

UNITED HEARTS YOUTH FOUNDATION LIMITED

(Incorporated in Hong Kong and limited by guarantee)

REPORTS AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2000

IAN SEE & CO  
Chartered Accountants  
Certified Public Accountants

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Kong

UNITED HEARTS YOUTH FOUNDATION LIMITED

REPORTS AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2001

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## UNITED HEARTS YOUTH FOUNDATION LIMITED

### REPORT OF THE GOVERNORS

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The governors present their annual report and the audited financial statements for the year ended 31 December 2000.

#### PRINCIPAL ACTIVITY

The Company is a charity registered with the Hong Kong government. Its principal activities are the furtherance of charitable causes covering areas such as education and assisting the poor and needy.

#### ACCOUNTS

The results for the year are stated in the Income and Expenditure Account and the state of affairs of the Company at that date is set out in the Balance Sheet.

#### FIXED ASSETS

Movement in fixed assets during the year are set out in note 4 to the financial statements.

#### GOVERNORS

The governors who held office during the year and up the date of this report are:

Yan Kin Wai	(appointed on 18 February 2000)
Chung Hon Fai	(appointed on 18 February 2000)
Look Lai Ming, Josephine	(appointed on 18 February 2000)
Chan Siu King	(appointed on 18 February 2000)
Leung Ka Chun	(appointed on 18 February 2000)
Mok Wah Sun	(appointed on 18 February 2000)
Tsui Chung Ping	(appointed on 18 February 2000 and resigned on 15 November 2000)
Leung King Chiu	(appointed on 15 November 2000)
Lam Muk Kwan	(appointed on 15 November 2000)

The first governors shall be determined in writing by the subscribers to the Memorandum of Association. Thereafter all governors shall be elected by ordinary resolution of the members at the annual general meeting and the term of office shall be two years.

## UNITED HEARTS YOUTH FOUNDATION LIMITED

### GOVERNORS (cont'd)

A retiring Governor shall be eligible for re-election but such Governor can only hold office for not more than 3 consecutive terms.

### GOVERNORS' INTERESTS

No contracts of significance to which the Company was a party and in which a governor had a material interest subsisted at the end of the year or at any time during the period.

### MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the affairs of the Company were entered into or existed during the period.

### AUDITORS

The financial statements have been audited by Ian See & Co, Chartered Accountants, Certified Public Accountants, who now retire and being eligible, offer themselves for re-appointment.

On Behalf of the Board of Governors

Chairman

Hong Kong:

REPORT OF THE AUDITORS  
TO THE MEMBERS OF  
UNITED HEARTS YOUTH FOUNDATION LIMITED  
(INCORPORATED IN HONG KONG AND LIMITED BY GUARANTEE)

We have audited the financial statements on pages 4 to 6 which have been prepared in accordance with accounting principles generally accepted in Hong Kong.

RESPECTIVE RESPONSIBILITIES OF GOVERNORS AND AUDITORS

The Companies Ordinance requires the governors to prepare financial statements which give a true and fair view. In preparing financial statements which give a true and fair view it is fundamental that appropriate accounting policies are selected and applied consistently.

It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Statement of Auditing Standards issued by the Hong Kong Society of Accountants. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit 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 financial statements are free from material misstatement. In forming our opinion we also evaluated the overall adequacy if the presentation of information in the financial statements. We believe that our audit provides a reasonable basis for our opinion.

OPINION

In our opinion the financial statements give a true and fair view, in all material respects, of the state of the Company's affairs as at 31 December 2000 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Ordinance.

Ian See & Co  
Chartered Accountants  
Certified Public Accountants

Hong Kong:

**UNITED HEARTS YOUTH FOUNDATION LIMITED**

INCOME AND EXPENDITURE ACCOUNT  
FOR THE PERIOD FROM 14 FEBRUARY 2000  
(DATE OF INCORPORATION) TO 31 DECEMBER 2000

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	<u>NOTES</u>	14/2/2002 - 31/12/2000 HK\$
INCOME		1,031,207
DIRECT FUND RAISING COSTS CONTRIBUTIONS TOWARDS CHARITABLE CAUSES		(91,214) (264,380)
GROSS INCOME		<hr/> 675,613
OTHER INCOME		11,706
EXPENDITURE		(96,639)
SURPLUS BEFORE TAXATION		<hr/> 590,680
TAXATION	3	-
SURPLUS FOR THE PERIOD AND CARRIED FORWARD		<hr/> <hr/> <hr/> 590,680

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Separate statement of recognized gains and losses required by the Statement of Standard Accounting Practice 1 "Presentation of Financial Statements" issued by the Hong Kong Society of Accountants has not been prepared as the only component of such statement is the net profit for the period.

**UNITED HEARTS YOUTH FOUNDATION LIMITED**

BALANCE SHEET  
AS AT 31 DECEMBER 2000

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	<u>NOTES</u>	<u>2000</u> HK\$
<b>CURRENT ASSETS</b>		
Cash at bank		170,622
Fixed deposit		400,974
Other receivables		29,114
		<u>600,710</u> -----
<b>CURRENT LIABILITIES</b>		
Accruals		10,000
Amount due to a governor		30
		<u>10,030</u> -----
<b>NET ASSETS</b>		<b>590,680</b> =====
<b>FUNDS EMPLOYED</b>		
Community Service Funds		590,680 =====

UNITED HEARTS YOUTH FOUNDATION LIMITED

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2001

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1. GENERAL

The company is a non-profit making organisation and the principal activities are the furtherance of charitable causes covering areas such as education and assisting the poor and needy.

The company's accounts are prepared in accordance with Hong Kong Statements of Standard Accounting Practice. They cover the results of the company alone. The income and expenditure account covers the period from 24 February 2000 (date of incorporation) to 31 December 2000, while the balance sheet represents the financial position of the company as at 31 December 2000. The reporting currency of the company's accounts is the Hong Kong Dollar.

2. PRINCIPAL ACCOUNTING POLICIES

Recognition of income

Donations and contributions received from fund raising activities are recognised in the accounts on a cash basis.

Interest income is accrued on a time proportion basis on the principal outstanding using the interest rate applicable.

Contributions towards charitable causes

Contributions towards charitable causes are recognised in the accounts on a cash basis.

3. TAXATION

No taxation has been provided as the company is a charity exempted from Hong Kong Profits Tax under Section 88 of the Inland Revenue Ordinance.



UNITED HEARTS YOUTH FOUNDATION LIMITED

INCOME AND EXPENDITURE ACCOUNT  
FOR THE PERIOD FROM 14 FEBRUARY 2000  
(DATE OF INCORPORATION) TO 31 DECEMBER 2000

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(FOR MANAGEMENT PURPOSES ONLY)

	14/2/200- 31/12/2000 HK\$
INCOME	
Donations	23,311
Fund raising activities	982,396
Membership fees	17,000
Scholarship fund	8,500
	<u>1,031,207</u>
	-----
Less:	
DIRECT FUND RAISING COSTS	
Fund raising activities	91,214
CONTRIBUTIONS TOWARDS CHARITABLE CAUSES	
Education	264,380
	<u>355,594</u>
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GROSS INCOME	675,613
Add:	
OTHER INCOME	
Interest income	11,706
	<u>687,319</u>
Less:	
EXPENDITURE (Sch 1)	96,639
	<u>590,680</u>
	=====
SURPLUS FOR THE YEAR	590,680

UNITED HEARTS YOUTH FOUNDATION LIMITED

FOR THE PERIOD ENDED 31 DECEMBER 2000

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(FOR MANAGEMENT PURPOSES ONLY)

	24/2/2000- <u>31/12/2001</u> HK\$
EXPENDITURE (Sch 1)	
Advertising	3,146
Audit fee	10,000
Bank charges	433
Insurance	6,500
Legal and professional fees	1,000
Maintenance	
4,000	
Wages	300
Preliminary expenses	15,000
Printing and stationery	40,367
Rent	4,660
Souvenir	3,260
Overseas travelling	773
Local travelling	7,200
	<hr/> 96,639 <hr/> <hr/>

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