**Variation(s) between Individual Cost Items**

(Please complete Form 3 - Table below overleaf by referring to the notes and example provided)

Notes to completing the Table

* Columns (a) to (b)
* Please copy the details from the approved budget enclosed to the grant approval letter.
* Columns (c) to (d)
* Please propose how the individual cost items will be re-allocated with calculation.
* Column (e)
* Please calculate the percentage of amount re-allocated (only for individual cost items with positive values of amount re-allocated) against the total approved grant.

*(Take “(3) Microfilm Production Training” in the example, the percentage is 17%, i.e. $85,000 (amount re-allocated) / $500,000 (total approved grant) x 100%*. **The total percentage after adding up the positive percentages for individual cost items should not exceed 50%.**

* **The variation(s) should not result in increase in total approved grant.**
* Justifications with Calculations
* Please provide justifications and detailed illustration of calculation of variation between individual cost items.
* The variation should not involve virement of funds from personal emolument to other cost items.
* The variation between individual cost items should be reasonable and commensurate with the changes to the project implementation plan involved.

Example

| **Individual cost items in Budget** | **Amount approved before variation** | **Amount after variation under application** | 1. **= (c) – (b)**   **Amount**  **re-allocated** | 1. **= (d)/(b) x 100%**   **Percentage of amount re-allocated against the total approved grant (only need to include those with positive values under (d))** |
| --- | --- | --- | --- | --- |
| 1. Personal Emolument | $150,000 | $150,000 | No change | Not Applicable |
| 1. Promotional Expenses | $50,000 | $115,000 | +$65,000 | 13% |
| 1. Microfilm Production Training | $100,000 | $185,000 | +$85,000 | 17% |
| 1. Street Booths and Anti-drug Carnival | $150,000 | $20,000 | -$130,000 | Not Applicable |
| 1. Interest Classes for Community Members | $42,000 | $22,000 | -$20,000 | Not Applicable |
| 1. External Audit Fee | $8,000 | $8,000 | No change | Not Applicable |
| **Total Approved Grant** | **$500,000** | **$500,000** | **NO CHANGE** | |
|  |  | **Total percentage of**  **Amount re-allocated** | | **30%** |

The detailed illustration on the calculations of the above variation between individual cost items is as follows:

* Increase the budget of “(2) Promotional Expenses” by $65,000 as the promotion will be arranged by online means with production of one additional video (one is approved originally) in order to boost the recruitment of participants, therefore more expenditure on this item is anticipated.
* Increase the budget of “(3) Microfilm Production Training” by $85,000 as the class size of each training session is reduced from five teams to two teams only, i.e. more training sessions are required to be conducted, and higher expenditure is anticipated on hiring the studio, training services and equipment.
* Reduce the budget of “(4) Street Booths and Anti-drug Carnival” by $130,000 as sessions scheduled since the outbreak of COVID-19 and the finale anti-drug carnival were cancelled.
* Reduce the budget of “(5) Interest Classes for Community Members” by $20,000 as those interest classes’ sessions scheduled after the outbreak of COVID-19 were cancelled.
* The total amount of re-allocation of budget, subject to approval, will be $150,000, which is 30% of the total approved grant of $500,000.

Form 3 - Table *(please add rows if necessary)*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Individual Cost Items in Budget** | **Amount Approved before Variation** | **Amount after Variation under application** | 1. **= (c) – (b)**   **Amount**  **re-allocated** | 1. **= (d)/(b) x 100%**   **Percentage of Amount re-allocated against the Total Approved Grant**  **(only need to calculate those with positive values under (d))** |
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|  |  |  |  |  |
|  |  |  |  |  |
| **Total Approved Grant** |  |  | **NO CHANGE** | |
|  |  | **Total percentage of**  **Amount re-allocated** | |  |

The detailed illustration of calculation of the above variation between individual cost items is as follows:

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