

Circular on Reporting under the Catering Business (Social Distancing) Subsidy Scheme

This Circular is intended to be used as general guidance for practising members of the Hong Kong Institute of Certified Public Accountants (the "Institute"). The Institute DOES NOT accept any responsibility or liability, and DISCLAIMS all responsibility and liability, in respect of the Circular and any consequences that may arise from any person acting or refraining from action as a result of any materials in the Circular.

A. Introduction

1. As a result of the COVID-19 epidemic, the HKSAR Government has imposed social distancing measures, issuing directions under the Prevention and Control of Disease (Requirements and Directions) (Business and Premises) Regulation (the Regulation) (Cap. 599F) to restrict the operation of catering businesses and specified premises, and to close certain premises (including karaoke establishments, nightclubs and bars or pubs, which are concurrently holding a food licence). The businesses of catering outlets with seating areas have been hit hard by the epidemic and the social distancing measures.
2. On 5 May 2020, the Food and Environmental Hygiene Department ("FEHD") launched the Catering Business (Social Distancing) Subsidy Scheme ("Scheme") to provide financial relief measures to the catering sector. The Scheme provides subsidies ranging from HK\$250,000 to HK\$2,200,000 to eligible licence holders ("Licensees") of general restaurants, light refreshment restaurants, marine restaurants and factory canteens in operation according to the floor area of the premises as specified in the licence, primarily in support of the payment of employees' salaries during a six-month period following approval of the application. The subsidy will be distributed in two tranches.
3. The eligibility for the Scheme is set out in Part V of Application for Catering Business (Social Distancing) Subsidy Scheme under Anti-epidemic Fund¹ issued by the FEHD.
4. At the time of application, a Licensee is required to submit a prescribed certificate² to be completed by a Certified Public Accountant (Practising) of the Institute ("practising member") on its total staff salaries and total number of staff working at the licensed food premise for the operation of the licensed food premise (salaried or otherwise) for the month of March 2020. The prescribed certificate is specified by the FEHD and is attached at Annex 2 of Appendix 1 of this Circular.

1 Available at: https://www.fehd.gov.hk/english/forms/anti-epidemic_fund2_CS.html

2 Available at: https://www.fehd.gov.hk/english/forms/anti-epidemic_fund2_auditor_cert.pdf

5. In addition, the Licensee must submit on or before the 22nd day of the month that follows each month in the period from May to October 2020 a report issued by a practising member on the total staff salaries paid and total number of salaried staff working at the licensed food premise for each of the months in the period from May to October 2020³.
6. The purpose of this Circular is to provide guidance to practising members when undertaking engagements under paragraph 4. This Circular has been prepared following discussions with the FEHD on the relevant requirements of the Scheme.
7. In response to the reporting requirements of the Scheme, the Institute's Auditing and Assurance Standards Committee (AASC) has determined that an agreed-upon procedures engagement in accordance with Hong Kong Standard on Related Services (HKSRS) 4400, *Engagements to Perform Agreed-Upon Procedures Regarding Financial Information* and as set out in this Circular be generally suitable for these engagements.
8. The FEHD has indicated that for the purposes of processing applications under the Scheme, it is a FEHD requirement for practising members to provide a signed prescribed certificate on the total staff salaries and total number of staff working at the licensed food premises for the month of March 2020, and the provision of such prescribed certificate by practising members is not expected to be an assurance engagement. The FEHD noted that procedures under HKSRS 4400 would be applicable for practising members to support the prescribed certificate.
9. Practising members are encouraged to follow the guidance in this Circular.

Management's responsibilities

10. For a Licensee operating more than one licensed food premise, application for the Scheme should be submitted in respect of each licensed food premise.
11. In respect of each licensed food premise, management should prepare:
 - (a) a list of staff employed by the Licensee in March 2020 (salaried or otherwise) working at (or allocated to, see paragraph 12) the licensed food premise for the operation of that licensed food premise⁴;

3 Further guidance on reporting by the practising member from May to October 2020 to be released.

4 Includes a staff member (i) employed part-time; and/or (ii) not paid his/her full salary during the period concerned. For the purposes of this Circular, a staff member refers to the meaning of employee considered by the Inland Revenue Ordinance.

- (b) the total staff salaries for the month of March 2020 paid by the Licensee for operating the licensed food premise⁵; and
 - (c) where applicable, a reconciliation between total staff salaries paid for operating the licensed food premise in March 2020, and the total staff salaries paid by the Licensee⁶ in March 2020.
12. In certain cases, a staff member employed by the Licensee may work at multiple licensed food premises of the Licensee. For the purposes of the Scheme, the FEHD has clarified that the salary of such staff should be fully allocated to the same licensed food premise consistently over the subsidy period, rather than spreading over multiple licensed food premises.
13. The management of the Licensee is responsible for:
- (a) maintaining proper records and documents on the information set out in paragraph 11; and
 - (b) providing to the practising member all relevant information and documents, including but not limited to the records and documents on the information set out in paragraph 11.

Practising member's responsibilities

14. When conducting an engagement following the guidance in this Circular, practising members should conduct an agreed-upon procedures engagement in accordance with HKSRS 4400 and:
- (a) carry out procedures agreed upon with the Licensee according to the application requirements of the Scheme, and use the evidence obtained as the basis for the report of factual findings in accordance with HKSRS 4400;
 - (b) sign the report of factual findings as a whole which includes the accompanying Annex 1 and Annex 2 illustrated in Appendix 1 and Appendix 2 of this Circular; and
 - (c) complete the prescribed certificate specified by the FEHD attached in Annex 2 of Appendix 1 and Appendix 2 based on the procedures agreed upon with the Licensee according to the application requirements of the Scheme and evidence obtained thereof.

5 Exclude salaries for staff not working at the licensed food premise for the operation of the licensed food premise, such as staff working at the central food processing kitchen of the Licensee; staff responsible for the corporate function of the Licensee. For the purposes of this Circular, total salaries refer to taxable income for salaries tax under the Inland Revenue Ordinance.

6 Include salaries for staff not working at the licensed food premise for the operation of the licensed food premise, such as staff working at the central food processing kitchen of the Licensee; staff responsible for the corporate function of the Licensee.

15. Practising members should comply with relevant requirements of the Institute's *Code of Ethics for Professional Accountants*.
16. As explained in HKSRS 4400, in an agreed-upon procedures engagement, the auditor would carry out procedures of an audit nature to which the auditor and the entity and any appropriate third parties have agreed and to report on factual findings. As the auditor simply provides a report of the factual findings of agreed-upon procedures, no assurance is expressed. Instead, users of the report assess for themselves the procedures and findings reported by the auditor and draw their own conclusions from the auditor's work.
17. Under HKSRS 4400, independence is not a requirement for agreed-upon procedures engagements; however, the terms or objectives of an engagement may require the auditor to comply with certain independence requirements. Where the auditor is not independent of the Licensee, a statement to that effect would be made in their report of factual findings.
18. The practising member should agree the terms of the engagement with the Licensee. To avoid a misunderstanding, the agreed terms should be recorded in an engagement letter or other suitable form of contract. General guidance on engagement letters is set out in paragraphs 11 and 12 of HKSRS 4400; an example of an engagement letter for an agreed-upon procedures engagement can be found in Appendix 1 of HKSRS 4400.

Reporting for application for the Scheme

19. The report of factual findings by the practicing member is prepared based on specified procedures including:
 - (a) Obtain the list of total number of employed staff, and staff salaries thereof, working at the licensed food premise for the operation of that licensed premise for March 2020 from the Licensee and check the arithmetical accuracy of the total number of staff, and total amount of staff salaries thereof, applicable under the application requirement of the Scheme ("List of Staff Records").
 - (b) Agree the total number of employed staff, and amount of total staff salaries thereof, working at the licensed food premise for the operation of that licensed premise for March 2020 as stated in the List of Staff Records to the staff/payroll records of the Licensee.
 - (c) Agree the number of employed staff, and amount of staff salaries thereof, working at the licensed food premise for the operation of that licensed premise for March 2020 stated in the Licensee's staff/payroll records to the payment records stated in the Licensee's cash disbursement records, such as cash book or bank statements.
 - (d) Where there are adjustments to the total staff salaries paid and the total number of staff between the staff/ payroll records of the Licensee and

the application requirement of the Scheme, the practising member should agree with the Licensee further procedures to be performed as appropriate and according to the specific circumstances, e.g. obtain supporting evidence about the adjustments and reconciliations as mentioned in paragraph 11 of this Circular.

- (e) Fill in and sign the prescribed certificate specified by the FEHD based on the factual findings obtained in the specific procedures.

~~20.1. The practising member is not required to check the authenticity of the information as provided by the Licensee, including but not limited to the number of employed staff, and staff salaries thereof, working at the licensed food premise for the operation of that licensed premise for March 2020 as determined by the Licensee to be applicable under the requirement of the Scheme, and the validity of the supporting documents provided by the Licensee.~~

21.20. Appendix 1 to this Circular contains an example report of factual findings that is based on HKSRS 4400. The report is accompanied by the Licensee's total staff salaries and total employed staff number in March 2020 for the operation of the licensed food premise (Annex 1 of Appendix 1) and the prescribed certificate (Annex 2 of Appendix 1). The Licensee should fill in the information in Annex 1 of Appendix 1. The practising member should attach Annex 1 and Annex 2 of Appendix 1 to the report of factual findings and sign the report as a whole which includes the accompanying annexes.

22.21. Practising members are reminded that Appendix 1 provides an illustrative report of factual findings only. The practising member is required to agree with the Licensee on the actual procedures specific to the circumstances of the Licensee.

Reporting for each of the months from May to October 2020

22. In accordance with the conditions for release of the subsidy, upon approval and after receiving of the first tranche of the subsidy, the Licensee must submit, for each of the months from May to October 2020, a certificate issued by a practicing member reporting on:

- a) total staff salaries paid; and
- b) total number of salaried staff working at the licensed food premise.

The report of factual findings must be submitted on or before the 22nd day of the month that follows each of the months from May to October 2020 together with the certificate in the FEHD's prescribed format.

23. This Circular is also applicable for a practising member's reporting on each of the months from May to October 2020, except that:

- at the time of applying for the Scheme, the requirement is to report on the total number of staff (salaried or otherwise)⁴ working at the licensed food premise for the operation of that licensed food premise for the month of March 2020; whereas
 - for the reporting on each of the months from May to October 2020, the requirement is to report on the total number of salaried staff working at the licensed premise in the month concerned.
24. Appendix 2 to this Circular contains an example report of factual findings that is based on HKSRS 4400 for reporting under the Scheme for each of the months from May to October 2020. The report is accompanied by the Licensee's total staff salaries paid for and total number of salaried staff working at the licensed food premise in the month covered by the reporting (Annex 1 of Appendix 2) and the prescribed certificate (Annex 2 of Appendix 2). The Licensee should fill in the information in Annex 1 of Appendix 2. The practising member should attach Annex 1 and Annex 2 of Appendix 2 to the report of factual findings and sign the report as a whole which includes the accompanying annexes.
25. Practising members are reminded that Appendix 2 provides an illustrative report of factual findings only. The practising member is required to agree with the Licensee on the actual procedures specific to the circumstances of the Licensee.
26. The practising member is not required to check the authenticity of the information as provided by the Licensee, including but not limited to the number of employed staff, and staff salaries thereof, working at the licensed food premise for the operation of that licensed premise for March 2020 as determined by the Licensee to be applicable under the requirement of the Scheme, and the validity of the supporting documents provided by the Licensee.

Date: 17 June 2020

Appendix 1

Example Report of Factual Findings for the Catering Business (Social Distancing) Subsidy Scheme under the Anti-epidemic Fund⁷**Based on HKSRS 4400 *Engagements to Perform Agreed-Upon Procedures Regarding Financial Information*****REPORT OF FACTUAL FINDINGS⁸**

To the License Holder of [Name of Licensed Food Premise] ("the Licensed Premise") of Food Business License Number: [XXXX] (the "Licensee")

We have performed the procedures agreed with you and enumerated below with respect to the total staff salaries paid and total number of staff working at the Licensed Premise for operating of the Licensed Premise for the month of March 2020 as set out in the attached Annex 1 and Annex 2. It is the responsibility of the Licensee to keep proper books and records of the Licensed Premise and to monitor relevant internal controls, and to prepare the summary of staff record applicable for the Catering Business (Social Distancing) Subsidy Scheme ("Scheme") for March 2020 as set out in Annex 1 based on the books and records of the Licensed Premise.

Our engagement was undertaken in accordance with the Hong Kong Standard on Related Services 4400, *Engagements to Perform Agreed-Upon Procedures Regarding Financial Information* issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

The procedures were performed solely to assist you in reporting to the Food and Environmental Hygiene Department ("FEHD") in respect of the application for the Scheme under the Anti-epidemic Fund and are summarized as follows:

Procedures	Factual Findings	[Exceptions]
1. We obtained the summary of staff records applicable for the Scheme for March 2020 from the Licensee. We	1. We obtained the summary of staff records applicable for the Scheme as set out in Annex 1. We found the amount of total	<i>[Detail the exceptions here.]</i>

⁷ This example illustrates the report of factual findings on the total amount of staff salaries and total number of staff thereof for March 2020 according to the requirements of the Scheme and for the purposes of applying for the Scheme.

⁸ According to paragraph 7 of HKSRS 4400, independence is not a requirement for agreed-upon procedures engagements; however, the terms or objectives of an engagement may require the practising member to comply with the independence requirements of the HKICPA Statements of Professional Ethics/Code of Ethics for Professional Accountants. Where the practising member is not independent, a statement to that effect would be made in the report of factual findings.

<p>checked the arithmetical accuracy of the total amount of staff salaries and total number of staff (items marked with # in Annex 1).</p>	<p>staff salaries and the total number of staff was arithmetically correct (items marked with # in Annex 1).</p>	
<p>2. We compared the total amount of staff salaries and total number of staff for March 2020 (items marked with @) as stated in Annex 1 to the [staff records][payroll records]⁹ of the Licensed Premise maintained by the Licensee.</p>	<p>2. We found the total amount of staff salaries and total number of staff for March 2020 applicable for the Scheme (items marked with @) as stated in Annex 1 to be in agreement with the [staff records][payroll records]⁹ of the Licensed Premise maintained by the Licensee.</p>	<p><i>[Detail the exceptions here.]</i></p>
<p>3. We compared the total amount of staff salaries and total number of staff for March 2020 in the [staff records][payroll records]⁹ of the Licensed Premise maintained by the Licensee (items marked with @) as stated in Annex 1 to the [cash disbursement records][cash book][bank statements]⁹ of the Licensed Premise maintained by the Licensee.</p>	<p>3. We found the total amount of staff salaries and total number of staff for March 2020 in the [staff records][payroll records]⁹ of the Licensed Premise maintained by the Licensee (items marked with @) as stated in Annex 1 to be in agreement with the staff salaries payment records for March 2020 stated in the [cash disbursement record] [cash book][bank statement]⁹ of the Licensed Premise</p>	<p><i>[Detail the exceptions here.]</i></p>

⁹ Description to be tailored by the practising member base on the specific circumstances of the Licensee.

	maintained by the Licensee.	
<p>4. <i>[Applicable where there are adjustments between the total amount of staff salaries or total number of staff according to the staff/ payroll records of the Licensee and the requirement of the Scheme: We obtained supporting evidence from the Licensee regarding the adjustments as stated in Annex 1.]</i>¹⁰</p>	<p>4. <i>[Report the factual findings here.]</i>¹⁰</p>	<p><i>[Detail the exceptions here.]</i></p>
<p>5. Based on the factual findings we obtained in procedures 1 to [3][4] above, we filled in and signed the “Application for the Catering Business (Social Distancing) Subsidy Scheme under the Anti-epidemic Fund - Certificate on Total Salaries of Staff and Total Number of Staff in March 2020” specified by the FEHD.</p>	<p>5. See Annex 2.</p>	

Because the above procedures do not constitute an assurance engagement made in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the

¹⁰ Practising members should state the procedures agreed upon with the Licensee and report the factual findings based on the procedures carried out and evidence obtained.

HKICPA, we do not express any assurance on the total staff salaries paid and total number of staff (salaried or otherwise) working at the Licensed Premise for the operation of the Licensed Premise for the month of March 2020 as set out in Annex 1 and Annex 2. We have not performed any additional procedures to verify the authenticity of any information provided by you to us.

Had we performed additional procedures or had we performed an assurance engagement in respect of the total staff salaries paid and total number of staff working at the Licensed Premise for the operation of the Licensed Premise for the month of March 2020 as set out in Annex 1 and Annex 2 in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements, other matters might have come to our attention that would have been reported to you.

Our report is solely for the purpose set forth in the third paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties, except that we agree that a copy of this report may be provided to the FEHD. We expressly disclaim any liability or duty to any other party for the content in this report including the FEHD. This report relates only to the items specified above and does not extend to any financial statements of the Licensed Premise or the Licensee, taken as a whole.

XYZ & Co.

Certified Public Accountants (Practising) [or Certified Public Accountants]*

Practising certificate number:

Hong Kong

Date

* Delete as appropriate

Annex 1

Address of the Licensed Premise: _____

Under the Food Business License Number: _____

Summary of staff record applicable for the Catering Business (Social Distancing) Subsidy Scheme (“Scheme”) for March 2020

A. Total staff salaries (HK\$)

	Total staff salaries (HK\$)
Total amount of staff salaries of the aforementioned Licensed Premise for March 2020 according to the payroll records (@)	XXX
Include adjustments according to the requirement of the Scheme, if any:	
[Add/(less): Staff salaries for staff work at multiple licensed food premises of the Licensee which are allocated fully [from other food premise to this Licensed Premise]/[to other food premise from this Licensed Premise]] ¹¹	XXX
[Less: Salaries for staff not working at the licensed food premise for the operation of the licensed food premise, such as staff working at the central food processing kitchen of the Licensee; staff responsible for the corporate function of the Licensee.] ¹¹	XXX
Total staff salaries for the month of March 2020 for operating the above Licensed Premise according to the application requirement of the Scheme (#)	XXX

¹¹ For illustration only. Practising members should tailor the description of reconciliation items based on the specific circumstances of the Licensee.

B. Total employed staff number

	Total employed staff number
Total number of staff (salaried or otherwise) according to the staff/payroll records for March 2020 (@)	XXX
Include adjustments according to the requirement of the Scheme, if any (below are some illustrative examples):	
[Add/(less): Number of staff work at multiple licensed food premises of the Licensee who are allocated fully [from other food premise to this Licensed Premise]/[to other food premise from this Licensed Premise]] ¹¹	XXX
[Less: Number of staff not working at the License Premise for the operation of the Licensed Premise, such as staff working at the central food processing kitchen of the Licensee; staff responsible for the corporate function of the Licensee] ¹¹	XXX
Total number of staff (salaried or otherwise) in March 2020 for operating the above Licensed Premise according to the application requirement of the Scheme (#)	XXX



**Application for the Catering Business (Social Distancing) Subsidy Scheme
under the Anti-epidemic Fund**

Certificate on Total Salaries of Staff and Total Number of Staff in March 2020

[To be filled in and signed by an auditor]

I, _____ (name in Chinese), _____ (name in English), am a certified public accountant (practising) (CPA (practising)) as defined under the Professional Accountants Ordinance (Cap. 50).

With regard to the application for the Catering Business (Social Distancing) Subsidy Scheme under the Anti-epidemic Fund by the applicant _____ (name in Chinese), _____ (name in English) in respect of the licensed food premises at _____ (address), I hereby certify the following:

- (1) the total staff salaries for the month of March 2020 paid by the applicant for operating the above licensed food premises

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Exclude cents when stating the amount.

- (2) the total number of staff (salaried or otherwise) working at the above licensed food premises in March 2020 due to the operation of the licensed premises by the applicant

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(Note : According to the requirement under this Scheme, the information stated in this certificate will be used by the Food and Environmental Hygiene Department (FEHD) before and after release of the subsidy for the purpose of checking whether the applicant has complied with all the requirements under this Scheme, and the applicant and/or the auditor may be required to provide further information in addition to the information in this certificate.)

I understand that the matters and information stated herein and the related documents submitted (if any) are subject to further checking, vetting and verification by officers of FEHD or authorised officers if deemed necessary by FEHD for the purpose of processing the application and analysis in due course.

Date (dd/mm/yy)

Signature of CPA (practising)

Practising certificate number: _____

Name of firm:
(if applicable)

Correspondence address: _____

Telephone number: _____

Appendix 2**Example Report of Factual Findings for the Catering Business (Social Distancing) Subsidy Scheme under the Anti-epidemic Fund¹²****Based on HKSRS 4400 Engagements to Perform Agreed-Upon Procedures Regarding Financial Information****REPORT OF FACTUAL FINDINGS¹³**

To the License Holder of [Name of Licensed Food Premise] ("the Licensed Premise") of Food Business License Number: [name] (the "Licensee")

We have performed the procedures agreed with you and enumerated below with respect to the total staff salaries paid and total number of salaried staff working at the Licensed Premise in the month of [XXXX] 2020 as set out in the attached Annex 1 and Annex 2. It is the responsibility of the Licensee to keep proper books and records of the Licensed Premise and to monitor relevant internal controls, and to prepare the summary of staff record applicable for the Catering Business (Social Distancing) Subsidy Scheme ("Scheme") for [XXXX] 2020 as set out in Annex 1 based on the books and records of the Licensed Premise.

Our engagement was undertaken in accordance with the Hong Kong Standard on Related Services 4400, *Engagements to Perform Agreed-Upon Procedures Regarding Financial Information* issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

The procedures were performed solely to assist you in reporting to the Food and Environmental Hygiene Department ("FEHD") in respect of the application for the Scheme under the Anti-epidemic Fund and are summarized as follows:

<u>Procedures</u>	<u>Factual Findings</u>	<u>[Exceptions]</u>
<u>1. We obtained the summary of staff records applicable for the Scheme for [XXXX] 2020 from the Licensee.</u>	<u>1. We obtained the summary of staff records applicable for the Scheme as set out in Annex 1. We found the</u>	<u>[Detail the exceptions here.]</u>

¹² This example illustrates the report of factual findings on the total amount of staff salaries paid and total number of salaried staff thereof for each of the months from May to October 2020 according to the requirements of the Scheme.

¹³ According to paragraph 7 of HKSRS 4400, independence is not a requirement for agreed-upon procedures engagements; however, the terms or objectives of an engagement may require the practising member to comply with the independence requirements of the HKICPA Statements of Professional Ethics/Code of Ethics for Professional Accountants. Where the practising member is not independent, a statement to that effect would be made in the report of factual findings.

<p><u>We checked the arithmetical accuracy of the total amount of staff salaries paid and total number of salaried staff (items marked with # in Annex 1).</u></p>	<p><u>amount of total staff salaries paid and the total number of salaried staff was arithmetically correct (items marked with # in Annex 1).</u></p>	
<p><u>2. We compared the total amount of staff salaries paid and total number of salaried staff for [XXXX] 2020 (items marked with @) as stated in Annex 1 to the [staff records][payroll records]¹⁴ of the Licensed Premise maintained by the Licensee.</u></p>	<p><u>2. We found the total amount of staff salaries paid and total number of salaried staff for [XXXX] 2020 applicable for the Scheme (items marked with @) as stated in Annex 1 to be in agreement with the [staff records][payroll records]¹⁴ of the Licensed Premise maintained by the Licensee.</u></p>	<p><u><i>[Detail the exceptions here.]</i></u></p>
<p><u>3. We compared the total amount of staff salaries paid and total number of salaried staff for [XXXX] 2020 in the [staff records][payroll records]¹⁴ of the Licensed Premise maintained by the Licensee (items marked with @) as stated in Annex 1 to the [cash disbursement records][cash book][bank statements]¹⁴ of the</u></p>	<p><u>3. We found the total amount of staff salaries paid and total number of salaried staff for [XXXX] 2020 in the [staff records][payroll records]¹⁴ of the Licensed Premise maintained by the Licensee (items marked with @) as stated in Annex 1 to be in agreement with the staff salaries payment records for [XXXX] 2020 stated in the [cash disbursement record] [cash book][bank</u></p>	<p><u><i>[Detail the exceptions here.]</i></u></p>

¹⁴ Description to be tailored by the practising member base on the specific circumstances of the Licensee.

<p><u>Licensed Premise maintained by the Licensee.</u></p>	<p><u>statement]¹⁴ of the Licensed Premise maintained by the Licensee.</u></p>	
<p><u>4. [Applicable where there are adjustments between the total amount of staff salaries paid or total number of salaried staff according to the staff/ payroll records of the Licensee and the requirement of the Scheme: We obtained supporting evidence from the Licensee regarding the adjustments as stated in Annex 1.]¹⁵</u></p>	<p><u>4. [Report the factual findings here.]¹⁵</u></p>	<p><u>[Detail the exceptions here.]</u></p>
<p><u>5. Based on the factual findings we obtained in procedures 1 to [3][4] above, we filled in and signed the “Application for the Catering Business (Social Distancing) Subsidy Scheme under Anti-epidemic Fund – Monthly Certificate on Total Salaries of Staff and Total Number of Salaried Staff” for the month of [XXXX] 2020 specified by the FEHD.</u></p>	<p><u>5. See Annex 2.</u></p>	

¹⁵ Practising members should state the procedures agreed upon with the Licensee and report the factual findings based on the procedures carried out and evidence obtained.

Because the above procedures do not constitute an assurance engagement made in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA, we do not express any assurance on the total staff salaries paid and total number of salaried staff working at the Licensed Premise for the operation of the Licensed Premise for the month of [XXXX] 2020 as set out in Annex 1 and Annex 2. We have not performed any additional procedures to verify the authenticity of any information provided by you to us.

Had we performed additional procedures or had we performed an assurance engagement in respect of the total staff salaries paid and total number of staff working at the Licensed Premise for the operation of the Licensed Premise for the month of [XXXX] 2020 as set out in Annex 1 and Annex 2 in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements, other matters might have come to our attention that would have been reported to you.

Our report is solely for the purpose set forth in the third paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties, except that we agree that a copy of this report may be provided to the FEHD. We expressly disclaim any liability or duty to any other party for the content in this report including the FEHD. This report relates only to the items specified above and does not extend to any financial statements of the Licensed Premise or the Licensee, taken as a whole.

XYZ & Co.

Certified Public Accountants (Practising) [or Certified Public Accountants]*

Practising certificate number:

Hong Kong

Date

* Delete as appropriate

Annex 1

Address of the Licensed Premise: _____

Under the Food Business License Number: _____

Summary of staff record applicable for the Catering Business (Social Distancing) Subsidy Scheme (“Scheme”) for the month of [XXXX] 2020

A. Total staff salaries (HK\$)

	<u>Total staff salaries (HK\$)</u>
<u>Total amount of staff salaries paid for the aforementioned Licensed Premise for the month of [XXXX] 2020 according to the payroll records (@)</u>	<u>XXX</u>
<u>Include adjustments according to the requirement of the Scheme, if any:</u>	
<u>[Add/(less): Staff salaries for staff work at multiple licensed food premises of the Licensee which are allocated fully [from other food premise to this Licensed Premise]/[to other food premise from this Licensed Premise]]¹⁶</u>	<u>XXX</u>
<u>[Less: Salaries for staff not working at the licensed food premise for the operation of the licensed food premise, such as staff working at the central food processing kitchen of the Licensee; staff responsible for the corporate function of the Licensee.]¹¹</u>	<u>XXX</u>
<u>Total staff salaries for the month of [XXXX] 2020 paid for staff working at the above Licensed Premise according to the requirement of the Scheme, exclude cents when stating the amount (#)</u>	<u>XXX</u>

¹⁶ For illustration only. Practising members should tailor the description of reconciliation items based on the specific circumstances of the Licensee.

B. Total employed staff number

	<u>Total employed staff number</u>
<u>Total number of salaried staff working at the aforementioned Licensed Premise for the month of [XXXX] 2020 according to the staff/payroll records for [XXXX] 2020 (@)</u>	<u>XXX</u>
<u>Include adjustments according to the requirement of the Scheme, if any (below are some illustrative examples):</u>	
<u>[Add/(less): Number of salaried staff work at multiple licensed food premises of the Licensee who are allocated fully [from other food premise to this Licensed Premise]/[to other food premise from this Licensed Premise]]¹¹</u>	<u>XXX</u>
<u>[Less: Number of salaried staff not working at the License Premise for the operation of the Licensed Premise, such as staff working at the central food processing kitchen of the Licensee; staff responsible for the corporate function of the Licensee]¹¹</u>	<u>XXX</u>
<u>Total number of salaried staff working at the above Licensed Premise according to the requirement of the Scheme in the month of [XXXX] 2020 (#)</u>	<u>XXX</u>

**Application for Catering Business (Social Distancing) Subsidy Scheme
under Anti-epidemic Fund – Monthly Certificate on
Total Salaries of Staff and Total Number of Salaried Staff**



Part A [To be filled in and signed by an auditor]

I, _____ (name in Chinese), _____ (name in English), am a Certified Public Accountant (practising) (CPA (practising)) as defined under the Professional Accountants Ordinance (Cap. 50).

With regard to the condition for release of subsidy granted under the Catering Business (Social Distancing) Subsidy Scheme under the Anti-epidemic Fund to the grantee _____ (name in Chinese), _____ (name in English) in respect of the licensed food premises at

(address), I hereby certify the following in respect of operation at the above licensed food premises:

(1) the total staff salaries for the month of _____ 2020 paid for staff working at the licensed food premises (Exclude cents when stating the amount.)

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(2) the total number of salaried staff working at the licensed food premises in the month of _____ 2020

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(Note: According to the requirement under this Scheme, the information stated in this certificate will be used by the Food and Environmental Hygiene Department (FEHD) for the purpose of checking whether the grantee has complied with all the requirements under this Scheme, and the grantee and/or the auditor may be required to provide further information in addition to the information in this certificate.)

I understand that the matters and information stated herein and the related documents submitted (if any) are subject to further checking, vetting and verification by officers of FEHD or other authorised officers if deemed necessary by FEHD for the purpose of ensuring compliance with the requirements under this Scheme and analysis in due course.

Date (dd/mm/yy)	Signature of CPA (practising)
Practising Certificate No. : _____	
Name of Firm (if applicable) : _____	
Correspondence Address : _____	
Contact Telephone No. : _____	

Part B [To be filled in and signed by the licensee (i.e. the grantee)]

I, _____ (name in Chinese), _____ (name in English), am the licensee (i.e. the grantee) of the above licensed food premises and acknowledge, hereby, the information on the total staff salaries and the total number of salaried staff in respect of the licensed food premises for the month stated by the CPA (practising) above.

Date (dd/mm/yy)	Signature of Licensee (Licensee/Authorised Person of the Corporation)
	Contact Telephone No.: _____