Lau Ho & Co.
Certified Public Accountants
劉何會計師事務所

U-HEARTS
兩地一心

INCOME AND EXPENDITURE ACCOUNT
繽紛美食頑童日
FROM DONATION BOXES SET UP IN AMPHITHEATRE,
HONG KONG SCIENCE PARK, SHA TIN
HELD ON 1 JANUARY 2017
(PUBLIC SUBSCRIPTION PERMIT NO. 2016/350/1)

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INDEPENDENT PRACTITIONER'S ASSURANCE REPORT

TO THE DIRECTORS OF
U-HEARTS
兩地一心
("the Permittee")

Public Subscription Permit No.: 2016/350/1

Pursuant to the conditions stated in the Public Subscription Permit issued by the Social Welfare Department of the Government of the Hong Kong Special Administrative Region ("SWD"), we have been requested to report on the attached income and expenditure account of the Permittee's fund-raising activity by setting up donation boxes in Amphitheatre, Hong Kong Science Park, Sha Tin, New Territories, Hong Kong, held on 1 January 2017 ("the Event").

Responsibilities of the directors

The directors are responsible for preparing the attached income and expenditure account in accordance with the basis of preparation set out in note 1, setting out the gross subscriptions raised from the Event and the expenses incurred in connection with the Event, in order to comply with the conditions stated in the Public Subscription Permit issued by the SWD. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and presentation of the income and expenditure account so that it reflects the subscriptions raised and expenses incurred in connection with the Event and is free from material misstatement.

Our independence and quality control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Hong Kong Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Practitioner's Responsibilities

Our responsibility is to form a conclusion on the attached income and expenditure account, based on our engagement, and to report our conclusion to you.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and with reference to Practice Note 850, Reporting on Flag days and General Charitable Fund-raising Activities Covered by Public Subscription Permits issued by the Social Welfare Department issued by the HKICPA. We have planned and performed our work to obtain limited assurance for giving our conclusion below.

The work undertaken in connection with this engagement is less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

香港九龍尖沙咀東加連威老道98號東海商業中心5樓18室
Unit 18, 5/F., East Ocean Centre, 98 Granville Road, Tsim Sha Tsui East, Kowloon, HK
Tel : (852) 2620 6266 Fax : (852) 2620 6263 Website : www.lauhocpa.com

INDEPENDENT PRACTITIONER'S ASSURANCE REPORT (Continued)

TO THE DIRECTORS OF
U-HEARTS
兩地一心
("the Permittee")

Practitioner's Responsibilities (Continued)

Our engagement included carrying out limited procedures for obtaining sufficient appropriate evidence to be able to draw a conclusion, such as inquiries primarily of persons responsible for financial and accounting matters and other procedures we considered necessary. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Inherent Limitations

Due to the nature of cash receipts and expenses relating to the Event, it was not practicable for us to determine whether the income and expenditure account and the books and records of the Permittee include all transactions relating to the Event. It was impracticable for us to quantify the potential impact of this on the income and expenditure account. Accordingly, our report relates solely to the income and expenditure account prepared from transactions that have been recorded in the Permittee's books and records.

Conclusion

Based on the foregoing, we report that nothing has come to our attention that causes us to believe that the attached income and expenditure account does not reflect, in all material respects, the gross subscriptions raised and the expenses incurred by the Permittee in respect of the Event that have been recorded in its books and records made available to us in accordance with the basis of preparation set out in note 1.

Intended users and purpose

This report is intended solely for the purpose of assisting the Permittee to satisfy the conditions stated in the Public Subscription Permit issued by SWD in connection with the Event and is not intended to be, and should not be, used for any other purpose and we do not assume responsibility towards or accept liability to any other person other than the addressees of our report for the contents of our report. We agree that a copy of this report may be provided to the Director of Social Welfare without further comment from us.

Lau Ho & Co

Lau Ho & Company
Certified Public Accountants (Practising)

HONG KONG, 24 March 2017

U-HEARTS
兩地一心

INCOME AND EXPENDITURE ACCOUNT
繽紛美食頑童日
FROM DONATION BOXES SET UP IN AMPHITHEATRE, HONG KONG SCIENCE PARK, SHA TIN
HELD ON 1 JANUARY 2017
(PUBLIC SUBSCRIPTION PERMIT NO. 2016/350/1)

	NOTE	HK$
Income		
Donation box income	1(a)	39,496
Sponsorship	1(b)	438,970
		478,466
Expenditure	1(b)	
Auditors' remuneration		(8,000)
Stage and performance		(19,500)
Venue set-up expenses		(43,109)
Meal expenses		(19,642)
Materials for food stall		(4,038)
Materials for games stall		(4,702)
Souvenirs		(15,226)
Materials for photo booth		(5,268)
Transportation		(8,586)
Stationery		(741)
Printing		(761)
Insurance		(3,000)
Mainland students expenses		(1,784)
		(134,357)
Excess of income over expenditure		344,109

Approved and authorised for issue by the Board of Directors on 24 March 2017.

WONG Yan Yan
Director

KWAN Kwok Ying
Director

The notes on page 4 form part of this account.

U-HEARTS
兩地一心

NOTES TO THE INCOME AND EXPENDITURE ACCOUNT
繽紛美食頑童日
FROM DONATION BOXES SET UP IN AMPHITHEATRE, HONG KONG SCIENCE PARK, SHA TIN HELD ON 1 JANUARY 2017 (PUBLIC SUBSCRIPTION PERMIT NO. 2016/350/1)

1. BASIS OF PREPARATION

The basis of preparation of this income and expenditure account is set out below:

(a) Donation box income

Donations box income represents cash collections from donation boxes in respect of the fund-raising event of U-Hearts (under Public Subscription Permit No. 2016/350/1) held on 1 January 2017.

The purpose of this event is to raise funds for the education subsidy of the poor mainland students.

(b) Sponsorship and expenditure

Sponsorship and expenditure are accounted for on an accrual basis. Any excess of sponsorship over expenditure will be transferred to the Donation Reserve of U-Hearts.