

The Annual Financial Report ("AFR") does not constitute The Hong Kong Catholic Marriage Advisory Council's statutory annual financial statement. The 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. The 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.

**ANNUAL FINANCIAL REPORT**

**NGO: THE HONG KONG CATHOLIC MARRIAGE ADVISORY COUNCIL**

**1 APRIL 2019 TO 31 March 2020**

	Notes	Total 2019-20 \$	Total 2018-19 \$
<b>A. INCOME</b>			
1. Lump Sum Grant			
a. Lump Sum Grant (excluding Provident Fund)	1b	21,437,652.00	14,039,960.00
b. Provident Fund	1c	1,861,049.00	1,354,569.00
2. Fee Income	2	-	-
3. Central Items	3	-	-
4. Rent and Rates	4	137,269.00	114,660.00
5. Other Income	5	220,958.90	302,583.40
6. Interest Received		47,465.01	19,453.18
<b>TOTAL INCOME</b>		<u>23,704,393.91</u>	<u>15,831,225.58</u>
<b>B. EXPENDITURE</b>			
1. Personal Emoluments			
a. Salaries		19,003,540.55	13,046,461.29
b. Provident Fund	1c	1,590,551.88	1,249,135.72
c. Allowances		-	-
Sub-total	6	<u>20,594,092.43</u>	<u>14,295,597.01</u>
2. Other Charges	7	1,389,179.90	1,098,551.59
3. Central Items	3	-	-
4. Rent and Rates	4	2,295,914.12	151,436.94
<b>TOTAL EXPENDITURE</b>		<u>24,279,186.45</u>	<u>15,545,585.54</u>
<b>C. SURPLUS / (DEFICIT) FOR THE YEAR</b>	8	<u>(574,792.54)</u>	<u>285,640.04</u>

The Annual Financial Report from pages 3 to 7 has been prepared in accordance with the requirements as set out in the Lump Sum Grant Manual.

SIGNATURE



MR. JOSEPH K. C. LEE, BBS  
CHAIRMAN  
DATE: 11 September 2020

SIGNATURE



MRS. ANGELA CHIU  
EXECUTIVE DIRECTOR  
DATE: 11 September 2020

## NOTES ON THE ANNUAL FINANCIAL REPORT

### 1. Lump Sum Grant (LSG)

- a. **Basis 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 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. 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% and Other Posts</u> \$	<u>Total</u> \$
Subvention Received	706,757.00	1,154,292.00	1,861,049.00
Provident Fund Contribution Paid during the Year	<u>(751,316.46)</u>	<u>(839,235.42)</u>	<u>(1,590,551.88)</u>
Surplus/(Deficit) for the Year	(44,559.46)	315,056.58	270,497.12
<b>Add:</b> Surplus b/f	74,324.63	694,770.39	769,095.02
<b>Less:</b> Refund to Government	<u>(6,250.00)</u>	-	<u>(6,250.00)</u>
<b>Surplus c/f</b>	<u>23,515.17</u>	<u>1,009,826.97</u>	<u>1,033,342.14</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 LSG 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 the Central Items have been separately included as part of the income and expenditure of the relevant items (paragraph 3.14 of the LSG Manual (October 2016)). The income and expenditure of each of the Central Items are as follows:

	<b>2019-20</b>	<b>2018-19</b>
	<b>\$</b>	<b>\$</b>
<b><u>a. Income</u></b>		
Nil	-	-
<b>Total</b>	<u>-</u>	<u>-</u>
	<b>2019-20</b>	<b>2018-19</b>
	<b>\$</b>	<b>\$</b>
<b><u>b. Expenditure</u></b>		
Nil	-	-
<b>Total</b>	<u>-</u>	<u>-</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 have not been 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 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:

	<b>2019-20</b>	<b>2018-19</b>
	<b>\$</b>	<b>\$</b>
<b><u>Other Income</u></b>		
(a) Fees and charges for services incidental to the operation of subvented services	-	-
(b) Others	220,958.90	302,583.40
<b>Total</b>	<u>220,958.90</u>	<u>302,583.40</u>

**6. Personal Emoluments**

Personal Emoluments include salary, provident fund and salary-related

The analysis on number of posts with annual Personal Emoluments over \$700,000 each paid under LSG is appended below:

<b>Analysis of Personal Emoluments paid under LSG</b>	<b>No of Posts</b>	<b>\$</b>
HK\$700,001 - HK\$800,000 p.a.	3	2,229,669.00
HK\$800,001 - HK\$900,000 p.a.	-	-
HK\$900,001 - HK\$1,000,000 p.a.	2	1,857,342.00
HK\$1,000,001 - HK\$1,100,000 p.a.	-	-
HK\$1,100,001 - HK\$1,200,000 p.a.	1	1,133,049.00
>HK\$1,200,000 p.a.	1	1,211,916.00

**7. Other Charges**

The breakdown on Other Charges is as follows:

<b>Other Charges</b>	<b>2019-20</b>	<b>2018-19</b>
	<b>\$</b>	<b>\$</b>
(a) Utilities	180,281.60	174,106.76
(b) Food	-	-
(c) Administrative Expenses	133,691.84	98,718.57
(d) Stores and Equipment	281,627.90	187,785.86
(e) Repair and Maintenance	24,440.04	16,057.00
(f) Special Allowances	-	-
(g) Programme Expenses	515,166.93	531,978.40
(h) Transportation and Travelling	27,505.70	5,677.60
(i) Insurance	75,542.55	54,499.25
(j) Miscellaneous	150,923.34	29,728.15
<b>Total</b>	<b><u>1,389,179.90</u></b>	<b><u>1,098,551.59</u></b>

## 8. Analysis of Lump Sum Grant Reserve and balances of other SWD subventions

	Lump Sum Grant (LSG)	Rent and Rates	Central Items	Total
	\$	\$	\$	\$
<b>Income</b>				
Lump Sum Grant	23,298,701.00	-	-	23,298,701.00
Special One-off Grant	-	-	-	-
Fee Income	-	-	-	-
Other Income	220,958.90	-	-	220,958.90
Interest Received (Note (1))	47,465.01	-	-	47,465.01
Rent and Rates	-	137,269.00	-	137,269.00
Central Items	-	-	-	-
<b>Total Income (a)</b>	<b>23,567,124.91</b>	<b>137,269.00</b>	<b>-</b>	<b>23,704,393.91</b>
<b>Expenditure</b>				
Personal Emoluments	20,594,092.43	-	-	20,594,092.43
Other Charges	1,389,179.90	-	-	1,389,179.90
Rent and Rates	-	2,295,914.12	-	2,295,914.12
Central Items	-	-	-	-
Special One-off Grant Payments	-	-	-	-
<b>Total Expenditure (b)</b>	<b>21,983,272.33</b>	<b>2,295,914.12</b>	<b>-</b>	<b>24,279,186.45</b>
<b>Surplus/(Deficit) for the Year (a) - (b)</b>	<b>1,583,852.58</b>	<b>(2,158,645.12)</b>	<b>-</b>	<b>(574,792.54)</b>
Less : Surplus of Provident Fund	(270,497.12)	-	-	(270,497.12)
<b>Surplus/(Deficit) b/f (Note (2))</b>	<b>1,313,355.46</b>	<b>(2,158,645.12)</b>	<b>-</b>	<b>(845,289.66)</b>
	6,067,537.67	(34,146.36)	-	6,033,391.31
<u>Add:</u> Backpayment on Rent and Rates for 2017/18 - 2018/19		21,777.00	-	21,777.00
<u>Less:</u> Refund to Government	-	-	-	-
Transfer from LSG Reserve to cover the salary adjustment for Programme Assistants, Care Assistants, Dementia Supplement and Infirmiry Care Supplementary (Note (3))	-	-	-	-
<b>Surplus/(Deficit) c/f (Note (4))</b>	<b>7,380,893.13</b>	<b>(2,171,014.48)</b>	<b>-</b>	<b>5,209,878.65</b>

### 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 Infirmiry Care Supplement, if any, as per Schedule for Central Items.
- (4) The level of LSG cumulative reserve (i.e. S), 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.