

THE CHINESE PATRIOT ELITES CHARITY FOUNDATION LIMITED

REPORT OF THE COUNCIL OF MANAGEMENT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023

22

Sum, Arthur & Co.

THE CHINESE PATRIOT ELITES CHARITY FOUNDATION LIMITED

REPORT OF THE COUNCIL OF MANAGEMENT

The councillors submit their report together with the audited financial statements of The Chinese Patriot Elites Charity Foundation Limited (the "Foundation") for the year ended 31st March, 2023.

PRINCIPAL ACTIVITY

The principal activity of the Foundation is to improve the concept of patriotism and righteousness.

THE STATE OF AFFAIRS

The state of the Foundation's affairs as at 31st March, 2023 is set out on page 6 of the financial statements.

RESULTS AND APPROPRIATIONS

The income and expenditure account of the Foundation for the year ended 31st March, 2023 is set out on page 5 of the financial statements.

COUNCIL OF MANAGEMENT

The councillors during the year and up to the date of this report were:.

Choy Kin Cheung
Shum Kam Tim

The above councillors were re-appointed by members on 6th November, 2022 for a term of two years. In accordance with Article 17.1 of the Foundation's Articles of Association, both councillors continue in office.

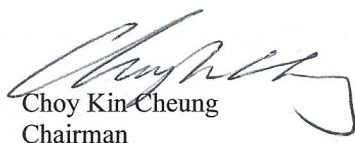
MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Foundation were entered into or existed during the year.

AUDITORS

The financial statements have been audited by Sum, Arthur & Co., Certified Public Accountants, who retire and, being eligible, offer themselves for re-appointment.

On behalf of the Council of Management


Choy Kin Cheung
Chairman

HONG KONG, 27th October, 2023

Sum, Arthur & Co.

REPORT OF THE INDEPENDENT AUDITORS
TO THE MEMBERS OF THE CHINESE PATRIOT ELITES CHARITY FOUNDATION LIMITED
(Incorporated in Hong Kong with limited liability)

OPINION

We have audited the financial statements of The Chinese Patriot Elites Charity Foundation Limited (the "Foundation") set out on pages 5 to 7, which comprise the statement of financial position as at 31st March, 2023, and the income and expenditure account for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements of the Foundation for the year ended 31st March, 2023 are prepared, in all material respects, in accordance with the Hong Kong Small and Medium-sized Entity Financial Reporting Standard ("SME-FRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance (Cap.622).

BASIS OF OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (HKSA's) and with reference to Practice Note 900 (Revised), Audit of Financial Statements Prepared in accordance with the Small and Medium-sized Entity Financial Reporting Standard issued by the HKICPA. Our responsibilities under those standards are further described in the Responsibilities of Auditors for the Audit of the Financial Statements section of our report. We are independent of the Foundation 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.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND THE REPORT OF THE AUDITORS THEREON

Councillors are responsible for the other information. The other information comprises the information included in the report of the Council of Management, but does not include the financial statements and our report of the auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE COUNCILLORS FOR THE FINANCIAL STATEMENTS

The councillors are responsible for the preparation of financial statements in accordance with the SME-FRS issued by the HKICPA and the Hong Kong Companies Ordinance (Cap. 622), and for such internal control as the councillors 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 councillors are responsible for assessing the Foundation'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 councillors either intend to liquidate the Foundation or to cease operations, or have no realistic alternative but to do so.

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

RESPONSIBILITIES OF AUDITORS 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 a report of auditors that includes our opinion. This report is made solely to you, as a body, in accordance with sections 405-407 of the Hong Kong Companies Ordinance (Cap.622), 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 HKSAAs 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 HKSAAs, we exercise professional judgement 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 Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the members of the Council of Management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the councillors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of auditors 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 date of our report of auditors. However, future events or conditions may cause the Foundation to cease to continue as a going concern.

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.

Sun, Arthur & Co

SUM, ARTHUR & CO.
Certified Public Accountants

HONG KONG, 27th October, 2023

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THE CHINESE PATRIOT ELITES CHARITY FOUNDATION LIMITED

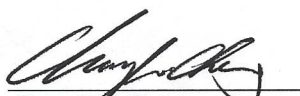
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST MARCH, 2023

	2023 HK\$	2022 HK\$
INCOME		
Sponsorship for functions	<u>38,601</u>	<u>34,300</u>
EXPENDITURE		
Costs of functions	(51,919)	(801,511)
Sundry expenses	(7,603)	(6,944)
Audit fee	(4,000)	(4,000)
Bank charges	<u>(550)</u>	<u>(500)</u>
	<u>(64,072)</u>	<u>(812,955)</u>
DEFICIT FOR THE YEAR	<u>(25,471)</u>	<u>(778,655)</u>

THE CHINESE PATRIOT ELITES CHARITY FOUNDATION LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 31ST MARCH, 2023

	Note	2023 HK\$	2022 HK\$
CURRENT ASSETS			
Cash and bank balances		130,016	155,487
CURRENT LIABILITIES			
Other payables and accruals		<u>(4,000)</u>	<u>(4,000)</u>
NET CURRENT ASSETS AND NET ASSETS		<u>126,016</u>	<u>151,487</u>
EQUITY			
ACCUMULATED FUND	5	<u>126,016</u>	<u>151,487</u>


Choy Kin Cheung
Chairman


Shum Kam Tim
Council Member

The financial statements on pages 5 to 7 were approved by the Council of Management on 27th October, 2023.

THE CHINESE PATRIOT ELITES CHARITY FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2023

1 REPORTING ENTITY

The Chinese Patriot Elites Charity Foundation Limited (the “Foundation”) is a company incorporated in Hong Kong with limited liability. Each member of the Foundation undertakes to contribute to the assets of the Foundation such amount as may be required not exceeding HK\$100. The Foundation’s registered office is located at Block E, Ground Floor, Kam Tsz Villa, Tuen Tsz Wai, Tuen Mun, New Territories.

The principal activity of the Foundation is to promote the concept of patriotism and righteousness.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

The Foundation qualifies for the reporting exemption as a small guarantee company under section 359(1) of the Hong Kong Companies Ordinance (Cap. 622). The Foundation is therefore entitled to prepare and present its financial statements in accordance with the Small and Medium-sized Entity Financial Reporting Standard (the “SME-FRS”) issued by the Hong Kong Institute of Certified Public Accountants.

These financial statements comply with the SME-FRS and have been prepared under the accrual basis of accounting and on the basis that the Foundation is a going concern.

The measurement base adopted is the historical cost convention.

The following are the specific accounting policies that are necessary for a proper understanding of the financial statements:

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Foundation and when the revenue can be measured reliably, on the basis that members’ annual subscription and sponsorship for functions are recognised when the services are rendered to members.

3 REMUNERATION OF THE COUNCILLORS

No emoluments were paid to the councillors for their services rendered to the Foundation during the year (2022: nil).

4 INCOME TAX EXPENSE

Hong Kong profits tax has not been provided as the Foundation does not have estimated assessable profits for the year (2022: nil).

5 ACCUMULATED FUND

	HK\$
At 31st March, 2022	151,487
Deficit for the year	<u>(25,471)</u>
At 31st March, 2023	<u>126,016</u>