

**SCMP CHARITIES LIMITED**  
**INCOME AND EXPENDITURE ACCOUNT**  
**IN RESPECT OF OPERATION SANTA CLAUS 2012 PROJECT**

**LEE, AU & CO.**  
**CERTIFIED PUBLIC ACCOUNTANTS**  
**HONG KONG**



**Independent auditor's report to the members  
of SCMP Charities Limited  
In respect of Operation Santa Claus 2012 Project**

We have audited the financial statements of SCMP Charities Limited in respect alone of Operation Santa Claus 2012 Project set out on pages 3 and 4, which comprise the income and expenditure account and a summary of significant accounting policies.

**The directors' responsibility for the financial statements**

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



## Opinion

In our opinion, the income and expenditure account gives a true and fair view of the result of Operation Santa Claus 2012 Project in accordance with Hong Kong Financial Reporting Standards.

Lee, Au & Co.  
Certified Public Accountants

Hong Kong: 30 September 2013

**SCMP CHARITIES LIMITED**  
**IN RESPECT OF OPERATION SANTA CLAUS 2012 PROJECT**  
**INCOME AND EXPENDITURE ACCOUNT**

	<b>HK\$</b>
<u>Income</u>	
Donation income	18,659,723
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<u>Less: Expenditure</u>	
Accountancy fee	32,000
Audit fee	23,500
Bank charges	19,010
Donation	18,780,155
Mandatory provident fund contributions	14,220
Promotion	22,610
Travelling	265
Salaries	378,737
Sundry expenses	249,327
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	<b>19,519,824</b>
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Deficit for the year	( 860,101 )
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Deficit for the project is covered by surplus brought forward HK\$954,551 from previous years' project.

We certify that all the above income and expenditure were received and incurred for Operation Santa Claus 2012 Project.

  
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 Director

  
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 Director

Date: 30 September 2013

**SCMP CHARITIES LIMITED**  
**IN RESPECT OF OPERATION SANTA CLAUS 2012 PROJECT**  
**NOTES TO THE INCOME AND EXPENDITURE ACCOUNT**

**1. Principal accounting policies**

**(a) Basis of preparation**

The income and expenditure account has been prepared under historical cost convention and in accordance with Hong Kong Financial Reporting Standards (which also include Hong Kong Accounting Standards and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants and accounting principles generally accepted in Hong Kong.

**(b) Income recognition**

The project's income during the period were recognised when received.

**(c) Expenditure recognition**

Expenditure items were recognised as an expense in the period in which they are incurred.