



DIABETES HONGKONG
香港糖尿聯會

**ASSURANCE REPORT ON THE INCOME AND
EXPENDITURE ACCOUNT OF THE FUND-RAISING EVENT
“WALK FOR DIABETES 2015” HELD ON 8 NOVEMBER 2015**

廖建平會計師事務所有限公司
ALCOTT LIU CPA LIMITED
CERTIFIED PUBLIC ACCOUNTANTS (PRACTISING)
HONG KONG

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香港糖尿聯會

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PUBLIC SUBSCRIPTION PERMIT NO.: 2015/263/1

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**INDEPENDENT PRACTITIONER'S ASSURANCE REPORT TO THE COUNCIL MEMBERS OF
DIABETES HONGKONG 香港糖尿聯會 (the "Association")
PUBLIC SUBSCRIPTION PERMIT NO.: 2015/263/1**

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 Association's charitable fund-raising event "Walk for Diabetes 2015" held on 8 November 2015 (the "Event").

Responsibilities of the Council Members

The Council 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 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 behavior.

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.

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.

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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 Association 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 Association'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 Association 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.

Intended users and purpose

This report is intended solely for the purpose of assisting the Association 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. We agree that a copy of this report may be provided to the Director of Social Welfare without further comment from us.



ALCOTT LIU CPA LIMITED
CERTIFIED PUBLIC ACCOUNTANTS (PRACTISING)

HONG KONG, 4 FEBRUARY 2016

WONG SAU YEE COLLEEN
Practising Certificate No. P03473

DIABETES HONGKONG
香港糖尿聯會

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	Note	HK\$
INCOME		
Donation from public		
- pre-registration		416,695
- on-site registration	4	34,790
Sponsorship from private corporations		<u>197,000</u>
		648,485
EXPENSES		
Allowance for volunteers		5,150
Audit fee		4,000
Bags		4,600
Banners and signage		490
Event management fee		78,425
Insurance		1,809
Miscellaneous expenses		4,350
Postage and courier		656
Printing		12,828
Transportation		4,776
Trophies and souvenirs		550
T-shirts		49,000
		<u>(166,634)</u>
SURPLUS		<u><u>481,851</u></u>

Approved by the Executive Council on 4 February 2016



DR. LEE KA FAI
PRESIDENT



DR. HUI PUI SZE GRACE
HON. TREASURER

DIABETES HONGKONG
香港糖尿聯會

NOTES TO THE INCOME AND EXPENDITURE ACCOUNT

INCOME AND EXPENDITURE ACCOUNT OF THE FUND-RAISING EVENT
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1 GENERAL

The Fund-Raising Event “Walk for Diabetes 2015” (the “Event”) is organised by Diabetes Hongkong (the “Association”) which is for the purpose of raising funds for programs serving people with diabetes and promoting diabetes awareness, after deducting expenses for the Event. All funds raised had been deposited into bank accounts in name of “Diabetes Hongkong”.

2 BASIS OF ACCOUNTING

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

3 TAXATION

As the Association is registered as a charitable organisation under section 88 of Inland Revenue Ordinance, the surplus from the Event is exempted from Hong Kong profits tax.

4 DETAILS OF THE PUBLIC FUND-RAISING ACTIVITY

The income of the Event collected in the donation boxes in stationed counter at the following location is:

<u>Date of activity</u>	<u>Time</u>	<u>Location</u>	<u>Amount received</u>
8 November 2015	9:00 am – 1:00 pm	Amphitheatre, Tai Po Waterfront Park, Tai Po, New Territories, Hong Kong	<u>HK\$34,790</u>

The above Fund-Raising Event was held under the conditions of the Permit Number 2015/263/1 issued by the Social Welfare Department of the Government of Hong Kong Special Administrative Region.