

**CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES
AS AT 30 SEPTEMBER 2017**

	Note	30 September 2017 HK\$'000	30 September 2016 HK\$'000
ASSETS	2		
Investments with the Exchange Fund		979,911,787	793,512,332
Deposits with banks		411,787	1,112,147
Cash and bank balances		3,213,303	3,733,776
Advances		2,619,514	2,768,007
		986,156,391	801,126,262
LIABILITIES	3		
Deposits		(19,723,010)	(18,313,957)
Suspense Accounts		(53,886)	(31,069)
		(19,776,896)	(18,345,026)
		966,379,495	782,781,236
Representing:			
CONSOLIDATED FUND BALANCE			
Balance at beginning of period		953,960,342	842,887,635
Surplus/(Deficit) for the period		<u>12,419,153</u>	<u>(60,106,399)</u>
Balance at end of period	4	<u>966,379,495</u>	<u>782,781,236</u>

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. Where applicable, the statements of assets and liabilities have taken into account adjustments made to the accounts for the year 2016-17.
- The assets do not include the investments and loans totalling HK\$632,233 million in the Capital Investment Fund and the loans of HK\$26,764 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 2017, 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.

**CONSOLIDATED STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE PERIOD FROM 1 APRIL 2017 TO 30 SEPTEMBER 2017**

	6 Months Ended 30 September 2017 HK\$'000	6 Months Ended 30 September 2016 HK\$'000
Cash and bank balances at beginning of period	4,357,692	3,295,918
Revenue (Schedule 1)	2, 3 234,074,781	157,622,431
Expenditure (Schedule 2)	2, 4 (221,655,628)	(217,728,830)
Surplus/(Deficit) for the period before repayment of government bonds and notes (Schedule 3)	12,419,153	(60,106,399)
Repayment of government bonds and notes	-	-
Surplus/(Deficit) for the period after repayment of government bonds and notes (Schedule 3)	12,419,153	(60,106,399)
Other cash movements	5 (13,563,542)	60,544,257
Cash and bank balances at end of period	<u>3,213,303</u>	<u>3,733,776</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\$2,350 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
31 October 2017

Martin SIU
Director of Accounting Services

CONSOLIDATED STATEMENT OF RECEIPTS AND PAYMENTS
SCHEDULE OF REVENUE
FOR THE PERIOD FROM 1 APRIL 2017 TO 30 SEPTEMBER 2017

	Original Estimate 2017-18 HK\$'000	6 Months Ended 30 September 2017 HK\$'000	6 Months Ended 30 September 2016 HK\$'000
Operating revenue			
Internal revenue	286,127,263	66,168,324	57,032,499
Duties	10,933,456	4,687,040	4,305,383
General rates	21,427,000	11,066,321	10,801,624
Motor vehicle taxes	7,705,656	4,359,801	3,998,745
Royalties and concessions	3,195,186	1,689,337	8,399,222
Other operating revenue	50,744,003	31,044,492	32,121,472
Operating revenue before investment income	380,132,564	119,015,315	116,658,945
Investment income			
Investments with the Exchange Fund	-	-	-
Others	-	45,890	72,964
	<u>15,124,000</u>	<u>45,890</u>	<u>72,964</u>
Operating revenue after investment income	395,256,564	119,061,205	116,731,909
Capital revenue			
Land premium	101,000,000	112,052,563	32,641,866
Asset sales	280,966	292,813	169,586
Other capital revenue	6,479,858	2,666,076	8,077,292
Capital revenue before investment income	107,760,824	115,011,452	40,888,744
Investment income			
Investments with the Exchange Fund	-	-	-
Others	-	2,124	1,778
	<u>4,682,000</u>	<u>2,124</u>	<u>1,778</u>
Capital revenue after investment income	112,442,824	115,013,576	40,890,522
Total revenue	<u>507,699,388</u>	<u>234,074,781</u>	<u>157,622,431</u>

CONSOLIDATED STATEMENT OF RECEIPTS AND PAYMENTS
SCHEDULE OF EXPENDITURE
FOR THE PERIOD FROM 1 APRIL 2017 TO 30 SEPTEMBER 2017

	Original Estimate 2017-18 HK\$'000	6 Months Ended 30 September 2017 HK\$'000	6 Months Ended 30 September 2016 HK\$'000
Operating expenditure			
Recurrent expenditure			
Personal emoluments	74,587,866	36,131,724	35,681,913
Personnel related expenses	43,431,104	21,919,868	20,546,177
Departmental expenses	31,753,025	12,959,348	12,433,685
Other charges	78,830,866	33,802,505	33,416,118
Subventions	142,262,158	69,220,314	67,204,843
Additional commitments	100,000	-	-
Total recurrent expenditure	370,965,019	174,033,759	169,282,736
Non-recurrent expenditure	10,183,266	5,094,051	5,155,019
Additional commitments	3,052,000	-	-
Total non-recurrent expenditure	13,235,266	5,094,051	5,155,019
	<u>384,200,285</u>	<u>179,127,810</u>	<u>174,437,755</u>
Capital expenditure			
Capital expenditure other than interest and other expenses on government bonds and notes	107,133,989	42,489,483	43,252,740
Interest and other expenses on government bonds and notes	76,881	38,335	38,335
	<u>107,210,870</u>	<u>42,527,818</u>	<u>43,291,075</u>
Total expenditure	<u><u>491,411,155</u></u>	<u><u>221,655,628</u></u>	<u><u>217,728,830</u></u>

CONSOLIDATED STATEMENT OF RECEIPTS AND PAYMENTS
SCHEDULE OF SURPLUS/(DEFICIT)
FOR THE PERIOD FROM 1 APRIL 2017 TO 30 SEPTEMBER 2017

	Original Estimate 2017-18 HK\$'000	6 Months Ended 30 September 2017 HK\$'000	6 Months Ended 30 September 2016 HK\$'000
Operating account			
Operating revenue	395,256,564	119,061,205	116,731,909
Operating expenditure	(384,200,285)	(179,127,810)	(174,437,755)
Operating deficit	11,056,279	(60,066,605)	(57,705,846)
Capital account			
Capital revenue	112,442,824	115,013,576	40,890,522
Capital expenditure	(107,210,870)	(42,527,818)	(43,291,075)
Capital surplus/(deficit)	5,231,954	72,485,758	(2,400,553)
Surplus/(Deficit) for the period before repayment of government bonds and notes	16,288,233	12,419,153	(60,106,399)
Repayment of government bonds and notes	-	-	-
Surplus/(Deficit) for the period after repayment of government bonds and notes	16,288,233	12,419,153	(60,106,399)

**GENERAL REVENUE ACCOUNT
STATEMENT OF ASSETS AND LIABILITIES
AS AT 30 SEPTEMBER 2017**

	Note	30 September 2017 HK\$'000	30 September 2016 HK\$'000
ASSETS			
Investments with the Exchange Fund		512,079,264	453,728,319
Deposits with banks		411,787	1,112,147
Cash and bank balances		3,143,457	3,650,953
Advances		2,575,682	2,722,564
		518,210,190	461,213,983
LIABILITIES			
Deposits		(17,810,898)	(16,500,066)
Suspense Accounts		(53,886)	(31,069)
		(17,864,784)	(16,531,135)
		500,345,406	444,682,848
Representing:			
GENERAL REVENUE BALANCE			
Balance at beginning of period		563,394,868	508,486,156
Deficit for the period		(63,049,462)	(63,803,308)
Balance at end of period	1	500,345,406	444,682,848

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.
2. This statement has taken into account adjustments made to the accounts for the year 2016-17.

The Treasury
The Government of the Hong Kong
Special Administrative Region
31 October 2017

Martin SIU
Director of Accounting Services

**GENERAL REVENUE ACCOUNT
STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE PERIOD FROM 1 APRIL 2017 TO 30 SEPTEMBER 2017**

	6 Months Ended 30 September 2017 HK\$'000	6 Months Ended 30 September 2016 HK\$'000
Cash and bank balances at beginning of period	4,341,392	3,279,897
Revenue (Schedule 1)	119,784,728	122,830,291
Expenditure (Schedule 2)	(182,834,190)	(186,633,599)
Deficit for the period	(63,049,462)	(63,803,308)
Other cash movements	1	64,174,364
Cash and bank balances at end of period	3,143,457	3,650,953

Note :

- 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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31 October 2017

Martin SIU
Director of Accounting Services

GENERAL REVENUE ACCOUNT
SCHEDULE OF REVENUE
FOR THE PERIOD FROM 1 APRIL 2017 TO 30 SEPTEMBER 2017

Head of Revenue	Original Estimate 2017-18 HK\$'000	6 Months Ended 30 September 2017 HK\$'000	6 Months Ended 30 September 2016 HK\$'000
1 Duties	10,933,456	4,687,040	4,305,383
2 General Rates	21,427,000	11,066,321	10,801,624
3 Internal Revenue			
Profits tax	139,000,000	6,785,798	8,893,227
Salaries tax	61,855,000	8,576,537	7,067,735
Stamp duties	53,000,000	37,751,712	28,144,101
Other internal revenue	32,287,263	13,066,740	12,945,436
	286,142,263	66,180,787	57,050,499
4 Motor Vehicle Taxes	7,705,656	4,359,801	3,998,745
5 Fines, Forfeitures and Penalties	1,433,024	1,142,092	754,301
6 Royalties and Concessions	3,195,186	1,689,337	8,540,298
7 Properties and Investments			
Income from Investments with the Exchange Fund	-	-	-
Others	-	17,966,738	21,206,254
	41,047,102	17,966,738	21,206,254
9 Loans, Reimbursements, Contributions and Other Receipts	4,811,977	2,605,849	7,811,907
10 Utilities	4,232,551	2,179,174	2,125,517
11 Fees and Charges	15,816,572	7,907,589	6,235,763
Total Revenue	<u>396,744,787</u>	<u>119,784,728</u>	<u>122,830,291</u>

GENERAL REVENUE ACCOUNT
SCHEDULE OF EXPENDITURE
FOR THE PERIOD FROM 1 APRIL 2017 TO 30 SEPTEMBER 2017

Head of Expenditure	Original Estimate 2017-18	6 Months Ended 30 September 2017	6 Months Ended 30 September 2016
	HK\$'000	HK\$'000	HK\$'000
21 Chief Executive's Office	117,363	55,189	53,401
22 Agriculture, Fisheries and Conservation Department	1,521,847	589,212	551,683
25 Architectural Services Department	2,042,983	966,436	1,010,319
24 Audit Commission	169,191	84,212	82,467
23 Auxiliary Medical Service	97,935	43,517	39,240
82 Buildings Department	1,382,930	661,837	640,375
26 Census and Statistics Department	665,767	312,686	439,166
27 Civil Aid Service	109,468	49,824	45,747
28 Civil Aviation Department	994,730	403,882	415,651
33 Civil Engineering and Development Department	2,845,479	1,047,090	1,139,486
30 Correctional Services Department	3,839,053	1,849,580	1,811,854
31 Customs and Excise Department	3,652,909	1,621,263	1,691,632
37 Department of Health	8,780,758	3,823,154	3,485,327
92 Department of Justice	1,971,926	704,309	694,917
39 Drainage Services Department	2,636,654	1,289,077	1,254,801
42 Electrical and Mechanical Services Department	668,166	212,320	206,210
44 Environmental Protection Department	6,133,742	2,230,821	2,180,925
45 Fire Services Department	6,049,824	2,645,055	2,583,543
49 Food and Environmental Hygiene Department	6,776,198	2,961,781	2,914,619
46 General Expenses of the Civil Service	3,826,740	1,603,401	1,553,879
166 Government Flying Service	776,275	297,489	241,618
48 Government Laboratory	463,918	206,577	206,813
59 Government Logistics Department	619,790	222,172	291,897
51 Government Property Agency	1,942,714	896,812	908,416
143 Government Secretariat: Civil Service Bureau	600,626	276,297	269,188
152 Government Secretariat: Commerce and Economic Development Bureau (Commerce, Industry and Tourism Branch)	2,515,634	943,827	895,504
55 Government Secretariat: Commerce and Economic Development Bureau (Communications and Creative Industries Branch)	409,369	168,902	152,764
144 Government Secretariat: Constitutional and Mainland Affairs Bureau	698,066	314,987	255,953
138 Government Secretariat: Development Bureau (Planning and Lands Branch)	392,650	96,631	95,650
159 Government Secretariat: Development Bureau (Works Branch)	505,678	196,614	180,843
156 Government Secretariat: Education Bureau	57,393,829	27,481,927	26,471,515
137 Government Secretariat: Environment Bureau	80,845	37,890	36,770
148 Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)	343,588	127,323	602,796
147 Government Secretariat: Financial Services and the Treasury Bureau (The Treasury Branch)	318,842	153,098	180,700
139 Government Secretariat: Food and Health Bureau (Food Branch)	162,081	37,572	31,020
140 Government Secretariat: Food and Health Bureau (Health Branch)	55,990,015	27,899,242	26,963,861
53 Government Secretariat: Home Affairs Bureau	2,025,752	771,546	683,125
135 Government Secretariat: Innovation and Technology Bureau	178,215	21,302	17,278
155 Government Secretariat: Innovation and Technology Commission	621,176	294,579	273,461
141 Government Secretariat: Labour and Welfare Bureau	840,546	467,091	470,718
47 Government Secretariat: Office of the Government Chief Information Officer	765,961	310,694	303,986
142 Government Secretariat: Offices of the Chief Secretary for Administration and the Financial Secretary	993,951	454,699	412,112
96 Government Secretariat: Overseas Economic and Trade Offices	431,946	168,905	129,502
151 Government Secretariat: Security Bureau	606,630	204,794	167,977
158 Government Secretariat: Transport and Housing Bureau (Transport Branch)	280,433	118,175	101,300

GENERAL REVENUE ACCOUNT
SCHEDULE OF EXPENDITURE
FOR THE PERIOD FROM 1 APRIL 2017 TO 30 SEPTEMBER 2017

Head of Expenditure	Original Estimate 2017-18	6 Months Ended 30 September 2017	6 Months Ended 30 September 2016
	HK\$'000	HK\$'000	HK\$'000
60 Highways Department	3,148,719	1,358,134	1,326,829
63 Home Affairs Department	2,607,074	1,153,040	1,072,826
168 Hong Kong Observatory	303,083	133,974	130,850
122 Hong Kong Police Force	18,495,744	8,858,381	8,714,519
62 Housing Department	304,587	151,920	143,558
70 Immigration Department	4,558,514	2,072,017	2,032,755
72 Independent Commission Against Corruption	1,074,206	490,625	498,772
121 Independent Police Complaints Council	73,393	35,699	30,956
74 Information Services Department	505,545	245,723	203,928
76 Inland Revenue Department	1,566,548	740,713	744,250
78 Intellectual Property Department	156,394	71,449	65,731
79 Invest Hong Kong	130,697	61,408	56,555
174 Joint Secretariat for the Advisory Bodies on Civil Service and Judicial Salaries and Conditions of Service	33,107	16,061	14,705
80 Judiciary	1,762,725	751,928	706,188
90 Labour Department	1,953,176	937,247	896,574
91 Lands Department	2,452,963	1,195,538	1,154,614
94 Legal Aid Department	996,812	546,936	556,282
112 Legislative Council Commission	841,862	437,169	477,290
95 Leisure and Cultural Services Department	8,599,298	3,892,262	3,566,672
100 Marine Department	1,362,139	628,092	566,324
106 Miscellaneous Services	3,912,906	58,021	49,936
180 Office for Film, Newspaper and Article Administration	48,345	20,858	20,977
114 Office of The Ombudsman	114,068	57,034	55,410
116 Official Receiver's Office	180,311	88,795	84,723
120 Pensions	35,385,040	18,407,018	17,327,832
118 Planning Department	686,700	324,837	312,582
136 Public Service Commission Secretariat	30,350	14,848	12,099
160 Radio Television Hong Kong	995,202	425,193	397,506
162 Rating and Valuation Department	525,906	249,435	248,036
163 Registratior and Electoral Office	554,159	171,588	272,312
169 Secretariat, Commissioner on Interception of Communications and Surveillance	21,202	9,363	8,894
170 Social Welfare Department	72,151,170	34,124,402	33,905,721
181 Trade and Industry Department	802,446	303,266	340,762
186 Transport Department	3,097,346	1,252,287	1,206,644
188 Treasury	391,910	181,106	173,423
190 University Grants Committee	18,661,695	9,094,660	9,032,836
194 Water Supplies Department	8,282,094	4,215,343	4,026,664
173 Working Family and Student Financial Assistance Agency	8,197,941	2,384,029	2,193,055
184 Transfers to Funds	389,207,570	180,484,190	175,769,599
	8,850,000	2,350,000	10,864,000
Total Expenditure	398,057,570	182,834,190	186,633,599

**CAPITAL WORKS RESERVE FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT 30 SEPTEMBER 2017**

	Note	30 September 2017 HK\$'000	30 September 2016 HK\$'000
ASSETS			
Investments with the Exchange Fund		176,667,238	53,584,497
Cash and bank balances		34,918	23,473
Advances		43,832	45,443
		176,745,988	53,653,413
LIABILITIES			
	1		
Deposits		(1,883,872)	(1,791,325)
		174,862,116	51,862,088
Representing:			
FUND BALANCE			
Balance at beginning of period		100,873,337	58,170,386
Surplus/(Deficit) for the period		73,988,779	(6,308,298)
Balance at end of period		174,862,116	51,862,088

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 2017, there were payments of interest of HK\$38 million on the notes but no repayment of principal.
2. This statement has taken into account adjustments made to the accounts for the year 2016-17.

The Treasury
The Government of the Hong Kong
Special Administrative Region
31 October 2017

Martin SIU
Director of Accounting Services

**CAPITAL WORKS RESERVE FUND
STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE PERIOD FROM 1 APRIL 2017 TO 30 SEPTEMBER 2017**

	6 Months Ended 30 September 2017 HK\$'000	6 Months Ended 30 September 2016 HK\$'000
Cash and bank balances at beginning of period	1	952
Receipts (Schedule 1)	112,107,190	32,721,569
Payments (Schedule 2)	(38,118,411)	(39,029,867)
Surplus/(Deficit) for the period	73,988,779	(6,308,298)
Other cash movements	1	6,330,819
Cash and bank balances at end of period	34,918	23,473

Note :

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

The Treasury
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Special Administrative Region
31 October 2017

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Director of Accounting Services

CAPITAL WORKS RESERVE FUND
SCHEDULE OF RECEIPTS
FOR THE PERIOD FROM 1 APRIL 2017 TO 30 SEPTEMBER 2017

	Original Estimate 2017-18 HK\$'000	6 Months Ended 30 September 2017 HK\$'000	6 Months Ended 30 September 2016 HK\$'000
Land premium			
Sales by public auction and tender	-	75,451,812	25,505,854
Private treaty grants	-	48,511	1,188,217
Modification of existing leases, exchanges and extensions	-	36,122,390	5,495,436
Fees received in respect of short term waivers	-	429,850	452,359
	101,000,000	112,052,563	32,641,866
Investment income			
Investments with the Exchange Fund	-	-	-
Others	-	851	1,304
	2,750,000	851	1,304
Transfer from General Revenue	4,500,000	-	-
Other receipts			
Donations and contributions	37,655	8,542	2,324
Others	-	45,234	76,075
	37,655	53,776	78,399
	<u>108,287,655</u>	<u>112,107,190</u>	<u>32,721,569</u>

CAPITAL WORKS RESERVE FUND
SCHEDULE OF PAYMENTS
FOR THE PERIOD FROM 1 APRIL 2017 TO 30 SEPTEMBER 2017

	Original Estimate 2017-18 HK\$'000	6 Months Ended 30 September 2017 HK\$'000	6 Months Ended 30 September 2016 HK\$'000
Land acquisition	1,880,590	331,343	140,985
Public Works Programme			
Port and airport development	1,000	14	999
Buildings	12,366,800	4,260,748	4,231,619
Drainage	2,793,088	1,344,456	1,683,217
Civil engineering	7,777,937	3,259,312	3,563,869
Highways	44,646,610	19,786,961	22,334,018
New towns and urban area development	6,792,898	3,065,921	2,051,565
Waterworks	3,011,461	1,236,245	1,622,515
Housing	1,531,208	357,571	227,120
	78,921,002	33,311,228	35,714,922
Capital subventions and major systems and equipment			
Capital subventions	7,887,861	3,769,941	2,555,343
Major systems and equipment	638,216	69,511	99,168
	8,526,077	3,839,452	2,654,511
Computerisation	2,248,607	545,725	469,366
Government bonds and notes issued in July 2004			
Interest and other expenses	76,881	38,335	38,335
Other payments			
Refund of overpayment of land premium	-	52,328	11,748
	<u>91,653,157</u>	<u>38,118,411</u>	<u>39,029,867</u>

**CAPITAL INVESTMENT FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT 30 SEPTEMBER 2017**

	30 September 2017 HK\$'000	30 September 2016 HK\$'000
ASSETS		
Investments (Schedule 1)		
Equity holdings	138,298,337	124,795,346
Other investments	492,371,319	465,913,116
	630,669,656	590,708,462
Loans (Schedule 1)	1,562,983	1,522,706
	632,232,639	592,231,168
Current Assets		
Investments with the Exchange Fund	2,854,825	2,527,017
Cash and bank balances	1	-
	2,854,826	2,527,017
	635,087,465	594,758,185
Representing:		
TOTAL FUND BALANCE		
Applied Fund	632,232,639	592,231,168
Available Fund		
Balance at beginning of period	3,078,306	2,835,101
Deficit for the period	(223,480)	(308,084)
Balance at end of period	2,854,826	2,527,017
	635,087,465	594,758,185

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31 October 2017

Martin SIU
Director of Accounting Services

**CAPITAL INVESTMENT FUND
STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE PERIOD FROM 1 APRIL 2017 TO 30 SEPTEMBER 2017**

	6 Months Ended 30 September 2017 HK\$'000	6 Months Ended 30 September 2016 HK\$'000
Cash and bank balances at beginning of period	-	1
Receipts (Schedule 2)	149,839	290,635
Payments (Schedule 2)	(373,319)	(598,719)
Deficit for the period	(223,480)	(308,084)
Other cash movements	1	308,083
Cash and bank balances at end of period	1	-

Note :

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

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31 October 2017

Martin SIU
Director of Accounting Services

CAPITAL INVESTMENT FUND
SCHEDULE OF INVESTMENTS AND LOANS
AS AT 30 SEPTEMBER 2017

INVESTMENTS	Balance at	Acquisitions		Disposal/	Balance at	Balance at
	1.4.2017	Payments	Others	Refund	30.9.2017	30.9.2016
	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	179,677	-	-	-	179,677	162,338
Asian Infrastructure Investment Bank	-	238,319	-	-	238,319	-
Hong Kong Science and Technology Parks Corporation	13,624,000	-	-	-	13,624,000	4,148,000
Hongkong International Theme Parks Ltd.	14,296,863	135,000	-	-	14,431,863	14,296,863
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	-	3,636,333	-	37,825,228	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>134,288,685</u>	<u>373,319</u>	<u>3,636,333</u>	<u>-</u>	<u>138,298,337</u>	<u>124,795,346</u>
Other Investments						
Capital investment in						
Hong Kong Housing Authority	479,094,559	-	-	-	479,094,559	452,636,356
Urban Renewal Authority	10,000,000	-	-	-	10,000,000	10,000,000
Trading Funds	3,276,760	-	-	-	3,276,760	3,276,760
	<u>492,371,319</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>492,371,319</u>	<u>465,913,116</u>
Total	<u>626,660,004</u>	<u>373,319</u>	<u>3,636,333</u>	<u>-</u>	<u>630,669,656</u>	<u>590,708,462</u>
LOANS						
	Balance at	Loans Issued		Loans Discharged		Balance at
	1.4.2017	Payments	Others	Repayments	Others	30.9.2017
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Hongkong International Theme Parks Ltd.	1,049,104	-	17,154	-	-	1,066,258
Hong Kong Science and Technology Parks Corporation	496,725	-	-	-	-	496,725
Total	<u>1,545,829</u>	<u>-</u>	<u>17,154</u>	<u>-</u>	<u>-</u>	<u>1,562,983</u>
						<u>1,522,706</u>

CAPITAL INVESTMENT FUND
SCHEDULE OF RECEIPTS AND PAYMENTS
FOR THE PERIOD FROM 1 APRIL 2017 TO 30 SEPTEMBER 2017

	Original Estimate 2017-18 HK\$'000	6 Months Ended 30 September 2017 HK\$'000	6 Months Ended 30 September 2016 HK\$'000
RECEIPTS			
Dividends, interest and other receipts from investments/loans	1,088,375	149,839	290,635
Loan repayments	96,608	-	-
Investment income Investments with the Exchange Fund	<u>75,000</u>	<u>-</u>	<u>-</u>
	<u>1,259,983</u>	<u>149,839</u>	<u>290,635</u>
PAYMENTS			
Acquisition of investments Equity holdings (Schedule 1)	17,525	373,319	-
Loan payments	<u>708,500</u>	<u>-</u>	<u>598,719</u>
	<u>726,025</u>	<u>373,319</u>	<u>598,719</u>

**CIVIL SERVICE PENSION RESERVE FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT 30 SEPTEMBER 2017**

	30 September 2017 HK\$'000	30 September 2016 HK\$'000
ASSETS		
Investments with the Exchange Fund	<u>34,199,385</u>	<u>30,928,846</u>
Representing:		
FUND BALANCE		
Balance at beginning of period	31,899,385	27,128,846
Surplus for the period	<u>2,300,000</u>	<u>3,800,000</u>
Balance at end of period	<u>34,199,385</u>	<u>30,928,846</u>

The Treasury
The Government of the Hong Kong
Special Administrative Region
31 October 2017

Martin SIU
Director of Accounting Services

**CIVIL SERVICE PENSION RESERVE FUND
STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE PERIOD FROM 1 APRIL 2017 TO 30 SEPTEMBER 2017**

	6 Months Ended 30 September 2017 HK\$'000	6 Months Ended 30 September 2016 HK\$'000
Cash and bank balances at beginning of period	-	-
Receipts (Schedule 1)	2,300,000	3,800,000
Payments	-	-
Surplus for the period	2,300,000	3,800,000
Other cash movements	1 <u>(2,300,000)</u>	<u>(3,800,000)</u>
Cash and bank balances at end of period	<u>-</u>	<u>-</u>

Note :

- 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
31 October 2017

Martin SIU
Director of Accounting Services

CIVIL SERVICE PENSION RESERVE FUND
SCHEDULE OF RECEIPTS
FOR THE PERIOD FROM 1 APRIL 2017 TO 30 SEPTEMBER 2017

	Original Estimate 2017-18 HK\$'000	6 Months Ended 30 September 2017 HK\$'000	6 Months Ended 30 September 2016 HK\$'000
RECEIPTS			
Investment income			
Investments with the Exchange Fund	931,000	-	-
Transfer from General Revenue	<u>2,300,000</u>	<u>2,300,000</u>	<u>3,800,000</u>
	<u>3,231,000</u>	<u>2,300,000</u>	<u>3,800,000</u>

**DISASTER RELIEF FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT 30 SEPTEMBER 2017**

	30 September 2017 HK\$'000	30 September 2016 HK\$'000
ASSETS		
Investments with the Exchange Fund	24,486	35,802
Cash and bank balances	<u>90</u>	<u>-</u>
	<u><u>24,576</u></u>	<u><u>35,802</u></u>
 Representing:		
FUND BALANCE		
Balance at beginning of period	27,743	14,539
(Deficit)/Surplus for the period	<u>(3,167)</u>	<u>21,263</u>
Balance at end of period	<u><u>24,576</u></u>	<u><u>35,802</u></u>

The Treasury
The Government of the Hong Kong
Special Administrative Region
31 October 2017

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Director of Accounting Services

DISASTER RELIEF FUND
STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE PERIOD FROM 1 APRIL 2017 TO 30 SEPTEMBER 2017

	6 Months Ended 30 September 2017 HK\$'000	6 Months Ended 30 September 2016 HK\$'000
Cash and bank balances at beginning of period	-	-
Receipts (Schedule 1)	50,271	64,347
Payments (Schedule 1)	(53,438)	(43,084)
(Deficit)/Surplus for the period	(3,167)	21,263
Other cash movements	1	-
	3,257	(21,263)
Cash and bank balances at end of period	90	-

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
Special Administrative Region
31 October 2017

Martin SIU
Director of Accounting Services

DISASTER RELIEF FUND
SCHEDULE OF RECEIPTS AND PAYMENTS
FOR THE PERIOD FROM 1 APRIL 2017 TO 30 SEPTEMBER 2017

	Original Estimate 2017-18 HK\$'000	6 Months Ended 30 September 2017 HK\$'000	6 Months Ended 30 September 2016 HK\$'000
RECEIPTS			
Investment income			
Investments with the Exchange Fund	2,000	-	-
Transfer from General Revenue	50,000	50,000	64,000
Refund of grants	-	271	347
	<u>52,000</u>	<u>50,271</u>	<u>64,347</u>
PAYMENTS			
Relief programmes for			
drought victims in Ethiopia	-	13,651	-
flood victims in the Mainland	-	11,769	16,760
flood victims in India	-	11,389	4,836
flood victims in Sri Lanka	-	9,786	-
drought victims in Somalia	-	4,934	-
cyclone victims in Bangladesh	-	1,909	5,322
earthquake victims in Ecuador	-	-	6,202
drought victims in India	-	-	3,877
cyclone victims in Sri Lanka	-	-	3,451
cyclone victims in Fiji	-	-	2,636
	<u>-</u>	<u>53,438</u>	<u>43,084</u>

**INNOVATION AND TECHNOLOGY FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT 30 SEPTEMBER 2017**

	30 September 2017 HK\$'000	30 September 2016 HK\$'000
ASSETS		
Investments with the Exchange Fund	7,397,834	6,393,025
Cash and bank balances	<u>439</u>	<u>883</u>
	<u><u>7,398,273</u></u>	<u><u>6,393,908</u></u>
Representing:		
FUND BALANCE		
Balance at beginning of period	7,991,465	41,744
(Deficit)/Surplus for the period	<u>(593,192)</u>	<u>6,352,164</u>
Balance at end of period	<u><u>7,398,273</u></u>	<u><u>6,393,908</u></u>

The Treasury
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Special Administrative Region
31 October 2017

Martin SHU
Director of Accounting Services

**INNOVATION AND TECHNOLOGY FUND
STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE PERIOD FROM 1 APRIL 2017 TO 30 SEPTEMBER 2017**

	6 Months Ended 30 September 2017 HK\$'000	6 Months Ended 30 September 2016 HK\$'000
Cash and bank balances at beginning of period	2,485	1
Receipts (Schedule 1)	42,845	7,023,161
Payments (Schedule 1)	(636,037)	(670,997)
(Deficit)/Surplus for the period	(593,192)	6,352,164
Other cash movements	1 591,146	(6,351,282)
Cash and bank balances at end of period	439	883

Note :

- 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
31 October 2017

Martin SIU
Director of Accounting Services

INNOVATION AND TECHNOLOGY FUND
SCHEDULE OF RECEIPTS AND PAYMENTS
FOR THE PERIOD FROM 1 APRIL 2017 TO 30 SEPTEMBER 2017

	Original Estimate 2017-18 HK\$'000	6 Months Ended 30 September 2017 HK\$'000	6 Months Ended 30 September 2016 HK\$'000
RECEIPTS			
Investment income			
Investments with the Exchange Fund	-	-	-
Others	-	1,270	473
	209,000	1,270	473
Net income from projects	8,293	3,083	2,015
Refund of grants	-	38,492	20,673
Transfer from General Revenue	-	-	<u>7,000,000</u>
	<u>217,293</u>	<u>42,845</u>	<u>7,023,161</u>
PAYMENTS			
Grants	<u>1,783,075</u>	<u>636,037</u>	<u>670,997</u>

**LAND FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT 30 SEPTEMBER 2017**

	Note	30 September 2017 HK\$'000	30 September 2016 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 :

1. 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.

The Treasury
The Government of the Hong Kong
Special Administrative Region
31 October 2017

Martin SIU
Director of Accounting Services

LAND FUND
STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE PERIOD FROM 1 APRIL 2017 TO 30 SEPTEMBER 2017

	6 Months Ended 30 September 2017 HK\$'000	6 Months Ended 30 September 2016 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	-	-

The Treasury
The Government of the Hong Kong
Special Administrative Region
31 October 2017

Martin SIU
Director of Accounting Services

**LOAN FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT 30 SEPTEMBER 2017**

	30 September 2017 HK\$'000	30 September 2016 HK\$'000
ASSETS		
Loans Outstanding (Schedule 1)		
Housing loans	2,921,469	3,027,754
Education loans	17,000,629	16,671,143
Other loans	6,842,137	4,566,176
	26,764,235	24,265,073
Net Current Assets		
Current Assets		
Investments with the Exchange Fund	4,404,105	4,452,013
Cash and bank balances	34,398	58,467
	4,438,503	4,510,480
Current Liabilities		
Deposits	(22,060)	(19,128)
	4,416,443	4,491,352
	31,180,678	28,756,425
 Representing:		
TOTAL FUND BALANCE		
Applied Fund	26,764,235	24,265,073
Available Fund		
Balance at beginning of period	4,183,548	4,467,533
Surplus for the period	232,895	23,819
Balance at end of period	4,416,443	4,491,352
	31,180,678	28,756,425

The Treasury
The Government of the Hong Kong
Special Administrative Region
31 October 2017

Martin SIU
Director of Accounting Services

LOAN FUND
STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE PERIOD FROM 1 APRIL 2017 TO 30 SEPTEMBER 2017

	6 Months Ended 30 September 2017 HK\$'000	6 Months Ended 30 September 2016 HK\$'000
Cash and bank balances at beginning of period	13,814	15,067
Receipts (Schedule 2)	1,405,393	1,044,201
Payments (Schedule 2)	(1,172,498)	(1,020,382)
Surplus for the period	232,895	23,819
Other cash movements	1 <u>(212,311)</u>	<u>19,581</u>
Cash and bank balances at end of period	<u><u>34,398</u></u>	<u><u>58,467</u></u>

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
Special Administrative Region
31 October 2017

Martin SIU
Director of Accounting Services

LOAN FUND
SCHEDULE OF LOANS
AS AT 30 SEPTEMBER 2017

	Balance at 1.4.2017 HK\$'000	Loans Issued		Loans Discharged			Balance at 30.9.2017 HK\$'000	Balance at 30.9.2016 HK\$'000
		Capitalised		Repayments HK\$'000	Proceeds from			
		Payments HK\$'000	Interest HK\$'000		Write-off HK\$'000	sale of loans HK\$'000		
Housing Loans	3,070,889	171,144	28	(27,140)	(639)	(292,813)	2,921,469	3,027,754
Education Loans								
Loans to schools/ teachers	4,825,262	-	-	(282,027)	-	-	4,543,235	4,972,503
Loans to students	12,528,024	580,821	-	(651,135)	(316)	-	12,457,394	11,698,640
Total	17,353,286	580,821	-	(933,162)	(316)	-	17,000,629	16,671,143
Other Loans								
Building safety	150,723	16,411	-	(27,797)	-	-	139,337	155,033
Labour	309	30	-	(70)	-	-	269	276
Primary products	679,866	184,092	-	(43,197)	-	-	820,761	660,491
Private hospital development	1,815,000	-	-	-	-	-	1,815,000	-
Small and medium enterprises	99,924	-	-	(125)	(160)	-	99,639	99,979
Tourism	2,972,938	220,000	64,993	-	-	-	3,257,931	2,822,997
Water supply	709,200	-	-	-	-	-	709,200	827,400
Total	6,427,960	420,533	64,993	(71,189)	(160)	-	6,842,137	4,566,176
Grand Total	26,852,135	1,172,498	65,021	(1,031,491)	(1,115)	(292,813)	26,764,235	24,265,073

LOAN FUND
SCHEDULE OF RECEIPTS AND PAYMENTS
FOR THE PERIOD FROM 1 APRIL 2017 TO 30 SEPTEMBER 2017

	Original Estimate 2017-18 HK\$'000	6 Months Ended 30 September 2017 HK\$'000	6 Months Ended 30 September 2016 HK\$'000
RECEIPTS			
Loan repayments (Schedule 1)			
Housing loans	69,444	27,140	24,763
Education loans	1,790,180	933,162	717,693
Other loans	261,319	71,189	56,264
	2,120,943	1,031,491	798,720
Interest on loans	159,575	78,945	73,366
Investment income			
Investments with the Exchange Fund	-	-	-
Others	-	3	1
	84,000	3	1
Surcharges on overdue loan repayments	4,949	2,135	2,502
Proceeds from sale of loans	280,966	292,813	169,586
Loans written off now recovered	-	-	1
Others	-	6	25
Transfer from General Revenue	2,000,000	-	-
	<u>4,650,433</u>	<u>1,405,393</u>	<u>1,044,201</u>
PAYMENTS			
Loan payments (Schedule 1)			
Housing loans	406,000	171,144	99,506
Education loans	2,301,413	580,821	626,109
Other loans	2,506,725	420,533	294,767
	<u>5,214,138</u>	<u>1,172,498</u>	<u>1,020,382</u>

LOTTERIES FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT 30 SEPTEMBER 2017

	30 September 2017 HK\$'000	30 September 2016 HK\$'000
ASSETS		
Investments with the Exchange Fund	22,554,991	22,133,154
LIABILITIES		
Deposits	(6,180)	(3,438)
	22,548,811	22,129,716
Representing:		
FUND BALANCE		
Balance at beginning of period	22,782,031	22,013,671
(Deficit)/Surplus for the period	(233,220)	116,045
Balance at end of period	22,548,811	22,129,716

The Treasury
The Government of the Hong Kong
Special Administrative Region
31 October 2017

Martin SIU
Director of Accounting Services

LOTTERIES FUND
STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE PERIOD FROM 1 APRIL 2017 TO 30 SEPTEMBER 2017

	6 Months Ended 30 September 2017 Note	6 Months Ended 30 September 2016 HK\$'000
Cash and bank balances at beginning of period	-	-
Receipts (Schedule 1)	584,515	712,227
Payments (Schedule 1)	(817,735)	(596,182)
(Deficit)/Surplus for the period	(233,220)	116,045
Other cash movements	1	
	233,220	(116,045)
Cash and bank balances at end of period	-	-

Note :

- 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
31 October 2017

Martin SIU
Director of Accounting Services

LOTTERIES FUND
SCHEDULE OF RECEIPTS AND PAYMENTS
FOR THE PERIOD FROM 1 APRIL 2017 TO 30 SEPTEMBER 2017

	Original Estimate 2017-18 HK\$'000	6 Months Ended 30 September 2017 HK\$'000	6 Months Ended 30 September 2016 HK\$'000
RECEIPTS			
Mark Six Lottery	1,411,454	551,762	668,165
Investment income			
Investments with the Exchange Fund	631,000	-	-
Net proceeds of auctions of vehicle registration marks	54,783	32,535	44,062
Donations	9,000	-	-
Refund of grants	-	218	-
	<u>2,106,237</u>	<u>584,515</u>	<u>712,227</u>
PAYMENTS			
Grants	2,388,031	817,735	596,182
Additional commitments	<u>439,159</u>	<u>-</u>	<u>-</u>
	<u>2,827,190</u>	<u>817,735</u>	<u>596,182</u>

**BOND FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT 30 SEPTEMBER 2017**

	Note	30 September 2017 HK\$'000	30 September 2016 HK\$'000
ASSETS			
Investments with the Exchange Fund		138,610,910	132,360,709
LIABILITIES			
Deposits	1	<u>(93)</u>	<u>(2,257)</u>
		<u>138,610,817</u>	<u>132,358,452</u>
Representing:			
FUND BALANCE			
Balance at beginning of period		141,378,989	128,411,794
(Deficit)/Surplus for the period		<u>(2,768,172)</u>	<u>3,946,658</u>
Balance at end of period		<u>138,610,817</u>	<u>132,358,452</u>

Note :

1. This statement does not include the liabilities in respect of the outstanding bonds with nominal value of HK\$101,341 million and alternative bonds with nominal value of US\$3,000 million (equivalent to HK\$23,435 million as at 30 September 2017) 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\$5,941 million, which may be redeemed before maturity upon request from bond holders), bonds with nominal value of HK\$21,400 million will mature within the period from October 2017 to September 2018, and the rest within the period from October 2018 to March 2032.

The Treasury
The Government of the Hong Kong
Special Administrative Region
31 October 2017

Martin SIU
Director of Accounting Services

BOND FUND
STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE PERIOD FROM 1 APRIL 2017 TO 30 SEPTEMBER 2017

	6 Months Ended 30 September 2017 Note	6 Months Ended 30 September 2016 HK\$'000
Cash and bank balances at beginning of period	-	-
Receipts (Schedule 1)	11,305,003	21,515,482
Payments (Schedule 1)	(14,073,175)	(17,568,824)
(Deficit)/Surplus for the period	(2,768,172)	3,946,658
Other cash movements	1	
	2,768,172	(3,946,658)
Cash and bank balances at end of period	-	-

Note :

- 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
31 October 2017

Martin SIU
Director of Accounting Services

BOND FUND
SCHEDULE OF RECEIPTS AND PAYMENTS
FOR THE PERIOD FROM 1 APRIL 2017 TO 30 SEPTEMBER 2017

	Original Estimate 2017-18 HK\$'000	6 Months Ended 30 September 2017 HK\$'000	6 Months Ended 30 September 2016 HK\$'000
RECEIPTS			
Proceeds from bonds issued under			
Tender or subscription	19,600,000	11,304,954	21,515,341
Switch tender	800,000	-	-
Bond swap facility	1,000,000	-	-
	21,400,000	11,304,954	21,515,341
Investment income			
Investments with the Exchange Fund	-	-	-
Others	-	49	141
	4,191,000	49	141
	<u>25,591,000</u>	<u>11,305,003</u>	<u>21,515,482</u>
PAYMENTS			
Repayment of bonds issued under			
Tender or subscription	24,466,000	13,037,330	16,503,180
Switch tender	800,000	-	-
Bond swap facility	1,000,000	-	-
	26,266,000	13,037,330	16,503,180
Interest payment for bonds	2,072,220	744,805	881,658
Periodic distribution payments for alternative bonds	548,886	274,686	151,336
Others	20,487	16,354	32,650
	<u>28,907,593</u>	<u>14,073,175</u>	<u>17,568,824</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\$3,000 million were issued to retail investors through subscription during the period.
- Bonds with nominal value totalling HK\$3,000 million issued through tender, and bonds with nominal value totalling HK\$10,037 million issued through subscription were repaid during the period.