

腦友坊慈善有限公司
LO YAU FONG COMPUSERV CHARITY LIMITED

INCOME AND EXPENDITURE ACCOUNT

FOR THE FUND-RAISING ACTIVITY

**HELD ON 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24,
25, 26, 27, 28, 29, 30, 31 DECEMBER 2013**

UNDER Public Subscription Permit No. 2013/357/1

LEE CHI FAI & CO.
Certified Public Accountants
李智輝會計師事務所

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INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF
腦友坊慈善有限公司
LO YAU FONG COMPUSERV CHARITY LIMITED
(Incorporated in Hong Kong with limited liability)

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In accordance with our agreed terms of engagement, we have performed an engagement on the attached income and expenditure account of the Charity's general charitable fund-raising activity held on 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31 DECEMBER 2013 (The Events).

Respective responsibilities of the committee members and ourselves

The Committee Members are responsible for preparing the attached income and expenditure account in accordance with the basis of preparation set out in note 1, setting out the gross subscriptions raised from the Events and the expenses incurred in connection with the Events, in order to comply with 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") This responsibility includes designing, implementing and maintaining internal control 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 Events and is free from material misstatement.

It is our responsibility to form a conclusion on the attached income and expenditure account, based on our engagement, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Basis of conclusion

We conduct our engagement in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to the "Circular on Reporting on General Charitable Fund-raising Activities Covered by Public Subscription Permits issued by the Social Welfare Department (Other than Flag Days)" issued by the Hong Kong Institute of Certified Public Accountants ("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.

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Basis of conclusion (cont'd)

Furthermore, due to the nature of cash receipts and expenses relating to general charitable fund-raising activities, it was not practicable for us to determine whether the income and expenditure account and the books and records of the Charity include all transactions relating to the Events, 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 Charity'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 cause 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 Charity in respect of the Events that have been recorded in its books and records made available to us in accordance with the basis of preparation set out in note 1.

Use of report

This report is intended solely for the purpose of assisting the Charity to satisfy the conditions stated in the Public Subscription Permit issued by SWD in connection with the Events and its 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 Department and may be published where the Charity is required to do so under the conditions stated in the relevant Public Subscription Permit without further comment from us.



Lee Chi Fai & Co.
Certified Public Accountants
Hong Kong, 17 MAR 2014

INCOME AND EXPENDITURE ACCOUNT IN RESPECT OF THE FUND-RAISING RELATING TO
PUBLIC SUBSCRIPTION PERMIT NO. 2013/357/1 HELD ON 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14,
15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31 DECEMBER 2013

| | HK\$ |
|-------------------|----------------------|
| INCOME | |
| Donation received | <u>41,999</u> |
| EXPENDITURES | |
| Audit fee | <u>2,000</u> |
| SURPLUS | <u><u>39,999</u></u> |

Objective

The objective of the Events is to raise funds for Lo Yau Fong Compuserv Charity Limited to finance the provision of Tablets Personal Computer services to the people receiving CSSA Scheme (Comprehensive Social Security Assistance Scheme), including single parent families and physically handicapped as well as the people with low income.

Approved and authorized for issue by the Executive Committee on 19th March 2014



Member of the Committee

LO YAU FONG COMPUSERV CHARITY LIMITED
NOTES TO INCOME AND EXPENDITURE ACCOUNT

1. BASIS OF PREPARATION

a) Revenue recognition

Donation income is recognized when cash is received after fund raising event.

b) Expenditure

Expenditure is recognized on accrual basis.