



銅鑼灣

Causeway Bay

Annex F

**Supplementary Information for Potential
Non-viability of Performing Arts and Cultural
Facilities**



Market reality of arts and performing industry – Not Profitable

1. Existing PACF in Hong Kong are predominately **Government owned and heavily subsidized**
2. **Not profitable** (LCSD Facilities: cost recovery rate less than 50%) and **high competition** between public and private sectors

3.1 Consideration for Nil Premium

3.1 Gov't: Heavily Subsidized on LCSD Venues

- Arts and Performing Spaces in HK are predominately **Government owned or operated by statutory bodies**.
- **Leisure and Cultural Services Department ("LCSD")** manages a total of 16 performance venues ^{Note 1}.
- According to the Audit Report ^{Note 2}, Government set a **target cost recovery rate of 55%** for performing arts venues. The average cost recovery rate was only 48.6% from 2004 – 2009 (see below table).
- These indicate that **operating cost of performance venue is much higher than income generated**, and these facilities are **heavily subsidized**.

Cost recovery rates of LCSD Performing Arts Venue
(2004-05 to 2008-09)

	2004-05	2005-06	2006-07	2007-08	2008-09	5-year average
(a) Total cost (\$ million)	634	623	618	617	617	622
(b) Total income (\$ million)	299	298	310	340	261 (Note)	302
(c) Cost recovery rate (b)/(a) × 100%	47.2%	47.8%	50.2%	55.1%	42.3%	48.6%

Average cost recovery rate

Note:

1. As in Dec 2023, LSCD manages 14 existing performing arts venues (Hong Kong City Hall, Sheung Wan Civic Centre, Sai Wan Ho Civic Centre, Hong Kong Cultural Centre, Yau Ma Tei Theatre, Ko Shan Theatre, Ngau Chi Wan Civic Centre, Sha Tin Town Hall, North District Town Hall, Tsuen Wan Town Hall, Tuen Mun Town Hall, Tai Po Civic Centre, Kwai Tsing Theatre and Yuen Long Theatre), and two indoor stadia (Hong Kong Coliseum and Queen Elizabeth Stadium).
2. Source: Audit Commission (2010) - Chapter 7 of the Director of Audit's report No. 55, October 2010 https://www.aud.gov.hk/pdf_e/e55ch07.pdf

3.1 NGO (1): JCCAC Situation

- Arts and Performing Spaces **operated by non-profit organization / statutory bodies:**
 - Jockey Club Creative Arts Centre (JCCAC):** operated as a self-financed, non-profit making organisation since 2008.
 - Main source of income are rents (mainly studio rental) (46.6%), subsidy (26.5%) and donation (12.1%).
 - Financial position: (1) **continuously subsidized**; (2) **accumulated surplus is only HKD80,930** in June 2023 (for 15 years)

JCCAC發展仍集中租賃



2015至2018年度都錄得虧損，2018/19年度收入為2251.96萬元，支出2223.72萬元，盈餘28.24萬元。相對上，中心內的藝術團體，反而非常積極，如版畫工作室、光影作坊及社區文化發展中心等，都由細小單位搬到大的單位，計劃更多跨地域的合作，企圖有更多的發展和可能性，但以一直需要自攜資金守護機構的現實情況來看，擴大發展是有一定風險的。

Source: <https://www.inmediahk.net/node/1071711>

8 Financial Position

As at 30 June 2023, JCCAC had an operating surplus of \$49,383 and an accumulated surplus of \$80,930.

<i>Income items</i>	<i>Amount (to nearest \$000)</i>	<i>% of total income</i>
Rents*	\$7,724.6	46.6%
Anti-epidemic Fund (AEF) rental subsidy for JCCAC tenants*	\$4,398.5	26.5%
Income from communal facilities	\$1,545.7	9.3%
HKJCCT donation (JCBTSS)	\$2,010.1	12.1%
Government subsidy - Job Creation Scheme	\$454.0	2.7%
Sponsorship and subsidies for programmes (SSPDC)	\$110.1	0.7%
Other programme income	\$58.4	0.4%
Other sponsorship and income (not from programmes)	\$289.9	1.7%
Total	\$16,591.3	100.0%

Note: * Rents were frozen at 2019 levels and levied with a 75% discount by JCCAC. The loss in rental income was covered by a 75% rental subsidy by the Government's AEF scheme.

Source: [20231020_160422_1vPiltmUXi_f.pdf\(jccac.org.hk\)](https://www.jccac.org.hk/20231020_160422_1vPiltmUXi_f.pdf)

3.1 NGO (2): Tai Kwun

Arts and Performing Spaces **operated by non-profit organization / statutory bodies:**

- **Tai Kwun:** Non-profit making basis with operation mainly funded by HKJC.

- Despite established for 5 years, Tai Kwun still runs with expected **deficit** which was **funded by HKJC in an amount of \$55.34M** in 2022/2023 and \$63.1M in 2021/2022.
- **Please refer to Annual Report of HKJC for details of funding to Tai Kwun**

Extract of HKJC Annual Report (2022/23)

體育、康樂及文化	SPORTS, RECREATION AND CULTURE	金額 (千港元)
機構 / 用途	Organisation/Purpose	Amount (HK\$ 000)
香港賽馬會慈善信託基金主導計劃 籌辦一項由慈善信託基金主導的全港性運動計劃，推廣健康活躍的生活模式，為期五年	Hong Kong Jockey Club Charities Trust Initiatives To organise a Trust-initiated Citywide Programme to Promote Healthy Living through Active Lifestyle for five years.	239,980
中區警署建築群活化計劃 捐助2023/24年度大館公眾節目	Central Police Station Compound Revitalisation Project To fund Tai Kwun's public programmes in 2023/24	156,050
香港藝術節協會有限公司 於2024至2026年期間捐助「無限亮」共融藝術計劃	Hong Kong Arts Festival Society Limited To fund the implementation of the inclusive arts project "No Limits" from 2024 to 2026	78,330
中國香港足球總會有限公司 籌辦五年足球發展計劃餘下兩年的項目 (2023/24年度至2024/25年度)	The Football Association of Hong Kong, China Limited To organise the remaining two years of the Five-Year Football Development Programme (2023/24 to 2024/25)	62,020
香港地方志中心有限公司 (香港特別行政區社會資助計劃) 資助《香港志》出版「經濟部類」中文版四卷及英文譯本三卷	Hong Kong Chronicles Institute Limited (HKSAR Community Projects List) To publish four Chinese volumes under the Economy Division and English translation of three volumes for the Hong Kong Chronicles Project	61,820
中區警署建築群活化計劃 捐助2023/24年度大館預計營運虧損	Central Police Station Compound Revitalisation Project To fund Tai Kwun's operating deficits in 2023/24	55,340
香港珠海學院有限公司 (香港特別行政區社會資助計劃) 設立香港文學館及資助其2023/24年度的教育計劃	Hong Kong Chu Hai College Limited (HKSAR Community Projects List) To set up the Museum of Hong Kong Literature and support its educational programmes in 2023/24	45,600
香港馬術精英計劃 支援香港馬術精英計劃(青年發展及傷健盛裝舞步)，為期四年	The Hong Kong Equestrian Performance Programme To support the Hong Kong Equestrian Performance Programme (Youth Development and Para Dressage) for four years	41,830
香港藝術節協會有限公司 捐助2024年藝術節「香港賽馬會學生專享節目」、「賽馬會本地菁英創作系列」、「香港藝術節@大館」、「賽馬會創藝科媒系列」及2026年藝術節「香港賽馬會藝粹系列」節目	Hong Kong Arts Festival Society Limited To fund The Hong Kong Jockey Club Student Matinee Programme, Jockey Club Local Creative Talents Series, HKartsFestival@ Tai Kwun , Jockey Club InnoArts Series for 2024 and The Hong Kong Jockey Club Series for 2026 Hong Kong Arts Festival	34,770

3.1 NGO (3): Arts Centres

- **Other examples of Arts and Performing Venues**
 - require funding / subsidy & not profitable



- **Arts Centre under Home Affairs Department**
- Managed by the Hong Kong Arts Development Council (HKADC)
- **Additional government recurrent expenditure** arising from the Arts Centre is about **\$6.5 million per annum** as in 2015/16.



- **A non-profit arts institution and art museum**
- Operated by the centre itself
- According to the annual reports in the past five years (2018-2023), **only 1 year (2020/2021) had operational surplus.**

3.1 Statutory Body: West Kowloon Cultural District

HKEJ – 10 Oct 2023

2023年10月10日 時事脈搏 港聞

西九管理局上年度基本營運赤字7.18億

西九文化區管理局公布2022至2023財政年度財務表現，不計利息和投資收入，營運收入5.53億元，按年增長超過4倍；未計折舊、攤銷和融資成本前的基本營運赤字為7.18億元。西九管理局行政總裁馮程淑儀表示，基本營運赤字已較2021年度緊縮開支實施前的預測大幅減少50%



放大圖片

她續稱，除了致力推行積極的開源策略外，管理局在上個財政年度繼續嚴格控制開支。在成本收回率方面，期內表演藝術處實現34%成本收回率；M+及香港故宮文化博物館成本收回率更高，分別是46%和44%，與世界不少知名博物館相若。

她指出，與世界各地的文化藝術設施一樣，西九營運難以做到收支平衡，作為自負盈虧的文化機構，管理局長遠策略是透過商業收益，支持文化藝術設施營運。目前文化藝術設施陸續投入運作，但除藝術廣場大樓項目去年成功批出外，大部分能夠創造收入的商業設施，仍需要一段時間才到位，導致西九文化區面臨較嚴峻的財務挑戰。管理局在上個財政年度業務雖表現理想，開源節流措施亦略見成效，但只能將現金流耗盡時間推遲至2025年初。

Cost recovery rate is only 34%

3.1 Unsustainable Operation of Exhibition Spaces

Ming Pao – 4 Aug 2023

涉龐大資源 民間難營運 潘耀明：文學館需官方支持



明報

更新於 2023年08月04日02:08 • 發布於 2023年08月04日04:30 • 文化力場

追蹤

潘耀明多番出外考察後，得出一個結論：文學館需要由官方主導和支持。「因為私人根本沒有那麼多資源。還有一些文學館是由政府牽頭找商界贊助，當然亦有由商界企業家注資興建，但很少見，在正常情況下，我見不到通過民間就可以建立一間文學館，因為本身需要很多資源，要政府配合才行得通。」所以香港文學館從馬會獲得開館的第一筆資助後，發展方向會多從商界尋求資助，用作添購館藏和舉辦文學活動。



文學館標誌在書展活動同場發布，原來是設計師簡化新館會址的建築而成，因為香港文學館計劃進駐灣仔「M7茂蘿街7號」的3樓。參考其他地方的文學館，例如澳門、台灣和北京，均為一整棟建築物；香港文學館則佔地約2000多平方呎，「事實上那個地方就不大，只能夠拿來收藏和展覽，辦公室都不能放在裏面」。馬會提供的贊助僅為開館費，現階段不方便透露金額，馬會容後公布；其後文學館活動也需要逐項申請資助，日後也會向商界籌募經費。

Inmediahk.net- 4 Oct 2018

保育

週四 2018-10-04 獨媒報導

讚 0

動漫基地撤出茂蘿街 藝術中心指欠資源難自負盈虧

(獨媒特約報導) 市區重建局於2013年將位於灣仔茂蘿街的10幢戰前二級歷史建築，交予香港藝術中心營運「動漫基地」藝術社區。5年合約於今年7月屆滿，動漫基地宣佈撤出，市建局收回茂蘿街項目自行營運，並易名為「茂蘿街7號」。香港藝術中心總幹事林淑儀今日出席灣仔區議會文化及康體事務委員會，形容「完成了歷史任務」，稱欠缺資源導致營運困難，難以自負盈虧。

3.1 Unsustainable Operation of Performing Spaces

HK01 – 9 Sep 2022

虎豹樂園年底停運 **連年赤字倒蝕難維持** 結業前市民可免費參觀

撰文：陳美君

出版：2022-09-09 17:42 更新：2022-11-28 18:09



文物保育專員辦事處

虎豹別墅：虎豹樂園

- 獲選機構：胡文虎慈善基金(協辦機構: Haw Par Music Foundation Limited)
- 建設成本: 約1億3,050萬元
- 社會企業營運所需的政府資助: 約428萬元

計劃簡介

- 將虎豹別墅轉化為一所音樂訓練學院，提供中西音樂培訓和社區外展活動。
- 預計計劃開始營運的時間: 2017年
- 預計達到收支平衡的時間: 第3年



Development Bureau



Haw Par Music to cease operation from December 1

The Government today (September 9) announced that Haw Par Music will cease operation from December 1, 2022. The historic building of Haw Par Mansion, which is its base of operation, will be returned to the Government on the same day.

3.1 Unsustainable Operation of Performing Spaces

Artasiapacific - 19 Sep 2022

Hong Kong's Fringe Club Fails to Pay Former Employees

As Hong Kong's cultural space Fringe Club continues to struggle with the renewal of its lease at the historical building of the Old Dairy Farm Depot, the Club's founder Benny Chia Chun-heng and former administrator Catherine Lau Kam-ling filed a legal claim on August 30 against the board of the Club, Hong Kong Festival Fringe Limited to demand the repayment of their salaries. The duo, who have retired since the end of August, issued another letter on September 13 and warned of legal action to shut down the club if the board fails to pay by October 5.

The board's overdue payment to the pair totals HKD 12 million (USD 1.5 million), including HKD 8 million (USD 1 million) to Chia and HKD 4 million (USD 510,000) to Lau. Chia and Lau had served in their positions without being paid since 2007 and 2014 respectively, until they agreed to work voluntarily for the Club in April 2020, due to the financial deficit worsened by the pandemic. Citing this latest agreement, the Club's board of directors has rejected their demand. The acting chairman Anson Chan Yiu-cheung added that there's only approximately HKD 900,000 in the Club's bank account, which is insufficient for the repayment, and that the Club has suffered from clearing its debt for over a decade since the 2008 financial crisis.

The dispute is a further blow to the club's survival as it is facing difficulties in renewing its lease at the Old Dairy Farm Depot on Lower Albert Road in Central. While the lease was usually extended on a five-year basis in the past, the latest renewal granted by the government only lasts one year and will expire in March next year. The Club's potentially last art exhibition "Be 40," celebrating the space's four-decade history, ended on June 30 and featured 66 artists such as Antonio Mak, Leung Mee Ping, and Yeung Tong Lung.

The Culturist - 26 Aug 2022



Ming Pao - 29 Dec 2023

藝穗會現址續營3年 梁唐青儀入董事會



圖1之1 - 中環藝穗會獲准在原址下亞厘畢道2號營運至2027年，不過由5年租約改為3年自負盈虧的服務協議合約。(資料圖片)

3.1 New Supply and Strong Competition

Skypost - 19 Oct 2022



施政報告2022 | 康文署博物館增至19間 表演場地座位數目增50%

Now TV News - 29 Aug 2022

科大設全港首個預設沉浸式音響系統表演場地



【Now新聞台】香港科技大學打造全港首個預設沉浸式音響系統的表演場地，讓觀眾有更好的觀賞體驗。場地除了供團體租用表演，

禮堂其中350個座位可以靈活移動，頭排的座位更加可以收起，再升高舞台，為表現者預留更多空間。

整座逸夫演藝中心樓高四層，除主禮堂亦設有錄音室、展覽場地等，大樓由邵氏基金捐助1.5億元興建。

Singtao Daily - 12 Aug 2022

西九文化區推多項場地租用新安排 藝團享新優惠

為回應強勁的場地租賃需求，管理局推出多個位於區內不同地點和不同面積的新活動場地，令戶外活動場地由

以往8個增加至19個，整體面積增幅逾一倍至超過34,000平方米。

新增的活動場地包括毗鄰M+、香港歷史博物館及香港科學館的「文士甸站的「文」因應表演藝術界的需要，西九的表演藝術場地（包括戲曲中心及自由空間）亦新增多項租賃優惠，當中包括提供「場地組合租用優惠」，讓租用大型設施的租用者**以優惠價租用指定**的小型設施（如戲曲中心排演室及自由空間細盒等）；推出「合作伙伴計劃」，鼓勵不同表演藝術團體在西九呈獻更多優質節目；以及向音樂、戲劇和舞蹈等長期製作提供特別優惠。



施政報告2022 | 撥14億資助會展業 3年內設逾200場展覽 亞博館擴建第2期

3.1 Arts and Performing Spaces: Not Marketable & Not Commercially Feasible

- Taking **Soundwill Plaza II** in Causeway Bay as an example, the arts and performing space was **converted into co-working spaces** (tenant: COLLECTIVEWORKSPACE HK LIMITED) in 2016
- Showing that arts and performing spaces are **not marketable**

Extract of Press Release for Use of 17/F Soundwill Plaza II as Arts and Performing Space



金朝陽中心二期-Midtown

全新 Midtown POP 及林寶堅尼珍藏館開幕
打造星級飲食藝術新地標

【香港，2014年5月22日】金朝陽集團為向本地及海外藝術家提供展出作品機會，並使公眾獲得更多機會認識和了解本地及國際的藝術創作，集團在金朝陽中心二期 - Midtown 17 樓全層特設一個面積達 7 千平方呎之視覺藝術及多用途表演活動場地，並命名為 Midtown POP，並於 2014 年 5 月正式啓用。

Extract of Land Search Record of 17/F of Soundwill Plaza II

所佔地段份數
SHARE OF THE LOT: 4311/120361

ADDRESS: 17TH FLOOR
SOUNDWILL PLAZA II - MIDTOWN
NO. 1 TANG LUNG STREET
HONG KONG

土地註冊處 THE LAND REGISTRY
土地登記冊 LAND REGISTER
物業涉及的權屬
INCUMBRANCES

印刷編號 PRINT CONTROL: ESS231219015673

註冊摘要編號 MEMORIAL NO.	文書日期 DATE OF INSTRUMENT	註冊日期 DATE OF REGISTRATION	文書性質 NATURE	受惠各方 IN FAVOUR OF	代價 CONSIDERATION
備註 REMARKS: FOR LOTS AFFECTED SEE MEMORIAL					
14062002300180	30/05/2014	20/06/2014	DEED OF MUTUAL GRANT OF RIGHTS WITH PLANS	-	-
14062002300191	30/05/2014	20/06/2014	DEED OF MUTUAL COVENANT AND MANAGEMENT AGREEMENT WITH PLANS	GOLDWELL PROPERTY MANAGEMENT LIMITED	-
		27/06/2016		COLLECTIVEWORKSPACE HK LIMITED	
16062701580018	20/06/2016	27/06/2016	MEMORANDUM OF TENANCY AGREEMENT	COLLECTIVEWORKSPACE HK LIMITED	-(PT.)
備註 REMARKS: FOR 3 YEARS FROM 1.10.2016 TO 30.9.2019 WITH OPTIONS TO RENEW FOR 2 FURTHER TERMS					
21040101780018	26/03/2021	01/04/2021	GOVERNMENT NOTICE NO. 1704 OF 26.3.2021 PURSUANT TO SECTION 23(2)*	-	-
備註 REMARKS: * OF THE GOVERNMENT RENT AND PREMIUM (APPORTIONMENT) ORDINANCE (CAP. 125) RE ML 269 S.M SS.1 AND IL 746 S.N SS.1					
21040101780023	26/03/2021	01/04/2021	GOVERNMENT NOTICE NO. 1705 OF 26.3.2021 PURSUANT TO SECTION 23(2)*	-	-