

**SIR DAVID TRENCH
FUND FOR
RECREATION
ANNUAL REPORT
2015-2016**

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*Except the Sports Aid for the Disabled Fund which did not have any grant approved in the years 2011-12 to 2015-16.

MEMBERS OF COMMITTEES 2015-2016

SIR DAVID TRENCH FUND COMMITTEE 2015-2016

Chairman : Ms Lisa LAU Man-man, BBS, MH, JP

Members : Mr CHENG Ka-ho, MH
Mr Kenny CHOW Kun-wah
Mr Ivan CHU Siu-lun
Mr Michael LAM Huen-sum
Mr Douglas LEE Kar-yan
Ms Susana LO Yin-bing, MH
Mrs Marina SHEK TSUI Wai-fun
Mr Kenneth YIU Wing-fai
Representative of Hong Kong Council of Social Service
Representative of Home Affairs Bureau
Representative of Home Affairs Department
Representative of Leisure and Cultural Services Department
Representative of Social Welfare Department

Secretary : Mrs Vicky TONG
Home Affairs Bureau

INVESTMENT ADVISORY COMMITTEE 2015-2016

Chairman : Mr Lawrence CHEUNG Wai-kou, MH, JP

Members : Miss LAM Man-ngar, Norris
Miss TSANG Wai-sze, Selina
Dr YIP Chee-hang, Eric (up to 1.5.2015)
Mrs CHAN NGAN Man-ling, Edith, MH
Miss LEE Pui-shan, Rosita (w.e.f. 1.11.2015)

Secretary : Mr Terence LAU
The Treasury

**HONG KONG SPORTS INSTITUTE LIMITED
BOARD OF DIRECTORS 2015-2016**

- Chairman :* Mr Carlson TONG Ka-shing, SBS, JP
- Vice-Chairmen :* Mr Michael Lee Tze-hau, JP
Mr Matthias LI Sing-chung
- Directors :* Prof Stephen Cheung Yan-leung, BBS, JP
Mr Kenneth FOK Kai-kong
Mrs Jenny Fung Ma Kit-han, BBS, JP
Ms Denise HO Suk-chun
Mr Hui Yung-chung, BBS, JP
Mr Adam KOO
Mr Karl KWOK Chi-leung, MH
Mr LAM Cheuk-yum
Hon Ma Fung-kwok, SBS, JP
Ms Malina NGAI Man-lin, JP
Ms Genevieve Pong Chung-yi
Mr Newman Tsang Yiu-man
Ms Anna Wong Wai-kwan
Dr Kelvin WONG Tin-yau, JP
Mr Jonathan McKINLEY, JP (up to 21.12.2015)
Mr Yeung Tak-keung, JP (w.e.f. 21.12.2015)
Mr Raymond Fan Wai-ming, JP
- Alternate Directors :* Miss Petty LAI Chun-ye
(as alternate director to Mr Jonathan McKINLEY, JP up to 21.12.2015)
(as alternate director to Mr Yeung Tak-keung, JP w.e.f. 21.12.2015)
Mr Richard Wong Tat-ming
(as alternate director to Mr Raymond Fan Wai-ming, JP)
- Secretary :* Ms Doris KWOK
(*Non-Director*)

**HONG KONG SPORTS INSTITUTE LIMITED
ELITE TRAINING AND ATHLETES AFFAIRS COMMITTEE 2015-2016**

- Chairman :* Mr Michael Lee Tze-hau, JP
- Members :* Mr Kenneth FOK Kai-kong
Mrs Jenny Fung Ma Kit-han, BBS, JP
Mr Karl KWOK Chi-leung, MH
Miss Petty LAI Chun-ye
Ms Malina NGAI Man-lin, JP
Ms Genevieve Pong Chung-yi
Mr Newman Tsang Yiu-man
Mr Richard Wong Tat-ming

HONG KONG ARTS DEVELOPMENT COUNCIL 2015-2016

Chairman : Dr Wilfred WONG Ying-wai, GBS, JP

Vice-Chairman : Ms Lina YAN Hau-yee, MH, JP

Members : Mr Henry CHAN Chi-chiu, MH, JP
Mr CHAN Kam-shing
Mr CHAN Kin-bun, MH
Ms Caroline CHENG
Mr John CHONG Koon-nam
Ms Ribble CHUNG Siu-mui
Ms Barbara FEI, SBS
Mr James Mathew FONG
Dr HUNG Keung
Mr Leon KO Sai-tseung
Ms LAU Wai-ming
Mr LEUNG Sung-yum
Mr LI Tak-hong, BBS, MH, JP
Dr LO Wai-luk
Mr Alan LO Yeung-kit
Ms MUI Cheuk-yin
Dr NG Mei-kwan
Ms Nikki NG Mien-hua
Ms Ellen PAU
Mr Magnus RENFREW
Ms TANG Yuen-ha, MH
Mr Anthony WONG Chau-sang
Secretary for Home Affairs or his representative
Permanent Secretary for Education or her representative
Director of Leisure and Cultural Services or her representative

Secretary : Ms Winsome CHOW (w.e.f. 1.8.2015)
(Chief Executive, Hong Kong Arts Development Council)

TRUSTEE'S REPORT

MAIN FUND

In January 1970, a sum of \$3 million was donated for the promotion of recreational and related activities to commemorate the governorship of Sir David TRENCH and also as a token of appreciation of the work of the Civil Service and of the many public spirited citizens who served on advisory boards and committees. An ordinance to establish a fund for the purposes the donor had in mind was passed by the Legislative Council on 11 February 1970 (Chapter 1128 of the Laws of Hong Kong – Sir David Trench Fund for Recreation Ordinance). Section 6 of the Ordinance sets out special provisions relating to the manner in which the Fund may be applied. This section states that the original capital sum of \$3 million must not be used for the objects specified in section 5 without the prior approval of the Legislative Council. It follows that without this special approval, the Fund would not have been able to begin operation until income began to flow from the capital sum. To overcome this problem, the donor of the original capital sum of \$3 million very generously provided an additional \$0.2 million. In 1979, the then Governor directed that a grant of \$15 million should be made from the Lotteries Fund to the Sir David Trench Fund for Recreation to replenish the Fund's capital so as to ensure that sufficient income was generated to meet calls on the Fund. In April 1991, a sum of \$5 million was donated to the Fund by the Hong Kong Jockey Club (Charities) Ltd. This donation was regarded as an addition to the capital of the Fund and only the income generated from this donation could be used for payment of grants. Total capital injections to the Fund since its establishment now stand at \$23.2 million. For the purposes of this report and the annual accounts, the moneys of this Fund are referred to as the Main Fund so as to distinguish these moneys from those of the other Funds established under the aegis of the Sir David Trench Fund for Recreation as mentioned in paragraphs 2 to 6 below.

SPORTS AID FOR THE DISABLED FUND

2. In August 1985, the Finance Committee of the Legislative Council approved a donation of \$1.5 million to be made to the Sir David Trench Fund for Recreation to set up a fund for the promotion of sport for the disabled. The capital sum of this donation should be kept intact and the investment income accruing thereon should be used specifically for the purpose of promoting sport for the disabled. This Fund was named the Sports Aid for the Disabled Fund. In July 1992, a sum of \$5 million was donated towards the capital of the Fund by the Hong Kong Jockey Club (Charities) Ltd., bringing the total capital to \$6.5 million.

SPORTS AID FOUNDATION FUND

3. On 9 February 1987, approval was given under section 6 of the Ordinance to set up an independent fund called the Sports Aid Foundation Fund, to be administered under the aegis of the Sir David Trench Fund for Recreation, for the purpose of assisting financially needy sportsmen in their pursuit of excellence. Under this approval, the capital of this Fund has been used to generate recurrent income which is being applied specifically for the purpose of this Fund. In May and December 1987, two sums of \$5 million each were donated to the Fund by the Hong Kong Jockey Club (Charities) Ltd., making a total capital of \$10 million for the year 1987-88. During the year 1988-89, two additional sums were received bringing the capital of the Fund to \$15.577 million, one being the transfer to the Fund of the balance of \$0.577 million in the then Governor's Special Fund in October 1988, and the other being a donation of \$5 million from the Hong Kong Jockey Club (Charities) Ltd. received in March 1989. Since 1989-90, two further sums totalling \$25 million were donated by the Hong Kong Jockey Club (Charities) Ltd. to the Fund, one for \$5 million received in July 1990 and the other for \$20 million received in July 1992, which brought the total capital to \$40.577 million.

ARTS DEVELOPMENT FUND

4. On 14 May 1993, the Finance Committee of the Legislative Council approved a grant of \$30 million to the Sir David Trench Fund for Recreation to enhance the development of arts in Hong Kong. For this purpose, approval was given under section 6 of the Ordinance to set up an independent fund, to be known as the Arts Development Fund, under the aegis of the Sir David Trench Fund for Recreation in May 1993. In January 2007, the Finance Committee of the Legislative Council approved a further sum of \$20 million to be injected into the Fund, which brought the total capital to \$50 million. Both the capital of the Fund and any income generated therefrom may be expended specifically for the purpose of the Fund.

HONG KONG ATHLETES FUND

5. In August 1996, the Government announced the setting up of the Hong Kong Athletes Fund to help individual athletes to pursue excellence in their chosen sports and to provide them with the opportunity to develop alternative careers upon their retirement from competitive sport. On 23 January 1997, approval was given under section 5 of the Ordinance to incorporate the Fund into the Sir David Trench Fund for Recreation. For this purpose, the Government injected \$8 million, which together with donations totalling \$5.171 million from the community raised the capital of the Fund to \$13.171 million. Additional donations totalling \$0.077 million were received in 1997-98 and brought the capital of the Fund to \$13.248 million. As directed by the Government, the capital sum of this Fund must be kept intact and only the investment income accruing thereon may be used for the purpose of the Fund. In March 2009, the Government injected a sum of \$5 million into the Fund, which brought the capital to \$18.248 million. The sum of \$5 million injected may be expended specifically for the special scheme for young athletes. In March 2012, a donation of \$4.9 million was injected into the Fund which may be expended specifically for athlete education, bringing the total capital to \$23.148 million. The capital sum of this Fund which must be kept intact remains at \$13.248 million.

ARTS AND SPORT DEVELOPMENT FUND

6. On 31 January 1997, the Finance Committee of the Legislative Council approved a grant of \$300 million for the establishment of the Arts and Sport Development Fund. The purpose of this Fund is to provide funding mainly to the Hong Kong Arts Development Council and the Hong Kong Sports Development Board for the implementation of their respective five-year strategic plans for the development of arts and sport in Hong Kong. This Fund was subsequently set up in accordance with section 5 of the Ordinance on 8 March 1997 under the aegis of the Sir David Trench Fund for Recreation. In January 2007, the Finance Committee of the Legislative Council approved a further sum of \$80 million to be injected into the Fund. In February 2009, the Finance Committee of the Legislative Council approved another sum of \$150 million to be injected into the Fund, which brought the total capital to \$530 million. Both the capital and any income generated therefrom may be expended specifically for the purpose of the Fund. In July 2010, the Finance Committee of the Legislative Council approved a further sum of \$3 billion to be injected into the Fund. The \$3 billion injection, which should be kept intact in the long run, brought the total capital to \$3.53 billion.

OBJECTS OF THE SIR DAVID TRENCH FUND FOR RECREATION

7. Section 5 of the Ordinance requires the Trustee to apply the Fund in such manner as the Chief Executive may direct for the following objects :

- (a) the provision of, or assistance in the provision of facilities for recreational, sporting, cultural and social activities; and
- (b) such objects ancillary or incidental to the objects set out in paragraph (a) as the Chief Executive may consider appropriate.

COMMITTEES

8. In April 1970, the then Governor appointed the Sir David Trench Fund for Recreation Advisory Committee to assist him in determining the purposes for which the Fund should be applied. Subsequently in October 1976, this Advisory Committee was disbanded and the Council for Recreation and Sport took over the responsibilities of recommending how the income of the Fund should be utilised. In January 1983, a further committee, the Sir David Trench Fund Committee, was established which was directly responsible to the Council for Recreation and Sport for administering the Main Fund.

9. Following the establishment of the Sports Aid for the Disabled Fund in August 1985, the Sports Aid for the Disabled Committee was established in January 1986, which was directly responsible to the Council for Recreation and Sport for administering the Sports Aid for the Disabled Fund. Subsequently in November 1987, this committee was disbanded following the establishment of a Sports Aid Committee, which was directly responsible to the Council for Recreation and Sport for administering the two sports aid funds, namely, the Sports Aid for the Disabled Fund and the Sports Aid Foundation Fund.

10. The term of office of the Council for Recreation and Sport, with its committees including the Sir David Trench Fund Committee and the Sports Aid Committee, ended on 31 October 1989.

11. Since November 1989, the then Secretary for Broadcasting, Culture and Sport (the Secretary for Home Affairs with effect from 9 April 1998) has directly approved the allocation of funds by way of grants from the Main Fund. In January 1990, a new committee, the Sir David Trench Fund Committee, was established to advise him on the allocation of these funds. The membership of the Sir David Trench Fund Committee is detailed on page 2.

12. With regard to the Sports Aid for the Disabled Fund and the Sports Aid Foundation Fund, a Provisional Sports Development Board was established in November 1989 and was delegated the authority to approve and disburse funds from these two Funds. On 1 April 1990, the Hong Kong Sports Development Board was formally established and subsequently in April 1990 a Sports Aid Foundation Fund and Sports Aid for the Disabled Fund Committee was established under the Board to advise on the disbursement of grants from these two Funds. The Committee was renamed the Sports Aid Committee with effect from 6 January 1997, and its ambit has been extended since March 1997 to include the provision of advice to the Hong Kong Athletes Fund on the disbursement of grants. On 1 April 1998, the Committee was restructured and renamed the Sports Aid Sub-Committee. On 6 May 2003, the Sports Aid Sub-Committee was further renamed as the Athletes Support Sub-Committee. With the dissolution of the Hong Kong Sports Development Board on 1 October 2004, the Hong Kong Sports Institute Limited was established on the same day. The Elite Training and Athletes Affairs Committee was established under the Institute to approve and disburse grants from the three Funds with effect from 1 October 2004. The current memberships of the Hong Kong Sports Institute Limited and the Elite Training and Athletes Affairs Committee are detailed on page 3.

13. Disbursements from the Arts Development Fund are approved by the then Secretary for Broadcasting, Culture and Sport (and by the Secretary for Home Affairs with effect from 9 April 1998) on the advice of the Hong Kong Arts Development Council. The Hong Kong Arts Development Council was set up on 15 April 1994 initially as a non-statutory body. It became a statutory body on 1 June 1995 and its current membership is detailed on page 4.

14. Under subsection 1 of section 7 of the Ordinance, the Trustee may invest any moneys of the fund in such investments as the Chief Executive may direct, subject, in the case of investments which are not trust investments, to the prior approval of the Investment Advisory Committee. The membership of this Committee is detailed on page 2.

FINANCIAL STATEMENTS

15. The financial statements, which comprise the balance sheet as at 31 March 2016, the income and expenditure account, the statement of changes in equity and the statement of cash flows for the year then ended are at pages 14 to 38.

16. Under the Main Fund, there was a deficit of \$26.453 million for the year. Income from dividends and interest was \$2.781 million. Net realised and revaluation losses on investments in securities were \$11.085 million. Expenditure on grants was \$17.025 million. The accumulated surplus was \$117.225 million at 31 March 2016.

17. Under the Sports Aid for the Disabled Fund, there was a surplus of \$0.056 million for the year. Interest income was \$0.059 million. There was no grant payment during the year. The accumulated surplus was \$1.497 million at 31 March 2016.

18. Under the Sports Aid Foundation Fund, there was a deficit of \$1.346 million for the year. Income from dividends and interest was \$0.720 million. Net realised and revaluation losses on investments in securities were \$2.064 million. There was no grant payment during the year. The accumulated surplus was \$2.151 million at 31 March 2016.

19. Under the Arts Development Fund, there was a deficit of \$2.841 million for the year. Interest income was \$0.023 million. Expenditure on grants was \$2.875 million. The accumulated deficit was \$47.472 million at 31 March 2016.

20. Under the Hong Kong Athletes Fund, there was a deficit of \$4.635 million for the year. Income from dividends and interest was \$0.348 million. Net realised and revaluation losses on investments in securities were \$1.079 million. Expenditure on grants was \$3.815 million. The accumulated surplus was \$3.792 million at 31 March 2016.

21. Under the Arts and Sport Development Fund, there was a deficit of \$306.844 million for the year. Income from dividends and interest was \$67.948 million. Net realised and revaluation losses on investments in securities were \$180.991 million. Expenditure on grants was \$158.501 million. The accumulated deficit was \$645.045 million at 31 March 2016.

GRANTS

22. Details of the expenditure on grants in 2015-2016 are shown in the Statement of Approved Grants in Schedule 1 on pages 39 to 47. A summary of approved grants over the years and outstanding commitments as at 31 March 2016 is provided in Schedule 2 on page 48.

INVESTMENTS

23. Investments as at 31 March 2016 are shown in Schedule 3 on page 56.

Martin SIU

Director of Accounting Services

The Trustee of the Sir David Trench Fund for Recreation

28 June 2016

**REPORT OF THE SECRETARY FOR HOME AFFAIRS
ON THE SIR DAVID TRENCH FUND FOR RECREATION 2015-2016**

SIR DAVID TRENCH FUND FOR RECREATION

The Sir David Trench Fund for Recreation (the Fund) is used, as the Chief Executive may direct, for provision of, or assistance in the provision of facilities for recreational, sporting, cultural and social activities. Grants from the Fund support projects aimed at the development of the individual and his or her identity and involvement in the life of the community of Hong Kong. In keeping with the donor's wishes, emphasis is placed on encouraging the purposeful use of leisure by young people.

2. The tasks of vetting applications for grants and making recommendations on all matters of a financial, procedural or policy related nature in respect of the Fund are undertaken by the Sir David Trench Fund (SDTF) Committee. The membership of the Committee is shown on page 2.

3. Applicants may apply for the grants under the categories of the Capital Works Project which aim at building new recreational facilities, the Non-Capital Works Project which cover the purchase of equipment, and the Special Project which support projects with a specific purpose determined by the SDTF Committee periodically. Eligible projects should -

- (a) involve direct organisation of physical education, sporting and cultural activities which encourage the purposeful use of leisure by young people;
- (b) be of long-term benefit and reach out to the widest possible cross-section of the community;
- (c) only utilise the grant to cover one-off expenditure and not recurrent commitments. The grants are expected to be spent within the specified period, and the project concerned must be self-financing thereafter; and
- (d) be assessed on the basis of the best use of the Fund. The SDTF Committee will consider both the scope and the amount of grant requested in each application and decide whether the project will be supported in full or in part.

4. Priority will be given to new applicants, in particular, those who have no access to regular funding sources.

5. Non-Capital Works Projects should achieve long-term benefits and encourage the purposeful use of leisure by young people. The Fund should be used for the purchase of durable equipment for use in recreational, sporting and cultural activities. In 2015-2016, a total of \$\$2,639,284 was awarded to the organisations and agencies listed on pages 40 to 41.

6. Capital Works Projects should be specifically of the "brick and mortar" type and for the construction of new recreational facilities. In 2015-2016, a total of \$2,430,580 from the Fund helped to pay for the six capital works projects listed on page 41.

7. Special Projects should provide facilities or equipment in the furtherance of a specific purpose determined by the SDTF Committee. The purpose for the years 2014-2015 to 2016-2017 has been "Construction of new sports facilities, improvement of existing sports facilities and purchase of sports equipment for enhancement of training of elite squads and developing sports at the community level". In 2015-2016, a total of \$9,844,590 was awarded to eight projects which were in compliance with the said purpose.

SPORTS AID FOUNDATION FUND

8. The Sports Aid Foundation Fund (SAFF) was set up on the advice of the then Council for Recreation and Sport in February 1987 with the aim of assisting financially needy athletes in their pursuit of excellence. The SAFF is intended to provide financial assistance in two areas, namely -

- (a) training expenses: equipment, special diets, coaching fees, travelling expenses, etc.; and

- (b) allowances to alleviate financial difficulties arising from loss of earnings as a result of participation in training and competitions.

9. The Elite Training and Athletes Affairs Committee of the Hong Kong Sports Institute Limited is responsible for advising on the disbursement of grants from the SAFF. Membership of the Committee is shown on page 3.

10. The current capital of the SAFF is \$40,577,000, of which \$40,000,000 was donated by the then Royal Hong Kong Jockey Club and the balance was from a Government grant. Only income generated from the capital of the SAFF may be disbursed.

SPORTS AID FOR THE DISABLED FUND

11. The Sports Aid for the Disabled Fund (SADF) was set up with a Government donation of \$1,500,000 in August 1985 to promote sport for disabled people. The then Royal Hong Kong Jockey Club donated \$5,000,000 to the SADF in July 1992, increasing the capital of the SADF to \$6,500,000.

12. The Elite Training and Athletes Affairs Committee of the Hong Kong Sports Institute Limited is responsible for advising on the disbursement of grants from the SADF. Membership of the Committee is shown on page 3.

13. In 2007-2008, the Hong Kong Sports Institute Limited implemented a new financial support scheme known as the Sports Aid for The Disabled Grant. Since then, no applications for grants from the SADF have been received. We are liaising with relevant organisations on initiatives to improve the promotion of sport for disabled people, using funding from the SADF.

ARTS AND SPORT DEVELOPMENT FUND

14. In January 1997, the Finance Committee of the Legislative Council approved the setting up of the Arts and Sport Development Fund (ASDF) as a sub-fund under the Sir David Trench Fund for Recreation to provide funding for the key initiatives of the Hong Kong Arts Development Council and the then Hong Kong Sports Development Board in their respective five-year strategic plans, and other projects that, in the Secretary for Home Affairs's opinion, will make significant contribution to the further development of the arts and sport in the community. A sum of \$300,000,000 was approved as a one-off injection into the ASDF. The amounts allocated for the arts and sport were \$160,000,000 and \$140,000,000 respectively. Any investment income generated is ploughed back into the ASDF. On 26 January 2007, the Finance Committee of the Legislative Council approved an injection of \$80,000,000 into the ASDF, \$40,000,000 for the arts and another \$40,000,000 for sport. On 20 February 2009, the Finance Committee approved an injection of \$150,000,000 into the ASDF, \$60,000,000 for the arts and \$90,000,000 for sport.

15. To promote further the development of the arts and sport, the Finance Committee of the Legislative Council approved on 2 July 2010 an injection of \$3 billion into the ASDF as seed money for generating an annual investment return to provide sustainable additional resources for subsidising the long-term development of sport, culture and the arts.

16. Before the injection of funds to the ASDF in July 2010, the arts portion of ASDF primarily supported the arts projects of the Hong Kong Art Development Council (HKADC). With the new injection, it is estimated that an annual provision of \$60,000,000 would be available for disbursement in the arts category. Of the \$60,000,000, \$30,000,000 is earmarked as an enhanced provision for HKADC to support schemes or projects under its purview, and the other \$30,000,000 will be disbursed under the Arts Capacity Development Funding Scheme (ACDFS). The ACDFS seeks to enhance the capacity development of local artistic talents by providing funding support to promising arts groups and art practitioners, and cultivate a supportive culture for the arts in the community through a matching grant element. As for the sport portion of ASDF, the injection of funds has enabled us to increase support for Hong Kong athletes' preparation for and participation in major sports games, the hosting of major international sports events in Hong Kong, as well as other one-off initiatives to encourage the development and promotion of sport in Hong Kong. With the endorsement of the Sports Commission, we

will also provide funding for new projects, including support for hosting more high standard sports events in Hong Kong, and promotion of the development of local football and other team sports.

17. In 2015-2016, a total of \$191,670,743 was allocated from the ASDF, of which \$60,764,000 was allocated to 25 arts projects and \$130,906,743 was allocated to 52 sports development projects.

HONG KONG ATHLETES FUND

18. On 9 August 1996, the Government announced the setting up of the Hong Kong Athletes Fund (HKAF) to which it would commit one dollar (up to a maximum of \$8,000,000) for every dollar contributed by the community. The broad aim of the HKAF is to provide grants for educational and other academic training to individual athletes to allow them to pursue excellence in their chosen sport and to provide them with the opportunity to develop alternative careers upon retirement from competitive sport.

19. On 12 November 1996, the Government agreed to donate \$8,000,000 to the HKAF. This sum together with public donations of \$5,248,000 brought the total capital of the HKAF to \$13,248,000 as at 31 March 2002. The capital is kept intact and the investment income accruing thereon is used to meet the objects of the HKAF. A sum of \$5,000,000 was approved in 2008-2009 as a one-off injection into the HKAF to reward young athletes who win medals at major international youth games with educational subsidies from the HKAF.

20. The Elite Training and Athletes Affairs Committee of the Hong Kong Sports Institute Limited is responsible for advising on the disbursement of grants from the HKAF. Membership of the Committee is shown on page 3.

21. In January 2015, the Hong Kong Sports Institute launched the Elite Athlete Performance Recognition scheme to recognise athletes' dedication to sport and their achievements in representing Hong Kong in major games and competitions, under which eligible athletes will receive a one-off grant upon retirement from full-time sports training and competition, so that they can start a "second career".

22. In 2015-2016, a total of \$5,104,280 was allocated from the HKAF. Among which, \$2,937,080 with individual grants ranging from \$36,000 to \$168,400 awarded to cover the tuition fees and subsistence allowance of 21 athletes. Eight of the athletes were subsidised by the "Hong Kong 2009 East Asian Games Education Scheme" under the HKAF, with a total amount of \$1,242,310. For the newly introduced Elite Athlete Performance Recognition scheme, a total of \$2,167,200 was allocated from the HKAF, with individual grants from \$247,680 to \$371,520 awarded to seven retired athletes in recognition of their dedication to sport and their achievements in representing Hong Kong in major games and competitions.

ARTS DEVELOPMENT FUND

23. The Arts Development Fund (ADF) was set up with a government contribution of \$30,000,000 in May 1993. The Secretary for Home Affairs is the authority for disbursing grants from the ADF. The ADF aims to enhance the development of the arts and culture in Hong Kong. Since the end of 2001, it has been deployed to support mainly cultural exchange projects.

24. The Finance Committee of the Legislative Council approved an injection of \$20,000,000 into the ADF on 26 January 2007. In 2015-2016, a total of \$3,645,700 was approved for 72 cultural exchange projects.

LAU Kong-wah
Secretary for Home Affairs
28 June 2016

REPORT OF THE DIRECTOR OF AUDIT



Audit Commission

The Government of the Hong Kong Special Administrative Region

Independent Audit Report

To the Legislative Council

I certify that I have audited the financial statements of the Sir David Trench Fund for Recreation set out on pages 14 to 38, which comprise the balance sheet as at 31 March 2016, and the income and expenditure account, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Director of Accounting Services' Responsibility for the Financial Statements

The Director of Accounting Services, as the Trustee of the Sir David Trench Fund for Recreation, is responsible for the preparation of financial statements that give a true and fair view in accordance with section 9(1) of the Sir David Trench Fund for Recreation Ordinance (Cap. 1128) and Hong Kong Financial Reporting Standards, and for such internal control as the Director of Accounting Services determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with section 9(2) of the Sir David Trench Fund for Recreation Ordinance and the Audit Commission auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about 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 judgment, 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 of financial statements that give a true and fair view 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 Director of Accounting Services, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements give a true and fair view of the financial position of the Sir David Trench Fund for Recreation as at 31 March 2016, and of its financial performance and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with section 9(1) of the Sir David Trench Fund for Recreation Ordinance.

LAU Sun-wo
Assistant Director of Audit
for Director of Audit

28 June 2016

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

BALANCE SHEET AS AT 31 MARCH 2016

		Note	2016 HK\$'000	2015 HK\$'000
MAIN FUND	ASSETS			
	Cash at bank		556	502
	Deposits with banks	3	21,291	49,563
	Investments in securities	4	96,593	119,078
	Placement with the Exchange Fund	5	23,200	—
	Interest and other receivables		114	501
	Total assets		141,754	169,644
	LIABILITIES			
	Payables and other liabilities	6	(1,329)	(2,766)
	Net assets		140,425	166,878
	Representing :			
FUND BALANCE				
Capital		23,200	23,200	
Accumulated surplus		117,225	143,678	
		140,425	166,878	
SPORTS AID FOR THE DISABLED FUND	ASSETS			
	Cash at bank		49	63
	Deposits with banks	3	1,434	7,838
	Placement with the Exchange Fund	5	6,500	—
	Interest receivable		14	40
	Total assets		7,997	7,941
	Representing :			
	FUND BALANCE			
	Capital		6,500	6,500
	Accumulated surplus		1,497	1,441
			7,997	7,941
SPORTS AID FOUNDATION FUND	ASSETS			
	Cash at bank		72	72
	Deposits with banks	3	1,000	28,753
	Investments in securities	4	998	15,243
	Placement with the Exchange Fund	5	40,577	—
	Interest receivable		81	6
	Total assets		42,728	44,074
	Representing :			
	FUND BALANCE			
	Capital		40,577	40,577
	Accumulated surplus		2,151	3,497
		42,728	44,074	

Sir David Trench Fund For Recreation

BALANCE SHEET — Continued

		Note	2016 HK\$'000	2015 HK\$'000
ARTS DEVELOPMENT FUND	ASSETS			
	Cash at bank		231	114
	Deposits with banks	3	2,296	5,246
	Interest receivable		1	9
	Total assets		<u>2,528</u>	<u>5,369</u>
	Representing :			
	FUND BALANCE			
	Capital		50,000	50,000
Accumulated deficit		(47,472)	(44,631)	
			<u>2,528</u>	<u>5,369</u>
HONG KONG ATHLETES FUND	ASSETS			
	Cash at bank		320	123
	Deposits with banks	3	5,050	19,930
	Investments in securities	4	8,293	11,498
	Placement with the Exchange Fund	5	13,248	—
	Interest receivable		30	28
	Total assets		<u>26,941</u>	<u>31,579</u>
	LIABILITIES			
	Payables and other liabilities	6	(1)	(4)
	Net assets		<u>26,940</u>	<u>31,575</u>
	Representing :			
	FUND BALANCE			
Capital		23,148	23,148	
Accumulated surplus		3,792	8,427	
		<u>26,940</u>	<u>31,575</u>	
ARTS AND SPORT DEVELOPMENT FUND	ASSETS			
	Cash at bank		2,709	3,852
	Deposits with banks	3	1,017,728	2,002,155
	Investments in securities	4	1,513,635	1,166,220
	Placement with the Exchange Fund	5	350,000	—
	Interest and other receivables		6,742	20,254
	Total assets		<u>2,890,814</u>	<u>3,192,481</u>
	LIABILITIES			
	Payables and other liabilities	6	(5,859)	(682)
	Net assets		<u>2,884,955</u>	<u>3,191,799</u>
	Representing :			
	FUND BALANCE			
Capital		3,530,000	3,530,000	
Accumulated deficit		(645,045)	(338,201)	
		<u>2,884,955</u>	<u>3,191,799</u>	
TOTAL FUND BALANCE			<u>3,105,573</u>	<u>3,447,636</u>

The accompanying notes 1 to 15 form part of these financial statements.

Sir David Trench Fund For Recreation

**INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2016**

		Note	2016 HK\$'000	2015 HK\$'000
MAIN FUND	Income	8	(9,370)	13,875
	Expenditure	9	(17,083)	(8,784)
	(Deficit)/ Surplus for the year		<u>(26,453)</u>	<u>5,091</u>
	Other comprehensive income		—	—
	Total comprehensive (loss)/ income for the year		<u>(26,453)</u>	<u>5,091</u>
SPORTS AID FOR THE DISABLED FUND	Income	8	59	107
	Expenditure	9	(3)	(1)
	Surplus for the year		<u>56</u>	<u>106</u>
	Other comprehensive income		—	—
	Total comprehensive income for the year		<u>56</u>	<u>106</u>
SPORTS AID FOUNDATION FUND	Income	8	(1,343)	2,554
	Expenditure	9	(3)	(2,004)
	(Deficit)/ Surplus for the year		<u>(1,346)</u>	<u>550</u>
	Other comprehensive income		—	—
	Total comprehensive (loss)/ income for the year		<u>(1,346)</u>	<u>550</u>
ARTS DEVELOPMENT FUND	Income	8	34	69
	Expenditure	9	(2,875)	(2,513)
	Deficit for the year		<u>(2,841)</u>	<u>(2,444)</u>
	Other comprehensive income		—	—
	Total comprehensive loss for the year		<u>(2,841)</u>	<u>(2,444)</u>
HONG KONG ATHLETES FUND	Income	8	(813)	1,464
	Expenditure	9	(3,822)	(1,302)
	(Deficit)/ Surplus for the year		<u>(4,635)</u>	<u>162</u>
	Other comprehensive income		—	—
	Total comprehensive (loss)/ income for the year		<u>(4,635)</u>	<u>162</u>
ARTS AND SPORT DEVELOPMENT FUND	Income	8	(145,199)	208,236
	Expenditure	9	(161,645)	(149,343)
	(Deficit)/ Surplus for the year		<u>(306,844)</u>	<u>58,893</u>
	Other comprehensive income		—	—
	Total comprehensive (loss)/ income for the year		<u>(306,844)</u>	<u>58,893</u>

The accompanying notes 1 to 15 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2016**

		Capital HK\$'000	Accumulated surplus/(deficit) HK\$'000	Total HK\$'000
MAIN FUND	Balance at 1 April 2014	23,200	138,587	161,787
	Total comprehensive income for the year 2014-15		5,091	5,091
	Balance at 31 March 2015	<u>23,200</u>	<u>143,678</u>	<u>166,878</u>
	Total comprehensive loss for the year 2015-16		(26,453)	(26,453)
	Balance at 31 March 2016	<u>23,200</u>	<u>117,225</u>	<u>140,425</u>
SPORTS AID FOR THE DISABLED FUND	Balance at 1 April 2014	6,500	1,335	7,835
	Total comprehensive income for the year 2014-15		106	106
	Balance at 31 March 2015	<u>6,500</u>	<u>1,441</u>	<u>7,941</u>
	Total comprehensive income for the year 2015-16		56	56
	Balance at 31 March 2016	<u>6,500</u>	<u>1,497</u>	<u>7,997</u>
SPORTS AID FOUNDATION FUND	Balance at 1 April 2014	40,577	2,947	43,524
	Total comprehensive income for the year 2014-15		550	550
	Balance at 31 March 2015	<u>40,577</u>	<u>3,497</u>	<u>44,074</u>
	Total comprehensive loss for the year 2015-16		(1,346)	(1,346)
	Balance at 31 March 2016	<u>40,577</u>	<u>2,151</u>	<u>42,728</u>

STATEMENT OF CHANGES IN EQUITY – Continued

		Capital HK\$'000	Accumulated surplus/(deficit) HK\$'000	Total HK\$'000
ARTS DEVELOPMENT FUND	Balance at 1 April 2014	50,000	(42,187)	7,813
	Total comprehensive loss for the year 2014-15		(2,444)	(2,444)
	Balance at 31 March 2015	<u>50,000</u>	<u>(44,631)</u>	<u>5,369</u>
	Total comprehensive loss for the year 2015-16		(2,841)	(2,841)
	Balance at 31 March 2016	<u><u>50,000</u></u>	<u><u>(47,472)</u></u>	<u><u>2,528</u></u>
HONG KONG ATHLETES FUND	Balance at 1 April 2014	23,148	8,265	31,413
	Total comprehensive income for the year 2014-15		162	162
	Balance at 31 March 2015	<u>23,148</u>	<u>8,427</u>	<u>31,575</u>
	Total comprehensive loss for the year 2015-16		(4,635)	(4,635)
	Balance at 31 March 2016	<u><u>23,148</u></u>	<u><u>3,792</u></u>	<u><u>26,940</u></u>
ARTS AND SPORT DEVELOPMENT FUND	Balance at 1 April 2014	3,530,000	(397,094)	3,132,906
	Total comprehensive income for the year 2014-15		58,893	58,893
	Balance at 31 March 2015	<u>3,530,000</u>	<u>(338,201)</u>	<u>3,191,799</u>
	Total comprehensive loss for the year 2015-16		(306,844)	(306,844)
	Balance at 31 March 2016	<u><u>3,530,000</u></u>	<u><u>(645,045)</u></u>	<u><u>2,884,955</u></u>

The accompanying notes 1 to 15 form part of these financial statements.

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2016**

		Note	2016 HK\$'000	2015 HK\$'000
MAIN FUND	Net cash (used in)/ from operating activities	10	(6,886)	1,274
	Cash and cash equivalents at beginning of year		21,442	20,168
	Cash and cash equivalents at end of year	11	<u>14,556</u>	<u>21,442</u>
SPORTS AID FOR THE DISABLED FUND	Net cash used in operating activities	10	(14)	(197)
	Cash and cash equivalents at beginning of year		63	260
	Cash and cash equivalents at end of year	11	<u>49</u>	<u>63</u>
SPORTS AID FOUNDATION FUND	Net cash (used in)/ from operating activities	10	(28,753)	27,755
	Cash and cash equivalents at beginning of year		28,825	1,070
	Cash and cash equivalents at end of year	11	<u>72</u>	<u>28,825</u>
ARTS DEVELOPMENT FUND	Net cash from/ (used in) operating activities	10	113	(217)
	Cash and cash equivalents at beginning of year		2,414	2,631
	Cash and cash equivalents at end of year	11	<u>2,527</u>	<u>2,414</u>
HONG KONG ATHLETES FUND	Net cash (used in)/ from operating activities	10	(18,459)	17,333
	Cash and cash equivalents at beginning of year		18,779	1,446
	Cash and cash equivalents at end of year	11	<u>320</u>	<u>18,779</u>
ARTS AND SPORT DEVELOPMENT FUND	Net cash (used in)/ from operating activities	10	(736,144)	907,733
	Cash and cash equivalents at beginning of year		1,121,593	213,860
	Cash and cash equivalents at end of year	11	<u>385,449</u>	<u>1,121,593</u>

The accompanying notes 1 to 15 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. LEGISLATION

The Sir David Trench Fund for Recreation (the Fund) was established under the Sir David Trench Fund for Recreation Ordinance (Cap. 1128) which was passed by the Legislative Council on 11 February 1970. The principal activities of the Fund are the provision of, or assistance in the provision of facilities for recreational, sporting, cultural and social activities, and the investment of moneys of the Fund in approved investments. The Fund consists of the following six funds:

- (a) Main Fund;
- (b) Sports Aid for the Disabled Fund;
- (c) Sports Aid Foundation Fund;
- (d) Arts Development Fund;
- (e) Hong Kong Athletes Fund; and
- (f) Arts and Sport Development Fund.

The financial statements of the Fund are prepared in accordance with section 9 of the Ordinance.

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 is a collective term that includes all applicable individual HKFRSs, Hong Kong Accounting Standards (HKASs) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants, and accounting principles generally accepted in Hong Kong. A summary of the significant accounting policies adopted by the Fund is set out below.

- (b) Basis of preparation of the financial statements

The measurement basis used in the preparation of the financial statements is historical cost except that the investments in securities are stated at their fair values as explained in the accounting policies set out below.

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

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

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

(c) Investments in securities

In accordance with HKAS 39, investments in securities (investments) are classified as "financial assets at fair value" based on the fact that the investments are managed and their performance is evaluated on a fair value basis in accordance with a documented risk management and investment strategy.

Investments primarily consist of equity and debt securities and are initially recognised at fair value, which normally will be equal to the transaction prices, excluding transaction costs which are expensed as incurred. They are subsequently re-measured at fair value. Purchases and sales of investments are recognised using trade date accounting.

When investments are sold, the Fund uses the weighted average method to determine realised gains and losses to be recognised in the income and expenditure account.

Changes in the fair value of investments are recognised as revaluation gains or losses in the income and expenditure account.

(d) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and which the Fund has no intention of trading, other than those that the Fund, upon initial recognition, designates as at fair value. This category includes cash at bank, deposits with banks and placement with the Exchange Fund.

Loans and receivables are carried at amortised cost using the effective interest method less impairment losses, if any (Note 2(j)).

(e) Held-to-maturity securities

Held-to-maturity securities are non-derivative financial assets with fixed or determinable payments and fixed maturity which the Fund has the positive intention and ability to hold to maturity, other than (a) those that the Fund, upon initial recognition, designates as at fair value; and (b) those that meet the definition of loans and receivables.

Held-to-maturity securities are carried at amortised cost using the effective interest method less impairment losses, if any (Note 2(j)).

(f) Income recognition

Interest income from debt securities is recognised on a time-proportion basis using the effective interest method. Dividend income is recognised when the share price goes ex-dividend. Other income is recognised on an accrual basis.

The effective interest method is a method of calculating the amortised cost of an investment and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the investment or, when appropriate, a shorter period to the net carrying amount of the investment.

(g) Translation of foreign currencies

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 using the closing exchange rate at the balance sheet date. Exchange gains or losses arising are included in the income and expenditure account.

(h) Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents include cash at bank and deposits with banks with a maturity of three months or less from the date of placement.

(i) Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the assets and settle the liabilities simultaneously.

(j) Impairment of financial assets

The carrying amounts of loans and receivables and held-to-maturity securities are reviewed at each balance sheet date to determine whether there is objective evidence of impairment. If any such evidence exists, an impairment loss is recognised in surplus or deficit as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. If in a subsequent period the amount of such impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through surplus or deficit. A reversal of impairment losses is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years.

3. DEPOSITS WITH BANKS

These are deposits placed with licensed banks in Hong Kong for investment under section 7(1) of the Sir David Trench Fund for Recreation Ordinance.

4. INVESTMENTS IN SECURITIES

These are investments made under section 7(1) of the Sir David Trench Fund for Recreation Ordinance:

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

4. INVESTMENTS IN SECURITIES — Continued

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5. PLACEMENT WITH THE EXCHANGE FUND

The balances of the placement with the Exchange Fund for the Main Fund, the Sports Aid for the Disabled Fund, the Sports Aid Foundation Fund, the Hong Kong Athletes Fund and the Arts and Sport Development Fund amounted to HK\$23.2 million, HK\$6.5 million, HK\$40.577 million, HK\$13.248 million and HK\$350.0 million respectively, being the placement amounts made on 10 March 2016. The term of the placement is six years from the date of placement, during which the total amount of original placement of HK\$433.525 million cannot be withdrawn.

Interest on the placement is payable at a fixed rate determined every January. The rate is the average annual investment return of the Exchange Fund's Investment Portfolio for the past six years or the average annual yield of three-year government bond for the previous year subject to a minimum of zero percent, whichever is the higher. The interest rate has been fixed at 3.3% per annum for the year 2016.

6. PAYABLES AND OTHER LIABILITIES

These include payables for purchase of the securities, accrued investment management and custodian fees and grants of which disbursement was being processed at the balance sheet date.

7. COMMITMENTS

These represent the unspent portion of the approved grants under the Fund:

	2016	2015
	HK\$'000	HK\$'000
MAIN FUND	26,932	30,570
SPORTS AID FOR THE DISABLED FUND	—	—
SPORTS AID FOUNDATION FUND	—	—
ARTS DEVELOPMENT FUND	1,796	1,389
HONG KONG ATHLETES FUND	4,787	3,497
ARTS AND SPORT DEVELOPMENT FUND	139,973	127,032
	173,488	162,488

8. INCOME

	2016 HK\$'000	2015 HK\$'000
MAIN FUND		
Net realised and revaluation gains/ (losses) on:		
- securities	(11,085)	10,546
- other assets	(1,066)	(46)
Dividend income	2,027	2,072
Interest income from placement with the Exchange Fund	46	—
Other interest income	708	1,303
	<u>(9,370)</u>	<u>13,875</u>
SPORTS AID FOR THE DISABLED FUND		
Net realised and revaluation gains/ (losses) on:		
- securities	—	(24)
Interest income from debt securities	—	27
Interest income from placement with the Exchange Fund	13	—
Other interest income	46	104
	<u>59</u>	<u>107</u>
SPORTS AID FOUNDATION FUND		
Net realised and revaluation gains/ (losses) on:		
- securities	(2,064)	1,360
- other assets	1	3
Dividend income	488	506
Interest income from debt securities	—	431
Interest income from placement with the Exchange Fund	80	—
Other interest income	152	254
	<u>(1,343)</u>	<u>2,554</u>
ARTS DEVELOPMENT FUND		
Net realised and revaluation gains/ (losses) on:		
- other assets	11	(2)
Other interest income	23	71
	<u>34</u>	<u>69</u>
HONG KONG ATHLETES FUND		
Net realised and revaluation gains/ (losses) on:		
- securities	(1,079)	791
- other assets	(82)	(6)
Dividend income	174	181
Interest income from debt securities	—	212
Interest income from placement with the Exchange Fund	26	—
Other interest income	148	286
	<u>(813)</u>	<u>1,464</u>
ARTS AND SPORT DEVELOPMENT FUND		
Refund of grants	10,683	11,986
Net realised and revaluation gains/ (losses) on:		
- securities	(180,991)	116,213
- other assets	(42,839)	(1,891)
Dividend income	39,441	22,701
Interest income from debt securities	893	2,544
Interest income from placement with the Exchange Fund	694	—
Other interest income	26,920	56,683
	<u>(145,199)</u>	<u>208,236</u>

9. EXPENDITURE

	2016 HK\$'000	2015 HK\$'000
MAIN FUND		
Grants	17,025	8,721
Investment management fees	56	61
Bank charges	2	2
	<u>17,083</u>	<u>8,784</u>
 SPORTS AID FOR THE DISABLED FUND		
Bank charges	<u>3</u>	<u>1</u>
 SPORTS AID FOUNDATION FUND		
Grants	—	2,000
Bank charges	3	4
	<u>3</u>	<u>2,004</u>
 ARTS DEVELOPMENT FUND		
Grants	<u>2,875</u>	<u>2,513</u>
 HONG KONG ATHLETES FUND		
Grants	3,815	1,293
Investment management fees	6	7
Bank charges	1	2
	<u>3,822</u>	<u>1,302</u>
 ARTS AND SPORT DEVELOPMENT FUND		
Grants	158,501	147,482
Custodian fees	1,377	475
Investment management fees	946	350
Investment transaction costs	784	995
Bank charges	37	41
	<u>161,645</u>	<u>149,343</u>

10. RECONCILIATION OF SURPLUS/(DEFICIT) TO NET CASH FROM/(USED IN) OPERATING ACTIVITIES

	2016 HK\$'000	2015 HK\$'000
MAIN FUND		
(Deficit)/ Surplus for the year	(26,453)	5,091
Other interest income	(754)	(1,303)
Dividend income	(2,027)	(2,072)
Decrease/ (Increase) in investments in securities	22,485	(10,545)
Placement with the Exchange Fund	(23,200)	—
Decrease in deposits with banks with original maturity beyond 3 months	21,332	4,556
(Decrease)/ Increase in payables and other liabilities	(1,437)	2,318
Interest received	1,150	1,155
Dividend received	2,018	2,074
Net cash (used in)/ from operating activities	(6,886)	1,274
SPORTS AID FOR THE DISABLED FUND		
Surplus for the year	56	106
Interest income from debt securities	—	(27)
Other interest income	(59)	(104)
Decrease in investments in securities	—	800
Placement with the Exchange Fund	(6,500)	—
Decrease/ (Increase) in deposits with banks with original maturity beyond 3 months	6,404	(1,118)
Interest received	85	146
Net cash used in operating activities	(14)	(197)
SPORTS AID FOUNDATION FUND		
(Deficit)/ Surplus for the year	(1,346)	550
Interest income from debt securities	—	(431)
Other interest income	(232)	(254)
Dividend income	(488)	(506)
Decrease in investments in securities	14,245	11,049
Placement with the Exchange Fund	(40,577)	—
(Increase)/ Decrease in deposits with banks with original maturity beyond 3 months	(1,000)	15,825
Interest received	157	1,016
Dividend received	488	506
Net cash (used in)/ from operating activities	(28,753)	27,755

10. RECONCILIATION OF SURPLUS/(DEFICIT) TO NET CASH FROM/(USED IN) OPERATING ACTIVITIES — Continued

	2016 HK\$'000	2015 HK\$'000
ARTS DEVELOPMENT FUND		
Deficit for the year	(2,841)	(2,444)
Other interest income	(23)	(71)
Decrease in deposits with banks with original maturity beyond 3 months	2,946	2,251
Decrease in payables and other liabilities	—	(29)
Interest received	31	76
Net cash from/ (used in) operating activities	113	(217)
HONG KONG ATHLETES FUND		
(Deficit)/ Surplus for the year	(4,635)	162
Interest income from debt securities	—	(212)
Other interest income	(174)	(286)
Dividend income	(174)	(181)
Decrease in investments in securities	3,205	5,416
Placement with the Exchange Fund	(13,248)	—
(Increase)/ Decrease in deposits with banks with original maturity beyond 3 months	(3,776)	12,256
Decrease in payables and other liabilities	(3)	(626)
Interest received	172	624
Dividend received	174	180
Net cash (used in)/ from operating activities	(18,459)	17,333
ARTS AND SPORT DEVELOPMENT FUND		
(Deficit)/ Surplus for the year	(306,844)	58,893
Interest income from debt securities	(893)	(2,544)
Other interest income	(27,614)	(56,683)
Dividend income	(39,441)	(22,701)
(Increase)/ Decrease in investments in securities	(347,415)	208,329
Placement with the Exchange Fund	(350,000)	—
Decrease in deposits with banks with original maturity beyond 3 months	249,426	642,511
Increase in payables and other liabilities	5,177	550
Decrease/ (Increase) in other receivables	1,551	(806)
Interest received	41,952	59,108
Dividend received	37,957	21,076
Net cash (used in)/ from operating activities	(736,144)	907,733

11. ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS

	2016	2015
	HK\$'000	HK\$'000
MAIN FUND		
Cash at bank	556	502
Deposits with banks	<u>14,000</u>	<u>20,940</u>
	<u>14,556</u>	<u>21,442</u>
 SPORTS AID FOR THE DISABLED FUND		
Cash at bank	49	63
Deposits with banks	<u>—</u>	<u>—</u>
	<u>49</u>	<u>63</u>
 SPORTS AID FOUNDATION FUND		
Cash at bank	72	72
Deposits with banks	<u>—</u>	<u>28,753</u>
	<u>72</u>	<u>28,825</u>
 ARTS DEVELOPMENT FUND		
Cash at bank	231	114
Deposits with banks	<u>2,296</u>	<u>2,300</u>
	<u>2,527</u>	<u>2,414</u>
 HONG KONG ATHLETES FUND		
Cash at bank	320	123
Deposits with banks	<u>—</u>	<u>18,656</u>
	<u>320</u>	<u>18,779</u>
 ARTS AND SPORT DEVELOPMENT FUND		
Cash at bank	2,709	3,852
Deposits with banks	<u>382,740</u>	<u>1,117,741</u>
	<u>385,449</u>	<u>1,121,593</u>
 Reconciliation with the balance sheet:		
	2016	2015
	HK\$'000	HK\$'000
MAIN FUND		
Amounts in the balance sheet:		
Cash at bank	556	502
Deposits with banks	<u>21,291</u>	<u>49,563</u>
	<u>21,847</u>	<u>50,065</u>
Less: Amounts with original maturity beyond 3 months	<u>(7,291)</u>	<u>(28,623)</u>
Cash and cash equivalents in the statement of cash flows	<u>14,556</u>	<u>21,442</u>
 SPORTS AID FOR THE DISABLED FUND		
Amounts in the balance sheet:		
Cash at bank	49	63
Deposits with banks	<u>1,434</u>	<u>7,838</u>
	<u>1,483</u>	<u>7,901</u>
Less: Amounts with original maturity beyond 3 months	<u>(1,434)</u>	<u>(7,838)</u>
Cash and cash equivalents in the statement of cash flows	<u>49</u>	<u>63</u>

11. ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS

— *Continued*

	2016 HK\$'000	2015 HK\$'000
SPORTS AID FOUNDATION FUND		
Amounts in the balance sheet:		
Cash at bank	72	72
Deposits with banks	<u>1,000</u>	<u>28,753</u>
	1,072	28,825
Less: Amounts with original maturity beyond 3 months	<u>(1,000)</u>	<u>—</u>
Cash and cash equivalents in the statement of cash flows	<u>72</u>	<u>28,825</u>
ARTS DEVELOPMENT FUND		
Amounts in the balance sheet:		
Cash at bank	231	114
Deposits with banks	<u>2,296</u>	<u>5,246</u>
	2,527	5,360
Less: Amounts with original maturity beyond 3 months	<u>—</u>	<u>(2,946)</u>
Cash and cash equivalents in the statement of cash flows	<u>2,527</u>	<u>2,414</u>
HONG KONG ATHLETES FUND		
Amounts in the balance sheet:		
Cash at bank	320	123
Deposits with banks	<u>5,050</u>	<u>19,930</u>
	5,370	20,053
Less: Amounts with original maturity beyond 3 months	<u>(5,050)</u>	<u>(1,274)</u>
Cash and cash equivalents in the statement of cash flows	<u>320</u>	<u>18,779</u>
ARTS AND SPORT DEVELOPMENT FUND		
Amounts in the balance sheet:		
Cash at bank	2,709	3,852
Deposits with banks	<u>1,017,728</u>	<u>2,002,155</u>
	1,020,437	2,006,007
Less: Amounts with original maturity beyond 3 months	<u>(634,988)</u>	<u>(884,414)</u>
Cash and cash equivalents in the statement of cash flows	<u>385,449</u>	<u>1,121,593</u>

12. CAPITAL RISK MANAGEMENT

Injections from the Government and certain donations received were designated as capital of the Fund.

The capital of the Arts Development Fund, the capital injection of HK\$5 million into the Hong Kong Athletes Fund in March 2009 for the special scheme for young athletes, the total capital of HK\$530 million injected into the Arts and Sport Development Fund up to 31 March 2010 and the injection of HK\$4.9 million donation into the Hong Kong Athletes Fund in March 2012 may be expended specifically for the purposes of these funds. The entire capital of the Main Fund, the Sports Aid for the Disabled Fund, the Sports Aid Foundation Fund and the total capital of HK\$13.248 million injected into the Hong Kong Athletes Fund up to 28 February 2009 are required to be kept intact and only the investment income accruing thereon may be used for the purposes of these funds. The capital of HK\$3 billion injected into the Arts and Sport Development Fund in July 2010 is required to be kept intact in the long run.

The capital of the Fund is managed prudently to generate income for the purposes of the Fund, and to maintain the capital requirements if necessary. The financial risks in the Fund's investment portfolios are monitored on a continuous basis to ensure that such risks are covered before funding is considered for the purposes of the Fund.

13. FINANCIAL RISK MANAGEMENT

(a) Investment management and control

The Director of Accounting Services, as the Trustee of the Fund, has the authority to invest any moneys of the Fund according to the recommendations or parameters set out by the Investment Advisory Committee.

The Investment Advisory Committee is established under section 7(2) of the Sir David Trench Fund for Recreation Ordinance, whose members are appointed by the Chief Executive. The authority of appointment has been delegated by the Chief Executive to the Secretary for Home Affairs.

The investment objective is to generate revenue and/or to achieve long-term capital appreciation by investing in a diversified portfolio in order to sponsor recreational, sporting, cultural and social activities. The investment management and control of the Fund are set out in a documented risk management and investment strategy and reviewed on a regular basis by the Investment Advisory Committee.

(b) Market risk

The Fund is exposed to market risk for its investment in financial instruments. Market risk comprises equity price risk, interest rate risk and currency risk.

(i) Equity price risk

The Fund's investments in equity securities are subject to the equity price risk inherent in all equity securities i.e. the value of holdings may fall as well as rise. At 31 March 2016, the equity securities were included in investments in securities as shown in Note 4. The risk is primarily addressed through diversification of investment portfolio in accordance with a documented risk management and investment strategy, and the Fund monitors the equity price risk on a continuous basis.

If the market bid prices of the equity securities had increased/decreased by 10% (the change in assumption used in the sensitivity analysis was due to the increased volatility in global equity markets after 31 March 2016), with all other variables held constant, the impact on the income for the year would have been as follows:-

	2016 Effect on Income for Changes of 10% in Prices HK\$'000	<i>2015</i> <i>Effect on</i> <i>Income for</i> <i>Changes of</i> <i>5% in Prices</i> <i>HK\$'000</i>
MAIN FUND	± 9,659	<i>± 5,954</i>
SPORTS AID FOUNDATION FUND	± 100	<i>± 762</i>
HONG KONG ATHLETES FUND	± 829	<i>± 575</i>
ARTS AND SPORT DEVELOPMENT FUND	± 148,384	<i>± 56,822</i>

(ii) Interest rate risk

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

Fair value interest rate risk is the risk that the value of financial instruments will fluctuate because of changes in market interest rates. Since the Fund's debt securities and its deposits with banks bear interest at fixed rates, their fair values will fall when market interest rates increase. Investments in debt securities are made in accordance with a documented risk management and investment strategy, and the Fund monitors the fair value interest rate risk on a continuous basis. As regards deposits

Sir David Trench Fund For Recreation

with banks, since they are all stated at amortised cost, their carrying amounts and the Fund's income and accumulated funds will not be affected by changes in market interest rates.

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 has no exposure to cash flow interest rate risk because there is no holding of debt securities bearing interest at rates determined by reference to market interest rates.

The table below sets out the Fund's exposure to interest rate risk, based on the major interest bearing assets stated at carrying amounts at the balance sheet date and categorised by the earlier of contractual repricing dates or maturity dates for each group of assets.

	Repricing Period			Total HK\$'000
	Up to 3 months HK\$'000	Over 3 months to 1 year HK\$'000	Over 1 year to 5 years HK\$'000	
MAIN FUND				
2016				
Deposits with banks	21,291	—	—	21,291
2015				
Deposits with banks	49,563	—	—	49,563
SPORTS AID FOR THE DISABLED FUND				
2016				
Deposits with banks	—	1,434	—	1,434
2015				
Deposits with banks	6,830	1,008	—	7,838
SPORTS AID FOUNDATION FUND				
2016				
Deposits with banks	—	1,000	—	1,000
2015				
Deposits with banks	28,753	—	—	28,753

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	Repricing Period			Total HK\$'000
	Up to 3 months HK\$'000	Over 3 months to 1 year HK\$'000	Over 1 year to 5 years HK\$'000	
ARTS DEVELOPMENT FUND				
2016				
Deposits with banks	2,296	—	—	2,296
2015				
Deposits with banks	5,246	—	—	5,246
HONG KONG ATHLETES FUND				
2016				
Deposits with banks	—	5,050	—	5,050
2015				
Deposits with banks	19,930	—	—	19,930
ARTS AND SPORT DEVELOPMENT FUND				
2016				
Deposits with banks	568,740	448,988	—	1,017,728
Debt securities	—	—	29,799	29,799
	568,740	448,988	29,799	1,047,527
2015				
Deposits with banks	1,745,673	256,482	—	2,002,155
Debt securities	—	—	29,786	29,786
	1,745,673	256,482	29,786	2,031,941

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(iii) Currency risk

Currency risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to the changes in foreign exchange rates. The Fund's investments denominated in currencies other than Hong Kong dollar are exposed to currency risk. The Fund only makes investments denominated in Hong Kong dollar, US dollar, Renminbi and currencies of countries whose foreign currency long-term debt has a high credit rating. The exposure to currencies other than Hong Kong dollar is handled in accordance with a documented risk management and investment strategy, and the Fund monitors the currency risk on a continuous basis.

The following table summarises the net exposure to individual currencies at the balance sheet date:

	Currency	2016 HK\$'000	2015 HK\$'000
MAIN FUND	HK dollar	82,863	62,000
	US dollar	57,554	70,298
	Renminbi	8	34,580
		<u>140,425</u>	<u>166,878</u>
SPORTS AID FOR THE DISABLED FUND	HK dollar	6,966	6,919
	US dollar	1,031	1,022
		<u>7,997</u>	<u>7,941</u>
SPORTS AID FOUNDATION FUND	HK dollar	42,696	31,250
	US dollar	32	12,824
		<u>42,728</u>	<u>44,074</u>
ARTS DEVELOPMENT FUND	HK dollar	1,009	2,394
	US dollar	1,519	2,975
		<u>2,528</u>	<u>5,369</u>
HONG KONG ATHLETES FUND	HK dollar	22,560	13,891
	US dollar	4,374	14,188
	Renminbi	6	3,496
		<u>26,940</u>	<u>31,575</u>
ARTS AND SPORT DEVELOPMENT FUND	HK dollar	1,847,306	813,171
	US dollar	870,668	714,539
	Euro	47,916	24,747
	Japanese yen	38,313	19,049
	Renminbi	31	1,580,008
	Pound sterling	33,387	17,081
	Others	47,334	23,204
	<u>2,884,955</u>	<u>3,191,799</u>	

As the exchange rate of Hong Kong dollars is pegged to the US dollars, foreign currency risk between Hong Kong dollars and US dollars is limited. Therefore, the Fund does not have significant exposure to currency risk for its US dollar-denominated assets.

The Main Fund, the Hong Kong Athletes Fund and the Arts and Sport Development Fund had deposits with banks and cash at bank denominated in currencies other than Hong Kong and US dollars at the balance sheet date. As the balances for the Main Fund and the Hong Kong Athletes Fund were minimal, they do not have significant exposure to currency risk. It was estimated that, as at 31 March 2016, a 5% increase/decrease in the exchange rate of other currencies against the Hong Kong dollar, with all other variables held constant, would increase/decrease the exchange gains/losses as included in revaluation gains/losses for the year by HK\$8.3 million for the Arts and Sport Development Fund (2015: HK\$1.7 million, HK\$0.2 million and HK\$83.2 million for the Main Fund, the Hong Kong Athletes Fund and the Arts and Sport Development Fund respectively).

(c) Credit risk

Credit risk is the risk that an issuer or counterparty will be unable or unwilling to pay amounts in full when due. The Fund's financial assets which are potentially subject to credit risk consist principally of debt securities, bank balances and placement with the Exchange Fund. The credit risk associated with interest receivable and placement with the Exchange Fund is considered to be low. The Fund selects issuer or counterparty with good credit standing, strong financial strength and sizable capital. The Fund also limits the individual exposure, in accordance with a documented risk management and investment strategy. Hence, the Fund does not have significant exposure to credit risk and monitoring is done on a continuous basis.

The maximum exposure to credit risk of the financial assets of the Fund is equal to their carrying amounts at the balance sheet date.

To minimise credit risks, only credit ratings provided by recognised credit rating agencies are considered. The credit quality of major financial assets, analysed by the ratings designated by Moody's or their equivalents, at the balance sheet date is shown below:

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	2016 HK\$'000	2015 HK\$'000
MAIN FUND		
Cash at bank and deposits with banks, by credit rating		
Aa1 to Aa3	554	15,933
A1 to A3	<u>21,293</u>	<u>34,132</u>
	<u>21,847</u>	<u>50,065</u>
SPORTS AID FOR THE DISABLED FUND		
Cash at bank and deposits with banks, by credit rating		
Aa1 to Aa3	49	1,071
A1 to A3	<u>1,434</u>	<u>6,830</u>
	<u>1,483</u>	<u>7,901</u>
SPORTS AID FOUNDATION FUND		
Cash at bank and deposits with banks, by credit rating		
Aa1 to Aa3	72	14,085
A1 to A3	<u>1,000</u>	<u>14,740</u>
	<u>1,072</u>	<u>28,825</u>
ARTS DEVELOPMENT FUND		
Cash at bank and deposits with banks, by credit rating		
Aa1 to Aa3	231	2,414
A1 to A3	<u>2,296</u>	<u>2,946</u>
	<u>2,527</u>	<u>5,360</u>
HONG KONG ATHLETES FUND		
Cash at bank and deposits with banks, by credit rating		
Aa1 to Aa3	320	8,186
A1 to A3	<u>5,050</u>	<u>11,867</u>
	<u>5,370</u>	<u>20,053</u>
ARTS AND SPORT DEVELOPMENT FUND		
Cash at bank and deposits with banks, by credit rating		
Aa1 to Aa3	345,790	484,537
A1 to A3	<u>674,647</u>	<u>1,521,470</u>
	<u>1,020,437</u>	<u>2,006,007</u>
Debt securities, by credit rating		
A1 to A3	<u>29,799</u>	<u>29,786</u>
	<u>1,050,236</u>	<u>2,035,793</u>

(d) Liquidity risk

Liquidity risk is the risk that the Fund may not have sufficient funds available to meet its obligations as they fall due. The Fund monitors the liquidity requirements on a continuous basis and maintains a level of short term deposits and cash to pay grants as necessary. Hence, the Fund does not have significant exposure to liquidity risk.

14. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

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

In the absence of quoted market prices, the fair value of the financial instruments classified under Level 2 is estimated using present value or other valuation techniques, using inputs based on market conditions existing at the balance sheet date. Specific valuation techniques and key inputs used to value these financial instruments include quoted market price or broker quotes for similar instruments.

The following table shows the carrying value of financial instruments measured at fair value at the balance sheet date according to the fair value hierarchy:

	Level 1 HK\$'000	Level 2 HK\$'000	Total HK\$'000
Recurring fair value measurements			
MAIN FUND			
2016			
Assets			
Financial assets designated at fair value			
Equity securities	<u>57,623</u>	<u>38,970</u>	<u>96,593</u>
2015			
Assets			
Financial assets designated at fair value			
Equity securities	<u>67,174</u>	<u>51,904</u>	<u>119,078</u>
SPORTS AID FOUNDATION FUND			
2016			
Assets			
Financial assets designated at fair value			
Equity securities	<u>998</u>	<u>–</u>	<u>998</u>
2015			
Assets			
Financial assets designated at fair value			
Equity securities	<u>15,243</u>	<u>–</u>	<u>15,243</u>

	Level 1 HK\$'000	Level 2 HK\$'000	Total HK\$'000
HONG KONG ATHLETES FUND			
2016			
Assets			
Financial assets designated at fair value			
Equity securities	<u>4,001</u>	<u>4,292</u>	<u>8,293</u>
2015			
Assets			
Financial assets designated at fair value			
Equity securities	<u>5,439</u>	<u>6,059</u>	<u>11,498</u>
 ARTS AND SPORT DEVELOPMENT FUND			
2016			
Assets			
Financial assets designated at fair value			
Equity securities	<u>1,430,840</u>	<u>52,996</u>	<u>1,483,836</u>
2015			
Assets			
Financial assets designated at fair value			
Equity securities	<u>1,095,105</u>	<u>41,329</u>	<u>1,136,434</u>

No financial assets or liabilities were classified under Level 3. During the year, there were no transfers of financial instruments between Level 1 and Level 2 of the fair value hierarchy.

The three levels of the fair value hierarchy are:

Level 1 – fair values of financial instruments are quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – fair values of financial instruments are determined involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

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

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

15. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 MARCH 2016

Up to the date of issue of the financial statements, the Hong Kong Institute of Certified Public Accountants has issued a number of amendments, new standards and interpretations which are not yet effective for the year ended 31 March 2016 and which have not been early adopted in the financial statements. The Fund is in the process of making an assessment of the impact expected of these amendments, new standards and interpretations in the period of initial application. So far, it has concluded that the adoption of them is unlikely to have a significant impact on the Fund's financial performance and financial position.

The following developments may result in new or amended disclosures in future financial statements:

	Effective for accounting periods beginning on or after
HKFRS 9, Financial Instruments	1 January 2018

SCHEDULE 1

STATEMENT OF APPROVED GRANTS

(This statement does not include projects completed before 1 April 2015)

<i>Description</i>	<i>Approved Commitment</i> \$	Expenditure Less Refund during 2015/2016 \$	<i>Total Expenditure up to 31.3.2016</i> \$	<i>Unspent Balance (N=Not required)</i> \$
MAIN FUND				
I. NON-CAPITAL WORKS PROJECTS				
(a) Projects approved in 2013-2014				
1 Annual Lump Sum Allocation for Non-Capital Works Projects for Home Affairs Department -to purchase sports and recreational equipment	545,935	27,769	526,417	19,518
2 Mutual Aid Committee, Owners Corporations and Other Residents' Organisations -to purchase sports and recreational equipment	414,665	-	380,274	1,079 33,312 N
Total, Non-Capital Works Projects approved in 2013-2014	960,600	27,769	906,691	53,909
(b) Projects approved in 2014-2015				
1 Caritas - Hong Kong -to purchase sports and recreational equipment	22,227	22,227	22,227	-
2 Chinese YMCA of Hong Kong -to purchase sports and recreational equipment	68,411	67,599	67,599	- 812 N
3 Hong Kong Association of the Deaf -to purchase sports and recreational equipment	2,800	2,800	2,800	-
4 Hong Kong Lutheran Social Service LC-HKS -to purchase sports and recreational equipment	10,516	10,516	10,516	-
5 Hong Kong Student Aid Society -to purchase sports and recreational equipment	29,052	29,052	29,052	-
6 Annual Lump Sum Allocation for Non-Capital Works Projects for Home Affairs Department -to purchase sports and recreational equipment	689,549	230,859	611,527	33,363 44,659 N
7 Annual Lump Sum Allocation for Non-Capital Works Projects for Leisure and Cultural Services Department -to purchase sports and recreational equipment	1,099,633	882,286	1,042,989	34,334 22,310 N
8 Methodist Centre -to purchase sports and recreational equipment	13,688	13,688	13,688	-
9 Mutual Aid Committee, Owners Corporations and Other Residents' Organisations -to purchase sports and recreational equipment	410,490	48,854	366,246	11,291 32,953 N
10 Operation Dawn Limited -to purchase sports and recreational equipment	5,475	5,475	5,475	-
11 Sai Kung District Community Centre Limited -to purchase sports and recreational equipment	68,208	68,208	68,208	-
12 The Boys' and Girls' Clubs Association of Hong Kong -to purchase sports and recreational equipment	24,140	21,295	21,295	- 2,845 N

STATEMENT OF APPROVED GRANTS - Continued

SCHEDULE 1

<i>Description</i>	<i>Approved Commitment</i> \$	Expenditure Less Refund during 2015/2016 \$	<i>Total Expenditure up to 31.3.2016</i> \$	<i>Unspent Balance (N=Not required)</i> \$
13 The Free Methodist Church of Hong Kong -to purchase sports and recreational equipment	24,374	24,374	24,374	-
14 The Hong Kong Federation of Youth Groups -to purchase sports and recreational equipment	16,676	16,676	16,676	-
15 The Mental Health Association of Hong Kong -to purchase sports and recreational equipment	32,753	32,753	32,753	-
16 Wai Ji Christian Service -to purchase sports and recreational equipment	14,884	2,292	14,884	-
Total, Non-Capital Works Projects approved in 2014-2015	<u>2,532,876</u>	<u>1,478,954</u>	<u>2,350,309</u>	<u>182,567</u>
(e) Projects approved in 2015-2016				
1 Chinese YMCA of Hong Kong -to purchase sports and recreational equipment	15,820	15,820	15,820	-
2 Hong Chi Association -to purchase sports and recreational equipment	17,870	-	-	17,870
3 Hong Kong Air Cadet Corps -to purchase sports and recreational equipment	22,480	22,480	22,480	-
4 Hong Kong Association of The Deaf -to purchase sports and recreational equipment	5,780	5,780	5,780	-
5 Hong Kong Lutheran Social Services -to purchase sports and recreational equipment	9,300	9,300	9,300	-
6 Hong Kong - Macao Conference of Seventh-day Adventists Social Service Department -to purchase sports and recreational equipment	16,396	-	-	16,396
7 Hong Kong Playground Association -to purchase sports and recreational equipment	16,909	-	-	16,909
8 Hong Kong Sea Cadet Corps -to purchase sports and recreational equipment	45,322	45,322	45,322	-
9 Hong Kong Sheng Kung Hui Welfare Council Limited -to purchase sports and recreational equipment	86,061	29,959	29,959	46,442 9,660 N
10 Annual Lump Sum Allocation for Non-Capital Works Projects for Home Affairs Department -to purchase sports and recreational equipment	677,721	374,725	374,725	205,844 97,152 N
11 Annual Lump Sum Allocation for Non-Capital Works Projects for Leisure and Cultural Services Department -to purchase sports and recreational equipment	1,149,460	879,360	879,360	262,110 7,990 N
12 Methodist Epworth Village Community Centre Social Welfare -to purchase sports and recreational equipment	15,867	9,696	9,696	-
13 Mutual Aid Committee, Owners Corporations and Other Residents' Organisations -to purchase sports and recreational equipment	461,661	374,243	374,243	47,953 39,465 N
14 Operation Dawn Limited -to purchase sports and recreational equipment	9,368	-	-	9,368
15 Pentecostal Church of Hong Kong -to purchase sports and recreational equipment	11,310	8,464	8,464	-
16 Po Leung Kuk -to purchase sports and recreational equipment	15,760	-	-	15,760
17 The Hong Kong Federation of Youth Groups -to purchase sports and recreational equipment	25,613	-	-	25,613
18 The Mental Health Association of Hong Kong -to purchase sports and recreational equipment	1,900	-	-	1,900

STATEMENT OF APPROVED GRANTS - Continued

SCHEDULE 1

Description	Approved Commitment \$	Expenditure Less Refund during 2015/2016 \$	Total Expenditure up to 31.3.2016 \$	Unspent Balance (N=Not required) \$
19 The Society for the Aid and Rehabilitation of Drug Abusers -to purchase sports and recreational equipment	6,326	6,326	6,326	-
20 Wu Oi Christian Centre -to purchase sports and recreational equipment	11,640	11,640	11,640	-
21 Yan Oi Tong -to purchase sports and recreational equipment	16,720	-	-	16,720
Total, Non-Capital Works Projects approved in 2015-2016	2,639,284	1,793,115	1,793,115	846,169
Total, Non-Capital Works Projects	6,132,760	3,299,838	5,050,115	1,082,645

II. CAPITAL WORKS PROJECTS

(a) Projects approved in 2011-2012

1 Hong Kong China Dragon Boat Association - Hong Kong China Dragon Boat Training Centre - construction of new pontoon facilities	332,000	-	-	- 332,000 N
2 Hong Kong Playground Association - Southorn Indoor Stadium - installation of LED scoreboards	500,000	-	369,740	130,260
3 Hong Kong Young Women's Christian Association - Sydney Leong Holiday Lodge - construction of a jogging track and installation of fitness equipment	303,404	4,860	230,832	- 72,572 N
4 Shaheen Sports Club - construction of the Shaheen Hockey Academy	500,000	350,000	500,000	-
Total, Capital Works Projects approved in 2011-2012	1,635,404	354,860	1,100,572	534,832

(b) Projects approved in 2012-2013

1 Hong Kong Sport Education Association - construction of a new sports centre	550,000	-	-	550,000
Total, Capital Works Projects approved in 2012-2013	550,000	-	-	550,000

(c) Projects approved in 2013-2014

1 Chinese YMCA of Hong Kong - Y's Men YMCA Wong Yi Chau Youth Camp - construction of adventure challenge courses	590,000	-	-	590,000
2 The Federation of New Territories Youth Foundation Limited - construction of the Federation of New Territories Youth Foundation Limited Integrated Youth Service Centre	540,580	540,580	540,580	-
Total, Capital Works Projects approved in 2013-2014	1,130,580	540,580	540,580	590,000

(d) Projects approved in 2014-2015

1 Ebenezer School and Home for the Visually Impaired - multi-sensory paradise works project	349,120	349,120	349,120	-
Total, Capital Works Projects approved in 2014-2015	349,120	349,120	349,120	-

(e) Projects approved in 2015-2016

1 Shaheen Sports Club - improvement work for hockey development and promotion of the Shaheen Hockey Academy	242,400	-	-	242,400
2 Action Sports Foundation Limited - construction of Action Sports Foundation Sports Centre	660,000	-	-	660,000
3 Windshield Charitable Foundation - Windshield Charitable Foundation Social Services - conversion of an activity room into a dancing room	69,780	-	-	69,780
4 Chinese YMCA of Hong Kong - Kowloon Centre - construction of indoor climbing wall	518,400	-	-	518,400
5 The Warehouse Teenage Club - construction of an adventure-based training complex project (7-meter sport climbing wall)	280,000	-	-	280,000
6 The Hong Kong Federation of Youth Groups - HKFYG Jockey Club Sai Kung Outdoor Training Camp - construction of climbing wall	660,000	-	-	660,000

STATEMENT OF APPROVED GRANTS - Continued

SCHEDULE 1

Description	Approved Commitment \$	Expenditure Less Refund during 2015/2016 \$	Total Expenditure up to 31.3.2016 \$	Unspent Balance (N=Not required) \$
Total, Capital Works Projects approved in 2015-2016	<u>2,430,580</u>	<u>-</u>	<u>-</u>	<u>2,430,580</u>
Total, Capital Works Projects	<u>6,095,684</u>	<u>1,244,560</u>	<u>1,990,272</u>	<u>4,105,412</u>
III. SPECIAL PROJECTS				
(a) Projects approved in 2009-2010	19,559,555	2,872,720	15,009,482	- 4,550,073 N
(b) Projects approved in 2010-2011	11,027,632	3,315,367	5,733,985	197,009 5,096,638 N
(c) Projects approved in 2011-2012	6,863,853	761,523	2,145,820	3,000,000 1,718,033 N
(d) Projects approved in 2012-2013	3,508,017	2,135,802	2,498,498	918,459 91,060 N
(e) Projects approved in 2013-2014	3,348,790	1,624,746	2,388,786	709,196 250,808 N
(f) Projects approved in 2014-2015	9,989,597	1,770,932	1,770,932	8,189,573 29,092 N
(g) Projects approved in 2015-2016	9,844,590	-	-	9,434,910 409,680 N
Total, Special Projects	<u>64,142,034</u>	<u>12,481,090</u>	<u>29,547,503</u>	<u>34,594,531</u>
Total, MAIN FUND	<u>76,370,478</u>	<u>17,025,488</u>	<u>36,587,890</u>	<u>39,782,588</u>
			Outstanding commitment	26,932,457
			Balance not required (N)	<u>12,850,131</u>
			Total unspent balance	<u>39,782,588</u>

STATEMENT OF APPROVED GRANTS - Continued

SCHEDULE 1

Description	Approved Commitment \$	Expenditure Less Refund during 2015/2016 \$	Total Expenditure up to 31.3.2016 \$	Unspent Balance (N=Not required) \$
ARTS DEVELOPMENT FUND				
(a) Projects approved in 2012-2013				
Arts Development Fund Grants	3,137,946	-	2,872,162	23,180
-subsidy for cultural exchange projects				242,604 N
Total, Projects approved in 2012-2013	<u>3,137,946</u>	<u>-</u>	<u>2,872,162</u>	<u>265,784</u>
(b) Projects approved in 2013-2014				
Arts Development Fund Grants	3,105,374	-	2,913,410	94,100
-subsidy for cultural exchange projects				97,864 N
Total, Projects approved in 2013-2014	<u>3,105,374</u>	<u>-</u>	<u>2,913,410</u>	<u>191,964</u>
(c) Projects approved in 2014-2015				
Arts Development Fund Grants	3,159,900	1,046,878	2,785,676	65,800
-subsidy for cultural exchange projects				308,424 N
Total, Projects approved in 2014-2015	<u>3,159,900</u>	<u>1,046,878</u>	<u>2,785,676</u>	<u>374,224</u>
(d) Projects approved in 2015-2016				
Arts Development Fund Grants	3,645,700	1,827,763	1,827,763	1,613,200
-subsidy for cultural exchange projects				204,737 N
Total, Projects approved in 2015-2016	<u>3,645,700</u>	<u>1,827,763</u>	<u>1,827,763</u>	<u>1,817,937</u>
Total, ARTS DEVELOPMENT FUND	<u>13,048,920</u>	<u>2,874,641</u>	<u>10,399,011</u>	<u>2,649,909</u>
			Outstanding commitment	1,796,280
			Balance not required (N)	853,629
			Total unspent balance	<u>2,649,909</u>

STATEMENT OF APPROVED GRANTS - Continued

SCHEDULE 1

Description	Approved Commitment \$	Expenditure Less Refund during 2015/2016 \$	Total Expenditure up to 31.3.2016 \$	Unspent Balance (N=Not required) \$
HONG KONG ATHLETES FUND				
(a) Projects approved in 2007-2008				
Hong Kong Athletes Fund Grants	437,900	-	319,968	77,932
-tuition fees for athletes				40,000 N
Total, Projects approved in 2007-2008	437,900	-	319,968	117,932
(b) Projects approved in 2008-2009				
Hong Kong Athletes Fund Grants	1,162,000	-	1,154,980	7,020
-tuition fees for athletes				
Total, Projects approved in 2008-2009	1,162,000	-	1,154,980	7,020
(c) Projects approved in 2009-2010				
Hong Kong Athletes Fund Grants	1,289,390	42,000	935,908	30,882
-tuition fees for athletes				322,600 N
Total, Projects approved in 2009-2010	1,289,390	42,000	935,908	353,482
(d) Projects approved in 2010-2011				
Hong Kong Athletes Fund Grants	962,500	21,300	908,795	53,705
-tuition fees for athletes				
Total, Projects approved in 2010-2011	962,500	21,300	908,795	53,705
(e) Projects approved in 2011-2012				
Hong Kong Athletes Fund Grants	783,860	22,500	730,020	53,840
-Hong Kong 2009 East Asian Games Education Scheme				
Total, Projects approved in 2011-2012	783,860	22,500	730,020	53,840
(f) Projects approved in 2012-2013				
1 Hong Kong Athletes Fund Grants	1,363,150	232,850	1,236,650	126,500
-tuition fees for athletes				
2 Hong Kong Athletes Fund Grants	504,250	46,250	399,250	105,000
-Hong Kong 2009 East Asian Games Education Scheme				
Total, Projects approved in 2012-2013	1,867,400	279,100	1,635,900	231,500
(g) Projects approved in 2013-2014				
1 Hong Kong Athletes Fund Grants	752,900	113,450	563,550	189,350
-tuition fees for athletes				
2 Hong Kong Athletes Fund Grants	336,400	134,600	260,700	75,700
-Hong Kong 2009 East Asian Games Education Scheme				
Total, Projects approved in 2013-2014	1,089,300	248,050	824,250	265,050
(h) Projects approved in 2014-2015				
1 Hong Kong Athletes Fund Grants	1,335,353	382,665	625,345	710,008
-tuition fees for athletes				
2 Hong Kong Athletes Fund Grants	1,191,320	391,050	510,600	680,720
-Hong Kong 2009 East Asian Games Education Scheme				
Total, Projects approved in 2014-2015	2,526,673	773,715	1,135,945	1,390,728
(i) Projects approved in 2015-2016				
1 Hong Kong Athletes Fund Grants	1,694,770	147,451	147,451	1,547,319
-tuition fees for athletes				
2 Hong Kong Athletes Fund Grants	1,242,310	113,550	113,550	1,128,760
-Hong Kong 2009 East Asian Games Education Scheme				
3 Hong Kong Athletes Fund Grants	2,167,200	2,167,200	2,167,200	-
-Elite Athletes Performance Recognition Scheme				
Total, Projects approved in 2015-2016	5,104,280	2,428,201	2,428,201	2,676,079
Total, HONG KONG ATHLETES FUND	15,223,303	3,814,866	10,073,967	5,149,336
			Outstanding commitment	4,786,736
			Balance not required (N)	362,600
			Total unspent balance	5,149,336

STATEMENT OF APPROVED GRANTS - Continued

SCHEDULE 1

<i>Description</i>	<i>Approved Commitment \$</i>	Expenditure Less Refund during 2015/2016 \$	<i>Total Expenditure up to 31.3.2016 \$</i>	<i>Unspent Balance (N=Not required) \$</i>
ARTS AND SPORT DEVELOPMENT FUND				
(a) Projects approved in 2002-2003				
Hong Kong Arts Development Council -to provide financial support for Hong Kong Arts Development Council to implement its three year strategic plan and for other projects which are not included in the plan but will make a significant contribution to the further development of arts in the community.	6,760,000	-	5,816,774	943,226
Total, Projects approved in 2002-2003	<u>6,760,000</u>	<u>-</u>	<u>5,816,774</u>	<u>943,226</u>
(b) Projects approved in 2005-2006				
Hong Kong Arts Development Council -to provide financial support for Hong Kong Arts Development Council to implement its three year strategic plan and for other projects which are not included in the plan but will make a significant contribution to the further development of arts in the community.	16,205,050	-	15,838,021	367,029
Total, Projects approved in 2005-2006	<u>16,205,050</u>	<u>-</u>	<u>15,838,021</u>	<u>367,029</u>
(c) Projects approved in 2007-2008				
Hong Kong Arts Development Council -to provide financial support for Hong Kong Arts Development Council to implement projects initiated by Hong Kong Arts Development Council and other projects which will make significant contribution to the further development of the arts in the community.	19,552,500	-	17,783,703	1,768,797
Total, Projects approved in 2007-2008	<u>19,552,500</u>	<u>-</u>	<u>17,783,703</u>	<u>1,768,797</u>
(d) Projects approved in 2008-2009				
Hong Kong Arts Development Council -to provide financial support for Hong Kong Arts Development Council to implement projects initiated by Hong Kong Arts Development Council and other projects which will make significant contribution to the further development of the arts in the community.	20,785,000	328,437	18,444,647	2,340,353
Total, Projects approved in 2008-2009	<u>20,785,000</u>	<u>328,437</u>	<u>18,444,647</u>	<u>2,340,353</u>
(e) Projects approved in 2009-2010				
Hong Kong Arts Development Council -to provide financial support for Hong Kong Arts Development Council to implement projects initiated by Hong Kong Arts Development Council and other projects which will make significant contribution to the further development of the arts in the community.	27,149,700	749,039	24,740,952	2,408,748
Total, Projects approved in 2009-2010	<u>27,149,700</u>	<u>749,039</u>	<u>24,740,952</u>	<u>2,408,748</u>
(f) Projects approved in 2010-2011				
Hong Kong Arts Development Council -to provide financial support for Hong Kong Arts Development Council to implement projects initiated by Hong Kong Arts Development Council and other projects which will make significant contribution to the further development of the arts in the community.	18,098,000	372,185	16,858,904	1,239,096
Total, Projects approved in 2010-2011	<u>18,098,000</u>	<u>372,185</u>	<u>16,858,904</u>	<u>1,239,096</u>

STATEMENT OF APPROVED GRANTS - Continued

SCHEDULE 1

Description	Approved Commitment \$	Expenditure Less Refund during 2015/2016 \$	Total Expenditure up to 31.3.2016 \$	Unspent Balance (N=Not required) \$
(g) Projects approved in 2011-2012				
1 Hong Kong Arts Development Council -to provide financial support for Hong Kong Arts Development Council to implement projects initiated by Hong Kong Arts Development Council and other projects which will make significant contribution to the further development of the arts in the community.	26,105,000	530,916	23,902,076	2,202,924
Total, Projects approved in 2011-2012	26,105,000	530,916	23,902,076	2,202,924
(h) Projects approved in 2012-2013				
1 Hong Kong Arts Development Council -to provide financial support for Hong Kong Arts Development Council to implement projects initiated by Hong Kong Arts Development Council and other projects which will make significant contribution to the further development of the arts in the community.	34,000,000	2,387,823	28,496,746	5,503,254
2 Various Sports Organisations -to support sport projects which will make a significant contribution to the further development of sport in the community	104,095,039	-	91,351,502	12,743,537 N
3 Arts Capacity Development Funding Scheme -to support larger scale and cross-year arts and cultural initiatives/ projects for enhancing capacity development for promising arts groups and arts practitioners as well as encouraging the community and private sector to sponsor the arts	29,440,000	1,073,644	26,626,703	2,199,254 614,043 N
Total, Projects approved in 2012-2013	167,535,039	3,461,467	146,474,951	21,060,088
(i) Projects approved in 2013-2014				
1 Hong Kong Arts Development Council -to provide financial support for Hong Kong Arts Development Council to implement projects initiated by Hong Kong Arts Development Council and other projects which will make significant contribution to the further development of the arts in the community.	34,116,600	3,355,128	27,880,728	6,235,872
2 Various Sports Organisations -to support sport projects which will make a significant contribution to the further development of sport in the community	85,555,366	-	78,254,147	7,301,219 N
3 Arts Capacity Development Funding Scheme -to support larger scale and cross-year arts and cultural initiatives/ projects for enhancing capacity development for promising arts groups and arts practitioners as well as encouraging the community and private sector to sponsor the arts	33,860,000	6,479,116	25,810,105	7,967,011 82,884 N
Total, Projects approved in 2013-2014	153,531,966	9,834,244	131,944,980	21,586,986
(j) Projects approved in 2014-2015				
1 Hong Kong Arts Development Council -to provide financial support for Hong Kong Arts Development Council to implement projects initiated by Hong Kong Arts Development Council and other projects which will make significant contribution to the further development of the arts in the community.	28,389,500	1,440,000	21,463,050	6,926,450
2 Various Sports Organisations -to support sport projects which will make a significant contribution to the further development of sport in the community	98,055,312	6,514,883	84,693,612	13,361,700
3 Arts Capacity Development Funding Scheme -to support larger scale and cross-year arts and cultural initiatives/ projects for enhancing capacity development for promising arts groups and arts practitioners as well as encouraging the community and private sector to sponsor the arts	38,251,000	12,149,000	20,291,900	17,959,100
Total, Projects approved in 2014-2015	164,695,812	20,103,883	126,448,562	38,247,250

STATEMENT OF APPROVED GRANTS - Continued

SCHEDULE 1

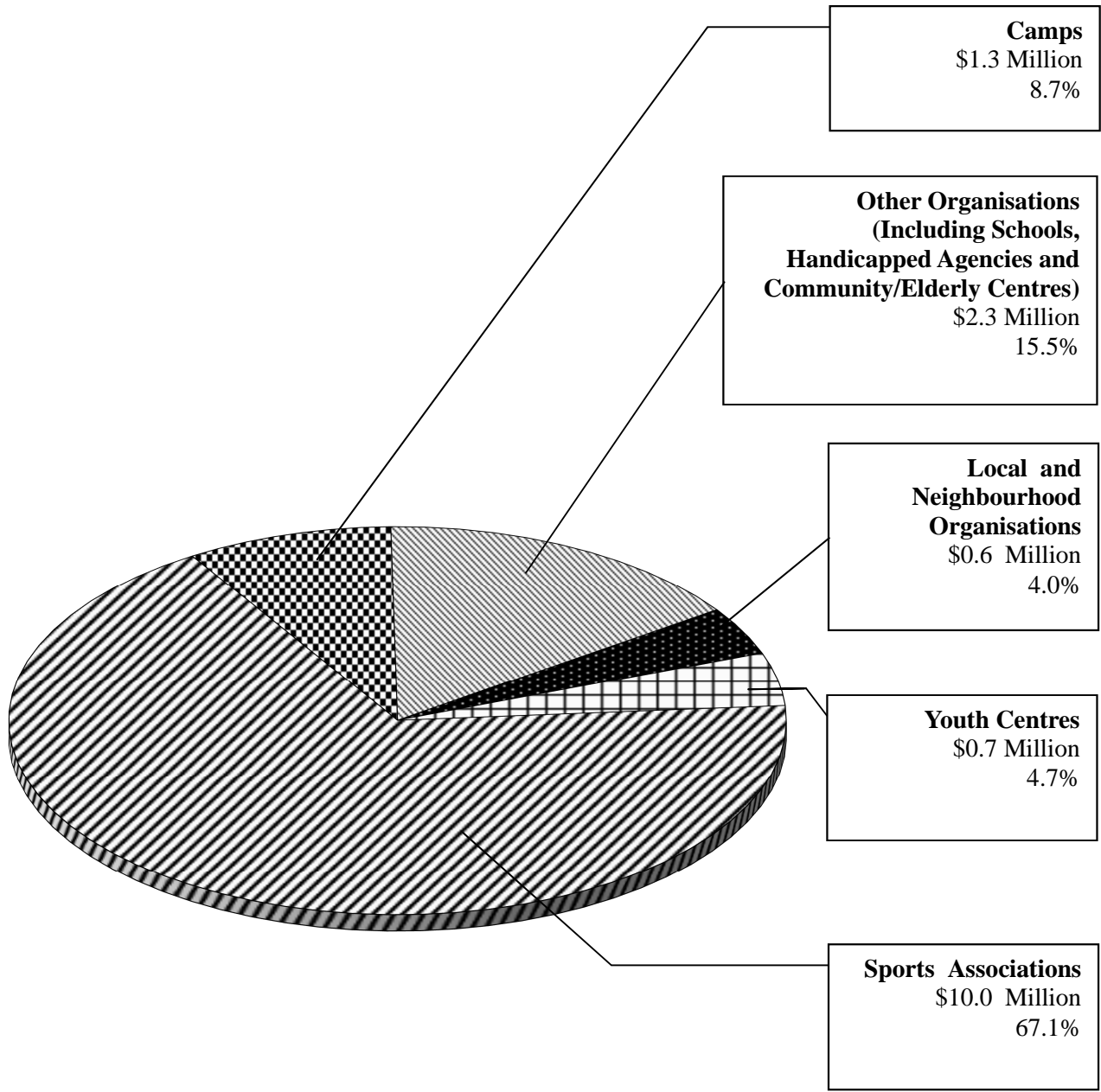
<i>Description</i>	<i>Approved Commitment</i> \$	Expenditure Less Refund during 2015/2016 \$	<i>Total Expenditure up to 31.3.2016</i> \$	<i>Unspent Balance (N=Not required)</i> \$
(k) Projects approved in 2015-2016				
1 Hong Kong Arts Development Council -to provide financial support for Hong Kong Arts Development Council to implement projects initiated by Hong Kong Arts Development Council and other projects which will make significant contribution to the further development of the arts in the community.	31,124,000	22,959,000	22,959,000	8,165,000
2 Various Sports Organisations -to support sport projects which will make a significant contribution to the further development of sport in the community	130,906,743	93,084,014	93,084,014	37,822,729
3 Arts Capacity Development Funding Scheme -to support larger scale and cross-year arts and cultural initiatives/ projects for enhancing capacity development for promising arts groups and arts practitioners as well as encouraging the community and private sector to sponsor the arts	29,640,000	7,078,000	7,078,000	22,562,000
Total, Projects approved in 2015-2016	<u>191,670,743</u>	<u>123,121,014</u>	<u>123,121,014</u>	<u>68,549,729</u>
Total, ARTS AND SPORT DEVELOPMENT FUND	<u>812,088,810</u>	<u>158,501,185</u>	<u>651,374,584</u>	<u>160,714,226</u>
			Outstanding commitment	139,972,543
			Balance not required (N)	<u>20,741,683</u>
			Total unspent balance	<u>160,714,226</u>
GRAND TOTAL	<u>916,731,511</u>	<u>182,216,180</u>	<u>708,435,452</u>	<u>208,296,059</u>
			Outstanding commitment	173,488,016
			Balance not required (N)	<u>34,808,043</u>
			Total unspent balance	<u>208,296,059</u>

SCHEDULE 2

SUMMARY OF APPROVED GRANTS AND OUTSTANDING COMMITMENTS AS AT 31 MARCH 2016

Fund	Grants approved		Outstanding commitments
	From 1.4.2015 to 31.3.2016	Cumulative to date	
	\$'000	\$'000	\$'000
MAIN FUND	14,914	276,355	26,932
SPORTS AID FOR THE DISABLED FUND	-	15,202	-
SPORTS AID FOUNDATION FUND	-	134,524	-
ARTS DEVELOPMENT FUND	3,646	65,562	1,796
HONG KONG ATHLETES FUND	5,104	22,839	4,787
ARTS AND SPORT DEVELOPMENT FUND	191,671	1,436,908	139,973
	215,335	1,951,390	173,488

**MAIN FUND
APPROVED GRANTS BY TYPES OF ORGANISATION
FOR THE YEAR ENDED 31 MARCH 2016**

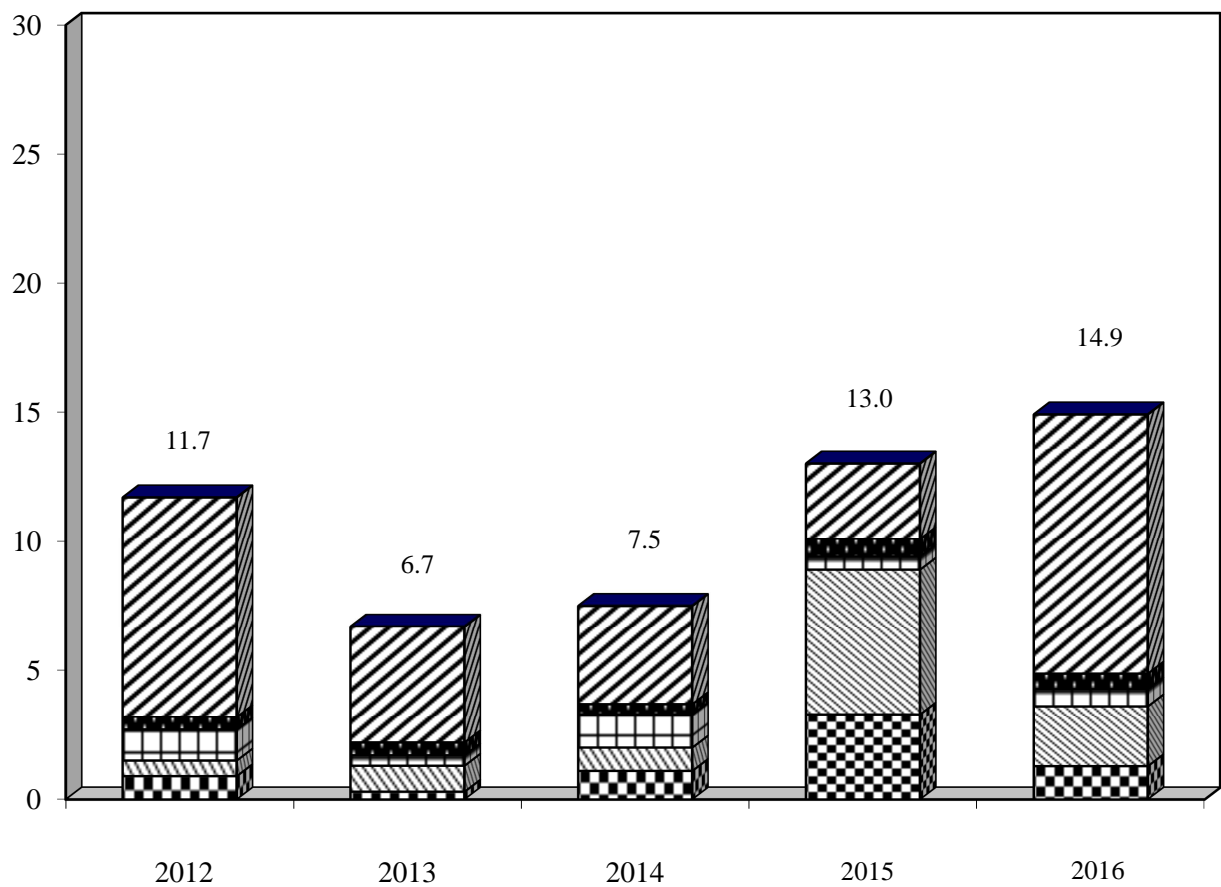


TOTAL APPROVED GRANTS \$14.9 Million

**MAIN FUND
APPROVED GRANTS FOR THE YEARS 2011-12 TO 2015-16**

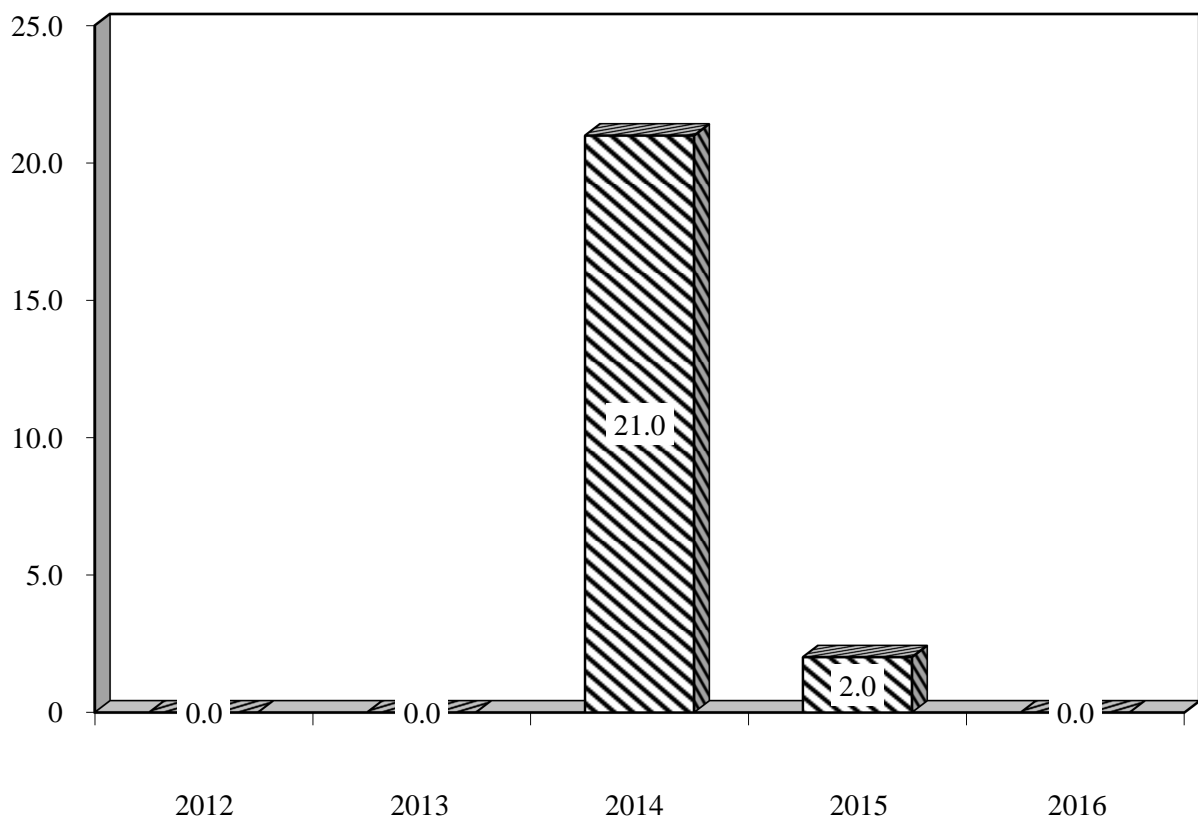


\$Million



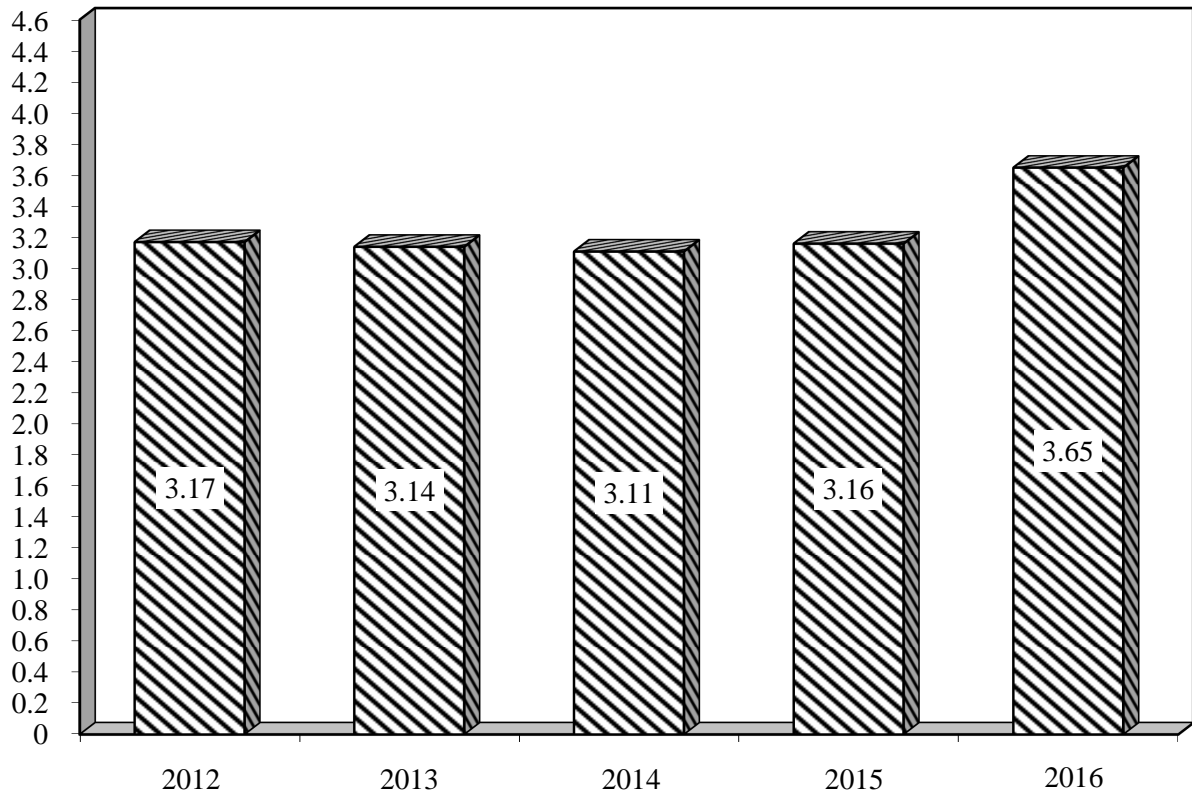
**SPORTS AID FOUNDATION FUND
APPROVED GRANTS FOR THE YEARS 2011-12 TO 2015-16**

\$Million

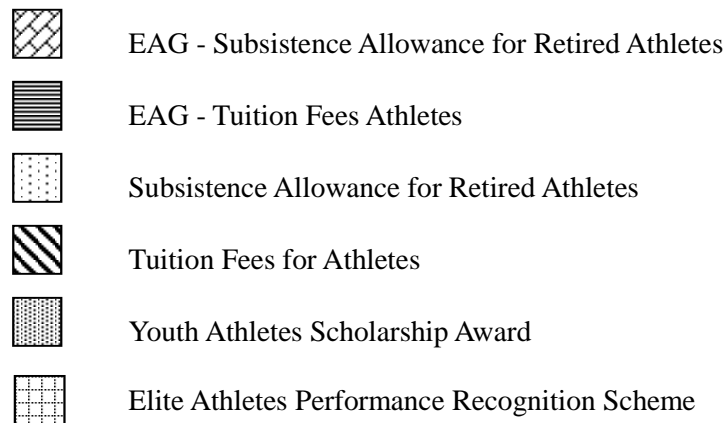


**ARTS DEVELOPMENT FUND
APPROVED GRANTS FOR THE YEARS 2011-12 TO 2015-16**

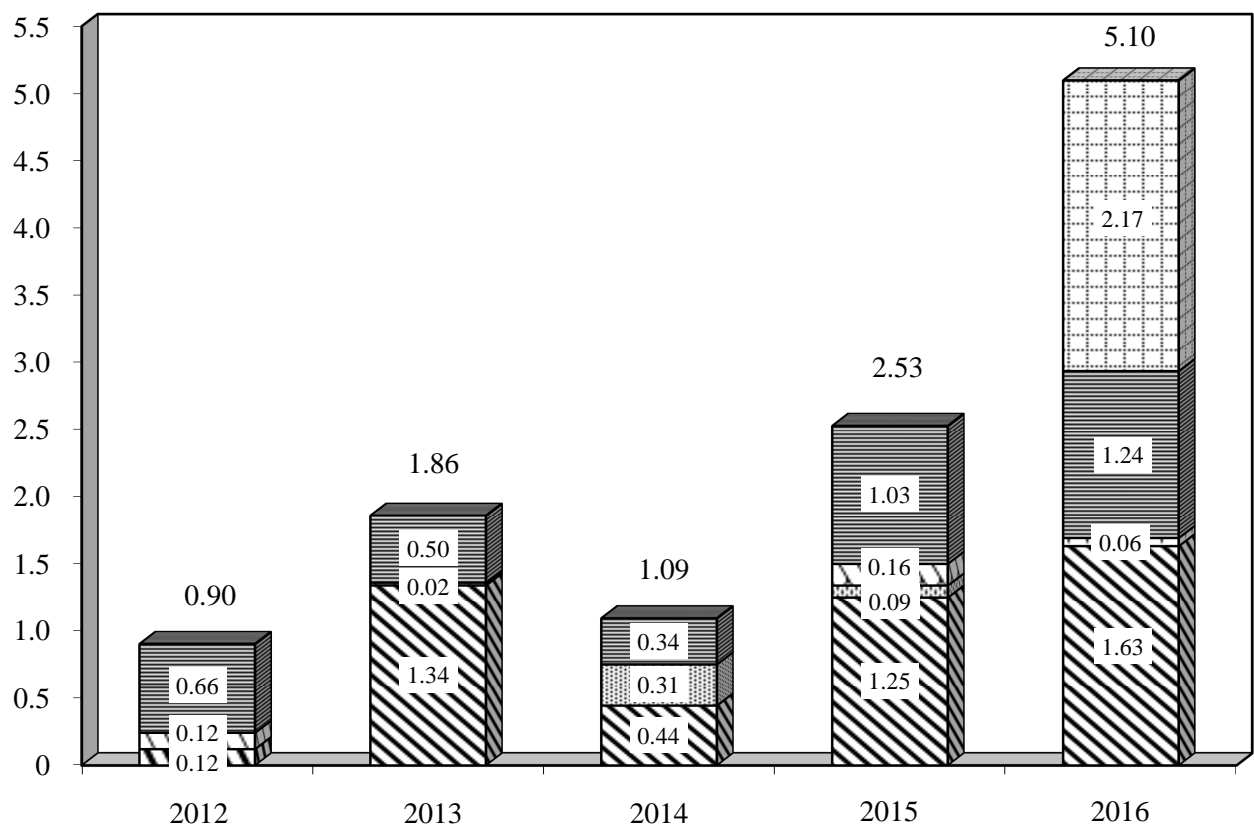
\$Million



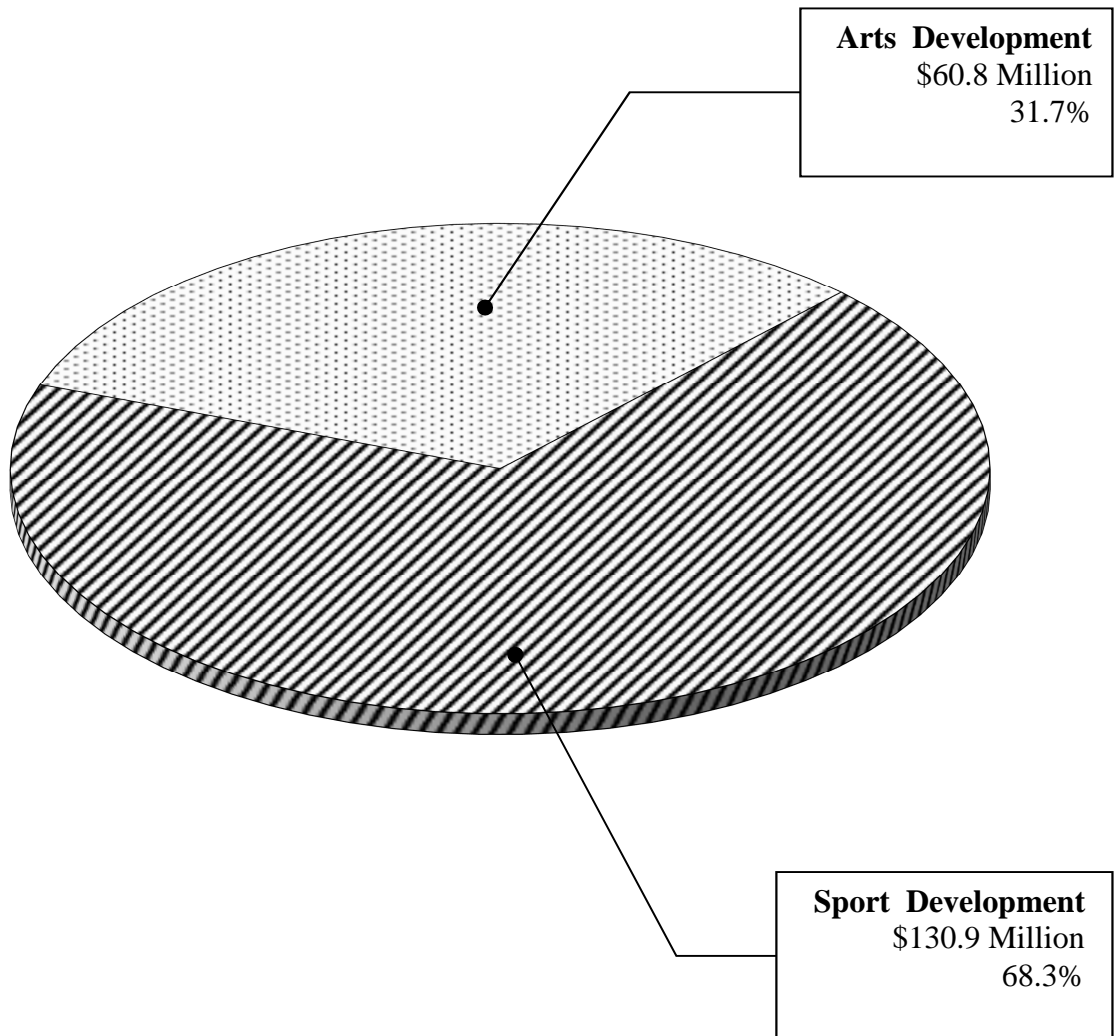
**HONG KONG ATHLETES FUND
APPROVED GRANTS FOR THE YEARS 2011-12 TO 2015-16**



\$Million

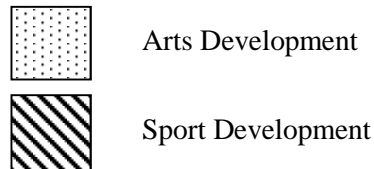


**ARTS AND SPORT DEVELOPMENT FUND
APPROVED GRANTS BY TYPES OF ACTIVITY
FOR THE YEAR ENDED 31 MARCH 2016**

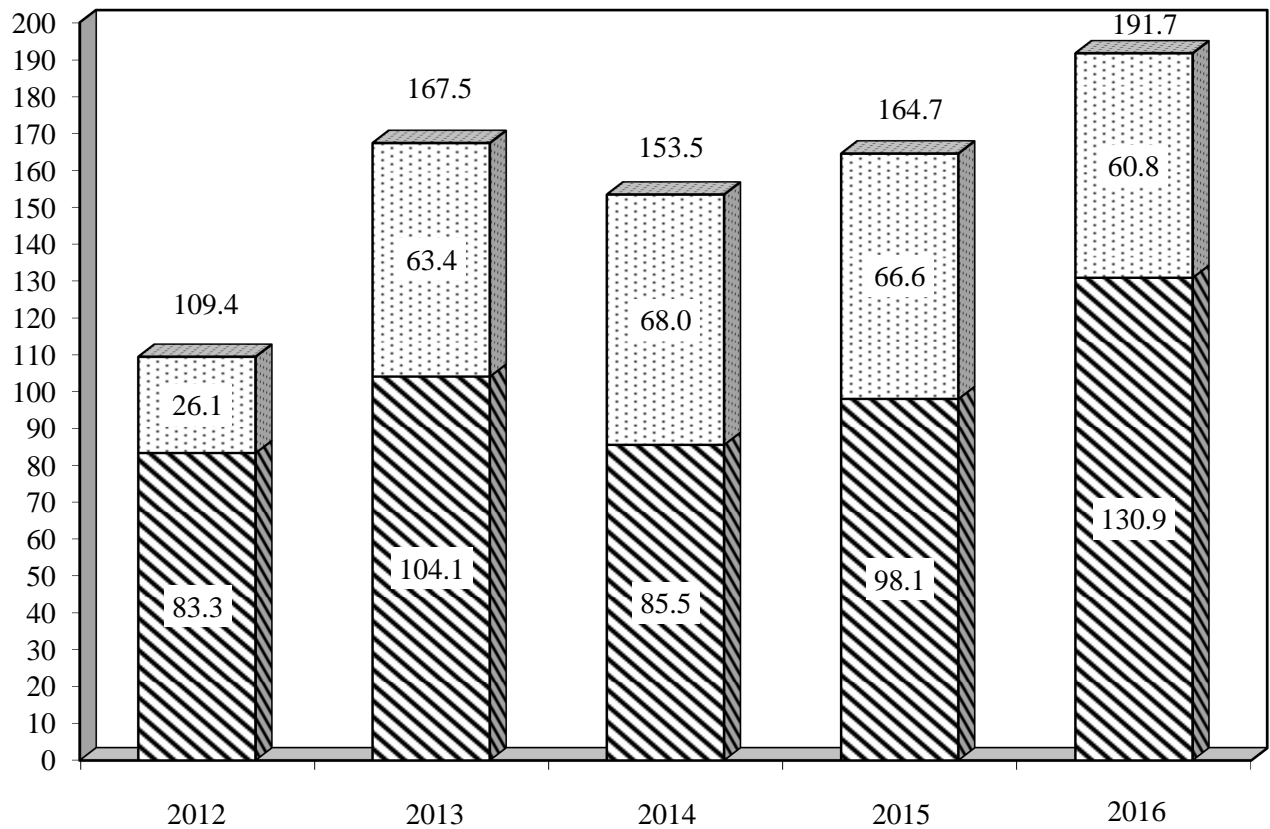


TOTAL APPROVED GRANTS \$191.7 Million

**ARTS AND SPORT DEVELOPMENT FUND
APPROVED GRANTS FOR THE YEARS 2011-12 TO 2015-16**



\$Million



SCHEDULE 3

STATEMENT OF INVESTMENTS AS AT 31 MARCH 2016

Securities	Coupon Rate	Maturity Date	Market Value \$'000
MAIN FUND			
(a) Hong Kong Listed Equity Securities:			
Tracker Fund of Hong Kong			46,463
(b) Overseas Equity Securities:			
Listed - SPDR S&P 500 Exchange Traded Fund			11,160
Unlisted - MSCI World Index Non-Lending Qualified Purchasers Common Trust Fund			38,970
Total, MAIN FUND			<u>96,593</u>
SPORTS AID FOUNDATION FUND			
(a) Hong Kong Listed Equity Securities:			
Tracker Fund of Hong Kong			998
Total, SPORTS AID FOUNDATION FUND			<u>998</u>
HONG KONG ATHLETES FUND			
(a) Hong Kong Listed Equity Securities:			
Tracker Fund of Hong Kong			4,001
(b) Overseas Equity Securities:			
Unlisted - MSCI World Index Non-Lending Qualified Purchasers Common Trust Fund			4,292
Total, HONG KONG ATHLETES FUND			<u>8,293</u>
ARTS AND SPORT DEVELOPMENT FUND			
(a) Hong Kong Listed Equity Securities:			
Tracker Fund of Hong Kong			385,791
Listed - investment portfolio under the management of external investment manager			304,713
(b) Overseas Equity Securities:			
Listed - SPDR S&P 500 Exchange Traded Fund			313,915
Listed - investment portfolio under the management of external investment manager			426,421
Unlisted - MSCI World Index Non-Lending Qualified Purchasers Common Trust Fund			52,996
(c) US Dollar-denominated Debt Securities:			
China Construction Bank (Asia) Corporation Ltd	3.25%	2.7.2019	29,799
Total, ARTS AND SPORT DEVELOPMENT FUND			<u>1,513,635</u>