

HONG KONG ALLIANCE FOR RARE DISEASES
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD
3RD FEBRUARY 2015 (DATE OF INCORPORATION)
TO 31ST DECEMBER 2015

HONG KONG ALLIANCE FOR RARE DISEASES
(incorporated in Hong Kong as a Registered Society)

REPORT OF THE DIRECTORS

The directors submit their report together with the audited financial statements for the period 3rd February 2015 (date of incorporation) to 31st December 2015.

PRINCIPAL ACTIVITIES

The Society is a charitable organisation and is engaged in providing education and a platform, in order to increase public awareness of rare diseases, strengthen exchanges, support and assist in the study of rare diseases.

RESULTS

The results of the Society for the period 3rd February 2015 (date of incorporation) to 31st December 2015 are set out in the income statement on page 6 of the financial statements.

DONATION

During the period, the Society made charitable donation of HK\$1,037.

DIRECTORS AND OFFICERS

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

Tsang Kin Ping	(Director)	(appointed on 3rd February 2015)
Lau Chi Keung	(Assistant Director)	(appointed on 3rd February 2015 and resigned on 16th April 2015)
Fong Wai Kuk	(Assistant Director)	(appointed on 23rd February 2016)
Tso Yee Man	(Secretary General)	(appointed on 3rd February 2015)
Raymond Chung	(Treasurer)	(appointed on 3rd February 2015 and resigned on 2nd February 2016)
Leung Chat Kan	(Treasurer)	(appointed on 2nd February 2016)

In accordance with Article 8 of the Constitution of the Society, a Director and Assistant Directors shall be elected from amongst Committee Members at a meeting of the Board. The elected President shall recommend two members to be appointed as the Secretary General and the Treasurer. Such recommendation is tabled for approval by all Members at a general meeting. The elected officers shall hold office for a period of two years but, being eligible, offer themselves for re-election.

DIRECTORS' INTERESTS

No contracts of significance in relation to the Society's business to which the Society was a party and in which a director of the Society had a material interest, whether directly or indirectly, subsisted at the end of the period or at any time during the period.

At no time during the period was the Society a party to any arrangements to enable the directors of the Society to acquire benefits by means of admission of membership in the Society or any other body corporate.

PERMITTED INDEMNITY PROVISION

At any time during the period and up to the date of this report, there is no permitted indemnity provision in force for the benefit of any of the directors of the Society.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Society were entered into or existed during the period.

AUDITORS

The financial statements have been audited by Vincent Kwok & Co. who retire and, being eligible, offer themselves for re-appointment.

On behalf of the Board



Tsang Kin Ping
President

HONG KONG, 15 FEB 2019



Units A - E, 25/F., Seabright Plaza,
No. 9-23 Shell Street, North Point, Hong Kong.
Tel: 2553 3828 Fax: 2553 9128
E-mail: accounting@sunwell.hk

香港北角靚殼街九至二十三號
秀明中心二十五樓A至E室
電話：二五五三—三三八二八
傳真：二五五三—九一二八
郭志榮會計師事務所

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
HONG KONG ALLIANCE FOR RARE DISEASES
(incorporated in Hong Kong as a Registered Society)

Opinion

We have audited the financial statements of Hong Kong Alliance for Rare Diseases set out on pages 6 to 11, which comprise the statement of financial position as at 31st December 2015, and the income statement and statement of changes in fund for the period 3rd February 2015 (date of incorporation) to 31st December 2015, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements of the Society are prepared, in all material respects, in accordance with Hong Kong Small and Medium-sized Entity Financial Reporting Standard ("SME-FRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Society in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the directors' report, other than the financial statements and our auditors' report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors and Those Charged with Governance for the Financial Statements

The directors are responsible for the preparation of the financial statements in accordance with the SME-FRS issued by the 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.

In preparing the financial statements, the directors are responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Society or to cease operations, or have no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Financial Statements

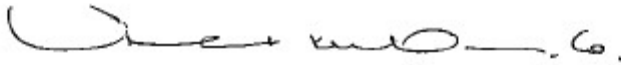
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Society to cease to continue as a going concern.

Auditors' Responsibilities for the Audit of the Financial Statements (cont'd)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Vincent Kwok & Co.

Honorary Auditors

Certified Public Accountants

HONG KONG, 15 FEB 2019

HONG KONG ALLIANCE FOR RARE DISEASES
(incorporated in Hong Kong as a Registered Society)

INCOME STATEMENT
FOR THE PERIOD 3RD FEBRUARY 2015 (DATE OF INCORPORATION)
TO 31ST DECEMBER 2015

	Note	3.2.2015 to 31.12.2015 HK\$
REVENUES	3	119,200
STAFF COSTS		(28,680)
ADMINISTRATIVE AND OTHER OPERATING EXPENSES		(46,899)
		<u>(75,579)</u>
SURPLUS FOR THE PERIOD AND CARRIED FORWARD	4	<u>43,621</u>

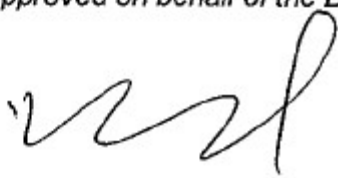
The accompanying Accounting Policies and Explanatory Notes form an integral part of, and should be read in conjunction with, these financial statements.

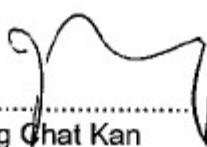
HONG KONG ALLIANCE FOR RARE DISEASES
(incorporated in Hong Kong as a Registered Society)

STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER 2015

	Note	31.12.2015 HK\$
CURRENT ASSETS		
Accounts receivable		200
Prepayments		3,520
Cash and bank balances		132,668
		<u>136,388</u>
CURRENT LIABILITIES		
Amount due to a related company	7	32,767
Receipt in advance		60,000
		<u>92,767</u>
NET CURRENT ASSETS		<u>43,621</u>
FUND		
RETAINED SURPLUS		<u>43,621</u>

Approved on behalf of the Board by:


.....
Tsang Kin Ping
Director


.....
Leung Chat Kan
Treasurer

The accompanying Accounting Policies and Explanatory Notes form an integral part of, and should be read in conjunction with, these financial statements.

HONG KONG ALLIANCE FOR RARE DISEASES
(incorporated in Hong Kong as a Registered Society)

STATEMENT OF CHANGES IN FUND
FOR THE PERIOD 3RD FEBRUARY 2015 (DATE OF INCORPORATION)
TO 31ST DECEMBER 2015

	Retained surplus HK\$
Surplus for the period and at 31st December 2015	43,621 =====

HONG KONG ALLIANCE FOR RARE DISEASES
(incorporated in Hong Kong as a Registered Society)

ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

1 REPORTING ENTITY

Hong Kong Alliance for Rare Diseases is a registered Society under the Societies Ordinance. The registered address is Flat H, 26/F., Fullview Court, 32 Fortress Hill Road, Hong Kong.

The Society is a charitable organisation and is engaged in providing education and a platform, in order to increase public awareness of rare diseases, strengthen exchanges, support and assist in the study of rare diseases.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

(a) Basis of preparation

The Society qualifies for the reporting exemption as small guarantee companies under section 359(2)(a) of the Hong Kong Companies Ordinance (Cap. 622) 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.

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

The measurement base adopted is the historical cost convention.

(b) Revenues recognition

Revenues are recognised when it is probable that the economic benefits will flow to the Society and when the revenues can be measured reliably, on the following bases:

- (i) donations income is recognised according to donation agreements; and
- (ii) membership fee income is recognised when it is expected to be received.

(c) Related parties

A party is considered to be related if the Society and/ or the party are subjected to common control or significant influence. Related parties may be individuals or other entities.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONT'D)

(d) Employee benefits

The Society operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance, for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to the income statement as they become statement payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Society in an independently administered fund. The Society's employer contributions vest fully with the employees when contributed into the MPF Scheme, except for the Society's employer voluntary contributions, which are refunded to the Society when the employee leaves employment prior to the contributions vesting fully, in accordance with the rules of the MPF Scheme.

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the statement of financial position. Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

3 REVENUES

The Society is engaged in providing education and a platform, in order to increase public awareness of rare diseases, strengthen exchanges, support and assist in the study of rare diseases. Revenues recognised during the period are as follows:

	3.2.2015 to 31.12.2015 HK\$
Revenues	
Donations income	118,000
Membership fee income	1,200

	119,200
	=====

4 SURPLUS FOR THE PERIOD

	3.2.2015 to 31.12.2015 HK\$
Surplus for the period is stated after charging the following:	

Staff costs	
Salaries and wages	27,780
Mandatory provident fund contributions	900

5 INCOME TAX EXPENSE

Hong Kong profits tax has not been provided as the Society is exempted from tax under the provisions of section 88 of the Inland Revenue Ordinance.

6 DIRECTORS' EMOLUMENTS

Directors' remuneration disclosed pursuant to section 383 of the Hong Kong Companies Ordinance (Cap. 622) and Companies (Disclosure of Information about Benefits of Directors) Regulation (Cap. 622G) for the period is HK\$Nil.

7 AMOUNT DUE TO A RELATED COMPANY

The amount due to a related company is unsecured, interest free and repayable on demand.

8 STATUS OF SOCIETY

The Society is a non-profit making company registered in Hong Kong which is a Registered Society and not having share capital.

9 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Society's board of directors on
15 FEB 2019

HONG KONG ALLIANCE FOR RARE DISEASES
(incorporated in Hong Kong as a Registered Society)

DETAILED INCOME STATEMENT
FOR THE PERIOD
3RD FEBRUARY 2015 (DATE OF INCORPORATION)
TO 31ST DECEMBER 2015

This statement does not
form part of the Audited Financial Statements

The detailed income statement relating to the period 3rd February 2015 (date of incorporation) to 31st December 2015 included in the audited financial statements is not the Society's statutory annual financial statements for that period. Further information relating to those statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

As the company is a Registered Society, the company is not required to deliver its financial statements to the Registrar of Companies, and has not done so.

The Society's auditors have reported on those financial statements. The auditors' report was unqualified; did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report; and did not contain a statement under either sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance (Cap. 622).

HONG KONG ALLIANCE FOR RARE DISEASES
(incorporated in Hong Kong as a Registered Society)

DETAILED INCOME STATEMENT
FOR THE PERIOD 3RD FEBRUARY 2015 (DATE OF INCORPORATION)
TO 31ST DECEMBER 2015

(For management purposes only)

	3.2.2015 to 31.12.2015 HK\$
Revenues	
Donations income	118,000
Membership fee income	1,200
	<u>119,200</u>
Expenses	
Staff costs	
Salaries and wages	27,780
Mandatory provident fund contributions	900
Administrative and other operating expenses	
Bank charges	150
Conference and seminar talks	11,160
Entertainment	4,500
Donation	1,037
Overseas travelling	26,724
Sundry expenses	1,173
Telephone and fax charges	216
Local travelling and transportation	700
Website expenses	1,239
	<u>75,579</u>
Surplus for the period	<u>43,621</u>