

SUMMARY

Background

The General Revenue Account (GRA) is the main operating account through which the Government's finances are controlled. The following tables summarise the estimates for 2003–04 and set these estimates in their historical context.

Movement of the Account

	Actual				Revised Estimate	Estimate
	1998–99	1999–2000	2000–01	2001–02	2002–03	2003–04
	\$m	\$m	\$m	\$m	\$m	\$m
OPENING BALANCE	190,112	174,561	145,387	129,934	87,244	15,134
Expenditure	179,650	178,247	188,551	200,687	204,658	216,455
Revenue♣	170,393	157,104	172,734	156,539	142,744	161,576†
Surplus/(Deficit) before Fund Transfers	(9,257)	(21,143)	(15,817)	(44,148)	(61,914)	(54,879)
Net Transfers (to)/from Funds	(6,294)	(8,031)	2,371	(26)	(10,719)	70,686
Surplus/(Deficit) after Fund Transfers	(15,551)	(29,174)	(13,446)	(44,174)	(72,633)	15,807
Write-back of provision for loss in investments with the Exchange Fund	—	—	(2,007)ç	1,484§	523§	—
CLOSING BALANCE	174,561	145,387	129,934	87,244	15,134	30,941

♣ Including exceptional receipts from the first tranche of the MTR Corporation Limited share offer of \$10,061 million in 2000-01.

† After Budget revenue measures.

ç In 2000-01 the amount refers to provision for the diminution in the market value of investments with the Exchange Fund during the period from 1 January 2001 to 31 March 2001.

§ In 2001-02 the amount refers to the write-back of the provision in 2000-01, less the estimated amount required to meet the diminution in the market value of investments with the Exchange Fund in January 2002. In 2002-03, the amount refers to the balance of the provision to be written back.

SUMMARY

Expenditure Analysis

	Actual								Revised Estimate		Estimate	
	1998-99		1999-2000		2000-01		2001-02		2002-03		2003-04	
	\$m	%	\$m	%	\$m	%	\$m	%	\$m	%	\$m	%
Recurrent Expenditure												
Personal Emoluments	44,092	24	46,488	26	50,497	27	51,909	26	51,334	25	50,956	24
Personnel Related Expenses	12,103	7	13,289	7	14,497	8	17,769	9	17,092	8	19,967	9
Departmental Expenses	8,935	5	10,184	6	12,934	7	14,366	7	16,306	8	17,362	8
Other Charges	28,568	16	29,590	17	30,355	16	31,328	16	34,406	17	36,065	17
Subventions	70,579	39	74,362	41	76,239	40	80,220	40	81,189	40	82,598	38
Sub-total	164,277	91	173,913	97	184,522	98	195,592	98	200,327	98	206,948	96
Additional Commitments	—	—	—	—	—	—	—	—	—	—	890	—
Total Recurrent Expenditure	164,277	91	173,913	97	184,522	98	195,592	98	200,327	98	207,838	96
Capital Expenditure												
Plant, Equipment and Works	790	1	1,372	1	853	—	984	—	1,083	1	971	—
Subventions	1,454	1	954	1	1,012	1	960	—	965	—	941	—
Other	13,129	7	2,008	1	2,164	1	3,151	2	2,283	1	3,175	2
Sub-total	15,373	9	4,334	3	4,029	2	5,095	2	4,331	2	5,087	2
Additional Commitments	—	—	—	—	—	—	—	—	—	—	3,530	2
Total Capital Expenditure	15,373	9	4,334	3	4,029	2	5,095	2	4,331	2	8,617	4
Total Expenditure (Recurrent + Capital)	179,650	100	178,247	100	188,551	100	200,687	100	204,658	100	216,455	100
Transfers to Funds	15,044		13,031		3,629		26		13,019		63,014	
Total including Transfers to Funds	194,694		191,278		192,180		200,713		217,677		279,469	

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Revenue Analysis

	Actual								Revised Estimate		Estimate†	
	1998-99		1999-2000		2000-01		2001-02		2002-03		2003-04	
	\$m	%	\$m	%	\$m	%	\$m	%	\$m	%	\$m	%
Recurrent Revenue												
Internal Revenue:												
Earnings and profits tax	75,746	45	66,914	43	73,870	43	77,749	50	71,400	50	77,070	48
Bets and sweeps tax	12,228	7	11,938	8	12,630	7	11,571	7	11,100	8	10,919	7
Hotel accommodation tax	219	—	182	—	223	—	203	—	200	—	206	—
Stamp duties	10,189	6	12,116	7	10,911	7	8,637	6	7,200	5	7,870	5
Air passenger departure tax	573	—	499	—	537	—	666	—	880	1	1,270	1
Cross-Harbour Tunnel passage tax	195	—	97	—	—	—	—	—	—	—	—	—
	99,150	58	91,746	58	98,171	57	98,826	63	90,780	64	97,335	61
Duties	7,698	5	7,377	5	7,293	5	6,981	5	6,593	5	6,269	4
General Rates	3,614	2	7,132	4	14,428	8	12,727	8	8,832	6	13,048	8
Motor Vehicle Taxes	2,237	1	2,613	2	3,025	2	2,676	2	2,605	2	3,182	2
Royalties and Concessions	1,286	1	1,577	1	1,767	1	1,881	1	1,728	1	1,530	1
Other Revenue	52,718	31	43,363	28	33,955	20	28,208	18	27,202	19	31,464	19
Total Recurrent Revenue	166,703	98	153,808	98	158,639	93	151,299	97	137,740	97	152,828	95
Capital Revenue												
Internal Revenue:												
Estate duty	1,237	1	1,272	1	1,503	—	1,928	1	1,500	1	1,500	1
Taxi Concessions	—	—	—	—	—	—	—	—	—	—	10	—
Other Revenue♣	2,453	1	2,024	1	12,592	7	3,312	2	3,504	2	7,238	4
Total Capital Revenue	3,690	2	3,296	2	14,095	7	5,240	3	5,004	3	8,748	5
Total Revenue (Recurrent + Capital)	170,393	100	157,104	100	172,734	100	156,539	100	142,744	100	161,576	100
Transfers from Funds	8,750		5,000		6,000		—		2,300		133,700	
Total including Transfers from Funds	179,143		162,104		178,734		156,539		145,044		295,276	

Statistical Analysis of Revenue

	1998-99	1999-2000	2000-01	2001-02	2002-03	2003-04
	Actual	Actual	Actual	Actual	Revised Estimate	Estimate†
Recurrent Revenue as % of Total Revenue	98%	98%	93%	97%	97%	95%
Capital Revenue as % of Total Revenue	2%	2%	7%	3%	3%	5%

† After Budget revenue measures.

♣ Including exceptional receipts from the first tranche of the MTR Corporation Limited share offer of \$10,061 million in 2000-01 and estimated proceeds of \$6,000 million from sale of assets in 2003-04.