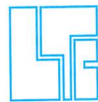




EQ AMBASSADOR SOCIETY LIMITED

REPORT ON THE INCOME AND
EXPENDITURE ACCOUNT
– PORCELAIN PAINTING EXHIBITION
AND CHARITY SALE
HELD FROM 11TH TO 16TH DECEMBER, 2017
(Public Subscription Permit No. 2017/313/1)

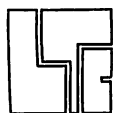


李 湯 陳 會 計 師 事 務 所

LI, TANG, CHEN & CO.

Certified Public Accountants (Practising)

Hong Kong



INDEPENDENT PRACTITIONER'S ASSURANCE REPORT
To the Councillors of EQ Ambassador Society Limited ("the Society")

Public Subscription Permit no: 2017/313/1

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 Society's porcelain exhibition painting and charity sale held during the period from 11th to 16th December, 2017 ("the Event").

Responsibilities of the Councillors

The Councillors are responsible for preparing the attached income and expenditure account ("The 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 forwards 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 "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 Society 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 Society'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 Society 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 Society 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.

Li, Tang, Chen & Co.
Certified Public Accountants (Practising)
10/F Sun Hung Kai Centre
30 Harbour Road
Wanchai
Hong Kong

12 MAR 2018

AWSP/KKWK:mc

EQ AMBASSADOR SOCIETY LIMITED

INCOME AND EXPENDITURE ACCOUNT

**PORCELAIN PAINTING EXHIBITION AND CHARITY SALE HELD FROM 11TH TO 16TH
DECEMBER, 2017**

(PUBLIC SUBSCRIPTION PERMIT NO: 2017/313/1)

HK\$

INCOME

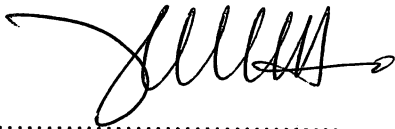
Cash donation	20,051.00
Donation from porcelain exhibition	<u>80,299.00</u>
	100,350.00

EXPENDITURE

Audit fee	<u>4,000.00</u>
-----------	-----------------

TOTAL INCOME

96,350.00



.....
Ho Fung Chu
Councillor



.....
Chan Ka Yun
Councillor

EQ AMBASSADOR SOCIETY LIMITED

PORCELAIN EXHIBITION AND CHARITY SALE HELD FROM 11TH TO 16TH DECEMBER, 2017 (PUBLIC SUBSCRIPTION PERMIT NO: 2017/313/1)

NOTES

1. GENERAL INFORMATION

EQ Ambassador Society Limited (the “society”) is a company incorporated and domiciled in Hong Kong on 8th August, 2003 under the Hong Kong Companies Ordinance as a company limited by guarantee without a share capital. Every member of the company undertakes to contribute, if required, an amount not exceeding HK\$100 to the assets of the company in the event of its being wound up.

The address of the registered office of the society is G/F., Block H, Tuen Mun Hospital, New Territories, Hong Kong.

The principal activities of the society are to develop Emotional Quotient “EQ” curriculum for secondary schools in Hong Kong, to provide EQ training for secondary school students in order to foster their emotional and intellectual development and to provide prevention and intervention services for bereaved children and their families confronting the death of their parents and the subsequent changes in life.

The financial statements are presented in Hong Kong dollars, which is the same as the functional currency of the company.

2. PURPOSE OF THE DONATION EVENT

The purpose of the porcelain painting exhibition and charity sale is to help the bereaved children and their families positively cope with their grief.

The Councillors confirmed that all gross proceeds raised from the captioned porcelain exhibition have been deposited into the Society’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 2017/313/1 issued by the SWD on 5th December, 2017 in connection with a porcelain painting exhibition and charity sale held from 11th to 16th December, 2017 (“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.