

MARINE FISH SCHOLARSHIP FUND REPORT
FOR THE PERIOD FROM 1 APRIL 2014 TO 31 MARCH 2015

THIS Report is submitted in accordance with Section 23(3) of the Marine Fish (Marketing) Ordinance, Cap. 291.

2. The Marine Fish Scholarship Fund (the Fund) was established on 17 February 1978 under Section 19 of the Marine Fish (Marketing) Ordinance for the purpose of providing scholarships, grants and loans for the education and training of persons (including their families and dependants), who are employed in the marine fisheries and fish marketing industries in Hong Kong; and persons who wish to enter the marine fisheries and fish marketing industries in Hong Kong. The Fund was first created with an allocation of \$1 million from the Fish Marketing Organization's accumulated surplus and it may be increased by way of interest, and by moneys and assets donated, subscribed or bequeathed to the Fund. The capital of the Fund was increased to \$2 million in 1986-87 by the injection of an additional \$1 million from the Fish Marketing Organization. During the years 2002-03, 2003-04 and 2007-08, the Fish Marketing Organization had further injected an additional \$0.5 million, \$1 million and \$3 million respectively into the Fund, thereby increasing its capital to \$6.5 million. During the year of 2014-15, the Fish Marketing Organization had further injected \$3 million into the Fund. The funding is recognized as income and then transferred to the capital thereby increasing the capital of the Fund to \$9.5 million.

3. The Fund is administered by its Trustee (the Director of Marketing) on the advice of the Marine Fish Scholarship Fund Advisory Committee which comprises the Trustee (as ex-officio Chairman), four members appointed by the Chief Executive and three members elected amongst members of the Fish Marketing Advisory Board.

Income and Expenditure

4. In the financial year 2014-15, aggregate income including the fund from Fish Marketing Organization, interest income on held-to-maturity investments and bank deposits, and write back of provision for impairment on interest-free loans was \$3,063,710 whilst the total expenditure amounted to \$539,285. The surplus for the year was \$2,524,425.

Awards of Scholarships, Grants and Loans

5. During 2014-15, a total of \$498,000 was awarded to 18 students studying various courses at local and overseas universities, and 7 students pursuing senior secondary school education locally. Of this, \$479,000 was awarded as scholarship and \$19,000 was awarded as grants. No loans were issued during the year.

Financial Statements

6. The financial statements of the Fund have been audited by an auditor appointed by the Chief Executive. The audited financial statements together with the Auditor's Report for the financial year 2014-15 are attached.

LEUNG Siu-fai
Director of Marketing
Trustee, MARINE FISH SCHOLARSHIP FUND

Encl.

MARINE FISH SCHOLARSHIP FUND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2015

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEE OF THE MARINE FISH SCHOLARSHIP FUND**
(Established under the Marine Fish (Marketing) Ordinance, Chapter 291)

We have audited the financial statements of the Marine Fish Scholarship Fund (the "Fund") set out on pages 3 to 17, which comprise the balance sheet as at 31 March 2015, and the statement of comprehensive income, the statement of changes in funds and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Trustee's Responsibility for the Financial Statements

The Marine Fish (Marketing) Ordinance, Chapter 291, requires the Trustee to keep proper accounts. The Trustee 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 for such internal control as the Trustee 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 and to report our opinion solely to you in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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 judgement, 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 Trustee, 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.

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEE OF THE MARINE FISH SCHOLARSHIP FUND
(CONTINUED)**

(Established under the Marine Fish (Marketing) Ordinance, Chapter 291)

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Fund as at 31 March 2015, and of its financial performance and its cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 20 August 2015

MARINE FISH SCHOLARSHIP FUND

(All amounts in Hong Kong dollars unless otherwise stated)

BALANCE SHEET

		<u>As at 31 March</u>	
	Note	2015	2014
ASSETS			
Non-current assets			
Held-to-maturity investments	6	<u>1,001,059</u>	<u>1,512,184</u>
Current assets			
Held-to-maturity investments	6	502,510	-
Interest-free loans	7	21,000	-
Accounts receivables		2,124	112
Bank deposits with original maturities over three months		3,230,000	800,000
Cash and cash equivalents	8	<u>311,941</u>	<u>230,624</u>
		<u>4,067,575</u>	<u>1,030,736</u>
Total assets		<u><u>5,068,634</u></u>	<u><u>2,542,920</u></u>
FUNDS			
Capital allocated by the Fish Marketing Organization	9	9,500,000	6,500,000
Accumulated deficit	9	<u>(4,463,878)</u>	<u>(3,988,303)</u>
Total funds		<u><u>5,036,122</u></u>	<u><u>2,511,697</u></u>
LIABILITIES			
Current and total liabilities			
Accruals		<u>32,512</u>	<u>31,223</u>
Total funds and liabilities		<u><u>5,068,634</u></u>	<u><u>2,542,920</u></u>

The notes on pages 7 to 17 are an integral part of these financial statements.

The financial statements on pages 3 to 17 were approved by the Trustee on 20 August 2015.

LEUNG Siu-fai

Trustee

Hong Kong

MARINE FISH SCHOLARSHIP FUND

(All amounts in Hong Kong dollars unless otherwise stated)

STATEMENT OF COMPREHENSIVE INCOME

		<u>Year ended 31 March</u>	
	Note	2015	2014
Income			
Fund from the Fish Marketing Organization		3,000,000	-
Interest income on held-to-maturity investments		31,236	43,340
Interest income on bank deposits		11,074	2,859
Write back of provision for impairment of interest-free loans	7	21,000	-
Sundry income		400	100
		<u>3,063,710</u>	<u>46,299</u>
		-----	-----
Expenditure			
Auditor's remuneration		(31,000)	(30,000)
Scholarships		(479,000)	(312,000)
Grants		(19,000)	-
Amortization of held-to-maturity investments	6	(8,615)	(8,577)
Bank charges		(1,670)	(1,724)
		<u>(539,285)</u>	<u>(352,301)</u>
		-----	-----
Surplus/(deficit) for the year		2,524,425	(306,002)
Other comprehensive income for the year		-	-
		<u>2,524,425</u>	<u>(306,002)</u>
		=====	=====
Total comprehensive income/(loss) for the year		2,524,425	(306,002)

The notes on pages 7 to 17 are an integral part of these financial statements.

MARINE FISH SCHOLARSHIP FUND

(All amounts in Hong Kong dollars unless otherwise stated)

STATEMENT OF CHANGES IN FUNDS

	Note	2015	2014
Balance at 1 April		2,511,697	2,817,699
Total comprehensive income for the year			
- Surplus/(deficit) for the year	9	2,524,425	(306,002)
- Other comprehensive income		-	-
Balance at 31 March		<u>5,036,122</u>	<u>2,511,697</u>

The notes on pages 7 to 17 are an integral part of these financial statements.

MARINE FISH SCHOLARSHIP FUND

(All amounts in Hong Kong dollars unless otherwise stated)

STATEMENT OF CASH FLOWS

		<u>Year ended 31 March</u>	
	Note	2015	2014
Net cash used in operating activities	10	(528,981)	(342,824)
Cash flows from investing activities			
Interest received		40,298	65,447
Proceeds from redemption of held-to-maturity investments	6	-	1,000,000
Purchases of held-to-maturity investments	6	-	(494,250)
Net placement of bank deposits with original maturities over three months		(2,430,000)	(250,000)
Net cash (used in)/generated from investing activities		(2,389,702)	321,197
Cash flow from financing activity			
Fund from the Fish Marketing Organization	9	3,000,000	-
		3,000,000	-
Net increase/(decrease) in cash and cash equivalents		81,317	(21,627)
Cash and cash equivalents at beginning of the year		230,624	252,251
Cash and cash equivalents at end of the year	8	311,941	230,624

The notes on pages 7 to 17 are an integral part of these financial statements.

MARINE FISH SCHOLARSHIP FUND

(All amounts in Hong Kong dollars unless otherwise stated)

NOTES TO THE FINANCIAL STATEMENTS

1 General information

The financial statements of the Marine Fish Scholarship Fund (the “Fund”) are prepared in accordance with Section 23(1) of the Marine Fish (Marketing) Ordinance, Cap. 291. The Fund was established for the following objects:

- (a) the provision of scholarships, grants and loans for the education and training of persons who are employed in the marine fisheries and fish marketing industries in Hong Kong and their families and dependants; and
- (b) the provision of scholarships, grants and loans for the education and training of persons who wish to enter the marine fisheries and fish marketing industries in Hong Kong.

The address of the Fund is 757 Lai Chi Kok Road, Cheung Sha Wan Wholesale Vegetable Market, Cheung Sha Wan, Kowloon.

These financial statements are presented in Hong Kong dollars unless otherwise stated. These financial statements have been approved for issue by the Trustee on 20 August 2015.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements of the Fund have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”), which collective term includes all applicable individual HKFRS, Hong Kong Accounting Standards (“HKAS”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and accounting principles generally accepted in Hong Kong. The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Fund’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

- (a) New standards, amendments and interpretations to existing HKFRS (collectively, the “Amendments”) effective from 1 April 2014

The following Amendments that are relevant and have been adopted by the Fund for the first time for the financial year beginning on 1 April 2014:

Amendment to HKAS 32, 'Financial instruments: Presentation' on offsetting financial assets and financial liabilities. This amendment clarifies that the right of set-off must not be contingent on a future event. It must also be legally enforceable for all counterparties in the normal course of business, as well as in the event of default, insolvency or bankruptcy. The amendment also considers settlement mechanisms. The amendment did not have a significant effect on these financial statements.

MARINE FISH SCHOLARSHIP FUND

(All amounts in Hong Kong dollars unless otherwise stated)

NOTES TO THE FINANCIAL STATEMENTS

2 Summary of significant accounting policies (Continued)

2.1 Basis of preparation (Continued)

- (a) New standards, amendments and interpretations to existing HKFRS (collectively, the “Amendments”) effective from 1 April 2014 (Continued)

Amendment to HKAS 36, ' Impairment of assets', on the recoverable amount disclosures for non-financial assets. This amendment removes certain disclosures of the recoverable amount of cash-generating units which had been included in HKAS 36 by the issue of HKFRS 13. It also enhanced the disclosures of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal. The amendment did not have a significant effect on the financial statements.

Other Amendments which are effective for the financial year beginning on 1 April 2014 are not material to the Fund.

- (b) New and relevant Amendments that are not yet effective and have not been early adopted by the Fund

Certain new and relevant Amendments have been published that are mandatory for the Fund’s accounting periods commencing on or after 1 April 2015, and have not been applied in preparing these financial statements:

Annual Improvement Project	Annual Improvements 2010-2012 cycle ¹
Annual Improvement Project	Annual Improvements 2011-2013 cycle ¹
Annual Improvement Project	Annual Improvements 2012-2014 cycle ²
HKFRS 9	Financial Instruments ³

Notes:

- (1) Effective for financial period beginning on 1 July 2014
(2) Effective for financial period beginning on 1 January 2016
(3) Effective for financial period beginning on 1 January 2018

The Fund is currently assessing the impact of the adoption of the Amendments and is not yet in a position to state whether they would have a significant impact on the Fund’s results of operations and financial position.

2.2 Foreign currency translation

- (a) Functional and presentation currency

Items included in the financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates (“the functional currency”). The financial statements are presented in Hong Kong dollars, which is the Fund’s functional and presentation currency.

MARINE FISH SCHOLARSHIP FUND

(All amounts in Hong Kong dollars unless otherwise stated)

NOTES TO THE FINANCIAL STATEMENTS

2 Summary of significant accounting policies (Continued)

2.2 Foreign currency translation (Continued)

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions and valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of comprehensive income.

2.3 Interest-free loans

Interest-free loans are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in non-current assets, except for those with maturities less than 12 months after the balance sheet date. These are classified as current assets.

Interest-free loans are recognized initially at fair value and subsequently carried at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of interest-free loans is established when there is objective evidence that the Fund will not be able to collect all amounts due according to the original terms of loans. The amount of the provision for impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The carrying amount of the asset is reduced and the amount of the provision is recognized in the statement of comprehensive income.

2.4 Financial assets

The Fund classifies its financial assets in the following categories: loans and receivables and held-to-maturity investments. The classification depends on the purposes for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(a) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Trustee has the positive intention and ability to hold to maturity. If the Fund was to sell other than an insignificant amount of held-to-maturity investments, the whole category would be tainted and reclassified as available for sale. Held-to-maturity investments are included in non-current assets, except for those with maturities less than 12 months after the balance sheet date; these are classified as current assets.

Held-to-maturity investments are recognized initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of the investments is established when there is objective evidence that the investment issuers have a financial difficulty in paying the contractual amounts. The amount of the provision for impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The carrying amount of the asset is reduced and the amount of the provision is recognized in the statement of comprehensive income.

MARINE FISH SCHOLARSHIP FUND

(All amounts in Hong Kong dollars unless otherwise stated)

NOTES TO THE FINANCIAL STATEMENTS

2 Summary of significant accounting policies (Continued)

2.4 Financial assets (Continued)

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. The Fund's loans and receivables are detailed in note 5.

2.5 Cash and cash equivalents

Cash and cash equivalents include bank balances and bank deposits with original maturities of three months or less.

2.6 Impairment of financial assets carried at amortized cost

The Fund assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognized in the statement of comprehensive income.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the reversal of the previously recognized impairment loss is recognized in the statement of comprehensive income.

2.7 Provisions

Provisions are recognized when the Fund has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

MARINE FISH SCHOLARSHIP FUND
(All amounts in Hong Kong dollars unless otherwise stated)

NOTES TO THE FINANCIAL STATEMENTS

2 Summary of significant accounting policies (Continued)

2.8 Revenue recognition

Interest income on bank deposits is recognized on a time proportion basis using the effective interest method.

Sundry income is recognized on an accruals basis.

2.9 Capital allocated by the Fish Marketing Organization

The funding is recognized in the statement of comprehensive income as income and then transferred to the “capital allocated by the Fish Marketing Organization”, which is used to support the operation of the Fund.

3 Financial and capital risks management

3.1 Financial risk factors

The Fund’s activities expose it to a variety of financial risks factors: foreign exchange risk, credit risk, liquidity risk and cash flow and fair value interest rate risk. The Fund’s overall risk management procedures focus on the unpredictability of financial markets and seek to minimize potential adverse effects on the Fund’s financial performance.

(a) Foreign exchange risk

Foreign exchange risk arises where future commercial transactions and recognized assets and liabilities are denominated in a currency that is not the Fund’s functional currency. The Fund is not exposed to material foreign exchange risk as it has no significant transactions which are denominated in foreign currency. In the opinion of the Trustee, the Fund has minimal exposure to the foreign exchange risk as the transactions are mainly denominated in Hong Kong dollars and no sensitivity analysis is performed.

(b) Credit risk

The Fund has policies in place for the control and monitoring of its credit risk. The credit risk of the Fund is primarily attributable to the interest-free loans, held-to-maturity investments and deposits at banks.

In respect of the interest-free loans receivables, individual evaluations are performed on all borrowers. For each loan granting, the Fund has policies to assess the eligibility of the granting. Besides, in order to minimize the credit risk resulting from counterparty default, the Fund has policies to ensure that follow-up action is taken to recover overdue debts and will make specific provision for those balances which cannot be recovered. In the opinion of the Trustee, the credit risk is considered to be low.

The credit risk on held-to-maturity investments and liquid funds are limited because the counterparties are banks and bonds issuers which are with high credit ratings assigned by international credit-rating agencies. As such, no significant credit risk is anticipated.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

MARINE FISH SCHOLARSHIP FUND

(All amounts in Hong Kong dollars unless otherwise stated)

NOTES TO THE FINANCIAL STATEMENTS

3 Financial and capital risks management (Continued)

3.1 Financial risk factors (Continued)

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient bank deposits and bank balances. In the opinion of Trustee, the Fund does not have any significant liquidity risk.

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

As at 31 March 2015 and 2014, the maturity analysis of the financial liabilities is as follows:

	2015	2014
Less than one year		
Accruals	<u>32,512</u>	<u>31,223</u>

(d) Cash flow and fair value interest rate risk

Other than the bank deposits, the Fund has no other significant interest-bearing assets and liabilities. The held-to-maturity investments carry at a fixed coupon rate. The Fund's income and operating cash flows are substantially independent of changes in market interest rates. Accordingly, in the opinion of the Trustee, the exposure to cash flow interest rate risk is considered to be low and no sensitivity analysis is performed.

3.2 Fund risk management

The Fund's objectives when managing capital are to safeguard the Fund's ability to continue as a going concern and to have sufficient funding for future operations. The Fund's overall strategy remains unchanged from prior year.

The capital of the Fund comprises its capital allocated by the Fish Marketing Organization and accumulated deficit.

3.3 Fair value estimation

Fair value measurement by level of hierarchy is not disclosed as the Fund has no financial instruments measured at fair value on the three level hierarchy basis in the balance sheet.

The carrying value less impairment provision of loans and receivables and payables are a reasonable approximation of their fair values. The fair value of financial liabilities for disclosure purpose is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Fund for similar financial instruments, unless the effect of discounting is insignificant.

3.4 Offsetting financial assets and financial liabilities

No disclosure of the offsetting of financial assets and financial liabilities is made in these financial statements as there is no netting arrangement in place during the year.

MARINE FISH SCHOLARSHIP FUND

(All amounts in Hong Kong dollars unless otherwise stated)

NOTES TO THE FINANCIAL STATEMENTS

4 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Trustee makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Held-to-maturity investments

The Trustee follows the guidance of Hong Kong Accounting Standard 39 “Financial Instruments: Recognition and Measurement” (“HKAS 39”) on classifying non-derivative financial assets with fixed or determinable payments and fixed maturity as held-to-maturity. This classification requires significant judgement. In making this judgement, the Trustee evaluates its intention and ability to hold such investments to maturity.

If the Trustee fails to keep these investments to maturity other than for specific circumstances as explained in HKAS 39, it will be required to reclassify the whole class as available-for-sale financial assets. The investments would therefore be measured at fair value instead of amortized cost.

MARINE FISH SCHOLARSHIP FUND
(All amounts in Hong Kong dollars unless otherwise stated)

NOTES TO THE FINANCIAL STATEMENTS

5 Financial instruments by category

The Fund's financial instruments include the following:

	Held-to- maturity investments	Loans and receivables	Total
Assets			
<u>31 March 2015</u>			
Held-to-maturity investments (Note 6)	1,503,569	-	1,503,569
Interest-free loans (Note 7)	-	21,000	21,000
Accounts receivables	-	2,124	2,124
Bank deposits with original maturities over three months	-	3,230,000	3,230,000
Cash and cash equivalents (Note 8)	-	311,941	311,941
	<u>1,503,569</u>	<u>3,565,065</u>	<u>5,068,634</u>
<u>31 March 2014</u>			
Held-to-maturity investments (Note 6)	1,512,184	-	1,512,184
Accounts receivables	-	112	112
Bank deposits with original maturities over three months	-	800,000	800,000
Cash and cash equivalents (Note 8)	-	230,624	230,624
	<u>1,512,184</u>	<u>1,030,736</u>	<u>2,542,920</u>
		2015	2014
Financial liabilities - other financial liabilities at amortized cost			
Accruals		<u>32,512</u>	<u>31,223</u>
6 Held-to-maturity investments			
		2015	2014
Listed in Hong Kong, at amortized cost		1,001,059	1,001,648
Unlisted, at amortized cost		502,510	510,536
		<u>1,503,569</u>	<u>1,512,184</u>
Less: Current portion of held-to-maturity investments		(502,510)	-
		<u>1,001,059</u>	<u>1,512,184</u>

MARINE FISH SCHOLARSHIP FUND

(All amounts in Hong Kong dollars unless otherwise stated)

NOTES TO THE FINANCIAL STATEMENTS

6 Held-to-maturity investments (Continued)

The movement in held-to-maturity investments may be summarized as follows:

	2015	2014
At 1 April	1,512,184	2,026,511
Addition	-	494,250
Redemption	-	(1,000,000)
Amortization	(8,615)	(8,577)
	<hr/>	<hr/>
At 31 March	1,503,569	1,512,184
Less: Current portion of held-to-maturity investments	(502,510)	-
	<hr/>	<hr/>
Non-current portion	<u>1,001,059</u>	<u>1,512,184</u>

The Fund has not reclassified any financial assets measured amortized cost rather than fair value during the year (2014: nil).

There were no gains or losses realized on the redemption of held-to-maturity investments in 2015 and 2014, as all the financial assets were redeemed at their redemption date.

The fair value of held-to-maturity investments is based on quoted market bid prices as at balance sheet date (2015: HK\$1,509,240; 2014: HK\$1,517,690).

Held-to-maturity investments are denominated in Hong Kong dollars.

The maximum exposure to credit risk at the reporting date is the carrying amount of held-to-maturity investments.

7 Interest-free loans

	2015	2014
Balance at 1 April	21,000	21,000
Less: Provision for impairment of interest-free loans	-	(21,000)
	<hr/>	<hr/>
Balance at 31 March	<u>21,000</u>	<u>-</u>

As at 31 March 2015, interest-free loan of HK\$21,000 was past due but not impaired (2014: nil). The Fund does not hold any collateral over these balances.

The movement on the provision for impairment of interest-free loans is as follows:

	2015	2014
Balance at 1 April	21,000	21,000
Write back of provision for impairment of interest-free loans	(21,000)	-
	<hr/>	<hr/>
Balance at 31 March	<u>-</u>	<u>21,000</u>

MARINE FISH SCHOLARSHIP FUND

(All amounts in Hong Kong dollars unless otherwise stated)

NOTES TO THE FINANCIAL STATEMENTS

7 Interest-free loans (Continued)

The creation and release of provision for impaired interest-free loans have been included in the statement of comprehensive income. Amounts charged to the provision for impairment are generally written off, when there is no expectation of recovering additional cash.

The interest-free loans are denominated in Hong Kong dollars at 31 March 2015 and 2014.

The maximum exposure to credit risk at the reporting date is the fair value of the receivables mentioned above.

8 Cash and cash equivalents

	2015	2014
Bank balances and maximum exposure to credit risk	<u>311,941</u>	<u>230,624</u>

The carrying amount of cash and cash equivalents is denominated in Hong Kong dollars at 31 March 2015 and 2014.

9 Funds

	Capital allocated by the Fish Marketing Organization (Note)	Accumulated deficit	Total funds
Balance at 1 April 2013	6,500,000	(3,682,301)	2,817,699
Total comprehensive loss	-	(306,002)	(306,002)
	<u>6,500,000</u>	<u>(3,988,303)</u>	<u>2,511,697</u>
Balances at 31 March 2014 and 1 April 2014	6,500,000	(3,988,303)	2,511,697
Total comprehensive income	-	2,524,425	2,524,425
Transfer	3,000,000	(3,000,000)	-
	<u>9,500,000</u>	<u>(4,463,878)</u>	<u>5,036,122</u>

Note:

The balance represents capital allocated by the Fish Marketing Organization to support the operations of the Fund.

MARINE FISH SCHOLARSHIP FUND

(All amounts in Hong Kong dollars unless otherwise stated)

NOTES TO THE FINANCIAL STATEMENTS**10 Net cash used in operating activities**

	2015	2014
Surplus/(deficit) for the year	2,524,425	(306,002)
Adjustments for:		
- Fund from the Fish Marketing Organization	(3,000,000)	-
- Interest income on held-to-maturity investments	(31,236)	(43,340)
- Interest income on bank deposits	(11,074)	(2,859)
- Amortization of held-to-maturity investments	8,615	8,577
- Write back of provision for impairment of interest-free loans	(21,000)	-
	<u>(530,270)</u>	<u>(343,624)</u>
Changes in working capital:		
- Accruals	1,289	800
	<u>(528,981)</u>	<u>(342,824)</u>
Net cash used in operating activities	<u>(528,981)</u>	<u>(342,824)</u>