

**BRING ME A BOOK HONG KONG LIMITED
(LIMITED BY GUARANTEE)**

**REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2016**



BRING ME A BOOK HONG KONG LIMITED
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2016

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BRING ME A BOOK HONG KONG LIMITED

GOVERNORS' REPORT

The governors present their report on the affairs of the Company and the audited financial statements for the year ended 30 April 2016.

The Company qualifies for the reporting exemption as a small guarantee company under section 359(1)(a) of the Hong Kong Companies Ordinance (Cap. 622) and is exempted from making certain disclosures in this governors' report.

Principal activities

Bring Me A Book Hong Kong Limited ("the Company") is a company limited by guarantee incorporated in Hong Kong. The Company's principal activities are fundraising, provision of easy access to quality children's book and to inspire parents to assist children for future success in school and life.

Results

The deficit of the Company for the year ended 30 April 2016 and the Company's financial position as at that date are set out in the financial statements on pages 5 to 12.

Debentures issued

No debenture was issued by the Company during the year.

Equity-linked agreements

No equity-linked agreement subsisted at the end of the year, or at any time during the year.

Permitted indemnity provision

No permitted indemnity provision was in force for the benefit of any of the governors of the Company, or of its associated company, at the time of approval of this governors' report, or at any time during the year.

Governors

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

BANG Michelle Jungmin	(appointed on 18 October 2016)
CHAN, Chi Yan	
CHEN, Jennifer Mun Leong	
CHUNG, Yuen Ki Jacqueline	
HO, Annie	
LAU, Tansy	(resigned on 15 February 2016)
LEE, Su Hwei	(resigned on 30 December 2015)
LIU, Michelle	(resigned on 18 October 2016)
MATULA-HAKLI Christina	(appointed on 15 February 2016)
REHNBORG, Gweneth Bourgeault	(resigned on 18 October 2016)

In accordance with articles 35 & 36 the Company's Articles of Association (amended on 8 May 2009), any governor or governors who has or have been in office for a period of four years, shall retire from office. A retiring governor shall be eligible for re-election for another term of four years and shall thereafter retire from office and shall not be further eligible for re-election.

BRING ME A BOOK HONG KONG LIMITED

GOVERNORS' REPORT

Governors (continued)

The Company did not enter into any contract, other than the contracts of service with the governors or any person engaged in the full-time employment of the Company, whereby any individual, firm or body corporate undertakes the management and administration of the whole, or any substantial part of any operation of the Company.

Auditors

The financial statements have been audited by OWKH Certified Public Accountants, Hong Kong, who retire and, being eligible, offer themselves for re-appointment.

ON BEHALF OF THE BOARD



.....
HO, Annie
Chairman

21 October 2016

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
BRING ME A BOOK HONG KONG LIMITED**
(A company limited by guarantee incorporated in Hong Kong)

Report on the Financial Statements

We have audited the financial statements of Bring Me A Book Hong Kong Limited ("the Company") set out on pages 5 to 12, which comprise the statement of financial position as at 30 April 2016, and the income statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Governors' Responsibility for the Financial Statements

The governors are responsible for the preparation of financial statements in accordance with the Small and Medium-sized Entity Financial Reporting Standard (SME-FRS) issued by the Hong Kong Institute of Certified Public Accountants and the Hong Kong Companies Ordinance, and for such internal control as the governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit, and to report our opinion solely to you, as a body, in accordance with section 405 of the 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 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 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 auditor's 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 auditor considers internal control relevant to the entity's preparation 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the governors, 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 for the year ended 30 April 2016 are prepared, in all material respects, in accordance with the SME-FRS and have been properly prepared in compliance with the Hong Kong Companies Ordinance.



OWKH Certified Public Accountants
Hong Kong
21 October 2016

BRING ME A BOOK HONG KONG LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 30 APRIL 2016

	Notes	2016 HK\$	2015 HK\$
INCOME			
Revenue	3	6,972,179	4,855,200
Other income	4	<u>34</u>	<u>60</u>
		<u>6,972,213</u>	<u>4,855,260</u>
EXPENSES			
General and administrative expenses		(780,554)	(792,986)
Fundraising event expenses		(453,352)	(523,519)
Program expenses		<u>(6,121,682)</u>	<u>(5,168,184)</u>
		<u>(7,355,588)</u>	<u>(6,484,689)</u>
Deficit for the year	5	<u>(383,375)</u>	<u>(1,629,429)</u>

The accompanying accounting policies and explanatory notes form an integral part of, and should be read in conjunction with, these financial statements.

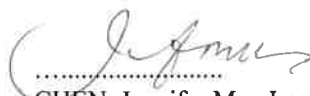
BRING ME A BOOK HONG KONG LIMITED


STATEMENT OF FINANCIAL POSITION

AT 30 APRIL 2016

	Notes	2016 HK\$	2015 HK\$
NON-CURRENT ASSETS			
Property, plant and equipment	8	155,131	274,920
CURRENT ASSETS			
Inventories		590,224	693,115
Deposits paid		165,150	156,150
Prepayments		585,036	387,471
Other receivables		13,266	5,016
Cash and cash equivalent		<u>8,157,860</u>	<u>8,486,526</u>
		<u>9,511,536</u>	<u>9,728,278</u>
CURRENT LIABILITIES			
Accruals and other payables		<u>(178,839)</u>	<u>(131,995)</u>
NET CURRENT ASSETS			
		<u>9,332,697</u>	<u>9,596,283</u>
NET ASSETS			
		<u>9,487,828</u>	<u>9,871,203</u>
FUNDS			
Accumulated funds	9	<u>9,487,828</u>	<u>9,871,203</u>

Approved by


.....
CHEN, Jennifer Mun Leong
Governor


.....
HO, Annie
Governor

The accompanying accounting policies and explanatory notes form an integral part of, and should be read in conjunction with, these financial statements.

BRING ME A BOOK HONG KONG LIMITED
ACCOUNTING POLICIES AND EXPLANATORY NOTES
FOR THE YEAR ENDED 30 APRIL 2016

1. GENERAL INFORMATION

Bring Me A Book Hong Kong Limited (“the Company”) is a company limited by guarantee incorporated in Hong Kong. The Company’s principal activities are fundraising, provision of easy access to quality children’s books and to inspire parents to assist children for future success in school and life.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The Company qualifies for the reporting exemption as a small guarantee company under section 359(1)(a) of the Hong Kong Companies Ordinance (Cap. 622) and is therefore entitled to prepare and present its financial statements in accordance with the 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 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.

The following are the specific accounting policies that are necessary for a proper understanding of these financial statements.

Revenue

Revenue is recognised when it is probable that the economic benefits will flow to the Company and when the revenue can be measured reliably.

- (i) Donations are recognised upon receipt;
- (ii) Interest income is recognised on a time proportion basis taking into account the principal outstanding and the interest applicable.

Foreign currency translation

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

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

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

The depreciable amount of an item of property, plant and equipment is allocated on a systematic basis over its estimated useful life using the straight-line method. The principal annual rates used for depreciation are as follows:

Leasehold improvements	33.33%
Furniture & fixtures	33.33%
Office equipment	33.33%

BRING ME A BOOK HONG KONG LIMITED
ACCOUNTING POLICIES AND EXPLANATORY NOTES
FOR THE YEAR ENDED 30 APRIL 2016

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

Impairment of assets

An assessment is made at the end of each reporting period to determine whether there is any indication of impairment or reversal of previous impairment, including items of property, plant and equipment. In the event that an asset's carrying amount exceeds its recoverable amount, the carrying amount is reduced to recoverable amount and an impairment loss is recognised in the income statement. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount, however not to an amount higher than the carrying amount that would have been determined (net of depreciation), had no impairment losses been recognised for the asset in prior years.

Inventories

Inventories are stated at the lower of cost (using a first-in-first-out basis) and net realisable value. In arriving at net realisable value an allowance has been made for deterioration and obsolescence.

Leases

Leases where substantially all the risks and rewards of ownership of assets are not transferred to the lessee are accounted for as operating leases. Annual rents applicable to such operating leases are charged to the income statement on a straight-line basis over the lease term.

Related parties

For the purpose of these financial statements, related party includes a person and entity as defined below:

- (a) A person or a close member of that person's family is related to the Company if that person:
- i. is a member of the key management personnel of the Company or of a parent of the Company;
 - ii. has control over the Company; or
 - iii. has joint control or significant influence over the Company or has significant voting power in it.
- (b) An entity is related to the Company if any of the following conditions applies:
- i. the entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - ii. either entity is an associate or joint venture of the other entity (or of a member of a group of which the other entity is a member).
 - iii. both entities are joint ventures of a third entity.
 - iv. either entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - v. the entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the reporting entity is itself such a plan, the sponsoring employers are also related to the plan.
 - vi. the entity is controlled or jointly controlled by a person identified in (a).
 - vii. a person identified in (a)(i) has significant voting power in the entity.

BRING ME A BOOK HONG KONG LIMITED
ACCOUNTING POLICIES AND EXPLANATORY NOTES
FOR THE YEAR ENDED 30 APRIL 2016

3. REVENUE

The amounts of each significant category of revenue recognised during the year are as follows:

	2016 HK\$	2015 HK\$
General donations	1,967,873	900,614
Fundraising event receipts	1,364,196	591,438
Special project donations	<u>3,640,110</u>	<u>3,363,148</u>
	<u>6,972,179</u>	<u>4,855,200</u>

Included in fundraising event receipts, HK\$464,800 is related to a fund raising activity that will take place in May 2016 (2015: HK\$nil). Cash has been received prior to the end of the reporting period hence revenue has been recognised in accordance with the Company's accounting policies stated in note 2 to these financial statements.

4. OTHER INCOME

	2016 HK\$	2015 HK\$
Bank interest income	34	51
Sundry income	<u>-</u>	<u>9</u>
	<u>34</u>	<u>60</u>

BRING ME A BOOK HONG KONG LIMITED
ACCOUNTING POLICIES AND EXPLANATORY NOTES
FOR THE YEAR ENDED 30 APRIL 2016

5. DEFICIT FOR THE YEAR

Deficit for the year is arrived at after charging the following items:

	2016	2015
	HKS	HKS
Auditor's remuneration	15,000	15,000
Depreciation		
- Included in general and administrative expenses	116,137	96,523
- Included in program expenses – special project expenses	11,652	5,959
Legal and professional fees	9,249	2,800
Net exchange losses	125	-
Occupancy charges and office supports	246,966	236,262
Office rent, rates and management fees	358,995	356,725
Special project expenses	3,828,187	3,143,831
Staff costs		
- Key management personnel's remuneration	-	-
- Other staff costs		
included in general and administrative expenses	74,495	62,352
included in program expenses	1,419,469	1,319,493
included in program expenses – special project expenses	<u>959,420</u>	<u>837,415</u>

6. GOVERNORS' REMUNERATION

No governors received any fees or emoluments in respect of their services during the year (2015: HK\$nil).

7. INCOME TAX EXPENSE

No provision has been made for Hong Kong Profits Tax as the Company is exempted from tax under section 88 of the Hong Kong Inland Revenue Ordinance (2015: HK\$nil).

BRING ME A BOOK HONG KONG LIMITED
ACCOUNTING POLICIES AND EXPLANATORY NOTES
FOR THE YEAR ENDED 30 APRIL 2016

8. PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements HK\$	Furniture and fixtures HK\$	Office equipment HK\$	Total HK\$
Costs				
At 1 May 2015	319,414	73,529	307,474	700,417
Additions	-	-	8,000	8,000
At 30 April 2016	<u>319,414</u>	<u>73,529</u>	<u>315,474</u>	<u>708,417</u>
Accumulated depreciation and impairment				
At 1 May 2015	144,730	19,049	261,718	425,497
Depreciation	<u>79,805</u>	<u>24,509</u>	<u>23,475</u>	<u>127,789</u>
At 30 April 2016	<u>224,535</u>	<u>43,558</u>	<u>285,193</u>	<u>553,286</u>
Net carrying amounts				
At 1 May 2015	<u>174,684</u>	<u>54,480</u>	<u>45,756</u>	<u>274,920</u>
At 30 April 2016	<u>94,879</u>	<u>29,971</u>	<u>30,281</u>	<u>155,131</u>

9. CHANGES IN FUNDS

	Accumulated funds HK\$
At 1 May 2015	9,871,203
Deficit for the year	<u>(383,375)</u>
At 30 April 2016	<u>9,487,828</u>

10. COMMITMENTS UNDER OPERATING LEASES

The Company had the following total future minimum lease payments payable under a non-cancellable operating lease in Hong Kong:

	2016 HK\$	2015 HK\$
Not later than one year	518,400	505,440
Later than one year but within five years	<u>505,440</u>	-
	<u>1,023,840</u>	<u>505,440</u>

BRING ME A BOOK HONG KONG LIMITED
ACCOUNTING POLICIES AND EXPLANATORY NOTES
FOR THE YEAR ENDED 30 APRIL 2016

11. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved and authorised for issue by the Board of Governors on 21 October 2016.

BRING ME A BOOK HONG KONG LIMITED**DETAILED INCOME STATEMENT****FOR THE YEAR ENDED 30 APRIL 2016****(FOR MANAGEMENT PURPOSES ONLY)**

	2016	2015
	HK\$	HK\$
Revenue		
-General donations	1,967,873	900,614
-Fundraising event receipts	1,364,196	591,438
-Special project donations	<u>3,640,110</u>	<u>3,363,148</u>
	6,972,179	4,855,200
Add: Other income		
-Bank interest income	34	51
-Sundry income	<u>-</u>	<u>9</u>
	34	60
Less: General and administrative expenses		
-Accounting fees	(36,000)	(32,500)
-Annual report production fees	-	(19,200)
-Auditor's remuneration	(15,000)	(15,000)
-Bank charges	(16,423)	(9,259)
-Depreciation	(116,137)	(96,523)
-Insurance	(6,392)	(3,300)
-Legal and professional fees	(9,249)	(2,800)
-Membership fees	(3,300)	(2,200)
-Net exchange losses	(125)	-
-Office rent, rates and management fees	(358,995)	(356,725)
-Office supplies and other expenses	(45,488)	(61,249)
-Printing and copying	(12,129)	(10,156)
-Rent for storage	(39,600)	(39,600)
-Repairs and maintenance	(8,464)	(45,930)
-Staff costs and related expenses	(74,495)	(62,352)
-Sundry expenses	(2,000)	(108)
-Telecommunications	(17,177)	(17,840)
-Utility expenses	<u>(19,580)</u>	<u>(18,244)</u>
	<u>(780,554)</u>	<u>(792,986)</u>
Less: Fundraising event expenses		
-Fundraising events	(453,352)	-
-Special and other events	<u>-</u>	<u>(523,519)</u>
	<u>(453,352)</u>	<u>(523,519)</u>

BRING ME A BOOK HONG KONG LIMITED

DETAILED INCOME STATEMENT

FOR THE YEAR ENDED 30 APRIL 2016

(FOR MANAGEMENT PURPOSES ONLY)

	2016	2015
	HK\$	HK\$
Less: Program expenses		
-Books	(350,940)	(73,185)
-Community training	(30,000)	(2,400)
-First teacher training	(35,985)	(37,717)
-Marketing and promotion	(28,522)	(41,612)
-Materials	(139,226)	(288,649)
-Occupancy charges and office supports	(246,966)	(236,262)
-Special project expenses	(3,828,187)	(3,143,831)
-Staff costs and related expenses	(1,419,469)	(1,319,493)
-Staff training, conference and meeting expenses	(21,326)	(7,617)
-Travel and transportation	(9,179)	(15,100)
-Volunteer program	(11,882)	(2,318)
	<u>(6,121,682)</u>	<u>(5,168,184)</u>
Deficit for the year	<u>(383,375)</u>	<u>(1,629,429)</u>