

**Sir Edward Youde Memorial Fund**  
**Report of the Board of Trustees for the Period**  
**1 April 2012 to 31 March 2013**

The Sir Edward Youde Memorial Fund was established in 1987 with donations by the Hong Kong community to commemorate the governorship of Sir Edward Youde (1982-1986). It is administered in accordance with Chapter 1140 of the Laws of Hong Kong for the purpose of providing for and encouraging the education or learning of, or research by, the people of Hong Kong.

2. The Fund is vested in a Board of Trustees, the membership of which during the year under review was as follows –

Dr WU Po-him, Philip, BBS, JP	(Chairman)
Lady Youde	
The Secretary for Home Affairs	(ex officio)
Ms HO Chiu-king, Pansy	
Mr IP Shu-kwan, Stephen, GBS, JP	

3. Secretarial services to the Board of Trustees are provided by the Trust Funds and Temples Joint Secretariat, which also maintains the books of accounts for the Fund. HSBC Investments Holdings (Bahamas) Limited advises the Board on investments, and the Director of Audit is appointed by the Chief Executive as the auditor of the Fund's accounts.

4. Grants from the Fund are determined by the Sir Edward Youde Memorial Fund Council, the membership of which during the year under review was as follows –

Dr CHAN Cho-chak, John, GBS, JP	(Chairman)
Lady Youde	
The Secretary for Education	(ex officio)
Professor NG Mee-kam	
Mr POON Yiu-kin, Samuel	
Professor IP Yuk-yu, Nancy, MH	
Professor HO Man-wui, Richard, JP	

5. Secretarial services to the Council are provided by the Student Financial Assistance Agency.

/During...

6. During the year the following categories of the Sir Edward Youde Memorial Awards were granted –

	HKS	HKS
<b>For Fellowships</b>		
<u>Local</u>		
10 totalling	300,000	
<u>Overseas</u>		
10 totalling	<u>2,773,000</u>	3,073,000
<b>For Scholarships</b>		
<u>Local</u>		
24 totalling	480,000	
<u>Overseas</u>		
5 totalling	<u>1,310,000</u>	1,790,000
<b>Honorary Fellowships/Scholarships</b>		
<u>Local</u>		
9 totalling	21,000	
<u>Overseas</u>		
4 totalling	<u>40,000</u>	61,000
<b>Medals (including a Medal, a Certificate and a Cash Prize of \$5,000)</b>		
6 totalling		32,490
<b>Awards for Disabled Students</b>		
17 totalling		303,603
<b>Prizes for Senior Secondary Students</b>		
822 @ \$1,000		822,000
<b>Sponsorship for the Young Friends     of the 2013 Hong Kong Arts Festival</b>		600,000
<b>Awards for Self-improvement for Working Adults</b>		
5 @ \$5,000		25,000
<b>Outstanding Apprentice Awards</b>		
2 @ \$5,000		10,000
		<u>6,717,093</u>

7. The audited Financial Statements of the Fund is produced at the Appendix.

  
(Ching-cheng MA)  
Chairman

Board of Trustees of the Sir Edward Youde Memorial Fund

30 September 2013



## Sir Edward Youde Memorial Fund

Financial Statements for the year ended 31 March 2013

# ***Report of the Director of Audit***



**Audit Commission**

**The Government of the Hong Kong Special Administrative Region**

## **Independent Audit Report**

### **To the Legislative Council**

I certify that I have audited the financial statements of the Sir Edward Youde Memorial Fund set out on pages 3 to 15, which comprise the balance sheet as at 31 March 2013, and the income and expenditure account, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **The Board of Trustees of the Sir Edward Youde Memorial Fund's Responsibility for the Financial Statements**

The Board of Trustees of the Sir Edward Youde Memorial Fund is responsible for the preparation of financial statements that give a true and fair view in accordance with section 14(1) of the Sir Edward Youde Memorial Fund Ordinance (Cap. 1140) and Hong Kong Financial Reporting Standards, and for such internal control as the Board of Trustees of the Sir Edward Youde Memorial Fund determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with section 14(3) of the Sir Edward Youde Memorial Fund Ordinance and the Audit Commission auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the

auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Trustees of the Sir Edward Youde Memorial Fund, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### **Opinion**

In my opinion, the financial statements give a true and fair view of the financial position of the Sir Edward Youde Memorial Fund as at 31 March 2013, and of its financial performance and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with section 14(1) of the Sir Edward Youde Memorial Fund Ordinance.



Frederick T C WONG  
Principal Auditor  
for Director of Audit

30 September 2013

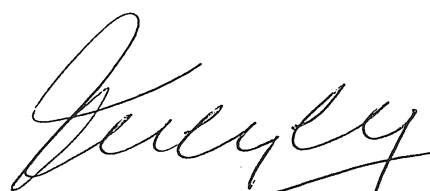
Audit Commission  
26th Floor  
Immigration Tower  
7 Gloucester Road  
Wanchai, Hong Kong

# SIR EDWARD YOUDE MEMORIAL FUND

## BALANCE SHEET AS AT 31 MARCH 2013

	Note	2013 HK\$	2012 HK\$
<b>CURRENT ASSETS</b>			
Financial assets at fair value through profit or loss	3	73,746,675	66,435,029
Accounts receivable	4	60,791	97,574
Bank deposits		38,789,722	42,323,037
Cash at bank		225,765	1,791,154
		<u>112,822,953</u>	<u>110,646,794</u>
<b>CURRENT LIABILITIES</b>			
Provision for staff gratuity	5	(40,397)	(25,240)
Provision for untaken leave		(5,058)	(3,967)
Accounts payable	6	(55,979)	(45,982)
		<u>(101,434)</u>	<u>(75,189)</u>
<b>NET CURRENT ASSETS</b>		<u>112,721,519</u>	<u>110,571,605</u>
<b>ACCUMULATED FUND</b>			
Capital		89,676,656	87,171,142
Accumulated surplus		23,044,863	23,400,463
		<u>112,721,519</u>	<u>110,571,605</u>

The accompanying notes 1 to 12 form part of these financial statements.

  
(Ching-cheng Ma)  
Chairman

Board of Trustees of the Sir Edward Youde Memorial Fund

30 September 2013

**SIR EDWARD YOUDE MEMORIAL FUND**

**INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2013**

	<b>Note</b>	<b>2013 HK\$</b>	<b>2012 HK\$</b>
<b>INCOME</b>			
Dividends		771,033	596,582
Interest	7	485,665	485,693
Gains on disposal of financial assets at fair value through profit or loss		374,249	-
Unrealised gains on financial assets at fair value through profit or loss		5,063,436	-
Exchange gains		82,235	165,862
Refund of grants		282,935	274,718
		<hr/> 7,059,553	<hr/> 1,522,855
<b>EXPENDITURE</b>			
Fellowships, scholarships, prizes and memorial medals/awards		(6,717,093)	(6,272,317)
Losses on disposal of financial assets at fair value through profit or loss		-	(3,355,984)
Unrealised losses on financial assets at fair value through profit or loss		-	(2,045,376)
Staff costs		(374,666)	(376,241)
Investment management fees		(182,989)	(236,616)
Other operating expenses		(140,405)	(111,347)
		<hr/> (7,415,153)	<hr/> (12,397,881)
<b>DEFICIT FOR THE YEAR</b>		<hr/> (355,600)	<hr/> (10,875,026)
Other comprehensive income		-	-
<b>TOTAL COMPREHENSIVE EXPENSE FOR THE YEAR</b>		<hr/> (355,600) =====	<hr/> (10,875,026) =====

The accompanying notes 1 to 12 form part of these financial statements.

**SIR EDWARD YOUDE MEMORIAL FUND**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2013**

	<b>Capital HK\$</b>	<b>Accumulated surplus HK\$</b>	<b>Total HK\$</b>
Balance at 1 April 2011	86,841,692	34,275,489	121,117,181
Donation received during 2011-12	329,450	-	329,450
Total comprehensive expense for 2011-12	-	(10,875,026)	(10,875,026)
Balance at 31 March 2012	87,171,142	23,400,463	110,571,605
Donation received during 2012-13	2,505,514	-	2,505,514
Total comprehensive expense for 2012-13	-	(355,600)	(355,600)
Balance at 31 March 2013	89,676,656 =====	23,044,863 =====	112,721,519 =====

The accompanying notes 1 to 12 form part of these financial statements.



# SIR EDWARD YOUDE MEMORIAL FUND

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2013

	<b>2013</b> <b>HK\$</b>	<b>2012</b> <b>HK\$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Deficit for the year	(355,600)	(10,875,026)
Dividends	(771,033)	(596,582)
Interest income	(485,665)	(485,693)
Unrealised exchange gains	(86,409)	(179,746)
(Gains)/Losses on disposal of financial assets at fair value through profit or loss	(374,249)	3,355,984
Unrealised (gains)/losses on financial assets at fair value through profit or loss	(5,063,436)	2,045,376
Decrease in accounts receivable	3,273	3,649
Increase/(Decrease) in provision for staff gratuity	15,157	(15,076)
Increase/(Decrease) in provision for untaken leave	1,091	(907)
Increase/(Decrease) in accounts payable	9,997	(33,830)
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<u>(7,106,874)</u>	<u>(6,781,851)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of financial assets at fair value through profit or loss	(7,267,053)	(52,102,692)
Proceeds from disposal of financial assets at fair value through profit or loss	5,393,093	74,041,852
Dividends received	771,033	602,496
Interest received	519,174	726,603
<b>NET CASH (USED IN)/FROM INVESTING ACTIVITIES</b>	<u>(583,753)</u>	<u>23,268,259</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Donation received	2,505,514	329,450
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<u>2,505,514</u>	<u>329,450</u>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	(5,185,113)	16,815,858
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	44,114,191	27,118,587
Effects of exchange rate changes on cash and cash equivalents	86,409	179,746
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u><u>39,015,487</u></u>	<u><u>44,114,191</u></u>
<b>ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS</b>		
Bank deposits with original maturity within three months	38,789,722	42,323,037
Cash at bank	225,765	1,791,154
	<u><u>39,015,487</u></u>	<u><u>44,114,191</u></u>

The accompanying notes 1 to 12 form part of these financial statements.

**SIR EDWARD YAUDE MEMORIAL FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**

**1. GENERAL**

The Sir Edward Youde Memorial Fund (the Fund) was established in 1987 for the general purpose of providing for and encouraging the education or learning of, or research by, the people of Hong Kong and, in particular, for making grants, or loans with or without interest:

- (a) for the furtherance of education, learning or research inside or outside Hong Kong; and
- (b) to educational institutions within Hong Kong for the furtherance of education, learning or research,

in accordance with section 6 of the Sir Edward Youde Memorial Fund Ordinance (Cap. 1140).

The address of the Fund's principal place of business is 34<sup>th</sup> Floor, Wu Chung House, 213 Queen's Road East, Wan Chai, Hong Kong.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**(a) Statement of compliance**

The financial statements have been prepared in accordance with section 14(1) of the Sir Edward Youde Memorial Fund Ordinance and all applicable Hong Kong Financial Reporting Standards (HKFRSs) issued by the Hong Kong Institute of Certified Public Accountants.

**(b) Basis of preparation**

The financial statements have been prepared on an accrual basis and under the historical cost convention except that financial assets at fair value through profit or loss are stated at fair value as explained in the accounting policy set out in note 2(d) below.

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 expenditure. The estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgements 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 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.

There are no critical accounting judgements involved in the application of the Fund's accounting policies. There are neither key assumptions concerning the future nor other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the next year.

**(c) Adoption of new/revised HKFRSs**

The Fund has adopted all new/revised HKFRSs which are effective and relevant to the Fund for the current accounting period.

The Fund has not early adopted any amendments, new standards and interpretations which are not yet effective for the current accounting period. The Fund is in the process of making an assessment of what the impact of these amendments, new standards and interpretations is expected to be in the period of initial adoption. So far, it has concluded that the adoption of them is unlikely to have a significant impact on the Fund's result of operations and financial position.

**(d) Financial assets at fair value through profit or loss**

Financial assets classified as held for trading are included in the category "financial assets at fair value through profit or loss". Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term. Financial assets under this category are carried at fair value based on their quoted market prices at the balance sheet date. Changes in the fair value are included in the income and expenditure account in the period in which they arise. Upon disposal, the difference between the net sale proceeds and the carrying value is also recognised in the income and expenditure account.

**(e) Foreign currency translation**

Hong Kong dollar is the currency of the primary economic environment in which the Fund operates. Foreign currency transactions during the year are translated into Hong Kong dollars at the exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into Hong Kong dollars at the exchange rates ruling at the balance sheet date. Exchange gains and losses are dealt with in the income and expenditure account.

**(f) Revenue recognition**

Interest income is recognised as it accrues using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period to the net carrying amount of the financial asset.

Dividend income is recognised when the Fund's right to receive payment is established.

**(g) Cash and cash equivalents**

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash on hand, demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value, having been within three months of maturity when acquired.

**(h) Donations**

Donations are credited to the Capital Account on actual receipt.

**3. FINANCIAL ASSETS AT FAIR VALUE  
THROUGH PROFIT OR LOSS**

	<b>2013 HK\$</b>	<b>2012 HK\$</b>
Equity funds – at fair value		
Unlisted	44,109,257	40,718,965
Bond funds – at fair value		
Listed	11,101,623	11,662,627
Unlisted	18,535,795	14,053,437
	29,637,418	25,716,064
	<hr/>	<hr/>
	73,746,675	66,435,029
	=====	=====

**4. ACCOUNTS RECEIVABLE**

	<b>2013 HK\$</b>	<b>2012 HK\$</b>
Interest	59,619	93,129
Refund of scholarships	-	3,986
Others	1,172	459
	<hr/>	<hr/>
Balance at end of year	60,791	97,574
	=====	=====

**5. PROVISION FOR STAFF GRATUITY**

	<b>2013 HK\$</b>	<b>2012 HK\$</b>
Balance at beginning of year	25,240	40,316
Provision for the year	32,927	26,084
Payments for the year	(17,770)	(41,160)
	<hr/>	<hr/>
Balance at end of year	40,397	25,240
	=====	=====

**6. ACCOUNTS PAYABLE**

	<b>2013 HK\$</b>	<b>2012 HK\$</b>
Investment management fees	47,891	45,982
Accommodation expenses for Lady Youde	8,088	-
	<hr/>	<hr/>
Balance at end of year	55,979	45,982
	=====	=====

**7. INTEREST**

	<b>2013 HK\$</b>	<b>2012 HK\$</b>
(a) Interest on self-managed investments		
Interest on time deposits and savings accounts	474,331	273,149
(b) Interest on investments by fund manager		
Interest on call deposit	11,334	23,576
Interest on debt securities	-	188,968
	11,334	212,544
	<hr/>	<hr/>
	485,665	485,693
	=====	=====

## 8. FINANCIAL RISK MANAGEMENT

- (a) The Fund's major financial instruments include financial assets at fair value through profit or loss and bank deposits. The risks associated with these financial instruments are set out below.

### (I) 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.

To minimise credit risks arising from bank deposits, all time deposits are placed with reputable licensed banks in Hong Kong. To minimise credit risks arising from financial assets at fair value through profit or loss, only those classified under the investment grade by Moody's or Standard & Poor's are considered. At the balance sheet date, the credit quality of investments in bond funds analysed by the ratings designated by Moody's or Standard & Poor's, was as follows:

	2013 HK\$	2012 HK\$
Bond funds by credit rating		
Aa1 to Aa2 / AA+ to AA	13,472,737	13,969,186
Baa1 / BBB+	16,164,681	11,746,878
	<u>29,637,418</u>	<u>25,716,064</u>

For other receivables, the Fund considers that adequate provision has been made, where necessary, for amounts which are expected to be irrecoverable.

The maximum exposure to credit risk as at the balance sheet date in relation to each class of financial assets is the carrying amount of those assets as stated in the balance sheet.

### (II) Market risk

The Fund's investments and bank deposits are exposed to market risk due to changes in market variables such as interest rates, equity prices and exchange rates. The Fund has appointed a professional fund manager to manage market risk and maintains a diversified portfolio of investments. The Board of Trustees monitors management of the portfolio to ensure that the appropriate investment strategy is adopted and implemented.

#### (i) Equity price risk

If the market prices of the respective equity funds had been 10% (2012: 10%) higher/lower, the deficit of the Fund for the year would have decreased/increased by about HK\$4,400,000 (2012: HK\$ 4,100,000). The sensitivity analysis was based on the carrying amount of equity securities held by the Fund at the

balance sheet date and all other variables being held constant.

(ii) Interest rate risk

Interest rate risk is 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.

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates.

For the Fund's investments in bond funds, their fair values will fall when market interest rates increase. It is estimated that, as at 31 March 2013, a general increase/decrease of 25 basis points (2012: 25 basis points) in interest rates, with all other variables held constant, would increase/decrease the deficit of the Fund for the year by about HK\$358,000 (2012: HK\$289,000). The sensitivity analysis was determined assuming that the change in interest rates had occurred at the balance sheet date and had been applied to bond funds in existence at that date. The 25 basis points increase/decrease represents the Fund's assessment of a reasonably possible change in interest rates over the period until the next balance sheet date.

As regards the bank deposits, since they are stated at amortised cost, changes in market interest rates will not affect their carrying amounts and the Fund's deficit and equity.

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 Fund is not exposed to material cash flow interest rate risk because it has no major financial instruments bearing interest at a floating rate.

The Fund's exposure to interest rate risk, based on the major interest-bearing assets stated at carrying amounts at the balance sheet date and categorised by the earlier of contractual repricing dates or maturity dates, is shown below.

### Repricing Period

	Up to 3 months HK\$	Total HK\$
<b>2013</b>		
Deposits with banks	38,789,722	38,789,722
	=====	=====
<b>2012</b>		
Deposits with banks	42,323,037	42,323,037
	=====	=====

### (iii) Foreign currency risk

#### (a) Exposure to currency risk

As at the balance date, the Fund maintained financial assets denominated in US dollars, Australian dollars and Renminbi at a total of USD4,983,441 (2012: USD4,509,371), AUD326,905 (2012: AUD315,551) and CNY3,856,283 (2012: CNY3,788,643) respectively. As Hong Kong dollar is pegged to the US dollar within a narrow range, it is considered that the Fund had no significant exposure to foreign exchange risk relating to this currency. Since no foreign currency rate hedging is made by the Fund for Renminbi and Australian dollars, the carrying amounts of the financial instruments in Renminbi and Australian dollars represent the maximum exposure of the Fund to foreign currency risk.

#### (b) Sensitivity analysis

It was estimated that, as at the balance sheet date, should the Renminbi and Australian dollars strengthen/weaken by 5% (2012: 5%) against the Hong Kong dollar, with all other variables being held constant, the deficit of the Fund for the year would decrease/increase by HK\$373,000 (2012: HK\$360,000).

The sensitivity analysis above has been determined assuming that the change in foreign exchange rate had occurred at the balance sheet date and for financial instruments in existence at that date. The 5% (2012: 5%) strengthening/weakening in Renminbi and Australian dollars represents the assessment by the Fund of a reasonably possible change in foreign exchange rate over the period until the end of next year.



### (III) Liquidity risk

In the management of liquidity risk, the Fund maintains a level of cash and cash equivalents that is deemed adequate to finance its operations and mitigate the effect of fluctuations in cash flows.

#### (b) Fair value hierarchy of financial instruments

The following table presents the carrying value of financial instruments measured at fair value at the balance sheet date according to the fair value hierarchy defined in HKFRS 7 Financial Instruments: Disclosures, with the fair value of each financial instrument categorised in its entirety based on the lowest level of input that is significant to that fair value measurement.

	2013			2012		
	Level 1 HK\$	Level 2 HK\$	Total HK\$	Level 1 HK\$	Level 2 HK\$	Total HK\$
<b>Financial assets at fair value through profit or loss</b>						
Equity funds:						
- Unlisted	-	44,109,257	44,109,257	-	40,718,965	40,718,965
Bond funds:						
- Listed	11,101,623	-	11,101,623	11,662,627	-	11,662,627
- Unlisted	-	18,535,795	18,535,795	-	14,053,437	14,053,437
	11,101,623	18,535,795	29,637,418	11,662,627	14,053,437	25,716,064
	11,101,623	62,645,052	73,746,675	11,662,627	54,772,402	66,435,029
	=====	=====	=====	=====	=====	=====

No financial assets were classified under Level 3. During the year, there were no significant transfers between instruments in Level 1 and Level 2.

The three levels of the fair value hierarchy are:

Level 1 (highest level): fair values measured using quoted prices (unadjusted) in active markets for identical financial instruments.

Level 2: fair values measured using quoted prices in active markets for similar financial instruments, or using valuation techniques in which all significant inputs are directly or indirectly based on observable market data.

Level 3 (lowest level): fair values measured using valuation techniques in which any significant input is not based on observable market data.

## **9. CAPITAL MANAGEMENT**

The capital structure of the Fund consists of capital and accumulated surplus. The Fund's objectives when managing capital are:

- to comply with the Sir Edward Youde Memorial Fund Ordinance; and
- to maintain a strong capital base for carrying out the purpose of the Fund as stated in note 1 above.

The Fund monitors capital by reviewing its level to ensure that it is sufficient to fund future grants and expenditure, taking into account projected cash flow requirements, future financial obligations and commitments.

## **10. COMMITMENTS**

As at 31 March 2013, the financial commitments for approved overseas fellowships and scholarships subject to the successful completion of studies and reapplication for the awards pending payment were HK\$3,836,000 (2012: HK\$3,574,000).

## **11. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES**

All financial assets are stated in the balance sheet at amounts equal to or not materially different from their fair values.

## **12. COMPARATIVE FIGURES**

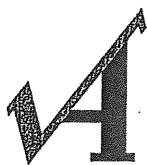
Certain comparative figures have been restated to conform with the current year's presentation.



## Secretary for Home Affairs Incorporated

Financial statements for the year ended 31 March 2013

# ***Report of the Director of Audit***



**Audit Commission**

**The Government of the Hong Kong Special Administrative Region**

## **Independent Audit Report**

### **To the Secretary for Home Affairs Incorporated**

I certify that I have audited the financial statements of the Secretary for Home Affairs Incorporated set out on pages 3 to 17, which comprise the statement of assets and liabilities as at 31 March 2013, and the statement of receipts and payments for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### **Secretary for Home Affairs Incorporated's responsibility for the financial statements**

The Secretary for Home Affairs Incorporated is responsible for the preparation of these financial statements in accordance with sections 10(3) and 10(4) of the Secretary for Home Affairs Incorporation Ordinance (Cap. 1044), and for such internal control as the Secretary for Home Affairs Incorporated determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor's responsibility**

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with section 10(5) of the Secretary for Home Affairs Incorporation Ordinance and the Audit Commission auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of

the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used by the Secretary for Home Affairs Incorporated, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### **Opinion**

In my opinion, the financial statements of the Secretary for Home Affairs Incorporated for the year ended 31 March 2013 are prepared, in all material respects, in accordance with sections 10(3) and 10(4) of the Secretary for Home Affairs Incorporation Ordinance.



Frederick T C WONG  
Principal Auditor  
for Director of Audit

30 September 2013

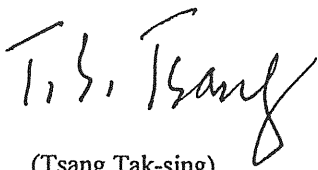
Audit Commission  
26th Floor  
Immigration Tower  
7 Gloucester Road  
Wanchai, Hong Kong

**SECRETARY FOR HOME AFFAIRS INCORPORATED**  
**STATEMENT OF ASSETS AND LIABILITIES AS AT 31 MARCH 2013**

	Note	2013 HK\$	2012 HK\$
<b>ASSETS</b>			
<b>Ex-Chinese Public Dispensaries Fund</b>			
Investments	2(b)	1,007,996	1,007,996
Time deposits		306,773	306,265
Cash at bank		471,223	350,598
Cash with the Director of Accounting Services		21,211	21,211
		1,807,203	1,686,070
<b>Sir Jack Cater Scholarship Fund</b>			
Investments	2(b)	-	3,928,370
Time deposits		-	900,739
Cash at bank		5,063,599	274,112
		5,063,599	5,103,221
<b>Lord Wilson United World Colleges Scholarship Fund</b>			
Investments	2(b)	45,609,914	48,485,749
Time deposits		4,673,285	4,061,798
Cash at bank		4,640,355	3,489,769
		54,923,554	56,037,316
<b>Public donations accepted for welfare purposes and community projects</b>			
Cash at bank		923,066	711,322
Cash with the Director of Accounting Services		3,004	3,004
		926,070	714,326
<b>The Ping Wo Fund</b>			
Cash at bank		10,763,716	9,287,856
<b>The Cantonese Opera Development Fund</b>			
Investments	2(b)	3,167,122	-
Time deposits		49,757,322	80,156,179
Cash at bank		21,833,173	494,271
		74,757,617	80,650,450
<b>Trust Fund in Support of Reconstruction in the Sichuan Earthquake Stricken Areas</b>			
Time deposits		1,538,683,117	1,872,613,904
Cash at bank		527,632,830	257,725,293
		2,066,315,947	2,130,339,197
<b>Community Care Fund</b>			
Placements with the Exchange Fund	2(d)	5,454,456,986	5,165,205,479
Time deposits		801,000,000	1,096,000,000
Cash at bank		19,602,643	4,532,372
Cash with the Director of Accounting Services		548,950	1,834,786
		6,275,608,579	6,267,572,637
<b>Elite Athletes Development Fund</b>			
Placements with the Exchange Fund	2(d)	6,280,918,033	6,000,000,000
Time deposits		654,500,000	-
Cash at bank		3,457,267	934,075,327
		6,938,875,300	6,934,075,327
		15,429,041,585	15,485,466,400
		=====	=====

REPRESENTING:	Note	2013 HK\$	2012 HK\$
<b>Ex-Chinese Public Dispensaries Fund</b>			
Accumulated fund	3	1,807,203	1,686,070
<b>Sir Jack Cater Scholarship Fund</b>			
Capital account		4,563,470	4,563,470
Accumulated surplus account	3	500,129	539,751
		5,063,599	5,103,221
<b>Lord Wilson United World Colleges Scholarship Fund</b>			
Capital account		45,275,000	45,275,000
Accumulated surplus account	3	9,648,554	10,762,316
		54,923,554	56,037,316
<b>Public donations accepted for welfare purposes and community projects</b>			
Accumulated fund	3	926,070	714,326
<b>The Ping Wo Fund</b>			
Accumulated fund	3	10,763,716	9,287,856
<b>The Cantonese Opera Development Fund</b>			
Accumulated fund	3	74,757,617	80,650,450
<b>Trust Fund in Support of Reconstruction in the Sichuan Earthquake Stricken Areas</b>			
Accumulated fund	3	2,066,315,947	2,130,339,197
<b>Community Care Fund</b>			
Accumulated fund	3	6,275,608,579	6,267,572,637
<b>Elite Athletes Development Fund</b>			
Capital account		7,000,000,000	7,000,000,000
Accumulated deficit account	3	(61,124,700)	(65,924,673)
		6,938,875,300	6,934,075,327
		<u>15,429,041,585</u>	<u>15,485,466,400</u>

The accompanying notes 1 to 7 form part of these financial statements.

  
 (Tsang Tak-sing)  
 Secretary for Home Affairs Incorporated  
 30 September 2013

**SECRETARY FOR HOME AFFAIRS INCORPORATED**  
**STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 31 MARCH 2013**

	Note	2013 HK\$	2012 HK\$
<b>Ex-Chinese Public Dispensaries Fund</b>			
Cash and bank balances at beginning of year		371,809	341,782
Revenue	4	121,133	115,395
Expenditure	5	-	(85,050)
Surplus for the year		121,133	30,345
Other transactions relating to movement of funds:			
Net payments	6	(508)	(318)
Cash and bank balances at end of year		492,434	371,809
<b>Sir Jack Cater Scholarship Fund</b>			
Bank balance at beginning of year		274,112	235,423
Revenue	4	198,796	352,701
Expenditure	5	(238,418)	(201,458)
(Deficit)/Surplus for the year		(39,622)	151,243
Other transactions relating to movement of funds:			
Net receipts/(payments)	6	4,829,109	(112,554)
Bank balance at end of year		5,063,599	274,112
<b>Lord Wilson United World Colleges Scholarship Fund</b>			
Bank balance at beginning of year		3,489,769	3,985,574
Revenue	4	1,679,756	1,493,114
Expenditure	5	(2,793,518)	(665,662)
(Deficit)/Surplus for the year		(1,113,762)	827,452
Other transactions relating to movement of funds:			
Net receipts/(payments)	6	2,264,348	(1,323,257)
Bank balance at end of year		4,640,355	3,489,769
<b>Public donations accepted for welfare purposes and community projects</b>			
Cash and bank balances at beginning of year		714,326	1,740,063
Revenue	4	22,606,766	18,376,840
Expenditure	5	(22,395,022)	(19,402,577)
Surplus/(Deficit) for the year		211,744	(1,025,737)
Cash and bank balances at end of year		926,070	714,326
<b>The Ping Wo Fund</b>			
Bank balance at beginning of year		9,287,856	10,575,318
Revenue	4	15,000,516	15,000,010
Expenditure	5	(13,524,656)	(16,287,472)
Surplus/(Deficit) for the year		1,475,860	(1,287,462)
Bank balance at end of year		10,763,716	9,287,856



	Note	2013 HK\$	2012 HK\$
<b>The Cantonese Opera Development Fund</b>			
Bank balance at beginning of year		494,271	9,101,757
Revenue	4	4,224,765	1,064,240
Expenditure	5	(10,117,598)	(9,718,396)
Deficit for the year		(5,892,833)	(8,654,156)
Other transactions relating to movement of funds:			
Net receipts	6	27,231,735	46,670
Bank balance at end of year		21,833,173	494,271
<b>Trust Fund in Support of Reconstruction in the Sichuan Earthquake Stricken Areas</b>			
Bank balance at beginning of year		257,725,293	132,099,103
Revenue	4	65,941,619	118,698,869
Expenditure	5	(129,964,869)	(977,173,063)
Deficit for the year		(64,023,250)	(858,474,194)
Other transactions relating to movement of funds:			
Net receipts	6	333,930,787	984,100,384
Bank balance at end of year		527,632,830	257,725,293
<b>Community Care Fund</b>			
Cash and bank balances at beginning of year		6,367,158	991,138
Revenue	4	775,150,936	7,159,620,841
Expenditure	5	(767,114,994)	(1,192,139,342)
Surplus for the year		8,035,942	5,967,481,499
Other transactions relating to movement of funds:			
Net receipts/(payments)	6	5,748,493	(5,962,105,479)
Cash and bank balances at end of year		20,151,593	6,367,158
<b>Elite Athletes Development Fund</b>			
Bank balance at beginning of year		934,075,327	-
Revenue	4	284,440,173	601,597
Expenditure	5	(279,640,200)	(66,526,270)
Surplus/(Deficit) for the year		4,799,973	(65,924,673)
Other transactions relating to movement of funds:			
Net (payments)/receipts	6	(935,418,033)	1,000,000,000
Bank balance at end of year		3,457,267	934,075,327

The accompanying notes 1 to 7 form part of these financial statements.

**SECRETARY FOR HOME AFFAIRS INCORPORATED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**1. GENERAL**

The financial statements are prepared in accordance with sections 10(3) and 10(4) of the Secretary for Home Affairs Incorporation Ordinance (Cap. 1044). The purposes of the various funds operated under the Secretary for Home Affairs Incorporation Ordinance are as follows:

<b>Fund</b>	<b>Purpose</b>
Ex-Chinese Public Dispensaries Fund	The Fund is used for the public welfare in such ways as may appear to be most advantageous in the opinion of the Secretary for Home Affairs Incorporated.
Sir Jack Cater Scholarship Fund	The Fund is used primarily to provide scholarships to students attending the United World Colleges.
Lord Wilson United World Colleges Scholarship Fund	<p>The Fund is used for the following purposes:</p> <ul style="list-style-type: none"> <li>(a) to create scholarships, bursaries or prizes to be awarded to students attending the Li Po Chun United World College;</li> <li>(b) to create scholarships, bursaries or prizes to be awarded to students of Hong Kong attending other United World Colleges; and</li> <li>(c) for such other educational purposes as the Chief Executive may from time to time direct if at any time the above-mentioned purposes can no longer be effectively carried out.</li> </ul>
Public donations accepted for welfare purposes and community projects	The donations are used for the welfare purposes or the community projects as specified by the donors. Donations accepted for the Summer Youth Programmes are used for the summer youth programmes organised by the District Youth Programme Committees, government departments and voluntary agencies. The donations for Sichuan Reconstruction are transferred to the Trust Fund in Support of Reconstruction in the Sichuan Earthquake Stricken Areas.
The Ping Wo Fund	<p>The Fund, established on 4 September 2003, is used mainly for the following purposes:</p> <ul style="list-style-type: none"> <li>(a) to support and fund research and studies into social and other problems and issues caused by or related to gambling;</li> <li>(b) to support and fund public education and other measures aimed to prevent or alleviate social and other problems caused by or related to gambling; and</li> <li>(c) to support and fund counselling, treatment and other remedial or support services for problem or pathological gamblers, those whose lives are adversely affected by gambling as well as their significant others.</li> </ul>

<b>Fund</b>	<b>Purpose</b>
The Cantonese Opera Development Fund	<p>The Fund, established on 10 March 2005, is used mainly for the following purposes:</p> <ul style="list-style-type: none"> <li>(a) to support and fund research and studies on the development of Cantonese Opera; and</li> <li>(b) to support and fund programs and events aimed to promote and sustain the development of Cantonese Opera.</li> </ul>
Trust Fund in Support of Reconstruction in the Sichuan Earthquake Stricken Areas	<p>The Trust Fund in Support of Reconstruction in the Sichuan Earthquake Stricken Areas, established on 18 July 2008, is used for the following purposes in support of the reconstruction in the Sichuan earthquake affected areas for the relieving and rehabilitation of victims:</p> <ul style="list-style-type: none"> <li>(a) reconstruction of public services facilities, such as schools, hospitals, rehabilitation centres for the disabled, homes for the aged, orphanages, women and children's healthcare centres, and cultural and sports facilities;</li> <li>(b) specific infrastructural projects of Sichuan, such as roads and bridges;</li> <li>(c) reconstruction of the Wolong Reserve, a panda conservation area of Sichuan;</li> <li>(d) other support services after the Sichuan earthquake which Hong Kong may participate in, such as medical and rehabilitation services, emotional support and counselling services, and other areas of professional training including teachers' development; and</li> <li>(e) any other support work related to the post Sichuan earthquake reconstruction as agreed by the Steering Committee on the Hong Kong Special Administrative Region's Support for Reconstruction in the Sichuan Earthquake Stricken Areas.</li> </ul> <p>The overall implementation and monitoring of the reconstruction projects supported by the Trust Fund are under the purview of the relevant bureaux (Development Bureau, Education Bureau, Food and Health Bureau, Home Affairs Bureau and Labour and Welfare Bureau). For the implementation of works, the Development Bureau provides technical support to the other bureaux.</p>
Community Care Fund	<p>The Fund, established on 25 January 2011, is used mainly for providing assistance to people facing economic difficulties, in particular those who fall outside the social safety net or those within the safety net but have special circumstances that are not covered.</p>
Elite Athletes Development Fund	<p>The Fund, established on 31 January 2012, is used for providing funding to the Hong Kong Sports Institute Limited for its operation and the delivery of programmes to support the development of elite sport and elite athletes in Hong Kong.</p>

## 2. ACCOUNTING POLICIES

- (a) The financial statements are prepared on a cash basis.
- (b) Investments are listed equity securities and debt securities. Listed equity securities are intended to be held on a continuing basis and they are stated in the Statement of Assets and Liabilities at cost. Listed debt securities are intended to be held-to-maturity and they are stated in the Statement of Assets and Liabilities at cost. The cost of investments includes all expenses relating to the purchase of investments, such as commission, brokerage, stamp duty and transaction levy. The cost and market value of investments at the year end were:

	2013 HK\$	2012 HK\$
<b>Ex-Chinese Public Dispensaries Fund</b>		
Investments at cost:		
Equity securities	1,007,996	1,007,996
	=====	=====
Investments at market value:		
Equity securities	3,108,364	2,592,516
	=====	=====
<b>Sir Jack Cater Scholarship Fund</b>		
Investments at cost:		
Debt securities		
- maturing within 1 year	-	3,928,370
	=====	=====
Investments at market value:		
Debt securities	-	3,775,391
	=====	=====
<b>Lord Wilson United World Colleges Scholarship Fund</b>		
Investments at cost:		
Equity securities	39,856,694	42,732,529
Debt securities		
- maturing within 1 year	5,753,220	-
- maturing after 1 year	-	5,753,220
	=====	=====
	45,609,914	48,485,749
	=====	=====
Investments at market value:		
Equity securities	30,291,639	29,963,056
Debt securities	5,521,580	5,612,070
	=====	=====
	35,813,219	35,575,126
	=====	=====
<b>The Cantonese Opera Development Fund</b>		
Investments at cost:		
Equity securities	3,167,122	-
	=====	=====
Investments at market value:		
Equity securities	3,261,600	-
	=====	=====

- (c) Gains or losses on disposal of investments are accounted for in the Statement of Receipts and Payments.
- (d) Placements with the Exchange Fund represent the cost of investments together with interest credited but not yet withdrawn at the end of the year. The return on the placements is calculated on the basis of the average annual investment return of the Exchange Fund's Investment Portfolio for the past six years or the average annual yield of the three-year Exchange Fund Notes for the previous year subject to a minimum of zero percent, whichever is the higher.

- (e) Foreign currency transactions during the year are translated into Hong Kong dollars using the exchange rates prevalent at the transaction dates. Assets denominated in currencies other than Hong Kong dollars are translated into Hong Kong dollars using the closing exchange rate at the end of the reporting period. Exchange differences are accounted for in the Statement of Receipts and Payments.

	2013 HK\$	2012 HK\$
3. <b>ACCUMULATED FUND/ ACCUMULATED SURPLUS/DEFICIT ACCOUNT</b>		
<b>Ex-Chinese Public Dispensaries Fund</b>		
Balance at beginning of year	1,686,070	1,655,725
Surplus for the year	121,133	30,345
Balance at end of year	<u>1,807,203</u>	<u>1,686,070</u>
<b>Sir Jack Cater Scholarship Fund</b>		
Balance at beginning of year	539,751	388,508
(Deficit)/Surplus for the year	(39,622)	151,243
Balance at end of year	<u>500,129</u>	<u>539,751</u>
<b>Lord Wilson United World Colleges Scholarship Fund</b>		
Balance at beginning of year	10,762,316	9,934,864
(Deficit)/Surplus for the year	(1,113,762)	827,452
Balance at end of year	<u>9,648,554</u>	<u>10,762,316</u>
<b>Public donations accepted for welfare purposes and community projects</b>		
Balance at beginning of year	714,326	1,740,063
Surplus/(Deficit) for the year	211,744	(1,025,737)
Balance at end of year	<u>926,070</u>	<u>714,326</u>
<b>The Ping Wo Fund</b>		
Balance at beginning of year	9,287,856	10,575,318
Surplus/(Deficit) for the year	1,475,860	(1,287,462)
Balance at end of year	<u>10,763,716</u>	<u>9,287,856</u>
<b>The Cantonese Opera Development Fund</b>		
Balance at beginning of year	80,650,450	89,304,606
Deficit for the year	(5,892,833)	(8,654,156)
Balance at end of year	<u>74,757,617</u>	<u>80,650,450</u>
<b>Trust Fund in Support of Reconstruction in the Sichuan Earthquake Stricken Areas</b>		
Balance at beginning of year	2,130,339,197	2,988,813,391
Deficit for the year	(64,023,250)	(858,474,194)
Balance at end of year	<u>2,066,315,947</u>	<u>2,130,339,197</u>

	2013 HK\$	2012 HK\$
<b>Community Care Fund</b>		
Balance at beginning of year	6,267,572,637	300,091,138
Surplus for the year	8,035,942	5,967,481,499
	<hr/>	<hr/>
Balance at end of year *	6,275,608,579	6,267,572,637
	<hr/>	<hr/>
<b>Elite Athletes Development Fund</b>		
Balance at beginning of year	(65,924,673)	-
Surplus/(Deficit) for the year	4,799,973	(65,924,673)
	<hr/>	<hr/>
Balance at end of year	(61,124,700)	(65,924,673)
	<hr/>	<hr/>

\* As at 31 March 2013, balance of the Accumulated Fund has included \$296,926,706 (2012 : \$583,437,002) being the additional injection from HKSARG (see Note 4) specifically for the implementation of an assistance programme to provide an allowance to new arrivals from low-income families not yet spent at the end of the year. Unused funds (including interest), if any, will be returned to HKSARG after the completion of the programme.

	2013 HK\$	2012 HK\$
<b>4. REVENUE</b>		
<b>Ex-Chinese Public Dispensaries Fund</b>		
Interest	512	321
Dividends	120,621	115,074
	<u>121,133</u>	<u>115,395</u>
	=====	=====
<b>Sir Jack Cater Scholarship Fund</b>		
Interest	198,796	281,916
Discount on acquisition of debt securities realised on disposal	-	70,785
	<u>198,796</u>	<u>352,701</u>
	=====	=====
<b>Lord Wilson United World Colleges Scholarship Fund</b>		
Interest	258,125	326,947
Dividends	1,174,032	1,112,740
Gains on disposal of Investments	203,610	-
Exchange gains	43,989	53,427
	<u>1,679,756</u>	<u>1,493,114</u>
	=====	=====
<b>Public donations accepted for welfare purposes and community projects</b>		
Donations for welfare purposes and community projects	22,584,800	18,341,200
Donations for Sichuan Reconstruction	21,406	35,640
Others	560	-
	<u>22,606,766</u>	<u>18,376,840</u>
	=====	=====
<b>The Ping Wo Fund</b>		
Interest	11	10
Donations	15,000,505	15,000,000
	<u>15,000,516</u>	<u>15,000,010</u>
	=====	=====
<b>The Cantonese Opera Development Fund</b>		
Interest	401,327	1,054,148
Dividends	488,118	-
Gains on disposal of Investments	3,274,251	-
Donations	2,000	2,966
Refund of grants	59,069	7,126
	<u>4,224,765</u>	<u>1,064,240</u>
	=====	=====

	2013 HK\$	2012 HK\$
<b>Trust Fund in Support of Reconstruction in the Sichuan Earthquake Stricken Areas</b>		
Interest	38,083,882	24,167,666
Donations transferred	22,000	36,000
Refund of funds	3,717,238	999,591
Exchange gains	24,118,499	93,495,612
	<u>65,941,619</u>	<u>118,698,869</u>
	=====	=====
 <b>Community Care Fund</b>		
Injection from HKSARG	-	5,000,000,000
Additional injection from HKSARG specifically for the implementation of an assistance programme to provide an allowance to new arrivals from low-income families	-	1,500,000,000
Donations	476,295,477	478,165,616
Interest on placements with the Exchange Fund	289,251,507	165,205,479
Interest	9,603,952	16,238,420
Others	-	11,326
	<u>775,150,936</u>	<u>7,159,620,841</u>
	=====	=====
 <b>Elite Athletes Development Fund</b>		
Interest on placements with the Exchange Fund	280,918,033	-
Interest	3,522,140	601,597
	<u>284,440,173</u>	<u>601,597</u>
	=====	=====



	2013 HK\$	2012 HK\$
<b>5. EXPENDITURE</b>		
<b>Ex-Chinese Public Dispensaries Fund</b>		
Grants	-	85,000
Others	-	50
	<u>-</u>	<u>85,050</u>
	=====	=====
 <b>Sir Jack Cater Scholarship Fund</b>		
Grants	-	160,000
Others	-	41,458
Premium on acquisition of debt securities realised on disposal	238,418	-
	<u>238,418</u>	<u>201,458</u>
	=====	=====
 <b>Lord Wilson United World Colleges Scholarship Fund</b>		
Grants	2,457,712	-
Premium on acquisition of debt securities realised on disposal	-	312,087
Others	335,806	353,575
	<u>2,793,518</u>	<u>665,662</u>
	=====	=====
 <b>Public donations accepted for welfare purposes and community projects</b>		
Payments for welfare purposes and community projects	21,389,485	18,300,523
Donations transferred to Trust Fund in Support of Reconstruction in the Sichuan Earthquake Stricken Areas	22,000	36,000
Balance refunded to donors	983,537	1,064,049
Others	-	2,005
	<u>22,395,022</u>	<u>19,402,577</u>
	=====	=====
 <b>The Ping Wo Fund</b>		
Grants to four counselling and treatment centres	11,100,000	11,000,000
Research and studies	590,430	710,968
Public education campaigns	220,000	2,607,436
Sponsorship schemes	1,544,681	1,894,068
School project grants	69,545	75,000
	<u>13,524,656</u>	<u>16,287,472</u>
	=====	=====
 <b>The Cantonese Opera Development Fund</b>		
Grants	9,648,583	9,443,282
Others	463,520	275,114
Exchange losses	5,495	-
	<u>10,117,598</u>	<u>9,718,396</u>
	=====	=====

	2013 HK\$	2012 HK\$
<b>Trust Fund in Support of Reconstruction in the Sichuan Earthquake Stricken Areas</b>		
Payments to the Sichuan Provincial Government for reconstruction support projects:		
Education	28,041,579	41,449,062
Medical and rehabilitation	40,828,404	178,577,742
Wolong Reserve	-	576,815,563
Social welfare	13,851,318	85,774,098
Payments to non-government organisations (NGOs)	24,348,696	63,276,083
Payments for other support work	22,894,872	31,280,515
	<u>129,964,869</u>	<u>977,173,063</u>
	=====	=====

### **Community Care Fund**

Payments for assistance programmes (including administrative expenses)

-Allowance for new arrivals from low-income families	291,330,518	924,402,732
-Subsidy to meet lunch expenses at whole-day primary schools for students from low-income families	124,523,793	182,238,253
-Subsidy for low-income persons who are inadequately housed	115,255,587	-
-Subsidy for patients of Hospital Authority for specified self-financed cancer drugs which have not yet been brought into the Samaritan Fund safety net but have been rapidly accumulating medical scientific evidence and with relatively higher efficacy	78,931,115 #	25,320,776 #
-Setting up the School-based Fund (Cross-boundary Learning Activities) to subsidise primary and secondary school students from low-income families to participate in cross-boundary learning activities/competitions	54,687,731	1,350,609
-Subsidy for the severely disabled persons aged below 60 from families with financial difficulties who are non-Comprehensive Social Security Assistance (CSSA) recipients, requiring constant attendance and living in the community	36,404,086	8,219,483
-Training subsidy for children with special needs from low-income families who are on the waiting list for subvented pre-school rehabilitation services	16,351,738	310,291
-After-school care pilot scheme	14,282,211	-
-Subsidy for low-income elderly tenants in private housing	11,276,548	-
-Subsidy for CSSA recipients living in private housing paying rents which exceed the maximum rent allowance under CSSA scheme	171,000	33,500,000
-Other assistance programmes	9,295,288	4,188,283
Payments for other expenses not directly related to assistance programmes	14,605,379	12,608,915
	<u>767,114,994</u>	<u>1,192,139,342</u>
	=====	=====

# including \$1,040,816 and \$1,803,683 administrative expenses incurred for this and another medical assistance programme reported under "Other assistance programmes" in 2013 and 2012 respectively.

	2013 HK\$	2012 HK\$
<b>Elite Athletes Development Fund</b>		
Payments to Hong Kong Sports Institute Limited	279,640,000	66,526,000
Bank charges	200	270
	<u>279,640,200</u>	<u>66,526,270</u>
	=====	=====
 <b>6. OTHER TRANSACTIONS RELATING TO MOVEMENT OF FUNDS</b>		
<b>Ex-Chinese Public Dispensaries Fund</b>		
Net increase in time deposits	(508)	(318)
	<u>(508)</u>	<u>(318)</u>
	=====	=====
 <b>Sir Jack Cater Scholarship Fund</b>		
Net decrease/(increase) in investments	3,928,370	(112,155)
Net decrease/(increase) in time deposits	900,739	(399)
	<u>4,829,109</u>	<u>(112,554)</u>
	=====	=====
 <b>Lord Wilson United World Colleges Scholarship Fund</b>		
Net decrease in investments	2,875,835	2,738,541
Net increase in time deposits	(611,487)	(4,061,798)
	<u>2,264,348</u>	<u>(1,323,257)</u>
	=====	=====
 <b>The Cantonese Opera Development Fund</b>		
Net increase in investments	(3,167,122)	-
Net decrease in time deposits	30,398,857	46,670
	<u>27,231,735</u>	<u>46,670</u>
	=====	=====
 <b>Trust Fund in Support of Reconstruction in the Sichuan Earthquake Stricken Areas</b>		
Net decrease in time deposits	333,930,787	984,100,384
	<u>333,930,787</u>	<u>984,100,384</u>
	=====	=====
 <b>Community Care Fund</b>		
Increase in placements with the Exchange Fund	(289,251,507)	(5,165,205,479)
Net decrease/(increase) in time deposits	295,000,000	(796,900,000)
	<u>5,748,493</u>	<u>(5,962,105,479)</u>
	=====	=====

	2013 HK\$	2012 HK\$
<b>Elite Athletes Development Fund</b>		
Increase in capital	-	7,000,000,000
Increase in placements with the Exchange Fund	(280,918,033)	(6,000,000,000)
Net increase in time deposits	(654,500,000)	-
	<hr/>	<hr/>
Net (payments)/receipts	(935,418,033)	1,000,000,000
	<hr/>	<hr/>

## 7. COMMITMENTS

As at 31 March 2013, the Secretary for Home Affairs Incorporated had financial commitments, so far as not provided for in the financial statements, as follows:

<b>Sir Jack Cater Scholarship Fund</b>		
Scholarship awards	160,000	-
	<hr/>	<hr/>
<b>Lord Wilson United World Colleges Scholarship Fund</b>		
Scholarship awards	-	1,300,000
	<hr/>	<hr/>
<b>The Ping Wo Fund</b>		
Four counselling and treatment centres	15,150,000	16,650,000
Research and studies	148,000	590,430
Sponsorship schemes	1,947,638	2,229,786
School project grants	97,000	75,000
	<hr/>	<hr/>
	17,342,638	19,545,216
	<hr/>	<hr/>
<b>The Cantonese Opera Development Fund</b>		
Grants	7,383,373	12,395,517
	<hr/>	<hr/>
<b>Trust Fund in Support of Reconstruction in the Sichuan Earthquake Stricken Areas</b>		
HKSAR's reconstruction support projects	1,916,966,824	1,976,183,973
NGOs' reconstruction projects	17,354,932	40,664,910
	<hr/>	<hr/>
	1,934,321,756	2,016,848,883
	<hr/>	<hr/>
<b>Community Care Fund</b>		
Estimated expenditures for the implementation of assistance programmes (including administrative expenses)	1,111,360,248	1,608,999,573
	<hr/>	<hr/>
<b>Elite Athletes Development Fund</b>		
Allocation to Hong Kong Sports Institute Limited for 2013/14	325,000,000	-
	<hr/>	<hr/>