

僱員補償保險徵款管理局
Employees' Compensation
Insurance Levies Management Board

僱員補償保險徵款管理局
EMPLOYEES' COMPENSATION
INSURANCE LEVIES MANAGEMENT BOARD

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宗旨

僱員補償保險徵款管理局(下稱管理局)負責收集及分配由保險承人轉交的僱員補償保險徵款(下稱徵款)。當僱主投購僱員補償保險時，須依據保費的金額繳交一筆徵款，而該徵款則是分配給有關的指定團體，分別為保障全港僱員的職業安全健康提供支援，向未能從僱主或承保人取得補償的因工受傷僱員或因工死亡僱員的家屬支付援助金，以及向罹患職業性失聰的僱員支付補償。

管理局的組成與職能

管理局是於1990年7月1日根據《僱員補償保險徵款條例》(香港法例第411章)而成立的，其職能是：

- (一) 收集由承保人轉交的徵款；
- (二) 就徵款率向行政長官會同行政會議作出建議；
- (三) 將資源淨額分配予指定的團體。這些團體包括職業安全健康局、僱員補償援助基金管理局和職業性失聰補償管理局；及
- (四) 執行條例委予管理局的其他職能。

管理局共有10名成員，他們是由香港特別行政區行政長官委任，包括了僱員、僱主、保險業、職業安全健康局、僱員補償援助基金管理局、職業性失聰補償管理局及政府的代表。管理局成員每一任的任期不超過三年。

僱員補償保險徵款管理局成員名單

主席

廖達賢先生 主席

成員

張成雄先生，銅紫荊星章 僱主代表

蔡關穎琴女士，榮譽勳章
(至2016年6月30日止) 僱主代表

王賢敏女士
(由2016年7月1日起) 僱主代表

吳秋北博士 僱員代表

吳慧儀女士，榮譽勳章，太平紳士
(至2016年6月30日止) 僱員代表

譚金蓮女士
(由2016年7月1日起) 僱員代表

潘榮輝先生 保險業界代表

譚國榮先生 職業安全健康局代表

林淑芬女士，榮譽勳章
(至2016年6月30日止) 僱員補償援助基金管理局代表

林偉江先生
(由2016年7月1日起) 僱員補償援助基金管理局代表

李秀琼女士 職業性失聰補償管理局代表

畢咏彤女士 勞工處高級勞工事務主任
(負責僱員補償事務)

收集僱員補償保險徵款

《僱員補償保險徵款條例》是在1990年獲制訂通過，規定當僱主投購僱員補償保險時，須依據保費的金額支付一筆僱員補償保險徵款。當這項徵款最初推行的時候，徵款率的水平被定於保費的2%，其後徵款率曾被數次調整。最近一次修訂的徵款率是根據2010年7月1日生效的《2010年職業性失聰(補償)(修訂)條例》而定出，該條例同時修訂了《僱員補償保險徵款(徵款率)令》及《僱員補償保險徵款條例》。

徵款率之修訂

過往多年之徵款率如下：

生效日期	徵款率
1990年7月1日	2.0%
1995年7月1日	3.5%
1998年1月1日	4.5%
1998年4月1日	5.3%
2002年7月1日	6.3%
2010年7月1日	5.8%

當僱主繳付僱員補償保險保費時，須將徵款一併交予承保人。根據《僱員補償保險徵款條例》的規定，承保人須將在三個月的期間內由僱主所繳交的徵款轉交給管理局，這三個月的期間被稱為「有關期間」。在每一段有關期間完結後，管理局會向各獲授權在香港經營僱員補償保險業務的承保人發出指定的呈報表格，承保人須依照規定，把填妥的表格及該有關期間內所代收的徵款，在每有關期間完結後兩個月內轉交給管理局。

承保人可從轉交的徵款中扣除下列款項：

- (一) 已付退還予僱主的徵款金額；及
- (二) 一筆承保人被視為已收到的徵款數額，但承保人在發出保單三個月後，仍未成功收取該筆徵款。

承保人亦可扣除相等於所轉交徵款額的百分之五，作為代管理局收取徵款的手續費。

至2017年3月31日為止，共有63名承保人獲授權可在香港經營僱員補償保險業務。在過去10年，此類獲授權的承保人數目的統計附載於附錄一。

分配徵款

在收集轉交的徵款及扣除必需的開支後，管理局須於該有關期間完結後三個月內，將餘下的資源淨額分配予各指定團體。現時可獲管理局分配資源的團體為：

- (一) 職業安全健康局；
- (二) 僱員補償援助基金管理局；及
- (三) 職業性失聰補償管理局。

管理局的資源淨額是依據《僱員補償保險徵款條例》附表2所指定的比率來分配的。根據於2010年最新修訂為5.8%的徵款率，管理局由2010年10月1日起按下列指定的比率來分配其資源淨額予指定的團體：

- | | |
|-----------------|-------|
| (一) 職業安全健康局 | 20/58 |
| (二) 僱員補償援助基金管理局 | 31/58 |
| (三) 職業性失聰補償管理局 | 7/58 |

僱主與承保人的責任

《僱員補償保險徵款條例》規定，僱主需將支付保費及徵款的資料保存三年，供管理局在有需要時作核査之用。承保人亦須保存有關記錄及在有需要的時候呈交管理局查閱。

2016/17 年度的活動

收集徵款

- 管理局於2016/17年度共收到港幣350,771,275元的徵款，較去年港幣370,963,642元的徵款減少了5%。
- 有關過往10年管理局徵款收入的詳情(包括按季度的細項)，請參考附錄二。

資源淨額分配

- 在2016/17年度，可分配給三間指定團體的資源淨額總額為港幣350,369,227元，分配的數額分別為：

指定機構	分配的數額 (港元)
職業安全健康局	120,816,975
僱員補償援助基金管理局	187,266,311
職業性失聰補償管理局	42,285,941
	350,369,227

- 在過去10年，管理局資源淨額分配的詳情請參閱附錄三。

財務

在2016/17年度，管理局收到由承保人繳交的徵款共達港幣350,771,275元，佔管理局全年總收入的99.96%，餘下的0.04%收入乃來自銀行存款的利息。管理局的支出主要是秘書處服務的行政開支和其他雜項費用。管理局致力確保各承保人所填報資料之準確性，以保障三間從管理局獲得分配徵款的指定團體的利益。

在扣除必需的開支後，管理局於每季定期將所有資源淨額分配予各指定團體。鑑於管理局通常不會保存盈餘，故設立一筆不超逾每月平均開支的兩倍的應變儲備金以確保管理局可順利運作。

核數師報告及財務報表

獨立核數師報告書

致僱員補償保險徵款管理局各成員
(根據《僱員補償保險徵款條例》成立)

意見

本核數師(以下簡稱「我們」)已完成審核僱員補償保險徵款管理局(「管理局」)列載於第11頁至第20頁的財務報表，此財務報表包括於二〇一七年三月三十一日的資產負債表，與截至該日止年度的收支結算表、權益變動表及現金流量表，以及財務報表附註，包括主要會計政策概要。

我們認為，財務報表已根據香港會計師公會頒佈的《香港財務報告準則》真實而中肯地反映 貴管理局於二〇一七年三月三十一日的財務狀況及其截至該日止年度的財務表現及現金流量，並已遵照《僱員補償保險徵款條例》的披露規定妥為編製。

意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計財務報表承擔的責任」部份中作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》(「守則」)，我們獨立於管理局，並已履行守則中的其他專業道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

年報內的其他資料

管理局須對其他資料負責。其他資料包括 貴管理局二〇一七年度年報內的所有資料，但不包括財務報表及我們的核數師報告(「其他資料」)。

我們對財務報表的意見並不涵蓋其他資料，我們亦不對其他資料發表任何形式的鑒證結論。

結合我們對財務報表的審計，我們的責任是閱讀其他資料，在此過程中，考慮其他資料是否與財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他資料存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

管理局對財務報表的責任

管理局須負責按香港會計師公會頒佈的《香港財務報告準則》及《僱員補償保險徵款條例》的披露要求，編製真實而公平的財務報表，並負責管理局認為就編製財務報表而言屬必要的內部控制，確保財務報表的列報不含基於欺詐或錯誤而導致的重大錯誤陳述。

在編製財務報表時，管理局負責評估 貴管理局持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非管理局有意將 貴管理局清盤或停止經營，或別無其他實際的替代方案。

管理局負責履行監督管理局財務報告過程的責任。

核數師就審計財務報表承擔的責任

我們的目標，是對財務報表整體是否存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並發表包括我們意見的核數師報告。除此以外，我們的報告不可用作其他用途。我們不就本報告的內容，對任何其他人士負責或承擔任何責任。

合理保證是高水平的保證，但不能保證按照《香港審計準則》進行審計時能發現某一重大錯誤陳述存在。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯集起來可能影響財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對該等風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對 貴管理局內部控制的有效性發表意見。

- 評價管理局所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對管理局採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴管理局的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提醒使用者注意財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致 貴管理局不能持續經營。
- 評價財務報表的整體列報方式、結構和內容，包括披露，以及財務報表是否以達到公平列報的方式中肯反映相關交易和事項。

除了其他事項外，我們與管理局溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們的審計中識別出內部控制的任何重大缺陷。

國富浩華(香港)會計師事務所有限公司
執業會計師
香港，二〇一七年六月十五日

盧卓邦

執業證書編號P06029

收支結算表

截至二〇一七年三月三十一日止年度

	附註	2017 (港元)	2016 (港元)
收入			
徵款收入	4	350,771,275	370,963,642
銀行存款利息		126,095	119,419
		350,897,370	371,083,061
支出			
核數費用		32,420	30,786
營運費用	5	450,000	450,000
其他費用		45,823	17,644
		528,243	498,430
資源淨額分配	6		
僱員補償援助基金管理局		187,266,311	198,071,000
職業性失聰補償管理局		42,285,941	44,725,710
職業安全健康局		120,816,975	127,787,741
		350,369,227	370,584,451
本年度之(虧損)/盈餘及 所有綜合(支出)/收益		(100)	180

資產負債表

截至二〇一七年三月三十一日止年度

附註	2017 (港元)	2016 (港元)
流動資產		
現金及現金等值項目	88,480	86,580
流動負債		
應付支出 7	31,545	29,545
流動資產淨值	56,935	57,035
代表		
應變儲備金 9	56,935	57,035

本賬目於二〇一七年六月十五日經管理局批准及授權發出。

代表管理局

廖達賢先生
主席

權益變動表

截至二〇一七年三月三十一日止年度

	累積 (虧損)/盈餘 (港元)	應變儲備金 (港元)	總權益 (港元)
於二〇一五年四月一日	-	56,855	56,855
本年度之盈餘及所有綜合收益	180	-	180
撥入至應變儲備金	(180)	180	-
於二〇一六年三月三十一日	-	57,035	57,035
於二〇一六年四月一日	-	57,035	57,035
本年度之虧損及所有綜合支出	(100)	-	(100)
撥入至應變儲備金	100	(100)	-
於二〇一七年三月三十一日	-	56,935	56,935

現金流量表

截至二〇一七年三月三十一日止年度

	2017 (港元)	2016 (港元)
經營活動之現金流量		
本年度之(虧損) / 盈餘	(100)	180
調整：利息收入	(126,095)	(119,419)
	(126,195)	(119,239)
營運資金變動：		
增加 / (減少)應付支出	2,000	(40,755)
經營活動之現金流出淨值	(124,195)	(159,994)
投資活動之現金流量		
已收利息	126,095	119,419
投資活動之現金流入淨值	126,095	119,419
現金及現金等值項目 增加 / (減少)淨額	1,900	(40,575)
年初現金及現金等值項目	86,580	127,155
年終現金及現金等值項目	88,480	86,580

財務報表附註

截至二〇一七年三月三十一日止年度

1. 法人地位

僱員補償保險徵款管理局(「管理局」)是根據《僱員補償保險徵款條例》(「徵款條例」)成立，負責收集由承保人轉交的徵款，並將資源淨額分配予指定的團體。其註冊地址及運作地點為香港九龍長沙灣長裕街10號億京廣場2期15樓A-B室。

2. 主要會計政策**a) 合規聲明**

此等財務報表乃根據由香港會計師公會(「香港會計師公會」)頒佈之所有適用香港財務報告準則(「香港財務報告準則」)，該統稱包括所有適用的個別香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋、及香港普遍接納之會計原則之規定而編制。此等財務報表亦根據徵款條例之規定而編制。管理局所採納的主要會計政策之概要將在下文陳述。

香港會計師公會已頒佈若干新訂及經修訂香港財務報告準則，其首次生效日期或可供提早採納適用於管理局之目前會計期間。附註3提供首次應用該等準則之資料，惟該等準則須與該等財務報告中所反映管理局的目前及過往會計期間有關。

b) 財務報表編製基準

本財務報表乃按歷史成本法編製。編製符合香港財務報告準則之財務報表，需管理層作出判斷、估計及假設，而該等判斷、估計及假設會影響政策之應用及所申報之資產、負債、收入及開支等數額。該等估計及相關假設乃根據過往經驗及於具體情況下被視為屬合理之多項其他因素作出，所得結果將作為判斷無法直接從其他來源獲取的資產及負債賬面值之依據。實際結果可能有別於該等估計。

該等估計及相關假設均按持續基準予以檢討。倘對會計估計的修訂只影響該期間，則有關修訂於修訂該估計的期間確認，或倘該修訂影響目前及日後期間，則於修訂期間及日後期間確認。

管理層就來年採用對財務報表有重大影響的香港財務報告準則作出的判斷，以及估計預期並無重大調整的風險。

c) 收入確認

收益按已收或應收代價的公平值計量。倘經濟利益可能會流向本管理局而收入及成本(如適用)能可靠計量，則收益確認於收支結算表如下：

- i) 徵款收入
當徵款收取後才會被視為收入，而且徵款的金額是以實收款項計算，即已扣除承保人所收取的百分之五手續費。
- ii) 利息收入
利息收入按時間比例基準計、本金及實際利率確認。

d) 資源淨額的分配

根據徵款條例第7(1)條，管理局分配資源淨額予指定團體。有關團體可獲付款的權益則以資源淨額被管理局確認為準。

根據徵款條例第6條，資源淨額為有關期間內收到的徵款淨額收入及在該有關期間之利息收入(該兩項收入之確認政策分別載於附註2(c))於扣除下列款額後被確認：

- i) 在該有關期間內承擔的支出及退還徵款；和
- ii) 增加或撥減應變儲備金額(參閱附註9)。

在各有關期間內之資源淨額，會按附註6所註明之比率作分配。按照法例，有關期間是指管理局根據徵款條例第9(1)條所訂定的三個月期間。

e) 現金及現金等值項目

現金及現金等值項目為銀行及手頭現金、銀行及其他財務機構的活期存款、短期而流動性極高的投資，這些投資可隨時換算為已知的現金數額，並且由於在購入後三個月內到期，所以沒有重大價值轉變的風險。

f) 應付未付及其他應付款項

應付未付及其他應付款項乃初步按公平值確認，其後按經攤銷成本列賬，除非折現影響為微不足道，在該情況下則按成本列賬。

3. 新訂及經修訂香港財務報告準則(「香港財務報告準則」)的應用

香港會計師公會頒佈若干經修訂之香港財務報告準則，並於管理局當前會計期間起首次生效。此等修訂對管理局於當前或過往會計期間匯報或呈列的業績或財務狀況並無重大影響。

管理局並無採用任何在當前會計期間尚未生效之新訂準則或詮釋。

4. 徵款收入

根據徵款條例第14條規定，自1990年7月1日起凡承保人依據《僱員補償條例》第IV部所發出的僱員補償保險單，受保人均需按他在該份保險單下需繳付的每筆保費，繳付一項名為「僱員補償保險徵款」的徵款。以截至2017年3月31日為止的年度，徵款率訂為5.8%。而據徵款條例第15(4)條及15(5)條，承保人凡在有關期間內收到第14條所指的徵款，須在該期間結束後兩個月內，將扣除手續費後的款項轉交予管理局。手續費的計算方式由財經事務及庫務局局長不時指定。

5. 營運費用

管理局與職業性失聰補償管理局達成協議，由後者提供秘書處服務，服務年費為港幣450,000元 (2016：港幣450,000元)。

6. 資源淨額分配

據徵款條例第7(1)條，管理局須在有關期間完結後三個月內，將關於該期間的管理局資源淨額，按下述指明的比率，分配予指定團體：

指定團體	2010年10月1日及其後資源淨額比率
職業安全健康局	20/58
僱員補償援助基金管理局	31/58
職業性失聰補償管理局	7/58

7. 應付支出

截至2017年3月31日的應付支出與賬面上的應付支出的金額大致相同。

8. 稅項

管理局根據《稅務條例》第88條而獲得豁免稅項。

9. 應變儲備金

此儲備金乃是管理局據徵款條例第8條的規定下撥款設立，以應付突發或緊急的開支與及徵款條例第6(3)(a)、(b)或(c)條指明的支出。根據徵款條例第8條，如某筆款項一經撥入應變儲備金，便會(i)令儲備金總額增至超越管理局每月平均開支的兩倍，或(ii)超逾勞工及福利局局長不時批准的較大數額，則管理局不得將該筆款項撥入應變儲備金。

10. 財務風險管理目標及政策

管理局的財務風險主要來自其金融工具。管理局之主要金融工具包括現金及現金等值項目和應付支出。本局之主要風險為信貸風險，貨幣風險及利率風險：

a) 信貸風險

管理局流動資金的信貸風險並不重大，因為交易方為獲國際信貸評級機構評為良好信貸評級之金融機構。

b) 貨幣風險

由於管理局的資產及負債全部以港幣計值，故本局並無外匯風險。

c) 利率風險

管理局面對利率變化的市場風險主要與銀行現金及現金等值項目的結餘有關。

浮動利率利息收入於發生時在收支結算表中確認。

11. 截至二〇一七年三月三十一日止年度已頒佈但尚未生效的經修訂、新準則及詮釋的潛在影響

直至本財務報表日期，香港會計師公會已頒佈了截至二〇一七年三月三十一日止年度尚未生效及管理局於本財務報告中未有採納的修訂及新訂準則。

本管理局正在評估該等新訂及修訂香港財務報告準則於初步採用期間預期將產生的影響。到目前為止，本局得出的結論是其採納對財務報表很少機會產生重大影響。

獲授權可經營僱員補償保險業務之承保人數目

(2007/08 - 2016/17)

年度	承保人數目
2007/08	79
2008/09	81
2009/10	79
2010/11	77
2011/12	72
2012/13	66
2013/14	69
2014/15	67
2015/16	65
2016/17	63

按季度列出之僱員補償保險徵款收入

(2007/08 - 2016/17)

(以千元計)

財政年度	季度(月份)				徵款總數	*百分之一保費的徵款額	較上年度增減(+/-%)
	首季(4-6)	次季(7-9)	第三季(10-12)	第四季(1-3)			
2007/08	42,361	47,830	46,951	35,599	172,741	27,419	-2.5
2008/09	47,525	50,477	47,503	36,059	181,564	28,820	+5.1
2009/10	57,357	50,900	52,578	39,453	200,288	31,792	+10.3
2010/11	62,721	69,126	58,520	42,068	232,435	38,271	+20.4
2011/12	61,488	64,986	60,120	56,567	243,161	41,924	+9.6
2012/13	79,345	79,030	80,944	68,235	307,554	53,027	+26.5
2013/14	98,696	94,669	89,332	85,365	368,062	63,459	+19.7
2014/15	100,991	93,768	94,204	78,686	367,649	63,388	-0.1
2015/16	100,426	92,539	100,902	77,097	370,964	63,959	+0.9
2016/17	89,001	98,880	90,960	71,930	350,771	60,478	-5.4

* 註：百分之一保費的徵款額 = 徵款總數 ÷ 有效之徵款率

管理局資源淨額分配

(2007/08 - 2016/17)

(以千元計)

年度	職業安全健康局	僱員補償援助基金管理局	職業性失聰補償管理局	總額
2007/08	54,885	77,211	40,792	172,888
2008/09	57,413	71,766	51,671	180,850
2009/10	63,638	79,548	57,275	200,461
2010/11	76,435	105,931	49,746	232,112
2011/12	83,768	129,841	29,319	242,928
2012/13	105,953	164,228	37,084	307,265
2013/14	126,833	196,590	44,391	367,814
2014/15	126,698	196,382	44,344	367,424
2015/16	127,788	198,071	44,725	370,584
2016/17	120,817	187,266	42,286	350,369

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Mission

The Employees' Compensation Insurance Levies Management Board (the Board) is responsible for collecting and distributing the Employees' Compensation Insurance Levy (the levy) remitted by insurers. The levy, which is imposed on employers when they take out employees' compensation insurance, is distributed to specified bodies for the protection of employees' occupational safety and health, for making payments to injured employees or family members of deceased employees who are unable to receive compensation from employers or insurers, as well as for paying compensation to those employees suffering from occupational deafness respectively.

Establishment and Functions of the Board

The Board was established on 1 July 1990 under the Employees' Compensation Insurance Levies Ordinance (Cap. 411). Its functions are:

- (a) to collect the levy remitted by insurers;
- (b) to make recommendations to the Chief Executive in Council with respect to the rate of levy;
- (c) to distribute the net resources to the specified bodies, namely the Occupational Safety and Health Council, the Employees Compensation Assistance Fund Board, and the Occupational Deafness Compensation Board; and
- (d) to perform such other functions as are provided for under the Ordinance.

The Board is made up of 10 members appointed by the Chief Executive of the Hong Kong Special Administrative Region. They include representatives of employees, employers, the insurance industry, the Occupational Safety and Health Council, the Employees Compensation Assistance Fund Board, the Occupational Deafness Compensation Board and the Government. The term of each member shall not exceed three years.

Membership of the Employees' Compensation Insurance Levies Management Board

Chairman

Mr LIU Tat-yin, Kennedy Chairman

Members

Mr CHEUNG Sing-hung, BBS Employer representative

Mrs CHOI KWAN Wing-kum, Janice, MH
(up to 30 June 2016) Employer representative

Ms WONG Yin-man, Ada
(from 1 July 2016) Employer representative

Dr NG Chau-pei Employee representative

Ms NG Wai-yee, MH, JP
(up to 30 June 2016) Employee representative

Ms TAM Kam-lin, Jenny
(from 1 July 2016) Employee representative

Mr POON Wing-fai, Jimmy Insurance industry representative

Mr TAM Kwok-wing, Ivan Representative of the
Occupational Safety &
Health Council

Ms LAM Suk-fun, MH
(up to 30 June 2016) Representative of the
Employees Compensation
Assistance Fund Board

Mr LAM Wai-kong
(from 1 July 2016) Representative of the
Employees Compensation
Assistance Fund Board

Ms LEE Sau-king, Amy Representative of the
Occupational Deafness
Compensation Board

Ms BUT Wing-tung, Christine Senior Labour Officer of
Labour Department
(Responsible for matters relating to
employees' compensation)

Collection of Employees' Compensation Insurance Levy

The Employees' Compensation Insurance Levies Ordinance was enacted in 1990 to impose a levy on employees' compensation insurance premiums. When the levy was first introduced, its rate was set at 2% of the premium level. The rate has been revised over the years. The latest revision, introduced by the Occupational Deafness (Compensation) (Amendment) Ordinance 2010, that at the same time amended the Employees' Compensation Insurance Levy (Rate of Levy) Order and the Employees' Compensation Insurance Levies Ordinance, came into effect on 1 July 2010.

Revision of the Levy Rate

The levy rates over the past years are as follows:

Effective Date	Levy Rate
1 July 1990	2.0%
1 July 1995	3.5%
1 January 1998	4.5%
1 April 1998	5.3%
1 July 2002	6.3%
1 July 2010	5.8%

When employers pay employees' compensation insurance premium to insurers, they should pay the levy at the same time. According to the Employees' Compensation Insurance Levies Ordinance, the insurers should remit to the Board the levies that are paid by employers during a three-month period which is referred to as "relevant period". At the end of each relevant period, the Board sends out prescribed forms to all insurers who are authorised to carry on employees' compensation insurance business in Hong Kong. They are required to return the completed prescribed forms and remit the levy to the Board within two months from the end of each relevant period.

Insurers are allowed to deduct the following from the levy remittance:

- (a) the amount of any refund of levy paid to an employer; and
- (b) the amount of levy deemed to have been received by the insurer but failed to reach him at the end of three months from the date of issue of the insurance policy to which the levy is related.

They are also authorised to deduct 5% of the total levy payable as handling charge for collecting the levy on behalf of the Board.

As at 31 March 2017, 63 insurers were authorised to carry on employees' compensation insurance business in Hong Kong. Statistics on the number of authorised insurers in the past 10 years are given in *Appendix 1*.

Distribution of Levy

On receiving the levy remittance, the Board deducts the necessary expenses. The remaining net resources are then distributed to the specified bodies no later than three months from the end of any relevant period. At present, the following bodies are entitled to receive distributions from the Board:

- (a) Occupational Safety and Health Council;
- (b) Employees Compensation Assistance Fund Board; and
- (c) Occupational Deafness Compensation Board.

The proportion of the net resources of the Board to be distributed is set out in Schedule 2 of the Employees' Compensation Insurance Levies Ordinance. Based on the levy rate of 5.8% which was last revised in 2010, the Board has distributed its net resources to the specified bodies according to the following proportions since 1 October 2010:

(a) Occupational Safety and Health Council	20/58
(b) Employees Compensation Assistance Fund Board	31/58
(c) Occupational Deafness Compensation Board	7/58

Duties of Employers and Insurers

As required by the Employees' Compensation Insurance Levies Ordinance, employers should retain information pertaining to the payment of premiums and levy for three years. Such records shall be provided to the Board when required. Insurers shall also maintain and present records for inspection by the Board when required.

Activities Conducted during the Year 2016/17

Levy Remitted to the Board

- The Board collected a total of HK\$350,771,275 of levy in the year 2016/17. This represented a decrease of 5% over the previous year's amount of HK\$370,963,642.
- Details of the levy income received by the Board, with breakdown in quarterly periods, in the past 10 years are given in *Appendix 2*.

Net Resources Distributed

- In 2016/17, the total amount of net resources available for distribution to the three specified bodies was HK\$350,369,227. The respective amounts so distributed were as follows:

Specified Body	Amount Distributed (HK\$)
Occupational Safety and Health Council	120,816,975
Employees Compensation Assistance Fund Board	187,266,311
Occupational Deafness Compensation Board	42,285,941
	350,369,227

- Distribution of the net resources of the Board in the past 10 years is given in *Appendix 3*.

Finance

For the year 2016/17, the Board's income that came from the levy remitted by insurers amounted to HK\$350,771,275, representing 99.96% of the total annual income of the Board. The remaining 0.04% of the income was generated from interest on bank deposits. Expenditure of the Board mainly covered the administrative expenses for secretariat service and other miscellaneous expenses. The Board always prioritises its work to ensure accurate and detailed reporting from insurers, with the aim of protecting the interests of the three specified bodies receiving distribution of resources from the Board.

After deducting the necessary expenses, the Board distributes all the net resources to the specified bodies quarterly at regular intervals. As the Board does not normally retain any surplus, a contingency fund, at an amount of not more than twice the average monthly expenses, is established to ensure the smooth operation of the Board.

Auditor's Report and Financial Statements

Independent Auditor's Report to the Members of Employees' Compensation Insurance Levies Management Board

(Established under the Employees' Compensation Insurance Levies Ordinance)

Opinion

We have audited the financial statements of Employees' Compensation Insurance Levies Management Board (the "Board") set out on pages 35 to 45, which comprise the statement of financial position as at 31 March 2017 and the income and expenditure account, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Board as at 31 March 2017, and of its financial performance and its 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 compliance with the Employees' Compensation Insurance Levies Ordinance.

Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Board in accordance with the HKICPA's *Code of Ethics for Professional Accountants* (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial statements and auditor's report thereon

The Board is responsible for the other information. The other information comprises all the information included in the annual report, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board for the financial statements

The Board 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 Employees' Compensation Insurance Levies Ordinance, and for such internal control as the Board 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 Board is responsible for assessing the Board's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intends to liquidate the Board or to cease operations, or has no realistic alternative but to do so.

The Board is responsible for overseeing the Board's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our 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 our opinion. This report is made solely to you, as a body, for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAAs 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 HKSAAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We 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 our 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 Board's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- Conclude on the appropriateness of the Board'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 Board's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Board to cease to continue as a going concern.
- 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.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Crowe Horwath (HK) CPA Limited
 Certified Public Accountants
 Hong Kong, 15 June 2017

Lo Charbon

Practising Certificate Number P06029

Income and Expenditure Account

For the year ended 31 March 2017

	Note	2017(HK\$)	2016(HK\$)
Income			
Levies income	4	350,771,275	370,963,642
Interest income from bank deposits		126,095	119,419
		350,897,370	371,083,061
Expenditure			
Audit fee		32,420	30,786
Operating expenses	5	450,000	450,000
Sundry expenses		45,823	17,644
		528,243	498,430
Distribution of Net Resources			
	6		
The Employees Compensation Assistance Fund Board		187,266,311	198,071,000
The Occupational Deafness Compensation Board		42,285,941	44,725,710
The Occupational Safety and Health Council		120,816,975	127,787,741
		350,369,227	370,584,451
(Deficit) / Surplus and Total Comprehensive (Expenditure) / Income for the Year		(100)	180

The notes on pages 39 to 45 form part of these financial statements.

Statement of Financial Position

As at 31 March 2017

	Note	2017(HK\$)	2016(HK\$)
Current Asset			
Cash and cash equivalents		88,480	86,580
Current Liability			
Accrued expenses	7	31,545	29,545
Net Current Assets		56,935	57,035
Represented By			
Contingency fund	9	56,935	57,035

Approved and authorised for issue by the Board on 15 June 2017.

On behalf of the Board

Mr. Liu Tat-yin, Kennedy
Chairman

The notes on pages 39 to 45 form part of these financial statements.

Statement of Changes in Equity

For the year ended 31 March 2017

	Accumulated (deficit) / surplus (HK\$)	Contingency fund (HK\$)	Total equity (HK\$)
Balance at 1 April 2015	-	56,855	56,855
Surplus and total comprehensive income for the year	180	-	180
Transferred to contingency fund	(180)	180	-
Balance at 31 March 2016	-	57,035	57,035
Balance at 1 April 2016	-	57,035	57,035
Deficit and total comprehensive expenditure for the year	(100)	-	(100)
Transferred to contingency fund	100	(100)	-
Balance at 31 March 2017	-	56,935	56,935

The notes on pages 39 to 45 form part of these financial statements.

Statement of Cash Flows

For the year ended 31 March 2017

	2017(HK\$)	2016(HK\$)
Operating Activities		
(Deficit) / surplus for the year	(100)	180
Adjustment for: Interest income	(126,095)	(119,419)
	(126,195)	(119,239)
Changes in Working Capital:		
Increase / (decrease) in accrued expenses	2,000	(40,755)
Net Cash Used in Operating Activities	(124,195)	(159,994)
Investing Activity		
Interest received	126,095	119,419
Net Cash Generated from Investing Activity	126,095	119,419
Increase / (Decrease) in Cash and Cash Equivalents	1,900	(40,575)
Cash and Cash Equivalents at Beginning of Year	86,580	127,155
Cash and Cash Equivalents at End of Year	88,480	86,580

Notes to the Financial Statements

For the year ended 31 March 2017

1. Corporate Status

The Employees' Compensation Insurance Levies Management Board (the "Board") is incorporated by virtue of the Employees' Compensation Insurance Levies Ordinance (the "Levies Ordinance") to collect the levy remitted by insurers and distribute the net resources to the specified bodies. The registered office and place of operation of the Board is situated at Office A-B, 15/F., Billion Plaza II, 10 Cheung Yue Street, Cheung Sha Wan, Kowloon, Hong Kong.

2. Significant Accounting Policies

a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), and accounting principles generally accepted in Hong Kong. These financial statements also comply with the requirements of the Levies Ordinance. Significant accounting policies adopted by the Board are disclosed below.

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

b) Basis of preparation of the financial statements

The measurement basis used in the preparation of the financial statements is the historical cost basis. The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. 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 of making the judgements about 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 recognised 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.

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and estimates are not expected by the management to have a significant risk of material adjustment in the next year.

c) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Provided it is probable that the economic benefits will flow to the Board and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in income and expenditure account as follows:

i) Levies income

Levies are recognised as income only when the levies are received and are stated net of a 5% handling charge made by the insurers, which is deducted at source.

ii) Interest income

Interest income is recognised on a time proportion basis, taking into account the principal amounts outstanding and the effective interest rates applicable.

d) Distribution of net resources

The Board distributes net resources to the specified bodies under Section 7(1) of the Levies Ordinance. The right to receive payment by the specified bodies is established when net resources are recognised by the Board.

Pursuant to Section 6 of the Levies Ordinance, net resources that are recognised in relation to a relevant period are the net balance of levies received in and interest income of that same relevant period, the respective recognition policy of which is stated in note 2(c) of the financial statements, after making deductions in respect of:

- i) expenses incurred and levies refunded in that same relevant period; and
- ii) additional amounts paid into or transferred from the contingency fund as referred to in note 9.

Net resources recognised in any given relevant period are distributed in the proportions specified in note 6. Relevant period is defined under the Levies Ordinance as any period of three months determined by the Board under Section 9(1) of the Levies Ordinance.

e) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

f) Accrual and other payables

Accrual and other payables are initially recognised at fair value and are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

3. Application of New and Revised Hong Kong Financial Reporting Standards ("HKFRSs")

The HKICPA has issued a number of amendments to HKFRSs that are first effective for the current accounting period of the Board. None of these developments have had a material effect on how the Board's results and financial position for the current or prior periods have been prepared or presented.

The Board has not applied any new standard or interpretation that is not yet effective for the current accounting period.

4. Levies Income

Pursuant to Section 14 of the Levies Ordinance, a levy known as the Employees' Compensation Insurance Levy shall be payable on each premium payable by an insured in respect of any insurance policy issued by an insurer, for the purposes of

Part IV of the Employees' Compensation Ordinance, on or after 1 July 1990. For the year ended 31 March 2017, the levy rate was prescribed at 5.8%. Pursuant to Section 15(4) and 15(5) of the Levies Ordinance, an insurer who, during any relevant period, receives any levy under Section 14 of the Levies Ordinance shall remit such sums to the Board within two months by the end of that period, after deducting a handling charge calculated as prescribed by the Secretary for Financial Services and the Treasury from time to time.

5. Operating Expenses

An agreement has been entered into between the Board and the Occupational Deafness Compensation Board ("ODCB") whereby ODCB provides administrative support services to the Board for an annual fee of HK\$450,000 (2016: HK\$450,000).

6. Distribution of Net Resources

Pursuant to Section 7(1) of the Levies Ordinance, the Board distributes its net resources not later than three months after the end of each relevant period to the specified bodies in the following proportions:

Specified body	Proportion of the net resources for period on and after 1/10/2010
Occupational Safety and Health Council	20/58
Employees Compensation Assistance Fund Board	31/58
Occupational Deafness Compensation Board	7/58

7. Accrued Expenses

The fair value of the Board's accrued expenses as at 31 March 2017 was approximate to the corresponding carrying amount.

8. Taxation

The Board has been granted exemption from taxation under Section 88 of the Inland Revenue Ordinance.

9. Contingency Fund

This contingency fund represents the amounts set aside by the Board in accordance with Section 8 of the Levies Ordinance to meet any expenditure of an unexpected or urgent nature and any outgoings of a kind specified in Section 6(3)(a), (b) or (c) of the Levies Ordinance. The Board shall not pay into the contingency fund under Section 8 of the Levies Ordinance any sum which would, if added to the fund as then existing, increase the level of the fund beyond (i) an amount equal to twice the average monthly expenses of the Board or (ii) such other greater amount as may be approved by the Secretary for Labour and Welfare from time to time.

10. Financial Risk Management

The Board is exposed to financial risk through its financial instruments. Financial instruments consist of cash and cash equivalents and accrued expenses. The most important components of this financial risk are credit risk, currency risk and interest rate risk.

a) Credit risk

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

b) Currency risk

All of the Board's monetary assets and liabilities are denominated in Hong Kong Dollar. The Board is not exposed to currency risk.

c) Interest rate risk

The Board's exposure to market risk for changes in interest rates relates primarily to the cash and cash equivalents.

Prevailing market-interest rate interest income is charged to the income and expenditure account as incurred.

11. Possible Impact of New Standards, Amendments and Interpretations Issued but Not Yet Effective for the Year Ended 31 March 2017

Up to the date of issue of these financial statements, the HKICPA has issued a few amendments and new standards which are not yet effective for the year ended 31 March 2017 and which have not been adopted in these financial statements.

The Board is in the process of making an assessment of what the impact of these amendments and new standards is expected to be in the period of initial application. So far, the Board has concluded that the adoption of them is unlikely to have a significant impact on the financial statements.

Number of Authorised Insurers to Carry on Employees' Compensation Insurance Business

(2007/08 - 2016/17)

Year	Number of Insurers
2007/08	79
2008/09	81
2009/10	79
2010/11	77
2011/12	72
2012/13	66
2013/14	69
2014/15	67
2015/16	65
2016/17	63

Levy Income in Quarterly Periods

(2007/08 - 2016/17)

(in \$'000)

Year	Quarterly Period (in month)				Total levy remitted	*Levy per 1% of premium	Change over last year (+/-%)
	1 st Q (4-6)	2 nd Q (7-9)	3 rd Q (10-12)	4 th Q (1-3)			
2007/08	42,361	47,830	46,951	35,599	172,741	27,419	-2.5
2008/09	47,525	50,477	47,503	36,059	181,564	28,820	+5.1
2009/10	57,357	50,900	52,578	39,453	200,288	31,792	+10.3
2010/11	62,721	69,126	58,520	42,068	232,435	38,271	+20.4
2011/12	61,488	64,986	60,120	56,567	243,161	41,924	+9.6
2012/13	79,345	79,030	80,944	68,235	307,554	53,027	+26.5
2013/14	98,696	94,669	89,332	85,365	368,062	63,459	+19.7
2014/15	100,991	93,768	94,204	78,686	367,649	63,388	-0.1
2015/16	100,426	92,539	100,902	77,097	370,964	63,959	+0.9
2016/17	89,001	98,880	90,960	71,930	350,771	60,478	-5.4

*Note: Levy per 1% of premium = Total levy remitted ÷ Effective rate of levy

Distributions of Net Resources by the Board

(2007/08 - 2016/17)

(in \$'000)

Year	Occupational Safety and Health Council	Employees Compensation Assistance Fund Board	Occupational Deafness Compensation Board	Total
2007/08	54,885	77,211	40,792	172,888
2008/09	57,413	71,766	51,671	180,850
2009/10	63,638	79,548	57,275	200,461
2010/11	76,435	105,931	49,746	232,112
2011/12	83,768	129,841	29,319	242,928
2012/13	105,953	164,228	37,084	307,265
2013/14	126,833	196,590	44,391	367,814
2014/15	126,698	196,382	44,344	367,424
2015/16	127,788	198,071	44,725	370,584
2016/17	120,817	187,266	42,286	350,369