

Head 106 — MISCELLANEOUS SERVICES

Controlling officers: expenditure under this Head will be accounted for as follows—

Director of Accounting Services (Subheads 163, 188, 190 and 192)

Permanent Secretary for Financial Services and the Treasury (Treasury) (Subheads 251, 284, 689 and 789)

Chief Executive, Hong Kong Monetary Authority (Subheads 795, 819 and 821)

Estimate 2005–06	\$9,062.4m
Commitment balance	\$227.2m

Controlling Officers' Report

Aim

Expenditure under this Head is for items which cannot properly be charged to other heads of expenditure. It covers write-offs and the transfer to expenditure of irrecoverable advances and losses of cash and stores, losses resulting from the difference in exchange rates, expenditure chargeable to public funds not elsewhere specified, refunds of revenue collected in previous financial years, compensation for settlement of claims against the Government and certain ex-gratia payments, and contribution to the Asian Development Fund.

2 Provision is also made for additional commitments to meet unavoidable expenditure that may arise during the year in excess of the amounts provided under other heads of expenditure, but which cannot at present be determined and allocated with precision.

3 These subheads contribute to the following Policy Areas—

<i>Subhead</i>	<i>Policy Area</i>	<i>Responsible Officers</i>
163, 188, 190, 192, 251, 284, 689 and 789	25: Revenue Collection and Financial Control	Secretary for Financial Services and the Treasury
795, 819 and 821	1: Financial Services	Chief Executive, Hong Kong Monetary Authority

Head 106 — MISCELLANEOUS SERVICES

Sub-head (Code)	Actual expenditure 2003–04	Approved estimate 2004–05	Revised estimate 2004–05	Estimate 2005–06	
	\$'000	\$'000	\$'000	\$'000	
Operating Account					
Recurrent					
163	Write-offs.....	841	1,200	688	1,200*
188	Difference in exchange	—	10,000	5,000	10,000*
190	Other miscellaneous items	1,523	1,551	500	1,600*
192	Refunds of revenue	21,013	28,750	26,870	29,419*
251	Additional commitments	—	1,538,090	—	2,627,808
284	Compensation	33,950	122,037	105,902	75,000*
	Expenses for the appointment of financial and management consultants#	13,930	—	—	—
	Honoraria for Members of the Executive Council#	3,197	—	—	—
	Public education on rehabilitation#.....	1,760	—	—	—
	Subscription to the World Trade Organization#	28,570	—	—	—
	Air passenger departure tax administration fees#	30,284	—	—	—
	Commonwealth War Graves Commission#	258	—	—	—
	Contribution to the International Textiles and Clothing Bureau#	456	—	—	—
	Total, Recurrent.....	135,782	1,701,628	138,960	2,745,027
Non-Recurrent					
789	Additional commitments	—	4,713,679	500,000	6,215,934
795	Contribution to the sixth replenishment of the Asian Development Fund	19,296	15,680	15,680	10,064
819	Contribution to the seventh replenishment of the Asian Development Fund	19,772	24,338	24,338	25,258
821	Contribution to the eighth replenishment of the Asian Development Fund	—	—	—	10,976
	A major territory-wide publicity campaign to promote “A Society for All” to arouse public attention and acceptance of people with disabilities by all in the community#.....	450	—	—	—
	Technical aids for civil servants with a disability#.....	205	—	—	—
	Public education programme to promote acceptance of people with disabilities by the community#.....	121	—	—	—
	Grant to Breakthrough Youth Village for renovation#.....	2,700	—	—	—
	Total, Non-Recurrent.....	42,544	4,753,697	540,018	6,262,232
	Total, Operating Account	178,326	6,455,325	678,978	9,007,259

For greater transparency and accountability, the provisions for these subheads previously under Head 106—Miscellaneous Services have been redistributed to the Heads of Expenditure of respective Controlling Officers concerned with effect from 2004–05. The actual expenditures in 2003–04 for these subheads are shown here for completeness.

Head 106 — MISCELLANEOUS SERVICES

Sub-head (Code)	Actual expenditure 2003-04	Approved estimate 2004-05	Revised estimate 2004-05	Estimate 2005-06	
	\$'000	\$'000	\$'000	\$'000	
Capital Account					
Plant, Equipment and Works					
689	Additional commitments	—	142,840	—	55,150
	Total, Plant, Equipment and Works	—	142,840	—	55,150
	Total, Capital Account	—	142,840	—	55,150
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	Total Expenditure	<u>178,326</u>	<u>6,598,165</u>	<u>678,978</u>	<u>9,062,409</u>

Head 106 — MISCELLANEOUS SERVICES

Details of Expenditure by Subhead

The estimate of the amount required in 2005–06 for miscellaneous expenditure which cannot properly be charged to other heads of expenditure is \$9,062,409,000.

Operating Account

Recurrent

2 Provision of \$1,200,000 under *Subhead 163 Write-offs* is a nominal figure to cover possible write-offs and the transfer to expenditure of irrecoverable advances and losses of cash and stores. There can be no predictable pattern for write-offs. The increase of \$512,000 (74.4%) over the revised estimate for 2004–05 is intended to allow the provision to be retained at a broad-brush level of \$1.2 million.

3 Provision of \$10,000,000 under *Subhead 188 Difference in exchange* is a nominal figure to cover possible losses resulting from movements in exchange rates in respect of transactions involving foreign currencies. The increase of \$5,000,000 (100.0%) over the revised estimate for 2004–05 is intended to cover contingency requirements for 2005–06.

4 Provision of \$1,600,000 under *Subhead 190 Other miscellaneous items* is to meet items of expenditure chargeable to public funds not elsewhere specified such as funeral expenses of civil servants and members of the auxiliary services who die on duty. The increase of \$1,100,000 (220.0%) over the revised estimate for 2004–05 is intended to keep the 2005–06 provision at a level comparable to the 2003–04 actual expenditure.

5 Provision of \$29,419,000 under *Subhead 192 Refunds of revenue* caters for revenue collected in previous financial years that needs to be refunded. The increase of \$2,549,000 (9.5%) over the revised estimate for 2004–05 is intended to cover contingency requirements for 2005–06.

6 Provision of \$2,627,808,000 under *Subhead 251 Additional commitments* is to meet funding for initiatives under planning, which may include matching grants for the University Grants Committee-funded institutions, an early retirement scheme for teachers in aided secondary schools and improvement to student financial assistance. The provision is also for meeting any unavoidable recurrent expenditure that may arise during the year in excess of the amounts provided under other heads and subheads of the Estimates, but which cannot at present be determined and allocated with precision. When, from time to time during the year, additional provision is approved, an equivalent amount under this subhead will be deleted unless savings can be identified elsewhere. Provision for additional commitments in respect of non-recurrent and capital expenditure is shown under *Subhead 789* and *Subhead 689* respectively.

7 Provision of \$75,000,000 under *Subhead 284 Compensation* is for settlement of claims (other than compensation connected with land, public works and mail, and for civil servants under the Employees' Compensation Ordinance) and for certain ex-gratia payments. The decrease of \$30,902,000 (29.2%) against the revised estimate for 2004–05 is mainly due to projection of lower requirement in 2005–06 having regard to cases in hand.

Non-Recurrent

8 Provision of \$6,215,934,000 under *Subhead 789 Additional commitments* is to meet funding requirements for contingent health prevention or relief measures, extension of temporary jobs, funding schemes for Small and Medium Enterprises and preparation for the proposed reform of the academic structure for senior secondary education and higher education. The provision is also for meeting any unavoidable non-recurrent expenditure that may arise during the year in excess of the amounts provided under other heads and subheads of the Estimates.

Capital Account

Plant, Equipment and Works

9 Provision of \$55,150,000 under *Subhead 689 Additional commitments* is to meet forecast capital expenditure, subvention payments, and any unavoidable capital expenditure that may arise during the year in excess of the amounts provided under other heads and subheads of the Estimates.

Head 106 — MISCELLANEOUS SERVICES

Commitments

Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2004	Revised estimated expenditure for 2004-05	Balance
			\$'000	\$'000	\$'000	\$'000
<i>Operating Account</i>						
795	579	Contribution to the sixth replenishment of the Asian Development Fund.....	120,500	87,660	15,680	17,160
819	598	Contribution to the seventh replenishment of the Asian Development Fund	127,000	42,316	24,338	60,346
821	471	Contribution to the eighth replenishment of the Asian Development Fund	149,700	—	—	149,700
		Total	<u>397,200</u>	<u>129,976</u>	<u>40,018</u>	<u>227,206</u>