

**Kindergarten Education Scheme
Templates of the ledger accounts**

Appendix 1

(The below ledger accounts are for reference only. School may create other accounts according to its need.)

<u>Account code</u>	<u>Account name</u>	<u>Classification</u>	<u>Note</u>
1	Reserves		
10	Accumulated surplus / (deficit) of School Funds		
1001	Accumulated surplus / (deficit)	SF	
11	Surplus / (Deficit) of government subsidy / grant		
1101	Unit Subsidy Account - teacher salary related	KGSF	
1102	Unit Subsidy Account - other operating expenses related	KGSF	
1103	Premises Related Subsidy Account	KGSF	
1111	Grant for Support to Non-Chinese Speaking Students Account	KGSF	
1112	Grant for a Cook Account	KGSF	
1113	One-off Start-up Grant Account	KGSF	
2	Assets		
	Non-current assets		
20	Fixed assets		
2001	School premises	KGSF	
2002G	Furniture, equipment, fixtures and fittings - KG Scheme Funds	KGSF	
2002S	Furniture, equipment, fixtures and fittings - School Funds	SF	
2003G	Computer hardware and software - KG Scheme Funds	KGSF	
2003S	Computer hardware and software - School Funds	SF	
21	Accumulated depreciation		
2101	Accumulated depreciation - school premises	KGSF	
2102G	Accumulated depreciation - furniture, equipment, fixtures and fittings - KG Scheme Funds	KGSF	1
2102S	Accumulated depreciation - furniture, equipment, fixtures and fittings - School Funds	SF	1
2103G	Accumulated depreciation - computer hardware and software - KG Scheme Funds	KGSF	1
2103S	Accumulated depreciation - computer hardware and software - School Funds	SF	1
	Current assets		
22	Other current assets		
2201	Stocks		2
2202	Accounts receivable		2
2203	Prepayments		2
2204	Rental & utility deposit		2
23	Cash and bank		
2310G	Bank fixed deposits - KG Scheme Funds (Bank A)	KGSF	
2310S	Bank fixed deposits - School Funds (Bank A)	SF	
2311G	Bank fixed deposits - KG Scheme Funds (Bank B)	KGSF	
2311S	Bank fixed deposits - School Funds (Bank B)	SF	
2320G	Cash at bank - KG Scheme Funds (Bank A)	KGSF	
2320S	Cash at bank - School Funds (Bank A)	SF	
2321G	Cash at bank - KG Scheme Funds (Bank B)	KGSF	
2321S	Cash at bank - School Funds (Bank B)	SF	
2330	Cash in hand		2
3	Liabilities		
30	Current liabilities		
3001	School fees received in advance	SF	
3002	Accounts payable		2
3003	Accruals		2
3004	Amount refundable to Education Bureau	KGSF	
4	Income		
40-42	Government subsidy / grant		
4001	Unit subsidy - teacher salary related	KGSF	
4002	Unit subsidy - other operating expenses related	KGSF	
4101	Rental subsidy / rent reimbursement	KGSF	
4102	Premises maintenance grant	KGSF	
4103	Refund of government rent and rates	KGSF	
4201	Tide-over grant	KGSF	
4202	Grant for Support to Non-Chinese Speaking Students	KGSF	
4203	Grant for a Cook	KGSF	
4204	One-off Start-up Grant	KGSF	3
43	School fees		
4300	School fee from parents (Local KG)	SF	
4301	School fee from parents (CCC)	SF	
4302	School fee from parents (Non-local KG)	SF	
4303	School fee from Kindergarten and CCC Fee Remission Scheme	SF	
4304	Fee remission (financed by school)	SF	
44	Other school income		
4401	Subsidy under Child Care Centre Subsidy Scheme	SF	
4402	Donation income	SF	
4403	Meal charges	SF	
4404	Application/Registration fee	SF	
4405G	Bank interest income - KG Scheme Funds	KGSF	4
4405S	Bank interest income - School Funds	SF	
4406	Insurance compensation	SF	
4407G	Other income - KG Scheme Funds	KGSF	4
4407S	Other income - School Funds	SF	
5	Expenditure		
50	Teacher salary related expenses		
5010G	Principal and teaching staff salaries (Local KG)	KGSF	
5010S	Principal and teaching staff salaries (Local KG) - School Funds portion	SF	5
5011	Principal and teaching staff salaries (CCC)	SF	
5012	Principal and teaching staff salaries (Non-local KG)	SF	
5020G	Employer's contribution to provident fund scheme/Mandatory Provident Fund (Local KG) - principal and teaching staff	KGSF	
5020S	Employer's contribution to provident fund scheme/Mandatory Provident Fund (Local KG) - principal and teaching staff - School Funds portion	SF	5
5021	Employer's contribution to provident fund scheme/Mandatory Provident Fund (CCC) - principal and teaching staff	SF	

(The below ledger accounts are for reference only. School may create other accounts according to its need.)

<u>Account code</u>	<u>Account name</u>	<u>Classification</u>	<u>Note</u>
5022	Employer's contribution to provident fund scheme/Mandatory Provident Fund (Non-local KG) - principal and teaching staff	SF	
5030G	Severance / long service payment (Local KG) - principal and teaching staff	KGSF	
5030S	Severance / long service payment (Local KG) - principal and teaching staff - School Funds portion	SF	5
5031	Severance / long service payment (CCC) - principal and teaching staff	SF	
5032	Severance / long service payment (Non-local KG) - principal and teaching staff	SF	
51	Premises related expenses		
5101G	Rental of school premises	Common	7
5101S	Rental of school premises - School Funds portion	SF	6
5102	Government rent and rates	Common	7
5103	Depreciation of school premises - KG Scheme Funds	KGSF	1
5104	Major repairs and maintenance paid by premises maintenance grant	KGSF	
52 to 55	Other operating expenses		
52	Non-teaching staff salary and related expenses		
5201	Non-teaching staff salaries	Common	7
5202	Non-teaching staff employer's contribution to provident fund scheme/Mandatory Provident Fund	Common	7
5203	Non-teaching staff severance / long service payment	Common	7
53	Common operating expenses		
0	Depreciation		
5301G	Depreciation of furniture, equipment, fixtures and fittings - KG Scheme Funds	KGSF	1
5301S	Depreciation of furniture, equipment, fixtures and fittings - School Funds	SF	1
5302G	Depreciation of computer hardware and software - KG Scheme Funds	KGSF	1
5302S	Depreciation of computer hardware and software - School Funds	SF	1
1	Teaching and learning activities		
5311	Teaching consumables	Common	7
5312	Expenses on regular learning activities for all students	Common	7
5313	Printing materials for school use such as publications, student handbooks, learning profiles, graduation certificates and student cards	Common	7
2	Repairs and maintenance		
5321	Major repairs and maintenance	Common	7
5322	Minor repairs and maintenance	Common	7
3	Administrative expenses		
5331	Advertisement	Common	7
5332	Cleaning expenses	Common	7
5333	Communication (e.g. telephone, fax line and internet service charges)	Common	7
5334	Insurance	Common	7
5335	Printing and stationery	Common	7
5336	Transportation fees for school administration purposes	Common	7
5337	Water and electricity	Common	7
5338	Others	Common	7
4	Financial costs		
5341	Bank charges	Common	7
5342	Bank interest	Common	7
5	Special expenses		
5351	Audit fee	Common	7
5352	Supervisor's remuneration	Common	7
5353	Set up expenses	Common	7
5354	Furniture and equipment and teaching aids other than those included in the fixed assets	Common	7
54	Donations		
5401	Corresponding expenditure charged to donation income	SF	
55	Specific expenditure		
5500	Specific expenditure (Local KG expenditure not recognised to charge to KG Scheme Funds)	SF	8
5501	Specific expenditure (CCC)	SF	8
5502	Specific expenditure (Non-local KG)	SF	8
5503	Meal charges expenses	SF	
5504	Other expenditure for support to Non-Chinese Speaking students	KGSF	
5505	Salary and related expenses for cook	KGSF	
5506	Corresponding expenditure charged to One-off Start-Up Grant	KGSF	3

Notes

- If a school opts to record its fixed assets under KGSF, their corresponding depreciation expenses will be apportioned into Local KG, Non-local KG (if applicable) and/or CCC. If a school opts to record its fixed assets under SF, their corresponding depreciation expenses will be apportioned into Non-local KG (if applicable) and/or CCC only.
- This balance sheet item can be recorded on school basis and does not need to apportion into streams/sections/sessions.
- A separate statement would be required for this grant to report its' income and expenditure.
- Other income under KGSF (other than government subsidies/grants) should be grouped under "Unit Subsidy Account - other operating expenses related".
- Refer to teachers salary and related expenses falling outside the teacher to pupil ratio approved by the EDB, which cannot be covered by teacher salary related subsidy and other operating expenses related subsidy.
- For rental expenses in excess of the market rent assessed by Rating and Valuation Department.
- For expenditure accounts classified as "Common", the apportionment basis is as follows:
 - First, apportion the common accounts into Local KG, CCC and/or Non-local KG sections by student enrolments or defined apportionment basis. Where an objective and basis for such accounts cannot be determined, such accounts should be apportioned by student enrolments.
 - Then, further apportion the apportioned amounts of Local KG into HD, WD/LWD sessions by respective student enrolments and ratio of student unit cost (the ratio of HD to WD/LWD expenditure per student ranges from 1:1.6 to 1:2).
- Refer to expenses specifically incurred for CCC or Non-local KG, or identifiable Local KG expenses which are not recognised to charge to KGSF.

<u>Legend</u>	
CCC	Child care centre
Common	Expenses account recorded in school total basis and subject to apportionment into KGSF and SF
KGSF	KG Scheme Funds
HD	Half day
Local KG	Kindergarten section offering local curriculum
LWD	Long whole day
Non-local KG	Kindergarten section offering non-local curriculum
SF	School Funds
WD	Whole day

Free Quality Kindergarten Education Scheme
Illustration - Grouping of income and expenditure accounts

	KG Scheme Funds					School Funds
	Unit Subsidy Account - teacher salary related	Unit Subsidy Account - other operating expenses related	Premises Related Subsidy Account	Grant for Support to Non-Chinese Speaking Students Account	Grant for a Cook Account	
	Account code	Account code	Account code	Account code	Account code	
Income	4001 4201	4002 4405G 4407G	4101 to 4103	4202	4203	4300 to 4304 4401 to 4404 4405S 4406 4407S
Expenditure	<u>Designated</u> 5010G 5020G 5030G	<u>Designated</u> 5301G 5302G	<u>Designated</u> 5101G	<u>Designated</u> 5504	<u>Designated</u> 5505	<u>Designated</u> 5010S 5011 to 5012 5020S 5021 to 5022 5030S 5031 to 5032 5101S 5301S 5302S 5401 5500 to 5503
		<u>Common (note)</u> <i>(Local KG portion after apportionment)</i> 5201 to 5203 5311 to 5354	<u>Common (note)</u> <i>(Local KG portion after apportionment)</i> 5102 to 5104			<u>Common</u> <i>(CCC and Non-local KG portions after apportionment)</i> 5102 to 5104 5201 to 5203 5311 to 5354
Transfer of surplus/(deficit) balances among KG Scheme Fund Accounts	<ul style="list-style-type: none"> - Surplus/(Deficit) should be calculated separately for each KG Scheme Fund Account as well as by stream, section and session - Surplus in Unit Subsidy Account - other operating expenses related (if any) could be deployed to cover deficits in Unit Subsidy Account - Teaching Salary Related and/or Premises Related Subsidy Account that under same session - The amount transfer to these two subsidy accounts is restricted to their respective deficits - Where deficit arises in Unit Subsidy Account - other operating expenses related or when its surplus is insufficient to cover the deficits in designated KG Scheme Fund Accounts, the amount of shortfall and the own deficit of other operating expenses should be borne by School Funds 			- Deficits should be borne by School Funds	- Deficits should first be covered by meal charges and any remaining deficits should be borne by School Funds.	- Deficits under KG Scheme Funds should be borne by School Funds.
Surplus / (Deficit) balances after transfer to be carried forward under reserve	1101	1102	1103	1111	1112	1001

Note

Expenses under Local KG portion require further apportionment into HD, WD and/or LWD sessions by respective student enrolments and the ratio of student unit cost (the ratio of HD to WD/LWD expenditure per pupil ranges from 1:1.6 to 1.2).