



**ANNUAL REPORT**  
**THE POLICE CHILDREN'S EDUCATION TRUST**  
**THE POLICE EDUCATION AND WELFARE TRUST**  
**2017/2018**

二零一七／二零一八年度  
警察子女教育信託基金及  
警察教育及福利信託基金報告

**POLICE CHILDREN'S EDUCATION TRUST  
POLICE EDUCATION AND WELFARE TRUST  
ANNUAL REPORT 2017/2018**

**History**

A number of business organisations and members of the public donated a considerable sum of money in 1967 as a gesture of appreciation for the courage, tenacity and loyalty displayed by the Hong Kong Police Force during the civil disturbances. These donations were made at the suggestion of Mr Hans Ammann, a prominent local businessman, and were collected with the assistance of the then Department of Commerce and Industry. The money was used to establish the Police Children's Education Trust, of which the main object was to provide assistance in the education of the children of junior police officers at secondary and post-secondary levels.

2. Concurrently, the Hong Kong Jockey Club generously donated a sum of \$1 million to set up another Fund known as the Police Education and Welfare Trust with the object of providing welfare activities for all ranks of both the regular and auxiliary police forces and assisting in the education of their children.

3. Initially the Director of Commerce and Industry was the Trustee of both Funds assisted by a provisional Management Committee. On 29 November 1967, two Ordinances were enacted which established a legal basis for the administration of the Funds whereby the Commissioner of Police was appointed as the permanent Trustee of both Funds and two Management Committees were formed to assist in managing the Funds.

**Police Children's Education Trust**

4. Under the terms of the Police Children's Education Trust Ordinance (Cap. 1119), the Trustee is required to apply the funds of this Trust, on the advice of the Management Committee, to: -

- (a) provide assistance in, and facilities for, the higher education of the children of junior police officers; and
- (b) provide opportunities for the furtherance of their studies for any such children, who appear to the Committee to be deserving.

5. During the year ended 31 March 2018, the following members served on the Management Committee: -

The Chairman, appointed by the Chief Executive of the HKSAR -  
Mr LEE Tze-hau, Michael, JP

Representative of the Commissioner of Police -

Ms CHIU Wai-yin, Winnie  
Director of Personnel & Training  
(until 7 July 2017)

Mr LI Kin-fai, Kenneth  
Director of Personnel & Training  
(from 8 July 2017)

Representative of the Permanent Secretary for Education -

Mr LEE Kam-kwong  
Principal Education Officer  
(until 15 October 2017)

Ms CHAN Chin-woon, Cynthia  
Principal Education Officer  
(from 16 October 2017)

A Police Welfare Officer, appointed by the Commissioner of Police -

Mr HO Wai-hong, Albert  
Chief Superintendent of Police  
Personnel Services & Staff Relations  
(until 21 August 2017)

Ms LAU Fung-ha, Jenny  
Chief Superintendent of Police  
Personnel Services & Staff Relations  
(from 22 August 2017)

Representative of junior police officers, appointed by the Chief Executive of the HKSAR -

Mr LIU Ching-tat  
Station Sergeant

The following members appointed by the Chief Executive of the HKSAR -

Mr LEUNG Jerome Ty

Mrs MA LI Mun-wai, Julie

Mr MONG Tak-yeung, David

Ms WU Shuk-yin

Ms YAU Oi-yuen, Irene

6. During the year, the function of Secretary to the Committee was performed by: -

Mr TONG Woon-cheong, Arthur  
Executive Officer, Support Services 1,  
Personnel Services & Staff Relations

7. The Ordinance also made provision for the setting up of an Investment Advisory Board to advise on investment of the assets of the Trust. During the year under review, the Investment Advisory Board was chaired by: -

Mr TSANG Kwong-wing, Ernest  
(until 30 June 2017)

Ms TSANG Wai-sze, Selina  
(from 1 July 2017)

and its members comprised: -

Ms CHOY Chi-ting, Eva

Dr HU Zhang-hong

Mr TANG Hamilton Ty

Ms TSANG Wai-sze, Selina  
(until 30 June 2017)

Ms AU Pui-yee, Teresa  
(from 1 July 2017)

8. The Treasurer of the Trust was the HSBC Trustee (Hong Kong) Limited and the Auditor was the Director of Audit.

9. At the time the Trust was established on 1 December 1967, the assets amounted to \$2.73M. By 31 March 2018, the value had risen to \$105.76M. Income for the year ended 31 March 2018 was \$8.69M whilst expenditure amounted to \$4.60M. Comparing to the surplus of \$0.83M in 2016/17, a surplus of \$4.09M was recorded for the year. It was mainly due to the increase in donation income.

10. During the year under review, the number of children of junior police officers awarded with bursaries, scholarships and grants were summarised as follows: -

Bursaries	286
Scholarship for degree (year one) students	35
Scholarship for Outstanding Talents	3
Scholarship for Special Needs Children	1
Grants for children of Police officers under compassionate category	97
	<hr/>
Total :	<u>422</u>

## **Police Education and Welfare Trust**

11. The Police Education and Welfare Trust Ordinance (Cap. 1120) empowers the Management Committee to advise the Trustee on the application of the Fund with the following purposes: -

- (a) to provide assistance towards the general education of the children of all ranks of both regular and auxiliary police officers;
- (b) to provide such children, who appear to the Committee to be deserving, with the opportunities for further studies; and
- (c) for welfare purposes of general benefit to members of both the regular and the auxiliary police forces.

12. During the year, the Chairman of the Management Committee, appointed by the Chief Executive of the HKSAR, was: -

Mr LEE Tze-hau, Michael, JP

13. A representative of the Hong Kong Auxiliary Police Force also served on the Management Committee of the Police Education and Welfare Trust, in addition to those members serving in the Police Children's Education Trust Management Committee: -

Dr LEUNG Sai-kwong, Johnny

14. The Investment Advisory Board of this Trust comprised the same members as the Investment Advisory Board of the Police Children's Education Trust.

15. The Secretary, the Treasurer and the Auditor were the same as for the Police Children's Education Trust.

16. For the year under review, the assets amounted to \$54.81M, a net increase of \$53.81M when compared with the original value of \$1M on 1 December 1967, the vesting day. Income for the year ended 31 March 2018 was \$9.90M whilst expenditure amounted to \$1.94M. There was a surplus of \$7.96M comparing to a surplus of \$2.63M in 2016/17. It was mainly due to the increase in donation income.

17. Payments made from the Trust during the year included: -

Bursaries for children of Inspectorate rank Police Officers/Auxiliary Police Officers who were studying courses at tertiary levels	28
Scholarship for children of Inspectorate rank Police Officers or above/Auxiliary Police Officers	24
Medical Scholarship for Year One Medical Student	3
Scholarship for Outstanding Talents	2
Grants for children of Police Officers under compassionate category	8
Grants for Special Needs Children	238
Total :	<u>303</u>

### **Audited Statements of Accounts**

18. Audited statements of account for both Trusts prepared by the Treasurer, the HSBC Trustee (Hong Kong) Limited are attached at Appendices I(a) and I(b). The list of investments of the two Trusts as at 31 March 2018 is attached at Appendix II.

## **Appreciation**

19. Service on the Investment Advisory Board places demands upon the time of their members and I wish to thank the Chairman and their members for the amount of care and attention which they have given to the investment of the Trusts. I would also like to thank the Treasurer, the HSBC Trustee (Hong Kong) Limited and the Auditor, the Director of Audit who have provided their professional services to the two Trusts for the period under review.

20. I cannot conclude without expressing my sincere gratitude to the Chairman and Members of the Management Committees of the Trusts for their invaluable assistance, particularly for their efforts in ensuring that the Trusts' funds are allocated in a meaningful and equitable manner.

( LO Wai-chung )  
Commissioner of Police  
Trustee  
Police Children's Education Trust  
Police Education and Welfare Trust

28 November 2018



# **警察子女教育信託基金 警察教育及福利信託基金 2017/2018 年度周年報告**

## **歷史**

1967 年騷動期間，香港警隊忠心耿耿，表現英勇及不屈不撓。當時本地著名商人安曼先生發起捐款，以感謝警隊的努力，公眾人士及不少商業機構紛紛響應，工商署協助收集為數不少的捐款。款項用作成立警察子女教育信託基金，主要目的是協助初級警務人員子女升讀中學及專上學院。

2. 同時，香港賽馬會亦慷慨捐出 100 萬元，設立警察教育及福利信託基金，為警隊各級正規和輔警人員提供福利活動，以及就他們子女的教育事宜給予援助。

3. 最初，工商署署長為兩個信託基金的信託人，並由一個臨時管理委員會協助。於 1967 年 11 月 29 日，政府制定兩條法例，奠定了管理兩個基金的法律基礎，並委任警務處處長為兩個基金的信託人，以及組成兩個管理委員會協助管理基金。

## **警察子女教育信託基金**

4. 根據香港法例第 1119 章警察子女教育信託基金條例的條款，信託人必須依照管理委員會的意見，運用信託基金的款項作以下用途：-

(a)提供援助及設施給初級警務人員子女接受高等教育；以及

(b)向委員會認為值得幫助的警察子女，提供深造機會。

5. 在截至 2018 年 3 月 31 日的年度內，下列人士擔任管理委員會委員：

主席由香港特別行政區行政長官委任：

利子厚先生，JP

警務處處長代表：

人事及訓練處處長趙慧賢女士  
(至 2017 年 7 月 7 日)

人事及訓練處處長李建輝先生  
(由 2017 年 7 月 8 日起)

教育局常任秘書長代表：

首席教育主任李錦光先生  
(至 2017 年 10 月 15 日)

首席教育主任陳展桓女士  
(由 2017 年 10 月 16 日起)

警務處處長委任的一名警察福利主任：

總警司（人事服務及職員關係）  
何偉康先生  
(至 2017 年 8 月 21 日)

總警司（人事服務及職員關係）  
劉鳳霞女士  
(由 2017 年 8 月 22 日起)

香港特別行政區行政長官委任的初級警務人員  
代表：

警署警長廖政達先生

下列委員由香港特別行政區行政長官委任：

梁振志先生

馬李敏慧女士

蒙德揚先生

鄔淑賢女士

邱藹源女士

6. 年內，下列人士擔任委員會秘書一職：

行政主任(支援服務)1(人事服務及職員關係)  
湯煥昌先生

7. 本條例亦制訂條文，設立一個投資諮詢委員會，  
就基金資產的投資事宜提供意見。在本報告年度，投  
資諮詢委員會主席為：

曾廣榮先生  
(至 2017 年 6 月 30 日)

曾慧詩女士  
(由 2017 年 7 月 1 日起)

委員包括：

蔡志婷女士

胡章宏博士

唐維鐘先生

曾慧詩女士

(至 2017 年 6 月 30 日)

區佩兒女士

(由 2017 年 7 月 1 日起)

8. 信託基金的司庫為滙豐信託(香港)有限公司，核數師為審計署署長。

9. 信託基金於 1967 年 12 月 1 日成立時，資產值為 273 萬元。截至 2018 年 3 月 31 日止，資產淨值上升至 1 億 576 萬元。截至 2018 年 3 月 31 日的年度內，收入為 869 萬元，而支出共 460 萬元。比較 2016/17 年度有盈餘 83 萬元，本年度錄得盈餘 409 萬元。主要原因是由於捐款收入增加。

10. 在本報告年度，獲發放助學金、獎學金及補助金的學生人數如下：-

助學金	286 名
大一學位獎學金	35 名
出色才藝獎學金	3 名
特殊需要子女獎學金	1 名
恩恤補助金	97 名
	<hr/>
總人數：	<u>共 422 名</u>

## 警察教育及福利信託基金

11. 香港法例第 1120 章警察教育及福利信託基金條例授權管理委員會，建議信託人根據以下目的運用基金：

- (a) 就各級正規及輔警人員的子女一般教育事宜，提供援助；
- (b) 向委員會認為值得幫助的警察子女，提供深造機會；以及
- (c) 為正規及輔警人員提供一般福利。

12. 年內，香港特別行政區行政長官委任的管理委員會主席為：

利子厚先生，JP

13. 警察教育及福利信託基金管理委員會的成員，除同時擔任警察子女教育信託管理委員會的委員外，還有香港輔助警察隊的一名代表：

梁世光博士

14. 本信託基金的投資諮詢委員會成員與警察子女教育信託基金投資諮詢委員會的相同。

15. 秘書、司庫及核數師亦與警察子女教育信託基金相同。

16. 在本報告年度，信託基金的資產淨值為 5,481 萬元，與 1967 年 12 月 1 日歸屬日期的原本價值 100 萬元相比，增加淨額達 5,381 萬元。截至 2018 年 3 月 31 日的年度內，信託基金的收入為 990 萬元，支出為 194 萬元，比較 2016/17 年度的盈餘 263 萬元，本年度共有盈餘 796 萬元。主要原因是由於捐款收入增加。

17. 年內，信託基金撥出的款項包括：

督察級子女/輔警子女大專 助學金	28 名
督察級及以上子女/輔警子女 獎學金	24 名
醫科學生(大學一年級)獎學金	3 名
出色才藝獎學金	2 名
恩恤補助金	8 名
特殊需要子女補助金	238 名
總人數：	<u>共 303 名</u>

## 經審計的帳目報表

18. 兩個信託基金經審計的帳目報表均由司庫滙豐信託(香港)有限公司擬備，現載於附件 I(甲)及 I(乙)。兩個信託基金截至 2018 年 3 月 31 日止的投資清單載於附件 II。

## 感謝

19. 投資諮詢委員會委員付出不少寶貴時間參予會務，本人謹多謝主席及各委員致力處理兩個信託基金的投資事宜。本人亦藉此機會多謝司庫滙豐信託(香港)有限公司及核數師審計署署長在此段期間所提供的專業服務。

20. 最後，我必須衷心多謝兩個信託基金管理委員會主席及各委員的寶貴貢獻，特別是他們設法確保信託基金的款項得以善用和公平分配。

警察子女教育信託基金  
警察教育及福利信託基金  
信託人  
警務處處長盧偉聰

2018 年 11 月 28 日

# Police Children's Education Trust

Financial statements for the year ended 31 March 2018



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



**Audit Commission**

The Government of the Hong Kong Special Administrative Region

## **Independent Auditor's Report To the Legislative Council**

### ***Opinion***

I certify that I have audited the financial statements of the Police Children's Education Trust set out on pages 4 to 20, which comprise the balance sheet as at 31 March 2018, and the income and expenditure account, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements give a true and fair view of the financial position of the Police Children's Education Trust as at 31 March 2018, and of its financial performance and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in accordance with section 10(1) of the Police Children's Education Trust Ordinance (Cap. 1119).

### ***Basis for opinion***

I conducted my audit in accordance with section 10(2) of the Police Children's Education Trust Ordinance and the Audit Commission auditing standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my report. I am independent of the Police Children's Education Trust in accordance with those standards, and I have fulfilled my other ethical responsibilities in accordance with those standards. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### ***Responsibilities of the Commissioner of Police for the financial statements***

The Commissioner of Police is responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and

section 10(1) of the Police Children's Education Trust Ordinance, and for such internal control as the Commissioner of Police determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Commissioner of Police is responsible for assessing the Police Children's Education Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

### ***Auditor's responsibilities for the audit of the financial statements***

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Audit Commission auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Audit Commission auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Police Children's Education Trust's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Commissioner of Police;
- conclude on the appropriateness of the Commissioner of Police's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Police Children's Education Trust's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw

attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Police Children's Education Trust to cease to continue as a going concern; and

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

LIANG Kar-lun, Ken  
Principal Auditor  
for Director of Audit

28 November 2018

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

**POLICE CHILDREN'S EDUCATION TRUST**

**BALANCE SHEET AS AT 31 MARCH 2018**

	<b>Note</b>	<b>2018 HK\$</b>	<b>2017 HK\$</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Available-for-sale investments	3	40,602,459	31,991,177
Held-to-maturity investments	4	3,069,057	-
		<u>43,671,516</u>	<u>31,991,177</u>
		-----	-----
<b>Current assets</b>			
Available-for-sale investments	3	6,204,926	7,199,685
Held-to-maturity investments	4	44,512,173	39,343,998
Accounts receivable		646,690	522,553
Cash and cash equivalents	5	15,222,085	20,963,916
		<u>66,585,874</u>	<u>68,030,152</u>
		-----	-----
<b>Current liabilities</b>			
Accounts payable		(4,501,255)	(4,495,941)
		<u>62,084,619</u>	<u>63,534,211</u>
		-----	-----
<b>Net current assets</b>		<u>62,084,619</u>	<u>63,534,211</u>
		-----	-----
<b>NET ASSETS</b>		<u>105,756,135</u>	<u>95,525,388</u>
		=====	=====
<b>EQUITY</b>			
<b>Trust fund account</b>	6	97,539,395	93,448,511
<b>Fair value reserve</b>		8,216,740	2,076,877
		<u>105,756,135</u>	<u>95,525,388</u>
<b>TOTAL EQUITY</b>		<u>105,756,135</u>	<u>95,525,388</u>
		=====	=====

The accompanying notes 1 to 10 form part of these financial statements.

( LO Wai-chung )  
Commissioner of Police  
28 November 2018

**POLICE CHILDREN'S EDUCATION TRUST**

**INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2018**

	<b>Note</b>	<b>2018 HK\$</b>	<b>2017 HK\$</b>
<b>INCOME</b>			
Donations		4,598,735	4,261,620
Interest income	7	1,372,748	1,211,402
Dividend income		821,504	743,640
Gain on disposal of investments		-	397,035
Net exchange gain		1,893,861	-
		<hr/> 8,686,848 <hr/>	<hr/> 6,613,697 <hr/>
<b>EXPENDITURE</b>			
Bursaries	8	(4,496,835)	(4,493,340)
Treasurer's remuneration		(42,000)	(42,000)
Sundry expenses		(57,129)	(59,071)
Net exchange loss		-	(1,193,964)
		<hr/> (4,595,964) <hr/>	<hr/> (5,788,375) <hr/>
<b>SURPLUS FOR THE YEAR</b>		<hr/> 4,090,884 <hr/>	<hr/> 825,322 <hr/>

The accompanying notes 1 to 10 form part of these financial statements.

**POLICE CHILDREN'S EDUCATION TRUST**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2018**

	<b>2018 HK\$</b>	<b>2017 HK\$</b>
<b>SURPLUS FOR THE YEAR</b>	4,090,884	825,322
	-----	-----
<b>OTHER COMPREHENSIVE INCOME</b>		
Items that may be reclassified subsequently to surplus or deficit:		
Available-for-sale investments		
Net gains on revaluation	6,212,462	3,777,899
Reclassification adjustments for amounts released from fair value reserve upon disposal	(72,599)	(186,925)
	6,139,863	3,590,974
	-----	-----
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	10,230,747	4,416,296
	=====	=====

The accompanying notes 1 to 10 form part of these financial statements.

**POLICE CHILDREN'S EDUCATION TRUST**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2018**

	<b>Trust fund account HK\$</b>	<b>Fair value reserve HK\$</b>	<b>Total HK\$</b>
Balance at 1 April 2016	92,623,189	(1,514,097)	91,109,092
Total comprehensive income for 2016-17	825,322	3,590,974	4,416,296
Balance at 31 March 2017	<u>93,448,511</u>	<u>2,076,877</u>	<u>95,525,388</u>
Total comprehensive income for 2017-18	4,090,884	6,139,863	10,230,747
Balance at 31 March 2018	<u><u>97,539,395</u></u>	<u><u>8,216,740</u></u>	<u><u>105,756,135</u></u>

The accompanying notes 1 to 10 form part of these financial statements.

**POLICE CHILDREN'S EDUCATION TRUST**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2018**

	<b>Note</b>	<b>2018 HK\$</b>	<b>2017 HK\$</b>
Cash flows from operating activities			
Surplus for the year		4,090,884	825,322
Adjustments for:			
Interest income		(1,372,748)	(1,211,402)
Dividend income		(821,504)	(743,640)
Gain on disposal of investments		-	(397,035)
Exchange differences		(1,918,079)	1,080,153
Increase in accounts payable		5,314	95,601
Decrease/(increase) in accounts receivable		6,844	(20,649)
Net cash used in operating activities		<u>(9,289)</u>	<u>(371,650)</u>
		-----	-----
Cash flows from investing activities			
Purchase of investments		(73,358,498)	(59,610,501)
Proceeds from disposal/redemption of investments		65,417,662	46,123,191
Interest received		1,341,287	1,533,164
Dividends received		821,504	743,640
Net cash used in investing activities		<u>(5,778,045)</u>	<u>(11,210,506)</u>
		-----	-----
Net decrease in cash and cash equivalents		(5,787,334)	(11,582,156)
Cash and cash equivalents at beginning of year		20,963,916	32,542,383
Effect of exchange rate changes on cash and cash equivalents		45,503	3,689
Cash and cash equivalents at end of year	5	<u>15,222,085</u>	<u>20,963,916</u>
		=====	=====

The accompanying notes 1 to 10 form part of these financial statement.



# **POLICE CHILDREN'S EDUCATION TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **1 STATUS OF POLICE CHILDREN'S EDUCATION TRUST ("THE TRUST")**

The Trust was established in 1967 under the Police Children's Education Trust Ordinance (Cap. 1119) for the purpose of providing assistance in, and facilities for, the higher education of the children of junior police officers of the Hong Kong Police Force.

### **2 SIGNIFICANT ACCOUNTING POLICIES**

#### **(a) Statement of compliance**

The financial statements have been prepared in accordance with section 10(1) of the Police Children's Education Trust 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 available-for-sale investments are stated at fair value as explained 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.

## **POLICE CHILDREN'S EDUCATION TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

#### **2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

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

The Trust has not early adopted any amendments, new standards and interpretations which are not yet effective for the current accounting period. The Trust 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 Trust's result of operations and financial position, except for HKFRS 9 Financial Instruments which is effective for accounting periods beginning on or after 1 January 2018. The adoption of HKFRS 9 is expected to lead to a change in the classification and measurement of the Trust's financial assets. The Trust has yet to assess the impact of the standard on its financial statements.

**(d) Investments in debt and equity securities**

Investments in debt and equity securities, being those held for non-trading purposes, are classified as available-for-sale investments and are initially recognised at fair value plus transaction costs. They are included in non-current assets unless the Trust intends to dispose of the investment within 12 months of the balance sheet date. At each balance sheet date the fair value is remeasured, with any resultant gain or loss being recognised in other comprehensive income and accumulated separately in the fair value reserve, except for impairment losses and, in the case of monetary items such as debt securities, foreign exchange gains and losses which are recognised directly in the income and expenditure account. When these investments are sold, the difference between the net sales proceeds and the carrying value is included in the income and expenditure account, and the cumulative gain or loss previously recognised in the fair value reserve is removed and recognised in the income and expenditure account. Purchases and sales of investments are recognised using trade date accounting. The investments are priced at current bid prices.

When available-for-sale investments are impaired, the cumulative loss that had been recognised in the fair value reserve is removed from the fair value reserve and is recognised in the income and expenditure account. The amount of the cumulative loss that is recognised in the income and expenditure account is the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss on that asset previously recognised in the income and expenditure account.

## **POLICE CHILDREN'S EDUCATION TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

#### **2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Impairment losses recognised in the income and expenditure account in respect of available-for-sale equity securities are not reversed through the income and expenditure account. Any subsequent increase in the fair value of such assets is recognised directly in other comprehensive income.

Impairment losses in respect of available-for-sale debt securities are reversed if the subsequent increase in fair value can be objectively related to an event occurring after the impairment loss was recognised. Reversals of impairment losses in such circumstances are recognised in the income and expenditure account.

(e) Investments in certificates of deposits

Investments in certificates of deposits are classified as held-to-maturity investments. They are initially recognised at fair value plus transaction costs and are subsequently carried at amortised cost using the effective interest method.

Investments in certificates of deposits are included in non-current assets, except for those with maturities less than 12 months from the balance sheet date, which are classified as current assets. Purchases and sales of investments are recognised using trade date accounting.

(f) Accounts receivable

Accounts receivable are initially recognised at fair value and thereafter stated at amortised cost less impairment losses for bad and doubtful debts, except where the effect of discounting would be immaterial. In such cases, accounts receivable are stated at cost less impairment losses for bad and doubtful debts.

Impairment losses for bad and doubtful debts are measured as the difference between the carrying amount of the financial asset and the estimated future cash flows, discounted where the effect of discounting is material.

(g) Cash and cash equivalents

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

## **POLICE CHILDREN'S EDUCATION TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

#### **2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

(h) Accounts payable

Accounts payable are initially recognised at fair value and thereafter stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

(i) Income

(i) Donation income is recognised once cash is received and the approval for acceptance is obtained.

(ii) Dividend income from listed investments is recognised when the Trust's right to receive payment is established.

(iii) Interest incomes from available-for-sale investments, held-to-maturity investments and deposits with banks are recognised as they accrue using the effective interest method.

(j) Bursaries

Provision for bursaries is made on the basis of bursaries authorised by the Police Children's Education Trust Committee.

(k) Translation of foreign currencies

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 market rates of exchange ruling at the balance sheet date. Exchange gains and losses are dealt with in the income and expenditure account.

**POLICE CHILDREN'S EDUCATION TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**3 AVAILABLE-FOR-SALE INVESTMENTS**

	<b>2018</b>	<b>2017</b>
	<b>HK\$</b>	<b>HK\$</b>
Debt securities, at fair value		
- listed outside Hong Kong	12,674,746	12,750,982
Equity securities, at fair value		
- listed in Hong Kong	34,132,640	26,439,880
	<u>46,807,386</u>	<u>39,190,862</u>
	=====	=====
Classified as:		
- Non-current assets	40,602,459	31,991,177
- Current assets	6,204,926	7,199,685
	<u>46,807,385</u>	<u>39,190,862</u>
	=====	=====

**4 HELD-TO-MATURITY INVESTMENTS**

	<b>2018</b>	<b>2017</b>
	<b>HK\$</b>	<b>HK\$</b>
Certificates of deposits, at amortised cost		
- listed outside Hong Kong	3,069,057	-
- unlisted	44,512,173	39,343,998
	<u>47,581,230</u>	<u>39,343,998</u>
	=====	=====
Classified as:		
- Non-current assets	3,069,057	-
- Current assets	44,512,173	39,343,998
	<u>47,581,230</u>	<u>39,343,998</u>
	=====	=====

**5 CASH AND CASH EQUIVALENTS**

	<b>2018</b>	<b>2017</b>
	<b>HK\$</b>	<b>HK\$</b>
Bank deposits with original maturities up to three months	-	5,000,000
Call deposits	15,163,348	15,899,211
Cash at banks	58,737	64,705
	<u>15,222,085</u>	<u>20,963,916</u>
	=====	=====

Cash and cash equivalents include the following amounts denominated in a currency other than the Trust's functional currency.

**POLICE CHILDREN'S EDUCATION TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**5 CASH AND CASH EQUIVALENTS (CONTINUED)**

	<b>2018</b>	<b>2017</b>
	<b>HK\$</b>	<b>HK\$</b>
United States Dollars:		
USD504,607 (2017: USD64,690)	3,960,501	502,606
Renminbi:		
CNY5,280,623 (2017: CNY7,829,270)	6,589,165	8,829,572
Australian Dollars:		
AUD11,828 (2017: AUD57,626)	71,276	342,116
	<u>10,620,942</u>	<u>9,674,294</u>
	=====	=====

**6 TRUST FUND ACCOUNT**

Of the trust fund balance at 31 March 2018, HK\$2,463,654 (2017: HK\$2,465,179) is related to donations from the Hong Kong Jockey Club Charities Trust and income generated therefrom, less bursary payments. The donation is for designated purposes.

**7 INTEREST INCOME**

	<b>2018</b>	<b>2017</b>
	<b>HK\$</b>	<b>HK\$</b>
Interest income from bank deposits	25,341	6,045
Interest income from held-to-maturity investments	892,243	524,279
Interest income from available-for-sale investments	455,164	681,078
	<u>1,372,748</u>	<u>1,211,402</u>
	=====	=====

**8 BURSARIES**

The bursaries include tuition fees and book grants for the higher education of the children of junior police officers of the Hong Kong Police Force.

# POLICE CHILDREN'S EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 9 FINANCIAL RISK MANAGEMENT

Financial assets of the Trust include available-for-sale investments, held-to-maturity investments, bank deposits, accounts receivable and cash and cash equivalents. Financial liabilities of the Trust include accounts payable. The Trust did not enter into any foreign exchange contracts, interest rate swaps or other financial instruments during the year. The major risks associated with the Trust's financial instruments are set out below.

#### (a) 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 deposits are placed with reputable licensed banks in Hong Kong. To minimise credit risks arising from available-for-sale investments and held-to-maturity investments, 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 debt securities, analysed by the lower of ratings designated by Moody's or Standard & Poor's, was as follows:

	2018 HK\$	2017 HK\$
Certificates of deposits by credit rating		
P-1 / A-1+ to A-1	47,581,230	29,031,841
P-2 / A-2	-	10,312,157
	<u>47,581,230</u>	<u>39,343,998</u>
	=====	=====
Other debt securities by credit rating		
Aa1 to Aa3 / AA+ to AA-	6,469,819	1,495,963
A1 to A3 / A+ to A-	6,204,926	11,255,019
	<u>12,674,745</u>	<u>12,750,982</u>
	=====	=====

The Trust's maximum exposure to credit risk 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. For other receivables, the Trust considers that adequate provision has been made, where necessary, for amounts which are expected to be irrecoverable at the balance sheet date.

## **POLICE CHILDREN'S EDUCATION TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

#### **9 FINANCIAL RISK MANAGEMENT (CONTINUED)**

##### **(b) Liquidity risk**

The Trust regularly monitors its current and future funding requirements. The Trust maintains sufficient reserves of cash and obtains adequate funding to meet its liquidity requirements in the short and longer term.

##### **(c) Interest rate risk**

###### **(i) Exposure to interest rate risk**

Interest rate risk refers to 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 fair value of financial instruments will fluctuate because of changes in market interest rates. Investments in debt securities are made in accordance with a documented risk management or investment strategy, and the Trust monitors the fair value interest rate risk on a continuous basis. Since the Trust's debt securities and time deposits with banks bear interest at fixed rates, their fair values will fall when market interest rates increase. However, as held-to-maturity certificates of deposits and time deposits with banks are all stated at amortised cost, their carrying amounts will not be affected by changes in market interest rates.

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 Trust is not exposed to material cash flow interest rate risk because interest income from financial instruments bearing interest at a floating rate is not significant.

###### **(ii) Sensitivity analysis**

It was estimated that, as at 31 March 2018, a general increase of 50 basis points (2017: 50 basis points) in interest rates, with all other variables held constant, would decrease other comprehensive income and the balance of the Trust's fair value reserve by about HK\$73,000 (2017: HK\$63,000) and a general decrease of 50 basis points (2017: 50 basis points) would increase other comprehensive income and the fair value reserve by about HK\$73,000 (2017: HK\$63,000).



## **POLICE CHILDREN'S EDUCATION TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

#### **9 FINANCIAL RISK MANAGEMENT (CONTINUED)**

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the balance sheet date and had been applied to the interest-bearing available-for-sale investments in existence at that date. The 50 basis points increase or decrease represents the Trust's assessment of a reasonably possible change in interest rates over the period until the next annual balance sheet date. The analysis is performed on the same basis for 2017.

(d) Equity price risk

Equity price risk is the risk of loss arising from changes in equity prices. The Trust is exposed to equity price risk arising from its investment in equity securities (see note 3). To manage the risk, the Investment Advisory Board regularly reviews the investment portfolio and the investment guidelines for monitoring the investment activities of the Trust.

If the market price of the equity security had been 10% (2017: 10%) higher/lower, other comprehensive income and the balance of the fair value reserve at the balance sheet date would increase/decrease by about HK\$3,413,000 (2017: HK\$2,644,000) as a result of changes in fair value. The sensitivity analysis was based on the carrying amount of the equity security held by the Trust at the balance sheet date and all other variables were held constant.

(e) Foreign currency risk

(i) Exposure to foreign currency risk

At the balance sheet date, the Trust maintains net financial assets denominated in United States dollars, Renminbi and Australian dollars, as follows.

**POLICE CHILDREN'S EDUCATION TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**9 FINANCIAL RISK MANAGEMENT (CONTINUED)**

	<b>2018</b>	<b>2017</b>
	<b>HK\$</b>	<b>HK\$</b>
United States Dollars:		
USD1,312,614		
(2017: USD64,440)	10,302,281	500,661
Renminbi:		
CNY15,490,279		
(2017: CNY14,886,519)	19,328,782	16,788,487
Australian Dollars:		
AUD1,612,267		
(2017: AUD1,295,563)	9,715,376	7,691,537
	<u>39,346,439</u>	<u>24,980,685</u>
	=====	=====

As Hong Kong dollar is pegged to the United States dollar within a narrow range, it is considered that the Trust had no significant exposure to foreign exchange risk relating to this foreign currency. Since no foreign currency rate hedging is made by the Trust for Renminbi and Australian dollar, the carrying amounts of these financial assets represent the maximum exposure of the Trust to foreign currency risk.

(ii) Sensitivity analysis

It was estimated that, as at the balance sheet date, should the Renminbi and Australian dollar strengthen/weaken by 5% (2017: 5%) against the Hong Kong dollar, with all other variables held constant, the Trust's surplus for the year would increase/decrease by approximately HK\$1,452,000 (2017: HK\$1,224,000).

(f) Fair value hierarchy of financial instruments

The following table presents the carrying values of financial instruments measured at fair value at the balance sheet date on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13 Fair Value Measurement.

**POLICE CHILDREN'S EDUCATION TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**9 FINANCIAL RISK MANAGEMENT (CONTINUED)**

	<b>2018</b>		<b>2017</b>	
	<b>Level 1</b>	<b>Total</b>	<b>Level 1</b>	<b>Total</b>
	<b>HK\$</b>	<b>HK\$</b>	<b>HK\$</b>	<b>HK\$</b>
<b>Assets</b>				
Available-for-sale investments:				
Equity securities				
- listed	34,132,640	34,132,640	26,439,880	26,439,880
Debt securities				
- listed	12,674,746	12,674,746	12,750,982	12,750,982
	<u>46,807,386</u>	<u>46,807,386</u>	<u>39,190,862</u>	<u>39,190,862</u>

No financial instruments were classified under Level 2 or Level 3.

The three levels of the fair value hierarchy are:

Level 1: fair values are quoted prices (unadjusted) in active markets for identical financial instruments at the measurement date;

Level 2: fair values are determined with inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3: fair values are determined with inputs that are not based on observable market data (unobservable inputs).

## **POLICE CHILDREN'S EDUCATION TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

#### **9 FINANCIAL RISK MANAGEMENT (CONTINUED)**

- (g) Fair values of financial assets and financial liabilities

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

#### **10 CAPITAL MANAGEMENT**

The capital structure of the Trust consists of the Trust fund account and the fair value reserve. The Trust's objectives when managing capital are:

- (a) to comply with the Police Children's Education Trust Ordinance; and
- (b) to maintain a strong capital base for carrying out the purpose of the Trust as stated in note 1 above.

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

## 警察子女教育信託基金

截至 2018 年 3 月 31 日止年度的財務報表

# 審計署署長報告



香港特別行政區政府  
審計署

## 獨立審計師報告 致立法會

### 意見

茲證明我已審計列載於第4至20頁的警察子女教育信託基金財務報表，該等財務報表包括於二零一八年三月三十一日的資產負債表與截至該日止年度的收支帳目、全面收益表、權益變動表和現金流量表，以及財務報表的附註，包括主要會計政策概要。

我認為，該等財務報表已按照香港會計師公會頒布的《香港財務報告準則》真實而中肯地反映警察子女教育信託基金於二零一八年三月三十一日的財務狀況及截至該日止年度的財務表現和現金流量，並已按照《警察子女教育信託基金條例》（第1119章）第10(1)條妥為擬備。

### 意見的基礎

我已按照《警察子女教育信託基金條例》第10(2)條及審計署的審計準則進行審計。我根據該等準則而須承擔的責任，詳載於本報告「審計師就財務報表審計而須承擔的責任」部分。根據該等準則，我獨立於警察子女教育信託基金，並已按該等準則履行其他道德責任。我相信，我所獲得的審計憑證是充足和適當地為我的審計意見提供基礎。

### 警務處處長就財務報表而須承擔的責任

警務處處長須負責按照香港會計師公會頒布的《香港財務報告準則》及《警察子女教育信託基金條例》第10(1)條擬備真實而中肯的財務報表，及落實其認為必要的內部控制，使財務報表不存有因欺詐或錯誤而導致的重大錯誤陳述。

在擬備財務報表時，警務處處長須負責評估在警察子女教育信託基金

持續經營的能力，以及在適用情況下披露與持續經營有關的事項，並以持續經營作為會計基礎。

### **審計師就財務報表審計而須承擔的責任**

我的目標是就整體財務報表是否不存有任何因欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並發出包括我意見的審計師報告。合理保證是高水平的保證，但不能確保按審計署審計準則進行的審計定能發現所存有的任何重大錯誤陳述。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們個別或滙總起來可能影響財務報表使用者所作出的經濟決定，則會被視作重大錯誤陳述。

在根據審計署審計準則進行審計的過程中，我會運用專業判斷並秉持專業懷疑態度。我亦會：

- 識別和評估因欺詐或錯誤而導致財務報表存有重大錯誤陳述的風險；設計及執行審計程序以應對這些風險；以及取得充足和適當的審計憑證，作為我意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕內部控制的情況，因此未能發現因欺詐而導致重大錯誤陳述的風險，較未能發現因錯誤而導致者為高；
- 了解與審計相關的內部控制，以設計適當的審計程序。然而，此舉並非旨在對警察子女教育信託基金內部控制的有效性發表意見；
- 評價警務處處長所採用的會計政策是否恰當，以及其作出的會計估計和相關資料披露是否合理；
- 判定警務處處長以持續經營作為會計基礎的做法是否恰當，並根據所得的審計憑證，判定是否存在與事件或情況有關，而且可能對警察子女教育信託基金持續經營的能力構成重大疑慮的重大不確定性。如果我認為存在重大不確定性，則有必要在審計師報告中請使用者留意財務報表中的相關資料披露。假若所披露的相關資料不足，我便須發出非無保留意見的審計師報告。我的結論是基於截至審計師報告日止所取得的審計憑證。然而，未來事件或情況可能導致警察子女教育信託基金不能繼續持續經營；及
- 評價財務報表的整體列報方式、結構和內容，包括披露資料，以及財務報表是否中肯反映交易和事項。

審計署署長  
首席審計師  
梁家倫代行  
二零一八年十一月二十八日

審計署  
香港灣仔  
告士打道 7 號  
入境事務大樓 26 樓



# 警察子女教育信託基金

## 於二零一八年三月三十一日的資產負債表

	附註	2018 港元	2017 港元
<b>資產</b>			
<b>非流動資產</b>			
可供出售投資	3	40,602,459	31,991,177
持有至到期投資	4	3,069,057	-
		<u>43,671,516</u>	<u>31,991,177</u>
		-----	-----
<b>流動資產</b>			
可供出售投資	3	6,204,926	7,199,685
持有至到期投資	4	44,512,173	39,343,998
應收帳款		646,690	522,553
現金及等同現金項目	5	15,222,085	20,963,916
		<u>66,585,874</u>	<u>68,030,152</u>
<b>流動負債</b>			
應付帳款		(4,501,255)	(4,495,941)
<b>流動資產淨值</b>		<u>62,084,619</u>	<u>63,534,211</u>
		-----	-----
<b>資產淨值</b>		<u>105,756,135</u>	<u>95,525,388</u>
		=====	=====
<b>權益</b>			
信託基金帳戶	6	97,539,395	93,448,511
公平值儲備		8,216,740	2,076,877
<b>權益總額</b>		<u>105,756,135</u>	<u>95,525,388</u>
		=====	=====

隨附附註 1 至 10 為本財務報表的一部分。

警務處處長盧偉聰  
二零一八年十一月廿八日

# 警察子女教育信託基金

## 截至二零一八年三月三十一日止年度收支帳目

	附註	2018 港元	2017 港元
收入			
捐款		4,598,735	4,261,620
利息收入	7	1,372,748	1,211,402
股息收入		821,504	743,640
出售投資的收益		-	397,035
匯兌收益淨額		1,893,861	-
		<u>8,686,848</u>	<u>6,613,697</u>
		-----	-----
支出			
助學金	8	(4,496,835)	(4,493,340)
司庫酬金		(42,000)	(42,000)
雜項支出		(57,129)	(59,071)
匯兌虧損淨額		-	(1,193,964)
		<u>(4,595,964)</u>	<u>(5,788,375)</u>
		-----	-----
年度盈餘		<u>4,090,884</u>	<u>825,322</u>
		=====	=====

隨附附註 1 至 10 為本財務報表的一部分。

## 警察子女教育信託基金

### 截至二零一八年三月三十一日止年度全面收益表

	2018 港元	2017 港元
年度盈餘	4,090,884	825,322
其他全面收益		
將來或會重新分類為盈餘或虧絀的項目：		
可供出售投資		
價值重估淨收益	6,212,462	3,777,899
出售時從公平值儲備		
回撥的重新分類調整款額	(72,599)	(186,925)
	<u>6,139,863</u>	<u>3,590,974</u>
年度全面收益總額	<u>10,230,747</u>	<u>4,416,296</u>

隨附附註 1 至 10 為本財務報表的一部分。

## 警察子女教育信託基金

### 截至二零一八年三月三十一日止年度權益變動表

	信託基金 帳戶 港元	公平值 儲備 港元	總額 港元
2016 年 4 月 1 日的結餘	92,623,189	(1,514,097)	91,109,092
2016-17 年度全面收益總額	825,322	3,590,974	4,416,296
2017 年 3 月 31 日的結餘	<u>93,448,511</u>	<u>2,076,877</u>	<u>95,525,388</u>
2017-18 年度全面收益總額	4,090,884	6,139,863	10,230,747
2018 年 3 月 31 日的結餘	<u>97,539,395</u> =====	<u>8,216,740</u> =====	<u>105,756,135</u> =====

隨附附註 1 至 10 為本財務報表的一部分。

# 警察子女教育信託基金

## 截至二零一八年三月三十一日止年度現金流量表

	附註	2018 港元	2017 港元
營運活動的現金流量			
年度盈餘		4,090,884	825,322
調整項目：			
利息收入		(1,372,748)	(1,211,402)
股息收入		(821,504)	(743,640)
出售投資的收益		-	(397,035)
匯兌差額		(1,918,079)	1,080,153
應付帳款增加		5,314	95,601
應收帳款減少／(增加)		6,844	(20,649)
營運活動所用的現金淨額		<u>(9,289)</u>	<u>(371,650)</u>
投資活動的現金流量			
購入投資付款		(73,358,498)	(59,610,501)
出售／贖回投資的收款		65,417,662	46,123,191
已收利息		1,341,287	1,533,164
已收股息		821,504	743,640
投資活動所用的現金淨額		<u>(5,778,045)</u>	<u>(11,210,506)</u>
現金及等同現金項目減少淨額		<u>(5,787,334)</u>	<u>(11,582,156)</u>
年初的現金及等同現金項目		20,963,916	32,542,383
匯率變動對現金及等同現金項目的影響		45,503	3,689
年終的現金及等同現金項目	5	<u>15,222,085</u>	<u>20,963,916</u>

隨附附註 1 至 10 為本財務報表的一部分。

# 警察子女教育信託基金

## 財務報表附註

### 1 警察子女教育信託基金(「信託基金」)的一般資料

信託基金在一九六七年根據《警察子女教育信託基金條例》(第 1119 章)成立，目的是就香港警務處初級警務人員子女的高等教育提供協助及設施。

### 2 主要會計政策

#### (a) 符合準則聲明

本財務報表是根據《警察子女教育信託基金條例》第 10(1) 條及香港會計師公會頒布的《香港財務報告準則》的所有適用規定擬備。

#### (b) 擬備基準

本財務報表是按應計記帳方式及歷史成本法擬備，但可供出售投資是按公平值入帳，如下文附註 2(d) 所作出解釋。

擬備符合《香港財務報告準則》的財務報表需要管理層作出判斷、估計及假設，而有關判斷、估計及假設會影響會計政策的採納及資產、負債、收入及支出的呈報總額。此等估計及相關的假設是根據以往經驗及other在有關情況下認為合適的因素而制定。在欠缺其他現成數據的情況下，則採用此等估計及假設作為判斷有關資產及負債的帳面值的基礎，估計結果與實際價值或有不同。

此等估計及相關假設會不斷檢討修訂。如修訂只影響該會計期，會在作出修訂的期內確認，但如影響該期及未來的會計期，有關修訂便會在該期及未來期間內確認。

# 警察子女教育信託基金

## 財務報表附註(續)

### 2 主要會計政策(續)

#### (c) 採納新訂/經修訂《香港財務報告準則》

信託基金已採納所有在現屆會計期生效和與信託基金相關的新訂／經修訂《香港財務報告準則》。

信託基金並無提早採用任何現屆會計期仍未生效的修訂、新準則和詮釋。信託基金正就這些修訂、新準則和詮釋在首次採用期間預期會產生的影響進行評估。直至目前為止，信託基金得出的結論為採納該等修訂、新準則和詮釋，不大可能會對信託基金的營運結果及財政狀況構成重大影響，但《香港財務報告準則》第9號「金融工具」則除外，該準則於二零一八年一月一日或之後開始的會計期生效。採納該準則預期會對信託基金的金融資產的分類和計量帶來變更。基金尚要評估因採納該準則而對財務報表帶來的影響。

#### (d) 債務和股票證券投資

非持作買賣用途的債務和股票證券投資歸類為可供出售投資，並以公平值加上交易成本後初始確認。有關投資列入非流動資產，除非信託基金擬在結算日後的 12 個月內出售有關投資，則作別論。信託基金會在每個結算日重新計量公平值，由此產生的任何收益或虧損均在其他全面收益中確認及分別在公平值儲備中累計，但減值虧損和貨幣項目(如債務證券)的匯兌收益與虧損則直接在收支帳目中確認。出售這些投資時，出售投資收款淨額與其帳面值的差額會列入收支帳目中，而以往在公平值儲備中確認的累計收益或虧損會被轉出及在收支帳目中確認。投資的購入及出售採用交易日會計法確認入帳。投資以當時買盤價作價。

當可供出售投資出現減值，已在公平值儲備中確認的累計虧損會從公平值儲備中轉出，並在收支帳目中確認。在收支帳目中確認的累計虧損是以購買成本(扣除任何本金償還和攤銷額)與當時公平值之間的差額，減去以往就該資產在收支帳目中確認的任何減值虧損後計算。

# 警察子女教育信託基金

## 財務報表附註(續)

### 2 主要會計政策(續)

可供出售股票證券已在收支帳目中確認的減值虧損不會通過收支帳目轉回。這些資產公平值其後的任何增額會直接在其他全面收益中確認。

如果可供出售債務證券公平值其後的增額客觀上與減值虧損確認後發生的事件有關，則應轉回減值虧損。在此情況下轉回的減值虧損均在收支帳目中確認。

#### (e) 存款證投資

存款證投資歸類為持有至到期投資，以公平值加上交易成本後初始確認，其後採用實際利率法按攤銷成本值入帳。

存款證投資列入非流動資產，但如到期日距離結算日少於 12 個月，則歸類為流動資產。投資的購入及出售採用交易日會計法確認入帳。

#### (f) 應收帳款

應收帳款按公平值初始確認，其後按攤銷成本減去呆壞帳減值虧損後所得數額入帳，但如其折現影響並不重大則除外。在此情況下，應收帳款會按成本減去呆壞帳減值虧損後所得數額入帳。

呆壞帳減值虧損是以金融資產的帳面金額與已折現(如果折現會造成重大的影響)的預計未來現金流量之間的差額計量。

#### (g) 現金及等同現金項目

現金及等同現金項目包括銀行存款和現金、存放於銀行的活期存款，以及短期高度流動的投資項目。短期高度流動投資是指可隨時轉換為已知金額的現金而所涉及的價值改變風險不大及於購入時於三個月內到期的投資。



## 警察子女教育信託基金

### 財務報表附註(續)

#### 2 主要會計政策(續)

##### (h) 應付帳款

應付帳款按公平值初始確認，其後按攤銷成本值入帳；但如折現影響並不重大，則按成本入帳。

##### (i) 收入

(i) 捐款收入於收到現金及獲准接受捐款後確認。

(ii) 上市投資的股息收入於信託基金接收款項的權利獲得確認時確認入帳。

(iii) 可供出售投資、持有至到期投資及銀行存款的利息收入按實際利率法累計確認入帳。

##### (j) 助學金

助學金撥備按警察子女教育信託基金委員會授權的助學金款額提撥。

##### (k) 外幣折算

年內的外幣交易按交易日的外幣匯率折算為港幣。以外幣為單位的貨幣資產與負債則按結算日的市場匯率折算為港幣。匯兌盈虧在收支帳目中處理。

# 警察子女教育信託基金

## 財務報表附註(續)

### 3 可供出售投資

	2018 港元	2017 港元
債務證券(按公平值入帳)		
- 在香港以外地方上市	12,674,746	12,750,982
股票證券(按公平值入帳)		
- 在香港上市	34,132,640	26,439,880
	<u>46,807,386</u>	<u>39,190,862</u>
	=====	=====
歸類為：		
- 非流動資產	40,602,459	31,991,177
- 流動資產	6,204,926	7,199,685
	<u>46,807,385</u>	<u>39,190,862</u>
	=====	=====

### 4 持有至到期投資

	2018 港元	2017 港元
存款證(按攤銷成本值入帳)		
- 在香港以外地方上市	3,069,057	-
- 非上市	44,512,173	39,343,998
	<u>47,581,230</u>	<u>39,343,998</u>
	=====	=====
歸類為：		
- 非流動資產	3,069,057	-
- 流動資產	44,512,173	39,343,998
	<u>47,581,230</u>	<u>39,343,998</u>
	=====	=====

## 警察子女教育信託基金

### 財務報表附註(續)

#### 5 現金及等同現金項目

	2018 港元	2017 港元
原本不超過三個月到期的銀行存款	-	5,000,000
活期存款	15,163,348	15,899,211
銀行現金	58,737	64,705
現金及等同現金項目	<u>15,222,085</u> =====	<u>20,963,916</u> =====

現金及等同現金項目包括下列並非以信託基金的功能貨幣為單位的款額。

	2018 港元	2017 港元
美元：		
504,607美元 (2017年： 64,690美元)	3,960,501	502,606
人民幣：		
5,280,623圓人民幣 (2017年： 7,829,270圓人民幣)	6,589,165	8,829,572
澳元：		
11,828澳元 (2017年： 57,626澳元)	71,276	342,116
	<u>10,620,942</u> =====	<u>9,674,294</u> =====

#### 6 信託基金帳戶

於二零一八年三月三十一日，信託基金結餘包括 2,463,654 港元 (2017年： 2,465,179港元)來自香港賽馬會慈善信託基金的捐款及從捐款產生的收入，並已扣除助學金。有關捐款須用作指定用途。

## 警察子女教育信託基金

### 財務報表附註(續)

#### 7 利息收入

	2018 港元	2017 港元
銀行存款的利息收入	25,341	6,045
持有至到期投資的利息收入	892,243	524,279
可供出售投資的利息收入	455,164	681,078
	<u>1,372,748</u>	<u>1,211,402</u>
	=====	=====

#### 8 助學金

助學金包括就香港警務處初級警務人員子女的高等教育所提供的學費和書簿津貼。

#### 9 金融風險管理

信託基金的金融資產包括可供出售投資、持有至到期投資、銀行存款、應收帳款及與現金及等同現金項目。信託基金的金融負債則包括應付帳款。信託基金於本年度並無簽訂任何外匯合同、利率掉期或其他金融工具。信託基金的金融工具所涉及的主要風險載列如下。

##### (a) 信貸風險

信貸風險是指金融工具的一方持有者會因未能履行責任而引致另一方蒙受財務損失的風險。

為了減少銀行存款的信貸風險，所有存款存放在香港信譽良好的持牌銀行。為了減少可供出售投資及持有至到期投資的信貸風險，只有由穆迪或標準普爾評級為投資級別的才會獲考慮。債務證券的投資在結算日的信貸質素，以穆迪或標準普爾的評級較低者為準，分析如下：

# 警察子女教育信託基金

## 財務報表附註(續)

### 9 金融風險管理(續)

	2018 港元	2017 港元
按信貸評級列示存款證		
P-1 / A-1+至A-1	47,581,230	29,031,841
P-2 / A-2	-	10,312,157
	<u>47,581,230</u>	<u>39,343,998</u>
	=====	=====
按信貸評級列示其他債務證券		
Aa1 至 Aa3 / AA+ 至 AA-	6,469,819	1,495,963
A1 至 A3 / A+ 至 A-	6,204,926	11,255,019
	<u>12,674,745</u>	<u>12,750,982</u>
	=====	=====

於結算日，本信託基金的信貸風險最高值為資產負債表所列各相關金融資產的帳面金額。至於其他應收帳款，信託基金認為已按情況所需為於結算日預期無法討回的款額作出充足的撥備。

#### (b) 流動資金風險

信託基金會定期監察當期和未來的資金需求，並維持充裕的現金儲備和獲得足夠的資金，以滿足短期和較長期的流動資金需求。

#### (c) 利率風險

##### (i) 承受的利率風險

利率風險指因市場利率變動而引致虧損的風險，利率風險可進一步分為公平值利率風險及現金流量利率風險。

# 警察子女教育信託基金

## 財務報表附註(續)

### 9 金融風險管理(續)

公平值利率風險指金融工具的公平值會因市場利率變動而波動的風險。債務證券投資根據已記錄的風險管理或投資策略制定，信託基金持續地監察公平值利率風險。由於本信託基金所有債務證券及銀行定期存款均按固定利率計息，當市場利率上升，這些證券及存款的公平值便會下跌。不過，由於持有至到期存款證及銀行定期存款均按攤銷成本值列示，其帳面值不受市場利率變動影響。

現金流量利率風險指金融工具的未來現金流量會因市場利率變動而波動的風險。本信託基金無須承受重大的現金流量利率風險，因為浮息金融工具的利息收入並不重大。

#### (ii) 敏感度分析

於二零一八年三月三十一日，在所有其他可變因素維持不變的情況下，估計利率一般上調 50 個基點 (2017年：50 個基點)，將使信託基金的其他全面收益及公平值儲備結餘減少約 73,000 港元 (2017年：63,000 港元)，而利率一般下調 50 個基點 (2017年：50 個基點)，將使其他全面收益及公平值儲備增加約 73,000 港元 (2017年：63,000 港元)。

釐定以上的敏感度分析時，已假設利率變動已於結算日出現，並已應用於當日存在的附息可供出售投資。上調或下調 50 個基點乃信託基金對利率在直至下年度結算日期間的合理可能變動所作的評估。二零一七年的分析按相同基準進行。

#### (d) 股價風險

股價風險是股票價格變動而引致虧損的風險。信託基金須承受股票證券投資的股價風險(見附註 3)。為了管理有關風險，投資諮詢委員會定期檢討有關投資組合及用以監察信託基金投資活動的投資指引。

## 警察子女教育信託基金

### 財務報表附註(續)

#### 9 金融風險管理(續)

如股票證券的市場價格上升／下降 10% (2017年：10%)，於結算日的其他全面收益及公平值儲備結餘會因公平值改變而增加／減少約 3,413,000 港元 (2017年：2,644,000 港元)。敏感度分析是根據信託基金於結算日所持有的股票證券的帳面金額而所有其他可變因素維持不變的情況下進行。

##### (e) 外幣風險

##### (i) 承受的外幣風險

於結算日，信託基金持有以美元、人民幣及澳元為單位的金融資產淨值如下。

	2018 港元	2017 港元
美元：		
1,312,614 美元		
(2017年： 64,440 美元)	10,302,281	500,661
人民幣：		
15,490,279 圓人民幣		
(2017年： 14,886,519 圓人民幣)	19,328,782	16,788,487
澳元：		
1,612,267 澳元		
(2017年： 1,295,563 澳元)	9,715,376	7,691,537
	<u>39,346,439</u>	<u>24,980,685</u>
	=====	=====

由於港幣與美元於窄幅掛鈎，因此信託基金毋須承受與美元有關的重大外幣匯率風險。由於信託基金無為人民幣和澳元作外幣匯率對沖，信託基金的人民幣和澳元金融資產的帳面金額代表信託基金所承受的最大外幣匯率風險。

## 警察子女教育信託基金

### 財務報表附註(續)

#### 9 金融風險管理(續)

##### (ii) 敏感度分析

於結算日，在所有其他可變因素維持不變的情況下，估計人民幣和澳元兌港幣上升／下跌 5% (2017年：5%)，將使信託基金的年度盈餘增加／減少接近 1,452,000 港元 (2017年：1,224,000 港元)。

##### (f) 金融工具的公平值等級

下表載列於結算日金融工具按公平值定期計量的帳面值，並按《香港財務報告準則》第 13 號「公平值計量」所界定的三個公平值等級分類。

	2018		2017	
	第一級 港元	總額 港元	第一級 港元	總額 港元
<b>資產</b>				
可供出售 投資：				
股票證券				
- 上市	34,132,640	34,132,640	26,439,880	26,439,880
債務證券				
- 上市	12,674,746	12,674,746	12,750,982	12,750,982
	<u>46,807,386</u>	<u>46,807,386</u>	<u>39,190,862</u>	<u>39,190,862</u>

沒有金融工具歸類為第二級或第三級。

公平值等級的三個級別為：

第一級：公平值只使用在計量日相同的金融工具於活躍市場的報價(未經調整)；

第二級：公平值使用對資產或負債可直接或間接地觀察到的參數(第一級所涵蓋的市場報價除外)而釐定；及



## 警察子女教育信託基金

### 財務報表附註(續)

#### 9 金融風險管理(續)

第三級：公平值使用並非基於可觀察市場數據的參數(不可觀察參數)而釐定。

(g) 金融資產及金融負債的公平值

所有金融資產及金融負債均以公平值或與其相差不大的金額列於資產負債表上。

#### 10 資本管理

信託基金的資本結構包括信託基金帳戶及公平值儲備。在管理資本方面，信託基金的宗旨是：

- (a) 遵行《警察子女教育信託基金條例》的規定；及
- (b) 維持充裕的資本基礎，以執行上文附註 1 所述的信託基金目的。

信託基金會因應預計的現金流量需求、未來的財務責任與承擔，透過檢討資本水平來確保其資本足以支付日後的助學金及支出。

## Police Education and Welfare Trust

Financial statements for the year ended 31 March 2018

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



**Audit Commission**

The Government of the Hong Kong Special Administrative Region

## **Independent Auditor's Report To the Legislative Council**

### ***Opinion***

I certify that I have audited the financial statements of the Police Education and Welfare Trust set out on pages 4 to 20, which comprise the balance sheet as at 31 March 2018, and the income and expenditure account, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements give a true and fair view of the financial position of the Police Education and Welfare Trust as at 31 March 2018, and of its financial performance and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in accordance with section 10(1) of the Police Education and Welfare Trust Ordinance (Cap. 1120).

### ***Basis for opinion***

I conducted my audit in accordance with section 10(2) of the Police Education and Welfare Trust Ordinance and the Audit Commission auditing standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my report. I am independent of the Police Education and Welfare Trust in accordance with those standards, and I have fulfilled my other ethical responsibilities in accordance with those standards. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### ***Responsibilities of the Commissioner of Police for the financial statements***

The Commissioner of Police is responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and

section 10(1) of the Police Education and Welfare Trust Ordinance, and for such internal control as the Commissioner of Police determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Commissioner of Police is responsible for assessing the Police Education and Welfare Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

### ***Auditor's responsibilities for the audit of the financial statements***

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Audit Commission auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Audit Commission auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Police Education and Welfare Trust's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Commissioner of Police;
- conclude on the appropriateness of the Commissioner of Police's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Police Education and Welfare Trust's ability to continue as a

going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Police Education and Welfare Trust to cease to continue as a going concern; and

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

LIANG Kar-lun, Ken  
Principal Auditor  
for Director of Audit

28 November 2018

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

**POLICE EDUCATION AND WELFARE TRUST**

**BALANCE SHEET AS AT 31 MARCH 2018**

	<b>Note</b>	<b>2018 HK\$</b>	<b>2017 HK\$</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Available-for-sale investments	3	19,543,684	15,058,982
		-----	-----
<b>Current assets</b>			
Available-for-sale investments	3	3,724,348	2,699,757
Held-to-maturity investments	4	24,209,207	19,051,385
Accounts receivable		281,999	216,751
Bank deposit	5	-	1,000,000
Cash and cash equivalents	6	8,896,516	7,680,753
		-----	-----
		37,112,070	30,648,646
<b>Current liabilities</b>			
Accounts payable		(1,848,424)	(1,561,891)
		-----	-----
<b>Net current assets</b>		35,263,646	29,086,755
		-----	-----
<b>NET ASSETS</b>		54,807,330	44,145,737
		=====	=====
<b>EQUITY</b>			
<b>Trust fund account</b>	7	50,991,420	43,030,820
<b>Fair value reserve</b>		3,815,910	1,114,917
		-----	-----
<b>TOTAL EQUITY</b>		54,807,330	44,145,737
		=====	=====

The accompanying notes 1 to 11 form part of these financial statements.

(LO Wai-chung)  
Commissioner of Police  
28 November 2018

**POLICE EDUCATION AND WELFARE TRUST**

**INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2018**

	Note	2018 HK\$	2017 HK\$
<b>INCOME</b>			
Donations		8,329,695	3,887,143
Interest income	8	578,422	472,937
Dividend income		375,574	321,201
Net exchange gains		614,171	-
		<u>9,897,862</u>	<u>4,681,281</u>
		-----	-----
<b>EXPENDITURE</b>			
Bursaries	9	(1,845,435)	(1,560,885)
Treasurer's remuneration		(42,000)	(42,000)
Sundry expenses		(49,827)	(46,949)
Net exchange losses		-	(402,617)
		<u>(1,937,262)</u>	<u>(2,052,451)</u>
		-----	-----
<b>SURPLUS FOR THE YEAR</b>		<u>7,960,600</u>	<u>2,628,830</u>
		=====	=====

The accompanying notes 1 to 11 form part of these financial statements.

**POLICE EDUCATION AND WELFARE TRUST**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2018**

	<b>2018</b> HK\$	<b>2017</b> HK\$
<b>SURPLUS FOR THE YEAR</b>	7,960,600 -----	2,628,830 -----
<b>OTHER COMPREHENSIVE INCOME</b>		
Items that may be reclassified subsequently to surplus or deficit:		
Available-for-sale investments		
Net gains on revaluation	2,727,929	1,494,451
Reclassification adjustments for amounts released from fair value reserve upon disposal	(26,936)	36,942
	<u>2,700,993</u> -----	<u>1,531,393</u> -----
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	10,661,593 =====	4,160,223 =====

The accompanying notes 1 to 11 form part of these financial statements.



**POLICE EDUCATION AND WELFARE TRUST**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2018**

	<b>Trust fund account HK\$</b>	<b>Fair value reserve HK\$</b>	<b>Total HK\$</b>
Balance at 1 April 2016	40,401,990	(416,476)	39,985,514
Total comprehensive income for 2016-17	2,628,830	1,531,393	4,160,223
Balance at 31 March 2017	<u>43,030,820</u>	<u>1,114,917</u>	<u>44,145,737</u>
Total comprehensive income for 2017-18	7,960,600	2,700,993	10,661,593
Balance at 31 March 2018	<u>50,991,420</u> =====	<u>3,815,910</u> =====	<u>54,807,330</u> =====

The accompanying notes 1 to 11 form part of these financial statements.

**POLICE EDUCATION AND WELFARE TRUST**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2018**

	<b>Note</b>	<b>2018 HK\$</b>	<b>2017 HK\$</b>
Cash flows from operating activities			
Surplus for the year		7,960,600	2,628,830
Adjustments for :			
Interest income		(578,422)	(472,937)
Dividend income		(375,574)	(321,201)
Exchange differences		(678,748)	360,612
Increase in accounts payable		286,533	176,258
Increase in accounts receivable		(6,405)	(1,266)
Net cash from operating activities		<u>6,607,984</u>	<u>2,370,296</u>
Cash flows from investing activities			
Purchases of investments		(34,920,381)	(23,985,495)
Proceeds from disposal/redemption of investments		27,516,250	9,661,314
Net decrease/(increase) in bank deposits with original maturity over three months		1,000,000	(1,000,000)
Interest received		601,637	507,252
Dividends received		375,574	321,201
Net cash used in investing activities		<u>(5,426,920)</u>	<u>(14,495,728)</u>
Net increase/(decrease) in cash and cash equivalents		1,181,064	(12,125,432)
Cash and cash equivalents at beginning of year		7,680,753	19,809,521
Effect of exchange rate changes on cash and cash equivalents		34,699	(3,336)
Cash and cash equivalents at end of year	6	<u><u>8,896,516</u></u>	<u><u>7,680,753</u></u>

The accompanying notes 1 to 11 form part of these financial statements.

# **POLICE EDUCATION AND WELFARE TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **1 STATUS OF POLICE EDUCATION AND WELFARE TRUST (“THE TRUST”)**

The Trust was established in 1967 under the Police Education and Welfare Trust Ordinance (Cap. 1120) for the purpose of providing assistance in, and facilities for, the general education of the children of police officers of all ranks, including auxiliary police, of the Hong Kong Police Force.

### **2 SIGNIFICANT ACCOUNTING POLICIES**

#### **(a) Statement of compliance**

The financial statements have been prepared in accordance with section 10(1) of the Police Education and Welfare Trust 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 available-for-sale financial assets 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.

## **POLICE EDUCATION AND WELFARE TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

#### **2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

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

The Trust has not early adopted any amendments, new standards and interpretations which are not yet effective for the current accounting period. The Trust 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 Trust's result of operations and financial position, except for HKFRS 9 Financial Instruments which is effective for accounting periods beginning on or after 1 January 2018. The adoption of HKFRS 9 is expected to lead to a change in the classification and measurement of the Trust's financial assets. The Trust has yet to assess the impact of the standard on its financial statements.

**(d) Investments in debt and equity securities**

Investments in debt and equity securities, being those held for non-trading purposes, are classified as available-for-sale investments and are initially recognised at fair value plus transaction costs. They are included in non-current assets unless the Trust intends to dispose of the investment within 12 months of the balance sheet date. At each balance sheet date the fair value is remeasured, with any resultant gain or loss being recognised in other comprehensive income and accumulated separately in the fair value reserve, except for impairment losses and, in the case of monetary items such as debt securities, foreign exchange gains and losses which are recognised directly in the income and expenditure account. When these investments are sold, the difference between the net sales proceeds and the carrying value is included in the income and expenditure account, and the cumulative gain or loss previously recognised in the fair value reserve is removed and recognised in the income and expenditure account. Purchases and sales of investments are recognised using trade date accounting. The investments are priced at current bid prices.

When available-for-sale investments are impaired, the cumulative loss that had been recognised in the fair value reserve is removed from the fair value reserve and recognised in the income and expenditure account. The amount of the cumulative loss that is recognised in the income and expenditure account is the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss on that asset previously recognised in the income and expenditure account.

## **POLICE EDUCATION AND WELFARE TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

#### **2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Impairment losses recognised in the income and expenditure account in respect of available-for-sale equity securities are not reversed through the income and expenditure account. Any subsequent increase in the fair value of such assets is recognised in other comprehensive income.

Impairment losses in respect of available-for-sale debt securities are reversed if the subsequent increase in fair value can be objectively related to an event occurring after the impairment loss was recognised. Reversals of impairment losses in such circumstances are recognised in the income and expenditure account.

(e) Investments in certificate of deposits

Investments in certificate of deposits are classified as held-to-maturity investments. They are initially recognised at fair value plus transaction costs and are subsequently carried at amortised cost using the effective interest method.

Investments in certificates of deposits are included in non-current assets, except for those with maturities less than 12 months from the balance sheet date, which are classified as current assets. Purchases and sales of investments are recognised using trade date accounting.

(f) Accounts receivable

Accounts receivable are initially recognised at fair value and thereafter stated at amortised cost less impairment losses for bad and doubtful debts, except where the effect of discounting would be immaterial. In such cases, accounts receivable are stated at cost less impairment losses for bad and doubtful debts.

Impairment losses for bad and doubtful debts are measured as the difference between the carrying amount of the financial asset and the estimated future cash flows, discounted where the effect of discounting is material.

(g) Cash and cash equivalents

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

## **POLICE EDUCATION AND WELFARE TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

#### **2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

(h) Accounts payable

Accounts payable are initially recognised at fair value and thereafter stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

(i) Income

(i) Donation income is recognised once cash is received and the approval for acceptance is obtained.

(ii) Dividend income from listed investments is recognised when the Trust's right to receive payment is established.

(iii) Interest incomes from bank deposits, available-for-sale investments and held-to-maturity investments are recognised as they accrue using the effective interest method.

(j) Bursaries

Provision for bursaries is made on the basis of bursaries authorised by the Police Education and Welfare Trust Committee.

(k) Translation of foreign currencies

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 market rates of exchange ruling at the balance sheet date. Exchange gains and losses are dealt with in the income and expenditure account.

**POLICE EDUCATION AND WELFARE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**3 AVAILABLE-FOR-SALE INVESTMENTS**

	<b>2018</b>	<b>2017</b>
	<b>HK\$</b>	<b>HK\$</b>
Debt securities, at fair value		
- listed outside Hong Kong	8,228,192	6,035,109
Equity securities, at fair value		
- listed in Hong Kong	15,039,840	11,723,630
	<u>23,268,032</u>	<u>17,758,739</u>
	=====	=====
Classified as :		
- Non-current assets	19,543,684	15,058,982
- Current assets	3,724,348	2,699,757
	<u>23,268,032</u>	<u>17,758,739</u>
	=====	=====

**4 HELD-TO-MATURITY INVESTMENTS**

	<b>2018</b>	<b>2017</b>
	<b>HK\$</b>	<b>HK\$</b>
Certificates of deposits, at amortised cost	<u>24,209,207</u>	<u>19,051,385</u>
	=====	=====

**5 BANK DEPOSIT**

	<b>2018</b>	<b>2017</b>
	<b>HK\$</b>	<b>HK\$</b>
Bank deposit with original maturity over three months	<u>-</u>	<u>1,000,000</u>
	=====	=====

**POLICE EDUCATION AND WELFARE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**6 CASH AND CASH EQUIVALENTS**

	<b>2018</b>	<b>2017</b>
	<b>HK\$</b>	<b>HK\$</b>
Bank deposit with original maturity up to three months	1,000,000	1,500,000
Call deposits	7,838,316	6,117,660
Cash at banks	58,200	63,093
	<hr/>	<hr/>
Cash and cash equivalents	8,896,516	7,680,753
	<hr/> <hr/>	<hr/> <hr/>

Cash and cash equivalents include the following amounts denominated in a currency other than the Trust's functional currency.

	<b>2018</b>	<b>2017</b>
	<b>HK\$</b>	<b>HK\$</b>
Australian Dollars:		
AUD14,242 (2017: AUD21,625)	85,822	128,386
United States Dollars:		
USD33,057 (2017: USD13,163)	259,451	102,268
Renminbi:		
CNY2,285,334 (2017: CNY2,100,453)	2,851,641	2,368,817
	<hr/>	<hr/>
	3,196,914	2,599,471
	<hr/> <hr/>	<hr/> <hr/>

**7 TRUST FUND ACCOUNT**

Of the trust fund balance at 31 March 2018, HK\$2,438,724 (2017: HK\$2,419,849) is related to donations from the Hong Kong Jockey Club Charities Trust and income generated therefrom, less bursary payments; and HK\$1,017,225 (2017: HK\$1,042,308) is related to donations from the Providence Foundation Limited and income generated therefrom, less bursary payments. These two donations are for designated purposes.



# POLICE EDUCATION AND WELFARE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 8 INTEREST INCOME

	2018 HK\$	2017 HK\$
Interest income from bank deposits	18,563	7,021
Interest income from held-to-maturity investments	323,430	143,935
Interest income from available-for-sale investments	236,429	321,981
	<u>578,422</u>	<u>472,937</u>
	=====	=====

### 9 BURSARIES

The bursaries are for book grants and other subsidies for the general education of the children of police officers of all ranks, including auxiliary police, of the Hong Kong Police Force.

### 10 FINANCIAL RISK MANAGEMENT

The Trust's major financial assets include available-for-sale investments, held-to-maturity investments, accounts receivable, bank deposits and cash and cash equivalents. Financial liabilities of the Trust include accounts payable. The Trust did not enter into any foreign exchange contracts, interest rate swaps or other financial instruments during the year. The major risks associated with the Trust's financial instruments are set out below.

#### (a) 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 deposits are placed with reputable licensed banks in Hong Kong. To minimise credit risks arising from available-for-sale investments and held-to-maturity investments, 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 debt securities, analysed by the lower of ratings designated by Moody's or Standard & Poor's, was as follows:

# POLICE EDUCATION AND WELFARE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 10 FINANCIAL RISK MANAGEMENT (CONTINUED)

	2018 HK\$	2017 HK\$
Certificates of deposits by credit rating		
P-1 / A-1+ to A-1	24,209,207	16,030,351
P-2 / A-2	-	3,021,034
	<u>24,209,207</u>	<u>19,051,385</u>
	=====	=====
Other debt securities by credit rating		
Aaa to Aa3 / AAA to AA-	4,503,844	598,385
A1 to A3 / A+ to A-	3,724,348	5,436,724
	<u>8,228,192</u>	<u>6,035,109</u>
	=====	=====

For other receivables, the Trust considers that adequate provision has been made, where necessary, for amounts which are expected to be irrecoverable at the balance sheet date.

The Trust's maximum exposure to credit risk 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.

#### (b) Equity price risk

Equity price risk is the risk of loss arising from changes in equity prices. The Trust is exposed to equity price risk arising from its investment in equity securities (see note 3). To manage the risk, the Investment Advisory Board regularly reviews the investment portfolio and the investment guidelines for monitoring the investment activities of the Trust.

If the market price of the respective equity security had been 10% (2017: 10%) higher/lower, other comprehensive income and the balance of the Trust's fair value reserve would have increased/decreased by about HK\$1,504,000 (2017: HK\$1,172,000) as a result of changes in fair value. The sensitivity analysis was based on the total carrying amount of equity securities held by the Trust at the balance sheet date, assuming that all other variables were held constant.

#### (c) Liquidity risk

In the management of liquidity risk, the Trust maintains the level of cash and cash equivalents that is considered adequate to finance its operations and mitigate the effects of fluctuations in cash flows.

## **POLICE EDUCATION AND WELFARE TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

#### **10 FINANCIAL RISK MANAGEMENT (CONTINUED)**

##### **(d) Interest rate risk**

##### **(i) Exposure to interest rate risk**

Interest rate risk refers to 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 financial instruments will fluctuate because of changes in market interest rates. Investments in debt securities are made in accordance with a documented risk management or investment strategy, and the Trust monitors the fair value interest rate risk on a continuous basis. Since the Trust's debt securities and its time deposits with banks bear interest at fixed rates, their fair values will fall when market interest rates increase. However, as time deposits with banks and held-to-maturity certificate of deposits are all stated at amortised cost, their carrying amounts will not be affected by changes in market interest rates.

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 Trust is not exposed to material cash flow interest rate risk because interest income from financial instruments bearing interest at a floating rate is not significant.

##### **(ii) Sensitivity analysis**

It was estimated that, as at 31 March 2018, a general increase of 50 basis points (2017: 50 basis points) in interest rates, with all other variables held constant, would decrease other comprehensive income and the balance of the Trust's fair value reserve by about HK\$48,000 (2017: HK\$33,000) and a general decrease of 50 basis points (2017: 50 basis points) would increase other comprehensive income and the fair value reserve by about HK\$49,000 (2017: HK\$33,000).

The sensitivity analysis above was determined assuming that the change in interest rates had occurred at the balance sheet date and had been applied to interest-bearing available-for-sale investments in existence at that date. The increase or decrease of 50 basis points represents the Trust's assessment of a reasonably possible change in interest rates over the period until the next balance sheet date. The analysis was performed on the same basis for 2017.

# POLICE EDUCATION AND WELFARE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 10 FINANCIAL RISK MANAGEMENT (CONTINUED)

#### (e) Foreign currency risk

##### (i) Exposure to currency risk

At the balance sheet date, the Trust maintains net financial assets denominated in United States dollars, Renminbi and Australian dollars, as follows:

	2018 HK\$	2017 HK\$
United States Dollars:		
USD639,174		
(2017: USD13,163)	5,016,670	102,269
Renminbi:		
CNY5,314,701		
(2017: CNY5,102,409)	6,631,688	5,754,315
Australian Dollars:		
AUD770,605		
(2017: AUD485,934)	4,643,597	2,884,911
	<u>16,291,955</u>	<u>8,741,495</u>
	=====	=====

As the Hong Kong dollar is pegged to the United States dollar within a narrow range, it is considered that the Trust had no significant exposure to foreign exchange risk relating to this currency. Since no foreign currency rate hedging is made by the Trust, the carrying amounts of the financial instruments in Renminbi and the Australian dollar represent the maximum exposure of the Trust to foreign currency risk in respect of Renminbi and the Australian dollar.

##### (ii) Sensitivity analysis

It was estimated that, as at 31 March 2018, should Renminbi and the Australian dollar strengthen/weaken by 5% (2017: 5%) against the Hong Kong dollar, with all other variables being held constant, the surplus of the Trust would increase/decrease by HK\$564,000 (2017: HK\$434,000).

**POLICE EDUCATION AND WELFARE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**10 FINANCIAL RISK MANAGEMENT (CONTINUED)**

(f) Fair value hierarchy of financial instruments

The following table presents the carrying values of financial instruments measured at fair value at the balance sheet date on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13 Fair Value Measurement.

	<b>2018</b>		<b>2017</b>	
	<b>Level 1</b>	<b>Total</b>	<b>Level 1</b>	<b>Total</b>
	<b>HK\$</b>	<b>HK\$</b>	<b>HK\$</b>	<b>HK\$</b>
<b>Assets</b>				
Available-for-sale investments:				
Equity securities – listed	15,039,840	15,039,840	11,723,630	11,723,630
Debt securities – listed	8,228,192	8,228,192	6,035,109	6,035,109
	<u>23,268,032</u>	<u>23,268,032</u>	<u>17,758,739</u>	<u>17,758,739</u>

No financial instruments were classified under Level 2 or Level 3.

The three levels of the fair value hierarchy are:

Level 1: fair values are quoted prices (unadjusted) in active markets for identical financial instruments at the measurement date;

Level 2: fair values are determined with inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3: fair values are determined with inputs that are not based on observable market data (unobservable inputs).

## **POLICE EDUCATION AND WELFARE TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

#### **10 FINANCIAL RISK MANAGEMENT (CONTINUED)**

- (g) Fair values of financial assets and financial liabilities

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

#### **11 CAPITAL MANAGEMENT**

The capital structure of the Trust consists of the Trust fund account and the fair value reserve. The Trust's objectives when managing capital are:

- (i) to comply with the Police Education and Welfare Trust Ordinance; and
- (ii) to maintain a strong capital base for carrying out the purpose of the Trust as stated in note 1 above.

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

## 警察教育及福利信託基金

截至 2018 年 3 月 31 日止年度的財務報表

# 審計署署長報告



香港特別行政區政府  
審計署

## 獨立審計師報告 致立法會

### 意見

茲證明我已審計列載於第4至20頁的警察教育及福利信託基金財務報表，該等財務報表包括於二零一八年三月三十一日的資產負債表與截至該日止年度的收支帳目、全面收益表、權益變動表和現金流量表，以及財務報表的附註，包括主要會計政策概要。

我認為，該等財務報表已按照香港會計師公會頒布的《香港財務報告準則》真實而中肯地反映警察教育及福利信託基金於二零一八年三月三十一日的財務狀況及截至該日止年度的財務表現和現金流量，並已按照《警察教育及福利信託基金條例》(第1120章)第10(1)條妥為擬備。

### 意見的基礎

我已按照《警察教育及福利信託基金條例》第10(2)條及審計署的審計準則進行審計。我根據該等準則而須承擔的責任，詳載於本報告「審計師就財務報表審計而須承擔的責任」部分。根據該等準則，我獨立於警察教育及福利信託基金，並已按該等準則履行其他道德責任。我相信，我所獲得的審計憑證是充足和適當地為我的審計意見提供基礎。

### 警務處處長就財務報表而須承擔的責任

警務處處長須負責按照香港會計師公會頒布的《香港財務報告準則》及《警察教育及福利信託基金條例》第10(1)條擬備真實而中肯的財務報表，及落實其認為必要的內部控制，使財務報表不存有因欺詐或錯誤而導致的重大錯誤陳述。

在擬備財務報表時，警務處處長須負責評估警察教育及福利信託基金



持續經營的能力，以及在適用情況下披露與持續經營有關的事項，並以持續經營作為會計基礎。

### **審計師就財務報表審計而須承擔的責任**

我的目標是就整體財務報表是否不存有任何因欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並發出包括我意見的審計師報告。合理保證是高水平的保證，但不能確保按審計署審計準則進行的審計定能發現所存有的任何重大錯誤陳述。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們個別或滙總起來可能影響財務報表使用者所作出的經濟決定，則會被視作重大錯誤陳述。

在根據審計署審計準則進行審計的過程中，我會運用專業判斷並秉持專業懷疑態度。我亦會：

- 識別和評估因欺詐或錯誤而導致財務報表存有重大錯誤陳述的風險；設計及執行審計程序以應對這些風險；以及取得充足和適當的審計憑證，作為我意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕內部控制的情況，因此未能發現因欺詐而導致重大錯誤陳述的風險，較未能發現因錯誤而導致者為高；
- 了解與審計相關的內部控制，以設計適當的審計程序。然而，此舉並非旨在對警察教育及福利信託基金內部控制的有效性發表意見；
- 評價警務處處長所採用的會計政策是否恰當，以及其作出的會計估計和相關資料披露是否合理；
- 判定警務處處長以持續經營作為會計基礎的做法是否恰當，並根據所得的審計憑證，判定是否存在與事件或情況有關，而且可能對警察教育及福利信託基金持續經營的能力構成重大疑慮的重大不確定性。如果我認為存在重大不確定性，則有必要在審計師報告中請使用者留意財務報表中的相關資料披露。假若所披露的相關資料不足，我便須發出非無保留意見的審計師報告。我的結論是基於截至審計師報告日止所取得的審計憑證。然而，未來事件或情況可能導致警察教育及福利信託基金不能繼續持續經營；及
- 評價財務報表的整體列報方式、結構和內容，包括披露資料，以及財務報表是否中肯反映交易和事項。

審計署署長  
首席審計師  
梁家倫代行  
二零一八年十一月二十八日

審計署  
香港灣仔  
告士打道 7 號  
入境事務大樓 26 樓

# 警察教育及福利信託基金

## 於二零一八年三月三十一日的資產負債表

	附註	2018 港元	2017 港元
<b>資產</b>			
<b>非流動資產</b>			
可供出售投資	3	19,543,684	15,058,982
		-----	-----
<b>流動資產</b>			
可供出售投資	3	3,724,348	2,699,757
持有至到期投資	4	24,209,207	19,051,385
應收帳款		281,999	216,751
銀行存款	5	-	1,000,000
現金及等同現金項目	6	8,896,516	7,680,753
		-----	-----
		37,112,070	30,648,646
<b>流動負債</b>			
應付帳款		(1,848,424)	(1,561,891)
		-----	-----
<b>流動資產淨值</b>		35,263,646	29,086,755
		-----	-----
<b>資產淨值</b>		54,807,330	44,145,737
		=====	=====
<b>權益</b>			
信託基金帳戶	7	50,991,420	43,030,820
公平值儲備		3,815,910	1,114,917
		-----	-----
<b>權益總額</b>		54,807,330	44,145,737
		=====	=====

隨附附註1至11為本財務報表的一部分。

警務處處長盧偉聰  
二零一八年十一月廿八日

## 警察教育及福利信託基金

### 截至二零一八年三月三十一日止年度收支帳目

	附註	2018 港元	2017 港元
收入			
捐款		8,329,695	3,887,143
利息收入	8	578,422	472,937
股息收入		375,574	321,201
匯兌收益淨額		614,171	-
		<u>9,897,862</u>	<u>4,681,281</u>
		-----	-----
支出			
助學金	9	(1,845,435)	(1,560,885)
司庫酬金		(42,000)	(42,000)
雜項支出		(49,827)	(46,949)
匯兌虧損淨額		-	(402,617)
		<u>(1,937,262)</u>	<u>(2,052,451)</u>
		-----	-----
本年度盈餘		<u>7,960,600</u>	<u>2,628,830</u>
		=====	=====

隨附附註1至11為本財務報表的一部分。

## 警察教育及福利信託基金

### 截至二零一八年三月三十一日止年度全面收益表

	2018 港元	2017 港元
年度盈餘	7,960,600	2,628,830
	-----	-----
其他全面收益		
將來或會重新分類為盈餘或虧絀的項目：		
可供出售投資		
價值重估淨收益	2,727,929	1,494,451
出售時從公平值儲備回撥的重新分類調整款額	(26,936)	36,942
	2,700,993	1,531,393
	-----	-----
年度全面收益總額	10,661,593	4,160,223
	=====	=====

隨附附註1至11為本財務報表的一部分。

## 警察教育及福利信託基金

### 截至二零一八年三月三十一日止年度權益變動表

	信託基金 帳戶 港元	公平值 儲備 港元	總額 港元
2016年4月1日的結餘	40,401,990	(416,476)	39,985,514
2016-17年度全面收益總額	2,628,830	1,531,393	4,160,223
2017年3月31日的結餘	<u>43,030,820</u>	<u>1,114,917</u>	<u>44,145,737</u>
2017-18年度全面收益總額	7,960,600	2,700,993	10,661,593
2018年3月31日的結餘	<u>50,991,420</u> =====	<u>3,815,910</u> =====	<u>54,807,330</u> =====

隨附附註1至11為本財務報表的一部分。

# 警察教育及福利信託基金

## 截至二零一八年三月三十一日止年度現金流量表

	附註	2018 港元	2017 港元
營運活動的現金流量			
年度盈餘		7,960,600	2,628,830
調整項目：			
利息收入		(578,422)	(472,937)
股息收入		(375,574)	(321,201)
匯兌差額		(678,748)	360,612
應付帳款增加		286,533	176,258
應收帳款增加		(6,405)	(1,266)
營運活動所得的現金淨額		6,607,984	2,370,296
投資活動的現金流量			
購入投資付款		(34,920,381)	(23,985,495)
出售／贖回投資的收款		27,516,250	9,661,314
原本超過三個月到期的銀行存款的 減少/(增加)淨額		1,000,000	(1,000,000)
已收利息		601,637	507,252
已收股息		375,574	321,201
投資活動所用的現金淨額		(5,426,920)	(14,495,728)
現金及等同現金項目增加/(減少)淨額		1,181,064	(12,125,432)
年初的現金及等同現金項目		7,680,753	19,809,521
匯率變動對現金及等同現金項目的影響		34,699	(3,336)
年終的現金及等同現金項目	6	8,896,516	7,680,753

隨附附註1至11為本財務報表的一部分。

# 警察教育及福利信託基金

## 財務報表附註

### 1 警察教育及福利信託基金(「信託基金」)的一般資料

信託基金在一九六七年根據《警察教育及福利信託基金條例》(第1120章)成立，目的是就香港警務處各級警務人員(包括香港輔助警察隊)子女的一般教育提供協助及設施。

### 2 主要會計政策

#### (a) 符合準則聲明

本財務報表是根據《警察教育及福利信託基金條例》第 10(1) 條及香港會計師公會頒布的《香港財務報告準則》的所有適用規定擬備。

#### (b) 擬備基準

本財務報表是按應計記帳方式及歷史成本法擬備，但可供出售的金融資產則是按公平值入帳，如下文附註 2(d) 所列載的會計政策所作出解釋。

擬備符合《香港財務報告準則》的財務報表需要管理層作出判斷、估計及假設，而有關判斷、估計及假設會影響會計政策的採納及資產、負債、收入及支出的呈報總額。此等估計及相關的假設是根據以往經驗及other在有關情況下認為合適的因素而制定。在欠缺其他現成數據的情況下，則採用此等估計及假設作為判斷有關資產及負債的帳面值的基礎，估計結果與實際價值或有不同。

此等估計及相關假設會不斷檢討修訂。如修訂只影響該會計期，會在作出修訂的期內確認，但如影響該期及未來的會計期，有關修訂便會在該期及未來期間內確認。



# 警察教育及福利信託基金

## 財務報表附註(續)

### 2 主要會計政策(續)

#### (c) 採納新訂／經修訂《香港財務報告準則》

信託基金已採納所有在現屆會計期生效和與信託基金相關的新訂／經修訂《香港財務報告準則》。

信託基金並無提早採納任何現屆會計期仍未生效的修訂、新準則和詮釋。信託基金正就這些修訂、新準則和詮釋在首次採用期間預期會產生的影響進行評估。直至目前為止，信託基金得出的結論為採納該等修訂、新準則和詮釋，不大可能會對信託基金的營運結果及財政狀況構成重大影響，但《香港財務報告準則》第9號「金融工具」則除外。該準則於二零一八年一月一日或之後開始的會計期生效，採納該準則預期會對信託基金的金融資產的分類和計量帶來變更。基金尚要評估因採納該準則而對財務報表帶來的影響。

#### (d) 債務和股票證券投資

非持作買賣用途的債務和股票證券投資歸類為可供出售投資，並以公平值加上交易成本後初始確認。有關投資列入非流動資產，除非信託基金擬在結算日後的 12 個月內出售有關投資，則作別論。信託基金會在每個結算日重新計量公平值，由此產生的任何收益或虧損均在其他全面收益中確認及分別在公平值儲備中累計，但減值虧損和貨幣項目(如債務證券)的匯兌收益與虧損則直接在收支帳目中確認。出售這些投資時，出售投資收款淨額與其帳面值的差額會列入收支帳目中，而以往在公平值儲備中確認的累計收益或虧損會被轉出及在收支帳目中確認。投資的購入及出售採用交易日會計法確認入帳。投資以當時買盤價作價。

當可供出售投資出現減值，已在公平值儲備中確認的累計虧損會從公平值儲備中轉出，並在收支帳目中確認入帳。在收支帳目中確認入帳的累計虧損是以購買成本(扣除任何本金償還和攤銷額)與當時公平值之間的差額，減去以往就該資產在收支帳目中確認的任何減值虧損後計算。

# 警察教育及福利信託基金

## 財務報表附註(續)

### 2 主要會計政策(續)

可供出售股票證券已在收支帳目中確認的減值虧損不會通過收支帳目轉回。這些資產公平值其後的任何增額會在其他全面收益中確認入帳。

如果可供出售債務證券公平值其後的增額客觀上與減值虧損確認後發生的事件有關，則應轉回減值虧損。在此情況下轉回的減值虧損均在收支帳目中確認。

#### (e) 存款證投資

存款證投資歸類為持有至到期投資，以公平值加上交易成本後初始確認，其後採用實際利率法按攤銷成本值入帳。

存款證投資列入非流動資產，但如到期日距離結算日少於 12 個月，則歸類為流動資產。投資的購入及出售採用交易日會計法確認入帳。

#### (f) 應收帳款

應收帳款按公平值初始確認，其後按攤銷成本減去呆壞帳減值虧損後所得數額入帳，但如其折現影響並不重大則除外。在此情況下，應收帳款會按成本減去呆壞帳減值虧損後所得數額入帳。

呆壞帳減值虧損是以金融資產的帳面金額與已折現(如果折現會造成重大的影響)的預計未來現金流量之間的差額計量。

#### (g) 現金及等同現金項目

現金及等同現金項目包括銀行存款和現金、存放於銀行和其他金融機構的活期存款，以及短期高度流動的投資項目。短期高度流動投資是指可隨時轉換為已知金額的現金而所涉及的價值改變風險不大及於購入時於三個月內到期的投資。

## 警察教育及福利信託基金

### 財務報表附註(續)

#### 2 主要會計政策(續)

##### (h) 應付帳款

應付帳款按公平值初始確認，其後按攤銷成本值入帳，但如折現影響並不重大，則按成本入帳。

##### (i) 收入

(i) 捐款收入於收到現金及獲准接受捐款後確認。

(ii) 上市投資的股息收入於信託基金接收款項的權利獲得確認時確認入帳。

(iii) 銀行存款的利息收入、可供出售投資及持有至到期投資按實際利率法累計確認入帳。

##### (j) 助學金

助學金撥備按警察教育及福利信託基金委員會授權的助學金款額提撥。

##### (k) 外幣折算

年內的外幣交易按交易日的外幣匯率折算為港幣。以外幣為單位的貨幣資產與負債則按結算日的市場匯率折算為港幣。匯兌盈虧在收支帳目中處理。

## 警察教育及福利信託基金

### 財務報表附註(續)

#### 3 可供出售投資

	2018 港元	2017 港元
債務證券(按公平值入帳)		
- 在香港以外地方上市	8,228,192	6,035,109
股票證券(按公平值入帳)		
- 在香港上市	15,039,840	11,723,630
	<u>23,268,032</u>	<u>17,758,739</u>
歸類為：		
- 非流動資產	19,543,684	15,058,982
- 流動資產	3,724,348	2,699,757
	<u>23,268,032</u>	<u>17,758,739</u>

#### 4 持有至到期投資

	2018 港元	2017 港元
存款證(按攤銷成本值入帳)	<u>24,209,207</u>	<u>19,051,385</u>

#### 5 銀行存款

	2018 港元	2017 港元
原本超過三個月到期的銀行存款	<u>-</u>	<u>1,000,000</u>

## 警察教育及福利信託基金

### 財務報表附註(續)

#### 6 現金及等同現金項目

	2018 港元	2017 港元
原本不超過三個月到期的銀行存款	1,000,000	1,500,000
活期存款	7,838,316	6,117,660
銀行現金	58,200	63,093
現金及等同現金項目	<u>8,896,516</u> =====	<u>7,680,753</u> =====

現金及等同現金項目包括下列並非以信託基金的功能貨幣為單位的款額。

	2018 港元	2017 港元
澳元：		
14,242澳元 (2017 年：21,625澳元)	85,822	128,386
美元：		
33,057美元 (2017年：13,163美元)	259,451	102,268
人民幣：		
2,285,334圓人民幣 (2017 年：2,100,453圓人民幣)	2,851,641	2,368,817
	<u>3,196,914</u> =====	<u>2,599,471</u> =====

#### 7 信託基金帳戶

於二零一八年三月三十一日，信託基金結餘包括2,438,724港元 (2017年：2,419,849港元) 來自香港賽馬會慈善信託基金的捐款及從捐款產生的收入，並已扣除助學金；以及1,017,225港元 (2017年：1,042,308港元) 來自悟宿基金會有限公司的捐款及從捐款產生的收入，並已扣除助學金。這兩筆捐款須用作指定用途。

## 警察教育及福利信託基金

### 財務報表附註(續)

#### 8 利息收入

	2018 港元	2017 港元
銀行存款利息收入	18,563	7,021
持有至到期投資利息收入	323,430	143,935
可供出售投資利息收入	236,429	321,981
	<u>578,422</u>	<u>472,937</u>
	=====	=====

#### 9 助學金

助學金是指就香港警務處各級警務人員(包括輔助警察隊)子女的一般教育所提供的書簿津貼和其他津貼。

#### 10 金融風險管理

信託基金的主要金融資產包括可供出售投資、持有至到期投資、應收帳款、銀行存款與現金及等同現金項目。信託基金的金融負債則包括應付帳款。信託基金於本年度並無簽訂任何外匯合同、利率掉期或其他金融工具。信託基金的金融工具所涉及的主要風險載列如下。

##### (a) 信貸風險

信貸風險是指金融工具的一方持有者會因未能履行責任而引致另一方蒙受財務損失的風險。

為了減少銀行存款的信貸風險，所有存款存放在香港信譽良好的持牌銀行。為了減少可供出售投資及持有至到期投資的信貸風險，只有由穆迪或標準普爾評級為投資級別的才會獲考慮。債務證券的投資在結算日的信貸質素，以穆迪或標準普爾的評級較低者為準，分析如下：

# 警察教育及福利信託基金

## 財務報表附註(續)

### 10 金融風險管理(續)

	2018 港元	2017 港元
按信貸評級列示存款證		
P-1 / A-1+至A-1	24,209,207	16,030,351
P-2 / A-2	-	3,021,034
	<u>24,209,207</u>	<u>19,051,385</u>
	=====	=====
按信貸評級列示其他債務證券		
Aaa 至 Aa3 / AAA 至 AA-	4,503,844	598,385
A1 至 A3 / A+ 至 A-	3,724,348	5,436,724
	<u>8,228,192</u>	<u>6,035,109</u>
	=====	=====

至於其他應收帳款，信託基金認為已按情況所需為於結算日預期無法討回的款額作出充足的撥備。

於結算日，本信託基金的信貸風險最高值為資產負債表所列各相關金融資產的帳面金額。

#### (b) 股價風險

股價風險是股票價格變動而引致虧損的風險。信託基金須承受股票證券投資的股價風險(見附註 3)。為了管理有關風險，投資諮詢委員會定期檢討有關投資組合及用以監察信託基金投資活動的投資指引。

如股票證券的市場價格上升／下降 10% (2017年：10%)，信託基金的其他全面收益及公平值儲備結餘會因公平值改變而增加／減少約 1,504,000 港元 (2017年：1,172,000 港元)。敏感度分析是根據信託基金於結算日所持有的股票證券的帳面金額而所有其他可變因素假設維持不變的情況下進行。

## 警察教育及福利信託基金

### 財務報表附註（續）

#### 10 金融風險管理(續)

##### (c) 流動資金風險

為管理流動資金風險，信託基金維持足夠現金及等同現金項目以作營運資金及減低現金流量變化對信託基金之影響。

##### (d) 利率風險

###### (i) 承受的利率風險

利率風險指因市場利率變動而引致虧損的風險，利率風險可進一步分類為公平值利率風險及現金流量利率風險。

公平值利率風險指金融工具的價值會因市場利率變動而波動的風險。債務證券投資根據已記錄的風險管理或投資策略制定，信託基金持續地監察公平值利率風險。由於本信託基金所有債務證券及銀行定期存款均按固定利率計息，當市場利率上升，這些證券及存款的公平值便會下跌。不過，由於銀行定期存款及持有至到期存款證均按攤銷成本值列示，其帳面值不受市場利率變動影響。

現金流量利率風險指金融工具的未來現金流量會因市場利率變動而波動的風險。本信託基金無須承受重大的現金流量利率風險，因為浮息金融工具的利息收入並不重大。

###### (ii) 敏感度分析

於二零一八年三月三十一日，在所有其他可變因素維持不變的情況下，估計利率一般上調50個基點（2017年：50個基點），將使信託基金的其他全面收益及公平值儲備結餘減少約48,000港元（2017年：33,000港元），而利率一般下調50個基點（2017年：50個基點），將使其他全面收益及公平值儲備增加約49,000港元（2017年：33,000港元）。

釐定以上的敏感度分析時，已假設利率變動已於結算日出現，並已應用於當日存在的附息可供出售投資。上調或下調50個基點乃信託基金對利率在直至下個結算日期間的合理可能變動所作的評估。二零一七年的分析按相同基準進行。



## 警察教育及福利信託基金

### 財務報表附註（續）

#### 10 金融風險管理(續)

##### (e) 外幣風險

##### (i) 承受的貨幣風險

於結算日，信託基金持有以美元、人民幣及澳元為單位的金融資產淨值如下：

	2018 港元	2017 港元
美元：		
639,174美元 (2017年：13,163美元)	5,016,670	102,269
人民幣：		
5,314,701圓人民幣 (2017年：5,102,409圓人民幣)	6,631,688	5,754,315
澳元：		
770,605澳元 (2017年：485,934澳元)	4,643,597	2,884,911
	<u>16,291,955</u> =====	<u>8,741,495</u> =====

由於港幣與美元於窄幅掛鈎，因此信託基金毋須承受與美元有關的重大的外幣風險。由於信託基金並無進行外幣匯率對沖，信託基金的人民幣及澳元金融資產的帳面值代表信託基金所承受的最大外幣匯率風險。

##### (ii) 敏感度分析

於二零一八年三月三十一日，在所有其他可變因素維持不變的情況下，估計人民幣及澳元相對港幣上升／下跌 5% (2017年：5%)，將使信託基金盈餘增加／減少564,000港元 (2017年：434,000港元)。

## 警察教育及福利信託基金

### 財務報表附註(續)

#### 10 金融風險管理(續)

##### (f) 金融工具的公平值等級

下表載列於結算日金融工具按公平值定期計量的帳面值，並按《香港財務報告準則》第 13 號「公平值計量」所界定的三個公平值等級分類。

	2018		2017	
	第一級 港元	總額 港元	第一級 港元	總額 港元
<b>資產</b>				
可供出售 投資：				
股票證券				
- 上市	15,039,840	15,039,840	11,723,630	11,723,630
債務證券				
- 上市	8,228,192	8,228,192	6,035,109	6,035,109
	<u>23,268,032</u>	<u>23,268,032</u>	<u>17,758,739</u>	<u>17,758,739</u>

沒有金融工具歸類為第二級或第三級。

公平值等級的三個級別為：

第一級：公平值只使用在計量日相同的金融工具於活躍市場的報價(未經調整)；

第二級：公平值使用對資產或負債可直接或間接地觀察到的參數(第一級所涵蓋的市場報價除外)而釐定；及

第三級：公平值使用並非基於可觀察市場數據的參數(不可觀察參數)而釐定。

## 警察教育及福利信託基金

### 財務報表附註(續)

#### 10 金融風險管理(續)

##### (g) 金融資產及金融負債的公平值

所有金融資產及金融負債均以公平值或與其相差不大的金額列於資產負債表上。

#### 11 資本管理

信託基金的資本結構包括信託基金帳戶及公平值儲備。在管理資本方面，信託基金的宗旨是：

- (i) 遵行《警察教育及福利信託基金條例》的規定；及
- (ii) 維持充裕的資本基礎，以執行上文附註 1 所述的信託基金目的。

信託基金會因應預計的現金流量需求、未來的財務責任與承擔，透過檢討資本水平來確保其資本足以支付日後的助學金及支出。

**警察子女教育信託基金之主要投資清單**  
**二零一八年三月三十一日**  
**Major Investment of the Police Children's Education Trust**  
**as at 31 March 2018**

**I. 定期存款證 Certificate of Deposit**

公司名稱 <i>Name of Company</i>	股數 <i>No. of Shares</i>	市價 <i>Market Price</i>	市值 <i>Market Value</i>
		(CNY)	(HKD)
Bank of Comm Co Ltd of Sydney 4% CD 30May18	5,000,000	99.94600%	6,235,634.69
		(AUD)	
Aust and NZ Bkg Grp Ltd 3.25% CD 3Jun20	500,000	101.26900%	3,051,190.12
		(USD)	
BK of China Ltd of Sydney 2.04% CD 28Sep18	800,000	99.76500%	6,264,186.48
		(HKD)	(HKD)
Bank of China Ltd of Macau 1.45% CD 16Oct18	8,500,000	99.62100%	8,467,785.00
China Development Bank Corp of HK 1% CD 17Apr18	4,000,000	99.97400%	3,998,960.00
Ind & Comm BK of CN(Macau) Ltd 0% CD 17Apr18	6,000,000	99.95800%	5,997,480.00
Ind & Comm BK of CN(Macau) Ltd 1% CD 10Apr18	1,500,000	99.99900%	1,499,985.00
Ind & Comm BK of CN(Macau) Ltd 1.15% CD 12Jul18	7,000,000	100.00000%	7,000,000.00
China Const BK Corp of Sydney 1.95% CD 17Dec18	5,000,000	99.69100%	4,984,550.00
<b>定期存款證總值 Sub-Total :</b>			<b>47,499,771.29</b>

**II. 債券 Bond**

公司名稱 <i>Name of Company</i>	股數 <i>No. of Shares</i>	市價 <i>Market Price</i>	市值 <i>Market Value</i>
		(CNY)	(HKD)
BOC Aviation PTE Ltd 4.2% EMTN 5Nov18	1,000,000	99.67700%	1,243,770.35
Ind & Comm BK of China 3.75% 19Nov18	4,000,000	99.39800%	4,961,155.96
		(AUD)	(HKD)
National Aus BK Ltd 4.75% Global MTN 25Nov19	550,000	103.21300%	3,420,738.17
Westpac Bkg Corp 3.25% MTN 22Jan20	500,000	101.19900%	3,049,081.05
<b>債券總值 Sub-Total :</b>			<b>12,674,745.53</b>

**III. 單位基金 Unit Funds**

公司名稱 <i>Name of Company</i>	股數 <i>No. of Shares</i>	市價 <i>Market Price</i>	市值 <i>Market Value</i>
		(HKD)	(HKD)
China Asset Management HK Limited	110,000	49.80000	5,478,000.00
Hang Seng Investment Management Ltd H share	92,200	121.20000	11,174,640.00
Tracker Fund of Hong Kong	575,000	30.40000	17,480,000.00
<b>單位基金總值 Sub-Total:</b>			<b>34,132,640.00</b>

**主要投資項目總市值 Total Market Value of Major Investments : HKD \$94,307,156.82**

**Disclaimer**

Please note that this report has been prepared at your request and solely for your information and convenience. The information set out in this report is an indication of the trust's/ account's position only and is not intended to be definitive. The report may contain approximates and/or may be calculated on a different basis from the automated statements of HKT. You should not take any action in reliance on this report, and the official statements of accounts issued by HKT shall prevail in all cases.

警察教育及福利信託基金之主要投資清單

二零一八年三月三十一日

**Major Investment of the Police Education & Welfare Trust  
as at 31 March 2018**

**I. 定期存款證 Certificate of Deposit**

公司名稱 <i>Name of Company</i>	股數 <i>No. of Shares</i>	市價 <i>Market Price</i>	市值 <i>Market Value</i>
		(USD)	
BK of China Ltd of Sydney 2.04% CD 28Sep18	600,000	99.76500%	4,698,139.86
		(HKD)	(HKD)
Bank of China Ltd of Macau 1.45% CD 16Oct18	3,500,000	99.62100%	3,486,735.00
China Development Bank Corp of HK 1% CD 17Apr18	1,500,000	99.97400%	1,499,610.00
Ind & Comm BK of CN(Macau) Ltd 1% CD 10Apr18	4,500,000	99.99900%	4,499,955.00
Ind & Comm BK of CN(Macau) Ltd 1.15% CD 12Jul18	4,000,000	100.00000%	4,000,000.00
China Const BK Corp of Sydney 1.95% CD 17Dec18	6,000,000	99.69100%	5,981,460.00
定期存款證總值 Sub-Total :			<b>24,165,899.86</b>

**II. 債券 Bond**

公司名稱 <i>Name of Company</i>	股數 <i>No. of Shares</i>	市價 <i>Market Price</i>	市值 <i>Market Value</i>
		(CNY)	(HKD)
BOC Aviation PTE Ltd 4.2% EMTN 5Nov18	1,000,000	99.67700%	1,243,770.35
Ind & Comm BK of China 3.75% 19Nov18	2,000,000	99.39800%	2,480,577.98
		(AUD)	(HKD)
National Aus BK Ltd 4.75% Global MTN 25Nov19	430,000	103.21300%	2,674,395.30
Westpac Bkg Corp 3.25% MTN 22Jan20	300,000	101.19900%	1,829,448.63
債券總值 Sub -Total :			<b>8,228,192.26</b>

**III. 單位基金 Unit Funds**

公司名稱 <i>Name of Company</i>	股數 <i>No. of Shares</i>	市價 <i>Market Price</i>	市值 <i>Market Value</i>
		(HKD)	(HKD)
China Asset Management HK Limited	36,000	49.80000	1,792,800.00
Hang Seng Investment Management Ltd H share	41,200	121.20000	4,993,440.00
Tracker Fund of Hong Kong	271,500	30.40000	8,253,600.00
單位基金總值 Sub-Total:			<b>15,039,840.00</b>

主要投資項目總市值 Total Market Value of Major Investments : HKD \$47,433,932.12

**Disclaimer**

Please note that this report has been prepared at your request and solely for your information and convenience. The information set out in this report is an indication of the trust's/ account's position only and is not intended to be definitive. The report may contain approximates and/or may be calculated on a different basis from the automated statements of HKT. You should not take any action in reliance on this report, and the official statements of accounts issued by HKT shall prevail in all cases.