

Funds Established under Section 29 of the Public Finance Ordinance

ANALYSES OF VARIANCE ON RECEIPTS AND PAYMENTS

(Expressed in Hong Kong dollars)

	2018-19			
	Original Estimate \$'000	Actual \$'000	Over/(Under) the Estimate \$'000	Variance %
Capital Works Reserve Fund				
Receipts	129,909,017	125,848,798	(4,060,219)	(3.1)
Payments	178,292,230	161,910,550	(16,381,680)	(9.2)
Capital Investment Fund				
Receipts	1,359,506	1,401,518	42,012	3.1
Payments	1,694,025	3,987,446	2,293,421	135.4
Civil Service Pension Reserve Fund				
Receipts	3,187,000	3,186,054	(946)	-
Disaster Relief Fund				
Receipts	63,000	73,286	10,286	16.3
Payments	-	65,580	65,580	-
Innovation and Technology Fund				
Receipts	288,465	20,717,384	20,428,919	7,081.9
Payments	2,085,236	1,574,791	(510,445)	(24.5)
Land Fund				
Receipts	-	-	-	-
Loan Fund				
Receipts	3,777,704	3,851,999	74,295	2.0
Payments	4,947,149	4,411,519	(535,630)	(10.8)
Lotteries Fund				
Receipts	2,190,966	2,345,350	154,384	7.0
Payments	2,981,293	1,726,583	(1,254,710)	(42.1)
Bond Fund				
Receipts	27,063,000	25,923,255	(1,139,745)	(4.2)
Payments	26,493,144	25,675,828	(817,316)	(3.1)

Funds Established under Section 29 of the Public Finance Ordinance

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

Capital Works Reserve Fund

The decrease of \$4,060.2 million in receipts was mainly due to the lower than expected receipts from land premium (\$4,139.4 million), partly offset by the higher than expected investment income (\$30.8 million) and other receipts (\$48.4 million).

The decrease of \$16,381.7 million in payments was mainly due to the lower than expected cash flow requirements for some on-going non-works and works projects, including capital subventions (\$6,720.1 million), highways (\$3,218.1 million), civil engineering (\$1,284.2 million), waterworks (\$1,087.2 million), new towns and urban area development (\$1,027.2 million) and land acquisition (\$1,035.3 million), partly offset by the higher than expected cash flow requirements for some on-going non-works and works projects, including refund of overpayment of land premium (\$70.3 million) and drainage (\$56.3 million).

Capital Investment Fund

The increase of \$42 million in receipts was mainly due to the higher than expected loan repayments from the Hongkong International Theme Parks Limited (\$34.3 million) as well as dividends, interest and other receipts from investments/loans (\$15.4 million), partly offset by the lower than expected investment income (\$8.5 million).

The increase of \$2,293.4 million in payments was mainly due to the equity injection into the Hong Kong Science and Technology Parks Corporation (\$2,000 million) and Hong Kong Cyberport Development Holdings Limited (\$300 million), partly offset by the lower than expected equity injection in the Hongkong International Theme Parks Limited (\$6.5 million).

Civil Service Pension Reserve Fund

The decrease of \$0.9 million in receipts was due to the lower than expected investment income.

Disaster Relief Fund

The increase of \$10.3 million in receipts was mainly due to the approved supplementary provision to the Fund to cater for grants for disaster relief work outside Hong Kong (\$10 million) and the higher than expected receipts from refund of grants (\$1.3 million), partly offset by the lower than expected investment income (\$1 million).

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

Funds Established under Section 29 of the Public Finance Ordinance

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

Innovation and Technology Fund

The increase of \$20,428.9 million in receipts was mainly due to the transfer from the General Revenue Account for supporting the continued operation of the existing funding schemes and introducing various new initiatives, and for establishing research clusters in Hong Kong (\$20,000 million), the higher than expected receipts from investment income (\$386.2 million) and refund of grants (\$45.9 million), partly offset by the lower than expected net income from projects (\$3.2 million).

The decrease of \$510.4 million in payments was mainly due to the lower than expected cash flow requirement for the Innovation and Technology Venture Fund (\$488 million) and some other funding schemes (\$22.4 million).

Loan Fund

The increase of \$74.3 million in receipts was mainly due to the higher than expected repayments from loans to schools (\$127 million), loans to students (\$82.8 million) and fishing moratorium loan scheme under the Fish Marketing Organization Loan Fund (\$10.6 million) as well as the higher than expected investment income (\$23.8 million), partly offset by the lower than expected proceeds from sale of civil servant housing loans (\$90.1 million) as well as repayments from civil servant housing loans (\$43 million) and fisheries loans (\$36.3 million).

The decrease of \$535.6 million in payments was mainly due to the lower than expected loan payments for loans to students (\$266.3 million), civil servant housing loans (\$258.5 million) and Comprehensive Building Safety Improvement Loan Scheme (\$26.9 million), partly offset by the higher than expected loan payments for fisheries loans (\$16.2 million).

Lotteries Fund

The increase of \$154.4 million in receipts was mainly due to the higher than expected receipts from Mark Six Lottery (\$105.3 million), auctions of vehicle registration marks (\$31.5 million) and investment income (\$21.7 million), partly offset by the lower than expected receipts from donations (\$4.2 million).

The decrease of \$1,254.7 million in payments was mainly due to the lower than expected cash flow requirements for various social welfare projects.

Funds Established under Section 29 of the Public Finance Ordinance

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

Bond Fund

The decrease of \$1,139.7 million in receipts was mainly due to the lower than expected issuance volume of bonds (\$1,142.3 million), partly offset by the higher than expected investment income (\$2.6 million).

The decrease of \$817.3 million in payments was mainly due to the lower than expected repayment for bonds (\$976.2 million) and miscellaneous expenditure relating to bond issuance (\$1.7 million), partly offset by the higher than expected interest payment (\$157.4 million) and periodic distribution payments for alternative bonds (\$3.2 million).