

MANAGEMENT AND FINANCIAL REPORT

Sailing is necessary

Old sailors had a glorious phrase:

"Sailing is necessary; living is not necessary".

I want for me the spirit of this phrase, Its manner transformed to match what I am;

Living is not necessary; necessary is to create. I don't expect to enjoy my life; nor do I think in enjoying it.

I just want to make it great, Even if for that my body (and my soul) Will have to be the wood of that fire.

I just want to make it of all mankind; Even if for that I would have to lose it as mine. Increasingly so I think.

I increasingly put the inner essence of my blood The impersonal aim to elevate the motherland And contribute For the mankind evolution.

This is the way that took in me the mysticism of our Race.

[Note of SF "Navigare necesse; vivere non est necesse" -Latin phrase of Pompey, Roman general, 106-48 B.c., said to the sailors, frightened, who had refused to travel during the war, cf. Plutarch, Life of Pompey in] Poem of Fernando Pessoa, in" Poems of Fernando Pessoa"

FUNDAÇÃO RUI CUNHA

Por Macau, Mais e Melhor, 為澳門,無私奉獻,精益求精

MANAGEMENT AND FINANCIAL REPORT 2013

INTRODUCTION

In 2013, the activity developed by Rui Cunha Foundation consolidated its establishment in the Macau society developing concepts already initiated during the first eight months of its existence, in 2012, and implemented new forms of intervention, either in defense of the Macau Law, or in support of the People of Macau.

The growing public recognition, although still far from the natural ambition of the Founders, the Board of Directors and the entire structure of the Foundation, allows us to infer the correctness of the delineated path to fulfill the creation of the Foundation Rui Cunha purpose, well reflected in its statutes "... to contribute to the development of the identity of the MSAR legal system, individual and autonomous, the people of Macau and their unique culture, intervening philanthropic and culturally in the civil society ".

SUMMARY OF THE ACTIVITY DEVELOPED

Recognizing that the financial situation of the Foundation is correctly reflected in its financial statements, all the more so because the same were audited by the Statutory Auditor, and also because it is a direct consequence of the activity which has been developed throughout the year, we consider important to disclose the set of actions and events held throughout the year by the different organizational areas.

IN DEFENSE OF MACAU LAW

The Center for Reflection, Study and Diffusion of the Law of Macau (CRED-DM), developed in 2013 the following set of activities:

CONFERENCES/DEBATES

Cycle "Reflections at Nightfall"

Domestic Violence. Public or Semi-Public Crime?: Speakers: Dr. André Cheong - Director of Legal Affairs Bureau; Dr. Melinda Chan -Member of the Macau Legislative Assembly; Sister Juliana Good Shepherd Centre Director; By Video-Conference: Professor Doutor Paulo de Sousa Mendes - Professor at the Faculty of Law of Lisboa; Moderator: Rosa Serrano, TDM.







Food safety: Speakers: Prof. Gabriel Tong Deputy and Deputy Director of the Faculty of Law of the University of Macau; Dr. Philip Choi, President of the Macau Food Safety Association; Dr. Lau Yiu Fai, Vice President of the Association for the Management of Food Safety Agents of Hong Kong; Professor Wang Ling Guang, an Associate Professor at the Faculty of Law of MUST; Dr. Charlotte Beja, veterinary, Veterinary Clinic in Flora. Moderator: Dr. Frederico Rato, Lawyer.







Breathing, More and Better in Macau: Air pollution in Debate: Speakers: Director of the Macau Meteorological and Geophysical Bureau Services, Dr. Fong Soi Kun, Professor at the Open University of Hong Kong, a specialist in ecological environment, Prof. Gordon Maxwell; Partner of Abreu Advogados and former Secretary of State for the Environment, Dr. José Eduardo Martins, University Professor of the International Environment and Oceans of Jinan University, Prof. Xu Jing Liang. Moderator: Eng. Antonio Trindade, President CESL Asia.







CREDDM

官樂怡基金會 FUNDAÇÃO RU CUNHA The new challenges of the global economy: Speakers: Professor Doutor António Rebelo de Sousa (ISCSP); Professor Luis Pedro Cunha (FDUC); Prof. Manuel Porto (FDUC); Prof. José Manuel Quelhas (FDUC)





The New Safeguard Law of Cultural Heritage in Macau: Speakers: Professor Richard Adams Engelhardt and Arq. Raam Lakshman. Moderator: Paulo Rego – Journalist







Industrial Property and Unfair Competition in Macau: Speakers: Dr. João Gonçalves Assunção, Abreu Advogados, and Dr. Gonçalo Cabral, Advisor to the Secretary for Economy and Finance – MSAR. Moderator: Dr. Filipa Guadalupe,

Coordinator CRED-DM.

Special Presence Headmaster Economic Services of





Cycle "The Stories""

Camilo Pessanha and the Judicial System of his Era: Speakers: Teacher Celina Veiga de Oliveira and Prof. Yao Jing Ming











The first Museum of China - The British Museum of Macau (1829-1834): Speaker: Professor Dr. Rogério Miguel Puga, ISCSP, Portugal







The erosion of journalism with the speaker **Joao Figueira** (Professor of Journalism at the University of Coimbra) within the framework of the celebrations for the 31st anniversary of the Macau newspaper **Tribuna**. Moderator: **Dr. José Rocha Dinis**





PRATICUM, Cycles of Pratical Trainning in Law



II Course of English Writing for Legal Advice (EWLA):): taught by Dr. Jonathan Pyne, SJM Holdings, Hong Kong

Objective: Acquire language skills, identify rhetorical devices and apply the methodology when writing in legal language, with a special focus on Commercial



1st and 2nd Course of practical training in Civil Process Practice. Part I: Instructor: Dr. José Lourenço, Master of Laws (legal sciences) and Jurist MSAR

Module taught in four sessions, each with a predominantly component practice on various matters, including: deadlines (modalities) for the practice of procedural acts of the parties, their suspension and interruption; forms of summons and notifications, date on which consider themselves made, effects, count of deadlines for the practice of acts; the instance, incidents (of evidence, witnesses, value of the cause, enabling, hindrances) suspension, interruption and termination of the instance; the common process the special process and the special process for compliance with the obligations; precautionary procedures, nominate and innominate, general and specific rules of procedure, and causes of expiry.





PORTUGUÊS JURÍDICO FORMAÇÃO EM LÍNGUA PORTUGUESA 葡語法律詞彙基礎課程(葡語教學)(第二期) **CURSO DE INICIAÇÃO** 2.4 EDIÇÃO FORMAÇÃO GRATUITA MAS SUJEITA A INSCRIÇÃO

II Introductory Course to the Portuguese

Law Language: Portuguese language training: Legal, lectured the two classes by Trainers, Dr. Filipa Guadalupe and Dr. Oscar Madureira (class 1) and Dr. Filipa Guadalupe and Dr. Victoria Man (class 2) 9/24/2013

Training addressed to the entire Chinese community with basic knowledge of the English language



I Course of Introduction to the Law for Journalists: Trainers: Dr. Jerónimo Alberto Santos - judge of the Court of First Instance of Macau SAR; Dr. Oscar Madureira, Lawyer and Legal Counsel Melco Crown

Police investigation – basic operation; process – basic operation; criminal and procedural principles; the evidence; the trial; the penalties; Prison - kinds; Fugures of Justice; Advertising x intimacy; Areas of law; Legal jargon issues



CRED-DM PUBLICATIONS

Newsletter of CRED-DM: Bimonthly edition where is publicized the activity developed during the month and the following month's agenda of this Centre



Legisiuris Macau Magazine (1 and 2).

Specialty Magazine, bilingual, with doctrinal jurisprudential and legislative comments





General Theory of Civil Law. Civil Procedural Law I: This book was the first legal book published by Foundation Rui Cunha in co-Edition with **Fundação Oriente**.

Authors: **Dr. Candida Pires; Dr. Paula Correia; Dr. Teresa Lancry Robalo and Dr. Henrique Carvalho**, all Professors of Law at the University of Macau



"Pensar Direito", n. 2 (Thinking Law): Edition of conferences "Environment and Sustainable Development, a global look about a local reality" from the cycle Reflections at Dust.

Bilingual version, available physically and digitally, in www.creddm.org



"Pensar Direito", n. 3 (Thinking Law): Editing of the conferences "Food Security" and "Breathe, More and Better in Macau", from the cycle Reflections at Dust.

Bilingual version, available both physically and digitally, in www.creddm.org



"Cadernos CRED-DM" (Notebooks CRED-DM). The first issue dealt with the theme Registry Law: Property and Commercial Registrations. Author, Dr. Vicente Monteiro, Registrar.
Public presentation by Dr. Frederico Rato, lawyer and Curator of the Foundation Rui Cunha.





RELEASES OR PRESENTATIONS OF BOOKS AND MAGAZINES

The Palgrave Handbook of EU – Asia Relations \sim

By Professor Doctor Thomas Christiansen, Professor of European Institutional Policies and Director of European Studies at the University of Maastricht.

This debate had the participation of Dr. Carlos Frota, former Ambassador of Portugal in Indonesia and First Consul-General of Portugal in Macau; Prof. Zaicheng Yi, Professor of Private International Law and International Economic Law at MUST; Professor José Luis Sales Marques, President of the Institute of European Studies of Macau





Portugal, China and the Macau Negotiations 1986-1999

Author: **Dr. Carmen Amado Mendes**, PhD in International Relations from the University of London (2004); Assistant Professor at the Faculty of Economics (Department of International Relations) at the University of Coimbra, the presentation of his work was done by **Dr. Carlos Frota** and **Dr. Sales Marques**.





General Theory of Civil Law, Civil Procedural Law I

Authors: Dr. Candida Pires; Dr. Paula Correia; Dr. Teresa Lancry Robalo; Dr. Henrique Carvalho, all professors of law at the University of Macau.





"Notebooks" CRED-DM

Registry Law, Building and Commercial Registrations

By Dr. Vincente Monteiro. Presentation of the work by Dr. Frederico Rato, Lawyer and Trustee of the Foundation.







TESES Collection

The Chattel Mortgage as Collateral, A Typical Contract Socially Atypical

By **Dr. José Augusto de Carvalho Lourenço**. Presentation of his work in charge by Professor António Pinto Monteiro, Professor of the Faculty of Law of Coimbra, and **Dr. Augusto Teixeira Garcia**, Deputy Director of the Faculty of Law of Macau







Legal System of the Negotiating Error in Macau

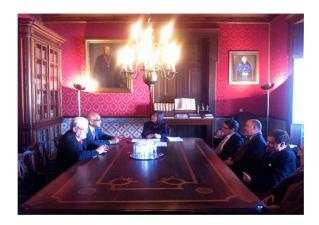
By **Paula Nunes Correia**, Assistant Professor of the Faculty of the University of Macau. Presentation of the work by the author and the President of the Foundation, **Dr. Rui Cunha**





OTHER ACTIVITIES

Signature of the collaboration protocol with the University of Coimbra (1/4/2013)



Signature of the collaboration protocol with the Faculty of Law of the University of Lisbon (3/26/2013)



Signature of the collaboration protocol with the Institute of Knowledge - Abreu Advogados (4/27/2013)



CRED-DM Open Day

Didactical games for children in collaboration with the Portuguese-Chinese School of Flora





Program Do Justice, 1st Edition

Simulation of 2 trials: *Violence in dating and litigious divorce*. These simulations had the participation and support of **Dr. Carlos Carvalho**, Judge of the Court of First Instance of Macau SAR and the Magistrate of the Public Prosecutor Office, **Dr. António Vidigal**. The participants were all students of the Portuguese School of Macau.





Inauguration of the Rui Cunha Foundation Legal Library

With about 5000 legal books. Cataloging and implementation in charge of Librarian Maria do Céu, under the protocol established with the Faculty of Law of Coimbra. By the end of 2013, were already cataloged and available on our website 1,481 legal books.





Launch of the *CRED-DM* site, www.creddm.org



Get-together

Lusophone Program, CRED-DM For the Law That Unite Us

With the Executive Secretary of CPLP, **Ambassador Murade Murargy** and the Portuguese speaking countries, community resident in Macau. Debate with the special participation of **Nuno Rogeiro**, League of the Nations, Sic Notícias. 11/4/2013









Support to the Partnerships

CRED-DM and Faculty of Law of the Macau University

Sixth International Conference - The Legal Reforms of Macau in the Global Context -

The Law and the Consumer Society.

Organization: Center for Legal Studies, Faculty of Law. With the support of Macau Government Department of Justice and Rui Cunha Foundation – 20 November 21, 2013





Macau Education International Fair 2013

The University of Coimbra - Portugal, was present at the Macau international Trade and Investment Fair, on 27th, 28th and 29th September, held at the Venetian Macao Exhibitions Center. The Rui Cunha Foundation and CRED-DM also marked their presence, supporting the stand of this prestigious Portuguese University and presenting to the whole community and public in general the cooperation protocol signed between the Foundation and the Faculty of Law of Coimbra, in early 2013.







SUPPORTING THE PEOPLE OF MACAU

During 2013 the Socio-cultural Support Area held the following activities:



Gods, Deities and Rituals of Macau

By the painter Charles Chauderlot Cortes (12/12/2012 to 1/19/2013)



Subtle Silhouettes

Fashion collection presented by Barbara Diaz





Life Journeys

Exhibition of watercolors by Ken Chan, co-organized with Kan Gallery (1/23/2013 to 2/23/2013)





"Painting, My Music"

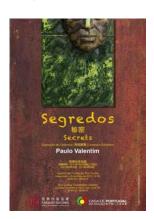
Exhibition of porcelain painting by **Arlinda Frota** (2/27/2013 to 3/16/2013)





Secrets

Ceramic Exhibition by Paulo Valentim, co-organized with Casa de Portugal in Macau (3/20/2013) to 4/20/2013). The catalogue was launched on the opening day of the exhibition.





Seen From Above

Paintings exhibition by Lai Sio Kit (4/23/2013 to 5/23/2013





Fashion Collection Show by Paulo de Senna Fernandes

Presentation of the collection and fashion show and exhibition (5/24/2013 to 5/30/2013)





Comics

Comics Exhibition with the participation of Hong Kong Designers:

Part I – Oriental Heroes with Dick Kwong and Andy Woo (6/8/2013 to 6/20/2013)





Part II - Iron Marshal with James Khoo (6/22/2013 to 6/29/2013). Co-Organizer: Association of Animation and Comics of Macau (Association of Animation, Comic Books, Toys and Artistic and Cultural Exchanges of Macau)





Sketches - Traces of the Creation

Exhibition by **Wu Lusheng** (7/3/2013 to 8/3/2013)





Photography

Photographic exhibition of the newspaper "O Clarim"- Commemoration of the 65th anniversary of the newspaper (8/5/2013 to 8/7/2013)



Nature and Harmony

Exhibition of traditional Chinese painting by Wong Nam (8/8/2013 to 8/28/2013)







Feelings

Painting exhibition by Mel Cheong (30-08-2013 to 28-09-2013)





Tiles in Macau - Vol. I

Photography and tiles painting exhibition by Carol Kwok and Fernando Simões





Six Decades in the Fast Lane

Exhibition commemorating the 60th Grand Prix (11/6/2013 to 11/17/2013)





Point of View

Architectural photography exhibition by **Ines Leong** (11/27/2013 to 12/14/2013)





Traces of Humor by Kristian

Cartoons exhibition co-organized with the Alliance Française





Exhibition's Complementary Activities

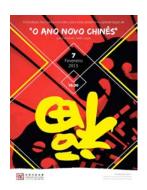
(guided tours, creative workshops, book launches and "Conversations Around of")

- Guided tour to the exhibition Secrets by Paulo Valentim and a workshop about the exhibition by the artist on 20.04.13
- INTERNATIONAL CHILDREN'S Day Celebration and Drawing Competition Inter-schools "The hearts of all the children together" the theme was My Family, My Pet, My Toys and I (6/1/2013)
- Workshop about Musical Composition for Movies organized by Borderless Arts (July-August-September 2013)
- Workshops by Wu Lusheng(2) Approach to essential tools of any painter the sketch and the drawing (05-06-2013 and 10-06-2013)

Cultural Events and Launch or Presentations of Books

Celebrating the Chinese New Year

The Chinese New Year — The festivities presented by Fernando Sales Lopes (7-2-2013)





Travel Literature

Panel about the theme, within The Script Road Festival (11-3-2013)





Reflections - Painting Porcelain Across Asia

Presentation of the book by Arlinda Frota (27-02-2013)



Piano Recital

By Ana Filipa Neves Ferreira (16-3-2013)





Book launch and projection of the documentary

Book launch - "Far East" and projection of the documentary "From One Side to the Other-Mongolia's Journals" by Joaquim Magalhães de Castro (3/18/2013)





Celebration of the World Poetry Day and the Chūnfēn (Spring Equinox) Organized by Fernando Sales Lopes, counting with the collaboration of the Ad Hoc Group (21.03.13)







Lecture in collaboration with C&C Club

Session on the theme "Communicate Efficiently" by Dr. Goreti Lima



Book Launch

Book launch of "Potiguara Indians – Memory Asylum and Power" by Professor José Manuel Simões and premiere of the documentary, "Asylum - the power of the Potiguara Indians", by the same author (4/29/2013)





Guitar Master Class

By Ulf and Eric Wakenius - Organized by Macau Jazz Association (01-05-2013)





Lecture in collaboration with C&C Club

Medical clarification session on Low Back Pain by Doctor Humberto Évora



Sino-Luso UnityGate Jam Session

Organized by Amálgama Dance Company (21-06-2013)





Book Launch

"The Diplomat Zheng-He and the Terrible Albuquerque" by Francisco Pinheiro Vizeu and Ian Chaplin - June 26, 2013 at 18:30





Piano Recital

By Lu Wang — In cooperation with Yun Yi Arts and Cultural Communication Association (24-06-2013)





Book Launch

The Miracle of the Yellow Farmhouse and a World in the Making — launch of the books of Pedro Baptista (11-07-2013)





Piano Competition Preliminaries Macau-Asia Pacific

Organized by the Macau Piano Association, held between 15 and 16-07-2013

A Night with Piano at the Gallery

Organized by **ELITE – Association for the Creativity and Musical Culture** (23-08-2013, 06-09-2013, 13-09-2013, 20-09-2013 e 27-09-2013)







Celebration of the Mid-Autumn Festival

The Mid-Autumn Festival – The festivity presented by Fernando Sales Lopes, with **Moon cake** tasting (18-09-2013)







Jazz Guitar Clinic

By *Tommy Ho*, in collaboration with Macau Jazz Promotion Association (28-9-2013)





Book Launch

Tao Yuanming's Poems, book launch by Livros do Meio Publisher







Recital

Voice for Philippines - Fundraising for the Typhoon Victims





Lecture in collaboration with C&C Club

The Art of Slowing Down – Lecture with Edward Yu (27-11-2013)



Visual Arts Competition

Visual Arts Competition for an Artists Without Borders exhibition that was materialized in January 2014



Jazz Clinic

Contemporary Jazz Clinic included in the Program of the Macau Jazz Week 2013 (2-12-2013)





Jazz Talk

Jazz Talk with Clarence Chang included in the Program of the Macau Jazz Week 2013 (03-12-2013)





Jazz Master Class

Scott Dodd Quartet Master Class included in the Program of the Macau Jazz Week 2013 (07-12-2013)





Piano Concert

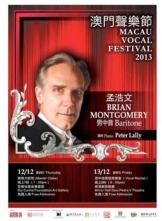
Enchanting Music @Sunset by Abia Ng - Piano Recital (08-12-2013)





Vocal Master Class

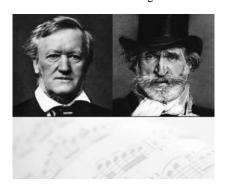
Vocal Master Class with Brian Montgomery (Baritone) e Peter Lally (Piano) (12-12-2013)





Celebration of Wagner and Verdi's Birthday

Two V's Are Worth More Than a V? – Illustrated Talk by two opera lovers Dr. Shee Va and Dr. Frederico Rato within the celebration of Wagner e Verdi 200 years birthday (13-12-2013)





Christmas Concert

With the presence of the **Young String Orchestra of Rui Cunha Foundation**, first solo piano recital of **Terry Ye** and piano and violin recital by **Krieger's Family** (14-12-2013)







Lyrical Singing Recital

VinoVoce - Recital by Soprano Colette Lam e Wine Tasting (EPLD Wines) included in the Macau Vocal Festival 2013 (17-12-2013)







Book Launch

Goa, Damão and Diu – Memories of a Happy Childhood, book launch of Professor Dr. Cândido Azevedo's book, co-organized with the C&C Club





Other activities of sociocultural character

- Creation of a Young String Orchestra in collaboration with Star Music & Arts Center (2012 and 2013)
- Support for piano competition Macau Asia Pacific 2013 with the award of a Mop 10,000.00 scholarship to the Macau resident better classified in the contest (2013)
- Support to the *Macau Cover Girl*
- Support to the Association of Parents of Kindergarten D. José da Costa Nunes for summer workshops
- Signing of the *Protocol of Stages with the USJ* and participation in the same *University Career Day* (24-05-2013)
- Micro Film Competition Press conference Macau Responsible Gaming Association (29-06-2013)
- Support to the Christmas Party and the 14th Handover Anniversary held by Elite in the MCC

Patrimonial, Administrative and Financial Management

2013 was characterized by a collective effort of its employees to improve the internal operation of the Foundation in order to answer to the needs of the Macau society, whether in the support of the Law of Macau, or in relation to the culture and to the social needs.

The result of this effort can be assessed by the accomplishments in this area, listed below in a synthetic way:

- Consolidation of the organizational structure of the Foundation;
- ♣ Recruitment of employees to complete the minimum of staffs necessary to ensure its operation;
- ♣ Installation of the structured computer network with the necessary servers and backups to ensure the internal operation;
- ♣ Equipping the CRED-DM library with the necessary resources for its functionality, whether human or material, namely, computer software;
- ♣ Execution of the necessary works on the ground floor to provide working conditions to the SAFP external translators who support the Foundation in the simultaneous translation of the events;

The Foundation, at the end of 2013, counted with 10 employees, namely the hiring of a translator after a long waiting period for approval by the authorities. As a matter of fact this staff allowed a reduction of the deadline for the execution of books and articles and reducing in a remarkable manner the respective costs.

In financial terms, the Board of Directors decided to diversify the currencies of its investments, which allowed, with a currency risk followed closely by the management, to obtain a better rate of return on the equity invested.

FINANCIAL STATEMENTS

The Financial Statements are constituted by the Balance Sheet at December, 31, 2013 and the Demonstration of the Results obtained throughout 2013.

In summary, the Foundation's financial situation, although slightly affected by the negative results of its operation, remains very healthy, because its net worth is higher then the Social Funds that the Founders put at its disposal, as a result of the donations of its Founder, in financial and in-kind resources.

BALANCE SHEET (Em MOP)

At December, 31, 2013

		-
Assets		
Fixed Assets		
Offi	ce Equipment	25.50.00
	Office Equipment at Cost	25,760.00
	Donated Office Equipment	40,654.20
	Other Office Equipment	16,024.00
	Office Equip Accum. Depreciation	(19,512.74)
	Total Office Equipment	62,925.46
Equi	ipments	
	Computer Equipment	124,953.66
	Sound Equipment	84,740.42
	Software	93,850.59
	Donated Equipments	267,155.00
	Other Equipments	76,990.00
	Equipments Depreciation	(168,543.94)
	Total Equipments	479,145.73
CRE	ED-DM Fixed Assets	
	CRED-DM Equipment at Cost	5,700.00
	Library at Cost	143,923.65
	Donated Library	324,000.00
	Improvements	47,000.00
	Donated CRED-DM Fixed Assets	61,350.00
	CRED-DM F. A. Acc. Depreciation	(38,786.55)
	Total CRED-DM Fixed Assets	543,187.10
Art	Collection	
	Art Collection at Cost	58,010.00
	Art Collection Depreciation	(500.00)
	Total Art Collection	57,510.00
Insta	allation Costs	
	Gallery Installation Costs	2,550.00
	Other Installation Costs	115,584.00
	Donated Installation Costs	695,633.00
	Installation Costs Amortization	79,560.32)
	Total Installation Costs	734,306.68
	Total Fixed Assets	1,876,974.97

Current Assets			
Cash On Hand		14	4,810.19
Current Deposits			
Current Deposi		155,975.05	
Current Deposi		2,177.97	
Non-cashed che		1,000.00	
Non-deposited		300,000.00	
	urrent Deposits	45'	7,153.02
Time deposits			
3 Months Time	•	2,212,253.48	
6 Months Time		10,060,164.38	
1 Year Time Do		6,589,500.00	
	ime Deposits	·	1,917.86
Debtors	T-4-1 C A		6,208.00
Turnantam	Total Current Assets	1	9,350,089.07
Inventory	tions of CRED-DM	61 690 26	
	tions of AGASC	61,680.26 16,500.00	
Fuolica		10,300.00	79 190 26
Other Assets	Total Inventory		78,180.26
	g Interest Due	42,773.96	
Bankin	Total Other Assets	42,773.70	42,773.96
	Total Assets	<u> </u>	21,348,018.26
Liabilities	10001115500	,	21,010,010,20
Current Liabilities			
Payroll Liabilities		45,000.00	
Other Current Liabilitie	S	60,303.00	
	Total Current Liabili	ties	105,303.09
	Total Liabil	lities	105,303.09
Net Assets			21,242,715.17
Social Funds, Reserves & Ear	<u>nings</u>		
Social funds			
Founder's Contribution		10,000,000	.00
		, ,	
Co-Founder Cont. Rui l		5,000,000	
Co-Founder Cont. Rui l Co-Founder Cont. Isabe	el Cunha	5,000,000	.00
Co-Founder Cont. Isabe		5,000,000	
Co-Founder Cont. Isabe	el Cunha	5,000,000	.00
Co-Founder Cont. Isabe	el Cunha Total Social funds	5,000,000	.00 <u>0,000,000.00</u>
Co-Founder Cont. Isabe <u>Donations</u> From Founders in kind	el Cunha	5,000,000	.00 0,000,000.00 1,427,595.00
Co-Founder Cont. Isabe <u>Donations</u> From Founders in kind <u>Retained Earnings</u>	el Cunha Total Social funds	5,000,000	.00 0,000,000.00 1,427,595.00 172,002.24
Co-Founder Cont. Isabe <u>Donations</u> From Founders in kind	el Cunha Total Social funds Total Donations	5,000,000	.00 0,000,000.00 1,427,595.00

Comments to the Balance Sheet:

The balance sheet, as above listed, shows that the net assets of the Foundation, which at the end of the previous financial year was Mop 11.246, 938.33, grew to Mop 21.242, 715.17, almost doubling, as a result of the increase of the Social Funds, fulfilling the statutory determination of their annual increase of Mop 10,000,000.00 up to the total of 50 million Patacas;

- The bank deposits in the amount of Mop 19.319, 070.88, correspond to 91% of the net assets, and from these, 97.6% are applied to term;
- The fixed assets amounts to Mop 2.183, 878.52, but 14% of this amount has already been amortized, totaling Mop 306, 903.65, by which the net value of fixed assets is now Mop 1.876, 974.97;
- The value of the liabilities is only Mop 105,303.09, related, most of it, to the costs whose settlement was only possible in the fiscal year of 2014, but belonging to the 2013 financial year, have been properly allocated as costs this year, resulting from the application of the principle of specification of the year accounts;
- In addition to the Social Funds, whose value lies in the 20 million Patacas, were still donated Mop 1.427,595.00, through the acquisition of property, plant and equipment and payment of costs of installation directly by the founder;
- The profit or loss for the financial year was negative, in the order of 358 thousand Patacas, absorbing the positive outcome from the previous financial year, which means that the Social Funds are still intact, although this results, and that the donated funds have suffered an erosion of 12%.

PROFIT AND LOSS STATMENT

(In MOP)

From January, 1 to December, 31, 2013

Trom sanuary, 1 to December, 51, 2015		
<u>Income</u>		
Founders Add-ons	300,000.00	
Rents and income from C&C		
Monthly rents	1,800,000.00	
Other income from C&C	1,200,000.00	
Total Rents and income from C&C	3,000,000.00	
Co-Shared Project's Revenue	22,050.00	
Total Income	3,322,050.00	
Cost of Sales		
Produced by CRED-DM	(94,520.26)	
Total Cost of Sales	(94,520.26)	
Gross Profit	3,416,570.26	
Costs		
Administrative Costs		
Office Supplies	32,631.92	
Photocopiers	67,016.27	
IT (Computer) Costs	10,150.00	
Electricity and Water	63,480.00	

66,738.43

10,300.00

26,853.46

4,434.00

9,945.08

Telephone

Subscriptions

Bank charges

Vehicle and Fleet Costs

Couriers

Facilities / Fauinments Insurance	600.00	
Facilities / Equipments Insurance	10,073.76	
Representation Costs Other Services + Supplies f/ 3r	16,780.00	
Other Administrative Costs	20.00	
Total Administrative Costs	319,02	2 02
Production Costs	319,02	<u> </u>
Graphic Design	361,700.00	
Graphic Printings	145,412.56	
Advertising	239,439.75	
Translations and Revisions	187,289.67	
Simultaneous Translations	56,400.00	
Gallery Materials	662.50	
Photo and Video Recordings	37,145.00	
Catering	86,142.77	
Decorations (Flowers+Plant+Other)	10,787.80	
Staff (Extra) and Cleaning	35,518.80	
Freight Charges	25,652.18	
Equipment / Facilities Rental	9,000.00	
3rd Party Travel + Accom. Costs	58,151.92	
3rd Party Fees and Costs	81,940.14	
Cost Sharing- External Projects	206,087.77	
Scholarship	10,000.00	
Donations/Social Contributions	7,300.00	
Gifts	15,859.84	
Other Production Costs	10,661.20	
Exhibition printings	17,788.00	
Total Production Costs	1,602,93	39.90
Donations and Contributions		
Contributions External Projects	2,400.00	
Total Donations and Contribu	ıtions	2,400.00
Employment expenses		
Wages & salaries	1,513,115.79	
Workers' compensation	141,332.15	
Other employer expenses	3,589.00	
Travel & entertainment	146,968.90	
Total Employment expenses	1,805,003	
Amortizations and Depreciation	216,159	
Total Costs	3	<u>,945,528.04</u>
Operating Profit		(528,957.78)
Other Income		
Financial Revenue	484 40= =:	
Interest Income	171,195.71	181 105 81
Total Other Income		<u>171,195.71</u>
Net Profit / (Loss)		(357,762.07)

Comments on the Profit and Loss Accounts:

- In addition to the Annual Operating Results, which are presented and commented here in, the Foundation started to disclose monthly on its site the Monthly Results, so that everybody can follow, with maximum transparency, the evolution of its economic situation;
- The Income reported at the end of the financial year, reached Mop 3.322, 050.00, having, as main source, rents resulting from the contributions provided for in article 9 (b)) of the Statutes (monthly rental value of 3rd, 4th and 5th floors of the building located at Avenida da Praia Grande No. 759, in Macau, where C&C Lawyers office is installed), rents that at the end of the year under review totaled Mop 3.000, 000.00;
- In addition to the abovementioned Rents, it is noted that the Founder has provided financial support to the operation, in the amount of Mop 300,000.00;
- We kept, in this year, the policy of not selling the law publications organized by the CRED-DM, such as "Legisiuris" and "Thinking Law". This policy will be changed slightly in 2014 in order to reduce the high costs entailed;
- Regarding the publication of CRED-DM Notebooks, Books, Lecture Notes and
 Dissertations, the strategy was to sell them at very reduced prices, regardless of these
 editions selling to disadvantage, because the Foundation's understanding is that their
 publication are an essential contribution to the Study and Dissemination of the Law of
 Macau;
- Other activities carried out by the Foundation didn't generate any income, since that was the strategy decision designed for 2013, intending to maintain this decision as long as it will be financially bearable;
- In relation to the income of the financial investments, they almost increased five-fold, reaching Mop 171,195.71, in result of the increased availability of financial funds from the increase of Social Funds and the diversification of financial investments, particularly in CNY, taking into account the very low Patacas rates;
- As for the Total Cost, it more than tripled, rising from Mop 1.211 753.49 to Mop 3.945, 528.04. The major cost items presented the following evolution:

	2012	2013	Evolution %
Administrative Costs	184,200.35	319,022.92	173%
Production Costs	545,151.31	1,602,939.90	294%
Staff Costs	391,657.66	1,805,005.84	461%
Amortizations	90,744.17	216,159.38	238%
	Average Growth of the	Costs	326%

This enormous growth of costs was due not only to the full annual period, as in the previous year there was only 8 months of activity, but also to the accelerated growth of the activity and event production and hiring staffs. As for the amortizations, their growth results from the fact that only this year the assets have completed a year of lock-up; • In relation to accounting headings, the more significant were:

0	Costs with Salaries and Wages	1,513,115.79
0	Graphic Design	361,700.00
0	Advertising	239,439.75
0	Shared Costs with External Projects	206.087,77*
0	Translations	187,289.67

^{*}Almost all this value corresponds to the costs with the formation of the Young String Orchestra Rui Cunha Foundation, in partnership with the Star Music Center.

• With regard to the budget approved by the Board of Directors for the year, it is noted that, in particular the costs, but also the income, were below the* budgeted, and that the Final Result achieved was considerably more favorable, although negative (Mop 357,762.07), because it was only 27% of the expected negative result of Mop 1.345, 432.26. *Purged from costs and income consigned referent to projects that failed to materialize.

In Summary:

The decline in the Operational Result by about 531,000 Patacas comparing to the previous year (from a profit of about 173,000 Patacas to a loss of 358,000 Patacas), corresponded to an increase of costs not matched by the growth of income, notwithstanding the financial support to the operation provided by the Founder.

This growth in costs was due to a substantial increase in the activity and its reflection in the respective costs, growth that was accounted for in the annual budget approved by the Board of Directors.

The negative result obtained was substantially lower than expected, and reflects a strategy set by the Board of Directors of making as much effort as possible to meet the objectives of the Foundation to promote the Law of Macau and Support its People, always without any advantage or external support.

Thus, the results for the year, being negative in Mop 357,762.07, will transit to the retained earnings account of next year.

OPINION OF THE STATUTORY AUDITOR

STATUTORY AUDITOR'S OPINION CONCERNING the FINANCIAL YEAR 2013

According to what is established in the Statutes, I present the opinion about the management report and the accounts for the financial year 2013.

Completed the examination of the accounts, the supporting documents and their financial statements (Balance Sheet, Profit and Loss Statement for the Year, Notes to the Balance Sheet and Profit and Loss Account and the Administration's Annual Report) for the year ended in December 31, 2013, I am of the opinion that the aforementioned elements are properly prepared.

I could thus conclude that for all the materially relevant aspects, the financial situation of the Foundation and the results of its activity for the period referred to above are properly reflected.

Not having any notice that there has been any non-compliance statutory legal, and, whenever requested, and having obtained all the elements, information and clarifications about the bookkeeping of the Foundation, I believe that the report and accounts for the financial year shall be approved in accordance with the requirements of Article 23 of the Statutes.

Macau, March 28, 2014

The Sole Auditor

João José Rodrigues Monteiro

SOCIAL BODIES

a. Board of Trustees

Rui José da Cunha - Founder and President

Rui Pedro Bravo e Cunha – Co-Founder

Isabel Alexandra Bravo e Cunha - Co-Founder

Leong On Kei – Trustee

So Shu Fai, Ambrose - Trustee

Lionel Leong Vai Tac – Trustee

Vong Kok Seng – Trustee

Van Kuan Lok - Trustee

Ho Weng Cheong – Trustee

Chan WaiLun, Anthony - Trustee

Huen Wing Ming, Patrick - Trustee

José Luis Sales Marques - Trustee

Frederico Rato - Trustee

Joaquim Jorge Perestrelo Neto Valente - Trustee

b. **Board of Directors**

Rui José da Cunha – President

Rui Pedro Bravo e Cunha - Vice-President

João Manuel Tubal Gonçalves - Vice- President

Kong Ieong, Connie - Member

Isabel Alexandre Bravo e Cunha – Member

c. Auditor Committee or Sole Auditor

João José Rodrigues Monteiro - Sole Auditor

"The silent gratitude never serves anybody"

To Macau and its people, and in special to our collaborators that with their effort, dedication and solidarity build this organization whose purpose is the public interest, Rui Cunha Foundation expresses its most heartfelt

GRATITUDE!!

The Growth of the Humility

Bend and you will remain erect

Let it twist and you will remain firm.

Be humble and you will stay upright.

And then what is muddled may know the order.

And what is incomplete will be replete;

Hence, if you become flexible you will be able to keep the posture.

Empty the spirit and you will remain replete;

Develop the understanding and you will be renovated.

The one that has fewer wishes will see them fulfilled;

The one that has too many, deflects from the main.

Simplicity comprises wisdom;

Too much knowledge leads to doubt and unease.

In doing so, the sage embraces the Unity

And becomes model to the world.

Avoids exposing himself and therefore excels;

Doesn't assert and for that reason stands out.

Doesn't flaunt merit and so it is credited to him.

Doesn't extol brandishing the success;

Hence he resists and becomes respected

Doesn't condescend in self-indulgence;

Thus achieves superiority.

Doesn't compete with anyone;

Thus, nobody rivals with him.

As the saying goes:

Be humble and you will stay upright! (coherent)

Maintaining the integrity, everything will flow spontaneously.

Parable of Zhuang Zi, referred in "The book of Lao Zi"