

ASIAN OUTREACH HONG KONG LIMITED
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 31 MARCH 2025

MHC CPA LIMITED
Certified Public Accountants (Practising)
Hong Kong

ASIAN OUTREACH HONG KONG LIMITED (Agency code: 009)
YEAR ENDED 31 MARCH 2025

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**INDEPENDENT AUDITOR'S ASSURANCE REPORT
TO THE BOARD OF DIRECTORS OF ASIAN OUTREACH HONG KONG LIMITED**

We have audited the financial statement of Asian Outreach Hong Kong Limited (the "Association") for the year ended 31 March 2025 in accordance with Hong Kong Institute of Certified Public Accountants ("HKICPA"), and have issued an unmodified auditor's report thereon dated 23 October 2025.

Pursuant to the Lump Sum Grant ("LSG") Manual issued by the Social Welfare Department of the Government of the Hong Kong Special Administrative Region ("SWD"), we have been requested to issue this assurance report in connection with the Annual Financial Report ("AFR") of the Association for the year ended 31 March 2025.

Responsibilities of the Directors

In relation to this report, the directors are responsible for ensuring the AFR of the Association for the year ended 31 March 2025 is properly prepared in accordance with the relevant accounting and financial reporting requirements set out in the LSG Manual and other instructions issued by the SWD; and the use of the funds from the LSG by the Association has complied with the purposes as specified in the LSG Manual and other instructions issued by the SWD.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Hong Kong Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's Responsibility

Our responsibility is to form a conclusion, based on our engagement, and to report our conclusion to you.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information and with reference to Practice Note 851 (Revised), Reporting on the Annual Financial Reports of Non-governmental Organisations issued by the HKICPA. We have planned and performed our work to obtain reasonable assurance for giving conclusion 1 and obtain limited assurance for giving conclusion 2 below.

The work undertaken in connection with this engagement is less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

In relation to our conclusion 1 below, we have planned and performed such procedures as we considered necessary with reference to the procedures recommended in PN851 (Revised), to satisfy ourselves that the AFR has been properly prepared, in all material respects, in accordance with the relevant accounting and financial reporting requirements set out in the LSG Manual and other instructions issued by the SWD.

INDEPENDENT AUDITOR'S ASSURANCE REPORT (Cont'd)
TO THE BOARD OF DIRECTORS OF ASIAN OUTREACH HONG KONG LIMITED

Auditor's Responsibility (Cont'd)

In relation to our conclusion 2 below, we have obtained an understanding in respect of the purposes of the use of the funds as specified in the LSG Manual and other instructions issued by the SWD and obtaining an understanding of the control procedures. We are not required to perform any procedures to search for instances of the use of funds from the LSG by the Association being non-complied with the specified purposes. Our work was limited to reporting non-compliances identified as a result of the procedures performed in relation to conclusion 2 and during the normal course of our work relating to conclusion 1. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Conclusion

1. In our opinion, the AFR of the Association for the year ended 31 March 2025 is properly prepared, in all material respects, in accordance with the relevant accounting and financial reporting requirements set out in the LSG Manual and other instructions issued by the SWD.
2. Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the use of the funds from the LSG by the Association has not complied, in all material respects, with the purposes as specified in the LSG Manual and other instructions issued by the SWD.

Intended Users and Purpose

This report is intended solely for submission by the Association to the SWD and is not intended to be, and should not be, used for any other purpose. We agree that a copy of this report may be provided to the SWD without further comment from us.



MHC CPA LIMITED

Certified Public Accountants (Practising)

Yeung Man Wah

Practising Certificate Number: P05386

Hong Kong


23 October 2025

ANNUAL FINANCIAL REPORT
ASIAN OUTREACH HONG KONG LIMITED (Agency code: 009)
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2024/25 \$	2023/24 \$
INCOME			
Lump Sum Grant			
a. Lump Sum Grant (excluding Provident Fund)	1b	6,169,055	5,746,056
b. Provident Fund	1c	388,804	362,840
Fee Income	2	19,488	20,286
Central Items	3	-	-
Rent and Rates	4	1,670,953	1,678,062
Other Income	5	1,031,607	819,173
Interest Received		5,372	23,204
TOTAL INCOME		9,285,279	8,649,621
EXPENDITURE			
Personal Emoluments			
a. Salaries		4,488,385	4,779,712
b. Provident Fund	1c	294,234	413,462
c. Allowances		57,683	75,490
Sub-total	6	4,840,302	5,268,664
Other Charges	7	1,981,253	1,552,384
Central Items	3	-	-
Rent and Rates	4	1,705,884	1,692,492
TOTAL EXPENDITURE		8,527,439	8,513,540
SURPLUS FOR THE YEAR	8	757,840	136,081

The Annual Financial Report from pages 3 to 10 has been prepared in accordance with the requirements as set out in the Lump Sum Grant Manual.


 Rev. Choy Hong Yee, Colon
 NGO Head
 23 October 2025


 Mr. Lee Hung Hing
 Board Chairperson
 23 October 2025

ASIAN OUTREACH HONG KONG LIMITED (Agency code: 009)
NOTES ON THE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 31 MARCH 2025

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. AFR is prepared on cash basis, that is, income is recognised upon receipt of cash and expenditure is recognised when expenses are paid. Non-cash items such as depreciation, provisions and accruals have not been included in the AFR.

b) Lump Sum Grant (excluding Provident Fund)

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

c) Provident Fund

This is Provident Fund received and contributed during the year.

Snapshot Staff are defined as those staff occupying recognised or holding against subvented posts as at 1 April 2000.

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

The Provident Fund received and contributed for staff under the Central Items 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 8. Details are analysed below:

<u>Provident Fund Contribution</u>	Snapshot staff HK\$	6.8% and Other Posts HK\$	<u>Total</u> HK\$
Subvention received	-	388,804	388,804
Provident Fund Contribution paid during the year	-	(294,234)	(294,234)
Surplus for the year	-	94,570	94,570
<u>Add: Surplus b/f</u>	-	198,475	198,475
Surplus c/f	-	293,045	293,045

ASIAN OUTREACH HONG KONG LIMITED (Agency code: 009)
NOTES ON THE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 31 MARCH 2025

2. Fee Income

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

3. Central Items

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

	<u>2024/25</u>	<u>2023/24</u>
	HK\$	HK\$
a. Income	-	-
Total	-	-
	<u>2024/25</u>	<u>2023/24</u>
	HK\$	HK\$
b. Expenditure	-	-
Total	-	-

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.

ASIAN OUTREACH HONG KONG LIMITED (Agency code: 009)
NOTES ON THE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 31 MARCH 2025

5. Other Income

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

The breakdown on Other Income is as follows:

	<u>2024/25</u>	<u>2023/24</u>
	HK\$	HK\$
Other Income		
Programme income	882,331	707,500
Other funds or donations for designated purposes	58,910	-
Miscellaneous income	90,366	111,673
Total	<u>1,031,607</u>	<u>819,173</u>

6. Personal Emoluments

Personal emoluments include salary, provident fund and salary-related allowance. There are no staff with annual personal emoluments more than HK\$1,000,000 p.a.

7. Other Charges

The breakdown on Other Charges is as follows:

	<u>2024/25</u>	<u>2023/24</u>
	HK\$	HK\$
Utilities	60,403	70,164
Administrative expenses	551,874	267,613
Stores and equipment	230,346	337,493
Repair and maintenance	172,776	156,350
Programme expenses	929,514	682,877
Transportation and travelling	4,169	7,691
Insurance	22,344	19,441
Miscellaneous	9,827	10,755
Total	<u>1,981,253</u>	<u>1,552,384</u>

ASIAN OUTREACH HONG KONG LIMITED (Agency code: 009)
NOTES ON THE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 31 MARCH 2025

8. ANALYSIS OF LUMP SUM GRANT RESERVE AND BALANCES OF OTHER SWD SUBVENTIONS

	Lump Sum Grant HK\$	Other Funds or Donations for Designated Purposes	Rent & Rates HK\$	Total HK\$
Income				
Lump Sum Grant	6,557,859	-	-	6,557,859
Fee Income	19,488	-	-	19,488
Other Income	972,697	58,910	-	1,031,607
Interest Received (Note 1)	5,372	-	-	5,372
Rent and Rates	-	-	1,670,953	1,670,953
Total Income	7,555,416	58,910	1,670,953	9,285,279
Expenditure				
Personal Emoluments	4,840,302	-	-	4,840,302
Other Charges	1,950,406	30,847	-	1,981,253
Rent and Rates	-	-	1,705,884	1,705,884
Total Expenditure	6,790,708	30,847	1,705,884	8,527,439
Surplus/(Deficit) for the Year	764,708	28,063	(34,931)	757,840
Add: Surplus of Provident Fund	(94,570)	-	-	(94,570)
Surplus/(Deficit) for the Year	670,138	28,063	(34,931)	663,270
Surplus b/f (Note 2)	495,754	-	37,371	533,125
	1,165,892	28,063	2,440	1,196,395
Add: Refund from Government	-	-	14,421	14,421
Transfer from Other Funds to LSG Reserve	28,063	(28,063)	-	-
Surplus c/f (Note 4)	1,193,955	-	16,861	1,210,816

Notes:

- Interest received on LSG (including HA) and Provident Fund reserves, Rent and Rates, Central Items are included as one item under LSG; and the item is considered as part of LSG reserve.
- Accumulated balance of LSG Surplus b/f from previous years (including all interest received in previous years (see (1) above), the balance of HA and balance of Other Funds or Donations for Designated Purposes should be separately reported.
- Amount of LSG Reserve used to cover the salary adjustment for Infirmity Care Supplement, if any, as per Schedule for Central Items.
- For the Association without HA, separate disclosure of the movement of HA in their respective AFRs is not necessary. The level of LSG cumulative reserve will be capped at 25% of the Association's operating expenditure (i.e. Total Expenditure excluding Provident Fund Contribution) for the year.

For any amount above the cap, SWD would arrange the claw-back (including provisional in the following financial year) accordingly.

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

SCHEDULE FOR RENT AND RATES

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

Name of Agency (code) : ASIAN OUTREACH HONG KONG LIMITED (009)

Unit Code and Name	Subvented Element	Subvention released (Note 1)	Actual Expenditure	Surplus (Note 2)	Deficit (Note 2)
7577 Island Harbourview Elderly Club		\$	\$	\$	\$
	Rent (Note 3)	1,581,887	1,597,764	-	(15,877)
	Rates	62,066	75,900	-	(13,834)
	Government Rent	27,000	32,220	-	(5,220)
	Total	1,670,953	1,705,884	-	(34,931)

Notes :

- The figures are extracted from the payroll during the year. Reimbursement for rent and rates relating to previous financial years should not be included.
- Surplus/ Deficit for each element represents the difference between subvention released and actual expenditure.
- Rent includes all kinds of rent such as Public Housing Estate rental, private rental, carpark rent, management fee, building maintenance fee and Government Rent.

Schedule for Investment
Analysis of Investment as at 31 March 2025
Asian Outreach Hong Kong Limited (Agency code: 009)

	2025 HK\$	2024 HK\$
LSG Reserve as at 31 March	<u>1,193,955</u>	<u>495,754</u>
Represented by :		
Investments		
a. HKD Bank Account Balances	1,193,955	495,754
b. HKD 24-hour Call Deposits	-	-
c. HKD Fixed Deposit	-	-
d. HKD Certificate of Deposits	-	-
e. HKD Bonds	-	-
	<u>1,193,955</u>	<u>495,754</u>

Note : The investments should be reported at historical cost.

Confirmed by:



Rev. Choy Hong Yee, Colon
 NGO Head
 23 October 2025



Mr. Lee Hung Hing
 Board Chairperson
 23 October 2025

Schedule for Funding and Service Agreement services / Funding and Service Agreement-related activities supported by Other Funds or Donations for Designated Purposes

Analysis of Income and Expenditure for the Period from 1 April 2024 to 31 March 2025

Name of Non-Governmental Organisation (NGO) (code) : ASIAN OUTREACH HONG KONG LIMITED (009)

No.	Activity Name	Source of funding	Other Funds or Donations for Designated Purposes (Note 1) \$ (a)	Programme Income (Note 2) \$ (b)	Total = (a) + (b)	Actual Expenditure (Note 3) \$ (c)	Surplus / Deficit (Note 4) (d) = (a) + (b) – (c) \$
I. Funding and Service Agreement (FSA) services							
1	U3A自務學習中心	社聯 x 港燈 香港第三齡學苑	9,000.00	24,410.00	33,410.00	10,651.40	22,758.60
		Sub-total (i)	9,000.00	24,410.00	33,410.00	10,651.40	22,758.60
II. FSA-related activities							
1	都會大學長青活學計劃	香港都會大學長者學苑	25,500.00	-	25,500.00	20,196.00	5,304.00
		Sub-total (ii)	25,500.00	-	25,500.00	20,196.00	5,304.00
		TOTAL (i) + (ii)	34,500.00	24,410.00	58,910.00	30,847.40	28,062.60

Notes :

- Funding received from sources other than the Social Welfare Department (SWD) for FSA services / FSA-related activities should be properly recorded under Note 5(c) "Other Funds or Donations for Designated Purposes" to the AFR. All relevant supporting documents must be available for inspection by authorised staff of SWD and audit by the Audit Commission.
- The relevant amount should be properly supported and included under Note 5(a) "Programme Income" to the AFR.
- NGOs should be responsible for the utilisation of the other funding received for designated purposes for FSA services / FSA-related activities. As the amount aims to reflect the actual cash expenditure, the cost apportionment of Lump Sum Grant resources needs not be included under this column.
- If there is any unspent balance out of the non-SWD funded FSA services / FSA-related activities that must be returned to the funder, such payment shall be borne by the NGO's own resources.
- Amounts should tally with those reported in the column of "Other Funds or Donations for Designated Purposes" in Note 8 to the AFR.

Confirmed by:


Rev. Choy Hong Yee, Colon
NGO Head
23 October 2025


Mr. Lee Hung Hing
Board Chairperson
23 October 2025