

*Income and Expenditure Account*  
***The Media Evangelism Limited***  
*Flag Day Fund Raising Event*  
*Held on 17 September 2016*



## INDEPENDENT ASSURANCE REPORT

To the directors of  
**The Media Evangelism Limited**  
*(incorporated in Hong Kong with limited liability by guarantee)*

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 Media Evangelism Limited's (the "Permittee") territory-wide flag day fund-raising activity held on 17 September 2016 ("the Event").

### Respective responsibilities of the Directors and practitioner

The Directors 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.

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.

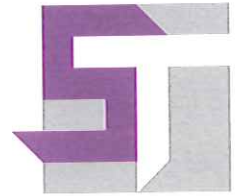
### Basis of conclusion

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 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 Hong Kong Institute of Certified Public Accountants.

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 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.

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.



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To the directors of  
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### 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 2.

### Use of report

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. We agree that a copy of this report may be provided to the Director of Social Welfare without further comment from us.

Sky Trend CPA Limited  
*Certified Public Accountants*  
Hong Kong  
2 November 2016

Stephen Chun Hong Wong  
Practising Certificate No.: P04529

# The Media Evangelism Limited

## Income and Expenditure Account


(in respect of the flag day fund raising event held on 17 September 2016)

Public subscription permit number: FD/T007/2016

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|   | <i>HK\$</i>             |
|---|-------------------------|
| <b>Income</b>   |                         |
| Donations received from the flag sale   | 814,175                 |
| Others donations and contributions in relation to the flag day fund raising event | <u>494,250</u>          |
|   | <u>1,308,425</u>        |
| <br>  |                         |
| <b>Expenditure</b>  |                         |
| Bank charges  | 40                      |
| Car rental  | 843                     |
| Flag bags repairing   | 1,760                   |
| Income and expenditure account review fee   | 3,000                   |
| Insurance   | 1,180                   |
| Local Travelling  | 751                     |
| Postage   | 2,669                   |
| Printing  | 30,563                  |
| Security expenses   | 6,500                   |
| Stationery  | 630                     |
| Transportation  | <u>720</u>              |
|   | <u>48,656</u>           |
| <br>  |                         |
| <b>Surplus</b>  | <u><u>1,259,769</u></u> |

*Approved and authorised for issue by the Board of Directors on 2 November 2016*

  
*Director*  
Kwong Chung Man

  
*Director*  
Hung Wai Man



# The Media Evangelism Limited

## Notes to Income and Expenditure Account

*(in respect of the flag day fund raising event held on 17 September 2016)*

Public subscription permit number: FD/T007/2016

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### 1. GENERAL AND DETAILS OF THE FLAG DAY FUND RAISING EVENT

The flag day fund raising activity (the “Event”) is an event organized by The Media Evangelism Limited (the “Permittee”), which is for the purpose of raising project fund for (i) payroll and mandatory provident fund contributions; (ii) rental and operational expenses; and (iii) volunteers training of the “telephone hotline services” project.

The above Event was held on 17 September 2016 under the conditions of the permit number FD/T007/2016 issued by Social Welfare Department of the Government of the HKSAR. All donations received by the Permittee in the Event are credited to the project fund of the Permittee of the “telephone hotline services”.

### 2. PRINCIPAL ACCOUNTING POLICIES

#### **Basis of preparation**

The income and expenditure account had been prepared under the historical cost convention. They are presented in Hong Kong dollars which is also the Permittee’s functional currency. A summary of the significant accounting policies adopted by the Permittee is set out below.

#### **Recognition of income**

Donations and contributions received from fund raising activities are recognised in the accounts on a cash received basis.

#### **Taxation**

As the Permittee is registered as a charitable organization under Section 88 of Inland Revenue Ordinance, the Permittee is exempted from Hong Kong Profits Tax.

#### **Recognition of expenses**

Expenses in relation to the fund raising activities are recognised when incurred.