

Fee Revision  
for Kindergartens/  
Kindergarten-cum-Child Care Centres and Schools  
with Kindergarten Classes (KGs/KG-cum-CCCs)  
NOT Joining the Kindergarten Education Scheme  
in the 2019/20 School Year

## Briefing Session

Feb 2019  
Kindergarten Administration Section,  
Education Bureau

# Briefing Session

Time	Content
Part 1	Points to Note on Completing the Schedules
10 mins	Break
Part 1 (continued)	Points to Note on Completing the Schedules (continued)
Part 2	Question & Answer

# Education Bureau Circular Memorandum (EDBCM) No. 3/2019

## EDUCATION BUREAU CIRCULAR MEMORANDUM NO. 3/2019

From: Permanent Secretary for Education      To: Supervisors of all Kindergartens,  
Kindergarten-cum-Child Care Centres  
and Schools with Kindergarten Classes  
NOT Joining the Kindergarten  
Education Scheme- for necessary action

Ref.: EDB(KGA)/KE/3/1

Date: 29 January 2019














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### **Fee Revision for Kindergartens/Kindergarten-cum-Child Care Centres and Schools with Kindergarten Classes NOT Joining the Kindergarten Education Scheme in the 2019/20 School Year**

#### **Summary**

This circular memorandum sets out the procedures on fee revision for kindergartens/ kindergarten-cum-child care centres (KG-cum-CCCs)/schools with kindergarten classes (collectively referred to as “KGs” hereafter) NOT joining the kindergarten education scheme (the Scheme) in the 2019/20 school year. The deadline for submission of applications is **19 March 2019**.

# Home → Education System and Policy → Kindergarten Education → PEVS related Circulars → (VI) Other Circulars

<b>PEVS related Circulars</b> 	
<b>(I) Education Bureau Circular Memorandum No. 185/2015</b> - <u>Application for Joining the Pre-primary Education Voucher Scheme 2016/17 School Year</u>  <u>Appendix I</u>  <u>Appendix II</u>  <u>Appendix III</u>  (Application Form for School Use Only)  Kindergartens should return completed application form of the PEVS for the 2016/17 school year on or before 7 December 2015 to the following address: Kindergarten Administration Section, Special Education and Kindergarten Education Division, Education Bureau, Room 3608, 36/F, Sunlight Tower, 248 Queen's Road East, Wan Chai, Hong Kong	23/11/2015
<b>(II) Education Bureau Circular No. 6/2011</b> - <u>Pre-primary Education Voucher Scheme</u>  <u>Questions and Answers</u> 	21/10/2011
<b>(III) Education Bureau Circular No. 1/2007</b> - <u>New Initiatives in Pre-primary Education</u> 	22/1/2007
<b>(IV) Education Bureau Circular No. 13/2015</b> - <u>Entry of Non-local Children and Children Holding a Form of Recognizance to Schools in Hong Kong</u>  The criteria and procedures for admission of non-local children to schools in Hong Kong have been announced in Education Bureau Circular No. 13/2015. Kindergartens joining PEVS are also reminded that when enrolling pupils who have produced Certificate of Eligibility, kindergartens should ensure that the children are the owners of the Certificate of Eligibility, apart from the regular checking of children's identity and age.	3/8/2015
<b>(V) Education Bureau Circular No. 15/2012</b> - <u>Enhanced Quality Assurance Framework under the Pre-primary Education Voucher Scheme</u> 	13/8/2012
<b>(VI) Other Circulars:</b>   <b>Education Bureau Circular Memorandum No. 3/2019</b> - <u>Application for fee revision (applicable to Kindergartens NOT joining the Scheme in the 2019/20 School Year)</u>  <u>Schedules</u> 	23/11/2019

**EDBCM  
No.3/2019**

**in PDF &  
Excel format**

# Page 1 to 3 of the CM

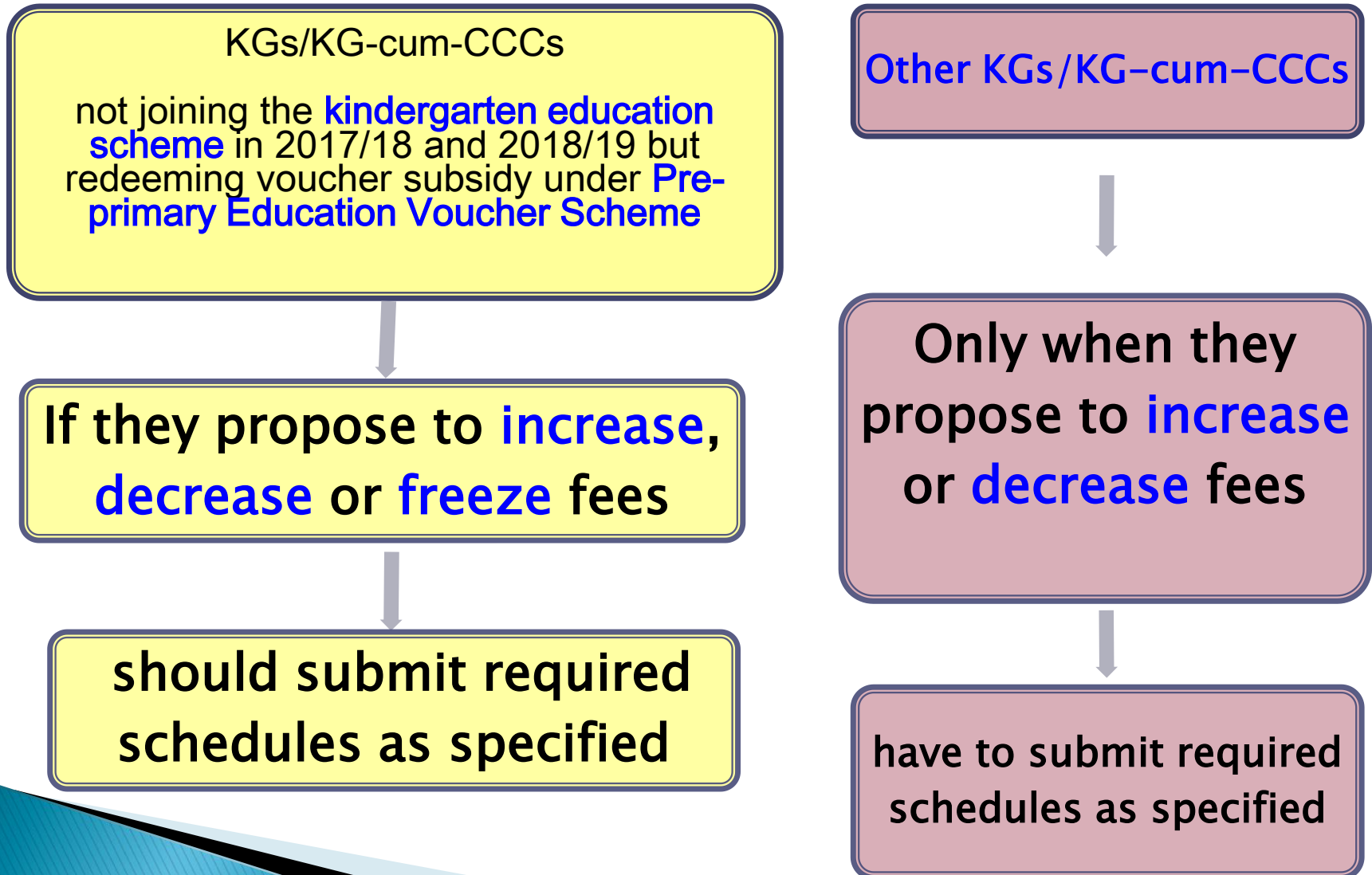
## Main body

# Submission of applications

- ▶ Deadline : 19 March 2018 (Tuesday)
- ▶ Submit the application to
  - your respective Senior School Development Officer of the **Regional Education Office (REO)**, OR
  - Senior Services Officer of the **Joint Office for Kindergartens and Child Care Centres (JOKC)**



# Submission of required schedules



# Points to Note on Fee Revision

- ▶ Application together with the schedules and other relevant documents must be submitted **on or before 19 March**
- ▶ EDB will consider **only expenditure of allowable items directly** relating to
  - teaching and learning activities
  - operation of the KG/KG-cum-CCC
  - maintenance of the standard of education service
- ▶ **Inform respective parents of the amount of the proposed increase** and explain to parents the reasons for fee increase and follow up properly as early as possible prior to submission of the application



# Points to Note on Fee Revision (continued)

- ▶ Though the range of proposed fee increase varies from KG to KG, the **proposed increase should be reasonable** with a strike of balance between school operational need and parents' concern
- ▶ Fee revision applications of all KGs are processed according to **the established procedures and principles**, and individual KG will be required to submit case-specific supporting documents necessary for EDB's further consideration
- ▶ KGs should prepare their **audited accounts for 2017/18 school/financial year** and make the accounts available to EDB **when requested**

# Audited Accounts (2017/18 school/ financial year)

## Schedule 4A(I) Schedule of Income and Expenditure

KGs/KG-cum-CCCs operating classes of both local and non-local streams, please complete Schedule 4A(II) and 4B(II)

Name of \*KG/KG-cum-CCC: \_\_\_\_\_ (\*Delete whichever is inappropriate.)

School Reg. No.: \_\_\_\_\_

	2017/18 school/ financial year Actual Amount [per audited accounts] \$	2018/19 Revised Estimate	2019/20 Estimate
<b>INCOME</b>			
1. school fees			
1.1 fees subsidy from the PEVS (if applicable)			
1.2 from parents (including fee remission under the KCFRS <sup>#</sup> )			
2. CCCSS subsidy (if applicable)			

**Schedule 4A(I)/4A(II)  
Schedule of Income  
and Expenditure**

**2017/18 school/  
financial year Actual  
Amount**

**must be filled in as per  
the audited accounts**

# Audited Accounts (2017/18 school/ financial year) (continued)

**All** KGs/KG-cum-CCCs applying for **fee revision** in 2019/20 school year

- should **prepare** their audited accounts



**Upon EDB's request**, submit the annual audited accounts to **EDB** for checking the reasonableness of their operating results (The accounts must be audited by Certified Public Accountants (practising) registered under the Professional Accountants Ordinance. )

KGs/KG-cum-CCCs not joining the **kindergarten education scheme** but redeeming voucher subsidy under **PEVS** in **2017/18 school year**

- submit the annual audited accounts in **prescribed formats** to **Finance Division of EDB** within **six months after the year end date of the school** (EDB Circular Memorandum No. 108/2018)

# Transitional Arrangement of PEVS

- ▶ Since the transitional arrangement of PEVS will end by the end of the 2018/19 school year, starting from the 2019/20 school year, EDB will no longer disburse voucher subsidy under PEVS
- ▶ For any individual students with **special circumstances**, respective KGs should contact their School Development Officers/Services Officers

# Summary Table of Schedules

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# Summary Tables of Schedules (continued)

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Schedule 1A

Declaration of School Supervisor

# Schedule 1A: Declaration of School Supervisor (P.6)

*(Please tick one of the following boxes only)*

- ▶ For \*KGs/KG-cum-CCCs not joining the kindergarten education scheme but redeeming voucher subsidy under PEVS in 2017/18 and 2018/19:
  - ❑ I understand that I should submit a copy of annual audited accounts for 2017/18 school/financial year to EDB for inspection (please refer to EDBCM No. 108/2018). Should this school fail to do so, this fee revision application will not be processed further and will be taken as a fee freezing case.
- ▶ For other \*KGs/KG-cum-CCCs:
  - ❑ I understand that I should present a copy of annual audited accounts for 2017/18 school/financial year for fee revision application in 2019/20 upon EDB's request. Should this school fail to do so, this fee revision application will not be processed further and will be taken as a fee freezing case.
  - ❑ Annual audited accounts for 2017/18 school/financial year are not available as my KG/KG-cum-CCC has been in operation after 2017/18.

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Schedule 1B

Details of School Fees, Class and Enrolment

# Schedule 1B (P.1): Services for children aged 0–3/2–3 (P.7)

	Fee per child per annum (pcpa)		(d) Proposed no. of instalments for 2019/20 (Note 1)
	(b) Approved fee for 2018/19 (per Fees Certificate)	(c) Proposed fee for 2019/20	
	\$	\$	
<b><u>AM Session</u></b>			
Services for Aged 0 to 1			
Services for Aged 1 to 2			
Services for Aged 2 to 3	15,600	15,720	12
<b><u>PM Session</u></b>			
Services for Aged 0 to 1			
Services for Aged 1 to 2			
Services for Aged 2 to 3			
<b><u>Whole-day Session</u></b>			
Services for Aged 0 to 1			
Services for Aged 1 to 2			
Services for Aged 2 to 3	30,900	31,020	12

**(2) Fill in column (b) as per the information in fees certificate & approval letter issued by JOKC**

**(1) Fee per annum, NOT per month/ instalment [columns (b) & (d)]**

**(3) Proposed fee for 2019/20 [column (c)]**

**(4) (c) should be divisible by the no. of instalments in (e) :  
E.g. :  $31,020 \div 12 = \$2,585$  (integer)**

# Schedule 1 B (P.1): Services for children aged 0–3 / 2–3 (P.7) (continued)

- ▶ Column (c): must be filled in even if the proposed fee is maintained at the fee level for last year in column (b)
- ▶ Column (g) and (h): Estimated number of classes, Estimated total enrolment - fee revision would not be processed if '0' is written in these columns

# Schedule 1B (P.2): K1, K2 & K3 (P.8)

(2) Per Fees Certificate before redemption of voucher

(1) Submit separate schedules for local and non-local streams

Classes of \*Local/  
Non-Local Stream  
(\*Delete whichever is inappropriate.)

AM Session

Nursery

Lower Kindergarten

Upper Kindergarten

PM Session

Nursery

Lower Kindergarten

Upper Kindergarten

Whole-day Session

Nursery

Lower Kindergarten

Upper Kindergarten

(3) Fee per annum, NOT per month/  
instalment [columns (b) & (c)]

Fee per student per annum (pspa)

(b) Approved fee for 2018/19  
at Fees Certificate before  
redemption of voucher,  
if applicable) (Note 1)

\$

16,300

16,300

16,300

30,480

(c) Proposed fee

\$

16,400

16,400

16,400

31,200

Example:

收費證明書  
FEES CERTIFICATE

Name of School  
校址 Address of School

課程 / 級別 Course / Class	星期 Days	每星期學費 Fee per week	期數 No. of Terms	課程總收費 Inclusive Fee per Course
上午幼兒班 NURSERY AM	10 / -	16,300.00		\$
上午幼稚園低班 LOWER KINDERGARTEN AM	10 / -	16,300.00		16,300.00
上午幼稚園高班 UPPER KINDERGARTEN AM	10 / -	16,300.00		16,300.00
全日幼兒班 NURSERY WHOLE-DAY	10	30,480.00		30,480.00
(膳食費) (MEAL CHARGE)	10	12 / -	12 / -	4,800.00

(4) Column (c) should be  
divisible by the proposed  
number of instalments in  
column (d)  
E.g. :  $31,200 \div 12$   
= \$2,600 (integer)



# Schedule 1B (P.2): K1, K2 & K3 (P.8) (continued)

- ▶ Column (c) : must be filled in even if the proposed fee is maintained at the fee level for last year in column (b)
- ▶ Column (d) : The proposed number of instalments for 2019/20 should be the same as that of 2018/19. Otherwise, please submit a separate application to EDB
- ▶ Column (g) and (h) : Estimated number of classes, Estimated total enrolment - fee revision would not be processed if '0' is written in these columns

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## Schedule 1C

### Details of Meal Charges for Whole-day Classes

## Schedule 1C: Meal Charges for Whole-day Classes (P. 9)

- ▶ Only applicable to KGs operating whole-day classes
- ▶ Column (b) and (c) refer to the meal charges per annum but not per month/instalment
- ▶ The “proposed meal charges” in column (c) should be divisible by the “proposed number of instalments” in column (d) → “the proposed meal charges per instalment” in column (e) should be an integer
- ▶ Meal charges for whole-day classes will **NOT** be taken as a component for calculation of the school fees and **should NOT be included** in 2018/19 Revised Estimate and 2019/20 Estimate of Schedule 4 A(I)/4A(II)

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Schedule 1D

Particulars of Principal

# Schedule 2A: Particulars of Principal (P. 10)

- ▶ **Qualification(s) other than** early childhood education (ECE) obtained :  
e.g. Certification Course for Kindergarten Principals
- ▶ For the purpose of fee revision application, principal serving in more than one KG/KG-cum-CCC:

- (A) **Maximum total salary =**  
**salary paid by the main school + total doubling allowances**
- (B) **Maximum total salary should not exceed**  
**salary paid by the main school × 2**
- (C) **Doubling allowance paid by each KG should not exceed**  
**salary paid by the main school ÷ 3**

# Schedule 2A: An example of a Principal serving in more than one KG/KG-cum-CCC

## Example 1 :

Salary paid by the main school = \$45,000

Total doubling allowances per month = \$50,000

Monthly salary recognized = \$95,000 (\$45,000 + \$50,000)???



**(B) Maximum total salary should not exceed salary paid by the main school X 2**

Answer:

Monthly salary recognized for fees calculation is \$45,000 x 2 = \$90,000

## Example 2:

Salary paid by the main school = \$36,000

Doubling allowance paid by another KG = \$18,000

Monthly salary recognized is \$54,000 (\$36,000 + \$18,000)???



**(C) Doubling allowance paid by each KG should not exceed salary paid by the main school ÷ 3**

Answer:

The maximum doubling allowance of that principal recognized is \$36,000 ÷ 3 = \$12,000

The monthly salary recognized for fees calculation is \$36,000 + \$12,000 = \$48,000



# Schedule 2A: Particulars of Principal (P. 10) (continued)

2018/19			2019/20			
(as at 1 January 2019)			(as at 1 September 2019)			
(a) #Monthly Salary/ Doubling Allowance  (including other income- see Note 1 on P.13)	(b) Monthly MPF/PF contributed by employer  (see Note 2 on P.13)	(c) Annual salary and related expense <i>(see Note 3 on P.13)</i>	(d) #Main School (M)/ Doubling (D)	(e) #Monthly Salary/ Doubling Allowance  (including other income- see Note 1 on P.13)	(f) Monthly MPF/PF contributed by employer	(g) Estimated annual salary and related expense <i>(equal to the sum of (e) and (f) times the number of months)</i>
				\$	\$	\$
			M	38,000	1,500	474,000
			D			

(1) Annual salary related expense: Actual amount of monthly salary and MPF/PF contribution paid to the staff [Column (c)]

(2) Column (g) is equal to the sum of Column (e) and Column (f) times the number of months  
e.g.:  $(38,000 + 1,500) \times 12 = \$474,000$

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Schedule 2B

Particulars of Teaching Staff/CCWs  
(excluding the Principal)

# Schedule 2B: Particulars of teaching staff /CCWs (P. 11)

- ▶ The teaching staff reported in Schedule 2B must be
  - Registered Teacher (RT)/Qualified Kindergarten Teacher (QKT); or
  - Permitted Teacher with a valid permit ; or
  - Child Care Worker (CCW)
- ▶ Column (a): provide highest qualifications and registration number relevant to his/her duties
  - **Teachers serving in KG portion:**
    - Example 1 : BEd(ECE) / R123456
    - Example 2 : C(ECE) / pending registration
    - Example 3 : Pursuing C(ECE), QKT / R200200
  - **Teachers ALSO serving in CCC portion:**
    - Example 4 : C(ECE), CCW / R234567, CCW99999

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Schedule 3  
Schedule of Supporting Staff

# Schedule 3: Particulars of Supporting staff (P. 12)

- ▶ If a supporting staff member is employed for **the sale of school items/provision of paid services as trading activities**, the related salary expenditure should NOT be included in fee revision applications → should NOT be reported in Schedule 3
  - E.g. : Tutors of Optional Interest Classes, School Bus Driver
- ▶ Expenditure on salary of staff providing **whole-day meal services should NOT be included in fee revision applications** → should NOT be reported in Schedule 3
  - E.g. : Cook, Meal helpers
- ▶ Observe relevant stipulations & guidelines on **Statutory Minimum Wage**
  - Homepage of Labour Department  
<http://www.labour.gov.hk/eng/news/mwo.htm>
  - The statutory minimum wage rate **\$34.5 per hour**
  - With effect from 1 May 2019: \$37.5 per hour **(subject to approval by the Legislative Council)**

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**Notes for** Schedule 2A, 2B and 3



# Note 1 (P. 13)

- ▶ **Monthly salary (including other income)** [Applicable to principal/teaching staff/ child care staff/ non-teaching staff]
  - e.g. : \$30,000 (basic salary)
  - \$2,000 (monthly allowance)
  - \$12,000 (year-end bonus)[average \$1000 per month]
  - Monthly salary (including other income) should be  $\$30,000 + \$2,000 + \$1,000 = \underline{\$33,000}$
- ▶ **Other income** may include double pay, bonus, contract gratuity and cash allowances (excluding mess allowance)
- ▶ Attach relevant copies of the certificates of the teacher training qualification of newly employed teacher(s)/CCW(s)

## Note 2 (P. 13)

- ▶ Applicable to KGs/KG-cum-CCCs still redeeming voucher subsidy under the PEVS in 2018/19
- ▶ A copy of the “Remittance Statement” of mandatory provident fund/provident fund for the relevant contribution period showing the income and contribution particulars of the principal/teaching staff/child care staff employed as at 1 January 2019 must be attached

# Note 3 (P. 13)

- ▶ Annual salary and related expense refers to the total amount of monthly salary and MPF/PF contribution actually paid after adjustments
- ▶ The total expenditure should be the same as the respective amount of salary and related expenses reported in Schedule 4A(I)/4A(II) (i.e. Expenditure items 1.1 and 1.2)

# Note 4 (P. 13)

- ▶ [Applicable to principal/teaching staff/ child care staff/ supporting staff]
- ▶ Only the provision for long service payment with no less than 5 reckonable years of service up to end of 2019/20 in existing KG/KG-cum-CCC (i.e. no less than 5 years of service under a continuous contract) will be taken as a component for calculation of school fees
- ▶ Labour Department Homepage  
<http://www.labour.gov.hk/tc/public/pdf/wcp/ConciseGuide/10.pdf>

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Schedule 4A(I)/4A(II)

Schedule of Income and Expenditure

	2017/18 school/ financial year Actual Amount <small>(per audited accounts)</small>	2018/19 Revised Estimate	2019/20 Estimate
<b>INCOME</b>	<b>(1) Per audited accounts 2017/18</b>		
1. school fees	<b>(2) For KGs in receipt of rent reimbursement , item 3 under INCOME should tally with item 2.1 under EXPENDITURE.</b>		
1.1 fees subsidy from the PEVS (if applicable)			
1.2 from parents (including fee remission KCFRS #)			
2. CCCSS subsidy (if applicable)			
3. rent reimbursement (if applicable)			
4. rates and government rent reimbursement (if applicable)			
5. donation income <i>[see Note 5 on P.19]</i>			
6. others (such as contribution from school sponsoring body, bank interest)			
<b>EXPENDITURE</b>	<b>(3) For KGs in receipt of rates and government rent reimbursement, item 4 under INCOME should tally with item 2.2 under EXPENDITURE.</b>		
1. salary related expenses			
1.1 teachers' salaries			
1.2 supporting staff			
1.3 long service/severance payment			
2. non-salary related expenses			
2.1 rental of school premises			
2.2 rates and government rent			



## Schedule 4A(I)/4A(II): Items that need to tally with other schedules

Item	2018/19 s.y.	2019/20 s.y.
<b>INCOME</b> 1.1 fees subsidy from the PEVS (if applicable)	Fill in based on “Actual total enrolment” of Schedule 1B (as at January 2019)  (Voucher value = \$24,150 pspa)	-
1.2 from parents (including fee remission under the KCFRS )	Fill in based on “Actual total enrolment” of Schedule 1B (as at January 2019)	Fill in based on “Estimated total enrolment” of Schedule 1B (as at September 2019)

# Schedule 4A(I)/4A(II): Items that need to tally with other schedules (continued)

Item	2017/18 s.y.	2018/19 s.y.
<b>EXPENDITURE</b>		
<b>1. salary related expenses</b>		
1.1 teaching staff (principal + teaching staff + CCWs) (monthly salary (including other income) + MPF/PF contributed by employer) x12	Fill in based on the <b>annual salary and related expenses</b> stated in <b>Schedule 2A and 2B</b> (as at 1 January 2019)	Fill in according to the <b>estimated annual salary and related expenses</b> stated in <b>schedule 2A and 2B</b> (as at 1 September 2019)
1.2 non-teaching staff (monthly salary (including other income) + MPF/PF contributed by employer) x12	Fill in based on the <b>actual amounts</b> stated in <b>Schedule 3</b> (as at 1 January 2019)	Fill in based on the <b>estimated amounts</b> stated in <b>Schedule 3</b> (as at 1 September 2019)
1.3 long service/severance payment	-	Fill in based on the <b>estimated amounts</b> in <b>Schedule 2A, 2B and 3</b>
<b>2. non-salary related expenses</b>		
2.1 rental of school premises	-	
2.2 rates and government rent	-	Should tally with <b>Schedule 5 and the tenancy agreement</b> (if applicable)

# Schedule 4A(I)/4A(II): Donation income & expenditure

(Item 5 under INCOME & Item 2.10 under EXPENDITURE)

## Note 5 on page 19

### EXPENDITURE

- ▶ Only record the corresponding expenditure charged to donation income **with specific purpose**
- ▶ Corresponding expenditure charged to donation income **without specific purpose** can be subsumed into the items under non-salary related expenses
- ▶ If there is a **significant surplus** for the year resulting from the unspent amount of donation income designated for specific purpose → provide justifications to support your fee increase application

# Schedule 4A(I)/4A(II): Major repairs and maintenance (Item 2.3 under EXPENDITURE)

- ▶ Applicable to works each costing of \$8,000 or above
- ▶ In item 2.3 under EXPENDITURE, fill in the cost after spreading over 3 years
- ▶ Retain the supporting documents for the major repairs and maintenance and make them available for inspection upon request
- ▶ Items funded by Government subsidies should NOT be included as expenses under school fees
  - Lotteries Fund, Environment and Conservation Fund
- ▶ Report the item of major repairs and maintenance still having the amount to be spread / being started in 2018/19 and 2019/20 in Schedule 4C

# Filling in **Schedule 4A(I) Expenditure item 2.3** and **Schedule 4C** (Example)

No.	School Year in Which Major Repairs and Maintenance was Started (Please arrange in chronological order)	Brief Description of Major Repairs and Maintenance for Items Each Costing \$8,000 or above (Note 2)	Total Amount (Note 3) \$	Amount Being Spread in Respective School Year	
				2018/19 Revised Estimate \$	2019/20 Estimate \$
1	2016/17	Waterproofing for the ceiling	30,000	10,000	
2	2018/19	Replacing the sink	12,000	4,000	4,000
3	2019/20	Replacing the toilet seat	120,000		40,000
4	2019/20	Floor boarding for the classrooms	270,000		90,000
<b>*Subtotal/Total:</b> (*delete whichever is inappropriate) [should be of the same amount as shown for Expenditure item 2.3 in Schedule 4A(I) or Schedule 4A(II)]				14,000	134,000

Fill in Expenditure  
Item 2.3 in Sch. 4A(I)

## Schedule 4A(I)/4A(II): Depreciation – School premises (Item 2.4.1 under EXPENDITURE)

- ▶ Only the depreciation for school **self-owned premises** will be taken for calculation of school fees
- ▶ Not applicable to rented school premises
- ▶ Cost of major repairs and maintenance – report in **item 2.3**
- ▶ Rate of depreciation per annum (for reference) : **2.5%** (or refer to the amount stated in the 2017/18 audited accounts)
- ▶ Retain supporting documents and make them available for inspection upon request
- ▶ Report **school premises** still charging for depreciation expenses in 2018/19 and 2019/20 school year in **Schedule 4D**



## Schedule 4A(I)/4A(II): Depreciation – furniture/equipment/fixtures/fittings (Item 2.4.2 under EXPENDITURE)

- ▶ Applicable to furniture/equipment/fixtures/ fittings recorded as fixed asset
- ▶ Rate of depreciation per annum (for reference) : 20% (or refer to the amount stated in the 2017/18 audited accounts)
- ▶ Retain the supporting documents and make them available for inspection upon request
- ▶ Avoid duplicate entry with item 2.7 under EXPENDITURE (*furniture and equipment and teaching aids other than those included in the fixed assets*)
- ▶ Report fixed assets still charging for depreciation expenses in 2018/19 and 2019/20 in Schedule 4D

# Schedule 4A(I)/4A(II): Depreciation – computer hardware and software (Item 2.4.3 under EXPENDITURE)

- ▶ Applicable to computer hardware and software recorded as fixed asset
- ▶ Rate of depreciation per annum (for reference): 30% (or refer to the amount stated in the 2017/18 audited accounts)
- ▶ Retain the supporting documents and make them available for inspection upon request
- ▶ Report fixed assets still charging for depreciation expenses in 2018/19 and 2019/20 in Schedule 4D

# Filling in Schedule 4A(I) Expenditure item 2.4 and Schedule 4D (Example)

No.	School Year in Which the Fixed Asset was Purchased (Please arrange in chronological order)	Brief Description of Fixed Assets (Note 2)	Total Amount (Note 3) \$	Depreciation Amount in Respective School Year	
				2018/19 Revised Estimate \$	2019/20 Estimate \$
School Premises		Depreciation rate: 2.5%			
1	2000/01	Premises	2,000,000	50,000	50,000
*Subtotal/Total: (*delete whichever is inappropriate)				50,000	50,000
Furniture/Equipment/Fixtures/Fittings		Depreciation rate: 20%			
2	2014/15	Bookshelf	5,000	1,000	
3	2019/20	Audio system	60,000		12,000
*Subtotal/Total: (*delete whichever is inappropriate)				1,000	12,000
Computer Hardware and Software		Depreciation rate: 30%			
4	2016/17	Laptop	10,000		1,000
5	2018/19	Anti-virus software	5,000	3,000	1,500
*Subtotal/Total: (*delete whichever is inappropriate)				4,500	2,500

to fill in Expenditure Item 2.4 in Sch. 4A(I)

## Schedule 4A(I)/4A(II): Supervisor's remuneration (Item 2.5 under EXPENDITURE)

- ▶ In general, school supervisors receive no remuneration
- ▶ Only the remuneration of school supervisors who are performing relevant specific duties [other than those general duties as a school supervisor] will be taken for calculation of the school fees
- ▶ See Note 3 on P. 19

# Schedule 4A(I)/4A(II): Item 2.6 & 2.7 under EXPENDITURE

- ▶ Item 2.6: minor repairs and maintenance
  - Avoid duplicate entry with item 2.3 (*major repairs and maintenance*) and item 2.4.2 under EXPENDITURE (*depreciation of furniture/equipment/fixtures/ fittings* )
  - Recommended quotation procedures: Please refer to Good Practices on Financial Management of Kindergartens
- ▶ Item 2.7: furniture and equipment and teaching aids other than those included in the fixed assets
  - Avoid duplicate entry with item 2.4.2 (*depreciation of furniture/equipment/fixtures/ fittings* )

# Schedule 4A(I)/4A(II): Other operating expenses (item 2.11 under EXPENDITURE)

## Schedule 4A(I)/4A(II)

Example 1	2017/18	2018/19	2019/20
2.11 other operation expenses	174,804	222,549	265,765
total amount	2,341,205	2,614,668.6	2,642,937.6
percentage	7.5%	8.5%	10.1%

**Complete Schedule 4B(I)/4B(II)** when the total amount of “other operating expenses” (item 2.11) in Schedule 4A(I)/4A(II) exceeds **10%** of the “TOTAL EXPENDITURE” for the respective **2018/19 Revised Estimate and/or 2019/20 Estimate**

## Schedule 4B(I)/4B(II)

Example 2	2017/18	2018/19	2019/20
17 Other expenditure	6,298	9,347	13,820
total amount (item 2.11 of Schedule 4A(I)/4A(II))	174,804	222,549	265,765
Percentage	3.6%	4.2%	5.2%

**Provide further breakdowns** of “Other expenditure” (item 17) of Schedule 4B(I)/4B(II) when it exceeds **5%** of the total amount of “other operating expenses” (item 2.11) in Schedule 4A(I)/4A(II) for the **2018/19 Revised Estimate and/or 2019/20 estimate**



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**Schedule 4B(I) / 4B(II)**

**Schedule of Other Operating Expenses**

## Schedule 4B(I)/4B(II): Other operating expenses (P. 15 or 18)

- ▶ **Avoid duplicate entry with item 2.4.2 of Schedule 4(I)/(II)** *(depreciation of furniture/equipment/fixtures/ fittings)* **and item 2.7 under EXPENDITURE** *(furniture and equipment and teaching aids other than those included in the fixed assets )*
- ▶ **Item 17 Other Expenditure:** Should not include income and expenditure related to the **provision of meal services**

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## Schedule 5

### Schedule of Rental of School Premises

# Schedule 5: Rental of School Premises

## (P. 23–24)

- ▶ To be completed by schools whose premises are NOT rented from the Hong Kong Housing Authority or “rental housing”/“rural public housing” rented from the Hong Kong Housing Society
- ▶ Complete **ALL** items
- ▶ Provide all the **relevant documents** (if applicable)
  - a copy of the current tenancy agreement
  - a copy of the floor plan
  - a copy of the current Rates and Government Rent Demand Notes
- ▶ EDB reserves the right to use **Rating and Valuation Department's assessment on the rental amount** in the calculation of school fees

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Notes and Remarks for Schedule 4A(I)/4A(II)  
and 4B(I)/4B(II)

# Other Points to Note (1)–

## Private independent KG–cum–CCCs

- ▶ **Apportion** the income and expenditure for services for children aged 0 to 3 and 3 to 6 respectively in:
  - Schedule 2A
  - Schedule 2B
  - Schedule 3
  - Schedule 4A(I)/4A(II), 4B(I)/4B(II), 4C, 4D
- ▶ EDB may need to apportion the salary related expenses and income and expenditure by the **estimated total enrolment as per Schedule 1B** for calculating the school fee of respective levels, if deemed necessary
- ▶ See Remarks (B) on P. 20



## Other Points to Note (2)– Other Operating Expenses

Expenditure items	Description
<p><b>(1) Administrative fee</b>            Administrative fee paid by KG to its sponsoring body or other organisations for buying support services on school administrative matters</p>	<p>The nature, justifications, breakdowns of manpower and cost involved should be provided separately for EDB's consideration</p>
<p><b>(2) Staff uniform</b></p>	<p>If staff must wear uniform at school, such expenditure can be included in fee revision applications if considered reasonable</p>
<p><b>(3) Training for teaching staff/ supporting staff</b></p>	<p>➤ Expenditure <b>paid by the KG</b> can be included in fee revision applications if considered reasonable            ➤ <b>Travelling expenses and board &amp; lodging expenses are not</b> recognised as expenditure items for fee calculation purpose</p>

## Other Points to Note (2)– Other Operating Expenses (continued)

Expenditure items	Description
(4) Salaries of supply teachers	<ul style="list-style-type: none"><li>➤ Expenditure <b>paid by the KG</b> can be included in fee revision applications if considered reasonable.</li><li>➤ Should observe requirement on Statutory Minimum Wage</li></ul>
(5) Tea and refreshment for students of half-day classes	<ul style="list-style-type: none"><li>➤ It can be included as expenditure item in general, provided that it is <b>NOT</b> operated as a <b>paid service</b>. Otherwise, <b>optional paid services should NOT</b> be included in fee revision applications.</li></ul>

## Other Points to Note (3)–

Some of the items NOT taken for calculation of school fees

**Staff  
entertainment**

**Staff  
welfare**

**Lunch/mess  
allowances for  
staff**

**Event  
celebrations  
with no student  
participation**

**Lotteries Fund/  
Environment &  
Conservation Fund**

**Salary expenses charged  
under Integrated  
Programme , Extended  
Hours Service funded by  
SWD**

**Quality  
Education  
Fund**

**Optional school  
items/services (e.g.  
interest classes, school  
uniforms, school bags)**

**Donations to  
other parties  
from KGs**

**Depreciation  
for rented  
premises**

**Expenses on  
meals for children  
of whole-day  
courses**

**Note : Corresponding income/expenditure items above need NOT be included in fee revision applications**

# Enquiries



## ▶ Application for fee revision

- Your respective Senior School Development Officer/ Services Officer

## ▶ EDBCM No. 3/2019

- Kindergarten Administration Section of EDB at 2186 8994

## ▶ Accounting issues

- Management Services Section, Finance Division of EDB at 2892 5482

# Q & A

