SUB-ORGANISATIONS
SUBSIDISED BY SOCIAL WELFARE DEPARTMENT
OPERATED BY THE HONG KONG BUDDHIST ASSOCIATION

FOR THE PERIOD FROM 1ST APRIL, 2025
TO 31ST MARCH, 2026

ANNUAL FINANCIAL REPORT

LUI & MAK CPA LIMITED
呂榮光　麥錦棠　陳杰宏
會計師事務所有限公司

Rooms 604-7, Dominion Centre, 43-59 Queen's Road East, Hong Kong
Tel No.: 2821 0505 Fax No.: 2529 0774
香港皇后大道東四十三至五十九號東美中心, 六樓六零四至六零七室
電話: 2821 0505 圖文傳真: 2529 0774

NGO: THE HONG KONG BUDDHIST ASSOCIATION - SUB-ORGANISATIONS SUBSIDISED BY SOCIAL WELFARE DEPARTMENT

ANNUAL FINANCIAL REPORT

FOR THE PERIOD FROM 1ST APRIL, 2025 TO 31ST MARCH, 2026

		NOTE	2025/26 HK$	2024/25 HK$
A.	**INCOME**			
1	Lump Sum Grant			
	(a) Lump Sum Grant (excluding Provident Fund)	(1b)	62,717,774.00	63,787,742.00
	(b) Provident Fund	(1c)	4,165,374.00	4,390,895.00
2	Fee Income	(2)	5,437,477.50	5,505,956.50
3	Central Items	(3)	1,476,889.00	868,158.00
4	Rent and Rates	(4)	2,464,392.00	2,319,010.00
5	Other Income	(5)	2,499,999.63	3,414,047.16
6	Interest Received		179,510.71	541,646.96
	TOTAL INCOME		78,941,416.84	80,827,455.62
B.	**EXPENDITURE**			
1	Personal Emoluments			
	(a) Salaries		56,638,619.36	56,969,507.84
	(b) Provident Fund	(1c)	3,331,497.60	3,412,618.46
	Sub-total	(6)	59,970,116.96	60,382,126.30
2	Other Charges	(7)	12,288,116.75	12,635,321.59
3	Central Items	(3)	1,471,642.00	862,911.00
4	Rent and Rates	(4)	2,392,706.00	2,430,632.00
	TOTAL EXPENDITURE		76,122,581.71	76,310,990.89
C.	**SURPLUS FOR THE YEAR**	(8)	2,818,835.13	4,516,464.73

The Annual Financial Report from pages 3 to 12 has been prepared in accordance with the requirements as set out in the Lump Sum Grant Subvention Manual.

Chairman

Chief Executive Officer

Date: 5th October, 2026

NGO: THE HONG KONG BUDDHIST ASSOCIATION - SUB-ORGANISATIONS SUBSIDISED BY SOCIAL WELFARE DEPARTMENT

NOTES ON THE ANNUAL FINANCIAL REPORT

FOR THE PERIOD FROM 1ST APRIL, 2025 TO 31ST MARCH, 2026

(1) LUMP SUM GRANT (LSG)

(a) Basis 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 1st April 2000.

Other posts represent those staff that are employed after 1st April 2000.

The Provident Fund received and contributed for staff under the Central Items and Other Funds or Donations for Designated Purposes which are separately included as part of the income and expenditure of the relevant disclosures have been shown under **Note 3 and Note 8**.

(c) Provident Fund (Continued)

Details are analysed below:

Provident Fund Contribution	Snapshot Staff HK$	Other Posts HK$	Total HK$
Subvention Received	206,918.00	3,958,456.00	4,165,374.00
Provident Fund Contribution Paid during the Year	(181,163.94)	(3,150,333.66)	(3,331,497.60)
Surplus for the Year	25,754.06	808,122.34	833,876.40
Add: Surplus b/f.	91,780.84	11,473,455.00	11,565,235.84
Additional subvention received for previous year(s)	-	8,277.00	8,277.00
Less: Refund to Government	(18,777.00)	-	(18,777.00)
Surplus c/f.	98,757.90	12,289,854.34	12,388,612.24

(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).

(3) CENTRAL ITEMS (Continued)

The income and expenditure of each of the Central Items are as follows:

	2025/26 HK$	2024/25 HK$
(a) Income		
Infirmary Care Supplement for Residential Elderly Services	1,471,642.00	862,911.00
Time-defined Subsidy Scheme for Occasional Child Care Service	5,247.00	5,247.00
Total	1,476,889.00	868,158.00
(b) Expenditure		
Infirmary Care Supplement for Residential Elderly Services	1,471,642.00	862,911.00
Total	1,471,642.00	862,911.00

(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. 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 and have been separately included in the relevant disclosures under the "Other Funds or Donations for Designated Purposes" column in Note 8 of the AFR.

(5) OTHER INCOME (Continued)

The breakdown on Other Income is as follows:

	2025/26 HK$	2024/25 HK$
(A) PROGRAMME INCOME	1,317,695.90	1,436,027.50
(B) SUBSIDY RECEIVED FOR ABOLITION OF MPF OFFSETTING ARRANGEMENT FROM LABOUR DEPARTMENT	4,701.52	-
(C) MISCELLANEOUS INCOME	1,177,602.21	1,978,019.66
TOTAL	2,499,999.63	3,414,047.16

(6) PERSONAL EMOLUMENTS

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

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

Analysis of Personal Emoluments paid under LSG	**No of posts**	**HK$**
HK$1,000,001 - HK$1,100,000 p.a	-	-
HK$1,100,001 - HK$1,200,000 p.a	-	-
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

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.

(7) OTHER CHARGES (Continued)

The breakdown on Other Charges is as follows:

	2025/26 HK$	2024/25 HK$
(a) Utilities	1,771,816.28	1,824,127.57
(b) Food (including food for service users)	2,691,648.58	2,855,215.59
(c) Administrative Expenses	694,651.37	432,156.51
(d) Stores and Equipment	1,157,896.23	1,717,432.92
(e) Minor Repair and Maintenance	1,579,152.74	1,486,756.12
(f) Special Allowances	-	-
(g) Programme Expenses	1,715,460.10	2,044,024.80
(h) Transportation and Travelling	73,982.95	47,272.27
(i) Insurance	958,395.16	921,181.93
(j) Miscellaneous	1,645,113.34	1,307,153.88
Total	12,288,116.75	12,635,321.59

(8) ANALYSIS OF LUMP SUM GRANT RESERVE AND BALANCES OF OTHER SWD SUBVENTION

	Lump Sum Grant (LSG) HK$	Other Funds or Donations for Designated Purposes HK$	Rent and Rates HK$	Central Items HK$	Total HK$
Income					
Lump Sum Grant	66,883,148.00	-	-	-	66,883,148.00
Fee Income	5,437,477.50	-	-	-	5,437,477.50
Other Income	2,499,999.63	-	-	-	2,499,999.63
Interest Received (Note (1))	179,510.71	-	-	-	179,510.71
Rent and Rates	-	-	2,464,392.00	-	2,464,392.00
Central Items	-	-	-	1,476,889.00	1,476,889.00
Total income (a)	75,000,135.84	-	2,464,392.00	1,476,889.00	78,941,416.84
Expenditure					
Personal Emoluments	59,970,116.96	-	-	-	59,970,116.96
Other Charges	12,288,116.75	-	-	-	12,288,116.75
Rent and Rates	-	-	2,392,706.00	-	2,392,706.00
Central Items	-	-	-	1,471,642.00	1,471,642.00
Total Expenditure (b)	(72,258,233.71)	-	(2,392,706.00)	(1,471,642.00)	(76,122,581.71)
Surplus for the Year (a)-(b)	2,741,902.13	-	71,686.00	5,247.00	2,818,835.13
Less: Surplus of Provided Fund (PF)	(833,876.40)	-	-	-	(833,876.40)
Surplus for the Year (excl. PF)	1,908,025.73	-	71,686.00	5,247.00	1,984,958.73
Surplus/(deficit) b/f. (Note (2))	20,757,207.69	-	(109,622.00)	5,247.00	20,652,832.69
Add: Refund from Government	-	-	177,271.00	-	177,271.00
Less: Refund to Government	-	-	(65,649.00)	(5,247.00)	(70,896.00)
Surplus c/f. (note (4))	22,665,233.42	-	73,686.00	5,247.00	22,744,166.42

(8) ANALYSIS OF LUMP SUM GRANT RESERVE AND BALANCES OF OTHER SWD SUBVENTION (Continued)

Notes:

(1) Interest received on LSG 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) 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) The level of LSG cumulative reserve (i.e. HK$22,665,233.42) will be capped at 25% of the NGO's operating expenditure (i.e. Total Expenditure excluding Provident Fund Contribution) for the year.
(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.