

Independent Assurance Report

YAN OI TONG LIMITED

The Estate Fund-raising Activities
Held from 30th December, 2015 to 5th February, 2016
(Public Subscription Permits No. 2015/332/1, 2015/332/2)



Robert Chui & Co.

Certified Public Accountants
Hong Kong

YAN OI TONG LIMITED

The Estate Fund-raising Activities

Held from 30th December, 2015 to 5th February, 2016

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INDEPENDENT ASSURANCE REPORT

TO THE BOARD OF DIRECTORS OF YAN OI TONG LIMITED ("the Company")

(incorporated in Hong Kong as a company limited by guarantee and not having a share capital)

Public Subscription Permits No: 2015/332/1, 2015/332/2

Pursuant to the conditions stated in the Public Subscription Permits 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 Company's estate fund-raising activities held during the period from 30th December, 2015 to 5th February, 2016 ("the Event").

Responsibilities of the directors of the Company

The directors of the Company 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 Permits 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.

Our 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 "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.



INDEPENDENT ASSURANCE REPORT ("Continued")

TO THE BOARD OF DIRECTORS OF YAN OI TONG LIMITED ("the Company")

(incorporated in Hong Kong as a company limited by guarantee and not having a share capital)

Public Subscription Permits No: 2015/332/1, 2015/332/2

Our 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 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 Company 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 Company'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 Company 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 Company to satisfy the conditions stated in the Public Subscription Permits 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.

Robert Chui & Co.

Certified Public Accountants (Practising)

Hong Kong

28 APR 2016

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YAN OI TONG LIMITED

INCOME AND EXPENDITURE ACCOUNT

The Estate Fund-raising Activities

Held from 30th December, 2015 to 5th February, 2016

	HK\$
INCOME	
Estate fund-raising income	<u>115,478</u>
EXPENDITURE	
Insurance	106
Professional fee	4,700
Promotion and publicity	10,545
Postage	370
Stationery	1,153
Sundries	1,490
Travelling allowances	3,917
Volunteer subsidies	<u>811</u>
	<u>23,092</u>
EXCESS OF INCOME OVER EXPENDITURE FOR THE PERIOD	<u><u>92,386</u></u>

The income and expenditure account and the notes thereto were approved and authorised for issue by the Board of Directors of Yan Oi Tong Limited on **28 APR 2016** and signed on its behalf by:



TANG KAM HUNG
Chairperson



LEE OI PING CHRISTINA
Vice-Chairperson

YAN OI TONG LIMITED

NOTES TO INCOME AND EXPENDITURE ACCOUNT

The Estate Fund-raising Activities

Held from 30th December, 2015 to 5th February, 2016

1. GENERAL

Yan Oi Tong Limited (the "Company") was incorporated in Hong Kong as a company limited by guarantee and not having a share capital. The principal activities of the Company are the provision of charitable services including education, nursery, recreation and sports, medical and social services.

The Estate Fund-raising Activities (the "Event") were held during the period from 30th December, 2015 to 5th February, 2016 under the Public Subscription Permits 2015/332/1, 2015/332/2 to raise funds for services of Yan Oi Tong Limited.

2. PRINCIPAL ACCOUNTING POLICIES

Basis of preparation

The income and expenditure account has been prepared using the historical cost basis of accounting.

Income recognition

Estate fund-raising income is recognised on receipt basis.

3. INCOME TAX

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