

**Report on the Activities of
The Legislative Council Commission
2021-2022**

**Prepared for tabling in the Legislative Council
in accordance with section 13(5) of
The Legislative Council Commission Ordinance (Cap. 443)**

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The Chairman's Review

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It is with great honor and privilege that I have been elected as the President of the Seventh Legislative Council (“LegCo”) and become the Chairman of The Legislative Council Commission (“the Commission”). The Seventh LegCo marks a significant milestone for the Legislature of the Hong Kong Special Administrative Region and I am committed to leading the Council in achieving its mandate.

As you are aware, pursuant to the Decision on Improving the Electoral System of the Hong Kong Special Administrative Region passed by the National People’s Congress (“NPC”) and the amended Annex I and Annex II to the Basic Law approved by the Standing Committee of NPC in March 2021, the Seventh LegCo is composed of 90 Members, with 40 returned by the Election Committee, 30 by functional constituencies and 20 by geographical constituencies through direct elections. This increased membership has posed a challenge to the Commission in providing space and facilities for Members and their staff in the LegCo Complex (“the Complex”). Nevertheless, the LegCo Secretariat (“the Secretariat”) has still handled all the work with the existing manpower.

I am pleased to report that, with the Secretariat’s hard work and close collaboration with the relevant government departments, incumbent and new Members have been provided with temporary offices and have settled in well. In preparation for the Seventh LegCo, the Secretariat has taken forward a series of renovation projects to enhance the facilities in the Complex. These include the conversion of Conference Room 4 into a well-equipped venue suitable for holding open committee meetings, the conversion of the former Education Activity Room on 3/F of the Complex into a working space with seven rooms for Members to meet with their guests, and the transformation of the Ante-Chamber into a cosy and dynamic networking space for Members and Government officials to interact.

The revitalized Ante-Chamber has caught the Chief Executive’s eye. He has initiated what has come to be known as the monthly Ante-Chamber exchange session, in which Government officials and LegCo Members could meet informally to exchange views on public policies and in doing so, also enhance mutual understanding and cooperation.

In June 2022, we obtained approval for additional funding from the Finance Committee, and the expansion project of the Complex commenced its on-site works in September 2022. The expansion project is challenging, as it needs to minimize disruption to the normal operation of the Complex while ensuring that on-site construction works can be conducted safely and expeditiously. I have been meeting personally with the Architectural Services Department and the contractor on a regular basis to ensure that the project progresses smoothly.

The Seventh LegCo has taken a big step forward to go green. We have launched various new online forms and systems for Members to give notice on Council and committee businesses, an e-submission system for Members to make claims for reimbursement of operating expenses, a web-based room reservation system, and the Members' Portal. These initiatives not only save paper but also enhance operational efficiency and effectiveness.

Despite the challenges posed by the fifth wave of the COVID-19 pandemic, the Seventh LegCo continued to discharge its constitutional functions by holding Council and committee meetings via video

conferencing. The remote meetings proved that information technology was an effective means for supporting Members to perform their duties in exceptional circumstances.

I wish to commend the Secretariat for its good work in developing and launching a considerable number of online systems within a very tight timeframe. The Seventh LegCo has ridden out the challenges in 2022, and through the Secretariat, the Commission will continue to provide professional administrative support and services for the Council to meet its changing needs.

In closing, I would like to thank all Commission members and Secretariat staff for their great efforts to enable the Council to effectively discharge its constitutional duties at all times. I look forward to working with you to achieve our goals and objectives.



Hon Andrew LEUNG Kwun-yuen
Chairman
The Legislative Council Commission

The Legislative Council Commission

The Commission is a body corporate established under The Legislative Council Commission Ordinance (Cap. 443). The Ordinance, which was enacted in April 1994, provides the legal framework for the Commission and the independent Secretariat to operate with managerial and financial autonomy.

The membership of the Commission as at 31 March 2022 is set out below.

Hon Andrew LEUNG Kwan-yuen, GBM, GBS, JP
(Chairman)

Hon Starry LEE Wai-king, SBS, JP
(Deputy Chairman)

Hon MA Fung-kwok, GBS, JP

Hon Tommy CHEUNG Yu-yan, GBS, JP

Hon CHAN Hak-kan, SBS, JP

Hon Mrs Regina IP LAU Suk-ye, GBM, GBS, JP

Hon Alice MAK Mei-kuen, BBS, JP¹

Hon Martin LIAO Cheung-kong, GBS, JP

Ir Dr Hon LO Wai-kwok, GBS, MH, JP

Hon SHIU Ka-fai, JP

Hon CHAN Chun-ying, JP

Hon Stanley NG Chau-pei, SBS

Hon YANG Wing-kit

Meetings of the Commission shall be held at such time and place as the Commission or the

Chairman may from time to time appoint. In 2021-2022, nine meetings were held.

Five committees have been appointed by the Commission to carry out certain delegated functions. These are:

- the **Committee on Personnel Matters** which deals with appointment and other personnel matters;
- the **Committee on Members' Operating Expenses** which advises on the processing of Members' operating expenses reimbursement claims;
- the **Committee on Facilities and Services** which oversees the provision of services, accommodation and facilities to the Council and the Secretariat, and deals with matters relating to the display of artworks in the Complex;
- the **Committee on the Use of Legislative Council Square**² which considers and approves applications for the use of the LegCo Square and imposes conditions of use where necessary; and
- the **Appeals Committee on the Use of Legislative Council Square** which considers appeals against the decisions of

¹ Pursuant to section 15(1)(a) of the Legislative Council Ordinance (Cap. 542), Alice MAK Mei-kuen ceased to hold office as a member of LegCo upon her resignation on 19 June 2022. Pursuant to section 5(1) of The Legislative Council Commission Ordinance (Cap. 443), Ms MAK also ceased to hold office as a member of the Commission.

² Owing to the closure of the LegCo Square for enhancement works, Commission members have not been invited to join the Committee on the Use of Legislative Council Square since 22 June 2021.

the Committee on the Use of Legislative Council Square.

The terms of reference and membership of the five committees are set out in **Appendix 1**.

Through a separate head of expenditure in the Hong Kong Special Administrative Region Government's annual Estimates, the Commission is provided with funds to support the work of LegCo. Recurrent funding is provided through an Operating Expenditure Envelope ("OEE") which sets the ceiling for each year's funding. The OEE is sub-divided into two subheads in the Estimates: one for Members' remuneration and operating expenses reimbursements, and the other for Secretariat expenses which comprise staff emoluments and general expenses. Basically, the funding for Members' remuneration and operating expenses reimbursements is adjusted annually according to the movement of Consumer Price Index (C), while that for Secretariat expenses is adjusted according to the target expenditure level of the Government. Only savings in the subhead for Secretariat expenses may be put into an Operating Reserve for future deployment at the discretion of the Commission. In addition, non-recurrent funding is obtainable for capital and time-limited projects.

Where additional resources are required for the introduction of new and improved services, the Commission will put forward bids under the Government's annual Resource Allocation Exercise. The bids will be considered by the Government on their own merits. If the proposed bids for recurrent resources are successful, funds will be provided in the OEE, starting from the forthcoming financial year.

The Commission's accounts are subject to examination by the Director of Audit. The Director is empowered to conduct value-for-money audits and examinations into the economy, efficiency and effectiveness with which the Commission uses its resources in performing its functions and exercising its powers.

The net financial provisions for the Commission in 2021-2022 amounted to \$916.9 million, which comprised \$209.4 million for Members' remuneration and expenses reimbursements, and \$707.5 million for the Secretariat's staff emoluments, general expenses and non-recurrent funding. As shown in the audited accounts on pages 25 to 59, the surplus for the year was \$63.2 million.

The Legislative Council Secretariat

Administrative support and services to the Legislature are provided by the Secretariat which operates under the Commission. The mission of the Secretariat is to provide efficient and professional secretariat, research and administrative support for the Council, enhance community understanding of the activities of the Council and ensure an effective avenue for redressing grievances of members of the public.

The Secretary General, who is appointed by the Commission, is the chief executive of the Secretariat. The Secretary General is also the Clerk to LegCo. The Secretary General is responsible to the Chairman of the Commission for the effective management and administration of the Secretariat.

For the purposes of the Public Finance Ordinance (Cap. 2), the Secretary General is designated as the Controlling Officer responsible for the financial resources afforded to the Commission.

Appointment of Secretariat staff is normally on a three-year agreement basis. Grading, remuneration and other terms and conditions of service of staff are broadly in line with those applicable to civil servants. Remuneration comprises a basic salary paid in accordance with the salary scale applicable to civil servants holding comparable jobs, a cash allowance in lieu of certain fringe

benefits enjoyed by civil servants, and an end-of-agreement gratuity. Secretariat staff are required to serve the Council with complete political neutrality and impartiality.

The Commission regularly considers succession planning for as well as training and development needs of different grades of staff. A staff succession committee, chaired by the Secretary General and comprising the Deputy Secretary General and all Heads of Divisions as its members, has been set up to develop overall staff succession planning strategies. Six career development subcommittees have also been formed for the following grades to consider the career development needs of officers concerned:

- Council Secretary grade;
- Assistant Legal Adviser grade;
- Translation Officer and related grades;
- Information services support grades;
- Corporate communication grades; and
- Professional, general and administration grades.

As at 31 March 2022, there were 686 posts on the establishment of the Secretariat. The staff establishment by number and rank is set out in **Appendix 2**. The Secretariat has continued to adopt measures to promote the employment of persons with disabilities in the Secretariat. As at 31 March 2022, nine staff members or about 1.4% of the Secretariat's strength are persons with disabilities.

Administrative support and services are provided for the Council and its committees through the following 10 functional Divisions:³

- Council Business Division 1;
- Council Business Division 2;
- Council Business Division 3;
- Council Business Division 4;
- Legal Service Division;
- Information Services Division;
- Public Information Division;
- Translation and Interpretation Division;
- Complaints and Resources Management Division; and
- Administration Division.

The organization structure of the Secretariat as at 31 March 2022 is shown in **Appendix 3**.

Activities of The Legislative Council Commission in 2021-2022

Services of the Legislative Council Secretariat

Council Business Divisions

Servicing of meetings of the Council and its committees is undertaken by four Divisions: Council Business Divisions 1, 2, 3 and 4. The four Divisions are each headed by a Deputy Secretary General/ Assistant Secretary General.⁴ Servicing work of Council meetings includes processing questions, bills, proposed resolutions and motions as well as amendments to bills, proposed resolutions and motions. The secretariat and administrative support services provided for committees include preparing background briefs, discussion papers, reports and minutes of meetings, collating and analyzing public views, as well as processing requests for access to documents of the Legislature. These four Divisions also provide services for meetings-cum-luncheons held between Members and District Council members. Matters which require follow-up actions may

³ Pursuant to the re-organization of the Secretariat, with effect from 27 April 2022, the following functional Divisions have been renamed:

- Council Business Division 1 be renamed as “Council Business Division 1 and Public Complaints Office”;
- Information Services Division be renamed as “Research and Information Division”;
- Public Information Division be renamed as “Media and Public Relations Division”; and

- Complaints and Resources Management Division be renamed as “Human Resources and Accounts Division” with the Public Complaints Office be transferred to under the purview of Council Business Division 1.

⁴ During the period from 22 February 2021 to 26 April 2022, Assistant Secretary General 2 (“ASG2”) was appointed Deputy Secretary General (Development and Resources Management) and performed also the duties of ASG2.

be referred to the relevant Panels or dealt with in case conferences with the Administration. The respective responsibilities of these four Divisions are described below.

Division 1

Council Business Division 1 provides secretariat and support services to the Finance Committee and its two subcommittees (i.e. the Public Works Subcommittee and the Establishment Subcommittee), six Panels as well as Bills Committees and subcommittees dealing with proposed legislation and policy issues relating to the terms of reference of these Panels.

During the period from 1 April 2021 to 31 March 2022, the Division serviced a total of 141 meetings. In addition, the Division also provided service for six local duty visits.

On research support, the Division prepared a total of 82 background briefs and three discussion papers to facilitate detailed study of the subject matters by the relevant committees. The major subjects covered in those briefs included community recycling network, tenancy control of subdivided units and the application of information technology to combat COVID-19. The Division also prepared a total of 32 committee reports during the period.

At the meeting held on 15 October 2021, the Finance Committee passed a motion to amend the Finance Committee Procedure, the Establishment Subcommittee Procedure and the Public Works Subcommittee Procedure. The amendments sought to align with the procedures in the Rules of Procedure and the House Rules, improve the clarity of some existing provisions, reflect current practices, and ensure orderly, efficient and fair disposition of the business of the Committee and its subcommittees.

Division 2

Council Business Division 2 provides secretariat and support services to the House Committee, the Committee on Rules of Procedure (“CRoP”), four Panels as well as Bills Committees and subcommittees dealing with proposed legislation and policy issues within the terms of reference of these Panels.

During the period from 1 April 2021 to 31 March 2022, the Division serviced a total of 95 meetings and three local duty visits.

On research support, the Division prepared a total of 63 background briefs and 25 discussion papers during the report period. Some of the major subjects covered in the background briefs and discussion papers included enforcement actions to combat acts of animal cruelty and proposed amendments to the Prevention of Cruelty to Animals Ordinance (Cap. 169), Greater Bay

Area Youth Employment Scheme, proposed abolition of the “offsetting” arrangement under the Mandatory Provident Fund System, legislative proposals for enhancing the quality of residential care homes for the elderly and residential care homes for persons with disabilities, and measures adopted by the Police to prevent and combat deception activities. The Division also prepared a total of 23 committee reports during the period.

On support services to CRoP, CRoP conducted a comprehensive review of the Rules of Procedure and the House Rules in which a wide span of rules and procedures were considered and examined, including procedures for dealing with points of order, membership of committees, election of the chairman and deputy chairman of a committee and conduct of Council business, etc. During the report period, the Division prepared 3 consultation papers for CRoP to gauge Members’ views on individual proposals to amend the Rules of Procedure and the House Rules and 16 discussion papers on the proposals.

Division 3

Council Business Division 3 provides support services for Council meetings. During the period from 1 April 2021 to 31 March 2022, the Division serviced 37 Council meetings, which included 5 Chief Executive (“CE”)’s Question and

Answer Sessions and 3 meetings for CE’s Question Time. The Division also processed, among other things, 541 questions, 40 bills and 743 amendments thereto, 25 proposed resolutions, 46 motions and 68 amendments thereto, and 1 request for leave of the Council to give evidence of Council proceedings.

The Division also services the Committee on Members’ Interests. During the year, the Committee did not receive any complaint and hence it did not hold any meeting.

Division 4

Council Business Division 4 provides secretariat and support services to the Public Accounts Committee (“PAC”), the Committee on Access to the Legislature’s Documents and Records, the Parliamentary Liaison Subcommittee of the House Committee, eight Panels as well as Bills Committees and subcommittees dealing with the proposed legislation and policy issues within the terms of reference of these Panels.

During the period from 1 April 2021 to 31 March 2022, the Division serviced a total of 131 committee meetings and 5 local duty visits.

On research support, the Division prepared a total of 80 background briefs and 26 discussion papers during the report period. Some of the major subjects covered in the background briefs and discussion

papers included the prevention and control of Coronavirus Disease 2019 in Hong Kong, Personal Data (Privacy) Ordinance (Cap. 486), promotion of values education and sports development in schools, provision of car parking spaces in Hong Kong, enhancements to the mechanism for handling complaints against judicial conduct, and development of three-runway system at the Hong Kong International Airport. A total of 47 committee reports were prepared by the Division, including two reports of PAC submitted to the Council on its examination of the Director of Audit's value for money audit reports and one report on the Director of Audit's Report on the Accounts of the Government for the year ended 31 March 2021 as a special arrangement.⁵

During the report period, the Division processed a total of 17 requests for access to documents of the Legislature. Among them, nine were approved, three withdrawn after making clarifications with the applicants, and five in process. Furthermore, the Division assisted the Clerk to LegCo in conducting reviews of disclosure of documents and records of the Legislature, and 32 sets of

unclassified files which have been in existence for over 20 years have been made available for public access.

Legal Service Division

The Legal Service Division provides independent legal advice and support to the Council and its committees in their scrutiny of bills and subsidiary legislation, examination of public policies, inquiries into matters of public interest, handling of complaints, and other legal matters. The Division also renders legal advice to individual Members on matters relating to the business of the Council. In addition, the Division provides in-house legal service to the Commission and the Secretariat. It is the Division's mission to provide independent, comprehensive and reliable legal advice, analysis, research, and information services that are timely, objective, non-partisan, and where necessary, confidential, thereby contributing to an informed Legislature.

Apart from being head of the Legal Service Division, the Legal Adviser is also the

⁵ Given that the Sixth LegCo stood prorogued from 30 October 2021, the Director of Audit could not follow the usual practice and submit his report on the Accounts of the Government for the year ended 31 March 2021 ("Report on Government Accounts") and his Value for Money ("VFM") Audit Report No. 77 to the President of LegCo in late October 2021 for tabling in Council in November 2021. In the circumstances, the Director of Audit had, with the agreement of the President, the Committee and the Financial

Services and the Treasury Bureau, advanced the submission of the Report on Government Accounts for tabling in Council on 15 September 2021, so that the Committee could consider the Report on Government Accounts before the prorogation of the Sixth LegCo. As for VFM Audit Report No. 77, the Director of Audit had sought CE's approval to defer its submission to the President until the Seventh LegCo but not later than 7 April 2022 (i.e. the deadline for submission of VFM Audit Report No. 78).

Counsel to the Legislature. Under the Rules of Procedure, the Counsel to the Legislature has the general duty of advising the President and the Clerk to LegCo on legal questions arising in relation to the business or administration of the Council.

During the period from 1 April 2021 to 31 March 2022, the Division provided legal support to 258 meetings, including meetings of the Council and its committees as well as meetings of the Commission. During the year, the Division prepared 28 reports on bills, 43 reports on subsidiary legislation covering 190 items of subsidiary legislation and 9 reports on proposed resolutions. In addition, the Division issued a total of 114 items of legal advice on various matters, including legal and procedural issues relating to the conduct of Council and committee meetings virtually to enable the Council and its committees to continue operation during the COVID-19 pandemic, issues relating to the amendments to the Rules of Procedure and the House Rules of LegCo, litigation involving the Council and Members, tenders and contracts entered into by the Commission, employment-related matters, requests for access to closed-circuit television recordings of the Complex, and matters relating to the expansion project of the Complex.

Public Information Division

The Public Information Division provides public relations advice and media support services to the Council and Members, manages the operation of a televising system to broadcast live all open meetings of the Council and its committees, and enhances public understanding of the work of the Council through education, visitor and online services.

During the year, the Division received and handled 14 629 telephone and walk-in enquiries as well as 2 407 email enquiries. It also issued a total of 140 press releases on the business and activities of the Council and organized 38 media briefings and interviews for the President, committee chairmen and Members. Due to the severe COVID-19 pandemic situation, the Division organized remote media briefings for 75 Members to respond to the Budget Speech by videoconferencing on 23 February 2022. The Division filmed and televised 812 hours of 382 open meetings of the Council and its committees and 16 media briefings. In addition, televising and broadcasting services were provided for the Oath Taking Ceremony for Members of the Seventh LegCo held in the Chamber on 3 January 2022, and the seminar on the National 14th Five-Year Plan held in the Dining Hall of the Complex on 23 August 2021 where relevant Central Government officials explained to

and exchanged views with Members about the outline of the Plan.

Apart from uploading Council related videos and photos onto the LegCo Website, the Division also disseminates these materials on social media platforms. During the year, 2 163 video records of Council meetings and events were uploaded to the LegCo YouTube Channel and 1 428 photos of Members' official events and activities were posted on the LegCo Flickr photo album.

In view of the situation of the COVID-19 pandemic, guided tours and face-to-face education activities were still under suspension. In continuous efforts to enhance students' understanding of the work of the Legislature, the Division conducted 449 online education activity sessions for 11 999 students of kindergartens, primary and secondary schools during the year.

The education facilities were further enhanced during the reporting period. In particular, a Digital Gallery Wall with electronic display panels, named as "LegCo – put people first", was installed along the passageway connecting the Education Galleries on 3/F of the Complex. This new facility, which demonstrated the LegCo taking the pulse of the community and caring about people through the work of 18 Panels, encouraged visitors to explore the work of LegCo during the visit in the Complex.

On reception service, the Electronic Visitor Admission System was further extended to cover members of the public observing open meetings of the Council and its committees in April 2021 to expedite the admission process and reduce paper consumption by using thermal rewritable cards as admission passes. During the period, a total of 21 240 visitors were admitted by the Division at the reception counters of the Complex. The Division also operates a Souvenir Shop which offers a diversified and expanding range of unique souvenirs and publications about the Council to enrich visitors' experience.

Information Services Division

The Information Services Division provides research and information services to the Council, committees, Members, Members' staff and Secretariat staff through the Research Office, the LegCo Library and the LegCo Archives.

The Research Office conducts research studies and undertakes research tasks on topical issues and policy areas of Members' concern. It produces a variety of research publications ranging from in-depth analysis of policy development and focused studies on selected issues of concern to short papers containing factual information and statistics on specific topics for quick and general reference.

During the year, the Research Office published 79 publications consisting of 11 *Information Notes*, 5 *Fact Sheets*, 1 *Research Brief*, 4 *Research Tasks*, 25 *Essentials*, 4 *Numbers and Figures* and 29 *Statistical Highlights*. A list of major subjects studied is shown in **Appendix 4**.

The LegCo Library is a constitutional library which provides reference and information support through its collections of LegCo records, subscribed databases, as well as constitutional, Basic Law, and general reference materials. As of March 2022, the Library had 26 607 items in its constitutional collection, equivalent to 53% of the total number of books in stock. In January 2022, the Library initiated its third monthly publication entitled “Stay informed – Latest Mainland policy reports”. Together with the other two monthly publications, namely “Stay informed – Latest overseas policy reports” and “Stay informed – Latest overseas parliamentary news”, the Library keeps Members abreast of the latest policy papers, important legislative and financial proposals, major inquiry and audit reports as well as latest developments in the rules and practices on parliamentary procedures and related issues in selected places outside Hong Kong.

During 2021-2022, the Library had intermittently suspended its on-site services in order to mitigate the risk of spreading COVID-19 in the community. As a result,

the number of visits made to the Library amounted to 2 550 during the year. The number of books accessed was slightly reduced to 1 328, while the number of enquiries handled was 370. The Library conducted 36 search tasks during the year. On 15 September 2021, a new integrated library system (“ILS”) was deployed to better support comprehensive management of print, electronic and digital resources from a single integrated interface. It is further envisaged that this cloud-based ILS can deliver enhanced user experience and offer a high-level system resilience with reduced hardware costs and savings in long-term maintenance.

Throughout 2021-2022, the Library had organized four thematic exhibitions at its Public Reading Area. These exhibitions, covering various aspects of government policy making and finances, looked into matters of interest or concern to Members through the display of relevant LegCo records, government publications, books and artifacts to provide concise background on the chosen topics.

The Library is also responsible for managing the LegCo Website. During 2021-2022, the LegCo Website was visited 25.5 million times, with 77.1 million pages viewed. On 10 January 2022, the revamped LegCo Website was launched after extensive consultation with various stakeholders, including Members and their staff, media

representatives and the public. With reorganized information presentation and streamlined content updating process, members of the public can get hold of the first-hand information about LegCo in a timely manner.

The LegCo Archives selects, acquires and preserves valuable records and materials which document the history, core functions and activities of the Council. It also provides record reference, research and access services for Members and staff as well as the public. In particular, it is responsible for handling access requests for closed LegCo records and documents, and for conducting reviews of closed archival records annually upon expiry of their respective closure periods to confirm that public access to such records is not prohibited by law. To promote public interests in and appreciation of archival heritage of the Legislature, group visits to the Archives for schools and professional associations are organized with exhibitions held to showcase the treasures preserved.

As of March 2022, about 1 243 linear metres of archival records was being preserved by the Archives in different formats, including paper files, bound volumes, photographs, audio-visual materials and artifacts. During the year, the Archives suspended its organized visit programme and arranged on-site record inspection service for the public through appointments to mitigate the risk of

spreading COVID-19 in the community. During 2021-2022, it had served 186 visitors, answered 138 reference and research enquiries, handled 8 access to information requests and reviewed 16 521 pages of documents from 57 closed archival records for open access and appraised 4 552 inactive records. There were 371 records nominated as archival records for preservation and 4 181 records authorized for destruction.

The Archives continued to work with the Council Business Divisions in drawing up comprehensive record retention and disposal schedules. In addition, efforts were made to improve the performance and capability of the archives electronic system “Catalogue for Archival Records of the Legislature” (CAROL), which was developed in-house, to facilitate information access and retrieval. During the year, the said system was visited 92 064 times with 201 735 pages viewed by users. An in-house digitization project was also implemented with 118 archival records of 44 799 pages digitized, together with comprehensive indices prepared to facilitate convenient access of the digitized records.

To promote public understanding of the work of LegCo and appreciation of archival heritage, the Library and the Archives organized a series of exhibitions under the theme “Work of LegCo: Then and Now”, offering overviews on the establishment, core functions, changes and development of the Finance Committee and House

Committee respectively. A special thematic exhibition entitled “Documenting the Legislature” was also held, taking viewers through a quick historical journey of LegCo as illustrated by various milestone official records and documents from 1843 to the present.

Translation and Interpretation Division

The Translation and Interpretation Division provides translation, interpretation and Chinese transcription services to the Council and its committees.

The Division is responsible for the production of the Official Record of Proceedings of the Legislative Council (“the Official Record”), which is the verbatim report of proceedings of the Council. The Official Record is published, in the first instance, in the language of the speeches delivered on the floor, i.e. the floor version, and then translated into two versions, one in Chinese and the other in English. Both the floor and translated versions of the Official Record are available on the LegCo Website. For the 37 Council meetings held during the report period, the Division produced 6 766 pages of the floor version of the Official Record. The floor version was subsequently rendered into 8 651 pages of English text and 6 291 pages of Chinese text. Sustained efforts were made to ensure the timely release of draft, confirmed and translated versions of the

Official Record within 3, 7 and 24 working days respectively under the Division’s performance pledges.

The Division also translates questions, motions, committee papers, research publications, minutes of meetings and other Council papers. During the year, its translation output amounted to 8 420 335 words. The Division continues to strive for enhanced productivity and efficiency by streamlining work processes, tapping information technology, rationalizing the distribution of duties and flexibly deploying staff under pooling arrangements.

Under the supervision of the Division, simultaneous interpretation in English, Cantonese and Putonghua is provided for all meetings of the Council and its committees. Owing to insufficient supply of qualified interpreters, simultaneous sign language interpretation is at present only available at Council meetings as a regular service. To take a further step forward, simultaneous sign language interpretation service has been extended to cover meetings of the Panel on Welfare Services, the Panel on Education and the Panel on Health Services since January 2022.

The Division also coordinates the provision of translation and interpretation services between Chinese/English and eight other languages (i.e. Urdu, Hindi, Nepali, Thai,

Bahasa Indonesia, Tagalog, Punjabi and Vietnamese) for deputations/people of different races attending meetings/public hearings of committees or meetings held under the Redress System.

Complaints and Resources Management Division

The Complaints and Resources Management Division comprises the Public Complaints Office, the Accounts Office and the Human Resources Office.

The Public Complaints Office provides support services to Members in dealing with complaints and representations lodged under the LegCo Redress System. The Office assists Members in processing cases to redress grievances and identify areas in government policies and procedures where improvement is needed. The work of the Office includes meeting and corresponding with deputations/individual members of the public, examining cases lodged, communicating with the Administration and relevant public organizations, assisting Members in determining appropriate courses of action, as well as servicing Duty Roster Member interviews with deputations, Ward Duty Member interviews with individual members of the public, case conferences with the Administration/relevant public organizations and site visits arising from cases handled under the Redress System. During the period, the Office

assisted Members in handling 43 730 cases, comprising 53 group representations and 43 677 individual cases.

The Accounts Office is responsible for all accounting matters of the Secretariat. It coordinates the preparation of the budget of the Commission, exercises budgetary control, prepares the payroll, processes and arranges all payments, compiles financial reports, invests the Commission's funds and reserves, implements the Commission's financial policies and assists in preparing each year's Resource Allocation Exercise ("RAE") submissions. In addition, the Office administers Members' remuneration and operating expenses reimbursements and assists in servicing the Subcommittee on Members' Remuneration and Operating Expenses Reimbursement. During the period, a new electronic submission system was launched for Members to submit claims for reimbursement of operating expenses.

The Human Resources Office is responsible for formulating and implementing a manpower strategy to meet service needs by attracting, motivating and retaining talents. It is also responsible for arranging training and development programmes to ensure that Secretariat staff will have the necessary skills and expertise to maintain effective support for Members and the Council. In addition, the Office oversees matters relating to staff relations and staff welfare, and makes constant efforts in enhancing communication

between staff and management as well as organizing wellness programmes to promote staff well-being. The Office also assists in servicing the Committee on Personnel Matters under the Commission.

During the year, a total of 42 recruitment exercises were conducted, including both open and internal recruitment. A total of 53 new staff members were recruited and 28 serving staff members were promoted or appointed to another grade. In addition, the Office organized 30 in-house training courses with a total of 1 306 staff attendance. In the wake of the COVID-19 pandemic, the Office accelerated its use of learning technology via online platforms to deliver training courses, and made arrangements for staff to attend 4 in-house training workshops and 4 overseas training programmes by way of virtual learning and webinars. It also arranged staff members to participate in training courses organized by the Civil Service Training and Development Institute and other local training institutes, with a total of 341 attendance. These training activities focused on developing staff members' professional expertise, strengthening leadership and management capabilities, driving changes and innovation, enhancing language skills and work efficiency, promoting occupational safety and health, as well as building resilience. Apart from staff training and development, the Office would continue to explore ways to enhance various human resources

information systems to improve operational efficiency.

To enhance the physical and mental well-being of staff members during the pandemic, the Human Resources Office organized more staff wellness programmes in the form of online talks on topics such as “Neck and back pain relief”, “Nutrition and the immune system”, “Healthy diets and weight management”, “Workplace pain relief stretching exercise”, “Improving liver health through traditional Chinese medicine”, “Stress management amid COVID-19” and “Recovery after COVID-19 infection from the Chinese medicine perspective”. Other initiative which had been rolled out under the Secretariat's corporate employee wellness programme – “Smart and Healthy Work Life Programme” – amidst the pandemic included issuing regular newsletters on health tips and mindfulness to help staff relieve stress and stay healthy during the pandemic. The Office also administered the arrangements for providing vaccination leave for vaccinated staff; and assisted in arranging COVID-19 vaccination outreach service for staff.

Administration Division

The Administration Division comprises the General Administration Office (“GAO”), the Estate and Security Office (“ESO”), the Information Technology Office (“ITO”) and the Special Duties Team (“SDT”). GAO

provides secretariat service for the Commission and its committees as well as internal administrative support for other Divisions of the Secretariat. During the period, the Division serviced nine meetings of the Commission.

GAO also provides receipt and despatch services; procurement and supplies services for all Divisions of the Secretariat; and steward and catering services for Members during meetings and corporate liaison functions. In addition, it organizes LegCo corporate liaison functions and oversees the implementation of new and improvement works as well as green measures in the Complex.

During the reporting period, the Seminar on the National 14th Five-Year Plan was held on 23 August 2021. It was the first time for leaders of the Central Authorities and experts of the national think tanks paying a visit to the LegCo and conducting in-depth discussions with Members on the long-term development of the country and the Hong Kong Special Administrative Region. Moreover, the End-of-term Dinner was held on 25 October 2021 to mark the end of the Sixth LegCo.

In addition, GAO is responsible for providing accommodation for Members' Offices and Secretariat staff, which includes liaising with the Administration to identify suitable accommodation for the Secretariat.

With the increase in the number of LegCo Members from 70 to 90 in the Seventh LegCo, the Administration Division worked with the Administration to enhance conference facilities and arrange office accommodation to cater for the needs of Members of the Seventh LegCo.

SDT oversees the implementation of the expansion project of the Complex to address the long-term accommodation need of LegCo. The project scope involves an addition of new floors on top of the existing roof of the High Block of the Complex, entrance forecourt on G/F and terrace on 1/F facing Tim Mei Avenue, and conversion/reshuffling of some existing areas. The major facilities to be provided under the expansion project include a new conference venue, additional Members' offices and meeting rooms, Secretariat's offices and enhanced public education facilities. The works commenced in mid-2022 and the expanded areas are targeted to be completed by mid-2025. In the interim, to meet the accommodate demands of 20 additional Members in the Seventh LegCo and relieve the acute shortage of office space in the Complex, new offices and associated facilities for Members were set up on 13/F and 15/F of the CITIC Tower, and some Secretariat staff including those of the Council Business Division 1, the Translation and Interpretation Division, the Accounts Office, the Human Resources Office, the Research Office were housed in Queensway

Government Offices or on 12/F of the CITIC Tower (collectively referred to as “CITIC offices”).

The Administration Division conducted various improvement works in the Complex during the reporting period, including the addition of seats in the Chamber and Conference Room 1, conversion of Conference Room 4 into a venue for both open and closed meetings and renovation of the Ante Chamber. The Administration Division would continue to work with the Architectural Services Department and the contractor of the expansion project to reduce disruption to Members and the operation of LegCo.

Estate management as well as building and conference security services in the Complex are provided by ESO. ESO maintains close liaison with government departments and works agents to ensure the structural integrity as well as sound operation of building services in the Complex. It follows relevant legislation as well as the instructions and guidelines issued by the Commission in carrying out its duties to ensure the security of the Complex and the safety of Members and other users of the Complex.

The Commission has devoted much effort and attention to enhancing the security of the Complex, with a view to ensuring that the operation of LegCo is free from hindrance and disruption while the Complex remains an

open and welcoming place for members of the public. The Commission is also mindful of its responsibility under section 3 of the Occupiers Liability Ordinance (Cap. 314) to see that all visitors to the Complex will be reasonably safe in using the premises under its management.

On facility management, ESO installed electric vehicle charging facilities at the LegCo Carpark. To enhance the greenery at LegCo, the drainage system of the LegCo Square was improved and the landscape was embellished with new shrubs and plants.

ITO provides IT services to Members, their staff and Secretariat staff as well as support to meetings of the Council and its committees. During the year, ITO commenced and successfully deployed a number of new projects for the Seventh LegCo including Members’ Portal, E-script System, Non-attendance Notification (Council Meetings) System, System for Notification/Application Forms for Council Meetings, Closed Meeting System, Website Revamp and Migration Project, Members’ Meeting Room Booking System, Expense Claim System and Points of Order System. Also, in order to facilitate the Seventh LegCo’s business operation, improvement works for IT services in the Chamber, Conference Rooms 1 and 4, email migration to cloud platform, IT infrastructure project implementation and WiFi System upgrade exercise in the CITIC offices were

successfully deployed. ITO also undertook tender preparation for two RAE projects, i.e. the development of a speech-to-text IT solution for the Translation and Interpretation Division and the development of online tour booking system for the Public Information Division.

While the COVID-19 pandemic persisted in the report period, the Administration Division continued to coordinate the Secretariat's effort in preventing and controlling the spread of virus in the Complex and provide a safe and hygienic environment for Complex users. GAO strived to maintain sufficient provision of personal protective equipment, particularly protective face masks and sanitary supplies (such as disinfecting wipes, hand sanitizers and air purifiers) for use by Secretariat staff by sourcing through various channels. It also assisted in making arrangements for Members to participate in the COVID-19 Vaccination Programme in January 2022.

ESO put in place various pandemic prevention installations and measures in the Complex, including the erection of acrylic shields on the chairman's podiums in the Conference Rooms and at the reception counters, the posting of QR codes at conspicuous locations in the Complex to facilitate the use of the "LeaveHomeSafe" application, and the implementation of Vaccine Pass arrangements. ITO integrated video-conferencing technology with the

existing Webcast and Televising System infrastructure to support Members and Government officials to conduct virtual committee meetings through remote meeting technologies and enabled remote voting service for Electronic Voting System.

Compliance Audit on Members' Claims for Reimbursement of Operating Expenses

To enhance the accountability and transparency in Members' claims for reimbursement of operating expenses that arise out of their LegCo duties, an independent audit firm has been appointed to conduct audits at Members' offices. The primary objective of the audit is to ensure that Members' claims are made in compliance with the provisions on conflict of interest and declaration of interest as stipulated in "A Guide for Reimbursement of Operating Expenses for Members of the Legislative Council" ("the Reimbursement Guide").

The audit report covering the 2020-2021 reimbursement year (from 1 October 2020 to 31 December 2021) was issued in June 2022. It stated that nothing had come to the audit firm's attention that caused it to believe that there was any material violation to the provisions of the Reimbursement Guide on conflict of interest and declaration of interest.

The audit report is available for public inspection at the LegCo Library.

Environment Protection

The Secretariat is committed to conducting all its activities and operations in an environmentally responsible manner and will continue to make efforts to protect the environment through the green measures set out in the Secretary General's environmental report for 2021-2022 in **Appendix 5**.

During the report period, as an anti-pandemic measure, all non-restricted documents of the Council and its committees were provided to Members in soft copy only to minimize direct or indirect physical interpersonal contacts arising from delivery of hard copies of documents. A Closed Meeting System was also developed for distribution of restricted papers of the Commission. As a result, paper consumption in the Complex during the year decreased by 27.65% as compared with that in the previous year. With the number of Council and committee meetings significantly increased from 537 in 2020-2021 to 877 in 2021-2022, the electricity consumption in the Complex during the year increased slightly by 2.19%.

Carbon audits for the Complex were conducted from 2013 to 2019. A waste audit was performed in 2019. These audits have been suspended since 2019-2020 due to the

massive restoration works carried out in the Complex following the intrusion into the Complex in July 2019 and the spread of the COVID-19 pandemic since 2020. The reason was that carbon emission and waste management performance in the Complex during the period could not accurately reflect the normal situation. The carbon and waste audits will be resumed in due course.

To enhance the awareness of Complex users on energy saving and waste reduction, the Secretariat issues tips on uses of office appliances and air-conditioning facilities, handling of general wastes and waste reduction at source regularly. Facilities for collecting recyclables (i.e. recycling bins for paper, plastics, metal, glass bottles and batteries) are also provided in the Complex.

Staff Consultative Committee

The Staff Consultative Committee, comprising 23 elected representatives of various grades (namely the Council Secretary grade, Assistant Legal Adviser grade, Translation Officer and related grades, information services support grades, corporate communication grades, as well as professional, general and administration grades), provides a channel for staff to directly express their views on matters affecting them to the Secretary General who chairs the meeting.

The Committee continued to serve as a key communication channel between staff and management. Matters discussed by the Committee during the year mainly concerned employee benefits, staff relations and welfare, staff well-being, work environment and facilities (including updates on expansion of the Legislative Council Complex), etc. Views and suggestions raised by staff are followed up by the Divisions concerned.

Staff Recreation Club

A Staff Recreation Club has been formed to promote friendship and mutual support among Secretariat staff. Given the challenges posed by COVID-19, the Club organized interest classes including stretching and Tai Chi with social distancing and preventive measures to safeguard the health of staff members. The Club also arranged group purchases of mookcakes, healthy leather shoes and Chinese New Year puddings for Secretariat staff during the year.

Report of the Director of Audit



Audit Commission

The Government of the Hong Kong Special Administrative Region

Independent Auditor's Report To The Legislative Council Commission

Opinion

I have audited the financial statements of The Legislative Council Commission set out on pages 25 to 59, which comprise the balance sheet as at 31 March 2022, and the income and expenditure account, statement of comprehensive income, statement of changes in accumulated funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements give a true and fair view of the financial position of The Legislative Council Commission as at 31 March 2022, and of its financial performance and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and have been properly prepared in accordance with section 13(3)(a) of The Legislative Council Commission Ordinance (Cap. 443).

Basis for opinion

I conducted my audit in accordance with section 13(3)(b) and 13(4) of The Legislative Council Commission Ordinance, section 15(1)(a) of the Audit Ordinance (Cap. 122) and the Audit Commission auditing standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my report. I am independent of The Legislative Council Commission in accordance with those standards, and I have fulfilled my other ethical responsibilities in accordance with those standards. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of The Legislative Council Commission for the financial statements

The Legislative Council Commission is responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and section 13(3)(a) of The Legislative Council Commission Ordinance, and for such internal control as The Legislative Council Commission determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to

fraud or error.

In preparing the financial statements, The Legislative Council Commission is responsible for assessing its ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor’s responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Audit Commission auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Audit Commission auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of The Legislative Council Commission’s internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by The Legislative Council Commission;
- conclude on the appropriateness of The Legislative Council Commission’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on The Legislative Council Commission’s ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor’s report. However, future events or conditions may cause The Legislative Council Commission to cease to continue as a going concern; and

-
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with The Legislative Council Commission regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Prof. LAM Chi Yuen Nelson
Director of Audit

14 November 2022

Audit Commission
6th Floor, High Block
Queensway Government Offices
66 Queensway
Hong Kong

The Legislative Council Commission Income and Expenditure Account for the year ended 31 March 2022

(Expressed in thousands of Hong Kong dollars)

	Note	2022	2021
Revenue			
Financial provisions from Government	4(a)	916,933	971,960
Investment income	4(b)	7,279	4,888
Other income	4(c)	2,241	1,691
		<u>926,453</u>	<u>978,539</u>
Expenditure			
<i>Recurrent</i>			
Members' remuneration, medical allowances and end-of-service gratuities	5(a)	76,777	117,094
Members' operating expenses reimbursements	5(a)	125,173	195,343
Staff emoluments	5(b)	528,875	543,479
General expenses	5(c)	119,281	120,199
<i>Non-recurrent</i>			
Members' non-recurrent expenses reimbursements	5(d)	4,977	3,173
Other non-recurrent expenses	5(e)	8,145	2,830
		<u>863,228</u>	<u>982,118</u>
Surplus/(Deficit) for the year		<u>63,225</u>	<u>(3,579)</u>

The notes on pages 31 to 59 form part of these financial statements.

The Legislative Council Commission Statement of Comprehensive Income for the year ended 31 March 2022

(Expressed in thousands of Hong Kong dollars)

	2022	2021
Surplus/(Deficit) for the year	63,225	(3,579)
Other comprehensive (loss)/income		
Items that will not be reclassified to the income and expenditure account		
Equity securities measured at fair value through other comprehensive income		
- fair value changes on revaluation	(6,075)	8,324
Other comprehensive (loss)/income for the year	(6,075)	8,324
Total comprehensive income for the year	57,150	4,745

The notes on pages 31 to 59 form part of these financial statements.

The Legislative Council Commission

Balance Sheet as at 31 March 2022

(Expressed in thousands of Hong Kong dollars)

	Note	2022	2021
Non-current assets			
Fixed assets	6	68,684	47,122
Placement with the Exchange Fund	8	150,000	-
Operating funds advanced to Members	9	33,757	14,460
Financial assets measured at fair value through other comprehensive income	10	29,867	61,241
		282,308	122,823
Current assets			
Souvenir stock		814	855
Prepayments, deposits and other receivables	11	7,539	7,118
Interest receivable from placement with the Exchange Fund		506	-
Operating funds advanced to Members	9	31,484	-
Bank deposits		94,021	280,485
Cash at bank and in hand	12	101,677	55,585
		236,041	344,043
Current liabilities			
Payables and accruals	13	88,952	78,372
Contract gratuities accrued	2.7.1	37,864	55,957
		126,816	134,329
Net current assets		109,225	209,714
Total assets less current liabilities		391,533	332,537
Non-current liabilities			
Contract gratuities accrued	2.7.1	34,362	33,349
Deposits received		1,276	443
		35,638	33,792
Net assets		355,895	298,745

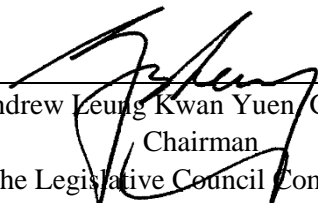
The Legislative Council Commission

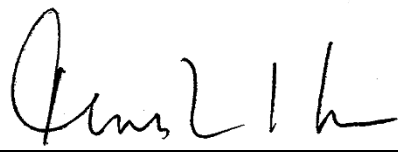
Balance Sheet as at 31 March 2022 (Continued)

(Expressed in thousands of Hong Kong dollars)

	Note	2022	2021
Accumulated funds			
Operating reserve	14.1	267,933	237,393
Investment revaluation reserve	14.2	(4,874)	4,543
Accumulated surplus		<u>92,836</u>	<u>56,809</u>
		<u>355,895</u>	<u>298,745</u>

Approved and authorized for issue by The Legislative Council Commission on 14 November 2022


 Hon Andrew Leung Kwan Yuen, GBM, GBS, JP
 Chairman
 The Legislative Council Commission


 Kenneth Chen Wei On, SBS
 Secretary General
 Legislative Council Secretariat

The notes on pages 31 to 59 form part of these financial statements.

The Legislative Council Commission Statement of Changes in Accumulated Funds for the year ended 31 March 2022

(Expressed in thousands of Hong Kong dollars)

	2022	2021
Operating reserve		
At beginning of year	237,393	235,475
Transfer from accumulated surplus	30,540	1,918
	<hr/>	<hr/>
At end of year	267,933	237,393
	<hr/>	<hr/>
Investment revaluation reserve		
At beginning of year	4,543	(2,673)
Other comprehensive (loss)/income for the year	(6,075)	8,324
Transfer of cumulative gains on disposal of financial assets measured at fair value through other comprehensive income to accumulated surplus	(3,342)	(1,108)
	<hr/>	<hr/>
At end of year	(4,874)	4,543
	<hr/>	<hr/>
Accumulated surplus		
At beginning of year	56,809	61,198
Surplus/(Deficit) for the year	63,225	(3,579)
Transfer of cumulative gains on disposal of financial assets measured at fair value through other comprehensive income from investment revaluation reserve	3,342	1,108
Transfer to operating reserve	(30,540)	(1,918)
	<hr/>	<hr/>
At end of year	92,836	56,809
	<hr/>	<hr/>
Total accumulated funds at end of year	355,895	298,745
	<hr/>	<hr/>

The notes on pages 31 to 59 form part of these financial statements.

The Legislative Council Commission

Statement of Cash Flows

for the year ended 31 March 2022

(Expressed in thousands of Hong Kong dollars)

	Note	2022	2021
Cash flows from operating activities			
Financial provisions received from Government	4(a)	916,933	971,960
Other income received		2,046	2,657
Payments to and on behalf of Members		(258,629)	(303,928)
Payments to staff		(550,135)	(531,156)
Payment of operating expenses		(94,238)	(106,122)
Net cash from operating activities		15,977	33,411
Cash flows from investing activities			
Purchase of fixed assets		(38,754)	(28,164)
Proceeds from sale of fixed assets		3	22
Increase in placement with the Exchange Fund		(150,000)	-
Purchase of financial assets measured at fair value through other comprehensive income		(1,127)	(44,644)
Proceeds from sale of financial assets measured at fair value through other comprehensive income		26,586	9,127
Decrease in bank deposits with original maturity over three months		79,115	152,972
Interest received		2,304	5,280
Dividends received		2,107	1,009
Net cash (used in)/from investing activities		(79,766)	95,602
Net (decrease)/increase in cash and cash equivalents		(63,789)	129,013
Cash and cash equivalents at beginning of year		258,196	128,977
Effect of foreign exchange rate changes		1,291	206
Cash and cash equivalents at end of year	12	195,698	258,196

The notes on pages 31 to 59 form part of these financial statements.

Notes to the Financial Statements

(Amounts expressed in thousands of Hong Kong dollars unless otherwise stated)

1 GENERAL

The Legislative Council Commission (“the Commission”) is a financially and administratively autonomous body corporate established by The Legislative Council Commission Ordinance (Cap. 443). It provides administrative support and services for the Legislative Council (“LegCo”) of the Hong Kong Special Administrative Region (“HKSAR”) through the Legislative Council Secretariat (“Secretariat”).

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance

These financial statements have been prepared in accordance with accounting principles generally accepted in Hong Kong and Hong Kong Financial Reporting Standards (“HKFRSs”), a collective term which includes all applicable individual HKFRSs, Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). A summary of the significant accounting policies adopted by the Commission is set out below.

The HKICPA has issued certain new or revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Commission. Note 3 provides information on the changes, if any, in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Commission for the current and prior accounting periods reflected in these financial statements.

2.2 Basis of preparation of the financial statements

The measurement basis used in the preparation of these financial statements is historical cost, except that equity securities and exchange traded funds (“ETFs”) (note 10) are measured at fair value as explained in the accounting policies set out in note 2.3.2.1.

The preparation of financial statements in conformity with HKFRSs requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, as well as income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There are no critical accounting judgments involved in the application of the Commission's accounting policies. Apart from the impairment of other receivables as disclosed in note 11, there are no other key assumptions concerning the future, or other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the coming year.

2.3 Financial assets and financial liabilities

2.3.1 Initial recognition and measurement

The Commission recognizes financial assets and financial liabilities on the date it becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial instruments are recognized on trade date, the date on which the Commission commits to purchase or sell the instruments.

At initial recognition, financial assets and financial liabilities are measured at fair value plus or minus transaction costs that are directly attributable to the acquisition of the financial assets or the issue of the financial liabilities.

2.3.2 Classification and subsequent measurement

The Commission classifies its financial assets into two categories for determining the subsequent measurement methods, on the basis of both the Commission's business model for managing the assets and the contractual cash flow characteristics of the assets. The two measurement categories are:

- fair value through other comprehensive income; and
- amortized cost.

The Commission classifies all financial liabilities as subsequently measured at amortized cost.

The Commission reclassifies a financial asset when and only when it changes its business model for managing the asset, except for investments in equity instruments elected to be measured at fair value through other comprehensive income at initial recognition (note 2.3.2.1) which are not reclassified. A financial liability is not reclassified.

An analysis of the Commission's financial assets and financial liabilities by category is set out in note 7.

2.3.2.1 Financial assets measured at fair value through other comprehensive income

The Commission, in accordance with HKFRS 9 “Financial Instruments”, elects to measure all of its equity securities and ETFs, which are held for an indefinite period of time but may be sold in response to needs for liquidity or changes in market environment, at fair value through other comprehensive income. The election is made upon initial recognition and is irrevocable. Gains and losses on these equity securities and ETFs are recognized in other comprehensive income, which are not reclassified subsequently to the income and expenditure account, including when they are derecognized. Such gains and losses are recorded separately in the investment revaluation reserve and the cumulative amount is transferred to accumulated surplus upon disposal of the investments. Dividends on such investments are recognized in the income and expenditure account unless the dividends clearly represent a recovery of part of the cost of the investment.

2.3.2.2 Financial assets measured at amortized cost

Other financial assets are measured at amortized cost using the effective interest method. This category includes placement with the Exchange Fund, operating funds advanced to Members of LegCo (“Members”), deposits and other receivables, interest receivable from placement with the Exchange Fund, bank deposits and cash at bank and in hand. The measurement of loss allowances for these financial assets is based on the expected credit loss model as described in note 2.3.6.

The effective interest method is a method of calculating the amortized cost of a financial asset or a financial liability and of allocating and recognizing the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or financial liability to the gross carrying amount of the financial asset or to the amortized cost of the financial liability. When calculating the effective interest rate, the Commission estimates the expected cash flows by considering all contractual terms of the financial instrument but does not consider the expected credit losses. The calculation includes all fees received or paid between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

2.3.2.3 Financial liabilities measured at amortized cost

All financial liabilities are measured at amortized cost using the effective interest method.

2.3.3 Fair value measurement principles

The Commission measures certain financial instruments at fair value at each reporting date. The fair values of financial instruments measured at amortized cost are disclosed in note 18.2.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either (a) in the principal market for the asset or liability, or (b) in the absence of a principal market, in the most advantageous market for the asset or liability; and the Commission has access to these markets at the measurement date.

The fair value of an asset or a liability is measured with those assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Commission uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

The Commission measures fair values using the following fair value hierarchy that reflects the significance of inputs used in making the measurements:

- Level 1 – fair values of financial instruments are quoted prices (unadjusted) in active markets for identical financial instruments;
- Level 2 – fair values of financial instruments are determined with inputs other than quoted prices included in Level 1 that are observable for the financial instruments, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 – fair values of financial instruments are determined with inputs that are not based on observable market data (unobservable inputs).

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Commission determines whether transfers between levels in the hierarchy should be reflected in the financial statements by re-assessing categorization (based on the level of input that is most significant and relevant to the fair value measurement as a whole) at the reporting date.

2.3.4 Derecognition

A financial asset is derecognized when the contractual rights to receive the cash flows from the financial asset expire, or where the financial asset together with substantially all the risks and rewards of ownership have been transferred.

A financial liability is derecognized when the obligation specified in the contract is discharged or cancelled, or when it expires.

2.3.5 Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

2.3.6 Impairment of financial assets

The Commission applies a three-stage approach to measure expected credit losses on financial assets measured at amortized cost and to recognize the corresponding loss allowances and impairment losses or reversals, with the change in credit risk since initial recognition determining the measurement bases for expected credit losses:

Stage 1: 12-month expected credit losses

For financial instruments for which there has not been a significant increase in credit risk since initial recognition, the portion of the lifetime expected credit losses that represent the expected credit losses that result from default events that are possible within the 12 months after the reporting date are recognized.

Stage 2: Lifetime expected credit losses – not credit impaired

For financial instruments for which there has been a significant increase in credit risk since initial recognition but that are not credit impaired, lifetime expected credit losses representing the expected credit losses that result from all possible default events over the expected life of the financial instruments are recognized.

Stage 3: Lifetime expected credit losses – credit impaired

For financial instruments that have become credit impaired, lifetime expected credit losses are recognized and interest income is calculated by applying the effective interest rate to the amortized cost rather than the gross carrying amount.

2.3.6.1 Determining significant increases in credit risk

At each reporting date, the Commission assesses whether there has been a significant increase in credit risk for financial instruments since initial recognition by comparing the risk of default occurring over the remaining expected life as at the reporting date with that as at the date of initial recognition. The assessment considers quantitative and qualitative historical information as well as forward-looking information. A financial asset is assessed to be credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

The Commission assesses whether there has been a significant increase in credit risk since initial recognition on an individual or collective basis. For collective assessment, financial instruments are grouped on the basis of shared credit risk characteristics, taking into account investment type, credit risk ratings and other relevant factors.

Placements with banks with an external credit rating of investment grade are considered to have a low credit risk. Other financial instruments are considered to have a low credit risk if they have a low risk of default and the counterparty or borrower has a strong capacity to meet its contractual cash flow obligations in the near term. The credit risk on these financial instruments is assessed as not having increased significantly since initial recognition.

When a financial asset is uncollectible, it is written off against the related loss allowance. Such assets are written off after all the necessary procedures have been completed and the amount of the loss has been determined. Subsequent recoveries of amounts previously written off are recognized in the income and expenditure account.

2.3.6.2 Measurement of expected credit losses

Expected credit losses of a financial instrument are an unbiased and probability-weighted estimate of credit losses (i.e. the present value of all cash shortfalls) over the expected life of the financial instrument. A cash shortfall is the difference between the cash flows due to the Commission in accordance with the contract and the cash flows that the Commission expects to receive. For a financial asset that is credit impaired at the reporting date, the Commission measures the expected credit losses as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate.

2.4 Souvenir stock

A souvenir shop is operated at the LegCo Complex.

Souvenir stock is stated at the lower of cost and net realizable value. Cost is calculated using the weighted average method. It comprises design fees, mould charges and other production costs of the souvenir items. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

2.5 Fixed assets

2.5.1 Measurement of fixed assets

2.5.1.1 Fixed asset items that are expected to be used for more than one year are capitalized, except that items costing less than \$3,000 were expensed when incurred.

2.5.1.2 Works of art acquired are capitalized and recognized in the balance sheet at cost less impairment losses, if any (note 2.5.3). They are not depreciated or revalued.

2.5.1.3 Other fixed assets are stated at cost less accumulated depreciation and less impairment losses, if any (note 2.5.3). Depreciation is calculated to write off the cost of fixed assets, less their estimated residual value, if any, on a straight-line basis over their estimated useful lives as follows:

— Furniture and fixtures	10 years
— Motor vehicles and office equipment	5 years
— Computers and software	3 years

Work in progress is not depreciated.

2.5.2 Derecognition of fixed assets

The carrying amount of a fixed asset shall be derecognized on disposal or when no future economic benefits are expected from the use or disposal of the asset.

Gains or losses arising from the disposal of fixed assets are determined as the difference between the net disposal proceeds and the carrying amounts of the assets, and are recognized in the income and expenditure account at the time of disposal.

2.5.3 Impairment of fixed assets

The carrying amounts of fixed assets are reviewed at each reporting date to identify any indication of impairment. If there is an indication of impairment, an impairment loss is recognized in the income and expenditure account whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of an asset is the higher of its fair value less costs of disposal and value in use.

2.6 Cash equivalents

For the purpose of the statement of cash flows, cash equivalents include cash at bank and bank deposits with original maturity within three months.

2.7 Staff benefits

2.7.1 Contract gratuities

All full-time staff employed by the Commission are on fixed agreement terms, mainly for three years with a gratuity payable upon satisfactory completion of each term. Staff gratuities incurred but not yet due for payment are fully provided for and charged to the income and expenditure account. Those gratuities payable within one year from the reporting date are classified as current liabilities, while others are classified as non-current liabilities.

2.7.2 Contributions to Mandatory Provident Fund (“MPF”)

To comply with the requirements under the MPF Schemes Ordinance (Cap. 485), the Commission has set up an MPF Scheme by participating in a master trust scheme provided by an independent MPF service provider. Contributions paid and payable by the Commission to the Scheme are charged to the income and expenditure account.

2.7.3 Staff leave entitlements

Staff’s unexpired entitlements to paid annual leave as a result of services rendered up to the reporting date are charged to the income and expenditure account according to each individual staff member’s remuneration package.

2.8 Revenue and expenditure recognition

2.8.1 Financial provisions from Government

Financial provisions from the HKSAR Government are recognized in the period when receivable.

2.8.2 Interest income

Interest income is recognized in the income and expenditure account on an accrual basis, using the effective interest method.

2.8.3 Dividend income

Dividend income from listed securities is recognized in the income and expenditure account when the share price of the investment is quoted ex-dividend.

2.8.4 Souvenir sales

Revenue from the sale of souvenirs is recognized when a souvenir item is sold to the customer.

2.8.5 Expenses

Members' remuneration, staff emoluments and the Secretariat's operating expenses are accounted for as they are incurred. Members' reimbursable operating expenses and medical allowances are accounted for as they are claimed; and end-of-service gratuities payable to Members are accounted for at the end of each LegCo term when back-to-back financial provisions from the Government are obtained.

For the Sixth LegCo, Members' end-of-service gratuities are payable to Members in two tranches, upon expiry of the original term (from 1 October 2016 to 30 September 2020) and the extended term (from 1 October 2020 to 31 December 2021). The end-of-service gratuities payable to Members are accounted for at the end of the original term and extended term of the Sixth LegCo when back-to-back financial provisions from the Government are obtained.

2.9 Foreign currency translation

The financial statements are presented in Hong Kong dollars, which is the Commission's functional currency.

Foreign currency transactions during the year are translated into Hong Kong dollars at the spot exchange rates at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into Hong Kong dollars using the closing exchange rates at the reporting date. Exchange gains and losses are recognized in the income and expenditure account.

3 CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued certain new or revised HKFRSs that are first effective for the current accounting period of the Commission. There have been no changes to the Commission's accounting policies or impact on its operating results and financial position as a result of these developments.

The Commission has not applied any new standard or interpretation that is not yet effective for the current accounting period (note 19).

4 REVENUE

(a) Financial provisions from Government

	2022	2021
Financial provisions from Government for specified ambits		
Recurrent items		
Members' remuneration, medical allowances, end-of-service gratuities and operating expenses reimbursements	204,000	310,595
Secretariat's operating expenses	651,854	648,741
Non-recurrent items		
Members' non-recurrent expenses reimbursements	5,450	2,600
Secretariat's non-recurrent expenses	55,186	10,024
	916,490	971,960
Allocation warrants issued by government departments and utilized during the year		
Recurrent and non-recurrent items		
Secretariat's expenses	443	-
Total	916,933	971,960

(b) Investment income	2022	2021
Interest income from financial assets measured at amortized cost		
Bank deposits	1,987	3,665
Placement with the Exchange Fund	506	-
Cash at bank	32	108
Total interest income	2,525	3,773
Dividend income from financial assets measured at fair value through other comprehensive income	2,209	1,066
Net exchange gains	2,545	49
Total	7,279	4,888
(c) Other income	2022	2021
Souvenir sales	122	35
Sundry income	2,119	1,656
Total	2,241	1,691

5 EXPENDITURE

(a) Members' remuneration, benefits and operating expenses reimbursements

Members are provided with a monthly remuneration, an annual medical allowance, an end-of-service gratuity and reimbursements for expenses arising from LegCo duties. The rates of such remuneration, benefits and reimbursements are proposed by the Government on the advice of the Independent Commission on Remuneration for Members of the Executive Council and the Legislature, and Officials under the Political Appointment System of the HKSAR, and approved by the Finance Committee of LegCo.

Under the delegated authority from the Finance Committee, the rates for Members' remuneration, medical allowance and recurrent operating expenses reimbursements are adjusted by the Government yearly in October according to the movement of Consumer Price Index (C). The relevant rates for each Member are as follows:

	Oct 2021 to Sept 2022 (\$)	Oct 2020 to Sept 2021 (\$)	Oct 2019 to Sept 2020 (\$)
Monthly remuneration			
President	206,260	205,640	202,000
President's Deputy and House Committee Chairman	154,690	154,230	151,500
Members not serving on the Executive Council of the Government	103,130	102,820	101,000
Members serving on the Executive Council of the Government	68,750	68,550	67,330
Annual medical allowance	35,920	35,810	35,180
Annual operating expenses reimbursements			
Office operation expenses	2,829,310	2,820,850	2,770,970
Entertainment and travelling expenses	225,970	225,290	221,310
Entertainment expenses in the President's capacity	226,190	225,510	221,520

An end-of-service gratuity, calculated at 15% of the remuneration earned by the Member concerned, is payable on completion of continuous service at the end of each LegCo term (note 2.8.5).

(b) Staff emoluments

	2022	2021
Salaries	443,131	442,174
Contract gratuities	53,085	57,957
Cash allowances	22,370	22,080
MPF contributions	11,289	11,190
(Decrease)/Increase in accrued leave pay	(4,049)	7,552
Other job-related allowances	3,049	2,526
Total	528,875	543,479

(c) General expenses

	2022	2021
Utilities, communication and building services	48,556	44,883
Professional and other services	18,730	26,341
Depreciation	21,902	19,812
Repairs and maintenance	10,677	10,762
Publications, publicity and broadcasting	9,170	8,048
Information services	6,083	5,826
Staff-related expenses	3,079	2,782
Office supplies	1,170	1,273
Travelling and duty visits	300	251
Cost of souvenirs sold	93	25
(Reversal of)/Impairment losses on other receivables (note 11)	(653)	21
Others	174	175
Total	119,281	120,199

(d) Members' non-recurrent expenses reimbursements

	2022	2021
Members' setting up and information technology expenses (the Sixth LegCo: October 2016 - December 2021)	635	2,129
Members' winding up expenses (the Sixth LegCo)	2,748	1,044
Members' setting up and information technology expenses (the Seventh LegCo: January 2022 - December 2025)	1,594	-
Total	<u>4,977</u>	<u>3,173</u>

For the Seventh LegCo, a newly elected Member is entitled to a reimbursement for setting up and information technology ("IT") expenses of up to \$375,000 per term to cover expenses for fitting out, purchase of furniture, equipment and software, and other related operating expenses. A Member who has claimed setting up expenses in the previous term may only claim up to \$262,500 in the current term, unless there are valid reasons for reinstating the \$375,000 ceiling.

A Member may claim winding up expenses reimbursement when he/she ceases to hold office. The amount is set at one-twelfth of the annual office operation expenses reimbursement (note 5(a)), plus actual severance payments.

(e) **Other non-recurrent expenses**

	2022	2021
Services and non-capitalized expenses related to		
Replacement of some parts/devices for the building systems in the LegCo Complex (2021-22)	3,775	-
Replacement of the email system used by LegCo	1,082	-
Installation and software subscription services for the replacement of the existing Library System	1,055	298
Replacement of the analogue closed-circuit television system of the LegCo Complex	890	-
Installation and enhancement of IT systems and provision of additional furniture in the Chamber, Conference Room 1 and Members' meeting rooms in the LegCo Complex	418	-
Conversion of Conference Room 4 of the LegCo Complex into a conference venue with necessary furniture and electronic, television and IT systems for supporting open committee meetings	204	-
Development of a new electronic system for submission of expense reimbursement claims by Members	200	-
Re-design and restoration of education facilities in the LegCo Complex	156	7
Procurement of IT network infrastructure and server room equipment for new offices in the CITIC Tower	141	-
Procurement of hardware, software, communication equipment and related cabling infrastructure installation service for replacing the Digital Screen Display System	78	-
Development of a Members' Room Booking System	74	-
Relocation of the security, electrical and mechanical, and IT systems in the Security Control Room of the LegCo Complex	49	-
TV production equipment and light fixtures for the provision of extended simultaneous sign language interpretation service	23	-
Procurement of hardware, software and database for the redevelopment of the LegCo Website and the provision of new online information services	-	720
Restoration of damaged equipment of the electrical, mechanical, air-conditioning and building services systems of the LegCo Complex	-	680
Enhancement of the webmail and common drive systems for supporting remote access	-	388

	2022	2021
Briefing out excess minutes compilation work of meetings of the Finance Committee and its two subcommittees	-	329
Briefing out excess work arising from the translation of the Official Record of Proceedings of the LegCo and papers of LegCo committees	-	236
Replacement of damaged equipment of IT and security systems of the LegCo Complex	-	141
Re-design and enhancement of the education facilities in the LegCo Complex	-	31
Total	8,145	2,830

6 FIXED ASSETS

	Motor vehicles	Computers and software	Office equipment	Furniture and fixtures	Work in progress	Works of art	Total
Cost							
At 1 April 2020	1,352	133,482	26,918	15,879	5,848	5,911	189,390
Additions	512	7,504	9,189	277	2,304	-	19,786
Transfers	-	5,848	-	-	(5,848)	-	-
Disposals	(349)	(1,751)	(201)	(450)	-	-	(2,751)
At 31 March 2021	<u>1,515</u>	<u>145,083</u>	<u>35,906</u>	<u>15,706</u>	<u>2,304</u>	<u>5,911</u>	<u>206,425</u>
At 1 April 2021	1,515	145,083	35,906	15,706	2,304	5,911	206,425
Additions	-	14,987	14,266	1,765	12,465	-	43,483
Transfers	-	72	1,714	690	(2,476)	-	-
Disposals	-	(960)	(387)	(72)	-	-	(1,419)
At 31 March 2022	<u>1,515</u>	<u>159,182</u>	<u>51,499</u>	<u>18,089</u>	<u>12,293</u>	<u>5,911</u>	<u>248,489</u>
Accumulated depreciation							
At 1 April 2020	766	118,074	11,178	12,148	-	-	142,166
Charge for the year	303	12,590	5,571	1,348	-	-	19,812
Written back on disposal	(349)	(1,751)	(199)	(376)	-	-	(2,675)
At 31 March 2021	<u>720</u>	<u>128,913</u>	<u>16,550</u>	<u>13,120</u>	<u>-</u>	<u>-</u>	<u>159,303</u>
At 1 April 2021	720	128,913	16,550	13,120	-	-	159,303
Charge for the year	274	12,913	7,834	881	-	-	21,902
Written back on disposal	-	(960)	(380)	(60)	-	-	(1,400)
At 31 March 2022	<u>994</u>	<u>140,866</u>	<u>24,004</u>	<u>13,941</u>	<u>-</u>	<u>-</u>	<u>179,805</u>
Net book value							
At 31 March 2022	<u>521</u>	<u>18,316</u>	<u>27,495</u>	<u>4,148</u>	<u>12,293</u>	<u>5,911</u>	<u>68,684</u>
At 31 March 2021	<u>795</u>	<u>16,170</u>	<u>19,356</u>	<u>2,586</u>	<u>2,304</u>	<u>5,911</u>	<u>47,122</u>

7 CATEGORIES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

2022

	Financial assets measured at amortized cost	Financial assets measured at fair value through other comprehensive income	Financial liabilities measured at amortized cost	Total
Placement with the Exchange Fund	150,000	-	-	150,000
Operating funds advanced to Members	65,241	-	-	65,241
Financial assets measured at fair value through other comprehensive income	-	29,867	-	29,867
Deposits and other receivables	1,720	-	-	1,720
Interest receivable from placement with the Exchange Fund	506	-	-	506
Bank deposits	94,021	-	-	94,021
Cash at bank and in hand	101,677	-	-	101,677
Financial assets	413,165	29,867	-	443,032
Payables and accruals	-	-	88,952	88,952
Deposits received	-	-	1,276	1,276
Contract gratuities accrued	-	-	72,226	72,226
Financial liabilities	-	-	162,454	162,454

2021

	Financial assets measured at amortized cost	Financial assets measured at fair value through other comprehensive income	Financial liabilities measured at amortized cost	Total
Operating funds advanced to Members	14,460	-	-	14,460
Financial assets measured at fair value through other comprehensive income	-	61,241	-	61,241
Deposits and other receivables	1,877	-	-	1,877
Bank deposits	280,485	-	-	280,485
Cash at bank and in hand	55,585	-	-	55,585
Financial assets	<u>352,407</u>	<u>61,241</u>	<u>-</u>	<u>413,648</u>
Payables and accruals	-	-	78,372	78,372
Deposits received	-	-	443	443
Contract gratuities accrued	-	-	89,306	89,306
Financial liabilities	<u>-</u>	<u>-</u>	<u>168,121</u>	<u>168,121</u>

8 PLACEMENT WITH THE EXCHANGE FUND

The balance of the placement with the Exchange Fund amounted to \$150 million (2021: nil). The term of placement is six years from the date of placement, during which the amount of principal sum cannot be withdrawn.

Interest on the placement is payable at a fixed rate determined in January each year. The rate is the average annual investment return of the Exchange Fund's Investment Portfolio for the past six years or the average annual yield of three-year Government Bonds for the previous year subject to a minimum of zero percent, whichever is the higher. The interest rate has been fixed at 5.6% per annum for the year 2022.

9 OPERATING FUNDS ADVANCED TO MEMBERS

	2022	2021
Operating funds advanced for		
Recurrent operating expenses	56,672	14,460
Setting up and IT expenses	8,569	-
Total	<u>65,241</u>	<u>14,460</u>
Classified as:		
Current assets	31,484	-
Non-current assets	33,757	14,460
Total	<u>65,241</u>	<u>14,460</u>

Members may apply for advance of funds to finance the setting up, equipping and operation of their offices. The ceilings of advance are set by the Commission.

For setting up Members' offices and equipping them with IT and communication facilities, the ceiling of advance is \$375,000 per term for each Member of the Seventh LegCo. Funds advanced in these respects have to be settled within three months with expenses actually incurred and any excess returned to the Commission. They are classified as current assets.

For recurrent operating expenses, the ceiling of advance is equivalent to two months' office operation, entertainment and travelling expenses. As at 31 March 2022, the ceiling was \$509,213 (2021: \$507,690). Funds advanced in this respect have to be returned to the Commission when the Member concerned ceases to hold office and are classified as non-current assets.

In early 2022, the Commission had implemented special work arrangements for the staff of the Secretariat in view of the fifth wave of Coronavirus disease (COVID-19) epidemic. To ensure that liquidity requirements of Members' offices would be met during the special work arrangements whereby the processing of claims for reimbursements of Members' recurrent operating expenses would not be handled as usual, the Commission disbursed to each Member a special advance of \$254,607, equivalent to one month's office operation, entertainment and travelling expenses. Funds advanced in this respect have to be returned to the Commission when the special work arrangements cease and are classified as current assets.

10 FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	2022	2021
Equity securities and ETFs, at fair value		
Listed in Hong Kong	<u>29,867</u>	<u>61,241</u>

11 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2022	2021
Prepayments	5,819	5,241
Deposits	30	29
Receivable from		
Government	120	-
Members	288	581
Staff	741	771
Accrued interest and dividends	57	387
Other receivables	1,154	2,362
Less: allowances for expected credit losses	(670)	(2,253)
Total	<u>7,539</u>	<u>7,118</u>

As at 31 March 2022, other receivables included remuneration and operating funds advanced to Miss YAU Wai-ching, operating funds advanced to Mr LEUNG Kwok-hung, and interest and legal costs receivable from Miss YAU Wai-ching totalling \$1.10 million (2021: remuneration and operating funds advanced to Mr Sixtus LEUNG Chung-hang and Miss YAU Wai-ching, operating funds advanced to Mr LEUNG Kwok-hung, and interest and legal costs receivable from Miss YAU Wai-ching totalling \$2.33 million). These persons have been disqualified from assuming the office of a member of LegCo since

12 October 2016 as a result of the judgments made by the Court of First Instance (“CFI”) on 15 November 2016 and 14 July 2017 in relation to the validity of their LegCo Oaths. As the receivables from these persons were assessed to be credit impaired, the Commission measured the loss allowances of these receivables at amounts equal to lifetime expected credit losses (note 2.3.6).

In relation to the claim of \$0.93 million against Mr Sixtus LEUNG Chung-hang, the District Court entered Judgment against him on 5 May 2020. Given Mr Sixtus LEUNG Chung-hang’s status as an adjudged bankrupt pursuant to a CFI judgment on 6 January 2021, the Chairman of the Commission has directed that it is not worthwhile for the Commission to incur further costs to take recovery action against Mr Sixtus LEUNG Chung-hang. In July 2021, the Government approved the write-off of the receivables from Mr Sixtus LEUNG Chung-hang.

In relation to the claim of \$0.93 million against Miss YAU Wai-ching, after the District Court has entered Judgment against her on 5 May 2020, the Commission and Miss YAU Wai-ching reached an agreement in August 2020 by which the parties confirmed that the amount of the Judgment Debt was agreed at the liquidated sum of \$1,200,000 and Miss YAU Wai-ching agreed and undertook to pay the Judgment Debt to the Commission in 48 equal monthly instalments starting from September 2020. During the year, a total amount of \$300,000 (2021: \$175,000) was received from Miss YAU Wai-ching. As at 31 March 2022, the remaining monthly instalments pursuant to the settlement agreement totalled \$725,000 (2021: \$1,025,000).

In August 2022, a settlement agreement was reached after mediation between the Commission and Mr LEUNG Kwok-hung for the claim of \$2.75 million (including remuneration, operating expenses reimbursements and advance of operating fund) against him.

The movement in loss allowances for the receivables from these persons during the year is as follows:

	2022	2021
At beginning of year	2,253	2,232
Amounts written off	(930)	-
Impairment losses (note 5(c)):		
— recognized	7	271
— reversed	(660)	(250)
	(653)	21
At end of year	670	2,253

12 CASH AND CASH EQUIVALENTS

	2022	2021
Cash at bank and in hand	101,677	55,585
Bank deposits with original maturity within three months	94,021	202,611
Total	195,698	258,196

13 PAYABLES AND ACCRUALS

	2022	2021
Payable to		
Government	11,840	4,051
Members	4,743	6,059
Staff		
- accrued emoluments and reimbursements	497	657
- accrued leave pay	52,619	56,668
Others	19,253	10,937
Total	88,952	78,372

14 ACCUMULATED FUNDS**14.1 Operating reserve**

Surpluses in recurrent financial provisions for the Secretariat's operating expenses are credited to the operating reserve at the discretion of the Commission for future use on LegCo business, such as funding any deficits.

14.2 Investment revaluation reserve

The investment revaluation reserve comprises the cumulative net change in the fair values of financial assets measured at fair value through other comprehensive income held at the reporting date and is dealt with in accordance with the accounting policies in note 2.3.2.1.

15 NON-CASH TRANSACTIONS WITH GOVERNMENT

Offices and certain government-operated services used by the Secretariat are either provided by the Government free of charge or funded by the respective government departments. They are not accounted for in these financial statements.

16 CAPITAL COMMITMENTS

Outstanding commitments for acquisitions of fixed assets at 31 March 2022 not provided for in the financial statements were as follows:

	2022	2021
Authorized but not yet contracted for	36,314	7,825
Authorized and contracted for	11,345	16,264
Total	47,659	24,089

17 FINANCIAL RISK MANAGEMENT

The Commission is exposed to credit and liquidity risks in its normal course of business. The Commission's exposure to these risks, as well as market risks, and the financial risk management policies and practices are described below.

17.1 General

To provide an ancillary source of income, surplus cash is invested in a portfolio of financial assets according to a target ratio set by the Commission. The portfolio includes fixed deposits, equities and trust funds. It is the Commission's policy that all investments in financial assets, except equities and trust funds, should be principal-protected.

The Commission's financial assets are shown in note 7.

17.2 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

The Commission does not have significant concentrations of credit risk. The maximum exposure to credit risk at the reporting date without taking account of any collateral held or other credit enhancements is shown below:

	2022	2021
Placement with the Exchange Fund	150,000	-
Operating funds advanced to Members	65,241	14,460
Deposits and other receivables	1,720	1,877
Interest receivable from placement with the Exchange Fund	506	-
Bank deposits	94,021	280,485
Cash at bank	101,650	55,555
Total	413,138	352,377

In respect of operating funds advanced to Members, the credit risk is minimal, because a great proportion of the funds advanced will be offset against Members' expenses reimbursements when they cease to hold office.

At the reporting date, deposits and other receivables included mainly accrued interest and dividends, the associated credit risk of which was minimal, and amounts receivable from the disqualified Members (note 11). These receivable balances are monitored by the Commission on an ongoing basis. The Commission reached agreements with Miss YAU Wai-ching in August 2020 and Mr LEUNG Kwok-hung in August 2022. As at 31 March 2022, loss allowances were recognized for the amounts yet to be received from Miss YAU Wai-ching and Mr LEUNG Kwok-hung (2021: loss allowances were recognized for the remuneration and advances paid to Mr Sixtus LEUNG Chung-hang, for the amounts yet to be received from Miss YAU Wai-ching, and for the advance paid to Mr LEUNG Kwok-hung).

To minimize credit risks, all bank deposits and cash at bank are placed with licensed banks in Hong Kong. These financial assets are considered to have a low credit risk. The loss allowances are measured at amounts equal to 12-month expected credit losses, which are assessed to be minimal by the Commission.

While other financial assets are subject to the impairment requirements, the Commission has estimated that their expected credit losses are minimal and considers that no loss allowance is required.

The credit quality of bank deposits and cash at bank is analysed below:

	2022	2021
Credit rating designated by Moody's		
Aa3 to Aa1	70,576	48,515
A3 to A1	125,095	287,525
Total	195,671	336,040

17.3 Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Commission employs projected cash flow analysis to manage liquidity risk, namely by forecasting the amount of cash required and monitoring the working capital of the Commission to ensure that all liabilities due and funding requirements known could be met. As the Commission has a strong liquidity position, it has a very low level of liquidity risk.

17.4 Market risk

The Commission is exposed to market risk for its investment in financial instruments. Market risk comprises interest rate risk, currency risk, equity price risk and other financial risk.

17.4.1 Interest rate risk

Interest rate risk refers to the risk of loss arising from changes in market interest rates. This can be further classified into fair value interest rate risk and cash flow interest rate risk.

- (a) Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. As the Commission's bank deposits bear interest at fixed rates, their fair values will fall when market interest rates increase. However, as they are all stated at amortized cost, changes in market interest rates will not affect their carrying amounts and the Commission's surplus and accumulated funds.
- (b) Cash flow interest rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Commission's exposure to cash flow interest risk is small as it has no major floating-rate investments other than bank balances in savings accounts.

17.4.2 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

According to the Commission's policy, any financial instrument denominated in a currency other than the HK dollar, Renminbi or the US dollar has to be covered by a back-to-back forward exchange contract for converting back the funds invested into HK dollars. Moreover, the amounts of Renminbi and US dollar denominated financial instruments, as well as their weightings in the portfolio, have to be maintained under a pre-determined level.

At the reporting date, financial assets totalling \$68.8 million (2021: \$68.2 million) were denominated in US dollars and \$52.6 million (2021: \$49.3 million) in Renminbi. The remaining financial assets and all financial liabilities were denominated in HK dollars. Owing to the linked exchange rate of the HK dollar to the US dollar, the Commission has a very low level of currency risk for financial assets denominated in US dollars.

For financial assets denominated in Renminbi, sensitivity analysis based on a 5% (2021: 5%) increase/decrease in the exchange rate of the Renminbi against the HK dollar at the reporting date, with all other variables being held constant, shows that the net exchange gains would have increased/decreased by \$2.6 million (2021: \$2.5 million).

17.4.3 Equity price risk

Equity price risk is the risk of loss arising from changes in equity prices. The Commission is exposed to equity price risk through its investment in equity securities and ETFs listed on The Stock Exchange of Hong Kong Limited.

The Commission's equity price risk is mainly concentrated on equity securities which are Hang Seng Index Constituent Stocks or operating in the financial institutions and utilities sectors and ETFs which seek to provide investment results that closely correspond to the performance of the Hang Seng Index, the Hang Seng China Enterprises Index or those publicly traded securities in China. The Commission sets a limit on its investment in equity securities and ETFs. A Working Group on Investment formed under the Commission advises the Commission on its investment strategies.

Sensitivity analysis based on a 10% (2021: 10%) increase/decrease in equity prices at the reporting date shows that other comprehensive loss would have decreased/increased by \$3.0 million (2021: other comprehensive income would have increased/decreased by \$6.1 million).

17.5 Other financial risk

The Commission is exposed to financial risk arising from changes in the interest rate on the placement with the Exchange Fund which is determined in January each year (note 8). Sensitivity analysis based on a 50 basis point increase/decrease in the interest rate for 2022, with all other variables being held constant, shows that the surplus for the year would have increased/decreased by \$0.05 million.

18 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

The fair value of financial instruments classified under Level 1 is based on the quoted market prices of these financial instruments at the reporting date, without any deduction for estimated future selling costs.

18.1 Fair value of financial instruments measured at fair value on a recurring basis

The carrying amounts of financial instruments measured at fair value at the reporting date according to the fair value hierarchy are shown below:

	Level 1	
	2022	2021
Financial assets measured at fair value through other comprehensive income	29,867	61,241

No financial assets or liabilities were classified under Level 2 and Level 3. There were no transfers between levels during the reporting years.

18.2 Fair value of financial instruments not measured at fair value on a recurring basis

All financial instruments were carried at amounts not materially different from their fair values as at 31 March 2022 and 2021.

19 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 MARCH 2022

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments, new standards and interpretations which are not yet effective for the year ended 31 March 2022 and which have not been early adopted in these financial statements.

The Commission is in the process of making an assessment of the expected impact of these amendments, new standards and interpretations in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the Commission's results of operations and financial position.

Appendix 1

Committees of The Legislative Council Commission

Committee on Personnel Matters

Terms of Reference

- (1) To consider personnel matters including staffing resources, appointment, promotion, dismissal, grading, duties, remuneration and other terms and conditions of service of staff of the Secretariat which require the attention of the Commission;
- (2) To approve appointments, including acting appointments with a view to promotion, of officers at Assistant Secretary General, Principal Council Secretary and Chief Council Secretary levels; and
- (3) To monitor progress of appointment and personnel matters delegated to the Secretary General.

Membership (as at 31 March 2022)

Hon Andrew LEUNG Kwan-yuen, GBM, GBS, JP (Chairman)

Hon Starry LEE Wai-king, SBS, JP

Hon Tommy CHEUNG Yu-yan, GBS, JP

Hon CHAN Hak-kan, SBS, JP

Hon Alice MAK Mei-kuen, BBS, JP¹

Hon Martin LIAO Cheung-kong, GBS, JP

Hon SHIU Ka-fai, JP

Hon YANG Wing-kit

¹ Pursuant to section 15(1)(a) of the Legislative Council Ordinance (Cap. 542), Alice MAK Mei-kuen ceased to hold office as a member of the Legislative Council upon her resignation on 19 June 2022. Pursuant to section 5(1) of The Legislative Council Commission Ordinance (Cap. 443), Ms MAK also ceased to hold office as a member of The Legislative Council Commission.

Committee on Members' Operating Expenses

Terms of Reference

- (1) To advise on administrative matters relating to Members' operating expenses; and
- (2) To review Secretary General's decision on a Member's claim for operating expenses reimbursement upon the Member's request.

Membership (as at 31 March 2022)

Hon Andrew LEUNG Kwan-yuen, GBM, GBS, JP (Chairman)

Hon Starry LEE Wai-king, SBS, JP

Hon MA Fung-kwok, GBS, JP

Committee on Facilities and Services

Terms of Reference

- (1) To advise on matters relating to the provision of office accommodation, furniture and equipment to the Council and the Secretariat;
- (2) To assess the needs of the Council and of individual Members for services and facilities for the conduct of Council business;
- (3) To advise on the provision of services and facilities to the public who visit the Legislative Council Complex;
- (4) To formulate solutions for meeting needs identified at (1), (2) and (3);
- (5) To consider financial matters relating to (1) to (4) above, and approve procurement of fixed assets costing above \$1,400,000 but not exceeding \$2,000,000;
- (6) To formulate policy/guidelines on the acquisition of works of art for the Legislative Council Complex;
- (7) To advise on matters relating to the display and management of the art collection in the Legislative Council Complex; and
- (8) To monitor the progress and developments relating to (1) to (7).

Membership (as at 31 March 2022)

Hon Andrew LEUNG Kwan-yuen, GBM, GBS, JP (Chairman)

Hon MA Fung-kwok, GBS, JP

Ir Dr Hon LO Wai-kwok, GBS, MH, JP

Hon SHIU Ka-fai, JP

Hon YANG Wing-kit

Committee on the Use of Legislative Council Square

Terms of Reference

To consider and approve applications for the use of the Legislative Council Square, and to impose conditions of use where necessary, according to the guidelines endorsed by The Legislative Council Commission.

Membership

Hon Abraham SHEK Lai-him, GBS, JP (Chairman)	(from 1 October 2020 to 11 June 2021)
Hon Paul TSE Wai-chun, JP	(from 1 October 2020 to 11 June 2021)
Hon Jimmy NG Wing-ka, BBS, JP	(from 1 October 2020 to 11 June 2021)

Appeals Committee on the Use of Legislative Council Square

Terms of Reference

To consider appeals against the decisions of the Committee on the Use of Legislative Council Square not to approve an application for permission to use the Legislative Council Square, or to approve an application but subject to conditions imposed.

Membership

Hon Andrew LEUNG Kwan-yuen, GBM, GBS, JP (Chairman)

Hon Starry LEE Wai-king, SBS, JP

Hon MA Fung-kwok, GBS, JP

Appendix 2

Staff Establishment of the Legislative Council Secretariat

<i>Rank</i>	<i>Permanent establishment as at 31 March 2022</i>
Secretary General	1
Legal Adviser	1
Deputy Secretary General	1 ¹
Assistant Secretary General	4
Senior Assistant Legal Adviser	3 ²
Head (Information Services)	1
Head (Public Information)	1
Head (Translation and Interpretation)	1
Principal Council Secretary	2
Accountant	1
Assistant Legal Adviser	11
Chief Archivist	1
Chief Council Secretary	24
Chief Information Technology Officer	1
Chief Public Information Officer	1
Chief Research Officer	4
Chief Translation Officer	6
Chief Security Officer	1
Research Officer	11 ³
Senior Council Secretary	42
Senior Deputy Accountant	1
Senior Information Technology Officer	6
Senior Librarian	1
Senior Public Information Officer	5
Senior Translation Officer	31
Senior Security Officer	1
Archivist	3
Assistant Research Officer	5
Council Secretary	32
Deputy Accountant	4
Information Technology Officer	20
Librarian	3
Public Information Officer	9
Translation Officer	25
Estate Management Officer	2
Security Officer	3
Assistant Public Information Officer	4
Assistant Translation Officer	3
Senior Administrative Assistant	9
Senior Legislative Assistant	9
Senior Security Assistant	9
Accounting Clerk	8
Administrative Assistant I	32
Assistant Information Technology Officer	20
Senior Chinese Transcriber	2
Social Functions Assistant	1
Security Assistant I	36
Assistant Visitor Services Officer	9
Legislative Assistant	28
Administrative Assistant II	82
Chinese Transcriber	9
Personal Chauffeur	1
Security Assistant II	57
Steward	14
Chauffeur	1
Artisan	4
Motor Driver	1
Clerical Assistant	37
Visitor Assistant	15
Office Assistant	25
Workman I	1
Total	686

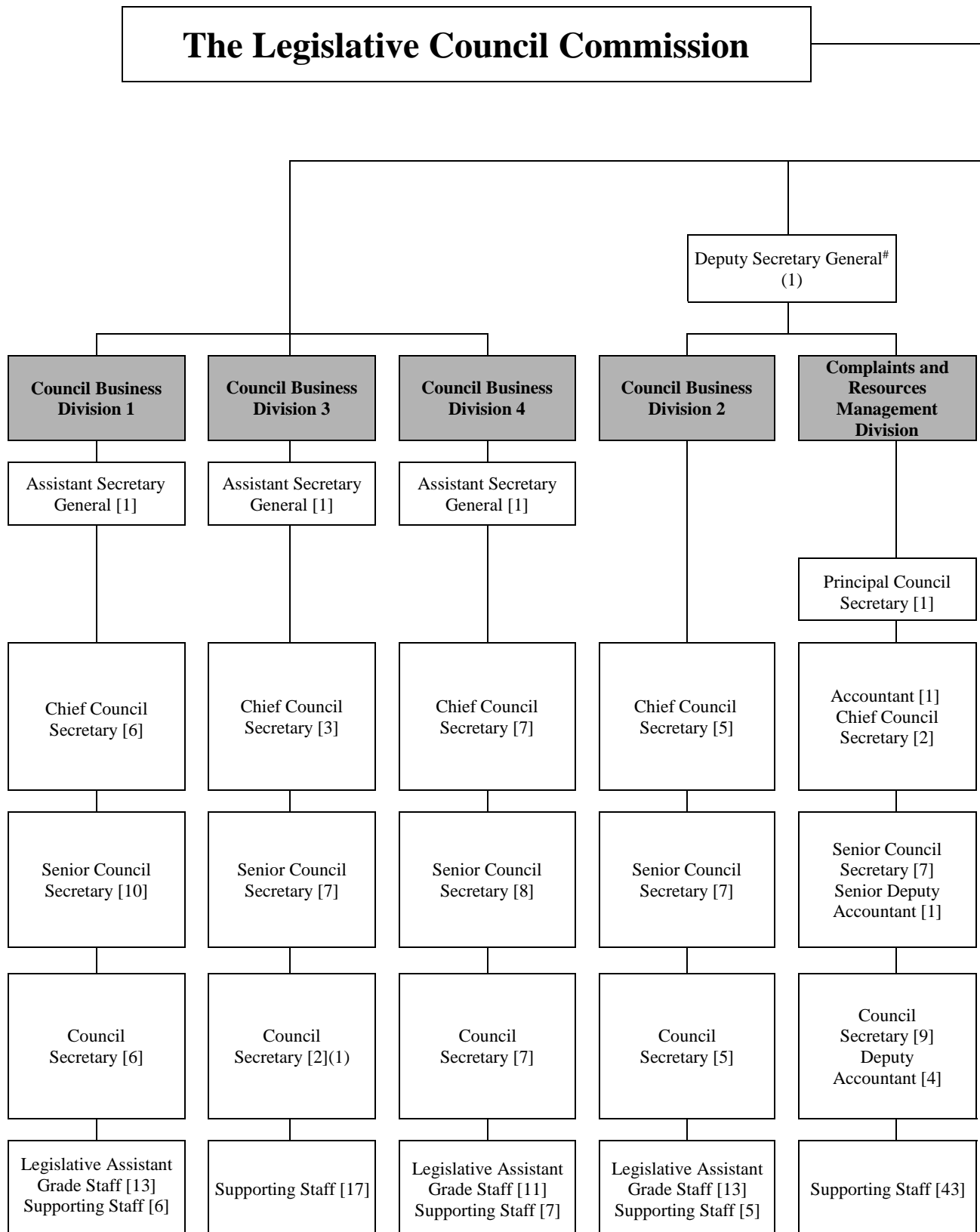
¹ In January 2021, The Legislative Council Commission approved the creation of a time-limited Deputy Secretary General post by holding against an Assistant Secretary General post.

² In February 2021, The Legislative Council Commission approved the creation of a time-limited Principal Assistant Legal Adviser post by holding against a Senior Assistant Legal Adviser post.

³ In May 2019, three temporary Assistant Research Officer posts were created by holding against two Research Officer posts.

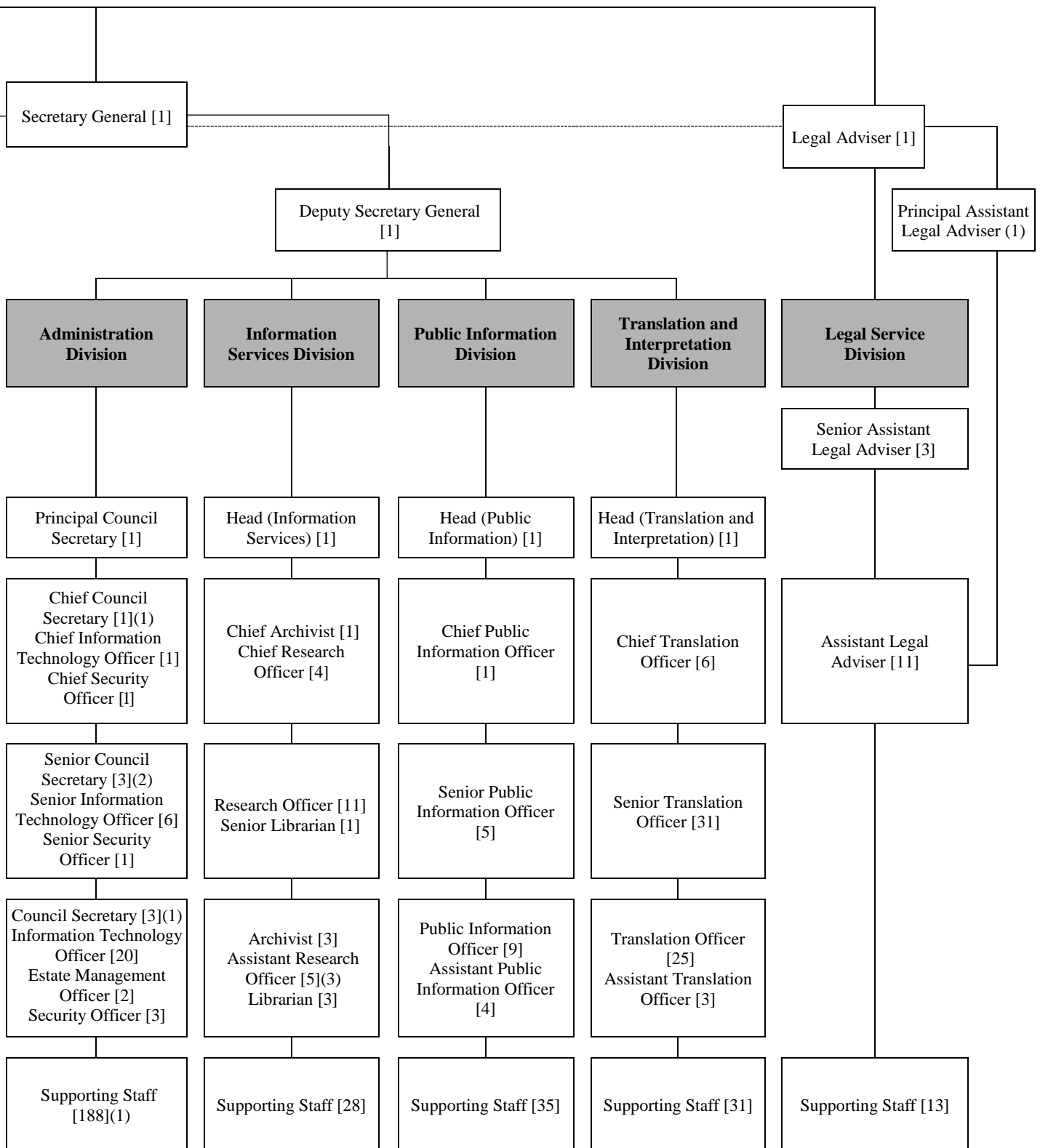
Appendix 3

Organization Structure of the Legislative Council Secretariat (as at 31 March 2022)



Figures in [] denote no. of permanent posts
 Figures in () denote no. of time-limited posts

A permanent post of Assistant Secretary General is being held against by a time-limited Deputy Secretary General post from 22 February 2021 to 26 April 2022.



Appendix 4

A List of Major Subjects Studied by the Research Office

- The 2021-2022 Budget
- National 14th Five-Year Plan
- Qianhai Shenzhen-Hong Kong Modern Service Industry Cooperation Zone
- Progressive taxes in selected places
- Fiscal redistribution policies for fostering social harmony in selected places
- Tso and Tong in the New Territories
- Digital transformation for a post-COVID world
- Decarbonization strategy in Hong Kong
- Regulation of consumer credit reference agencies in selected places
- Central bank digital currency
- Measures to reduce dietary sodium and sugar
- Dental care services for children
- Mental health services for young people
- Promotion of private funding for sports development in Japan
- Allocation mechanism of subsidized sale flats in Macao and Singapore
- Measures to cool down the residential property markets in selected places
- Promotion of Lego-like construction method in Singapore
- Regulation on minimum home size in London
- Measures to tackle disinformation in selected places
- 4-18 threshold for continuous contracts
- Legislation against insults to public officers on duty in France and Singapore
- Monitoring of civil service performance in Singapore and South Korea
- Community care services for the elderly in Germany and Japan
- Support measures for the homeless in selected Asian places

Appendix 5

Secretary General's Environmental Report for the Year 2021-2022

Environmental Goal

The Legislative Council ("LegCo") Secretariat is committed to:

- Conducting all its activities and operations in an environmentally responsible manner
- Minimizing consumption of resources by efficient use of materials
- Minimizing negative impacts on the environment during the whole work cycle

Environmental Policy

The environmental policy of the LegCo Secretariat requires all staff to make a special effort to protect the environment through:

- **Saving resources**, particularly on paper and electricity
- **Reducing waste** by re-using paper, collecting recyclable materials and adopting green procurements where applicable
- **Preserving a pleasant indoor working environment** through maintenance of good indoor air quality and minimization of noisy works during office hours
- **Preventing and minimizing air pollution** through the choice of commuting modes and good driving behaviour

Environmental Management

The Administration Division regularly reviews the Secretariat's environmental objectives and oversees the implementation of the green programme in the Secretariat. To monitor the implementation of green effort measures in office premises, each division is requested to complete a compliance checklist every six months.

A list of environmental measures adopted by the Secretariat and the performance of these measures are shown in the table attached.

Since 2019-2020, carbon audits for the LegCo Complex have been suspended due to the massive restoration works carried out in the Complex following the intrusion into the Complex in July 2019 and the spread of the COVID-19 pandemic since 2020. The reason was that carbon emission and waste management performance in the Complex during the period could not accurately reflect the normal situation. Carbon and waste audits for the Complex will be resumed in due course.

Environmental Management and Future Targets

Saving Resources	
I. Environmental Measures Adopted	<p>Economy in the use of paper</p> <ul style="list-style-type: none"> • Communicate by email and other paperless means • Store documents in central information systems for common access by staff • Minimize photocopies and print-outs (e.g. not to make unnecessary hard/photocopies of documents) • Use recycled paper if hard copies are needed; print on both sides of paper; use double side photocopiers which can produce double-sided copies • Cease to use fax machines • Request softcopies from senders of documents to facilitate future processing by electronic means • Upload documents, including agenda, minutes, discussion papers, submissions, reports, of all open meetings onto the LegCo website (http://www.legco.gov.hk) • Closed Meeting System would be applied to more committees (e.g. Committee on Rules of Procedure, Public Accounts Committee, Committee on Personnel Matters) for distributing restricted documents to Members in soft copy only • Reduce subscription to newspapers and magazines by the use of electronic news platforms • Provide online news clipping service to Members and Secretariat staff, and cease to provide hardcopies • Adopt green measures at festive seasons (e.g. encourage the use of e-cards, reuse decorative materials) • Issue Social Function Accounts Statements to Members by email (e-statements) only and accept e-cheques <p>Economy in the use of envelopes</p> <ul style="list-style-type: none"> • Stop using envelopes for unclassified documents • Reuse envelopes or use transit envelopes <p>Energy conservation</p> <ul style="list-style-type: none"> • Carry out routine checks to ensure that users switch off lights and office equipment in unoccupied areas; and during lunch and after office hours when office is not in use • Modify lighting groupings and adjust the sensitivity of lighting sensors to reduce lighting to minimum requirement for illumination • Use high efficiency electric lamps/tubes, such as LED lamps and T5 fluorescent tubes as far as possible • Reduce the façade lighting of the LegCo Complex • Procure energy efficient computers and office equipment where applicable, having regard to the information in their energy labels (if any) and other national and international energy saving standards • Minimize the operation time of lifts and escalators outside office hours • As far as practicable, set the room temperature at 25.5°C during summer months • Monitor the operation of the air-conditioning system and review the schedule of the operation of air conditioning with a view to minimizing energy consumption • Reduce power consumption at the Dining Hall kitchen • Switch off the printers in the common areas before weekends and long holidays • Control fuel consumption (e.g. minimize the use of official vehicles) • Carry out routine maintenance of diesel-fuelled generators to ensure proper energy efficiency • Encourage the use of public transport and bicycles • Issue advice to LegCo premises users on a regular basis on the need to save energy <p>Water conservation</p> <ul style="list-style-type: none"> • Reduce the water flow of water taps • Install water flow controllers on wash basins in toilets and shower rooms • Inspect water meters regularly to ensure their smooth operation in monitoring water usage <p>Waste reduction</p> <ul style="list-style-type: none"> • Encourage recycling of paper, plastic, metal, glassware and rechargeable batteries, and provide collection bins on all floors in the LegCo Complex • Issue advice to LegCo premises users on a regular basis on the need to reduce waste • Stop providing bottled drinks at vending machines • Stop providing plastic tableware, plastic takeaway containers and plastic straws in the Coffee Corner and the LegCo Cafeteria
II. Performance on the Environmental Measures	<ul style="list-style-type: none"> • Consumption of electricity increased by 2.19% from 9 964 044 KWh in 2020-2021 to 10 182 101 KWh in 2021-2022 • Consumption of paper decreased by 27.65% from 8 626 reams in 2020-2021 to 6 241 reams in 2021-2022 • Collection of waste paper decreased by 0.25% from 27 863 kg in 2020-2021 to 27 793 kg in 2021-2022
III. Targets for Year 2022-2023	<ul style="list-style-type: none"> • Reduce electricity and paper consumption by 2%, subject to the number of meetings and level of activities in the LegCo Complex remaining more or less the same as in 2021-2022, and no major alteration/improvement works being carried out in the Complex (for activities relating to the expansion project of the Complex, the contractor would have its independent meters to record its electricity consumption).

Reducing Wastes	Preserving a Pleasant Indoor Working Environment
<ul style="list-style-type: none"> • Reuse envelopes and loose minute jackets • Use recycled paper • Use refillable ball pens • Cease the use of wooden pencils • Use recycled pencils • Use recycled printer cartridges as far as possible • Urge staff to use their own cups instead of paper cups • Collect waste paper, used printer cartridges, metal cans, plastic and glass bottles, and rechargeable batteries for recycling • Order the amount of food for Council meetings and corporate functions on a need basis and donate surplus food to the Foodlink Foundation 	<ul style="list-style-type: none"> • Use low emission and ozone-free photocopiers • Carry out alteration/improvement works outside office hours • Conduct annual air quality tests to monitor the air quality in offices • Clean air filters and outlets regularly
	<ul style="list-style-type: none"> • The LegCo Complex was designated as a smoke-free building • The LegCo Complex has been awarded the Indoor Air Quality (IAQ) Certificate (Excellent Class) under the IAQ Certification Scheme for Offices and Public Places annually since 2012 and the CITIC offices has been awarded the Excellent Class in 2022 • The LegCo Complex has been awarded the Blue/Silver Certificate under the Quality Water Supply Scheme for Buildings biennially since 2012
<ul style="list-style-type: none"> • Reduce paper consumption • Increase the use of on-line news services to replace printed newspapers • Foster a food wise culture to reduce food waste 	

立法會行政管理委員會
THE LEGISLATIVE COUNCIL
COMMISSION

香港中區立法會道1號立法會綜合大樓

Legislative Council Complex, 1 Legislative Council Road, Central, Hong Kong

網址 Website : <http://www.legco.gov.hk>

You Tube 頻道 YouTube Channel : www.youtube.com/legcogovhk

Flickr相片集 Flickr Album : www.flickr.com/photos/hk_legislature

流動應用程式 Mobile App : www.legco.gov.hk/chinese/mobile-app.html