

Report on Income and Expenditure Account

Scout Association of Hong Kong –

The Friends of Scouting

川港夢飛行 – 義務工作及青年交流 2017

Project code: HAB/CA1/7-5/2(2017-18)(268)

Project period: 24 June 2017 to 27 October 2017

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Expressed in Hong Kong dollars ("HK\$")

REPORT OF FACTUAL FINDINGS

To Scout Association of Hong Kong - The Friends of Scouting (the "FOS")

We have performed the procedures agreed with you and enumerated below with respect to the income and expenditure of the FOS's exchange project called "川港夢飛行 - 義務工作及青年交流2017" (the "Project") held from 24 June 2017 to 27 October 2017 and according to the letter dated 18 April 2017 issued by Commission On Youth regarding Funding Scheme for Youth Exchange in Mainland 2017-18 (the "Funding Scheme"), set forth in the accompanying Income and Expenditure Account. Our engagement was undertaken in accordance with 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 evaluating the validity of the income and expenditure of the Project and are summarized as follows:

1. We obtained and checked the Income and Expenditure Account for the Project prepared by the FOS, and we compared the total to the balance in the related general ledger account.
2. We re-calculated the income and expenditure in the Income and Expenditure Account.
3. We obtained and compared the supporting documents in respect of the items in the Income and Expenditure Account for the Project prepared by the FOS, and we compared the total to the records in the related general ledger account.
4. We compared the expenditure in the Income and Expenditure Account for the Project prepared by the FOS to the requirements in the Funding Scheme.
5. We obtained suppliers' quotations regarding the Project and compared to the quotation lists for the Project prepared by the FOS.

REPORT OF FACTUAL FINDINGS (Continued)

We report our findings below:

- (a) With respect to item 1 we found the income and expenditure records in the Income and Expenditure Account to be correct and the total amount to be in agreement.
- (b) With respect to item 2 we found the income and expenditure calculations to be correct.
- (c) With respect to item 3 we found the income and expenditure items in the Income and Expenditure Account agreed to the supporting documents.
- (d) With respect to item 4 we found nothing has come to our attention that causes us to believe that the attached income and expenditure items does not reflect, in all material respects, the gross subscriptions raised and the expenses incurred by the FOS in respect of the Project that have been recorded in its books and records made available to us in accordance with the requirements (including the nature and categories) set out in the Funding Scheme issued by Commission On Youth.
- (e) With respect to item 5 we found the quotations agreed to the quotation lists for the Project prepared by the FOS.
- (f) We noted that there were expenses excess budget amounted to HK\$1,247.95, including venue fee for promotion and recruitment of HK\$280.00, survey of HK\$3.65, present to family in the PRC of HK\$2.50, souvenir for organisations of HK\$40.00, art materials of HK\$12.80, venue fee of HK\$900.00 and consumables in exhibition of HK\$9.00.
- (g) We noted that there was HK\$5,550.00 of the air ticket expenses referred to the air ticket expenses of the staff of the Project (i.e. not expenses incurred for participants) which does not fall into the subsidy requirements of the Funding Scheme. Besides, there were material costs excess budget amounted to HK\$231.30.

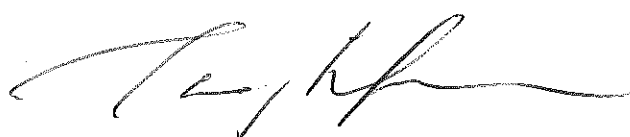
REPORT OF FACTUAL FINDINGS (Continued)

(h) We noted that there was HK\$1,200.00 of the accommodation expenses and HK\$280.00 of meal expenses referred to the expenses of the staff of the Project (i.e. not expenses incurred for participants) which does not fall into the subsidy requirements of the Funding Scheme. Besides, there were material costs excess budget amounted to HK\$2,620.10.

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, we do not express any assurance on the amounts of income and expenditure of the Project.

Had we performed additional procedures or had we performed an assurance engagement of the financial statements 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, 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 first 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. This report relates only to the items specified above and does not extend to any financial statements of the FOS, taken as a whole.



Tsang Hiu San

Certified Public Accountant (Practising)

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Kowloon, Hong Kong

Hong Kong, 22 January 2018

Income and expenditure account

	HKS
Income	
Fee received from the PRC participants	19,652.50
Fee received from the HK participants	26,000.00
	<hr/> 45,652.50
Expenditures	
Exchange trip from HK to the PRC	
Accommodation expenses	(11,498.71)
Consumables	Finding (g) (12,038.04)
Insurance expenses	(3,510.00)
Meal expenses	(8,400.48)
Transportation expenses – Air ticket	Finding (g) (56,650.00)
Transportation expenses – others	(13,184.07)
	<hr/> (105,281.30)
Exchange trip from the PRC to HK	
Accommodation expenses	Finding (h) (23,600.00)
Consumables	Finding (h) (19,093.50)
Meal expenses	Finding (h) (13,510.50)
Transportation expenses – others	(1,498.60)
Travel package expenses	(71,050.00)
	<hr/> (128,752.60)

Income and expenditure account - Continued


		HK\$
Supplement activities – Promotion	Appendix A, Finding (f)	(3,489.70)
Supplement activities – Training	Appendix B, Finding (f)	(23,443.65)
Supplement activities – Consumables	Appendix C, Finding (f)	(9,975.30)
Supplement activities – Exhibition	Appendix D, Finding (f)	(13,509.00)
		<hr/>
		(50,417.65)
Audit fee		(5,150.00)
		<hr/>
Deficit of the Project		(243,949.05)

The income and expenditure account was approved and authorised for issue by the Project in-charge on 22 January 2018.

The deficit of the Project will be covered by the FOS and the Funding Scheme respectively.

The self-funding amount of the FOS is HK\$11,129.35.

The estimated subsidy amount from the Funding Scheme is HK\$232,819.70.



Project in-charge

Appendix A

	Total HK\$
Promotion and recruitment	
Posters	1,500.00
Postage	1,709.70
Venue fee (Finding (f))	280.00
	<hr/> 3,489.70 <hr/>

Appendix B

	Total HK\$
Volunteer Training Camp	
Adventure training	4,000.00
Campus expenses	2,800.00
Consumables	790.00
Meal expenses	2,660.00
Transportation	3,800.00
Venue expenses	790.00
Communication Workshop	
Consumables	630.00
Survey expenses	6,943.65
Venue expenses	1,030.00
	<hr/> 23,443.65 <hr/>

Appendix C

	Total HK\$
Consumables	
Art materials	802.80
Consumables	2,690.00
Presents for families in Sichuan	832.50
Presents for kids in Sichuan	4,000.00
Souvenir for organisations	750.00
Venue fee	900.00
	<hr/> 9,975.30 <hr/>

Appendix D

	Total HK\$
Booklet	5,700.00
Consumables	1,009.00
Poster and mailing charge	1,350.00
Refreshment	750.00
Transportation	3,800.00
Venue expenses	900.00
	<hr/> 13,509.00 <hr/>