



警察福利基金
2022 至 2023 年度年報
POLICE WELFARE FUND
ANNUAL REPORT
2022/2023

POLICE WELFARE FUND ANNUAL REPORT 2022/2023

Introduction

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

Purposes

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

Management and Control

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

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

Performance for 2022/2023

5. The Police Welfare Fund had a deficit of \$21.64 million at the end of the 2022/2023 financial year with the breakdown as follows: -

<u>Account</u>	<u>Income</u> (\$)	<u>Expenditure</u> (\$)	<u>Surplus/ (Deficit)</u> (\$)
General Fund	14,553,173	36,505,888	(21,952,715)
Police Band Fund	606,700	298,165	308,535
Sir Shiu-kin TANG Donation Fund (1985)	20,688	20,688	0
Music Bursary Fund	7,000	0	7,000
Further Education Fund	0	0	0
	<u>15,187,561</u>	<u>36,824,741</u>	<u>(21,637,180)</u>

6. The net assets of the Fund stood at \$305.96 million as at 31 March 2023, which showed a net decrease of 6.61% (21.64 million) as compared with the net assets of \$327.60 million as at 31 March 2022.

Welfare Loans

7. In 2022/2023, no loan was made to members of the Force. There was no outstanding loan as at 31 March 2023.

General Fund Account

8. Deficit of this account for 2022/2023 was \$21.95 million and deficit of \$17.44 million was also recorded in 2021/2022.

9. The total income for the year was \$14.55 million, which represented a decrease of 38.63% (\$9.16 million) as compared with \$23.71 million in 2021/2022. Changes in major items include:

Item	Changes
Donations	- \$ 11,087,182 [- 59.36%]
Hire of police services	+ \$ 1,412,491 [+ 166.04%]
Interest income from time deposits	+ \$ 3,707,565 [+ 160.00%]
Commission on sale of souvenirs by contractors	- \$ 263,647 [- 47.96%]
Net exchange gains / (losses)	- \$ 2,910,261 [N/A ^{Note}]

10. In 2022/2023, the total expenditure under this account was \$36.51 million, which represented a decrease of 11.29% (\$4.65 million) as compared with the total expenditure of \$41.15 million in 2021/2022. Changes in major items include:

Item	Changes
Grants to various councils, associations, etc.	+ \$ 660,900 [+ 32.54%]
Refreshments for police officers on special duties	+ \$ 1,026,562 [+ 32.57%]
Staff relation expenses	- \$ 11,013,071 [- 77.01%]
Healthy Lifestyle Strategy Activities	+ \$ 3,401,965 [+ 71.15%]
Grants to junior police officers for further education	+ \$ 478,000 [+ 21.83%]
Others	+ \$ 842,972 [+ 21.57%]

Police Band Fund Account

11. The main income for this account is derived from the hire of the Police Band for public performances. In 2022/2023, there was a surplus of \$0.31 million under this account. During the year, the total income was \$0.61 million, which represented an increase of 150.84% (\$0.36 million) as compared with the total income of \$0.24 million in 2021/2022. The total expenditure in 2022/2023 was \$0.30 million, which represented an increase of 3.85% (\$11,046) as compared with the total expenditure of \$0.29 million in 2021/2022. The net assets of this account was \$1.65 million as at 31 March 2023.

^{Note} It changed from surplus of \$1,015,845 in 2021/2022 to deficit of \$1,894,416 in 2022/23.

Sir Shiu-kin TANG Donation Fund (1985) Account

12. In 1985, the late Sir Shiu-kin TANG donated \$1 million to the Force to establish the Sir Shiu-kin TANG Donation Fund. The only income of this account is derived from the interest on the time deposit of \$1 million. Interest income generated in 2022/2023 was \$20,688, which represented an increase of 200.35% (\$13,800) as compared with \$6,888 in 2021/2022. All income was spent for general welfare purposes during the year.

Music Bursary Fund Account

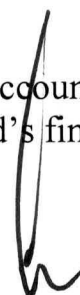
13. The purpose of this account is to provide a fund to sponsor the Bandsmen to attend musical training courses, and its income is derived from the sale proceeds of Police Band compact discs. In 2022/2023, the income under this account was \$7,000, no expenditure was recorded in the year.

Further Education Fund Account

14. To promote life-long learning among the police officers, the Force set up an account designated for educational purpose, namely Further Education Fund, in May 2006. The account is to provide assistance to police officers to pursue private academic studies relevant to their duties to realize their full potential. The income of this account was donations designated for educational purpose. In 2022/2023, this account recorded neither income nor expenditure.

Audit of the Fund's Final Accounts

15. The Director of Audit has audited the final accounts of the Fund for 2022/2023. A copy of his certificate and the Fund's final accounts for 2022/2023 are attached.



(SIU Chak-yee)
Commissioner of Police Incorporated

8 November 2023

警察福利基金

2022 至 2023 年度年報

引言

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

基金的宗旨

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

管理與控制

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

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

2022 至 2023 年度的收支狀況

5. 在 2022 至 2023 財政年度終結時，警察福利基金的虧損為 2,164 萬元，分項數字如下：

帳目	收入(元)	支出(元)	盈餘／(虧損) (元)
一般儲備金	14,553,173	36,505,888	(21,952,715)
警察樂隊基金	606,700	298,165	308,535
鄧肇堅爵士	20,688	20,688	0
捐款基金(1985 年)			
音樂助學基金	7,000	0	7,000
持續進修基金	0	0	0
	<u>15,187,561</u>	<u>36,824,741</u>	<u>(21,637,180)</u>

6. 截至 2023 年 3 月 31 日，基金的資產淨值為 3 億 596 萬元，與 2022 年 3 月 31 日的資產淨值 3 億 2,760 萬元比較，減幅為 6.61% (2,164 萬元)。

福利貸款

7. 在 2022 至 2023 年度，沒有借予警隊成員的貸款。截至 2023 年 3 月 31 日，並沒有未清繳款項。

一般儲備金帳目

8. 在 2022 至 2023 年度，此項帳目的虧損為 2,195 萬元，而 2021 至 2022 年度虧損為 1,744 萬元。

9. 本年度基金的總收入為 1,455 萬元，與 2021 至 2022 年度的總收入 2,371 萬元比較，減幅為 38.63% (916 萬元)。主要項目的轉變包括：

項目	轉變
捐款	減少 11,087,182 元 [- 59.36%]
僱用警察服務費用	增加 1,412,491 元 [+ 166.04%]
定期存款利息收入	增加 3,707,565 元 [+ 160.00%]
承辦商代售紀念品佣金	減少 263,647 元 [- 47.96%]
淨兌換收益 / (虧損)	減少 2,910,261 元 [不適用 ^註]

10. 在 2022 至 2023 年度，此項帳目的總支出為 3,651 萬元，與 2021 至 2022 年度的總支出 4,115 萬元比較，減幅為 11.29% (465 萬元)。主要項目的轉變包括：

項目	轉變
發給不同委員會、協會等的補助金	增加 660,900 元 [+ 32.54%]
擔任特殊職務警務人員茶點費用	增加 1,026,562 元 [+ 32.57%]
員工關係開支	減少 11,013,071 元 [- 77.01%]
健康生活策略活動	增加 3,401,965 元 [+ 71.15%]
初級警務人員持續進修補助金	增加 478,000 元 [+ 21.83%]
其他	增加 842,972 元 [+ 21.57%]

警察樂隊基金帳目

11. 此項帳目的主要收入來自僱用警察樂隊作公開演出。在 2022 至 2023 年度，本帳目的盈餘為 31 萬元。本年度的總收入為 61 萬元，與 2021 至 2022 年度的總收入 24 萬元比較，淨增幅為 150.84% (36 萬元)。在 2022 至 2023 年度的總支出為 30 萬元，與 2021 至 2022 年度的總支出 29 萬元比較，淨增幅為 3.85% (11,046 元)。截至 2023 年 3 月 31 日，此項帳目的資產淨值為 165 萬元。

註 2021 至 2022 年度錄得\$1,015,845 元收益，2022 至 2023 年度錄得\$1,894,416 元虧損。

鄧肇堅爵士捐款基金（1985年）帳目

12. 已故鄧肇堅爵士於 1985 年向警隊捐贈 100 萬元，成立鄧肇堅爵士捐款基金。此項帳目的唯一收入來自 100 萬元的定期存款利息。2022 至 2023 年度的利息收入為 20,688 元，與 2021 至 2022 年度的利息收入 6,888 元比較，增幅為 200.35%（13,800 元）。年內所有收入均用於一般福利開支。

音樂助學基金帳目

13. 此項帳目的宗旨是提供款項贊助樂師參加音樂訓練課程，而帳目的收入是來自售賣警察樂隊鐮射唱片的利潤。在 2022 至 2023 年度，本帳目的收入為 7,000 元，而期間沒有支出。

持續進修基金帳目

14. 為鼓勵警務人員終身學習，警務處在 2006 年 5 月開立了一個專為警務人員進修而設的持續進修基金帳目。此項帳目的宗旨是為警務人員提供補助金資助，以鼓勵他們在公餘時間進修與其職務相關的課程，協助全面發揮他們的潛能。本帳目的收入主要是指定作教育用途的捐款。在 2022 至 2023 年度，本帳目沒有錄得收入及開支。

基金最後結算的審核

15. 審計署署長已審核基金 2022 至 2023 年度的最後結算，其證明書和基金 2022 至 2023 年度的最後結算現夾附於本報告內。



警務處處長法團蕭澤頤

2023 年 11 月 8 日



Police Welfare Fund

Financial statements for the year ended 31 March 2023

Report of the Director of Audit



Audit Commission

The Government of the Hong Kong Special Administrative Region

Independent Auditor's Report To the Legislative Council

Opinion

I certify that I have audited the financial statements of the Police Welfare Fund set out on pages 4 to 19, which comprise the balance sheet as at 31 March 2023, and the income and expenditure account, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements give a true and fair view of the financial position of the Police Welfare Fund as at 31 March 2023, and of its financial performance and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and have been properly prepared in accordance with section 10(1)(b) of the Police Force (Welfare Fund) Regulation (Cap. 232 sub. leg. C).

Basis for opinion

I conducted my audit in accordance with section 11(3) of the Police Force (Welfare Fund) Regulation and the Audit Commission auditing standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my report. I am independent of the Police Welfare Fund in accordance with those standards, and I have fulfilled my other ethical responsibilities in accordance with those standards. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the Commissioner of Police Incorporated for the financial statements

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

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- identify and assess the 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 Welfare Fund's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Commissioner of Police Incorporated;
- conclude on the appropriateness of the Commissioner of Police Incorporated's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast

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

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

I communicate with the Commissioner of Police Incorporated regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



S. M. CHOI
Principal Auditor
for Director of Audit


25 September 2023

Audit Commission
6th Floor, High Block
Queensway Government Offices
66 Queensway
Hong Kong

POLICE WELFARE FUND
BALANCE SHEET AS AT 31 MARCH 2023

	Note	2023 HK\$	2022 HK\$
CURRENT ASSETS			
Inventories	2 (e)	479,889	532,862
Receivables, sundry debtors, prepayments and others	3	9,324,799	4,581,612
Time deposits with original maturities over three months		278,694,378	243,276,975
Cash and cash equivalents	4	23,422,208	93,574,425
		311,921,274	341,965,874
CURRENT LIABILITIES			
Sundry creditors, deferred revenue and deposits received	5	(5,960,139)	(14,367,559)
NET CURRENT ASSETS		<u>305,961,135</u>	<u>327,598,315</u>
ACCUMULATED FUND			
CAPITAL ACCOUNT			
Sir Shiu-kin TANG Donation Fund (1985)	6	1,000,000	1,000,000
ACCUMULATED SURPLUS			
General Fund		301,389,346	323,342,061
Police Band Fund		1,653,803	1,345,268
Sir Shiu-kin TANG Donation Fund (1985)		1,197,497	1,197,497
Music Bursary Fund		720,489	713,489
Further Education Fund		-	-
		304,961,135	326,598,315
TOTAL EQUITY		<u>305,961,135</u>	<u>327,598,315</u>

The accompanying notes I to 12 form part of these financial statements.


 (SIU Chak-ye)
 Commissioner of Police Incorporated
 25 September 2023

POLICE WELFARE FUND

**INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	General Fund	Police Band Fund	Sir Shiu-kin TANG Donation Fund (1985)	Music Bursary Fund	Further Education Fund	Total
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
2023							
Income	7	14,553,173	606,700	20,688	7,000	-	15,187,561
Expenditure	8	(36,505,888)	(298,165)	(20,688)	-	-	(36,824,741)
(Deficit)/Surplus for the year		(21,952,715)	308,535	-	7,000	-	(21,637,180)
Other comprehensive income		-	-	-	-	-	-
Total comprehensive (loss)/income for the year		<u>(21,952,715)</u>	<u>308,535</u>	<u>-</u>	<u>7,000</u>	<u>-</u>	<u>(21,637,180)</u>
2022							
Income	7	23,708,520	241,870	6,888	1,400	500,000	24,458,678
Expenditure	8	(41,152,448)	(287,119)	(6,888)	(15,000)	(500,000)	(41,961,455)
Deficit for the year		(17,443,928)	(45,249)	-	(13,600)	-	(17,502,777)
Other comprehensive income		-	-	-	-	-	-
Total comprehensive loss for the year		<u>(17,443,928)</u>	<u>(45,249)</u>	<u>-</u>	<u>(13,600)</u>	<u>-</u>	<u>(17,502,777)</u>

The accompanying notes 1 to 12 form part of these financial statements.

POLICE WELFARE FUND
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023

	Capital Account Sir Shiu-kin TANG Donation Fund (1985)		Police Band Fund	Accumulated Surplus Sir Shiu-kin TANG Donation Fund (1985)			Music Bursary Fund	Further Education Fund	Total
	General Fund								
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	
Balance at 1 April 2021	1,000,000	340,785,989	1,390,517	1,197,497	727,089	-	345,101,092		
Total comprehensive loss for 2021/22	-	(17,443,928)	(45,249)	-	(13,600)	-	(17,502,777)		
Balance at 31 March 2022	1,000,000	323,342,061	1,345,268	1,197,497	713,489	-	327,598,315		
Total comprehensive (loss)/income for 2022/23	-	(21,952,715)	308,535	-	7,000	-	(21,637,180)		
Balance at 31 March 2023	<u>1,000,000</u>	<u>301,389,346</u>	<u>1,653,803</u>	<u>1,197,497</u>	<u>720,489</u>	<u>-</u>	<u>305,961,135</u>		

The accompanying notes 1 to 12 form part of these financial statements.

POLICE WELFARE FUND

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	2023 HK\$	2022 HK\$
Cash flows from operating activities			
Operating (deficit)/surplus from:			
General Fund		(21,952,715)	(17,443,928)
Police Band Fund		308,535	(45,249)
Music Bursary Fund		7,000	(13,600)
		(21,637,180)	(17,502,777)
Adjustments for :			
Net exchange loss/(gain)		1,894,416	(1,015,845)
Interest income from time deposits		(6,045,552)	(2,324,187)
Decrease in inventories		52,973	182,762
(Increase)/Decrease in receivables, sundry debtors, prepayments and others		(1,095,416)	2,112,679
(Decrease)/Increase in sundry creditors, deferred revenue and deposits received		(8,407,420)	9,485,184
Net cash used in operating activities		(35,238,179)	(9,062,184)
Cash flows from investing activities			
Net increase in time deposits with original maturities over three months		(37,311,819)	(82,714,277)
Interest received from time deposits		2,397,781	2,576,832
Net cash used in investing activities		(34,914,038)	(80,137,445)
Net decrease in cash and cash equivalents		(70,152,217)	(89,199,629)
Cash and cash equivalents at beginning of year		93,574,425	182,774,054
Cash and cash equivalents at end of year	4	23,422,208	93,574,425

The accompanying notes 1 to 12 form part of these financial statements.

POLICE WELFARE FUND
NOTES TO THE FINANCIAL STATEMENTS

1. General information

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

2. Significant accounting policies

(a) Statement of compliance

The financial statements of the Fund have been prepared in accordance with section 10(1)(b) of the Police Force (Welfare Fund) Regulation (Cap. 232 sub. leg. C) and all applicable Hong Kong Financial Reporting Standards (HKFRSs), which is a collective term that includes all applicable individual HKFRSs, Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (HKICPA). A summary of the significant accounting policies adopted by the Fund is set out below.

(b) Basis of preparation of the financial statements

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

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

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

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

(c) Impact of new and revised HKFRSs

The HKICPA has issued certain new or revised HKFRSs which are first effective or available for early adoption for the current accounting period of the Fund. 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 Fund has not early adopted any amendments, new standards and interpretations which are not yet effective for the current accounting period. The Fund 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 financial statements.

(d) Financial assets and financial liabilities

(i) Initial recognition and measurement

Financial assets and financial liabilities are recognised on the date the Fund 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.

(ii) Classification and subsequent measurement

Financial assets measured at amortised cost

These include receivables, sundry debtors, time 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 using the effective interest method. The measurement of loss allowances for these financial assets is based on the expected credit loss model as described in note 2(d)(iv).

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating and recognising the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or financial liability to the gross carrying amount of the financial asset or to the amortised cost of the financial liability. When calculating the effective interest rate, the Fund estimates cash flows by considering all contractual terms of the financial instrument but does not consider the expected credit losses. The calculation includes all fees received or paid between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

Financial liabilities measured at amortised cost

These include sundry creditors and deposits received. They are subsequently measured at amortised cost using the effective interest method.

(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 financial assets measured at amortised cost, the Fund measures the expected credit losses to determine the loss allowance required to be recognised.

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

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

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

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Fund compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this assessment, the Fund considers that a default event occurs when (i) the borrower is unlikely to pay its credit obligations to the Fund in full; or (ii) the financial asset is 90 days past due. The Fund considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

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) Inventories

- (i) Inventories consist of Police Souvenirs, the Police Band 55th Anniversary Commemorative Postal Covers, the 170th Anniversary of the Hong Kong Police Force (HKPF) Charity Concert DVDs and Blu-ray discs, the 175th Anniversary of the HKPF Commemorative Books and Octopus Keychains.
- (ii) Inventories are valued on a first-in-first-out basis. The inventories at year end are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated selling expenses.

(f) Revenue recognition

- (i) The Fund recognises revenue from contracts with customers and revenue from sales of inventories when it satisfies a performance obligation by transferring a promised good or service to a customer, at the amount of consideration to which the Fund expects to be entitled in exchange for the good or service.
- (ii) Donation income is recognised once the amount is received and the approval for acceptance is obtained.
- (iii) Interest income is recognised as it accrues using the effective interest method.
- (iv) Government grant is recognised when there is a reasonable assurance that the Fund will comply with the conditions attaching to it and that the grant will be received.

(g) Deferred revenue

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

(h) Foreign currency translation

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

(i) Cash and cash equivalents

Cash and cash equivalents include cash at bank, deposit with the Treasury, time deposits and short-term highly liquid investments that are readily convertible to known amounts of cash and subject to an insignificant risk of changes in value, having been within three months of maturity when placed or acquired.

3. Receivables, sundry debtors, prepayments and others

	2023	2022
	HK\$	HK\$
Receivables		
Interest receivable	4,698,422	1,050,651
Accounts receivable	755,770	34,633
	5,454,192	1,085,284
Sundry debtors	172,065	215,647
Prepayments	458,620	365,946
Others	3,239,922	2,914,735
	<u>9,324,799</u>	<u>4,581,612</u>

Accounts receivable are mainly service charges receivable relating to hire of police services and Police Band, sales of inventories and commission receivable for souvenirs. The Fund did not have any contract assets at the reporting date (2022: Nil).

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

4. Cash and cash equivalents

	2023	2022
	HK\$	HK\$
Time deposits with original maturities within three months	-	50,000,048
Deposit with the Treasury	23,392,208	43,544,377
Cash at bank	30,000	30,000
	<u>23,422,208</u>	<u>93,574,425</u>

5. Sundry creditors, deferred revenue and deposits received

	2023 HK\$	2022 HK\$
Sundry creditors	5,790,757	14,129,975
Deferred revenue	28,582	93,528
Deposits received	140,800	144,056
	<u>5,960,139</u>	<u>14,367,559</u>

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

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

	2023 HK\$	2022 HK\$
Decrease due to refund to customers during the year	(93,528)	(25,210)
Increase due to advance payments received during the year	28,582	93,528

6. Capital account

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

7. **Income**

	2023	2022
	HK\$	HK\$
(a) General Fund		
Proceeds from sales of inventories	54,640	176,434
Cost of inventories sold	(52,973)	(164,616)
Gross gain on sales of inventories	1,667	11,818
Donations	7,590,800	18,677,982
Government grant	160,832	139,685
Hire of police services	2,263,201	850,710
Hire of police holiday facilities	42,140	24,885
Interest income from time deposits	6,024,864	2,317,299
Commission on sale of souvenirs by contractors	286,123	549,770
Net exchange (losses) /gains	(1,894,416)	1,015,845
Commission from Staff Purchase Scheme contractor	71,133	100,338
Miscellaneous receipts	6,829	20,188
	14,553,173	23,708,520
(b) Police Band Fund		
Donations	100,000	-
Hire of Police Band	506,700	241,870
	606,700	241,870
(c) Sir Shiu-kin TANG Donation Fund (1985)		
Interest income from time deposit	20,688	6,888
(d) Music Bursary Fund		
Sale of compact discs	7,000	1,400
(e) Further Education Fund		
Donation	-	500,000
	15,187,561	24,458,678

8. Expenditure

	Note	2023 HK\$	2022 HK\$
(a) General Fund			
Formation welfare grants	9	6,240,238	6,033,446
Grants to Police Tactical Units		236,955	222,134
Grants to various councils, associations, etc.		2,691,894	2,030,994
Recurrent expenses on police holiday facilities		582,544	522,360
Grants to police/civilian officers in hardship		1,573,221	1,788,042
Refreshments for police officers on special duties		4,178,860	3,152,298
Police sports activities expenses		403,111	163,320
Staff relation expenses		3,288,502	14,301,573
Grants on death of serving police/civilian officers or pensioners		1,670,676	2,035,768
Healthy Lifestyle Strategy Activities		8,183,282	4,781,317
Seminars and Resettlement Training Courses		38,308	23,871
Grants to junior police officers for further education		2,668,000	2,190,000
Others		4,750,297	3,907,325
		36,505,888	41,152,448

	2023 HK\$	2022 HK\$
(b) Police Band Fund		
Purchase and repair of musical instruments	237,443	241,590
Laundry expenses for bandsmen engaged in private functions	2,975	2,775
Miscellaneous expenses	39,817	42,254
Entertainment expenses	17,930	500
	298,165	287,119
(c) Sir Shiu-kin TANG Donation Fund (1985)		
General welfare expenses	20,688	6,888
(d) Music Bursary Fund		
Training expenses for bandsmen	-	15,000
(e) Further Education Fund		
Further education grants to police officers	-	500,000
	36,824,741	41,961,455

9. Formation welfare grants

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

	Note	2023 HK\$	2022 HK\$
Balance at beginning of year		576,610	802,646
Grants received during the year	8	6,240,238	6,033,446
		6,816,848	6,836,092
Expenses paid during the year		(6,288,253)	(6,259,482)
Balance at end of year		528,595	576,610

10. Financial risk management

The Fund's major financial instruments include receivables, sundry debtors, time deposits, cash and cash equivalents and sundry creditors. The major risks associated with these financial instruments are set out below.

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The maximum exposure to credit risk of the financial assets of the Fund at the reporting date is equal to their carrying amounts.

For receivables and sundry debtors, the Fund believes that there is no material credit risk inherent in the Fund's outstanding balance because the counterparties have no history of default in the past.

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

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

	2023	2022
	HK\$	HK\$
Time deposits and cash at bank, by credit rating		
Aa1 to Aa3	135,029,992	160,448,318
A1 to A3	143,694,386	132,858,705
	<u>278,724,378</u>	<u>293,307,023</u>

While the financial assets measured at amortised cost are subject to the impairment requirements, the Fund has estimated that their expected credit losses are minimal and considers that no loss allowance is required.

(b) Interest rate risk

Interest rate risk is the risk of loss arising from changes in market interest rates. This can be further classified into fair value interest rate risk and cash flow interest rate risk.

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. Since the Fund's bank deposits bear interest at fixed rates, their fair values will fall when market interest rates increase. However, as they are stated at amortised cost, changes in market interest rates will not affect their carrying amounts and the Fund's deficit and accumulated fund.

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

(c) Currency risk

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 Fund's financial instruments denominated in currencies other than Hong Kong dollar are exposed to currency risks.

(i) Exposure to currency risk

As at the reporting date, the Fund maintained financial assets denominated in Renminbi totalling CNY21,539,603 (2022: CNY20,912,946). Since no currency rate hedging is made by the Fund, the carrying amounts of the financial assets in Renminbi represent the maximum exposure of the Fund to currency exchange risk in respect of Renminbi.

(ii) Sensitivity analysis

It is estimated that, if the Renminbi strengthens/weakens by 5% (2022: 5%) against the Hong Kong dollar as at the reporting date, with all other variables being held constant, the deficit of the Fund for the year would decrease/increase and accumulated fund would increase/decrease by HK\$1,230,000 (2022: HK\$1,289,000).

The sensitivity analysis above is based on the assumption that the change in currency exchange rate had occurred at the reporting date and for financial instruments in existence at that date.

(d) 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 Fund maintains a level of cash and cash equivalents that is considered adequate to finance its operations and mitigate the effect of fluctuations in cash flows. Hence, the Fund does not have significant exposures to liquidity risk.

At the reporting date, the remaining contractual maturities of all financial liabilities, based on contractual undiscounted cash flows and the earliest date on which the Fund can be required to pay, were three months or less (2022: three months or less).

11. Capital management

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

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

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

12. Fair values of financial assets and financial liabilities

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

警察福利基金

截至二零二三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 18 頁警察福利基金的財務報表，該等財務報表包括於二零二三年三月三十一日的資產負債表與截至該日止年度的收支帳目、權益變動表和現金流量表，以及財務報表的附註，包括主要會計政策概要。

我認為，該等財務報表已按照香港會計師公會頒布的《香港財務報告準則》真實而中肯地反映警察福利基金於二零二三年三月三十一日的財務狀況及截至該日止年度的財務表現及現金流量，並已按照《警隊（福利基金）規例》（第 232 章，附屬法例 C）第 10(1)(b) 條妥為擬備。

意見的基礎

我已按照《警隊（福利基金）規例》第 11(3) 條及審計署的審計準則進行審計。我根據該等準則而須承擔的責任，詳載於本報告「*審計師就財務報表審計而須承擔的責任*」部分。根據該等準則，我獨立於警察福利基金，並已按該等準則履行其他道德責任。我相信，我所獲得的審計憑證是充足和適當地為我的審計意見提供基礎。

警務處處長法團就財務報表而須承擔的責任

警務處處長法團須負責按照香港會計師公會頒布的《香港財務報告準則》及《警隊(福利基金)規例》第 10(1)(b)條擬備真實而中肯的財務報表，及落實其認為必要的內部控制，以使財務報表不存有由於欺詐或錯誤而導致的重大錯誤陳述。

在擬備財務報表時，警務處處長法團須負責評估警察福利基金持續經營的能力，以及在適用情況下披露與持續經營有關的事項，並以持續經營作為會計基礎。

審計師就財務報表審計而須承擔的責任

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

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

- 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福利基金內部控制的有效性發表意見；

- 評價警務處處長法團所採用的會計政策是否恰當，以及其作出的會計估計和相關資料披露是否合理；
- 判定警務處處長法團以持續經營作為會計基礎的做法是否恰當，並根據所得的審計憑證，判定是否存在與事件或情況有關，而且可能對警察福利基金持續經營的能力構成重大疑慮的重大不確定性。如果我認為存在重大不確定性，則有必要在審計師報告中請使用者留意財務報表中的相關資料披露。假若所披露的相關資料不足，我便須發出非無保留意見的審計師報告。我的結論是基於截至審計師報告日止所取得的審計憑證。然而，未來事件或情況可能導致警察福利基金不能繼續持續經營；及
- 評價財務報表的整體列報方式、結構和內容，包括披露資料，以及財務報表是否中肯反映交易和事項。

我與警務處處長法團溝通計劃的審計範圍和時間安排以及重大審計發現等事項，包括我在審計期間識別出內部控制的任何重大缺陷。

審計署署長
首席審計師
蔡秀玫代行

二零二三年九月二十五日

審計署
香港
金鐘道 66 號
金鐘道政府合署
高座 6 樓

警察福利基金
二零二三年三月三十一日資產負債表

	附註	2023 港元	2022 港元
流動資產			
存貨	2 (e)	479,889	532,862
應收款項、雜項債務人、預付款項及其他	3	9,324,799	4,581,612
原於三個月以上到期的定期存款		278,694,378	243,276,975
現金及等同現金項目	4	23,422,208	93,574,425
		311,921,274	341,965,874
流動負債			
雜項債權人、遞延收入及已收按金	5	<u>(5,960,139)</u>	<u>(14,367,559)</u>
流動資產淨值		<u>305,961,135</u>	<u>327,598,315</u>
累積資金			
資本帳戶			
鄧肇堅爵士捐款基金 (1985年)	6	1,000,000	1,000,000
累積盈餘			
一般儲備金		301,389,346	323,342,061
警察樂隊基金		1,653,803	1,345,268
鄧肇堅爵士捐款基金 (1985年)		1,197,497	1,197,497
音樂助學基金		720,489	713,489
持續進修基金		-	-
		<u>304,961,135</u>	<u>326,598,315</u>
權益總額		<u>305,961,135</u>	<u>327,598,315</u>

隨附附註1至12為本財務報表的一部分。

(蕭澤頤)
警務處處長法團
二零二三年九月二十五日

警察福利基金

截至二零二三年三月三十一日止年度收支帳目

	附註	一般儲備金	警察樂隊 基金	鄧肇堅爵士 捐款基金 (1985年)	音樂助學 基金	持續進修 基金	總額
		港元	港元	港元	港元	港元	港元
2023							
收入	7	14,553,173	606,700	20,688	7,000	-	15,187,561
支出	8	(36,505,888)	(298,165)	(20,688)	-	-	(36,824,741)
年度(虧絀)/盈餘		(21,952,715)	308,535	-	7,000	-	(21,637,180)
其他全面收益		-	-	-	-	-	-
年度全面(虧損)/ 收益總額		<u>(21,952,715)</u>	<u>308,535</u>	<u>-</u>	<u>7,000</u>	<u>-</u>	<u>(21,637,180)</u>
2022							
收入	7	23,708,520	241,870	6,888	1,400	500,000	24,458,678
支出	8	(41,152,448)	(287,119)	(6,888)	(15,000)	(500,000)	(41,961,455)
年度虧絀		(17,443,928)	(45,249)	-	(13,600)	-	(17,502,777)
其他全面收益		-	-	-	-	-	-
年度全面虧損 總額		<u>(17,443,928)</u>	<u>(45,249)</u>	<u>-</u>	<u>(13,600)</u>	<u>-</u>	<u>(17,502,777)</u>

隨附附註1至12為本財務報表的一部分。

警察福利基金

截至二零二三年三月三十一日止年度權益變動表

	資本帳戶		累積盈餘				總額
	鄧肇堅爵士 捐款基金 (1985年)	一般儲備金	警察樂隊 基金	鄧肇堅爵士 捐款基金 (1985年)	音樂助學 基金	持續進修 基金	
	港元	港元	港元	港元	港元	港元	
2021年4月1日結餘	1,000,000	340,785,989	1,390,517	1,197,497	727,089	-	345,101,092
2021/22年度全面 虧損總額	-	(17,443,928)	(45,249)	-	(13,600)	-	(17,502,777)
2022年3月31日結餘	1,000,000	323,342,061	1,345,268	1,197,497	713,489	-	327,598,315
2022/23年度全面(虧損) /收益總額	-	(21,952,715)	308,535	-	7,000	-	(21,637,180)
2023年3月31日結餘	<u>1,000,000</u>	<u>301,389,346</u>	<u>1,653,803</u>	<u>1,197,497</u>	<u>720,489</u>	<u>-</u>	<u>305,961,135</u>

隨附附註1至12為本財務報表的一部分。

警察福利基金

截至二零二三年三月三十一日止年度現金流量表

	附註	2023 港元	2022 港元
營運活動的現金流量			
營運(虧絀)/盈餘來自：			
一般儲備金		(21,952,715)	(17,443,928)
警察樂隊基金		308,535	(45,249)
音樂助學基金		7,000	(13,600)
		(21,637,180)	(17,502,777)
調整項目：			
淨兌換虧損/(收益)		1,894,416	(1,015,845)
定期存款利息收入		(6,045,552)	(2,324,187)
存貨減少		52,973	182,762
應收款項、雜項債務人、預付款項及其他(增加)/減少		(1,095,416)	2,112,679
雜項債權人、遞延收入及已收按金(減少)/增加		(8,407,420)	9,485,184
營運活動所用的現金淨額		(35,238,179)	(9,062,184)
投資活動的現金流量			
原於三個月以上到期的定期存款增加淨額		(37,311,819)	(82,714,277)
定期存款已收利息		2,397,781	2,576,832
投資活動所用的現金淨額		(34,914,038)	(80,137,445)
現金及等同現金項目減少淨額		(70,152,217)	(89,199,629)
年初的現金及等同現金項目		93,574,425	182,774,054
年終的現金及等同現金項目	4	23,422,208	93,574,425

隨附附註1至12為本財務報表的一部分。

警察福利基金 財務報表附註

1. 一般資料

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

2. 主要會計政策

(a) 符合準則聲明

基金財務報表是按照《警隊(福利基金)規例》(附屬法例第232C章)第10(1)(b)條及所有適用的香港財務報告準則(此乃綜合詞彙，包括香港會計師公會頒布的所有適用的個別香港財務報告準則、香港會計準則及詮釋)擬備。基金採納的主要會計政策摘要如下。

(b) 財務報表的擬備基準

本財務報表是按照應計記帳方式及歷史成本法擬備。

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

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

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

(c) 新增及經修訂的香港財務報告準則的影響

香港會計師公會頒佈了若干新增或經修訂的香港財務報告準則，並於基金的本會計期首次生效或可供提早採納。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。

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。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，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財務報表構成重大影響。

(d) 金融資產及金融負債

(i) 初始確認及計量

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

(ii) 分類及其後計量

按攤銷成本值計量的金融資產

該等類別包括應收款項、雜項債務人、定期存款及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，其後採用實際利率法按攤銷成本值計量。這些金融資產的虧損撥備根據附註 2 (d)(iv)所述的預期信貸虧損模型計量。

實際利率法是計算金融資產或金融負債的攤銷成本值，以及攤分和確認有關期間的利息收入或支出的方法。實際利率是指可將該金融資產或金融負債在有效期間內的預計現金收支，折現成該金融資產的賬面總值或該金融負債的攤銷成本值所適用的貼現率。基金於計算實際利率時，會考慮該金融工具的所有合約條款以估計現金流量，但不會計及預期信貸虧損。有關計算包括與實際利率相關的所有收取自或支付予合約各方的費用、交易成本及所有其他溢價或折讓。

按攤銷成本值計量的金融負債

該等類別包括雜項債權人及已收按金，其後採用實際利率法按攤銷成本值計量。

(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

對於按攤銷成本值計量的金融資產，基金計算預期信貸虧損來決定須確認的虧損撥備。

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

- 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引致的預期信貸虧損；或

- 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已大幅增加)：金融工具的預期有效期內所有可能出現的違約事件引致的預期信貸虧損。

交易應收帳款的虧損撥備一直按相等於期限內預期信貸虧損的金額計量。

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

在上一報告期內被確認有期限內預期信貸虧損的金融資產，如果其信貸質素改善並扭轉了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。

若按合理預期下無法收回合約現金流量，金融資產將被撇銷。

(e) 存貨

- (i) 存貨包括警察紀念品、警察樂隊五十五周年紀念郵套、警隊一百七十周年慈善音樂會數碼影音光碟及藍光光碟、警隊一百七十五周年紀念書籍和八達通鑰匙扣。
- (ii) 存貨的價值以先入先出法計算。年底存貨按成本及可變現淨值兩者中較低者入帳，而可變現淨值是根據在正常業務中存貨的估計銷售價減去估計銷售開支而得出。

(f) 收入確認

- (i) 基金會在向客戶移轉所承諾的貨物或服務以履行其履約責任時，按基金預期就交換該項貨物或服務所應得代價的金額，確認客戶合約的收入及銷售存貨的收入。
- (ii) 捐款收入在收到款項並獲准接納後確認入帳。
- (iii) 利息收入是採用實際利率法按應計金額確認入帳。
- (iv) 如有合理保證證明基金會履行政府補助金的附帶條件及會收到有關補助，政府補助金會被確認為收入。

(g) 遞延收入

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

(h) 外幣換算

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

(i) 現金及等同現金項目

現金及等同現金項目包括銀行現金、庫務署存款、銀行定期存款及短期且流通性高的投資。該等投資可隨時轉換為已知金額的現金，而所涉及的價值變動風險不大，並於存入或購入時起計三個月內到期。

3. 應收款項、雜項債務人、預付款項及其他

	2023 港元	2022 港元
應收款項		
應收利息	4,698,422	1,050,651
應收帳款	755,770	34,633
	5,454,192	1,085,284
雜項債務人	172,065	215,647
預付款項	458,620	365,946
其他	3,239,922	2,914,735
	<u>9,324,799</u>	<u>4,581,612</u>

應收帳款主要是指僱用警察服務及警察樂隊的應收費用、銷售存貨及紀念品的應收佣金。基金在報告日並無任何合約資產（2022年：沒有）。

其他是指在報告日已購買但尚未分發予合資格退休人員的退休紀念品的成本。

4. 現金及等同現金項目

	2023 港元	2022 港元
原於三個月內到期的定期存款	-	50,000,048
庫務署存款	23,392,208	43,544,377
銀行現金	30,000	30,000
	<u>23,422,208</u>	<u>93,574,425</u>

5. 雜項債權人、遞延收入及已收按金

	2023 港元	2022 港元
雜項債權人	5,790,757	14,129,975
遞延收入	28,582	93,528
已收按金	140,800	144,056
	<u>5,960,139</u>	<u>14,367,559</u>

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

年內遞延收入結餘的重大變動開列如下：

	2023 港元	2022 港元
因年內退款給客戶而減少	(93,528)	(25,210)
因年內收取預繳費用而增加	28,582	93,528

6. 資本帳戶

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

7. 收入

	2023 港元	2022 港元
(a) 一般儲備金		
銷售存貨的收益	54,640	176,434
出售存貨的成本	(52,973)	(164,616)
存貨銷售毛利	1,667	11,818
捐款	7,590,800	18,677,982
政府補助金	160,832	139,685
僱用警察服務費用	2,263,201	850,710
警務人員度假設施租賃費用	42,140	24,885
定期存款利息收入	6,024,864	2,317,299
承辦商代售紀念品佣金	286,123	549,770
淨兌換(虧損)/收益	(1,894,416)	1,015,845
員工購物計劃承辦商佣金	71,133	100,338
雜項收入	6,829	20,188
	14,553,173	23,708,520
(b) 警察樂隊基金		
捐款	100,000	-
僱用警察樂隊費用	506,700	241,870
	606,700	241,870
(c) 鄧肇堅爵士捐款基金(1985年)		
定期存款利息收入	20,688	6,888
(d) 音樂助學基金		
銷售光碟	7,000	1,400
(e) 持續進修基金		
捐款	-	500,000
	15,187,561	24,458,678

8. 支出

	附註	2023 港元	2022 港元
(a) 一般儲備金			
單位福利補助金	9	6,240,238	6,033,446
警察機動部隊補助金		236,955	222,134
發給不同委員會、協會等的補助金		2,691,894	2,030,994
警務人員度假設施經常開支		582,544	522,360
發給陷入困境的警務/文職人員補助金		1,573,221	1,788,042
擔任特殊職務警務人員茶點費用		4,178,860	3,152,298
警隊體育活動開支		403,111	163,320
員工關係開支		3,288,502	14,301,573
在職警務/文職人員或退休人員去世補助金		1,670,676	2,035,768
健康生活策略活動		8,183,282	4,781,317
講座及轉業訓練課程		38,308	23,871
初級警務人員持續進修補助金		2,668,000	2,190,000
其他		4,750,297	3,907,325
		36,505,888	41,152,448

	2023 港元	2022 港元
(b) 警察樂隊基金		
購買和修理樂器	237,443	241,590
樂師受僱於私人聚會洗熨費用	2,975	2,775
雜項支出	39,817	42,254
酬酢開支	17,930	500
	298,165	287,119
(c) 鄧肇堅爵士捐款基金(1985年)		
一般福利開支	20,688	6,888
(d) 音樂助學基金		
樂師培訓費用	-	15,000
(e) 持續進修基金		
警務人員持續進修補助金	-	500,000
	36,824,741	41,946,455

9. 單位福利補助金

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

	附註	2023 港元	2022 港元
年初結餘		576,610	802,646
年度內收到的補助金	8	6,240,238	6,033,446
		6,816,848	6,836,092
年度內支付費用		(6,288,253)	(6,259,482)
年終結餘		528,595	576,610

10. 財務風險管理

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

(a) 信貸風險

信貸風險指金融工具的其中一方因未能履行責任而引致另一方蒙受財務損失的風險。在報告日，基金的金融資產的信貸風險最高值相等於它們的帳面金額。

在應收帳款及雜項債務人方面，由於交易對方過往沒有違約記錄，基金相信應收餘額並無重大信貸風險。

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

銀行結存在報告日的信貸質素，按穆迪的評級分析如下：

	2023 港元	2022 港元
按信貸評級列示定期存款及銀行現金		
Aa1 至 Aa3	135,029,992	160,448,318
A1 至 A3	143,694,386	132,858,705
	<u>278,724,378</u>	<u>293,307,023</u>

雖然按攤銷成本值計量的金融資產須符合減值規定，但基金估計這些金融資產的預期信貸虧損甚為輕微，因此認為無須作虧損撥備。

(b) 利率風險

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

公平值利率風險指金融工具的公平值會因市場利率變動而波動的風險。由於基金的銀行存款按固定利率計息，當市場利率上升時，這些存款的公平值便會下跌。不過，這些存款均按攤銷成本值列示，市場利率變動不會影響其帳面值、基金的虧絀和累積基金。

現金流量利率風險指金融工具的未來現金流量會因市場利率變動而波動的風險。基金無須面對重大的現金流量利率風險，因為基金並沒有重大的浮息金融工具。

(c) 貨幣風險

貨幣風險是指金融工具的公平值或未來現金流量會因貨幣匯率變動而波動的風險。基金以港幣以外的貨幣計價的金融工具會承受貨幣風險。

(i) 所承受的貨幣風險

在報告日，基金持有以人民幣計值的金融資產，合共人民幣21,539,603元 (2022年：人民幣20,912,946元)。由於基金並未作出匯率對沖，人民幣金融資產的帳面值已代表基金承受的人民幣最大貨幣兌換風險。

(ii) 敏感度分析

若在報告日人民幣兌港元匯率增強/減弱5% (2022年：5%)，而所有其他可變因素不變，估計本年度的基金的虧絀便會減少/增加和累積基金便會增加/減少1,230,000港元 (2022年：1,289,000港元)。

以上敏感度分析乃假設貨幣匯率已於報告日出現變動，並應用於在當日已存在的金融工具。

(d) 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。

在管理流動資金風險方面，基金把現金及等同現金項目維持在認為足以支持基金運作的水準，並藉此減輕現金流量出現波動所造成的影響。因此基金沒有面對顯著的流動資金風險。

在報告日，按合約未折現的現金流量及基金須支付有關款項的最早日期計算，所有金融負債的剩餘合約期限為三個月或以下 (2022年：三個月或以下)。

11. 資本管理

基金的資本結構包括資本和累積盈餘。基金管理資本的目標為：

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

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

12. 金融資產及金融負債的公平值

所有金融資產和金融負債均以公平值或與其相差不大的金額列於資產負債表上。