



ASIAN DERMATOLOGICAL ASSOCIATION LIMITED
(incorporated in Hong Kong liability limited by guarantee)

REPORT OF THE COUNCIL
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021



李湯陳會計師事務所
LI, TANG, CHEN & CO.
Certified Public Accountants (Practising)
Hong Kong



22602266945
AC
27/01/2022

0178324

ASIAN DERMATOLOGICAL ASSOCIATION LIMITED
(incorporated in Hong Kong with its liability limited by guarantee)

REPORT OF THE COUNCIL

The Council members submit their annual report together with the audited financial statements for the year ended 31 March 2021.

PRINCIPAL ACTIVITIES

The principal activities of the Association are the promotion of the study and advancement of dermatology.

FINANCIAL STATEMENTS

The deficit of the Association for the year ended 31 March 2021 and the financial position of the Association as at 31 March 2021 are set out in the financial statements on pages 6 to 13.

MEMBERS OF THE COUNCIL

The Council members of the Association during the financial year and as at the date of this report were:

Chairman:	Prof. LIN Chrang-shi	
Vice-Chairman:	Dr. Rataporn UNGPAKORN	
Hon. Secretary:	Dr. IP Fong Cheng	(appointed on 28.11.2020)
Hon. Treasurer:	Dr. Hassan GALADARI	
Ordinary Council Members:	Dr. CHOW Steven Kim-weng	
	Prof. CHUNG Jin-ho	(resigned on 28.11.2020)
	Dr. CHUNG Kee-yang	
	Dr. HE Chundi	(resigned on 28.11.2020)
	Dr. HO King-man	
	Prof. Shigaku IKEDA	
	Dr. JIN Hongzhong	
	Dr. Sureshchandra Padmakant JOSHIPURA	
	Dr. Maria Angela Medina LAVADIA	
	Dr. LIM Joyce Teng Ee	
	Prof. Akimichi MORITA	
	Prof. Shinichi SATO	(resigned on 28.11.2020)
	Dr. Chew-swee SEOW	
	Dr. Rashmikant Madhusudan SHAH	
	Prof. ZHANG Jianzhong	(resigned on 28.11.2020)
	Prof. LU Qian Jin	(appointed on 28.11.2020)
	Prof. Minoru HASEGAWA	(appointed on 28.11.2020)
	Prof. ROH Joo Young	(appointed on 28.11.2020)
	Prof. XIANG Lei Hong	(appointed on 28.11.2020)
Honorary Council Members:	Prof. CHAN Henry Hin Lee	
	Prof. CHEN Hong-duo	
	Prof. Keniji IWATSUKI	
	Prof. Yasumasa ISHIBASHI	
	Dr. KIM Hyung-ok	
	Dr. Preya KULLAVANIJAYA	
	Prof. LEUNG Samuel Chi Sai	
	Prof. Yoshiki MIYACHI	
	Prof. Takeji NISHIKAWA	
	Dr. Verme VERALLO-ROWELL	
	Prof. WANG Xia-sheng	
	Prof. XU Wenyan	
	Prof. ZHANG Xuejun	
	Prof. Zhu Xuejun	

0010

ASIAN DERMATOLOGICAL ASSOCIATION LIMITED
(incorporated in Hong Kong with its liability limited by guarantee)

REPORT OF MEMBERS OF COUNCIL (CONT'D)

MEMBERS OF THE COUNCIL (CONT'D)

Honorary Council Members: Prof. Liao Kang-huang
Prof. Youn Jai-il
Prof. Harahap Marwali
Prof. Lee Sung-nack

Pursuant to the provision of Clause 50 of the Association's Articles of Association, the term of office of a Council Member shall be three years, and all the current Council Members, except Honorary Council Members shall continue to hold offices until the 2021 annual general meeting.

MANAGEMENT CONTRACTS

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

PERMITTED INDEMNITY PROVISIONS

At no time during the year and up to the date of this report of the Council, there was or is, any permitted indemnity provision being in force for the benefit of any of the members of the Association (whether made by the Association or otherwise).

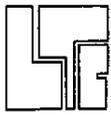
AUDITORS

The financial statements have been audited by Messrs. Li, Tang, Chen & Co., who retire and, being eligible, offer themselves for re-appointment.

On behalf of the Council


.....
Prof. LIN Chrang-shi
Chairman

Hong Kong, 16 DEC 2021



**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ASIAN DERMATOLOGICAL ASSOCIATION LIMITED**
(incorporated in Hong Kong with its liability limited by guarantee)

OPINION

We have audited the financial statements of Asian Dermatological Association Limited ("the Association") set out on pages 6 to 13, which comprise the statement of financial position as at 31 March 2021, and the statement of comprehensive income, the statement of changes in accumulated funds and the statement of cash flows for the year then ended, and notes on the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Association as at 31 March 2021, and of its financial performance and its cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standard for Private Entities ("HKFRS for Private Entities") 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") issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Association 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 Council Members are responsible for the other information. The other information comprises the information included in the report of the Council, other than the financial statements and our auditor's 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.

to be cont'd/.....

RESPONSIBILITIES OF COUNCIL MEMBERS FOR THE FINANCIAL STATEMENTS

The Council Members are responsible for the preparation of financial statements that give a true and fair view in accordance with HKFRS for Private Entities issued by the HKICPA and the Hong Kong Companies Ordinance and for such internal control as the Council Members 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 Council Members are responsible for assessing the Association'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 Council Members either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

The Council Members are responsible for overseeing the Association's financial reporting process.

AUDITOR'S 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 auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs 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 HKSAs, we exercise professional judgment 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council members.
- Conclude on the appropriateness of the Council Members' 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 Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.

to be cont'd/.....

**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS
(CONT'D)**

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Council Members 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.



Li, Tang, Chen & Co.
Certified Public Accountants (Practising)
17/F Leighton Centre
77 Leighton Road
Causeway Bay
Hong Kong

16 DEC 2021

ALWM/JCKB/MKYH

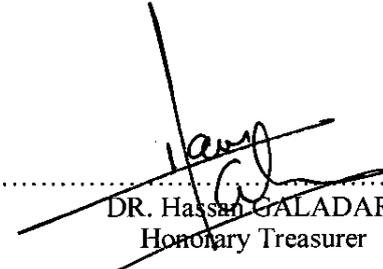
ASIAN DERMATOLOGICAL ASSOCIATION LIMITED
(incorporated in Hong Kong with its liability limited by guarantee)

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021

	<u>Note</u>	<u>2021</u> HK\$	<u>2020</u> HK\$
CURRENT ASSETS			
Bank balances	4	489,528	554,002
LESS: CURRENT LIABILITIES			
Accruals		<u>15,300</u>	<u>22,800</u>
NET ASSETS		<u>474,228</u>	<u>531,202</u>
Representing:			
RESERVES			
Accumulated fund		<u>474,228</u>	<u>531,202</u>

The financial statements on pages 6 to 13 were approved and authorised for issue by the Council on 16 DEC 2021


.....
Prof. LIN Chrang-shi
Chairman


.....
DR. Hassan GALADARI
Honorary Treasurer

ASIAN DERMATOLOGICAL ASSOCIATION LIMITED
 (incorporated in Hong Kong with its liability limited by guarantee)

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2021

	HK\$	<u>2021</u> HK\$	<u>2020</u> HK\$
INCOME			
Bank interest income		3	1,624
Membership entrance fee		4,680	780
Donation		3,000	-
Sundry income		<u>14,000</u>	<u>-</u>
		21,683	2,404
EXPENDITURE			
Audit fee	9,300		8,800
Accounting fee	-		6,000
Bank charges	1,173		3,625
Legal and professional fee	-		5,800
Meeting expense	16,800		65,743
Membership and subscription fee	1,465		1,465
Postage and sundry expenses	5,819		1,000
Secretarial fee	44,100		52,400
Exchange loss	<u>-</u>		<u>1,158</u>
		<u>78,657</u>	<u>145,991</u>
DEFICIT FOR THE YEAR		<u>(56,974)</u>	<u>(143,587)</u>
Transfer to:			
General fund		(56,975)	(143,774)
Lecture fund		<u>1</u>	<u>187</u>
		<u>(56,974)</u>	<u>(143,587)</u>

ASIAN DERMATOLOGICAL ASSOCIATION LIMITED
(incorporated in Hong Kong with its liability limited by guarantee)

STATEMENT OF CHANGES IN ACCUMULATED FUNDS

FOR THE YEAR ENDED 31 MARCH 2021

	<u>General fund</u> HK\$	<u>Lecture fund</u> HK\$	<u>Total</u> HK\$
At 31 March 2019	494,630	180,159	674,789
Deficit and total comprehensive loss for the year	<u>(143,774)</u>	<u>187</u>	<u>(143,587)</u>
At 31 March 2020 and 1 April 2020	350,856	180,346	531,202
Deficit and total comprehensive loss for the year	<u>(56,975)</u>	<u>1</u>	<u>(56,974)</u>
At 31 March 2021	<u><u>293,881</u></u>	<u><u>180,347</u></u>	<u><u>474,228</u></u>

ASIAN DERMATOLOGICAL ASSOCIATION LIMITED
 (incorporated in Hong Kong with its liability limited by guarantee)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	<u>2021</u> HK\$	<u>2020</u> HK\$
OPERATING ACTIVITIES		
Deficit for the year		
- General fund	(56,975)	(143,774)
- Lecture fund	1	187
Adjustment for:		
Interest income	<u>(3)</u>	<u>(1,624)</u>
Operating deficit before working capital changes	(56,977)	(145,211)
Decrease in accruals	<u>(7,500)</u>	<u>(4,128)</u>
Net cash used in operating activities	(64,477)	(149,339)
	-----	-----
INVESTING ACTIVITIES		
Bank interest received	<u>3</u>	<u>1,624</u>
Net cash generated from investing activities	3	1,624
	-----	-----
NET DECREASE IN CASH AND CASH EQUIVALENTS	(64,474)	(147,715)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>554,002</u>	<u>701,717</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>489,528</u>	<u>554,002</u>
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Bank balance	<u>489,528</u>	<u>554,002</u>

ASIAN DERMATOLOGICAL ASSOCIATION LIMITED
(incorporated in Hong Kong with its liability limited by guarantee)

NOTES ON THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Asian Dermatological Association Limited (hereinafter referred to as the “Association”) is incorporated under Hong Kong Companies Ordinance and is limited by guarantee. The registered office of the Association is located at 4/F., Duke of Windsor Social Service Building, 15 Hennessy Road, Wanchai, Hong Kong.

The principal activities of the Association are the promotion of the study and advancement of dermatology.

Under the provision of the Association’s 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance:

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standard for Private Entities (“HKFRS for Private Entities”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and the requirements of Hong Kong Companies Ordinance. They have been prepared under the historical cost convention.

b) Basis of preparation:

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.

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

c) Translation of foreign currencies:

The financial statements are presented in Hong Kong Dollars, which is the Association’s functional currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in surplus or deficit.

ASIAN DERMATOLOGICAL ASSOCIATION LIMITED
(incorporated in Hong Kong with its liability limited by guarantee)

NOTES ON THE FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

d) Cash and cash equivalents:

Cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired. Bank overdrafts which are repayable on demand and form an integral part of the Association's cash management are also included as a component of the statement of cash flows.

e) Provisions and contingent liabilities

Provisions are recognised for other liabilities of uncertain timing or amount when the Association has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of expenditure expected to settle the obligation.

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

f) Revenue recognition:

Revenue is recognised when it is probable that the future economic benefits will flow to the Association and the revenue and cost, if applicable, can be measured reliably, as follows:

- i) Membership entrance fee and donation income are recognised when the amounts are received.
- ii) Interest income on bank deposits is recognised using effective interest method
- iii) Donation income is recognised in a cash received basis.

g) Related parties:

- a) A person, or a close member of that person's family, is related to the Association if that person:
 - i) is a member of the key management personnel of the Association.
 - ii) has control or joint control over the Association.
 - iii) has significant influence over the Association.

ASIAN DERMATOLOGICAL ASSOCIATION LIMITED
(incorporated in Hong Kong with its liability limited by guarantee)

NOTES ON THE FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

- g) Related parties: (cont'd)
- b) An entity is related to the Association if any of the following conditions applies:
- i) the entity and the Association are members of the same group.
 - 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 Association or an entity related to the Association.
 - vi) The entity is controlled or jointly controlled by a person identified in (a).
 - vii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Association.
 - viii) A person identified in (a)(ii) 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).

3. TAXATION

No provision for Hong Kong profits tax as the Association has been exempted under Section 88 of the Inland Revenue Ordinance from any tax by reason of being a charitable institution of a public character.

4. BANK BALANCE

	<u>2021</u> HK\$	<u>2020</u> HK\$
Cash at bank	489,528	554,002

Cash at bank earns interest at floating rates based on daily bank interest rates. Short-term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Association, and earn interest at the respective short-term time deposit rates.

0021

ASIAN DERMATOLOGICAL ASSOCIATION LIMITED
(incorporated in Hong Kong with its liability limited by guarantee)

NOTES ON THE FINANCIAL STATEMENTS

5. COUNCIL MEMBERS' EMOLUMENTS: HK\$Nil (2020: HK\$Nil).

None of the Council Members received any remuneration for their services to the Association of the current and prior years.

6. RELATED PARTY TRANSACTIONS

During the current and prior year, the Association had not entered any material related party transactions.