

# Funds Established under Section 29 of the Public Finance Ordinance

## ANALYSES OF VARIANCE ON RECEIPTS AND PAYMENTS

(Expressed in Hong Kong dollars)

	2017-18			
	Original Estimate \$'000	Actual \$'000	Over/(Under) the Estimate \$'000	Variance %
<b>Capital Works Reserve Fund</b>				
Receipts	108,287,655	<b>168,767,863</b>	60,480,208	55.9
Payments	91,653,157	<b>86,887,569</b>	(4,765,588)	(5.2)
<b>Capital Investment Fund</b>				
Receipts	1,259,983	<b>895,340</b>	(364,643)	(28.9)
Payments	726,025	<b>1,056,119</b>	330,094	45.5
<b>Civil Service Pension Reserve Fund</b>				
Receipts	3,231,000	<b>3,229,882</b>	(1,118)	-
<b>Disaster Relief Fund</b>				
Receipts	52,000	<b>52,957</b>	957	1.8
Payments	-	<b>64,283</b>	64,283	-
<b>Innovation and Technology Fund</b>				
Receipts	217,293	<b>288,225</b>	70,932	32.6
Payments	1,783,075	<b>1,483,318</b>	(299,757)	(16.8)
<b>Land Fund</b>				
Receipts	-	-	-	-
<b>Loan Fund</b>				
Receipts	4,650,433	<b>4,700,862</b>	50,429	1.1
Payments	5,214,138	<b>4,790,023</b>	(424,115)	(8.1)
<b>Lotteries Fund</b>				
Receipts	2,106,237	<b>1,920,216</b>	(186,021)	(8.8)
Payments	2,827,190	<b>1,459,053</b>	(1,368,137)	(48.4)
<b>Bond Fund</b>				
Receipts	25,591,000	<b>23,377,083</b>	(2,213,917)	(8.7)
Payments	28,907,593	<b>26,600,929</b>	(2,306,664)	(8.0)

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## ANALYSES OF VARIANCE ON RECEIPTS AND PAYMENTS *(Continued)*

### **Capital Works Reserve Fund**

The increase of \$60,480.2 million in receipts was mainly due to the higher than expected receipts from land premium (\$63,811.3 million), investment income (\$1,082.3 million) and other revenue (\$86.6 million), partly offset by no transfer from the General Revenue Account (\$4,500 million).

The decrease of \$4,765.6 million in payments was mainly due to the lower than expected cash flow requirements for some on-going non-works and works projects, including land acquisition (\$1,440.0 million), buildings (\$1,078.0 million), highways (\$549.5 million) and housing (\$537.9 million), partly offset by the higher than expected cash flow requirements for some on-going works projects, including drainage (\$246.2 million) and waterworks (\$7.0 million).

### **Capital Investment Fund**

The decrease of \$364.6 million in receipts was mainly due to the lower than expected dividends, interest and other receipts from investments/loans (\$369 million) partly offset by the higher than expected investment income (\$4 million).

The increase of \$330.1 million in payments was mainly due to the equity injection into the Hongkong International Theme Parks Limited (\$200.5 million) and the capital subscription in the Asian Infrastructure Investment Bank (\$238.3 million), partly offset by the lower than expected loan drawdown by the Hongkong International Theme Parks Limited (\$108.5 million).

### **Civil Service Pension Reserve Fund**

The decrease of \$1.1 million in receipts was due to the lower than expected investment income.

### **Disaster Relief Fund**

The increase of \$1.0 million in receipts was mainly due to the higher than expected receipts from refund of grants (\$1.9 million), partly offset by the lower than expected investment income (\$0.9 million).

No estimate of payment was made for the year as calls on the Fund in relief of disasters could not be predicted.

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## ANALYSES OF VARIANCE ON RECEIPTS AND PAYMENTS *(Continued)*

### **Innovation and Technology Fund**

The increase of \$70.9 million in receipts was mainly due to the higher than expected receipts from refund of grants (\$62.2 million) and investment income (\$9.7 million), partly offset by the lower than expected net income from projects (\$1.0 million).

The decrease of \$299.8 million in payments was mainly due to the lower than expected cash flow requirement for the Innovation and Technology Venture Fund (\$200 million) and some other funding schemes (\$99.8 million).

### **Loan Fund**

The increase of \$50.4 million in receipts was mainly due to the higher than expected repayments from loans to schools (\$81.1 million), fishing moratorium loan scheme under the Fish Marketing Organization Loan Fund (\$16.6 million), Comprehensive Building Safety Improvement Loan Scheme (\$7 million) as well as the higher than expected investment income (\$37.2 million) and proceeds from sale of civil servant housing loans (\$11.8 million), partly offset by the lower than expected repayments from loans to students (\$46.9 million), civil servant housing loans (\$36.9 million) and fisheries loans (\$22.5 million).

The decrease of \$424.1 million in payments was mainly due to the lower than expected loan payments for loans to students (\$223.9 million), the Ocean Park's Tai Shue Wan Development Project (\$160 million) and civil servant housing loans (\$119.9 million), partly offset by the higher than expected loan payments for start-up loans to post-secondary education providers (\$72.5 million).

### **Lotteries Fund**

The decrease of \$186.0 million in receipts was due to the lower than expected receipts from Mark Six Lottery (\$197.4 million) and donations (\$9.0 million), partly offset by the higher than expected receipts from auctions of vehicle registration marks (\$16.3 million), investment income (\$3.9 million) and refund of grants (\$0.2 million).

The decrease of \$1,368.1 million in payments was mainly due to the lower than expected cash flow requirements for various social welfare projects.

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## ANALYSES OF VARIANCE ON RECEIPTS AND PAYMENTS *(Continued)*

### **Bond Fund**

The decrease of \$2,213.9 million in receipts was mainly due to the lower than expected issuance amount of bonds (\$1,970.5 million) and investment income (\$243.4 million).

The decrease of \$2,306.7 million in payments was mainly due to the lower than expected interest payment (\$525.4 million) and repayment for bonds (\$1,781.5 million) and the bond issuance-related miscellaneous expenditure (\$0.6 million), partly offset by the higher than expected periodic distribution payments for alternative bonds (\$0.8 million).