

HONG KONG PLAYGROUND ASSOCIATION

THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2009

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**FAN, CHAN & CO.**  
CERTIFIED PUBLIC ACCOUNTANTS  
HONG KONG

**REVIEW REPORT ON THE ANNUAL FINANCIAL REPORT  
TO THE EXECUTIVE COMMITTEE OF  
HONG KONG PLAYGROUND ASSOCIATION**  
(Incorporated in Hong Kong under Hong Kong Playground Association Ordinance)

We have audited the financial statements of Hong Kong Playground Association ("the Association") for the year ended 31<sup>st</sup> March, 2009 and have issued an unqualified auditors' report thereon dated 29<sup>th</sup> May, 2009.

We conducted our review of the attached Annual Financial Report on pages 2 to 6 of the Association for the year ended 31<sup>st</sup> March, 2009 in accordance with Practice Note 851 "Review of the Annual Financial Reports of Non-governmental Organisations" issued by the Hong Kong Institute of Certified Public Accountants. The review includes considering the procedures and records relevant to the preparation of the Annual Financial Report and performing procedures to satisfy ourselves that the Annual Financial Report has been properly prepared from the books and records of the Association, on which the above audited financial statements of the Association are based.

**Review conclusions**

On the basis of the results of our review and having regard to the audit procedures performed by us in relation to the audit of the financial statements of the Association for the year ended 31<sup>st</sup> March, 2009.

- a. in our opinion the Annual Financial Report has been properly prepared from the books and records of the Association; and
- b. no matters have come to our attention during the course of our review, which cause us to believe that the Association has not:
  - i. properly accounted for the receipt of Lump Sum Grant, Provident Fund, Special One-off Grant and other social welfare subventions and expenditure in respect of Funding and Services Agreement activities and support services;
  - ii. kept separate Operating Income and Expenditure Account for each subvented service unit as required by the Lump Sum Grant Manual (LSG Manual) published by the Social Welfare Department of the Government of the HKSAR;
  - iii. prepared the Annual Financial Report in accordance with the format and requirements set out in LSG Manual; and

This report is intended for filing with the Social Welfare Department of the Government of the HKSAR and should not be used for any other purpose.

*Fan, Chan & Co.*

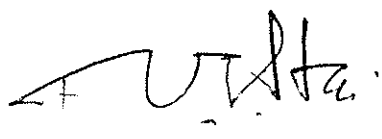
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Fan, Chan & Co.  
Certified Public Accountants  
Hong Kong, 29<sup>th</sup> May, 2009

**HONG KONG PLAYGROUND ASSOCIATION**  
**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2009**

	Note	2009 HK\$	2008 HK\$
<b>INCOME</b>			
Lump Sum Grant			
Lump Sum Grant (excluding Provident Fund)	1a	55,804,400	51,561,130
Provident Fund	1b	6,689,570	5,939,429
Special One-off Grant		-	5,090,684
Fee Income	2	280,530	267,900
Central Items	3	10,730,189	6,275,213
Rent and Rates	4	2,250,247	2,899,476
Other Income	5	16,868,007	15,736,167
Interest Received		245,270	357,332
		<u>92,868,213</u>	<u>88,127,331</u>
<b>EXPENDITURE</b>			
Personal Emoluments			
Salaries		56,857,594	53,187,011
Provident Fund	1b	6,162,098	5,584,220
	6	63,019,692	58,771,231
Other Charges	7	17,305,491	16,436,622
Central Items	3	10,359,592	5,615,770
Rent and Rates	4	2,540,494	2,693,773
		<u>93,225,269</u>	<u>83,517,396</u>
<b>(DEFICIT) / SURPLUS FOR THE YEAR</b>	9	<u>(357,056)</u>	<u>4,609,935</u>

Approved by the Executive Committee on 29<sup>th</sup> May, 2009

  
 \_\_\_\_\_  
 Chairman

  
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 Executive Director

**HONG KONG PLAYGROUND ASSOCIATION**  
**NOTES TO THE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2009**

**1. Lump Sum Grant**

a. Lump Sum Grant (excluding Provident Fund)

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

b. Provident Fund

This is Provident Fund received and contributed during the year.

Details are analysed below :-

<u>Provident Fund Contribution</u>	<u>Existing Staff</u> HK\$	<u>6.8% Posts</u> HK\$	<u>Total</u> HK\$
Subventions Received	5,533,171	1,156,399	6,689,570
Provident Fund Contribution paid during the year	<u>(5,400,802)</u>	<u>(761,296)</u>	<u>(6,162,098)</u>
Surplus for the year	132,369	395,103	527,472
Surplus brought forward	<u>1,252,539</u>	<u>674,016</u>	<u>1,926,555</u>
Surplus carried forward	<u>1,384,908</u>	<u>1,069,119</u>	<u>2,454,027</u>

**2. Fee Income**

This represent 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 Lump Sum Grant 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 Association.

	<b>2009</b> <b>HK\$</b>	<b>2008</b> <b>HK\$</b>
a. <u>Income</u>		
Programme Assistants	1,297,613	1,297,613
Peer Counsellors	-	907,200
Youth Ambassadors	-	4,070,400
Programme Workers	<u>9,432,576</u>	<u>-</u>
	<u>10,730,189</u>	<u>6,275,213</u>
b. <u>Expenditure</u>		
Programme Assistants	1,276,821	1,302,058
Peer Counsellors	-	934,087
Youth Ambassadors	-	3,379,625
Programme Workers	<u>9,082,771</u>	<u>-</u>
	<u>10,359,592</u>	<u>5,615,770</u>

**HONG KONG PLAYGROUND ASSOCIATION**  
**NOTES TO THE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2009**

**4. Rent and Rates**

This represents the amount paid by the Social Welfare Department.

**5. Other Income**

These include all donations and income other than recognised social welfare fee income received during the year.

**6. Personal Emoluments**

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

<u>Analysis of Personal Emoluments</u>	<u>No. of Posts</u>	<u>HK\$</u>
HK\$500,001 – HK\$600,000 p.a.	10	5,440,857
HK\$600,001 – HK\$700,000 p.a.	19	12,405,412
HK\$700,001 – HK\$800,000 p.a.	1	797,502
HK\$800,001 – HK\$900,000 p.a.	6	5,158,872
HK\$900,001 – HK\$1,000,000 p.a.	0	0
> HK\$1,000,000 p.a.	1	1,134,241
	<u>37</u>	<u>24,936,884</u>

**7. Other Charges**

	<b>2009</b>	<b>2008</b>
	<b>HK\$</b>	<b>HK\$</b>
Administrative Expenses	739,356	686,977
Utilities	1,353,108	1,297,068
Insurance	260,320	326,229
Stores and Equipment	1,337,364	1,513,760
Repair & Maintenance	472,388	451,196
Programme Expenses	6,318,028	5,459,452
Transportation and Travelling	233,701	238,565
Miscellaneous	6,591,226	6,463,374
Total	<u>17,305,491</u>	<u>16,436,621</u>

**HONG KONG PLAYGROUND ASSOCIATION  
NOTES TO THE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED 31ST MARCH, 2009**

**8. Analysis of Reserve Fund**

	<u>Analysis of Reserve Fund</u>						Total HK\$
	Lump Sum Grant (LSG) HK\$	Special One-off Grant (SOG) HK\$	Interest Received HK\$	Sub-total LSG, SOG & Interest Received HK\$	Rent and Rates HK\$	Central Items HK\$	
<b>Income</b>							
Lump Sum Grant & Tide-over Grant	62,493,970	-	-	62,493,970	-	-	62,493,970
Special One-off Grant	-	-	-	-	-	-	-
Fee Income	280,530	-	-	280,530	-	-	280,530
Other Income	16,868,007	-	-	16,868,007	-	-	16,868,007
Interest Received	-	-	245,270	245,270	-	-	245,270
Rent and Rates	-	-	-	-	2,250,247	-	2,250,247
Central Items	-	-	-	-	-	10,730,189	10,730,189
<b>Total Income</b>	<b>79,642,507</b>	<b>-</b>	<b>245,270</b>	<b>79,887,777</b>	<b>2,250,247</b>	<b>10,730,189</b>	<b>92,868,213</b>
<b>Expenditure</b>							
Personal Emoluments	63,019,692	-	-	63,019,692	-	-	63,019,692
Other Charges	17,305,491	-	-	17,305,491	-	-	17,305,491
Rent and Rates	-	-	-	-	2,540,494	-	2,540,494
Central Items	-	-	-	-	-	10,359,592	10,359,592
<b>Total Expenditure</b>	<b>80,325,183</b>	<b>-</b>	<b>-</b>	<b>80,325,183</b>	<b>2,540,494</b>	<b>10,359,592</b>	<b>93,225,269</b>
Surplus / (deficit) for the year	(682,676)	-	245,270	(437,406)	(290,247)	370,597	(357,056)
Less: Surplus of provident fund transferred to provident fund reserve	(527,472)	-	-	(527,472)	-	-	(527,472)
Net surplus / (deficit) for the year	(1,210,148)	-	245,270	(964,878)	(290,247)	370,597	(884,528)
Surplus / (deficit) brought forward	18,405,956	(99,711)	1,072,606	19,378,851	(432,616)	354,932	19,301,167
Less: Adjustment for unrecognised central items	-	-	-	-	-	304,511	304,511
Less: Refund to Government 2007/08	-	-	-	-	(108,590)	(659,443)	(768,033)
Surplus / (deficit) carried forward	<b>17,195,808</b>	<b>(99,711)</b>	<b>1,317,876</b>	<b>18,413,973</b>	<b>(831,453)</b>	<b>370,597</b>	<b>17,953,117</b>

