

**INDEPENDENT ASSURANCE REPORT  
TO THE DIRECTORS OF  
GRACE CHARITY FOUNDATION LIMITED ("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 during the period from 21 May 2010 to 30 May 2010 ("the Event").

**Respective responsibilities of the Directors and ourselves**

The Directors 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 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 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.

**Conclusion**

Based on the foregoing, we report that nothing has come to our attention that leads us to believe that the attached income and expenditure account does not reflect, in all material respects, the gross subscription 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 and may be published where the Charity is required to do so under the conditions stated in the relevant Public Subscription Permit without further comment from us.

Chan & Kwok CPA Limited  
Certified Public Accountants (Practising)  
Hong Kong  
Date: 20 August 2010

**GRACE CHARITY FOUNDATION LIMITED  
FUND RAISING EVENT HELD FOR THE PERIOD  
FROM 21 MAY 2010 TO 30 MAY 2010  
INCOME AND EXPENDITURE ACCOUNT**

	HK\$
Subscription received	621,328.00
Surplus	<u>621,328.00</u>

Approved by  
MR. KAN YIU KWONG  
CHAIRMAN  
BOARD OF DIRECTORS  
GRACE CHARITY FOUNDATION LIMITED  
20 August 2010

**GRACE CHARITY FOUNDATION LIMITED  
FUND RAISING EVENT HELD FOR THE PERIOD  
FROM 21 MAY 2010 TO 30 MAY 2010  
NOTES TO THE INCOME AND EXPENDITURE ACCOUNT**

**1 Basis of preparation**

These income and expenditure account have been prepared in accordance with cash basis of accounting.

**2 Use of fund**

The fund-raising event is aimed at providing an egg per week to the underprivileged children in the mountain area of Guizhou region. Malnutrition is very common amongst the underprivileged children in the mountain area of the Guizhou region. The unfavorable living and economic condition prohibit them from receiving proper care, making most of them look a few years weaker than their actual age. In view of the difficult condition, Grace Charity Foundation Limited has founded the "One Egg, One Week" campaign, which devotes to provide an egg per week to ensure the children could receive minimal nutritious need.

**致慈恩基金會有限公司(「慈恩」)董事的獨立鑒證報告**

按照我們雙方所定的應聘條款，我們對隨附本報告書關於慈恩於2010年5月21日至2010年5月30日舉行的「一般慈善籌款活動」有關活動的收支結算表進行鑒證工作。

**董事及我們各自的責任**

根據香港特別行政區政府社會福利署(「社會福利署」)發出的公開籌款許可證所列條件，董事須負責按照附註一所載的編製基準編製隨附的收支結算表，列出有關活動所籌集的總捐款及實際開支。這責任包括設計、實施及維護與編製及列報收支結算表的內部監控，使收支結算表反映有關活動所籌集的捐款及實際開支不存在任何重大錯誤陳述。

我們的責任是根據我們鑒證工作的結果對隨附的收支結算表作出結論，並向董事報告。

**結論的基礎**

我們已根據香港會計師公會(「公會」)頒佈的鑒證業務準則第3000號「非審核或審閱過往財務資料之鑒證工作」及參考公會所頒佈「有關申報獲發社會福利署公開籌款許可證的一般慈善籌款活動(實施日除外)的通告」(Circular or Reporting on General Charitable Fund-raising Activities Covered by Public Subscription Permits issued by the Social Welfare Department (Other than Flag Days)) 進行工作。

由於我們按照應聘條款進行工作的範圍較按照香港審計準則進行審核的範圍為小，所以不能保證我們會注意到審核中可能會被發現的所有重大事項。因此，我們不會發表任何審核意見。

此外，基於一般慈善籌款活動以現金收支，我們難以確定慈恩的收支結算表及帳冊與帳目紀錄是否已包括所有有關活動的交易，亦難以量化其對收支結算表的潛在影響。因此，我們僅與按照慈恩帳冊及帳目紀錄所載交易編製的收支結算表作出報告。

我們的工作包括採取有限程序獲取充份和適當的憑證以作出結論，例如主要向負責財務會計事項的人員詢問。

**結論**

根據以上所述，我們並沒有注意到任何事項，使我們相信隨附的收支結算表在所有重大方面沒有反映我們所獲取按照附註一所載的編製基準而編製的帳冊及帳目紀錄所載有關活動籌集的總捐款及實際開支。

**報告用途**

本報告僅為協助慈恩遵守社會福利署有關活動所發出公開籌款許可證所列的條件而編撰，不擬亦不得用作其他用途。

我們同意慈恩可向社會福利署署長提供本報告，且慈恩亦可根據有關公開籌款許可證所列條件刊載本報告而毋須再徵詢我們意見。

陳郭會計師事務所有限公司  
執業會計師

香港  
2010年8月20日

慈恩基金會有限公司  
於2010年5月21日至2010年5月30日  
舉行一般慈善籌款活動  
收支結算表

	港幣
慈善籌款活動收入	621,328.00
盈餘	<u>621,328.00</u>

**批准**

簡耀光先生  
慈恩基金會有限公司  
董事局主席  
2010年8月20日

慈恩基金會有限公司  
於2010年5月21日至2010年5月30日  
舉行一般慈善籌款活動  
賬目附註

**一. 賬項的編制基準**

本賬項是以現金收付制為編制基準。

**二. 籌款款項用途**

是次籌款目的是讓貴州山區學校的學生可以每星期至少吃到一隻雞蛋。貴州山區學校的學生由於家境大貧窮關係，嚴重缺乏營養的情況非常普遍。不完善的生活及經濟條件窒礙了他們接受適當的照顧，正值發育時期的少年，身高體形卻只長得像較他們年輕數年的兒童一樣，明顯發育不良。慈恩基金會看見及此舉辦名為「愛心一蛋」的慈善籌款活動，為貧苦的學童加一點營養，讓他們每星期至少可以吃到一隻雞蛋。