

**LIBRARY PROJECT LIMITED**  
**REPORT OF THE DIRECTORS AND**  
**AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**LIBRARY PROJECT LIMITED**

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**LIBRARY PROJECT LIMITED  
REPORT OF THE DIRECTORS**

The directors present herewith the report and the audited financial statements of the Company for the year ended 31 December 2021.

**PRINCIPAL ACTIVITY**

The Company operates as a non-profit making organisation and was principally engaged in charitable activities during the year.

**RESULTS**

The Company's deficit for the year ended 31 December 2021 and its financial position as at 31 December 2021 are set out in the financial statements on pages 4 to 9.

**DIRECTORS**

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

Thomas STADER  
HE ZhenZhen

In accordance with article 37 of the Company's articles of association, the remaining directors shall hold office only until the conclusion of the next annual general meeting, and shall then be eligible for re-election.

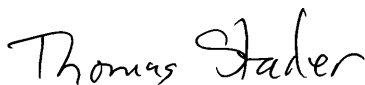
**MANAGEMENT CONTRACTS**

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

**AUDITOR**

The financial statements have been audited by Messrs. Conpak CPA Limited, who retire and being eligible, offer themselves for re-appointment. A resolution for the re-appointment as auditor of the Company will be proposed at the forthcoming annual general meeting.

**ON BEHALF OF THE BOARD**



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Thomas STADER  
Chairman

Hong Kong, 27 April 2022

**INDEPENDENT AUDITOR'S REPORT  
TO THE SOLE MEMBER OF LIBRARY PROJECT LIMITED  
(incorporated in Hong Kong with limited liability by guarantee)**

**Opinion**

We have audited the financial statements of Library Project Limited ("the Company") set out on pages 4 to 9, which comprise the statement of financial position as at 31 December 2021, the statement of income and expenditure account and the statement of changes in fund for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements of the Company are prepared, in all material respects, in accordance with the Hong Kong Small and Medium-Sized Entity Financial Reporting Standard ("SME-FRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

**Basis for Opinion**

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") and with reference to Practice Note 900 (Revised), Audit of Financial Statements Prepared in Accordance with the Small and Medium-Sized Entity Financial Reporting Standard issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Information Other than the Financial Statements and Auditor's Report Thereon**

The directors are responsible for the other information. The other information comprises the information included in the directors' report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Directors and Those Charged with Governance for the Financial Statements**

The directors are responsible for the preparation of the financial statements in accordance with the SME-FRS issued by the HKICPA 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.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

**INDEPENDENT AUDITOR'S REPORT (continued)  
TO THE SOLE MEMBER OF LIBRARY PROJECT LIMITED  
(incorporated in Hong Kong with limited liability by guarantee)**

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Conpak CPA Limited  
Certified Public Accountants

SUN Man Shing  
Practising Certificate Number: P07186

Hong Kong, 27 April 2022

**LIBRARY PROJECT LIMITED**  
**STATEMENT OF INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 US\$	2020 US\$
<b>INCOME</b>			
Donations income	4	15,484	16,565
<b>OTHER INCOME</b>			
Exchange gains, net	4	-	319
		<hr/>	<hr/>
		15,484	16,884
		<hr/>	<hr/>
<b>EXPENDITURES</b>			
Accounting fee		743	743
Auditor's remuneration		1,136	1,135
Bank charges		283	167
Business registration fee		32	32
Donations expense		14,162	13,825
Exchange losses, net		35	-
Legal and professional fee		1,310	1,452
		<hr/>	<hr/>
		(17,701)	(17,354)
		<hr/>	<hr/>
<b>DEFICIT FOR THE YEAR</b>	5	(2,217)	(470)
		<hr/>	<hr/>

**LIBRARY PROJECT LIMITED**  
**STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021**

	2021 US\$	2020 US\$
<b>CURRENT ASSET</b>		
Cash and bank balances	2,532	6,070
<b>CURRENT LIABILITY</b>		
Accruals	-	(1,321)
<b>NET CURRENT ASSET</b>	<u>2,532</u>	<u>4,749</u>
<b>GENERAL FUND</b>		
Retained surplus	<u>2,532</u>	<u>4,749</u>

*Thomas Stader*

Thomas STADER  
 Director

*Nichole He 何珍珍*

HE ZhenZhen  
 Director

**LIBRARY PROJECT LIMITED  
STATEMENT OF CHANGES IN FUND  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	US\$
<b>RETAINED SURPLUS</b>	
At 1 January 2020	5,219
Deficit for the year	(470)
	<hr/>
At 31 December 2020 and 1 January 2021	4,749
Deficit for the year	(2,217)
	<hr/>
At 31 December 2021	2,532
	<hr/> <hr/>



## **LIBRARY PROJECT LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021**

#### **1. COMPANY INFORMATION**

Library Project Limited is incorporated under the Hong Kong Companies Ordinance as a private company limited by guarantee without having share capital. The Company's registered office is located at Room 06, 13/F., South Tower, World Finance Centre, Harbour City, 17 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong. The Company is exempted from tax under Section 88 of the Inland Revenue Ordinance as being a charitable institution or trust of a public character.

The Company operates as a non-profit making organisation and was principally engaged in charitable activities during the year.

#### **2. BASIS OF PREPARATION**

The Company qualifies for the reporting exemption as a small private company under section 359(1)(a) of the Hong Kong Companies Ordinance and is therefore entitled to prepare and present its financial statements in accordance with the Hong Kong Small and Medium-sized Entity Financial Reporting Standard ("SME-FRS") issued by the Hong Kong Institute of Certified Public Accountants.

These financial statements comply with the SME-FRS issued by the Hong Kong Institute of Certified Public Accountants and have been prepared under the accrual basis of accounting and on the basis that the Company is a going concern.

The measurement base adopted is the historical cost convention.

#### **3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### Income and other income recognition

Income and other income are recognised when they are probable that the economic benefits will flow to the Company and when the income and other income can be measured reliably, based on (i) and (ii) respectively:

- (i) 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; and
- (ii) bank interest income is recognised on a time proportion basis, taking into account the principal outstanding and the effective interest rate applicable.

##### Foreign exchange

The reporting currency of the Company is United States Dollars, which is the currency of the primary economic environment in which the Company operates.

Foreign currency transactions are converted at the exchange rate applicable at the transaction date. Foreign currency monetary items are translated using exchange rates applicable at the end of the reporting period. Gains and losses on foreign exchange are recognized in the income statement.

**LIBRARY PROJECT LIMITED****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021****3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**Income tax

Income tax expense represents current tax expense. The income tax payable represents the amounts expected to be paid to the taxation authority, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is not provided.

**4. INCOME AND OTHER INCOME**

Income represents donations received for both years. An analysis of income is as follows:

	2021 US\$	2020 US\$
Income:		
Donations	15,484	16,565
Other income:		
Exchange gains, net	-	319
Total	<u>15,484</u>	<u>16,884</u>

**5. DEFICIT FOR THE YEAR**

The Company's deficit for the year is arrived at after charging the following item:

	2021 US\$	2020 US\$
Donations expense	14,162	13,825

**6. DIRECTORS' REMUNERATION**

None of directors received or will receive any fees or emoluments in respect of the services to the Company during the year (2020: Same).

**LIBRARY PROJECT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021**

**7. INCOME TAX**

No provision for Hong Kong Profits Tax has been made in these financial statements as the Company is exempted from all taxes under Section 88 of the Inland Revenue Ordinance (2020: Same).

**8. APPROVAL OF FINANCIAL STATEMENTS**

The financial statements were approved and authorized for issue by the board of directors on 27 April 2022.