

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, 2010

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)

Principal Objectives

For the year 2009-2010, our principal objectives were stated as below:

- 1) To monitor the implementation of Racial Discrimination Ordinance (RDO), which has become effective in July 2009;
- 2) To advocate equal opportunities in education for ethnic minority (EM) students;
- 3) To advocate equal opportunities in employment for EM people in Hong Kong;
- 4) To provide direct services to EM people and endeavor to build their capacity;
- 5) To promote racial harmony and acceptance in schools and in the community.

Activities Report

Foreword

For Hong Kong Unison, the year of 2010 represented a new milestone for our policy and rights advocacy work; as the long-awaited RDO has finally become effective in July 2009. The new legislation lays the foundation for elimination of racial discrimination in Hong Kong; and helps to set a benchmark that the Government and private sectors have to follow, to ensure rights of EM people being respected and protected.

Yet merely legislation could not solve everything. On the one hand, many of our EM people, who are supposed to be protected by the anti-racial legislation, were still unaware of the RDO. On the other, the RDO itself has a number of loopholes; which has confined its protection to minority groups.

During the past year, we have managed to establish a constructive working relationship with the Equal Opportunities Commission (EOC), the enforcement body of the RDO; as well as its new Chairman, Mr. Lam Woon Kwong. The latter shared most of our concerns and vowed to take racial equality as one of his top priority issues during his term. As a result, the EOC is becoming more proactive when handling race issues.

With regard to education policies, there were not many major developments. Yet after our repeated callings together with the education sector, The Government has finally introduced supportive measures to aid mainstream schools admitting non-Chinese speaking (NCS) students. In addition, there are more study options for EM secondary school leavers. For instance, the IVE has offered a new foundation diploma program for EM students, specialized in computing. The Caritas Francis Hsu College is willing to make special adjustments to admit two of our EM youth to its part-time social work program.

Concerning employment issue, this year we focused on advocating equal opportunities in civil service employment. We have managed to draw public attention on the situation that EM people are barred from joining civil service owing to Chinese language requirement, without considering whether it is necessary for individual post. The issue was raised and discussed in Legislative Council, in which the Government finally agreed to conduct a review on the present situation.

We are always aware that we could not be the sole spokesperson for EM people. It is important to engage them in our advocacy work, to empower them and to nurture EM leaders to speak for themselves. During the past year, we have invited and urged our EM partners, especially those young people who have been active in the community, to participate in our advocacy activities. Hopefully, these people would become future leaders of the community.

I) Implementation of the RDO

As mentioned previously, we have managed to establish a constructive working relationship with the new leadership of the EOC. It is encouraging to see that they are now more willing to echo our concerns. During a LegCo Public Service Panel meeting held on May 24, Mr. Lam Woon Kwong urged the Government to review its Chinese language requirement in civil service posts to ensure equal opportunities being provided to EM people. In addition, the EOC also committed to conduct a research on lack of equal opportunities suffered by EM students in local schools.

The RDO has been effective for over 15 months. Yet up until this August, the EOC only received a total of 66 complaints. We found that among EM communities, the degree of awareness towards the new law is still very low. Given such circumstances, we have urged the EOC to strengthen its public education and reach EM people directly from where they are living. In addition, we also shouldered the responsibility to promote the law, by organizing RDO workshops for EM people.

From August 2009 to October 2010, we have held 11 RDO workshops with a total of about 340 EM participants from a variety of ethnic origins, including Nepalese, Pakistanis, Indians, Filipinos, Egyptians, Indonesians, Thais, Nigerians and Cameroons etc. For EOC, they have also been holding discussions with some NGOs to see if it was possible to set up regional enquiry desks at their service branches, so as to reach EM communities more directly.

Besides organizing workshops, we have kept on receiving enquires and complaints from EM communities about racial discrimination. These include denial of banking services and tenancy contracts, unequal treatment in employment and racial harassment etc. Yet most of the complainants did not dare to file a complaint, either fearing of offending the Chinese majority, or doubting about its effectiveness.

Yet in the "bank case", we did help some of the victims filing complaints to EOC. Sadly speaking, we found the EOC staff handling complaints cases not proactive enough and the procedure could hardly be claimed as "user friendly". In addition, the bank case also exposed one of the loopholes of the RDO, that nationality does not fall within the definition of race and the bank could use it as an excuse to deny providing services to EM people. Nevertheless, through our media work, we managed to draw the attention of the public, as well as the banking authorities, on the issue. At the moment, banks in Hong Kong in general are becoming more sensitive to race issue.

To sum, the RDO has only been implemented for a short period of time. With its limited use, as well as inherent limitations; certainly there are more work needed to be done, to ensure it becomes an effective piece of law to eliminate racial discrimination. We shall continue working with relevant parties, and keeping an eye to its implementation; and calling for any improvements whenever necessary and applicable.

II) Equal Opportunities in education

Since our establishment, we have been putting education as one of the top priorities in our advocacy work. We believe education is not only one's basic human right, but also an important means for EM people to lift themselves out of poverty. It is especially important for EM children to learn Chinese language effectively, so that they could participate fully and meaningfully in the Hong Kong society.

For all these years, we have kept on calling for the formulation of a "Chinese as a Second Language" (CSL) policy, which comprises a suitable curriculum with clear stage learning objectives, appropriate assessment tools and relevant teaching materials. Starting from last year, we have also included the introduction of a Chinese language benchmark test as part of our proposal.

In fact, our countless effort had won recognition and support from different parties, including lawmakers, EOC, people from education, welfare and even business sector. Although the Government insists a CSL Policy is unnecessary, it did continue its support to schools in their teaching of Chinese language to non-Chinese speaking (NCS) students. For instance, more supplementary textbooks and teaching materials were introduced to help teachers in their teaching. With the funding from the Education Bureau, a set of assessment tools is being developed by experts in Hong Kong University (HKU) to help to assess students' language proficiency. Starting from the current academic year, the number of designated schools has been increased from 26 to 28, and they are all benefited from cash subsidies provided by the Government, as well as professional support offered from language experts in HKU.

Besides support to designated schools, this year the Government finally responded to our calls and extended its support to the other 500 primary and secondary mainstream schools admitting NCS students. A funding scheme has been introduced to enable mainstream schools to organize after-school Chinese language tutorial classes to NCS students. Yet given the limited amount of funding (ranging from 50,000 to 300,000 per year), as well as the requirement for schools to submit their own proposals; the effectiveness of the scheme remains to be seen.

Apart from teachers and students, concern has also been given to EM parents, who have a part to take in their children's studies. Under the EM Network of the Hong Kong Council of Social Services (HKCSS), we have actively participated in a research on comparing EM and local Chinese parents. It showed that EM parents are far more ignorant about education policies and systems in Hong Kong. As a result, they are unable to make an informed choice about their children's studies. The research called for increasing support to EM parents. Together with the HKCSS, we shall continue following the issue and press the Government to do something in this area.

Another encouraging development in education is the increasing study options for EM students finishing secondary education. As mentioned before, the IVE has offered a new foundation diploma (FD) in Computing for EM students. We have been discussing with them for the possibility of opening another FD program in Childcare.

Knowing that there are a number of EM youth aspiring to be a social worker, we have been negotiating with a number of tertiary institutions, to explore the possibility of offering such education opportunities to them. Thanks to the Caritas Francis Hsu College, two of our EM youth were finally offered the chance of taking an associate degree program, which will lead to the qualification of registered social worker. We will continue monitoring the situation, as well as the progress of the two aforesaid students. Hopefully there would be more EM students having chances of pursuing professional social work programs in the coming future.

III) Equal Opportunities in employment

Employment is another area that we have been focusing on. One of the issues that we have been kept on calling is the improvement of employment assistance services provided by the Government. On March this year, we have invited Mr. Matthew Cheung, the Secretary for Labour Welfare, to have a direct dialogue with our EM people.

During the meeting, many of our EM participants expressed their frustration in unequal employment and training opportunities, as well as their dissatisfaction towards lack of racial sensitivity in services provided by the Labour Department. For example, most of its job information is only provided in Chinese. Although Mr. Cheung did not make concrete promises, we could see the Government is becoming more sensitive to the needs of EM people. They have been highlighted as service recipients in different programs, such as the Youth Pre-employment Training Program (YPTP) and Youth Work Experience and Training Scheme (YWETS).

As for employment retraining services, we have been collaborating with the Employment Retraining Board (ERB), to give useful suggestions and advice on how to enhance training opportunities for EM people. For instance, they are planning to provide Chinese language courses to help participants gaining GCSE Chinese or other relevant qualifications. Meanwhile, tailor-made opportunities have also been provided to EM youth not able to or just complete secondary education. With the help of the Confederations of Trade Unions (CTU), a part-time training program is going to provide to EM program and community workers currently working in welfare sector.

Funded by the ERB, we have commissioned the HKU to conduct a research on the training needs of EM people. The research will be completed by early next year. Hopefully, it will come up with some relevant and useful data and assist the ERB in planning its programs, so that they could be more user-friendly and fit into the needs of EM people.

Starting from last year, we have stepped up our efforts in advocating for equal opportunities in civil service recruitment. We found that the present situation that Chinese language requirement was imposed on all civil service posts, without considering work nature of individual posts as "unnecessary" and "discriminatory". Without justifiable reasons, it could amount to indirect discrimination as accord to the RDO.

Through a variety of means, including political lobbying, media pitching, community organizing and submission to the United Nations etc, we managed to draw public attention on the issue and solicit support from different sectors to our cause. Besides calling for changes in recruitment policies, we also worked hard to encourage our EM youth to apply for civil service, in particular the Police Force. We believe our hard work did at least exert some pressure on the Government, as Ms Denise Yue, the Secretary for Civil Service, did commit to conduct a review on the Chinese language requirement for posts in different departments, in a meeting of LegCo Public Services Panel held on May 24.

In fact, unequal opportunities in civil service not only exist in recruitment. For those joining the civil service force before 1997, they have also been facing unfair treatment when Chinese language proficiency suddenly became a benchmark for promotion. A group of EM staff in Correctional Services Department (CSD) came to us in last summer. After nearly one year of fighting, with the help of Legislative Councilors Mr. Lee Cheuk Yan and Ms Emily Lau, the CSD finally agreed to lower its Chinese language requirement for its promotion to the grade of Officer. From now onwards, applicants no longer need to pass a Chinese written test. Instead an oral Chinese test is sufficient. We wish this case would serve as a good precedent for other departments to follow.

Lastly, as for the private sector, we have been collaborating with some of the big enterprises, such as Starbucks, Pizza Hut, 7-Eleven, Ocean Park and Airport Authority, to urge and help them recruiting our EM youths. We will continue building our employer network. Hopefully there would be more employers identifying strengths of EM people and adopting a more racially inclusive policy.

IV) Police power abuse and malpractice

This year, we have continued keeping an eye on the abuse of power and racial profiling by the Police Force. A number of cases were handled, in which clients had been assisted to file complaints to the Police Force. Yet given the lack of independence of the police complaint mechanism, that cases are investigated by the Police themselves, it is not difficult to predict that all our cases ended up in failure.

The inquest hearing of Mr. Limbu, the Nepalese street sleeper being shot dead by a police constable on 17th March, 2009, concluded on 25th May, 2010. The jury returned a verdict of lawful killing in which Sony Rai, the widow of Mr. Limbu, and the EM communities could hardly agree. Since its happening, we have been following the case and providing assistance to the widow on both the legal process and her welfare matters. With the help of her solicitor, Sony Rai filed an application for judicial review (JR) on the ground of procedural impropriety. A leave has been granted eventually and the JR hearing would be held on 12th January, 2011. We will follow the progress and help Sony to develop an "exit" plan if she lost the case and was asked to return back to Nepal.

The Limbu's case did not help to change the police behavior greatly. Generally speaking, racial profiling and stereotypes are still very common among frontline police officers. Nevertheless, the Police Department did at least take one of our suggestions and recruit five EM liaison officers, stationing in five police districts where more EM people live and gather. Hopefully such measure will help to facilitate communications between the Police and EM communities.

V) Youth Empowerment

As mentioned previously, we believe it is important to engage EM people in our advocacy work. We consider young people as the "future pillar" of the society and therefore focus our mobilizing effort on this energetic target group.

During 2010, our EM youth was urged to take part in different types of advocacy activities including social action, meeting with government officials, speaking in Legislative Council and media program etc. They were also invited to participate in our cultural sensitivity training programs. We believe the above experience would not only help to build their confidence, but also raise their awareness on the unfair situation faced by their communities, as well as the basic human rights they are entitled. Through a year of hard work, we managed to develop a number of EM youth, who are more vocal and willing to speak out for their communities. Hopefully they would become our future leaders.

Thanks to the funding by the Operation Santas Claus of the SCMP, we have organized a mentorship program. A number of Unison supporters were invited to be our mentors. They are all mature and experienced people coming from different sectors including business, academic, education, social work and civil service, and who have done very well in their career. The mentees, mostly our scholarship holders, are students of different tertiary institutions with different ethnic origins. The mentoring relationships were mutually beneficial for both groups.

To facilitate the mentor-mentee relationship, our social worker had prepared orientation and other gathering sessions, such as hiking and canoeing activity. Throughout the process, she had also given appropriate guidance and advice to the participants, whenever needed. The mentorship program ended at this September. Participants found the program meaningful and treasured those relationships developed through the program. For our mentees, they have learned a lot from their mentors, gaining insight on how to further planning their lives especially in career.

VI) Promoting racial harmony

Unison always considers promoting multi-cultural understanding and racial harmony as one of our core missions. We believe genuine racial equality could not be achieved by merely legislation, if people did not change their mindset or perception. Therefore, we have been working hard to promote cross-cultural understanding in schools as well as in the wider community by a variety of means, including cultural sensitivity workshops, exhibitions, art performance and carnivals etc.

This year, thanks to the funding provided by the Operation Santa Claus of the SCMP, we have been managed to continue our 5th Racial Harmony @ school Project. Up until this July when the project was finished, we had organized more than 50 interactive theatres, 27 cultural exhibitions and 30 talks at schools, in which there were nearly 6100 students and teachers benefited. Through our programs, ethnic-Chinese students had the opportunities to experience South Asian cultures such as tasting their snacks, trying traditional costume and drawing Menhdi etc. More importantly, students learned that they should not judge people by skin and color.

Besides students, our program also targeted at teachers. Throughout the year, about 10 cultural sensitivity workshops and training programs were delivered to 902 teachers, as well as teacher-students studying in education programs.

Apart from school, our work also reached to the wider community. In March 20, the annual event of Unison, *Celebrating 3-21! International Day for the Elimination of Racial Discrimination Carnival* was successfully held outside the Hong Kong Cultural Centre at Tsim Sha Tsui. Our performers came from a variety of ethnic origins including Indians, Pakistanis, Nepalese, Thais, Filipinos; as well as the Whites and Chinese. More than 5,000 people, including local residents and tourists participated and enjoyed the show. They were able to experience colours of different culture.

During the past year, we have kept on delivering cultural sensitivity talks and workshops to people from different sectors. Participants include graduates in police colleges, social workers, post-secondary students studying social work, journalism, business and other subjects, members of churches etc. Sharing session were delivered to visitors from overseas and mainland China as well as Tai Wan who are studying law subjects or working in human rights NGOs.

VII) Other works

The 2010 Joint World Conference on Social Work and Social Development was held in June this year, in which, prominent and renowned scholars on social work and social development gathered in Hong Kong. Our Executive Director, Ms Fermi Wong, was invited to deliver a presentation in one of the workshops under the theme of "Embracing Diversity and Inclusion". A critical account on the Government's strategies and policies in tackling race issues was given, to enable the participants to understand more about Hong Kong's situation.

Besides international conferences, we have participated in two issues which our ethnic minority people have an interest at stake, i.e., the public consultation on long term welfare planning and the review of public broadcasting. Written submissions were prepared to express our views on these two issues. In addition, our staff also spoke in the public hearings of the relevant Legislative Council Panels to ensure voices of EM people being heard.

We consider internet as an important means of communications, especially with young people. This is why we have been strengthening the content of our website, and actively developing our network in the Face book website. So far we have nearly 500 friends in our Face book account. Most of them are EM youth. We have tried to spread our message through this platform and we would wait for a longer time to assess its effectiveness.

VIII) Supportive services

a) Case work

Without funding support, our staff struggled very hard to work for individuals and families in need. Yet we consider case work as necessary, as without handling these cases, we could hardly get first-hand information about situation of our clients and assess their needs. To put it simply, case work, however limited, served as the basis of our policy advocacy work.

During the past year, we have supported more than 100 individuals and families. They have experienced different situations such as substance abuse, lack of educational opportunities, child abuse, family violence, unemployment, labour injury, mental illness, racial and disability discrimination, police malpractice, and involvement in court cases etc.

b) Scholarships schemes

Thanks to the donation by Ms. Janet Wai, the Zonta Club N.T., and some private individuals, we have set up 3 scholarship schemes, namely Yun Lin HU Memorial Scholarships for Ethnic Minority Students, Zonta Club of N.T. Scholarships for Ethnic Minority Students and Unison Scholarships since 2008. Up to the end of 2010, there are more than 60 students benefited, including primary and post-secondary students.

As mentioned previously, some of scholarship holders who are studying in post-secondary institutions had been invited to join the mentorship schemes and they were benefited a lot from their relationships with the mentors.

c) Chinese Proficiency Enhancement and GCSE Exam Preparation classes

Part of the Operation Santa Claus Project was the provision of the Chinese proficiency enhancement classes to EM kindergarten students. This has been the second year we have organized such classes and we found it especially successful in raising EM kids' interests in learning Chinese. They became more ready in learning Chinese. With the professional support of Dr. Kwan Chi Ying of the Hong Kong Institute of Education (HKIEd), 55 student-teachers from HKIEd were trained and sent to teach in these classes. A total of 811 teaching hours had been offered to about 180 students were benefited from such programme.

Thanks to the assistance provided by Mr. Eddie Lau of the HKU Education Faculty, we have commenced the first GCSE Chinese examination preparation course for working adults and youth at the last quarter of 2009. The course lasted for 8 months and about 25 people had joined. They have taken the examination held in this June and almost all the students passed the examination with very good grades. Since the London Examination Authority has changed the syllabus and added school based assessment in the new academic year, we do not have the capacity to organize such course again. Yet we did do some media work about the lack of similar learning opportunities for EM working adults and youth. Consequentially, the ERB and some of the NGOs are planning to offer such courses in the near future.

d) Career guidance and support

Another part of the Operation Santa Claus project is the provision of career guidance and support to EM secondary and post-secondary school students. During the past year, we have reached out to them to deliver 28 career guidance talks and workshops to students from different forms and streams. In addition, an experiential learning activity was arranged and students had the chance to visit different workplaces, including the Airport, Starbucks, Ocean Park, police and fire station, Police College, design & advertisement company and social service agencies etc.

This year, we had continued to provide support to EM students finishing HKCEE. Our social workers had gone to two of the designated schools to give on-site advice to students. We had also assisted students in their application to IVE, as well as other post-secondary courses.

IX) Financial and Administrative Matters

a) Gratitude to funders, donors, volunteers and other supporters

Unison is a non-Governmental charitable organization. Given that public funding is unlikely available, we rely heavily on the support of project funding and private donations. We would like to take this opportunity to express our deepest gratitude to our funding sources, including the Oxfam Hong Kong, the Operation Santa Claus of SCMP, the Lee Hysan Foundation, the Keswick Foundation, the Zonta Club of N.T., the Equal Opportunities Commission and Ms. Janet Wai, the descendant of Mr. Yun Lin HU; and many other generous private individual donors. Without their financial support, we would not have been able to carry out our work and activities.

We would also like to express our sincere gratitude to all the volunteers of Unison, who have devoted their time, energy and wisdom to support us in our works and events. Their caring concern and generous contributions have made a difference.

b) Unison Hikathon 2010

This has been the second year that we have organized the Hikathon, our major fundraising event held annually in the form of hiking. The event was held on 10th October at Nam Chung (in Pat Sin Leng), where about 300 participants joined, including hikers, volunteers and guests etc. Thanks to the effort of Mr. Arvind, the chairman of the organizing committee, other committee members, as well as our devoted volunteers, the event was successful despite the poor weather. All the hikers finished the trail amid the slippery floor. Participants did appreciate the elements of tasting South Asian culture, including food, clothes and mendhi.

c) Staff team and new members of the Executive Committee

During the year there have been staffs in and out. Yet we consider it as a normal turnover. Given our limited financial strength and inability to provide attractive remuneration, it is not easy to retain good and quality staff. Currently, we have a total of four full-time and one part-time staff, in which three of us are registered social workers. We plan to hire one more EM full-time staff. On behalf of the Executive Committee, I would like to express my gratitude and appreciation to the great effort and work contributed by our staff.

This year, we managed to further strengthen our team of Executive Committee. Dr Stephen Fisher, an ex-senior government official who was the Director of Social Welfare before retirement, joined our Board in September 2010. At the same time, we have Dr. Baig Raees Begum, a Pakistani lady active involved in the EM Communities, and who is a member of the Committee of Promotion of Racial Harmony (CPRH), joined the Board in July 2010. On behalf of Unison, I would like to welcome and thanks for their participation.

X) Executive Committee members

The following are the Executive Committee Members of the Association for the year ended 31st March 2010.

1. Dr. Keezhangatte James Joseph (Chairperson)
2. Mr. Rajkumar Tiwari (First Deputy Chairperson)
3. Dr. Chong Ming Lin Alice (Second Deputy Chairperson)
4. Dr. Wong Hung (Third Deputy Chairperson)
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. Ms. Hung Sau Luen Judy

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

XI) 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.

XII) Audited Accounts

The results of the Association's operations for the year ended 31st March 2010 and the state of the Association's affairs at that date are set out in the accounts on pages 11 to 20.

XIII) Membership

As at 13th November 2010, there are a total of 17 members (including 12 ExCo Members and 5 Ordinary Members).

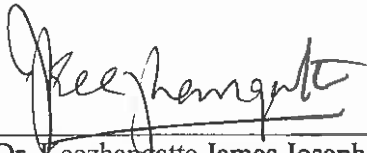
XIV) Fixed Assets

Movements in fixed assets during the year are set out in Note 4 (page 18) to the accounts.

XV) 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-election.

BY ORDER OF
THE EXECUTIVE COMMITTEE



Dr. Keezhangatte James Joseph
Chairperson

Dated: 13th November, 2010

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

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EDMOND C. K. LEUNG FCCA, ACIS, ATIIHK, CPA (Practising)
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PAUL C. Y. TSI BSC, CA, ACA, 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 11 to 20, which comprise the statement of financial position as at 31st March, 2010, 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 notes.

Executive Committees' responsibility for the financial statements

The executive committee are responsible for the preparation and the true and fair presentation of these financial statements in accordance with the Hong Kong Financial Reporting Standard for Private Entities issued by the Hong Kong Institute of Certified Public Accountants. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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 the agreed terms of the engagement, 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 as to 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 auditors consider internal control relevant to the Association's preparation and true and fair presentation of the financial statements 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 Association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the executive committee, 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
(Incorporated in Hong Kong and limited by guarantee and not having a share capital)

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, 2010 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, 13th November, 2010

HONG KONG UNISON LIMITED

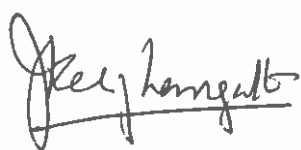
香港融樂會有限公司

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

STATEMENT OF FINANCIAL POSITION
AS AT 31ST MARCH, 2010

	Note	2010 HK\$	2009 HK\$
Non-current assets			
Fixed assets	4	63,628	94,764
Current assets			
Deposits		5,000	5,000
Cash and bank balances		<u>1,551,631</u>	<u>1,193,558</u>
		<u>1,556,631</u>	<u>1,198,558</u>
Less : Current liabilities			
Accrued expenses		28,441	27,391
Receipts in advance		<u>9,965</u>	<u>-</u>
		<u>38,406</u>	<u>27,391</u>
Net current assets		<u>1,518,225</u>	<u>1,171,467</u>
Net assets		<u>1,581,853</u>	<u>1,265,931</u>
Represented by :			
General fund	5	175,573	422,292
Funds for specific purposes	6	1,406,280	843,639

Approved and authorised for issue by
the Executive Committee on 13th November, 2010



Chairperson



Vice Chairperson

1,581,853

1,265,931

HONG KONG UNISON LIMITED

香港融樂會有限公司

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

INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST MARCH, 2010

	Note	2010 HK\$	2009 HK\$
Income			
General donations	7	60,435	164,188
Membership subscription income	7	<u>550</u>	<u>1,050</u>
		60,985	165,238
Other income			
Other income		37,164	33,816
Bank interest income		<u>120</u>	<u>4,610</u>
		<u>98,269</u>	<u>203,664</u>
Less : Expenditure			
Accountancy fee		18,000	23,000
Bank charges		1,300	450
Building management fee		8,250	16,500
Cleaning		3,980	-
Depreciation	3(a) & 4	42,362	40,117
Electricity and water		9,489	11,575
Printing and stationery		1,835	2,365
Programme costs		-	5,750
Rental expenses		12	-
Repairs and maintenance		232	4,120
Staff costs			
- Staff salaries		241,509	17,678
- Mandatory provident fund contributed by employer		11,440	267
Subscription fee		-	500
Sundry expenses		6,395	9,807
Transportation		<u>184</u>	<u>4,795</u>
		344,988	136,924
		<u>344,988</u>	<u>136,924</u>
(Deficit)/Surplus for the year transferred to general fund	5	<u>(246,719)</u>	<u>66,740</u>

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 CHANGES IN FUNDS
FOR THE YEAR ENDED 31ST MARCH, 2010

	General fund	Funds for specific purposes	Total
	HK\$	HK\$	HK\$
Balance as at 1st April, 2008	355,552	1,157,807	1,513,359
Surplus from income and expenditure account	66,740	-	66,740
Amounts received during the year	-	1,366,786	1,366,786
Utilisation during the year	-	<u>(1,680,954)</u>	<u>(1,680,954)</u>
Balance as at 31st March, 2009	<u>422,292</u>	<u>843,639</u>	<u>1,265,931</u>
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>(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>

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 CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH, 2010

	2010	2009
	HK\$	HK\$
Cash flows from operating activities		
(Deficit)/Surplus for the year	(246,719)	66,740
Adjustments for :		
Depreciation	42,362	40,117
Bank interest income	(120)	(4,610)
	(204,477)	102,247
Increase/(Decrease) in :		
Accrued expenses	1,050	(17,182)
Receipts in advance	9,965	-
Funds for specific purposes	562,641	(314,168)
Net cash generated from/(used in) operating activities	369,179	(229,103)
Investing activities		
Bank interest income	120	4,610
Purchases of fixed assets	(11,226)	(21,555)
Net cash used by investing activities	(11,106)	(16,945)
Increase/(Decrease) in cash and cash equivalents	358,073	(246,048)
Cash and cash equivalents at beginning of year	1,193,558	1,439,606
Cash and cash equivalents at end of year	1,551,631	1,193,558
Analysis of the balances of cash and cash equivalents		
Cash and bank balances	1,551,631	1,193,558

HONG KONG UNISON LIMITED

香港融樂會有限公司

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2010

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, 2010, the Association had 16 (2009 : 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.

HONG KONG UNISON LIMITED

香港融樂會有限公司

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2010

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	20%
Leasehold improvement	25%

The residual value and the useful life of an asset are reviewed at least at each financial year-end.

The Association assesses at each reporting date whether there is any indication that any items of property, plant and equipment may be impaired and that an impairment loss recognised in prior periods for an item may have decreased. If any such indication exists, the Association estimates the recoverable amount of the item. An impairment loss, being the amount by which the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount, or a reversal of impairment loss is recognised immediately in the income and expenditure account.

Gain or loss arising from the derecognition of an item of property, plant and equipment is included in the income and expenditure account when the item is derecognised and is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

(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.

(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 on cash basis;
- 2) Membership subscription income is recognised on cash basis.

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**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2010**

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

(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.

3. Transition to the HKFRS for Private Entities

Application of the HKFRS for Private Entities

The financial statements for the year ended 31st March, 2010 are its first annual financial statements prepared under accounting policies that comply with the HKFRS for Private Entities. The Association applied full Hong Kong Financial Reporting Standards (HKFRSs) to prepare its financial statements prior to the application of the HKFRS for Private Entities.

The Association's date of transition is 1st April, 2008 and the Association prepared its opening statement of financial position in compliance with the HKFRS for Private Entities at that date.

The Association has applied all the mandatory exceptions from full retrospective application of the HKFRS for Private Entities when preparing these financial statements in accordance with the HKFRS for Private Entities.

There is no material difference between the financial statements prepared under the HKFRS for Private Entities and that under the full HKFRSs.

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2010

4. Fixed assets

	Leasehold improvement	Office equipment	Total
	HK\$	HK\$	HK\$
2010			
Cost			
At 1.4.2009	103,530	71,171	174,701
Additions	-	11,226	11,226
At 31.3.2010	103,530	82,397	185,927
Less : Depreciation			
At 1.4.2009	51,765	28,172	79,937
Charge for the year	25,883	16,479	42,362
At 31.3.2010	77,648	44,651	122,299
Net book value			
As at 31.3.2010	25,882	37,746	63,628
2009			
Cost			
At 1.4.2008	103,530	49,616	153,146
Additions	-	21,555	21,555
At 31.3.2009	103,530	71,171	174,701
Less : Depreciation			
At 1.4.2008	25,883	13,937	39,820
Charge for the year	25,882	14,235	40,117
At 31.3.2009	51,765	28,172	79,937
Net book value			
As at 31.3.2009	51,765	42,999	94,764

5. General fund

	2010	2009
	HK\$	HK\$
Balance as at 1st April	422,292	355,552
(Deficit)/Surplus transferred from income and expenditure account	(246,719)	66,740
Balance as at 31st March	175,573	422,292

HONG KONG UNISON LIMITED

香港融樂會有限公司

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

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2010

6. Funds for specific purposes

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

Name of project	Balance as at 1.4.2009	Receipts	Transfer/ Payments/ Refunds	Balance as at 31.3.2010
	HK\$		HK\$	HK\$
Oxfam - Advocacy of Equal Rights for Ethnic Minorities (2008/09)	66,673	239,634	306,307	-
Oxfam - Advocacy of Equal Rights for Ethnic Minorities (2010/11)	-	248,000	42,640	205,360
Hong Kong Air Cargo - Ethnic Minorities Life Skills Enhancement and Racial Harmony Scheme	251,892	-	251,892	-
Lee Hysan Foundation – “Love U All” Youth Volunteering Project	291,275	-	134,487	156,788
South China Morning Post – Operation Santa Claus 2008	-	749,950	504,645	245,305
Centaline Charity Fund Limited - Chinese Proficiency Enhancement Project	-	200,000	200,000	-
Keswick Foundation Limited – Support Services to Ethnic Minority Residents in Hong Kong	-	167,043	137,430	29,613
Equal Opportunities Commission - Participation Funding Programme on Equal Opportunities	-	24,400	774	23,626
The Employees Retraining Board - Study on the Training Needs of Ethnic Minorities	-	161,120	-	161,120
Special reserve fund	195,070	397,856	13,457	579,469
Scholarships	38,729	283,840	317,570	4,999
	<u>843,639</u>	<u>2,471,843</u>	<u>1,909,202</u>	<u>1,406,280</u>

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**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2010**

7. Turnover

Turnover for the year comprises donations received and membership subscriptions totalling HK\$60,985 (2009 : HK\$165,238).

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.