



CHF Statement on irresponsible comments

In response to the comments and criticisms made by the website “Idonate.com”, the Children’s Heart Foundation (CHF) must clarify a number of the points set out in the “idonate.com” assessment.

The CHF fully appreciates the rationale and the effort of the website “idonate.com” in promoting a supportive culture and stressing the efficiency of NGOs. However, the CHF is distressed by the assessment of the CHF’s financial position and must point out that this does not accurately reflect the foundation’s actual situation.

1) Misinterpretation on the figures of CHF

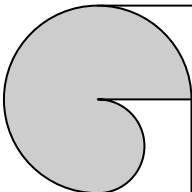
The CHF must point out that the website “Idonate.com” had misinterpreted the expenditure items set out in the audited accounts and come to an incorrect and improper conclusion on the CHF direct spending on children with heart disease and their families because it has ignored many of the services that the CHF provides.

The direct services provided by the CHF are not limited to the medical sponsorship and educational programmes. These also include a range of counseling service by professional social workers, mutual helps and support groups arranged by the CHF for parents and patients, individual development and training activities, and the management of the temporary hostel for parents of children hospitalized at Queen Mary Hospital. Indeed, this last service is open to the parents of any children, not just those with heart conditions. The cost of these services are also fully accounted for in our accounts but have not been recognized in the assessment.

2) Inadequate understanding on service of CHF

It is simply incorrect to claim that the CHF staff and administrative cost were high. The vast majority of the staff costs relate to service delivery staff, including the social workers, welfare workers and caretakers responsible for the House of the Heart. The salaries of these staff constitute 80% of the total salaries bill for the CHF.

It is worth to note that presenting the net-off income of the programmes is a



kind of common approaches in accounting. This is more particularly for the small organization like the CHF who usually partners with corporate as the beneficiary or are able to maintain little or no expenses cost on the fundraising programmes. The financial statements are audited by qualified CPAs and are issued with true and fair opinion, which mean they are in compliance with the applicable accounting standards issued by HKICPA.”

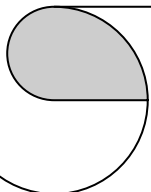
It is important to note that the CHF is a charity dependent entirely public donation and volunteer support. The income of the Foundation is affected by the general economic environment and so it has a policy to ensure that it can maintain its services to those in need even when income cannot be guaranteed. Part of the policy is to maintain a balance of funds to allow it to cover roughly 3 years of operation cost. Indeed, because we take a conservative and cautious approach, we have been able to succeed where others have failed. At the same time, we do, of course, continue our efforts to raise funds on an ongoing basis. We really do not understand why we should be criticized for our prudent and sensible approach to our finances.

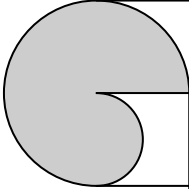
3) Inappropriate assessment criteria

The CHF also must point out that “Idonate” has adopted assessment with no consideration to the services provided by the organization nor to the full facts relating to its financial situation.

As an organization that splits its efforts between the provision of direct medical support programmes for children with heart conditions and human-based service targeted at both the children and their families, our funds are likewise shared among these different types of programmes. The effectiveness of human-based services simply cannot be measured against only the amount of input. Indeed, this has long been recognised by the Hong Kong Government in its policy towards social service in Hong Kong since 1998.

The operational mode of different organizations varies. There are significant differences between the large and well-established NGO, which get recurrent funding from Government or the major institutions, and the small scale NGOs such as the CHF which have to rely on public donations and other fundraising efforts on their own. It is indeed most unfortunate that “Idonate” has chosen to apply a set of assessment criteria which do not recognize the individual characteristics of each organization.





Conclusion

The CHF is a registered charity founded in 1994 by a group of concerned parents and volunteers. Devoted to supporting children with heart disease, the CHF provides a wide range of charitable service to children with heart disease and their families. These range from financial support for medical treatment and the purchase of medical equipment used in the public hospital; counseling and case follow-up services; training and developmental programmes for children; the provision of accommodation for parents of hospitalized children; the in-ward visits and support services; the organization of medical exchange programme bringing oversea surgeons to Hong Kong to undertake complicated heart operations while; and sponsorship on medical research.

Over the 17 years since its foundation, over 1000 children with congenital heart conditions have benefited directly from medical projects on which the CHF spent over HK\$14million. Thousands of families have benefited from the social services provided by the CHF and many of them joined the CHF as the active members. The Foundation depends entirely on public donation and volunteers support to sustain all those charitable service. It is particularly worthy to note that some 400 volunteers had contributed over 4000 hours of their time to support services arranged by the CHF in 2010 alone. In addition, the Executive Committee and Subcommittees involve some 40-50 enthusiastic and devoted persons from all walk of lives working on an entirely voluntary and unpaid basis to plan, lead and manage the CHF.

The CHF stresses the accountability of organization and welcomes contributions from the public to enhance and strengthen service for children with heart disease.

Should you wish to know more about the CHF please feel free to contact us on 25530331. We hope that the website “the Idonate” will retract the comments made about the CHF and give a more accurate and honest account of our ongoing efforts.

Children’s Heart Foundation

