Annex E

**Funding Scheme for Children’s Well-being and Development**

**Detailed Payment Arrangements**

1. Advance Payment
	1. To assist the funded organisation in meeting the initial outlay of a project and cash flow requirements, Commission on Children (the Commission) may, prior to the implementation of the project, consider that a single advance payment of not exceeding 50% of the total approved funding amount be made to the funded organisation upon written application (application form at *Appendix I to Annex E*). In receiving the advance payment, the authorised person of the funded organisation will be required to sign an undertaking at *Appendix II to Annex E*. If the funded organisation has applied/is applying for funding from sources other than the Scheme, advance payment will be arranged after the funded organisation has notified the Commission of the result of relevant application in writing.
	2. To facilitate the Commission in monitoring the progress of the project upon release of an advance payment, the funded organisation has to submit a progress report every six months together with duplicate copies of the certified official receipts[[1]](#footnote-1) within one month after each six-month period to account for the expenditure incurred. This requirement is applicable to all types of projects receiving advance payment regardless of the project duration.
	3. If, subsequent to the receipt of the advance payment, the project has not been held or was delayed beyond the scheduled implementation date, the funded organisation will be required to return the advance payment to the HKSAR Government immediately unless it can provide acceptable explanations to the Commission and is accepted by the Commission.
2. Reimbursement

One-off reimbursement of funding, or the balance of funding where advance payment has been made, will be given to the funded organisation on completion of the project. To apply for reimbursement, the funded organisation must submit a financial report (see paragraph 4(a) below) with all supporting receipts1 and a project final report to the Commission for processing **by the designated date** **which will normally be within one month after the completion of the project**. For projects with total approved funding amount exceeding $100,000, the funded organisation shall submit, in conjunction with the project final report, a financial report with the accounts audited by an independent Certified Public Accountant (“CPA”) (see para 4(b) below). The amount of advance payment and expenditure incurred should be completely and accurately recorded in the financial report. Reimbursement will be made when all reports (see paragraph 63 of the Funding Guidelines) are accepted by the Commission.

1. Handling of Cheque

Payment of funding to the funded organisation will be made in form of cheque. The cheque will be valid for payment within 180 calendar days from the date of issuance. Upon receipt of the cheque, the funded organisation should cash the cheque as soon as practicable. If the cheque is not cashed within 180 calendar days from the date of issuance, the cheque will become stale and the Commission will cancel the relevant payment automatically without prior notice to the funded organisation. If the funded organisation intends to request the Commission to re-issue the cheque, the funded organisation should submit application in writing at least one month before the end of the same financial year of the Government of the Hong Kong Special Administrative Region. Late application will not be considered.

1. Financial Report
2. The format of the financial report referred to in paragraph 2 is at Annex F. The funded organisation is required to submit the original copy of the supporting receipts for the expenses incurred together with the financial report to the Commission. For avoidance of doubt, irrespective of whether the items are funded under the Scheme, receipts1 are required for all items shown on the financial report unless otherwise specified.
3. For projects with total approved funding amount exceeding $100,000 requiring submission of a financial report with the accounts audited by an independent CPA, a specimen of the auditor’s report is at Annex I (the specific procedures mentioned in items (1) to (3) of the first paragraph and the relevant report findings in items (a) to (c) of the second paragraph of Annex I must be included in the auditor’s report and should not be amended). The funded organisation may choose not to submit receipts in support of its financial report. In this case, version (i) of item (3) of the first paragraph and item (c) of the second paragraph of Annex I must be selected in the auditor’s report. The original copy of all receipts related to the expenditure of the Scheme, if not submitted to the Commission for reimbursement purposes, should be kept by the funded organisation properly for seven years after the completion of the project for the Commission’s inspection as and when necessary.

***Appendix I to Annex E***

To: Commission on Children Secretariat

 10/F West Wing, Central Government Offices

 2 Tim Mei Avenue, Tamar, Hong Kong

**Funding Scheme for Children’s Well-being and Development**

**Application Form of Advance Payment**

 Our organisation intends to apply for an advance payment amounting to HK$\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (not exceeding 50% of the total approved funding by the Commission on Children (the Commission)) as part of the expenditure in implementing the project “ ” (title of the project) as approved by the Commission. The justifications are \_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Dated the day of 20 .

|  |  |
| --- | --- |
| SIGNED by: |  |
| Name of Authorised Person: |  |
| Post: |  |
| For and on behalf of  |  |

 (Name of Organisation)

***Appendix II to Annex E***

To : Commission on Children Secretariat

 10/F, West Wing,

 Central Government Offices,

 2 Tim Mei Avenue, Tamar, Hong Kong

**Funding Scheme for Children’s Well-being and Development (the Scheme)**

**Undertaking of Receipt of Advance Payment**

In consideration of you agreeing to pay to us a sum of HK$ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ as the advance payment to finance the following project-

|  |  |
| --- | --- |
| Project No.:  |  |
| Title of Project:  |  |

We hereby undertake to:-

1. carry out the above project in accordance with the approved work plan and the implementation date/period and the terms and conditions specified by your office;
2. use the funding allocated to the project in accordance with the approved budget and, when necessary, make adjustment to the approved unit cost, quantity or amount only if the conditions specified in the funding guidelines can be fulfilled;
3. report to you immediately when there is a substantial change in work schedule from the original approved plan which may affect the cash flow requirement or subsequent payments (including advance payment) to be made to us;
4. seek your prior written approval if adjustment on the approved amount of an item exceeds 25% or $3,000 (whichever is higher), or there is any major amendment or variation (e.g. addition of expenditure items not covered in the original approval);
5. submit to you a progress report every six months together with duplicate copies of the certified official receipts[[2]](#footnote-2) within one month after each six-month period[[3]](#footnote-3) to account for the expenditure incurred;
6. submit to you a project final report and financial report together with original copies of the supporting receipts1 by the designated date which will normally be within one month after completion of the project;
7. return the unspent balance of the advance payment, if any, to you at the time of submission of the financial report; and
8. facilitate the Commission on Children (the Commission) and its authorised representatives in examining the progress of the funded project by participating in any related activities as observers or conducting visits to the relevant venues of the activities, and comply with any advice or instructions that the Commission may issue from time to time in respect of the project or any related matters.

We agree and accept that should we fail to observe any of the items set out above and the funding guidelines, we shall be liable to repay the Commission the full amount of the advance payment of HK$\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ immediately. We also understand that a failure to observe any of the items set out above and the funding guidelines may result in our future applications under the Scheme being rejected.

Dated the day of 20 .

|  |  |
| --- | --- |
| SIGNED by: |  |
| Name of Authorised Person: |  |
| Post: |  |
| For and on behalf of  |  |

 (Name of Organisation)

1. All receipts submitted must bear the date of purchase and full description of the individual expenditure items. Otherwise, supporting documents such as invoices and billing statements showing the aforesaid details are to be submitted to supplement the receipt. [↑](#footnote-ref-1)
2. All receipts must bear the date of purchase and full description of the individual expenditure items. Otherwise, supporting documents such as invoices and billing statements showing the aforesaid details are to be submitted to supplement the receipts. [↑](#footnote-ref-2)
3. This clause is applicable to all types of projects regardless of project duration. [↑](#footnote-ref-3)