

**CAPITAL WORKS RESERVE FUND**  
**(Receipts)**

	Revised Estimate 2006-07	Estimate 2007-08
	\$'000	\$'000
<b>Land Premium</b>		
Sales by public auction and tender.....	7,151,400	—
Private treaty grants .....	23,183,200	—
Modification of existing leases, exchanges and extensions .....	6,196,100	—
Fees received in respect of short term waivers .....	269,300	—
<i>Land Premium: total</i> .....	<u>36,800,000</u>	<u>38,500,000#</u>
<b>Investment Income</b> .....	<u>4,352,412</u>	<u>4,024,740</u>
<b>Donations and Contributions</b> .....	<u>13,460</u>	<u>18,170</u>
<b>Recovery from MTR Corporation Limited</b> .....	<u>—</u>	<u>131,000</u>
<b>Others</b> .....	<u>110,723</u>	<u>2,700</u>
<b>Total (Receipts)</b> .....	<u><u>41,276,595</u></u>	<u><u>42,676,610</u></u>

# No breakdown in the land premium estimate for 2007-08 is provided because of the market-driven nature of the land sales under the Application List, Private Treaty Grants and Modifications. The total land premium for 2007-08 is estimated having regard to both the overall performance of the property market in the past and current market conditions. We have assumed that land revenue will be around 2.5% of the forecast GDP.

## CAPITAL WORKS RESERVE FUND

### Movement of the Account

	Revised Estimate	Estimate
	2006-07	2007-08
	\$m	\$m
Opening Balance	37,044	<b>50,438</b>
Revenue	41,277	<b>42,677</b>
Expenditure	27,883	<b>25,777</b>
Surplus/(Deficit) before Transfer	13,394	<b>16,900</b>
Transfer from / (to) GRA	—	<b>(30,000)</b>
Surplus/(Deficit) after Transfer	13,394	<b>(13,100)</b>
Closing Balance	50,438	<b>37,338</b>

### Revenue Analysis

	Revised Estimate	Estimate
	2006-07	2007-08
	\$m	\$m
Land Premium		
Sales by public auction and tender	7,152	—
Private treaty grants	23,183	—
Modification of existing leases, exchanges and extensions	6,196	—
Fees received in respect of short term waivers	269	—
	36,800	<b>38,500</b>
Investment Income	4,352	<b>4,025</b>
Donations and Contributions	14	<b>18</b>
Recovery from MTR Corporation Limited	—	<b>131</b>
Others	111	<b>3</b>
<b>Total Revenue</b>	41,277	<b>42,677</b>

## CAPITAL WORKS RESERVE FUND

### Expenditure Analysis

	Revised Estimate	Estimate
	2006-07	2007-08
	\$m	\$m
Land Acquisition	741	1,895
Port and Airport Development	133	8
Buildings	5,940	6,520
Drainage	1,401	1,416
Civil Engineering	2,223	1,824
Highways	5,145	3,415
New Towns and Urban Area Development	1,884	1,699
Capital Subventions and Major Systems and Equipment	4,133	4,378
Waterworks	1,136	1,495
Computerisation	1,100	1,967
Housing	671	361
	24,507	24,978
Government Bonds and Notes		
Repayment	2,550	—
Interest and other expenses	826	799
	3,376	799
<b>Total Expenditure</b>	27,883	25,777