Airport Authority

Fund Raising through Donation Boxes
For the licence period from
1 April 2018 to 31 March 2019
(Public Subscription Permit No. 2018/077/1)

Income and expenditure account
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Independent practitioner’s assurance report to Airport Authority ("the Authority")

Public Subscription Permit No.: 2018/077/1

Pursuant to the conditions stated in Public Subscription Permit issued by the Social Welfare Department of the Government of the Hong Kong Special Administrative Region ("SWD"), we have been requested to report on the attached income and expenditure account of the Authority’s fund raising through donation boxes for the licence period from 1 April 2018 to 31 March 2019 ("the Donation Box Programme").

Responsibilities of the Authority

The Authority is responsible for preparing the attached income and expenditure account in accordance with the basis of preparation set out on page 4, setting out the gross donations raised from the Donation Box Programme and the expenses incurred in connection with the Donation Box Programme, in order to comply with the conditions stated in the Public Subscription Permit issued by the 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 donations raised and expenses incurred in connection with the Donation Box Programme and is free from material misstatement.

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 behaviour.

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.

Practitioner’s Responsibilities

Our responsibility is to form a conclusion on the attached income and expenditure account, based on our engagement, and to report our conclusion to you.
Independent practitioner’s assurance report to Airport Authority (“the Authority”) (continued)

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and with reference to Practice Note 850, Reporting on Flag days and General Charitable Fund-raising Activities Covered by Public Subscription Permits issued by the Social Welfare Department issued by the HKICPA. We have planned and performed our work to obtain limited assurance for giving our conclusion below.

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.

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 and other procedures we considered necessary. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Inherent Limitations

Due to the nature of cash receipts and expenses relating to the Donation Box Programme, it was not practicable for us to determine whether the income and expenditure account and the books and records of the Authority include all transactions relating to the Donation Box Programme. 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 books and records of the Donation Box Programme made available to us.

Conclusion

Based on the foregoing, we report that nothing has come to our attention that causes us to believe that the attached income and expenditure account does not reflect, in all material respects, the gross donations raised and the expenses incurred by the Donation Box Programme in respect of the fund raising activities that have been recorded in its books and records made available to us in accordance with the basis of preparation set out on page 4.
Independent practitioner’s assurance report to Airport Authority ("the Authority") (continued)

Intended Users and Purpose

This report is intended solely for the purpose of assisting the Authority to satisfy the conditions stated in the Public Subscription Permit issued by SWD in connection with the Donation Box Programme 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 without further comment from us.

KPMG

Certified Public Accountants
8th Floor, Prince’s Building
10 Chater Road
Central, Hong Kong
18 JUN 2019
Donation Box Programme
Income and expenditure account for the licence period from 1 April 2018 to 31 March 2019

(Expressed in Hong Kong dollars)

Donations received $ 506,361.94
Undistributed amount brought forward $ 15.00
Donations distributed $ 506,376.92

Odd cents carried forward $ 0.02

Background of the Donation Box Programme
The Donation Box Programme of the Authority is established to raise funds and support the services of charitable organisations by setting up donation boxes in the passenger terminal building of the Hong Kong International Airport. Beneficiaries of the Donation Box Programme for the licence period from 1 April 2018 to 31 March 2019 are The Community Chest of Hong Kong, Changing Young Lives Foundation, Friends of the Earth (HK) Charity Limited, Green Power Limited, Hong Kong Sheng Kung Hui Tung Chung Integrated Services, OIWA Limited and The Neighbourhood Advice-Action Council Tung Chung Integrated Services Centre.

Basis of preparation
Donations received represent cash received by the Authority through donation boxes for the period from 1 April 2018 to 31 March 2019. Donations received and distributed is net of handling fees of $102,952.46 charged by a service provider not related to the Authority for collection and counting services provided in respect of the donation proceeds collected.

Approved and authorised on behalf of the Airport Authority on 18 JUN 2019

Rodger Lee
General Manager, Branding & Communications
Corporate Communications
Airport Authority