

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

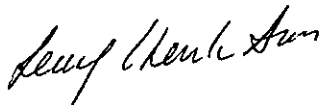
NGO: THE HONG KONG CATHOLIC MARRIAGE ADVISORY COUNCIL

1 APRIL 2022 TO 31 March 2023

	Notes	2022-23 \$	2021-22 \$
A. INCOME			
1. Lump Sum Grant			
a. Lump Sum Grant (excluding Provident Fund)	1b	28,359,534.00	27,971,989.00
b. Provident Fund	1c	2,232,485.00	2,248,615.00
2. Fee Income	2	-	-
3. Central Items	3	208,076.00	203,237.00
4. Rent and Rates	4	2,662,086.00	2,662,086.00
5. Other Income	5	98,716.20	197,554.72
6. Interest Received		55,951.13	15,028.64
TOTAL INCOME		<u>33,616,848.33</u>	<u>33,298,510.36</u>
B. EXPENDITURE			
1. Personal Emoluments			
a. Salaries		25,986,157.02	25,187,715.60
b. Provident Fund	1c	1,866,476.42	1,897,043.24
c. Allowances		-	-
Sub-total	6	<u>27,852,633.44</u>	<u>27,084,758.84</u>
2. Other Charges	7	2,741,027.47	2,342,230.79
3. Central Items	3	150,228.08	158,512.40
4. Rent and Rates	4	3,004,855.00	2,478,560.62
TOTAL EXPENDITURE		<u>33,748,743.99</u>	<u>32,064,062.65</u>
C. (DEFICIT) / SURPLUS FOR THE YEAR	8	<u>(131,895.66)</u>	<u>1,234,447.71</u>

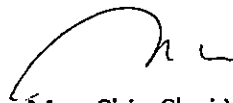
The Annual Financial Report from pages 3 to 8 has been prepared in accordance with the requirements as set out in the Lump Sum Grant Manual.

SIGNATURE



Dr. Leung Cheuk Sun, Ambrose
CHAIRMAN OF EXECUTIVE COMMITTEE
 DATE: 26 September 2023

SIGNATURE



Mrs. Chiu Chui Yuen Fun, Angela
EXECUTIVE DIRECTOR
 DATE: 26 September 2023

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 which are separately included as part of the income and expenditure of the relevant 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	586,043.00	1,639,432.00	2,225,475.00
Provident Fund Adjustment for Previous Year	-	7,010.00	7,010.00
Provident Fund Contribution Paid during the Year	<u>(437,225.09)</u>	<u>(1,429,251.33)</u>	<u>(1,866,476.42)</u>
Surplus for the Year	148,817.91	217,190.67	366,008.58
<u>Add:</u> Surplus b/f	234,717.86	1,333,575.23	1,568,293.09
<u>Less:</u> Refund to Government	<u>(107,127.00)</u>	-	<u>(107,127.00)</u>
Surplus c/f	<u><u>276,408.77</u></u>	<u><u>1,550,765.90</u></u>	<u><u>1,827,174.67</u></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:

	2022-23	2021-22
	\$	\$
a. Income		
Time-defined Allocation of Ethnic Minority District Ambassador Posts	191,792.00	187,114.00
- Salary and provident fund		
Time-defined Allocation of Ethnic Minority District Ambassador Posts		
- Other charges	16,284.00	16,123.00
Total	<u>208,076.00</u>	<u>203,237.00</u>
b. Expenditure		
Time-defined Allocation of Ethnic Minority District Ambassador Posts		
- Salary and provident fund	137,769.78	157,490.00
Time-defined Allocation of Ethnic Minority District Ambassador Posts		
- Other charges	12,458.30	1,022.40
Total	<u>150,228.08</u>	<u>158,512.40</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 need not be included as Other Income in AFR. In this respect, donations have been included if it is used to finance expenditure of the FSA services/ FSA-related activities reflected in the AFR.

The breakdown on Other Income is as follows:

	2022-23	2021-22
	\$	\$
Other Income		
(a) Fees and charges for services incidental to the operation of subvented services	-	-
(b) Utilised allocation under Central Items (CI) - After School Care Programme (ASCP) / Enhanced ASCP - Fee Waiving Subsidy Scheme (FWSS) which forms as part of Other Income *	-	-
(c) Reimbursement of Maternity Leave Pay (RMLP) Scheme reimbursement received	-	25,823.92
(c) Others	98,716.20	171,730.80
Sub-Total	<u>98,716.20</u>	<u>197,554.72</u>

<u>Less:</u> Utilised allocation under CI - ASCP / Enhanced ASCP - FWSS which forms as part of Other Income *	-	-
Total	<u>98,716.20</u>	<u>197,554.72</u>

* For those programmes which are regarded as FSA-related activities only.

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:

Analysis of Personal Emoluments paid under LSG	No of Posts	\$
HK\$700,001 - HK\$800,000 p.a.	4	3,008,438.30
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.	1	1,050,340.30
HK\$1,100,001 - HK\$1,200,000 p.a.	2	2,307,779.75
>HK\$1,200,000 p.a.	1	1,325,697.00

7. Other Charges

The breakdown on Other Charges is as follows:

	2022-23	2021-22
	\$	\$
Other Charges		
(a) Utilities	354,510.53	295,476.63
(b) Food	-	-
(c) Administrative Expenses	256,510.01	232,052.67
(d) Stores and Equipment	264,615.42	393,236.19
(e) Repair and Maintenance	26,321.82	28,235.50
(f) Special Allowances	-	-
(g) Programme Expenses	1,266,562.76	986,397.85
(h) Transportation and Travelling	11,090.84	9,729.69
(i) Insurance	185,938.54	209,764.05
(j) Training Expense	281,028.26	87,494.51
(k) Miscellaneous	94,449.29	99,843.70
Sub-Total	<u>2,741,027.47</u>	<u>2,342,230.79</u>
<u>Less:</u> Utilised allocation under CI - ASCP / Enhanced ASCP / ASCP(PC) - FWSS* which forms as part of Other Income to fund the operating expenses of FSA services / FSA-related activities	-	-
Total	<u>2,741,027.47</u>	<u>2,342,230.79</u>

* For those programmes which are regarded as FSA services / FSA-related activities only.

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

	Lump Sum Grant (LSG)	Holding Account (HA)	Adjustment for Utilised allocation under ASCP / Enhanced ASCP-FWSS	Rent and Rates (R&R)	Central Items	Total
	\$	\$	\$	\$	\$	\$
Income						
Lump Sum Grant	30,592,019.00	-	-	-	-	30,592,019.00
Fee Income	-	-	-	-	-	-
Other Income	98,716.20	-	-	-	-	98,716.20
Interest Received (Note (1))	55,951.13	-	-	-	-	55,951.13
Rent and Rates	-	-	-	2,662,086.00	-	2,662,086.00
Central Items	-	-	-	-	208,076.00	208,076.00
Total Income (a)	30,746,686.33	-	-	2,662,086.00	208,076.00	33,616,848.33
Expenditure						
Personal Emoluments	27,852,633.44	-	-	-	-	27,852,633.44
Other Charges	2,741,027.47	-	-	-	-	2,741,027.47
Rent and Rates	-	-	-	3,004,855.00	-	3,004,855.00
Central Items	-	-	-	-	150,228.08	150,228.08
Total Expenditure (b)	30,593,660.91	-	-	3,004,855.00	150,228.08	33,748,743.99
Surplus/(Deficit) for the Year (a) - (b)	153,025.42	-	-	(342,769.00)	57,847.92	(131,895.66)
Less : Surplus of Provident Fund	(366,008.58)	-	-	-	-	(366,008.58)
	(212,983.16)	-	-	(342,769.00)	57,847.92	(497,904.24)
Surplus/(Deficit) b/f (Note (2))	6,277,303.24	3,418,054.51	-	(510,723.62)	155,795.66	9,340,429.79
<u>Add:</u> Backpayment - refund of rates 2020-21	-	-	-	8,200.00	-	8,200.00
Backpayment on Rent & Rates for IFSC for 2020/21 & 2021/22	-	-	-	15,552.00	-	15,552.00
<u>Less:</u> Transfer from LSG Reserve to cover the salary for Dementia Supplement and Infirmary Care Supplementary (Note (3))	-	-	-	-	-	-
Refund to Government	-	-	-	(227,876.98)	-	(227,876.98)
Adjustment for utilised allocation under Enhanced ASCP / ASCP(PC) - FWSS* (over-estimated)/ under-estimated in previous year(s)	-	-	-	-	-	-
Surplus/(Deficit) c/f (Note (4))	6,064,320.08	3,418,054.51	-	(1,057,617.60)	213,643.58	8,638,400.57

Notes:

- (1) Interest received on LSG (including HA) 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 all interest received in previous years (see (1) above) and the balance of HA should be separately reported as in the surplus b/f under LSG and HA respectively:
- (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) For NGOs without HA, separate disclosure of the movement of HA in their respective AFRs is not necessary. The level of LSG cumulative reserve (i.e. S1) will be capped at 25% of the NGO's operating expenditure (i.e. Total Expenditure (T1) excluding Provident Fund Contribution (K)) for the year.

For NGOs with HA, with effect from 2022-23, the calculation of the annual claw-back is as follows:

(i) With Snapshot Staff (SS) [i.e. Position of SS as at 1 September being reported on the Agency Staff List submitted by NGO last year was greater than zero]

The level of LSG cumulative reserve will be capped at 25% of the NGO's operating expenditure (i.e. Total Expenditure excluding Provident Fund Contribution) for the year.

(ii) Without SS [i.e. Position of SS as at 1 September being reported on the Agency Staff List submitted by NGO last year (which is regarded as Year 0) was zero]

For the next three years (Year 1 to Year 3), the level of LSG cumulative reserve will be capped at 25% of the NGO's operating expenditure (i.e. Total Expenditure excluding Provident Fund Contribution) for the year.

From the fourth financial year (Year 4) onwards, the level of LSG cumulative reserve and HA reserve will be counted altogether and the combined reserve amount will be capped at 25% of the NGO's operating expenditure (i.e. Total Expenditure excluding Provident Fund Contribution) for the year. In this regard, separate disclosure of the movement of HA in their respective AFRs is not necessary.

For any amount above the cap, SWD would arrange the claw-back (including provisional in the following financial year) accordingly.