straight line method over their estimated useful lives as follows:

Leasehold improvement	3 years
Furniture, fixtures and office equipment	3 years
Computer equipment	3 years
Motor vehicle	3 years

(c) Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Association's cash management.

(d) Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment unless the effect of discounting would be immaterial, in which case they are stated at cost, less provision for impairment. A provision for impairment of receivables is established when there is objective evidence that the Association will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the income and expenditure account.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Payables

Payables are initially measured at fair value and, after initial recognition, at amortised cost, except for short-term payables with no stated interest rate and the effect of discounting being immaterial, that are measured at their original invoice amount.

(f) Government grants

A government grant is recognised when there is a reasonable assurance that the grant will be received and that the service units will comply with the conditions attached with it.

Grants relating to income are deferred and recognised in the statement of comprehensive income over the period necessary to match them with the costs they are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are presented in the statement of financial position by setting up the grants as deferred income. The grants are recognised as income on a systematic and rational basis over the useful life of the asset.

(g) Retirement benefit schemes

The service units operate a defined contribution retirement benefits scheme under the Occupational Retirement Schemes Ordinance for those employees who are eligible and have elected to participate in the scheme. The assets of the scheme are held separately from those of the service units in an independently administered fund. Contributions are made based on a percentage of the participating employee's basic salaries and are charged to the operating income and expenditure account as they become payable in accordance with the rules of the scheme. When an employee leaves the scheme prior to his/her interest in the service units employer contributions vesting fully, the ongoing contributions payable by the service units' may be reduced by the relevant amount of forfeited contributions.

In addition, the service units also operate a defined contribution Mandatory Provident Fund ("MPF") retirement benefit scheme under the Mandatory Provident Fund Schemes Ordinance. Contributions to the MPF scheme are made based on a percentage of the employee's salaries and are charged to the operating income and expenditure account as they become payable in accordance with the rules of the MPF scheme. The service units' employer contributions are fully and immediately vested in favour of the employees.

(h) Related parties

Parties are considered to be related to the Association if the Association has the ability directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Association and the party are subject to common control or common significant influence. Related parties may be individual (being members of key management personnel, significant Executive Council Members and/or their close family members) or other entities and include entities which are under the significant of related parties of the Association where those parties are individuals, and post-employment benefit plans which are for the benefit of employees of the Association or of any entity that is a related party of the Association.

4. FINANCIAL INSTRUMENTS

4A. CATEGORIES OF FINANCIAL INSTRUMENTS

Financial assets

	2022 HK\$	2021 HK\$
<u>Loans and receivable</u>		
Accounts receivable	338,912.80	1,000.00
Rent and rates subvention deficit account	642,338.50	409,040.50
Prevention of antibiotic resistant bacteria deficit account	120,409.80	58,236.80
Other grants receivables	437,506.92	2,093,008.30
Special grant on manpower support for residential and home-based care service units in respect of COVID-19 deficit account	165,654.00	-
Special allowance for the staff of residential care RCHes and RCHDs deficit account	76,000.00	-
Cash and bank balances	10,536,642.05	9,785,423.99
	<u>12,317,464.07</u>	<u>12,346,709.59</u>

Financial liabilities

	2022 HK\$	2021 HK\$
<u>Amortised costs</u>		
Accounts payable and accrued charges	1,016,108.65	2,061,237.30
Rent and rates subvention surplus account	3,313.00	7,280.20
Care assistants and programme assistants surplus account	1,025.00	1,025.00
Special subsidy for on-site quarantine allowance surplus account	964,000.00	-
Special allowance for staff of subvented residential service units in respect of COVID-19 surplus account	-	29,707.73
Special subsidy for visiting medical practitioner Scheme for RCHes & RCHDs surplus account	195,000.00	-
Lotteries Fund for Wi-Fi project surplus account	78,330.63	37,600.17
Lotteries fund for internet access surplus account	3,785.20	3,785.20
Social welfare development fund surplus account	501,944.69	469,789.66
Time-limited posts for elderly and rehabilitation services surplus account	88,402.58	65,400.00
Anti-virus coating spray for residential care homes for the elderly surplus account	0.20	0.20
Time-limited programme on enhancing infection control and ventilation of residential care homes for elderly surplus account	-	13,224.00
Staff of subvented RCHes/NHs and their attached day service units requiring compulsory COVID-19 testing surplus account	-	2,000.00
	<u>2,851,909.95</u>	<u>2,691,049.46</u>

4. FINANCIAL INSTRUMENTS (CONTINUED)

4B. FINANCIAL RISK MANAGEMENT

(a) Financial risk factors

Exposure to interest-rate risk, credit risk, liquidity risk and foreign currency risk arises in the normal course of the Association's operation. The board reviews and agrees the policies for managing each of these risks and they are summarised below:

(i) Credit risk

The Association's maximum exposure to risk in the event of the counterparties failure to perform their obligations as at 31 March 2022 in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the statement of financial position. The management reviews the recoverable amount of each individual debt at each the end of the reporting period to ensure that the adequate impairment losses are made for measurable amounts. In this regard, the management considers that the Association's credit risk is significantly reduced.

The Association risk on liquid funds is limited because the counterparties are banks with high credit ratings.

Exposure to credit risk

At the end of the reporting period, the financial assets of the Association that were exposed to credit risk and their maximum exposure were as follows:

	2022		2021	
	Carrying amount in balance <u>sheet</u> HK\$	Maximum exposure to credit <u>risk</u> HK\$	Carrying amount in balance <u>sheet</u> HK\$	Maximum exposure to credit <u>risk</u> HK\$
Account receivables	338,912.80	338,912.80	1,000.00	1,000.00
Rent and rates subvention deficit account	642,338.50	642,338.50	409,040.50	409,040.50
Prevention of antibiotic resistant bacteria deficit account	120,409.80	120,409.80	58,236.80	58,236.80
Other grants receivables	437,506.92	437,506.92	2,093,008.30	2,093,008.30
Special grant on manpower support for residential and home-based care service units in respect of COVID-19 deficit account	165,654.00	165,654.00	-	-
Special allowance for the staff of residential care RCHEs and RCHDs deficit account	76,000.00	76,000.00	-	-
Cash and bank balances	10,536,642.05	10,536,642.05	9,785,423.99	9,785,423.99
	<u>12,317,464.07</u>	<u>12,317,464.07</u>	<u>12,346,709.59</u>	<u>12,346,709.59</u>

4. FINANCIAL INSTRUMENTS (CONTINUED)

4B. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Financial risk factors (continued)

(ii) Liquidity risk

Liquidity risk is the risk that funds will not be available to meet liabilities as they fall due, and it results from amount and maturity mismatches of assets and liabilities.

The Association's policy is to regularly monitor current and expected requirements to ensure that it maintains sufficient reserve of cash to meet its liquidity requirements in the short and longer terms.

The following table details the remaining contractual maturities at the end of the reporting period of the Association's financial liabilities which are based on contractual undiscounted cash flows and the earliest date the Association can be required to pay.

	2022		
	Carrying amount HK\$	Total contractual undiscounted cash flow HK\$	Within 1 year or on demand HK\$
Accounts payable and accrued charges	1,016,108.65	(1,016,108.65)	(1,016,108.65)
Rent and rates subvention surplus account	3,313.00	(3,313.00)	(3,313.00)
Care assistants and programme assistants surplus account	1,025.00	(1,025.00)	(1,025.00)
Special subsidy for on-site quarantine allowance surplus account	964,000.00	(964,000.00)	(964,000.00)
Special subsidy for visiting medical practitioner Scheme for RCHEs & RCHDs surplus account	195,000.00	(195,000.00)	(195,000.00)
Lotteries Fund for Wi-Fi project surplus account	78,330.63	(78,330.63)	(78,330.63)
Lotteries fund for internet access surplus account	3,785.20	(3,785.20)	(3,785.20)
Social welfare development fund surplus account	501,944.69	(501,944.69)	(501,944.69)
Time-limited posts for elderly and rehabilitation services surplus account	88,402.58	(88,402.58)	(88,402.58)
Anti-virus coating spray for residential care homes for the elderly surplus account	0.20	(0.20)	(0.20)
	<u>2,851,909.95</u>	<u>(2,851,909.95)</u>	<u>(2,851,909.95)</u>

4. FINANCIAL INSTRUMENTS (CONTINUED)

4B. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Financial risk factors (continued)

(ii) Liquidity risk (continued)

	2021		
	Carrying	Total	Within 1
	amount	contractual	year or on
	<u>amount</u>	<u>cash flow</u>	<u>demand</u>
	HK\$	HK\$	HK\$
Accounts payable and accrued charges	2,061,237.30	(2,061,237.30)	(2,061,237.30)
Rent and rates subvention surplus account	7,280.20	(7,280.20)	(7,280.20)
Care assistants and programme assistants surplus account	1,025.00	(1,025.00)	(1,025.00)
Special allowance for staff of subvented residential service units in respect of COVID-19 surplus account	29,707.73	(29,707.73)	(29,707.73)
Lotteries Fund for Wi-Fi project surplus account	37,600.17	(37,600.17)	(37,600.17)
Lotteries fund for internet access surplus account	3,785.20	(3,785.20)	(3,785.20)
Social welfare development fund surplus account	469,789.66	(469,789.66)	(469,789.66)
Time-limited posts for elderly and rehabilitation services surplus account	65,400.00	(65,400.00)	(65,400.00)
Anti-virus coating spray for residential care homes for the elderly surplus account	0.20	(0.20)	(0.20)
Time-limited programme on enhancing infection control and ventilation of residential care homes for elderly surplus account	13,224.00	(13,224.00)	(13,224.00)
Staff of subvented RCHEs/NHs and their attached day service units requiring compulsory COVID-19 testing surplus account	2,000.00	(2,000.00)	(2,000.00)
	<u>2,691,049.46</u>	<u>(2,691,049.46)</u>	<u>(2,691,049.46)</u>

(iii) Interest rate risk

Other than the bank balances which carry interest at prevailing market rates, the Association has no other significant interest-bearing assets or liabilities. Therefore, the interest risk mainly arises from interest-bearing bank deposits.

Since the Association's income and operating cash flows are substantially independent of changes in market interest rates, the changes in interest rates will have no material impact on the result of the Association. Accordingly, the sensitivity analysis in respect of changes in interest rates is not required.

(iv) Foreign currency risk

The Association operates in Hong Kong with almost all of the transactions settled in Hong Kong dollars therefore there would not be any significant expense to foreign exchange risks during the year.

4. FINANCIAL INSTRUMENTS (CONTINUED)

4B. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Fair value estimation

All financial instruments are carried at the amounts not materially different from their fair values at the end of the reporting period because of the immediate or short term maturity of these instruments.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Association makes estimates and assumptions concerning the future. The resulting accounting estimates with, by definition, seldom equal to the related actual results. The estimates and assumption that have a significant risk of carrying a material adjustment to the carrying amounts of assets and liabilities within next financial year are discussed below.

Depreciation of property, plant and equipment:

The Association's management determines the estimated useful lives and residual values for the related depreciation charges for property, plant and equipment. Management will revise the depreciation charge where useful lives and residual values are different to previous estimates, or will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

6. SURPLUS FOR THE YEAR

Surplus for the year is arrived at after charging:-

	2022	2021
	HK\$	HK\$
Auditors' remuneration	37,000.00	34,000.00
Depreciation	1,231,290.98	1,275,873.84
Operating lease charges – land and buildings	1,324,404.00	1,121,344.00
Staff cost -		
Salaries and allowances	13,802,471.31	13,707,856.11
Provident fund contributions	855,919.17	837,281.23
Staff training	4,850.00	66,745.00
Medical expenses	44,790.00	40,287.00
	<u> </u>	<u> </u>

7. TAXATION

No provision has been made for Hong Kong Profits Tax since, under section 88 of the Inland Revenue Ordinance, the Association is an approved charitable institution.

8. PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvement HK\$	Furniture, fixtures and office equipment HK\$	Computer equipment HK\$	Motor vehicle HK\$	Total HK\$
2022					
Cost					
As at 1 April 2021	12,155,035.20	6,900,421.22	437,417.00	534,661.40	20,027,534.82
Additions	141,550.00	589,817.90	-	-	731,367.90
As at 31 March 2022	12,296,585.20	7,490,239.12	437,417.00	534,661.40	20,758,902.72
Accumulated depreciation and impairment loss					
As at 1 April 2021	11,085,159.87	6,268,099.18	421,965.66	534,661.40	18,309,886.11
Charge for the year	582,121.00	634,220.64	14,949.34	-	1,231,290.98
As at 31 March 2022	11,667,280.87	6,902,319.82	436,915.00	534,661.40	19,541,177.09
Net carrying amount					
As at 31 March 2022	629,304.33	587,919.30	502.00	-	1,217,725.63
As at 31 March 2021	1,069,875.33	632,322.04	15,451.34	-	1,717,648.71
2021					
Cost					
As at 1 April 2020	10,550,222.20	6,316,299.12	435,917.00	534,661.40	17,837,099.72
Additions	1,604,813.00	584,122.10	1,500.00	-	2,190,435.10
As at 31 March 2021	12,155,035.20	6,900,421.22	437,417.00	534,661.40	20,027,534.82
Accumulated depreciation and impairment loss					
As at 1 April 2020	10,501,792.66	5,594,688.22	402,869.99	534,661.40	17,034,012.27
Charge for the year	583,367.21	673,410.96	19,095.67	-	1,275,873.84
As at 31 March 2021	11,085,159.87	6,268,099.18	421,965.66	534,661.40	18,309,886.11
Net carrying amount					
As at 31 March 2021	1,069,875.33	632,322.04	15,451.34	-	1,717,648.71
As at 31 March 2020	48,429.54	721,610.90	33,047.01	-	803,087.45

9. RENT AND RATES SUBVENTION (DEFICIT)/SURPLUS ACCOUNT

Unit no: 7750

Subvented service unit: Kei Fuk Elderly Centre (Basis: Lump Sum Grant)

<u>Subvention element</u>	2022		<u>Surplus</u> HK\$	<u>Deficit</u> HK\$
	<u>Subvention released</u> HK\$	<u>Actual expenditure</u> HK\$		
Rent	15,694.00	522,444.00	-	(506,750.00)
Rates	28,621.00	30,500.00	-	(1,879.00)
Management fee	104,160.00	220,110.00	-	(115,950.00)
Backpay - rent	300,561.00	-	-	-
Backpay - management fee	90,720.00	-	-	-
	<u>539,756.00</u>	<u>773,054.00</u>	<u>-</u>	<u>(624,579.00)</u>

<u>Subvention element</u>	2021		<u>Surplus</u> HK\$	<u>Deficit</u> HK\$
	<u>Subvention released</u> HK\$	<u>Actual expenditure</u> HK\$		
Rent	15,694.00	316,254.50	-	(300,560.50)
Rates	28,621.00	21,653.80	6,967.20	-
Management fee	104,160.00	194,880.00	-	(90,720.00)
Backpay - rent	8,266.00	-	-	-
Backpay - rates	1,900.00	-	-	-
Backpay - management fee	42,000.00	-	-	-
	<u>200,641.00</u>	<u>532,788.30</u>	<u>6,967.20</u>	<u>(391,280.50)</u>

Unit no: 2486

Subvented service unit: Wai Kei Hostel (Basis: Lump Sum Grant)

<u>Subvention element</u>	2022		<u>Surplus</u> HK\$	<u>Deficit</u> HK\$
	<u>Subvention released</u> HK\$	<u>Actual expenditure</u> HK\$		
Rent	819,300.00	837,060.00	-	(17,760.00)
Rates	55,913.00	52,600.00	3,313.00	-
Backpay - rent	17,760.00	-	-	-
	<u>892,973.00</u>	<u>889,660.00</u>	<u>3,313.00</u>	<u>(17,760.00)</u>

<u>Subvention element</u>	2021		<u>Surplus</u> HK\$	<u>Deficit</u> HK\$
	<u>Subvention released</u> HK\$	<u>Actual expenditure</u> HK\$		
Rent	819,300.00	837,060.00	-	(17,760.00)
Rates	55,913.00	55,600.00	313.00	-
Backpay - rent	32,680.00	-	-	-
Backpay - rates	25,025.00	-	-	-
	<u>932,918.00</u>	<u>892,660.00</u>	<u>313.00</u>	<u>(17,760.00)</u>

9. **RENT AND RATES SUBVENTION (DEFICIT)/SURPLUS ACCOUNT
(CONTINUED)**

Deficit account at year end date -

	Wai <u>Kei Hostel</u> HK\$	Kei Fuk <u>Elderly Centre</u> HK\$	2022 HK\$	2021 HK\$
Balance at beginning of the reporting period	17,760.00	391,280.50	409,040.50	109,871.00
Backpay from SWD	(17,760.00)	(391,281.00)	(409,041.00)	(109,871.00)
Deficit for the year	17,760.00	624,579.00	642,339.00	409,040.50
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Balance at the end of the reporting period	17,760.00	624,578.50	642,338.50	409,040.50
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Surplus account at year end date -

	Wai <u>Kei Hostel</u> HK\$	Kei Fuk <u>Elderly Centre</u> HK\$	2022 HK\$	2021 HK\$
Surplus for the year and balance at end of the reporting period	3,313.00	-	3,313.00	7,280.20
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

10. **PREVENTION OF ANTIBIOTIC RESISTANT BACTERIA DEFICIT ACCOUNT**

Subvented service unit: Wai Kei Hostel

	2022 HK\$	2021 HK\$
Balance at beginning of the reporting period	(58,236.80)	(76,593.90)
Subsidy received	-	52,917.60
Actual expenditure	(62,173.00)	(34,560.50)
	<u> </u>	<u> </u>
Balance at end of the reporting period	(120,409.80)	(58,236.80)
	<u> </u>	<u> </u>

11. **SPECIAL GRANT ON MANPOWER SUPPORT FOR RESIDENTIAL AND HOME-BASED CARE SERVICE UNITS IN RESPECT OF COVID-19 DEFICIT ACCOUNT**

Subvented service unit: Wai Kei Hostel

	2022 HK\$	2021 HK\$
Balance at beginning of the reporting period	-	-
Subsidy received	-	-
Actual expenditure	(165,654.00)	-
	<u> </u>	<u> </u>
Balance at end of the reporting period	(165,654.00)	-
	<u> </u>	<u> </u>

12. SPECIAL ALLOWANCE FOR THE STAFF OF RESIDENTIAL CARE HOMES FOR THE ELDERLY (“RCHEs”) AND RESIDENTIAL CARE HOMES FOR PERSONS WITH DISABILITIES (“RCHDs”) DEFICIT ACCOUNT

Subvented service unit: Wai Kei Hostel

	2022 HK\$	2021 HK\$
Balance at beginning of the reporting period	-	-
Subsidy received	70,000.00	-
Actual expenditure	(146,000.00)	-
	<u> </u>	<u> </u>
Balance at end of the reporting period	(76,000.00)	-
	<u> </u>	<u> </u>

13. CARE ASSISTANTS AND PROGRAMME ASSISTANTS SURPLUS ACCOUNT

Subvented service unit: Wai Kei Hostel

	2022 HK\$	2021 HK\$
Balance at beginning of the reporting period	1,025.00	1,025.00
	<u> </u>	<u> </u>

14. INFIRMARY CARE SUPPLEMENT FOR RESIDENTIAL ELDERLY SERVICES SURPLUS ACCOUNT

Subvention service unit: Wai Kei Hostel

<u>Subvention element</u>	<u>Subvention released</u> HK\$	2022		<u>Surplus</u> HK\$
		<u>Actual expenditure</u> HK\$		
Personal emoluments (PE)	1,047,002.00	1,047,002.00		-
Other charges (OC)	-	-		-
	<u> </u>	<u> </u>		<u> </u>
Total	1,047,002.00	1,047,002.00		-
	<u> </u>	<u> </u>		<u> </u>

<u>Subvention element</u>	<u>Subvention released</u> HK\$	2021		<u>Surplus</u> HK\$
		<u>Actual expenditure</u> HK\$		
Personal emoluments (PE)	856,638.00	856,638.00		-
Other charges (OC)	-	-		-
	<u> </u>	<u> </u>		<u> </u>
Total	856,638.00	856,638.00		-
	<u> </u>	<u> </u>		<u> </u>

15. DEMENTIA SUPPLEMENT FOR RESIDENTIAL ELDERLY SERVICES SURPLUS ACCOUNT

Subvented service unit: Wai Kei Hostel

<u>Subvention element</u>	<u>Subvention released</u> HK\$	2022		<u>Surplus</u> HK\$
		<u>Actual expenditure</u> HK\$		
Personal emoluments (PE)	944,834.00	944,834.00		-
Other charges (OC)	-	-		-
Total	<u>944,834.00</u>	<u>944,834.00</u>		<u>-</u>

<u>Subvention element</u>	<u>Subvention released</u> HK\$	2021		<u>Surplus</u> HK\$
		<u>Actual expenditure</u> HK\$		
Personal emoluments (PE)	970,853.00	970,853.00		-
Other charges (OC)	-	-		-
Total	<u>970,853.00</u>	<u>970,853.00</u>		<u>-</u>

16. SPECIAL SUBSIDY FOR ON-SITE QUARANTINE ALLOWANCE SURPLUS ACCOUNT

Subvented service unit: Wai Kei Hostel

	2022 HK\$	2021 HK\$
Balance at beginning of the reporting period	-	-
Subsidy received	1,484,000.00	-
Actual expenditure	(520,000.00)	-
Balance at end of the reporting period	<u>964,000.00</u>	<u>-</u>

17. SPECIAL ALLOWANCE FOR STAFF OF SUBVENTED RESIDENTIAL SERVICE UNITS IN RESPECT OF COVID-19 SURPLUS ACCOUNT

Subvented service unit: Wai Kei Hostel

	2022 HK\$	2021 HK\$
Balance at beginning of the reporting period	<u>29,707.73</u>	<u>12,432.68</u>
Subsidy received	-	172,668.00
Actual expenditure	-	(142,960.27)
	<u>-</u>	<u>29,707.73</u>
Refund to the Government	(29,707.73)	(12,432.68)
Balance at end of the reporting period	<u>-</u>	<u>29,707.73</u>

18. SPECIAL SUBSIDY FOR VISITING MEDICAL PRACTITIONER SCHEME FOR RCHEs & RCHDs SURPLUS ACCOUNT

Subvented service unit: Wai Kei Hostel

	2022 HK\$	2021 HK\$
Balance at beginning of the reporting period	-	-
Subsidy received	195,000.00	-
Actual expenditure	-	-
	<u>195,000.00</u>	<u>-</u>
Balance at end of the reporting period	<u><u>195,000.00</u></u>	<u><u>-</u></u>

19. LOTTERIES FUND FOR WI-FI PROJECT SURPLUS ACCOUNT

Subvented service unit: Kei Fuk Elderly Centre

	2022 HK\$	2021 HK\$
Income		
- Lotteries Fund Grant	51,100.00	13,200.00
- Interest income	0.46	0.17
	<u>51,100.46</u>	<u>13,200.17</u>
	-----	-----
Expenditure		
Other Expenditure		
(i) Technical set-up and installation cost	-	-
(ii) Operating expenses	10,370.00	3,700.00
	<u>10,370.00</u>	<u>3,700.00</u>
	-----	-----
Surplus for the year	<u>40,730.46</u>	<u>9,500.17</u>
	-----	-----
Add : Cumulated income b/f	41,300.17	28,100.00
Cumulated expenditure b/f	(3,700.00)	-
	<u>37,600.17</u>	<u>28,100.00</u>
	-----	-----
Cumulated surplus c/f	<u><u>78,330.63</u></u>	<u><u>37,600.17</u></u>
	=====	=====

20. LOTTERIES FUND FOR INTERNET ACCESS SURPLUS ACCOUNT

Subvented service unit: Kei Fuk Elderly Centre

	2022 HK\$	2021 HK\$
Balance at beginning and at end of the reporting period	3,785.20	3,785.20
	<u><u>3,785.20</u></u>	<u><u>3,785.20</u></u>
	=====	=====

21. SOCIAL WELFARE DEVELOPMENT FUND SURPLUS ACCOUNT

SWDF Phase III

	2022 HK\$	2021 HK\$
Balance at beginning of the reporting period	469,789.66	495,330.00
Annual allocation from social welfare development fund during the year	37,000.00	23,000.00
Interest received during the year	5.03	4.66
Less: Expenditure for Project under Scope A	(4,850.00)	(45,545.00)
Administrative expenses	-	(3,000.00)
Balance at end of the reporting period	<u>501,944.69</u>	<u>469,789.66</u>

22. TIME-LIMITED POSTS FOR ELDERLY AND REHABILITATION SERVICES SURPLUS ACCOUNT

Subvented service units: Wai Kei Hostel and Kei Fuk Elderly Centre

	2022 HK\$	2021 HK\$
Balance at beginning of the reporting period	65,400.00	-
Subsidy received	65,400.00	65,400.00
Actual expenditure	(42,397.42)	-
	<u>23,002.58</u>	<u>65,400.00</u>
Balance at end of the reporting period	<u>88,402.58</u>	<u>65,400.00</u>

23. ANTI-VIRUS COATING SPRAY FOR RESIDENTIAL CARE HOMES FOR THE ELDERLY SURPLUS ACCOUNT

Subvented service unit: Wai Kei Hostel

	2022 HK\$	2021 HK\$
Balance at beginning of the reporting period	0.20	-
Subsidy received	19,764.05	64,327.00
Actual expenditure	(19,764.05)	(64,326.80)
	<u>-</u>	<u>0.20</u>
Balance at end of the reporting period	<u>0.20</u>	<u>0.20</u>

24. TIME-LIMITED PROGRAMME ON ENHANCING INFECTION CONTROL AND VENTILATION OF RESIDENTIAL CARE HOMES FOR ELDERLY SURPLUS ACCOUNT

Subvented service unit: Wai Kei Hostel

	2022 HK\$	2021 HK\$
Balance at beginning of the reporting period	13,224.00	-
	-----	-----
Subsidy received	-	31,224.00
Actual expenditure	(9,568.00)	(18,000.00)
	-----	-----
	(9,568.00)	13,224.00
	-----	-----
Refund to the Government	(3,656.00)	-
	-----	-----
Balance at end of the reporting period	-	13,224.00
	=====	=====

25. STAFF OF SUBVENTED RCHEs/NHs AND THEIR ATTACHED DAY SERVICE UNITS REQUIRING COMPULSORY COVID-19 TESTING SURPLUS ACCOUNT

Subvented service unit: Wai Kei Hostel

	2022 HK\$	2021 HK\$
Balance at beginning of the reporting period	2,000.00	-
	-----	-----
Subsidy received	83,160.00	41,000.00
Actual expenditure	(16,800.00)	(39,000.00)
	-----	-----
	66,360.00	2,000.00
	-----	-----
Refund to the Government	(68,360.00)	-
	-----	-----
Balance at end of the reporting period	-	2,000.00
	=====	=====

26. DEFERRED INCOME ON OTHER GRANT

Grant from Innovation and Technology Fund for Application in Elderly and Rehabilitation Care ("I&T Fund")

Subvented service unit: Kei Fuk Elderly Centre

	2022 HK\$	2021 HK\$
Balance at beginning of the reporting period	-	-
Subsidy recognised during the year	245,679.00	-
Recognised as income during the year	(81,893.00)	-
	<hr/>	<hr/>
Deferred income	163,786.00	-
Less: Current portion	(81,893.00)	-
	<hr/>	<hr/>
Non-current portion	81,893.00	-
	=====	=====

Grant from Ho Tung Fund

Subvented service unit: Wai Kei Hostel

	2022 HK\$	2021 HK\$
Balance at beginning of the reporting period	-	-
Subsidy recognised during the year	72,000.00	-
Recognised as income during the year	(24,000.00)	-
	<hr/>	<hr/>
Deferred income	48,000.00	-
Less: Current portion	(24,000.00)	-
	<hr/>	<hr/>
Non-current portion	24,000.00	-
	=====	=====

Lotteries Fund Grant - Renovation works and purchase of furniture and equipment

Subvented service unit: Wei Kei Hostel

	2022 HK\$	2021 HK\$
Balance at beginning of the reporting period	289,733.33	51,883.34
Fund recognised during the year	-	434,600.00
Recognised as income during the year	(144,866.67)	(196,750.01)
	<hr/>	<hr/>
Deferred income	144,866.66	289,733.33
Less: Current portion	(144,866.66)	(144,866.67)
	<hr/>	<hr/>
Non-current portion	-	144,866.66
	=====	=====

26. DEFERRED INCOME ON OTHER GRANT (CONTINUED)

Grant from Social Welfare Development Fund – IT Project

Subvented service unit: Wei Kei Hostel

	2022 HK\$	2021 HK\$
Balance at beginning of the reporting period	25,571.24	87,315.81
Recognised as income during the year	(25,571.24)	(61,744.57)
	<hr/>	<hr/>
Deferred income	-	25,571.24
Less: Current portion	-	(25,571.24)
	<hr/>	<hr/>
Non-current portion	-	-
	<hr/> <hr/>	<hr/> <hr/>

Subvented service unit: Kei Fuk Elderly Centre

	2022 HK\$	2021 HK\$
Balance at beginning of the reporting period	17,904.90	70,203.14
Recognised as income during the year	(17,904.90)	(52,298.24)
	<hr/>	<hr/>
Deferred income	-	17,904.90
Less: Current portion	-	(17,904.90)
	<hr/>	<hr/>
Non-current portion	-	-
	<hr/> <hr/>	<hr/> <hr/>

Lotteries Fund Grant - Fitting out works for setting up a sub-base

Subvented service unit: Kei Fuk Elderly Centre

	2022 HK\$	2021 HK\$
Balance at beginning of the reporting period	782,802.00	-
Fund recognised during the year	188,819.90	1,174,203.00
Recognised as income during the year	(454,340.97)	(391,401.00)
	<hr/>	<hr/>
Deferred income	517,280.93	782,802.00
Less: Current portion	(454,340.97)	(391,401.00)
	<hr/>	<hr/>
Non-current portion	62,939.96	391,401.00
	<hr/> <hr/>	<hr/> <hr/>

26. DEFERRED INCOME ON OTHER GRANT (CONTINUED)

The Hong Kong Jockey Club Charities Trust - Jockey Club Facilities Enhancement Scheme for Pandemic Preparedness at Residential Care Home

Subvented service unit: Wei Kei Hostel

	2022 HK\$	2021 HK\$
Balance at beginning of the reporting period	111,862.67	-
Fund recognised during the year	29,783.00	167,794.00
Recognised as income during the year	(65,858.99)	(55,931.33)
Deferred income	75,786.68	111,862.67
Less: Current portion	(65,859.01)	(55,931.33)
Non-current portion	9,927.67	55,931.34

	Wai Kei Hostel HK\$	Kei Fuk Elderly Centre HK\$	2022 Total HK\$	2021 Total HK\$
Balance at beginning of the reporting period	427,167.24	800,706.90	1,227,874.14	274,555.99
Fund recognised during the year	101,783.00	434,498.90	536,281.90	1,776,597.00
Recognised as income during the year	(260,296.90)	(554,138.87)	(814,435.77)	(823,278.85)
Deferred income	268,653.34	681,066.93	949,720.27	1,227,874.14
Less: Current portion	(234,725.67)	(536,233.97)	(770,959.64)	(635,675.14)
Non-current portion	33,927.67	144,832.96	178,760.63	592,199.00

27. DEFERRED INCOME ON LOTTERIES FUND BLOCK GRANT

	2022 HK\$	2021 HK\$
Balance at beginning of the reporting period	210,143.71	305,573.86
Grants received for the year		
- Amount received during the year		
Block grant received – (Note 31a)	335,000.00	329,000.00
Interest income received – (Note 31a)	4.97	2.81
Lotteries fund recognised during the year	545,148.68 (187,904.85)	634,576.67 (243,036.75)
Amount transfer to F & E Replenishment and minor works block grant reserve – (Note 31a)	357,243.83 (254,114.97)	391,539.92 (181,396.21)
Deferred income	103,128.86	210,143.71
Less: Current portion	(76,165.54)	(160,941.51)
Non-current portion	26,963.32	49,202.20

28. ACCUMULATED SURPLUS

The movement of the general fund is as follows:

	2022 HK\$	2021 HK\$
Surplus/(Deficit) at beginning of the reporting period	180,324.62	(24,503.24)
(Deficit)/Surplus for the year	(356,922.64)	837,982.04
	<u>(176,598.02)</u>	<u>813,478.80</u>
Transfer to reserve fund		
- Reserve from Lump Sum Grant	793,769.11	(103,214.41)
- Provident fund reserve	(450,785.83)	(529,939.77)
	<u>342,983.28</u>	<u>(633,154.18)</u>
Surplus balance at the end of the reporting period	<u><u>166,385.26</u></u>	<u><u>180,324.62</u></u>

29. RESERVE FUND

	2022 HK\$	2021 HK\$
Reserve from lump sum grant		
Balance at beginning of the reporting period	5,300,468.20	5,197,253.79
Transfer of (deficit)/surplus from operating income and expenditure account	(793,769.11)	103,214.41
Balance at the end of the reporting period	<u><u>4,506,699.09</u></u>	<u><u>5,300,468.20</u></u>
Provident fund reserve		
Balance at the beginning of the reporting period	2,899,000.02	2,380,840.25
Transfer of surplus from operating income and expenditure account	450,785.83	529,939.77
Refund of provident fund to the Government	(21,104.00)	(11,780.00)
Balance at the end of the reporting period	<u><u>3,328,681.85</u></u>	<u><u>2,899,000.02</u></u>
	<u><u>7,835,380.94</u></u>	<u><u>8,199,468.22</u></u>

30. FLAG DAY FUND

	2022 HK\$	2021 HK\$
Balance at beginning and at end of the reporting period	<u><u>1,249,767.50</u></u>	<u><u>1,249,767.50</u></u>

The flag day income is used for supporting the followings :-

- (i) To cover recurrent expenses of Care and Attention Home; and
- (ii) To cover recurrent expenses of Neighbourhood Elderly Centre.

The flag day income has not been utilised by the Association and has been reserved in Flag Day Fund.

31. (a) **MOVEMENT OF THE F & E REPLENISHMENT AND MINOR WORKS
BLOCK GRANT RESERVE**

	2022 HK\$	2021 HK\$
Credit balance at beginning of the reporting period	343,067.25	161,671.04
Add: Amount received during the year		
Block grant received	335,000.00	329,000.00
Interest income received	4.97	2.81
Less: Expenditure during the year -		
Minor works	-	(37,570.00)
Furniture and equipment	(55,720.00)	(110,036.60)
Vehicle overhauling	(25,170.00)	-
Surplus for the year	254,114.97	181,396.21
Credit balance at the end of the reporting period	597,182.22	343,067.25

(b) **DETAILS OF BLOCK GRANT EXPENDITURE**

	2022 HK\$	2021 HK\$
Name of the SWD - Subvented Service Units		
- Supervisory Support for Elderly	-	1,500.00
- Wai Kei Hostel	69,470.00	130,452.60
- Kei Fuk Elderly Centre	11,420.00	15,654.00
	80,890.00	147,606.60

(c) **CAPITAL COMMITMENTS UNDER LOTTERIES FUND BLOCK GRANT**

As at 31 March 2022 the outstanding commitments in respect of F&E Replenishment and Minor Works Grant were as follows:-

	2022 HK\$	2021 HK\$
Contracted for but not provided in the financial statements	-	-
Authorised but not contracted for	-	-
	-	-

32. **EXECUTIVE COUNCIL MEMBERS' EMOLUMENTS**

Executive Council Members' remunerations disclosed pursuant to section 383(1) of Hong Kong Companies Ordinance is as follows:-

	2022 HK\$	2021 HK\$
Fee	-	-
Other emoluments	-	-
	-	-

33. RELATED PARTY TRANSACTIONS

- (a) During the year, the Association entered into the following transactions with Hong Kong And Macau Lutheran Church Limited:-

	2022 HK\$	2021 HK\$
Spiritual care services expenses	96,111.00	19,533.00
Rent and rates paid	4,201.10	2,653.56

- (b) Compensation of key management personnel

	2022 HK\$	2021 HK\$
Salaries and other employee benefits	2,526,374.04	2,518,744.42

34. RETIREMENT BENEFIT SCHEMES

Staff provident fund and mandatory provident fund are managed by HSBC Life (International) Limited, the balances of which have not been dealt with in these financial statements.

35. LEASE COMMITMENTS

At 31 March 2022, the Association had the following total future minimum lease payments payable under a non-cancellable operating lease:-

	2022 HK\$	2021 HK\$
Not later than one year	1,324,344.00	1,283,844.00
Later than one year	2,364,404.00	1,177,748.00
	<u>3,688,748.00</u>	<u>2,461,592.00</u>

- END -