

**CHILDREN CHIROPRACTIC FOUNDATION LIMITED**

**REPORTS AND ACCOUNTS**

**IN RESPECT OF "FLAG DAY FUNDRAISING EVENT" HELD ON 8TH  
JULY 2017**



**蔡羅會計師事務所**  
**CHOI, LO & CO.**  
Certified Public Accountants

香港灣仔莊士敦道 181 號大有大廈 10 樓 1002 室  
Room 1002, 10/F., Tai Yau Building, 181 Johnston Road, Wanchai, Hong Kong.  
Tel: (852) 2572 8938 Fax: (852) 2572 1738

**CHILDREN CHIROPRACTIC FOUNDATION LIMITED  
(PUBLIC SUBSCRIPTION PERMIT NO.: FD/R008/2017)  
REPORTS AND ACCOUNTS  
IN RESPECT OF "FLAG DAY FUNDRAISING EVENT" HELD ON 8TH JULY 2017**

---

| <b><u>CONTENTS</u></b>                          | <b><u>PAGE(S)</u></b> |
|---|-----------------------|
| AUDITORS' REVIEW REPORT ON FUNDRAISING ACCOUNTS | 1 - 3                 |
| INCOME AND EXPENDITURE ACCOUNTS                 | 4                     |
| NOTE TO INCOME AND EXPENDITURE ACCOUNTS         | 5                     |

**INDEPENDENT ASSURANCE REPORT TO THE  
DIRECTORS OF CHILDREN CHIROPRACTIC FOUNDATION LIMITED ("the Permittee")  
IN RESPECT OF "FLAG DAY FUNDRAISING EVENT" HELD ON 8TH JULY 2017  
(PUBLIC SUBSCRIPTION PERMIT NO.: FD/R008/2017)**

---

**PUBLIC SUBSCRIPTION PERMIT NO.: FD/R008/2017**

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 regional flag day fund-raising activity in New Territories region held on 8th July 2017 ("the Event").

**RESPECTIVE RESPONSIBILITIES OF THE DIRECTOR**

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.

**INDEPENDENT ASSURANCE REPORT TO THE  
DIRECTORS OF CHILDREN CHIROPRACTIC FOUNDATION LIMITED ("the Permittee")  
IN RESPECT OF "FLAG DAY FUNDRAISING EVENT" HELD ON 8TH JULY 2017  
(PUBLIC SUBSCRIPTION PERMIT NO.: FD/R008/2017)**

---

**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 (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.

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.

**INDEPENDENT ASSURANCE REPORT TO THE  
DIRECTORS OF CHILDREN CHIROPRACTIC FOUNDATION LIMITED ("the Permittee")  
IN RESPECT OF "FLAG DAY FUNDRAISING EVENT" HELD ON 8TH JULY 2017  
(PUBLIC SUBSCRIPTION PERMIT NO.: FD/R008/2017)**

---

**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.



CHOI, LO & CO.  
Certified Public Accountants (Practising)  
Room 1002, 10/F., Tai Yau Building,  
181 Johnston Road, Wanchai, Hong Kong  
Hong Kong, Date 22nd September 2017

**CHILDREN CHIROPRACTIC FOUNDATION LIMITED**  
**(PUBLIC SUBSCRIPTION PERMIT NO.: FD/R008/2017)**  
**INCOME AND EXPENDITURE ACCOUNTS**  
**IN RESPECT OF "FLAG DAY FUNDRAISING EVENT" HELD ON 8TH JULY 2017**

|                                    | HK\$              |
|------------------------------------|-------------------|
| INCOME                             |                   |
| Donations received                 |                   |
| - Other donation                   | 278,025.90        |
| - Street sales                     | 520,797.80        |
|                                    | <u>798,823.70</u> |
| LESS: EXPENDITURE                  |                   |
| Advertising and promotion          | 3,044.00          |
| Donation bags and flags            | 11,182.00         |
| Insurance                          | 2,000.00          |
| Printing and stationery            | 1,057.00          |
| Sundries                           | 731.20            |
| Transportation                     | 7,183.50          |
| Volunteer messing                  | 1,486.00          |
|                                    | <u>26,683.70</u>  |
|                                    | <u>772,140.00</u> |
| SURPLUS OF INCOME OVER EXPENDITURE |                   |

Approved on 22nd September 2017.

  
 \_\_\_\_\_  
 Chief Executive

**CHILDREN CHIROPRACTIC FOUNDATION LIMITED  
(PUBLIC SUBSCRIPTION PERMIT NO.: FD/R008/2017)  
NOTES TO INCOME AND EXPENDITURE ACCOUNTS  
IN RESPECT OF "FLAG DAY FUNDRAISING EVENT" HELD ON 8TH JULY 2017**

---

**BASIS OF PREPARATION**

**1. GENERAL INFORMATION**

"Flag Day Fundraising Event" is an event organised by Children Chiropractic Foundation Limited for the purpose of raising charitable funds for (1) spinal education; and (2) spinal screening for children & complimentary treatment.

**2. PRINCIPAL OF ACCOUNTING POLICY**

**a) Basis of accounting:**

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

**b) Income recognition:**

Proceeds from the fundraising activities is recognised when it is received or receivable.

**3. TAXATION**

As Children Chiropractic Foundation Limited is registered as a charitable organization under Section 88 of Inland Revenue Ordinance, the event is exempted from Hong Kong profits tax.