

Queen Elizabeth Foundation for the Mentally Handicapped

Guide to Application for a Grant from the Foundation

Ambit of the Foundation

The Queen Elizabeth Foundation for the Mentally Handicapped (“the Foundation”) was established under the Queen Elizabeth Foundation for the Mentally Handicapped Ordinance (Chapter 399). The Ordinance was passed by the Legislative Council on 22 July 1988 for the purpose of the furtherance of the welfare, education and training of persons with intellectual disability in Hong Kong and the promotion of their employment prospects.

Schemes

2. There are three schemes under the Foundation -

(i) General Support Scheme

Examples of projects/ activities which the Foundation may finance are:

- (a) minor capital works projects;
- (b) Non-recurrent expenditure on items generally not subvented by the relevant Government department(s);
- (c) home-based or community-based rehabilitation services for persons with severe intellectual disability and those without immediate post-school employment opportunities;
- (d) programmes for improving and enhancing services for persons with intellectual disability;
- (e) public education programmes to promote understanding and positive attitudes towards persons with intellectual disability; and
- (f) innovative projects that would improve the rehabilitation service of persons with intellectual disability.

(ii) **Scheme to Support Persons with Intellectual Disability for Independent Living Facilities**

This scheme aims at **improving the living environment for persons with intellectual disability** and their **independent living skills**, such as self-care abilities and communication skills, so that they can enjoy better quality of living. Procurement or improvement projects relating to facilities/ equipment and related services that could help persons with intellectual disability to live independently or improve the effectiveness of relevant training may be supported.

Other than rehabilitative/ assistive facilities/ equipment and related services, the Foundation may finance the acquisition of small-size domestic appliances and specialised tools. To facilitate our vetting, applicants should provide detailed justifications on how the acquisition of the equipment or services in question could achieve the objective of the project.

(iii) **Scheme to Support Aged Persons with Intellectual Disability**

This scheme aims at **enhancing the services for the aged persons with intellectual disability, providing adaptable environment** for them and helping them achieve positive and active ageing. Scope of subvention is similar to the General Support Scheme as set out in paragraph 2(i) above.

Submission of Application

3. Applications for grants are normally invited once a year.

4. Government departments, *bona fide* non-profit-making organisations and non-profit making self-help groups of persons with disabilities that have been registered in Hong Kong for at least 3 years¹ are eligible for submitting applications for grants from the Foundation for projects/ activities which are within the ambit of the Foundation. Application should be submitted by the head of organisation or authorised person on behalf of the organisation. Applications submitted by individual staff or service unit of an organisation will

¹ For the purpose of application for grants from this Foundation, a non-profit making self-help group should be an organisation that has been registered in Hong Kong under the Societies Ordinance (Cap. 151) or the Companies Ordinance (Cap. 622), and by virtue of its non-profit making/ charitable nature, been granted tax exemption status by the Commissioner of Inland Revenue under Section 88 of the Inland Revenue Ordinance (Cap. 112), for **at least 3 years**.

NOT be considered. **The organisation should indicate the order of priority of all its applications if more than one application is submitted.**

5. If the item(s) requested is already included in the standard Furniture and Equipment List of the funds under the purview of the relevant government department(s), such item(s) would not be supported. For items which are not standard items in the Furniture and Equipment List of the funds under the purview of the relevant government departments, applicants are required to evaluate the effectiveness of the procurement of facilities/ equipment to be funded by the Foundation and submit an evaluation report to the Foundation within a specified period.

6. In addition, it is advisable for organisations to obtain sponsorship from other funding sources and not solely relying on the Foundation for financing the total project cost. Information in relation to all funding requests from other sources should be disclosed in their applications. For example, applications in relation to school projects which fall within the ambit of the Quality Education Fund under the purview of the Education Bureau (EDB) should be submitted to the EDB for consideration.

7. Applicants have to complete Section 8 of the application form, to provide details about how the equipment/ service to be acquired could achieve the objective of the project.

8. For capital projects, the requested amount should be based on cost estimates provided by a professional or qualified person of the relevant field. Supporting quotation documents should be enclosed in the application.

9. For the project budget, **individual items with an estimated amount at or above HK\$10,000, not less than TWO quotations should be provided.** For individual items below HK\$10,000, relevant quotation documents should also be provided as far as practicable to facilitate processing of the application.

10. Applications for grant from the Foundation should be made by completing the application form which can be downloaded from <http://www.lwb.gov.hk/eng/forms/> under the section of "Download Forms". Completed application forms should be addressed to the Secretary, Council of the Queen Elizabeth Foundation for the Mentally Handicapped c/o Rehabilitation Division, Labour and Welfare Bureau, 11/F, West Wing, Central Government Offices, 2 Tim Mei Avenue, Tamar, Hong Kong.

11. To facilitate processing your application, please **send the signed hardcopy of the duly completed application form and supporting documents to the Council Secretariat of the Foundation by registered mail,**

as well as the softcopy of the full set of documents by email (qefmh@lwb.gov.hk). The closing date for submission of applications is **10 January 2025**.

Approving Authority and Assessment Criteria

12. The authority to approve an application rests with the Council of the Foundation.

13. While application will be considered on its individual merits, the following guiding principles will be applied –

- (i) Projects with the following themes would be accorded a higher priority:
 - (a) Projects to strengthen early identification/ intervention and to enhance learning experience;
 - (b) Projects to maximise development potential to enhance employment opportunities, independent living skills and maximise potential through participation in arts and sports; and
 - (c) Projects to promote health awareness to alleviate early onset of ageing and other health-related problems as well as achieve positive and active ageing;
- (ii) Projects involving recurrent expenses or purchase of air-conditioners, rehabuses or items that could be funded by Government's subvention and/ or other funding sources would be accorded a lower priority;
- (iii) Activities to be held outside Hong Kong will not be considered;
- (iv) Projects for target beneficiaries who acquire intellectual disability or loss of cognitive ability due to degenerative changes (such as dementia), or caused by head injury, etc., instead of being medically diagnosed to be having intellectual disability since childhood, will not be considered; and
- (v) For applications with requested funding amount exceeding \$200,000, applicants should include the elements of "Sustainability" and "Dissemination" in the application, such as feasible plans to sustain the key activities after completion of the project and the deliverables/ expected outcomes of the project which should have good value for sharing and/ or should have high potential to benefit a wider reach of the community through various means.

Approval of Allocation

14. The time required for processing the applications will vary depending on the number of applications received and the complexity of the applications. Hence, organisations are advised to exercise flexibility in designing the project schedule. **The Council of the Foundation will inform applicants of the application results in writing around end of March 2025. Applicants should not make any financial commitment for their projects before their applications are approved. The applicant should bear all responsibilities for any financial commitment made without the approval of the Council of the Foundation.**

15. Grantees will receive an approval letter, which specifies the approved funding amounts for each approved expenditure item. The grantee will be required to sign an undertaking to ensure, among other things, the grant must be used specifically for the purpose(s) and within the scope as approved by the Council of the Foundation and that it will comply with all the additional terms and conditions set forth by the Council of the Foundation.

16. Recurrent grant for a project will be given for a period **NOT** exceeding two years. The organisation should explore other funding source(s) to meet the cost of recurrent expenditure beyond the two-year period.

17. Application for supplementary funding provision to cover unforeseen expenditure will **NOT** be entertained.

18. Grantees should implement the projects according to the application as approved by the Council of the Foundation. **Approval from the Council is required** for any changes in project items and/ or deliverables; otherwise the expenses on items or deliverables concerned cannot be reimbursed. Variation of approved estimates of individual items of a project is not allowed unless with prior approval of the Council of the Foundation. In any case, the total expenditure of the project after variation should not exceed the total amount of grant originally approved.

19. After funding approval, any increase in expenses on the project or purchase of related equipment or items due to inflation will be borne by the grantee.

20. Prior approval of the Council of the Foundation is required if the grantee wishes to name the project after a sponsor. The person to be named after is normally required to sponsor a sum of the project cost to be agreed by the Council of the Foundation.

21. An application being named after a person should contain the following information -

- (i) name of the person to be named after;
- (ii) his (her) contribution to the project or to the organisation;
- (iii) his (her) and his (her) spouse's industry or profession; and
- (iv) their past and present involvement in community affairs and welfare services.

22. If the project is to be named after a deceased person, the information mentioned in para. 21 is still required.

Payment of Grant

23. Payment of a grant will be effected in the form of crossed cheques made payable to the grantee. If a project is not completely funded by the Foundation, the grantee should first exhaust its contributions from other sources before utilising the funding from the Foundation.

“General Support Scheme”

24. The approved grants will be disbursed by two instalments. The first instalment amounting to half of the approved grant will be disbursed before the commencement of the project for covering the start-up cost, and the final payment, being the second half of the grant, will be disbursed on a reimbursement basis upon completion of the project, subject to the satisfactory submission of the duly certified **original** invoices and receipts covering the cost for the whole project. This notwithstanding, if the grantee encounter financial difficulties, upon written request, favourable consideration may be given to effect the second payment in advance to facilitate the completion of the project. (In case of a grant to support a recurrent expenses to run a project with project duration longer than one year, the same arrangement will apply; the second instalment being disbursed on a reimbursement basis after the completion of the project.)

“Scheme to Support Persons with Intellectual Disability for Independent Living Facilities” and “Scheme to Support Aged Persons with Intellectual Disability”

25. For “Scheme to Support Persons with Intellectual Disability for Independent Living Facilities” and “Scheme to Support Aged Persons with Intellectual Disability”, full amount of the grant will be disbursed in advance to the grantee.

Use of the Grant

26. The grantee should ensure that the grant is utilised in a judicious manner and avoid wastage. Grantees should follow clause (1) of procurement guidelines² to obtain quotations from various suppliers for reference. Grantees should also adopt internal control measures to execute clause (2) of the procurement guidelines to effectively monitor and handle the items procured. Grantees should keep detailed accounting records and supporting documents (e.g. payroll disbursement records, relevant bank statements, quotations and/ or tender documents (where appropriate), inventory records of items procured with this grant, etc.) for at least seven years after completion of the project (counting from the date of project completion) as evidence to show how the grant was used. For the procurement of stores or services, the lowest conforming tender/ quotation should normally be accepted. Failing to do so may result in queries from the Council of the Foundation or the Director of Audit. The Council of the Foundation and the Audit Commission of the Hong Kong Special Administrative Region reserve the right to audit the financial accounts and operational matters of the project in the course of project implementation as well as after project completion, and to conduct site inspection.

27. No matter whether the organisation has declared income sources apart from the grant in the application form, grantee **should first make use of that income** to pay for project expenses before using the project grant. Moreover, grantees should record all related income and hand in the records together with the detailed project report.

28. The grantee is required to promptly return any unspent balance (including interest, if any, earned from the approved grant) to the Council of the Foundation.

29. Appropriate acknowledgement of the funding approved by the Foundation should be made by the grantee in the implementation of the project. Such related expenses should be borne by the grantee.

30. If the grantee is successful in obtaining subvention for the project from the Government at a later date, the organisation is required to promptly return any unspent balance (including interest, if any, earned from the approved grant) to the Council of the Foundation.

31. For capital item(s) purchased with a funding approved by the Council of the Foundation, the applicant should be responsible for its future maintenance and repair.

² Can be downloaded at : <https://www.lwb.gov.hk/en/advisory/qef.html>

32. Grantee should procure insurance from registered insurance companies in the Hong Kong Special Administrative Region (e.g. public liability insurance, accident and travel insurance, etc.).

33. Grantee should formulate appropriate policy and measures to prevent conflicts of interests arising from the monitoring of funding. Grantees should draw reference from “Strengthening Integrity and Accountability - Government Funding Schemes Grantee’s Guidebook” and “Best Practice Checklist in Governance and Internal Control in Non-Governmental Organisations” published by the Independent Commission Against Corruption, which can be retrieved at : https://cpas.icac.hk/EN/Info/Lib_Index?cate_id=3

Completion of the Project

34. Grantee must commence the project within three months from the date of approval of the grant. Within **two months** after the completion of the project, the grantee must submit a full report with a statement of accounts (i.e. Final Report and Statement of Income and Expenditure Form³) enclosed with the **original** invoices and receipts⁴ duly certified by the Head/ Honorary Secretary/ Treasurer of the Organisation to the Council of the Foundation for audit and evaluation. For a project which runs for more than one year, the grantee must submit an annual progress report to the Council of the Foundation after one year of the implementation of the project.

35. If a grant is approved for capital item(s), the grantee must kick-off the procurement procedures within three months from the date of receipt of the first half of the grant (the second instalment may be disbursed if necessary upon submission of the relevant purchasing order), and submit a detailed report enclosed with the statement of accounts (i.e. Final Report and Statement of Income and Expenditure Form)³ and the **original** invoices and receipts⁴ duly certified by the Head/ Honorary Secretary/ Treasurer of the Organisation to the Council of the Foundation two months after project completion or upon request by the Council for audit and evaluation; **any unspent balance should be promptly returned to the Council of the Foundation. For a project which runs for more than one year, the grantee must submit an annual progress report³ to the Council of the Foundation after one year of the implementation of the project.**

36. **With effect from 2024/25, for projects with total approved funding amount above \$100,000**, the grantee should submit an auditor’s report with the

³ Can be downloaded at : <https://www.lwb.gov.hk/en/advisory/qef.html>

⁴ Original invoices and receipts should be signed by Head of Organisation or the authorised person, together with the organisation stamp and stated “certified correct”. The name and specimen signature of the verifying officer should be the same as that in the application form.

accounts audited by an independent Certified Public Accountant (“CPA”), including –

(a) an agreed-upon procedures report

- the specific procedures mentioned at **Annex I** in items (1) to (3) of the first paragraph under “Procedures and Findings” and the relevant report findings in items (a) to (c) of the subsequent paragraph **must be included and should not be amended**;
- The grantee may choose not to submit receipts and other proofs of payment in support of its statement of accounts and the auditor’s report. In that case, under “Procedures and Findings”, **version (i) of item (3) of the first paragraph must be selected** and version (ii) of item (3) must be deleted; and **version (i) of item (c) of the second paragraph must be selected** and version (ii) of item (c) must be deleted. Otherwise (i.e. selecting version (ii) of item (3) of the first paragraph and version (ii) of item (c) of the second paragraph), all original receipts and other proofs of payment should be enclosed with the full report and statement of accounts; and

(b) an income and expenditure statement (an illustrative example at **Appendix to Annex I**) and, if applicable, a Balance Sheet, Cash-flow Statement and Notes to the Accounts.

Important Notes

37. The grantee must comply with regulations related to safeguarding national security, conduct national security risk assessment on project deliverables and adopt appropriate preventive and emergencies responsive measures. The Council of the Foundation may immediately terminate the project upon the occurrence of any of the following events –

- (i) the grantee has engaged or is engaging in acts or activities that are likely to constitute or cause the occurrence of offences endangering national security or which would otherwise be contrary to the interest of national security;
- (ii) the continued engagement of the grantee or the continued performance of the grantee is contrary to the interest of national security; or
- (iii) the Council of the Foundation reasonably believes that any of the events mentioned above is about to occur.

38. The approval letter granted by the Council of the Foundation does not confer or appear to confer any benefits or rights to any third party, allowing them to enforce any provisions within the approval letter under the Contracts (Rights of Third Parties) Ordinance (Cap. 623).

39. Any activities or items produced using the project grants (including printed materials, audio-visual materials, sound recordings, images, written materials, and publicity materials) should not contain content that may incite hatred against any person, group, or community, and/ or be defamatory or insulting; nor should they violate the current laws, regulations, or ordinances of the Hong Kong Special Administrative Region (SAR). They should not harm the reputation of the Hong Kong SAR government or any other governments, affect the relations between the Hong Kong SAR government and other governments, or cause embarrassment to the Hong Kong SAR government or other governments. Grantees should comply with all applicable laws in Hong Kong when implementing projects and ensure that activities (including produced items) under the funded projects comply with Hong Kong laws; otherwise, they may be prosecuted.

40. If the grantee fails to comply with the funding terms and conditions outlined in this guide (including any additional conditions provided in writing by the Council of the Foundation), their funding may be revoked, and they may be required to return any amounts that have been advanced or disbursed.

Enquiries

41. For enquiry, please contact Ms Linda POON of the Council Secretariat of the Foundation on 2810 3831.

Council Secretariat
Queen Elizabeth Foundation for the Mentally Handicapped
December 2024

SPECIMEN

**Report of an Agreed-Upon Procedures Engagement
Conducted by a Certified Public Accountant (Practising)
or a Corporate Practice within the Meaning of
the Professional Accountants Ordinance (Chapter 50)**

AGREED-UPON PROCEDURES REPORT

To: The Government of the Hong Kong Special Administrative Region (the HKSAR Government), the Council of the Queen Elizabeth Foundation for the Mentally Handicapped and [*Name of the grantee*]

Purpose of this Agreed-Upon Procedures Report and Restriction on Use and Distribution

Our report is solely for the purpose of assisting [*Name of the grantee*] in satisfying the requirement to report the income and expenditure in respect of the funded project [*Title of project*] for the period from [*Project commencement date*] to [*Project completion date*] as per the conditions stated in the approval letter reference [*Reference no. of the approval letter*] dated [*Date of issuance*], issued by the Council of the Queen Elizabeth Foundation for the Mentally Handicapped (Council) and may not be suitable for another purpose.

This report is intended solely for [*Name of the grantee*], the HKSAR Government and the Council and should not be used by, or distributed to, any other parties.

Responsibilities of the Engaging Party

[*Name of the grantee*] has acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement.

[*Name of the grantee*] is responsible for the subject matter on which the agreed-upon procedures are performed.

Practitioner's Responsibilities

We have conducted the agreed-upon procedures engagement in accordance with the Hong Kong Standard on Related Services (HKSRS) 4400 (Revised), *Agreed-Upon Procedures Engagements*. An agreed-upon procedures engagement involves our performing the procedures that have been agreed with [*Name of the grantee*], and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness of the agreed-upon procedures.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion.

Had we performed additional procedures, other matters might have come to our attention that would have been reported.

Professional Ethics and Quality Management

We have complied with the ethical requirements in [*describe the relevant ethical requirements*] issued by the Hong Kong Institute of Certified Public Accountants and the independence requirements in accordance with [*describe the relevant independence requirements*] issued by the Hong Kong Institute of Certified Public Accountants.

Our firm applies Hong Kong Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Procedures and Findings

We have performed the procedures described below, which were agreed upon with [*Name of the grantee*] in the terms of engagement dated [*Date*].

- (1) We checked the additions of the Income and Expenditure Statement, and compared the items with the balances in the books and records prepared by [*Name of the grantee*] as at [*Date*].

- (2) We obtained and checked the calculations of the details of income / expenditure items and compared the balances to the supporting documents.
- (3) (i) We checked the expenses incurred in the project with regard to the “Guide to Application for a Grant from the Queen Elizabeth Foundation for the Mentally Handicapped” (Funding Application Guide) imposed by the Council. **Or** ^(Note 1)
 - (ii) We compared the expenditure items to the limit of expenditure items to be met by the Queen Elizabeth Foundation for the Mentally Handicapped.

We report our findings below:

- (a) With respect to item 1, we found the Income and Expenditure Statement is in agreement with the books and records made available to us.
- (b) With respect to item 2, we found the amounts of income and expenditure items are in accord with the supporting documents.
- (c) (i) With respect to item 3, we found the expenditure items are in compliance with the Funding Application Guide imposed by the Council. **Or** ^(Note 1)
 - (ii) With respect to item 3, we found the expenditure items are all permissible items of expenditure.

[Practitioner’s signature]

[Date of practitioner’s report]

[Practitioner’s address]

Notes:

- 1. Grantees must select version (i) in case they choose not to submit receipts in support of their statement of accounts and auditor’s reports.
- 2. The specific procedures mentioned in items (1) to (3) of the first paragraph under “Procedures and Findings” and the relevant report findings in items (a) to (c) of the subsequent paragraph **must be included and should not be amended**.
- 3. The practitioner is advised to follow the prevailing requirements of the Hong Kong Institute of Certified Public Accountants (website: <https://www.hkicpa.org.hk/>) in preparing this report.

(Illustrative Example)

[Name of Grantee]
Queen Elizabeth Foundation for the Mentally Handicapped
 [Title of Project]

Income and Expenditure Statement

For the period from [Project commencement date] to [Project completion date]

	Amount (£)	
(1) Income		
1. Amount of 1 st payment received		
2. Activities fare		
3. Interest income		
4. Other income received		
5. Other donation spent on this project		
Total Income		
	Approved Amount¹ (£)	Actual Amount (£)
(2) Expenditure		
[Please list out all approved items/sub-items specified in the approved budget]		
Total Expenditure		
Surplus / (Deficit) for the Period		
(= Total Income - Total Expenditure)		

¹ If approval has been obtained from the Council of the Queen Elizabeth Foundation for the Mentally Handicapped for adjustment to the approved amount of an expenditure item, please fill in the revised amount.

Grant from Queen Elizabeth Foundation for the Mentally Handicapped

Limits of Expenditure Items¹

Items	Limits of Expenditure (\$)
1. Transportation	
1.1 Hire of coach (for participants only)	960 (single trip) 2,200 (round trip)
2. Honorarium	
2.1 Tutor/ speaker fee	600 per hour per person
2.2 Tutor / speaker fee for healthcare and allied healthcare professionals ²	1,200 per hour per person
2.3 Subsidies for volunteers	50 per person per day
2.4 Transport subsidy for volunteers	50 per person per day
3. Meal Allowance	
3.1 Lunch	40 per person
3.2 Dinner	60 per person
4. Souvenirs	
4.1 For guest of honour ³	100 per person per piece
5. Hiring Service from a Certified Public Accountant (CPA)	
5.1 For projects with total approved funding amount above \$100,000, the grantee shall submit, in conjunction with the project final report and statement of income and expenditure form, an auditor's report with the accounts audited by an independent CPA. The cost of preparing the auditor's report	2% of the total approved funding amount

- 1 The Council of the Queen Elizabeth Fund for the Mentally Handicapped (QEFMH) will make reference to the expenditure limits and the quotations provided by the applicant organisations etc. and consider applications based on individual merits.
- 2 Healthcare and allied healthcare professionals include doctor, nurse, psychologist, dietitian, speech therapist, occupational therapist and physiotherapist.
- 3 The cost of souvenirs should be minimised.

Items	Limits of Expenditure (\$)
should be included in the proposed budget for the Council's consideration.	