ANNUAL FINANCIAL REPORT

NGO: THE HONG KONG STUDENT AID SOCIETY LIMITED

(1 April 2024 to 31 March 2025)

	Notes	2024-25 $	2023-24 $
A. INCOME			
1. Lump Sum Grant			
a. Lump Sum Grant (excluding Provident Fund)	1b	**73,444,842.00**	68,300,470.00
b. Provident Fund	1c	**4,856,398.00**	4,626,789.00
2. Fee Income	2	**-**	-
3. Central Items	3	**10,138,920.00**	6,923,752.00
4. Rent and Rates	4	**2,211,702.00**	2,212,804.00
5. Other Income	5	**45,946.00**	93,135.74
6. Interest Received		**723,253.19**	755,807.09
TOTAL INCOME		**91,421,061.19**	82,912,757.83
B. EXPENDITURE			
1. Personal Emoluments			
a. Salaries		**57,946,863.91**	60,353,431.04
b. Provident Fund	1c	**2,734,217.96**	4,432,798.73
c. Allowances		**-**	-
Sub-total	6	**60,681,081.87**	64,786,229.77
2. Other Charges	7	**12,253,577.58**	11,323,981.96
3. Central Items	3	**9,557,290.25**	6,000,446.75
4. Rent and Rates	4	**2,187,794.00**	2,167,280.00
TOTAL EXPENDITURE		**84,679,743.70**	84,277,938.48
C. SURPLUS / (DEFICIT) FOR THE YEAR	8	**6,741,317.49**	(1,365,180.65)

The Annual Financial Report from pages 4 to 11 has been prepared in accordance with the requirements as set out in the Lump Sum Grant Subvention Manual.

Lok Man Fai Felix
Chairman
DATE: 21 OCT 2025

Cheng Ting Yan
Chief Executive Officer
DATE: 21 OCT 2025

NOTES ON THE ANNUAL FINANCIAL REPORT

1. Lump Sum Grant (LSG)

a. Basic of preparation

The Annual Financial Report (AFR) is prepared in respect of all services defined in Funding and Service Agreement (FSA) (including support services to FSA services) funded by the Social Welfare Department (SWD) under the Lump Sum Grant Subvention System and also FSA services/ FSA-related activities funded by Other Funds or Donations for Designated Purposes. AFR is prepared **on cash basis**, that is, income is recognised upon receipt of cash and expenditure is recognised when expenses are paid. **Non-cash items** such as depreciation, provisions and accruals **have not been included** in the AFR.

b. Lump Sum Grant (excluding Provident Fund)

This represents LSG (excluding Provident Fund) received for the year.

c. Provident Fund

This is Provident Fund received and contributed during the year.
Snapshot Staff are defined as those staff occupying recognised or holding against subvented posts as at 1 April 2000.
Other posts represent those staff that are employed after 1 April 2000.
The Provident Fund received and contributed for staff under the Central Items which are separately included as part of the income and expenditure of the relevant disclosures have been shown under **Note 3**. Details are analysed below:

Provident Fund Contribution	Snapshot Staff	6.8% and Other Posts	Total
	$	$	$
Subvention Received	716,115.00	4,140,283.00	4,856,398.00
Provident Fund Contribution Paid during the Year	(548,476.20)	(2,185,741.76)	(2,734,217.96)
Surplus/ (Deficit) for the Year	167,638.80	1,954,541.24	2,122,180.04
Add: Surplus/ (Deficit) b/f	133,527.95	6,314,168.89	6,447,696.84
Additional PF for 6.8% posts for 2022-23 or before	-	35,239.00	35,239.00
Less: Surplus in 2022-23 PF for snapshot staff	(415,060.00)	-	(415,060.00)
Surplus/ (Deficit) c/f	(113,893.25)	8,303,949.13	8,190,055.88

2. Fee Income

This represents social welfare fee income received for the year in respect of the fees and charges recognised for the purpose of subvention as set out in the LSG Subvention Manual.

3. Central Items

These are subvented service activities which are not included in LSG and are subject to their own procedures as set out in other SWD's papers and correspondence with the NGOs. The Provident Fund received and contributed for staff under the Central Items have been separately included as part of the income and expenditure of the relevant items (paragraph 5.5.4(c) of the LSG Subvention Manual). The income and expenditure of each of the Central Items are as follows:

NOTES ON THE ANNUAL FINANCIAL REPORT

a. Income	2024-25 $	2023-24 $
Foster Care Allowance / Emergency Foster Care Allowance	7,178,927.00	4,937,478.00
Special Allowance for Foster Children	963,392.00	-
Overnight On-site-on-call Allowance	1,854,717.00	1,845,050.00
Overnight On-site-on-call Provident Fund	126,143.00	125,483.00
Time-defined Subsidy Scheme for Occasional Child Care Service	15,741.00	15,741.00
Total	10,138,920.00	6,923,752.00

b. Expenditure	2024-25 $	2023-24 $
Foster Care Allowance / Emergency Foster Care Allowance	6,550,558.72	4,096,661.42
Special Allowance for Foster Children	877,828.53	-
Overnight On-site-on-call Allowance	2,047,248.30	1,818,330.63
Overnight On-site-on-call Provident Fund	81,654.70	81,654.70
Time-defined Subsidy Scheme for Occasional Child Care Service	-	3,800.00
Total	9,557,290.25	6,000,446.75

4. Rent and Rates

This represents the amount paid by SWD in respect of premises recognised by SWD. Expenditure on rent and rates in respect of premises not recognised by SWD have not been included in AFR.

5. Other Income

This includes programme income and all income other than recognised social welfare fee income received during the year. Non-SWD subventions and Other Funds or Donations for Designated Purposes may be included in AFR if they are used to finance expenditure of the FSA services/ FSA-related activities as reflected in the AFR.

The breakdown on Other Income is as follows:

Other Income	2024-25 $	2023-24 $
Fees and charges for services incidental to the operation of subvented services	45,946.00	93,135.74
	45,946.00	93,135.74

NOTES ON THE ANNUAL FINANCIAL REPORT

6. Personal Emoluments

Personal Emoluments include salary, provident fund and salary-related allowances.

The analysis on number of posts with annual Personal Emoluments over $1,000,000 each paid under LSG is appended below:

Analysis of Personal Emoluments paid under LSG	No of Posts	$
HK$1,000,001 - HK$1,100,000 p.a.	2	2,100,696.53
HK$1,100,001 - HK$1,200,000 p.a.	1	1,106,566.37
HK$1,200,001 - HK$1,300,000 p.a.	-	-
HK$1,300,001 - HK$1,400,000 p.a.	-	-
HK$1,400,001 - HK$1,500,000 p.a.	-	-
>HK$1,500,000 p.a.	-	-

7. Other Charges

The breakdown on Other Charges is as follows:

	2024-25	2023-24
Other Charges	**$**	**$**
(a) Utilities	2,280,680.50	1,983,455.20
(b) Food	4,015,532.94	4,210,907.37
(c) Administrative Expenses	1,653,913.68	1,508,495.56
(d) Stores and Equipment	42,412.10	46,163.59
(e) Repair and Maintenance	1,197,292.70	826,925.99
(f) Special Allowances	490,770.00	480,975.00
(g) Programme Expenses	580,687.94	342,235.78
(h) Transportation and Travelling	168,910.11	135,924.73
(i) Insurance	726,675.64	837,394.38
(j) Miscellaneous	906,013.07	874,235.46
(k) Staff Training and Development	190,688.90	77,268.90
	12,253,577.58	**11,323,981.96**

NOTES ON THE ANNUAL FINANCIAL REPORT

8. Analysis of Lump Sum Grant Reserve and balances of other SWD subvention

	Lump Sum Grant (LSG)	Holding Account (HA)	Rent and Rates	Central Items (CI)	Total
	$	$	$	$	$
Income					
Lump Sum Grant	78,301,240.00	-	-	-	78,301,240.00
Fee Income	-	-	-	-	-
Other Income	45,946.00	-	-	-	45,946.00
Interest Received(Note 1)	723,253.19	-	-	-	723,253.19
Rent and Rates	-	-	2,211,702.00	-	2,211,702.00
Central Items	-	-	-	10,138,920.00	10,138,920.00
Total Income (a)	**79,070,439.19**	**-**	**2,211,702.00**	**10,138,920.00**	**91,421,061.19**
Expenditure					
Personal Emoluments	58,677,894.94	2,003,186.93	-	-	60,681,081.87
Other Charges	12,062,888.68	190,688.90	-	-	12,253,577.58
Rent and Rates	-	-	2,187,794.00	-	2,187,794.00
Central Items	-	-	-	9,557,290.25	9,557,290.25
Total Expenditure (b)	**70,740,783.62**	**2,193,875.83**	**2,187,794.00**	**9,557,290.25**	**84,679,743.70**
(Deficit)/ Surplus for the Year (a) - (b)	**8,329,655.57**	**(2,193,875.83)**	**23,908.00**	**581,629.75**	**6,741,317.49**
Less: Surplus of Provident Fund	(2,122,180.04)				(2,122,180.04)
	6,207,475.53	(2,193,875.83)	23,908.00	581,629.75	4,619,137.45
Surplus/ (Deficit) b/f (Note 2)	**8,001,339.82**	**13,924,687.59**	**(141,643.37)**	**(520,757.78)**	**21,263,626.26**
	14,208,815.35	11,730,811.76	(117,735.37)	60,871.97	25,882,763.71
Less: Refund to Government	-	-	(87,288.00)	(923,305.25)	(1,010,593.25)
					-
Surplus/ (Deficit) c/f (Note 4)	**14,208,815.35**	**11,730,811.76**	**(205,023.37)**	**(862,433.28)**	**24,872,170.46**

Notes:

(1) Interest received on LSG (including HA) and Provident Fund reserves, Rent and Rates, Central Items are included as one item under LSG; and the item is considered as part of LSG reserve.

(2) Accumulated balance of LSG Surplus b/f from previous years (including all interest received in previous years (see (1) above), the balance of HA and balance of Other Funds or Donations for Designated Purposes should be separately reported.

(3) Amount of LSG Reserve used to cover the salary adjustment for Infirmary Care Supplement, if any, as per Schedule for Central Items.

(4) For NGOs without HA, separate disclosure of the movement of HA in their respective AFRs is not necessary. The level of LSG cumulative reserve (i.e. S1) will be capped at 25% of the NGO's operating expenditure (i.e. Total Expenditure (T1) excluding Provident Fund Contribution (K1)) for the year.

For NGOs with HA, with effect from 2022-23, the calculation of the annual claw-back is as follows:

(i) With Snapshot Staff (SS) [i.e. Position of SS as at 1 September being reported on the Agency Staff List submitted by NGO last year was greater than zero]
The level of LSG cumulative reserve (i.e. S1) will be capped at 25% of the NGO's operating expenditure (i.e. Total Expenditure (T1+T2) excluding Provident Fund Contribution (K1)) for the year.

(ii) Without SS [i.e. Position of SS as at 1 September being reported on the Agency Staff List submitted by NGO last year (which is regarded as Year 0) was zero]
For the next three years (Year 1 to Year 3), the level of LSG cumulative reserve (i.e. S1) will be capped at 25% of the NGO's operating expenditure (i.e. Total Expenditure (T1) excluding Provident Fund Contribution (K1)) for the year. From the fourth financial year (Year 4) onwards, the level of LSG cumulative reserve and HA reserve will be counted altogether and the combined reserve amount (i.e. S1+S2) will be capped at 25% of the NGO 's operating expenditure (i.e. Total Expenditure (T1+T2) excluding Provident Fund Contribution (K1)) for the year. In this regard, separate disclosure of the movement of HA in their respective AFRs is not necessary.

[For details of (4)(i) and (4)(ii) above, please also refer to SWD's letter under reference (11) in SWD/S/109/1/10 of 4 April 2022.]

(5) As a facilitating measure for the implementation of the Productivity Enhancement Programme, the claw-back arrangement of LSG cumulative reserve amount exceeding 25% of the NGO's operating expenditure would be suspended from 2023-24 (for NGOs with 2024-25 provisional subvention allocation of $50M or more) / 2024-25 (for NGOs with 2024-25 provisional subvention allocation of less than $50M) until 2028-29 as stipulated in SWD's letter under reference (1) / (2) / (3) / (4) in SWD 0075-0010-0060-0080-0040 of 3 March 2025.

Schedule for Rent and Rates

Analysis of Subvention and Expenditure for the period from 1st April 2024 to 31 March 2025

Name of Agency : The Hong Kong Student Aid Society Limited

Unit Code and Name	Subvented Element	Subvention Released (Note 1)	Actual Expenditure	Surplus (Note 2)	Deficit (Note 2)
		$	$	$	$
Service Unit: 3548	Rent (Note 3)	78,273.00	-	78,273.00	-
(Holland Hostel)	Rates	140,960.00	170,360.00	-	29,400.00
	Total	219,233.00	170,360.00	78,273.00	29,400.00
Service Unit: 3550	Rent (Note 3)	-	-	-	-
(Island Hostel)	Rates	136,020.00	147,822.00	-	11,802.00
	Total	136,020.00	147,822.00	-	11,802.00
Service Unit: 3551	Rent (Note 3)	991,756.00	994,392.00	-	2,636.00
(Mark Memorial Home)	Rates	72,600.00	71,600.00	1,000.00	-
	Total	1,064,356.00	1,065,992.00	1,000.00	2,636.00
Service Unit: 7241	Rent (Note 3)	110,112.00	110,112.00	-	-
(Yan Lok SGH)	Rates	11,807.00	12,740.00	-	933.00
	Total	121,919.00	122,852.00	-	933.00
Service Unit: 7242	Rent (Note 3)	110,112.00	110,112.00	-	-
(Yan Yee SGH)	Rates	11,807.00	12,740.00	-	933.00
	Total	121,919.00	122,852.00	-	933.00
Service Unit: 7243	Rent (Note 3)	110,112.00	110,112.00	-	-
(Yan Lai SGH)	Rates	10,912.00	11,870.00	-	958.00
	Total	121,024.00	121,982.00	-	958.00
Service Unit: 7244	Rent (Note 3)	110,112.00	110,112.00	-	-
(Yan Ming SGH)	Rates	10,912.00	11,870.00	-	958.00
	Total	121,024.00	121,982.00	-	958.00
Service Unit: 7763	Rent (Note 3)	90,024.00	90,024.00	-	-
(Yan Shun SGH)	Rates	12,045.00	14,626.71	-	2,581.71
	Total	102,069.00	104,650.71	-	2,581.71
Service Unit: 7764	Rent (Note 3)	90,024.00	90,024.00	-	-
(Yan Mong SGH)	Rates	12,045.00	14,626.71	-	2,581.71
	Total	102,069.00	104,650.71	-	2,581.71
Service Unit: 7765	Rent (Note 3)	90,024.00	90,024.00	-	-
(Yan Oi SGH)	Rates	12,045.00	14,626.58	-	2,581.58
	Total	102,069.00	104,650.58	-	2,581.58
	Grant Total	2,211,702.00	2,187,794.00	79,273.00	55,365.00

Notes:

1. The figures are to be extracted from the paylist for March plus subvention released in late March of the financial year
2. Surplus/Deficit for each element represents the difference between subvention released and actual expenditure.
3. Rent includes all kinds of rent such as PHE rental, private rental, carpark rent, management fee, building maintenance fee and Government Rent.

Schedule for Central Items

Analysis of Subvention and Expenditure for the period from 1st April 2024 to 31st March 2025

Name of Agency : The Hong Kong Student Aid Society Limited

Unit Code and Name (Note 7)	Subvented Element	Subvention Released (Note 1)	Actual Expenditure (Note 2)	Surplus (Note 3) (a)	Deficit for the Year			Surplus b/f (Note 5) (e)	Refund from (to) Government (f)	Surplus c/f (Note 6) (g)=(e)+(a)-(d)+(f)
					Deficit (Note 3) (b)	Deficit transferred to LSG (Note 4) (c)	Adjusted Deficit (d)=(b)-(c)			
			$	$	$	$	$	$		$
3548 - Holland Hostel	Quarterly	350,497.00	366,610.07	-	16,113.07	N.A.	16,113.07	N.A.		N.A.
	P Fund - Quarterly	23,836.00	16,954.93	6,881.07	-	N.A.	-	N.A.		N.A.
3551 - Mark Memorial Home	Quarterly	233,665.00	297,104.30	-	63,439.30	N.A.	63,439.30	N.A.		N.A.
	P Fund - Quarterly	15,892.00	10,201.70	5,690.30	-	N.A.	-	N.A.		N.A.
3550 - Island Hostel	Quarterly	350,475.00	538,899.00	-	188,424.00	N.A.	188,424.00	N.A.		N.A.
	P Fund - Quarterly	23,835.00	19,820.00	4,015.00	-	N.A.	-	N.A.		N.A.
7241 - Yan Lok SGH	Quarterly	131,440.00	120,799.87	10,640.13	-	N.A.	-	N.A.		N.A.
	P Fund - Quarterly	8,940.00	5,998.13	2,941.87	-	N.A.	-	N.A.		N.A.
7242 - Yan Yee SGH	Quarterly	131,440.00	121,146.44	10,293.56	-	N.A.	-	N.A.		N.A.
	P Fund - Quarterly	8,940.00	5,267.56	3,672.44	-	N.A.	-	N.A.		N.A.
7243 - Yan Lai SGH	Quarterly	131,440.00	120,082.12	11,357.88	-	N.A.	-	N.A.		N.A.
	P Fund - Quarterly	8,940.00	4,405.88	4,534.12	-	N.A.	-	N.A.		N.A.
7244 - Yan Ming SGH	Quarterly	131,440.00	122,890.87	8,549.13	-	N.A.	-	N.A.		N.A.
	P Fund - Quarterly	8,940.00	4,383.13	4,556.87	-	N.A.	-	N.A.		N.A.
7763 - Yan Shun SGH	Quarterly	131,440.00	123,267.56	8,172.44	-	N.A.	-	N.A.		N.A.
	P Fund - Quarterly	8,940.00	4,442.44	4,497.56	-	N.A.	-	N.A.		N.A.
7764 - Yan Mong SGH	Quarterly	131,440.00	117,949.88	13,490.12	-	N.A.	-	N.A.		N.A.
	P Fund - Quarterly	8,940.00	4,396.12	4,543.88	-	N.A.	-	N.A.		N.A.
7765 - Yan Oi SGH	Quarterly	131,440.00	118,498.19	12,941.81	-	N.A.	-	N.A.		N.A.
	P Fund - Quarterly	8,940.00	5,784.81	3,155.19	-	N.A.	-	N.A.		N.A.
6352 - Subsidy Scheme for OCCS	Subsidy	15,741.00	-	15,741.00	- -		-	11,941.00	(11,941.00)	15,741.00
3552 - FOSTER CARE	Foster Care	4,102,244.00			-	N.A.				N.A.
3994 - DAY FOSTER CARE	Foster Care	1,025,561.00			-	N.A.				N.A.
1927 - FOSTER CARE	Foster Care	1,025,561.00			-	N.A.				N.A.
4250 - FOSTER CARE	Foster Care	1,025,561.00			-	N.A.				N.A.
		7,178,927.00	6,550,558.72	628,368.28	-	N.A.	-	840,816.58	(840,816.58)	628,368.28
Special Allowance for Foster Children		963,392.00	877,828.53	85,563.47	-	N.A.		-	-	85,563.47
TOTAL		10,138,920.00	9,557,290.25	849,606.12	267,976.37		267,976.37			

Schedule for Investment

Analysis of Investment as at 31st March 2025

Agency: The Hong Kong Student Aid Society Limited

	2025 $	2024 $
LSG Reserve as at 31st March 2025	25,939,627.11	21,926,027.41
Represented by:		
Investments		
a) HKD Bank Account Balances	7,709,080.14	4,348,629.79
b) HKD Fixed Deposits	18,230,546.97	17,577,397.62
	25,939,627.11	21,926,027.41

Lok Man Fai Felix
Chairman

Date: 21 OCT 2025

Cheng Ting Yan
Chief Executive Officer

Date: 21 OCT 2025