

財政報告

Financial Reports



HONG KONG FAMILY WELFARE SOCIETY

REPORT OF THE EXECUTIVE COMMITTEE

The Executive Committee submits its report together with the audited financial statements of Hong Kong Family Welfare Society (the “Society”) for the year ended 31st March 2024.

Principal activity

The principal activity of the Society is the provision of welfare services.

Business review

Main business

Hong Kong Family Welfare Society, established in 1949, is one of the major social service organisations in Hong Kong. With a “family-centric” perspective, the Society is committed to delivering quality and professional social services to enhance the wellbeing of families and individuals in Hong Kong and foster a caring community.

The Society renders the following major types of social services for families and individuals through its 49 service centres in Hong Kong:

- a) Integrated Family Services – including 6 Integrated Family Service Centres, Zonta White House – Family Retreat Centre, Clinical Psychological Service, and service projects to promote the wellbeing of families;
- b) Mediation Services and Divorce Services – including a Mediation Centre, a Parent-child Connect Specialised Co-parenting Support Centre, a Family Resource Centre, and services to address needs of divorce and blended families;
- c) Children Services – including Foster Care Service, After School Care and Support Programmes, Neighbourhood Support Child Care Project and Kindergarten Social Work Service, Social Work Service for Pre-primary Institutions, and various service projects to serve the children in need;
- d) Youth Services – including School Social Work Service for 40 secondary schools, an Integrated Children and Youth Service Centre, and a variety of service projects to serve the developmental needs of young people;
- e) Community Care and Support Services for the Elderly – including Integrated Home Care Service, Enhanced Home and Community Care Services, a Neighbourhood Elderly Centre, Home Care and Support Services for Elderly Persons with Mild Impairment, Community Care Service Voucher Scheme for the Elderly, and service projects that address the mental health issues of elders and their carers; and
- f) Special Services – including a Financial Education Centre, a Women and Family Enhancement Centre, Services for Multi-Generational Families, Volunteer Service, and Wellness Programmes.

In 2023-24, income of the Society from Lump Sum Grant had increased due to the regularization of Pilot Scheme on Home Care and Support for Elderly Persons with Mild Impairment and, new subvention on Social Work Service for Pre-primary Institutions and additional subvention of Neighbourhood Elderly Center, this provided a stable income in service provision for the service users. Besides, the Society had continued the collaboration with different funders in pilot projects to fill the service gaps for those families in need.

In the previous year, the Society had kick started the celebration of 75th Anniversary by hosting a Principal Gathering for service partners of school in January 2024. Other anniversary events would be launched throughout the year in 2024 which aim to promote family wellbeing by collaborating with our community partners. At the same time, the Society continued the implementation work for Envisioning 2024. Efforts were paid to strengthen the application of “Family Centric” intervention model and the co-creation with different stakeholders in the community on family wellbeing.

HONG KONG FAMILY WELFARE SOCIETY

REPORT OF THE EXECUTIVE COMMITTEE (CONTINUED)

Business review (Continued)

Business review and performance analysis

The Society was financially stable with an increase in total income by 7.2% as compared with last year. Its major source of fund was from the subvention by the SWD, including Lump Sum Grant (“LSG”), which was 84.6% of the total income. The Society also obtained funding support from other government departments and different kinds of project fund and charity fund, including The Community Chest, The Hong Kong Jockey Club Charities Trust and the Lotteries Fund Grant as well as donation from individuals and corporates.

All along, the Society complies with the requirements stipulated in the SWD LSG Manual, Lotteries Fund Manual and 16 Service Quality Standards, the Best Practice Manual. The Society has policies and procedures to ensure all units observe the relevant legal obligations in their operation, including Employment Ordinance, Personal Data (Privacy) Ordinance, etc.

The Society has generally met the performance requirements agreed with its funders, including the Service Quality Standards, Essential Service Requirements, Output Standards and Outcome standards set out by the SWD. Besides, its services received positive feedback from service users.

During the year, the Society was granted different awards for its contributions:

- a) Financial Education Centre “Empowering Your Life’s Second Half Financial Education Project” received the “Outstanding FinFit Project Award” in the “HSBC HK Community Partnership Programme 2023” organised by The Hongkong Bank Foundation
- b) Financial Education Centre “Financial Literacy e-Run” received the “IFEA (Public/Professional Body and NGO) - Bronze Award” by The Investor and Financial Education Council (IFEC)
- c) “Bronze Award”, “9th Top Fund-raiser Award” and “3rd Highest Donation Award for Donation Drive” of “Corporate and Employee Contribution Programme 2023/24 (CECP)” by the Community Chest
- d) The status of “Manpower Developer” (1st April 2023 – 31st March 2024) in the “Employees Retraining Board “ERB” Manpower Developer Award Scheme.

Key relationships

- a) **Members**
Members of the Society are persons, corporates or institutional bodies who register and subscribe to the Articles of Association and pay the annual subscription. At the end of the financial year 2023/24, the Society maintained a membership of 120.
- b) **Service users**
In general, service users of the Society are families or individuals who meet the eligibility criteria for services of the Society and wish to use the Society’s services. Apart from providing appropriate services to its service users, the Society also promotes a family-friendly environment and advocates policies which enhance family wellbeing. Besides, the Society took an active stance in sharing views and concerns towards relevant social issues, government policies and legislation, such as “Proposed Mandatory Reporting Requirement for Suspected Child Abuse Cases”.

During the year, the Society offered education, preventive and remedial services for more than 498,563 beneficiaries and provided intensive service for more than 23,289 individual and family cases.

- c) **Staff**
The Society maintained a work force of over 1,160 as at 31st March 2024, comprising professional, management, administrative, frontline and support staff. The number of staff was slightly higher compared with the figure of 1,120 in 2022/23.

HONG KONG FAMILY WELFARE SOCIETY

REPORT OF THE EXECUTIVE COMMITTEE (CONTINUED)

Business review (Continued)

Key relationships (Continued)

d) Funders and external partners

The Society has maintained close collaboration with government departments, funders and strategic partners to put joint efforts in service provision to benefit the service users and the community as a whole. During the year, the management staff served in over 110 committees, panels, working groups, task force, liaison groups and network meetings of different nature set up under Labour and Welfare Bureau, Social Welfare Department, Home Affairs Bureau, Social Workers Registration Board, Hong Kong Council of Social Service, Family Council, Hospital Authority and District Council etc, to advise on the development of social services, social welfare policies and issues relating to the welfare of its service users and the community as a whole. Since 2023, the Society has been participating in the work of Connecting Hearts supporting the development of welfare sector as a whole. All these efforts are to actualise the Society's mission to promote the wellbeing of families and foster a caring community.

Principal risks and uncertainties

With increased complexity in the external environment, it is inevitable that the Society is exposed to risk which would affect its ability to achieve the planned objectives. To manage risks and to ensure sustainable development of the Society, a Risk Management ("RM") Policy and Framework has been formulated and implemented since 2014. There was progress report to the Executive Committee on a regular basis to ensure that risks are identified, appropriately assessed, mitigated and managed, and continual enhancement of its services and operations is in place.

The Society had an overall staff turnover rate at 17.9%, which recorded an increase as compared with the figure of 16.8% last year. With the continuous service expansion in the social welfare sector and government subvention, competition in the manpower market could not be avoided. The staff turnover due to migration continued. Difficulty in the recruitment and retention of staff was significant, particularly for social workers and health care professionals, etc. To address such issues, the Society conducted annual review exercise on the remuneration package, and develop Human Resource initiatives to improve the staff welfare benefits and to promote the Society through employer branding measures.

Future development

In the coming year, the Society had planned different initiatives for the celebration of 75th Anniversary, effort will made in the consolidation of our partnership with our strategic partners and in the community engagement on the promotion of family wellbeing.

Internally, the Society will strengthen the infrastructure of central administration to address the new requirement and measures from the government and from the funders. To strengthen the corporate governance, this year a "Legal Support Steering Committee" would be formed under the Executive Committee to provide guidance in providing legal support services to staff and agency. At the same time, to improve our remuneration packages and welfare benefits to maintain a stable workforce in service provision.

Results

The results of the Society for the year are set out in the statement of comprehensive income on page 10.

Own funds

Details of the movements in own funds of the Society during the year are set out in notes 12 to 14 to the financial statements.

HONG KONG FAMILY WELFARE SOCIETY
REPORT OF THE EXECUTIVE COMMITTEE (CONTINUED)
Executive Committee members

The members of the Executive Committee during the year and up to the date of this report were:

Mr. Law Kin Chung, Christopher, JP (Chairman)	
Dr. Cheng Cheuk Sang, Arnold (Vice Chairman)	
Mr. Cheng Shee Sing, Patrick (Honorary Treasurer)	
Mrs. Choy Pun Siu Fun, Veronica, MBE, JP	
Ms. Chu Choi Ming Fung, Janet	
Dr. Chung See Yuen	
Mrs. Kwok Leung Kit Kan, Ingrid	
Ms. Lau Wing Yin, Cecilia	
Mr. Loong Hon Biu, Louis	
Ms. Siu Wing Yee, Sylvia, JP	
Ms. Sung Ye Wan, Yvonne	
Dr. Tang Sau Lim, Philip	
Ms. Wong Hang Yee, Sandy, JP	
Prof. Wu Che Yuen Justin	(appointed on 21st November 2023)
Ms. Yip Yun Wan, Amarantha (Chief Executive)	(ex-officio) (retired on 1st April 2023)
Ms. Chau Shuk King, Kitty (Chief Executive)	(ex-officio) (appointed on 1st August 2023)

In accordance with Article 33 of the Society's Articles of Association, the members of the Executive Committee (except ex-officio) shall be elected annually from amongst the members of the Society in the Annual General Meeting.

In accordance with Article 37 of the Society's Articles of Association, the Executive Committee may appoint not more than four persons to be co-opted members of the Executive Committee but so that the total number of Executive Committee members shall not at any time exceed 16.

Executive Committee members' material interests in transactions, arrangements and contracts that are significant in relation to the Society's business

No transactions, arrangements and contracts of significance in relation to the Society's business to which the Society was a party and in which an Executive Committee member of the Society had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Executive Committee members' interests in the shares and debentures of the Society or any specified undertaking of the Society

At no time during the year was the Society a party to any arrangement to enable the Executive Committee members of the Society to hold any interests in the shares or debentures of the Society or its specified undertakings.

Management contracts

No contracts concerning the management and administration of the whole or any substantial part of the business of the Society were entered into or existed during the year.

HONG KONG FAMILY WELFARE SOCIETY

REPORT OF THE EXECUTIVE COMMITTEE (CONTINUED)

Permitted indemnity provisions

A permitted indemnity provision (as defined in Section 469 of the Hong Kong Companies Ordinance (Cap. 622)) for the benefit of the Executive Committee members of the Society is currently in force and was in force throughout the year.

Auditor

The financial statements have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for re-appointment.

On behalf of the Executive Committee



Mr. Law Kin Chung, Christopher
Chairman

Hong Kong, 3rd October 2024



**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF HONG KONG FAMILY WELFARE SOCIETY**
(Incorporated in Hong Kong and limited by guarantee)

Opinion

What we have audited

The financial statements of Hong Kong Family Welfare Society (the "Society"), which are set out on pages 9 to 53, comprise:

- the balance sheet as at 31st March 2024;
- the statement of comprehensive income for the year then ended;
- the statement of changes in own funds for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Our opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Society as at 31st March 2024, 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.

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Society 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.

Other Information

The Executive Committee is responsible for the other information. The other information comprises the information included in the Executive Committee's report and the annual 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.



羅兵咸永道

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF HONG KONG FAMILY WELFARE SOCIETY (CONTINUED)**
(incorporated in Hong Kong and limited by guarantee)

Other Information (Continued)

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.

Responsibilities of Executive Committee for the Financial Statements

The Executive Committee is 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, and for such internal control as the Executive Committee determines 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 Committee is responsible for assessing the Society'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 Committee either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

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. We report our opinion solely to you, as a body, in accordance with Section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. 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.



**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF HONG KONG FAMILY WELFARE SOCIETY (CONTINUED)**
(Incorporated in Hong Kong and limited by guarantee)

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

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

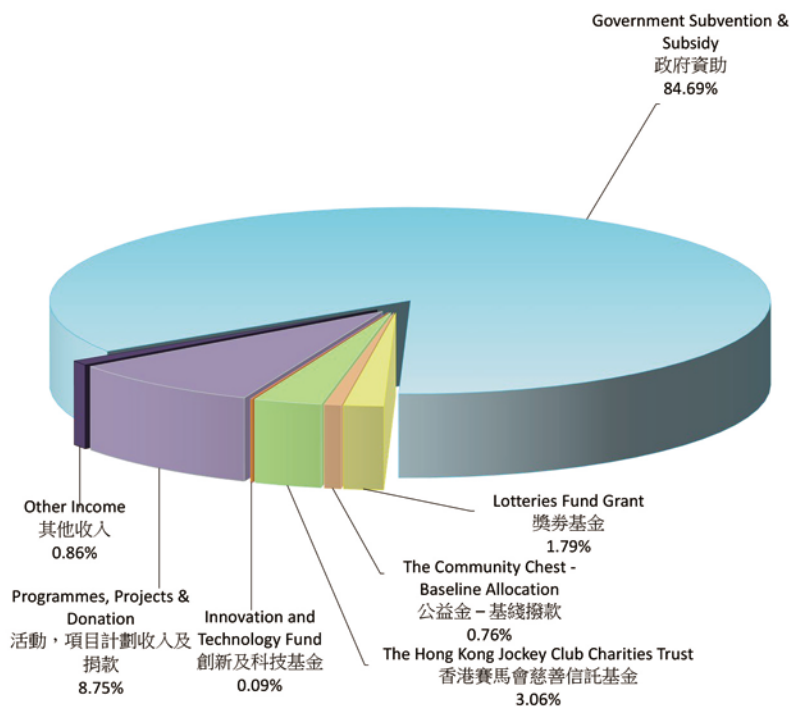
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting 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 Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Executive Committee.
- Conclude on the appropriateness of the Executive Committee's 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 Society'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 Society 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 the Executive Committee 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.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 3rd October 2024

HONG KONG FAMILY WELFARE SOCIETY
FINANCIAL HIGHLIGHTS (財政簡報)
FOR THE YEAR ENDED 31 MARCH 2024
(ALL AMOUNTS IN HONG KONG DOLLARS)

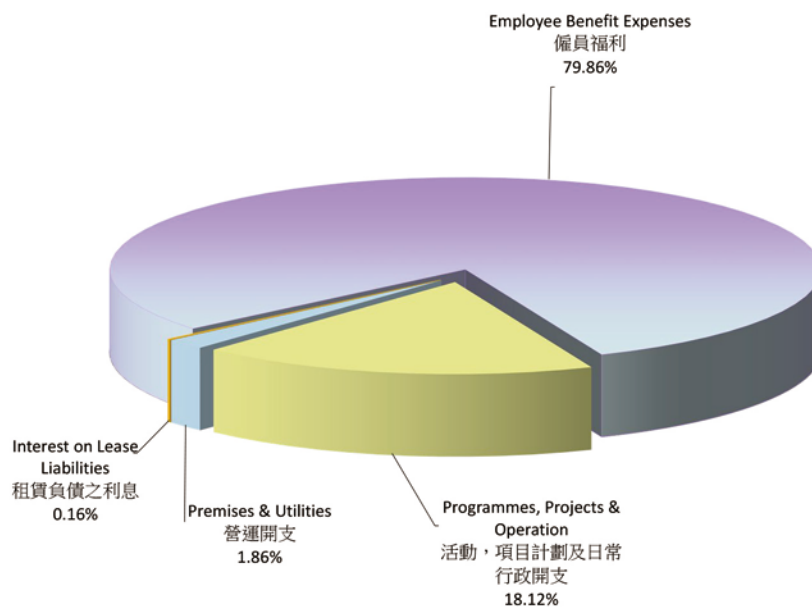


Source of Income 收入來源

Government Subvention & Subsidy 政府資助	\$616,401,815
Lotteries Fund Grant 獎券基金	\$13,055,429
The Community Chest - Baseline Allocation 公益金 - 基綫撥款	\$5,554,500
The Hong Kong Jockey Club Charities Trust 香港賽馬會慈善信託基金	\$22,283,419
Innovation and Technology Fund 創新及科技基金	\$655,769
Programmes, Projects & Donation 活動, 項目計劃收入及捐款	\$63,657,586
Other Income 其他收入	\$6,239,628
	<u>\$727,848,146</u>

Expenditure 支出

Employee Benefit Expenses 僱員福利	\$576,223,070
Programmes, Projects & Operation 活動, 項目計劃及日常行政開支	\$130,787,771
Premises & Utilities 營運開支	\$13,402,316
Interest on Lease Liabilities 租賃負債之利息	\$1,162,171
	<u>\$721,575,328</u>



Note : The Annual Financial Report (Lump Sum Grant) for the year ended 31 March 2024 that submitted to Social Welfare Department can be downloaded from the Society's website : hkfws.org.hk/en/about-us/financial-reports.

備註 : 本會向社會福利署提交之二零二三至二零二四年度周年財務報告(整筆撥款), 已經上載至本會網站。
本會網址 : hkfws.org.hk/about-us/financial-reports。

HONG KONG FAMILY WELFARE SOCIETY
(All amounts in Hong Kong dollars unless otherwise stated)

BALANCE SHEET

	Note	As at 31st March	
		2024	2023
Assets			
Non-current assets			
Property, plant and equipment	5	37,402,837	32,696,047
Right-of-use assets	6	19,375,144	13,996,087
Trust fund assets	8	32,666,779	40,270,364
Total non-current assets		89,444,760	86,962,498
Current assets			
Receivables from Lotteries Fund	9	9,798,947	1,009,966
Receivables from Innovation and Technology Fund		465,000	178,333
Deposits, prepayments and other receivables	10	42,113,357	54,462,348
Fixed deposits with original maturity over three months	11	58,861,730	56,278,389
Cash and cash equivalents	11	241,937,662	243,037,882
Total current assets		353,176,696	354,966,918
Total assets		442,621,456	441,929,416
Funds and reserves			
Own funds			
General Fund	12	87,491,858	93,222,469
Capital Reserve	13	(201,764)	906,430
Designated Funds	14	47,602,079	46,884,374
Total own funds		134,892,173	141,013,273
Other reserves and trust funds			
Social Welfare Lump Sum Grant Reserve	15(a)	129,162,275	129,973,730
Provident Fund Reserve	15(b)	23,586,026	22,288,457
Subvented Employee Benefit Reserve	15(a) & (c)	22,805,536	23,327,105
Social Welfare Subvention Reserve	16	15,894,551	11,427,660
Trust Funds	17	32,666,779	40,270,364
Total other reserves and trust funds		224,115,167	227,287,316
Total funds and reserves		359,007,340	368,300,589
Liabilities			
Non-current liabilities			
Deferred income	18	26,929,141	22,079,707
Lease liabilities	20	10,273,942	6,669,145
Total non-current liabilities		37,203,083	28,748,852
Current liabilities			
Payables and receipts in advance	19	15,817,888	19,105,514
Home help deposits received		127,000	110,000
Provisions for unutilised annual leave and long service payments		2,256,400	2,359,794
Deferred income	18	18,468,669	15,472,318
Lease liabilities	20	9,741,076	7,832,349
Total current liabilities		46,411,033	44,879,975
Total liabilities		83,614,116	73,628,827
Total funds and liabilities		442,621,456	441,929,416

The above balance sheet should be read in conjunction with the accompanying notes. The financial statements on pages 9 to 53 were approved by the Executive Committee on 3rd October 2024 and were signed on its behalf.


Mr. Law Kin Chung, Christopher
Chairman


Mr. Cheng Shee Sing, Patrick
Honorary Treasurer

HONG KONG FAMILY WELFARE SOCIETY
(All amounts in Hong Kong dollars unless otherwise stated)

STATEMENT OF COMPREHENSIVE INCOME

	Note	Year ended 31st March	
		2024	2023
Income			
Government subvention		614,498,652	559,533,833
One-off subsidy from Social Welfare Department		50,711	26,100
Income from Lotteries Fund - Block Grant		4,985,917	4,954,554
Income from Lotteries Fund - Social Welfare Development Fund ("SWDF")		423,996	699,765
Income from Lotteries Fund - General	25	7,645,516	12,508,548
Income from Innovation and Technology Fund		655,769	573,598
Back payment from Social Welfare Department		1,852,452	391,170
Home help fees		13,317,687	12,600,619
Donation funding for specific projects from:			
- The Community Chest - Baseline Allocation		5,554,500	5,140,500
- The Hong Kong Jockey Club Charities Trust		22,283,419	15,049,514
- Other sponsors	24	20,272,170	33,779,017
Donations and income from fund raising activities	26	2,628,458	2,693,500
Subsidiary services and other project income		27,439,271	28,401,293
		<u>721,608,518</u>	<u>676,352,011</u>
Other income			
Dividend income		1,532,267	1,471,838
Interest income		4,707,361	784,051
		<u>6,239,628</u>	<u>2,255,889</u>
Total income		<u>727,848,146</u>	<u>678,607,900</u>
Expenditure			
Employee benefit expenses	21	576,223,070	526,657,130
Programme expenses	22	71,457,319	77,633,300
Premises expenses	23	13,402,316	12,057,852
Other expenses	23	59,330,452	56,551,405
Interest on lease liabilities	20	1,162,171	810,488
Total expenditure		<u>721,575,328</u>	<u>673,710,175</u>
Surplus and total comprehensive income for the year		<u>6,272,818</u>	<u>4,897,725</u>
Utilisation of current year's surplus:			
Surplus/(deficit) transferred to/(from):			
- General Fund	12	(5,730,611)	(950,980)
- Capital Reserve	13	(1,108,194)	(669,045)
- Designated Funds	14	717,705	(354,665)
- Social Welfare Lump Sum Grant Reserve	15(a)	(738,751)	96,751
- Social Welfare Provident Fund Reserve	15(b)	1,011,462	522,274
- Social Welfare Subvention Reserve	16	12,121,207	6,253,390
		<u>6,272,818</u>	<u>4,897,725</u>

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Disclaimer

The figures and financial information relating to the year ended 31 March 2024 included in the Annual Report for 2023-2024 are not the statutory annual financial statements of Hong Kong Family Welfare Society for that year. Further information relating to those statutory annual financial statements required to be disclosed in accordance with Section 436 of the Hong Kong Companies Ordinance is as follows:

Hong Kong Family Welfare Society will deliver those annual financial statements to the Registrar of Companies as required by Section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance.

Hong Kong Family Welfare Society's auditor has reported on those annual financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports; and did not contain a statement under Section 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.