



EMERGENCY RELIEF FUND

ANNUAL REPORT

BY THE TRUSTEE

FOR THE YEAR ENDED

31 MARCH 2025

Emergency Relief Fund

Annual Report

by the Trustee

for the year ended

31 March 2025

Emergency Relief Fund

Annual Report by the Trustee for the Year Ended 31 March 2025

The Fund

The Emergency Relief Fund Ordinance, Chapter 1103 of the Laws of Hong Kong, provides for the establishment and administration of a trust fund known as the Emergency Relief Fund.

2. The Fund aims to provide prompt assistance for persons who are in need of urgent relief as a result of fire, flooding, tempest, landslide, typhoon or other natural disasters. Grants from the Fund are intended for relief rather than compensation.

3. The Fund consists of an annual allocation from the General Revenue and donations received from the public from time to time. It is vested in the Director of Social Welfare Incorporated as Trustee.

The Committee

4. The Emergency Relief Fund Committee advises the Trustee on matters relating to the administration of the Fund. The Committee, as laid down in the Ordinance, comprises three ex-officio members and two or more non-official members appointed by the Chief Executive. Membership as at 31 March 2025 was as follows:

Chairperson	Director of Social Welfare
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Members	Mr CHEUNG Ngai-hoi, Brian
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	Miss CHOI Chiu-yee, Jacqueline
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	Ms LEUNG Shuk-wun, Zoe
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	Director of Housing or representative
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	Director of Home Affairs or representative
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Secretary	Senior Social Security Officer (Social Security) ⁴ , Social Welfare Department
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5. During the year, papers on matters below were issued to members of the Committee for information or agreement:

- quarterly reports on payments made;
- annual report by the Trustee for the year ending 31 March 2024;
- investment matters;
- annual revision of the payment rates; and
- the revised Emergency Relief Fund Payment Schedule.

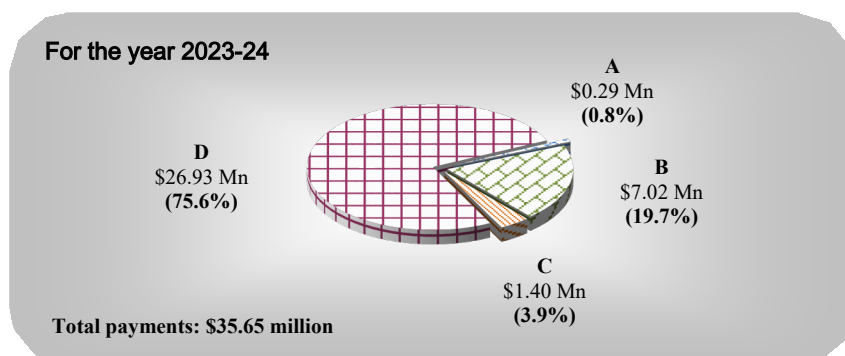
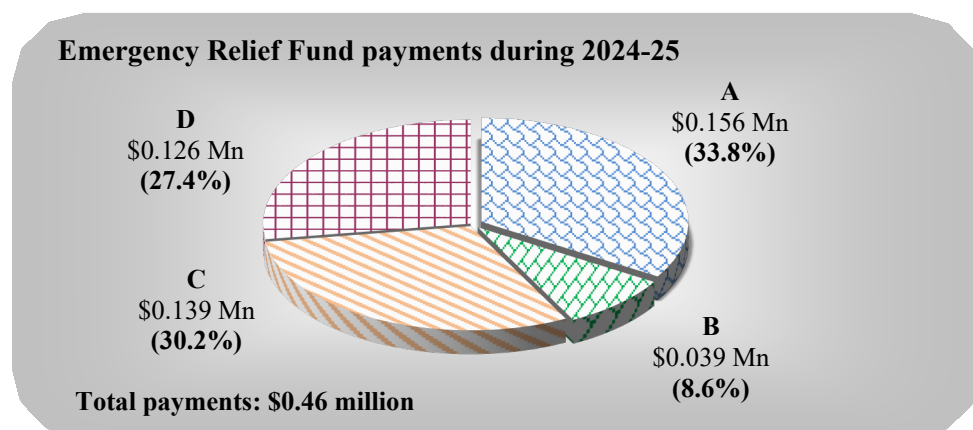
Payments

6. There are five major types of grants under the Fund as detailed in Annex I of Appendix I. Payments of grants are made on the basis set out in the Emergency Relief Fund Payment Schedule, which is subject to periodic revision to reflect changes in prices and wages. The payment rates were last revised on 1 April 2024 as set out in Annex III of Appendix I.

7. The responsibility for approving grants and making payments in accordance with the Operational Guidelines set out in Appendix I is, in most cases, vested in the Agriculture, Fisheries and Conservation Department, the Marine Department, the Social Welfare Department and the Lands Department, while the Home Affairs Department is responsible for overall co-ordination at the district level.

8. As the Fund is meant for urgent relief, applications for various types of grants must be made within the respective time limits as laid down in Annex II of Appendix I.

9. During the year, payments totalling \$0.46 million were made from the Fund. A breakdown by type of grant is provided below (preceding year inset):



Note

Figures may not add up to total due to rounding.

Section

- A** : Grants in respect of death or personal injury
- B** : Domestic re-accommodation, re-equipment, site formation & repair grants and grant for severe damage to home appliances
- C** : Grants to repair or replace vessels and fishing gear
- D** : Primary producer grants
- E** : Special grants

Financial position

10. Income for the year amounted to \$9.94 million, including \$5 million from the Government. On 31 March 2025, the Fund's general account stood at \$129.61 million. Details of the accounts are shown in Appendix II.

Acknowledgements

11. As the Trustee of the Fund, I would like to express my appreciation for the continued support and assistance rendered by all government departments and other parties concerned. I also wish to extend my thanks to all members of the Committee for their contribution in the past year.

Edward TO
Director of Social Welfare Incorporated Trustee
Emergency Relief Fund

Emergency Relief Fund

Operational Guidelines

Types of Grants

There are five types of grants: grants in respect of death or personal injury; domestic re-accommodation, re-equipment, site formation and repair grants and grant for severe damage to home appliances; grants to repair or replace vessels and fishing gear; primary producer grants; and special grants. A table listing the types of grants and the government departments responsible for investigation and payment is at Annex I.

Time Limits for Application

2. An application for Emergency Relief Fund must be made within the time limits from the date of incident for the respective types of grants as specified in Annex II.

Definitions

3. Dependent Family Members

“Dependent Family Members” should include -

- (a) those family members, however distantly related, who were living under the same family roof, functioning as one household and were financially dependent on the deceased (these “dependent” members may be wage earners themselves who have been partially dependent on the deceased, e.g. a working teenage distant cousin);
- (b) those family members, usually closely related family members not living under the same family roof, who have been financially dependent on the deceased and can show this to be so (that is, remittance receipts, letters and statutory declarations, and the financial dependency must be regular);
- (c) a conceived baby of the family members in (a) and (b) at the time of the victim’s death (the baby will be included as a dependent family member only if he is subsequently born alive and survives up to the time when payment is made); and

- (d) close family members include spouse, children, parents, grandparents, unmarried brothers and sisters, step-parents, grandchildren, step-children, daughters-in-law, sisters-in-law and such persons whose relationship is created by any adoption recognised as valid by the laws of Hong Kong. In all other cases of less closely related family members not living under the same family roof but having been financially dependent on the deceased, discretion may be exercised to decide whether they should be included in the assessment of assistance payable.

General Criteria

4.1 To be eligible for relief from the Fund, a person must be in need to an extent which merits relief as set out in Section 4 of Chapter 1103 of the Laws of Hong Kong. The agents of the Fund must constantly bear this requirement in mind.

4.2 Grants are intended for relief rather than compensation.

4.3 Grants may be made to a person who is legally staying in Hong Kong and who appears to be in need as a result of a natural disaster such as tempest, typhoon, rainstorm, landslide and flooding, which has caused suffering or loss to an extent which merits assistance. In addition, victims of fire, house collapse, boat capsized, shipwreck, explosion, eviction from a dangerous building or building affected by a Court Order as a result of natural disaster are also eligible for assistance.

4.4 No payment will be made in respect of any occurrence resulting from a criminal act (e.g. arson) or an act of deliberate negligence (e.g. breach of marine regulations).

4.5 Eligibility criteria relating to individual government departments are set out in paragraphs 5 to 6 below. The Payment Schedule is set out in Annex III.

4.6 The level and conditions of payment should be in accordance with the Payment Schedule in effect on the day when the natural disaster occurs.

4.7 Public donations specifically given for victims of a particular incident should be disbursed exclusively to the designated victims and paid in addition to any entitlement under the Payment Schedule, regardless of the purpose of the donation.

Eligibility Criteria Relating to Individual Departments in respect of Sections A – D of the Payment Schedule

Lands Department

- 5.1
- (a) Grants for emergency relief would be payable irrespective of whether the victims have any insurance coverage. The victims may be required to repay the amount of the grants received if they subsequently recover compensation for the structures or equipment damaged from the insurance companies.
 - (b) Cases due to piling in the neighbourhood or other occurrences resulting from human acts cannot qualify for assistance. Cases where a forced eviction takes place as a result of a house or private tenement being rendered uninhabitable by a natural occurrence may qualify for assistance provided that compensation has not been provided by the landlord.
 - (c) For damaged or evacuated (either moved to rental housing, interim housing or resited) unauthorized domestic structures including unsurveyed squatter structures, only re-equipment grant is payable where there is loss of property; re-accommodation grant, site formation grant or repair grant is not payable.

Agriculture, Fisheries and Conservation Department

- 5.2
- (a) *Farmers*
 - (1) Generally, only genuine small full-time farmers should be considered and large-scale farmers or high income farmers will not be eligible except in unusual circumstances of extreme hardship.
 - (2) Where the source of half of the income of the applicant is not farming, the application should be rejected.
 - (3) If less than one-third of the whole farm is damaged, no grant should be given unless there are exceptional circumstances.
 - (4) For mixed farms, farmers are allowed to claim grants under the appropriate enterprises but subject to one applicable maximum whichever is the highest.
 - (5) If a farmer has received or will receive a grant as a result of a previous natural disaster which happened less than 7 days ago and no significant new damage occurred in the farm, no grant should be given except in unusual circumstances of extreme hardship.

(b) *Fishermen*

- (1) Only bona fide Hong Kong fishermen, and at least 50% of whose family income comes from fishing will be considered for relief.
- (2) Applicants must be the owners of the damaged/lost vessels which were used for fishing.
- (3) The damaged/lost vessel must be the subject of a valid fishing vessel licence issued by the Marine Department.
- (4) The damage/losses must have resulted from fire, strong wind, heavy rain, thick fog or other occurrence.
- (5) Application will not be considered if the damaged/lost vessel is owned by a fish trader or fishing company except in unusual circumstances of extreme hardship.
- (6) If the damaged/lost vessel has insurance coverage, the fisherman may be required to repay the amount of the grants received if he subsequently recovers compensation from the insurer.

(c) *Pond Fish Farmers*

- (1) Only genuine small-scale fish farmers with at least 50% of the family income coming from pond fish culture will be considered for relief.
- (2) Commercial farming concerns and large-scale fish farms will not be considered except in unusual circumstances of extreme hardship.
- (3) Regarding loss or damage to fish farms, only those cases involving loss or damage of at least one-third of the fish farm will be considered for relief unless there are exceptional circumstances.
- (4) Regarding loss of fish, only those cases involving a loss of at least one-third of the total fish cultured will be considered for relief unless there are exceptional circumstances.
- (5) For (3) & (4) above, the amount of grant should not exceed the value of the actual losses/damages in the respective items.

- (6) If the fish stock/farms have insurance coverage, the fish farmer may be required to repay the amount of the grants received if he subsequently recovers compensation from the insurer.
- (d) *Marine Fish Farmers*
- (1) Only licensed small-scale fish farmers with at least 50% of the family income coming from marine fish culture will be considered for relief.
 - (2) Commercial farming concerns and large-scale fish farms will not be considered except in unusual circumstances of extreme hardship.
 - (3) Regarding loss or damage to rafts or cages, only those cases involving loss or damage of at least one-third of the rafts or cages in use will be considered for relief unless there are exceptional circumstances.
 - (4) Regarding loss of fish, only those cases involving a loss of at least one-third of the total fish stock by value will be considered for relief unless there are exceptional circumstances.
 - (5) For both (3) & (4) above, the amount of grant in respect of the rafts, cages or fish stock should not exceed the value of the actual losses in the respective items.
 - (6) If the fish stock/rafts have insurance coverage, the fish farmer may be required to repay the amount of the grants received if he subsequently recovers compensation from the insurer.

Marine Department (for working boats)

- 5.3
- (a) Payment will only be made to the owner of a working boat that has been certificated and licensed under the Merchant Shipping (Local Vessels) (Certification and Licensing) Regulation Cap. 548D, irrespective of whether the owner has effective insurance coverage. However, the victim may be required to repay the amount of the grants received if he subsequently recovers compensation for the damage to his working boat(s) from the insurance company.
 - (b) The Operating Licence of the working boat must be valid when the natural disaster occurs.
 - (c) The working boat must be certificated and licensed in the name of the owner in person. For avoidance of doubt, no payment will be

made if the owner of the working boat is a company, unless under exceptional circumstances.

- (d) No payment will be made to the owner of a working boat if he owns more than one working boat and only one is damaged, unless under exceptional circumstances.

Social Welfare Department

- 5.4
 - (a) If burial expenses were paid either in full or in part by the Government (such as under the Comprehensive Social Security Assistance Scheme) or by any charitable fund, the amount of burial grant shall be reduced by the amount of such payment.
 - (b) Payment of a burial grant is made to the person who is responsible for the funeral expenses or to a relative of the deceased, as considered appropriate by the Department.

Eligibility Criteria Relating to all Departments Concerned in respect of Section E of the Payment Schedule

- 6.
 - (a) The level of grant stipulated under Section E of the Payment Schedule refers to the total sum of payments for an event of natural disaster and not the payment for a victim.
 - (b) Ex-gratia grants may be payable to victims of natural disasters who are not covered by the standard grants but in need of some financial assistance. Therefore, grants are only payable to victims who cannot benefit from the provisions under Sections A - D of the Payment Schedule. Ex-gratia grants should not be paid in addition to any of the entitlements as listed under Sections A - D.
 - (c) The general criteria and eligibility criteria relating to Sections A - D of the Payment Schedule (set out in paragraphs 4.1 to 5.4 above) should not be violated.

Payment Schedule and Administrative Procedures

- 7. These are laid down in detail in Annexes I to III and they must be complied with accordingly.

Emergency Relief Fund

Types of Grants and the Departmental Officers Responsible for the Various Procedures

Type of Grants	Department Responsible for Investigation and Payment	Officer Responsible for Reporting, Verification, Test Check and Approval
<p>A. Grants in respect of death <u>or personal injury</u></p> <p>1. Burial grant</p> <p>2. Death grant</p> <p style="padding-left: 40px;">(a) Loss of the sole wage earner where there are dependants</p> <p style="padding-left: 40px;">(b) Loss of a wage earner where there are dependants and another wage earner remaining in the family</p> <p style="padding-left: 40px;">(c) Loss of a parent who was not a wage earner but there are children under 15 years of age</p> <p>3. Disability grant</p> <p>4. Injury grant</p> <p>5. Interim maintenance grant</p>	<p>Social Welfare Department</p>	<p>Reporting by Social Security Officer II/Senior Social Security Assistant/Social Security Assistant; co-ordination, supervision and recommendation by Supervisor of Social Security Field Units; approval by District Social Welfare Officer/Senior Social Security Officer and test check by staff of the Internal Audit Section, Social Welfare Department.</p>

Type of Grants	Department Responsible for Investigation and Payment	Officer Responsible for Reporting, Verification, Test Check and Approval
<p>B. Domestic re-accommodation, re-equipment, site formation and repair grants and grant for severe damage to home appliances *</p> <hr/> <p>1. Domestic structures rendered uninhabitable - victims moving to Housing Authority permanent rental housing or multi-storey interim housing with improved facilities comparable in quality to permanent rental housing or private housing</p> <p>2. Domestic structures rendered uninhabitable - victims resited and allowed to rebuild, or victims rebuild in situ</p> <p>3. Domestic structures damaged - victims repair in situ – (a) Structures substantially damaged (b) Structures not substantially damaged, but warrant some assistance</p>	<p>Lands Department</p>	<p>Reporting and investigation by Clearance Officers; verification by Assistant Manager; test check and recommendation by Manager; approval by Senior Manager.</p> <p>(Note: The Clearance Unit, Lands Department is responsible for applications relating to Section B1)</p> <p>Reporting, investigation and verification by Land Executive/Estate Officer /Senior Estate Officer, test check and recommendation by Land Executive/Senior Land Executive/Senior Estate Officer/Principal Estate Officer, approval by Head of Land Enforcement Team/Land Control Team.</p> <p>(Note: The Land Enforcement Team/Land Control Team of the corresponding District Land Office, Lands Department is responsible for applications relating to Section B2)</p> <p>Same as Section B2</p>

Type of Grants	Department Responsible for Investigation and Payment	Officer Responsible for Reporting, Verification, Test Check and Approval
<p>4. Domestic structures (undamaged) to be permanently evacuated – (a) Victims moving to Housing Authority permanent rental housing or multi-storey interim housing with improved facilities comparable in quality to permanent rental housing or private housing (b) Victims resited</p> <p>5. Domestic structures not substantially damaged but victims suffer from damage or extensive loss to their home appliances, furniture and other personal belongings</p>	<p>In the case of dwelling vessels, investigation and verification by Marine Department and payment by Lands Department</p>	<p>Same as Section B1</p> <p>Same as Section B2</p> <p>For investigation and verification in respect of dwelling vessels, by Marine Inspector II or above.</p>

Type of Grants	Department Responsible for Investigation and Payment	Officer Responsible for Reporting, Verification, Test Check and Approval
D. <u>Primary producer grants</u>		
1. Stock houses and farm buildings destroyed or severely damaged *	Lands Department	Same as Section B2
2. Rehabilitation grants for loss of crops or livestock and fish **	Agriculture, Fisheries and Conservation Department	
(a) vegetables and other crops		Reporting by Field Officers or Field Assistants; verification by Field Officers; approval by Senior Field Officers or Agricultural Officers; test check by Agricultural Officers; approval of exceptional hardship cases by Senior Agricultural Officers.
(b) livestock		Same as (a).
(c) mushroom		Same as (a).
(d) pond fish		Reporting by Fisheries Supervisor I/II; verification and test check by Senior Fisheries Supervisor or Fisheries Officer and approval by Senior Fisheries Officer.
(e) silting		Same as (a).
(f) mariculture fish		Same as (d).
(g) fish rafts/cages		Same as (d).
(h) bund damage		Same as (d).

Type of Grants	Department Responsible for Investigation and Payment	Officer Responsible for Reporting, Verification, Test Check and Approval
<p>E. <u>Special grants</u></p> <p>Ex-gratia grant</p>	<p>Operating department(s) concerned [The operating department has to provide details and justifications, including the total estimated amount of the ex-gratia grants, when seeking the approval of the Emergency Relief Fund Committee (where the amount is above the level of grant stipulated under Section E of the Payment Schedule) or the Director of Social Welfare for the release of the ex-gratia grant.]</p>	<p>Same as Sections A to D.</p>

Notes

* *Sections B & D1*

(i) For damaged or evacuated (either moved to rental housing, interim housing or resited) unauthorized domestic structures including unsurveyed squatter structures, only re-equipment grant is payable where there is loss of property; re-accommodation grant, site formation grant or repair grant is not payable.

(ii) Cases due to piling in the neighbourhood or other occurrences resulting from human acts cannot qualify for assistance. Cases where a forced eviction takes place as a result of a house or a private tenement being rendered uninhabitable by a natural occurrence may qualify for assistance provided that compensation has not been provided by the landlord.

(iii) In reckoning the time limit for application, the day on which the incident takes place is excluded. If the last day of the time limit is a public holiday, a gale or rainstorm warning day (i.e. Tropical Cyclone Warning Signal No. 8 or above or Black Rainstorm Warning Signal is issued), the period shall include the next normal working day.

** *Section D2*

The captioned grant is issued on a household basis, and hence each household can only submit one application per incident.

Time Limits for Application for Emergency Relief Fund

Section	Type of Grants	Time Limit for Application #
A	Grants in respect of death or personal injury	6 months
B	Domestic re-accommodation, re-equipment, site formation and repair grants and grant for severe damage to home appliances	6 months 30 working days
C	Grants to repair or replace vessels and fishing gear	30 working days
D	Primary producer grants (i) Stock houses and farm buildings destroyed or severely damaged (ii) Rehabilitation grants for loss of crops or livestock and fish	30 working days 7 working days
E	Special grants	According to the time limits for individual items under Sections A to D depending on the nature of the event of disaster

Notes

Application for the Emergency Relief Fund must be made within the respective time limit.

In reckoning the time limit for application, the day on which the incident takes place is excluded. If the last day of the time limit is a public holiday, a gale or rainstorm warning day (i.e. Tropical Cyclone Warning Signal No. 8 or above or Black Rainstorm Warning Signal is issued), the period shall include the next normal working day.

Emergency Relief Fund Chapter 1103 of the Laws of Hong Kong Payment Schedule

(Effective from 1.4.2024)

Payment of grants included in this Payment Schedule
is governed by the definitions and criteria set out in the Operational Guidelines

Type of Payment	Level of Grant	Condition of Grant
A. Grants in respect of death or personal injury		
1. Burial grant	\$17,180 per person.	If the burial expenses were paid either in full or in part by Government (such as under the Comprehensive Social Security Assistance Scheme) or by any charitable fund, the amount of grant shall be reduced by the amount of such payment.
2. Death grant		
(a) Loss of the sole wage earner where there are dependants	\$179,710 for one dependent family member plus \$14,980 for each additional dependent family member, up to a maximum of \$254,610.	If the beneficiary is an adult who is mentally unsound or found unconscious or is a minor without surviving parent or legal guardian, payments will be made on the advice of the Social Welfare Department.
(b) Loss of a wage earner where there are dependants and another wage earner remaining in the family	\$89,860 for one dependent family member plus \$14,980 for each additional dependent family member, up to a maximum of \$164,760.	
(c) Loss of a parent who was not a wage earner but there are children under 15 years of age	\$89,860 for one child under 15 plus \$14,980 for each additional child under 15, up to a maximum of \$164,760.	

Type of Payment	Level of Grant	Condition of Grant
3. Disability grant	Up to a maximum of \$215,650, abated to 2/3 for persons aged 60 and over, discounted on account of degree of disability as provided for under the Employees' Compensation Ordinance (see Assessment Table attached).	
4. Injury grant	\$822 up to a maximum of \$68,440 depending on gravity of injury (see Assessment Table attached).	<p>For cases where the injury period is 7 days or more before death -</p> <p>(a) injury grant is payable;</p> <p>(b) it is payable to the victim or to his family after his death as appropriate.</p> <p>Injury grant should cease from the date on which the victim becomes eligible for the disability grant, or upon the death of the victim.</p>
5. Interim maintenance grant	Up to \$14,980 per month for a maximum of six months (one month is regarded as 30 days) (see Assessment Table attached).	<p>In case of incapacity of a wage earner or a non-wage-earning parent where there are children under 15 years of age.</p> <p>Payment of this grant should cease upon the death of the victim.</p>

Type of Payment	Level of Grant	Condition of Grant
<p>B. Domestic re-accommodation, re-equipment, site formation and repair grants and grant for severe damage to home appliances *</p> <hr/> <p>1. Domestic structures rendered uninhabitable</p> <p>Victims moving to Housing Authority permanent rental housing or multi-storey interim housing with improved facilities comparable in quality to permanent rental housing or private housing</p>	<p>(i) Re-equipment grant of \$2,490 for a single person, \$3,710 for a family of 2 persons, and \$1,240 for each additional family member where there is loss of property.</p> <p>(ii) Re-accommodation grant of -</p> <p>(a) \$10,030 for a single person;</p> <p>(b) \$17,300 for a family of 2 to 3 persons;</p> <p>(c) \$24,570 for a family of 4 to 5 persons;</p> <p>(d) \$31,910 for a family of 6 persons and above.</p>	<p>(a) An “unborn baby” which is medically certified to be not less than 16 weeks of pregnancy at the time of rehousing should be eligible for assistance under Section B of the Payment Schedule.</p> <p>(b) Grants payable under Section B of the Payment Schedule can be used for appropriate purposes at the discretion of the victims.</p>
<p>2. Domestic structures rendered uninhabitable - victims resited and allowed to rebuild, or victims rebuild in situ</p>	<p>(i) Re-equipment grant of \$2,490 for a single person, \$3,710 for a family of 2 persons, and \$1,240 for each additional family member where there is loss of property.</p>	<p>Same as B1</p>

Type of Payment	Level of Grant	Condition of Grant
3. Domestic structures damaged – victims repair in situ (a) Structures substantially damaged	(ii) Re-accommodation grant of - (a) \$8,120 for a single person; (b) \$15,280 for a family of 2 persons; (c) \$16,450 for a family of 3 persons; (d) \$18,750 for a family of 4 persons; (e) \$21,480 for a family of 5 persons; (f) \$24,560 for a family of 6 persons and above. (iii) Site formation grant of \$1,580 per structure.	Same as B1
	(i) Repair grant of - (a) \$3,860 for a single person; (b) \$7,660 for a family of 2 persons; (c) \$8,270 for a family of 3 persons; (d) \$9,400 for a family of 4 persons; (e) \$10,750 for a family of 5 persons; (f) \$12,310 for a family of 6 persons and above.	

Type of Payment	Level of Grant	Condition of Grant
<p>(b) Structures not substantially damaged, but warrant some assistance</p> <p>4. Domestic structures (undamaged) to be permanently evacuated</p> <p>(a) Victims moving to Housing Authority permanent rental housing or multi-storey interim housing with improved facilities comparable in quality to permanent rental housing or private housing</p>	<p>(ii) Re-equipment grant of \$2,490 for a single person, \$3,710 for a family of 2 persons, and \$1,240 for each additional family member where there is loss of property.</p> <p>Repair grant of \$4,610 per family irrespective of size.</p> <p>(i) Re-accommodation grant of -</p> <p>(a) \$10,030 for a single person;</p> <p>(b) \$17,300 for a family of 2 to 3 persons;</p> <p>(c) \$24,570 for a family of 4 to 5 persons;</p> <p>(d) \$31,910 for a family of 6 persons and above.</p> <p>(ii) Re-equipment grant of \$2,490 for a single person, \$3,710 for a family of 2 persons, and \$1,240 for each additional family member where there is loss of property.</p>	<p>Same as B1</p>

Type of Payment	Level of Grant	Condition of Grant
(b) Victims resited	<ul style="list-style-type: none"> (i) Re-accommodation grant of - <ul style="list-style-type: none"> (a) \$8,120 for a single person; (b) \$15,280 for a family of 2 persons; (c) \$16,450 for a family of 3 persons; (d) \$18,750 for a family of 4 persons; (e) \$21,480 for a family of 5 persons; (f) \$24,560 for a family of 6 persons and above. (ii) Re-equipment grant of \$2,490 for a single person, \$3,710 for a family of 2 persons, and \$1,240 for each additional family member where there is loss of property. (iii) Site formation grant of \$1,580 per structure. 	
5. Domestic structures not substantially damaged but victims suffer from damage or extensive loss to their home appliances, furniture and other personal belongings	<ul style="list-style-type: none"> (a) \$3,780 for a single person; (b) \$6,260 for a family of 2 persons; (c) \$7,710 for a family of 3 persons; (d) \$9,320 for a family of 4 persons; (e) \$11,010 for a family of 5 persons; (f) \$12,770 for a family of 6 persons and above. 	Same as B1

Type of Payment	Level of Grant	Condition of Grant
C. Grants to repair or replace vessels and fishing gear		
1. Fishing gear or fishing or working boats lost or damaged beyond economic repair	(a) 50% of the cost of replacement up to a maximum of \$288,440 for non-mechanised vessels. (b) 50% of the cost of replacement up to a maximum of \$341,590 for mechanised vessels. (c) 50% of the cost of replacement up to a maximum of \$50,520 for gear lost or damaged beyond economic repair.	Applicants must be owners (excluding companies or fish-dealers) of the damaged/lost vessels. If the damaged/lost vessel has insurance coverage, the applicant may be required to repay the amount of the grants received if he subsequently recovers compensation from the insurer.
2. Fishing gear or fishing or working boats damaged but not beyond economic repair	(a) 50% of the cost of minimum repairs up to a maximum of \$144,220 for non-mechanised vessels. (b) 50% of the cost of minimum repairs up to a maximum of \$170,800 for mechanised vessels. (c) 50% of the cost of replacement up to a maximum of \$25,260 for gear partially damaged.	Same as C1
3. Licensed dwelling vessels	Total destruction same as B1	Same as B1
	Severe damage same as B2	Same as B1

Type of Payment	Level of Grant	Condition of Grant
D. <u>Primary producer grants</u>		
1. Stock houses and farm buildings destroyed or severely damaged *	Assessment is to be made on the basis of 50% of cost of replacement, up to a maximum of \$23,910.	Grants only payable to those who claim or appear to earn livelihood by farming.
2. Rehabilitation grants for loss of crops or livestock and fish **	<p>(a) Vegetables and other crops - \$2,390 per dau chung (including cost of \$324 and \$526 for soil conditioner and extra labour respectively) up to a maximum of \$14,340 for 6 dau chung.</p> <p>1 dau chung is equal to 674.5m² or 7 260 ft².</p> <p>(b) Livestock -</p> <p>(i) \$839 per pig plus \$526 cost for extra labour per farm up to a maximum of \$8,920 for 10 pigs;</p> <p>(ii) \$15 per bird plus \$526 cost for extra labour per farm up to a maximum of \$6,530 for 400 birds;</p> <p>(iii) \$15,060 per working cattle-calf/heifer to a maximum of \$15,060.</p> <p>(c) Mushroom - \$10 per m² of damaged bedding area plus \$526 cost for extra labour per farm up to a maximum of \$3,430.</p>	Generally, only genuine small full-time farmers adversely affected by a natural disaster could be eligible for consideration.

Type of Payment	Level of Grant	Condition of Grant
	<p>(d) Pond fish - \$3.2 per m² for cost of basic material inputs up to a maximum of \$21,570 for 6 740 m² plus \$0.1 per m² for cost of extra labour up to a maximum of \$2,360.</p> <p>(e) Silting - \$18 per cubic metre or \$3,500 per dau chung paid according to actual damage up to a maximum of \$10,500.</p> <p>(f) Mariculture fish - \$253 per m² for cost of basic material inputs up to a maximum of \$5,060 for 20 m² plus \$4 per m² for cost of extra labour up to a maximum of \$800.</p> <p>(g) Fish rafts/cages - 50% of the cost of minimum repairs or replacement if beyond economic repair to a maximum of - rafts : \$18,040 cages : \$4,830</p> <p>(h) Bund damage - 50% of the cost of minimum repairs to a maximum of \$3,540.</p>	<p>If the fish stock/rafts have insurance coverage, the mariculturist may be required to repay the amount of the grants received if he subsequently recovers compensation from the insurer.</p> <p>If the fish stock/rafts have insurance coverage, the mariculturist may be required to repay the amount of the grants received if he subsequently recovers compensation from the insurer.</p>

Type of Payment	Level of Grant	Condition of Grant
<p>E. <u>Special grants</u></p> <p>Ex-gratia grant</p>	<p>Amounts above \$30,000 to be at the discretion of the Committee; others to be decided by the Trustee.</p>	

Notes

** Sections B & D1*

(i) For damaged or evacuated (either moved to rental housing, interim housing or resited) unauthorized domestic structures including unsurveyed squatter structures, only re-equipment grant is payable where there is loss of property; re-accommodation grant, site formation grant or repair grant is not payable.

(ii) Cases due to piling in the neighbourhood or other occurrences resulting from human acts cannot qualify for assistance. Cases where a forced eviction takes place as a result of a house or a private tenement being rendered uninhabitable by a natural occurrence may qualify for assistance provided that compensation has not been provided by the landlord.

(iii) In reckoning the time limit for application, the day on which the incident takes place is excluded. If the last day of the time limit is a public holiday, a gale or rainstorm warning day (i.e. Tropical Cyclone Warning Signal No. 8 or above or Black Rainstorm Warning Signal is issued), the period shall include the next normal working day.

*** Section D2*

The captioned grant is issued on a household basis, and hence each household can only submit one application per incident.

Assessment Table for Disability Grant

(For injuries sustained on or after 1.4.2024)

Loss of Earning Capacity %	Payment (\$)	Loss of Earning Capacity %	Payment (\$)
0.1	216		
0.5	1,078		
1	2,157	51	109,982
2	4,313	52	112,138
3	6,470	53	114,295
4	8,626	54	116,451
5	10,783	55	118,608
6	12,939	56	120,764
7	15,096	57	122,921
8	17,252	58	125,077
9	19,409	59	127,234
10	21,565	60	129,390
11	23,722	61	131,547
12	25,878	62	133,703
13	28,035	63	135,860
14	30,191	64	138,016
15	32,348	65	140,173
16	34,504	66	142,329
17	36,661	67	144,486
18	38,817	68	146,642
19	40,974	69	148,799
20	43,130	70	150,955
21	45,287	71	153,112
22	47,443	72	155,268
23	49,600	73	157,425
24	51,756	74	159,581
25	53,913	75	161,738
26	56,069	76	163,894
27	58,226	77	166,051
28	60,382	78	168,207
29	62,539	79	170,364
30	64,695	80	172,520
31	66,852	81	174,677
32	69,008	82	176,833
33	71,165	83	178,990
34	73,321	84	181,146
35	75,478	85	183,303
36	77,634	86	185,459
37	79,791	87	187,616
38	81,947	88	189,772
39	84,104	89	191,929
40	86,260	90	194,085
41	88,417	91	196,242
42	90,573	92	198,398
43	92,730	93	200,555
44	94,886	94	202,711
45	97,043	95	204,868
46	99,199	96	207,024
47	101,356	97	209,181
48	103,512	98	211,337
49	105,669	99	213,494
50	107,825	100	215,650

Note

(a) According to percentage of a maximum of \$215,650.

(b) Abated to 2/3 for victims aged 60 and over.

Assessment Table for Injury Grant

(For injuries sustained on or after 1.4.2024)

No. of Days of Sick Leave	Payment (\$)	No. of Days of Sick Leave	Payment (\$)	No. of Days of Sick Leave	Payment (\$)
1	822	61	26,286	121	47,540
2	1,644	62	26,640	122	47,894
3	2,466	63	26,994	123	48,249
4	3,288	64	27,349	124	48,603
5	4,110	65	27,703	125	48,957
6	4,932	66	28,057	126	49,311
7	5,754	67	28,411	127	49,666
8	6,576	68	28,766	128	50,020
9	7,398	69	29,120	129	50,374
10	8,220	70	29,474	130	50,728
11	8,574	71	29,828	131	51,082
12	8,928	72	30,183	132	51,437
13	9,283	73	30,537	133	51,791
14	9,637	74	30,891	134	52,145
15	9,991	75	31,245	135	52,499
16	10,345	76	31,600	136	52,854
17	10,700	77	31,954	137	53,208
18	11,054	78	32,308	138	53,562
19	11,408	79	32,662	139	53,916
20	11,762	80	33,016	140	54,271
21	12,117	81	33,371	141	54,625
22	12,471	82	33,725	142	54,979
23	12,825	83	34,079	143	55,333
24	13,179	84	34,433	144	55,688
25	13,534	85	34,788	145	56,042
26	13,888	86	35,142	146	56,396
27	14,242	87	35,496	147	56,750
28	14,596	88	35,850	148	57,104
29	14,950	89	36,205	149	57,459
30	15,305	90	36,559	150	57,813
31	15,659	91	36,913	151	58,167
32	16,013	92	37,267	152	58,521
33	16,367	93	37,622	153	58,876
34	16,722	94	37,976	154	59,230
35	17,076	95	38,330	155	59,584
36	17,430	96	38,684	156	59,938
37	17,784	97	39,038	157	60,293
38	18,139	98	39,393	158	60,647
39	18,493	99	39,747	159	61,001
40	18,847	100	40,101	160	61,355
41	19,201	101	40,455	161	61,710
42	19,556	102	40,810	162	62,064
43	19,910	103	41,164	163	62,418
44	20,264	104	41,518	164	62,772
45	20,618	105	41,872	165	63,126
46	20,972	106	42,227	166	63,481
47	21,327	107	42,581	167	63,835
48	21,681	108	42,935	168	64,189
49	22,035	109	43,289	169	64,543
50	22,389	110	43,644	170	64,898
51	22,744	111	43,998	171	65,252
52	23,098	112	44,352	172	65,606
53	23,452	113	44,706	173	65,960
54	23,806	114	45,060	174	66,315
55	24,161	115	45,415	175	66,669
56	24,515	116	45,769	176	67,023
57	24,869	117	46,123	177	67,377
58	25,223	118	46,477	178	67,732
59	25,578	119	46,832	179	68,086
60	25,932	120	47,186	180	68,440

Note

- (a) \$822 is used as the base for the scale and rate of payment per day for the first 10 days.
- (b) The payment rate for the 11th day onwards is 1/170 of the difference between the maximum grant and the grant per day for the first 10 days, i.e. \$ (68,440 – 8,220) / 170 to be rounded up or down as appropriate.

Assessment Table for Interim Maintenance Grant

(For injuries sustained on or after 1.4.2024)

No. of Days of Loss of Earnings	Scale of Payment (\$)
1	499
2	999
3	1,498
4	1,997
5	2,497
6	2,996
7	3,495
8	3,995
9	4,494
10	4,993
11	5,493
12	5,992
13	6,491
14	6,991
15	7,490
16	7,989
17	8,489
18	8,988
19	9,487
20	9,987
21	10,486
22	10,985
23	11,485
24	11,984
25	12,483
26	12,983
27	13,482
28	13,981
29	14,481
30	14,980



Emergency Relief Fund

Financial statements for the year ended 31 March 2025

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 Emergency Relief Fund set out on pages 4 to 13, which comprise the balance sheet as at 31 March 2025, 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 material accounting policy information.

In my opinion, the financial statements give a true and fair view of the financial position of the Emergency Relief Fund as at 31 March 2025, and of its financial performance and cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in accordance with section 10(1) of the Emergency Relief Fund Ordinance (Cap. 1103).

Basis for opinion

I conducted my audit in accordance with section 10(2) of the Emergency Relief Fund 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 Emergency Relief 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 Director of Social Welfare Incorporated for the financial statements

The Director of Social Welfare Incorporated is responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRS Accounting Standards

as issued by the HKICPA and section 10(1) of the Emergency Relief Fund Ordinance, and for such internal control as the Director of Social Welfare Incorporated determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Director of Social Welfare Incorporated is responsible for assessing the Emergency Relief 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 Emergency Relief Fund's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Director of Social Welfare Incorporated;
- conclude on the appropriateness of the Director of Social Welfare Incorporated's use of the going concern basis of accounting and, based on the audit evidence

obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Emergency Relief 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 Emergency Relief 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 Director of Social Welfare 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.



Ms Elaine Chang
Principal Auditor (Acting)
for Director of Audit

4 August 2025

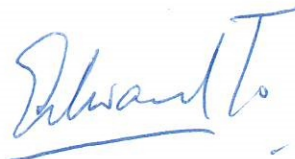
Audit Commission
6th Floor, High Block
Queensway Government Offices
66 Queensway
Hong Kong

Emergency Relief Fund

Balance Sheet as at 31 March 2025

	Note	2025 HK\$	2024 HK\$
NON-CURRENT ASSETS			
Placement with the Exchange Fund	3	<u>61,840,376</u>	<u>59,633,921</u>
CURRENT ASSETS			
Interest receivable		1,253,184	1,467,267
Other receivable		-	75
Time deposits with original maturities over three months		30,639,880	25,364,445
Cash and cash equivalents	4	35,880,344	33,667,435
		<u>67,773,408</u>	<u>60,499,222</u>
NET ASSETS		<u><u>129,613,784</u></u>	<u><u>120,133,143</u></u>
Representing:			
ACCUMULATED FUND			
Accumulated surplus		<u><u>129,613,784</u></u>	<u><u>120,133,143</u></u>

The accompanying notes 1 to 8 form part of these financial statements.



(Edward TO)

Director of Social Welfare Incorporated
Trustee of the Emergency Relief Fund

4 August 2025

Emergency Relief Fund

Income and Expenditure Account for the year ended 31 March 2025

	2025 HK\$	2024 HK\$
INCOME		
Grant from the Government	5,000,000	15,000,000
Refund of grants	34,754	-
Interest income	4,907,120	4,926,568
Net exchange losses	-	(276,665)
	<u>9,941,874</u>	<u>19,649,903</u>
EXPENDITURE		
Death and personal injury grants	(156,070)	(291,278)
Domestic re-accommodation, re-equipment, site formation and repair grants and grants for severe damage to home appliances	(39,590)	(7,019,980)
Grants to repair or replace vessels and fishing gear	(139,185)	(1,401,110)
Primary producer grants	(126,388)	(26,932,711)
	<u>(461,233)</u>	<u>(35,645,079)</u>
SURPLUS / (DEFICIT) /FOR THE YEAR	9,480,641	(15,995,176)
Other comprehensive income	-	-
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR	<u>9,480,641</u>	<u>(15,995,176)</u>

The accompanying notes 1 to 8 form part of these financial statements.

Emergency Relief Fund

Statement of Changes in Equity for the year ended 31 March 2025

ACCUMULATED SURPLUS	2025 HK\$	2024 HK\$
Balance at beginning of year	120,133,143	136,128,319
Total comprehensive income / (loss) for the year	9,480,641	(15,995,176)
	<hr/>	<hr/>
Balance at end of year	<u>129,613,784</u>	<u>120,133,143</u>

The accompanying notes 1 to 8 form part of these financial statements.

Emergency Relief Fund

Statement of Cash Flows for the year ended 31 March 2025

	Note	2025 HK\$	2024 HK\$
Cash flows from operating activities			
Surplus / (Deficit) for the year		9,480,641	(15,995,176)
Adjustments for:			
Interest income		(4,907,120)	(4,926,568)
Net exchange losses		-	276,665
Decrease / (Increase) in other receivable		75	(75)
Net cash from / (used in) operating activities		<u>4,573,596</u>	<u>(20,645,154)</u>
Cash flows from investing activities			
Interest received		5,121,203	4,840,534
(Increase) / Decrease in time deposits with original maturities over three months		(5,275,435)	19,478,457
Increase in placement with the Exchange Fund		(2,206,455)	(2,127,729)
Net cash (used in) / from investing activities		<u>(2,360,687)</u>	<u>22,191,262</u>
Net increase in cash and cash equivalents		2,212,909	1,546,108
Cash and cash equivalents at beginning of year		<u>33,667,435</u>	<u>32,121,327</u>
Cash and cash equivalents at end of year	4	<u><u>35,880,344</u></u>	<u><u>33,667,435</u></u>

The accompanying notes 1 to 8 form part of these financial statements.

Emergency Relief Fund

Notes to the Financial Statements

1. General

The Emergency Relief Fund (the Fund) was established for the purpose of making grants and loans and providing material assistance to persons who are in need thereof as a result of fire, flood, tempest, typhoon or other occurrence which has caused suffering or loss in accordance with section 4 of the Emergency Relief Fund Ordinance (Cap. 1103).

The address of the Fund's principal place of business is Room 704, 7/F, Wu Chung House, 213 Queen's Road East, Wanchai, Hong Kong.

2. Material accounting policies

(a) Statement of compliance

The financial statements of the Fund have been prepared in accordance with section 10(1) of the Emergency Relief Fund Ordinance and all applicable HKFRS Accounting Standards, which is a collective term that includes all applicable individual Hong Kong Financial Reporting Standards (HKFRSs), Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (HKICPA). Material accounting policies adopted by the Fund are 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 HKFRS Accounting Standards 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 HKFRS Accounting Standards

The HKICPA has issued certain new or revised HKFRS Accounting Standards 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. These include the following which may be relevant to the Fund.

**Effective for accounting
periods beginning on or after**

HKFRS 18 "Presentation and Disclosure in Financial Statements" 1 January 2027

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

(i) Initial recognition and measurement

Financial assets are recognised on the date the Fund becomes a party to the contractual provisions of the financial instrument. They are initially measured at fair value plus transaction costs that are directly attributable to the acquisition of the financial assets.

(ii) Classification and subsequent measurement

Financial assets measured at amortised cost

These comprise placement with the Exchange Fund, interest receivable, other receivable, 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.

(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.

(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.

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) Revenue recognition

- (i) Grant from the Government is recognised in the income and expenditure account when there is reasonable assurance that it will be received and that the Fund will comply with the conditions attaching to it.
- (ii) Interest income from deposits with banks and the placement with the Exchange Fund is recognised as it accrues using the effective interest method.

(f) Expenditure on grants/refund of grants

Grants are recognised as expenditure when they are approved and due for payment. Refund of grants is credited to the income and expenditure account when they are accepted by the Fund.

(g) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank, cash with a government department and time deposits with original maturities within three months.

(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.

3. Placement with the Exchange Fund

As at 31 March 2025, the total balance of the placement with the Exchange Fund amounted to HK\$61.8 million (2024: HK\$59.6 million), being the principal sum of HK\$55 million (2024: HK\$55 million) plus interest paid but not yet withdrawn at the reporting date of HK\$6.8 million (2024: HK\$4.6 million). The term of the placement is six years from the date of placement, during which the amount of the principal sum cannot be withdrawn.

Interest on the placement is at a rate determined annually in January and payable annually in arrears on 31 December. The rate is the average annual rate of return of the Exchange Fund's Investment Portfolio for the past six years or the average annual yield of three-year government bond in the previous year subject to a minimum of zero percent, whichever is the higher. The interest rate has been fixed at 4.4% and 3.7% per annum for the calendar years 2025 and 2024 respectively.

4. Cash and cash equivalents

	2025	2024
	HK\$	HK\$
Time deposits with original maturities within three months	34,860,344	30,464,167
Cash with a government department	20,000	2,087,410
Cash at bank	1,000,000	1,115,858
	<u>35,880,344</u>	<u>33,667,435</u>

5. Financial risk management

The Fund's financial instruments include placement with the Exchange Fund, receivables, time deposits and cash and cash equivalents. 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.

To minimise the credit risk arising from time deposits and cash and cash equivalents, all time deposits and bank balances are placed with reputable licensed banks in Hong Kong. Hence, the Fund's exposure to credit risk is considered to be limited. The credit risk in respect of placement with the Exchange Fund and cash with a government department is considered minimal.

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

	2025	2024
	HK\$	HK\$
Time deposits and bank balances, by credit rating		
Aa1 to Aa3	1,000,000	24,425,858
A1 to A3	65,500,224	28,775,495
Baa1 to Baa3	-	3,743,117
	<u>66,500,224</u>	<u>56,944,470</u>

While other financial assets measured at amortised cost are also 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 that the fair value or future cash flows of a financial instrument will fluctuate because of 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 time 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 surplus/deficit for the year.

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 as interest income from financial instruments bearing interest at a floating rate is not significant.

(c) Other financial risk

The Fund is exposed to financial risk arising from the placement with the Exchange Fund due to changes in interest rate which is determined in January each year (note 3). As at 31 March 2025, it is estimated that an increase/decrease of 50 basis point (2024: 50 basis point) in the interest rates, with all other variables held constant, would have increased/decreased the surplus for the year by HK\$309,000 (2024: decreased/increased the deficit for the year by HK\$298,000).

6. Capital management

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

- (a) to comply with the Emergency Relief Fund Ordinance; and
- (b) to maintain a capital base for carrying out the purpose of the Fund as stated in note 1 above.

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

7. Cost of administration of the Fund

The cost of administration of the Fund was borne by the Government of the Hong Kong Special Administrative Region in accordance with section 11 of the Emergency Relief Fund Ordinance.

8. Fair values of financial assets

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