

U-HEARTS

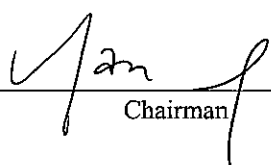
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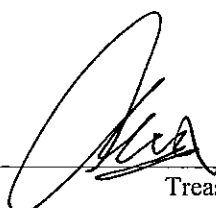
STATEMENT OF FINANCIAL POSITION

As at 31 December 2010

	Note	2010 HK\$	2009 HK\$
Non-current assets			
Fixed assets			
- Plant and equipment	4	<u>21,058</u>	<u>32,785</u>
Current assets			
Sundry receivables	5	97,111	308,860
Cash at bank and on hand	12	<u>3,396,982</u>	<u>3,831,289</u>
		3,494,093	4,140,149
Deduct: Current liabilities			
Sundry creditors and payables	6	<u>2,452,776</u>	<u>156,915</u>
Net current assets		<u>1,041,317</u>	<u>3,983,234</u>
Total assets less current liabilities		<u>1,062,375</u>	<u>4,016,019</u>
Total funds			
General fund	7	674,479	2,099,524
Youth development fund	7	90,151	-
School project fund	7	70,857	1,405,806
Student aid fund	7	<u>226,888</u>	<u>510,689</u>
		<u>1,062,375</u>	<u>4,016,019</u>

Approved and authorized for issue on behalf of the Executive Committee by:-


Chairman


Treasurer

The attached notes form an integral part of these financial statements.

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STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE*For the year ended 31 December 2010*

	Note	2010 HK\$	2009 HK\$
Income		5,235,032	6,527,889
Expenditure		<u>(5,754,510)</u>	<u>(5,134,077)</u>
(Deficit)/surplus for the year	8	(519,478)	1,393,812
Other comprehensive income for the year		<u>-</u>	<u>-</u>
Total comprehensive (expenditure)/income for the year		(519,478)	1,393,812
Transferred from/(to):			
General Fund		(102,109)	(1,426,468)
Youth Development Fund		70,216	96,188
School Project Fund		417,123	86,236
Student Aid Fund		<u>134,248</u>	<u>(149,768)</u>
		<u>-</u>	<u>-</u>

The attached notes form an integral part of these financial statements.

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STATEMENT OF CHANGES IN FUNDS*For the year ended 31 December 2010*

	General Fund HK\$	Youth Development Fund HK\$	School Project Fund HK\$	Student Aid Fund HK\$	Total HK\$
Balance at 1 January 2009	1,199,809	6,251	1,108,808	307,339	2,622,207
Changes in funds:					
Transferred from/(to) statement of comprehensive income	1,426,468	(96,188)	(86,236)	149,768	1,393,812
Internal transfer	(526,753)	89,937	383,234	53,582	-
Balance at 31 December 2009	<u>2,099,524</u>	<u>-</u>	<u>1,405,806</u>	<u>510,689</u>	<u>4,016,019</u>
Balance at 1 January 2010	2,099,524	-	1,405,806	510,689	4,016,019
Changes in funds:					
Transferred to unrecognised income	(732,951)	(648,820)	(973,390)	(79,005)	(2,434,166)
Transferred from/(to) statement of comprehensive income	102,109	(70,216)	(417,123)	(134,248)	(519,478)
Internal transfer	(794,203)	809,187	55,564	(70,548)	-
Balance at 31 December 2010	<u>674,479</u>	<u>90,151</u>	<u>70,857</u>	<u>226,888</u>	<u>1,062,375</u>

The attached notes form an integral part of these financial statements.

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STATEMENT OF CASH FLOWS*For the year ended 31 December 2010*

	Note	2010 HK\$	2009 HK\$
Operating activities			
(Deficit)/surplus for the year		(519,478)	1,393,812
Adjustments for:			
Depreciation of owned assets		11,727	11,727
Interest income		(992)	(1,115)
Operating (loss)/profit before working capital changes		(508,743)	1,404,424
Decrease/(increase) in sundry receivables		211,749	(208,800)
Increase in sundry creditors and payables		2,295,861	146,065
Transferred to unrecognised income from funds		(2,434,166)	-
Cash (used in)/generated from operations		(435,299)	1,341,689
Interest received		992	1,115
Net cash (used in)/from operating activities		(434,307)	1,342,804
Net cash used in investing activities	11	-	(10,828)
Net cash from financing activities		-	-
(Decrease)/increase in cash and cash equivalents		(434,307)	1,331,976
Cash and cash equivalents at beginning of the year		3,831,289	2,499,313
Cash and cash equivalents at end of the year	12	3,396,982	3,831,289

The attached notes form an integral part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2010

4. FIXED ASSETS

- PLANT AND EQUIPMENT

	Office equipment HK\$
COST	
At 1 January 2009	47,808
Additions	<u>10,828</u>
At 31 December 2009 and at 31 December 2010	<u>58,636</u>
DEDUCT: ACCUMULATED DEPRECIATION	
At 1 January 2009	14,124
Charged for the year	<u>11,727</u>
At 31 December 2009	<u>25,851</u>
At 1 January 2010	25,851
Charged for the year	<u>11,727</u>
At 31 December 2010	<u>37,578</u>
NET BOOK VALUES	
At 31 December 2010	<u>21,058</u>
At 31 December 2009	<u>32,785</u>

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2010

5. ACCOUNTS AND OTHER RECEIVABLES

	2010	2009
	HK\$	HK\$
Accounts receivable	-	116,400
Other debtors and receivables	97,111	192,460
	<u>97,111</u>	<u>308,860</u>

6. SUNDRY PAYABLES

	2010	2009
	HK\$	HK\$
Sundry creditors and payables	<u>2,452,776</u>	<u>156,915</u>

7. FUNDS

General fund

The purpose of the general fund is to finance Society's administrative expenditure and activities organized by the Society.

Youth development fund

The purpose of the youth development fund is to finance the expenditure on the Youth Development Programme.

School project fund

The purpose of the school project fund is to finance the construction of schools in PR China.

Student aid fund

The purpose of the student aid fund is to finance the expenditure on the Student Aid Programme.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)*For the year ended 31 December 2010***8. (DEFICIT)/SURPLUS FOR THE YEAR**

	2010	2009
	HK\$	HK\$
(Deficit)/surplus for the year is stated after charging:		
Depreciation of owned assets	11,727	11,727
Donation payment	273,028	205,857
Exchange difference	-	642
Expenditure on Youth Development Programme	798,093	242,809
Expenditure on organized activities	685,180	688,727
Expenditure on Student Aid Programme	1,009,483	935,168
Hire of land and buildings under operating leases	103,000	96,000
School project expenditure	2,580,894	2,718,156
Staff remuneration	238,616	196,425

and after crediting:

Donation income	226,352	224,945
Exchange gain	5,236	-
Income from Youth Development programme	727,877	146,621
Income from organized activities	1,230,469	2,435,652
Income from Student Aid programme	875,235	1,084,936
Interest income	992	1,115
School project income	2,163,771	2,631,920
Subscription fee received	5,100	2,700

9. EXECUTIVE COMMITTEE'S REMUNERATION

	2010	2009
	HK\$	HK\$
Remuneration of the executive committee disclosed as follows:		
Fees	-	-
Other emoluments	-	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2010

10. RELATED PARTY DISCLOSURES

During the year, the Society had the following significant related party's transaction:-

(i) Other related party transactions

	Note	Year ended 31 December	
		2010 HK\$	2009 HK\$
Hire of land and buildings under operating leases	(a)	40,000	96,000

(a) All the transactions with related party were negotiated at arm-length basis and in accordance with common commercial terms in the same manner as other external service renders.

11. INVESTING ACTIVITIES

	2010 HK\$	2009 HK\$
Purchase of fixed assets	-	(10,828)

12. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash on hand and balances with banks. Cash and cash equivalents included in the statement of cash flows comprise the following statement of financial position amounts:-

	2010 HK\$	2009 HK\$
Cash at bank and on hand	3,396,982	3,831,289

13. FINANCIAL RISK MANAGEMENT

The Society's principal financial instruments include cash and bank balances, which arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Society's operations.

The main risk arising from the Society's financial instruments is liquidity risk. The executive committee reviews and agrees policies for managing each of these risks and they are summarised below.

Credit risk

The Society's principal financial assets are bank deposits and amounts receivables. The credit risk on the liquid funds is limited because of the close involvement of the management in overseeing the recovery of the assets.

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DETAILED STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE*For the year ended 31 December 2010*

	Note	HK\$	2010 HK\$	HK\$	2009 HK\$
Income					
Donation income		226,352		224,945	
Exchange gain		5,236		-	
Income from					
Youth Development Programme	1	727,877		146,621	
Income from					
organized activities	2	1,230,469		2,435,652	
Income from					
Student Aid Programme	3	875,235		1,084,936	
Interest income		992		1,115	
School project income	4	2,163,771		2,631,920	
Subscription fee received		5,100		2,700	
			5,235,032		6,527,889
Deduct: Expenditure					
Donation Payment		273,028		205,857	
Expenditure on					
Youth Development Programme	5	798,093		242,809	
Expenditure on organized activities	6	685,180		688,727	
Expenditure on					
Student Aid Programme	7	1,009,483		935,168	
General and administrative expenses	8	407,832		343,360	
School project expenditure	9	2,580,894		2,718,156	
			5,754,510		5,134,077
(Deficit)/surplus for the year			(519,478)		1,393,812
Transferred from/(to):					
General Fund			(102,109)		(1,426,468)
Youth Development Fund			70,216		96,188
School Project Fund			417,123		86,236
Student Aid Fund			134,248		(149,768)
			-		-

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DETAILED STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE

For the year ended 31 December 2010

	2010 HK\$	2009 HK\$
Note 1 - Income from Youth Development programme		
青少年發展一般捐款收入	5,480	-
U-Teens 話劇	44,267	-
聖保羅書院(貴州)	145,870	-
交流團	501,458	146,621
青少年發展行政捐款收入	30,802	-
	<u>727,877</u>	<u>146,621</u>
Note 2 - Income from organized activities		
2009年弦動心靈音樂會	116,100	1,049,663
512 彩虹活現計劃 - 四川關愛	-	34,760
512 彩虹活現計劃 - 愛與夢音樂會	-	63,189
512 自強不息活動 (2010)	337,807	-
IN 27	4,800	-
IN 27 延續夢想	258,470	-
LP 7 (2010) 貢獻成就建校助學	58,140	-
VQ 60 希望之旅	-	14,439
小領袖大不同	-	3,300
甘肅關懷 2009	-	108,670
江西撫州山區體驗之旅	-	535,563
江西建校助學活動 (IN)	2,400	-
突破 9	-	41,843
突破 10 (愛幼苗)	-	70,963
突破 11	-	4,999
突破 14 (慈善貧富宴)	-	175,238
突破 28 陽光建校行動	192,338	-
康宏	47,400	-
願景成真	-	333,025
周年晚宴	213,014	-
	<u>1,230,469</u>	<u>2,435,652</u>
Note 3 - Income from Student Aid programme		
貴州助學	51,500	135,590
雲南助學	169,220	134,590
廣西助學	101,115	52,000
廣東助學	15,600	28,800
全州助學	50,600	-
其他助學	487,200	733,956
	<u>875,235</u>	<u>1,084,936</u>

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DETAILED STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE

For the year ended 31 December 2010

	2010 HK\$	2009 HK\$
Note 4 - School project income		
江西省直黃縣梨溪鎮外陰村願景成真小學	-	50,000
江西省靖安縣中源鄉突破九愛心古竹小學	-	20,500
江西省撫州川區嵩湖鄉林慶紀念中心小學	-	60,800
江西省撫州市臨川區騰橋鎮兩地一心張何月蘭中心小學	-	180,792
貴州省定縣舊治鄉兩地一心788舊治小學	-	150,000
貴州省都勻市洛邦鎮兩地一心馬場小學	-	112,994
貴州省貴定縣馬場河小學	57,143	-
貴州省貴定縣新鋪鄉兩地一心馮文田伉儷小學	100,000	170,000
貴州都勻市聯芒小學	-	150,000
雲南省元謀姜驛鄉兩地一心尚德畫匠僑心小學	-	228,000
雲南省宏州梁河縣兩地一心河西鄉僑心小學	-	170,455
雲南省施甸縣兩地一心仁和鎮蘇家僑心小學	-	170,500
雲南省祥雲縣沙龍鎮亞洲獅子會第二僑心小學	-	100,000
雲南省楚雄州永仁縣永定小學梁天祥夫人僑心教學樓	69,253	158,900
雲南省潞西市風平鎮兩地一心那目僑心小學	-	192,090
雲南省理州永平縣興隆小學	264,883	-
雲南省祥雲縣沙龍鎮青海小學	128,833	-
雲南省保山磨房小學	3,960	-
雲南省滄源縣賀嶺小學	231,284	-
雲南省潞西市帕底小學	230,000	-
雲南省新和小學	76,700	-
雲南省臨滄市邦邁完小學	117,647	-
雲南省臨滄市邦改小學	117,647	-
雲南省臨滄市梁子完小學	117,647	-
雲南省蒙自縣姆雞白僑心小學	88,888	-
雲南省紅河州建水縣新華小學	235,294	-
雲南省臨滄市菜籽地小學	214,353	-
雲南瑞麗市猛卯鎮兩地一心勐立僑心小學	-	220,000
雲南德宏州梁河縣水菁小學	-	227,069
廣西壯族自治區岑溪市梨木鎮兩地一心新護小學	-	46,820
廣西壯族自治區藤縣天平鎮兩地一心浩輝民益小學	3,704	120,000
廣西賀州平桂管理區羊頭鎮兩地一心浩輝金竹小學	-	40,000
廣西藤縣兩地一心三好保燕小學	-	60,000
兩地一心788東陂小學	88,235	-
一般建校捐款收入	18,300	-
其他學校	-	3,000
	<u>2,163,771</u>	<u>2,631,920</u>

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DETAILED STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE

For the year ended 31 December 2010

	2010 HK\$	2009 HK\$
Note 5 - Expenditure on Youth Development Programme		
U-Teens 話劇	48,105	-
聖保羅書院(貴州)	126,703	-
交流團	402,749	242,809
敢人天使	630	-
台江學生訪聖保羅	34,767	-
青少年發展行政支出	35,039	-
青少年發展員工薪酬支出	143,000	-
青少年發展員工強積金支出	7,100	-
	<u>798,093</u>	<u>242,809</u>
Note 6 - Expenditure on organized activities		
2009年弦動心靈音樂會	15	243,473
512 彩虹活現計劃 - 四川關愛	-	82,058
512 彩虹活現計劃 - 愛與夢音樂會	-	52,195
512 自強不息活動 (2010)	429,670	-
IN 27	101,369	-
IN 27 延續夢想	46,239	-
VQ 60 希望之旅	-	41,844
小領袖大不同	-	3,882
甘肅關懷 2009	-	149,760
江西撫州山區體驗之旅	-	72,036
銀行手續費	300	-
突破 9	-	2,343
突破 10 (愛幼苗)	10,371	12,832
願景成真	440	28,304
江西建校助學活動 (IN)	36,776	-
周年晚宴	60,000	-
	<u>685,180</u>	<u>688,727</u>
Note 7 - Expenditure on Student Aid Programme		
貴州助學	15,887	205,382
雲南助學	84,100	243,238
廣西助學	15,560	140,588
廣東助學	-	143,324
其他助學	893,829	202,186
其他助學開支	107	450
	<u>1,009,483</u>	<u>935,168</u>

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DETAILED STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE

For the year ended 31 December 2010

	2010 HK\$	2009 HK\$
Note 8 - General and administrative expenses		
Auditor's remuneration	4,300	-
Bank charges	11	461
Cleaning	2,911	-
Depreciation of owned assets	11,727	11,727
Electricity, tele-communication and water	11,104	-
Exchange difference	-	642
Hire of land and buildings under operating leases	103,000	96,000
Insurance	4,500	1,287
Legal and professional fees	-	10,000
Postage, printing and stationery	10,391	3,486
Provident fund expenses	4,835	-
Repairs and maintenance	-	4,763
Staff remuneration	238,616	196,425
Sundries	11,437	10,569
Website expenses	5,000	8,000
	<u>407,832</u>	<u>343,360</u>
Note 9 - School project expenditure		
江西省宜黃縣圳口鄉兩地一心麻坑村小學	-	68,104
江西省宜黃縣神崗小學	81,968	-
江西省宜黃縣中田小學	46,838	-
江西省宜黃縣東陂小學	58,480	-
江西宜黃縣陳坊村小學	46,838	-
江西省直黃縣梨溪鎮外陰村願景成真小學	-	136,308
江西省靖安縣中源鄉突破九愛心古竹小學	39,950	80,000
江西省撫州川區嵩湖鄉林慶紀念中心小學	-	80,000
江西省撫州市臨川區高坪鎮爪石村兩地一心林鍾玉麟紀念小學	-	60,000
江西省撫州市臨川區騰橋鎮兩地一心張何月蘭中心小學	68,571	112,995
江西省撫州市臨川區騰橋鎮突破十四展翅陳家小學	46,083	91,012
貴州台江縣兩地一心李子小學	-	136,228
貴州省台江縣兩地一心寶珊板凳小學	-	22,676
貴州省台江縣兩地一心寶珊基堡小學	-	22,676
貴州省平塘縣四寨鎮兩地一心栗木山小學	-	33,898
貴州省平塘縣者密鎮兩地一心拉關小學	-	33,898
貴州省荔波縣兩地一心拉祥小學	-	85,519
貴州省荔波縣兩地一心覺鞏小學	-	56,497
貴州省定縣舊治鄉兩地一心788舊治小學	99,943	-
貴州省都均市洛邦鎮兩地一心馬場小學	-	112,994
	<u>488,671</u>	<u>1,132,805</u>
Balance c/f	<u>488,671</u>	<u>1,132,805</u>

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DETAILED STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE

For the year ended 31 December 2010

	2010 HK\$	2009 HK\$
Note 9 - School project expenditure (Continued)		
Balance b/f	488,671	1,132,805
貴州省貴定縣都十六鄉兩地一心良田小學	54,950	120,000
貴州省獨山縣麻尾鎮兩地一心拉考小學	-	57,142
貴州都勻市兩地一心(LP2)馬場小學	-	33,898
貴州省貴定縣馬場河小學	57,143	-
貴州省貴定縣新鋪鄉兩地一心馮文田伉儷小學	99,950	-
貴州都勻市聯芒小學	-	150,000
貴州赫章縣浩輝河頭上小學	79,900	-
雲南省元謀姜驛鄉兩地一心尚德畫匠僑心小學	68,571	159,453
雲南省施甸縣兩地一心仁和鎮蘇家僑心小學	56,948	113,636
雲南省祥雲縣沙龍鎮亞洲獅子會第二僑心小學	-	79,096
雲南省楚雄州永仁縣永定小學梁天祥夫人僑心教學樓	68,728	159,453
雲南省楚雄州南華縣五街鎮兩地一心中村僑心小學	115,473	-
雲南省潞西市風平鎮兩地一心基滙芒別僑心小學	-	147,592
雲南省潞西市風平鎮兩地一心那目僑心小學	136,674	-
雲南省理州永平縣興隆小學	229,950	-
雲南省祥雲縣沙龍鎮青海小學	80,645	-
雲南省保山磨房小學	117,194	-
雲南省滄源縣賀嶺小學	161,455	-
雲南省潞西市帕底小學	162,516	-
雲南省新和小學	81,871	-
雲南省臨滄市邦邁完小學	81,728	-
雲南省臨滄市邦改小學	81,728	-
雲南省臨滄市梁子完小學	81,728	-
雲南瑞麗市猛卯鎮兩地一心勐立僑心小學	-	158,551
雲南德宏州梁河縣水菁小學	-	226,914
雲南省德宏州梁河縣河西鄉小學	58,377	-
廣西壯族自治區岑溪市梨木鎮兩地一心新護小學	-	55,000
廣西壯族自治區藤縣天平鎮兩地一心浩輝民益小學	-	63,704
廣西賀州市兩地一心楊梯雙星小學	59,950	-
廣西藤縣兩地一心三好保燕小學	-	60,000
甘肅省天祝縣石板溝小學	100,000	-
其他建校開支	56,744	912
	<u>2,580,894</u>	<u>2,718,156</u>