



行業榮譽贊助

# 如何取得 香港政府 支援資助 #1



香港會員免費參加網絡研討會  
**2020年5月22日 | 星期五**  
**16:00** 香港時間



## How to Access HK Government Support in COVID-19 times

Nick Cheng  
Senior Consultant, Fresh Accounting  
Jacky Cheng  
Consultant, Fresh Accounting





## Overview

- SME Loan Guarantee Scheme
- SME Export Marketing Fund
- BUD Marketing Fund
- Employment Support Scheme
- Business Distance Programme
- About Fresh Accounting







## So what is SMS Loan Guarantee Scheme?

- Loan to guarantee to small and medium enterprises (SMEs) to help secure loans from the participating lending institutions (PLIs) for acquiring business installations and equipment or meeting working capital needs of general business uses.
- 39 lending institutions in total are enrolled to the lending list, including HSBC, Public Bank (大眾銀行)





## What can the business acquire with the loan?

- Installations or equipment relating to the applicant's business operation, including:
- Machinery, tools, computer software and hardware, communication systems, office equipment, transport facilities, furniture and fixtures
- The installations and equipment may be located outside of Hong Kong
- The loans can also be used for acquiring second-hand installations and equipment





## Besides acquiring hardware and software, what else can the business do with the loan?

- Meeting working capital needs of general business uses
- Day to day operation, paying salaries

### Note:

- The loans should be repaid to the PLI by instalments
- The first instalment should take place not later than six months after the loan has been activated
- The repayment interval between subsequent instalments should not exceed three months





## Who can apply for guarantee under SMS Loan Guarantee Scheme?

- Registered business in HK with substantive business operation. (Note: A business holding a shell business registration or having most of its main business operation outside Hong Kong will not be regarded as having substantive local business operation)
- SME under the definition of the Government of HKSAR (Definition of SME: Employs fewer than 50 persons in Hong Kong)
- Not an associate of the lender (The 39 lending institutions)
- Not carrying on the business of a lender







## What is SME Export Marketing Fund (EMF)?

- Aim to encourage SMEs to expand their markets outside Hong Kong by providing financial assistance for participation in export promotion activities.
- It includes :
  - Trade fairs/exhibitions and business missions outside Hong Kong
  - Local trade fairs/exhibitions which mainly target at markets outside Hong Kong,
  - Placing advertisements on trade publications which mainly target at markets outside Hong Kong
  - Export promotion activities (such as placing advertisement, keyword search, listing product information, setting up or enhancing online shop, participating in virtual exhibitions, etc) which are conducted through electronic platforms/media and which mainly target at markets outside Hong Kong





## Who can apply for SME Export Marketing Fund (EMF)?

- Registered business in HK with substantive business operation. (Note: A business holding a shell business registration or having most of its main business operation outside Hong Kong will not be regarded as having substantive local business operation)
- SME under the definition of the Government of HKSAR (Definition of SME: Employs fewer than 50 persons in Hong Kong)

### Note:

- If it has previously received funding support under EMF, the cumulative amount of funding received must not exceed the prevailing cumulative funding ceiling. Applicant enterprises which have similar business registration details (e.g. nature of business, address, contact numbers, shareholder/directorship) will be treated as connected enterprises.
- It must not be the organiser/co-organiser/service provider or a related company of the organiser/co-organiser/service provider of the export promotion activity and the related services covered by the application.





## What is BUD Marketing Fund?

- Any projects falling within the scope of the Programme
- Programme is:
  - ✓ Branding
  - ✓ Upgrading and restructuring
  - ✓ Promoting sales that assist enterprises in enhancing their competitiveness and facilitating their business development in the FTA Markets
- The project can be either holistic business plan or implementation of specific measures



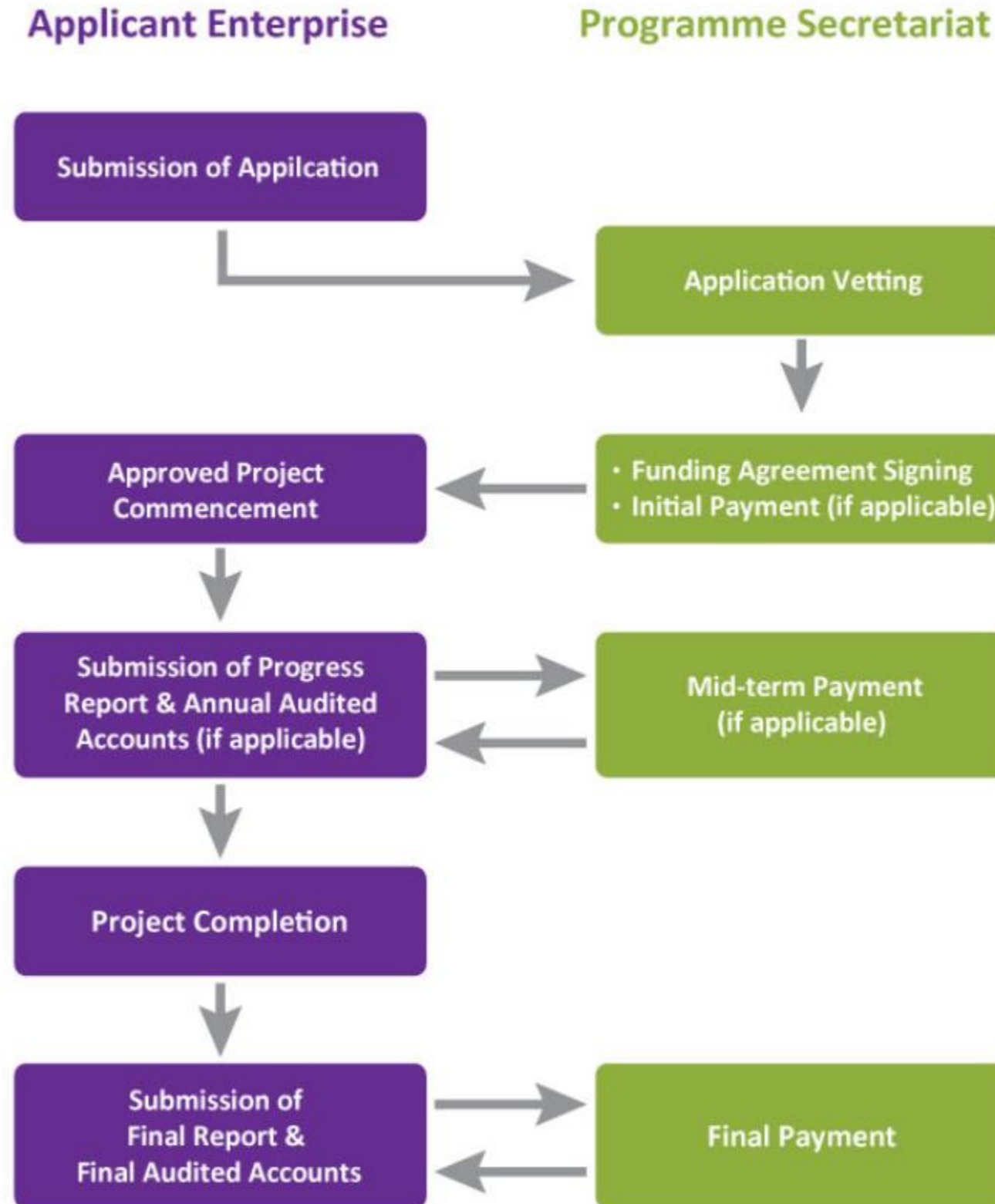
# Eligibility & Application

<b>Eligibility</b>	All non-listed enterprises registered in Hong Kong under the Business Registration Ordinance (Chapter 310) with substantive business operations in Hong Kong are eligible to apply
<b>Funding ceiling per project</b>	HK \$1 million
<b>Cumulative funding ceiling per enterprise</b>	Maximum number of approved projects is 40 and the cumulative funding ceiling per enterprise is \$4,000,000, which is the total cumulative funding ceiling of the Scheme ("Mainland Programme" and "FTA Programme") per enterprise. <i>* Effective since 9 April 2020.</i>
<b>Disbursement of Funds (Applicant enterprise can select either method [1] or [2])</b>	Applicant enterprise can select either method [1] - Initial Payment required or [2] - Initial Payment not required to submit application. <b>For details of the funding arrangements and financial management, including the personal guarantee arrangement, please refer to paragraph 5 of the "Guide to Application (Mainland Programme)".</b>
<b>Project Duration</b>	Maximum of 24 months. Project with duration over 18 months and up to 24 months requires one progress report and annual audited accounts for the first 12 - month period.





## Application Process & Disbursement of Fund





## What is Employment Support Scheme?

- The HKSAR Government has launched the “Employment Support Scheme” (ESS) under the second round of the “Anti-epidemic Fund” to provide time-limited financial support to employers to retain employees who may otherwise be made redundant.

Note:

- Eligible employers participating in ESS will be required to provide an undertaking:
  - ✓ Not to make redundancies during the subsidy period
  - ✓ To spend all the wage subsidies on paying wages to the employees





## Who can apply for Employment Support Scheme?

- With the exception of ineligible employers (see below), all employers who have been participating in MPF schemes (including Master Trust Schemes and Industry Schemes) will be eligible to apply for wage subsidies in respect of the following categories of employees:
  - ✓ “regular employees” under the Master Trust Schemes and Industry Schemes for whom MPF mandatory contributions have been made by their employers;
  - ✓ employees aged 65 or above under the Master Trust Schemes and Industry Schemes.
- The MPF accounts of employers and employees should have been set up on or before 31 March 2020 (i.e. cannot be backdated to that date or any earlier dates). In other words, employers and employees with MPF accounts set up on or after 1 April 2020 will not be eligible.





## What if I am self-employed?

- Self-employed persons who have set up an MPF account on or before 31 March 2020 (i.e. cannot be backdated to that date or any earlier dates), which has not been terminated as of 31 March 2020 are eligible for ESS
- If the same self-employed person has more than one MPF account, he/she may only apply once for a one-off lump-sum subsidy of \$7,500 under ESS







## How is the subsidies calculated?

- Employers applying for the first tranche of subsidies under ESS can nominate any one month between December 2019 and March 2020 as the “specified month”. The amount of wage subsidies will be calculated on the basis of the number of employees and their respective wages in the “specified month”

### **Regular employees" aged between 18 and 64**

The amount of wage subsidies will be calculated based on 50% of the actual wages paid to each “regular employee” aged 18-64 in the “specified month”, with a wage cap at \$18,000 per month. The maximum wage subsidy per employee is \$9,000 per month

### **Employees aged 65 or above**

If employers have provided information on the basic salaries of employees aged 65 or above when making MPF voluntary contributions for them, the amount of wage subsidies will be calculated based on 50% of the basic salaries actually paid to the relevant employees in the “specified month”.

If employers have not provided information on the basic salaries of individual employees when making MPF voluntary contributions for them, the amount of wage subsidies will be calculated by multiplying the amount of employers’ voluntary contribution for the relevant employees in the “specified month” by 10 times, with a cap at \$9,000 per month per employee.





## Application period

- Online applications for the first tranche of subsidies will open from 25 May to 14 June 2020. It is expected that most employers will receive the wage subsidy in three to four weeks after application, which can subsidise their payment of staff wages from June to August 2020. For applications involving ORSO schemes, a longer processing time may be required.
- ✓ Self-employed Persons
- Online application for self-employed persons will open from 25 May to 14 June 2020, and the one-off lump sum subsidy will be disbursed in three to four weeks after application.





## What if redundancies is made during the subsidised period?

- Penalties will be applied:

$$\text{Subsidies received for a particular month (\$)} \times \text{Headcount reduction percentage (\%)} \times \text{Penalty percentage (\%)}$$

$$\text{Headcount reduction percentage (\%)} = \frac{\text{Total no. of paid and unpaid staff (as of March 2020)} - \text{Total no. of paid staff in a particular month}}{\text{Total no. of paid and unpaid staff (as of March 2020)}} \times 100\%$$

The penalty percentage is determined by the employer's total number of employees (whether paid or unpaid) in March 2020, viz, the larger the number of employees, the higher the penalty percentage. Details are set out below:

Total number of employees in March 2020 (whether paid or unpaid)	Penalty Percentage
Less than 10	10%
10 - 49	20%
50 - 99	40%
100 - 499	60%
500 or more	80%





## What is Distance Business Programme?

- Remote working or service has become a new trend against the backdrop of the epidemic
- Distance Business (D-Biz) Programme to support enterprises to continue their business and services during the epidemic, the Programme provides funding support through fast-track processing for enterprises to adopt IT solutions for developing distance business
- For each IT solution and the relevant training expenses for the employees, the funding ceiling is HK\$100,000 (with funding for the relevant training expenses capped at 10 per cent of the IT solution cost). Each enterprise may receive total funding of up to HK\$300,000 to undertake a project to be completed within six months
- An enterprise will be disbursed a payment of 30% of the funding amount after the application has been approved. Upon completion of the project and after the supporting documents are accepted, the remaining funding amount will be disbursed to the enterprise





## Funding scope : 12 funding categories

1. Online business (Promoting goods and services using subscription based or custom-built e-commerce platform)
2. Online order taking and delivery, and smart self-service systems (For consumers to place orders of goods or services)
3. Online customer services and engagement (Order placements, reservations, appointment bookings, distance learning facilities)
4. Digital customer experience enhancement (improve customer service experience and engagement, such as AR, VR or round the clock customer service)
5. Digital payment/mobile point of sale ( 1- 5 Contact Miles from storeganise)
6. Online/cloud based financial management systems (such as Xero)
7. Online/cloud-based human resources management systems (such as Talenox)
8. Remote document management, cloud storage and remote access services (such as remote desktop control and VPA)
9. Virtual meeting and conference tools (such as audio and video communication, content sharing and Q&A)
10. Virtual team management and communication (such as instant messaging, video and voice calls and document sharing)
11. Cybersecurity (such as data encryption, firewall and anti-virus)
12. Other online/custom built/cloud-based business support system (Enabling enterprises to conduct and continue business remotely but do not fit into the above categories, such as full ERP)





## Application period

- Application is open from 9 am on 18 May 2020 to 6 pm 31 October 2020.

## Assessment Criteria

- Relevance of the proposed project to the applicant's business
- Reasonableness of the budget
- Reasonableness of the implementation details
- Capability of service providers





## Asia SMEs, Covid-19 + cost control

- Businesses must forensically review and manage fixed and variable costs
- Businesses must halt activities that do not add value
- As well reducing costs, businesses should reprioritize our limited budgets and look at projects that make a good business case for investment





## About Fresh Accounting

- Established in Hong Kong 2014 and Singapore 2017
- Management Accounting at the heart of what we do
- Accounting / CFO / Cloud accounting implementation specialists
- Xero accounting specialists with a focus on the growth of our client's businesses
- Invest in relationships with our clients
- As we are cloud based, we can exchange information easily from anywhere in the world
- We provide bespoke services to our clients from accounting through to CFO and advisory
- We provide implementation, training and technical support











*Thank you!*

Jacky Cheng & Nick Cheng, consultant  
Fresh Accounting  
[www.freshaccounting.biz](http://www.freshaccounting.biz)  
[hello@freshaccounting.biz](mailto:hello@freshaccounting.biz)



# Q&A



**Facebook**



**Linkedin**



**Twitter**



行業榮譽贊助

# 如何取得 香港政府 支援資助 #1



香港會員免費參加網絡研討會  
**2020年5月22日 | 星期五**  
**16:00** 香港時間