

THE SIXTY - FIRST
ANNUAL REPORT
OF THE

PORT
WELFARE
COMMITTEE

HONG KONG
2009 – 2010

Port Welfare Committee
(1 April 2009 – 31 March 2010)

- Chairman :** Mr. Kenneth KOO Chee-kong - Hong Kong Shipowners' Association
- Members :** Capt. Gur-Prasad Kohli - Hong Kong General Chamber of Commerce
- Mr. Simon Frank Doughty - Hong Kong General Chamber of Commerce
- Capt. YUEN Pong-kit - Merchant Navy Officers' Guild Hong Kong
- Mr. TSANG Man-ngai - Hong Kong Seamen's Union
- Dr. Teresa CHOI Man-yan - Department of Health (ex-officio)
(to 21 March 2010)
- Dr. Thomas CHUNG Wai-hung
(from 22 March 2010)
- Mr. Ernest IP Yee-cheung - Labour Department (ex-officio)
- Mr. CHICK King-fai - Marine Department (ex-officio)
- Secretary :** Miss Shirley LEUNG - Marine Department (ex-officio)

HONORARY AUDITOR

Internal Auditor, Marine Department

TERMS OF REFERENCE

1. To co-ordinate on behalf of Government arrangements in Hong Kong for the social and recreational welfare of all serving seamen, with the exception of those who are residing in Hong Kong. The term “serving seamen” is construed to mean “those seamen visiting the port and those temporarily residing here, consequent upon discharge for health or other reasons, awaiting re-engagement or repatriation”.
2. To allocate any grants or monies which the Committee may receive from all sources for the social and recreational welfare of seamen.
3. To obtain information on developments and facilities in connection with seamen’s welfare in other ports, and to take appropriate action in the light of this information.
4. To take such other action as it may see fit to promote the welfare of visiting seamen, including action in conjunction with other social and recreational bodies.
5. To publish an annual report and audited accounts.

REPORT

Introduction

The membership of the Port Welfare Committee is drawn from representatives of the local shipping community and Government departments which are concerned with the welfare of visiting seafarers on board ships calling at Hong Kong.

Objectives and Subventions

2. The purpose of the Committee is to ensure that proper arrangements are made to safeguard the welfare of and provide recreational facilities for visiting seafarers of all nationalities. This is achieved by providing financial support to The Sailors' Home and Missions to Seamen and the Danish Seamen's Church, Hong Kong. These organisations derive their income from the services they offer, such as restaurant facilities. In addition, the Committee's subventions are one of the sources of funds for them.

Finance

3. The Committee relies upon donations from the shipping and commercial community for its financial resources. The total amount of donations collected in 2009-2010 was \$809,183. In the same year, a subvention of \$800,000 was granted to The Sailors' Home and Missions to Seamen and \$80,000 to the Danish Seamen's Church.

Shipping

4. The Port of Hong Kong is the undisputed world leader in container handling. It is the premier gateway for trade with the territory of Hong Kong and Southern China as well as a key transportation hub for Asia as a whole. In 2009, about 66 500 ocean-going vessels entered and cleared the Port of Hong Kong and 21.0 million TEUs (20-foot containers) were handled in Hong Kong, representing a drop of 14.1 % over 2008. The percentage of ships staying in the Port for less than two days was around 83% in both 2008 and 2009.

Employment

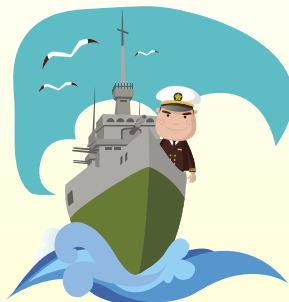
5. The shortage of manpower is a subject of concern to the maritime industry in Hong Kong. The government and the industry have joined hands to train up local persons to help alleviate this shortage. A Seagoing Training Incentive Scheme was set up in 2004. An initial funding of \$9,000,000 was allocated to fund the Scheme. As this funding was exhausted in 2009, an additional amount of \$19,200,000 was granted by the government to continue its operation for another four years. Since the launching of the Scheme in 2004, 123 young persons had joined the Scheme as at 31 March 2010. A total of 53 cadets had obtained their Class 3 Certificate of Competency.

The Sailors' Home and Missions to Seamen

6. In the past year, the Sailors' Home and Missions to Seamen continued their care of seafarers who visited the Port of Hong Kong. In 2009, the Chaplains visited 4 760 vessels and paid 290 visits to seafarers in hospital and eight visits to seafarers in prison.

7. The Missions operates two Mariners' Clubs, one in Tsim Sha Tsui and the other in Kwai Chung. In 2009, the number of seafarers staying at the club in Tsim Sha Tsui was 15 927, a decrease of 107 seafarers over 2008. The largest numbers of seafarers by nationality staying at the club were Filipinos (6 691), Indians (4 255), Chinese (2 902), Burmese (746) and Indonesians (689).

8. The future challenge of the Missions is to bring about improvement in their care of seafarers in their place of work. On the other hand, the Missions needs to seek sufficient funding to maintain their shipboard visits and shore based facilities that are relevant to the needs of the seafarers of the 21st century.



The Danish Seamen's Church, Hong Kong

9. The Danish Seamen's Church in Hong Kong is a branch of the Danish Seamen's Church in Foreign Ports and the Danish church abroad. It provides church services and spiritual and practical assistance to seafarers on board the Danish ships berthing at the Hong Kong Terminals, and the expatriates living in Hong Kong.

10. The Church is a private church organization. The salary of the Port Chaplain and his two assistants is paid by the Danish Government but all other financial sources are private donations from the Danes living in Hong Kong, Scandinavian Companies and seafarers on board Scandinavian flagged ships.

11. The Danish Room located at the Mariners' Club in Kwai Chung provides a wide range of services to the seafarers, such as loan of Danish/English books, Danish/Indian/Filipino/Russian/Thailand/Faeroe Island's newspapers, sale of Danish articles, overseas calls, Computer and internet service.

12. Apart from paying visits to all Scandinavian flagged ships in the harbour and providing transportation to the Mariners' Clubs in Kwai Chung and Tsim Sha Tsui for the seafarers, the Church also assists seafarers to deal with matters such as hotel reservations, shopping and other services through e-mail before their arrival. When seafarers are hospitalised, the Church arranges visits to the hospital and offers other types of help.



Cocktail Reception on 23 April 2009

13. To express appreciation of and gratitude to the donors for their support to the Committee, the Chairman of the Port Welfare Committee sponsored a cocktail reception in the name of the Committee together with the Sailors' Home & Missions to Seamen on 23 April 2009 at the Mariners' Club in Tsimshatsui. The reception was well received. With more than 40 guests representing a comprehensive faction of the maritime community, the reception not only showcased the Mariners' Club, the opportunity was also taken by the Chairman to report on the Committee's activities, goals and vision towards enhancing Hong Kong's position as a premier International Maritime Centre.

14. The Chairman of the General Committee of the Sailors' Home & Missions to Seamen, Mr. Nightingale in his speech also appealed for the support of the guests to the Mariners' Club by making use of the Club's facilities and organizing more functions in the Club.



The Chairman of the Port Welfare Committee and the Director of Marine mingled with the guests during the reception



The Chairman of the Port Welfare Committee delivered his welcome speech

- End -

DONATIONS RECEIVED IN 2009-2010

	DONORS	HK\$
1	Anglo-Eastern Ship Management Ltd	5,000.00
2	Aon Hong Kong Limited	1,000.00
3	Arrow Asia Shipbrokers Limited	5,000.00
4	Bernhard Schulte Shipmanagement (Hong Kong) Limited Partnership	2,000.00
5	Cheoy Lee Shipyards Limited	1,000.00
6	Chugoku Marine Paints (HK) Ltd	1,000.00
7	COSCO (Hong Kong) Group Limited	5,000.00
8	COSCO (Hong Kong) Insurance Brokers Limited	1,000.00
9	COSCO-HIT Terminals (Hong Kong) Limited	3,000.00
10	Foremost (Hong Kong) Company Limited	2,000.00
11	Germanischer Lloyd Hong Kong Limited	1,000.00
12	Goldbeam International Limited	20,000.00
13	Grand Seatrade Shipping Company Limited	6,000.00
14	Gur-Prasad Kohli	1,000.00
15	Hong Kong Pilots Association Ltd	5,000.00
16	Hongkong International Terminals Limited	10,000.00
17	Hongkong Salvage & Towage	2,000.00
18	Houlder Insurance Brokers Far East Ltd	2,200.00
19	Jardine Shipping Services	2,000.00
20	K. M. Tam International Limited	1,000.00
21	KC Maritime Limited	5,000.00
22	Keesal, Young & Logan, LLP	1,500.00
23	Kenneth KOO Chee Kong	102,883.00
24	Modern Terminals Limited	5,000.00
25	Noble Group Limited	20,000.00
26	North of England P&I Association Ltd	1,000.00
27	Oak Maritime (Hong Kong) Inc., Limited	3,000.00
28	OSM Maritime Services Limited	3,000.00

	DONORS	HK\$
29	Pacific Basin Shipping (HK) Limited	25,000.00
30	Parakou Shipping Limited	3,000.00
31	Patt Manfield & Co., Ltd.	2,000.00
32	Richards Hogg Lindley (HK) Ltd	1,000.00
33	RINA Hong Kong Limited	1,000.00
34	River Trade Terminal Co. Ltd.	1,000.00
35	Rodskog Shipbrokers Ltd	3,000.00
36	Ruttonjee Estates Continuation Ltd	1,000.00
37	Shinwa Shipping (H.K.) Co Limited	2,000.00
38	Simpson, Spence & Young Hong Kong Ltd	20,000.00
39	Sinotrans Shipping Limited	3,000.00
40	Steamship Mutual Management (HK) Ltd	600.00
41	Sureness Marine Services Ltd	1,000.00
42	Tai Chong Cheang Steamship Co (HK) Ltd	250,000.00
43	Taiship Company Limited	1,000.00
44	Teh-Hu Cargocean Management Co Ltd	3,000.00
45	The K. H. Koo Charitable Foundation	250,000.00
46	Transma Ltd	1,000.00
47	Tsao Holdings Limited (Subsidiary of IMC Holdings Ltd)	10,000.00
48	Unigas Kosan Ltd	2,000.00
49	V. K. Hsu and Sons Foundation Limited	3,000.00
50	Wallem Shipmanagement Ltd	2,000.00
51	Wilhelmsen Ships Service Limited	4,000.00
52	Willis Hong Kong Limited	1,000.00
53	Zest Ship Management Limited	1,000.00
Total :		<u>809,183.00</u>



PORT WELFARE COMMITTEE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010



HONORARY AUDITOR'S REPORT
TO THE MEMBERS OF PORT WELFARE COMMITTEE (the 'Committee')
(Operated by Marine Department of the Hong Kong Special Administrative Region ('HKSAR'))

In accordance with your appointment of the Internal Auditor of the Marine Department as the Honorary Auditor of the Committee under the Standing Accounting Instruction ('SAI') 1975 (6) of the Government of HKSAR with effect from June 2007, I have audited the attached financial statements of the Committee set out on pages 2 to 4, which comprise the balance sheet as at 31 March 2010, and the income statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

The financial statements were prepared by the Committee Secretariat, which managed the fund of the Committee. Under the SAI 1975 (4), the public officer responsible for the management of a non-Government fund shall cause a statement of receipts and payments to be prepared for the fund for each of its accounting periods and at least once a year.

As a public officer independent of the management of the fund of the Committee, I have carried out reviews and tests of the receipts and payments of the fund of the Committee for the year ended 31 March 2010 to ensure that it was managed with adequate internal control and, in particular, I have verified and ensured that :-

- a. separate bank accounts have been kept for the fund of the Committee,
- b. proper records were maintained for the receipts and payments of the fund, and the bank balances as at 31 March 2010 as recorded agreed to the statements from the bank, and
- c. the payment items were reasonable and appropriate taking into account the nature of the fund.

In my opinion, the financial statements were properly prepared from the books and records maintained, and reflected fairly the receipts and payments of the fund of the Committee for the year ended 31 March 2010.



K M Chung
Internal Auditor
Marine Department
Date : 15 October 2010

**PORT WELFARE COMMITTEE
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2010**

	<u>2010</u> HK\$	<u>2009</u> HK\$
INCOME		
Donation income	809,183	286,700
Bank interest income	29	698
	<u>809,212</u>	<u>287,398</u>
EXPENDITURE		
Grant to The Sailors' Home and Missions to Seamen	800,000	300,000
Grant to The Danish Seamen's Church	80,000	30,000
	<u>880,000</u>	<u>330,000</u>
(DEFICIT) / SURPLUS FOR THE YEAR	(70,788)	(42,602)
RETAINED SURPLUSES IN THE BEGINNING OF THE YEAR	229,895	272,497
RETAINED SURPLUSES AT THE END OF THE YEAR	<u>159,107</u>	<u>229,895</u>

The annexed notes form an integral part of these financial statements.

**PORT WELFARE COMMITTEE
BALANCE SHEET
AS AT 31 MARCH 2010**

	<u>2010</u> HK\$	<u>2009</u> HK\$
CURRENT ASSETS		
Interest receivable	1	1
Donation receivable	-	100,000
Cash at bank	<u>1,039,106</u>	<u>459,894</u>
	1,039,107	559,895
CURRENT LIABILITIES		
Provision for grants	<u>880,000</u>	330,000
NET CURRENT ASSETS	<u>159,107</u>	<u>229,895</u>
<i>Representing:</i>		
RETAINED SURPLUSES	<u>159,107</u>	<u>229,895</u>

The annexed notes form an integral part of these financial statements.

Approved by the Committee on 15 October 2010



Chairman
(Mr. Kenneth KOO)



Treasurer
(Ms. WONG Wai-ming)

**PORT WELFARE COMMITTEE
ACCOUNTING POLICIES AND EXPLANATORY NOTES TO
THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010**

Reporting entity

Port Welfare Committee is a committee operated by the Marine Department of the Hong Kong Special Administrative Region. The Committee's registered office is located at 21F, Harbour Building, 38 Pier Road, Hong Kong.

The Committee is a non-profit making body and its principal activity is to ensure that proper arrangements are made to safeguard the welfare of and provide recreational facilities for visiting seafarers of all nationalities.

1. Basis of preparation and accounting policies

These financial statements have been prepared under the historical cost convention and the accrual basis of accounting and on the basis that the Committee is a going concern.

2. Taxation

No provision for taxation is necessary as the Committee is exempted as a charitable body.

3. Committee Members' emoluments

The Committee Members did not receive any emoluments from the Committee.

4. Honorary Auditor

This set of financial statements has been audited by the Internal Auditor of the Marine Department who retires, and being eligible, offers himself for re-appointment.