

Report of the Trustees 基金信託人報告

基金信託人現謹提呈截至二〇〇七年六月三十日止年度的年報及已審核財務報表。

主要活動

根據信託契約，在過去一年香港賽馬會慈善信託基金（「信託基金」）主要活動為資助本港慈善機構及社區計劃。

財務報表

信託基金本年度收支詳情見於第一百三十二頁的收支表。在年報及已審核財務報表內一切金額數字，除非另外說明，否則均以百萬港元表值。

基金

信託基金本年度的基金變動情況見財務報表附註8。

捐款

年內信託基金撥款十億四千九百萬港元作慈善用途，詳情見第七十二頁至七十九頁。

基金信託人

基金信託人由香港賽馬會的十二位董事兼任，成員名單詳列於本年報第四頁。

於二〇〇六年八月三十一日，利子厚先生獲委為基金信託人，以補替夏佳理議員，而陳南祿先生亦獲委為基金信託人，以補替鄭明訓先生。

管理合約

在本年度內，信託基金並無為整體業務或其中任何重要部分的行政管理事宜簽訂任何合約，亦無任何有關的現存合約。

核數師

有關財務報表已經由羅兵咸永道會計師事務所審核，該核數師亦按章引退，但符合資格且願意續受聘任。

本報告乃根據基金信託人的決議案制定並由本人代表基金信託人簽發。

主席

陳祖澤

二〇〇七年七月二十日

The Trustees have pleasure in submitting their annual report and the audited financial statements for the year ended 30 June 2007.

Principal activities

During the year, The Hong Kong Jockey Club Charities Trust (the “Trust”) was primarily engaged in supporting charitable organisations and community projects in Hong Kong in accordance with the Trust Deed.

Financial statements

The results of the Trust for the year are set out in the income and expenditure account on page 132. All figures in the annual report and the audited financial statements are expressed in millions of Hong Kong dollars unless otherwise stated.

Funds

Movements in funds of the Trust during the year are set out in note 8 to the financial statements.

Donations

During the year, the Trust allocated HK\$1,049 million for charitable purposes, as shown on pages 72 to 79.

Trustees

The Trustees of the Trust are the twelve Stewards of The Hong Kong Jockey Club as listed on page 4 of this annual report.

Mr Michael T H Lee and Mr Philip N L Chen were appointed as Trustees on 31 August 2006 to replace The Hon Ronald Arculli and Mr Paul M F Cheng.

Management contracts

No contracts concerning the management and administration of the whole or any substantial part of the business of the Trust were entered into or existed during the year.

Auditors

The financial statements have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for re-appointment.

This report is prepared in accordance with a resolution of the Trustees and is signed for and on behalf of the Trustees.

John C C Chan

Chairman

20 July 2007

致香港賽馬會慈善信託基金信託人
(於香港成立)

本核數師(以下簡稱「我們」)已審核列載於第一百三十二頁至一百四十四頁香港賽馬會慈善信託基金(「信託基金」)的財務報表。此等財務報表包括信託基金二〇〇七年六月三十日的資產負債表,以及截至該日止年度的收支表、基金變動表及現金流量表,以及主要會計政策概要及其他附註解釋。

基金信託人就財務報表所須承擔的責任

基金信託人須負責根據香港會計師公會頒佈的香港財務報告準則及香港賽馬會慈善信託基金契約編製及真實而公平地列報此等財務報表。這項責任包括設計、實施及維護與編製及真實而公平地列報財務報表有關的內部控制,使財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述;選擇和應用適當的會計政策;以及按情況作出合理的會計估計。

核數師的責任

我們的責任是根據我們的審核對此等財務報表作出意見,並按照香港賽馬會慈善信託基金契約僅向基金信託人報告,除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

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

審核涉及執行程序以獲取有關財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷,包括評估由於欺詐或錯誤而導致財務報表存有重大錯誤陳述的風險。在評估此等風險時,核數師考慮與信託基金編製及真實而公平地列報財務報表有關的內部控制,以設計適當的審核程序,但並非為對信託基金的內部控制的效能發表意見。審核亦包括評價基金信託人所採用的會計政策的合適性及所作會計估計的合理性,以及評價財務報表的整體列報方式。

我們相信,我們所獲得的審核憑證充足和適當地為我們的審核意見提供基礎。

意見

我們認為,該等財務報表已根據香港財務報告準則真實而公平地反映信託基金於二〇〇七年六月三十日的業務狀況及截至該日止年度的盈餘及現金流量。

羅兵咸永道會計師事務所

執業會計師
香港,二〇〇七年七月二十日

To the Trustees of The Hong Kong Jockey Club Charities Trust
(established in Hong Kong)

We have audited the financial statements of The Hong Kong Jockey Club Charities Trust (the "Trust") set out on pages 132 to 144, which comprise the balance sheet as at 30 June 2007, and the income and expenditure account, statement of changes in funds and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Trustees' responsibility for the financial statements

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

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with The Hong Kong Jockey Club Charities Trust Deed, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and true and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Trustees, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements give a true and fair view of the state of affairs of the Trust as at 30 June 2007 and of its surplus and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards.

PricewaterhouseCoopers

Certified Public Accountants
Hong Kong, 20 July 2007

Income and Expenditure Account 收支表

截至六月三十日止年度 百萬港元	for the year ended 30 June in HK\$ million	附註 Note	資本基金 Capital Fund		撥款基金 Allocations Fund		總額 Total	
			2007	2006	2007	2006	2007	2006
			重列 Restated	重列 Restated	重列 Restated	重列 Restated	重列 Restated	重列 Restated
撥自香港賽馬會集團	Appropriation from The Hong Kong Jockey Club Group		700	1,100	650	700	1,350	1,800
出售投資的盈餘：	Surplus on sale of investments:							
• 已於七月一日 確認的重估盈餘／(虧損) 變現	• realisation of amounts previously recognised in revaluation reserve at 1 July		635	640	(29)	(10)	606	630
• 本年度所產生的數額	• amount arising in current year		992	512	131	77	1,123	589
			1,627	1,152	102	67	1,729	1,219
投資所得股息收入	Dividend income from							
– 上市	investments – listed		197	160	13	8	210	168
投資所得利息收入	Interest income from							
– 上市	investments – listed		53	24	57	27	110	51
– 非上市	– unlisted		55	67	92	96	147	163
存款利息收入	Interest income from deposits		32	9	60	43	92	52
衍生金融工具的淨收益／(虧損)	Net gains/(losses) of derivative financial instruments		32	(12)	(42)	(10)	(10)	(22)
無人認領彩金及退款	Forfeited dividends and refunds		–	–	53	54	53	54
管理費用支出	Management expenses		–	–	(41)	(37)	(41)	(37)
撥捐慈善機構及 社區計劃前的盈餘	Surplus before allocation to charitable organisations and community projects		2,696	2,500	944	948	3,640	3,448
尚未動用的過往撥款	Previous allocations not utilised		–	–	64	342	64	342
撥款予慈善機構及社區計劃	Allocation to charitable organisations and community projects		–	–	(1,049)	(1,027)	(1,049)	(1,027)
撥入基金的淨盈餘／(虧損)	Net surplus/(deficit) transferred to Funds	8	2,696	2,500	(41)	263	2,655	2,763
基金年初結餘	Funds balance at the beginning of the year	8	11,685	9,185	1,593	1,330	13,278	10,515
基金年底結餘	Funds balance at the end of the year	8	14,381	11,685	1,552	1,593	15,933	13,278

Balance Sheet 資產負債表

六月三十日	at 30 June		資本基金 Capital Fund		撥款基金 Allocations Fund		總額 Total	
百萬港元	in HK\$ million	附註 Note	2007	2006	2007	2006	2007	2006
非流動資產	Non-current assets							
長期投資	Long-term investments	5	16,658	12,866	–	–	16,658	12,866
流動資產	Current assets							
用以資助慈善項目的投資	Investments held to fund							
	charitable projects	6	–	–	4,923	4,118	4,923	4,118
短期存款	Short-term deposits	7	–	–	1,023	1,500	1,023	1,500
貸款及應收款項	Loans and receivables		–	–	45	37	45	37
			–	–	5,991	5,655	5,991	5,655
流動負債	Current liabilities							
尚待支付的撥款	Allocations							
	awaiting payment		–	–	(4,353)	(4,115)	(4,353)	(4,115)
流動資產淨額	Net current assets		–	–	1,638	1,540	1,638	1,540
			16,658	12,866	1,638	1,540	18,296	14,406
基金	Funds	8	16,658	12,866	1,638	1,540	18,296	14,406

基金信託人	John C C Chan
陳祖澤	Robert C Kwok
郭勤功	Trustees

Statement of Changes in Funds 基金變動表

截至六月三十日止年度 百萬港元	for the year ended 30 June in HK\$ million	附註 Note	資本基金 Capital Fund 2007	2006	撥款基金 Allocations Fund 2007	2006	總額 Total 2007	2006
						重列 Restated		重列 Restated
截至七月一日止的基金總值	Total funds as at 1 July		12,866	10,322	1,540	1,334	14,406	11,656
未在收支表中確認的 投資重估增值/(減值)	Surplus/(deficit) on revaluation of investments not recognised in the income and expenditure account	8	1,731	684	110	(67)	1,841	617
年內淨盈餘/(虧損)	Net surplus/(deficit) for the year		2,696	2,500	(41)	263	2,655	2,763
投資的重估(盈餘)/虧損變現	Realisation of investment revaluation reserve	8	(635)	(640)	29	10	(606)	(630)
截至六月三十日止的基金總值	Total funds as at 30 June		16,658	12,866	1,638	1,540	18,296	14,406

Cash Flow Statement 現金流量表

截至六月三十日止年度 百萬港元	for the year ended 30 June in HK\$ million	2007	2006
投資活動的現金流量	Cash flows from investing activities		
已收取利息	Interest received	343	264
已收取股息	Dividends received	211	168
購買可供出售財務資產	Purchase of available-for-sale financial assets	(30,264)	(51,680)
出售可供出售財務資產	Sale of available-for-sale financial assets	28,898	50,292
對衍生金融工具所收／(付)款項	Receipt/(payment) for derivative financial instruments	24	(5)
投資活動的淨現金流出	Net cash outflow from investing activities	(788)	(961)
其他資金變動	Other fund movements		
無人認領彩金及退款	Forfeited dividends and refunds	53	54
撥自香港賽馬會集團	Appropriation from The Hong Kong Jockey Club Group	1,350	1,800
付款予慈善機構及社區計劃	Payments to charitable organisations and community projects	(749)	(566)
管理費用支出	Management expenses	(41)	(37)
其他資金的淨變動	Net movement from other sources	613	1,251
現金及現金等價物淨(減少)/增加	Net (decrease)/increase in cash and cash equivalents	(175)	290
年初現金及現金等價物	Cash and cash equivalents at the beginning of the year	1,810	1,463
兌換收益	Exchange gains	59	57
		1,694	1,810
現金及現金等價物結存分析	Analysis of the balances of cash and cash equivalents		
短期債務證券	Short-term debt securities	671	310
短期存款	Short-term deposits	1,023	1,500
		1,694	1,810

Notes to the Financial Statements 財務報表附註

1 一般資料

香港賽馬會慈善信託基金（「信託基金」）的主要活動，是根據信託契約資助本港的慈善機構及社區計劃。

信託基金在香港成立，註冊地址為香港跑馬地體育道一號。

財務報表以百萬港元為單位列賬。

刊載於第一百三十二頁至一百四十四頁的財務報表，信託人已於二〇〇七年七月二十日審核批准。

2 主要會計政策

下列是用以編製財務報表的主要會計政策。除另有註明外，這些會計政策均一概用於列示的所有年度。

(a) 編製原則

信託基金財務報表是根據香港會計師公會頒佈的香港財務報告準則編製。

財務報表採用原值成本慣例，並對可供出售財務資產、按公平價值透過收支列賬的財務資產及財務負債，以及衍生金融工具的重估作出修訂，然後以公平價值列賬。

按香港財務報告準則編製財務報表時，每每需要作出若干重要的會計估計，亦需要管理層在應用信託基金會計政策的過程中運用其判斷力。有關涉及較多判斷或較為複雜的範疇，又或在綜合財務報表中需作重大假設及估計的範疇，已於附註3內披露。

以下是已公佈而信託基金並未提早採納，但須於二〇〇七年一月一日或之後開始的會計年度強制採納的新訂及經修訂準則。

香港財務報告準則第7號	金融工具：披露
香港會計準則第1號（修訂）	財務報表的呈報—資本披露

除呈報方面有若干更改外，採納以上新訂及經修訂準則對信託基金的財務報表並無構成重大影響。

(b) 基金

信託基金包括資本基金及撥款基金。資本基金乃長線投資並將所得收入再投資於資本基金上，作未來用途。撥款基金乃投資於證券及短期存款中，並用作慈善捐款用途。撥款基金收入包括投資收入、存款利息、香港賽馬會（「馬會」）及其各附屬公司的撥款、無人認領彩金和退款，以及經信託人批准由資本基金轉撥的款項。

1 General information

The Hong Kong Jockey Club Charities Trust (the “Trust”) is primarily engaged in supporting charitable organisations and community projects in Hong Kong in accordance with the Trust Deed.

The Trust is established in Hong Kong. The address of its registered office is 1 Sports Road, Happy Valley, Hong Kong.

The financial statements are presented in millions of Hong Kong dollars (HK\$ million).

The financial statements on pages 132 to 144 were approved by the Trustees on 20 July 2007.

2 Principal accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and financial liabilities at fair value through income or expenditure, and derivative financial instruments which are carried at fair value.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Trust’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The following new and revised standards have been published that are mandatory for the Trust’s accounting periods beginning on or after 1 January 2007 and that the Trust has not early adopted:

HKFRS 7	Financial instruments: Disclosures
Amendment to HKAS 1	Presentation of Financial Statements – Capital Disclosures

Apart from certain presentational changes, the adoption of the above new and revised standards will have no significant impact on the Trust’s financial statements.

(b) Funds

The Trust comprises two funds, the Capital Fund and the Allocations Fund. The Capital Fund is held in the form of long-term investments with income reinvested for the future. The Allocations Fund is invested in securities and short-term deposits, and is used for charitable donations. Income to the Allocations Fund includes income from investments, interest earned on deposits, appropriation from The Hong Kong Jockey Club (the “Club”) and its subsidiaries, forfeited dividends and refunds, and transfers from the Capital Fund as approved by the Trustees.

2 主要會計政策 (續)

(c) 長期投資

長期投資乃持作非買賣用途，並於結算日按照公平價值列賬。長期投資財務資產的會計政策，載於以下附註(e)。

(d) 用以資助慈善項目的投資

用以資助慈善項目的投資乃持作非買賣用途，並於結算日按照公平價值列賬。用以資助慈善項目的投資財務資產的會計政策，載於以下附註(e)。

(e) 財務資產

信託基金將其財務資產分為以下類別：可供出售財務資產、衍生金融工具、貸款及應收款項，以及現金及現金等價物。分類視乎集團取得有關財務資產的目的而定，管理層會於初步確認財務資產時釐定其所屬類別，再於每個呈報日重新評估其所屬類別。購入及出售的財務資產，均於交易日亦即信託基金承諾買賣資產當日確認。

(i) 可供出售財務資產

可供出售財務資產是非衍生工具，只列入這類別而並不列入任何其他類別，除非管理層擬於結算日起計十二個月內出售有關資產，否則會列作非流動資產。可供出售財務資產包括本地及海外上市或非上市股票、債務證券及/或另類投資。這些資產初時以公平價值另加直接及新增交易成本估值，隨後再以公平價值重新估值。有關資產的公平價值變動，將列示於投資重估儲備賬內，直至出售有關資產或斷定有關資產已永久貶值為止。於出售有關資產時，所得的淨收入與賬面淨值兩者的差額，以及先前在投資重估儲備中確認的累積收益或虧損，即誌入該期收支表內「出售投資的盈餘」項下。

(ii) 衍生金融工具

信託基金採用衍生工具如利率掉期或遠期外匯合約，作財務風險管理及推行投資策略。根據香港會計準則第39號規定不符合對沖會計準則的衍生工具，初時以衍生工具訂立合約當日的公平價值列賬，隨後再以其公平價值重新估值。衍生工具的公平價值變動，在收支表內報賬。若衍生工具的公平價值為正數，在資產負債表中列入財務資產項下，但若其公平價值為負數，則列入負債項下。

2 Principal accounting policies (cont.)

(c) Long-term investments

Long-term investments are held for non-trading purpose and are stated at fair value at the balance sheet date. The accounting policy for the financial assets of the long-term investments is stated in note (e) below.

(d) Investments held to fund charitable projects

Investments held to fund charitable projects are held for non-trading purpose and are stated at fair value at the balance sheet date. The accounting policy for the financial assets of the investments held to fund charitable projects is stated in note (e) below.

(e) Financial assets

The Trust classifies its financial assets into the following categories: available-for-sale financial assets, derivative financial instruments, loans and receivables, and cash and cash equivalents. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of the financial assets at initial recognition and re-evaluates this designation at every reporting date. Purchases and sales of financial assets are recognised on trade day – the date on which the Trust commits to purchase or sell the assets.

(i) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date. They comprise local and overseas listed or unlisted equities, debt securities and/or alternative investments. They are initially measured at fair value plus direct and incremental transaction costs and are subsequently remeasured at fair value. Changes in fair value are recognised in the investment revaluation reserve until the assets are either sold or impaired. On the sale of these assets, the differences between the net sale proceeds and the carrying value and the cumulative gains or losses previously recognised in investment revaluation reserve are recognised through the income and expenditure account within the “Surplus on sale of investments”.

(ii) Derivative financial instruments

The Trust uses derivatives such as interest rate swaps or forward foreign exchange contracts to manage its financial risks and to facilitate the implementation of its investment strategies. Derivatives that do not qualify for hedge accounting under HKAS 39 are initially recognised at fair value on the date on which the derivative contracts are entered into and subsequently remeasured at their fair values. Changes in fair value of the derivatives are recognised in the income and expenditure account. Derivatives are carried in the balance sheet as financial assets when the fair value is positive and as liabilities when the fair value is negative.

2 主要會計政策（續）

(e) 財務資產（續）

(iii) 貸款及應收款項

貸款及應收款項是指有固定或可釐定付款且沒有在活躍市場上報價的非衍生工具財務資產。這些資產會按實際利息成本攤銷法列入流動資產內，惟於結算日十二個月以後到期的資產，則列作非流動資產。

(iv) 現金及現金等價物

現金及現金等價物包括持有的現金、銀行通知存款及原本到期日為三個月或以下的其他短期高流動性投資。

(f) 外幣兌換

信託基金的財務報表所列的項目，均以其從事業務的主要經濟環境內使用的貨幣（「功能貨幣」）計算。信託基金財務報表以港元列示，港元是其功能貨幣。

外幣交易以交易日匯率伸算為功能貨幣。外幣交易結算產生的兌換收益及虧損，直接誌入收支表內。以外幣計算的資產及負債，則以結算日的收市匯率伸算為港元。兌換差額誌入收支表內，惟可供出售財務資產的非貨幣項目（例如股票）的兌換差額，則誌入投資重估儲備內。

(g) 無人認領彩金及退款

根據香港賽馬會博彩規例，所有在指定限期之內無人認領的彩金及退款將撥作慈善用途。這些款項均直接支付予本信託基金。

(h) 有關連人士

就這些財務報表而言，若信託基金有能力直接或間接控制另一方，或可對另一方的財務及經營決策發揮重大影響，或反之亦然，或若信託基金與另一方受共同控制，則此另一方乃視為有關連人士。有關連人士可為個人或實體。

3 關鍵會計估算及判斷

在編製財務報表時，管理層須作出重大判斷，以挑選及應用會計原則，包括作出估計及假設。用以對金融工具進行估值並受各項判斷及不明確因素影響的主要會計政策，載於附註4的「公平價值估算」。

2 Principal accounting policies (cont.)

(e) Financial assets (cont.)

(iii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at amortised cost using the effective interest method and are included in current assets, except for maturities greater than 12 months after the balance sheet date where these are classified as non-current assets.

(iv) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

(f) Foreign currency translation

Items included in the financial statements of the Trust are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The Trust financial statements are presented in Hong Kong dollars, which is the Trust’s functional currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions are recognised directly in the income and expenditure account. Assets and liabilities denominated in foreign currencies are translated at the closing rate at the balance sheet date. The differences arising from translation are recognised in the income and expenditure account except for translation differences on non-monetary items of available-for-sale financial assets, such as equities, which are included in the investment revaluation reserve.

(g) Forfeited dividends and refunds

In accordance with The Hong Kong Jockey Club’s Betting Rules, dividends and refunds which are not claimed within the specified period are deemed to be donated for charitable purposes. These amounts are paid directly to the Trust.

(h) Related party

For the purposes of these financial statements, a party is considered to be related to the Trust if the Trust has the ability, directly and indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Trust and the party are subject to common control. Related parties may be individuals or entities.

3 Critical accounting estimates and judgements

In preparing the financial statements, management is required to exercise significant judgements in the selection and application of accounting principles, including making estimates and assumptions. The significant accounting policies for valuation of financial instruments that are impacted by judgements and uncertainties are disclosed in note 4 under the paragraph “Fair value estimation”.

4 財務風險管理

信託基金的業務承受著多方面的財務風險：市場風險（包括貨幣風險、股票價格風險及利率風險）、流動資金風險及信貸風險。信託基金的整體風險管理計劃，集中針對金融市場不可預測的特性，目的是盡量減低對信託基金財務表現的潛在不利影響。信託基金使用衍生金融工具，以管理及減低須承受的若干風險。

信託基金的主要財務資產，包括存款、債券、股票及其他另類投資，由馬會庫務部及外界專業投資組合經理進行管理。

馬會庫務部根據財務及一般事務委員會批核的投資政策及風險管理指引，進行風險管理。投資限制及指引，則構成風險管理不可或缺的一部分。信託基金根據每項基金的投資目標，對個別基金訂定限制及指引，以進行投資風險管理。

(a) 市場風險

(i) 貨幣風險

貨幣風險是指因以外幣折算的投資及交易所用匯率出現不利變動，而引致虧損的風險。

(ii) 股票價格風險

股票價格風險是指因股票價格變動而引致虧損的風險。由於股票價格下跌，會令股票投資的價值下降，因此信託基金承受著股票價格風險。這些投資在資產負債表中列入可供出售財務資產項下。

(iii) 利率風險

利率風險是指因市場利率變動而引致虧損的風險，可分為公平價值利率風險及現金流量利率風險。公平價值利率風險是指市場利率變動，引致財務資產價格波動的風險。現金流量利率風險則指市場利率變動，引致財務資產日後現金流量出現波動的風險。由於信託基金大部分投資均計息，因此同時承受著公平價值及現金流量利率風險。

信託基金透過策略性資產分配及釐定投資基準，以監控市場風險。貨幣風險透過資產分配，增加港元及美元資產所佔的比重，因而得到限制。至於股票價格風險，則透過採納環球基準予以減低。利率風險方面，則透過制訂基準期限指引及投資於多元化的定息及浮息工具來控制。

4 Financial risk management

The Trust's activities expose it to a variety of financial risks: market risk (including currency risk, equity price risk and interest rate risk), liquidity risk and credit risk. The Trust's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Trust's financial performance. The Trust uses derivative financial instruments to manage and reduce certain risk exposures.

The Trust's major financial assets include deposits, bonds, equities and other alternative investments which are managed by the Club's Treasury Department and external professional portfolio managers.

Risk management is carried out by the Club's Treasury Department under investment policies and risk management guidelines approved by the Finance and General Purposes Committee. Investment constraints and guidelines form an integral part of risk control. Fund-specific restrictions and guidelines are set according to the investment objectives of each fund to control risks of the investments.

(a) Market risk

(i) Currency risk

Currency risk is the risk of loss due to adverse movements in foreign exchange rates relating to investments and transactions denominated in foreign currencies.

(ii) Equity price risk

Equity price risk is the risk of loss arising from changes in equity prices. The Trust is exposed to equity price risk as the value of its equity investments will decline if equity prices fall. These investments are classified as available-for-sale financial assets in the balance sheet.

(iii) 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 a financial asset will fluctuate because of changes in market interest rates. Cash flow interest rate risk is the risk that future cash flows of a financial asset will fluctuate because of changes in market interest rates. The Trust is exposed to both fair value and cash flow interest rate risks as the Trust has significant investments that are interest bearing.

The Trust controls and monitors market risk through strategic asset allocation and the investment benchmarks set for the funds. Currency risk is contained by asset allocation which overweighs HK dollar and US dollar denominated assets. Equity price risk is mitigated by adopting benchmarks that are diversified globally, by sectors and by securities. Interest rate risk is controlled through benchmark duration guidelines and by investing across a spectrum of fixed and floating rate instruments.

4 財務風險管理（續）

(b) 流動資金風險

流動資金風險，是指現有資金未必足以償付到期債項的風險。此外，信託基金亦未必可於短期內以接近公平價值的價格將財務資產變現。

為確保備有足夠資金償付債項，且有能力籌集資金應付額外需要，信託基金會保留足夠現金及在市場上流通的證券，並主要投資於交投活躍的金融市場及工具。

信託基金亦透過預計所需現金及監控營運資金，進行預計現金流量分析，管理流動資金風險，以確保可應付所有到期債項及已知的資金需求。

(c) 信貸風險

由於借貸人或借貸對手，未必有能力或願意於貸款到期時完全履行合約責任，因此信託基金承受著信貸風險。信貸風險主要來自信託基金的存款、投資及衍生交易。

信託基金透過審慎挑選借貸對手及分散借貸，減低所承受的信貸風險。信貸基金根據借貸對手的信貸評級及財務實力而釐定信貸限額，從而控制其為每一獲批准借貸對手所承受的整體風險。關於借貸對手的信貸風險，則按照交易所涉財務產品的風險性質釐定。

公平價值估算

在交投活躍的市場買賣的金融工具（例如公開買賣的證券及衍生工具）的公平價值，根據結算日的市場報價列賬。並非在交投活躍的市場買賣的金融工具（例如場外衍生工具）的公平價值，則使用估值技巧釐定。信託基金使用多種方法，並按照每個結算日的市場情況作出假設。利率掉期的公平價值，按照估計日後現金流量的現值計算。遠期外匯合約的公平價值，則以結算日的遠期匯率釐定。

4 Financial risk management (cont.)

(b) Liquidity risk

Liquidity risk refers to the risk that available funds may not be sufficient to meet liabilities as they fall due. In addition, the Trust may not be able to liquidate its financial assets at a price close to fair value within a short period of time.

To ensure sufficient liquidity to meet liabilities and the ability to raise funds to meet exceptional needs, the Trust maintains sufficient cash and marketable securities and invests primarily in liquid financial markets and instruments.

The Trust also employs projected cash flow analysis to manage liquidity risk by forecasting the amount of cash required and monitoring the working capital of the Trust to ensure that all liabilities due and known funding requirements can be met.

(c) Credit risk

The Trust is exposed to credit risk as a borrower or a counterparty may not be able or willing to perform its contractual obligations in full when due. It arises mainly from the Trust's deposit placements, investments and derivative transactions.

The Trust limits its exposure to credit risk by rigorously selecting the counterparties and by diversification. Credit limits are established to control the overall exposure to each authorised counterparty based on its credit ratings and financial strength. Counterparty credit exposures are measured according to the risk nature of financial products involved in the transaction.

Fair value estimation

The fair value of financial instruments traded in active markets (such as publicly traded securities and derivatives) is based on quoted market prices at the balance sheet date. The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The Trust uses a variety of methods and makes assumptions that are based on market conditions at each balance sheet date. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward foreign exchange contracts is determined using quoted forward exchange rates at the balance sheet date.

5 長期投資

5 Long-term investments

百萬港元	in HK\$ million	資本基金 Capital Fund	
		2007	2006
可供出售財務資產	Available-for-sale financial assets		
股票	Equities		
在香港上市	Listed in Hong Kong	4,466	3,112
在海外上市	Listed overseas	7,367	5,661
		11,833	8,773
債務證券	Debt securities		
在海外上市	Listed overseas	1,316	1,006
非上市	Unlisted	1,363	1,043
		2,679	2,049
另類投資 – 非上市	Alternative investments – unlisted	876	–
		15,388	10,822
衍生金融工具（附註9）	Derivative financial instruments (note 9)	(10)	8
尚待投資的資金	Funds awaiting investment	773	936
存款	Deposits	507	1,100
		16,658	12,866

債務證券及存款的加權平均實際利率，為百分之四點五二（二〇〇六年：百分之四點六）。債務證券及存款的賬面價值，與其公平價值相若，而其加權平均期限則為九年（二〇〇六年：八年）。

The debt securities and deposits carry weighted average effective interest rate of 4.52% (2006: 4.60%). The carrying amounts of the debt securities and deposits approximate their fair values and their weighted average maturity is 9 years (2006: 8 years).

		2007	2006
長期投資組合以下列貨幣折算：	Long-term investments are denominated in the following currencies:		
美元	USD	44%	39%
港元	HKD	30%	24%
歐羅	EUR	10%	14%
日圓	JPY	6%	4%
英鎊	GBP	3%	7%
其他貨幣	Other currencies	7%	12%
		100%	100%

6 用以資助慈善項目的投資

百萬港元	in HK\$ million	撥款基金 Allocations Fund	
		2007	2006
可供出售財務資產	Available-for-sale financial assets		
股票	Equities		
在香港上市	Listed in Hong Kong	362	278
在海外上市	Listed overseas	457	362
		819	640
債務證券	Debt securities		
在海外上市	Listed overseas	1,463	1,285
非上市	Unlisted	2,369	1,755
		3,832	3,040
		4,651	3,680
衍生金融工具（附註9）	Derivative financial instruments (note 9)	(13)	3
尚待投資的資金	Funds awaiting investment	285	435
		4,923	4,118

債務證券的加權平均實際利率，為百分之四點七（二〇〇六年：百分之四點四五）。債務證券的賬面價值，與其公平價值相若，而其加權平均期限則為十年（二〇〇六年：十年）。

The debt securities carry weighted average effective interest rate of 4.70% (2006: 4.45%). The carrying amounts of the debt securities approximate their fair values and their weighted average maturity is 10 years (2006: 10 years).

		2007	2006
用以資助慈善項目的	Investments held to fund charitable projects		
投資以下列貨幣折算：	are denominated in the following currencies:		
美元	USD	64%	65%
歐羅	EUR	13%	12%
日圓	JPY	8%	6%
港元	HKD	8%	8%
其他貨幣	Other currencies	7%	9%
		100%	100%

7 短期存款

短期存款的加權平均實際利率，為百分之五點二七（二〇〇六年：百分之四點五）。短期存款的賬面價值，與其公平價值相若，而其加權平均期限則為五十五日（二〇〇六年：十五日）。短期存款以港元或美元折算。

7 Short-term deposits

The weighted average effective interest rate on short-term deposits is 5.27% (2006: 4.50%). The carrying amounts approximate their fair values and their weighted average maturity is 55 days (2006: 15 days). The short-term deposits are denominated in HK dollars or US dollars.

8 基金

8 Funds

百萬港元	in HK\$ million	資本基金 Capital Fund			撥款基金 Allocations Fund		
		基金結餘 Fund balance	投資重估儲備 Investment revaluation reserve	總額 Total	基金結餘 Fund balance	投資重估儲備 Investment revaluation reserve	總額 Total
					重列 Restated	重列 Restated	
二〇〇六年七月一日	At 1 July 2006	11,685	1,181	12,866	1,593	(53)	1,540
轉撥自收支表	Transfer from income						
	and expenditure account	2,696	–	2,696	(41)	–	(41)
投資的重估增值	Surplus on revaluation						
	of investments	–	1,731	1,731	–	110	110
投資的重估（盈餘）／虧損變現	Realisation on						
	sale of investments	–	(635)	(635)	–	29	29
		–	1,096	1,096	–	139	139
二〇〇七年六月三十日	At 30 June 2007	14,381	2,277	16,658	1,552	86	1,638
二〇〇五年七月一日	At 1 July 2005	9,185	1,137	10,322	1,330	4	1,334
轉撥自收支表	Transfer from income						
	and expenditure account	2,500	–	2,500	263	–	263
投資的重估增值／（減值）	Surplus/(deficit) on						
	revaluation of investments	–	684	684	–	(67)	(67)
投資的重估（盈餘）／虧損變現	Realisation on						
	sale of investments	–	(640)	(640)	–	10	10
		–	44	44	–	(57)	(57)
二〇〇六年六月三十日	At 30 June 2006	11,685	1,181	12,866	1,593	(53)	1,540

9 衍生金融工具

9 Derivative financial instruments

百萬港元	in HK\$ million	資本基金 Capital Fund	撥款基金 Allocations Fund
遠期債券合約	Forward contracts on bonds	2	–
遠期外匯合約	Forward foreign exchange contracts	(2)	(4)
期貨	Futures	(10)	(9)
期權	Options	1	–
掉期	Swaps	(1)	–
二〇〇七年六月三十日	At 30 June 2007	(10)	(13)
遠期債券合約	Forward contracts on bonds	2	–
遠期外匯合約	Forward foreign exchange contracts	(3)	(2)
期貨	Futures	(3)	(5)
掉期	Swaps	12	10
二〇〇六年六月三十日	At 30 June 2006	8	3

10 稅項

信託基金獲豁免繳納香港利得稅，因此並無撥出稅項準備。

10 Taxation

No provision for taxation has been made because the Trust is exempt from Hong Kong profits tax.

11 與有關連人士之交易

由於馬會董事局成員亦同時擔任信託基金信託人及賽馬會濶西洲公眾高爾夫球場有限公司董事局成員，因此信託基金與香港賽馬會（「馬會」）及濶西洲高爾夫球場有限公司均有關連。

11 Related party transactions

The Trust is related to The Hong Kong Jockey Club (the “Club”) and the Jockey Club Kau Sai Chau Public Golf Course Limited (“KSCGC”) as the Club’s Stewards are also the Trustees of the Trust and the Directors of KSCGC.

信託基金與有關連人士已進行的交易如下：

The following transactions were carried out by the Trust with related parties:

(a) 管理費用

年內，信託基金就馬會提供的行政及支援服務，向馬會支付管理費用四千一百萬港元（二〇〇六年：三千七百萬港元），這筆款項列入收支表之內。

(a) Management expenses

During the year, the Trust paid The Hong Kong Jockey Club management expenses of HK\$41 million (2006: HK\$37 million) for administrative and support services provided by the Club and charged this amount in the income and expenditure account.

(b) 向濶西洲高爾夫球場有限公司借出的貸款

於結算日，信託基金的貸款及應收款項中包括一筆三千萬港元（二〇〇六年：三千萬港元）的款項。這筆款項是信託基金向濶西洲高爾夫球場有限公司借出貸款的結餘，有關貸款毋須收取利息，但須於信託基金作出要求時償還。

(b) Loan to KSCGC

At balance sheet date, included under the loans and receivables was HK\$30 million (2006: HK\$30 million) representing the balance of an interest-free, demand loan made by the Trust to KSCGC.

12 比較數字

若干比較數字已予調整或重新分類，以符合本年度的列示方式。

12 Comparative figures

Certain comparative figures have been adjusted or reclassified to conform with the current year’s presentation.