

政府總部
民政事務局

香港添馬添美道二號
政府總部西翼十二樓



**GOVERNMENT SECRETARIAT
HOME AFFAIRS BUREAU**

12TH FLOOR, WEST WING,
CENTRAL GOVERNMENT OFFICES,
2 TIM MEI AVENUE,
TAMAR,
HONG KONG.

本局檔號 OUR REF. : S/F(1) to HAB/CR 1/20/170
來函檔號 YOUR REF. : CB4/PAC/R68
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18 July 2017

Mr Anthony CHU
Clerk, Public Accounts Committee
Legislative Council
Legislative Council Complex,
1 Legislative Council Road,
Central,
Hong Kong

Dear Mr Chu,

Public Accounts Committee

**Consideration of Chapter 1 of the Director of Audit's Report No. 68
(the Audit Report)**

Government's support and monitoring of charities

As requested in your letter dated 28 June 2017, I append the requested information below.

(a) & (b)

According to Grantee N's record, the canteen was not open to the public when it commenced operation in July 1994. Since it obtained a General Restaurant Licence in February 1996, the canteen has been operated as a restaurant open to the public.

In general, the Planning Department ("PlanD") and Lands Department ("LandsD") are responsible for advising whether the provision of the catering facilities within the concerned development complies with the Outline Zoning Plan and land lease respectively, while the Home Affairs Bureau ("HAB") is responsible for considering proposals from Grantee N regarding operations requiring HAB's approval under the

lease.

Under Clause 6(i) of the Special Conditions of Lease N, the Director of Social Welfare (now the Secretary for Home Affairs) shall decide on whether a use could be regarded as “ancillary accommodation and facilities”. In doing so, HAB would take into account the nature of the use and whether it is incidental to and directly related to the use permitted under lease. According to Lease N, the canteen should be open to members of Grantee N only. Since Grantee N’s canteen is not operated as part of the hostel and its current operation as a restaurant could not be regarded as an ancillary facility to Grantee N’s headquarters, planning permission and a waiver application are needed for the canteen to be operated as a restaurant. On the other hand, the Western restaurant and lounge are operated as part of the hostel and are therefore regarded as ancillary facilities to the hostel. In response to the recommendations in the Director of Audit’s Report, we have been reviewing with PlanD and LandsD the compliance of the Western restaurant and lounge with the relevant requirements.

— (c) The income and expenditure of Grantee N’s income-generating facilities at its headquarters and Grantee N’s operation as a whole for the past three years are set out in **Annex 1**.

— (d) The subvention amount for and the number of membership of uniformed groups in Hong Kong for the past five years are set out in **Annex 2**. In setting the subvention level, HAB has reduced the subvention for relevant uniformed groups with regard to the income generated from their income-generating facilities.

(e) Currently, there are 45 temples that are managed by the Chinese Temples Committee (“CTC”), of which 25 are under direct administration (the “directly-administered temples”), while the administration of 20 temples is delegated to eight organisations for management (the “delegated temples”) by means of signing of agreement.

Under the existing arrangements, the financial information of all directly-administered temples and 9 delegated temples of CTC is included in the annual financial statement of the Chinese Temples Fund, which is audited by the Audit Commission and submitted to the Legislative Council every year for information. The financial statement of the Chinese Temples Fund is also uploaded to the website of CTC for public inspection.

In order to further enhance transparency, CTC plans to upload the relevant financial information of each directly-administered temple to

the website of CTC by the end of this year. As for the delegated temples, CTC plans to include the new requirement of disclosing relevant financial information of the delegated temples upon renewal of the delegated agreements with the managing organisations. In the interim, the Secretariat of CTC will also discuss with the managing organisations and encourage them to disclose the relevant financial information of the temples as soon as practicable.

Separately, CTC will also encourage registered temples which receive donations from the public to make reference to the Reference Guide on Best Practices for Charitable Fund-raising Activities (the Reference Guide) promulgated by the Social Welfare Department with a view to enhancing the transparency of the operation of temples. CTC has distributed the Reference Guide to registered temples and will provide the Reference Guide to all new registered temples in future.

Yours sincerely,



PP. (Vincent FUNG)
for Secretary for Home Affairs

c.c. Secretary for Financial Services and the Treasury
Commissioner of Inland Revenue
Director of Lands
Director of Social Welfare
Registrar of Companies
Commissioner of Police
Secretary for Education
Director of Audit

**Income and Expenditure of
the Income-generating Facilities of Grantee N's Headquarters**

	2013-14	2014-15	2015-16
Income (\$)			
Hostel ¹	258,505,000	256,893,000	221,481,000
Canteen ²	5,040,000	4,620,000	9,200,000
Vehicle park	21,294,000	24,571,000	26,301,000
Headquarters offices	3,402,000	3,911,000	4,231,000
Shop	11,238,000	11,090,000	10,004,000
Total income	299,479,000	301,085,000	271,217,000
Expenditure (\$)			
Hostel	154,918,000	158,202,000	159,915,000
Vehicle park	3,841,000	4,176,000	4,146,000
Headquarters offices	64,487,000	61,165,000	63,380,000
Shop	10,712,000	10,651,000	9,728,000
Total expenditure	233,985,000	234,194,000	237,169,000
Surplus³	65,521,000	66,891,000	34,048,000

Income and Expenditure of Grantee N's Operation as a Whole

	2013-14	2014-15	2015-16
Income and expenditure (\$)			
Turnover	333,887,000	345,909,000	312,020,000
Costs of sale	(99,998,000)	(102,518,000)	(97,143,000)
Other revenue and net income	24,382,000	31,422,000	34,274,000
Departmental and programme expenses	(13,172,000)	(20,090,000)	(16,386,000)
General and administrative expenses	(144,672,000)	(143,956,000)	(156,014,000)
Surplus⁴	100,427,000	110,767,000	76,751,000

¹ Including the Western restaurant and lounge.

² License fee received from the canteen operator.

³ The waiver premium of \$886,810 and \$10,633,160 for operating the canteen space for restaurant purpose for 2014-15 and 2015-16 respectively have not been deducted from the total surplus.

⁴ The surplus has not accounted for capital expenditures, furniture, fixtures and equipment spent and the waiver premium for operating the canteen space for restaurant purpose.

Annex 2

Subvention and Youth Membership of Uniformed Groups

The amount of subvention for the 11 subvented uniformed groups from 2012-13 to 2016-17 is as follows –

Uniformed groups	Amount of subvention (\$) ^				
	2012-13	2013-14	2014-15	2015-16	2016-17
1. Scout Association of Hong Kong	17,280,000	15,206,000	26,114,000	23,890,000	23,890,000
2. The Hong Kong Girl Guides Association	11,000,000	11,000,000	21,830,000	21,830,000	21,830,000
3. Hong Kong Red Cross (Uniformed Group)	8,160,000	8,160,000	16,150,000	16,150,000	16,150,000
4. The Boys' Brigade, Hong Kong	2,320,000	2,320,000	4,790,000	4,790,000	4,790,000
5. Hong Kong St. John Ambulance Brigade (Youth Command)	1,490,000	1,490,000	3,260,000	3,260,000	3,260,000
6. Hong Kong Sea Cadet Corps	1,370,000	1,370,000	2,990,000	2,990,000	2,990,000
7. Hong Kong Air Cadet Corps	1,200,000	1,200,000	2,650,000	2,650,000	2,650,000
8. Hong Kong Adventure Corps	1,160,000	1,160,000	2,520,000	2,520,000	2,520,000
9. Hong Kong Road Safety Association	1,200,000	1,200,000	2,480,000	2,480,000	2,480,000
10. The Girls' Brigade Hong Kong	1,090,000	1,090,000	2,420,000	2,420,000	2,420,000
11. Association of Hong Kong Flag-guards	650,000	650,000	1,800,000	1,800,000	1,800,000
Total:	46,920,000	44,846,000	87,004,000	84,780,000	84,780,000

^ The above figures include the baseline subvention and the provisions for the Assistance Scheme for Needy Students. They do not include funding provided

under other policy areas or provided in response to applications by the uniformed groups under other funding schemes.

The youth membership of the 11 subvented uniformed groups from 2012-13 to 2016-17 is as follows –

Uniformed groups	Youth membership # (as at 31 March of the financial year)				
	2012-13	2013-14	2014-15	2015-16	2016-17*
1. Scout Association of Hong Kong	43 867	43 721	42 455	42 875	42 980
2. The Hong Kong Girl Guides Association	42 851	24 139	23 167	18 980	20 008
3. Hong Kong Red Cross (Uniformed Group)	16 055	12 332	12 551	12 133	11 664
4. The Boys' Brigade, Hong Kong	7 295	7 208	9 064	9 719	9 765
5. Hong Kong Road Safety Association	5 198	5 356	5 983	5 965	6 309
6. Hong Kong Air Cadet Corps	3 794	3 881	3 930	3 883	4 947
7. Hong Kong Adventure Corps	3 799	4 328	4 865	4 462	4 385
8. Association of Hong Kong Flag-guards	1 754	4 128	4 249	4 461	4 275
9. Hong Kong St. John Ambulance Brigade (Youth Command)	2 838	3 444	3 457	3 815	3 993
10. Hong Kong Sea Cadet Corps	2 779	2 942	2 942	2 811	2 861
11. The Girls' Brigade Hong Kong	1 640	1 015	894	945	1 152
Total:	131 870	112 494	113 557	110 049	112 339

The youth membership includes young people aged between 8 and 26. These figures are provided by the uniformed groups.

* Youth membership figure as at 31 December 2016