Education Bureau
Circular Memorandum No. 144/2019

(Chinese version will follow)

From	: Permanent Secretary for Education	To:	Supervisors and Heads of all Aided Primary Schools - for necessary action
Ref	: EDB/FIN(A)/F&A/65/24(R)	Date:	5 August 2019

2018/2019 Annual Audited Accounts of Aided Primary Schools

Purpose

This circular memorandum requests Supervisors of aided primary schools to submit their annual audited accounts for the accounting year ended 31 August 2019. **The deadline for submission of the annual audited accounts is 31 December 2019.** Please note that the annual audited accounts mentioned in this circular refer to those recording the financial transactions of the schools before the establishment of incorporated management committees (IMC). They do not include the accounts of IMCs.

Background

2. Section 70 of the Code of Aid for Primary Schools (CAPS) requires the accounts of aided primary schools to be audited by Certified Public Accountants / Public Accountants registered under the Professional Accountants Ordinance. Schools are also required to submit the annual audited accounts to the Permanent Secretary for Education (PS(Ed)) at such times and in such manner as she may determine. For guidelines on engagement of auditors, please see Education Bureau Circular (EDBC) No.5/2014.

Submission Requirements

3. The annual audited accounts to be submitted by the schools should comprise the School Supervisor's certificate, the Auditor's Report and audited financial statements on their operations. To facilitate preparation by schools, the relevant pro-formas of the annual accounts in Excel format can be downloaded at the following address -

   http://www.edb.gov.hk/circular/adhocforme/aidpri.xls

School Supervisors are required to submit the accounts in the prescribed formats.

4. Reference notes for auditors of schools are at **Annex 1**. Schools should convey the certification requirements as stated in paragraph 5(a) to (d) of **Annex 1** to their auditors prior to the commencement of audit. Please note that the certification requirements should be strictly complied with.

5.　　　　The accounts must be signed by the School Supervisors, and forwarded together with the signed Auditor's Reports to the address shown below on or before 31 December 2019.

<div align="center">
School Audit Section, Finance Division, Education Bureau,
Room 1509, 15/F., Wu Chung House,
213 Queen's Road East, Wanchai, Hong Kong.
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To facilitate our examination of the annual audited accounts, the softcopy of the annual audited accounts (using the EXACT EXCEL FILE downloaded from the address as mentioned in paragraph 3 above with the same file name) must also be submitted in addition to the hardcopy by the said due date –

- electronically via the "Communication and Delivery System (CDS) Module" in Web-based School Administration and Management System (WebSAMS). Detailed procedures are described at **Annex 2**; *or*
- by submitting a CD (for non-WebSAMS users only).

Please ensure that the softcopy and the hardcopy of the annual audited accounts submitted are identical. Please note that according to Section 71 of the CAPS, if a school fails to submit audited annual accounts or delays the submission of such accounts without reasonable cause, PS(Ed) may temporarily withhold payment of such proportion of grant made monthly to the school as she shall determine.

6.　　　　For closed schools, the final audited accounts covering the period up to and including the last day of school operation must be submitted **not later than four months** from the date of cessation of operation.

7.　　　　Where an aided primary school operates a private section or a boarding section in the same premises and where consolidated accounts in respect of all the sections are prepared for presentation to the School Council or Sponsoring Body, the Supervisor of the aided primary school should forward a copy of the consolidated accounts to this Bureau in addition to the requirement specified in paragraphs 3 and 4 above. Should the accounting year for the consolidated accounts ends on a date other than 31 August, the latest set of such accounts must be sent.

8.　　　　If PS(Ed) has permitted a school to transfer funds from the General Funds Account or Tong Fai : Income and Expenditure Account to other account(s) which are kept separately by the Sponsoring Body for educational development or other purposes, the School Supervisor should provide an annual statement for each of these other accounts. These statements should also be audited and cover the same period as the annual audited accounts of the aided primary school.

9.　　　　You may wish to refer to the "Tips on Handling Government Subventions for Aided Schools" (August 2019 version) (http://www.edb.gov.hk > School Administration and Management > Financial Management > Information on Subsidy > Reference Materials on Handling Government Subventions for Aided Schools) for reference. Please also draw it to the attention of your auditors. Upon completion of the audit, it is usual practice for the auditors to issue to schools a management letter, drawing attention to weaknesses in internal control together with recommendations for improvement in the school's accounting system.　School Supervisors are requested to implement the auditors' recommendations. The auditors should also send a copy of the management letter to this Bureau for information.

Enquiries

10.		For enquiries on this circular memorandum, please contact Treasury Accountant (Audit) 1 or Treasury Accountant (Audit) 2 at 2892 6259 or 2892 5737. For enquiries regarding the submission of the annual audited accounts via WebSAMS, please contact Treasury Accountant (Systems) 2 at 2892 5423.

(Ms. Amy CHUNG)
for Permanent Secretary for Education

Encl.

**Reference Notes
for Auditors of Aided Primary Schools
for the Accounting Year Ended 31 August 2019**

        Section 70 of the Code of Aid for Primary Schools (CAPS) requires the accounts of aided primary schools to be audited by Certified Public Accountants / Public Accountants registered under the Professional Accountants Ordinance[Note]. This requirement is laid down in order to enable the Permanent Secretary for Education (PS(Ed)) to satisfy that the grants have been properly applied to the purposes for which they were paid.

2.   When auditing the school accounts, the Auditors should satisfy that the schools have complied with the requirements specified in:

        (a)   the CAPS and the supporting appendices thereto;

        (b)   the relevant letters, circulars and guidelines issued to aided primary schools by Education Bureau (EDB); and

        (c)   the relevant letters issued by EDB to the schools concerning matters which require the written approval of PS(Ed).

3.   The Auditors are also required to ascertain the correct balances of individual grant accounts. Please note that all grant payments to schools are supported by remittance advices issued by the Treasury. **Schools should file the remittance advices as well as other relevant correspondences from EDB (e.g. the annual payment statement of non-recurrent and capital grants provided by the Capital Subventions Section of EDB) properly and make them available for audit verification**. EDB will not provide confirmation on the amount of grants paid to schools. A table showing the relevant documents, points for special attention and year-end surplus treatment of the individual grants is at **Annex 1A**. Unless otherwise specified in **Annex 1A**, the year-end deficit of all grant accounts should be transferred to the General Funds Account or Tong Fai : Income and Expenditure Account. The notes which follow are issued for the guidance to Auditors in directing their attention to certain matters in respect of which PS(Ed) requires to be satisfied when examining the school accounts.

4.   Please note that the annual audited accounts mentioned in this annex refer to those recording the financial transactions of the schools before the establishment of incorporated management committees (IMC). They do not include the accounts of IMCs.

Note: This means "certified public accountants (practising)" with effect from the commencement of the Professional Accountants (Amendment) Ordinance 2004 on 8 September 2004. "Certified public accountant (practising)" means a certified public accountant holding a practising certificate.

5.   Auditors should submit Auditor's Reports on the school accounts, and each statement to the accounts should be stamped with the identification chop of the Auditors. The Auditors should state in their reports whether in their opinion-

(a)   the schools have used the government subventions in accordance with the rules and ambits of the grants as promulgated in the CAPS, relevant letters, circulars and guidelines issued by EDB;

(b)   the balances of individual grant accounts are, in all material respects, correct;

(c)   the schools have complied with the accounting requirements of the CAPS, the relevant letters, circulars and guidelines issued by EDB and such instructions as may be given by the Permanent Secretary for Education, and the accounts give a true and fair view of the state of the schools' affairs as at 31 August 2019 and of their results for the accounting year then ended; and

(d)   in the case of consolidated accounts submitted by a school which operates also a private section or boarding section, the school has complied with the accounting requirements of the CAPS, the relevant letters, circulars and guidelines issued by EDB and such instructions as may be given by the Permanent Secretary for Education, and the accounts give a true and fair view of the state of affairs as at 31 August 2019 and of its results for the accounting year then ended of the aided primary school and such other section dealt with thereby.

By the term "true and fair", it means that the schools have properly prepared the accounts in accordance with the requirements of the CAPS, the relevant letters, circulars and guidelines issued by EDB and such instructions as may be given by PS(Ed) to aided primary schools.

6.   The Auditors should draw the attention of the School Supervisors to weaknesses in internal controls discovered during the course of their audit (e.g. collections from students for carrying out extra-curricular activities and the corresponding expenditures not properly accounted for in the school's books of accounts) and that they should report items which are considered material in a letter (i.e. management letter) with recommendations for improvement. The Auditors should also send a copy of the management letter to EDB for information. Please refer to the "Tips on Handling Government Subventions for Aided Schools" (August 2019 version) (http://www.edb.gov.hk > School Administration and Management > Financial Management > Information on Subsidy > Reference Materials on Handling Government Subventions for Aided Schools) and Chapter 6, School Finance Matters of the School Administration Guide (SAG) and relevant circulars including but not limited to EDBC No. 14/2003 for acceptance of donations, EDBC No. 5/2011 for letting out school premises, EDBC No. 4/2013 for procurement procedures, EDBC No. 10/2016 for trading operations and EDBCM No. 138/2018 for OEBG.

7.   If the Auditors are of the opinion that proper books of accounts have not been kept by the school, or if the balance sheet and income and expenditure account are not in agreement with the books of accounts, or if the Auditors fail to obtain from the school all the information and explanations which, to the best of their knowledge and belief, are necessary for the purpose of their audit, they should make appropriate qualifications in their reports.

8.   Please note that according to Sections 73(a) and (b) of the CAPS, where the School Management Committee operates a private section or boarding section which does not receive financial assistance under the CAPS, the accounts of such private section or boarding section should be kept separately from those of the aided section and audited; and should specify any subvention received from departments of the Government other than the Education Bureau. The accounting year, to which such accounts should refer, should be from the first day of September of one year to the thirty-first day of August of the next, except for financial year basis as approved by PS(Ed). The Supervisor of an aided school should, when submitting accounts, also submit accounts relating to any private section or boarding section of such school; and these accounts should refer to the same period of time as those of the aided school.

9.   **To facilitate EDB's examination of the annual audited accounts, the softcopy of the annual audited accounts (using the EXACT EXCEL FILE downloaded from the address mentioned below with the same file name) must also be provided to schools for submission to EDB. Please also ensure that the softcopy and the hardcopy of the annual audited accounts are identical.**

http://www.edb.gov.hk/circular/adhocforme/aidpri.xls

Points for special attention for individual grants

Ref. No.	Grant/Account Name (Statement No.)	Relevant EDB document	Points for special attention and year-end surplus treatment
1	Operating Expenses Block Grant (OEBG) - General Domain	EDBCM No. 138/2018	(a) Schools are free to decide the amount to be spent on individual constituent grants.
			(b) If surpluses are available, schools may use such funds to top up expenditure on items in the Special Domain and other subsidies outside the OEBG, unless otherwise specified in the relevant circulars or guidelines issued by EDB.
			(c) Schools are allowed to retain surplus balance up to 12 months' provision of OEBG. When the surplus **(excluding the funds set aside as outstanding commitment for the payment of Severance Payment / Long Service Payment for staff as mentioned in (e) below)** exceeds the 12 months' provision, schools are free to decide from which constituent grant the excess may be clawed back by EDB. Schools may consider paying the excess from the Special Domain first and then from the General Domain.
			(d) A reminder list of the usage of OEBG has been uploaded to EDB website as stated in para. 6 of EDBCM No. 138/2018.
			(e) While deploying the constituent grants under the OEBG to employ staff, schools should set aside part of these grants for the payment of Severance Payment / Long Service Payment as outstanding commitment. In case these grants are insufficient to settle the payment, schools may deploy surplus in the General Domain of the OEBG to cover the deficit. Schools should keep a separate ledger for the Severance Payment / Long Service Payment and work out the amount payable to each staff concerned on their cessation of service. (Paragraph 3.7 and Appendix B of the OEBG User Guide of EDBCM No. 138/2018 refer.) **Schools should provide such details in the Notes to the Financial Statements.**

Ref. No.	Grant/Account Name (Statement No.)	Relevant EDB document	Points for special attention and year-end surplus treatment
	Constituent grants		
2	School and Class Grant (3.2)	EDBC No. 5/2011 EDBCM No. 138/2018	(a) If a school lets any part of its premises for any purpose, the hire charges received should be apportioned and credited to the accounts in such proportions as required by PS(Ed). (b) Any fuel, light and power, water charges, telephone charges, minor repairs etc., in respect of non-school portions should **not** be charged to this Grant. Where separate bills are not available, proportionate deduction must be made. Any reimbursement of the above charges made to school should be credited to the expenditure account concerned directly.
3	Air-conditioning Grant (3.2)	EDBCM No. 138/2018	
4	Lift Maintenance Grant (3.2)	EDBCM No. 138/2018	For schools with the provision of lifts, stair lifts and / or hydraulic platforms under the School Improvement Programme, a recurrent subsidy is paid to meet expenditure on electricity charges and maintenance of lifts, stair lifts and hydraulic platforms. The recurrent subsidy is paid as a supplement to the School and Class Grant.

Ref. No.	Grant/Account Name (Statement No.)	Relevant EDB document	Points for special attention and year-end surplus treatment
5	Administration Grant / Revised Administration Grant (3.2)	S.20 and Appendix 2B of the CAPS EDBCM No. 138/2018	(a) This statement is applicable to schools which have opted for the cost of clerical and janitor staff / janitor staff to be funded by way of Administration Grant / Revised Administration Grant respectively. (b) Only the expenditure on employment of clerical staff and janitor staff and procurement of ancillary services (e.g. the cleaning of school premises) by contract should be charged to this account. (c) For PF / MPF, subsidy will not be provided to cover employer's contribution for the portion of salaries paid by schools in excess of the Grant. (d) Starting from 2003/04 school year, exceptional approval may be granted to schools by the respective Regional Education Offices, upon successful application, to transfer their Special Domain surpluses to top up the costs to be incurred in the continued employment of janitor / clerical staff paid by the Administration Grant or Revised Administration Grant already committed by them. (Paragraph 4.9 of the OEBG User Guide of EDBCM No. 138/2018 refers.)
6	Administration Grant for Additional Clerical Assistant (3.2)	EDBC No. 10/2014 EDBCM No. 138/2018	(a) Schools are expected to use the Administration Grant for Additional Clerical Assistant to employ additional clerical staff or hire related services to support the schools' administration. (b) The PF / MPF contributions of staff employed should be paid out of the grant, surplus funds under the OEBG or school funds. No separate subsidy will be provided for PF / MPF contribution in respect of staff employed under this grant.
7	Subject and Curriculum Grants (3.2) - Putonghua - School Curriculum Development Grant	EDBCM No. 138/2018	

Ref. No.	Grant/Account Name (Statement No.)	Relevant EDB document	Points for special attention and year-end surplus treatment
8	Moral and Civic Education Grant (3.2)	EDBCM No. 138/2018	Schools may use this grant for : (a) the procurement of teaching and learning resources; and (b) organization of learning activities for students related to moral and civic education.
9	Enhancement Grant (3.2)	EDBCM No. 138/2018	
10	Supplementary Grant for School-based Management (3.2)	EDBCM No. 138/2018	
11	Training and Development Grant (3.2)	EDBCM No. 138/2018	

12	Composite Information Technology Grant (CITG) (3.2)	EDBCM Nos. 172/2004, 149/2006 , 103/2008 and 138/2018	(a) The following grants merged to form the recurrent CITG with effect from 2004/05 school year (paragraph 2 of EDBCM No.172/2004):
			
			  - Recurrent grant of Multimedia Computer For Primary School (MMPS) Project;
			
			  - Recurrent grant of IT in Education (ITED) Project;
			
			  - Incentive grant for extending the opening hours of school's computer facilities; and
			
			  - Cash grant for employing on-site Technical Support Service (TSS) or hiring TSS from a contractor.
			
			(b) The maintenance of IT facilities which were procured by government funds under the following projects / programmes were subsumed into CITG provisions with effect from the 2006/07 school year (paragraph 3 of EDBCM No.149/2006):
			
			  – Information Technology in Education (ITEd) projects;
			
			  – Information Technology Learning Centres (ITLCs); and
			
			  – Multimedia Learning Centres (MMLCs).

Ref. No.	Grant/Account Name (Statement No.)	Relevant EDB document	Points for special attention and year-end surplus treatment
			(c) The Bureau has decided to relax the usage of the CITG and increase the provision with effect from the 2008/09 school year. Schools can deploy their resources as appropriate to meet their operational needs in the following areas (paragraph 3 of EDBCM No. 103/2008):
			- Purchase of IT-related consumables, e.g. ink cartridge, toner, paper, CD, projectors' light bulb and other non-inventory IT peripheral items (such as carphones, mouse, flash drivers, etc);
			- Purchase of digital resource materials for learning and teaching, including annual subscription / renewal fees for licences & software, and other charges for on-line learning resources;
			- Internet connectivity and Internet security services, including annual renewal of anti-virus software and firewalls, subscription / renewal of domain names;
			- Employment of technical support personnel / hire of TSS from service providers;
			- Extension of opening hours for school's IT facilities;
			- Arrangement of maintenance services for school's IT facilities procured by government funds; and
			- Upgrading and replacement of school's IT facilities.

Ref. No.	Grant/Account Name (Statement No.)	Relevant EDB document	Points for special attention and year-end surplus treatment
13	OEBG – Special Domain (3.3)	EDBCM No. 138/2018	(a) Each grant within the Special Domain is separate and no transfer will be allowed among the grants. Funds in this domain cannot be transferred out. Deficits in the constituent grants may be topped up with surplus from the General Domain unless otherwise specified in relevant circulars or letters to schools.
			(b) While deploying the constituent grants under the OEBG to employ staff, schools should set aside part of these grants for the payment of Severance Payment / Long Service Payment as outstanding commitment. In case these grants are insufficient to settle the payment, schools may deploy surplus in the General Domain of the OEBG to cover the deficit. Schools should keep a separate ledger for the Severance Payment / Long Service Payment and work out the amount payable to each staff concerned on their cessation of service. (Paragraph 3.7 and Appendix B of the OEBG User Guide of EDBCM No. 138/2018 refer.) **Schools should provide such details in the Notes to the Financial Statements.**
	Constituent grants		
14	Whole School Approach to Integrated Education (3.3)	EDBCM No. 138/2018 Letter to individual schools	
15	School-based Support Scheme for Schools with Intake of Newly Arrived Children (3.3)	EDBCM Nos. 138/2018 and 152/2018 Letter to individual schools	
16	Programme Funds for Implementation of Whole School Approach to Guidance and Discipline (3.3)	EDBC No. 16/2008 EDBCM No. 138/2018	

Ref. No.	Grant/Account Name (Statement No.)	Relevant EDB document	Points for special attention and year-end surplus treatment
17	Student Guidance Service Grant (including the Top-up Student Guidance Service Grant) (3.3)	EDBC No. 2/2012 EDBCM No. 138/2018	No additional funding will be provided for the payment of MPF contributions for staff appointed under this grant. Therefore, it is not necessary for schools to complete and submit the forms 'Appointment of Teaching Staff in Aided Schools' and 'Appointment of Non-teaching Staff in Aided Schools' for these staff to Funds Section of EDB. (Paragraph 3.5.2 of the Guide on Comprehensive Student Guidance Service of EDBC No. 2/2012 refers.)
18	Subject and Curriculum Grants (3.3) - Chinese Extensive Reading Scheme - English Extensive Reading Scheme	EDBCM No. 138/2018	The grants have ceased with effect from 2016/17 school year. The unspent balances can be carried forward to the next year until the grants are used up.
19	Capacity Enhancement Grant (CEG) (3.3)	EDBCM No. 138/2018	Annual plans on the use of CEG for the 2018/19 school year should be drawn up and, with the endorsement of the SMC, uploaded onto the homepage of the schools before end of October 2018. The CEG released is subject to clawback if schools fail to take the above actions. (Paragraph 7 of the EDBCM No. 138/2018 refers.)
20	Understanding Adolescent Project (Primary) Grant (3.3)	EDBCM Nos. 47/2018 and 138/2018 Letter to individual schools	
21	Enhanced Speech Therapy Grant (ESTG) (3.3)	EDBCM Nos. 59/2009, 8/2018 and 138/2018 Letter to individual schools	(a) Starting from the 2009/10 school year, the ESTG has been provided as a recurrent grant to aided primary schools operating six classes or more with speech and language impaired (SLI) students enrolled. The ESTG is one of the constituent items in the Special Domain of OEBG. (Paragraphs 2 and 7 of EDBCM No. 8/2018) (b) Schools should not re-deploy ESTG for other purposes. They may make use of the surplus of the General Domain of the OEBG to supplement the ESTG. (Paragraph 13 of EDBCM No. 8/2018). (c) All expenditure relating to salaries, leave entitlement and related benefits of the speech therapists appointed within the approved ambits

Ref. No.	Grant/Account Name (Statement No.)	Relevant EDB document	Points for special attention and year-end surplus treatment
			and the procurement of assessment tools and therapy materials should be paid out of this grant. No additional funding will be provided for the payment of MPF contributions, long service payment and severance payment for staff appointed under this grant. (Paragraph 5 of the Appendix I of EDBCM No.59/2009)
22	School-based Educational Psychology Service (SBEPS) Grant (3.3)	EDBCM Nos. 11/2018 and 138/2018 SBEPS Guide	The base school shall ensure that this Grant is used for SBEPS-related expenditures including: (a) hiring of professional supervision for EP; (b) service coordination; and (c) general expenses, such as printing and stationery, consumable stores, office utilities, replenishment of furniture and equipment, etc..
23	Special Grant on Typhoon Disturbance (3.3)	EDBCM No. 166/2018	The grant is disbursed according to the actual expenses of schools.
24	Salaries Grant (4.1)	Salaries S.19 to 35 of the CAPS EDBC Nos. 60/1999, 8/2010, 10/2015, 12/2015 and 16/2015 EDBCM Nos. 130/2008, 41/2018, 109/2018 and 125/2018 Long Service Payment "Guidelines for Processing Severance Payment and Long Service Payment" Employees' Compensation (salary portion)	Miscellaneous Income It includes employees' compensation (salary portion) and / or reimbursement of long service payment credited to this account. In reporting the employees' compensation received, please **disclose in the Notes to the Financial Statements** (Statement 16) : − the period of sick leave; − the amount of compensation as determined by the Commissioner for Labour in his Certificate of Compensation Assessment; − the amount of compensation received from the insurance company; and − the accounting entries for the compensation received. Provident Fund A teacher who contributes to the Subsidised Schools Provident Fund is subject to the provisions of the Subsidised Schools Provident Fund Rules made under the Education Ordinance. (S.64 of the CAPS)

Ref. No.	Grant/Account Name (Statement No.)	Relevant EDB document	Points for special attention and year-end surplus treatment
		"Staff Injured on Duty" Mandatory Provident Fund Schemes (MPF) EDBC No. 48/2000	Supply Staff Account (a) Statement 4.1 is used to record the receipt and payment of the salaries grant (including contribution to Mandatory Provident Fund Scheme) for supply teachers as well as substitute teaching supporting staff. All expenditure accounted for during the year should be supported by receipts which are required to be forwarded to EDB for reimbursement at the earliest opportunity. (b) Any deficit in this account at the end of the accounting year should be represented by the total outstanding amount of payments as per receipts, which has not yet been reimbursed to school up to 31 August 2019. (c) Regular teachers will be granted paid study leave for attending courses stipulated in EDBC No.12/2015 and supply teachers will be provided for the schools accordingly. Aided schools without an IMC will be provided with the supply teacher grant according to the established procedure. (Paragraph 15 of EDBC No.12/2015 refers.)
25	Committee on Home-School Co-operation Project (4.2)	EDBCM No. 74/2018 Letter to individual schools	(a) Schools should reflect the income and expenditure of all PTA activities on the annual audited accounts of the school. Unspent amount of Type 1 grant can be retained by the PTA. Only Type 2 and Type 3 grants are subject to claw back. The unspent funds should be kept in the school account. Subsequent claw back of the unspent amount will be based on the annual audited accounts. (b) In case of deficit, schools may deploy the surplus under the General Domain of the OEBG to top up or school funds to absorb.
26	Non-recurrent Grant for Intensive Remedial Teaching Program (4.2)	Letter to individual schools	Any unspent balance at the end of school year will be clawed back.

Ref. No.	Grant/Account Name (Statement No.)	Relevant EDB document	Points for special attention and year-end surplus treatment
27	Learning Support Grant for Primary Schools (4.2)	EDBC Nos. 12/2014 and 8/2017 Letter to individual schools	(a) Any deficit may be met by General Domain surplus of OEBG. (b) Schools can only retain the surplus of not exceeding 30% of the total provision of the Grant for the current year. Any excessive amount will be subject to clawback by EDB. (Paragraph 13 of EDBC No. 8/2017)
28	Composite Furniture and Equipment Grant (CFEG) (4.2)	EDBCM No. 138/2018	(a) The expenditure on Furniture and Equipment of this grant should be captured in the Balance Sheet (Statement 15) under both headings of "Fixed Assets for Furniture and Equipment" and "Transition Furniture and Equipment Grant / Composite Furniture and Equipment Grant and other Grants Utilized". (b) Unspent funds can be accumulated up to five times the provision of the grant for the year in which the grant is provided. Any surplus exceeding this ceiling will be clawed back. (c) Schools are allowed to use the surplus of the General Domain of the OEBG to cover the deficit of the CFEG. (d) Any deficit of the CFEG not covered by the surplus from the General Domain of the OEBG will have to be borne by the school funds.
29	Substitute Teacher Grant (4.2)	EDBC No. 60/1999	The combined surplus balance of STG, School and Class Grant and Administration Grant in excess of twelve months' provision will be clawed back.
30	Recruitment of Native-speaking English Teacher (NET) (4.2)	EDBC No. 8/2002 EDBCM No. 39/2018	Recruitment subsidy is paid on reimbursement basis subject to a ceiling of $8,000 per NET successfully recruited or $4,000 per NET post for schools having conducted a recruitment exercise but are unable to recruit a suitable NET.
31	Grant Account for Fringe Benefits under the NET Scheme (4.2)	EDBC Nos. 8/2002, 8/2009 and 7/2013 EDBCM Nos. 122/2016 and 39/2018	This grant is released on application and reimbursement basis.

Ref. No.	Grant/Account Name (Statement No.)	Relevant EDB document	Points for special attention and year-end surplus treatment
32	Top-up Fund for Procurement of Special Furniture and Equipment or Carrying Out Minor Conversion Works for Students with Disabilities in Ordinary Schools (4.2)	EDBC No. 8/2015 Letter to individual schools	(a) Any unspent balance should be refunded to EDB by issuing crossed cheque payable to "The Government of the HKSAR". The cheque should be sent to the Special Education Support 3 Section of EDB. (b) All recurrent costs such as electricity charges and the subsequent maintenance fee(s) of the approved item(s), etc. shall be borne by the school.
33	Special Recurrent Grant for Management of Shared Facilities at School Village (4.2)	Letter to individual schools	Subject to clawback mechanism applicable to individual schools.
34	Cash Grant for School-based After-school Learning and Support Programmes (4.2)	EDBCM No. 80/2018	(a) The grant received by school for 2018/19 is subject to clawback if it has not fulfilled the requirements stipulated in the "Reply Form" (b) Schools may retain the unexpended amount not exceeding the total provision of the Grant for the current year. The excessive amount will be subject to clawback by EDB. (c) Any deficit will be met by school funds.
35	Resource Schools for Development of Whole-School Approach (4.2)	EDBCM No. 154/2017 Letter to individual schools	2017/18 and 2018/19 school years (a) The Scheme is operated on a two-year basis as from 2017/18 school year. (b) Any surplus balance at the end of 2018/19 school year will be clawed back. (c) Any deficit should be met by school funds.

Ref. No.	Grant/Account Name (Statement No.)	Relevant EDB document	Points for special attention and year-end surplus treatment
36	Other Recurrent Grants (for reimbursement of government rent and rates) (4.2)	EDBC Nos. 14/2007 and 10/2016 EDBCM No. 6/2019	(a) PS(Ed) may approve full reimbursement of government rent and rates actually paid for school portion. (b) The tuckshop operator should be responsible for the rates and the government rent in respect of the tuckshop area. Schools should seek advice direct from the Rating and Valuation Department regarding the apportionment of rates and government rent for the tuckshop.
37	"Understanding Our Motherland" Programme (4.2)	EDBCM Nos. 62/2018 Letter to individual schools	(a) Programme 2018 must be conducted between 1 September 2018 and 31 August 2019. (b) Any unspent balance will be clawed back upon completion of the programme. (c) Any deficit will be met by school funds.
38	Bridging Programme for Non-Chinese Speaking Children (4.2)	EDBCM No. 69/2018 Letter to individual schools	(a) Any unspent balance at the end of school year will be subject to clawback. (b) Any deficit will be met by school funds.
39	Curriculum Leadership Grant (CLG) for Small Schools (4.2)	EDBC No. 4/2006	(a) With effect from the 2007/2008 school year, the five-year time-limited Primary School Curriculum Leader Posts [PSM(CD) and APSM(CD) posts] have been turned into permanent posts. Schools with less than 6 classes will continue to receive the CLG. (Paragraph 2 of EDBC No. 4/2006). (b) If a school is to close, all the unexpended balance of CLG will be clawed back based on annual audited accounts submitted. (Paragraph 3 of the Appendix of the Annex to EDBC No. 4/2006). (c) If a school is provided with a post and no longer eligible for CLG in the coming school year, all the unexpended balance of CLG will be clawed back based on the annual audited accounts of the last school year submitted. (Paragraph 4 of the Appendix of the Annex to EDBC No. 4/2006). (d) The school may retain surplus up to 12 months' provision of CLG with the excess surplus to be clawed back based on annual audited accounts submitted. (Paragraph 7 of the Appendix of the Annex to EDBC No. 4/2006).

Ref. No.	Grant/Account Name (Statement No.)	Relevant EDB document	Points for special attention and year-end surplus treatment
			(e) Any deficit will be met by the schools funds immediately. (Paragraph 7 of the Appendix of the Annex to EDBC No. 4/2006).
40	Enhanced Additional Funding – Support for NCS Students (Formerly known as Grant for School-based Support for Non-Chinese Speaking Students) (4.2)	EDBC No. 8/2014 Letter to individual schools	Schools are allowed to carry forward the surplus of the grant to a level of the current year's provision. Any excess surplus based on the annual audited accounts will be clawed back.
41	Intensive Support for Integrated Education in Ordinary Schools (4.2)	Letter to individual schools	(a) The grant is one-off in nature for recruitment of Teaching Assistant(s) within the 2018/19 school year. (b) Payments related to the employers' contributions to MPF should be included in the grant. (c) The grant must be used within the 2018/19 school year. Any unspent balance will be clawed back at the end of 2018/19 school year.
42	One-off Set-Up Grant for School-based Educational Psychology Service (SBEPS) (4.2)	EDBCM No.11/2018 SBEPS Guide Letters to individual schools	The base school shall utilize the grant for the purchase of (a) furniture; (b) test materials; (c) reference books; (d) educational programmes and packages; and (e) information technology equipment. The grant should be completely utilized within 12 months in which the first EP is appointed to the given post. Any surplus will then be clawed back.
43	Moral and National Education Support Grant (4.2)	EDBCM No. 135/2012	(a) The unspent balance could be carried forward to the next school year until the grant is used up. (b) If there is any deficit, schools may deploy the surplus of the General Domain of the OEBG or their school funds to top up the differences at the end of the school year.

Ref. No.	Grant/Account Name (Statement No.)	Relevant EDB document	Points for special attention and year-end surplus treatment
44	Further Supplementary Learning Grant (Formerly known as Per Capita Grant) (4.2)	Letter to individual schools	Cohort of 2013/14 Primary One intakes (a) Any surplus as at 31 August 2019 will be clawed back. (b) If there is any deficit, schools may deploy the surplus of the General Domain of OEBG to top up the differences. Cohort of 2014/15 Primary One intakes (c) Any surplus as at 31 August 2020 will be clawed back. (d) If there is any deficit, schools may deploy the surplus of the General Domain of OEBG to top up the differences. Cohort of 2016/17 Primary One intakes (e) Any surplus as at 31 August 2022 will be clawed back. (f) If there is any deficit, schools may deploy the surplus of the General Domain of OEBG to top up the differences. If there is still unsettled deficit, it has to be borne by the school funds. Cohort of 2017/18 Primary One intakes (g) Any surplus as at 31 August 2023 will be clawed back. (h) If there is any deficit, schools may deploy the surplus of the General Domain of OEBG to top up the differences. If there is still unsettled deficit, it has to be borne by the school funds. Cohort of 2018/19 Primary One intakes (i) Any surplus as at 31 August 2024 will be clawed back. (j) If there is any deficit, schools may deploy the surplus of the General Domain of OEBG to top up the differences. If there is still unsettled deficit, it has to be borne by the school funds.

Ref. No.	Grant/Account Name (Statement No.)	Relevant EDB document	Points for special attention and year-end surplus treatment
45	Extension of the Pilot Project on Enhancement of Support Services for Students with Autism Spectrum Disorders (4.2)	Letter to individual schools	**2017/18 and 2018/19 school years** (a) Any surplus as at 31 August 2019 will be clawed back. (b) If there is any deficit, schools may deploy the surplus of the General Domain of OEBG or their school funds to top up the differences.
46	Grant for After-School Support for Non-Chinese Speaking Students (4.2)	EDBC No. 8/2014 Letter to individual schools	Schools are allowed to carry forward the surplus of the grant to a level of the current year's provision. Any excess surplus based on the annual audited accounts will be clawed back.
47	Free Lunch at Schools (4.2)	EDBCM No. 81/2018 Letter to individual schools	(a) Any unspent balance at the end of the school year should be refunded to EDB. (b) Any deficit at the end of the school year will be recovered from the EDB.
48	One-off Grant under ITE4 (4.2)	Letter to individual schools	**For grant disbursed in 2016** (a) Any unspent balance of the grant has to be clawed back according to the annual audited accounts as at 31 August 2019. Transfer of funds out of this grant is not allowed. (b) Schools may deploy the surplus under the General Domain of OEBG to cover the deficit of this one-off grant. **For grant disbursed in 2017** (c) Any unspent balance of the grant has to be clawed back according to the annual audited accounts as at 31 August 2020. Transfer of funds out of this grant is not allowed. (d) Schools may deploy the surplus under the General Domain of OEBG to cover the deficit of this one-off grant. **For grant disbursed in 2018** (e) Any unspent balance of the grant has to be clawed back according to the annual audited accounts as at 31 August 2021. Transfer of funds out of this grant is not allowed. (f) Schools may deploy the surplus under the General Domain of OEBG to cover the deficit of this one-off grant.

Ref. No.	Grant/Account Name (Statement No.)	Relevant EDB document	Points for special attention and year-end surplus treatment
			For grant disbursed in 2019
			(g) Any unspent balance of the grant has to be clawed back according to the annual audited accounts as at 31 August 2022. Transfer of funds out of this grant is not allowed.
			(h) Schools may deploy the surplus under the General Domain of OEBG to cover the deficit of this one-off grant.
49	Extra Recurrent Grant under ITE4 (4.2)	Letter to individual schools	(a) Any unspent balance in excess of the current annual provision based on school's annual audited accounts will be clawed back. Transfer of funds out of this grant is not allowed.
			(b) Schools may deploy the surplus under the General Domain of OEBG to cover the deficit of this grant.
50	Additional Supplementary Learning Grant (4.2)	Letter to individual schools	Cohort of 2015/16 Primary One intakes
			(a) Any unspent balance as at 31 August 2021 will be clawed back.
			(b) If there is any deficit, schools may deploy the surplus of the General Domain of OEBG to top up the grant. If there is still unsettled deficit, it has to be borne by school funds.
			Cohort of 2016/17 Primary One intakes
			(c) Any unspent balance as at 31 August 2022 will be clawed back.
			(d) If there is any deficit, schools may deploy the surplus of the General Domain of OEBG to top up the grant. If there is still unsettled deficit, it has to be borne by non-government funds.
			Cohort of 2017/18 Primary One intakes
			(e) Any unspent balance as at 31 August 2023 will be clawed back.
			(f) If there is any deficit, schools may deploy the surplus of the General Domain of OEBG to top up the grant. If there is still unsettled deficit, it has to be borne by school funds.

Ref. No.	Grant/Account Name (Statement No.)	Relevant EDB document	Points for special attention and year-end surplus treatment
			Cohort of 2018/19 Primary One intakes (g) Any unspent balance as at 31 August 2024 will be clawed back. (h) If there is any deficit, schools may deploy the surplus of the General Domain of OEBG to top up the grant. If there is still unsettled deficit, it has to be borne by school funds.
51	Hong Kong Jockey Club Life-wide Learning Fund (4.2)	EDBCM No. 102/2018 Letter to individual schools	Any unspent amount will be clawed back at the end of 2018/19 school year.
52	Hong Kong School Drama Festival (4.2)	EDBCM No. 122/2018	The unspent balance can be carried forward to the next year until the grant is used up.
53	One-off Information Technology Grant for e-Learning in Schools (4.2)	EDBCM Nos. 185/2016 and 210/2017	For grant disbursed in 2016/17 (a) Any unspent balance of the grant as at 31 August 2019 will be clawed back based on schools' annual audited accounts. (b) In case of deficit, schools may deploy the surplus under General Domain of OEBG to cover the deficit. For grant disbursed in 2017/18 (c) Any unspent balance of the grant as at 31 August 2020 will be clawed back based on schools' annual audited accounts. (d) In case of deficit, schools may deploy the surplus under General Domain of OEBG to cover the deficit. For grant disbursed in 2018/19 (e) Any unspent balance of the grant as at 31 August 2021 will be clawed back based on schools' annual audited accounts. (f) In case of deficit, schools may deploy the surplus under General Domain of OEBG to cover the deficit.

Ref. No.	Grant/Account Name (Statement No.)	Relevant EDB document	Points for special attention and year-end surplus treatment
54	One-off Grant for the Promotion of Chinese History and Culture (4.2)	EDBCM No. 119/2017	(a) Any unspent balance of the grant as at 31 August 2020 will be clawed back based on schools' annual audited accounts. (b) If deficit is incurred on the grant in any year, schools may deploy the surplus under the General Domain of OEBG to cover the deficit. If there is still unsettled deficit, it should be topped up by school funds.
55	Subsidy for Opening up School Facilities for Promotion of Sports Development Scheme (4.2)	EDBCM No. 90/2018	(a) Unspent balance of the subsidy as at 31 August each year will be clawed back based on schools' annual audited accounts. (b) Any deficit should not be charged to government funds.
56	Information Technology Staffing Support Grant (4.2)	EDBC No. 11/2017	(a) Schools are allowed to retain the surplus balance up to 12 months' provision of this grant and carry it forward for use in the next school year. Any amount in excess of the said ceiling will be clawed back based on schools' annual audited accounts. Transfer of funds out of this grant is not allowed. (b) If a deficit is incurred on the grant in any year, schools may deploy the surplus under the General Domain of OEBG to top up the deficit of the grant. Any remaining deficit balance not covered in that year should be met by school funds.
57	School Social Work Service Grant (4.2)	EDBCM No. 36/2018	(a) Schools are allowed to retain a maximum of 12 months' provision calculated as at the end of each school year. Based on the annual audited accounts, schools should return the surplus which is in excess of the maximum amount to the EDB. (b) If the funds are insufficient to settle the payment, schools may deploy the surplus under the OEBG or school funds to cover the deficit.

Ref. No.	Grant/Account Name (Statement No.)	Relevant EDB document	Points for special attention and year-end surplus treatment
58	Consultation Service Grant (4.2)	EDBCM No. 36/2018	(a) Schools are allowed to retain a maximum of 12 months' provision calculated as at the end of each school year. Based on the annual audited accounts, schools should return the surplus which is in excess of the maximum amount to the EDB. (b) If the funds are insufficient to settle the payment, schools may deploy the surplus under the OEBG or school funds to cover the deficit.
59	Grant for the Sister School Scheme (4.2)	EDBC No. 9/2018	(a) Schools are allowed to retain a maximum amount of unspent balance of up to 12 months' provision of the grant. Any amount in excess of the said ceiling will be clawed back based on schools' annual audited accounts. Transfer of funds / unspent balance out of this grant is not allowed. (b) If found inadequate, schools may use the grant in tandem with other government funding, including the surplus under the OEBG. If there is still unsettled deficit, it should be met by school funds.
60	Promotion of Reading Grant (4.2)	EDBC No. 10/2018	(a) Schools are allowed to retain an amount of unspent balance up to 12 months' provision of the grant. Any amount in excess of the said ceiling will be clawed back based on schools' annual audited accounts. Transfer of funds / unspent balance out of this grant is not allowed. (b) If found inadequate, the grant can be topped up by the schools with the use of other government funding, including the surplus under the General Domain of OEBG. If there is still unsettled deficit, it has to be met by school funds.
61	Additional Substitute Staff Grant (4.2)	EDBC No. 16/2018	This grant is released on application and reimbursement basis.
62	Others (4.2)		Please provide the details for grants not mentioned in this circular memorandum under separate column.

Ref. No.	Grant/Account Name (Statement No.)	Relevant EDB document	Points for special attention and year-end surplus treatment
63	Community Care Fund Assistance Programmes Account (4.3) - Provision of Subsidy to Needy Primary and Secondary Students for Purchasing Mobile Computer Devices to Facilitate the Practice of e-Learning	EDBCM No. 71/2018 Letter to individual schools	(a) Any surplus at the end of the school year should be refunded to Community Care Fund via EDB based on the financial report submitted to the Information Technology in Education Section. (b) In case of deficit as a result of the unit cost of the device being higher than the maximum level of subsidy, schools should use school funds to cover the deficit.
64	Mortgage Interest Subsidy Scheme (5)	Terms and Conditions of Mortgage Interest Subsidy Scheme (July 2007)	

Ref. No.	Grant/Account Name (Statement No.)	Relevant EDB document	Points for special attention and year-end surplus treatment
65	Non-recurrent and Capital Grants for Building and Furniture and Equipment (6)	S.39 to 41 of CAPS EDBC No. 4/2013	(a) The expenditure of this account should be captured in the Balance Sheet (Statement 15) – Building - Under both headings of "Fixed Assets for Building" and "Non-recurrent and Capital Grants for Building" if funded by the government grants; and "Fixed Assets for Building" and "Accumulated Fund" if appropriated from school funds. Furniture and Equipment - Under both headings of "Fixed Assets for Furniture and Equipment" and "Non-recurrent and Capital Grants for Furniture and Equipment" if funded by the government grants; and "Fixed Assets for Furniture and Equipment" and "Accumulated Fund" if appropriated from school funds. (b) Where the award of the approved tender / quotation would result in the approved estimate being exceeded, the school should meet the difference between the cumulative expenditure and the approved estimate. (c) Non-recurrent and Capital Grants for Furniture and Equipment are provided for furniture and equipment requirements not covered by the Composite Furniture and Equipment Grant. (d) When there is any subsequent reduction in tender price (e.g. through offer of discount for prompt payment) or the approved tender is for any reason cancelled, the school should inform the Bureau (Attn. Capital Subventions Section) immediately in writing of the appropriate amount of subsidy to be refunded. Capital Subventions Section will then offset the amount from other subsidies payable to the school.

Ref. No.	Grant/Account Name (Statement No.)	Relevant EDB document	Points for special attention and year-end surplus treatment
66	Employer's Contributions to PF / MPF Scheme for Non-teaching Staff (7)	S.65 of the CAPS EDBC Nos. 48/2000, 6/2010 and 10/2015 The booklet "Staff Retirement Schemes in Subvented Organizations"	(a) Subsidy will be provided for Provident Fund (PF) / Mandatory Provident Fund (MPF) contributions in respect of clerical and janitor staff employed with the provision allocated by EDB for Administration Grant / Revised Administration Grant. For staff employed with funds under other constituent grants of the OEBG (e.g. Administration Grant for Additional Clerical Assistant, CEG, etc.), schools should meet the PF / MPF contributions with the respective grants or surplus funds under the OEBG or their school funds. (Paragraph 3.6 of OEBG User Guide) (b) The payment arrangements of subsidy covering employer's PF / MPF contributions for non-teaching staff with remunerations funded under Salaries Grant are set out in EDBC No. 10/2015. (c) With effect from 2010/11 school year, the payment arrangement for subsidy for employer's PF / MPF contributions for staff employed under Administration Grant / Revised Administration Grant is streamlined in order to save administrative efforts in aided schools. The revised payment and accounting arrangements stated in paragraph 4 of EDBC No.6/2010 are listed as follows: (i) Schools should submit the claim form for the provisional annual employer's PF / MPF contributions for the coming school year in respect of staff employed under Administration Grant / Revised Administration Grant to the Recurrent Subventions Section of this Bureau before 15 August each year; (ii) In completing the claim form in (i) above, schools should provide their latest estimate of the employer's PF / MPF contributions for the coming school year to the best of their knowledge and certify that the information provided are correct and complied with relevant circulars. Supporting documents to substantiate the payments of salaries and PF / MPF contributions should be kept at schools;

Ref. No.	Grant/Account Name (Statement No.)	Relevant EDB document	Points for special attention and year-end surplus treatment
			(iii) Based on the provisional claim at (i) above, schools will receive the subsidy for employer's PF / MPF contributions at the same time when Administration Grant / Revised Administration Grant is paid to schools;
			(iv) Schools should continue to include a schedule detailing the staff employed by Administration Grant / Revised Administration Grant and their related PF / MPF contributions in their annual annual accounts;
			(v) Any excess subsidy paid will be clawed back from schools while any shortfall will be reimbursed to schools after the examination of annual audited accounts.
67 68	General Funds (8) Tong Fai : Income and Expenditure (9)	S.14 of the CAPS EDBC Nos. 14/2003, 14/2012 and 10/2016	(a) General Funds Account (Statement 8) is applicable to non-fee-charging aided primary schools whereas Tong Fai: Income and Expenditure Account (Statement 9) is for fee-charging aided primary schools. (b) Donations and income received from sources other than EDB (e.g. hire of school accommodation, bank interest derived from school funds etc.) should be included in this account unless otherwise required. (c) Appropriations made in the account including school's share of the capital expenditure should be explained in Statement of Notes to the Financial Statements. (d) Auditors should note that schools **may not** transfer any income arising from the General Funds / Tong Fai: Income and Expenditure Account to any other body, or to a fund separately kept by the sponsoring body, **unless** such transfer has been approved in writing by PS(Ed). (e) Auditors should check that the trading operations are carried out in accordance with the approval letter of PS(Ed) and that any profits derived are credited to the General Funds / Tong Fai : Income and Expenditure Account.

| Ref. No.	Grant/Account Name (Statement No.)	Relevant EDB document	Points for special attention and year-end surplus treatment
69	Sale of Textbooks (10)	EDBC No. 10/2016 EDBCM No. 30/2019	(a) Profit generated from sale of textbooks should not be allowed. (b) Proper books of accounts, which reflect all sales and purchases of textbooks, must be kept. (c) Schools are not allowed to accept or solicit from textbook publishers complimentary learning and teaching materials. (d) Schools are not allowed to accept any donations, or any form of benefits from textbook publishers or textbook retailers.
70	Approved Collection for Specific Purposes (11)	EDBC No. 14/2012	(a) In respect of charges for non-standard items, schools should keep a separate ledger account to record all income and expenditure. (b) In case of acquiring assets by the collection, all subsequent costs such as installation, electricity, maintenance and replacement will be paid out of the collection.
71	Set-up Fund (12)	EDBC No. 4/2013 Letter to individual schools	(a) Government subsidy for Set-up Fund should be included in this account. (b) When using the Set-up Fund to purchase furniture and equipment, the school should follow the procedures and the guidelines set out in EDBC No. 4/2013. (c) The school should report the income and expenditure of the Set-up Fund in the school's annual audited accounts. (d) When there is a closing surplus in the Set-up Fund account - - the school should return any surplus fund to EDB (for schools with full government subsidy) - the school should transfer the surplus to the school's Furniture & Equipment Account or any school funds accounts if the school has been equipped to the required standards in accordance with the reference list of furniture and equipment (F&E List) (for schools with full sponsor contribution)

Ref. No.	Grant/Account Name (Statement No.)	Relevant EDB document	Points for special attention and year-end surplus treatment
			- the school should credit the surplus to the school's Furniture & Equipment Account if the school has been equipped to the required standards but it has decided to deviate from the F&E List in some subjects/areas. If the standard items not yet purchased are acquired in future, the relevant expenditure should be charged to this F&E Account (for schools with full sponsor contribution)
72	School's Furniture and Equipment (13)	Letter to individual schools	Upon the closure of the Set-up Fund, an amount of unspent balance should be transferred to this account according to REO's direction / approval (for schools with sponsor contribution).
73	Accumulated Fund (14)		This account records the school's share of the cost of capitalized fixed assets since its commencement of operation.
74	Balance Sheet (15)		
75	Non-recurrent and Capital Grants for - Building Utilized - Furniture and Equipment Utilized	S.39 to 41 of the CAPS	These accounts should record the accumulated capital subsidies under Non-recurrent and Capital Grants for Building and Furniture and Equipment since school's commencement of operation. The grants utilized should not be deducted from the costs or the book values of the assets concerned.
76	Furniture and Equipment Grants Utilized		This account should record the accumulated capital subsidies by way of the Furniture and Equipment Grant element under the Block Grant Account since school's participation in the School Management Initiative Scheme. The grants utilized should not be deducted from the costs or the book values of the assets concerned.
77	Transition Furniture and Equipment Grant / Composite Furniture and Equipment Grant and other grants Utilized		This account should record the accumulated capital subsidies under the Transition Furniture and Equipment Grant / Composite Furniture and Equipment Grant and other grants. The grants utilized should not be deducted from the costs or the book values of the assets concerned.

Ref. No.	Grant/Account Name (Statement No.)	Relevant EDB document	Points for special attention and year-end surplus treatment
78	Reserves and Funds		Where reserve and funds (liquid funds) are invested or held separately, the assets to which they relate should be shown separately.
79	Surplus Retained		The net total surplus of all government grants should be represented by cash (at bank and in hand) and / or other current assets for government funds. To facilitate audit purpose, a fund reconciliation should be provided in the Statement 16.
80	Long Term Liabilities		The nature and the total amount of the loan originally contracted must be disclosed in the Statement 16 together with the terms of repayment including the amount of monthly repayment, the total number of repayments and the total amount repaid to date with the approval from REO.
81	Current Liabilities		Breakdown of Sundry Creditors and OEBG / Grants received in advance for the 2018/19 school year and details of other current liabilities together with the amount owing must be stated in Statement 16.
82	Contingent Liability	S.11 of the CAPS	Should the school cease to be an approved aided school, it should state by way of note that there is a contingent liability in respect of building (including major repairs) and furniture and equipment grants, and all recurrent and non-recurrent grants received by the school, which may become repayable wholly or in part.
			Where the likelihood of ceasing to be an aided school is remote, disclosure of this contingent liability is not required.
83	Fixed Assets	S.67 of the CAPS	(a) Provision for depreciation in respect of buildings, major repairs, furniture and equipment etc. by school is not required.
			(b) As regards educational television sets supplied by this Bureau, the full cost of the television set should be shown in the Fixed Assets Account. The trade-in value for the old ETV should be reflected in the School and Class Grant Account as Miscellaneous Income.

Ref. No.	Grant/Account Name (Statement No.)	Relevant EDB document	Points for special attention and year-end surplus treatment
			(c) As regards microcomputers, fax machines and photocopiers supplied by this Bureau, the full cost should be shown in the Fixed Asset Account.
			(d) The total value of Fixed Assets should be represented by the total of Accumulated Fund (School's share of capitalized funds), Non-recurrent and Capital Grants for Building and Furniture and Equipment (Government's share of capitalized funds), Furniture and Equipment Grant Utilized (Government's share of capitalized funds) and Transition Furniture and Equipment Grant / Composite Furniture and Equipment Grant and Other Grants Utilized (Government's share of capitalized funds) plus Long-term Liabilities (if applicable).
84	Current Assets	EDBC No. 14/2015	(a) Separate bank accounts should be opened for the government funds and school funds.
			(b) Any surplus funds which are not immediately required may be kept in a savings account or on fixed deposit with a bank licensed under the Banking Ordinance.
			(c) Any interest derived should be apportioned equitably between the accounts concerned if both government funds and schoolfunds are involved.
			(d) Breakdown of the sundry debtors and other current assets together with the amount due to school must be shown in Statement 16.

Ref. No.	Grant/Account Name (Statement No.)	Relevant EDB document	Points for special attention and year-end surplus treatment
85	Notes to the Financial Statements (16)		This statement is for explanatory notes to the financial statements or supplementary information that the school may consider necessary or desirable to provide in detail. These notes will be considered as an integral part of the accounts. For school finance matters, please refer to Chapter 6, School Finance Matters of the School Administration Guide. While deploying the constituent grants under the OEBG to employ staff, schools should set aside part of these grants for the payment of Severance Payment / Long Service Payment as outstanding commitment. In case these grants are insufficient to settle the payment, schools may deploy surplus in the General Domain of the OEBG to cover the deficit. Schools should keep a separate ledger for the Severance Payment / Long Service Payment and work out the amount payable to each staff concerned on their cessation of service. (Paragraph 3.7 and Appendix B of the OEBG User Guide of EDBCM No. 138/2018 refer.) **Schools should provide such details in the Notes**.

<div align="center">List of Abbreviations</div>

CAPS	Code of Aid for Primary Schools
EDB	Education Bureau
EDBC	Education Bureau Circular
EDBCM	Education Bureau Circular Memorandum
MPF	Mandatory Provident Fund
NET	Native-speaking English Teacher
OEBG	Operating Expenses Block Grant
PF	Provident Fund
PS(Ed)	Permanent Secretary for Education
REO	Regional Education Office

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(1) Login to the School Administration and Management System (WebSAMS)
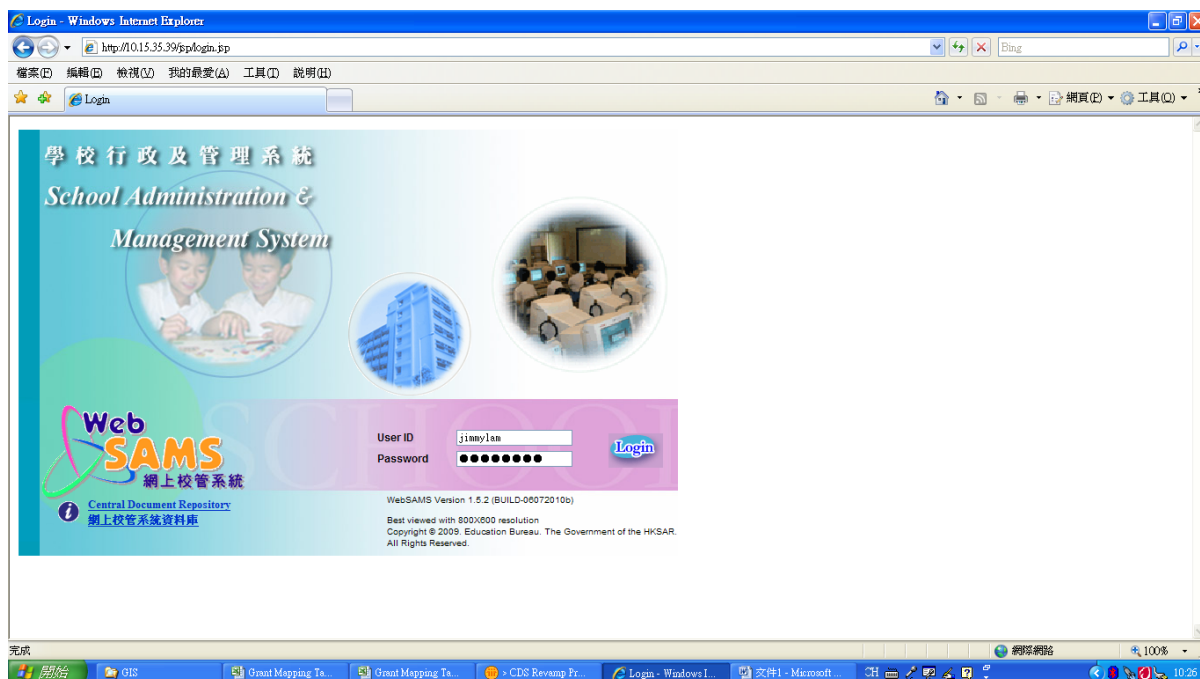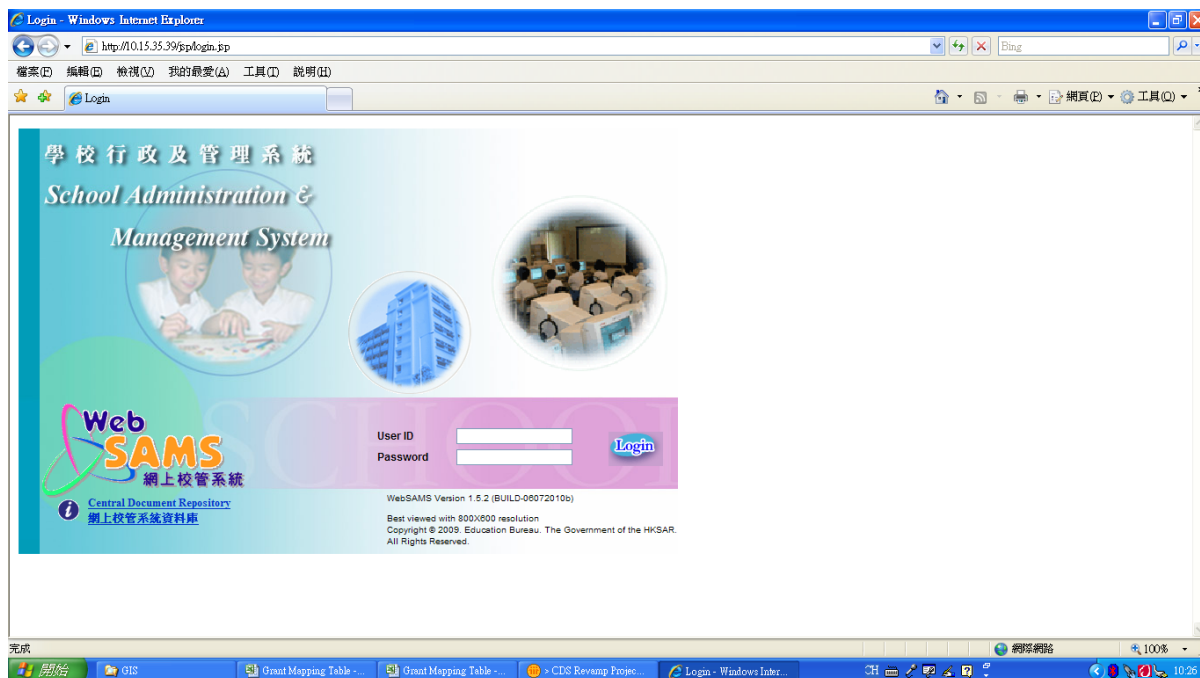
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(2) Select the Communication and Delivery System (**CDS**) (聯遞系統) Module
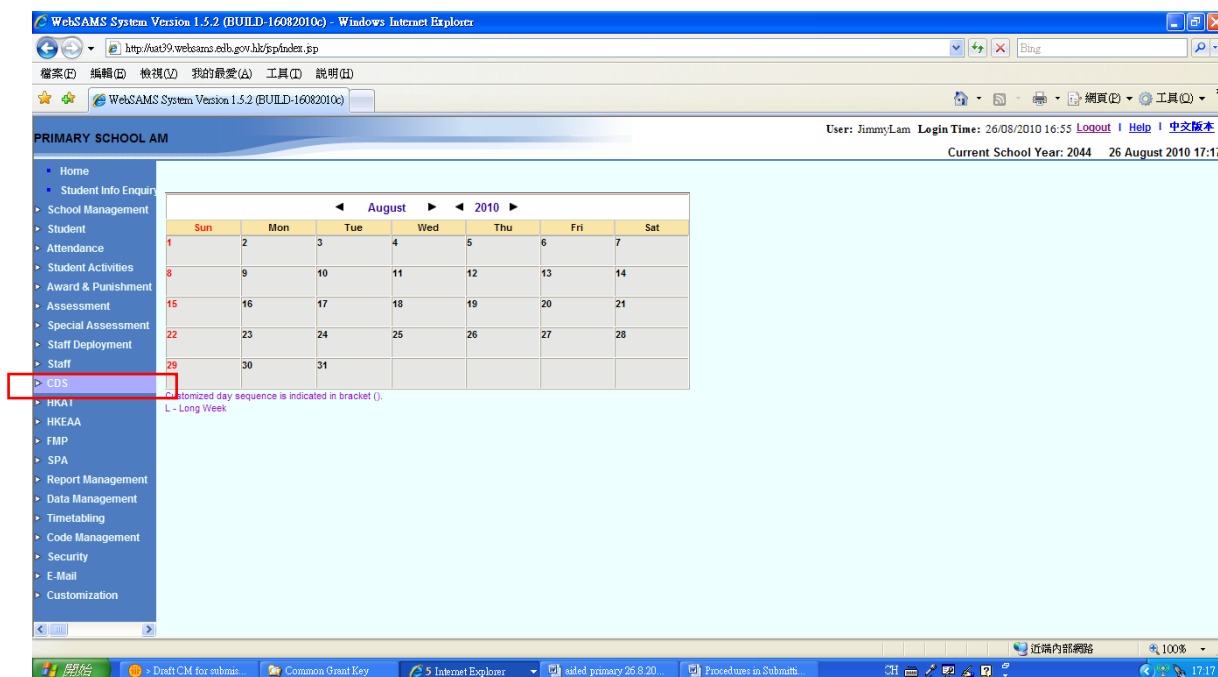
(3) Select "**Outgoing Msg**" ("寄發訊息") from the drop down list.
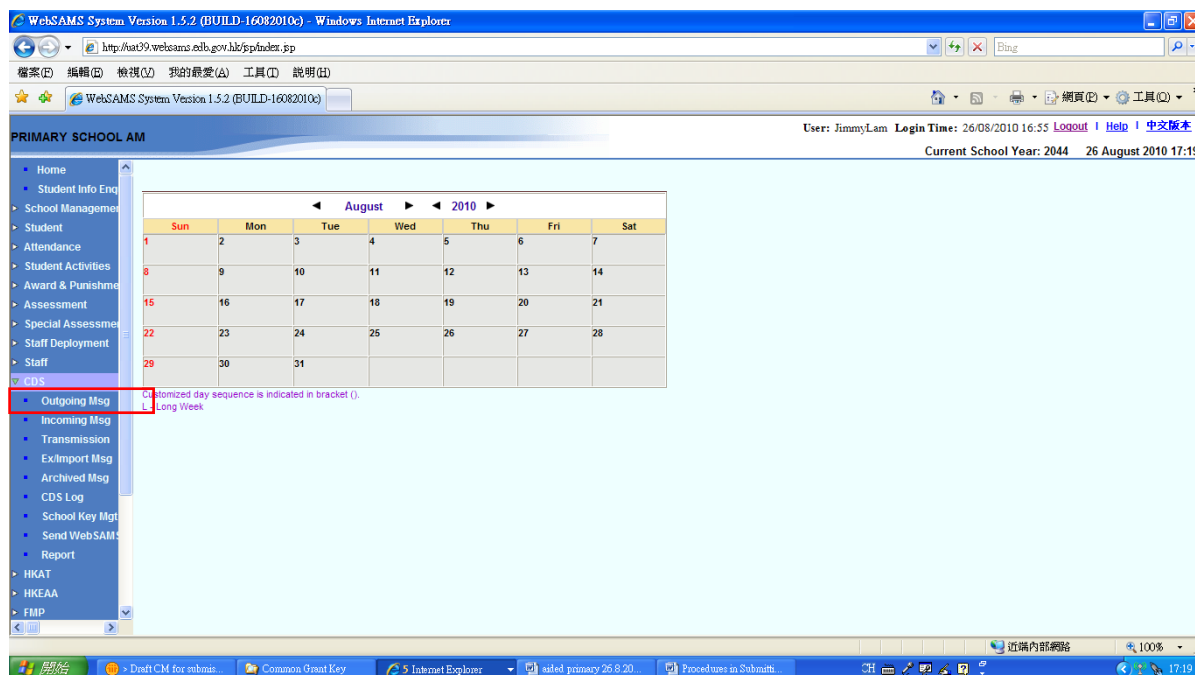
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(4) Scroll to the bottom and click the "**Add**" ("增新") button.

(5) Enter the appropriate "Description" ("說明") (for identification at a later stage) on the pop-up screen.
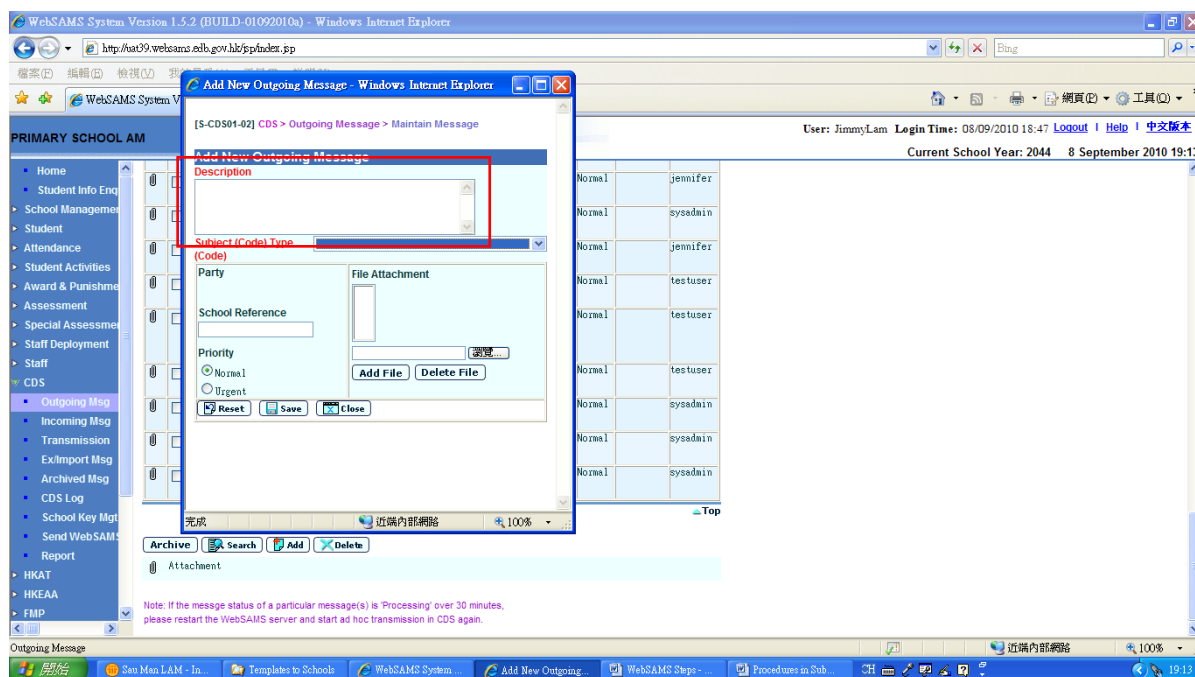
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(6) Click the drop-down list button for the field "**Subject (Code) Type (Code)**" ("主題(代碼) 類別(代碼)").
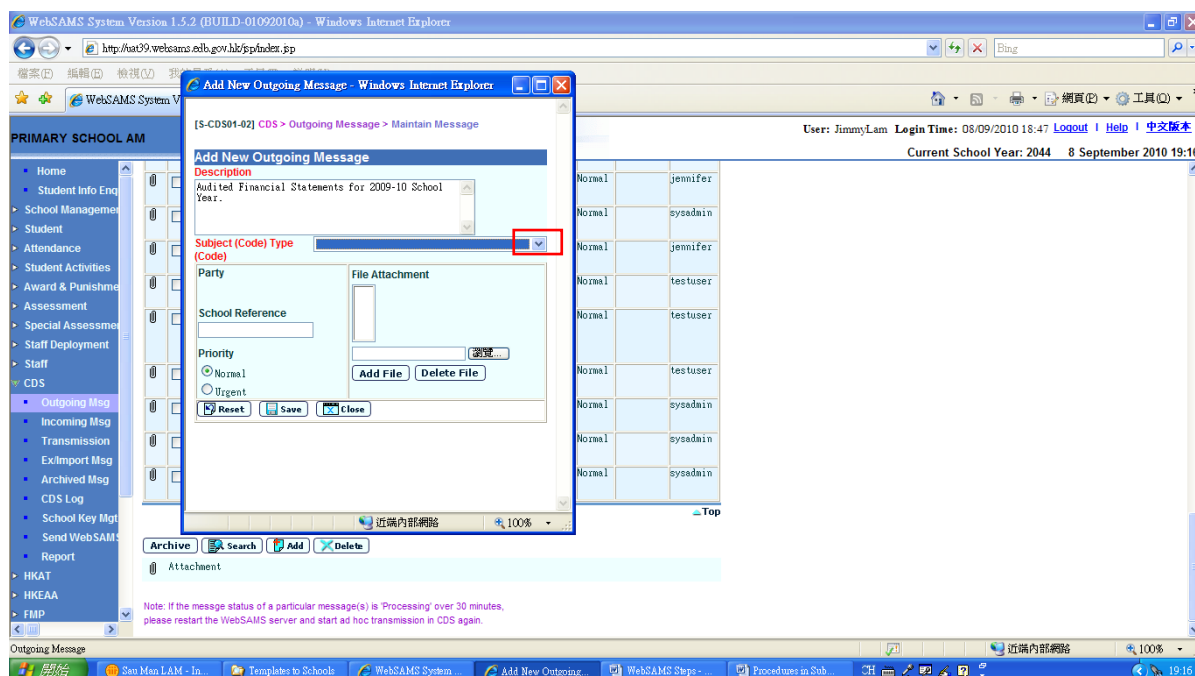
(7) Select "**Financial Statements (ACCT) SCHOOL (SCH)**" ("財務報表(ACCT) 學校 (SCH)") from the drop-down list.
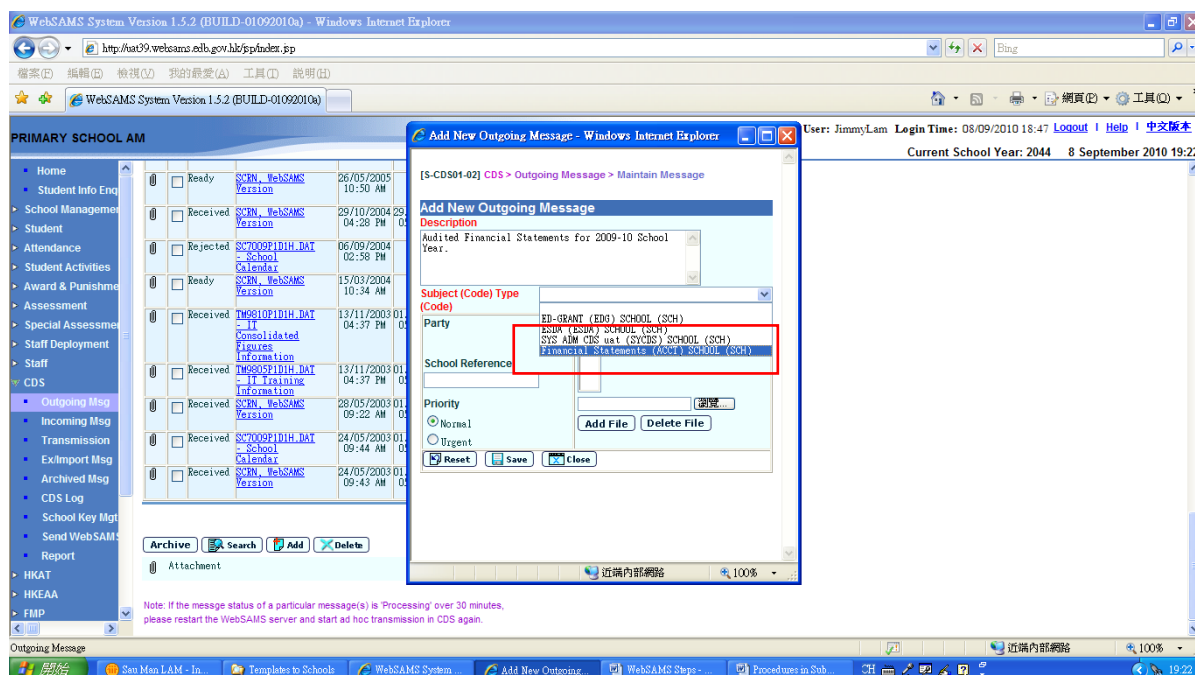
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(8) Click the "瀏覽" button to locate the softcopy of annual audited accounts.
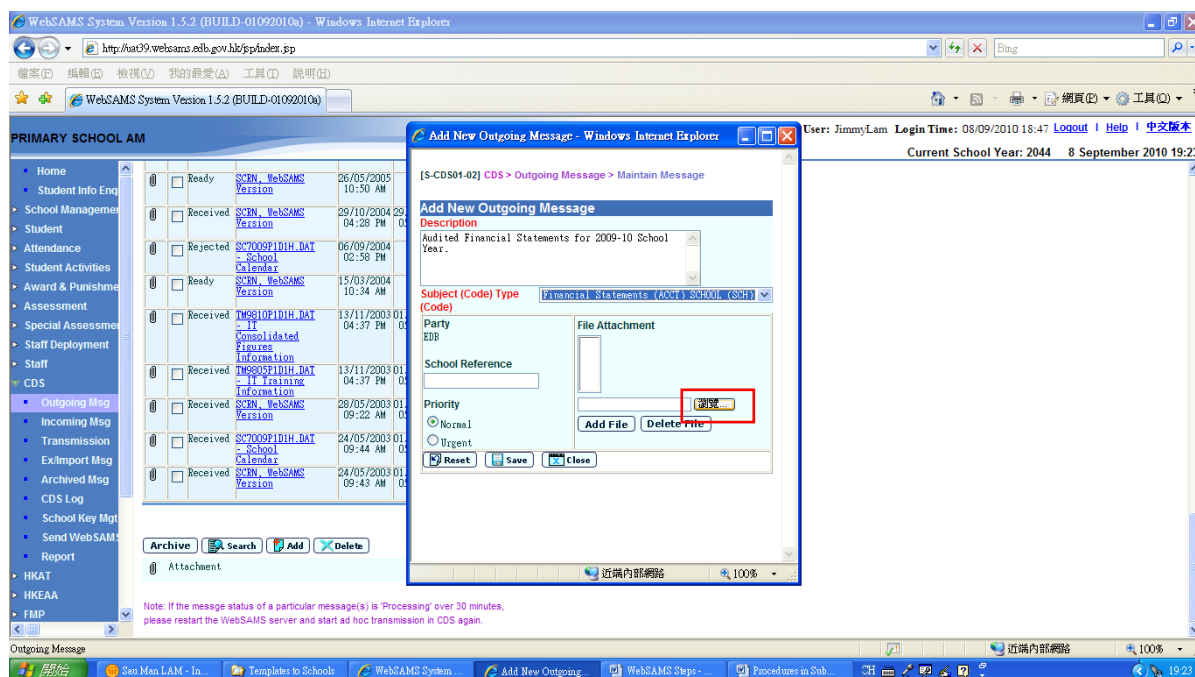
Procedures for Submitting Softcopy of Annual Audited Accounts Through Communication and Delivery System

(9) In the "**選擇檔案**" pop-up window, search for the Excel file to be submitted to EDB and then click the "**開啟(O)**" button.
   (**IMPORTANT**: *Please use only the Excel template provided by EDB. The file name must **not** include special character or space; and must **not** exceed 8 alpha-numeric digits. For example, abcd1234.xls is acceptable while abcd_123.xls is not. Moreover, file size should be limited to 1M only and thus the file may need to be zipped.*)
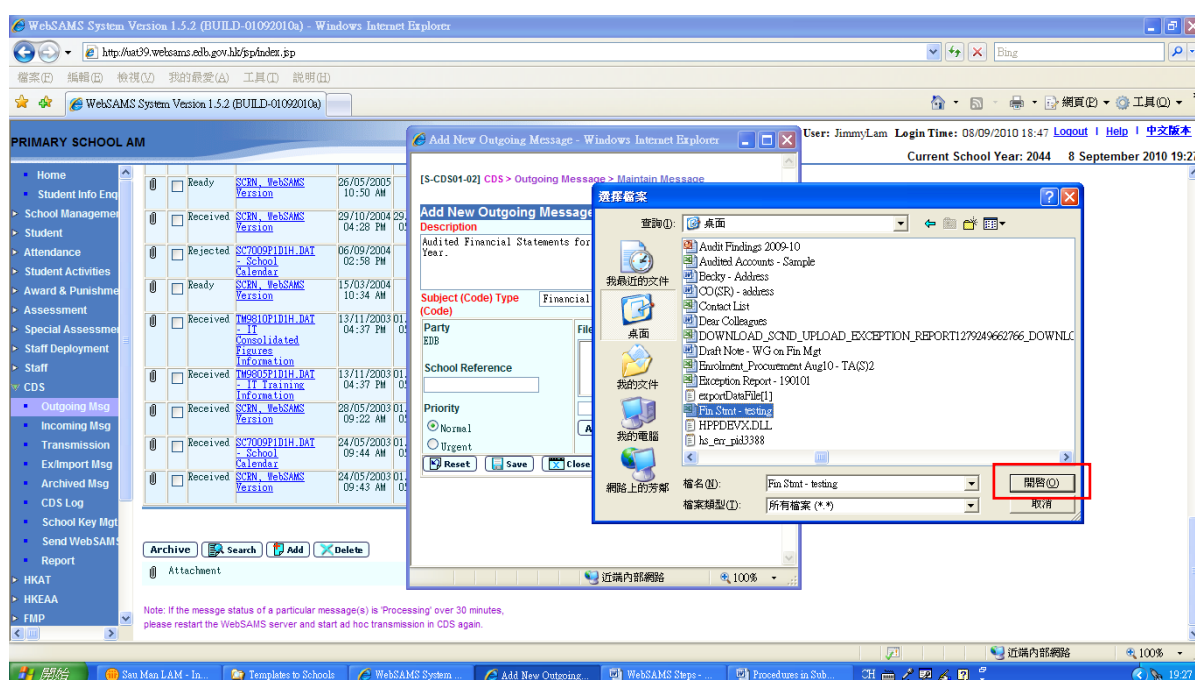
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(10) Enter the "**School Reference**" ("學校參考編號") for future reference (optional) and then click the "**Add File**" ("增新檔案") button to submit the Excel file.
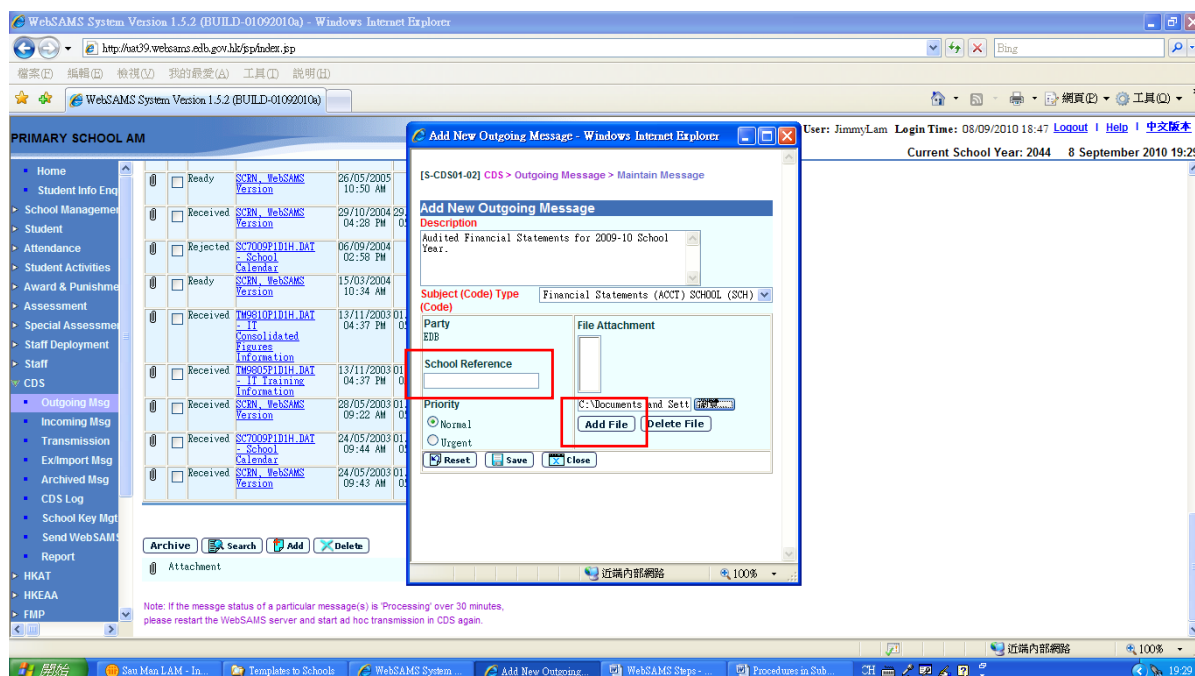
(11) Click the "**Save**" ("儲存") button to save changes made.
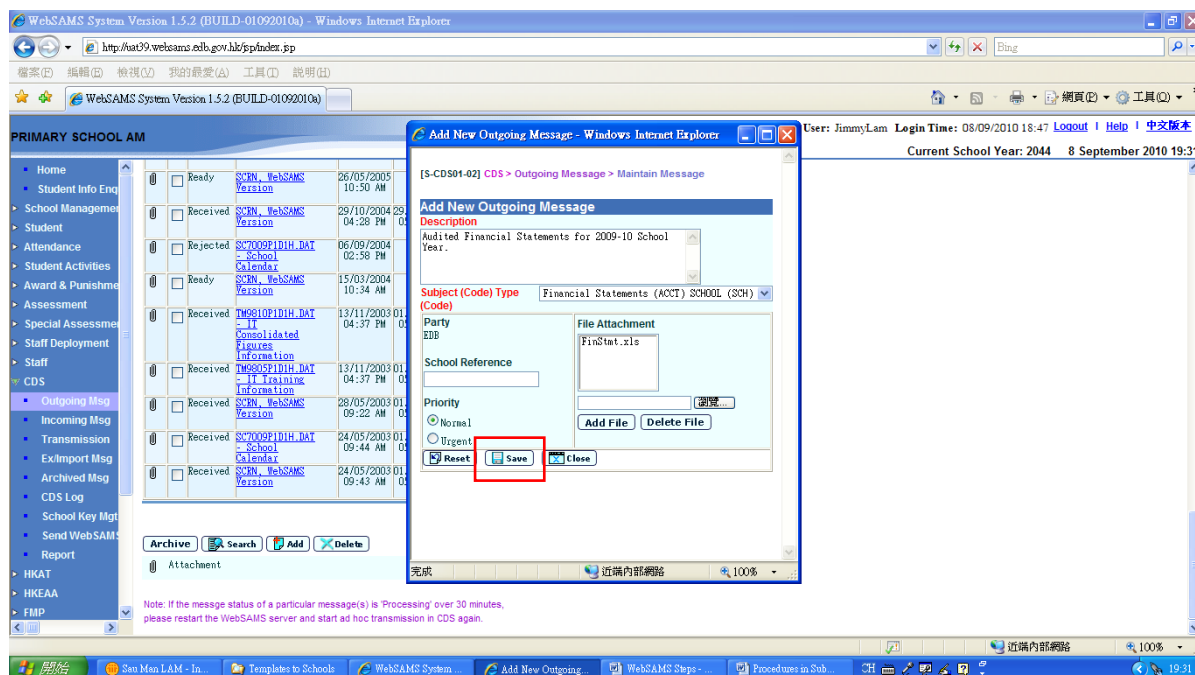
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(12) On the pop-up window, click "確定" to proceed.
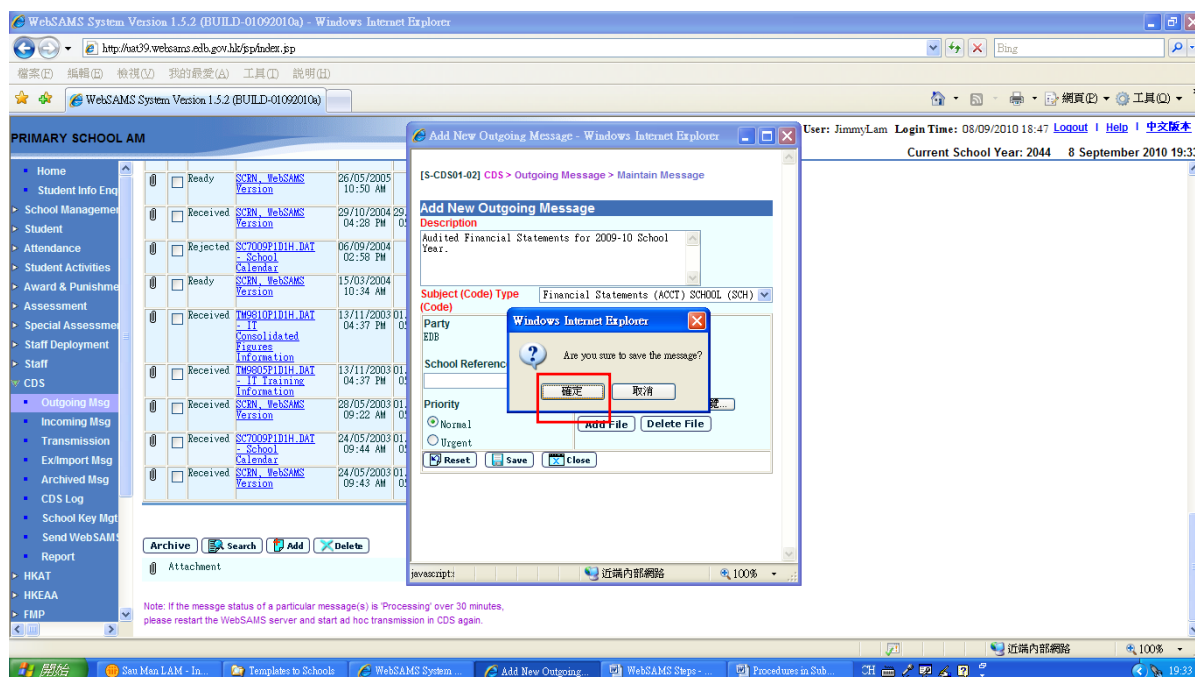
(13) The two pop-up windows will be closed and you will be directed back to the "**Maintain Message**" ("編修訊息") screen. On this screen, look for the "**Description**" ("訊息說明") that you have just entered in Step 5 and then click on it.
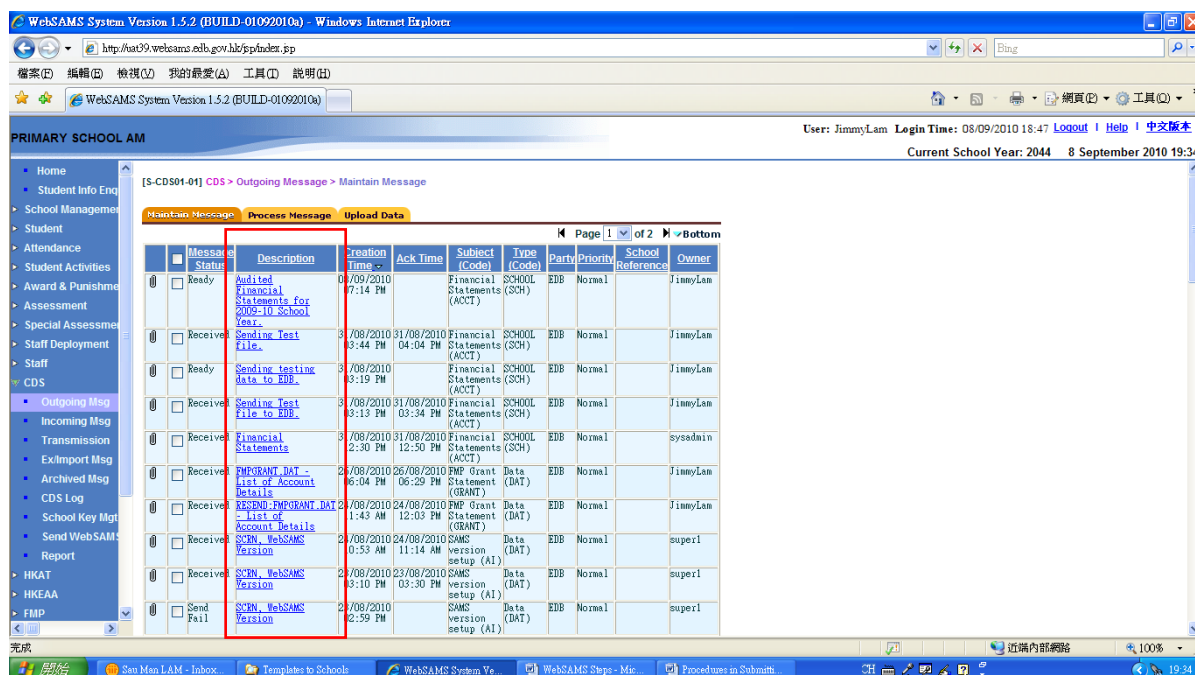
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(14) On the pop-up window, check the details and ensure that
   (1) the "**Subject Code**" ("主題代碼") is "Financial Statements (ACCT)" ("財務報表 (ACCT)"); and
   (2) the "**Type Code**" ("類別代碼") is "SCHOOL (SCH)" ("學校(SCH)").
   Then, click the "**Encrypt**" ("加密") button.
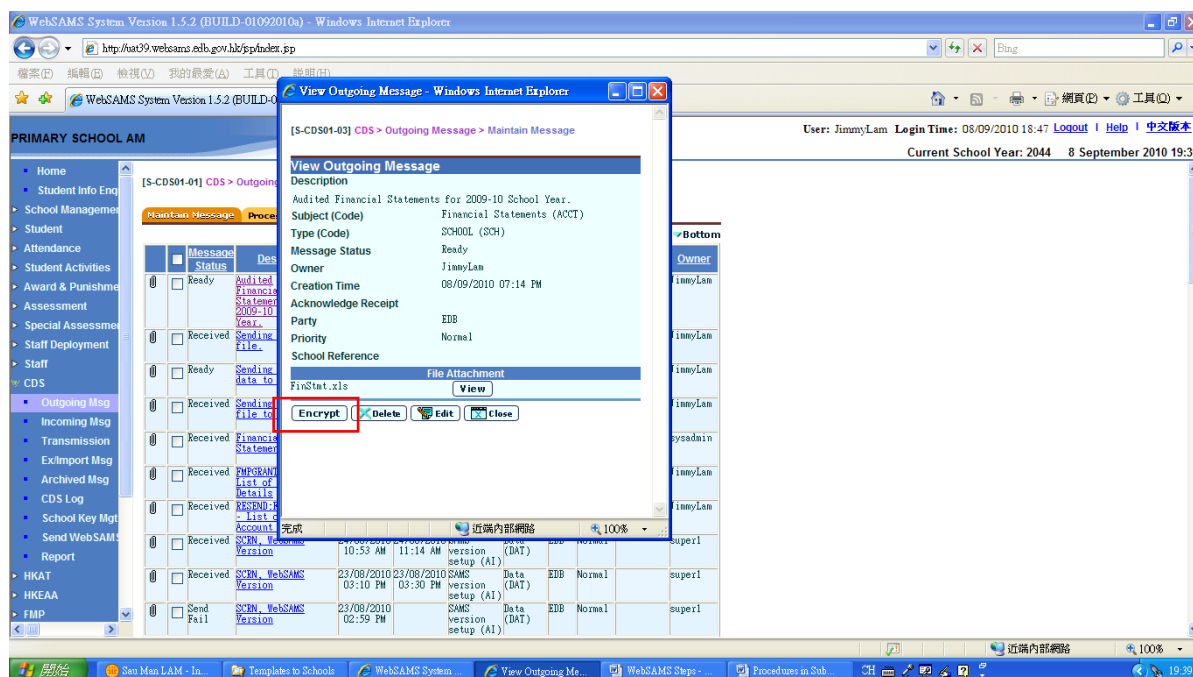
(15)   Enter your "**School Key**" ("密碼匙") and then click the "**Encrypt**" ("加密") button.
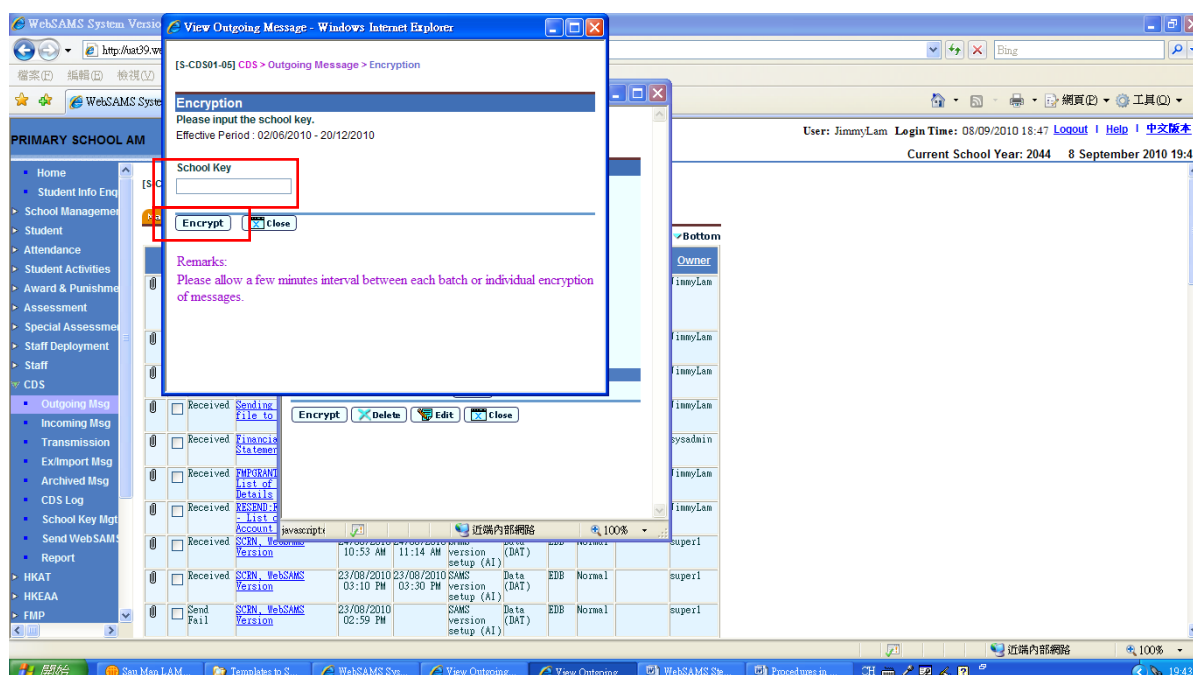
Last updated on 2/6/2016

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(16) The two pop-up windows will be closed and you will be directed back to the "**Maintain Message**" ("編修訊息") screen. Please review the "**Message Status**" ("訊息狀況"), which will change from "**Processing**" ("處理中") to "**Sent**" ("已輸出") if the submission is successful.

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(17) The "**Message Status**" ("訊息狀況") will further change to "**Received**" ("已接收") after a while.

If the "Message Status" changes to "Received", the softcopy of annual audited accounts should have been submitted to the Education Bureau. You may then delete this message from CDS if you wish to.