ANNUAL FINANCIAL REPORT

NGO: THE HONG KONG STUDENT AID SOCIETY LIMITED

(1 April 2025 to 31 March 2026)

	Notes	2025-26 $	2024-25 $
A. INCOME			
1. Lump Sum Grant			
a. Lump Sum Grant (excluding Provident Fund)	1b	**75,502,097.00**	73,444,842.00
b. Provident Fund	1c	**4,879,087.00**	4,856,398.00
2. Fee Income	2	**-**	-
3. Central Items	3	**10,966,459.00**	10,138,920.00
4. Rent and Rates	4	**2,310,186.00**	2,211,702.00
5. Other Income	5	**81,616.57**	45,946.00
6. Interest Received		**579,733.91**	723,253.19
TOTAL INCOME		**94,319,179.48**	91,421,061.19
B. EXPENDITURE			
1. Personal Emoluments			
a. Salaries		**53,934,903.70**	57,946,863.91
b. Provident Fund	1c	**3,433,339.67**	2,734,217.96
c. Allowances		**-**	-
d. Other Staff Costs		**-**	-
Sub-total	6	**57,368,243.37**	60,681,081.87
2. Other Charges	7	**11,964,026.28**	12,253,577.58
3. Central Items	3	**9,683,631.45**	9,557,290.25
4. Rent and Rates	4	**2,290,787.00**	2,187,794.00
TOTAL EXPENDITURE		**81,306,688.10**	84,679,743.70
C. SURPLUS FOR THE YEAR	8	**13,012,491.38**	6,741,317.49

The Annual Financial Report from pages 4 to 12 has been prepared in accordance with the requirements as set out in the Lump Sum Grant Subvention Manual.

LOK MAN FAI FELIX
CHAIRMAN

DATE: 26 OCT 2026

CHENG TING YAN
CHIEF EXECUTIVE OFFICER

DATE: 26 OCT 2026

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. If NGOs receive funding from (i) specified government funds / subsidy schemes to implement services / projects or (ii) the Hong Kong Jockey Club Charities Trust or the Community Chest to implement welfare services / projects (should meet the conditions stipulated in paragraph 3.7.1 (b) of the Lump Sum Grant Subvention Manual) in 2025-26 and carry them forward to 2026-27, they are neither required to include these in the AFR nor apportion the costs of operating such services / projects, regardless of whether subvented resources are deployed or whether the services / projects provided are FSA services or FSA-related activities. Specified government funds / subsidy schemes are listed on SWD's website. 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 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 and Note 8**. Details are analysed below:

Provident Fund Contribution	**Snapshot Staff**	**6.8% and Other Posts**	**Total**
	$	$	$
Subvention Received	570,456.00	4,308,631.00	4,879,087.00
Provident Fund Contribution Paid during the Year	(418,122.00)	(3,015,217.67)	(3,433,339.67)
Surplus/ (Deficit) for the Year	152,334.00	1,293,413.33	1,445,747.33
Add: Surplus/ (Deficit) b/f	(113,893.25)	8,303,949.13	8,190,055.88
Additional PF for 6.8% posts for 2023-24 or before	-	28,441.00	28,441.00
Less: Surplus in 2023-24 PF for snapshot staff	(72,871.00)	-	(72,871.00)
Surplus/ (Deficit) c/f	(34,430.25)	9,625,803.46	9,591,373.21

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:

	2025-26	2024-25
a. Income	$	$
Foster Care Allowance / Emergency Foster Care Allowance	7,412,002.00	7,178,927.00
Special Allowance for Foster Children	1,456,541.00	963,392.00
Overnight On-site-on-call Allowance	1,949,574.00	1,854,717.00
Overnight On-site-on-call Provident Fund	132,601.00	126,143.00
Time-defined Subsidy Scheme for Occasional Child Care Service	15,741.00	15,741.00
Total	10,966,459.00	10,138,920.00

	2025-26	2024-25
	$	$
b. Expenditure		
Foster Care Allowance / Emergency Foster Care Allowance	6,755,246.26	6,550,558.72
Special Allowance for Foster Children	844,399.40	877,828.53
Overnight On-site-on-call Allowance	1,986,758.13	2,047,248.30
Overnight On-site-on-call Provident Fund	97,227.66	81,654.70
Time-defined Subsidy Scheme for Occasional Child Care Service	-	-
Total	9,683,631.45	9,557,290.25

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 represents all income, other than recognised fee income for subvented welfare services, received during the year in the operation of subvented services including income from other services that are incidental to the operation, programme income, etc.

The breakdown on Other Income is as follows:

	2025-26	2024-25
Other Income	$	$
Fees and charges for services incidental to the operation of subvented services	81,616.57	45,946.00
	81,616.57	45,946.00

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.	1	1,041,663.00
HK$1,100,001 - HK$1,200,000 p.a.	-	-
HK$1,200,001 - HK$1,300,000 p.a.	1	1,212,989.37
HK$1,300,001 - HK$1,400,000 p.a.	1	1,309,959.00
HK$1,400,001 - HK$1,500,000 p.a.	-	-
>HK$1,500,000 p.a.	-	-

7. Other Charges

This refers to expenses, other than personal emoluments, incurred in the operation and excluded expenditure for FSA services / FSA-related activities supported by Other Funds or Donations for Designated Purposes, which have been separately included in the relevant disclosures under the "Other Funds or Donations for Designated Purposes" column in Note 8 of the AFR.

The breakdown on Other Charges is as follows:

	2025-26	**2024-25**
Other Charges	**$**	$
(a) Utilities	2,369,060.90	2,280,680.50
(b) Food	3,802,073.56	4,015,532.94
(c) Administrative Expenses	1,386,806.22	1,653,913.68
(d) Stores and Equipment	80,205.67	42,412.10
(e) Repair and Maintenance	1,023,940.84	1,197,292.70
(f) Special Allowances	464,310.00	490,770.00
(g) Programme Expenses	1,015,719.79	580,687.94
(h) Transportation and Travelling	106,543.03	168,910.11
(i) Insurance	744,326.97	726,675.64
(j) Miscellaneous	899,750.40	906,013.07
(k) Staff Training and Development	71,288.90	190,688.90
	11,964,026.28	**12,253,577.58**

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	80,381,184.00	-	-	-	80,381,184.00
Fee Income	-	-	-	-	-
Other Income	81,616.57	-	-	-	81,616.57
Interest Received (Note (1))	579,733.91	-	-	-	579,733.91
Rent and Rates	-	-	2,310,186.00	-	2,310,186.00
Central Items	-	-	-	10,966,459.00	10,966,459.00
Total Income (a)	**81,042,534.48**	**-**	**2,310,186.00**	**10,966,459.00**	**94,319,179.48**
Expenditure					
Personal Emoluments	56,950,121.37	418,122.00	-	-	57,368,243.37
Other Charges	11,892,737.38	71,288.90	-	-	11,964,026.28
Rent and Rates	-	-	2,290,787.00	-	2,290,787.00
Central Items	-	-	-	9,683,631.45	9,683,631.45
Total Expenditure (b)	**68,842,858.75**	**489,410.90**	**2,290,787.00**	**9,683,631.45**	**81,306,688.10**
(Deficit)/ Surplus for the Year (a) - (b)	**12,199,675.73**	**(489,410.90)**	**19,399.00**	**1,282,827.55**	**13,012,491.38**
Less: Surplus of Provident Fund (PF)	(1,445,747.33)	-	-	-	(1,445,747.33)
	10,753,928.40	(489,410.90)	19,399.00	1,282,827.55	11,566,744.05
Surplus/ (Deficit) b/f (Note (2))	**14,208,815.35**	**11,730,811.76**	**(205,023.37)**	**(862,433.28)**	**24,872,170.46**
	24,962,743.75	11,241,400.86	(185,624.37)	420,394.27	36,438,914.51
Less: Refund to Government	-	-	(79,273.00)	(729,672.75)	(808,945.75)
					-
Surplus/ (Deficit) c/f (Note (4))	**24,962,743.75**	**11,241,400.86**	**(264,897.37)**	**(309,278.48)**	**35,629,968.76**

Notes:

(1) Interest received on LSG, HA and PF 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 will be capped at 25% of the NGO's operating expenditure (i.e. Total Expenditure excluding Provident Fund Contribution) 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 will be capped at 25% of the NGO's operating expenditure (i.e. Total Expenditure excluding Provident Fund Contribution) 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 will be capped at 25% of the NGO's operating expenditure (i.e. Total Expenditure excluding Provident Fund Contribution) 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 will be capped at 25% of the NGO's operating expenditure (i.e. Total Expenditure excluding Provident Fund Contribution) 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 support 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 1 April 2025 to 31 March 2026

Name of NGO (code) : The Hong Kong Student Aid Society Limited (384)

Unit Code and Name	Subvented Element	Subvention Released (Note 1)	Actual Expenditure	Surplus (Note 2)	Deficit (Note 2)
		$	$	$	$
Service Unit: 3548 (Holland Hostel)	Rent (Note 3)	-	-	-	-
	Rates	171,360.00	170,860.00	500.00	-
	Total	171,360.00	170,860.00	500.00	-
Service Unit: 3550 (Island Hostel)	Rent (Note 3)	-	-	-	-
	Rates	148,170.00	140,131.00	8,039.00	-
	Total	148,170.00	140,131.00	8,039.00	-
Service Unit: 3551 (Mark Memorial Home)	Rent (Note 3)	1,055,736.00	1,055,736.00	-	-
	Rates	72,600.00	72,100.00	500.00	-
	Total	1,128,336.00	1,127,836.00	500.00	-
Service Unit: 7241 (Yan Lok SGH)	Rent (Note 3)	117,216.00	117,216.00	-	-
	Rates	14,880.00	13,240.00	1,640.00	-
	Total	132,096.00	130,456.00	1,640.00	-
Service Unit: 7242 (Yan Yee SGH)	Rent (Note 3)	117,216.00	117,216.00	-	-
	Rates	14,880.00	13,240.00	1,640.00	-
	Total	132,096.00	130,456.00	1,640.00	-
Service Unit: 7243 (Yan Lai SGH)	Rent (Note 3)	117,216.00	117,216.00	-	-
	Rates	13,950.00	12,370.00	1,580.00	-
	Total	131,166.00	129,586.00	1,580.00	-
Service Unit: 7244 (Yan Ming SGH)	Rent (Note 3)	117,216.00	117,216.00	-	-
	Rates	13,950.00	12,370.00	1,580.00	-
	Total	131,166.00	129,586.00	1,580.00	-
Service Unit: 7763 (Yan Shun SGH)	Rent (Note 3)	95,832.00	95,832.00	-	-
	Rates	16,100.00	14,793.36	1,306.64	-
	Total	111,932.00	110,625.36	1,306.64	-
Service Unit: 7764 (Yan Mong SGH)	Rent (Note 3)	95,832.00	95,832.00	-	-
	Rates	16,100.00	14,793.36	1,306.64	-
	Total	111,932.00	110,625.36	1,306.64	-
Service Unit: 7765 (Yan Oi SGH)	Rent (Note 3)	95,832.00	95,832.00	-	-
	Rates	16,100.00	14,793.28	1,306.72	-
	Total	111,932.00	110,625.28	1,306.72	-
	Grant Total	2,310,186.00	2,290,787.00	19,399.00	-

Notes:

1. The figures are to be extracted from the paylist for March plus subvention released in late March of the financial year. Reimbursement for rent and rates relating to previous financial year(s) (i.e back payments) should not be included.

2. Surplus/Deficit for each element represents the difference between subvention released and actual expenditure. If the amount of the subvented element has been changed due to contract renewal or other contract variation, NGOs should inform Social Welfare Department (SWD) and provide relevant supporting documents as soon as possible, so that SWD can timely update the allocations of rent and rates to the NGO.

3. Rent includes all kinds of rent such as Public Housing Estate 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 1 April 2025 to 31 March 2026

Name of NGO (Code) : The Hong Kong Student Aid Society Limited (384)

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	367,360.00	392,428.65	-	25,068.65	N.A.	25,068.65	N.A.		N.A.
	P Fund - Quarterly	24,983.00	18,024.65	6,958.35	-		-			
3551 - Mark Memorial Home	Quarterly	244,907.00	344,357.73	-	99,450.73	N.A.	99,450.73	N.A.		N.A.
	P Fund - Quarterly	16,657.00	15,081.15	1,575.85	-		-			
3550 - Island Hostel	Quarterly	372,959.00	372,959.00	-	-	N.A.	-	N.A.		N.A.
	P Fund - Quarterly	25,364.00	25,364.00	-	-		-			
7241 - Yan Lok SGH	Quarterly	137,764.00	138,698.65	-	934.65	N.A.	934.65	N.A.		N.A.
	P Fund - Quarterly	9,371.00	6,934.98	2,436.02	-		-			
7242 - Yan Yee SGH	Quarterly	137,764.00	112,392.45	25,371.55	-	N.A.	-	N.A.		N.A.
	P Fund - Quarterly	9,371.00	5,619.64	3,751.36	-		-			
7243 - Yan Lai SGH	Quarterly	137,764.00	124,908.75	12,855.25	-	N.A.	-	N.A.		N.A.
	P Fund - Quarterly	9,371.00	4,904.92	4,466.08	-		-			
7244 - Yan Ming SGH	Quarterly	137,764.00	125,463.45	12,300.55	-	N.A.	-	N.A.		N.A.
	P Fund - Quarterly	9,371.00	4,932.24	4,438.76	-		-			
7763 - Yan Shun SGH	Quarterly	137,764.00	122,436.50	15,327.50	-	N.A.	-	N.A.		N.A.
	P Fund - Quarterly	9,371.00	4,940.57	4,430.43	-		-			
7764 - Yan Mong SGH	Quarterly	137,764.00	124,933.95	12,830.05	-	N.A.	-	N.A.		N.A.
	P Fund - Quarterly	9,371.00	5,016.51	4,354.49	-		-			
7765 - Yan Oi SGH	Quarterly	137,764.00	128,179.00	9,585.00	-	N.A.	-	N.A.		N.A.
	P Fund - Quarterly	9,371.00	6,409.00	2,962.00	-		-			
6352 - Subsidy Scheme for OCCS	Subsidy	15,741.00	-	15,741.00	-	N.A.	-	15,741.00	(15,741.00)	15,741.00
					-					
3552 - FOSTER CARE	Foster Care	4,235,431.00								
3994 - DAY FOSTER CARE	Foster Care	1,058,857.00								
1927 - FOSTER CARE	Foster Care	1,058,857.00								
4250 - FOSTER CARE	Foster Care	1,058,857.00								
		7,412,002.00	6,755,246.26	656,755.74	-	N.A.	-	628,368.28	(628,368.28)	656,755.74
Special Allowance for Foster Children										
AM13 - EXTRA INCENTIVE PAYMENTS CHILDREN WITH SPECIAL NEEDS	Foster Care	1,244,652.00	756,258.40	488,393.60	-	N.A.	-	30,462.47	(30,462.47)	488,393.60
AN92 - Multi faceted Support for Foster Families & Children	Foster Care	211,889.00	88,141.00	123,748.00	-	N.A.	-	55,101.00	(55,101.00)	123,748.00
		1,456,541.00	844,399.40	612,141.60	-	N.A.	-	85,563.47	(85,563.47)	612,141.60
TOTAL		10,966,459.00	9,683,631.45	1,408,281.58	125,454.03	N.A.	125,454.03			

Notes:

1 The figures for the whole financial year are extracted from the paylist for March (Final) or remittance advice(s) issued by the Treasury or allocation letter(s) is used by Social Welfare Department of the financial year.

2. Actual expenditure represents the total expenditure incurred including provident fund for the respective services after netting off (i) programme income.

3. Surplus/Deficit for each element represents the difference between subvention released and actual expenditure.

4. Deficit i.r.o. the following central items arising from salary adjustment are transferred to the Lump Sum Grant Reserve as stated in the relevant letter issued by SWD.
   (i) Infirmary Care Supplement for the Aged Blind Persons
   (ii) Infirmary Care Supplement for Subevented/Subsidised Residential Elderly services
   For items other than those listed above, please insert " N.A.".

5. "Surplus brought forward (b/t)" means surplus , if any, arising from operations in previous years.

6. "Surplus carried forward (c/f)" means surplus brought forward less refund to Government plus surplus , if any, arising from operations in current year.

7. Unit code and name / remittance advice no. are extracted from the paylist from SWD and remittance advice from the Treasury respectively.

Bank Deposits and Schedule for Investment

Analysis of Investment as at 31 March 2026

Name of NGO (code): The Hong Kong Student Aid Society Limited (384)

	2026 $	2025 $
LSG Reserve as at 31 March 2026	36,204,144.61	25,939,627.11
Represented by:		
Investments		
a) HKD Bank Account Balances	17,555,988.66	7,709,080.14
b) HKD Fixed Deposits	18,648,155.95	18,230,546.97
	36,204,144.61	25,939,627.11

LOK MAN TAI FELIX
CHAIRMAN

Date: 26 OCT 2026

CHENG TING YAN
CHIEF EXECUTIVE OFFICER

Date: 26 OCT 2026

Schedule for the Utilisation of Reserve in Holding Account for 2025-26 and the Plan of Utilisation of Holding Account Reserve for 2026-27

Name of NGO (code): The Hong Kong Student Aid Society Limited (384)

(A) Utilisation of Holding Account (HA) Reserve (2025-26)	$	$
	Sub total	Total
(1) Balance as at 31 March 2025 brought forward		11,730,811.76
(2) Actual Expenditure		
(i) Meeting contractual commitments towards Snapshot Staff		418,122.00
(ii) Enhancing human resources arrangements		
- Training and development	71,288.90	
- Staff cost (> mid point of MPS)	-	
- Medical Benefits of Snapshot staff	-	71,288.90
(3) Balance as at 31 March 2026 carried forward		11,241,400.86
No. of Snapshot Staff (as at 1 September 2025)		6

Plan of Utilisation of HA Reserve (2026-27)	$	$
	Sub total	Total
(1) Balance as at 31 March 2026 brought forward		11,241,400.86
(2) Estimated Expenditure		
(i) Meeting contractual commitments towards Snapshot Staff		418,122.00
(ii) Enhancing human resources arrangements		
- Training and development	72,715.00	
- Staff cost (> mid point of MPS)	-	
- Medical Benefits of Snapshot staff	10,800.00	83,515.00
(3) Balance as at 31 March 2027 carried forward		10,739,763.86
No. of Snapshot Staff (as at 1 September 2026)		6