

Independent Assurance Report

YAN OI TONG LIMITED

Flag Day held on 21st July, 2021

(Public Subscription Permit No. FD/R081/2021)



Robert Chui CPA Limited

Certified Public Accountants
Hong Kong

YAN OI TONG LIMITED

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志仁會計師行有限公司
Robert Chui CPA Limited
Certified Public Accountants

INDEPENDENT ASSURANCE REPORT

To the Board of Directors of

YAN OI TONG LIMITED (the "Company")

(incorporated in Hong Kong as a company limited by guarantee and not having a share capital)

Public Subscription Permit No: FD/R081/2021

Pursuant to the conditions stated in the Public Subscription Permit issued by the Social Welfare Department of the Government of the Hong Kong Special Administrative Region (the "SWD"), we have been requested to report on the attached income and expenditure account of the Company's regional flag day fund-raising activity in New Territories region held on 21st July, 2021 (the "Event").

Responsibilities of the Company

The directors of the Company 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 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.

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.

Our firm applies Hong Kong Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality controls including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our 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.

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 (Revised) "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.



志仁會計師行有限公司
Robert Chui CPA Limited
Certified Public Accountants

INDEPENDENT ASSURANCE REPORT ("Continued")

To the Board of Directors of

YAN OI TONG LIMITED (the "Company")

(incorporated in Hong Kong as a company limited by guarantee and not having a share capital)

Public Subscription Permit No: FD/R081/2021

Our Responsibilities ("Continued")

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 Event, it was not practicable for us to determine whether the income and expenditure account and the books and records of the Company included 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 Company's books and records.

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 Company 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.

Intended Users and Purpose

This report is intended solely for the purpose of assisting the Company to satisfy the conditions stated in the Public Subscription Permit issued by the 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 can be provided to the Director of Social Welfare without further comment from us.

Robert Chui CPA Limited
Certified Public Accountants

Chui Chi Yun Robert

Practising Certificate Number: P01833

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20 SEP 2021

YAN OI TONG LIMITED

INCOME AND EXPENDITURE ACCOUNT

Flag Day held on 21st July, 2021

(Public Subscription Permit No. FD/R081/2021)

	HK\$
INCOME	
Street collections	467,912
Other donation	446,688
	<u>914,600</u>
Less:	
EXPENDITURE	
Advertising	13,176
Auditor's remuneration	3,000
Bank charges	493
Donation bags	2,946
Flag day stickers	12,250
Insurance	4,905
Miscellaneous	7,150
Postage	3,015
Printing and stationery	20,379
Travelling	3,810
Transportation	10,896
	<u>82,020</u>
EXCESS OF INCOME OVER EXPENDITURE	<u><u>832,580</u></u>

The income and expenditure account and the notes thereto were approved and authorised for issue by the Board of Directors of Yan Oi Tong Limited on **28 SEP 2021** and are signed on its behalf by:



CHAN SHING BONG
CHAIRPERSON



CHOI YUN CHOR
VICE-CHAIRPERSON

YAN OI TONG LIMITED

NOTES TO INCOME AND EXPENDITURE ACCOUNT

Flag Day held on 21st July, 2021

(Public Subscription Permit No. FD/R081/2021)

1. GENERAL

Yan Oi Tong Limited (the "Company") was incorporated in Hong Kong as a company limited by guarantee and not having a share capital. The principal activities of the Company are the provision of charitable services including education, recreation and sports, medical and social services.

The purpose of the Company's flag day fund raising activity (the "Event") is to raise funds for (i) one District Community Centre for the Elderly and four Neighbourhood Elderly Centres; and (ii) Four Community Support Centres for the underprivileged (Tuen Mun, Yuen Long and Wong Tai Sin), one Community Integrated Development Centre and two self-financing Centres for the Elderly.

The Event was held on 21st July, 2021 from 7:00 a.m. to 12:30 p.m. within the area of the New Territories region only.

2. PRINCIPAL ACCOUNTING POLICIES

Basis of preparation

The income and expenditure account has been prepared using the accrual basis.

3. DONATIONS CREDITED TO THE BANK

All the flag day proceeds collected (\$914,600) have been credited to the designated bank account of the Company before being used for payment of expenditure for the flag day and the purposes specified in the permit by 4th August, 2021.

4. INCOME TAX

As the Company is registered as a charitable organisation under section 88 of the Inland Revenue Ordinance, the surplus of the Event is exempted from Hong Kong Profits Tax.