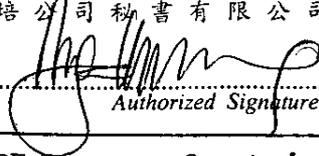


Certified True Copy

For and on behalf of
APF PARTNERS SECRETARIES LIMITED
安培公司秘書有限公司


.....
Authorized Signature(s)

APF Partners Secretaries Limited
Company Secretary

HONG KONG CANCER FUND

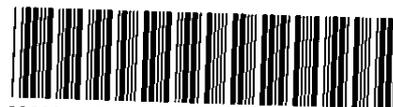
香港癌症基金會

(LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL)

FINANCIAL REPORT

FOR THE YEAR ENDED

31ST MARCH, 2021



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HONG KONG CANCER FUND

香港癌症基金會

(Limited by Guarantee and not having a share capital)

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HONG KONG CANCER FUND

香港癌症基金會

(Limited by Guarantee and not having a share capital)

REPORT OF THE EXECUTIVE COMMITTEE

The Executive Committee presents herewith its report together with the audited financial statements of Hong Kong Cancer Fund (the "Fund") for the year ended 31st March, 2021.

Business review

Financial performance

	2021	2020
	HKS	HKS
Revenue		
Fundraising income	85,299,604	83,602,650
Donations received	14,196,913	21,101,164
	99,496,517	104,703,814
Other revenue	2,013,770	2,850,750
Other net income	4,000,099	2,250
	<u>105,510,386</u>	<u>107,556,814</u>
Expenditure		
Services expenses	61,093,010	73,194,153
Fundraising expenditure	7,173,760	7,894,265
Office administrative expenses and others	10,062,095	10,023,756
	<u>78,328,865</u>	<u>91,112,174</u>
Surplus and total comprehensive income from operation	27,181,521	16,444,640
Government subsidies	5,206,590	-
Increase/(Decrease) in fair value of investments	60,351,209	(11,158,012)
Surplus and total comprehensive income for the year	<u>92,739,320</u>	<u>5,286,628</u>

Total income for the year under review amounted to HKD105.5 million, and total expenditure came to HKD78.3 million, of which we spent HKD61.1 million in services.

We were able to raise our total fundraising income to HKD85.3 million and generated donations of HKD14.2 million.

Services expenses, as mentioned above, was HKD61.1 million representing 78% of total expenditure.

Fundraising expenditure was HKD7.2 million, representing 9.2% of total expenditure.

Management and administration costs amounted to HKD10.1 million representing 12.8% of total expenditure.

In the year under review, we showed separately two non-recurring items of income, being the subsidy payments from the Hong Kong Government amounting to HKD5.2 million and the increase in fair value of investments of HKD60.4 million.

HONG KONG CANCER FUND

香港癌症基金會

(Limited by Guarantee and not having a share capital)

REPORT OF THE EXECUTIVE COMMITTEE

Business review (continued)

Financial performance (continued)

Excluding these two non-recurrent items, the surplus, arising from ordinary income and after deducting ordinary expenses for the year, amounted to HKD27.2 million.

In spite of the disruptions caused by the pandemic, we strived to maintain our free services to the community, where possible, by face to face meetings, above all by telephone and through our online network. Our service expenses were lower compared with the previous year on account of the shut down of many activities and programmes at our centres.

Reserves

Total reserves as at the year end amounted to HKD386.5 million. Details of General and Specific Reserve Funds are set out on page 10 of the financial statements. The objective of the reserve policy is to ensure that in the event of a downturn in revenue, the Fund is able to continue to sustain its programme and services to its existing and future clients.

Fundraising

The Fund does not normally receive any funding from the HKSAR Government, nor does it receive any funding from organisations such as the Community Chest of Hong Kong. Exceptionally, a one off subsidy under the Government Employment Support Scheme was received in the year under review. Income of the Fund is raised by way of donations directly from the community. Our activities were severely affected, firstly by the social unrest and then by the pandemic, with the cancellation of all our flagship events like the Gala, the physical walkathon Stride For A Cure, and others. Our monthly donor programme, the corner stone of our income stream, experienced termination of many memberships on account of the uncertain economic outlook.

In order to sustain our ongoing operations, we are determined to raise funds by other means.

Service centres

With the closure of our centres a large part of the times, our frontline services were offered through our Helpline, online programmes and face to face consultations in person and via online mode.

In July last year, our Wong Tai Sin Centre reopened after renovation.

Events post year end

We are in the process of carrying out a feasibility study to revamp our Donor Database System with the objective of enhancing our fundraising capability, upgrade our donation process and management and improve operation efficiency.

The Hong Kong Jockey Club has approved our proposal to set up an IT platform for the Family-Centred Support Project for Women Cancer Patients and Their Families. The funding covers both capital and programme expenses over a three-year period totalling HKD26.9 million. We plan to commence the project in January 2022.

HONG KONG CANCER FUND

香港癌症基金會

(Limited by Guarantee and not having a share capital)

REPORT OF THE EXECUTIVE COMMITTEE

The future

With the increasing use of online delivery of communication, by way of online face to face consultations, video conferencing, attendances by way of online programmes, dissemination of cancer related information via the internet, we plan to take advantage of the advance in digital and electronic systems to communicate with our clients and to deliver our programmes and information not only within Hong Kong but to other parts of the world. We are very excited with the prospect of being able to widen our reach to users and potential users and their families within Hong Kong and abroad.

Principal activities

The Fund is Hong Kong's largest independent cancer support organisation with the mission to make life better for people touched by cancer. The principal activities of the Fund have been to raise donations/ funding from the public in order to provide free information, professional guidance and peer support to cancer patients and their families; to improve the hospital environment; to drive public awareness of cancer; and to fund cancer research and training for professionals to better cancer treatment and care. The network of support extends from hospitals to the community and to the home.

Members of the Executive Committee

The following are members of the Executive Committee, having served throughout the year except as indicated :

LEE Da Cheng Henry	
LO Kai Leung, Robert	(Co-Chairman)
SMITH Alan Howard	
TSANG Wing Hang Janice	(appointed on 24th September, 2020)
YUEN Siu Tsan Thomas	
YUEN Wei Man Andrew Stephen	(Co-Chairman)
MOK Shu Kam Tony	(resigned on 24th September, 2020)

In accordance with the Fund's Articles of Association, one-third of the executive committee members, or, if their number is not 3 or a multiple of 3, then the number nearest one-third, shall retire at the forthcoming annual general meeting and offers themselves for re-election. All other executive committee members remain in office.

Chief Executive and Senior Management

The Chief Executive Officer, Mrs. Sally Lo, with the senior management personnel is responsible for the day to day operations of the Fund and implementation of the strategic plans, policies and governance as agreed by the Executive Committee.

Mrs. Sally Lo is the wife of the Co-Chairman, Mr. Lo Kai Leung, Robert.

HONG KONG CANCER FUND

香港癌症基金會

(Limited by Guarantee and not having a share capital)

REPORT OF THE EXECUTIVE COMMITTEE

Executive Committee Members interests

At no time during the year was the Fund a party to any arrangements to enable the executive committee members of the Fund to acquire benefits by means of acquisition of shares in or debentures of the Fund or any other body corporate.

Management contracts

No members of the Executive Committee and administration have any contract concerning the management and administration of the whole or any substantial part of the operation of the Fund.

Interest in contracts

Save as disclosed elsewhere, no transactions, arrangements and contract of significance to which the Fund was a party and in which the executive committee members of the Fund had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Permitted indemnity provision

Pursuant to the articles of association of the Fund, every member of the Executive Committee, agent, auditor, secretary and other officer for the time being of the Fund shall be indemnified out of the assets of the Fund against any liability incurred by him in relation of the Fund in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under Companies Ordinance in which relief is granted to him by the courts.

Auditors

The financial statements have been audited by Messrs. Chang Leung Hui & Li C.P.A. Limited, Certified Public Accountants, who retire and being eligible, offer themselves for re-appointment.

On behalf of the Executive Committee

✱ 

LO Kai Leung, Robert
Co-Chairman

HONG KONG, 1st November, 2021

Chang Leung Hui & Li C.P.A. Limited

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TERENCE C. K. LEUNG FCA, FCCA, ACG, CTA, CPA (Practising)
BILLY S. LI BA, CA (CANADA), CTA, CPA (Practising)
EDMOND C. K. LEUNG FCCA, ACG, CTA, CPA (Practising)
PAUL C. Y. TSI BSC, CA, ACA, CTA, CPA (Practising)
JASPER K. M. MA AAIA, ACG, MPAcc, CPA (Practising)

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HONG KONG CANCER FUND

香港癌症基金會

(Incorporated in Hong Kong and limited by guarantee and not having a share capital)

Opinion

We have audited the financial statements of Hong Kong Cancer Fund ("the Fund") set out on pages 8 to 30, which comprise the statement of financial position as at 31st March, 2021, and the statement of comprehensive income, statement of changes in funds 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 Fund as at 31st 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 company 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.

Information other than the financial statements and auditors' report thereon

The executive committee members are responsible for the other information. The other information included in this financial report represents the report of the executive committee, other than the financial statements and our auditors' report.

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

A member of



Independent legal & accounting firms

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF HONG KONG CANCER FUND**

香港癌症基金會

(Incorporated in Hong Kong and limited by guarantee and not having a share capital)

Information other than the financial statements and auditors' report thereon (continued)

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 executive committee members for the financial statements

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

The executive committee members are responsible for overseeing the Fund'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. 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 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.

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF HONG KONG CANCER FUND**

香港癌症基金會

(Incorporated in Hong Kong and limited by guarantee and not having a share capital)

Auditors' responsibilities for the audit of the financial statements (continued)

- 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the executive committee members.
- Conclude on the appropriateness of the executive committee 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 Fund'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 Fund to cease to continue as a going concern.
- 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 executive committee 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.



CHANG LEUNG HUI & LI C.P.A. LIMITED
Certified Public Accountants

Terence Chi Kin Leung
Practising Certificate Number P789

HONG KONG, 1st November, 2021

HONG KONG CANCER FUND

香港癌症基金會

(Limited by Guarantee and not having a share capital)

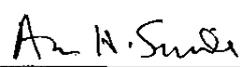
STATEMENT OF FINANCIAL POSITION
AS AT 31ST MARCH, 2021

	Note	2021 HK\$	2020 HK\$
Non-current assets			
Property, plant and equipment	3	4,700,381	4,848,507
Investments	4 & 7	-	4,674,879
		<u>4,700,381</u>	<u>9,523,386</u>
Current assets			
Current investments	4 & 7	347,411,104	245,446,495
Inventories	5	42,916	19,659
Rental and utility deposits		185,221	600,734
Accounts receivable and prepayments	6	3,297,086	3,517,332
Cash and bank balances	7	5,333,804	5,925,047
Time deposits	7	34,050,000	41,886,667
		<u>390,320,131</u>	<u>297,395,934</u>
Less : Current liabilities			
Accounts and other payables		8,497,601	13,159,532
Amount due to The Hong Kong Cancer Fund, Friends of the EORTC Foundation	8	-	378,282
		<u>8,497,601</u>	<u>13,537,814</u>
Net current assets		<u>381,822,530</u>	<u>283,858,120</u>
Net assets		<u>386,522,911</u>	<u>293,381,506</u>
Representing :			
General fund	9	148,154,145	50,937,976
Designated reserve fund	10	100,000,000	100,000,000
Specific funds			
Cancer support services fund	11	110,055,779	113,177,278
Education and prevention services fund	12	10,059,730	10,073,770
Hospital services development fund	13	10,534,248	10,534,248
Cancer research development fund	14	7,719,009	8,658,234
		<u>386,522,911</u>	<u>293,381,506</u>

Approved and authorised for issue by
the executive committee on 1st November, 2021

X

LO Kai Leung, Robert
Member of the
executive committee

X

SMITH Alan Howard
Member of the
executive committee

HONG KONG CANCER FUND

香港癌症基金會

(Limited by Guarantee and not having a share capital)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST MARCH, 2021

		2021	2020
	Note	HKS	HKS
Revenue	15	99,496,517	104,703,814
Other revenue	16	2,013,770	2,850,750
Other net income	17	<u>4,000,099</u>	<u>2,250</u>
		<u>105,510,386</u>	<u>107,556,814</u>
Less : Expenditure			
Services expenses	18	61,093,010	73,194,153
Fundraising expenditure		7,173,760	7,894,265
Office administrative expenses and others		<u>10,062,095</u>	<u>10,023,756</u>
Total expenditure	19	<u>78,328,865</u>	<u>91,112,174</u>
Surplus and total comprehensive income from operation		27,181,521	16,444,640
Government subsidies	20	5,206,590	-
Increase/(Decrease) in fair value of investments		<u>60,351,209</u>	<u>(11,158,012)</u>
Surplus and total comprehensive income for the year		<u>92,739,320</u>	<u>5,286,628</u>
Attributable to :			
General fund		75,091,290	2,369,093
Specific funds			
Cancer support services fund		29,984,215	19,474,995
Education and prevention services fund		(9,312,036)	(12,010,016)
Hospital services development fund		(2,084,924)	(2,821,668)
Cancer research development fund		<u>(939,225)</u>	<u>(1,725,776)</u>
		<u>92,739,320</u>	<u>5,286,628</u>

HONG KONG CANCER FUND

香港癌症基金會

(Limited by Guarantee and not having a share capital)

STATEMENT OF CHANGES IN FUNDS FOR THE YEAR ENDED 31ST MARCH, 2021

	Specific funds						Total funds
	General fund (note 9)	Designated reserve fund (note 10)	Cancer support services fund (note 11)	Education and prevention services fund (note 12)	Hospital services development fund (note 13)	Cancer research development fund (note 14)	
HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	
Balance as at 1st April, 2019	36,504,027	100,000,000	120,792,594	10,286,858	10,519,010	10,145,149	288,247,638
Surplus and total comprehensive income for the year	2,369,093	-	19,474,995	(12,010,016)	(2,821,668)	(1,725,776)	5,286,628
Transfer from Cancer support services fund to general fund	26,746,331	-	(26,746,331)	-	-	-	-
Transfer from general fund to specific funds	(14,681,475)	-	-	11,689,495	2,753,119	238,861	-
Inter-fund transfer	-	-	(191,220)	107,433	83,787	-	-
Switch out from Cancer support services fund	-	-	(152,760)	-	-	-	(152,760)
Balance as at 31st March, 2020	<u>50,937,976</u>	<u>100,000,000</u>	<u>113,177,278</u>	<u>10,073,770</u>	<u>10,534,248</u>	<u>8,658,234</u>	<u>293,381,506</u>
Balance as at 1st April, 2020	50,937,976	100,000,000	113,177,278	10,073,770	10,534,248	8,658,234	293,381,506
Surplus and total comprehensive income for the year	75,091,290	-	29,984,215	(9,312,036)	(2,084,924)	(939,225)	92,739,320
Transfer from the Hong Kong Cancer Fund, Friends of the EORTC Foundation (note 20)	402,085	-	-	-	-	-	402,085
Transfer from Cancer support services fund to general fund	33,105,714	-	(33,105,714)	-	-	-	-
Transfer from general fund to specific funds	(11,382,920)	-	-	9,297,996	2,084,924	-	-
Balance as at 31st March, 2021	<u>148,154,145</u>	<u>100,000,000</u>	<u>110,055,779</u>	<u>10,059,730</u>	<u>10,534,248</u>	<u>7,719,009</u>	<u>386,522,911</u>

HONG KONG CANCER FUND

香港癌症基金會

(Limited by Guarantee and not having a share capital)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH, 2021

	2021	2020
	HK\$	HK\$
Cash flows from operating activities		
Surplus for the year	92,739,320	5,286,628
Adjustments for :		
(Increase)/Decrease in fair value of investments	(60,351,209)	11,158,012
Depreciation	3,535,045	3,121,347
Interest income	(1,387,087)	(2,054,324)
Dividend income from investments	(626,683)	(796,427)
(Gain)/Loss on disposal/redemption of investments	(3,270,169)	374,716
Loss on disposal of property, plant and equipment	194,200	-
Provision for impairment loss on other receivable	486,437	-
Bank interest expenses	-	693
Other receivable written off	41,623	-
	<u>31,361,477</u>	<u>17,090,645</u>
(Increase)/Decrease in:		
Inventories	(23,257)	10,908
Rental and utility deposits	415,513	2,760
Accounts receivable and prepayments	(371,690)	540,369
(Decrease)/Increase in:		
Accounts and other payables	(4,661,931)	2,762,400
Amount due to Hong Kong Cancer Fund, Friends of the EORTC Foundation	-	1,887
	<u>26,720,112</u>	<u>20,408,969</u>
Net cash generated from operating activities	<u>26,720,112</u>	<u>20,408,969</u>
Cash flows from investing activities		
Purchases of investments	(67,969,879)	(108,804,549)
Proceeds from disposal/redemption of investments	34,301,527	88,115,621
Interest received	1,450,963	2,061,017
Purchases of fixed assets	(3,584,199)	(1,351,942)
Dividends received	626,683	796,427
Proceed from disposal of fixed assets	3,080	-
Bank interest expenses	-	(693)
	<u>(35,171,825)</u>	<u>(19,184,119)</u>
Net cash used in investing activities	<u>(35,171,825)</u>	<u>(19,184,119)</u>
Cash flows from financing activities		
Cash transferred from the Hong Kong Cancer Fund, Friends of the EORTC Foundation	23,803	-
	<u>23,803</u>	<u>-</u>
Cash generated from financing activities	<u>23,803</u>	<u>-</u>
Net (decrease)/increase in cash and cash equivalents	(8,427,910)	1,224,850
Cash and cash equivalents at beginning of year	47,811,714	46,586,864
Cash and cash equivalents at end of year	<u>39,383,804</u>	<u>47,811,714</u>
Analysis of the balances of cash and cash equivalents		
Cash and bank balances	5,333,804	5,925,047
Time deposits	34,050,000	41,886,667
	<u>39,383,804</u>	<u>47,811,714</u>

HONG KONG CANCER FUND

香港癌症基金會

(Limited by Guarantee and not having a share capital)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

1. Legal status and corporation information

Hong Kong Cancer Fund (“the Fund”), is incorporated under the Hong Kong Companies Ordinance and is limited by guarantee and not having a share capital. The Fund has been granted with a licence under the Hong Kong Companies Ordinance to register without the addition of “Limited” and the expression in Chinese “有限公司” to its English and Chinese name respectively.

The Fund’s registered office address and place of business are both at 2501, Kinwick Centre, 32 Hollywood Road, Central, Hong Kong. As at 31st March, 2021, the Fund had 4 Support Centres :

- Hong Kong Cancer Fund Women Support Centre (“Women Support Centre – Central”)
- Hong Kong Cancer Fund Support Centre (North Point) (“Support Centre – North Point”)
- Hong Kong Cancer Fund Support Centre (Wong Tai Sin) (“Support Centre – Wong Tai Sin”)
- Hong Kong Cancer Fund Jockey Club Support Centre (Kwai Chung) (“Jockey Club Support Centre – Kwai Chung”)

Hong Kong Cancer Fund Support Centre (Tin Shui Wai) (“Support Centre – Tin Shui Wai”) was closed during the year.

The principal activities of the Fund have been to raise donations/fundings from the public in order to provide free information, professional guidance and peer support to cancer patients and their families; to improve hospital environment; to drive public awareness of cancer; and to fund cancer research and training for better cancer treatment and care. The network of support extends from hospitals to the community and to the home.

Under the provisions of the Fund’s Memorandum and Articles of Association, every member shall, in the event of the Fund being wound up, contribute to the assets of the Fund to the extent of HK\$100 each. As at 31st March, 2021, the Fund had 11 members (2020 – 9 members).

2. Basis of preparation and accounting policies

These financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standard for Private Entities (HKFRS for Private Entities) issued by the Hong Kong Institute of Certified Public Accountants and the Hong Kong Companies Ordinance which concern the preparation of financial statements. They have been prepared under historical cost convention, except that certain investments are stated at their fair value as explained in note 2(d).

The preparation of financial statements in conformity with the 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.

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.

HONG KONG CANCER FUND

香港癌症基金會

(Limited by Guarantee and not having a share capital)

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2021**

2. Basis of preparation and accounting policies (continued)

(a) Property, plant and equipment

Property, plant and equipment are stated in the statement of financial position at cost less accumulated depreciation and impairment losses, if any.

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, on a straight-line basis over their estimated useful lives as follows :

Furniture and fixtures	5 years
Office equipment	5 years
Motor vehicles	5 years
Leasehold improvement	5 years

If there is an indication that there has been a significant change in the depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

(b) Accounts and other receivable

Accounts and other receivable are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of accounts and other receivable is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

(c) Accounts and other payable

Accounts and other payable are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

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2. Basis of preparation and accounting policies (continued)

(d) Financial assets

Financial assets are recognised and measured in accordance with the provisions of both Section 11 “Basic Financial Instruments” and Section 12 “Other Financial Instruments Issues” of the HKFRS for Private Entities.

- (i) Investments in equity securities (non-puttable) are basic financial instruments which initially measured at the transaction price. After initial recognition, the investments are measured at fair value with changes on fair value recognised in profit or loss. If fair value cannot be measured reliably, investments in equity securities are measured at cost less impairment.
- (ii) Investments in bond (non-convertible) and long term certificate of deposit are basic financial instruments and are initially measured at the transaction price. After initial recognition, these investments are measured at amortised cost using effective interest method. At each statement of financial position date, the Fund assesses whether there is any objective evidence that an investment or group of investments is impaired. Any gain and losses are recognised in profit or loss when the investments are impaired as well as through amortisation process.
- (iii) Investments in mutual funds, derivatives and contracts that contain one or more embedded derivatives are categorised as other financial instruments. They are initially measured at fair value, which is normally the transaction price. After initial recognition, the investments are measured at fair value with changes in fair value recognised in profit or loss. If these investments are not publicly traded and whose fair value cannot otherwise be measured reliably, such investments are measured at cost less impairment.

Derecognition of financial assets

Financial asset is derecognised only when:

- the contractual rights to the cash flows from the financial asset expire or are settled, or
- the Fund transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or
- the Fund, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in the entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the Fund shall derecognise the asset, and recognise separately any rights and obligations retained or created in the transfer.

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

2. Basis of preparation and accounting policies (continued)

(d) Financial assets (continued)

The carrying amount of the transferred asset shall be allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. Newly created rights and obligations shall be measured at their fair values at that date. Any difference between the consideration received and the amounts recognised and derecognised are recognised in profit or loss in the period of the transfer.

Fair value

- For investments quoted in an active market, at fair value of an investment is based on the current bid price.
- For investments not quoted in an active market, the Fund establishes the fair value of an investment by using a valuation technique. Valuation techniques include using recent arms' length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instruments that is substantially the same, discounted cash flow analysis and option pricing models.

(e) Cash and cash equivalents

Cash comprises cash on hand and at bank and demand deposits with bank. Cash equivalents are short-term, highly liquid investments that are readily convertible to know amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of statement of cash flows, bank overdrafts which are repayable on demand from an integral part of the Fund's cash management are included as a component of cash and cash equivalents.

(f) Revenue recognition

Revenue arising from transactions and event is recognised in the financial statements when it is probable that economic benefit will flow to the Fund and when the revenue can be measured reliably, on the following bases:

- i) Income from donations is recognised upon receipt of such payments;
- ii) Income from fundraising activities is recognised upon the completion of such functions;
- iii) Dividend income from investments is recognised upon receipt of such dividends;
- iv) Interest income is recognised on a time proportion basis, based on the principal amounts outstanding and at the applicable interest rates, and
- v) Revenue in relation to sales of bonds, funds and listed shares is recognised upon the completion of sales.

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NOTES TO FINANCIAL STATEMENTS
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2. Basis of preparation and accounting policies (continued)

(g) Related parties

For the purpose of these financial statements, related party includes a person and entity as defined below :

- (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 of a parent of the Fund.
- (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) either entity is an associate or joint venture of the other entity (or of a member of a group of which the other entity is a member).
 - (iii) both entities are joint ventures of the same third entity.
 - (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).
 - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services of the Fund.

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.

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**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2021**

2. Basis of preparation and accounting policies (continued)

(h) Foreign currencies

i) Functional and presentation currency

Items included in the financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates (“the functional currency”). The financial statements are presented in Hong Kong dollars, which is the Fund’s functional and presentation currency.

ii) Transactions and balances

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 profit or loss.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss within “finance costs”. All other foreign exchange gains and losses are presented in profit or loss within “other income” or “other expenses”.

(i) Impairment

At each statement of financial position date, the Fund reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, such that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

2. Basis of preparation and accounting policies (continued)

(j) Employee benefits

Obligations for contributions to defined contribution retirement plans, including contributions payable under the Hong Kong Mandatory Provident Fund Schemes Ordinance, are recognised as an expense in the profit or loss as incurred.

The Fund's net obligation in respect of other long term employee benefits and lump sum long service amounts payable on cessation of employment in certain circumstances under the Hong Kong Employment Ordinance is the amount of future benefit that employees have earned in return for their service in the current and prior periods.

Termination benefits are recognised when, and only when, the Fund demonstrably commits itself to terminate employment or to provide benefits as a result of voluntary redundancy by having a detailed formal plan which is without realistic possibility of withdrawal.

(k) Inventory

Inventory is stated at the lower of cost and estimated net realisable value.

Cost, which comprises all costs of purchase and, where applicable, other costs that have been incurred in bringing the inventories to their present location and condition, is calculated using the first in, first out method.

Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

(l) Operating lease

Leases where substantially all the rewards and risks of ownership of assets remain with the lessors are accounted for as operating leases.

Rental receipts and payments (net of incentives) under operating leases are credited and charged to the profit or loss on straight line basis over the years of the respective leases.

Contingent rents are credited or charged as an income or expense in the years in which they are incurred.

(p) Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed.

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	Property, plant and equipment		Cost										Accumulated depreciation				Net book value		
	At 1.4.2020	Additions	Disposal/ written off	Reallocation from Tin Shui Wai to other Centres	At 31.3.2021	At 1.4.2020	Depreciation charge for the year	Written back	Reallocation from Tin Shui Wai to other Centres	At 31.3.2021	At 31.3.2021	At 31.3.2021	At 31.3.2021	At 31.3.2021					
Office equipment																			
Center Fund Head office	6,561,865	214,406	(1,262,922)	741,177	6,254,526	4,859,654	662,791	(1,071,402)	740,753	5,191,796	1,062,730	1,702,211							
Support Centre																			
Wong Tai Sin	1,775,040	485,530	-	5,948	2,266,518	1,521,794	203,933	-	5,832	1,731,559	534,959	253,246							
North Point	828,456	69,468	-	26,612	924,536	747,421	61,048	-	26,612	835,081	89,455	81,035							
Tin Shui Wai	1,071,445	-	-	(1,071,445)	-	1,015,222	52,032	-	(1,067,254)	-	-	56,223							
Women Support Centre																			
Central	191,045	70,215	-	31,638	292,898	99,889	52,252	-	31,638	183,779	109,119	91,156							
Jockey Club Support Centre																			
Kwai Chung	2,717,392	103,882	-	266,070	3,087,344	1,936,586	564,255	-	262,419	2,763,260	324,084	780,806							
	13,145,243	943,501	(1,262,922)	-	12,825,822	10,180,566	1,596,311	(1,071,402)	-	10,705,475	2,120,347	2,964,677							
Furniture and fixtures																			
Center Fund Head office	135,766	28,600	(80,518)	111,528	195,376	133,719	6,587	(80,518)	111,528	171,316	24,060	2,047							
Support Centre																			
Wong Tai Sin	105,507	320,888	(7,860)	93,535	512,070	101,510	68,175	(2,100)	93,535	261,120	250,950	3,997							
North Point	41,414	-	-	560	41,974	38,153	1,757	-	560	40,470	1,504	3,261							
Tin Shui Wai	251,963	-	-	(251,963)	-	251,139	824	-	(251,963)	-	-	824							
Women Support Centre																			
Central	194,237	-	-	580	194,817	112,544	38,847	-	580	151,971	42,846	81,693							
Jockey Club Support Centre																			
Kwai Chung	451,433	9,300	-	45,760	506,493	338,253	92,146	-	45,760	476,159	30,334	113,180							
	1,180,320	358,788	(88,378)	-	1,450,730	975,318	208,336	(82,618)	-	1,101,036	349,694	205,002							

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Property, plant and equipment (continued)	Cost		Accumulated depreciation				Net book value					
	At 1.4.2020	Additions	Disposal/ written off	Reallocation from Tin Shui Wai to other Centres	At 31.3.2021	At 1.4.2020	Depreciation charge for the year	Written back	Reallocation from Tin Shui Wai to other Centres	At 31.3.2021	At 31.3.2021	At 31.3.2020
Household improvement												
Cancer Fund Head office	458,557	-	-	-	458,557	458,557	-	-	-	458,557	-	-
Support Centre												
Wong Tai Sin	368,851	2,270,470	(368,851)	-	2,270,470	368,851	454,094	(368,851)	-	454,094	1,816,376	-
North Point	36,970	-	-	-	36,970	25,349	7,394	-	-	32,743	4,227	11,621
Tin Shui Wai	2,615,220	-	(2,615,220)	-	-	2,615,220	-	(2,615,220)	-	-	-	-
Women Support Centre												
Central	957,372	11,440	-	-	968,812	560,791	193,763	-	-	754,554	214,258	396,581
Arkey Club Support Centre												
Kwai Chung	4,894,488	-	-	-	4,894,488	3,912,608	978,898	-	-	4,891,506	2,982	981,880
Motor vehicles												
Cancer Fund	481,244	-	-	-	481,244	192,498	96,249	-	-	288,747	192,497	288,746
(Total)	9,331,458	2,281,910	(2,984,071)	-	8,629,297	7,941,376	1,634,149	(2,984,071)	-	6,591,454	2,037,843	1,390,082
Cancer Fund Head office												
Support Centre												
Wong Tai Sin	2,249,398	3,076,888	(376,711)	99,483	5,049,058	1,992,155	726,202	(370,951)	99,367	2,446,773	2,602,285	257,243
North Point	906,840	69,468	-	27,172	1,003,480	810,923	70,199	-	27,172	908,294	95,186	95,917
Tin Shui Wai	3,938,628	-	(2,615,220)	(1,323,408)	-	3,881,581	52,856	(2,615,220)	(1,319,217)	-	-	57,047
Women Support Centre												
Central	1,342,654	81,655	-	32,218	1,456,527	773,224	284,862	-	32,218	1,090,304	366,223	569,430
Arkey Club Support Centre												
Kwai Chung	8,063,313	113,182	-	311,830	8,488,325	6,187,447	1,635,299	-	308,179	8,130,925	357,400	1,875,866
(Total)	24,138,265	3,584,199	(4,335,371)	-	23,387,093	19,289,758	3,535,045	(4,138,091)	-	18,686,712	4,700,381	4,848,507

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NOTES TO FINANCIAL STATEMENTS
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4. Investments

		2021	2020
		HK\$	HK\$
Financial assets			
- measured at fair value through profit or loss	(a)	347,411,104	242,174,937
- measured at amortised cost	(b)	<u>-</u>	<u>7,946,437</u>
		347,411,104	250,121,374
Less : non-current portion		<u>-</u>	<u>4,674,879</u>
Current portion		<u>347,411,104</u>	<u>245,446,495</u>

(a) Financial assets measured at fair value through profit or loss

	2021	2020
	HK\$	HK\$
Other financial instruments	347,411,104	242,174,937
Basic financial instruments	<u>-</u>	<u>-</u>
	<u>347,411,104</u>	<u>242,174,937</u>

(b) Financial assets measured at amortised cost

	2021	2020
	HK\$	HK\$
Basic financial instruments	<u>-</u>	<u>7,946,437</u>

During the year, the Fund has committed to invest in four private equity funds for a total sum of US\$1,500,000. Up to the statement of financial position date, a sum of US\$686,213 (2020 : US\$590,703) has been paid.

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**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2021****5. Inventories**

	2021	2020
	HK\$	HK\$
Medical and nutritive products	<u>42,916</u>	<u>19,659</u>

6. Accounts receivable and prepayments

	2021	2020
	HK\$	HK\$
Accounts and other receivable	1,671,390	944,077
Less : provision made	<u>486,437</u>	<u>-</u>
Prepayments	1,184,953	944,077
Interest receivables	2,061,899	2,459,145
	50,234	114,110
	<u>3,297,086</u>	<u>3,517,332</u>

7. Banking facilities

As at 31st March, 2021, part of the Fund's financial assets together with time deposits and cash balances totalling HK\$52,517,775 (2020 : HK\$41,063,786) have been pledged to a bank as securities for general banking facilities granted to the Fund. As at the statement of financial position date, none of the facilities was utilised (2020 : none).

8. Amount due to The Hong Kong Cancer Fund, Friends of the EORTC Foundation

The balance was of the nature of a current account. It was unsecured, interest free and fully settled during the year. Details of the settlement are set out in note 21.

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

9. General fund

General fund represents the unallocated surplus of donations received and dividend/interest income/net gain or loss from investments. It is intended to use to supplement the deficit of the cancer support services fund, education & prevention services fund, hospital services development fund and cancer research development fund.

10. Designated reserve fund

Designated reserve fund has been established by the Executive Committee with the specific purpose of setting aside such sums from surplus funds from time to time to provide for financial stability for the Fund. This Designated Reserve Fund is intended to meet recurrent expenses of the cancer support groups and of the administration office.

11. Cancer support services fund

	Balance held as at	
	31.3.2021	31.3.2020
	HK\$	HK\$
Designated fund for Support Centre – All centres	47,500,000	47,500,000
Designated fund for Support Centre		
– Wong Tai Sin	8,100,000	9,800,000
– North Point	5,200,000	5,200,000
– Tin Shui Wai	-	1,023,535
Designated fund for Jockey Club Support Centre		
– Kwai Chung	6,500,000	9,100,000
Designated fund for Women Support Centre		
– Central	3,400,000	3,800,000
Designated Support Groups fund	20,000,000	20,000,000
Designated Fund for Pink Breast Cancer Services	13,282,586	13,730,809
Designated Fund for Endowment Hardship	2,500,000	2,500,000
Designated Fund for Rainbow Club	1,558,659	-
Designated Fund for Hardship	1,017,648	73,988
Designated Fund for Self Help Group	996,886	-
Designated Fund for Complimentary Therapy	-	448,450
Designated Fund for Food Coupon	-	496
	<u>110,055,779</u>	<u>113,177,278</u>

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**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2021****12. Education and prevention services fund**

	Balance held as at	
	31.3.2021	31.3.2020
	HKS	HKS
Cancer publication reserve	10,000,000	10,000,000
HKCF Booklets	59,730	73,770
	<u>10,059,730</u>	<u>10,073,770</u>

13. Hospital services development fund

	Balance held as at	
	31.3.2021	31.3.2020
	HKS	HKS
Designated hospital service fund	10,000,000	10,000,000
PYNEH equipment	300,000	300,000
Designated fund for Queen Elizabeth Hospital Cancer Case Manager Program	219,010	219,010
NPC Recovery Pack	15,238	15,238
	<u>10,534,248</u>	<u>10,534,248</u>

14. Cancer research development fund

	Balance held as at	
	31.3.2021	31.3.2020
	HKS	HKS
Pink Revolution cancer research fund	4,717,209	4,717,209
Movember	1,730,988	2,321,912
Stride for a Cure cancer research fund	1,270,812	1,619,113
	<u>7,719,009</u>	<u>8,658,234</u>

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

15. Revenue

The Fund is Hong Kong's largest cancer support organisation with the mission to make life better for people touched by cancer. The principal activities of the Fund have been to raise donations/fundings from the public in order to provide free information, professional guidance and peer support to cancer patients and their families; to improve hospital environment; to drive public awareness of cancer; and to fund cancer research and training to better cancer treatment and care. The network of support extends from hospitals to the community and to the home.

Revenue for the year comprises :

	2021	2020
	HKS	HKS
Fundraising income		
Circle of friends	57,369,206	58,096,082
Major gift	13,623,787	11,942,747
Appeal	3,759,825	2,849,088
Pink revolution	2,488,757	3,475,229
Movember income	2,049,277	2,023,809
Stride for a cure	1,697,027	2,748,574
Miscellaneous	4,311,725	2,467,121
	<u>85,299,604</u>	<u>83,602,650</u>
Donations received	<u>14,196,913</u>	<u>21,101,164</u>
	<u>99,496,517</u>	<u>104,703,814</u>

16. Other revenue

	2021	2020
	HKS	HKS
Interest income	1,387,087	2,054,323
Dividend income from investments	<u>626,683</u>	<u>796,427</u>
	<u>2,013,770</u>	<u>2,850,750</u>

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17. Other net income

	2021	2020
	HK\$	HK\$
Gain/(Loss) on disposal/redemption of investments	3,270,169	(374,715)
Sundry income	851,728	540,643
Exchange differences, net	72,402	(163,678)
Loss on disposal of property, plant and equipment	<u>(194,200)</u>	<u>-</u>
	<u>4,000,099</u>	<u>2,250</u>

18. Services expenses

	2021	2020
	HK\$	HK\$
Cancer support services		
Support centres		
- Staffing costs	15,086,946	18,395,903
- Other centres programme and running expenses	8,917,085	10,284,279
	24,004,031	28,680,182
Service Department staffing	14,892,184	14,949,580
Pink Breast cancer services		
- Staffing costs	2,496,365	2,496,365
- Programme expenses	342,965	971,065
	2,839,330	3,467,430
Rainbow Club Staffing	212,000	-
Other cancer support services	2,975,370	5,119,691
Education and prevention services		
Public education campaign and others	5,420,332	7,763,800
Staffing costs	4,506,900	4,649,519
	9,927,232	12,413,319
Hospital services development		
Hospital cancer support services	2,084,924	2,871,668
Cancer research development		
Stride for a Cure cancer research	1,860,775	3,031,714
Movember		
- Staffing costs	1,826,283	1,814,328
- Programme expenses	470,881	846,241
	<u>2,297,164</u>	<u>2,660,569</u>
	<u>61,093,010</u>	<u>73,194,153</u>

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NOTES TO FINANCIAL STATEMENTS
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19. Analysis of total expenditure

Surplus for the year is arrived at after charging the following items :

	Note	Services expenses HK\$	Fundraising expenditure HK\$	Office administrative expenses HK\$	Total HK\$
2021					
Staff costs					
- Salaries, allowances and benefits		37,345,025	3,536,152	3,630,821	44,511,998
- Contribution to defined contribution plan		1,675,653	154,716	147,303	1,977,672
Rental under operating leases		2,756,549	-	2,836,590	5,593,139
Depreciation	2(a) & 3	2,769,418	-	765,627	3,535,045
Auditors' remuneration		-	-	139,000	139,000
2020					
Staff costs					
- Salaries, allowances and benefits		40,416,985	3,617,321	3,536,310	47,570,616
- Contribution to defined contribution plan		1,888,710	154,716	163,223	2,206,649
Rental under operating leases		3,705,248	-	2,999,064	6,704,312
Depreciation	2(a) & 3	2,175,100	-	946,247	3,121,347
Auditors' remuneration		-	-	135,000	135,000

Depreciation, rental under operating leases and staff costs are allocated to the above categories according to the basis determined by the management.

20. Government subsidies

In 2021, the Fund received wage subsidy ("subsidy") of HK\$5,206,590 from the Employment Support Scheme ("ESS") under the Anti-epidemic Fund, set up by the Hong Kong SAR Government. The purpose of the subsidy is to provide financial support to enterprises to retain their employees who would otherwise be made redundant. Under the terms of the ESS, the Fund is required to undertake and warrant that it will not implement redundancies during the subsidy period and to spend all the subsidies on paying wages to the employees.

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21. Transfer from Hong Kong Cancer Fund, Friends of the EORTC Foundation

By an administrative scheme sanctioned by the Court of First Instance on 16th November, 2009, the Hong Kong Cancer Fund, Friends of the EORTC Foundation (“HKCF-FEF”), a public charitable trust, will transfer, assign and pay to the Fund upon trust all its assets and liabilities. The Fund will maintain, conduct and manage the assets in accordance with the provisions of the Memorandum and Articles of Association. Upon completion of the transfer and assignment of all assets and liabilities, HKCF-FEF will be left dormant. The following assets have been transferred from HKCF-FEF to the Fund during the year ended 31st March :

	2021	2020
	HK\$	HK\$
Amount due by Hong Kong Cancer Fund, Limited	378,282	-
Cash and bank balances	<u>23,803</u>	<u>-</u>
	<u>402,085</u>	<u>-</u>
Net cash inflow	<u>23,803</u>	<u>-</u>

22. Taxation

No provision for taxation is required in these financial statements as the Fund is exempt from taxation pursuant to Section 88 of the Hong Kong Inland Revenue Ordinance.

23. Key management personnel compensation

(a) Executive committee members

Disclosure pursuant to section 383 of the Hong Kong Companies Ordinance and Part 3 of the Companies (Disclosure of Information about Benefits of Directors) Regulation as follows :

	2021	2020
	HK\$	HK\$
Fee	-	-
Other emoluments	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

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23. Key management personnel compensation (continued)

(b) Chief Executive and senior management

The Chief Executive Officer, Head of Marketing Communications, Head of Human Resources and Administration, Head of Accounting and Treasury and Head of Services are the key management personnel of the Fund, in addition to the executive committee members. The compensations paid or payable to these key management personnel are as follows :

	2021	2020
	HK\$	HK\$
Salaries, allowances and benefits	5,892,404	5,868,172
Contributions to defined contribution plan	<u>279,456</u>	<u>277,100</u>
	<u>6,171,860</u>	<u>6,145,272</u>

24. Operating lease commitments

At 31st March, 2021, the Fund had minimum rent payable under non-cancellable operating leases in respect of office premise, warehouse and centre premises as follows :

	2021	2020
	HK\$	HK\$
HKCF Head office		
- within one year	2,999,064	537,987
- in the second to fifth year, inclusive	<u>888,026</u>	<u>-</u>
	<u>3,887,090</u>	<u>537,987</u>
Support Centre – Wong Tai Sin		
- within one year	271,872	271,872
- in the second to fifth year, inclusive	<u>-</u>	<u>271,872</u>
	<u>271,872</u>	<u>543,744</u>
Jockey Club Support Centre – Kwai Chung		
- within one year	526,176	526,176
- in the second to fifth year, inclusive	1,997,206	2,104,704
- over five years	<u>-</u>	<u>418,678</u>
	<u>2,523,382</u>	<u>3,049,558</u>
Support Centre – Tin Shui Wai		
- within one year	-	58,000
- in the second to fifth year, inclusive	<u>-</u>	<u>-</u>
	<u>-</u>	<u>58,000</u>

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24. Operating lease commitments (continued)

The Fund rents an office premise and two centre premises under operating lease arrangements. The tenancies run for periods of two to ten years with fixed monthly rental. No contingent rent is incorporated in all of these tenancy arrangements.

On 16th July, 2021, the landlord of HKCF Head office offered the Fund rent concession of HK\$18,428 per month for the remaining period of the lease starting from 1st July, 2021, totalling HK\$175,066.

25. Related party transactions

Except those disclosed in the financial statements elsewhere, the Fund has no significant related party transactions during the year (2020 : Nil).

26. Accounting estimates and judgements

There is no critical accounting judgement in applying the Fund's accounting policies except those disclosed in the financial statements elsewhere.

27. Comparative figures

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