新生精神康復會
NEW LIFE PSYCHIATRIC REHABILITATION ASSOCIATION

[incorporated in Hong Kong with liability limited by guarantee]

FINANCIAL REPORT

FOR THE YEAR ENDED

31ST MARCH 2026

F. S. Li & Co.
李福樹會計師事務所
CERTIFIED PUBLIC ACCOUNTANTS
HONG KONG

NEW LIFE PSYCHIATRIC REHABILITATION ASSOCIATION

FINANCIAL REPORT

FOR THE YEAR ENDED 31ST MARCH 2026

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NEW LIFE PSYCHIATRIC REHABILITATION ASSOCIATION

EXECUTIVE COMMITTEE MEMBERS

Chairperson

Miss TAM Kam Lan, Annie, GBS, JP

Vice-chairperson

Dr. CHEUNG Hung Kin

Honorary Secretary

Dr. LO Wai Fan, Alison

Honorary Treasurer

Mr. CHAU Gee Hung, Henry

Members

Mrs. Helen CHAN, SBS
Dr. LAU Ka Hin (appointed on 31st October 2025)
Dr. LEE Chi Chiu
Mr. WONG Kwong Yeung, Simon, MH
Ms. WOO Yuen Ling
Dr. YEUNG Kwok Wah, Allen
Mr. YOUNG Wai Tsing, Stephen
Dr. YU Chi Shing, Edwin, MH (deceased on 21st August 2025)
Mr. YU Wai Wai, JP

NEW LIFE PSYCHIATRIC REHABILITATION ASSOCIATION

REPORT OF EXECUTIVE COMMITTEE

The Executive Committee members have pleasure in presenting their report together with audited consolidated financial statements of the Association and its subsidiary (together referred to as "the Group") for the year ended 31st March 2026.

EXECUTIVE COMMITTEE MEMBERS

The names of persons who were the Executive Committee Members of the Association during the financial year are listed on page 1.

In accordance with Article 23 of the Association's Articles of Association, the term of office of the Executive Committee members shall be one year while the Chairperson and other Office Bearers shall have a fixed three-year term, all are eligible for re-election for another term.

All Executive Committee members will retire at the forthcoming annual general meeting and being eligible offer themselves for re-election.

The names of persons who were the directors of the subsidiary during the financial year are as follows:

Miss TAM Kam Lan, Annie, GBS, JP
Dr. CHEUNG Hung Kin

PRINCIPAL ACTIVITIES

The principal activities of the Group are to establish and carry on residential, vocational rehabilitation, employment and job training, social enterprises, family support, self-help and mutual help, mental health promotion and prevention, community mental health services or any such projects on a non-profit making basis for people with mental illness, their families and the general public.

PERMITTED INDEMNITY PROVISION

In accordance with the Association's articles of association, there is a permitted indemnity provision (as defined in section 469 of the Companies Ordinance (Cap. 622)) in force for the benefit of the Executive Committee Members of the Association during the year and at the time of approval of this report.

EXECUTIVE COMMITTEE MEMBERS' INTERESTS

No material transactions, arrangements and contracts in relation to the Association's operation were entered by to which the Association's subsidiary company and in which an Executive Committee member had a material interest subsisted at the end of the year or at any time during the year.

EXECUTIVE COMMITTEE MEMBERS' INTERESTS (continued)

At no time during the year nor at the end of the year was the Association or its subsidiary company a party to any arrangements to enable the Executive Committee members of the Association to acquire benefits by means of the acquisition of debentures of the Association or the acquisition of shares in or debentures of any other body corporate.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the Association were entered into or existed during the year.

AUDITORS

The financial statements have been audited by F.S. Li & Co., Certified Public Accountants, who retire and being eligible offer themselves for re-appointment.

BUSINESS REVIEW

(I) **A fair review of the Association's services**

Established in 1965 and incorporated in 1969, the Association is a non-government organisation specialising in delivering community mental health services in Hong Kong. We aim to make a positive difference by advocating for equal opportunities for people in recovery of mental illness (PIR), enhancing their quality of life, and moving towards an inclusive society through direct services, social enterprises, mental health education, mutual aid and family support.

Vision

We strive to promote mental wellness for PIR and for their families and the general public with the ultimate goal of equal opportunities, social inclusion, acceptance and full participation for all in the community.

Mission

We are dedicated to pioneering and delivering people-focused, recovery-oriented, and evidence-based community mental health services with care and respect, innovation and continuous drive for excellence and professionalism.

The Association currently operates more than 80 service units/projects and over 20 social enterprises serving more than 152,000 service users.

BUSINESS REVIEW (continued)

(II) **Core Services**

(a) **Community Services**

Integrated Community Centre for Mental Wellness (ICCMW) is an integrated centre that offers district-based and one-stop community support service accessible for PIR, persons with suspected mental health problems, caregivers and residents. The ICCMW also provides public education on mental wellness to residents living in the service area. The Association now operates seven ICCMWs in Tin Shui Wai, Sham Shui Po, Yau Tsim Mong, Shatin, Kwai Chung, Tuen Mun and Island Districts. In addition to the seven ICCMWs, the community services are also delivered through two Mobile Vans for Publicity Service on Mental Wellness serving New Territories East and West. Since 2025/26, the Association has operated a Family Wellness Centre for parents and relatives of persons in mental recovery or with psychological distress in New Territories East.

(b) **Residential Services**

To support the integration of PIR in the community with different levels of care and support need, the residential service provides 24-hour recovery-oriented services to residents who are not yet ready for independent living. The Association operates 3 long stay care homes, 11 halfway houses, 4 self-financed hostels, 1 supported hostel, and 2 hostels for the moderately mentally handicapped. Since 2025/26, the Association has operated the Transitional Support Service for Persons in Mental Recovery in New Territories to provide facilitate their smooth transition into halfway house service or reintegration into the community.

(c) **Vocational Rehabilitation Services**

Through work training as well as supported and open employment, the Association promotes upward mobility, self-reliance and social integration among people living with various degrees of disabilities. The Association runs six integrated vocational rehabilitation service centres, and 1 supported employment service centre.

(d) **Social Enterprises**

The Association currently operates 20 social enterprises to provide work and training opportunities for PIR.

(e) **Family Support**

Family participation can effectively enhance the recovery of PIR in strengthening their abilities and improving family relationships. Hence, the Association is proactive in extending support to family caregivers as partners in embracing PIR on their journey of recovery.

(f) **Services for people challenged by Autism Spectrum Disorders (ASD)**

To enhance the social competence, self-independence and employability of people challenged by ASD, the Association implemented projects to promote peer-support among the youths, empower family members to support the education and employment development needs of their children as well as to enhance public understanding of persons challenged by ASD, thereby fostering their integration to community and achievement of a meaningful living. The Association operates 3 centres to provide services for people challenged by ASD.

(g) **Training, Research and Development**

Through the Jockey Club New Life Institute of Psychiatric Rehabilitation, the Association delivers mental health education and tailor-made professional training for mental health practitioners and the general public.

BUSINESS REVIEW (continued)

(II) **Core Services** (continued)

(h) **Clinical Psychological Services**

The Association's clinical psychological service emphasizes on evidenced-based, people-oriented and strength-based practice. Services include individual psychological assessment and intervention, group therapy, consultation, professional training as well as psychology-related workshops.

(III) **Principle risks and uncertainties**

The Executive Committee assumes the overall responsibility for the Association's risk management. Subcommittees provide guidance to senior management to address risks in their respective domains. Risk management policy is established to identify, assess, manage and monitor risks.

The Internal Auditor of the Association provides independent assessment and assurance to Executive Committee and management on the adequacy and effectiveness of internal controls of the Association. The Internal Audit Department operates independently and reports to the Finance and Administration Subcommittee directly.

In 2025/26, the Internal Auditor completed three internal reviews on "Anti-Corruption Measures", "Repair and Maintenance", and "Personal Data Protection". The internal audit reports and recommendations were discussed with the senior management and relevant departments, and reported to the Finance and Administration Subcommittee and Executive Committee.

(a) **Financial Risks**

Our funding comes from grants, fee income, donation and investment activities. The majority of grant is provided by the Social Welfare Department for delivering our recurrent welfare services. Other grant-making bodies provide funding to support designated welfare service projects and initiatives most of which are time-limited. Fee income is fees and charges received from users receiving welfare services. Investment income represents bank interest, dividend income and investment gain obtained from our investing activities as guided by the investment policy.

The Honorary Auditor audited and expressed unmodified opinion on the Association's 2025/26 financial report. The Association's total income for financial year 2025/26 was HK$825 million. The two major sources of income were Lump Sum Grant from the Social Welfare Department for delivering recurrent welfare services (68.40%) and the fee income received for providing welfare services (15.21%). Grants from the Hong Kong Jockey Club Charities Trust, Lotteries Fund, and The Community Chest of Hong Kong made up about 6.72%, 2.08%, and 0.18% of the total income respectively. Donation, investment income and other income accounted for the remaining 7.41% of the total income.

BUSINESS REVIEW (continued)

(III) **Principle risks and uncertainties** (continued)

(a) **Financial Risks** (continued)

The total operating expenditure of the Association for financial year 2025/2026 was HK$803 million. Cost of service operation and service support represented 77.90% and 17.38% of the total expenditure respectively. Management and administration cost constituted about 4.72% of the annual expenditure.

In financial year 2025/2026, there was an overall surplus of HK$22 million. As of 31 March 2026, the Association was in a net asset position. It was considered to be financially sustainable.

(b) **Manpower Risks**

Recruitment and retention of manpower especially for paramedical and frontline staff due to competitive labour market and limited labour supply has been challenging. Various recruitment strategies and retention measures have been put in place to address the manpower risks. These include effective policies and procedures to support employee physical and mental health, along with providing supporting services such as Employee Assistance Program, Flexible Work Hours, Occupational Health and Safety to enhance employee wellbeing. In addition, the Association has participated in the Special Scheme to Import Care Workers for Residential Care Homes.

(c) **Service Quality Risks**

To monitor the compliance of Service Quality Standards (SQS) set by the Social Welfare Department (SWD), all service units have to complete self-assessments and internal audits on a regular basis. Experience Sharing sessions were organized among staff on SWD's Special Visiting Program of SQS. In addition, training workshops were regularly held to familiarize staff at all levels with SQS requirements. The Association also set out and implemented the Year Plan on Occupational Safety and Health. Regular safety audits in all service units were conducted and the recommendations were followed up with improvement actions taken. In financial year 2025/26, the Association completed an internal service audit exercise for all of its service units subvented by Lump Sum Grant. The internal audit results were satisfactory and had been reported to Social Welfare Department.

BUSINESS REVIEW (continued)

(IV) **Key Relationships**

(a) **Membership**

The Association's membership is open to persons who support the objects of the Association and pay a fee. The Association offers two categories of membership – Life Member and Ordinary Member. In 2025/2026, the Association maintains a membership of 182.

(b) **Service Recipients**

Service recipients of the Association are mainly persons in mental recovery, people with disabilities, and persons challenged by ASD who meet the admission criteria of service in need; their family members, caregivers and the general public. The Association appreciated the participation of service recipients and family members in the Association's subcommittees and task groups. Their lived experiences enriched the exchange during the meetings.

(c) **Staff**

The Association has a workforce of approximately 1,800 staff comprising of professional, management, administrative, frontline and support staff.

(d) **External Partners**

External partners of the Group include:

i) Government Bureaus and Departments;
ii) Donors and funding bodies;
iii) Corporations in partnership with the Association;
iv) China, Hong Kong and overseas counterparts;
v) Mutual aid organisations for people in mental recovery and their caregivers; and
vi) Volunteer groups and individuals.

The Association maintains a good relationship with these external partners so as to deliver mental health services with care and respect, innovation and continuous drive for excellence and professionalism.

(V) **Environmental Friendliness and Social Responsibility**

The Association made continuous efforts to implement environmental friendly initiatives and foster diffusion of knowledge of environment protection and nature conservation within service units and among service users and staff. The Association carried out various green initiatives and activities during the year including:

BUSINESS REVIEW (continued)

(V) **Environmental Friendliness and Social Responsibility** (continued)

(a) Funded by the Environment Protection Department, the Association operated a total of two recycling stations (including GREEN@Kwai Tsing and GREEN@Wong Tai Sin) and four recycling stores (including GREEN@On Ting, GREEN@Wu King, GREEN@Chuk Yuen, and GREEN@Wang Tau Hom) in 2025/26. In 2025/26, over 2,300 tons of recyclables were collected from 323 residential estates and partner organizations. The cumulative recycling volume has reached over 7,000 tons since 2018. These community recycling facilities actively organized different types of educational activities, including 28 featured events and 340 workshops attracting a total of 13,416 attendees.

(b) New Life Building was awarded the "Wastewi$e Certificate – Excellent Level" by the Environmental Campaign Committee in 2025/26. The award, together with the "Energywi$e Certificate – Good Level" and the "Hong Kong Green Organisation" certification, demonstrated the effort placed by the Association on environmental performance and green achievements.

(c) The Association signed the "Energy Saving Charter 2025", launched by Environment and Ecology Bureau, pledging to take proactive actions to implement energy-saving initiatives to support Hong Kong's goal of achieving carbon neutrality and sustainable development.

(d) New Life Building participated in the Pilot Scheme on Food Waste Collection organised by Environmental Protection Department to support the conversion of food waste into energy.

(VI) **Important events for Financial Year 2025/2026**

(a) The Family Wellness Centre commenced operation in June 2025.

(b) The Association participated in the "The Greater Bay Area Mental Health Symposium cum Workshops" in August 2025.

(c) The Association received the Level Award: Level 1 Disability Inclusive Supporter in the "Caring Employer" Medal Presentation Ceremony 2025 in October 2025.

(d) The Chief Executive Officer was invited to serve as Chairperson of the Preparatory Committee for Mental Health Month 2025; and the Assoication co-organised the " Celebrating the 76th National Day • Mental Health Month 2025 Kick-off Ceremony and Carnival".

(e) The Association participated in the Signing Ceremony for the Guangdong-Hong Kong-Macao Greater Bay Area Social Service Collaboration Project and signed memorandums of cooperation with Mainland organisations in October 2025.

(f) The Association marked the official launch of the Association's 60th Anniversary with the theme "60 Years We Together, 330 Wellbeing We Share" and organised the Launch Ceremony in October 2025.

(g) The Association joined an Exchange Tour for Social Workers to Shaoguan organised by Connecting Hearts in November 2025.

BUSINESS REVIEW (continued)

(VI) **Important events for Financial Year 2025/26 (cont'd)**

(h) The Association participated in the Gerontech and Innovation Expo cum Summit 2025 in November 2025.

(i) The Association launched a "Special Healthy Mind Project" to provide low-intensity psychological interventions to individuals affected by the fire incident at Wang Fuk Court.

(j) The Association organized the 60th Anniversary Territory-wide Flag Day 2025/26 on 10 January 2026.

(k) New Life Farm organised the "New Life Farm Kick-off Ceremony and Fun Day" to mark a new chapter for its services in February 2026.

(l) The Association organised the annual flagship event "2026 330 Day" with the theme, namely "Five-Senses Carnival" on 29 March 2026.

(VII) **Future Likely Developments**

Technical feasibility study for the proposed redevelopment of Jockey Club Farm House under the Special Scheme on Privately Owned Sites for Welfare Uses will be conducted to make better use of this site to increase welfare facilities in acute demand.

(VIII) **Results and Reserves**

Financial results for the year ended 31st March 2026 and movements in the funds and reserves are set out in the statement of comprehensive income and the statement of changes in funds and reserves on pages 15 to 17 and 18.

	2025/2026	2024/2025
Operating Reserve Ratio (average operating reserve / expenditures):		
- Subvented services	43%	40%
- Non-subvented services	45%	44%
Current Ratio (current assets / current liabilities)	8.1	8.2

The Association maintains a healthy financial position. The operating reserve ratio indicated that the reserves of subvented services and non-subvented services can meet about 5 months expenditures respectively even in a zero-income condition, reflecting a careful and sound financial management. Its current ratio also reveals the strong ability of the Association to meet its current obligations.

On behalf of the Executive Committee

Miss TAM Kam Lan, Annie, GBS, JP
Chairperson

Hong Kong, 14 AUG 2026

F. S. Li & Co.
CERTIFIED PUBLIC ACCOUNTANTS
1001 Admiralty Centre Tower 1, 18 Harcourt Road, Hong Kong.
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

NEW LIFE PSYCHIATRIC REHABILITATION ASSOCIATION

[incorporated in Hong Kong with liability limited by guarantee]

Opinion

We have audited the consolidated financial statements of New Life Psychiatric Rehabilitation Association and its subsidiary ["the Group"] set out on pages 13 to 45, which comprise the consolidated statement of financial position as at 31st March 2026, and the consolidated statement of comprehensive income, consolidated statement of changes in funds and reserves and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as at 31st March 2026, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS for Private Entities Accounting Standard as issued by the Hong Kong Institute of Certified Public Accountants ["HKICPA"] and have been properly prepared in compliance with the Companies Ordinance.

Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ["HKSAs"] as issued by the HKICPA. Our responsibilities under those standards are further described in the **Auditor's responsibilities for the audit of the financial statements** section of our report. We are independent of the Group in accordance with the HKICPA's *Code of Ethics for Professional Accountants* ["the Code"], and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the consolidated financial statements and auditor's report thereon

The Executive Committee Members are responsible for the other information. The other information comprises all the information included in the list of Executive Committee Members on page 1 and the Report of Executive Committee on pages 2 to 9, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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Information other than the consolidated financial statements and auditor's report thereon (continued)

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Executive Committee Members and those charged with governance for the consolidated financial statements

The Executive Committee Members are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS for Private Entities Accounting Standard as issued by the HKICPA and the Companies Ordinance, and for such internal control as the Executive Committee Members determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Executive Committee Members are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Executive Committee Members either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with section 405 of the Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Executive Committee Members.

- Conclude on the appropriateness of the Executive Committee Members' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The engagement partner on the audit resulting in this independent auditor's report is Yvonne Oi Yuk Man (practising certificate number: P05225).

F. S. Li & Co.
Certified Public Accountants

Hong Kong, 14 AUG 2026

NEW LIFE PSYCHIATRIC REHABILITATION ASSOCIATION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31ST MARCH 2026

	Note	2026 HK$	2025 HK$
NON-CURRENT ASSETS			
Property, plant and equipment	6	**11,601,826**	10,408,264
Available-for-sale investments			
- Hong Kong listed equity securities, at market value		**10,327,660**	7,270,565
		21,929,486	17,678,829
CURRENT ASSETS			
Inventories - goods for sale		**204,478**	568,066
Account and other receivables	7	**108,980,361**	92,171,162
Time deposits with banks	8	**239,617,164**	212,154,242
Bank and cash balances		**45,066,477**	62,846,267
		393,868,480	367,739,737
Less: **CURRENT LIABILITIES**			
Creditors and accruals	9	**48,716,386**	44,988,530
NET CURRENT ASSETS		**345,152,094**	322,751,207
TOTAL ASSETS LESS CURRENT LIABILITIES		**367,081,580**	340,430,036
Less: NON-CURRENT LIABILITIES			
Provision for long service payment	10	**6,667,406**	793,061
NET ASSETS		**360,414,174**	339,636,975

NEW LIFE PSYCHIATRIC REHABILITATION ASSOCIATION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

AT 31ST MARCH 2026

	Note	2026 HK$	2025 HK$
RESERVE AND FUNDS			
DESIGNATED FUNDS			
Reserved Fund	12	**71,568,350**	65,220,328
Investment Revaluation Reserve	13	**315,782**	25,622
Staff Welfare and Development Fund	14	**6,512,259**	6,369,991
Service Users' and Families' Welfare and Charitable Fund	15	**1,605,892**	1,605,892
Flag Day Fund	16	**7,692,917**	6,856,883
Dr. Wu Wai Yung Fund	17	**3,091,433**	2,971,281
Dr. Stella Liu Fund	18	**2,094,062**	2,047,153
		92,880,695	85,097,150
SUBVENTION ACCOUNT			
Lump Sum Grant Reserve Fund			
Lump Sum Grant Reserve	19	**204,843,464**	196,264,158
Provident Fund Reserve			
- Snapshot staff	19	**1,225,083**	1,678,781
- Non-snapshot staff	19	**59,248,476**	51,604,166
Social Welfare Subvention Surpluses			
Rent and rates	20	**(1,108,111)**	236,819
Central Items Surpluses	20	**343,125**	343,125
Furniture and Equipment Replenishment and Minor Works Block Grant Reserve Fund	21	**2,846,769**	2,476,879
SWD Allocation-One-Off Subsidy	23	**134,673**	17,373
Small Enterprise Fund (SWD)		**-**	1,918,524
		267,533,479	254,539,825
		360,414,174	339,636,975

These consolidated financial statements on page 13 to 45 were approved and authorised for issue by the Executive Committee on 14 AUG 2026

Miss TAM Kam Lan, Annie, GBS, JP
Chairperson

Mr. CHAU Gee Hung, Henry
Honorary Treasurer

NEW LIFE PSYCHIATRIC REHABILITATION ASSOCIATION

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31ST MARCH 2026

	Note	2026 HK$	2025 HK$
INCOME			
Social Welfare Lump Sum Grant	19	**546,158,175**	532,917,335
Social Welfare Designated Subvention			
Rent and rates	20	**16,070,853**	15,145,360
Furniture and Equipment Replenishment and Minor Works Block Grant	21	**8,258,000**	6,517,000
SWD Allocation One-Off Subsidy	23	**570,308**	9,378
Employment Support Service		**1,612,029**	3,340,171
Integrated Employment Assistance Programme for Self-reliance		**4,040**	-
Other grants and donations			
Hospital Authority		**2,429,939**	2,170,640
Employees Retraining Board		**194,015**	54,217
The Community Chest of Hong Kong		**1,521,943**	2,527,706
Other grants		**37,831,567**	34,544,249
Lotteries Fund		**8,891,007**	19,304,964
Hong Kong Jockey Club Charities Trust		**55,446,394**	51,909,897
Donations		**2,041,286**	1,285,107
Dues and fees		**40,248,110**	39,060,231
Members' subscriptions		**950**	350
Rental income		**427,519**	314,527
Miscellaneous receipts		**12,891,053**	14,854,698
OPERATING INCOME		**734,597,188**	723,955,830
OTHER INCOME			
Production income		**85,224,221**	77,214,964
Interest income on bank deposits		**4,887,316**	7,971,268
Dividend income on marketable investments		**368,053**	199,227
Amount refunded from Government	19	**66,249**	271,968
Gain on foreign exchange, net		**49,568**	-
		90,595,407	85,657,427
TOTAL INCOME CARRIED DOWN		**825,192,595**	809,613,257

NEW LIFE PSYCHIATRIC REHABILITATION ASSOCIATION

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (continued)

FOR THE YEAR ENDED 31ST MARCH 2026

	Note	2026	2025
		HK$	HK$
INCOME			
TOTAL INCOME BROUGHT DOWN		**825,192,595**	809,613,257
Less: **EXPENDITURE**			
Personnel emoluments		**471,421,757**	450,577,263
Cost of operation		**24,571,427**	24,902,258
Administration		**39,179,352**	34,081,419
Utilities		**14,916,400**	14,948,749
Stores and equipment		**55,354,171**	42,925,903
Programme expenses		**19,010,260**	19,216,178
Transport and travelling		**2,170,587**	2,326,523
Designated subvention items			
Rent and rates	20	**16,418,638**	14,353,934
SWD Allocation One-Off Subsidy	23	**453,008**	40,448
Employment Support Service		**1,612,029**	3,340,170
Integrated Employment Assistance Programme for Self-reliance		**4,040**	-
Furniture and Equipment Replenishment and Works Block Grant	21	**7,937,510**	5,838,401
Hospital Authority		**2,563,031**	2,468,696
Employees Retraining Board		**194,015**	54,217
The Community Chest of Hong Kong		**1,521,943**	2,527,706
Grants utilized		**14,361,980**	15,009,508
Lotteries Fund	24	**8,891,007**	19,304,964
Hong Kong Jockey Club Charities Trust		**55,446,394**	51,909,897
Production expenses		**64,899,775**	59,072,866
Loss on foreign exchange, net		**-**	106,707
Transfer to deferred income		**534,226**	1,462,742
Amount refund to Government	19, 20, 22	**1,579,965**	2,166,924
		803,041,515	766,635,473
GAIN ON DISPOSAL OF AVAILABLE-FOR-SALE INVESTMENTS		**254,483**	-
NET SURPLUS FOR THE YEAR		**22,405,563**	42,977,784
OTHER COMPREHENSIVE INCOME			
Items that may be reclassified to surplus or deficit:			
Change in fair value of available-for-sale investment	13	**195,210**	1,680,855
Amount released on disposal of available-for-sale investments	13	**94,950**	-
		290,160	1,680,855
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**22,695,723**	44,658,639

NEW LIFE PSYCHIATRIC REHABILITATION ASSOCIATION

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (continued)

FOR THE YEAR ENDED 31ST MARCH 2026

	Note	2026	2025
		HK$	HK$
TRANSFER FROM/(TO):			
Reserve Fund	12	**6,348,022**	575,109
Designated funds -			
Investment revaluation reserve	13	**290,160**	1,680,855
Staff Welfare and Development Fund	14	**142,268**	31,822
Flag Day Fund	16	**836,034**	(449,507)
Dr. Wu Wai Yung Fund	17	**120,152**	(39,906)
Dr. Stella Liu Fund	18	**46,909**	56,236
Subvention account -			
Lump Sum Grant Reserve Fund			
Lump Sum Grant Reserve	19	**8,579,306**	33,854,767
Provident Fund Reserve			
-Snapshot staff	19	**(453,698)**	(315,416)
-Non-snapshot staff	19	**7,644,310**	7,785,135
Social Welfare Subvention Surpluses			
Rent and rates	20	**(1,344,930)**	215,862
Furniture & Equipment Replenishment and Minor Works Block Grant Reserve Fund	21	**369,890**	791,602
Social Welfare Development Fund	22	**-**	(676,717)
SWD Allocation-One-Off Subsidy	23	**117,300**	(31,070)
Small Enterprise Fund (SWD)		**-**	1,179,867
		22,695,723	44,658,639

NEW LIFE PSYCHIATRIC REHABILITATION ASSOCIATION

CONSOLIDATED STATEMENT OF CHANGES IN FUNDS AND RESERVES

FOR THE YEAR ENDED 31ST MARCH 2026

	DESIGNATED FUNDS							
	Reserved Fund	Investment revaluation reserve	Staff Welfare and Development Fund	Service Users' and Families' Welfare and Charitable Fund	Flag Day Fund	Dr. Wu Wai Yung Fund	Dr. Stella Liu Fund	DESIGNATED FUNDS TOTAL
	HK$	HK$	HK$	HK$	HK$	HK$	HK$	HK$
Balance at 31st March 2024	64,645,219	(1,655,233)	6,338,169	1,605,892	7,306,390	3,011,187	1,990,917	**83,242,541**
Surplus for the year ended 31st March 2025	575,109	-	31,822	-	(449,507)	(39,906)	56,236	**173,754**
Change in fair value of investments	-	1,680,855	-	-	-	-	-	**1,680,855**
Total comprehensive income for the year ended 31st March 2025	575,109	1,680,855	31,822	-	(449,507)	(39,906)	56,236	**1,854,609**
Balance as at 31st March and 1st April 2025	65,220,328	25,622	6,369,991	1,605,892	6,856,883	2,971,281	2,047,153	**85,097,150**
Surplus for the year ended 31st March 2026	6,348,022	-	142,268	-	836,034	120,152	46,909	**7,493,385**
Change in fair value of investments	-	195,210	-	-	-	-	-	**195,210**
Amount released on disposal of available-for-sale investments	-	94,950	-	-	-	-	-	**94,950**
Total comprehensive income for the year ended 31st March 2026	6,348,022	290,160	142,268	-	836,034	120,152	46,909	**7,783,545**
Balance as at 31st March 2026	**71,568,350**	**315,782**	**6,512,259**	**1,605,892**	**7,692,917**	**3,091,433**	**2,094,062**	**92,880,695**

	SUBVENTION ACCOUNT											
	Lump Sum Grant Reserve Fund	Provident Fund Reserve (Snapshot staff)	Provident Fund Reserve (Non-snapshot staff)	Social Welfare Subvention Surpluses - Rent and rates	Social Welfare Subvention Surpluses - central items surpluses	Furniture and Equipment Replenishment and Minor Works Block Grant Reserve Fund	Social Welfare Development Fund	SWD Allocation-One-Off Subsidy	Small Enterprise Fund (SWD)	SUBVENTION ACCOUNT TOTAL	DESIGNATED FUNDS TOTAL	FUNDS AND RESERVES TOTAL
	HK$	HK$	HK$	HK$	HK$	HK$	HK$	HK$	HK$	HK$	HK$	HK$
Balance at 31st March 2024	162,409,391	1,994,197	43,819,031	20,957	343,125	1,685,277	676,717	48,443	738,657	**211,735,795**	**83,242,541**	**294,978,336**
Surplus for the year ended 31st March 2025	33,854,767	(315,416)	7,785,135	215,862	-	791,602	(676,717)	(31,070)	1,179,867	**42,804,030**	**173,754**	**42,977,784**
Change in fair value of investments	-	-	-	-	-	-	-	-	-	**-**	**1,680,855**	**1,680,855**
Total comprehensive income for the year ended 31st March 2025	33,854,767	(315,416)	7,785,135	215,862	-	791,602	(676,717)	(31,070)	1,179,867	**42,804,030**	**1,854,609**	**44,658,639**
Balance as at 31st March and 1st April 2025	196,264,158	1,678,781	51,604,166	236,819	343,125	2,476,879	-	17,373	1,918,524	**254,539,825**	**85,097,150**	**339,636,975**
Surplus for the year ended 31st March 2026	8,579,306	(453,698)	7,644,310	(1,344,930)	-	369,890	-	117,300	-	**14,912,178**	**7,493,385**	**22,405,563**
Change in fair value of investments	-	-	-	-	-	-	-	-	-	**-**	**195,210**	**195,210**
Amount released on disposal of available-for-sale investments	-	-	-	-	-	-	-	-	-	**-**	**94,950**	**94,950**
Total comprehensive income for the year ended 31st March 2026	8,579,306	(453,698)	7,644,310	(1,344,930)	-	369,890	-	117,300	-	**14,912,178**	**7,783,545**	**22,695,723**
Transfer to surplus or deficit	-	-	-	-	-	-	-	-	(1,918,524)	**(1,918,524)**	**-**	**(1,918,524)**
Balance as at 31st March 2026	**204,843,464**	**1,225,083**	**59,248,476**	**(1,108,111)**	**343,125**	**2,846,769**	**-**	**134,673**	**-**	**267,533,479**	**92,880,695**	**360,414,174**

NEW LIFE PSYCHIATRIC REHABILITATION ASSOCIATION

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST MARCH 2026

	2026	2025
	HK$	HK$
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus for the year	**22,405,563**	42,977,784
Adjustments for:		
Interest income on bank deposits	**(4,887,316)**	(7,971,268)
Dividend income	**(368,053)**	(199,227)
Gain on disposal of available-for-sale investments	**(254,483)**	-
Depreciation on property, plant and equipment	**6,850,196**	7,078,683
Loss on disposal of property, plant and equipment	**35,105**	17,534
Operating surplus before working capital changes	**23,781,012**	41,903,506
Decrease/(Increase) in:		
Inventories	**363,588**	114,608
Accounts and other receivables	**(17,048,116)**	(10,856,637)
Increase/(Decrease) in:		
Creditors and accruals	**1,809,332**	(6,212,620)
Provision for long service payments	**5,874,345**	-
NET CASH GENERATED FROM OPERATING ACTIVITIES	**14,780,161**	24,948,857
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received on bank deposits	**5,126,233**	8,272,134
Dividends received	**368,053**	199,227
Proceeds on disposal of available-for-sale investments	**3,399,233**	-
Purchase of available-for-sale investments	**(5,911,685)**	(1,393,835)
Proceeds on disposal of property, plant and equipment	**8,000**	-
Payment on purchase of property, plant and equipment	**(8,086,863)**	(6,737,832)
Net decrease in bank deposits of more than 3 months to maturity from date of deposit	**6,303,261**	158,201,093
NET CASH GENERATED FROM INVESTING ACTIVITIES	**1,206,232**	158,540,787
NET INCREASE IN CASH AND CASH EQUIVALENTS	**15,986,393**	183,489,644
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	**238,514,709**	55,025,065
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	**254,501,102**	238,514,709
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Time deposits with bank	**239,617,164**	212,154,242
Bank and cash balances	**45,066,477**	62,846,267
	284,683,641	275,000,509
Time deposits of more than 3 months to maturity from date of deposit	**(30,182,539)**	(36,485,800)
	254,501,102	238,514,709

1. General

New Life Psychiatric Rehabilitation Association ["the Association"] is a company limited by guarantee and does not have a share capital. The liability of each of the members is limited to the extent of an amount not exceeding the sum of HK$20. The Association's principal place of operation is at 332 Nam Cheong Street, Kowloon, Hong Kong.

The Group consists of the Association and its wholly-owned subsidiary company of which the particulars are set out in note 30(b) to the consolidated financial statements. The Group's principal activities are to establish and carry on residential, vocational rehabilitation, employment and job training, social enterprises, family support, self-help and mutual help, mental health promotion and prevention, community mental health services or any such projects on a non-profit making basis for people with mental illness, their families and the general public.

2. Basis of preparation and accounting policies

(a) *Statement of compliance*

These consolidated financial statements have been prepared in accordance with all applicable sections of the HKFRS for Private Entities Accounting Standard issued by the Hong Kong Institute of Certified Public Accountants ["HKICPA"] and accounting principles generally accepted in Hong Kong. These consolidated financial statements have been prepared under the accrual basis of accounting and on the basis that the Company is a going concern.

(b) *Basis of preparation of the consolidated financial statements*

The Group's consolidated financial statements include the financial statements of the Association and its subsidiary company made up to 31st March. All significant intercompany transactions and balances within the Group are eliminated on consolidation.

The measurement basis used in preparing these consolidated financial statements is historical cost convention except that available-for-sale investments are stated at fair value.

(c) *Revenue recognition*

Revenue is recognised when it is probable that the economic benefits will flow to the Group/Association when the revenue can be measured reliably, on the following bases:

(i) Government grant or subvention is recognised as income when no specific future performance conditions are imposed; if there are conditions, it is recognised as income when conditions are fulfilled.

2. **Basis of preparation and accounting policies** (continued)

(c) *Revenue recognition* (continued)

(ii) Grants or donations from non-government parties which are earmarked for specific purposes, are initially recognised as deferred income and then they are recognised in the surplus or deficit over the period necessary to match with the related costs which they are intended to compensate.

(iii) Dues and fees and production income are recognised upon delivery of goods and/or provision of services.

(iv) Members' subscriptions are recognised on a receipt basis.

(v) Rental income is accounted for, using a straight line basis, over the respective periods of the leases.

(vi) Interest income is recognised as it accrues using the effective interest method.

(vii) Dividend and investment income are recognised when the shareholder's right to receive payment is established.

(d) *Foreign currencies*

The Group's functional and presentation currency is Hong Kong dollars.

Transactions arising in foreign currencies during the year are converted at exchange rates approximating to those ruling at transaction dates. Monetary assets and liabilities denominated in foreign currencies at year end are translated at rates of exchange approximating to those ruling at year end date. All exchange differences are dealt with in the surplus or deficit.

(e) *Impairment losses*

At each reporting date, property, plant and equipment are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in surplus or deficit.

Similarly, at each reporting date, inventories for sale are assessed for impairment by comparing the carrying amount of each item of inventory (or group of similar items) with its selling price less costs to complete and sell. If an item of inventory (or group of similar items) is impaired, its carrying amount is reduced to selling price less costs to complete and sell, and an impairment loss is recognised immediately in surplus or deficit.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount (selling price less costs to complete and sell, in the case of inventories), but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (group of related assets) in prior years. A reversal of an impairment loss is recognised immediately in surplus or deficit.

2. **Basis of preparation and accounting policies** (continued)

(f) *Designated Funds*

Designated funds are funds specified by the donors and/or set aside by the Group for designated purposes. The income and expenditure relating to these funds are dealt with in the consolidated statement of comprehensive income. Any surplus or deficit would be transferred to the respective designated funds.

(g) *Property, plant and equipment, and depreciation*

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated to write off the cost of property, plant and equipment less accumulated impairment losses over their estimated useful lives using a straight line basis at the following rates:-

Construction and fitting out	25 per cent per annum
Furniture and equipment	25 per cent per annum
Motor vehicles	15 per cent per annum
Computers	25 per cent per annum

No depreciation is charged on land and buildings because the amounts involved are considered insignificant.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

(h) Disposal of property, plant and equipment

The gain or loss arising from disposal of property, plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant assets, and is recognised in surplus or deficit.

(i) *Leases*

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the Group. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to surplus or deficit on a straight-line basis over the term of the relevant leases.

2. **Basis of preparation and accounting policies** (continued)

(j) *Financial instruments*

To account for financial instruments (financial assets and liabilities), the Group has chosen to apply the recognition and measurement provision of Hong Kong Accounting Standard 39 "Financial Instruments: Recognition and Measurement" ("HKAS 39") under the HKFRS Accounting Standards (previously incorrectly applied Hong Kong Financial Reporting Standard 9 "Financial Instrument" ("HKRFS 9)), and the disclosure requirements of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments Issues" of HKFRS for Private Entities Accounting Standard.

As a result of adopting HKAS 39 from the current year, "Equity investments at fair value through other comprehensive income" has been renamed to "Available-for-sale investments". Corresponding line items in the statement of financial position, the statement of comprehensive income and the notes to the financial statements have been renamed to conform the current year's accounting treatment and/or presentation.

As a result of the change, "incurred loss" model in HKAS 39 has replaced the "expected credit loss" model in HKFRS 9. In addition, in accordance with HKAS 39, gains and losses arising from changes in fair value are recognised directly in investment revaluation reserve until the investment is derecognised or impaired. At that time, the cumulative gain or loss previously recognised in investment revaluation reserve is recognised in surplus or deficit. Previously, amounts presented in other comprehensive income for such investments were not subsequently transferred to surplus or deficit under HKFRS 9. At the time of disposal of an equity investment, the cumulative gain or loss of the investment is transferred from investment revaluation reserve to Reserve Funds. Notwithstanding the above changes in accounting polices, it does not result in any change of carrying amount of any financial assets and liabilities at 1st April 2025.

Except for the above, the change has not resulted in any material changes to the Group's accounting policies, financial position, results of operations, or cash flows for the current or prior periods presented. Accordingly, no reconciliation of reserve or Reserve Funds is presented.

(k) *Available-for-sale investments*

Available-for-sale investments, being held for long term, are initially recognised at fair value plus transaction costs. Gains and losses arising from changes in fair value are recognised directly in investment revaluation reserve, until the investment is derecognised or impaired at which time the cumulative gain or loss previously recognised in investment revaluation reserve is recognised in surplus or deficit.

(l) *Inventories*

Inventories are stated at the lower of cost and net realizable value. Cost is determined on a weighted average basis and includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to the present location and condition. Net realizable value represents estimated selling price less all further costs to completion and direct selling costs.

2. **Basis of preparation and accounting policies** (continued)

(m) *Account and other receivables*

Account and other receivables are are initially recognised at fair value and thereafter stated at amortized cost less impairment losses for bad and doubtful debts, unless the effect of discounting would be immaterial, in which case the receivables are stated at cost less impairment losses for bad and doubtful debts. A provision for impairment of receivables is made when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate where the effect of discounting is material.

(n) *Cash and cash equivalents*

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash on hand and deposits with banks within 3 months to maturity from date of deposit.

(o) *Creditors and accruals*

Creditors and accruals are initially recognised at fair value and thereafter stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

(p) *Taxation*

Taxation represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profits for the year.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using financial position liability method. Taxation rates enacted or substantively enacted by the reporting date are used to determine deferred tax.

Generally, deferred tax liabilities are provided for in full on all taxable temporary differences, while deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

(q) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the year end date.

2. **Basis of preparation and accounting policies** (continued)

(r) Provisions

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and are liable estimate of the amount can be made. When the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(s) Employee benefits - Long service payment ("LSP") Obligations

LSP obligations under the Hong Kong Employment Ordinance are classified as a defined benefit plan under Section 28 of the HKFRS for Private Entities Accounting Standard. The liability is measured annually using the projected unit credit method based on actuarial assumptions, including future salary increases, employee turnover, and market discount rates. The obligation is recognised net of eligible MPF balances derived from employer's contributions for pre-abolition service.

3. **Surplus for the year**

Surplus for the year is stated after charging the following:-

	2026	2025
	HK$	HK$
Auditors' remuneration	**341,700**	337,380
Staff costs (including contribution of HK$26,961,700 (2025 - HK$26,135,295) to defined contribution provident fund)	**471,421,757**	450,577,263
Depreciation on property, plant and equipment	**6,850,196**	7,078,683
Loss on disposal of property, plant and equipment	**35,105**	17,534
Rent of land and building held under operating leases	**17,807,917**	17,332,637

4. Executive Committee members' remuneration

The Executive Committee members during the year did not receive and would not receive any benefits or did not have an interest in respect of the items as mentioned in Section 383(1)(a), (b), (c), (d) and (e) of the Companies Ordinance (Cap. 622) (2025 - Same).

No consideration was provided to or receivable by third parties for making available the services of a person as Executive Committee member or in any other capacity while Executive Committee members (2025 - Same).

5. Taxation

The Association is a charitable institution and is exempt from Hong Kong profits tax, subject to certain conditions to be fulfilled in relation to the trade or business carried on by the Association, under Section 88 of the Inland Revenue Ordinance.

No provision for Hong Kong profits tax has been made as the Association's subsidiary company did not have assessable profits for the year (2025 - Same).

The subsidiary company's tax for the year can be reconciled to the deficit for the year per the statement of comprehensive income of the subsidiary company as follows:-

	2026	2025
	HK$	HK$
Deficit for the year	**(1,693,375)**	(941,935)
Notional tax at the rate of 16.5% (2025 - 16.5%)	**(279,000)**	(155,000)
Tax effect of:		
Income that are not assessable for taxation purposes	**-**	(1,000)
Unrecognised temporary differences	**57,000**	171,000
Unrecognised tax loss/Utilization of previously unrecognised tax loss)	**222,000**	(15,000)
	-	-

At the reporting date, the subsidiary company has unused tax losses available for offset against future profits and deductible temporary differences of HK$14,080,000 and HK$9,045,000 (2025 - HK12,735,000 and HK$8,694,000), respectively. No deferred tax asset has been recognised due to the unpredictability of future profits streams.

6. Property, plant and equipment

	Land and buildings	Construction and fitting out	Furniture and equipment	Sub-total b/f
	HK$	HK$	HK$	HK$
At cost				
At 31st March 2025	2	22,217,881	48,795,958	71,013,841
Additions	-	1,299,045	4,109,913	5,408,958
Disposals	-	-	(97,877)	(97,877)
At 31st March 2026	**2**	**23,516,926**	**52,807,994**	**76,324,922**
Accumulated depreciation				
At 31st March 2025	-	(20,890,481)	(42,763,524)	(63,654,005)
Charge for the year	-	(937,811)	(3,813,133)	(4,750,944)
Written back on disposals	-	-	63,922	63,922
At 31st March 2026	**-**	**(21,828,292)**	**(46,512,735)**	**(68,341,027)**
Carrying amount				
At 31st March 2026	**2**	**1,688,634**	**6,295,259**	**7,983,895**
At 31st March 2025	2	1,327,400	6,032,434	7,359,836

	Sub-total c/f	Motor Vehicles	Computers	Total
	HK$	HK$	HK$	HK$
At cost				
At 31st March 2025	71,013,841	5,015,650	18,576,931	94,606,422
Additions	5,408,958	579,624	2,098,281	8,086,863
Disposals	(97,877)	-	(18,300)	(116,177)
At 31st March 2026	**76,324,922**	**5,595,274**	**20,656,912**	**102,577,108**
Accumulated depreciation				
At 31st March 2025	(63,654,005)	(4,595,585)	(15,948,568)	(84,198,158)
Charge for the year	(4,750,944)	(265,451)	(1,833,801)	(6,850,196)
Written back on disposals	63,922	-	9,150	73,072
At 31st March 2026	**(68,341,027)**	**(4,861,036)**	**(17,773,219)**	**(90,975,282)**
Carrying amount				
At 31st March 2026	**7,983,895**	**734,238**	**2,883,693**	**11,601,826**
At 31st March 2025	7,359,836	420,065	2,628,363	10,408,264

The leases of land, on which the Group's premises are located, are expired on 30th June 2047.

The Group's premises are located at:

1. A parcel at Lot No. TMTL No. 383
2. A parcel at Lot No. TMTL No. 254
3. A parcel at Lot No. NKIL No. 5938
4. Ching Kung House at Flat A, 3/F, No. 30 Nassau Street, Kowloon
5. Section AM of Lot No. 5 in Demarcation District No. 110
6. Section AN of Lot No. 5 in Demarcation District No. 110

7. Accounts and other receivables

	2026 HK$	2025 HK$
Contract deposits	**6,266,826**	6,156,706
Accounts receivable	**28,475,171**	13,178,751
Rental deposits	**2,827,970**	2,437,410
Utility deposits	**3,282,778**	3,074,818
Sundry deposits	**182,094**	177,174
Prepayments	**7,796,662**	7,680,330
Interest receivable	**595,141**	834,058
Money due from clients	**1,000**	1,000
Accounts with:		
Lotteries Fund	**9,087,359**	8,071,118
On-site Training Programme	**151,497**	151,498
The Hong Kong Jockey Club Charities Trust	**43,549,763**	43,834,435
Hong Kong Arts Development Council	**785,137**	549,931
Janssen Hong Kong	**282,357**	282,357
Public Education	**-**	47,903
Innovation and Technology Fund	**217,270**	655,656
The Community Chest of Hong Kong	**15,263**	344,974
Contributions	**-**	744,801
Community Investment and Inclusion Fund	**43,002**	-
Education Bureau	**3,344,265**	3,521,018
Environment and Conservation Fund	**439,674**	426,724
Mental Health Initiatives Funding Scheme	**1,547,263**	-
The Board of Management of the Chinese Permanent Cemeteries	**500**	500
L.Y.Y. Second Foundation	**89,369**	-
	108,980,361	92,171,162

8. Time deposits with banks

	2026 HK$	2025 HK$
Funds from Social Welfare Subvention Reserve Funds	**230,137,881**	201,914,286
Funds from other Funds	**9,479,283**	10,239,956
Total time deposits with banks	**239,617,164**	212,154,242
Analysis of time deposits:		
Less than 3 months to maturity from date of deposit	**209,434,625**	175,668,442
More than 3 months to maturity from date of deposit	**30,182,539**	36,485,800
	239,617,164	212,154,242

9. Creditors and accruals

	2026 HK$	2025 HK$
Accounts payable	**1,567,957**	1,490,162
Accruals	**8,488,017**	8,205,273
Other payables	**7,402,922**	6,911,468
Receipt in advance (including temporary credit)	**8,668,052**	4,223,931
Deferred income	**8,141,791**	7,580,394
Deposits of clients (for keys and lockers)	**156,005**	150,925
Rental deposits	**39,400**	39,400
Other deposits received	**1,968,765**	1,620,965
Accounts with:		
SWD - Employment Support Services	**1,333,120**	1,429,290
Integrated Employment Assistance Programme for Self-reliance	**44,011**	48,052
Chow Tai Fook Charity Foundation	**6,697,866**	5,982,703
Kadoorie Charitable Foundation	**406,018**	-
Kerry Group	**504,324**	166,746
The Lui Pak Wei Charitable Trust	**348,429**	80,939
Mental Health Initiatives Funding Scheme	**-**	50,986
Lee Hysan Foundation	**-**	556,395
Shih Wing Ching Foundation	**531,728**	569,151
Fu Tak Iam Foundation Limited	**37,684**	37,684
Enhancing Employment of People with Disabilities through Small Enterprises Project	**7,130**	7,130
Employees Retraining Board	**670,265**	580,298
Public Education	**393,411**	-
Community Investment and Inclusion Fund	**-**	484,681
Community Green Station	**-**	4,697,767
Small Enterprise Fund (SWD) (Note 11)	**472,636**	-
Mindset project	**74,190**	74,190
	48,716,386	44,988,530

10. Provision for long service payment

	2026 HK$	2025 HK$
Balance at beginning of year	**793,061**	-
Provision for current year	**8,781,303**	793,061
Less: Payment made during the year	**(2,906,958)**	-
Balance at end of year	**6,667,406**	793,061

11. Small Enterprise Fund (SWD) *(Restated)*

Accumulated surplus/(deficit) of each of the projects under Small Enterprise Fund (SWD) are as follows:

Projects	Balance brought forward	Utilisation of fund	**Balance carried forward**
	HK$	HK$	**HK$**
2026			
Café 330 - CMC	13,965	-	**13,965**
Café 330 - CU	2,000	-	**2,000**
Café 330 - HKU	2,000	-	**2,000**
Café 330 - KCH	-	(442,466)	**(442,466)**
Café 330 - KWH	1,317,555	(580,312)	**737,243**
Café 330 - PWH	2,000	-	**2,000**
Delight Kitchen	875	-	**875**
Drinks 330	56,121	-	**56,121**
INNO 330	396,911	(296,013)	**100,898**
SO 330	127,097	(127,097)	-
	1,918,524	(1,445,888)	**472,636**
2025			
Café 330 - CMC	13,965	-	13,965
Café 330 - CU	2,000	-	2,000
Café 330 - HKU	2,000	-	2,000
Café 330 - KWH	(573,442)	1,890,997	1,317,555
Café 330 - PWH	2,000	-	2,000
Delight Kitchen	875	-	875
Drinks 330	106,026	(49,905)	56,121
INNO 330	433,788	(36,877)	396,911
SO 330	751,445	(624,348)	127,097
	738,657	1,179,867	1,918,524

The fund is granted by Social Welfare Department as seed money mainly for financing capital expenditure of service units.

12. Reserved Fund

	2026	2025
	HK$	HK$
Balance at beginning of year	**65,220,328**	64,645,219
Surplus for the year	**6,348,022**	575,109
Balance at end of year	**71,568,350**	65,220,328

13. Investment Revaluation Reserve

	2026 HK$	2025 HK$
Balance at beginning of year	**25,622**	(1,655,233)
Change in fair value of available-for-sale investments	**195,210**	1,680,855
Amount released on disposal of available-for-sale investments	**94,950**	-
Balance at end of year	**315,782**	25,622

The reserve comprises the cumulated net change in the fair value of available-for-sale investments. Upon disposal of an available-for-sale investment, the cumulative gain or loss of the available-for-sale investment is transferred from the reserve and recognised in the surplus or deficit.

14. Staff Welfare and Development Fund

	2026 HK$	2025 HK$
Balance at beginning of year	**6,369,991**	6,338,169
Movements during the year		
Operating income	**184,383**	97,693
Direct expenses	**(42,115)**	(65,871)
Surplus for the year	**142,268**	31,822
Balance at end of year	**6,512,259**	6,369,991

The fund is established as a supportive fund for financing the staff development and training projects.

15. Service Users' and Families' Welfare and Charitable Fund

	2026 HK$	2025 HK$
Balance at beginning and at end of year	**1,605,892**	1,605,892

The fund is established as a supportive fund for financing the service users' and their families' welfare and special needs.

16. Flag Day Fund

	2026 HK$	2025 HK$
Balance at beginning of year	**6,856,883**	7,306,390
Movements during the year		
Surplus from Jockey Club New Life Institute [Remark 1]	**619,576**	126,323
Happy ageing 330-Older Adult Project [Remark 2]	**-**	(125)
New Life 330 - second phase of audio track, mobile applications & webpage works [Remark 3]	**(319,817)**	(51,000)
Flag day income net of expenditure [Remark 5]	**969,545**	-
New Life 330 project	**(433,270)**	(507,882)
330 members' activities	**-**	(16,823)
Surplus/(Deficit) for the year	**836,034**	(449,507)
Balance at end of year	**7,692,917**	6,856,883

Remark :

	2026 HK$	2025 HK$
(1) *Surplus from Jockey Club New Life Institute :*		
Operating income from Jockey Club New Life Institute (dues and fees, rental income and miscellaneous receipts)	**4,546,301**	4,058,162
Direct expenses		
Personnel emoluments	**(673,162)**	(401,189)
Administration and programme expenses	**(2,670,325)**	(2,746,206)
Rent and rates	**(116,327)**	(116,272)
Other expenses (utilities, stores and equipment, transportation and miscellaneous expenses)	**(466,911)**	(668,172)
	619,576	126,323
(2) *Happy ageing 330-Older Adult Project :*		
Usage of Net Proceeds of 2016/17 Flag Day :		
Balance at beginning of year	-	125
Utilisation	-	(125)
Balance at end of year	-	-
(3) *New Life 330 - second phase of audio track, mobile applications and webpage works :*		
Usage of Net Proceeds of 2017/18 Flag Day		
Balance at beginning of year	**426,992**	477,992
Utilisation	**(319,817)**	(51,000)
Balance at end of year	**107,175**	426,992
(4) *Usage of Net Proceeds of 2018/19 Flag Day*		
Balance at beginning of year and end of year	**1,473,629**	1,473,629
(5) *Flag day income net of expenditure :*		
Donation	**1,020,709**	-
Expenditure	**(51,164)**	-
Amount using for :		
Operation cost of self-financed services; and promotion of mental health projects.	**969,545**	-

17. Dr. Wu Wai Yung Fund

	2026 HK$	2025 HK$
Balance at beginning of year	**2,971,281**	3,011,187
Movements during the year		
Direct expenses	**(14,161)**	-
Interest income on time deposits	**8,977**	66,801
Dividend income on marketable investments	**75,769**	-
Gain/(Loss) on foreign exchange	**49,567**	(106,707)
Surplus/(Deficit) for the year	**120,152**	(39,906)
Balance at end of year	**3,091,433**	2,971,281

The fund is established as a supportive fund for financing "China Exchange Programme".

18. Dr. Stella Liu Fund

	2026 HK$	2025 HK$
Balance at beginning of year	**2,047,153**	1,990,917
Movements during the year		
Interest income on time deposits	**46,909**	56,236
Surplus for the year	**46,909**	56,236
Balance at end of year	**2,094,062**	2,047,153

The fund is established as a supportive fund for financing "Farm Development Programme".

19. Lump Sum Grant Reserve and Provident Fund Reserve

	Lump Sum Grant Reserve	Provident Fund Reserve		
		Snapshot staff	Non-snapshot staff	Total
	HK$	HK$	HK$	HK$
Balance at 31st March 2024	162,409,391	1,994,197	43,819,031	45,813,228
Movements during the year				
Grant received	500,302,625	3,822,705	28,792,005	32,614,710
Personnel emolument/OC/PF net fee/other income	(473,420,226)	(3,223,478)	(21,278,838)	(24,502,316)
Interest income on time deposits	6,972,368	-	-	-
	33,854,767	599,227	7,513,167	8,112,394
Amount refunded from Government	-	-	271,968	271,968
Amount refunded to Government	-	(914,643)	-	(914,643)
Surplus/(Deficit) for the year	33,854,767	(315,416)	7,785,135	7,469,719
Balance at 31st March 2025	196,264,158	1,678,781	51,604,166	53,282,947
Movements during the year				
Grant received	513,399,342	2,748,372	30,010,461	32,758,833
Personnel emolument/OC/PF net fee/other income	(509,514,178)	(2,619,250)	(22,432,400)	(25,051,650)
Interest income on time deposits	4,694,142	-	-	-
	8,579,306	129,122	7,578,061	7,707,183
Amount refunded from Government	-	-	66,249	66,249
Amount refunded to Government	-	(582,820)	-	(582,820)
Surplus/(Deficit) for the year	8,579,306	(453,698)	7,644,310	7,190,612
Balance at 31st March 2026	**204,843,464**	**1,225,083**	**59,248,476**	**60,473,559**

A) Utilisation of the LSG reserve in the last year and Plan on use
   1. absorbing deficits of services and activities of subvented units under Social Welfare Department;
   2. subsidizing renovation costs of subvented units not covered by other funds;
   3. fulfilling the contractual commitment to staff, maintaining and strengthening service delivery and implement strategic development plans.

B) Utilisation of the Non-Snapshot Staff PF Reserve in the last year and Plan on use
   - Adjusting the PF contribution rates or giving a one-off additional contribution to staff so as to enhance staff retention.

20. Social Welfare Subvention Surpluses

	Rent and rates HK$	Central items HK$	Total HK$
Balance at 31st March 2024	20,957	343,125	364,082
Movements during the year			
Grant received	15,145,360	-	15,145,360
Amount repaid to Government	(575,564)	-	(575,564)
Rent and rates paid	(14,353,934)	-	(14,353,934)
Surplus for the year	215,862	-	215,862
Balance at 31st March 2025	236,819	343,125	579,944
Movements during the year			
Grant received	16,070,853	-	16,070,853
Amount repaid to Government	(997,145)	-	(997,145)
Rent and rates paid	(16,418,638)	-	(16,418,638)
Deficit for the year	(1,344,930)	-	(1,344,930)
Balance at 31st March 2026	**(1,108,111)**	**343,125**	**(764,986)**

21. Furniture and Equipment Replenishment and Minor Works Block Grant Reserve Fund

	2026 HK$	2025 HK$
Balance at beginning of year	**2,476,879**	1,685,277
Movements during the year		
Grant received	**8,258,000**	6,517,000
Interest income on time deposits	**49,400**	113,003
Payment for:		
Minor works projects	**(7,634,297)**	(5,483,083)
Furniture and equipment	**(262,500)**	(355,318)
Vehicle overhauling	**(40,713)**	-
	(7,937,510)	(5,838,401)
Surplus for the year	**369,890**	791,602
Balance at end of year	**2,846,769**	2,476,879

Capital Commitments in respect of the Furniture and Equipment Replenishment and Minor Works Block Grant Reserve

At reporting date, there were no outstanding commitments in respect of Furniture and Equipment Replenishment and Minor Works Block Grant.

22. Social Welfare Development Fund

The Social Welfare Development Fund (SWDF) is funded by Lotteries Fund.

	2026	2025
	HK$	HK$
SWDF Phase 3		
Balance at beginning of year	-	676,717
Movements during the year		
Amount repaid to Government	-	(676,717)
Deficit for the year	-	(676,717)
Balance at end of year	-	-

23. SWD Allocation-One-Off Subsidy

	2026	2025
	HK$	HK$
Balance at beginning of year	**17,373**	48,443
Movements during the year		
Grant income	**570,308**	9,378
Direct expenses	**(453,008)**	(40,448)
Surplus/(Deficit) for the year	**117,300**	(31,070)
Balance at end of year	**134,673**	17,373

The Allocation is provided by SWD on an one-off basis for supporting the Association's activities and operation.

24. Lotteries Fund

	2026 HK$	2025 HK$
a) ***Procurement of Household / Furniture and Equipment:***		
Siu Lam Long Stay Care Home	**(12,960)**	9,797,613
b) ***Fitting-out Works:***		
Chuk Yuen Halfway House	-	49,285
Siu Lam Long Stay Care Home	**5,272,805**	1,577,278
Mindset Place	-	233,032
Yi Yuet Hin	-	323,601
	5,272,805	2,183,196
c) ***Undertake Fire Safety/Building Safety Rectification/ Lift Modernization Works Measures:***		
Chuk Yuen Halfway House	-	13,000
Tin King Hostel	-	4,900
Tuen Mun Long Stay Care Home	**612,382**	739,349
New Life Building Long Stay Care Home	-	619,023
Yuet Wo House	-	13,400
Yi Yuet Hin	**37,500**	13,950
	649,882	1,403,622
d) ***Procurement of Vehicle:***		
New Life Building Long Stay Care Home	**339,916**	-
Siu Lam Long Stay Care Home	-	1,809,270
New Life Building Sheltered Workshop	**196,868**	-
	536,784	1,809,270
e) ***Pilot Projects***	**2,444,496**	4,111,263
	8,891,007	19,304,964

Capital Commitments in respect of the Lotteries Fund Project Grant

At 31st March 2026, the outstanding commitments in respect of the Lotteries Fund Project Grant are as follows:

	2026 HK$	2025 HK$
Contracted for but not provided	**13,450**	967,898

25. Transfer of surpluses of social welfare subvention

The Group operated service units which are managed by professional personnel. The surplus and deficit for the year are brought forward to the consolidated statement of comprehensive income as follows:

SURPLUS / (DEFICIT) FROM SUBVENTED SERVICE UNITS

	2026 HK$	2025 HK$
Central administration		
Central administration	**641,787**	657,797
Management Office at New Life Building	**335,753**	197,648
Total	**977,540**	855,445
Workshops and hostels		
Sun Chui Halfway House	**(15,640)**	22
Pok Hong Halfway House	**(3,525)**	15
Tin Yuet Halfway House	**(4,175)**	(28)
Shan King Halfway House	**(4,074)**	(3)
Shek Lei Halfway House	**(4,488)**	45
Chuk Yuen Halfway House	**(3,633)**	3
Lei Tung Halfway House	**(3,999)**	(15)
New Life Building Halfway House (I)	**(5,084)**	(7,879)
New Life Building Halfway House (II)	**(4,066)**	-
New Life Building Halfway House (III)	**(5,514)**	44
Jockey Club Farm House	**(5,741)**	2
Agency-based Peer Support Service in Community Psychiatric Service Units	**(303)**	(2)
Springboard Project (Transitional Support Service)	**(404)**	-
New Life Jubilee Hostel	**(6,313)**	(2,833)
Tin King Hostel	**(4,981)**	(37)
Joyous Place	**(5,485)**	(31)
Tuen Mun Long Stay Care Home	**(19,542)**	7,092
New Life Building Long Stay Care Home	**(32,527)**	(6,396)
Siu Lam Long Stay Care Home	**(65,041)**	(347)
Mobile Van for Publicity Service on Mental Wellness	**(2,399)**	20
Family Wellness Centre	**(3,273)**	-
The Wellness Centre - Sham Shui Po	**(19,310)**	51,847
The Wellness Centre - Tuen Mun	**(13,819)**	15,184
The Wellness Centre - Shatin	**(8,926)**	(8,425)
The Wellness Centre - Tin Shui Wai	**14,729**	(4,921)
The Wellness Centre - Kwai Chung	**(13,609)**	(5,332)
The Wellness Centre - Yau Tsim Mong	**(12,864)**	(55,326)
The Wellness Centre - Islands	**(7,577)**	(32,048)
Balance of workshops and hostels carried down	**(261,583)**	(49,349)

25. **Transfer of surpluses of social welfare subvention** (continued)

SURPLUS / (DEFICIT) FROM SUBVENTED SERVICE UNITS (continued)

	2026	2025
	HK$	HK$
Workshops and hostels		
Balance of workshops and hostels brought down	**(261,583)**	(49,349)
Kwai Shing Sheltered Workshop	**(11,650)**	(11,407)
Shek Pai Wan Integrated Work Centre	**16,131**	17,992
Jockey Club Sun Workshop-Tin King	**100,572**	72,813
Jockey Club Sun Workshop-Chuk Yuen	**4,197**	57,257
Sun Workshop-Sham Shui Po	**6,318**	7,918
New Life Farm Sheltered Workshop	**(79,115)**	(68,374)
Agency-Based Vocational Support	**(774)**	(5)
Work Extension Programme	**(875)**	(7)
Supported Centre for Persons with Autism	**(3,822)**	-
Supported Employment Service	**(19,626)**	(38,097)
Total	**(250,227)**	(11,259)
Grand total	**727,313**	844,186

26. **Categories of financial assets and financial liabilities**

	2026	2025
	HK$	HK$
Financial assets:		
Non-current assets - at fair value		
Available-for-sale investments	**10,327,660**	7,270,565
Current assets - at amortized cost:		
Receivables [excluding prepayments]	**101,183,699**	84,490,832
Bank deposits and cash	**284,683,641**	275,000,509
	396,195,000	366,761,906
Financial liabilities:		
Current liabilities - at amortized cost:		
Payables [excluding receipt in advance]	**40,048,334**	40,764,599

27. Commitments under operating leases

At the reporting date, the Group had the following future aggregate minimum lease payments under non-cancellable operating leases in respect of land and buildings:

	2026	2025
	HK$	HK$
Not later than one year	**9,216,000**	7,167,000
Later than one year but not later than five years	**5,471,000**	3,855,000
	14,687,000	11,022,000

28. Related party transactions

Except for the transactions and balances disclosed elsewhere in these consolidated financial statements, the Group did not undertake any transactions with related parties during the year (2025 - Same).

29. Statement of Financial Position of the Association at 31st March 2026

	Note	2026 HK$	2025 HK$
NON-CURRENT ASSETS			
Property, plant and equipment	29(a)	**9,072,445**	8,377,032
Investment in a subsidiary company	29(b)	**22,011,290**	20,648,067
Available-for-sale investments		**10,327,660**	7,270,565
		41,411,395	36,295,664
CURRENT ASSETS			
Inventories - goods for sale		**141,202**	478,344
Accounts and other receivables	29(c)	**106,400,925**	89,811,539
Time deposits with banks		**239,617,164**	212,154,242
Bank and cash balances		**42,379,171**	58,668,009
		388,538,462	361,112,134
Less: **CURRENT LIABILITIES**			
Creditors and accruals	29(d)	**45,622,799**	43,083,895
NET CURRENT ASSETS		**342,915,663**	318,028,239
TOTAL ASSETS LESS CURRENT LIABILITIES		**384,327,058**	354,323,903
Less: **NON-CURRENT LIABILITIES**			
Provision for long service payments		**6,276,716**	662,659
NET ASSETS		**378,050,342**	353,661,244

29. Statement of Financial Position of the Association at 31st March 2026 (continued)

	Note	2026 HK$	2025 HK$
representing:			
DESIGNATED FUNDS			
Reserved Fund	29(e)	**89,204,518**	81,163,121
Investment Revaluation Reserve		**315,782**	25,622
Staff Welfare and Development Fund		**6,512,259**	6,369,991
Service Users' and Families' Welfare and Charitable Fund		**1,605,892**	1,605,892
Flag Day Fund		**7,692,917**	6,856,883
Dr. Wu Wai Yung Fund		**3,091,433**	2,971,281
Dr. Stella Liu Fund		**2,094,062**	2,047,153
		110,516,863	101,039,943
SUBVENTION ACCOUNT			
Lump Sum Grant Reserve Fund			
Lump Sum Grant Reserve		**204,843,464**	196,264,158
Provident Fund Reserve			
- Snapshot staff		**1,225,083**	1,678,781
- Non-snapshot staff		**59,248,476**	51,604,166
Social Welfare Subvention Surpluses			
Rent and Rates		**(1,108,111)**	236,819
Central Items Surpluses		**343,125**	343,125
Furniture and Equipment Replenishment and Minor Works Block Grant Reserve Fund		**2,846,769**	2,476,879
SWD Allocation-One-Off Subsidy		**134,673**	17,373
		267,533,479	252,621,301
		378,050,342	353,661,244

Approved and authorised for issue by the Executive Committee on 14 AUG 2026

Miss TAM Kam Lan, Annie, GBS, JP
Chairperson

Mr. CHAU Gee Hung, Henry
Honorary Treasurer

29. Statement of Financial Position of the Association at 31st March 2026 (continued)

(a) *Property, plant and equipment*

	Land and buildings	Furniture and equipment	Motor vehicles	Computers	Total
	HK$	HK$	HK$	HK$	HK$
At cost					
At 31st March 2025	2	39,597,848	4,760,241	18,576,931	62,935,022
Additions	-	3,439,120	579,624	2,098,281	6,117,025
Disposals	-	(60,167)	-	(18,300)	(78,467)
At 31st March 2026	**2**	**42,976,801**	**5,339,865**	**20,656,912**	**68,973,580**
Accumulated depreciation					
At 31st March 2025	-	(34,269,246)	(4,340,176)	(15,948,568)	(54,557,990)
Charge for the year	-	(3,293,256)	(265,451)	(1,833,801)	(5,392,508)
Written back on disposals	-	40,213	-	9,150	49,363
At 31st March 2026	**-**	**(37,522,289)**	**(4,605,627)**	**(17,773,219)**	**(59,901,135)**
Carrying amount					
At 31st March 2026	**2**	**5,454,512**	**734,238**	**2,883,693**	**9,072,445**
At 31st March 2025	2	5,328,602	420,065	2,628,363	8,377,032

The leases of land, on which the Association's premises are located, are expired on 30th June 2047.

The Association's premises are located at:

1. A parcel at Lot No. TMTL No. 383
2. A parcel at Lot No. TMTL No. 254
3. A parcel at Lot No. NKIL No. 5938
4. Ching Kung House at Flat A, 3/F, No. 30 Nassau Street, Kowloon
5. Section AM of Lot No. 5 in Demarcation District No. 110
6. Section AN of Lot No. 5 in Demarcation District No. 110

(b) *Investment in a subsidiary company*

	2026	2025
	HK$	HK$
Unlisted shares, at cost	**15,000,020**	15,000,020
Amount due from a subsidiary company	**7,011,270**	5,648,047
	22,011,290	20,648,067

Particulars of the subsidiary company are as follows:

Name	: New Life Support Enterprises Limited
Place of incorporation	: Hong Kong
Percentage of equity held	: 100%
Nature of activity	: Operating projects for the benefit of people with disabilities through provision of training and employment opportunities

29. Statement of Financial Position of the Association at 31st March 2026 (continued)

(c) *Accounts and other receivables*

	2026 HK$	2025 HK$
Contract deposits	**6,266,826**	6,156,706
Accounts receivable	**27,754,362**	12,508,481
Rental deposits	**2,827,970**	2,437,410
Utility deposits	**2,189,901**	2,083,701
Sundry deposits	**182,094**	177,174
Prepayments	**7,030,912**	6,982,094
Interest receivable	**595,141**	834,058
Money due from clients	**1,000**	1,000
Accounts with:		
Lotteries Fund	**9,087,359**	8,071,118
On-site Training Programme	**151,497**	151,498
The Hong Kong Jockey Club Charities Trust	**43,549,763**	43,834,435
Hong Kong Arts development Council	**785,137**	549,931
Janssen Hong Kong	**282,357**	282,357
Public Education	**-**	47,903
Innovation and Technology Fund	**217,270**	655,656
The Community Chest of Hong Kong	**15,263**	344,974
Contributions	**-**	744,801
Community Investment and Inclusion Fund	**43,002**	-
Education Bureau	**3,344,265**	3,521,018
Environment and Conservation Fund	**439,674**	426,724
Mental Health Initiatives Funding Scheme	**1,547,263**	-
The Board of Management of the Chinese Permanent Cemeteries	**500**	500
L.Y.Y. Second Foundation	**89,369**	-
	106,400,925	89,811,539

29. Statement of Financial Position of the Association at 31st March 2026 (continued)

(d) *Creditors and accruals*

	2026 HK$	2025 HK$
Accounts payable	**1,067,309**	944,082
Accruals	**6,466,224**	6,789,428
Other payables	**7,402,922**	7,041,870
Receipt in advance (included temporary credit)	**8,569,542**	4,150,819
Deferred income	**8,141,791**	7,580,394
Deposits of clients (for keys and lockers)	**156,005**	150,925
Rental deposits	**39,400**	39,400
Other deposits received	**1,968,765**	1,620,965
Accounts with:		
SWD - Employment Support Services	**1,333,120**	1,429,290
Integrated Employment Assistance Programme for Self-reliance	**44,011**	48,052
Chow Tai Fook Charity Foundation	**6,697,866**	5,982,703
Kadoorie Charitable Foundation	**406,018**	-
Kerry Group	**504,324**	166,746
The Lui Pak Wei Charitable Trust	**348,429**	80,939
Mental Health Initiatives Funding Scheme	**-**	50,986
Lee Hysan Foundation	**-**	556,395
Shih Wing Ching Foundation	**531,728**	569,151
Fu Tak Iam Foudation Limited	**37,684**	37,684
Enhancing Employment of People with Disabilities through Small Enterprises Project	**7,130**	7,130
Employees Retraining Board	**670,265**	580,298
Public Education	**393,411**	-
Contributions	**762,665**	-
Community Investment and Inclusion Fund	**-**	484,681
Community Green Station	**-**	4,697,767
Mindset project	**74,190**	74,190
	45,622,799	43,083,895

(e) *Reserved Fund*

	2026 HK$	2025 HK$
Balance at beginning of year	**81,163,121**	78,466,210
Surplus for the year	**8,041,397**	2,696,911
Balance at end of year	**89,204,518**	81,163,121