

HONG KONG UNISON LIMITED

香港融樂會有限公司

(Company Limited by Guarantee and not having a Share Capital)

**REPORT OF THE EXECUTIVE COMMITTEE
AND FINANCIAL STATEMENTS**

FOR THE YEAR ENDED

31ST MARCH, 2011

**REPORT OF THE EXECUTIVE COMMITTEE
TO THE MEMBERS OF HONG KONG UNISON LIMITED (the "Association")**
香港融樂會有限公司
(Incorporated in Hong Kong and limited by guarantee and not having a share capital)

The Executive Committee is pleased to submit its report together with the audited financial statements for the year ended 31st March, 2011.

Principal Activities

The Association has engaged in projects which promote equal access to social services and education to disadvantaged groups of ethnic minorities in Hong Kong, as well as to provide relief of poverty and distress and to grant scholarships to young people of those groups.

In the past year, the following activities have been conducted:

1. A Chinese Proficiency Enhancement Programme has been organized to deliver Chinese language learning to ethnic minority kindergarten children;
2. A Certificate Course in Community Organizing has been organized for youths who are working in social services settings;
3. Cultural sensitivity training/talks/workshops were conducted at schools and societies;
4. Provide individual caseworks, counseling services and scholarships support to ethnic minority members and families in need, and
5. Community Engagement – organizing ethnic minority residents to have dialogues with government departments.

Executive Committee Members

The following are the Executive Committee Members of the Association for the year ended 31st March, 2011 :

1. Dr. Wong Hung (Chairperson)
2. Dr. Stephen F. Fisher (First Deputy Chairperson)
3. Dr. Chong Ming Lin Alice (Second Deputy Chairperson)
4. Mr. Rajkumar Tiwari
5. Ms. Cheng Po Wah (Hon Treasurer)
6. Rev. Hans Lutz (Hon Secretary)
7. Mr. Law Yuk Kai
8. Mr. Lai Kin Kwok
9. Ms. Julie Kathleen Richard
10. Dr. Raees Baig
11. Mr. Po Kam Man William

At the forthcoming Annual General Meeting, all the Executive Committee Members will retire in accordance with Article 40 of the Association's Articles of Association and, being eligible, offer themselves for re-election.

Interest in Contracts of the Association

None of the Executive Committee Members had, during or at the end of the year, an interest, directly or indirectly, in any contract of significance with the Association.

Audited Accounts

The results of the Association's operations for the year ended 31st March, 2011 and the state of the Association's affairs at that date are set out in the financial statements on pages 5 to 15.

Membership

As at 9th November, 2011, there are a total of 16 Ordinary Members (including 11 Executive Committee members).

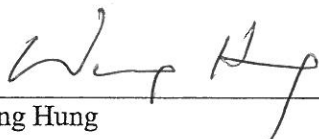
Fixed Assets

Movements in fixed assets during the year are set out in Note 4 (page 13) to the financial statements.

Auditors

CHANG LEUNG HUI & LI C.P.A. LIMITED, Certified Public Accountants, the Association's auditors, will retire at the conclusion of the forthcoming Annual General Meeting, being eligible, they offer themselves for re-appointment.

BY ORDER OF
THE EXECUTIVE COMMITTEE

A handwritten signature in black ink, appearing to read 'Wong Hung', is written over a horizontal line.

Dr. Wong Hung
Chairperson

Dated: 9th November, 2011

Chang Leung Hui & Li C.P.A. Limited

CERTIFIED PUBLIC ACCOUNTANTS
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DIRECTORS

LESLIE S. C. CHANG FCA, CTA, CPA (Practising)
TERENCE C. K. LEUNG FCCA, ACA, ACIS, CTA, CPA (Practising)
BILLY S. LI BA, CA (CANADA), CTA, CPA (Practising)
EDMOND C. K. LEUNG FCCA, ACIS, CTA, CPA (Practising)
S. Y. LUK ACA, FCCA, ACIS, CTA, CPA (Practising)
PAUL C. Y. TSI BSC, CA, ACA, CTA, CPA (Practising)

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HONORARY INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HONG KONG UNISON LIMITED (the "Association")

香港融樂會有限公司

(Incorporated in Hong Kong and limited by guarantee and not having a share capital)

We have audited the financial statements of the Association set out on pages 5 to 15. which comprise the statement of financial position as at 31st March, 2011, and the income and expenditure account, statement of changes in funds and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Executive Committee's responsibility for the financial statements

The executive committee are responsible for the preparation of financial statements that give a true and fair view in accordance with the Hong Kong Financial Reporting Standard for Private Entities issued by the Hong Kong Institute of Certified Public Accountants and the Hong Kong Companies Ordinance, and for such internal control as the executive committee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. This report is made solely to you, as a body, in accordance with Section 141 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

**HONORARY INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF HONG KONG UNISON LIMITED (the "Association")**

香港融樂會有限公司

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Auditors' responsibility (continued)

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the state of the Association's affairs as at 31st March, 2011 and of its results and cash flows for the year then ended in accordance with the Hong Kong Financial Reporting Standard for Private Entities and have been properly prepared in accordance with the Hong Kong Companies Ordinance.



CHANG LEUNG HUI & LI C.P.A. LIMITED
Certified Public Accountants

Terence Chi Kin Leung
Practising Certificate Number P789

HONG KONG, 9th November, 2011

HONG KONG UNISON LIMITED

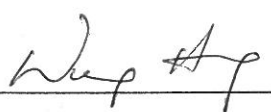
香港融樂會有限公司


(Company Limited by Guarantee and not having a Share Capital)

STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH, 2011

		2011	2010
	Note	HK\$	HK\$
Non-current assets			
Fixed assets	3	21,266	63,628
Current assets			
Deposits		5,000	5,000
Cash and bank balances		<u>1,583,736</u>	<u>1,551,631</u>
		<u>1,588,736</u>	<u>1,556,631</u>
Less : Current liabilities			
Accrued expenses		12,314	28,441
Receipts in advance		<u>-</u>	<u>9,965</u>
		<u>12,314</u>	<u>38,406</u>
Net current assets		<u>1,576,422</u>	<u>1,518,225</u>
Net assets		<u>1,597,688</u>	<u>1,581,853</u>
Represented by :			
General fund	4	1,350,837	175,573
Funds for specific purposes	5	246,851	1,406,280

Approved and authorised for issue by
the Executive Committee on 9th November, 2011


Chairperson


Vice Chairperson

1,597,688 1,581,853

HONG KONG UNISON LIMITED

香港融樂會有限公司

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**INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST MARCH, 2011**

		2011	2010
	Note	HK\$	HK\$
Turnover			
	6	<u>757,065</u>	<u>60,985</u>
Income			
General donations		200,041	60,435
Donations from Hikathon	7	516,824	-
Other donations		39,000	-
Membership subscription income		<u>1,200</u>	<u>550</u>
		757,065	60,985
Other income			
Other income		5,650	37,164
Bank interest income		<u>18</u>	<u>120</u>
		<u>762,733</u>	<u>98,269</u>
Less : Expenditure			
Accountancy fee		-	18,000
Bank charges		2,617	1,300
Building management fee		-	8,250
Cleaning		-	3,980
Depreciation	2(a) & 3	42,362	42,362
Electricity and water		-	9,489
Insurance		1,720	-
Postage and courier		90	-
Printing and stationery		1,980	1,835
Rental expenses		4,000	12
Repairs and maintenance		-	232
Staff costs			
- Staff salaries		120,795	241,509
- Mandatory provident fund contributed by employer		3,195	11,440
Subscription fee		500	-
Sundry expenses		968	6,395
Transportation		<u>6,711</u>	<u>184</u>
		184,938	344,988
Surplus/(Deficit) for the year transferred to general fund	4	<u>577,795</u>	<u>(246,719)</u>

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香港融樂會有限公司

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**STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED 31ST MARCH, 2011**

	General fund	Funds for specific purposes	Total
	HK\$	HK\$	HK\$
Balance as at 1st April, 2009	422,292	843,639	1,265,931
Deficit from income and expenditure account	(246,719)	-	(246,719)
Amounts received during the year	-	2,471,843	2,471,843
Utilisation during the year	<u>-</u>	<u>(1,909,202)</u>	<u>(1,909,202)</u>
Balance as at 31st March, 2010	<u>175,573</u>	<u>1,406,280</u>	<u>1,581,853</u>
Balance as at 1st April, 2010	175,573	1,406,280	1,581,853
Surplus from income and expenditure account	577,795	-	577,795
Amounts received during the year	-	1,735,823	1,735,823
Fund transfer (note 7)	597,469	(597,469)	-
Utilisation during the year	<u>-</u>	<u>(2,297,783)</u>	<u>(2,297,783)</u>
Balance as at 31st March, 2011	<u>1,350,837</u>	<u>246,851</u>	<u>1,597,688</u>

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**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH, 2011**

	2011	2010
	HK\$	HK\$
Cash flows from operating activities		
Surplus/(Deficit) for the year	577,795	(246,719)
Adjustments for :		
Depreciation	42,362	42,362
Bank interest income	(18)	(120)
	620,139	(204,477)
Increase/(Decrease) in :		
Accrued expenses	(16,127)	1,050
Receipts in advance	(9,965)	9,965
Funds for specific purposes	(561,960)	562,641
Net cash generated from operating activities	32,087	369,179
Investing activities		
Bank interest income	18	120
Purchases of fixed assets	-	(11,226)
Net cash generated from/(used by) investing activities	18	(11,106)
Increase in cash and cash equivalents	32,105	358,073
Cash and cash equivalents at beginning of year	1,551,631	1,193,558
Cash and cash equivalents at end of year	1,583,736	1,551,631
Analysis of the balances of cash and cash equivalents		
Cash and bank balances	1,583,736	1,551,631

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2011

1. Legal status and general information

Hong Kong Unison Limited (the "Association") is incorporated under the Hong Kong Companies Ordinance and is limited by guarantee. The registered office of the Association is at Room 1303, Wang Yip Industrial Building, 1 Elm Street, Tai Kok Tsui, Kowloon, Hong Kong.

The Association is a non-profit-making charitable organisation with aims to :

- 1) Promote humanitarianism based on racial equality.
- 2) Promote cross-racial-and-cultural understanding and communications.
- 3) Provide social services and assist ethnic minority residents to participate in Hong Kong society.
- 4) Promote equal access to social services regardless of race.
- 5) Form alliance with people of different races with common goals in order to encourage their participation in volunteer work.

Under the provisions of the Association's Memorandum and Articles of Association, every member shall, in the event of the Association being wound up, contribute to the assets of the Association not exceeding HK\$10 each. At 31st March, 2011, the Association had 16 (2010 : 16) members.

2. Basis of preparation of the financial statements and accounting policies

These financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standard for Private Entities (HKFRS for Private Entities) issued by the Hong Kong Institute of Certified Public Accountants and the requirements of the Hong Kong Companies Ordinance. They have been prepared under historical cost convention.

The preparation of financial statements in conformity with the HKFRS for Private Entities requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2011

2. Basis of preparation of the financial statements and accounting policies (continued)

(a) Fixed assets

Fixed assets represent property, plant and equipment and are stated in the statement of financial position at cost less accumulated depreciation and impairment losses, if any.

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, on a straight-line basis over their estimated useful lives as follows :

Office equipment	5 years
Leasehold improvement	4 years

If there is an indication that there has been a significant change in the depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

(b) Impairment

At each year end date, the Association reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, such that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

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**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2011**

2. Basis of preparation of the financial statements and accounting policies (continued)

(c) Revenue recognition

Revenue arising from transactions and events is recognised in the financial statements when it is probable that the economic benefits will flow to the Association and when the revenue can be measured reliably, on the following bases :

- 1) Donations are recognised upon receipt of such payments;
- 2) Membership subscription income is recognised upon receipt of such payments.

(d) Employee benefits

Obligations for contributions to defined contribution retirement plans, including contributions payable under the Hong Kong Mandatory Provident Fund Schemes Ordinance, are recognised as an expense in the income and expenditure account as incurred.

The Association's net obligation in respect of other long term employee benefits and lump sum long service amounts payable on cessation of employment in certain circumstances under the Hong Kong Employment Ordinance is the amount of future benefit that employees have earned in return for their service in the current and prior periods.

Termination benefits are recognised when, and only when, the Association demonstrably commits itself to terminate employment or to provide benefits as a result of voluntary redundancy by having a detailed formal plan which is without realistic possibility of withdrawal.

(e) Cash and cash equivalents

Cash comprises cash on hand and at bank and demand deposits with bank. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

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**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2011**

2. Basis of preparation of the financial statements and accounting policies (continued)

(f) Related parties

For the purpose of these financial statements, related party includes a person and entity as defined below:

- (a) A person or a close member of that person's family is related to the Association if that person:
 - (i) is a member of the key management personnel of the Association or of a parent of the Association;
 - (ii) has control over the Association; or
 - (iii) has joint control or significant influence over the reporting entity or has significant voting power in it.
- (b) An entity is related to the Association if any of the following conditions applies:
 - (i) the entity and the Association are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) either entity is an associate or joint venture of the other entity (or of a member of a group of which the other entity is a member).
 - (iii) both entities are joint ventures of a third entity.
 - (iv) either entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Association or an entity related to the Association. If the reporting entity is itself such a plan, the sponsoring employers are also related to the plan.
 - (vi) the entity is controlled or jointly controlled by a person identified in (a).
 - (vii) a person identified in (a)(i) has significant voting power in the entity.

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香港融樂會有限公司

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2011

2. Basis of preparation of the financial statements and accounting policies (continued)

(g) Foreign currencies

i) Functional and presentation currency

Items included in the financial statements of the Association are measured using the currency of the primary economic environment in which the Association operates (the "functional currency"). The financial statements are presented in Hong Kong dollars, which is the Association's functional and presentation currency.

ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in income and expenditure accounts.

3. Fixed assets

	Leasehold improvement	Office equipment	Total
	HK\$	HK\$	HK\$
Cost			
At 1.4.2010 and 31.3.2011	103,530	82,397	185,927
Less : Depreciation			
At 1.4.2010	77,648	44,651	122,299
Charge for the year	25,882	16,480	42,362
At 31.3.2011	103,530	61,131	164,661
Net book value			
As at 31.3.2011	-	21,266	21,266
As at 31.3.2010	25,882	37,746	63,628

HONG KONG UNISON LIMITED

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**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2011**

4. General fund

	2011 HK\$	2010 HK\$
Balance as at 1st April	175,573	422,292
Surplus/(Deficit) transferred from income and expenditure account	577,795	(246,719)
Transfer from funds for specific purposes (note 5)	<u>597,469</u>	<u>-</u>
Balance as at 31st March	<u>1,350,837</u>	<u>175,573</u>

5. Funds for specific purposes

Movements of funds received for specific purposes during the year are as follows :

Name of project	Balance as at 1.4.2010 HK\$	Transfer/ Receipts HK\$	Less : Transfer/ Payments/ Refunds HK\$	Balance as at 31.3.2011 HK\$
Oxfam Hong Kong – Advocacy of Equal Rights for Ethnic Minorities (2011/12)	-	-	41,245	(41,245)
Oxfam Hong Kong – Advocacy of Equal Rights for Ethnic Minorities (2010/11)	205,360	248,000	473,455	(20,095)
Lee Hysan Foundation – Chinese Language Enhancement for Non-Chinese Speaking Kindergarten and Primary School Student Project	-	605,000	480,000	125,000
Lee Hysan Foundation – “Love U All” Youth Volunteering Project	156,788	-	156,788	-
South China Morning Post – Operation Santa Claus 2008	245,305	-	216,965	28,340
Keswick Foundation Limited – Support Services to Ethnic Minority Residents in Hong Kong 2010/11	-	188,128	181,464	6,664
Keswick Foundation Limited – Support Services to Ethnic Minority Residents in Hong Kong 2009/10	29,613	165,981	195,594	-
Equal Opportunities Commission – Community Participation Funding Programme on Equal Opportunities	23,626	24,247	47,873	-
The Employees Retraining Board - Study on the Training Needs of Ethnic Minorities	161,120	241,680	297,800	105,000
Special reserve fund (note 4)	579,469	-	579,469	-
Scholarships	<u>4,999</u>	<u>262,787</u>	<u>224,599</u>	<u>43,187</u>
	<u>1,406,280</u>	<u>1,735,823</u>	<u>2,895,252</u>	<u>246,851</u>

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**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2011**

6. Turnover

Turnover for the year comprises general donations, donations from Hikathon, membership subscriptions and other donations totalling HK\$757,065 (2010 : HK\$60,985).

7. Donations from Hikathon

The amount for Hikathon donation during the year is HK\$516,824 (2010 : HK\$597,469). For last year's donation, it was classified under Funds for specific purposes.

8. Taxation

No Hong Kong profits tax is provided for in the financial statements as the Association is an approved charitable organisation and exempt from profits tax.

9. Auditors' remuneration

The audit of these financial statements has been performed on an honorary basis.

10. Accounting estimate and judgements

There is no critical accounting judgement in applying the Association's accounting policies except those disclosed in the financial statements elsewhere.