

612 HUMANITARIAN RELIEF FUND

**REPORTS AND FINANCIAL STATEMENTS
FOR THE PERIOD FROM 28 JUNE 2019
(DATE OF ESTABLISHMENT) TO 30 SEPTEMBER 2019**

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**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF
612 HUMANITARIAN RELIEF FUND****Opinion**

We have audited the financial statements of 612 Humanitarian Relief Fund ("the Fund") set out on pages 3 to 8, which comprise the statement of financial position as at 30 September 2019, the statement of income and accumulated fund and the statement of cash flows for the period from 28 June 2019 (date of establishment) to 30 September 2019, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Fund as at 30 September 2019, and of its financial performance and its cash flows for the period from 28 June 2019 (date of establishment) to 30 September 2019 in accordance with Hong Kong Financial Reporting Standard for Private Entities ("HKFRS for Private Entities") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Trustees and Those Charged with Governance for the Financial Statements

The Trustees are responsible for the preparation of the financial statements that give a true and fair view in accordance with the HKFRSs issued by the HKICPA, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to dissolve the Fund or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF
612 HUMANITARIAN RELIEF FUND - CONTINUED****Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion 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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



WILLIAM PO & CO.
Certified Public Accountants

Hong Kong, 03 JUN 2020

**STATEMENT OF INCOME AND GENERAL FUND
FOR THE PERIOD FROM 28 JUNE 2019
(DATE OF ESTABLISHMENT) TO 30 SEPTEMBER 2019**

	2019 HK\$
Income	
Donation income	<u>85,490,878</u>
Less: Expenditure	
Financial assistance - general	1,756,623
Financial assistance - medical expenses	745,575
Financial assistance - legal expenses	613,900
Financial assistance - funeral expenses	181,310
Financial assistance - psychological counseling expenses	13,262
Accounting fee	27,000
Audit fee	30,000
Administration fee	311,148
Computer accessories	1,269
Custodian service fee	14,711
Depreciation	8,638
Electronic payment system and bank charges	196,420
Event production fee	218,690
Printing and stationery	6,058
Project grant - publication of report	60,000
Sundry expenses	23,518
Telephone expenses	2,244
Travelling expenses	10,875
Website expenses	7,000
	<u>4,228,241</u>
Surplus for the period and general fund carried forward	<u><u>81,262,637</u></u>

**STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2019**

	Notes	2019 HK\$
Non-current assets		
Property, plant and equipment	4	<u>34,553</u>
Current assets		
Account receivables	5	3,999,683
Loan receivables	6	899,700
Prepayment and other receivables		98,133
Cash advance	7	1,000,000
Cash held by custodian		<u>75,466,615</u>
		<u>81,464,131</u>
Current liabilities		
Accruals		<u>236,047</u>
Net current assets		<u>81,228,084</u>
Net assets		<u><u>81,262,637</u></u>
Funds		
General fund		<u><u>81,262,637</u></u>

Approved by:

Trustee

Trustee

**STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM 28 JUNE 2019
(DATE OF ESTABLISHMENT) TO 30 SEPTEMBER 2019**

	2019 HK\$
Operating activities	
Surplus for the period	81,262,637
Adjustment for:	
Depreciation of property, plant and equipment	<u>8,638</u>
Operating cash flows before changes in working capital	81,271,275
Increase in account receivables	(3,999,683)
Increase in loan receivables	(899,700)
Increase in prepayments and other receivables	(98,133)
Increase in cash advance	(1,000,000)
Increase in accruals	<u>236,047</u>
Cash generated from operations	<u>75,509,806</u>
Investing activities	
Purchase of property, plant and equipment	<u>(43,191)</u>
Increase in cash and cash equivalents	75,466,615
Cash and cash equivalents at the beginning of the period	<u>-</u>
Cash and cash equivalents at the end of the period	<u>75,466,615</u>
Analysis of cash and cash equivalents:	
Cash held by custodian	<u><u>75,466,615</u></u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM 28 JUNE 2019
(DATE OF ESTABLISHMENT) TO 30 SEPTEMBER 2019**

1 GENERAL

612 Humanitarian Relief Fund is a trust constituted under a Trust Deed dated 28 June 2019. The objectives of the Fund, as specified in the Trust Deed, are:

- (a) to give financial aid, assistance or provision to any person who was or has been involved in any campaign, protest or advocacy against the passing of the Fugitive Offenders and Mutual Legal Assistance in Criminal Matters Legislation Bill 2019 in the Legislative Council of the Hong Kong SAR;
- (b) to make grants, or subsidies for public campaigns and advocacy for the promotion of human rights and freedom and upholding of the rule of law in furtherance of the spirit and objects of the public protest against the passage of the said Bill;
- (c) to make grants, provision or subsidies to the organizers of any public protest or activities against the passage of legislation or regulation in the Legislative Council of Hong Kong which may jeopardize human rights and the rule of law in Hong Kong including payment of legal expenses incurred for or in connection with this object; and
- (d) to make donations to any organisation that has as its objects the promotion or protection of human rights and upholding of the rule of law.

The trustees of the Fund during the period and up to the date of this report were:

Ho Wan See Denise	(appointed on 28 June 2019)
Zen Ze-kiun Joseph	(appointed on 28 June 2019)
Ng Ngoi Yee Margaret	(appointed on 28 June 2019)
Ho Sau Lan Cyd	(appointed on 28 June 2019)
Hui Po Keung	(appointed on 28 June 2019)

2 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

These financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standard for Private Entities (HKFRS for Private Entity) issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). They have been prepared under the historical cost convention.

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE PERIOD FROM 28 JUNE 2019
(DATE OF ESTABLISHMENT) TO 30 SEPTEMBER 2019**

2 SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(b) Property, plant and equipment

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

The cost of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the property, plant and equipment to working condition and location for their intended use. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance and overhaul costs, are normally charged to the income statement in the year in which they are incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of the property, plant and equipment, the expenditure is capitalised as an additional cost of the property, plant and equipment.

Where property, plant and equipment are sold or retired, their cost and accumulated depreciation are removed from the accounts and any gain or loss resulting from their disposal is included in the income statement.

Depreciation on property, plant and equipment is provided using the straight line method at consistent rates calculated to write off the cost of the property, plant and equipment over their expected useful lives. The principal annual rates used for this purpose are:

The depreciable amount of an item of plant and equipment is allocated on a systematic basis over its estimated useful life using the straight-line method. The principal annual rates used for depreciation are as follows:

Office equipment	20%
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Fully depreciated property, plant and equipment are retained in the accounts until they are no longer in use.

(c) Recognition of Revenue

Revenue is recognised when it is probable that the economic benefits will flow to the Fund and when the revenue can be measured reliably, on the following bases:

* donations are recognised when the right to receive payment is established.

(d) Receivables

Receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the fund will not be able to collect all amounts due according to the original terms of the receivables.

(e) Cash and cash equivalents

Cash and cash equivalents includes cash on hand and demand deposits with original maturities of three months or less.

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE PERIOD FROM 28 JUNE 2019
(DATE OF ESTABLISHMENT) TO 30 SEPTEMBER 2019**

3 TAXATION

No provision for Hong Kong profits tax is made in the accounts as the trustees considered that the Fund has not carried on any trade, profession or business and therefore has no assessable profit.

4 PROPERTY, PLANT AND EQUIPMENT

	Office equipment HK\$
Cost	
At 28 June 2019	-
Additions	43,191
At 30 September 2019	<u>43,191</u>
Accumulated depreciation	
At 28 June 2019	-
Charge for the year	8,638
At 30 September 2019	<u>8,638</u>
Net book value	
At 30 September 2019	<u><u>34,553</u></u>

5 ACCOUNT RECEIVABLES

The balances represent the sums held by online payment systems amounting to HK\$3,945,320 and US\$6,939 (equivalent to HK\$54,363) at the end of the reporting period.

6 LOAN RECEIVABLES

The loans were advanced to suitable applicants who were required to pay bail deposits.

7 CASH ADVANCE

The cash advance was made to an administration agent who handled subsidies on behalf of the Fund.

8 APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorised for issue by the Board of trustees on **03 JUN 2020**