

**SCMP CHARITIES LIMITED
INCOME AND EXPENDITURE ACCOUNT
IN RESPECT OF OPERATION SANTA CLAUS 2015 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 2015 Project**

We have audited the financial statements of SCMP Charities Limited in respect alone of Operation Santa Claus 2015 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 2015 Project in accordance with Hong Kong Financial Reporting Standards.

Lee, Au & Co.
Certified Public Accountants


Hong Kong: 13 October 2016

SCMP CHARITIES LIMITED
IN RESPECT OF OPERATION SANTA CLAUS 2015 PROJECT
INCOME AND EXPENDITURE ACCOUNT

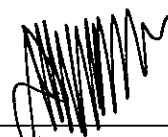
	<u>2015</u> HK\$	<u>2014</u> HK\$
<u>Income</u>		
Donation income	21,172,988	20,853,670
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<u>Less: Expenditure</u>		
Accountancy fee	39,500	37,000
Audit fee	26,600	26,000
Bank charges	28,383	33,886
Donation	20,781,306	20,513,202
Mandatory provident fund contributions	14,931	19,094
Promotion	33,083	5,230
Travelling	6,738	9,545
Salaries	403,522	493,340
Staff medical/Life insurance	12,119	6,417
Sundry expenses	189,140	240,390
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	21,535,322	21,384,104
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Deficit for the year	(362,334)	(530,434)
	=====	=====

Deficit for the year and surplus brought forward of HK\$996,663 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 2015 Project.



 Director
 HU Yee Cheng



 Director
 KAM Kwong Fai Alex

Date: 13 October 2016

SCMP CHARITIES LIMITED
IN RESPECT OF OPERATION SANTA CLAUS 2015 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.