

To: Finance Branch Social Welfare Department  
23/F Southorn Centre 130 Hennessy Road Wan Chai Hong Kong

### Application for Approval of Inclusive Monthly Fee for Aided Standalone Child Care Centres for 2009/10 School Year

1. Name of Agency:

2. Name of Child Care Centre:

Address:

Tel. No.:

Type of premises<sup>§</sup>: Privately Owned  Rented  Public Housing  Others   
(Please specify) \_\_\_\_\_

3. Service type, capacity and present inclusive fee per child per month<sup>§</sup>

Service Type	Capacity Approved by SWD	(a)	(b)	(a) + (b)
		Monthly Fee \$	Monthly Meal Charge \$	Total \$
(i) Full Day Child Care Service				
Children aged below 2 (0 – 2) <input type="checkbox"/>	_____	_____	_____	_____
Children aged 2 to 3 (2 – 3) <input type="checkbox"/>	_____	_____	_____	_____
(ii) Half Day Child Care Service				
Children aged below 2	<input type="checkbox"/> AM _____ <input type="checkbox"/> PM _____	_____	Not Applicable	_____
Children aged 2 to 3	<input type="checkbox"/> AM _____ <input type="checkbox"/> PM _____	_____		_____

4. Proposed inclusive fee per child per month with effect from 1 September 2009<sup>§</sup>

Service Type	(a)	(b)	(c) = (a)-(b)	(d)	(c) + (d)
	Proposed Monthly Fee \$	Estimated monthly subsidy granted for each child *	Proposed Monthly Fee after netting monthly subsidy \$	Proposed Monthly Meal Charge \$	Total \$
(i) Full Day (0 – 2) <input type="checkbox"/>	_____	_____	_____	_____	_____
(2 – 3) <input type="checkbox"/>	_____	_____	_____	_____	_____

\* Operators who stayed in the Child Care Centre Subsidy Scheme, please fill in the estimated monthly subsidy for each child. Please use the revised group/per capita grant rate for the 2009/10 school year and show the computations and assumptions of estimates below:

<sup>§</sup> Please tick as appropriate and fill in data against the service.

<u>Service Type</u>	(a) <u>Proposed Monthly Fee</u> \$	(b) <u>Estimated monthly subsidy granted for each child</u> \$	(c) = (a)-(b) <u>Proposed Monthly Fee after netting monthly subsidy</u> \$	(d) <u>Proposed Monthly Meal Charge</u> \$	(c) + (d) <u>Total</u> \$
(ii) Half Day (0 – 2) <input type="checkbox"/> AM _____ PM _____		Not Applicable	Not Applicable	Not Applicable	_____
(2 – 3) <input type="checkbox"/> AM _____ PM _____		Not Applicable	Not Applicable	Not Applicable	_____

5. **Enrolment for the period 1.4.2008 - 31.3.2009:**

Month/Year Service Type		Apr 2008	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan 2009	Feb	Mar	Total
		Full Day	(0 – 2)											
	(2 – 3)													
Half Day	(0 – 2)	AM												
		PM												
	(2 – 3)	AM												
		PM												

6. **Average/Estimated enrolment:**

Service Type		Average monthly enrolment 1.4.2008 - 31.3.2009	Estimated monthly enrolment 1.4.2009 - 31.8.2009	Estimated monthly enrolment 1.9.2009 - 31.8.2010
Full Day	(0 – 2)			
	(2 – 3)			
Half Day	(0 – 2)	AM		
		PM		
	(2 – 3)	AM		
		PM		

7. **Contact person for further information:**

Name:

Post:

Tel. No.:

I/We submit this application (Annex I) together with the following schedules:

Schedule 1 - Income and Expenditure Estimates

Schedule 2 - Schedule of Salaries and Provident Fund Contributions

Schedule 3 - Schedule of Payments to Relief Staff

Schedule 4 - Schedule of Net Income from Sundry Sales/Services

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Authorised Signature

Name:

Title:

Date:

Official Chop:

Name of Child Care Centre : \_\_\_\_\_

**INCOME AND EXPENDITURE ESTIMATES**

(Children Aged \* Below 2 / 2 to 3)

**(I) MONTHLY FEE**

	Actual as per accounts 1.4.2008-31.3.2009 (a) (Note 1)	Estimates 1.4.2009-31.8.2009 (b)	Estimates 1.9.2009-31.3.2010 (7 months) (c)	Estimates 1.4.2010-31.8.2010 (5 months) (d)	Total 1.9.2009-31.8.2010 (e) = (c) + (d)	Remarks (Please state computations and assumptions)
	\$	\$	\$	\$	\$	
<b><u>INCOME</u></b>						
<b>Fee Income</b>						
<b>Fee Assistance (Note 2)</b>						
Sub-total						
<b>Subsidy under Child Care Centre Subsidy Scheme</b>			N.A.	N.A.	N.A.	
<b>Net Income from Sundry Sales/Services</b>						As shown in Schedule 4
<b>Other Income (Please specify)</b>						
<b>Total Income (A)</b>						
<b><u>EXPENDITURE</u></b>						
<b>Personal Emoluments (Excluding the Cook)</b>						} For details, please refer to Schedule 2 / Schedule 3
Staff Salaries						
Provident Fund						
Relief Staff						
Others (Please specify)						
Total Personal Emoluments (i)						

\* Please delete as appropriate.

	Actual as per accounts 1.4.2008-31.3.2009 (a) (Note 1)	Estimates 1.4.2009-31.8.2009 (b)	Estimates 1.9.2009-31.3.2010 (7 months) (c)	Estimates 1.4.2010-31.8.2010 (5 months) (d)	Total 1.9.2009-31.8.2010 (e) = (c) + (d)	Remarks (Please state computations and assumptions)
<b>Other Charges</b>	\$	\$	\$	\$	\$	
<b>Administrative Expenses</b>						
Postage						
Telephone						
Cleaning Charges						
Auditor's Fee (Excluding for Provident Fund Scheme)						
Others (Please specify)						
Sub-total						
<b>Utilities</b>						
Electricity						
Gas & Fuel						
Water & Sewage						
Sub-total						
<b>Stores &amp; Equipment</b>						
Cleaning Materials						
Printing & Stationery						
Newspaper & Periodicals						
Minor Purchases, Maintenance & Repairs						
Others (Please specify)						
Sub-total						
<b>Programme Expenses</b>						
Teaching Materials & Toys						
Activities Expenses						
Others (Please specify)						
Sub-total						





Name of Child Care Centre : \_\_\_\_\_

**SCHEDULE OF SALARIES AND PROVIDENT FUND CONTRIBUTIONS FOR THE YEAR FROM 1 APRIL 2008 TO 31 MARCH 2009**

Name in Full	Present Rank / Appointment Date (Note 1)	Period		Monthly Salary \$	Salary		P.F. Contribution			Remarks
		From	To		Child Care Centre \$	Others (Note 2) \$	%	Child Care Centre \$	Others (Note 2) \$	
I. <u>Staff List</u> (Excluding the Cook)										
				Sub-total						(should tally with the figures in Column (a) of Schedule 1 P.1 & P.4)
II. <u>Staff List</u> (For the Cook Only)										
				Sub-total						
				Total						

**SCHEDULE OF SALARIES AND PROVIDENT FUND CONTRIBUTIONS FOR THE YEAR FROM 1 APRIL 2009 TO 31 AUGUST 2009**

Name in Full (Note 3)	Present Rank / Appointment Date (Note 1)	Period		Monthly Salary \$	Salary		P.F. Contribution			Remarks
		From	To		Child Care Centre \$	Others (Note 2) \$	%	Child Care Centre \$	Others (Note 2) \$	
I. <u>Staff List</u> (Excluding the Cook)										
				Sub-total						} (should tally with the figures in Column (b) of Schedule 1 P.1 & P.4)
II. <u>Staff List</u> (For the Cook Only)										
				Sub-total						
				Total						

**SCHEDULE OF SALARIES AND PROVIDENT FUND CONTRIBUTIONS FOR THE YEAR FROM 1 SEPTEMBER 2009 TO 31 AUGUST 2010**

Name in Full (Note 3)	Present Rank / Appointment Date (Note 1)	Period		Monthly Salary \$	Salary		P.F. Contribution			Remarks
		From	To		Child Care Centre \$	Others (Note 2) \$	%	Child Care Centre \$	Others (Note 2) \$	
I. <u>Staff List</u> (Excluding the Cook)										} (should tally with the figures in Column (e) of Schedule 1 P.1 & P.4)
				Sub-total						
II. <u>Staff List</u> (For the Cook Only)										
				Sub-total						
				Total						

Notes

- 1: Appointment Date = Incremental Date.
- 2: The amounts unrecognised for fee assessment purpose should be shown under this column, if any.
- 3: For vacant posts, enter “VP-1”, “VP-2” etc. for vacant post 1, vacant post 2 in the ‘Name’ column.

Name of Child Care Centre : \_\_\_\_\_

**SCHEDULE OF PAYMENTS TO RELIEF STAFF FOR THE YEAR FROM 1 APRIL 2008 TO 31 MARCH 2009**

Name of relief staff and (Post)	Name of staff relieved and (Post)	Reasons for relief (Note 1)	Daily rate \$	Period employed & (No. of days)	Amount		Remarks
					Child Care Centre \$	Others (Note 2) \$	
I. <u>Staff List</u> (Excluding the Cook)							} (should tally with the figures in Column (a) of Schedule 1 P.1 & P.4)
			Sub-total				
II. <u>Staff List</u> (For the Cook Only)							
			Sub-total				
			Total				

**Notes**

- 1: For maternity leave/ any sick leave exceeding 5 working days, please attach a copy of doctor's certificate for verification.
- 2: The amounts unrecognised for fee assessment purpose should be shown under this column, if any.

Name of Child Care Centre : \_\_\_\_\_

**SCHEDULE OF NET INCOME FROM SUNDRY SALES/SERVICES FOR THE PERIOD OF 1 APRIL 2008 TO 31 MARCH 2009**

	Children's Uniforms/ Aprons/Bags	Story & Picture Books and Stationery	Transport/ School Bus	Others (Note 3)	
	\$	\$	\$	\$	
Income from Sales/Services (Note 1)	_____	_____	_____	_____	
<b>Less : Opening Stock (Note 2):</b>					
Add : Purchases					
Less : Closing Stock (Note 2)					
Cost of Sales/Services	_____	_____	_____	_____	
Net Income from Sales/Services	_____	_____	_____	_____	

Notes

- 1: Please quote reference of SWD's approval in the 'Remarks' column.
- 2: Please state the basis of valuation, such as cost or net realizable value.
- 3: A description of the nature of the sales/services (including extended hours/occasional child care services) should be given.

**Documents to be submitted together with the Fee Application (Annex I)**

- (1) Income and Expenditure Estimates (Schedule 1), Salaries and Provident Fund Contributions (Schedule 2), Payments to Relief Staff (Schedule 3) and Net Income from Sundry Sales/Services (Schedule 4). For child care centres with children of aged 0 - 3, separate Schedules 1 to 4 for age group children below 2 and 2 - 3 should be submitted.
- (2) Audited accounts showing the state of affairs and results of operations of the centre for the period 1.4.2008 to 31.3.2009. Should the audit of the accounts has not yet been completed at the time of submission of this application, draft final accounts for the said period certified by the Chairman of the agency will also be accepted. For child care centres with children of aged 0 - 3, separate accounts for the age group children below 2 and 2 - 3 should be submitted.
- (3) Supporting documentation for material items of expenditure, if any, included in the Income and Expenditure Estimates at Schedule 1 for the year ended 31 August 2010.

## 1. Guidelines for Preparing Income and Expenditure Estimates for Aided Standalone Child Care Centres for Children Aged 0 to 3

In the preparation of the Income and Expenditure Estimates (Schedule 1), aided standalone child care centres should refer to the 'Guidance Notes on Subventions from Social Welfare Department for Standalone Child Care Centres' and comply with the corresponding requirements for the submission of annual financial statements and interim reports of income and expenditure, as stated in the 'Guide to Social Welfare Subventions'.

The funds obtained from the Government including fee assistance, subventions for rent and rates, occasional child care service, extended hours service, and subsidy under Child Care Centre Subsidy Scheme should only be used to finance the corresponding service, i.e. to cover the necessary expenses incurred in providing the services in accordance with the requirements of the Child Care Services Ordinance and Regulations.

It is necessary for child care centres to identify separately the income and expenditure (and therefore the surplus or deficit) which are recognised for the purposes of subvention and the operation of child care centres. In this regard, only the recognised income and expenditure as specified in para. 2 and 3 below should be included in the Income and Expenditure Estimates of the fee application.

Please be reminded that **any expenses incurred but not recognised for fee assessment purposes are deemed to be borne out of your agency's own resources**, as a result of which the inclusive monthly fee approved by this Department may not be the same as that proposed.

## 2. Monthly Fee [Part (I) of Schedule 1]

### (A) Income

The recognised incomes for determination of fee level of child care centre include the following:

#### (a) Fee income of child care centre

Please show calculation in the 'Remarks' column of Income Estimates under Part (I) of Schedule 1 using the formula: -

$$\begin{aligned} \text{Actual fee income} &= \text{Actual average enrolment per month} \times \\ &\quad \text{approved monthly fee per child} \times \text{no. of months} \\ \\ \text{Estimated fee income} &= \text{Estimated average enrolment per month} \times \\ &\quad \text{proposed monthly fee per child} \times \text{no. of months} \end{aligned}$$

Where the centre operates **more than one type** of services, the fee income in Schedule 1 must be supported by **a breakdown** of calculations for each type of service using the above formula.

The fee level to be proposed should take into account any accumulated operating surpluses/deficits of child care centre up to 31.8.2009. It should be noted that from the financial year 1986/87 onwards, the surpluses/deficits in respect of the subvention for integrated programme, rent and rates have to be separately identified as social welfare subvention surpluses, which are subject to recovery, by the Department.

Agency which operates more than one standalone child care centre may apply for a **uniform fee** for all standalone centres under its management in the fee application. In such cases, any accumulated operating surpluses of standalone child care centres up to 31.8.2009 and the total recognised operating expenditure for each standalone child care centre will be pooled together for fee assessment purposes.

- (b) Fee assistance under the Child Care Centre Fee Assistance Scheme/Kindergarten and Child Care Centre Fee Remission Scheme
- (c) Subsidy under CCCSS
- (d) Income/Expenditure from Sundry Sales/Services

Any charging or acceptance of money or fee in addition to the inclusive monthly fee must be approved, in writing, by the Director of Social Welfare. Centres must keep proper books of accounts which must reflect all sales and purchases of items sold, as well as the income and expenditure relating to the provision of services.

Details of income and expenditure relating to the sale of items (e.g. uniforms, aprons, bags and handbooks) and provision of services (e.g. transport service to children) should be shown in Schedule 4. It should be noted that expenditure in respect of these sales and services should **not** be included in the Income and Expenditure Estimates.

In relation to sale of books, suitable picture books, story books and reference books should be provided in sufficient quantity in the book-corners of the centre. Purchases by parents who want to possess the same kind of books for use at home should be available on a strictly voluntary basis and the name and address of the publishers should be made known to them.

Most centres use direct dialogue or stenciled sheets as a regular means of communication with parents. Direct communication is in fact the most effective way to achieve parental understanding and co-operation. In case a handbook is deemed necessary and a fee is charged, the price should be kept to a minimum and prior approval in writing from the Director of Social Welfare should be obtained.

Income and expenditure relating to other operations e.g. evening operations, extended hours/occasional child care services carried out at the centre premises should be accounted for separately and should **not** be included in the Income and Expenditure Estimates.

(e) Other income

(i) Interest on recognised income

Income such as donations, interest on bank deposits in respect of the CCCSS/Subventions/Lotteries Fund grant should be shown separately.

(ii) Registration Fee

**No registration fee** as such should be charged. However, if a place is offered by the centre to a child, the centre may collect the inclusive monthly fee, in part or, in full, **at most three months in advance** for the first month of the school year, beginning either in August or September. For example, if a child commences attendance on 1 September, the centre may collect the September fee on 1 June at the earliest. The fee may be forfeited if the child subsequently fails to take up the place but it should be clearly communicated to the parents at the time of collecting the advanced fee. No other means of collection of registration fee is allowed unless with prior approval, in writing, of the Director of Social Welfare.

**(B) Expenditure**

(a) Personal emoluments

The recognised cost of personal emoluments are limited to the following:

- (i) Staff levels are only recognised in accordance with the **minimum** requirements stipulated in the Child Care Services Ordinance.

For a child care centre (children aged below 2) with 60 places, the recognized establishment is as follows:-

- 1 Child Care Supervisor
- 8 Child Care Workers
- 2 Child Care Aides
- 2 Minor Staff (2 Workman IIs)

For a child care centre (children aged 2 to 3) with 100 places, the recognised establishment is as follows:-

- 1 Child Care Supervisor
- 7 Child Care Workers
- 1 Clerical Assistant
- 3 Minor Staff (1 Cook and 2 Workman IIs; or 3 Workman IIs)

- (ii) Salaries payable to the staff of child care centre at the recognised staff levels should not exceed the following scales:

<b>Rank</b>	<b>Salary Scale</b>
Child Care Supervisor	MPS Pt 15-22
Child Care Worker	MPS Pt 7-17
Child Care Aide	MPS Pt 3-9
Clerical Assistant	MPS Pt 1-10
Cook	MPS Pt 5-8
Workman II	MOD Pt 0-8

MPS = Master Pay Scale

MOD = Model Scale I

Only **one** annual increment of salary, subject to the maximum point of the recognised salary scale not being exceeded, should normally be granted and recognised for inclusion in the fee application.

- (iii) For a **child care centre (children aged 2 to 3) with 80 or more places**, an assistant supervisor may be appointed to deputize the supervisor in the administration of the centre. The person should normally be the most experienced among the child care workers. An allowance may be awarded to the assistant supervisor to reflect this responsibility. The allowance is equivalent to the difference between MPS Pt 7 and Pt 9. This person is counted as one of the child care workers required under Child Care Services Ordinance.

In addition, for a **child care centre (children aged 2 to 3) with 160 or more places**, the assistant supervisor, under the aforesaid pay structure and with the above-stated allowance, will be recognised as an additional staff, with the result that such centre would be entitled to recruiting an additional new worker to replace the one who will serve as assistant supervisor.

- (iv) For the recognised staffing levels, provident fund contributions made in accordance with the rules contained in the 'Staff Retirement Schemes in Subvented Organisations' are recognised. Where the contributions are made for a non-standard staff retirement scheme, the expenditure recognised is limited to a maximum of 5% of the recognised staff salaries.
- (v) Backpayment for personal emoluments of all staff, if any, might be separately included in the estimates.
- (vi) Relief child care workers may be employed for recognised leaves in order to attain the child care worker/child ratio as specified in the Child Care Services Ordinance.
- (vii) Relief minor staff may be employed for recognised leaves at the wage rates notified by the Department.
- (viii) Actual long service payments are recognised.

- (ix) Any other costs of personal emoluments will not be recognised unless with the written approval of the Department.

The estimates of personal emoluments for the coming period 1.4.2009 to 31.8.2010 should be made in accordance with the above provisions and should, on this basis, represent the fairly accurate amounts to be paid to the staff of the centre during the period. The basis of estimate for relief staff, if any, should be given in the 'Remarks' column of Expenditure Estimates under Part (I) of Schedule 1.

(b) Other Charges

Recognised other charges refer to the recurrent expenses which are incurred necessarily and exclusively for the operation of the child care centres. With effect from September 2005, the expenses for electricity charge, maintenance and repairs cost for the provision of air-conditioning should be charged against the inclusive monthly fee.

The following items of expenditure are **not recognised**:-

(i) Fringe benefits for staff

Housing benefits, provision of food/food allowance, travelling allowance, awards, gifts, lucky money, recreation/entertainment expenses, medical expenses except for staff recruitment and cost of injection of Hepatitis B, etc. except that the cost of injection of Hepatitis B for child care workers in day centres is recognised.

(ii) Expenses related to overseas staff training/conference

(iii) Expenses related to other charitable funding

Expenses for topping up Lotteries Fund grants, recurrent consequences of capital items financed by donations/charitable funding, etc.

(iv) Capital financing expenses and bank charges

Mortgage and interest on loans, overdrafts, penalty on mishandling of bank accounts, etc. except auto-pay service for salaries and fees, audit confirmation and stop payment on cheque.

(v) Expenses specifically advised by the Department to be borne out of the agency's own resources

Recurrent expenses for non-standard equipment, pager, mobile phone (except for service with service van), etc.

(vi) Insurance Premium

Except for employee compensation and public liability, vehicle third party insurance and insurance cover for children under the care of the centre.

(vii) Entertainment expenses

Luncheon meeting, spring reception, farewell party for staff, etc.

(viii) Subscription/registration fees

Membership/registration fees for the Hong Kong Council of Social Service, Occupational Retirement Scheme Ordinance, Company Registry, professional association, renewal of driving license and traffic fine, etc.

(ix) Administrative and management expenses

- advertisement (except for staff recruitment), provident fund handling charges, expenses relating to annual report, AGM, EGM, etc.
- central administrative overheads or management/secretarial/other expenses from the headquarters or other service units. For child care centres (children aged below 2), provision for accounting service will be included to a level not exceeding 1.4% of the total recognised expenditure of the centre. For child care centres (children aged 2 to 3), provision for accounting service will be included to a level not exceeding one year's salary at the starting point of a Clerical Assistant if the post of Clerical Assistant is not filled.

(x) Expenses not related to activities within the scope of child care services

Religious activities, after-school care service, office decoration, etc.

(xi) Deposits

Deposits/bank guarantee charges payable to China Light & Power Co. Ltd., Water Authority, etc.

(xii) Capital expenditure for major renovation

(xiii) Depreciation/amortization of fixed assets or provisions not representing actual expenses incurred

(xiv) Honorarium for volunteers

(xv) Cost of souvenirs except to speakers, donors, volunteers, etc.

The list is not exhaustive. Child care centres should exercise proper control over the use of funds and ensure that funds are spent on activities/items directly related to operation/delivery of the child care service.

### 3. Monthly Meal Charge [Part (II) of Schedule 1]

(Applicable to centres with children attending full day classes only)

The monthly meal charge for children receiving full day care should be separately listed out from the monthly inclusive fee. The meal charge is covered by the fee remission with a maximum remission of \$500 per child per month for children aged below 2 and \$400 per child per month for children aged 2 to 3.

#### (A) Income

Please show calculation in the 'Remarks' column of Income Estimates under Part (II) of Schedule 1 using the formula:-

Actual income from meal charge = Actual average number of children attending full day class per month  
x approved monthly meal fee per child  
x no. of months

Estimated income from meal charge = Estimated average number of children attending full day class per month  
x proposed monthly meal fee per child  
x no. of months

#### (B) Expenditure

(a) Personal emoluments

These include salaries and provident fund of the cook for preparation of meal. Justification should be given in the 'Remarks' column of Expenditure Estimates under Part (II) of Schedule 1 if additional staff requirements are required for preparation of meal.

(b) Other Charges

Only meal expenses for children should be included in the assessment of monthly meal charge.