

**REDRESS LIMITED**  
(LIMITED BY GUARANTEE AND  
NOT HAVING A SHARE CAPITAL)

REPORTS  
AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31ST DECEMBER, 2011

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## **REDRESS LIMITED**

### **REPORT OF THE DIRECTORS**

The Directors have pleasure in presenting to Members their annual report together with the audited financial statements of the Company for the year ended 31st December, 2011.

### **PRINCIPAL ACTIVITIES**

The principal activities of the Company are the advancement of education of the general public in recycling, responsible consumerism and the effects of pollution generally on the overall health of the Hong Kong community.

There are no significant changes compared with the activities conducted in the previous year.

### **RESULTS**

The results for the financial year are exhibited in the annexed audited financial statements.

### **PROPERTY, PLANT AND EQUIPMENT**

Movements in property, plant and equipment during the year are set out in Note 4 of the Notes on the Financial Statements.

### **DONATIONS**

During the year the Company did not make any charitable donation. (2010: HK\$24,000)

### **DIRECTORS**

The following Directors held office during the year:-

Christian John Constantin Brun

Christina Emily Brun

Gabrielle Edel Mary Kirstein

(appointed on 15 December 2011)

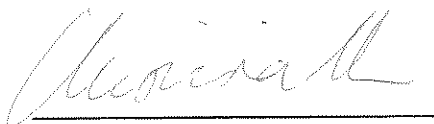
**DIRECTORS' INTERESTS IN CONTRACTS**

No contracts of significance to which the Company was a party and in which a Director had a material interest subsisted at the end of the year or at any time during the year.

**AUDITORS**

The financial statements for the year were audited by Messrs. HO TAK SANG & COMPANY.

On behalf of the Board



Director

19 MAY 2010



**HO TAK SANG & CO.,**  
Certified Public Accountants, Hong Kong

何德生會計師事務所

**Partners:**

Ho Tak Sang FCPA, FCCA, MBA, CFP<sup>CM</sup>

Leung Ka Wa CPA, FCCA

Miranda Chang CPA, CPA(Aust.)

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**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
REDRESS LIMITED**

(incorporated in Hong Kong, limited by guarantee and not having a share capital)

We have audited the financial statements of reDress Limited set out on pages 5 to 18, which comprise the statement of financial position as at 31st December, 2011, the statement of comprehensive income, 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.

**Directors' responsibility for the financial statements**

The directors are responsible for the preparation and the true and fair presentation of these financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the Hong Kong Companies Ordinance. 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 and to report our opinion solely to you, as a body, in accordance with section 141 of the 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.

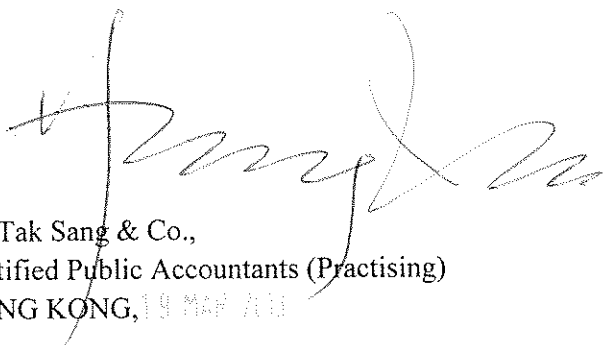
We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements 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' 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 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 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, 2011 and of its deficit 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.




Ho Tak Sang & Co.,  
Certified Public Accountants (Practising)  
HONG KONG, 19 MAR 2012

**REDRESS LIMITED**

**STATEMENT OF FINANCIAL POSITION AS AT  
 31ST DECEMBER, 2011**

	Note	2011 HKS	2010 HKS
<b>Non-current Assets</b>			
Property, Plant and Equipment	4	<u>534</u>	<u>1,067</u>
<b>Current Assets</b>			
Sundry Receivables	5	17,967	55,115
Cash and Bank Balances		<u>538,806</u>	<u>471,447</u>
		<u>556,773</u>	<u>526,562</u>
<b>Current Liabilities</b>			
Accrued Liabilities		(62,884)	(24,074)
Receipts in Advance		(80,000)	0
Amounts due to a Director	6	<u>(855,027)</u>	<u>(661,121)</u>
		<u>(997,911)</u>	<u>(685,195)</u>
<b>Net Current Liabilities</b>		<u>(441,138)</u>	<u>(158,633)</u>
<b>Total Assets less Current Liabilities</b>		<u>(440,604)</u>	<u>(157,566)</u>
Financed by:			
<b>Funds</b>			
Accumulated Deficits		<u>(440,604)</u>	<u>(157,566)</u>

\_\_\_\_\_  
 Director

  
 \_\_\_\_\_  
 Director

**REDRESS LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED  
 31ST DECEMBER, 2011**

	Note	2011 HK\$	2010 HK\$
<b>INCOME</b>			
Turnover	7	2,429,483	1,001,648
Other Revenues	7	115,003	10,004
<b>TOTAL INCOME</b>		<u>2,544,486</u>	<u>1,011,652</u>
<b>LESS: EXPENDITURE</b>			
Cost of Events		(2,261,037)	(518,457)
Depreciation		(533)	(533)
Other Operating Expenditure		(565,954)	(282,550)
<b>TOTAL EXPENDITURE</b>		<u>(2,827,524)</u>	<u>(801,540)</u>
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<u>(283,038)</u>	<u>210,112</u>
<b>OTHER COMPREHENSIVE INCOME</b>		0	0
<b>TOTAL COMPREHENSIVE INCOME</b>		<u>(283,038)</u>	<u>210,112</u>

**STATEMENT OF CHANGES IN FUNDS  
 FOR THE YEAR ENDED  
 31ST DECEMBER, 2011**

	<b>Accumulated Deficits HK\$</b>
Balance as at 31st December, 2009	(367,678)
Total Comprehensive Income for the year ended 31st December, 2010	210,112
Balance as at 31st December, 2010	<u>(157,566)</u>
Total Comprehensive Income for the year ended 31st December, 2011	(283,038)
Balance as at 31st December, 2011	<u>(440,604)</u>

**REDRESS LIMITED**

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED  
 31ST DECEMBER, 2011**

	Note	2011 HK\$	2010 HK\$
<b>Cash flows from operating activities</b>			
Surplus/(Deficit) for the year		(283,038)	210,112
Adjustment for:			
Depreciation		533	533
Interest Income		(3)	(4)
Operating surplus/(deficit) before working capital changes		(282,508)	210,641
(Increase)/Decrease in Sundry Receivables		37,148	(37,968)
Increase/(Decrease) in Accrued Liabilities and Receipts in Advance		118,810	(8,851)
Increase in Amounts due to a Director		193,906	110,576
Cash generated from operations		67,356	274,398
Interest Received		3	4
<b>Net cash from operating activities</b>		<b>67,359</b>	<b>274,402</b>
<b>Cash flows from investing activities</b>			
Payments to Acquire Property, Plant and Equipment		0	(1,600)
<b>Net cash used in investing activities</b>		<b>0</b>	<b>(1,600)</b>
<b>Cash flows from financing activities</b>			
		0	0
<b>Net Increase in Cash and Cash Equivalents</b>		<b>67,359</b>	<b>272,802</b>
<b>Cash and Cash Equivalents at Beginning of Year</b>	12	<b>471,447</b>	<b>198,645</b>
<b>Cash and Cash Equivalents at End of Year</b>	12	<b>538,806</b>	<b>471,447</b>



## REDRESS LIMITED

### NOTES ON THE FINANCIAL STATEMENTS

#### Reporting Entity

REDRESS LIMITED is a company incorporated in Hong Kong, limited by guarantee and not having a share capital. The Company's registered office is located at Suite 2406, 24/F., 9 Queen's Road, Central, Hong Kong. The principal activities of the Company are the advancement of education of the general public in recycling, responsible consumerism and the effects of pollution generally on the overall health of the Hong Kong community.

#### 1 PRINCIPAL ACCOUNTING POLICIES

##### a. Basis of Preparation

The financial statements of the Company have been prepared under the historical cost convention, and in accordance with the Hong Kong Financial Reporting Standards, accounting principles generally accepted in Hong Kong, and the disclosure requirements of the Hong Kong Companies Ordinance.

The financial statements are presented in Hong Kong dollars, which is the same as the functional currency of the Company.

##### b. Impact of New and Revised Hong Kong Financial Reporting Standards

The Hong Kong Institute of Certified Public Accountants ("HKICPA") has issued a number of new and revised Hong Kong Financial Reporting Standards ("HKFRSs"), Hong Kong Accounting Standards ("HKASs") and Interpretations for HKFRSs and HKASs ("Int"), which are effective for accounting periods beginning on or after 1st January, 2011. In addition, the HKICPA has published several improvements to HKFRSs in 2010 which were based on annual improvements project of IASB. Such new and revised accounting standards and annual improvements however do not have any significant impact to the Company.

##### c. Property, Plant and Equipment

Property, Plant and equipment are stated at cost less accumulated depreciation and impairment loss, if any. The cost of each item comprises its purchase price and any directly attributable costs of bringing the item to working condition and location for its intended use.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance and overhaul costs, are normally recognised as an expense in the income statement in the period in which they are incurred. In situation where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of the property, plant and equipment, the expenditure is capitalised as an additional cost of the property, plant and equipment.

**REDRESS LIMITED**

**NOTES ON THE FINANCIAL STATEMENTS**

**1 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)**

**c. Property, Plant and Equipment (Continued)**

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition is determined as the difference between the net sales proceeds and the carrying amount of the relevant asset and is recognised in the income statement as an income or expense in the period of derecognition.

Depreciation is provided to write off the cost of property, plant and equipment over their estimated useful lives using the straight-line method at the following annual rates:

Computer Equipment	33 1/3%
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**d. Impairment**

At each date of statement of financial position, the Company 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, but so 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 an income immediately.

**e. Financial Instruments**

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Financial Assets

Financial assets are classified into four categories, including financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets.

**REDRESS LIMITED****NOTES ON THE FINANCIAL STATEMENTS****1 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)****e. Financial Instruments (Continued)****(i) Financial Assets at fair value through profit or loss**

Financial assets at fair value through profit or loss include financial assets held for trading and those designated as at fair value through profit or loss on initial recognition.

**(ii) Loans and Receivables**

Loans and receivables are non-derivative financial assets with fixed and determinable payments that are not quoted in an active market. At each date of statement of financial position subsequent to initial recognition, loans and receivables are carried at amortised cost using the effective interest method, less any impairment losses.

**(iii) Held-to-maturity Investments**

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity.

**(iv) Available-for-sale Financial Assets**

Available-for-sale financial assets are those non-derivative financial assets that are designated as available-for-sale investments or not classified as any of the above 3 categories. At the date of statement of financial position subsequent to initial recognition, available-for-sale financial assets are measured at fair value. Changes in fair value are recognised in equity, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously recognised in equity is removed from equity and recognised in profit or loss.

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, they are measured at cost less any identified impairment loss at the date of statement of financial position subsequent to initial recognition.

**Financial Liabilities**

Financial liabilities are classified into financial liabilities at fair value through profit or loss and other financial liabilities.

**REDRESS LIMITED**

**NOTES ON THE FINANCIAL STATEMENTS**

**1 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)**

**e. Financial Instruments (Continued)**

(i) Financial Liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss are those financial liabilities held for trading and those designated as at fair value through profit or loss on initial recognition. At the date of statement of financial position subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value, with changes in fair value recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss includes any interest paid on the financial liability.

(ii) Other Financial Liabilities

At the date of statement of financial position subsequent to initial recognition, other financial liabilities are carried at amortised costs using the effective interest method unless the effect of discounting is immaterial, in which case they are stated at cost.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Company has transferred substantially all the risks and rewards of ownership of the financial assets. Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires.

**f. Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable taking into account the amount of any discounts and volume rebates allowed by the Company. Revenue is recognised when it is probable that the economic benefits will flow to the company and when the revenue can be measured reliably, on the following bases:

(i) Grants are recognised on an accrual basis.

(ii) Sponsorship income are recognised on cash basis.

(iii) Interest income is recognised on an accrual basis using the effective interest method by applying the rate that discounts the estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

(iv) Operating lease rental income is recognised on the straight-line basis.

**REDRESS LIMITED**

**NOTES ON THE FINANCIAL STATEMENTS**

**1 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)**

**g. Operating Leases**

Leases where substantially all the risks and rewards of ownership of the leased assets remain with the lessors are accounted for as operating leases.

Where the Company is lessor, assets leased by the Company under operating leases are included in non-current assets and lease receipts applicable to such leases are recognised in the statement of comprehensive income as an income on a straight line basis over the period of the relevant leases, except where an alternative basis is more representative of the time pattern of benefits to be derived from the leased assets. Lease incentives to the lessees are recognised as an integral part of the net consideration agreed for the use of the leased assets, irrespective of their nature or form or the timing of payments.

Where the Company is lessee, lease payments applicable to such leases are recognised in the statement of comprehensive income as an expense on a straight line basis over the period of the relevant leases, except where an alternative basis is more representative of the time pattern of benefits to be derived from the leased assets. Lease incentives from the lessors are recognised in the income statement as an integral part of the aggregate net lease payments made, irrespective of their nature or form or the timing of payments.

**h. Employee Benefits**

**Retirement Benefits Costs**

The Company operates an approved defined contribution retirement benefits scheme for employees: a Mandatory Provident Fund (MPF) Scheme under the Mandatory Provident Fund Schemes Ordinance.

The contributions payable to the Company's defined contribution retirement benefits schemes are recognised as an expense in the income statement as incurred.

**i. Cash and Cash Equivalents**

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, less bank overdrafts which are repayable on demand and form an integral part of the Company's cash management.

**REDRESS LIMITED****NOTES ON THE FINANCIAL STATEMENTS****2 KEY SOURCES OF ESTIMATION UNCERTAINTY**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under circumstances.

The key assumptions concerning the future, and other key sources of estimation uncertainty at the date of statement of financial position, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period, are discussed below.

**Useful lives of Property, Plant and Equipment**

In applying the accounting policy on property, plant and equipment with respect to depreciation, management estimates the useful lives of various categories of property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. The estimated useful lives reflect the management's estimate of the period that the Company could derive future economic benefits from the use of these assets.

**3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Company's major financial instruments include bank deposits and amounts due to a director. Details of these financial instruments are disclosed in the respective notes. The risks associated with these financial instruments and the policies applied by the Company to mitigate these risks are set out below.

**(a) Credit risk**

The Company's maximum exposure to credit risk in the event of the counterparties' failure to perform their obligations in relation to each class of financial assets is the carrying amount of those assets as stated in the statement of financial position.

The credit risk on bank deposits is minimal because the counterparties are banks or financial institutions with high credit-rating awarded by international credit-rating agencies.

Other than concentration of credit risk on liquid funds which are deposited with a bank with high credit rating and government funding grants receivable, the Company has no significant concentration of credit risk.

**REDRESS LIMITED**

**NOTES ON THE FINANCIAL STATEMENTS**

**3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)**

**(b) Liquidity risk**

The Company manages liquidity risk by maintaining adequate liquid funds, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The non-derivative financial liabilities of the Company as at 31st December, 2011 and 31st December, 2010 are analysed into relevant maturity buckets based on their contractual undiscounted obligations in the table below:

	On Demand HK\$	Within 1 year HK\$	Total HK\$
<b><u>31st December, 2011</u></b>			
Accrued Liabilities	0	62,884	62,884
Amounts due to a Director	855,027	0	855,027
	<u>855,027</u>	<u>62,884</u>	<u>917,911</u>
<b><u>31st December, 2010</u></b>			
Accrued Liabilities	0	24,074	24,074
Amounts due to a Director	661,121	0	661,121
	<u>661,121</u>	<u>24,074</u>	<u>685,195</u>

**(c) Cash flow interest rate risk**

The Company's exposure to cash flow interest rate risk is minimal because the Company does not have any floating rate borrowings.

**(d) Fair Value**

The fair value of the Company's financial assets and liabilities are not materially different from their carrying amounts because of their immediate or short term maturity.

**REDRESS LIMITED**

**NOTES ON THE FINANCIAL STATEMENTS**

**4 PROPERTY, PLANT AND EQUIPMENT**

Cost	Computer Equipment HK\$
As at 1st January, 2010	0
Additions during year	1,600
Disposals during year	<u>0</u>
As at 31st December, 2010 and 1st January, 2011	1,600
Additions during year	0
Disposals during year	<u>0</u>
As at 31st December, 2011	<u>1,600</u>
<b>Deduct:</b>	
<b>Accumulated Depreciation</b>	
As at 1st January, 2010	0
Provided for the year	533
Eliminated on Disposals	<u>0</u>
As at 31st December, 2010 and 1st January, 2011	533
Provided for the year	533
Eliminated on Disposals	<u>0</u>
As at 31st December, 2011	<u>1,066</u>
<b>Net Book Value</b>	
As at 31st December, 2011	<u>534</u>
As at 31st December, 2010	<u>1,067</u>

<b>5 SUNDRY RECEIVABLES</b>	<b>2011 HK\$</b>	<b>2010 HK\$</b>
Accounts Receivable	193	7,000
Rental Receivable	9,000	0
Prepayments	0	5,275
Rental and Utility Deposits	5,176	42,840
Sundry Debtors	3,598	0
	<u>17,967</u>	<u>55,115</u>



**REDRESS LIMITED**

**NOTES ON THE FINANCIAL STATEMENTS**

**6 AMOUNTS DUE TO A DIRECTOR**

Amounts due to director are unsecured, interest-free and repayable on demand.

**7 TURNOVER AND REVENUE**

	<b>2011</b>	<b>2010</b>
	<b>HKS</b>	<b>HKS</b>
Revenues recognised during the year are as follows:-		
<b>Turnover</b>		
Grants Received	1,168,493	0
Sponsorship Income	1,260,990	1,001,648
	<u>2,429,483</u>	<u>1,001,648</u>
<b>Other Revenues</b>		
Rental Income	53,000	10,000
Sundry Income	62,000	0
Interest Income	3	4
	<u>115,003</u>	<u>10,004</u>
<b>Total Revenues</b>	<u>2,544,486</u>	<u>1,011,652</u>

**8 DIRECTORS' EMOLUMENTS**

During the year, no amounts were paid in respect of directors' emoluments, directors' or past directors' pensions or for any compensation to directors or past directors in respect of loss of office.

**9 EMPLOYMENT COSTS**

Salaries and Allowances	603,419	10,500
Mandatory Provident Fund Contributions	3,450	0
	<u>606,869</u>	<u>10,500</u>

**10 SURPLUS/(DEFICIT) BEFORE TAX**

**Surplus/(Deficit) before Tax is arrived at after charging:**

Auditors' Remuneration	5,000	5,000
Depreciation of Owned Property, Plant and Equipment	533	533
Hire of Land and Building under Operating Leases		
Minimum Lease Payments	<u>114,295</u>	<u>75,022</u>

**REDRESS LIMITED**

**NOTES ON THE FINANCIAL STATEMENTS**

**10 SURPLUS/(DEFICIT) BEFORE TAX (CONTINUED)**

	<b>2011</b>	<b>2010</b>
<b>and after crediting:</b>	<b>HK\$</b>	<b>HK\$</b>
Interest Income	3	4
Net Rental Income under Operating Leases		
Minimum Lease Payments	53,000	10,000
	<u>53,000</u>	<u>10,000</u>

**11 INCOME TAX**

The Company is exempted from Profits Tax in accordance with S.88 of the Inland Revenue Ordinance.

**12 STATEMENT OF CASH FLOWS**

**Cash and Cash Equivalents**

Cash and cash equivalents included in the statement of cash flows comprise the following amounts in the statement of financial position:

Cash on hand and balances with banks	538,806	471,447
	<u>538,806</u>	<u>471,447</u>

**13 FINANCIAL INSTRUMENTS BY CATEGORY**

The carrying amounts of each category of financial instruments as at the date of statement of financial position are as follows:

<b>Financial assets</b>	Held-to- maturity Investments	Financial Assets at Fair Value through Profit or Loss	Loans and Receivables	Available- for-sale Investments
	HK\$	HK\$	HK\$	HK\$
<b>2011</b>				
Accounts Receivable	0	0	193	0
Rental Receivable	0	0	9,000	0
Rental and Utility Deposits	0	0	5,176	0
Sundry Debtors	0	0	3,598	0
Cash and Bank Balances	0	0	538,806	0
	<u>0</u>	<u>0</u>	<u>556,773</u>	<u>0</u>

**REDRESS LIMITED**

**NOTES ON THE FINANCIAL STATEMENTS**

**13 FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)**

<b>Financial assets</b>	Held-to- maturity Investments HK\$	Financial Assets at Fair Value through Profit or Loss HK\$	Loans and Receivables HK\$	Available- for-sale Investments HK\$
<b>2010</b>				
Accounts Receivable	0	0	7,000	0
Rental and Utility Deposits	0	0	42,840	0
Cash and Bank Balances	0	0	471,447	0
	<u>0</u>	<u>0</u>	<u>521,287</u>	<u>0</u>

<b>Financial liabilities</b>	Financial Liabilities at Fair Value through Profit or Loss HK\$	Other Financial Liabilities HK\$
<b>2011</b>		
Accrued Liabilities	0	62,884
Amounts due to a Director	0	855,027
	<u>0</u>	<u>917,911</u>

<b>2010</b>		
Accrued Liabilities	0	24,074
Amounts due to a Director	0	661,121
	<u>0</u>	<u>685,195</u>

**14 APPROVAL OF FINANCIAL STATEMENTS**

These financial statements were approved and authorized for issue by the board of directors on  
 19 MAR 2011.

**REDRESS LIMITED**

**DETAILED INCOME STATEMENT FOR THE YEAR ENDED  
 31ST DECEMBER, 2011  
 (FOR MANAGEMENT PURPOSE ONLY)**

	<b>2011</b>	<b>2010</b>
	<b>HK\$</b>	<b>HK\$</b>
<b>INCOME</b>		
Grants Received	1,168,493	0
Sponsorship Income	1,260,990	1,001,648
	<u>2,429,483</u>	<u>1,001,648</u>
<b>OTHER INCOME</b>		
Rental Income	53,000	10,000
Sundry Income	62,000	0
Interest Income	3	4
	<u>2,544,486</u>	<u>1,011,652</u>
<b>TOTAL INCOME</b>		
<b>LESS: COST OF EVENTS</b>	<u>2,261,037</u>	<u>518,457</u>
	<u>283,449</u>	<u>493,195</u>
<b>LESS: EXPENDITURE</b>		
Accountancy Fees	2,900	5,000
Auditors' Remuneration	5,000	5,000
Bank Charges	3,521	6,081
Computer Hardware and Software	190	0
Depreciation of Owned Property, Plant and Equipment	533	533
Donations	0	24,000
Electricity, Telecommunications and Water	11,939	7,030
Exchange Difference	(151)	2,331
Insurance	15,099	0
Legal and Professional Fees	15,242	6,173
Mandatory Provident Fund Contributions	3,450	0
Postage, Printing and Stationery	25,282	12,250
Registration Fee	0	3,000
Rent and Building Management Fee	129,105	75,022
Repairs and Maintenance	0	788
Research	12,000	0
Salaries and Allowances	297,327	10,500
Sundries	14,204	549
Travelling and Transportation	8,546	124,826
Website and Brand Building	22,300	0
	<u>566,487</u>	<u>283,083</u>
<b>TOTAL EXPENDITURE</b>		
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>	<u>(283,038)</u>	<u>210,112</u>