

Income and Expenditure Account
The Media Evangelism Limited
Flag Day Fund Raising Event
Held on 17 August 2019
Public Subscription Permit No.: FD/T030/2019



INDEPENDENT PRACTITIONER'S ASSURANCE REPORT

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

Public Subscription Permit No.: FD/T030/2019

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 territory-wide flag day fund-raising activity held on 17 August 2019 ("the Event").

Respective 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 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

We 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

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 as a body and for no other purpose. We do not assume responsibility towards or accept liability to any other persons for the contents of this report.

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 (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. 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.



INDEPENDENT PRACTITIONER'S ASSURANCE REPORT

To the directors of

The Media Evangelism Limited (The "Permittee")

(incorporated in Hong Kong with limited liability by guarantee)

Practitioner's Responsibilities (Continued)

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, analytical procedures applied to financial data 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.

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.

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 2.

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. 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
9 October 2019

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 August 2019)

Public subscription permit number: FD/T030/2019

HK\$

Income

Donations received from the flag sale on flag day	156,178
Other donations and contributions in relation to the flag day fund raising event	<u>373,183</u>
	<u>529,361</u>

Expenditure

Advertising expenses	15,000
Flag bags	13,000
Income and expenditure account review fee	3,500
Insurance	1,221
Printing	<u>18,000</u>
	<u>50,721</u>

Surplus

478,640

Approved and authorised for issue by the Board of Directors on 9 October 2019



Director
Yip Cho Yiu



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 August 2019)

Public subscription permit number: FD/T030/2019

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

The flag day fund raising activity (the “Event”) is an event organised 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 “Lifeline Counselling Hotline” project.

The above Event was held on 17 August 2019 under the conditions of the permit number FD/T030/2019 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 “Lifeline Counselling Hotline”.

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

The income collected on 17 August 2019 from flag sale and other donations in relation to the Event, are recognised on an accrual basis.

Taxation

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

Recognition of expenses

Expenses in relation to the Event are recognised when incurred on an accrual basis.

3. DONATIONS CREDITED TO THE BANK

All the proceeds in relation to the Event collected, i.e. HK\$529,361, have been credited to the designated bank account of the Permittee before being used for payment of expenditures for the flag day and/or the purpose specified in the permit by 20 September 2019.

In addition to the proceeds of HK\$156,178 from flag sale on 17 August 2019, there are also donations of HK\$373,183 received from other donors for the support of the “Lifeline Counselling Hotline” in relation to the Event.

