

**EQUAL JUSTICE LIMITED**  
**(Incorporated in Hong Kong and limited by guarantee)**

**REPORTS AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD FROM 20 DECEMBER 2019**  
**(DATE OF INCORPORATION) TO 31 DECEMBER 2020**

**EQUAL JUSTICE LIMITED**

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FOR THE PERIOD FROM 20 DECEMBER 2019  
(DATE OF INCORPORATION) TO 31 DECEMBER 2020**

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**DIRECTORS' REPORT**

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The directors have pleasure in presenting their report together with the audited financial statements of the company for the period from 20 December 2019 (date of incorporation) to 31 December 2020.

**FINANCIAL STATEMENTS**

The financial performance for the period is set out in the statement of income and general fund on page 4.

The financial position of the company at 31 December 2020 is set out in the statement of financial position on page 5.

The cash flows of the company for the period are set out in the statement of cash flows on page 6.

**PRINCIPAL ACTIVITIES**

The principal activities of the company are for the relief of poverty of underserved communities by improving their access to legal information and support services and thus, help resolve their legal issues and, thereby improve their health and social welfare and alleviate their financial difficulties.

**DIRECTORS**

The directors during the period and up to the date of this report were:

Janet Mary McAlpine (appointed on 20 December 2019)

Kay McArdle (appointed on 20 December 2019)

All existing directors continue to hold office.

**PERMITTED INDEMNITY PROVISIONS**

The company's Articles provide that a director or former director of the company may be indemnified out of the company's assets against any liability incurred by the director to a person other than the company in connection with any negligence, default, breach of duty or breach of trust in relation to the company.

During the period, the company has entered into contract with an insurance company to provide public liability insurance for the directors.


**DIRECTORS' INTERESTS IN CONTRACTS**

No contracts of significance, to which the company was a party and in which a director of the company had material interest, subsisted at the end of the period or at any time during the period.

**AUDITORS**

The auditors, Messrs. William Po & Co., Certified Public Accountants, retire and, being eligible, offer themselves for re-appointment.

On behalf of the Board



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Kay McArdle  
Director  
13 April 2021

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
EQUAL JUSTICE LIMITED  
(Incorporated in Hong Kong and limited by guarantee)****Opinion**

We have audited the financial statements of Equal Justice Limited ("the company") set out on pages 4 to 8, which comprise the statement of financial position as at 31 December 2020, the statement of income and general fund and the statement of cash flows for the period from 20 December 2019 (date of incorporation) to 31 December 2020 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 company as at 31 December 2020, and of its financial performance and its cash flows for the period from 20 December 2019 (date of incorporation) to 31 December 2020 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.

**Other Information**

The directors are responsible for the other information. The other information comprises the information included in the directors' report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Directors and Those Charged with Governance for the Financial Statements**

The directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRS for Private Entities issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the directors' determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
EQUAL JUSTICE LIMITED - CONTINUED  
(Incorporated in Hong Kong and limited by guarantee)**

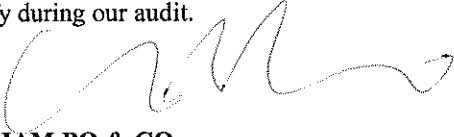
**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's 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 HKSA's, 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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.
- 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 those charged with governance 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.



**WILLIAM PO & CO.**  
**Certified Public Accountants**  
Hong Kong, 13 April 2021

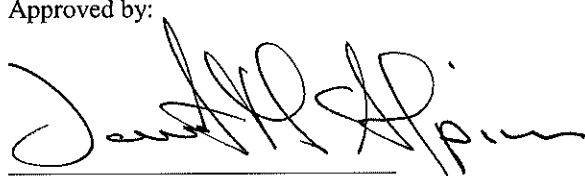
**STATEMENT OF INCOME AND GENERAL FUND  
FOR THE PERIOD FROM 20 DECEMBER 2019 (DATE OF INCORPORATION)  
TO 31 DECEMBER 2020**

	2020 HK\$
<b>Income</b>	
Grants from Foundations and Trusts	612,050
Grants from Corporations	123,216
General donations	23,383
Interest income	2
	<u>758,651</u>
<b>Less: Expenditure</b>	
<b>Programme expenses</b>	
Client medical expenses	180
Client travel - local	1,040
Cost of seconded staff	349,587
Government and consulate fees	4,300
Home country support	1,327
Meeting expenses	1,086
Professional fee	418
Publication	740
Translation	2,343
Team welfare and training	1,589
	<u>362,610</u>
<b>General expenses</b>	
Accounting fee	63,000
Advertising	1,073
Audit fee	16,300
Bank charges	2,766
Company secretarial fee	3,483
Consultant fee	90,000
Insurance	8,757
Local travelling	1,670
Impact reporting and strategy	39,974
IT and communication expenses	31,222
Miscellaneous	346
Postage, stationery and supplies	3,912
Property agent commission and stamp duty	13,253
Rent	96,900
	<u>372,656</u>
	<u>735,266</u>
<b>Surplus for the period and General fund carried forward</b>	<u><u>23,385</u></u>

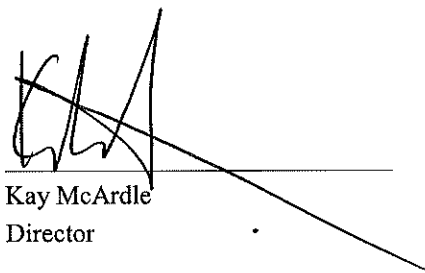
**STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2020**

	2020 HK\$
<b>Current assets</b>	
Prepayments and other receivables	44,430
Grant receivables	30,000
Deposit paid	50,000
Bank balances	<u>1,314,256</u>
	<u>1,438,686</u>
<b>Current liabilities</b>	
Accruals and other payables	129,817
Deferred income	<u>1,285,484</u>
	<u>1,415,301</u>
<b>Net current assets</b>	<u>23,385</u>
<b>Net assets</b>	<u><u>23,385</u></u>
<b>Funds</b>	
General fund	<u><u>23,385</u></u>

Approved by:



Janet Mary McAlpine  
Director



Kay McArdle  
Director

**STATEMENT OF CASH FLOWS  
FOR THE PERIOD FROM 20 DECEMBER 2019  
(DATE OF INCORPORATION) TO 31 DECEMBER 2020**

	<b>2020</b>
	<b>HK\$</b>
<b>Operating activities</b>	
Surplus for the period	23,385
Adjustment for:	
Interest income	(2)
<b>Operating cashflow before changes in working capital</b>	<u>23,383</u>
Increase in other receivables	(30,000)
Increase in prepayments	(44,430)
Increase in deposit paid	(50,000)
Increase in accruals and other payables	129,817
Increase in deferred income	<u>1,285,484</u>
<b>Cash generated from operations</b>	<u>1,314,254</u>
Interest received	<u>2</u>
<b>Net cash generated from operating activities</b>	<u>1,314,256</u>
<b>Increase in cash and cash equivalents</b>	<u>1,314,256</u>
Cash and cash equivalents at the beginning of the period	<u>-</u>
<b>Cash and cash equivalents at the end of the period</b>	<u><u>1,314,256</u></u>
<b>Analysis of cash and cash equivalents</b>	
Bank balances	<u><u>1,314,256</u></u>



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 20 DECEMBER 2019 (DATE OF INCORPORATION) TO 31 DECEMBER  
2020**

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**1 GENERAL**

The company has been incorporated under the Companies Ordinance as a company limited by guarantee without share capital. The company's registered office is located at 21/F, Chun Wo Commercial Building 23-29 Wing Wo Street, Sheung Wan, Hong Kong. The principal activities of the company are for the relief of poverty of underserved communities by improving their access to legal information and support services and thus, help resolve their legal issues and, thereby improve their health and social welfare and alleviate their financial difficulties.

Under the provision of its Articles of Association, every member shall, in the event of the company being wound up, contribute such amount as may be required to meet the liabilities of the company but not exceeding the sum of HK\$100 each.

**2 SIGNIFICANT ACCOUNTING POLICIES**

**(a) Basis of preparation**

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 requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention.

**(b) Recognition of revenue**

Revenue is recognised when it is probable that the economic benefits will flow to the company and when revenue can be measured reliably, on the following bases:

- \* grant earmarked for specific purposes are initially recognised as deferred income. When there is reasonable assurance that the company will comply with the conditions attaching to the project, they are recognised in the statement of income and general fund over the period necessary to match with the related costs which they are intended to compensate.
- \* general donations are recognised when the right to receive payment is established.
- \* interest on a time proportion basis.

**(c) Receivables**

Receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost, less provision for impairment. A provision for impairment of trade receivables 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.

**(d) Cash and cash equivalents**

Cash and cash equivalents includes cash on hand and demand deposits with original maturities of three months or less.

**(e) Payables**

Payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE PERIOD FROM 20 DECEMBER 2019 (DATE OF INCORPORATION) TO 31 DECEMBER  
2020**

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**3 TAXATION**

No provision for Hong Kong profits tax is made in the accounts as there is tax concession to set off against the current year's profits tax.

The company was granted charity status with effect from 31 December 2020. It would therefore be exempted from Hong Kong Profits Tax from that date onwards.

**4 DIRECTORS' REMUNERATION (EQUIVALENT TO KEY MANAGEMENT PERSONNEL  
COMPENSATION)**

During the period from 20 December 2019 (date of incorporation) to 31 December 2020, no amounts have been paid in respect of directors' emoluments, directors' pensions or for any compensation to directors or past directors in respect of loss of office.

**5 APPROVAL OF FINANCIAL STATEMENTS**

These financial statements were authorised for issue by the company's Board of Directors on 13 April 2021.