



恒生投資
Hang Seng Investment

理財創富 專注為你

恒生指數ETF 2833

恒生指數上市基金
年度財務報告
HANG SENG INDEX ETF
ANNUAL FINANCIAL REPORT
2011

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業績表

Performance Table

價格記錄 Price Record															
2011		2010		2009		2008		2007		2006		2005		2004	
最高 認購價 Highest Offer Price	最低 贖回價 Lowest Bid Price	最高 認購價 Highest Offer Price	最低 贖回價 Lowest Bid Price	最高 認購價 Highest Offer Price	最低 贖回價 Lowest Bid Price	最高 認購價 Highest Offer Price	最低 贖回價 Lowest Bid Price	最高 認購價 Highest Offer Price	最低 贖回價 Lowest Bid Price	最高 認購價 Highest Offer Price	最低 贖回價 Lowest Bid Price	最高 認購價 Highest Offer Price	最低 贖回價 Lowest Bid Price	最高 認購價 Highest Offer Price	最低 贖回價 Lowest Bid Price

港元 HKD	246.07	164.71	254.00	194.20	232.78	114.36	277.75	112.87	319.72	187.48	203.41	150.34	156.36	134.43	144.47	129.24
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每單位資產淨值 Net Asset Value Per Unit							
2011年12月31日 As at 31 December 2011		2010年12月31日 As at 31 December 2010		2009年12月31日 As at 31 December 2009		2008年12月31日 As at 31 December 2008	

港元 HKD	185.22		231.22		219.61		144.28	
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屬於單位持有人之資產總淨值 Total Net Assets Attributable to Unitholders							
2011年12月31日 As at 31 December 2011		2010年12月31日 As at 31 December 2010		2009年12月31日 As at 31 December 2009		2008年12月31日 As at 31 December 2008	

港元 HKD	26,171,661,619		29,016,565,773		24,547,446,278		13,621,336,230	
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受託人報告

Trustee's Report

致恒生指數上市基金(「基金」)單位持有人

吾等謹此確認，吾等認為基金經理，即恒生投資管理有限公司於截至2011年12月31日止之年度內，在各重要方面均已根據2004年9月10日訂立，並經修訂的《信託契約》條文管理基金。

美國友邦(信託)有限公司
2012年4月27日

To the unitholders of Hang Seng Index ETF ("the Fund")

We hereby confirm that, in our opinion, the Manager, Hang Seng Investment Management Limited has, in all material respects, managed the Fund in accordance with the provisions of the Trust Deed dated 10 September 2004, as amended, for the year ended 31 December 2011.

American International Assurance Company (Trustee) Limited
27 April 2012

獨立核數師報告

致恒生指數上市基金(「基金」)單位持有人的獨立核數師報告

財務報表的報告

本核數師(以下簡稱「我們」)已審計第8至25頁基金的財務報表，此財務報表包括於二零一一年十二月三十一日的資產負債表，截至該日止年度的全面收入表、權益變動表、現金流量表和收益分派表以及主要會計政策概要及其他附註解釋資料。

基金經理及受託人就財務報表須承擔的責任

基金經理及受託人須負責根據香港會計師公會頒佈的《香港財務報告準則》編製財務報表，以令財務報表作出真實而公平的反映及落實其認為編製財務報表所必要的內部控制，以使財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

此外，基金經理及受託人須負責並確保財務報表符合經修訂的《信託契約》的相關披露規定及香港證券及期貨事務監察委員會頒佈的《單位信託及互惠基金守則》(「該守則」)附錄E所列的相關披露要求。

核數師的責任

我們的責任是根據我們的審計對該等財務報表作出意見。我們僅向整體基金單位持有人報告。除此以外，我們的報告不可用作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。

我們已根據香港會計師公會頒佈的《香港審計準則》進行審計。該等準則要求我們遵守道德規範，並規劃及執行審計，以合理確定財務報表是否不存在任何重大錯誤陳述。

審計涉及執行程序以獲取有關財務報表所載金額及披露資料的審計憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致財務報表存在重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該實體編製財務報表以作出真實而公平的反映相關的內部控制，以設計適當的審計程序，但目的並非對實體內部控制的有效性發表意見。審計亦包括評價基金經理及受託人所採用會計政策的合適性及作出會計估計的合理性，以及評價財務報表的整體列報方式。

我們相信，我們所獲得的審計憑證能充足和適當地為我們的審計意見提供基礎。

意見

我們認為，該等財務報表已根據《香港財務報告準則》真實而公平地反映貴基金於二零一一年十二月三十一日的財政狀況及截至該日止年度貴基金的交易及現金流量。

該守則的披露要求報告

我們報告該等財務報表已經按照經修訂的《信託契約》的相關披露規定及該守則的相關披露要求妥為編製。

畢馬威會計師事務所
執業會計師
香港中環
遮打道10號
太子大廈8樓
2012年4月27日

Independent Auditor's Report

Independent Auditor's Report to the Unitholders of Hang Seng Index ETF (the "Fund")

Report on the financial statements

We have audited the financial statements of the Fund set out on page 8 to 25, which comprise the statement of assets and liabilities as at 31 December 2011, and the statement of comprehensive income, statement of changes in equity, cash flow statement and distribution statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Manager's and Trustee's responsibilities for the financial statements

The Manager and the Trustee are 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 Manager and the Trustee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In addition, the Manager and the Trustee also have a responsibility to ensure that the financial statements comply with the relevant disclosure provisions of the Trust Deed, as amended, and the relevant disclosure requirements set out in Appendix E to the Hong Kong Code on Unit Trusts and Mutual Funds issued by the Hong Kong Securities and Futures Commission ("the Code").

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 about 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 judgement, 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 that 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 accounting estimates made by the Manager and the Trustee, as well as evaluating the overall presentation of the financial statements.

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 financial position of the Fund as at 31 December 2011 and of its transactions and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards.

Report on disclosure requirements under the Code

We report that the financial statements have been properly prepared in accordance with the relevant disclosure provisions of the Trust Deed, as amended, and the relevant disclosure requirements set out in the Code.

KPMG
Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong
27 April 2012

投資組合

Investment Portfolio

2011年12月31日 as at 31 December 2011

		單位數目	市值 (港元)	佔屬於單位持有人的 總資產淨值百分比 % of Total Net Assets Attributable to Unitholders
香港上市投資 Hong Kong Listed Investments		Holdings	Market Value (HK\$)	
香港股票	Hong Kong Equities			
工商	Commerce & Industry			
中國鋁業	Aluminum Corporation of China	18,731,676	62,938,431	0.24%
百麗國際	Belle International	22,032,055	297,432,743	1.14%
國泰航空	Cathay Pacific Airways	5,604,618	74,541,419	0.28%
中國中煤能源	China Coal Energy	18,529,576	154,907,255	0.59%
招商局國際	China Merchants Holdings International	5,868,663	132,338,351	0.50%
中國移動	China Mobile	28,598,910	2,169,227,324	8.29%
中國石油化工	China Petroleum & Chemical	79,700,341	651,151,786	2.49%
華潤創業	China Resources Enterprise	5,697,954	150,995,781	0.58%
中國神華能源	China Shenhua Energy	16,142,093	542,374,325	2.07%
中國聯通	China Unicom	22,385,606	366,228,514	1.40%
中信泰富	CITIC Pacific	6,066,193	84,441,407	0.32%
中國海洋石油	CNOOC	84,865,299	1,152,470,760	4.40%
中遠太平洋	COSCO Pacific	7,727,640	70,012,418	0.27%
思捷環球	Esprit Holdings	6,129,117	61,291,170	0.23%
恆安國際	Hengan International	3,793,776	274,479,694	1.05%
和記黃埔	Hutchison Whampoa	10,124,353	659,601,598	2.52%
利豐	Li & Fung	26,936,480	386,269,123	1.48%
香港鐵路	MTR Corporation	6,868,149	172,047,132	0.66%
新世界發展	New World Development	17,056,510	106,603,188	0.41%
中國石油天然氣	PetroChina	100,213,082	969,060,503	3.70%
太古洋行'A'	Swire Pacific 'A'	3,440,996	322,421,325	1.23%
騰訊控股	Tencent Holdings	5,231,434	816,103,704	3.12%
康師傅控股	Tingyi Holdings	9,294,000	219,338,400	0.84%
中國旺旺控股	Want Want China Holdings	34,535,000	266,610,200	1.02%
九龍倉集團	Wharf (Holdings)	7,193,110	252,118,506	0.96%
			10,415,005,057	39.79%
金融	Finance			
友邦保險控股	AIA Group	40,043,878	969,061,847	3.70%
中國銀行	Bank of China	337,604,592	965,549,133	3.69%
交通銀行	Bank of Communications	34,644,253	188,118,294	0.72%
東亞銀行	Bank of East Asia	7,395,237	216,680,444	0.83%
中銀香港	BOC Hong Kong	17,575,721	323,393,266	1.23%
中國建設銀行	China Construction Bank	342,573,484	1,849,896,814	7.07%
中國人壽保險	China Life Insurance	35,342,677	677,872,545	2.59%
恒生銀行	Hang Seng Bank	3,632,233	334,165,436	1.28%
香港交易及結算所	Hong Kong Exchanges & Clearing	4,869,274	607,198,468	2.32%
滙豐控股	HSBC Holdings	65,168,721	3,844,954,539	14.69%
中國工商銀行	Industrial and Commercial Bank of China	309,184,922	1,425,342,490	5.44%
中國平安保險	Ping An Insurance	9,662,471	493,752,268	1.89%
			11,895,985,544	45.45%
地產	Properties			
長江實業(集團)	Cheung Kong (Holdings)	6,600,993	608,611,555	2.32%
中國海外發展	China Overseas Land & Investment	19,406,883	251,125,066	0.96%
華潤置地	China Resources Land	8,954,189	111,390,111	0.43%
恒隆地產	Hang Lung Properties	10,620,657	233,654,454	0.89%
恒基兆業地產	Henderson Land Development	4,499,907	172,796,429	0.66%
信和置業	Sino Land	13,777,824	151,556,064	0.58%
新鴻基地產	Sun Hung Kai Properties	6,544,586	634,824,842	2.43%
			2,163,958,521	8.27%
公用事業	Utilities			
華潤電力	China Resources Power	9,004,857	134,172,369	0.52%
中電控股	CLP Holdings	8,571,039	565,260,022	2.16%
香港中華煤氣	Hong Kong & China Gas	22,514,182	403,454,141	1.54%
電能實業	Power Assets Holdings	6,588,995	377,549,414	1.44%
			1,480,435,946	5.66%
總投資市值 Total Investments			25,955,385,068	99.17%
(總投資成本 Total cost of investments - HKD 27,161,990,019 港元)				
其他資產淨值 Other Net Assets			216,276,551	0.83%
屬於單位持有人的總資產淨值 Total Net Assets Attributable to Unitholders			26,171,661,619	100.00%

投資組合變動表

Statement of Movements in Portfolio Holdings

截至2011年12月31日止年度 for the year ended 31 December 2011

投資 Investments		單位數目			單位數目
		2011年1月1日 Holdings as at 01 Jan 2011	增加 Additions	減少 Disposals	2011年12月31日 Holdings as at 31 Dec 2011
上市投資	Listed Investments				
香港股票	Hong Kong Equities				
工商	Commerce & Industry				
中國鋁業	Aluminum Corporation of China	18,901,924	3,220,448	3,390,696	18,731,676
百麗國際	Belle International	22,228,540	3,742,493	3,938,978	22,032,055
國泰航空	Cathay Pacific Airways	5,655,067	984,315	1,034,764	5,604,618
中國中煤能源	China Coal Energy	19,681,520	3,279,922	4,431,866	18,529,576
招商局國際	China Merchants Holdings International	5,263,347	1,678,228	1,072,912	5,868,663
中國移動	China Mobile	28,843,862	4,824,971	5,069,923	28,598,910
中國石油化工	China Petroleum & Chemical	80,409,858	13,480,679	14,190,196	79,700,341
華潤創業	China Resources Enterprise	5,745,307	1,050,670	1,098,023	5,697,954
中國神華能源	China Shenhua Energy	16,288,058	2,730,444	2,876,409	16,142,093
中國聯通	China Unicom	22,583,887	3,844,677	4,042,958	22,385,606
中信泰富	CITIC Pacific	6,120,111	1,058,141	1,112,059	6,066,193
中國海洋石油	CNOOC	85,621,582	14,248,438	15,004,721	84,865,299
中遠太平洋	COSCO Pacific	7,798,513	1,384,862	1,455,735	7,727,640
思捷環球	Esprit Holdings	5,863,430	1,016,353	750,666	6,129,117
恆安國際	Hengan International	-	4,135,276	341,500	3,793,776
富士康國際控股	Foxconn International Holdings	10,269,914	809,142	11,079,056	-
和記黃埔	Hutchison Whampoa	10,214,328	1,750,508	1,840,483	10,124,353
利豐	Li & Fung	11,893,701	61,819,050	46,776,271	26,936,480
香港鐵路	MTR Corporation	6,910,046	1,291,892	1,333,789	6,868,149
新世界發展	New World Development	11,265,729	19,757,018	13,966,237	17,056,510
中國石油天然氣	PetroChina	101,107,427	16,905,545	17,799,890	100,213,082
太古洋行'A'	Swire Pacific 'A'	3,473,017	600,160	632,181	3,440,996
騰訊控股	Tencent Holdings	4,817,835	1,210,988	797,389	5,231,434
康師傅控股	Tingyi Holdings	-	9,312,000	18,000	9,294,000
中國旺旺控股	Want Want China Holdings	-	34,607,000	72,000	34,535,000
九龍倉集團	Wharf (Holdings)	6,599,103	1,903,244	1,309,237	7,193,110
金融	Finance				
友邦保險控股	AIA Group	-	43,682,678	3,638,800	40,043,878
中國銀行	Bank of China	300,535,791	76,569,729	39,500,928	337,604,592
交通銀行	Bank of Communications	31,775,226	8,761,619	5,892,592	34,644,253
東亞銀行	Bank of East Asia	7,828,384	1,522,166	1,955,313	7,395,237
中銀香港	BOC Hong Kong	17,733,408	2,972,754	3,130,441	17,575,721
中國建設銀行	China Construction Bank	288,017,217	92,444,293	37,888,026	342,573,484
中國人壽保險	China Life Insurance	35,657,749	5,978,349	6,293,421	35,342,677
恒生銀行	Hang Seng Bank	3,664,952	613,601	646,320	3,632,233
香港交易及結算所	Hong Kong Exchanges & Clearing	4,907,441	821,718	859,885	4,869,274
滙豐控股	HSBC Holdings	54,814,782	18,963,561	8,609,622	65,168,721
中國工商銀行	Industrial and Commercial Bank of China	270,343,363	85,686,286	46,844,727	309,184,922
中國平安保險	Ping An Insurance	8,217,323	2,506,059	1,060,911	9,662,471
地產	Properties				
長江實業(集團)	Cheung Kong (Holdings)	6,659,450	1,152,107	1,210,564	6,600,993
中國海外發展	China Overseas Land & Investment	19,581,002	3,350,474	3,524,593	19,406,883
華潤置業	China Resources Land	9,654,258	1,609,124	2,309,193	8,954,189
恒隆地產	Hang Lung Properties	9,989,976	3,771,511	3,140,830	10,620,657
恒基兆業地產	Henderson Land Development	5,187,943	889,503	1,577,539	4,499,907
信和置業	Sino Land	11,742,758	4,448,823	2,413,757	13,777,824
新鴻基地產	Sun Hung Kai Properties	7,389,006	1,269,859	2,114,279	6,544,586
公用事業	Utilities				
華潤電力	China Resources Power	9,022,793	1,607,264	1,625,200	9,004,857
中電控股	CLP Holdings	8,647,243	1,458,904	1,535,108	8,571,039
香港中華煤氣	Hong Kong & China Gas	20,649,222	5,843,535	3,978,575	22,514,182
電能實業	Power Assets Holdings	6,647,093	1,131,438	1,189,536	6,588,995
股票認購權	Rights				
工商	Commerce & Industry				
新世界發展認購權(2011年10月)	New World Development Rights (Oct 2011)	-	16,498,170	16,498,170	-
九龍倉集團認購權(2011年2月)	Wharf (Holdings) Rights (Feb 2011)	-	678,310	678,310	-
非上市投資	Unlisted Investments				
股票認購權	Rights				
基本材料	Basic Materials				
新礦資源認購權(2011年6月)	Newton Resources Rights (Jun 2011)	-	67,742	67,742	-
工商	Commerce & Industry				
華潤創業認購權(2011年10月)	China Resources Enterprise Rights (Oct 2011)	-	714,014	714,014	-
和記黃埔認購權(2011年3月)	Hutchison Whampoa Rights (Mar 2011)	-	1,051,600	1,051,600	-

資產負債表

Statement of Assets and Liabilities

2011年12月31日 as at 31 December 2011

	附註 Notes	2011 (港元) (HKD)	2010 (港元) (HKD)
資產 Assets			
按公平價值列入收入或虧損的投資 Investments at fair value through profit or loss	5,6,15	25,955,385,068	28,845,821,240
應收股息分派款項 Dividend receivable	10(g)	60,497,968	31,123,835
應收認購單位款項 Amounts receivable on subscription of units		36,827,021	73,496,755
現金及現金等價物 Cash and cash equivalents	10(f)	467,186,369	479,486,368
資產總值 Total Assets		26,519,896,426	29,429,928,198
負債 Liabilities			
應付投資款項 Amounts payable on purchase of investments		-	37,858,892
應付贖回單位款項 Amounts payable on redemption of units		49,071,797	46,693,856
預提費用及其他應付款項 Accrued expenses and other payables	10(a)&(b)	3,367,432	3,844,439
應付收益分派款項 Distributions payable	10(i)	295,795,578	324,965,238
負債總值 Total Liabilities		348,234,807	413,362,425
屬於單位持有人之資產淨值 Net assets attributable to unitholders	12	26,171,661,619	29,016,565,773
代表 Representing:			
權益總值 Total Equity		26,171,661,619	29,016,565,773
已發行單位數目 Total number of units in issue	10(i),11	141,296,823	125,492,931
每單位資產淨值 Net asset value per unit		185.22	231.22

由受託人及基金經理於2012年4月27日批准及核准發行。

Approved and authorised for issue by the Trustee and the Manager on 27 April 2012.

} 代表 For and on behalf of
 } 受託人 Trustee
 } 美國友邦 (信託) 有限公司
 } American International Assurance Company (Trustee) Limited

} 代表 For and on behalf of
 } 基金經理 Manager
 } 恒生投資管理有限公司
 } Hang Seng Investment Management Limited

全面收入表

Statement of Comprehensive Income

截至2011年12月31日止年度 for the year ended 31 December 2011

		截至 2011年12月31日 止年度 Year ended 31 December 2011 (港元) (HKD)	截至 2010年12月31日 止年度 Year ended 31 December 2010 (港元) (HKD)
收入 Income			
股息收入 Dividend income	8,10(g)	922,638,377	755,597,178
費用 Expenses			
核數師酬金 Auditor's remuneration		(295,784)	(257,112)
法律及專業服務費用 Legal and professional fees		(92,134)	-
管理費 Management fees	10(a)	(14,441,975)	(13,038,062)
登記處費 Registrar's fees	10(h)	(15,557)	(15,600)
證券託管及銀行費用 Safe custody and bank charges	10(d)	(9,315,343)	(9,024,007)
雜項費用 Sundry expenses	10(e)	(5,145,357)	(4,702,785)
投資交易費用 Investment transaction costs	10(c)	(16,209,031)	(13,484,672)
付予受託人之交易費 Transaction fees paid to trustee	10(h)	(2,998,700)	(2,719,500)
受託人費 Trustee's fees	10(b)	(8,784,856)	(7,942,837)
估值費 Valuation fees	10(h)	(98,400)	(99,600)
		<u>(57,397,137)</u>	<u>(51,284,175)</u>
計算投資(虧損)/收益前的收入			
Income before (losses)/gains on investments		<u>865,241,240</u>	<u>704,313,003</u>
投資(虧損)/收益(Losses)/gains on investments			
投資淨(虧損)/收益 Net (losses)/gains on investments	9	(6,266,177,652)	1,511,230,196
滙兌淨收益 Net foreign exchange gain		12	191
證券費用 Securities expenses	10(d)	<u>(517,317)</u>	<u>(342,559)</u>
		<u>(6,266,694,957)</u>	<u>1,510,887,828</u>
計算融資成本前的(損失)/收入			
(Loss)/income before finance costs		<u>(5,401,453,717)</u>	<u>2,215,200,831</u>
融資成本 Finance costs			
利息支出 Interest expenses	10(l)	<u>-</u>	<u>(239)</u>
稅前(損失)/收入			
(Loss)/income before taxation		<u>(5,401,453,717)</u>	<u>2,215,200,592</u>
稅項 Taxation	4,8	<u>(44,605,931)</u>	<u>(38,474,755)</u>
屬於單位持有人的(損失)/收入及年度總全面收入			
(Loss)/income attributable to unitholders and total comprehensive income for the year		<u><u>(5,446,059,648)</u></u>	<u><u>2,176,725,837</u></u>

第13至25頁的附註屬本財務報表的一部份。

The notes on pages 13 to 25 form part of the financial statements.

權益變動表

Statement of Changes in Equity

截至2011年12月31日止年度 for the year ended 31 December 2011

	附註 Notes	截至 2011年12月31日 止年度 Year ended 31 December 2011 (港元) (HKD)	截至 2010年12月31日 止年度 Year ended 31 December 2010 (港元) (HKD)
年初餘額 Balance at beginning of year		29,016,565,773	24,547,446,278
屬於單位持有人的(損失)/收入及年度總全面收入 (Loss)/income attributable to unitholders and total comprehensive income for the year		(5,446,059,648)	2,176,725,837
與所有者(即單位持有人)的交易並直接於權益上入賬 Transactions with owners (i.e. unitholders), recorded directly in equity			
發行單位所得及應收款項 Received and receivable on issue of units	10(j), 11	10,162,687,656	8,632,999,963
贖回單位所付及應付款項 Paid and payable on redemption of units	10(j), 11	(6,661,257,502)	(5,680,466,745)
予單位持有人的收益分派 Distributions to unitholders	10(i)	<u>(900,274,660)</u>	<u>(660,139,560)</u>
與所有者(即單位持有人)的交易總額 Total transactions with owners (i.e. unitholders)		<u>2,601,155,494</u>	<u>2,292,393,658</u>
年末餘額 Balance at year end		<u>26,171,661,619</u>	<u>29,016,565,773</u>

第13至25頁的附註屬本財務報表的一部份。

The notes on pages 13 to 25 form part of the financial statements.

現金流量表

Cash Flow Statement

截至2011年12月31日止年度 for the year ended 31 December 2011

	截至 2011年12月31日 止年度 Year ended 31 December 2011 (港元) (HKD)	截至 2010年12月31日 止年度 Year ended 31 December 2010 (港元) (HKD)
經營活動 Operating activities		
法律專業服務費 Payment for legal and professional fee	(92,134)	-
核數師酬金 Payment for auditor's remuneration	(272,889)	(229,269)
管理費 Payment for management fees	(14,588,011)	(12,841,552)
受託人費 Payment for trustee's fees	(8,855,649)	(7,818,631)
投資交易費用 Payment for investment transaction costs	(16,209,031)	(13,484,672)
受託人之交易費之支付 Payment for transaction fees paid to trustee	(2,998,700)	(2,719,500)
登記處費 Payment for registrar's fees	(15,557)	(15,600)
估值費 Payment for valuation fees	(98,400)	(99,600)
證券託管及銀行費用 Payment for safe custody and bank charges	(9,315,343)	(9,024,007)
其他營運支出 Payment for other operating expenses	(5,428,418)	(4,314,829)
用於經營活動的現金淨額 Net cash used in operating activities	(57,874,132)	(50,547,660)
投資活動 Investing activities		
證券費用 Payment for securities expenses	(517,317)	(342,559)
股息收入所得款項 Dividend income received	59,579,034	602,745,956
出售投資所得款項 Proceeds from sale of investments	5,678,170,716	3,490,401,641
購入投資所付款項 Payment for purchase of investments	(7,962,123,422)	(6,226,313,068)
用於投資活動的現金淨額 Net cash used in investing activities	(2,224,890,989)	(2,133,508,030)
融資活動 Financing activities		
利息支出 Interest expenses	-	(239)
發行單位所得款項 Proceeds on issue of units	9,775,151,848	8,479,416,964
贖回單位所付款項 Payments on redemption of units	(6,575,242,406)	(5,569,323,850)
單位持有人的收益分派之支付 Distributions paid to unitholders	(929,444,320)	(558,081,658)
來自融資活動的現金淨額 Net cash generated from financing activities	2,270,465,122	2,352,011,217
現金或現金等價物淨(減少)/增加 Net (decrease)/increase in cash and cash equivalents	(12,299,999)	167,955,527
於1月1日之現金及現金等價物 Cash and cash equivalents at 1 January	479,486,368	311,530,841
於12月31日之現金及現金等價物 Cash and cash equivalents at 31 December	467,186,369	479,486,368

重大非現金交易:

Major non-cash transactions:

- (i) 於年度內，單位持有人透過注入一籃子恒生指數成份股，合共市值424,205,542港元(2010：132,782,056港元)，以認購1,900,000基金單位(2010：600,000基金單位)。
During the year, unitholders subscribed for 1,900,000 units of the Fund (2010: 600,000 units) by tendering a basket of Constituent Stocks of Hang Seng Index with market value of HKD424,205,542 (2010: HKD132,782,056).
- (ii) 於年度內，單位持有人透過贖回350,000基金單位(2010：500,000基金單位)，以換取一籃子恒生指數成份股，合共市值83,637,155港元(2010：116,246,819港元)。
During the year, unitholders tendered 350,000 units of the Fund (2010: 500,000 units) in exchange for a basket of constituent stocks of Hang Seng Index with a market value of HKD83,637,155 (2010: HKD116,246,819).
- (iii) 於年度內，基金以股息再投資的金額為789,079,279港元(2010：113,734,360港元)
During the year, the Fund had dividend re-investment amounting to HKD789,079,279 (2010: HKD113,734,360).

第13至25頁的附註屬本財務報表的一部份。

The notes on pages 13 to 25 form part of the financial statements.

收益分派表

Distribution Statement

截至2011年12月31日止年度 for the year ended 31 December 2011

	截至 2011年12月31日 止年度 Year ended 31 December 2011 (港元) (HKD)	截至 2010年12月31日 止年度 Year ended 31 December 2010 (港元) (HKD)
年初未分派之收入金額 Undistributed income brought forward	68,150,621	31,987,734
計算投資(虧損)/收益前屬於單位持有人的收入 Income attributable to unitholders before (losses)/gains on investments	865,241,240	704,313,003
投資交易費用 Investment transaction costs	16,209,031	13,484,672
利息支出 Interest expenses	-	(239)
稅項 Taxation	(44,605,931)	(38,474,755)
發行單位所得及應收款項(收入部分) Income portion of received and receivable on issue of units	65,129,451	64,790,039
贖回單位所付及應付款項(收入部分) Income portion of paid and payable on redemption of units	<u>(42,505,953)</u>	<u>(47,810,273)</u>
可供單位持有人的收益分派金額 Amount available for distribution to unitholders	927,618,459	728,290,181
予單位持有人的收益分派 Distributions to unitholders	<u>(900,274,660)</u>	<u>(660,139,560)</u>
Undistributed income carried forward	<u>27,343,799</u>	<u>68,150,621</u>
予單位持有人的第一次收益分派(每單位) First distribution to unitholders per unit 分派予單位持有人的日期 Date of distribution to unitholders	<u>4.50</u> 2011年6月30日 30 June 2011	<u>2.80</u> 2010年6月25日 25 June 2010
予單位持有人的第二次收益分派(每單位) Second distribution to unitholders per unit 分派予單位持有人的日期 Date of distribution to unitholders	<u>2.10</u> 2011年12月16日 16 December 2011	<u>2.60</u> 2010年12月17日 17 December 2010

第13至25頁的附註屬本財務報表的一部份。

The notes on pages 13 to 25 form part of the financial statements.

財務報表附註

1. 背景

恒生指數上市基金(「基金」)由香港證券及期貨事務監察委員會(「證監會」)根據香港證券及期貨條例第104(1)條認可，並由香港《單位信託及互惠基金守則》(「該守則」)管轄。

基金是根據香港法例並按2004年9月10日訂立並經不時修訂的《信託契約》成立，並於2004年9月13日根據香港法例註冊成立。

基金的投資目標是透過持有恒生指數(「該指數」)一籃子成份股，於扣除費用前盡實際可能緊貼該指數之表現。

截至2011年12月31日，恒指基金持有基金96% (2010：97%)可贖回單位，因此恒指基金被視為基金的母公司。

2. 主要會計政策

(a) 遵例聲明

本基金的財務報表是按照香港會計師公會頒佈的所有適用的《香港財務報告準則》(包含所有適用的個別《香港財務報告準則》、《香港會計準則》及詮釋)、香港公認會計原則、經修訂的《信託契約》的有關披露條款及證監會發出的該守則及其他的相關披露規定編製。以下是本基金採用的主要會計政策概要。

香港會計師公會頒佈了若干新訂和經修訂的《香港財務報告準則》。這些準則在本基金當前會計期間首次生效或可供提前採用。在與本基金有關的範圍內初始應用這些新訂和經修訂的準則所引致當前和以往會計期間的會計政策變更，已於本財務報表內反映，有關資料載列於附註3。

(b) 財務報表的編製基準

本財務報表中所呈列的貨幣為港元(即本基金的報價貨幣)，而所有數項則以個位計算。

除投資按公平價值入賬(見下文所載的會計政策)外，本財務報表以歷史成本作為編製基準。

在按照《香港財務報告準則》編製財務報表時，基金經理及受託人就財務政策的採用及財務報表中所列之資產、負債、收入及開支數額的呈報需作判斷、估計及假設。該等估計與相關假設乃基於過往經驗和其它被認為合理之各種因素作出，從而作為計算某些難以確認的資產及負債之賬面價值的基準。實際結果或與該等估計不盡相同。

該等估計及相關假設將會被不時檢討。因應該等估計需作出的修訂將在該等估計之修訂期間(若該等修訂僅影響該期間)或者修訂期間及未來期間(若該等修訂影響現時及未來期間)予以確認。

(c) 收入與費用

利息收入及支出以實際利率法計算。股息收入在投資項目的價格除息時確認。股息收入呈列時並沒有扣除在收入或虧損獨立披露的不可取回的預扣稅。所有的收入及支出均以權責發生制的形式入帳。

(d) 外幣換算

年度內的外幣交易按交易日的匯率換算至港元。以外幣為單位的貨幣資產及負債則按年終日的匯率換算至港元。匯兌盈虧均撥入收入或虧損確認。

(e) 金融工具

(i) 分類

所有投資包括於該指數成份股的投資，主要是為了可於短期內出售而購置，是持作交易用途的金融資產。基金將其所有投資歸類為按公平價值列入收入或虧損的金融資產或金融負債。被歸類為應收款項的金融資產包括應收股息分派款項及應收認購單位款項。並非按公平價值列入收入或虧損內的金融負債包括應付投資款項、應付贖回單位款項、應付收益分派及其他應付款項。

(ii) 確認

金融資產和金融負債在基金成為相關合約條文的人士時，將被予以確認。

金融資產及金融負債在一般情況下購入或出售時將按交易日會計法以公平價值收入或虧損予以確認。該等金融資產或金融負債之公平價值變動所產生的盈餘和虧損由該日起計算。

(iii) 計量

金融工具的首次計量是以公平價值(即交易價格)計算。金融資產及金融負債的交易成本則列為費用撥入收入或虧損立即註銷。

首次確認後，持作交易用途的金融資產以公平價值計算。

(iv) 公平價值計量的準則

金融工具的公平價值一般是按結算日之市場價值計算。此市場價值並沒有扣除將來出售該等工具時所涉及的成本之預算。金融資產按市場買入價釐定價格，而金融負債則按市場賣出價釐定價格。

投資淨收益將列於收入或虧損內。已變現之投資的收益和虧損及由公平價值變動所帶來的未變現之投資的收益和虧損則載列於附註9。

財務報表附註(續)

2. 主要會計政策(續)

(e) 金融工具(續)

(v) 取消確認

若可按金融資產合約收取現金的權利已過期或該金融資產連同大部份的風險及所有權的報酬被轉讓，該金融資產將被予以取消確認。

於基金出售持作交易用途的資產當日，已出售之該等資產將被取消確認，來自經紀商的相關應收款項將於基金出售該等資產之日進行確認。

若合約所指定的責任被解除、取消或終止時，金融負債即被取消確認。

金融資產被取消確認時，資產之帳面金額及所得款項之差異在收入或支出被確認。

(f) 關聯方

(a) 任何人士如果：

- (i) 控制或與第三方共同控制本基金；
- (ii) 對本基金具有重大的影響力；或
- (iii) 是本基金或本基金母公司的關鍵管理人員，其本人或近親可視為本基金的關聯方。

(b) 如屬下列任何一種情況，企業實體可視為本基金的關聯方：

- (i) 該實體與本基金隸屬同一集團（意指彼此的母公司、附屬公司和同系附屬公司互有關聯）。
- (ii) 一家實體是另一實體的聯營公司或合營企業（或是另一實體所屬集團旗下成員公司的聯營公司或合營企業）。
- (iii) 兩家實體是同一第三方的合營企業。
- (iv) 一家實體是第三方實體的合營企業，而另一實體是第三方實體的聯營公司。
- (v) 該實體是為本基金或作為本基金關聯方的任何實體的僱員福利而設的離職後福利計劃。
- (vi) 該實體受到上述第(a)項內所認定人士控制或與第三方共同控制。
- (vii) 上述第(a)(i)項內所認定人士對該實體具有重大的影響力或是該實體（或該實體母公司）的關鍵管理人員。

任何人士的近親是指預期會在與該實體的交易中影響該名人士或受其影響的家屬。

(g) 現金及現金等價物

現金及現金等價物包括銀行存款及現金，於銀行及其他金融機構的活期存款和短期及流動性極高的投資項目。這些項目可以在沒有重大價值轉變的風險下容易地換算為已知的現金數額，並在購入後三個月內到期。

(h) 已發行單位

基金根據發行的金融工具實質的合約條款，把其分類為金融負債或權益工具。

基金只發行一類可贖回單位。該類單位是基金的金融工具中居最末的類別及於所有重大層面擁有同等地位及有著相同的條款與章則。可贖回單位賦予投資者權利，可於每個贖回日及當基金清盤時，要求以現金形式贖回等值其於基金資產淨值中的持股比例。

發行人於有合約性責任以現金或其他金融資產回購或贖回的可贖回金融工具於符合下列所有條件時，應分類為權益：

- (i) 基金清盤時，持有人有權依其持有比例取回基金之資產淨值；
- (ii) 該金融工具所屬的類別於所有工具的類別中居最末位；
- (iii) 於所有工具的類別中居最末位的類別中的所有金融工具均有相同的特質；
- (iv) 基金除了以現金或其他金融資產回購或贖回工具以履行合約性責任外，該工具本身並無任何其他符合負債定義的特質；及
- (v) 工具全期內之總預期現金流量的攤派是根據實質的損益計算；或根據已確認的資產淨值的變動計算；或根據基金已確認及未確認的資產淨值之公平價值的變動計算。

基金的可贖回單位如符合以上所有的條件會被分類為權益。

(i) 分部報告

分部經營是基金的組成部分且從事可賺取收入並衍生費用(包括與同一基金內的其他組成部分進行交易而衍生的相關收入和費用)的商業活動，其經營成果由主要經營決策者定期進行檢討，以決定分部的資源分配並評估其表現，及可取得其個別的財務資訊。匯報予主要經營決策者的分部表現包括可直接攤派至分部及可按合理原則分配予分部的項目。基金的主要經營決策者為基金經理，即恒生投資管理有限公司。

財務報表附註(續)

3. 會計政策的修訂

香港會計師公會頒布了多項《香港財務報告準則》的修訂和一項新詮釋。這些修訂和詮釋在本基金的當前會計期間首次生效。當中與本基金財務報表相關的變動如下：

- (i) 《香港會計準則》第24號(2009年修訂本) — 「關聯方披露」
- (ii) 《香港財務報告準則》的改進(2010年)

本基金並無採用任何在當前會計期間尚未生效的新準則或詮釋。

以上變動的影響論述如下：

- (i) 《香港會計準則》第24號(2009年修訂本) 修訂了「關聯方」一詞的定義。因此，本基金重新評估了關聯方的身份識別，並總結認為，以上定義修訂並無嚴重影響本基金在當前和過往期間所作的關聯方披露事項。《香港會計準則》第24號(2009年修訂本)也修訂了有關政府實體的披露要求。本基金由於並非政府實體，所以並無因此受到影響。
- (ii) 「《香港財務報告準則》的改進(2010年)」綜合準則對《香港財務報告準則》第7號 — 「金融工具：披露」的披露要求實施多項修訂。本基金就金融工具所作的披露事項(參見附註6和15)符合了經修訂的披露要求。這些修訂並無嚴重影響在當前和過往期間財務報表已入賬金額的分類、確認和計量。

4. 稅項

由於基金的收入根據香港稅務條例第26A(1A)條獲得稅項豁免，故此財務報表內並無就香港利得稅提撥準備。

年度稅項支出為不可取回的股息預扣稅。股息收入按扣除預扣稅前的總金額列入收益或虧損。

5. 按公平價值列入收入或虧損的投資

以下為基金於年終日按公平價值列入收入或虧損的投資。

	2011 港元 HKD	2010 港元 HKD
香港上市股票 Hong Kong Listed Equities	<u>25,955,385,068</u>	<u>28,845,821,240</u>

6. 金融工具及相關風險

根據其投資管理策略，基金的投資組合為該指數成份股，但不限於股票。基金的投資目標是於扣除費用前盡實際可能緊貼作為基金基準的該指數之表現。基金經理主要採用複製策略以達到基金的投資目標。當該指數的成份股或指數成份股的比重有所改變時，基金經理會負責調整基金組合內之股票，以確保基金的投資組合與構成指數的股票及每一成份股的比重相符。

基金於年終日所持有的金融工具之性質及種類與其風險管理政策詳述如下。

(a) 市場風險

因市場價格變動而令到金融工具的公平價值和未來現金流出現波動，會引致市場風險，包括滙率、利率及價格風險。

(i) 滙率風險

由於基金的金融資產及負債的報價貨幣為港幣，與基金的報價貨幣相同，因此基金所面對之滙率風險極少。

(ii) 利率風險

利率變動可能為債務工具的價值帶來相反影響，或會引致基金獲得收益或虧損，從而或會產生利率風險。除銀行存款外，基金的金融資產及負債均為非帶息，因此基金並沒有重大的利率風險。

(iii) 價格風險

基金所持之金融工具的價值會受市場價格的轉變(由利率風險及滙率風險所引起的除外)的影響而波動(不論該市場價格的轉變是否由個別投資特有的因素，其發行人或所有會影響於市場交易的金融工具的因素所引起)，從而產生價格風險。

基金經理透過採用複製策略建立投資組合。由於基金並非積極管理型基金，基金經理並無酌情權挑選股票或於股市下跌時採取防禦措施。因此，相關指數下跌將會使基金的價格相應下跌。

基金所持之投資均為於香港聯合交易所有限公司(「聯交所」)上市的恒生指數成份股。基金以整體基礎來估計股票投資市場未來合理及有可能的價格變動，若恒生指數於2011年12月31日合理及有可能增強20%(2010：20%)，則估計資產淨值會上升5,191,077,014港元(2010：5,769,164,248港元)；若指數於相反方向有同樣的變動，則估計資產淨值會下跌相同的金額。這分析假設所有其他可變因素，尤其是利率保持不變。

(b) 信貸風險

與經紀的交易於等待結算時或會產生信貸風險。然而所涉及的結算時間非常短暫及選用的經紀亦有一定的質素，因此由於未能結算而衍生出的信貸風險是非常低的。基金經理會透過監察經紀商的信貸評級及其財政狀況以進一步減低此風險。

財務報表附註(續)

6. 金融工具及相關風險(續)

(b) 信貸風險(續)

基金的所有資產均由美國友邦(信託)有限公司(「受託人」)保管。如受託人破產或清盤，或會令到由受託人保管的基金資產的權益受到耽擱或限制。基金經理會透過持續監察受託人的信貸質素以檢視其風險。

基金的所有投資均存放於香港上海滙豐銀行有限公司(「託管人」)。如託管人破產或清盤，或會令到存於託管人的基金投資的權益受到耽擱或限制。基金經理會透過持續監察託管人的信貸質素以檢視其風險。

基金所持有的現金大部份均存放於恒生銀行有限公司、香港上海滙豐銀行有限公司及JP Morgan Chase Bank N.A. HK(「該等銀行」)。如該等銀行破產或清盤或會令到存於該等銀行的基金現金的權益受到耽擱或限制。基金經理會透過持續監察該等銀行的信貸質素以檢視其風險。

除以上所述外，於2011年12月31日及2010年12月31日，基金並沒有與其他對手有重大的集中的信貸風險。

(c) 流通性風險

流通性風險是基金以現金或其他金融資產來履行由金融負債引起的責任時會遇到困難的風險，或該責任的解除方式會不利於基金。

基金及基金經理用以管理流通性的策略是備有足夠的現金以應付其負債包括預計的單位贖回，可於到期時支付而沒有帶來不能支付的損失或對基金的聲譽造成損害。

基金的香港銷售文件(「銷售文件」)賦予單位可每日發行及贖回，所以基金面對每日應付單位持有人贖回的流通性風險。所有其他金融負債是按需求而償付或其合約的期限少於三個月。

基金大部份的金融資產是上市股票投資，全部均於聯交所上市故被視為可輕易變現的投資。因此，基金能夠將其某部份的投資快速變現以應付其流動需要。

基金的流通性風險由基金經理根據現有的政策及程序每日管理。基金允許投資者透過參與經紀商以一籃子該指數成分股及以少量現金款額贖回最少50,000個單位；及允許聯接基金(即恒生指數基金及恒指基金)透過基金經理以一籃子該指數成分股及以少量現金款額或全數以現金贖回最少1個單位。

根據銷售文件，於若干情況下，基金經理有權宣佈暫停單位持有人贖回單位的權利，例如當聯交所休市；於聯交所或香港期貨交易所的買賣遭到限制或暫停；或指數沒有被編制或發放等。

(d) 資本管理

基金於年終日的可贖回單位代表其資本。

基金管理資本的目的是確保有穩定及強健的基礎為投資者帶來最大的回報，及管理由贖回引起的流通性風險。基金經理根據載於銷售文件的基金的投資目標及政策管理基金的資本。

於年度內，基金管理單位資本方式的政策及程序並沒有變動。

基金不受外在的資本要求所管制。

資本的金額及變動已載列於資本變動表。由於可贖回股份是按單位持有人的指示被贖回，實際贖回的水平與以往的經驗可能有重大的差異。

7. 利息收入

於年度內，基金的所有利息收入均從現金及現金等價物賺取。

8. 股息收入

以下為基金於年度內所賺取已扣除不可取回的預扣稅的淨股息收入。

	2011 港元 HKD	2010 港元 HKD
股息收入 Dividend income	922,638,377	755,597,178
預扣稅 Withholding taxes	(44,605,931)	(38,474,755)
淨股息收入 Net dividend income	<u>878,032,446</u>	<u>717,122,423</u>

9. 投資淨(虧損)/收益

於年度內，已變現及未變現的投資收益及虧損詳情如下：

	2011 港元 HKD	2010 港元 HKD
已變現收益 Realised gains	348,153,005	486,066,220
未變現收益或虧損之變動 Movement on unrealised gains or losses	(6,614,330,657)	1,025,163,976
投資淨(虧損)/收益 Net (losses)/gains on investments	<u>(6,266,177,652)</u>	<u>1,511,230,196</u>

10. 關聯方交易

以下為年度內於日常業務過程中按正常商業條款與關聯方的交易概要，所有有關的應收及應付款項均無擔保、免息及可隨時索還。

財務報表附註(續)

10. 關聯方交易(續)

- (a) 恒生投資管理有限公司(「恒生投資管理」)(滙豐集團成員—恒生銀行的全資附屬機構)是基金的經理。恒生投資管理向基金收取最高每年為資產淨值1%的管理費。於年度內,恒生投資管理從基金所收取的管理費少於其有權收取的全部數額,並放棄收取差額的權利。管理費於每個交易日計算,並於每月支付。於年終日之應付管理費為1,087,748港元(2010: 1,233,784港元)。
- (b) 美國友邦(信託)有限公司是基金的受託人,並可向基金收取最高每年為資產淨值0.15%的受託人費。於年度內,受託人收取之受託人費少於其有權收取的全部數額,並放棄收取差額的權利。受託人費於每個交易日計算,並於每月支付。於年終日,應付予受託人的受託人費為918,994港元(2010: 989,787港元)。
- (c) 基金使用恒生證券有限公司(「恒生證券」)(恒生銀行全資附屬機構)及香港上海滙豐銀行有限公司(「滙豐銀行」)的服務處理部分投資買賣交易。以下為基金於年度內經由恒生證券及滙豐銀行處理的交易詳情:

港元 HKD	透過恒生證券進行的交易的總值 Value of transactions executed through HSSL		佔基金交易總額% % of total value of transactions of the Fund		支付予恒生證券的經紀佣金 Commission paid to HSSL		平均佣金比率 Average commission rate	
	2011	2010	2011	2010	2011	2010	2011	2010
	222,389,762	29,203,632	1.49%	0.29%	133,563	20,479	0.06%	0.07%

港元 HKD	透過滙豐銀行進行的交易的總值 Value of transactions executed through HSBC		佔基金交易總額% % of total value of transactions of the Fund		支付予滙豐銀行的經紀佣金 Commission paid to HSBC		平均佣金比率 Average commission rate	
	2011	2010	2011	2010	2011	2010	2011	2010
	468,111,709	15,485,402	3.14%	0.15%	161,961	4,639	0.03%	0.03%

- (d) 於年度內,基金有使用滙豐銀行的服務,需向滙豐銀行支付證券費用及證券託管費,有關費用如下:

港元 HKD	支付予滙豐銀行的證券費用 Securities expenses paid to HSBC		支付予滙豐銀行的證券託管費用 Safe custody charges paid to HSBC	
	2011	2010	2011	2010
	517,317	342,559	8,710,561	8,320,071

- (e) 基金於年度內使用該指數以設立、提供、促銷及發售基金,而需向恒生指數有限公司支付使用權費。基金於年度內支付的費用如下:

港元 HKD	使用權費 License fee	
	2011	2010
	4,332,593	3,911,419

- (f) 基金的部份銀行存款存放於滙豐銀行及恒生銀行,有關的銀行存款於年終日的結餘分別為466,908,505港元(2010: 60,635,950港元)及275,706港元(2010: 286,006港元)。
- (g) 於年度內,基金持有滙豐控股有限公司、恒生銀行有限公司及友邦保險控股有限公司的股票。有關投資於年終日的詳情載列於投資組合內。於年度內基金從有關投資所得的股息收入及於12月31日的應收股息款項如下:

	貨幣 Currency	截至12月31日止年度的股息收入 Dividend income for the year ended 31 December		於12月31日的應收股息款項 Dividend receivable at 31 December	
		2011	2010	2011	2010
滙豐控股有限公司 HSBC Holdings Plc	港元 HKD	173,590,141	127,147,830	45,483,513	31,123,835
恒生銀行有限公司 Hang Seng Bank Ltd	港元 HKD	19,692,917	18,935,906	-	-
友邦保險控股有限公司 AIA Group Ltd	港元 HKD	4,612,903	-	-	-

- (h) HSBC Provident Fund Trustee (Hong Kong) Limited(滙豐集團成員)是基金的行政人,於年度內提供各項服務予基金。行政人就以下各項服務的收費比率如下:

登記處費(每年) Registrar's fees (p.a.)	港元 HKD	15,600
每次處理購入或出售投資的手續費 Processing fee for handling each purchase or sale investments	港元 HKD	200
每次估值的估值費 Fee for each valuation	港元 HKD	400
每次處理發行/贖回/轉換基金的手續費 Processing fee for handling each creation, redemption and transfer of units	港元 HKD	100

- (i) 恒生投資管理所管理的恒生指數150策略基金及恒指基金投資於基金,並賺取基金予單位持有人的收益分派。於年終日,該等基金持有基金138,178,823基金單位(2010: 123,028,931基金單位)。於年度內該等基金賺取基金予單位持有人的收益分派為881,539,510港元(2010: 646,945,200港元),而當中289,203,678港元(2010: 318,470,438港元)於年終日為基金的應付收益分派款項。
- (j) 於年度內,恒生投資管理所管理的恒指基金分別以9,356,982,098港元及6,576,937,408港元(2010: 8,498,234,473港元及5,562,297,769港元),認購42,365,783基金單位(2010: 38,902,808基金單位)及贖回30,861,891基金單位(2010: 25,287,595基金單位)。

財務報表附註(續)

10. 關聯方交易(續)

- (k) 於年度內，恒生投資管理所管理的恒生指數150策略基金從聯交所分別以625,586,931港元及412,051,883港元(2010：328,042,759港元及241,362,666港元)購買2,777,300基金單位(2010：1,494,400基金單位)及出售1,881,300基金單位(2010：1,099,400基金單位)。
- (l) 於年終日，恒生銀行向基金提供的無抵押透支額為100,000,000港元(2010：100,000,000港元)，年利率為港元最優惠利率加1.5%(2010：港元最優惠利率加1.5%)。於年度內，基金並無向恒生銀行支付未動用透支額的承諾費用(2010：936,958港元)；而支付透支額的年費為600,000港元(2010：600,000港元)，基金亦無因銀行戶口透支而需向恒生銀行支付利息(2010：239港元)。

11. 已發行單位

基金之已發行單位如下：

截至2011年12月31日止年度 For the year ended 31 December 2011				
	年初單位結餘 Balance brought forward	年度內發行單位 Issued during the year	年度內贖回單位 Redeemed during the year	年終單位結餘 Balance carried forward
單位數目 Number of Units	125,492,931	47,015,783	31,211,891	141,296,823
截至2010年12月31日止年度 For the year ended 31 December 2010				
	年初單位結餘 Balance brought forward	年度內發行單位 Issued during the year	年度內贖回單位 Redeemed during the year	年終單位結餘 Balance carried forward
單位數目 Number of Units	111,777,718	39,502,808	25,787,595	125,492,931

12. 資產淨值的對賬

受託人與基金經理欲強調公佈的基金每單位資產淨值乃根據銷售文件中所列明之原則計算。此計算原則與計算財務報表中《屬於單位持有人之資產淨值》及相關的《每單位資產淨值》需按照的《香港財務報告準則》並不相同。因此，於本財務報表中所載之《屬於單位持有人之資產淨值》則有別於經調整後用作估值用途之資產淨值。基於不同計算原則下所作出的調整詳情如下：

	2011 港元 HKD	2010 港元 HKD
用於財務報表中之屬於單位持有人之資產淨值 Net assets attributable to unitholders as reported in the financial statements	26,171,661,619	29,016,565,773
基金不同計算原則下用以達至估值用途之資產淨值的調整： Adjustments for different principles adopted by the Fund in arriving at the total net assets for valuation		
- 以收市價取代買入價計算交易所買賣證券之估值 - Use of closing price instead of bid price in valuing listed securities	32,142,443	48,764,176
經調整後用作估值用途之資產淨值 Adjusted total net assets for valuation purposes	26,203,804,062	29,065,329,949

13. 銀行透支

銀行透支均無抵押及可被隨時要求還款。

14. 軟佣金

基金經理並沒有為基金與任何經紀訂立任何軟佣金協議。

15. 公平價值

基金的金融工具是以公平價值記入資產負債表內。而公平價值是於某一指定之時間，並因應市場因素及金融工具的有關資料計算出來。由於此計算是會受不明因素及主觀判斷所影響，因此並未盡精確。然而，公平價值仍可於合理範圍內確實地估計出來。而其他金融工具包括《應收股息分派款項》、《應收認購單位款項》、《現金及現金等價物》、《應付投資款項》、《應付贖回單位款項》、《預提費用及其他應付款項》及《應付收益分派款項》，基於其性質屬短期，故該等公平價值則以帳面金額計算。

金融工具的估值

基金公平價值計量的會計政策詳見附註2e(iv)。

基金採用了三個已於香港財務報告準則第7號「金融工具：披露」內定義的公平價值級別來釐定公平價值。每一金融工具的公平價值已全部根據對量度公平價值重要且最低級別的輸入數據來分類。三個等級定義如下：

- 第一級(最高級別)：以相同金融工具於交投活躍市場的報價(不作調整)量度公平價值。
- 第二級：以同類工具於交投活躍市場的報價，或利用可直接觀察的市場數據作為所有重要輸入元素於估值技巧量度公平價值。

財務報表附註(續)

15. 公平價值(續)

- 第三級(最低級別)：利用不可於市場觀察的市場數據作任何重要輸入元素於估值技巧量度公平價值。

基金持有的所有投資於聯交所上市，它們的公平價值根據活躍市場的報價。至於所有其他金融工具，由於它們中期或短期的性質，其帳面金額與公平價值接近。

下表呈列了於年終日以三個公平價值級別來量度公平價值的金融工具的帳面值。

	2011		2010	
	第一級 Level 1	總額 Total	第一級 Level 1	總額 Total
	港元 HKD	港元 HKD	港元 HKD	港元 HKD
交易用途股票證券 Trading equity securities	25,955,385,068	25,955,385,068	28,845,821,240	28,845,821,240

基金的金融工具在年度內沒有任何公平價值等級之間重大的轉移。

16. 分部資料

基金經理代表基金制訂分配資源的策略及根據用來制訂策略的檢討報告以確定營運分部。

基金經理根據銷售文件的規定以單一及綜合的投資策略投資於該指數的成分股，其目標為於扣除費用前盡實際可能緊貼該指數之表現，故此視基金只有一個營運分部。於年度內並沒有營運分部的變動。

基金所產生的收益主要是來自上市股票。基金經理提供的分部資料與披露於全面收入表及資產負債表內的一樣。

基金於香港註冊。基金的主要投資收入是來自香港的上市股票。

17. 截至2011年12月31日之會計年度已頒佈但尚未正式生效之新訂及經修訂的準則

截至本財務報表發行之日，香港會計師公會頒佈了若干新訂及經修訂的準則及詮釋。由於該等新訂及經修訂的準則及詮釋於截至2011年12月31日之會計期內尚未正式生效，故本財務報表暫未採用。

於這些準則和詮釋變化當中，以下變化可能與本基金的運作與財務報表相關：

	在以下日期或之後開始的會計期間生效
《香港財務報告準則》第7號之修訂本， <i>金融工具：披露 - 轉讓金融資產</i>	2011年7月1日
《香港會計準則》第1號之修訂本， <i>財務報表的呈列 - 呈列其他全面收入項目</i>	2012年7月1日
《香港財務報告準則》第13號， <i>公平價值計量</i>	2013年1月1日
《香港財務報告準則》第9號， <i>金融工具</i>	2015年1月1日

基金正進行評估當首次採用上述新訂之影響。到目前為止，斷定採用該等準則及詮釋應不會對本基金的營運業績及財務狀況構成重大影響。

Notes on the Financial Statements

1 Background

Hang Seng Index ETF ("the Fund") is authorised by the Securities and Futures Commission in Hong Kong ("SFC") under Section 104(1) of the Hong Kong Securities and Futures Ordinance ("HKSF"), and is governed by the Hong Kong Code on Unit Trusts and Mutual Funds ("the Code").

The Fund was constituted by a Trust Deed dated 10 September 2004, as amended from time to time under the laws of Hong Kong, and registered on 13 September 2004 as a unit trust under the laws of Hong Kong.

The investment objective of the Fund is to match, before expenses, as closely as practicable, the performance of Hang Seng Index ("the Index") by holding a basket of the constituent stocks of the Index.

As at 31 December 2011, 96% (2010: 97%) of the units of the Fund were held by Hang Seng Index Tracking Fund, which is considered as the parent of the Fund.

2 Significant accounting policies

(a) Statement of compliance

The financial statements of the Fund 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, the relevant disclosure provisions of the Trust Deed, as amended, and the relevant disclosure provisions of the Code issued by the SFC. A summary of the significant accounting policies adopted by the Fund is set out below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Fund. 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 Fund for the current and prior accounting periods reflected in these financial statements.

(b) Basis of preparation of the financial statements

The financial statements are presented in Hong Kong dollars and all figures are rounded to the nearest dollar.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that investments are stated at their fair value as explained in the accounting policies set out below.

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. 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.

The estimates and underlying assumptions are reviewed on an ongoing 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.

(c) Income and expenses

Interest income and expense are recognised as they accrue using the effective interest method. Dividend income is recognised when the underlying securities are quoted ex-dividend. Dividend income is presented gross of any non-recoverable withholding taxes, which are disclosed separately in profit or loss. All other income and expenses are accounted for on an accruals basis.

(d) Translation of foreign currency

Foreign currency transactions during the year are translated into Hong Kong dollars at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into Hong Kong dollars at the foreign exchange rates ruling at the date of statement of assets and liabilities. Exchange gains and losses are recognised in profit or loss.

(e) Financial instruments

(i) Classification

All the investments including investments in the constituent stocks of the Index are acquired principally for the purposes of selling in the short term and are held for trading. The Fund classifies all the investments into financial assets at fair value through profit or loss category. Financial assets that are classified as receivables include dividend receivable and amounts receivable on subscription of units. Financial liabilities that are not at fair value through profit or loss include amounts payable on purchase of investments, amounts payable on redemption of units, distributions payable, accrued expenses and other payables.

(ii) Recognition

The Fund recognises financial assets and financial liabilities on the date it becomes a party to the contractual provisions of the instruments.

A regular purchase or sale of financial assets or financial liabilities at fair value through profit or loss is recognised on a trade date basis. From this date, any gains and losses arising from changes in fair value of the financial assets or financial liabilities at fair value through profit or loss are recorded.

(iii) Measurement

Financial instruments are measured initially at fair value (transaction price). Transaction costs on financial assets and financial liabilities at fair value through profit or loss are expensed immediately.

Subsequent to initial recognition, all trading instruments are measured at fair value.

(iv) Fair value measurement principles

The fair value of financial instruments is generally based on their quoted market prices at the date of the statement of assets and liabilities without any deduction of estimated future selling costs. Financial assets are priced at current bid prices while financial liabilities are priced at current ask prices.

Net gains and losses on investments are included in profit or loss. Realised gains and losses on investments and unrealised gains and losses on investments arising from a change in fair value are provided in note 9.

(v) Derecognition

A financial asset is derecognised when the contractual rights to receive the cash flows from the financial asset expire, or where the financial asset together with substantially all the risks and rewards of ownership, have been transferred.

Assets held for trading that are sold are derecognised and corresponding receivables from brokers are recognised as of the date the Fund commits to sell the assets.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

On derecognition of a financial asset, the difference between the carrying value of the asset and the consideration received is recognised in profit or loss.

(f) Related parties

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

- (i) has control or joint control over the Fund;
- (ii) has significant influence over the Fund; or
- (iii) is a member of the key management personnel of the Fund or the Fund's parent.

(b) An entity is related to the Fund if any of the following conditions applies:

- (i) The entity and the Fund are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Fund or an entity related to the Fund.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) 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.

(g) 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.

(h) Units in issue

The Fund classifies financial instruments issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments.

The Fund has one class of redeemable units in issue. This is the most subordinate class of financial instruments in the Fund and ranks *pari passu* in all material respects and has identical terms and conditions. The redeemable units provide investors with the right to require redemption for cash at a value proportionate to the investor's share in the Fund's net assets at each redemption date and also in the event of the Fund's liquidation.

A puttable financial instrument that includes a contractual obligation for the issuer to repurchase or redeem that instrument for cash or another financial asset is classified as equity instruments if it meets the following conditions:

- (i) it entitles the holder to a *pro rata* share of the entity's net assets in the event of the Fund's liquidation;
- (ii) it is in the class of instruments that is subordinate to all other classes of instruments;
- (iii) all financial instruments in the class of instruments that is subordinate to all other classes of instruments have identical features;
- (iv) apart from the contractual obligation for the Fund to repurchase or redeem the instrument for cash or another financial asset, the instrument does not include any other features that would require classification as a liability; and
- (v) the total expected cash flows attributable to the instrument over its life are based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Funds over the life of the instrument.

The Fund's redeemable units meet all of these conditions and are classified as equity.

(i) Segment reporting

An operating segment is a component of the Fund that engages in business activities from which they may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Fund's other components, whose operating results are reviewed regularly by the chief operating decision maker to make decisions about resources allocated to the segment and assess its performance, and for which discrete financial information is available. Segment results that are reported to the chief operating decision maker include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. The chief operating decision maker of the Fund is identified as the Manager, Hang Seng Investment Management Limited.

3 Changes in accounting policies

The HKICPA has issued a number of amendments to HKFRSs and one new Interpretation that are first effective for the current accounting period of the Fund. Of these, the following developments are relevant to the Fund's financial statements:

- (i) HKAS 24 (revised 2009), *Related party disclosures*
- (ii) Improvements to HKFRSs (2010)

The Fund has not applied any new standard or interpretation that is not yet effective for the current accounting period.

The impacts of the above developments are discussed below:

- (i) HKAS 24 (revised 2009) revises the definition of a related party. As a result, the Fund has re-assessed the identification of related parties and concluded that the revised definition does not have any material impact on the Fund's related party disclosures in the current and previous period. HKAS 24 (revised 2009) also introduces modified disclosure requirements for government-related entities. This does not impact the Fund because the Fund is not a government-related entity.
- (ii) *Improvements to HKFRSs (2010)* omnibus standard introduces a number of amendments to the disclosure requirements in HKFRS 7, *Financial instruments: Disclosures*. The disclosures about the Fund's financial instruments in notes 6 and 15 have been conformed to the amended disclosure requirements. These amendments do not have any material impact on the classification, recognition and measurements of the amounts recognised in the financial statements in the current and previous periods.

4 Taxation

No provision for Hong Kong Profits Tax has been made in the financial statements as the income of the Fund is exempt from taxation under Section 26A(1A) of the Hong Kong Inland Revenue Ordinance.

Taxation for the year mainly represents non-recoverable withholding tax on dividend income which is recorded gross of withholding tax in profit or loss.

5 Investments at fair value through profit or loss

Investments at fair value through profit or loss as of 31 December 2011 and 31 December 2010 are shown on page 15.

6 Financial instruments and associated risks

The Fund maintains investment portfolio in the constituent stocks of the Index as dictated by its investment management strategy, but is not limited to equity instruments. The Fund's investment objective is to match, before expenses, as closely as practicable, the performance of the Index against which the Fund is benchmarked. The Manager primarily adopts a replication strategy to achieve the investment objective of the Fund. When there is a change in the constituent stock of the Index or the weighting of the constituent stocks in the Index, the Manager will be responsible for implementing any adjustment to the Fund's portfolio of stocks to ensure that the Fund's investment portfolio closely corresponds to the composition of the Index and the weighting of each constituent stock.

The nature and extent of the financial instruments outstanding at the year end date and the risk management policies employed by the Fund are discussed below.

(a) Market risk

Market risk arises when the fair value and future cash flows of a financial instrument will fluctuate because of changes in market prices and includes currency risk, interest rate risk and price risk.

(i) Currency risk

As all the financial assets and liabilities of the Fund are denominated in Hong Kong dollars, the functional currency, the Fund has limited exposure to currency risk.

(ii) Interest rate risk

Interest rate risk arises from changes in interest rates which may inversely affect the value of interest bearing assets and therefore result in potential gain or loss to the Fund. Except for bank deposits, all the financial assets and liabilities of the Fund are non-interest bearing. As a result, the Fund has limited exposure to interest rate risk.

(iii) Price risk

Price risk is the risk that the value of instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market.

The Manager constructs the portfolio through adopting replication strategy. The Fund is not actively managed and the Manager does not have the discretion to select stocks or to take defensive position in declining market. Hence, any fall in the underlying index will result in a corresponding fall in the value of the Fund.

All investments of the Fund are constituent stocks of the Index listed on The Stock Exchange of Hong Kong Limited ("SEHK"). The Fund estimates the future reasonably possible market price fluctuations for equity investments on an overall basis. It is estimated that a reasonably possible strengthening in the Index price of 20% (2010: 20%) at 31 December 2011 would increase the net assets attributable to unitholders by HKD 5,191,077,014 (2010: HKD 5,769,164,248); an equal change

Notes on the Financial Statements (continued)

in the opposite direction would decrease the net assets attributable to unitholders by an equal but opposite amount. The analysis assumes that all other variables, in particular, interest rates remain constant.

(b) Credit risk

Credit risk arising on transactions with brokers relates to transactions awaiting settlement. Risk relating to unsettled transactions is considered small due to the short settlement period involved and the high quality of the brokers used. The Manager monitors the credit rating and financial positions of the brokers used to further mitigate this risk.

All of the assets of the Fund are safe-kept by American International Assurance Company (Trustee) Limited (the "Trustee"). Bankruptcy or insolvency of the Trustee may cause the Fund's rights with respect to the assets safe-kept by the Trustee to be delayed or limited. The Manager monitors the credit quality of the Trustee on an on-going basis.

All of the investments of the Fund are held by the Hongkong and Shanghai Banking Corporation Limited (the "Custodian"). Bankruptcy or insolvency of the Custodian may cause the Fund's rights with respect to investments held by the Custodian to be delayed or limited. The Manager monitors the risk by monitoring the credit rating of the Custodian on an on-going basis.

Majority of the cash held by the Fund is deposited with Hang Seng Bank Limited, The Hongkong and Shanghai Banking Corporation Limited and JP Morgan Chase Bank N.A. HK (the "banks"). Bankruptcy or insolvency of the banks may cause the Fund's rights with respect to the cash held by the banks to be delayed or limited. The Manager monitors its risk by monitoring the credit rating of these banks on an on-going basis. If the credit rating of these banks deteriorates significantly the Manager will move the cash holdings to another bank.

Other than outlined above, there were no significant concentrations of credit risk to counterparties at 31 December 2011 and 31 December 2010.

(c) Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations arising from its financial liabilities that are settled by delivering cash or another financial asset, or that such obligations will have to be settled in a manner disadvantageous to the Fund.

The Fund's policy and the Manager's approach to manage liquidity is to have sufficient liquidity to meet its liability including estimated redemption of units, as and when due, without incurring undue losses or risking damage to the Fund's reputation.

The Fund's Hong Kong Offering Document ("Offering Document") provides for the daily creation and cancellation of units and it is therefore exposed to the liquidity of meeting unitholder redemptions daily. All other financial liabilities are repayable on demand or have contractual maturities less than three months.

The Fund's majority of financial assets are listed equity investments which are considered to be readily realisable as they are all listed on the SEHK. As a result, the Fund is able to liquidate quickly its investments in order to meet its liquidity requirements.

The Fund's liquidity risk is managed on a daily basis by the Manager in accordance with the policies and procedures in place. The Fund's redemption policy allows redemption to be made:

- through participating dealers by any investor with a basket of constituent stocks of the Index and a minor cash component at a minimum of 50,000 units; and
- through the Manager by the feeder funds, Hang Seng Index Fund and Hang Seng Index Tracking Fund, with a basket of constituent stocks of the Index and a minor cash component or wholly with cash at a minimum of 1 unit.

The Manager has the right to declare suspension of unitholders' right to redeem units under certain conditions, such as when SEHK is closed; dealings on the SEHK or the Hong Kong Futures Exchange Limited are restricted or suspended; or the Index is not compiled or published, etc. in accordance with the Offering Document.

(d) Capital management

The Fund's capital as at the year end date is represented by its redeemable units.

The Fund's objective in managing the capital is to ensure a stable and strong base to maximise returns to all investors, and to manage liquidity risk arising from the redemptions. The Manager manages the capital of the Fund in accordance with the Fund's investment objectives and policies stated in the Offering Document.

There were no changes in the policies and procedures during the year with respect to the Fund's approach to its capital management.

The Fund is not subject to externally imposed capital requirements.

The amount and the movement of equity are stated in the statement of changes in equity. As the redeemable units are redeemed on demand at the unitholders' option, the actual level of redemption may differ significantly from the historic experience.

7 Interest income

During the year, the Fund earned all its interest income from cash and cash equivalents.

8 Dividend income

The net dividend income which was net of any non-recoverable withholding taxes earned by the Fund during the year is shown on page 16.

9 Net (losses)/gains on investments

During the year, the Fund earned or incurred gains and losses from equities as shown on page 16.

10 Transactions with related parties

The following is a summary of transactions with related parties during the year which were entered into in the ordinary course of business and under normal commercial terms. The relevant receivables and payables are unsecured, interest-free and repayable on demand:

- (a) Hang Seng Investment Management Limited ("HSIM"), a wholly-owned subsidiary of Hang Seng Bank Limited ("HSB"), which is a member of the HSBC Group, is the Manager of the Fund. HSIM earns management fees at a maximum rate of 1% of net asset value per annum. HSIM received less than the full management fees to which it was entitled from the Fund during the year and waived its right to the difference. Management fees are calculated as at each dealing date and payable monthly. Management fees payable to the Manager at the year end date is HKD 1,087,748 (2010: HKD 1,233,784).
- (b) American International Assurance Company (Trustee) Limited is the Trustee of the Fund and earns Trustee's fee at a maximum rate of 0.15% of net asset value per annum. The Trustee received less than the full trustee's fee to which it was entitled from the Fund during the year and waived its right to the difference. Trustee's fee is calculated as at each dealing day and payable monthly. Trustee's fee payable at the year end is HKD 918,994 (2010: HKD 989,787).
- (c) The Fund utilises the services of Hang Seng Securities Limited ("HSSL"), a wholly-owned subsidiary of HSB, and The Hongkong and Shanghai Banking Corporation Limited ("HSBC") in its purchase and sale of investments. Details of such transactions executed and fees paid are shown on page 17.
- (d) The Fund utilises the services of HSBC in its depository of securities and paid securities expenses and safe custody charges to HSBC. Details of such fees paid during the year are shown on page 17.
- (e) The Fund has been licensed by Hang Seng Indexes Company Limited ("HSIL") to use Hang Seng Index to create, offer, market and sell the Hang Seng Index ETF during the year. License fee paid to HSIL is described on page 17.
- (f) Certain bank accounts are maintained with HSBC and HSB. The respective bank balances at 31 December 2011 were HKD 466,908,505 (2010: HKD 60,635,950) and HKD 275,706 (2010: HKD 286,006).
- (g) During the year, the Fund made investments in the stocks of HSBC Holdings Plc, Hang Seng Bank Ltd and AIA Group Ltd. Details of such investments held as at 31 December 2011 are shown in the Investment Portfolio. Dividend income earned from these investments during the year and dividend receivable as at 31 December 2011 are shown on page 17.
- (h) HSBC Provident Fund Trustee (Hong Kong) Limited, a member of the HSBC Group, is the Administrator of the Fund and earns fees for providing various services to the Fund during the year as shown on page 17.
- (i) Hang Seng Index Leveraged 150 Fund and Hang Seng Index Tracking Fund, which are funds managed by HSIM, invest in the Fund and earn the Fund's distributions to unitholders. At the year end date, these funds held 138,178,823 units (2010: 123,028,931 units) of the Fund. During the year, distributions to unitholders earned by these funds were HKD 881,539,510 (2010: HKD 646,945,200) and distributions payable to these funds at the year end date is HKD 289,203,678 (2010: HKD 318,470,438).
- (j) Hang Seng Index Tracking Fund, which is managed by HSIM, subscribed 42,365,783 units (2010: 38,902,808 units) and redeemed 30,861,891 units (2010: 25,287,595 units) of the Fund, at amounts of HKD 9,356,982,098 (2010: HKD 8,498,234,473) and HKD 6,576,937,408 (2010: HKD 5,562,297,769) respectively during the year.
- (k) Hang Seng Index Leveraged 150 Fund, which is managed by HSIM, purchased 2,777,300 units (2010: 1,494,400 units) and sold 1,881,300 units (2010: 1,099,400 units) of the Fund, at amounts of HKD 625,586,931 (2010: HKD 328,042,759) and HKD 412,051,883 (2010: HKD 241,362,666) respectively through SEHK during the year.
- (l) As at year end date, the unsecured overdraft facility of HKD100,000,000 (2010: HKD100,000,000) was provided by HSB to the Fund, with interest charged at 1.5% per annum over the HKD prime lending rate (2010: 1.5% per annum over the HKD prime lending rate). During the year, the Fund paid nil commitment fee (2010: HKD 936,958) to HSB for the unused portion of bank overdraft facility; paid annual fee of HKD 600,000 (2010: HKD 500,000) for the overdraft facility and paid nil overdraft interest (2010: HKD 239).

11 Units in issue

For the movement of units in issue, please refer to page 18.

12 Reconciliation of Net Asset Values

The Trustee and the Manager would like to highlight that the principles for calculating the published unit price as set out in the Offering Document are different from those required for calculating the net assets attributable to unitholders and hence the corresponding net asset value per unit for financial reporting purposes under HKFRSs. The net assets attributable to unitholders as reported in the financial statements are therefore different from the adjusted total net assets for valuation purposes at the reporting dates. The reconciliation between the net assets attributable to unitholders as reported in the financial statements and the adjusted total net assets for valuation purposes is shown in the table on page 18.

13 Bank overdraft

Bank overdrafts were unsecured and repayable on demand.

14 Soft dollar commission

As regards to the Fund, the Manager has not entered into any soft dollar commission arrangements with brokers.

15 Fair value information

The Fund's financial instruments are measured at fair value on the date of the statement of assets and liabilities. Fair value estimates are made at a specified point in time, based on market conditions and information about the financial instruments. Usually, fair value can be reliably determined within a reasonable range of estimates. For certain other financial instruments, including dividend receivable, amounts receivable on subscription of units, cash and cash equivalents, amounts payable on purchase of investments, amounts payable on redemption of units, accrued expenses and other payables and distributions payable, the carrying amounts approximate fair value due to the immediate or short-term nature of these financial instruments.

Valuation of financial instruments

The Fund's accounting policy on fair value measurements is detailed in accounting policy in note 2e(iv).

Notes on the Financial Statements (continued)

The Fund measures fair values using the three levels of fair value hierarchy defined in HKFRS 7, *Financial Instruments: Disclosures*, with the fair value of each financial instrument categorized in its entirety based on the lowest level of input that is significant to that fair value measurement. The levels are defined as follows:

- Level 1 (highest level): fair values measured using quoted prices (unadjusted) in active markets for identical financial instruments
- Level 2: fair values measured using quoted prices in active markets for similar financial instruments, or using valuation techniques in which all significant inputs are directly based on observable market data
- Level 3 (lowest level): fair values measured using valuation techniques in which any significant input is not based on observable market data.

All investments held by the Fund are listed on SEHK and their fair values are based on quoted market prices in active markets. For all other financial instruments, their carrying amounts approximate fair value due to the intermediate or short-term nature of these financial instruments.

The table on page 19 presents the carrying value of financial instruments measured at fair value at the date of the statement of assets and liabilities across the three levels of fair value hierarchy.

There were no significant transfers of financial instruments between fair value hierarchy levels during the year.

16 Segment information

The Manager makes strategic resource allocation on behalf of the Fund and determines operating segments based on internal reports reviewed which are used to make strategic decisions.

The Manager considers that the Fund has one single operating segment based on one single integrated investment strategy by investing in constituent stocks of the Index with the objective to match, before expenses, as closely as practicable, the performance of the Index as stipulated in the Offering Document. There were no changes in the operating segment during the year.

Major revenues generated by the Fund are from listed equities. The segment information provided to the Manager is the same as that disclosed in the statement of comprehensive income and statement of assets and liabilities.

The Fund is domiciled in Hong Kong. Majority of the Fund's income from investments is from equities listed in Hong Kong.

17 Possible impact of amendments and new standards issued but not yet effective for the year ended 31 December 2011

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments and new standards which are not yet effective for the year ended 31 December 2011 and which have not been adopted in these financial statements.

Of these developments, the following relates to matters that may be relevant to the Fund's operations and financial statements:

Amendments to HKFRS 7, <i>Financial instruments: Disclosures – Transfers of financial assets</i>	<i>Effective for accounting periods beginning on or after</i>
Amendments to HKAS 1, <i>Presentation of financial statements – Presentation of items of other comprehensive income</i>	1 July 2011
HKFRS 13, <i>Fair value measurement</i>	1 July 2012
HKFRS 9, <i>Financial instruments</i>	1 January 2013
	1 January 2015

The Fund is in the process of making an assessment of what the impact of these amendments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the Fund's results of operations and financial position.

恒生指數及恒生指數上市基金之表現

Performance of the Hang Seng Index and Hang Seng Index ETF

基金／指數 Fund/Index	以港元計算之表現 Performance in HK Dollar	
	2011	2010
恒生指數上市基金* Hang Seng Index ETF *	-17.38%	8.08%
恒生指數# Hang Seng Index #	-17.51%	8.40%

資料來源: HSBC Provident Fund Trustee (Hong Kong) Limited 及恒生指數有限公司。

Source: HSBC Provident Fund Trustee (Hong Kong) Limited and Hang Seng Indexes Company Limited.

* 表現以報價貨幣之單位價格對單位價格，股息再投資之總回報計算(如有)。

* Performance is calculated in base currency with Unit-price to Unit-price, dividend reinvested (if any).

表現以股息再投資之總回報計算，總回報為扣除內地預扣稅後之淨值。

Performance is calculated in total return with dividend reinvested, net of PRC withholding tax.

投資者須注意，所有投資均涉及風險(包括可能會損失投資本金)，基金單位價格可升亦可跌，過往表現並不可作為日後表現的指引。投資者在作出任何投資決定前，應詳細閱讀有關基金之銷售文件(包括當中所載之風險因素之全文)。

Investors should note that all investment involves risks (including the possibility of loss of the capital invested), prices of fund units may go up as well as down and past performance is not indicative of future performance. Investors should read the relevant fund's offering documents (including the full text of the risk factors stated therein) in detail before making any investment decision.

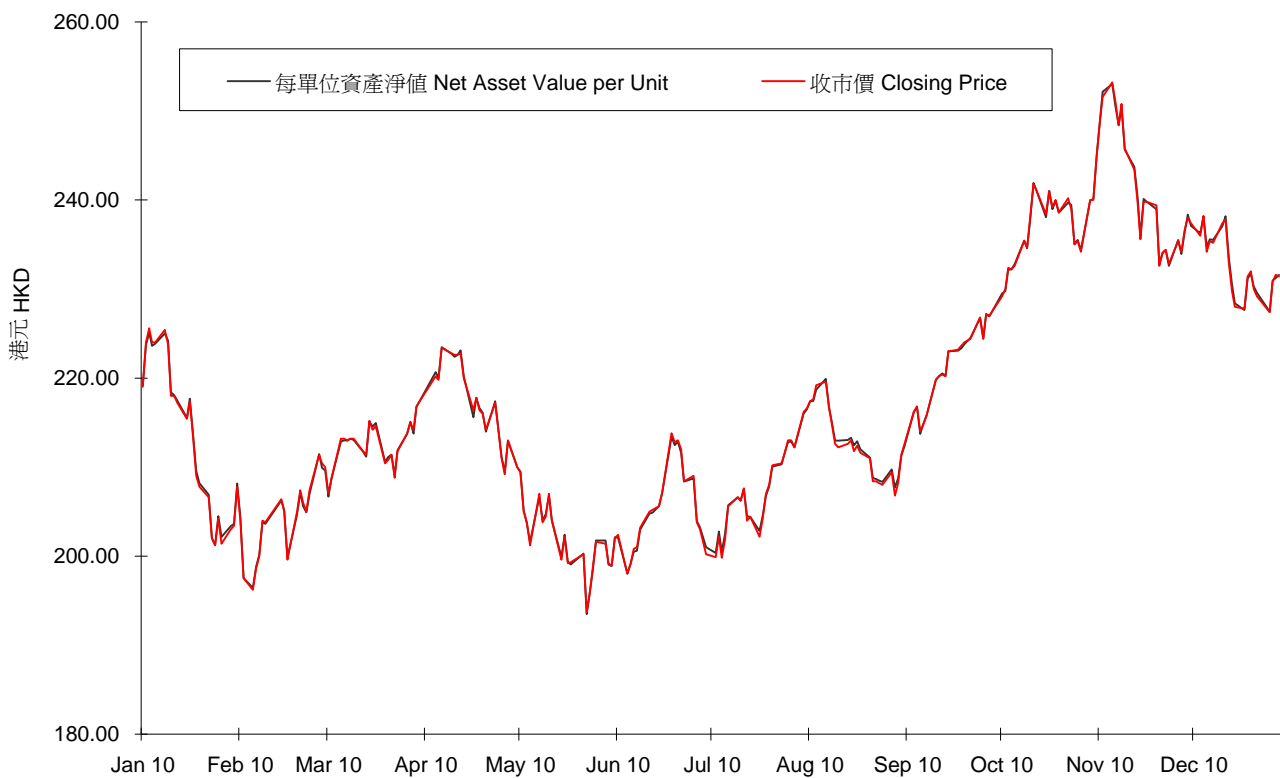
恒生指數上市基金 - 每日收市價及每單位資產淨值之比較

Hang Seng Index ETF - Comparison of Daily Closing Price and Net Asset Value per Unit

2011年之每日收市價及每單位資產淨值之比較
Comparison of Daily Closing Price and Net Asset Value per Unit for 2011



2010年之每日收市價及每單位資產淨值之比較
Comparison of Daily Closing Price and Net Asset Value per Unit for 2010



恒生指數成份股披露

Hang Seng Index Constituent Stocks Disclosure

下列為佔恒生指數(「該指數」)百分比多於十之成份股。

The following are those constituent stocks that accounted for more than 10% of the weighting of the Hang Seng Index (the "Index").

2011年12月31日

As at 31 December 2011

成份股 Constituent Stocks	佔該指數比重(百分比) Weighting of the Index (%)
滙豐控股 HSBC Holdings	14.94%

2010年12月31日

As at 31 December 2010

成份股 Constituent Stocks	佔該指數比重(百分比) Weighting of the Index (%)
滙豐控股 HSBC Holdings	15.12%

基金就恒生指數成份股額外投資比重限制之報告

Report on Investment Overweight in Constituent Stocks of the Hang Seng Index by the Fund

由2011年1月1日至2011年12月31日

From 1 January 2011 to 31 December 2011

根據基金之香港銷售文件中所述，若基金經理(恒生投資管理有限公司)為基金作出投資時實施具代表性之樣本複製策略，基金經理將根據基金之有關投資限制應用該策略，以令基金經理可根據以下限制相對於恒生指數（「該指數」）內的指數成份股各相應比重調高其比重。

<u>股份於該指數內的比重</u>	<u>可分配之最高額外比重</u>
10%以下	4% ¹
10%至30%	4%
30%至50%	3%
50%以上	2%

¹當持有的指數成份股於該指數所佔比重低於10%，且倘於分配最高額外比重4%後該成份股的分配總額仍低於10%時，分配至該成份股的總比重可能最高調至10%。

於2011年1月1日至2011年12月31日年度內，基金經理已完全遵守以上最高額外比重限制。

As stated in the Hong Kong Offering Document of the Fund, if a representative sampling strategy is implemented when investing for the Fund, the Manager (Hang Seng Investment Management Limited) will apply such strategy in accordance with the Fund's relevant investment restrictions thereby enabling the Manager to overweight the constituent stocks of the Hang Seng Index (the "Index") relative to their respective weightings in the Index in accordance with the below limits.

<u>Stock's weighting in the Index</u>	<u>Maximum extra weighting to be allocated</u>
Below 10%	4% ¹
10%-30%	4%
30%-50%	3%
Above 50%	2%

¹ Where the weighting of a constituent stock in the Index is below 10% and if the total allocation to this constituent stock is still below 10% after allocating the maximum extra weighting of 4%, the total allocation to it may be adjusted up to maximum of 10%.

During the year from 1 January 2011 to 31 December 2011, the Manager has complied in full with the above maximum extra weighting.

管理及行政

Management and Administration

基金經理及上市代理人

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Manager and Listing Agent

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基金經理及上市代理人之董事

馮孝忠
李佩珊
陸世龍
劉存忠
顏文傑

Directors of the Manager and Listing Agent

Fung Hau Chung, Andrew
Lee Pui Shan
Luk Sai Lung
Lau Chuen Chung
Ngan Man Kit

受託人

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