

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



羅兵咸永道

**INDEPENDENT AUDITOR'S REPORT
TO THE WEST KOWLOON CULTURAL DISTRICT AUTHORITY**
(established in Hong Kong pursuant to
the West Kowloon Cultural District Authority Ordinance)

**獨立核數師報告
致西九文化區管理局**
(按照《西九文化區管理局條例》於香港成立)

Opinion

What we have audited

The statement of accounts of West Kowloon Cultural District Authority (the "Authority") and its subsidiaries (together, the "Group") set out on pages 123 to 173 (the "Statement of Accounts"), which comprise:

- the consolidated balance sheet of the Group and the balance sheet of the Authority as at 31 March 2020;
- the consolidated profit and loss account of the Group and the profit and loss account of the Authority for the year then ended;
- the consolidated statement of comprehensive income of the Group and the statement of comprehensive income of the Authority for the year then ended;
- the consolidated statement of changes in equity of the Group and the statement of changes in equity of the Authority for the year then ended;
- the consolidated statement of cash flows of the Group and the statement of cash flows of the Authority for the year then ended; and
- the notes to the Statement of Accounts, which include a summary of significant accounting policies.

Our opinion

In our opinion, the Statement of Accounts gives a true and fair view of the state of affairs of the Group and of the Authority as at 31 March 2020, and of the Group's and the Authority's loss and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and have been properly prepared in compliance with the West Kowloon Cultural District Authority Ordinance.

意見

我們已審計的內容

西九文化區管理局(「管理局」)及其附屬公司(統稱「集團」)列載於第123至173頁的帳目報表(「帳目報表」),包括:

- 於2020年3月31日的集團綜合資產負債表及管理局資產負債表;
- 截至該日止年度的集團綜合損益表及管理局損益表;
- 截至該日止年度的集團綜合全面收益表及管理局全面收益表;
- 截至該日止年度的集團綜合權益變動表及管理局權益變動表;
- 截至該日止年度的集團綜合現金流轉表及管理局現金流轉表;及
- 帳目報表附註,包括主要會計政策摘要。

我們的意見

我們認為,該等帳目報表已根據香港會計師公會頒布的《香港財務報告準則》真實而中肯地反映了集團與管理局於2020年3月31日的事務狀況,以及集團與管理局截至該日止年度的虧損和現金流量,並已遵照《西九文化區管理局條例》的規定妥為擬備。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

**INDEPENDENT AUDITOR'S REPORT
TO THE WEST KOWLOON CULTURAL DISTRICT AUTHORITY (CONTINUED)**
(established in Hong Kong pursuant to
the West Kowloon Cultural District Authority Ordinance)

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Statement of Accounts section of our report.

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

Independence

We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code.

Other Information

The Authority is responsible for the other information ("Other Information"). The Other Information comprises the information included in the statement of accounts of M+ Collections Trust and our auditor's report thereon (but does not include the Statement of Accounts and our auditor's report thereon), and Five-year Financial Summary which we obtained prior to the date of this auditor's report, and all other information to be included in the 2019/20 Annual Report, which is expected to be made available to us after that date.

Our opinion on the Statement of Accounts does not cover the Other Information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Statement of Accounts, our responsibility is to read the Other Information identified above when it becomes available and, in doing so, consider whether the Other Information is materially inconsistent with the Statement of Accounts or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Other Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Authority and take appropriate action considering our legal rights and obligations.

獨立核數師報告
致西九文化區管理局(續)
(按照《西九文化區管理局條例》於香港成立)

意見的基礎

我們已根據香港會計師公會頒布的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計帳目報表承擔的責任」部分中作進一步闡述。

我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

獨立性

根據香港會計師公會頒布的《專業會計師道德守則》(以下簡稱「守則」)，我們獨立於集團，並已履行守則中的其他專業道德責任。

其他信息

管理局須對其他信息(「其他信息」)負責。其他信息包括：我們於本核數師報告日前已取得的M+ Collections Trust帳目報表及我們的核數師報告(但不包括帳目報表及我們的核數師報告)，五年財務概要內的信息，以及預期於該日之後向我們提供2019/20周年報告內的所有其他信息。

我們對帳目報表的意見並不涵蓋其他信息，我們亦不會對該等信息發表任何形式的鑒證結論。

結合我們對帳目報表的審計，我們的責任是在獲提供上文所識別的其他信息時閱讀有關信息，並在此過程中，考慮其他信息是否與帳目報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

當我們閱讀其他信息的時候，如果我們認為當中存在重大錯誤陳述，我們須就有關事項與管理局溝通，並考慮我們的法律權利及義務後採取適當行動。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

INDEPENDENT AUDITOR'S REPORT TO THE WEST KOWLOON CULTURAL DISTRICT AUTHORITY (CONTINUED) (established in Hong Kong pursuant to the West Kowloon Cultural District Authority Ordinance)

Responsibilities of the Authority for the Statement of Accounts

The Authority is responsible for the preparation of the Statement of Accounts that gives a true and fair view in accordance with HKFRSs issued by the HKICPA and the West Kowloon Cultural District Authority Ordinance, and for such internal control as the Authority determines is necessary to enable the preparation of the Statement of Accounts that is free from material misstatement, whether due to fraud or error.

In preparing the Statement of Accounts, the Authority is responsible for assessing the Group's and the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Authority either intend to liquidate the Group and the Authority or to cease operations, or have no realistic alternative but to do so.

Those charged with governance is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Statement of Accounts

Our objectives are to obtain reasonable assurance about whether the Statement of Accounts as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with section 29 of the West Kowloon Cultural District Authority Ordinance and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement of Accounts.

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement of Accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

獨立核數師報告 致西九文化區管理局(續) (按照《西九文化區管理局條例》於香港成立)

管理局就帳目報表須承擔的責任

管理局須負責根據香港會計師公會頒布的《香港財務報告準則》及《西九文化區管理局條例》擬備真實而中肯的帳目報表，並對管理局認為為使帳目報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所必需的內部控制負責。

在擬備帳目報表時，管理局負責評估集團及管理局持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非管理局有意將集團及管理局清盤或停止經營，或別無其他實際的替代方案。

負責管治的人士須負責監督集團的財務報告過程。

核數師就審計帳目報表承擔的責任

我們的目標，是對帳目報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅按照《西九文化區管理局條例》第29條向閣下(作為整體)報告我們的意見，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。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響帳目報表使用者依賴帳目報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致帳目報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

INDEPENDENT AUDITOR'S REPORT TO THE WEST KOWLOON CULTURAL DISTRICT AUTHORITY (CONTINUED)

(established in Hong Kong pursuant to
the West Kowloon Cultural District Authority Ordinance)

獨立核數師報告 致西九文化區管理局(續)

(按照《西九文化區管理局條例》於香港成立)

Auditor's Responsibilities for the Audit of the Statement of Accounts (Continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Authority.
- Conclude on the appropriateness of the Group's and the Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement of Accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group or the Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement of Accounts, including the disclosures, and whether the Statement of Accounts represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Statement of Accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

PricewaterhouseCoopers
羅兵咸永道會計師事務所
Certified Public Accountants
執業會計師

Hong Kong, 23 June 2020
香港, 2020年6月23日

核數師就審計帳目報表承擔的責任(續)

- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對集團及管理局內部控制的有效性發表意見。
- 評價管理局所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對集團及管理局採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對集團及管理局的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提醒使用者注意帳目報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致集團或管理局不能持續經營。
- 評價帳目報表的整體列報方式、結構和內容，包括披露，以及帳目報表是否中肯反映交易和事項。
- 就集團內實體或業務活動的財務資料獲取充足、適當的審計憑證，以便對帳目報表發表意見。我們負責集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們與管理局溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

STATEMENT OF ACCOUNTS

帳目報表

PROFIT AND LOSS ACCOUNT

損益表

FOR THE YEAR ENDED 31 MARCH 2020
截至2020年3月31日止年度

		The Group 集團		The Authority 管理局		
	Note 附註	2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元	2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元	
Income	收入					
Revenue	收益	3	53,481	18,747	121,522	73,884
Income from placements with the Exchange Fund	外匯基金存款收入		331,112	524,085	331,112	524,085
Bank interest income	銀行利息收入		57,853	83,165	57,853	83,165
Other investment income, net	其他投資收入淨額	4	—	1,574	—	1,574
Net fair value gain on forward foreign exchange contracts	遠期外匯合約之公允價值收益淨額		—	7,791	—	7,791
Net exchange losses	匯兌虧損淨額		—	(9,183)	—	(9,183)
			442,446	626,179	510,487	681,316
Expenses	支出					
Staff costs	員工成本	5	(335,038)	(278,644)	(237,335)	(213,237)
Programmes and research	節目和研究費用		(92,320)	(84,048)	(59,244)	(53,623)
Other operating expenses	其他營運費用	8	(314,354)	(230,914)	(279,800)	(193,104)
Net impairment losses on financial assets	金融資產減值虧損淨額	17	—	—	(224,301)	(443,959)
			(741,712)	(593,606)	(800,680)	(903,923)
(Loss)/profit before depreciation, amortisation, finance charges and income tax	未計折舊、攤銷、財務費用及所得稅前(虧損)/利潤		(299,266)	32,573	(290,193)	(222,607)
Depreciation and amortisation	折舊及攤銷		(304,252)	(88,892)	(299,785)	(88,892)
Interest expense on lease liabilities	租賃負債利息支出		(728)	—	(504)	—
Income tax	所得稅	9	—	—	—	—
Loss for the year	年度虧損		(604,246)	(56,319)	(590,482)	(311,499)

The notes on pages 131 to 173 are an integral part of this statement of accounts.

第131至173頁的附註為本帳目報表的整體部分。

STATEMENT OF ACCOUNTS

帳目報表

STATEMENT OF COMPREHENSIVE INCOME

全面收益表

FOR THE YEAR ENDED 31 MARCH 2020

截至2020年3月31日止年度

		The Group 集團		The Authority 管理局	
		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元	2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Loss for the year	年度虧損	(604,246)	(56,319)	(590,482)	(311,499)
Other comprehensive income	其他全面收益				
Item that may be reclassified subsequently to the profit and loss account:	其後可能重新分類至損益表之項目：				
Debt securities measured at fair value through other comprehensive income	按以公允價值計量且其變動計入其他全面收益的債務證券				
– Transferred to the profit and loss account on redemption	— 贖回時轉撥至損益表	–	418	–	418
Total comprehensive loss for the year	年度全面虧損總額	(604,246)	(55,901)	(590,482)	(311,081)

The notes on pages 131 to 173 are an integral part of this statement of accounts.

第131至173頁的附註為本帳目報表的整體部分。

STATEMENT OF ACCOUNTS
帳目報表BALANCE SHEET
資產負債表AS AT 31 MARCH 2020
於2020年3月31日

			The Group 集團		The Authority 管理局	
			2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元	2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
		Note 附註				
Non-current assets	非流動資產					
Investments in subsidiaries	於附屬公司之投資	10	—	—	50	50
Property, plant and equipment	物業、廠房及設備	11	14,525,136	11,105,306	14,525,136	11,105,306
Intangible assets	無形資產	13	161,383	137,299	161,383	137,299
Placements with the Exchange Fund	外匯基金存款	14	6,500,000	6,500,000	6,500,000	6,500,000
Right-of-use assets	使用權資產	15	22,800	—	14,962	—
			<u>21,209,319</u>	<u>17,742,605</u>	<u>21,201,531</u>	<u>17,742,655</u>
Current assets	流動資產					
Museum collection	博物館藏品	12	33,808	43,925	—	—
Placements with the Exchange Fund	外匯基金存款	14	2,163,528	6,602,763	2,163,528	6,602,763
Amounts due from subsidiaries	應收附屬公司之金額	17	—	—	35,363	19,865
Bank interest receivables	應收銀行利息		19,866	8,424	19,866	8,424
Trade and other receivables	貿易及其他應收款	16	586,385	351,259	575,623	350,539
Cash and bank balances	現金及銀行結餘	18	2,871,072	2,190,121	2,866,982	2,190,121
			<u>5,674,659</u>	<u>9,196,492</u>	<u>5,661,362</u>	<u>9,171,712</u>
Current liabilities	流動負債					
Amount due to a subsidiary	應付附屬公司之金額	17	—	—	442,423	291,270
Amount due to M+ Collections Trust	應付M+ Collections Trust 之金額	19	425,258	485,713	425,258	485,713
Trade and other payables	貿易及其他應付款	20	2,026,438	1,729,616	1,553,077	1,408,962
Lease liabilities	租賃負債	21	21,782	—	15,414	—
			<u>2,473,478</u>	<u>2,215,329</u>	<u>2,436,172</u>	<u>2,185,945</u>
Net current assets	流動資產淨值		<u>3,201,181</u>	<u>6,981,163</u>	<u>3,225,190</u>	<u>6,985,767</u>
Total assets less current liabilities	資產總值減流動負債		<u>24,410,500</u>	<u>24,723,768</u>	<u>24,426,721</u>	<u>24,728,422</u>
Non-current liabilities	非流動負債					
Deferred income	遞延收入	22	494,225	206,717	494,225	206,717
Accrued contract gratuity	應付約滿酬金		14,299	12,473	11,245	10,054
Lease liabilities	租賃負債	21	1,822	—	260	—
			<u>510,346</u>	<u>219,190</u>	<u>505,730</u>	<u>216,771</u>
Net assets	資產淨值		<u>23,900,154</u>	<u>24,504,578</u>	<u>23,920,991</u>	<u>24,511,651</u>

STATEMENT OF ACCOUNTS

帳目報表

BALANCE SHEET (CONTINUED)

資產負債表(續)

AS AT 31 MARCH 2020
於2020年3月31日

		The Group 集團		The Authority 管理局	
	Note 附註	2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元	2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Equity					
Capital – Endowment from the Government of HKSAR	23(a)	21,600,000	21,600,000	21,600,000	21,600,000
Distribution reserve to M+ Collections Trust	23(b)	(1,214,000)	(1,214,000)	(1,214,000)	(1,214,000)
Retained profits and other reserves		3,514,154	4,118,578	3,534,991	4,125,651
		23,900,154	24,504,578	23,920,991	24,511,651

The statement of accounts on pages 123 to 173 was approved by the Board of the Authority on 23 June 2020 and was signed on its behalf by:

The Honourable Henry TANG Ying-yen, GBM, GBS, JP

唐英年先生, 大紫荊勳賢, GBS, JP

Chairman of the Board

董事局主席

第123至173頁的帳目報表於2020年6月23日獲管理局董事局核准，並由以下人士代表簽署：

Mr Duncan PESCOD, GBS, JP

栢志高先生, GBS, JP

Chief Executive Officer

行政總裁

The notes on pages 131 to 173 are an integral part of this statement of accounts.

第131至173頁的附註為本帳目報表的整體部分。

STATEMENT OF ACCOUNTS
帳目報表STATEMENT OF CHANGES IN EQUITY
權益變動表FOR THE YEAR ENDED 31 MARCH 2020
截至2020年3月31日止年度

		The Group 集團					
		Capital – endowment from the Government of HKSAR 資金－香港特別 行政區政府撥款 HK\$'000 港幣千元	Distribution reserve to M+ Collections Trust M+ Collections Trust 之分派儲備 HK\$'000 港幣千元	FVOCI Reserve 以公允價值計量 且其變動計入 其他全面收益 的儲備 HK\$'000 港幣千元	Retained profits 保留溢利 HK\$'000 港幣千元	Total reserves 儲備總計 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Balance at 1 April 2018	於2018年4月1日的結餘	21,600,000	(1,214,000)	(418)	4,174,897	4,174,479	24,560,479
Loss for the year	年度虧損	–	–	–	(56,319)	(56,319)	(56,319)
Other comprehensive income	其他全面收益						
Debt securities measured	按以公允價值計量且其						
at fair value through other	變動計入其他全面						
comprehensive income:	收益的債務證券：						
Net movement in	公允價值儲備之						
fair value reserve	淨變動	–	–	418	–	418	418
Total comprehensive income/(loss)	年度全面收益/(虧損)	–	–	418	(56,319)	(55,901)	(55,901)
for the year	總額	–	–	418	(56,319)	(55,901)	(55,901)
Balance at 31 March 2019	於2019年3月31日的結餘	21,600,000	(1,214,000)	–	4,118,578	4,118,578	24,504,578
Balance at 1 April 2019, as previously reported	於2019年4月1日的結餘， 先前呈報	21,600,000	(1,214,000)	–	4,118,578	4,118,578	24,504,578
Change in accounting policy – HKFRS 16	會計政策變動－《香港財務 報告準則》第16號	–	–	–	(178)	(178)	(178)
Balance at 1 April 2019, as restated	於2019年4月1日的結餘， 經重列	21,600,000	(1,214,000)	–	4,118,400	4,118,400	24,504,400
Loss for the year and total comprehensive loss for the year	年度虧損及年度全面 虧損總額	–	–	–	(604,246)	(604,246)	(604,246)
Balance at 31 March 2020	於2020年3月31日的結餘	21,600,000	(1,214,000)	–	3,514,154	3,514,154	23,900,154

The notes on pages 131 to 173 are an integral part of this statement of accounts.

第131至173頁的附註為本帳目報表的整體部分。

STATEMENT OF ACCOUNTS

帳目報表

STATEMENT OF CHANGES IN EQUITY (CONTINUED)

權益變動表(續)

FOR THE YEAR ENDED 31 MARCH 2020

截至2020年3月31日止年度

		The Authority 管理局					
		Capital – endowment from the Government of HKSAR 資金 – 香港特別 行政區政府撥款 HK\$'000 港幣千元	Distribution reserve to M+ Collections Trust M+ Collections Trust 之分派儲備 HK\$'000 港幣千元	FVOCI Reserve 以公允價值計量 且其變動計入 其他全面收益 的儲備 HK\$'000 港幣千元	Retained profits 保留溢利 HK\$'000 港幣千元	Total reserves 儲備總計 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Balance at 1 April 2018	於2018年4月1日的結餘	21,600,000	(1,214,000)	(418)	4,437,150	4,436,732	24,822,732
Loss for the year	年度虧損	-	-	-	(311,499)	(311,499)	(311,499)
Other comprehensive income	其他全面收益						
Debt securities measured	按以公允價值計量且其						
at fair value through other	變動計入其他全面						
comprehensive income:	收益的債務證券：						
Net movement in	公允價值儲備之						
fair value reserve	淨變動	-	-	418	-	418	418
Total comprehensive income/(loss)	年度全面收益/(虧損)	-	-	418	(311,499)	(311,081)	(311,081)
for the year	總額	-	-	418	(311,499)	(311,081)	(311,081)
Balance at 31 March 2019	於2019年3月31日的結餘	21,600,000	(1,214,000)	-	4,125,651	4,125,651	24,511,651
Balance at 1 April 2019, as previously reported	於2019年4月1日的結餘， 先前呈報	21,600,000	(1,214,000)	-	4,125,651	4,125,651	24,511,651
Change in accounting policy – HKFRS 16	會計政策變動 – 《香港財務 報告準則》第16號	-	-	-	(178)	(178)	(178)
Balance at 1 April 2019, as restated	於2019年4月1日的結餘， 經重列	21,600,000	(1,214,000)	-	4,125,473	4,125,473	24,511,473
Loss for the year and total comprehensive loss for the year	年度虧損及年度全面 虧損總額	-	-	-	(590,482)	(590,482)	(590,482)
Balance at 31 March 2020	於2020年3月31日的結餘	21,600,000	(1,214,000)	-	3,534,991	3,534,991	23,920,991

The notes on pages 131 to 173 are an integral part of this statement of accounts.

第131至173頁的附註為本帳目報表的整體部分。

STATEMENT OF ACCOUNTS
帳目報表

STATEMENT OF CASH FLOWS

現金流轉表

FOR THE YEAR ENDED 31 MARCH 2020
截至2020年3月31日止年度

	Note 註解	The Group 集團		The Authority 管理局	
		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元	2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Operating activities	營運活動				
Loss for the year	年度虧損	(604,246)	(56,319)	(590,482)	(311,499)
Adjustments for:	調整項目：				
Net impairment losses on financial assets	金融資產減值虧損淨額	-	-	224,301	443,959
Depreciation and amortisation	折舊及攤銷	304,252	88,892	299,785	88,892
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	-	149	-	149
Income from placements with the Exchange Fund	外匯基金存款收入	(331,112)	(524,085)	(331,112)	(524,085)
Bank interest income	銀行利息收入	(57,853)	(83,165)	(57,853)	(83,165)
Other investment income (net)	其他投資收入(淨額)	-	(1,574)	-	(1,574)
Net fair value gain on forward foreign exchange contracts	遠期外匯合約之公允價值收益淨額	-	(7,791)	-	(7,791)
Net exchange losses	匯兌虧損淨額	-	9,183	-	9,183
Interest expense on lease liabilities	租賃負債利息支出	728	-	504	-
Changes in working capital:	營運資金變動：				
Decrease in museum collection	博物館藏品減少	10,117	9,086	-	10,180
Increase in trade and other receivables	貿易及其他應收款增加	(235,126)	(46,976)	(225,084)	(48,249)
Increase in amounts due from subsidiaries	應收附屬公司之金額增加	-	-	(239,799)	(172,998)
Decrease in amount due to M+ Collections Trust	應付M+ Collections Trust之金額減少	(60,455)	(67,044)	(60,455)	(67,044)
Increase in trade and other payables	貿易及其他應付款增加	171,378	144,844	169,824	127,493
Increase in non-current liabilities	非流動負債增加	97,398	6,076	96,763	7,825
Cash used in operations	營運所用現金	(704,919)	(528,724)	(713,608)	(528,724)
Interest paid	已付利息	(728)	-	(504)	-
Net cash used in operating activities	營運活動所用的現金淨額	(705,647)	(528,724)	(714,112)	(528,724)
Investing activities	投資活動				
Purchases/construction of property, plant and equipment and intangible assets	購置/建造物業、廠房及設備和無形資產	(3,601,491)	(2,944,923)	(3,601,491)	(2,944,923)
Donations received from The Hong Kong Jockey Club Charities Trust	已收香港賽馬會慈善信託基金捐贈	191,936	165,225	191,936	165,225
Proceeds from disposals of property, plant and equipment	出售物業、廠房及設備所得款項	-	10	-	10
Proceeds from disposal or redemption of other current financial assets	出售或贖回其他流動金融資產所得款項	-	105,539	-	105,539
Withdrawal of placement with the Exchange Fund	提取外匯基金存款	3,800,000	-	3,800,000	-
Proceeds from withdrawal of income from placement with the Exchange Fund	提取外匯基金存款收入所得款項	970,347	-	970,347	-
Net (placement of)/receipt from time deposits with original maturities over three months	原到期日超過三個月之定期存款的(存款)/收款淨額	(1,760,282)	4,281,171	(1,760,282)	4,281,171
Interest received	已收利息	45,192	123,355	45,192	123,355
Net cash (used in)/generated from investing activities	投資活動(所用)/產生的現金淨額	(354,298)	1,730,377	(354,298)	1,730,377

STATEMENT OF ACCOUNTS

帳目報表

STATEMENT OF CASH FLOWS (CONTINUED)

現金流轉表(續)

FOR THE YEAR ENDED 31 MARCH 2020

截至2020年3月31日止年度

		The Group 集團		The Authority 管理局	
	Note 註解	2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元	2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Financing activities	融資活動				
Payment of principal elements of lease liabilities	償還租賃負債本金部分	(20,605)	—	(16,230)	—
Net cash used in financing activities	融資活動所用的現金淨額	(20,605)	—	(16,230)	—
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物(減少)/增加淨額	(1,080,550)	1,201,653	(1,084,640)	1,201,653
Cash and cash equivalents at beginning of year	年初的現金及現金等價物	1,307,622	105,004	1,307,622	105,004
Effect of exchange rate changes	匯率變動之影響	—	965	—	965
Cash and cash equivalents at end of year	年終的現金及現金等價物	227,072	1,307,622	222,982	1,307,622

Notes:

(a) The cash reimbursement from The Hong Kong Jockey Club Charities Trust ("HKJCCT"), in the form of cash donation, was received to finance the construction costs of Hong Kong Palace Museum included in the "Purchases/construction of property, plant and equipment and intangible assets".

(b) Major non-cash transactions:

The Group reinvested the income of HK\$242 million (2019: HK\$572 million) which was earned from the placements with the Exchange Fund for January to December 2019. The income will be repaid by Hong Kong Monetary Authority ("HKMA") together with the principal amount on the maturity dates in 2022 (2019: 2019 or 2022) unless the Authority gives notice to HKMA for withdrawal of the income amount prior to maturity dates. Details of the arrangement are disclosed in note 14.

註解:

(a) 收取香港賽馬會慈善信託基金以現金捐贈形式提供的現金償付，用作撥付「購置／建造物業、廠房及設備和無形資產」中的香港故宮文化博物館的建築費用。

(b) 主要非現金交易：

集團將其2019年1月至12月期間在外匯基金存款所賺取的收入2.42億港元(2019年：5.72億港元)再投資於外匯基金存款。除非管理局於到期日前通知香港金融管理局(「金管局」)提取有關收入，否則該等收入將於2022年(2019年：2019年或2022年)的到期日連同本金交還予管理局。詳細安排於附註14披露。

The notes on pages 131 to 173 are an integral part of this statement of accounts.

第131至173頁的附註為本帳目報表的整體部分。

STATEMENT OF ACCOUNTS
帳目報表**NOTES TO THE STATEMENT OF ACCOUNTS**
帳目報表附註FOR THE YEAR ENDED 31 MARCH 2020
截至2020年3月31日止年度**1 General information**

The West Kowloon Cultural District Authority (the "Authority") and its subsidiaries are collectively referred to as the "Group" in the statement of accounts. The Authority was established as a body corporate in Hong Kong under the West Kowloon Cultural District Authority Ordinance (the "WKCD Ordinance"), Cap. 601, which was enacted on 11 July 2008. The address of the principal office of the Authority is Units 608-613, Level 6, Core C, Cyberport 3, 100 Cyberport Road, Hong Kong.

The functions and objectives of the Authority are stipulated in sections (4)(1) and (4)(2) of the WKCD Ordinance respectively. In brief, the principal activities of the Group are the planning, development, operation and maintenance of the arts and cultural facilities, related facilities or ancillary facilities of the West Kowloon Cultural District ("WKCD").

The WKCD Development Plan ("DP") was approved by the Chief Executive-in-Council on 8 January 2013. The approved DP provides a statutory land use planning framework to guide the development and redevelopment of land within the WKCD. Subsequently, the Authority applied for a 15% increase in the total gross floor areas of the WKCD site under section 16 of the Town Planning Ordinance. The planning application was approved by the Town Planning Board on 14 November 2014.

As announced in the January 2017 Policy Address, the Government decided to provide the Authority with an enhanced financial arrangement by granting it the development rights over all of the hotel/office/residential ("HOR") portion of the WKCD. On 28 May 2019, the Chief Executive in Council decided to grant the site to be known as "Kowloon Inland Lot No. 11260" ("Lot") to the Authority at a nominal premium of \$1,000, free of administrative fee, for a lease term of 50 years subject to the approved basic terms and conditions for the land grant of the Lot. The Government executed the land grant on 2 April 2020. The land grant enables WKCD to take forward the development of the site into an integrated arts and cultural district together with the HOR development.

2 Significant accounting policies**(a) Statement of compliance**

The statement of accounts has been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which include all applicable individual HKFRS, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), accounting principles generally accepted in Hong Kong and requirements of the WKCD Ordinance. The significant accounting policies applied in the preparation of this statement of accounts are set out below. These policies have been consistently applied to both years presented, unless otherwise stated.

1 一般資料

西九文化區管理局(「管理局」)及其附屬公司在本帳目報表統稱為「集團」。管理局是根據於2008年7月11日頒布的《西九文化區管理局條例》(「《西九條例》」)(第601章)在香港成立的法人團體。管理局的主要辦事處地址為香港數碼港道100號數碼港3座C區6樓608至613室。

管理局的職能及目標分別載列於《西九條例》第(4)(1)及(4)(2)條。簡略而言，集團主要負責規劃、發展、營運及維持西九文化區(「西九」)的藝術文化設施、相關設施或附屬設施。

行政長官會同行政會議於2013年1月8日核准西九發展圖則(「發展圖則」)。該核准發展圖則提供一個法定土地用途規劃大綱，為西九內的發展及重建計劃提供指引。其後，管理局根據《城市規劃條例》第16條申請把西九用地的整體總樓面面積增加15%。該規劃申請於2014年11月14日獲城市規劃委員會批准。

誠如2017年1月發表的《施政報告》所公布，政府決定透過將西九區內的所有酒店/辦公室/住宅部分發展權授予管理局，從而強化其財務安排。於2019年5月28日，行政長官會同行政會議決定批出擬稱為「九龍內地段第11260號」的用地(「地段」)予管理局，並收取象徵式地價1,000元和豁免行政費，契約年期為50年，惟須符合獲批的基本條款及該地段批地文件的條件規限。政府於2020年4月2日簽立批地文件。批地文件讓管理局能夠落實發展有關土地，使之成為一個融合酒店/辦公室/住宅發展的綜合藝術文化區。

2 主要會計政策**(a) 合規聲明**

本帳目報表乃按照香港會計師公會頒布所有適用的《香港財務報告準則》(包括所有適用的個別《香港財務報告準則》、《香港會計準則》和詮釋)、香港公認會計原則以及《西九條例》之規定而編製。適用於編製此帳目報表的主要會計政策載於下文。除另有說明外，此等政策在所列報的兩個年度內貫徹應用。

STATEMENT OF ACCOUNTS

帳目報表

NOTES TO THE STATEMENT OF ACCOUNTS

帳目報表附註

FOR THE YEAR ENDED 31 MARCH 2020

截至2020年3月31日止年度

2 Significant accounting policies (Continued)

(b) Basis of preparation

The statement of accounts has been prepared on a going concern basis, under the historical cost convention as modified by the revaluation of financial assets or liabilities at fair value through profit or loss which are carried at fair value.

The preparation of the statement of accounts in conformity with HKFRSs requires the use of accounting estimates. It also requires management to make judgements, estimates and assumptions in the process of applying the Group's accounting policies and reported amounts of assets, liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised if the revisions affect only that year, or in the year of the revision and future years if the revisions affect both current and future years.

(i) New standard, amendments, improvements to standards and interpretation adopted

The following new standard, amendments, improvements to standards and interpretation have been adopted by the Group for the first time for the financial year beginning on or after 1 April 2019:

- HKFRS 16 "Leases"
- Amendments to HKFRS 9 "Prepayment Features with Negative Compensation"
- Amendments to HKAS 28 "Long-term Interests in Associates or Joint Ventures"
- Amendments to HKAS 19 "Plan Amendment, Curtailment or Settlement"
- Amendments to HKAS 1 and HKAS 8 "Definition of Material"
- HK(IFRIC) 23 "Uncertainty over Income Tax Treatments"
- Annual Improvements to HKFRSs 2015-2017 Cycle

The impact of adoption of HKFRS 16 is explained in note 2(c). The adoption of other amendments, improvements to standards and interpretation does not have a significant impact on the Group's or the Authority's results and state of affairs nor any substantial changes in the Group's accounting policies and the presentation of the statement of accounts.

2 主要會計政策(續)

(b) 編製基準

本帳目報表是根據歷史成本法按持續經營基準編製，並就以公允價值列帳之「以公允價值計量且其變動計入損益的金融資產或負債」的重估而作出修訂。

編製符合《香港財務報告準則》的帳目報表需要運用會計估計。此外，在處理集團的會計政策應用，以及資產、負債、收入和支出的報告數額時，管理層亦須作出判斷、估計和假設。此等估計和相關假設是根據以往經驗和多項相信屬合理的其他因素作出，其結果構成了在無法從其他途徑即時得知資產與負債的帳面值時所作出判斷的基礎。實際結果可能有別於這些估計。

各項估計和相關假設會持續不斷檢討。如果會計估計的修訂只影響某一年度，其影響便會在該年度內確認；如果修訂對當前和未來年度均有影響，則在作出修訂的年度和未來的年度確認。

(i) 採納新準則、修訂、準則之改進和詮釋

集團於2019年4月1日或之後開始的財政年度首次採納了以下新準則、修訂、準則之改進和詮釋：

- 《香港財務報告準則》第16號「租賃」
- 《香港財務報告準則》第9號之修訂「具有負補償的提前償付特徵」
- 《香港會計準則》第28號之修訂「於聯營企業或合資企業中的長期權益」
- 《香港會計準則》第19號之修訂「計劃修訂、縮減或結算」
- 《香港會計準則》第1號及《香港會計準則》第8號之修訂「重大的定義」
- 《香港(國際財務報告詮釋委員會)》第23號「所得稅處理之不確定性」
- 《香港財務報告準則》2015-2017週期的年度改進

採納《香港財務報告準則》第16號的影響於附註2(c)說明。採納其他修訂、準則之改進和詮釋並未對集團或管理局的業績及事務狀況帶來重大影響，亦未對集團的會計政策及帳目報表的列報帶來任何重大改變。

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2 Significant accounting policies (Continued)

(b) Basis of preparation (Continued)

- (ii) Standards, amendments and interpretations which are not yet effective

Certain new standards, amendments and interpretations to standards have been issued by the HKICPA that are not yet effective for the year ended 31 March 2020 and have not been early adopted in the statement of accounts. These standards and amendments are not expected to have a material impact on the Group or the Authority in the current or future accounting periods and on foreseeable future transactions.

(c) Changes in accounting policies

This note explains the impact of the adoption of HKFRS 16 "Leases" on the Group's statement of accounts.

The Group has adopted HKFRS 16 from 1 April 2019. HKFRS 16 establishes new accounting requirements on leases which lead to the recognition of lease transactions in lessees' financial statements. HKFRS 16 focuses on whether an arrangement contains a lease or a service agreement and introduces a substantial change to lessee accounting. The previous distinction between operating and finance leases is eliminated for lessee. A right-of-use asset (representing the right to use the leased asset for the lease term) and a lease liability (representing the obligation to pay rentals) are recognised for all leases. The lessor accounting largely remains unchanged.

In accordance with the transition provisions of HKFRS 16, the Group has adopted the simplified transition approach and did not restate comparative amounts for the year prior to first adoption, as permitted under the specific transition provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the opening balance sheet on 1 April 2019. The new accounting policies are disclosed in note 2(i).

On adoption of HKFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as "operating leases" under the principles of HKAS 17 "Leases". These liabilities were measured at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate as of 1 April 2019 at 3%, which is estimated by the market incremental borrowing rate.

2 主要會計政策(續)

(b) 編製基準(續)

- (ii) 仍未生效的準則、修訂和詮釋

香港會計師公會已頒布若干新準則、修訂和準則之詮釋，且於截至2020年3月31日止年度尚未生效，以及尚未於帳目報表提早採納。這些準則和修訂預期不會對集團或管理局於目前或未來會計期間及對可見未來交易造成重大影響。

(c) 會計政策變動

本附註解釋採納《香港財務報告準則》第16號「租賃」後對集團帳目報表的影響。

集團自2019年4月1日起採納《香港財務報告準則》第16號。《香港財務報告準則》第16號訂立新的租賃會計要求，租賃交易因此須在承租人的財務報表中確認。《香港財務報告準則》第16號集中於釐定安排有否包含租賃，還是一項服務協議，並對承租人的會計處理方式作出重大改動。對於承租人而言，以往對營運租賃和融資租賃的區分已被刪除。承租人需要就所有租賃於財務狀況表確認為使用權資產（代表租賃期內使用租賃資產的權利）和租賃負債（代表支付租金的責任）。對出租人的會計處理方式大致維持不變。

根據《香港財務報告準則》第16號的過渡條文，集團已採納簡易過渡方法，惟在準則的特定過渡條文容許下並無重列首次採納前的年度比較金額。因此，源自新租賃規則的重分類和調整會確認於2019年4月1日的期初資產負債表內。新會計政策於附註2(i)披露。

採納《香港財務報告準則》第16號時，集團就過往按《香港會計準則》第17號「租賃」的原則分類為「營運租賃」的租賃確認租賃負債。有關負債按剩餘租賃付款運用集團於2019年4月1日的增額借貸利率折現的現值計量（有關利率為3%，乃根據市場增額借貸利率估計）。

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2 Significant accounting policies (Continued)

(c) Changes in accounting policies (Continued)

(i) Practical expedients applied

The Group applied the following practical expedients on the transitions to HKFRS 16 for those leases which were previously classified as operating leases under HKAS 17.

- Applied a single discount rate to a portfolio of leases with reasonably similar characteristics
- Applied the recognition exemption for leases for which the lease terms ends within 12 months of the date of initial application
- Applied the recognition exemption for leases of low value assets
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Used hindsight in determining the lease term if the contract contained an option to extend or terminate the lease

The Group has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the Group relied on its assessment made applying HKAS 17 and Interpretation 4 "Determining Whether an Arrangement Contains a Lease".

(ii) Measurement of lease liabilities

The table below explains the difference between operating lease commitments disclosed at 31 March 2019 by applying HKAS 17 and lease liabilities recognised at 1 April 2019 by applying HKFRS 16:

2 主要會計政策(續)

(c) 會計政策變動(續)

(i) 應用的實際操作

在把過往按《香港會計準則》第17號分類為營運租賃的租賃過渡至《香港財務報告準則》第16號時，集團應用下列實際操作。

- 應用單一折現利率於具有大致相同特徵的租賃組合
- 應用確認豁免於租賃期於初次應用日期起計12個月內結束的租賃
- 應用確認豁免於低價值資產的租賃
- 計量於初次應用日期的使用權資產時不包含初始直接開支
- 如合約包含延長或終止租賃的選擇權，租賃期將根據實際情況釐定

集團亦已選擇不重新評估合約於初次應用日期是否或包含租賃。有關於過渡日期前訂立的合約，集團依據應用《香港會計準則》第17號和《詮釋》第4號「釐定安排是否包含租賃」而作出的評估。

(ii) 租賃負債的計量

下表闡釋於2019年3月31日應用《香港會計準則》第17號所披露的營運租賃承擔，與於2019年4月1日應用《香港財務報告準則》第16號所確認的租賃負債之間的差異：

		The Group 本集團 HK\$'000 港幣千元	The Authority 管理局 HK\$'000 港幣千元
Operating lease commitments disclosed as at 31 March 2019	於2019年3月31日披露的營運租賃承擔	19,648	14,369
Discounted using the lessee's incremental borrowing rate of at the date of initial application	按承租人於初次應用日期的增量借貸利率折現	19,313	14,034
Less: Exemption for short-term leases	減：短期租賃豁免	(6,140)	(861)
Lease liability recognised as at 1 April 2019	於2019年4月1日確認的租賃負債	13,173	13,173
Of which are:	其中：		
Current lease liabilities	流動租賃負債	9,224	9,224
Non-current lease liabilities	非流動租賃負債	3,949	3,949
		13,173	13,173

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2 Significant accounting policies (Continued)

(c) Changes in accounting policies (Continued)

(iii) Measurement of right-of-use assets

The associated right-of-use assets were measured as if HKFRS 16 had been applied since the commencement date, but discounted using the Group's incremental borrowing rate as of 1 April 2019 at 3%.

(iv) Adjustments recognised in the statement of account on 1 April 2019

The change in accounting policy affected the following items in the statement of account on 1 April 2019:

- right-of-use assets – increase by HK\$11,728,000 (the Authority: HK\$11,728,000)
- lease liabilities – increase by HK\$13,173,000 (the Authority: HK\$13,173,000)
- other payables and accruals (deferred rental – decrease by HK\$1,267,000 (the Authority: HK\$1,267,000))
- other operating expenses decreased by HK\$14,390,000 (the Authority: HK\$14,390,000)

The net impact on retained earnings on 1 April 2019 was a decrease of HK\$178,000 (the Authority: HK\$178,000).

(v) Impact of the adoption of HKFRS 16 in the statement of account for the year ended 31 March 2020:

- depreciation of right-of-use assets – increased by HK\$19,964,000 (the Authority: HK\$15,497,000)
- interest expense – increased by HK\$728,000 (the Authority: HK\$504,000)
- right-of-use assets – increased by HK\$22,800,000 (the Authority: HK\$14,962,000)
- lease liabilities – increased by HK\$23,604,000 (the Authority: HK\$15,674,000)

(vi) Lessor accounting

The Group did not need to make any adjustments to the accounting for assets held as lessor under operating leases as a result of the adoption of HKFRS 16.

2 主要會計政策(續)

(c) 會計政策變動(續)

(iii) 使用權資產的計量

相關使用權資產按猶如《香港財務報告準則》第16號自開始日期已經應用般計量，但運用集團於2019年4月1日的增額借貸利率折現(有關利率為3%)。

(iv) 於2019年4月1日的帳目報表內確認的調整

會計政策變動影響於2019年4月1日的帳目報表內下列項目：

- 使用權資產 – 增加 11,728,000 港元 (管理局：11,728,000 港元)
- 租賃負債 – 增加 13,173,000 港元 (管理局：13,173,000 港元)
- 其他應付款及應計帳款(遞延租金) – 減少 1,267,000 港元 (管理局：1,267,000 港元)
- 其他營運費用 – 減少 14,390,000 港元 (管理局：14,390,000 港元)

於2019年4月1日保留盈利的淨影響減少178,000港元(管理局：178,000港元)。

(v) 於截至2020年3月31日止年度帳目報表採納《香港財務報告準則》第16號的影響：

- 使用權資產折舊 – 增加 19,964,000 港元 (管理局：15,497,000 港元)
- 利息開支 – 增加 728,000 港元 (管理局：504,000 港元)
- 使用權資產 – 增加 22,800,000 港元 (管理局：14,962,000 港元)
- 租賃負債 – 增加 23,604,000 港元 (管理局：15,674,000 港元)

(vi) 出租人的會計處理

集團就營運租賃項下作為出租人持有的資產的會計處理並不需要因為採納《香港財務報告準則》第16號而作出任何調整。

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2 Significant accounting policies (Continued)

(d) Consolidation

A subsidiary is an entity (including a structured entity) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intra-group transactions, balances and unrealised gains on transactions between Group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

In the Authority's balance sheet, the investments in subsidiaries are stated at cost less provision for impairment losses, if any. The results of subsidiaries are accounted for by the Authority on the basis of dividend received and receivable.

(e) Foreign currency translation

(i) Functional and presentation currency

Items included in the statement of accounts of each of the Authority's subsidiaries are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated statement of accounts is presented in Hong Kong dollar ("HK\$"), which is the Authority's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are generally recognised in profit or loss.

2 主要會計政策(續)

(d) 綜合帳目

附屬公司指集團對其具有控制權的實體(包括結構性實體)。當集團因為參與該實體而承擔可變回報的風險或享有可變回報的權益，並有能力透過其對該實體的權力影響此等回報時，集團即對該實體具有控制權。附屬公司在控制權轉移至集團之日起綜合入帳，並在控制權終止之日起停止綜合入帳。

集團公司之間的集團內部交易、結餘及交易之未變現收益會於綜合入帳時對銷。未變現虧損亦會對銷，惟交易證明所轉撥資產出現減值者除外。附屬公司報告之數額已於需要時作出調整，以確保符合集團之會計政策。

在管理局的資產負債表中，於附屬公司之投資按成本減去減值虧損準備(如有)入帳。附屬公司的業績由管理局按已收及應收股息基準入帳。

(e) 外幣換算

(i) 功能和列報貨幣

管理局旗下各附屬公司的帳目報表所列項目均以實體營運所在的主要經濟環境的貨幣(「功能貨幣」)計量。綜合帳目報表以港幣列報，港幣為管理局的功能貨幣及列報貨幣。

(ii) 交易及結餘

外幣交易按交易日或項目經重新計量則按估值日的匯率換算為功能貨幣。結算此等交易所產生的匯兌收益和虧損，以及外幣計值的貨幣資產和負債按年終匯率折算時所產生的匯兌收益和虧損，則一般在損益中確認。

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2 Significant accounting policies (Continued)

(f) Property, plant and equipment

Property, plant and equipment, other than assets under construction, are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit and loss account during the year in which they are incurred.

Depreciation is calculated using the straight-line method to allocate the cost of each item of property, plant and equipment to their estimated residual values over its estimated useful life as follows:

Buildings	
– Temporary Pavilion, Nursery Park and site office	3 to 7 years
– Xiqu Centre, Art Park and M+ Pavilion	
– Foundation & structure	50 years
– Hard & soft landscape	15 to 30 years
– Electrical and mechanical equipment inside the building	15 to 20 years
Leasehold improvements	5 years or the unexpired lease term, whichever is shorter
Furniture and equipment	3 years
Computer equipment	3 to 8 years
Motor vehicles	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Construction in progress is stated at cost less any accumulated impairment loss. Costs comprise direct costs of construction, such as materials, direct staff costs, production overheads, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located. Capitalisation of these costs ceases and the asset concerned is transferred to the appropriate property, plant and equipment category when substantially all the activities necessary to prepare the asset for its intended use are completed.

No depreciation is provided for construction in progress until the construction is completed and the assets are ready for their intended use.

The gain or loss arising from the retirement or disposal of an item of property, plant and equipment is the difference between the net disposal proceeds and the carrying amount of the item and is recognised in the profit and loss account on the date of retirement or disposal.

2 主要會計政策(續)

(f) 物業、廠房及設備

除在建工程外，物業、廠房及設備按歷史成本減累計折舊及累計減值虧損入帳。歷史成本包括與購買項目直接有關的開支。後續成本只有在很可能為集團帶來與該項目有關的未來經濟利益，而該項目的成本能可靠計量時，才包括在資產的帳面值或確認為一項單獨資產(如適用)。所有其他維修和保養費用在其產生的年度內記入損益表。

各項物業、廠房及設備的折舊採用直線法計算，並按以下的估計可使用年期將成本分配至其估計剩餘價值：

樓房	
– 臨時展亭、苗圃公園及項目辦公室	3至7年
– 戲曲中心、藝術公園及M+展亭	
– 地基及結構	50年
– 硬景觀及軟景觀	15至30年
– 樓房內的機電設備	15至20年
租賃物業裝修	5年或剩餘的租賃年期(以較短者為準)
傢具及設備	3年
電腦設備	3至8年
汽車	5年

在每個報告期期末，均檢討資產的剩餘價值和可使用年期，並會作出調整(如適用)。

在建工程按成本減任何累計減值虧損入帳。成本包括工程直接成本，如材料、直接員工成本、生產經常開支、相關拆卸與移除項目及還原工地的初期估計成本(如適用)。當資產投入擬定用途所需的絕大部分準備工作完成後，上述費用便會停止資本化，並會轉列為適當的物業、廠房及設備類別。

在建工程不計提折舊，直至有關建築工程完成以及有關資產準備可作擬定用途為止。

報廢或出售物業、廠房及設備項目所產生的收益或虧損是項目出售所得款項淨額與帳面金額之間的差額釐定，並於報廢或出售日在損益表確認。

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2 Significant accounting policies (Continued)**(g) Museum collection**

Museum collection acquired by purchase are stated at cost less any impairment losses while those acquired by donation are stated at nominal value. Capitalised artworks are not depreciated because they are deemed to have indefinite lives, but are subject to impairment reviews where damage or deterioration is reported.

(h) Intangible assets

Intangible assets are stated at historical cost less accumulated amortisation and accumulated impairment losses. Identifiable intangible asset with a finite useful life is amortised on a straight-line basis over its expected useful life as follows:

Computer software, licences and systems	5 years
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Computer software, licences and systems in progress are stated at cost less any accumulated impairment loss. Costs mainly comprise system development expenditure and other direct costs attributable to the development of the system. Capitalised development cost are recorded as intangible assets and amortised from the point at which the asset is ready for use.

No amortisation is provided for computer software, licences and systems in progress.

The estimated useful life of an intangible asset is reviewed annually.

(i) Financial assets or liabilities at fair value through profit or loss

The Group has designated the placements with the Exchange Fund under "financial assets or liabilities at fair value through profit or loss". The Group determines the classification of its financial assets or liabilities at initial recognition, and such classification depends on the purpose for which the financial assets or liabilities are acquired.

Financial assets or liabilities at fair value through profit or loss are recognised when and only when the Group becomes a party to the contractual provisions of the instruments and on a trade date basis. These financial assets or liabilities are initially recognised at fair value and transaction costs are expensed to the profit and loss account. They are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Financial assets or liabilities are subsequently carried at fair value, with changes in fair value recognised in the profit and loss account in the year in which they arise.

(j) Investments in debt securities

The Group's investments in debt securities are recognised/derecognised on the date the Group commits to purchase/sell the investments or they expire. Investments in debt securities are initially stated at fair value plus directly attributable transaction costs. These investments are subsequently accounted for as follows, depending on their classification.

2 主要會計政策(續)**(g) 博物館藏品**

購買的博物館藏品按成本減去任何減值虧損入帳，而獲捐贈的博物館藏品則按象徵式價值入帳。已資本化之藝術品因被視為具有無限之可用年期，故不計提折舊，惟當發現藝術品有損壞或變質時，會對其進行減值評估。

(h) 無形資產

無形資產按歷史成本減去累計攤銷及累計減值準備入帳。具有有限可使用年期的可識別無形資產在其預期可使用年內按直線法攤銷如下：

電腦軟件、使用權及系統	5年
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開發中的電腦軟件、使用權及系統按成本減去任何累計減值虧損入帳。成本主要包括系統開發開支以及系統開發中產生的其他直接成本。已資本化的開發成本會被記錄為無形資產，並會由資產準備可供使用之時起攤銷。

開發中的電腦軟件、使用權及系統不會進行攤銷。

無形資產的估計可使用年期於每年予以檢討。

(i) 以公允價值計量且其變動計入損益的金融資產或負債

集團已指定外匯基金存款為「以公允價值計量且其變動計入損益的金融資產或負債」。集團在初始確認金融資產或負債時決定其類別，而此分類取決於購入該金融資產或負債的目的。

以公允價值計量且其變動計入損益的金融資產或負債乃於集團成為該等工具合約條文之其中一方時及按交易日之基準確認。有關金融資產或負債最初按公允價值確認，而交易成本則記入損益表。當收取現金流的權利已屆滿或已轉讓並且集團已轉讓擁有權的絕大部分風險和回報時，金融資產或負債即被終止確認。金融資產或負債其後按公允價值列帳，而公允價值的變動則在產生的年度於損益表確認。

(j) 於債務證券之投資

集團於債務證券之投資於集團承諾購買/出售投資或有關投資到期當日確認/終止確認。於債務證券之投資在初始時按公允價值加直接應佔交易成本入帳。有關投資其後視乎其分類入帳如下。

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2 Significant accounting policies (Continued)

(j) Investments in debt securities (Continued)

Debt securities held by the Group are classified as financial assets at fair value through other comprehensive income ("FVOCI"), if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale. Changes in fair value are recognised in other comprehensive income, except for the recognition in profit or loss of expected credit losses, interest income (calculated using the effective interest method) and foreign exchange gains and losses. When the investment is derecognised, the amount accumulated in other comprehensive income is reclassified from equity to profit or loss.

(k) Bank interest receivables, amounts due from subsidiaries and trade and other receivables

Bank interest receivables, amounts due from subsidiaries and trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less any provision for impairment (see note 2(m)).

(l) Leases

Policy applicable from 1 April 2019

Lessee

All leases with a term of more than 12 months are recognised (i.e. an asset representing the right to use of the underlying asset and a liability representing the obligation to make lease payments), unless the underlying asset is of low value. Both the asset and the liability are initially measured on a present value basis. Right-of-use assets are recognised under fixed assets and are measured at cost less any accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the shorter of the useful life of the assets and the lease term. Lease liabilities are initially measured at the present value of unpaid lease payments and subsequently adjusted by the effect of the interest on and the settlement of the lease liabilities, and the re-measurement arising from any reassessment of the lease liabilities or lease modifications.

Lessor

Leases where substantially all the risks and rewards of ownership of assets remain with the Group are classified as operating leases. Assets leased under operating leases are included in fixed assets and rentals receivable are credited to surplus or deficit on the straight-line basis over the lease term.

Policy prior to 1 April 2019

A lease was classified as a finance lease whenever the terms of the lease transferred substantially all the risks and rewards of ownership of a leased asset to the lessee. All other leases were classified as operating leases.

Rentals payable under operating leases were charged to the profit and loss account on a straight-line basis over the term of the relevant lease.

2 主要會計政策(續)

(j) 於債務證券之投資(續)

倘投資的合約現金流僅包括支付本金和利息，而且有關投資乃於透過同時收取合約現金流和出售達致目標的業務模式內持有，集團持有的債務證券被分類為以公允價值計量且其變動計入其他全面收益的金融資產。公允價值變動於其他全面收益中確認，惟於損益中確認預期信貸虧損、利息收入(使用實際利率法計算)以及匯兌收益和虧損者除外。當投資終止確認時，於其他全面收益中累計的金額會由權益重新分類至損益。

(k) 應收銀行利息、應收附屬公司之金額，以及貿易及其他應收款

應收銀行利息、應收附屬公司之金額，以及貿易及其他應收款最初按公允價值確認，其後按實際利率法計算的攤銷成本減去任何減值準備入帳(見附註2(m))。

(l) 租賃

由2019年4月1日起適用的政策

承租人

除非相關資產屬低價值，否則所有租賃期超過12個月的租賃均予以確認(即代表相關資產使用權的資產和代表履行租賃付款責任的負債)。資產和負債最初均按現值基準計量。使用權資產在固定資產下確認，並按成本減去累計折舊和減值虧損後的金額計量，並根據租賃負債的任何重新計量進行調整。使用權資產在資產可使用年期及租賃期(以較短者為準)內按直線法計提折舊。租賃負債最初按未付租賃付款的現值計量，其後根據租賃負債的利息和清償的影響以及因重新評估租賃負債或租賃變更而產生的重新計量進行調整。

出租人

如租賃資產中的擁有權有關的絕大部分風險和回報仍屬集團所有時，此租賃便被分類為營運租賃。根據營運租賃而租賃的資產包括於固定資產中，而應收租金會在租賃期內按直線法計入盈餘或赤字。

2019年4月1日前的政策

如租賃條款把租賃資產之擁有權的絕大部分風險和回報轉給承租人時，此租賃便被分類為融資租賃。除此以外的所有其他租賃分類為營運租賃。

營運租賃之應付租金在有關租賃之租賃期內按直線法記入損益表。

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2 Significant accounting policies (Continued)

(m) Impairment of assets

(i) Impairment of financial assets

— General approach

Expected Credit Losses ("ECLs") are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each balance sheet date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Debt investments at fair value through other comprehensive income and financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables and contract assets which apply the simplified approach as detailed below.

Stage 1: Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs

Stage 2: Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs

Stage 3: Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

2 主要會計政策(續)

(m) 資產減值

(i) 金融資產減值

— 一般方式

預期信貸虧損分兩階段確認。就自初始確認以來信貸風險未有顯著增加的信貸風險項目而言，未來12個月內可能發生違約事件導致的信貸虧損會被計提預期信貸虧損(12個月預期信貸虧損)。就自初始確認以來信貸風險顯著增加的信貸風險項目而言，不論違約時間，須就預期於風險項目剩餘期間產生的信貸虧損計提虧損準備(全期預期信貸虧損)。

於每個資產負債表結帳日，集團評估自初始確認以來金融工具的信貸風險是否顯著增加。進行評估時，集團將於報告日期金融工具發生之違約風險與初始確認日期金融工具發生之違約風險進行比較，並考慮合理且可支持以及不需要付出不必要的成本或努力而可得的資料，包括歷史及前瞻性資料。

倘合約付款逾期90天，集團視金融資產為違約。然而，於若干情況下，集團亦可能在計及集團持有的任何信貸增值前，於內部或外部資料顯示集團可能無法全數收回未償還合約款項時，視金融資產為違約。當概無合理預期可收回合約現金流時，金融資產將予撇銷。

根據一般方式，以公允價值計量且其變動計入其他全面收益的債務投資以及按攤銷成本列帳的金融資產須計提減值並按下列階段分類以計量預期信貸虧損，惟貿易應收款及合約資產則除外，該等項目採用下文詳述之簡化方式計量。

第一階段：自初始確認以來信貸風險未有顯著增加及虧損準備按等同12個月預期信貸虧損金額計量的金融工具

第二階段：自初始確認以來信貸風險顯著增加但並非信貸已減值的金融資產及虧損準備按等同全期預期信貸虧損金額計量的金融工具

第三階段：於報告日期信貸已減值(但並非購入或源生的信貸已減值)及虧損準備按等同全期預期信貸虧損金額計量的金融資產

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– Simplified approach

For trade receivables that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each balance sheet date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

(ii) Impairment of non-financial assets

Internal and external sources of information are reviewed at each balance sheet date to identify indications that the property, plant and equipment and intangible assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased.

The carrying amount of each item of museum collection is reviewed where there is an indication of impairment, for example where it has suffered physical deterioration or breakage or new doubts arise as to its authenticity.

If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

The recoverable amount of an asset is the greater of its net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. Where the assets do not generate cash inflows largely independent of those from other assets, the recoverable amount is determined only for the cash-generating unit which is the smallest group of assets that includes the asset and generates cash inflows independently.

An impairment loss is reversed if there has been a positive change in the estimates used to determine the recoverable amount and which results in an increase in the recoverable amount.

A reversal of impairment losses is limited to the assets' carrying amount that would have been determined had no impairment loss been recognised in previous years. Reversals of impairment losses are credited to the profit and loss account in the year in which the reversals are recognised.

2 主要會計政策(續)**(m) 資產減值(續)****(i) 金融資產減值(續)**

– 簡化方式

就並無重大融資成分或集團應用權宜方法不調整重大融資成分影響的貿易應收款而言，集團應用簡化方式計算預期信貸虧損。根據簡化方式，集團並不記錄信貸風險的變動，而是根據每個資產負債表結帳日的全期預期信貸虧損確認虧損準備。集團已根據其過往信貸虧損經驗設立準備矩陣，並根據債務人特定的前瞻性因素及經濟環境作出調整。

(ii) 非金融資產減值

在每個資產負債表結帳日，內部和外間資料來源會被審閱，以識別物業、廠房及設備和無形資產是否出現減值跡象，或以往確認的減值虧損是否已經不再存在或可能已經減少。

當博物館藏品有減值跡象，例如出現損耗或破損，或對其真偽出現新的存疑情況，其資產帳面金額會被檢視。

如果出現任何這類跡象，須估計資產的可收回數額。當資產帳面金額高於可收回數額，將確認減值虧損。

資產的可收回數額是其淨售價與使用價值兩者中的較高者。在評估使用價值時，須以稅前折現率將預計其未來的現金流折算為現值，而採用的折現率則應反映當時市場評估的貨幣的時間價值和該資產的相關風險。如果資產所產生的現金流入基本上不受其他資產所產生的現金流入所影響，則可收回數額會僅就包含該資產並產生獨立現金流的最小資產類別的現金產生單位來釐定。

如果用作釐定可收回數額的估計出現利好變化，並令可收回數額增加，有關的減值虧損便會轉回。

所轉回的減值虧損僅限於在過往年度倘沒有確認任何減值虧損的資產帳面金額。所轉回的減值虧損在確認轉回的年度內計入損益表。

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2 Significant accounting policies (Continued)

(n) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, and time deposits with original maturities of three months or less that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

(o) Amount due to a subsidiary, amount due to M+ Collections Trust, trade and other payables

Amount due to a subsidiary, amount due to M+ Collections Trust, trade and other payables are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

(p) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits. Apart from differences which arise on initial recognition of assets and liabilities, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised.

2 主要會計政策(續)

(n) 現金及現金等價物

現金及現金等價物包括銀行存款、現金及原到期日三個月或以內之定期存款，並可隨時轉換為已知悉數額的現金，而其價值變動之風險甚低。

(o) 應付附屬公司之金額、應付M+ Collections Trust之金額、貿易及其他應付款

應付附屬公司之金額、應付M+ Collections Trust之金額、貿易及其他應付款最初按公允價值確認，其後以實際利率法計算的攤銷成本入帳；如果折現計算的影響並不重大，則按成本入帳。

(p) 所得稅

本年度所得稅包括本期稅項和遞延稅項資產與負債的變動。本期稅項和遞延稅項資產與負債的變動在損益中確認，但如果是在其他全面收益或直接在權益中確認的相關項目，則相關稅款分別在其他全面收益或直接在權益中確認。

本期稅項是按本年度應課稅收入，根據在報告期末已執行或實質上已執行的稅率計算的預計應付稅項，加上以往年度應付稅項的任何調整。

遞延稅項資產與負債分別由可抵扣和應課稅暫時差異產生。暫時差異是指資產和負債在財務報告中的帳面金額與這些資產與負債的計稅基礎的差異。遞延稅項資產也可以由未使用稅項虧損和未使用稅款抵減產生。除了初始確認資產和負債產生的差異外，所有遞延稅項負債和所有遞延稅項資產只限於很可能獲得未來應課稅利潤以使該遞延稅項資產得以使用的情況下均予確認。

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2 Significant accounting policies (Continued)

(q) Revenue and other income

Income is classified by the Group as revenue when it arises from the sale of goods, the provision of services or the use by others of the Group's assets under leases in the ordinary course of the Group's business.

Revenue is recognised when control over a product or service is transferred to the customer, at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

Further details of the Group's revenue and other income recognition policies are as follows:

- Revenue from contracts with customers
 - WKCDA performance programmes
Revenue of WKCDA performance programmes is recognised in the accounting period at a point in time when the programmes are rendered to the customers.
 - Ticketing operation revenue of external hires
Ticketing operation revenue of external hires is recognised in the accounting period at a point in time when the services are rendered on the sale of tickets to the customers.
 - Sale of goods – retail
Revenue from the sale of goods is recognised at a point in time when the Group sells the products to the customers.
 - Facilities management services income
Facilities management services income is recognised over time when the services are rendered to the tenants.

2 主要會計政策(續)

(q) 收益及其他收入

當銷售商品、提供服務或其他方根據一般業務過程租賃使用集團的資產而產生收入時，集團會將收入分類為收益。

當對產品或服務的控制轉移予客戶時，收益便會確認，金額為集團預期可得到的承諾代價，但不包括代表第三方收取的金額。收益不包括增值稅或其他銷售稅，並已扣除任何貿易折扣的扣減額。

集團的收益和其他收入確認政策的進一步詳情如下：

- 客戶合約收益
 - 管理局表演節目
管理局表演節目的收益於為客戶提供節目之時的會計期間確認。
 - 對外出租場地的票務營運收益
對外出租場地的票務營運收益於向客戶提供門票銷售服務之時的會計期間確認。
 - 銷售商品－零售
銷售商品收益於集團向客戶銷售產品之時確認。
 - 設施管理服務收入
設施管理服務收入於向租戶提供服務之時確認。

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2 Significant accounting policies (Continued)

(q) Revenue and other income (Continued)

- Revenue from contracts with customers (continued)

- Sponsorships

Sponsorships are recognised when the right to receive payment is established. Sponsorship for specific purposes are recognised initially as deferred income and that the Group complies with the conditions attached to the sponsorship, generally having benefits to the sponsors. Sponsorships that compensate the Group for expenses incurred are recognised as income in profit or loss over time on a systematic basis in the same periods in which the expenses are incurred. Sponsorships that compensate the Group for the purchase or construction of property, plant and equipment and intangible assets are recognised as income in profit or loss over time on a straight-line basis over the estimated useful lives of the related assets.

- Management fee income from subsidiaries

Management fee income is recognised over time when the services are rendered to the subsidiaries.

- Revenue and income from other sources

- Interest income

Interest income is recognised as it accrues using the effective interest method. For financial assets measured at amortised cost or FVOCI (recycling) that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset. For credit impaired financial assets, the effective interest rate is applied to the amortised cost (i.e. gross carrying amount net of loss allowance) of the asset (see note 2(m)(i)).

- Changes in fair value of financial assets or liabilities at fair value through profit or loss

Changes in fair value of the placements with the Exchange Fund which is designated and included as "financial assets or liabilities at fair value through profit or loss", is recognised as gain or loss in the profit and loss account in the year in which they arise.

- Rental income from operating leases

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable. Contingent rentals are recognised as income in the accounting period in which they are earned.

2 主要會計政策(續)

(q) 收益及其他收入(續)

- 客戶合約收益(續)

- 贊助

贊助於收取款項權利成立之時確認。作特定用途的贊助最初確認為遞延收入，而集團須遵守贊助所附帶的條件，並一般會獲得贊助所帶來的利益。資助集團支付所產生的費用的贊助，會在費用產生的相同期間根據系統性基準而隨著時間於損益中確認為收入。資助集團支付購買或建造物業、廠房及設備和無形資產的費用的贊助，會根據相關資產的估計可使用年期按直線法而隨著時間於損益中確認為收入。

- 附屬公司管理費收入

管理費收入於向附屬公司提供服務之時確認。

- 來自其他來源的收益及收入

- 利息收入

利息收入於產生時使用實際利率法確認。就並非信貸已減值的按攤銷成本計量或按以公允價值計量且其變動計入其他全面收益(可轉回)的金融資產而言，實際利率應用於資產的帳面總值。就信貸已減值的金融資產而言，實際利率應用於資產的已攤銷成本(即帳面總值扣除虧損準備)(見附註2(m)(i))。

- 以公允價值計量且其變動計入損益的金融資產或負債的公允價值變動

被指定為並納入「以公允價值計量且其變動計入損益的金融資產或負債」的外匯基金存款的公允價值變動在其產生年度之損益表確認為收入或虧損。

- 營運租賃租金收入

營運租賃的應收租金收入在租賃期內所有期間按等額分期在損益中確認，惟替代基準更能代表租賃資產使用所產生的利益模式者除外。已授出的租賃優惠於損益確認為應收租賃淨付款總額的組成部分。或有租金在其賺取的會計期間確認為收入。

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2 Significant accounting policies (Continued)

(q) Revenue and other income (Continued)

- Revenue and income from other sources (Continued)
 - Donations

Donations are recognised in the balance sheet initially when there is reasonable assurance that they are received and that the Group complies with the conditions attached with the donations. Donations that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Donations that compensate the Group for the purchase or construction of property, plant and equipment and intangible assets are recognised as income in profit or loss on a straight-line basis over the estimated useful lives of the related assets. Donations that compensate the Group for the cost of museum collection are deducted from the carrying amount of the asset.

(r) Contract liabilities

Upon entering into a contract with a customer, the Group obtains rights to receive consideration from the customer and assumes performance obligations to transfer goods or provide services to the customer. The combination of those rights and performance obligations gives rise to a net asset or a net liability depending on the relationship between the remaining rights and the performance obligations. The contract is a liability and recognised as contract liabilities if the measure of the remaining performance obligations exceeds the measure of the remaining rights.

(s) Employee benefits

Salaries, contract gratuity and annual leave entitlements are accrued in the year in which the employees render the associated services.

Contributions to Mandatory Provident Fund ("MPF") scheme are charged as expenses on an accrual basis in the year in which the related employees render the associated services.

(t) Provisions and contingent liabilities

Provisions are recognised when the Group has a legal or constructive obligation as a result of a past event, when it is probable that the Group will require an outflow of resources embodying economic benefits to settle the obligation, and when the amount of obligation can be estimated reliably. Where the effect of time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

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

2 主要會計政策(續)

(q) 收益及其他收入(續)

- 來自其他來源的收益及收入(續)
 - 捐贈

捐贈在收到捐贈獲得合理保證時於資產負債表初始確認，而集團須遵守捐贈所附帶的條件。補償集團所產生的費用的捐贈，會在費用產生的相同期間根據系統性基準而於損益中確認為收入。補償集團購買或建造物業、廠房及設備和無形資產的費用的捐贈，會根據相關資產的估計可使用年期按直線法而於損益中確認為收入。補償集團博物館藏品成本的捐贈，會自資產的帳面值扣減。

(r) 合約負債

在與客戶訂立合約時，集團有權獲得來自客戶支付的代價，並承擔轉移貨物或提供服務予客戶的履約責任。該等權利及履約責任共同導致產生資產淨值或負債淨額（視乎剩餘權利與履約責任之間的關係而定）。倘計量的剩餘履約責任超過計量的剩餘權利，則該合約為一項負債，並確認為合約負債。

(s) 僱員福利

薪金、約滿酬金及可享有的年假在僱員提供相關服務的年度內累計。

強制性公積金（「強積金」）計劃的供款在有關僱員提供相關服務的年度內累計為費用。

(t) 準備金及或有負債

當集團須就已發生的事件承擔法律或推定責任，而償付此等責任可能會引致集團包含經濟利益的資源外流，並在能夠可靠地估計責任金額時，準備金會予以確認。若貨幣時間值影響重大，則按預計償付此等責任所需支出的現值將準備金入帳。

如果經濟利益外流的可能性較低，或無法對有關數額作出可靠的評估，便會披露該責任為或有負債，但引致經濟利益外流的可能性極低則除外。如或有責任的存在與否須視乎一項或多項未來事件的發生而確定，亦會披露為或有負債，但經濟利益外流的可能性極低則除外。

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2 Significant accounting policies (Continued)

(u) Deferred income

Deferred income includes monetary donations received and receivable by the Group designated for the construction of buildings, which are recognised as income in the profit and loss on a straight-line basis over the estimated useful lives of the related assets.

(v) Offsetting financial instruments

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

3 Revenue

(a) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service lines is as follows:

2 主要會計政策(續)

(u) 遞延收入

遞延收入包括集團已收和應收的指定用作興建樓房的款項捐贈，有關款項在相關資產估計可使用年期按直線法於損益表確認為收入。

(v) 抵銷金融工具

若集團目前擁有法定可執行權利可抵銷已確認金額，並有意按淨額基準結算或同時變現資產及結算負債時，金融資產與負債則可予抵銷，並於資產負債表中呈報金額淨額。

3 收益

(a) 分列收益

按主要產品或服務類別分列的客戶合約收益如下：

		The Group 集團		The Authority 管理局	
		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元	2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
<u>Revenue from contracts with customers</u>	<u>客戶合約收益</u>				
WKCD performance programmes	管理局表演節目	9,549	9,367	9,473	9,245
Ticketing operation of external hires	對外出租場地的票務營運	917	33	917	33
Sale of goods – retail	銷售商品 – 零售	413	568	157	84
Facilities management services income	設施管理服務收入	3,797	1,176	3,797	1,176
Sponsorships	贊助	8,961	1,753	1,492	881
Management fee income from subsidiaries (note)	附屬公司管理費收入(註解)	–	–	77,431	58,349
Others	其他	7,366	2,257	5,777	523
		31,003	15,154	99,044	70,291
<u>Revenue from other sources</u>	<u>其他來源收益</u>				
Gross rental income	租金收入總額	22,478	3,593	22,478	3,593
		53,481	18,747	121,522	73,884

Note:

Management fee income represented the recharged costs incurred by the Authority's supporting functions to support the subsidiaries' activities.

註解：

管理費收入指管理局轄下的支援職能為該附屬公司的運作所產生的成本回撥。

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3 Revenue (Continued)

(b) Performance obligations

Information about the Group's major performance obligations is summarised below:

(i) WKCD performance programmes

The Group operates performing arts programmes. The performance obligation is satisfied upon rendering of the programmes and payment in advance is normally required.

(ii) Ticketing operation of external hires

The Group operates ticket sales operation for external hire performance programmes. The performance obligation is satisfied upon rendering of the services and the payment of the service fee is normally offset against the ticketing proceeds received on behalf of the external hirers.

(iii) Sale of goods – retail

The Group operates a retail shop to sell products, including gifts and items for the home, clothing and accessories, stationery products, and art books and exhibition catalogues. The performance obligation is satisfied upon delivery of the products to customers. Payment of the transaction price is due immediately.

(iv) Facilities management services income

The Group provides commercial property management services to the tenants. The performance obligation is satisfied upon rendering of the services and generally deposit is normally required.

(v) Sponsorships

Sponsorship obtained to finance campaign expenditure on events which are organised for the advancement of education and culture for the benefit of the community of Hong Kong or to support the activities of the Group. The performance obligation is satisfied upon the Group's compliance with the conditions attached to the sponsorship and payment in advance or payment by instalments is normally required.

(vi) Management fee income from subsidiaries

Management fee income represented the recharged costs incurred by the Authority's supporting functions to support the subsidiaries' activities. The performance obligation is satisfied upon rendering of the services and the fee is payable on demand.

3 收益(續)

(b) 履約責任

有關集團主要履約責任的資料概述如下：

(i) 管理局表演節目

集團舉辦表演藝術節目。履約責任於進行節目時履行，而客戶通常需要預先付款。

(ii) 對外出租場地的票務營運

集團為對外出租場地的表演節目提供售票服務。履約責任於提供服務時履行，而服務費通常以抵銷代表租用場地方收到的售票所得款項的方式支付。

(iii) 銷售商品－零售

集團營運零售店銷售產品，包括家居禮品和物品、服裝和配飾、文具產品，以及藝術書本和展覽目錄。履約責任於交付產品予客戶時履行。交易款項需要即時支付。

(iv) 設施管理服務收入

集團向租戶提供商業物業管理服務。履約責任於提供服務時履行，而客戶通常需要繳付按金。

(v) 贊助

取得贊助以支付推廣活動(當中包括為香港社會的利益而舉辦的教育和文化推廣活動)的支出或資助集團的節目活動。履約責任於集團遵守贊助所附帶的條件時履行，而客戶通常需要提前支付款項或分期付款。

(vi) 附屬公司管理費收入

管理費收入指管理局轄下的支援職能為該附屬公司的運作所產生的成本回撥。履約責任於提供服務時履行，而費用按通知即時支付。

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3 Revenue (Continued)

(c) Revenue expected to be recognised in the future arising from contracts with customers in existence at the balance sheet date

As at 31 March 2020, the aggregated amount of the transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) under the Group's existing contracts is HK\$14 million (2019: HK\$15 million) (the Authority: 2020: HK\$14 million, 2019: HK\$11 million). This amount represents revenue expected to be recognised in the future mainly from the WKCD performance programmes and ticketing operation of external hires. The Group will recognise the expected revenue in future when or as the performance obligation is completed which is expected to occur within one year.

(d) Total future minimum lease payments receivable

The total future minimum lease payments under non-cancellable operating leases are receivable as follows:

3 收益(續)

(c) 於資產負債表結帳日現有客戶合約產生預期在未來確認的收益

於2020年3月31日，根據集團現有合約分配至餘下履約責任(未履行或部分未履行)的交易價格總額為1,400萬港元(2019年：1,500萬港元)(管理局：2020年：1,400萬港元，2019年：1,100萬港元)。此金額反映主要就管理局表演節目和對外出租場地的票務營運而預期在未來確認的收益。集團將於未來在履約責任完成時(預期在1年內)確認預期收益。

(d) 應收未來最低租金總額

不可註銷之營運租賃之未來最低租金總額應收如下：

		The Group and the Authority 集團及管理局	
		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Within one year	一年內	9,830	5,755
After one year but within five years	一年後但五年內	19,178	23,639
		29,008	29,394

4 Other investment income (net)

4 其他投資收入(淨額)

		The Group and the Authority 集團及管理局	
		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
<u>Debt securities measured at FVOCI</u>	<u>按以公允價值計量且其變動計入 其他全面收益的債務證券</u>		
Interest income	利息收入	-	1,992
Reclassification from equity on redemption	贖回時自權益帳重新分類	-	(418)
		-	1,574

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5 Staff costs

Staff costs for employees directly hired by the Group and the Authority as well as secondees from the Government of HKSAR are as follows:

5 員工成本

由集團及管理局直接聘請的僱員以及由香港特別行政區政府借調的人員之員工成本如下：

		The Group 集團		The Authority 管理局	
		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元	2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Salaries, contract gratuity and other benefits	薪金、約滿酬金及其他福利	412,071	342,984	316,942	279,262
Contributions to MPF scheme	強積金計劃供款	9,103	7,384	6,529	5,699
Total staff costs	員工成本總額	421,174	350,368	323,471	284,961
Less: Direct staff costs capitalised (note 2(f))	減：資本化的直接員工成本 (附註2(f))	(86,136)	(71,724)	(86,136)	(71,724)
		335,038	278,644	237,335	213,237
Representing:	代表：				
Salaries, contract gratuity and other benefits	薪金、約滿酬金及其他福利	327,486	272,730	232,357	209,007
Contributions to MPF scheme	強積金計劃供款	7,552	5,914	4,978	4,230
		335,038	278,644	237,335	213,237

6 Board/Committee/Consultation Panel members' remuneration

The chairman and members of the Board of the Authority, the Committees and the Consultation Panel of the Authority and the directors of the Authority's subsidiaries were not entitled to any remuneration for their services rendered to the Authority or its subsidiaries, except as below:

- Chief Executive Officer is appointed as an ex-officio member of the Board of the Authority and his remuneration is stated in note 7.
- Museum Director, M+ is appointed as an ex-officio member of the Board of M Plus Museum Limited and her remuneration is included in the remuneration disclosure for executive directors in note 7.

6 董事局 / 委員會 / 諮詢會成員酬金

管理局董事局、管理局的委員會與諮詢會的主席及成員，以及管理局的附屬公司的董事，均無就其向管理局或其附屬公司提供的服務收取任何酬金，惟以下人士除外：

- 行政總裁獲委任為管理局董事局的當然成員，而其酬金載於附註7。
- M+行政總監獲委任為M Plus Museum Limited董事局的當然成員，而其酬金載於附註7行政總監酬金披露。

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7 Remuneration of Senior Executives

Remuneration received and receivable by Senior Executives directly hired by the Group (note) are as follows:

7 高級行政人員酬金

由集團直接聘請的高級行政人員(註解)已收取及應收取之酬金如下：

		Chief Executive Officer 行政總裁 HK\$'000 港幣千元	Other Senior Executives 其他高級行政人員 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
2020	2020年			
Salaries and other emoluments	薪酬及其他酬金	5,218	21,843	27,061
Contract gratuity	約滿酬金	1,024	2,933	3,957
Contributions to MPF scheme	強積金計劃供款	18	110	128
		6,260	24,886	31,146
2019	2019年			
Salaries and other emoluments	薪酬及其他酬金	4,961	19,407	24,368
Contract gratuity	約滿酬金	974	2,807	3,781
Contributions to MPF scheme	強積金計劃供款	18	120	138
		5,953	22,334	28,287

Notes:

- (a) Senior Executives comprise Chief Executive Officer, Chief Commercial Officer, Chief Corporate Services Officer, Chief Financial Officer, Chief Projects Officer, Executive Director, Performing Arts, General Counsel, Museum Director, Hong Kong Palace Museum and Museum Director, M+.
- (b) The appointment of the current Chief Financial Officer was effective on 16 September 2019 while the former Chief Financial Officer served up to 15 September 2019.
- (c) The appointment of the current Executive Director, Performing Arts was effective on 2 March 2020 while the former Executive Director, Performing Arts served up to 20 June 2019.
- (d) The appointment of Museum Director, Hong Kong Palace Museum was effective on 5 August 2019.

註解：

- (a) 高級行政人員包括行政總裁、首席商務總監、首席機構事務總監、首席財務總監、首席工程總監、表演藝術行政總監、總法律顧問、香港故宮文化博物館館長和M+博物館館長。
- (b) 現任首席財務總監的委任於2019年9月16日生效，而前任首席財務總監則服務至2019年9月15日。
- (c) 現任表演藝術行政總監的委任於2020年3月2日生效，而前任表演藝術行政總監則服務至2019年6月20日。
- (d) 香港故宮文化博物館館長的委任於2019年8月5日生效。

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7 Remuneration of Senior Executives (Continued)

The remuneration of Senior Executives are shown in the ranges as follows:

7 高級行政人員酬金(續)

高級行政人員之酬金範圍如下：

		2020 Number of individuals 人數	2019 Number of individuals 人數
HK\$6,000,001 – HK\$6,500,000	6,000,001港元 – 6,500,000港元	1	–
HK\$5,500,001 – HK\$6,000,000	5,500,001港元 – 6,000,000港元	–	1
HK\$5,000,001 – HK\$5,500,000	5,000,001港元 – 5,500,000港元	–	–
HK\$4,000,001 – HK\$4,500,000	4,000,001港元 – 4,500,000港元	1	1
HK\$3,500,001 – HK\$4,000,000	3,500,001港元 – 4,000,000港元	1	2
HK\$3,000,001 – HK\$3,500,000	3,000,001港元 – 3,500,000港元	2	2
HK\$2,500,001 – HK\$3,000,000	2,500,001港元 – 3,000,000港元	2	1
HK\$2,000,001 – HK\$2,500,000	2,000,001港元 – 2,500,000港元	1	–
HK\$2,000,000 or below	2,000,000港元或以下	3	1
		11	8

8 Other operating expenses

8 其他營運費用

		The Group 集團		The Authority 管理局	
		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元	2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Facilities management	設施管理	71,538	26,747	71,538	26,747
Venue operation	場地營運	21,058	11,845	16,810	8,907
Museum collection management	博物館藏品管理				
– Operating lease payments	– 營運租賃費用	11,141	13,896	–	–
– Others	– 其他	10,680	10,715	–	–
Office accommodation	辦公場所				
– Operating lease payments	– 營運租賃費用	109	10,008	109	10,008
– Others	– 其他	6,496	4,103	6,496	4,103
Information and communications technology	資訊及通訊科技	44,733	21,832	44,733	21,832
Consultancy fees	顧問費用	25,266	14,217	24,615	14,217
Auditor's remuneration	核數師酬金	1,043	923	1,043	923
Marketing and communications	市場推廣及傳訊	34,840	38,950	34,840	38,950
Legal fees	法律費用	20,657	27,519	20,657	27,519
Recruitment	招聘	7,323	2,730	7,323	2,730
Office expenses and utilities	辦公室費用和設施	12,495	12,037	12,495	12,037
Others (note)	其他(註解)	46,975	35,392	39,141	25,131
		314,354	230,914	279,800	193,104

Note:

Other expenses mainly included cost of hired services, training and development and other administrative expenses.

註解：

其他費用主要包括租用服務成本、培訓及發展和其他行政費用。

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9 Taxation

- (a) Pursuant to section 41(1) of the WKCD Ordinance, the Authority is exempt from taxation under the Inland Revenue Ordinance, Cap. 112. Pursuant to section 41(2) of the WKCD Ordinance, the Authority is also exempt from stamp duty under the Stamp Duty Ordinance, Cap. 117 in respect of any instrument relating to (a) the conveyance of any immovable property under which the beneficial interest of the property passes by way of gift to the Authority; or (b) the transfer of any stock within the meaning of the Stamp Duty Ordinance, under which the beneficial interest of the stock passes by way of gift to the Authority.
- (b) The subsidiaries of the Group have not recognised deferred tax assets arising from cumulative tax losses of HK\$693 million (2019: HK\$484 million) as it is not probable that sufficient taxable profits will be available to allow the tax losses to be utilised in the foreseeable future. The tax losses do not expire under current tax legislation.

9 稅項

- (a) 根據《西九條例》第41(1)條，管理局獲豁免而毋須根據《稅務條例》(第112章)繳稅。根據《西九條例》第41(2)條，管理局亦就關於以下事項的文書獲得豁免，而毋須根據《印花稅條例》(第117章)繳交印花稅：(a)任何不動產的轉易，而根據該轉易，該不動產的實益權益是以饋贈方式轉移給管理局的；或(b)任何《印花稅條例》所指的證券轉讓，而根據該轉讓，該證券的實益權益是以饋贈方式轉移給管理局的。
- (b) 集團的附屬公司並無確認累計稅務虧損所產生的遞延稅項資產6.93億港元(2019年：4.84億港元)，原因是在可見將來不大可能有足夠的應課稅利潤以使用有關稅項虧損。根據現行稅務法例，稅務虧損並無扣稅期限。

10 Investments in subsidiaries

As at 31 March 2020 and 2019, the principal subsidiaries of the Group comprise:

10 於附屬公司之投資

於2020年及2019年3月31日，集團的主要附屬公司包括：

Name 名稱	Place of Incorporation and Operations 註冊成立及營運地點	Effective Interest Held by the Group 集團持有的 實際權益	Principal Activities 主要業務
M Plus Museum Limited	Hong Kong 香港	100%	To plan, design, operate, manage, maintain and otherwise deal with the arts and cultural facilities and related or ancillary facilities of the M+ Museum 規劃、設計、營運、管理、維持和以其他方式處理M+博物館的文化藝術設施及相關或附屬設施
M Plus Collections Limited	Hong Kong 香港	100%	To act as the Trustee of M+ Collections Trust (the "Trust") under the terms of the Trust Deed and hold the legal interest in the museum collection of the M+ Museum 根據信託契約的條款作為M+ Collections Trust (「信託」)的受託人，並持有M+博物館之博物館藏品的法律權益
Blue Poles Limited	Hong Kong 香港	100%	To execute the main work contract entrusted by the Authority 執行管理局委託的主工程合約
Hong Kong Palace Museum Limited 香港故宮文化博物館有限公司	Hong Kong 香港	100%	To carry out activities to prepare for the opening of the Hong Kong Palace Museum 進行香港故宮文化博物館的籌備工作
West Kowloon Cultural District Foundation Limited 西九文化區基金會有限公司	Hong Kong 香港	100%	To formulate strategies, policies and guidelines in relation to the operations of fundraising and related activities 負責為籌款及相關活動制訂策略、政策和指引

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11 Property, plant and equipment

11 物業、廠房及設備

		The Group and the Authority 集團及管理局						
		Note 註解	Buildings (note (a)) 樓房 (註解(a)) HK\$'000 港幣千元	Leasehold improvements, furniture and equipment 租賃物業裝修、 傢具及設備 HK\$'000 港幣千元	Computer equipment 電腦設備 HK\$'000 港幣千元	Motor vehicles 汽車 HK\$'000 港幣千元	Construction in progress (note (b)) 在建工程 (註解(b)) HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
2020 Cost	2020年 成本							
At 1 April 2019	於2019年4月1日		3,932,537	194,273	136,153	3,454	6,958,599	11,225,016
Additions	增置		2,171	636	121	-	3,666,769	3,669,697
Transfers	轉撥	(c)	1,068,193	94,512	21,956	-	(1,184,661)	-
At 31 March 2020	於2020年3月31日		5,002,901	289,421	158,230	3,454	9,440,707	14,894,713
Accumulated depreciation	累計折舊							
At 1 April 2019	於2019年4月1日		76,443	24,406	17,914	947	-	119,710
Charge for the year	年內折舊		166,417	60,573	22,200	677	-	249,867
At 31 March 2020	於2020年3月31日		242,860	84,979	40,114	1,624	-	369,577
Net book value	帳面淨值							
At 31 March 2020	於2020年3月31日		4,760,041	204,442	118,116	1,830	9,440,707	14,525,136
2019 Cost	2019年 成本							
At 1 April 2018	於2018年4月1日		129,498	16,646	18,232	3,304	7,720,195	7,887,875
Additions	增置		3,037	5,924	4,327	646	3,324,721	3,338,655
Transfers	轉撥	(c)	3,800,002	171,703	114,612	-	(4,086,317)	-
Disposals	出售 / 註銷		-	-	(1,018)	(496)	-	(1,514)
At 31 March 2019	於2019年3月31日		3,932,537	194,273	136,153	3,454	6,958,599	11,225,016
Accumulated depreciation	累計折舊							
At 1 April 2018	於2018年4月1日		35,687	9,667	11,351	806	-	57,511
Charge for the year	年內折舊		40,756	14,739	7,581	637	-	63,713
Written back on disposals	出售 / 註銷後撥回		-	-	(1,018)	(496)	-	(1,514)
At 31 March 2019	於2019年3月31日		76,443	24,406	17,914	947	-	119,710
Net book value	帳面淨值							
At 31 March 2019	於2019年3月31日		3,856,094	169,867	118,239	2,507	6,958,599	11,105,306

Notes:

- (a) The buildings include the Xiqu Centre, the Art Park, Freespace, District Cooling System, Interfacing Carpark, the M+ Pavilion, Temporary Pavilion, the Nursery Park and the site office.
- (b) The net book value of construction in progress includes mainly the costs incurred for the design and construction of the M+ Museum (including conservation and storage facilities), WKCD Tower, Lyric Theatre Complex & its extended basement and the Hong Kong Palace Museum ("HKPM").
- (c) The transfer from construction in progress during the year ended 31 March 2020 mainly represented the construction cost of three sections of the Art Park, Freespace and District Cooling System, which commenced operations and started depreciation from May 2019.

註解:

- (a) 樓房包括戲曲中心、藝術公園、自由空間、區域供冷系統、停車場、M+展亭、臨時展亭、苗圃公園及項目辦公室。
- (b) 在建工程的帳面淨值主要包括M+博物館(包括修復及保管中心)、西九文化區管理局大樓、演藝綜合劇場及綜合地庫以及香港故宮文化博物館之設計及建築費用。
- (c) 於截至2020年3月31日止年度，來自在建工程的轉撥主要代表藝術公園三個階段工程、自由空間和區域供冷系統的建築成本，有關項目由2019年5月起投入營運並開始折舊。

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12 Museum collection

12 博物館藏品

		Note 註解	The Group 集團 HK\$'000 港幣千元	The Authority 管理局 HK\$'000 港幣千元
2020	2020年			
Cost	成本			
At 1 April 2019	於2019年4月1日		43,925	—
Additions	增置		50,338	—
Assignment	轉讓	(c)	(60,455)	—
			<u>33,808</u>	<u>—</u>
At 31 March 2020	於2020年3月31日		<u>33,808</u>	<u>—</u>
Net book value	帳面淨值			
At 31 March 2020	於2020年3月31日		<u>33,808</u>	<u>—</u>
2019	2019年			
Cost	成本			
At 1 April 2018	於2018年4月1日		53,011	10,180
Additions	增置		57,958	—
Assignment	轉讓	(c)	(67,044)	(10,180)
			<u>43,925</u>	<u>—</u>
At 31 March 2019	於2019年3月31日		<u>43,925</u>	<u>—</u>
Net book value	帳面淨值			
At 31 March 2019	於2019年3月31日		<u>43,925</u>	<u>—</u>

Notes:

(a) Pursuant to a Deed of Declaration of Trust dated 28 March 2017 signed between the Authority and M Plus Collections Limited (the "Trustee"), the Trust was established for the following objectives and purposes:

- (i) the development of culture with an emphasis on the development of contemporary visual culture for the benefit of the Hong Kong community;
- (ii) the advancement of learning and education anywhere in the world; and
- (iii) the Trustee shall hold the legal interest in the museum collection whereas the Trust shall hold the beneficial ownership of the museum collection for the benefit of the Hong Kong community.

M Plus Collections Limited was appointed as the Trustee of the Trust in March 2017.

註解:

(a) 根據管理局與M Plus Collections Limited(「受託人」)於2017年3月28日訂立的信託聲明契約，信託已經成立，目標和目的如下：

- (i) 推動文化發展，並以當代視覺文化發展為重點，令香港社會受惠；
- (ii) 促進世界各地的學習和教育；及
- (iii) 受託人須持有博物館藏品的法律權益，而信託須為香港社會的利益而持有博物館藏品的實益擁有權。

M Plus Collections Limited於2017年3月獲委任為信託的受託人。

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12 Museum collection (Continued)

Notes (Continued):

- (b) The Group acquired the museum collection by monetary and non-monetary donations through the followings, the carrying amounts of which are recognised in accordance with the accounting policy in note 2(g):

- (i) During the year ended 31 March 2013, the Group entered into a transaction with two agreements signed, one agreement to receive a donation of 1,463 pieces of contemporary Chinese artworks (the "Donated Works") as a gift from Stiftung für Chinesische Gegenwartskunst ("Chinese Contemporary Art Foundation") and Dr. Ulrich Adolf Sigg (the "Donor" or "Seller") and another agreement to acquire 47 pieces of contemporary Chinese artworks (the "Purchased Works") at a cost of around HK\$180 million from Dr. Ulrich Adolf Sigg.

This was treated as a single transaction upon the contemporaneous completion of the Deed of Gift and Deed of Sale and Purchase.

The Donated Works were valued at around HK\$1.3 billion with reference to a valuation report prepared by an independent valuer in May 2012.

- (ii) Apart from the museum collection acquired as disclosed in note 12(b)(i), the Authority also acquired other museum collection, some of which were donations in kind from other sources.
- (c) During the year ended 31 March 2020, pursuant to deeds of assignment entered into between the Authority, M Plus Museum Limited and the Trustee, the Authority and M Plus Museum Limited assigned the legal interest in part of the museum collection, which were acquired by purchase with the aggregated carrying amount of HK\$60.5 million (the Authority: HK\$ nil) (2019: HK\$67.0 million (the Authority: HK\$10.2 million)), at a consideration of the same amount to the Trustee to hold on behalf of the Trust, the beneficial owner of the museum collection. In addition, pursuant to deeds of assignment of Donated Works entered into between the Authority, M Plus Museum Limited and the Trustee, the Authority and M Plus Museum Limited gifted the legal interest in part of the museum collection, which were acquired by donations with the carrying amounts stated at nominal value, to the Trustee to hold on behalf of the Trust.
- (d) No impairment loss was recognised during the years ended 31 March 2020 and 2019 as the Group considered there is no impairment indicator.
- (e) The balance of the museum collection at 31 March 2020 represents museum collection pending for assignment to the Trust.
- (f) The Group has classified the museum collection as current assets on the basis that the Group is required to assign the legal interest in the museum collection to the Trustee. The Trustee holds the legal interest in the museum collection of the M+ Museum, whereas the Trust is the beneficial owner of the museum collection for the benefit of the Hong Kong community.

12 博物館藏品(續)

註解(續):

- (b) 集團透過款項捐贈和非款項捐贈獲得的博物館藏品如下。其帳面值按照附註2(g)中的會計政策確認:

- (i) 於截至2013年3月31日止年度,集團在一項交易中簽署了兩份協議,其中一項協議,集團接收由中國當代藝術基金會和烏利·希克博士(「捐贈方」或「賣方」)捐贈的1,463件當代中國藝術品(「捐贈作品」),另一項協議則以約1.8億港元,向烏利·希克博士購買47件當代中國藝術品(「購買作品」)。

由於捐贈契約與買賣契約同時履行,因此這被視為單項交易。

參考獨立估價師於2012年5月之估價報告,這批捐贈作品價值約13億港元。

- (ii) 除了於附註12(b)(i)披露中所獲得的博物館藏品以外,管理局亦從其他來源獲得以實物方式捐贈的其他博物館藏品。
- (c) 於截至2020年3月31日止年度,根據管理局、M Plus Museum Limited與受託人訂立的轉讓契約,管理局和M Plus Museum Limited把部分博物館藏品的法律權益(即透過以合計帳面金額6,050萬港元(管理局:零港元)(2019年:6,700萬港元(管理局:1,020萬港元)購買所獲得者)按相同金額的代價轉讓予受託人,並由受託人代表信託(博物館藏品的實益擁有人)持有。此外,根據管理局、M Plus Museum Limited與受託人訂立的捐贈作品轉讓契約,管理局和M Plus Museum Limited把部分博物館藏品的法律權益(即透過捐贈所獲得者,而其帳面金額以按象徵式價值入帳)饋贈予受託人,並由受託人代表信託持有。
- (d) 於截至2020年及2019年3月31日止年度,由於集團認為並無出現減值跡象,因此並無確認任何減值虧損。
- (e) 於2020年3月31日的博物館藏品結餘代表有待轉讓予信託的博物館藏品。
- (f) 由於集團須把博物館藏品的法律權益轉讓予受託人,因此集團已將博物館藏品重新分類為流動資產。受託人持有M+博物館之博物館藏品的法律權益,而信託為香港社會的利益而實益擁有博物館藏品。

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13 Intangible assets

13 無形資產

		The Group and the Authority 集團及管理局		
		Computer software, licences and systems 電腦軟件、使用權及系統 HK\$'000 港幣千元	Computer software, licences and systems in progress 電腦軟件、使用權及系統開發中的 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
2020	2020年			
Cost	成本			
At 1 April 2019	於2019年4月1日	176,156	7,243	183,399
Additions	增置	3,814	54,691	58,505
Transfers	轉撥	5,790	(5,790)	-
		<u>185,760</u>	<u>56,144</u>	<u>241,904</u>
At 31 March 2020	於2020年3月31日			
Accumulated amortisation	累計攤銷			
At 1 April 2019	於2019年4月1日	46,100	-	46,100
Charge for the year	年內攤銷	34,421	-	34,421
		<u>80,521</u>	<u>-</u>	<u>80,521</u>
At 31 March 2020	於2020年3月31日			
Net book value	帳面淨值			
At 31 March 2020	於2020年3月31日	<u>105,239</u>	<u>56,144</u>	<u>161,383</u>
2019	2019年			
Cost	成本			
At 1 April 2018	於2018年4月1日	68,778	47,887	116,665
Additions	增置	18,832	48,150	66,982
Transfers	轉撥	88,794	(88,794)	-
Disposals	出售 / 註銷	(248)	-	(248)
		<u>176,156</u>	<u>7,243</u>	<u>183,399</u>
At 31 March 2019	於2019年3月31日			
Accumulated amortisation	累計攤銷			
At 1 April 2018	於2018年4月1日	21,010	-	21,010
Charge for the year	年內攤銷	25,179	-	25,179
Written back on disposals	出售 / 註銷後撥回	(89)	-	(89)
		<u>46,100</u>	<u>-</u>	<u>46,100</u>
At 31 March 2019	於2019年3月31日			
Net book value	帳面淨值			
At 31 March 2019	於2019年3月31日	<u>130,056</u>	<u>7,243</u>	<u>137,299</u>

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14 Financial assets/(liabilities) at fair value through profit or loss

Placements with the Exchange Fund

14 以公允價值計量且其變動計入損益的金融資產/(負債)

外匯基金存款

		The Group and the Authority 集團及管理局	
		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Principal amount	本金	10,300,000	10,300,000
Income earned since inception	成立至今已賺取的收入	3,133,875	2,802,763
Income withdrawn since inception	成立至今已提取的收入	(970,347)	—
Withdrawal of placement with Exchange Fund	提取外匯基金存款	(3,800,000)	—
		8,663,528	13,102,763
Less: Non-current portion	減：非流動部分	(6,500,000)	(6,500,000)
Current portion	流動部分	2,163,528	6,602,763

The placements, by way of credit facilities entered into between the Authority and Hong Kong Monetary Authority ("HKMA"), have a term of six years from the respective dates of placements. Under general terms, the Group is not able to withdraw the principal amounts before the maturity dates. The principal amounts of HK\$3,800 million and HK\$6,500 million (which was placed on special terms) has been repaid by HKMA in October 2019 and will be repaid by HKMA in January 2022 respectively.

The rate of return on the placements, which is determined annually in January and payable annually in arrear on 31 December, is calculated on the basis of the average annual rate of return on the Investment Portfolio of the Exchange Fund over the past six years or the average annual yield of three-year Exchange Fund Notes in the previous year (subject to a minimum of zero percent), whichever is the higher. This rate has been fixed at 4.6%, 2.9% and 3.7% per annum for January to December 2018, 2019 and 2020 respectively.

The Group has designated the placements with the Exchange Fund as "financial assets at fair value through profit or loss". The financial assets are denominated in HK\$.

根據管理局與香港金融管理局(「金管局」)的信貸安排，存款期以存款時的各個日期起計為期6年。按照一般條款而言，集團不能於到期日前提取其本金。本金的金額分別為38億港元及65億港元(按特別條款存款)，而金管局分別已於2019年10月及將於2022年1月交還。

存款的回報率在每年1月釐定並於每年12月31日發放。回報率是按外匯基金的投資組合在過去6年的平均年度投資回報率，或3年期外匯基金債券在上一個年度的平均年度收益率(以0%為下限)計算，以兩者中較高者為準。2018年、2019年及2020年的1月至12月之回報率分別已定為年率4.6%、2.9%及3.7%。

集團將外匯基金存款指定為「以公允價值計量且其變動計入損益的金融資產」。此金融資產以港幣計值。

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15 Right-of-use assets

15 使用權資產

		The Group 集團 HK\$'000 港幣千元	The Authority 管理局 HK\$'000 港幣千元
Net book value	帳面淨值		
At 1 April 2019, as previously reported	於2019年4月1日，先前呈報	—	—
Effects of the adoption of HKFRS 16 (Note 2(c))	採納《香港財務報告準則》第16號的影響 (附註2(c))	11,728	11,728
At 1 April 2019, as restated	於2019年4月1日，經重列	11,728	11,728
Additions	增置	31,036	18,731
Depreciation	折舊	(19,964)	(15,497)
At 31 March 2020	於2020年3月31日	22,800	14,962

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16 Trade and other receivables

16 貿易及其他應收款

	Note 註解	The Group 集團		The Authority 管理局	
		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元	2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Trade receivables 貿易應收款	(a)	5,492	3,092	5,492	3,092
Amount due from the Government of HKSAR 應收香港特別行政區政府之金額	(b)	423,612	306,007	423,612	306,007
Amount due from The Hong Kong Jockey Club Charities Trust 應收香港賽馬會慈善信託基金之金額		115,034	18,448	115,034	18,448
Other receivables, prepayments and deposits 其他應收款、預付帳款及按金	(c)	42,247	23,712	31,485	22,992
		586,385	351,259	575,623	350,539

Notes:

(a) Trade receivables

The Group's trading terms with its customers are mainly on credit, except for ticketing operation of WKCD programmes, where payment in advance is normally required. The credit period is generally one month. The Group seeks to maintain strict control over its outstanding. Overdue balances are reviewed regularly by management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. Trade receivables are non-interest-bearing. They are stated net of loss allowance.

The Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9, which requires the use of the lifetime expected loss for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit losses have also incorporated forward looking information.

The trade receivables mainly relate to financial institutions and tenants. Their recoverability was assessed with reference to the credit status of the debtors, and the expected credit loss as at 31 March 2020 is considered to be minimal.

(b) Amount due from the Government of HKSAR

The Authority entered into several agreements with the Government for carrying out government entrustment works on its behalf. The Group agreed with the Government to receive reimbursements from the Government or entrust some construction works of the Group to offset the balance. They are unsecured, interest-free and generally due for settlement in the following month after the work being certified. The expected credit loss is considered to be minimal.

(c) Other receivables, prepayments and deposits

Other receivables, prepayments and deposits mainly included prepayment for operating expenses and deposits for office rental and utilities. The expected credit loss as at 31 March 2020 is considered to be minimal.

註解:

(a) 貿易應收款

集團與客戶之間的貿易條款以除銷為主，但管理局節目的票務營運則通常需要預先付款。信貸期一般為一個月。集團致力嚴格控制其未到期應收款。逾期結欠會由管理層定期審視。鑑於上文所述以及集團的貿易應收款涉及大量不同客戶，因此並無重大信貸集中風險。貿易應收款不計利息，並扣除準備後列帳。

集團應用簡化方式以就《香港財務報告準則》第9號所規定的預期信貸虧損作出準備(有關準則規定就所有貿易應收款使用全期預期信貸虧損)。為計量預期信貸虧損，貿易應收款已根據共同信貸風險特性和逾期日數分組。此外，預期信貸虧損亦已納入前瞻性資料。

貿易應收款主要涉及金融機構和租戶。其可收回性會參考債務人的信貸狀況評估，而於2020年3月31日的預期信貸虧損被視為屬於輕微。

(b) 應收香港特別行政區政府之金額

管理局與政府訂立多份協議，以代表政府進行數項政府委託工程。集團與政府同意集團將獲政府償還已支付的款項或委託政府進行若干集團工程以抵銷結餘。有關金額是無抵押、免息以及通常在工程獲得認證後的下個月到期應付。預期信貸虧損被視為屬於輕微。

(c) 其他應收款、預付帳款及按金

其他應收款、預付帳款及按金主要包括營運費用的預付帳款以及辦公室租賃和設施的按金。於2020年3月31日的預期信貸虧損被視為屬於輕微。

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17 Amounts due from/(to) subsidiaries

The amounts due from/(to) subsidiaries are unsecured, interest-free and repayable on demand.

The movements of the amounts due from subsidiaries are as follows:

17 應收/(付)附屬公司之金額

應收/(付)附屬公司之金額無抵押、免息及按通知即時償還。

應收附屬公司之金額之變動如下：

		The Authority 管理局	
		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
At 1 April	於4月1日	19,865	290,826
Additions	增置	239,799	172,998
Impairment losses (note)	減值虧損(註解)	(224,301)	(443,959)
At 31 March	於3月31日	35,363	19,865

Note:

The Authority recognised an impairment loss relating to the current account with a subsidiary that is loss making and there is no reasonable expectation of recovering the contractual cash flows.

註解：

管理局確認有關與處於虧損狀態的附屬公司之間的往來帳目的減值虧損，而且並無合理預期可收回合約現金流。

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18 Cash and bank balances

18 現金及銀行結餘

		The Group 集團	
		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Time deposits with original maturities of three months or less	原到期日為三個月或以內之定期存款	216,000	1,304,500
Cash at bank and in hand	銀行存款和現金	11,072	3,122
Cash and cash equivalents	現金及現金等價物	227,072	1,307,622
Time deposits with original maturities over three months	原到期日超過三個月之定期存款	2,644,000	882,499
Cash and bank balances	現金及銀行結餘	2,871,072	2,190,121

		The Authority 管理局	
		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Time deposits with original maturities of three months or less	原到期日為三個月或以內之定期存款	216,000	1,304,500
Cash at bank and in hand	銀行存款和現金	6,982	3,122
Cash and cash equivalents	現金及現金等價物	222,982	1,307,622
Time deposits with original maturities over three months	原到期日超過三個月之定期存款	2,644,000	882,499
Cash and bank balances	現金及銀行結餘	2,866,982	2,190,121

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19 Amount due to M+ Collections Trust

The amount due to M+ Collections Trust is unsecured, interest-free and repayable on demand.

19 應付M+ Collections Trust之金額

應付M+ Collections Trust之金額為無抵押、免息及按通知即時償還。

	Note 附註	The Group 集團		The Authority 管理局	
		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元	2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
At 1 April	於4月1日	485,713	552,757	485,713	552,757
Amount due from a subsidiary	應收附屬公司之金額	-	-	(60,455)	(56,864)
Assignment	轉讓	(60,455)	(67,044)	-	(10,180)
At 31 March	於3月31日	425,258	485,713	425,258	485,713

20 Trade and other payables

20 貿易及其他應付款

		31 March 2020 2020年3月31日 HK\$'000 港幣千元	31 March 2019 2019年3月31日 HK\$'000 港幣千元
The Group	集團		
Trade payables	貿易應付款	11,005	8,960
Payables and accruals for construction contracts	建造合約之應付款及應計帳款	1,383,665	1,256,954
Provision for annual leave entitlements and MPF contributions	可享有的年假準備及強積金供款	12,873	12,110
Accrued contract gratuity	應付約滿酬金	25,001	19,571
Contract liabilities	合約負債	13,984	14,981
Other payables and accruals (note)	其他應付款及應計帳款(註解)	579,910	417,040
		2,026,438	1,729,616

		31 March 2020 2020年3月31日 HK\$'000 港幣千元	31 March 2019 2019年3月31日 HK\$'000 港幣千元
The Authority	管理局		
Trade payables	貿易應付款	6,580	3,707
Payables and accruals for construction contracts	建造合約之應付款及應計帳款	941,292	965,734
Provision for annual leave entitlements and MPF contributions	可享有的年假準備及強積金供款	11,141	10,856
Accrued contract gratuity	應付約滿酬金	19,477	16,032
Contract liabilities	合約負債	13,311	11,426
Other payables and accruals (note)	其他應付款及應計帳款(註解)	561,276	401,207
		1,553,077	1,408,962

Note:

As at 31 March 2020, other payables and accruals included payables for construction contracts for government entrustment works amounting to HK\$408.3 million (2019: HK\$266.4 million).

註解:

於2020年3月31日，其他應付款及應計帳款包括政府委託工程之建造合約應付款4.083億港元(2019年：2.664億港元)。

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21 Lease liabilities

(a) Amounts recognised in the balance sheets

The balance sheet shows the following amounts relating to leases:

21 租賃負債

(a) 於資產負債表確認的金額

資產負債表顯示以下租賃相關金額：

		31 March 2020 2020年3月31日 HK\$'000 港幣千元	1 April 2019 2019年4月1日 HK\$'000 港幣千元 (note) (註解)
The Group	集團		
Right-of-use assets	使用權資產	22,800	11,728
<u>Lease liabilities</u>	<u>租賃負債</u>		
Current	流動	21,782	9,224
Non-current	非流動	1,822	3,949
		23,604	13,173

		31 March 2020 2020年3月31日 HK\$'000 港幣千元	1 April 2019 2019年4月1日 HK\$'000 港幣千元 (note) (註解)
The Authority	管理局		
Right-of-use assets	使用權資產	14,962	11,728
<u>Lease liabilities</u>	<u>租賃負債</u>		
Current	流動	15,414	9,224
Non-current	非流動	260	3,949
		15,674	13,173

Note:

In the previous year, the Group did not have any lease assets and lease liabilities in relation to leases that were classified as "finance leases" under HKAS 17 "Leases". For adjustments recognised on adoption of HKFRS 16 on 1 April 2019, please refer to note 2(c).

註解：

在過往年度，集團並無任何分類為《香港會計準則》第17號「租賃」項下「融資租賃」中的租賃資產和租賃負債。有關於2019年4月1日採納《香港財務報告準則》第16號確認的調整事宜，請參閱附註2(c)。

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21 Lease liabilities (Continued)

(b) Amounts recognised in the profit and loss account

The profit and loss account shows the following amounts relating to leases:

		The Group 2020 集團 2020年 HK\$'000 港幣千元	The Authority 2020 管理局 2020年 HK\$'000 港幣千元
Depreciation charge of right-of-use assets	使用權資產折舊費用	(19,964)	(15,497)
Interest expense (included in finance cost)	利息開支(計入融資成本內)	(728)	(504)
Expense relating to short-term leases (included in other operating expenses)	有關短期租賃的支出 (計入其他營運費用內)	(11,250)	(109)

The total cash outflow for leases in 2020 was HK\$21,333 million (the Authority: HK\$16,734 million).

21 租賃負債(續)

(b) 於損益表確認的金額

損益表顯示以下租賃相關金額：

2020年租賃的現金流出總額為213.33億港元(管理局：167.34億港元)。

(c) The Group's leasing activities and how these are accounted for

The Group leases various offices and warehouses. Rental contracts are typically made for fixed periods of 18 months to 3 years, but may have extension options as described in (iv) below.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

(d) Extension and termination options

Extension and termination options are included in a number of property leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

(c) 集團的租賃活動及其入帳方式

集團租賃多個辦事處和倉庫。租賃合約通常為介乎18個月至3年的固定期限，而且或會有下文(iv)所述的延期選擇權。

租賃期按個別基準磋商，且包含各種不同條款及條件。除出租人持有的租賃資產的擔保權益外，租賃協議並無施加任何契諾。租賃資產不得用作借款的擔保品。

(d) 延期及終止選擇權

集團的多項物業租賃包含延期及終止選擇權。該等條款乃用於令管理集團營運所用資產的營運靈活性提升至最高。所持有的大部份延期及終止選擇權僅可由集團行使，不得由有關出租人行使。

22 Deferred income

On 29 June 2017, WKCD signed a Collaborative Agreement with the Palace Museum to develop the HKPM at the WKCD. The design and construction costs of the HKPM are funded by a donation of HK\$3.5 billion from HKJCCT.

As at 31 March 2020, HK\$493.3 million (2019: HK\$204.8 million) out of HK\$494.2 million (2019: HK\$206.7 million) was received/receivable from HKJCCT.

22 遞延收入

於2017年6月29日，管理局與故宮博物院簽訂合作協議，藉以於西九發展香港故宮文化博物館。香港故宮文化博物館的設計和建築費用會由香港賽馬會慈善信託基金的35億元捐款撥付。

於2020年3月31日，在4.942億港元(2019年：2.067億港元)中的4.933億港元(2019年：2.048億港元)為已收 / 應收香港賽馬會慈善信託基金的款項。

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23 Capital and reserves

(a) Capital

On 4 July 2008, the Finance Committee of the Legislative Council of HKSAR approved an upfront endowment of HK\$21.6 billion to the Authority for developing WKCD.

Pursuant to section 22(2) of the WKCD Ordinance, the Authority shall (a) manage its finances (including resources) with due care and diligence; and (b) ensure the financial sustainability of the operation and management of arts and cultural facilities, related facilities and ancillary facilities.

(b) Distribution reserve to M+ Collections Trust

In relation to the upfront endowment of HK\$21.6 billion, an amount of HK\$1,214 million has been designated for the acquisition of museum collection. Upon the establishment of the Trust during the year ended 31 March 2017 (see note 12(a)), the Authority has set up the distribution reserve to M+ Collections Trust and transferred an amount of HK\$1,214 million from the endowment fund, which was held on behalf of the Trust as the Trust's capital fund, to M Plus Collections Limited to hold on behalf of the Trust as the Trust's capital fund for the acquisition of museum collection.

Details of the assignment of museum collection from the Group to the Trust have been set out in note 12(c).

(c) FVOCI reserve and Fair value reserve

The FVOCI reserve comprises the cumulative net change in the fair value of debt securities measured at FVOCI under HKFRS 9 held at balance sheet date (see note 2(j)).

24 Banking facilities

The Group has uncommitted money market line facilities of HK\$250 million (2019: HK\$250 million). Interest is payable on amounts drawn down at a rate related to Hong Kong Inter-bank Offered Rate. There was no outstanding balance as at 31 March 2020 and 31 March 2019.

23 資金及儲備

(a) 資金

於2008年7月4日，香港特別行政區立法會財務委員會通過向管理局提供一筆過撥款216億港元以發展西九。

根據《西九條例》第22(2)條，管理局須(a)以應有的謹慎和盡其應盡的努力，管理其財政(包括資源)；及(b)確保營運和管理藝術文化設施、相關設施及附屬設施在財務上的可持續性。

(b) M+ Collections Trust之分派儲備

就216億港元前期撥款而言，一筆12.14億港元的金額已指定用於購買博物館藏品。在信託於截至2017年3月31日止年度成立後(見附註12(a))，管理局已設立M+ Collections Trust之分派儲備，並從該撥款中轉撥一筆12.14億港元的金額(代表信託持有作為信託的資本基金)予M Plus Collections Limited(代表信託持有作為信託的資本基金)，用於購買博物館藏品。

集團向信託轉讓博物館藏品的詳情已載於附註12(c)。

(c) 以公允價值計量且其變動計入其他全面收益的儲備及公允價值儲備

以公允價值計量且其變動計入其他全面收益的儲備包括於資產負債表結帳日持有之根據《香港財務報告準則》第9號按以公允價值計量且其變動計入其他全面收益計量的債務證券之公允價值累計變動淨額(見附註2(j))。

24 銀行信貸安排

集團簽訂了一項價值2.5億港元(2019年：2.5億港元)之非承諾貨幣市場信貸安排。利息以香港銀行同業拆息按已支用金額計算。於2020年3月31日及2019年3月31日並無支用信貸餘額。

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25 Commitments

(a) Operating lease commitments

Commitments for total future minimum lease payments under non-cancellable operating leases are as follows:

25 承擔

(a) 營運租賃承擔

不可註銷之營運租賃之未來最低租金承擔總額如下：

		The Group 集團		The Authority 管理局	
		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元	2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Land and buildings	土地及樓房				
• within one year	• 一年內	-	14,771	-	10,180
• after one year but within five years	• 一年後但五年內	-	4,877	-	4,189
		-	19,648	-	14,369

(b) Capital commitments

Commitments in respect of capital expenditures on property, plant and equipment and intangible assets are as follows:

(b) 資本承擔

為物業、廠房及設備和無形資產資本開支的承擔如下：

		The Group and the Authority 集團及管理局	
		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Contracted but not provided for (note)	已簽約但未撥備(註解)		
• Property, plant and equipment	• 物業、廠房及設備	8,029,334	10,182,382
• Intangible assets	• 無形資產	27,843	33,813
		8,057,177	10,216,195
Authorised but not contracted for	已批准但未簽約		
• Property, plant and equipment	• 物業、廠房及設備	3,200	-
• Intangible assets	• 無形資產	6,631	1,643
		9,831	1,643

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25 Commitments (Continued)

(b) Capital commitments (Continued)

Note:

As at 31 March 2020, apart from the foregoing, commitments relating to government entrustment works of HK\$1,469.8 million (2019: HK\$1,951.5 million) were contracted but not provided for.

The Authority terminated the employment of Hsin Chong Construction Company Limited ("Hsin Chong") under the M+ Main works contract on 17 August 2018. On 24 September 2018, the Authority entered into an entrustment agreement with its wholly owned subsidiary, Blue Poles Limited to complete the construction of the M+ Museum project on its behalf, including the novation of subcontracts, the completion of works entrusted under the M+ Main Works Contracts, etc. The Authority also engaged Gammon Construction Limited as the management contractor to oversee the project. The Authority is reassessing the total capital project costs for M+ Museum project and any potential additional costs have not yet been included. Following the termination of the contract with Hsin Chong, the Authority has been pursuing the recovery of the full value of the performance bond of HK\$297 million from AIG Insurance Hong Kong Limited ("AIG"). To that end, a Notice of Demand under the Bond was served on AIG. When AIG failed to pay the amount demanded, a writ (HCA 2039/2018) was filed and served on AIG, in accordance with High Court procedure, the Authority made an application for summary judgement under the writ, which was heard on the 10 April 2019. On 2 April 2020, the high court gave summary judgement in favour of the Authority and made an order for AIG to pay the full value of the performance bond to WKCD together with pre and post judgement interest. On 14 April 2020, the amount \$327.2M was received from AIG (including some \$30 million interest). AIG is currently in the process of appealing against the summary judgement.

25 承擔(續)

(b) 資本承擔(續)

註解：

於2020年3月31日，除了前述者以外，有關政府委託工程之承擔價值為14.698億港元(2019年：19.515億港元)已簽約但未撥備。

管理局於2018年8月17日根據M+博物館主要工程合約終止聘用新昌營造廠有限公司(「新昌」)。於2018年9月24日，管理局與其全資附屬公司Blue Poles Limited訂立委託協議，代表其完成M+博物館項目的建築工程，包括分判商的合約更替、完成根據M+博物館主要工程合約委託的工程等。管理局亦委聘金門建築有限公司作為項目管理承建商，負責監督項目。管理局現正重新評估M+博物館項目的總資本項目成本以及任何尚未包括在內的潛在額外成本。在終止新昌的合約後，管理局一直致力向美亞保險香港有限公司(「美亞保險」)收回全數履約保證金2.97億港元。為此，管理局把根據保證發出的付款通知書送達美亞保險。當美亞保險未有支付要求的款項時，管理局把令狀(HCA 2039/2018)存檔並送達美亞保險，根據高等法院程序，管理局已根據令狀申請簡易判決，聆訊於2019年4月10日進行。於2020年4月2日，高等法院作出簡易判決，判管理局勝訴，並作出命令要求美亞保險全數支付履約保證金予管理局，並連同判決前和判決後利息。於2020年4月14日，美亞保險支付一筆3.272億元的款項(包括約3,000萬元利息)。美亞保險現正就簡易判決提出上訴。

26 Net debt reconciliation

26 債務淨額對帳

		The Group 集團 HK\$'000 港幣千元	The Authority 管理局 HK\$'000 港幣千元
Liability from financing activities	融資活動的負債		
Net debt as at 31 March 2019	於2019年3月31日的債務淨額	—	—
Recognised on adoption of HKFRS 16 (see note 2(c))	採納《香港財務報告準則》第16號時確認 (見附註2(c))	13,173	13,173
Net debt as at 1 April 2019, as restated	於2019年4月1日的債務淨額，經重列	13,173	13,173
Cash flows – principal payment	現金流 – 本金支付	(20,605)	(16,230)
Acquisition – lease	收購 – 租賃	31,036	18,731
Net debt as at 31 March 2020	於2020年3月31日的債務淨額	23,604	15,674

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27 Material related party transactions

(a) Parties are considered to be related to the Group if the parties have the ability, directly or indirectly, to control the Group or exercise significant influence over the Group in making financial and operating decisions, or vice versa. For the purpose of the statement of accounts, transactions between the Group and Government departments, agencies or Government controlled entities, other than those transactions such as the payment of government rent and rates, fees etc. that arise in the normal dealings between the Government and the Group, are considered to be related party transactions. In addition to the balances and transactions detailed elsewhere in this statement of accounts, the Group had the following material transactions with related parties during the year:

27 重大關聯方交易

(a) 如另一方能夠直接或間接控制或行使重大影響力於集團的財務和營運決策，該另一方可視為集團的關聯方，反之亦然。就本帳目報表而言，集團與政府部門、機構或政府控制實體之間的交易，除政府與集團的正常往來例如支付地租、差餉及費用等外，均視作關聯方交易。於本年度，除在本帳目報表其他部分內詳述的結餘及交易，集團與關聯方進行以下重大交易：

		The Group and the Authority 集團及管理局	
		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Income from placements with the Exchange Fund (note 14)	外匯基金存款收入(附註14)	331,112	524,085
Government entrustment works carried out on behalf of the Government of HKSAR	代表香港特別行政區政府進行之政府委託工程	(734,658)	(710,647)
Reimbursements received from the Government of HKSAR for carrying out some government entrustment works	收取香港特別行政區政府有關委託工程之償付	617,053	683,191
Salaries and related costs of secondees from the Government of HKSAR	香港特別行政區政府借調員工的薪金和相關成本	3,228	5,906

(b) Assignment of the museum collection to M+ Collections Trust

The M+ Collections Trust was established for the purposes to hold the beneficial ownership of the museum collection for the benefit of the Hong Kong community whereas M Plus Collections Limited, a subsidiary of the Authority, acting as the Trustee of the Trust holds the legal interest in the museum collection in trust for the Trust.

Details of the assignment of museum collection from the Group to the Trust have been set out in note 12(c).

(b) 轉讓博物館藏品予M+ Collections Trust

成立M+ Collections Trust之目的是為香港社會的利益持有博物館藏品的實益擁有權，而M Plus Collections Limited（管理局的附屬公司並作為信託的受託人）須為信託持有信託中的博物館藏品的法律權益。

集團向信託轉讓博物館藏品的詳情已載於附註12(c)。

(c) Key management personnel remuneration

Details of the remuneration of Senior Executives are disclosed in note 7.

(c) 關鍵管理人員酬金

高級行政人員的酬金詳情於附註7披露。

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28 Financial risk management

(a) Financial risk factors

Risk management is carried out by the Group under approved policies. The Group identifies and evaluates financial risks, and provides written principles for overall risk management. A treasury team in the Finance Department is dedicated to the day-to-day management and investment of the funds.

(i) Foreign currency risk

The Group's functional and presentation currency is HK\$. Its foreign currency risk arises mainly from its financial assets or liabilities denominated in currencies other than HK\$.

A set of investment guidelines covering investment limits, risk management and controls is used to manage the Group's foreign currency risk. The Group did not have any significant foreign currency risk.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at 31 March 2020, the Group's interest-bearing assets include the placements with the Exchange Fund and the bank deposits. Whereas the return of the placements with the Exchange Fund is determined annually (see note 14), the bank deposits bear interest at fixed rates. Since the bank deposits are all stated at amortised cost, their carrying amounts and the Group's loss for the year will not be affected by changes in market interest rates.

(iii) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. As at 31 March 2020, the Group's credit risk is the risk that counterparties may default on its placements with the Exchange Fund, bank deposits and trade and other receivables.

The Group believes it is prudent to place part of the funds with the Exchange Fund and expects HKMA to meet its contractual obligations to the Group in respect of the placements.

The Group sets limits on its exposure to the approved list of banks/institutions. To ensure that there is no significant concentration of credit risk to a single counterparty, balance with each bank/institution is subject to a maximum exposure limit based on factors such as overall deposit base and capital base of the bank/institution and funds under management. In addition, based on the prevailing economic and financial development, the approved list of banks/institutions and the exposure limits are regularly monitored, revised and updated.

28 財務風險管理

(a) 財務風險因素

集團根據既定政策進行風險管理。集團識別及評估財務風險，及提供書面原則以作整體的風險管理。財務部之庫務組乃專注負責日常資金管理及投資事項。

(i) 外幣風險

港幣為集團的功能貨幣及列報貨幣。集團的外幣風險主要來自其非以港幣為計值單位的外幣金融資產或負債。

集團設有一套涵蓋投資限制、風險管理及控制的投資指引，用以管理集團的外幣風險。集團並無任何重大外幣風險。

(ii) 利率風險

利率風險指金融工具的公允價值或未來現金流將會因市場利率變動而波動的風險。於2020年3月31日，集團之計息資產包括外匯基金存款和銀行存款。儘管外匯基金存款的回報乃每年釐定（見附註14），但銀行存款以固定利率計息。由於銀行存款均按攤銷成本入帳，因此其帳面值及集團之年度虧損將不會受市場利率變動影響。

(iii) 信貸風險

信貸風險指對手方將違反其合約責任導致集團出現財務虧損的風險。於2020年3月31日，集團的信貸風險指對手方或不履行其外匯基金存款、銀行存款和貿易及其他應收款條款而造成的風險。

集團相信將部分資金存放於外匯基金是審慎做法，並預期金管局會履行其與集團有關存款之合約條款。

集團對核准銀行／機構名單設定其風險承擔限額。為確保沒有信貸風險重大集中於單一對手方，於每家銀行／機構的結存均設有最高風險承擔限額，而此限額乃基於該等銀行／機構的整體存款額和資本額及管理之資金等因素而定。此外，根據當時經濟和金融的發展，經核准的銀行／機構名單以及風險承擔限額會定期監察、修訂和更新。

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28 Financial risk management (Continued)

(a) Financial risk factors (Continued)

(iii) Credit risk (Continued)

The trade receivables mainly relate to financial institutions and tenants. In view of the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. Their recoverability was assessed with reference to the credit status of the debtors, and the expected credit loss as at 31 March 2020 is considered to be minimal.

Amount due from the Government of HKSAR mainly relate to the receivables under the entrustment agreements signed with Civil Engineering and Development Department, and these amounts are under back-to-back arrangement which are to be reimbursed from the Government.

(iv) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that the Group maintains sufficient reserves of cash and adequate undrawn uncommitted banking facilities to meet its liquidity requirements in the short and long terms.

Accrued contract gratuity is payable without interest upon satisfactory completion of the employment contract or each successive period as specified in individual employment contract. Other financial liabilities of the Group at the balance sheet date do not bear interest and are payable within one year or on demand.

(v) Sensitivity analysis

• Foreign currency risk

As at 31 March 2020 and 2019, the Group was not exposed to significant foreign currency risk.

• Interest rate risk

The Group is exposed to financial risk arising from changes in the rate of return on the placements with the Exchange Fund, which is set annually in January. Based on the balance of the placements with the Exchange Fund as at 31 March 2020, if there were an increase/decrease of 0.1% (or 10 basis points) in the current year rate of return, it is estimated that, with all other variables held constant, the Group's income from the placements with the Exchange Fund would have increased/decreased by approximately HK\$8.7 million (2019: HK\$13.1 million) a year on an annualised basis.

The Group is also exposed to interest rate risk due to the fluctuation of the prevailing market interest rate on bank deposits. Based on the time deposits balance as at 31 March 2020, if there were a general increase/decrease of 0.1% (or 10 basis points) in the annual interest rates on the same date, it is estimated that, with all other variables held constant, it would decrease/increase (2019: decrease/increase) the Group's loss (2019: loss) for the year by approximately HK\$2.9 million (2019: HK\$2.2 million) a year.

The sensitivity analysis on the exposure to interest rate risk stated above has been determined assuming that the change in interest rates had occurred at the balance sheet date and had been applied to the time deposits in existence at that date.

28 財務風險管理(續)

(a) 財務風險因素(續)

(iii) 信貸風險(續)

貿易應收款主要涉及金融機構和租戶。鑑於集團的貿易應收款涉及大量不同客戶，因此並無重大信貸集中風險。其可收回性會參考債務人的信貸狀況評估，而於2020年3月31日的預期信貸虧損被視為屬於輕微。

應收香港特別行政區政府之金額主要涉及與土木工程拓展署簽訂的委託協議的應收款，而有關款項屬背對背安排，並將由政府償付。

(iv) 流動資金風險

集團之政策是定期檢視現時及預期的流動資金需求，以確保集團維持充足的現金儲備以及足夠的未動用非承諾銀行信貸額度以應付其短期及長期的流動資金需求。

應付約滿酬金為不計利息，將於僱傭合約或在個別僱傭合約中指定的每個連續週期圓滿結束後支付。集團於資產負債表結帳日的其他財務負債為不計利息並須於一年內或按通知即時支付的款項。

(v) 敏感度分析

• 外幣風險

於2020年及2019年3月31日，集團並無承受重大外幣風險。

• 利率風險

集團承受因外匯基金存款的回報率變動所產生的財務風險，此回報率於每年1月釐定。就2020年3月31日之外匯基金存款結餘而言，假如回報率在本年度增加 / 減少 0.1% (或10計息基點)，以及所有其他因素不變，估計集團之外匯基金存款收入按年度計算每年將會增加 / 減少約870萬港元(2019年：1,310萬港元)。

集團亦須承受銀行存款因市場利率波動而產生的利率風險。就2020年3月31日之定期存款結餘而言，假如年利率在該日普遍增加 / 減少0.1% (或10計息基點)，以及所有其他因素不變，估計集團該年度之虧損(2019年：虧損)每年將會減少 / 增加(2019年：減少 / 增加)約290萬港元(2019年：220萬港元)。

以上有關利率風險的敏感度分析之釐定乃假設利率變動於資產負債表結帳日已經出現並已應用在該日存在的定期存款。

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28 Financial risk management (Continued)

(b) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and ensure the financial sustainability of the operation and management of the arts and cultural facilities, related facilities or ancillary facilities of WKCD.

The Group's working capital is mainly financed by the Government's upfront endowment. Under the WKCD Ordinance, the Group is required to manage its finances with due care and diligence and invest the capital of the Group in a financially prudent manner.

(c) Fair value estimation

Financial assets/(liabilities) carried at fair value

The following presents the assets and liabilities measured at fair value or required to disclose their fair value in this statement of accounts on a recurring basis at 31 March 2020 across the three levels of the fair value hierarchy defined in HKFRS 13 "Fair Value Measurement", with the fair value measurement categorised in its entirety based on the lowest level input that is significant to the entire measurement. The levels of inputs are defined as follows:

- Level 1 (highest level): quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3 (lowest level): unobservable inputs for the asset or liability.

28 財務風險管理(續)

(b) 資本風險管理

集團的資本管理目標，是保障集團能夠持續經營及確保營運和管理西九的藝術文化設施、相關設施或附屬設施在財務上的可持續性。

集團的營運資金主要由政府提供的前期撥款融資。根據《西九條例》，集團必須以應有的謹慎和盡其應盡的努力管理其財政及以審慎理財的方式投資其資金。

(c) 公允價值估計

按公允價值列帳的金融資產/(負債)

下表呈列有關於2020年3月31日，按《香港財務報告準則》第13號「公允價值計量」所釐定的公允價值級別架構的三個級別中，以公允價值計量或須定期於帳目報表披露公允價值的資產與負債，其公允價值是以整體價值計量並按最低級別的重要公允價值輸入變量的類別進行歸類。有關輸入變量級別的定義如下：

- 第1級(最高級別)：集團可在計量日在活躍市場上取得相同資產或負債的報價(未經調整)；
- 第2級：除第1級包括的報價外，可直接或間接觀察之資產或負債的輸入變量；
- 第3級(最低級別)：無法觀察之資產或負債的輸入變量。

		The Group and the Authority 集團及管理局		
		Level 1 第1級 HK\$ million 港幣百萬元	Level 2 第2級 HK\$ million 港幣百萬元	Level 3 第3級 HK\$ million 港幣百萬元
2020	2020年			
Financial assets at fair value through profit or loss	以公允價值計量且其變動計入損益的金融資產			
Placements with the Exchange Fund (note 14)	外匯基金存款 (附註14)	-	-	8,664
At 31 March 2020	於2020年3月31日	-	-	8,664
2019	2019年			
Financial assets at fair value through profit or loss	以公允價值計量且其變動計入損益的金融資產			
Placements with the Exchange Fund (note 14)	外匯基金存款 (附註14)	-	-	13,103
At 31 March 2019	於2019年3月31日	-	-	13,103

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28 Financial risk management (Continued)

(c) Fair value estimation (Continued)

Financial assets/(liabilities) carried at fair value (Continued)

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. These instruments are included in Level 1.

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. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2. Available-for-sale investments and forward foreign exchange contracts of the Group are included in Level 2, which were matured and derecognised during the year ended 31 March 2020.

- Description of the valuation techniques and inputs used in Level 2 and Level 3 fair value measurement

As mentioned in note 14, at the balance sheet date, the fair value of forward foreign exchange contracts is calculated as the present value of expected future cash flows relating to the difference between the contract rates and the market forward rates at the balance sheet date.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. The placements with the Exchange Fund are included in Level 3. Its fair value, which is determined with reference to the estimated rates of investment return for future years, approximates its carrying value.

28 財務風險管理(續)

(c) 公允價值估計(續)

按公允價值列帳的金融資產/(負債)(續)

在活躍市場買賣的金融工具的公允價值根據資產負債表結帳日的市場報價列帳。當報價可即時和定期從證券交易所、交易商、經紀、業內人士、定價服務者或監管機構獲得，而該等報價代表按公平交易基準進行的實際和常規市場交易時，該市場被視為活躍。此等工具包括在第1級。

沒有在活躍市場買賣的金融工具(例如場外衍生工具)的公允價值，是利用估值技術釐定。此等估值技術盡量利用可觀察市場數據(如有)，並盡量少依賴主體的特定估計。如計算一項金融工具的公允價值所需的所有重大輸入變量為可觀察數據，則該工具被列入第2級。集團的可供出售投資及遠期外匯合約被列入第2級，並於截至2020年3月31日止年度到期和終止確認。

- 於第2級及第3級公允價值計量使用之估值技術與輸入變量描述

誠如附註14所述，於資產負債表結帳日，遠期外匯合約的公允價值是按資產負債表結帳日的合約利率與市場遠期利率之差額估計相關的未來現金流現值。

如一項或多項重大輸入變量並非根據可觀察市場數據，則該工具被列入第3級。外匯基金存款被列入第3級。此公允價值是參考未來數年的估計投資回報率計算決定，其公允價值約為其帳面值。

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帳目報表附註

FOR THE YEAR ENDED 31 MARCH 2020
截至2020年3月31日止年度

28 Financial risk management (Continued)

(c) Fair value estimation (Continued)

Financial assets/(liabilities) carried at fair value (Continued)

- Movement in Level 3 fair value measurement

		The Group and the Authority 集團及管理局	
		2020 HK\$ million 港幣百萬元	2019 HK\$ million 港幣百萬元
At 1 April	於4月1日	13,102	12,579
Income from placements with the Exchange Fund recognised in the profit and loss account	於損益表中確認之外匯基金存款收入	331	524
Withdrawal	提取	(4,769)	—
At 31 March	於3月31日	8,664	13,103

- Quantitative information of the significant unobservable inputs and description of valuation techniques used in Level 3 fair value measurement

The fair value of financial assets that are grouped under Level 3 is determined by reference to the estimated rates of investment return for future years. Changing unobservable inputs used in Level 3 valuation to reasonable alternative assumptions would not have significant impact on the Group's profit and loss account.

During the years ended 31 March 2020 and 2019, there were no transfers between Level 1 and Level 2, nor transfers into or out of Level 3.

(c) 公允價值估計(續)

按公允價值列帳的金融資產 / (負債) (續)

- 公允價值計量為第3級之變動

- 重大不可觀察輸入變量之量化資料及第3級公允價值計量使用之估值技術描述

第3級金融資產之公允價值是參考未來數年的估計投資回報率計算決定。於第3級估值的不可觀察輸入變量作出合理假設之更改，將不會對集團之損益表有重大影響。

於截至2020年及2019年3月31日止兩個年度，第1級及第2級並沒有轉撥，而第3級亦沒有轉入或轉出事項。