

United Christian Medical Service
For the general charitable fund-raising activities
Public Subscription Permit NO. 2012/218/1 and 2012/218/2

Report and account

For the period from 11 September 2012 to 23 October 2012

United Christian Medical Service
For the general charitable fund-raising activities
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**Independent assurance report to the
Hospital management of United Christian Medical Service
For general charitable fund-raising activities
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In accordance with our agreed terms of engagement, we have performed an engagement on the attached income and expenditure account of the charity's general charitable fund-raising activity known as "Charity Housing Estate Competition" held during the period from 11 September 2012 to 23 October 2012 (the event).

Respective responsibilities of the hospital management and ourselves

The hospital management are responsible for preparing the attached income and expenditure account in accordance with the basis of preparation set out in note 2, 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 Social Welfare Department of the Government of the Hong Kong Special Administrative Region (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.

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

Basis of conclusion

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to the "Circular on Reporting on General Charitable Fund-raising Activities Covered by Public Subscription Permits issued by the Social Welfare Department (Other than Flag Days)" issued by the Hong Kong Institute of Certified Public Accountants (HKICPA).

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.

Furthermore, due to the nature of cash receipts and expenses relating to general charitable fund-raising activities, it was not practicable for us to determine whether the income and expenditure account and the books and records of the charity 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 charity's books and records.

Our engagement included carrying out limited procedures for obtaining sufficient appropriate evidence to be able draw a conclusion, such as inquiries primarily of persons responsible for financial and accounting matters and other procedures we considered necessary.

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 charity 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 2.

Use of report

This report is intended solely for the purpose of assisting the charity 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.

We agree that a copy of this report may be provided to the director of Social Welfare without further comment from us.



Nelson and Company
Certified Public Accountants
Hong Kong, 06 FEB 2013

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**Income and expenditure account
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	HK\$
INCOME	
Donations	1,662,292
EXPENDITURE	
Audit fee	7,500
Printing expenses	16,968
Security	22,500
Transportation and travelling	4,469
	<hr/>
	51,437
SURPLUS FOR THE EVENT	<hr/> <hr/>
	1,610,855

The income and expenditure account was approved on behalf of United Christian Medical Service on 06 FEB 2013



Director



Director

The annexed notes form an integral part of, and should be read in conjunction with, this income and expenditure account.

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Notes to income and expenditure account
For the period from 11 September 2012 to 23 October 2012

1. General information

“Charity Housing Estate Competition” is an event organised by United Christian Medical Service (the charity) for the purpose of raising funds for the expansion of United Christian Hospital. The surplus of income over expenditure has been deposited into the United Christian Medical Service’s bank account.

2. Principal accounting policies

The following are the specific accounting policies that are necessary for a proper understanding of the income and expenditure account:

(a) Basis of accounting

The income and expenditure account has been prepared using the historical cost basis of accounting.

(b) Income recognition

All donation incomes are recorded on cash received basis.

3. Taxation

As United Christian Medical Service is registered as a charitable organisation under Section 88 of Inland Revenue Ordinance, the event is exempted from Hong Kong profits tax.