



CCP C.P.A. LIMITED
永新會計師事務所有限公司

HONG KONG SOCIETY OF CLINICAL CHEMISTRY
香港臨床生化學會

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2009

Certified by:-

Judy Lai
LAI PO SHAN Judy
HON. SECRETARY,
HKSCC

HONG KONG SOCIETY OF CLINICAL CHEMISTRY

REPORT OF THE COUNCIL MEMBERS

The Council members of the Society have pleasure in presenting their report together with the audited financial statements for the year ended September 30, 2009.

RESULTS

The results of the Society for the year ended September 30, 2009 and the state of the Society's affairs at that date are set out in the financial statements.

PRINCIPAL ACTIVITIES

The principal activities of the Society have not changed during the year and consisted of the advancement, furthering the study of clinical chemistry and the improvement of clinical chemistry service to health and medicine.

COUNCIL MEMBERS

The Council members of the Society during the year and up to the date of this report:-

- / Dr. CHIU Wai Kwun, Rossa
- / Prof. LO Yuk Ming, Dennis
- / Dr. LEE Sai Kit, Joseph
- / Dr. CHAN Kwan Chee
- / Ms. LAI Po Shan, Judy
- Prof. LAM Wai Kei
- Ms. LO Man Har
- / Dr. CHAN Ho Ming
- / Dr. HO Chung Shun
- / Ms. IU Yan Ping
- / Mr. LAW Lap Kay
- / Mr. LEE Hon Kit
- / Ms. LIT Choi Wan
- / Ms. SUM Man May Anna
- / Mr. LO Yun Chuen

HONG KONG SOCIETY OF CLINICAL CHEMISTRY

REPORT OF THE COUNCIL MEMBERS (CONTINUED)

COUNCIL MEMBERS (CONTINUED)

In accordance with the Articles of Association, all officers shall be elected at the AGM (with election) and shall at the end of their term of office be eligible for re-election provided always that:

- (a) The President shall hold office for only one term and shall not be eligible for re-election to the same office for a consecutive term;
- (b) The Vice-President shall hold office for only one term and shall automatically stand for election to the office of President of the Council for the following term; and
- (c) The Secretary and Treasurer may each hold the same office, subject to re-election in the meantime, for 2 consecutive terms but shall not be eligible for re-election to the same office for a third consecutive term.

INTERESTS OF MEMBERS OF THE COUNCIL

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

No contracts of significance to which the Society was a party and in which the Council member had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

MANAGEMENT CONTRACTS

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

AUDITORS

A resolution for the reappointment of Messrs. CCP C.P.A. Limited as auditors of the Society is to be proposed at the forthcoming annual general meeting.

On behalf of the Council


Council member

Hong Kong, December 1, 2009

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF HONG KONG SOCIETY OF CLINICAL CHEMISTRY**

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

We have audited the financial statements of Hong Kong Society Of Clinical Chemistry set out on pages 5 to 15 which comprise the balance sheet as at September 30, 2009, and the income statement, statement of changes in society's fund and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Council members' responsibility for the financial statements

The Council members are responsible for the preparation and the true and fair presentation of these financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with section 141 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. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and true and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

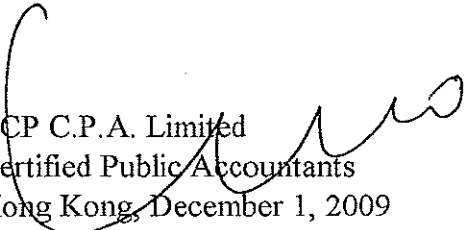
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF HONG KONG SOCIETY OF CLINICAL CHEMISTRY

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

Opinion

In our opinion, the financial statements give a true and fair view of the state of the Society's affairs as at September 30, 2009 and of its deficit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the Hong Kong Companies Ordinance.



CCP C.P.A. Limited
Certified Public Accountants
Hong Kong, December 1, 2009

Tony Wai Sun Cheung
Director
Practising Certificate Number P03084

HONG KONG SOCIETY OF CLINICAL CHEMISTRY

INCOME STATEMENT

FOR THE YEAR ENDED SEPTEMBER 30, 2009

	<u>Note</u>	<u>2009</u> HK\$	<u>2008</u> HK\$
INCOME	3(c)		
Membership fee		7,720	126,907
Sponsorship		148,000	257,906
Bank interest income		21,199	59,641
Exchange gain		3,784	-
Lecture and workshop		25,350	68,575
Gain on disposal of investments available for sale		-	-
Application fee		4,089	3,400
		<u>210,142</u>	<u>516,429</u>
LESS: ADMINISTRATIVE AND OPERATING EXPENSES			
Award, certificate for CE, book prize		36,996	69,048
Auditors' remuneration		4,500	4,500
Bank charges		1,110	985
Cost of seminar		229,876	440,793
Proceeding and secretarial charges		21,605	21,605
Refreshment		172	515
Repairs and maintenance		3,000	3,000
Subscription		3,061	2,883
		<u>300,320</u>	<u>543,329</u>
DEFICIT BEFORE TAXATION		(90,178)	(26,900)
TAXATION	4	-	-
DEFICIT FOR THE YEAR		(90,178)	(26,900)
ACCUMULATED SURPLUS BROUGHT FORWARD		<u>2,043,826</u>	<u>2,070,726</u>
ACCUMULATED SURPLUS CARRIED FORWARD		<u>1,953,648</u>	<u>2,043,826</u>

The accompanying notes form an integral part of these financial statements.

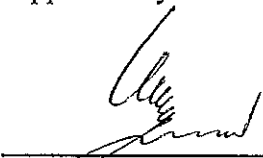
HONG KONG SOCIETY OF CLINICAL CHEMISTRY

BALANCE SHEET

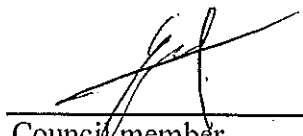
AS AT SEPTEMBER 30, 2009

	<u>2009</u> HK\$	<u>2008</u> HK\$
CURRENT ASSETS		
Prepayment	7,000	14,400
Cash at bank	<u>1,951,148</u>	<u>2,033,926</u>
	<u>1,958,148</u>	<u>2,048,326</u>
CURRENT LIABILITIES		
Accruals	<u>4,500</u>	<u>4,500</u>
	<u>4,500</u>	<u>4,500</u>
NET ASSETS		
	<u><u>1,953,648</u></u>	<u><u>2,043,826</u></u>
REPRESENTED BY:-		
SOCIETY'S FUNDS		
Accumulated surplus	<u><u>1,953,648</u></u>	<u><u>2,043,826</u></u>

Approved by the Board of Council members:-



 Council member



 Council member

HONG KONG SOCIETY OF CLINICAL CHEMISTRY

STATEMENT OF CHANGES IN SOCIETY'S FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Accumulated <u>surplus</u> HK\$	<u>Total</u> HK\$
At October 1, 2007	2,070,726	2,070,726
Deficit for the year	<u>(26,900)</u>	<u>(26,900)</u>
At September 30, 2008	2,043,826	2,043,826
Deficit for the year	<u>(90,178)</u>	<u>(90,178)</u>
At September 30, 2009	<u>1,953,648</u>	<u>1,953,648</u>

HONG KONG SOCIETY OF CLINICAL CHEMISTRY

CASH FLOW STATEMENT

FOR THE YEAR ENDED SEPTEMBER 30, 2009

	<u>2009</u> HK\$	<u>2008</u> HK\$
OPERATING ACTIVITIES		
Deficit before taxation	(90,178)	(26,900)
Interest income	<u>(21,199)</u>	<u>(59,641)</u>
Operating cash flows before movements in working capital	(111,377)	(86,541)
Changes in:		
Prepayment	<u>7,400</u>	<u>13,600</u>
NET CASH USED IN OPERATING ACTIVITIES	<u>.....(103,977)</u>	<u>.....(72,941)</u>
INVESTING ACTIVITIES		
Interest received	<u>21,199</u>	<u>59,641</u>
NET CASH FROM INVESTING ACTIVITIES	<u>.....21,199</u>	<u>.....59,641</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(82,778)	(13,300)
CASH AND CASH EQUIVALENTS AT OCTOBER 1, 2008	<u>2,033,926</u>	<u>2,047,226</u>
CASH AND CASH EQUIVALENTS AT THE END OF SEPTEMBER 30, 2009	<u><u>1,951,148</u></u>	<u><u>2,033,926</u></u>
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Cash and bank	<u><u>1,951,148</u></u>	<u><u>2,033,926</u></u>

HONG KONG SOCIETY OF CLINICAL CHEMISTRY

NOTES TO THE FINANCIAL STATEMENTS

1. STATUS OF SOCIETY

The Society is a society incorporated in Hong Kong with liability limited by guarantee. According to the Memorandum of Association, the liability of every member of the Society shall be limited to HK\$100. The addresses of the registered office and principal place of business of the society are Room 2301-6, 23/F., Nan Fung Tower, 173 Des Voeux Road Central, Hong Kong.

The financial statements are presented in Hong Kong dollars, which is the same as the functional currency of the society.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention.

2.2 ADOPTION OF NEW AND REVISED OF HONG KONG FINANCIAL REPORTING STANDARDS

The Society has adopted all the new and revised Standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") that are relevant to its operations and effective for the current reporting period. The application of these new and revised Standards have had no material impact on how financial instruments of the Society are presented for current and prior accounting periods.

3. SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies adopted by the Society is set out below.

(a) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the income statement because it excludes items of income and expenses that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The society's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

HONG KONG SOCIETY OF CLINICAL CHEMISTRY

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Taxation (continued)

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statement and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill (or negative goodwill) or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

(b) Financial instruments

Financial assets and financial liabilities are recognized on the balance sheet when a society becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

(i) Financial assets

The society's financial assets are classified into one category, loans and receivables. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. The accounting policies adopted in respect of each category of financial assets are set out below.

HONG KONG SOCIETY OF CLINICAL CHEMISTRY

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Financial instruments (continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At each balance sheet date subsequent to initial recognition, loans and receivables (including prepayment and cash at bank) are carried at amortised cost using the effective interest method, less any identified impairment losses. An impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. Impairment losses are reversed in subsequent periods when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

(ii) Financial liabilities and equity

Financial liabilities and equity instruments issued by a Society are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the Society after deducting all of its liabilities. The Society's financial liabilities are generally classified into financial liabilities at fair value through profit or loss and other financial liabilities. The accounting policies adopted in respect of financial liabilities and equity instruments are set out below.

Other financial liabilities

Other financial liabilities including accruals, are subsequently measured at amortised cost, using the effective interest rate method.

Equity instruments

Equity instruments issued by the Society are recorded at the proceeds received, net of direct issue costs.

HONG KONG SOCIETY OF CLINICAL CHEMISTRY

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Revenue recognition

Income in respect of membership fee, sponsorship and lecture and workshop are recognised when they are received and receivable.

Bank interest income is recognised on a time proportion basis, taking into account the principal amounts outstanding and the interest rates applicable.

(d) Impairment losses

At each balance sheet date, the Society reviews the carrying amounts of its tangible 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. An impairment loss is 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, but so 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.

(e) Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents are short-term highly liquid investments which are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Society's cash management.

For the purpose of the balance sheet, cash and cash equivalents comprise cash at banks, including term deposits, which are not restricted as to use.

(f) Foreign exchange

Foreign currency transactions are converted at the exchange rate applicable at the transaction date. Foreign currency monetary items are translated into Hong Kong Dollars using exchange rates applicable at the balance sheet date. Gains and losses on foreign exchange are recognised in the income statement.

HONG KONG SOCIETY OF CLINICAL CHEMISTRY

NOTES TO THE FINANCIAL STATEMENTS

4. TAXATION

No provision for Hong Kong Profits tax has been made as in the opinion of the Council members, the Society has no assessable profit during the year.

No provision for deferred tax has been made as there is no temporary differences.

5. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the balance sheet date are as follows:

Financial assets	Loans and receivables	
	<u>2009</u>	<u>2008</u>
	HK\$	HK\$
Prepayment	7,000	14,400
Cash at bank	<u>1,951,148</u>	<u>2,033,926</u>
	<u>1,958,148</u>	<u>2,048,326</u>
Financial liabilities	Financial liabilities at amortised cost	
	<u>2009</u>	<u>2008</u>
	HK\$	HK\$
Accruals	<u>4,500</u>	<u>4,500</u>

6. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Society's major financial instruments include prepayment, cash at bank and accruals. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

HONG KONG SOCIETY OF CLINICAL CHEMISTRY

NOTES TO THE FINANCIAL STATEMENTS

6. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) Foreign currency risk

Foreign currency risk refers to the risk that movement in foreign currency exchange rate which will affect the Society's financial results and its cash flows. The Society carries out majority of its transactions in United States dollars. The Society currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arises.

(b) Liquidity risk

The Society is exposed to minimal liquidity risk as the Society closely monitors its cash flow position.

The maturity profile of the Society's financial liabilities as at the balance sheet date, based on the contracted undiscounted payments, was as follows:

	2009				
	On demand	Less than 3 months	3 to less than 12 months	1 to 5 years	Total
	HK\$	HK\$	HK\$	HK\$	HK\$
Accruals	-	-	4,500	-	4,500

	2008				
	On demand	Less than 3 months	3 to less than 12 months	1 to 5 years	Total
	HK\$	HK\$	HK\$	HK\$	HK\$
Accruals	-	-	4,500	-	4,500

(c) Capital management

The primary objective of the Society's capital management is to safeguard the Society's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholder value.

The Society manages its capital structure and makes adjustments to it, in light of changes in economic conditions. No changes were made in the objectives, policies or processes during the year ended September 30, 2009 and September 30, 2008.

HONG KONG SOCIETY OF CLINICAL CHEMISTRY

NOTES TO THE FINANCIAL STATEMENTS

6. **FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)**

(c) Capital management (continued)

The Society monitors capital using a gearing ratio, which is net debt divided by the total capital plus net debt. Net debt includes accruals. Capital includes equity attributable to equity holders of the Society. The gearing ratios as at the balance sheet dates were as follows:

	<u>2009</u> HK\$	<u>2008</u> HK\$
Accruals	4,500	4,500
Less: Cash and cash equivalents	<u>1,951,148</u>	<u>2,033,926</u>
Net debt	<u>(1,946,648)</u>	<u>(2,029,426)</u>
Equity attributable to equity holders	<u>1,953,648</u>	<u>2,043,826</u>
Capital and net debt	<u>7,000</u>	<u>14,400</u>
Gearing ratio	<u>N/A</u>	<u>N/A</u>

7. **CONTINGENT LIABILITIES AND COMMITMENTS**

At September 30, 2009, the Society had no significant contingent liabilities or commitments.

8. **APPROVAL OF FINANCIAL STATEMENTS**

These financial statements were authorised for issue by the Society Board of Council members on December 1, 2009.

*** END ***