

THE SAMARITANS
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015



JFU | **CPA**
MEMBER OF THE ASSOCIATION OF ACCOUNTANTS IN HONG KONG

Unit A, 2/F, St. John's Building, 33 Garden Road, Central, Hong Kong

Phone: (852) 3719 6000

Fax: (852) 3719 6050

E-mail: enquiries@jfuconsultants.com

THE SAMARITANS
FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

<u>CONTENTS</u>	<u>PAGE(S)</u>
INDEPENDENT AUDITOR'S REPORT	1 – 2
STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE	3
STATEMENT OF FINANCIAL POSITION	4
STATEMENT OF CHANGES IN FUNDS	5
STATEMENT OF CASH FLOWS	6
NOTES TO THE FINANCIAL STATEMENTS	7 – 16

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE SAMARITANS**

We have audited the financial statements of The Samaritans set out on pages 3 to 16, which comprise the statement of financial position as at 31 March 2015, and the statement of comprehensive income and expenditure, statement of changes in funds and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Board of Directors' responsibility for the financial statements

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

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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

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

- 1 -



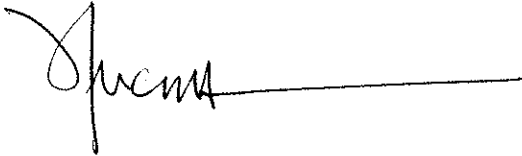
**INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF THE SAMARITANS**

Auditor's responsibility (continued)

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

Opinion

In our opinion, the financial statements give a true and fair view of the state of The Samaritans' affairs as at 31 March 2015 and of its surplus and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards.

A handwritten signature in black ink, consisting of a stylized 'J' followed by 'FU CPA' and a long horizontal line extending to the right.

JFU CPA
Certified Public Accountants

Hong Kong
Date: 25 AUG 2015

THE SAMARITANS

STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2015

	<u>Notes</u>	<u>2015</u> HK\$	<u>2014</u> HK\$
<u>Income</u>			
Donations		614,326	438,779
Outreach donations		1,000	1,210
Institutional grants		47,900	4,060
Allocation from Community Chest		356,000	345,600
Membership income		940	820
Sundry income		-	500
		<u>1,020,166</u>	<u>790,969</u>
Income from the Capital Fund	5	335,114	225,339
Gain / (Loss) from the Capital Fund	5	304,656	(44,902)
		<u>639,770</u>	<u>180,437</u>
		<u>1,659,936</u>	<u>971,406</u>
<u>Expenditure</u>			
Employee benefit expenses			
- Salaries		850,784	916,990
- Contributions to a mandatory provident fund scheme		40,982	43,515
- Long service payment	8	3,548	809
		<u>895,314</u>	<u>961,314</u>
Depreciation	4	38,309	45,655
Office supplies		644	1,012
Printing, stationery and postage		43,732	57,836
Publicity and advertising		131,618	19,570
Rent, rates and electricity		58,962	61,216
Repairs and maintenance		36,765	36,289
Staff training		44,900	42,745
Sundry expenses		71,035	88,773
Telephone		13,090	13,232
Insurance		16,307	14,853
Youth Suicide Prevention Programme project expenses		184	86,318
		<u>1,350,860</u>	<u>1,428,813</u>
Surplus / (Deficit) for the year		309,076	(457,407)
Other comprehensive income		-	-
Total comprehensive income for the year		<u>309,076</u>	<u>(457,407)</u>

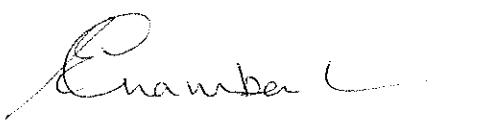
THE SAMARITANS

**STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2015**

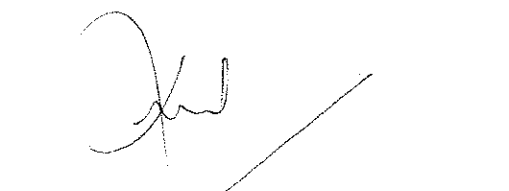
	<u>Notes</u>	<u>2015</u> HK\$	<u>2014</u> HK\$
NON-CURRENT ASSETS			
Financial assets at fair value through profit or loss	3	6,457,734	6,153,078
Equipment	4	31,642	57,031
		<u>6,489,376</u>	<u>6,210,109</u>
CURRENT ASSETS			
Cash and cash equivalents			
- Fixed deposits	3	501,845	821,653
- Cash in banks and on hand		435,958	78,966
		<u>937,803</u>	<u>900,619</u>
Utility deposits		2,500	2,500
Prepayment		610	1,560
Dividends receivable		29,863	28,379
Donation receivable		1,250	750
		<u>972,026</u>	<u>933,808</u>
TOTAL ASSETS		<u>7,461,402</u>	<u>7,143,917</u>
FUNDS			
Accumulated Fund		121,883	(187,193)
Capital Fund	3	7,273,502	7,273,502
TOTAL FUNDS		<u>7,395,385</u>	<u>7,086,309</u>
CURRENT LIABILITY			
Accrued charges		<u>19,092</u>	<u>14,231</u>
NON-CURRENT LIABILITY			
Provision for long service payment	8	<u>46,925</u>	<u>43,377</u>
TOTAL FUNDS AND LIABILITIES		<u>7,461,402</u>	<u>7,143,917</u>

The accompanying notes form part of the financial statements.

Approved and authorised by the Board of Directors on 25 AUG 2015



Director



Director

THE SAMARITANS

**STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED 31 MARCH 2015**

	<u>Capital Fund</u> HK\$	<u>Accumulated Fund</u> HK\$	<u>Total</u> HK\$
As at 1 April 2013	7,273,502	270,214	7,543,716
Total comprehensive income for the year	-	(457,407)	(457,407)
As at 31 March 2014 and 1 April 2014	<u>7,273,502</u>	<u>(187,193)</u>	<u>7,086,309</u>
Total comprehensive income for the year	-	309,076	309,076
As at 31 March 2015	<u>7,273,502</u>	<u>121,883</u>	<u>7,395,385</u>

THE SAMARITANS

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2015**

	<u>Notes</u>	<u>2015</u> HK\$	<u>2014</u> HK\$
OPERATING ACTIVITIES			
Surplus / (Deficit) for the year		309,076	(457,407)
Adjustments for:			
Depreciation	4	38,309	45,655
Income from the Capital Fund	5	(335,114)	(225,339)
(Gain) / Loss from the Capital Fund	3, 5	(304,656)	44,902
Provision for long service payment	8	3,548	809
Operating deficit before changes in working capital		<u>(288,837)</u>	<u>(591,380)</u>
(Decrease) / Increase in prepayments		950	(1,560)
Increase in dividends receivable		(1,484)	(1,503)
Increase in donation receivable		(500)	(750)
Increase in accrued charges		4,861	2,811
(Decrease) / Increase in receipts-in-advance		-	(10,000)
Net cash used in operating activities		<u>(285,010)</u>	<u>(602,382)</u>
INVESTING ACTIVITIES			
Purchase of equipment items	4	(12,920)	(11,592)
Bank interest received	5	6,698	10,180
Dividend received	5	328,416	215,159
Net cash generated from investing activities		<u>322,194</u>	<u>213,747</u>
Net increase / (decrease) in cash and cash equivalents		37,184	(388,635)
Cash and cash equivalents at the beginning of the year		<u>900,619</u>	<u>1,289,254</u>
Cash and cash equivalents at the end of the year		<u>937,803</u>	<u>900,619</u>

THE SAMARITANS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

1. GENERAL INFORMATION

The Samaritans was established to offer emotional support to those passing through crisis and in imminent danger of taking their own lives.

The address of its registered office is Flat B, 18/F, Block F, 3 Lok Man Road, Chai Wan, Hong Kong.

These financial statements are presented in Hong Kong dollars unless otherwise stated. These financial statements have been approved for issue by the Board of Directors on 25 AUG 2015 .

2.1 BASIS OF PREPARATION AND FUNDAMENTAL ACCOUNTING CONCEPT

The financial statements of The Samaritans have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss, which are carried at fair value.

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates and assumptions. It also requires management to exercise its judgment in the process of applying The Samaritans’ accounting policies. In the opinion of the Board of Directors, there are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

The Samaritans has applied the new and revised HKFRSs issued by the Hong Kong Institute of the Certified Public Accountants (“HKICPA”) that are first effective or available for adoption for the accounting periods beginning on or after 1 April 2014. A summary of the changes in accounting policies resulting from The Samaritans’ application of these HKFRSs is set out in Note 2.2 to the financial statements.

The financial statements are presented in Hong Kong dollars, which is the same as the functional currency of The Samaritans.

THE SAMARITANS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

2.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, The Samaritans applied the following amendments and interpretations ("new and revised HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") which are or have become effective.

Annual Improvements Project	Annual Improvements 2010-2012 Cycle
Annual Improvements Project	Annual Improvements 2011-2013 Cycle
HK (IFRIC) - Int 17	Distributions of Non-cash Assets to Owners
HK (IFRIC) - Int 19	Extinguishing Financial Liabilities with Equity Instruments
HK (IFRIC) - Int 20	Stripping Costs in the Production Phase of a Surface Mine
HK (IFRIC)- Int 13	Customer Loyalty Programmes
HK (IFRIC)- Int 15	Agreements for Construction of Real Estate
HK (IFRIC)- Int 16	Hedges of a Net Investment in a Foreign Operation
HK (IFRIC)- Int 21	Levies
HK (IFRIC)-Int 14 (Amendments)	Prepayments of a Minimum Funding Requirement
HK(IFRIC)-Int 11	HKFRS 2: Group and Treasury Share Transactions
HK(IFRIC)-Int 12	Service Concession Arrangements
HK(IFRIC)-Int 14	HKAS 19 - The Limit on a Defined Benefit Assets, Minimum Funding Requirements and their Interaction
HKAS 1 (Amendments)	Presentation of Items of Other Comprehensive Income
HKAS 1(Amendment)	Presentation of financial statements - Capital disclosures
HKAS 1(Revised)	Presentation of Financial Statements
HKAS 12 (Amendments)	Deferred Taxes - Recovery of Underlying Assets
HKAS 19 (2011) (Amendments)	Defined Benefit Plans: Employee Contributions
HKAS 19 (as revised in 2011)	Employee Benefits
HKAS 23 (Revised)	Borrowing Costs
HKAS 24 (Revised)	Related Party Disclosures
HKAS 27 (as revised in 2011)	Separate Financial Statements
HKAS 27 (Revised)	Consolidated and Separate Financial Statements
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures
HKAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation
HKAS 32 (Amendments)	Classification of Right Issues
HKAS 32 (Amendments)	Offsetting Financial Assets and Financial Liabilities
HKAS 36 (Amendments)	Recoverable Amount Disclosures for Non-Financial Assets
HKAS 39 & HKFRS 7 (Amendments)	Reclassification of Financial Assets
HKAS 39 (Amendments)	Eligible hedged items
HKAS 39 (Amendments)	Novation of Derivatives and Continuation of Hedge Accounting
HKFRS 1 & HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or an Associate
HKFRS 1 (Amendments)	Additional Exemptions for First-time Adopters
HKFRS 1 (Amendments)	Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters
HKFRS 10	Consolidated Financial Statements
HKFRS 10, HKFRS 11 & HKFRS 12 (Amendments)	Consolidated Financial Statements, Joint Arrangements Disclosures of Interests in Other Entities: Transition Guidance
HKFRS 10, HKFRS 12 & HKAS 27 (2011) (Amendments)	Investment Entities
HKFRS 11	Joint Arrangements
HKFRS 12	Disclosure of Interests in Other Entities
HKFRS 13	Fair Value Measurement
HKFRS 2 (Amendments)	Group Cash-settled Share-based Payment Transactions
HKFRS 2 (Amendments)	Vesting Conditions and Cancellations
HKFRS 3 (Revised)	Business Combinations
HKFRS 7	Financial Instruments: Disclosures
HKFRS 7 (Amendments)	Disclosures - Transfers of Financial Assets
HKFRS 7 (Amendments)	Disclosures - Offsetting Financial Assets and Financial Liabilities
HKFRS 8	Operating Segments
HKFRS 9	Financial Instruments (relating to the classification and measurement of financial assets).
HKFRSs (Amendments)	Amendments to HKFRS 5 as part of Improvements to HKFRSs issued in 2008

THE SAMARITANS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

2.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)

HKFRSs (Amendments)	Improvements to HKFRS issued in 2009
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2010 except for the amendments to HKFRS 3(as revised in 2008), HKFRS 7, HKAS 1 and HKAS 28
HKFRSs (Amendments)	Improvements to HKFRSs
HKFRSs (Amendments)	Annual Improvements to HKFRSs 2009-2011 Cycle except for the amendments to HKAS 1

The application of the other new and revised HKFRSs had no material effect on how the results and financial position for the current or prior accounting periods have been prepared and presented.

2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Samaritans has not early applied the following new and revised standards and interpretations that have been issued but are not yet effective:

Annual Improvements Project	<i>Annual Improvements 2012-2014 Cycle³</i>
HKAS 16 & HKAS 41 (Amendments)	<i>Agriculture : Bearer Plants³</i>
HKAS 16 and HKAS 38 (Amendments)	<i>Clarification of Acceptable Methods of Depreciation and Amortisation³</i>
HKAS 19 (Amendments)	<i>Defined Benefit Plans: Employee Contributions¹</i>
HKAS 27 (Amendments)	<i>Equity Method in Separate Financial Statements³</i>
HKFRS 10 & HKAS 28 (Amendments)	<i>Sale or Contribution of Assets between an investor and its Associate or Joint Venture³</i>
HKFRS 11 (Amendments)	<i>Accounting for Acquisitions of Interests in Joint Operations³</i>
HKFRS 14	<i>Regulatory Deferral Accounts³</i>
HKFRS 15	<i>Revenue from Contracts with Customers⁴</i>
HKFRS 9	<i>Financial Instruments²</i>
HKFRS 9 & HKFRS 7 (Amendments)	<i>Mandatory Effective Date of HKFRS 9 and Transition Disclosures²</i>
HKFRS 9 (revised in 2014)	<i>Financial Instruments⁵</i>

Notes:

1. Effective for annual periods beginning on or after 1 July 2014
2. Effective for annual periods beginning on or after 1 January 2015
3. Effective for annual periods beginning on or after 1 January 2016
4. Effective for annual periods beginning on or after 1 January 2017
5. Effective for annual periods beginning on or after 1 January 2018

The Board of Directors anticipates that the application of the other new and revised, amendments or interpretations will have no material impact on the results and the financial position of The Samaritans.

THE SAMARITANS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

2.4 SIGNIFICANT ACCOUNTING POLICIES

(a) Equipment

Equipment is stated at cost less subsequent depreciation and impairment losses. Expenditure incurred after items of equipment have been put into operation, such as repairs and maintenance, is normally charged to the statement of comprehensive income and expenditure in the year in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of equipment, and where the cost of the item can be measured reliably, the expenditure is capitalized as an additional cost of that asset or as a replacement.

Depreciation is provided to write off the cost of items of equipment over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method, as the following:

Leasehold improvement	Lease term or 20%, whichever is shorter
Office equipment	20%

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

An item of equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in statement of comprehensive income and expenditure in the year in which the item is derecognised.

(b) Impairment of non-financial assets

The Samaritans assesses at each reporting date whether there is an indication that an asset may be impaired. If such indication exists, The Samaritans makes an estimate of the asset's recoverable amount.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its 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 the time value of money and the risks specific to the assets. Where an 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 generate cash inflows independently.

THE SAMARITANS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

2.4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Impairment of non-financial assets (continued)

An impairment loss is recognised in the statement of comprehensive income and expenditure whenever the carrying amount of assets exceeds its recoverable amount. The impairment loss is reversed if there has been a favorable change in the estimates. A reversal of the impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. The reversal of the impairment loss is credited to the statement of comprehensive income and expenditure in the year in which it arises.

(c) Financial assets at fair value through profit or loss

Financial assets are classified in this category if they are designated at inception by the Board of Directors as financial assets at fair value through profit or loss. They are included in non-current assets unless the Board of Directors intends to dispose of the investments within 12 months subsequent to the end of the reporting period.

Regular purchases and sales of financial assets at fair value through profit or loss are recognised on the trade-date – the date on which The Samaritans commits to purchase or sell the asset. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the statement of comprehensive income and expenditure. These financial assets are subsequently measured at fair value, and are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and The Samaritans has transferred substantially all risks and rewards of ownership.

Gains or losses arising from changes in the fair value of the financial assets at fair value through profit or loss category are presented in the statement of comprehensive income and expenditure in the year in which they arise.

The fair value of listed investments is based on closing prices at the end of each reporting period. The Samaritans assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired.

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances 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.

THE SAMARITANS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

2.4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Retirement benefit cost

The Samaritans operates a mandatory provident fund scheme (the “MPF Scheme”) under the Mandatory Provident Fund Schemes Ordinance for its employees in Hong Kong. The assets of the MPF Scheme are held separately from those of The Samaritans in an independently administered fund. Contributions are made based on a percentage of the employees’ basic salaries and are charged to the statement of comprehensive income and expenditure as and when the contributions fall due.

(f) Revenue recognition

Revenue is recognised as follows:

(i) Donations

Donations are recognised when received or when the right to receive payment is established.

(ii) Institutional grants

Institutional grants are recognised when the right to receive payment is established.

(iii) Dividend income

Dividend income is recognised when the right to receive payment is established.

(iv) Allocation, membership income and sundry income

Allocation, membership income and sundry income are recognised on an accrual basis.

(v) Interest income

Interest income is recognised on a time proportion basis using the effective interest method.

(g) Financial risk management

The Samaritans’ activities do not expose it to significant financial risks (including credit risk, interest rate risk and liquidity risk). The Samaritans is exposed to equity securities price risk because of the listed shares held under the Capital Fund. The Samaritans minimises equity security price risk by only investing in constituent shares in the Hang Seng Index and the Tracker Fund.

THE SAMARITANS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

3. CAPITAL FUND

The Capital Fund was established by a legacy. It is the intention of the Board of Directors that the capital portion of the legacy be made available to the fund for the purchase of business premises should the lease of the current premises leased from the Government Property Agency not be renewed. Income generated from the legacy is used to cover recurring expenditure (Note 5).

The balance of HK\$7,273,502 represented the amount of Hong Kong listed securities of the legacy on the date the fund was established. Subsequent to the establishment, the amount in the fund has been invested and the invested assets are shown under "Financial assets at fair value through profit and loss" of HK\$6,457,734 as at 31 March 2015 (2014: HK\$6,153,078). This together with the fixed deposits of HK\$501,845 as at 31 March 2015 (2014: HK\$821,653) was shown in the "Statement of Financial Position" on page 4 of the financial statements.

4. EQUIPMENT

<u>2015</u>	<u>Leasehold improvement</u> HK\$	<u>Office equipment</u> HK\$	<u>Total</u> HK\$
As at 1 April 2014			
Cost	44,736	237,448	282,184
Accumulated depreciation	(22,508)	(202,645)	(225,153)
Net carrying amount	<u>22,228</u>	<u>34,803</u>	<u>57,031</u>
As at 1 April 2014, net of accumulated depreciation	22,228	34,803	57,031
Additions	-	12,920	12,920
Depreciation provided during the year	(8,947)	(29,362)	(38,309)
As at 31 March 2015, net of accumulated depreciation	<u>13,281</u>	<u>18,361</u>	<u>31,642</u>
As at 31 March 2015			
Cost	44,736	250,368	295,104
Accumulated depreciation	(31,455)	(232,007)	(263,462)
Net carrying amount	<u>13,281</u>	<u>18,361</u>	<u>31,642</u>

THE SAMARITANS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015

4. EQUIPMENT (CONTINUED)

<u>2014</u>	<u>Leasehold improvement</u> HK\$	<u>Office equipment</u> HK\$	<u>Total</u> HK\$
As at 1 April 2013			
Cost	44,736	225,856	270,592
Accumulated depreciation	(13,561)	(165,937)	(179,498)
Net carrying amount	<u>31,175</u>	<u>59,919</u>	<u>91,094</u>
As at 1 April 2013, net of accumulated depreciation	31,175	59,919	91,094
Additions	-	11,592	11,592
Depreciation provided during the year	(8,947)	(36,708)	(45,655)
As at 31 March 2014, net of accumulated depreciation	<u>22,228</u>	<u>34,803</u>	<u>57,031</u>
As at 31 March 2014			
Cost	44,736	237,448	282,184
Accumulated depreciation	(22,508)	(202,645)	(225,153)
Net carrying amount	<u>22,228</u>	<u>34,803</u>	<u>57,031</u>

5. INCOME AND GAIN / (LOSS) FROM THE CAPITAL FUND

	<u>2015</u> HK\$	<u>2014</u> HK\$
Income from the Capital Fund		
- Dividend income	328,416	215,159
- Bank interest income	6,698	10,180
	<u>335,114</u>	<u>225,339</u>
Gain / (loss) from Capital Fund		
- Unrealised fair value gain / (loss)	<u>304,656</u>	<u>(44,902)</u>
Total income	<u>639,770</u>	<u>180,437</u>

Note: The effective interest rate of time deposits is 0.74% (2014: 0.85%).

THE SAMARITANS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

6. TAXATION

The Samaritans, being a registered charitable organisation, is exempted from Hong Kong profits tax under section 88 of the Hong Kong Inland Revenue Ordinance.

7. KEY MANAGEMENT COMPENSATION

During the year, no compensation was paid to The Samaritans' members of the Board of Directors (2014: HK\$ Nil).

8. PROVISION FOR LONG SERVICE PAYMENTS

As at 1 April 2013	<u>HK\$</u> 42,568
Addition in provision during the year	<u>809</u>
As at 31 March 2014 and 1 April 2014	43,377
Addition in provision during the year	<u>3,548</u>
As at 31 March 2015	<u><u>46,925</u></u>

9. FINANCIAL RISK MANAGEMENT

The accounting policy for financial risk management set out in Note 2.4(g) to the financial statements has covered The Samaritans' policy in the management of financial risks.

The Samaritans is exposed to various financial risks which are discussed below:

Credit risk

Credit risk is the risk that a counterparty will be unable to pay the amounts in full when due. The Samaritans' credit risk is attributed to dividends receivable. Dividends receivable relate to the listed shares in the Capital Fund and the associated recoverability risk is immaterial.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument fluctuates due to changes in market interest rate. The Samaritans' interest rate risk relates primarily to the amount of interest income from short-term bank deposits, which is not material to the statement of comprehensive income and expenditure. The Samaritans monitors the interest rate risk on a continuous basis.

THE SAMARITANS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

9. FINANCIAL RISK MANAGEMENT (CONTINUED)

Liquidity risk

The liquidity risk is arising from the operation for the cash management including expected future cash demands. The Samaritans minimizes liquidity risk by maintaining sufficient cash to meet current and expected liquidity so as to enable it to meet its liabilities as when they fall due and to continue operating for the foreseeable future.

Equity securities price risk

The Samaritans exposes to equity price changes arising from equity investments classified as financial assets at fair value through profit or loss. The Samaritans' listed shares are constituent shares in the Hang Seng Index and the Tracker Fund.

The following table indicates the approximate changes in The Samaritans' surplus / (deficit) and the Accumulated Fund in response to the possible changes in the market prices of the listed shares:

	Increase/ Decrease in market prices	Effect on surplus / (deficit)		Effect on Accumulated Fund	
		Amount	%	Amount	%
As at 31 March 2015					
Hang Seng listed shares, which are constituent shares of the Hang Seng Index and the Tracker Fund	1% (1%)	64,577 (64,577)	20.9% (20.9%)	64,577 (64,577)	53.0% (53.0%)
As at 31 March 2014					
Hang Seng listed shares, which are constituent shares of the Hang Seng Index and the Tracker Fund	1% (1%)	61,531 (61,531)	(13.5%) 13.5%	61,531 (61,531)	33.0% (33.0%)

Estimation of fair value on listed securities is based on quoted market prices at the end of the reporting period.