

香港失明人互聯會
HONG KONG FEDERATION OF THE BLIND

**REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2025**

(EXPRESSED IN HONG KONG DOLLARS)

葉梁會計師事務所
YIP, LEUNG & CO.
Certified Public Accountants

HONG KONG FEDERATION OF THE BLIND **REPORT OF THE COMMITTEE MEMBERS**

The committee members of Hong Kong Federation of the Blind (“the Federation”) present their annual report and the audited financial statements of the Federation for the year ended 31st March 2025.

PRINCIPAL PLACE OF BUSINESS

The Federation is an entity incorporated and domiciled in Hong Kong. Its registered office and principal place of business are situated at G/F., Shun Lee Estate Community Centre, No. 2 Shun Chi Street, Kwun Tong, Kowloon, Hong Kong.

PRINCIPAL ACTIVITIES

The principal activities of the Federation are to encourage visually impaired people to fight for equal society.

RESULTS AND STATE OF AFFAIRS

Results of the Federation for the year ended 31st March 2025 and its financial position as at that date are set out in the financial statements on pages 5 to 12.

DONATIONS

The Federation did not make any donations in the year ended 31st March 2025 (2024: Nil).

FIXED ASSETS

Movements in property, plant and equipment are set out in note 5 to the financial statements.

RESERVES

Movements in reserves comprised changes to accumulated funds which arose from surplus or deficit.

COMMITTEE MEMBERS

The committee members of the Federation during the year were:

Tang Kwong Po	(Chairman)	Lau Fat
Tong Lin La	(Vice-Chairman)	Chan Shu Chun
Wong Yat Ho	(Internal affairs secretary)	Chio Sio Hong
Kwok Hau Ling	(External affairs secretary)	Yuen Sui Kee
Yan Wai Lung	(Treasurer)	Szeto Fung Sin
Lau Yun Lin		Lam Suet Ha
Kwok Fung Ying		

In accordance with the Federation’s Articles of Association, all committee members will retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

MANAGEMENT CONTRACTS

The Federation did not enter into any contracts, other than the contracts of service with the committee members or any full-time staff, whereby any individual, firm or body corporate undertakes the management and administration of the whole, or any substantial part of any business of the Federation.

COMMITTEE MEMBERS' INTERESTS

No contract of significance to which the Federation was a party and in which a committee member of the Federation had a material interest subsisted at the end of the year or at any time during the year.

PERMITTED INDEMNITY PROVISION

At no time during the year was there any permitted indemnity provision in force for the benefit of one or more committee members of the Federation.

At the time of approval of this report, there is no permitted indemnity provision in force for the benefit of one or more committee members of the Federation.

BUSINESS REVIEW

The Federation falls within the reporting exemption for the year. Accordingly, the Federation is exempt from preparing a business review.

AUDITOR

The financial statements for the year have been audited by Messrs. Yip, Leung & Co. who retire and, being eligible, offer themselves for re-appointment.

ON BEHALF OF THE COMMITTEE



Tang Kwong Po
Chairman

Hong Kong, - 6 OCT 2025

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
HONG KONG FEDERATION OF THE BLIND
(incorporated in Hong Kong, limited by guarantee)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Hong Kong Federation of the Blind ("the Federation") set out on pages 5 to 12, which comprise the statement of financial position as at 31st March 2025, and the statement of income and retained earnings and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Federation as at 31st March 2025 and of its financial performance and its cash flows for the year then ended in accordance with the Hong Kong Financial Reporting Standard for Private Entities ("HKFRS for Private Entities") 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") 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 Federation 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.

Other Information

The members are responsible for the other information included in the members' report. Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. We have nothing to report in this regard.

Responsibilities of Members and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, the members are responsible for assessing the Federation'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 members either intend to liquidate the Federation or to cease operations, or have no realistic alternative but to do so.

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

INDEPENDENT AUDITOR'S REPORT (Cont'd)**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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. 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 financial statements. 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 the contents of this report.

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

- Identify and assess the risks of material misstatement of the 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.
- 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 Federation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the 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 Federation'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 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 Federation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Yip, Leung & Co.
Certified Public Accountants

Unit D, 12/F., Tak Lee Commercial Building,
113-7 Wan Chai Road, Wanchai, Hong Kong

Hong Kong, **- 6 OCT 2025**

HONG KONG FEDERATION OF THE BLIND
INCOME STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2025

	<u>FSA Services</u>	<u>Non-FSA Services</u>	<u>2025</u>	<u>2024</u>
	\$	\$	\$	\$
INCOME				
Government subventions	4,246,784.00	-	4,246,784.00	4,125,946.00
Lotteries fund	63,000.00	-	63,000.00	60,000.00
Specific grants and donations	631,999.00	1,068,495.81	1,700,494.81	1,923,720.43
Community Chest	355,600.00	-	355,600.00	391,160.00
Activities income	209,041.00	119,312.29	328,353.29	424,659.58
Foundation fee income	-	60.00	60.00	236.00
Flag day income	-	685,101.65	685,101.65	824,424.70
Membership fees	5,669.00	-	5,669.00	11,591.00
Public transport fare subsidies	-	-	-	46,902.00
Rental and rates	7,345.00	-	7,345.00	36,412.00
Bank interest received	23,008.47	512,787.24	535,795.71	557,070.49
Sundry income	-	4,470.34	4,470.34	1,705.00
	5,542,446.47	2,390,227.33	7,932,673.80	8,403,827.20
Less:				
EXPENDITURE				
Advertising	-	-	-	2,576.00
Auditor's remuneration	15,600.00	-	15,600.00	15,000.00
Bank charges	5,170.00	205.00	5,375.00	1,535.00
Electricity and water	26,781.10	-	26,781.10	29,410.71
Government rent, rates and management fee	17,636.00	-	17,636.00	15,400.00
Insurance	29,098.70	7,305.90	36,404.60	35,619.70
Legal and professional fees	4,300.00	7,100.00	11,400.00	15,000.00
MPF contributions	245,934.27	56,040.12	301,974.39	304,952.15
Medical expenses	12,825.00	14,238.00	27,063.00	60,751.50
Postage and stamp	60.00	20.00	80.00	193.00
Printing and stationery	17,113.15	-	17,113.15	22,216.92
Refund to Government	658,178.54	-	658,178.54	2,232.40
Repairs and maintenance	33,316.91	-	33,316.91	23,507.00
Specific activities expenses	1,059,500.19	579,325.39	1,638,825.58	1,456,021.86
Staff salaries	3,823,008.24	1,318,159.80	5,141,168.04	5,285,653.84
Staff welfare	2,709.00	1,410.00	4,119.00	3,751.00
Subscription	2,423.00	-	2,423.00	3,640.00
Sundry expenses	12,256.50	2,257.00	14,513.50	13,039.43
Telecommunications	42,103.10	-	42,103.10	37,855.00
Travelling	8,791.90	3,633.90	12,425.80	10,016.30
	6,016,805.60	1,989,695.11	8,006,500.71	7,338,371.81
SURPLUS / (DEFICIT) FOR THE YEAR	(474,359.13)	400,532.22	(73,826.91)	1,065,455.39
PRIOR YEAR ADJUSTMENTS	163,587.01	(163,587.01)	-	16,746.84
NET SURPLUS / (DEFICIT) FOR THE YEAR	(310,772.12)	236,945.21	(73,826.91)	1,082,202.23

HONG KONG FEDERATION OF THE BLIND
STATEMENT OF FINANCIAL POSITION
AS AT 31ST MARCH 2025

	<u>NOTE</u>	<u>Headquarters</u>	<u>Shun Lee</u>	<u>2025</u>	<u>2024</u>
		\$	\$	\$	\$
NON-CURRENT ASSETS					
Property, plant and equipment	5	-	-	-	-
CURRENT ASSETS					
Accounts receivable		118,750.73	29,282.37	148,033.10	-
Deposits and prepayments		275.00	165,487.01	165,762.01	4,225.00
Fixed deposits		11,143,856.70	-	11,143,856.70	10,324,547.05
Cash and cash equivalents		119,375.62	1,277,940.97	1,397,316.59	2,438,011.25
		11,382,258.05	1,472,710.35	12,854,968.40	12,766,783.30
CURRENT LIABILITIES					
Accruals		770.00	-	770.00	2,345.00
Sundry creditors		163,587.01	-	163,587.01	-
		(164,357.01)	-	(164,357.01)	(2,345.00)
NET CURRENT ASSETS		<u>11,217,901.04</u>	<u>1,472,710.35</u>	<u>12,690,611.39</u>	<u>12,764,438.30</u>
NET ASSETS		<u>11,217,901.04</u>	<u>1,472,710.35</u>	<u>12,690,611.39</u>	<u>12,764,438.30</u>
Financed by:					
AGENCY RESERVES					
General fund	10	11,217,901.04	87,284.31	11,305,185.35	11,546,170.44
Social welfare reserve fund	9	-	1,385,426.04	1,385,426.04	1,218,267.86
		<u>11,217,901.04</u>	<u>1,472,710.35</u>	<u>12,690,611.39</u>	<u>12,764,438.30</u>

Approved by the board of directors on

- 6 OCT 2025



Tang Kwong Po, Chairman

Yan Wai Lung, Treasurer / Shing Li Lim, NGO Head

The notes on pages 8 to 12 form part of the statement of financial position

HONG KONG FEDERATION OF THE BLIND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH 2025

	<u>2025</u> \$	<u>2024</u> \$
OPERATING ACTIVITIES		
(Deficit)/Surplus for the year	(73,826.91)	1,082,202.23
Adjustment for:		
Bank interest received	(535,795.71)	(557,070.49)
Operating (deficit)/surplus before changes in working capital	(609,622.62)	525,131.74
(Increase)/Decrease in accounts receivable	(148,033.10)	500.00
Increase in deposits and prepayments	(161,537.01)	(2,225.00)
(Decrease)/Increase in accruals	(1,575.00)	1,819.00
Increase in sundry creditors	163,587.01	-
Decrease in receipts in advance	-	(600.00)
Cash (used in)/generated from operations	(757,180.72)	524,625.74
Bank interest received	<u>535,795.71</u>	<u>557,070.49</u>
(DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(221,385.01)	1,081,696.23
CASH AND CASH EQUIVALENTS		
At start of year	<u>12,762,558.30</u>	11,680,862.07
At end of year	<u>12,541,173.29</u>	<u>12,762,558.30</u>
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Cash at bank	1,395,459.17	2,427,920.23
Cash on hand	1,857.42	10,091.02
Fixed deposits	<u>11,143,856.70</u>	<u>10,324,547.05</u>
	<u>12,541,173.29</u>	<u>12,762,558.30</u>

HONG KONG FEDERATION OF THE BLIND
NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Hong Kong Federation of the Blind (“the Federation”) is a society registered in accordance with the provision of section 5A(1) of the Societies Ordinance. The address of its registered office and principal place of business is G/F., Shun Lee Estate Community Centre, No. 2 Shun Chi Street, Kwun Tong, Kowloon, Hong Kong.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standard for Private Entities issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong, and the requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention. Significant accounting policies adopted by the Federation are set out below.

(a) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost represents the purchase price of the asset and other costs incurred to bring the asset into its existing use. Depreciation is provided to charge the cost of property, plant and equipment to operations over their estimated useful lives on a straight-line basis at 20% per annum.

(b) Social welfare lump sum reserves

With effect from the financial year ended 31st March 2001, the Social Welfare Department has implemented a new funding system under which Lump Sum Grant is made to the Federation to cover certain expenditure including staff cost, provident fund contributions and other charges. The unspent portion of the Lump Sum Grant for the year is required to transfer to designated lump sum grant reserves for future use of the Federation.

(c) Translation of foreign currencies

Foreign currency transactions during the year are translated into Hong Kong dollars at the rates of exchange ruling at the transaction dates.

Monetary assets and liabilities denominated in foreign currencies are incorporated into these financial statements by translating foreign currencies into Hong Kong dollars at the rates of exchange ruling at the financial year-end date.

Non-monetary assets and liabilities denominated in foreign currencies that are measured in terms of historical cost are translated into Hong Kong dollars at the rates of exchange ruling at the transaction dates; that are stated at fair values are translated into Hong Kong dollars at the respective rates of exchange ruling at the respective dates when the respective fair values were determined.

Differences on foreign currency translation are recognised in the statement of income.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (Cont'd)

(d) Cash and cash equivalents

Cash and cash equivalents includes cash at bank, cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdraft is shown under current liabilities on the statement of financial position.

(e) Impairment of assets

At each financial year-end date, the carrying value of property, plant and equipment are reviewed to determine, by reference to both internal and external sources of information, whether there is any indication of impairment. If there is an indication of impairment, the recoverable amount of the affected asset is estimated, at the higher of net selling price and value in use, and compared with its carrying value. If the estimated recoverable amount is lower, its carrying value is reduced to the estimated recoverable amount, and an impairment loss is recognised immediately in the statement of income.

If an impairment loss subsequently reverses, the carrying value of the affected asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the statement of income.

(f) Employee benefit obligations

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payments or settlements are deferred and the effect would be material, those amounts are stated at their present values.

(g) Revenue recognition

The Federation recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Federation's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the receipts have been resolved. The Federation bases its estimates on historical results, taking into consideration, the type of transaction and the specifics of each arrangement.

Revenue from association fee is recognised upon the admittance and registration of visually impaired people.

Government subvention is recognised on receivable basis.

Charitable receipts and activities income are recognised on actual receipt basis.

Bank interest income is recognised on a time proportion basis on the amount of outstanding deposits at the applicable interest rates.

3. TAXATION

No provision for profits tax has been made in these financial statements as the Federation is an approved institution of a public character and exempt from Hong Kong Taxation under section 88 of the Inland Revenue Ordinance.

4. COMMITTEE MEMBERS' REMUNERATION

None of the committee members had received any remuneration for the year ended 31st March 2025 (2024: Nil).

5. PROPERTY, PLANT AND EQUIPMENT

	Headquarters	Shun Lee Centre	Total
	\$	\$	\$
COST			
At 31-3-2024 & 2025	<u>48,690.00</u>	<u>455,187.90</u>	<u>503,877.90</u>
Less:			
DEPRECIATION			
At 31-3-2024 & 2025	<u>48,690.00</u>	<u>455,187.90</u>	<u>503,877.90</u>
NET BOOK VALUE			
At 31-3-2024 & 2025	<u>-</u>	<u>-</u>	<u>-</u>

6. BLOCK GRANT RESERVE

	2025	2024
	\$	\$
Balance brought forward	<u>182,898.54</u>	<u>134,401.14</u>
Block grant received in the year	<u>63,000.00</u>	<u>60,000.00</u>
Expenditure during the year	<u>(10,123.00)</u>	<u>(11,502.60)</u>
Balance carried forward	<u>235,775.54</u>	<u>182,898.54</u>

7. SOCIAL WELFARE DEVELOPMENT FUND

	2025	2024
	\$	\$
Balance brought forward	<u>655,323.91</u>	<u>648,483.13</u>
Prior year adjustments	<u>-</u>	<u>911.67</u>
Interest received in the year	<u>2,854.63</u>	<u>5,929.11</u>
Claw-back of unspent balance	<u>(658,178.54)</u>	<u>-</u>
Balance carried forward	<u>-</u>	<u>655,323.91</u>

8. FLAG DAY FUND

	<u>2025</u> \$	<u>2024</u> \$
Balance brought forward	2,375,256.96	1,891,154.73
Flag day income		
Others	118,431.45	209,678.25
Street collection	566,670.20	614,746.45
	<u>685,101.65</u>	<u>824,424.70</u>
Less: Flag day expenses		
Insurance	1,491.49	1,491.49
Printing and stationery	13,916.72	1,143.00
Professional fee	3,300.00	3,300.00
Purchase and cleaning of flag bags	31,007.10	9,171.70
Sundries	8,579.30	29,479.40
Transportation	9,832.38	12,656.90
	<u>68,126.99</u>	<u>57,242.49</u>
Flag day net income for the year	<u>616,974.66</u>	<u>767,182.21</u>
Less: Usage of the donations collected		
Staff salaries	236,862.00	175,171.40
MPF contributions	2,418.50	8,435.65
	<u>239,280.50</u>	<u>183,607.05</u>
Less: Specific activities expenses		
Barrier Free Education Program 社區無障礙教育	423.00	-
Talent development class of the visually impaired 發展視障人士潛能興趣班	19,125.80	-
Development scheme for the family of disabled persons 拓展殘疾人士家庭服務	121,517.66	86,768.93
Social and recreational activities for visual impairment 視障人士康樂及社交活動	31,785.31	1,744.00
Disable elderly life education and maintenance service 殘疾長者生命教育及維修服務	36,388.30	10,960.00
Newly blind training 新近失明訓練	<u>230,247.41</u>	<u>-</u>
	<u>439,487.48</u>	<u>99,472.93</u>
Add: Activities income received	<u>8,990.00</u>	<u>-</u>
Balance carried forward	<u>2,322,453.64</u>	<u>2,375,256.96</u>

The unused balance of \$2,322,453.64 will be carried forward and be retained in the General Reserve of the Federation and included in the Federation's Hong Kong dollar bank savings account and fixed deposit as at reporting date. In addition, the amount has been used for the Barrier Free Education Program, Talent development class of the visually impaired, Development scheme for the family of disabled persons, Social and recreational activities for visual impairment, Employment support scheme for disabled persons, Disable elderly life education & maintenance service, and Newly blind training since 31st March 2023.

9. SOCIAL WELFARE RESERVE FUND

	Lump sum grant reserve	Provident fund subvention surplus	Reserve of rent and rates	Total
	\$	\$	\$	\$
At 31-3-2024	908,989.98	340,516.08	(31,238.20)	1,218,267.86
Prior year adjustments	(2,305.00)	2,305.00	-	-
Surplus/(Deficit) for the year	151,447.45	26,001.73	(10,291.00)	167,158.18
At 31-3-2025	<u>1,058,132.43</u>	<u>368,822.81</u>	<u>(41,529.20)</u>	<u>1,385,426.04</u>

10. GENERAL FUND

	<u>2025</u>	<u>2024</u>
	\$	\$
Balance brought forward	<u>11,546,170.44</u>	10,479,778.86
Prior year adjustments	-	16,746.84
(Deficit)/Surplus for the year	<u>(240,985.09)</u>	<u>1,049,644.74</u>
Balance carried forward	<u>11,305,185.35</u>	<u>11,546,170.44</u>