

The Kendo Association of Hong Kong, China Ltd. (the Association)
Accounting Procedures
(Effective from 5-2-2025)

1 Introduction

- 1.1 This Accounting Procedures Guidelines (“the Guidelines”) provide the basic principles and essential procedures to be followed by all staff and Executive Committee Members of a National Sports Association (“the Association”) in handling financial transactions so as to establish an effective internal control system within the Association.
- 1.2 The Association can make reference to the Guidelines and draw up its accounting procedures to suit its business operation and provide guidelines to its staff and officials to carry out their duties effectively and efficiently. **The responsible action officers and approving officers should be clearly stated in the accounting procedures of the Association.**

2 Basic Principles

- 2.1 Separate bank accounts should be maintained for subvented programmes and non-subvented activities. All accounting transactions should be properly entered into the ledger accounts.
- 2.2 The designated approving officers for receipt vouchers, payment vouchers, journal vouchers, petty cash claims, cheques and amendments to bank instructions and so on should be properly authorised and delegated by the Executive Committee.
- 2.3 All vouchers should be properly checked, authorised, signed and dated by the responsible officer.
- 2.4 **Deployment of receipts to other purposes is not allowed.** Official receipts are required to be issued for all income collection. All receipts should be properly recorded and banked promptly.
- 2.5 All expenses must be properly classified and duly authorised before payments are made. **No pre-signed payment vouchers and cheques are allowed.**
- 2.6 The policies on making cash payments, accommodation and meal expenses, scope and ceiling for entertainment expenses as well as transportation expenses like taxi fares and so on should be set by the Executive Committee where applicable. Unless under exceptional circumstances, staff and officials should use the most economical means of transport. Hotel accommodation for athletes, officials and coaches are restricted to standard rooms.

- 2.7 The petty cash holding limit and transaction limit for each purchase should be set and approved by the Executive Committee.
- 2.8 There should be a ceiling set on the amount of cash advance and time frame for settlement of cash advance. Such a ceiling should be approved by the Executive Committee.
- 2.9 Minor corrections or alterations should be rectified by striking off or adding in, with initial of responsible officer, instead of correction fluid. If there are any corrections or alterations of critical information made on official receipts such as the amount and name of payer, the official receipts must be cancelled and retained in the Official Receipt Book (ORB). Fresh official receipts should then be issued. In case of other vouchers or supporting documents to vouchers, the corrections or alterations to critical information should be initialed by the responsible officer.
- 2.10 The accounting procedure guideline should be approved by LCSD and the Executive Committee.

3 **Income**

Responsible Officers

Cashier: Administrative Assistant 1 (AA1)

Official Receipt Book Holder: Sports Executive (SE)

Receipt Voucher Preparing Officer: Administrative Assistant 1 (AA1)

Receipt Voucher Checking Officer: Sports Executive (SE)

Periodic Check: Senior Sports Executive (SSE)

This officer should be a staff responsible for handling accounting matters of the Association and should be a different person from the Receipt Voucher Checking Officer, and preferably also a different person from the Cashier if practicable.

3.1 ***Maintenance of Official Receipts***

- 3.1.1 SE records the receipt of official receipt books on the Official Receipt Books in the Official Receipt Book Register (the “ORB Register”) at **Annex 1**. He/she also records the issue of official receipt books to AA1 and requests AA1 to initial on ORB Register with date. ORB holder and Cashier should be different persons.
- 3.1.2 On return of completely used up / obsolete official receipt books from AA1, SE updates OR Register with initial and date.

3.2 ***Issue of Official Receipts***

- 3.2.1 AA1 issues pre-numbered official receipts (**Annex 2**) in duplicate in date sequence and in consecutive order for income collections. Details of particulars of the receipts should be stated. The original should be provided to the payer while the copy should be kept properly in ORB for audit trail. The official receipt stubs should be properly kept. Same official receipts can be issued for different sources of income e.g. collections from admission fees and entry fees. For payment through electronic means, manual official receipts are not necessary as long as receipt reference is generated automatically by the collection system.

- 3.2.2 In case of spoiled or cancelled official receipts, AA1 marks “CANCELLED” immediately on both the original and the duplicate copies of spoiled or cancelled official receipts and attaches these official receipts to the respective ORB stub.
- 3.2.3 AA1 crosses all cheques which have not yet been crossed by the paying party. Post-dated cheques should not be accepted.
- 3.2.4 Both AA1 and SE should keep all receipts, ORB, complimentary tickets properly and under lock and key.
- 3.2.5 For Acknowledgement of Receipts by proforma requested by the payer such as the Leisure and Cultural Services Department (LCSD), such acknowledgement should be signed by President/Treasurer/Secretary.

3.3 ***Banking of Income***

- 3.3.1 AA1 banks in promptly all income within one week or when the holding limit of HK\$10,000 is reached, whichever is earlier. The income collected should not be deployed to settle payments with suppliers directly.
- 3.3.2 After banking in, AA1 should record the official receipt numbers on the bank pay-in slips and keep properly the bank pay-in slips.

3.4 ***Preparation and Approval of Receipt Vouchers***

- 3.4.1 AA1 prepares Receipt Vouchers (**Annex 3**) with unique serial numbers and proper accounting records cross-referencing, e.g. official receipt numbers. Other supporting documents, such as original copy of remittance slips and receipt acknowledgement forms should also be attached to the Receipt Vouchers, where appropriate.
- 3.4.2 AA1 initials on the Receipt Vouchers with date.
- 3.4.3 SE checks the details contained in the Receipt Vouchers against supporting documents and initials and dates the receipt vouchers.

3.5 ***Issue of Complimentary Tickets***

- 3.5.1 AA1 stamps all the complimentary tickets with “Non-transferable” and distributes to the approved recipients or organisations. Proper approval from SE on the issue of complimentary tickets and list of recipients / organisations should be obtained before distribution.
- 3.5.2 AA1 keeps a record of distribution of complimentary tickets with details of recipients and quantities issued.

3.6 ***Supervisory Checking of Income and Physical Stocktaking of Official Receipts***

- 3.6.1 SSE, who should not be involved in the income collection process, conducts supervisory checking periodically on a quarterly basis. He/she checks the official receipts to ensure the following are tally:
- the total amount of income stated in official receipt duplicates; and
 - the bank-in slips and collections on hand.
- 3.6.2 SSE checks the physical stock of official receipts against ORB Register, to ensure no missing official receipt books or official receipts in official receipt books.
- 3.6.3 SSE checks official receipts issued are in consecutive order and there are no missing receipts.
- 3.6.4 SSE checks whether income collections are banked promptly in accordance with the prevailing policy (as stated in para. 3.3.1).
- 3.6.5 SSE records the inspection result and initials with dates on the inspection report. The inspection report should include the date, scope and result of checking. He/she also reports to the Executive Committee if there are any discrepancies found. In addition, he/she conducts investigation and reports to the Executive Committee on the findings and course of actions to be taken.

4 Payment

Responsible Officers

Invoices/Receipts Certifying Officer: Administrative Assistant 1 (AA1)

Payment Voucher/Cheque or e-banking Preparing Officer: Administrative Assistant 2 (AA2)

Payment Voucher Approving Officer: Senior Sports Executive (SSE)

This officer should be a staff responsible for handling accounting matters of the Association and should be a different person from the Payment Voucher Approving Officer, and preferably also a different person from the Certifying Officer if practicable.

4.1 *Preparation of Payment Vouchers*

- 4.1.1 All invoices / receipts should be submitted for certification of payment within TWO WEEKS of receipt.
- 4.1.2 The staff or user making the payment request ensures the receipt of goods or services in good and satisfactory condition as specified in the purchase order or service order. He/she should provide the original invoices / receipts, delivery notes and supporting documents such as the purchase orders / service orders to substantiate all expenses incurred (including those incurred overseas) to AA1 for checking and certification.
- 4.1.3 AA1 checks the original invoices / receipts against the purchase / service orders, delivery notes and other supporting documents, and certifies on the original invoices / receipts with date.

- 4.1.4 Upon certification, AA1 passes the documents to AA1 within one week to prepare payment vouchers.
- 4.1.5 SE checks the price and calculation on the invoices / receipts and matches them with the approved purchase / service orders and delivery notes.
- 4.1.6 For personnel expenses paid through autopay or crossed cheques, AA1 attaches relevant supporting documents to payment vouchers only when there are special payments/deductions and changes in monthly salary, such as the employment contracts, approved instructions on changes in payment details and written approval on granting of salary top-ups for posts of slide-down appointment and so on for verification. Payment in respect of staff beyond the age of 65 (w.e.f. 1 April 2019) should not be made through the subvention from LCSD. For payment of part-time staff salaries, the number of paid hours to be funded by subvention should not exceed the maximum conditioned monthly working hours of a permanent post.
- 4.1.7 AA1 ensures adequate supporting documents are attached and prepares payment vouchers (**Annex 4**) including at least the following details:
- Serially assigned (preferably pre-printed) voucher number;
 - Date of voucher;
 - Name of payee;
 - Ledger accounts to be entered;
 - Particulars of the payment of full details of the goods and services provided;
 - Currency and amount; and
 - Mode of Payment
- 4.1.8 AA1 crosses out unused space at the bottom of the payment voucher, and initials and dates on the payment vouchers.
- 4.1.9 For documentary evidence and certification in support of payment, AA1 should observe the following:
- Special circumstances where only the electronic copy / faxed copy / photocopy of invoices / other supporting documents are available
The copy should be certified correct, marked with the wordings of “Certified true copy and no previous payment has been made”, and initialed and dated by the supervisor or programme-in-charge.
 - Payment of coach/official fees
Proper attendance records of coaches/officials and other documents such as the course timetable and attendance records of participants should be maintained and attached to the payment vouchers. Officials should have signed on the attendance records of coaches/officials and participants with full name and signatures.
 - Payment of taxi fare, entertainment expenses, meals and other special items
Sufficient information such as the reasons for taking taxi instead of the most economical means of transportation, the guest lists and the events / programmes related should be documented. Proper approval should also be obtained in accordance with the prevailing approving authority.
 - Payment of entry fees
The list of participants should be provided.

- Foreign currency transactions

The exchange slips for currency exchange or exchange rate quotes from reliable source should be attached to the payment vouchers.

4.2 ***Approval of Payment Vouchers***

- 4.2.1 SSE reviews the details of payment items against the supporting documents attached to the payment vouchers. In case of payment in cash instead of cheques, he/she should satisfy that this arrangement is complied with the prevailing policy for cash payment of the Association.
- 4.2.2 SSE checks if the maximum per capita for entertainment expenses is exceeded and whether sufficient justification and proper approval have been given in case the ceiling is exceeded.
- 4.2.3 SSE signs and dates on the payment voucher if the payment is in order.

4.3 ***Effect of Payment***

- 4.3.1 AA1 prepares cheques/e-banking transactions with details in the payment vouchers.
- 4.3.2 Cheque/e-banking signing officer and cheque/e-banking countersigning officer, as specified in Section 7.1 below, check the payment details against the approved payment vouchers and sign on the cheques or autopay instruction forms or authorise the payments via e-banking.
- 4.3.3 AA1 sends out the signed cheques to the payees and stamps all paid invoices / receipts and supporting documents with “PAID” immediately after payment. He/she prints and keeps the sets of authorised e-banking records for proper documentation.
- 4.3.4 In case of payment in person, AA1 ensures the recipients MUST sign with date to acknowledge receipt of the amount. If another person is authorised to receive payment on behalf of the entitled payee, the supporting document for such authorisation should also be retained.

5 **Petty Cash**

Responsible Officers

Petty Cash Holder :_Administrative Assistant (AA1)
 Petty Cash Voucher Approving Officer : Sports Executive (SE)
 Petty Cash Replenishment Preparing Officer : Administrative Assistant (AA1)
 Petty Cash Replenishment Approving Officer : Sports Executive (SE)
 Payment Voucher Preparing Officer : Administrative Assistant 1(AA1) #
 Supervisory Cash Count : Senior Sports Executive / President

This officer should be a staff responsible for handling accounting matters of the Association.

5.1 *Petty Cash Holding and Transaction Limit*

Petty Cash Holding Limit	HK\$10,000
Transaction Limit per purchase	HK\$500

Any amount exceeding the transaction limit should be processed by crossed cheques instead of petty cash. Repeated purchases from the same supplier should not be encouraged. Repeated purchases of the same item in different receipts in order to avoid the transaction limit are NOT allowed.

5.2 *Submission of Petty Cash Claim*

All claims must be applied to AA1 within TWO WEEKS after the expenses are incurred.

5.3 *Preparation of Petty Cash Voucher*

5.3.1 The claimant completes and signs with date on the Petty Cash Voucher (**Annex 5**) after the goods and services have been received in good and satisfactory condition, and attaches the original receipts / invoices to the voucher. All completed vouchers must have the following details

- Issue date of voucher;
- Name of person issuing the voucher;
- Amount of monies disbursed; and
- Details of expenses (including the event information where applicable).

When claiming “Local Duty Travelling Expense”, the following information should be included in the Petty Cash Voucher:

- Date of travelling;
- Means of transport;
- Purpose and location of the trip; and
- Reason for taking taxi instead of most economical means of transport.

5.4 ***Checking of Petty Cash Voucher***

- 5.4.1 SE, who should NOT be the same person as the claimant and Petty Cash Holder, checks the Petty Cash Voucher against invoices, receipts or supporting documents and considers if the claim and prices are reasonable. He/she certifies on the Petty Cash Vouchers and invoices / receipts with initial and date, after the supporting invoices/receipts are stamped "PAID". SE is required to certify the supporting invoices/receipts when the documents are provided in the form of faxed copies/photocopies instead of the originals.

5.5 ***Payment of Petty Cash***

- 5.5.1 AA1 assigns a unique serial number on each properly authorised Petty Cash Voucher.
- 5.5.2 The claimant signs on the petty cash voucher upon reimbursement in person as receipt acknowledgement.
- 5.5.3 AA1 stamps the Petty Cash Voucher and invoices with 'PAID' chop upon settlement of the claim. He/she then enters the transaction into the columnised Petty Cash Book with analysis by different categories of expenditure.
- 5.5.4 AA1 keeps all Petty Cash Vouchers and evidence of payment, e.g. invoices and unused petty cash, in lock and key.

5.6 ***Replenishment of Petty Cash***

- 5.6.1 AA1 prepares a payment voucher for replenishment of petty cash and submits it together with the paid Petty Cash Vouchers and supporting invoices / receipts to SE or designated approving officer for endorsement.
- 5.6.2 SE verifies the replenishment against paid Petty Cash Vouchers and receipts / invoices, and approves the replenishment. He/she ensures that the petty cash holding limit is not exceeded upon replenishment.
- 5.6.3 AA1 prepares and obtains signed payment vouchers and cheques (as in Paragraphs 4.2, 7.1 and 7.4) for replenishment to the Petty Cash Holder.

- 5.6.4 AA1 acknowledges the cheque for replenishment with signature and date upon receipt of the cheque. He/she then keeps the replenished cash into the petty cash box and records the replenishment to his Petty Cash Book. **Petty cash float should be separated from personal funds of the Petty Cash Holder.**

5.7 Surprise Cash Count

- 5.7.1 SSE / President conducts surprise cash count at irregular intervals in a year, say at least once every four months:
- counts the petty cash and paid vouchers on hand and checks if the amount matches with the Petty Cash Book;
 - checks evidence of payment;
 - signs, dates and records the result of the checking on the Petty Cash Book; and
 - reports to the Executive Committee if there are any discrepancies identified.
- 5.7.2 SSE / President or designated inspection officer conducts investigation and reports to the Executive Committee on the findings and course of actions to be taken.

6 Cash Advance

Responsible Officers

Cash Advance Approving Officer : Sports Executive (SE)

Cash Advance Settlement Approving Officer: Sports Executive (SE)

Payment Voucher Preparing Officer : Administrative Assistant 1 (AA1)[#] Supervisory

Check : Senior Sports Executive (SSE) / President

[#] This officer should be a staff responsible for handling accounting matters of the Association.

6.1 Cash Advance Limit

Per Event	HK\$20,000
Per Day in respect of travelling for business of the Association	HK\$1,000

6.2 Application for Cash Advance

- 6.2.1 The applicant completes the standardised Cash Advance Application Form (**Annex 6**) listing out the expense items and the respective amounts to be covered by the cash advance.
- 6.2.2 SE reviews the application and signs with his decision on the application form. He/she can reduce the amount of cash advance if the payment can be made through direct payments to suppliers or service providers.
- 6.2.3 AA2 obtains proper approval on payment vouchers and signed crossed cheques (as in paragraphs 4.2, 7.1 and 7.4) for the advance payment.

6.2.4 The applicant acknowledges the receipt of cash advance on the Cash Advance Application Form.

6.3 ***Settlement of Cash Advance***

6.3.1 Cash advanced should be settled within a reasonable timeframe, say 1 month. The applicant completes the Cash Advance Settlement Statement (**Annex 7**) and hands in:

- original invoices, acknowledgement of receipts by officials / helpers and other supporting documents duly certified by SE or designated approving officer; and
- unspent cash or bank pay-in-slips.

6.3.2 SE reviews if the expenses are properly supported and in order. Upon review, he/she endorses and initials with dates on all the supporting documents after the supporting invoices/receipts are stamped “PAID”. SE is required to certify the supporting invoices/receipts when the documents are provided in the form of faxed copy/photocopy instead of the original.

6.3.3 AA1 checks the proper endorsement and banks in unspent balance of cash advance (if any) promptly. He/she should avoid mixing the unspent balance with petty cash.

6.3.4 AA1 attaches the original pay-in slip of unspent balance to the settlement statement. The respective ledgers should also be updated accordingly.

6.4 ***Supervisory Check***

6.4.1 SSE, who should not be involved in approving the cash advance application and reviewing the cash advance settlement statement, conducts periodic check on a half-yearly basis on the application forms / settlement statements and bank pay-in slips, in particular on the prompt settlement of cash advance. He/she should sign with date on the work done.

7 **Operation of Bank Accounts**

Responsible Officers

Cheque Book Holder: Administrative Assistant 1 (AA1)[#]

Cheque/e-banking Signing Officer: refer to para. 7.1.2

Cheque/e-banking Countersigning Officer: refer to para. 7.1.2

Bank Reconciliation Reviewing Officer: Senior Sports Executive (SSE)

Supervisory Check: Treasurer

[#] This officer should be a staff responsible for handling accounting matters of the Association and should be a different person from the Bank Reconciliation Reviewing Officer.

7.1 ***Authorisation of bank Instructions and Cheques and transactions via e-banking***

7.1.1 All bank instructions and cheques (including autopayment and transactions via e-banking) must bear the signatures of TWO authorised officers. The cheque/e-banking signing officer and cheque/e-banking countersigning officer should be different persons. Any endorsed change of the authorised signatories by the Executive Committee should be notified to the Accounts Office and the respective banks for prompt updating.

7.1.2 Authorisation limits for cheque/e-banking signatories are:

Authorisation Limit	Cheque/e-banking Signing Officer	Cheque/e-banking Countersigning Officer (MUST be different from Signing Officer)
Over HK\$150,000	President/Treasurer/ Secretary General/ Authorized Board Directors	President/Treasurer/ Secretary General/ Authorized Board Directors
Over HK\$20,000 up to HK\$150,000	President/Treasurer/ Secretary General/ Authorized Board Directors	President/Treasurer/ Secretary General/ Authorized Board Directors
HK\$20,000 and below	President/Treasurer/ Secretary General/ Authorized Board Directors	President/Treasurer/ Secretary General/ Authorized Board Directors

7.2 *Maintenance of Cheque Book Register*

7.2.1 AA1 records cheque books received in the Cheque Book Register (**Annex 8**). He/she should also keep the cheque books under lock when they are not in use.

7.2.2 AA1 updates the Cheque Book Register when the cheque book is completely used up or becomes obsolete.

7.3 *Preparation of Cheques and e-banking transactions*

7.3.1 AA1 checks the proper bank accounts to be drawn and prepares cheques in sequential order and e-banking transactions in accordance with the details contained in the approved payment vouchers, petty cash vouchers and cash advance application forms. The respective cheque numbers should also be marked into the approved payment vouchers, or cash advance application forms.

7.3.2 “Crossed” cheques should be issued unless with justifiable reasons. In case “cash” cheques are to be issued, the name of the intended recipients (instead of “cash”) should be entered. The word “bearer” should be struck off.

7.3.3 AA1 marks on the cheque stub the dates, names of payee and amount.

7.4 *Issue of Cheques and authorisation of e-banking transactions*

7.4.1 The designated cheque/e-banking signing officer (as stipulated in para. 7.1.2) checks the details stated in the cheque/e-banking transactions against the supporting documents or vouchers. He/she signs the cheques or authorises the payments via e-banking. All cheque stubs should be retained.

- 7.4.2 The designated cheque/e-banking countersigning officer (as stipulated in para. 7.1.2) checks the details stated in the cheque against the supporting documents or vouchers and the authenticity of the cheque/e-banking signing officer. He/she signs the cheques or authorises the payments via e-banking.
- 7.4.3 AA2 stamps “PAID” on paid invoices / receipts. He/she prints and keeps the sets of authorised e-banking records for proper documentation. The cheques are to be sent out to the payee promptly by post or by hand. All spoiled cheques are stamped with “Cancelled” and attached to the cheque stubs.

7.5 ***Monthly Bank Reconciliation***

- 7.5.1 AA1 prepares the bank reconciliation on a monthly basis (**Annex 9**) within 7 days from receipt of bank statements and sign with date.
- 7.5.2 The bank reconciliation should also ascertain if any amount is to be transferred between the bank accounts for subvented activities and that for non-subvented activities in order to properly account for the transactions related to subvented activities in the designated bank account.
- 7.5.3 Treasurer reviews the bank reconciliation statement for each bank account and sign with date after the review.
- 7.5.4 For dishonoured or returned cheques, AA1 liaises with the responsible staff / officials to take appropriate follow-up actions (e.g. to check if any replacement cheques have been received or to contact the payee to arrange replacement cheques for payment).
- 7.5.5 For long outstanding unpresented cheques (such as after six months of issue), AA1 should investigate the reasons and cancel the cheque if appropriate. If the payment is still to be made, a fresh cheque should be issued, the procedures on issue of cheques should be followed.
- 7.5.6 If it is concluded that the cheque is stale and no replacement cheque is necessary, e.g. due to failure to contact the payee, proper update to the accounting records should be made. For any payment in connection with subvented programmes reported to LCSD before, the SE should inform the responsible officer of LCSD for the relevant adjustments, i.e. reducing the eligible amount of the subvented expenses for the relevant year by the amount concerned, as the amount of the stale cheques had been included as subvented expenses in the Annual Accounts submitted to LCSD.

7.6 ***Supervisory Check***

- 7.6.1 SSE checks the physical stock of cheques against the Cheque Book Register regularly on a monthly basis. He/she also checks if any missing cheques in cheque books.
- 7.6.2 SSE initials and dates on the cheque book register or inspection report after the checking. If any discrepancies are identified, he/she should conduct investigation and reports to the Executive Committee on the findings and course of actions to be taken.

Fixed Assets

Responsible Officers

Fixed Assets Register Holder : Administrative Assistant 1 (AA1)

Disposal Reviewing Officer : Senior Sports Executive (SSE)

Periodic Supervisory Check : Treasurer

8.1 Maintenance of Fixed Assets Register (the “FAR”)

8.1.1 Fixed assets are those property, plant and equipment items which have a useful life of more than one year and an original acquisition cost of HK\$2,000 or above, for example, furniture, photocopiers and personal computers.

8.1.2 Every fixed asset shall be recorded in the Fixed Assets Register (the “FAR”) (**Annex 10**). The minimum requirements for information to be contained in FAR are:

- unique asset number;
- description of asset (including model number if applicable);
- classification of asset;
- date of purchase / date of completion;
- cost of purchase / completion;
- useful life;
- source of funding (e.g. LCSD subvention);
- current location;
- written approval of disposal / write-off; and
- date of disposal / write-off.

8.1.3 AA1 promptly updates the details of the fixed assets received into FAR upon receipt of the fixed assets. Each fixed asset is assigned with a unique asset number.

8.1.4 AA1 affixes the labels of the assigned unique asset numbers to the fixed assets.

8.1.5 AA1 updates FAR promptly with all movements of fixed assets, including trade-in and disposal. The approval on disposal / write-off should also be marked on FAR and kept properly on file. The monetary sales / disposal amount should be recorded into the Cash Book, where appropriate.

8.2 Fixed Assets on Loan

8.2.1 AA1 maintains a loan register for fixed assets which are on loan to staff / officials. The borrowers have to acknowledge the loan and specify the period of loan with signature and date as evidence of receipt of the fixed assets.

8.2.2 On return of assets, AA1 checks if the fixed assets are in satisfactory physical condition and signs the return on the loan register with date.

8.3 Disposal of Fixed Assets

8.3.1 Users provide full justifications for disposal of fixed assets which are of no use to the Association and the recommended means of disposal to SSE for approval. The disposal procedures as stated in the Procurement Guidelines should be followed.

- 8.3.2 SSE reviews and makes his decision in writing.
- 8.3.3 AA1 updates FAR.
- 8.3.4 In case there are proceeds from disposal, AA1 prepares the Receipt Voucher and records the income received (as in para. 3.4).
- 8.3.5 No item of fixed asset should be removed from HKKA or disposed without proper written approval.

8.4 ***Physical Check***

- 8.4.1 Treasurer conducts physical check on fixed assets including all subvented fixed assets at least once a year. Upon checking, he/she should initial and date on the inspection report or FAR. The inspection report should include the date of physical check, the result of checking and the signature of the physical checking and the reviewing officer, etc.
- 8.4.2 Treasurer investigates discrepancies identified (if any) and reports to the Executive Committee on the findings and courses of action to be taken.

9 **Journal Vouchers**

- 9.1 A double-entry bookkeeping system should be maintained to record all transactions. Entries not belonging to receipts or payments should be effected by journal vouchers (**Annex 11**) and posted to General Ledger.

OFFICIAL RECEIPT BOOK REGISTER

[illegible]

HKKA should issue Official Receipts (OR) for income collections in cash or by cheque/autopay

The Official Receipt is prepared in a set of two copies:

- Paying party's copy
- HKKA's copy – copy to be filed in sequential order

香港劍道協會有限公司
HONG KONG KENDO ASSOCIATION LIMITED

Nº 100804

Original

日Day 月Month 年Year

茲收到 Received From: _____

合共港幣 Total Amount: _____

付款資料 Payment Information:

☐ 訓練班 Course _____	☐ 入會費 Entry Fee _____
☐ 劍道用品 Equipment _____	☐ 會員費 Membership Fee _____
☐ 研討會 Seminar _____	☐ 年費 Annual Fee _____
☐ 比賽 Competition _____	☐ 考試費 Dan Examination _____
☐ 捐款 Donation _____	☐ 其他 Others: _____

現金 Cash / 支票號碼 Cheque No. () / 銀行 Bank ()

負責人及公司印 Signature & Chop

A Receipt Voucher (RV) is used to record the accounting entries in the General Ledger and Cash Book.

The Kendo Association of Hong Kong, China:

Serial No.: RV _____

Date: _____

RECEIPT VOUCHER

Account Code	Particulars	Official Receipt No./ Bank Ref. No. (if applicable)	Debit (HK\$)	Credit (HK\$)
TOTAL				

Prepared by

Approved by

Recorded by

Name/Post: _____ Name/Post: _____ Name/Post: _____

Signature: _____ Signature: _____ Signature: _____

Date: _____ Date: _____ Date: _____

A Payment Voucher (PV) is used to record the approval of payment and the accounting entries made in the General Ledger / Cash Book. The original invoices / receipts and purchase orders / service orders should be attached to the PV to support payment.

The Kendo Association of Hong Kong, China:

Serial No.: **PV** _____

Date: _____

PAYMENT VOUCHER

Name of Payee: _____

Account Code	Particulars	Debit (HK\$)	Credit (HK\$)
TOTAL			

Paid by:

☐ Cheque Bank Account No. _____

☐ Autopay Bank Account No. _____

Accounts Office Use

Cheque No. _____

Prepared by

Approved by

Recorded by

Name/Post: _____

Name/Post: _____

Name/Post: _____

Signature: _____

Signature: _____

Signature: _____

Date: _____

Date: _____

Date: _____

The Petty Cash Voucher is used to record checking and payment of petty cash expenditure.

The Petty Cash Voucher is in a set of two copies:

- original copy attached to the application for petty cash replenishment with supporting documents; and
- duplicate copy filed in sequential order by the petty cash holder

The Kendo Association of Hong Kong, China:

Serial No.: PCV _____

Date: _____

PETTY CASH VOUCHER

Particulars	Account Code	Amount (HK\$)
	TOTAL	

Claimant: _____
(Name and Signature) (Date)

Approved by: _____
(Name and Signature) (Date)

Received the sum of _____ (HK\$ _____)

Received by: _____
(Name and Signature) (Date)

A Cash Advance Application Form is used to process the application for cash advance to staff / officials for minor programme expenses in order to streamline the business operations. Cash advance should be kept to a minimum as far as practicable.

The Kendo Association of Hong Kong, China:

Serial No.: CA _____

CASH ADVANCE APPLICATION FORM

Section A Details of Request

I would to apply for an advance of cash in the amount of \$_____ for the during the period from _____ to _____ for following purposes:

Description (including programme name)	Expenses Details	Cash Advance applied (HK\$)
TOTAL		

Justification: _____

(Name and Signature)

(Post)

(Contact phone no.)

(Date)

Section B Approval

The application for cash advance is

approved

approved but reduced to _____

☐ rejected.

☐

☐

(Name and Signature)

(Post)

(Contact phone no.)

(Date)

Section C Acknowledgement of Receipt

I acknowledge that I have received a cheque no. _____ of HK\$ _____.
I understand that I have to account promptly and properly for the money advanced to me. I also undertake to return the original invoices/receipts of the expenses paid from the advance and any unspent balance of cash to the Association not later than TEN days after completion of goods or services.

(Name and Signature)

(Date)

A Cash Advance Settlement Statement is used to make settlement of unspent cash advanced to the staff / officials. Original copy of the invoices / receipts should be attached as supporting documents for the expenses incurred.

The Kendo Association of Hong Kong, China:

Serial No.: CAS

CASH ADVANCE SETTLEMENT STATEMENT

In respect of the Cash Advance Application No. CA_____, I have incurred expenses of _____ as details below and attach the original invoices and supporting documents duly certified. Besides, I have *repaid the unspent balance of advance of HK\$_____in cash / cheque to the Accounts Office for the settlement / *deposited the unspent balance of cash advance of HK\$_____to the bank account of the Association on _____ with the original bank pay-in slip attached.

Account Code	Expenses	Cash Advance (HK\$)	Actual Expenses (HK\$)
Total			
* Balance to be returned / Balance already returned			

(Name and Post)

(Signature)

(Date)

Endorsed by:

(Name and Post)

(Signature)

(Date)

Accounts Office Use Only

The unspent balance of cash advance of _____ is received on _____ and *banked in on _____ with the copy of bank pay-in-slip attached. Besides, the respective ledgers have been updated accordingly.

(Name and Post)

(Signature)

(Date)

* Delete as appropriate

A Cheque Book Register is maintained to control the stock of cheque books. Unused or partly used cheque books should be kept under lock and key.

The Kendo Association of Hong Kong, China:

Cheque Book Register

CBR Page No: _____

Serial No.	Bank	Bank Account Number	Cheque Number From & To	Received Date	Signature	Completely Used / Obsolete Date	Signature

The Kendo Association of Hong Kong, China: Bank Reconciliation Statement

Bank: XXX Bank

Account No.: Current Account xxx-xxx-x-xxxxxxx

Monthly Bank Reconciliation Statement for Bank Account xxx-xxx-x-xxxxxxx **(as at dd-mm-yyyy)**

	<u>HK\$</u>	<u>HK\$</u>	<u>Subsequent Clearance</u>
Bank Balance per Bank Statement as at dd-mm-yyyy		X	
Less: Unpresented cheque Cheque Date			
Cheque no. xxxxxx	X		
Cheque no. xxxxxx	X		
Sub-total	<u> </u>	X	
Receipts in bank statement but not yet recorded in Cash Book			
Item 1 e.g. Bank interest	X		
Item 2 e.g. Admission fee by autopay	X		
Sub-total	<u> </u>	X	
Add: Payments in bank statements but not recorded in Cash Book			
Item 1 e.g. Bank charges	(X)		
Item 2 e.g. Dishonoured cheque no. xxxxxx	(X)		
Sub-total	<u> </u>	(X)	
		<u> </u>	
		<u> </u>	
Bank Balance as per Cash Book as at dd-mm-yyyy		<u><u>X</u></u>	

We certify the above bank reconciliation statement is correct.

Preparing Officer

Reviewing Officer

Signature:

Signature:

Name:

Name:

Post

Post

Date:

Date:

Note: Bank reconciliation should be prepared within ____ days from the date of receipt of bank statements.

The Kendo Association of Hong Kong, China:

FIXED ASSETS REGISTER

FAR Page No. _____

Asset No.	Asset Description	Classification	Date of Purchase/ Completion	Cost (HK\$)	Useful Life	Source of Funding (e.g. LCSD Subvention)	Current Location	Written Approval of Disposal/Write-off	Date of Disposal/ Write-off	Disposal Value (HK\$)	Signature & Date

Note: The responsible staff should sign against the record every time after updating the Fixed Assets Register.

A Journal Voucher (JV) is used to record the accounting entries in the General Ledger.

The Kendo Association of Hong Kong, China:

Serial No.: **JV** _____

Date: _____

JOURNAL VOUCHER

Account Code	Particulars	Debit (HK\$)	Credit (HK\$)
TOTAL			

Prepared by

Approved by

Recorded by

Name/Post: _____ Name/Post: _____ Name/Post: _____

Signature: _____ Signature: _____ Signature: _____

Date: _____ Date: _____ Date: _____

Procurement Policies and Guidelines for
The Kendo Association of Hong Kong, China Limited

(Effective from _____)

Procurement Policies and Principles

1. The following principles should be adhered to in the procurement of goods and services:

(a) Fair Competition

The Kendo Association of Hong Kong, China, “the Association” should treat all bidders with fairness and ensure that they are given the same level of information when preparing quotations or tenders.

(b) Conflict of Interest

Situations of conflict of interest with the business of the Association should be declared to the designated approving authority in accordance with the code of conduct of the Association.

(c) Cost-effectiveness

Quotations and tenders should be evaluated not only on competitiveness in pricing but also factors such as the quality of the products/services and track records of the bidders.

(d) Transparency

To ensure transparency, tender documents should provide all the necessary information to facilitate submission of appropriate and competitive tenders.

(e) Public Accountability

The Association shall be held accountable to the Leisure and Cultural Services Department and the public for any procurement involving the use of public fund.

Authorisation and Approval

2. Written authorisation or approval should be sought from the following designated approving authority (a) for procurement before inviting suppliers to submit tender/quotations and/or selecting suppliers for tendering/seeking quotations; and (b) for acceptance of offer of tender/quotation:

Values of the Materials or Services to be Procured	Procurement Authorized by	Tender/Quotation Approved by
e.g. HK\$200,001 or above	President/Vice-President/Secretary-General	The Executive Committee and the Senate

e.g. HK\$40,000 to HK\$200,000	President/Vice-President/Secretary-General	The Executive Committee and the Senate
e.g. HK\$20,001 to HK\$39,999	President/Vice-President/Secretary-General	The Executive Committee
e.g. HK\$5,001 to HK\$20,000	SSE	President/Vice-President/Secretary-General
e.g. HK\$5,000 or below	SE	SSE with report to President

3. In case the standard procedures are not followed, the reasons should be recorded and an authorised person at a more senior level should be designated for giving special approval with justifications in writing.

Types of Procurement

4. The requesting officers should provide specifications and requirements for the procurement to the procurement officer. The request should then be submitted to the designated approving authority as stated in paragraph 2 above for approval to procure and confirmation of funds. For replacement of goods, the requesting officers should make sure the goods to be replaced are beyond economical repair before making the request for procurement. The types of procurement to be adopted should be in accordance with the amounts and nature of the procurement of goods or services:

- (a) Open Tendering (applicable to procurements of value of service exceeding HK\$400,001 or value of goods exceeding \$200,001)
Notice of tender invitations should be advertised in the press for free response by all interested suppliers or service providers. Tender evaluation report (sample at **Appendix 1**) should be submitted to the Executive Committee for approval of tender (i.e. award of contract).
- (b) Restricted or Single Tendering (applicable to procurements of value of service exceeding HK\$500,001 or value of goods exceeding \$200,001 with only a limited number of suppliers available)

This type of tendering is applicable to procurements of goods or services that can only be provided by a limited number of suppliers or suppliers who are sole agents or patented distributors. Therefore, only one or several suppliers or service providers will be invited to submit written tenders. Sufficient justification should be made for prior approval by the Executive Committee before proceeding the tendering exercise. The above information should be clearly recorded in the tender evaluation report (Appendix I) for examination and approval by the Executive Committee.

- (c) General Procurement (applicable to procurements of value of service HK\$400,000 or below or value of goods HK\$200,000 or below)
- (i) Written Quotation (applicable to procurements of value above HK\$39,999 up to HK\$400,000 for services or HK\$39,999 up to HK\$200,000) should be sought from **at least five (5)** suppliers, including the successful bidder in the last procurement exercise (whose goods or services meeting the requirements).
- (ii) Written Quotation (applicable to procurements of value above HK\$20,000 up to HK\$40,000) should be sought from **at least two (2)** suppliers, including the successful bidder in the last procurement exercise (whose goods or services meeting the requirements)
- (iii) The management and invitation to bid for (i) and (ii) above should follow the procedures as set out in Paragraphs 9 and 10. The procurement officer must make a written record of the quotations invited and responses. The lowest quotation meeting the requirements should be accepted unless there are other factors such as the quality of products/services or track records of the bidders that will affect the offer of the quotation. Should the lowest quotation not be accepted, sufficient justifications should be submitted for endorsement by the designated approving authority.
- (iv) Verbal Quotation (applicable to procurements of value above HK\$5,001 up to HK\$20,000)
To enhance administrative efficiency, verbal quotations from **not less than two (2)** suppliers or service providers may be used for procurement of miscellaneous item or service. The responsible officer must make a written record of the verbal quotations for verification and approval. The responsible officer should also state the reasons in case the lowest offer is not accepted.
- (v) Quotations may be dispensed with (applicable to procurements of value HK\$5,000 or below)
- (vi) Exemption
All procurements must follow and comply with the above procedures. Only in acceptable circumstances should exemption from the above procedures be granted with special approval from the designated approving authority/person holding a higher office. Any exemption should be supported by full justifications and properly documented on the procurement records.

5. As far as possible, the officer responsible for seeking quotations from the suppliers/service providers should NOT be the approving officer for the acceptance of quotations in the same procurement exercise.
6. The total cost of a purchase of stores or services of similar nature but not the unit price of a product should be used for determining the appropriate procurement method.
7. Supervisors of procurement officers should randomly verify the quotations obtained, for instance, by confirming with the bidders.
8. All staff members and board/Executive Committee members of the Association involved in the procurement process should declare any actual, potential or perceived conflict of interest for all types of procurement. Any declaration and the corresponding action to mitigate the declared conflict should also be properly documented.

Sourcing of Suppliers and Service Providers

9. Procurement officers should compile suppliers/service providers lists (e.g. based on the size of their companies and experience), and categorizing them by the types of goods/services they provide and/or their geographical locations. The lists should be approved by a designated officer for the purpose of sourcing of suppliers/service providers for goods and services frequently required or of high values. Tenders/Quotations should be invited according to the required number of suitable suppliers/service providers on the respective lists to bid on a fair-share basis (e.g. by rotation). The requesting officer may add other suppliers with justification of their nominations.
10. In the absence of approved list, the procurement officer may source suitable suppliers/service providers for invitation to bid, taking into account their company size, experience and past performance record if any, through searching on the Internet, recommendation from requesting officer/user and inclusion of the current suppliers/service providers with satisfactory performance as appropriate.

Tendering Procedures

11. There should be stringent tendering procedures to be followed for open tendering as stipulated in the following paragraphs.

Tender documents

12. Procurement officers should prepare the tender documents and provide all the required information in the documents to facilitate bidding from tenderers. The information should include tender specifications and requirements, conditions of contract, required quantity of items and service and timing of provision, assessment criteria, tender closing date and time, the place for depositing the tender, the contact person, the officer to whom enquiries may be made, and a warning against corrupt offers to the officers of Association and the consequence that the Association may terminate the contract and claim damages if the contract is obtained through bribery or collusion with other bidders. A sample of the warning is at **Appendix 2**.

Submission of Tenders and Opening of Tenders

13. Unless in exceptional circumstance of urgency, tenderers should be allowed sufficient time to submit their tenders. Tenderers must submit their tenders before the tender closing date and time specified in the tender documents. Any tenders received after the tender closing time shall not be considered.

14. Tenders should be deposited in the tender box by tenderers in person. For confidentiality, the tender box should be properly locked with two individual padlocks, and the respective keys should be separately kept by two authorized persons. To ensure fairness of the procedures, the tenders should be taken out of the tender box immediately after the tender closing time. All tenders received after the tender closing time will not be processed. At least two (2) officers shall open the tenders simultaneously and shall each initial beside each quotation figures as confirmation.

Tender Evaluation

15. In general, tender evaluation should be carried out by an assessment panel consisting of at least two (2) members. Evaluation of bids of small amounts may be carried out by one staff member. ALL the assessment panel members should be required to make undertakings and declarations as specified in **Appendix 3** before conducting the tender evaluation. If there is any declared conflict of interest, a designated authority should review the situation and decide whether the concerned panel member should be refrained from the panel. The decision of the designated authority should also be properly documented.

16. A ‘two-envelope system’ should be used for procurement involving the

technical aspects and service quality. Tenderers should be required to submit price information and technical information in separate envelopes. Appropriate weights should also be given to the two areas. It is normal practice for the assessment panel firstly to evaluate and award an assessment score on technical aspects of the proposals before opening the price envelope to evaluate the price information.

17. The assessment panel should conduct a preliminary evaluation of the tenders based on the required information and documents stipulated in the tender documents. This will ascertain full compliance with the stipulated conditions and requirements.

18. The assessment panel should select the most competitive and cost-effective tender among the eligible tenders by evaluation according to the pre-set assessment criteria. For contracts involving higher construction costs or requiring higher standards in technology and service areas, a scoring system should be adopted for giving scores in terms of tender price, tenderer's reputation, track records and management quality, as well as the professional and technical standard of staff for implementation of the project/service.

19. The assessment panel shall prepare a tender evaluation report (Appendix 1) to state clearly its recommendations and the justifications. Where a scoring system has not been adopted and the successful tenderer is not the lowest bidder, full and sufficient justifications must be stated in the evaluation report.

Acceptance of Tender

20. The assessment panel should submit the tender evaluation report to the Executive Committee for approval in accordance with the guideline. After endorsement and approval of the selection result, the successful tenderer should be officially notified by post and be invited to enter into a contract with the Association. For protection of commercial secrets, it should be ensured that disclosure of the details shall not lead to revelation of any tender information provided in confidence by other tenderers.

21. Should none of the tenders received can fulfill the required specifications and conditions, the tendering exercise should be cancelled. The original specifications and conditions should be amended as necessary for purpose of re-tendering.

Procedure of Handling Complaints

22. The Association should be committed to maintaining a fair and open procurement system. Tenderers who consider themselves being treated unfairly can lodge a complaint with the Association.

Receipt of Goods

23. The Association should assign a staff member as the goods checking officer, preferably one not participating in selecting the supplier (if resources allow), to inspect the goods delivered against the purchase order to ensure that there is no short delivery or substandard goods. For high-value purchases, a supervisor should monitor and counter-sign the receipt of goods. The Association should require the staff to certify acceptance of goods within a reasonable time limit upon delivery and ensure the supplier makes good any shortfall without delay. Testing, if any, of the goods delivered should be undertaken by competent staff (e.g. for specialised sports equipment) before acceptance. The lists of assets (if any) should also be updated where appropriate.

Purchases made by Petty Cash

24. The Association should lay down the procedures for maintaining a Petty Cash Account for small amount purchases. Original invoices or receipts should be produced upon claims of payment. For the essential procedures and the approving authority for replenishment of the petty cash, please refer to the Accounting Procedures and Guidelines.

Procurement Records

25. The Association should keep proper procurement records for all transactions including but not limited to requests for purchases, verbal and written quotations, tender/quotation assessment records, justifications and authorization sought for cases deviated from standard procurement procedures. Executive Committee/Board members and staff members of the Association should ensure, to their best knowledge, that any purchase records they submit to the Association give a true representation of the events or transactions reported in the document. Intentional use of documents containing false information to deceive or mislead the Association may constitute an offence under the Prevention of Bribery Ordinance.

Monitoring Performance of Suppliers/Service Providers

26. Users or goods checking officer as mentioned in Paragraph 23 should inform the procurement officer in writing in case there is adverse performance of the suppliers' or service providers with details of adverse performance such as sub-standard quality of goods/services, delay in goods delivery without reasonable excuse, and unsatisfactory after-sale service. The aforesaid adverse performance record will be taken into account in deciding whether the supplier/service provider is invited to bid in the next round of invitation as mentioned in Paragraphs 9 and 10. Suppliers/service providers with persistent adverse performance should be suspended from bidding as appropriate with proper approval.

Disposal of Assets

27. If the assets are identified to be surplus, obsolete or unserviceable, they can be disposed by means of trade-in or sales quotation/tender. The HKKA should ensure that such items are disposed of in the most cost effective and timely manner. The disposal of assets and the means of disposal must be authorised by the designated approving officer approved by the Executive Committee. The means of disposal and the approval authority should depend on the expected saleable values. The sales proceeds received should be properly accounted for in the ledgers. Besides, for fixed assets disposed, the disposal should also be reported on the 'Fixed Assets Register'.

National Security

28. The HKKA shall manage their procurement to the extent that it can disqualify a tenderer/terminate a contract upon the occurrence of any of the following events:

- the Tenderer/Contractor 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;
- the continued engagement of the Contractor or the continued performance of the Contract is contrary to the interest of national security; or
- the HKKA reasonably believes that any of the events mentioned above is about to occur.

TENDER EVALUATION REPORT

The Kendo Association of Hong Kong, China Limited

Reference : TER – 001/2013

Subject : Provision of XXX

Brief Description of Contract

[Give a brief description of the goods/services required]

Details of Invitation

Tender invitation method: *Open tender / *restricted tender

Invitations issued to : _____ *suppliers / *service providers

Tender invitation date: _____

Tender closing date: _____

Tender validity period: _____ days from _____

Composition of Assessment Panel : _____ (Chairperson of the Panel)

_____ (Member of the Panel)

Tenders Received

Number of tenders received: _____

Details of tenders received:

Name of tenderers/suppliers/service providers	Tendered Sums (lowest first)

*Details of non-returning tenderers/suppliers/service providers:

Name of tenderers/suppliers/service providers	Reasons, if known

Compliance with Tender Specifications

Name of tenderers/suppliers/service providers (in ascending order of tendered sum)	Compliance with specifications	Details of any non-compliance
	*Yes / *No	
	*Yes / *No	
	*Yes / *No	
	*Yes / *No	
	*Yes / *No	
	*Yes / *No	
	*Yes / *No	

Note: The Assessment Panel should require the tenderers to withdraw their tender qualifications, or seek legal advice, if in doubt. If the Assessment Panel recommends accepting the tender qualifications which would have material changes to the tender specifications, the Association may consider putting up the contract for re-tendering.

Performance Records of Lowest Three Tenderers/Supplier/Service Providers

		Name of Tenderers		
		[Tenderer A]	[Tenderer B]	[Tenderer C]
		Lowest Bid	2 nd Lowest Bid	3 rd Lowest Bid
(a)	Previous dealings with the Association	*Yes / *No	*Yes / *No	*Yes / *No
(b)	Previous Performance	*Satisfactory / *Unsatisfactory, details: _____ _____	*Satisfactory / *Unsatisfactory, details: _____ _____	*Satisfactory / *Unsatisfactory, details: _____ _____
(c)	Recommendations of Assessment Panel	*Suitable / *Not suitable for contract award	*Suitable / *Not suitable for contract award	*Suitable / *Not suitable for contract award

Recommendations

* The lowest tender/*The ____ lowest tender submitted by _____ [Name] is recommended for contract award. Reasons: _____
[Mandatory if the lowest tender is not recommended].

* To negotiate with the tenderer submitting the lowest conforming tender for a better price with a view for tender award. Other items to be negotiated: _____.

* Other recommendations and reasons: _____

(* Delete as appropriate)

Declaration of Conflict of Interest

I hereby declare that there is no conflict of interest, whether actual, potential or perceived, between my official duties to the Association in relation to the captioned tender exercise, including without limitation those in relation to the preparation of the tender documentation (including tender specifications and marking schemes) and the assessment of tenders, and my financial, professional, commercial, personal or other interests.

I undertake to –

- (a) hold in strict confidence all tender information that I have access to through my official duties to HKKA in relation to the preparation of the tender documentation (including tender specifications and marking schemes) and the assessment of tenders. Tender information includes details of tenders received and any other sensitive, restricted or confidential information relating to a tender;
- (b) refrain from making any unauthorised disclosure or taking advantage of any tender information referred to in paragraph (a) above whether or not for personal gain;
- (c) declare any actual, potential or perceived conflict of interest with my official duties to [name of HKKA] in relation to the captioned tender exercise, including without limitation those in relation to the preparation of the tender documentation (including tender specifications and marking schemes) and the assessment of tenders immediately when I become aware of any such conflict; and
- (d) take steps to avoid any conflict of interest with any prospective supplier/service provider or supplier/ service provider by not putting myself in a position of obligation towards any of them; for example, by not accepting any favour or lavish or excessive entertainment, and not over-socialising with any of them.

The undertaking in paragraphs (a) and (b) above shall not apply –

- (a) if and when the disclosure and information therein referred to becomes a matter of public knowledge (other than by reason of a breach of paragraphs (a) and (b) above); or
- (b) to any communications or disclosures caused or permitted by me to fellows in The Kendo Association of Hong Kong, China Limited who are or are expected to be involved in the course of their official duties in the captioned tender exercise or parts thereof.

I understand that I may be subject to disciplinary action and liable to any loss or penalty borne by the Association should I make a false declaration or fail to observe any of my above undertaking.

Signature: _____

Name and Post of
Panel Chairman: _____

Date: _____

Signature: _____

Name and Post of
Panel Member: _____

Date: _____

Warning Clauses in Tender Invitation Documents

1. The tenderer shall not and shall ensure that his agents and employees shall not give or offer any advantages as defined under the Prevention of Bribery Ordinance to any agent or employee of The Kendo Association of Hong Kong, China Limited, the “Association”. The tenderer is also prohibited from colluding with other bidders in this tendering exercise in whatever forms (e.g. price rigging). Any breach of or non-compliance with these clauses by the tenderer shall, without affecting the tenderer’s liability for such breach or non-compliance, invalidate his tender.

2. If the supplier/contractor or any employee or agent of the supplier/contractor shall be found to have committed an offence under the Prevention of Bribery Ordinance in relation to the tender or the contract, the Association may terminate the contract without entitling the supplier/contractor to any compensation therefore, and the supplier/contractor shall be liable for all losses and expenses necessarily incurred by the Association as the result of such termination of the contract.

**Undertakings by Chairperson/Members of
The meeting of assessment panel of tender held on XX (Date)**

1. I undertake

- (a) to hold in strict confidence all information that I have access to through my position as a Chairperson/Member of the above panel meeting;
- (b) not to make any unauthorised disclosure or take advantage of any information whether or not for personal gain.
- (c) to declare immediately any actual or perceived conflict of interest with my official duty as a Chairperson/Member of the assessment panel of tender when I become aware of any such conflict.
- (d) to take steps to avoid any conflict of interest with any prospective tenderer or tenderer by not putting myself in a position of obligation towards any of them.

2. I understand that I may be subject to disciplinary action and liable to any loss or penalty borne by the Association should I fail to observe any of my above undertakings.

Chairperson	:	
		Signature (Name and Post)
Members	:	
		Signature (Name and Post)
		Signature (Name and Post)
		Signature (Name and Post)

Signature (Name and Post)

Signature (Name and Post)

Secretary

:

Signature (Name and Post)