

## Disclaimer

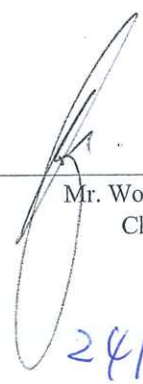
This Annual Financial Report ("AFR") does not constitute The Chinese Evangelical Zion Church Limited's statutory annual financial statements. This AFR is prepared on cash basis and in accordance with the requirements set out in the Lump Sum Grant Manual issued by the Social Welfare Department of the Government of the Hong Kong Special Administrative Region. This basis of preparation is different from the financial reporting standards issued by The Hong Kong Institute of Certified Public Accountants normally adopted in statutory annual financial statements.

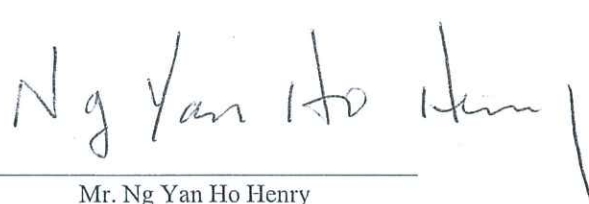
**CHINESE EVANGELICAL ZION CHURCH LIMITED**  
**- TSZ WAN SHAN ZION CHILDREN AND YOUTH INTEGRATED SERVICE CENTRE**

**ANNUAL FINANCIAL REPORT**  
**1 APRIL 2021 TO 31 MARCH 2022**

	<u>Notes</u>	<u>2021-22</u> <u>HK\$</u>	<u>2020-21</u> <u>HK\$</u>	<u>Remarks</u>
<b>A. INCOME</b>				
1. Lump Sum Grant				
a. Lump Sum Grant (excluding Provident Fund)	1b	7,867,883.00	7,860,199.00	
b. Provident Fund	1c	659,321.00	659,313.00	
2. Fee Income	2	0.00	0.00	
3. Central Items	3	3,624,116.00	3,606,496.00	
4. Rent and Rates	4	578,912.00	578,912.00	
5. Other Income	5	6,148,283.04	5,172,196.84	
6. Interest Received		39,128.11	110,635.07	
<b>TOTAL INCOME</b>		<u>18,917,643.15</u>	<u>17,987,751.91</u>	
<b>B. EXPENDITURE</b>				
1. Personal Emoluments				
a. Salaries		10,211,206.02	10,204,619.08	
b. Provident Fund	1c	774,633.94	757,865.88	
c. Allowances		0.00	0.00	
Sub-total	6	<u>10,985,839.96</u>	<u>10,962,484.96</u>	
2. Other Charges	7	3,567,627.71	3,164,926.86	
3. Central Items	3	2,507,420.91	2,333,988.16	
4. Rent and Rates	4	552,281.30	550,734.36	
<b>TOTAL EXPENDITURE</b>		<u>17,613,169.88</u>	<u>17,012,134.34</u>	
<b>C. SURPLUS FOR THE YEAR</b>	8	<u>1,304,473.27</u>	<u>975,617.57</u>	

The Annual Financial Report from pages 3 to 10 has been prepared in accordance with the requirements as set out in the Lump Sum Grant Manual.

  
 \_\_\_\_\_  
 Mr. Wong Chun Wai  
 Chairman  
 Date: 24/10/2022

  
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 Mr. Ng Yan Ho Henry  
 Chief Executive  
 Date: 24/10/2022

CHINESE EVANGELICAL ZION CHURCH LIMITED  
- TSZ WAN SHAN ZION CHILDREN AND YOUTH INTEGRATED SERVICE CENTRE

NOTES ON THE ANNUAL FINANCIAL REPORT

1. Lump Sum Grant

a. Basic of preparation

The Annual Financial Report (AFR) is prepared in respect of all Funding and Service Agreement (FSA) activities (including support services to FSA activities) funded by the Social Welfare Department under the Lump Sum Grant Subvention System. AFR is prepared on cash basis, that is, income is recognised upon receipt of cash and expenditure is recognised when expenses are paid. Non-cash items such as depreciation, provisions and accruals have not been included in the AFR.

b. Lump Sum Grant (excluding Provident Fund)

This represents Lump Sum Grant (excluding Provident Fund) received for the year

c. Provident Fund

This is Provident Fund received and contributed during the year. Snapshot staff are defined as those staff occupying recognised or holding against subvented posts as at 1 April 2000. 6.8% and other posts represent those staff that are employed after 1 April 2000. The Provident Fund received and contributed for staff under the Central Items have been shown under Note 3. Details are analysed below

<u>Provident Fund Contribution</u>	<u>Snapshot Staff</u>	<u>6.8% Posts</u>	<u>2021-22</u>	<u>2020-21</u>
	<u>HK\$</u>	<u>HK\$</u>	<u>Total</u>	<u>Total</u>
			<u>HK\$</u>	<u>HK\$</u>
Subvention Received	239,760.00	419,561.00	659,321.00	659,313.00
Provident fund contribution paid during the year	258,734.34	515,899.60	774,633.94	757,865.88
Surplus/(deficit) for the Year	(18,974.34)	(96,338.60)	(115,312.94)	(98,552.88)
Add: Surplus b/f	(28,787.01)	475,558.78	446,771.77	558,459.94
Add: Additional subvention received for previous year	14,394.00		14,394.00	13,798.00
Refund of forfeiture of PF contribution			0.00	6,397.71
Less: Refund to Government			0.00	(33,331.00)
Surplus/(deficit) c/f	<u>(33,367.35)</u>	<u>379,220.18</u>	<u>345,852.83</u>	<u>446,771.77</u>

2. Fee Income

This represents social welfare fee income received for the year in respect of the fees and charges recognised for the purpose of subvention as set out in the LSG Manual.

3. Central Items

These are subvented service activities which are not included in Lump Sum Grant 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 Central Items have been separately included as part of the income and expenditure of the relevant items (paragraph 3.14 of LSG Manual (October 2016)). The income and expenditure of each of the Central Items are as follows:

	<u>2021-22</u>	<u>2020-21</u>
	<u>HK\$</u>	<u>HK\$</u>
<b>a. Income</b>		
After School Care Programme- Fee Waiving Subsidy Scheme	67,392.00	45,816.00
Neighbourhood Support Child Care Project (NSCCP) - Contract Subsidy	2,637,250.00	2,814,680.00
NSCCP - Subsidy for Fee Reduction/Waiving	-	746,000.00
After School Care Programme for Pre-Primary Children		
[ASC(P)]Contract Subsidy	685,474.00	-
ASC(P) Fee subsidy	234,000.00	-
ASC(P) Rent and Rates	-	-
	<u>3,624,116.00</u>	<u>3,606,496.00</u>
<b>b. Expenditure</b>		
After School Care Programme- Fee Waiving Subsidy Scheme	78,234.00	38,718.00
Neighbourhood Support Child Care Project (NSCCP) - Contract Subsidy	2,164,965.51	2,174,813.66
NSCCP - Subsidy for Fee Reduction/Waiving	117,578.50	120,456.50
After School Care Programme for Pre-Primary Children		
[ASC(P)]Contract Subsidy	139,334.90	-
ASC(P) Fee subsidy	-	-
ASC(P) Rent and Rates	7,308.00	-
	<u>2,507,420.91</u>	<u>2,333,988.16</u>

4. Rent and Rates

This represents the amount paid by SWD in respect of premises recognised by SWD. Expenditure on rent and rates in respect of premises not recognised by SWD should not be included in AFR.

**CHINESE EVANGELICAL ZION CHURCH LIMITED**  
**- TSZ WAN SHAN ZION CHILDREN AND YOUTH INTEGRATED SERVICE CENTRE**

**NOTES ON THE ANNUAL FINANCIAL REPORT**

5. Other income

This includes programme income and all income other than recognised social welfare fee income received during the year. Non-SWD subventions and donations received have not been included as Other Income in AFR. In this respect, donations have been included if it is used to finance expenditure reflected in the AFR.

The breakdown on Other Income is as follows:

<u>Other Income</u>	<u>2021-22</u> <u>HK\$</u>	<u>2020-21</u> <u>HK\$</u>
(a) Fees and charges for services incidental to the operation of subvented services	-	-
(b) Utilised allocation under Central Items (CI) - After School Care Programme (	78,234.00	33,318.00
(c) Reimbursement of Maternity Leave Pay (RMLP) Scheme reimbursement received	-	-
(d) Others	6,148,283.04	5,172,196.84
Sub - Total	<u>6,226,517.04</u>	<u>5,205,514.84</u>
Less: Utilised allocation under CI - ASCP	(78,234.00)	(33,318.00)
Total	<u><u>6,148,283.04</u></u>	<u><u>5,172,196.84</u></u>

6. Personal Emoluments

Personal Emoluments include salary, provident fund and salary-related allowances. The analysis on number of posts with annual Personal Emoluments over HK\$700,000 each paid under LSG is appended below.

<u>Analysis of Personal Emoluments paid under LSG</u>	<u>No. of Posts</u>	<u>HK\$</u>
HK\$700,001-HK\$800,000 p.a.	2	1,519,742.40
HK\$800,001-HK\$900,000 p.a.		
HK\$900,001-HK\$1,000,000 p.a.		
HK\$1,000,001-HK\$1,100,000 p.a.		
HK\$1,100,001-HK\$1,200,000 p.a.		
>HK\$1,200,000 p.a.	1	1,201,031.94

7. Other Charges

The breakdown on Other Charges is as follows:

	<u>2021-22</u> <u>HK\$</u>	<u>2020-21</u> <u>HK\$</u>
(a) Utilities	109,906.65	28,015.75
(b) Food	-	-
(c) Administrative Expenses	170,660.59	242,398.78
(d) Store and Equipment	189,716.00	130,120.00
(e) Repair and Maintenance	298,216.73	409,242.17
(f) Special Allowances	-	-
(g) Programme Expenses	2,775,246.08	2,269,760.90
(h) Transportation and Travelling	2,624.20	3,745.80
(i) Insurance	89,058.56	92,866.26
(j) Miscellaneous	10,432.90	22,095.20
Sub - Total	<u>3,645,861.71</u>	<u>3,198,244.86</u>
Less: Utilised allocation under CI - ASCP	(78,234.00)	(33,318.00)
Total:	<u><u>3,567,627.71</u></u>	<u><u>3,164,926.86</u></u>

**CHINESE EVANGELICAL ZION CHURCH LIMITED**  
**- TSZ WAN SHAN ZION CHILDREN AND YOUTH INTEGRATED SERVICE CENTRE**

**NOTES ON THE ANNUAL FINANCIAL REPORT**

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

	Lump Sum Grant	Ajustment for Utilised allocation under ASCP / Enhanced ASCP - FWSS	Rent and Rates	Central Items	Total
<b>Income</b>					
Lump Sum Grant	8,527,204.00				8,527,204.00
Fee Income	-				-
Other Income	6,226,517.04	(78,234.00)			6,148,283.04
Interest Received (Note (1))	39,128.11				39,128.11
Rent and Rates			578,912.00		578,912.00
Central Items				3,624,116.00	3,624,116.00
Total Income (a)	14,792,849.15	(78,234.00)	578,912.00	3,624,116.00	18,917,643.15
<b>Expenditure</b>					
Personal Emoluments	10,985,839.96				10,985,839.96
Other Charges	3,645,861.71	(78,234.00)			3,567,627.71
Rent and Rates			552,281.30		552,281.30
Central Items				2,507,420.91	2,507,420.91
Total Expenditure (b)	14,631,701.67	(78,234.00)	552,281.30	2,507,420.91	17,613,169.88
Surplus/(Deficit) for the Year (a)-(b)	161,147.48	-	26,630.70	1,116,695.09	1,304,473.27
Less: (Surplus)/Deficit of Provident Fund	115,312.94				115,312.94
	276,460.42	-	26,630.70	1,116,695.09	1,419,786.21
Surplus b/f (Note (2))	7,378,285.77		28,179.29	3,524,809.65	10,931,274.71
Less: Refund from/(to) Government	7,654,746.19		54,809.99	4,641,504.74	12,351,060.92
Adjustment for utilised allocation under Enhanced ASCP-FWSS*	-		(28,177.64)	-	(28,177.64)
Surplus c/f (Note (4))	7,654,746.19	-	26,632.35	4,641,504.74	12,322,883.28

Notes:

- (1) Interest received on LSG 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 holding account) and all interest received in previous years should be included in the surplus b/f under LSG.
- (3) Amount of LSG Reserve used to cover the salary adjustment for Dementia Supplement and Infirmary Care Supplement, if any, as per Schedule for Central Items.
- (4) The level of LSG cumulative reserve, less LSG Reserve kept in the holding account, will be capped at 25% of the NGO's operating expenditure (excluding Provident Fund expenditure) for the year.
- (5) Included HK\$4,264,647.32 for the withhold the clawback of LSG Reserve for 2004-07.

**Remuneration Packages for Staff in the Top Three Tiers  
of Non-governmental Organisations (NGOs) operating Subvented Welfare Services**

**Review Report for the Reporting Year of 2021-22**

According to the Lump Sum Grant Manual, NGOs receiving recurrent subventions of not less than \$10 million a year and such amount exceeds 50% of their operating income pertaining to services / programmes within the welfare purview are required to submit the "Review Report on Remuneration Packages for Staff in the Top Three Tiers" (Review Report), and regularly review the number, rank and remuneration packages of their senior executives in the top three tiers.

NGOs currently exempted from completing and disclosing their Review Report are encouraged to consider making public the remuneration information of such staff in order to enhance their public accountability and promote the public's understanding of NGOs' financial position.

In cases where the top three-tier positions of the NGO (or of a particular division, e.g. social service of the NGO, where appropriate) are funded entirely by the NGO's income from sources other than the Government, other senior staff of the NGO (or of its particular division) occupying the subsequent three-tier positions may be covered subject to the NGO's particular circumstances such as its organisational structure.

*[Please read the explanatory notes before completing this form. The completed form should reach the Social Welfare Department (SWD) through electronic submission by 31 October 2022.]*

**Name of NGO (code) :**      **Chinese Evangelical Zion Church Limited (116)**

Please tick as appropriate (may tick both)

- We have a staff member serving his/her second or further contract in 2021-22 for which **Part (A)** is completed.
- We have a staff member serving his/her first contract in 2021-22 for which **Part (B)** is completed.


**Part (A): Remuneration Packages for Staff Serving the Second or Further Contract (Note 1)**

Information of staff in the top three tiers serving the second or further contract. (Note 2)

(1) Staff of First Tier (Note 3)

(a) Number of post (Note 4) 1


(b) Post or rank (Note 5) [Please add row if necessary]

Post or rank	
	General Secretary of SSD

Add Post or rank

(c) For each staff whose staff costs not incurred for full year, please specify the number of month(s) covered (Note 6)

[Please add row if necessary] #optional field

Post or rank		Month(s)
		

Add Post or rank and Month(s)

(d) Total annual staff costs (including those not under SWD subventions, if applicable) (Note 7) \$ 1,201,032

[1(d) should be equal to or greater than 1(e)]

(e) Total annual staff costs (Note 7) under SWD subventions \$ 1,201,032

[1(e) = 1(f)(i)+(ii)+(iii)+(iv)]

(f) Breakdown of (1)(e) under SWD subventions

(i) Salary (Note 8) \$ 1,044,376

(ii) Provident fund \$ 156,656

(iii) Cash allowance (Note 9) (please specify if any:) \$

(iv) Non-cash based benefits (Note 10) (please specify if any:) \$

(g) Comparable rank in civil service as assessed by SWD (Note 11) Between Social Work Officer and Assistant Social Work Officer









Remarks by NGO, if any:

SWO

(2) Staff of Second Tier (Note 3)

(a) Number of post (Note 4) 8





(b) Post or rank (Note 5) [Please add row if necessary]

Post or rank	
	Service Coordinator
	Service Coordinator
	Service Coordinator
	Accounting Officer II
	Assistant General Secretary of SSD
	Service Coordinator
	Primary School Social Worker
	Primary School Social Worker

Add Post or rank

(c) For each staff whose staff costs not incurred for full year, please specify the number of month(s) covered (Note 6)

[Please add row if necessary] #optional field

Post or rank		Month(s)
	Assistant General Secretary of SSD	6
	Service Coordinator	6
	Primary School Social Worker	6
	Primary School Social Worker	6

Add Post or rank and Month(s)

(d) Total annual staff costs (including those not under SWD subventions, if applicable) (Note 7) \$ 3,669,189

[2(d) should be equal to or greater than 2(e)]

(e) Total annual staff costs (Note 7) under SWD subventions \$ 3,669,189

[2(e) = 2(f)(i)+(ii)+(iii)+(iv)]

(f) Breakdown of (2)(e) under SWD subventions

(i) Salary (Note 8) \$ 3,388,295

(ii) Provident fund \$ 280,894

(iii) Cash allowance (Note 9) (please specify if any:) \$

(iv) Non-cash based benefits (Note 10) (please specify if any:) \$



(g) Comparable rank in civil service as assessed by SWD (Note 11)

Assistant Social Work Officer  
or below













Remarks by NGO, if any:

(g) ASWO, Accounting Officer II.

**(3) Staff of Third Tier (Note 3)**

(a) Number of post (Note 4) 12




(b) Post or rank (Note 5) [*Please add row if necessary*]

Post or rank	
 Social Worker	
 Social Worker	
 Social Worker	
 Social Worker	
 Social Worker	
 Social Worker	
 Social Worker	
 Social Worker	
 Social Worker	
 Primary School Social Worker	
 Primary School Social Worker	
 Social Worker	

Add Post or rank

(c) For each staff whose staff costs not incurred for full year, please specify the number of month(s) covered (Note 6)

[*Please add row if necessary*] #optional field

Post or rank		Month(s)
 Primary School Social Worker		6
 Primary School Social Worker		6
 Social Worker		5

Add Post or rank and Month(s)

- (d) Total annual staff costs (including those not under SWD subventions, if applicable) (Note 7) \$ 4,150,246  
[3(d) should be equal to or greater than 3(e)]
- (e) Total annual staff costs (Note 7) under SWD subventions \$ 4,150,246  
[3(e) = 3(f)(i)+(ii)+(iii)+(iv)]
- (f) Breakdown of (3)(e) under SWD subventions
  - (i) Salary (Note 8) \$ 3,914,026
  - (ii) Provident fund \$ 236,220

(iii) Cash allowance (Note 9) (please specify if any:) \$

(iv) Non-cash based benefits (Note 10) (please specify if any:) \$

(g) Comparable rank in civil service as assessed by SWD (Note 11) Assistant Social Work Officer or below

Remarks by NGO, if any:  
ASWO, SWA

**Part (B): Remuneration Packages for Staff Serving the First Contract (Note 1)**


Information of staff in the top three tiers serving the first contract. (Note 2)

Please skip this part if there is no staff member serving his/her first contract in 2021-22.

**(1) Staff of First Tier (Note 3)**

(a) Number of post (Note 4)

(b) Post or rank (Note 5) [*Please add row if necessary*]

Post or rank	
	

Add Post or rank

(c) For each staff whose staff costs not incurred for full year, please specify the number of month(s) covered (Note 6)

[*Please add row if necessary*] #optional field

Post or rank		Month(s)
		

Add Post or rank and Month(s)

(d) Total annual staff costs (including those not under SWD subventions, if applicable) (Note 7) \$

[*1(d) should be equal to or greater than 1(e)*]

(e) Total annual staff costs (Note 7) under SWD subventions \$ 0

[*1(e) = 1(f)(i)+(ii)+(iii)+(iv)*]

(f) Breakdown of (2)(e) under SWD subventions

(i) Salary (Note 8) \$

(ii) Provident fund \$

(iii) Cash allowance (Note 9) (please specify if any:) \$

(iv) Non-cash based benefits (Note 10) (please specify if any:) \$


(g) Comparable rank in civil service as assessed by SWD (Note 11)

Remarks by NGO, if any:

**(2) Staff of Second Tier (Note 3)**

(a) Number of post (Note 4)


(b) Post or rank (Note 5) [*Please add row if necessary*]

Post or rank	
	

Add Post or rank

(c) For each staff whose staff costs not incurred for full year, please specify the number of month(s) covered (Note 6)

[*Please add row if necessary*] #optional field

Post or rank	Month(s)
	

Add Post or rank and Month(s)

(d) Total annual staff costs (including those not under SWD subventions, if applicable) (Note 7) \$

[*2(d) should be equal to or greater than 2(e)*]

(e) Total annual staff costs (Note 7) under SWD subventions \$ 0

[*2(e) = 2(f)(i)+(ii)+(iii)+(iv)*]

(f) Breakdown of (2)(e) under SWD subventions

(i) Salary (Note 8) \$

(ii) Provident fund \$

(iii) Cash allowance (Note 9) (please specify if any:) \$

(iv) Non-cash based benefits (Note 10) (please specify if any:) \$


(g) Comparable rank in civil service as assessed by SWD (Note 11)

Remarks by NGO, if any:

**(3) Staff of Third Tier (Note 3)**

(a) Number of post (Note 4) 1

(b) Post or rank (Note 5) [Please add row if necessary]

Post or rank	
	Social Worker

Add Post or rank

(c) For each staff whose staff costs not incurred for full year, please specify the number of month(s) covered (Note 6)

[Please add row if necessary] #optional field

Post or rank		Month(s)
	Social Worker	6.5

Add Post or rank and Month(s)

(d) Total annual staff costs (including those not under SWD subventions, if applicable) (Note 7) \$ 151,917  
[3(d) should be equal to or greater than 3(e)]

(e) Total annual staff costs (Note 7) under SWD subventions \$ 151,917  
[3(e) = 3(f)(i)+(ii)+(iii)+(iv)]

(f) Breakdown of (2)(e) under SWD subventions

(i) Salary (Note 8) \$ 144,683

(ii) Provident fund \$ 7,234

(iii) Cash allowance (Note 9) (please specify if any:) \$

(iv) Non-cash based benefits (Note 10) (please specify if any:) \$

(g) Comparable rank in civil service as assessed by SWD (Note 11) Assistant Social Work Officer or below

Remarks by NGO, if any:

SWA

**Part (C): Review for changes (Note 12)**

	<u>2020-21</u> (the year before)	<u>2021-22</u> (the reporting year)
(a) Total annual staff costs under SWD subventions in respect of the top three tiers <i>[Part (A)(1)(e)+(2)(e)+(3)(e)+ Part (B)(1)(e)+(2)(e)+(3)(e)]</i>	\$ 8,932,177	\$9,172,384

(b) Please select and complete the following as appropriate to state the result of this review -

- The remuneration packages of staff in the top three tiers have been reviewed and **no change** was found in their remunerations as compared with the preceding year.
- The remuneration packages of staff in the top three tiers have been reviewed and **change(s)** was found in their remunerations as compared with the preceding year. The tier(s) having changes and reasons for such changes are stated below :
  - Upward/downward pay adjustment in accordance with Civil Service Pay Adjustment (details are given at the bottom, if any).
  - Upward/downward pay adjustment other than Civil Service Pay Adjustment (details are given at the bottom, if any).
  - Incremental creep (details are given at the bottom, if any).
  - Organisational restructuring or upgrading/downgrading of top three tier posts (details are given at the bottom, if any).
  - Increase/decrease in the number of staff of the top three tiers (details are given at the bottom, if any).
  - Other circumstances (please provide details in the box below).

One Service Coordinator was promoted to Assistant General Secretary of SSD in Oct 2021, two Primary School Social Workers was under Assistant General Secretary of SSD 's supervision since Oct 2021(two Primary School Social Workers was moved from tier 2 to tier 3 since Oct 2021.)