

COMFORT HOUSE OF THE ELDERLY LIMITED

(Incorporated in Hong Kong)

(Public Subscription Permit No.: 2020/090/1)

Reports and Accounts

In Respect Of “Charitable Fund-Raising” Activity

Held During The Period from 12 November 2020 to 1 December 2020

Louie Wu & Co

certified public accountants

Comfort House of The Elderly Limited
Reports and Accounts
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**INDEPENDENT PRACTITIONER'S ASSURANCE REPORT
TO THE DIRECTORS OF COMFORT HOUSE OF THE ELDERLY LIMITED ("THE
PERMITTEE")
IN RESPECT OF "CHARITABLE FUND-RAISING" ACTIVITY HELD DURING THE
PERIOD FROM 12 NOVEMBER 2020 TO 1 DECEMBER 2020
(PUBLIC SUBSCRIPTION PERMIT NO.: 2020/090/1)**

Public Subscription Permit No: 2020/090/1

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 Permittee's general charitable fund-raising activity held during the period from 12 November 2020 to 1 December 2020 ("the Event").

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.

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. This report is made solely to you, as a body and for no other purpose. We do not assume responsibilities towards or accept liability to any other person for the contents of this report.

**INDEPENDENT PRACTITIONER'S ASSURANCE REPORT (CONTINUED)
TO THE DIRECTORS OF COMFORT HOUSE OF THE ELDERLY LIMITED ("THE
PERMITTEE")
IN RESPECT OF "CHARITABLE FUND-RAISING" ACTIVITY HELD DURING THE
PERIOD FROM 12 NOVEMBER 2020 TO 1 DECEMBER 2020
(PUBLIC SUBSCRIPTION PERMIT NO.: 2020/090/1)**

Practitioner's Responsibilities

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.

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 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.

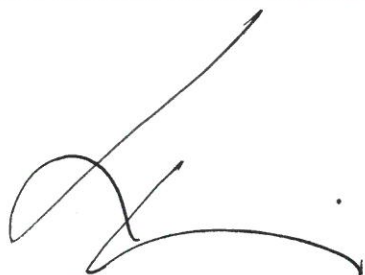
Conclusion

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.

**INDEPENDENT PRACTITIONER'S ASSURANCE REPORT (CONTINUED)
TO THE DIRECTORS OF COMFORT HOUSE OF THE ELDERLY LIMITED ("THE
PERMITTEE")
IN RESPECT OF "CHARITABLE FUND-RAISING" ACTIVITY HELD DURING THE
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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.



Certified Public Accountants
Hong Kong, 12 April 2021

Comfort House of The Elderly Limited
(Public Subscription Permit No.: 2020/090/1)

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Income and Expenditure Account

In Respect Of "Charitable Fund-Raising" Activity During The Period from 12 November 2020 to 1 December 2020

HK\$

Income

Street collections	3,810
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Expenditure


Auditor's remuneration	3,000
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Excess of income over expenditure

	<u>810</u>
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Approved and authorised for issue by the Board of Directors on 12 April 2021.

On behalf of the Board



LO Chi Keung, Simon
Director



IP Kwai Ho
Director

Notes to Income and Expenditure Account

In Respect Of "Charitable Fund-Raising" Activity Held During The Period from 12 November 2020 to 1 December 2020

1. General

"Charitable Fund-Raising" is an event organized by Comfort House of The Elderly Limited for the purpose of raise funds for providing services and activities expenses with the aim of enhancing the elderly's well-being.

2. Basis of preparation

The significant accounting policies are set out below:

a) Basis accounting:

The income collected and expenditure incurred for this event held during the period from 12 November 2020 to 1 December 2020 are recognized on an accrual basis.

b) Income recognition:

Proceeds from the activity are recognized when they are received.

3. Donations credited to the bank

All the Charitable Fund-Raising activity proceeds collected totaling HK\$3,810 have been credited to the designated bank account of the Permittee before being used for payment of expenditures for the Charitable Fund-Raising activity and the purposes specified in the permit by 19 March 2021.

	HK\$
Excess of income over expenditure	810
Add: accrued expenditure not yet paid as at 19 March 2021	3,000
Net balance of donations deposited into Permittee's bank account by 19 March 2021	<u>3,810</u>

4. Taxation

As the Comfort House of The Elderly Limited is registered as a bona-fide non-profit making organization under Section 88 of Inland Revenue Ordinance, the event is exempted from Hong Kong profits tax.