

HONG KONG DOG RESCUE (HKDR)

**ASSURANCE REPORT FOR
INCOME AND EXPENDITURE ACCOUNT
FOR THE CHARITABLE FUND-RAISING ACTIVITY**

(PSP NO. FD/T016/2016)

**HELD
27 JULY 2016**

HONG KONG DOG RESCUE (HKDR)

INDEPENDENT ASSURANCE REPORT
TO THE EXECUTIVE COMMITTEE OF
HONG KONG DOG RESCUE (INCORPORATED)
(Incorporated in Hong Kong under Section 219)

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香港德商業大道廈中
劉迪炮會計師行
19161字號樓

D. P. LAU & COMPANY
Certified Public Accountants

19/F., Kai Tak Commercial Building,
161 Connaught Road Central,
Hong Kong.
Tel: 25413303 Fax: 25422464
E-mail address: dplaucpa@hkstar.com

Your Ref :
Our Ref :

Date : **01 SEP 2016**

**INDEPENDENT ASSURANCE REPORT
TO THE EXECUTIVE COMMITTEE OF
HONG KONG DOG RESCUE ("the Permittee")
(Registered in Hong Kong under Society Ordinance)**

Public Subscription Permit No: FD/T016/2016

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 ("Event") held on 27 July 2016.

Responsibilities of the Committee Members

The Committee Members 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

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, *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.

**INDEPENDENT ASSURANCE REPORT
TO THE EXECUTIVE COMMITTEE OF
HONG KONG DOG RESCUE ("the Permittee")
(Registered in Hong Kong under Society Ordinance)**

Independent assurance report (continued)

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

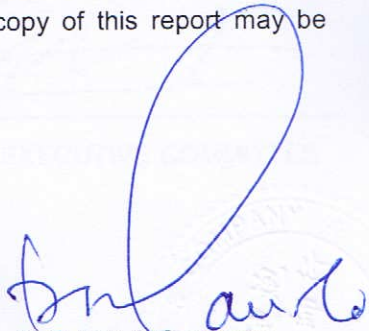
Due to the nature of cash receipts and expenses relating to the Event, it was not practicable for us to determine whether the income and expenditure account and the books and records of the Permittee include all transactions relating to the Event. It was impracticable for us to quantify the potential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

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 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


D. P. Lau & Company
Certified Public Accountants

**HONG KONG DOG RESCUE (HKDR)
 INCOME AND EXPENDITURE ACCOUNT
 FOR THE CHARITABLE FUND-RAISING ACTIVITY
 HELD ON 27 JULY 2016
 (PSP NO. FD/T016/2016)**

	NOTE	HK\$	HK\$
INCOME			
Donation income		831,371	
Street Collection		<u>155,345</u>	
			986,716
EXPENDITURE			
Postage		(4,641)	
Printing and stationary		(16,708)	
Insurance		<u>(1,500)</u>	
			<u>(22,849)</u>
SURPLUS			<u>963,867</u>

Approved and authorized for issue on

01 SEP 2016



 MEMBER OF EXECUTIVE COMMITTEE



 MEMBER OF EXECUTIVE COMMITTEE

HONG KONG DOG RESCUE (HKDR) ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE INCOME AND EXPENDITURE ACCOUNT

1. GENERAL

The fund-raising activity is an event organized by Hong Kong Dog Rescue (HKDR) under the Public Subscription Permit No. FD/T016/2016 issued by the Social Welfare Department of the Government of the Hong Kong Special Administrative Region. The purposes of this activity are to raise funds for on-going operation cost for the Homing Centres, including veterinary care, rent, food, utilities and salaries and public education programmes and materials on Hong Kong's animal population control and welfare.

2. Basis of preparation

The measurement basis used in preparing the income and expenditure account is historical cost convention.

The preparation of income and expenditure account in conformity with Hong Kong Financial Reporting Standards requires the use of certain critical accounting estimates.

The income and expenditure account has been prepared in accordance with cash basis of accounting.