

CONSUMER LEGAL ACTION FUND MANAGEMENT COMMITTEE

消費者訴訟基金管理委員會

CHAIRMAN

主席



Mr Samuel CHAN Ka-yan, JP
陳家殷大律師·太平紳士
(up to至2016.12.05)



Mr Selwyn YU Sing-cheung, SC*
余承章資深大律師
(since由2017.02.14)

VICE CHAIRMAN

副主席



Dr LO Pui-yin
羅沛然大律師
(since由2017.02.14)



Ms Rebecca CHAN Ching-chu
陳清珠女士
(since由2016.12.06)



Ms Betty CHAN Ka-wai
陳嘉慧律師



Mr Johnny FEE Chung-ming, JP
費中明律師·太平紳士
(since由2016.12.06)



Mr Richard KHAW Wei-kiang, SC
許偉強資深大律師
(since由2016.12.06)



Mr Alex LAI Ting-hong
黎庭康律師



Mr Edmond LAM King-fung
林勁豐律師



Mr Kevin LAM Sze-cay
林詩棋先生
(since由2016.12.06)



Ms Queenie Fiona LAU
劉恩沛大律師



Dr LUI Wing-cheong
雷永昌醫生



Prof. Angela NG Lai-ping
吳麗萍教授
(up to至2016.12.05)



Ms Gilly WONG Fung-han
黃鳳嫻女士



Mr Kenneth WONG Wing-yan
黃永恩律師
(up to至2016.12.05)



Ms Jessica YOUNG Yee-kit
楊懿潔律師
(up to至2016.12.05)

* Mr Selwyn YU Sing-cheung, SC served as Vice Chairman up to 2017.02.13, and as Chairman since 2017.02.14.
余承章資深大律師出任副主席至2017.02.13，並由2017.02.14起出任主席。

ANNUAL REPORT OF THE CONSUMER LEGAL ACTION FUND 2016-17

消費者訴訟基金年報2016-17

The Consumer Council is the Trustee of the Consumer Legal Action Fund (the Fund) through a Declaration of Trust executed on 30 November 1994.

消費者委員會是消費者訴訟基金（以下簡稱基金）的信託人。基金於1994年11月30日依據信託聲明成立。

Purpose

The Fund was established with an initial Government grant of HK\$10 million. A further HK\$10 million was granted by the Government in May 2010. The Fund aims to facilitate easier consumer access to legal remedies by providing legal assistance to consumers, particularly groups of consumers with similar grievances in cases involving significant public interest and injustice. Through granting assistance to eligible cases, the Fund also aims to deter business malpractices and enhance public awareness of consumer rights.

Administration

The Consumer Council, as the Trustee, is responsible, through a Board of Administrators, for the overall administration and investment of the Fund. The Board of Administrators is in turn, underpinned by a Management Committee. The latter, whose members were appointed by the Commerce and Economic Development Bureau, is responsible for advising on the eligibility and merits of applications seeking assistance from the Fund¹.

Operation

It is the function of the Council to help consumers resolve their complaints vis-à-vis the traders concerned by means of conciliation. The Council may, if it considers appropriate or if the complainants so request, refer cases of complaints to the Fund for consideration. Consumers may also apply to the Fund directly for assistance.

Generally, in processing an application for assistance, the Fund, will consider whether all other means of dispute resolution have been exhausted and will assess the case against established eligibility criteria. Such criteria include whether the case involves significant consumer interest; whether a large group of consumers have been or will potentially be adversely affected; whether the case has a reasonable chance of success; whether assistance to the matter concerned can promote the consumer cause and produce deterrent effects on unscrupulous business practices; and whether it is practicable for the Fund to offer timely assistance.

目的

基金成立初時獲政府撥款港幣1,000萬元，在2010年5月再獲政府撥款港幣1,000萬元，為尋求法律協助的消費者提供更便捷的途徑，在涉及重大公眾利益和公義的事件上，協助有相似遭遇的消費者循法律途徑追討賠償。基金旨在透過協助符合資格的個案，遏止不當的經營手法，及讓公眾認識消費者的權利。

行政管理

作為基金的信託人，本會透過基金執行委員會，處理基金的行政及投資。執行委員會在批核申請個案時，會聽取基金管理委員會的意見，包括申請人是否符合資格，及個案的理據是否充分等。管理委員會成員由商務及經濟發展局委任¹。

基金運作

本會一向致力協助消費者解決他們與商戶之間的糾紛，在適當情況或在投訴人要求下，將個案轉介基金考慮給予協助。此外，消費者亦可直接向基金提出申請。

一般來說，基金在處理申請時，會考慮申請人是否已嘗試其他解決辦法，並根據既定的準則審批申請，這些準則包括，個案是否涉及重大的消費者利益、受影響的消費者是否眾多、是否有合理的勝訴機會、資助是否有利促進消費者權益，及對不當經營手法產生阻嚇作用，以及基金實際上是否可以提供及時的協助等。

¹ See Annex A for the Membership of the Board of Administrators and the Management Committee. 執行委員會及管理委員會的成員名單見附錄甲。

Deliberation

During the year under review, the Management Committee held 4 meetings and resolved matters by circulation on 9 occasions, while the Board of Administrators resolved matters by circulation on 6 occasions.

Altogether, the Fund considered 10 applications across different categories during the year under review. An application concerning property-related services and another relating to beauty services and products were put on hold pending respectively further conciliation by the Council and further information to be provided by the applicant. The deliberation of these 2 applications would be continued in the next reporting year.

After thorough and careful consideration and deliberation, the Fund declined 7 applications relating to complaints about travel-related services, technology products, car beauty services, property-related services, fitness services and beauty services respectively.

During the reporting period, the Fund has granted assistance to 1 application which is related to loan services.

Newly Assisted Case

1. Money Lender and Loan Broker – Claims of Misrepresentation and Deceit

The assisted consumer was allegedly misled by various representations made by a money lender and a loan broker into borrowing a mortgage loan.

The Fund granted assistance on the grounds that such kind of unfair trade practice was fairly common in the money lending business and also that it involved significant consumer interest. Instructed by the Fund to pursue the claims for the assisted consumer, the solicitors had issued letters before action respectively to the money lender and the loan broker.

Cases Carried Over from Previous Year

The Fund continued to work on the following cases brought forward from the previous year.

1. Beauty Services – Claims of Fraudulent Misrepresentation and Unconscionable Conduct

Judgment in favour of the assisted consumer had been obtained against the defendant companies for fraudulent misrepresentation and unconscionable conduct with regard to a so-called “spokesperson campaign”. However, the judgment remained unsatisfied.

During the reporting period, the solicitors instructed by the Fund successfully objected to the intended deregistration of one of the defendant companies on the ground that there were legal proceedings underway, preventing the company from being dissolved. They also sought to enforce the judgment for the assisted consumer.

處理個案

本年度基金管理委員會共舉行了4次會議，另9次以文件通傳方式議決事項。而執行委員會共6次以文件通傳方式議決事項。

年內，基金共審議了10宗涉及不同類別的申請。就其中2宗分別涉及物業相關服務及美容產品與服務的申請，基金暫緩決定；有待本會再次調停的結果及申請人提供更詳細資料，基金將於下一年度再作審議。

經詳細考慮及審議後，基金否決7宗分別涉及旅遊相關服務、科技產品、汽車美容服務、物業相關服務、健身服務及美容服務的申請。

本年度基金提供協助予1宗關於貸款服務的新申請。

受資助的新個案

1. 放債人與財務中介 - 失實陳述和欺騙的申索

受助消費者指稱因受到涉案放債人與財務中介誤導，而借取按揭貸款。

基金認為這種不良營商手法在有關行業屢見不鮮，為這宗個案提供協助，對消費者保障具有重大意義。受基金委託為受助消費者提出申索的律師，已分別向放債人及財務中介發出「法律行動前信函」。

繼續跟進的個案

基金繼續跟進上年度未完成的個案，進展如下：

1. 美容服務 - 欺騙性失實陳述及不合情理行為的申索

在基金的協助下，受助消費者已取得勝訴，法院裁定被告公司就其所謂「代言人計劃」所作的欺騙陳述和不合情理行為須負上責任。但是被告公司仍未履行判決命令。

年內，基金委託的律師以法律程序進行中為由，成功反對其中一間被告公司撤銷公司註冊的申請，以阻止該公司解散。同時，協助受助消費者執行法庭的判決。

2. Headquarters and Professional Staff Cost Charged by a Management Company of a Residential Housing Estate

Prior to the commencement of the legal proceedings for a declaration on the justifiability of the “headquarters and professional staff costs” charged by the management company, the solicitors instructed by the Fund had negotiated with the legal representatives of the management company over pre-action disclosure of relevant documents and the scope of issues in dispute for the intended proceedings.

During the reporting period, the solicitors instructed by the Fund attended a voluntary inspection of the management company’s financial records and obtained further advice from counsel on the related matters. Preparation for commencement of legal proceedings was underway.

3. Dental Services – Failure to Provide or Complete Prepaid Treatment

The 6 assisted consumers had respectively made payment either in part or in full to the dental clinic operated by the defendant companies, that ceased its business before providing or completing the services to them. Judgments in favour of the assisted consumers had been obtained against the defendant companies. But the judgments remained unsatisfied. During the reporting period, the solicitors instructed by the Fund sought to enforce the judgments.

4. Beauty Services – Personal Injuries Claim

The assisted consumer had sustained injuries as a result of the beauty treatments negligently performed by a beauty salon.

By the end of the reporting period, the assisted consumer obtained a favourable judgment after trial against the beauty salon which was ordered to pay compensation to the assisted consumer for the injuries and loss arising from the treatments.

5. Alleged Misappropriation of Management Fees and Failure to Make Proper Disclosure of Expenses by Management Company of a Residential Housing Estate

The assisted consumer, a purchaser of a first-hand residential unit of the estate in question, claimed that the estate manager had misappropriated the management fees to pay for expenses incurred in handing over the residential units from the developer to the purchasers. The estate manager was also alleged to have failed to make proper disclosure of the estate’s management accounts in respect of other expenses.

During the reporting period, the solicitors instructed by the Fund demanded the estate manager to rectify the alleged problems and advised the assisted consumer on how to exercise his right as an owner to inspect the estate’s books and accounts. Afterwards, given the circumstances, the Fund concluded after deliberation that court action was not the most effective means of resolution in this case and thus terminated the legal assistance.

2. 物業相關服務 - 住宅屋苑管理公司收取總部及專業行政人員費用

在向法庭申請有關涉案管理公司收取總部及專業行政人員費用是否具有充分理據之聲明前，基金委託的律師及代表管理公司的律師就法律行動前的文件披露，及擬展開的訴訟所涉及的爭議事項範圍，曾進行商討。

年內，基金委託的律師查閱了由管理公司自願披露的財務文件，就相關事項向大律師徵詢進一步意見，並籌備開展法律行動的工作。

3. 牙醫服務 - 未能提供或完成已預繳的療程

這宗個案涉及6名受助消費者。他們分別向涉案的牙醫診所，預繳了全數或部分的療程費用，其後該牙醫診所在提供或完成有關療程之前結業。在基金的協助下，受助消費者已獲得勝訴，法庭命令經營該牙醫診所的被告公司退還所有預繳款項，但被告公司仍未作出退款。在本報告期內，基金委託的律師協助受助消費者執行法院的裁決。

4. 美容服務 - 人身傷害的申索

受助消費者在涉案美容院接受美容服務時受傷。

報告期完結時，法庭經審訊後宣判受助消費者勝訴，命令涉案美容院為受助消費者的人身傷害及損失作出賠償。

5. 物業相關服務 - 涉嫌挪用管理費及未有妥善披露管理開支

受助消費者是涉案屋苑某單位的一手買家，他指稱物業管理公司挪用管理費，用作支付屋苑單位從發展商交予一手買家時所招致的開支，他並指稱管理公司未有妥善披露屋苑管理基金其他支出的帳目。

在本報告期內，基金委託的律師已向管理公司提出要求，就指稱的問題作出修正；另一方面，基金委託的律師亦建議受助消費者如何行使業主的權力以索取及查閱屋苑的帳目。其後，鑒於相關情況，基金經討論後，認為訴訟並非最有效解決有關問題的辦法，因此終止給予這宗個案的協助。

Statistics

Since its establishment and up until the year under review, the Fund has received a total of 1,329 applications and has granted assistance to 700 applications².

Finance

The Fund's income is derived from:

- (a) investing the capital sum in fixed deposits;
- (b) charging applicants a fee of HK\$100 each for cases within the jurisdiction of the Small Claims Tribunal and HK\$1,000 each for other court cases;
- (c) recovering legal costs from defendants in successful cases; and
- (d) receiving from each successful case a contribution of 10% of the benefits gained by the assisted consumer.

As at 31 March 2017, the Fund had a balance of approximately HK\$8.94 million³.

Acknowledgements

During the year under review, Mr Samuel CHAN Ka-yan, JP, Chairman, as well as 3 Members, Prof. Angela NG Lai-ping, Mr Kenneth WONG Wing-yan and Ms Jessica YOUNG Yee-kit retired from the Management Committee. Ms Rebecca CHAN Ching-chu, Mr Johnny FEE Chung-ming, JP, Mr Richard KHAW Wei-kiang, SC and Mr Kevin LAM Sze-cay joined as new Members.

To Mr Samuel CHAN Ka-yan, JP, Prof. Angela NG Lai-ping, Mr Kenneth WONG Wing-yan and Ms Jessica YOUNG Yee-kit, the Fund wishes to express its heartfelt thanks for their staunch support and invaluable contributions. It also welcomes the 4 new Members.

Last but not least, the Council would like to express gratitude to members of the Board of Administrators and the Management Committee, and to all those who have rendered assistance, including counsel and solicitors engaged by the Fund, for all their efforts and contributions to the Fund throughout the year. We are also very grateful to the Government for the financial support to the Fund.

統計

由成立至今，基金共接獲1,329宗申請，其中700宗申請獲基金協助²。

財務狀況

基金的收入來源如下：

- (a) 利用資金作定期儲蓄收取利息；
- (b) 向申請人收取費用：小額錢債審裁處案件每宗收取港幣100元，其他案件每宗收取港幣1,000元；
- (c) 成功個案中被告人賠償的訟費；及
- (d) 受助消費者勝訴後，基金從他們所獲取的金額中收取一成，作為分擔費用。

截至2017年3月31日止，基金結餘約港幣894萬元³。

鳴謝

年內，陳家殷大律師，太平紳士卸任基金的管理委員會主席；另吳麗萍教授、黃永恩律師及楊懿潔律師卸任管理委員會委員。而陳清珠女士、費中明律師，太平紳士、許偉強資深大律師及林詩棋先生則加入成為新委員。

衷心感謝陳家殷大律師，太平紳士、吳麗萍教授、黃永恩律師及楊懿潔律師一直對基金的支持和寶貴貢獻，並歡迎4位新委員。

最後，本會謹向基金兩個委員會的成員，及曾經協助基金順利運作的各界人士，包括基金聘請的大律師和律師等致謝，感激他們在年內為基金付出的努力和貢獻。本會亦非常感謝政府在財政上對基金的支持。

² See Annex B for the statistics of applications for the Fund. 基金申請個案統計見附錄乙。

³ See Annex C for the Fund's Auditor's Report and Financial Statements for the period under review. 基金本年度的核數師報告及財務報表見附錄丙。

CONSUMER LEGAL ACTION FUND BOARD OF ADMINISTRATORS 消費者訴訟基金執行委員會

Chairman 主席

Prof. WONG Yuk-shan, BBS, JP 黃玉山教授，銅紫荊星章，太平紳士

Vice Chairman 副主席

Mr Philip LEUNG Kwong-hon 梁光漢先生

Members 委員

Dr Raymond LEUNG Siu-hong 梁少康博士

Prof. Angela NG Lai-ping 吳麗萍教授

Ms Gilly WONG Fung-han 黃鳳嫻女士

CONSUMER LEGAL ACTION FUND MANAGEMENT COMMITTEE 消費者訴訟基金管理委員會

Chairman 主席

Mr Samuel CHAN Ka-yan, JP 陳家殷大律師，太平紳士 (up to至 2016.12.05)

Mr Selwyn YU Sing-cheung, SC 余承章資深大律師 (since由 2017.02.14)

Vice Chairman 副主席

Mr Selwyn YU Sing-cheung, SC 余承章資深大律師 (up to至 2017.02.13)

Dr LO Pui-yin 羅沛然大律師 (since由 2017.02.14)

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Ms Rebecca CHAN Ching-chu 陳清珠女士 (since由 2016.12.06)

Ms Betty CHAN Ka-wai 陳嘉慧律師

Mr Johnny FEE Chung-ming, JP 費中明律師，太平紳士 (since由 2016.12.06)

Mr Richard KHAW Wei-kiang, SC 許偉強資深大律師 (since由 2016.12.06)

Mr Alex LAI Ting-hong 黎庭康律師

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Ms Queenie Fiona LAU 劉恩沛大律師

Dr LUI Wing-cheong 雷永昌醫生

Prof. Angela NG Lai-ping 吳麗萍教授 (up to至 2016.12.05)

Ms Gilly WONG Fung-han 黃鳳嫻女士

Mr Kenneth WONG Wing-yan 黃永恩律師 (up to至 2016.12.05)

Ms Jessica YOUNG Yee-kit 楊懿潔律師 (up to至 2016.12.05)

APPLICATIONS FOR CONSUMER LEGAL ACTION FUND

消費者訴訟基金申請個案統計

Number of applications received since 30 November 1994 自1994年11月30日以來, 基金接獲的申請數目	1,329
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Problem solved during application 在申請期間問題已獲解決	175
Under consideration 仍在考慮中	11
Assistance granted 獲基金批予協助之申請	700

Compensation recovered 獲得賠償	
• out-of-court settlement 庭外和解	192
• judgment obtained 經勝訴獲取	18
Not pursued further 未再跟進	
• no recovery prospect 因無賠償可能	465
• application withdrawn 因申請撤回	6
• terminated by the Fund 被基金終止	8
Referred to Legal Aid 轉交法律援助署	1
In process 在處理中	10

Referred to Council for Policy Consideration 轉交消委會作政策處理	3
Referred to Council for Conciliation/Monitoring 轉交消委會斡旋/監察	10
Assistance declined 不接納申請	430

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告書

TO THE TRUSTEE OF CONSUMER LEGAL ACTION FUND

(Established in Hong Kong under the Deed of Trust dated 30 November 1994)

Opinion

We have audited the financial statements of Consumer Legal Action Fund (the "Fund") set out on pages 108 to 117, which comprise the statement of financial position as at 31 March 2017, and the income and expenditure statement, 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 our opinion, the financial statements give a true and fair view of the state of the Fund's affair as at 31 March 2017, and of its deficit and its 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").

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board of Administrators of the Fund are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Board of Administrators for the Financial Statements

The Board of Administrators are responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA, and for such internal control as the Board of Administrators determine 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 Board of Administrators are responsible for assessing the 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 unless the Board of Administrators either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

The Board of Administrators are responsible for overseeing the Fund's financial reporting process.

致消費者訴訟基金受託人

(根據日期為一九九四年十一月三十日的信託聲明在香港成立)

意見

本核數師(以下簡稱「我們」)已完成審核消費者訴訟基金(「基金」)列載於第108頁至第117頁的財務報表,包括於二零一七年三月三十一日的財務狀況報表,及截至該日止年度的收支結算表、權益變動表和現金流量表,以及財務報表附註(包括主要會計政策概要)。

我們認為,上述財務報表均已根據香港會計師公會頒布的《香港財務報告準則》,真實而公平地反映基金於二零一七年三月三十一日的事務狀況以及基金截至該日止年度的虧損及現金流量。

意見的基礎

我們已根據香港會計師公會頒布之香港審核準則進行審計。我們在該等準則下承擔之責任於本報告「核數師就審核財務報表承擔之責任」一節中進一步闡述。根據香港會計師公會之《專業會計師道德守則》(以下簡稱「守則」),我們獨立於基金,且我們已按照守則履行其他道德責任。我們相信,我們所獲得的審核證據能充分及適當地為我們的意見提供依據。

其他資料

基金執行委員會對其他資料負責。其他資料包括年報所載的資料,但不包括財務報表及我們就此編製的核數師報告。

我們對財務報表的意見不涵蓋其他資料,我們亦不對該等其他資料發表任何形式的鑒證結論。

就我們對財務報表的審核而言,我們的責任是閱讀其他資料,在此過程中,考慮其他資料是否與有關財務報表或我們在審核過程中所瞭解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作,如果我們認為其他資料存在重大錯誤陳述,我們須報告該事實。在此方面,我們沒有任何須報告之事項。

基金執行委員會就財務報表須承擔的責任

基金執行委員會須遵照香港會計師公會頒布的《香港財務報告準則》編製真實及公平之財務報表,以及實行其認為必要的內部控制,以使財務報表之編製不存在由於欺詐或錯誤而導致之重大錯誤陳述。

在編製綜合財務報表時,基金執行委員會負責評估基金持續經營的能力,並在適用情況下披露與持續經營有關的事項,以及使用持續經營為會計基礎,除非執行委員會有意將基金清盤或停止經營,或別無其他實際的替代方案。

基金執行委員會負責監督基金的財務報告流程。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告書

TO THE TRUSTEE OF CONSUMER LEGAL ACTION FUND - continued
(Established in Hong Kong under the Deed of Trust dated 30 November 1994)

Auditor's Responsibilities for the Audit of the Financial Statements

Our 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 our opinion solely to you, in accordance with the agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's 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 HKSA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We 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 our 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 Fund's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the administrators;
- conclude on the appropriateness of the administrators' 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 Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the 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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
7 August 2017

致消費者訴訟基金受託人 — 續

(根據日期為一九九四年十一月三十日的信託聲明在香港成立)

核數師就審核財務報表承擔之責任

我們的目標是對財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並按照議定的聘用條款，僅出具納入我們意見的核數師報告，除此之外，本報告並無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何法律責任。合理保證屬高度保證，但不能保證按照香港審核準則進行的審核，在某一重大錯誤陳述存在時總能發現。錯誤陳述可由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響財務報表使用者依賴此等財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《香港審核準則》進行審核的過程中，我們於整個審核過程中運用專業判斷，並抱持專業懷疑態度。我們亦：

- 識別及評估財務報表由於欺詐或錯誤而導致之重大錯誤陳述風險，設計及執行審核程序以應對該等風險，以及獲取充分及適當審核憑證為我們的意見提供基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或僭越內部控制，故因未能發現欺詐而導致之重大錯誤陳述風險高於因未能發現錯誤而導致之重大錯誤陳述風險；
- 瞭解有關審核之內部控制，以設計在各類情況下適當之審核程序，但並非旨在對基金內部控制之成效發表意見；
- 評估執行委員所採用會計政策之恰當性及作出會計估計及相關披露之合理性；
- 總結執行委員採用持續經營會計基礎是否恰當，並根據已獲得的審核憑證，總結是否存在重大不明朗因素涉及可能令基金之持續經營能力嚴重成疑之事件或情況。倘我們得出結論認為存在重大不明朗因素，我們須於核數師報告中提請使用者注意財務報表內之相關披露，或倘相關披露不足，則修訂我們的意見。我們的結論以截至核數師報告日期所獲得的審核憑證為基礎。然而，未來事件或情況可能導致基金不再持續經營；及
- 評估財務報表（包括披露）之整體列報方式、結構和內容，以及財務報表是否中肯反映相關交易和事項。

我們與管治人員溝通（其中包括）審核工作之計劃範圍、時間安排及重大審核發現，包括我們於審核期間識別出內部控制之任何重大缺陷。

德勤·關黃陳方會計師行
執業會計師
香港
二零一七年八月七日

INCOME AND EXPENDITURE STATEMENT 收支結算表

FOR THE YEAR ENDED 31 MARCH 2017 截至二零一七年三月三十一日止年度

		NOTE 附註	2017 二零一七年 HK\$ 港元	2016 二零一六年 HK\$ 港元
Income	收入			
Bank interest income	銀行利息收入		113,556	107,941
Application fee from assisted consumers	受助消費者申請費		8,800	3,600
Sundry income	雜項收入		-	190,075
			<u>122,356</u>	<u>301,616</u>
Less:	減:			
Expenditure	支出			
Auditor's remuneration	核數師酬金		15,300	14,900
Administrative service expenses	行政服務支出	8	1,822,000	2,003,000
Bank charges	銀行費用		4,030	3,320
Legal fees for assisted consumers	受助消費者律師費		619,861	911,784
Sundry expenses	雜項支出		4,413	4,873
			<u>2,465,604</u>	<u>2,937,877</u>
Deficit for the year	本年度虧損		<u>(2,343,248)</u>	<u>(2,636,261)</u>

STATEMENT OF FINANCIAL POSITION 財務狀況表

AT 31 MARCH 2017 於二零一七年三月三十一日

		NOTES 附註	2017 二零一七年 HK\$ 港元	2016 二零一六年 HK\$ 港元
Current assets	流動資產			
Interest and other receivables	利息及其他應收賬款		41,868	37,492
Bank balances	銀行結餘	6	<u>11,272,391</u>	<u>13,452,587</u>
			<u>11,314,259</u>	<u>13,490,079</u>
Current liabilities	流動負債			
Accounts payable and accrued expenses	應付賬款及應計費用		550,123	201,695
Amount due to the Trustee	應付受託人款項	7	<u>1,822,000</u>	<u>2,003,000</u>
			<u>2,372,123</u>	<u>2,204,695</u>
Net current assets	流動資產淨值		<u>8,942,136</u>	<u>11,285,384</u>
Capital and reserve	資本及儲備			
Capital	資本		20,000,000	20,000,000
Accumulated deficit	累積虧損		<u>(11,057,864)</u>	<u>(8,714,616)</u>
			<u>8,942,136</u>	<u>11,285,384</u>

The financial statements on pages 108 to 117 were approved and authorised for issue by the Board of Administrators on 7 August 2017 and are signed on its behalf by:

載於第 108 至 117 頁的財務報表已於二零一七年八月七日獲執行委員會批准並授權發布，並由下列代表簽署：

Prof. Wong Yuk-shan
黃玉山教授
ADMINISTRATOR
執行委員

Ms. Gilly Wong Fung-han
黃鳳嫻女士
ADMINISTRATOR
執行委員

STATEMENT OF CHANGES IN EQUITY 權益變動表

FOR THE YEAR ENDED 31 MARCH 2017 截至二零一七年三月三十一日止年度

		Capital 資本 HK\$ 港元	Accumulated deficit 累積虧損 HK\$ 港元	Total 總額 HK\$ 港元
At 1 April 2015	於二零一五年四月一日	20,000,000	(6,078,355)	13,921,645
Deficit for the year	本年度虧損	-	(2,636,261)	(2,636,261)
At 31 March 2016	於二零一六年三月三十一日	20,000,000	(8,714,616)	11,285,384
Deficit for the year	本年度虧損	-	(2,343,248)	(2,343,248)
At 31 March 2017	於二零一七年三月三十一日	<u>20,000,000</u>	<u>(11,057,864)</u>	<u>8,942,136</u>

STATEMENT OF CASH FLOWS 現金流量表

FOR THE YEAR ENDED 31 MARCH 2017 截至二零一七年三月三十一日止年度

		2017 二零一七年 HK\$ 港元	2016 二零一六年 HK\$ 港元
Operating activities	營運活動		
Deficit for the year	年度虧損	(2,343,248)	(2,636,261)
Adjustment for:	就下列項目作出調整：		
Bank interest income	銀行利息收入	<u>(113,556)</u>	<u>(107,941)</u>
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	(2,456,804)	(2,744,202)
Decrease in amount due to the Trustee	應付受託人款項之減少	(181,000)	(707,000)
Increase in accounts payable and accrued expenses	應付賬款及應計費用增加	<u>348,428</u>	<u>184,101</u>
Net cash used in operating activities	營運活動所用之現金淨額	<u>(2,289,376)</u>	<u>(3,267,101)</u>
Investing activities	投資活動		
Interest received	已收利息	109,180	120,748
Placement in time deposits with original maturity over three months	存入原到期日逾三個月之定期存款	(106,070)	(9,876,931)
Withdrawal of time deposit with original maturity over three months	提取原到期日逾三個月之定期存款	<u>-</u>	<u>4,162,218</u>
Net cash from (used in) investing activities	投資活動產生(所用)之現金淨額	<u>3,110</u>	<u>(5,593,965)</u>
Net decrease in cash and cash equivalents	現金及現金等值項目淨額減少	(2,286,266)	(8,861,066)
Cash and cash equivalents at beginning of the year	於本年初之現金及現金等值項目	<u>3,730,599</u>	<u>12,591,665</u>
Cash and cash equivalents at end of the year	於本年底之現金及現金等值項目	<u>1,444,333</u>	<u>3,730,599</u>
Total bank balances represented by:	銀行結餘總額折合為：		
Time deposits with original maturity over three months	原到期日逾三個月之定期存款	9,828,058	9,721,988
Cash and cash equivalents	現金及現金等值項目	<u>1,444,333</u>	<u>3,730,599</u>
		<u>11,272,391</u>	<u>13,452,587</u>

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

FOR THE YEAR ENDED 31 MARCH 2017 截至二零一七年三月三十一日止年度

1. OBJECTIVES AND OPERATION OF THE FUND

The Consumer Legal Action Fund (the "Fund") was established on 30 November 1994 under a Deed of Trust with the Consumer Council as the trustee (the "Trustee") for the purpose of offering financial assistance to consumers in seeking legal redress, remedies and protection. The Government of the Hong Kong Special Administrative Region (the "HKSAR") has granted a sum of HK\$10 million as initial capital to the Fund. The capital should be repayable to the HKSAR upon termination. Additional capital amounting to HK\$10 million was further injected by the HKSAR to the fund on 6 September 2010 increasing the capital to HK\$20 million.

The address of the registered office and principal place of operation of the Trustee is 22nd Floor, K. Wah Centre, 191 Java Road, North Point, Hong Kong.

The financial statements are presented in Hong Kong dollars, which is same as the functional currency of the Fund.

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

Amendments to HKFRSs that are mandatorily effective for the current year

The Fund has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") for the first time in the current year:

Amendments to HKFRSs	Annual Improvements to HKFRSs 2012 - 2014 Cycle
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment Entities: Applying the Consolidation Exception
Amendments to HKFRS 11	Accounting for Acquisitions of Interests in Joint Operations
Amendments to HKAS 1	Disclosure Initiative
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer Plants
Amendments to HKAS 27	Equity Method in Separate Financial Statements

The application of the amendments to HKFRSs in the current year has had no material impact on the Fund's financial performance and positions for the current year and prior period and/or on the disclosures set out in these financial statements.

1. 基金目標及營運

消費者訴訟基金(「基金」)根據信託聲明於一九九四年十一月三十日成立,消費者委員會為其受託人(「受託人」),目的是為消費者提供經濟援助,循法律途徑尋求賠償、補償及保障,並由香港特別行政區政府(以下簡稱「香港特區政府」)撥款一千萬港元作為基金的初期資本。此資本在基金終止運作時應歸還香港特區政府。香港特區政府於二零一零年九月六日再次為基金注入總額達一千萬港元之額外資本,令總資本增加至兩千萬港元。

受託人之註冊辦事處及主要營運地點均為香港北角渣華道 191 號嘉華國際中心 22 樓。

本財務報表以港元列出,港元亦是基金之功能貨幣。

2. 採納新訂及經修訂之香港財務報告準則(「香港財務報告準則」)

於本年度強制生效之經修訂香港財務報告準則

本年度內,基金已首次採納由香港會計師公會頒布的以下《香港財務報告準則》(修訂本):

《香港財務報告準則》(修訂本)	《香港財務報告準則》二零一二年至二零一四年週期之年度改進
《香港財務報告準則》第 10 號、第 12 號及《香港會計準則》第 28 號(修訂本)	投資實體:豁免綜合報表的應用
《香港財務報告準則》第 11 號(修訂本)	收購合營業務權益之會計處理
《香港會計準則》第 1 號(修訂本)	披露動議
《香港會計準則》第 16 號及第 38 號(修訂本)	澄清折舊及攤銷的可接受方法
《香港會計準則》第 16 號及第 41 號(修訂本)	農業:生產性植物
《香港會計準則》第 27 號(修訂本)	獨立財務報表之權益法

本年度採納的香港財務報告準則修訂本對基金於本年度及先前年度的財務表現與狀況及/或該等財務報表所載的披露資料概無重大影響。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

FOR THE YEAR ENDED 31 MARCH 2017 截至二零一七年三月三十一日止年度

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) - continued

New and amendments to HKFRSs in issue but not yet effective

The Fund has not early applied the following new and amendments to HKFRSs have been issued which are not yet effective:

HKFRS 9	Financial Instruments ¹
HKFRS 15	Revenue from Contracts with Customers and the related Amendments ¹
HKFRS 16	Leases ²
Amendments to HKFRSs	Annual Improvements to HKFRSs 2014 - 2016 Cycle ³
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions ¹
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts ¹
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴
Amendments to HKAS 7	Disclosure Initiative ⁵
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses ⁵
Amendments to HKAS 40	Transfers of Investment Property ¹

¹ Effective for annual periods beginning on or after 1 January 2018

² Effective for annual periods beginning on or after 1 January 2019

³ Effective for annual periods beginning on or after 1 January 2017 or 1 January 2018, as appropriate

⁴ Effective for annual periods beginning on or after a date to be determined

⁵ Effective for annual periods beginning on or after 1 January 2017

The Board of Administrators of the Fund anticipate that the application of the new and amendments to HKFRSs will have no material impact on the financial statements.

2. 採納新訂及經修訂之香港財務報告準則(「香港財務報告準則」) — 續

已頒布但尚未生效之新訂及經修訂香港財務報告準則

基金並未提早採納下列已頒布但尚未生效之新訂及經修訂之香港財務報告準則：

《香港財務報告準則》第 9 號	金融工具 ¹
《香港財務報告準則》第 15 號	客戶合約收入及相關修訂 ¹
《香港財務報告準則》第 16 號	租賃 ²
《香港財務報告準則》(修訂本)	《香港財務報告準則》二零一四年至二零一六年週期之年度改進 ³
《香港財務報告準則》第 2 號(修訂本)	以股份為基礎付款交易的分類及計量 ¹
《香港財務報告準則》第 4 號(修訂本)	《香港財務報告準則》第 9 號「金融工具」於《香港財務報告準則》第 4 號「保險合約」的應用 ¹
《香港財務報告準則》第 10 號及《香港會計準則》第 28 號(修訂本)	投資者與其聯營企業及合營企業之間的資產出售或注資 ⁴
《香港會計準則》第 7 號(修訂本)	披露計劃 ⁵
《香港會計準則》第 12 號(修訂本)	就未變現虧損確認遞延稅項資產 ⁵
《香港會計準則》第 40 號(修訂本)	轉移投資物業 ¹

¹ 於二零一八年一月一日或其後開始之年度期間生效

² 於二零一九年一月一日或其後開始之年度期間生效

³ 於二零一七年一月一日或二零一八年一月一日或之後開始之年度期間生效(如適用)

⁴ 生效日期尚未釐定

⁵ 於二零一七年一月一日或其後開始之年度期間生效

基金執行委員會預期，應用新訂及經修訂之《香港財務報告準則》對財務報表並無重大影響。

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FOR THE YEAR ENDED 31 MARCH 2017 截至二零一七年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with HKFRSs issued by HKICPA.

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for services. The principal accounting policies adopted are as follows:

Revenue recognition

Interest income from a financial assets is recognised when it is probable that the economic benefits will flow to the Fund and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimate future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Cost of financial assistance

All costs connected with the provision of financial assistance rendered to consumers are recorded on an accrual basis and charged against income and expenditure account in the period incurred. Any costs recoverable from assisted consumers are recorded as income upon receipt.

Financial instruments

Financial assets and financial liabilities are recognised when the Fund becomes a party to the contractual provisions of the instrument.

The Fund's financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Financial assets

Financial assets are classified as loans and receivables. The classification depends on the nature and purpose of financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments.

3. 主要會計政策

本財務報表乃根據香港會計師公會頒布之香港財務報告準則編製而成。

財務報表乃按照歷史成本之基準編製。歷史成本一般根據換取服務所給予代價之公平值而釐定。所採納的主要會計政策則詳列如下：

收入確認

金融資產之利息收入於經濟利益可能流向基金，且收入金額能可靠地計量時作出確認。利息收入以時間基準按尚餘的本金及適用的實際利率累算，該實際利率是在金融資產的預計期限內估計的未來現金收入，準確貼現至初步確認資產的賬面淨額時所用的利率。

財務資助費用

為消費者提供財務資助的所有有關費用按權責發生制記錄，並在該等費用發生期間的收支結算表內扣除。任何從受助消費者處收回的費用，在收到付款時以收入入賬確認。

金融工具

金融資產及金融負債於基金會成為工具合約條文的訂約方時予以確認。

金融資產及金融負債初步以公平值計量。收購或發行金融資產及金融負債所產生的直接交易成本，將在初步確認時視乎情況在金融資產或金融負債的公平值中加入或扣除。

金融資產

金融資產劃分為貸款及應收賬款。有關分類乃根據金融資產的性質及目的，並於初步確認時釐定。所有金融資產之一般交易按交易日基準確認及註銷。金融資產之一般交易是指根據市場規則或慣例確立之時限內進行資產交付的金融資產交易。

實際利率法

實際利率法是計算債務工具之攤銷成本及按有關期間攤分利息收入之方法。實際利率指按財務資產預計可使用期限或較短期限（如適用），將估計的未來現金收入（包括所有已付或已收的費用，而這些費用構成實際利率、交易成本及其他溢價或折讓的組成部分）準確貼現至初步確認時的賬面淨值額的所用利率。

債務工具之利息收入是按實際利率基準確認。

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FOR THE YEAR ENDED 31 MARCH 2017 截至二零一七年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES - continued

Financial instruments - continued

Financial assets - continued

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including interest and other receivables and bank balances) are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment on financial assets below).

Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

Impairment on financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through income or expenditure to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Financial liabilities

Financial liabilities are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability.

Financial liabilities (including accounts payable and accrued expenses, and amount due to the Trustee) are subsequently measured at amortised cost, using the effective interest method.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fee paid or received that form an integral part of the effective interest rate, transaction costs and other premium or discounts) through the expected life of the financial liability, or where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

3. 主要會計政策 — 續

金融工具 — 續

金融資產 — 續

貸款及應收賬款

貸款及應收賬款是指金額固定或可確定，且未在交投暢旺的市場上市的非衍生金融資產。貸款及應收賬款（包括利息、其他應收款項和銀行結餘）在初步確認後，會採用實際利率法以攤銷成本進行計算，再扣除已確認的減值虧損（參閱下文有關金融資產減值的會計政策）。

除利息微少的短期應收賬款外，利息收入按實際利率確認。

金融資產減值

金融資產評估是在每個報告期末按減值指標進行。如有客觀證據顯示，在金融資產初步確認後發生一項或多項事件導致該金融資產的未來估計現金流量受到影響，該金融資產須予減值處理。

客觀證據顯示有減值必要的情形包括：

- 發行人或交易對手出現重大財務困難；或
- 發生欠繳或拖欠利息或本金付款等違約行為；或
- 借款人可能面臨破產或財務重組。

就以攤銷成本列賬的金融資產而言，確認的減值虧損金額為該資產賬面值與按金融資產原本實際利率貼現的未來估計現金流量之現值的差額。如果在隨後的期間減值虧損金額降低，而有關降低可客觀地與確認減值虧損後發生之事件相關聯，則之前已確認之減值虧損將透過收入或支出撥回，惟該資產於撥回減值該日之賬面值不可超過減值尚未確認前原有之攤銷成本。

金融負債

金融負債是根據所訂立合約安排的性質及金融負債之定義進行分類。

金融負債（包括應付賬款及累計費用和應付受託人款項）採用實際利率法以攤銷成本計算。

實際利率法

實際利率法是計算金融負債之攤銷成本及按相關期間攤分利息開支之方法。實際利率是按金融負債預計限期或較短期限內（如適用），將估計未來現金支付（包括所有已付或已收的費用，而這些費用構成實際利率、交易成本及其他溢價或折讓的組成部分）準確貼現至初步確認時之賬面淨值之利率。

利息支出按實際利率確認。

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3. SIGNIFICANT ACCOUNTING POLICIES - continued

Financial instruments - continued

Derecognition

The Fund derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Fund neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Fund continues to recognise the asset to the extent of its continuing involvement and recognises an associated liability.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the income and expenditure statement.

The Fund derecognises financial liabilities when, and only when, the Fund's obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the income and expenditure statement.

4. CAPITAL RISK MANAGEMENT

The capital structure of the Fund consists of capital from HKSAR and accumulated surplus, if any.

The HKSAR has granted a sum of HK\$20 million as capital to the Fund. The Board of Administrators of the Fund manages the Fund's capital to ensure that the Fund will be able to continue as a going concern. The overall strategy of capital management remains unchanged from prior year.

5. FINANCIAL INSTRUMENTS

a. Categories of financial instruments

		2017 二零一七年 HK\$ 港元	2016 二零一六年 HK\$ 港元
Financial assets	金融資產		
Loans and receivables (including cash and cash equivalents)	貸款及應收款項 (包括現金及現金等值項目)	11,314,259	13,490,079
Financial liabilities	金融負債		
Financial liabilities at amortised cost	以攤銷成本計量的金融負債	2,372,123	2,204,695

b. Financial risk management objectives and policies

The Fund's major financial instruments include interest and other receivables, bank balances, accounts payable and accrued expenses, and amount due to the Trustee.

The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The Board of Administrators of the Fund manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

3. 主要會計政策 — 續

金融工具 — 續

註銷

只有當從資產獲得現金流量的合約權利屆滿，或金融資產及其擁有權的幾乎全部風險及回報被轉讓予另一實體時，該金融資產才會被註銷。如基金不轉讓或保留擁有權的幾乎全部風險及回報，並繼續控制被轉讓資產，則基金繼續在持續參與的範圍內確認此資產，並確認相關負債。

當金融資產被整體註銷時，該項資產的賬面值與已收和應收代價及於其他綜合收入確認並於權益中累積之累計損益總額的差額在收支結算表中確認。

當且僅當基金責任被解除、取消或屆滿時，金融負債才會被註銷。已被註銷的金融負債的賬面值與已付和應付代價之間的差額會於收支結算表內確認。

4. 資本風險管理

本基金的資本由香港特區政府注入的資本及累積盈餘 (如有) 組成。

香港特區政府已撥款兩千萬港元作為基金資本。基金執行委員會對基金資本進行管理，以確保本基金能夠持續經營。資本管理之整體策略與去年相同。

5. 金融工具

甲. 金融工具類別

乙. 金融風險管理目標及政策

本基金之主要金融工具包括利息及其他應收賬款、銀行結餘、應付賬款及累計開支以及應付受託人款項。

該等金融工具相關之風險及如何降低該些風險之政策載於下文。基金執行委員會管理及監察該等風險，以確保能按時且有效採取適當措施。

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FOR THE YEAR ENDED 31 MARCH 2017 截至二零一七年三月三十一日止年度

5. FINANCIAL INSTRUMENTS - continued

b. Financial risk management objectives and policies - continued

Credit risk

The credit risk on liquid funds is limited because majority of the counterparties are banks with high credit ratings.

Market risk

Foreign exchange risk

The Fund's functional currency is Hong Kong dollars since the transactions are mainly denominated in Hong Kong dollars. Accordingly, the Board of Administrators of the Fund considers the foreign exchange risk is not significant.

Interest rate risk

The Fund has no significant interest rate risk as it does not have any interest-bearing financial assets or financial liabilities other than cash placed with financial institutions.

Liquidity risk

The Fund is exposed to minimal liquidity risk as the Board of Administrators closely monitors its cash flow.

The earliest date on which the undiscounted cash flows of financial liabilities, representing non-interest bearing financial liabilities of the Fund, can be required to pay is 3 months or less.

c. Fair value

The fair values of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The Board of Administrators of the Fund considers that the carrying values of financial assets and financial liabilities recorded at amortised cost in the financial statements approximate their fair values.

6. BANK BALANCES

Bank balances comprise cash and short-term deposits with an original maturity of three months or less and time deposits of HK\$9,828,058 (2016: HK\$9,721,988) with an original maturity over three months, and carry interest at market rates which ranged from 0.3% to 1.15% (2016: 0.35% to 1.25%) per annum.

7. AMOUNT DUE TO THE TRUSTEE

The amount represents administrative service expenses payable to the Trustee, details of which are set out in note 8. The amount is unsecured, interest-free and repayable on demand.

8. RELATED PARTY TRANSACTIONS

During the year, the Fund incurred administrative service expenses amounted to HK\$1,822,000 (2016: HK\$2,003,000) for the administrative service and office support (comprising salary costs and attributable overheads) provided to the Fund. The recharge by the Trustee is in accordance with the provision of the Trust Deed governing the Fund and approved by both the Council and the Board of Administrators of the Fund.

5. 金融工具 — 續

乙. 金融風險管理目標及政策 — 續

信貸風險

由於大部份交易對象是具有良好信貸評級的銀行，故此流動資金的信貸風險有限。

市場風險

外匯風險

由於基金交易主要以港元計價，其功能貨幣為港元。故此，基金執行委員會認為外匯風險不屬重大。

利率風險

由於基金並無任何附息金融資產或存放在金融機構的現金之外的金融負債，因此基金並無重大利率風險。

流動資金風險

基金執行委員會會密切監察其現金流狀況，故本基金承受的流動資金風險已降至最低。

基金的金融負債未貼現現金流量以無息金融負債顯示，而最早付款日期為三個月或以內。

丙. 公平價值

金融資產及金融負債之公平價值乃根據公認定價模式，按照貼現現金流量分析而確定。

基金執行委員會認為，在財務報表中按攤銷成本入賬的金融資產及金融負債之賬面值與其公平值相若。

6. 銀行結餘

銀行結餘包括現金及原定到期日為三個月或以內的短期存款，以及原定到期日超過三個月之定期存款 9,828,058 港元 (二零一六年：9,721,988 港元)，該存款之利率根據每年 0.3% 至 1.15% (二零一六年：0.35% 至 1.25%) 的市場利率計算。

7. 應付受託人款項

本金額為應付受託人的行政服務支出，詳情載於附註 8。此金額為無抵押、免息及按需償還。

8. 關聯方交易

年內，基金就獲提供的行政服務和辦公室支援 (包括薪金支出及相關開銷) 須支付管理服務費用 1,822,000 港元 (二零一六年：2,003,000 港元)。該受託人的再收費乃根據信託聲明中的規限基金之條款，並經委員會與基金執行委員會批核。