The Community Chest of Hong Kong
香港公益金

Income and Expenditure Account
Placing Donation Boxes at Public Area to Raise Fund
for The Community Chest of Hong Kong
for the period from 1 April 2016 to 31 March 2017
Public Subscription Permit No. 2016/076/1

KPMG

Independent practitioner's assurance report to the Board of Directors of The Community Chest of Hong Kong ("the Permittee")

Public Subscription Permit No: 2016/076/1

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 placing donation boxes at public area to raise fund for The Community Chest of Hong Kong for the period from 1 April 2016 to 31 March 2017 ("the Event").

Responsibilities of the directors

The directors 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.

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.

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.

KPMG

Independent practitioner's assurance report to the Board of Directors of The Community Chest of Hong Kong ("the Permittee") (continued)

Practitioner's responsibilities (continued)

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, *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.

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 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.

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 note 1.

KPMG

Independent practitioner's assurance report to the Board of Directors of The Community Chest of Hong Kong ("the Permittee") (continued)

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 the SWD in connection with the Event and is not intended to be, and should not be, used for any other purpose and we do not assume responsibility towards or accept liability to any other person other than the addressees of our report for the contents of our report. We agree that a copy of this report may be provided to the Director of Social Welfare without further comment from us.

KPMG

Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

- 8 JUN 2017

Income and expenditure account for Placing Donation Boxes at Public Area to Raise Fund for The Community Chest of Hong Kong for the period from 1 April 2016 to 31 March 2017 Public Subscription Permit No. 2016/076/1

(Expressed in Hong Kong dollars)

	Note	
Income		
Donations received	1(a)	$ 499,758
Funding from Campaign Expenditure Reserve	1(b)	39,525
		$ 539,283
Expenditure	1(b)	
Security service fee for cash collection		$ 39,505
Miscellaneous		20
		$ 39,525
Excess of income over expenditure		$ 499,758

Approved and authorised for issue by the Board of Directors on – 8 JUN 2017

Board member

Board member

The notes on page 5 form part of this account.

Notes to the account

(Expressed in Hong Kong dollars)

1 Basis of preparation

The basis of preparation of this income and expenditure account is set out below:

(a) Donations received

Donations received represent cash collections received by The Community Chest of Hong Kong in respect of the event of Placing Donation Boxes at Public Area to Raise Fund for The Community Chest of Hong Kong (under Public Subscription Permit No. 2016/076/1) for the period from 1 April 2016 to 31 March 2017.

The purpose of this event is to raise funds for The Community Chest of Hong Kong's 155 member social welfare agencies to provide various supportive services to the needy and disadvantaged in Hong Kong.

(b) Expenditure

Expenditure is accounted for on an accrual basis and funded by the Campaign Expenditure Reserve of The Community Chest of Hong Kong.