

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 Private/Non-profit-making
Stand-alone Child Care Centres for 2011/12 School Year**

I. General Information

1. Name of Child Care Centre (the Centre): _____
Registered Address: _____
2. Date registered under the 《Child Care Services Ordinance》 (dd/mm/yyyy): _____
3. Date of commencement of operation (dd/mm/yyyy): _____
4. Name of parent organisation: _____
5. The Centre *is / is not exempt under Section 88 of the 《Inland Revenue Ordinance》 from any tax by reason of being a charitable institution or trust of a public character. (If yes, please provide a copy of the tax exemption certificate.)
6. The premises with an area of _____ *sq. ft. / sq. m. are privately owned / rented / public housing / others (please specify) _____ .
7. Outside normal opening hours of the Centre, the premises *are not used for any other operation. / are used for operation of: _____ ,
at an annual estimated income of \$ _____ . Of such income or profits, \$ _____
are shared by the Centre.
8. Contact person in connection with this application:
Name: _____ Post: _____ Tel. No.: _____
Email Address (if any): _____

* **I/We would like to confirm that our Centre will *reduce / maintain the existing fee level in 2011/12 School Year as shown in page 2.**

* **I/We would like to propose fees increase for our Centre in 2011/12 School Year and certify that this application together with attached schedules as shown below have been prepared following the guidelines at Annex III.**

- | | |
|------------|---|
| Schedule 1 | Income and Expenditure Estimates |
| Schedule 2 | Staff List (Excluding Directors) |
| Schedule 3 | Directors' Fees and Allowances |
| Schedule 4 | Schedule of Net Income from Sundry Sales/Services |
| Schedule 5 | Schedule of Provision for Depreciation |

Authorised Signature and
Official Stamp of Child Care Centre

Name: _____

Post: _____

Date: _____

II. Proposed fees and expected enrolment

1. Proposed fees in 2011/12 School Year

<u>Service Type</u>	<u>Capacity Approved by SWD</u>	<u>Existing Inclusive Monthly Fee (Note 1)</u> \$	<u>Proposed Inclusive Monthly Fee (Note 1)</u> \$	<u>Existing Monthly Meal Charge[#]</u> \$	<u>Proposed Monthly Meal Charge[#]</u> \$
(i) Full Day Child Care Service					
Children aged 0-2	_____	_____	_____	_____	_____
Children aged 2-3	_____	_____	_____	_____	_____
(ii) Half Day Child Care Service					
Children aged 0-2	AM _____ PM _____	_____	_____		
Children aged 2-3	AM _____ PM _____	_____	_____		
Children aged 2-6 (Special Child Care Centre)	AM _____ PM _____	_____	_____		
(iii) Others (Please specify)	_____	_____	_____		

2. Enrolment for the period of April 2010 – March 2011

<u>Service Type</u>	2010									2011			<u>Total</u>
	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	
(i) Full Day Child Care Service													
Children aged 0-2													
Children aged 2-3													
(ii) Half Day Child Care Service													
Children aged 0-2	AM												
	PM												
Children aged 2-3	AM												
	PM												
Children aged 2-6 (Special Child Care Centre)	AM												
	PM												
(iii) Others (Please specify)													

3. Estimated total enrolment in specified periods below

<u>Service Type</u>	<u>Apr 2011 to Aug 2011</u>	<u>Sept 2011 to Mar 2012</u>	<u>Apr 2012 to Aug 2012</u>
(i) Full Day Child Care Service			
Children aged 0-2	_____	_____	_____
Children aged 2-3	_____	_____	_____
(ii) Half Day Child Care Service			
Children aged 0-2	AM _____	_____	_____
	PM _____	_____	_____
Children aged 2-3	AM _____	_____	_____
	PM _____	_____	_____
Children aged 2-6 (Special Child Care Centre)	AM _____	_____	_____
	PM _____	_____	_____
(iii) Others (Please specify)	_____	_____	_____

4. Effective date of proposed fees for 2011/12 School Year (dd/mm/yyyy): _____

5. Number of monthly instalments per annum: _____

Note

1. A monthly meal charge for children receiving **full day** care should be separately listed out from the inclusive monthly fee.

Please enter no information in shaded areas.

INCOME AND EXPENDITURE ESTIMATES

(Name of Child Care Centre)

ATTENTION: Please read the guidelines at Annex III before you complete this form.

I. INCLUSIVE MONTHLY FEE

	Actual as per account 1.4.2010 - 31.3.2011 (Note 1)	Estimates 1.9.2011 - 31.8.2012 (Note 2)	Remarks (Please state computations and assumptions for estimates)
Average enrolment per month			
	\$	\$	
INCOME			
Fee Income			As shown in Schedule 4
Net Income from Sundry Sales/Services			
Other Income (Please specify)			

TOTAL INCOME (A)			
EXPENDITURE			
Personal Emoluments			} As shown in Schedule 2 As shown in Schedule 3
Staff Salaries			
Provident Fund			
Directors' Fees & Allowances			
Others (Please specify)			

Total Personal Emoluments			
Other Charges			
<i>Administrative Expenses</i>			
Postage			
Telephone, Fax & Internet Service Charges			
Cleaning Charges			
Auditor's Fee			
Others (Please specify)			

Sub-total			
Utilities			
Electricity			
Gas & Fuel			
Water & Sewage			
Sub-total			

INCOME AND EXPENDITURE ESTIMATES

I. INCLUSIVE MONTHLY FEE (Cont'd)

	Actual as per account 1.4.2010 - 31.3.2011 (Note 1)	Estimates 1.9.2011 - 31.8.2012 (Note 2)	Remarks (Please state computations and assumptions for estimates)
	\$	\$	
<i>Stores & Equipment</i> Printing & Stationery Newspaper & Periodicals Maintenance & Repairs Others (Please specify) <hr/>			
Sub-total			
<i>Food for Children</i> (For children attending half-day session only) Meal Expenses Provision of Snack			
Sub-total			
<i>Food for Staff</i>			
<i>Programme Expenses for Children</i> Teaching Materials & Toys Activities Expenses Others (Please specify) <hr/>			
Sub-total			
<i>Transport & Travelling</i> Vehicle Running Expenses Travelling Expenses (by public transport) Others (Please specify) <hr/>			
Sub-total			
<i>Insurance</i> Employees' Compensation Insurance for Children Public Liability Insurance Others (Please specify) <hr/>			
Sub-total			

INCOME AND EXPENDITURE ESTIMATES

I. INCLUSIVE MONTHLY FEE (Cont'd)

	Actual as per account 1.4.2010 - 31.3.2011 (Note 1)	Estimates 1.9.2011 - 31.8.2012 (Note 2)	Remarks (Please state computations and assumptions for estimates)
	\$	\$	
<i>Miscellaneous</i> (Please specify)			
(a) _____			
(b) _____			
(c) _____			
(d) _____			
(e) _____			
Sub-total			
Total Other Charges			
Provision for Depreciation			As shown in Schedule 5
Rent			
Rates & Government Rent			
Building Management Fee			
TOTAL EXPENDITURE (B)			
OPERATING SURPLUS/(DEFICIT) (A) - (B)			

INCOME AND EXPENDITURE ESTIMATES

II. MONTHLY MEAL CHARGE

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

	Actual as per account 1.4.2010 - 31.3.2011 (Note 1)	Estimates 1.9.2011 - 31.8.2012 (Note 2)	Remarks (Please state computations and assumptions for estimates)
	\$	\$	
INCOME			
For children aged 0-2			
For children aged 2-3			
Other Income (Please specify)			

TOTAL MEAL INCOME (C)			
EXPENDITURE			
Personal Emoluments			
(For the Cook only)			
Staff Salaries			
Provident Fund			
Others (Please specify) (Note 3)			

Total Personal Emoluments			
Other Charges			
Meal Expenses for Children			
TOTAL EXPENDITURE (D)			
OPERATIONG SURPLUS/(DEFICIT) (C) - (D)			

Notes

1. Please state the period covered if the accounting year does not end on 31.3.2011.
2. Please state the period covered if the school year does not commence on 1.9.2011.
3. Justification is required for additional staff for preparation of meals.

STAFF LIST (EXCLUDING DIRECTORS)

(Name of Child Care Centre)

Name	Post	Monthly Salary as at 1.4.2011	Actual Salaries 1.4.2010 - 31.3.2011 (Note 1)	Actual Provident Fund Contribution 1.4.2010 - 31.3.2011 (Note 1)	Proposed date of next annual salary increase and percentage	Estimated Salaries 1.9.2011 - 31.8.2012 (Note 2)	Estimated Provident Fund Contribution 1.9.2011 - 31.8.2012 (Note 2)
		\$	\$	\$		\$	\$
Total as per Income & Expenditure Estimates (Schedule 1)							

Notes

1. Please state the period covered if the accounting year does not end on 31.3.2011.
2. Please state the period covered if the school year does not commence on 1.9.2011.

DIRECTORS' FEES AND ALLOWANCES

(Name of Child Care Centre)

Name	Monthly Fee & Allowance as at 1.4.2011	Proposed date of increase and percentage	Actual Fees & Allowances 1.4.2010 - 31.3.2011 (Note 1)	Estimated Fees & Allowances 1.9.2011 - 31.8.2012 (Note 2)
	\$		\$	\$
Total as per Income & Expenditure Estimates (Schedule 1)				

REMUNERATION RECEIVED BY THE SOLE PROPRIETOR / DIRECTORS / PARTNERS FROM OTHER CHILD CARE CENTRES (IF ANY)

Name	Name of Child Care Centre	Post	Amount received in 1.4.2010 - 31.3.2011 (Note 1)
			\$

1. Name(s) of *Sole Proprietor/Directors/Partners: _____

2. Name(s) of other child care centres in which the Sole Proprietor or any of the Directors/Partners has financial interest: _____

Notes

1. Please state the period covered if the accounting year does not end on 31.3.2011.
2. Please state the period covered if the school year does not commence on 1.9.2011.

* Please delete whichever is inappropriate.

**SCHEDULE OF NET INCOME FROM SUNDRY SALES/SERVICES
for the period of 1 April 2010 - 31 March 2011**

(Name of Child Care Centre)

	Children's Uniforms/ Aprons/Bags	Story & Picture Books and Stationery	Food for Staff	Transport/ School Bus	Others (Note 3)	Remarks
	\$	\$	\$	\$	\$	
Income for Sales/Services (A) (Note 1)						
Cost of Sales/Services						
Opening Stock (Note 2)						
Add: Purchases						
Less: Closing Stock (Note 2)						
Cost of Sales/Service (B)						
Net Income from Sales/Services (A) - (B)						

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 realisable value.
3. A description of the nature of the sales/services (including extended hours/occasional child care services) should be given.

**SCHEDULE OF PROVISION FOR DEPRECIATION
for the year ended 31 March 2011**

(Name of Child Care Centre)

For Accounting Year 2010/11

	Furniture and Fittings	Plant and Equipment	Others (Please specify)	Remarks
	\$	\$	\$	
Cost				
At Cost b/d				
Add: Acquisition for 2010/11 (Note 1)				
Less: Disposal for 2010/11				
Balance c/f (A)				
Provision for Depreciation				
Accumulated Depreciation b/d (Note 2)				
Charge for 2010/11				
Balance c/f (B)				
Net Book Value (A) - (B)				

For Accounting Year 2011/12

	Furniture and Fittings	Plant and Equipment	Others (Please specify)	Remarks
	\$	\$	\$	
PLANNED Acquisition (Note 3)				
PLANNED Disposal				

Notes

1. Please provide supporting documents for the acquisition of fixed assets in 2010/11.
2. Please state the depreciation policies for fixed assets in the 'Remarks' column.
3. Please provide quotations for additional capital expenditure to be incurred in 2011/12, if applicable.

Documents to be submitted together with the Fee Application [Annex I]

- (1) Income and Expenditure Estimates (Schedule 1), Staff List (Schedule 2), details of Directors' Fees and Allowances (Schedule 3), Net Income from Sundry Sales/ Services (Schedule 4) and Provision for Depreciation (Schedule 5).
- (2) One copy of the centre's latest available audited accounts showing the state of affairs and results of operations of the centre. If the audit of the accounts has not yet been completed at the time of submission of this application, certified copies of accounts drawn up in respect of profits tax returns may be accepted.
- (3) Supporting documentation for rent, rates, building management fee, air-conditioning charge and all other material items of expenditure including capital expenditure, e.g. photocopies of tenancy agreement, rates demand notes and supporting vouchers.

Guidelines on Preparing Income and Expenditure Estimates for Private/Non-profit-making Stand-alone Child Care Centres

Inclusive Monthly Fee [Part (I) of Schedule 1]

(1) Fee Income

Please show calculation in the 'Remarks' column of Income and Expenditure Estimates using the formula:-

$$\text{Actual fee income} = \frac{\text{Actual average enrolment per month} \times \text{Approved monthly fee per child}}{\text{Number of months}}$$

$$\text{Estimated fee income} = \frac{\text{Estimated average enrolment per month} \times \text{Proposed monthly fee per child}}{\text{Number of months}}$$

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.

(2) 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. Moreover, purchases by parents should be on a strictly voluntary basis. 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.

Net income derived from the sale of items (e.g. uniforms, aprons, bags and books) and provision of services (e.g. provision of food for staff and transport service to children) should be shown in the Income and Expenditure Estimates at Schedule 1 with supporting details as per 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.

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

(3) Other Income

Please specify the nature as well as the basis of estimating the income.

(a) Registration Fee

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** before the commencement of the first month of the service. 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 this policy should be clearly communicated to the parents when the fee is collected. Collection of registration fee, or other charges of similar nature, is not allowed, unless with prior approval of the Director of Social Welfare, in writing.

(b) Charges on Centre Activities / Programmes for Children

Expenditure on centre activities / programmes for children should be charged against the inclusive monthly fee. **No separate charge** for centre activities / programmes should be made without the prior approval, in writing, of the Director of Social Welfare.

(c) Others

Income such as interest on bank deposits should be stated separately in the estimates at Schedule 1.

(4) Other Operating Expenses

(a) Stores and Equipment

Significant items of capital expenditure in respect of stores and equipment should **not** be included under this heading but a charge should be made under the provision of depreciation. Purchases of items for resale to children should be excluded from this expenditure heading and these should be shown in a supporting statement as per Schedule 4.

(b) Food for Children

No separate monthly meal charges are allowed for child care centres providing meal for children attending **half day session**. All expenses of food for children attending half day session should be charged against the inclusive monthly fee.

(c) Programme Expenses for Children

These normally include items such as teaching materials, art materials, consumable toys and materials for games, as well as incidental expenses for birthday parties and festivals.

(d) Insurance

Details of the insurance policies together with supporting documents e.g. quotations from insurance companies or copies of the policies should be provided.

(e) Miscellaneous Expenses

A list of items included under this heading should be provided.

(f) Provision for Depreciation

Details of the computation of the provision and the respective depreciation policies for the fixed assets should be given in a supporting statement as per Schedule 5. Supporting documents for the acquisition of fixed assets in 2010/11 and if applicable, quotations for additional capital expenditure to be incurred in 2011/12 should also be provided.

(g) Rent, Rates & Government Rent, Building Management Fee and Air-conditioning Charge

Supporting documentation for rent, rates, government rent, building management fee and air-conditioning charge, e.g. photocopy of tenancy agreement, rates demand note and supporting vouchers, etc. should be provided. Please note that if part of the rented premises is used for operations other than the child care centre service, the related costs should be shown separately and supported by relevant details.

Monthly Meal Charges [Part (II) of Schedule 1]

(Applicable to centres providing meals for children attending full day classes only)

(1) Income from Monthly Meal Charge

Separate monthly meal charge is applicable for child care centres providing meals for children attending **full day classes**. Please show calculation in the 'Remarks' column of Income and Expenditure Estimates using the formula:-

$$\text{Actual income from meal charge} = \boxed{\text{Actual average number of children attending full day classes}} \times \boxed{\text{Approved monthly meal fee per child}} \times \boxed{\text{Number of months}}$$

$$\text{Estimated income from meal charge} = \boxed{\text{Estimated average number of children attending full day classes per month}} \times \boxed{\text{Proposed monthly meal fee per child}} \times \boxed{\text{Number of months}}$$

(2) Personal Emoluments of Staff for Preparation of Meals

These include salaries and provident fund of the cook for preparation of meals for children attending full day classes. Justification should be given in the 'Remarks' column if additional staff are required for preparation of meals.

(3) Meal Expenses for Children

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