

HONG KONG CORPORATE COUNSEL ASSOCIATION LIMITED
(Incorporated in Hong Kong with liability limited by guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 AUGUST 2016

HONG KONG CORPORATE COUNSEL ASSOCIATION LIMITED

REPORT OF THE DIRECTORS

The directors present their report and the audited financial statements of Hong Kong Corporate Counsel Association Limited (the "Association") for the year ended 31 August 2016.

Principal activities

The principal activity of the Association is the provision of support, benefits and financial assistance to educational training opportunities for the corporate counsel community.

Results and dividend

The results of the Association for the year ended 31 August 2016 are set out in the income statement on page 5.

The directors do not recommend the payment of a dividend.

Funds

Details of the movements in funds of the Association are set out in Note 6 to the financial statements.

Directors

The directors during the year and up to the date of this report were:

CHAN Kwok Wai Gordon	
CH'ANG Sharyn Vicki	
KO Wing Yin Alison	
LAMB David Patrick	
OLSON Andrew Philip	
PANG Chi Wai	
ROSS Jonathan	
SHI Lin	
TO Wing Christopher	
WEI Mingxia	
WONG Kei Keith	
ZHOU Jiaxing	
SILIN Douglas Scott	(Appointed on 4 November 2015)
CHAN Yam Ping Grace	(Appointed on 31 May 2016)
CHAU Wai Man Beverly	(Appointed on 31 May 2016)
KARIMI Jasmine Shamsuddin	(Resigned on 31 May 2016)
LAI Chung Lun	(Resigned on 31 May 2016)

Directors' interests in transactions, arrangements or contracts

No transactions, arrangements or contracts in relation to the Association's business to which the Association was a party and in which a director of the Association had a material interest, subsisted at the end of the year or at any time during the year.

HONG KONG CORPORATE COUNSEL ASSOCIATION LIMITED

REPORT OF THE DIRECTORS (CONTINUED)

Arrangements to acquire shares or debentures

At no time during the year was the Association a party to any arrangement to enable the directors of the Association to acquire benefits by means of the acquisition of shares in, or debentures of, the Association or any other body corporate.

Management contracts

No contract concerning the management and administration of the whole or any substantial part of the business of the Association were entered into or existed during the year.

Auditors

PROCON CPA Limited, Certified Public Accountants retired and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of PROCON CPA Limited as the Association's auditors is to be proposed at the forthcoming annual general meeting.

On behalf of the Board

A handwritten signature in black ink, appearing to be 'M. L.' followed by a flourish.

KO Wing Yin Alison
Director

Hong Kong, 20 April 2017

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF HONG KONG CORPORATE COUNSEL ASSOCIATION LIMITED**
(Incorporated in Hong Kong with liability limited by guarantee)

We have audited the financial statements of Hong Kong Corporate Counsel Association Limited (the "Association") set out on pages 5 to 9, which comprise the statement of financial position as at 31 August 2016, and the income statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the financial statements

The directors of the Association are responsible for the preparation of financial statements in accordance with the Small and Medium-sized Entity Financial Reporting Standard ("SME-FRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with the Hong Kong Companies Ordinance (Cap.622), and for no other purpose. We do not assume responsibility towards and accept liability to any other person for the content of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing and with reference to Practice Note 900 (Revised) "Audit of Financial Statements Prepared in Accordance with the Small and Medium-sized Entity Financial Reporting Standard" issued by the HKICPA. 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 auditors' 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 auditors consider internal control relevant to the entity's preparation of the financial statements 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 directors, 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.

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**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF HONG KONG CORPORATE COUNSEL ASSOCIATION LIMITED**
(Incorporated in Hong Kong with liability limited by guarantee)
(Continued)

Opinion

In our opinion, the financial statements of the Association for the year ended 31 August 2016 are prepared, in all material respects, in accordance with the SME-FRS and have been properly prepared in compliance with the Hong Kong Companies Ordinance.



PROCON CPA Limited
Certified Public Accountants

Managing Director: Eric Choy
Practising Certificate Number: P04687

Hong Kong, 20 April 2017

HONG KONG CORPORATE COUNSEL ASSOCIATION LIMITED

**INCOME STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2016**

	Note	2016 HK\$	2015 HK\$
Turnover	2	548,904	511,774
Other income	2	9	88,342
General and administrative expenses		(520,962)	(489,271)
Surplus before tax	3	<u>27,951</u>	<u>110,845</u>
Income tax expense	5	-	-
Surplus for the year		<u><u>27,951</u></u>	<u><u>110,845</u></u>

The accompanying accounting policies and explanatory notes form an integral part of, and should be read in conjunction with, these financial statements.

HONG KONG CORPORATE COUNSEL ASSOCIATION LIMITED

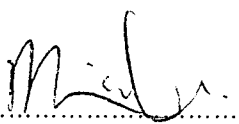
STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2016

	Note	2016 HK\$	2015 HK\$
Current assets			
Bank balances and cash		777,168	732,686
Prepayment		9,200	-
Amount due from third party payment vendor		97,639	-
Income tax prepaid		10,870	-
		<u>894,877</u>	<u>732,686</u>
Less: Current liabilities			
Accruals		10,830	40,480
Receipt in advance		194,490	30,600
		<u>205,320</u>	<u>71,080</u>
Net current assets		<u>689,557</u>	<u>661,606</u>
NET ASSETS		<u>689,557</u>	<u>661,606</u>
Funds			
Retained surplus	6	<u>689,557</u>	<u>661,606</u>
		<u>689,557</u>	<u>661,606</u>

Approved on behalf of the Board by:



SHI Lin
Director



KO Wing Yin Alison
Director

The accompanying accounting policies and explanatory notes form an integral part of, and should be read in conjunction with, these financial statements.

HONG KONG CORPORATE COUNSEL ASSOCIATION LIMITED

ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2016

Reporting entity

Hong Kong Corporate Counsel Association Limited (the "Association") is an association incorporated in Hong Kong with liability limited by guarantee. The Association's registered office is located at Unit A & B, 22nd Floor, Ford Glory Plaza, 37-39 Wing Hong Street, Cheung Sha Wan, Kowloon, Hong Kong. The principal activity of the Association is the provision of support, benefits and financial assistance to educational training opportunities for the corporate counsel community.

Under the provisions of the Association's Memorandum and Articles of Association, every member shall, in the event of the Association being wound up, contribute to the assets of the Association to the extent of HK\$100. As at 31 August 2016, the Association had 510 Corporate Members and 272 Individual/Overseas Members (2015: 475 Corporate Members and 323 Individual/Overseas Members).

1 Basis of preparation and accounting policies

The Association qualifies for the reporting exemption as a small company limited by guarantee under section 359(1)(a) of the Hong Kong Companies Ordinance (Cap. 622) and is therefore entitled to prepare and present its financial statements in accordance with the Small and Medium-sized Entity Financial Reporting Standard ("SME-FRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

These financial statements comply with the SME-FRS and have been prepared under the accrual basis of accounting and on the basis that the Association is a going concern.

The measurement base adopted is the historical cost convention.

The following are the specific accounting policies that are necessary for a proper understanding of the financial statements:

(a) Revenue recognition

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

- (i) membership income is recognised on accrual basis;
- (ii) sponsorship income is recognised when the sponsorship are received or receivable;
- (iii) interest income is recognised on a time proportion basis taking into account the principal outstanding and the interest applicable; and
- (iv) other income is recognised on an accrual basis.

(b) Taxation

Income tax expense represents current tax expense. The income tax payable represents the amounts expected to be paid to the taxation authority, using the tax rates (and tax laws) that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax is not provided.

HONG KONG CORPORATE COUNSEL ASSOCIATION LIMITED

ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2016

1 Basis of preparation and accounting policies (Continued)

(c) Other receivables

Other receivables are stated at estimated realisable value after each debt has been considered individually. Where the payment of a debt becomes doubtful a provision is made and charged to the income statement.

(d) Impairment of assets

An assessment is made at each statement of financial position date to determine whether there is any indication of impairment or reversal of previous impairment as to the asset items. In the event that an asset's carrying amount exceeds its recoverable amount, the carrying amount is reduced to the recoverable amount and an impairment loss is recognised in the income statement. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount, however not to an amount higher than the carrying amount that would have been determined (net of amortisation or depreciation), had no impairment losses been recognised for the asset in prior years.

2 Turnover and other revenue

	2016 HK\$	2015 HK\$
Turnover		
Membership fee	418,304	466,774
Sponsorship income	130,600	45,000
	<u>548,904</u>	<u>511,774</u>
Other revenue		
Interest income	9	7
Others	-	88,335
	<u>9</u>	<u>88,342</u>
	<u>548,913</u>	<u>600,116</u>

3 Surplus before tax

Surplus before tax is arrived at:

	2016 HK\$	2015 HK\$
After charging the following item:		
Consultancy fee	410,243	369,600
	<u>410,243</u>	<u>369,600</u>

HONG KONG CORPORATE COUNSEL ASSOCIATION LIMITED

ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2016

4 Benefits and interest of directors (disclosures required by section 383 of the Hong Kong Companies Ordinance (Cap. 622) and Companies (Disclosure of Information about Benefits of Directors) Regulation (Cap. 622G))

(a) Directors' emoluments

The directors did not receive and will not receive any fees or other emoluments in respect of their services to the Association during the year (2015: Nil).

(b) Directors' retirement benefits

None of the directors received or will receive any retirement benefits during the year (2015: Nil).

(c) Directors' termination benefits

None of the directors received or will receive any termination benefits during the year (2015: Nil).

(d) As at 31 August 2016, there are no loans, quasi-loans and other dealings in favour of directors, body corporate controlled by and entities connected with such directors (2015: Nil).

(e) No significant transactions, arrangements and contracts in relation to the Association's business to which the Association was a party and in which a director of the Association had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year and the previous years.

(f) During the year, the Association does not pay or receive consideration to / from any third parties for making available the services of a person as director or in any other capacity while he was director (2015: Nil).

5 Income tax expense

No Hong Kong profits tax has been provided as the Association has no estimated assessable profit for the year (2015: Nil).

6 Changes in funds

	2016 HK\$	2015 HK\$
Balance at the beginning of the year	661,606	500,761
Surplus for the year	27,951	110,845
Balance at the end of the year	<u>689,557</u>	<u>661,606</u>

7 Approval of financial statements

The financial statements were authorised for issue by the Association's board of directors on 20 April 2017.