

H.K.S.K.H. LADY MACLEHOSE CENTRE

INCOME AND EXPENDITURE ACCOUNT
FOR THE FLAG DAY FUND-RAISING EVENT
HELD ON 14TH APRIL, 2018

PUBLIC SUBSCRIPTION PERMIT NO. FD/T020/2018



INDEPENDENT PRACTITIONER'S ASSURANCE REPORT TO THE MANAGEMENT COMMITTEE OF H.K.S.K.H. LADY MACLEHOSE CENTRE ("THE PERMITTEE")

Public Subscription Permit No. FD/T020/2018

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 territory-wide flag day fund-raising activity held on 14th April, 2018 ("the Event").

Responsibilities of the Management Committee

The Management Committee is responsible for preparing the attached income and expenditure account in accordance with the basis of preparation set out in note 2, 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 conducted 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, *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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Practitioner's Responsibilities (cont'd)

Our engagement included carrying out limited procedures for obtaining sufficient appropriate evidence to be able to draw a conclusion, such as inquires 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 note 2.

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.



Li, Tang, Chen & Co.
Certified Public Accountants (Practising)
10/F Sun Hung Kai Centre
30 Harbour Road
Wanchai
Hong Kong
30 JUN 2018
WHC/SMW:vy

H.K.S.K.H. LADY MACLEHOSE CENTRE

**INCOME AND EXPENDITURE ACCOUNT
FOR THE FLAG DAY FUND-RAISING EVENT HELD ON 14TH APRIL, 2018**

	HK\$	HK\$
REVENUE		
Street collections		1,523,021.82
Appeal donations		170,990.00
Other donations		<u>54,605.80</u>
		<u>1,748,617.62</u>
EXPENDITURE		
Salary	38,358.61	
MPF	1,917.93	
Telephone	48.00	
Printing and stationery	4,543.87	
Postage	9,866.10	
Insurance	2,400.00	
Local travelling	19,778.00	
Bank charge	1,287.34	
Sundry expenses	1,989.90	
Cost of money bags	5,851.00	
Promotion	<u>2,344.00</u>	
		<u>88,384.75</u>
EXCESS OF INCOME OVER EXPENDITURE		<u><u>1,660,232.87</u></u>

Approved and authorised by the Management Committee on

30 JUN 2018

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Chairman

.....
Management Committee Member

H.K.S.K.H. LADY MACLEHOSE CENTRE
PUBLIC SUBSCRIPTION PERMIT NO. FD/T020/2018

NOTES ON FINANCIAL STATEMENTS

1. GENERAL INFORMATION

H.K.S.K.H. Lady MacLehose Centre (“the Permittee”) is a Non-Government Organisation. The address of its office is 22 Wo Yi Hop Road, Kwai Chung, New Territories, Hong Kong. The principal activity of the Permittee is the provision of multi-social services to Hong Kong people.

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

The purpose of the flag day fund-raising is to raise funds for (1) financing the subvented community services, family life education services and enhance home and community care services for the elderly in Dr. Lam Chik Suen District Elderly Community Centre; and (2) financing the non-subvented services, including the Community Health Promotion Centre, gospel service unit and mutual help groups for single parents and services for deprived groups.

2. BASIS OF PREPARATION

- a) The income and expenditure account of the Permittee has been prepared under historical cost convention and in accordance with Hong Kong Financial Reporting Standards (which also include Hong Kong Accounting Standards and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants and accounting principles generally accepted in Hong Kong.
- b) Revenue recognition:
Street collections, appeal and other donations are recognised on cash received basis.
- c) Fund-raising expenses are accounted for on accrual basis.