

Lok Hong Social Service Association

Income and Expenditure Account

Street Fund-raising Activities from 3 March 2021 to 29 April 2021

Social Welfare Department Public Fund-raising

Permit number: 2021/001/1

Lok Hong Social Service Association
Income and Expenditure Account

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Honorary auditor's independent assurance report

To the Committee Members of Lok Hong Social Service Association ("the Permittee")
(A charity organization set up under the Societies Ordinance in Hong Kong)

Public Subscription Permit Number: 2021/001/1

Pursuant to the conditions stated in the Public Subscription Permit issued by the Social Welfare Department of the Government of the Hong Kong Special Administrative Region ("SWD"), we have been requested to report on the attached income and expenditure account of the Permittee's general charitable fund-raising activity held during the period from 3 March 2021 to 29 April 2021 ("the Event").

Responsibilities of the Committee Members

The Committee Members are responsible for preparing the attached income and expenditure account, setting out the gross subscriptions raised from the Event and the expenses incurred in connection with the Event, in order to comply with the conditions stated in the Public Subscription Permit issued by the SWD. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and presentation of the income and expenditure account so that it reflects the subscriptions raised and expenses incurred in connection with the Event and is free from material misstatement.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Hong Kong Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Practitioner's Responsibilities

Our responsibility is to form a conclusion on the attached income and expenditure account, based on our engagement, and to report our conclusion to you.

We conduct our engagement in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised). *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and with reference to Practice Note 850 (Revised), *Reporting on Flag days and General Charitable Fund-raising Activities Covered by Public Subscription Permits issued by the Social Welfare Department* issued by the HKICPA. We have planned and performed our work to obtain limited assurance for giving our conclusion below.

The work undertaken in connection with this engagement is less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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Our engagement included carrying out limited procedures for obtaining sufficient appropriate evidence to be able to draw a conclusion, such as inquiries primarily of persons responsible for financial and accounting matters and other procedures we considered necessary. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Inherent Limitations

Due to the nature of cash receipts and expenses relating to the Event, it was not practicable for us to determine whether the income and expenditure account and the books and records of the Permittee include all transactions relating to the Event. It was impracticable for us to quantify the potential impact of this on the income and expenditure account. Accordingly, our report relates solely to the income and expenditure account prepared from transactions that have been recorded in the Permittee's books and records.

Conclusion

Based on the foregoing, we report that nothing has come to our attention that causes us to believe that the attached income and expenditure account does not reflect, in all material respects, the gross subscriptions raised and the expenses incurred by the Permittee in respect of the Event that have been recorded in its books and records made available to us in accordance with the basis of preparation set out in the accompanying notes to the accounts.

Intended Users and Purpose

This report is intended solely for the purpose of assisting the Permittee to satisfy the conditions stated in the Public Subscription Permit issued by SWD in connection with the Event and is not intended to be, and should not be, used for any other purpose. We agree that a copy of this report may be provided to the Director of Social Welfare without further comment from us.

Anthony Kam & Associates Ltd.

Certified Public Accountants
Hong Kong, 24 AUG 2021


Kam Hau Choi Anthony
Practising Certificate Number P02558

Lok Hong Social Service Association
Income and Expenditure Account
Public Subscription Permit No. 2021/001/1

Income	HK\$
Street collection	90,320
Expenditure	
Audit fee	-
Animal care products	2,962
Food and beverage	1,634
Postage, mail and courier	81
Printing and stationery	2,340
Travelling and transportation	3,057
Sundries	1,488
Total expenditures	<u>(11,562)</u>
Excess of income over expenditure	<u><u>78,758</u></u>

All donation income and expenditure have been transacted through the association's only bank account, the HSBC bank account number 014-250377-001.

Approved for issue by the Executive Committee
on:



CHAN Sau Yiu
President



CHENG Siu Kuen Iris
Accountant

Lok Hong Social Service Association
Notes to accounts

1 General

The purpose of the general charitable fund-raising events is for daily expenses of Lok Hong Social Service Association.

2 Basis of preparation

The significant accounting policies are set out below:

The income collected and expenditure incurred for this event during the period from 3 March 2021 to 29 April 2021 are recognized on an accrual basis.

3 Donations credited to the bank

All the general charitable fund-raising activities proceeds collected of HK\$90,320 have been credited to the designated bank account of the Permittee before being used for payment of expenditures for the general charitable fund-raising activities and/or the purpose(s) specified in the permit on 7 May 2021.

	HK\$
Excess of income over expenditure	78,758
Add: accrued expenditure not yet paid as at 7 May 2021	<u>11,562</u>
Net balance of donations deposited into Permittee's bank account on 7 May 2021	<u><u>90,320</u></u>