

**THE SOCIETY FOR TRUTH AND LIGHT**

**INDEPENDENT ASSURANCE REPORT AND  
INCOME AND EXPENDITURE ACCOUNT**

**IN RESPECT OF FLAG DAY HELD ON February 6, 2016**

**PUBLIC SUBSCRIPTION PERMIT (REFERENCE NO.: FD/R014/2015)**

**(EXPRESSED IN HONG KONG DOLLAR)**



**W. M. LAU & COMPANY**

Certified Public Accountants

**劉偉明會計師事務所**



**INDEPENDENT ASSURANCE REPORT**

**TO THE BOARD OF DIRECTORS OF THE SOCIETY FOR TRUTH AND LIGHT**  
**("THE CHARITY")**

**Public Subscription Permit No.: FD/R014/2015**

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 Hong Kong Island region held on February 6, 2016 ("the Event").

**Respective responsibilities of the Directors and practitioner**

The Directors are responsible for preparing the attached income and expenditure account in accordance with the basis of preparation set out in notes 1 and 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.

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 Standard on Assurance Engagements 3000 "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 Hong Kong Institute of Certified Public Accountants.

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.

.... / To be continued



# W. M. LAU & COMPANY 劉偉明會計師事務所

Certified Public Accountants

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## INDEPENDENT ASSURANCE REPORT

### TO THE BOARD OF DIRECTORS OF THE SOCIETY FOR TRUTH AND LIGHT ("THE CHARITY")

#### **Basis of conclusion (continued)**

Furthermore, 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.

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.

#### **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 notes 1 and 2.

#### **Use of report**

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.

*W. M. Lau & Co.*  
W. M. Lau & Company  
Certified Public Accountants (Practising)

Hong Kong  
April 12, 2016



**THE SOCIETY FOR TRUTH AND LIGHT**  
**INCOME AND EXPENDITURE ACCOUNT**  
**IN RESPECT OF FLAG DAY HELD ON February 6, 2016**

**PUBLIC SUBSCRIPTION PERMIT (REFERENCE NO. : FD/R014/2015)**

	HK\$	HK\$
<b>Income</b>		
Flag-day donations received		197,311.20
Golden flag donations received		997,402.40
		1,194,713.60
 <b>Expenditure</b>		
Electronic flag-selling services and systems	2,940.00	
Insurance	1,200.00	
Meals for staff and volunteers	753.00	
Postage	1,842.80	
Printing and stationery	14,463.00	
Transportation	4,171.50	
Volunteer allowance	1,347.50	
		26,717.80
 <b>Surplus</b>		 1,167,995.80

**Note to the Income and Expenditure Account**

Basis of preparation

1. The purpose of the flag day fund-raising is for (1) Providing talks, workshops and other activities to more than 100 schools on media education, sex culture education, and life and ethics education; (2) Publishing bimonthly magazine, books, pamphlets, and others; and (3) Enriching facilities in the Centre for Life and Ethics Studies for printing and publishing related research information.
2. This income and expenditure account has been prepared in accordance with cash basis of accounting.

Approved by the Board of Directors on April 12, 2016



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**LOUIE KIN YIP**  
 DIRECTOR



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**LOUR TSANG TSAY LAWRENCE**  
 DIRECTOR