

SOCIAL WORKERS REGISTRATION BOARD

Policy on Depreciation of Non-current Assets

Depreciation Policy

1. Social Workers Registration Board (the Board) is responsible for preparation of financial statements that give a true and fair view in accordance with the Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the Social Workers Registration Ordinance (Cap. 505), and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

2. In compliance with clause 61 of Hong Kong Accounting Standard 16 issued by the Hong Kong Institute of Certified Public Accountants, the Board adopts a policy on depreciation of non-current assets. It reviews the policy at the end of each financial year and adjusts it if appropriate.

Depreciation Method

3. Depreciation is provided to write off the cost of non-current assets (defined as any items with estimated useful life exceeding one year and unit price at HK\$2,000 or above) based on the straight-line method at the following annual rates:

- a) Property (cost of property split equally between "leasehold land" and "building")
 - (i) leasehold land to be written off after 850 years (lease term)
 - (ii) building 2.5% (to be written off after 40 years)
- b) Leasehold Improvement 20% (to be written off after 5 years)
- c) Furniture and fixture 20% (to be written off after 5 years)
- d) Office equipment 20% (to be written off after 5 years)
- e) Computer equipment 33.33% (to be written off after 3 years)

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