

Kindergarten Education Scheme

Guidance Notes on Subsidy Disbursement

1. Introduction

- 1.1 This guide aims at explaining to kindergarten (KG) operators the arrangements for the provision of **unit subsidy** (i.e. half-day (HD), whole-day (WD) and long whole-day (LWD) unit subsidies) by the Education Bureau (EDB) to KGs joining the Kindergarten Education Scheme (Scheme-KGs) as set out in the related EDB circular and the respective points to note.

2. Background

- 2.1 The Scheme has been implemented starting from the 2017/18 school year. The policy objectives are to provide quality and highly affordable KG education, and enhance the accessibility of students to different modes of services that suit their specific needs. The Government will provide direct subsidies for Scheme-KGs.
- 2.2 KGs that wish to join the Scheme should submit their applications in accordance with the related EDB circular memorandum. KGs approved by EDB to join the Scheme will receive the basic HD unit subsidy, and those offering WD and LWD services are provided with additional subsidies (LWD KG services refer to those services provided by former aided child care centres operated under the Social Welfare Department before Harmonisation of Pre-primary Services in the 2005/06 school year). These subsidies cover expenses on salaries for teaching staff (including principals) and supporting staff, and other operating costs. The amount of subsidy is based on the rates as specified by EDB and number of eligible students holding a valid “Registration Certificate for Kindergarten Admission” (RC) issued by EDB and enrolled to nursery (K1), lower KG (K2) and upper KG (K3) classes adopting local curriculum (“Eligible Students”). An RC remains valid only throughout the prescribed validity period.
- 2.3 Besides, school-specific grants ¹ will be provided to cater for the special circumstances of individual KGs. For details, please refer to the relevant EDB circular and circular memorandum.

3. Calculation Method of Subsidies

- 3.1 EDB will disburse the basic HD unit subsidy, WD unit subsidy or LWD unit subsidy on a monthly basis according to the start month and the number of instalments of eligible KG courses approved on the “Fees Certificate” (i.e. from August or September by 10, 11 or 12 instalments where applicable). For the rates of unit subsidies per instalment, please refer to **Appendix 1**.

¹ The grants include rental subsidy, Premises Maintenance Grant, Grant for a Cook, Grant for Support to Non-Chinese Speaking Students, etc.

3.2 The amount of subsidy is calculated based on the number of Eligible Students in each month. For example:

- ✧ For KGs commencing the school year in August, the subsidy received in August:
Number of Eligible Students in August x Rate of unit subsidy for August
- ✧ For KGs commencing the school year in September, the subsidy received in September:
Number of Eligible Students in September x Rate of unit subsidy for September
- ✧ For KGs commencing courses in both August and September, the rate of subsidy is calculated as below:
 - The subsidy received in August:
Number of Eligible Students in August studying in courses that commence in August x Rate of unit subsidy for August
 - The subsidy received in September:
(Number of Eligible Students in September studying in courses that commence in August x Rate of unit subsidy of the course for September) +
(Number of Eligible Students in September studying in courses that commence in September x Rate of unit subsidy of the course for September)

3.3 The monthly subsidy for each Eligible Student is disbursed to one KG only. Should there be any new intake, dropout or transfer of students during the school year, the subsidy will be disbursed as follows:

3.3.1 If a student is transferred to another KG in the middle of a month, in general, the former KG attended by the student can receive the subsidy in respect of the student for that month while the new KG attended by the student can only collect from parent the school fee after deduction of Government subsidy in that month and start to receive the subsidy for the student from the following month. For instance, a student is transferred to another KG in mid-November. The former KG attended by the student can receive the subsidy in respect of the student for November while the new KG attended by the student can only receive the subsidy for the student from December onwards (please refer to **Appendix 2** for illustration).

3.3.2 If a child is admitted to a KG in the middle of a month and the subsidy in respect of the child for that month has not been received by any KG, the KG can receive the subsidy in respect of the child for that month even though the date of admission does not fall on the first school day of that month.

Example 1

A child holding a valid RC enrolls in a KG for the first time in mid-November. The KG can receive the subsidy for the child from November onwards.

Example 2

A child holding a valid RC drops out of a KG in mid-November and is admitted to another KG in mid-February of the following year. This KG can receive the subsidy for the child from February onwards.

- 3.4 If a student changes to a different session (e.g. from HD session to WD/LWD session or from WD/LWD session to HD session) in the same KG in a month, the session that the student first attended in that month is adopted as the basis for calculating the subsidy for the student that the KG can receive in that month.
- 3.5 If a child attends KG A (which starts the school year in August) in August but is transferred to KG B (which starts the school year in September and collects tuition fee by 12 instalments) from September, KG B can receive the subsidy in respect of the child for the whole school year if the child studies in KG B until the end of the school year (Please refer to **Appendix 2** for illustration).
- 3.6 If a student has completed a KG course in a school year and then enrolled to a course of the same school year in another KG, the admitting KG will not receive any subsidy in respect of the student for that school year. For example, if a student completes a 10-month course at KG A that finishes in June and is then transferred to KG B in July to attend a course that finishes in August in the same school year, KG B will not receive any subsidy in respect of the student for July and August of that school year (Please refer to **Appendix 2** for illustration).

4. Disbursement Arrangements for Unit Subsidies

- 4.1 Provisional subsidies are disbursed early each month according to the start month and number of instalments of eligible KG courses approved on the “Fees Certificate”. The first instalment of provisional subsidy is disbursed at the beginning of August or September, depending on the start month of KG courses. KGs should input the course start month and the estimated number of students of the new school year by means of the “Form 1” function of the KG Education Scheme System (KGESS) by late June generally. Subsidies for the first few months of the new school year will be disbursed according to the projected enrolment reported. Under special circumstances, KGs may report the projected enrolment via the Form 1 attached to this Guidance Notes. Starting from November, subsidies will be disbursed in accordance with the student information as reported in the KGESS in the previous month. The number and list of students eligible for provisional subsidies each month will be uploaded to the KGESS (“Common Log-On System” > “Student Information”) to facilitate KG’s checking and handling of their monthly financial statements. If KGs find any changes in the information of students eligible for provisional subsidies, they should update them in the KGESS in a **timely manner** (i.e. within seven days upon occurrence) so as to ensure accurate disbursement of provisional subsidies in the subsequent months.

- 4.2 EDB will, in 3 phases, calculate the subsidies based on the updated student attendance information due to changes such as students' transfer in or out of school, students' change of session (e.g. from HD session to WD/LWD session or from WD/LWD session to HD session) and students' non-attendance for an entire month reported by KGs. The subsidy adjustment will be calculated based on student attendance information up to November, March and August of the following year respectively, to determine any underpayment or overpayment of subsidies. Relevant underpayment or overpayment, if any, would be disbursed or recovered afterwards.
- 4.3 The arrangements for disbursement of subsidies with illustrations are set out in **Appendix 3**.

5. Reporting Student Attendance Information for Calculation of Subsidy

- 5.1 The amount of subsidy is calculated upon student attendance information. KGs have the responsibility to ensure that all reported student information (including new intakes, change of course, dropouts, and cases of non-attendance for an entire month) is true and accurate, and corresponds with the actual student attendance information. Submission or revision of student attendance information on KGESS by principal / authorised designated staff member represents that a KG has verified the information and made the aforementioned confirmation. Therefore, KGs are required to strictly check and report in a **timely manner** (i.e. within seven days upon occurrence) the attendance information of students holding a valid RC. Details are set out below:

- 5.1.1 **On or before the cut-off date in September**, KGs are required to update the attendance information of students at the beginning of the school year (August to September) via the "Common Log-On System" > "Student Information" > "Input Student Information" function. For KGs participated in the Scheme in the previous school year, EDB will transfer KGs' nursery (K1) and lower KG (K2) student records at the end of the previous school year to lower KG (K2) and upper KG (K3) student records for the current school year in the KGESS. KGs are required to confirm the student records of those "promoted" to lower KG and upper KG in accordance with students' attendance records in August (if courses start in August) and September in the current school year, including removal of students who withdrew at the end of the previous school year, input of new intakes or transferees, as well as the last date of attendance of dropouts at the beginning of the school year. The student information to be verified or added includes:

- name of student (must be identical to the name on the valid RC)
- number of the valid RC
- course attended (e.g. K2 HD/AM class)
- first date of attendance in the current school year
 - ✧ existing students: For all existing students, the KGESS will set the school commencement date of the current school year as the first date of attendance by default. If individual students could not

attend school on the school commencement date, KGs are required to update the first school day for those students.

- ✧ new intakes or transferees: the first school day of the students
- last date of attendance in the current school year (applicable to dropouts at the beginning of the school year only)

5.1.2 **After the cut-off date in September**, KGs are required to report new intakes, change of course and dropouts via the “Common Log-On System” > “Student Information” > “Update Student Information” function (a standard form may be used if necessary [relevant forms are set out in Appendix 4]). Cases of students’ non-attendance for an entire month have to be reported by means of a standard form (i.e. Form 4 in Appendix 4). All changes of student information have to be reported to the Kindergarten Administration 2 Section (KGA2 Section) of EDB in a **timely manner** (i.e. within seven days upon occurrence), including updating the expired certificate number of the student’s RC. Please note that if KGs report updated student information after the account for subsidy for this school year has been settled, the underpayment of subsidy will not be refunded. Conversely, if the relevant update involves any omissions or delayed reporting of cases (such as failure to remove records of dropouts or update records of change of course students in a timely manner) which results in overpayment of subsidy in excess of the entitlement, KGs should proactively report to the KGA2 Section of EDB in writing with reasonable explanations, and the amount overpaid should be refunded to the Government upon demand.

5.2 Students holding a “Kindergarten Admission Pass” (AP) are not eligible for the disbursement of subsidies. For accurate records of student information under Scheme-KGs, KGs are also required to report to KGA2 Section via the KGESS the attendance information of students who are holding an AP.

6. Points to Note for KGs

6.1 If a child holding a valid paper-based RC is offered a school place by a Scheme-KG and the offer is accepted, parents should present the original copy of the valid paper-based RC of the child to the KG for retention. The KG will issue an acknowledgement to parents to confirm receipt of the valid paper-based RC.

6.2 In line with the Government’s policy objective of digitalisation of public services, EDB has introduced the e-RC. Each e-RC contains an encrypted QR code. When parents are registering with the KGs, KG staff would only need to scan the QR code on the e-RC and the registration process will be completed automatically. Hence, KGs would no longer need to collect and keep the RC of their students. Upon completion of the registration process, relevant personal information of the student will be uploaded onto EDB’s system automatically. If a child holding a valid e-RC is offered a school place by a Scheme-KG and the offer is accepted, parents should

allow the KG to scan the QR code on the e-RC for registration. The KG will issue an acknowledgement to parents to confirm completion of registration of the student. Moreover, paper-based RC would remain valid. If parents use paper-based RC to register for a child, they are required to present the original copy of the valid RC of the child to the KG for retention.

- 6.3 Besides, the registration fee must be refunded to any child who pays the registration fee and subsequently takes up the place within the first month of the school year concerned after receiving the first instalment of the school fee from the child, if any.
- 6.4 KGs should duly inform parents of the drop out procedures upon admission of new students to avoid unnecessary disputes. The RC / e-RC is the property of the student. If parents decide to withdraw their children from the KGs, they need to bring the e-RC of their children to the attending KGs to scan the QR code on the e-RC for cancellation of registration. If parents use paper-based RC to register for a child, the original copy of his/her valid RC should be returned to his/her parents who should acknowledge receipt of the valid RC from the KG by signing a receipt. In addition, KGs should inform parents in writing of how they will handle unclaimed valid RC after students' withdrawal.
- 6.5 For a Scheme-KG to be disbursed with subsidy for a month, an Eligible Student studying in that KG must have attended classes in that month. If there are students who have been absent from school for an entire month (i.e. absent for all school days of a specific month), KGs should report the cases by faxing the duly completed Form 4 (at **Appendix 4**) to KGA2 Section. In general, if students have been absent from school for an entire month, subsidy in respect of the student for that month would not be disbursed to the KG concerned; parents are required to pay full school fees before deduction of subsidy under the Scheme as shown on the "Fees Certificate" of the KG to which the child is admitted. If there are any special circumstances (e.g. absence due to illness for the entire month), upon receipt of justifications and documentary proof (covering all school days of the absent month) from parents, schools may apply to EDB for subsidy for that month. Each case would be considered on its individual merits. However, if the whole-month absence of students involves touring, disbursement of subsidy for these cases would not be considered.
- 6.6 "Points to Note Regarding the Use of RC" has been uploaded on EDB's webpage (Home > Education System and Policy > Kindergarten Education > Admission Arrangements for Nursery (K1) Classes in Kindergartens > Application Forms > Points to Note Regarding the Use of RC). It elucidates matters concerning the use of RC issued for parents' information.
- 6.7 The subsidies disbursed to KGs under the Scheme are based on the attendance information of Eligible Students. KGs are required to provide EDB with accurate information regarding their students, and EDB will conduct inspections to Scheme-KGs to verify relevant information. Any misrepresentation or omission may result

in the deferral of subsidy disbursement and / or full recovery / adjustment of subsidies already disbursed and / or legal consequence.

- 6.8 As KGs have to report timely student information (such as new intakes, change of course, dropouts and students' non-attendance for an entire month during the school year) to KGA2 Section, it would be desirable for KGs to designate an authorised staff member to liaise with KGA2 Section and handle matters concerning the disbursement of subsidies.

7. Enquiries

- 7.1 For enquiries about the guidance notes on subsidy disbursement, please contact the Kindergarten Administration 2 Section of EDB.

Telephone: 2892 6669

Fax: 3691 8021

Address: 14/F, Wu Chung House, 213 Queen's Road East, Wan Chai, Hong Kong

Education Bureau

August 2026

To: Kindergarten Administration 2 Section, Education Bureau (Fax no.: 3691 8021)

Kindergarten Education Scheme
Reporting Course Start Month and Estimated Number of Students (20____/____ School Year)

Our kindergarten (KG) is approved to join the kindergarten education scheme in the 20____/____ school year. As we **cannot report/revise the course start month and the estimated number of students** through the Kindergarten Education Scheme System (KGESS), this is to request the Education Bureau to input/update the related information for us.

Part A Particulars of our KG are as follows:

Name of KG	(in English)		
	(in Chinese)		
School Address			
Contact Person		Title	principal / senior teacher / others (please specify: _____)*
Telephone No.		School Registration No.	

Part B (I) Our KG commences the course(s) in August / September / August and September* in the 20____/____ school year.

(II) Besides, the **estimated** number of students with “Registration Certificate for KG Admission” at the beginning of the school year is as follows:

	For Courses Starting in August ^{Note 1}			For Courses Starting in September ^{Note 1}		
	Half-day AM Course	Half-day PM Course	Whole-day Course	Half-day AM Course	Half-day PM Course	Whole-day Course
Number of Students						

Part C **Estimated** number of **non-Chinese speaking** (NCS) students

	Half-day AM Course	Half-day PM Course	Whole-day Course
Number as of Mid-Sep ^{Note 2}			

Note:

- Relevant provisional subsidies for the early months of the school year will be calculated according to the estimated number of students. KGs are required to report timely student attendance information (e.g. new intakes, change of course, dropouts, etc.) through the System during the school year for calculating the amount of subsidy and making adjustment of any overpayment or underpayment.
- All blanks must be filled in. Please fill in '0' if nil NCS student in the course.

Signature of Supervisor / Principal* : _____

Name of Supervisor / Principal* : _____

Date : _____

School Chop

* Please delete where appropriate