**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 ON INCOME AND EXPENDITURE

To *[Addressees]*

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

Our report is solely for the purpose of assisting [Name of Grantee] in determining whether the Income and Expenditure Statement for the Community Involvement (CI) project [Name of Project] which was completed on [Date of completion of project] is compliant with the CI fund guidelines set out in the “Funding Guide on Community Involvement Programme” (the Funding Guide). The report may not be suitable for another purpose or to be distributed to any other parties except that a copy of our report will be distributed to HAD.

**Responsibilities of the Engaging Party**

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

[Name of Grantee] (also the responsible party) is responsible for the subject matter on which the agreed-upon procedures are performed.

**Practitioner’s Responsibilities**

We have conducted the agreed-upon procedures in accordance with 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 Grantee], 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.

*Professional Ethics and Quality Management*

We have complied with the ethical requirements in [describe the relevant ethical requirements]. For the purpose of this engagement, there are no independence requirements with which we are required to comply.

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 Grantee] in determining whether the Income and Expenditure Statement for the Community Involvement (CI) project [Name of Project] is compliant with the CI fund guidelines set out in the Funding Guide.

|  |  |  |
| --- | --- | --- |
|  | **Procedures** | **Findings** |
| 1 | We obtained and 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 Grantee] as at [Date]. | We obtained and found the Income and Expenditure Statement is in agreement with the books and records made available to us. |
| 2 | We checked the calculations of the Details of Income / Expenditure items and compared the balances to the supporting documents. | We found the amounts of income and expenditure items accord with the supporting documents. |
| 3 | (i) We checked the expenses incurred in the project with regard to the CI fund guidelines set out in the Funding Guide.  Or(Note)  (ii) We compared the expenditure items to the list of permissible items of expenditure to be met by CI fund issued by HAD. | (i) We found the expenditure items are in compliance with the CI fund guidelines set out in the Funding Guide.  Or(Note)  (ii) We found the expenditure items are all permissible items of expenditure. |

[Practitioner’s Signature]

[Date of Practitioner’s Report]

[Practitioner’s Address]

***Note: Grantees must select version (i) in case they choose not to submit receipts in support of their income and expenditure statements.***