

HONG KONG PLAYGROUND ASSOCIATION

香港遊樂場協會

**AUDITOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH, 2013**

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范 陳 會 計 師 行
FAN, CHAN & CO.

CERTIFIED PUBLIC ACCOUNTANTS
HONG KONG

INDEPENDENT AUDITOR'S REPORT
TO THE EXECUTIVE COMMITTEE OF HONG KONG PLAYGROUND ASSOCIATION
香港遊樂場協會

(incorporated in Hong Kong under Hong Kong Playground Association Ordinance)

We have audited the financial statements of Hong Kong Playground Association set out on pages 3 to 24, which comprise the statement of financial position as at 31 March, 2013, and the income and expenditure account, statement of cash flows and statement of changes in reserves and funds for the year then ended, and a summary of significant accounting policies and other explanatory information.

Executive Committee's Responsibility for the Financial Statements

The executive committee of Association is responsible for the preparation of financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the Association's Constitution, and for such internal control as the executive committee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit, and to report our opinion solely to you, as a body, in accordance with section 11 of the Association's Constitution, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Association's preparation of financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the executive committee, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITOR'S REPORT
TO THE EXECUTIVE COMMITTEE OF HONG KONG PLAYGROUND ASSOCIATION
香港遊樂場協會

Opinion

In our opinion, the financial statements give a true and fair view of the state of the Association's affairs as at 31 March, 2013, and of its deficit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the Association's Constitution.



Fan, Chan & Co.
Certified Public Accountants
Hong Kong, 21 June, 2013

HONG KONG PLAYGROUND ASSOCIATION

香港遊樂場協會

INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH, 2013

	Note	2013 HK\$	2012 HK\$
Income			
Hong Kong Government subventions	21	86,132,660	81,479,524
Campaign events	22	680,205	655,644
Donations	23	3,512,457	4,052,804
Rates refund		459,065	461,325
Rent refund		2,316,180	2,307,552
Programmes income		14,225,629	13,516,983
Other income		3,115,740	4,191,750
Recreation and class income		14,043,105	13,462,965
Camping fee received		247,986	1,697,498
Gate receipts		6,602,346	5,896,044
Lotteries fund grant (net)		3,833,296	4,347,649
Environment and conservation fund grant		280,700	-
Sir David Trench fund		48,857	34,785
Mortgage interest subsidy income		-	4
		135,498,226	132,104,527
Deduct:			
Expenditures			
Personnel emoluments		99,781,252	93,226,502
Administrative expenses		1,278,436	1,042,260
Utilities expenses		3,025,523	2,925,422
Stores and equipment		7,389,730	7,609,793
Programme expenses		14,885,401	14,729,314
Transportation and traveling		384,659	358,903
Insurance		89,017	88,185
Employees' compensation insurance		362,180	394,354
Food		11,630	340,095
Honorarium to instructors		9,424,822	8,736,869
Rent and rates		2,991,642	2,849,420
Management fee		1,079,231	759,583
Miscellaneous		166,957	137,300
Total expenditures		140,870,480	133,198,000
Deficit for the year		(5,372,254)	(1,093,473)
Deficit refundable from Government		55,407	-
Deficit/(surplus) refundable from/(to) funding bodies		166,535	(7,431)
Net deficit for the year	24	(5,150,312)	(1,100,904)

HONG KONG PLAYGROUND ASSOCIATION
香港遊樂場協會

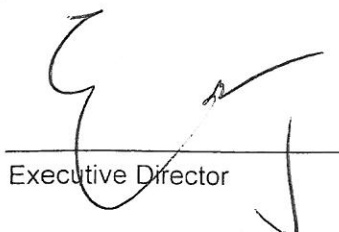
STATEMENT OF FINANCIAL POSITION
AT 31 MARCH, 2013

	Note	2013 HK\$	2012 HK\$
Non-current assets			
Property, plant and equipment	6	1,541,553	4,711,425
Current assets			
Cash and cash equivalents		40,656,283	34,741,038
Accounts receivable and prepayments	7	4,387,541	3,284,862
Lotteries fund receivable	8	3,830,535	757,398
Sir David Trench Fund	9	74,912	-
Environment and conservation fund	10	197,541	-
Silvermine Bay redevelopment reserve fund	11	-	-
Southorn Stadium facilities enhancement reserve fund	12	-	-
		49,146,812	38,783,298
Current liabilities			
Accounts payable	14	7,239,693	5,215,793
Deferred grants income		623,628	3,490,050
Sir Robert Ho Tung fund	13	24,791	24,791
		7,888,112	8,730,634
Net current assets		41,258,700	30,052,664
Total assets less current liabilities		42,800,253	34,764,089
Non-current liabilities			
Deferred grants income		256,427	575,860
Net assets		42,543,826	34,188,229
Representing : -			
General and accumulated fund		(3,607,367)	(2,208,401)
Special project reserve fund		3,833,789	3,833,789
SWD Lump sum grant reserve	15	9,683,896	14,251,714
SWD Provident fund reserve	16	4,801,549	4,310,775
F & E replenishment and minor works block grant	17	2,139,731	1,419,313
In-service training fund		67,911	67,911
Staff welfare fund		84,000	85,973
Hui Chun Fui staff scholarship		96,145	108,345
Camp service accumulated fund		812	812
Special reserve fund	18	10,283,286	11,980,819
Central items		702,883	574,685
Rent and rates		(782,964)	(443,326)
Social Welfare Development fund	19	226,820	205,820
Macpherson maintenance reserve fund	20	15,013,335	-
		42,543,826	34,188,229

The financial statements were approved and authorised for issue by the Executive Committee on 21 June, 2013 and are signed on its behalf by :



Chairman



Executive Director

HONG KONG PLAYGROUND ASSOCIATION
香港遊樂場協會

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH, 2013

	2013	2012
	HK\$	HK\$
Operating activities		
Deficit for the year	(5,150,312)	(1,100,904)
Net payment of SWD Lump sum grant reserve	-	(96,500)
Net receipt on F & E replenishment and minor works block grant	455,097	115,259
Net payment on In-service training fund	-	(3,394)
Net payment on Staff welfare fund	(66,773)	(57,006)
Net payment on Hui Chun Fui staff scholarship	(12,200)	(3,000)
Net payment on Special reserve fund	(1,697,533)	(1,179,020)
Net payment on central items	(574,685)	(326,361)
Net receipt on rent and rates	104,660	509,982
Net payment on strengthening cleansing service subsidy	-	-
Net receipt / (payment) on Social Welfare Development fund	21,000	(74,370)
Net receipt on Macpherson maintenance reserve fund	15,013,335	-
Adjustment for:		
Depreciation	4,513,424	5,072,967
Interest income	(117,094)	(148,837)
Loss on disposal of plant and equipment	4,798	3,096
Operating surplus before changes in operating capital	12,493,717	2,711,912
(Increase) / decrease in receivables	(1,228,718)	1,161,097
Increase in lotteries fund receivable	(3,073,137)	(702,510)
(Increase) / decrease in Sir David Trench Fund	(91,457)	20,911
Increase in Environment and conservation fund	(299,541)	-
Increase / (decrease) in payables	2,023,900	(235,580)
Decrease in deferred grants income	(3,185,855)	(2,329,649)
Cash flow from operating activities	6,638,909	626,181
Investing activities		
Interest income	117,094	148,837
Grant income received for purchase of plant and equipment	507,592	2,078,754
Purchase of plant and equipment	(1,348,350)	(2,256,509)
Cash flow used in investing activities	(723,664)	(28,918)
Net increase in cash and cash equivalents	5,915,245	597,263
Cash and cash equivalents at the beginning of the year	34,741,038	34,143,775
Cash and cash equivalents at the end of the year	40,656,283	34,741,038

HONG KONG PLAYGROUND ASSOCIATION

香港遊樂場協會

STATEMENT OF CHANGES IN RESERVES AND FUNDS

FOR THE YEAR ENDED 31 MARCH, 2013

	General and accumulated fund HK\$	Special project reserve fund HK\$	SWD Lump sum grant reserve HK\$	SWD provident fund reserve HK\$	F & E replenish- ment and minor works block grant HK\$	In-service training fund HK\$	Staff welfare fund HK\$	Hui Chun Fui staff scholar- ship HK\$	Camp service accumulated fund HK\$	Special reserve fund HK\$	Central items HK\$	Rent and rates HK\$	Social Welfare develop- ment fund HK\$	Total HK\$
Balance at 1 April, 2011	(2,419,638)	3,833,789	16,285,099	4,210,124	907,911	71,305	78,179	111,345	812	13,159,839	326,361	(837,916)	280,190	36,007,400
Deficit for the year	(1,100,904)	-	-	-	-	-	-	-	-	-	-	-	-	(1,100,904)
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus refundable to SWD	(459,293)	-	-	-	-	-	-	-	-	-	574,685	(115,392)	-	-
Deficit attributable from SWD lump sum grant reserve	1,836,234	-	(1,836,234)	-	-	-	-	-	-	-	-	-	-	-
Other transfers	(64,800)	-	(100,651)	100,651	-	-	64,800	-	-	-	-	-	-	-
Interest Income	-	-	-	-	99	-	-	-	-	94,387	-	-	5,199	99,685
Fund received	-	-	-	-	1,175,000	-	52,000	-	-	-	-	509,982	480,000	2,216,982
Expenditure for the year	-	-	(96,500)	-	(663,697)	(3,394)	(109,006)	(3,000)	-	(1,273,407)	(326,361)	-	(559,569)	(3,034,934)
Subtotal	211,237	-	(2,033,385)	100,651	511,402	(3,394)	7,794	(3,000)	-	(1,179,020)	248,324	394,590	(74,370)	(1,819,171)
Balance at 31 March, 2012	(2,208,401)	3,833,789	14,251,714	4,310,775	1,419,313	67,911	85,973	108,345	812	11,980,819	574,685	(443,326)	205,820	34,188,229

HONG KONG PLAYGROUND ASSOCIATION

香港遊樂場協會

STATEMENT OF CHANGES IN RESERVES AND FUNDS

FOR THE YEAR ENDED 31 MARCH, 2013

	General and accumulated fund HK\$	Special project reserve fund HK\$	SWD Lump sum grant reserve HK\$	SWD provident fund reserve HK\$	F & E replenish- ment and minor works block grant HK\$	In- service training fund HK\$	Staff welfare fund HK\$	Hui Chun Fui staff scholar- ship HK\$	Camp service accumulated fund HK\$	Special reserve fund HK\$	Central items HK\$	Rent and rates HK\$	Social Welfare develop- ment fund HK\$	Macpherson maintenance reserve fund HK\$	Total HK\$
Balance at 1 April, 2012	(2,208,401)	3,833,789	14,251,714	4,310,775	1,419,313	67,911	85,973	108,345	812	11,980,819	574,685	(443,326)	205,820	-	34,188,229
Deficit for the year	(5,150,312)	-	-	-	-	-	-	-	-	-	-	-	-	-	(5,150,312)
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus refundable to SWD	(258,585)	-	-	-	-	-	-	-	-	-	702,883	(444,298)	-	-	-
Deficit attributable from SWD lump sum grant reserve	3,860,942	-	(3,860,942)	-	-	-	-	-	-	-	-	-	-	-	-
Other transfers	148,989	-	(706,876)	490,774	2,313	-	64,800	-	-	-	-	-	-	-	-
Interest Income	-	-	-	-	142	-	-	-	-	72,045	-	-	10,694	13,335	96,216
Fund received	-	-	-	-	1,255,000	-	51,474	-	-	-	-	104,660	530,000	15,000,000	16,941,134
Expenditure for the year	-	-	-	-	(537,037)	-	(118,247)	(12,200)	-	(1,769,578)	(574,685)	-	(519,694)	-	(3,531,441)
Subtotal	(1,398,966)	-	(4,567,818)	490,774	720,418	-	(1,973)	(12,200)	-	(1,697,533)	128,198	(339,638)	21,000	15,013,335	8,355,597
Balance at 31 March, 2013	(3,607,367)	3,833,789	9,683,896	4,801,549	2,139,731	67,911	84,000	96,145	812	10,283,286	702,883	(782,964)	226,820	15,013,335	42,543,826

HONG KONG PLAYGROUND ASSOCIATION

THE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 31 MARCH, 2013

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范 陳 會 計 師 行
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 March, 2013 and have issued an unqualified auditors' report thereon dated 21 June, 2013.

We conducted our review of the attached Annual Financial Report on pages 2 to 6 of the Association for the year ended 31 March, 2013 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 March, 2013.

- 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
 - iv. employed the staff quoted in the Provident Fund arrangements during the year ended 31 March, 2013.

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.


Fan, Chan & Co.
Certified Public Accountants
Hong Kong, 21 June, 2013

ANNUAL FINANCIAL REPORT
HONG KONG PLAYGROUND ASSOCIATION
1 APRIL 2012 TO 31 MARCH 2013

	Notes	2012-13 \$	2011-12 \$
A. INCOME			
1. Lump Sum Grant			
a. Lump Sum Grant (excluding Provident Fund)	1b	64,327,398	60,596,091
b. Provident Fund	1c	8,610,405	7,936,211
3. Fee Income	2	221,210	246,360
4. Central Items	3	11,158,502	11,122,810
5. Rent & Rates	4	2,755,485	2,748,477
6. Other Income	5	19,411,132	18,379,086
7. Interest Received		116,567	148,104
TOTAL INCOME		<u>106,600,699</u>	<u>101,177,139</u>
B. EXPENDITURE			
1. Personal Emoluments			
a. Salaries		69,268,480	63,387,406
b. Provident Fund	1c	8,119,631	7,234,984
Sub-total	6	<u>77,388,111</u>	<u>70,622,390</u>
2. Other Charges	7	19,159,543	18,519,696
3. Central Items	3	10,455,619	10,548,125
4. Rent & Rates	4	3,199,783	2,863,869
TOTAL EXPENDITURE		<u>110,203,056</u>	<u>102,554,080</u>
C. (DEFICIT) FOR THE YEAR	8	<u><u>(3,602,357)</u></u>	<u><u>(1,376,941)</u></u>

Approved by the Executive Committee on 21 June, 2013


Chairman


Executive Director

NOTES ON THE ANNUAL FINANCIAL REPORT
HONG KONG PLAYGROUND ASSOCIATION
1 APRIL 2012 TO 31 MARCH 2013

1. Lump Sum Grant

a. Basis of preparation The Annual Financial Report (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 like depreciation, provisions and accruals should not be included in the AFR.

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

c. Provident Fund This is Provident Fund received and contributed during the year. Snapshot staff are defined as those staff occupying recognised or holding against subvented posts as at 1 April 2000. 6.8% and other posts represent those staff that are employed after 1 April 2000. Please note that the PF received and contributed for staff under the Central Items should be shown under 3. In other words, such PF should not be included here (paragraph 3.12 of LSG Manual). Details are analysed below:

<u>Provident Fund Contribution</u>	Snapshot Staff \$	6.8% and Other Posts \$	Total \$
Subvention Received	7,013,034	1,597,371	8,610,405
Provident Fund Contribution Paid during the Year	(6,706,530)	(1,413,101)	(8,119,631)
Surplus/(Deficit) for the Year	306,504	184,270	490,774
Add : Surplus/(Deficit) b/f	2,182,708	2,128,067	4,310,775
Surplus/(Deficit) c/f	<u>2,489,212</u>	<u>2,312,337</u>	<u>4,801,549</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.

NOTES ON THE ANNUAL FINANCIAL REPORT
HONG KONG PLAYGROUND ASSOCIATION
1 APRIL 2012 TO 31 MARCH 2013

3. **Central Items** These are subvented service activities which are not included in LSG and are subject to their own procedures as set out in other SWD's papers and correspondence with the NGOs. The PF received and contributed for staff under the Central Items should be separately included as part of the income and expenditure of the relevant items (paragraph 3.13 of LSG Manual). The income and expenditure of each of the Central Items are as follows:

	2012-13	2011-12
a. <u>Income</u>	\$	\$
Programme Workers posts for 5 years from 2008-09 to 2012-13	9,432,576	9,432,576
Programme Assistants allocated vide management letter ref.(17) in SWD/S/203/1 Pt.8 dated 17 March 2007	1,725,926	1,690,234
Total	<u>11,158,502</u>	<u>11,122,810</u>
 b. <u>Expenditure</u>		
Programme Work posts for 5 years from 2008-09 to 2012-13	8,772,661	8,975,080
Programme Assistants allocated vide management letter ref.(17) in SWD/S/203/1 Pt.8 dated 17 March 2007	1,682,958	1,573,045
Total	<u>10,455,619</u>	<u>10,548,125</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.
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 need not be included as Other Income in AFR. However, treatment of fees and charges as specified under para.2.27 to 2.28 of the Manual remains unchanged (paragraph 3.9 of the Manual).

NOTES ON THE ANNUAL FINANCIAL REPORT
HONG KONG PLAYGROUND ASSOCIATION
1 APRIL 2012 TO 31 MARCH 2013

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

The analysis on number of posts with annual Personal Emoluments over \$500,000 each is appended below:

Analysis of Personal Emoluments	No of Posts	\$
HK\$500,001 - HK\$600,000 p.a.	8	4,497,627
HK\$600,001 - HK\$700,000 p.a.	7	4,464,915
HK\$700,001 - HK\$800,000 p.a.	23	17,410,667
HK\$800,001 - HK\$900,000 p.a.	0	-
HK\$900,001 - HK\$1,000,000 p.a.	7	6,637,386
>HK\$1,000,000 p.a.	1	1,289,418
	<u>46</u>	<u>34,300,013</u>

7. Other Charges

The breakdown on Other Charges is as follows:

	2012-13	2011-12
Other Charges	\$	\$
(a) Utilities	1,404,213	1,358,136
(b) Food	-	-
(c) Administrative Expenses	750,185	660,697
(d) Stores and Equipment	1,110,715	1,200,315
(e) Repairs & Maintenance	249,359	329,517
(f) Special Allowances	-	-
(g) Programme Expenses	7,441,749	6,914,604
(h) Transportation and Travelling	271,751	273,241
(i) Insurance	372,144	407,418
(j) Miscellaneous	7,559,427	7,375,768
Total	<u>19,159,543</u>	<u>18,519,696</u>

NOTES ON THE ANNUAL FINANCIAL REPORT
HONG KONG PLAYGROUND ASSOCIATION
1 APRIL 2012 TO 31 MARCH 2013

8. Analysis of Reserve Fund

	Analysis of Reserve Fund				
	Lump Sum Grant (LSG)	Special One-off Grant (SOG)	Rent and Rates	Central Items	Total
	\$	\$	\$	\$	\$
Income					
Lump Sum Grant	72,937,803	-	-	-	72,937,803
Fee Income	221,210	-	-	-	221,210
Other Income	19,411,132	-	-	-	19,411,132
Interest Received (Note (1))	116,567	-	-	-	116,567
Rent and Rates	-	-	2,755,485	-	2,755,485
Central Items	-	-	-	11,158,502	11,158,502
Total Income (a)	92,686,712	-	2,755,485	11,158,502	106,600,699
Expenditure					
Personal Emoluments	77,388,111	-	-	-	77,388,111
Other Charges	19,159,543	-	-	-	19,159,543
Rent and Rates	-	-	3,199,783	-	3,199,783
Central Items	-	-	-	10,455,619	10,455,619
Total Expenditure (b)	96,547,654	-	3,199,783	10,455,619	110,203,056
Surplus/(Deficit) for the year (a) - (b)	(3,860,942)	-	(444,298)	702,883	(3,602,357)
<u>Less</u> Surplus/(Deficit) of Provident Fund	(490,774)	-	-	-	(490,774)
Surplus/(Deficit) for the year	(4,351,716)	-	(444,298)	702,883	(4,093,131)
<u>Add:</u> Surplus/(Deficit) b/f	14,251,714	-	(443,326)	574,685	14,383,073
	9,899,998	-	(887,624)	1,277,568	10,289,942
<u>Add:</u> Reallocation of account as approved by	-	-	-	-	-
Backpayment of Rent & Rates for	-	-	150,582	-	150,582
2009/10 - 2011/12					
Adjustment for Depreciation Effect	(216,102)	-	-	-	(216,102)
<u>Less</u> Refund to Government	-	-	(45,922)	(574,685)	(620,607)
Surplus/(Deficit) c/f (Note (4))	9,683,896	-	(782,964)	702,883	9,603,815

Notes:

- (1) Interest received on LSG and PF reserves, rent and rates, central items, Special One-off Grant should be included as one item under LSG; and the item is considered as part of LSG reserve.
- (2) Accumulated balance Lump Sum Grant Surplus b/f from previous years 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 Programme Assistants, Care Assistants, Dementia Supplement and Infirmary Care Supplement, if any, as per Schedule of Central Items (**Annex 1**).
- (4) The level of LSG cumulative reserve (i.e. S) will be capped at 25% of the NGO's operating expenditure (excluding PF expenditure) for the year.