Mother's Choice Limited

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(Limited by Guarantee)

31 March 2025

Directors' Report

The directors submit herewith their annual report together with the audited financial statements for the year ended 31 March 2025.

Principal place of business

Mother's Choice Limited ("the company" or "Mother's Choice") is a company incorporated and domiciled in Hong Kong and has its registered office and principal place of business at Montgomery Block, 42B Kennedy Road, Mid-Levels, Hong Kong.

Principal activities

Mother's Choice is a local charity serving the many children without families and pregnant teenagers in Hong Kong. Each year, thousands of teenage girls face crisis pregnancy with no support, and thousands of children need a family for a number of reasons including neglect, abuse, abandonment, or family breakdown. Mother's Choice principal activities help the most vulnerable in our community by providing high-quality services for children, youth and families, and by actively providing ways to prevent the problem.

Business review

1 Vision & mission

Mother's Choice is a Hong Kong charity, founded in 1987, to serve the many children without families and pregnant teenagers in Hong Kong. Our vision is to see every child in a loving family. Our mission is to join hands with the community to give hope and change life stories.

2 Business review and update

2.1 Message from the CEO

FY2024/25 marked a significant milestone for Mother's Choice as we concluded our 5-year strategic plan, *Vision 2025*. Over the past five years, we have made meaningful progress across our ten strategic priorities, strengthening our services and deepening our impact. This year also saw a smooth leadership transition, welcoming a new CEO and other key leaders who have brought renewed energy and direction to our mission.

As a team, we reviewed each strategic priority, celebrating achievements in Case Management, Early Intervention Services, the launch of Safe Families, embedding volunteers across our operations, and enhancing impact measurement. At the same time, we acknowledged areas requiring further attention—particularly our Pregnant Girls Outreach and Foster Family Recruitment, which remain critical as we move forward.

Business review (continued)

We closed FY2024/25 in a strong position—both financially and in service delivery—thanks to the dedication of our staffs, volunteers, and supporters. This stability allows us to confidently begin planning for our next strategic cycle, *Vision 2030*. This new plan will build upon the successes of our last five years while responding to the evolving needs of our clients. A key focus will be expanding our Children and Youth Services to address the changing landscape and ensure every child has the opportunity to thrive in a loving family.

As we look ahead, we remain deeply committed to our mission and grateful for the community that walks alongside us. Together, we are shaping a future where children are safe, families are supported, and hope is restored.

Business review (continued)

Despite challenges such as maintaining our heritage buildings and rising costs, we remain dedicated to supporting vulnerable children and families.

The Impact of Our Services in FY24-25

Our Vision: Every Child in loving family.



Children Services

Because every child deserves a family.

21 children helped to find their forever families or achieve permanency
142 children provided with loving residential and foster care
2755 hours of early intervention therapy sessions
973 hours of cuddles under our 'Cuddle Me' programme



Youth Services

Because every girl deserves a second chance.

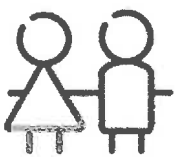
153 girls received comprehensive case management support
357 enquiries on crisis pregnancy through hotline counseling
358 program hours delivered with 2,223 attendances in support the most vulnerable girls



Family Services

Because no family can do it on their own.

100+ families supported in their adoption journey
11 local families matched with a child
4 overseas families matched with a child
18 vulnerable families supported and 140 volunteers enrolled in Safe Families



Community Services

Because everyone has a role to play.

1,311 active volunteers were engaged across the organisation
61,408 volunteer hours supporting the organisation

Business review (continued)

2.2 Children's services - Because every child deserves a family

We are a champion for babies and children in the residential care system to join forever families. We believe that every child should grow up in a safe, loving, and permanent family - and not in residential care. Our Children Services consists of three core services:

i. Residential Child Care Home

ii. Foster Care Services

iii. Early Intervention Services.

In 2024/25, Children Services remained steadfast in its commitment to providing care and supporting vulnerable children requiring residential placements. This commitment was tested by the increasing complexity and duration of cases, which slowed turnover and limited our capacity to admit new children. Despite this, our team responded with resilience and dedication. We successfully provided care for142 children across our services. This marked a 3% increase from the previous year and reflected our unwavering focus on meeting the evolving needs of the children and families we served.

Despite these challenges, our team achieved notable outcomes, with 21 (or 50%) of the 42 discharged children achieved permanency. Specifically, 5 children were successfully reunited with their birth families, 15 children were adopted into permanent homes, and 1 youth transitioned to independent adulthood upon reaching the age of 18.

Throughout the year, we identified 18 cases where children faced significant barriers to timely reunification with birth families or adoption. These challenges often stemmed from parents being unable to fulfil their parental responsibilities, lacked concrete plans for reunification, or legal complications that delayed the adoption process. To address these challenges, we actively engaged all relevant stakeholders including social workers, legal professionals, and referral workers from Social Welfare Department ("SWD") to ensure that decisions were made in a timely manner and in the best interests of each child.

2.2.1 Child Care Home

Child Care Home ("CCH") is a residential care home which provides caring for children with a maximum capacity for up to 44 children without families. The facility consists of two key services: Baby Care and Wee Care.

i. Baby Care ("BC") is a privately funded service and is one of only three licensed children's homes in Hong Kong for children under the age of three, with a maximum capacity for 32 children. Some of these children are waiting for adoption, whilst others are waiting to be reunited with their birth families.

ii. Wee Care ("WC") is a service that is partly government funded for children up to six years old with mild to moderate special needs who are waiting for adoption, with a maximum capacity for 12 children.

Business review (continued)

In 2024/25, our BC and WC programs cared for 57 children of which 40 were born either prematurely or to parents with a history of substance use - underscoring the vital role our services play in addressing complex and high-risk needs.

One of our key interventions for these vulnerable infants is the "Cuddle Me" Program, which supports children affected by prematurity, low birth weight, serious health conditions, prolonged hospital stays, or maternal deprivation. These early challenges can significantly impact physical and mental development. The program provides intentional, nurturing touch to reduce stress, strengthen secure attachment, promote sleep, reduce crying, and promote healthy growth during early life. In 2024/2540 trained volunteer cuddlers contributed 973 hours of cuddling sessions. This represented a 38% increase from the previous year

In 2024/25, the SWD conducted 38 inspections at the Child Care Home, totaling 96 hours of oversight. This provided valuable opportunities for continuous quality assurance. The frequency and thoroughness of these inspections reflect the high standards expected of our services, and we are proud that feedback remained consistently positive - recognizing the team's diligence, professionalism and strong commitment to childcare excellence.

Since October 2023, new clinical service requirements were introduced under the Funding Service Agreement ("FSA") for our Residential Special Child Care Centre. This serves children with disabilities and special needs, and they include 80 clinical visits by visiting medical practitioners and 110 clinical sessions by Clinical or Educational Psychologists at our Child Care Home per annum. In addition to on-site support, we maintain strong partnerships with seven medical clinics to provide consultations at their premises. This comprehensive network of medical and psychological care is crucial in safeguarding the health and well-being of children in our care.

In 2024/25, our Director of Clinical & Residential Services represented Mother's Choice on several professional platforms sharing best practices in child and youth care. Her contributions included speaking on structured transition support for children in temporary care, participating in forums on child protection legislation, and advocating for early intervention in youth mental health. These engagements helped highlight Mother's Choice evidence-based best practices and strengthened our role in shaping sector-wide conversations.

2.2.2 Foster Care Services

Foster Care Services ("FCS") is family-based care for children who temporarily need a residential service, utilising foster families located in Hong Kong, and consisting of two key services: Ordinary Foster Care and Project Bridge.

i. The Ordinary Foster Care programme ("OFC") is a service designed and funded by the government for up to 65 children from newborn up to 18 years old. Mother's Choice is one of 11 licensed agencies to provide OFC in Hong Kong. Participating families receive a monthly allowance from the government to cover the children's expenses.

Business review (continued)

ii. The Project Bridge ("PB") programme is a volunteer service designed and funded by Mother's Choice since 2016 to expand the number of family-based placements available for waiting children in waiting of adoption or reunification with their birth families. Their age ranges between 0 – 6 years old. Like OFC, PB gives loving, safe, temporary care to children. PB takes a unique approach based on four pillars: recruiting highly motivated volunteer families (without financial incentives), matching child with a foster family whose strengths align with the child's specific needs; pairing families with a buddy foster family to ensure higher retention and placement stability, and providing access to early intervention services.

In 2024/25, we encountered significant challenges in securing foster families willing to commit to longer-term placements. This challenge was reflected in a decrease in average placement durations - from 17 to 9 months in PB, and from 68 to 63 months in OFC compared to the previous year. The increasing complexity of case backgrounds and prolonged stays of children within the system have placed additional strain on foster families, making recruitment and retention of foster families more difficult. To better support foster families especially those caring for children with special needs, mandatory pre-service training initiated by SWD was implemented in 2024/25 to provide prospective foster families with essential caregiving skills and connect them to additional community resources.

Our efforts in 2024/25 enabled the placement of 85 children into family-based care, including 27 new admissions during the year. We successfully recruited and approved 6 new foster families a 23% increase from the previous year. While this represents progress, it remains below our annual target of 20 approved families, highlighting the continued need for focused recruitment and support strategies.

To address ongoing challenges in recruiting foster families, the SWD has implemented various supporting initiatives, including increased foster care allowances, enhanced promotional efforts, and the launch of a buddy system to support ordinary foster families. These proactive measures have had a significant positive impact, contributing to the recruitment of 1,050 foster families under OFC across Hong Kong.

2.2.3 Early Intervention Services

Early Intervention Services ("EIS") helps children reach developmental milestones and increases their chances of joining a safe, loving and permanent family. Most children referred to our Children Services require special attention to their medical and developmental well-being, as many have experienced adverse childhood experiences before coming to Mother's Choice including prolonged hospital stays, abuse and neglect. Many children have also been exposed to drugs or alcohols in utero. Children who spend early childhood in residential care are at higher risk of developmental delay, which makes it more difficult to be adopted or reunified with their birth family.

At Mother's Choice, we identify children's developmental issues through our professional screening and assessment. We design and continuously review individualized developmental plans for each child and provide appropriate therapies. We also use a train-the-trainer approach that equips families and caregivers to integrate developmental support into the children's daily routine. All these efforts enable to early identification of developmental issues in children, allowing timely intervention and support.

Business review (continued)

In 2024/25, Mother's Choice further expanded our EIS Outreach Service to cover children in Foster Care, Safe Families, and those born to pregnant girls supported by our services. This expansion ensures that 100% of these children now receive regular developmental screenings, allowing us to monitor their progress closely and intervene early when needed.

This expansion enabled us to provide 2,755 hours of EIS to 129 children, with 74% showed improvement or maintained their developmental progress, while 26% had developmental issues identified through regular assessments, requiring further support due to newly identified needs.

Furthermore, we strengthened partnership with three private development centres across Hong Kong, allowing children to receive intervention training closer to homes while monitor by our professional team.

In response to the growing number of children with developmental delays, our EIS Professional Team collaborated with the Child Care Training and Compliance Team to strengthen frontline capacity. They delivered 21 specialized training workshops with topics including neonatal screening, autism spectrum disorder, hearing impairment, and care for children with Down syndrome and Cerebral Palsy, equipping 462 staffs and volunteers with the knowledge and skills to better support children with diverse developmental needs.

A key milestone this year was the successful launch of the "Baby's First 1000 Days Parenting Program", which integrated the Trust-Based Relational Intervention® ("TBRI®") model as part of a five-year initiative to embed trauma-informed care across the organisation. A comprehensive plan has been developed to support this integration, including practitioner certification, eLearning modules, and targeted training for staffs and volunteers

2.3 Youth services: Because every girl deserves a second chance

We provide a safe, loving and non-judgmental space for girls aged 12 - 25 facing a crisis pregnancy. We believe that pregnant teenagers should be embraced by trusted adults, equipped with accurate information about their choices, and connected with community who can empower them to build hope for the future. Our Youth Services consists of

i. Pregnant Girls Services

ii. Pregnant Girls Home

iii. Youth Programmes

2.3.1 Pregnant Girl Services

The Pregnant Girls Services ("PGS") is a counselling and case management service that includes

i. an online and telephone hotline services, and

ii. a team of social and case workers who provide ongoing case management, decision making counselling support on three choices, and crisis support for pregnant girls.

Business review (continued)

Case Management and Hotline

Case management operations remained strong in 2024/25, with a slight increase in caseload from 145 to 153, supporting some of the most vulnerable girls through crisis pregnancies. We opened 85 new cases and conducted 200 comprehensive intake assessments, delivering 4,917 case management interventions - including hospital visits, clinic consultations and registrations, counselling sessions, and family mediations – demonstrating the depth and breadth of our support.

While new hotline inquiries declined by 10% to 357, overall engagement rose by 16%, reaching 3,263 total contacts. This reflects more sustained and meaningful interactions. Building on last year's triage system optimization, we further reduced the average time from initial inquiry to intake from 6 days to 4.6 days - a 23% improvement - contributing to a 100% intake to opened case conversion rate, surpassing the 98.7% achieved in 2023/24.

In parallel, our continued efforts to refine workflows, particularly through an enhanced risk escalation mechanism, have enabled us to prioritize high-risk cases more effectively. As a result, 82% of high-risk inquiries were successfully converted into intake engagements, ensuring timely and appropriate services for our most vulnerable clients.

To further enhance our hotline operations, we onboarded 7 new volunteers this year, with 6 of whom are university students studying social work or counselling. This targeted recruitment strategy has enriched service delivery by integrating academic insight and fresh perspectives, thereby strengthening our service approach.

PGS Outreach and Digital Engagement Initiatives

We launched the PGS Outreach campaign in 2023/24 to increase the awareness and accessibility of our services for girls aged 12-16. Building on our Japanese anime-style awareness video "I have a choice" and the Backflip Kitten Instagram account, we further expanded the digital outreach by developing a dedicated "Get Help Page" on the Mother's Choice website. This page features the same engaging anime-style visuals to maintain a consistent and youth-friendly aesthetic. It serves as a new platform for pregnant girls under aged 25 to access essential information and support, reinforcing our commitment to assist the most vulnerable young girls in the community.

Furthermore, we launched a citywide bus campaign featuring our distinctive Japanese anime-style design. This initiative included backseat stickers, bus shelter panels, mega panels, and full bus-body advertisements, significantly boosting the visibility of our services across the community.

Launch of the 3 Choices Decision-Making Toolkit

We developed a 3 Choices Decision-Making Toolkit to empower case workers and young people to make informed decisions about their crisis pregnancies. It provides comprehensive insights into pregnancy options and their implications. Furthermore, it equips professionals with the knowledge and tools needed to support a network of informed, compassionate care.

Business review (continued)

In 2024/25, we proactively engaged community partners across medical, educational, and social service sectors to promote the toolkit. Through targeted outreach and professional events not only raised the awareness of the toolkit itself but also strengthened awareness of our services and fostered meaningful dialogue on best practices in crisis pregnancy support.

Notably, over 80% of participants expressed willingness to refer pregnant girls to Mother's Choice, an important milestone in strengthening community-based referrals and affirming the growing recognition of our service's value and importance.

Key Events and Partnerships:

- A training webinar for over 70 health professionals at Queen Mary Hospital
- Collaboration with higher education institutions such as UOW College Hong Kong and Yew Chung College on Early Childhood Education
- Collective exchange with frontline agencies supporting high-risk youth including Teen's Key Hong Kong, Sticky Rice Love, Caritas Project Hyacinth-Enrichment Service, and The Family Planning Association of Hong Kong Participation in the HKCSS S+ Summit cum Expo

2.3.2 Pregnant Girls Home

Pregnant Girls Home ("PGH") is a residential care home service for our most at-risk girls, many of whom have been homeless or living in unsafe environments. PGH housemothers (HMs) and volunteers create a safe and healthy environment with healthy routines and structures to meet the girls' daily needs and teach them basic life skills. PGH includes three specially designed live-in programmes for pre-natal residential care, post-natal residential care, and mother-and-baby residential care for girls who do not have a safe home to return to immediately after birth.

PGH's daily programme is structured into three streams: Core, Supplemental, and Optional.

i. In the Core programme, it guides the girls in building routines around safety, self-care, and baby care. It also encourages positive thinking and helps the girls capture memories in their "Happy Book." The book is a valuable resource for the girls to draw on for emotional support and inspiration, even after leaving our PGH and living independently in the community.

ii. The supplemental and optional programmes include planned outings, light hikes, hobby groups, baking, and vocational skills. These activities build self-sufficiency and confidence helping the girls' transition into independent and successful lives in the community.

In 2024/25, PGH supported 17 girls and 8 babies, down from 24 girls and 7 babies in the previous year, reflecting a decline in admissions. However, two notable trends emerged: the percentage of mother-baby placements increased from 29% to 47% and the average length of stay rose from 64 to 102 days. These shifts indicate that while fewer girls were admitted, those who entered PGH required more intensive support, longer recover periods, and a stable environment to care for babies. This evolving profile has important implications for our operations, reinforcing the need for deeper engagement by HMs and enhanced postnatal care.

Business review (continued)

To meet the evolving needs of PGH girls, we strengthened support for HMs through targeted training and professional collaboration. All HMs completed the First Year Parenting Program, delivered with support from the EIS and Child Care Training teams. This training equipped them to guide girls in caring for their babies beyond the initial 100 days and build their foundational parenting skills.

PGH also benefit from a network of dedicated professional volunteers, including an obstetrician-gynecologist who provided prenatal and postnatal care, a physiotherapist who supported physical recovery and an educational psychologist who contributed to HMs' professional development and helped address the complex emotional needs of the girls. These enhancements enabled the team to manage increasingly complex cases with confidence and compassion, ensuring continuity of care and emotional stability for both mothers and babies.

2.3.3 Youth Programmes

Youth Programmes is our in-person training service that provides educational programmes for pregnant and parenting young girls and their loved ones including

i. our pre-natal care curriculum called Chill zone

ii. our First 100 days and First Year parenting training curriculum

iii. our comprehensive sexuality education program, not only for our pregnant girl clients, but also for those caring for them

iv. our community support and mentorship for girls who previously experienced a crisis pregnancy through our Support Program

In 2024/25, our Youth Program reached several key milestones, including the launch of the Baby's First Year Program which supported both community and PGH girls who chose parenting. The program equipped participants with essential infant care skills, and 100% of the 19 girls who took part reported increased confidence in their parenting skills.

We also observed increased engagement across core programs, including the Chill Zone, First 100 Days Parenting Program, First Year Program, and Support Program. This growth was driven by targeted operational refinement and expanded volunteer support, enabling more parenting girls to participate. In total, 358 program hours were delivered, resulting in 2,223 attendances - an 11% increase compared to the previous year.

Our commitment to strengthen in natal care and sexual health was supported by the addition of four professional volunteers and updated, more relevant content. As a result, 91.5% of pregnant girls demonstrated improved understanding, marking a significant improvement from the previous year.

Additionally, our annual Summer Party brought together 54 participants, a 4% increase including girls, their children, and partners. The event fostered community connection and provided an opportunity to distribute donations as gifts and prizes, enriching the experience for all attendees.

Business review (continued)

While 2024/25 brought key achievements, the Youth Services team also experienced some staff turnover that affected program timelines and development progress. As a result, the rollout of the Comprehensive Sexuality Education Module 2 has been rescheduled for 2025/26. This training is designed to equip frontline staff to serve as trusted adults by strengthening their understanding of age-appropriate development and comprehensive sex education.

2.4 Family services: Because no family can do it on their own

We build and strengthen forever families, both birth and adoptive, with training and relationships to help children thrive. We believe that families cannot parent on their own - they need the resources, knowledge and skills, and community support for the lifelong journey of parenting. Our Family Services consists of two core services,

i. our Adoption Services

ii. Safe Families

2.4.1 Adoption Services

Mother's Choice 's Adoption Services is one of three non-governmental "Accredited Bodies" licensed by the SWD to offer both

i. local adoption services (since 2010) and

ii. intercountry adoption services (since 2006), designed to help build families both locally and overseas for children and who are waiting in the residential care system.

The Adoption Services team's mission is to ensure that every child is placed in a safe, loving, and permanent family as quickly as possible, and to help children and their families thrive during their lifelong journey of adoption. Our Local Adoption programme support families at each stage of the adoption process, from preparation and assessment to matching and post-adoption, through training, workshops, events for adoptive families to connect with one another and one-on-one support. Our post-adoption programmes provide workshops and support for adoptive families in Hong Kong, through education and experience sharing, group facilitation, and individual case support.

In our Intercountry Adoption programme, social workers assess and prepare children who cannot be adopted locally in Hong Kong for overseas adoption, partnering with U.S. government-approved agencies to find suitable adoptive families in accordance with the Hague Convention.

<u>Local Adoption</u>

In 2024/25, Mother's Choice continued its efforts to find families for children waiting for adoption with complex needs both locally and overseas. This involved assessing the readiness of applicants and preparing them through comprehensive training and reflection. This year, we managed 93 adoptive families, with 13 families being approved,11 families matched with children and 14 adoptions successfully finalized.

Business review (continued)

Notably, our 11 matched families accounted for 31.4% of the local matches – making Mother's Choice the second-highest matching agency after SWD. Additionally, 22.9% of the children at the adoption panel were from Mother's Choice, underscoring our significant role in the adoption process.

Over the past year, we delivered 26 engagement sessions and pre-adoption programs, reaching 106 potential adoptive applicants – a key step in strengthening the pipeline for future placements. In parallel, 13 post-adoption programs were conducted, providing targeted support to 184 adoptive family members and adoptees, reinforcing our commitment to long-term family stability and wellbeing. In addition, 6 promotional activities engaged 410 individuals from broader community, raising awareness and stigma around adoption. Collectively, these initiatives reflected our strategic commitment on expanding adoption support services and fostering general public engagement with adoption-related issues.

International Adoption

In 2024/25, Mother's Choice continued to facilitate placements with overseas adoptive families, despite challenges such as navigating lengthy legal processes and managing changes in our overseas partner agencies. Throughout the year, there were 33 ongoing child adoption cases at various stages of the process. We have identified potential overseas adoptive families for 8 of these children. Among them, 4 children have been successfully matched with adoptive families, and 5 children have joined their overseas adoptive families permanently.

This year, we observed a significant increase in referrals for overseas adoption, rising to 12 from 9 in the previous year. To address this, we focused on empowering more local families to consider adopting older children or children with complex needs and engaged overseas agencies in dialogue about these evolving trends. In addition, we also faced delays in obtaining High Court Orders due to extended scrutiny of adoptive families' eligibility, which impacted placement timelines.

Family Connections Christian Adoption ("FCCA"), our long-standing partner ceased handling intercountry adoptions as of 26 December 2024. To ensure continuity of service, we worked closely with SWD to transition cases smoothly to Heartsent Adoptions, which was accredited in September 2024. We continue to maintain a close working relationship with Heartsent for children who are hard to place.

2.4.2 Safe Families

Launched in 2021, we were officially licensed by Safe Families for Children ("SFFC") in the USA to operate this new programme in Hong Kong. Safe Families creates and leverages networks of volunteers across the community to support young mothers on their journey of parenthood and helps keep their children from falling into the residential care system. By creating extended family-like support for struggling families through a community of devoted volunteers, Safe Families aims to weave a safety net so that when challenges arise, families can stay together and thrive. Our social workers recruit, vet and train:

i. Volunteers to provide child care support

ii. Volunteers to provide mentorship and friendship for parents

Business review (continued)

iii. Faith and other communities that can wrap around these volunteer circles of support and the vulnerable families

In 2024/25, Safe Families continued to make a meaningful impact in the lives of vulnerable families, building on our strong foundation while navigating new operational challenges. We matched 18 new families with dedicated volunteers, bringing the total number of supported families to 58 since the program's launch. 79% of cases closed successfully, with families reporting stable support and meaningful relationships with volunteers - a testament to the effectiveness of our support model.

Our volunteer network grew to 140 approved individuals, including 47 newly onboarded this year, with 42% of new volunteers coming from partner churches. This growth has been critical in meeting the increasing demand for support and ensuring timely matching with families in need.

Community partnerships continued to play a pivotal role in our operational strategy, with our network expanding to 8 local churches, exceeding our initial target of 6. These partnerships have significantly strengthened our outreach and volunteer recruitment efforts, enabling us to better respond to the diverse needs of the families we support.

To meet the needs, we focused on building internal capacity, improving coordination, and reinforcing safeguarding standards. Our team also worked closely with community partners to ensure families received holistic, responsive care.

2.5 Community services: Because everyone has a role to play

We believe that everyone has a role to play and everyone can make a difference in ensuring that every child grows up in a loving family. We believe that we need to learn from others, and that we can also share what we have learned with others to help change knowledge, attitudes and behaviors in our community to make our vision a reality. We recognize that we do not provide our services in isolation, and when we work with others in the community, we can see real, sustainable impact that will last for generations. Our Community Services mobilizes, equips and empowers our community through three core services:

i. Volunteer Engagement

ii. Community Education

iii. Alumni programme

2.5.1 Volunteer Engagement

Volunteer Engagement ("VE") is our service that manages volunteers from the local community and from overseas. VE recruits, vets and manages over 1000 volunteers. VE intentionally engages the next generation of children and youth through our Youth Leadership Councils in secondary schools, summer internship programmes, and parent and child volunteer events. VE engages medical, legal and many other professionals and pro bono service providers to supplement our team and ensure high quality services.

Business review (continued)

In 2024/25, we mobilized over 1,300 volunteers to support programs across Mother's Choice. Volunteers were mobilized across a wide range of initiatives, contributing meaningfully to both direct service delivery and operational support.

Program Support and Child-Centred Engagement

Volunteers remained deeply involved in core child-focused programs, including the support to Child Care Home, Read-Me-A-Book and Cuddle-Me Program, providing nurturing care and developmental support to children. In PGH and PGS, volunteers helped girls build friendships, gain life skills, and reconnect with the community.

We also extended volunteer support to adopted children transitioning abroad, with a special focus on language and cultural adaptation. Volunteers worked directly with children and their adoptive families, offering language practice and cultural guidance to ease the adjustment process and promote smoother integration.

Event and Operational Support

This year, we enhanced how we engage volunteers to support our events by involving them earlier in the planning stage, allowing for smoother execution and better use of their skills. 252 volunteers served at our Community Fun Day. Volunteers also supported various operational needs, including office renovations and system implementation,

Youth Leadership Council

At Mother's Choice, we envision the Youth Leadership Council ("YLC") as a platform to champion and empower the new generation. By creating meaningful engagement opportunities, recognizing youth achievements, and sharing their inspiring stories, we aim to nurture young leaders who serve as positive role models in their communities.

In 2024/25, the YLC partnered with 20 schools to promote adoption awareness through a variety of creative initiatives, including social media campaigns, school fairs, and song writing projects. A highlight of the year was the "Walk for Hope" event led by 22 students from four YLC, showcasing their passion and commitment to making a positive impact.

Looking ahead, we are committed to advancing the YLC as a cornerstone of our youth empowerment strategy. We will implement a more comprehensive program structure that encourages deeper exploration of key social and community issues, provides personalized mentorship to guide youth in their leadership journey, and offers meaningful recognition to celebrate their achievements. This initiative is designed to equip YLC members with advanced leadership skills, foster meaningful engagement, and celebrate their contributions. Ultimately, it aims to nurture a stronger and more impactful next generation of youth leaders.

2.5.2 Community Education

Community Education ("CE") continues to play a critical role in advancing child welfare practices and policies by leveraging frontline expertise and sector collaboration.

Business review (continued)

Training and Capacity Building

In 2024/25, CE delivered 21 training workshops on the 3 Choices Decision-Making Toolkit and Comprehensive Sexuality Education for 1,045 participants, including professionals, pre-professionals and parents. In addition, CE ran 19 in-house trainings for 358 Child Care Home staff and volunteers, reinforcing best practices in caregiving. CE also piloted e-learning modules on adoption, child maltreatment, and pregnancy rights, expanding access to foundational knowledge through flexible formats.

Advocacy & Policy Influence

CE's advocacy efforts included a formal submission to the Chief Executive Policy Address 2024, emphasizing the need for clear guidelines and timelines for family reunifications and adoption proceedings. These recommendations gained visibility during a visit by Chris Sun, JP, Secretary for Labour and Welfare, who acknowledged the importance of the proposed measures. CE also contributed to the draft Mandatory Reporting of Child Abuse Bill, advocating for comprehensive child protection frameworks.

Community Engagement & Partnership

Community engagement remained strong, with adoption sharing sessions for 48 participants and workshops for peer agencies and university students. Partnerships with legal and academic collaborators further strengthened child protection policies and broadened sector influence.

2.5.3 Alumni

Alumni is our platform that gathers members of the Mother's Choice family of staff, volunteers, clients and supporters and helps them to stay connected with us. It is a space that captures an honour of history and heritage, allows alumni to share their stories and empowers alumni to be our champions and advocates for life.

This year, 247 alumni were registered and the alumni website was updated with recent events, stories, and visuals, while the first in-person Family Reunion event in Hong Kong welcomed over 200 attendees, featuring organisational milestones and family-friendly activities. Additionally, the first UK Family Reunion event brought together alumni in London, offering a unique opportunity for connection and reflection on the shared mission of Mother's Choice.

2.6 Information technology and impact measurement

In 2024/25, our Information Technology team made significant progress in strengthening systems and infrastructure to support service delivery and organisational efficiency.

System Enhancement

We continued to enhance our Case Management System, implementing additional functionality across all programmes and services. Significant advancements were also made in the Donor Contact System, enabling better segmentation and engagement with our donor base.

Business review (continued)

Infrastructure and Security Upgrades

To improve safety and operational resilience, we implemented several infrastructure upgrades. This included the kick off of AI CCTV to auto detect certain risky behaviours in our Child Care Home (Wee Care), deployment of Multi Factor Authentication to all system users and the introduction of a new anti-virus and device management system to enhance our Data and system security. Wifi upgrades across all four Mother's Choice locations enhanced connectivity performance and security. Cybersecurity efforts will continue and be prioritised in 2025/26.

In 2024/25, our Impact Measurement team advanced the development of automated visual dashboards to track key metrics and performance indicators across all services. As at end of the year, almost all services have access to tailored dashboard, including Fundraising and Volunteer Engagement teams, enabling team to monitor progress in real time and make data-informed decisions. These tools have significantly improved operational efficiency, reducing the time required for data collection and reporting while enhancing visibility into program outcomes. The dashboards also support greater transparency and alignment across departments.

2.7 Facilities and administration

2.7.1 Critical Repair Works

Three of our four office buildings are grade 1 heritage structures, each over 100 years old. While we have prioritized critical repairs, these aging facilities present ongoing maintenance challenges, including persistent mold and water seepage issues. With rising repair costs and urgent renovation needs, we expect these expenses to grow in the coming years.

We have actively pursued financial support through the Development Bureau's HK$6M Financial Assistance Scheme since 2020. The process has involved extensive engagement with multiple government departments, including three rounds of formal comments and subsequent resubmissions during 2024/25. Dialogue with the relevant Government departments remains ongoing, and we are hopeful for approval, which would provide much-needed funding to preserve these historic buildings.

2.7.2 Heritage Buildings and Future Plans

In 2024/25, Mother's Choice signed a new replacement tenancy agreement for a term of three years with the Government Property Agency for our three heritage office buildings. Under the new agreements, the landlord can terminate the tenancy by giving three months' notice and Mother's Choice is required to keep and maintain the interior and exterior of the premises, including but not limited to structural repairs, all of which results in additional exposure to the organisation.

Anticipating further deterioration and increasing costs of upkeep, we recognize the importance of proactively managing and addressing the future needs of the organization to ensure its continued success and ability to meet its mission in office and residential premises that are safe and fit for purpose.

Business review (continued)

Our Building Committee has thoroughly and proactively researched various long-term solutions for the organization, including options for securing a new building location.

3 Our people

In 2024/25, the organisation made notable progress in talent acquisition and leadership development to support its strategic growth. Headcount increased steadily in alignment with staffing plans, and several key leadership and management roles were successfully filled across the organisation.

A major milestone was the smooth CEO transition, supported by structured onboarding and clear role defined leadership roles. The HR team played a pivotal role in facilitating this process and supporting new leaders as they adapted to their responsibilities. Leadership development was further enhanced through a targeted training program and team building offsites aimed at fostering alignment and collaboration.

Staff retention improved significantly, with turnover showing a consistent downward trend throughout the year. New hires retention also exceeded expectations, reflecting the effectiveness of onboarding and engagement initiatives. HR will continue to monitor retention trend, explore opportunities to strengthen staff engagement, and ensure the compensation remains competitive within the market.

4 Financial performance review

The total Operating Income in 2024/25 was $99.6 million and total expenditure was $94.5 million. Operating Surplus was $5.1 million. Total Surplus and total comprehensive income for the year was $7.6 million including $2.5 million unrealized gain and losses.

4.1 Income

The total Operating Income in 2024/25 was $99.6 million.

Grants from Government and Public Organisations

Mother's Choice received $34.4 million grants from government and public organisations in 2024/25, which was 21.9% or $6.2 million higher than the grants received in the previous year. This $34.4 million comprised:

i. $27.3 million from the SWD, allocated towards the cost of providing residential care services for special needs children, supervision and support to foster families.

ii. $3.8 million from The Community Chest of Hong Kong for our newborn and infant residential care service in the Child Care Home.

iii. $3.3 million from the Hong Kong Jockey Club Charities Trust towards our Pregnant Girls Services and Community Education.

Organised Events

Major Donors and Events brought in a total of $38.8 million, mainly driven by the Gala Dinner 2024, Golf Tournament, Truffle Dinner and Family Benefit Lunch.

Business review (continued)

Stride For Hope was our first-ever online community-driven sports challenge aimed at reaching 900 km in 2 months (from 21 December 2024 to 14 February 2025) through various sports activities, while fundraising to support our Children Services, including Child Care Home and Early Intervention Services.

In addition to individual donations, we have successfully secured a few corporate sponsorships, for a total monetary donation of $761,000.

Events are one of Mother's Choice's unique selling points as a way to engage, diversify and appreciate our many key stakeholders from donors to volunteers, adoptive and foster families, and more. With "authentic relationship" as one of our core values, we endeavor to interact in a personal manner during our events. This year, after the prolonged pandemic period, we were able to bring all our events back to in-person formats. Additionally, we spent a lot of time revisiting, refining and creating new event experiences, with a particular focus on engaging with our faithful major donors, as well as building new donor pipelines.

4.2 Expenditure

Mother's Choice continues to develop and invest in its services and compete for talent in an increasingly competitive marketplace. Total operating expenditure in 2024/25 was $94.5 million, which was 17.5% or $14.1 million higher than last year.

Having experienced high turnover in the previous year resulting in a shortage of staffs, several new initiatives were implied in 2024/25 to enhance staff retention and recruitment amounting to $7.2 million increase in salaries and allowances. Furthermore, we increased program activities which resulted in $6.9 million increases in program cost, mainly due to the raise of foster care allowance.

5 Reserve and surplus funds

As Mother's Choice has many vulnerable children and youth in its care, it is critical to maintain adequate reserves for operational purposes and conserve reserve funds in accordance with our reserve policy. These reserve funds ensure the stability of daily operations, provide emergency funds for adverse situations such as unexpected increases in expenses, losses and shortfall in funding, etc. Our overall reserve target is 150% of annual expenditure not covered by government funding providing us with the certainty that we can continue to operate our essential services during periods when fundings are not available.

Mother's Choice ended the FY2024/25 with total accumulated surplus of $142.1 million which represented $7.6 million increases of surplus (including $2.5 million of unrealised investment gain). This was $5.6% from the previous year. The level of surplus allows us to meet inflationary cost challenges, enhance and grow our programmes for vulnerable children and young girls and continue to attract talent. We anticipate that our staff retention initiatives will enable us to operate closer to full capacity in the future, thereby may increase the future expenses and potentially decrease the surplus

Business review (continued)

6 Risk and uncertainty

Mother's Choice relies extensively on private donations to fund its operations. An economic downturn presents a significant risk to these donations. This can lead to uncertainty in service planning, as historically there have been swings in our income due to change of economic environment and availability of donors at Mother's Choice events. Furthermore, the costs to deliver programmes and build organisational capacity continue to increase due to inflation and increase of labor costs.

Mother's Choice continued to develop its longer-term fundraising strategy to ensure greater certainty for service delivery, increasing multi-year commitments from grants and foundations. In addition, to raising money to fund our existing operations and programmes, we sought to raise and invest additional funding to build capacity within our current services and to improve our infrastructure to enable sustainability and continuity of care for the vulnerable children and young people we serve.

We are aware of the need to provide a stable and safe working environment for our services. Three out of the four buildings in which Mother's Choice operates are classified as Grade 1, heritage buildings, over 100 years old and are held on short-term government leases. These buildings require a significant amount of routine and emergency maintenance work which can lead to unforeseen costs and disruption to services. Mother's Choice aims to continue to accumulate reserves to cover the risk that any or all these heritage buildings must be vacated, and alternative accommodation be required in the short- or long-term. The Building Committee has outlined various options to the board.

The reserve funds are made up of short-term and long-term reserves. While the short-term reserves are maintained to support daily operating expenditures, the long-term reserves are allocated for investment in a portfolio with the primary objective to safeguard and preserve the real purchasing power of the reserve fund while earning investment returns commensurate with the Organisation's risk tolerance. While the Organisation aims to generate positive investment returns, preserving the ability to fund the organisation's operational needs over the long term is the main objective. To ensure that the investment portfolio maintains the right balance between long term growth of capital, whilst withstanding short-term market volatility, the Mother's Choice Finance Committee as well as the representatives of the portfolio manager, regularly review the performance and asset allocation of the portfolio and report to the board.

The global market rebound has had a positive impact on the market value of the Mother's Choice Investment Portfolio. As of 31st March 2025, we have recognized a yearly unrealized gain of $2.5 million or 3.7% of the portfolio. In addition, an accumulated unrealized gain of investment was $19.6 million or 39.2% of the portfolio since its inception in 2015. In addition to the investment portfolio, $63.4 million was placed as a USD overnight cash deposit.

Business review (continued)

7 Financial accountability and control measures

Mother's Choice has established and implemented planning and budget control measures to ensure that all donations are used according to the plans and scope of its services. In addition, individual accounts are set up for designated programmes to enhance accountability and transparency.

An annual plan and budget are presented by management and discussed and approved by the Board of Directors. This plan and budget, and the latest forecast, are subject to continual review by the Board at its regular meetings held during the year. Review and monitoring also takes place through two of the Board's Standing Committees: Finance and Fundraising.

8 Compliance with best practice, rules, and regulations

Mother's Choice received grants from government and public organisations to operate certain services and programmes of our Child Care Home, Foster Care Services, Pregnant Girls Services and Community Education. Its operations are subject to compliance requirements of the Social Welfare Department, The Hong Kong Jockey Club Charities Trust, and The Community Chest of Hong Kong, under which our spending, payment approval, accounting procedure, as well as the reporting disclosure are regulated and inspected or reviewed on a regular basis. We provided detailed disclosure of our financials in response to these requirements in our audit report.

9 Financial statements

The result of the company for the year ended 31 March 2025 and the state of affairs of the company at that date are set out in the financial statements on pages 26 to 54.

Funds and reserves

Details of the funds and reserves of the company are set out in note 14 to the financial statements.

Business review (continued)

Directors

The directors during the year and up to the date of this report are:

Rebecca I BROSNAN	
Chun Yu, CHAN	
Yin Nei Rita CHAN	
Wei Ting Ronna CHAO	
Chi Man CHENG	(Retired on 24 September 2025)
Ming Ming Anna CHEUNG	
Patricia CHU	
Kaye DONG	(Resigned on 13 November 2024)
Andrew George GARDENER	
Joel JAMES	
Mum Yee Millie LAU TONG	
Christine MA-LAU	
Gretchen Dawn RYAN	
Patrick Philip SHERRINGTON	
Chai Tong Joseph WAN	
Benjamin Ian WAY	
Wei Wei XING	

In accordance with articles 45 to 47 of the company's Article of Association, Kaye DONG and Chi Man CHENG are retiring from the board, being eligible but do not offer themselves for re-election. Rebecca I BROSNAN, Yin Nei Rita CHAN, Andrew George GARDENER and Wei Wei XING, being eligible, offer themselves for re-election as directors of the company.

At no time during the year was the company a party to any arrangement to enable the directors of the company to acquire benefits by means of the acquisition of an interest in the company or any other corporate body.

Indemnity of directors

A permitted indemnity provision (as defined in section 469 of the Hong Kong Companies Ordinance) for the benefit of the directors of the company is currently in force and was in force throughout this year.

Business review (continued)

Directors' interests in transactions, arrangements or contracts

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

Auditors

KPMG retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of KPMG as honorary auditors of the company is to be proposed at the forthcoming annual general meeting.

By order of the board

Andrew George GARDENER
Co-Chairmen

Chai Tong Joseph WAN
Co-Chairmen

Hong Kong, 30 SEP 2025

KPMG

Independent auditor's report to the members of Mother's Choice Limited

(Incorporated in Hong Kong and limited by guarantee)

Opinion

We have audited the financial statements of Mother's Choice Limited (the "company") set out on pages 26 to 54, which comprise the statement of financial position as at 31 March 2025, the statement of comprehensive income, the statement of changes in funds and reserves and the cash flow statement for the year then ended and notes, comprising material accounting policy information and other explanatory information.

In our opinion, the financial statements give a true and fair view of the financial position of the company as at 31 March 2025 and of its financial performance and its cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong 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 company 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 financial statements and auditor's report thereon

The directors are responsible for the other information. The other information comprises all the information included in the annual report, other than the financial statements and our auditor's report thereon.

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.

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.

KPMG

Independent auditor's report to the members of Mother's Choice Limited (continued)

(Incorporated in Hong Kong and limited by guarantee)

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the HKICPA and the Hong Kong Companies Ordinance and for such internal control as the directors 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 directors are responsible for assessing the company'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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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. This report is made solely to you, as a body, in accordance with section 405 of the Hong Kong 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.

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.

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional scepticism 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 company's internal control.

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

- 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 directors' 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 company'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 company 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 the directors 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 Oi Kit Ho William (practising certificate number: P08286).

KPMG

Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

30 SEP 2025

Statement of comprehensive income for the year ended 31 March 2025

(Expressed in Hong Kong dollars)

	Note	*2025* $	*2024* $
Principal sources of revenue			
Designated donations			
- Government and public grants			
- The Community Chest		3,800,400	4,180,440
- The Hong Kong Jockey Club Charities Trust		3,273,873	3,229,000
- Social welfare subvention		27,334,304	20,777,618
- Others		14,374,714	11,786,165
General donations		17,358,421	20,589,121
Gala dinner income		29,647,558	25,782,198
Other revenue			
Child care reimbursement		49,000	17,000
Interest income		3,686,719	3,183,729
Others		110,960	33,445
		99,635,949	89,578,716
Expenditure	3		
Service costs		(79,930,177)	(69,098,485)
Fundraising and marketing costs		(7,114,422)	(5,483,398)
Management and administrative costs		(7,458,677)	(5,833,729)
		(94,503,276)	(80,415,612)
Surplus for the year			
Operating surplus		5,132,673	9,163,104
Net realised and unrealised gain on financial assets at fair value through profit or loss		2,465,203	5,675,515
Total surplus and total comprehensive income for the year		7,597,876	14,838,619

The notes on pages 31 to 54 form part of these financial statements.

Statement of financial position at 31 March 2025

(Expressed in Hong Kong dollars)

	Note	*2025* $	*2024* $
Non-current assets			
Property, plant and equipment	6	22,889,895	24,109,980
Current assets			
Prepayments, deposits and other receivables	7	3,666,122	2,046,481
Deposits and cash	8	85,896,627	79,653,912
Investments	9	69,638,959	67,173,756
		159,201,708	148,874,149
Current liabilities			
Other payables and accruals	10	(8,534,421)	(6,553,998)
Deferred income	11	(22,444,241)	(23,381,807)
Surplus subventions	12	(7,302,504)	(7,261,442)
		(38,281,166)	(37,197,247)
Net current assets		120,920,542	111,676,902
Total assets less current liabilities		143,810,437	135,786,882
Non-current liabilities			
Long service payment liabilities	13	(1,672,347)	(1,246,668)
NET ASSETS		142,138,090	134,540,214

Statement of financial position at 31 March 2025

(Expressed in Hong Kong dollars)

	Note	*2025* $	*2024* $
Represented by:			
Funds and reserves	14		
Accumulated surplus		110,460,191	102,862,315
Long-term reserves	14(b)	31,677,899	31,677,899
		142,138,090	134,540,214

Approved and authorised for issue by the board of directors on 30 SEP 2025

Andrew George GARDENER
Co-Chairmen

Chai Tong Joseph WAN
Co-Chairmen

The notes on pages 31 to 54 form part of these financial statements.

Statement of changes in funds and reserves for the year ended 31 March 2025

(Expressed in Hong Kong dollars)

	Accumulated surplus $	*Long-term reserves* $	*Total* $
Balance at 1 April 2023	88,023,696	31,677,899	119,701,595
Change in funds and reserves for the year ended 31 March 2024:			
Surplus and total comprehensive income for the year	14,838,619	-	14,838,619
Balance at 31 March 2024 and 1 April 2024	102,862,315	31,677,899	134,540,214
Change in funds and reserves for the year ended 31 March 2025:			
Surplus and total comprehensive income for the year	7,597,876	-	7,597,876
Balance at 31 March 2025	110,460,191	31,677,899	142,138,090

The notes on pages 31 to 54 form part of these financial statements.

Cash flow statement for the year ended 31 March 2025

(Expressed in Hong Kong dollars)

	Note	*2025* $	*2024* $
Operating activities			
Total surplus and total comprehensive income for the year		7,597,876	14,838,619
Adjustments for:			
Depreciation	6	2,385,093	3,100,191
Interest income		(3,686,719)	(3,183,729)
Amount of income recognised and transferred from deferred income	11	(937,566)	(937,565)
Net surplus recognised in the surplus subventions	12	41,062	1,013,281
Net realised and unrealised gain on financial assets at fair value through profit or loss		(2,465,203)	(5,675,515)
Operating surplus before changes in working capital		2,934,543	9,155,282
Increase in prepayments, deposits and other receivables		(1,619,641)	(272,087)
Increase/(decrease) in other payables and accruals		1,980,423	(3,010,979)
Increase in long services payment		425,679	1,246,668
Net cash generated from operating activities		3,721,004	7,118,884
Investing activities			
Interest received		3,686,719	3,183,729
Payments for the purchase of property, plant and equipment		(1,165,008)	(548,087)
Net cash generated from investing activities		2,521,711	2,635,642
Increase in cash and cash equivalents		6,242,715	9,754,526
Cash and cash equivalents at the beginning of the year		79,653,912	69,899,386
Cash and cash equivalents at the end of the year	8	85,896,627	79,653,912

The notes on pages 31 to 54 form part of these financial statements.

Notes to the financial statements

(Expressed in Hong Kong dollars)

1 Status of the company

The company was incorporated in Hong Kong on 21 August 1987 as a company limited by guarantee.

The principal activities of the company are the provision of counselling for young girls facing crisis pregnancy, adoption services and the operation of a baby care home and foster care programme on a non-profit making basis.

As at 31 March 2025, under the provisions of the company's memorandum of association, each of the 20 members (2024: 20 members) shall, in the event of the company being wound up, contribute such amount as may be required to meet the liabilities of the company but not exceeding $10 each.

2 Material accounting policies

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable HKFRS Accounting Standards, which collective term includes all applicable individual Hong Kong Financial Reporting Standards ("HKFRSs"), Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the requirements of the Hong Kong Companies Ordinance. Material accounting policies adopted by the Company are disclosed below.

The HKICPA has issued certain new and amended HKFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the company. Note 2(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the company for the current and prior accounting periods reflected in these financial statements.

(b) Basis of preparation of the financial statements

The measurement basis used in the preparation of the financial statements is the historical cost basis, except that the following asset is stated at fair value as explained in the accounting policies set as below:

- Investments in equity securities (see note 2(d))

The preparation of financial statements in conformity with HKFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

2 Material accounting policies (continued)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(c) Changes in accounting policies

The HKICPA has issued a number of new and amended HKFRS Accounting Standards that are first effective for the current accounting period of the company. None of these developments have had a material effect on how the company's results and financial position for the current or prior periods have been prepared or presented.

The company has not applied any new standard or interpretation that is not yet effective for the current accounting period.

(d) Investments in equity securities

Investments are recognised/derecognised on the date the company commits to purchase/sell the investments or they expire. Investments in equity securities are initially stated at fair value plus directly attributable transaction costs, except for those investments measured at fair value through profit or loss ("FVTPL") for which transaction costs are recognised directly in profit or loss. For an explanation of how the company determines fair value of financial instruments, see note 16(e). These investments are subsequently accounted for as follows, depending on their classification:

Equity investments

An investment in equity securities is classified as FVTPL unless the equity investment is not held for trading purposes and on initial recognition of the investment the company makes an irrevocable election to designate the investment at fair value through other comprehensive income (non-recycling) such that subsequent changes in fair value are recognised in other comprehensive income. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer's perspective. Where such an election is made, the amount accumulated in other comprehensive income remains in the fair value reserve (non-recycling) until the investment is disposed of. At the time of disposal, the amount accumulated in the fair value reserve (non-recycling) is transferred to retained earnings. It is not recycled through profit or loss.

2 Material accounting policies (continued)

(e) Property, plant and equipment

Property, plant and equipment, including right-of-use assets, arising from leases of underlying property, plant and equipment (see note 2(h)), is stated in the statement of financial position at cost less accumulated depreciation and impairment losses.

Depreciation is calculated to write off the cost of each item of property, plant and equipment less its estimated residual value, if any, using the straight-line method over its estimated useful life as follows:

- Ownership interests in leasehold land and properties held for own use	Over the shorter of the unexpired term of lease and their estimated useful lives of 35 years
- other property, plant and equipment	4 years

Both the useful life of an asset and its residual value, if any, are reviewed annually.

The carrying amounts of property, plant and equipment are reviewed for indications of impairment at the end of each reporting period. An impairment loss is recognised in the statement of comprehensive income to the extent that the carrying amount of an asset, or the cash-generating unit to which it belongs, is more than its recoverable amount. The recoverable amount of an asset, or of the cash generating unit to which it belongs, is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the assets. An impairment loss is reversed if there has been a favourable change in estimates used to determine the recoverable amount.

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in the statement of comprehensive income on the date of retirement or disposal.

2 Material accounting policies (continued)

(f) Prepayments, deposits and other receivables

A receivable is recognised when the company has an unconditional right to receive consideration and only the passage of time is required before payment of that consideration is due.

Receivables that do not contain a significant financing component are initially measured at their transaction price. Receivables that contain a significant financing component and are initially measured at fair value plus transaction costs. All receivables are subsequently stated at amortised cost.

The loss allowance is measured at an amount equal to lifetime expected credit losses ("ECLs"), which are those losses that are expected to occur over the expected life of the receivables. The loss allowance is estimated based on the company's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

ECLs are remeasured at each reporting date with any changes recognised as an impairment gain or loss in profit or loss. The company recognises an impairment gain or loss with a corresponding adjustment to the carrying amount of the receivables through a loss allowance account.

The gross carrying amount of a receivable is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

(g) Other payables and accruals

Other payables and accruals are initially recognised at fair value. Subsequent to initial recognition, other payables and accruals are stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at invoice amounts.

2 Material accounting policies (continued)

(h) Leased assets

At inception of a contract, the company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

As a lessee

At the lease commencement date, the company recognises a right-of-use asset and a lease liability, if applicable, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the company enters into a lease in respect of a low-value asset, the company decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see note 2(e)).

In the statement of financial position, the company presents right-of-use assets within the same line item as similar underlying assets and presents lease liabilities separately.

(i) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

The company recognise a loss allowance of cash and cash equivalents using 12-month ECLs unless there has been a significant increase in credit risk since initial recognition, in which the loss allowance is measured at an amount equal to lifetime ECLs.

2 Material accounting policies (continued)

(j) Employee benefits

(i) Short term employee benefits and contributions to defined contribution retirement plans

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Obligations for contributions to defined contribution retirement plans are expensed as the related service is provided.

(ii) Defined benefit plan obligations

The company's net obligation in respect of long service payment ("LSP") under the Hong Kong Employment Ordinance, which is the company's only defined benefit plan, is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods and discounting that amount. The estimated amount of future benefit is determined after deducting the negative service cost arising from the accrued benefits derived from the company's mandatory contributions to mandatory provident fund ("MPF") contributions that have been vested with employees, which are deemed to be contributions from the relevant employees.

(k) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure 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.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, a separate asset is recognised for any expected reimbursement that would be virtually certain. The amount recognised for the reimbursement is limited to the carrying amount of the provision.

2 Material accounting policies (continued)

(l) Revenue recognition

Revenue is recognised when control over a product or service is transferred to the customer at the amount of promised consideration to which the company is expected to be entitled, excluding those amounts collected on behalf of third parties.

Further details of the company's revenue and other income recognition policies are as follows:

(i) Designated donation income

Designated donations are accounted for in the statement of financial position as deferred income when management has assessed that they will be received and that the company will comply with the conditions attached to them. Designated donations are recognised as income in the statement of comprehensive income on a systematic basis in the same periods in which the related expenses are incurred. Designated donations for the cost of assets are recognised in the statement of comprehensive income over the useful life of the assets by way of reduced depreciation expenses. Subventions from the Social Welfare Department are recognised as income in the statement of comprehensive income on a systematic basis in the same periods in which the related expenses are incurred and when the conditions attached to the subventions are met.

(ii) General donation income

General donations are recognised when the company becomes entitled to the donations and it is probable that they will be received, which is generally upon the receipt of cash by the company or third-party fundraiser.

(iii) Gala dinner income

Gala dinner income is recognised when the company becomes entitled to the donations from dinner and it is probable that they will be received, which is generally upon the receipt of cash by the participants.

(iv) Interest income

Interest income from bank deposits is recognised as it accrues using the effective interest method.

(m) Expenditure

Expenditure is accounted for on an accrual basis.

2 Material accounting policies (continued)

(n) Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies and non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in the statement of comprehensive income.

(o) Related parties

(1) A person, or a close member of that person's family, is related to the company if that person:

(i) has control or joint control over the company;

(ii) has significant influence over the company; or

(iii) is a member of the key management personnel of the company or the company's parent.

(2) An entity is related to the company if any of the following conditions applies:

(i) The entity and the company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the company or an entity related to the company.

(vi) The entity is controlled or jointly controlled by a person identified in (o)(1).

(vii) A person identified in (o)(1)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the company or to the company's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

3 Expenditure

	Note	*2025* $	*2024* $
Staff costs	3(a)	63,157,805	55,972,999
Programme expenses	3(b)	19,570,296	12,667,077
Depreciation charge	6		
- owned property, plant and equipment		1,447,527	2,162,625
- right-of-use assets		937,566	937,566
Other operating expenses		9,390,082	8,675,345
		94,503,276	80,415,612

(a) Staff costs

	2025 $	*2024* $
Contributions to defined contribution retirement plan	2,353,939	2,108,567
Expenses recognised in respect of LSP (note 13)	425,679	743,335
Salaries, wages and other benefits	60,378,187	53,121,097
	63,157,805	55,972,999

(b) Programme expenses

	2025 $	*2024* $
Foster care allowance	12,168,166	7,527,596
Medical and therapist	137,847	116,106
Outings and education programme	3,835,256	2,700,580
Fundraising expenses	2,156,595	1,861,109
Sundry expenses	1,272,432	461,686
	19,570,296	12,667,077

4 Taxation

The company is exempt from taxation under the provisions of section 88 of the Inland Revenue Ordinance.

5 Directors' emoluments

The directors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, for the year are $Nil (2024: $Nil).

6 Property, plant and equipment

	Furniture, fixtures and fittings $	*Office equipment* $	*Leasehold improvements* $	*Motor vehicles* $	*Ownership interests in lands and properties held for own use* $	*Total* $
Cost:						
At 1 April 2023	2,926,190	9,151,647	15,944,570	291,655	32,814,802	61,128,864
Additions	11,951	435,185	100,951	-	-	548,087
At 31 March 2024	2,938,141	9,586,832	16,045,521	291,655	32,814,802	61,676,951
At 1 April 2024	2,938,141	9,586,832	16,045,521	291,655	32,814,802	61,676,951
Additions	72,040	584,037	508,931	-	-	1,165,008
Disposals	-	(97,850)	-	-	-	(97,850)
At 31 March 2025	3,010,181	10,073,019	16,554,452	291,655	32,814,802	62,744,109
Accumulated depreciation:						
At 1 April 2023	2,775,041	7,022,847	14,064,012	291,655	10,313,225	34,466,780
Charge for the year	57,960	910,420	1,194,245	-	937,566	3,100,191
At 31 March 2024	2,833,001	7,933,267	15,258,257	291,655	11,250,791	37,566,971
At 1 April 2024	2,833,001	7,933,267	15,258,257	291,655	11,250,791	37,566,971
Charge for the year	50,060	845,493	551,974	-	937,566	2,385,093
Written back on disposals	-	(97,850)	-	-	-	(97,850)
At 31 March 2025	2,883,061	8,680,910	15,810,231	291,655	12,188,357	39,854,214
Net book value:						
At 31 March 2025	127,120	1,392,109	744,221	-	20,626,445	22,889,895
At 31 March 2024	105,140	1,653,565	787,264	-	21,564,011	24,109,980

6 Property, plant and equipment (continued)

Right-of-use assets

The company's only right-of-use assets are the ownership interests in leasehold land and properties held for own use with remaining term of between 10 and 50 years and the net book value as at 31 March 2025 is $20,626,445 (2024: $21,564,011). The company holds two office units in Kwun Tong. The company is the registered owner of these property interests, including the whole or part of undivided share in the underlying land. Lump sum payments were made upfront to acquire these property interests from their previous registered owners, and there are no ongoing payments to be made under the terms of the land lease, other than payments based on rateable values set by the relevant government authorities. These payments vary from time to time and are payable to the relevant government authorities.

The company's general office operates in three buildings classified as heritage buildings that are leased by the Government for the company's operation. These tenancies are subject to termination to be proposed by either party with at least three months' notice in writing.

During the year, there is no addition to right-of-use assets.

The analysis of expense items in relation to leases recognised in profit or loss is as follows:

	2025 $	*2024* $
Depreciation charge		
- Ownership interests in lands and properties held for own use	937,566	937,566
Expense relating to short term leases	73,562	65,691

7 Prepayments, deposits and other receivables

The amounts of prepayments, deposits and other receivables expected to be recovered or recognised as expenses after more than one year is $235,195 (2024: $251,645). All of the remaining amounts are expected to be recovered or recognised as expenses within one year.

8 Deposits and cash

	2025 $	*2024* $
Cash at banks and on hand	85,896,627	79,653,912

9 Investments

	2025 $	*2024* $
Financial assets at fair value through profit or loss (Note 16(e))	69,638,959	67,173,756

As at 31 March 2025, the company held investments which consist of fixed income, public equity, deposit and money market funds in the total amount of $69,638,959 (2024: $67,173,756). These investments were, upon initial recognition, designated by the company as financial assets at fair value through profit or loss with subsequent changes in fair values recognised in profit or loss.

10 Other payables and accruals

All other payables and accruals are expected to be settled within one year.

11 Deferred income

The deferred income represents donations designated by the donors for a particular purpose, but which have not been spent by the company at the year end. The amounts expected to be recognised as income after more than one year total $21,506,675 (2024: $22,444,241). All of the other amounts are expected to be recognised as income within one year.

	2025		
	Balance brought forward $	*Expenditure incurred* $	*Balance carried forward* $
Property, plant and equipment	21,564,013	(937,566)	20,626,447
Maintenance and renovation	1,817,794	-	1,817,794
	23,381,807	(937,566)	22,444,241

	2024		
	Balance brought forward $	*Expenditure incurred* $	*Balance carried forward* $
Property, plant and equipment	22,501,578	(937,565)	21,564,013
Maintenance and renovation	1,817,794	-	1,817,794
	24,319,372	(937,565)	23,381,807

12 Surplus subventions

Accumulated subventions advanced by the Social Welfare Department ("SWD") to the company but not yet utilised are analysed below as required by the SWD:

	2025 $	*2024* $
Balance brought forward	7,261,442	6,248,161
Movements during the year:		
Receipt of subsidies/(utilisation and refund), net		
- SWD Provident Fund reserve	282,028	251,861
- Central items reserve	1,979,980	1,642,006
- Block Grant for Minor Works (note (b))	76,898	257,393
- Refund of surplus of central items to SWD	(1,642,006)	(1,137,979)
- Staff Allowance	(20,000)	-
- Claw Back for Social Welfare Development Fund (note (a))	(635,838)	-
	41,062	1,013,281
Balance carried forward	7,302,504	7,261,442

(a) Social Welfare Development Fund:

	2025 $	*2024* $
Balance at 1 April	635,838	635,838
Claw Back during the year	(635,838)	-
Balance at 31 March	-	635,838

(b) Block Grant for Minor Works:

	2025 $	*2024* $
Balance of Block Grant Reserve brought forward from the previous financial year	2,251,496	1,994,103
Block Grant received during the year	358,000	316,000
Expenditure during the year	(281,102)	(58,607)
	76,898	257,393
Balance of Block Grant Reserve carried forward to the next financial year	2,328,394	2,251,496

12 Surplus subventions (continued)

(c) Capital commitments

As at 31 March 2025, there were no outstanding commitments in respect of Block Grant for Minor Works.

13 Long service payment liabilities

The company operates a MPF scheme under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the Hong Kong Employment Ordinance. Employees that have been employed under the Hong Kong Employment Ordinance continuously for at least five years are also entitled to LSP under certain circumstances. These circumstances include where an employee is dismissed for reasons other than serious misconduct or redundancy, that employee resigns at the age of 65 or above, or the employment contract is of fixed term and expires without renewal. The amount of LSP payable is determined with reference to the employee's final salary (capped at $22,500) and the years of service, reduced by the amount of any accrued benefits derived from the company's contributions to MPF scheme, with an overall cap of $390,000 per employee. Currently, the company does not have any separate funding arrangement in place to meet its LSP obligation.

In June 2022, the Government gazetted the Amendment Ordinance, which will eventually abolish the statutory right of an employer to reduce its LSP payable to a Hong Kong employee by drawing on its mandatory contributions to the MPF scheme. The Government has subsequently announced that the Amendment Ordinance will come into effect from the Transition Date i.e. 1 May 2025. In November 2024, the Government approved the commitment for the implementation of a 25-year scheme to provide a subsidy for employers' costs in relation to the post-transition portion of the LSP.

Among other things, once the abolition of the offsetting mechanism takes effect, an employer can no longer use any of the accrued benefits derived from its mandatory MPF contributions (irrespective of the contributions made before, on or after the Transition Date) to reduce the LSP in respect of an employee's service from the Transition Date. However, where an employee's employment commenced before the Transition Date, the employer can continue to use the above accrued benefits to reduce the LSP in respect of the employee's service up to that date; in addition, the LSP in respect of the service before the Transition Date will be calculated based on the employee's monthly salary immediately before the Transition Date and the years of service up to that date.

The company has accounted for the offsetting mechanism and its abolition as disclosed in note 2(j)(ii).

13 Long service payment liabilities (continued)

The present value of unfunded obligations and its movements are as follows:

	2025 $	*2024* $
At the beginning of the year	1,246,668	503,333
Total amounts recognised in profit or loss (note 3(a))	425,679	743,335
At the end of the year	1,672,347	1,246,668

The weighted average duration of the long service payment obligations is 6.1 (2024: 8.6) years.

14 Funds and reserves

(a) Funds and reserves management

The company's objectives when managing reserves are to safeguard the company's ability to continue as a going concern, to support the company's stability and growth and to provide adequate funds for the purpose of achieving the company's short to long-term objectives.

Management regularly reviews the operation, funding structure, provident fund position and reserve utilisation of the company to ensure effective use of funds and the sound financial status of the company.

Management consider the ideal level of reserves to be 150% of the company's annual expenditure not covered by SWD, Jockey Club and Community Chest, on top of any funding set aside for specific purposes. Management is of the opinion that the level of reserves at the year end was satisfactory.

(b) Long-term reserves

The long-term reserves were set up with clear definitions for both their purpose and investment structure:

(i) to cover any short-term cashflow difficulties due to temporary setbacks in funding or emergency repairs and maintenance.

(ii) to enable the company to evolve and take advantage of strategic development opportunities when it needs to.

(iii) to cope with unforeseeable circumstances posed by large external changes in the environment in which the company operates such as an economic downturn or a major decline in donors' empathy to the cause. These risks, if realised, would dramatically affect the company's funding streams.

15 Related party transactions

(a) Transactions with key management personnel

Remuneration for key management personnel of the company is as follows:

	2025 $	*2024* $
Short-term employee benefits	1,984,388	2,802,489
Post-employment benefits	28,500	36,000
	2,012,888	2,838,489

(b) Transactions with other related parties

The company received donations of $5,517,709 (2024: $3,595,864) from certain directors of the company. Except for the above, there were no material related party transactions during the year.

16 Financial risk management and fair values

Exposure to credit, liquidity, foreign currency and price risks arising from its investments in the normal course of the company's business.

The company's exposure to these risks and the financial risk management policies and practices used by the company to manage these risks are described below.

(a) Credit risk

The company's credit risk is primarily attributable to other receivables and deposits and cash.

In respect of other receivables, management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

Deposits and cash placed with banks are with counterparties with sound credit ratings to minimise credit exposure. Given their high credit ratings, management does not expect any of these financial institutions will fall to meet their obligations.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

The company measures loss allowance on other receivables based on the past loss experience, existing market conditions as well as forward looking information at the end of the reporting period. Having considered those factors, the company considered that ECLs recognised for the years ended 31 March 2025 and 2024 were not significant.

16 Financial risk management and fair values (continued)

(b) Liquidity risk

The company's policy is to regularly monitor its liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

The earliest settlement dates of the company's financial liabilities at the end of 2025 and 2024 are all within one year or on demand and the contractual amounts of financial liabilities are all equal to their carrying amounts.

(c) Foreign currency risk

The company has no significant exposure to currency risk as substantially all the company's transactions are denominated in its functional currency.

(d) Other price risk

Financial assets at fair value through profit or loss are subject to changes in market prices. The exposure to price changes is managed by closely monitoring the changes in market conditions that may have an impact on the market prices or factor affecting the value of these financial assets.

Sensitivity analysis:

At 31 March 2025, it is estimated that an increase/decrease of 5% in the market prices of the underlying investments of the financial assets at fair value through profit or loss, with all other variable held constant, would have increased/decreased the company's surplus and accumulated surplus for the year approximately $3,482,000 (2024: $3,359,000).

The sensitivity analysis indicates the instantaneous change in the company's surplus that would arise assuming that the changes in the stock market index or other relevant risk variables had occurred at the end of the reporting period and had been applied to re-measure those financial instruments held by the company which expose the company to price risk at the end of the reporting period. It is also assumed that all other variables remain constant. The analysis is performed on the same basis for the year ended 31 March 2024.

16 Financial risk management and fair values (continued)

(e) Fair values measurement

Financial assets and liabilities measured at fair value.

Fair value hierarchy

The following table presents the fair value of the company's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.

- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.

- Level 3 valuations: Fair value measured using significant unobservable inputs.

16 Financial risk management and fair values (continued)

	Fair value at 31 March 2025 $	*Fair value measurements as at 31 March 2025 categorised into*			*Fair value at 31 March 2024* $	*Fair value measurements as at 31 March 2024 categorised into*		
		Level 1 $	*Level 2* $	*Level 3* $		*Level 1* $	*Level 2* $	*Level 3* $
Recurring fair value measurements								
Asset								
Financial assets at fair value through profit or loss	69,638,959	69,638,959	-	-	67,173,756	67,173,756	-	-

During the years ended 31 March 2025 and 2024, there were no transfers between Level 1 and Level 2 or no transfers into or out of Level 3. The company's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

17 Donations from CVC Capital Partners ("CVC")

In 2025, the company has received a donation of $600,000 from CVC. The donation raised from CVC will be used for the implementation of the Volunteer Engagement Framework (the "Framework").

The Framework is comprised of three key areas which included (1) Volunteer Strategy and Team, (2) Recruitment and Onboarding, and (3) Volunteer Management.

The breakdown of the receipt and usage of the funding are as follows:

	2025 $	*2024* $
Income		
Total donation received	600,000	600,000
Expenditure		
Salary	606,120	581,806
Other expenses	57,718	23,333
	663,838	605,139
Unutilised net proceeds carried forward	-	-
Expenditure not covered by net proceeds	(63,838)	(5,139)

18 Details of profit or loss and other comprehensive income

	Subvented services (refer to page 53) $	*Non-subvented services* $	*2024/2025 Grand total* $
Principal sources of revenue			
Designated donations			
- Government and public grants			
- The Community Chest	-	3,800,400	3,800,400
- The Hong Kong Jockey Club Charities Trust	-	3,273,873	3,273,873
- Social welfare subvention	27,334,304	-	27,334,304
- Others	335,791	14,038,923	14,374,714
General donations	2,812,191	14,546,230	17,358,421
Gala dinner income	4,803,121	24,844,437	29,647,558
Other revenue			
Child care reimbursement	-	49,000	49,000
Interest income	-	3,686,719	3,686,719
Others	18,089	92,871	110,960
	35,303,496	64,332,453	99,635,949

18 Details of profit or loss and other comprehensive income (continued)

	Note	*Subvented services (refer to page 53)* $	*Non-subvented services* $	*2024/2025 Grand total* $
Expenditure				
Bank charges		1,067	1,091,630	1,092,697
Cleaning expenses		95,449	553,451	648,900
Depreciation	6	497,680	1,887,413	2,385,093
Food		236,962	591,582	828,544
Insurance		300,078	918,446	1,218,524
Management charges		35,352	104,748	140,100
Miscellaneous expenses		49,544	892,707	942,251
Motor vehicle expenses		18,037	69,515	87,552
Office supplies		368,128	1,819,759	2,187,887
Overseas travelling		1,850	36,022	37,872
Professional fees		6,505	1,650	8,155
Programme expenses	3(b)	13,339,981	6,230,315	19,570,296
Rent and rates		58,406	260,861	319,267
Repairs and maintenance		115,583	469,657	585,240
Salaries and allowances	3(a)	19,777,500	43,380,305	63,157,805
Transportation		66,239	147,550	213,789
Utilities		241,306	837,998	1,079,304
		35,209,667	59,293,609	94,503,276
Surplus for the year		93,829	5,038,844	5,132,673
Net realised and unrealised gain on financial assets at fair value through profit or loss		-	2,465,203	2,465,203
Total comprehensive income for the year		93,829	7,504,047	7,597,876

19 Details of profit or loss and other comprehensive income - subvented services

	Foster care $	*Wee care* $	*Total subvented services (refer to pages 51 to 52)* $
Income			
Principal sources of revenue			
Designated donations			
- Social welfare subvention	16,803,216	10,531,088	27,334,304
- Others	270,391	65,400	335,791
General donations	1,961,240	850,951	2,812,191
Gala dinner	3,349,726	1,453,395	4,803,121
Other revenue			
Others	-	18,089	18,089
	22,384,573	12,918,923	35,303,496
Expenditure			
Salaries and allowances	8,625,221	11,152,279	19,777,500
Transportation	62,342	3,897	66,239
Motor vehicle expenses	9,824	8,213	18,037
Overseas travelling	1,850	-	1,850
Insurance	99,038	201,040	300,078
Rent and rates	37,598	20,808	58,406
Management charges	35,352	-	35,352
Professional fees	6,505	-	6,505
Bank charges	998	69	1,067
Utilities	50,983	190,323	241,306
Repairs and maintenance	21,983	93,600	115,583
Food	12,320	224,642	236,962
Programme expenses	12,926,206	413,775	13,339,981
Depreciation	280,297	217,383	497,680
Office supplies	126,729	241,399	368,128
Cleaning expenses	18,826	76,623	95,449
Miscellaneous expenses	9,028	40,516	49,544
	22,325,100	12,884,567	35,209,667
Surplus and total comprehensive income for the year	59,473	34,356	93,829

20 Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 March 2025

Up to the date of issue of these financial statements, the HKICPA has issued a number of new or amended standards, which are not yet effective for the year ended 31 March 2025 and which have not been adopted in these financial statements.

The company is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the financial statements.

KPMG

Mother's Choice Limited

母親的抉擇

(Limited by Guarantee)

31 March 2025

KPMG

Independent auditor's assurance report to the board of directors of Mother's Choice Limited (the "company")

We have audited the financial statements of the company for the year ended 31 March 2025 in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), and have issued an unmodified auditor's report thereon dated 30 September 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 company 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 company 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 company 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.

KPMG

Independent auditor's assurance report to the board of directors of Mother's Choice Limited (the "company") (continued)

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 PN 851 (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.

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 company 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.

KPMG

Independent auditor's assurance report to the board of directors of Mother's Choice Limited (the "company") (continued)

Conclusion

1. In our opinion, the AFR of the company 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 Company 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 company 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.

Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

30 SEP 2025

ANNUAL FINANCIAL REPORT
NGO: MOTHER'S CHOICE LIMITED

1 APRIL 2024 TO 31 March 2025

	Notes	Total 2024-2025 $	Total 2023-2024 $
A. INCOME			
1. Lump Sum Grant ("LSG")		15,000,013	13,443,277
a. LSG (excluding Provident Fund)	1b	14,148,159	12,684,564
b. Provident Fund	1c	851,854	758,713
2. Fee Income	2	-	-
3. Central Items	3	14,295,196	9,169,602
4. Rent and Rates	4	-	-
5. Other Income	5	119,489	-
6. Interest Received		-	-
TOTAL INCOME	8	29,414,698	22,612,879
B. EXPENDITURE			
1. Personal Emoluments	6		
a. Salaries		13,682,485	11,795,454
b. Provident Fund	1c	569,826	506,852
c. Allowances		-	-
Subtotal		14,252,311	12,302,306
2. Other Charges	7	2,603,111	2,112,738
3. Central Items	3	12,210,054	7,527,596
4. Rent and Rates	4	-	-
TOTAL EXPENDITURE	8	29,065,476	21,942,640
C. SURPLUS FOR THE YEAR		349,222	670,239

The Annual Financial Report from pages 4 to 13 has been prepared in accordance with the requirements as set out in the Lump Sum Grant Manual.

SIGNATURE

CHAIRMAN

DATE: 30 SEP 2025

SIGNATURE

NGO HEAD/HEAD OF SOCIAL WELFARE SERVICES

DATE: 30 SEP 2025

NOTES ON THE ANNUAL FINANCIAL REPORT

1. Lump Sum Grant

a Basis of preparation

The Annual Financial Report (AFR) is prepared in respect of all Funding and Service Agreement (FSA) activities (including support services to FSA activities) funded by the Social Welfare Department under the Lump Sum Grant Subvention System.
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 Lump Sum Grant (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.
6.8% and other posts represent those staff that are employed after 1 April 2000.

The Provident Fund received and contributed for staff under the Central Items have been shown under **3**.

Details are analysed below:

Provident Fund Contribution	**Snapshot Staff** $	**6.8% and other posts** $	**Total** $
Subvention Received	-	851,854	851,854
Less: Provident Fund Contribution Paid during the Year	-	569,826	569,826
Surplus for the year	-	282,028	282,028
Add: Surplus b/f		1,666,403	1,666,403
Additional subvention received for previous year(s)	-	-	-
Less: Refund to Government	-	-	-
Surplus c/f	-	1,948,431	1,948,431

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 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 Central Items have been separately included as part of the income and expenditure of the relevant items (paragraph 3.14 of LSG Manual (October 2016)). The income and expenditure of each of the Central Items are as follows:

		2024-25 $	2023-24 $
a	**Income**		
	Foster Care Allowance	13,179,001	8,464,248
	Day Foster Care Allowance	969,145	705,354
	Multi-Faceted Support for Foster Families & Children	147,050	-
	Subsidy for Enhanced Support for Ethnic Minority Children in Early Education and Training Centres	-	-
	Total	14,295,196	9,169,602
b	**Expenditure**		
	Foster Care Allowance	11,334,649	6,948,550
	Day Foster Care Allowance	833,517	579,046
	Multi-Faceted Support for Foster Families & Children	41,888	-
	Total	12,210,054	7,527,596

4. Rent and Rates

This represents the amount paid by SWD in respect of premises recognised by SWD. Expenditure on rent and rates in respect of premises not recognised by SWD have not been included in AFR.

5. Other Income

These include all programme income and all income other than recognised social welfare fee income received during the year. Non-SWD subventions and donations received have not been included as Other income in AFR. In this respect, donations have been included if it is used to finance expenditure reflected in the AFR.

The breakdown on Others Income is as follows:

		2024-25 $	2023-24 $
(a)	Programme income	-	-
(b)	Production income	-	-
(c)	Other Funds or Donations for Designated Purpose income	119,489	-
	Total	119,489	-

6. Personal Emoluments

Personal Emoluments include salary, provident fund and salary-related allowances. The analysis on number of posts with annual Personal Employment over $700,000 each paid under LSG is appended below:

Analysis of Personal Emoluments paid under LSG	**No. of Posts**	**$**
HK$700,001 - HK$800,000 p.a.	nil	-
HK$800,001 - HK$900,000 p.a.	nil	-
HK$900,001 - HK$1,000,000 p.a.	nil	-
HK$1,000,001 - HK$1,100,000 p.a.	nil	-
HK$1,100,001 - HK$1,200,000 p.a.	nil	-
>HK$1,200,000 p.a.	nil	-

7. Other Charges

The breakdown of Other Charges is as follows:

		2024-25 $	2023-24 $
	Other Charges		
(a)	Utilities	336,755	358,935
(b)	Food	236,962	237,235
(c)	Administration Expenses	312,792	231,072
(d)	Stores and Equipment	3,360	9,720
(e)	Repair and Maintenance	194,514	189,178
(f)	Special Allowances	-	-
(g)	Programme Expenses	1,152,411	747,144
(h)	Transportation & Travelling	66,239	59,131
(i)	Insurance	300,078	280,323
(j)	Miscellaneous	-	-
	Total	2,603,111	2,112,738

8. Analysis of Lump Sum Grant Reserve and balances of other SWD Subventions

2024-2025 FIGURES

	Analysis of Reserve Fund				
	Lump Sum Grant (LSG) $	Other Funds or Donations for Designated Purpose $	Rent and Rates $	Central Items $	**Total** $
Income					
Lump Sum Grant	15,000,013	-	-	-	15,000,013
Fee Income	-	-	-	-	-
Other Income	-	119,489	-	-	119,489
Interest Received (Note (1))	-	-	-	-	-
Rent and Rates	-	-	-	-	-
Central Items	-	-	-	14,295,196	14,295,196
Total Income (a)	15,000,013	119,489	-	14,295,196	29,414,698
Expenditure					
Personal Emoluments	14,252,311	-	-	-	14,252,311
Other Charges	2,483,622	119,489	-	-	2,603,111
Rent and Rates	-	-	-	-	-
Central Items	-	-	-	12,210,054	12,210,054
Total Expenditure (b)	16,735,933	119,489	-	12,210,054	29,065,476
Surplus/(Deficit) for the Year (a) – (b)	(1,735,920)	-	-	2,085,142	349,222
Less: Deficit absorted by own resources	2,017,948	-	-	-	2,017,948
Less: Surplus of Provident Fund	(282,028)	-	-	-	(282,028)
Surplus/(Deficit) b/f (Note (2))	-	-	-	2,085,142	2,085,142
	-	-	-	1,742,006	1,742,006
Less: Refund to Government	-	-	-	3,827,148	3,827,148
	-	-	-	(1,642,006)	(1,642,006)
Surplus/(Deficit) c/f (Note(4))	-	-	-	2,185,142	2,185,142

Notes:

(1) Interest received on LSG and Provident Fund reserves, rent and rates, central items are included as one item under LSG; and the item is considered as part of LSG reserve.
(2) Accumulated balance LSG Surplus b/f from previous years (including holding account) and all interest received in previous years should be included in the surplus b/f under LSG.
(3) Amount of LSG Reserve used to cover the salary adjustment for Dementia Supplement and Infirmary Care Supplement, if any, as per Schedule for Central Items.
(4) The level of LSG cumulative reserve (i.e. S), less LSG Reserve kept in the holding account, will be capped at 25% of the NGO's operating expenditure (excluding Provident Fund expenditure) for the year.

Annex 1

Schedule for Central Items
Analysis of Subvention and Expenditure for the period from 1 April 2024 to 31 March 2025

Name of Agency: **Mother's Choice Limited**

Unit Code and Name (Note 7)	Subvented element	Subvention Released (Note 1)	Annual Expenditure (Note 2)	Surplus/ (deficit) (Note 3) (a)	Deficit for the Year			Surplus b/f (Note 5) (e)	Refund (f)	Surplus c/f (Note 6) (g) = (a)+(d)+ (e)+(f)
					Deficit (Note 3) (b)	Deficit transferred to LGS (Note 4) (c)	Adjusted Deficit (d) = (b) - (c)			
		$	$	$	$	$	$			
4004/4042/4252/AM15 - Foster Care Unit	Foster Care Allowance	13,179,001	11,334,649	1,844,352	-	-	-	-	-	-
3996 - Day Foster Care Service (Time Defined 31/12/2021)	Foster Care Allowance	969,145	833,517	135,628	-	-	-	-	-	-
	Foster Care Allowance Claw back & adjustment	-	-	-	-	-	-	1,642,006	(1,642,006)	1,979,980
6038 - Training Subsidy under Training Scheme for Child Care Supervisors & Special Child Care Workers in Pre-school Rehabilitation Services	Training Subsidy under Training Scheme for Child Care Supervisors and Special Child Care Workers in Pre-school Rehabilitation Services	147,050	41,888	105,162	-	-	-	-	-	105,162
4703	Subsidy for Enhanced Support for Ethnic Minority Children in Early Education and Training Centres	-	-	-	-	-	-	100,000	-	100,000
TOTAL		14,295,196	12,210,054	2,085,142	-	-	-	1,742,006	(1,642,006)	2,185,142

Annex 1

Schedule for Central Items (continued)
Analysis of Subvention and Expenditure for the period from 1 April 2024 to 31 March 2025

Notes:

1. The figures for the whole financial year are extracted from the paylist for March (Final) or remittance advice(s) issued by the Treasury or allocation letter(s) issued by Social Welfare Department of the financial year.
2. Actual expenditure represents the total expenditure incurred including provident fund for the respective services after netting off programme income, if any.
3. Surplus/Deficit for each element represents the difference between subvention released and actual expenditure.
4. Deficit i.r.o. the following central items arising from salary adjustment are transferred to the Lump Sum Grant Reserve as stated in SWD's letter ref. (33) in SWD/S/104/2 Pt. 18 dated 4 March 2020.
   (i) Dementia Supplement for Elderly with Disabilities
   (ii) Infirmary Care Supplement for the Aged Blind Persons
   (iii) Dementia Supplement for Residential Elderly Services
   (iv) Infirmary Care Supplement for Residential Elderly Services
5. "Surplus brought forward (b/f)" means surplus, if any, arising from operations in previous years.
6. "Surplus carried forward (c/f)" means surplus brought forward less refund to Government plus surplus, if any, arising from operations in current year.
7. Unit code and name/remittance advice no. are extracted from the paylist from SWD and remittance advice from the Treasury respectively.
8. The central items as listed above may not be exhaustive and any relevant details of central items released and/or expended during the year, where appropriate, should also be included.
9. For ASCP/Enhanced ASCP, the adjustment includes the amount of expenditure overstated/(understated) in previous year(s) after taking into account the actual claw-back amount(s) per SWD's allocation letter(s), if any.
10. For NGOs with Visiting Medical Practitioner Service Team which arrange delivery of the service under the Programme to all private and self-financing RCHEs, RCHDs as well as contract homes operated by private operators only.

Annex 2

Schedule for Rent and Rates
Analysis of Subvention and Expenditure for the period from 1 April 2024 to 31 March 2025

Name of Agency: Mother's Choice Limited

Unit Code and Name	Subvented element	Subvention Released (Note 1)	Annual Expenditure (Note 3)	Surplus (Note 2)	Deficit (Note 2)
		$	$	$	$
4042-Foster Care Unit	Rent	-	-	-	-
	Rates	-	-	-	-
	Total	-	-	-	-
7702-Wee Care Home (Res.)	Rates	-	-	-	-
	Rates	-	-	-	-
	Total	-	-	-	-
	Grand Total	-	-	-	-

Notes:

1. The figures are to be extracted from the final paylist for March plus subvention released in late March of the financial year

2. Deficit/surplus for each element represents the difference between subvention released and actual expenditure.

3. Rent includes all kinds of rent such as PHE rental, private rental, carpark rent, management fee building maintenance fee and Government Rent.

Schedule for Investments
Analysis of Investments as at 31 March 2025

Agency: Mother's Choice Limited

	2024-2025 HK$	2023-2024 HK$
LSG Reserve as at 31 March	-	-
Represented by:		
Investments		
a. HKD Bank Account Balances	-	-
b. HKD 24-hour Call Deposits	-	-
c. HKD Fixed Deposits	-	-
d. HKD Certificate of Deposits	-	-
e. HKD Bonds	-	-
	-	-

Note: The investments should be reported at historical cost.

Confirmed by:-

CHAIRMAN

DATE: 30 SEP 2025

NGO HEAD/HEAD OF SOCIAL WELFARE SERVICES

DATE: 30 SEP 2025

Annex 5

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

No.	Activity Name	Source of funding	Income Received			Actual Expenditure (Note 3) (c) $	Surplus/Deficit (Note 4) (d) = (a) + (b) – (c) $
			Other Funds or Donations for Designated Purposes (Note 1) (a) $	Programme Income (Note 2) (b) $	Total = (a) + (b)		
I.	**Funding and Service Agreement (FSA) services**						
1	**Foster Care Services**	Private Donation	36,000	-	36,000	36,000	-
2	**Residential Special Child Care Centre Services**	Private Donation	83,489	-	83,489	83,489	-
		Sub-total (i)	119,489	-	119,489	119,489	-
II.	**FSA-related activities**						
1		**Sub-total (ii)**	-	-	-	-	-
		TOTAL (i) + (ii)	**119,489**	-	**119,489**	**119,489**	-

Notes:

1. 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.
2. The relevant amount should be properly supported and included under Note 5(a) "Programme Income" to the AFR.
3. 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.
4. 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:

CHAIRMAN
DATE: 30 SEP 2025

NGO HEAD/HEAD OF SOCIAL WELFARE SERVICES
DATE: 30 SEP 2025