



僱員補償援助基金管理局
Employees Compensation
Assistance Fund Board

2013 - 2014
年報 Annual Report



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引言

僱員補償援助基金管理局（下稱“管理局”）是根據「僱員補償援助條例」（第 365 章）（下稱“本條例”）於 1991 年 7 月 1 日成立，其職能為管理「僱員補償援助基金」（下稱“基金”），保障僱員或其受養人享有僱員補償，和有關損害賠償的濟助付款之權利。

基金經費來自「僱員補償保險徵款條例」（下稱“徵款條例”）規定僱主所須繳交的徵款。徵款為僱主就購買僱員補償保險所繳付保費的一個百分比，由僱員補償保險徵款管理局（下稱“徵款局”）徵收。在本年度的總徵款率為 5.8%，其中 3.1% 用於僱員補償援助基金管理局，其餘 2% 和 0.7% 分別由職業安全健康局及職業性失聰補償管理局攤分。

管理局的法定職能：

- i) 以信託方式持有及管理基金，以保障合資格申請賠償之人士；
- ii) 代表基金自徵款局收取徵款；
- iii) 審定尋求基金付款或濟助的申請；
- iv) 定期就已知或預期會向基金提出之申請數額向徵款局提供意見；和
- v) 執行其他根據「僱員補償援助條例」委予管理局的職能。

管理局的組成：

僱員補償援助基金管理局共有 9 位成員，均由香港特別行政區行政長官委任，管理局成員代表了不同利益界別及有關專業，包括：

- 1 名主席；
- 2 名僱主代表；
- 2 名僱員代表；
- 1 名保險界專業人士；
- 1 名會計、投資或法律界專業人士；
- 2 名公職人員，代表勞工處處長及法律援助署署長。

所有成員之委任期為兩年，現屆委任期由 2012 年 7 月 1 日開始。管理局的秘書處服務由職業安全健康局以協議形式提供。

管理局成員名單

主席

王沛詩女士，太平紳士

成員

僱主代表

張成雄先生，銅紫荊星章

余錫萬先生

僱員代表

林淑芬女士，榮譽勳章

廖保珠女士

專業代表

鄭國屏先生

羅君美女士，榮譽勳章，太平紳士

公職人員

勞工處處長或其代表

法律援助署署長或其代表

管理局秘書

嚴慧敏女士

僱員補償援助計劃

僱員補償援助計劃與管理局同時成立，並於 1991 年 7 月 1 日生效。透過此計劃，合資格人士可向基金作出申請，而基金是向申請人提供法定賠償的最終途徑。雖然設有此賠償機制，根據法律僱主仍要負上最終提供補償的責任，而管理局是有可能採取任何所需步驟，向有關僱主及承保人討回由基金代為作出之補償。

合資格申請人

因工受傷僱員或因工死亡僱員之受養人：該宗工傷或死亡的意外是發生於 1984 年 1 月 1 日之後；而有關人等，不論是僱員本身或為死亡僱員之親屬，已用盡一切法律及財政上可行之方式，仍無法向僱主或其承保人追討有關補償。

僱主：祇包括已替有關受傷僱員購買有效僱員補償保險，並已遵照「僱員補償保險徵款條例」繳付徵款，惟其承保人卻於 2004 年 4 月 1 日前宣佈「無力償債」之僱主。

援助種類

管理局會審核對基金作出之所有申請。援助類別如下：

支付僱員或其受養人之款項：

- 根據「僱員補償條例」之僱員補償；
- 就這類因工受傷或死亡意外而判給損害賠償的濟助付款；及
- 因追討僱員補償而須支付的訴訟費。

支付僱主之款項：

- 承保人在僱員補償保險的保單上訂明須承擔的保險範圍及金額；及
- 因追討或被追討補償和損害賠償須承擔的部份費用，數額由管理局決定。

僱員補償援助計劃的運作

所有向管理局遞交之申請均須根據訂明之格式。審核期間，管理局會進行所需查詢，以評估申請，下列文件需連同申請一併提交管理局：

僱員補償和損害賠償濟助付款之援助申請：

- 本港法院或審裁處的判決或命令；或
- 根據「僱員補償條例」(第 282 章)第 16A 條規定簽發的補償評估證明書或審核證明書；或
- 根據「僱員補償條例」第 6(1) 條發出的致命個案補償評估證明書或審核證明書。

醫療援助之申請：

需具備由勞工處處長根據「僱員補償條例」第 10B(1)或(2)發出之證明書及其他有助管理局審核之文件，如僱員保險保單或訴訟費評核書等。

特別情況：

若僱員因以下情況而未能向僱主提出訴訟，計劃仍會予以援助：

- 無法辨明僱主身份或無法尋獲僱主；或
- 僱主無力償債；或
- 僱主已經去世；或
- 受僱之公司已經解散、清盤或已在公司註冊紀錄冊註銷；
- 無法向僱主送達訴訟文件；或
- 僱主未具為有關僱員投保的有效保險單。

在這些情況下，僱員可視管理局為僱主，向局方提出訴訟。

僱員補償援助計劃的運作（續）

限期過後之申請： 在特殊情況下，若僱員因未能在規定的時間內向僱主提出補償申請，而導致無法確立他獲得基金付款之權利，管理局可考慮據本條例第 30 條從基金中撥出適當的恩恤款項予申請人。

撥款予預期之申請人： 管理局可按合適的條款援助預期需要援助之申請人，以減省不必要的訴訟費及利息支付，保障基金。

儘早介入根據「僱員補償援助條例」第 28 條之申請： 為保障基金及減省不必要的訴訟費及利息支付，管理局會主動接觸根據「僱員補償援助條例」第 28 條的申請者，以便儘早介入，在上庭前與之商議賠償協定。此舉既可方便索償申請者能早日獲得賠償，亦可節省管理局的利息和訴訟費的支出。

根據「僱員補償援助條例」第 25(B)條： 任何人士就補償或損害賠償申索而展開訴訟，均須於 30 日內以訂明的格式向管理局作出書面**訴訟通知**，使管理局可儘早進行有需要的查詢，保障基金。

註：

任何凡獲管理局援助僱員補償或損害賠償之人士，均不能再向其僱主或承保人追討該筆款項。有關僱員補償及損害賠償之所有權利及救助，均會據「僱員補償援助條例」第 37 條轉移至管理局所有。管理局在適當之情況下會進行訴訟，向僱主或承保人追討已代支之款項。

援助計劃年內之概況

申請個案數目：本局於本財政年度援助了 47 宗**僱員補償**援助申請個案，援助金額共 1,466 萬元；和援助了 25 宗**損害賠償**的申請，相應撥出之援助金額達 2,426 萬元；另外全年亦援助了 1,472 萬元以支付 56 宗**訴訟費用**申請。

援助金額：援助金額在本年度有所增加，在 2013-2014 年間，本局發放援助總額共 5,364 萬元。援助個案款額趨勢詳見附錄二。

收入：本財政年度的收入為 20,104 萬元，較去年的 16,752 萬元增加 20%，主要是因為所獲分配收入顯著增加。本年度收入的 98% 來自徵款，1% 來自行使代位權於僱主被清盤後獲發還的債款及從「無力償債」承保人的臨時清盤人攤還之債款，其餘 1% 來自定期存款利息及向違反「僱員補償條例」第 40 條(1)款之僱主收取附加費。由於自 1996-1997 年度起的十年間，本局的收入不足以應付日益增加的申索申請和龐大的賠償金額，在耗盡儲備的情況下，基金遂需要全數支用政府貸款，令援助計劃得以繼續推行，確保受傷僱員得到妥善照顧。而附錄一顯示僱員補償援助基金歷年來的收入分析。

於 2001 年 8 月中，本局耗盡累積儲備；而其後基金的運作，全賴由政府兩度提供合共 28,000 萬元的過渡性貸款，讓基金暫時免卻要據本條例第 26 條按先後次序來支付援助。自 2001 年底簽訂貸款協議後，基金已先後 5 次支用部分借貸，並已於 2004-2005 財政年度結束前全數支取整筆貸款。

本年度內，本局行使權力在發放援助補償後向有關僱主追討賠償，並討回約共 135 萬元；同時，本局亦向違反「僱員補償條例」第 40 條(1)款之僱主徵收得合共 82 萬餘元的附加費。

申請個案的行業特性：在各項申請中，建造業長期以來均為主要的申請索償行業。自本計劃成立以來的申請個案中，44% 與建造業有關。這可能與本港建造業慣常採用承包制有關。

個人服務業及運輸業為其他申請索償的主要行業，附錄三列出按經濟行業劃分的援助個案類別。

2013—2014 年度的基金狀況（續）

自本局於 1991 年成立以來，共支付 114,481 萬元援助 2,270 名申請人，其中 1,544 名申請人獲發少於 25 萬元，而有 9 名申請人則獲發多於 800 萬元的援助。附錄四列出按援助金額劃分的申請個案。

改善財政狀況

雖然本年度基金的收入較去年有所增長，但由於法庭近年對工傷個案時有作出大額賠償的判決，再加上 2001 年中 3 間本地承保人被臨時清盤和宣告「無力償債」，而其中 2 間更活躍於僱員補償保險業務，為本局增加約 5 億元的申索負債，致令基金耗盡累積儲備；而且管理局於 2001 年 7 月中全數支取的首筆 6,000 萬元政府過渡性貸款後，仍不足以應付這突如其來的財政負擔，致令政府需作出如下的應變策略。

提高徵款率：政府刊憲通過於 2002 年 7 月 1 日起調高僱員保償保險徵款比率至 6.3%，而管理局獲分配的資源淨額比率為 2.5%。及後在 2010 年政府刊憲通過將僱員保償保險徵款率調整至 5.8%，而分配予管理局的資源淨額比率亦調整為 3.1%，增加分配予管理局的資源淨額有效地改善年度內基金的收入。

額外貸款協議：在 2002 年 12 月，管理局獲經濟發展及勞工局協助與政府再度達成貸款協議，由政府向管理局額外再提供 22,000 萬元之貸款，而本局亦已先後於 2003 年 2 月、8 月和 2004 年 9 月及 2005 年 3 月支用其中 2,000 萬元、1,500 萬元、2,000 萬元和 16,500 萬元，以紓解財政困況。

根據此額外貸款協議，政府會收取一個「無所損益」之利息，截至 2014 年 3 月底，該利率仍維持為 1.395 厘。

管理局會分十期平均償還首度借貸中目前尚欠的 5,000 萬元（首筆 1,000 萬元已於 2001 年 8 月 1 日歸還），及第二度借貸的 22,000 萬元貸款，首九期之 3,274 萬元、3,767 萬元、3,712 萬元、3,345 萬元、3,314 萬元、3,347 萬元、3,247 萬元、3,205 萬元和 3,205 萬元還款亦分別於 2006 年至 2014 年的 4 月支付；而最後 1 期的還款則將於 2015 年的 4 月 1 日支付，屆時便全數還清政府貸款。

2013—2014 年度的基金狀況（續）

僱員補償援助條例修訂

政府於 2002 年中通過「僱員補償援助條例」的修訂，其中包括對僱員補償援助計劃作出多項改革，包括：

- (i) 凡於 2002 年 7 月 1 日後取得法庭判決獲得賠償，而又無法向其僱主或其承保人討回應有損害賠償的受傷僱員，將獲管理局提供**濟助付款**。涉及 150 萬元或以下的申請個案獲一筆過付款，而 150 萬元以上的個案，僱員可先獲 150 萬元，餘額則分期每月支付 1 萬元或受傷時的薪金數目，以較高者為準，直至餘額付清為止。
- (ii) 另外條例亦增列條款，明確要求申請人就僱員補償或損害賠償申索而以訴狀展開訴訟，及在取得判決前或訂定和解協議前，必須於指明的期間內向管理局送達指明格式的有關**訴訟通知**，藉此保障管理局有適時參與訴訟的權利。

攜手合作

管理局衷心感謝政府先後兩度為局方提供了急需的貸款安排，令局方能繼續為因工受傷的各受害人提供適時的援助。要令基金得以繼續運作，本局確切需要的是僱主的支持，即使在業務困難之時仍替僱員妥善購買保險。本局亦需要保險界同業在劇烈的競爭環境下仍盡力保持財政穩健，以肩負其法律責任為已投保的傷者作出賠償。我們更需要得到僱主、僱員的合作，將整個問題的根源——工傷——減至最低。

本局將繼續與各有關政府部門包括勞工處、法律援助署、勞工及福利局，及本港保險業界等緊密合作，以確保援助計劃能作為一道穩健的最後防線，在財政上幫助紓解僱員因工受傷而為生活帶來的各種困難。

核數師報告

核數師報告

致：僱員補償援助基金管理局（簡稱管理局）各成員

（據「僱員補償援助條例」（第365章）而設立）

本核數師（以下簡稱“我們”）已完成審核管理局以信託方式持有的僱員補償援助基金列載於第10至18頁的財務報表，此財務報表包括於2014年3月31日的財務狀況表，截至該日止年度的全面收益表、累積盈餘變動表及現金流量表，以及主要會計政策概要及其他附註解釋。

管理局就財務報表須承擔的責任

管理局須負責遵照香港會計師公會頒佈的「香港財務報告準則」及「僱員補償援助條例」編製財務報表，以令財務報表作出真實而公平的反映，及落實其認為編製財務報表所必要的內部控制，以使財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

核數師的責任

我們的責任是根據我們的審核工作的結果，對該等財務報表作出意見。我們已根據香港會計師公會頒佈的香港審計準則進行審核。這些準則要求我們遵守道德規範，並規劃及執行審核，以合理確定此等財務報表是否不存有任何重大錯誤陳述。

審核涉及執行程序以取得與財務報表所載金額及披露事項有關的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與管理局編製真實而公平地列報財務報表相關的內部控制，以設計適當的審核程序，但並非為對管理局的內部控制的效能發表意見。審核亦包括評價管理局所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價財報表的整體列報方式。

我們相信，我們已取得的審核憑證是充足和適當地為我們的審核意見提供了基礎。

意見

我們認為，上述財務報告已根據「香港財務報告準則」真實而公平地反映貴管理局以信託方式持有的僱員補償援助基金於2014年3月31日的財務狀況，及截至該日止年度的盈餘和現金流量，並已按照「僱員補償援助條例」妥善編製。

譚德定會計師事務所

2014年6月16日

（此乃中文譯本，全文仍以英文本為準。）

財務報告 - 全面收益表及累積盈餘變動表
2014年3月31日

全面收益表

	附註	2014 港幣	2013 港幣
收入項目			
獲分配收入	三	196,590,337	164,228,020
銀行存款利息		2,283,357	1,650,061
其他收入	四	<u>2,167,575</u>	<u>1,639,756</u>
		<u>201,041,269</u>	<u>167,517,837</u>
支出項目			
賠償數額		53,643,316	47,053,112
行政費用	五	1,620,000	1,540,000
核數費用		35,800	34,900
申請處理及法律諮詢費用		14,090,352	12,827,613
政府貸款利息		<u>901,330</u>	<u>1,557,032</u>
		<u>70,290,798</u>	<u>63,012,657</u>
本年度盈餘		<u>130,750,471</u>	<u>104,505,180</u>

累積盈餘變動表

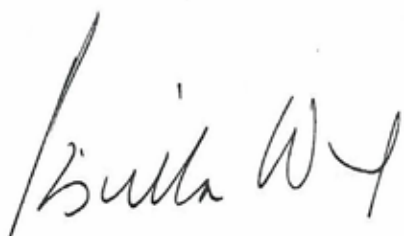
財政年度始結餘	337,263,850	232,758,670
本年度總全面收益	<u>130,750,471</u>	<u>104,505,180</u>
財政年度終結餘	<u>468,014,321</u>	<u>337,263,850</u>

(此乃中文譯本，全文仍以英文本為準。)

財務報告 - 財務狀況表
截至 2014 年 3 月 31 日

	附註	2014 港幣	2013 港幣
流動資產			
現金或現金等價項目	七	552,940,071	449,868,333
應收利息		<u>575,556</u>	<u>242,434</u>
		<u>553,515,627</u>	<u>450,110,767</u>
流動負債			
賠償準備		22,022,449	16,169,482
應付支出		55,800	2,107,712
政府貸款- 1 年內到期	八	<u>32,047,996</u>	<u>32,047,996</u>
		<u>54,126,245</u>	<u>50,325,190</u>
流動資產淨值		499,389,382	399,785,577
非流動負債			
政府貸款- 1 年後到期	八	<u>31,375,061</u>	<u>62,521,727</u>
資產淨值		<u>468,014,321</u>	<u>337,263,850</u>
來源：			
期末盈餘		<u>468,014,321</u>	<u>337,263,850</u>

刊載於第 13 至 18 頁的附註是財務報告的構成部份。
 管理局成員於 2014 年 6 月 16 日同意通過及授權編印刊於第 10 至 18 頁之財務報告，並由主席代表簽署。



王沛詩，太平紳士

主席

(此乃中文譯本，全文仍以英文本為準。)

財務報告 - 現金流量表
截至 2014 年 3 月 31 日

	附註	2014 港幣	2013 港幣
經營業務			
本年度盈餘		130,750,471	104,505,180
調整：			
利息收入		(2,283,357)	(1,650,061)
政府貸款利息支出		<u>901,330</u>	<u>1,557,032</u>
營運資金變動前之經營業務			
產生的淨現金		129,368,444	104,412,151
增加賠償準備		5,852,967	4,778,593
(遞減)/增加應付支出		<u>(2,051,912)</u>	<u>1,709,262</u>
經營業務的淨現金流出		133,169,499	110,900,006
投資活動			
利息收入		1,950,235	1,509,886
融資			
償還政府貸款		<u>(32,047,996)</u>	<u>(32,466,548)</u>
持有現金之淨增加		103,071,738	79,943,344
本年開始時持有現金		<u>449,868,333</u>	<u>369,924,989</u>
本年年結時持有現金	七	<u>552,940,071</u>	<u>449,868,333</u>

(此乃中文譯本，全文仍以英文本為準。)

一. 法定地位及註冊辦事處

法定地位

僱員補償援助基金管理局乃根據「僱員補償援助條例」(第365章)(下稱“本條例”)成立，並具以下職能：

- a) 在符合本條例的宗旨下，以信託方式持有基金從而加以管理；
- b) 代表基金自僱員補償保險徵款管理局(下稱“徵款局”)處收取相等於依據僱員補償保險徵款條例(下稱“徵款條例”)第7條分配徵款的資源淨額款額；
- c) 審定根據本條例第IV部尋求向基金付款或濟助的申請；
- d) 不時就已知或預期會針對基金提出的聲請的數額，向徵款局提供意見；
- e) 執行其他根據本條例委予管理局的職能。

根據本條例第3條，管理局是永久延續的一個法團。

此財務報告是按持續經營/運作基礎下編製，管理局成員同意基金按本條例第26條有關付款先後次序的條款(詳見財務報告附註九)，將可讓基金承擔可預見將來的財務責任。在獲徵款局增加分配資源淨額後，預計基金將具所需財力支付援助。

註冊辦事處

管理局註冊辦事處地址位於香港特別行政區新界青衣涌美路62號職業安全健康局職安健學院。

二. 重要會計政策

編製基準

本財務報告根據「香港財務報告準則」編製，該準則包括全部香港會計師公會頒佈之財務報告準則、香港會計準則及其釋義。本財務報告以歷史成本法編製。

編製按照「香港財務報告準則」的財務報告，需要在重要問題上使用會計估計；同時亦需要管理局在應用會計政策過程時作出判斷。這些估計及相關假設是按歷史經驗及其他相關因素作出的。實際結果可能與這些估計不同。重要會計政策及重要估計與假設總結如下：

(此乃中文譯本，全文仍以英文本為準。)

(a) 收入確認

(i) 所分配收入

據徵款條例第14條規定，凡承保人於1990年7月1日起發出之僱員補償保險單，受保人均需據徵款條例第IV部，按其在該份保險單下應繳付的每筆保費，繳付一項名為"僱員補償保險徵款"的徵款。

據徵款條例第7條，徵款局須將關於該期間的資源淨額，分配予指明的各團體，包括管理局在內。

於每季後兩個月內，徵款局須將收妥的資源交付予管理局作為收入。

(ii) 利息收入

利息收入乃根據應計基礎計算，並已參考相關本金和利率，將預計的現金收益按存款期作出折扣計算。

(iii) 附加費及債款發還

附加費及債款發還在應收權利已確立、合理金額經確定，及可行性合理地查明時確認為收入。

(b) 僱員補償/賠償準備

管理局於持續的基礎上會密切審查和評估合資格的應付款項為補償/賠償金額；及並不確認未被管理局決定之負債，因此管理局未有對已通知或未通知之補償/賠償估計金額作出準備。

補償/賠償金額乃是根據本條例第16、17、18或20A條向管理局申請援助，而申請人已竭盡一切法律上及財政下可行的途徑，仍無法向僱主或承保人追討僱員補償或損害賠償的情況下，從基金撥款予以援助或濟助之金額。

但凡管理局認為某人士有權或可能會有權根據條例申請基金付款，管理局為保障基金，管理局可按本條例第28條認為合適的條款，作出由基金付款予該人士或代表該人付款的要約，以令該人士的權利得以體現。

(此乃中文譯本，全文仍以英文本為準。)

(c) 財務工具

當管理局成為財務工具合約的一方，便會在財務狀況表中作出記錄。財務資產及財務負債均以攤銷後的成本價記錄。

(i) 財務資產

財務資產分為應收款項、銀行定期存款、現金及銀行結存。它們以攤銷後的成本記錄，等同現金或可迅速轉回現金。

(ii) 財務負債

財務負債包括應付款項、政府貸款及其他貨幣性負債，所有財務負債均以攤銷後的成本計量。

(iii) 財務資產與財務負債核銷

當從財務資產收取現金流到期，或管理局轉移了收取財務資產現金流的合同權利，並實質上轉移了擁有權的全部風險與回報，和控制權不再存留時，核銷相應的財務資產。

當財務負債已清償，即當債務已履行、撤銷或到期時，核銷相應的財務負債。

(d) 財務風險管理

財務工具包括應收款項、現金及銀行結餘、應付款項、政府貸款及應付費用。作為基金經費主要來自「僱員補償保險徵款條例」的法定團體，管理局儘量減小財務工具風險。管理局承受的財務風險敘述如下：

(i) 利率風險

利率風險指財務工具價值由於市場利率變動而波動的風險。主要市場利率水平波動只對利息收益有影響；在金融市場的低利率情況下，管理局的利率波動風險只限於截至2014年3月31日之短期存款、應收款項及儲蓄戶口的應收利息。支付政府的貸款利息受「無所損益」管制，所以相關之風險微小。

(此乃中文譯本，全文仍以英文本為準。)

(ii) 信用風險

信用風險指交易對手不能於到期日足額支付的風險。

管理局的盈餘資金按本條例第 11 條，存入經財政司司長批准之銀行，形式為定期存款、通知存款及存於儲蓄戶口。管理局認為存放於信譽良好的銀行之定期存款及銀行結存風險不高。

(iii) 流動性風險

流動性風險是指管理局償還債務時將會遇到資金調動困難之風險。這些債務是以現金或其他財務資產結付。管理局以保留充足現金去管理流動性風險，並定期進行現金流預測，以監察未來現金流。以管理局當前的財務實力，並不構成流動性威脅。

(iv) 外幣風險

管理局並不面臨任何外幣風險，因為其全部交易、貨幣資產及貨幣負債均以港幣結計。

三. 所分配收入

在本財政年度，管理局從徵款局處收取之資源淨額是以已收保費的3.1%來計算的。(2012-13年度為3.1%)

(此乃中文譯本，全文仍以英文本為準。)

四. 其他收入

	2014 港幣	2013 港幣
據承保人臨時清盤之 債務安排下所獲發還 的債款(附註十)	-	-
基金提供援助後，據本條例第 37條，行使代位權於僱主 被清盤後所獲發還的債款	1,351,684	1,315,189
僱主據本條例第36A條(6) 繳付的附加費	815,891	331,237
據承保人臨時清盤之 債務安排下需發還予據 本條例第17或18條的 援助申請人的剩餘債款	-	(6,670)
	<u>2,167,575</u>	<u>1,639,756</u>

五. 行政費用

管理局與職業安全健康局達成協議提供秘書服務，年度行政費用為港幣162萬元。(2012-13年度為港幣154萬元)

六. 稅項

根據香港稅務條例第88條，管理局獲豁免不需繳付任何稅項。

七. 現金或現金等價項目

	2014 港幣	2013 港幣
3個月內到期之 銀行定期存款	432,341,712	330,391,477
現金存款	<u>120,598,359</u>	<u>119,476,856</u>
	<u>552,940,071</u>	<u>449,868,333</u>

(此乃中文譯本，全文仍以英文本為準。)

八. 政府貸款(無抵押)

於2005年管理局向政府借貸共28,000萬元，而管理局截至2014年3月31日為止，尚欠的款額為HK\$63,423,058，年度內貸款年利率為1.674% (2012-13年度為1.674% - 2.099%)。借款是用作支付條例下合資格的援助和濟助申請，而貸款於2014年3月31日尚餘2期還款。

貸款償還詳情如下：

	2014 港幣	2013 港幣
一年內償還	32,047,996	32,047,996
第二年至第三年	<u>31,375,061</u>	<u>62,521,727</u>
	<u>63,423,057</u>	<u>94,569,723</u>

九. 或有負債

管理局估計在本財政年度中尚未審批決定的賠償數額約為HK\$161,032,220 (2012-13年度為HK\$185,984,092)，此數額不被列入本年度之財務報告內，因援助申請人尚未符合「僱員補償援助條例」之申請要求，故未能獲得補償。

本條例第26條列明，應付基金付款必須在有足夠可動用的款項下才須全數支付應付數額，否則該數額均不會變為須由管理局支付。

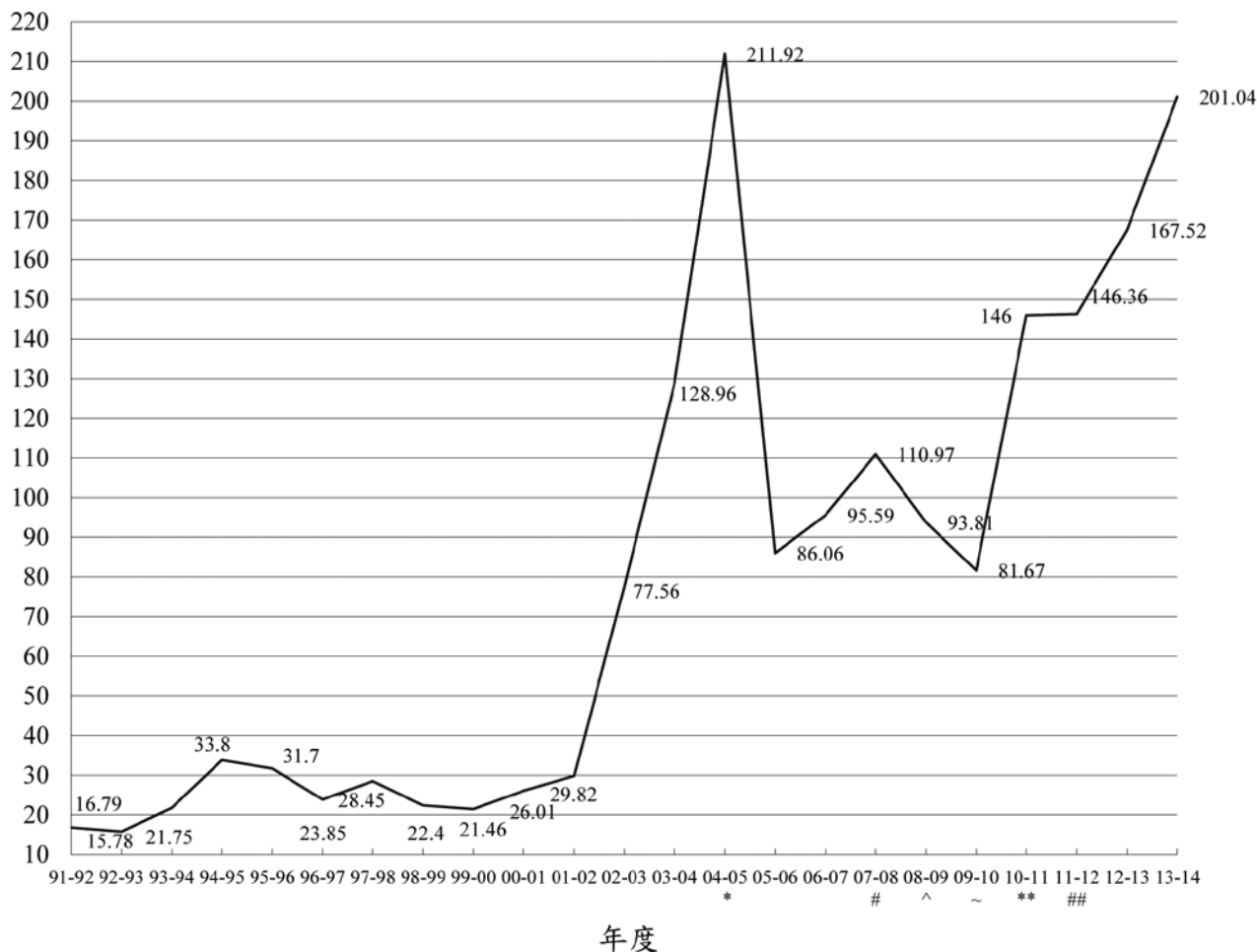
十. 所獲發還的債款

就保險業監理處於2001年4月9日宣佈澳洲興業保險有限公司承保人「無力償債」及進行臨時清盤。根據「僱員補償援助條例」第17和18條，本局須履行法定職務去承擔和賠償因承保人清盤而衍生的申索個案。在經過近13年提供援助予合資格的申請個案後，根據承保人臨時清盤之債務安排下，截至本年度止本局獲臨時清盤人發還給本局的累積債款總額為HK\$212,073,889 (2012-13年度為HK\$212,073,889)。

(此乃中文譯本，全文仍以英文本為準。)

附錄一—僱員補償援助基金收入分析 (1991—2014)

港幣(百萬元)



收入金額 (1991—2014)

總共 : 181,928 萬元
 最低 : 1,578 萬元
 最高 : 21,192 萬元*

* 包括由 3 間「無力償債」承保人之臨時清盤人所發還的 11,585 萬元債款

包括由 3 間「無力償債」承保人之臨時清盤人所發還的 2,545 萬元債款

^ 包括由 3 間「無力償債」承保人之臨時清盤人所發還的 2,063 萬元債款

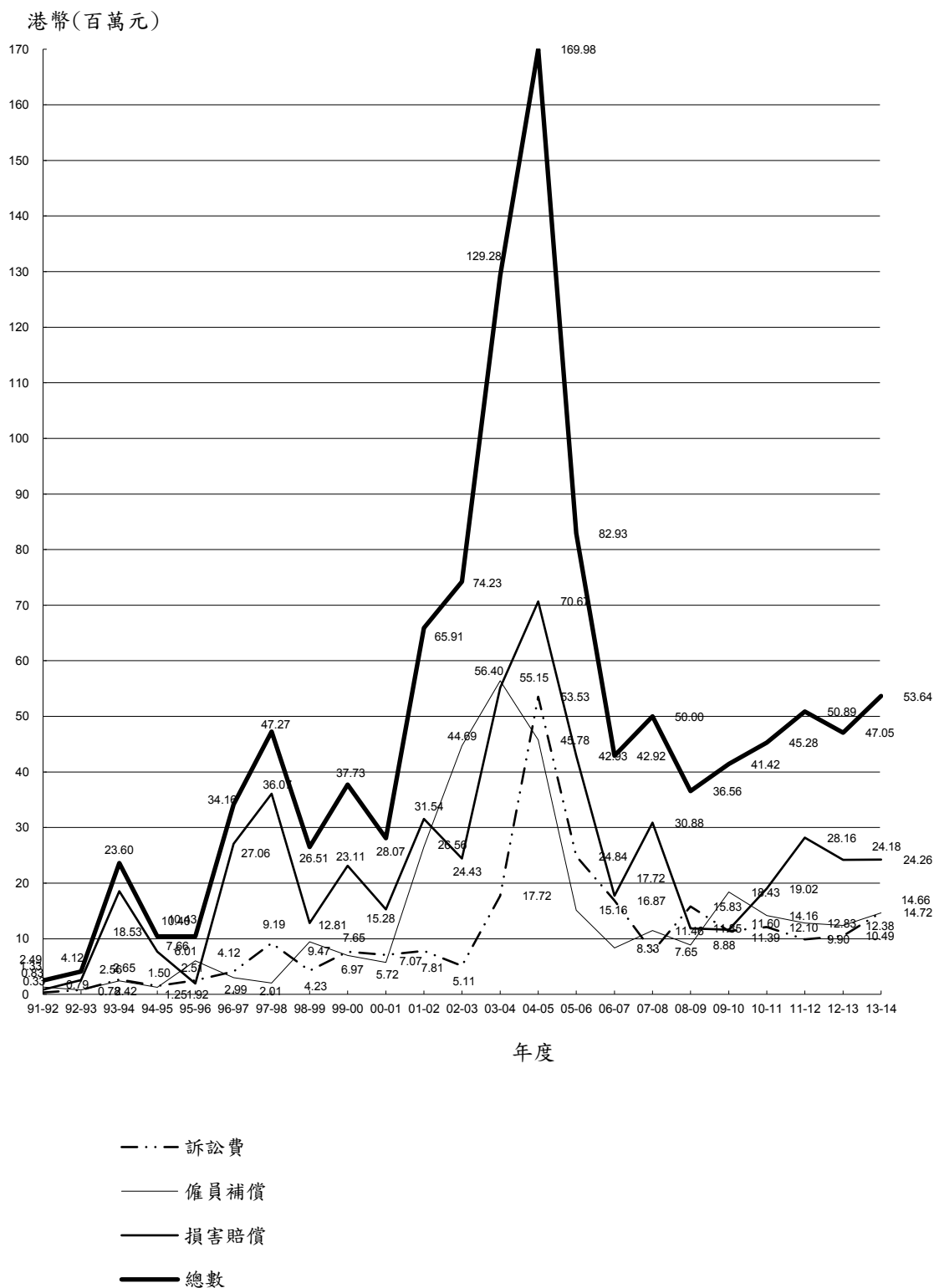
~ 包括由 3 間「無力償債」承保人之臨時清盤人所發還的 35 萬元債款

** 包括由 3 間「無力償債」承保人之臨時清盤人所發還的 3,767 萬元債款

包括由 3 間「無力償債」承保人之臨時清盤人所發還的 1,213 萬元債款

附錄二—僱員補償援助基金援助支出分析 (1991-2014)

(i) 歷年的援助額



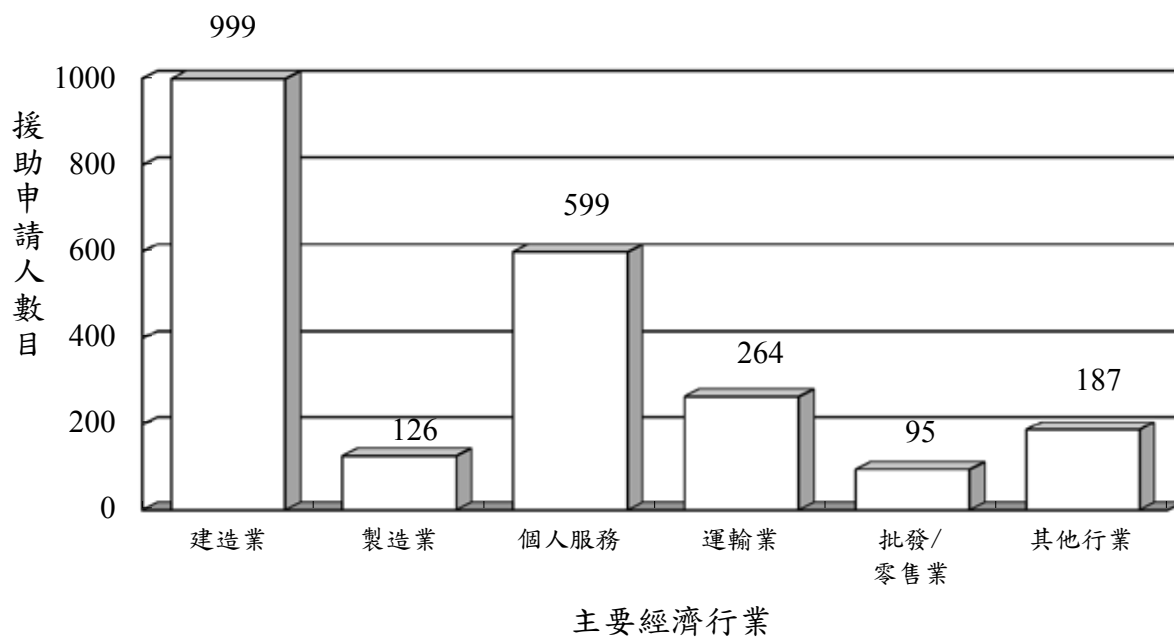
附錄二—僱員補償援助基金援助支出分析 (1991—2014)

(ii) 歷年的援助申請人數目

年度	總數
2013—14	72
2012—13	67
2011—12	55
2010—11	66
2009—10	57
2008—09	52
2007—08	62
2006—07	65
2005—06	123
2004—05	232
2003—04	469
2002—03	680
2001—02	469
2000—01	34
1999—00	45
1998—99	35
1997—98	27
1996—97	22
1995—96	26
1994—95	21
1993—94	14
1992—93	32
1991—92	27
總共	2,752*

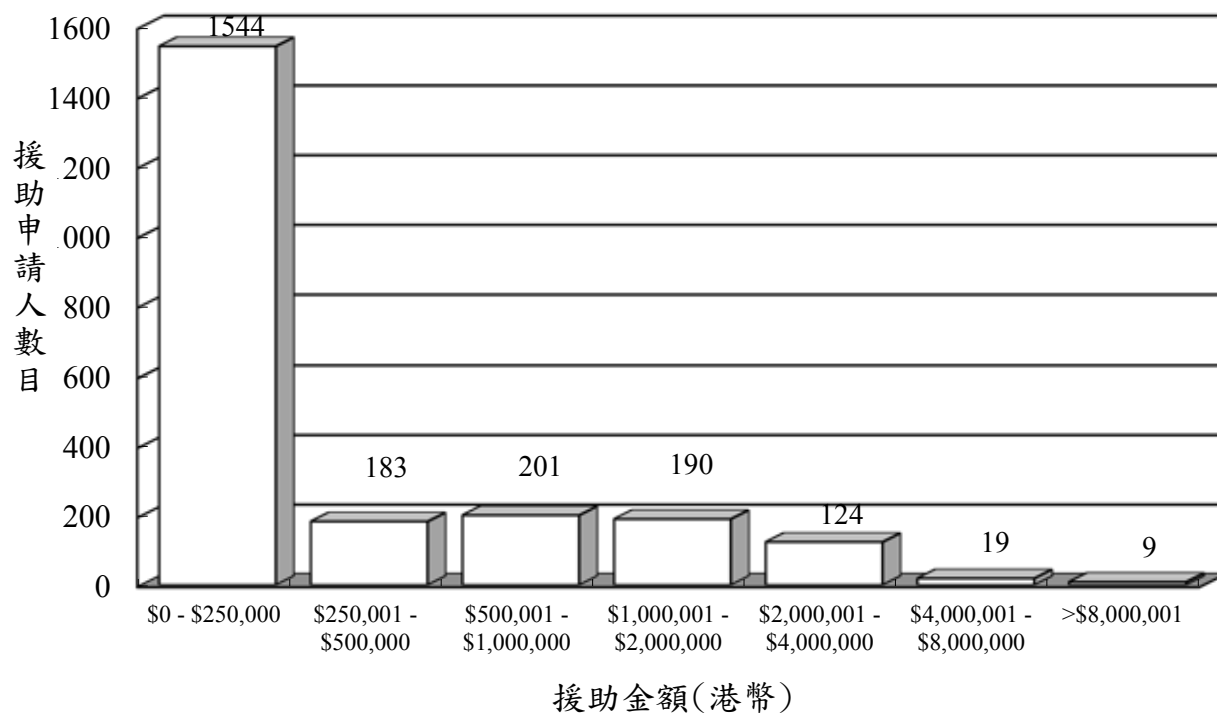
* 歷年共有 2,270 名申請人獲管理局批准援助，而其中 482 名申請人分別於不同財政年度獲審批援助僱員補償、損害賠償和訴訟費。

附錄三—按經濟行業劃分的援助申請人數目 (1991—2014)



援助申請人總數：2,270

附錄四－按援助額劃分的援助申請人數目（1991－2014）



援助金額（1991－2014）

總共	:	\$1,114,807,301
平均	:	\$491,105
最低	:	\$93
最高	:	\$18,178,705

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Introduction

The Employees Compensation Assistance Fund Board (hereafter “the Board”) was established on 1 July 1991 under the Employees Compensation Assistance Ordinance (Cap. 365) (hereafter “the Ordinance”). Its function is to administer the Employees Compensation Assistance Fund (hereafter “the Fund”) for the protection of the entitlement of employees or dependants of a deceased employee to compensation and damages for work injury.

The Fund is financed by a levy payable by employers under the Employees’ Compensation Insurance Levies Ordinance (hereafter “the Levies Ordinance”) – Employers are required to pay a levy at the rate of a certain percentage on the premium of their employees’ compensation insurance policies. The levy is collected by the Employees’ Compensation Insurance Levies Management Board (hereafter “the ECILMB”). In the current year under review the total levy rate is 5.8%, 3.1% of which is used on the Board, 2% for the Occupational Safety and Health Council and 0.7% for the Occupational Deafness Compensation Board.

Statutory Functions of the Board

- a) To hold the Fund in trust and to administer it for the benefit of those eligible for compensation under the Fund;
- b) To receive monies collected from insurers by the ECILMB;
- c) To assess and determine the eligibility of applications for payment from or relief under the Fund;
- d) To regularly advise the ECILMB on the amounts required to meet known and anticipated claims against the Fund; and
- e) To carry out other functions assigned to it under the Ordinance.

Board Membership

Appointed by the Chief Executive of the Hong Kong Special Administrative Region, the nine-member Board represents various interests and responsible parties in employees compensation. It comprises:

- 1 chairman;
- 2 members representing employers;
- 2 members representing employees;
- 1 expert member in the insurance trade;
- 1 expert member in the accounting, investment or law field; and
- 2 public officers representing the Commissioner for Labour and the Director of Legal Aid.

Term of appointment is two year, and the current term started on 1 July 2012.

The Board’s secretariat function is provided for by the Occupational Safety and Health Council at a mutually agreed charge and set of terms.

Board Membership

Chairman

Ms WONG Pui-sze, Priscilla, JP

Members

Employers' Representatives

Mr CHEUNG Sing-hung, BBS

Mr YU Shek-man, Ringo

Employees' Representatives

Ms LAM Suk-fun, MH

Ms LIU Po-chu

Professional Representatives

Mr CHENG Kwok-ping

Ms LAW Elizabeth, MH, JP

Public Officers

Commissioner for Labour or his representative

Director of Legal Aid or his representative

Secretary of the Board

Ms Patricia YIM

The Employees Compensation Assistance Scheme

The Employees Compensation Assistance Scheme (hereinafter, the “Scheme”) was established with the Employees Compensation Assistance Board (the “Board”) and came into effect on 1 July 1991. The Scheme was set up to enable eligible applicants to apply for assistance from the Employees Compensation Assistance Fund (the “Fund”), which is the last resort through which employees can claim legitimate compensation. Regardless of the existence of the Fund, it must be reminded that employers will continue to bear the ultimate responsibility for paying any compensation or damages as determined by the legal system. Under the terms of the Scheme, the Board may take any action it sees necessary against an employer or insurer to recover the payments it has made.

Eligible Parties

Employees or dependants of deceased employees who fail to receive compensation or damages after exhausting all legal and financially viable means of recovery from the employer or insurer in question. Only claimants suffering from work-related injuries that occurred on or after 1 January 1984 are eligible for compensation or damages under the Scheme.

Employers who have paid the levy imposed under the Employees’ Compensation Insurance Levies Ordinance (the “Levies Ordinance”), and who have failed to obtain indemnity from their insurer declared insolvent before 1 April 2004 in respect of a claim made against them.

Available Benefits

The Board is responsible for assessing all applications for the Fund and can award the following benefits:

Employees or dependants of deceased employees

- Compensation for work-related injuries or fatalities covered by the Employees’ Compensation Ordinance;
- Relief payment for damages in respect of such injuries or fatalities; and
- Costs incurred in pursuing such compensation.

Employers

- Reimbursement to the employer, or payment to the employee on behalf of the employer, of the amount the insurer would have been liable for under law as agreed under the terms of the employees’ compensation insurance policies; and
- Costs incurred by the employer in the course of pursuing compensation or being pursued for compensation. The amount payable in both cases is to be decided at the Board’s discretion.

Scheme Operation

Eligible claimants should apply to the Board using the formats outlined below. In assessing applications, the Board will conduct all inquiries and investigations it sees fit to determine its recommendations. Applicants are required to submit the following documentation when submitting their claims:

Applicants For Assistance With Employees' Compensation Or Damages

- A Judgement or Order issued by a Hong Kong law court or tribunal; or
- A Certificate of Compensation Assessment or a Certificate of Review of Compensation Assessment under Section 16A of the Employees' Compensation Ordinance; or
- A Certificate of Compensation Assessment for Fatal Case or Review Certificate of Compensation Assessment for Fatal Case under Section 6(1) of the Employees' Compensation Ordinance.

Applicants For Assistance With Medical Expenses

A Certificate issued by the Commissioner for Labour under Section 10B (1) or (2) of the Employees' Compensation Ordinance together with any other relevant documents (such as insurance policies, Certificate of Costs etc.) that will assist the Board in its investigations.

Applicants With Special Circumstances

The Scheme also provides for applicants who are unable to make successful claim against their employer in cases where:

- the employer cannot be identified or located; or
- the employer is insolvent; or
- the employer is deceased; or
- the company has been dissolved, wound up or struck off the Company Register;
- the employer cannot be served with a summons; or
- the employee is not covered by a valid employees' compensation insurance policy.

Under such circumstances, employees are entitled to proceed to court and make claims against the Board as if it were the employer in question.

Scheme Operation (continued)

Applicants Whose Claims Are Submitted Too Late

In exceptional cases where an employee is unable to apply for compensation from the Fund because the claim against the employer was made after the statutory time limit, the Board may make an ex-gratia payment from the Fund pursuant to Section 30 of the Ordinance.

Payments Made In Anticipation of Successful Applications

The Board may grant payments to applicants who are either found or anticipated to be entitled to compensation in order to protect the Fund against unnecessary legal costs or interest payments.

Payments Resulting From Early Intervention Under Section 28 : In order to safeguard the Fund against avoidable expense, the Board has the power to use Section 28 of the Employees Compensation Assistance Ordinance to negotiate out-of-court settlements with claimants. This practice benefits both parties as it enables claimants to receive their compensation earlier while saving the Board the cost of legal proceedings and interest payments.

For applicants who commences by writ proceedings in respect of a claim for compensation or damage, he should serve in accordance with Section 25B on the Board a written notice of proceedings not later than 30 days after the writ is filed with the court, and so the Board may make the necessary investigation and inquiry as early as possible for the protection of the Fund.

Note:

Applicants who have received assistance from the Fund are not entitled to make further claims against their employer or insurer. Applicants' rights and remedies in respect of such compensation or damages will pass to and be vested in the Board for the benefit of the Fund pursuant to Section 37 of the Ordinance. The Board may then take such action as it sees fit to recover the payment from the employer or insurer in question.

Status of the Fund in 2013 – 2014

Number of Applications Received: During the year, the Board paid \$14.66 million to 47 successful **employees compensation** applications, in addition to the payment of \$24.26 million to 25 successful applications for **common law damages**. Besides, the Board paid \$14.72 million for 56 applications seeking assistance for **legal costs** incurred.

Level of Assistance: Last year has seen an increase in assistance compensation as outlined in Appendix 2. The total payment granted for the year was \$53.64 million.

Income: The Board's total income for the year was \$201.04 million, a 20% rise over the previous year's \$167.52 million resulted from an increase of distributions received from the ECILMB.

Of this year's income, 98% came from the levy, 1% from the recovered payments for exercising the subrogation rights after assistance payments and the dividend payments from provisional liquidation of 3 insurers, while the remaining 1% was generated by bank interests and surcharges levied on the law-breaking employers who did not take out employees' compensation insurance policy for its employees. The income had been insufficient to meet the ever-increasing number of claims and claims amount for almost a decade since 1996-1997. With the depletion of the accumulated reserves in August 2001, the continued operation of the Board was made financially viable by the complete drawing down of \$280 million from the Government bridging loans in 2004-2005. A full detail of income trends of the Employees Compensation Assistance Fund is shown in Appendix 1.

In exercising its right to reclaim assistance payments made to claimants from employers or insurers as well as collecting a surcharge from those employers who did not take out employees' compensation insurance policy for its employees, the Board recovered a total of \$2.17 million during the year.

Industry Profile of Applications: The construction industry has consistently been the main source of all applications. Of the 2,270 applications processed since the Scheme was first set up, 44% were Construction-related. The complex sub-contracting network that prevails in the Construction sector makes it difficult for employees to pursue claims against their employers. Other major sources of claims included the Personal Services and Transport industries. A detailed breakdown of claimants by economic sector can be seen in Appendix 3.

Status of the Fund in 2013 – 2014 (continued)

Since the Board's establishment in mid 1991, a total of about \$1,144.81 million has been awarded to 2,270 claimants. Of these cases, 1,544 claimants received payments of less than \$250,000, while claimants in 9 cases received more than \$8 million each. A breakdown of assisted compensation by amount is shown in *Appendix 4*.

Improved Financial Viability

Although there is an increase in income over the previous year, the Fund has continued to face financial difficulties owing to the large payments awarded by the courts, as well as the provisional liquidation and insolvency of 3 local insurance companies. As two of the companies concerned were involved in underwriting employees' compensation insurance policies, the misfortune increased the Board's liabilities by some \$500 million. The Board depleted its accumulated reserves in August 2001. Though the first bridging loan of \$60 million from the Government was drawn down in full in July 2001, it was prudently projected that the Board could not meet all its financial obligations unless the Government implemented new revitalizing strategy for the Scheme.

The Government approved and gazetted an increase of 1% in the levy rate to 6.3% and the redistributed proportion of the net resources of 2.5% with effect from 1 July 2002. The Government in 2010 approved and gazetted a **levy rate adjustment** to 5.8% as well as a **redistributed proportion of the net resources** to 3.1%. The increased net resources distribution proportion has effectively improved the Fund's income in the coming years.

Besides, the Board had successfully entered into **an additional loan agreement** with the Government through the Economic Development and Labour Bureau in December 2002, through which the Fund received a much-needed relief of \$220 million. With the 4 drawings of \$20 million, \$15 million, \$20 million and \$165 million each made in February 2003, August 2003, September 2004 and March 2005, this additional loan had been fully drawn down before 31 March 2005.

Under the terms of this additional loan agreement, the Government will charge a "no-gain-no-loss" interest rate that remains 1.395% as of end March 2014.

The Board will repay the entire loan (including the first bridging loan with an outstanding loan principal of \$50 million and the second additional loan of \$220 million) in ten equal installments. The first \$32 million, the second \$37 million, the third \$37 million, the fourth to the sixth each \$33 million and the seventh to the ninth each \$32 million repayment were respectively made in the April of 2006 - 2014 whilst the tenth \$32.05 million repayment will be made on 1 April 2015.

Revision on ECA Ordinance

As remedies for the Board's financial ills, the Employees Compensation Assistance (Amendment) Ordinance 2002 was passed in June and came into operation on 1 July 2002 with some major revisions including:

- (i) The Board would grant **relief payments** to injured employees who are unable to receive common law damages from an employer or insurer following an award by the court on or after 1 July 2002. In cases involving sums of \$1.5 million or less, a one-off payment is recommended. In cases involving sums of more than \$1.5 million, an initial sum of \$1.5 million, together with additional monthly payments of \$10,000 or the wage of the injured worker at the time the injury was sustained, whichever is the higher, until the balance is paid off.
- (ii) There are clear provisions in the Amendment Ordinance requiring the applicants to serve **notifications of writ proceedings**, and notice of obtaining judgment or entering claims settlement agreement, on the Board in a specified form and within a specified period. Such provisions would assist the Board to timely participate in the legal proceedings if deemed appropriate.

Overcoming Challenges Through Co-operation

The Board extends its sincere gratitude to the Government for the granting of the two loans that have enabled it to carry on compensating injured workers. In order to keep the Fund viable in the current economic downturn, what the Board needs most is for employers to properly insure their employees. The Board also needs the Insurance industry to stay sound, healthy and competitive so that it too can shoulder its legal responsibility in compensating the injured. Perhaps most important of all, the Board requires the cooperation of both employers and employees in minimizing the work injuries that are the root of the problem.

The Board will continue to work in tandem with both the Labour Department, Legal Aid Department, Labour and Welfare Bureau and members of the Hong Kong Federation of Insurers to ensure that the Scheme continues to provide a viable last resort for injured parties.

Report of the Auditor

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EMPLOYEES COMPENSATION ASSISTANCE FUND BOARD (Established under the Employees Compensation Assistance Ordinance Cap.365)

We have audited the financial statements of Employees Compensation Assistance Fund held on trust by the Board set out on pages 33 to 41, which comprise the Statement of Financial Position as at 31 March 2014, and Statement of Comprehensive Income, Statement of Changes in Accumulated Surplus and Statement of Cash Flows for the year ended, and a summary of significant accounting policies and other explanatory information.

The Board's responsibility for the financial statements

The Board is responsible for the preparation of financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants, and the Employees Compensation Assistance 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.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we 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 the 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, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the state of the Employees Compensation Assistance Fund held on trust by the Board as at 31 March 2014 and of its surplus and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the Employees Compensation Assistance Ordinance.

T. D. Tam & Company
Certified Public Accountants (Practising), Hong Kong
Date: 16 June 2014

**Financial Statements – Statements of Comprehensive Income
and Changes in Accumulated Surplus**

**Statement of Comprehensive Income
For the Year ended 31 March 2014**

	Note	2014 HK\$	2013 HK\$
Income			
Distributions income	3	196,590,337	164,228,020
Interest income		2,283,357	1,650,061
Other income	4	<u>2,167,575</u>	<u>1,639,756</u>
		<u>201,041,269</u>	<u>167,517,837</u>
Expenditure			
Claims		53,643,316	47,053,112
Administrative expenses	5	1,620,000	1,540,000
Audit fee		35,800	34,900
Claims processing expenses and professional advisory fees		14,090,352	12,827,613
Interest expense on bridging loan		<u>901,330</u>	<u>1,557,032</u>
		<u>70,290,798</u>	<u>63,012,657</u>
Surplus for the Year		<u>130,750,471</u>	<u>104,505,180</u>

**Statement of Changes in Accumulated Surplus
For the Year ended 31 March 2014**

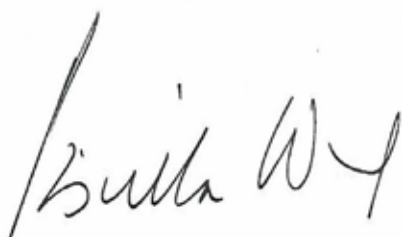
Balance at beginning of the financial year		337,263,850	232,758,670
Total comprehensive income for the year		<u>130,750,471</u>	<u>104,505,180</u>
Balance at end of the financial year		<u>468,014,321</u>	<u>337,263,850</u>

Financial Statements – Statement of Financial Position

	Note	2014 HK\$	2013 HK\$
Current assets			
Fixed deposits and cash at banks	7	552,940,071	449,868,333
Interest receivable		<u>575,556</u>	<u>242,434</u>
		<u>553,515,627</u>	<u>450,110,767</u>
Current liabilities			
Claims payable		22,022,449	16,169,482
Accrued expenses		55,800	2,107,712
Bridging loan (unsecured) – due within one year	8	32,047,996	32,047,996
		<u>54,126,245</u>	<u>50,325,190</u>
Net current assets		499,389,382	399,785,577
Non-current liability			
Bridging loan (unsecured) – due after one year	8	<u>31,375,061</u>	<u>62,521,727</u>
Net assets		<u>468,014,321</u>	<u>337,263,850</u>
Represented by: Accumulated surplus		<u>468,014,321</u>	<u>337,263,850</u>

The accompanying notes on pages 36 to 41 form an integral part of these financial statements.

The financial statements on pages 33 to 41 were approved and authorised for issue by Members of the Board on 16 June 2014 and were signed on its behalf by:



WONG Pui-sze, Priscilla, JP
Chairman

Financial Statements –Statement of Cash Flows

	Note	2014 HK\$	2013 HK\$
OPERATING ACTIVITIES			
Surplus for the year		130,750,471	104,505,180
Adjustments for:			
Interest income		(2,283,357)	(1,650,061)
Interest expense on bridging loan		<u>901,330</u>	<u>1,557,032</u>
Operating cash flows before changes in working capital		129,368,444	104,412,151
Increase in claims payable		5,852,967	4,778,593
(Decrease)/Increase in accrued expenses		<u>(2,051,912)</u>	<u>1,709,262</u>
NET CASH GENERATED FROM OPERATING ACTIVITIES		133,169,499	110,900,006
INVESTING ACTIVITIES			
Interest received		1,950,235	1,509,886
FINANCING			
Bridging loan repayment		<u>(32,047,996)</u>	<u>(32,466,548)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS		103,071,738	79,943,344
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		<u>449,868,333</u>	<u>369,924,989</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	7	<u>552,940,071</u>	<u>449,868,333</u>

**Employees Compensation Assistance Fund Board
Notes to Financial Statements - 31 March 2014**

1. Legal status and Registered office

Legal status

Employees Compensation Assistance Fund Board (the “Board”) is established under the Employees Compensation Assistance Ordinance Cap.365 (the "Ordinance") to:

- (a) hold the Employees Compensation Assistance Fund (the "Fund") on trust and to administer the Fund in accordance with the objects of the Ordinance;
- (b) receive on behalf of the Fund any sum representing the net resources of the Employees' Compensation Insurance Levies Management Board (the "Levies Management Board") distributed to the Board pursuant to Section 7 of the Employees' Compensation Insurance Levies Ordinance (the "Levies Ordinance");
- (c) consider applications from persons applying for payment from or relief under the Fund, under part IV of the Ordinance;
- (d) advise the Levies Management Board with respect to the amounts of known and anticipated claims against the Fund; and
- (e) perform such other functions as may be assigned to it under the Ordinance.

According to Section 3 of the Ordinance, the Board has perpetual succession.

The financial statements have been prepared on a going concern basis since the members of the Board are satisfied that the Fund will be able to meet in full its financial obligations as they fall due for foreseeable future in accordance with Section 26 of the Ordinance and as further explained in note 9 to the financial statements. The Board is expected to have sufficient funds in view of the increased distributions from the Levies Management Board.

Registered office

The registered office of the Board is located at OSHC OSH Academy, 62 Chung Mei Road, Tsing Yi, New Territories, Hong Kong Special Administrative Region (“HKSAR”).

2. Principal accounting policies

Basis of preparation

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”), which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by Hong Kong Institute of Certified Public Accountants. These financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Board's accounting policies. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The principal accounting policies and the related critical accounting estimates and assumptions are summarized as below:

(a) Revenue, interest income and other income recognition

(i) Distributions income

Pursuant to Section 14 of the Levies Ordinance, a levy known as the Employees' Compensation Insurance Levy is payable to the Levies Management Board on every premium payable by an insured in respect of any insurance policy issued by an insurer, for the purposes of Part IV of the Levies Ordinance (the "Premiums Payable"), on or after 1 July 1990.

Pursuant to Section 7 of the Levies Ordinance, the Levies Management Board distributes its net resources to specified bodies, which include the Board.

Distributions from the Levies Management Board, being the revenue of the Fund, are recognised as income when they are received by the Fund. Distributions become payable by the Levies Management Board two months after the end of each quarter.

(ii) Interest income

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and applicable effective interest rate, which is the rate that discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

(iii) Surcharge fee and payment recovery

Surcharge fee and payment recovery are recognized as income when the right to receive is established, the amount is reasonably determined and the collectability is reasonably ascertained.

(b) **Claims**

The Board closely reviews and assesses the status of claims on an on-going basis and does not recognize as liability for claims payable until such determination has been made. Accordingly, the Board does not make any provision for the estimated costs of settling reported or unreported claims, which have been incurred but not yet determined.

(c) **Financial instruments**

Financial assets and financial liabilities are recognized when the Board becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are recognized at amortized cost.

(i) Financial assets

Financial assets are classified as receivables, bank fixed deposits, cash and bank balances, which are recognized, where appropriate, at amortized cost and are readily convertible to a known amount of cash.

(ii) Financial liabilities

Financial liabilities include payables, government bridging loan and other monetary liabilities. All financial liabilities are measured at amortized cost.

(iii) Derecognition of financial assets and financial liabilities

Financial assets are derecognized when the rights to receive cash flow from the assets have expired; or where the Board has transferred its contractual rights to receive the cash flow of the financial assets and has transferred substantially all the risks and rewards of ownership; or where control is not retained.

Financial liabilities are derecognized when they are extinguished, i.e., when the obligations are discharged, cancelled or expired.

(d) Financial risk management

Financial instruments consist of receivables, bank fixed deposits, cash and bank balances, payables, government bridging loan and accrued expenses. Being a statutory entity financed by the Employees' Compensation Insurance Levy, the Board carries as little risk from financial instruments as practicable. The Board is exposed to various financial risks which are discussed below:

(i) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Any fluctuation in the prevailing levels of market interest rates will have an impact on the interest income. The Board's exposure to interest rate fluctuation is limited to interest receivable on its short term deposits and savings accounts as at 31 March 2014 given the low interest rate in financial market. The interest payment of bridging loan is subject to Government's no-gain-no-loss interest rate policy; therefore, the related interest rate risk is insignificant.

(ii) Credit risk

Credit risk is the risk that a counterparty is unable to pay amounts in full when due.

The Board's surplus funds have been deposited to banks approved by the Financial Secretary on fixed term or call deposits or in a savings account in accordance with Section 11 of the Ordinance. The Board considers the risk associated with the fixed deposits and bank balances is minimal because they are placed with reputable banks.

(iii) Liquidity risk

Liquidity risk is defined as the risk that the Board would encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Board manages liquidity risk by maintaining adequate reserve of cash. The Board performs periodically cash flow forecasts to monitor future cash flow. The current strength of the Board poses no threat of liquidity to the Board.

(iv) Foreign currency risk

The Board is not exposed to any foreign currency risk as all transactions, monetary assets and monetary liabilities are denominated in Hong Kong Dollars.

3. Distributions income

For the year ended 31 March 2014, the Board received distributions from the Levies Management Board at effective rate of 3.1% on the levies received by the Levies Management Board (2013: 3.1%).

4. Other income

	2014	2013
	HK\$	HK\$
Dividend payments recovered from liquidated insurer, in accordance with the Scheme of Arrangement for Provisional Liquidation (Note 10)	-	-
Recovery of payments from Official Receiver in the bankruptcy proceedings after the Board rendered assistance and exercised the subrogation rights pursuant to Section 37 of the Ordinance	1,351,684	1,315,189
Surcharge fee	815,891	331,237
Surplus dividend payment refunded to the applicants under Sections 17 and 18 of the Ordinance	-	(6,670)
	<u>2,167,575</u>	<u>1,639,756</u>

5. Administrative expenses

An agreement has been entered into between the Board and the Occupational Safety and Health Council ("OSHC") whereby OSHC provides administrative support services to the Board for a fee of HK\$1,620,000 for the year ended 31 March 2014. (2013: HK\$1,540,000).

6. Taxation

No provision for taxation has been made in the financial statements as the Board has been exempted from taxation under Section 88 of the Hong Kong Inland Revenue Ordinance.

7. Cash and Cash equivalents

	2014	2013
	HK\$	HK\$
Bank fixed deposits with maturity dates within 3 months	432,341,712	330,391,477
Cash at banks	120,598,359	119,476,856
	<u>552,940,071</u>	<u>449,868,333</u>

8. Bridging loan (unsecured)

The loan of HK\$280,000,000 was obtained from the Government of the HKSAR in 2005. The outstanding balance of the loan as at 31 March 2014 was HK\$63,423,058. The interest charged by the Government of the HKSAR was 1.674% (2013: 1.674% to 2.099%) per annum. The loan will be payable in 2 annual installments from 1 April 2014. The proceeds of the loan have been used to make those payments as required under the Ordinance.

Details of the repayment terms are as follows:

	2014	2013
	HK\$	HK\$
Within one year	32,047,996	32,047,996
In the second to third years inclusive	<u>31,375,061</u>	<u>62,521,727</u>
	<u>63,423,057</u>	<u>94,569,723</u>

9. Contingent liability

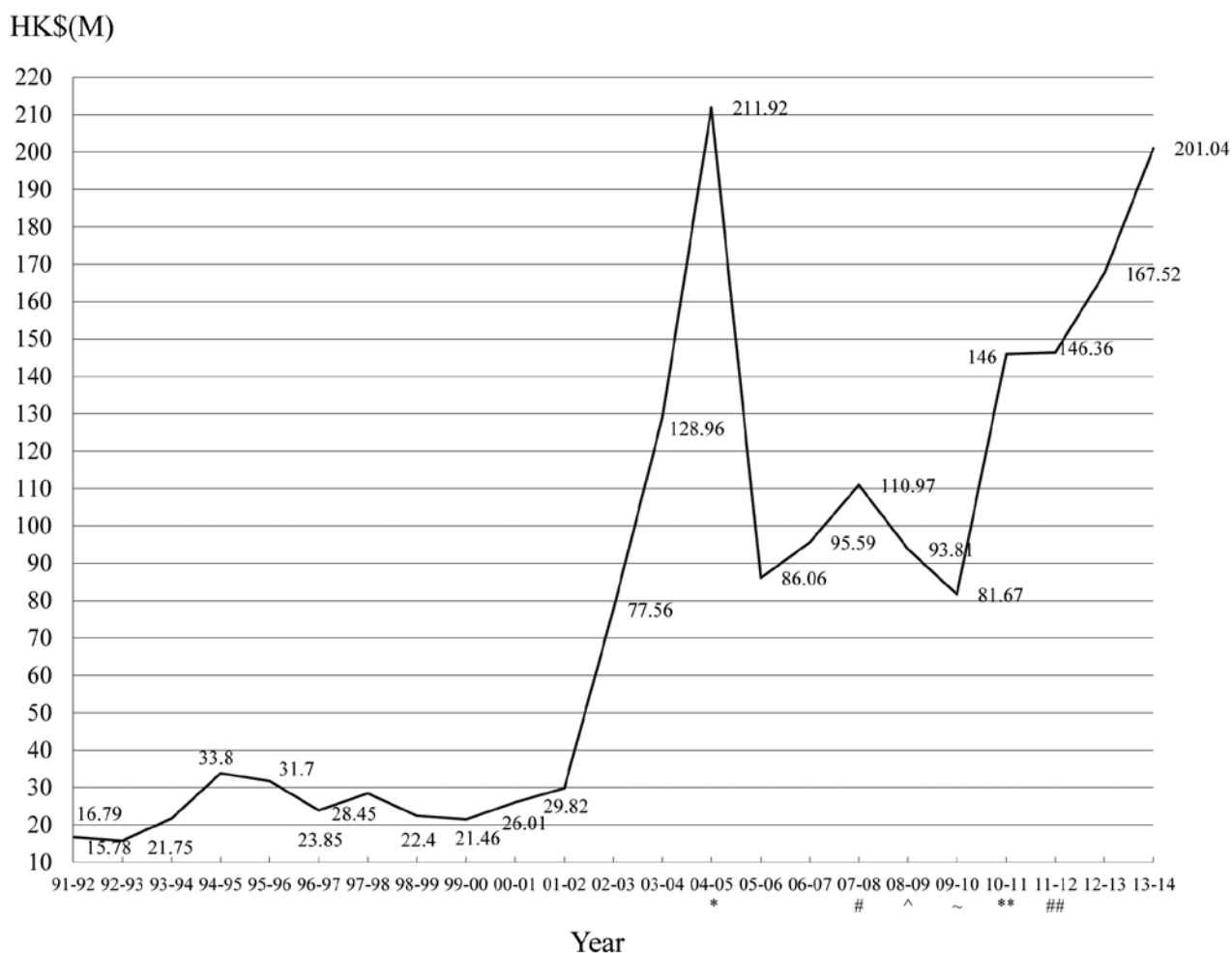
The Board estimates that the total claims reported but not yet determined as at 31 March 2014 amount to approximately HK\$161,032,220 (2013: HK\$185,984,092). In the opinion of the Board, the applicants to the claims are only entitled to apply under the relevant sections of the Ordinance. Accordingly, this amount has not been provided in the financial statements.

Pursuant to Section 26 of the Ordinance, where an amount is liable to be paid from the Fund, no part of such amount becomes payable by the Board unless and until there are sufficient moneys available to the Fund to pay the whole of such amount.

10. Dividend payments recovered

HIH Group was declared insolvent by the Insurance Authority on 9 April 2001 and put under the provisional liquidation thereafter. Pursuant to Sections 17 and 18 of the Ordinance, the Board took over the statutory obligations to settle eligible applications arising from HIH Group's insolvency. After over 13 years of paying assistance to those HIH-related applications, the Appointed Provisional Liquidators had distributed a total dividend of HK\$212,073,889 (2013: HK\$212,073,889) to the Board up to 31 March 2014 in accordance with the approved Scheme of Arrangement for Provisional Liquidation.

Appendix 1 – Income analysis of the Employees Compensation Assistance Fund (1991 – 2014)



Income Received (1991 – 2014)

Total : \$1,819.28 million

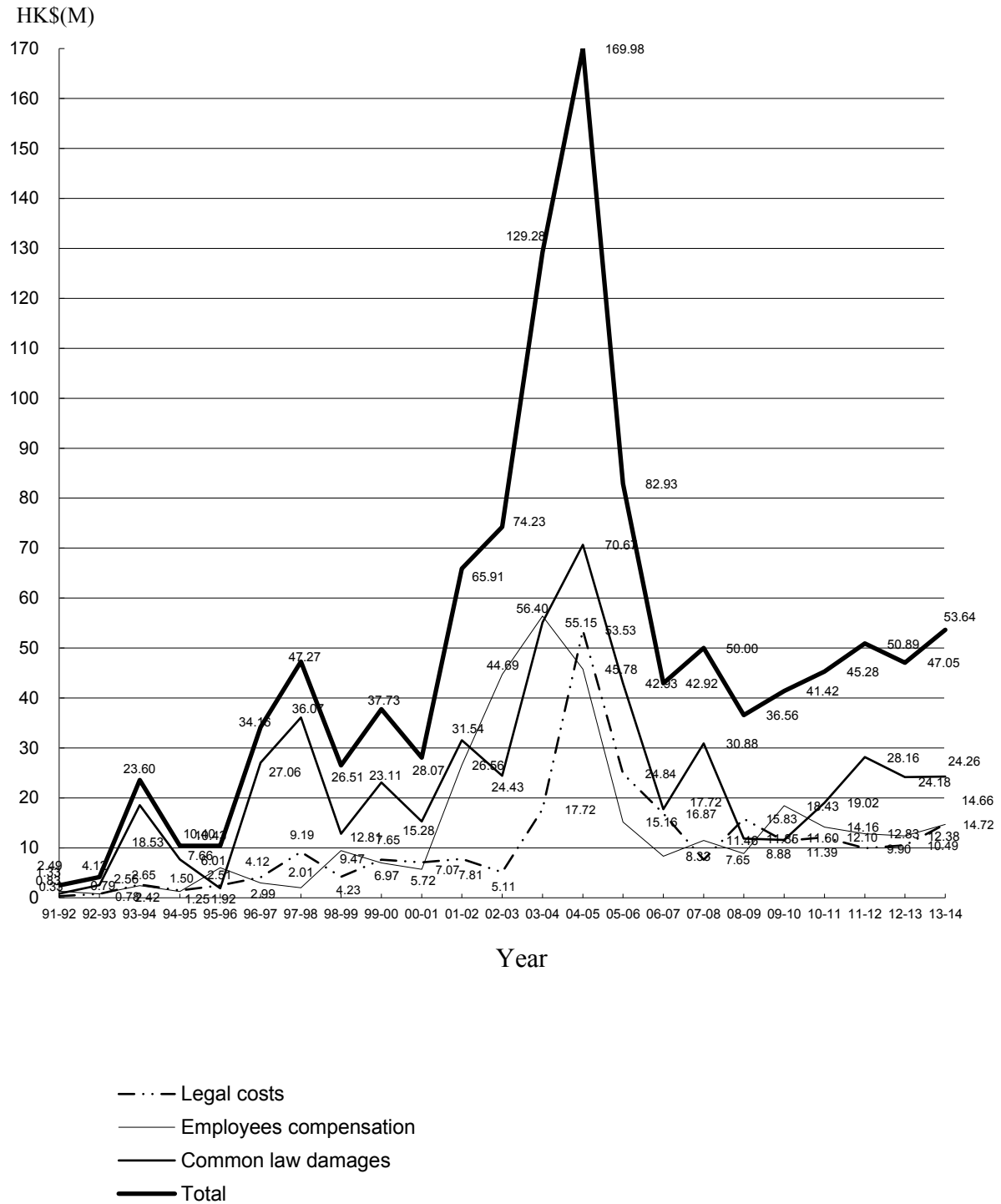
Lowest : \$15.78 million

Highest : \$211.92 million *

- * Inclusion of a dividend payment of \$115.85 million from the Appointed Provisional Liquidators of the 3 insolvent insurers
- # Inclusion of a dividend payment of \$25.45 million from the Appointed Provisional Liquidators of the 3 insolvent insurers
- ^ Inclusion of a dividend payment of \$20.63 million from the Appointed Provisional Liquidators of the 3 insolvent insurers
- ~ Inclusion of a dividend payment of \$0.35 million from the Appointed Provisional Liquidators of the 3 insolvent insurers
- ** Inclusion of a dividend payment of \$37.67 million from the Appointed Provisional Liquidators of the 3 insolvent insurers
- ## Inclusion of a dividend payment of \$12.13 million from the Appointed Provisional Liquidators of the 3 insolvent insurers

Appendix 2 – Assistance payment analysis of the Employees Compensation Assistance Fund (1991 – 2014)

(a) Amount of assistance paid



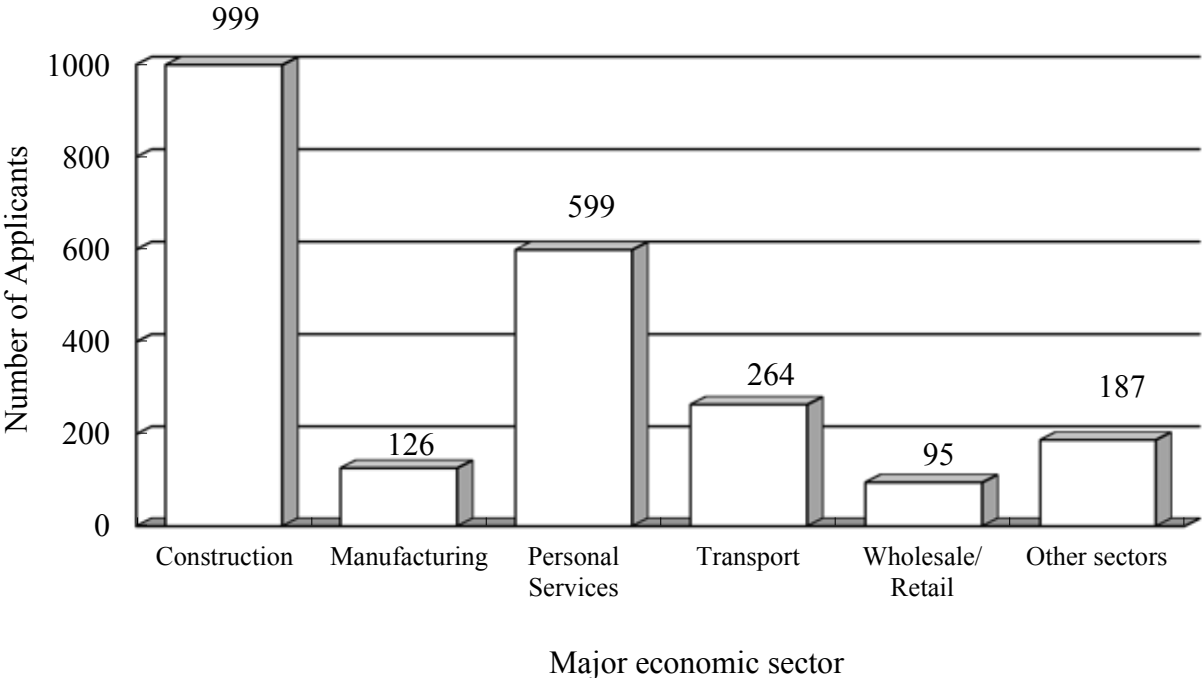
**Appendix 2— Assistance payment analysis of the
Employees Compensation Assistance Fund (1991—2014)**

(b) Number of assisted applicants

Year	Total
2013—14	72
2012—13	67
2011—12	55
2010—11	66
2009—10	57
2008—09	52
2007—08	62
2006—07	65
2005—06	123
2004—05	232
2003—04	469
2002—03	680
2001—02	469
2000—01	34
1999—00	45
1998—99	35
1997—98	27
1996—97	22
1995—96	26
1994—95	21
1993—94	14
1992—93	32
1991—92	27
Total	2,752*

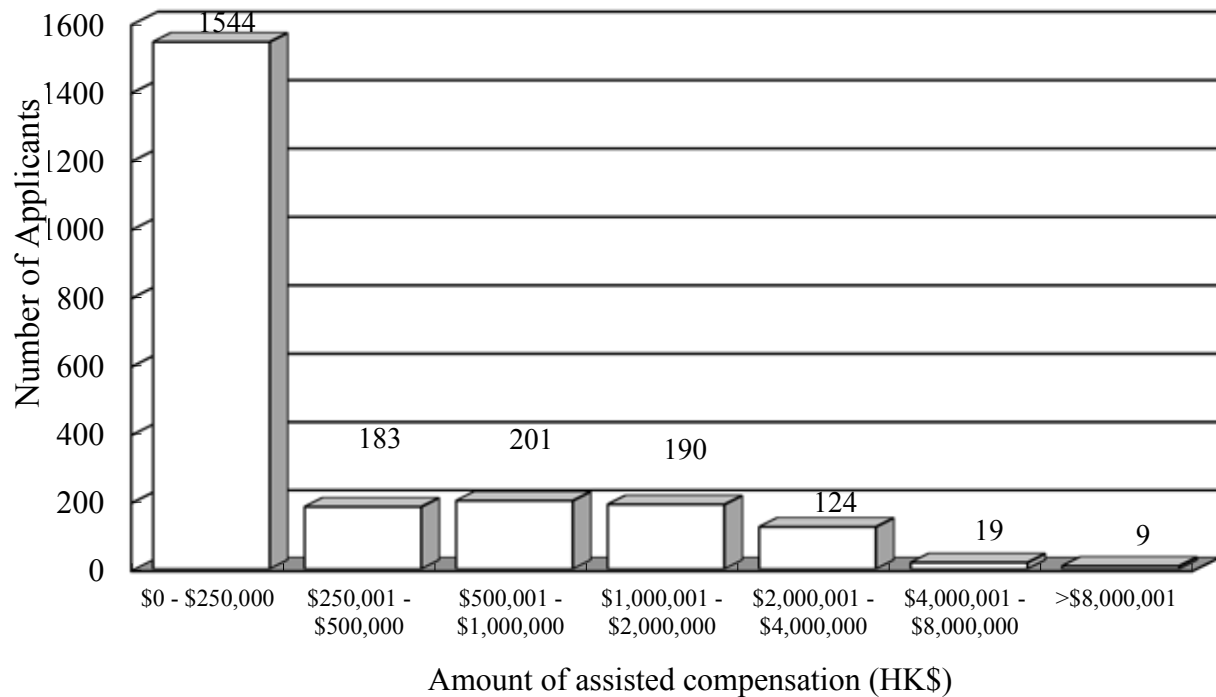
* The Board had assisted 2,270 applicants since establishment of which 482 applicants were approved to receive the assistance for statutory compensation, common law damages and legal costs in different financial years.

Appendix 3—Number of assisted applicants by economic sector (1991 – 2014)



Total number of assisted applicants: 2,270

**Appendix 4—Number of assisted applicants by amount of compensation
(1991–2014)**



Amount of Assisted Compensation (1991 – 2014)

Total : \$1,114,807,301

Average : \$491,105

Lowest : \$93

Highest : \$18,178,705

僱員補償援助基金管理局

Employees Compensation Assistance Fund Board

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