



**ANNUAL REPORT**  
**THE POLICE CHILDREN'S EDUCATION TRUST**  
**THE POLICE EDUCATION AND WELFARE TRUST**  
**2019/2020**

二零一九／二零二零年度  
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 2019/2020**

**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 2020, the following members served on the Management Committee: -

The Chairman, appointed by the Chief Executive of the HKSAR –

Dr LI Sau-hung, GBS, JP

Representative of the Commissioner of Police -

Mr LI Kin-fai, Kenneth  
Director of Personnel & Training

Representative of the Permanent Secretary for Education -

Ms CHAN Chin-woon, Cynthia  
Principal Education Officer  
(until 22 March 2020)

Dr LAU Wing-yin, Verena  
Principal Education Officer  
(from 23 March 2020)

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

Ms LAU Fung-ha, Jenny  
Chief Superintendent of Police  
Personnel Services & Staff Relations

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

Mr YUEN Cheuk-wah  
Sergeant

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

Mr LEUNG Jerome Ty

Mr MONG Tak-yeung, David

Ms WU Shuk-yin

Ms CHAN Shin-kwan

Ms SIU Ho-yin, Clara

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  
(until 1 January 2020)

Ms TAI Yeuk-mong, Florence  
Executive Officer, Support Services 1,  
Personnel Services & Staff Relations  
(from 2 January 2020)

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: -

Ms TSANG Wai-sze, Selina

and its members comprised: -

Ms AU Pui-yee, Teresa

Mr TANG Hamilton Ty

Mr CHU Kwok-on, Andy

Mr WONG Siu-kei, Ivan

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 2020, the value had risen to \$103.24M. Income for the year ended 31 March 2020 was \$7.46M whilst expenditure amounted to \$14.53M. Comparing to the surplus of \$4.56M in 2018/19, a deficit of \$7.08M was recorded for the year. It was mainly due to the increase in the net realised and revaluation losses on financial assets and decrease 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	247
Scholarship for Degree (Year One) Students	43
Scholarship for Outstanding Talents	2
Scholarship for Special Needs Children	4
Scholarship for Volunteerism	1
Grants for Children of Police Officers under Compassionate Category	87
Grants for Information Technology Equipment	150
Grants for Talents Development and Training	<u>113</u>
Total :	<u>647</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: -

Dr LI Sau-hung, GBS, 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: -

Ms LEE Chi-wai, Amy

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 \$63.77M, represent a net increase of \$62.77M when compared with the original value of \$1M on 1 December 1967, the vesting day. Income for the year ended 31 March 2020 was \$12.71M whilst expenditure amounted to \$6.88M. There was a surplus of \$5.83M comparing to a surplus of \$3.13M in 2018/19. 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	36
Scholarship for Children of Inspectorate Rank Police Officers or above / Auxiliary Police Officers	20
Medical Scholarship for Year One Medical Student	3
Scholarship for Outstanding Talents	1
Scholarship for Special Needs Children	1
Grants for Children of Police Officers Under Compassionate Category	7
Grants for Special Needs Children	351
Grants for Information Technology Equipment	15
Grants for Talents Development and Training	<u>359</u>
Total :	<u>793</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 2020 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.

( TANG Ping-keung )  
Commissioner of Police  
Trustee  
Police Children's Education Trust  
Police Education and Welfare Trust

7 December 2020



# 警察子女教育信託基金 警察教育及福利信託基金 2019/2020 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 2020 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：

李秀恒博士，GBS，JP

警務處處長代表：

人事及訓練處處長李建輝先生

教育局常任秘書長代表：

首席教育主任陳展桓女士  
(至 2020 年 3 月 22 日)

首席教育主任劉穎賢博士  
(由 2020 年 3 月 23 日)

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)  
劉鳳霞女士

香港特別行政區行政長官委任的初級警務人員代表：

警長袁卓華先生

下列委員由香港特別行政區行政長官委任：

梁振志先生

蒙德揚先生

鄔淑賢女士

陳倩君女士

蕭灝妍女士

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  
(至 2020 年 1 月 1 日)

行政主任(支援服務)1(人事服務及職員關係)  
戴若夢女士  
(由 2020 年 1 月 2 日)

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：

曾慧詩女士

委員包括：

區佩兒女士

唐維鐘先生

朱國安先生

王紹基先生

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 2020 年 3 月 31 日止，資產淨值上升至 1 億 324 萬元。截至 2020 年 3 月 31 日的年度內，收入為 746 萬元，而支出為 1,453 萬元。比較 2018/19 年度盈餘 456 萬元，本年度錄得虧損 708 萬元。主要原因是金融資產淨實現及重估虧損增加及捐款收入減少。

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	247 名
大一學位獎學金	43 名
出色才藝獎學金	2 名
特殊需要子女獎學金	4 名
義務工作獎學金	1 名
恩恤補助金	87 名
資訊科技器材補助金	150 名
才藝發展及訓練補助金	113 名
	<hr/>
總人數：	<u>共 647 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：

李秀恒博士，GBS，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：

李智慧女士

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 6,377 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 6,277 萬元。截至 2020 年 3 月 31 日的年度內，收入為 1,271 萬元，支出為 688 萬元。比較 2018/19 年度的盈餘 313 萬元，本年度共有盈餘 583 萬元。主要原因是捐款收入增加。

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	36 名
督察級及以上子女/輔警子女 獎學金	20 名
醫科學生(大學一年級)獎學金	3 名
出色才藝獎學金	1 名
特殊需要子女獎學金	1 名
恩恤補助金	7 名
特殊需要子女補助金	351 名
資訊科技器材補助金	15 名
才藝發展及訓練補助金	359 名
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總人數：	共 793 名
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## 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 2020 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與會務，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  
警務處處長鄧炳強

2020 年 12 月 7 日

## Police Children's Education Trust

Financial statements for the year ended 31 March 2020



# *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 2020, 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 Children's Education Trust as at 31 March 2020, 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.

S. M. CHOI  
Principal Auditor  
for Director of Audit

7 December 2020

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

**POLICE CHILDREN'S EDUCATION TRUST**

**BALANCE SHEET AS AT 31 MARCH 2020**

	Note	2020 HK\$	2019 HK\$
<b>NON-CURRENT ASSETS</b>			
Financial assets measured at fair value through income and expenditure account	3	34,230,048	3,049,920
Certificates of deposits	4	-	2,805,459
		34,230,048	5,855,379
<b>CURRENT ASSETS</b>			
Financial assets measured at fair value through income and expenditure account	3	37,874,710	42,359,789
Certificates of deposits	4	22,830,483	43,185,010
Accounts receivable		879,440	459,059
Bank deposits with original maturities over three months		2,678,576	-
Cash and cash equivalents	5	12,227,426	24,065,015
		76,490,635	110,068,873
<b>CURRENT LIABILITIES</b>			
Accounts payable		(7,482,668)	(5,607,525)
<b>NET CURRENT ASSETS</b>		69,007,967	104,461,348
<b>NET ASSETS</b>		103,238,015	110,316,727
<b>EQUITY</b>			
Trust fund account	6	103,238,015	110,316,727

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

( TANG Ping-keung )  
Commissioner of Police  
The Trustee of the Police Children's Education Trust  
7 December 2020

**POLICE CHILDREN'S EDUCATION TRUST**

**INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2020**

	<b>Note</b>	<b>2020 HK\$</b>	<b>2019 HK\$</b>
<b>INCOME</b>			
Donations		4,798,033	10,973,084
Interest income	7	1,716,950	1,544,221
Dividend income		941,179	934,749
		<u>7,456,162</u>	<u>13,452,054</u>
<b>EXPENDITURE</b>			
Bursaries	8	(7,475,955)	(5,602,630)
Net realised and revaluation losses on financial assets measured at fair value through income and expenditure account		(4,974,256)	(1,104,412)
Treasurer's remuneration		(42,000)	(42,000)
Sundry expenses		(56,599)	(99,195)
Net exchange losses		(1,986,064)	(2,043,225)
		<u>(14,534,874)</u>	<u>(8,891,462)</u>
<b>(DEFICIT)/SURPLUS FOR THE YEAR</b>		<u>(7,078,712)</u>	<u>4,560,592</u>
<b>OTHER COMPREHENSIVE INCOME</b>		-	-
<b>TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR</b>		<u>(7,078,712)</u>	<u>4,560,592</u>

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

**POLICE CHILDREN'S EDUCATION TRUST**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2020**

	<b>Trust fund account HK\$</b>
Balance at 1 April 2018	105,756,135
Total comprehensive income for 2018-19	4,560,592
Balance at 31 March 2019	<u>110,316,727</u>
Total comprehensive loss for 2019-20	(7,078,712)
Balance at 31 March 2020	<u>103,238,015</u> =====

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

**POLICE CHILDREN'S EDUCATION TRUST**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2020**

	<b>Note</b>	<b>2020 HK\$</b>	<b>2019 HK\$</b>
<b>Cash flows from operating activities</b>			
(Deficit)/Surplus for the year		(7,078,712)	4,560,592
Adjustments for:			
Interest income		(1,716,950)	(1,544,221)
Dividend income		(941,179)	(934,749)
Net realised and revaluation losses on financial assets measured at fair value through income and expenditure account		4,974,256	1,104,412
Exchange differences		1,667,195	822,489
Increase in accounts payable		1,875,143	1,106,270
Increase in accounts receivable		(323,237)	(36,782)
Net cash (used in)/from operating activities		(1,543,484)	5,078,011
<b>Cash flows from investing activities</b>			
Purchase of investments		(71,397,293)	(87,997,405)
Proceeds from disposal/redemption of investments		61,038,193	89,113,450
Increase in bank deposits		(2,678,576)	-
Interest received		1,832,061	1,765,524
Dividends received		941,179	934,749
Net cash (used in)/from investing activities		(10,264,436)	3,816,318
Net (decrease)/increase in cash and cash equivalents		(11,807,920)	8,894,329
Cash and cash equivalents at beginning of year		24,065,015	15,222,085
Effect of exchange rate changes on cash and cash equivalents		(29,669)	(51,399)
Cash and cash equivalents at end of year	5	12,227,426	24,065,015

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

# **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.

The address of the Trust'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 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 (HKICPA).

#### **(b) Basis of preparation of the financial statements**

The financial statements have been prepared on an accrual basis and under the historical cost convention except that financial assets measured at fair value through income and expenditure account are stated at fair value as explained in the accounting policies 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.

There are no critical accounting judgements involved in the application of the Trust'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.

Certain comparative figures for 2019 have been reclassified to conform to the current year's presentation of the Trust's financial statements.



## POLICE CHILDREN'S EDUCATION TRUST

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### (c) Impact of new and revised HKFRSs

The HKICPA has issued a number of new and revised HKFRSs which are effective for the current accounting period. There have been no changes to the accounting policies applied in these financial statements for the years presented as a result of these developments.

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 results of operations and financial position.

##### (d) Financial assets and financial liabilities

###### (i) Initial recognition

Financial assets and financial liabilities are recognised on the date the Trust becomes a party to the contractual provisions of the financial instrument. 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, except for those financial instruments measured at fair value through income and expenditure account for which transaction costs are recognised directly in the income and expenditure account. An explanation of how the Trust determines the fair value of financial instruments is set out in note 10. Purchases and sales of investments are recognised using trade date accounting. The investments are priced at current bid prices.

###### (ii) Categorisation and subsequent measurement

###### *Financial assets measured at fair value through income and expenditure account*

These comprise debt securities and equity securities. They are held within a business model in which they are managed and their performance is evaluated on a fair value basis. They are subsequently measured at fair value. Changes in fair value are recognised in the income and expenditure account in the period in which they arise.

The Trust's financial assets measured at fair value through income and expenditure account are classified as non-current assets unless the Trust intends to dispose of the investments within 12 months of the reporting date.

## POLICE CHILDREN'S EDUCATION TRUST

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### (d) Financial assets and financial liabilities (continued)

##### (ii) Categorisation and subsequent measurement (continued)

###### *Financial assets measured at amortised cost*

These comprise certificates of deposits, accounts receivable, bank deposits 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)(iv)).

The Trust's certificates of deposits are classified as non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

###### *Financial liabilities measured at amortised cost*

These comprise accounts payable. They are subsequently measured at amortised cost.

##### (iii) 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.

##### (iv) Impairment of financial assets

For certificates of deposits, accounts receivable, bank deposits and cash and cash equivalents, the Trust measures the expected credit losses to determine the loss allowance required to be recognised. Financial assets measured at fair value through income and expenditure account are not subject to the expected credit loss assessment.

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 Trust 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

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

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

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

##### (d) Financial assets and financial liabilities (continued)

###### (iv) Impairment of financial assets (continued)

- 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.

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Trust 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 Trust considers that a default event occurs when (i) the borrower is unlikely to pay its credit obligations to the Trust in full; or (ii) the financial asset is 90 days past due. The Trust 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.

For a financial asset with lifetime expected credit losses recognised in the previous reporting period, if its credit quality improves and reverses the previously assessed significant increase in credit risk, then the loss allowance reverts from lifetime expected credit losses to 12-month expected credit losses.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

##### (e) Cash and cash equivalents

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

##### (f) Income

- (i) Donation income is recognised once cash is received and the approval for acceptance is obtained.
- (ii) Dividend income is recognised when the Trust's right to receive payment is established.
- (iii) Interest income is recognised as it accrues using the effective interest method.

##### (g) Bursaries

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

**POLICE CHILDREN'S EDUCATION TRUST**

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

**2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

(h) 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 reporting date. Exchange gains and losses are dealt with in the income and expenditure account.

**3 FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH INCOME AND EXPENDITURE ACCOUNT**

	<b>2020</b>	<b>2019</b>
	<b>HK\$</b>	<b>HK\$</b>
Debt securities, at fair value		
- listed in Hong Kong	7,858,927	3,049,920
- listed outside Hong Kong	15,523,621	5,933,394
- unlisted	20,927,140	-
	<hr/>	<hr/>
	44,309,688	8,983,314
Equity securities, at fair value		
- listed in Hong Kong	27,795,070	36,426,395
	<hr/>	<hr/>
	72,104,758	45,409,709
	<hr/> <hr/>	<hr/> <hr/>
Classified as:		
- Non-current assets	34,230,048	3,049,920
- Current assets	37,874,710	42,359,789
	<hr/>	<hr/>
	72,104,758	45,409,709
	<hr/> <hr/>	<hr/> <hr/>

**4 CERTIFICATES OF DEPOSITS**

	<b>2020</b>	<b>2019</b>
	<b>HK\$</b>	<b>HK\$</b>
Certificates of deposits, at amortised cost		
- listed outside Hong Kong	2,397,205	2,805,459
- unlisted	20,433,278	43,185,010
	<hr/>	<hr/>
	22,830,483	45,990,469
	<hr/> <hr/>	<hr/> <hr/>
Classified as:		
- Non-current assets	-	2,805,459
- Current assets	22,830,483	43,185,010
	<hr/>	<hr/>
	22,830,483	45,990,469
	<hr/> <hr/>	<hr/> <hr/>

**POLICE CHILDREN'S EDUCATION TRUST**

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

**5 CASH AND CASH EQUIVALENTS**

	<b>2020</b>	<b>2019</b>
	<b>HK\$</b>	<b>HK\$</b>
Bank deposits with original maturities up to three months	-	19,846,331
Call deposits	12,128,666	4,162,320
Cash at bank	98,760	56,364
Cash and cash equivalents	12,227,426	24,065,015

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

	<b>2020</b>	<b>2019</b>
	<b>HK\$</b>	<b>HK\$</b>
United States dollar USD203,760 (2019: USD30,744)	1,580,149	241,340
Renminbi CNY638,309 (2019: CNY12,955,895)	697,163	15,091,492
Australian dollar Nil (2019: AUD70,453)	-	391,342
	2,277,312	15,724,174

**6 TRUST FUND ACCOUNT**

Of the trust fund balance at 31 March 2020, HK\$2,504,392 (2019: HK\$2,479,090) is related to donations from the Hong Kong Jockey Club Charities Trust and income generated therefrom, less bursary payments; and HK\$5,203,863 (2019: HK\$5,925,233) is related to donations from the Ng Teng Fong Charitable Foundation and income generated therefrom, less bursary payments. These donations are for designated purposes.

**POLICE CHILDREN'S EDUCATION TRUST**

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

**7 INTEREST INCOME**

	<b>2020</b>	<b>2019</b>
	<b>HK\$</b>	<b>HK\$</b>
Interest income from bank deposits	92,768	79,330
Interest income from certificates of deposits	788,954	1,178,976
Interest income from debt securities	835,228	285,915
	<u>1,716,950</u>	<u>1,544,221</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.

**9 FINANCIAL RISK MANAGEMENT**

The Trust's major financial assets include equity securities, debt securities, certificates of deposits, accounts receivable, bank deposits and cash and cash equivalents. Financial liabilities of the Trust include accounts payable. 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.

For bank deposits and cash and cash equivalents, the Trust limits its exposure to credit risk by transacting with reputable licensed banks in Hong Kong.

For investments in debt securities and certificates of deposits, the Trust only invests in those classified under the investment grade by Moody's or Standard & Poor's.

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

**POLICE CHILDREN'S EDUCATION TRUST**

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

**9 FINANCIAL RISK MANAGEMENT (CONTINUED)**

(a) Credit risk (continued)

The credit quality of bank deposits and cash at bank, investments in debt securities and certificates of deposits, analysed by the ratings designated by Moody's or Standard & Poor's, at the reporting date is shown below:

	<b>2020</b>	<b>2019</b>
	<b>HK\$</b>	<b>HK\$</b>
Bank deposits and cash at bank, by credit rating		
Aa1 to Aa3	14,906,002	24,065,015
	=====	=====
Certificates of deposits, by credit rating		
P-1 / A-1+ to A-1	22,830,483	45,990,469
	=====	=====
Debt securities, by credit rating		
Aa1 to Aa3 / AA+ to AA-	6,603,380	5,933,394
A1 to A3 / A+ to A-	37,706,308	3,049,920
	44,309,688	8,983,314
	=====	=====

The maximum exposure to credit risk at the reporting 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

(i) Exposure to 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 investments 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.

(ii) Sensitivity analysis

It was estimated that, as at 31 March 2020, if the market prices of the respective equity securities had been 10% (2019: 10%) higher/lower, the deficit of the Trust for the year would decrease/increase and the balance of the trust fund account would increase/decrease by HK\$2,780,000 (2019: the surplus of the Trust for the year and the balance of the trust fund account would increase/decrease by HK\$3,643,000) 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 reporting date, assuming that all other variables were held constant.

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

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

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

##### **(c) Liquidity risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

In the management of liquidity risk, the Trust maintains a level of cash and cash equivalents that is considered adequate to finance its operations and mitigate the effects of fluctuations in cash flows. Hence, the Trust does not have significant exposure to liquidity risk.

As at 31 March 2020, the remaining contractual maturities of all financial liabilities, based on contractual undiscounted cash flows and the earliest date on which the Trust can be required to pay, were eight months or less (2019: four months or less).

##### **(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 a financial instrument 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, certificates of deposits and fixed deposits bear interest at fixed rates, their fair values will fall when market interest rates increase. However, as certificates of deposits and fixed deposits are stated at amortised cost, their carrying amounts and the Trust's deficit and equity will not be affected by changes in market interest rates. For sensitivity analysis of debt securities, see note 9(d)(ii).

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.



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

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

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

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

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

It was estimated that, as at 31 March 2020, a general increase of 50 basis points (2019: 50 basis points) in interest rates, with all other variables held constant, would increase the deficit of the Trust for the year and decrease the balance of the trust fund account by HK\$442,000 (2019: decrease the surplus of the Trust for the year and the balance of the trust fund account by HK\$45,000) and a general decrease of 50 basis points (2019: 50 basis points) would decrease the deficit of the Trust for the year and increase the balance of the trust fund account by HK\$449,000 (2019: increase the surplus of the Trust for the year and the balance of the trust fund account by HK\$46,000).

The sensitivity analysis above was determined assuming that the change in interest rates had occurred at the reporting date and had been applied to the interest-bearing financial assets measured at fair value through income and expenditure account 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 reporting date. The analysis was performed on the same basis for 2019.

##### **(e) Currency risk**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in currency exchange rates. The Trust's financial instruments denominated in foreign currencies are exposed to currency risk.

**POLICE CHILDREN'S EDUCATION TRUST**

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

**9 FINANCIAL RISK MANAGEMENT (CONTINUED)**

(e) Currency risk (continued)

(i) Exposure to currency risk

At the reporting date, the Trust maintained net financial assets denominated in United States dollar, Renminbi and Australian dollar, as follows:

	<b>2020</b>	<b>2019</b>
	<b>HK\$</b>	<b>HK\$</b>
United States dollar		
USD2,849,822		
(2019: USD1,341,147)	22,100,211	10,527,883
 Renminbi		
CNY16,558,509		
(2019: CNY16,060,406)	18,085,267	18,707,738
 Australian dollar		
AUD506,080		
(2019: AUD1,661,209)	2,422,711	9,227,401
	42,608,189	38,463,022
	=====	=====

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 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 exchange risk relating to Renminbi and the Australian dollar.

(ii) Sensitivity analysis

It was estimated that, as at 31 March 2020, should the Renminbi and the Australian dollar strengthen/weaken by 5% (2019: 5%) against the Hong Kong dollar, with all other variables held constant, the deficit of the Trust for the year would decrease/increase and the balance of the trust fund account would increase/decrease by HK\$1,025,000 (2019: the surplus of the Trust for the year and the balance of the trust fund account would increase/decrease by HK\$1,397,000).

**POLICE CHILDREN'S EDUCATION TRUST**

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

**10 FAIR VALUE MEASUREMENT**

(a) Fair value hierarchy of financial instruments

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

	<b>2020</b>			<b>2019</b>		
	<b>Level 1 HK\$</b>	<b>Level 2 HK\$</b>	<b>Total HK\$</b>	<b>Level 1 HK\$</b>	<b>Level 2 HK\$</b>	<b>Total HK\$</b>
<b>Assets</b>						
Financial assets measured at fair value through income and expenditure account:						
Equity securities						
- listed	27,795,070	-	27,795,070	36,426,395	-	36,426,395
Debt securities						
- listed	23,382,548	-	23,382,548	8,983,314	-	8,983,314
- unlisted	-	20,927,140	20,927,140	-	-	-
	<u>51,177,618</u>	<u>20,927,140</u>	<u>72,104,758</u>	<u>45,409,709</u>	<u>-</u>	<u>45,409,709</u>

No financial instruments were classified under Level 3. During the year, there were no transfers between instruments in Level 1 and Level 2.

The three levels of the fair value hierarchy are:

Level 1: fair values are quoted prices (unadjusted) in active markets for identical assets or liabilities;

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 (i.e. as prices) or indirectly (i.e. derived from prices); and

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

(b) Valuation techniques and key inputs

The fair value of financial instruments classified under Level 1 is based on quoted market prices of these financial instruments at the reporting date.

**POLICE CHILDREN'S EDUCATION TRUST**

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

**10 FAIR VALUE MEASUREMENT (CONTINUED)**

(b) Valuation techniques and key inputs (continued)

The fair value of financial instruments classified under Level 2 is based on quotation from the custodian bank at the reporting date.

All other 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 of the Trust consists solely of the trust fund account. 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 its projected cash flow requirements, future financial obligations and commitments.

## 警察子女教育信託基金

截至二零二零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二零二零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子女教育信託基金於二零二零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  
蔡秀玫代行  
二零二零年十二月七日

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

### 於二零二零年三月三十一日的資產負債表

	附註	2020 港元	2019 港元
<b>非流動資產</b>			
按公平值計入收支帳目 的金融資產	3	34,230,048	3,049,920
存款證	4	-	2,805,459
		34,230,048	5,855,379
<b>流動資產</b>			
按公平值計入收支帳目 的金融資產	3	37,874,710	42,359,789
存款證	4	22,830,483	43,185,010
應收帳款		879,440	459,059
原到期日超過三個月的銀行存款		2,678,576	-
現金及等同現金項目	5	12,227,426	24,065,015
		76,490,635	110,068,873
<b>流動負債</b>			
應付帳款		(7,482,668)	(5,607,525)
		69,007,967	104,461,348
<b>流動資產淨值</b>			
		103,238,015	110,316,727
<b>資產淨值</b>			
		103,238,015	110,316,727
<b>權益</b>			
信託基金帳戶	6	103,238,015	110,316,727

隨附附註 1 至 11 為本財務報表的一部分。

警務處處長鄧炳強  
警察子女教育信託基金受託人  
二零二零年十二月七日

## 警察子女教育信託基金

### 截至二零二零年三月三十一日止年度收支帳目

	附註	2020 港元	2019 港元
<b>收入</b>			
捐款		4,798,033	10,973,084
利息收入	7	1,716,950	1,544,221
股息收入		941,179	934,749
		7,456,162	13,452,054
		7,456,162	13,452,054
<b>支出</b>			
助學金	8	(7,475,955)	(5,602,630)
按公平值計入收支帳目的 金融資產淨實現及重估虧損		(4,974,256)	(1,104,412)
司庫酬金		(42,000)	(42,000)
雜項支出		(56,599)	(99,195)
淨匯兌虧損		(1,986,064)	(2,043,225)
		(14,534,874)	(8,891,462)
		(14,534,874)	(8,891,462)
<b>年度(虧絀)/盈餘</b>		(7,078,712)	4,560,592
<b>其他全面收益</b>		-	-
		-	-
<b>年度全面(虧損)/收益總額</b>		(7,078,712)	4,560,592

隨附附註 1 至 11 為本財務報表的一部分。

## 警察子女教育信託基金

### 截至二零二零年三月三十一日止年度權益變動表

	信託基金帳戶 港元
2018年4月1日的結餘	105,756,135
2018-19年度全面收益總額	4,560,592
2019年3月31日的結餘	<u>110,316,727</u>
2019-20年度全面虧損總額	(7,078,712)
2020年3月31日的結餘	<u>103,238,015</u> =====

隨附附註 1 至 11 為本財務報表的一部分。

## 警察子女教育信託基金

### 截至二零二零年三月三十一日止年度現金流量表

	附註	2020 港元	2019 港元
<b>營運活動的現金流量</b>			
年度(虧絀) / 盈餘		(7,078,712)	4,560,592
調整項目：			
利息收入		(1,716,950)	(1,544,221)
股息收入		(941,179)	(934,749)
按公平值計入收支帳目的			
金融資產淨實現及重估虧損		4,974,256	1,104,412
匯兌差額		1,667,195	822,489
應付帳款增加		1,875,143	1,106,270
應收帳款增加		(323,237)	(36,782)
營運活動(所用) / 所得的現金淨額		(1,543,484)	5,078,011
		-----	-----
<b>投資活動的現金流量</b>			
購入投資付款		(71,397,293)	(87,997,405)
出售 / 贖回投資的收款		61,038,193	89,113,450
銀行存款增加		(2,678,576)	-
已收利息		1,832,061	1,765,524
已收股息		941,179	934,749
投資活動(所用) / 所得的現金淨額		(10,264,436)	3,816,318
		-----	-----
現金及等同現金項目(減少) / 增加淨額		(11,807,920)	8,894,329
年初現金及等同現金項目		24,065,015	15,222,085
匯率變動對現金及等同現金項目的影響		(29,669)	(51,399)
年終現金及等同現金項目	5	12,227,426	24,065,015

隨附附註 1 至 11 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。

信託基金的主要業務地址是香港灣仔軍器廠街1號警察總部。

### 2 主要會計政策

#### (a) 符合準則聲明

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) 財務報表的擬備基準

財務報表是按應計記帳方式及歷史成本法擬備，惟按公平值計入收支帳目的金融資產則除外，如下文會計政策附註 2(d) 所解釋，該等資產是按公平值列帳。

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在有關情況下認為合適的其他因素而制定。在欠缺其他現成數據的情況下，以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，但如修訂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。

信託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主要假設，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。

若干二零一九年的比較數字已重新分類，以配合本年度信託基金財務報表的呈報方式。

# 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) 新訂及經修訂《香港財務報告準則》的影響

香港會計師公會頒布了數項新訂及經修訂的《香港財務報告準則》，並於本會計期生效。適用於本財務報表呈報年度的會計政策，並未因這些發展而有任何改變。

信託基金並沒有提早採納本會計期末生效之修訂、新準則及詮釋。信託基金正就採納該等修訂、新準則及詮釋在首次採納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、新準則及詮釋不大可能會對信託基金的運作成果及財務狀況構成重大影響。

#### (d) 金融資產及金融負債

##### (i) 初始確認

信託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列帳，惟按公平值計入收支帳目的金融工具則除外，其交易成本會直接在收支帳目中確認入帳，有關信託基金如何釐定金融工具公平值的解釋載列於附註10。投資的買賣於交易日確認入帳，投資是按當時買盤價定價。

##### (ii) 分類及其後計量

###### *按公平值計入收支帳目的金融資產*

此類別包括債務證券及股票證券。持有該等金融資產的業務模式是以公平值為基礎，對它們進行管理及評估表現。它們其後按公平值計量，公平值的變動在產生期內於收支帳目內確認入帳。

除非信託基金有意在報告日後 12 個月內出售投資，否則按公平值計入收支帳目的金融資產歸類為非流動資產。

# 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)

#### (d) 金融資產及金融負債(續)

##### (ii) 分類及其後計量 (續)

###### *按攤銷成本值計量的金融資產*

此類別包括存款證、應收帳款、銀行存款和現金及等同現金項目。持有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。它們其後按攤銷成本值(扣除虧損撥備，如有)計量(附註2(d)(iv))。

除非信託基金存款證的到期日離報告日少於 12 個月(該存款證會被歸類為流動資產)，否則存款證會被歸類為非流動資產。

###### *按攤銷成本值計量的金融負債*

此類別包括應付帳款，它們其後按攤銷成本值計量。

##### (iii) 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。

##### (iv) 金融資產減值

對於存款證、應收帳款、銀行存款和現金及等同現金項目，信託基金以預期信貸虧損計算須予確認的虧損撥備。預期信貸虧損評估不適用於按公平值計入收支帳目的金融資產。

預期信貸虧損是以經概率加權估計的信貸虧損，這些虧損為按照合約應付予信託基金的合約現金流量與信託基金預期會收到的現金流量兩者間的差額，並以折現方式按實際利率計算。有關虧損以下列其中一個基礎計量：

- 12 個月預期信貸虧損(自初始確認以來，金融工具的信貸風險並無大幅增加)；在報告日後 12 個月內可能發生的違約事件所引致的預期信貸虧損；或

# 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)

#### (d) 金融資產及金融負債(續)

##### (iv) 金融資產減值(續)

- 期限內預期信貸虧損(自初始確認以來，金融工具的信貸風險大幅增加)：在金融工具的預期有效期內所有可能出現的違約事件所引致的預期信貸虧損。

信託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貸風險有否大幅增加。為此，信託基金認為以下為違約事件：(i) 當借款人不太可能向信託基金全數支付其信貸承擔；或(ii) 金融資產已逾期 90 日。信託基金在合理的投放下考慮合理及有憑證的數量及質量資料，包括過往經驗及具前瞻性的資料。

在上一個報告期被確認為期限內預期信貸虧損的金融資產，若其信貸質素改善並扭轉先前作出信貸風險大幅增加的評估，則虧損撥備由期限內預期信貸虧損回復至12個月預期信貸虧損。

若合理預期無法收回合約現金流量，金融資產將被撇銷。

#### (e) 現金及等同現金項目

現金及等同現金項目包括銀行現金、通知存款及存放日與到期日原本相距三個月或以下的銀行存款。

#### (f) 收入

- (i) 捐款收入是於收到現金及獲准接受捐款後確認入帳。
- (ii) 股息收入是於信託基金接收款項的權利獲得確認時確認入帳。
- (iii) 利息收入是採用實際利率法按應計金額確認入帳。

#### (g) 助學金

助學金撥備是按警察子女教育信託基金委員會所授權的助學金款額提撥。



# 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) 外幣折算

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和負債金額則按報告日的市場匯率換算為港元。匯兌損益均在收支帳目內入帳。

### 3 按公平值計入收支帳目的金融資產

	2020 港元	2019 港元
債務證券(按公平值入帳)		
- 在香港上市	7,858,927	3,049,920
- 在香港以外地方上市	15,523,621	5,933,394
- 非上市	20,927,140	-
	<u>44,309,688</u>	<u>8,983,314</u>
股票證券(按公平值入帳)		
- 在香港上市	27,795,070	36,426,395
	<u>72,104,758</u>	<u>45,409,709</u>
	=====	=====
歸類為：		
- 非流動資產	34,230,048	3,049,920
- 流動資產	37,874,710	42,359,789
	<u>72,104,758</u>	<u>45,409,709</u>
	=====	=====

### 4 存款證

	2020 港元	2019 港元
存款證(按攤銷成本值入帳)		
- 在香港以外地方上市	2,397,205	2,805,459
- 非上市	20,433,278	43,185,010
	<u>22,830,483</u>	<u>45,990,469</u>
	=====	=====
歸類為：		
- 非流動資產	-	2,805,459
- 流動資產	22,830,483	43,185,010
	<u>22,830,483</u>	<u>45,990,469</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

	2020 港元	2019 港元
原到期日不超過三個月的銀行存款	-	19,846,331
通知存款	12,128,666	4,162,320
銀行現金	98,760	56,364
現金及等同現金項目	<u>12,227,426</u>	<u>24,065,015</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。

	2020 港元	2019 港元
美元		
203,760美元 (2019年：30,744美元)	1,580,149	241,340
人民幣		
638,309圓人民幣 (2019年：12,955,895圓人民幣)	697,163	15,091,492
澳元		
無 (2019年：70,453澳元)	-	391,342
	<u>2,277,312</u>	<u>15,724,174</u>
	=====	=====

#### 6 信託基金帳戶

信託基金於二零二零年三月三十一日的結餘中，2,504,392港元 (2019年：2,479,090港元)來自香港賽馬會慈善信託基金的捐款及從該捐款所產生的收入，扣除助學金款項；及5,203,863港元 (2019年：5,925,233港元)來自黃廷方慈善基金的捐款及從該捐款所產生的收入，扣除助學金款項。這些捐款是用作指定用途。

# 警察子女教育信託基金

## 財務報表附註(續)

### 7 利息收入

	2020 港元	2019 港元
銀行存款利息收入	92,768	79,330
存款證利息收入	788,954	1,178,976
債務證券利息收入	835,228	285,915
	<u>1,716,950</u>	<u>1,544,221</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

信託基金的主要金融資產包括股票證券、債務證券、存款證、應收帳款、銀行存款和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因未能履行責任而引致另一方蒙受財務損失的風險。

在處理銀行存款和現金及等同現金項目時，信託基金透過與香港信譽良好的持牌銀行進行交易，以限制其所面對的信貸風險。

在處理債務證券投資及存款證時，信託基金只投資於穆迪或標準普爾評級為投資級別的債務證券。

自初始確認以來，該等金融工具的信貸風險被評為沒有大幅增加，而信託基金根據 12 個月預期信貸虧損釐定須予確認的虧損撥備。信託基金估計該等金融工具的 12 個月預期信貸虧損並不重大，並認為無須作出虧損撥備。

# 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)

#### (a) 信貸風險(續)

銀行存款及銀行現金、債務證券投資及存款證的信貸質素，以穆迪或標準普爾於報告日給予的評級分析如下：

	2020 港元	2019 港元
按信貸評級列示銀行存款及銀行現金		
Aa1 至 Aa3	14,906,002	24,065,015
	=====	=====
按信貸評級列示存款證		
P-1 / A-1+至A-1	22,830,483	45,990,469
	=====	=====
按信貸評級列示債務證券		
Aa1 至 Aa3 / AA+ 至 AA-	6,603,380	5,933,394
A1 至 A3 / A+ 至 A-	37,706,308	3,049,920
	=====	=====
	44,309,688	8,983,314
	=====	=====

於報告日，信貸風險最高值為資產負債表所列各類金融資產的帳面金額。

#### (b) 股價風險

##### (i) 承受的股價風險

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。

##### (ii) 敏感度分析

據估算，於二零二零年三月三十一日，如相關股票證券的市場價格上升／下降 10% (2019年：10%)，信託基金的年度虧絀會因應公平值的改變而減少／增加，而信託基金帳戶的結餘則會增加／減少 2,780,000 港元 (2019年：信託基金的年度盈餘及信託基金帳戶的結餘會增加／減少 3,643,000 港元)。這項敏感度分析以信託基金於報告日持有的股票證券帳面總額為根據，並假設所有其他變數維持不變。

# 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)

#### (c) 流動資金風險

流動資金風險指機構在履行與金融負債相關的責任時遇到困難的風險。

在流動資金風險管理方面，信託基金維持一定水平的現金及等同現金項目，足以作營運資金及減低現金流量波動對信託基金的影響。因此，信託基金沒有承受重大的流動資金風險。

於二零二零年三月三十一日，按合約未折現的現金流量及信託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八個月或以下 (2019年: 四個月或以下)。

#### (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。債務證券的投資是根據已記錄的風險管理或投資策略而進行，而信託基金持續地監察公平值利率風險。由於信託基金的債務證券、存款證及定期存款均按固定利率計息，它們的公平值會因市場利率上升而下跌。然而，由於存款證及定期存款均按攤銷成本值列示，其帳面值及信託基金的虧絀和權益不受市場利率變動影響。相關債務證券的敏感度分析載列於附註9(d)(ii)。

現金流量利率風險指金融工具的未來現金流量因市場利率變動而波動的風險。信託基金無須面對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。

# 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)

#### (d) 利率風險(續)

##### (ii) 敏感度分析

據估算，於二零二零年三月三十一日，在所有其他變數維持不變的情況下，利率一般上調50個基點 (2019年：50個基點)，會增加信託基金的年度虧絀，並減少信託基金帳戶的結餘442,000港元 (2019年：減少信託基金的年度盈餘及信託基金帳戶的結餘45,000港元)，而利率一般下調50個基點 (2019年：50個基點)，會減少信託基金的年度虧絀，並增加信託基金帳戶的結餘449,000港元 (2019年：增加信託基金的年度盈餘及信託基金帳戶的結餘46,000港元)。

釐定以上的敏感度分析時，已假設利率變動已於報告日出現，並已應用於當日存在的按公平值計入收支帳目的附息金融資產。上調或下調50個基點乃信託基金對利率在直至下個年度報告日期間的合理可能變動所作的評估。二零一九年的分析按相同基準進行。

#### (e) 貨幣風險

貨幣風險指金融工具的公平值或未來現金流量因貨幣匯率變化而波動的風險，信託基金以外幣計價的金融工具會承受貨幣風險。

# 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)

#### (e) 貨幣風險(續)

##### (i) 承受的貨幣風險

於報告日，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：

	<b>2020</b>	<b>2019</b>
	<b>港元</b>	<b>港元</b>
美元		
2,849,822美元		
(2019年：1,341,147 美元)	22,100,211	10,527,883
人民幣		
16,558,509圓人民幣		
(2019年：16,060,406圓人民幣)	18,085,267	18,707,738
澳元		
506,080澳元		
(2019年：1,661,209澳元)	2,422,711	9,227,401
	<u>42,608,189</u>	<u>38,463,022</u>
	=====	=====

由於港幣與美元窄幅掛鈎，信託基金毋須承受與美元有關的重大外幣兌換風險。由於信託基金沒有進行外幣匯率對沖，以人民幣和澳元為單位的金融工具的帳面金額已為信託基金所持人民幣和澳元的最大外幣兌換風險值。

##### (ii) 敏感度分析

據估算，於二零二零年三月三十一日，人民幣和澳元兌港幣匯率增強／減弱 5% (2019年：5%)，而所有其他變數維持不變，信託基金的年度虧絀會減少／增加，而信託基金帳戶的結餘則會增加／減少 1,025,000港元 (2019年：信託基金的年度盈餘及信託基金帳戶的結餘會增加／減少 1,397,000港元)。

# 警察子女教育信託基金

## 財務報表附註(續)

### 10 公平值計量

#### (a) 金融工具的公平值等級

下表載列於報告日以公平值定期計量的金融工具的帳面值，並按《香港財務報告準則》第 13 號「公平值計量」所訂定的三個公平值等級分類。

	第一級 港元	2020 第二級 港元	總額 港元	第一級 港元	2019 第二級 港元	總額 港元
<b>資產</b>						
按公平值 計入收支 帳目的金 融資產：						
股票證券						
- 上市	27,795,070	-	27,795,070	36,426,395	-	36,426,395
債務證券						
- 上市	23,382,548	-	23,382,548	8,983,314	-	8,983,314
- 非上市	-	20,927,140	20,927,140	-	-	-
	<u>51,177,618</u>	<u>20,927,140</u>	<u>72,104,758</u>	<u>45,409,709</u>	<u>-</u>	<u>45,409,709</u>

沒有金融工具歸類為第三級。年內，在第一級與第二級之間並無金融工具的調撥。

公平值等級的三個級別為：

第一級：公平值即相同的資產或負債在活躍市場上的報價(未經調整)；

第二級：公平值按與資產或負債有關的可觀察到的參數而釐定，當中包括可直接觀察到的參數(價格)或不可直接觀察到的參數(自價格引申)，但不包括第一級所運用的報價；及

第三級：釐定公平值的參數，並非基於可觀察到的市場數據(即不可觀察到的參數)。

#### (b) 估值方法及主要參數

第一級金融工具的公平值是以它們於報告日的市場報價作為基礎。



# 警察子女教育信託基金

## 財務報表附註(續)

### 10 公平值計量(續)

#### (b) 估值方法及主要參數(續)

第二級金融工具的公平值是以保管銀行於報告日的報價作為基礎。

所有其餘金融資產和金融負債均以與其公平值相等或相差不大的金額在資產負債表內列帳。

### 11 資本管理

信託基金的資本只包括信託基金帳戶。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 所述的信託基金的目的。

信託基金透過檢視其資本水平，並顧及預計的現金流量需求、未來的財務義務及承諾，以確保有足夠資金支付未來的助學金和支出。

## Police Education and Welfare Trust

Financial statements for the year ended 31 March 2020

# *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 2020, 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 Education and Welfare Trust as at 31 March 2020, 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.

S. M. CHOI  
Principal Auditor  
for Director of Audit

7 December 2020

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

**POLICE EDUCATION AND WELFARE TRUST**

**BALANCE SHEET AS AT 31 MARCH 2020**

	Note	2020 HK\$	2019 HK\$
<b>NON-CURRENT ASSETS</b>			
Financial assets measured at fair value through income and expenditure account	3	17,846,544	6,099,840
		-----	-----
<b>CURRENT ASSETS</b>			
Financial assets measured at fair value through income and expenditure account	3	28,103,790	20,942,623
Certificates of deposits	4	7,461,583	20,204,349
Accounts receivable		436,011	233,107
Bank deposits with original maturities over three months		3,518,185	3,061,918
Cash and cash equivalents	5	10,040,766	9,294,082
		-----	-----
		49,560,335	53,736,079
<b>CURRENT LIABILITIES</b>			
Accounts payable		(3,639,890)	(1,902,064)
		-----	-----
<b>NET CURRENT ASSETS</b>		45,920,445	51,834,015
		-----	-----
<b>NET ASSETS</b>		63,766,989	57,933,855
		=====	=====
<b>EQUITY</b>			
Trust fund account	6	63,766,989	57,933,855
		-----	-----

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

( TANG Ping-keung )  
 Commissioner of Police  
 The Trustee of the Police Education and Welfare Trust  
 7 December 2020

**POLICE EDUCATION AND WELFARE TRUST**

**INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2020**

	<b>Note</b>	<b>2020 HK\$</b>	<b>2019 HK\$</b>
<b>INCOME</b>			
Donations		11,320,741	5,179,534
Interest income	7	945,944	725,796
Dividend income		447,706	438,491
		<u>12,714,391</u>	<u>6,343,821</u>
		-----	-----
<b>EXPENDITURE</b>			
Bursaries	8	(3,635,380)	(1,898,975)
Net realised and revaluation losses on financial assets measured at fair value through income and expenditure account		(2,514,266)	(386,277)
Treasurer's remuneration		(42,000)	(42,000)
Sundry expenses		(44,839)	(85,169)
Net exchange losses		(644,772)	(804,875)
		<u>(6,881,257)</u>	<u>(3,217,296)</u>
		-----	-----
<b>SURPLUS FOR THE YEAR</b>		5,833,134	3,126,525
<b>OTHER COMPREHENSIVE INCOME</b>		-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>5,833,134</u>	<u>3,126,525</u>
		=====	=====

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 2020**

	<b>Trust fund account HK\$</b>
Balance at 1 April 2018	54,807,330
Total comprehensive income for 2018-19	3,126,525
Balance at 31 March 2019	<u>57,933,855</u>
Total comprehensive income for 2019-20	5,833,134
Balance at 31 March 2020	<u><u>63,766,989</u></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 2020**

	Note	2020 HK\$	2019 HK\$
Cash flows from operating activities			
Surplus for the year		5,833,134	3,126,525
Adjustments for:			
Interest income		(945,944)	(725,796)
Dividend income		(447,706)	(438,491)
Net realised and revaluation losses on financial assets measured at fair value through income and expenditure account		2,514,266	386,277
Exchange differences		668,590	901,591
Increase in accounts payable		1,737,826	53,640
Increase in accounts receivable		(25,572)	(8,725)
Net cash from operating activities		9,334,594	3,295,021
Cash flows from investing activities			
Purchase of investments		(39,082,372)	(43,701,695)
Proceeds from disposal/redemption of investments		29,590,830	42,610,989
Net increase in bank deposits with original maturities over three months		(456,267)	(3,061,918)
Interest received		951,610	842,764
Dividends received		447,706	438,491
Net cash used in investing activities		(8,548,493)	(2,871,369)
Net increase in cash and cash equivalents		786,101	423,652
Cash and cash equivalents at beginning of year		9,294,082	8,896,516
Effect of exchange rate changes on cash and cash equivalents		(39,417)	(26,086)
Cash and cash equivalents at end of year	5	10,040,766	9,294,082

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, and for welfare purposes of general benefit to all such police officers.

The address of the Trust’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 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 (HKICPA).

#### **(b) Basis of preparation of the financial statements**

The financial statements have been prepared on an accrual basis and under the historical cost convention except that financial assets measured at fair value through income and expenditure account are stated at fair value as explained in the accounting policies 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.

There are no critical accounting judgements involved in the application of the Trust’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.

Certain comparative figures for 2019 have been reclassified to conform to the current year’s presentation of the Trust’s financial statements.

## POLICE EDUCATION AND WELFARE TRUST

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### (c) Impact of new and revised HKFRSs

The HKICPA has issued a number of new and revised HKFRSs which are effective for the current accounting period. There have been no changes to the accounting policies applied in these financial statements for the years presented as a result of these developments.

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 results of operations and financial position.

##### (d) Financial assets and financial liabilities

###### (i) Initial recognition

Financial assets and financial liabilities are recognised on the date the Trust becomes a party to the contractual provisions of the financial instrument. 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, except for those financial instruments measured at fair value through income and expenditure account for which transaction costs are recognised directly in the income and expenditure account. An explanation of how the Trust determines the fair value of financial instruments is set out in note 10. Purchases and sales of investments are recognised using trade date accounting. The investments are priced at current bid prices.

###### (ii) Categorisation and subsequent measurement

###### *Financial assets measured at fair value through income and expenditure account*

These comprise debt securities and equity securities. They are held within a business model in which they are managed and their performance is evaluated on a fair value basis. They are subsequently measured at fair value. Changes in fair value are recognised in the income and expenditure account in the period in which they arise.

The Trust's financial assets measured at fair value through income and expenditure account are classified as non-current assets unless the Trust intends to dispose of the investments within 12 months of the reporting date.

## POLICE EDUCATION AND WELFARE TRUST

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### (d) Financial assets and financial liabilities (continued)

##### (ii) Categorisation and subsequent measurement (continued)

###### *Financial assets measured at amortised cost*

These comprise certificates of deposits, accounts receivable, bank deposits 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)(iv)).

The Trust's certificates of deposits are classified as non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

###### *Financial liabilities measured at amortised cost*

These comprise accounts payable. They are subsequently measured at amortised cost.

##### (iii) 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.

##### (iv) Impairment of financial assets

For certificates of deposits, accounts receivable, bank deposits and cash and cash equivalents, the Trust measures the expected credit losses to determine the loss allowance required to be recognised. Financial assets measured at fair value through income and expenditure account are not subject to the expected credit loss assessment.

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 Trust 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

## POLICE EDUCATION AND WELFARE TRUST

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### (d) Financial assets and financial liabilities (continued)

###### (iv) Impairment of financial assets (continued)

- 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.

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Trust 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 Trust considers that a default event occurs when (i) the borrower is unlikely to pay its credit obligations to the Trust in full; or (ii) the financial asset is 90 days past due. The Trust 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.

For a financial asset with lifetime expected credit losses recognised in the previous reporting period, if its credit quality improves and reverses the previously assessed significant increase in credit risk, then the loss allowance reverts from lifetime expected credit losses to 12-month expected credit losses.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

##### (e) Cash and cash equivalents

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

##### (f) Income

- (i) Donation income is recognised once cash is received and the approval for acceptance is obtained.
- (ii) Dividend income is recognised when the Trust's right to receive payment is established.
- (iii) Interest income is recognised as it accrues using the effective interest method.

##### (g) Bursaries

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

**POLICE EDUCATION AND WELFARE TRUST**

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

**2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

(h) 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 reporting date. Exchange gains and losses are dealt with in the income and expenditure account.

**3 FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH INCOME AND EXPENDITURE ACCOUNT**

	<b>2020</b>	<b>2019</b>
	<b>HK\$</b>	<b>HK\$</b>
Debt securities, at fair value		
- listed in Hong Kong	7,673,744	6,099,840
- listed outside Hong Kong	9,024,720	4,124,543
- unlisted	15,264,400	-
	31,962,864	10,224,383
Equity securities, at fair value		
- listed in Hong Kong	13,987,470	16,818,080
	45,950,334	27,042,463
	45,950,334	27,042,463
Classified as:		
- Non-current assets	17,846,544	6,099,840
- Current assets	28,103,790	20,942,623
	45,950,334	27,042,463
	45,950,334	27,042,463

**4 CERTIFICATES OF DEPOSITS**

	<b>2020</b>	<b>2019</b>
	<b>HK\$</b>	<b>HK\$</b>
Certificates of deposits, at amortised cost		
- unlisted	7,461,583	20,204,349
	7,461,583	20,204,349
	7,461,583	20,204,349

**POLICE EDUCATION AND WELFARE TRUST**

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

**5 CASH AND CASH EQUIVALENTS**

	<b>2020</b>	<b>2019</b>
	<b>HK\$</b>	<b>HK\$</b>
Bank deposits with original maturities up to three months	2,500,000	6,396,720
Call deposits	7,442,055	2,842,457
Cash at bank	98,711	54,905
Cash and cash equivalents	10,040,766	9,294,082

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

	<b>2020</b>	<b>2019</b>
	<b>HK\$</b>	<b>HK\$</b>
Renminbi CNY517,212 (2019: CNY5,491,520)	564,901	6,396,720
United States dollar USD48,372 (2019: USD13,192)	375,123	103,555
Australian dollar Nil (2019: AUD44,417)	-	246,721
	940,024	6,746,996

**6 TRUST FUND ACCOUNT**

Of the trust fund balance at 31 March 2020, HK\$2,512,058 (2019: HK\$2,469,242) is related to donations from the Hong Kong Jockey Club Charities Trust and income generated therefrom, less bursary payments; and HK\$973,598 (2019: HK\$990,017) is related to donations from the Providence Foundation Limited and income generated therefrom, less bursary payments. These donations are for designated purposes.

## POLICE EDUCATION AND WELFARE TRUST

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### 7 INTEREST INCOME

	<b>2020</b>	<b>2019</b>
	<b>HK\$</b>	<b>HK\$</b>
Interest income from bank deposits	60,644	51,222
Interest income from certificates of deposits	305,711	461,259
Interest income from debt securities	579,589	213,315
	<u>945,944</u>	<u>725,796</u>
	=====	=====

#### 8 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.

#### 9 FINANCIAL RISK MANAGEMENT

The Trust's major financial assets include equity securities, debt securities, certificates of deposits, accounts receivable, bank deposits and cash and cash equivalents. Financial liabilities of the Trust include accounts payable. 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.

For bank deposits and cash and cash equivalents, the Trust limits its exposure to credit risk by transacting with reputable licensed banks in Hong Kong.

For investments in debt securities and certificates of deposits, the Trust only invests in those classified under the investment grade by Moody's or Standard & Poor's.

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



**POLICE EDUCATION AND WELFARE TRUST**

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

**9 FINANCIAL RISK MANAGEMENT (CONTINUED)**

(a) Credit risk (continued)

The credit quality of bank deposits and cash at bank, investments in debt securities and certificates of deposits, analysed by the ratings designated by Moody's or Standard & Poor's, at the reporting date is shown below:

	<b>2020</b>	<b>2019</b>
	<b>HK\$</b>	<b>HK\$</b>
Bank deposits and cash at bank, by credit rating		
Aa1 to Aa3	13,558,951	12,356,000
	=====	=====
Certificates of deposits, by credit rating		
P-1 / A-1+ to A-1	7,461,583	20,204,349
	=====	=====
Debt securities, by credit rating		
Aaa to Aa3 / AAA to AA-	3,052,860	4,124,543
A1 to A3 / A+ to A-	28,910,004	6,099,840
	-----	-----
	<u>31,962,864</u>	<u>10,224,383</u>
	=====	=====

The maximum exposure to credit risk at the reporting 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

(i) Exposure to 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 investments 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.

(ii) Sensitivity analysis

It was estimated that, as at 31 March 2020, if the market prices of the respective equity securities had been 10% (2019: 10%) higher/lower, the surplus of the Trust for the year and the balance of the trust fund account would increase/decrease by HK\$1,399,000 (2019: HK\$1,682,000) 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 reporting date, assuming that all other variables were held constant.

## POLICE EDUCATION AND WELFARE TRUST

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### 9 FINANCIAL RISK MANAGEMENT (CONTINUED)

##### (c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

In the management of liquidity risk, the Trust maintains a level of cash and cash equivalents that is considered adequate to finance its operations and mitigate the effects of fluctuations in cash flows. Hence, the Trust does not have significant exposure to liquidity risk.

As at 31 March 2020, the remaining contractual maturities of all financial liabilities, based on contractual undiscounted cash flows and the earliest date on which the Trust can be required to pay, were eight months or less (2019: four months or less).

##### (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 a financial instrument 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, certificates of deposits and fixed deposits bear interest at fixed rates, their fair values will fall when market interest rates increase. However, as certificates of deposits and fixed deposits are stated at amortised cost, their carrying amounts and the Trust's surplus and equity will not be affected by changes in market interest rates. For sensitivity analysis of debt securities, see note 9(d)(ii).

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.

## POLICE EDUCATION AND WELFARE TRUST

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### 9 FINANCIAL RISK MANAGEMENT (CONTINUED)

##### (d) Interest rate risk (continued)

##### (ii) Sensitivity analysis

It was estimated that, as at 31 March 2020, a general increase of 50 basis points (2019: 50 basis points) in interest rates, with all other variables held constant, would decrease the surplus of the Trust for the year and the balance of the trust fund account by HK\$266,000 (2019: HK\$45,000) and a general decrease of 50 basis points (2019: 50 basis points) would increase the surplus of the Trust for the year and the balance of the trust fund account by HK\$270,000 (2019: HK\$45,000).

The sensitivity analysis above was determined assuming that the change in interest rates had occurred at the reporting date and had been applied to the interest-bearing financial assets measured at fair value through income and expenditure account 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 reporting date. The analysis was performed on the same basis for 2019.

##### (e) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in currency exchange rates. The Trust's financial instruments denominated in foreign currencies are exposed to currency risk.

**POLICE EDUCATION AND WELFARE TRUST**

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

**9 FINANCIAL RISK MANAGEMENT (CONTINUED)**

(e) Currency risk (continued)

(i) Exposure to currency risk

At the reporting date, the Trust maintained net financial assets denominated in United States dollar, Renminbi and Australian dollar, as follows:

	<b>2020</b>	<b>2019</b>
	<b>HK\$</b>	<b>HK\$</b>
United States dollar USD1,430,813 (2019: USD616,298)	11,095,876	4,837,880
Renminbi CNY5,652,828 (2019: CNY5,494,723)	6,174,041	6,400,451
Australian dollar Nil (2019: AUD795,909)	-	4,420,977
	17,269,917	15,659,308

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 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 exchange risk relating to Renminbi and the Australian dollar.

(ii) Sensitivity analysis

It was estimated that, as at 31 March 2020, should the Renminbi and the Australian dollar strengthen/weaken by 5% (2019: 5%) against the Hong Kong dollar, with all other variables held constant, the surplus of the Trust for the year and the balance of the trust fund account would increase/decrease by HK\$309,000 (2019: HK\$541,000).

**POLICE EDUCATION AND WELFARE TRUST**

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

**10 FAIR VALUE MEASUREMENT**

(a) Fair value hierarchy of financial instruments

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

	2020			2019		
	Level 1 HK\$	Level 2 HK\$	Total HK\$	Level 1 HK\$	Level 2 HK\$	Total HK\$
<b>Assets</b>						
Financial assets measured at fair value through income and expenditure account:						
Equity securities						
- listed	13,987,470	-	13,987,470	16,818,080	-	16,818,080
Debt securities						
- listed	16,698,464	-	16,698,464	10,224,383	-	10,224,383
- unlisted	-	15,264,400	15,264,400	-	-	-
	<u>30,685,934</u>	<u>15,264,400</u>	<u>45,950,334</u>	<u>27,042,463</u>	<u>-</u>	<u>27,042,463</u>

No financial instruments were classified under Level 3. During the year, there were no transfers between financial instruments in Level 1 and Level 2.

The three levels of the fair value hierarchy are:

Level 1: fair values are quoted prices (unadjusted) in active markets for identical assets or liabilities;

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 (i.e. as prices) or indirectly (i.e. derived from prices); and

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

(b) Valuation techniques and key inputs

The fair value of financial instruments classified under Level 1 is based on quoted market prices of these financial instruments at the reporting date.

## **POLICE EDUCATION AND WELFARE TRUST**

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

#### **10 FAIR VALUE MEASUREMENT (CONTINUED)**

(b) Valuation techniques and key inputs (continued)

The fair value of financial instruments classified under Level 2 is based on quotation from the custodian bank at the reporting date.

All other 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 of the Trust consists solely of the trust fund account. The Trust's objectives when managing capital are:

- (a) to comply with the Police Education and Welfare 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 its projected cash flow requirements, future financial obligations and commitments.

## 警察教育及福利信託基金

截至二零二零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二零二零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教育及福利信託基金於二零二零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  
蔡秀玫代行  
二零二零年十二月七日

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

### 於二零二零年三月三十一日的資產負債表

	附註	2020 港元	2019 港元
<b>非流動資產</b>			
按公平值計入收支帳目的金融資產	3	17,846,544	6,099,840
		-----	-----
<b>流動資產</b>			
按公平值計入收支帳目的金融資產	3	28,103,790	20,942,623
存款證	4	7,461,583	20,204,349
應收帳款		436,011	233,107
原到期日超過三個月的銀行存款		3,518,185	3,061,918
現金及等同現金項目	5	10,040,766	9,294,082
		-----	-----
		49,560,335	53,736,079
<b>流動負債</b>			
應付帳款		(3,639,890)	(1,902,064)
		-----	-----
<b>流動資產淨值</b>		45,920,445	51,834,015
		-----	-----
<b>資產淨值</b>		63,766,989	57,933,855
		=====	=====
<b>權益</b>			
信託基金帳戶	6	63,766,989	57,933,855
		=====	=====

隨附附註1至11為本財務報表的一部分。

警務處處長鄧炳強  
警察教育及福利信託基金受託人  
二零二零年十二月七日

## 警察教育及福利信託基金

### 截至二零二零年三月三十一日止年度收支帳目

	附註	2020 港元	2019 港元
<b>收入</b>			
捐款		11,320,741	5,179,534
利息收入	7	945,944	725,796
股息收入		447,706	438,491
		12,714,391	6,343,821
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<b>支出</b>			
助學金	8	(3,635,380)	(1,898,975)
按公平值計入收支帳目的 金融資產淨實現及重估虧損		(2,514,266)	(386,277)
司庫酬金		(42,000)	(42,000)
雜項支出		(44,839)	(85,169)
淨匯兌虧損		(644,772)	(804,875)
		(6,881,257)	(3,217,296)
		=====	=====
<b>年度盈餘</b>		5,833,134	3,126,525
<b>其他全面收益</b>		-	-
		-	-
<b>年度全面收益總額</b>		5,833,134	3,126,525
		=====	=====

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

### 截至二零二零年三月三十一日止年度權益變動表

	信託基金帳戶 港元
2018年4月1日的結餘	54,807,330
2018-19年度全面收益總額	3,126,525
2019年3月31日的結餘	<u>57,933,855</u>
2019-20年度全面收益總額	5,833,134
2020年3月31日的結餘	<u><u>63,766,989</u></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

### 截至二零二零年三月三十一日止年度現金流量表

	附註	2020 港元	2019 港元
營運活動的現金流量			
年度盈餘		5,833,134	3,126,525
調整項目：			
利息收入		(945,944)	(725,796)
股息收入		(447,706)	(438,491)
按公平值計入收支帳目的 金融資產淨實現及重估虧損		2,514,266	386,277
匯兌差額		668,590	901,591
應付帳款增加		1,737,826	53,640
應收帳款增加		(25,572)	(8,725)
營運活動所得的現金淨額		9,334,594	3,295,021
投資活動的現金流量			
購入投資付款		(39,082,372)	(43,701,695)
出售／贖回投資的收款		29,590,830	42,610,989
原到期日超過三個月的銀行存款淨增加		(456,267)	(3,061,918)
已收利息		951,610	842,764
已收股息		447,706	438,491
投資活動所用的現金淨額		(8,548,493)	(2,871,369)
現金及等同現金項目增加淨額		786,101	423,652
年初的現金及等同現金項目		9,294,082	8,896,516
匯率變動對現金及等同現金項目的影響		(39,417)	(26,086)
年終的現金及等同現金項目	5	10,040,766	9,294,082

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，以及就所有該等警務人員的一般利益提供福利。

信託基金的主要業務地址是香港灣仔軍器廠街1號警察總部。

### 2 主要會計政策

#### (a) 符合準則聲明

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) 財務報表的擬備基準

財務報表是按應計記帳方式及歷史成本法擬備，惟按公平值計入收支帳目的金融資產則除外，如下文會計政策附註 2(d) 所解釋，該等資產是按公平值列帳。

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在有關情況下認為合適的其他因素而制定。在欠缺其他現成數據的情況下，以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，但如修訂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。

信託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主要假設，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。

若干二零一九年的比較數字已重新分類，以配合本年度信託基金財務報表的呈報方式。

# 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) 新訂及經修訂《香港財務報告準則》的影響

香港會計師公會頒布了數項新訂及經修訂的《香港財務報告準則》，並於本會計期生效。適用於本財務報表呈報年度的會計政策，並未因這些發展而有任何改變。

信託基金並沒有提早採納本會計期未生效之修訂、新準則及詮釋。信託基金正就採納該等修訂、新準則及詮釋在首次採納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、新準則及詮釋不大可能會對信託基金的運作成果及財務狀況構成重大影響。

#### (d) 金融資產及金融負債

##### (i) 初始確認

信託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列帳，惟按公平值計入收支帳目的金融工具則除外，其交易成本會直接在收支帳目中確認入帳，有關信託基金如何釐定金融工具公平值的解釋載列於附註10。投資的買賣於交易日確認入帳，投資是按當時買盤價定價。

##### (ii) 分類及其後計量

###### *按公平值計入收支帳目的金融資產*

此類別包括債務證券及股票證券，持有該等金融資產的業務模式是以公平值為基礎，對它們進行管理及評估表現。它們其後按公平值計量，公平值的變動在生產期內於收支帳目內確認入帳。

除非信託基金有意在報告日後 12 個月內出售投資，否則按公平值計入收支帳目的金融資產歸類為非流動資產。



# 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)

#### (d) 金融資產及金融負債(續)

##### (ii) 分類及其後計量 (續)

###### *按攤銷成本值計量的金融資產*

此類別包括存款證、應收帳款、銀行存款和現金及等同現金項目。持有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。它們其後按攤銷成本值(扣除虧損撥備，如有)計量(附註2(d)(iv))。

除非信託基金存款證的到期日離報告日少於 12 個月(該存款證會被歸類為流動資產)，否則存款證會被歸類為非流動資產。

###### *按攤銷成本值計量的金融負債*

此類別包括應付帳款，它們其後按攤銷成本值計量。

##### (iii) 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。

##### (iv) 金融資產減值

對於存款證、應收帳款、銀行存款和現金及等同現金項目，信託基金以預期信貸虧損計算須予確認的虧損撥備。預期信貸虧損評估不適用於按公平值計入收支帳目的金融資產。

預期信貸虧損是以經概率加權估計的信貸虧損，這些虧損為按照合約應付予信託基金的合約現金流量與信託基金預期會收到的現金流量兩者間的差額，並以折現方式按實際利率計算。有關虧損以下列其中一個基礎計量：

- 12 個月預期信貸虧損(自初始確認以來，金融工具的信貸風險並無大幅增加)；在報告日後 12 個月內可能發生的違約事件所引致的預期信貸虧損；或

# 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)

#### (d) 金融資產及金融負債(續)

##### (iv) 金融資產減值(續)

- 期限內預期信貸虧損(自初始確認以來，金融工具的信貸風險大幅增加)：在金融工具的預期有效期內所有可能出現的違約事件所引致的預期信貸虧損。

信託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貸風險有否大幅增加。為此，信託基金認為以下為違約事件：(i) 當借款人不太可能向信託基金全數支付其信貸承擔；或(ii) 金融資產已逾期 90 日。信託基金在合理的投放下考慮合理及有憑證的數量及質量資料，包括過往經驗及具前瞻性的資料。

在上一個報告期被確認為期限內預期信貸虧損的金融資產，若其信貸質素改善並扭轉先前作出信貸風險大幅增加的評估，則虧損撥備由期限內預期信貸虧損回復至12個月預期信貸虧損。

若合理預期無法收回合約現金流量，金融資產將被撇銷。

#### (e) 現金及等同現金項目

現金及等同現金項目包括銀行現金、通知存款及存放日與到期日原本相距三個月或以下的銀行存款。

#### (f) 收入

- (i) 捐款收入是於收到現金及獲准接受捐款後確認入帳。
- (ii) 股息收入是於信託基金接收款項的權利獲得確認時確認入帳。
- (iii) 利息收入是採用實際利率法按應計金額確認入帳。

#### (g) 助學金

助學金撥備是按警察教育及福利信託基金委員會所授權的助學金款額提撥。

# 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) 外幣換算

年內的外幣交易按交易日的匯率換算為港幣，而以外幣為單位的貨幣資產與負債金額則按報告日的市場匯率換算為港幣，匯兌損益均在收支帳目內入帳。

### 3 按公平值計入收支帳目的金融資產

	2020 港元	2019 港元
債務證券(按公平值入帳)		
- 在香港上市	7,673,744	6,099,840
- 在香港以外地方上市	9,024,720	4,124,543
- 非上市	15,264,400	-
	<u>31,962,864</u>	<u>10,224,383</u>
股票證券(按公平值入帳)		
- 在香港上市	13,987,470	16,818,080
	<u>45,950,334</u>	<u>27,042,463</u>
	=====	=====
歸類為：		
- 非流動資產	17,846,544	6,099,840
- 流動資產	28,103,790	20,942,623
	<u>45,950,334</u>	<u>27,042,463</u>
	=====	=====

### 4 存款證

	2020 港元	2019 港元
存款證(按攤銷成本值入帳)		
- 非上市	7,461,583	20,204,349
	=====	=====

## 警察教育及福利信託基金

### 財務報表附註(續)

#### 5 現金及等同現金項目

	2020 港元	2019 港元
原到期日不超過三個月的銀行存款	2,500,000	6,396,720
通知存款	7,442,055	2,842,457
銀行現金	98,711	54,905
現金及等同現金項目	<u>10,040,766</u>	<u>9,294,082</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。

	2020 港元	2019 港元
人民幣		
517,212圓人民幣 (2019年：5,491,520圓人民幣)	564,901	6,396,720
美元		
48,372美元 (2019年：13,192美元)	375,123	103,555
澳元		
無 (2019年：44,417澳元)	-	246,721
	<u>940,024</u>	<u>6,746,996</u>

#### 6 信託基金帳戶

信託基金於二零二零年三月三十一日的結餘中，2,512,058港元 (2019年：2,469,242港元) 來自香港賽馬會慈善信託基金的捐款及從該捐款所產生的收入，扣除助學金款項；及973,598港元 (2019年：990,017港元) 來自悟宿基金會有限公司的捐款及從該捐款所產生的收入，扣除助學金款項。這些捐款是用作指定用途。

# 警察教育及福利信託基金

## 財務報表附註(續)

### 7 利息收入

	2020 港元	2019 港元
銀行存款利息收入	60,644	51,222
存款證利息收入	305,711	461,259
債務證券利息收入	579,589	213,315
	<u>945,944</u>	<u>725,796</u>

### 8 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。

### 9 金融風險管理

信託基金的主要金融資產包括股票證券、債務證券、存款證、應收帳款、銀行存款和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因未能履行責任而引致另一方蒙受財務損失的風險。

在處理銀行存款和現金及等同現金項目時，信託基金透過與香港信譽良好的持牌銀行進行交易，以限制其所面對的信貸風險。

在處理債務證券投資及存款證時，信託基金只投資於穆迪或標準普爾評級為投資級別的債務證券。

自初始確認以來，該等金融工具的信貸風險被評為沒有大幅增加，而信託基金根據 12 個月預期信貸虧損釐定須予確認的虧損撥備。信託基金估計該等金融工具的 12 個月預期信貸虧損並不重大，並認為無須作出虧損撥備。

# 警察教育及福利信託基金

## 財務報表附註(續)

### 9 金融風險管理(續)

#### (a) 信貸風險(續)

銀行存款及銀行現金、債務證券投資及存款證的信貸質素，以穆迪或標準普爾於報告日給予的評級分析如下：

	2020 港元	2019 港元
按信貸評級列示銀行存款及銀行現金		
Aa1 至 Aa3	13,558,951	12,356,000
	=====	=====
按信貸評級列示存款證		
P-1 / A-1+至A-1	7,461,583	20,204,349
	=====	=====
按信貸評級列示債務證券		
Aaa 至 Aa3 / AAA 至 AA-	3,052,860	4,124,543
A1 至 A3 / A+ 至 A-	28,910,004	6,099,840
	-----	-----
	31,962,864	10,224,383
	=====	=====

於報告日，信貸風險最高值為資產負債表所列各類金融資產的帳面金額。

#### (b) 股價風險

##### (i) 承受的股價風險

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。

##### (ii) 敏感度分析

據估算，於二零二零年三月三十一日，如相關股票證券的市場價格上升／下降 10% (2019年：10%)，信託基金的年度盈餘及信託基金帳戶的結餘會因應公平值的改變而增加／減少 1,399,000 港元 (2019年：1,682,000 港元)。這項敏感度分析以信託基金於報告日持有的股票證券帳面總額為根據，並假設所有其他變數維持不變。

# 警察教育及福利信託基金

## 財務報表附註(續)

### 9 金融風險管理(續)

#### (c) 流動資金風險

流動資金風險指機構在履行與金融負債相關的責任時遇到困難的風險。

在流動資金風險管理方面，信託基金維持一定水平的現金及等同現金項目，足以作營運資金及減低現金流量波動對信託基金的影響。因此，信託基金沒有承受重大的流動資金風險。

於二零二零年三月三十一日，按合約未折現的現金流量及信託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八個月或以下(2019年: 四個月或以下)。

#### (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。債務證券的投資是根據已記錄的風險管理或投資策略而進行，而信託基金持續地監察公平值利率風險。由於信託基金的債務證券、存款證及定期存款均按固定利率計息，它們的公平值會因市場利率上升而下跌。然而，由於存款證及定期存款均按攤銷成本值列示，其帳面值及信託基金的盈餘和權益不受市場利率變動影響。相關債務證券的敏感度分析載列於附註9(d)(ii)。

現金流量利率風險指金融工具的未來現金流量因市場利率變動而波動的風險。信託基金無須面對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。

# 警察教育及福利信託基金

## 財務報表附註(續)

### 9 金融風險管理(續)

#### (d) 利率風險(續)

##### (ii) 敏感度分析

據估算，於二零二零年三月三十一日，在所有其他變數維持不變的情況下，利率一般上調50個基點 (2019年：50個基點)，會減少信託基金的年度盈餘及信託基金帳戶的結餘 266,000 港元 (2019年：45,000港元)，而利率一般下調50個基點 (2019年：50個基點)，會增加信託基金的年度盈餘及信託基金帳戶的結餘 270,000港元 (2019年：45,000 港元)。

釐定以上的敏感度分析時，已假設利率變動已於報告日出現，並已應用於當日存在的按公平值計入收支帳目的附息金融資產。上調或下調50個基點乃信託基金對利率在直至下個年度報告日期間的合理可能變動所作的評估。二零一九年的分析按相同基準進行。

#### (e) 貨幣風險

貨幣風險指金融工具的公平值或未來現金流量因貨幣匯率變化而波動的風險，信託基金以外幣計價的金融工具會承受貨幣風險。



# 警察教育及福利信託基金

## 財務報表附註(續)

### 9 金融風險管理(續)

#### (e) 貨幣風險(續)

##### (i) 承受的貨幣風險

於報告日，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：

	2020 港元	2019 港元
美元		
1,430,813美元 (2019年：616,298美元)	11,095,876	4,837,880
人民幣		
5,652,828圓人民幣 (2019年：5,494,723圓人民幣)	6,174,041	6,400,451
澳元		
無 (2019年：795,909澳元)	-	4,420,977
	<u>17,269,917</u>	<u>15,659,308</u>
	=====	=====

由於港幣與美元窄幅掛鈎，信託基金毋須承受與美元有關的重大外幣兌換風險。由於信託基金沒有進行外幣匯率對沖，以人民幣和澳元為單位的金融工具的帳面金額，已為信託基金所持人民幣和澳元的最大外幣兌換風險值。

##### (ii) 敏感度分析

據估算，於二零二零年三月三十一日，如人民幣和澳元兌港幣匯率增強／減弱 5% (2019年：5%)，而所有其他變數維持不變，信託基金的年度盈餘及信託基金帳戶的結餘會增加／減少 309,000港元 (2019年：541,000港元)。

# 警察教育及福利信託基金

## 財務報表附註(續)

### 10 公平值計量

#### (a) 金融工具的公平值等級

下表載列於報告日以公平值定期計量的金融工具的帳面值，並按《香港財務報告準則》第 13 號「公平值計量」所訂定的三個公平值等級分類。

	第一級 港元	2020 第二級 港元	總額 港元	第一級 港元	2019 第二級 港元	總額 港元
<b>資產</b>						
按公平值 計入收支 帳目的金 融資產：						
股票證券						
- 上市	13,987,470	-	13,987,470	16,818,080	-	16,818,080
債務證券						
- 上市	16,698,464	-	16,698,464	10,224,383	-	10,224,383
- 非上市	-	15,264,400	15,264,400	-	-	-
	<u>30,685,934</u>	<u>15,264,400</u>	<u>45,950,334</u>	<u>27,042,463</u>	<u>-</u>	<u>27,042,463</u>

沒有金融工具歸類為第三級。年內，在第一級與第二級之間並無金融工具的調撥。

公平值等級的三個級別為：

第一級：公平值即相同的資產或負債在活躍市場上的報價(未經調整)；

第二級：公平值按與資產或負債有關的可觀察到的參數而釐定，當中包括可直接觀察到的參數(價格)或不可直接觀察到的參數(自價格引申)，但不包括第一級所運用的報價；及

第三級：釐定公平值的參數，並非基於可觀察到的市場數據(即不可觀察到的參數)。

#### (b) 估值方法及主要參數

第一級金融工具的公平值是以它們於報告日的市場報價作為基礎。

# 警察教育及福利信託基金

## 財務報表附註(續)

### 10 公平值計量(續)

#### (b) 估值方法及主要參數(續)

第二級金融工具的公平值是以保管銀行於報告日的報價作為基礎。

所有其餘金融資產和金融負債均以與其公平值相等或相差不大的金額在資產負債表內列帳。

### 11 資本管理

信託基金的資本只包括信託基金帳戶。在管理資本方面，信託基金的宗旨是：

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

信託基金透過檢視其資本水平，並顧及預計的現金流量需求、未來的財務義務及承諾，以確保有足夠資金支付未來的助學金和支出。

警察子女教育信託基金之主要投資清單  
二零二零年三月三十一日  
Major Investment of the Police Children's Education Trust  
as at 31 March 2020

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> (CNY)	市值 <i>Market Value</i> (HKD)
Bank of Communication Co Limited of Sydney 2.9% CD 24Apr20	12,500,000	100.02100%	13,655,415.15
Bank of Communication Co Limited of Macau 2.9% CD 22Jun20	2,000,000	100.10100%	2,186,613.95
Industrial and Commercial Bank of China (Sydney) Limited 3.25% CD 4Jun20	1,000,000	100.14100%	1,093,743.86
		(AUD)	(HKD)
Australia and New Zealand Banking Group Limited 3.25% CD 3Jun20	500,000	100.34200%	2,401,779.00
		(HKD)	(HKD)
Bank of China Limited of Hong Kong 2.24% CD 12Jun20	3,500,000	100.01800%	3,500,630.00
<b>定期存款證總值 Sub-Total :</b>			<b>22,838,181.96</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> (HKD)	市值 <i>Market Value</i> (HKD)
BOC Hong Kong 3.3% EMTN 20Nov20	3,000,000	100.98400%	3,029,520.00
CDBL Funding 2 3.2% EMTN 23Jan21	6,000,000	100.71600%	6,042,960.00
Sun Hung Kai Properties Capital Market Ltd 3.25% EMTN 5Dec22	2,000,000	104.22500%	2,084,500.00
The Hong Kong Land Notes Company Limited 3% EMTN 26Oct22	2,000,000	103.48800%	2,069,760.00
Commonwealth Bank of Australia 2.15% EMTN 27Sep22	4,000,000	101.76200%	4,070,480.00
		(USD)	(HKD)
CDBL Funding Two 3% EMTN 01Aug22	1,300,000	103.23700%	10,407,762.70
Bocom Leasing Management Company Ltd 4% EMTN 22Jan22	300,000	104.10800%	2,422,055.06
ICBCIL Finance Company Ltd 3.375% EMTN 05Apr22	300,000	103.47600%	2,407,351.69
China Cinda Finance 2015 Ltd 4.25% EMTN 23Apr25	425,000	105.84800%	3,488,592.48
Abu Dhabi Commercial Bank 4% EMTN 13Mar23	200,000	104.91800%	1,627,266.38
<b>債券總值 Sub-Total :</b>			<b>37,650,248.31</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> (HKD)	市值 <i>Market Value</i> (HKD)
China Asset Management HK Limited	118,600	41.05000	4,868,530.00
Hang Seng Investment Management Ltd H share	95,200	96.70000	9,205,840.00
Tracker Fund of Hong Kong	576,500	23.85000	13,749,525.00
<b>單位基金總值 Sub-Total:</b>			<b>27,823,895.00</b>

主要投資項目總市值 Total Market Value of Major Investments : HKD \$88,312,325.27

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  
二零二零年三月三十一日  
**Major Investment of the Police Education & Welfare Trust  
as at 31 March 2020**

**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>
Bank of Communication Co Limited of Sydney 2.9% CD 24Apr20	5,000,000	(CNY) 100.02100%	(HKD) 5,462,166.00
Industrial and Commercial Bank of China (Sydney) Limited 2.17% CD 31Jul20	1,000,000	(HKD) 100.02200%	(HKD) 1,000,220.00
<b>定期存款證總值 Sub-Total :</b>			<b>6,462,386.00</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>
BOC Hong Kong 3.3% EMTN 20Nov20	6,000,000	(HKD) 100.98400%	(HKD) 6,059,040.00
CDBL Funding 2 3.2% EMTN 23Jan21	8,000,000	100.71600%	8,057,280.00
Sun Hung Kai Properties Capital Market Ltd 3.25% EMTN 5Dec22	2,000,000	104.22500%	2,084,500.00
The Hong Kong Land Notes Company Limited 3% EMTN 26Oct22	1,000,000	103.48800%	1,034,880.00
Commonwealth Bank of Australia 2.15% EMTN 27Sep22	3,000,000	101.76200%	3,052,860.00
CDBL Funding Two 3% EMTN 01Aug22	600,000	(USD) 103.23700%	(HKD) 4,803,582.78
Bocom Leasing Management Company Ltd 4% EMTN 22Jan22	200,000	104.10800%	1,614,703.37
China Cinda Finance 2015 Ltd 4.25% EMTN 23Apr25	316,000	105.84800%	2,593,871.11
Abu Dhabi Commercial Bank 4% EMTN 13Mar23	200,000	104.91800%	1,627,266.38
<b>債券總值 Sub -Total :</b>			<b>30,927,983.64</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>
China Asset Management HK Limited	45,800	(HKD) 41.05000	(HKD) 1,880,090.00
Hang Seng Investment Management Ltd H share	49,400	96.70000	4,776,980.00
Tracker Fund of Hong Kong	308,000	23.85000	7,345,800.00
<b>單位基金總值 Sub-Total:</b>			<b>14,002,870.00</b>

**主要投資項目總市值 Total Market Value of Major Investments : HKD \$51,393,239.70**

**Disclaimer**

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