

**LIBRARY PROJECT LIMITED  
(LIMITED BY GUARANTEE)**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31ST DECEMBER 2014**

LIBRARY PROJECT LIMITED  
(LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS

The directors submit their report together with the audited financial statements for the year ended 31st December 2014.

PRINCIPAL ACTIVITY

The company operates as a non-profit making organisation and its principal activity is to collect public offerings in order to donate books to the children in impoverished regions.

RESULTS

The results of the company for the year ended 31st December 2014 are set out in the statement of comprehensive income on page 5 of the financial statements.

Income for the financial year ended 31st December 2014 is from general donations.

Expenses for the financial year ended 31st December 2014 including some administrative and operating expenses, auditors' remuneration, bank charges and sundries.

This led to an operating surplus of US\$17,536 for the financial year ended 31st December 2014.

DIRECTORS

The directors during the year and up to the date of this report were:

Stader Thomas  
Ng Pun Lam, Jacqueline

In accordance with Article 37 of the company's Articles of Association, all directors retire at the forthcoming annual general meeting but, being eligible, offer themselves for re-election.

DIRECTORS' INTERESTS

No contracts of significance in relation to the company's operation to which the company was a party and in which a director of the company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

At no time during the year was the company a party to any arrangements to enable the directors of the company to acquire benefits by means of admission of membership in the company or any other body corporate.


#### MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the operation of the company were entered into or existed during the year.

#### AUDITORS

The financial statements have been audited by Vincent Kwok & Co. who retire and, being eligible, offer themselves for re-appointment.

On behalf of the Board

A handwritten signature in black ink, appearing to read 'Thomas', followed by a stylized flourish.

Chairman

HONG KONG, 25th July 2015



VINCENT KWOK & CO. *Certified Public Accountants*

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**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF  
LIBRARY PROJECT LIMITED  
(incorporated in Hong Kong with limited by guarantee)**

We have audited the financial statements of Library Project Limited set out on pages 5 to 11, which comprise the statements of financial position as at 31st December 2014, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Directors' responsibility for the financial statements**

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the Hong Kong Companies Ordinance, and for such internal control as the directors determine 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 consolidated financial statements based on our audit. This report is made solely to you, as a body, in accordance with section 80 of Schedule 11 to the new Hong Kong Companies Ordinance (Cap. 622), 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' judgment, 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 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.

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 company's affairs as at 31st December 2014 and of its surplus and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the Hong Kong Companies Ordinance.



Vincent Kwok & Co.

Certified Public Accountants

HONG KONG, 25th July 2015

LIBRARY PROJECT LIMITED  
(LIMITED BY GUARANTEE)

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31ST DECEMBER 2014

	Note	1.1.2014 to 31.12.2014 US\$	1.6.2012 to 31.12.2013 US\$
INCOME	4	18,555	16,572
		-----	-----
ADMINISTRATIVE AND OTHER OPERATING EXPENSES		(1,019)	(2,580)
		-----	-----
SURPLUS FOR THE YEAR/ PERIOD	5	17,536	13,992
OTHER COMPREHENSIVE INCOME FOR THE YEAR/ PERIOD		-	-
		-----	-----
TOTAL COMPREHENSIVE INCOME FOR THE YEAR/ PERIOD		17,536	13,992
		=====	=====

LIBRARY PROJECT LIMITED  
(LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL POSITION  
AS AT 31ST DECEMBER 2014

	Note	31.12.2014 US\$	31.12.2013 US\$
<b>CURRENT ASSETS</b>			
Cash and bank balances		6,534	25,315
Amount due from a related company	8	25,807	-
		<u>32,341</u>	<u>25,315</u>
<b>CURRENT LIABILITIES</b>			
Accrual		813	774
Amount due to a related company	9	-	10,549
		<u>813</u>	<u>11,323</u>
<b>NET CURRENT ASSETS</b>		<u>31,528</u>	<u>13,992</u>
Financed by:			
<b>RETAINED SURPLUS</b>		<u>31,528</u>	<u>13,992</u>

  
 Director

  
 Director

LIBRARY PROJECT LIMITED  
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STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31ST DECEMBER 2014

	Retained surplus US\$
At 1st June 2012	-
Total comprehensive income for the period	13,992
At 31st December 2013	<u>13,992</u>
Total comprehensive income for the year	17,536
At 31st December 2014	<u><u>31,528</u></u>



LIBRARY PROJECT LIMITED  
(LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31ST DECEMBER 2014

	1.1.2014 to 31.12.2014 US\$	1.6.2012 to 31.12.2013 US\$
Surplus for the year/ period and before working capital changes	17,536	13,992
Increase in amount due from a related company	(25,807)	-
Increase in accrual	39	774
(Decrease)/ increase in amount due to a related company	(10,549)	10,549
	-----	-----
(DECREASE)/ INCREASE IN CASH AND BANK BALANCES	(18,781)	25,315
CASH AND BANK BALANCES AT 31ST JANUARY 2014/ 1ST JUNE 2012	25,315	-
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CASH AND BANK BALANCES AT 31ST DECEMBER 2014/ 2013	6,534	25,315
	=====	=====

LIBRARY PROJECT LIMITED  
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

1 GENERAL

Library Project Limited is a non-profit making company incorporated in Hong Kong limited by guarantee and not having share capital. The company's registered office is located at 1501-08 Millennium City 5, No. 418 Kwun Tong Road, Kwun Tong, Kowloon, Hong Kong.

The company operates as a non-profit making organisation and its principal activity is to collect public offerings in order to donate books to the children in impoverished regions.

2 PRINCIPAL ACCOUNTING POLICIES

(a) Basis of preparation

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs"), Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), and accounting principles generally accepted in Hong Kong.

(b) Revenue recognition

Donations in cash for general purposes are recognised when the rights to receive payments have been established. Donations designed for specific purposes are deferred and recognised in profit or loss over the year necessary to match with the costs they are intended to compensate.

(c) Related parties

A party is considered to be related if the company and/ or the party are subjected to common control or significant influence. Related parties may be individuals or other entities.

(d) Translation of foreign currencies

Transactions in foreign currencies are translated at exchange rates ruling at the transaction dates. Monetary assets and liabilities expressed in foreign currencies at the balance sheet date are translated at rates of exchange ruling at the statement of financial position date. Exchange differences arising in these cases are dealt with in the statement of comprehensive income.

### 3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The company's management makes assumptions, estimates and judgements in the process of applying the company's accounting policies that affect the assets, liabilities, income and expenses in the financial statements prepared in accordance with HKFRSs. The assumptions, estimates and judgements are based on historical experience and other factors that are believed to be reasonable under the circumstances. While the management reviews their judgements, estimates and assumptions continuously, the actual results will seldom equal to the estimates.

### 4 INCOME

The company operates as a non-profit making organisation and its principal activity is to collect public offerings in order to donate books to the children in impoverished regions. Income recognised during the year/ period are as follows:

	1.1.2014 to 31.12.2014 US\$	1.6.2012 to 31.12.2013 US\$
Income		
Donations income	18,204	16,572
Exchange gain	7	-
Sundry income	344	-
	<u>18,555</u>	<u>16,572</u>
	=====	=====

### 5 SURPLUS FOR THE YEAR/ PERIOD

	1.1.2014 to 31.12.2014 US\$	1.6.2012 to 31.12.2013 US\$
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Surplus for the year/ period is stated after charging the following:

Auditors' remuneration	813	774
Company setup cost	-	1,490
	=====	=====

### 6 TAXATION

No Hong Kong profits tax has been provided as the company, being a charitable institution of a public character, is exempted from tax under Section 88 of the Inland Revenue Ordinance.

7 DIRECTORS' EMOLUMENTS

The directors received no fees or other emoluments for their services rendered to the company during the year (period ended 31st December 2013: Nil).

8 AMOUNT DUE FROM A RELATED COMPANY

Disclosures pursuant to Section 383(1) of the Hong Kong Companies Ordinance (Cap. 622) are as follows:

Name of company	Connected person/ director	31.12.2014 US\$	31.12.2013 US\$	Maximum amount outstanding during the year US\$
The Library Project, Inc.	Stader Thomas	25,807 =====	- =====	25,807

The amount due from a related company is unsecured, interest free and repayable on demand.

9 AMOUNT DUE TO A RELATED COMPANY

The amount due to a related company was unsecured, interest free and fully repaid during the year.

10 STATUS OF COMPANY

The company is a non-profit making incorporated company which is limited by guarantee and not having a share capital. In the event of this company being wound up, any person being a member or within one year thereafter, should be required to contribute to the deficit of the company for a sum not exceeding Hong Kong one hundred dollars.

11 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the board of directors on 25th July 2015.

LIBRARY PROJECT LIMITED  
(LIMITED BY GUARANTEE)

DETAILED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31ST DECEMBER 2014

(For management purposes only)

	1.1.2014 to 31.12.2014 US\$	1.6.2012 to 31.12.2013 US\$
Income		
Donations income	18,204	16,572
Exchange gain	7	-
Sundry income	344	-
	<u>18,555</u>	<u>16,572</u>
Expenses		
Auditors' remuneration	813	774
Bank charges	174	-
Company setup cost	-	1,490
Entertainment	-	56
Local travelling	-	162
Sundries	32	-
Telephone	-	98
	<u>1,019</u>	<u>2,580</u>
Surplus for the year/ period	<u>17,536</u>	<u>13,992</u>