Legislative Council Election Financial Assistance Scheme
Notes for Candidate and Independent Auditor of Candidate of Legislative Council Election

Purpose

1. This Notes prepared in consultation with the Hong Kong Institute of Certified Public Accountants ("HKICPA"), serves to provide guidance to:

   (a) the Legislative Council ("LC") election candidate ("candidate") seeking financial assistance from the Government under the Financial Assistance Scheme ("Scheme"); and

   (b) the auditor of the candidate,

   so as to enable:

   (i) the candidate to establish proper internal controls in relation to the accounting requirements to ensure that his/her election return (with the account of the declared election expenses) complies with section 37(1)(a) and (2)(b)(i) and (v) of the Elections (Corrupt and Illegal Conduct) Ordinance (Cap. 554) ("ECICO"); and

   (ii) the auditor of the candidate to be able to plan and perform appropriate procedures for a reasonable assurance engagement as required by the Electoral Affairs Commission (Financial Assistance for Legislative Council Elections and District Council Elections) (Application and Payment Procedure) Regulation (Cap. 541N) ("Regulation").

Background

2. Part 6A of the Legislative Council Ordinance (Cap. 542) ("LCO") provides for a financial assistance scheme in respect of election expenses incurred by LC election candidates.

3. Under the Scheme, a candidate who is elected as a member or who has obtained at least 5% of the total number of valid votes will be eligible for financial assistance to offset part of his/her election expenses as follows:

   (a) in respect of a candidate in a contested constituency, the amount payable is the lowest of the following:

      (i) the amount obtained by multiplying the total number of valid votes cast for the candidate by the specified rate (now at $15);

      (ii) 50% of the maximum amount of election expenses that may be incurred by or on behalf of the candidate under sections 3, 4 or 4A of the Maximum Amount of Election Expenses (Legislative Council Election) Regulation (Cap. 554D);

      (iii) the declared election expenses of the candidate.

(b) in respect of a candidate in an uncontested constituency, the amount payable is the lowest of the following:

   (i) the amount obtained by (for a geographical or functional constituency) multiplying 50% of the number of registered electors for the constituency concerned or (for the Election Committee constituency) 50% of the number of members of the Election Committee by the specified rate (now at $15);

   (ii) 50% of the maximum amount of election expenses that may be incurred by or on behalf of the candidate under sections 3, 4 or 4A of the Maximum Amount of Election Expenses (Legislative Council Election) Regulation (Cap. 554D);

   (iii) the declared election expenses of the candidate.

"Declared election expenses" means the amount set out as election expenses incurred by the candidate in the election return lodged under section 37(1) of the ECICO.

4. A declaration by the Returning Officer under section 46A(3)(a) or (b) of the LCO that an election has failed or has failed to a certain extent does not affect a candidate's entitlement to financial assistance.

5. The detailed operational procedures of the Scheme are laid down in the Regulation.

Notes for Candidate

6. A claim for financial assistance under the Scheme must be made by the candidate on a form (Form no.: REO/C/21/2025LC(SF)) specified by the Electoral Affairs Commission ("EAC"). Relevant form will be given to a candidate upon his/her submission of the nomination or can be downloaded from the website of the Registration and Electoral Office (https://www.reo.gov.hk). The completed claim form must be presented in person by the candidate or his/her agent at the office of the Chief Electoral Officer ("CEO") during ordinary business hours within the period specified in paragraph 9 below for lodging an election return. The claim form must also be accompanied by an election return and an auditor's report.

7. The auditor appointed must, after he has conducted the engagement, provide an independent auditor's report to the CEO. The report must:

   (a) state that the auditor has audited the account of the declared election expenses by conducting a reasonable assurance engagement in accordance with the Hong Kong Standard on Assurance Engagements 3000 (Revised), *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*; and

   (b) state the auditor's opinion as to whether the election return complies with section 37(1)(a) and (2)(b)(i) and (v) of the ECICO in all material respects.

8. Given the above, the candidate must establish proper internal controls in relation to the accounting requirements to comply with section 37(1)(a) and (2)(b)(i) and (v) of the ECICO.

9. Section 37(1) of the ECICO states that each candidate at an election must lodge with the CEO an **election return** setting out:

(a) the candidate's election expenses at the election; and

(b) all election donations received by or on behalf of the candidate in connection with the election.

Section 37(2)(b) of the ECICO states that the candidate must ensure that the election return is accompanied:

(i) in the case of each election expense of $500 or more, by an invoice and a receipt giving particulars of the expenditure; and

(ii) in the case of each election donation of more than $1,000 or, in the case of an election donation consisting of goods or a service, of more than $1,000 in value, by a copy of the receipt issued to the donor giving particulars of the donor and the donation; and

(iii) where an election donation or part of an election donation that was received by or on behalf of the candidate in connection with the election was not used for that purpose was disposed of in accordance with section 19 of the ECICO, by a copy of the receipt given by the recipient of the donation or part; and

(iv) where an election donation or part of an election donation that was received by or on behalf of the candidate in connection with the election was not used for that purpose was not disposed of in accordance with section 19(3)[1] of the ECICO, by an explanation setting out the reason why it was not disposed of in accordance with that section; and

(v) by a declaration in a form provided or specified by the appropriate authority verifying the contents of the return.

The completed election return in a specified form (a copy of which will be given to a candidate upon his/her submission of nomination) must be lodged with the CEO before the expiry of the period of 60 days after the election is settled in relation to the constituency concerned as required under section 37 of the ECICO. An election is settled in relation to a constituency on the date on which any of the following events occurs in relation to the constituency –

(a) the result of the election is notified in the Gazette; or

(b) the election is declared to have failed.

[1] Section 19(3) of the ECICO requires that any donations not used for the purpose of meeting, or contributing towards meeting, the election expenses of the candidate, or promoting the election of the candidate or of prejudicing the election of another candidate must be given to charitable institutions or trusts of a public character chosen by the candidates. Section 19(4) of the ECICO requires that any amount of donations that exceeds the maximum limit of election expenses (not including election donations of services) must also be given to such charitable institutions or trusts.

10. The candidate needs to ensure that the following in relation to the declared election expenses are complied with. Otherwise, the item of election expense concerned will not be taken into account in determining the amount of financial assistance payable:

    (a) for each item of election expense of $500 or more included in the election return, the candidate must provide invoice(s) and receipt(s) together with the election return pursuant to section 37(2)(b)(i) of the ECICO. An invoice and a receipt for an election expense may be included in the same document (see section 37(3) of the ECICO);

    (b) the invoices and receipts submitted by the candidate should include sufficient information, including:
        (i) date;
        (ii) particulars of the expense item (i.e. information and amount of the goods or services);
        (iii) information of the organization or person (other than the candidate himself/herself) providing the goods or services; and
        (iv) information showing that the organization or person (other than the candidate himself/herself) providing the goods or services has received the relevant payment in full (e.g. name and signature of the recipient, or the stamp of the organization or signature of its authorized person);

    (c) in the case that an election donation (including multiple election donations from the same donor) consisting of goods or service of more than $1,000 in value is included as declared election expenses in the election return by the candidate, the candidate must issue a "Standard Receipt for Election Donations" to the donor and submit a copy of receipt together with the election return pursuant to section 37(2)(b)(ii) of the ECICO.

    (d) no invoices or receipts may be altered except by the supplier(s)/issuer(s) themselves with their signature for endorsement; and

    (e) for all outstanding claims included as election expenses in the election return, a payment schedule for settlement of the outstanding claims should be indicated in the election return and the claim for financial assistance. The candidate is then required to submit invoice(s) and receipt(s) in the case of each item of election expense of $500 or more to the CEO within 30 days of settlement of the outstanding claims.

11. The candidate needs to make arrangements to institute proper internal controls to ensure that all election donations to which he/she receives and all election expenses for which he/she incurs are properly accounted for and recorded in his/her books and records.

12. The proper internal controls in relation to the accounting requirements should include the following:

    (a) a candidate should appoint a treasurer (or an election expense agent) before accepting any election donation or incurring any election expense. This is to ensure that all election donations received and all expenses incurred for the election campaign of a candidate are properly recorded in the books and records;

(b) all election donations relating to the election campaign should be recorded in the books and records as soon as practicable and election donations in cash or cheque should be deposited in a separate bank account of the candidate for the sole purpose of his/her election campaign, as soon as practicable (preferably within 3 working days of receipt);

(c) the candidate and the treasurer (or an election expense agent) should ensure that a cash book is maintained to record all election donations received and election expenses paid and regular bank reconciliations should be carried out;

(d) all election donation received and election expense payments should be supported by documentation and properly filed; and

(e) the candidate should appoint an auditor immediately after submitting his/her nomination if he/she intends to seek financial assistance under the Scheme, in order that the auditor will have sufficient time to plan and perform the appropriate procedures for a reasonable assurance engagement as required by the Regulation.

13. On re-use of old materials for election purpose (e.g. re-use of old publicity boards), the cost incurred for refurbishing and the estimated value of the old materials should be counted towards the candidate's election expenses. For candidates eligible for financial assistance, the cost incurred for refurbishment of the old materials will be considered in calculating the amount of financial assistance to be payable to the candidate, whilst the estimated value of the old materials will not be counted so as to avoid double payment. The above principle will also apply to reuse of other old materials for election purpose.

14. Any financial benefit given by an organization or individual to a candidate for the purpose of meeting, or contributing towards meeting his/her election expenses should be declared as election donation and accounted for in the election return. Any goods and services obtained free of charge or at a discount are donation-in-kind and their estimated fair value should be included in the election return both as an election donation and election expense (where appropriate). Fund raising campaigns organized by a political body or any organization without specific reference to the candidate will not be counted as the candidate's election activity. However, any contributions from such political body or organization to the candidate will need to be recorded as election donations received by the candidate.

15. The candidate should ensure that the auditor is to have access, at all reasonable times, to all records, documents, books, accounts and vouchers and to such information and explanations that, in the auditor's opinion, are necessary to conduct the assurance engagement in accordance with the Hong Kong Standards on Assurance Engagements.

16. A candidate who makes a statement that he/she knows or ought to know is materially false or misleading in his/her election return lodged under section 37 of the ECICO or a copy of an election return lodged under section 37A of the ECICO engages in a corrupt conduct under section 20 of the ECICO and is punishable by a fine of up to $500,000 and imprisonment for up to 7 years.

17. In relation to election expenses and election donations, a candidate and his/her treasurer (or his/her election expense agent) should make reference to the prevailing EAC Guidelines on Election-related Activities in respect of the Legislative Council Election ("Guidelines"), in

particular Chapter 17 “Election Expenses and Election Donations” and Appendix 16 “Items of Expenses to be Counted towards Election Expenses”.

18. A claim may be withdrawn, before a payment of financial assistance is made or the claim is otherwise disposed of, by means of a notice of withdrawal presented to the CEO. The notice of withdrawal must be presented in a form specified by the EAC (a copy of which will be given to the candidate upon his/her submission of nomination).

19. Where a payment of financial assistance is made and the recipient is not entitled to receive the whole or part of the amount paid, the recipient must repay the whole or part, as the case may be, of the amount paid to the Government within 3 months after the date of a written notice that was given by the CEO to the recipient requiring repayment.

Notes for Auditor

Background information

20. A claim for financial assistance under the Scheme must be made by the candidate on a form specified by the EAC (which will be given to a candidate upon his/her submission of the nomination). The completed claim form must be presented in person by the candidate or his/her agent at the office of the CEO during ordinary business hours within the period specified in paragraph 9 above for lodging an election return. The claim form must also be accompanied by an election return and an auditor’s report.

21. The auditor’s responsibilities under the Regulation are set out in paragraph 7 above. In consultation with the HKICPA, the auditor should conduct the engagement in accordance with the Hong Kong Standard on Assurance Engagements 3000 (Revised), *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*.

Planning and conducting the engagement

22. The auditor who has decided to take on the engagement should familiarise himself/herself with the relevant legislations and guidelines, including but not limited to the following ordinances, regulation and guidelines :

    (a) Part 6A of the LCO (Cap. 542);
    Part 6 of the ECICO (Cap. 554);
    the Regulation (Cap. 541N); and

    (b) Guidelines, in particular Chapter 17 “Election Expenses and Election Donations” and Appendix 16 “Items of Expenses to be Counted towards Election Expenses”.

23. The auditor should conduct a reasonable assurance engagement in such a way that he/she can conclude on a reasonable basis whether the election return complies with section 37(1)(a) and 2(b)(i) and (v) of the ECICO. In case of doubt, the auditor should make reference to the relevant legislations and guidelines and seek clarification from the Registration and Electoral Office where appropriate.

24. The auditor should have an understanding of the internal controls to plan the engagement. To obtain the information needed for internal controls, the auditor should consider visiting campaign sites to obtain an overall view of the internal controls and to obtain information on items such as major suppliers, volunteer labour and general campaign expenditures.

25. In conducting a reasonable assurance engagement, the auditor should perform such procedures [2] as he/she considers necessary in the circumstances and obtain all the information and explanations from the candidate which he/she considers necessary in order to make his/her conclusion.

26. The auditor should be aware of the engagement risks associated with the accounting for election expenses by the candidate. Accordingly, he/she should pay particular attention to the special features of election expenses which may be incurred by the candidate, including:

    (a) election expenses means expenses incurred or to be incurred before, during or after the election period, by a candidate or his/her election expense agent on his/her behalf for the purpose of promoting his/her election, or prejudicing the election of another candidate and includes the value of election donations consisting of goods and services used for that purpose;

    (b) for each election expense of $500 or more included in the election return, the candidate must provide invoice(s) and receipt(s) giving particulars of the expenditure together with the election return pursuant to section 37(2)(b)(i) of the ECICO. Otherwise, the election expenses concerned will not be taken into account in determining the amount of financial assistance payable;

    (c) an invoice and a receipt for an election expense may be included in the same document (see section 37(3) of the ECICO);

    (d) the invoices and receipts submitted by the candidate should include sufficient information, including –
        (i) date;
        (ii) particulars of the expense item (i.e. information and amount of the goods or services);
        (iii) information of the organization or person (other than the candidate himself/herself) providing the goods or services; and
        (iv) information supporting that the organization or person (other than the candidate himself/herself) providing the goods or services has received the relevant payment in full (e.g. name and signature of the recipient, or the stamp of the organization or signature of its authorized person);

---

[2] The auditor's procedures would normally include:
(a) performing tests of transactions;
(b) obtaining an understanding of the accounting systems and control in order to assess their adequacy as a basis for the preparation of the account of the declared election expenses and to establish whether proper books and records have been kept and maintained by the candidate;
(c) assessing significant estimates and judgements made by the candidate in the preparation of the account of the declared election expenses; and
(d) evaluating the overall adequacy of the presentation of information in the account of the declared election expenses.

(e) in the case that an election donation (including multiple election donations from the same donor) consisting of goods or service of more than $1,000 in value is included as declared election expenses in the election return by the candidate, it should be noted that under section 19 of the ECICO, in order for such goods or service to be used as election expenses, the candidate must issue a "Standard Receipt for Election Donations" to the donor and submit a copy of the receipt together with the election return pursuant to section 37(2)(b)(ii) of the ECICO;

(f) no invoices and receipts may be altered except signed by the supplier(s) or issuer(s) themselves with their endorsement;

(g) for all outstanding claims included as election expenses in the election return, a payment schedule for settlement of the outstanding claims should be indicated in the election return and the claim for financial assistance. The candidate is then required to submit invoice(s) and receipt(s) in the case of each election expense of $500 or more to the CEO within 30 days of settlement of the outstanding claims; and

(h) common election expenses may include:

  (i) fees and allowances, including travelling expenses and contributions to Mandatory Provident Fund Schemes, paid to agents and assistants engaged in relation to one's election activities (Remarks: If the agents and/or assistants are staff members currently employed by an incumbent member of LC who is seeking a new term in office, appropriate apportionment of the wages paid to the staff members concerned should be declared in the candidate's election return.);

  (ii) costs incurred for meals and drinks for agents and assistants before and on polling day;

  (iii) costs incurred for the design and production of election advertisements, such as banners, signboards, placards, posters, handbills, publicity pamphlets, video and audio recordings, electronic messages and various forms of literature or publicity material for promoting the election of a candidate or candidates or prejudicing the election of another candidate or candidates. (Remarks: Costs incurred for publicity materials used to express gratitude for electors' support after the election will not be counted as election expenses.);

  (iv) costs incurred for the display and removal of election advertisements, including labour charges. If the election advertisements have not been removed by the deadline specified by the EAC, such advertisements will be removed by the relevant government departments. The removal costs charged by the government departments should also be included;

  (v) costs incurred by the relevant government departments for removal of election advertisements displayed without authorization;

  (vi) costs incurred for renting office space for electioneering purposes. (Remarks: (a) If the ward office of an incumbent member of LC who is seeking a new term in office is used for electioneering activities, an appropriate apportionment of the rentals paid should be declared in the candidate's election return. Relevant invoices and receipts should be issued by the landlord instead of the incumbent member of LC. (b) If a candidate (who is not an incumbent member of LC) rents part of the ward office of an incumbent member of LC, an appropriate apportionment of the rentals paid should be declared in the candidate's election return and relevant invoices and receipts should be issued by the recipient of the apportioned rentals paid by the candidate.);

(vii) costs of stationery used in connection with the election campaign;

(viii) operation/miscellaneous costs in connection with the electioneering activities, e.g. photocopying, hire of telephone line and fax line (Remarks: Election deposit will not be counted as election expenses.);

(ix) postage for the mailing of publicity materials;

(x) costs incurred for the hire of transport in connection with the election;

(xi) costs of deploying vehicles for publicity, e.g. car rental fees, petrol/charging fees, parking fees and tunnel fees. (Remarks: If a vehicle is lent to the candidate by any person(s) free of charge, the candidate should, apart from reporting the freely provided goods or services as an election donation, declare the estimated market value of rental of similar vehicles in his/her election return.);

(xii) costs of advertisements by means of the media, taxis or other public transport;

(xiii) costs for organizing election meetings, including venue charges;

(xiv) costs of T-shirts, armbands, caps and other identification materials for election agents and assistants;

(xv) costs incurred for refurbishing old publicity boards and the estimated value of the boards;

(xvi) costs incurred in the publication by a candidate during the election period (i.e. from the commencement of the nomination period to the day on which a declaration is made under section 46 of LCO (Cap. 542) or section 22C of the Electoral Affairs Commission (Electoral Procedure) (Legislative Council) Regulation (Cap. 541D); or the day on which the polling ends) of a document that gives details of work done by the candidate in his/her other capacity (e.g. as the Chief Executive, a member of the Election Committee, a member of the LC, a District Council or the Heung Yee Kuk, the Chairman, Vice-chairman or a member of the Executive Committee of a Rural Committee or a Rural Representative);

(xvii) costs incurred by the political body or organization of the candidate in promoting his/her election (Remark: Costs of meeting where the platform of the political body or organization is publicized without specific reference to the candidate will not be counted as election expenses. In addition, for the avoidance of doubt, costs of electioneering activities (e.g. campaign rallies) participated by an uncontested candidate after declaration of the election result in respect of his/her constituency to promote the election of other contested candidates will not be counted as election expenses of the uncontested candidate.);

(xviii) costs for obtaining legal/professional advice incurred in respect of the conduct of an election (e.g. (a) where a candidate hires a lawyer to vet an election publicity pamphlet to make sure that there is no libellous content in the text; and/or (b) where a candidate engages a building professional to advise on or carry out building works for the erection of election advertisements). (Remarks: Fees incurred for obtaining (a) legal advice on the general interpretation/application of the electoral laws including whether a particular item of expense can be regarded as "election expenses" and "election donations", and (b) professional advice on the apportionment of expenses as election-related expenses and for any other purposes, will not be regarded as election expenses.);

(xix) costs incurred by the candidate for using opinion polls to promote his/her election or prejudice the election of other candidates;

(xx) interest incurred from a loan to finance the electioneering activities of a candidate. (For an interest-free loan, the interest waived should be declared as an election donation and should be correspondingly counted as election expenses. A reasonable amount should be determined after assessment with reference to the market interest rate.);

(xxi) allowance for organizing activities to promote one's candidature is a form of election donation which should be counted as election expenses (e.g. (a) an allowance paid to workers in the activities organized by political party(ies) for promoting the election of candidate and/or (b) the sponsorship made by the party(ies) for the said activities);

(xxii) although some people may not charge the candidate for the work or goods supplied and labour or services rendered (except voluntary services[3]), the difference between the reasonable sum estimated for relevant charges and any allowance or discount generally available to customers, is an election expense (which should be correspondingly counted as an election donation made by these people);

(xxiii) goods incidentally given to the provision of a voluntary service;

(xxiv) costs for charitable activities organized to promote one's candidature; and

(xxv) costs for any negative publicity launched against one's rival candidates.

3 Voluntary service is defined as any service provided by any natural person voluntarily, personally and free of charge in his own time for the purpose of promoting the election of a candidate or prejudicing the election of other candidates.

27. The auditor should note that as with most organizations that receive funds by donation, due to the inherent limitation on being able to be satisfied as to the completeness of election donation records, it is not possible to determine the extent, if any, of unrecorded election donations. Furthermore, since donated property and services are both election donations and expenses, it is not possible to confirm that all expenses have been recorded. The auditor should nevertheless be alert for specific circumstances arousing suspicion that the account of the declared election expenses is not complete. Such circumstances include situations where campaign expenditures were significantly in excess of election donations or the reconciliation of the bank account was not properly done. In such situations, it is possible that some cash receipts (through election donations or loans) have not been recorded. The auditor should make enquiries on the source of funds for the relevant expenditures. The auditor should also consider practical issues associated with estimations of fair values of election donations-in-kind.

28. If necessary, the auditor should make enquiries with the candidate to ensure that all the candidate's election expenses have been recorded with reference to the Guideline, in particular Chapter 17 "Election Expenses and Election Donations" and Appendix 16 "Items of Expenses to be Counted towards Election Expenses".

Compliance with section 37(1)(a) of the ECICO

29. In relation to the compliance with section 37(1)(a) of the ECICO, obtaining assurance as to the completeness and accuracy of election expenses can be difficult for the auditor, as it would not be practicable for him/her to determine that the books and records of the candidate include all transactions relating to the election. In view of the above, the auditor should perform proper procedures to support his/her conclusion as to whether the election return complies with section 37(1)(a) of the ECICO to the extent that the account of the declared election expenses in the election return set out, in all material respects, the election expenses of the candidate that have been recorded in the books and records of the candidate made available to him/her.

Compliance with section 37(2)(b)(i) and (v) of the ECICO

30. In relation to the compliance with section 37(2)(b)(i) and (v) of the ECICO, the auditor should check whether the candidate has maintained sufficient records to comply with the documentation requirements in accordance with the requirements of that section.

Letter of representation

31. If necessary, the auditor should obtain a representation letter from the candidate as to representations that the auditor considers of significance in forming his/her conclusion. For example, the auditor should obtain written assurance from the candidate that he/she is not aware of any violations of section 37(1)(a) and (2)(b)(i) and (v) of the ECICO.

Reporting

32. If the auditor is of the opinion that the election return (with the account of the declared election expenses) has not been properly prepared by the candidate, or if the auditor fails to obtain all the information and explanations which are necessary for the purpose of

conducting his/her reasonable assurance engagement, he/she should make appropriate qualifications in his/her auditor's report in accordance with the requirements of the Hong Kong Standard on Assurance Engagements 3000 (Revised), *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*.

33. If the auditor is of the opinion that there exists any other material non-compliance with the requirements of section 37(1)(a) and (2)(b)(i) and (v) of the ECICO, he/she should make full disclosure and where possible, quantify the effects of such non-compliance in the auditor's report in accordance with the requirements of the Hong Kong Standard on Assurance Engagements 3000 (Revised), *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*.

Notes for Candidate and Auditor

Engagement letter

34. It is important that the candidate has a clear understanding of the nature of the services the auditor is to provide and reaches an agreement with the auditor. To avoid any misunderstanding, the relevant agreement should be made in the written form of an engagement letter. It is suggested that the terms of the engagement letter be agreed with the candidate prior to accepting the appointment as auditor for a candidate.

Date of the auditor's report

35. The date of the auditor's report <u>shall not be earlier</u> than the date of the declaration made by the Candidate as shown on the declaration form attached to the election return, otherwise, such auditor's report shall be deemed invalid.

Specimen auditor's report

36. A specimen auditor's report for the 2025 Legislative Council General Election is attached at the **Appendix**.

Registration and Electoral Office
October 2025

Specimen Auditor's Report

FINANCIAL ASSISTANCE SCHEME FOR LEGISLATIVE COUNCIL ELECTION
INDEPENDENT AUDITOR'S ASSURANCE REPORT
ON THE ELECTION RETURN
(WITH THE ACCOUNT OF THE DECLARED ELECTION EXPENSES)

INDEPENDENT AUDITOR'S ASSURANCE REPORT

To (*Name of Candidate, Name of Constituency)* (The "Candidate")

We have performed a reasonable assurance engagement on the account of the declared election expenses as set out in Sections A to G of the attached election return of the Candidate in respect of the 2025 Legislative Council General Election ("Election") pursuant to the requirements set out in section 3(5) of the Electoral Affairs Commission (Financial Assistance for Legislative Council Elections and District Council Elections) (Application and Payment Procedure) Regulation (Cap. 541N).

Responsibilities of the Candidate

The Candidate is required to prepare and is responsible for an election return in compliance with section 37(1) and (2) of the Elections (Corrupt and Illegal Conduct) Ordinance (Cap. 554) ("ECICO").

Auditor's 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[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.

Auditor's Responsibilities

Our responsibility is to form an independent opinion, based on the results of the procedures performed by us, as to whether the election return complies with section 37(1)(a) and (2)(b)(i)

1 Hong Kong Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements became effective on 15 December 2022.*

and (v) of the ECICO, in all material respects, and to report our opinion to you[2].

We conducted our engagement in accordance with the Hong Kong Standard on Assurance Engagements 3000 (Revised), *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the HKICPA and with reference to the *Legislative Council Election Financial Assistance Scheme - Notes for Candidate and Independent Auditor of Candidate of Legislative Council Election* issued in October 2025 by the Registration and Electoral Office ("REO") of the HKSAR Government (the "Notes"). We have planned and performed our work to obtain reasonable assurance for giving our opinion below.

Such a reasonable assurance engagement includes performing the procedures set out in the Notes and examination, on a test basis, of evidence supporting the amounts and disclosure of the items stated in the account of the declared election expenses of the election return. It also includes an assessment of the significant estimates and judgements made by the Candidate in the preparation of the account of the declared election expenses of the election return.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Inherent limitations

As it was not practicable for us, given the nature of the transactions relating to the Election, to determine that the books and records of the Candidate include all such transactions, we performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the election return complies with section 37(1)(a) of the ECICO, in all material respects, to the extent that the account of the declared election expenses of the election return set out the election expenses of the Candidate that have been recorded in the books and records of the Candidate made available to us, and the election return complies with section 37(2)(b)(i) and (v) of the ECICO, in all material respects, in respect of the election expenses so declared therein.

Opinion[3]

Based on the foregoing, in our opinion:

- the election return complies with section 37(1)(a) of the ECICO, in all material respects, to the extent that the account of the declared election expenses of the election return has set out the election expenses of the Candidate that have been recorded in the books and records of the Candidate made available to us; and

---

[2] Auditors may consider it appropriate to clarify to whom they are responsible here or elsewhere in the report in accordance with their risk management policies and with reference to Professional Risk Management Bulletin No. 2 "Auditors' Duty of Care To Third Parties and The Audit Report".

[3] In the circumstances where the auditor expresses a qualified conclusion or a disclaimer of conclusion or adverse conclusion, the auditor's report is to be modified accordingly as required in paragraph 69(l)(v) of the Hong Kong Standard on Assurance Engagements 3000 (Revised), *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*. Further guidance is set out in paragraphs 74 to 77, A183, A189 to A192 of the Hong Kong Standard on Assurance Engagements 3000 (Revised), *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*.

- the election return complies with section 37(2)(b)(i) and (v) of the ECICO, in all material respects, in respect of the election expenses so declared therein.

Intended Users and Purpose

This report is intended for filing with the REO of the HKSAR Government, and is not intended to be, and should not be, used by anyone for any other purpose.

[*Name of firm*]
[* *Certified Public Accountants (Practising) / Certified Public Accountants*]
[*Auditor's address*]
Hong Kong
[#*Date*]

* Please delete as appropriate.

The Candidate and his/her auditor should note and refer to paragraph 35 of the "Notes for Candidate and Independent Auditor of Candidate of Legislative Council Election".