



社會福利署

Social Welfare Department

*By Email Only*

Our Ref. : SWD LFPS/22/69/159A/65  
Tel. No. : 2832 4329/ 2832 4332  
Fax No. : 2151 0573

18 December 2023

Chairpersons / Heads of non-governmental organisations providing subvented welfare services

Dear Sir / Madam,

### **Invitation to Application for the Lotteries Fund**

#### **Block Grant for Replenishment of Furniture and Equipment and Minor Works in Respect of Existing Premises Providing Subvented Welfare Services for 2024-25**

You are invited to apply for the Block Grant (BG) for replenishment of furniture and equipment (F&E) and minor works in respect of existing premises providing subvented welfare services for 2024-25.

#### Background

The allocation of BG is an annual exercise which aims to meet the costs of routine replenishment of F&E and minor works in respect of subvented services operated by non-governmental organisations (NGOs) to maintain the physical environment of welfare service units in decent conditions. In March 2009, the Lotteries Fund Advisory Committee (LFAC) supported the recommendation of the Lump Sum Grant Independent Review Committee that BG allocation for each NGO be set at a sum equal to 1.5% of its recurrent subventions. To streamline the application procedures, there is no need to include an item-by-item breakdown in the application.

#### BG for 2024-25

If you would like to apply for BG for 2024-25, please complete and submit the application form at **Annex 1 on or before 5 January 2024 (Friday)**.

The BG will be disbursed to successful NGOs in equal instalments on a quarterly basis within the financial year. NGOs shall make use of the allocations within the BG ambit and the pre-set parameters as set out in Chapter 4 of the Lotteries Fund (LF) Manual (January 2022). The use of BG is subject to payment and control procedures as well as monitoring measures set out in the LF Manual. For your easy reference, the main conditions pertaining to the use of BG are set out in **Annex 2**. NGOs are required to set up and implement appropriate control and monitoring systems.

### Acknowledgement of LF Grant

To publicise the welfare aspect of the LF, beneficiary NGOs are required to make general acknowledgement in the annual report of the financial support they receive from the LF. If you wish to apply for exemption from making acknowledgement on very exceptional grounds, please refer to paragraph 7.2.6 of the LF Manual (January 2022). A separate application should be submitted for seeking exemption, if necessary, together with the application form for BG.

### Submission of Applications

Please return the application forms for 2024-25 BG by fax (Fax Number: **2151 0573**) or by hand / post on or before **5 January 2024 (Friday)** to -

Lotteries Fund Projects Section  
Social Welfare Department  
Room 3601-02, 36/F  
Dah Sing Financial Centre  
248 Queen's Road East  
Wan Chai  
Hong Kong

Please note that **late applications will not be accepted.**

When processing the BG applications, we will check the audited annual financial statements of NGOs for the year ending 31 March 2023. If the related documents of an organisation are outstanding, we may not process its BG application for 2024-25. Furthermore, SWD may withhold the quarterly disbursement of BG for 2023-24 and reserve the right to claw back the allocated BG.



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For enquiries concerning the BG application for 2024-25, please contact the officers of the Lotteries Fund Projects Section listed at **Annex 3**.

Yours faithfully,

( Ms Emily HO )  
for Director of Social Welfare

Enclosures

- Annex 1** Application Form for BG for 2024-25
- Annex 2** Conditions Pertaining to the Use of BG for 2024-25
- Annex 3** Contact Officers of the Lotteries Fund Projects Section

To: Director of Social Welfare (Fax No.: 2151 0573)

Application Deadline: **5 January 2024 (Friday)**

(If you wish to submit your application by hand or post, please send this application form to the Lotteries Fund Projects Section, Social Welfare Department, Room 3601-02, 36/F, Dah Sing Financial Centre, 248 Queen's Road East, Wan Chai, Hong Kong.)

**Application for the Lotteries Fund (LF) –  
Block Grant (BG) for 2024-25**

**A) General Information:**

1	Name of Non-governmental Organisation (NGO)	
2	Contact Information	
	(a) Address of the Headquarters / Central Administration Office	
	(b) Telephone Number	
	(c) Fax Number	
	(d) E-mail Address	
3	Unspent Balance of BG Allocation (as at 31 March 2023)	
4	Contact Person	
	(a) Name	
	(b) Post	
	(c) Telephone Number	
	(d) E-mail Address	

**B) Application (Please put a "✓" in the box as appropriate):**

I hereby apply for BG for 2024-25.

In making the above application, I confirm that

- I have read and understood the LF Manual (January 2022) and the provisions as stipulated in the Social Welfare Department (SWD)'s invitation letter dated 18 December 2023; and
- I will utilise the BG within the ambit as stipulated in paragraphs 4.2 and 4.3 of the LF Manual (January 2022) and in accordance with the conditions pertaining to the use of BG as set out in Annex 2 of SWD's invitation letter dated 18 December 2023.

I do not apply for BG for 2024-25. Reason(s) is / are as follows –

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**Please stamp official seal below:**

Signature: \_\_\_\_\_

Name of Chairperson/  
Head of Organisation: \_\_\_\_\_

Date: \_\_\_\_\_

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**Conditions Pertaining to the Use of Block Grant (BG) for  
Replenishment of Furniture and Equipment (F&E) and  
Minor Works for Existing Premises Providing  
Subvented Welfare Services for 2024-25**

Non-governmental organisations (NGOs) are required to observe all the conditions and requirements as stipulated in Chapter 1 (on general issues), Chapter 4 (on ambit and eligibility, allocation, payment and control), Chapter 6 (on procurement and stores management) and Chapter 7 (on acknowledgement) of the Lotteries Fund (LF) Manual (January 2022) when utilising BG. BG **should not** be used for items outside the ambit as set out in paragraph 4.2.1 to 4.2.7 of the LF Manual.

2. NGOs are particularly reminded that the following items or scopes of expenses **should not** be charged to BG –

- a) service units not under the subventions of the Social Welfare Department (SWD) (including child care centres converted to kindergartens or kindergarten-cum-child care centres from 1 September 2005 onwards);
- b) service units to be closed down or no longer subvented within the next three years (i.e. during 2024-25 to 2026-27);
- c) works of service units which are scheduled to be reprovisioned within the next three years (i.e. during 2024-25 to 2026-27);
- d) services obtained by NGOs through contracting with SWD that are not governed by subvention rules;
- e) recurrent expenses or their capitalisation such as repair and maintenance of F&E items, e.g. air-conditioners, washing machine and drying machine, maintenance of gas / fire services installations;
- f) minor works / F&E items which have been covered by recently approved LF grants or LF applications under vetting;
- g) works in respect of non-premises-tied service units, such as Occasional Child Care Service, Supported Team for the Elderly, Integrated Programme for Mildly Disabled Children, Supported Employment Programme, etc.;
- h) minor works project each costing **\$500,000 or above** for individual service unit;
- i) minor works for premises fitted out or renovated within the recent five years (i.e. during 2019-20 to 2023-24) counting from the practical completion date;
- j) fitting-out works for new / reprovisioned premises or in-situ expansion;



- k) conversion of the existing premises as a result of in-situ expansion or addition / reduction of space provided for the existing service unit;
- l) engineer slope investigation / remedial works;
- m) non-standard works items such as changing the schedule of accommodation without prior approval of SWD;
- n) F&E items each **exceeding \$50,000**;
- o) F&E items falling outside the categories on the Reference F&E Lists for respective subvented service units;
- p) F&E items which have been purchased with allocations from LF within the recent five years (i.e. during 2019-20 to 2023-24);
- q) ad-hoc F&E requirements for new / reprovisioned premises or in-situ expansion;
- r) procurement / replacement of vehicles; and
- s) implementation of information technology (IT) projects, such as enhancement / development / re-development of IT infrastructure / system.

The onus of ensuring BG to be spent on items within the ambit rests solely with NGOs. SWD may conduct surprise audit of NGOs' accounts and random check to ensure their compliance with the requirements stipulated in the Approval Letter and LF Manual (January 2022).

3. New arrangements for procurement of F&E with the use of the LF have been implemented starting from 1 August 2015. NGOs may use their BG allocated for replenishment of F&E of their existing premises providing SWD-subvented services according to the categories on the latest Reference F&E Lists. NGOs wishing to purchase F&E items falling outside the categories on the Reference F&E Lists should provide justifications for SWD's consideration and the purchase should only be made after approval by SWD.

4. NGOs will have to absorb any additional recurrent expenditure arising from the use of BG. Neither SWD nor the LF would accept any liability, recurrent or capital, arising therefrom, including but not limited to any subsequent replacement of above-standard / non-standard items or the additional recurrent requirements arising from the use of such items.

5. Unspent balance of BG in any year may be carried forward to the next financial year for use for the same purpose. NGOs should keep any unspent balance of BG allocation in a separate interest-bearing Hong Kong Dollars account with a bank licensed in Hong Kong. The interest generated may be utilised as part of the grant. Any excess of expenditure will be borne by NGOs by using their own funds.

6. For accounting purpose, NGOs should create a special account on “Movement of the F&E Replenishment and Minor Works BG Reserve” to record the details of these transactions. In addition, these details and any unspent balance of the account should be shown in the NGOs’ audited annual financial statements for the year ending 31 March 2025 which should be submitted to the Finance Branch of SWD **no later than 31 October 2025**.

7. NGOs should attach to the audited financial statements submitted to the Finance Branch of SWD a designated pro forma entitled “Details of the Use of F&E Replenishment and Minor Works BG”, in both hard and soft copies, providing information on the way the BG has been spent within the financial year. The total amount of the expenditure should tally with the figure in the audited financial statements of accounts. The statements should be certified by the Head of the NGO and the Chairperson of the NGO’s Board of Directors.

8. NGOs will receive the template of the “Movement of the F&E Replenishment and Minor Works BG Reserve” and the pro forma entitled “Details of the Use of F&E Replenishment and Minor Works BG” when they are informed of the BG allocations.

9. In the event of late submissions of financial reports as mentioned in paragraphs 6 and 7 above, SWD may withhold the quarterly disbursement of BG for the current financial year and/or reserve the right to retrieve the allocated BG from the NGO. Subsequent BG applications of the NGO may also be rejected.

**Contact Officers of the Lotteries Fund Projects Section**

<b><u>Name</u></b>	<b><u>Post</u></b>	<b><u>Telephone Number</u></b>	<b><u>Email Address</u></b>
Ms Priscilla WONG	Social Work Officer (Lotteries Fund) 2	2832 4340	slf2@swd.gov.hk
Miss Eunice YUEN	Executive Officer II (Lotteries Fund) 3	2832 4376	eoilf3@swd.gov.hk
Miss Victoria CHAN	Executive Officer II (Lotteries Fund) 4	2116 5347	eoilf4@swd.gov.hk
Eddy LEONG	Executive Officer II (Lotteries Fund) 6	2832 4332	eoilf6@swd.gov.hk