

ACTION FOR REACH OUT
REPORT AND INCOME AND EXPENDITURE ACCOUNT
FOR THE FUND-RAISING ACTIVITY HELD
ON 4 DECEMBER 2011
(Under Public Subscription Permit No. 2011/377/1)

胡錦雄會計師行

K. H. WU & CO.

Certified Public Accountants

HONG KONG

ACTION FOR REACH OUT

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CONTENTS	PAGE
INDEPENDENT ASSURANCE REPORT	1 - 2
INCOME AND EXPENDITURE ACCOUNT	3
NOTES TO INCOME AND EXPENDITURE ACCOUNT	4

**INDEPENDENT ASSURANCE REPORT
TO THE COMMITTEE MEMBERS OF
ACTION FOR REACH OUT
("THE CHARITY")**

In accordance with our agreed terms of engagement, we have performed an engagement on the attached income and expenditure account of the Charity's general charitable fund-raising activity held on 4 December, 2011 ("the Event").

Respective responsibilities of the trustees and ourselves

The trustees are responsible for preparing the attached income and expenditure account in accordance with the basis of preparation set out in note 1, 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 control 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.

It is our responsibility to form a conclusion on the attached income and expenditure account, based on our engagement, and to report our conclusion to you.

Basis of conclusion

We conducted our engagement in accordance with Hong Kong Standards 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.

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 procedures we considered necessary.

K. H. WU & CO. Certified Public Accountants,

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**INDEPENDENT ASSURANCE REPORT
TO THE COMMITTEE MEMBERS OF
ACTION FOR REACH OUT
("THE CHARITY")
(Continued)**

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 1.

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 without further comment from us.




K. H. Wu & Co.
Certified Public Accountants (Practising)
Hong Kong
Date: 09 FEB 2012

**ACTION FOR REACH OUT
INCOME AND EXPENDITURE ACCOUNT
FOR THE FUND-RAISING ACTIVITY HELD ON 4 DECEMBER 2011
(under Public Subscription Permit No. 2011/377/1)**

	HK\$	HK\$
INCOME		
Donation sale of toys, stationery, household products, etc		17,066
EXPENDITURE		
Material cost of goods sold	-	
Sundry expenses	953	
Transportation fee	298	1,251
	<hr/>	<hr/>
SURPLUS OF THE EVENT		<u>15,815</u>

Approved by Action For Reach Out
on 09 FEB 2012





**ACTION FOR REACH OUT
NOTES TO THE INCOME AND EXPENDITURE ACCOUNT
FOR THE FUND-RAISING ACTIVITY HELD ON 4 DECEMBER 2011
(under Public Subscription Permit No. 2011/377/1)**

1. Basis of preparation

This income and expenditure account has been prepared under the accrual basis of accounting.

2. Significant accounting policies

(a) Revenue recognition

Donation sale is recognised as income upon receipt.

(b) Expenditure

Expenses are recognised on an accrual basis. They are recognised when a present obligation has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

3. Purpose of fund-raising activities

The purpose of the fund-raising activity is to raise funds for financing the administrative expenses of the Action for Reach Out.

