

# **CAPITAL INVESTMENT FUND**

## CAPITAL INVESTMENT FUND

---

### Memorandum Note

On 1 April 1990, the Legislative Council established the Capital Investment Fund by Resolution for the purpose of financing investments in the Mass Transit Railway Corporation (which became MTR Corporation Limited on 30 June 2000), the Kowloon-Canton Railway Corporation, the Hong Kong Housing Authority, the New Hong Kong Tunnel Company Limited and such other bodies as the Finance Committee may specify. On 6 November 1991, the Legislative Council passed an amendment to the Resolution to include provisions for government borrowings to be credited to the Fund and for repayments, and payments of interest and expenses relating to such borrowings, to be made from the Fund.

2 The Resolution provides, *inter alia*, that—

- (a) the Fund be administered by the Financial Secretary who may delegate his power of administration to other public officers;
- (b) there be credited to the Fund—
  - (i) all sums received by way of repayment of any loan or advance made from the Fund under sub-paragraph (c) below;
  - (ii) subject to the Mass Transit Railway Ordinance (Cap. 556) and the Kowloon-Canton Railway Corporation Ordinance (Cap. 372), all sums received by way of interest or dividend or under profit-sharing arrangements on the investments, loans or advances under sub-paragraph (c) below;
  - (iii) such appropriations from the general revenue as may be approved by the Legislative Council for the purpose of the Fund;
  - (iv) all sums received from the sale or other disposal of all or part of any investment made under sub-paragraph (c) or (e) below;
  - (v) all sums received by way of interest or dividend on money invested under sub-paragraph (e) below;
  - (vi) all such other sums as may be received for the purpose of the Fund; and
  - (vii) sums borrowed under section 3 of the Loans Ordinance (Cap. 61) where the resolution of the Legislative Council approving the borrowing so stipulates;
- (c) the Financial Secretary may expend moneys from the Fund for the purpose of—
  - (i) meeting the liabilities assumed, under terms and conditions already approved as at 31 March 1990 by the Finance Committee;
  - (ii) financing loans, advances and investments (including investments by way of waived land premium, donated works or other benefits (other than cash)) to or in such persons as may be approved by the Finance Committee, in accordance with such terms and conditions as may be specified by the Finance Committee; and
  - (iii) repaying or, where appropriate, paying the principal and interest of and expenses incurred in relation to sums borrowed under section 3 of the Loans Ordinance (Cap. 61) where the sums have been credited to the Fund;
- (d) the Director of Accounting Services shall, under the authority of a funds warrant issued by the Financial Secretary, pay from the Fund such sums as may be required to meet expenditure from the Fund;
- (e) the Financial Secretary may, in his discretion, authorise the investment of moneys forming the unexpended balance held in the Fund at any time in interest-bearing securities in such manner as he may determine; and
- (f) the Financial Secretary may from time to time transfer from the Fund to the general revenue any balance held in the Fund which is not in his opinion reasonably required for the purpose of the Fund.

3 The revised payments for 2016–17 are estimated at \$10,193,525,000. The payments for 2017–18 are estimated at \$726,025,000.

4 The revised receipts for 2016–17 are estimated at \$10,436,910,000. The receipts for 2017–18 are estimated at \$1,259,983,000.

5 The following notes supplement the estimates of payments and receipts in respect of approved commitments.

### Head 951—Housing

#### *Hong Kong Housing Authority*

6 On 31 August 1994, the Hong Kong Housing Authority and the Government signed a supplemental agreement to the then existing financial arrangements. The supplemental agreement took effect from 1 October 1994. Under the supplemental agreement, part of the government capital investment amounting to \$13,488,797,000 became non-interest-bearing permanent capital. The capital injections made previously under the financial arrangements totalling \$10 billion together with the closing balance of \$2,795,588,000 in the Home Ownership Fund making a total of \$12,795,588,000 were converted into a loan capital bearing interest at 5% per annum on the reducing balance. The Authority had been repaying this loan capital over 14 years since the quarter ending 31 December 1994. The loan capital was fully repaid in September 2008.

## CAPITAL INVESTMENT FUND

---

7 Under the prevailing financial arrangements between the Government and the Authority, the latter shares equally with the Government the overall surplus from the operation of commercial facilities in public rental estates and Home Ownership courts. The total receipts from this source in 2016–17 and 2017–18 are expected to be \$552,500,000 and \$601,100,000 respectively.

### Head 957—Kowloon-Canton Railway Corporation

8 The Kowloon-Canton Railway Corporation was incorporated under the Kowloon-Canton Railway Corporation Ordinance (Cap. 372) on 24 December 1982. The assets, rights and liabilities of the then existing railway were vested in the Corporation on 1 February 1983 in accordance with section 7 of the Ordinance. On 27 February 1998, the Finance Committee approved a commitment to inject equity of \$29 billion into the Corporation to allow major works on Kowloon-Canton Railway West Rail (Phase I) to proceed. On 3 April 1998, the Financial Secretary specified the initial authorised capital of the Corporation to be \$2,120 million based on the book value of all assets vested in it and ordered an increase in the authorised capital of the Corporation from \$2,120 million to \$34 billion. The approved equity of \$29 billion had been fully drawn by the Corporation by 31 March 2000.

9 On 26 May 2000, the Finance Committee approved a commitment to inject equity of up to \$8,500 million into the Corporation to allow major works on the Kowloon-Canton Railway Ma On Shan to Tai Wai Rail Link and the Kowloon-Canton Railway Extension from Hung Hom to Tsim Sha Tsui to proceed. On 2 March 2001, the Financial Secretary ordered an increase in the authorised capital of the Corporation from \$34 billion to \$42,500 million and on the same date, a sum of \$8 billion was injected as equity into the Corporation.

10 Cash dividends received from the Corporation are credited into the General Revenue Account in accordance with the provisions of the Kowloon-Canton Railway Corporation Ordinance (Cap. 372).

### Head 962—Industry

#### *Hong Kong Science and Technology Parks Corporation*

11 The Hong Kong Science and Technology Parks Corporation (HKSTPC) was established on 7 May 2001 under the Hong Kong Science and Technology Parks Corporation Ordinance (Cap. 565) through the merger of the Hong Kong Industrial Estates Corporation, the Hong Kong Industrial Technology Centre Corporation and the Provisional Hong Kong Science Park Company Limited. Upon the establishment of the HKSTPC, all rights, obligations, assets and liabilities of the aforesaid merging entities were vested in the HKSTPC in accordance with section 37 of the Ordinance and the entities dissolved. The authorised capital of the HKSTPC was \$1,836,397,594, which is equal to the value of the net assets in respect of all assets and liabilities vested in the HKSTPC on the same day.

12 On 6 July 2001, the Finance Committee approved a commitment to inject \$2,435 million as equity and to provide \$1,043 million as a loan to the HKSTPC to enable it to proceed with the construction of the Science Park Phase 2. On 14 January 2005, the Financial Secretary ordered an increase in the authorised capital of the Corporation from \$1,836,397,594 to \$4,271,397,594 in order to accommodate the equity injection, which is to be made by phases to meet the expenditure on construction work. The approved equity injection was completed in 2006–07. HKSTPC had drawn down the loan by tranches from 2007–08 to 2012–13 and has started to make yearly interest payments and principal repayments from 2007–08 until 2022–23.

13 On 23 April 2010, the Finance Committee approved a commitment to inject \$1,463 million as equity, to provide \$1,220 million as a loan and a guarantee for a \$1,707 million commercial loan and interest arising therefrom to the HKSTPC to enable it to proceed with the development of the Science Park Phase 3. On 28 January 2011, the Financial Secretary ordered an increase in the authorised capital of the Corporation from \$4,271,397,594 to \$5,734,397,594 in order to accommodate the equity injection made. The approved equity injection was completed in 2010–11. HKSTPC is expected to start drawing down the loan of \$600 million in 2017–18 after having arranged the commercial loan in the form of a medium term note programme.

14 On 28 May 2016, the Finance Committee approved a commitment to inject \$2,878 million as equity and a guarantee for a \$1,107 million commercial loan and interest arising therefrom to the HKSTPC to support Stage 1 of the Science Park Expansion Programme. On the same day, the Finance Committee approved a commitment to inject \$6,598 million as equity and to provide \$1,650 million as a loan to the HKSTPC for developing an Advanced Manufacturing Centre and a Data Technology Hub under the Revised Industrial Estate Policy. On 21 October 2016, the Financial Secretary ordered an increase in the authorised capital of the Corporation from \$5,734,397,594 to \$15,210,397,594 in order to accommodate the equity injection made.

### Head 965—Asian Development Bank

15 On 6 September 1967, the Finance Committee approved funds required to enable Hong Kong to become a member of the Asian Development Bank (the Bank). On 28 March 1969, US\$8 million was subscribed to the Bank's capital stock, of which US\$4 million was paid up and the balance of US\$4 million would remain as callable shares. On 26 April 1972, the Finance Committee approved the subscription of US\$12 million to the first general capital increase of the Bank of which US\$2,400,000 was paid up and US\$9,600,000 remained as callable shares. On 1 June 1977, the Finance Committee approved the subscription of \$151,650,000 to the second general capital increase of the Bank, of which \$15,165,000 was paid up and the remaining \$136,485,000 remains on call. On 21 May 1986, the Finance Committee approved the subscription of \$331,810,000 to the third general capital increase, of which \$16,608,000 was paid up and the remaining \$315,202,000 remains on call. On 24 June 1994, the Finance Committee approved the

## CAPITAL INVESTMENT FUND

---

subscription of \$1,054,700,000 to the fourth general capital increase, of which \$18,470,000 was paid up and the remaining \$1,036,230,000 remains on call.

16 On 23 April 2010, the Finance Committee accepted the financial implication, estimated at \$4,660,450,000, of subscription by Hong Kong to the fifth general capital increase of the Bank and approved an increase of \$146,050,000 in financial commitment for subscription to shares in the Bank. The increase in financial commitment is for the paid-in portion of the additional shares and the remaining financial implication amounting to \$4,514,400,000 will be a contingent liability in respect of the callable portion of the same shares. Hong Kong will make its payment based on a pre-agreed payment schedule of ten annual instalments between 2010–11 and 2019–20. The arrangement is to first settle 40% of the paid-in portion (\$58,420,000) in five equal annual instalments, and then settle the remaining 60% (\$87,630,000) in the next five years when the Bank encashes the promissory notes issued to it.

17 The total number of shares subscribed by Hong Kong since joining the Bank in March 1969 is 57 810 shares, comprising 2 892 paid-up shares and 54 918 callable shares.

18 The callable shares will be subject to call only as and when required by the Bank to meet its financial obligations. Since Hong Kong became a member of the Bank, there has not been a call on the callable shares subscribed by Hong Kong, which have remained a contingent liability of the Government. As of 30 September 2016, the contingent liability was \$5,944,602,507. This amount will vary with changes in exchange rates. On 10 December 1995, the Central People's Government issued a letter of guarantee to the Bank guaranteeing Hong Kong's financial obligations to the Bank after 1 July 1997.

### Head 967—MTR Corporation Limited (formerly Mass Transit Railway Corporation)

19 The Mass Transit Railway Corporation was established in 1975 under the Mass Transit Railway Corporation Ordinance (Cap. 270) with an authorised capital of \$2 billion. To enable the Corporation to draw on equity for the construction of railways including the Airport Railway, the Government increased the authorised capital of the Corporation several times between 1981 and 1995 to \$32,700 million. With the Finance Committee's approval, a total of \$32,188,100,000 had been paid in as capital injections to the Corporation by 31 March 1997.

20 The Financial Secretary announced in his Budget Speech on 3 March 1999 the intention to privatise the Mass Transit Railway Corporation. On 26 April 2000, MTR Corporation Limited (MTRCL) was incorporated. The Mass Transit Railway Ordinance (Cap. 556) came into effect on 30 June 2000 and on that day, the entire property, rights and liabilities of the Mass Transit Railway Corporation were vested in the MTRCL. On 12 September 2000, the authorised share capital of the MTRCL was reduced to \$6,500 million divided into 6 500 000 000 shares of \$1 each. Later that month, immediately before the Initial Public Offering (IPO) of MTRCL shares, 5 000 000 000 shares, being the entire issued capital, were issued to the Government. Of these, 1 150 000 000 shares were then sold to retail and institutional investors. Following the IPO, the MTRCL issued cash and scrip dividends to shareholders, including the Government. The Government also distributed shares under Employee Share Grant to eligible employees of the MTRCL in October 2001. Two tranches of loyalty bonus shares were also allocated to eligible MTRCL shareholders in 2001 and 2002. After these transactions, the Government holds approximately 76% of the entire issued share capital of the MTRCL.

21 The Government has undertaken to remain the largest shareholder of the MTRCL and to continue to hold the legal and beneficial interest in not less than 50% of the ordinary share capital of the MTRCL and not less than 50% of the voting rights at general meetings of the MTRCL for at least 20 years from the date of listing.

22 Upon the implementation of the rail merger on 2 December 2007, the Chinese titles of MTRCL and Mass Transit Railway Ordinance (Cap. 556) were changed to 「香港鐵路有限公司」和《香港鐵路條例》respectively. The English titles remain unchanged.

23 There is no specific proposal at present which requires the MTRCL to raise additional equity from its shareholders. However, if the MTRCL were to seek to raise equity finance from shareholders, the Financial Secretary Incorporated on behalf of the Government would provide equity capital to the MTRCL pro rata its shareholding in the MTRCL where the Government considered it appropriate, subject to the approval of the Finance Committee.

24 Cash dividends received from the MTRCL are credited into the General Revenue Account in accordance with the provisions of the Mass Transit Railway Ordinance (Cap. 556).

### Head 969—Airport Authority

25 On 29 June 1990, the Finance Committee approved a commitment of \$20 million as an advance to the Provisional Airport Authority to finance its establishment and initial operation. On 13 July 1990, the Finance Committee approved an additional advance of \$760 million to enable the Authority to commission the airport master plan consultancy and to establish a major works site at Chek Lap Kok for subsequent use by the major reclamation contractor. On 19 July 1991, 27 November 1992, 18 June 1993 and 21 January 1994, the Finance Committee approved four further increases in this commitment, of \$6,550 million, \$6,699 million, \$562 million and \$1,671 million respectively, to enable the Authority to meet its full contractual commitments and associated expenses for the airport site preparation contract and some urgent work items, 13 critical design packages and head office expenses up to 31 March 1995.

26 On 1 July 1994, the Finance Committee approved a further increase in commitment of \$15,184 million for major works items at the new Airport and for additional head office expenses up to 31 March 1995 to cope with increased

## CAPITAL INVESTMENT FUND

---

project workload and to maintain the expansion of commercial and operational planning and development activities. On 27 January 1995, the Finance Committee approved a further commitment of \$5,202 million for further major works items, bringing the total approved commitment to \$36,648 million. On 14 July 1995, the Finance Committee approved the conversion of the total authorised advance to the Provisional Airport Authority into a commitment to inject that amount of equity into the Airport Authority once it was established. The total authorised advance of \$35,553,600,000 up to 1 December 1995 was converted into equity upon the formal establishment of the Authority on that date. The remaining \$1,094,400,000 was injected into the Airport Authority as equity by 31 March 1997, through cash payment of \$816,160,699 and conversion of initial debt of \$278,239,301 due to the Government into equity.

27 The Legislative Council passed a resolution on 16 June 2004 to reduce the authorised share capital of the Airport Authority under section 23(6) of the Airport Authority Ordinance (Cap. 483) by an amount of \$6 billion to \$30,648 million. In accordance with the resolution, a total of \$6 billion was credited into the Capital Investment Fund on 15 September 2004 and the shares previously issued at par by the Airport Authority representing a value of the same amount were cancelled on the same day. Other cash dividends received from the Airport Authority were credited into the General Revenue Account in accordance with the provisions of the Airport Authority Ordinance (Cap. 483).

### Head 972—Trading Funds

#### *Companies Registry*

28 On 30 June 1993, the Legislative Council passed a Resolution for the establishment of the Companies Registry Trading Fund with effect from 1 August 1993. Under the Resolution, net assets valued at \$415,160,000 were appropriated to the trading fund on its establishment. Of this amount, \$138,460,000 is contribution to trading fund capital and the balance of \$276,700,000 is a loan from the shareholder to be repaid by ten annual instalments of \$27,670,000 starting from 1 August 1994. The Companies Registry Trading Fund fully repaid the loan on 1 August 2003.

#### *Land Registry*

29 On 30 June 1993, the Legislative Council passed a Resolution for the establishment of the Land Registry Trading Fund with effect from 1 August 1993. Under the Resolution, net assets valued at \$354,900,000 were appropriated to the trading fund on its establishment. Of this amount, \$118,300,000 is contribution to trading fund capital and the balance of \$236,600,000 is a loan from the shareholder to be repaid by ten annual instalments of \$23,660,000 starting from 1 August 1994. The Land Registry Trading Fund fully repaid the loan on 1 August 2003.

#### *Office of the Communications Authority (formerly known as Office of the Telecommunications Authority)*

30 On 10 May 1995, the Legislative Council passed a Resolution for the establishment of the Office of the Telecommunications Authority (OFTA) Trading Fund with effect from 1 June 1995. Under the Resolution, net assets valued at \$212,400,000 were appropriated to the trading fund on its establishment as contribution to trading fund capital. On 1 April 2012, the Communications Authority Ordinance (Cap. 616) came into operation. By virtue of section 25 of the Ordinance, the OFTA Trading Fund was renamed as the Office of the Communications Authority Trading Fund on the same date.

#### *Post Office*

31 On 19 July 1995, the Legislative Council passed a Resolution for the establishment of the Post Office Trading Fund with effect from 1 August 1995. Under the Resolution, net assets valued at \$3,001,400,000 were appropriated to the trading fund on its establishment. Of this amount, \$2,101 million is contribution to trading fund capital and the balance of \$900,400,000 is a loan from the shareholder to be repaid by ten annual instalments of \$90,040,000 starting from 1 August 1996. The Post Office Trading Fund fully repaid the loan on 1 August 2005.

#### *Electrical and Mechanical Services Trading Fund*

32 On 26 June 1996, the Legislative Council passed a Resolution for the establishment of the Electrical and Mechanical Services Trading Fund with effect from 1 August 1996. Under the Resolution, net assets valued at \$1,009,400,000 were appropriated to the trading fund on its establishment. Of this amount, \$706,600,000 is contribution to trading fund capital and the balance of \$302,800,000 is a loan from the shareholder to be repaid by ten annual instalments of \$30,280,000 starting from 1 July 1997. The Electrical and Mechanical Services Trading Fund fully repaid the loan on 3 July 2006.

### Head 973—Tourism

33 On 26 November 1999, the Finance Committee approved a commitment to inject \$3,250 million as equity and to provide \$5,619 million as a loan from the Capital Investment Fund to Hongkong International Theme Parks Limited (HKITP), a joint venture company owned by the Government and The Walt Disney Company, to allow HKITP to proceed with the development and operation of Hong Kong Disneyland Resort (HKDL). The Finance Committee also approved a non-cash investment of \$4 billion in subordinated equity by the Capital Investment Fund representing land premium for the HKDL Phase I site in Lantau Island. The subordinated equity shares can be converted to ordinary shares progressively during the life of HKDL depending on operating performance. Both the equity injection and loan drawdown were completed.

## CAPITAL INVESTMENT FUND

---

34 On 10 July 2009, the Finance Committee approved an increase in Government's equity in HKITP, through conversion of part of the loan to HKITP, subject to the balance of the remaining loan not falling below \$1 billion after the conversion, to allow HKITP to implement a package of arrangements relating to the expansion and operation of HKDL. The conversion was completed.

35 On 11 July 2014, the Finance Committee approved an increase in Government's equity in HKITP through conversion of part of the loan to HKITP up to \$1,700 million and a new term loan not exceeding \$808,500,000 to allow HKITP to implement a new hotel development project at the HKDL. Conversion of the loan of \$1,700 million was completed in 2016. HKITP expects that drawdown of the new term loan will be completed by 2017–18.

### **Head 974—Urban Renewal Authority**

36 The Urban Renewal Authority (URA) was established on 1 May 2001 under the Urban Renewal Authority Ordinance (Cap. 563) to replace the Land Development Corporation in implementing the Government's urban renewal programme. Under the Ordinance, urban renewal includes the redevelopment of dilapidated buildings, promoting the rehabilitation of older buildings, and the preservation of buildings of historical, cultural or architectural interest. The main policy objective is to improve the environment of the older urban areas and the living conditions of the residents therein.

37 On 21 June 2002, the Finance Committee approved a commitment of \$10 billion for injection as equity into the URA to enable it to implement the urban renewal programme. The funding would be injected into the URA in phases over the five financial years from 2002–03 to 2006–07. The equity injection was completed in 2006–07.

### **Head 975—International Exhibition Centre at Hong Kong International Airport**

38 On 20 December 2002, the Finance Committee approved a commitment to inject \$2 billion from the Capital Investment Fund to partly finance the construction cost of the International Exhibition Centre (IEC) (subsequently renamed as AsiaWorld-Expo (AWE)) at the Hong Kong International Airport, in exchange for equity in the centre. The \$2 billion equity had been injected in full as at 31 March 2006.

39 The Government and the Airport Authority (AA) formed IEC Holdings Limited (Holdings) as their investment vehicle for the project. In August 2003, the Government and the AA entered into agreements with Dragages et Travaux Publics (HK) Limited (subsequently known as Dragages Hong Kong Ltd), Yu Ming Investments Limited and Yu Ming Investment Management Limited (collectively referred to as Joint Venture Partners (JVP)) and subsequently established a joint venture company, Hong Kong IEC Limited. The current shareholders of JVP are Dragages Hong Kong Ltd and Industrial and Commercial Bank of China (Asia) Ltd. The Government and AA, through their shareholding in Holdings, respectively hold 74.9% and 10% of shares in Hong Kong IEC Limited, while the JVP hold 15.1%. The 15.1% investment of the JVP represents 16.8% of the construction cost of the AWE. In exchange for its 10% equity stake in the joint venture, AA provides the land for the AWE development. Hong Kong IEC Limited will own the AWE for a 25-year franchise period, and has been responsible for carrying out, monitoring and supervising the AWE project, and has appointed the contractor and operator. The first phase of AWE was officially opened in December 2005.

## CAPITAL INVESTMENT FUND

### (Payments)

Sub-head (Code)	Approved commitment	Actual expenditure to 31.3.2016	Revised estimate 2016–17	Estimate 2017–18	
	\$'000	\$'000	\$'000	\$'000	
<b>Investments/Loans</b>					
<b>Head 962—Industry</b>					
<b>Hong Kong Science and Technology Parks Corporation</b>					
104	Equity in the Hong Kong Science and Technology Parks Corporation for Stage 1 of the Science Park Expansion Programme .....	2,878,000	—	2,878,000	—
105	Equity in the Hong Kong Science and Technology Parks Corporation for an Advanced Manufacturing Centre and a Data Technology Hub.....	6,598,000	—	6,598,000	—
115	Loan to the Hong Kong Science and Technology Parks Corporation for an Advanced Manufacturing Centre and a Data Technology Hub.....	1,650,000	—	—	—
113	Loan to the Hong Kong Science and Technology Parks Corporation (Phase 3).....	1,220,000	—	—	<b>600,000</b>
	<i>Head 962: total</i> .....	<u>12,346,000</u>	<u>—</u>	<u>9,476,000</u>	<u><b>600,000</b></u>
<b>Head 965—Asian Development Bank</b>					
101	Shares in Asian Development Bank .....	233,688	162,338	17,525	<b>17,525</b>
	<i>Head 965: total</i> .....	<u>233,688</u>	<u>162,338</u>	<u>17,525</u>	<u><b>17,525</b></u>
<b>Head 973—Tourism</b>					
102	New term loan to Hongkong International Theme Parks Limited .....	808,500	—	700,000	<b>108,500</b>
	<i>Head 973: total</i> .....	<u>808,500</u>	<u>—</u>	<u>700,000</u>	<u><b>108,500</b></u>
<b>Total (Payments)</b> .....					
	<u><u>13,388,188</u></u>	<u><u>162,338</u></u>	<u><u>10,193,525</u></u>	<u><u><b>726,025</b></u></u>	

**CAPITAL INVESTMENT FUND**

**(Receipts)**

Sub-head (Code)	Actual receipts to 31.3.2016	Revised estimate 2016-17	<b>Estimate 2017-18</b>	
	\$'000	\$'000	<b>\$'000</b>	
<b>Loan repayments</b>				
<b>Head 962—Industry</b>				
<b>Hong Kong Science and Technology Parks Corporation</b>				
212	Loan to the Hong Kong Science and Technology Parks Corporation (Phase 2).....	450,671	95,604	<b>96,608</b>
	<i>Head 962: total</i> .....	450,671	95,604	<b>96,608</b>
	<i>Loan repayments: total</i> .....	450,671	95,604	<b>96,608</b>
	<b>Dividends, interest and other receipts from investments/loans</b> .....	—	1,251,725	<b>1,088,375</b>
	<b>Investment income</b> .....	—	89,581	<b>75,000</b>
	<b>Transfer from General Revenue</b> .....	—	9,000,000	—
	<b>Total (Receipts)</b> .....	<b>450,671</b>	<b>10,436,910</b>	<b>1,259,983</b>



## CAPITAL INVESTMENT FUND

### Movement of the Account

	Actual				Revised Estimate	Estimate
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
	\$m	\$m	\$m	\$m	\$m	\$m
Opening Balance	1,193	1,396	1,994	1,443	2,835	<b>3,078</b>
Revenue	1,482	1,610	1,461	1,409	1,437	<b>1,260</b>
Expenditure	779	12	12	17	10,194	<b>726</b>
Surplus/(Deficit) before Transfer from/(to) GRA	703	1,598	1,449	1,392	(8,757)	<b>534</b>
Net Transfer from/(to) GRA	(500)	(1,000)	(2,000)	—	9,000	—
Surplus/(Deficit) after Transfer from/(to) GRA	203	598	(551)	1,392	243	<b>534</b>
Closing Balance	1,396	1,994	1,443	2,835	3,078	<b>3,612</b>

### Revenue Analysis

	Actual				Revised Estimate	Estimate
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
	\$m	\$m	\$m	\$m	\$m	\$m
Loan Repayments	96	167	110	94	95	<b>97</b>
Dividends, Interest and Other Receipts from Investments/Loans	1,307	1,367	1,351	1,315	1,252	<b>1,088</b>
Investment Income	79	76	—*	—*	90	<b>75</b>
<b>Total Revenue</b>	<b>1,482</b>	<b>1,610</b>	<b>1,461</b>	<b>1,409</b>	<b>1,437</b>	<b>1,260</b>

\* The investment incomes for 2014-15 and 2015-16 on the balance of the Capital Investment Fund placed with the Exchange Fund are \$78,701,000 and \$98,366,000 respectively. These, along with the investment income on other parts of the fiscal reserves, have been set aside and retained within the Exchange Fund for the Housing Reserve.

## CAPITAL INVESTMENT FUND

### Expenditure Analysis

	Actual				Revised Estimate	Estimate
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
	\$m	\$m	\$m	\$m	\$m	\$m
Investments/Loans						
Hong Kong Science and Technology Parks Corporation	768	—	—	—	9,476	600
Hongkong International Theme Parks Limited	—	—	—	—	700	108
Asian Development Bank	11	12	12	17	18	18
<b>Total Expenditure</b>	779	12	12	17	10,194	726

### Estimated Outstanding Commitment of Capital Investment Fund

	Outstanding Commitment
As at 31 March 2017	\$m 3,032