

**Partnership Fund for the Disadvantaged – Dedicated Portion for After-school Learning  
and Support Programmes (the Eighth Round Application)  
Frequently Asked Questions by Applicant Welfare NGOs/Schools**

**1. Background and Introduction**

**Q.1 What is the purpose of setting up the dedicated portion under the Partnership Fund for the Disadvantaged?**

- The Government set up the Partnership Fund for the Disadvantaged (the PFD) to promote tripartite partnership among the welfare sector, the business community and the Government to help the disadvantaged. Since 2005, the Government has injected a total of \$1.2 billion. Apart from a commitment of \$800 million for the “Regular Portion (RP)” of the PFD to help the disadvantaged, a total of \$400 million has been earmarked as “Dedicated Portion (DP)” under the PFD for the dedicated purpose of implementing more after-school learning and support programmes for primary and secondary students from grassroots families to facilitate their whole person development.

**[Please refer to paragraph 1.1.1 of Application Guide for details]**

**2. Application Criteria**

**Q.2 Which NGOs or schools are eligible for applying for the dedicated portion?**

- Bona-fide charitable welfare NGOs having tax-exempted status under Section 88 of the Inland Revenue Ordinance (Cap. 112) and regularly providing welfare services may apply for matching grants from the dedicated portion; or
- Public sector primary and secondary schools including government schools, aided schools and caput schools, and schools under the Direct Subsidy Scheme (Schools);
- The applicant welfare NGO/school must prove that it is financially sound and capable of delivering the proposed project, and submit documents and information in the application timely upon request of the Secretariat; and
- The applicant welfare NGO/school has to obtain written confirmation(s) issued by partnering business corporation(s) on the amount and nature of the business donation(s) committed for the project proposed in the application.

**[Please refer to paragraphs 2.1.1 to 2.1.2, 2.2.1(i) and 4.1.1(e) of Application Guide for details]**

**Q.3 Who are the target beneficiaries of the dedicated portion?**

- The target students must be Primary One to Secondary Six students coming from grassroots families or disadvantaged circumstances such as single-parent, new arrival or ethnic minority families. Some activities, with an initiative in support of the objectives of the proposed activities, may also include their parents as target beneficiaries.

**[Please refer to paragraph 2.2.1(b) and (c) of Application Guide for details]**

**Q.4 What is the definition of grassroots families?**

- In general, grassroots families refer to low-income families like recipients of Comprehensive Social Security Assistance (CSSA) or full-grant/half-grant of Student Financial Assistance Schemes (SFAS), etc.;
- Applicant welfare NGOs/schools may also exercise flexibility to organise activities for students from other disadvantaged circumstances such as single-parent, new arrival or ethnic minority families, etc.; and
- The applicant welfare NGO/school shall clearly elaborate the selection criteria and recruitment plan for the target beneficiaries in Section 2.5 of the application form.

**[Please refer to paragraph 2.2.1(b) of Application Guide for details]**

**Q.5 What are the requirements for project proposals to be accepted for consideration?**

- Project proposals shall mainly provide after-school learning and support programmes, and would benefit directly the welfare of the target students by strengthening their whole-person development, including but not limited to tutorial classes or programmes that develop the learning capability and study skills of the students concerned and strengthen their life-planning skills; and
- Some activities, such as parenting education and parent-child activities, with an initiative in support of the objectives of the proposed activities, may also be provided to parents for relieving the stress in parenting and improving parenting skills and facilitating parents to stay in employment or join the workforce.

**[Please refer to paragraph 2.2.1 of Application Guide for details]**

**Q.6 Do the welfare service and activities in project proposals have to be delivered in Hong Kong? How about overseas exchange tour?**

- Welfare service and activities in the project proposals shall be delivered in Hong Kong, which will benefit directly the welfare of the target students. The PFD shall not accept application with activities to be delivered outside Hong Kong such as overseas exchange tour.

**[Please refer to paragraph 2.2.1(f) of Application Guide for details]**

**Q.7 Is it necessary for the project proposed to be delivered in schools?**

- As the dedicated portion is for launching after-school learning and support programmes, and students are generally more familiar with the learning environment at schools, applicant welfare NGOs/schools may consider delivering project proposal in schools to facilitate the participation of students. Otherwise, applicant welfare NGOs/schools can deliver activities in service centres or other suitable venues with regard to the content and nature of the activities and the needs and situation of the students; and
- For all project proposals providing tutorial classes, learning skills training and language training, etc. on non-school premises, and welfare NGO applicants providing tutorial classes, learning skills training and language training, etc., irrespective of the venue of such classes/training, which may warrant regulation under Education Ordinance (EO), welfare NGOs/schools are required to provide in their applications valid certificate(s) of registration under Section 13 of EO or certificate(s) of exemption from registration as a school under Section 9(5) of EO.

**[Please refer to paragraph 4.1.1(d) of Application Guide for details]**

**Q.8 Can the proposed project activities be conducted during regular school lessons?**

- As the dedicated portion aims to provide more after-school learning and support programmes for primary and secondary students from grassroots families, the proposed project activities should be conducted outside regular school lessons, such as the interval(s) between lessons, recess(es), lunch break, after school, school holidays etc.

### **3. Application Details and Points to Note**

**Q.9 How many applications can each applicant welfare NGO/school submit?**

- Each applicant School is allowed to submit one consolidated application which may include a series of programmes and activities serving its students and/or students from other schools; and
- As a welfare NGO can serve different districts, each welfare NGO may submit a maximum of five applications provided that each application serves the target students in a different district and that the welfare NGO concerned demonstrates the ability to deliver all the projects within the specified period of time.

**[Please refer to paragraph 3.1.3 of Application Guide for details]**

**Q.10 Is it possible for an application to be jointly submitted by more than one applicant welfare NGO/School or business partner?**

- Joint applications with more than one applicant welfare NGO/school or joint contributions with more than one business corporation in respect of the same application may be accepted. In such cases, a principal applicant welfare NGO/school shall be responsible for the application and comply with all the conditions of the matching grant.

**[Please refer to paragraph 2.3.1(h) of Application Guide for details]**

**Q.11 Is there any limitation on the duration of project proposals?**

- There is no specific limitation on the duration of project proposals as long as they fulfil all the application criteria. The duration of project proposal usually varies from one to three years.

**Q.12 Is there any salient points to note when applicant welfare NGOs/schools deliver programmes such as tutorial class, learning skills training and language training class?**

- For all project proposals providing tutorial classes, learning skills training and language training, etc. in non-school premises, and welfare NGO applicants providing tutorial classes, learning skills training and language training, etc., irrespective of the venue of such classes/training, which may warrant regulation under Education Ordinance (EO), applicant welfare NGOs/schools are required

to provide in their applications valid certificate(s) of registration under Section 13 of EO or certificate(s) of exemption from registration as a school under Section 9(5) of EO. Applicant welfare NGOs/schools shall contact Education Bureau for further enquiries regarding requirements under EO.

**[Please refer to paragraph 4.1.1(d) of Application Guide for details]**

**Q.13 What are the differences between the dedicated portion and the regular portion of the Partnership Fund for the Disadvantaged in terms of application requirements and regulations?**

- The target beneficiaries and objectives for the dedicated portion shall be Primary One to Secondary Six students coming from grassroots families or disadvantaged circumstances such as single-parent, new arrival or ethnic minority families and their parents;
- Apart from welfare NGOs, the dedicated portion also accepts applications from public sector primary and secondary schools including government schools, aided schools, special schools, caput schools, and schools under the Direct Subsidy Scheme;
- Allocation of fund for each approved project proposal will continue to be capped at a maximum of \$4.5 million with a view to facilitating welfare NGOs /schools to implement projects of a larger scale and for a longer term; and
- Applications with the same substance as other previously approved projects may be considered having regard to the benefits of the programmes demonstrated for their target students.

**[Please refer to paragraphs 2.1.1, 2.2.1(b), 2.3.1(e) and 3.1.1 of Application Guide for details]**

**Q.14 If a project proposal is currently receiving funding support from Fee-waiving Subsidy Scheme under the After School Care Programme for Low-income Families under Community Care Fund or School-based After-school Learning and Support Programmes under Education Bureau, are they still eligible for applying for the dedicated portion?**

- The project proposal shall **not** receive duplicate funding support from the Government in any form before, during and after project implementation (e.g. being supported under a “Funding and Service Agreement” with the Social Welfare Department (the SWD), being a service contract awarded by SWD,

being an after-school learning and support programmes managed by the Education Bureau, or being supported by any other public funds such as the Lotteries Fund, Community Investment and Inclusion Fund, and Enhancing Self-Reliance Through District Partnership Programme, School-based After-school Learning and Support Programmes, Life-wide Learning Grant, etc.); and

- The project proposal or any part of the programme seeking a matching grant from the dedicated portion shall **not** start before approval for the matching grant is given.

**[Please refer to paragraphs 2.2.1(e) and (j) of Application Guide for details]**

**Q.15 How to define conflict of interest between applicant welfare NGOs/schools and its business partner(s)? How to handle identified and suspected conflict of interest?**

- Conflict of interest generally refers to the situation in which the applicant welfare NGO/school, its Board members or key personnel involved in the project have any previous or ongoing business dealings with the business partner(s), or even have any position(s) to perform any job duties in the business corporation(s);
- If there is any actual, potential or perceived conflict of interest in the proposed partnership between the applicant welfare NGO/school, its Board members or key personnel involved in the project and its business partner(s), the applicant welfare NGO/school is required to provide details and set out actions taken or to be taken to remove/mitigate the conflict of interest in **Section 3.4** of the application form and a completed standard form for declaration of conflict of interest. For example, the business partner shall undertake to refrain from participation in any procurement under the project, the person(s) having declared conflict of interest shall refrain from participation in procurement procedure and related decision making; and
- If an applicant welfare NGO/school fails to provide effective ways/arrangements to properly manage the conflict of interest with business partner(s), SWD reserves the right not to accept the business donation(s) under the application for matching grants. Applications will not be considered if the conflict of interest situation gives rise to suspected risk of abuse.

**[Please refer to paragraph 4.1.1(f), 4.1.2(d) to (e) and 5.3.1 of Application Guide for details]**

**Q.16 Is it necessary to provide details in “Programme Expenses”, even for those activity item(s) with no additional staffing and activity expenses?**

- All activities under the project should have their expenditure and service outputs listed in the table of “Programme Expenses” (i.e. Section 2.8(iii)) of the Application form. Applicant welfare NGOs/schools shall copy the table template to provide service output(s) for individual activities having no additional staffing and activity expenses, and state the staffing arrangement in the field of “Expenditure Items”.

**Q.17 Is it necessary to provide all relevant details including purpose, content, target and total no. of participants, no. of classes/groups, no. of sessions per class/group and no. of hours per session for each activity item in “Programme Expenses” under Section 2.8(iii)?**

- For an activity involving a series of breakdown activities with different natures, operation modes and target beneficiaries, applicant welfare NGOs/schools shall provide all relevant details like purpose, content, target and total no. of participants, no. of classes/groups, no. of sessions per class/group and no. of hours per session for each breakdown activity.

**Q.18 How to formulate Outcome Effectiveness for activities in project proposals?**

- In general, applicant welfare NGOs/schools shall formulate “Area of Effectiveness” and “Outcome Target” for overall project proposals and individual activity items (normally set at 80% or above) in Section 2.10, according to “Project Objectives” stated in Section 2.6. The “Method of Evaluation” can be those well-used and well-tested questionnaires to measure the progress or improvement of the beneficiaries in specific areas relevant to the project objectives.

#### **4. Issues Regarding Business Donations**

**Q.19 What are the factors to be considered when partnering with business corporations? Will the Advisory Committee consider factors like background and history of the corporations when approving applications?**

- Business partners shall be registered business corporations operating business

in Hong Kong and their donation made can be applied for matching grants of the dedicated portion by the welfare NGOs/schools;

- Applicant welfare NGOs/schools should exercise their governance and be prudent in choosing business partners such that they should be clear about the background of the business corporations before partnering with them;
- Applicant welfare NGOs/schools should be vigilant against any unreasonable conditions in exchange for donations such as requirements for purchase, advertising and promotion of the business partners' products, services, etc.;
- The Secretariat of PFD reserves the right not to accept business partners which fail to meet the basic requirements of the dedicated portion under the PFD or in respect of which the business may impose negative impact on the society; and
- Any requirement from the business corporations in relation to their donations must **not** be in conflict with the objectives and guidelines of the dedicated portion under the PFD. Also, donations shall **not** come from corporations running business in connection with smoking.

**[Please refer to paragraphs 2.2.1(g), (l) and 4.1.2(a) to (c) of Application Guide for details]**

**Q.20 Is it necessary for donations be made by business corporations registered in Hong Kong? Can the donations made by foreign business corporations, charitable trusts/foundations fulfill the requirements of applying for matching grants of the dedicated portion?**

- The donations shall be made by registered business corporations operating business in Hong Kong or charitable trusts/foundations which are established and managed by such business corporations. Donations from professional associations and religious bodies, contributions from charitable trusts/foundations not established and managed by the business corporations (or without the source of funding from business corporations) and funds under the management of government departments/public bodies will **not** be accepted.

**[Please refer to paragraph 2.2.1(g) of Application Guide for details]**

**Q.21 Is personal donation (e.g. donation from parents) qualified for applying for matching grants under the dedicated portion?**

- The dedicated portion aims at promoting tripartite partnership among the welfare sector/school, the business community and the Government to help the



primary and secondary students from grassroots families. Hence, the donations shall be made by registered business corporations operating business in Hong Kong or charitable trusts/foundations which are established and managed by such business corporations. Personal donation is **not** eligible for matching grants under the dedicated portion.

**[Please refer to paragraph 2.2.1(g) of Application Guide for details]**

**Q.22 Do the business donations meet the requirements of matching grants under the dedicated portion if the donations have already been received by applicant welfare NGO/school before submitting and approval of this application?**

- We accept business donations received by the applicant welfare NGO/school not earlier than one year before the launching of the Eighth Round Dedicated Portion Application on 29 December 2021, which means that only donation(s) received on or after 29 December 2020 will be counted for the purpose of matching with the dedicated portion.

**[Please refer to paragraph 2.2.1(i) of Application Guide for details]**

**Q.23 Can welfare NGOs/schools apply for the dedicated portion if they have not received cash or in-kind donations by business corporations?**

- The applicant welfare NGO/school has to obtain and confirm the business donation(s) committed for the project in the application. Also, the applicant welfare NGO/school has to obtain written confirmation issued by partnering business corporation(s) on the amount and nature of the contributions.

**[Please refer to paragraphs 2.2.1(i) and 4.1.1(e) of Application Guide for details]**

**Q.24 Is it necessary for business donations to be made in cash? Is there any minimum amount for donations?**

- The project proposal shall include a donation by business corporations in cash, in kind or a combination of the two. There is no minimum amount for donations.

**[Please refer to paragraphs 2.2.1(h) and 2.3.1(f) of Application Guide for details]**

**Q.25 Are all donations eligible for matching grants under the dedicated portion? Which are the in kind donations having fulfilled the application requirements?**

- Donations made by registered business corporations operating business in Hong Kong or charitable trusts/foundations which are established and managed by such business corporations may apply for matching grants under the dedicated portion; and
- Only new and saleable items which are of use or benefit to the target beneficiaries and used in the project proposed would be counted for allocation of matching grants.

**[Please refer to paragraphs 2.2.1(g), 2.3.1(g) and 3.1.2 of Application Guide for details]**

**Q.26 How to work out the monetary value of in-kind donations for allocation of matching grants? Is it required to provide quotations for all in-kind donations?**

- In-kind donations should be translated into monetary value with reference to the Government's Price List of Common Furniture and Equipment (the List), which can be downloaded from Lotteries Fund under NGO Corner of SWD Homepage, for matching purpose and items should be of use or benefit to the target beneficiaries and used in the project proposed;
- If the contribution in kind is not on the List, applicant welfare NGOs/schools are required to provide written quotations in the applications for valuation of the contribution in kind. All the written quotations provided should be certified by the Head of applicant welfare NGO i.e. Chief Executive or General Secretary of the NGO / School Principal, as (i) being genuinely obtained from market and (ii) not being provided by the supplier or associated company of the business corporation offering contribution in kind to avoid any conflict of interest; and
- Written quotation with the lowest value will be referred to. If any contribution in kind claims to have some unique value, justifications for the value will be required.

**[Please refer to paragraphs 3.1.2 and 3.2.1 to 3.2.3 of Application Guide for details]**

## **5. Approval of Applications**

**Q.27 Who will conduct vetting of applications? What are the guidelines of assessing**

### **the applications?**

- All applications are advised and vetted by the Advisory Committee of the Partnership Fund for the Disadvantaged (the Advisory Committee). The Advisory Committee is comprised of non-official members from the welfare, business and academic sectors;
- Guidelines adopted by the Advisory Committee in assessing applications mainly include -
  - The project proposal shall be an initiative in support of the objectives of the dedicated portion to provide after-school learning and support programmes for strengthening the target students' whole-person development including but not limited to tutorial classes or programmes that develop the learning capability and study skills of the students concerned; strengthen their life-planning skills; support their parents to relieve the stress in parenting and improve parenting skills; or facilitate parents to stay in employment or join the workforce;
  - the design of the programmes shall meet the needs, abilities and characteristics of the target students with effective strategies and measures to recruit a reasonable number of suitable target students and their parents;
  - the project proposal shall not receive duplicate funding support from the Government in any form before, during and after project implementation;
- Priority consideration will be given to applications which are -
  - with promising sustainability and strategic partnership with the business corporations as wider participation and support from the business sector, e.g. involvement of business partners and active participation of corporate volunteers, is essential to the successful implementation and continuity of the project initiative;
  - demonstrative of the initiatives of the applicant welfare NGO/school in rendering appropriate services to meet the changing needs of the target students and expand their social partnership; and
- SWD reserves the right to impose stringent restrictions or reject the application of the applicant welfare NGOs/schools with unsatisfactory performance in execution of approved PFD projects.

**[Please refer to paragraphs 1.1.2, 2.2.1, 2.3.1(a) and 4.1.2(h) of Application Guide for details]**

**Q.28 If other governmental funding support is being sought for the project proposal, how can the applicant welfare NGO/school mention it in the application?**

- The project proposal should not receive duplicate funding support from the Government in any form before, during and after project implementation; and
- If other funding support from the Government is being sought for a project proposal, the applicant welfare NGO/school is required to inform the Secretariat of PFD in writing about the result of other funding application(s) or provide a copy of the document(s) showing its withdrawal from other funding application(s) within 2 months after submission of application; otherwise, the application for the dedicated portion will be rejected.

**[Please refer to paragraph 2.2.1(e) of Application Guide and Note 7 of Application Form for details]**

**Q.29 Can the applicant welfare NGOs/schools submit project proposals for the dedicated portion with similar substance as other projects which are previously approved or currently in progress?**

- Applications with the same substance as other previously approved projects may be considered having regard to the benefits of the programmes demonstrated for their target students. As such, applicant welfare NGOs/schools shall show the output effectiveness of previously approved projects in the application forms for the Advisory Committee's reference.

**[Please refer to paragraph 2.3.1(e) of Application Guide for details]**

## **6. Funding, Expenditure and Staffing Arrangement**

**Q.30 Can the applicant welfare NGOs/schools include administration overheads of the proposed project in the application? How much, in term of percentage, is accepted for administration overheads against the total budget?**

- The budget for administration overheads (including audit fee) up to 10% of the total budget of the project proposal may be considered in accordance with the operational needs of the project. Administration overheads will cover items for service planning and management, coordination and quality assurance; human resource management; accounting management and financial monitoring; risk management, internal audit and compliance; public relations, partnership, corporate communication and publicity; office/project venue,

equipment and facilities, and consumables; and information technology facilities and support.

**[Please refer to paragraph 2.3.1(j) of Application Guide for details]**

**Q.31 Can project proposals include expenses on renovation?**

- Low priority will be given to those project proposals seeking funding to upgrade facilities and/or purchase equipment, or the related proportion of the funding sought will be heavily cut so that the dedicated portion may benefit the target students more directly.

**[Please refer to paragraph 2.3.1(b) of Application Guide for details]**

**Q.32 If there is procurement of furniture and equipment, works and other service in the approved project, what quotation and tender procedures should be followed?**

- The applicant welfare NGOs/schools are required to follow quotation and tender procedures as stated in the [Lotteries Fund Manual](#) of SWD for the approved furniture and equipment (F&E), works and other services of the project.

**[Please refer to paragraph 3.3.1 of Application Guide for details]**

**Q.33 Are the procurement procedure and their corresponding requirements the same as those of Education Bureau?**

- As the procurement of procedure for goods and service required by the PFD are different from those of Education Bureau, applicant welfare NGOs/schools shall make reference to the [Lotteries Fund Manual](#) of SWD and comply with relevant requirements.

**Q.34 What is the maximum allocation for each approved project proposal?**

- Allocation of grant for each approved project proposal will continue to be capped at a maximum of HK\$4.5 million with a view to facilitating welfare NGOs/schools to implement projects of a larger scale and for a longer term. There is no limit to the amount of contribution from the business corporations.

**[Please refer to paragraph 3.1.1 of Application Guide for details]**

**Q.35 Can audit fee and staffing cost for employing project coordinator and tutors be financed by the dedicated portion for implementing after-school learning and support programmes?**

- Matching grants under the dedicated portion can be used in preparing audited financial report on the approved project. Applicant NGOs/schools can also recruit suitable staff for implementing approved projects under the principles of fairness, competitiveness and transparency.

**Q.36 What is the acceptable staffing cost in the proposal budget?**

- The Advisory Committee will assess the staffing cost, having regard to the content, nature, required staff duties and qualifications of each project proposal. To benefit more target students directly, applicant welfare NGOs/schools are advised to have prudent budget control on the staffing cost. Staff costs, upon taking into account the nature of the project, the nature and number of sessions/hours of tasks involved, the qualification and experience required of the staff, the market rate of similar jobs, and any other duties, knowledge and skills required of the staff, may be considered up to 50% of the total budget of the project proposal, and up to 70% of the total budget of the project proposal for a manpower intensive programme/activity. For project proposal with relatively high staffing cost, the applicant welfare NGO/school shall provide detailed and reasonable justifications for assessment by the Advisory Committee.

**[Please refer to paragraph 2.3.1(i) of Application Guide for details]**

**Q. 37 Is there any limitation on fee charging of activities in the project proposals?**

- As the target beneficiaries of the dedicated portion are primary and secondary students mainly from grassroots families, applicant welfare NGOs/schools are advised to consider the following principles when imposing fees on activities in the project proposals –
  - The affordability of target beneficiaries in paying for the fee-charging items should be assessed;
  - Target beneficiaries with relatively favourable financial condition should take a fair share of the financial responsibility so that more people can benefit from the programmes;
  - Information containing all fees and the channels for making enquiries

- about the fees and charges should be clearly displayed in the service unit;
- Fee-waiving mechanism in place should be well notified to target beneficiaries and be reviewed regularly; and
- The fee income should be used up in the approved projects before using the approved matching grants.

**[Please refer to paragraph 6.2.1 of Application Guide for details]**

## **7. Notification of Results**

**Q.38 When will the applicant welfare NGOs/schools be notified of the result after submitting the application? Will the applicant welfare NGOs/schools be notified sooner if they submit application at an earlier time?**

- Subject to the number of applications received and adequate information provided by the applicant welfare NGOs/schools, vetting will be processed upon receipt of the application. Normally, the processing of an application will require about three to four months after the Secretariat has received the completed application form with all required information and documents. Applicant welfare NGOs/schools will be notified in writing of the assessment results after the proposed project and the matching grants from the dedicated portion has been approved;
- Applicant welfare NGOs/schools are required to submit the applications by the deadline of the first phase for the projects commenced in new school year in September 2022; and
- In order to allow the Secretariat to vet applications sooner, applicant welfare NGOs/schools are encouraged to submit application at an earlier time. The processing schedule of an application depends on the adequacy and completeness of application form and documents received.

**[Please refer to paragraph 5.2.1 of Application Guide for details]**

## **8. Modification of Project**

**Q.39 Can the applicant welfare NGOs/schools modify project details during project implementation?**

- Prior approval from SWD should be obtained for any modification of the approved project content, duration and/or budget; and

- The Advisory Committee agrees that minor re-allocation of funds (except salary and administration overheads) from one approved item of the budget to another is allowed, provided that the amount involved does not exceed \$100,000 or 50% of the **original** budget for the item, whichever is the less.

**[Please refer to paragraph 6.5.1 of Application Guide for details]**

## **9. Monitoring of Successful Applications**

### **Q.40 How will SWD monitor the use of grants by applicant welfare NGOs/schools for the successful applications? Do they need to submit regular reports to SWD?**

- The welfare NGOs/schools are required to furnish SWD with a final evaluation report at the end of each project, or progress reports at specified intervals using the prescribed report form. The report template can be downloaded from the PFD webpage in SWD Homepage;
- For projects involving matching grants above \$250,000 from the dedicated portion and having duration of over a year, the welfare NGOs/schools are required to submit annual financial reports;
- The final financial reports and annual financial reports, if any, should comply with all requirements and formats to be specified by SWD in the notification letters to the welfare NGOs/schools;
- The welfare NGOs/schools will be required to submit final evaluation report and final financial reports on or before the date to be specified by SWD in the notification letters after the end of project;
- For project proposals involving procurement of furniture and equipment or contribution in kind, the welfare NGOs/schools should comply with all requirements and formats to be specified by SWD in the notification letters for submission of the list of inventories; and
- Visits to approved projects may be arranged for Members of the Advisory Committee and the staff of SWD.

**[Please refer to paragraphs 6.3.1 to 6.3.3, 6.4.1 and 6.7.1 of Application Guide for details]**

### **Q.41 Are the welfare NGOs/schools required to return the unspent sum of the grants to HKSAR Government after the end of project?**

- The welfare NGOs/schools should demonstrate in their final financial reports



that they have used up all of the donations from the business corporations in the approved projects and the other income generated from the approved projects (including but not limited to service fees charged, funds raised, etc.), if any, before using the approved matching grants. Unless otherwise approved by SWD, any unspent sum of the matching grants at the end of the projects should be returned to HKSAR Government.

**[Please refer to paragraph 6.2.1 of Application Guide for details]**

## **10. Administrative and Financial Arrangement**

### **Q.42 Are the applicant welfare NGOs/schools required to prepare financial reports? What are the specific requirements should be met?**

- Successful applicant welfare NGOs/schools are required to have a separate set of financial report(s) for each funded project;
- For projects involving matching grants above \$250,000 from the dedicated portion and having duration of over 1 year, the welfare NGOs/schools are required to submit annual financial reports. The final financial reports and annual financial reports, if any, should comply with all requirements and formats to be specified by SWD in the notification letters to the welfare NGOs/schools;
- Successful applicant welfare NGOs/schools are required to commission an external auditor to carry out an independent audit of the financial reports. The auditor shall be a certified public accountant (practising) or a corporate practice registered under the Professional Accountants Ordinance (Cap. 50). The welfare NGOs/schools should agree with the auditor on the terms of the audit engagement and the agreed terms shall be recorded in an engagement letter;
- The engagement shall be an audit engagement and the auditor shall, among other things, express and opine, on:
  - whether the financial reports have been properly prepared from the books of accounts and in accordance with the requirements of the SWD in all material respects;
  - whether all incomes of the project have been received and expenditures of the project been fully settled; and
  - whether the PFD grants and all business donations have been used for the purposes as specified in the applications;
- Successful applicant welfare NGOs/schools should demonstrate in their final

financial reports that they have used up all of the donations from the business corporations in the approved projects and the other income generated from the approved projects (including but not limited to service fees charged, fund raised, etc.), if any, before using the approved matching grants. Unless otherwise approved by SWD, any unspent sum of the matching grants at the end of the projects should be returned to the HKSAR Government; and

- The welfare NGOs/schools should maintain proper books of accounts, other accounting records for all transactions and all relevant records and information in relation to the projects. SWD or persons authorised by the HKSAR Government shall be allowed access to such books and records for verification and copying from time to time and make them available for inspection upon request.

**[Please refer to paragraph 6.2.1, 6.3.1 to 6.3.3 of Application Guide for details]**

**Q.43 Can applicant welfare NGOs/schools perform virement of approved budget items?**

- Prior approval from SWD should be obtained for any modification of the approved project content, duration and budget;
- SWD reserves the rights to withhold any payment or request refund of the matching grant, or portion of the grant on pro-rata basis if the applicant NGOs/schools terminated the projects pre-maturely, failed to deliver the project proposals as approved, or failed to obtain prior approval from SWD for any virement of the approved budget items; and
- The matching grants are one-off in nature and applicant welfare NGOs/schools will have to absorb the financial consequences, if any, after using up the grants from the PFD.

**[Please refer to paragraph 1.3.1, 6.5.1 and 6.6.1 of Application Guide for details]**

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