

Specimen

**Report of an Agreed-Upon Procedures Engagement
Conducted by a Certified Public Accountant (Practising)
or a Corporate Practice within the Meaning of
the Professional Accountants Ordinance (Chapter 50)**

AGREED-UPON PROCEDURES REPORT

To: The Government of the Hong Kong Special Administrative Region (the HKSAR Government), the Commission on Children (the Commission) and [*Name of the funded organisation*]

Purpose of this Agreed-Upon Procedures Report and Restriction on Use and Distribution

Our report is solely for the purpose of assisting [*Name of the funded organisation*] in satisfying the requirement to report the income and expenditure in respect of the funded project [*Title of project*] for the period from [*Project commencement date*] to [*Project completion date*] as per the conditions stated in the approval letter reference [*Reference no. of the approval letter*] dated [*Date of issuance*], issued by the Commission and may not be suitable for another purpose.

This report is intended solely for [*Name of the funded organisation*], the HKSAR Government and the Commission, and should not be used by, or distributed to, any other parties.

Responsibilities of the Engaging Party

[*Name of the funded organisation*] has acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement.

[*Name of the funded organisation*] is responsible for the subject matter on which the agreed-upon procedures are performed.

Practitioner's Responsibilities

We have conducted the agreed-upon procedures engagement in accordance with the Hong Kong Standard on Related Services (HKSRS) 4400 (Revised), *Agreed-Upon Procedures Engagements*. An agreed-upon procedures engagement involves our performing the procedures that have been agreed with [*Name of the funded organisation*], and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness of the agreed-upon procedures.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion.

Had we performed additional procedures, other matters might have come to our attention that would have been reported.

Professional Ethics and Quality Management

We have complied with the ethical requirements in [*describe the relevant ethical requirements*] issued by the Hong Kong Institute of Certified Public Accountants and the independence requirements in accordance with [*describe the relevant independence requirements*] issued by the Hong Kong Institute of Certified Public Accountants.

Our firm applies Hong Kong Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Procedures and Findings

We have performed the procedures described below, which were agreed upon with [*Name of the funded organisation*] in the terms of engagement dated [*Date*].

- (1) We checked the additions of the Income and Expenditure Statement, and compared the items with the balances in the books and records prepared by [*Name of the funded organisation*] as at [*Date*].

- (2) We obtained and checked the calculations of the details of income / expenditure items and compared the balances to the supporting documents.
- (3) (i) We checked the expenses incurred in the project with regard to the Funding Scheme for Children’s Well-being and Development - Special Call for Projects on Promotion of Child Protection in Ethnic Minority Communities Funding Guidelines (Funding Guidelines) imposed by the Commission. **Or** ^(Note 1)
- (ii) We compared the expenditure items to the list of permissible items of expenditure to be met by the Funding Scheme for Children’s Well-being and Development issued by the Commission.

We report our findings below:

- (a) With respect to item 1, we found the Income and Expenditure Statement is in agreement with the books and records made available to us.
- (b) With respect to item 2, we found the amounts of income and expenditure items are in accord with the supporting documents.
- (c) (i) With respect to item 3, we found the expenditure items are in compliance with the Funding Guidelines imposed by the Commission. **Or** ^(Note 1)
- (ii) With respect to item 3, we found the expenditure items are all permissible items of expenditure.

[Practitioner’s signature]

[Date of practitioner’s report]

[Practitioner’s address]

Notes:

1. Funded organisations must select version (i) in case they choose not to submit receipts in support of their financial reports and auditor’s reports.
2. The specific procedures mentioned in items (1) to (3) of the first paragraph under “Procedures and Findings” and the relevant report findings in items (a) to (c) of the subsequent paragraph must be included and should not be amended.
3. The practitioner is advised to follow the prevailing requirements of the Hong Kong Institute of Certified Public Accountants (website: <https://www.hkicpa.org.hk/>) in preparing this report

*(Illustrative Example)***[Name of Funded Organisation]**

**Funding Scheme for Children's Well-being and Development –
Special Call for Projects on Promotion of Child Protection in
Ethnic Minority Communities**

[Title of Project]

Income and Expenditure Statement

For the period from [*Project commencement date*] to [*Project completion date*]

	Amount (\$)
(1) Income	
1. Advance Payment Received from the Commission on Children	
2. Participants' Fees	
3. Contribution from the Funded Organisation	
4. Sponsorship and Donation	
5. Others	
Total Income	<hr/> <hr/>

	Approved Amount¹ (\$)	Actual Amount (\$)
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(2) Expenditure

[Please list out all approved items/sub-items specified in the approved budget]

*For example:***1. Publicity***1.1 Poster (The entire project)**1.2 Promotional leaflet (Activities 1
and 2)***2. Printed items***2.1 Notes (Activity 1)*

¹ If approval has been obtained from the Commission on Children for adjustment to the approved amount of an expenditure item, please fill in the revised amount.

(Illustrative Example)

3. xxx

3.1 xxx

Approved Amount¹
(\$)

Actual Amount
(\$)

4. xxx

4.1 xxx

...

...

17. Project staff

18. Audit fee

19. Administrative expenses

*20. Premium for public liability
insurance and/or accident
insurance*

21. Contingency

22. Other expenditure items

22. Activity 1

22.1 xxx

23. Activity 2

23.2 xxx

Total Expenditure

_____	_____
_____	_____

Surplus / (Deficit) for the Period

(= Total Income - Total Expenditure)
