

政府總部
民政事務局

香港灣仔
告士打道五號
稅務大樓
四十一樓



GOVERNMENT SECRETARIAT

HOME AFFAIRS BUREAU
41/F, REVENUE TOWER
5 GLOUCESTER ROAD
WAN CHAI
HONG KONG

OUR REF: (76) in SF(3) to HAB/CS/CR 7/7/8(C1) Pt. 4
YOUR REF: CB(3)/PAC/R54
TEL NO.: 2594 6615
FAXLINE: 2802 4893

8 June 2010

Clerk, Public Accounts Committee
Legislative Council Building
8 Jackson Road
Central
(Attn: Ms Macy NG)

Dear Ms NG,

**The Director of Audit's Report on the
results of value for money audits (Report No.54)**

Hong Kong Chinese Orchestra Limited (Chapter 6)

Thank you for your letter of 1 June 2010. The requested information is set out below:

- (a) Major performing arts groups are required to submit to the Home Affairs Bureau (HAB) a Self-evaluation Report on an annual basis according to the Funding and Services Agreement (FSA). The groups, including the Hong Kong Chinese Orchestra (HKCO), used to make reference to the reporting format of the funding submissions for their Self-evaluation Reports (please see template at Annex I).

HAB has worked out a detailed proforma to facilitate the groups to report the performance results of their core programmes in their respective Self-evaluation Report. The new proforma has incorporated the recommendations put forth in the Audit Report. It provides clear definitions and methodologies on the performance information to be included in the Report, such as the maximum venue capacity, the maximum audience capacity

stated in an approved seating plan, the number of paid audience, the number of complimentary tickets (including free tickets or complimentary tickets paid by the arts group), and the formulas for calculating ticket proceeds and ticket sale rates. Please refer to Annex II for details.

- (b) Paragraph 3.23 of the Audit Report pointed out that the HKCO had on two occasions arranged concerts as private functions for commercial sponsors. Based on the discussion at the HKCO's Council meetings, the two concerts were arranged with the aims to increase revenue and broaden the audience base. As such, our observer did not raise objection to the arrangement. We also note that the HKCO had paid full rental for hiring LCSD's venue for the said concerts and did not receive rental subsidy.
- (c) The artistic staff (including musicians, actors/ actresses and dancers) of the performing arts groups subvented by HAB are entitled to 12 to 56 days of annual leave in 2008/09*.

We would also like to take this opportunity to provide further information on the clauses of the FSA. The FSAs between HAB and the performing arts groups are in line with the prevailing government subvention guidelines on support for subvented organisations. As reported to the Public Accounts Committee (PAC) earlier, it has not been our intention to seek a confirmation from an auditor on provisions of the FSA which touches on non-financial matters. The performing arts groups have engaged their auditors with the same understanding. We consider that the financial reports (including detailed financial statements) submitted by the performing arts groups had fulfilled the purpose of Annex C of the FSA of ensuring proper management and control of government funding. The subsequent amendments to Annex C are made to reflect better the intention of the clauses.

The Audit Commission suggested vide its letter to the PAC dated 18 May 2010 that HAB should consider adopting measures to ensure compliance by the HKCO and other performing arts groups with some of the FSA clauses that are outside the audit scope. In light of the recommendation of the Audit Commission, we will consult the Financial Services and the Treasury Bureau and take appropriate follow-up actions.

* The artistic staff of one of the performing arts groups are employed on a part-time basis. The annual leave arrangement is not applicable to them.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Gilford LAW', written in a cursive style.

(Gilford LAW)
for Secretary for Home Affairs

- cc. Chairman, Public Accounts Committee of the Legislative Council
Executive Director, Hong Kong Chinese Orchestra Limited
Secretary for Financial Services and the Treasury
Director of Audit

主要演藝團體提交資助撥款申請有關主要活動的呈報範本
Template on Core Programmes in the Funding Submissions by the Major Performing Arts Groups

主要節目 Core Programmes

(a) 節目名稱 (如適用, 請註明 新作/重演/ 小品/大型製作) Programme Title (New /Re-run / Short Work / Full-length Production, if applicable)	(b) 日期 Date	(c) 場地 Venue	(d) 演出 場數 No. of performances	(e) 主辦 機構 Presenter	(f) 導演/指揮/ 編舞 Director/ Conductor/ Choreographer	(g) 最高 觀眾容量 Maximum Audience Capacity	(h) 預計購票 觀眾人數 Expected No. of Paid Audience	(i) 預計 贈票數目 Expected No. of Complimentary Tickets	(j) * 預計 入座率 Expected Attendance Rate (%)	(k) # 預計 門票收入 Estimated Ticket Proceeds (S)
節目總數: Total No of Programmes:			總數: Total:			總數: Total:	總數: Total:	總數: Total:	總數: Total:	總數: Total:

* 請以預計購票數目(不計贈票)計算。
Please include the expected paid audience (excluding complimentary tickets) for calculating this rate.

如未能提供每個節目的預計門票收入,請提供總預計門票收入。
If there is difficulty in providing breakdown of the estimated ticket proceeds by programmes, please only provide the total estimated ticket proceeds.

年終自我評估報告內匯報主要活動表現的呈報表格

**Proforma for Reporting the Performance Results of the Core Programmes in the
Self-evaluation and Assessment Report and Year-end Report**

主要節目 Core Programmes

(a) 節目名稱 (如適用, 請註明 新作/重演/ 小品/大型製作) Programme Title (New /Re-run / Short Work / Full-length Production, if applicable)	(b) 日期 Date	(c) 場地 Venue	(d) 演出 場數 No. of performances	(e) 主辦 機構 Presenter	(f) 導演/指揮/ 編舞 Director/ Conductor/ Choreographer	(g) 觀眾容量 Audience Capacity		(h) 門票數量 No. of Tickets			(i) 出售/ 派發門票率 Ticket Sale / Distribution Rate (%)			(j) 門票收入 Ticket Proceeds (\$)	
						(g1)	(g2)	(h1)	(h2)	(h3)	(i1)	(i2)	(i3)	(j1)	(j2)
						場地容量 (註 1) Venue Capacity (Note 1)	場地容量 (扣除不予 出售的座 位) (註2) Venue Capacity (Excluding blocked seats) (Note 2)	觀眾購買門 票數量 (註3) Paid Audience (Note 3)	貴團購買作 免費派發用 途的門票數 量(如有) (註4) Tickets purchased by your group for free distribution (if any) (Note 4)	贈票數量 (註5) Complimentary Tickets (Note 5)	扣除貴團購買作 免費派發用途的 門票及贈票 Excluding tickets purchased by your group for free distribution and complimentary tickets h1/ g2 x 100%	扣除贈票 Excluding complimentary tickets (h1+h2)/ g2 x 100%	所有門票 All tickets (h1+h2+h3)/ g2 x 100%	觀眾購買門票 (h1的門票收入) Paid Audience (ticket proceeds of h1)	所有門票 (h1+h2的門票收 入) All tickets (ticket proceeds of h1+h2)
節目總數 Total No of Programmes:			總數 Total:			總數 Total:	總數 Total:	總數 Total:	總數 Total:	總數 Total:	總數 Total:	總數 Total:	總數 Total:	總數 Total:	總數 Total:

註 1: 指有關場地的座位總數。

註 2: 指按照獲得有關場地管理單位書面核准的節目座位表, 可供出售/ 派發門票的座位數量。

註 3: 請包括所有已出售的收費門票, 包括經由貴團出售的收費門票。

註 4: 指所有由貴團自行購買的收費門票, 並以免費形式派發, 用作宣傳、公關、贊助、慈善或教育等用途。

註 5: 指沒有面值的門票。

Note 1: This refers to the total seating capacity of the venue concerned.

Note 2: This refers to the number of seats available for ticket sale/ distribution according to the seating plan approved in writing by the venue management concerned.

Note 3: Please include all kinds of priced tickets sold, including those sold via your group's own channel(s).

Note 4: This refers to all kinds of priced tickets purchased by your group for free distribution for promotional, public relations, sponsorship, charitable or educational purpose, etc.

Note 5: This refers to tickets with no face value.