

HEEP HONG SOCIETY
REPORT AND ACCOUNT
FOR THE FUND-RAISING ACTIVITY
HELD FROM 31 MARCH, 2012
TO 12 MAY, 2012
PUBLIC SUBSCRIPTION PERMIT NO.: 2012/089/1 & 2012/089/2

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范 陳 會 計 師 行
FAN, CHAN & CO.

CERTIFIED PUBLIC ACCOUNTANTS
HONG KONG

INDEPENDENT ASSURANCE REPORT

TO THE EXECUTIVE COMMITTEE OF
HEEP HONG SOCIETY
("the Society")
PUBLIC SUBSCRIPTION PERMIT NO.: 2012/089/1 & 2012/089/2

In accordance with our agreed terms of engagement, we have performed an engagement on the attached income and expenditure account of the Society's general charitable fund-raising activity held during the period from 31 March, 2012 to 12 May, 2012 ("the Event").

Respective responsibilities of the Executive Committee and ourselves

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, 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 Social Welfare Department of the Government of the Hong Kong Special Administrative Region ("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.

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

Basis of conclusion

We conducted 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.

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 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.

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.

INDEPENDENT ASSURANCE REPORT
TO THE EXECUTIVE COMMITTEE OF
HEEP HONG SOCIETY
("the Society")
PUBLIC SUBSCRIPTION PERMIT NO.: 2012/089/1 & 2012/089/2

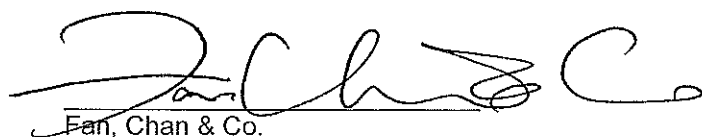
Conclusion

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 note 2.

Use of report

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 and may be published where the Society is required to do so under the conditions stated in the relevant Public Subscription Permit without further comment from us.




Fan, Chan & Co.
Certified Public Accountants
Hong Kong, 31 July, 2012

HEEP HONG SOCIETY
INCOME AND EXPENDITURE ACCOUNT
FOR THE FUND-RAISING ACTIVITY
HELD FROM 31 MARCH, 2012
TO 12 MAY, 2012
PUBLIC SUBSCRIPTION PERMIT NO.: 2012/089/1 & 2012/089/2

| | HK\$ |
|------------------------------|-----------------|
| <u>Income</u> | |
| Donation from donation boxes | 10,554.70 |
| <u>Expenditures</u> | |
| Auditor's remuneration | <u>1,000.00</u> |
| Net income | <u>9,554.70</u> |

The income and expenditure account was approved on behalf of the Executive Committee of Heep Hong Society on 31 July, 2012 by:



Chairman



Director

HEEP HONG SOCIETY
NOTES TO THE INCOME AND EXPENDITURE ACCOUNT
FOR THE FUND-RAISING ACTIVITY
HELD FROM 31 MARCH, 2012
TO 12 MAY, 2012
PUBLIC SUBSCRIPTION PERMIT NO.: 2012/089/1 & 2012/089/2

1. General

The fund-raising activity is organised by Heep Hong Society (the "Society") for the purpose of raising funds for supporting the services for children with special needs and their families under the care of the Society. The activity was held on the indicated date, time and venue with the method of donation collection according to the table below which was approved by Social Welfare Department on 30 March, 2012 and 8 May, 2012 under Public Subscription Permit No.: 2012/089/1 & 2012/089/2 respectively.

| Date | Time | Venue | Method of collection |
|-----------|------------------|---|--|
| 31/3/2012 | 1:00pm – 7:00pm | 1. Trendy Street, Level 2, Metropolis Plaza, Sheung Shui | Set up donation boxes in stationed counter |
| 1/4/2012 | 10:00am – 7:00pm | 2. Trendy Street, Level 2, Metropolis Plaza, Sheung Shui | |
| 17/4/2012 | 10:00am – 7:00pm | 3. Plaza of HSBC Main Building, 1 Queen's Road Central | |
| 21/4/2012 | 1:00pm – 6:00pm | 4. Admiralty MTR Station | |
| | 1:00pm – 7:00pm | 5. Stage of Upper Wong Tai Sin Estate | |
| | 1:00pm – 6:00pm | 6. Tung Chung MTR Station | |
| 24/4/2012 | 10:00am – 7:00pm | 7. Level One "Bridge B", Maritime Square, Tsing Yi | |
| 26/4/2012 | 10:00am – 6:00pm | 8. Kwun Tong MTR Station | |
| 27/4/2012 | 10:00am – 6:00pm | 9. Tai Wai MTR Station | |
| 2/5/2012 | 10:00am – 7:00pm | 10. Level One Corridor 2 (outside Uniqlo), East Point City, Tseung Kwan O | |
| 5/5/2012 | 1:00pm – 7:00pm | 11. Area A, G/F, Ma On Shan Centre, Ma On Shan, Shatin | |
| | 1:00pm – 7:00pm | 12. Charity Area, 1/F, Olympian City 2 | |
| 6/5/2012 | 10:00am – 6:00pm | 13. Tai Koo MTR Station | |
| 12/5/2012 | 1:00pm – 7:00pm | 14. Charity Area, 1/F, Olympian City 2 | |
| | 1:00pm – 7:00pm | 15. Sha Kok Plaza, Sha Kok Estate, Shatin | |
| | 1:00pm – 7:00pm | 16. Area A (near restaurant), 3/F, Sha Kok Commercial Centre, Shatin. | |
| | 1:00pm – 6:00pm | 17. Chai Wan MTR Station | |

HEEP HONG SOCIETY
NOTES TO THE INCOME AND EXPENDITURE ACCOUNT
FOR THE FUND-RAISING ACTIVITY
HELD FROM 31 MARCH, 2012
TO 12 MAY, 2012

PUBLIC SUBSCRIPTION PERMIT NO.: 2012/089/1 & 2012/089/2

2. Basis of preparation

The income and expenditure account has been prepared on the cash receipts basis. On this basis, income is recognised when received, and expenditures are charged against income when paid.

HEEP HONG SOCIETY
協康會

LOTTERY ACCOUNTS
FOR THE LOTTERY EVENT "HEEP HONG SOCIETY GRAND RAFFLE 2012"

HELD DURING THE PERIOD FROM 27 MARCH, 2012
TO 21 MAY, 2012

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FAN, CHAN & CO.

CERTIFIED PUBLIC ACCOUNTANTS
HONG KONG

REVIEW REPORT

TO THE EXECUTIVE COMMITTEE OF HEEP HONG SOCIETY

協康會

In accordance with the engagement letter dated 28 June, 2012, we have performed the agreed upon procedures in reviewing the attached income and expenditure account ("IEA") of Heep Hong Society's lottery event, the draw of which was held on 21 May, 2012. Our engagement was conducted in accordance with Practice Note 852 "Review of lottery accounts" issued by the Hong Kong Institute of Certified Public Accountants. This report is made solely in relation to the above lottery event and does not relate to any other part of the operations of Heep Hong Society. The agreed upon procedures that we have carried out did not constitute an audit of the attached IEA of Heep Hong Society's lottery event, and accordingly they cannot be relied upon to provide the same level of assurance as an audit.

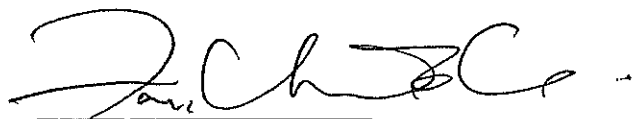
Use of this report

This report is intended solely for the purpose of satisfying Condition 6 of Lottery Licence No. 4251 issued on 6 March, 2012 by the Television and Entertainment Licensing Authority of the Government of the Hong Kong Special Administrative Region to Heep Hong Society, and is not intended to be, and should not be, used for any other purpose.

Review conclusion

On the basis of the results of the agreed upon procedures performed by us:

- a. in our opinion the attached IEA of Heep Hong Society's lottery event is properly prepared from the books and records of Heep Hong Society made available to us; and
- b. no matter has come to our attention which indicates that the attached IEA of Heep Hong Society's lottery event does not accurately reflect all the monies collected or received from the sale of lottery tickets by Heep Hong Society during the lottery event and all the disbursements made from the monies so collected or received.



Fan, Chan & Co.
Certified Public Accountants
Hong Kong, 31 July, 2012

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HEEP HONG SOCIETY
協康會
THE LOTTERY EVENT "HEEP HONG SOCIETY GRAND RAFFLE 2012"

INCOME AND EXPENDITURE ACCOUNT

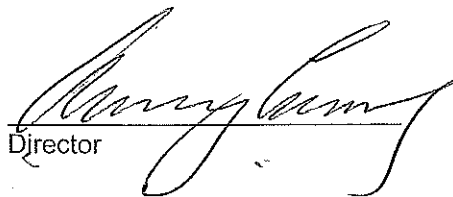
FOR THE PERIOD FROM 27 MARCH, 2012
TO 21 MAY, 2012

| | HK\$ | HK\$ |
|----------------------------|--------|------------------|
| Income | | |
| Sale of raffle tickets | | 1,362,880 |
| Donations of raffle prizes | | 28,627 |
| | | <u>1,391,507</u> |
| Less : Expenditures | | |
| Audit Fee | 3,000 | |
| Advertisement | 2,610 | |
| Banner and decoration | 734 | |
| License Fee | 1 | |
| Printing charge | 11,904 | |
| Raffle prizes | 28,627 | |
| Transportation | 429 | |
| | | <u>47,305</u> |
| Total surplus | | <u>1,344,202</u> |

The income and expenditure account was approved on behalf of the Executive Committee of Heep Hong Society on 31 July, 2012 by:



Chairman



Director

HEEP HONG SOCIETY

協康會

THE LOTTERY EVENT "HEEP HONG SOCIETY GRAND RAFFLE 2012"

NOTES TO THE INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD FROM 27 MARCH, 2012

TO 21 MAY, 2012

1. General

In accordance with Section 22(1)(a)(i) of the Gambling Ordinance (Cap.148), Heep Hong Society has obtained a Lottery Licence No. 4251 on 6 March, 2012 from The Commissioner for Television and Entertainment Licensing in respect of Heep Hong Society's sale of raffle tickets held during the period from 27 March, 2012 to 21 May, 2012. The draw of the lottery event was held on 21 May, 2012.

2. Basis of preparation

The income and expenditure account has been prepared on the cash receipts and disbursements basis. On this basis, income is recognised when received and expenditures are recognised when paid.

3. Surplus

The total surplus of HK\$1,344,202 will form part of revenue of Heep Hong Society. The executive committee have determined to use the surplus in support of its services for children with special needs and their families.