

Head 184 — TRANSFERS TO FUNDS

Controlling officer: the Permanent Secretary for Financial Services and the Treasury (Treasury) will account for expenditure under this Head.

Estimate 2003–04 **\$63,014.0m**

Controlling Officer's Report

Aim

Expenditure from this Head is in respect of transfers to the various Funds established by resolution of the Legislative Council under section 29 of the Public Finance Ordinance. The level of transfers to funds is assessed with regard to the commitments of each fund and forecast cash flow.

	2001–02 (Actual)	2002–03 (Approved)	2002–03 (Revised)	2003–04 (Estimate)
Financial provision (\$m)	26.0	21,019.0 (+80 742.3%)	13,019.0 (–38.1%)	63,014.0 (+384.0%)

Analysis of Financial Provision

2 Provision for 2003–04 is \$49,995.0 million (384.0%) higher than the revised estimate for 2002–03. This is mainly due to the increased transfers to the Capital Works Reserve Fund, Capital Investment Fund and Civil Service Pension Reserve Fund.

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Sub-head (Code)	Actual expenditure 2001-02	Approved estimate 2002-03	Revised estimate 2002-03	Estimate 2003-04
	\$'000	\$'000	\$'000	\$'000
Capital Account				
IV — Transfers to Funds				
984	—	20,000,000	13,000,000	60,000,000
987	—	1,000,000	—	2,000,000
990	26,000	19,000	19,000	14,000
991	—	—	—	1,000,000
	26,000	21,019,000	13,019,000	63,014,000
	26,000	21,019,000	13,019,000	63,014,000
	26,000	21,019,000	13,019,000	63,014,000

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Details of Expenditure by Subhead

The estimate of the amount required in 2003–04 in respect of transfers to the various Funds established by resolution of the Legislative Council under section 29 of the Public Finance Ordinance is \$63,014,000,000. This represents an increase of \$49,995,000,000 over the revised estimate for 2002–03 and of \$62,988,000,000 over actual expenditure in 2001–02.

Capital Account

Transfers to Funds

2 Provision of \$60,000,000,000 under *Subhead 984 Payment to the Capital Works Reserve Fund* is to enable the Capital Works Reserve Fund to meet estimated expenditure during 2003–04 on the Public Works Programme, land acquisition, capital subventions and major systems and equipment and computerisation.

3 Provision of \$2,000,000,000 under *Subhead 987 Payment to the Capital Investment Fund* is for investments in statutory bodies and other organisations to finance major infrastructure and other capital projects.

4 Provision of \$14,000,000 under *Subhead 990 Payment to the Disaster Relief Fund* is for payment for humanitarian aid in relief of disasters that occur outside Hong Kong.

5 Provision of \$1,000,000,000 under *Subhead 991 Payment to the Civil Service Pension Reserve Fund* is to maintain an appropriate balance in the Fund despite the fact that we expect no payment to be made from the Fund in 2003–04. The Fund is established to provide a reserve to meet payment of civil service pension in the unlikely event that the Government cannot meet its liabilities for such payment from the General Revenue Account.