

Flag Days

Applicant organisations should meet the following eligibility criteria –

- The applicant organisation must be a bona-fide non-profit-making organisation exempt from tax under Section 88 of the Inland Revenue Ordinance, Cap. 112.
- The applicant organisation must have at least three years' track record of charitable activities after it is registered for tax exemption under Section 88 of the Inland Revenue Ordinance, Cap. 112 by the closing date of flag day application. The applicant organisation should produce audited annual financial statements to support its three years' track record of charitable activities. Applicant organisations already ruled eligible in the previous allocation exercises will not be affected by this provision.
- Applications from charitable organisations which are associated with commercial organisations would be considered ineligible for this flag day allocation exercise.
- Closely-related organisations are not allowed to apply for flag day separately in the same exercise to ensure fair chances among all applicant organisations. Closely-related organisations normally include but are not limited to holding-subsidiary organisations, organisations of the same group or organisations which exhibit close relationship in such aspects as levels of duplication of Board members, shared administrative staff, shared accommodation or non-arm's length transfer of resources / monies, etc. However, applications from non-governmental organisations (NGOs) with independent Social Welfare Department (SWD) subvention status would normally be considered eligible under this provision. Applicants should make a self-declaration that they have no closely-related organisations applying in the same exercise. Non-compliance may render NGOs' current applications being rejected and their eligibility for future application may also be affected.

- SWD is satisfied with the integrity, management capability and track record of the applicant organisation.
- The applicant organisation is willing to allow staff of SWD to inspect both the premises and the activities of the organisation and its centres.
- The nature, value and standard of existing services provided by the applicant organisation or by its member agencies and the purpose of the proposed flag day should be in support of a cost-effective charitable activity measured in terms of the number of customers to be benefited and the degree of improvement to the well being of the community.
- The applicant organisation should establish its need for charitable fund-raising through a flag sale. The financial need is assessed on the basis of the applicant organisation's estimated income and expenditure of the project(s) to be funded by the flag sale for the forthcoming year and its proposed target of flag sale income.
- The applicant organisation should have the ability to organise a flag sale effectively.
- Applications from organisations which have breached the conditions of a public subscription permit (for flag day or otherwise) in the past may not be considered in the flag day allocation exercise.
- Applications from organisations which have poorly organised their flag day in the past may be considered ineligible for the flag day allocation exercise.
- Where necessary, SWD may impose additional criteria and conditions, on the advice of the Lotteries Fund Advisory Committee.

Last update on 23.12.2011