

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

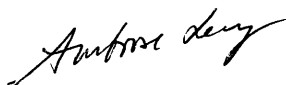
NGO: THE HONG KONG CATHOLIC MARRIAGE ADVISORY COUNCIL

1 APRIL 2023 TO 31 March 2024

	Notes	2023-24 \$	2022-23 \$
A. INCOME			
1. Lump Sum Grant			
a. Lump Sum Grant (excluding Provident Fund)	1b	29,559,837.00	28,359,534.00
b. Provident Fund	1c	2,256,997.00	2,232,485.00
2. Fee Income	2	-	-
3. Central Items	3	108,918.00	208,076.00
4. Rent and Rates	4	2,662,086.00	2,662,086.00
5. Other Income	5	232,808.83	98,716.20
6. Interest Received		214,597.05	55,951.13
TOTAL INCOME		<u>35,035,243.88</u>	<u>33,616,848.33</u>
B. EXPENDITURE			
1. Personal Emoluments			
a. Salaries		27,225,103.15	25,986,157.02
b. Provident Fund	1c	1,880,838.16	1,866,476.42
c. Allowances		-	-
Sub-total	6	<u>29,105,941.31</u>	<u>27,852,633.44</u>
2. Other Charges	7	2,677,963.97	2,741,027.47
3. Central Items	3	60,974.95	150,228.08
4. Rent and Rates	4	2,549,199.20	3,004,855.00
TOTAL EXPENDITURE		<u>34,394,079.43</u>	<u>33,748,743.99</u>
C. (DEFICIT) / SURPLUS FOR THE YEAR	8	<u>641,164.45</u>	<u>(131,895.66)</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: 25 September 2024

SIGNATURE



Mrs. Chiu Chui Yuen Fun, Angela
EXECUTIVE DIRECTOR
 DATE: 25 September 2024

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) services (including support services to FSA services) 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	500,093.00	1,756,904.00	2,256,997.00
Provident Fund Contribution Paid during the Year	<u>(414,807.05)</u>	<u>(1,466,031.11)</u>	<u>(1,880,838.16)</u>
Surplus for the Year	85,285.95	290,872.89	376,158.84
Add: Surplus b/f	276,408.77	1,550,765.90	1,827,174.67
Less: Refund to Government	<u>(71,780.00)</u>	-	<u>(71,780.00)</u>
Surplus c/f	<u><u>289,914.72</u></u>	<u><u>1,841,638.79</u></u>	<u><u>2,131,553.51</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.

NOTES ON THE ANNUAL FINANCIAL REPORT

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:

	2023-24	2022-23
	\$	\$
<u>a. Income</u>		
Time-defined Allocation of Ethnic Minority District Ambassador Posts	100,382.00	191,792.00
- Salary and provident fund		
Time-defined Allocation of Ethnic Minority District Ambassador Posts		
- Other charges	8,536.00	16,284.00
Total	108,918.00	208,076.00
	2023-24	2022-23
	\$	\$
<u>b. Expenditure</u>		
Time-defined Allocation of Ethnic Minority District Ambassador Posts		
- Salary and provident fund	58,348.95	137,769.78
Time-defined Allocation of Ethnic Minority District Ambassador Posts		
- Other charges	2,626.00	12,458.30
Total	60,974.95	150,228.08

4. Rent and Rates

3. 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.

NOTES ON THE ANNUAL FINANCIAL REPORT

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 be included as Other Income in AFR. In this respect, donations should be 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:

	2023-24	2022-23
<u>Other Income</u>	\$	\$
(a) Programme income	173,021.83	97,100.20
(b) Production income	2,513.00	1,616.00
(c) Donation	-	-
(d) Income from Other Activities	-	-
(e) Utilised allocation under Central Items (CI):	-	-
After School Care Programme (ASCP) /		
Enhanced ASCP / ASCP(PC) - Fee Waiving		
Subsidy Scheme (FWSS) which forms as	-	-
part of Other Income *		
(f) Reimbursement of Maternity Leave	-	-
Pay (RMLP) Scheme reimbursement received		
(g) Miscellaneous income	57,274.00	-
Sub-Total	232,808.83	98,716.20
<u>Less:</u> Utilised allocation under CI - ASCP /		
Enhanced ASCP - FWSS / ASCP(PC) - FWSS		
which forms as part of Other Income *	-	-
Total	232,808.83	98,716.20

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

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.	5	3,607,733.70
HK\$800,001 - HK\$900,000 p.a.	1	805,073.07
HK\$900,001 - HK\$1,000,000 p.a.	1	939,686.07
HK\$1,000,001 - HK\$1,100,000 p.a.	-	-
HK\$1,100,001 - HK\$1,200,000 p.a.	2	2,295,969.00
>HK\$1,200,000 p.a.	1	1,359,852.00

NOTES ON THE ANNUAL FINANCIAL REPORT

7. Other Charges

The breakdown on Other Charges is as follows:

	2023-24	2022-23
Other Charges	\$	\$
(a) Utilities	331,199.37	354,510.53
(b) Food	-	-
(c) Administrative Expenses	268,026.05	256,510.01
(d) Stores and Equipment	226,504.98	264,615.42
(e) Repair and Maintenance	48,059.10	26,321.82
(f) Special Allowances	-	-
(g) Programme Expenses	1,279,385.94	1,266,562.76
(h) Transportation and Travelling	10,602.71	11,090.84
(i) Insurance	219,286.34	185,938.54
(j) Training Expense	219,610.00	281,028.26
(k) Miscellaneous	75,289.48	94,449.29
Sub-Total	2,677,963.97	2,741,027.47
<u>Less:</u> Utilised allocation under CI - ASCP / Enhanced ASCP / ASCP(PC) - FWSS* which forms as part of Other Income	-	-
Total	2,677,963.97	2,741,027.47

** 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 / ASCP(PC) - FWSS	Rent and Rates	Central Items (CI)	Total
	\$	\$	\$	\$	\$	\$
Income						
Lump Sum Grant	31,816,834.00	-	-	-	-	31,816,834.00
Fee Income	-	-	-	-	-	-
Other Income	232,808.83	-	-	-	-	232,808.83
Interest Received (Note (1))	214,597.05	-	-	-	-	214,597.05
Rent and Rates	-	-	-	2,662,086.00	-	2,662,086.00
Central Items	-	-	-	-	108,918.00	108,918.00
Total Income (a)	32,264,239.88	-	-	2,662,086.00	108,918.00	35,035,243.88
Expenditure						
Personal Emoluments	29,105,941.31	-	-	-	-	29,105,941.31
Other Charges	2,677,963.97	-	-	-	-	2,677,963.97
Rent and Rates	-	-	-	2,549,199.20	-	2,549,199.20
Central Items	-	-	-	-	60,974.95	60,974.95
Total Expenditure (b)	31,783,905.28	-	-	2,549,199.20	60,974.95	34,394,079.43
Surplus/(Deficit) for the Year (a) - (b)	480,334.60	-	-	112,886.80	47,943.05	641,164.45
Less : Surplus of Provident Fund	(376,158.84)	-	-	-	-	(376,158.84)
Surplus/(Deficit) b/f (Note (2))	104,175.76	-	-	112,886.80	47,943.05	265,005.61
	6,064,320.08	3,418,054.51	-	(1,057,617.60)	213,643.58	8,638,400.57
<u>Add:</u> Refund from Government	-	-	-	-	-	-
<u>Less:</u> Refund to Government	-	-	-	(69,975.00)	-	(69,975.00)
Transfer from LSG Reserve to cover the salary adjustment for Dementia Supplement and Infirmary Care Supplementary (Note (3))	-	-	-	-	-	-
Adjustment for utilised allocation under <u>Enhanced</u> ASCP / ASCP(PC) - FWSS* (over-estimated)/ under-estimated in previous year(s)	-	-	-	-	-	-
Surplus/(Deficit) c/f (Note (4))	6,168,495.84	3,418,054.51	-	(1,014,705.80)	261,586.63	8,833,431.18

Notes:

Including an amount \$Z being the utilised allocation under CI: ASCP / Enhanced ASCP / ASCP(PC) – FWSS*

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

- (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 (i.e. S1) will be capped at 25% of the NGO's operating expenditure (i.e. Total Expenditure (T1+T2) excluding Provident Fund Contribution (K)) 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 (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.

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 (i.e. S1+S2) will be capped at 25% of the NGO's operating expenditure (i.e. Total Expenditure (T1+T2) excluding Provident Fund Contribution (K)) for the year. In this regard, separate disclosure of the movement of HA in their respective AFRs is not necessary.

[For details of (4)(i) and (4)(ii) above, please also refer to SWD's letter under reference (11) in SWD/S/109/1/10 of 4 April 2022.]

For any amount above the cap, SWD would arrange the claw-back (including provisional in the following financial year except for those 58 NGOs which are subject to Productivity Enhancement Programme as stipulated in SWD's letter under reference (9) in SWD/S/133/1 of 6 March 2024. For details of the claw-back arrangement of the said 58 NGOs, please refer to the above letter.)