

SCMP CHARITIES LIMITED
INCOME AND EXPENDITURE ACCOUNT
IN RESPECT OF OPERATION SANTA CLAUS 2013 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 2013 Project**

We have audited the financial statements of SCMP Charities Limited in respect alone of Operation Santa Claus 2013 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 2013 Project in accordance with Hong Kong Financial Reporting Standards.

Lee, Au & Co.
Certified Public Accountants

Hong Kong: 30 October 2014

SCMP CHARITIES LIMITED
IN RESPECT OF OPERATION SANTA CLAUS 2013 PROJECT
INCOME AND EXPENDITURE ACCOUNT

	<u>2013</u>	<u>2012</u>
	HK\$	HK\$
<u>Income</u>		
Donation income	22,052,707	18,659,723
	-----	-----
<u>Less: Expenditure</u>		
Accountancy fee	34,000	32,000
Audit fee	24,800	23,500
Bank charges	24,027	19,010
Donation	19,886,417	18,780,155
Mandatory provident fund contributions	14,655	14,220
Promotion	24,096	22,610
Travelling	9,484	265
Salaries	399,460	378,737
Sundry expenses	203,121	249,327
	-----	-----
	20,620,060	19,519,824
	-----	-----
Surplus/(deficit) for the year	1,432,647	(860,101)
	=====	=====

Surplus for the year and surplus brought forward of HK\$94,450 was carried forward to next year's project.

We certify that all the above income and expenditure were received and incurred for Operation Santa Claus 2013 Project.



 Director



 Director

Date: 10 OCT 2014

SCMP CHARITIES LIMITED
IN RESPECT OF OPERATION SANTA CLAUS 2013 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.