

ASIAN LEGAL RESOURCE CENTRE LIMITED

REPORTING DOCUMENTS
Financial year ended 31 December 2019



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ASIAN LEGAL RESOURCE CENTRE LIMITED

REPORTING DOCUMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

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(EXPRESSED IN HONG KONG DOLLARS)

ASIAN LEGAL RESOURCE CENTRE LIMITED

Directors' report

The Directors present their report and the annual financial statements of the Association for the financial year ended 31 December 2019.

Directors

The names of persons who were the directors of the Association during the financial year are as follows:

CHEUNG Yiu Leung
CLANCEY John Joseph
GEORGE Mathews
MANIPON Aida Jean N.
SARMIENTO Rene. V.
KOYILPURATH GOPALA PILLAI Sankara Pillai

Principal activity

The Association's principal activity is set out in note 1(b) to financial statements.

Permitted indemnity provision

At no time during the financial year were there any permitted indemnity provisions in force for the benefit of one or more members of the Directors of the Association.

At the time of approval of this report, there are no permitted indemnity provisions in force for the benefit of one or more the Directors of the Association.

Management contract

The Association did not enter into any contract, other than the contracts of service with the Directors or any person engaged in the full-time employment of the Association, whereby any individual, firm or body corporate undertakes the management and administration of the whole, or any substantial part of any business of the Association.

Business review

The Association falls within reporting exemption for the financial year. Accordingly, the Association is exempted from preparing a business review.

Directors' interest in contracts

At no time during the financial year or at the end of the financial year was the Association a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of debentures of the Association or any other body corporate.

In the opinion of the Directors, no directors or shadow directors, if any, had material interests in those significant transactions, arrangements or contracts in relation to the Association's business entered into by the Association in the financial year or subsisted at any time in the financial year.

ASIAN LEGAL RESOURCE CENTRE LIMITED

Directors' report (continued)

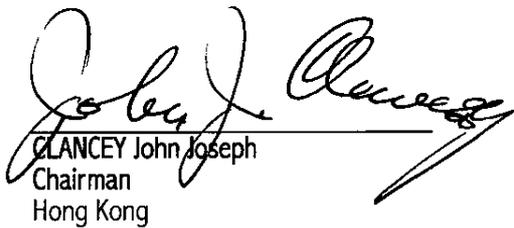
Equity-linked arrangements

During the financial year, the Association entered into no equity-linked agreement. At the end of the financial year, the Association subsisted of no equity-linked agreement.

Approval of Directors' report

This report was approved by the Directors on 30 September 2020.

On behalf of the Directors


CLANCEY John Joseph
Chairman
Hong Kong

JEFF LAW CPA LIMITED

CERTIFIED PUBLIC ACCOUNTANTS

羅文琪會計師事務所有限公司

Room E, 8th Floor, Far East Mansion, 5 – 6 Middle Road, Tsimshatsui, Kowloon, Hong Kong

香港九龍尖沙咀中間道5 - 6號遠東大廈8樓E室

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LAW MAN KEE CPA (Practising), FCPA(HK), FCCA, CTA

INDEPENDENT AUDITOR'S REPORT

To the members of
ASIAN LEGAL RESOURCE CENTRE LIMITED
(Incorporated in Hong Kong as a company limited by guarantee and not having a share capital)

Opinion

We have audited the financial statements of ASIAN LEGAL RESOURCE CENTRE LIMITED ("the Association") set out on pages 5 to 15, which comprise the statement of financial position as at 31 December 2019, and the statement of income and accumulated fund and statement of cash flows for the year then ended, and notes to 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 December 2019, 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 PE") 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.

Material uncertainty related to going concern

We draw attention to Note 2(d) in the financial statements, which indicates that the Association incurred a deficit of HK\$822,811.43 during the year ended 31 December 2019 and, as of that date, the Association's total liabilities exceeded its total assets by HK\$1,171,283.64. As stated in Note 2(d), these events or conditions, along with other matters as set forth in Note 2(d), indicate that a material uncertainty exists that may cast significant doubt on the Association's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the Directors' report set out on pages 1 to 2, but does not include 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.

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JEFF LAW CPA LIMITED

CERTIFIED PUBLIC ACCOUNTANTS

羅文琪會計師事務所有限公司

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LAW MAN KEE CPA (Practising), FCPA(HK), FCCA, CTA

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

To the members of
ASIAN LEGAL RESOURCE CENTRE LIMITED
(Incorporated in Hong Kong as a company limited by guarantee and not having a share capital)

Responsibilities of the Directors for the Financial Statements

The Directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with the HKFRS for PE 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 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 Directors either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

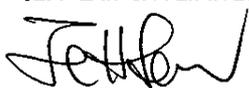
Auditor's Responsibilities for the Audit of the Financial Statements

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. This report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purposes. 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.

A further description of our responsibilities for the audit of the financial statements is located at HKICPA's website at http://www.hkicpa.org.hk/file/media/section6_standards/standards/Audit-n-assurance/auditre/fs_pf.pdf. This description forms part of our auditor's report.

For and on behalf of
JEFF LAW CPA LIMITED



Certified Public Accountants
Law Man Kee
Practising Certificate number: P04273

Hong Kong

30 September 2020

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ASIAN LEGAL RESOURCE CENTRE LIMITED

**STATEMENT OF INCOME AND ACCUMULATED FUND
FOR THE YEAR ENDED 31 DECEMBER 2019**

	<u>NOTES</u>	<u>2019</u> <u>HK\$</u>	<u>2018</u> <u>HK\$</u>
INCOME			
Turnover	4	1,583,227.28	4,328,614.72
Other revenue	4	983,100.86	347,349.92
LESS: EXPENDITURES			
Designated program expenses		(1,944,541.79)	(3,809,965.80)
General and administrative expenses		(1,444,597.78)	(940,535.73)
Deficit for the year	6	(822,811.43)	(74,536.89)
Balance as at start of year		(348,472.21)	(273,935.32)
Balance as at end of year		<u>(1,171,283.64)</u>	<u>(348,472.21)</u>

The notes on pages 8 to 15 form part of these financial statements.

ASIAN LEGAL RESOURCE CENTRE LIMITED

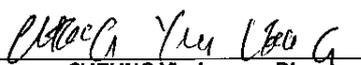
STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2019

	NOTES	2019 HK\$	2018 HK\$
Non-current assets			
Property, plant and equipment	9	1.00	1.00
Current assets			
Other receivables, deposits and prepayments	10	65,163.28	349,304.05
Cash and cash equivalents	11	392,556.37	148,360.70
		457,719.65	497,664.75
Current liabilities			
Other payables, accruals and receipt in advance	12	1,629,004.29	846,137.96
		1,629,004.29	846,137.96
Net current liabilities		(1,171,284.64)	(348,473.21)
NET LIABILITIES		(1,171,283.64)	(348,472.21)
RESERVES			
Accumulated deficit		(1,171,283.64)	(348,472.21)

The financial statements on pages 5 to 15 were approved and authorised for issue by the Directors on 30 September 2020 and are signed on its behalf by:


CLANCEY John Joseph, Director


CHEUNG Yiu Leung, Director

The notes on pages 8 to 15 form part of these financial statements.

ASIAN LEGAL RESOURCE CENTRE LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2019

	<u>2019</u> <u>HK\$</u>	<u>2018</u> <u>HK\$</u>
Cash flows from operating activities		
Deficit for the year	(822,811.43)	(74,536.89)
Adjustment for:		
- Bank interest income	(143.59)	(498.26)
Operating deficit before working capital changes	<u>(822,955.02)</u>	<u>(75,035.15)</u>
Decrease/ (Increase) in other receivables, deposits and prepayments	284,140.77	(242,440.77)
Increase/ (Decrease) in other payables, accruals and receipt in advance	782,866.33	(1,903,800.78)
Cash generated from/ (used in) operating activities	<u>244,052.08</u>	<u>(2,221,276.70)</u>
Bank interest received	<u>143.59</u>	<u>498.26</u>
Net cash generated from/ (used in) operating activities	<u>244,195.67</u>	<u>(2,220,778.44)</u>
Net cash used in investing activities	-	-
Net cash generated from financing activities	-	-
Net increase/ (decrease) in cash and cash equivalents	244,195.67	(2,220,778.44)
Cash and cash equivalents at start of the year	<u>148,360.70</u>	<u>2,369,139.14</u>
Cash and cash equivalents at end of the year (Note 11)	<u>392,556.37</u>	<u>148,360.70</u>

The notes on pages 8 to 15 form part of these financial statements.

ASIAN LEGAL RESOURCE CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. General

(a) Definition

In these reporting documents, the following terms shall have the following meanings:

The Association	ASIAN LEGAL RESOURCE CENTRE LIMITED
The Directors	all of the directors of the Association
Hong Kong Companies Ordinance	Hong Kong Companies Ordinance (Cap. 622), including all amendments made under the Companies (Amendment) (No. 2) Ordinance 2018
Predecessor Companies Ordinance	Predecessor Hong Kong Companies Ordinance (Cap. 32) as in force from time to time before the commencement date of the Hong Kong Companies Ordinance
HKICPA	Hong Kong Institute of Certified Public Accountants
HKFRS for PE	Hong Kong Financial Reporting Standard for Private Entities (Revised) issued by HKICPA
HKFRS	Hong Kong Financial Reporting Standard issued by HKICPA
Cash equivalents	short-term, highly liquid investments those are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value
Fair value	Amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction
Related company	a company in which one or more related parties have beneficial interests thereon or are in a position to exercise significant influence

(b) Corporate information

The Association is a company incorporated in Hong Kong on 18th April 1986 under Predecessor Companies Ordinance as a company limited by guarantee. At the date of issue of these financial statements, the registered office of the Association is located at G/F, 52 Princess Margaret Road, Ho Man Tin, Kowloon, Hong Kong. The principal activities of the Association during the year were conducting study mission in different Asian Countries, monitoring and promoting human rights education and activities. Under the provision of the Association's Articles of Association, every member shall in the event of the Association being wound up, contribute such amount as may be required to meet the liabilities of the Association, but not exceeding the sum of HK\$100.

(c) Presentation currency

Unless stated otherwise, all currency figures in these financial statements are presented in Hong Kong Dollars (HK\$).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Basis of preparation

(a) Statement of compliance

These financial statements comply with all applicable sections of HKFRS for PE and have been prepared under the accrual basis of accounting and on the basis that the Association is a going concern.

(b) Reporting exemption

The Association falls within reporting exemption for the reporting period under section 359(1) of the Hong Kong Companies Ordinance. Nevertheless, the Directors resolved not to take advantage of the reporting exemption and these financial statements comply with HKFRS for PE. The Directors have acknowledged that, to achieve fair presentation of the financial statements, it may be necessary for management to provide disclosures beyond those specifically required by HKFRS for PE.

(c) Basis of measurement

The measurement bases used in preparing these financial statements are set out in note 3 to financial statements.

(d) Going concern

At 31 December 2019, the Association's current liabilities exceeded its current assets by HK\$1,171,284.64 and there was an accumulated deficit of HK\$1,171,283.64.

The Directors of the Association endeavour to improve the Association's liquidity position and have taken measures to reduce costs to strengthen its cash flow position. The Directors of the Association are of their opinion that the Association will have sufficient working capital to meet its financial liabilities as and when they fall due given that the management of the Association are trying to renegotiate the funds from the existing donors and will also approach new donors to continue the operation of the Association.

In view of the above, the Directors of the Association are satisfied that the Association will be able to meet its financial obligations as and when they fall due for the foreseeable future. Accordingly, the Directors of the Association are satisfied that it is appropriate to prepare the financial statements on a going concern basis. Should the Association be unable to operate as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets as current assets. The effect of these adjustments has not been reflected in the financial statements.

(e) Critical accounting judgments and key sources of estimation uncertainty

Impairment on receivables

The policy for impairment losses for bad and doubtful debts of the Association is based on the evaluation of the collectability of the outstanding balances and on the management's judgement. A considerable amount of judgement is required in assessing the ultimate recoverability of these receivables, including the current liquidity and creditworthiness of each counterparty. If the financial conditions of the counterparties of the Association were to deteriorate, resulting in an impairment of their ability to make payments, additional impairment may be required.

ASIAN LEGAL RESOURCE CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

3. Summary of significant accounting policies

These financial statements present financial information of the Association. The followings are the specific accounting policies that are necessary for a proper understanding of the financial statements.

(a) Property, plant and equipment

Property, plant and equipment are measured at initial recognition at cost and subsequently measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost comprises purchase price, conversion cost and estimated cost of dismantling and restoration. Expenditure such as repairs and maintenance, overhaul costs and borrowing costs are normally charged to profit or loss when they are incurred. Where expenditure has resulted in increases in the future economic benefits from the use of the property, plant and equipment, the expenditure is capitalised.

The residual values and useful lives of the property, plant and equipment are reviewed when there are indications that the residual value or useful life of an asset has a significant change since the end of previous reporting period. If necessary, the residual value, depreciation method or useful life of that asset is amended prospectively to reflect the new expectation. Depreciation is calculated using the straight-line method to write off the depreciable amount of each property, plant and equipment to profit or loss unless it is included in the carrying amount of another asset over its estimated useful life. The following rates are used for the depreciation of property, plant and equipment.

Furniture, fixtures and equipment	20%
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On disposal or retirement, the cost together with associated accumulated depreciation and impairment losses, if any, of the property, plant and equipment are derecognised and any gain or loss resulting from the disposal is recognised in profit or loss.

(b) Receivables

Receivables are measured at initial recognition at transaction price (including transaction costs) and subsequently measured at amortised cost using the effective interest method, less provision for impairment, if any. A provision for impairment of receivables is established when there is objective evidence that the Association will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in surplus or deficit.

(c) Components of 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. Bank overdrafts that are repayable on demand and form an integral part of the Association's cash management are also included as a component of cash and cash equivalents for the statement of cash flows.

(d) Payables

Payables are measured at initial recognition at the transaction price (including transaction costs) and subsequently measured at amortised cost using the effective interest method.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

3. Summary of significant accounting policies (continued)

(e) Impairment of non-financial assets

At each reporting date, property, plant and equipment are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If an estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (group of related assets) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

(f) Employee benefit

Salaries, annual bonuses, paid annual leave and other leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are measured at their present values.

The Association operates a defined contribution plan under mandatory provident fund plan. The Association pays contributions to independent administrator on a mandatory basis. The Association has no further payment obligations once the contributions are paid. The contributions are recognised as employee benefit expense when they are incurred and the cost can be measured reliably.

(g) Leases

Leases where substantially all the risks and rewards incidental to ownership of the leased assets are not transferred to the lessee are accounted for as operating leases. Annual rents applicable to such operating leases are charged to surplus or deficit on straight-line basis over the lease term. Incentives such as rent-free period or subsidy on decoration, if any, are recognised as a reduction of rental expenses over the lease term on straight-line basis.

(h) Revenue

Revenue consists of turnover and other revenue but excludes the reversal of impairment. Turnover comprises revenue generated from the principal activities of the Association. Other revenue includes exchange gain (net of exchange loss), gain on disposal of capital assets and reversal of provisions.

Revenue is recognised as income when it is probable that the economic benefits associated with transaction will flow to the Association and when the amount of revenue as well as costs incurred for the transaction can be measured reliably. Revenue is measured at fair value of the consideration received or receivable and is shown net of discounts, rebates, returns and sales-related taxes on the following bases.

Designated program fund income is recognised using the percentage of completion method when the contracted projects have progressed to a stage where an outcome can be estimated reliably.

Management/consultancy fee income is recognised in the period in which the service is rendered.

Interest income is recognised using the effective interest method on a time proportion basis taking into account the principal outstanding and the interest applicable.

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ASIAN LEGAL RESOURCE CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

3. Summary of significant accounting policies (continued)

(i) Foreign currency translation

The functional currency of the Association is Hong Kong Dollar. Foreign currency transactions are translated into the functional currency at the approximate rates of exchange ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the end of reporting period are translated at the approximate rates of exchange ruling at that date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated using the exchange rates at that date when the fair value was determined. Exchange differences arising on the settlement or translation of foreign currency monetary items are recognised in surplus or deficit. However, exchange differences relating to a gain or loss on a non-monetary item that is recognised in other comprehensive income is recognised in other comprehensive income too.

(j) Financial instruments

Financial assets and financial liabilities are recognised on the Association's statement of financial position when the Association becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are recognised initially at fair value, which is normally the transaction price. At the end of each reporting period the fair value is remeasured. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Association has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received is recognised in profit or loss.

For financial liabilities, they are removed from the Association's statement of financial position when the obligation specified in the relevant contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration received or receivable is recognised in profit or loss.

4. Revenue

	<u>2019</u> <u>HK\$</u>	<u>2018</u> <u>HK\$</u>
Included in turnover		
Designated program fund	1,583,227.28	4,328,614.72
Included in other revenue		
Bank interest income	143.59	498.26
Management/ consultancy fee	380,850.40	251,166.89
Donation	602,087.37	88,654.86
Sundry Income	19.50	7,029.91
	<u>983,100.86</u>	<u>347,349.92</u>
Total	<u>2,566,328.14</u>	<u>4,675,964.64</u>

ASIAN LEGAL RESOURCE CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

5. Taxation

No provision for Hong Kong profits tax has been made in the financial statements as the Association is a charitable institution exempted under Section 88 of the Inland Revenue Ordinance.

6. Deficit for the year

This is arrived at after charging:

	<u>2019</u> <u>HK\$</u>	<u>2018</u> <u>HK\$</u>
Key management personnel's remuneration	-	-
Other staff costs	1,148,756.17	611,872.58
Rentals under operating leases in respect of land and building	40,000.00	40,000.00
Rentals under operating leases in respect of other assets	<u>13,440.00</u>	<u>13,440.00</u>

7. Director's emoluments and loans

The Directors received no remuneration for their services to the Association during the year (2018: Nil).

No loans, quasi-loans and other dealings in favour of the Directors of the Association were entered into during the year nor subsisted of at the end of the year (2018: Nil).

8. Auditor's remuneration

Auditor's remuneration and expenses for the year disclosed pursuant to Part 2 of Schedule 4 of the Hong Kong Companies Ordinance are as follows:

	<u>2019</u> <u>HK\$</u>	<u>2018</u> <u>HK\$</u>
Auditor's remuneration	16,500.00	61,500.00
Auditor's expenses	-	-
	<u>16,500.00</u>	<u>61,500.00</u>

9. Property, plant and equipment

	<u>Furniture, fixtures and equipment</u> <u>HK\$</u>
Cost	
At 1/1/ 2018, 31/12/ 2018 and 31/12/ 2019	349,963.08
Accumulated depreciation	
At 1/1/ 2018, 31/12/ 2018 and 31/12/ 2019	<u>349,962.08</u>
Carrying amount:	
At 31 December 2019	<u>1.00</u>
At 31 December 2018	<u>1.00</u>

ASIAN LEGAL RESOURCE CENTRE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 DECEMBER 2019

10. Other receivables, deposits and prepayments

	<u>2019</u> HK\$	<u>2018</u> HK\$
Deposits paid	65,163.28	65,163.28
Payment in advance		
Deficit balance from Misereor Germany for Protection of HRs Defenders in Asia by Capacity Enhancement to Engage with National Justice Institutions (Project no: 300-900-1364ZG) (4/2016-3/2019)	-	284,140.77
	<u>65,163.28</u>	<u>349,304.05</u>

11. Cash and cash equivalents

	<u>2019</u> HK\$	<u>2018</u> HK\$
Cash at banks and in hand	<u>392,556.37</u>	<u>148,360.70</u>

12. Other payables, accruals and receipt in advance

	<u>2019</u> HK\$	<u>2018</u> HK\$
Other payables	643,418.76	512,733.32
Accruals	891,538.31	237,160.00
Receipt in advance		
Surplus balance for "Human Rights Education in China" by German Church	94,047.22	94,047.22
Surplus balance for "Securing an Enabling Environment for Rohingya Human Rights Defenders in Bangladesh" by KIOS Foundation	-	2,197.42
	<u>1,629,004.29</u>	<u>846,137.96</u>

13. Financial instruments

	<u>2019</u> HK\$	<u>2018</u> HK\$
Other receivables, deposits and prepayments		
<i>Financial assets at amortised cost</i>	<u>65,163.28</u>	<u>349,304.05</u>
Other payables, accruals and receipt in advance		
<i>Financial liabilities at amortised cost</i>	<u>1,629,004.29</u>	<u>846,137.96</u>
Total		
Financial assets at amortised cost	65,163.28	349,304.05
Less: Financial liabilities at amortised cost	<u>(1,629,004.29)</u>	<u>(846,137.96)</u>
	<u>(1,563,841.01)</u>	<u>(496,833.91)</u>

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ASIAN LEGAL RESOURCE CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

14. Commitment under an operating lease

At 31 December 2019, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

	<u>2019</u> <u>HK\$</u>	<u>2018</u> <u>HK\$</u>
<u>In respect of land and buildings</u>		
Minimum lease payments under the non-cancellable operating lease for each of the following periods are:		
Not later than one year	10,000.00	40,000.00
Later than one year but within five years	-	10,000.00
	<u>10,000.00</u>	<u>50,000.00</u>
<u>In respect of other assets</u>		
Minimum lease payments under the non-cancellable operating lease for each of the following periods are:		
Not later than one year	34,720.00	13,440.00
Later than one year but within five years	-	34,720.00
	<u>34,720.00</u>	<u>48,160.00</u>

The Association rents a property under an operating lease. The lease typically runs for an initial period of three years, with an option to renew the lease when all terms are renegotiated. Lease payments are payable quarterly in fixed amount. The lease does not include contingent rentals.

The Association also rents an office equipment under an operating lease, the lease period lasted for five years. Lease payments are payable monthly in fixed amounts.

15. Comparative figures

Certain comparative figures have been reclassified to conform with the current year's presentation.

ASIAN LEGAL RESOURCE CENTRE LIMITED**DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2019**

	<u>2019</u> <u>HK\$</u>	<u>2018</u> <u>HK\$</u>
INCOME		
Turnover		
Designated Program Fund (Appendix I)	1,583,227.28	4,328,614.72
Add: Other revenue		
Bank interest income	143.59	498.26
Management / consultancy fee	380,850.40	251,166.89
Donation	602,087.37	88,654.86
Sundry Income	19.50	7,029.91
	<u>983,100.86</u>	<u>347,349.92</u>
	2,566,328.14	4,675,964.64
Less: EXPENDITURE		
Designated Program Expenses (Appendix II)	1,944,541.79	3,809,965.80
General and administrative expenses (Appendix III)	1,444,597.78	940,535.73
DEFICIT FOR THE YEAR	<u>(822,811.43)</u>	<u>(74,536.89)</u>

ASIAN LEGAL RESOURCE CENTRE LIMITED**DETAILED INCOME AND EXPENDITURE ACCOUNT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

	<u>2019</u> <u>HK\$</u>	<u>2018</u> <u>HK\$</u>
Appendix I		
<u>Designated Program Fund</u>		
BROT, Germany:		
- Asia-Europe Dialogue Programme [Project#20140040E]	-	582,630.49
- Awareness Raising and Protection of Human Rights in Asia [Project#N-CHN-2016-0278]	-	1,005,577.25
Misereor Germany	731,788.00	1,363,550.98
May 18 Memorial Foundation South Korea	225,993.18	441,595.51
KIOS Finland	255,942.88	523,457.18
Gwangju HR Peace Foundation South Korea	117,268.22	308,252.32
CIVICUS South Africa	116,935.00	103,550.99
International Bridges to Justice Switzerland	135,300.00	-
	<u>1,583,227.28</u>	<u>4,328,614.72</u>
Appendix II		
<u>Designated Program Expenses</u>		
BROT, Germany		
- Asia-Europe Dialogue Programme [Project#20140040E]	-	353,705.48
Misereor Project #3009001364ZG	792,390.77	1,688,691.89
Geneva Meeting & Photo Exhibition	157,626.42	437,907.91
Sri Lanka Trauma Counseling Program	61,437.19	-
Project to end Torture	117,320.03	311,739.64
KIOS Rohingya Project	576,397.98	340,000.00
Malaysia Rohingya Meeting Expenses	49,966.50	-
IBI Hong Kong Meeting expenses	123,632.30	-
Urgent Appeal Programme	-	338,819.57
	<u>1,878,771.19</u>	<u>3,470,864.49</u>
Internship expenses	<u>65,770.60</u>	<u>339,101.31</u>
	<u>1,944,541.79</u>	<u>3,809,965.80</u>

ASIAN LEGAL RESOURCE CENTRE LIMITED**DETAILED INCOME AND EXPENDITURE ACCOUNT (CONTINUED)**
FOR THE YEAR ENDED 31 DECEMBER 2019

	<u>2019</u>	<u>2018</u>
	<u>HK\$</u>	<u>HK\$</u>
Appendix III		
<u>General and administrative expenses</u>		
Staff salaries	1,078,330.00	512,121.36
Mandatory provident fund	70,426.17	99,751.22
Insurance	(3,719.70)	6,082.34
Hospitalization insurance	-	22,308.92
Staff travel insurance	-	3,116.10
Staff welfare	-	7,799.60
Out-patient medical expenses	-	37,458.69
Employment visa	190.00	760.00
Office rental/ Maintenance	53,590.00	52,850.00
Electricity and water	18,795.20	24,102.60
Cleaning	-	28,558.90
Printing and stationery	13,469.20	14,958.55
Postage and courier service	293.60	1,284.24
Communication	195,256.89	63,115.61
Public relations and refreshments	6.50	73.80
Local travelling	821.60	1,108.80
Bank charges	479.30	3,585.00
Sundry	159.02	-
Audit fee	16,500.00	61,500.00
	<u>1,444,597.78</u>	<u>940,535.73</u>