

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 2020 TO 31 March 2021

	Notes	2020-21 \$	2019-20 \$
A. INCOME			
1. Lump Sum Grant			
a. Lump Sum Grant (excluding Provident Fund)	1b	28,172,032.00	21,437,652.00
b. Provident Fund	1c	2,250,746.00	1,861,049.00
2. Fee Income	2	-	-
3. Central Items	3	203,073.00	-
4. Rent and Rates	4	1,337,954.00	137,269.00
5. Other Income	5	126,545.35	220,958.90
6. Interest Received		33,883.59	47,465.01
TOTAL INCOME		32,124,233.94	23,704,393.91
B. EXPENDITURE			
1. Personal Emoluments			
a. Salaries		24,799,564.44	19,003,540.55
b. Provident Fund	1c	1,989,650.81	1,590,551.88
c. Allowances		-	-
Sub-total	6	26,789,215.25	20,594,092.43
2. Other Charges	7	1,873,057.85	1,389,179.90
3. Central Items	3	92,001.94	-
4. Rent and Rates	4	2,565,080.50	2,295,914.12
TOTAL EXPENDITURE		31,319,355.54	24,279,186.45
C. SURPLUS / (DEFICIT) FOR THE YEAR	8	804,878.40	(574,792.54)

The Annual Financial Report from pages 2 to 7 has been prepared in accordance with the requirements as set out in the Lump Sum Grant Manual.

SIGNATURE



Mr. Lee King Chi, Joseph, BBS
CHAIRMAN

DATE: 14 September 2021

SIGNATURE



Mrs. Chiu Chui Yuen Fun, Angela
EXECUTIVE DIRECTOR

DATE: 14 September 2021

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	662,153.00	1,588,593.00	2,250,746.00
Provident Fund Contribution Paid during the Year	<u>(660,828.22)</u>	<u>(1,328,822.59)</u>	<u>(1,989,650.81)</u>
Surplus/(Deficit) for the Year	1,324.78	259,770.41	261,095.19
Add: Surplus b/f	111,338.67	922,003.47	1,033,342.14
Less: Refund to Government	(34,452.00)	-	(34,452.00)
Adjustment per SWD letter (26) in SWD SF/SAS/4-35/1/61(280) dated 20 May 2021	(33,623.00)	33,623.00	-
Surplus c/f	<u>44,588.45</u>	<u>1,215,396.88</u>	<u>1,259,985.33</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:

	2020-21 \$	2019-20 \$
<u>a. Income</u>		
Ethnic Minority District Ambassador Posts		-
- Salary and Mandatory Provident Fund	187,114.00	
- Other charges	15,959.00	
Total	<u>203,073.00</u>	<u>-</u>
<u>b. Expenditure</u>		
Ethnic Minority District Ambassador Posts		-
- Salary and Mandatory Provident Fund	92,001.94	
- Other charges	-	
Total	<u>92,001.94</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:

	2020-21 \$	2019-20 \$
<u>Other Income</u>		
(a) Fees and charges for services incidental to the operation of subvented services	-	-
(b) Subsidy from Central Items (CI) - After School Care Programme (ASCP) / Enhanced ASCP - Fee Waiving Subsidy Scheme (FWSS)*	-	-
(c) Others	126,545.35	220,958.90
Sub-Total	<u>126,545.35</u>	<u>220,958.90</u>
<u>Less:</u> Utilised allocation under CI - ASCP / Enhanced ASCP - FWSS which forms as part of Other Income *	-	-
Total	<u>126,545.35</u>	<u>220,958.90</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.	3	2,170,730.78
HK\$800,001 - HK\$900,000 p.a.	0	-
HK\$900,001 - HK\$1,000,000 p.a.	3	2,803,743.50
HK\$1,000,001 - HK\$1,100,000 p.a.	1	1,034,344.50
HK\$1,100,001 - HK\$1,200,000 p.a.	1	1,133,049.00
>HK\$1,200,000 p.a.	1	1,292,646.00

7. Other Charges

The breakdown on Other Charges is as follows:

Other Charges	2020-21 \$	2019-20 \$
(a) Utilities	182,894.82	180,281.60
(b) Food	-	-
(c) Administrative Expenses	172,565.45	133,691.84
(d) Stores and Equipment	238,270.49	281,627.90
(e) Repair and Maintenance	20,690.71	24,440.04
(f) Special Allowances	-	-
(g) Programme Expenses	822,968.41	515,166.93
(h) Transportation and Travelling	11,091.30	27,505.70
(i) Insurance	142,232.86	75,542.55
(j) Training Expense	195,156.06	-
(k) Miscellaneous	87,187.75	150,923.34
Sub-Total	1,873,057.85	1,389,179.90
<u>Less: Utilised allocation under CI - ASCP / Enhanced ASCP - FWSS* which forms as part of Other Income to fund the operating expenses of FSA-related activities</u>	-	-
Total	<u>1,873,057.85</u>	<u>1,389,179.90</u>

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

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

	Lump Sum Grant (LSG)	Adjustment for Utilised allocation under ASCP / Enhanced ASCP - FWSS	Rent and Rates (R&R)	Central Items	Total
	\$	\$	\$	\$	\$
Income					
Lump Sum Grant	30,422,778.00	-	-	-	30,422,778.00
Fee Income	-	-	-	-	-
Other Income	126,545.35	-	-	-	126,545.35
Interest Received (Note (1))	33,883.59	-	-	-	33,883.59
Rent and Rates	-	-	1,337,954.00	-	1,337,954.00
Central Items	-	-	-	203,073.00	203,073.00
Total Income (a)	30,583,206.94	-	1,337,954.00	203,073.00	32,124,233.94
Expenditure					
Personal Emoluments	26,789,215.25	-	-	-	26,789,215.25
Other Charges	1,873,057.85	-	-	-	1,873,057.85
Rent and Rates	-	-	2,565,080.50	-	2,565,080.50
Central Items	-	-	-	92,001.94	92,001.94
Total Expenditure (b)	28,662,273.10	-	2,565,080.50	92,001.94	31,319,355.54
Surplus/(Deficit) for the Year (a) - (b)	1,920,933.84	-	(1,227,126.50)	111,071.06	804,878.40
Less: Surplus of Provident Fund	(261,095.19)	-	-	-	(261,095.19)
Surplus/(Deficit) b/f (Note (2))	1,659,838.65	-	(1,227,126.50)	111,071.06	543,783.21
	7,380,893.13	-	(2,171,014.48)	-	5,209,878.65
<u>Add:</u> Backpayment on Rent and Rates for 2018/19 and 2019/20	-	-	1,471,298.00	-	1,471,298.00
Adjustment for overstated R&R expenses in 2017-18 and 2018-19 [(26) in SWD SF/SAS/4-35/1/61(280) dated 20 May 2021]	-	-	27,243.98	-	27,243.98
Refund from premise lessor for 2019-20 Rates Concession received in April 2021	-	-	8,700.00	-	8,700.00
<u>Less:</u> Adjustment for duplicated entry for back-payments on R&R received in 2019-20 [(26) in SWD SF/SAS/4-35/1/61(280) dated 20 May 2021]	-	-	(21,777.00)	-	(21,777.00)
Transfer from LSG Reserve to cover the salary for Dementia Supplement and Infirmary Care Supplementary (Note (3))	-	-	-	-	-
Adjustment for utilised allocation under Enhanced ASCP - FWSS* (over-estimated) / under-estimated in previous year(s)	-	-	-	-	-
Surplus/(Deficit) c/f (Note (4))	9,040,731.78	-	(1,912,676.00)	111,071.06	7,239,126.84

Notes:

*Including an amount \$Z being the utilised allocation under CI - ASCP / Enhanced ASCP - FWSS**

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

- (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 Infirmary 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.