



警察福利基金
2018 至 2019 年度年報
POLICE WELFARE FUND
ANNUAL REPORT
2018/2019

POLICE WELFARE FUND ANNUAL REPORT 2018/2019

Introduction

The Police Welfare Fund was established under Section 39 of the Police Force Ordinance, Cap 232, which sets out the purposes of the Fund. The Police Force (Welfare Fund) Regulation, Cap 232C, regulates its administration.

Purposes

2. The major purposes of the Fund are to provide and maintain amenities for the use and enjoyment of, and make loans, grants, allowances and gifts to beneficiaries including police officers, civilian officers and any other persons as specified in Section 39 of the Police Force Ordinance (Cap. 232).

Management and Control

3. The Commissioner of Police of Hong Kong is constituted as a corporation solely for the management and control of the Police Welfare Fund with the corporate name of “Commissioner of Police Incorporated”. The corporation has delegated the day-to-day management of the Fund to the Police Welfare Fund Management Committee chaired by the Deputy Commissioner of Police, Management. The Director of Personnel and Training (DPT), the Assistant Commissioner of Police, Personnel (ACP P), the Chief Superintendent of Police, Personnel Services and Staff Relations (CSP PS&SR) and the Financial Controller (FC) are members of the Committee whilst the Executive Officer, Support Services 1, Personnel Services and Staff Relations (EO SUP SEV 1 PS&SR) is the Secretary.

4. The Police Welfare Fund comprises five accounts; namely, the General Fund Account, the Police Band Fund Account, the Sir Shiu-kin TANG Donation Fund (1985) Account, the Music Bursary Fund Account and the Further Education Fund Account. Although each account has its own purposes and has to be kept under separate ledger, they form an integral part of the Police Welfare Fund.

Performance for 2018/2019

5. The Police Welfare Fund had a deficit of \$19.79 million at the end of the 2018/2019 financial year with the breakdown as follows: -

| <u>Account</u> | <u>Income</u> (<u>\$</u>) | <u>Expenditure</u> (<u>\$</u>) | <u>Surplus/ (Deficit)</u> (<u>\$</u>) |
|---|--------------------------------|-------------------------------------|--|
| General Fund | 19,488,740 | 39,380,023 | (19,891,283) |
| Police Band Fund | 1,182,400 | 1,079,094 | 103,306 |
| Sir Shiu-Kin TANG Donation Fund (1985) | 17,982 | 17,982 | 0 |
| Music Bursary Fund | 14,200 | 11,550 | 2,650 |
| Further Education Fund | 500,000 | 500,000 | 0 |
| | <u>21,203,322</u> | <u>40,988,649</u> | <u>(19,785,327)</u> |

6. The net assets of the Fund stood at \$184.58 million as at 31 March 2019, which showed a net decrease of 9.68% as compared with \$204.37 million as at 31 March 2018.

Welfare Loans

7. In 2018/2019, a total sum of \$30,000 was loaned to members of the Force. The total amount outstanding as at 31 March 2019 was \$30,000, which represented a decrease of \$29,000, or 49.15%, as compared with the balance as at 31 March 2018 (\$59,000).

General Fund Account

8. Deficit of this account for 2018/2019 was \$19.89 million comparing to the surplus of \$19.32 million in 2017/2018.

9. The total income for the year was \$19.49 million, which represented a decrease of \$30.32 million (60.87%) from that of 2017/2018 (\$49.81 million). Changes in major items include:

| Item | Changes |
|-------------------------------------|----------------------------|
| Donations | - \$ 24,118,915 [- 78.60%] |
| Hire of police services | - \$ 898,952 [- 9.65%] |
| Interest income from fixed deposits | + \$ 672,720 [+ 24.73%] |
| Miscellaneous receipt | - \$ 3,807,201 [- 99.53%] |

10. In 2018/2019, the total expenditure under this account was \$39.38 million, which represented an increase of \$8.89 million (29.16%) when compared with 2017/2018 (\$30.49 million). Major changes include: -

| Item | Changes |
|---|-----------------------------|
| Recurrent expenses on police holiday facilities | + \$ 100,867 [+ 28.42%] |
| Grants to police/civilian officers in hardship | - \$ 705,223 [- 9.77%] |
| Refreshments for police officers on special duties | + \$ 382,485 [+ 45.47%] |
| Police sports activities expenses | + \$ 273,147 [+ 35.89%] |
| Staff relation expenses | + \$ 2,054,615 [+ 28.91%] |
| Grants on death of serving police/civilian officers or pensioners | - \$ 253,150 [- 10.56%] |
| Healthy Lifestyle Strategy Activities | + \$ 2,914,741 [+ 112.91%] |
| Grants to junior police officers for further education | + \$ 1,635,000 [+ 1308.00%] |
| Exchange loss | + \$ 1,517,965 new item |
| Others | + \$ 1,110,204 [+ 113.92%] |

Police Band Fund Account

11. The main income for this account is derived from the hire of the Police Band for public performances. Surplus of the year was \$0.10 million. During the year, the total income was \$1.18 million, a decrease of 23.38% as compared with \$1.54 million for 2017/2018. The total expenditure was \$1.08 million, which was decreased by 19.40%, compared with \$1.34 million in 2017/2018. The account has a net asset of \$1.70 million as at 31 March 2019.

Sir Shiu-kin TANG Donation Fund (1985) Account

12. In 1985, the late Sir Shiu-kin TANG donated \$1 million to the Force to establish the Sir Shiu-kin TANG Donation Fund. The only income of this account is derived from the interest on a \$1 million time deposit. Interest income generated in 2018/2019 was \$17,982 which was increased by 48.06% if compared with \$12,145 in 2017/2018. All income was spent for general welfare purposes during the year.

Music Bursary Fund Account

13. The purpose of this account is to provide a fund to sponsor the Bandsmen to attend musical training courses, and its income is derived from the sale proceeds of Police Band compact discs. Whilst there was an income of \$14,200 in 2018/2019, an expenditure of \$11,550 was recorded resulting in a surplus of \$2,650 in the year.

Further Education Fund Account

14. To promote life-long learning among the police officers, the Force set up an account designated for educational purpose, namely Further Education Fund, in May 2006. The account is to provide assistance to police officers to pursue private academic studies relevant to their duties to realize their full potential. Its income was donations designated for educational purpose. In 2018/2019, a total of \$0.50 million were disbursed as grants for further education of police officers.

Audit of the Fund's Final Accounts

15. The Director of Audit has audited the final accounts of the Fund for 2018/2019. A copy of his certificate and the Fund's final accounts for 2018/2019 are attached.

(TANG Ping-keung)
Commissioner of Police Incorporated

9 December 2019

警察福利基金

2018 至 2019 年度年報

引言

警察福利基金按照香港法例第 232 章《警隊條例》第 39 條設立，而該項規定列明基金的宗旨。香港法例第 232C 章《警隊（福利基金）規例》規管基金的管理事宜。

基金的宗旨

2. 基金的主要宗旨是提供和維持設施活動，提供貸款、資助金、津貼及饋贈予受益人享用，包括警務人員、文職人員和任何香港法例第 232 章《警隊條例》第 39 條所列明的其他人士。

管理與控制

3. 因應管理與控制警察福利基金的事務，香港警務處處長成立為單一法團，其法人名稱為「警務處處長法團」。法團將基金的日常管理委託警察福利基金管理委員會辦理，該委員會由警務處副處長（管理）擔任主席。委員會的成員包括人事及訓練處處長、警務處助理處長（人事）、總警司（人事服務及職員關係）和財務總監，而秘書一職則由行政主任（支援服務）1（人事服務及職員關係）擔任。

4. 警察福利基金由五項帳目組成，分別為一般儲備金帳目、警察樂隊基金帳目、鄧肇堅爵士捐款基金（1985 年）帳目、音樂助學基金帳目和持續進修基金帳目。雖然每項帳目皆有其本身的宗旨，並分設獨立的帳簿，但均為警察福利基金的組成部分。

2018 至 2019 年度的收支狀況

5. 在 2018 至 2019 財政年度終結時，警察福利基金共有虧損 1,979 萬元，分項數字如下：

| 帳目 | 收入(元) | 支出(元) | 盈餘／(虧損) (元) |
|-----------------------|-------------------|-------------------|---------------------|
| 一般儲備金 | 19,488,740 | 39,380,023 | (19,891,283) |
| 警察樂隊基金 | 1,182,400 | 1,079,094 | 103,306 |
| 鄧肇堅爵士 捐款基金(1985 年) | 17,982 | 17,982 | 0 |
| 音樂助學基金 | 14,200 | 11,550 | 2,650 |
| 持續進修基金 | 500,000 | 500,000 | 0 |
| | <u>21,203,322</u> | <u>40,988,649</u> | <u>(19,785,327)</u> |

6. 截至 2019 年 3 月 31 日為止，基金的資產淨值為 1 億 8,458 萬元，與 2018 年 3 月 31 日的 2 億 437 萬元比較，淨減幅為 9.68%。

福利貸款

7. 在 2018 至 2019 年度，借予警隊成員的貸款合共 3 萬元。截至 2019 年 3 月 31 日為止，未清繳款項總額為 3 萬元，與 2018 年 3 月 31 日的結餘(59,000 元)比較，減少了 29,000 元，即 49.15%。

一般儲備金帳目

8. 在 2018 至 2019 年度，此項帳目的盈餘為 1,989 萬元，而 2017 至 2018 年度有盈餘 1,932 萬元。

9. 本年度基金的總收入為 1,949 萬元，較 2017 至 2018 年度(4,981 萬元)減少了 3,032 萬元(60.87%)。主要項目的轉變包括：

| 項目 | 轉變 |
|----------|----------------------------|
| 捐款 | 減少 24,118,915 元 [- 78.60%] |
| 僱用警察服務費用 | 減少 898,952 元 [- 9.65%] |
| 定期存款利息收入 | 增加 672,720 元 [+ 24.73%] |
| 雜項收入 | 減少 3,807,201 元 [- 99.53%] |

10. 在 2018 至 2019 年度，此項帳目的總支出為 3,938 萬元，與 2017 至 2018 年度（3,049 萬元）比較，增加了 889 萬元（29.16%）。主要項目的轉變包括：

| 項目 | 轉變 |
|---------------------|-----------------------------|
| 警務人員度假設施經常開支 | 增加 100,867 元 [+ 28.42%] |
| 發給陷入困難的警務/文職人員補助金 | 減少 705,223 元 [- 9.77%] |
| 擔任特殊職務警務人員茶點費用 | 增加 382,485 元 [+ 45.47%] |
| 警隊體育活動開支 | 增加 273,147 元 [+ 35.89%] |
| 員工關係開支 | 增加 2,054,615 元 [+ 28.91%] |
| 在職警務/文職人員或退休人員去世補助金 | 減少 253,150 元 [- 10.56%] |
| 健康生活策略活動 | 增加 2,914,741 元 [+ 112.91%] |
| 初級警務人員持續進修補助金 | 增加 1,635,000 元 [+ 1308.00%] |
| 兌換虧損 | 增加 1,517,965 元 新增項目 |
| 其他 | 增加 1,110,204 元 [+ 113.92%] |

警察樂隊基金帳目

11. 此項帳目的主要收入來自僱用警察樂隊作公開演出。本年度的盈餘約為 10 萬元。本年度總收入為 118 萬元，與 2017 至 2018 年度的 154 萬元比較，減幅約為 23.38%。其總支出則為 108 萬元，較 2017 至 2018 年度的 134 萬元減少 19.40%。截至 2019 年 3 月 31 日為止，此項帳目的資產淨值為 170 萬元。

鄧肇堅爵士捐款基金（1985 年）帳目

12. 已故鄧肇堅爵士於 1985 年向警隊捐贈 100 萬元，成立鄧肇堅爵士捐款基金。此項帳目的唯一收入來自 100 萬元的定期存款利息。2018 至 2019 年度的利息收入為 17,982 元，與 2017 至 2018 年度的 12,145 元比較，增幅為 48.06%。年內所有收入均用於一般福利開支。

音樂助學基金帳目

13. 此項帳目的宗旨是提供款項贊助樂師參加音樂訓練課程，而帳目的收入是來自售賣警察樂隊鐳射唱片的利潤。2018 至 2019 年度的收入為 14,200 元，減去支出 11,550 元，全年共錄得盈餘 2,650 元。

持續進修基金帳目

14. 為鼓勵警務人員終身學習，警務處在 2006 年 5 月開立了一個專為警務人員進修而設的持續進修基金帳目。此項帳目的宗旨是為警務人員提供補助金資助，以鼓勵他們在公餘進修與其職務相關的課程，協助全面發揮他們的潛能。帳目的收入主要是指定作教育用途的捐款。在 2018 至 2019 年度共發放了 50 萬元補助金予警務人員，協助他們於工餘時間完成持續進修課程。

基金最後結算的審核

15. 審計署署長已審核基金 2018 至 2019 年度的最後結算，其證明書和基金 2018 至 2019 年度的最後結算現夾附於本報告內。

警務處處長法團鄧炳強

2019 年 12 月 9 日

Police Welfare Fund

Financial Statements for the year ended 31 March 2019

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 Welfare Fund set out on pages 4 to 22, which comprise the balance sheet as at 31 March 2019, and the income and expenditure account, 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 Welfare Fund as at 31 March 2019, 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)(b) of the Police Force (Welfare Fund) Regulation (Cap. 232 sub. leg. C).

Basis of opinion

I conducted my audit in accordance with section 11(3) of the Police Force (Welfare Fund) Regulation 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 Welfare Fund 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 Incorporated for the financial statements

The Commissioner of Police Incorporated is responsible for the preparation of financial

statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and section 10(1)(b) of the Police Force (Welfare Fund) Regulation, and for such internal control as the Commissioner of Police 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 Commissioner of Police Incorporated is responsible for assessing the Police Welfare Fund'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 risk 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 Welfare Fund'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 Incorporated;
- conclude on the appropriateness of the Commissioner of Police 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 Police Welfare Fund'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 Welfare Fund 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

26 September 2019

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

POLICE WELFARE FUND
BALANCE SHEET AS AT 31 MARCH 2019

| | Note | 2019 HK\$ | 2018 HK\$ |
|--|-------|--------------|--------------|
| NON-CURRENT ASSETS | | | |
| Loans receivable | 3 | 12,000 | - |
| CURRENT ASSETS | | | |
| Inventories | 2 (e) | 121,183 | 122,730 |
| Loans receivable | 3 | 18,000 | 59,000 |
| Receivables, sundry debtors, prepayments and others | 4 | 8,807,604 | 7,898,121 |
| Fixed deposits with banks | | 156,066,421 | 176,023,038 |
| Cash and cash equivalents | 5 | 25,756,699 | 27,041,788 |
| | | 190,769,907 | 211,144,677 |
| CURRENT LIABILITIES | | | |
| Sundry creditors, deferred revenue and deposits received | 6 | (6,199,306) | (6,776,749) |
| NET CURRENT ASSETS | | 184,570,601 | 204,367,928 |
| NET ASSETS | | 184,582,601 | 204,367,928 |
| CAPITAL ACCOUNT | | | |
| Sir Shiu-kin TANG Donation Fund (1985) | 7 | 1,000,000 | 1,000,000 |
| ACCUMULATED FUND | | | |
| General Fund | | 179,959,285 | 199,850,568 |
| Police Band Fund | | 1,703,330 | 1,600,024 |
| Sir Shiu-kin TANG Donation Fund (1985) | | 1,197,497 | 1,197,497 |
| Music Bursary Fund | | 722,489 | 719,839 |
| Further Education Fund | | - | - |
| | | 183,582,601 | 203,367,928 |
| TOTAL EQUITY | | 184,582,601 | 204,367,928 |

The accompanying notes 1 to 14 form part of these financial statements.

(LO Wai-chung)
Commissioner of Police Incorporated
26 September 2019

POLICE WELFARE FUND

**INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019**

| | | General Fund | Police Band Fund | Sir Shiu-kin TANG Donation Fund (1985) | Music Bursary Fund | Further Education Fund | Total |
|--|-------------|-------------------------|-----------------------------|---|-------------------------------|-----------------------------------|--------------|
| | Note | HK\$ | HK\$ | HK\$ | HK\$ | HK\$ | HK\$ |
| 2019 | | | | | | | |
| Income | 8 | 19,488,740 | 1,182,400 | 17,982 | 14,200 | 500,000 | 21,203,322 |
| Expenditure | 9 | (39,380,023) | (1,079,094) | (17,982) | (11,550) | (500,000) | (40,988,649) |
| (Deficit)/Surplus for the year | | (19,891,283) | 103,306 | - | 2,650 | - | (19,785,327) |
| Other comprehensive income | | - | - | - | - | - | - |
| Total comprehensive (loss)/income for the year | | (19,891,283) | 103,306 | - | 2,650 | - | (19,785,327) |
| 2018 | | | | | | | |
| Income | 8 | 49,809,214 | 1,544,900 | 12,145 | 17,980 | - | 51,384,239 |
| Expenditure | 9 | (30,487,860) | (1,339,645) | (12,145) | (215) | (1,745,000) | (33,584,865) |
| Surplus/(Deficit) for the year | | 19,321,354 | 205,255 | - | 17,765 | (1,745,000) | 17,799,374 |
| Other comprehensive income | | - | - | - | - | - | - |
| Total comprehensive income/(loss) for the year | | 19,321,354 | 205,255 | - | 17,765 | (1,745,000) | 17,799,374 |

The accompanying notes 1 to 14 form part of these financial statements.

POLICE WELFARE FUND

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2019

| | Capital Account | | Accumulated Fund | | | | Total |
|--|---|-------------------------|-----------------------------|---|-----------------------------------|---------------------------------------|--------------------|
| | Sir Shiu-kin TANG Donation Fund (1985) | General Fund | Police Band Fund | Sir Shiu-kin TANG Donation Fund (1985) | Music Bursary Fund | Further Education Fund | |
| | HK\$ | HK\$ | HK\$ | HK\$ | HK\$ | HK\$ | HK\$ |
| Balance at 1 April 2017 | 1,000,000 | 180,529,214 | 1,394,769 | 1,197,497 | 702,074 | 1,745,000 | 186,568,554 |
| Total comprehensive income/(loss) for 2017/18 | - | 19,321,354 | 205,255 | - | 17,765 | (1,745,000) | 17,799,374 |
| Balance at 31 March 2018 | 1,000,000 | 199,850,568 | 1,600,024 | 1,197,497 | 719,839 | - | 204,367,928 |
| Total comprehensive (loss)/income for 2018/19 | - | (19,891,283) | 103,306 | - | 2,650 | - | (19,785,327) |
| Balance at 31 March 2019 | <u>1,000,000</u> | <u>179,959,285</u> | <u>1,703,330</u> | <u>1,197,497</u> | <u>722,489</u> | <u>-</u> | <u>184,582,601</u> |

The accompanying notes 1 to 14 form part of these financial statements.

POLICE WELFARE FUND

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2019

| | Note | 2019 HK\$ | 2018 HK\$ |
|---|------|--------------|--------------|
| Cash flows from operating activities | | | |
| Operating (deficit)/surplus from: | | | |
| General Fund | | (19,891,283) | 19,321,354 |
| Police Band Fund | | 103,306 | 205,255 |
| Music Bursary Fund | | 2,650 | 17,765 |
| Further Education Fund | | - | (1,745,000) |
| | | (19,785,327) | 17,799,374 |
| Exchange loss/(gain) | | 1,517,965 | (2,146,412) |
| Interest income from fixed deposits | | (3,410,705) | (2,732,148) |
| Decrease in inventories | | 1,547 | 2,833 |
| Decrease in loans receivable | | 29,000 | 4,000 |
| Increase in receivables, sundry debtors, prepayments and others | | (309,565) | (1,781,842) |
| (Decrease)/Increase in sundry creditors, deferred revenue and deposits received | | (577,443) | 1,415,928 |
| Net cash (used in)/from operating activities | | (22,534,528) | 12,561,733 |
| Cash flows from investing activities | | | |
| Net decrease/(increase) in bank deposits | | 18,464,707 | (3,515,019) |
| Interest received from fixed deposits | | 2,784,732 | 2,735,989 |
| Net cash from/(used in) investing activities | | 21,249,439 | (779,030) |
| Net (decrease)/increase in cash and cash equivalents | | (1,285,089) | 11,782,703 |
| Cash and cash equivalents at beginning of year | | 27,041,788 | 15,259,085 |
| Cash and cash equivalents at end of year | 5 | 25,756,699 | 27,041,788 |

The accompanying notes 1 to 14 form part of these financial statements.

POLICE WELFARE FUND
NOTES TO THE FINANCIAL STATEMENTS

1. General information

The Police Welfare Fund (the Fund) was established mainly for providing and maintaining amenities for the use and enjoyment of, and making loans, grants, allowances and gifts to beneficiaries including police officers, civilian officers and any other persons as specified in section 39 of the Police Force Ordinance (Cap. 232). The address of the Fund's principal place of business is Police Headquarters, No. 1 Arsenal Street, Wan Chai, Hong Kong.

2. Significant accounting policies

(a) Statement of compliance

The financial statements of the Fund have been prepared in accordance with section 10(1)(b) of the Police Force (Welfare Fund) Regulation (Cap. 232 sub. leg. C) and all applicable Hong Kong Financial Reporting Standards (HKFRSs) issued by the Hong Kong Institute of Certified Public Accountants (HKICPA).

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Fund. Note 2(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Fund for the current and prior accounting periods reflected in these financial statements.

(b) Basis of preparation

The financial statements have been prepared on an accrual basis and under the historical cost convention.

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenditure. The estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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

(c) Changes in accounting policies

The HKICPA has issued a number of new HKFRSs and amendments to HKFRSs that are first effective for the current accounting period of the Fund. Of these, the Fund has adopted the requirements of HKFRS 9 "Financial Instruments" and HKFRS 15 "Revenue from Contracts with Customers" from 1 April 2018.

(i) HKFRS 9 "Financial Instruments"

HKFRS 9 replaces Hong Kong Accounting Standard (HKAS) 39 "Financial Instruments: Recognition and Measurement". It sets out the requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items.

The Fund has applied HKFRS 9 retrospectively to items that existed as at 1 April 2018 in accordance with the transition requirements without restating comparative information (i.e. the comparative information continues to be reported under HKAS 39). The carrying amounts of the items as at 1 April 2018 have not been impacted by the initial application of HKFRS 9.

Further details of the nature and effect of the changes to previous accounting policies are set out below:

a. Classification of financial assets and financial liabilities

HKFRS 9 categorises financial assets into three principal classification categories: measured at (i) amortised cost; (ii) at fair value through other comprehensive income; and (iii) at fair value through profit or loss. These supersede HKAS 39's categories of held-to-maturity investments, loans and receivables, available-for-sale financial assets and financial assets at fair value through profit or loss. The classification of financial assets under HKFRS 9 is based on the business model under which the financial asset is managed and its contractual cash flow characteristics.

The Fund's financial assets, comprising loans receivable, receivables, sundry debtors, deposits with banks and cash and cash equivalents, were previously classified as loans and receivables carried at amortised cost under HKAS 39. These were reclassified to financial assets measured at amortised cost under HKFRS 9. The carrying amounts at 31 March 2018 were the same as those at 1 April 2018.

The measurement categories for all financial liabilities remain the same. The carrying amounts for all financial liabilities at 1 April 2018 have not been impacted by the initial application of HKFRS 9.

b. Credit losses and impairment

HKFRS 9 replaces the "incurred loss" model in HKAS 39 with the "expected credit loss" model. The expected credit loss model requires an ongoing measurement of credit risk associated with a financial asset and therefore recognises expected credit losses earlier than under the "incurred loss" accounting model in HKAS 39. The Fund applies the new expected credit loss model to the financial assets measured at amortised cost. The initial application of the new impairment requirements had no impact on the carrying amounts of the financial assets at 1 April 2018.

(ii) HKFRS 15 "Revenue from Contracts with Customers"

HKFRS 15 establishes a comprehensive framework for recognising revenue and some costs from contracts with customers, replacing HKAS 18 "Revenue" and HKAS 11 "Construction Contracts". HKFRS 15 also introduces additional disclosure requirements which aim to enable users of the financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

In accordance with the transition requirements, the Fund has elected to apply HKFRS 15 retrospectively only to contracts that were not completed before 1 April 2018 without restating comparative information. The initial application of HKFRS 15 has not impacted the carrying amounts of any items as at 1 April 2018.

The accounting policies for revenue adopted under HKFRS 15 (note 2(f)(i)) have not affected the amounts of any items in the year ended 31 March 2019 compared to the previous accounting policies.

(d) Financial assets and financial liabilities

(i) Initial recognition

Financial assets and financial liabilities are recognised on the date the Fund becomes party to the contractual provisions of the financial instruments. They are initially stated at fair value plus or minus transaction costs that are directly attributable to the acquisition of financial assets or issue of financial liabilities.

(ii) Categorisation and subsequent measurement from 1 April 2018

Financial assets measured at amortised cost

These comprise loans receivable, receivables, sundry debtors, deposits with banks and cash and cash equivalents. They are held for the collection of contractual cash flows which represent solely payments of principal and interest. They are subsequently measured at amortised cost, net of loss allowance, if any (note 2(d)(v)).

Financial liabilities measured at amortised cost

These comprise sundry creditors and deposits received. They are subsequently measured at amortised cost.

(iii) Categorisation and subsequent measurement before 1 April 2018

The Fund's financial assets and financial liabilities included loans receivable, sundry debtors, deposits with banks, cash and cash equivalents, sundry creditors and deposits received. They were initially measured at fair value plus or minus transaction costs that were directly attributable to the acquisition of financial assets or issue of financial liabilities. Financial assets were subsequently measured at amortised cost using the effective interest method, less impairment loss, if any (note 2(d)(vi)). Financial liabilities were subsequently measured at amortised cost using the effective interest method.

(iv) Derecognition

A financial asset is derecognised when the contractual rights to receive the cash flows from the financial asset expire, or where the financial asset together with substantially all the risks and rewards of ownership have been transferred.

A financial liability is derecognised when the obligation specified in the contract is discharged, is cancelled or expires.

(v) Impairment of financial assets from 1 April 2018

For loans receivable, receivables, sundry debtors, deposits with banks and cash and cash equivalents, the Fund measures the expected credit losses to determine the loss allowance required to be recognised.

Expected credit losses are a probability-weighted estimate of credit losses. They are based on the difference between the contractual cash flows due in accordance with the contract and the cash flows that the Fund expects to receive, discounted at the effective interest rate. They are measured on either of the following bases:

- 12-month expected credit losses (for financial instruments for which there has not been a significant increase in credit risk since initial recognition): these are losses that are expected to result from possible default events within the 12 months after the reporting date; or
- lifetime expected credit losses (for financial instruments for which there has been a significant increase in credit risk since initial recognition): these are losses that are expected to result from all possible default events over the expected life of the financial instrument.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Fund compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this assessment, the Fund considers that a default event occurs when (i) the borrower is unlikely to pay its credit obligations to the Fund in full; or (ii) the financial asset is 90 days past due. The Fund considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(vi) Impairment of financial assets before 1 April 2018

The Fund assessed at each reporting date whether there was objective evidence that a financial asset was impaired. The impairment loss was recognised in the income and expenditure account.

(e) Inventories

- (i) Inventories consist of the Police Band 55th Anniversary Commemorative Postal Covers and the 170th Anniversary DVDs and Blu-ray discs.
- (ii) Inventories are valued on a first-in-first-out basis. The inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated selling expenses.

(f) Revenue recognition

- (i) From 1 April 2018, after the adoption of HKFRS 15 "Revenue from Contracts with Customers" (note 2(c)(ii)), the Fund recognises revenue from contracts with customers when it satisfies a performance obligation by transferring a promised service to a customer, at the amount of consideration to which the Fund expects to be entitled in exchange for the service. Prior to 1 April 2018, such revenue was recognised upon provision of services.
- (ii) Donation income is recognised once cash is received and the approval for acceptance is obtained.
- (iii) Interest income is recognised as it accrues using the effective interest method.
- (iv) Government grant is recognised when there is a reasonable assurance that the Fund will comply with the conditions attaching to it and that the grant will be received. Government grant is recognised in the income and expenditure account over the period necessary to match it with the costs it is intended to compensate.

(g) Deferred revenue

If a customer pays consideration, or the Fund has an unconditional right to consideration, before the Fund transfers a service to the customer, the Fund recognises its contract liability as deferred revenue. The Fund derecognises the deferred revenue and recognises revenue when the Fund transfers the service and, therefore, satisfies its performance obligation.

(h) Foreign currency translation

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

(i) Cash and cash equivalents

Cash and cash equivalents include cash at bank and deposits with banks with original maturities of three months or less from the date of placement.

3. Loans receivable

| | 2019 | 2018 |
|-------------------------------------|---------------|---------------|
| | HK\$ | HK\$ |
| Balance at beginning of year | 59,000 | 63,000 |
| Loans made during the year | 30,000 | 110,000 |
| Repayments received during the year | (59,000) | (114,000) |
| Balance at end of year | <u>30,000</u> | <u>59,000</u> |
| Classified as : | | |
| Non-current asset | 12,000 | - |
| Current asset | 18,000 | 59,000 |
| | <u>30,000</u> | <u>59,000</u> |

As at 31 March 2019, there were no approved loans (2018: Nil) with payments effected after the reporting date.

4. Receivables, sundry debtors, prepayments and others

| | 2019 | 2018 |
|---------------------|------------------|------------------|
| | HK\$ | HK\$ |
| Receivables | | |
| Interest receivable | 2,243,785 | 1,643,867 |
| Accounts receivable | 1,623,163 | 1,552,888 |
| | 3,866,948 | 3,196,755 |
| Sundry debtors | 114,034 | 259,346 |
| Prepayments | 541,153 | 568,440 |
| Others | 4,285,469 | 3,873,580 |
| | <u>8,807,604</u> | <u>7,898,121</u> |

Accounts receivable are mainly service charges receivable relating to hire of police services and Police Band. The Fund did not have any contract assets at the reporting date (2018: Nil).

Others represents the costs of retirement souvenirs purchased but not yet allocated to eligible retiring officers at the reporting date.

5. Cash and cash equivalents

| | 2019 HK\$ | 2018 HK\$ |
|---------------------------|----------------------|----------------------|
| Deposit with the Treasury | 25,564,878 | 22,991,567 |
| Cash at bank | 191,821 | 2,850,221 |
| Cash in hand | - | 1,200,000 |
| | <u>25,756,699</u> | <u>27,041,788</u> |

6. Sundry creditors, deferred revenue and deposits received

| | 2019 HK\$ | 2018 HK\$ |
|-----------------------------------|----------------------|----------------------|
| Amount due to Police Band members | 124,588 | 524,789 |
| Sundry creditors | 5,964,691 | 6,107,648 |
| Deferred revenue | 105 | 43,026 |
| Deposits received | 109,922 | 101,286 |
| | <u>6,199,306</u> | <u>6,776,749</u> |

The Fund's obligations to provide services to customers for which the Fund has received advance payments from the customers are presented as deferred revenue in the balance sheet. The deferred revenue balance represents the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied at the reporting date. The Fund expects to recognise the deferred revenue as revenue within one year. No consideration from contracts with customers is not included in the transaction price.

Significant changes in the balances of deferred revenue during the year are shown below:

| | 2019 HK\$ | 2018 HK\$ |
|---|----------------------|----------------------|
| Decrease due to recognition as revenue during the year that was included in the balances of deferred revenue at beginning of year | (43,019) | (68,974) |
| Increase due to advance payments received during the year | 105 | 43,026 |

7. Capital account

A sum of HK\$1,000,000 was donated by the late Sir Shiu-kin TANG in honor of Mr. Roy HENRY's retirement in 1984-85. In accordance with the donor's wishes, this amount has to be deposited with bank and the income earned therefrom should be used for general welfare purposes.

8. Income

| | 2019 HK\$ | 2018 HK\$ |
|---|--------------|--------------|
| (a) General Fund | | |
| Donations | 6,567,012 | 30,685,927 |
| Government grant | 137,312 | 141,261 |
| Hire of police services | 8,416,360 | 9,315,312 |
| Hire of police holiday facilities | 12,705 | 41,300 |
| Interest income from fixed deposits | 3,392,723 | 2,720,003 |
| Commission on sale of souvenirs by contractor | 764,792 | 753,962 |
| Miscellaneous receipts | 17,836 | 3,825,037 |
| Commission from Staff Purchase Scheme contractor | 180,000 | 180,000 |
| Exchange gain | - | 2,146,412 |
| | 19,488,740 | 49,809,214 |
| (b) Police Band Fund | | |
| Hire of Police Band | 1,182,400 | 1,519,900 |
| Donation | - | 25,000 |
| | 1,182,400 | 1,544,900 |
| (c) Sir Shiu-kin TANG Donation Fund (1985) | | |
| Interest income from fixed deposit | 17,982 | 12,145 |
| (d) Music Bursary Fund | | |
| Sale of compact discs | 14,200 | 17,980 |
| (e) Further Education Fund | | |
| Donation | 500,000 | - |
| | 21,203,322 | 51,384,239 |

9. Expenditure

| | Note | 2019 HK\$ | 2018 HK\$ |
|---|------|--------------|--------------|
| (a) General Fund | | | |
| Formation welfare grants | 10 | 4,644,049 | 4,721,293 |
| Grants to Police Tactical Units | | 180,656 | 207,859 |
| Grants to various councils, associations, etc. | | 2,970,458 | 3,010,139 |
| Recurrent expenses on police holiday facilities | | 455,793 | 354,926 |
| Grants to police/civilian officers in hardship | | 6,514,390 | 7,219,613 |
| Refreshments for police officers on special duties | | 1,223,586 | 841,101 |
| Police sports activities expenses | | 1,034,299 | 761,152 |
| Staff relation expenses | | 9,162,816 | 7,108,201 |
| Grants on death of serving police/civilian officers or pensioners | | 2,143,700 | 2,396,850 |
| Summer scholarships for police officers' children | | 133,937 | 144,876 |
| Healthy Lifestyle Strategy Activities | | 5,496,333 | 2,581,592 |
| Seminars and Resettlement Training Courses | | 57,244 | 40,665 |
| Grants to junior police officers for further education | | 1,760,000 | 125,000 |
| Others | | 2,084,797 | 974,593 |
| Exchange loss | | 1,517,965 | - |
| | | 39,380,023 | 30,487,860 |

(b) Police Band Fund

| | 2019 HK\$ | 2018 HK\$ |
|---|----------------------|----------------------|
| Distribution of band fees | 770,040 | 991,363 |
| Purchase and repair of musical instruments | 244,237 | 281,593 |
| Royalties to Composers and Authors Society of Hong Kong Limited | 6,642 | 3,923 |
| Laundry expenses for bandsmen engaged in private functions | 2,457 | 2,205 |
| Miscellaneous expenses | 37,981 | 42,719 |
| Entertainment expenses | 17,737 | 17,842 |
| | 1,079,094 | 1,339,645 |

(c) Sir Shiu-kin TANG Donation Fund (1985)

| | | |
|--------------------------|--------|--------|
| General welfare expenses | 17,982 | 12,145 |
|--------------------------|--------|--------|

(d) Music Bursary Fund

| | | |
|-------------------------------|--------|-----|
| Expenses on training bandsmen | 11,550 | - |
| Miscellaneous expenses | - | 215 |
| | 11,550 | 215 |

(e) Further Education Fund

| | | |
|---|------------|------------|
| Further education grants to police officers | 500,000 | 1,745,000 |
| | 40,988,649 | 33,584,865 |

10. Formation welfare grants

All formation welfare grants distributed to the Formations are charged to the income and expenditure account of the Fund in the year of distribution. As at the reporting date, the accumulated surplus grants held by the Formations were as follows:

| | Note | 2019 HK\$ | 2018 HK\$ |
|---------------------------------|------|---------------------|---------------------|
| Balance at beginning of year | | 327,765 | 209,387 |
| Grants received during the year | 9 | 4,644,049 | 4,721,293 |
| | | <hr/> 4,971,814 | <hr/> 4,930,680 |
| Expenses paid during the year | | (4,617,962) | (4,602,915) |
| | | <hr/> (4,617,962) | <hr/> (4,602,915) |
| Balance at end of year | | <hr/> <hr/> 353,852 | <hr/> <hr/> 327,765 |

11. Financial risk management

The Fund's major financial instruments include loans receivable, accounts receivable, sundry debtors, deposits with banks, cash and cash equivalents and sundry creditors. The major risks associated with these 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.

For loans receivable, the Fund closely monitors the granting of credit and the repayment of loans. There were no loan repayments past due as at 31 March 2019 (2018: Nil).

For deposits with banks and cash at bank, the Fund limits its exposure to credit risk by transacting with well established banks with high credit ratings. The credit risk in respect of deposit with the Treasury is considered minimal.

The credit quality of bank balances, analysed by the ratings designated by Moody's, at the reporting date is shown below:

| | 2019 HK\$ | 2018 HK\$ |
|--|----------------------------|----------------------------|
| Deposits with banks and cash at bank, by credit rating | | |
| Aa1 to Aa3 | 67,221,194 | 125,618,152 |
| A1 to A3 | 89,037,048 | 53,255,107 |
| | <hr/> 156,258,242 <hr/> | <hr/> 178,873,259 <hr/> |

The credit risk on these financial instruments is assessed as not having increased significantly since initial recognition and the Fund determines the loss allowance required to be recognised based on 12-month expected credit losses. The Fund has estimated that 12-month expected credit losses on these financial instruments are immaterial and considers that no loss allowance is required.

For accounts receivable and sundry debtors, the Fund believes that there is no material credit risk inherent in the Fund's outstanding balance because the counterparties have no history of default in the past. The expected credit losses of these financial assets were minimal.

The maximum exposure to credit risk of the financial assets of the Fund is equal to their carrying amounts at the reporting date.

(b) Interest rate risk

Interest rate risk is the risk of loss arising from changes in market interest rates. This can be further classified into fair value interest rate risk and cash flow interest rate risk. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. Since the Fund's bank deposits bear interest at fixed rates, their fair value will fall when market interest rates increase. However, as they are stated at amortised cost, changes in market interest rates will not affect their carrying amounts and the Fund's total comprehensive loss and equity.

Cash flow interest rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Fund is not exposed to material cash flow interest rate risk because it has no major financial instruments bearing interest at a floating rate.

(c) Currency risk

As at the reporting date, the Fund maintained financial assets denominated in Renminbi totalling CNY19,371,569 (2018: CNY18,687,822).

It is estimated that, if the Renminbi strengthens/weakens by 5% (2018: 5%) against the Hong Kong dollar as at the reporting date, with all other variables being held constant, the total comprehensive loss for the year would decrease/increase by HK\$1,128,000 and equity would increase/decrease by HK\$1,128,000 (2018: the total comprehensive income for the year and equity would increase/decrease by HK\$1,164,000).

The sensitivity analysis above has been determined assuming that the change in foreign exchange rate had occurred at the reporting date and for financial instruments in existence at that date. The 5% (2018: 5%) strengthening/weakening in Renminbi represents the assessment by the Fund of a reasonably possible change in foreign exchange rate over the period until the end of next year.

(d) Liquidity risk

Liquidity risk is the risk that the Fund may not have sufficient funds available to meet its obligations as they fall due. The Fund maintains a level of cash and cash equivalents that is considered adequate to finance its operations and mitigate the effect of fluctuations in cash flows. Hence, the Fund does not have significant exposure to liquidity risk.

As at the reporting date, the remaining contractual maturities of all financial liabilities, based on contractual undiscounted cash flows and the earliest date on which the Fund can be required to pay, were three months or less (2018: three months or less).

12. Capital management

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

- (a) to comply with the Police Force Ordinance and the Police Force (Welfare Fund) Regulation; and
- (b) to maintain a capital base for carrying out the purposes of the Fund as stated in note 1 above.

The Fund manages capital to ensure that its level is sufficient to fund future loan payments and expenditure, taking into account its projected cash flow requirements, future financial obligations and commitments.

13. Fair values of financial assets and liabilities

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

14. Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 March 2019

Up to the date of issue of the financial statements, the HKICPA has issued a number of amendments, new standards and interpretations which are not yet effective for the year ended 31 March 2019 and which have not been early adopted in the financial statements. The Fund is in the process of making an assessment of the impact expected of these amendments, new standards and interpretations in the period of initial application. So far, it has concluded that the adoption of them is unlikely to have a significant impact on the Fund's financial performance and financial position.

警察福利基金

截至二零一九年三月三十一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

獨立審計報告 致立法會

意見

茲證明我已審計列載於第4至20頁警察福利基金的財務報表，該等財務報表包括於二零一九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、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福利基金於二零一九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及現金流量，並已按照《警隊（福利基金）規例》（第232章，附屬法例C）第10(1)(b)條妥為擬備。

意見的基礎

我已按照《警隊(福利基金)規例》第11(3)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*」部份。根據該等準則，我獨立於警察福利基金，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。

警務處處長法團就財務報表而須承擔的責任

警務處處長法團須負責按照香港會計師公會頒布的《香港財務報告準則》及《警隊（福利基金）規例》第10(1)(b)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，以使財務報表不存有由於欺詐

或錯誤而導致的重大錯誤陳述。

在擬備財務報表時，警務處處長法團須負責評估警察福利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。我並會：

- 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福利基金內部控制的有效性發表意見；
- 評價警務處處長法團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；
- 判定警務處處長法團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，而且可能對警察福利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福利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)

二零一九年九月二十六日

審計署
香港灣仔
告士打道 7 號
入境事務大樓 26 樓

警察福利基金
二零一九年三月三十一日資產負債表

| | 附註 | 2019 港元 | 2018 港元 |
|--------------------|-------|--------------------|--------------------|
| 非流動資產 | | | |
| 應收貸款 | 3 | 12,000 | - |
| 流動資產 | | | |
| 存貨 | 2 (e) | 121,183 | 122,730 |
| 應收貸款 | 3 | 18,000 | 59,000 |
| 應收款項、雜項債務人、預付款項及其他 | 4 | 8,807,604 | 7,898,121 |
| 銀行定期存款 | | 156,066,421 | 176,023,038 |
| 現金及等同現金項目 | 5 | 25,756,699 | 27,041,788 |
| | | 190,769,907 | 211,144,677 |
| 流動負債 | | | |
| 雜項債權人、遞延收入及已收按金 | 6 | (6,199,306) | (6,776,749) |
| 流動資產淨值 | | <u>184,570,601</u> | <u>204,367,928</u> |
| 資產淨值 | | <u>184,582,601</u> | <u>204,367,928</u> |
| 資本帳戶 | | | |
| 鄧肇堅爵士捐款基金 (1985年) | 7 | 1,000,000 | 1,000,000 |
| 累積基金 | | | |
| 一般儲備金 | | 179,959,285 | 199,850,568 |
| 警察樂隊基金 | | 1,703,330 | 1,600,024 |
| 鄧肇堅爵士捐款基金 (1985年) | | 1,197,497 | 1,197,497 |
| 音樂助學基金 | | 722,489 | 719,839 |
| 持續進修基金 | | - | - |
| | | 183,582,601 | 203,367,928 |
| 權益總額 | | <u>184,582,601</u> | <u>204,367,928</u> |

隨附附註1至14為本財務報表的一部分。

(盧偉聰)
警務處處長法團
二零一九年九月二十六日

警察福利基金

截至二零一九年三月三十一日止年度收支帳目

| | 附註 | 一般儲備金 | 警察樂隊 基金 | 鄧肇堅爵士 捐款基金 (1985年) | 音樂助學 基金 | 持續進修 基金 | 總額 |
|-------------------|----|--------------|-------------|--------------------------|------------|-------------|--------------|
| | | 港元 | 港元 | 港元 | 港元 | 港元 | 港元 |
| 2019 | | | | | | | |
| 收入 | 8 | 19,488,740 | 1,182,400 | 17,982 | 14,200 | 500,000 | 21,203,322 |
| 支出 | 9 | (39,380,023) | (1,079,094) | (17,982) | (11,550) | (500,000) | (40,988,649) |
| 年度(虧絀)/盈餘 | | (19,891,283) | 103,306 | - | 2,650 | - | (19,785,327) |
| 其他全面收益 | | - | - | - | - | - | - |
| 年度全面(虧損)/ 收益總額 | | (19,891,283) | 103,306 | - | 2,650 | - | (19,785,327) |
| 2018 | | | | | | | |
| 收入 | 8 | 49,809,214 | 1,544,900 | 12,145 | 17,980 | - | 51,384,239 |
| 支出 | 9 | (30,487,860) | (1,339,645) | (12,145) | (215) | (1,745,000) | (33,584,865) |
| 年度盈餘/(虧絀) | | 19,321,354 | 205,255 | - | 17,765 | (1,745,000) | 17,799,374 |
| 其他全面收益 | | - | - | - | - | - | - |
| 年度全面收益/ (虧損)總額 | | 19,321,354 | 205,255 | - | 17,765 | (1,745,000) | 17,799,374 |

隨附附註1至14為本財務報表的一部分。

警察福利基金

截至二零一九年三月三十一日止年度權益變動表

| | 資本帳戶 | | | 累積基金 | | | 總額 |
|--------------------------|--------------------------|--------------------|------------------|--------------------------|----------------|-------------|--------------------|
| | 鄧肇堅爵士 捐款基金 (1985年) | 一般儲備金 | 警察樂隊 基金 | 鄧肇堅爵士 捐款基金 (1985年) | 音樂助學 基金 | 持續進修 基金 | |
| | 港元 | 港元 | 港元 | 港元 | 港元 | 港元 | 港元 |
| 2017年4月1日結餘 | 1,000,000 | 180,529,214 | 1,394,769 | 1,197,497 | 702,074 | 1,745,000 | 186,568,554 |
| 2017/18年度全面收益/ (虧損)總額 | - | 19,321,354 | 205,255 | - | 17,765 | (1,745,000) | 17,799,374 |
| 2018年3月31日結餘 | 1,000,000 | 199,850,568 | 1,600,024 | 1,197,497 | 719,839 | - | 204,367,928 |
| 2018/19年度全面(虧損)/ 收益總額 | - | (19,891,283) | 103,306 | - | 2,650 | - | (19,785,327) |
| 2019年3月31日結餘 | <u>1,000,000</u> | <u>179,959,285</u> | <u>1,703,330</u> | <u>1,197,497</u> | <u>722,489</u> | <u>-</u> | <u>184,582,601</u> |

隨附附註1至14為本財務報表的一部分。

警察福利基金

截至二零一九年三月三十一日止年度現金流量表

| | 附註 | 2019 港元 | 2018 港元 |
|---------------------------|----------|---------------------|-------------------|
| 營運活動的現金流量 | | | |
| 營運(虧絀)/盈餘來自： | | | |
| 一般儲備金 | | (19,891,283) | 19,321,354 |
| 警察樂隊基金 | | 103,306 | 205,255 |
| 音樂助學基金 | | 2,650 | 17,765 |
| 持續進修基金 | | - | (1,745,000) |
| | | (19,785,327) | 17,799,374 |
| 兌換虧損/(收益) | | 1,517,965 | (2,146,412) |
| 定期存款利息收入 | | (3,410,705) | (2,732,148) |
| 存貨減少 | | 1,547 | 2,833 |
| 應收貸款減少 | | 29,000 | 4,000 |
| 應收款項、雜項債務人、預付款項及其他增加 | | (309,565) | (1,781,842) |
| 雜項債權人、遞延收入及已收按金(減少)/增加 | | (577,443) | 1,415,928 |
| 營運活動(所用)/所得的現金淨額 | | <u>(22,534,528)</u> | <u>12,561,733</u> |
| 投資活動的現金流量 | | | |
| 銀行定期存款減少/(增加)淨額 | | 18,464,707 | (3,515,019) |
| 定期存款已收利息 | | 2,784,732 | 2,735,989 |
| 投資活動所得/(所用)的現金淨額 | | <u>21,249,439</u> | <u>(779,030)</u> |
| 現金及等同現金項目(減少)/增加淨額 | | (1,285,089) | 11,782,703 |
| 年初的現金及等同現金項目 | | 27,041,788 | 15,259,085 |
| 年終的現金及等同現金項目 | 5 | <u>25,756,699</u> | <u>27,041,788</u> |

隨附附註1至14為本財務報表的一部分。

警察福利基金 財務報表附註

1. 一般資料

設立警察福利基金(基金)的目的，主要是向受益人(包括《警隊條例》(第232章)第39條所指明的警務人員、文職人員及其他人士)提供和維持設施以供他們享用，並為他們提供貸款、補助金、津貼及饋贈。基金的主要業務地址為香港灣仔軍器廠街1號警察總部。

2. 主要會計政策

(a) 符合準則聲明

基金財務報表是按照《警隊(福利基金)規例》(附屬法例第232C章)第10(1)(b)條和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。

香港會計師公會頒布了若干新增及經修訂的《香港財務報告準則》，並於本會計期首次生效或可供提前採納。基金因首度採納其中適用的準則而引致在本財務報表反映的本會計期及前會計期的會計政策的改變，載於附註 2 (c)。

(b) 擬備基準

本財務報表是按照應計記帳方式及歷史成本法擬備。

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其他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被不斷檢討修訂。如修訂只影響本會計期，會在作出修訂的期內確認。但如影響本期及未來的會計期，有關修訂便會在該期及未來期間內確認。

基金在採納會計政策方面並不涉及任何關鍵的會計判斷。無論現時對未來作出的假設，或在報告日估計過程中所存在的不明朗因素，皆不足以構成重大風險，導致資產和負債的帳面金額在來年大幅修訂。

(c) 會計政策改變

香港會計師公會頒布了若干新增或經修訂的《香港財務報告準則》，並於本會計期生效。就此，基金自二零一八年四月一日起已採納《香港財務報告準則》第9號「金融工具」及《香港財務報告準則》第15號「來自客戶合約之收入」的規定。

(i) 《香港財務報告準則》第9號「金融工具」

《香港財務報告準則》第9號取代了《香港會計準則》第39號「金融工具：確認及計量」。該準則規定了金融資產、金融負債及一些買賣非金融項目的合約的確認及計量方法。

基金已根據《香港財務報告準則》第9號之過渡性條款就存在於二零一八年四月一日的項目上追溯採納《香港財務報告準則》第9號，而比較資料沒有重列(即比較資料繼續按照《香港會計準則》第39號報告)。首次採納《香港財務報告準則》第9號對二零一八年四月一日的項目的帳面值並無影響。

對先前的會計政策改變的性質及影響的進一步詳情載列如下：

a. 金融資產和金融負債的分類

《香港財務報告準則》第9號將金融資產分為三個類別：(i) 按攤銷成本值計量；(ii) 按公平值計入其他全面收益；及 (iii) 按公平值計入損益帳。這取代了《香港會計準則》第39號的分類，即持至期滿的投資、貸款及應收帳款、可供出售金融資產及按公平值計入損益帳的金融資產。根據《香港財務報告準則》第9號，按管理金融資產的業務模式及有關資產的合約現金流量特質為金融資產作分類。

基金的金融資產，包括應收貸款、應收款項、雜項債務人、銀行存款及現金及等同現金項目，先前根據《香港會計準則》第39號歸入貸款及應收款項按攤銷成本值列帳。這些資產根據《香港會計準則》第39號被重新分類為按攤銷成本值計量的金融資產。二零一八年三月三十一日的帳面值與二零一八年四月一日的帳面值相同。

所有金融債務的計量類別保持不變。所有金融債務於二零一八年四月一日的帳面值不受首次採納《香港財務報告準則》第9號影響。

b. 信用虧損及減值

《香港財務報告準則》第9號的「預期信用虧損」模型取代了《香港會計準則》第39號的「已產生虧損」模型。預期信用虧損模型要求對金融資產的信貸風險進行持續計量，因此較《香港會計準則》第39號的「已產生虧損」會計模型更早確認預期信用虧損。基金就按攤銷成本值計量的金融資產採用了新的預期信用虧損模型。首次採用新的減值規定對金融資產於二零一八年四月一日的帳面值沒有影響。

(ii) 《香港財務報告準則》第15號「來自客戶合約之收入」

《香港財務報告準則》第15號取代《香港會計準則》第18號「收入」和《香港會計準則》第11號「建築合約」，就源於客戶合約的收入和一些成本的確認事宜，確立全面的架構。《香港財務報告準則》第15號並引入額外的披露規定，旨在讓財務報表的使用者了解源於客戶合約的收入和現金流量的性質、金額、時間和不確性。

基金已根據過渡規定，選擇只就二零一八年四月一日前未完成的合約追溯採納《香港財務報告準則》第15號，而且不會重列比較資料。首次採納《香港財務報告》準則第15號並沒有對任何項目於二零一八年四月一日的帳面值造成影響。

相較於先前的會計政策，截至二零一九年三月三十一日止年度的任何項目，其金額均沒有受根據《香港財務報告準則》第15號而採納的收入會計政策(附註2(f)(i))所影響。

(d) 金融資產及金融負債

(i) 初始確認

基金在成為金融工具的合約其中一方之日確認有關金融資產及金融負債。於初始確認時，金融資產及金融負債按公平值計量，再加上或減去因收購該等金融資產或發行該等金融負債而直接引致的交易成本。

(ii) 由二零一八年四月一日起的分類及其後計量

按攤銷成本值計量的金融資產

該等類別包括應收貸款、應收款項、雜項債務人、銀行存款及現金及等同現金項目。該類資產旨在收取合約現金流量，即只包括所支付的本金及利息。其後按攤銷成本值扣除任何虧損準備計量(附註2(d)(v))。

按攤銷成本值計量的金融負債

該等類別包括雜項債權人及已收按金。其後按攤銷成本值計量。

(iii) 二零一八年四月一日之前的分類及其後計量

基金的金融資產及金融負債包括應收貸款、雜項債務人、銀行存款、現金及等同現金項目、雜項債權人及已收按金。它們初始按公平值加上或減去因收購該等金融資產或發行該等金融負債而直接引致的交易成本計量。金融資產其後採用實際利率法，於扣除減值損失（如有）後按攤銷成本值計量（附註2(d)(vi)）。金融負債其後採用實際利率法，按攤銷成本值計量。

(iv) 註銷確認

當從金融資產收取現金流量的合約權利屆滿時，或該金融資產連同擁有權的絕大部分風險及回報已轉讓時，該金融資產會被註銷確認。

當合約指明的債務被解除、取消或到期時，該金融負債會被註銷確認。

(v) 由二零一八年四月一日起的金融資產減值

對於應收貸款、應收款項、雜項債務人、銀行存款、現金及等同現金項目，基金計算預期信用虧損來決定須確認的虧損準備。

預期信用虧損是經概率加權估計的信用虧損。信用虧損為按照合約應付予基金的現金流量與基金預期會收到的現金流量兩者間的差距，並以折現方式按實際利率計算。預期信用虧損是根據以下其中一種基礎計量：

- 12個月預期信用虧損(自初始確認以來，金融工具的信用風險並無大幅增加)：在報告日後12個月內可能發生的違約事件引致的預期信用虧損；或
- 永久預期信用虧損(自初始確認以來，金融工具的信用風險大幅增加)：金融工具的預期有效期內所有可能出現的違約事件引致的預期信用虧損。

交易應收帳款的虧損準備一直按相等於永久預期信用虧損的金額計量。

基金藉比較金融工具於報告日及於初始確認日的違約風險，以評估金融工具的信用風險有否大幅增加。為此，基金認為以下為違約事件：(i) 當借款人不太多可能向基金全數支付其信貸承擔；或(ii) 金融資產已逾期90日。基金在合理的投放下考慮合理及可靠的數量及質量資料，包括過往經驗及具前瞻性的資料。若按合理預期下無法收回合約現金流量，金融資產將被撇銷。

(vi) 二零一八年四月一日之前的金融資產減值

基金在每個報告日評估是否有客觀證據證明某項金融資產已減值。減值損失在收支帳目內確認入帳。

(e) 存貨

- (i) 存貨包括警察樂隊五十五周年紀念郵套及警隊一百七十周年數碼影音光碟及藍光光碟。
- (ii) 存貨的價值以先入先出法計算。存貨按成本及可變現淨值兩者中較低者入帳，而可變現淨值是根據在正常業務中存貨的估計銷售價減去估計銷售開支而得出。

(f) 收入確認

- (i) 經採納《香港財務報告準則》第15號「來自客戶合約之收入」後(附註 2c(ii))，基金由二零一八年四月一日起，會在向客戶移轉所承諾的服務以履行其履約責任時，按基金預期就交換該項服務所應得代價的金額，確認客戶合約的收入。在二零一八年四月一日前，收入會在提供服務時予以確認。
- (ii) 捐款收入在收到現金並獲准接納後確認入帳。
- (iii) 利息收入是採用實際利率法按應計金額確認入帳。
- (iv) 如有合理保證證明基金會履行政府補助金的附帶條件及會收到有關補助，政府補助金會確認為收入。該政府補助金與擬作補償的費用配合，並於相關期間內，在收支帳目確認入帳。

(g) 遞延收入

在基金移轉服務予客戶前，若客戶支付代價，或基金具有無條件限制的代價收款權，基金會將其合約負債確認為遞延收入。基金在移轉服務以履行其履約責任時，會註銷確認遞延收入，並就收入加以確認。

(h) 外幣換算

港元為基金主要經濟營運環境的貨幣。年內的外幣交易按交易日的匯率換算為港元。而以外幣為單位的貨幣資產及負債金額則按報告日的匯率折算為港元。所有匯兌損益均在收支帳目內入帳。

(i) 現金及等同現金項目

現金及等同現金項目包括銀行現金及由存入日至原到期日為三個月或以下的銀行存款。

3. 應收貸款

| | 2019 港元 | 2018 港元 |
|---------|------------|------------|
| 年初結餘 | 59,000 | 63,000 |
| 年度內借出貸款 | 30,000 | 110,000 |
| 年度內收到還款 | (59,000) | (114,000) |
| 年終結餘 | 30,000 | 59,000 |
| 分類為： | | |
| 非流動資產 | 12,000 | - |
| 流動資產 | 18,000 | 59,000 |
| | 30,000 | 59,000 |

在2019年3月31日，並無已批核而於報告日後支付的貸款 (2018年：沒有)。

4. 應收款項、雜項債務人、預付款項及其他

| | 2019 港元 | 2018 港元 |
|-------|------------|------------|
| 應收款項 | | |
| 應收利息 | 2,243,785 | 1,643,867 |
| 應收帳款 | 1,623,163 | 1,552,888 |
| | 3,866,948 | 3,196,755 |
| 雜項債務人 | 114,034 | 259,346 |
| 預付款項 | 541,153 | 568,440 |
| 其他 | 4,285,469 | 3,873,580 |
| | 8,807,604 | 7,898,121 |

應收帳款主要是指僱用警察服務及警察樂隊的應收費用。基金在報告日並無任何合約資產 (2018年：沒有)。

其他是指在報告日已購買但尚未分發予合資格退休人員的退休紀念品的成本。

5. 現金及等同現金項目

| | 2019 港元 | 2018 港元 |
|-------|-------------------|-------------------|
| 庫務署存款 | 25,564,878 | 22,991,567 |
| 銀行現金 | 191,821 | 2,850,221 |
| 手頭現金 | - | 1,200,000 |
| | <u>25,756,699</u> | <u>27,041,788</u> |

6. 雜項債權人、遞延收入及已收按金

| | 2019 港元 | 2018 港元 |
|-------------|------------------|------------------|
| 應付予警察樂隊成員金額 | 124,588 | 524,789 |
| 雜項債權人 | 5,964,691 | 6,107,648 |
| 遞延收入 | 105 | 43,026 |
| 已收按金 | 109,922 | 101,286 |
| | <u>6,199,306</u> | <u>6,776,749</u> |

基金在收取客戶預繳的費用後向客戶提供服務的責任，會於資產負債表中以遞延收入的形式列出。遞延收入結餘即因應在報告日仍未履行的履約責任而從交易價格中分攤的款項總額。基金預料遞延收入會於一年內獲確認為收入。沒有任何與客戶之間的合約報酬未納入交易價格。

年內遞延收入結餘的重大變動開列如下：

| | 2019 港元 | 2018 港元 |
|-------------------------|------------|------------|
| 因年初結餘中的遞延收入於年內獲確認為收入而減少 | (43,019) | (68,974) |
| 因年內收取預繳費用而增加 | 105 | 43,026 |

7. 資本帳戶

已故鄧肇堅爵士捐出100萬港元，向在1984-85年度退休的韓義理先生致敬。按照捐款人的意願，捐款必須存入銀行，而所得收益應用於一般福利用途。

8. 收入

| | 2019 港元 | 2018 港元 |
|-----------------------------|------------|------------|
| (a) 一般儲備金 | | |
| 捐款 | 6,567,012 | 30,685,927 |
| 政府補助金 | 137,312 | 141,261 |
| 僱用警察服務費用 | 8,416,360 | 9,315,312 |
| 警務人員度假設施租賃費用 | 12,705 | 41,300 |
| 定期存款利息收入 | 3,392,723 | 2,720,003 |
| 承辦商代售紀念品佣金 | 764,792 | 753,962 |
| 雜項收入 | 17,836 | 3,825,037 |
| 員工購物計劃承辦商佣金 | 180,000 | 180,000 |
| 兌換收益 | - | 2,146,412 |
| | 19,488,740 | 49,809,214 |
| (b) 警察樂隊基金 | | |
| 僱用警察樂隊費用 | 1,182,400 | 1,519,900 |
| 捐款 | - | 25,000 |
| | 1,182,400 | 1,544,900 |
| (c) 鄧肇堅爵士捐款基金(1985年) | | |
| 定期存款利息收入 | 17,982 | 12,145 |
| (d) 音樂助學基金 | | |
| 銷售光碟 | 14,200 | 17,980 |
| (e) 持續進修基金 | | |
| 捐款 | 500,000 | - |
| | 21,203,322 | 51,384,239 |

9. 支出

| | 附註 | 2019 港元 | 2018 港元 |
|---------------------|----|------------|------------|
| (a) 一般儲備金 | | | |
| 單位福利補助金 | 10 | 4,644,049 | 4,721,293 |
| 警察機動部隊補助金 | | 180,656 | 207,859 |
| 發給不同委員會、協會等的補助金 | | 2,970,458 | 3,010,139 |
| 警務人員度假設施經常開支 | | 455,793 | 354,926 |
| 發給陷入困境的警務/文職人員補助金 | | 6,514,390 | 7,219,613 |
| 擔任特殊職務警務人員茶點費用 | | 1,223,586 | 841,101 |
| 警隊體育活動開支 | | 1,034,299 | 761,152 |
| 員工關係開支 | | 9,162,816 | 7,108,201 |
| 在職警務/文職人員或退休人員去世補助金 | | 2,143,700 | 2,396,850 |
| 警務人員子女暑期獎學金 | | 133,937 | 144,876 |
| 健康生活策略活動 | | 5,496,333 | 2,581,592 |
| 講座及轉業訓練課程 | | 57,244 | 40,665 |
| 初級警務人員持續進修補助金 | | 1,760,000 | 125,000 |
| 其他 | | 2,084,797 | 974,593 |
| 兌換虧損 | | 1,517,965 | - |
| | | 39,380,023 | 30,487,860 |

(b) 警察樂隊基金

| | 2019 港元 | 2018 港元 |
|----------------------|--------------------|--------------------|
| 樂隊費用分配 | 770,040 | 991,363 |
| 購買和修理樂器 | 244,237 | 281,593 |
| 付予香港作曲家及作詞家協會有限公司版權稅 | 6,642 | 3,923 |
| 樂師受僱於私人聚會洗熨費用 | 2,457 | 2,205 |
| 雜項支出 | 37,981 | 42,719 |
| 酬酢開支 | 17,737 | 17,842 |
| | 1,079,094 | 1,339,645 |

(c) 鄧肇堅爵士捐款基金(1985年)

| | | |
|--------|--------|--------|
| 一般福利開支 | 17,982 | 12,145 |
|--------|--------|--------|

(d) 音樂助學基金

| | | |
|--------|--------|-----|
| 樂師培訓費用 | 11,550 | - |
| 雜項支出 | - | 215 |
| | 11,550 | 215 |

(e) 持續進修基金

| | | |
|-------------|------------|------------|
| 警務人員持續進修補助金 | 500,000 | 1,745,000 |
| | 40,988,649 | 33,584,865 |

10. 單位福利補助金

所有分發給單位的「單位福利補助金」均於分發年度在基金的收支帳目內確認入帳。在報告日，單位持有的補助金累計盈餘如下：

| | 附註 | 2019 港元 | 2018 港元 |
|-----------|----|-----------------------|-----------------------|
| 年初結餘 | | 327,765 | 209,387 |
| 年度內收到的補助金 | 9 | 4,644,049 | 4,721,293 |
| | | <u>4,971,814</u> | <u>4,930,680</u> |
| 年度內支付費用 | | (4,617,962) | (4,602,915) |
| 年終結餘 | | <u><u>353,852</u></u> | <u><u>327,765</u></u> |

11. 財務風險管理

基金的主要金融工具包括應收貸款、應收帳款、雜項債務人、銀行存款、現金及等同現金項目及雜項債權人。與這些金融工具有關的主要風險分述如下。

(a) 信貸風險

信貸風險指金融工具的其中一方因未能履行責任而引致另一方蒙受財務損失的風險。

在應收貸款方面，基金密切監察信貸批核及還款情況。在2019年3月31日，並無逾期未還的應收貸款 (2018年：沒有)。

在銀行存款及銀行現金方面，基金藉着與信貸評級優良的銀行進行交易，減低其信貸風險。庫務署存款的相關信貸風險極低。

銀行結存在報告日的信貸質素，按穆迪的評級分析如下：

| | 2019 港元 | 2018 港元 |
|-------------------|--------------------|--------------------|
| 按信貸評級列示銀行的存款及銀行現金 | | |
| Aa1 至 Aa3 | 67,221,194 | 125,618,152 |
| A1 至 A3 | 89,037,048 | 53,255,107 |
| | <u>156,258,242</u> | <u>178,873,259</u> |

上述金融工具的信貸風險被評為自初始確認以來並無大幅增加，基金以12個月的預期信用虧損計量虧損準備。基金估計此等金融工具12個月預期信用虧損並不重大，因此無須作虧損準備。

在應收帳款及雜項債務人方面，由於交易對方過往沒有違約記錄，基金相信應收餘額並無重大信貸風險。上述金融資產的預期信用虧損極低。

基金的金融資產所需承擔的最高信貸風險數額相當於其在報告日的帳面值。

(b) 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。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。由於基金的銀行存款按固定利率計息，當市場利率上升時，這些存款的公平值便會下跌。不過，這些存款均按攤銷成本值列示，市場利率變動不會影響其帳面值、基金的全面虧損總額和權益。

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。基金無須面對重大的現金流量利率風險，因為基金並沒有重大的浮息金融工具。

(c) 貨幣風險

在報告日，基金所持的人民幣金融資產合共人民幣19,371,569圓 (2018年：人民幣18,687,822圓)。

若在報告日人民幣兌港元匯率增強/減弱 5% (2018年：5%)，而所有其他變動因素不變，估計本年度的全面虧損總額便會減少/增加1,128,000港元及權益便會增加/減少1,128,000港元 (2018年：年度全面收益總額及權益便會增加/減少1,164,000港元)。

以上敏感性分析乃假設匯率已於報告日出現變動，並應用於在當日已存在的金融工具。人民幣增強/減弱5% (2018年：5%)，代表基金評估直至明年年底為止匯率可能出現的合理變動。

(d) 流動資金風險

流動資金風險是指基金可能沒有足夠資金應付到期須承擔款項的風險。基金把現金及等同現金項目維持在認為足以支持基金運作的水平，並藉此減輕現金流量出現波動所造成的影響。因此基金沒有面對顯著的流動資金風險。

在報告日，按合約未折現的現金流量及基金須支付有關款項的最早日期計算，所有金融負債的剩餘合約期限為三個月或以下（2018年：三個月或以下）。

12. 資本管理

基金的資本結構包括資本和累積基金。基金管理資本的目標為：

- (a) 符合《警隊條例》和《警隊(福利基金)規例》的規定；及
- (b) 維持資本基礎以施行基金在上文附註 1 所述的目的。

基金管理資本時，會考慮預計的現金流量需求、未來的財務責任和財政承擔，以確保有足夠資金支付日後的貸款和開支。

13. 金融資產及負債的公平值

所有金融資產和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。

14. 已頒布但未於截至二零一九年三月三十一日止年度生效的財務報告準則修訂、新準則和詮釋的可能影響

直至本財務報表發出之日，香港會計師公會已頒布多項修訂、新準則及詮釋。其中包括於截至二零一九年三月三十一日止年度尚未生效，及沒有提前在本財務報表中被採納的修訂、新準則及詮釋。基金正就採納該等修訂、新準則及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，基金得出的結論為採納該等修訂、新準則及詮釋不大可能會對基金的財務表現及財務狀況構成重大影響。