

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告 M+ COLLECTIONS TRUST



羅兵咸永道

INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEE OF M+ COLLECTIONS TRUST

獨立核數師報告
致M+ COLLECTIONS TRUST的受託人

Opinion

What we have audited

The statement of accounts of M+ Collections Trust (the "Trust") sets out on pages 152 to 163, which comprise:

- the balance sheet as at 31 March 2017;
- the statement of comprehensive income for the period then ended;
- the statement of changes in fund balances for the period then ended;
- the notes to the statement of accounts, which include a summary of significant accounting policies.

Our opinion

In our opinion, the statement of accounts gives a true and fair view of the state of affairs of the Trust as at 31 March 2017, and of its result and its cash flows for the period then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

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 Statement of Accounts section of our report.

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

Independence

We are independent of the Trust 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.

意見

我們已審計的內容

M+ Collections Trust (「信託」) 列載於第152頁至第163頁的帳目報表，包括：

- 於2017年3月31日的資產負債表；
- 截至該日止期間的全面收益表；
- 截至該日止期間的基金結餘變動表；
- 帳目報表附註，包括主要會計政策摘要。

我們的意見

我們認為，帳目報表已根據香港會計師公會頒布的《香港財務報告準則》真實而中肯地反映信託於2017年3月31日的事務狀況以及其截至該日止期間的現金流量。

意見的基礎

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

我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

獨立性

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

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TO THE TRUSTEE OF M+ COLLECTIONS TRUST (CONTINUED)

獨立核數師報告
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Other Information

The Trustee is responsible for the other information. The other information comprises the information included in the Trustee's report, but does not include the statement of accounts and our auditor's report thereon.

Our opinion on the statement of accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the statement of accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the statement of accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Trustee and Those Charged with Governance for the Statement of Accounts

The Trustee is responsible for the preparation of the statement of accounts that gives a true and fair view in accordance with HKFRSs issued by the HKICPA, and for such internal control as the Trustee determines is necessary to enable the preparation of the statement of accounts that is free from material misstatement, whether due to fraud or error.

In preparing the statement of accounts, the Trustee is responsible for assessing the Trust'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 Trustee either intends to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

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

其他資料

受託人須對其他資料負責。其他資料包括受託人報告內的資料，但不包括帳目報表及我們的核數師報告。

我們對帳目報表的意見並不涵蓋其他資料，而我們亦不對此發表任何形式的鑒證結論。

就我們對帳目報表的審計而言，我們的責任是閱讀其他資料，並在此過程中考慮其他資料是否與帳目報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他資料存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

受託人及負責管治的人士就帳目報表須承擔的責任

受託人須負責根據香港會計師公會頒布的《香港財務報告準則》擬備真實而中肯的帳目報表，並對受託人認為為使帳目報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所必需的內部控制負責。

在擬備帳目報表時，受託人負責評估信託持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非受託人有意將信託清盤或停止經營，或別無其他實際的替代方案。

負責管治的人士須負責監督信託的財務報告過程。

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INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF M+ COLLECTIONS TRUST (CONTINUED)

獨立核數師報告 致M+ COLLECTIONS TRUST的受託人(續)

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

Our objectives are to obtain reasonable assurance about whether the statement of accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with 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 HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the statement of accounts.

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

- Identify and assess the risks of material misstatement of the statement of accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustee.

核數師就審計帳目報表承擔的責任

我們的目標，是對帳目報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們按照協定的受聘條款僅向閣下(作為整體)報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響帳目報表使用者依賴帳目報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

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

- 識別和評估由於欺詐或錯誤而導致帳目報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對信託內部控制的有效性發表意見。
- 評價受託人所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

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INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEE OF M+ COLLECTIONS TRUST (CONTINUED)

獨立核數師報告
致M+ COLLECTIONS TRUST的受託人(續)

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

- Conclude on the appropriateness of the Trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the statement of accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the statement of accounts, including the disclosures, and whether the statement of accounts represents the underlying transactions and events in a manner that achieves fair presentation.

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.

核數師就審計帳目報表承擔的責任(續)

- 對受託人採用持續經營會計基礎的恰當性作出結論，並根據所獲取的審計憑證確定是否存在與事項或情況有關的重大不確定性，從而可能導致對信託的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提醒使用者注意帳目報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致信託不能持續經營。
- 評價帳目報表的整體列報方式、結構和內容，包括披露，以及帳目報表是否中肯反映交易和事項。

除其他事項外，我們與負責管治的人士溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

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

Hong Kong, 28 June 2017
香港，2017年6月28日

STATEMENT OF ACCOUNTS

帳目報表

M+ COLLECTIONS TRUST

STATEMENT OF COMPREHENSIVE INCOME

全面收益表

FOR THE PERIOD FROM 28 MARCH 2017

(DATE OF ESTABLISHMENT) TO 31 MARCH 2017

於2017年3月28日(成立日期)至2017年3月31日期間

		Note 附註	HK\$'000 港幣千元
Income	收入		—
Income tax	所得稅	4	—
Results and total comprehensive income for the period	期間業績及全面收益總額		—

The notes on pages 155 to 163 are an integral part of this statement of accounts.

第155頁至第163頁的附註為本帳目報表的整體部分。

BALANCE SHEET**資產負債表**

AS AT 31 MARCH 2017

於2017年3月31日

**STATEMENT OF
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**M+ COLLECTIONS
TRUST**

		Note 附註	HK\$'000 港幣千元
Non-current asset	非流動資產		
Museum Collection	博物館藏品	5	609,708
Current asset	流動資產		
Amount due from West Kowloon Cultural District Authority	應收西九文化區管理局之金額	6	631,800
Current liability	流動負債		
Amount due to M Plus Museum Limited	應付M Plus Museum Limited之金額	6	27,508
Net current asset	流動資產淨值		604,292
Net assets	資產淨值		1,214,000
Funds	基金		
Capital fund	資本基金	7	1,214,000

The statement of accounts on pages 152 to 163 was approved by the Board of Directors of M Plus Collections Limited (in its capacity as the Trustee of the Trust) on 28 June 2017 and was signed on its behalf by:

Mr Philip Tsai Wing-chung, JP

蔡永忠先生, JP

Chairman of the Board of the Trustee

受託人董事局主席

第152頁至第163頁的帳目報表於2017年6月28日獲M Plus Collections Limited (以信託的受託人之身份) 董事局核准，並由以下人士代表簽署：

Mr Richard Tse Kin-pang

謝建朋先生

Executive Director, Finance

West Kowloon Cultural District Authority

西九文化區管理局

財務行政總監

The notes on pages 155 to 163 are an integral part of this statement of accounts.

第155頁至第163頁的附註為本帳目報表的整體部分。

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STATEMENT OF CHANGES IN FUND BALANCES

基金結餘變動表

FOR THE PERIOD FROM 28 MARCH 2017 (DATE OF ESTABLISHMENT) TO 31 MARCH 2017

於2017年3月28日(成立日期)至2017年3月31日期間

		Note	Endowment fund
		附註	撥款資金
			HK\$'000
			港幣千元
Balance at 28 March 2017 (date of establishment)	於2017年3月28日(成立日期)的結餘		—
Transfer from West Kowloon Cultural District Authority	轉撥自西九文化區管理局	7	1,214,000
Balance at 31 March 2017	於2017年3月31日的結餘		<u>1,214,000</u>

The notes on pages 155 to 163 are an integral part of this statement of accounts.

第155頁至第163頁的附註為本帳目報表的整體部分。

NOTES TO THE STATEMENT OF ACCOUNTS

帳目報表附註

FOR THE PERIOD FROM 28 MARCH 2017 (DATE OF ESTABLISHMENT) TO 31 MARCH 2017

於2017年3月28日(成立日期)至2017年3月31日期間

STATEMENT OF ACCOUNTS

帳目報表

M+ COLLECTIONS TRUST

1 General information

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

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

(b) M Plus Collections Limited is the trustee of the Trust and the Government of the HKSAR, as represented by the Chief Secretary for Administration from time to time, is the protector of the Trust (the "Protector").

(c) The principal office of the Trustee is Units 608-613, Level 6, Core C, Cyberport 3, 100 Cyberport Road, Hong Kong.

2 Significant accounting policies

(a) Statement of compliance

The statement of accounts has been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual HKFRS, Hong Kong Accounting Standards ("HKAS") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). The significant accounting policies applied in the preparation of these statement of accounts are set out below.

(b) Basis of preparation

The statement of accounts had been prepared under the historical cost convention.

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

1 一般資料

(a) 根據西九文化區管理局(「管理局」)與M Plus Collections Limited(「受託人」, 管理局的附屬公司)於2017年3月28日訂立的信託聲明契約(「信託契約」), M+ Collections Trust(「信託」)已經成立, 目標和目的如下:

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

(b) M Plus Collections Limited是信託的受託人, 而香港特別行政區政府(不時由政務司司長代表)是信託的保護人(「保護人」)。

(c) 受託人的主要辦事處為香港數碼港道100號數碼港3座C區6樓608至613室。

2 主要會計政策

(a) 合規聲明

本帳目報表乃按照香港會計師公會頒布所有適用的《香港財務報告準則》(此統稱包括所有適用的個別《香港財務報告準則》、《香港會計準則》和詮釋)而編製。適用於編製此帳目報表的主要會計政策載於下文。

(b) 編製基準

本帳目報表是按照歷史成本作為計量基準。

管理層在編製符合《香港財務報告準則》的帳目報表時, 須作出判斷、估計和假設, 而這些判斷、估計和假設會對會計政策應用, 以及對資產、負債、收入和支出的報告數額構成影響。這等估計和相關假設是根據以往經驗和管理層因應當時情況認為合理的多項其他因素作出的, 其結果構成了管理層在無法從其他途徑即時得知資產與負債的帳面值時所作判斷的基礎。實際結果可能有別於估計數額。

STATEMENT OF
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M+ COLLECTIONS
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NOTES TO THE STATEMENT OF ACCOUNTS (CONTINUED)

帳目報表附註 (續)

FOR THE PERIOD FROM 28 MARCH 2017 (DATE OF ESTABLISHMENT) TO 31 MARCH 2017

於2017年3月28日(成立日期)至2017年3月31日期間

2 Significant accounting policies (Continued)

(b) Basis of preparation (Continued)

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

Standards, amendments and interpretations which are not yet effective

The following standards, and amendments to standards, which are relevant to the Trust, have been published and are mandatory for accounting years of the Trust beginning on or after 1 April 2017 or later years and have not been early adopted:

		Effective for accounting periods beginning on or after			在以下日期 或之後 開始的 會計期間 生效
Amendments to HKAS 7	Disclosure Initiative: Statement of Cash Flows	1 January 2017	《香港會計準則》 第7號之修訂	披露計劃： 現金流轉表	2017年1月1日
Amendment to HKAS 12	Income Taxes	1 January 2017	《香港會計準則》 第12號之修訂	所得稅	2017年1月1日
HKFRS 9	Financial Instruments	1 January 2018	《香港財務報告準則》 第9號	金融工具	2018年1月1日
HKFRS 15	Revenue from Contracts with Customers	1 January 2018	《香港財務報告準則》 第15號	客戶合約收益	2018年1月1日
HKFRS 16	Leases	1 January 2019	《香港財務報告準則》 第16號	租賃	2019年1月1日

Given the Trust is still in its initial stage of operation, based on the financial position of the Trust as at 31 March 2017, management do not consider there is any significant impact on adoption of the above issued but not yet effective standards, amendments and interpretations. Management will continue to assess the impact of these standards, amendments and interpretations till their initial application.

2 主要會計政策(續)

(b) 編製基準(續)

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

仍未生效的準則、修訂和詮釋

以下為與信託有關之已頒布準則及準則修訂，信託必須在2017年4月1日或之後開始的會計年度或較後年度採納，而信託並無提早採納：

鑑於信託仍處於營運初始階段，因此基於信託於2017年3月31日的財務狀況，管理層並不認為採納上述已頒布但尚未生效的準則、修訂和詮釋會有任何重大影響。管理層會在首次應用前，繼續評估這些準則、修訂和詮釋的影響。

NOTES TO THE STATEMENT OF ACCOUNTS (CONTINUED)

帳目報表附註(續)

FOR THE PERIOD FROM 28 MARCH 2017 (DATE OF ESTABLISHMENT) TO 31 MARCH 2017

於2017年3月28日(成立日期)至2017年3月31日期間

STATEMENT OF ACCOUNTS

帳目報表

M+ COLLECTIONS TRUST

2 Significant accounting policies (Continued)

(c) Cash flow statement

A cash flow statement has not been prepared because the Trust did not have any cash flows during the period nor did it have any cash or cash equivalents at any point throughout the period.

The cash flows which have resulted from the operations of the Trust were all paid and received by the Authority and / or its subsidiaries, and the amounts involved have all been accounted for as payables to the Authority and / or its subsidiaries.

(d) Functional and presentation currency

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

(e) Museum Collection

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

(f) Amount due from West Kowloon Cultural District Authority

Amount due from West Kowloon Cultural District Authority is initially recognised at fair value and thereafter stated at amortised cost less any provision for impairment.

(g) Impairment of non-financial assets

The carrying amount of each item of non-financial asset is reviewed where there is an indication of impairment. If any such indication exists, the assets' recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

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

2 主要會計政策(續)

(c) 現金流轉表

由於信託於期內並無任何現金流轉，於期內任何時間亦無任何現金或現金等價物，因此並無編製現金流轉表。

因信託營運而產生的現金流轉全由管理局及 / 或其附屬公司支付和接收，而所有涉及的金額均列為應付管理局及 / 或其附屬公司帳款入帳。

(d) 功能和列報貨幣

信託的帳目報表所列項目均以信託營運所在的主要經濟環境的貨幣(「功能貨幣」)計量。帳目報表以港幣列報，港幣為信託的功能貨幣及列報貨幣。

(e) 博物館藏品

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

(f) 應收西九文化區管理局之金額

應收西九文化區管理局之金額最初按公允價值確認，其後按攤銷成本減去任何減值準備入帳。

(g) 非金融資產減值

當非金融資產有減值跡象，其帳面金額會被檢視。如果出現任何這類跡象，須估計資產的可收回數額。當資產帳面金額高於可收回數額，將確認減值虧損。

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

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2 Significant accounting policies (Continued)

(h) Impairment of financial assets

The Trust assesses at the end of each reporting period whether there is objective evidence that a financial asset is impaired. A financial asset is impaired and impairment losses are incurred if, and only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset that can be reliably estimated. It may not be possible to identify a single, discrete event that caused the impairment. Rather the combined effect of several events may have caused the impairment. Losses expected as a result of future events, no matter how likely, are not recognised.

(i) Amount due to M Plus Museum Limited

Amount due to M Plus Museum Limited is initially recognised at fair value and thereafter stated at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

(j) Income tax

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

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

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

2 主要會計政策(續)

(h) 金融資產減值

信託於每個報告期末評估是否存在客觀證據證明某項金融資產出現減值。倘有客觀證據證明於首次確認資產後發生一宗或多宗事件導致減值出現(「虧損事件」)，而該宗(或該等)虧損事件對有關金融資產之估計未來現金流構成可合理估計的影響，有關金融資產方會出現減值及產生減值虧損。信託或無法識別導致減值的單一個別事件，因為減值可能是由於多項事件一併造成的影響所致。倘預期會因未來事件而導致虧損，無論可能性有多大，信託亦不會確認有關虧損。

(i) 應付M Plus Museum Limited之金額

應付M Plus Museum Limited之金額最初按公允價值確認，其後按實際利率法計算的攤銷成本入帳；如果貼現計算的影響並不重大，則按成本入帳。

(j) 所得稅

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

本期稅項是按本期間應課稅收入，根據在資產負債表結帳日已執行或實質上已執行的稅率計算的預計應付稅項，加上以往年度應付稅項的任何調整。

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

NOTES TO THE STATEMENT OF ACCOUNTS (CONTINUED)**帳目報表附註(續)**

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M+ COLLECTIONS TRUST**2 Significant accounting policies (Continued)****(k) Provisions and contingent liabilities**

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

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

(l) Related parties

(i) A person, or a close member of that person's family, is related to the Trust if that person:

- (1) has control or joint control over the Trust;
- (2) has significant influence over the Trust; or
- (3) is a member of the key management personnel of the Trust.

(ii) An entity is related to the Trust if any of the following conditions applies:

- (1) The entity and the Trust are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (2) The entity is controlled or jointly controlled by a person identified in (i).
- (3) A person identified in (i)(1) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

2 主要會計政策(續)**(k) 準備金及或有負債**

當信託須就已發生的事件承擔法律或推定責任，並能可靠地估計用來償付此等責任所引致的經濟利益外流時，信託會為該時間或數額不定的負債在資產負債表中計提準備金。若貨幣時間值重大，則按預計所需支出的現值計提準備金。

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

(l) 關聯方

(i) 如屬以下人士，即該人士或該人士的近親為信託的關聯方：

- (1) 控制或共同控制信託；
- (2) 對信託有重大影響力；或
- (3) 為信託的主要管理層人員的成員。

(ii) 如符合下列任何條件，即該實體是信託的關聯方：

- (1) 該實體與信託屬同一集團的成員(即各母公司、附屬公司和同系附屬公司彼此間有關聯)。
- (2) 該實體受到在第(i)項中識別的人士控制或共同控制。
- (3) 在第(i)(1)項中識別的人士對該實體有重大影響力，或為該實體(或該實體母公司)的主要管理層人員的成員。

一名人士的近親是指與有關實體交易並可能影響該人士或受該人士影響的家庭成員。

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3 Trustee's expenses

The Authority, as the sole member of the Trustee, has assumed all of the Trustee's expenses, including auditor's remuneration for the Trust.

4 Taxation

No provision has been made for Hong Kong Profits Tax as the Trust did not earn any income subject to Hong Kong Profits Tax during the current period.

No deferred taxation has been recognised in the statement of accounts as there are no temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases.

3 受託人的支出

管理局(作為受託人的唯一成員)已承擔所有受託人的支出，包括信託的核數師酬金。

4 稅項

於本期期內，由於信託並無賺取任何須繳交香港利得稅的收益，因此並無就香港利得稅計提準備。

由於資產和負債在財務報告中的帳面金額與其計稅基礎之間並無暫時差異，因此並無於帳目報表確認任何遞延稅項。

5 Museum Collection

5 博物館藏品

		Note 註解	2017 HK\$'000 港幣千元
Cost	成本		
At 28 March	於3月28日		-
Additions	增置	(a)	609,708
At 31 March	於3月31日		609,708
Net book value	帳面淨值		
At 31 March	於3月31日		609,708

NOTES TO THE STATEMENT OF ACCOUNTS (CONTINUED)

帳目報表附註(續)

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M+ COLLECTIONS TRUST

5 Museum Collection (Continued)

- (a) During the period ended 31 March 2017, pursuant to deeds of assignment entered into between the Authority, M Plus Museum Limited ("M+ Limited") and the Trustee, the Authority and M+ Limited assigned the legal interest in part of the Museum Collection, which were acquired by purchase with the aggregated carrying amount of HK\$609.7 million, at a consideration of the same amount to the Trustee to hold on behalf of the Trust, the beneficial owner of the Museum Collection. In addition, pursuant to deeds of assignment of donated work entered into between the Authority, M+ Limited and the Trustee, the Authority and M+ Limited gifted the legal interest in part of the Museum Collection, which were acquired by donations with the carrying amount stated at nominal value, to the Trustee to hold on behalf of the Trust, the beneficial owner.

The Museum Collection assigned from the Authority and M+ Limited stated above include Museum Collection acquired from a transaction between the Authority and Stiftung für Chinesische Gegenwartskunst ("Chinese Contemporary Art Foundation") and Dr. Ulrich Adolf Sigg (the "Donor" or "Seller"). Such transaction covered (i) 1,463 pieces of contemporary Chinese artworks (the "Donated Works") as a gift from Chinese Contemporary Art Foundation and the Donor; (ii) 47 pieces of contemporary Chinese artworks (the "Purchased Works") at a cost of approximately HK\$180 million from the Seller. The transaction included a condition that the Donor / Seller may at his sole discretion upon demand require the Authority or the Trustee of the Trust to transfer the ownership and possession of the Donated Works to the Donor / re-sell the Purchased Works to the Seller at the price paid by the Authority in the event that the opening of the M+ facility in its major part shall be delayed beyond the year 2019 or that either or both the Authority or the Trust is / are terminated or dissolved for any purpose other than reorganisation of any of the Authority, the Trust or the M+ Museum.

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

- (b) Pursuant to the Trust Deed, the Trustee holds the legal interest in the Museum Collection as Trustee on behalf of the Trust for the use and benefit of the Hong Kong community. Prior approval from the Protector is required before the Trustee can decide to sell or otherwise dispose of or mortgage the Museum Collection or any item in the Museum Collection.

5 博物館藏品(續)

- (a) 於截至2017年3月31日止期間，根據管理局、M Plus Museum Limited (「M+有限公司」) 與受託人訂立的轉讓契約，管理局和M+有限公司把部分博物館藏品的法律權益(即透過以合計帳面金額6.097億港元購買所獲得者)按相同金額的代價轉讓予受託人，並由受託人代表信託(博物館藏品的實益擁有人)持有。此外，根據管理局、M+有限公司與受託人訂立的捐贈作品轉讓契約，管理局和M+有限公司把部分博物館藏品的法律權益(即透過以按象徵式價值列帳捐贈所獲得者)饋贈予受託人，並由受託人代表信託(實益擁有人)持有。

上述轉讓自管理局和M+有限公司的博物館藏品包括在管理局與中國當代藝術基金會和烏利·希克博士(「捐贈方」或「賣方」)進行的交易中購買的博物館藏品。該項交易涵蓋：(i) 1,463件當代中國藝術品(「捐贈作品」)，作為中國當代藝術基金會和捐贈方的饋贈；(ii) 47件當代中國藝術品(「購買作品」)，由賣方以約1.8億港元出售。這項交易包括一項制約，若M+設施之主要部分的開幕日期被延遲至2019年以後，或者管理局及 / 或信託被終止或解散(管理局、信託或M+博物館重組除外)，捐贈方 / 賣方可自行決定要求管理局或信託的受託人把捐贈作品的擁有權及管有權轉回給捐贈方 / 將購買作品以管理局支付的價格售回給賣方。

參考獨立估價師於2012年5月之估價報告，這批捐贈作品價值約為13億港元。

- (b) 根據信託契約，受託人(作為受託人)代表信託為香港社會的用途和利益持有博物館藏品的法律權益。受託人決定出售或以其他方式處置或抵押博物館藏品或博物館藏品中的任何項目前，須先獲保護人批准。

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5 Museum Collection (Continued)

(c) Pursuant to a deed of management agreement dated 30 March 2017 entered into between the Trustee and M+ Limited, the Trustee delegates to M+ Limited its day to day management, operation and maintenance obligations of the Museum Collection as set out in the Trust Deed.

(d) No impairment loss was recognised as the Trustee considered there is no impairment indicator during the period.

6 Amount due from West Kowloon Cultural District Authority and the amount due to M Plus Museum Limited

The amount due from West Kowloon Cultural District Authority and the amount due to M+ Limited are unsecured, interest-free and repayable on demand.

The Authority and M+ Limited are separate legal entities and thus the amount due from West Kowloon Cultural District Authority and the amount due to M+ Limited could not be offset against each other. An agreement is being prepared for the direct offsetting of balances between amount due from the Authority and amount due to M+ Limited. A net amount due from the Authority will be presented from the next balance sheet date onwards, subject to the completion of the agreement.

7 Fund

(a) Capital fund

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

Included in the upfront endowment, an amount of HK\$1,214 million has been designated for the acquisition of the Museum Collection. Upon the establishment of the Trust on 28 March 2017, the Authority has transferred an amount of HK\$1,214 million from the endowment fund of the Authority, which was held on behalf of the Trust as the Trust's capital fund, to the Trustee for the acquisition of the Museum Collection.

Details of the assignment of the Museum Collection from the Authority and M+ Limited to the Trust have been set out in note 5(a).

(b) Capital management

The Trustee's objectives when managing the Trust's capital are to ensure effective use of the endowment fund to achieve the objectives and purposes of the Trust in accordance with the Trust Deeds.

5 博物館藏品 (續)

(c) 根據受託人與M+有限公司於2017年3月30日訂立的管理協議契約，受託人委託M+有限公司按信託契約所載負責博物館藏品的日常管理、營運和保養。

(d) 由於受託人認為並無出現減值跡象，因此期內並無確認任何減值虧損。

6 應收西九文化區管理局之金額及應付M Plus Museum Limited之金額

應收西九文化區管理局之金額及應付M+有限公司之金額為無抵押、免息及按通知即時償還。

管理局和M+有限公司為兩個獨立法律實體，因此應收西九文化區管理局之金額及應付M+有限公司之金額不可相互抵銷。直接抵銷應收管理局之金額與應付M+有限公司之金額之間的結餘的協議正在擬備。待協議完成後，應收管理局之金額淨額將由下一個資產負債表結帳日起呈列。

7 基金

(a) 資本基金

於2008年7月4日，香港特別行政區立法會財務委員會通過向管理局提供一筆過撥款216億港元以發展西九文化區。

該筆前期撥款中有一筆12.14億港元的金額已指定用於購買博物館藏品。在信託於2017年3月28日成立後，管理局已從撥款資金中轉撥一筆12.14億港元的金額(代表信託持有作為信託的資本基金)予受託人，用於購買博物館藏品。

博物館藏品從管理局和M+有限公司轉讓予信託的詳情已載於附註5(a)。

(b) 資本管理

受託人管理信託的資本之目標為確保能夠根據信託契約有效運用撥款資金以達致信託的目標和目的。

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M+ COLLECTIONS TRUST**8 Material related party transactions**

The Trust was established for the purposes to hold the beneficial ownership of the Museum Collection whereas M Plus Collections Limited, a subsidiary of the Authority, acting as the Trustee of the Trust, shall hold the legal interest in the Museum Collection in trust for the benefit of the Hong Kong community. During the period ended 31 March 2017, the Authority and M+ Limited assigned majority part of the beneficial ownership of the Museum Collection to the Trust.

Details of the assignment of the Museum Collection to the Trust have been set out in note 5(a).

9 Financial risk management**(a) Financial risk factors**

The Trust does not have interest rate risk and foreign currency risk during the period.

(i) Credit risk

The Trust's credit risk is primarily attributable to the amount due from West Kowloon Cultural District Authority in relation to the transfer of the endowment fund from the Authority to the Trust for the acquisitions of the Museum Collection (see note 7(a)). The exposure of credit risk associated with the balance is expected to be minimal.

(ii) Liquidity risk

The Trustee considers that liquidity risk is limited as the Trust's current asset is sufficient to repay its current liability and the Trust has no non-current liability.

(b) Fair value estimation

The carrying amounts of the Trust's financial asset and liability are assumed to approximately their fair values due to the short-term maturities of these assets and liabilities.

8 重大關聯方交易

成立信託之目的是持有博物館藏品的實益擁有權，而M Plus Collections Limited(管理局的附屬公司並作為信託的受託人)須為香港社會的利益持有信託中的博物館藏品的法律權益。於截至2017年3月31日止期間，管理局和M+有限公司轉讓大部分博物館藏品的實益擁有權予信託。

博物館藏品轉讓予信託的詳情已載於附註5(a)。

9 財務風險管理**(a) 財務風險因素**

信託於期內並無利率風險和外幣風險。

(i) 信貸風險

信託的信貸風險主要屬有關將撥款資金從管理局轉撥至信託以用於購買博物館藏品的應收西九文化區管理局之金額(見附註7(a))。與結餘相關的信貸風險承擔預期屬輕微。

(ii) 流動資金風險

由於信託的流動資產足以償還流動負債，加上信託並無非流動負債，因此受託人認為流動資金風險有限。

(b) 公允價值估計

由於信託的金融資產與負債之短期到期性質，因此有關資產與負債的帳面金額假設約為其公允價值。