

Lok Hong Social Service Association

Report and financial statement

Street fund raising from 8 December 2018 to 4 February 2019

Social welfare department public fund raising

Permit numbers 2018/232/1

Lok Hong Social Service Association
Report and financial statement

Content	Pages
Report of the honorary auditor	2
Income and expenditure account	4
Notes to the accounts	5

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 Numbers: 2018/232/1

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 8 December 2018 to 4 February 2019 ("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.

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.

Honorary auditor's independent assurance report (continued)

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

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.

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.

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.



Certified Public Accountants
 Hong Kong, 12 JUN 2019

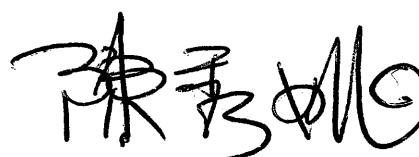
Kam Hau Choi Anthony
 Practising Certificate Number P02558

Lok Hong Social Service Association
Income and Expenditure Account
Public Subscription Permit No. 2018/232/1

Income	HK\$
Street collection	132,506
Total income	<u>132,506</u>
Expenditure	
Audit fee	-
Animal care products	8,528
Food and beverage	3,690
Postage, mail and courier	11,614
Printing and stationery	2,097
Travelling and transportation	3,179
Sundries	1,671
Total expenditures	<u>(30,779)</u>
Excess of income over expenditure	<u><u>101,727</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



 CHAN Sau Yiu
 President

Lok Hong Social Service Association
Notes to accounts

1 General

The purpose of the general charitable fund-raising events is to support the daily operations 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 the general charitable fund-raising activities held from 8 December 2018 to 4 February 2019 were recognized on an accrual basis.

3 Donations credited to the bank

All the general charitable fund-raising activities proceeds collected of HK\$132,506 (the excess of income over expenditure of HK\$101,727) were credited to the designated bank account of the Permittee by 20 March 2019; before being used for payment of expenditure for the general charitable fund-raising activities and/or the purpose(s) specified in the permit dated 4 December 2018.

	HK\$
Total income	132,506
Less: expenditure	<u>(30,779)</u>
Excess of income over expenditure	101,727
Add: accrued expenditure not yet paid by 20 March 2019	<u>-</u>
Net balance of donation deposited into Permittee's bank account by 20 March 2019	<u><u>101,727</u></u>