



Joint Mediation
Helpline Office Ltd
聯合調解專線辦事處有限公司

2012 Annual Report



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Joint Mediation Helpline Office Limited

2012 Annual Report

Mission

To cope with the rapid development of mediation in Hong Kong, the Joint Mediation Helpline Office Ltd. (“the JMHO”) is jointly set up and founded by 8 founding members, namely Hong Kong Mediation Council, Hong Kong Bar Association, the Law Society of Hong Kong, the Hong Kong Institute of Arbitrators, Chartered Institute of Arbitrators (East Asia Branch), Hong Kong Mediation Centre Limited, the Hong Kong Institute of Architects, the Hong Kong Institute of Surveyors in 2010. It is set up as a non-profit-making organization with a view to promoting the use of mediation as a means of dispute resolution in Hong Kong.

In this era of the internationalization of the business development, more and more disputes arise with the increase of commercial exchanges. Mediation encourage direct communication and negotiation. JMHO vigorously promote the development of mediation in Hong Kong, promote "problem-solving" thinking, systematic and effective way to resolve disputes. JMHO is walking in the forefront to provide mediation consultancy and mediation referral service to the public. JMHO is committed to extend Hong Kong Mediation to more places, so that more people can learn about this effective, time-saving, cost effective dispute resolution method and to establish international professional status for Hong Kong Mediation, as well as to promote the exchange of Hong Kong Mediation and the international community.

Chairman's report



Joint Mediation Helpline Office Limited (JMHO) is navigating through a fast-changing landscape as the development of mediation in Hong Kong accelerated in the previous year. In this report, you will see the achievements and progress that we have made in promoting mediation services locally and regionally in 2012.

First, I would like to take this chance to express my heartfelt gratitude to the Board members and the 8 founding members of JMHO. The goodwill and assistance offered by the Judiciary, the Department of Justice, HKSAR Government and the Secretariat are critical to the continuing work of JMHO to provide high quality mediation referral services to the general public. I must thank all stakeholders for their unfailing support, without which we would not have made such progress in 2012. I am also grateful to Messrs. Mable Chan & Co. for compiling the financial statement for the year ended 31 March 2012

JMHO is set up as a non-profit-making organization with the objective of promoting the use of mediation as a means of dispute resolution in Hong Kong. On 18 December 2012, JMHO applied for the change to its name by omitting the word 'Limited' and the characters '有限公司'. Donation from business entities and associations are very welcomed and appreciated.

With the continuous demand in promoting the use of mediation for the compulsory sale under the Land (Compulsory Sale for Redevelopment) Ordinance, the JMHO extended its operation of the Pilot Mediation Scheme (“the Scheme”) for another year with the approval of the Development Bureau (the “Bureau”). With the financial support by the Bureau, the Scheme continued to facilitate the owners to undertake mediation on a voluntary basis to resolve disputes. Apart from the mediation services, the Scheme had also taken a proactive role to organize numerous public talks to the general public. These talks were well received and audience indicated that they were informative and useful.

To undertake with the Professional Services Development Assistance Scheme (“PSDAS”) of last year, JMHO had organized a series of activities under the project entitled “Enhance the

Professional Services and Standards of Mediation for Hong Kong”. JMHO co-organized 2 cross-border mediation conferences in Shanghai and Huizhou on 3 March and 23 November respectively. Over 100 professionals and potential mediation users were attracted to participate the conferences. Two mediation seminars were organized to enhance the overall standards of mediation for local professionals and equip professionals in different sectors with the essential and up-to-date knowledge about mediation. With the enactment of the Mediation Ordinance on 1 January 2013 and the second time successful application for funding under the PSDAS, JMHO will organize a series of activities under the theme “Enhancing the Knowledge of Professionals and Potential Users on the new Mediation Ordinance and Mediation Service in Hong Kong”.

On 27 November, I am very honoured to have been appointed by the Department of Justice as a member of the Steering Committee on Mediation and the Chairman of its Public Education and Publicity Sub-committee. JMHO will get in line with the government policy and commit to provide high quality mediation service to the users and full support to the mediators. We will implement initiatives for the promotion and development of mediation; and consider new publicity initiatives for the promotion of mediation in Hong Kong and the promotion of Hong Kong as a mediation centre.

We are delighted to receive delegations from Housing Bureau and Land Reform and International Law Bureau in Macau; and to receive acceptance of our invitation of organizing a presentation to the Office of Ombudsman. The visit and presentation fostered information exchange on mediation and allowed sharing of knowledge on different mediation practices across the region and promoting Hong Kong mediation.

In closing, I would like to express my sincere gratitude to the Senior Citizen Home Safety Association, Home Affairs Department, Leisure and Cultural Services Department, various government departments and non-governmental organizations who have provided tremendous support to the work of JMHO.



CHAN Bing Woon, SBS, JP
Chairman
31 December 2012

Facts and figures

Honorary Secretary's Report by Mr. Gary SOO



JMHO maintained its core service to provide mediation referral services to the general public and assist parties to settle disputes by mediation. We had more cases in the pipeline as compared to last year's figure and we noted an increase in the number of cases settled before mediation. The statistics kept by JMHO in respect of its services are as follow:

1 JMHO 2012 General Mediation Referral Service: Overview

Mediation Statistics

1.1 The total number of enquiries, applications and mediation conducted through application for JMHO Service in the past years are as follows:

	July - Dec 2010	2011	2012	Total
No. of enquiries	160	190	237	587
No. of applications	50	116	153	319
No. of mediation conducted through application for JMHO services	11	35	47	93

Amongst the 93 cases which completed mediation, 46 successfully reached a settlement. The success rate is 49.46 %.

1.2 Amongst the 319 applications, the nature of the disputes involved is as follows.

<u>Nature of cases</u>	<u>No. of cases</u>
Business/ Partnership	43
Personal Injuries/Employee Compensation	39
Debt	33
Inheritance	28
Construction/ Renovation	23
Finance/Banking	23
Rental/ Tenancy Agreement	21
Ownership of property	20
Professional Negligence	20
Goods and Services	19
Employment/Salary	17
Libel/ Slander	9
Damage of property	6
Building Management	5
Insurance	4
Nuisance	4
Intellectual Property	2
Discrimination	1
Neighborhood	1
Possession of Lands	1

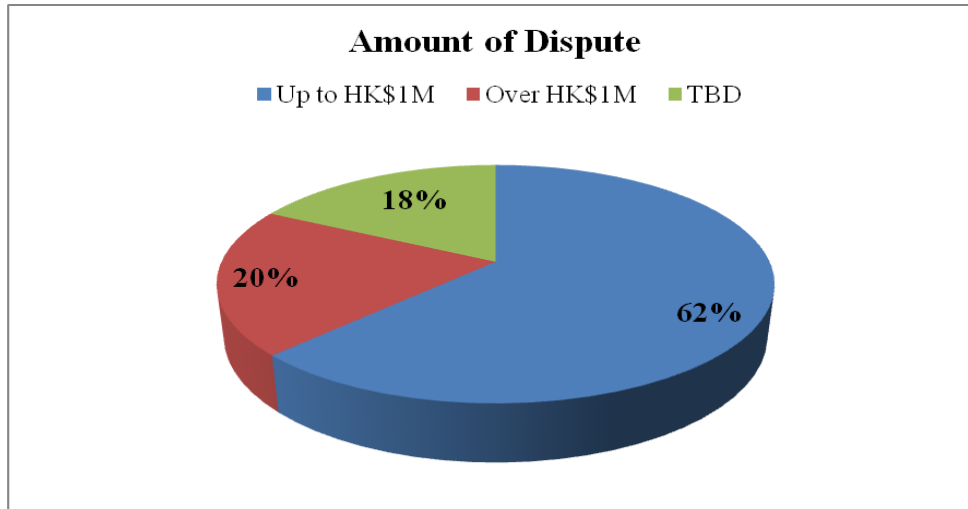
As shown in the table, Business/Partnership (43 cases), Personal Injuries/Employee Compensation (39 cases), Debt (33 cases) and Inheritance (28 cases) are the 4 most common types of disputes.

1.3 Court proceedings

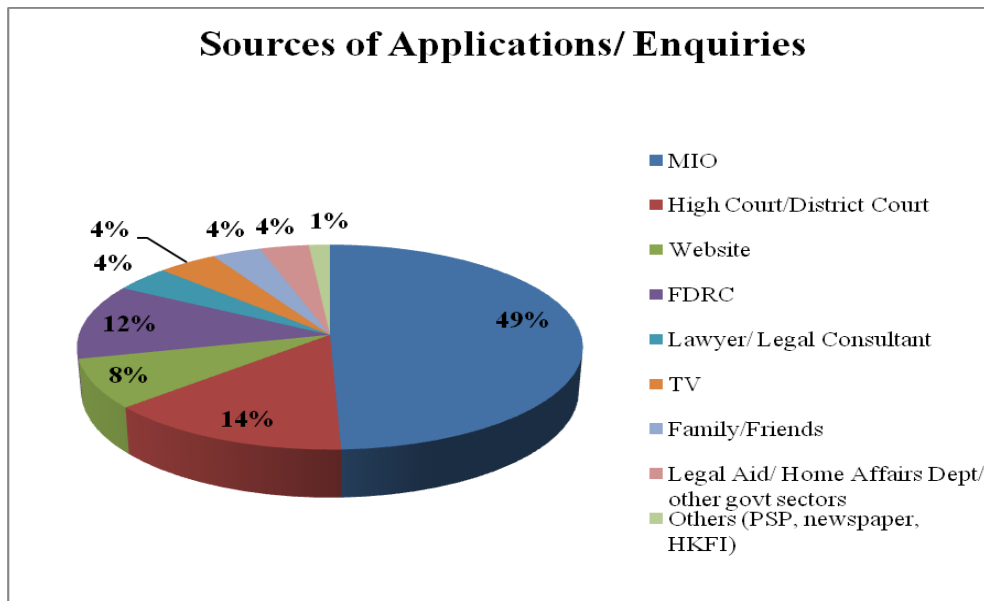
Amongst the 319 applications, 243 of the applications are with standing court proceedings (76%).

1.4 Amount of dispute

Amongst all applications, the amount in dispute ranges from HK\$0.01M to over HK\$5M. The breakdown is shown in following figure:



1.5 Source of applications/ Enquiries



As shown, Mediation Information Office (MIO) of the Judiciary is the major source of the JMHO's applications and enquiries (49%). 14% of the applicants and enquirers received JMHO information from High Court/District Court and 12% of them are referred from Financial Dispute Resolution Centre (FDRC). Other sources include website (8%), Lawyers/Legal Consultants (4%), Family/Friends (4%), TV (4%) and government sectors such as Legal Aid Department, Home Affairs Department, Hong Kong Family Welfare Society, etc. (4%).

2 Land (Compulsory Sale for Redevelopment) Ordinance Pilot Mediation Scheme (LCSRO Scheme)

2.1 Mediation Case

<u>Item</u>	<u>Content</u>	<u>Nos.</u>
1	No. of Cases Settled by Mediation Conducted	13
2	No. of Cases that Could Not reach Settlement Agreement by Mediation	4
3	No. of Cases Applied and Settled with Reference to Mediation*	16
4	No. of Cases Terminate/Refuse to Mediate	5
5	No. of Cases Pending - Not eligible to the Pilot Mediation Scheme at the moment	0
6	No. of Cases in Progress	1
7	Total No. of Applications Received Request for Mediation:	40

* With Reference to Mediation refers to the work done by JMHO: 1) Introduction on mediation and the pilot mediation scheme both through phone conversation and face-to face intake sessions to both applicants and respondents; 2) Providing further assistance to both parties on understanding and the preparation works required for mediation; 3) Case follow up and coordination with both parties, their legal representatives and mediators; 4) Providing assistance to PSPs in nominating mediators and providing case background information to the appointed mediators.

Calendar of events

Project Deliverables under Professional Service Development Assistance Scheme (PSDAS)

January



PSDAS 7th Seminar was organized to enhance the overall standards of mediation for local professionals and equip professionals in different sectors with the essential and up-to-date knowledge about mediation.

Topic : Roles and Functions of Engineers in Mediation

Speaker : Ir. James Blake and Ir. Christopher To

February



PSDAS 8th Seminar was organized to enhance the overall standards of mediation for local professionals and equip professionals in different sectors with the essential and up-to-date knowledge about mediation.

Topic : Roles & Functions of Accountants and Arbitrators in Mediation

Speaker : Colin J Wall and David Fong

March



1st Shanghai Hong Kong Commercial Mediation Forum (jointly organized with Shanghai Commercial Mediation Centre (SCMC) was held.

Topic : Mediation in Hong Kong and Shanghai - Options and Possibilities

The conference was attended by professionals from our 8 founding members, government officials and business users from different industries, associations or chambers of commerce. There were totally 150 participants from Hong Kong and Shanghai.



Judge from Beijing Supreme People's Court, Representatives from Hong Kong Economic and Trade Affairs, Shanghai, HKSAR Government, Shanghai's Supreme People's Court and Shanghai Bar Association were participated as the honourable guests.



November

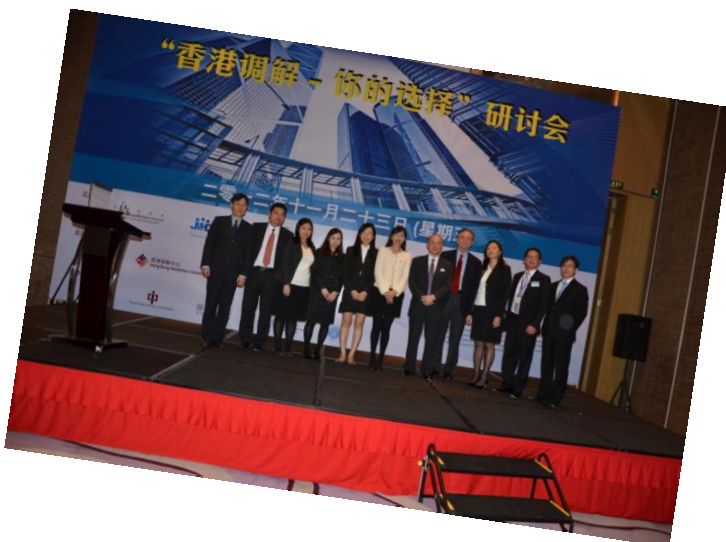


A Huizhou One Day Mediation Conference (jointly organized with Hong Kong Trade Development Council and HuiZhou Foreign Trade & Economic Cooperation Bureau) was held.

Topic : Mediation in Hong Kong – Your Options

One of the highlights is the use of a simulated mediation cases demonstration of the mediation process, audiences have had a more specific understanding of the mediation.

The conference was attended by professionals from our 8 founding members, Judge of the Court of First Instance of the High Court and business users from different industries, associations or chambers of commerce. There were around 150 participants.



Promotional Events under Land (Compulsory Sale for Redevelopment) Ordinance Pilot Mediation Scheme (LCSRO Scheme)

March



Public talk on Pilot Mediation Scheme by Mr. Antony Man, JMHO Director in the Hong Kong Institute of Surveyors (jointly organized with Hong Kong Police Force, Hong Kong Institute of Surveyors, Urban Redevelopment Facilitating Services Co. Ltd. and Senior Citizen Home Safety Association).

May



Public talk on Pilot Mediation Scheme in Yau Ma Tei (jointly organized with Senior Citizen Home Safety Association).

May



Seminar for mediators, lawyers, surveyors, social workers and potential users of the Pilot Mediation Scheme in the Hong Kong International Arbitration Centre (in collaboration with the Law Society of Hong Kong and Hong Kong Mediation Council).

Speakers, Mr. Iu Ting Kwok and Mr. HF Leung introduced to the professionals who may have a role in the Scheme on the function of mediation and how they may utilize the Scheme for achieving mutually beneficial outcomes. The seminar also familiarized participants with the necessary skills to prepare for and add value to mediation conducted under the Scheme with a view to improving the success rate of mediation.

June



Public talk on Pilot Mediation Scheme in Tai Kwok Tsui (jointly organized with Senior Citizen Home Safety Association).

July



Public talk on Pilot Mediation Scheme in To Kwa Wan (jointly organized with Senior Citizen Home Safety Association).

September



Public talk on Pilot Mediation Scheme by Mr. Antony Man, JMHO Director in the Urban Renewal Resources Centre in Tai Kwok Tsui (jointly organized with Hong Kong Police Force, Hong Kong Institute of Surveyors, Urban Redevelopment Facilitating Services Co. Ltd. and Senior Citizen Home Safety Association).

October



Public talk on Pilot Mediation Scheme and experience sharing by Ms. Cecilia Wong, mediator of the Scheme in Quarry Bay (jointly organized with Senior Citizen Home Safety Association).

November



Public talk on Pilot Mediation Scheme in Quarry Bay and Cheung Sha Wan (jointly organized with Senior Citizen Home Safety Association).

Experience sharing by Mr. King Wong, mediator of the Scheme was done in the public talk in Cheung Sha Wan.

December



Public talk on Pilot Mediation Scheme in Sai Wan Ho (jointly organized with Senior Citizen Home Safety Association).

Organization

The Board of Directors

Bing Woon CHAN, SBS, JP, Chairman, *Hong Kong Mediation Council*

Ramanathan KUMAR SC, *Hong Kong Bar Association*

Kwai Huen WONG, JP, *The Law Society of Hong Kong*

Sylvia SIU, JP*, *Hong Kong Institute of Arbitrators*

Richard LEUNG^, *Chartered Institute of Arbitrators (East Asia Branch)*

Paco TSANG, *Hong Kong Mediation Centre*

Antony MAN, *Hong Kong Institute of Surveyors*

Edward SHEN, *Hong Kong Institute of Architects*

Immediate Past Directors

Kenneth CHUNG, *Hong Kong Institute of Arbitrators*

David FONG, Honorary Treasurer, *Chartered Institute of Arbitrators (East Asia Branch)*

Board of Alternate Directors

Chiann BAO, *Hong Kong Mediation Council*

Osmond LAM~, *Hong Kong Bar Association*

Lester HUANG, JP, *The Law Society of Hong Kong*

Johnson LEE^, *Chartered Institute of Arbitrators (East Asia Branch)*

Robert PANG SC, *Hong Kong Institute of Arbitrators*

Chi Wang TANG, *Hong Kong Mediation Centre*

Nelson CHENG, *Hong Kong Institute of Surveyors*

Alex LAI, *Hong Kong Institute of Architects*

Immediate Past Alternate Directors

Rimsky YUEN SC, *Hong Kong Bar Association*

Man Sing YEUNG, *Chartered Institute of Arbitrators (East Asia Branch)*

^Appointment since 19 June 2012

*Appointment since 4 October 2012

~Appointment since 14 August 2012

Honorary Secretary

Gary SOO

Honorary Treasurer

David FONG

Honorary Auditor

Mabel Chan & Co.

Secretariat Members

Cindy FONG, Mediation Consultant

Roy Bowie YIP, Mediation Consultant

Melody LEUNG, Mediation Coordinator

Hilda CHEUNG, Administrative Officer

Inti TUNG, Assistant Administrative Officer

Maggie NG, Scheme Officer

Report of the Directors

Founder Members

The Joint Mediation Helpline Office Limited (“JMHO”) was incorporated on 9 April 2010 as a company limited by guarantee by the following founder members :

Hong Kong Mediation Council
Hong Kong Bar Association
The Law Society of Hong Kong
Hong Kong Institute of Arbitrators
The Chartered Institute of Arbitrators (East Asia Branch)
Hong Kong Mediation Centre
The Hong Kong Institute of Architects
The Hong Kong Institute of Surveyors

The directors present herewith their report and the audited financial statements for the year ended 31 March 2012.

Principal activities

The principal activities of the company are providing and promoting mediation services. There has been no significant change in this activity compared with the previous period.

Results

The results of the company for year ended 31 March 2012 and the state of the company’s affairs as at that date are set out in the company’s financial statements on pages 25 to 32.

Property, plant and equipment

Details of the movements in property, plant and equipment during the year are set out in note 7 to the financial statements.

Directors

The directors who held office during the year and up to the date of this report were:-

Bing Woon CHAN

Russell Adam COLEMAN - resigned on 13 June 2011

Kwai Huen Albert WONG

Robert John WHITEHEAD - resigned on 14 November 2011

Nicholas John Edward LONGLEY - resigned on 13 June 2011
Wing Yan, Winston SIU
Edward SHEN
Chi Chuen MAN
Shiu Man David FONG - appointed on 13 June 2011, resigned on 19 June 2012
Kumar RAMANATHAN - appointed on 13 June 2011
Lester Garson HUANG (alternate to Kwai Huen Albert WONG)
Teck Ern Peter CHOW (alternate to Robert John WHITEHEAD) - resigned on 14 November 2011
Ping Chiu TSANG (alternate to Wing Yan, Winston SIU)
Kwok Keung YUEN (alternate to Russell Adam COLEMAN) - resigned on 30 June 2012
Chiann BAO (alternate to Bing Woon CHAN)
Man Sing YEUNG (alternate to Nicholas John Edward LONGLEY) - resigned on 19 June 2012
Yip Hung LAI (alternate to Edward SHEN)
Wai Hung Nelson CHENG (alternate to Chi Chuen MAN)
K.H. Kenneth CHUNG - appointed on 14 November 2011
Y.H. Robert PANG (alternate to K.H. Kenneth CHUNG) - appointed on 14 November 2011
Kwok Fai Osmond LAM (alternate to Kwok Keung YUEN) - appointed on 14 August 2012
Kwun Chung LEE (alternate to Wai Keung LEUNG) - appointed on 19 June 2012
Wai Keung LEUNG - appointed on 19 June 2012

In accordance with Articles 36 and 37 of the company's Articles of Association, all remaining directors continue in office.

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

Directors' interests in contracts

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

Auditor

A resolution to re-appoint the retiring auditor, Mabel Chan & Co., will be proposed at the forthcoming annual general meeting.

On behalf of the Board

A handwritten signature in black ink, appearing to be 'C. Chan', written over a faint, illegible printed name.

Chairman

Hong Kong, 15 Oct 2012

Financial Report

Independent auditor's report

**To the members of Joint Mediation Helpline Office Limited
(Incorporated in Hong Kong with limited liability by guarantee)**

We have audited the financial statements of Joint Mediation Helpline Office Limited (the “company”) set out on pages 25 to 32, which comprise the balance sheet as at 31 March 2012, and the income statement, the statement of changes in equity and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Directors' responsibility for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with the Hong Kong Financial Reporting Standard for Private Entities issued by the Hong Kong Institute of Certified Public Accountants 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.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. This report is made 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 our 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 about 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 auditor's 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 auditor considers internal

control relevant to the entity's preparation of financial statements that give a true and fair view 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.

Opinion

In our opinion, the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2012 and of its surplus and cash flows for the year then ended in accordance with the Hong Kong Financial Reporting Standard for Private Entities and have been properly prepared in accordance with the Hong Kong Companies Ordinance.

A handwritten signature in black ink, appearing to be 'Mabel Chan & Co.', written in a cursive style.

Mabel Chan & Co.

Certified Public Accountants

Hong Kong, 15 Oct 2012

Income statement

Year ended 31 March 2012

	Note	Year ended 31 March 2012 HK\$	Period from 9 April 2010 (date of incorporation) to 31 March 2011 HK\$
Revenue	4	2,940,637	1,128,667
Staff costs and consultancy fee		(943,900)	(466,301)
Administrative expenditures		(289,741)	(171,329)
Depreciation		(22,125)	(20,028)
Other expenditures		(225,711)	(22,385)
Surplus before tax		1,459,160	448,624
Income tax credit/(expense)	6	71,600	(71,600)
Surplus for the year/period		1,530,760 =====	377,024 =====

The notes on pages 29 to 32 form an integral part of these financial statements.

Balance sheet as at 31 March 2012

	Note	2012 HK\$	2011 HK\$
Non-current assets			
Property, plant and equipment	7	77,956	80,110
Current assets			
Other receivables		188,667	266,667
Bank balances		1,641,161	1,135,180
		1,829,828	1,401,847
Current liabilities			
Receipt in advance		-	1,033,333
Tax payable		-	71,600
		-	1,104,933
Net current assets		1,829,828	296,914
		1,907,784	377,024
Funds			
Accumulated surplus		1,907,784	377,024

Approved by the board of directors on 15 Oct 2012



Chairman



Honorary Treasurer

The notes on pages 29 to 32 form an integral part of these financial statements.

Cash flow statement
Year ended 31 March 2012

	Year ended 31 March 2012 HK\$	Period from 9 April 2010 (date of incorporation) to 31 March 2011 HK\$
Operating activities		
Surplus before tax	1,459,160	448,624
Adjustments for:		
Depreciation of property, plant and equipment	22,125	20,028
Operating cash flows before movements in working capital	1,481,285	468,652
Decrease/(increase) in other receivable	78,000	(266,667)
(Decrease)/increase in receipt in advance	(1,033,333)	1,033,333
Net cash generated from operating activities	525,952	1,235,318
Investing activities		
Purchases of property, plant and equipment	(19,971)	(100,138)
Net cash used in investing activities	(19,971)	(100,138)
Net increase in cash and cash equivalents	505,981	1,135,180
Cash and cash equivalents at the beginning of the year/period	1,135,180	-
Cash and cash equivalents at the end of the year/period	1,641,161	1,135,180
Analysis of the balances of cash and cash equivalents		
Bank balances	1,641,161	1,135,180

The notes on pages 29 to 32 form an integral part of these financial statements.

Statement of changes in funds
Year ended 31 March 2012

	Accumulated Surplus HK\$
Balance at 31 March 2011	377,024
Surplus for the year	1,530,760
Balance at 31 March 2012	<hr/> 1,907,784 =====

The notes on pages 29 to 32 form an integral part of these financial statements.

Notes to the financial statements
Year ended 31 March 2012

1. General information

Joint Mediation Helpline Office Limited is a company incorporated in Hong Kong with limited liability by guarantee. The address of its registered office and principal place of business is LG102, High Court Building, 38 Queensway, Hong Kong. The principal activities of the company are providing and promoting mediation services.

2. Basis of preparation and principal accounting policies

The financial statements have been prepared under historical cost basis and in accordance with Hong Kong Financial Reporting Standard for Private Entities (the “HKFRS for Private Entities”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the Hong Kong Companies Ordinance.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Revenue recognition

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

- (i) Mediation service and seminar income are recognised when the relevant services are rendered.
- (ii) Other income is recognised on an actual receipt basis.

(b) Employee benefit obligations

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

Payments to the Mandatory Provident Fund Retirement Benefits Scheme (the “MPF Scheme”) are charged as an expense when employees have rendered service entitling them to the contributions.

(c) Property, plant and equipment

Items of property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to allocate the cost of assets less residual values, if any, over their estimated useful lives, using the straight-line method. The following annual rates are used for the depreciation of property, plant and equipment:

Furniture and equipment	20 %
Leasehold improvement	over the term of the related lease

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.

Gain or loss on disposal or retirement of an item of property, plant and equipment is the difference between the net disposal proceeds and the carrying amount of the relevant item, and is recognised in profit or loss.

(d) Impairment of non-financial assets

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

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

(e) Leases

Leases where substantially all the risks and rewards of ownership of assets remain with

the lessor are accounted for as operating leases. Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease.

(f) Cash and cash equivalents

Cash and cash equivalents includes cash at bank and on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdraft is shown within borrowings in current liabilities in the balance sheet.

3. Key sources of estimation uncertainty

Estimations are continually evaluated. They are based on historical experience and other factors, including expectations of future.

The company makes estimates concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

4. Revenue

	Year ended 31 March 2012	Period from 9 April 2010 (date of incorporation) to 31 March 2011
	HK\$	HK\$
Donation received	-	200,000
Mediation service income	2,740,833	872,617
Seminar fee income	189,103	56,050
Other income	10,701	-
	<hr/>	<hr/>
	2,940,637	1,128,667
	=====	=====

5. Directors' remuneration

No directors' remuneration has been paid pursuant to Section 161 of the Hong Kong Companies Ordinance.

6. Income tax credit/(expense)

No provision for Hong Kong profits tax has been made as the company was granted exemption from tax under Section 88 of the Inland Revenue Ordinance. On 7 August 2012, the Inland Revenue Department approved that the company was entitled to exemption with effect from 9 April 2010, accordingly provision made in the last period was written back in the current year.

7. Property, plant and equipment

	Leasehold improvement HK\$	Furniture and equipment HK\$	Total HK\$
Cost:			
At 1 April 2011	62,403	37,735	100,138
Additions	-	19,971	19,971
	<hr/>	<hr/>	<hr/>
At 31 March 2012	62,403	57,706	120,109
	<hr/>	<hr/>	<hr/>
Accumulated depreciation:			
At 1 April 2011	12,481	7,547	20,028
Charge for the year	12,481	9,644	22,125
	<hr/>	<hr/>	<hr/>
At 31 March 2012	24,962	17,191	42,153
	<hr/>	<hr/>	<hr/>
Carrying amount:			
At 31 March 2012	37,441	40,515	77,956
	<hr/>	<hr/>	<hr/>

8. Approval of financial statements

These financial statements were approved and authorised for issue by the company's Board of Directors on 15 Oct 2012.



Joint Mediation
Helpline Office Ltd
聯合調解專線辦事處有限公司

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