

**METHODIST CENTRE
INCOME AND EXPENDITURE ACCOUNT
REGIONAL FLAG DAY – HONG KONG ISLAND ON 9 AUGUST 2023**

PUBLIC SUBSCRIPTION PERMIT NO. FD/R080/2023



華德會計師事務所

CW CPA Certified Public Accountants

W www.cwhkcpa.com | E cw@cwhkcpa.com



Partners

黃華榮 執業會計師
 THOMAS W S WONG, FCPA (Practising)

蔡懿德 執業會計師
 ROSANNA Y T CHOI, FCPA (Practising)

**INDEPENDENT PRACTITIONER’S ASSURANCE REPORT
 TO THE BOARD OF DIRECTORS OF
 METHODIST CENTRE (“THE PERMITTEE”)**

PUBLIC SUBSCRIPTION PERMIT NO : FD/ R080/2023

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 regional flag day fund-raising activity in Hong Kong Island held on 9 August 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 to the income and expenditure account, 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.

The firm applies Hong Kong Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and 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 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.

● Hong Kong 香港

Suites 2111-13, 21/F, Prudential Tower,
 The Gateway, Harbour City,
 21 Canton Road, Tsimshatsui,
 Kowloon, Hong Kong
 香港九龍尖沙咀廣東道21號海港城
 探誠保險大樓21樓2111-13室
 Tel: +852 2956 3793

● Shenzhen 深圳

Room 2, 15/F, Yunsong Building,
 No. 8 Terna Road, Chegongmiao, Futian District,
 Shenzhen 518040, China
 深圳市福田區車公廟泰然八路
 雲松大廈15層02室
 郵編: 518040
 Tel: +86 (755) 8273 5001

● Guangzhou 廣州

Room 026-027, 11/F, International Finance Centre,
 No. 5 Zhujiang West Road, Tianhe District,
 Guangzhou 510000, China
 廣州市天河區珠江江西路5號
 國際金融中心11層 026-027室
 郵編: 510000
 Tel: +86 (20) 8135 0412

● Shanghai 上海

Room 2591, 25/F, Shanghai Central Plaza,
 No. 381 Middle Huaihai Road, Huangpu District,
 Shanghai 200020, China
 中國上海市黃浦區淮海中路381號
 中環廣場25樓2591室
 郵編: 200020
 Tel: +86 (21) 6032 3609

● Barcelona 巴塞隆納

c/o ILV Silver
 C/ Santaló 10, 1^{er}
 08021 Barcelona
 Spain
 Tel: +34 911 436 488

● London 倫敦

2nd Floor
 107 Charterhouse Street
 London, EC1M 6HW

● Bogotá 波哥大

Carrera 15 # 99-13,
 Office 411, Bogotá
 Colombia
 Tel: +57 313 3818759



**INDEPENDENT PRACTITIONER'S ASSURANCE REPORT
TO THE BOARD OF DIRECTORS OF
METHODIST CENTRE ("THE PERMITTEE") (continued)**

PUBLIC SUBSCRIPTION PERMIT NO : FD/ R080/2023

Practitioner's 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 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 to the income and expenditure account.

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.

CW CPA
Certified Public Accountants

HONG KONG, 30 OCT 2023

**METHODIST CENTRE
INCOME AND EXPENDITURE ACCOUNT
REGIONAL FLAG DAY – HONG KONG ISLAND ON 9 AUGUST 2023**

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	HK\$
Income	
Flag day street income	598,154
Gold flags or others	516,797
Bank interest income	<u>2,074</u>
Total income	<u>1,117,025</u>
Expenditure	
Audit fee	5,600
Insurance	3,003
Postage	24
Promotion and publicity expenses	81,183
Transportation	12,060
Bank charges	<u>4,241</u>
Total expenditure	<u>106,111</u>
Excess of income over expenditure	<u><u>1,010,914</u></u>

Approved and authorised for issue by the Board of Directors on **30 OCT 2023**



Rev Yu Yan Ming
Chairman



Ho Kin Wai, Patrick
Honorary Treasurer

**METHODIST CENTRE
NOTES TO THE INCOME AND EXPENDITURE ACCOUNT
REGIONAL FLAG DAY – HONG KONG ISLAND ON 9 AUGUST 2023**

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1. GENERAL

The fund-raising purpose of the flag day fund-raising activity in Hong Kong Island on 9 August 2023 and other forms of appeals in connection with the flag day (“the Event”) is to finance social welfare services of Methodist Centre (“the Permittee”) as below:

	HK\$
1. Ap Lei Chau Family Resources Centre	101,092
2. Children and Family Support Service	101,092
3. Methodist Southorn Centre for the Elderly	101,092
4. Methodist Kin Lok Centre for the Seniors	151,637
5. Methodist Wisdom Hub	101,092
6. Youth Rehabilitation Service	101,092
7. Sunny Growth and Development Centre	101,092
8. Supporting Grassroot Families	151,637
9. Headquarter repair work	<u>101,088</u>
Total	<u><u>1,010,914</u></u>

2. BASIS FOR PREPARATION

The significant accounting policies are set out below:

The income collected and expenditure incurred for the Event held on 9 August 2023 and other forms of appeals in connection with the flag day are recognized on an accrual basis.

3. DONATIONS DEPOSITED WITH THE BANK

All the flag day proceeds collected from the Event (HK\$1,117,025) have been deposited with the designated bank account of the Permittee before being used for payment of expenditure for the flag day by 21 September 2023.