

TUNG WAH GROUP OF HOSPITALS

INDEPENDENT PRACTITIONER'S ASSURANCE REPORT TO THE
BOARD OF DIRECTORS OF TUNG WAH GROUP OF HOSPITALS (THE "PERMITTEE")

PUBLIC SUBSCRIPTION PERMIT NO. 2023/091/1



TUNG WAH GROUP OF HOSPITALS

PUBLIC SUBSCRIPTION PERMIT NO. 2023/091/1

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Independent Practitioner's Assurance Report To the Board of Directors of Tung Wah Group of Hospitals (the "Permittee")

Public Subscription Permit No: 2023/091/1

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 ("SWD"), we have been requested to report on the attached income and expenditure account of the Permittee's general charitable fund-raising activities for the Charity Estates Fund Raising Competition and Voluntary Fund Raising Activities 2023, held during the period from 6 November 2023 to 12 November 2023 (the "Event").

Responsibilities of the Board of Directors

The Board of Directors is 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 Management

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.

The firm applies Hong Kong Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or 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.

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 and Solicitation of Signed Authorisation Forms 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.

Independent Practitioner’s Assurance Report (continued)
To the Board of Directors of Tung Wah Group of Hospitals (the “Permittee”)

Public Subscription Permit No: 2023/091/1

Practitioner's Responsibilities (continued)

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, analytical procedures applied to financial data 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 Permittee 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 Permittee'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 Permittee 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 Permittee 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 may be provided to the Director of Social Welfare without further comment from us.



Certified Public Accountants
Hong Kong
31 January 2024

TUNG WAH GROUP OF HOSPITALS

CHARITY ESTATES FUND RAISING COMPETITION
AND VOLUNTARY FUND RAISING ACTIVITIES 2023
(PUBLIC SUBSCRIPTION PERMIT NO. 2023/091/1)

INCOME AND EXPENDITURE ACCOUNT

For the period from 6 November 2023 to 12 November 2023

| INCOME | HK\$ |
|---|-------------------------|
| Donation from Charity Public Estates Fund Raising Competition | 2,103,088 |
| Donation from Charity Private Estates Fund Raising Competition | 2,545,386 |
| Other donations | 2,145,687 |
| | <u>6,794,161</u> |
| EXPENDITURE | |
| Identification badges & certificates of appreciation | 5,000 |
| Souvenirs & trophies | 87,510 |
| Promotion expenses | 122,600 |
| Security service | 249,300 |
| Insurance | 5,005 |
| Travelling and transportation expenses | 141,816 |
| Refreshment | 342 |
| Meal allowance | 5,441 |
| Postage | 3,224 |
| Audit fee | 6,600 |
| Sundry expenses | 61,804 |
| Allowances for fundraisers | 30,750 |
| | <u>719,392</u> |
| Excess of income over expenditure | <u><u>6,074,769</u></u> |

Approved and authorised for issue by the Board of Directors on 31 January 2024.



SU Yau On Albert
Chief Executive



John MOK
Head of Finance & Supplies Division

TUNG WAH GROUP OF HOSPITALS

CHARITY ESTATES FUND RAISING COMPETITION
AND VOLUNTARY FUND RAISING ACTIVITIES 2023
(PUBLIC SUBSCRIPTION PERMITS NO. 2023/091/1)

NOTES TO THE INCOME AND EXPENDITURE ACCOUNT

For the period from 6 November 2023 to 12 November 2023

1. General

The fund-raising purpose of the Charity Estates Fund Raising Competition and Voluntary Fund Raising Activities 2023 (the “Event”) is for providing free medical services and development of medical, education and community services.

2. Basis of preparation

The significant accounting policy is set out below:

The income collected and expenditure incurred for the Event held during the period from 6 November 2023 to 12 November 2023 are recognised on an accrual basis.

3. Donation credited to the bank

| | |
|--|-------------------------|
| | HK\$ |
| Excess of income over expenditure | 6,074,769 |
| Add: accrued expenditure not yet paid as at 30 November 2023 | <u>556,737</u> |
| Net balance of donations deposited into Permittee’s bank account by 30 November 2023 | <u><u>6,631,506</u></u> |