

**Guidance Notes for  
Preparing School Budget /  
Fee Revision Application  
of DSS Schools for the 2023/24 s.y.**

**March 2023**

**School Administration 1 Section**

# Application for School Fee Revision

Call letter (with Excel file template) will be issued through FITS on **15 March 2023**

Deadline for submission of application:

**28 April 2023**



**INCOMPLETE** information submitted may lead to **DELAY** in processing the applications



# Schools **WITHOUT** Fee Revision

- To provide school's financial position in the format of –
  - Appendix 1:
    - Income and expenditure statement under operating reserve
      - Note: The Income and Expenditure Statement of private class, if any, should not be included in Appendix 1
    - Expenditure under designated reserves
    - Estimated number of classes, enrolment and school fees
  - Appendix 7 (applicable to schools with boarding section only)
- Certification by school supervisor with school chop

# Schools Proposing Fee Revision (1)

- Complete Declaration by School Supervisor (with school chop) at Appendix 2
- Provide details in
  - a) Schedule 1:
    - Information Sheet for Parent Consultation
  - b) Schedule 2a:
    - Income and Expenditure Statement under Operating Reserve
    - Expenditure under Designated Reserves
    - Balance for Grandfathered Reserve and Reserve for Construction, Maintenance and Upgrading of Above-standard Facilities
    - Net Book Value of Additional School Buildings Financed by Non-government Funds in Operating Reserve
  - c) Schedule 2b:
    - Breakdown of Repairs and Maintenance Expenses (only for total amount > \$1 million)
    - Breakdown of Other Operating Expenses
  - d) Schedule 2c:
    - No. of Classes, Enrolment, Fee Income and DSS Subsidy
    - Fee Revision Percentage of Local Students / Non-local Students
  - e) Schedule 2d:
    - Provision for Fee Remission and Scholarship Scheme

## Schools Proposing Fee Revision (2)

- Complete and submit documents as required in Appendices 3 & 4 (Parent/ PTA consultation)
- For schools having boarding section:
  - Appendix 7:
    - Income and Expenditure Statement
    - Projected Enrolment and Fee Income
- Private class (if any) should not be included

# Parent Consultation (1)

- Threshold for parent consultation:  
3.6% for 2023/24 Fee Revision Exercise
- Parent consultation and consent from the majority of the parents concerned are required for:
  - schools applying for fee increase higher than the threshold (i.e. > **3.6%**); or
  - schools with their accumulated total operating reserve as at 31 August 2022 exceeding the annual operating expenses of the 2021/22 school year as reflected in the 2021/22 audited accounts.

# Parent Consultation (2)

Schools are required to :

1. send to parents a printed letter / circular attached with the financial information of the school [*Please refer to “Extract of Appendix 3” on Slide 8; & “Sample” on Slide 9*] and an “Acknowledgement Slip” [*Please refer to “Appendix 4” on Slide 10*] with space for parents’ views / comments as required in the call letter; (schools are encouraged to provide the financial information to parents in Chinese) and
2. submit to EDB a copy of each of the printed letter / circular to parents with the information on school’s financial situation and the acknowledgement slip.

## Parent Consultation

### Essential Information to be included in the Financial Situation of the School

*Schools intending to apply for fee increase must provide the following information to **parents / Parent Teacher Association (PTA)** in the consultation process. The information provided should be clear, sufficient and correct for easy understanding of parents.*

- 1. Services / facilities that lead to fee increase** in the 2023/24 school year, with a **breakdown of financial implications** by items  
e.g. (i) Hire of additional teachers for the implementation of small-class teaching - \$xxxxx  
(ii) New programme on xxxxx - \$xxxxx
- 2. Total additional funds** needed for all the items that lead to fee increase
- 3. Estimated deficit** if the school fee is kept unchanged for the 2023/24 school year according to the budget for the 2023/24 school year
- 4. Estimated surplus / deficit** (where appropriate) after the proposed school fee increase according to the budget for the 2023/24 school year
- 5. The accumulated total operating reserve**, the amount in the Reserve for Construction, Maintenance and Upgrading of Above-Standard Facilities and the amount of Grandfathered Reserve (if any) of the school (each in terms of the number of months of the annual operating expenses), as reflected in the Audited Accounts for the 2021/22 school year



**SAMPLE**  
**ABC School**  
**Essential information**

	Item	HKD
1.	<p><u>Services that lead to fee increase in the 2023/24 school year :</u></p> <ul style="list-style-type: none"> <li>(i) Maintain a low teacher-student ratio for the implementation of small-class teaching on core subjects</li> <li>(ii) Continue to provide academic counselling and support</li> <li>(iii) Continue to provide guidance and counselling support on career planning and further study</li> </ul> <p style="text-align: right;"><u>Total:</u></p>	<p>700,000</p> <p>48,000</p> <p>42,000</p> <p><u>790,000</u></p>
2.	<p><u>Estimated deficit if the school fee is kept unchanged for the 2023/24 school year</u></p>	<p>1.5 millions</p>
3.	<p><u>Estimated deficit/ surplus after the proposed school fee increase for 2023/24 school year</u></p>	<p>0.5 million</p>
4.	<p><u>The operating reserve as at 31 Aug 2022 (audited)</u></p> <ul style="list-style-type: none"> <li>• This amount includes the 0.6 months Net Book Value of additional buildings. After excluding the NBV, the operating reserve equals 2.0 months annual operating expenses.</li> </ul>	<p>2.6 months</p>
5.	<p><u>The amount in the Reserve for Construction, Maintenance and Upgrading of Above-Standard Facilities as at 31 Aug 2022 (audited)</u></p> <ul style="list-style-type: none"> <li>• This amount includes the 1.0 month Net Book Value of additional buildings. After excluding the NBV, the reserve equals 0.5 month annual operating expenses.</li> </ul>	<p>1.5 months</p>
6.	<p><u>Nil for Grandfathered Reserve</u></p>	



**SAMPLE**  
**Parent Consultation  
 Acknowledgement Slip**

*[Please return this slip on or before xx April 2023]*

**Proposed school fee increase for the 2023/24 school year**

1. I acknowledge receipt of your letter of xx March 2023 informing me the proposed school fee increase for the 2023/24 school year and the financial situation of the school.
  
2. My views on the event of the proposed school fee increase in the 2023/24 school year are as follows (Optional):

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Student's

Name: \_\_\_\_\_

Parent's Signature: \_\_\_\_\_

Class: \_\_\_\_\_ (      )

Parent's Name: \_\_\_\_\_

Date: \_\_\_\_\_



# Parent Consultation (3)

- If proposed fee increase  $\leq 3.6\%$  with accumulated total operating reserve  $\leq$  annual operating expense (2021/22), Parent Teacher Associations (PTA) should be consulted as a basic requirement.
- For consultation with PTA, schools are required to provide PTA with the information on school's financial situation (same as full parent consultation).
- Schools are also required to submit to EDB a copy of the information on school's financial situation which has been provided to PTA.

**Information Sheet for Parent Consultation**  
**(to be completed by schools applying for fee increase)**

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4. Referring to the section on parent consultation in EDB's call letter of [ ] March 2023 and Notes to Part 4 of Schedule 1 (p.5 of 5),
- A.  my school issued a consultation letter/circular to all parents on \_\_\_\_\_, copies of the letter/circular with the information on school's financial situation and the acknowledgement slip are attached. Concerns of parents have been addressed. Details are provided on pages 2 to 3 of Schedule 1.
- B.  my school consulted the Parent Teacher Association (PTA) on \_\_\_\_\_, copy of the information on financial situation of the school provided to the PTA is attached. Concerns of parents have been addressed. Details are provided on pages 2 to 3 of Schedule 1.

(To be cont'd)

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(Part 4 Cont'd)

**A. Consultation process:** (please continue on separate sheets if necessary)

**[If a consultation meeting has been conducted, please provide the details as well.]**

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**B. Consultation results:** (please continue on separate sheets if necessary)

No. of reply slips received from parents:

Total no. of students involved in the consultation:

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**C. How parents' concerns have been addressed:**

(please continue on separate sheets if necessary)

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(To be cont'd)

# Parent Consultation (4)

## Example 1

Proposing fee increase at S1 in secondary-cum-primary DSS schools

Parent consultation at least with the PTA of the primary school section should be conducted

# Parent Consultation (5)

## Example 2

Proposing fee increase at entry levels i.e. P1 or S1

Parents of new applicants and successful applicants should be informed of the school fee arrangements by means of application form and offer letter respectively. (If not feasible, at least by offer letter)

*(also applicable to fee increase at S4 in senior secondary schools operating senior secondary classes only )*

# Parent Consultation (6)

## Example 3

Proposing fee increase at P1 (30%), P3 (10%), P4 (10%) & P5 – P6 (Nil)

It is required to conduct full consultation with parents at the affected levels (i.e. P1 to P3) and follow the same requirements in **Example 2**.

*If there is a proposed fee increase at P1 or S1 level only (i.e. no proposed fee increase at other levels) OR the proposed fee increase % at P1 or S1 level is much higher than that at other level(s), justifications should be provided to show that there is a genuine need for the differential school fee, e.g. additional services are provided for P1 or S1 students only.*



## Reserves for Assessment of Fee Increase Applications

- Schools are also required to provide the following information in accordance with the 2021/22 Audited Accounts:
  - Accumulated Operating Reserve balance
  - Reserve for Construction, Maintenance and Upgrading of Above-standard Facilities (if any)
  - Grandfathered Reserve (if any)

(Part 4 Cont'd)

**D. Justifications for fee increase:** (please continue on separate sheets if necessary)

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(Part 5 is applicable only to schools with the following Reserve)

**5. Reserve for Construction, Maintenance and Upgrading of Above-standard Facilities**

Are the funds of the Reserve expended according to the plan approved by the School Management Committee (SMC)/ Incorporated Management Committee (IMC)? (Please tick A or B.)

- A.  my school has spent the Reserve according to the *deployment* plan approved by the SMC/IMC.
- B.\*  my school has NOT spent the Reserve according to the *deployment* plan approved by the SMC/IMC.

\* If B is checked, please provide justifications (if any) for not spending according to the plan.

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(Part 6 is applicable only to schools with the following Reserve)

### 6. Grandfathered Reserve

Available balance of the Grandfathered Reserve (i.e. the amount left after excluding the Net Book Value of fixed assets recorded under this Reserve):

\$ \_\_\_\_\_

Are the funds of the Reserve expended as planned? (Please tick A or B.)

A.  my school has spent *the Reserve according to the deployment plan approved by the EDB.*

B.\*  my school has NOT spent the Reserve *according to the deployment plan approved by the EDB.*

\* If B is checked, please provide justifications (if any) for not spending as planned.

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7. In case of enquiries, please contact the following officer of my school :

Name : \_\_\_\_\_ Post: \_\_\_\_\_ Tel No.: \_\_\_\_\_

(To be cont'd)

## Projected DSS Unit Subsidy Rates

The “Projected DSS Unit Subsidy Rates” for the 2022/23 school year will be adopted for the “School Budget / Fee Revision Application” of DSS Schools for the 2023/24 school year.

# Projected DSS Unit Subsidy Rates - 2022/23

Level	Of school age at 16 years or above	Of school age below 16 years
P1-6	HK\$ 73,154	HK\$ 70,228
S1-3	HK\$ 70,185	HK\$ 68,079
S4-6	HK\$ 82,468	HK\$ 79,994

*Note: The Projected DSS Unit Subsidy Rates serve as a reference for budgeting purpose.*

- The Projected DSS Unit Subsidy Rates for the 2022/23 s.y. will be adopted for projection of the income of DSS subsidy, provision of fee remission and scholarship scheme and school fees of non-local students for “Budget” (i.e. “2023/24 Budget”).

# Determination of Fee Increase % (1)

- For the operation of new non-local curriculum classes with different fees from local-curriculum at S5 level, it is not counted as fee increase at the class level.
- For a school applying for different fee increases at different class levels, if there is proposed fee increase at **more than 3.6%** at one or more class level(s), the school is classified as applying for fee increase higher than the threshold and is thus required to conduct full parent consultation at the affected level(s).

# Determination of Fee Increase % (2)

- Scenario 1 – if prior written notification has been given to parents that the same approved school fee\* of the preceding class level will be charged when their children proceed to the next higher class level but afterwards fee revision is proposed, then

Fee increase % - By Cohort of Students

\* school fee is subject to EDB's approval

- Scenario 2 - if no prior written notification has been provided to parents that the same approved school fee level of the preceding class level will be charged when their children proceed to the next higher class level, then

Fee increase % - By Class Level

## Example

Extract of  
Appendix 5 (p. 1 of 2)

**Examples of Calculation of Fee Revision Percentage of Local Students**

Class Level	School Fee (Per Pupil Per Annum) <sup>(Note 1)</sup>		Fee Revision % Calculation Method	For schools with fee revision calculated by "Cohort of Students", prior written notification should have been provided to parents.  (Please enter Yes or No at Class Level(s) with Proposed Fee Revision <u>only</u> )  (Note 4)	Proposed Fee Revision % for the 2023/24 school year  [(B) - (A)] / (A) <sup>(Note 5)</sup>  (Please enter % at Class Level(s) with Proposed Fee Revision only)
	2022/23 School Year (A) \$	(Proposed) 2023/24 School Year (B) \$	S - by "Cohort of <u>Students</u> " <sup>(Note 2)</sup> <u>or</u> L - by "Class <u>Level</u> " <sup>(Note 3)</sup>  (Please enter S or L at Class Level(s) with Proposed Fee Revision <u>only</u> )		
Primary 1	30,000	30,000	-	-	-
Primary 2	20,000	32,000	S (by "Cohort of Students")	Yes	(32,000 - 30,000) / 30,000 = 6.67%
Secondary 1	30,000	30,000	-	-	-
Secondary 2	20,000	32,000	L (by "Class Level")	No	(32,000 - 20,000) / 20,000 = 60%



## Determination of Fee Increase % (3)

Non-local students (except those specified in EDBC No. 11/2022) are not eligible for DSS subsidy.

In order to ensure no cross-subsidisation of government funds to these students, DSS schools should set the school fee for non-local students (NOT eligible for DSS Subsidy) for the 2023/24 school year not less than the sum as follows:

$$\begin{aligned} & \text{School Fee for Local Students} \\ & + \\ & \text{2022/23 Projected DSS Unit Subsidy Rate} \\ & \text{(for the Class Level)} \end{aligned}$$

Note: All school fees collected must be shown on the Fees Certificate issued by EDB.

**Examples for setting the school fee for non-local students NOT eligible for DSS subsidy**  
Proposed School Fee for the 2023/24 School Year

(A) A primary DSS school with operating history below 16 years:

Class Level	Proposed School Fee for Local Students	Proposed School Fee for Non-local students *
	(\$pppa)	(\$pppa)
P2	10,000	$(10,000 + 70,228) = 80,228$
P5	15,000	$(15,000 + 70,228) = 85,228$

(B) A secondary DSS school with operating history above 16 years:

Class Level	Proposed School Fee for Local Students	Proposed School Fee for Non-local students *
	(\$pppa)	(\$pppa)
S2	20,000	$(20,000 + 70,185) = 90,185$
S5	28,000	$(28,000 + 82,468) = 110,468$

In the examples, the proposed school fee for non-local students NOT eligible for DSS subsidy is set as:

\* (Proposed School Fee for Local Students + 2022/23 Projected DSS Unit Subsidy Rate for the Class Level)

2022/23 Projected DSS Unit Subsidy Rates

Primary schools (with operating history below 16 years):

P1 - P6 : \$70,228 pppa

Secondary schools (with operating history at 16 years or above):

S1 - S3: \$70,185 pppa

S4 - S6: \$82,468 pppa

### Examples of Calculation of Fee Revision Percentage of Non-local Students

Class Level	School Fee (Per Pupil Per Annum) for Non-local Students <sup>(Note 1)</sup>					Fee Revision % Calculation Method	For schools with fee revision calculated by "Cohort of Students", prior written notification should have been provided to parents.  (Please enter Yes or No at Class Level(s) with Proposed Fee Revision <u>only</u> )  (Note 4)	Proposed Fee Revision % for the 2023/24 school year  [[G] - (D)] / (D)] or [(F) - (C)] / (C)] <sup>(Note 1)</sup>  (Please enter % at Class Level(s) with Proposed Fee Revision <u>only</u> )	
	2022/23 School Year			(Proposed) 2023/24 School Year					
	Amount of Non-local Student Fee (C) \$	Local Student Fee (D) \$	2021/22 Projected DSS Unit Subsidy Rate (E) \$	Amount of Non-local Student Fee (F) \$	Local Student Fee (G) \$				2022/23 Projected DSS Unit Subsidy Rate (H) \$
Primary 1	70,000								
Primary 2	60,000			75,000		S (by "Cohort of Students")	Yes	$\frac{[(F) - (C)] / (C)}{= (75,000 - 60,000) / 60,000}$ $= 25.0\%$	
Primary 3	60,000			75,000		L (by "Class Level")	No	$\frac{[(F) - (C)] / (C)}{= (75,000 - 60,000) / 60,000}$ $= 25.0\%$	
Secondary 1		30,000	70,444						
		(Total: 100,444)							
Secondary 2		20,000	70,444		32,000	70,185	S (by "Cohort of Students")	Yes	$\frac{[(G) - (D)] / (D)}{= (32,000 - 20,000) / 20,000}$ $= 60\%$
		(Total: 90,444)			(Total: 102,185)				
Secondary 3		20,000	70,444		32,000	70,185	L (by "Class Level")	No	$\frac{[(G) - (D)] / (D)}{= (32,000 - 20,000) / 20,000}$ $= 60\%$
		(Total: 90,444)			(Total: 102,185)				

# Determination of Fee Increase % (4)

## For School Fees of Non-local Students

- For schools charging non-local students school fees equal to "school fee of the corresponding local students + applicable projected DSS unit subsidy of the corresponding level", if fee change is solely due to the change in the DSS unit subsidy rates, it is not counted as fee revision.
- If fee change is due to the change of school fee component of the corresponding local students, it is counted as fee revision and the fee increase % is calculated based on this component.

# Other Operating Expenses

- Only approved expenditure items (expenditure of educational nature) can be charged to Government funds.
- For the approved list, please refer to Annex 2 of EDB Circular No. 17/2012 dated 29 August 2012.

# Feed-in Tariff (FiT) Scheme

- In relation to schools' participation in the FiT Scheme, DSS schools are not allowed to increase tuition fees for the reason of participating in the FiT Scheme. Relevant expenditure will not be considered in the assessment of any applications for fee revision.
- For details, please refer to the EDBCM No.168/2019 on *Participation of Schools in Feed-in Tariff (FiT) Scheme* issued on 2 September 2019.

(I) Income and Expenditure Statement under Operating Reserve

Name of School : \_\_\_\_\_

	2021/22 School Year Audited Accounts (A) <sup>(Note 2)</sup>	2022/23 School Year		2023/24 School Year Budget			Year on year change Increase / (Decrease) 2022/23 Vs 2021/22 [(C)-(A)]/(A) %	Year on year change Increase / (Decrease) 2023/24 Vs 2022/23 [(F)-(C)]/(C) %
		Original Budget (B) <sup>(Note 3)</sup>	Revised Estimates (C)	Government Funds <sup>(Note 9)</sup>	Non- Government Funds	Total		
				(D)	(E)	(F) = (D) + (E)		
<b>EXPENDITURE</b> <sup>(Note 6)</sup>	\$	\$	\$	\$	\$	\$	%	%
1. Staff salaries and gratuities								
2. Provident fund, Provision for long service payment or Other retirement benefits								
3. Govt. rent and rates expense							---	---
4. Depreciation charges <sup>(Note 10)</sup>								
a. Existing premises (other than additional school buildings)								
b. Additional school buildings								
c. Furniture & equipment								
d. Renewable energy facilities under government funds					N.A.			
e. Computer hardware & software								
f. Air-conditioning								
g. Others (please specify)								
5. Repairs and maintenance <sup>(Notes 10 &amp; 11)</sup> (Details as per Schedule 2b p.1)								
6. Other operating expenses (Details as per Schedule 2b p.2)								
(a) TOTAL EXPENDITURE (G)								
(b) % change in total expenditure								
DEFICIT OF GRANT ACCOUNTS (please specify by individual grant) <sup>(Note 6)</sup>			[(C) - (B)]/(B)					
SURPLUS / (DEFICIT) for the Year (H)					N.A.			
Add: OPERATING RESERVE BALANCE / (DEFICIT) brought forward from previous year(s) (I)								
				per (i)		per (ii)		
Transfer from / (to) designated reserves (please specify by individual designated reserves) (J)								
OPERATING RESERVE BALANCE / (DEFICIT) carried forward to next year (K)=(H)+(I)+(J)								
	(i)		(ii)					
Equivalent months of expenses [(K / L*) x 12]								

**Breakdown of Other Operating Expenses  
(2021/22 - 2023/24)**

Name of School :

Item <sup>(Notes 1 &amp; 2)</sup>  (A)	2021/22 School Year Audited Accounts (B)  \$	2022/23 School Year		2023/24 School Year Budget			Year on year change Increase / (Decrease)  2022/23 Vs 2021/22 [(D)-(B)]/(B)  %	Year on year change Increase / (Decrease)  2023/24 Vs 2022/23 [(G)-(D)]/(D)  %
		Original Budget (C)  \$	Revised Estimates (D)  \$	Government Funds <sup>(Note 3)</sup> (E)  \$	Non- Government Funds (F)  \$	Total (G)=(E)+(F)  \$		
1. Advertising								
2. Approved repayment of interest on loan								
3. Audit fee								
4. Bank charges								
5. Bank interest paid								
6. Celebrations and entertainment								
7. Cleaning materials, consumables and first-aid								
8. Curriculum development								
9. Extra-curricular activities, prizes and sports								
10. Insurance for fire, theft, public liability and employees compensation								
11. Library books, newspaper, magazines and teachers' textbooks, maps etc.								
12. Postages								
13. Stamp								
14. Printing and stationery								
15. Professional fees								
16. Staff training expenses								
17. Travelling and transportation								
18. Utilities (Fuel, light and power, telephone and water charges)								
19. Wreaths, flower-baskets and similar tributes on behalf of the school								
20. Miscellaneous (please provide further breakdown for 2021/22 to 2023/24 if the figures under columns (D), (E) or (F) exceed 5% of total Other Operating Expenses (item 6 of Schedule 2a p.2))								
(Per Schedule 2a, page 2) Total								



## Provision of Fee Remission and Scholarship Scheme (1)

- A DSS school will receive full DSS subsidy from EDB unless its school fee level exceeds  $2 \frac{1}{3}$  of the DSS unit subsidy rates (X). Beyond this school fee level, EDB will not provide any DSS subsidy to the school.

*[Please refer to “Extract of Appendix 6” on Slide 34]*



- If a DSS school charges a school fee exceeding  $\frac{2}{3}$  and up to  $2 \frac{1}{3}$  of the DSS unit subsidy rate, then for every additional dollar charged over and above  $\frac{2}{3}$  of the DSS unit subsidy rate, the school should set aside 50 cents or 10% of total school fees for the year, whichever is the greater, for the Fee Remission and Scholarship Scheme.

*[Please refer to “Extract of Appendix 6” on Slide 34]*



**Information for Preparing Budget for Provision for Fee Remission and Scholarship Scheme  
For the 2023/24 school year**

**(a) 2022/23 projected DSS unit subsidy rates [for calculation under 2022/23 Revised Estimates and 2023/24 Budget]**

	A. Applicable to schools with operating history below 16 years			B. Applicable to schools with operating history of 16 years or above		
Class Level	DSS unit subsidy rate (X)	2/3 X	2-1/3 X	DSS unit subsidy rate (X)	2/3 X	2-1/3 X
	(\$pppa)	(\$pppa)	(\$pppa)	(\$pppa)	(\$pppa)	(\$pppa)
<u>Primary</u>						
P1 - P6	70,228	46,819	163,865	73,154	48,769	170,693
<u>Secondary</u>						
S1 - S3	68,079	45,386	158,851	70,185	46,790	163,765
S4 - S6	79,994	53,329	186,653	82,468	54,979	192,425



## Provision for Fee Remission and Scholarship (2)

- Schools with fee increase applications are required to show the calculation of the amount set aside for fee remission and scholarship scheme for both the 2023/24 budget and the 2022/23 revised estimates.

*[Please refer to “Extract of Schedule 2d” on Slide 36, “Schedule 2a” on Slide 37, & “Extract of Appendix 6” on Slide 38]*



- Deployment of Fee Remission and Scholarship funds is by the school as a whole.
- School fee incomes of both local and non-local students should be set aside under one pool.

**(For school applying fee revision for the 2023/24 school year)  
Provision for Fee Remission and Scholarship Scheme**

Name of School : \_\_\_\_\_

**1. Provision for Fee Remission and Scholarship Scheme for the 2022/23 and 2023/24 School Years**

	2022/23 Revised Estimates \$	2023/24 Budget \$
<b><u>Required Provision</u></b> for Fee Remission and Scholarship Scheme as computed in <b>Schedule 2d p.2 and p.3</b> (A)		
<b><u>Provision made by school</u></b> in the income and expenditure statement ( <b>per Schedule 2a p.1</b> ) (B)		
Surplus / (Shortfall) [ (B) - (A) ]		

(I) Income and Expenditure Statement under Operating Reserve

Name of School : \_\_\_\_\_

	2021/22 School Year Audited Accounts (A) <sup>(Note 2)</sup>	2022/23 School Year		2023/24 School Year Budget <sup>(Note 4)</sup>			Year on year change Increase / (Decrease) 2022/23 Vs 2021/22 [(C)-(A)]/(A)	Year on year change Increase / (Decrease) 2023/24 Vs 2022/23 [(F)-(C)]/(C)
		Original Budget (B) <sup>(Note 3)</sup>	Revised Estimates (C)	Government Funds <sup>(Note 5)</sup> (D)	Non- Government Funds (E)	Total (F) = (D) + (E)		
<b>INCOME</b> <sup>(Note 6)</sup>	\$	\$	\$	\$	\$	\$	%	%
1. School fees (gross) (Schedule 2c)				N.A.				
Less :								
Provision for fee remission and scholarship scheme (Schedule 2d)								
2. Reimbursement of Government rent and rates					N.A.		---	---
3. DSS subsidy (Schedule 2c)					N.A.		---	---
4. Interest income <sup>(Note 7)</sup>								
5. Rental income				N.A.				
6. Donations for general purpose <sup>(Note 8)</sup>				N.A.				
7. Others (please provide further breakdown for 2021/22 to 2023/24 when the total for 2023/24 is over \$0.1M)								
<b>TOTAL INCOME</b>								

**An example for the required provision for fee remission and scholarship scheme for the 2023/24 budget of a secondary school with operating history below 16 years:**

Class Level	School Fee (Note 1)	Projected DSS Unit Subsidy Rate for the 2022/23 school year	2/3 of DSS Unit Subsidy Rate	School Fee > 2/3 DSS Unit Subsidy Rate (Y/N)	Total School Fee (Note 1)	Projected Enrolment as at 1.9.2023	Amount set aside for class level with school fee > 2/3 DSS Unit Subsidy Rate	10% of School Fee	To adopt Amount in (f) or (g) (Note 2)	Required Provision for Fee Remission and Scholarship Scheme by Level for 2023/24
	(a)	(b)	(c) = 2/3(b)		(d)	(e)	(f) = [(a) - (c)] x (e) x 1/2 (\$)	(g) = (d) x 10% (\$)		(\$)
	(\$pppa)	(\$pppa)	(\$pppa)		(\$)					
S1	61,000	68,079	45,386	Y	8,235,000	135	<b>1,053,945</b>	823,500	(f)	<b>1,053,945</b>
S2	51,000	68,079	45,386	Y	7,854,000	154	432,278	<b>785,400</b>	(g)	<b>785,400</b>
S3	45,000	68,079	45,386	N	6,075,000	135	-	<b>607,500</b>	(g)	<b>607,500</b>
S4	40,000	79,994	53,329	N	6,720,000	168	-	<b>672,000</b>	(g)	<b>672,000</b>
S5	35,000	79,994	53,329	N	5,705,000	163	-	<b>570,500</b>	(g)	<b>570,500</b>
S6	35,000	79,994	53,329	N	5,250,000	150	-	<b>525,000</b>	(g)	<b>525,000</b>
S6 (non-local student)	114,994	79,994	53,329	Y	114,994	1	<b>30,832</b>	11,499	(f)	<b>30,832</b>
Total school fee income per accounts:					39,953,994					<b>4,245,177</b>



# Non-local Curriculum

Schools offering Non-local Curriculum should:

- indicate actual and projected number of classes and enrolment of non-local curriculum in Appendix 1 [for schools not proposing fee revision] or Schedule 2 (c) [for schools proposing fee revision] of Template;
- provide separate income and expenditure statement (in Schedules 2 (a) & 2 (b) of the Template) if different school fees will be charged for non-local curriculum classes.

## Number of Classes, Enrolment, Fee Income and DSS Subsidy

Name of School : \_\_\_\_\_

### 1. 2022/23 - Revised Estimates (Note 1)

Class Level	2022/23 School Year										
	Actual Number of Classes	Actual Enrolment at the End of Month Preceding the Date of Fee Revision Application		Actual School Fee (Per Pupil Per Annum)		Number of Instalments Per Annum	Gross School Fee Income			Actual Enrolment at the End of Month Preceding the Date of Fee Application eligible for DSS Subsidy (Note 2)	Estimated DSS Subsidy from Government (Note 4)
		Number of Local Students (Note 2)	Number of Non-local Students (Note 3)	Local Students (Note 2)	Non-local Students (Note 3)		Local Students	Non-local Students	Total		
(A)	(B)	(C)	(D)	(E)	(F)	(G)=(B)x(D)	(H)=(C)x(E)	(I)=(G)+(H)	(J)	(K)	
Primary 1				\$	\$		\$	\$	\$		\$
Primary 2											
Primary 3											
Primary 4											
Primary 5											
Primary 6											
Secondary 1											
Secondary 2											
Secondary 3											
Secondary 4											
Secondary 5 (Local Curriculum)											
Secondary 6 (Local Curriculum)											
Secondary 5 (Non-local Curriculum)											
Secondary 6 (Non-local Curriculum)											
						Total					
									(Schedule 2a)	(Schedule 2a)	

**Notes:**

- The income of private classes, if any, should NOT be included in the statement.  
For the former aided/Caput school admitted to the DSS, please provide the Revised Estimates for the 2022/23 school year for ex-aided/ex-Caput classes and DSS classes in separate sheets.
- Please include the number of non-local students eligible for DSS subsidy in this column.  
The school fees for non-local students eligible for DSS subsidy at a certain level should be the same as that of the local students at the same level.
- Non-local students are not eligible for DSS subsidy (except those specified in EDB Circular No. 11/2022).  
Different fee levels should be set for non-local students not eligible for DSS subsidy to ensure no cross-subsidization of government funds to these students. School fee for non-local students (who are not eligible for DSS subsidy) should be not less than the sum of the school fee for local students and the applicable 2021/22 projected DSS unit subsidy rate. If the proposed school fee for non-local students is more than the sum, justifications should be provided.  
Examples of setting the school fees for non-local students are provided at Appendix 8.
- DSS subsidy is calculated as follows -

Actual enrolment at end of month preceding date of application eligible for DSS subsidy, Column (J)
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X

2022/23 projected rates of DSS subsidy per pupil per annum applicable to the income banding of the school fee [as per p.1 of Appendix 6]
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