SOCIAL WORKERS REGISTRATION BOARD
(ESTABLISHED UNDER SOCIAL WORKERS REGISTRATION ORDINANCE)

REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

CL PARTNERS CPA LIMITED
Certified Public Accountants

12/F., 46 Lyndhurst Terrace, Central, Hong Kong

SOCIAL WORKERS REGISTRATION BOARD
(ESTABLISHED UNDER SOCIAL WORKERS REGISTRATION ORDINANCE)
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

CONTENTS

CL Partners CPA Limited
先機會計師行有限公司
Certified Public Accountants
HONG TING FCPA (Practising) 執業資深會計師
HEUNG SIU HING, UNISUN CPA (Practising) 執業會計師

CPA Hong Kong Institute of Certified Public Accountants 香港會計師公會

香港中環擺花街46號12樓
12/F, 46 Lyndhurst Terrace
Central, Hong Kong
Direct: (852) 3890 7912
Mobile: (852) 9512 4588

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF SOCIAL WORKERS REGISTRATION BOARD
(ESTABLISHED UNDER SOCIAL WORKERS REGISTRATION ORDINANCE)

Opinion

We have audited the financial statements of Social Workers Registration Board (the "Board") set out on pages 3 to 33, which comprise the statement of financial position as at 31 March 2019, the statement of profit or loss and other comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Board as at 31 March 2019, and of its financial performance and its 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 ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Board 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Board Members and Those Charged with Governance for the Financial Statements

The board members are responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA for such internal control as the board members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the board members are responsible for assessing the Board'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 board members either intend to liquidate the Board or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Board's financial reporting process.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF SOCIAL WORKERS REGISTRATION BOARD
(ESTABLISHED UNDER SOCIAL WORKERS REGISTRATION ORDINANCE)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with Social Workers Registration Ordinance and our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs 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 these financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:-

- Identify and assess the risks of material misstatement of the financial statements, 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.

- 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 Board's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board members.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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.

CL PARTNERS CPA LIMITED
Certified Public Accountants

HONG, Ting
Practising Certificate Number P07069

Hong Kong, 10 September 2019

SOCIAL WORKERS REGISTRATION BOARD
(ESTABLISHED UNDER SOCIAL WORKERS REGISTRATION ORDINANCE)
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2019

	Note	2019 HK$	2018 HK$
Revenue	7	9,053,675	8,836,405
Other revenue	8	453,013	310,620
Staff costs	9	(4,298,161)	(4,207,099)
Depreciation on property, plant and equipment		(401,402)	(481,451)
Other operating expenses	10	(3,494,468)	(2,599,739)
Surplus before tax		1,312,657	1,858,736
Income tax expense	13	-	-
Surplus for the year		1,312,657	1,858,736
Other comprehensive income			
Fair value loss on investments in equity instruments at fair value through other comprehensive income ("FVTOCI")		(17,441)	-
Surplus and total comprehensive income for the year		1,295,216	1,858,736

The notes on pages 7 to 33 form part of these financial statements.

SOCIAL WORKERS REGISTRATION BOARD
(ESTABLISHED UNDER SOCIAL WORKERS REGISTRATION ORDINANCE)
STATEMENT OF FINANCIAL POSITION
AT 31 MARCH 2019

	Note	2019 HK$	2018 HK$
Non-current assets			
Property, plant and equipment	14	17,850,346	18,232,618
Investments in equity instruments at fair value through other comprehensive income ("FVTOCI")	15	1,482,559	-
		19,332,905	18,232,618
Current assets			
Other receivables		-	79,373
Rental and utility deposits		24,900	24,900
Qualification recognition projects	16	641,764	553,916
Interest receivable		13,796	6,601
Prepayments		50,109	52,341
Fixed bank deposit - within three months	17	6,000,000	-
Fixed bank deposits - after three months	17	6,000,000	3,000,000
Cash and cash equivalents	17	3,557,274	12,207,358
		16,287,843	15,924,489
Current liabilities			
Accounts payables, other payables and accrued charges		237,977	18,000
Renewal fee received in advance		4,678,327	4,738,581
Provision for long service payments	18	46,176	39,069
Provision for staff training	19	40,000	40,000
Provision for unused annual leave	21	352,442	350,847
		5,354,922	5,186,497
Net current assets		10,932,921	10,737,992
Net assets		30,265,826	28,970,610
Funds			
General fund		30,283,267	28,970,610
FVTOCI reserve		(17,441)	-
Total funds		30,265,826	28,970,610

The financial statements on pages 3 to 33 were approved and authorised for issue by the Board of Members on 10 September 2019 and are signed by:

LEUNG Chuen Suen
Chairperson

LO Wa Kei, Roy
Honorary Treasurer

The notes on pages 7 to 33 form part of these financial statements.

SOCIAL WORKERS REGISTRATION BOARD
(ESTABLISHED UNDER SOCIAL WORKERS REGISTRATION ORDINANCE)
STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED 31 MARCH 2019

	General fund	FVTOCI reserve	Funds
	HK$	HK$	HK$
At 1 April 2017	27,111,874	-	27,111,874
Surplus for the year	1,858,736	-	1,858,736
At 31 March 2018	28,970,610	-	28,970,610
At 1 April 2018	28,970,610	-	28,970,610
Surplus for the year	1,312,657	-	1,312,657
Fair value loss on investments in equity instruments at FVTOCI	-	(17,441)	(17,441)
At 31 March 2019	30,283,267	(17,441)	30,265,826

The notes on pages 7 to 33 form part of these financial statements.

SOCIAL WORKERS REGISTRATION BOARD
(ESTABLISHED UNDER SOCIAL WORKERS REGISTRATION ORDINANCE)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2019

	2019 HK$	2018 HK$
Operating activities		
Surplus for the year	1,312,657	1,858,736
Adjustments for:-		
Bank interest income	(112,560)	(45,158)
Depreciation on property, plant and equipment	401,402	481,451
Provision / (over-provision) of long service payments	7,107	(35,995)
Operating surplus before working capital changes	1,608,606	2,259,034
Decrease in other receivables	79,373	120,127
Increase in qualification recognition projects	(87,848)	(450,570)
Decrease in prepayments	2,232	79,494
Increase in accounts payable, other payables and accrued charges	219,977	944
(Decrease) / increase in renewal fees received in advance	(60,254)	168,214
Increase in provision for unused annual leave	1,595	135,754
Net cash generated from operating activities	1,763,681	2,312,997
Investing activities		
Increase in fixed bank deposit	(9,000,000)	(3,000,000)
Purchase of property, plant and equipment	(19,130)	(62,611)
Investments in equity instruments at FVTOCI	(1,500,000)	-
Bank interest received	105,365	40,539
Net cash used in investing activities	(10,413,765)	(3,022,072)
Net decrease in cash and cash equivalents	(8,650,084)	(709,075)
Cash and cash equivalents at beginning of year	12,207,358	12,916,433
Cash and cash equivalents at end of year, represented by bank balances and cash	3,557,274	12,207,358

The notes on pages 7 to 33 form part of these financial statements.

SOCIAL WORKERS REGISTRATION BOARD
(ESTABLISHED UNDER SOCIAL WORKERS REGISTRATION ORDINANCE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1. GENERAL

Social Workers Registration Board is established under the Social Workers Registration Ordinance and shall prepare its financial statements as required in accordance with the provisions of the Social Workers Registration Ordinance. The Board's office is located at 27/F., Eastern Commercial Centre, 83 Nam On Street, Shau Kei Wan, Hong Kong. The Board is involved in the functions as set out in Section 7 of the Social Workers Registration Ordinance.

Items included in the financial statements are measured in the currency of the primary economic environment in which the Board operates (its functional currency). The financial statements are presented in Hong Kong dollars, which is the functional and presentation currency of the Board.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance. Significant accounting policies adopted by the Board are disclosed in note 4 below.

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

3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

New and amendments to HKFRSs that are mandatorily effective for the current year

The Board has applied the following new and amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") for the first time in the current year:

HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers and the related Amendments
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts
Amendments to HKAS 28	As part of the Annual Improvements to HKFRSs 2014-2016 Cycle
Amendments to HKAS 40	Transfers of Investment Property

Except for the new and amendments to HKFRSs mentioned below, the board members anticipate that the application of all new and amendments to HKFRSs will have no material impact on the financial statements in the foreseeable future.

3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (CONTINUED)

New and amendments to HKFRSs that are mandatorily effective for the current year (continued)

HKFRS 9 Financial instruments

HKFRS 9 replaces HKAS 39, Financial instruments: recognition and measurement. It sets out the requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items.

HKFRS 9 categorises financial assets into three principal classification categories: measured at amortised cost, at fair value through other comprehensive income ("FVOCI") and at fair value through profit or loss ("FVPL"). These supersede HKAS 39's categories of held-to-maturity investments, loans and receivables, available-for-sale financial assets and financial assets measured at FVPL. The classification of financial assets under HKFRS 9 is based on the business model under which the financial asset is managed and its contractual cash flow characteristics.

Under HKFRS 9, the classification for all the Board 's financial assets and financial liabilities measured at amortised costs remain the same. The carrying amounts for all financial liabilities at 1 January 2018 have not been impacted by the initial application of HKFRS 9.

HKFRS 9 replaces the "incurred loss" model in HKAS 39 with the "expected credit loss" (ECL) model. The ECL model requires an ongoing measurement of credit risk associated with a financial asset and therefore recognises ECLs earlier than under the "incurred loss" accounting model in HKAS 39.

New and amendments to HKFRSs in issue but not yet effective

The Board has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

HKFRS 17	Insurance Contracts[2]
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments[1]
Amendments to HKFRS 9	Prepayment Features with Negative Compensation[1]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[3]
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement[1]
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures[1]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015-2017[1]
Amendments to HKAS 1 and HKAS 8	Definition of Material[4]

[1] Effective for annual periods beginning on or after 1 January 2019.
[2] Effective for annual periods beginning on or after 1 January 2021.
[3] Effective for annual periods beginning on or after a date to be determined.
[4] Effective for annual periods beginning on or after 1 January 2020.

3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (CONTINUED)

New and amendments to HKFRSs in issue but not yet effective (continued)

Amendments to HKAS 19 Plan Amendment, Curtailment or Settlement

The amendments clarify that the past service cost (or the gain or loss on settlement) is calculated by measuring the defined benefit liability (asset) using updated assumptions and comparing benefits offered and plan assets before and after the plan amendment (or curtailment or settlement) but ignoring the effect of the asset ceiling (that may arise when the defined benefit plan is in a surplus position). The change in the effect of the asset ceiling that may result from the plan amendment (or curtailment or settlement) is recognised in other comprehensive income.

In addition, an entity is required to use the updated assumptions from this remeasurement to determine current service cost and net interest for the remainder of the reporting period after the change to the plan. In the case of the net interest, the amendments make it clear that for the period post plan amendment, the net interest is calculated by multiplying the net defined benefit liability (asset) as remeasured under paragraph 99 of HKAS 19 with the discount rate used in the remeasurement also taking into account the effect of contributions and benefit payments on the net defined benefit liability (asset).

HK(IFRIC)-Int 23 Uncertainty over Income Tax Treatments

HK(IFRIC)-Int 23 sets out how to determine the accounting tax position when there is uncertainty over income tax treatments. The interpretation requires an entity to determine whether uncertain tax positions are assessed; and assess whether it is probable that a tax authority will accept an uncertain tax treatment used, or proposed to be used, by an entity in its income tax filings.

Amendments to HKFRSs Annual Improvements to HKFRSs 2015-2017 Cycle

The annual improvement packages amended the following four standards.

HKAS 12 Income Taxes

The amendments clarify that an entity should recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised the transactions that generated the distributable profits. This is the case irrespective of whether different tax rates apply to distributed and undistributed profits.

HKAS 23 Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowing.

3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (CONTINUED)

Amendments to HKAS 19 Plan Amendment, Curtailment or Settlement

The amendments clarify that the past service cost (or the gain or loss on settlement) is calculated by measuring the defined benefit liability (asset) using updated assumptions and comparing benefits offered and plan assets before and after the plan amendment (or curtailment or settlement) but ignoring the effect of the asset ceiling (that may arise when the defined benefit plan is in a surplus position). The change in the effect of the asset ceiling that may result from the plan amendment (or curtailment or settlement) is recognised in other comprehensive income.

In addition, an entity is required to use the updated assumptions from this remeasurement to determine current service cost and net interest for the remainder of the reporting period after the change to the plan. In the case of the net interest, the amendments make it clear that for the period post plan amendment, the net interest is calculated by multiplying the net defined benefit liability (asset) as remeasured under paragraph 99 of HKAS 19 with the discount rate used in the remeasurement also taking into account the effect of contributions and benefit payments on the net defined benefit liability (asset).

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA.

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Board takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 Inventories or value in use in HKAS 36 Impairment of Assets.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the asset or liability.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The principal accounting policies are set out below.

a) Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Board and when the revenue, can be measured reliably, on the following basis:-

First registration fees or re-application fees are recognized at the time when the registration application or re-application was approved by the Board.

Annual renewal registration fees are recognized on a time proportion basis over the renewal period.

Interest income is recognised on a time proportion basis, by reference to the principal outstanding and at the interest rate applicable.

b) Property, plant and equipment

Assets that are held by the Board under leases which transfer to the Board substantially all the risks and rewards of the ownership are classified as being held under finance lease. Where the Board acquires the leasehold land for own used under a finance lease, the prepaid cost representing the fair value of the leasehold land is included in property, plant and equipment. Leasehold land held under a finance lease is stated at cost less accumulated depreciation and any accumulated impairment losses.

Other property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided to write off the cost of property, plant and equipment over their estimated useful lives by using the straight-line method on the following basis or at the following annual rates:-

Leasehold land held under finance lease is depreciated over the remaining period of the leases.

Buildings	2.5%
Furniture, fixtures and equipment	20%
Office equipment	20%
Computer equipment	33.3%
Leasehold improvement	20%

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c) Impairment of non-current assets other than financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment.

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

d) Impairments of assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that assets may be impaired or, an impairment loss previously recognised no longer exists or may have decreased. If any such indication exists, the asset's receivable amount is estimated.

<u>Calculation of recoverable amount</u>

The recoverable amount of an assets is the greater of its fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to thir present value sing a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where n asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. cash-generating unit).

<u>Recognition of impairment losses</u>

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of unites) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro-rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs to sell, or value in use, if determinable.

<u>Reversals of impairment losses</u>

As impairments is reversed if there has been a favorable change in the estimates used to determine the recoverable amount. A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognized in prior years. Reversals of impairment losses are credited to the Statement of Profit or Loss and Other Comprehensive Income in the year in which the reversals are recognised.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

e) Financial instruments

Financial assets and financial liabilities are recognised when the Board becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

(i) Financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and

- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at FVTOCI:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling; and

- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value through profit or loss ("FVTPL"), except that at the date of initial application / initial recognition of a financial asset the Board may irrevocably elect to present subsequent changes in fair value of an equity investment in OCI if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 Business Combinations applies.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

e) Financial instruments (continued)

(i) Financial assets (continued)

Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost and debt instruments / receivables subsequently measured at FVTOCI. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit- impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.

Equity instruments designated as at FVTOCI

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognised in OCI and accumulated in the FVTOCI reserve; and are not subject to impairment assessment. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, and will be transferred to retained profits. Dividends from these investments in equity instruments are recognised in profit or loss when the Board's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the other income line item in profit or loss.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including other receivables, interest receivable, fixed bank deposits, cash and cash equivalents) are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

e) Financial instruments (continued)

(i) Financial assets (continued)

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of the reporting period. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

Objective evidence of impairment could include:-

- significant financial difficulty of the issuer or counterparty;
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial assets, such as other receivables, assets that are assessed not to be impaired individually, are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Board's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the respective credit period, observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, an impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of accounts and other receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When an account and other receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

For financial assets measured at amortised cost, if, in a subsequent year, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment losses was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

e) Financial instruments (continued)

(i) Financial assets (continued)

Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value of an investment on initial recognition is normally the transaction price, unless it is estimated by using a valuation technique when part of the consideration given or received is for something other than the investments.

After initial recognition, the fair value of an investment quoted in an active market is based on the unadjusted quoted price and, for investments not quoted in an active market, the Board establishes the fair value of such investment by using a valuation technique.

Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Board's statement of financial position) when:-

- the rights to receive cash flows from the asset have expired; or
- the Board has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Board has transferred substantially all the risks and rewards of the asset, or (b) the Board has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Board has transferred its rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if and to what extent it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Board continues to recognise the transferred asset to the extent of the Board's continuing involvement. In that case, the Board also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Board has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Board could be required to repay.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

e) Financial instruments (continued)

(ii) Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

Other financial liabilities

Other financial liabilities, including accounts payables and other payables measured at amortised cost, using the effective interest method.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the statement of comprehensive income.

(iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

f) Credit losses and impairment of assets

(i) Credit losses from financial instruments and contract assets

(A) Policy applicable from 1 January 2018

The Board recognises a loss allowance for expected credit losses (ECLs) on the following items:

- financial assets measured at amortised cost (including cash and cash equivalents, pledged deposits, and account and other receivables); and
- contract assets as defined in HKFRS 15;

(A) Policy applicable from 1 January 2018 (continued)

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Board in accordance with the contract and the cash flows that the Board expects to receive). The expected cash shortfalls of fixed-rate financial assets such as account and other receivables and contract assets are discounted using the effective interest rate determined at initial recognition or an approximation thereof where the effect of discounting is material. The maximum period considered when estimating ECLs is the maximum contractual period over which the Board is exposed to credit risk.

In measuring ECLs, the Board takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and
- Lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

Loss allowances for account receivables and contract assets are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the Board's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

For all other financial instruments, the Board recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLS.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

f) Credit losses and impairment of assets (continued)

(i) Credit losses from financial instruments and contract assets (continued)

(A) Policy applicable from 1 January 2018 (continued)

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Board compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this reassessment, the Board considers that a default event occurs when (i) the borrower is unlikely to pay its credit obligations to the Board in full, without recourse by the Board to actions such as realising security (if any is held);or (ii) the financial asset is [1] year past due. The Board considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- failure to make payments of principal or interest on their contractually due dates;
- an actual or expected significant deterioration in a financial instrument's external or internal credit rating(if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Board.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognized as an impairment gain or loss in profit or loss. The Board recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Basis of calculation of interest income

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset.

At each reporting date, the Board assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

f) Credit losses and impairment of assets (continued)

(i) Credit losses from financial instruments and contract assets (continued)

(A) Policy applicable from 1 January 2018 (continued)

Write-off policy

The gross carrying amount of a financial asset or contract asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Board determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(B) Policy applicable prior to 1 January 2018

Prior to 1 January 2018, an "incurred loss" model was used to measure impairment losses on financial assets not classified as at FVPL (e.g. trade and other receivables). Under the "incurred loss" model, an impairment loss was recognised only when there was objective evidence of impairment. Objective evidence of impairment included:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation; and
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

If any such evidence exists, the impairment loss for trade and other receivables and other financial assets carried at amortised cost is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate, where the effect of discounting is material. This assessment is made collectively where these financial assets share similar risk characteristics, such as similar past due status, and have not been individually assessed as impaired. Future cash flows for financial assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective group.

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss is recognised, the impairment loss is reversed through profit or loss. A reversal of an impairment loss was only recognised to the extent that it did not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

a) Operating leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Operating lease rental payable/receivable are charged/credited to profit or loss on a straight –line basis over the respective lease terms.

b) Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the consolidated statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement.

The retirement benefit obligation recognised in the consolidated statement of financial position represents the actual deficit or surplus in the Board's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the Board can no longer withdraw the offer of the termination benefit and when it recognises any related restructuring costs.

Discretionary contributions made by employees or third parties reduce service cost upon payment of these contributions to the plan.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

h) Retirement benefit costs and termination benefits (continued)

When the formal terms of the plans specify that there will be contributions from employees or third parties, the accounting depends on whether the contributions are linked to service, as follows:

- If the contributions are not linked to services (for example contributions are required to reduce a deficit arising from losses on plan assets or from actuarial losses), they are reflected in the remeasurement of the net defined benefit liability (asset).
- If contributions are linked to services, they reduce service costs. For the amount of contribution that is dependent on the number of years of service, the entity reduces service cost by attributing the contributions to periods of service using the attribution method required by HKAS 19 paragraph 70 for the gross benefits. For the amount of contribution that is independent of the number of years of service, the entity.

Short-term and other long-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date. Any changes in the liabilities' carrying amounts resulting from service cost, interest and remeasurements are recognised in profit or loss except to the extent that another HKFRS requires or permits their inclusion in the cost of an asset.

i) Components of cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Board's cash management are also included as a component of cash and cash equivalents for the Statement of Cash Flows.

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Board's accounting policies, which are described in note 4, the Board Members of the Board are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Impairment

The Board assesses annually whether items of property, plant and equipment have any indication of impairment. The recoverable amounts of the assets have been determined based on value-in-used calculations. These calculations require the use of judgments and estimates.

Property, plant and equipment and depreciation

The Board determines the estimated useful lives, residual values and related depreciation charges for the Board's property, plant and equipment. This estimate is based on the historical experience of the actual useful lives and residual values of property, plant and equipment of similar nature and functions. The Board will revise the depreciation charge where useful lives and residual values are different to those previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

6. CAPITAL RISK MANAGEMENT

As set out in note 1 above, the Board was established under the Social Workers Registration Ordinance. No share capital was issued. Instead of relying on funds from issuing capital, the Board's operations are mainly sourced from registration fees from registered social workers

The Board's objectives in managing the general fund is for the purpose to safeguard the Board's ability to continue as a going concern so that it can continue its statutory functions as set out in Section 7 of the Social Workers Registration Ordinance.

The Board actively and regularly reviews and manages its general fund and policy on registration fees to ensure optimal general fund and registration fees policy structure, taking into consideration the future operational need of the Board. The Board's overall policy on managing general fund and registration fees policy remained the same as in the previous year.

The Board manages general funds by regularly monitoring its current and expected liquidity requirements rather than the use if ratio analysis. The Board is not subject to either internally or externally imposed requirements on its general fund.

SOCIAL WORKERS REGISTRATION BOARD
(ESTABLISHED UNDER SOCIAL WORKERS REGISTRATION ORDINANCE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

7. REVENUE

Revenue represents registration and re-application fees received and receivable from registered social workers during the year less refunds.

An analysis of the Board's revenue is as follows:-

	2019 HK$	2018 HK$
Other income		
Annual renewal registration fees	8,305,175	8,162,905
First registration fess	619,000	582,500
Re-application fees	129,500	91,000
	9,053,675	8,836,405

8. OTHER REVENUE

	2019 HK$	2018 HK$
Bank interest income	112,560	45,158
Over-provision of long service payments (note 18)	-	35,995
Qualification recognition projects (note 16)	312,583	223,226
Re-issuing fee for registration card	1,260	880
Re-issuing fee for certificate	4,700	2,300
Sundry income	21,910	3,061
	453,013	310,620

9. STAFF COST

	2019 HK$	2018 HK$
Mandatory provident fund contributions	338,799	323,084
Provision of long service payments (note 18)	7,107	-
Permanent staff salaries	3,914,697	3,711,939
Pre-employment medical check up	-	300
Staff medical expenses	3,982	3,251
Staff welfare	1,566	2,000
Unused annual leave (note 20)	4,519	150,180
Staff medical insurance	27,491	16,345
	4,298,161	4,207,099

SOCIAL WORKERS REGISTRATION BOARD
(ESTABLISHED UNDER SOCIAL WORKERS REGISTRATION ORDINANCE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

10. OTHER OPERATING EXPENSES

	2019 HK$	2018 HK$
Advertisement	5,450	10,576
Auditor's remuneration	15,000	18,000
Bank charges	4,548	5,250
Building management fee	219,472	210,844
Cleaning	15,000	18,400
Courier charges	23,325	27,871
Credit card payment charges	38,697	6,609
Election of board members	366,846	36,414
Electricity and water	63,913	60,255
Honorarium to panel member	177,223	156,000
Insurance	107,292	106,792
Internet and web hosting services	18,739	23,497
Legal and professional fees	1,658,887	1,050,677
Newspapers and periodicals	-	36
Postage	233,377	277,802
PPS system charges	13,192	16,040
Printing and photocopying	39,698	37,877
Publicity and publications (note 11)	64,012	88,282
Repairs and maintenance - equipment	46,347	135,602
Repairs and maintenance - office	55,934	13,527
Rent and rates	73,600	51,046
Software development and maintenance	39,089	36,437
Stationery and consumables	108,536	118,159
Sundry expenses (note 12)	47,121	35,551
Telephone and fax	19,349	19,111
Transportation	6,125	5,400
7-11 payment handling charges	33,696	33,684
	3,494,468	2,599,739

SOCIAL WORKERS REGISTRATION BOARD
(ESTABLISHED UNDER SOCIAL WORKERS REGISTRATION ORDINANCE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

11. PUBLICITY AND PUBLICATIONS

	2019 HK$	2018 HK$
Advertisement for board announcement	-	40,583
Seminars & briefing sessions	30,652	37,699
Publicity materials	9,000	-
Newsletter	24,360	10,000
	64,012	88,282

12. SUNDRY EXPENSE

	2019 HK$	2018 HK$
Distrilled water	10,780	11,042
Hire of service	29,640	17,762
Regular meeting expenses	430	581
Safe deposit box rental	1,035	820
Sundry expense	5,236	5,346
	47,121	35,551

13. INCOME TAX EXPENSE

No provision for Hong Kong Profits Tax has been made in the financial statements as the Board is exempted under section 87 of the Inland Revenue Ordinance.

SOCIAL WORKERS REGISTRATION BOARD
(ESTABLISHED UNDER SOCIAL WORKERS REGISTRATION ORDINANCE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

14. PROPERTY, PLANT AND EQUIPMENT

	Leasehold land under finance lease HK$	Buildings HK$	Furinture and fixtures HK$	Office equipment HK$	Computer equipment HK$	Leasehold improvement HK$	Total HK$
At cost							
At 1 April 2017	10,149,193	10,149,192	817,311	471,833	317,725	3,760,983	25,666,237
Additions	-	-	8,860	15,675	38,076	-	62,611
Disposal	-	-	(5,834)	(20,888)	(7,100)	-	(33,822)
At 31 March 2018	10,149,193	10,149,192	820,337	466,620	348,701	3,760,983	25,695,026
Additions	-	-	11,330	-	7,800	-	19,130
Disposal	-	-	-	(8,085)	-	-	(8,085)
At 31 March 2019	10,149,193	10,149,192	831,667	458,535	356,501	3,760,983	25,706,071
Accumulated depreciation							
At 1 April 2017	88,553	1,881,772	809,897	431,453	239,757	3,563,347	7,014,779
Charge for the year	11,941	253,729	5,842	33,388	50,693	125,858	481,451
Disposal	-	-	(5,834)	(20,888)	(7,100)	-	(33,822)
At 31 March 2018	100,494	2,135,501	809,905	443,953	283,350	3,689,205	7,462,408
Charge for the year	11,940	253,730	4,225	6,158	53,571	71,778	401,402
Disposal	-	-	-	(8,085)	-	-	(8,085)
At 31 March 2019	112,434	2,389,231	814,130	442,026	336,921	3,760,983	7,855,725
Net carrying amount							
At 31 March 2019	10,036,759	7,759,961	17,537	16,509	19,580	-	17,850,346
At 31 March 2018	10,048,699	8,013,691	10,432	22,667	65,351	71,778	18,232,618

15. INVESTMENTS IN EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ("FVTOCI")

	2019 HK$	2018 HK$
Unlisted investments - global bond portolio, at fair value	1,482,559	-

The above unlisted equity investments represent a global bond portfolio. These investments are not held for trading, instead, they are held for long-term strategic purposes. The members of the Board have elected to designate these investments in equity instruments as at FVTOCI as they believe that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Board's strategy of holding these investments for long-term purposes and realising their performance potential in the long run.

SOCIAL WORKERS REGISTRATION BOARD
(ESTABLISHED UNDER SOCIAL WORKERS REGISTRATION ORDINANCE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

16. QUALIFICATION RECOGNITION PROJECTS AND OTHER RECEIVABLES

a) Qualification recognition projects represent prepaid costs incurred by the Board for regular qualification recognition review and assessment of social work qualification courses offered by local tertiary institutes which are in progress at the end of the reporting period. These prepaid costs will be charged to profit and loss once the review and assessment has been completed.

b) At 31 March 2019, there was other receivables of nil (2018: HK$79,373) representing legal fee payment on account pertaining to complaints against certain social workers to the Board).

17. CASH AND CASH EQUIVALENT AND BANK DEPOSITS

Banks balances carry interest at 0.01% (2018: 0.01%) per annum. Bank deposits of HK$1,000,000, HK$2,000,000, HK$3,000,000 and HK$6,000,000 carry fixed-interest at 0.15%, 0.125%, 1.5% and 1.58% respectively and are to be matured on 1 April 2019, 6 May 2019, 6 April 2019 and 19 September 2019 respectively.

18. PROVISIONS FOR LONG SERVICE PAYMENTS

	2019 HK$	2018 HK$
Balance brought forward	39,069	75,064
Under-provision / (Over-provision) for the year	7,107	(35,995)
Balance carried forward	46,176	39,069

19. PROVISIONS FOR STAFF TRAINING

	2019 HK$	2018 HK$
Balance brought forward and carried forward	40,000	40,000

20. RETIREMENT BENEFIT PLANS

The Board operates a Mandatory Provident Fund Scheme for all qualifying employees in Hong Kong. The assets of the schemes are held separately from those of the Board, in funds under the control of trustees. The Board contributes 5% of relevant payroll costs to the Scheme, which contribution is matched by employees, subject to statutory provision on minimum and maximum amounts.

The total expense recognised in profit or loss of HK$338,799 (2018: HK$323,084) represents contributions payable to these plans by the Board at rates specified in the rules of the plans.

SOCIAL WORKERS REGISTRATION BOARD
(ESTABLISHED UNDER SOCIAL WORKERS REGISTRATION ORDINANCE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

21. PROVISIONS FOR UNUSED ANNUAL LEAVE

	2019 HK$	2018 HK$
Balance brought forward	350,847	215,093
Amount provided for the year (note 9)	4,519	150,180
Amount utilised during the year	(2,924)	(14,426)
Balance carried forward	352,442	350,847

22. FINANCIAL RISK MANAGEMENT

(a) Categories of financial instruments

	2019 HK$	2018 HK$
Financial assets		
Other receivables	-	79,373
Interest receivable	13,796	6,601
Fixed bank deposit - maturing within three months	6,000,000	-
Fixed bank deposit - maturing after three months	6,000,000	3,000,000
Cash and cash equivalents	3,557,272	12,207,358
	15,571,068	15,293,332
Financial liabilities		
Accounts payables	81,236	-
Other payables	141,440	-
	222,676	-

(b) Financial risk management objectives and policies

The Board's major financial instruments include other receivables, qualification recognition projects in progress, interest receivable, fixed bank deposits, cash and cash equivalents, accounts payables and other payables. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include interest rate risk, credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

22. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Financial risk management objectives and policies (continued)

Market risk

The Board's major sources of market risk come from interest rate risk and other price risk. The Board's exposures to each of these risks and its objectives, policies and processes for managing the risks and methods used to measure the risk are set out below.

(i) Interest rate risk

The value of a financial instrument will fluctuate because of change in market interest rates. The Board's exposure to fair value interest rate risk primarily relates to its fixed-rate financial assets. The Board does not have any policy to hedge the fair value interest rate risk.

At the end of the reporting period, the carrying amount of fixed-rate financial assets and floating-rate financial assets and liabilities held by the Board are as follows:-

	2019 HK$	2018 HK$
Fixed bank deposits		
- maturing within three months	6,000,000	9,000,000
- maturing after three months	6,000,000	3,000,000
	12,000,000	12,000,000
Variable-rate financial assets		
Investments in equity instruments at FVTOCI	1,482,559	-
Interest bearing bank balances	3,539,076	2,832,307
	5,021,635	2,832,307

Sensitivity analysis

The sensitivity analyses below has been determined assuming that the change in interest rate had occurred at the end of the reporting period and had been applied to the exposure to interest rate risk for financial instruments in existence at that date.

At 31 March 2019, it is estimated that a general increase/decrease of 50 basis points in interest rates, with all other variables held constant, would increase/decrease the Board's surplus for the year and the general fund by approximately HK$176,954 (2018: HK$141,615). Other fund reserves would decrease/increase by HK$74,128 (2017: decrease/increase by HK$nil) mainly as a result of the changes in the fair value of variable rate instruments classified as investments in equity instruments at FVTOCI. The 50 basic points increase or decrease represents the Board's assessment of a reasonably possible change in interest rates over the period until the date of the next reporting period. The analysis is prepared assuming that the amounts outstanding at the end of the reporting period were outstanding for the whole year.

22. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Financial risk management objectives and policies (continued)

Market risk (continued)

(ii) Other price risk

The Board's major sources of other price risk come from investments in equity instruments at FVTOCI. It is the Board's policy to invest mainly in a global bond portfolio. The Board has consulted professional bankers and would acquire investment products at their downturn in order to secure a stable return on investment. The Board neither invests in high risk derivatives nor holds investments on margin basis. Accordingly, the maximum exposure to other price risk is the carrying amount at the end of reporting period.

The following table depicts the investment portfolio held by the Board at the end of the reporting period.

	2019 HK$	2018 HK$
Unlisted investments - global bond portfolio	1,482,559	-

Concentration of other price risk

The board members determine the concentration of other price risk based on the market in which the financial assets are trading. The risk arising from the financial instruments in these markets have similar characteristics and are affected similarly by changes in economic or other conditions.

Sensitivity analysis

At the end of reporting period, had the fair value of the investment portfolio by increased / (decreased) 1% with all other variables held constant, the net assets value at end of the reporting period would increase / (decreased) by the amount as below.

	2019 HK$	2018 HK$
Increased by 1%		
Unlisted investments - global bond portfolio	14,826	-
Decreased by 1%		
Unlisted investments - global bond portfolio	(14,826)	-

22. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Financial risk management objectives and policies (continued)

Credit risk

The carrying amounts of accounts and other receivables, qualification recognition projects, interest receivable and bank deposits as stated in the Statement of Financial Position represent the Board's maximum exposure to credit risk at the end of the reporting period. The Board has a credit policy in place and exposures to the credit risk are monitored on an ongoing basis. The Board has no significant concentrations of credit risk, except bank balances and fixed deposits totaling HK$15,557,272 (2018: HK$15,207,358) are placed with three reputable financial institutions in Hong Kong.

Debt instruments at FVTOCI

The Board only invests in debt securities with low credit risk. The Board's debt instruments at FVTOCI mainly comprise listed bonds that are graded in the top investment grade as per globally understood definitions and therefore are considered to be low credit risk investments.

Liquidity risk

The Board's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

The maturity analysis for the Board's financial liabilities at the end of the reporting period, based on the contractual undiscounted cash flows, is as follows:-

Liquidity tables - 2019

	Weighted average interest rate	On demand or less than one year	Total undiscounted cash flow	Carrying amount at 31/3/2019
	%	HK$	HK$	HK$
2018				
Accounts payables	-	81,236	81,236	81,236
Other payables	-	141,440	141,440	141,440
		222,676	222,676	222,676

Liquidity tables – 2018

	Weighted average interest rate	On demand or less than one year	Total undiscounted cash flow	Carrying amount at 31/3/2018
	%	HK$	HK$	HK$
2017				
Accounts payables	-	-	-	-
Other payables	-	-	-	-
		-	-	-

23. FAIR VALUE MEASUREMENT

Financial assets and liabilities measured at fair value in the statement of financial position are categorized in its entirety into the following three levels of the fair value hierarchy based on the basis of the lowest level input that is significant to the fair value measurement in its entirety:-

Level 1	Fair value measured using quoted prices (unadjusted) in active markets for identical financial assets or liabilities that the entity can access at the measurement date;
Level 2	Fair value measured using inputs other than quoted prices included within Level 1 that are observable for the financial asset or liability, either directly or indirectly; and
Level 3	Fair value measured using significant unobservable inputs for the financial asset or liability.

	2019 HK$	2018 HK$
Assets and liabilities measured at fair value on recurring basis		
Level 1 of fair value hierarchy		
Investments in equity instruments at FVTOCI	1,482,559	-
Level 2 of fair value hierarchy		
Investment properties	-	-
Level 3 of fair value hierarchy	-	-
	1,482,559	-

During the year, the Board had no transfer between instruments in Level 1.