

Ready Reckoner and Sliding Scale of Asset Value for Discounting
Financial Assistance for 2009/10 Application

(I) Ready Reckoner under the “Adjusted Family Income” (AFI) Formula

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%

(II) Sliding Scale of Asset Value for Discounting Grant and Loan Assistance

Net Asset Value per Family Member (HK\$)	Discount Factor of Grant/Loans 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 applicant and parents (not counting the first home)	\$1,050,000
AFI $(\$160,000 + \$130,000 \times 30\%) \div (4 \text{ members} + 1)$	\$39,800
Per capita asset value $(\$1,050,000 \div 4)$	\$262,500
Maximum grant (assumed) (i.e. tuition fee + academic expenses + compulsory union fee)	\$50,000
Maximum loan (assumed)	\$35,670

Income test (First tier)

Entitled grant $(\$50,000 \times 28\%)$	\$14,000
Entitled loan $(\$35,670 \times 24\%)$	\$8,560

Asset test (Second tier)

Entitled grant $(\$14,000 \times 80\%)$	\$11,200
Entitled loan $(\$8,560 \times 80\%)$	\$6,848
	(rounded down to \$6,840)