

THE AMITY FOUNDATION, HONG KONG, LIMITED

INCOME AND EXPENDITURE ACCOUNT

OF CHARITABLE FUND-RAISING ACTIVITIES FOR THE RELIEF WORKS  
FOR THE SICHUAN EARTHQUAKE VICTIMS AND FOR PROVISION OF  
SCHOOL FEE SUBSIDY TO STUDENTS IN MONGOLIA COVERED BY  
PUBLIC SUBSCRIPTION PERMIT NUMBER 2008/289/1 ISSUED BY THE  
SOCIAL WELFARE DEPARTMENT OF THE GOVERNMENT OF THE HONG  
KONG SPECIAL ADMINISTRATIVE REGION

FOR THE PERIOD FROM 23 MAY 2008 TO 1 JUNE 2008

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**INDEPENDENT ASSURANCE REPORT TO THE DIRECTORS OF  
THE AMITY FOUNDATION, HONG KONG, LIMITED**  
(Incorporated in Hong Kong, limited by guarantee and not having a share capital)

In accordance with our agreed terms of engagement, we have performed an engagement on the attached income and expenditure account of The Amity Foundation, Hong Kong, Limited (“the Charity”) in respect of the general charitable fund-raising activities for the relief works for the Sichuan earthquake victims and for provision of school fee subsidy to students in Mongolia held during the period from 23 May 2008 to 1 June 2008 (“the Event”).

**Directors’ responsibilities**

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 Social Welfare Department of the Government of the Hong Kong Special Administrative Region (“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.

**Auditors’ responsibilities**

It is our responsibility to form a conclusion on the attached income and expenditure account, based on our engagement, and to report our conclusion solely to you, as a body, for filing with the SWD and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

**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 the “Circular on Reporting on General Charitable Fund-raising Activities Covered by Public Subscription Permits issued by the Social Welfare Department (Other than Flag Days)” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

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 TO THE DIRECTORS OF  
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Furthermore, due to the nature of cash receipts and expenses relating to general charitable fund-raising activities, it was not practicable for us to determine whether the income and expenditure account and the books and records of the Charity 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 Charity'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 review procedures we considered necessary.

**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 Charity 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 Charity 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 and may be published where the Charity is required to do so under the conditions stated in the relevant Public Subscription Permit without further comment from us.

  
SCOTT Y. K. HEUNG & COMPANY  
Certified Public Accountants (Practising)

HONG KONG, 08 MAY 2009

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	Note	HK\$
<b>INCOME</b>		
Gross subscriptions raised	2(b)	36,123.50
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<b>EXPENDITURE</b>		
Professional fee		2,000.00
Relief works for Sichuan earthquake victims		19,884.90
School fee subsidy to students in Mongolia		14,238.60
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		36,123.50
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<b>SURPLUS/(DEFICIT)</b>		
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Approved on behalf of the Board



Director

HONG KONG, 08 MAY 2009

**THE AMITY FOUNDATION, HONG KONG, LIMITED  
NOTES TO THE INCOME AND EXPENDITURE ACCOUNT  
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**1. STATUS OF THE ASSOCIATION**

The Association is a non-profit making organization which is limited by guarantee and not having a share capital. Every member of the Association undertakes to contribute to the assets of the Association, in the event of the same being wound up while he is a member, or within one year after he ceased to be a member, for payment of the debts and liabilities of the Association contracted before he ceased to be a member, and of the costs, charges and expenses of winding up, and for the adjustments of the right of the contributories among themselves, such amount as may be required not exceeding one hundred dollars Hong Kong currency.

The Association's registered office is located at 13/F., Ultragrace Commercial Building, 5 Jordan Road, Kowloon, Hong Kong.

**2. BASIS OF PREPARATION AND ACCOUNTING POLICIES**

**(a) Basis of preparation**

The income and expenditure account have been prepared in accordance with accruals basis of accounting.

**(b) Recognition of income**

Gross subscriptions raised represent cash receipts received from charitable fund-raising activities held at East Point City, Tseung Kwan O, N.T., Hong Kong during the period from 23 May 2008 to 1 June 2008.