



Hong Kong Family Welfare Society
香港家庭福利會

Statement of Income and Expenditure for
Charity sale of "The Legacy of Loving Home" Notebooks
held for the period from 27 April 2019 to
26 May 2019

Hong Kong Family Welfare Society
Charity sale of "The Legacy of Loving Home" Notebooks

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Independent Auditor's report to the Executive Committee of Hong Kong Family Welfare Society

Public Subscription Permit No: 2019/080/1

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 in respect of the Charity sale of "The Legacy of Loving Home" Notebooks held during the period from 27 April 2019 to 26 May 2019 (the "Event").

Responsibilities of the Executive Committee members

The Executive Committee members are responsible for preparing the attached income and expenditure account in accordance with the basis of preparation set out in note 2 to financial statements, 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 behaviour.

We apply 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.

Our 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 (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.

Independent Auditor's report to the Executive Committee of Hong Kong Family Welfare Society

Our Responsibilities (continued)

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.

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 Society 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 Society'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 Society 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 notes to the financial statements.

Intended Users and Purpose

This report is intended solely for the purpose of assisting the Society 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.



SAA CPA Limited
Certified Public Accountants

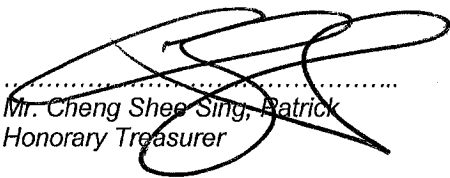
Chan Mei Wah
Practising Certificate Number : P05389


Hong Kong, 3 September 2019

Hong Kong Family Welfare Society
Charity sale of "The Legacy of Loving Home" Notebooks

Income and Expenditure Account
For the period from 27 April 2019 to 26 May 2019
Public Subscription Permit No. 2019/080/1

	HK\$
INCOME	
Charity sales	5,950.00
Donations received	913.90
	<u>6,863.90</u>
EXPENDITURE	-
Excess of income over expenditure	<u><u>6,863.90</u></u>


.....
Mr. Cheng Shee Sing, Patrick
Honorary Treasurer


.....
Ms. Annie Lo
Acting Executive Director

Hong Kong Family Welfare Society

Charity sale of "The Legacy of Loving Home" Notebooks

Notes to the Financial Statements

For the period from 27 April 2019 to 26 May 2019

1. General

The Event was held by SHKP Club. All of the funds raised for the Event was donated to Hong Kong Family Welfare Society (the "Society"). The purpose of the fundraising was for the operation of the Society.

2. Basis of preparation and principal accounting policies

The financial statements only comprise the income and expenditure account for the Charity sale of "The Legacy of Loving Home" Notebooks (the "Event") held during the period from 27 April 2019 to 26 May 2019 and accordingly it excludes other income and expenditure which were not included under this Event.

The principal accounting policies used by the Society in the preparation of the financial statements are recognized on an accrual basis and specifically set out as follows:

a) *Revenue recognition*

- i) Sale of notebooks are recognized when the Society has transferred to the buyer the significant risks and rewards of ownership of the goods, and no significant uncertainty exists relating to the costs of sales, the consideration or the possibility of return.
- ii) The donation income is recognized upon the donors make that payment.

3. Donations credited to the bank

	HK\$
Excess of income over expenditure	6,863.90
Add: accrued expenditure not yet paid as at 26 July 2019	-
Net balance of donations deposited into the Society's bank account on 26 July 2019	<u>6,863.90</u>

Before the commencement of audit work, the proceeds collected have been credited to the bank account of SHKP Club within 60 days of the last Event day, then the net balance of donations were donated and credited to bank account of the Society on 26 July 2019.

4. Approval of the financial statements

The income and expenditure account was approved and authorized for issue by the Executive Committee on 3 September 2019.