

Financial Assistance Scheme for Post-secondary Students 2009/10
Ready Reckoner under the “Adjusted Family Income” (AFI) Formula*

Income Test

The Adjusted Family Income Calculation Formula will be applied as the first tier of the means test (or income test) under the Financial Assistance Scheme for Post-secondary Students. The following ready reckoner sets out the percentage of grant/ loan that will be offered to an applicant in accordance with the adjusted family income (AFI) group within which he/she falls. The amount of grant/ loan calculated on the basis of the ready reckoner will be **subject to the second tier of the means test** (or asset test at Appendix II).

| AFI Groups between (HK\$) | | % of Maximum Grant | % of Maximum Loan |
|---------------------------|----------|--------------------|-------------------|
| 0 | 20,882 | 100% | 100% |
| 20,883 | 22,219 | 95% | 96% |
| 22,220 | 24,428 | 91% | 92% |
| 24,429 | 26,637 | 86% | 88% |
| 26,638 | 28,841 | 82% | 83% |
| 28,842 | 31,003 | 72% | 72% |
| 31,004 | 33,164 | 63% | 61% |
| 33,165 | 35,328 | 53% | 50% |
| 35,329 | 37,486 | 44% | 39% |
| 37,487 | 39,593 | 36% | 31% |
| 39,594 | 41,700 | 28% | 24% |
| 41,701 | 43,810 | 21% | 16% |
| 43,811 | 45,914 | 13% | 9% |
| 45,915 | 48,086 | 11% | 8% |
| 48,087 | 50,254 | 8% | 6% |
| 50,255 | 52,424 | 6% | 4% |
| 52,425 | 55,767 | 4% | 2% |
| | > 55,767 | 0% | 0% |

* The maximum level of financial assistance under FASP includes:

- (a) the annual tuition fees payable subject to a ceiling. The ceiling for 2009/10 application is \$60,370;
- (b) academic expenses grant up to \$3,200; and
- (c) living expenses loan capped at a ceiling[△]. The loan was capped at \$35,670 in the 2008/09 academic year.

The above ceilings will be reviewed annually. Please refer to the examples at Appendix II.

Please note that AFI is not equivalent to monthly income. You should refer to the examples at para 6.3 of Part I of the Guidance Notes and Appendix II of Part IV of the Guidance Notes for calculation of AFI.

△ The loan ceiling for 2009/10 will be uploaded to the Agency's homepage (<http://www.sfaa.gov.hk/eng/schemes/fasp.htm#3>) in July 2009.

Financial Assistance Scheme for Post-secondary Students 2009/10
Sliding Scale of Asset Value for Discounting Grant/ Loan Assistance

Asset Test

The asset test is the second tier of the means test under the Financial Assistance Scheme for Post-secondary Students. The following sliding scale sets out the discount factor to be applied to the level of grant and loan assistance calculated under the Adjusted Family Income ready reckoner (at [Appendix I](#)) in order to derive the eventual amount of grant/ loan.

| Net Asset Value per Family Member (HK\$) | Discount Factor of Grant/ Loan Assistance |
|--|---|
| Over \$544,000 | -100% (i.e. no assistance) |
| \$457,001 to \$544,000 | -80% |
| \$370,001 to \$457,000 | -60% |
| \$292,001 to \$370,000 | -40% |
| \$193,001 to \$292,000 | -20% |
| \$193,000 or below | -0% (i.e. no reduction of assistance) |

Example (For an unmarried applicant):

| | |
|---|------------------|
| Parents' annual income | \$160,000 |
| Annual income of unmarried sibling | \$130,000 |
| Deductible medical expenses | Nil |
| Family size | 4 |
| Net asset value of the applicant and his parents (not counting the first home) | \$1,050,000 |
| AFI $(\$160,000 + \$130,000 \times 30\%) \div (4 \text{ members} + 1)$ | \$39,800 |
| Asset value per capita $(\$1,050,000 \div 4)$ | \$262,500 |
| Maximum grant (i.e. tuition fees grant \$60,370 + academic expenses grant \$3,200) | \$63,570 |
| Maximum loan* | \$35,670 |

Income test (First tier)

| | |
|---|-----------------------------------|
| Entitled grant $(\$63,570 \times 28\%)$ | \$17,799 |
| Entitled loan $(\$35,670 \times 24\%)$ | \$8,560 |
| | (rounded down to the nearest \$1) |

Asset test (Second tier)

| | |
|---|-----------------------------------|
| Entitled grant $(\$17,799 \times 80\%)$ | \$14,239 |
| Entitled loan $(\$8,560 \times 80\%)$ | \$6,848 |
| | (rounded down to the nearest \$1) |

* Since the ceiling for living expenses loan for the 2009/10 academic year will only be available in July 2009, the maximum loan for the 2008/09 academic year is used in the above example.