

**CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES
AS AT 30 SEPTEMBER 2016**

	Note	30 September 2016 HK\$'000	30 September 2015 HK\$'000
ASSETS			
	2		
Investments with the Exchange Fund		793,512,332	768,978,625
Deposits with banks		1,112,147	1,520,333
Cash and bank balances		3,733,776	4,998,294
Advances		2,768,007	2,775,579
		801,126,262	778,272,831
LIABILITIES			
	3		
Deposits		(18,313,957)	(17,640,474)
Suspense Accounts		(31,069)	(40,623)
		(18,345,026)	(17,681,097)
		782,781,236	760,591,734

Representing:**CONSOLIDATED FUND BALANCE**

Balance at beginning of period		842,887,635	828,514,118
Deficit for the period		(60,106,399)	(67,922,384)
Balance at end of period	4	782,781,236	760,591,734

Notes :

- This statement is prepared on the cash basis of accounting. It consolidates the statements of assets and liabilities of the General Revenue Account and the following eight Funds: Capital Works Reserve Fund, Capital Investment Fund, Civil Service Pension Reserve Fund, Disaster Relief Fund, Innovation and Technology Fund, Land Fund, Loan Fund and Lotteries Fund. It excludes the Bond Fund, the balance of which is not part of the fiscal reserves.
- The assets do not include the investments and loans totalling HK\$592,231 million in the Capital Investment Fund and the loans of HK\$24,265 million in the Loan Fund.
- The liabilities do not include the outstanding institutional notes totalling HK\$1,500 million issued in July 2004 for the purposes of the Capital Works Reserve Fund under section 3(1) of the Loans Ordinance (Cap. 61). The outstanding institutional notes were denominated in Hong Kong dollars with maturity in July 2019. During the financial year up to 30 September 2016, there were payments of interest of HK\$38 million on the notes but no repayment of principal.
- The consolidated fund balance includes HK\$219,730 million being the balance of the Land Fund as from 1 January 2016 and HK\$4,800 million under the General Revenue Account (representing about one-third of the actual consolidated surplus in 2015-16 as top-up) as from 1 July 2016 held in the name of Future Fund for long-term investments initially up to 31 December 2025.

The Treasury
The Government of the Hong Kong
Special Administrative Region
26 October 2016

Martin SHU
Director of Accounting Services

**CONSOLIDATED STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE PERIOD FROM 1 APRIL 2016 TO 30 SEPTEMBER 2016**

	6 Months Ended 30 September 2016	6 Months Ended 30 September 2015
Note	HK\$'000	HK\$'000
Cash and bank balances at beginning of period	3,295,918	3,127,945
Revenue (Schedule 1)	2, 3 157,622,431	142,704,691
Expenditure (Schedule 2)	2, 4 (217,728,830)	(210,627,075)
Deficit for the period before repayment of government bonds and notes (Schedule 3)	(60,106,399)	(67,922,384)
Repayment of government bonds and notes	-	-
Deficit for the period after repayment of government bonds and notes (Schedule 3)	(60,106,399)	(67,922,384)
Other cash movements	5 60,544,257	69,792,733
Cash and bank balances at end of period	<u>3,733,776</u>	<u>4,998,294</u>

Notes :

1. This statement excludes the Bond Fund, the balance of which is not part of the fiscal reserves.
2. Inter-fund transfers totalling HK\$10,864 million between the General Revenue Account and the eight Funds, viz. Capital Works Reserve Fund, Capital Investment Fund, Civil Service Pension Reserve Fund, Disaster Relief Fund, Innovation and Technology Fund, Land Fund, Loan Fund and Lotteries Fund, are eliminated in full on consolidation.
3. The revenue comprises revenue of the General Revenue Account and receipts of the eight Funds.
4. The expenditure comprises expenditure of the General Revenue Account and payments of the eight Funds (excluding repayment of government bonds and notes).
5. These transactions which affect the cash and bank balances arise from changes in other assets and liabilities.

The Treasury
The Government of the Hong Kong
Special Administrative Region
26 October 2016

Martin SIU
Director of Accounting Services

CONSOLIDATED STATEMENT OF RECEIPTS AND PAYMENTS
SCHEDULE OF REVENUE
FOR THE PERIOD FROM 1 APRIL 2016 TO 30 SEPTEMBER 2016

	Original Estimate 2016-17 HK\$'000	6 Months Ended 30 September 2016 HK\$'000	6 Months Ended 30 September 2015 HK\$'000
Operating revenue			
Internal revenue	279,169,752	57,032,499	67,361,793
Duties	10,938,819	4,305,383	4,433,804
General rates	19,824,000	10,801,624	7,912,443
Motor vehicle taxes	9,864,577	3,998,745	4,893,278
Royalties and concessions	10,670,684	8,399,222	1,297,653
Other operating revenue	51,173,135	32,121,472	23,654,735
Operating revenue before investment income	381,640,967	116,658,945	109,553,706
Investment income			
Investments with the Exchange Fund	-	-	-
Others	-	72,964	104,054
	<u>16,537,458</u>	<u>72,964</u>	<u>104,054</u>
Operating revenue after investment income	398,178,425	116,731,909	109,657,760
Capital revenue			
Land premium	67,000,000	32,641,866	29,948,038
Asset sales	224,500	169,586	209,279
Other capital revenue	28,717,327	8,077,292	2,887,165
Capital revenue before investment income	95,941,827	40,888,744	33,044,482
Investment income			
Investments with the Exchange Fund	-	-	-
Others	-	1,778	2,449
	<u>4,131,000</u>	<u>1,778</u>	<u>2,449</u>
Capital revenue after investment income	100,072,827	40,890,522	33,046,931
Total revenue	<u>498,251,252</u>	<u>157,622,431</u>	<u>142,704,691</u>

CONSOLIDATED STATEMENT OF RECEIPTS AND PAYMENTS
SCHEDULE OF EXPENDITURE
FOR THE PERIOD FROM 1 APRIL 2016 TO 30 SEPTEMBER 2016

	Original Estimate 2016-17 HK\$'000	6 Months Ended 30 September 2016 HK\$'000	6 Months Ended 30 September 2015 HK\$'000
Operating expenditure			
Recurrent expenditure			
Personal emoluments	70,745,379	35,681,913	33,966,535
Personnel related expenses	39,982,143	20,546,177	18,541,639
Departmental expenses	30,703,636	12,433,685	11,953,105
Other charges	74,376,627	33,416,118	31,325,636
Subventions	130,769,883	67,204,843	64,349,022
Additional commitments	884,000	-	-
Total recurrent expenditure	347,461,668	169,282,736	160,135,937
Non-recurrent expenditure	5,685,825	5,155,019	8,842,156
Additional commitments	23,653,000	-	-
Total non-recurrent expenditure	29,338,825	5,155,019	8,842,156
	<u>376,800,493</u>	<u>174,437,755</u>	<u>168,978,093</u>
Capital expenditure			
Capital expenditure other than interest and other expenses on government bonds and notes	109,994,412	43,252,740	41,610,858
Interest and other expenses on government bonds and notes	76,671	38,335	38,124
	<u>110,071,083</u>	<u>43,291,075</u>	<u>41,648,982</u>
Total expenditure	<u><u>486,871,576</u></u>	<u><u>217,728,830</u></u>	<u><u>210,627,075</u></u>

CONSOLIDATED STATEMENT OF RECEIPTS AND PAYMENTS
SCHEDULE OF SURPLUS/(DEFICIT)
FOR THE PERIOD FROM 1 APRIL 2016 TO 30 SEPTEMBER 2016

	Original Estimate 2016-17 HK\$'000	6 Months Ended 30 September 2016 HK\$'000	6 Months Ended 30 September 2015 HK\$'000
Operating account			
Operating revenue	398,178,425	116,731,909	109,657,760
Operating expenditure	(376,800,493)	(174,437,755)	(168,978,093)
Operating deficit	21,377,932	(57,705,846)	(59,320,333)
Capital account			
Capital revenue	100,072,827	40,890,522	33,046,931
Capital expenditure	(110,071,083)	(43,291,075)	(41,648,982)
Capital deficit	(9,998,256)	(2,400,553)	(8,602,051)
Deficit for the period before repayment of government bonds and notes	11,379,676	(60,106,399)	(67,922,384)
Repayment of government bonds and notes	-	-	-
Deficit for the period after repayment of government bonds and notes	11,379,676	(60,106,399)	(67,922,384)

**GENERAL REVENUE ACCOUNT
STATEMENT OF ASSETS AND LIABILITIES
AS AT 30 SEPTEMBER 2016**

	Note	30 September 2016 HK\$'000	30 September 2015 HK\$'000
ASSETS			
Investments with the Exchange Fund		453,728,319	428,720,137
Deposits with banks		1,112,147	1,520,333
Cash and bank balances		3,650,953	1,869,332
Advances		2,722,564	2,721,311
		461,213,983	434,831,113
LIABILITIES			
Deposits		(16,500,066)	(15,904,566)
Suspense Accounts		(31,069)	(40,623)
		(16,531,135)	(15,945,189)
		444,682,848	418,885,924
Representing:			
GENERAL REVENUE BALANCE			
Balance at beginning of period		508,486,156	478,855,628
Deficit for the period		(63,803,308)	(59,969,704)
Balance at end of period	1	444,682,848	418,885,924

Note :

1. The balance includes HK\$4,800 million held in the name of Future Fund as from 1 July 2016 for long-term investments initially up to 31 December 2025.

The Treasury
The Government of the Hong Kong
Special Administrative Region
26 October 2016

Martin SIU
Director of Accounting Services

**GENERAL REVENUE ACCOUNT
STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE PERIOD FROM 1 APRIL 2016 TO 30 SEPTEMBER 2016**

	6 Months Ended 30 September 2016 Note	6 Months Ended 30 September 2015
	HK\$'000	HK\$'000
Cash and bank balances at beginning of period	3,279,897	3,106,602
Revenue (Schedule 1)	122,830,291	110,734,499
Expenditure (Schedule 2)	(186,633,599)	(170,704,203)
Deficit for the period	(63,803,308)	(59,969,704)
Other cash movements	1 64,174,364	58,732,434
Cash and bank balances at end of period	3,650,953	1,869,332

Note:

1. These transactions which affect the cash and bank balances arise from changes in other assets and liabilities.

The Treasury
The Government of the Hong Kong
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26 October 2016

Martin SIU
Director of Accounting Services

GENERAL REVENUE ACCOUNT
SCHEDULE OF REVENUE
FOR THE PERIOD FROM 1 APRIL 2016 TO 30 SEPTEMBER 2016

Head of Revenue	Original Estimate 2016-17 HK\$'000	6 Months Ended 30 September 2016 HK\$'000	6 Months Ended 30 September 2015 HK\$'000
1 Duties	10,938,819	4,305,383	4,433,804
2 General Rates	19,824,000	10,801,624	7,912,443
3 Internal Revenue			
Profits tax	138,080,000	8,893,227	8,024,207
Salaries tax	60,540,000	7,067,735	7,275,683
Stamp duties	50,000,000	28,144,101	39,823,642
Other internal revenue	30,572,752	12,945,436	12,262,920
	279,192,752	57,050,499	67,386,452
4 Motor Vehicle Taxes	9,864,577	3,998,745	4,893,278
5 Fines, Forfeitures and Penalties	1,229,125	754,301	696,677
6 Royalties and Concessions	10,670,684	8,540,298	1,297,653
7 Properties and Investments			
Income from Investments with the Exchange Fund	-	-	-
Others	-	21,206,254	11,181,256
	45,914,727	21,206,254	11,181,256
9 Loans, Reimbursements, Contributions and Other Receipts	27,637,877	7,811,907	3,080,909
10 Utilities	4,121,446	2,125,517	1,998,788
11 Fees and Charges	12,618,917	6,235,763	7,853,239
Total Revenue	<u>422,012,924</u>	<u>122,830,291</u>	<u>110,734,499</u>

GENERAL REVENUE ACCOUNT
SCHEDULE OF EXPENDITURE
FOR THE PERIOD FROM 1 APRIL 2016 TO 30 SEPTEMBER 2016

Head of Expenditure	Original Estimate 2016-17	6 Months Ended 30 September 2016	6 Months Ended 30 September 2015
	HK\$'000	HK\$'000	HK\$'000
21 Chief Executive's Office	110,502	53,401	51,955
22 Agriculture, Fisheries and Conservation Department	1,318,098	551,683	527,840
25 Architectural Services Department	1,975,984	1,010,319	971,810
24 Audit Commission	161,137	82,467	78,848
23 Auxiliary Medical Service	99,060	39,240	38,473
82 Buildings Department	1,308,654	640,375	580,509
26 Census and Statistics Department	768,519	439,166	330,043
27 Civil Aid Service	106,387	45,747	46,534
28 Civil Aviation Department	945,666	415,651	416,703
33 Civil Engineering and Development Department	2,607,215	1,139,486	1,062,293
30 Correctional Services Department	3,655,769	1,811,854	1,760,372
31 Customs and Excise Department	3,432,065	1,691,632	1,567,774
37 Department of Health	7,790,054	3,485,327	3,200,996
92 Department of Justice	2,240,887	694,917	697,969
39 Drainage Services Department	2,570,653	1,254,801	1,136,254
42 Electrical and Mechanical Services Department	489,448	206,210	205,000
44 Environmental Protection Department	5,487,145	2,180,925	2,583,792
45 Fire Services Department	5,597,598	2,583,543	2,462,834
49 Food and Environmental Hygiene Department	6,401,904	2,914,619	2,706,963
46 General Expenses of the Civil Service	3,507,673	1,553,879	1,457,354
166 Government Flying Service	577,612	241,618	531,569
48 Government Laboratory	464,970	206,813	210,294
59 Government Logistics Department	602,467	291,897	306,697
51 Government Property Agency	1,942,685	908,416	901,066
143 Government Secretariat: Civil Service Bureau	578,897	269,188	256,654
152 Government Secretariat: Commerce and Economic Development Bureau (Commerce, Industry and Tourism Branch)	2,081,992	895,504	822,338
55 Government Secretariat: Commerce and Economic Development Bureau (Communications and Creative Industries Branch)	414,369	152,764	123,812
144 Government Secretariat: Constitutional and Mainland Affairs Bureau	607,974	255,953	274,905
138 Government Secretariat: Development Bureau (Planning and Lands Branch)	318,303	95,650	92,796
159 Government Secretariat: Development Bureau (Works Branch)	416,940	180,843	202,368
156 Government Secretariat: Education Bureau	53,184,149	26,471,515	25,360,488
137 Government Secretariat: Environment Bureau	77,841	36,770	36,327
148 Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)	765,513	602,796	103,535
147 Government Secretariat: Financial Services and the Treasury Bureau (The Treasury Branch)	373,588	180,700	236,624
139 Government Secretariat: Food and Health Bureau (Food Branch)	147,914	31,020	30,776
140 Government Secretariat: Food and Health Bureau (Health Branch)	52,238,020	26,963,861	26,003,635
53 Government Secretariat: Home Affairs Bureau	1,841,596	683,125	702,103
135 Government Secretariat: Innovation and Technology Bureau	43,379	17,278	-
155 Government Secretariat: Innovation and Technology Commission	588,346	273,461	279,712
141 Government Secretariat: Labour and Welfare Bureau	807,521	470,718	443,044
47 Government Secretariat: Office of the Government Chief Information Officer	743,371	303,986	306,588
142 Government Secretariat: Offices of the Chief Secretary for Administration and the Financial Secretary	957,957	412,112	373,255
96 Government Secretariat: Overseas Economic and Trade Offices	391,552	129,502	129,325
151 Government Secretariat: Security Bureau	480,555	167,977	143,935
158 Government Secretariat: Transport and Housing Bureau (Transport Branch)	278,824	101,300	93,468

GENERAL REVENUE ACCOUNT
SCHEDULE OF EXPENDITURE
FOR THE PERIOD FROM 1 APRIL 2016 TO 30 SEPTEMBER 2016

Head of Expenditure	Original Estimate 2016-17	6 Months Ended 30 September 2016	6 Months Ended 30 September 2015
	HK\$'000	HK\$'000	HK\$'000
60 Highways Department	2,915,194	1,326,829	1,265,387
63 Home Affairs Department	2,393,355	1,072,826	1,040,327
168 Hong Kong Observatory	292,276	130,850	131,241
122 Hong Kong Police Force	17,303,546	8,714,519	8,268,320
62 Housing Department	287,616	143,558	1,284,060
70 Immigration Department	4,268,122	2,032,755	1,989,497
72 Independent Commission Against Corruption	1,011,622	498,772	475,280
121 Independent Police Complaints Council	62,263	30,956	26,391
74 Information Services Department	457,589	203,928	198,402
76 Inland Revenue Department	1,506,385	744,250	710,055
78 Intellectual Property Department	147,456	65,731	64,158
79 Invest Hong Kong	128,235	56,555	56,784
174 Joint Secretariat for the Advisory Bodies on Civil Service and Judicial Salaries and Conditions of Service	29,211	14,705	15,565
80 Judiciary	1,587,460	706,188	651,561
90 Labour Department	1,947,292	896,574	886,902
91 Lands Department	2,357,013	1,154,614	1,113,125
94 Legal Aid Department	1,007,656	556,282	463,987
112 Legislative Council Commission	850,107	477,290	399,657
95 Leisure and Cultural Services Department	8,372,380	3,566,672	3,558,771
100 Marine Department	1,310,704	566,324	558,160
106 Miscellaneous Services	25,092,749	49,936	72,679
180 Office for Film, Newspaper and Article Administration	46,865	20,977	19,517
114 Office of The Ombudsman	110,820	55,410	53,610
116 Official Receiver's Office	190,582	84,723	76,205
120 Pensions	33,046,690	17,327,832	15,707,051
118 Planning Department	657,196	312,582	303,067
136 Public Service Commission Secretariat	25,016	12,099	11,411
160 Radio Television Hong Kong	978,448	397,506	359,136
162 Rating and Valuation Department	513,650	248,036	237,353
163 Registration and Electoral Office	1,114,285	272,312	138,499
169 Secretariat, Commissioner on Interception of Communications and Surveillance	20,126	8,894	11,190
170 Social Welfare Department	61,631,797	33,905,721	34,554,553
181 Trade and Industry Department	775,651	340,762	355,996
186 Transport Department	2,858,507	1,206,644	1,116,693
188 Treasury	376,380	173,423	165,350
190 University Grants Committee	17,966,125	9,032,836	8,592,668
194 Water Supplies Department	7,923,917	4,026,664	3,964,328
173 Working Family and Student Financial Assistance Agency	8,270,472	2,193,055	1,877,637
	<u>381,333,511</u>	<u>175,769,599</u>	<u>170,624,203</u>
184 Transfers to Funds	44,864,000	10,864,000	80,000
Total Expenditure	<u>426,197,511</u>	<u>186,633,599</u>	<u>170,704,203</u>

**CAPITAL WORKS RESERVE FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT 30 SEPTEMBER 2016**

	Note	30 September 2016 HK\$'000	30 September 2015 HK\$'000
ASSETS			
Investments with the Exchange Fund		53,584,497	67,085,106
Cash and bank balances		23,473	3,076,587
Advances		45,443	54,268
		53,653,413	70,215,961
LIABILITIES			
	1		
Deposits		(1,791,325)	(1,717,871)
		51,862,088	68,498,090
Representing:			
FUND BALANCE			
Balance at beginning of period		58,170,386	76,362,444
Deficit for the period		(6,308,298)	(7,864,354)
Balance at end of period		51,862,088	68,498,090

Note :

1. The liabilities do not include the outstanding institutional notes totalling HK\$1,500 million issued in July 2004 under section 3(1) of the Loans Ordinance (Cap. 61). The outstanding institutional notes were denominated in Hong Kong dollars with maturity in July 2019. During the financial year up to 30 September 2016, there were payments of interest of HK\$38 million on the notes but no repayment of principal.

The Treasury
The Government of the Hong Kong
Special Administrative Region
26 October 2016

Martin SIU
Director of Accounting Services

**CAPITAL WORKS RESERVE FUND
STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE PERIOD FROM 1 APRIL 2016 TO 30 SEPTEMBER 2016**

	6 Months Ended 30 September 2016 HKS'000	6 Months Ended 30 September 2015 HK\$'000
Cash and bank balances at beginning of period	952	4,101
Receipts (Schedule 1)	32,721,569	29,961,335
Payments (Schedule 2)	(39,029,867)	(37,825,689)
Deficit for the period	(6,308,298)	(7,864,354)
Other cash movements	1 6,330,819	10,936,840
Cash and bank balances at end of period	23,473	3,076,587

Note :

- These transactions which affect the cash and bank balances arise from changes in other assets and liabilities.

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26 October 2016

Martin SIU
Director of Accounting Services

CAPITAL WORKS RESERVE FUND
SCHEDULE OF RECEIPTS
FOR THE PERIOD FROM 1 APRIL 2016 TO 30 SEPTEMBER 2016

	Original Estimate 2016-17 HK\$'000	6 Months Ended 30 September 2016 HK\$'000	6 Months Ended 30 September 2015 HK\$'000
Land premium			
Sales by public auction and tender	-	25,505,854	18,320,674
Private treaty grants	-	1,188,217	1,412,789
Modification of existing leases, exchanges and extensions	-	5,495,436	9,760,540
Fees received in respect of short term waivers	-	452,359	454,035
	67,000,000	32,641,866	29,948,038
Investment income			
Investments with the Exchange Fund	-	-	-
Others	-	1,304	929
	2,135,000	1,304	929
Transfer from General Revenue	25,000,000	-	-
Other receipts			
Donations and contributions	66,694	2,324	713
Others	-	76,075	11,655
	66,694	78,399	12,368
	<u>94,201,694</u>	<u>32,721,569</u>	<u>29,961,335</u>

CAPITAL WORKS RESERVE FUND
SCHEDULE OF PAYMENTS
FOR THE PERIOD FROM 1 APRIL 2016 TO 30 SEPTEMBER 2016

	Original Estimate 2016-17 HK\$'000	6 Months Ended 30 September 2016 HK\$'000	6 Months Ended 30 September 2015 HK\$'000
Land acquisition	2,737,935	140,985	332,388
Public Works Programme			
Port and airport development	1,000	999	991
Buildings	8,180,240	4,231,619	4,223,705
Drainage	2,839,773	1,683,217	2,092,816
Civil engineering	7,378,858	3,563,869	2,549,566
Highways	43,787,761	22,334,018	23,016,081
New towns and urban area development	4,198,813	2,051,565	1,291,964
Waterworks	3,507,234	1,622,515	1,775,990
Housing	907,322	227,120	266,414
	70,801,001	35,714,922	35,217,527
Capital subventions and major systems and equipment			
Capital subventions	7,745,972	2,555,343	1,580,176
Major systems and equipment	939,800	99,168	156,124
	8,685,772	2,654,511	1,736,300
Computerisation	2,244,622	469,366	498,105
Government bonds and notes issued in July 2004			
Repayment	-	-	-
Interest and other expenses	76,671	38,335	38,124
	76,671	38,335	38,124
Other payments			
Refund of overpayment of land premium	-	11,748	3,245
	<u>84,546,001</u>	<u>39,029,867</u>	<u>37,825,689</u>

**CAPITAL INVESTMENT FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT 30 SEPTEMBER 2016**

	30 September 2016 HK\$'000	30 September 2015 HK\$'000
ASSETS		
Investments (Schedule 1)		
Equity holdings	124,795,346	123,905,223
Other investments	465,913,116	454,316,039
	590,708,462	578,221,262
Loans (Schedule 1)	1,522,706	1,851,808
	592,231,168	580,073,070
Current Assets		
Investments with the Exchange Fund	2,527,017	1,681,267
Cash and bank balances	-	1
	2,527,017	1,681,268
	594,758,185	581,754,338
Representing:		
TOTAL FUND BALANCE		
Applied Fund	592,231,168	580,073,070
Available Fund		
Balance at beginning of period	2,835,101	1,443,088
(Deficit)/Surplus for the period	(308,084)	238,180
Balance at end of period	2,527,017	1,681,268
	594,758,185	581,754,338

The Treasury
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26 October 2016

Martin SIU
Director of Accounting Services

**CAPITAL INVESTMENT FUND
STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE PERIOD FROM 1 APRIL 2016 TO 30 SEPTEMBER 2016**

	6 Months Ended 30 September 2016 HK\$'000	6 Months Ended 30 September 2015 HK\$'000
Cash and bank balances at beginning of period	1	1
Receipts (Schedule 2)	290,635	238,180
Payments (Schedule 2)	(598,719)	-
(Deficit)/Surplus for the period	(308,084)	238,180
Other cash movements	1	1
	308,083	(238,180)
Cash and bank balances at end of period	-	1

Note :

1. These transactions which affect the cash and bank balances arise from changes in other assets and liabilities.

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26 October 2016

Martin SIU
Director of Accounting Services

CAPITAL INVESTMENT FUND
SCHEDULE OF INVESTMENTS AND LOANS
AS AT 30 SEPTEMBER 2016

INVESTMENTS	Balance at	Acquisitions		Disposal/	Balance at	Balance at	
	1.4.2016	Payments	Others	Refund	30.9.2016	30.9.2015	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
Equity Holdings							
Shares in							
Airport Authority	30,648,000	-	-	-	30,648,000	30,648,000	
Asian Development Bank	162,338	-	-	-	162,338	144,984	
Hong Kong Science and Technology Parks Corporation	4,148,000	-	-	-	4,148,000	4,148,000	
Hongkong International Theme Parks Ltd.	14,296,863	-	-	-	14,296,863	13,424,094	
IEC Holdings Ltd.	2,000,000	-	-	-	2,000,000	2,000,000	
Kowloon-Canton Railway Corporation	39,120,000	-	-	-	39,120,000	39,120,000	
MTR Corporation Ltd.	34,188,895	-	-	-	34,188,895	34,188,895	
New Hong Kong Tunnel Company Ltd.	56,250	-	-	-	56,250	56,250	
The Applied Research Council	175,000	-	-	-	175,000	175,000	
	<u>124,795,346</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>124,795,346</u>	<u>123,905,223</u>	
Other Investments							
Capital investment in							
Hong Kong Housing Authority	452,636,356	-	-	-	452,636,356	441,039,279	
Urban Renewal Authority	10,000,000	-	-	-	10,000,000	10,000,000	
Trading Funds	3,276,760	-	-	-	3,276,760	3,276,760	
	<u>465,913,116</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>465,913,116</u>	<u>454,316,039</u>	
Total	<u>590,708,462</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>590,708,462</u>	<u>578,221,262</u>	
LOANS							
	Balance at	Loans Issued		Loans Discharged		Balance at	Balance at
	1.4.2016	Payments	Others	Repayments	Others	30.9.2016	30.9.2015
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Hongkong International Theme Parks Ltd.	325,125	598,719	6,533	-	-	930,377	1,165,214
Hong Kong Science and Technology Parks Corporation	592,329	-	-	-	-	592,329	686,594
Total	<u>917,454</u>	<u>598,719</u>	<u>6,533</u>	<u>-</u>	<u>-</u>	<u>1,522,706</u>	<u>1,851,808</u>

CAPITAL INVESTMENT FUND
SCHEDULE OF RECEIPTS AND PAYMENTS
FOR THE PERIOD FROM 1 APRIL 2016 TO 30 SEPTEMBER 2016

	Original Estimate 2016-17 HK\$'000	6 Months Ended 30 September 2016 HK\$'000	6 Months Ended 30 September 2015 HK\$'000
RECEIPTS			
Dividends, interest and other receipts from investments/loans	1,229,302	290,635	238,180
Loan repayments	94,327	-	-
Investment income Investments with the Exchange Fund	82,000	-	-
Transfer from General Revenue	9,000,000	-	-
	<u>10,405,629</u>	<u>290,635</u>	<u>238,180</u>
PAYMENTS			
Acquisition of investments Equity holdings	17,525	-	-
Loan payments (Schedule 1)	1,662,118	598,719	-
Additional Commitments	9,476,000	-	-
	<u>11,155,643</u>	<u>598,719</u>	<u>-</u>

**CIVIL SERVICE PENSION RESERVE FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT 30 SEPTEMBER 2016**

	30 September 2016 HK\$'000	30 September 2015 HK\$'000
ASSETS		
Investments with the Exchange Fund	<u>30,928,846</u>	<u>27,028,846</u>
Representing:		
FUND BALANCE		
Balance at beginning of period	27,128,846	27,028,846
Surplus for the period	<u>3,800,000</u>	<u>-</u>
Balance at end of period	<u>30,928,846</u>	<u>27,028,846</u>

The Treasury
The Government of the Hong Kong
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Martin SIU
Director of Accounting Services

**CIVIL SERVICE PENSION RESERVE FUND
STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE PERIOD FROM 1 APRIL 2016 TO 30 SEPTEMBER 2016**

	6 Months Ended 30 September 2016 HK\$'000	6 Months Ended 30 September 2015 HK\$'000
Cash and bank balances at beginning of period	-	-
Receipts (Schedule 1)	3,800,000	-
Payments	-	-
Surplus for the period	3,800,000	-
Other cash movements	1 <u>(3,800,000)</u>	<u>-</u>
Cash and bank balances at end of period	<u>-</u>	<u>-</u>

Note :

1. These transactions which affect the cash and bank balances arise from changes in other assets and liabilities.

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Martin SIU
Director of Accounting Services

CIVIL SERVICE PENSION RESERVE FUND
SCHEDULE OF RECEIPTS
FOR THE PERIOD FROM 1 APRIL 2016 TO 30 SEPTEMBER 2016

	Original Estimate 2016-17 HK\$'000	6 Months Ended 30 September 2016 HK\$'000	6 Months Ended 30 September 2015 HK\$'000
RECEIPTS			
Investment income			
Investments with the Exchange Fund	989,000	-	-
Transfer from General Revenue	<u>3,800,000</u>	<u>3,800,000</u>	<u>-</u>
	<u>4,789,000</u>	<u>3,800,000</u>	<u>-</u>

**DISASTER RELIEF FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT 30 SEPTEMBER 2016**

	30 September 2016 HK\$'000	30 September 2015 HK\$'000
ASSETS		
Investments with the Exchange Fund	<u>35,802</u>	<u>19,922</u>
Representing:		
FUND BALANCE		
Balance at beginning of period	14,539	15,584
Surplus for the period	<u>21,263</u>	<u>4,338</u>
Balance at end of period	<u>35,802</u>	<u>19,922</u>

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Martin SIU
Director of Accounting Services

DISASTER RELIEF FUND
STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE PERIOD FROM 1 APRIL 2016 TO 30 SEPTEMBER 2016

	6 Months Ended 30 September 2016 HK\$'000	6 Months Ended 30 September 2015 HK\$'000
Cash and bank balances at beginning of period	-	-
Receipts (Schedule 1)	64,347	80,462
Payments (Schedule 1)	(43,084)	(76,124)
Surplus for the period	21,263	4,338
Other cash movements	1 <u>(21,263)</u>	<u>(4,338)</u>
Cash and bank balances at end of period	<u>-</u>	<u>-</u>

Note :

1. These transactions which affect the cash and bank balances arise from changes in other assets and liabilities.

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Martin SIU
Director of Accounting Services

DISASTER RELIEF FUND
SCHEDULE OF RECEIPTS AND PAYMENTS
FOR THE PERIOD FROM 1 APRIL 2016 TO 30 SEPTEMBER 2016

	Original Estimate 2016-17 HK\$'000	6 Months Ended 30 September 2016 HK\$'000	6 Months Ended 30 September 2015 HK\$'000
RECEIPTS			
Investment income			
Investments with the Exchange Fund	2,000	-	-
Transfer from General Revenue	64,000	64,000	80,000
Refund of grants	-	347	462
	<u>66,000</u>	<u>64,347</u>	<u>80,462</u>
PAYMENTS			
Relief programmes for			
flood victims in the Mainland	-	16,760	-
earthquake victims in Ecuador	-	6,202	-
cyclone victims in Bangladesh	-	5,322	-
flood victims in India	-	4,836	3,000
drought victims in India	-	3,877	-
cyclone victims in Sri Lanka	-	3,451	-
cyclone victims in Fiji	-	2,636	-
earthquake victims in Nepal	-	-	66,774
cyclone victims in Vanuatu	-	-	3,920
flood victims in Myanmar	-	-	2,430
	<u>-</u>	<u>43,084</u>	<u>76,124</u>

**INNOVATION AND TECHNOLOGY FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT 30 SEPTEMBER 2016**

	30 September 2016 HK\$'000	30 September 2015 HK\$'000
ASSETS		
Investments with the Exchange Fund	6,393,025	438,230
Cash and bank balances	<u>883</u>	<u>420</u>
	<u><u>6,393,908</u></u>	<u><u>438,650</u></u>
 Representing:		
FUND BALANCE		
Balance at beginning of period	41,744	987,397
Surplus/(Deficit) for the period	<u>6,352,164</u>	<u>(548,747)</u>
Balance at end of period	<u><u>6,393,908</u></u>	<u><u>438,650</u></u>

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Martin SIU
Director of Accounting Services

**INNOVATION AND TECHNOLOGY FUND
STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE PERIOD FROM 1 APRIL 2016 TO 30 SEPTEMBER 2016**

	6 Months Ended 30 September 2016 HK\$'000	6 Months Ended 30 September 2015 HK\$'000
Cash and bank balances at beginning of period	1	183
Receipts (Schedule 1)	7,023,161	36,281
Payments (Schedule 1)	(670,997)	(585,028)
Surplus/(Deficit) for the period	6,352,164	(548,747)
Other cash movements	1	548,984
Cash and bank balances at end of period	883	420

Note :

1. These transactions which affect the cash and bank balances arise from changes in other assets and liabilities.

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Director of Accounting Services

INNOVATION AND TECHNOLOGY FUND
SCHEDULE OF RECEIPTS AND PAYMENTS
FOR THE PERIOD FROM 1 APRIL 2016 TO 30 SEPTEMBER 2016

	Original Estimate 2016-17 HK\$'000	6 Months Ended 30 September 2016 HK\$'000	6 Months Ended 30 September 2015 HK\$'000
RECEIPTS			
Investment income			
Investments with the Exchange Fund	-	-	-
Others	-	473	1,519
	112,000	473	1,519
Net income from projects	8,974	2,015	2,171
Refund of grants	-	20,673	32,591
Transfer from General Revenue	5,000,000	7,000,000	-
	<u>5,120,974</u>	<u>7,023,161</u>	<u>36,281</u>
PAYMENTS			
Grants	<u>1,257,495</u>	<u>670,997</u>	<u>585,028</u>

**LAND FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT 30 SEPTEMBER 2016**

	Note	30 September 2016 HK\$'000	30 September 2015 HK\$'000
ASSETS			
Investments with the Exchange Fund		<u>219,729,659</u>	<u>219,729,659</u>
 Representing:			
FUND BALANCE			
Balance at beginning of period		219,729,659	219,729,659
Surplus for the period		<u>-</u>	<u>-</u>
Balance at end of period	1	<u>219,729,659</u>	<u>219,729,659</u>

Note :

- i. The fund balance is held in the name of Future Fund as from 1 January 2016 for long-term investments initially up to 31 December 2025.

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Martin SIU
Director of Accounting Services

LAND FUND
STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE PERIOD FROM 1 APRIL 2016 TO 30 SEPTEMBER 2016

	6 Months Ended 30 September 2016 HK\$'000	6 Months Ended 30 September 2015 HK\$'000
Cash and bank balances at beginning of period	-	-
Receipts	-	-
Payments	-	-
Surplus for the period	-	-
Other cash movements	-	-
Cash and bank balances at end of period	-	-

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Martin SIU
Director of Accounting Services

LOAN FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT 30 SEPTEMBER 2016

	30 September 2016 HK\$'000	30 September 2015 HK\$'000
ASSETS		
Loans Outstanding (Schedule 1)		
Housing loans	3,027,754	3,048,844
Education loans	16,671,143	15,877,004
Other loans	4,566,176	4,121,907
	24,265,073	23,047,755
Net Current Assets		
Current Assets		
Investments with the Exchange Fund	4,452,013	2,396,909
Cash and bank balances	58,467	51,954
	4,510,480	2,448,863
Current Liabilities		
Deposits	(19,128)	(15,405)
	4,491,352	2,433,458
	28,756,425	25,481,213
Representing:		
TOTAL FUND BALANCE		
Applied Fund	24,265,073	23,047,755
Available Fund		
Balance at beginning of period	4,467,533	2,471,882
Surplus/(Deficit) for the period	23,819	(38,424)
Balance at end of period	4,491,352	2,433,458
	28,756,425	25,481,213

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LOAN FUND
STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE PERIOD FROM 1 APRIL 2016 TO 30 SEPTEMBER 2016

	6 Months Ended 30 September 2016 HK\$'000	6 Months Ended 30 September 2015 HK\$'000
Cash and bank balances at beginning of period	15,067	17,057
Receipts (Schedule 2)	1,044,201	1,099,061
Payments (Schedule 2)	(1,020,382)	(1,137,485)
Surplus/(Deficit) for the period	23,819	(38,424)
Other cash movements	1 <u>19,581</u>	<u>73,321</u>
Cash and bank balances at end of period	<u><u>58,467</u></u>	<u><u>51,954</u></u>

Note :

1. These transactions which affect the cash and bank balances arise from changes in other assets and liabilities.

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LOAN FUND
SCHEDULE OF LOANS
AS AT 30 SEPTEMBER 2016

	Balance at 1.4.2016 HK\$'000	Loans Issued		Loans Discharged			Balance at 30.9.2016 HK\$'000	Balance at 30.9.2015 HK\$'000
		Capitalised		Repayments	Write-off	Proceeds from sale of loans		
		Payments	Interest					
Housing Loans	3,122,638	99,506	42	(24,763)	(83)	(169,586)	3,027,754	3,048,844
Education Loans								
Loans to schools/ teachers	4,977,158	86,000	-	(90,655)	-	-	4,972,503	4,934,474
Loans to students	11,786,766	540,109	-	(627,038)	(1,197)	-	11,698,640	10,942,530
Total	16,763,924	626,109	-	(717,693)	(1,197)	-	16,671,143	15,877,004
Other Loans								
Building safety	155,463	21,176	-	(21,606)	-	-	155,033	158,883
Labour	251	75	-	(50)	-	-	276	157
Primary products	546,521	148,516	-	(34,546)	-	-	660,491	491,066
Small and medium enterprises	100,041	-	-	(62)	-	-	99,979	100,117
Tourism	2,638,199	125,000	59,798	-	-	-	2,822,997	2,426,084
Water supply	827,400	-	-	-	-	-	827,400	945,600
Total	4,267,875	294,767	59,798	(56,264)	-	-	4,566,176	4,121,907
Grand Total	24,154,437	1,020,382	59,840	(798,720)	(1,280)	(169,586)	24,265,073	23,047,755

LOAN FUND
SCHEDULE OF RECEIPTS AND PAYMENTS
FOR THE PERIOD FROM 1 APRIL 2016 TO 30 SEPTEMBER 2016

	Original Estimate 2016-17 HK\$'000	6 Months Ended 30 September 2016 HK\$'000	6 Months Ended 30 September 2015 HK\$'000
RECEIPTS			
Loan repayments (Schedule 1)			
Housing loans	46,944	24,763	10,167
Education loans	1,775,331	717,693	709,076
Other loans	255,309	56,264	91,414
	2,077,584	798,720	810,657
Interest on loans	131,267	73,366	77,061
Investment income			
Investments with the Exchange Fund	-	-	-
Others	-	1	1
	93,000	1	1
Surcharges on overdue loan repayments	4,130	2,502	2,057
Proceeds from sale of loans	224,500	169,586	209,279
Repayments waived now recovered	-	1	1
Others	-	25	5
Transfer from General Revenue	2,000,000	-	-
	<u>4,530,481</u>	<u>1,044,201</u>	<u>1,099,061</u>
PAYMENTS			
Loan payments (Schedule 1)			
Housing loans	276,700	99,506	147,082
Education loans	2,423,592	626,109	635,013
Other loans	3,990,220	294,767	355,390
	<u>6,690,512</u>	<u>1,020,382</u>	<u>1,137,485</u>

**LOTTERIES FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT 30 SEPTEMBER 2016**

	30 September 2016 HK\$'000	30 September 2015 HK\$'000
ASSETS		
Investments with the Exchange Fund	22,133,154	21,878,549
LIABILITIES		
Deposits	<u>(3,438)</u>	<u>(2,632)</u>
	<u>22,129,716</u>	<u>21,875,917</u>
Representing:		
FUND BALANCE		
Balance at beginning of period	22,013,671	21,619,590
Surplus for the period	<u>116,045</u>	<u>256,327</u>
Balance at end of period	<u>22,129,716</u>	<u>21,875,917</u>

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Martin SIU
Director of Accounting Services

LOTTERIES FUND
STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE PERIOD FROM 1 APRIL 2016 TO 30 SEPTEMBER 2016

	6 Months Ended 30 September 2016 HK\$'000	6 Months Ended 30 September 2015 HK\$'000
Cash and bank balances at beginning of period	-	1
Receipts (Schedule 1)	712,227	634,873
Payments (Schedule 1)	(596,182)	(378,546)
Surplus for the period	116,045	256,327
Other cash movements	1 <u>(116,045)</u>	<u>(256,328)</u>
Cash and bank balances at end of period	<u>-</u>	<u>-</u>

Note :

1. These transactions which affect the cash and bank balances arise from changes in other assets and liabilities.

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Director of Accounting Services

LOTTERIES FUND
SCHEDULE OF RECEIPTS AND PAYMENTS
FOR THE PERIOD FROM 1 APRIL 2016 TO 30 SEPTEMBER 2016

	Original Estimate 2016-17 HK\$'000	6 Months Ended 30 September 2016 HK\$'000	6 Months Ended 30 September 2015 HK\$'000
RECEIPTS			
Mark Six Lottery	1,203,182	668,165	577,009
Investment income			
Investments with the Exchange Fund	718,000	-	-
Net proceeds of auctions of vehicle registration marks	58,792	44,062	53,484
Donations	8,576	-	4,288
Refund of grants	-	-	92
	<u>1,988,550</u>	<u>712,227</u>	<u>634,873</u>
PAYMENTS			
Grants	1,630,750	596,182	378,546
Additional commitments	<u>257,664</u>	-	-
	<u>1,888,414</u>	<u>596,182</u>	<u>378,546</u>

BOND FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT 30 SEPTEMBER 2016

	Note	30 September 2016 HK\$'000	30 September 2015 HK\$'000
ASSETS			
Investments with the Exchange Fund		132,360,709	125,440,961
LIABILITIES			
Deposits	1	(2,257)	-
		132,358,452	125,440,961
 Representing:			
FUND BALANCE			
Balance at beginning of period		128,411,794	120,057,649
Surplus for the period		3,946,658	5,383,312
Balance at end of period		132,358,452	125,440,961

Note :

- This statement does not include the liabilities in respect of the outstanding bonds with nominal value of HK\$105,297 million and alternative bonds with nominal value of US\$2,000 million (equivalent to HK\$15,513 million as at 30 September 2016) issued for the purposes of the Bond Fund under section 3(1) of the Loans Ordinance (Cap. 61). Of these bonds (including Silver Bonds with nominal value of HK\$2,997 million, which may be redeemed before maturity upon request from bond holders), bonds with nominal value of HK\$23,500 million will mature within the period from October 2016 to September 2017, and the rest within the period from October 2017 to July 2030.

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Martin SIU
Director of Accounting Services

BOND FUND
STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE PERIOD FROM 1 APRIL 2016 TO 30 SEPTEMBER 2016

	6 Months Ended 30 September 2016 HK\$'000	6 Months Ended 30 September 2015 HK\$'000
Cash and bank balances at beginning of period	-	-
Receipts (Schedule 1)	21,515,482	23,077,136
Payments (Schedule 1)	(17,568,824)	(17,693,824)
Surplus for the period	3,946,658	5,383,312
Other cash movements	1 <u>(3,946,658)</u>	<u>(5,383,312)</u>
Cash and bank balances at end of period	<u>-</u>	<u>-</u>

Note :

1. These transactions which affect the cash and bank balances arise from changes in other assets and liabilities.

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Martin SIU
Director of Accounting Services

BOND FUND
SCHEDULE OF RECEIPTS AND PAYMENTS
FOR THE PERIOD FROM 1 APRIL 2016 TO 30 SEPTEMBER 2016

	Original Estimate 2016-17 HK\$'000	6 Months Ended 30 September 2016 HK\$'000	6 Months Ended 30 September 2015 HK\$'000
RECEIPTS			
Proceeds from bonds issued under			
Tender or subscription	32,300,000	21,515,341	15,324,417
Switch tender	800,000	-	-
Bond swap facility	1,000,000	-	-
	34,100,000	21,515,341	15,324,417
Proceeds from issuance of alternative bonds	-	-	7,752,600
Investment income			
Investments with the Exchange Fund	-	-	-
Others	-	141	119
	4,200,000	141	119
	<u>38,300,000</u>	<u>21,515,482</u>	<u>23,077,136</u>
PAYMENTS			
Repayment of bonds issued under			
Tender or subscription	27,000,000	16,503,180	16,500,000
Switch tender	800,000	-	-
Bond swap facility	1,000,000	-	-
	28,800,000	16,503,180	16,500,000
Interest payment for bonds	2,104,459	881,658	1,091,131
Periodic distribution payments for alternative bonds	304,122	151,336	77,695
Others	41,210	32,650	24,998
	<u>31,249,791</u>	<u>17,568,824</u>	<u>17,693,824</u>

Notes:

- Bonds with nominal value totalling HK\$8,300 million were issued to institutional investors through tender, and bonds with nominal value totalling HK\$13,000 million were issued to retail investors through subscription during the period.
- Bonds with nominal value totalling HK\$6,500 million issued through tender, and bonds with nominal value totalling HK\$10,003 million issued through subscription were repaid during the period.