

Funds Established under Section 29 of the Public Finance Ordinance

REVENUE AND EXPENDITURE VARIANCE ANALYSES

| | 2011-12 | | | |
|---|-------------------------------|--------------------|--|---------------|
| | Original Estimate HK\$'000 | Actual HK\$'000 | Over/(Under) the Estimate HK\$'000 | Variance % |
| Capital Works Reserve Fund | | | | |
| Revenue | 89,936,138 | 88,466,275 | (1,469,863) | (1.6) |
| Expenditure | 63,877,846 | 60,837,194 | (3,040,652) | (4.8) |
| Capital Investment Fund | | | | |
| Revenue | 1,296,289 | 1,385,971 | 89,682 | 6.9 |
| Expenditure | 2,469,684 | 1,811,559 | (658,125) | (26.6) |
| Civil Service Pension Reserve Fund | | | | |
| Revenue | 1,380,000 | 1,379,610 | (390) | - |
| Disaster Relief Fund | | | | |
| Revenue | 3,046 | 8,340 | 5,294 | 173.8 |
| Expenditure | - | 36,760 | 36,760 | - |
| Innovation and Technology Fund | | | | |
| Revenue | 184,808 | 240,018 | 55,210 | 29.9 |
| Expenditure | 863,943 | 655,274 | (208,669) | (24.2) |
| Land Fund | | | | |
| Revenue | 11,215,000 | 11,215,477 | 477 | - |
| Loan Fund | | | | |
| Revenue | 2,468,483 | 2,388,641 | (79,842) | (3.2) |
| Expenditure | 2,812,871 | 2,060,971 | (751,900) | (26.7) |
| Lotteries Fund | | | | |
| Revenue | 1,601,951 | 1,817,610 | 215,659 | 13.5 |
| Expenditure | 1,082,341 | 916,462 | (165,879) | (15.3) |
| Bond Fund | | | | |
| Revenue | 17,880,000 | 31,384,643 | 13,504,643 | 75.5 |
| Expenditure | 7,468,880 | 7,817,705 | 348,825 | 4.7 |

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Capital Works Reserve Fund

The decrease of HK\$1,469.9 million in revenue was mainly due to no transfer from the General Revenue Account (HK\$25,000 million), partly offset by the higher than expected receipts from land premium (HK\$22,644.4 million) and investment income (HK\$920.4 million).

The decrease of HK\$3,040.7 million in expenditure was mainly due to the lower than expected cash flow requirements for various on-going non-works projects, including land acquisition (HK\$1,960 million), major systems and equipment (HK\$562.8 million) and computerisation (HK\$560.8 million), partly offset by the higher than expected cash flow requirements in various on-going capital works projects (HK\$40.8 million).

Capital Investment Fund

The increase of HK\$89.7 million in revenue was mainly due to the higher than expected dividends and interest from investment/loans (HK\$166.1 million), partly offset by the lower than expected loan repayments from the Hong Kong Science and Technology Parks Corporation (HK\$66 million).

The decrease of HK\$658.1 million in expenditure was mainly due to the deferred drawdown of loan to the Hong Kong Science and Technology Parks Corporation for the development of Science Park Phase 2 (HK\$658 million).

Disaster Relief Fund

The increase of HK\$5.3 million in revenue was mainly due to the higher than expected receipts from refund of grants (HK\$6.7 million), partly offset by the lower than expected investment income (HK\$1.4 million).

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

Innovation and Technology Fund

The increase of HK\$55.2 million in revenue was mainly due to the higher than expected receipts from refund of grants (HK\$39.4 million), investment income (HK\$13.5 million) and net income from projects (HK\$2.3 million).

The decrease of HK\$208.7 million in expenditure was mainly due to the lower than expected cash flow requirement for projects undertaken by various local research institutes.

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Loan Fund

The decrease of HK\$79.8 million in revenue was mainly due to the lower than expected loan repayments from students (HK\$87.9 million), proceeds from sale of loans (HK\$40.5 million) and interest from loans (HK\$37.2 million), partly offset by the higher than expected loan repayments from schools (HK\$103.9 million).

The decrease of HK\$751.9 million in expenditure was mainly due to the lower than expected education loan payments to students and schools (HK\$579 million).

Lotteries Fund

The increase of HK\$215.7 million in revenue was mainly due to the higher than expected receipts from Mark Six Lottery (HK\$164.3 million), donations (HK\$29.5 million), auction of vehicle registration marks (HK\$11.5 million) and investment income (HK\$10.2 million).

The decrease of HK\$165.9 million in expenditure was mainly due to the lower than expected cash flow requirements for various social welfare projects.

Bond Fund

The increase of HK\$13,504.6 million in revenue was mainly due to the higher than expected bond issuance amount (HK\$13,261 million) and investment income (HK\$243.6 million).

The increase of HK\$348.8 million in expenditure was mainly due to the higher than expected interest payment for bonds (HK\$319.6 million) and bond issuance-related miscellaneous expenditure (HK\$29.2 million) as a result of the higher than expected bond issuance amount.