

THE NESBITT CENTRE LIMITED
思拔中心有限公司
(Incorporated in Hong Kong, limited by guarantee)

REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

THE NESBITT CENTRE LIMITED
思拔中心有限公司
(Incorporated in Hong Kong, limited by guarantee)

REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

Contents	Pages
Report of the directors	1 – 4
Independent auditor's report	5 – 7
Income statement	8 – 9
Statement of financial position	10
Statement of changes in funds	11 – 12
Statement of cash flows	13
Notes to the financial statements	14 – 26

THE NESBITT CENTRE LIMITED

思拔中心有限公司

(Incorporated in Hong Kong, limited by guarantee)

REPORTS OF THE DIRECTORS

The directors submit their report together with the audited financial statements of The Nesbitt Centre Limited (the “Organisation”) for the year ended 31 March 2025.

The Organisation qualifies for the reporting exemption as a small guarantee organisation under section 359(1)(a) and section 363 of the Hong Kong Companies Ordinance (Cap.622) and is exempted from making certain disclosures in this directors’ report.

Principal activities

The principal activities of the organization focus on providing support and rehabilitation for adults with intellectual and physical disabilities in an English-language setting. This includes organizing vocational training and educational courses tailored for these individuals, as well as promoting initiatives in education and charity. Additionally, the organization operates community enterprises, including coffee shops, which serve to provide training and employment opportunities for people with disabilities. There were no significant changes to the nature of the organization’s principal activities during the year.

Results

The results of the Organisation for the year ended 31 March 2025 are set out in the financial statements on pages 8 to 26.

Charity donation

During the year, the Organisation made a charitable donations amounting to HK\$81,122 (2024: HK\$98,522).

General funds

Details of the movement in the Organisation’s general funds during the year are set out in the statement of changes in funds on pages 11 to 12.

Directors

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

SHEARD Andrew

NESBITT David McWilliams

BOOKER Simon John

CHUE Man Ying Connie

LEE Such Fong Lydia

LIU Kung Wei Christopher

DAVIS Colette Alison

(Appointed on 18 September 2025)

RUSSELL David Bolton

(Appointed on 18 September 2025)

In accordance with article 47 of the Organisation’s articles of association, the directors shall retire from board of rotation and, being eligible, offer themselves for re-election.

Permitted indemnity provision

No permitted indemnity provision was in force for the benefit of any of directors of the Organisation, at the time of approval of this directors’ report, or at any time during the year.

THE NESBITT CENTRE LIMITED

思拔中心有限公司

(Incorporated in Hong Kong, limited by guarantee)

REPORTS OF THE DIRECTORS (CONTINUED)

Management contracts

The Organisation did not enter into any contract, other than the contracts of service with the directors or any person engaged in the full time employment of the Organisation, whereby any individual, firm or body corporate undertakes the management and administration of the whole, or any substantial part of any business of the Organisation.

Business review

Overview

The Organisation was established in 1993 as a leading charitable organisation. The Organisation has been engaging in catering for the life development needs of English-speaking adults with learning disabilities in Hong Kong. During the year ended 31 March 2025, the Organisation operated a day-time activity centre in Sai Ying Pun, with certain programs also conducted in Chai Wan. In mid-2025, the learning centre in Chai Wan was renovated so as to accommodate a greater number of learners with learning disabilities.

Since 2013, the Organisation operated two social enterprises which are coffee shops - The Nest at St John's Cathedral in Central and Museum Café at the Maritime Museum, both located in Central, which provide meaningful vocational training and employment opportunities for its students as well as individuals from its partner charities.

The third social enterprise - The Nest at St Andrew's Church located in Tsim Sha Tsui, has been operated by the Organisation since 2018.

The fourth social enterprise - The Nest Bakery was in operation from 2020 until its closure in May 2025, which was attributed to challenges concerning economic viability.

The fifth social enterprise - an in-house Nest café was established in December 2024 within a private bank located in Central to provide more training opportunities for neurodiverse employees, furthering the Organisation's commitment to inclusive employment.

The sixth social enterprise - The Nest at SPCA Jockey Club Centennial Centre in Tsing Yi commenced operation in January 2025, further expanding the Organisation's efforts to provide inclusive vocational training opportunities.

- Our **Vision** is that people with special needs lead full and meaningful lives in a diverse, inclusive world.
- Our **Mission** is to engage, enrich and empower people with neurodivergent special needs. For The Nesbitt Centre to be the leading English-speaking provider of support for neurodivergent adults in Hong Kong, contributing to a society where everyone has unique opportunities to develop and use their talents and skills.
- We will build an amazing team of inspired people, who are selfless, compassionate and patient, and who obtain personal happiness from helping others. We will provide the very best resources, tools and facilities to achieve our mutual goals.

THE NESBITT CENTRE LIMITED
思拔中心有限公司
(Incorporated in Hong Kong, limited by guarantee)

REPORT OF THE DIRECTORS (CONTINUED)

Business review (Continued)

Overview (Continued)

We are very fortunate to have set up those Social Enterprises successfully, four out of five of them were funded by Social Welfare Department. The Nest, located within the garden of St. John's Cathedral, The Nest Bakery located in Chai Wan, the Museum Café at the Rooftop of the Hong Kong Maritime Museum, Pier 8 in Central where we employ over 20 people with disabilities, The Nest on Nathan Road within space provided by St. Andrew's Church, and The Nest located on ground floor of SPCA Jockey Club Centennial Centre at Tsing Yi.

The Board of Directors continues to meet on a quarterly basis to review the long-term goals and challenges of the Organisations at Strategy Sessions throughout the year. These sessions have provided a platform to review the Organisation's future directions and financial conditions, in order to maintain its strong foundation.

Programme

The Organisation believes in person-centred planning; each individual has needs that are specific to himself/herself. As such, all students at the Organisation have their own pathways. Those in our low-support group have a programme that is geared towards preparing them for their future. The programme is a mixture of life skills, social skills, home skills, and employability skills. As an accredited Pearson LCCI centre, the Organisation offers students opportunities to participate in Business English classes where they are able to undertake the same LCCI curricula and achieve the same qualification their neuro-typical peers do, at a pace which is adapted to suit their needs. Many of the students in this group also work in the Organisation's social enterprises, to put their classroom learning into practice. The Organisation endeavours to equip them with competencies they will need to be active participants in society.

As part of the person-centre approach, the Organisation works with parents to identify the learning needs and individual pathways of the students. Where possible, the Organisation involves the students themselves to identify skills that they would like to develop. The Organisation believes in empowering individuals to take responsibility for their own learning and thus, of their own lives.

Risks and uncertainties

Staff Retention

Recruitment and retention of staff pose an ongoing risk in the field of rehabilitation. The Organisation is a fertile training ground for personnel to begin their careers and then use that as a stepping stone to other opportunities.

Donation

During the financial year ended 31 March 2025, the Organisation experienced a growth in donation income, notably receiving HK\$5.61 million from The Hong Kong Jockey Club Charities Trust to support the renovation of the Sai Ying Pun Learning Centre. The Organisation is actively seeking potential donors and to maintain a more sustainable fundraising strategy.

THE NESBITT CENTRE LIMITED

思拔中心有限公司

(Incorporated in Hong Kong, limited by guarantee)

REPORTS OF THE DIRECTORS (CONTINUED)

Business review (Continued)

Risks and uncertainties (Continued)

Social Enterprises

The social enterprises have generally fared well since the first one opened in 2013. The Hong Kong people heading north proved to be challenging for the social enterprises, which are all in the F&B sector. In early 2025 the Organisation took the decision to close The Nest Bakery in May 2025 due to economic viability.

Important events and future development

The Organisation has undertaken a major renovation from March 2024 to September 2024 to improve the ambience of the Sai Ying Pun Learning Centre and to make the Centre fit for the purpose hence creating a unique space for the Organisation's learners with high support needs. One of the residential units at Senior Staff Quarters, Pamela Youde Hospital, Chai Wan has been refurbished to set up as the second learning centre to accommodate more disabled learners.

The Organisation's strategic focus will be on planning and strengthening its blended learning programme. This will offer unique learning opportunities for the learners, which will enable them to further diversify and integrate with the wider Hong Kong community.

The Organisation maintains ongoing relationships with corporate donors to engage and work towards an inclusive society.

Students have worked alongside corporate donors on projects to raise the awareness of people with disabilities.

Auditor

The financial statements have been audited by AOGB CPA Limited, who retires and, being eligible, offers themselves for re-appointment.

Other matter

As at the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements which would render any amount stated in the financial statements misleading.

For and on behalf of the Board of Directors:



SHEARD Andrew

Director

Date: 31 October 2025



INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE NESBITT CENTRE LIMITED 思拔中心有限公司
(Incorporated in Hong Kong, limited by guarantee)

Opinion

We have audited the financial statements of The Nesbitt Centre Limited (the “Organisation”) set out on pages 8 to 26, which comprise the statement of financial position as at 31 March 2025, the income statement, the statement of cash flows, and the statement of changes in funds for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements of the Organisation are prepared, in all material respects, in accordance with Hong Kong Small and Medium-sized Entity Financial Reporting Standard (“SME-FRS”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and have been properly prepared in compliance with the Hong Kong Companies Ordinance (“HKCO”).

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSAs”) and with reference to Practice Note 900 (Revised), *Audit of Financial Statements Prepared in Accordance with the Small and Medium-sized Entity Financial Reporting Standard* 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 Organisation in accordance with the HKICPA’s *Code of Ethics for Professional Accountants* (the “Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the report of the directors but does not include 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.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF THE NESBITT CENTRE LIMITED 思拔中心有限公司
(Incorporated in Hong Kong, limited by guarantee)

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

The directors are responsible for the preparation of the financial statements in accordance with the SME-FRS issued by the HKICPA and the HKCO, 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 Organisation'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 Organisation or to cease operations, or has no realistic alternative but to do so.

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

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. We report our opinion solely to you, as a body, 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 judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organisation's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors; and



INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF THE NESBITT CENTRE LIMITED 思拔中心有限公司
(Incorporated in Hong Kong, limited by guarantee)

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

- Conclude on the appropriateness of the directors' uses 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 Organisation'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 Organisation to cease to continue as a going concern.

We communicate with those charged with governance of the Organisation 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.

AOGB CPA Limited

HO Chun Shing
Certified Public Accountants (Practising)
Practising Certificate Number P07257

Hong Kong
Date: 31 October 2025

THE NESBITT CENTRE LIMITED
思拔中心有限公司
(Iincorporated in Hong Kong, limited by guarantee)

INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025

	Note	For the year ended 31 March 2025 HK\$	For the year ended 31 March 2024 HK\$
INCOME			
Social Welfare Department (“SWD”)			
-Lump Sum Grant		3,988,955	3,876,666
-Block Grant		63,000	60,000
-Small Enterprise Project		160,478	20,036
-Provident Fund Reserve		230,931	224,206
-Arts Development Fund Income		167,581	-
Donations received	2	6,655,869	1,794,043
Fee income		1,827,521	1,408,479
Residential home income		82,650	75,500
		<u>13,176,985</u>	<u>7,458,930</u>
OTHER INCOME			
Interest income		9,528	8,966
Coffee shop income		7,972,168	8,269,592
Sundry income		224,032	427,031
		<u>8,205,728</u>	<u>8,705,589</u>
GROSS INCOME		<u>21,382,713</u>	<u>16,164,519</u>

THE NESBITT CENTRE LIMITED
 思拔中心有限公司
 (Incorporated in Hong Kong, limited by guarantee)

INCOME STATEMENT (CONTINUED)
 FOR THE YEAR ENDED 31 MARCH 2025

	Notes	For the year ended 31 March 2025 HK\$	For the year ended 31 March 2024 HK\$
GROSS INCOME		21,382,713	16,164,519
ADMINISTRATIVE AND OTHER OPERATING EXPENSES			
Accounting fees		239,910	231,440
Advertising and promotion expenses		63,856	115,889
Auditor's remunerations		61,700	52,000
Bank charges		100,459	100,803
Building management fees		129,717	123,516
Charitable donations		81,122	98,522
Classroom supplies		228	2,242
Cleaning expenses		110,325	130,854
Cost of bakery/coffee shop		2,613,419	2,687,079
Delivery charges		240	677
Depreciation	6	176,684	129,832
Entertainment expenses		18,802	27,052
Expenses incurred for Arts Development			
Fund project		167,581	-
License fees		185,672	120,583
Renovation expenses		5,608,504	1,420,542
Insurance expenses		134,464	108,092
Newspapers		-	2,240
Operating fund expenditures		499,723	773,792
Postage and courier charges		858	355
Printing and stationery expenses		65,040	67,668
Professional fees		361,263	202,904
Rent and rates		996,716	1,106,568
Repair and maintenance fees		101,995	96,380
Staff training and welfare expenses		46,579	27,318
Sundry expenses		119,465	123,173
Staff costs:			
- Salaries and MPF contributions	3	8,710,024	9,187,384
Transportation fares		109,538	119,087
Utilities expenses		428,460	466,991
		21,132,344	17,522,983
SURPLUS/(DEFICIT) FOR THE YEAR		250,369	(1,358,464)

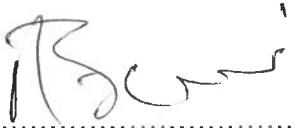
The accompanying accounting policies and explanatory notes form an integral part of and should be read in conjunction with, these financial statements.

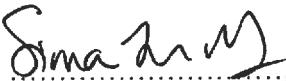
THE NESBITT CENTRE LIMITED
思拔中心有限公司
(Iincorporated in Hong Kong, limited by guarantee)

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

	Notes	As at 31 March 2025 HK\$	As at 31 March 2024 HK\$
Non-current asset			
Plant and equipment	6	973,876	301,854
Current assets			
Other receivables, deposits and prepayments		914,504	872,543
Cash and cash equivalents	7	1,780,333	1,086,847
		2,694,837	1,959,390
Current liabilities			
Receipts in advance		(210,184)	(50,582)
Other payables		(489,078)	(469,934)
Amount due to a director	8	(285,000)	-
Other loan	9	(1,000,000)	-
		(1,984,262)	(520,516)
NET CURRENT ASSETS		710,575	1,438,874
NET ASSETS		1,684,451	1,740,728
General fund			
Accumulated fund		228,084	37,839
Designated funds	10	299,537	381,627
Social Welfare Department:			
- Lump Sum Grant Reserves	11	867,619	741,306
- Block Grant	13	181,003	149,296
- Development fund	14	-	279,546
- Lottery Fund - Wi-Fi Project Grant	15	-	27,100
- Provident Fund Reserve	16	108,208	124,014
		1,684,451	1,740,728

For and on behalf of the Board of Directors of The Nesbitt Centre Limited:


SHEARD Andrew
Director


BOOKER Simon John
Director

The accompanying accounting policies and explanatory notes form an integral part of and should be read in conjunction with, these financial statements.

THE NESBITT CENTRE LIMITED
思拔中心有限公司
(Incorporated in Hong Kong, limited by guarantee)

**STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED 31 MARCH 2025**

	Accumulated fund HK\$	Designated fund HK\$	Lump Sum Grant Reserve HK\$	SWD - Small Enterprise Project I HK\$	SWD - Small Enterprise Project II HK\$	SWD- Project III HK\$
As at 31 March 2023 and 1 April 2023	729,251	589,695	1,240,985	-	-	-
Surplus/(deficit) for the year	290,641	(208,068)	(535,869)	(597,286)	(101,260)	(257,478)
Reserve clawback	(4,895)	-	-	-	-	-
Depreciation written back	69,411	-	-	-	-	-
Fund transfer	(1,046,569)	-	36,190	597,286	101,260	257,478
As at 31 March 2024 and 1 April 2024	37,839	381,627	741,306	-	-	-
Surplus/(deficit) for the year	536,294	-	126,313	(159,424)	(67,854)	(142,195)
Reserve clawback	-	-	-	-	-	-
Fund transfer	(346,049)	(82,090)	-	159,424	67,854	142,195
As at 31 March 2025	228,084	299,537	867,619	-	-	-

THE NESBITT CENTRE LIMITED

思拔中心有限公司
(Incorporated in Hong Kong, limited by guarantee)

STATEMENT OF CHANGES IN FUNDS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

	SWD - Small Enterprise Project IV HK\$	SWD Block Grant HK\$	SWD - Development fund - Phase III HK\$	SWD - Lottery Fund - Wi-Fi Project Grant HK\$	SWD - Provident Fund Reserve HK\$	Total HK\$
As at 31 March 2023 and 1 April 2023	-	99,891	278,095	23,100	73,659	3,034,676
Surplus/(deficit) for the year	-	49,405	1,451	-	-	(1,358,464)
Reserve clawback	-	-	-	-	-	(4,895)
Depreciation written back	-	-	-	-	-	69,411
Fund transfer	-	-	-	4,000	50,355	-
As at 31 March 2024 and 1 April 2024	-	149,296	279,546	27,100	124,014	1,740,728
Surplus/(deficit) for the year	(58,666)	31,707	-	-	(15,806)	250,369
Reserve clawback	-	-	(279,546)	(27,100)	-	(306,646)
Fund transfer	58,666	-	-	-	-	-
As at 31 March 2025	-	181,003	-	-	108,208	1,684,451

Note: Social Welfare Department (“SWD”)
Enhancing Employment of People with Disabilities through Small Enterprise Project (“Small Enterprise Project”)
SWD Project I is Cafe 8, SWD Project II is Nest St Andrews, Project III is Bakery & Project IV is Nest SPCA for the year 2024-25

THE NESBITT CENTRE LIMITED
思拔中心有限公司
(I Incorporated in Hong Kong, limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025

	For the year ended 31 March 2025 HK\$	For the year ended 31 March 2024 HK\$
Cash flows from operating activities		
Surplus/(deficit) for the year	250,369	(1,358,464)
Adjusted for:		
Clawback of reserves	(306,646)	(4,895)
Depreciation on plant and equipment	176,684	129,832
Interest income	<u>(9,528)</u>	<u>(8,966)</u>
Operating surplus/(deficit) before working capital changes	110,879	(1,242,493)
Change in other receivables, deposits and prepayments	(41,961)	211,878
Change in receipts in advance	159,602	38,753
Change in other payables	<u>19,144</u>	<u>(104,427)</u>
Cash generated from/(used in) operations	247,664	(1,096,289)
Interest received	<u>9,528</u>	<u>8,966</u>
Net cash flows generated from/(used in) operating activities	<u>257,192</u>	<u>(1,087,323)</u>
Cash flows from an investing activity		
Purchases of plant and equipment	(848,706)	(118,585)
Net cash flows used in an investing activity	<u>(848,706)</u>	<u>(118,585)</u>
Cash flows from financing activities		
Net advances from a director	285,000	-
Proceeds from other loan	1,000,000	-
Net cash flows generated from financing activities	<u>1,285,000</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents	693,486	(1,205,908)
Cash and cash equivalents at beginning of the year	<u>1,086,847</u>	<u>2,292,755</u>
Cash and cash equivalents at end of the year	<u>1,780,333</u>	<u>1,086,847</u>
Analysis of the balance of cash and cash equivalents:		
Cash at bank and in hand	<u>1,780,333</u>	<u>1,086,847</u>

The accompanying accounting policies and explanatory notes form an integral part of, and should be read in conjunction with, these financial statements.

THE NESBITT CENTRE LIMITED

思拔中心有限公司

(Incorporated in Hong Kong, limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**Reporting entity**

The Organisation was incorporated on 26 April 2006 which is located at LG/F., Sai Ying Pun Community Complex, 2 High Street, Sai Ying Pun, Hong Kong. The Organisation is limited liability by guarantee and, accordingly, it is not authorised to issue share capital.

Every member of the Organisation undertakes to contribute to the assets of the Organisation in the event of it being wound up while he is a member, or within one year after he ceased to be a member, for payment of the debts and liabilities of the Organisation contracted before he ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, such amount as may be required, not exceeding one hundred dollars.

The principal activities of the Organisation are to provide support and rehabilitation for young people suffering from intellectual or physical disabilities, to organise courses vocational training and education of such disabled individuals and to promote education and charity. The Organisation is also engaged in running community enterprises of coffee shops. There were no significant changes in the nature of the Organisation's principal activities during the year.

1 Basis of preparation and accounting policies

The Organisation qualifies for the reporting exemption as a small private organisation under section 359(1)(a) of the Hong Kong Companies Ordinance (Cap. 622) and is therefore entitled to prepare and present its financial statements in accordance with the Small and Medium-sized Entity Financial Reporting Standard ("SME-FRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

These financial statements comply with the SME-FRS issued by the HKICPA and have been prepared under the accrual basis of accounting and on the basis that the Organisation is a going concern.

The measurement base adopted is the historical cost convention. These financial statements present financial information of the Organisation, the followings are the specific accounting policies that are necessary for a proper understanding of the financial statements:

(a) Income recognition

Income is recognised when it is probable that the economic benefits will flow to the Organisation and when the income can be measured reliably, on the following bases:

- (i) Fee income represents tuition fees, respite fees and fees charged to the parents of students for transportation that are recognised when the services are rendered;
- (ii) Donations received which are refundable and for specific projects planned for the future, are initially recognised as receipts in advance in the statement of financial position. Donations are recognised in the income and expenditure account over the year necessary to match them with the costs they are intended to compensate;
- (iii) Residential home income is leased to third party under operating leases is recognised on a straight-line basis over the lease term;

THE NESBITT CENTRE LIMITED

思拔中心有限公司

(Incorporated in Hong Kong, limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025
(CONTINUED)**

1 Basis of preparation and accounting policies (Continued)

(a) Income recognition (Continued)

- (iv) Interest income, on a time proportion basis taking into account the principal outstanding and the effective interest rate applicable;
- (v) Coffee shop income is recognised upon food and beverage delivered to customers; and
- (vi) Government grants are recognised as income over periods necessary to match them with the related costs they are intended to compensate, on a systematic basis when there is reasonable assurance that the Organisation will comply with the conditions attaching to them and the grants will be received. A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Organisation, with no future related costs, is recognised as income of the period in which it becomes receivable. Government grants related to assets are presented in the statement of financial position by deducting the grants in arriving at the carrying amount of the asset.

(b) Operating leases

Leases that retain substantially all the risks and rewards incidental to ownership of the leased assets by the lessor are accounted for as operating leases. Lease payments under an operating lease are recognised as expenses on a straight-line basis over the lease term. All incentives for agreement of a new or renewed operating lease are recognised as an integral part of the net consideration agreed for the use of the leased assets. The aggregate benefit of incentives is recognised as a reduction of rental expenses over the lease term.

(c) Employee benefits

Salaries, bonuses and leave benefits

Employee entitlements to salaries, annual bonuses, paid annual leave and the cost to the Organisation of non-monetary benefits are accrued in the year in which the associated services are rendered by employees of the Organisation.

Contributions to defined contribution retirement plans

The Organisation's contributions to the Mandatory Provident Fund scheme are charged to the income statement as incurred.

(d) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Organisation operates (the functional currency). These financial statements are presented in Hong Kong Dollars ("HK\$"), which is the Organisation's functional currency and presentation currency.

THE NESBITT CENTRE LIMITED
思拔中心有限公司
(Incorporated in Hong Kong, limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025
(CONTINUED)**

1 Basis of preparation and accounting policies (Continued)

(d) Foreign currency translation (Continued)

(ii) Transactions and balances

Foreign currency transactions are converted at the exchange rate applicable at the transaction date. Foreign currency monetary items are translated into HK\$ using exchange rates applicable at the end of the reporting period. Gains and losses on foreign exchange are recognised in the income statement.

(e) Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

The depreciated amount of an item of plant and equipment is allocated on a systematic basis over its estimated useful life using the straight-line method. The principal annual rates used for depreciation are as follows:

Furniture and fixtures	20%
Plant and equipment	20%

The gain or loss arising from the retirement or disposal of plant and equipment is determined as the difference between the estimated net sales proceeds and the carrying amount of the assets and is recognised as income or expenses in the income statement.

(f) Other receivables

Other receivables are stated at estimate recognised value after each debt has been considered individually. Where the payment of a debt becomes doubtful, a provision is made and charged to the income statement.

(g) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank 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.

THE NESBITT CENTRE LIMITED
思拔中心有限公司
(Incorporated in Hong Kong, limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025
(CONTINUED)**

1 Basis of preparation and accounting policies (Continued)

(h) Impairment of non-financial assets, other than inventories

At each reporting date, non-financial assets other than inventories are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If an estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss recognised immediately in the income statement. If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss be recognised for the asset (or group of related assets) in prior periods. A reversal of an impairment loss recognised immediately in the income statement.

(i) Other payables

Other payables are measured at amortised cost using the effective interest method unless the effect of discount would be immaterial in which case they are stated at cost.

(j) Provisions and contingencies

Provisions are recognised when the Organisation has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are recognised for future operating losses. A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Organisation. It can also be a present obligation arising from past events that is recognised because it is not probable that outflow of economic resources will be required, or the amount of obligation cannot be measured reliably. A contingent liability is recognised in the statement of financial position but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that such outflow is probable and can be reliably measured, it will then be recognised as a provision.

(k) Designated fund

Designated fund, which represents that a fund set aside for designated purposes, are transferred from / to the accumulated funds when approved by the Directors.

(l) Borrowings

Borrowings are recorded at the amount of proceeds received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method. Borrowings due within 12 months are shown as current liabilities; those due after 12 months are shown as non-current liabilities.

THE NESBITT CENTRE LIMITED
思拔中心有限公司
(Incorporated in Hong Kong, limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025
(CONTINUED)**

1 Basis of preparation and accounting policies (Continued)

(m) Social Welfare Department lump sum grant reserve

The Social Welfare Department implemented a funding system under which Lump Sum Grant is made to the Organisation to cover certain expenditures including staff costs, provident fund contributions and other charges. The unspent portion of the lump sum grant reserve for the year is required to be transferred to designated lump sum grant reserves for the future use of the Organisation. Any amount above 25% of the Organisation's relevant lump sum grant operating expenditure needs to be refunded to the Social Welfare Department in the following financial year. However, any deficit arising from the subvented programs is required to be borne by the Organisation.

(n) Related parties

For the purpose of financial statements, related party includes a person or an entity as defined as below:

- a. A person or a close member of that person's family is related to the Organisation if that person:
 - i. has control or joint control over the Organisation;
 - ii. has significant influence over the Organisation;
 - iii. is a member of the key management personnel of the Organisation or of a parent of the Organisation.
- b. An entity is related to the Organisation if any of the following conditions apply:
 - i. the entity and the Organisation 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 the Organisation of which the other entity is a member);
 - iii. both entities are joint venture 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 Organisation or an entity related to the Organisation. If the Organisation is itself such a plan, the sponsoring employers are also related to the Organisation;
 - vi. the entity is controlled or jointly controlled by a person identified in (a);
 - vii. a person identified in (a)(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).

There are transactions and arrangements between the Organisation and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements.

THE NESBITT CENTRE LIMITED
思拔中心有限公司
(I Incorporated in Hong Kong, limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025
(CONTINUED)**

2 Donations received

	For the year ended 31 March 2025 HK\$	For the year ended 31 March 2024 HK\$
Andrew and Jin MacGeoch	-	6,000
Bank Negara Indonesia	10,000	-
BNP Paribas	34,268	-
Billion Bright (HK) Corporation Limited	100,000	30,000
Charitable Choice Limited	63,761	-
Canadian International School of Hong Kong	-	8,545
The Chinese Permanent Cemeteries Fund	-	25,990
Eva To	10,000	-
Ho and Fung Charitable Foundation	100,000	100,000
Hong Kong Welsh Male Voice Choir	10,000	-
JEF Industrial Limited	15,000	-
Kenny Man	-	8,202
Knitting Ladies	5,000	-
KWM Chairity Limited	38,879	-
Linda Chan	8,000	-
St. James's Place Charitable Foundation	-	29,613
St. John's Cathedral	10,000	-
St. Patrick's Society of HK Limited	69,277	-
Telefield Charitable Fund Limited	10,000	-
Mayer Brown	-	60,000
The Cathedral Clares	85,000	50,000
The Hong Kong Jockey Club Charitable Trust (Note 10)	5,608,504	1,420,542
WISH	5,000	-
Andy Brooks (Café 8)	-	8,000
Others	473,181	47,151
	<hr/> 6,655,869	<hr/> 1,794,043

THE NESBITT CENTRE LIMITED
思拔中心有限公司
(Iincorporated in Hong Kong, limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025
(CONTINUED)**

3 Salaries and MPF contributions

	For the year ended 31 March 2025 HK\$	For the year ended 31 March 2024 HK\$
<u>Salaries and wages for:-</u>		
Teaching and non-teaching staff	4,594,244	4,584,049
Coffee shops	3,748,471	4,190,572
<u>MPF contributions for:-</u>		
Teaching and non-teaching staff	213,669	217,107
Coffee shops	153,640	186,656
	<hr style="border-top: 1px solid black; border-bottom: none; border-left: none; border-right: none; margin-bottom: 0; margin-top: 0;"/>	<hr style="border-top: 1px solid black; border-bottom: none; border-left: none; border-right: none; margin-bottom: 0; margin-top: 0;"/>
	8,710,024	9,187,384

4 Taxation

The Organisation is registered as a charitable organisation under Section 88 of the Inland Revenue Ordinance and has been granted tax exemption status by the Inland Revenue Department. As a result, its income is generally exempt from Hong Kong Profits Tax, provided that such income is applied solely for charitable purposes and not for private gain. During the years ended 31 March 2025 and 2024, the Organisation did not carry out any substantial commercial activities unrelated to its charitable objectives. Accordingly, no provision for Hong Kong Profits Tax has been made in the financial statements.

5 Directors' remunerations

Remunerations of directors of the Organisation 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 are as follows:

	For the year ended 31 March 2025 HK\$	For the year ended 31 March 2024 HK\$
<u>Emoluments</u>		
Acting as director	-	-
Provision of management services	-	-
	<hr style="border-top: 1px solid black; border-bottom: none; border-left: none; border-right: none; margin-bottom: 0; margin-top: 0;"/>	<hr style="border-top: 1px solid black; border-bottom: none; border-left: none; border-right: none; margin-bottom: 0; margin-top: 0;"/>

THE NESBITT CENTRE LIMITED
思拔中心有限公司
(Iincorporated in Hong Kong, limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025
(CONTINUED)

6 Plant and equipment

	Furniture and fixtures HK\$	Plant and equipment HK\$	Total HK\$
<u>Cost:</u>			
At 1 April 2023	1,533,099	1,154,916	2,688,015
Additions	-	118,585	118,585
At 31 March 2024 and 1 April 2024	1,533,099	1,273,501	2,806,600
Additions	612,900	235,806	848,706
At 31 March 2025	2,145,999	1,509,307	3,655,306
<u>Accumulated depreciation:</u>			
At 1 April 2023	(1,482,355)	(961,969)	(2,444,324)
Charged for the year	(30,394)	(99,438)	(129,832)
Written-back	32,127	37,283	69,410
At 31 March 2024 and 1 April 2024	(1,480,622)	(1,024,124)	(2,504,746)
Charged for the year	(57,244)	(119,440)	(176,684)
At 31 March 2025	(1,537,866)	(1,143,564)	(2,681,430)
Net carrying amount:			
At 31 March 2025	608,133	365,743	973,876
At 31 March 2024	52,477	249,377	301,854

7 Cash and cash equivalents

	As at 31 March 2025 HK\$	As at 31 March 2024 HK\$
Cash at bank	1,780,333	1,086,847

8 Amount due to a director

The balance was unsecured, interest-free and repayable on demand.

9 Other loan

On 30 September 2024, the Organisation entered into a loan agreement with a third party for a principal amount of HK\$1,000,000 to temporarily settle interim bills issued by vendors in relation to the setup and installation works at the Nest, SPCA. The loan was unsecured, interest-free, and repayable on 30 April 2025. This loan has been subsequently fully settled in June 2025.

THE NESBITT CENTRE LIMITED
思拔中心有限公司
 (Incorporated in Hong Kong, limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025 (CONTINUED)

10 Designated funds

	Residential Project Fund HK\$	Educational Resources Fund HK\$	Vocational Education Fund HK\$	The Hong Kong Jockey Club Charities Trust Fund (1) HK\$	The Hong Kong Jockey Club Charities Trust Fund (2) HK\$	Barclays E-learning Fund HK\$	Ho & Fung Charitable Foundation Fund HK\$	Refurbishment Fund HK\$	Renovation Fund HK\$	Museum Cafe
As at 1 April 2024	(590,288)	195,770	500,000	31,509	-	84,984	44,161	118,385	(2,894)	381,627
Income for the year	-	-	-	-	5,608,504	-	-	-	-	5,608,504
Expenditure for the year	-	-	-	-	(5,608,504)	-	-	-	-	(5,608,504)
Transferred to Accumulated Fund	-	-	-	-	-	(84,984)	-	-	-	2,894 (82,090)
As at 31 March 2025	<u>(590,288)</u>	<u>195,770</u>	<u>500,000</u>	<u>31,509</u>	<u>-</u>	<u>44,161</u>	<u>118,385</u>	<u>-</u>	<u>-</u>	<u>299,537</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025 (CONTINUED)

10 Designated funds (Continued)

Residential Project Fund

The fund was set aside for enabling individuals to grow to their full potential through the opportunity to live independently.

Educational Resources Fund

The fund was set aside for purchasing educational resources for the Organisation.

Vocational Education Fund

The fund was set aside for purchasing vocational resources for the Organisation.

The Hong Kong Jockey Club Charitable Trust Fund (1)

The fund was set aside for purchase of laptops and other equipment to facilitate e-learning.

The Hong Kong Jockey Club Charitable Trust Fund (2)

The fund was set up for renovations of the Sai Ying Pun Learning Centre.

Barclays E-learning Fund

The fund was set aside for setting up of e-learning program.

Ho & Fung Charitable Foundation E-learning Fund

The fund was set aside for setting up of e-learning program.

Refurbishment Fund

The fund was set up for renovations of the day activities centre.

Museum Café Renovation Fund

The fund was set up for renovations of the Café 8 in Maritime Museum.

THE NESBITT CENTRE LIMITED
思拔中心有限公司
(Iincorporated in Hong Kong, limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024
(CONTINUED)

11 Lump Sum Grant Reserves

Lump sum grant reserve represents the unspent lump sum grant which according to Rule 2.33 of the “Social Welfare Services Lump Sum Grant Manual” must be kept in a separate interest-bearing account and is capped at 25% of the Organisation’s relevant lump sum grant operating expenditure. Any amount above this cap needs to be refunded to the Social Welfare Department (“SWD”) in the following financial year. As at 31 March, 2025, the balance of lump sum grant was below the cap and thus not subject to clawback arrangement by SWD.

12 Enhancing Employment of People with Disabilities through Small Enterprise Project I, Project II, Project III and Project IV

	For the year ended 31 March 2025 HK\$	For the year ended 31 March 2024 HK\$
Sales	6,816,381	7,294,603
Less: Cost of sales	<u>(2,254,967)</u>	<u>(2,356,539)</u>
	<u>4,561,414</u>	<u>4,938,064</u>
 <u>Other income</u>		
Subvention income	160,478	20,036
Donation income	240,305	16,278
Bank interest income	9,088	646
Sundry income	<u>1,579</u>	<u>170,453</u>
	<u>411,450</u>	<u>207,413</u>
 <u>Less: Expenditures</u>		
Administrative and other operating expenses	461,676	448,333
Depreciation	156,168	109,316
Finance charges	89,977	84,195
Rent and rates	893,700	1,009,923
Staff costs	3,438,370	4,057,505
Sundry expenses	51,193	60,027
Utilities expenses	<u>309,919</u>	<u>332,202</u>
	<u>(5,401,003)</u>	<u>(6,101,501)</u>
 Deficit for the year	(428,139)	(956,024)
Surplus brought forward	-	-
Amount transferred from Accumulated Fund	<u>428,139</u>	<u>956,024</u>
 Surplus carried forward	<u>-</u>	<u>-</u>

THE NESBITT CENTRE LIMITED
思拔中心有限公司
(Iincorporated in Hong Kong, limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025
(CONTINUED)**

13 Block Grant

	As at 31 March 2025 HK\$	As at 31 March 2024 HK\$
Balance brought forward	149,296	99,891
Income for the year	63,000	60,738
Expenditure for the year	(31,293)	(11,333)
Balance carried forward *	<u>181,003</u>	<u>149,296</u>

* Unspent balance is subject to clawback arrangement by Social Welfare Department.

Note: The allocations are block grant for replenishment of furniture and equipment.

14 Development Fund

	As at 31 March 2025 HK\$	As at 31 March 2024 HK\$
<u>Phase III</u>		
Balance brought forward	279,546	278,095
Income for the year	-	1,451
Clawback for the year	(279,546)	-
Balance carried forward *	<u>-</u>	<u>279,546</u>

* Unspent balance is subject to clawback arrangement by Social Welfare Department.

Note: The allocations are additional resources for staff training and professional development Programmes.

15 Lottery Fund – Wi-Fi Project Grant

	As at 31 March 2025 HK\$	As at 31 March 2024 HK\$
Balance brought forward	27,100	23,100
Clawback for the year	(27,100)	-
Transferred from Accumulated Fund	-	4,000
Balance carried forward *	<u>-</u>	<u>27,100</u>

* Unspent balance is subject to clawback arrangement by Social Welfare Department.

Note: The allocations are additional resources for provision of Wi-Fi services to the service units operated by the Organisation.

THE NESBITT CENTRE LIMITED
思拔中心有限公司
(Iincorporated in Hong Kong, limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025
(CONTINUED)**

16 Provident Fund Reserve

	As at 31 March 2025 HK\$	As at 31 March 2024 HK\$
Balance brought forward	124,014	73,659
Deficit for the year	(15,806)	-
Transferred from		
Lump Sum Grant Reserve	-	50,355
Balance carried forward *	<u>108,208</u>	<u>124,014</u>

* Unspent balance is subject to clawback arrangement by Social Welfare Department.

Note: The allocations are additional resources to honour their contractual commitments in terms of provident fund benefit to staff who are employed after 1 April 2000.

17 Commitments under operating leases

The Organisation had the following total future minimum lease payments payable under an non-cancellable operating lease for a premise:

	As at 31 March 2025 HK\$	As at 31 March 2024 HK\$
Within one year	-	131,143
After one year	-	-
	<u>-</u>	<u>131,143</u>

18 Related party transactions

Apart from those disclosed elsewhere in the financial statements, the Organisation had no significant business transactions with its related parties during the year (2024: Nil).

19 Approval and issue of financial statements

The financial statements were approved and authorised for issue by the Board of Directors of the Organisation on 31 October 2025.