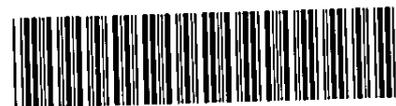


**ASIAN ACADEMY OF INTERNATIONAL  
LAW LIMITED**  
(亞洲國際法律研究院有限公司)  
(incorporated in Hong Kong as a company  
limited by guarantee)

**Executive Council's Report and  
Financial Statements**  
For the year ended 31 March 2021



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**ASIAN ACADEMY OF INTERNATIONAL LAW LIMITED**  
(亞洲國際法律研究院有限公司)

**EXECUTIVE COUNCIL'S REPORT**

The Executive Council presents its report together with the audited financial statements for the year ended 31 March 2021.

**PRINCIPAL ACTIVITY**

The principal activity of the Company is to support learning, research, training and promotion of international law.

**LIABILITY OF MEMBERS**

The Company is incorporated under the Hong Kong Companies Ordinance as a company limited by guarantee and accordingly, has no share capital. The liability of each of the individual member is limited to HK\$100.

**RESULTS**

The financial performance of the Company for the year ended 31 March 2021 and the financial position of the Company as at that date are set out in the financial statements on pages 6 to 15.

**EXECUTIVE COUNCIL MEMBERS**

The Executive Council members of the Company during the year and up to the date of this report are as follows:

CHENG Kar Shun  
Hans Michael JEBSEN  
KI Man Fung Leonie  
NEOH Anthony Francis

In accordance with Article 51 of the Company's Articles of Association, the term of office of an Executive Council member is three years, and a retiring member is eligible for re-election to not more than three further terms of three years.

**ASIAN ACADEMY OF INTERNATIONAL LAW LIMITED**  
**(亞洲國際法律研究院有限公司)**

**EXECUTIVE COUNCIL'S REPORT**

**MANAGEMENT CONTRACTS**

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

**PERMITTED INDEMNITY PROVISIONS**

At no time during the financial year and up to the date of this Report, there was or is any permitted indemnity provision being in force for the benefit of any of the Executive Council members of the Company (whether made by the Company or otherwise) or an associated company (if made by the Company).

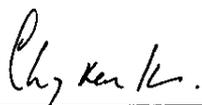
**BUSINESS REVIEW**

No business review is presented for the year ended 31 March 2021 as the Company has been able to claim an exemption under s. 388(3) of the Hong Kong Companies Ordinance (Cap. 622).

**AUDITOR**

A resolution will be proposed at the forthcoming annual general meeting of the Company to re-appoint BDO Limited as auditor.

On behalf of the Executive Council



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CHENG Kar Shun  
Chairperson

Hong Kong, 30 DEC 2021

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF ASIAN ACADEMY OF INTERNATIONAL LAW LIMITED**

**(亞洲國際法律研究院有限公司)**

(incorporated in Hong Kong as a company limited by guarantee)

**Opinion**

We have audited the financial statements of Asian Academy of International Law Limited (the "Company") set out on pages 6 to 15, which comprise the statement of financial position as at 31 March 2021, and the income statement for the year ended 31 March 2021, and notes to the financial statements, including a summary of significant accounting policies.

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

**Basis for Opinion**

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") and with reference to Practice Note 900 (Revised) Audit of Financial Statements Prepared in Accordance with the Small and Medium-sized Entity Financial Reporting Standard issued by the HKICPA. Our responsibilities under those standards are further described in the "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.

**Other Information**

The Executive Council members are responsible for the other information. The other information comprises the information included in the Executive Council's report.

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.



**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF ASIAN ACADEMY OF INTERNATIONAL LAW LIMITED**

**(亞洲國際法律研究院有限公司)**

(incorporated in Hong Kong as a company limited by guarantee)

**Executive Council Members' Responsibilities for the Financial Statements**

The Executive Council members are responsible for the preparation of financial statements in accordance with the SME-FRS issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the Executive Council members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Executive Council members are responsible for assessing the Company'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 Council members either intend to liquidate the Company 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 purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.



**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF ASIAN ACADEMY OF INTERNATIONAL LAW LIMITED**

**(亞洲國際法律研究院有限公司)**

(incorporated in Hong Kong as a company limited by guarantee)

**Auditor's Responsibilities for the Audit of the Financial Statements - Continued**

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Executive Council members.
- conclude on the appropriateness of the Executive Council members' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

BDO Limited  
Certified Public Accountants  
Tam Kwok Yiu  
Practising Certificate Number P02575

Hong Kong, 30 DEC 2021

**ASIAN ACADEMY OF INTERNATIONAL LAW LIMITED**  
(亞洲國際法律研究院有限公司)

**INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2021**

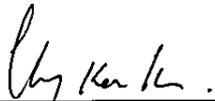
	Note	2021 HK\$	2020 HK\$
Revenue	4	2,857,423	7,830,345
Less: Direct costs		<u>(2,329,217)</u>	<u>(5,391,365)</u>
		528,206	2,438,980
Other revenue	5	216,093	6,079
Administrative expenses		<u>(2,682,259)</u>	<u>(2,160,403)</u>
<b>(Deficit)/surplus before income tax</b>	6	(1,937,960)	284,656
Income tax expense	8	<u>-</u>	<u>-</u>
<b>(Deficit)/surplus for the year</b>		<u><u>(1,937,960)</u></u>	<u><u>284,656</u></u>

**ASIAN ACADEMY OF INTERNATIONAL LAW LIMITED**  
(亞洲國際法律研究院有限公司)

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2021**

	Note	2021 HK\$	2020 HK\$
<b>Non-current assets</b>			
Plant and equipment	9	<u>467,568</u>	<u>51,430</u>
<b>Total non-current assets</b>		<u>467,568</u>	<u>51,430</u>
<b>Current assets</b>			
Deposits and prepayments	10	4,142,399	93,000
Cash at bank	11	<u>8,091,830</u>	<u>3,188,601</u>
<b>Total current assets</b>		<u>12,234,229</u>	<u>3,281,601</u>
<b>Total assets</b>		<u>12,701,797</u>	<u>3,333,031</u>
<b>Current liabilities</b>			
Other payables and accruals	12	112,900	58,500
Deferred revenue		<u>11,852,400</u>	<u>600,074</u>
<b>Total current liabilities</b>		<u>11,965,300</u>	<u>658,574</u>
<b>Net current assets</b>		<u>268,929</u>	<u>2,623,027</u>
<b>NET ASSETS</b>		<u>736,497</u>	<u>2,674,457</u>
Representing:			
<b>FUNDS</b>	13	<u>736,497</u>	<u>2,674,457</u>

On behalf of the Executive Council

  
\_\_\_\_\_  
CHENG Kar Shun  
Executive Council member

  
\_\_\_\_\_  
Hans Michael JEBSEN  
Executive Council member

**ASIAN ACADEMY OF INTERNATIONAL LAW LIMITED**  
(亞洲國際法律研究院有限公司)  
**NOTES TO THE FINANCIAL STATEMENTS**  
**31 MARCH 2021**

**1. GENERAL**

Asian Academy of International Law Limited (the “Company”) is a company limited by guarantee incorporated in Hong Kong. Its registered office is located at Unit 13B, Hang Lung House, 184-192 Queen’s Road Central, Hong Kong.

The principal activity of the Company is to support learning, research, training and promotion of international law.

Each member of the Company undertakes to contribute an amount not exceeding HK\$100 to the assets of the Company in the event of its being wound up. The Company had 4 (2020: 4) members up to the date of this report.

**2. BASIS OF PREPARATION**

**(a) Statement of compliance**

The Company qualifies under section 359 of the Hong Kong Companies Ordinance (Cap. 622) to prepare and present its financial statements in accordance with the Small and Medium-sized Entity Financial Reporting Standard (“SME-FRS”) issued by the Hong Kong Institute of Certified Public Accountants.

**(b) Basis of measurement**

The financial statements have been prepared under the historical cost basis.

**(c) Functional and presentation currency**

The financial statements are presented in Hong Kong dollars (“HK\$”), which is the functional currency of the Company.

**3. SIGNIFICANT ACCOUNTING POLICIES**

**(a) Recognition of revenue**

Sponsorships and donations for general purposes are recognised as revenue in the period when the right to receive payment is established.

Sponsorships and donations for specific purposes are initially recorded as deferred revenue and is released to the income statement when the related expenditure is incurred.

Event registration income is recognised as revenue in the period when the event or function is held.

Interest income is recognised on a time proportion basis taking into account of the principal outstanding and the applicable interest rate.

**ASIAN ACADEMY OF INTERNATIONAL LAW LIMITED**  
(亞洲國際法律研究院有限公司)  
**NOTES TO THE FINANCIAL STATEMENTS**  
**31 MARCH 2021**

**3. SIGNIFICANT ACCOUNTING POLICIES - Continued**

**(a) Recognition of revenue - Continued**

Government grants are recognised in the statement of financial position initially when there is reasonable assurance that they will be received and that the Company will comply with the conditions attaching to them.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in income statement in the period in which they become receivable and are recognised as other revenue, rather than reducing the related expense.

**(b) Foreign currency**

Transactions entered into by the Company in currencies other than the currency of the primarily economic environment in which it operates (the “functional currency”) are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the end of the reporting period in which they arise.

**(c) Plant and equipment**

Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The depreciable amount of an item of plant and equipment is allocated on a systematic basis over its estimated useful life using the straight-line method. The principal annual rates used for depreciation are as follows:

Leasehold improvements	Over the lease term or 5 years, whichever is shorter
Office equipment	20%

**(d) Employee benefits**

Short term employee benefits

Short term employee benefits are employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. Short term employee benefits are recognised in the year when the employees render the related service.

Defined contribution retirement plan

Contributions to defined contribution retirement plans are recognised as an expense when the services are rendered by the employees.

**ASIAN ACADEMY OF INTERNATIONAL LAW LIMITED**  
(亞洲國際法律研究院有限公司)  
**NOTES TO THE FINANCIAL STATEMENTS**  
**31 MARCH 2021**

**3. SIGNIFICANT ACCOUNTING POLICIES - Continued**

**(e) Leasing**

A lease is classified as finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rents payable under operating leases are recognised in the income statement on a straight-line basis over the lease term. Lease incentives received are recognised as an integrated part of the total rental expense, over the term of the lease.

**(f) Related parties**

(a) A person or a close member of that person's family is related to the Company if that person:

- (i) has control or joint control over the Company;
- (ii) has significant influence over the Company; or
- (iii) is a member of the key management personnel of the Company or its parent.

(b) An entity is related to the Company if any of the following conditions apply:

- (i) The entity and the Company are members of the same group.
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of the employees of the Company or an entity related to the Company.
- (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 to the Company.

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 and include:

- (i) that person's children and spouse or domestic partner;
- (ii) children of that person's spouse or domestic partner; and
- (iii) dependents of that person or that person's spouse or domestic partner.

**ASIAN ACADEMY OF INTERNATIONAL LAW LIMITED**  
**(亞洲國際法律研究院有限公司)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**31 MARCH 2021**

**3. SIGNIFICANT ACCOUNTING POLICIES - Continued**

**(g) Impairment of assets**

An assessment is made at the end of each reporting period to determine whether there is any indication of impairment or reversal of previous impairment. In the event that an asset's carrying amount exceeds its recoverable amount, the carrying amount is reduced to the recoverable amount and an impairment loss is recognised in the income statement.

**(h) Provisions and contingent liabilities**

Provisions are recognised for liabilities of uncertain timing or amount when the Company has a legal or constructive obligation arising as a result of a past event, which will probably result in an outflow of economic benefits that can be reasonably estimated.

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

**4. REVENUE**

	2021 HK\$	2020 HK\$
Event registration income	-	221,400
Sponsorships/donations	2,857,423	7,608,945
	<u>2,857,423</u>	<u>7,830,345</u>

**ASIAN ACADEMY OF INTERNATIONAL LAW LIMITED**  
**(亞洲國際法律研究院有限公司)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**31 MARCH 2021**

**5. OTHER REVENUE**

	2021 HK\$	2020 HK\$
Bank interest income	93	6,079
Government grants (Note)	<u>216,000</u>	<u>-</u>
	<u><u>216,093</u></u>	<u><u>6,079</u></u>

Note:

Under the Employment Support Scheme of the Hong Kong SAR Government, the Company had to commit to spend the grants on payroll expenses, and not reduce employee head count below prescribed levels for a specified period of time. The Company does not have other unfulfilled obligations relating to the grants.

**6. (DEFICIT)/SURPLUS BEFORE INCOME TAX**

(Deficit)/surplus before income tax is arrived at after charging:

	2021 HK\$	2020 HK\$
Event expenses recognised as direct costs	2,329,217	5,391,365
Auditor's remuneration	65,000	50,000
Depreciation	123,406	15,497
Operating lease rental on office premises	279,000	248,000
Employee costs:	1,778,928	1,445,663
Salaries, allowance and other benefits	<span style="border: 1px solid black;">1,715,882</span>	<span style="border: 1px solid black;">1,388,586</span>
Contributions to Hong Kong Mandatory Provident Fund	<span style="border: 1px solid black;">63,046</span>	<span style="border: 1px solid black;">57,077</span>

**7. EXECUTIVE COUNCIL MEMBERS' EMOLUMENTS**

During the year, no emolument was paid or payable to the Executive Council members who are also the key management personnel of the Company (2020: Nil).

**8. INCOME TAX EXPENSE**

The Company is exempted from payment of Hong Kong Profits Tax by virtue of Section 88 of the Inland Revenue Ordinance.

**ASIAN ACADEMY OF INTERNATIONAL LAW LIMITED**  
**(亞洲國際法律研究院有限公司)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**31 MARCH 2021**

**9. PLANT AND EQUIPMENT**

	Leasehold improvements HK\$	Office equipment HK\$	Total HK\$
<b>Cost</b>			
At 1 April 2019	-	42,289	42,289
Additions during the year	-	35,196	35,196
At 31 March 2020 and 1 April 2020	-	77,485	77,485
Additions during the year	491,349	48,195	539,544
At 31 March 2021	491,349	125,680	617,029
<b>Accumulated depreciation</b>			
At 1 April 2019	-	10,558	10,558
Charge for the year	-	15,497	15,497
At 31 March 2020 and 1 April 2020	-	26,055	26,055
Charge for the year	98,270	25,136	123,406
At 31 March 2021	98,270	51,191	149,461
<b>Net book value</b>			
At 31 March 2021	393,079	74,489	467,568
At 31 March 2020	-	51,430	51,430

**10. DEPOSITS AND PREPAYMENTS**

	2021 HK\$	2020 HK\$
Rental deposits	-	62,000
Prepayments	4,142,399	31,000
	4,142,399	93,000

**ASIAN ACADEMY OF INTERNATIONAL LAW LIMITED**  
**(亞洲國際法律研究院有限公司)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**31 MARCH 2021**

**11. CASH AT BANK**

	<b>2021</b>	<b>2020</b>
	<b>HK\$</b>	<b>HK\$</b>
Time deposit with original maturity less than three months when acquired	2,000,000	-
Bank balances	<u>6,091,830</u>	<u>3,188,601</u>
	<u><u>8,091,830</u></u>	<u><u>3,188,601</u></u>

As at 31 March 2021, the Company's bank deposits with original maturity within three months at placement earned interest at bank deposit rates of 0.05% per annum.

**12. OTHER PAYABLES AND ACCRUALS**

	<b>2021</b>	<b>2020</b>
	<b>HK\$</b>	<b>HK\$</b>
Unspent donations	-	600,074
Accruals	<u>112,900</u>	<u>58,500</u>
	<u><u>112,900</u></u>	<u><u>658,574</u></u>

**13. FUNDS**

	<b>HK\$</b>
Balance at 1 April 2019	2,389,801
Surplus for the year	<u>284,656</u>
Balance at 31 March 2020 and 1 April 2020	2,674,457
Deficit for the year	<u>(1,937,960)</u>
Balance at 31 March 2021	<u><u>736,497</u></u>

**ASIAN ACADEMY OF INTERNATIONAL LAW LIMITED**  
**(亞洲國際法律研究院有限公司)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**31 MARCH 2021**

**14. RELATED PARTY TRANSACTIONS**

In addition to the transactions and balances detailed elsewhere in these financial statements, the Company had the following transactions with related parties:

Related party relationship	Note	Type of transaction	2021 HK\$	2020 HK\$
A company controlled by a director of the Company	(i)	Donation income	-	5,100,000
A company controlled by directors of the Company	(ii)	Donation income	1,124,720	-

Note:

- (i) CHENG Kar Shun, a director of the Company, is also a director of the related company.
- (ii) CHENG Kar Shun, Hans Michael JEBSEN and KI Man Fung Leonie, directors of the Company, are also directors of the related company.

**15. OPERATING LEASE**

The Company had the following total future minimum lease payments payable under non-cancellable operating leases:

	2021 HK\$	2020 HK\$
Within one year	<u>-</u>	<u>248,000</u>

During the year, an office was provided by the Hong Kong SAR Government under a five-year operating lease from 8 October 2020 to 7 October 2025, at annual rent of HK\$1 (if demanded).

**16. APPROVAL OF FINANCIAL STATEMENTS**

The financial statements were approved and authorised for issue by the Executive Council on **30 DEC 2021**