



**T.K. LAM (C.P.A.) CO. LTD.**

Certified Public Accountants

林得強會計師事務所有限公司

**REPORT ON FACTUAL FINDINGS IN CONNECTION WITH INCOME AND EXPENDITURE REPORT OF CHINA EXCHANGE TOUR 中港（福州、寧夏、雲南）文化交流之旅 (ACTIVITIES REFERENCE NO.: HAB/CA1/7-5/2(2017-18)(100))  
TO THE COMMISSION ON YOUTH**

We have performed the procedures listed below with respect to the attached income and expenditure report of China Exchange Tour, which you approved funds on April 18, 2017, held by China Hong Kong Culture Exchange Association Limited from December 24, 2017 to December 30, 2017 and January 7, 2018 to January 13, 2018. 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 report and are summarised as follows: -

1. We obtained and cross checked the income and expenditure report against the account balances of China Hong Kong Culture Exchange Association Limited.
2. We obtained and cross checked breakdowns of items on income and expenditure report against supporting documents.
3. In accordance with the enclosure 4 "Rules for Event Operation and Spending" of the "The Funding Scheme for Youth Exchange in the Mainland 2017-18" as set out by the Commission on Youth, we reviewed the purchase procedure, quotation records and draft income and expenditure report.
4. We cross checked expenditures on income and expenditure report against funding notification from the Commission on Youth.
5. Quotations are obtained and cross checked against quotation records.

We report our findings below:-

- a. With respect to item 1 we found the income and expenditure report correct.
- b. With respect to item 2 we found the amounts are in agreement to supporting documents.
- c. With respect to item 3, we found occasions where the funding usage rules as set by the Commission on Youth have not been followed.
- d. With respect to item 4 we found expenditures on income and expenditure report are in line with funding notification from the Commission on Youth.
- e. With respect to item 5 we found quotations are properly recorded and agreed.

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 income and expenditure report.

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 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 report specified above and does not extended to any financial statements of China Hong Kong Culture Exchange Association Limited, taken as a whole.

*T.K. Lam (CPA) C. Liu*

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May 29, 2020