

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

**REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**



BRING ME A BOOK HONG KONG LIMITED
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022

CONTENTS

	Pages
Governors' report	1 - 2
Independent auditor's report	3 - 5
Income statement	6
Statement of financial position	7
Accounting policies and explanatory notes	8 - 14

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 2022.

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 books 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 2022 and the Company's financial position as at that date are set out in the financial statements on pages 6 to 14.

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	
CHAN, Chi Yan	(resigned on 21 October 2022)
CHEN, Jennifer Mun Leong	(resigned on 21 October 2022)
CHU, Ngar Yee	
IP, Rachel Clare	(resigned on 20 October 2022)
LAM, Wai Fan Fanny	(appointed on 20 October 2022)
MATULA-HAKLI, Christina	(resigned on 7 June 2021)
PONG, Ling Cherng	(appointed on 20 October 2022)
WONG, Yee Pui Amanda	

In accordance with articles 35 and 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



.....
PONG, Ling Cherng
Chairman
11 November 2022

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

Reports on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Bring Me A Book Hong Kong Limited (“the Company”) set out on pages 6 to 14, which comprise the statement of financial position as at 30 April 2022, and the income statement 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 (“HKSA”) and with reference to PN 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 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.

Other Information

The governors are responsible for the other information. The other information comprises the information included in the governors’ 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 Governors and Those Charged with Governance for the Financial Statements

The governors 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 governors 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 governors 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 governors 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.

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. It is our responsibilities to form an independent opinion, based on our audit, on the financial statements 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.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's 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 HKSA's, 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 governors.
- Conclude on the appropriateness of the governors' 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.

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

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.



OWKH Certified Public Accountants
Hong Kong
11 November 2022

BRING ME A BOOK HONG KONG LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 30 APRIL 2022

	Notes	2022 HK\$	2021 HK\$
INCOME			
Revenue	3	4,112,507	6,052,982
Other income	4	<u>5,586</u>	<u>254,312</u>
		<u>4,118,093</u>	<u>6,307,294</u>
EXPENSES			
General and administrative expenses		(626,377)	(617,298)
Fundraising event expenses		(119,662)	(164,752)
Program expenses	5	<u>(5,136,080)</u>	<u>(4,620,093)</u>
		<u>(5,882,119)</u>	<u>(5,402,143)</u>
(Deficit)/ surplus for the year	6	<u>(1,764,026)</u>	<u>905,151</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 2022

	Notes	2022 HK\$	2021 HK\$
NON-CURRENT ASSETS			
Property, plant and equipment	9	129,880	34,078
Deposits paid		<u>18,500</u>	<u>60,000</u>
		148,380	94,078
CURRENT ASSETS			
Inventories		447,723	416,460
Donation and fundraising event receivables		15,340	61,109
Deposits paid		60,150	18,650
Prepayments		193,081	78,248
Other receivables		-	8,633
Cash and cash equivalent		<u>6,008,802</u>	<u>7,326,894</u>
		6,725,096	7,909,994
CURRENT LIABILITIES			
Deposits received		(4,507)	(4,507)
Receipts in advance		(668,385)	(260,000)
Accruals and other payables		<u>(507,755)</u>	<u>(282,710)</u>
		(1,180,647)	(547,217)
NET CURRENT ASSETS			
		<u>5,544,449</u>	<u>7,362,777</u>
NET ASSETS			
		<u>5,692,829</u>	<u>7,456,855</u>
FUNDS			
Accumulated funds	10	<u>5,692,829</u>	<u>7,456,855</u>

Approved by


.....
PONG, Ling Cherng
Governor


.....
CHU, Ngar Yee
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 2022

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 or if there is any donor demanded condition or restrictions imposed, donations are recognised upon such condition or restriction being met;
- (ii) Government grants are recognised upon receipt or if there is any demanded condition or restrictions imposed, government grants are recognised upon such condition or restriction being met;
- (iii) 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.

BRING ME A BOOK HONG KONG LIMITED
ACCOUNTING POLICIES AND EXPLANATORY NOTES
FOR THE YEAR ENDED 30 APRIL 2022

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

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:

Office equipment	33.33%
------------------	--------

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.

BRING ME A BOOK HONG KONG LIMITED
ACCOUNTING POLICIES AND EXPLANATORY NOTES
FOR THE YEAR ENDED 30 APRIL 2022

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

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.

3. REVENUE

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

	2022	2021
	HK\$	HK\$
General donations	2,158,175	938,432
Income from fundraising events	317,202	327,829
Special project donations (<i>note</i>)		
- Feng ZiKai	690,016	3,537,626
- Others	<u>947,114</u>	<u>1,249,095</u>
	<u>4,112,507</u>	<u>6,052,982</u>

Note: Special project donations represents donations that are restricted to be used in projects designated by donors and are not supposed to be used in any other purposes except with the permission or acknowledgement of the donors (see note 5 for the related expenses). Among the special projects undertaken, "Feng ZiKai" is a special project dedicated to help promote the publication and wide distribution of high-quality Chinese children's picture books, along with their importance in childhood literacy.

BRING ME A BOOK HONG KONG LIMITED
ACCOUNTING POLICIES AND EXPLANATORY NOTES
FOR THE YEAR ENDED 30 APRIL 2022

4. OTHER INCOME

	2022	2021
	HK\$	HK\$
Bank interest income	10	16
Government grants (<i>note</i>)	-	252,000
Net exchange gains	-	1,935
Sundry income	<u>5,576</u>	<u>361</u>
	<u>5,586</u>	<u>254,312</u>

Note: Government grants represent monies received from the Hong Kong Government under various rounds of Anti-Epidemic Fund, amid the disruption caused by the outbreak of Coronavirus Disease 2019 (COVID-19) (note 12), which aims to help businesses stay afloat and to keep workers in employment.

5. PROGRAM EXPENSES

Included in program expenses, there are special project expenses of HK\$3,430,494 (2021: HK\$2,475,971), including expenses relating to Feng Zikai of HK\$2,182,546 (2021: HK\$1,626,408) and other special projects of HK\$1,247,948 (2021: HK\$849,563).

Special project expenses are those expenses incurred directly in relation to special project donations of HK\$1,637,130 (2021: HK\$4,786,721) (see note 3) and are inclusive of the following expenses:

	2022	2021
	HK\$	HK\$
Award	591,406	101,088
Books	387,122	323,619
Consultancy fees	110,000	110,000
Depreciation	6,093	2,262
Office rent, rates and management fees	90,000	84,920
Staff costs and other related expenses	1,210,910	791,016
Trainer and speaker fees	445,588	189,562
Others	<u>589,375</u>	<u>873,504</u>
	<u>3,430,494</u>	<u>2,475,971</u>

BRING ME A BOOK HONG KONG LIMITED
ACCOUNTING POLICIES AND EXPLANATORY NOTES
FOR THE YEAR ENDED 30 APRIL 2022

6. (DEFICIT)/ SURPLUS FOR THE YEAR

(Deficit)/ surplus for the year is arrived at after (charging)/ crediting the following items:

	2022	2021
	HK\$	HK\$
Auditor's remuneration	(20,000)	(20,000)
Award expenses (note 5)	(591,406)	(101,088)
Books		
included in fundraising expenses	(7,208)	(102,006)
included in program expenses	(188,657)	(163,963)
included in program expenses – special project expenses (note 5)	(387,122)	(323,619)
Consultancy fees (note 5)	(110,000)	(110,000)
Depreciation		
included in general and administrative expenses	(14,659)	(18,562)
included in program expenses – special project expenses (note 5)	(6,093)	(2,262)
Legal and professional fees	(2,800)	(2,800)
Net exchange (losses)/ gains	(1,725)	1,935
Office rent, rates and management fees		
included in general and administrative expenses	(162,000)	(152,794)
included in program expenses	(108,000)	(101,863)
included in program expenses – special project expenses (note 5)	(90,000)	(84,920)
Staff costs and other related expenses		
- Key management personnel's remuneration		
included in program expenses	(321,646)	(563,292)
included in program expenses – special project expenses (note 5)	(393,508)	-
- Other staff costs		
included in general and administrative expenses	(196,572)	(142,908)
included in program expenses	(921,308)	(1,161,460)
included in program expenses – special project expenses (note 5)	(817,402)	(791,016)
Trainer and speaker fees		
included in fundraising expenses	(107,840)	(61,490)
included in program expenses	(38,525)	(46,225)
included in program expenses – special project expenses (note 5)	<u>(445,588)</u>	<u>(189,562)</u>

7. GOVERNORS' REMUNERATION

No governors received any fees or emoluments in respect of their services during the year (2021: HK\$nil).

8. 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 (2021: HK\$nil).

BRING ME A BOOK HONG KONG LIMITED
ACCOUNTING POLICIES AND EXPLANATORY NOTES
FOR THE YEAR ENDED 30 APRIL 2022

9. PROPERTY, PLANT AND EQUIPMENT

	Office equipment HK\$
Costs	
At 1 May 2021	112,700
Additions	<u>116,554</u>
At 30 April 2022	229,254
Accumulated depreciation and impairment	
At 1 May 2021	78,622
Depreciation	<u>20,752</u>
At 30 April 2022	<u>99,374</u>
Net carrying amounts	
At 30 April 2021	<u>34,078</u>
At 30 April 2022	<u>129,880</u>

10. CHANGES IN FUNDS

	Accumulated funds			Total HK\$
	General HK\$	Special projects - Feng ZiKai HK\$	Special projects - Others HK\$	
At 1 May 2021	4,924,116	1,643,410	889,329	7,456,855
(Deficit)/ surplus for the year	29,338	(1,492,530)	(300,834)	(1,764,026)
Transfer	<u>388,250</u>	<u>(21,068)</u>	<u>(367,182)</u>	<u>-</u>
At 30 April 2022	<u>5,341,704</u>	<u>129,812</u>	<u>221,313</u>	<u>5,692,829</u>

BRING ME A BOOK HONG KONG LIMITED
ACCOUNTING POLICIES AND EXPLANATORY NOTES
FOR THE YEAR ENDED 30 APRIL 2022

11. COMMITMENTS UNDER OPERATING LEASES

The Company had the following total future minimum lease payments payable under non-cancellable operating leases for an office and a warehouse in Hong Kong for original lease terms of 2 to 3 years:

	2022	2021
	HK\$	HK\$
Not later than one year	158,400	76,400
Later than one year but within five years	<u>16,400</u>	<u>-</u>
	<u>174,800</u>	<u>76,400</u>

12. IMPACT OF COVID-19

The outbreak of COVID-19 since the beginning of 2020 has led to significant disruption in worldwide and the Company's operation and caused significant uncertainties on the whole economy development. In view of such circumstances and the uncertainties related to the possible impact of the COVID-19 pandemic, the governors have given careful consideration to the future liquidity and performance of the Company and its available sources of financing in assessing whether the Company will have sufficient financial resources to continue as a going concern.

Subsequent to the end of the reporting period, the impact of COVID-19 has continued to be eased with the global economy on its way of recovery. The governors are of the opinion that Company continues to retain sufficient financial resources to continue as a going concern.

13. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved and authorised for issue by the Board of Governors on 11 November 2022.

BRING ME A BOOK HONG KONG LIMITED
DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 30 APRIL 2022
(FOR MANAGEMENT PURPOSES ONLY)

	2022	2021
	HK\$	HK\$
Revenue		
-General donations	2,158,175	938,432
-Income from fundraising events	317,202	327,829
-Special project donations	<u>1,637,130</u>	<u>4,786,721</u>
	4,112,507	6,052,982
 Add: Other income		
-Bank interest income	10	16
-Government grants	-	252,000
-Net exchange gains	-	1,935
-Sundry income	<u>5,576</u>	<u>361</u>
	5,586	254,312
 Less: General and administrative expenses		
-Accounting fees	(36,000)	(36,000)
-Annual report production fees	-	(27,322)
-Auditor's remuneration	(20,000)	(20,000)
-Bank charges	(11,915)	(16,594)
-Depreciation	(14,659)	(18,562)
-Insurance	(5,806)	(5,805)
-Legal and professional fees	(2,800)	(2,800)
-Membership fees	(3,208)	(3,792)
-Net exchange losses	(1,725)	-
-Office rent, rates and management fees	(162,000)	(152,794)
-Office supplies and other expenses	(31,752)	(39,934)
-Rent for storage	(126,600)	(126,600)
-Repairs and maintenance	(9,144)	(18,331)
-Staff costs and related expenses	(196,572)	(142,908)
-Sundry expenses	-	(836)
-Telecommunications	(3,572)	(3,993)
-Utility expenses	<u>(624)</u>	<u>(1,027)</u>
	(626,377)	(617,298)
 Less: Fundraising event expenses		
-Fundraising events	(119,662)	(164,752)

BRING ME A BOOK HONG KONG LIMITED

DETAILED INCOME STATEMENT

FOR THE YEAR ENDED 30 APRIL 2022

(FOR MANAGEMENT PURPOSES ONLY)

	2022	2021
	HK\$	HK\$
Less: Program expenses		
-Books	(188,657)	(163,963)
-Community training	(23,250)	(14,775)
-First teacher training	(2,800)	(16,400)
-Marketing and promotion	(12,756)	(25,234)
-Materials	(75,882)	(62,803)
-Office rent, rates and management fees	(108,000)	(101,863)
-Special project expenses	(3,430,494)	(2,475,971)
-Staff costs and related expenses	(1,242,954)	(1,724,752)
-Staff training, conference and meeting expenses	(33,535)	(16,425)
-Telecommunications	(2,154)	(2,380)
-Travel and transportation	(5,278)	(2,358)
-Volunteer program	(10,320)	(13,169)
	<u>(5,136,080)</u>	<u>(4,620,093)</u>
(Deficit)/ surplus for the year	<u>(1,764,026)</u>	<u>905,151</u>