



Director of Social Welfare Incorporated

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 Director of Social Welfare Incorporated

Opinion

I certify that I have audited the financial statements of the funds administered by the Director of Social Welfare Incorporated ("the Funds") set out on pages 4 to 22, which comprise the statements of assets and liabilities as at 31 March 2018, and the statements of receipts and payments for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements of the Funds are prepared, in all material respects, in accordance with section 8(3) of the Director of Social Welfare Incorporation Ordinance (Cap. 1096).

Basis for opinion

I conducted my audit in accordance with section 8(5) of the Director of Social Welfare Incorporation 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 Funds 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 Director of Social Welfare Incorporated for the financial statements

The Director of Social Welfare Incorporated is responsible for the preparation of the financial statements in accordance with section 8(3) of the Director of Social Welfare Incorporation

Ordinance, and for such internal control as the Director of Social Welfare Incorporated 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 Director of Social Welfare Incorporated is responsible for assessing the Funds' ability to continue as going concerns, 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 Funds' internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Director of Social Welfare Incorporated; and
- conclude on the appropriateness of the Director of Social Welfare Incorporated'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 Funds' ability to continue as going concerns. 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 Funds to cease to continue as going concerns.



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

26 September 2018

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

Director of Social Welfare Incorporated
Statement of Assets and Liabilities as at 31 March 2018

	2018 HK\$	2017 HK\$
I. <u>Discretionary Fund</u>		
<u>Assets</u>		
Bank balances	572,240	572,229
<u>Representing:</u>		
Accumulated fund		
Balance at beginning of year	572,229	573,147
Surplus/(Deficit) for the year	11	(918)
Balance at end of year	572,240	572,229
II. <u>Funds administered on behalf of specified persons</u>		
<u>Assets</u>		
Deposits with banks	28,430,150	22,246,370
Cash and bank balances	219,306,092	205,322,524
	247,736,242	227,568,894
<u>Representing:</u>		
Trust fund		
Balance at beginning of year	227,568,894	202,499,363
Surplus for the year	20,167,348	25,069,531
Balance at end of year	247,736,242	227,568,894

	Note	2018 HK\$	2017 HK\$
III. <u>Specified donations</u>			
<u>Assets</u>			
Investments	3 (a)	6,753,703	6,322,913
Deposits with banks		3,900,333	3,878,215
Cash and bank balances		42,801,302	2,648,038
		<u>53,455,338</u>	<u>12,849,166</u>
<u>Representing:</u>			
Trust fund			
 <u>Nicholas Moalle Scholarships</u>			
Capital account		-	9,950
Accumulated deficit account			
Balance at beginning of year		-	(9,880)
Deficit for the year		-	(70)
Balance at end of year		-	(9,950)
		-	-
 <u>Kwan Fong Trust Fund for the Needy</u>			
Capital account		10,000,000	10,000,000
Accumulated surplus account			
Balance at beginning of year		451,602	556,144
Surplus/(Deficit) for the year		458,895	(104,542)
Balance at end of year		910,497	451,602
		<u>10,910,497</u>	<u>10,451,602</u>
 <u>Other donations</u>			
Balance at beginning of year		2,397,564	3,065,797
Surplus/(Deficit) for the year		40,147,277	(668,233)
Balance at end of year		42,544,841	2,397,564
		<u>53,455,338</u>	<u>12,849,166</u>

	2018 HK\$	2017 HK\$
IV. <u>Funds administered on behalf of Li Po Chun Charitable Trust Fund, Brewin Trust Fund, Support Fund for HIV/AIDS Patients and their Families, Community Investment and Inclusion Fund, and Community Care Fund</u>		
<u>Assets</u>		
Cash and bank balances	<u>1,789,188</u>	<u>1,144,856</u>
<u>Representing:</u>		
Trust fund		
 <u>Li Po Chun Charitable Trust Fund</u>		
Balance at beginning of year	420,021	1,126,171
Deficit for the year	(64,819)	(706,150)
Balance at end of year	355,202	420,021
 <u>Brewin Trust Fund</u>		
Balance at beginning of year	369,753	1,469,010
Surplus/(Deficit) for the year	764,472	(1,099,257)
Balance at end of year	1,134,225	369,753
 <u>Support Fund for HIV/AIDS Patients and their Families</u>		
Balance at beginning of year	183,217	69,501
(Deficit)/Surplus for the year	(96,793)	113,716
Balance at end of year	86,424	183,217
 <u>Community Investment and Inclusion Fund</u>		
Balance at beginning of year	-	-
Surplus for the year	-	-
Balance at end of year	-	-
 <u>Community Care Fund</u>		
Balance at beginning of year	171,865	130,914
Surplus for the year	41,472	40,951
Balance at end of year	213,337	171,865
	<u>1,789,188</u>	<u>1,144,856</u>

	Note	2018 HK\$	2017 HK\$
V. <u>Hong Kong Paralympians Fund</u>			
<u>Assets</u>			
Investments	3 (b)	177,064,891	173,975,744
Deposits with banks		59,166,878	53,300,952
Bank balances		314,464	1,045,203
		<u>236,546,233</u>	<u>228,321,899</u>
<u>Representing:</u>			
Accumulated fund			
Balance at beginning of year		228,321,899	229,820,103
Surplus/(Deficit) for the year		8,224,334	(1,498,204)
Balance at end of year		<u>236,546,233</u>	<u>228,321,899</u>
VI. <u>Education Trust Fund</u>			
<u>Assets</u>			
Investments	3 (c)	4,959,851	10,474,075
Deposits with banks		16,459,481	12,415,497
Bank balances		9,316	118,490
		<u>21,428,648</u>	<u>23,008,062</u>
<u>Representing:</u>			
Accumulated fund			
Balance at beginning of year		23,008,062	25,478,266
Deficit for the year		(1,579,414)	(2,470,204)
Balance at end of year		<u>21,428,648</u>	<u>23,008,062</u>
VII. <u>Trust Fund for Severe Acute Respiratory Syndrome</u>			
<u>Assets</u>			
Deposits with banks		12,522,185	20,917,120
Bank balances		915,878	1,102,465
		<u>13,438,063</u>	<u>22,019,585</u>
<u>Representing:</u>			
Accumulated fund			
Balance at beginning of year		22,019,585	31,213,699
Deficit for the year		(8,581,522)	(9,194,114)
Balance at end of year		<u>13,438,063</u>	<u>22,019,585</u>

	Note	2018 HK\$	2017 HK\$
VIII. <u>Elder Academy Development Foundation</u>			
<u>Assets</u>			
Investments	3 (d)	17,442,867	17,442,867
Deposits with banks		25,922,457	25,417,172
Bank balances		1,708	1,474,127
		<u>43,367,032</u>	<u>44,334,166</u>
<u>Representing:</u>			
Accumulated fund			
Balance at beginning of year		44,334,166	51,373,955
Deficit for the year		(967,134)	(7,039,789)
Balance at end of year		<u>43,367,032</u>	<u>44,334,166</u>

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



(Ms Carol Yip)

Director of Social Welfare Incorporated
26 September 2018

Director of Social Welfare Incorporated
Statement of Receipts and Payments for the year ended 31 March 2018

	Note	2018 HK\$	2017 HK\$
I. <u>Discretionary Fund</u>			
Bank balances at beginning of year		572,229	573,147
Revenue	4 (a)	11	12
Expenditure	5 (a)	-	(930)
Surplus/(Deficit) for the year		11	(918)
Bank balances at end of year		572,240	572,229
II. <u>Funds administered on behalf of specified persons</u>			
Cash and bank balances at beginning of year		205,322,524	185,184,107
Revenue	4 (b)	368,815,476	351,352,304
Expenditure	5 (b)	(348,648,128)	(326,282,773)
Surplus for the year		20,167,348	25,069,531
Other cash movements	6 (a)	(6,183,780)	(4,931,114)
Cash and bank balances at end of year		219,306,092	205,322,524

	Note	2018 HK\$	2017 HK\$
III. Specified donations			
Cash and bank balances at beginning of year		2,648,038	3,371,870
<u>Nicholas Moalle Scholarships</u>			
Revenue	4 (c)	-	930
Expenditure	5 (c)	-	(1,000)
Deficit for the year		-	(70)
<u>Kwan Fong Trust Fund for the Needy</u>			
Revenue	4 (d)	741,282	369,201
Expenditure	5 (d)	(282,387)	(473,743)
Surplus/(Deficit) for the year		458,895	(104,542)
<u>Other donations</u>			
Revenue	4 (e)	46,212,115	694,694
Expenditure	5 (e)	(6,064,838)	(1,362,927)
Surplus/(Deficit) for the year		40,147,277	(668,233)
Other cash movements	6 (b)	(452,908)	49,013
Cash and bank balances at end of year		42,801,302	2,648,038

	Note	2018 HK\$	2017 HK\$
IV. <u>Funds administered on behalf of Li Po Chun Charitable Trust Fund, Brewin Trust Fund, Support Fund for HIV/AIDS Patients and their Families, Community Investment and Inclusion Fund, and Community Care Fund</u>			
Cash and bank balances at beginning of year		1,144,856	2,795,596
<u>Li Po Chun Charitable Trust Fund</u>			
Revenue	4 (f)	1,000,004	1,540,014
Expenditure	5 (f)	(1,064,823)	(2,246,164)
Deficit for the year		(64,819)	(706,150)
<u>Brewin Trust Fund</u>			
Revenue	4 (g)	3,000,009	2,400,021
Expenditure	5 (g)	(2,235,537)	(3,499,278)
Surplus/(Deficit) for the year		764,472	(1,099,257)
<u>Support Fund for HIV/AIDS Patients and their Families</u>			
Revenue	4 (h)	2	152,002
Expenditure	5 (h)	(96,795)	(38,286)
(Deficit)/Surplus for the year		(96,793)	113,716
<u>Community Investment and Inclusion Fund</u>			
Revenue	4 (i)	47,898,949	29,961,046
Expenditure	5 (i)	(47,898,949)	(29,961,046)
Surplus for the year		-	-
<u>Community Care Fund</u>			
Revenue	4 (j)	273,796,675	181,854,023
Expenditure	5 (j)	(273,755,203)	(181,813,072)
Surplus for the year		41,472	40,951
Cash and bank balances at end of year		1,789,188	1,144,856

	Note	2018 HK\$	2017 HK\$
V. <u>Hong Kong Paralympians Fund</u>			
Bank balances at beginning of year		1,045,203	226,805
Revenue	4 (k)	13,978,199	7,659,065
Expenditure	5 (k)	(5,753,865)	(9,157,269)
Surplus/(Deficit) for the year		8,224,334	(1,498,204)
Other cash movements	6 (c)	(8,955,073)	2,316,602
Bank balances at end of year		314,464	1,045,203
VI. <u>Education Trust Fund</u>			
Bank balances at beginning of year		118,490	1,797,160
Revenue	4 (l)	1,147,785	521,879
Expenditure	5 (l)	(2,727,199)	(2,992,083)
Deficit for the year		(1,579,414)	(2,470,204)
Other cash movements	6 (d)	1,470,240	791,534
Bank balances at end of year		9,316	118,490
VII. <u>Trust Fund for Severe Acute Respiratory Syndrome</u>			
Bank balances at beginning of year		1,102,465	776,681
Revenue	4 (m)	376,654	278,625
Expenditure	5 (m)	(8,958,176)	(9,472,739)
Deficit for the year		(8,581,522)	(9,194,114)
Other cash movements	6 (e)	8,394,935	9,519,898
Bank balances at end of year		915,878	1,102,465

	Note	2018 HK\$	2017 HK\$
VIII. <u>Elder Academy Development Foundation</u>			
Bank balances at beginning of year		1,474,127	32,743
Revenue	4 (n)	3,840,530	2,007,635
Expenditure	5 (n)	(4,807,664)	(9,047,424)
Deficit for the year		(967,134)	(7,039,789)
Other cash movements	6 (f)	(505,285)	8,481,173
Bank balances at end of year		<u>1,708</u>	<u>1,474,127</u>

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

Director of Social Welfare Incorporated

Notes to the Financial Statements

1. General

The financial statements of the funds administered by the Director of Social Welfare Incorporated are prepared pursuant to section 8(3) of the Director of Social Welfare Incorporation Ordinance (Cap. 1096). The Director of Social Welfare Incorporated was established for the purpose of acting as trustee of any trust created for the benefit of persons in the care of the Social Welfare Department or of any trust created in connection with the work of the said Department in accordance with section 4 of the Director of Social Welfare Incorporation Ordinance.

2. Significant accounting policies

(a) Basis of accounting

The financial statements are prepared on a cash basis.

(b) Investments

(i) Placement with the Exchange Fund is stated at cost.

(ii) Debt securities and listed equity securities are acquired with an intention to hold to maturity and hold on a continuing basis respectively and are stated at cost in the Statement of Assets and Liabilities. The cost of investments includes all expenses relating to the purchase of investments such as commission, brokerage, stamp duty and transaction levy. Gains or losses on disposal of investments are accounted for in the Statement of Receipts and Payments.

(iii) Realised discount or premium on redemption of investments are accounted for in the Statement of Receipts and Payments.

(c) Donations

Donations are credited to the Receipts and Payments Account unless specified by the donors.

(d) Foreign currency transactions

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

	2018 HK\$	2017 HK\$
3. Investments		
<u>Specified donations:</u>		
(a) Kwan Fong Trust Fund for the Needy		
Debt securities, at cost		
- maturing within 1 year	501,450	1,558,910
- maturing after 1 year	1,488,250	-
	1,989,700	1,558,910
 Listed equity securities, at cost	 4,764,003	 4,764,003
	6,753,703	6,322,913
 Market value at 31 March		
- Debt securities	1,999,855	1,553,680
- Listed equity securities	5,639,244	5,282,276
 (b) Hong Kong Paralympians Fund		
Placement with the Exchange Fund	73,886,994	71,874,508
 Debt securities, at cost		
- maturing within 1 year	10,561,962	9,485,301
 Listed equity securities, at cost	92,615,935	92,615,935
	177,064,891	173,975,744
 Market value at 31 March		
- Debt securities	10,598,052	9,536,693
- Listed equity securities	108,979,329	92,123,396

In March 2016, HK\$70 million was placed with the Exchange Fund. The term of the placement is six years from the date of placement, during which the amount of the original placement cannot be withdrawn. Interest on the placement is at a rate determined each year in January and shall be paid annually in arrears on 31 December of each year. The rate is the higher of the average annual rate of return of the Exchange Fund's Investment Portfolio for the past six years and the average annual yield of 3-year government bond in the past year subject to a minimum of zero percent. The interest rate has been fixed at 4.6% per annum for the year 2018 and at 2.8% per annum for the year 2017.

As at 31 March 2018, the total balance of the placement with the Exchange Fund amounted to HK\$73.9 million (2017: HK\$71.9 million), being the principal sum of HK\$70 million (2017: HK\$70 million) plus interest paid but not withdrawn of HK\$3.9 million (2017: HK\$1.9 million).

	2018 HK\$	2017 HK\$
(c) <u>Education Trust Fund</u>		
Debt securities, at cost		
- maturing within 1 year	2,445,700	6,023,875
- maturing after 1 year	2,514,151	4,450,200
	<u>4,959,851</u>	<u>10,474,075</u>
Market value at 31 March		
- Debt securities	<u>4,906,245</u>	<u>10,433,165</u>
(d) <u>Elder Academy Development Foundation</u>		
Listed equity securities, at cost	<u>17,442,867</u>	<u>17,442,867</u>
Market value at 31 March		
- Listed equity securities	<u>21,584,000</u>	<u>17,324,000</u>

	2018 HK\$	2017 HK\$
4. Revenue		
(a) Discretionary Fund		
Interest	11	12
(b) Funds administered on behalf of specified persons		
Comprehensive social security assistance and others	368,593,091	351,225,718
Interest	222,385	126,586
	<u>368,815,476</u>	<u>351,352,304</u>
<u>Specified donations:</u>		
(c) Nicholas Moalle Scholarships		
Funds transferred from Discretionary Fund	-	930
(d) Kwan Fong Trust Fund for the Needy		
Donations	8,848	1,935
Interest on investments	41,733	32,705
Interest on bank deposits	166,720	130,128
Dividend income	216,057	204,433
Exchange gains	307,924	-
	<u>741,282</u>	<u>369,201</u>
(e) Other donations		
Donations	46,125,073	694,645
Allocation from Social Welfare Department	87,000	-
Interest	42	49
	<u>46,212,115</u>	<u>694,694</u>
<u>Funds administered on behalf of:</u>		
(f) Li Po Chun Charitable Trust Fund		
Allocation from fund trustee	1,000,000	1,540,000
Interest	4	13
Refund of grants for previous year	-	1
	<u>1,000,004</u>	<u>1,540,014</u>
(g) Brewin Trust Fund		
Allocation from fund trustee	3,000,000	2,400,000
Interest	9	21
	<u>3,000,009</u>	<u>2,400,021</u>

	2018 HK\$	2017 HK\$
(h) Support Fund for HIV/AIDS Patients and their Families		
Allocation from AIDS Trust Fund	-	152,000
Interest	2	2
	<u>2</u>	<u>152,002</u>
(i) Community Investment and Inclusion Fund		
Allocation from Labour and Welfare Bureau	<u>47,898,949</u>	<u>29,961,046</u>
(j) Community Care Fund		
Allocation from fund trustee	273,627,675	181,795,023
Refund of grants for previous years	169,000	59,000
	<u>273,796,675</u>	<u>181,854,023</u>
(k) <u>Hong Kong Paralympians Fund</u>		
Interest on investments	2,197,652	2,203,382
Interest on bank deposits	2,290,788	1,833,690
Refund of grants for previous year	180,754	501,299
Realised discount on redemption of investments	104,695	-
Dividend income	3,372,784	3,120,694
Exchange gains	5,831,526	-
	<u>13,978,199</u>	<u>7,659,065</u>
(l) <u>Education Trust Fund</u>		
Donations	4,100	2,109
Interest on investments	227,013	187,281
Interest on bank deposits	244,831	332,489
Exchange gains	671,841	-
	<u>1,147,785</u>	<u>521,879</u>
(m) <u>Trust Fund for Severe Acute Respiratory Syndrome</u>		
Interest	319,654	202,805
Refund of grants for previous years	57,000	75,820
	<u>376,654</u>	<u>278,625</u>
(n) <u>Elder Academy Development Foundation</u>		
Interest	677,386	917,394
Refund of grants for previous years	1,353,482	536,441
Dividend income	660,300	553,800
Exchange gains	1,149,362	-
	<u>3,840,530</u>	<u>2,007,635</u>

	2018 HK\$	2017 HK\$
5. <u>Expenditure</u>		
(a) <u>Discretionary Fund</u>		
Funds transferred to Nicholas Moalle Scholarships	-	930
(b) <u>Funds administered on behalf of specified persons</u>		
Payments to clients	9,888,180	13,384,072
Payments of hostel/residential fees and other expenses for clients	331,255,096	305,128,003
Funds transferred to Official Administrator	4,680,253	4,664,222
Refunds to Government	2,824,599	3,106,476
	<u>348,648,128</u>	<u>326,282,773</u>
<u>Specified donations:</u>		
(c) <u>Nicholas Moalle Scholarships</u>		
Awards to students studying at Institutes of Vocational Education	-	1,000
(d) <u>Kwan Fong Trust Fund for the Needy</u>		
Grants to clients	265,644	294,164
Realised premium on redemption of investments	8,910	-
Interest purchased on acquisition of debt securities	7,633	-
Bank charges	200	450
Exchange losses	-	179,129
	<u>282,387</u>	<u>473,743</u>
(e) <u>Other donations</u>		
Payments to clients/welfare organisations	<u>6,064,838</u>	<u>1,362,927</u>
<u>Funds administered on behalf of:</u>		
(f) <u>Li Po Chun Charitable Trust Fund</u>		
Social relief grants	1,063,541	1,788,845
Refund of allocation to fund trustee	1,278	457,306
Refund of interest to fund trustee	4	13
	<u>1,064,823</u>	<u>2,246,164</u>
(g) <u>Brewin Trust Fund</u>		
Grants to clients	2,215,410	2,710,961
Refund of allocation to fund trustee	20,048	788,296
Refund of interest to fund trustee	9	21
Bank charges	70	-
	<u>2,235,537</u>	<u>3,499,278</u>

	2018 HK\$	2017 HK\$
(h) Support Fund for HIV/AIDS Patients and their Families		
Grants to clients	8,184	10,355
Large-scale festive activities	27,753	24,941
Publicity expenses	4,571	2,990
Refund of allocation to AIDS Trust Fund	56,287	-
	<u>96,795</u>	<u>38,286</u>
(i) Community Investment and Inclusion Fund		
Grants to clients	<u>47,898,949</u>	<u>29,961,046</u>
(j) Community Care Fund		
Grants to beneficiaries/service providers	273,745,203	181,808,072
Refund of allocation to fund trustee	10,000	5,000
	<u>273,755,203</u>	<u>181,813,072</u>
(k) <u>Hong Kong Paralympians Fund</u>		
Grants to organisations	5,705,964	5,718,452
Interest purchased on acquisition of debt securities	47,701	16,175
Bank charges	200	200
Exchange losses	-	3,422,442
	<u>5,753,865</u>	<u>9,157,269</u>
(l) <u>Education Trust Fund</u>		
Grants to clients	2,695,785	2,536,574
Interest purchased on acquisition of debt securities	7,479	8,046
Bank charges	60	285
Realised premium on redemption of investments	23,875	-
Exchange losses	-	447,178
	<u>2,727,199</u>	<u>2,992,083</u>
(m) <u>Trust Fund for Severe Acute Respiratory Syndrome</u>		
Grants to clients	8,957,996	9,472,364
Bank charges	180	375
	<u>8,958,176</u>	<u>9,472,739</u>
(n) <u>Elder Academy Development Foundation</u>		
Grants to organisations	4,807,664	8,190,275
Exchange losses	-	857,149
	<u>4,807,664</u>	<u>9,047,424</u>

	2018 HK\$	2017 HK\$
6. <u>Other cash movements</u>		
(a) <u>Funds administered on behalf of specified persons</u>		
Net payments:		
Increase in deposits with banks	<u>(6,183,780)</u>	<u>(4,931,114)</u>
(b) <u>Specified donations:</u>		
 Kwan Fong Trust Fund for the Needy		
Net (payments)/receipts:		
Increase in investments		
Increase in debt securities	(430,790)	-
(Increase)/Reduction in deposits with banks	<u>(22,118)</u>	<u>49,013</u>
	<u>(452,908)</u>	<u>49,013</u>
(c) <u>Hong Kong Paralympians Fund</u>		
Net (payments)/receipts:		
Increase in investments		
Increase in placement with the Exchange Fund	(2,012,486)	(1,874,508)
Increase in debt securities	(1,076,661)	(420)
	(3,089,147)	(1,874,928)
(Increase)/Reduction in deposits with banks	<u>(5,865,926)</u>	<u>4,191,530</u>
	<u>(8,955,073)</u>	<u>2,316,602</u>
(d) <u>Education Trust Fund</u>		
Net receipts:		
Reduction/(Increase) in investments		
Reduction/(Increase) in debt securities	5,514,224	(2,405,900)
(Increase)/Reduction in deposits with banks	<u>(4,043,984)</u>	<u>3,197,434</u>
	<u>1,470,240</u>	<u>791,534</u>
(e) <u>Trust Fund for Severe Acute Respiratory Syndrome</u>		
Net receipts:		
Reduction in deposits with banks	<u>8,394,935</u>	<u>9,519,898</u>
(f) <u>Elder Academy Development Foundation</u>		
Net (payments)/receipts:		
(Increase)/Reduction in deposits with banks	<u>(505,285)</u>	<u>8,481,173</u>

7. **TANG Shiu-kin and HO Tim Charitable Fund**

Pursuant to section 8(4) of the Director of Social Welfare Incorporation Ordinance (Cap. 1096), the financial statements of the TANG Shiu-kin and HO Tim Charitable Fund have not been included but are separately prepared and audited by an independent accountant under section 24(4) of the Trustee Ordinance (Cap. 29).