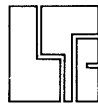


**HEIFER INTERNATIONAL HONG KONG LIMITED**  
**(PUBLIC SUBSCRIPTION PERMIT NO. 2009/187/1**  
**and 2009/187/2)**

INCOME AND EXPENDITURE ACCOUNT  
OF THE ON-SITE DONATION  
IN RESPECT OF "KOWLOON DAIRY EVENT"  
HELD ON 28<sup>TH</sup> JUNE, 2009 AND 12<sup>TH</sup> SEPTEMBER, 2009

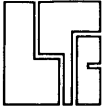


李 湯 陳 會 計 師 事 務 所

**LI, TANG, CHEN & CO.**

Certified Public Accountants (Practising)

Hong Kong



李湯陳會計師事務所  
**LI, TANG, CHEN & CO.**  
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**INDEPENDENT ASSURANCE REPORT  
TO THE DIRECTORS OF HEIFER INTERNATIONAL HONG KONG LIMITED  
("the Charity")  
(PUBLIC SUBSCRIPTION PERMIT NO. 2009/187/1 and 2009/187/2)**

In accordance with our agreed terms of engagement, we have performed an engagement on the attached income and expenditure account of the on-site donation in respect to the Charity's general charitable fund-raising activity ("Kowloon Dairy Event") held on 28<sup>th</sup> June, 2009 and 12<sup>th</sup> September, 2009 ("the Event").

**RESPECTIVE RESPONSIBILITIES FOR THE DIRECTORS AND OURSELVES**

The directors of Heifer International Hong Kong Limited are responsible for preparing the attached income and expenditure account in accordance with the basis of preparation set out in note 2, setting out the gross subscriptions raised from the Event and the expenses incurred in connection with the Event, in order to comply with the conditions stated in the Public Subscription Permit issued by the Social Welfare Department of the Government of the Hong Kong Special Administrative Region ("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 subscriptions raised and expenses incurred in connection with the Event and is free from material misstatement.

It is our responsibility to form a conclusion on the attached income and expenditure account, based on our engagement, and to report our conclusion to you, as a body, and for no other purpose except for use of report as set out below. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

**BASIS OF CONCLUSION**

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to the "Circular on Reporting on General Charitable Fund-raising Activities Covered by Public Subscription Permits issued by the Social Welfare Department (Other than Flag Days)" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

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.

Furthermore, due to the nature of cash receipts and expenses relating to general charitable fund-raising activities, it was not practicable for us to determine whether the income and expenditure account and the books and records of the Charity include all transactions relating to the Event. 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 Charity's books and records.

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.

to be cont'd/.....

## 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 subscriptions raised and the expenses incurred by the Charity in respect of the Event that have been recorded in its books and records made available to us in accordance with the basis of preparation set out in note 2.

## USE OF REPORT

This report is intended solely for the purpose of assisting the Charity to satisfy the conditions stated in the Public Subscription Permit issued by SWD in connection with the Event 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 and may be published where the Charity is required to do so under the conditions stated in the relevant Public Subscription Permit without further comment from us.

*Li Tang Chen & Co.*  
Li, Tang, Chen & Co.  
Certified Public Accountants (Practising)  
10/F Sun Hung Kai Centre  
30 Harbour Road  
Wanchai  
Hong Kong

05 OCT 2009

RCMC/AIML:fl

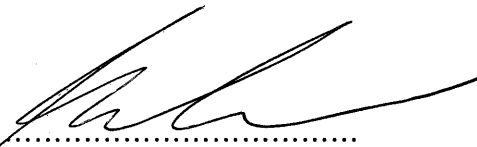
**HEIFER INTERNATIONAL HONG KONG LIMITED  
(PUBLIC SUBSCRIPTION PERMIT NO. 2009/187/1 AND 2009/187/2)**

**INCOME AND EXPENDITURE ACCOUNT  
OF THE ON-SITE DONATION**

**IN RESPECT OF "KOWLOON DAIRY EVENT" HELD ON 28<sup>TH</sup> JUNE, 2009 AND  
12<sup>TH</sup> SEPTEMBER, 2009**

	HK\$
<b>INCOME</b>	
Proceeds from the fund raising activities on 28 <sup>th</sup> June, 2009	2,191.34
Proceeds from the fund raising activities on 12 <sup>th</sup> September, 2009	<u>12,335.21</u>
	14,526.55
Deduct:	
<b>EXPENDITURE</b>	
Bank charge	<u>30.00</u>
<b>SURPLUS OF INCOME OVER EXPENDITURE</b>	14,496.55
<b>AMOUNT TRANSFERRED TO SUPPORT HEIFER INTERNATIONAL'S POVERTY ALLEVIATION PROGRAMS IN MAINLAND CHINA</b>	<u>(14,496.55)</u>
	<u><u>-</u></u>

Approved by:

  
.....  
Director

Hong Kong, 05 OCT 2009

**HEIFER INTERNATIONAL HONG KONG LIMITED**  
**(PUBLIC SUBSCRIPTION PERMIT NO. 2009/187/1 AND 2009/187/2)**

**INCOME AND EXPENDITURE ACCOUNT**  
**OF THE ON-SITE DONATION**

**IN RESPECT OF "KOWLOON DAIRY EVENT" HELD ON 28<sup>TH</sup> JUNE, 2009 AND**  
**12<sup>TH</sup> SEPTEMBER, 2009**

**1. GENERAL**

"Kowloon Dairy Event" is an Event organised by Kowloon Dairy Limited for the purpose of raising charitable funds to support Heifer International's poverty alleviation programs in mainland China.

**2. BASIS OF PREPARATION**

a) Basis of accounting:

The income and expenditure account has been prepared using the historical cost basis of accounting.

b) Income recognition:

Proceeds from the fund raising activities is recognised when it is received or receivable.

**3. TAXATION**

As Heifer International Hong Kong Limited is registered as a charitable organization under Section 88 of Inland Revenue Ordinance, the Event is exempted from Hong Kong profits tax.

