



HANS ANDERSEN CLUB LIMITED

(Incorporated in Hong Kong with liabilities limited by
guarantee and not having a share capital)

REPORT ON THE INCOME AND EXPENDITURE ACCOUNT
– HONG KONG ISLAND REGION IN RESPECT OF THE
REGIONAL FLAG DAY
HELD ON 30 OCTOBER 2021
(Public Subscription Permit No. FD/R027/2021)



INDEPENDENT PRACTITIONER'S ASSURANCE REPORT
To the Board Members of Hans Andersen Club Limited ("the Club")

Public Subscription Permit no: FD/R027/2021

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 Club's regional flag day fund-raising activity in Hong Kong Island Region held on 30 October 2021 ("the Event").

Responsibilities of the Board Members

The Board Members are responsible for preparing the attached income and expenditure account in accordance with the basis of preparation set out in note 3, 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, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person 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.

to be cont'd/.....

Practitioner's Responsibilities (cont'd)

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

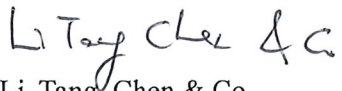
Due to the nature of cash receipts and expenses relating to the Event, it was not practicable for us to determine whether the income and expenditure account and the books and records of the Club include all transactions relating to the Event. It was impracticable for us to quantify the potential impact 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 Club'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 Club 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 3.

Intended Users and Purpose

This report is intended solely for the purpose of assisting the Club 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.


Li, Tang, Chen & Co.
Certified Public Accountants (Practising)
17/F Leighton Centre
77 Leighton Road
Causeway Bay
Hong Kong

27 JAN 2022

APWS/CTKW

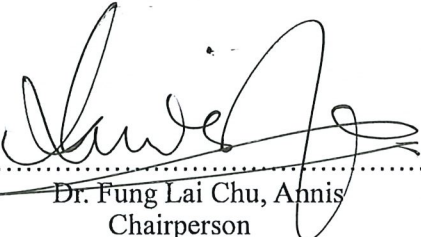
HANS ANDERSEN CLUB LIMITED


INCOME AND EXPENDITURE ACCOUNT

**REGIONAL FLAG DAY – HONG KONG ISLAND REGION HELD ON 30 OCTOBER 2021
(PUBLIC SUBSCRIPTION PERMIT NO: FD/R027/2021)**

	HK\$	HK\$
INCOME		
Street collections		417,257.45
Other forms of appeals		<u>218,052.86</u>
		635,310.31
EXPENDITURE		
Auditor's professional fee	2,700.00	
Insurance	2,078.08	
Printing, stationery and postage	1,052.00	
Promotion	5,995.00	
Flag bags and strap	11,400.00	
Transportation	2,320.90	
Miscellaneous	<u>46.60</u>	
		<u>25,592.58</u>
EXCESS OF INCOME OVER EXPENDITURE		<u><u>609,717.73</u></u>

The income and expenditure account was approved and authorised for issue by the Board Members on
27 JAN 2022


.....
Dr. Fung Lai Chu, Annis
Chairperson


.....
Chan Wang Kay, Benjamin
Honorary Treasurer

HANS ANDERSEN CLUB LIMITED

REGIONAL FLAG DAY – HONG KONG ISLAND REGION HELD ON 30 OCTOBER 2021 (PUBLIC SUBSCRIPTION PERMIT NO: FD/R027/2021)

NOTES

1. GENERAL INFORMATION

Hans Andersen Club Limited (“the Club”) is engaged in providing educational, developmental, social and recreational facilities for children – particularly for underprivileged children in Hong Kong regardless of race, nationality or religion.

The Club is an organization incorporated under the Hong Kong Companies Ordinance and is limited by guarantee and not having a share capital. In accordance with the Club’s Memorandum of Association, every member shall, in the event of the Club being wound up, contribute to the assets of the Club to the extent of HK\$100. The Club’s registered office is situated at 5/F., Chuk Yuen Estate Community Centre, 11 Chuk Yuen Road, Wong Tai Sin, Kowloon, Hong Kong.

The Club is exempt under section 88 of the Hong Kong Inland Revenue Ordinance from any tax by reason of being a charitable institution of a public character.

2. PURPOSE OF THE FLAG DAY EVENT

The purpose of the flag day fund-raising event is to raise fund for recurrent expenses of children and youth services from non-subservent units, including Tai O Centre, Lamma Island Centre, Creative storytelling service and Headquarters administration support.

The Board Members confirmed that all gross proceeds raised from the captioned flag day event have been deposited into the Club’s own bank accounts.

3. BASIS OF PREPARATION

The income and expenditure account is prepared solely for the purpose of satisfying the conditions stated in the Public Subscription Permit Number FD/R027/2021 issued by the SWD on 17 December 2020 in connection with a regional flag day fund-raising activity in Hong Kong Island Region held on 30 October 2021 (“the Event”).

The income and expenditure account has been prepared in accordance with the following significant accounting policies which comply with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants.

i) Income recognition

Income from street collections and other forms of appeals are recognised at the time of receipts.

ii) Expenditure recognition

Expenses incurred in connection with the Event are recognised using accrual basis.

4. DONATIONS CREDITED TO THE BANK

Within 60 days after this event, all the flag day proceeds collected (\$417,257.45) have been credited to designated bank account of the Permittee before being used for payment of expenditures for the flag day and / or the purposes specified in the permit by 4 November 2021. After that date, other donation collected (\$218,052.86) have been credited to designated bank account of the Permittee by 15 November 2021.