

平等機會委員會 截至二零零八年三月三十一日止財政年度的財務報表

獨立核數師報告

致平等機會委員會委員

(依據《性別歧視條例》在香港成立)

本核數師(以下簡稱「我們」)已審核列載於第59至第72頁平等機會委員會(「委員會」)的財務報表，此財務報表包括於二零零八年三月三十一日的資產負債表與截至該日止年度的收支結算表、資金變動表和現金流動表，以及主要會計政策概要及其他附註解釋。

委員會對財務報表的責任

委員會負責根據香港會計師公會頒布的香港財務報告準則，編製及真實而公平地列報該等財務報表。這責任包括設計、實施及維護與編製及真實而公平地列報財務報表相關的內部控制，以使財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述；選擇及應用適當的會計政策；以按情況作出合理的會計估計。

核數師的責任

我們的責任是根據我們的審核對該等財務報表作出意見，並按照雙方同意的聘任條款，僅向委員會報告。除此之外，我們的報告不可用作其他用途。我們概不會就本報告書的內容，對任何其他人士負責或承擔法律責任。

我們已按照香港會計師公會頒布的香港審計準則進行審核。這些準則要求我們須遵守道德規範，並規劃及執行審核，以合理確定此等財務報表是否不存有任何重大錯誤陳述。

審核涉及執行情序以獲取有關財務報表所載金額及所披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與有關機構在編製及真實而公平地列報財務報表時相關的內部控制，以設計適當的審核程序，但並非為對有關機構的內部控制的有效性發表意見。審核亦包括評價委員會所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價財務報表的整體列報方式。

我們相信，我們所獲得的審核憑證是充足和適當地為我們的審核意見提供基礎。

意見

我們認為，該等財務報表已根據香港財務報告準則真實而公平地反映委員會於二零零八年三月三十一日的事務狀況，及委員會截至該日止年度的虧損及現金流量。

畢馬威會計師事務所
執業會計師
香港中環
遮打道10號
太子大廈8樓
二零零八年九月十八日

收支結算表 截至二零零八年三月三十一日止財政年度 (所有數額均以港元為單位)

	附註	2008	2007
收入			
政府補助	14	69,049,333	67,131,315
法律訴訟費用的補償		400,000	1,363,456
利息收入		1,273,813	1,017,419
雜項收入		921,640	820,944
		<u>71,644,786</u>	<u>70,333,134</u>
	
支出			
職員薪酬		37,679,686	34,887,201
職員約滿酬金、其他福利及津貼		13,537,134	13,007,761
未使用年假的準備之增長		192,808	197,268
法律費用		1,128,984	1,340,971
宣傳及公眾教育支出		6,016,862	8,045,524
經費來自資本補助基金的宣傳及公眾教育支出	9	(619,848)	(912,002)
研究計劃及教材資料套		1,561,329	56,621
涉及辦公室物業的營運租賃租金		7,148,307	7,007,700
折舊		2,731,524	1,653,864
清理物業、機器及設備的虧損/(收益)		953	(2,440)
外訪及會議		67,834	384,732
職員培訓		328,935	122,450
核數師酬金		72,250	57,218
其他經營費用		2,941,339	2,737,444
		<u>72,788,097</u>	<u>68,584,312</u>
	
財政年度(虧損)/盈餘	8	<u>(1,143,311)</u>	<u>1,748,822</u>

第63至72頁之附註為本財務報表的一部分。

資產負債表

於二零零八年三月三十一日

(所有數額均以港元為單位)

	附註	2008	2007
資產			
非流動資產			
物業、機器及設備	4	7,883,707	8,641,025
應收政府的約滿酬金補助	5	384,319	958,689
		<u>8,268,026</u>	<u>9,599,714</u>
流動資產			
應收政府的未使用年假補助		2,196,111	2,003,303
其他應收帳款、按金及預付款項	6	2,086,800	2,484,233
現金及現金等值	7	38,834,232	33,417,677
		<u>43,117,143</u>	<u>37,905,213</u>
總資產		<u>51,385,169</u>	<u>47,504,927</u>
負債			
非流動負債			
資本補助基金	9	1,500	-
遣散費的準備	10	18,447	13,362
職員約滿酬金的準備	11	2,665,294	6,365,648
		<u>2,685,241</u>	<u>6,379,010</u>
流動負債			
職員約滿酬金的準備	11	9,394,094	2,528,222
未使用年假的準備		2,196,111	2,003,303
預收政府補助	14	7,871,564	4,831,459
其他應付帳項及應計費用	12	4,372,303	5,753,766
		<u>23,834,072</u>	<u>15,116,750</u>
總負債		<u>26,519,313</u>	<u>21,495,760</u>
基金			
儲備	8	24,865,856	26,009,167
收支結算表		-	-
總基金		<u>24,865,856</u>	<u>26,009,167</u>
總基金及負債		<u>51,385,169</u>	<u>47,504,927</u>

批准並授權公布本財務報表。

鄧爾邦先生
委員會主席

鄭國杰博士
行政及財務專責小組召集人

鄧伊珊小姐
會計師

第63至72頁之附註為本財務報表的一部分。

資金變動表

截至二零零八年三月三十一日止財政年度

(所有數額均以港元為單位)

	收支結算表	儲備 (附註 8)	總數
於2006年4月1日	-	24,260,345	24,260,345
財政年度盈餘	1,748,822	-	1,748,822
轉撥	(1,748,822)	1,748,822	-
於2007年3月31日	-	26,009,167	26,009,167
於2007年4月1日	-	26,009,167	26,009,167
財政年度虧損	(1,143,311)	-	(1,143,311)
轉撥	1,143,311	(1,143,311)	-
於2008年3月31日	-	24,865,856	24,865,856

第63至72頁之附註為本財務報表的一部分。

現金流動表 截至二零零八年三月三十一日止財政年度 (所有數額均以港元為單位)

	附註	2008	2007
營運活動			
財政年度(虧損)/盈餘		(1,143,311)	1,748,822
調整：			
- 折舊		2,731,524	1,653,864
- 清理物業、機器及設備的虧損/(收益)		953	(2,440)
- 利息收入		(1,273,813)	(1,017,419)
營運資金變動前經營盈餘		315,353	2,382,827
應收政府的約滿酬金補助之減少		574,370	1,103,386
應收政府的未使用年假補助之增加		(192,808)	(197,268)
其他應收帳款、按金及預付款項之減少		419,028	111,428
其他應付帳項及應計費用之減少		(2,018,957)	(1,617,551)
職員約滿酬金的準備之增加		3,165,518	2,955,549
未使用年假的準備之增加		192,808	197,268
遣散費的準備之增加/(減少)		5,085	(26,683)
預收政府補助之增加		3,040,105	2,282,567
資本補助基金之增加/(減少)		1,500	(26,260)
營運所得的現金淨額		5,502,002	7,165,263
投資活動			
已收利息		1,252,218	1,017,419
購置物業、機器及設備		(1,338,910)	(2,698,783)
清理物業、機器及設備所得款項		1,245	2,440
原本存款期超過3個月的銀行存款之減少		-	13,588,626
投資活動所(耗用)/產生之現金淨額		(85,447)	11,909,702
現金及現金等值之增加		5,416,555	19,074,965
年初之現金及現金等值		33,417,677	14,342,712
年末之現金及現金等值	7	38,834,232	33,417,677

第63至72頁之附註為本財務報表的一部分。

財務報表附註 (所有數額均以港元為單位)

1 背景

平等機會委員會(「委員會」)是一個法定機構，於一九九六年成立，負責執行《性別歧視條例》、《殘疾歧視條例》及《家庭崗位歧視條例》。委員會致力消除基於性別、婚姻狀況、懷孕、殘疾及家庭崗位而產生的歧視。此外，委員會亦致力消除性騷擾及基於殘疾的騷擾及中傷行為，並促進男女之間、傷健之間及不同家庭崗位人士之間的平等機會。

委員會是按法例在香港成立，辦事處註冊地址為香港太古城太古灣道14號太古城中心三座19樓。

2 主要會計政策

(a) 遵例聲明

本財務報表乃根據香港會計師公會頒布所有適用的香港財務報告準則(此統稱包括適用的個別香港財務報告準則、香港會計準則及詮釋)，以及香港公認會計準則而編製。委員會採納的主要會計政策概述如下。

香港會計師公會已頒布多項新訂及修訂的財務報告準則。這些準則在委員會當前的會計期間首次生效或可供提早採納。附註3說明有關會計政策的任何變更，而這些變更是由於委員會當前及先前的會計期間，首次採用上述準則以至及後的發展，因而影響到財務報表。

(b) 財務報表編製基準

本財務報表是以歷史成本作為計量基準而編製的。

在編製符合香港財務報告準則的財務報表時，管理層需要作出影響會計政策的應用及資產、負債、收入和支出的呈報數額的判斷、估計和假設。這些估計和相關假設是根據過往經驗及管理層因應當時情況下乃屬合理的各項其他因素為基礎而作出，所得結果乃構成管理層就目前未能從其他資料來源即時得知資產及負債帳面值時所作出判斷的基礎。實際的結果可能與這些估計有差異。

管理層會不斷修訂各項估計及相關假設。如果會計估計的修訂僅影響某一期間，則該修訂會在該期間內確認入帳，或如果會計估計的修訂同時影響當前及未來期間，則該修訂會在修訂期間及未來期間內確認入帳。

(c) 物業、機器及設備與折舊

物業、機器及設備是以成本減去累計折舊及減值虧損後記入資產負債表內。

折舊是在扣減物業、機器及設備的預計剩餘價值(如有)後，按預計可用年限以直線法沖銷其成本，計算方法如下：

租賃物業裝修	六年
固定裝置及裝修	六年
辦公室傢俬及設備	三或五年
汽車	七年
電腦器材	三或四年
即時傳譯及擴音系統	六年

財務報表附註

(所有數額均以港元為單位)

2 主要會計政策(續)

資產的可使用年限及其剩餘價值(如有)會每年檢討。

委員會在每個結算日審閱物業、機器及設備的帳面金額，以確定有否減值跡象。減值虧損只限於當資產或所附屬的現金產生單位的帳面金額超過可收回金額時確認。資產或所附屬的現金產生單位的可收回金額是出售淨值及使用值兩者中的較高者。在評估使用值時，估計未來現金流量會按除稅前折讓率折讓至現值，而該折讓率應反映市場當時所評估的貨幣時間價值和該資產的獨有風險。假如用以釐定可收回數額的估計基準出現變化，有關的減值虧損便會撥回。

報廢或出售任何物業、機器及設備所產生的損益以出售所得淨額與資產的帳面金額之間的差額釐定，並於報廢或出售日在收支結算表內確認入帳。

(d) 其他應收帳款

其他應收帳款初值按公允價值確認及隨後按攤銷成本法減呆帳減值作出的撥備列帳，惟在貼現的影響非常微小或由於有關的應收款項為借給關連人士的免息及無固定償還年期的貸款以致無法計算貼現時除外，在此情況下，應收帳款按成本減呆帳減值列帳。

呆壞帳的減值虧損以金融資產的帳面金額與(如果貼現會造成重大的影響則需貼現)預計未來現金流量之間的差額計量。

(e) 現金及現金等值

現金及現金等值包括銀行存款及現金、存放於銀行及其他財務機構的活期存款，及短期和高流動性的投資，此等投資可隨時換算為已知的、價值變動方面的風險不大，及於購入後三個月內到期的現金額。

(f) 僱員福利

(i) 僱員假期及約滿酬金享有權

僱員應享有的年假及約滿酬金於確立時確認。截至年結日止，因僱員已提供服務而產生的年假及約滿酬金已撥出準備。

僱員應享有的病假及分娩假或陪產假於放假時才確認。

(ii) 退休金責任

委員會已在香港成立一個強制性公積金計劃(「計劃」)。該計劃之資產分開存放於信託人管理之基金內。委員會支付供款後便沒有進一步的付款責任。當供款到期時確認為僱員福利。只有能確定現金退款或將來付款的減少時，預繳的供款才可確認為資產。

財務報表附註

(所有數額均以港元為單位)

2 主要會計政策(續)

(g) 營運租賃

凡擁有權所涉及的風險及利益大部分由租賃人承擔的租賃，均作為營運租賃入帳。根據營運租賃所支付的費用，在扣除收到租賃人提供的任何優惠之後，以直線法按租賃期在會計期間在收支結算表中進行攤銷。

(h) 準備及或有負債

假如委員會須就已發生的事件承擔法律或推定義務，而履行該義務預期會導致含有經濟效益的資源外流，並且可作可靠的估計，便會就該時間或數額不定的負債計提準備。如果貨幣時間價值重大，則準備會按預計履行義務所需資源的現值列帳。

假如含有經濟效益的資源外流的可能性較低，或是無法對有關數額作出可靠的估計，該義務便會披露為或有負債，但如果資源外流的可能性極低則除外。須視乎會否發生某宗或多宗未來事件才能確定存在與否的義務，亦會披露為或有負債，但如果資源外流的可能性極低則除外。

(i) 收入的確認

(i) 政府補助

如能合理確定補助將收到、且委員會將遵照附帶條件，按公平價值確認政府補助。

與特定計劃有關的政府補助已包括在資本補助基金內，並在配合補助打算補償成本需要的期間遞延及確認在收支結算表上。

與購置物業、機器及設備有關的政府補助已包括在資本補助基金內，並以直線法按有關資產的估計年期記入收支結算表上。

(ii) 法律訴訟費用的補償

法律訴訟費用的補償是以確立收款的權利時確認。

(iii) 利息收入

利息收入按照實際利率法確認。

(iv) 雜項收入

雜項收入是以應計制確認。

財務報表附註

(所有數額均以港元為單位)

2 主要會計政策(續)

(j) 關聯人士

就本財務報表而言，在下述情況下，另一方人士會被視為委員會的關聯人士：

- (i) 另一方人士有能力直接或間接透過一個或多個中介人，控制或共同控制委員會，或對委員會的財務及營運決策發揮重大影響力；
- (ii) 委員會及另一方人士受到共同的控制；
- (iii) 另一方人士是委員會的主要管理層成員；或另一方人士的直系親屬；或受該人士控制或共同控制，或對該人士有重大影響力的實體；
- (iv) 該另一方人士是第(i)項所述人士的直系親屬；或受該人士控制或共同控制，或對該人士有重大影響力的實體；或
- (v) 另一方人士為終止受僱後福利計劃，而該計劃是為委員會的僱員或任何作為委員會關聯人士的實體而設立的。

一位人士的直系親屬，概指在該人士與實體交易的過程中，會影響該人士或受該人士影響的家庭成員。

3 會計政策的變動

香港會計師公會已頒布一系列新訂及修訂的香港財務報告準則及詮釋，該等準則及詮釋將於本會計期間生效或可供委員會提早採納。

上述發展並未對所呈列年度的財務報表所應用的會計政策產生任何重大變動。然而，由於採納香港財務報告準則第7號「金融工具：披露及表述」及香港會計準則第1號(修訂)「財務報表的表述：資本披露」，將增添以下若干額外披露資料：

由於採納香港財務報告準則第7號，財務報表所載有關金融工具的重要性及該等工具所產生的風險的性質及程度的披露，較過往香港會計準則第32號「金融工具：披露及表述」所要求披露的資料更詳盡。該等披露於本財務報表內予以表述，詳情於附註18列示。

香港會計準則第1號的修訂提出額外披露規定，訂明須提供有關資金水平及委員會管理資金的目標、政策及程序。該等新的披露載於附註8。

香港財務報告準則第7號及香港會計準則第1號的修訂均沒有對於金融工具內確認的數額的分類、確認及計量產生任何重大影響。

委員會於本會計期間並無採用任何尚未生效的新訂準則或詮釋(參見附註19)。

財務報表附註

(所有數額均以港元為單位)

4 物業、機器及設備

	租賃 物業裝修	固定裝置及 裝修	辦公室傢俬 及設備	汽車	電腦器材	即時傳譯及 擴音系統	總數
成本：							
於2006年4月1日	5,594,121	1	3,581,068	762,553	4,380,949	469,123	14,787,815
增置	593,704	-	653,922	558,720	892,437	-	2,698,783
減少	-	-	(164,020)	(501,672)	(144,219)	-	(809,911)
於2007年3月31日	6,187,825	1	4,070,970	819,601	5,129,167	469,123	16,676,687
於2007年4月1日	6,187,825	1	4,070,970	819,601	5,129,167	469,123	16,676,687
增置	718,521	-	222,513	-	1,035,370	-	1,976,404
減少	-	-	(89,558)	-	(1,182,565)	-	(1,272,123)
於2008年3月31日	6,906,346	1	4,203,925	819,601	4,981,972	469,123	17,380,968
累積折舊：							
於2006年4月1日	77,696	-	2,492,993	538,940	3,805,971	276,109	7,191,709
年度折舊	974,284	-	367,486	50,571	228,435	33,088	1,653,864
減少時撥回	-	-	(164,020)	(501,672)	(144,219)	-	(809,911)
於2007年3月31日	1,051,980	-	2,696,459	87,839	3,890,187	309,197	8,035,662
於2007年4月1日	1,051,980	-	2,696,459	87,839	3,890,187	309,197	8,035,662
年度折舊	1,284,400	-	587,591	117,086	709,359	33,088	2,731,524
減少時撥回	-	-	(89,558)	-	(1,180,367)	-	(1,269,925)
於2008年3月31日	2,336,380	-	3,194,492	204,925	3,419,179	342,285	9,497,261
帳面淨值：							
於2008年3月31日	4,569,966	1	1,009,433	614,676	1,562,793	126,838	7,883,707
於2007年3月31日	5,135,845	1	1,374,511	731,762	1,238,980	159,926	8,641,025

財務報表附註

(所有數額均以港元為單位)

5 應收政府的約滿酬金補助

	2008	2007
於4月1日	958,689	2,062,075
年度內確認的補助	7,444,630	7,008,614
已收政府約滿酬金補助	(8,019,000)	(8,112,000)
	<u>384,319</u>	<u>958,689</u>

這代表香港特別行政區政府將會補償予委員會職員約滿酬金方面的資金。

6 其他應收帳款、按金及預付款項

	2008	2007
應收政府的資本補助(附註9)	-	6,250
其他應收帳款	136,475	126,872
按金及預付款項	1,950,325	2,351,111
	<u>2,086,800</u>	<u>2,484,233</u>

於2008年3月31日及2007年3月31日，其他應收帳款、按金及預付款項均沒有重大呆帳減值的準備入帳。

7 現金及現金等值

	2008	2007
銀行結存及現金	4,557,046	2,198,540
原本存款期不超過3個月的短期銀行存款	34,277,186	31,219,137
	<u>38,834,232</u>	<u>33,417,677</u>

財務報表附註

(所有數額均以港元為單位)

8 儲備

	2008	2007
於4月1日	26,009,167	24,260,345
由收支結算表轉入	(1,143,311)	1,748,822
	<u>24,865,856</u>	<u>26,009,167</u>

儲備可作一般用途，委員會有權自行運用上限內的儲備。此上限為委員會每年的經常性資助加上物業、機器及設備帳面淨額，和減去應計的修復費用後的25%。

累計資金管理

委員會在管理資金時，基本目的是確保委員會的財政持續穩健。委員會無須承擔外部施加的資金要求。

9 資本補助基金

	為不同界別製作的教材資料	「同值同酬」研究及教育計劃	總數
於2006年4月1日	(1,899)	21,909	20,010
已收政府補助	501,799	383,943	885,742
應收政府補助(附註6)	-	6,250	6,250
轉至收支結算表作為收入以配合：			
- 宣傳及公眾教育支出	(499,900)	(412,102)	(912,002)
	<u>-</u>	<u>-</u>	<u>-</u>
於2007年3月31日	-	-	-
於2007年4月1日	-	-	-
已收政府補助	94,616	532,982	627,598
應收政府補助(附註6)	-	(6,250)	(6,250)
轉至收支結算表作為收入以配合：			
- 宣傳及公眾教育支出	(93,116)	(526,732)	(619,848)
	<u>1,500</u>	<u>-</u>	<u>1,500</u>

資本補助基金指就特定計劃已收取但仍未使用的非經常性政府資本補助結餘。此項基金轉至收支結算表作為收入，以配合有關成本。

財務報表附註

(所有數額均以港元為單位)

10 遣散費的準備

	2008	2007
於4月1日	13,362	40,045
準備/(已使用)	5,085	(26,683)
	<u> </u>	<u> </u>
於3月31日	18,447	13,362
	<u> </u>	<u> </u>

11 職員約滿酬金的準備

	2008	2007
於4月1日	8,893,870	5,938,321
撥出準備	7,536,475	7,300,935
沒收	(91,845)	(292,321)
財政年度已支付之金額	(4,279,112)	(4,053,065)
	<u> </u>	<u> </u>
於3月31日	12,059,388	8,893,870
減：流動部份	(9,394,094)	(2,528,222)
	<u> </u>	<u> </u>
非流動部份	2,665,294	6,365,648
	<u> </u>	<u> </u>

職員約滿酬金的準備是為了支付由受僱日期起計已完成三年合約之委員會僱員的約滿酬金而設立的。

12 其他應付帳項及應計費用

	2008	2007
其他應付帳項	3,140,496	4,608,957
應計費用	1,179,841	994,820
法律費用的準備(附註13)	-	104,000
預收款項	51,966	45,989
	<u> </u>	<u> </u>
	4,372,303	5,753,766
	<u> </u>	<u> </u>

13 法律費用的準備

	2008	2007
於4月1日	104,000	688,254
撥出準備	1,128,984	1,340,971
財政年度已支付之金額	(1,232,984)	(1,925,225)
	<u> </u>	<u> </u>
於3月31日	-	104,000
	<u> </u>	<u> </u>

法律費用的準備是因應由委員會提出或向委員會提出的法律訴訟所涉及的法律開支而設立，其使用的時間及金額將取決於個別法律訴訟的進展。

財務報表附註

(所有數額均以港元為單位)

14 政府補助/預收政府補助

政府補助代表政府撥款予委員會提供服務的資金。政府補助是有關於年結日後才提供的各項服務而預收的款項。

15 主要管理報酬

	2008	2007
短期職員福利	9,543,864	9,118,560
聘用期結束後福利	1,939,937	1,848,354
	<u> </u>	<u> </u>
	11,483,801	10,966,914
	<u> </u>	<u> </u>

16 所得稅支出

委員會是政府補助機構，可根據《稅務條例》(香港法例第112章)豁免繳交稅務局之一切徵稅。

17 承擔

(a) 資本性承擔

於結算日物業、機器及設備未在財務報表內提撥準備於2008年3月31日的資本性承擔如下：

	2008	2007
已簽約但未提撥準備	941,860	1,161,406
	<u> </u>	<u> </u>

(b) 營業租約承擔

於三月三十一日計算，按照辦公室樓宇不可撤銷之營運租賃合約應繳付的最低租賃付款總額如下：

	2008	2007
於1年內繳付	5,563,584	5,563,584
在1年至5年內繳付	15,068,040	20,631,624
	<u> </u>	<u> </u>
	20,631,624	26,195,208
	<u> </u>	<u> </u>

財務報表附註

(所有數額均以港元為單位)

18 金融工具

風險管理由財務部根據委員會委員核准的政策執行。財務部與營運單位緊密合作，鑑別和評估財務風險。委員會就整體的風險管理訂定書面準則，例如利率風險、金融工具的運用，以及額外流動資金的投資方式。

委員會的運作，並不涉及外匯風險、信貸風險及資金周轉風險。至於利率風險，除按固定利率計算利息的短期銀行存款外，委員會並無其他重大計息資產及負債。因此，委員會的收入及營運現金流量大部分都不受市場利率變動的影響，須面對的現金流量及公允價值利率風險亦較低。

對利率風險的敏感度分析

估計假若利率整體上升／下跌100個基點，而其他變數均維持不變，則委員會的收入及累計資金於二零零八年三月三十一日便會增加／減少約343,000元(二零零七年：312,000元)。

上述敏感度分析乃假設利率的變動於結算日出現並已用於計算該日存在的財務衍生工具及非財務衍生工具的利率風險。100點子的增加或減少幅度，是管理層評估直至下一個年度的結算日期間有可能出現的理性利率變動。2007年的分析亦是根據上述基準進行。

所有金融工具的數額與其於二零零七年及二零零八年三月三十一日的公允價值並無重大差異。

19 截至二零零八年三月三十一日止年度會計期間已頒布但尚未生效的修訂、新準則及詮釋可能帶來的影響

截至本財務報表公布日期止，香港會計師公會已頒布多項修訂、新準則及詮釋，惟於截至二零零八年三月三十一日止年度尚未生效，本財務報表亦沒有採納該等新準則。

委員會現正評估該等新準則及新詮釋對首次應用期間所造成的影響。至目前為止，委員會認為採納該等新準則及新詮釋可能構成新訂或修訂的披露，但不大可能對委員會的營運及財政狀況構成重大影響。

Equal Opportunities Commission Financial Statements for the year ended 31 March 2008

Independent auditor's report to the Commission Members of Equal Opportunities Commission (Established in Hong Kong pursuant to the Sex Discrimination Ordinance)

We have audited the financial statements of Equal Opportunities Commission ("the Commission") set out on pages 74 to 87, which comprise the statement of assets and liabilities as at 31 March 2008, and the statement of income and expenditure, the statement of changes in funds and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

The Commission's responsibility for the financial statements

The Commission is responsible for the preparation and the true and fair presentation of these financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. This report is made solely to you, in accordance with our 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.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and true and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Commission, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the state of affairs of the Commission as at 31 March 2008 and of the Commission's deficit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards.

KPMG

Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong
18 September 2008

Statement of income and expenditure for the year ended 31 March 2008 (Expressed in Hong Kong dollars)

	Note	2008	2007
Income			
Government subventions	14	69,049,333	67,131,315
Reimbursement of cost from legal litigation		400,000	1,363,456
Interest income		1,273,813	1,017,419
Sundry income		921,640	820,944
		<u>71,644,786</u>	<u>70,333,134</u>
	
Expenditure			
Staff salaries		37,679,686	34,887,201
Staff gratuity, other benefits and allowances		13,537,134	13,007,761
Increase in provision for unutilised annual leave		192,808	197,268
Legal fees		1,128,984	1,340,971
Publicity and public education expenses		6,016,862	8,045,524
Publicity and public education expenses financed by capital subvention fund	9	(619,848)	(912,002)
Research projects and training modules		1,561,329	56,621
Operating lease rentals in respect of office premises		7,148,307	7,007,700
Depreciation		2,731,524	1,653,864
Loss/(gain) on disposal of property, plant and equipment		953	(2,440)
Overseas visits and conferences		67,834	384,732
Staff training		328,935	122,450
Auditor's remuneration		72,250	57,218
Other operating expense		2,941,339	2,737,444
		<u>72,788,097</u>	<u>68,584,312</u>
	
(Deficit)/surplus for the year	8	<u>(1,143,311)</u>	<u>1,748,822</u>

The notes on pages 78 to 87 form part of these financial statements.

Statement of assets and liabilities as at 31 March 2008 (Expressed in Hong Kong dollars)

	Note	2008	2007
ASSETS			
Non-current assets			
Property, plant and equipment	4	7,883,707	8,641,025
Gratuity subvention receivable from Government	5	384,319	958,689
		<u>8,268,026</u>	<u>9,599,714</u>
	
Current assets			
Unutilised annual leave subvention receivable from Government		2,196,111	2,003,303
Other receivables, deposits and prepayments	6	2,086,800	2,484,233
Cash and cash equivalents	7	38,834,232	33,417,677
		<u>43,117,143</u>	<u>37,905,213</u>
	
Total assets		<u>51,385,169</u>	<u>47,504,927</u>
	
LIABILITIES			
Non-current liabilities			
Capital subvention fund	9	1,500	-
Provision for severance payments	10	18,447	13,362
Provision for staff gratuity	11	2,665,294	6,365,648
		<u>2,685,241</u>	<u>6,379,010</u>
	
Current liabilities			
Provision for staff gratuity	11	9,394,094	2,528,222
Provision for unutilised annual leave		2,196,111	2,003,303
Government subvention received in advance	14	7,871,564	4,831,459
Other payables and accruals	12	4,372,303	5,753,766
		<u>23,834,072</u>	<u>15,116,750</u>
	
Total liabilities		<u>26,519,313</u>	<u>21,495,760</u>
	
FUNDS			
Reserves	8	24,865,856	26,009,167
Statement of income and expenditure		-	-
		<u>24,865,856</u>	<u>26,009,167</u>
	
Total funds and liabilities		<u>51,385,169</u>	<u>47,504,927</u>

Approved and authorised for issue by

Mr Raymond TANG Yee-bong
Chairperson of the Commission

Dr. Edwin CHENG Kwok-kit
Convenor of the Administration
and Finance Committee

Miss Kerrie TENG
Accountant

The notes on pages 78 to 87 form part of these financial statements.

Statement of changes in funds for the year ended 31 March 2008 (Expressed in Hong Kong dollars)

	Statement of income and expenditure	Reserves (Note 8)	Total
At 1 April 2006	-	24,260,345	24,260,345
Surplus for the year	1,748,822	-	1,748,822
Transfer	(1,748,822)	1,748,822	-
At 31 March 2007	-	26,009,167	26,009,167
At 1 April 2007	-	26,009,167	26,009,167
Deficit for the year	(1,143,311)	-	(1,143,311)
Transfer	1,143,311	(1,143,311)	-
At 31 March 2008	-	24,865,856	24,865,856

The notes on pages 78 to 87 form part of these financial statements.

Cash flow statement for the year ended 31 March 2008 (Expressed in Hong Kong dollars)

	Note	2008	2007
Operating activities			
(Deficit)/surplus for the year		(1,143,311)	1,748,822
Adjustments for:			
- Depreciation		2,731,524	1,653,864
- Loss/(gain) on disposals of property, plant and equipment		953	(2,440)
- Interest income		(1,273,813)	(1,017,419)
Operating surplus before changes in working capital		315,353	2,382,827
Decrease in gratuity subvention receivable from government		574,370	1,103,386
Increase in unutilised annual leave subvention receivable from government		(192,808)	(197,268)
Decrease in other receivable, deposits and prepayments		419,028	111,428
Decrease in other payables and accruals		(2,018,957)	(1,617,551)
Increase in provision for staff gratuity		3,165,518	2,955,549
Increase in provision for unutilised annual leave		192,808	197,268
Increase/(decrease) in provision for severance payments		5,085	(26,683)
Increase in Government subvention received in advance		3,040,105	2,282,567
Increase/(decrease) in capital subvention fund		1,500	(26,260)
Net cash generated from operations		5,502,002	7,165,263
Investing activities			
Interest received		1,252,218	1,017,419
Purchases of property, plant and equipment		(1,338,910)	(2,698,783)
Proceeds from disposal of property, plant and equipment		1,245	2,440
Decrease in bank deposits with original maturity over 3 months		-	13,588,626
Net cash (used in)/generated from investing activities		(85,447)	11,909,702
Increase in cash and cash equivalents		5,416,555	19,074,965
Cash and cash equivalents at beginning of the year		33,417,677	14,342,712
Cash and cash equivalents at end of the year	7	38,834,232	33,417,677

The notes on pages 78 to 87 form part of these financial statements.

Notes to the financial statements (Expressed in Hong Kong dollars)

1 Background

The Equal Opportunities Commission (the “Commission”) is a statutory body set up in 1996 to implement the Sex Discrimination Ordinance, the Disability Discrimination Ordinance and the Family Status Discrimination Ordinance. The Commission works towards the elimination of discrimination on the grounds of sex, marital status, pregnancy, disability and family status. The Commission also aims to eliminate sexual harassment and harassment and vilification on the grounds of disability and promote equality of opportunities between men and women, between persons with and without a disability and irrespective of family status.

The Commission is established by statute in Hong Kong. The address of its registered office is 19/F, Cityplaza Three, 14 Taikoo Wan Road, Taikoo Shing, Hong Kong.

2 Significant accounting policies

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong. A summary of the significant accounting policies adopted by the Commission is set out below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Commission. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Commission for current and prior accounting periods reflected in these financial statements.

(b) Basis of preparation of the financial statements

The measurement basis used in the preparation of the financial statements is the historical cost basis.

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about 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.

(c) Property, plant and equipment and depreciation

Property, plant and equipment are stated in the balance sheet at cost less accumulated depreciation and impairment losses.

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual value, if any, using the straight-line method over their estimated useful lives as follows:

Leasehold improvements	6 years		
Fixtures and fittings	6 years	Computer equipment	3 or 4 years
Office furniture and equipment	3 or 5 years	Simultaneous interpretation and	6 years
Motor vehicles	7 years	public address equipment	

Both the useful life of an asset and its residual value, if any, are reviewed annually.

Notes to the financial statements (Expressed in Hong Kong dollars)

2 Significant accounting policies (continued)

The carrying amounts of property, plant and equipment are reviewed for indications of impairment at each balance sheet date. An impairment loss is recognised to the extent that the carrying amount of an asset, or the cash-generating unit to which it belongs, is more than its recoverable amount. The recoverable amount of an asset, or of the cash generating unit to which it belongs, is the greater of its net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the assets. An impairment loss is reversed if there has been a favourable change in estimates used to determine the recoverable amount.

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in the statement of income and expenditure on the date of retirement or disposal.

(d) Other receivables

Other receivables are initially recognised at fair value and thereafter stated at amortised cost less allowance for impairment of doubtful debts, except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less allowance for impairment of doubtful debts.

Impairment losses for bad and doubtful debts are measured as the difference between the carrying amount of the financial asset and the estimated future cash flows, discounted where the effect of discounting is material.

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

(f) Employee Benefits

(i) Employee leave and gratuity entitlements

Employee entitlements to annual leave and gratuities are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and gratuities as a result of services rendered by employees up to the year end date.

Employee entitlements to sick leave and maternity or paternity leave are not recognised until the time of leave.

(ii) Pension obligations

The Commission has established a mandatory provident fund scheme (“MPF Scheme”) in Hong Kong. The assets of the MPF Scheme are held in separate trustee-administered funds. The Commission has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Notes to the financial statements (Expressed in Hong Kong dollars)

2 Significant accounting policies (continued)

(g) Operating leases

Leases where substantially all the risks and rewards of ownership of assets remain with the lessor are accounted for as operating leases. Payments made under operating leases net of any incentives received from the lessor are charged to the statement of income and expenditure on a straight-line basis over the accounting periods covered by the lease term.

(h) Provisions and Contingent Liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Commission has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. When the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(i) Income recognition

(i) Government subventions

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Commission will comply with all attached conditions.

Government subventions relating to specific projects are included in the capital subvention fund and are deferred and recognised in the statement of income and expenditure over the period necessary to match them with the costs that they are intended to compensate.

Government subventions relating to the purchase of property, plant and equipment are included in the capital subvention fund and are credited to the statement of income and expenditure on a straight-line basis over the expected lives of the related assets.

(ii) Reimbursement of costs from legal litigation

Reimbursement of costs from legal litigation is recognised when the right to receive payment is established.

(iii) Interest income

Interest income is recognised using the effective interest method.

(iv) Sundry income

Sundry income is recognised on an accrual basis.

Notes to the financial statements (Expressed in Hong Kong dollars)

2 Significant accounting policies (continued)

(j) Related parties

For the purposes of these financial statements, a party is considered to be related to the Commission if:

- (i) the party has the ability, directly or indirectly through one or more intermediaries, to control the Commission or exercise significant influence over the Commission in making financial and operating policy decisions, or has joint control over the Commission;
- (ii) the Commission and the party are subject to common control;
- (iii) the party is a member of key management personnel of the Commission, or a close family member of such an individual, or is an entity under the control, joint control or significant influence of such individuals;
- (iv) the party is a close family member of a party referred to in (i) or is an entity under the control, joint control or significant influence of such individuals; or
- (v) the party is a post-employment benefit plan which is for the benefit of employees of the Commission or of any entity that is a related party of the Commission.

Close family members of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

3 Changes in accounting policies

The HKICPA has issued a number of new and revised HKFRSs and Interpretations that are first effective or available for early adoption for the current accounting period of the Commission.

There have been no significant changes to the accounting policies applied in these financial statements for the years presented as a result of these developments. However, as a result of the adoption of HKFRS 7, "Financial instruments: Disclosures" and the amendment to HKAS 1 "Presentation of financial statements: Capital disclosures", there have been some additional disclosures provided as follows:

As a result of the adoption of HKFRS 7, the financial statements include expanded disclosure about the significance of the financial instruments and the nature and extent of risks arising from those instruments, compared with the information previously required to be disclosed by HKAS 32, "Financial instruments: Disclosure and presentation". These disclosures are provided throughout these financial statements, in particular in note 18.

The amendment to HKAS 1 introduces additional disclosure requirements to provide information about the level of capital and the Commission's objectives, policies and processes for managing capital. These new disclosures are set out in note 8.

Both HKFRS 7 and the amendment to HKAS 1 do not have any material impact on the classification, recognition and measurement of the amounts recognised in the financial statements.

The Commission has not applied any new standard or interpretation that is not yet effective for the current accounting period (see note 19).

Notes to the financial statements (Expressed in Hong Kong dollars)

4 Property, plant and equipment

	Leasehold improvements	Fixtures and fittings	Office furniture and equipment	Motor vehicles	Computer equipment	Simultaneous interpretation and public address equipment	Total
Cost:							
At 1 April 2006	5,594,121	1	3,581,068	762,553	4,380,949	469,123	14,787,815
Additions	593,704	-	653,922	558,720	892,437	-	2,698,783
Disposals	-	-	(164,020)	(501,672)	(144,219)	-	(809,911)
At 31 March 2007	6,187,825	1	4,070,970	819,601	5,129,167	469,123	16,676,687
At 1 April 2007	6,187,825	1	4,070,970	819,601	5,129,167	469,123	16,676,687
Addition	718,521	-	222,513	-	1,035,370	-	1,976,404
Disposals	-	-	(89,558)	-	(1,182,565)	-	(1,272,123)
At 31 March 2008	6,906,346	1	4,203,925	819,601	4,981,972	469,123	17,380,968
Accumulated depreciation:							
At 1 April 2006	77,696	-	2,492,993	538,940	3,805,971	276,109	7,191,709
Charge for the year	974,284	-	367,486	50,571	228,435	33,088	1,653,864
Written back on disposals	-	-	(164,020)	(501,672)	(144,219)	-	(809,911)
At 31 March 2007	1,051,980	-	2,696,459	87,839	3,890,187	309,197	8,035,662
At 1 April 2007	1,051,980	-	2,696,459	87,839	3,890,187	309,197	8,035,662
Charge for the year	1,284,400	-	587,591	117,086	709,359	33,088	2,731,524
Written back on disposals	-	-	(89,558)	-	(1,180,367)	-	(1,269,925)
At 31 March 2008	2,336,380	-	3,194,492	204,925	3,419,179	342,285	9,497,261
Net book value:							
At 31 March 2008	4,569,966	1	1,009,433	614,676	1,562,793	126,838	7,883,707
At 31 March 2007	5,135,845	1	1,374,511	731,762	1,238,980	159,926	8,641,025

Notes to the financial statements (Expressed in Hong Kong dollars)

5 Gratuity subvention receivable from government

	2008	2007
At 1 April	958,689	2,062,075
Subvention recognised for the year	7,444,630	7,008,614
Gratuity subvention received from Government	(8,019,000)	(8,112,000)
At 31 March	384,319	958,689

This represents funds to be reimbursed by the Government in respect of gratuity payments to staff of the Commission.

6 Other receivables, deposits and prepayments

	2008	2007
Capital subvention receivable from Government (note 9)	-	6,250
Other receivable	136,475	126,872
Deposits and prepayments	1,950,325	2,351,111
	2,086,800	2,484,233

As at 31 March 2008 and 2007, no material allowance for impairment of doubtful debts was recorded in respect of other receivables, deposits and prepayments.

7 Cash and cash equivalents

	2008	2007
Bank balances and cash	4,557,046	2,198,540
Short-term bank deposits with original maturity not more than 3 months	34,277,186	31,219,137
Cash and cash equivalents	38,834,232	33,417,677

8 Reserves

	2008	2007
At 1 April	26,009,167	24,260,345
Transfer from statement of income and expenditure	(1,143,311)	1,748,822
At 31 March	24,865,856	26,009,167

The reserve is available for general use and can be spent at the discretion of the Commission within the reserve ceiling, which is capped at 25% of the Commission's annual recurrent subvention plus the net book value of property, plant and equipment less accrued reinstatement cost.

Management of accumulated funds

The Commission's primary objectives when managing its accumulated funds are to safeguard the Commission's ability to continue as a going concern. The Commission is not subject to externally imposed requirements relating to its accumulated funds.

Notes to the financial statements (Expressed in Hong Kong dollars)

9 Capital subvention fund

	Sector targeted training materials	Research and educational projects on equal pay for work of equal value	Total
At 1 April 2006	(1,899)	21,909	20,010
Subvention received from Government	501,799	383,943	885,742
Subvention receivable from Government (note 6)	-	6,250	6,250
Transfer to the statement of income and expenditure as income to match with:			
- Publicity and public education expenses	(499,900)	(412,102)	(912,002)
At 31 March 2007	-	-	-
At 1 April 2007	-	-	-
Subvention received from Government	94,616	532,982	627,598
Subvention receivable from Government (note 6)	-	(6,250)	(6,250)
Transfer to the statement of income and expenditure as income to match with:			
- Publicity and public education expenses	(93,116)	(526,732)	(619,848)
At 31 March 2008	1,500	-	1,500

The capital subvention fund represents the unutilised balance of non-current Government capital subvention received for special projects. The funds are released to the statement of income and expenditure as income to match with the related costs.

Notes to the financial statements (Expressed in Hong Kong dollars)

10 Provision for severance payments

	2008	2007
At 1 April	13,362	40,045
Provision/(utilisation)	5,085	(26,683)
At 31 March	18,447	13,362

11 Provision for staff gratuity

	2008	2007
At 1 April	8,893,870	5,938,321
Provisions made	7,536,475	7,300,935
Forfeitures	(91,845)	(292,321)
Amount paid during the year	(4,279,112)	(4,053,065)
At 31 March	12,059,388	8,893,870
Less: Current portion	(9,394,094)	(2,528,222)
Non-current portion	2,665,294	6,365,648

Provision for staff gratuity is set up for the gratuity payments which will be payable to employees of the Commission who complete their three-year contracts commencing from the date of their employment.

12 Other payables and accruals

	2008	2007
Other payables	3,140,496	4,608,957
Accrued expenses	1,179,841	994,820
Provision for legal fees (note 13)	-	104,000
Receipts in advance	51,966	45,989
	4,372,303	5,753,766

13 Provision for legal fees

	2008	2007
At 1 April	104,000	688,254
Provisions made	1,128,984	1,340,971
Amount paid during the year	(1,232,984)	(1,925,225)
At 31 March	-	104,000

Provision for legal fees is set up for legal expenses to be incurred in respect of litigation raised by or against the Commission. The timing and amount to be utilised will depend on the progress of the respective litigation.

Notes to the financial statements (Expressed in Hong Kong dollars)

14 Government subvention/Government subvention received in advance

Government subvention represents the funds granted by the Government for the Commission's services. Government subvention is received in advance in connection with various services to be provided after year end.

15 Key management compensation

	2008	2007
Short-term employee benefits	9,543,864	9,118,560
Post-employment benefits	1,939,937	1,848,354
	<u>11,483,801</u>	<u>10,966,914</u>

16 Income tax expense

The Commission is a government subvented body exempted from payment of all taxes administered by the Inland Revenue Department by virtue of the Inland Revenue Ordinance (Chapter 112).

17 Commitments

(a) Capital commitments

Capital commitments outstanding at 31 March 2008, in respect of property, plant and equipment at the balance sheet date not provided for in the financial statements were as follows:

	2008	2007
Contracted but not provided for	941,860	1,161,406
	<u>941,860</u>	<u>1,161,406</u>

(b) Operating lease commitments

At 31 March, the total future aggregate minimum lease payments under non-cancellable operating leases in respect of office premises are payable as follows:

	2008	2007
Within 1 year	5,563,584	5,563,584
After 1 year but within 5 years	15,068,040	20,631,624
	<u>20,631,624</u>	<u>26,195,208</u>

Notes to the financial statements (Expressed in Hong Kong dollars)

18 Financial instruments

Risk management is carried out by the finance department under policies approved by the Members of the Commission. The finance department identifies and evaluates financial risks in close co-operation with the operating units. The Commission provides written principles for overall risk management such as interest-rate risk, use of financial instruments and investing excess liquidity.

The Commission's activities do not expose it to foreign exchange risk, credit risk and liquidity risk. For interest-rate risk, except for the short-term bank deposits which bear interest at market rates, the Commission has no other significant interest-bearing assets and liabilities. Accordingly, the Commission's income and operating cash flows are substantially independent of changes in market interest rates and the exposure to cash flow and fair value interest rate risk is low.

Sensitivity analysis on interest rate risk

At 31 March 2008, it is estimated that a general increase/decrease of 100 basis points in interest rates, with all other variables held constant, would increase/decrease the Commission's income and accumulated funds by approximately \$343,000 (2007: \$312,000).

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the balance sheet date and had been applied to the exposure to interest rate risk for both derivative and non-derivative financial instruments in existence at that date. The 100 basis point increase or decrease represents management's assessment of a reasonably possible change in interest rates over the period until the next annual balance sheet date. The analysis is performed on the same basis for 2007.

All financial instruments are carried at amounts not materially different from their fair values as at 31 March 2008 and 2007.

19 Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 March 2008

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments, new standards and interpretations which are not yet effective for the year ended 31 March 2008 and which have not been adopted in these financial statements.

The Commission is in the process of making an assessment of what the impact of these amendments, new standards and new interpretations is expected to be in the period of initial application. So far it has concluded that the adoption of them may result in new or amended disclosures, it is unlikely to have a significant impact on the Commission's results of operations and financial position.