



**HONG CHI ASSOCIATION**  
(Incorporated in Hong Kong as a company limited by guarantee)

**INDEPENDENT ASSURANCE REPORT  
FINANCIAL STATEMENT  
IN RESPECT OF THE FUNDING SCHEME FOR  
YOUTH LIFE PLANNING ACTIVITIES (2019-22) -  
SHINING ROAD LIFE PLANNING SCHEME**

**FOR THE PERIOD FROM  
1 SEPTEMBER 2019 (DATE OF COMMENCEMENT)  
TO 31 AUGUST 2022 (DATE OF COMPLETION)**

## **INDEPENDENT ASSURANCE REPORT TO THE COUNCIL MEMBERS OF HONG CHI ASSOCIATION**

(incorporated in Hong Kong as a company limited by guarantee)

Pursuant to terms of our engagement, we have performed a reasonable assurance engagement to report on whether Hong Chi Association (the “Association”) has complied with, in all material respects, the requirements of preparing the annual accounts of Shining Road Life Planning Scheme (the “Scheme”) for the period from 1 September 2019 (date of commencement) to 31 August 2022 (date of completion) (the “Project Accounts”) on pages 3 to 7, as specified in the Grant Agreement and Supplemental Agreement made between the Government of the Hong Kong Special Administrative Region of the People’s Republic of China (the “Government”) and the Association in respect of the funding scheme for Youth Life Planning Activities (2019-2022) (the “Funding Scheme”).

### **Council Members’ Responsibilities**

The Council members are responsible to comply with the requirements set by the Government, and all the terms and conditions of the Funding Scheme, as specified in the documents mentioned in the above paragraph. The council members are also responsible for such internal control as the council members determine is necessary to enable the preparation of the Project Accounts that is free from material misstatement, whether due to fraud or error.

### **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.

### **Assurance Practitioner’s Responsibilities**

Our responsibility is to express an independent conclusion, based on our engagement, and to report our conclusion to you in accordance with our agreed terms of engagement and for no other purpose.

We conducted our reasonable assurance engagement in accordance with the Hong Kong Standard on Assurance Engagements 3000 (Revised) “*Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*” issued by the HKICPA.



**INDEPENDENT ASSURANCE REPORT  
TO THE COUNCIL MEMBERS OF HONG CHI ASSOCIATION**

(incorporated in Hong Kong as a company limited by guarantee)

**Assurance Practitioner's Responsibilities - Continued**

Our reasonable assurance engagement includes examination, on a test basis, of evidence relevant to the Association's compliance with the requirements set by the Government to prepare the Project Accounts, as specified in the documents mentioned in the above first paragraph. It also includes an assessment of the significant estimates and judgements made by the council members of the Association in the preparation of the Project Accounts, and of whether the basis of preparation has followed the requirements of the Government, consistently applied and adequately disclosed.

We planned and performed our reasonable assurance engagement so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give our conclusion as to whether the Association has complied with, in all material respects, the requirements set by the Government to prepare the Project Accounts, as specified in the documents mentioned in the above first paragraph. In forming our conclusion, we also evaluated the overall adequacy of the presentation of information in the Project Accounts. We believe that our reasonable assurance engagement provides a reasonable basis for our conclusion.

**Conclusion**

Based on the foregoing, in our opinion, the Association has complied with, in all material respects, the requirements set by the Government to prepare the Project Accounts, as specified in the documents mentioned in the above first paragraph.

**Intended Users and Purpose**

This report is intended for filing by the Association with the Government, and is not intended to be, and should not be, used by anyone except the above two parties for any other purposes. We expressly disclaim any liability or duty to any other party in this respect including the Government, other than the Association in respect of this report.

A handwritten signature in blue ink that reads 'BDO Limited'.

BDO Limited  
Certified Public Accountants

Hong Kong, 27 April 2023

**HONG CHI ASSOCIATION**

**INCOME AND EXPENDITURE STATEMENT**  
**IN RESPECT OF**  
**FUNDING SCHEME FOR YOUTH LIFE PLANNING ACTIVITIES (2019-2022)**  
**- SHINING ROAD LIFE PLANNING SCHEME**

**FOR THE PERIOD FROM 1 SEPTEMBER 2019 (DATE OF COMMENCEMENT)**  
**TO 31 AUGUST 2022 (DATE OF COMPLETION)**

	Major Funding HK\$	Additional Funding HK\$	Total HK\$
<b>Income:</b>			
Grant from the Funding Scheme	4,526,677.60	-	4,526,677.60
Additional funding from the Funding Scheme	-	152,033.80	152,033.80
Bank interest income	688.31	-	688.31
<b>Total income</b>	<b>4,527,365.91</b>	<b>152,033.80</b>	<b>4,679,399.71</b>
<b>Less: Expenditure:</b>			
<b>Staffing cost (人手)</b>			
項目統籌主任	1,515,577.43	-	1,515,577.43
助理項目統籌主任 (社工)	940,451.47	-	940,451.47
助理項目統籌主任 (項目助理)	1,002,280.19	-	1,002,280.19
<b>Promotion (宣傳)</b>			
活動橫額	3,480.00	-	3,480.00
職業及出路博覽會暨成果分享會			
- 場地 (包括舞台、音響燈光、椅子、掛橫額)	11,620.00	-	11,620.00
- 成果分享刊物	1,280.00	-	1,280.00
- 出路錦囊	48,280.00	-	48,280.00
<b>Activities (活動)</b>			
工作坊老師	101,830.60	-	101,830.60
工作坊資料	115,276.17	-	115,276.17
I CAN DO 歷奇活動 (1 日)	96,716.10	-	96,716.10
租用旅遊車往歷奇活動	1,500.00	-	1,500.00
我的生涯探索之旅	-	2,200.00	2,200.00
遊戲篇	-	86,000.00	86,000.00
手工篇、美食篇、運動篇、復課篇、心靈篇	-	63,833.80	63,833.80
<b>Others (audit fee, emergency expenses , administrative expenses</b>			
雜項 (核數師、應急開支、行政費)	9,910.14	-	9,910.14
<b>Total expenditure</b>	<b>3,848,202.10</b>	<b>152,033.80</b>	<b>4,000,235.90</b>
<b>Surplus for the period</b>	<b>679,163.81</b>	<b>-</b>	<b>679,163.81</b>

**HONG CHI ASSOCIATION**

**BALANCE SHEET**  
**IN RESPECT OF**  
**FUNDING SCHEME FOR YOUTH LIFE PLANNING ACTIVITIES (2019-2022)**  
**- SHINING ROAD LIFE PLANNING SCHEME**

**AS AT 31 AUGUST 2022**

	Note	31/08/2022 HK\$
<b>Non-current asset</b>		
Property, plant and equipment	3	-
<b>Current asset</b>		
Amount due from Hong Chi Association	4	679,163.81
<b>NET ASSETS</b>		679,163.81
<b>TOTAL FUNDS</b>		679,163.81

Approved and authorised for issue by the Council of Hong Chi Association on 27 April 2023 and are signed on behalf of the Council members by:

\_\_\_\_\_  
Mr. Owen S.S. Chan  
Chairman  
Hong Chi Association

\_\_\_\_\_  
Ms. Lorraine O.C. Cheung  
Hon. Treasurer  
Hong Chi Association

**HONG CHI ASSOCIATION**

**CASH FLOW STATEMENT**  
**IN RESPECT OF**  
**FUNDING SCHEME FOR YOUTH LIFE PLANNING ACTIVITIES (2019-2022)**  
**- SHINING ROAD LIFE PLANNING SCHEME**

**FOR THE PERIOD FROM 1 SEPTEMBER 2019 (DATE OF COMMENCEMENT)**  
**TO 31 AUGUST 2022 (DATE OF COMPLETION)**

	1/9/2019- 31/8/2022 HK\$
<b>Cash flows from operating activities</b>	
Surplus for the period	679,163.81
<b>Adjustments for:</b>	
Depreciation	26,720.00
<b>Operating surplus before working capital changes</b>	705,883.81
Increase in amount due from Hong Chi Association	(679,163.81)
<b>Net cash generated from operating activities</b>	26,720.00
<b>Cash flows from an investing activity</b>	
Purchase of property, plant and equipment	(26,720.00)
<b>Net cash used in an investing activity</b>	(26,720.00)
<b>Net increase in cash and cash equivalents</b>	-
<b>Cash and cash equivalents at beginning of the period</b>	-
<b>Cash and cash equivalents at end of the period</b>	-

**HONG CHI ASSOCIATION**

**IN RESPECT OF  
FUNDING SCHEME FOR YOUTH LIFE PLANNING ACTIVITIES (2019-2022)  
- SHINING ROAD LIFE PLANNING SCHEME  
NOTES TO THE FINANCIAL STATEMENT**

**FOR THE PERIOD FROM 1 SEPTEMBER 2019 (DATE OF COMMENCEMENT)  
TO 31 AUGUST 2022 (DATE OF COMPLETION)**

**1. GENERAL INFORMATION**

Hong Chi Association (the “Association”) is a charitable organisation engaged in promoting the welfare of people with intellectual disabilities in Hong Kong. Its registered office is at Pinehill Village, Chung Nga Road, Nam Hang, Tai Po, New Territories, Hong Kong.

Pursuant to the approval letter dated on 23 August 2019, the Government approved a grant to the Association in respect of “Shining Road Life Planning Scheme” (the “Scheme”). The Scheme lasted for 36 months from 1 September 2019 to 31 August 2022.

The objective of the Scheme is to promote the diversified and personalized career planning projects to meet the needs of mentally handicapped students and cultivate them to know their own specialties, enhance their understanding of life planning and encourage their participation of the business community, which support them to join the society in the future.

**2. BASIS OF PREPARATION**

Incomes and expenditures of the Scheme are recognised on accrual basis.

HONG CHI ASSOCIATION

IN RESPECT OF  
FUNDING SCHEME FOR YOUTH LIFE PLANNING ACTIVITIES (2019-2022)  
- SHINING ROAD LIFE PLANNING SCHEME  
NOTES TO THE FINANCIAL STATEMENT

FOR THE PERIOD FROM 1 SEPTEMBER 2019 (DATE OF COMMENCEMENT)  
TO 31 AUGUST 2022 (DATE OF COMPLETION)

3. PROPERTY, PLANT AND EQUIPMENT

	Computer equipment HK\$	Other equipment HK\$	Total HK\$
<b>Cost</b>			
At 1 September 2019	-	-	-
Additions (Note)	<u>20,058.00</u>	<u>6,662.00</u>	<u>26,720.00</u>
As at 31 August 2022	<u>20,058.00</u>	<u>6,662.00</u>	<u>26,720.00</u>
<b>Accumulated depreciation</b>			
At 1 September 2019	-	-	-
Depreciation for the period	<u>20,058.00</u>	<u>6,662.00</u>	<u>26,720.00</u>
As at 31 August 2022	<u>20,058.00</u>	<u>6,662.00</u>	<u>26,720.00</u>
<b>Net carrying amount</b>			
At 31 August 2022	<u>-</u>	<u>-</u>	<u>-</u>

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

The cost of property, plant and equipment includes its purchase price and the costs directly attributable to the acquisition of the items.

Property, plant and equipment are depreciated so as to write off their cost net of expected residual value over their estimated useful lives on a straight-line basis. The estimated useful lives, residual value and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period. The principal annual depreciation rates are as follows:

Computer equipment	33%
Other equipment	33%

Note: The additions were acquired by the Additional funding from the Funding Scheme.

4. AMOUNT DUE FROM HONG CHI ASSOCIATION

The amount due from Hong Chi Association is unsecured, interest-free and repayable on demand.



