

THE LOK SIN TONG BENEVOLENT SOCIETY, KOWLOON
INCOME AND EXPENDITURE ACCOUNT OF CHARITY CANDY SALES
FUND-RAISING ACTIVITIES COVERED BY PUBLIC SUBSCRIPTION
PERMIT NO. 2021/018/1 ISSUED BY SOCIAL WELFARE
DEPARTMENT HELD DURING THE PERIOD
FROM 22ND FEBRUARY 2021 TO 21ST MARCH 2021

QUINNIE SAU HING LAU

Certified Public Accountant

Quinnie Sau Hing LAU
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INDEPENDENT PRACTITIONER'S ASSURANCE REPORT
TO THE EXECUTIVE COMMITTEE MEMBERS OF
THE LOK SIN TONG BENEVOLENT SOCIETY, KOWLOON ("the Permittee")

Public Subscription Permit No : 2021/018/1

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"), I have been requested to report on the attached income and expenditure account of the Permittee's Charity Candy Sales fund-raising activities held during the period from 22nd February 2021 to 21st March 2021 ("the Event").

Responsibilities of the Executive Committee Members

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 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.

My Independence and Quality Control

I 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.

I 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.

Practitioner's Responsibilities

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

I conducted my 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. I have planned and performed my work to obtain limited assurance for giving my conclusion below.

Quinnie Sau Hing LAU
Certified Public Accountant (Practising)
劉秀馨 執業會計師

九龍旺角彌敦道 776-778 號恒利商業大廈 3 樓 305 室

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INDEPENDENT PRACTITIONER'S ASSURANCE REPORT (Continued)
TO THE EXECUTIVE COMMITTEE MEMBERS OF
THE LOK SIN TONG BENEVOLENT SOCIETY, KOWLOON ("the Permittee")

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 me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

My 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, analytical procedures applied to financial data and other procedures I 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 me 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 me to quantify the potential impact of this on the income and expenditure account. Accordingly, my 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, I report that nothing has come to my attention that causes me 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 me in accordance with the basis of preparation set out in Note 1.

Intended User and of 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. I agree that a copy of this report may be provided to the Director of Social Welfare without further comment from me.



Quinnie Sau Hing Lau
Certified Public Accountant (Practising)
Hong Kong, 31st May 2021

THE LOK SIN TONG BENEVOLENT SOCIETY, KOWLOON
INCOME AND EXPENDITURE ACCOUNT OF CHARITY CANDY SALES FUND-RAISING
ACTIVITIES COVERED BY PUBLIC SUBSCRIPTION PERMIT NO. 2021/018/1 ISSUED
BY SOCIAL WELFARE DEPARTMENT HELD DURING THE PERIOD FROM 22ND
FEBRUARY 2021 TO 21ST MARCH 2021

For the period from
22nd February 2021
to 21st March 2021
HK\$

Income

Charity Candy Sales	46,764.10
Cost of the charity sales items	(173,504.00)
Deficit from charity sale	(126,739.90)

Other donations	1,441,033.00
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Total income	1,314,293.10
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Expenditure

Rental expenses	84,521.00
Design expenses	92,520.00
Printing and stationery	4,950.00
Advertisement	20,337.42
Insurance	9,508.08
Transportation for candy & other	6,160.70
General expenses	1,794.78

Total expenditures	219,791.98
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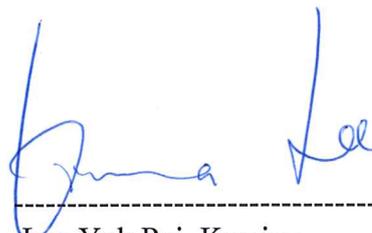
Net income	1,094,501.12
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The income and expenditure account and the notes on P. 4 were approved by the Executive Committee Members of The Lok Sin Tong Benevolent Society, Kowloon on 31st May 2021.

On behalf of the Executive Committee Members



Dr. Pang Chi Wang, Peter
Chairman



Lee Yuk Pui, Kawina
Treasurer

THE LOK SIN TONG BENEVOLENT SOCIETY, KOWLOON
NOTES TO THE INCOME AND EXPENDITURE ACCOUNT OF CHARITY CANDY SALES
FUND-RAISING ACTIVITIES COVERED BY PUBLIC SUBSCRIPTION PERMIT NO.
2021/018/1 ISSUED BY SOCIAL WELFARE DEPARTMENT HELD DURING THE PERIOD
FROM 22ND FEBRUARY 2021 TO 21ST MARCH 2021

General information

The Permittee was incorporated in Hong Kong under the Hong Kong Companies Ordinance as a Hong Kong company limited by guarantee and not having a share capital. The registered office of the Permittee is located at 61, Lung Kong Road, Kowloon City, Kowloon, Hong Kong.

1. Basis of preparation

The purpose of the Charity Candy Sales fund-raising event is for supporting the Permittee's medical, education, elderly care and social welfare services.

The income and expenditure account has been prepared in accordance with accrual basis of accounting.

The significant accounting policies are set out below:

(a) Revenue recognition

(i) Charity Candy Sales

Public Subscription Permit issued by SWD authorizes the Permittee to conduct the Event via the donation boxes at the specified points of sale for charitable purposes. Proceeds from the Event are recognized when received; and

(ii) Other donations

Other donations through the Permittee's internal appeals for the Event and proceeds from the Event are recognized when received.

2. Donations credited to the bank

	<u>HK\$</u>
Net income	1,094,501.12
Add: accrued expenditure not yet paid as at 18th May 2021	-
Net balance of donations deposited into Permittee's bank account by 18th May 2021	<u>1,094,501.12</u>