

Funds Established under Section 29 of the Public Finance Ordinance

ANALYSES OF VARIANCE ON RECEIPTS AND PAYMENTS

(Expressed in Hong Kong dollars)

	2020-21			
	Original Estimate \$'000	Actual \$'000	Over/(Under) the Estimate \$'000	Variance %
Capital Works Reserve Fund				
Receipts	145,215,666	115,023,103	(30,192,563)	(20.8)
Payments	171,562,018	161,171,901	(10,390,117)	(6.1)
Capital Investment Fund				
Receipts	1,265,114	21,026,854	19,761,740	1,562.1
Payments	4,115,210	2,593,742	(1,521,468)	(37.0)
Civil Service Pension Reserve Fund				
Receipts	3,338,000	3,343,437	5,437	0.2
Disaster Relief Fund				
Receipts	62,000	63,623	1,623	2.6
Payments	-	72,474	72,474	-
Innovation and Technology Fund				
Receipts	822,102	2,966,288	2,144,186	260.8
Payments	6,567,904	4,796,467	(1,771,437)	(27.0)
Land Fund				
Receipts	-	-	-	-
Payments	-	38,865	38,865	-
Loan Fund				
Receipts	2,490,775	2,347,361	(143,414)	(5.8)
Payments	2,880,326	2,736,848	(143,478)	(5.0)
Lotteries Fund				
Receipts	2,247,474	1,106,777	(1,140,697)	(50.8)
Payments	4,634,680	3,632,627	(1,002,053)	(21.6)
Bond Fund				
Receipts	36,936,000	53,922,034	16,986,034	46.0
Payments	23,437,314	22,131,649	(1,305,665)	(5.6)

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Capital Works Reserve Fund

The decrease of \$30,192.6 million in receipts was mainly due to the lower than expected land premium (\$29,287 million), investment income (\$654.6 million), proceeds from issuance of green bonds (\$196.4 million) and donations and contributions (\$90.7 million), partly offset by the higher than expected other receipts (\$36.1 million).

The decrease of \$10,390.1 million in payments was mainly due to the lower than expected cash flow requirements for some works and non-works projects, including buildings (\$7,943.3 million), land acquisition (\$5,090.7 million), civil engineering (\$893 million), computerisation (\$377.8 million), capital subventions and major systems and equipment (\$356.9 million) and others (\$437.3 million), partly offset by the higher than expected cash flow requirements for some works and non-works projects, including highways (\$2,346.7 million), new towns and urban area development (\$1,802.8 million) and others (\$559.5 million).

Capital Investment Fund

The increase of \$19,761.7 million in receipts was mainly due to the transfer from the General Revenue Account (\$20,135 million), partly offset by the lower than expected dividends, interest and other receipts from investments/loans (\$367.4 million) and investment income (\$6.7 million).

The decrease of \$1,521.5 million in payments was mainly due to the lower than expected equity injection in the Hong Kong Science and Technology Parks Corporation (\$1,000 million) and Hongkong International Theme Parks Limited (\$518.5 million).

Civil Service Pension Reserve Fund

The increase of \$5.4 million in receipts was due to the higher than expected investment income.

Disaster Relief Fund

The increase of \$1.6 million in receipts was mainly due to the higher than expected receipts from refund of grants (\$2.4 million), partly offset by the lower than expected investment income (\$0.8 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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Innovation and Technology Fund

The increase of \$2,144.2 million in receipts was mainly due to the transfer from the General Revenue Account for providing financial support for manufacturers to set up new smart production lines in Hong Kong (\$2,000 million), the higher than expected receipts from investment income (\$99 million), refund of grants (\$45 million) and net income from projects (\$0.2 million).

The decrease of \$1,771.4 million in payments was mainly due to the lower than expected cash flow requirement for the Research Centres / Laboratories for Establishment of Research Clusters (\$606.2 million) and their research projects (\$467.7 million), Innovation and Technology Venture Fund (\$466.8 million) and some other funding schemes (\$230.7 million).

Land Fund

The increase of \$38.9 million in payment was mainly the expenses of engaging external service providers for managing the investment under Land Fund.

Loan Fund

The decrease of \$143.4 million in receipts was mainly due to the lower than expected repayments from loans to students (\$909.2 million), loans to schools (\$455.3 million), fisheries loans (\$47.4 million), civil servant housing loans (\$41.1 million) and Comprehensive Building Safety Improvement Loan Scheme (\$12.2 million) as well as the lower than expected interest on loans (\$128 million), partly offset by the higher than expected investment income (\$13.2 million) and transfer from the General Revenue Account (\$1,443.5 million).

The decrease of \$143.5 million in payments was mainly due to the lower than expected loan payments for civil servant housing loans (\$306 million), loans to students (\$113.2 million), Comprehensive Building Safety Improvement Loan Scheme (\$28.8 million), fisheries loans (\$15.1 million), partly offset by the higher than expected payment for loans to schools (\$319.7 million).

Lotteries Fund

The decrease of \$1,140.7 million in receipts was mainly due to the lower than expected receipts from Mark Six Lottery (\$1,056.1 million), auctions of vehicle registration marks (\$68 million), investment income (\$8.6 million) and donations (\$7.9 million).

The decrease of \$1,002.1 million in payments was mainly due to the lower than expected cash flow requirements for various social welfare projects.

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Bond Fund

The increase of \$16,986 million in receipts was mainly due to the higher than expected proceeds from issuance of bonds (\$17,541 million), partly offset by the lower than expected investment income (\$554.9 million).

The decrease of \$1,305.7 million in payments was mainly due to the lower than expected repayments and interest payments for bonds (\$1,287.2 million).