



# **ANNUAL GENERAL MEETING 16 JUNE 2016**

## **CHAIRMAN'S REPORT**

**IAN PENNICOTT**

### **Contents**

- 1 Overview**
- 2 SCLHK Council**
- 3 Events & Meetings**
- 4 Membership**
- 5 Finance**
- 6 Website**
- 7 SCLHK Student Prizes / Scholarship**
- 8 SCL International**
- 9 Thanks**



## **1. Overview**

- 1.1. I am pleased to report that 2015-2016 proved to be another busy and successful year for the Society of Construction Law Hong Kong ("the SCLHK"). A busy calendar of well-attended evening seminars and talks has been conducted together with the One Day International Conference and the traditional Christmas Cocktails. Additionally, and following on from last year, we held a special event at the mid-point between our annual conferences, last month. Financially, we have seen limited growth in our annual surplus which when combined with our continued healthy bank account, has allowed the SCLHK to increase the amount of our prizes to the Universities as well continuing our Bar Scholarship Scheme. Presentations to the winners of this year's SCLHK Scholarship will be made at the end of the AGM.

## **2 SCLHK Council**

- 2.1 SCLHK's Council typically includes a mix of representatives from various sectors of the construction law field, including solicitors, the Bar, Government, consultancy firms and contractors. The Council for 2015-16 was generally no different, but we were and still are without a contractor representative. We would encourage applicants to put this right. We had a full Council of 16 as allowed by the Constitution together with 4 further co-opted members of the Council during the year. The SCLHK Council for 2015-16 including co-opted members was as follows:-

- Ian Pennicott (Barrister), Chairman
- Graham McNeill (Consultant), Vice-Chairman
- Simon Wu (Consultant), Treasurer
- Venna Cheng (Solicitor), Secretary,
- James Longbottom (Consultant), Membership Secretary
- Colin Dodd (Solicitor), Publicity Officer
- Douglas Wardale (Consultant), Council Member
- John Cock (Consultant), Council Member
- Ian Cocking (Solicitor), Council Member
- Thomas Lee (Barrister), Council Member
- Keith Wingrad (Solicitor), Council Member)
- Kim Barton (Solicitor), Council Member
- Edmund Wan (Solicitor), Council Member
- Sheona Campbell (Solicitor), Council Member
- Alan Chan (Consultant), Council Member



- Calvin Cheuk (Barrister), Council Member
  - Mike Allen (Consultant), co-opted Council Member
  - Tim Hallworth (Solicitor), co-opted Council Member
  - Richard Lyons (Solicitor), co-opted Council Member & Assistant Secretary
  - Shiao Ling Chow (Consultant), co-opted Council Member & Assistant Treasurer
- 2.2 The Council met on 11 occasions during the year. The range of attendance was 11 to 17 Council Members. The average attendance at meetings was 14 Council Members.
- 2.3 In accordance with the Constitution, one third of the Council is required to retire each year. As we have a full Council of 16 members that means 5 members are required to retire. Accordingly, 5 members of Council namely Thomas Lee, Simon Wu, Keith Wingrad, Colin Dodd and Kim Barton have stood down. Colin Dodd and Kim Barton have indicated that they do not wish to be re-nominated to Council. In addition, John Cock, a former Chairman and long-serving Council member, is also standing down. Messrs. Lee, Wu and Wingrad are deemed to have put themselves up for nomination and the upshot is that there are 3 places on Council available for 2016-2017.
- 2.4 In addition to the 3 members deemed to have put themselves up for nomination (in paragraph 2.3 above), a further 3 nominations have been received for election to the 2016-2017 Council from Richard Lyons, Shiao Ling Chow and Mike Allen. A consolidated list of members standing for election 2016-2017 is contained in **Attachment 1**.
- 2.5 Based on the vacancies left on the Council and the above nominations, a vote for the 2016-17 Council can be done ‘en bloc’.
- 2.6 The Council welcomes members to volunteer as co-optees. In practical terms, co-optees form an important part of Council and are as valuable as elected Council members. I am pleased to report that we have received expressions of interest from a number of SCLHK members to become co-optees. The co-option of members will be discussed at the first meeting of the new Council.
- 2.7 As mentioned above, 3 of our Council members have decided to retire. John joined Council in 2002 and served as Chairman in 2009/2010. Colin joined Council in 2011 and has been our Publicity Officer. Kim joined Council in 2013 and has been heavily involved in organizing our events and, in particular, the last three One Day Conferences.
- 2.8 On behalf of all the members I would like to thank John, Colin and Kim for the contributions they have both made in making the SCLHK a success over the past years.



### **3 Events & Meetings**

- 3.1 A list of the events held under the current Council is set out in **Attachment 2**. It goes without saying that we are greatly indebted to all our speakers for taking the time and trouble to prepare such interesting and illuminating papers and talks. I am well aware of the time and effort that goes into such preparation and I express the SCLHK's sincere gratitude to our speakers for all of their contributions. Papers, where provided by speakers, have been placed on our website in the special member's area and hard copies will be distributed to members.
- 3.2 I would like to express my personal thanks to Edmund Wan, Doug Wardale, Kim Barton, Sheona Campbell and Richard Lyons, our 'events team', who have been primarily responsible for lining up the speakers (no easy task), preparing the flyers, organizing the venues and generally ensuring that our events happen. The events team is always receptive to members' suggestions as to topics for talks/seminars and, of course, volunteers to present such talks/seminars.
- 3.3 The One Day International Conference was held on the 6<sup>th</sup> November 2015 at the Hong Kong Football Club. The theme of the Conference was: Is 2015 a Year of Reform for the Hong Kong Construction Industry? The Conference was opened by Ir. C.M. Chan, Deputy Secretary (Works) at the Development Bureau and the Keynote Address was delivered by Sir Vivian Ramsey. There were 4 sessions and the subject matter covered was Competition Law and Procurement Guidelines, the proposed SOP Legislation, Adjudication and Enforcement and aspects of the NEC3. Once again, the Conference was attended by a capacity audience. The pre-conference cocktails were held at the China Club in the Old Bank of China Building and this function and the expenses of our Keynote Speaker were covered by our sponsors; Atkin Chambers, 39 Essex Street, Keating Chambers, 4 New Square, 4 Pump Court from the UK and Des Voeux Chambers and Pacific Chambers from Hong Kong.
- 3.4 It goes without saying that we are enormously grateful to C. M. Chan, Sir Vivian and all of the Chairmen, Presenters and Panel Members who participated in the 4 sessions to make the Conference such an unqualified success. This year's Annual Conference will be held on Friday, 4 November 2016, again at the Hong Kong Football Club.
- 3.5 As mentioned above, following the success of the 2015 adjudication workshop and evening seminar with Sir Peter Coulson, we held a special event (or events) on 19<sup>th</sup> and 20<sup>th</sup> May 2016. There were three parts. Firstly, on 19<sup>th</sup> May, a half day workshop entitled 'Construction Contract Administration and Claims' chaired by Sir Robert Akenhead, former High Court judge and Judge-in-Charge of the TCC in London. Sir



Robert was joined at the workshop by Anthony Houghton SC (from Des Voeux Chambers) and Ian Cocking (SCLHK Council Member from Clyde & Co). Approximately, 80 delegates attended the workshop. Secondly, Sir Robert then presented an evening seminar entitled ‘To Prove or Disprove’, with attendance in excess of 60. Thirdly, on 20<sup>th</sup> May, Sir Robert delivered a lecture at the Hong Kong Polytechnic University entitled ‘What is really involved in construction law in real life?’, with approximately 300 students and others in attendance. All events were extremely successful and, evidently, very well attended. The third event mentioned was a new departure and represents part of SCLHK’s continuing objective to forge closer links with the Universities in Hong Kong (of which more shortly). I thank all those involved in the organization of and the participation in the events just mentioned.

- 3.6 Finally, we held our annual Christmas Cocktails event on Wednesday 9<sup>th</sup> December 2015 at the Foreign Correspondents’ Club. I would like to thank the sponsors below (in no particular order), as without their financial assistance the event would not have been possible:

Mayer Brown JSM; Haley & Co; Hogan Lovells; Minter Ellison; Clyde & Co; Holman Fenwick Willan; Pinsent Masons; Deacons; Stephenson Harwood; King & Wood Mallesons; Norton Rose Fulbright; and Li & Partners.

- 3.7 Following our usual tradition, donations were collected from members and guests attending the Christmas Cocktails, and I am pleased to report that HK\$17,210 was raised for the Lighthouse Club Hong Kong Benevolent Fund on the evening. The donation will be used to help construction workers and their families who suffer hardship as a result of construction accidents, disability or ill-health.

#### **4 Membership**

- 4.1 Over the past few years we have seen a gradual growth and consolidation in membership numbers: 2012-2013 256 members, 2013-2014 members 306; 2014-2015 members 315 and 2015-2016 members 309.
- 4.2 James Longbottom, our Membership Secretary, reports that renewals for the 2016-17 year have improved on 2015-16 with current membership already standing at 256 as of the end of May 2016.

#### **5 Finance**

- 5.1 The SCLHK’s Treasurer, Simon Wu, will report separately on the SCLHK’s financial position. It merits mentioning, however, that our financial strength is allowing SCLHK



to continue to commit to financing initiatives such as the University student prizes and the Bar scholarships.

- 5.2 For the past several years, we have offered members the option of renewing their membership at a higher “all-inclusive” rate. By paying this “all-inclusive” rate, members are entitled to free entry to all events apart from the special events. This option will be continue to be offered and is becoming more popular each year. The historical problem of members registering for events but not attending appears to have abated somewhat but Council continues to monitor this issue.
- 5.3 During the course of this year discussions have been held with the HKIAC and the charges levied by the HKIAC for the valuable services it provides to the SCLHK have been put on a more formal footing than previously.

## **6 Website**

- 6.1 SCLHK maintains a website (www.scl.hk) as a service to members. Continual improvements are made to the site for the benefit of members, and online renewal of membership is now possible. Further improvements include the ability of members to update their own personal details such as passwords, email address and correspondence address in the member’s area so as to keep in touch with the Society. Any constructive comments that members may have about the website are very much welcome.
- 6.2 As with previous Conferences, the SCLHK developed a special “mini-site” for the 2015 One Day International Conference, which enhanced promotion and delivery of the Conference, as well as acting as a site for the storage of presentation materials and photographs from the conference. I would like to thank John Cock and Tim Hallworth for their efforts in overseeing website matters over the past year.

## **7 SCLHK Student Prizes and Scholarships**

- 7.1 This year saw the second ‘wave’ of students receiving prizes in construction law related subjects. Council has, once again, agreed to increase the prize money to the Universities. A Schedule of Awards/Prizes is at **Attachment 3**. In recognition of the importance that the SCLHK attaches to its relationship with the Universities and because we are now sponsoring prizes at 5 Universities, three Council Members are involved in University liaison and, in this regard, my thanks go to Calvin Cheuk, Alan Chan and Keith Wingrad for all their often time consuming efforts in administering our University prizes programme.
- 7.2 In addition, this was the second year of the Society of Construction Law Hong Kong Scholarship. SCLHK sponsors up to 4 pupil barristers who are or will undertake



pupillage with a practicing barrister whose practice is primarily in the area of construction law. We received 4 applications all of which were recommended by the Scholarship Committee for an award. The award to one applicant has been deferred until next year but the other three recipients, namely Adela Mao, Ellen Pang and Keith Tam, are here tonight to receive their awards. My thanks go to Nicholas Cooney SC (a former Council member), Thomas Lee, Ian Cocking and Calvin Cheuk for carrying out the interviews and administering this Scholarship.

## **8 SCL International**

8.1 During this year the existing SCL bodies around the world consolidated “SCL International” and continued the objective of establishing and maintaining the identity of SCL International along with developing co-operation between the various SCL’s. There are currently about 20 members worldwide of the international organization and each SCL continues to load any papers onto the SCL International website and access is available to all SCL members. Regular conference calls maintain communication between the member Societies.

## **9 Thanks**

9.1 Finally, I wish to thank the members of the SCLHK for their continuing interest in and attendance at our events.

9.2 Whether mentioned in this report or not, I also take this opportunity to thank all of my fellow Council members for supporting me throughout the year. The running of the SCLHK is, of course, a team effort and all our Council members have contributed for the benefit of the SCLHK and its members, and I am very grateful to them all.

9.3 I would also like to thank the staff of HKIAC who continue to provide administrative services for the SCLHK and without which it would be difficult to function effectively. Primrose Law left the HKIAC at the end of August 2015 and the Council hosted a dinner in her honour, and presented her with a small token of our appreciation for all her assistance over the years.

**Ian Pennicott**  
**Chairman, Society of Construction Law Hong Kong**  
**2015-2016**



**ATTACHMENT 1 – NOMINATIONS**

- Mike Allen (Consultant)
- Sheona Campbell (Solicitor)
- Alan Chan (Consultant)
- Venna Cheng (Solicitor)
- Calvin Cheuk (Barrister)
- Shiao Ling Chow (Consultant)
- Ian Cocking (Solicitor)
- Thomas Lee (Barrister)
- James Longbottom (Consultant)
- Richard Lyons (Solicitor)
- Graham McNeill (Consultant)
- Ian Pennicott (Barrister)
- Edmund Wan (Solicitor)
- Douglas Wardale (Consultant)
- Keith Wingrad (Solicitor)
- Simon Wu (Consultant)





**ATTACHMENT 2 – EVENTS 2015-2016**

No	Date	Event	Speaker(s)
1	30-Jul-15	Evening Forum – Government’s Consultation Document for the proposed SOP legislation	CM Chan, Peter Clayton, Philip Nunn & Ian Pennicott
2	23-Sep-15	Evening talk – Termination of Construction Contracts	Paul Darling QC (Keating Chambers)
3	06-Nov-15	One Day International Conference	Various UK and Local participants
4	25-Nov-15	Evening Seminar- The Challenges Facing Expert Witnesses	Representatives of The Academy of Experts
5	09-Dec-15	Christmas Cocktails	
6	28-Jan-16	Evening talk – Contracts (Rights of Third Parties) Ordinance	Joseph Chung & Genevieve Lam (Deacons)
7	18-Feb-16	Evening talk – Are we moving in the right direction in assessing construction delays	Doug Wardale
8	17-Mar-16	Evening Forum – Third Party Funding in Arbitration	Kim Rooney, Ruth Stackpool-Moore & Simon McConnell
9	28-Apr-16	Evening Talk – NEC3-Overview and case studies on the Engineering and Construction Contract	Calvin Cheuk (Des Voeux Chambers) & David Gibson (DGA)
10	05-May-16	Joint Seminar with SCL Australia & SCL UK-New Technology and Innovation-Welcome to the Future of Construction Law Practice	
11	19-May-16	1/2 day Workshop – Construction Contract Administration	Sir Robert Akenhead – former TCC judge, Anthony Houghton SC (Des Voeux Chambers) and Ian Cocking (Clyde & Co)
12	19-May-16	Evening talk – To Prove or Disprove	Sir Robert Akenhead
13	20-May-16	Public Lecture – What is really involved in construction law in real life?	Sir Robert Akenhead

**Attachment 3-SCLHK – Schedule of Awards / Prizes for Academic Year 2015/2016**

<b><u>No.</u></b>	<b><u>Institution</u></b>	<b><u>Department</u></b>	<b><u>Name of Prize/Award</u></b>	<b><u>Frequency</u></b>	<b><u>Amount (HK\$)</u></b>
1.	HKU	Department of Civil Engineering  Academic contact - Professor Thomas Ng ( <a href="mailto:tstng@hkucc.hku.hk">tstng@hkucc.hku.hk</a> ) / also Professor SC Wong; Admin contact - Ms Sarah Chan ( <a href="mailto:sachan@hku.hk">sachan@hku.hk</a> )	(MSc in Infrastructure Management) Undergraduate Prize: module CIVL 3025 'Law for Civil Engineers'	Annual	5,000
2.	HKU	Department of Civil Engineering  Academic contact - Professor Thomas Ng ( <a href="mailto:tstng@hkucc.hku.hk">tstng@hkucc.hku.hk</a> ) / also Professor SC Wong; Admin contact - Ms Sarah Chan ( <a href="mailto:sachan@hku.hk">sachan@hku.hk</a> )	Postgraduate Prize: module CIVL 6074 'Rights, Liabilities and Claims in Construction Contracts' <u>or</u> CIVL 6075 'Hong Kong, PRC and International Construction Law'	Annual (alternate years)	5,000
3.	HKU	Department of Real Estate and Construction  Academic contact – Professor Berry Hsu ( <a href="mailto:bhsu@hku.hk">bhsu@hku.hk</a> ); Admin contact – Moly Lau, Executive Officer ( <a href="mailto:molylau@hku.hk">molylau@hku.hk</a> )  Rachel Ng Faculty of Architecture Tel: 2219-4400 Email: <a href="mailto:rachelyng@hku.hk">rachelyng@hku.hk</a>	(BSc (Surveying) & BA (Urban Studies)) Introduction to Law and Contract course (2 <sup>nd</sup> year module)	Annual	5,000 for the best student  2,500 for the 1st runner-up
4.	HKU	Department of Real Estate and Construction	(MSc in Construction Project and Management and MSc in Real Estate)	Annual	5,000

<u>No.</u>	<u>Institution</u>	<u>Department</u>	<u>Name of Prize/Award</u>	<u>Frequency</u>	<u>Amount (HK\$)</u>
		Academic contact – Professor Berry Hsu ( <a href="mailto:bhsu@hku.hk">bhsu@hku.hk</a> ); Admin contact – Moly Lau, Executive Officer ( <a href="mailto:molylau@hku.hk">molylau@hku.hk</a> )  Rachel Ng Faculty of Architecture Tel: 2219-4400 Email: <a href="mailto:rachelyng@hku.hk">rachelyng@hku.hk</a>	Law for the Real Estate and Construction Industry (1 <sup>st</sup> year Core)		
5.	The Chinese University of Hong Kong	Faculty of Law  Academic contact – Dr Art McInnis ( <a href="mailto:amcinnis@cuhk.edu.hk">amcinnis@cuhk.edu.hk</a> )  Ms. Fanny Yuen (3943 7215)  Ms. Suzette So (3943 8575) Email: manshansue@cuhk.edu.hk	LLB degree ‘Construction and the Law’ course	Every 2 years	7,500
6.	The Chinese University of Hong Kong	Faculty of Law  Academic contact – Dr Art McInnis ( <a href="mailto:amcinnis@cuhk.edu.hk">amcinnis@cuhk.edu.hk</a> )  Ms. Fanny Yuen (3943 7215)  Ms. Suzette So (3943 8575) Email: manshansue@cuhk.edu.hk	JD degree ‘Principles of Construction Law’	Annual	7,500  An additional prize (\$4,000) for the 1st runner-up during the year when "Construction and the Law" is not offered

<u>No.</u>	<u>Institution</u>	<u>Department</u>	<u>Name of Prize/Award</u>	<u>Frequency</u>	<u>Amount (HK\$)</u>
7.	The Chinese University of Hong Kong	School of Architecture Ms. Suzette So (3943 8575) Email: manshansue@cuhk.edu.hk	The Professional Practice and Management	Annual	7,500  An additional prize (\$3,500) for the 1st runner-up during the year when "Construction and the Law" is not offered
8.	City University of Hong Kong	Department of Civil and Architectural Engineering  Academic contact – Dr Daisy Yeung Kam Lan ( <a href="mailto:bcdaisy@cityu.edu.hk">bcdaisy@cityu.edu.hk</a> ) / also Professor KM Liew;  Admin contact – Connie Tam Yuet Ming ( <a href="mailto:Connie.Tam@cityu.edu.hk">Connie.Tam@cityu.edu.hk</a> ) / Prudence Lau ( <a href="mailto:bcplau@cityu.edu.hk">bcplau@cityu.edu.hk</a> )  Christopher Chan, Executive Officer, Student Finance Team (sds@cityu.edu.hk)	CA 2311 Construction Contract I (Year 2)	Annual	7,500 for the best student
9.	City University of Hong Kong	Department of Civil and Architectural Engineering  Academic contact – Dr Daisy Yeung Kam Lan ( <a href="mailto:bcdaisy@cityu.edu.hk">bcdaisy@cityu.edu.hk</a> ) / also Professor KM Liew;  Admin contact – Connie Tam Yuet Ming ( <a href="mailto:Connie.Tam@cityu.edu.hk">Connie.Tam@cityu.edu.hk</a> ) / Prudence Lau ( <a href="mailto:bcplau@cityu.edu.hk">bcplau@cityu.edu.hk</a> )	CA 4312 Construction Contract II Year 4 (Sem A)	Annual	7,500 for the best student

<u>No.</u>	<u>Institution</u>	<u>Department</u>	<u>Name of Prize/Award</u>	<u>Frequency</u>	<u>Amount (HK\$)</u>
		Christopher Chan, Executive Officer, Student Finance Team (sds@cityu.edu.hk)			
10.	City University of Hong Kong	Department of Civil and Architectural Engineering  Academic contact – Dr Daisy Yeung Kam Lan ( <a href="mailto:bcdaisy@cityu.edu.hk">bcdaisy@cityu.edu.hk</a> ) / also Professor KM Liew;  Admin contact – Connie Tam Yuet Ming ( <a href="mailto:Connie.Tam@cityu.edu.hk">Connie.Tam@cityu.edu.hk</a> ) / Prudence Lau ( <a href="mailto:bcplau@cityu.edu.hk">bcplau@cityu.edu.hk</a> )  Christopher Chan, Executive Officer, Student Finance Team (sds@cityu.edu.hk)	CA 4313 Construction Contract III Year 4 (Sem B)	Annual	7,500 for the best student
11.	Hong Kong Polytechnic University	Department of Building and Real Estate  Academic contact – Professor Edwin Chan ( <a href="mailto:edwin.chan@polyu.edu.hk">edwin.chan@polyu.edu.hk</a> ) ; Admin contact – Vivian Kao ( <a href="mailto:vivien.kao@polyu.edu.hk">vivien.kao@polyu.edu.hk</a> )  Christine YEUNG Assistant, Marketing	BRE542  Master of Science / Postgraduate Diploma (MSc/PgD) in Construction Law and Dispute Resolution	Annual (Winner Award)	10,000

<u>No.</u>	<u>Institution</u>	<u>Department</u>	<u>Name of Prize/Award</u>	<u>Frequency</u>	<u>Amount (HK\$)</u>
		Manager Department of Building and Real Estate E: <a href="mailto:bscyeung@polyu.edu.hk">bscyeung@polyu.edu.hk</a> T: 3400 3867			
12.	Hong Kong Polytechnic University	Department of Building and Real Estate  Academic contact – Professor Edwin Chan ( <a href="mailto:edwin.chan@polyu.edu.hk">edwin.chan@polyu.edu.hk</a> ) ; Admin contact – Vivian Kao ( <a href="mailto:vivien.kao@polyu.edu.hk">vivien.kao@polyu.edu.hk</a> )  Christine YEUNG Assistant, Marketing Manager Department of Building and Real Estate E: <a href="mailto:bscyeung@polyu.edu.hk">bscyeung@polyu.edu.hk</a> T: 3400 3867	BRE542  Master of Science / Postgraduate Diploma (MSc/PgD) in Construction Law and Dispute Resolution	Annual (Runner Up)	5,000
13.	Hong Kong Polytechnic University	Department of Building and Real Estate  Academic contact – Professor Edwin Chan ( <a href="mailto:edwin.chan@polyu.edu.hk">edwin.chan@polyu.edu.hk</a> ) ; Admin contact – Vivian Kao ( <a href="mailto:vivien.kao@polyu.edu.hk">vivien.kao@polyu.edu.hk</a> )  Christine YEUNG Assistant, Marketing Manager	BRE545  Dispute Management and Law for International Projects	Annual (Winner Award)	7,500

<u>No.</u>	<u>Institution</u>	<u>Department</u>	<u>Name of Prize/Award</u>	<u>Frequency</u>	<u>Amount (HK\$)</u>
		Department of Building and Real Estate E: <a href="mailto:bscyeung@polyu.edu.hk">bscyeung@polyu.edu.hk</a> T: 3400 3867			
14.	Hong Kong University of Science and Technology	Department of Civil and Environmental Engineering  Academic contact – Prof Hong K LO < <a href="mailto:cehklo@ust.hk">cehklo@ust.hk</a> >  Florence FUNG < <a href="mailto:fungmsf@ust.hk">fungmsf@ust.hk</a> >  Admin contact – Eric Zhang < <a href="mailto:zhangxq@ust.hk">zhangxq@ust.hk</a> >	CIEM 5150  Dispute Resolution for Engineers		7,500
15.	<b>Total:</b>				<b>\$97,500</b>

# THE SOCIETY OF CONSTRUCTION LAW HONG KONG

Financial Statement for the year ended 31 March 2016

## 1 PRINCIPAL ACTIVITIES

The principal activities of the Society consisted of organising talks and holding conferences to promote, on a non-profit making basis, the advancement of education, for the public benefit, through education, study and research (and publication of the results of such research) in the field of construction law and related subjects.

## 2 FINANCIAL POSITION

The financial results of the Society for the financial year ended 31 March 2016 are set out in the Income and Expenditure Account on page 4.

## 3 COUNCIL MEMBERS

The members of the Council during the year were as follows:

Mike Allen*	Kim Barton	Sheona Campbell	Alan Chan	Venna Cheng
Calvin Cheuk	Shiao Ling Chow*	John Cock	Ian Cocking	Colin Dodd
Tim Hallworth*	Thomas Lee	James Longbottom	Richard Lyons	Graham McNeil
Ian Pennicott	Edmund Wan	Doug Wardale	Keith Wingard	Simon Wu

\* (Co-opted members from 9<sup>th</sup> July 2015)

## 4 FINANCIAL SUMMARY

### 4.1 Total Balance

Total Balance HK\$1,211,266 as at year end

Assets as at year end were as follows:

- The bank balance was HK\$1,185,968
- PayPal balance was HK\$25,298

### 4.2 Current liabilities

Other monies payable were HK\$72,003 as at year end.

### 4.3 Income

Total income was HK\$ 841,451.

During the last financial year, the Society organised a one-day annual conference, 5 evening seminars, 1 half day workshop and the Christmas cocktail event. The Society



was grateful for the 6 chambers and 12 law firms that sponsored the annual conference and cocktail event respectively.

There was a decrease in membership subscriptions from 315 for 2014-15 to 311 members but the subscription fee increase which increased the income from membership this year.

Also, for this year, there was a change in policy to the One Day International Conference sponsorship whereby any surplus, covering the expenses of bringing an overseas speaker, would not be returned to the sponsors. This has contributed to the increase from sponsorship income from last year.

#### 4.4 Expenses

The total expenses were HK\$848,081.

These comprised Administration fees including a monthly fee of HK\$3,000 paid to Hong Kong International Arbitration Centre, other out-of-pocket expenses, costs of events, AGM expenses, auditor's remuneration, expenses for the Society's website and Internet maintenance costs and printing and postage of seminar papers.

This year was the inaugural year of our scholarship fund to assist pupil barristers pursuing an interest in construction law.

#### 4.5 Deficit

This year there has been a deficit of HK\$6,630 which when compared with the previous year's surplus of HK\$121,522, has achieved the Societies aims for the year and to reduce the net asset. The main contributory factor which has led to this decrease was the increase in the University Prize and the scholarship fund.

After taking the net assets of HK\$1,145,893 carried forward from previous years into account, this leads to net assets of HK\$1,139,263 at the year end.

#### 4.6 Taxation

The Society has attained confirmation on the 25th March 2013 from the Charitable Donations Section of the Inland Revenue Department that as of 11 December 2012 the Society is an exempt charitable body under Section 88 of the Inland Revenue Ordinance, and therefore exempt from all taxes payable under the Ordinance.

#### 4.7 Advancement of the Society's Charitable Objects

Throughout the year, the Society has been liaising with the universities and polytechnics in Hong Kong, to identify courses which align with the Society's Constitution and charitable objects for the advancement of education. The immediate focus of this was to redirect funds towards annual education sponsorship/awards, such

# THE SOCIETY OF CONSTRUCTION LAW HONG KONG

Financial Statement for the year ended 31 March 2016

as the University Prize, to be made to the best student and runner up of their respective courses, and the Society of Construction Law Scholarship, to support pupil barristers who are actively training in the field of construction law.

The Society has currently agreed and formalised the following:

- Four awards with the Hong Kong University (Department of Civil Engineering);
- Two awards and one biennial with The Chinese University of Hong Kong (Faculty of Law);
- Three awards with City University of Hong Kong (Department of Civil and Architectural Engineering);
- Three awards with Hong Kong Polytechnic University (Department of Building and Real Estate); and
- One award with Hong Kong University of Science and Technology (Department of Civil and Environmental Engineering).

These sponsorships / awards were presented throughout the academic year.

## 5 NOTES TO FINANCIAL STATEMENT

Summary of significant accounting policies:

### 5.1 Basis of accounting

The financial statements are prepared under the historical cost convention.

### 5.2 Income

Income arising from sponsorship, members' subscriptions and events are recognised on a cash basis.

### 5.3 Expenditure

Expenditure is taken up only when the amount is incurred.

Signed

Date



15<sup>th</sup> June 2016

---

Simon Wu  
Treasurer  
Society of Construction Law Hong Kong

THE SOCIETY OF CONSTRUCTION LAW HONG KONG

Financial Statement for the year ended 31 March 2016

INCOME AND EXPENDITURE ACCOUNT (Year ended 31 March 2016)

	<u>2016</u>	<u>2015</u>
	<u>HK\$</u>	<u>HK\$</u>
<b>INCOME</b>		
Members' fee	303,241 <sup>(1)</sup>	281,129
Sponsorship	184,447 <sup>(2)</sup>	145,676
Event	353,762	326,066
Other Income	-	5,388
	<u>841,451</u>	<u>759,259</u>
<b>EXPENSES</b>		
Administration Fees	68,666	54,489
AGM expenses	0	1,146
Auditor's remuneration	4,208	3,987
Bank charges	1250	660
Cost of events	548,011	460,606
University prize expenses	82,500	40,000
Scholarship	90,000 <sup>(3)</sup>	-
Internet expenses	14,437 <sup>(4)</sup>	17,316
Printing and stationary	29,593	55,303
Sundry	9,416	4,230
	<u>848,081</u>	<u>637,737</u>
<b>SURPLUS / (DEFICIT) FOR THE YEAR (BEFORE TAX)</b>	<u>(6,630)</u>	<u>121,522</u>
<b>PROVISION FOR PROFITS TAX</b>	<u>0<sup>(5)</sup></u>	<u>0</u>
<b>SURPLUS/(DEFICIT) FOR THE YEAR (AFTER PROVISION FOR TAX)</b>	<u>(6,630)</u>	<u>121,522</u>
<b>ACCUMULATED SURPLUS AT BEGINNING OF THE YEAR</b>	<u>1,145,893</u>	<u>1,024,371</u>
<b>ACCUMULATED SURPLUS AT END OF THE YEAR</b>	<u>1,139,263</u>	<u>1,145,893</u>

Notes:

- (1) The increase in membership incomes is attributed to the increase in membership fee
- (2) The increase in sponsorship monies is mainly attributed to a change in sponsorship for the one day conference whereby a surplus is not returned to the sponsors, such was the case last year.
- (3) Inaugural year of scholarship fund to assist pupil barristers
- (4) Internet expenses included regular web, database hosting maintenance and domain name renewal
- (5) Refer to Notes 4(h) and 6 of the Notes to the Financial Statements (pp.12 & 15) in respect of provision for profits tax.