



香港房屋委員會
Hong Kong Housing Authority

承先啟後

共建未來

Inherit the past
Build for the future

財務報表 截至2014年3月31日止年度

香港房屋委員會 香港九龍何文田佛光街33號
www.housingauthority.gov.hk

以環保紙印製·請循環再造
C1409/1019(b)



香港房屋委員會

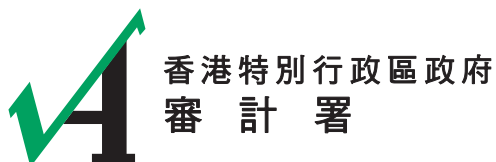
截至 2014 年 3 月 31 日止年度的財務報表

目錄

	頁次
審計署署長報告	1-2
財務報表	
全面收益表	3
財務狀況表	4-5
淨資產變動表	6
現金流量表	7-8
財務報表附註	
1 香港房屋委員會與政府之間的財政安排	9-11
2 主要會計政策	12-24
3 應用房委會會計政策時作出的關鍵會計判斷	25
4 收入	26-27
5 自置居所計劃開支	27
6 非運作開支淨額	27
7 物業、設備及器材	28-29
8 進行中的基本工程／計劃	30
9 無形資產	31
10 外匯基金存款	31
11 證券投資和銀行存款	32
12 自置居所貸款／置業資助貸款	33-34
13 其他資產	35
14 存貨	35
15 應收帳項、按金和預付款項	35
16 現金及等同現金	36
17 應付帳項、按金和其他應付款項	36
18 撥備及其他負債	37
19 政府的資助	38-39
20 房屋建設工程基金	40

21	發展基金	41
22	拆售零售及停車場設施	41
23	關連人士交易	42
24	或有負債	43-44
25	資本承擔	45
26	衍生金融工具	45
27	財務風險管理	46-51
28	金融工具的公平值	51-52
29	房委會與政府之間的財政安排所需的補充資料	
	(a) 綜合撥付款項帳目	53
	(b) 租住房屋運作帳目	54
	(c) 商業樓宇運作帳目	55
	(d) 資助自置居所運作帳目	56
	(e) 資金管理帳目	57
	(f) 代管服務帳目	58

審計署署長報告



獨立審計報告

我已審計列載於第 3 至 58 頁香港房屋委員會的財務報表，該等財務報表包括於 2014 年 3 月 31 日的財務狀況表與截至該日止年度的全面收益表、淨資產變動表和現金流量表，以及主要會計政策概要及其他附註解釋資料。

香港房屋委員會就財務報表須承擔的責任

香港房屋委員會須負責按照《房屋條例》(第 283 章)第 14(1)條、1988 年香港房屋委員會與香港政府之間的財政安排(已按 1994 年增補協議修訂)，以及香港房屋委員會通過的會計政策，擬備該等財務報表。財政安排及會計政策的要點載於財務報表附註 1 及 2。香港房屋委員會亦有責任落實其認為必要的內部控制，以使財務報表不存有由於欺詐或錯誤而導致的重大錯誤陳述。

審計師的責任

我的責任是根據我的審計對該等財務報表作出意見。我已按照《房屋條例》第 14(2)條及審計署的審計準則進行審計。這些準則要求我遵守道德規範，並規劃及執行審計，以合理確定財務報表是否不存有任何重大錯誤陳述。

審計涉及執程序以獲取有關財務報表所載金額及披露資料的審計憑證。所選定的程序取決於審計師的判斷，包括評估由於欺詐或錯誤而導致財務報表存有重大錯誤陳述的風險。在評估該等風險時，審計師考慮與該委員會擬備財務報表有關的內部控制，以設計適當的審計程序，但並非為對委員會的內部控制的效能發表意見。審計亦包括評價香港房屋委員會所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價財務報表的列報方式。

我相信，我所獲得的審計憑證是充足和適當地為我的審計意見提供基礎。

意見

我認為，香港房屋委員會截至 2014 年 3 月 31 日止年度的財務報表在各重大方面均按照 1988 年香港房屋委員會與香港政府之間的財政安排(已按 1994 年增補協議修訂)，以及香港房屋委員會通過的會計政策而編製，並已按照《房屋條例》第 14(1)條妥為擬備。財政安排及會計政策的要點載於財務報表附註 1 及 2。

審計署署長
孫德基

2014 年 9 月 29 日

審計署
香港灣仔
告士打道 7 號
入境事務大樓 26 樓

香港房屋委員會
截至 2014 年 3 月 31 日止年度的全面收益表
(以港幣百萬元位列示)

	附註	2014	2013
收入			
租金收入	4(a)	13,883	12,161
售樓及補價收入	4(b)	3,667	2,604
投資收入	4(c)	3,655	4,395
其他收入	4(d)	170	187
		<u>21,375</u>	<u>19,347</u>
開支			
薪俸		3,230	3,131
地租及差餉		236	209
維修及改善工程		2,728	2,638
折舊及攤銷		3,099	2,928
自置居所計劃開支	5	1,201	214
其他開支		4,428	4,307
		<u>14,922</u>	<u>13,427</u>
運作盈餘		6,453	5,920
非運作開支淨額	6	<u>(80)</u>	<u>(98)</u>
年內盈餘		6,373	5,822
其他全面收益		<u>-</u>	<u>-</u>
年內全面收益總額		<u>6,373</u>	<u>5,822</u>

第 9 至 58 頁所載附註為這份財務報表的一部分。

香港房屋委員會
2014年3月31日的財務狀況表
(以港幣百萬元位列示)

	附註	2014	2013
非流動資產			
物業、設備及器材	7	114,312	107,065
進行的基本工程／計劃	8	16,957	17,725
無形資產	9	365	383
外匯基金存款	10	36,605	34,862
證券投資和銀行存款	11(a)	5,652	1,394
自置居所貸款／置業資助貸款	12	138	209
其他資產	13	36	71
		<u>174,065</u>	<u>161,709</u>
流動資產			
存貨	14	2	763
應收帳項、按金和預付款項	15	2,155	1,165
應從政府收回的款項	23(b)	14	18
證券投資和銀行存款	11(b)	27,304	32,967
銀行結餘和現金	16	638	409
		<u>30,113</u>	<u>35,322</u>
流動負債			
應付帳項、按金和其他應付款項	17	8,934	7,669
應付予政府的款項	23(c)	489	351
撥備及其他負債	18	320	352
		<u>9,743</u>	<u>8,372</u>
流動資產淨額		<u>20,370</u>	<u>26,950</u>
扣除流動負債後的資產總額		194,435	188,659
非流動負債			
撥備及其他負債	18	600	740
資產淨額		<u>193,835</u>	<u>187,919</u>

第9至58頁所載附註為這份財務報表的一部分。

香港房屋委員會
2014年3月31日的財務狀況表 (續)
(以港幣百萬元位列示)

	附註	2014	2013
上列項目包括：			
政府的永久資本	1(a)	13,489	13,489
政府的資助	19(a)	5,454	5,454
資本儲備		12	12
累積盈餘		94,523	89,611
房屋建設工程基金	20	24,403	24,312
發展基金	21	55,954	55,041
		<u>193,835</u>	<u>187,919</u>

張炳良
香港房屋委員會主席
2014年9月29日

第9至58頁所載附註為這份財務報表的一部分。

香港房屋委員會
截至 2014 年 3 月 31 日止年度的淨資產變動表
(以港幣百萬元位列示)

	政府的 永久資本	政府的 資助	資本 儲備	累積盈餘	房屋建設 工程基金	發展基金	總額
2012 年 4 月 1 日結餘	13,489	5,454	12	83,599	21,823	58,090	182,467
年內全面收益總額	-	-	-	5,822	-	-	5,822
年內付予政府的紅利	-	-	-	(370)	-	-	(370)
轉撥自／(往)累積盈餘的款項	-	-	-	560	2,489	(3,049)	-
2013 年 3 月 31 日結餘	<u>13,489</u>	<u>5,454</u>	<u>12</u>	<u>89,611</u>	<u>24,312</u>	<u>55,041</u>	<u>187,919</u>
2013 年 4 月 1 日結餘	13,489	5,454	12	89,611	24,312	55,041	187,919
年內全面收益總額	-	-	-	6,373	-	-	6,373
年內付予政府的紅利	-	-	-	(457)	-	-	(457)
轉撥自累積盈餘的款項	-	-	-	(1,004)	91	913	-
2014 年 3 月 31 日結餘	<u>13,489</u>	<u>5,454</u>	<u>12</u>	<u>94,523</u>	<u>24,403</u>	<u>55,954</u>	<u>193,835</u>

第 9 至 58 頁所載附註為這份財務報表的一部分。

香港房屋委員會
截至 2014 年 3 月 31 日止年度的現金流量表
(以港幣百萬元位列示)

	附註	2014	2013
來自運作活動的現金流量			
年內盈餘		6,373	5,822
調整：			
投資收入	4(c)	(3,655)	(4,395)
拆售零售及停車場設施的開支／(開支回撥)	6	4	(22)
物業、設備及器材的折舊		2,979	2,830
無形資產攤銷		138	123
已售租者置其屋計劃單位的折餘價值		117	104
調整資本開支		99	125
自置居所貸款／置業資助貸款的減少		82	106
自置居所貸款／置業資助貸款減值撥備的減少		(5)	(8)
其他資產的減少		36	50
興建中居者有其屋計劃 (住宅) 物業的增加		(662)	(218)
存貨的減少／(增加)		761	(8)
以公平值列帳的證券的減少		6,986	6,638
應收帳項、預付款項和其他應收款項的(增加)／減少		(1,074)	992
應付帳項、應計項目和其他應付款項的增加／(減少)		1,400	(677)
撥備及其他負債的減少		(177)	(93)
來自運作活動的現金淨額		13,402	11,369

第 9 至 58 頁所載附註為這份財務報表的一部分。

香港房屋委員會
截至 2014 年 3 月 31 日止年度的現金流量表 (續)
(以港幣百萬元位列示)

	附註	2014	2013
來自投資活動的現金流量			
贖回持有至到期日的證券		418	343
外匯基金存款的增加		(1,743)	(1,849)
原到期日為 3 個月以上的銀行存款的增加		(4,476)	(295)
有關拆售零售及停車場設施的付款		(4)	(1)
有關進行中的基本工程／計劃的付款			
- 新建公共租住房屋		(7,177)	(7,408)
- 重建公共租住房屋		(1,098)	(1,004)
- 居者有其屋計劃 (商業)		(18)	(8)
- 房屋委員會辦事處		-	(1)
- 電腦系統		(153)	(189)
- 改善工程		(654)	(681)
已收的利息		2,148	2,279
已收的股息		269	332
用於投資活動的現金淨額		<u>(12,488)</u>	<u>(8,482)</u>
來自融資活動的現金流量			
已付予政府的紅利		(479)	(340)
用於融資活動的現金淨額		<u>(479)</u>	<u>(340)</u>
現金及等同現金增加淨額		435	2,547
年初的現金及等同現金		<u>8,478</u>	<u>5,931</u>
年終的現金及等同現金	16	<u>8,913</u>	<u>8,478</u>

第 9 至 58 頁所載附註為這份財務報表的一部分。

香港房屋委員會

財務報表附註

1 香港房屋委員會與政府之間的財政安排

香港房屋委員會(下稱「房委會」)是一個法定機構，於 1973 年 4 月根據《房屋條例》(第 283 章)成立。房委會按《房屋條例》行使權力和履行職責，以確保提供房屋和其認為適合附屬於房屋的康樂設施。隨着《1988 年房屋(修訂)條例》的制定及房委會重組，政府與房委會之間的財政安排於 1988 年 4 月 1 日宣告生效。就 1988 年財政安排作出的增補協議，則由 1994 年 10 月 1 日起生效。有關財政安排的要點如下：

(a) 政府的免息永久資本

永久資本中來自已資本化的前發展貸款基金貸款的 134.89 億港元，已由 1994 年 10 月 1 日起改為免息永久資本。

(b) 政府的資助

包括在帳目內政府對住宅樓宇的資助及非住宅樓宇的權益，載於附註 19(a)。

公共租住屋邨住宅樓宇的土地價值、居者有其屋計劃(下稱「居屋計劃」)住宅樓宇的十足市值地價減去政府所收土地成本的餘額，以及租住屋邨和居屋屋苑內非住宅樓宇(即停車場及商業設施)的土地價值，並無包括在帳目內，而是作為備忘錄記項於附註 19(b)列出。

(c) 年內付予政府的紅利

房委會從租住屋邨及居屋屋苑非住宅設施所得的整體盈餘，須與政府平分，並以紅利形式分配予政府。

(d) 居者有其屋計劃及私人機構參建居屋計劃的或有負債

由 1988 年 4 月 1 日起，政府就居屋計劃及私人機構參建居屋計劃(下稱「私人參建計劃」)作出的按揭還款保證(附註 24(a))，以及因私人參建計劃單位未能全部售出或單位售價低於保證售價而須承擔的或有負債，均由房委會接手承擔。

(e) 興建與管理臨時房屋區及平房區

由 1988 年 4 月 1 日起，房委會須：

- (i) 負責支付臨時房屋區和臨時收容中心的發展、建築與管理開支及平房區的管理費用；以及
- (ii) 以代理人身分，繼續代政府執行清拆、寮屋管制及寮屋區改善計劃下的設施保養工作，費用仍然由政府支付。

所有臨時房屋區已於 2001 年 8 月清拆。除了安置受清拆影響居民的工作外，寮屋管制及清拆職務由 2006 年 4 月起移交地政總署。

(f) 房屋建設工程基金

房屋建設工程基金於 1993 年 4 月 1 日設立，目的是提供獨立資金，供房委會購置及／或興建固定資產，以及發展居屋。該基金的用途已擴展至支付大型改善工程的建設成本。因此，基金分為兩個帳目，即用於興建屋邨及居屋的「建築工程帳目」，以及用於改善現有屋邨水準及屋邨社區服務的「改善工程帳目」。

上述兩個帳目均須保持足夠數額的運作資金 — 「建築工程帳目」的數額須相等於 6 個月的估計開支，「改善工程帳目」則須保持 20 億港元的年終結餘。

(g) 發展基金

發展基金於 1994 年 10 月 1 日設立，用以支付發展房屋及與房屋有關的工程和基建的開支，從而進一步推行政策，為有住屋需要的人士提供合適及能力可負擔的居所。

在房委會事先同意下，為維持發展基金設立的目的，政府有權向該基金注入可能需要的額外款項。

2 主要會計政策

(a) 財務報表編製基準

本財務報表是按照《房屋條例》、與政府於 1988 年達成的財政安排和 1994 年與政府作出的增補協議，以及經房委會通過的會計政策編製。

(i) 計量基準

編製財務報表時以原值成本作為計量基準，惟外聘投資經理管理的證券，以及衍生金融工具除外，兩者均按公平值列出，有關會計政策載於附註 2(i)和 2(l)。

(ii) 管理層作出的判斷和估計

在編製財務報表時，管理層須作出對政策應用，以及對資產、負債、收入和支出呈報數額有所影響的判斷、估計和假設。作出的估計和相關假設，乃根據過往經驗和因應不同環境而認為合理的其他因素而得出。當欠缺其他現成數據時，該等估計和假設的結果，會用作判斷資產和負債帳面值的基準，惟實際結果與該等估計可能有所不同。

該等估計和相關假設會不斷作出檢討。如會計估計的修訂只對本修訂期有影響，便會於本期內確認；如修訂對本期和未來期間均有影響，則會於本期和未來期間內確認。

管理層在應用房委會的會計政策時作出的一些對財務報表有重大影響的判斷，以及頗有可能在來年須作重大調整的估計，均載於附註 3。

(b) 收入的確認

收入的確認，是在預期經濟利益會流向房委會，而收入和成本(如適用)可以可靠地計量時進行。年內所得的收入，根據以下的會計政策記帳：

(i) 租金收入

物業的租金收入於相關期內記帳；

(ii) 售樓及補價收入

這包括：

- 出售／重售居屋／私人參建計劃單位的所得，並於簽訂買賣協議時確認；
- 出售／重售租者置其屋計劃(下稱「租置計劃」)單位的所得，並於簽訂轉讓契據時確認；以及
- 居屋／私人參建／租置計劃單位業主所付的補價，並於解除單位轉讓限制時確認為收入；

(iii) 利息收入

利息收入採用實際利率法按應計制基準確認；

(iv) 股息收入

股息收入於除息日確認；

(v) 收費

提供服務所收取的費用於服務交付時確認；以及

(vi) 代理工作及代管服務的收入

房委會代理工作及代管服務的收入於相關期內記帳。

(c) 物業、設備及器材

物業、設備及器材是按成本價於扣除累積折舊額後列於財務狀況表。下列各項物業、設備及器材於提供公共房屋服務和附屬商業設施時使用：

(i) 樓宇及改善工程

樓宇分為以下 3 類：

出租物業 (不包括中轉房屋)

「房委會屋邨」 即房委會及前屋宇建設委員會的屋邨，以及 1973 年 4 月 1 日以後建成的這類屋邨，包括從香港模範屋宇會接管的屋邨。

「廉租屋邨」 前政府廉租屋邨及 1973 年 4 月 1 日以後建成的這類屋邨。

「居屋計劃
(非住宅)」 居者有其屋計劃的非住宅樓宇。

「徙置屋邨」 前徙置事務處的屋邨，包括分層工廠大廈及 1973 年 4 月 1 日以後建成的這類大廈。

中轉房屋

「中轉房屋」 過渡性質的住屋，但建築物或可永久住用。

其他

「總部」 總部大廈。

「宿舍」 職員宿舍。

每項價值 50 萬港元或以上的樓宇及改善工程均會按以下基準確認為資產：

「房委會屋邨」、「居屋計劃(非住宅)」、「總部」及「中轉房屋」－按房委會的成本價記帳；

「廉租屋邨」－如在 1973 年 4 月 1 日前落成，按相等於 1973 年 3 月 31 日的折餘價值的推定成本價記帳；如在 1973 年 3 月 31 日後落成，則按房委會的成本價記帳；

「徙置屋邨」－以前歸類為第一、二和三型的屋邨及工廠大廈(1973 年 3 月 31 日後落成的工廠大廈除外)，價值為零；其他在 1973 年 4 月 1 日前落成的屋邨，按相等於 1973 年 3 月 31 日的折餘價值的推定成本價記帳；而在 1973 年 3 月 31 日後落成的屋邨，則按房委會的成本價記帳；以及

「宿舍」－按相等於 1976 年 3 月 31 日的折餘價值的房委會推定成本價記帳。

(ii) 電腦器材及電子器材

每項價值 50 萬港元或以上的電腦系統(包括硬件和軟件)及電子器材按成本價確認為資產。電腦系統的硬件(包括其附設軟件)和軟件的會劃分並分別在「物業、設備及器材」和「無形資產」(附註 2(f))兩個項目之下確認。

如日後因改善現有設備及器材而有經濟利益流入房委會，撥作此類改善用途的每項 50 萬港元或以上的開支，均會記入作為有關資產的帳面值，惟電腦系統的改善成本不受 50 萬港元這個資本化規範所限。

因報銷或出售物業、設備及器材項目而產生的收益或虧損，以出售有關項目的淨收益與帳面值的差額計算，並會在報銷或出售當日於全面收益表確認。

(d) 折舊

計算折舊是將一項物業、設備及器材的成本價值在減去其估計剩餘價值(如有的話)後，以直線法按下列預算可用年期攤銷：

	<u>預計可用年期</u>
(i) 樓宇	
- 中轉房屋	10 年
- 出租物業(不包括中轉房屋)和其他	50 年
(ii) 所有樓宇改善工程和其他改善工程	樓宇在改善工程竣工後的餘下使用年期
(iii) 電腦器材及電子器材	5 年

(e) 進行中的基本工程／計劃

這包括由房屋建設工程基金和發展基金提供資金，並用於興建中的物業或開發中的電腦系統、改善工程和購置物業、設備及器材的費用。基本工程完成後，費用便會轉撥「物業、設備及器材」或「無形資產」項目之下。居屋計劃(住宅)工程完竣後，有關費用會轉撥「存貨」項目之下。每項耗資少於 50 萬港元的改善工程費用，會在其產生時記入全面收益表作為開支。

(f) 無形資產

無形資產包括購入的電腦軟件牌照和電腦軟件項目的資本化發展成本。開發電腦軟件項目如在技術上可行，而房委會亦有充足的資源，並有意完成該發展項目，其開支便會被資本化。資本化的開支包括直接人工及材料成本。無形資產是按成本價於扣除累計攤銷後列出。

無形資產的攤銷乃按其 5 年預算可用年期，以直線法記入全面收益表。

(g) 土地

(i) 批租土地

根據官契／政府租契或批地／換地條件，房委會擁有所有居屋(非住宅)樓宇、租置計劃屋邨的出租單位、多個租住屋邨、部分屋苑的出租大廈、佛光街兩幢總部大廈、橫頭磡客務中心及振華苑辦事處所佔土地的正式合法業權。

批租土地地價指於徵用批租土地或取得土地使用權時須先付的金額。有關金額按成本價列出，並以直線法在批租期內折舊。

(ii) 受制於接管令的土地

至於其他批租以外的土地，則一直由地政總署署長行使行政長官根據《房屋條例》第 5 條授予的權力，發出接管令，賦予房委會全面管制及管理該等土地的權力。

(iii) 土地價值

列入財務報表附註 19(b) 內的土地價值乃根據與政府之間的財政安排(附註 1(b)) 按下列方法釐定：

「房委會屋邨」、「廉租屋邨」、「中轉房屋」及「徙置屋邨」¹ — 土地價值由差餉物業估價署署長以餘值估價法評估，估價以 1976 年的水平為準，如有關屋邨是在 1976 年後落成，估價則以屋邨移交房委會管理時的水平作出。如差餉物業估價署署長未能就該幅土地的價值作出評估，便會將有關屋邨由差餉物業估價署署長評定的臨時應課差餉租值和某一倍數相乘，得出臨時的土地估價。

「居屋計劃(住宅)」 — 居者有其屋計劃住宅樓宇的土地價值是十足市值地價減去土地成本的餘額。

「居屋計劃(非住宅)」¹ — 在 1988 年 4 月 1 日之前，商業設施用地的價值是以買地當日的十足市值計算，而在該日前已落成的停車場，其土地估值為零。由 1988 年 4 月 1 日起，包括商業設施及停車場等之非住宅設施用地的價值，均由差餉物業估價署署長於設施落成當日以餘值估價法評估。

「總部」¹ — 佛光街其中一幢總部大廈、位於橫頭磡的客務中心和位於黃大仙上邨的辦事處大廈的土地價值，均按地政總署以有關樓宇落成當日的估值而釐定。

「宿舍」¹ — 宿舍的土地價值，是差餉物業估價署署長以餘值估價法評估而得的價值，並以 1976 年的水平為準。

¹ 樓宇類別簡稱列於附註 2(c)。

(h) 外匯基金存款

用作投資的外匯基金存款包括本金總額和報告期終結時已入帳但尚未提取的利息。結餘以已攤銷成本列出。

(i) 證券投資

房委會有明確的意向和能力持有某些證券直至其到期日，這些證券列為「持有至到期日的證券」。持有至到期日的證券最初按公平值加上交易成本後在財務狀況表確認，其後則採用實際利率法，於扣除減值損失後以已攤銷成本列入財務狀況表(附註2(k))。

由外聘投資經理管理的證券，在內部按公平值管理、評估及匯報，因此指定以公平值列帳。該等證券投資最初按公平值列出。在每段報告期終結時，公平值會重新計量，其價值如有任何變動，會在全面收益表內確認。在證券投資出售後，出售收益淨額與帳面值的差額會記入全面收益表。

證券投資買賣會在交易當日記帳。

(j) 貸款和應收款項

貸款和應收款項最初按公平值確認，其後以已攤銷成本於扣除減值損失後列出(附註 2(k))。不過，如屬應從政府收回的免息款項和資助自置居所計劃下提供的免息貸款，或其貼現效應微不足道的項目，則會按成本在扣除減值損失後列出(附註 2(k))。

(k) 證券投資、貸款和應收款項的減值

持有至到期日的證券投資，以及貸款和應收款項會在每段報告期終結時覆檢，以確定是否有客觀證據顯示出現減值情況。如確有證據，便會計算減值損失，並於全面收益表確認如下：

- (i) 如金融資產是按成本記帳，其減值損失為金融資產的帳面值與估計未來現金流量現值的差額，而該現值是按同類金融資產的現行市場回報率以折現方式計算。倘若其後減值損失的金額減少，該等金融資產的減值損失便會回撥；以及
- (ii) 如金融資產是按已攤銷成本記帳，其減值損失則為資產的帳面值與估計未來現金流量現值的差額，而該現值是按金融資產原來的實際利率(即最初確認資產時所計算的實際利率)以折現方式計算。倘若其後減值損失的金額減少，而減少的原因可客觀地追溯至在減值損失獲確認後才發生的事件，減值損失便會在全面收益表內回撥，惟在回撥減值損失後的資產帳面值，不得超逾過往年度如未有確認減值損失時的帳面值。

(l) 衍生金融工具

衍生金融工具最初按公平值確認。在每段報告期終結時，公平值會重新計量，其價值如有任何變動，會在全面收益表內確認。

(m) 存貨

存貨包括樓宇單位、倉存和備件，有關項目以成本或可變現淨值兩者中較低者記帳。

回購單位及未售的新建單位的可變現淨值，是指估計售價扣除出售單位所需成本後的價值。單位售出後，其帳面值會於確認相關售樓收入的同一年，確認為支出。

倉存和備件的成本主要按加權平均成本方法計算。已過時的倉存和備件會在全面收益表內註銷。當倉存和備件耗用後，其帳面值會於耗用當年，確認為支出。

(n) 其他資產

其他資產是指房委會為個別租置計劃屋邨維修基金支付的資金。房委會根據每個屋邨的公契，為每個屋邨的維修基金支付一筆過的資金。

其他資產是按成本在扣除累計攤銷後記帳，並以直線法在全面收益表內分 10 年攤銷。

租置計劃屋邨的單位出售後，屬於該等單位的其他資產帳面值會於確認相關售樓收入的同一年，確認為支出。

(o) 現金及等同現金

現金及等同現金包括銀行結餘和現金，以及於購入時距期滿日通常不超過 3 個月，屬短期性質並隨時可轉換為已知數額的現金和價值變動風險不大且流通性高的投資。

(p) 應付帳項及其他財務負債

應付帳項及其他財務負債均以已攤銷成本列出，但是如屬應付予政府的免息款項，或其貼現效應微不足道的項目，則會以成本列出。

(q) 僱員福利

僱員福利如工資、薪金和花紅，在僱員提供服務後會確認為支出。合約僱員因在年內提供服務而應付予他們的約滿酬金會在財務報表內作出撥備。

僱員享有的年假是根據他們當時累積的年假日數確認入帳，而僱員享有的病假和產假，則會在僱員放取有關假期時才確認。

合約僱員的強制性公積金僱主供款在產生有關責任期間作為開支。公務員的長俸負債則在房委會按月付還香港政府的公務員員工成本時支付。

(r) 外幣換算

年內進行的外幣交易，均按交易當日的現貨兌換率換算為港元。以港元以外的貨幣為單位的貨幣資產和負債，均按報告期終結時的收市兌換率換算為港元。兌換導致的收益和虧損，均在全面收益表內確認。

(s) 已作出的財務擔保和撥備及或有負債

(i) 已作出的財務擔保

財務擔保是規定發出人在指定債務人未有根據債務票據條款於限期前還款時，須向持有人支付指定之款項以補償其損失的合約。房委會就出售居屋／私人參建／租置計劃單位及銀行和其他認可財務機構提供的按揭貸款所作出的按揭還款保證，屬財務擔保的一種。

由於按揭還款保證是以零代價作出及其公平值無法可靠地計量，故沒有確認遞延收入。

就按揭還款保證開支作出的撥備，是在該保證的持有人可能根據該保證向房委會提出要求補償，而所涉款額能可靠地估計時，予以確認。至於沒有作出撥備的保證，房委會的現存責任會以或有負債披露。

(ii) 其他撥備及或有負債

在以下情況下，其他負債(包括維修和小型改善工程)的撥備會予以確認：房委會對已發生的事件須承擔現存責任；在履行該責任時預期會引致經濟利益外流；以及有關責任所涉款額能可靠地估計。如所涉款額有重大時值，撥備便會以履行該責任的預計開支現值列出。於每段報告期終結時會重估撥備款額，並作出調整，以反映當時最準確的估值。

倘不大可能出現經濟利益外流，或所涉款額不能可靠地估計，現存責任會以或有負債披露(除非引致經濟利益外流的可能性極微)。至於要視乎日後是否有某宗或多宗事件發生才能確定存在與否的潛在責任，亦會以或有負債披露(除非引致經濟利益外流的可能性極微)。

(t) 關連人士

如房委會能直接或間接對另一方人士的財務和運作決定作出控制或行使重大影響力(反之亦然)，又或房委會和另一方人士同樣受第三方所控制，有關人士將被視為房委會的關連人士。

(u) 課稅

根據《房屋條例》第 34(1)條，為施行該條例，房委會獲豁免，無須受《稅務條例》(第 112 章)規限。

3 應用房委會會計政策時作出的關鍵會計判斷

出租物業

管理層認為，房委會旨在以出租物業提供公共房屋資助，而非為賺取租金，因此，出租物業是記入「物業、設備及器材」項目之下，而非記入「投資物業」項目之下。基於同一理由，管理層亦認為，根據出租物業的可收回款額確認有關物業的任何減值損失，並不恰當。

4 收入

	2014 百萬元 (港幣)	2013 百萬元 (港幣)
(a) 租金收入		
租住房屋	11,862	10,358
商業樓宇	2,021	1,803
	<u>13,883</u>	<u>12,161</u>
(b) 售樓及補價收入		
出售單位	2,724	1,012
解除轉讓限制所收補價	943	1,592
	<u>3,667</u>	<u>2,604</u>
(c) 投資收入		
下列項目的利息收入		
- 外匯基金存款	1,638	1,819
- 以公平值列帳的證券	207	283
- 銀行存款	197	97
- 持有至到期日的證券	28	40
	2,070	2,239
指定以公平值列帳的證券的 已實現和重估收益淨額	1,332	1,967
下列項目的匯兌收益／(虧損)淨額		
- 以公平值列帳的證券	48	(202)
- 其他	(63)	56
	(15)	(146)
以公平值列帳的證券的股息收入	267	334
其他投資收入	1	1
	<u>3,655</u>	<u>4,395</u>
(d) 其他收入		
收費	45	36
雜項收入	125	151
	<u>170</u>	<u>187</u>
總收入	<u>21,375</u>	<u>19,347</u>

4 收入(續)

營運租約的安排

房委會批出營運租約出租商業樓宇(停車場除外)，租約一般為期3年。本年度所得租金收入為15.76 億港元 (2013：14.04億港元)。

房委會根據商業樓宇的不可撤銷營運租約於日後應收的最低租金收入分析如下：

	<u>2014</u> 百萬元 (港幣)	<u>2013</u> 百萬元 (港幣)
不超過1年	742	706
超過1年但不超過5年	881	785
超過5年	124	131
	<u>1,747</u>	<u>1,622</u>

5 自置居所計劃開支

	<u>2014</u> 百萬元 (港幣)	<u>2013</u> 百萬元 (港幣)
已售單位成本		
- 建築費用及間接開支	744	105
- 政府土地成本	235	86
- 回購單位成本	153	7
	<u>1,132</u>	<u>198</u>
就出售自置居所貸款計劃的貸款須支付的利息(附註 3(a))的調整	3	(23)
其他開支	66	39
	<u>1,201</u>	<u>214</u>

6 非運作開支淨額

	<u>2014</u> 百萬元 (港幣)	<u>2013</u> 百萬元 (港幣)
拆售零售及停車場設施的(開支)/開支回撥(附註 22)	(4)	22
市區重建局付還編配予受清拆影響人士的租住單位的成本	19	12
工程已終止的地盤的工程成本	(99)	(125)
售予政府的剩餘居屋單位及停車場設施的調整額	-	(10)
其他收入	4	3
	<u>(80)</u>	<u>(98)</u>

7 物業、設備及器材

	2014				2013					
	出租物業 (不包括中轉房屋)		中轉房屋	其他	合計	出租物業 (不包括中轉房屋)		中轉房屋	其他	合計
	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)
(a) 批租土地地價										
年初及年終成本	105	-	57	162	105	-	57	162		
年初累積折舊	(93)	-	(25)	(118)	(93)	-	(24)	(117)		
年內折舊	(1)	-	(1)	(2)	-	-	(1)	(1)		
年終累積折舊	(94)	-	(26)	(120)	(93)	-	(25)	(118)		
年終帳面淨值	11	-	31	42	12	-	32	44		
(b) 地盤平整										
年初成本	2,535	1	8	2,544	2,467	1	8	2,476		
添置	23	-	-	23	76	-	-	76		
轉撥	-	-	-	-	-	-	-	-		
刪減／拆卸	(7)	-	-	(7)	(8)	-	-	(8)		
年終成本	2,551	1	8	2,560	2,535	1	8	2,544		
年初累積折舊	(1,114)	(1)	(6)	(1,121)	(1,079)	(1)	(6)	(1,086)		
年內折舊	(40)	-	-	(40)	(40)	-	-	(40)		
刪減／拆卸時回撥	4	-	-	4	5	-	-	5		
年終累積折舊	(1,150)	(1)	(6)	(1,157)	(1,114)	(1)	(6)	(1,121)		
年終帳面淨值	1,401	-	2	1,403	1,421	-	2	1,423		
(c) 樓宇										
年初成本	149,862	536	1,834	152,232	142,669	507	1,834	145,010		
添置	10,164	-	1	10,165	7,484	-	-	7,484		
轉撥	(29)	29	-	-	(29)	29	-	-		
刪減／拆卸	(287)	-	-	(287)	(262)	-	-	(262)		
年終成本	159,710	565	1,835	162,110	149,862	536	1,834	152,232		
年初累積折舊	(46,594)	(321)	(780)	(47,695)	(44,119)	(307)	(749)	(45,175)		
年內折舊	(2,784)	(6)	(31)	(2,821)	(2,647)	(6)	(31)	(2,684)		
轉撥	9	(9)	-	-	8	(8)	-	-		
刪減／拆卸時回撥	177	-	-	177	164	-	-	164		
年終累積折舊	(49,192)	(336)	(811)	(50,339)	(46,594)	(321)	(780)	(47,695)		
年終帳面淨值	110,518	229	1,024	111,771	103,268	215	1,054	104,537		

7 物業、設備及器材 (續)

	2014				2013			
	出租物業 (不包括中轉房屋)	中轉房屋	其他	合計	出租物業 (不包括中轉房屋)	中轉房屋	其他	合計
	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)
(d) 改善工程								
年初成本	2,944	-	102	3,046	2,905	-	102	3,007
添置	124	-	3	127	45	-	-	45
刪減	(45)	-	-	(45)	(6)	-	-	(6)
年終成本	3,023	-	105	3,128	2,944	-	102	3,046
年初累積折舊	(1,976)	-	(99)	(2,075)	(1,902)	-	(97)	(1,999)
年內折舊	(87)	-	1	(86)	(77)	-	(2)	(79)
刪減時回撥	41	-	-	41	3	-	-	3
年終累積折舊	(2,022)	-	(98)	(2,120)	(1,976)	-	(99)	(2,075)
年終帳面淨值	1,001	-	7	1,008	968	-	3	971
(e) 電腦器材								
年初成本	-	-	294	294	-	-	259	259
添置	-	-	28	28	-	-	40	40
刪減	-	-	-	-	-	-	(5)	(5)
年終成本	-	-	322	322	-	-	294	294
年初累積折舊	-	-	(204)	(204)	-	-	(185)	(185)
年內折舊	-	-	(30)	(30)	-	-	(24)	(24)
刪減時回撥	-	-	-	-	-	-	5	5
年終累積折舊	-	-	(234)	(234)	-	-	(204)	(204)
年終帳面淨值	-	-	88	88	-	-	90	90
(f) 電子器材								
年初成本	564	-	7	571	566	-	7	573
添置	-	-	-	-	2	-	-	2
刪減	(13)	-	(1)	(14)	(4)	-	-	(4)
年終成本	551	-	6	557	564	-	7	571
年初累積折舊	(564)	-	(7)	(571)	(566)	-	(7)	(573)
年內折舊	-	-	-	-	(2)	-	-	(2)
刪減時回撥	13	-	1	14	4	-	-	4
年終累積折舊	(551)	-	(6)	(557)	(564)	-	(7)	(571)
年終帳面淨值	-	-	-	-	-	-	-	-
年終帳面淨值合計¹	112,931	229	1,152	114,312	105,669	215	1,181	107,065
¹ 包括下列資產項目								
租住房屋	105,577	229	-	105,806	98,959	215	-	99,174
非住用設施	7,354	-	-	7,354	6,710	-	-	6,710
房委會辦事處大廈及其他	-	-	1,152	1,152	-	-	1,181	1,181
	112,931	229	1,152	114,312	105,669	215	1,181	107,065

8 進行中的基本工程／計劃

	2013年 4月1日 百萬元 (港幣)	增加、 重新歸類及 調整 ¹ 百萬元 (港幣)	轉撥予 其他資產類別 或開支 百萬元 (港幣)	2014年 3月31日 百萬元 (港幣)	2012年 4月1日 百萬元 (港幣)	增加、 重新歸類及 調整 ¹ 百萬元 (港幣)	轉撥予 其他資產類別 或開支 百萬元 (港幣)	2013年 3月31日 百萬元 (港幣)
(a) 房屋建設工程基金 – 建築工程帳目								
(i) 興建中的物業								
新建公共租住房屋								
地盤平整	78	7	(23)	62	63	20	(5)	78
樓宇	14,457	6,474	(10,006)	10,925	8,701	7,415	(1,659)	14,457
	<u>14,535</u>	<u>6,481</u>	<u>(10,029)</u>	<u>10,987</u>	<u>8,764</u>	<u>7,435</u>	<u>(1,664)</u>	<u>14,535</u>
重建公共租住房屋								
地盤平整	184	64	-	248	313	(58)	(71)	184
樓宇	1,373	1,656	(164)	2,865	6,181	1,016	(5,824)	1,373
	<u>1,557</u>	<u>1,720</u>	<u>(164)</u>	<u>3,113</u>	<u>6,494</u>	<u>958</u>	<u>(5,895)</u>	<u>1,557</u>
居屋計劃(住宅)								
地盤平整	8	4	-	12	-	8	-	8
樓宇	259	687	(19)	927	47	229	(17)	259
	<u>267</u>	<u>691</u>	<u>(19)</u>	<u>939</u>	<u>47</u>	<u>237</u>	<u>(17)</u>	<u>267</u>
居屋計劃(商業)								
地盤平整	-	-	-	-	-	-	-	-
樓宇	15	19	-	34	7	8	-	15
	<u>15</u>	<u>19</u>	<u>-</u>	<u>34</u>	<u>7</u>	<u>8</u>	<u>-</u>	<u>15</u>
房屋委員會辦事處								
樓宇	-	-	-	-	-	1	(1)	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>(1)</u>	<u>-</u>
小計	<u>16,374</u>	<u>8,911</u>	<u>(10,212)</u>	<u>15,073</u>	<u>15,312</u>	<u>8,639</u>	<u>(7,577)</u>	<u>16,374</u>
(ii) 電腦器材	<u>40</u>	<u>153</u>	<u>(148)</u>	<u>45</u>	<u>100</u>	<u>189</u>	<u>(249)</u>	<u>40</u>
合計	<u>16,414</u>	<u>9,064</u>	<u>(10,360)</u>	<u>15,118</u>	<u>15,412</u>	<u>8,828</u>	<u>(7,826)</u>	<u>16,414</u>
(b) 房屋建設工程基金 – 改善工程帳目								
(i) 樓宇改善工程	<u>1,311</u>	<u>657</u>	<u>(129)</u>	<u>1,839</u>	<u>676</u>	<u>680</u>	<u>(45)</u>	<u>1,311</u>
(ii) 電子器材	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2</u>	<u>(2)</u>	<u>-</u>
合計	<u>1,311</u>	<u>657</u>	<u>(129)</u>	<u>1,839</u>	<u>676</u>	<u>682</u>	<u>(47)</u>	<u>1,311</u>
進行中的基本工程／計劃費用總額	<u>17,725</u>	<u>9,721</u>	<u>(10,489)</u>	<u>16,957</u>	<u>16,088</u>	<u>9,510</u>	<u>(7,873)</u>	<u>17,725</u>

¹ 本欄包括增加數額、把計劃重新歸類，以及就註銷已拍賣或改作其他用途的土地的發展成本所作調整。

9 無形資產

	<u>2014</u> 百萬元 (港幣)	<u>2013</u> 百萬元 (港幣)
電腦軟件牌照和系統發展成本		
成本：		
年初	1,424	1,345
添置	120	209
刪減	<u>(288)</u>	<u>(130)</u>
年終	<u>1,256</u>	<u>1,424</u>
累計攤銷：		
年初	(1,041)	(1,048)
年內攤銷	(138)	(123)
刪減時回撥	<u>288</u>	<u>130</u>
年終	<u>(891)</u>	<u>(1,041)</u>
年終帳面淨值	<u>365</u>	<u>383</u>

10 外匯基金存款

外匯基金存款結餘為 366.05 億港元 (2013：348.62 億港元)，其中 300 億港元 (2013：300 億港元)為本金總額，66.05 億港元 (2013：48.62 億港元)為報告期終結時已入帳但尚未提取的利息。該等存款的年期由每筆存款各自的存放日期起計，為期6年，其間房委會不可要求提早償還本金。

外匯基金存款利息按每年 1 月釐定的固定息率計算。該息率是基金投資組合過去 6 年的平均年度投資回報，或 3 年期外匯基金債券在上一年度的平均年度收益，兩者取其較高者，下限為 0%。2014年固定息率為每年 3.6%，2013年為每年 5.0%。

11 證券投資和銀行存款

	<u>2014</u> <u>百萬元</u> <u>(港幣)</u>	<u>2013</u> <u>百萬元</u> <u>(港幣)</u>
(a) 列為非流動資產的投資		
銀行存款的攤銷成本，存款原到期日 超過 1 年	5,367	1,207
持有至到期日的證券的攤銷成本，而 有關證券至到期日剩餘期間超過 1 年	285	187
	<u>5,652</u>	<u>1,394</u>
(b) 列為流動資產的投資		
銀行存款的攤銷成本，存款原到期日		
- 不超過 3 個月 (附註 16)	8,029	7,493
- 超過 3 個月但不超過 1 年	1,477	1,184
	<u>9,506</u>	<u>8,677</u>
持有至到期日的證券的攤銷成本，而 有關證券至到期日剩餘期間不超過 1 年	187	743
以公平值列帳的證券		
指定以公平值列帳的債務證券，其到期日		
- 由購入日期起計不超過 3 個月 (附註 16)	28	14
- 由購入日期起計超過 3 個月	5,445	11,451
	<u>5,473</u>	<u>11,465</u>
指定以公平值列帳的股本證券	11,920	11,520
指定以公平值列帳的貨幣市場基金 (附註 16)	218	562
	<u>17,611</u>	<u>23,547</u>
	<u>27,304</u>	<u>32,967</u>
投資總額	<u><u>32,956</u></u>	<u><u>34,361</u></u>

12 自置居所貸款／置業資助貸款

	2014				2013			
	自置居所 貸款計劃 (附註 12a 及 d)	優惠 自置居所 貸款計劃 (附註 12b 及 d)	置業資助 貸款計劃 (附註 12c)	合計	自置居所 貸款計劃 (附註 12a 及 d)	優惠 自置居所 貸款計劃 (附註 12b 及 d)	置業資助 貸款計劃 (附註 12c)	合計
	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)
帳面總值：								
年初	171	27	244	442	193	29	326	548
償還的貸款	(10)	(1)	(67)	(78)	(15)	(1)	(82)	(98)
貸款撇帳	(3)	(1)	-	(4)	(7)	(1)	-	(8)
年終	158	25	177	360	171	27	244	442
呆帳的減值撥備：								
年初	(144)	(24)	(2)	(170)	(151)	(25)	(2)	(178)
回撥的減值損失	1	-	-	1	-	-	-	-
貸款撇帳	3	1	-	4	7	1	-	8
年終	(140)	(23)	(2)	(165)	(144)	(24)	(2)	(170)
年終帳面值	18	2	175	195	27	3	242	272
列為流動資產的部分 (附註15)	(7)	(1)	(49)	(57)	(8)	(1)	(54)	(63)
列為非流動資產的部分	11	1	126	138	19	2	188	209

12 自置居所貸款／置業資助貸款(續)

(a) 自置居所貸款計劃

自置居所貸款計劃為房委會及房屋協會轄下屋邨的現居住戶及已確定合資格入住公共房屋的準住戶提供免息貸款，協助他們購買私人樓宇或居屋第二市場單位。這些貸款的最長還款期為 20 年。自置居所貸款計劃已於 2002 年 12 月 31 日終止。

(b) 優惠自置居所貸款計劃

優惠自置居所貸款計劃於 1995 年 6 月通過實施，由發展基金撥款，於 1995-96 年度及 1996-97 年度為綠表申請人提供免息貸款或補助金，鼓勵他們自行置業，從而騰出租住單位再作編配。這些貸款按樓宇按揭予銀行的年期攤還，最長為 20 年。

(c) 置業資助貸款計劃

置業資助貸款計劃於 2003 年 1 月 2 日推出，取代自置居所貸款計劃，計劃及後於 2004 年 7 月 14 日終止。這類免息貸款的最長還款期為 20 年。

(d) 出售自置居所貸款

2000-01 年度，房委會與香港按揭證券有限公司達成協議，分批出售自置居所貸款予該公司，最後一批貸款於 2003 年 11 月出售。貸款以面值出售，其後房委會須按扣除借款人償還本金後的已出售貸款餘額，每月繳付按香港銀行同業拆息為基準計算的利息。在出售貸款後，估計未來利息款額的現值已確認為開支和負債。正如附註 18 所列，於 2014 年 3 月 31 日，剩餘負債為 4,700 萬港元(2013：6,100 萬港元)。

13 其他資產

	2014 百萬元 (港幣)	2013 百萬元 (港幣)
為個別租置計劃屋邨維修基金支付的資金		
年初帳面值	104	154
年內攤銷	(32)	(45)
轉撥予已售租置計劃單位的銷售成本	(4)	(5)
年終帳面值	<u>68</u>	<u>104</u>
列為流動資產的部分 (附註 15)	<u>(32)</u>	<u>(33)</u>
列為非流動資產的部分	<u>36</u>	<u>71</u>

14 存貨

	2014 百萬元 (港幣)	2013 百萬元 (港幣)
未售的新居屋／私人參建計劃單位存貨	1	615
回購居屋／私人參建計劃單位存貨	-	147
	<u>1</u>	<u>762</u>
倉存及備件	<u>1</u>	<u>1</u>
	<u>2</u>	<u>763</u>

本年度售出的居屋／私人參建計劃單位共有 831 個 (2013：無)。於 2014 年 3 月 31 日，單位存貨結餘為 1 個 (2013：832 個)。

15 應收帳項、按金和預付款項

	2014 百萬元 (港幣)	2013 百萬元 (港幣)
應收帳項	55	50
應收外匯基金存款利息	325	430
其他應收利息	164	136
應收利息稅退還款項	-	1
應收股息	20	27
應收股息稅退還款項	10	6
未交收的售出及贖回證券	1,329	197
自置居所貸款／置業資助貸款 (附註 12)	57	63
按金	95	100
為個別租置計劃屋邨維修基金支付的資金 (附註 13)	32	33
預付款項	2	1
租賃獎勵的攤銷	45	37
衍生金融工具 (附註 26)	21	84
	<u>2,155</u>	<u>1,165</u>

16 現金及等同現金

	<u>2014</u> 百萬元 (港幣)	<u>2013</u> 百萬元 (港幣)
銀行結餘和現金	638	409
原到期日不超過 3 個月的銀行存款 (附註 11)	8,029	7,493
貨幣市場基金 (附註 11)	218	562
指定以公平值列帳的債務證券，其到期日 由購入日期起計不超過 3 個月 (附註 11)	<u>28</u>	<u>14</u>
現金流量表內的現金及等同現金	<u>8,913</u>	<u>8,478</u>

17 應付帳項、按金和其他應付款項

	<u>2014</u> 百萬元 (港幣)	<u>2013</u> 百萬元 (港幣)
應付帳項和應計項目	5,338	4,907
未交收的購入證券	1,560	822
應付保管人和投資經理費用	19	21
租戶按金	1,195	1,146
其他按金	54	58
工程保證金	562	513
算定損害賠償扣除額	146	162
其他應付款項	1	1
衍生金融工具 (附註 26)	<u>59</u>	<u>39</u>
	<u>8,934</u>	<u>7,669</u>

18 撥備及其他負債

	2014			2013		
	流動 部分	非流動 部分	合計	流動 部分	非流動 部分	合計
	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)
維修和小型改善工程撥備	-	462	462	2	601	603
預收租金	207	-	207	276	-	276
與石油氣有關的未攤銷收入	15	57	72	15	72	87
就出售自置居所貸款計劃的 貸款須支付的利息(附註 12(d))	17	30	47	24	37	61
與已出售居屋單位有關的土 地成本撥備	-	51	51	-	29	29
管理費撥備	42	-	42	-	-	-
與已出售和已拆售物業有關 的剩餘建築款項	23	-	23	18	-	18
審計費用撥備	8	-	8	7	-	7
按揭還款保證開支撥備	3	-	3	4	-	4
其他	5	-	5	6	1	7
	320	600	920	352	740	1,092

19 政府的資助

(a) 記帳款項 (附註 1(b))

	2014			2013		
	住宅樓宇 百萬元 (港幣)	非住宅 樓宇權益 百萬元 (港幣)	合計 百萬元 (港幣)	住宅樓宇 百萬元 (港幣)	非住宅 樓宇權益 百萬元 (港幣)	合計 百萬元 (港幣)
(i) 借自前發展貸款基金的款項						
- 於 1976 年 3 月 31 日的累積免息貸款	254	46	300	254	46	300
- 政府在 1976 年 4 月 1 日至 1988 年 3 月 31 日 就公共租住房屋住宅及非住宅樓宇貸款放棄 收取的利息	2,505	447	2,952	2,505	447	2,952
(ii) 轉撥予房委會的政府所建屋邨及職員宿舍的價值	1,226	149	1,375	1,226	149	1,375
(iii) 居者有其屋計劃						
- 1988 年 3 月 31 日轉撥自政府的未售單位及 進行中工程	827	-	827	827	-	827
	4,812	642	5,454	4,812	642	5,454

19 政府的資助 (續)

(b) 不記帳款項 (附註 1(b))

	2014			2013		
	住宅樓宇 百萬元 (港幣)	非住宅 樓宇權益 百萬元 (港幣)	合計 百萬元 (港幣)	住宅樓宇 百萬元 (港幣)	非住宅 樓宇權益 百萬元 (港幣)	合計 百萬元 (港幣)
(i) 於 1973 年 3 月 31 日的前屋宇建設委員會 土地重估價值盈餘	107	9	116	107	9	116
(ii) 由政府撥付的土地價值						
- 自 1973 年 4 月 1 日以來興建的公共 租住屋邨及職員宿舍	213,804	20,282	234,086	194,780	19,906	214,686
- 房委會辦事處	-	140	140	-	140	140
(iii) 居者有其屋計劃						
- 十足市值地價減去土地成本的餘額	137,579	-	137,579	137,697	-	137,697
- 非住宅樓宇的土地價值	-	2,693	2,693	-	2,693	2,693
- 解除轉讓限制所收補價	6,938	-	6,938	6,764	-	6,764
(iv) 租者置其屋計劃						
- 樓宇建成時的十足市值地價減去土地 成本的餘額	24,110	-	24,110	23,648	-	23,648
(v) 可租可買計劃						
- 十足市值地價減去土地成本的餘額	1,818	-	1,818	1,818	-	1,818
- 非住宅樓宇的土地價值	-	10	10	-	10	10
	384,356	23,134	407,490	364,814	22,758	387,572

20 房屋建設工程基金

	2014			2013		
	建築工程 帳目	改善工程 帳目	合計	建築工程 帳目	改善工程 帳目	合計
	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)
年初結餘	21,001	3,311	24,312	19,147	2,676	21,823
轉撥(往)／自累積盈餘	(437)	528	91	1,854	635	2,489
年終結餘	20,564	3,839	24,403	21,001	3,311	24,312

21 發展基金

	<u>2014</u> <u>百萬元</u> <u>(港幣)</u>	<u>2013</u> <u>百萬元</u> <u>(港幣)</u>
年初結餘	55,041	58,090
轉撥自／(往)累積盈餘	<u>913</u>	<u>(3,049)</u>
年終結餘	<u><u>55,954</u></u>	<u><u>55,041</u></u>

22 拆售零售及停車場設施

為了把資源全面投放於核心業務，致力發展資助公共房屋，房委會於 2005 年 11 月藉首次公開發售領匯房產基金單位，把轄下零售及停車場設施拆售。房委會在 2005-06 年度已確認因拆售而錄得淨額 140.96 億港元的盈餘。管理層在計算盈餘時，已就拆售開支作出估計。如實際開支與估計有出入，有關開支須予調整。

在本年度，房委會將拆售的淨開支上調 400 萬港元 (2013：下調 2,200 萬港元)。

23 關連人士交易

除本財務報表其他部分所披露的資料外，房委會與政府進行的重大交易和各項未清款額如下：

	<u>2014</u> 百萬元 (港幣)	<u>2013</u> 百萬元 (港幣)
(a) 來自政府的收入		
租金收入 ¹	1,981	1,774
政府就房委會提供服務而付還的有關成本	211	179
監督由政府付還款項工程的間接成本	36	35
其他收入	1	1
	<u>2,229</u>	<u>1,989</u>
(b) 應從政府收回的款項		
獎券基金之工程的應收款項	11	11
政府撥款之建築工程的應收款項	1	5
委託項目應計間接成本	1	1
按金及其他	1	1
	<u>14</u>	<u>18</u>
(c) 應付予政府的款項		
土地成本	214	93
政府墊付的租金	190	159
應向政府繳付的地租及差餉	10	3
就政府撥款的代理工作多收的款項	6	1
應付的紅利	44	66
其他 (例如：公司和土地查冊)	25	29
	<u>489</u>	<u>351</u>

¹ 包括由政府代房委會公屋租戶支付予房委會的租金 19.35 億港元 (2013：17.33 億港元)。

24 或有負債

(a) 已作出的財務擔保

關於銀行及其他認可財務機構就已售居屋／私人參建／租置計劃單位提供的按揭貸款，於 2014 年 3 月 31 日，房委會已作出而仍有效的按揭還款保證如下：

(i) 已售出的居屋／私人參建計劃單位

房委會就居屋計劃及私人參建計劃下興建和出售的單位作出的還款保證，屬於第一市場的為 242.84 億港元(2013：246.83 億港元)，屬於第二市場的則為 120.06 億港元(2013：80.61 億港元)。然而，房委會認為，除非有關單位重售所得的款項，不足以抵銷未償還給銀行及其他財務機構的按揭債項，否則無須承擔財務風險。房委會據此估計在第一市場並無財務風險(2013：無)，在第二市場的財務風險則為 6,300 萬港元(2013：100 萬港元)。

(ii) 已售出的租置計劃單位

房委會就已售出的租置計劃單位作出的還款保證，屬於第一市場的為 29.17 億港元(2013：25.86 億港元)，屬於第二市場的則為 7.57 億港元(2013：5.38 億港元)。然而，根據上文第(i)項的理據，並且假設有相關物業能在轉讓限制期首兩年內以原價重售、在轉讓限制期第 3 至 5 年內以當時的租置計劃單位價格(減去第一市場單位折上折優惠所涉及的實際金額)重售，以及在轉讓限制期屆滿後以當時市值扣除應付補價後的價格重售，房委會估計在第一市場並無財務風險(2013：無)，在第二市場的財務風險則為 7,700 萬港元(2013：3,200 萬港元)。

(b) 樓宇結構安全保證

所有新落成的居屋計劃及私人參建計劃屋苑均享有樓宇結構安全保證，保證由屋苑竣工日期起計 10 年內(天水圍地區則為 20 年內)有效，這項保證亦適用於在 2000 年 4 月 13 日仍在相關樓宇結構安全保證期限內的現存屋苑。2007 年出售居屋計劃和私人參建計劃的剩餘單位，亦會獲提供 10 年樓宇結構安全保證(天水圍地區則為 20 年)，以未發售大廈首個推售期的選樓日首天起計。於 2014 年 3 月 31 日，仍在樓宇結構安全保證期限內的居屋計劃及私人參建計劃單位有 27 365 個(2013：27 941 個)。然而，房委會無法在合理情況下確定為作出樓宇結構安全保證而須承擔的負債，因此，除用於樓宇結構安全保證的實際維修費用外，房委會因有關保證而或須承擔的負債尚未在財務報表內確認。本年度的維修費用為 60 萬港元(2013：490 萬港元)。

25 資本承擔

於 2014 年 3 月 31 日，房委會沒有在財務報表內作出撥備的未履行資本承擔計有：

	<u>2014</u> 百萬元 (港幣)	<u>2013</u> 百萬元 (港幣)
基本工程／計劃		
已訂合約：		
- 公共租住房屋建築計劃	12,708	8,326
- 居屋計劃建築計劃	330	11
- 其他計劃	1,404	1,487
	<u>14,442</u>	<u>9,824</u>
已核准但尚未訂合約：		
- 公共租住房屋建築計劃	11,516	16,544
- 居屋計劃建築計劃	496	4
- 其他計劃	33	62
	<u>12,045</u>	<u>16,610</u>
	<u>26,487</u>	<u>26,434</u>

26 衍生金融工具

	<u>2014</u>		<u>2013</u>	
	資產	負債	資產	負債
	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)
以公平值列帳的				
遠期外匯合約	<u>21</u>	<u>59</u>	<u>84</u>	<u>39</u>
	(附註 15)	(附註 17)	(附註 15)	(附註 17)

遠期外匯合約是用以管理房委會的貨幣風險，並按公平值記帳，其帳面值已納入「應收帳項、按金和預付款項」及「應付帳項、按金和其他應付款項」項目之下。這些合約的剩餘年期不多於 3 個月，而其總名義數額為 70 億港元(2013：70 億港元)。這些合約的名義數額反映尚未完成交易的數量，並非代表所須承擔風險的金額。

27 財務風險管理

風險管理是房委會財務政策和程序不可或缺的一環。房委會財務小組委員會負責提供財務政策方面的意見，並且監督房委會的資金管理事宜，而其下設有資金管理附屬小組委員會，就房委會的資金管理政策、策略和指引，以及聘請和監督外聘投資經理等各方面提供意見。現把主要的財務風險管理措施概述如下：

(a) 流動資金風險

每年一度編製的房委會財政預算及預測，經財務小組委員會和相關業務小組委員會批簽後，由房委會通過。收入和開支於年內受到緊密監管。房委會每日均監管其現金流量，而其投資管理乃基於確保有足夠資金應付資本開支和營運需要的基本目標而實行。由於房委會的流動資金情況良好，其流動資金風險程度屬於極低。

(b) 市場及信貸風險

房委會的金融工具涉及利率風險、貨幣風險、股價風險、其他市場風險及信貸風險。房委會已訂立全面的資金管理政策和投資指引，以確保能持續審慎地監察和管理所承受的各项風險。

(i) 利率風險

房委會的計息資產主要包括銀行存款、以公平值列帳的債務證券、貨幣市場基金和持有至到期日的債務證券，而這些資產大部分以固定息率計息。房委會須承受公平值利率風險，原因是公平值通常會在市場利率上升時下跌。房委會根據已審批的策略和基準監管該等利率風險。由於銀行存款和持有至到期日的債務證券均以已攤銷成本列出，其

帳面值以及房委會的收入和累積盈餘，不會受市場利率的變動所影響。

房委會出售自置居所貸款後須付的利息(附註 12(d))，以香港銀行同業拆息為基準來計算。房委會須承受現金流量利率風險，原因是未來的利息付款會隨市場利率變化而波動。不過，由於房委會以其投資組合中的短期計息資產(一年內到期)作自然對沖，因此該等利率風險並不大。於 2014 年 3 月 31 日，已出售自置居所貸款的尚欠本金餘額為 10.37 億港元(2013：15.10 億港元)，而平均剩餘到期時間為 38 個月(2013：42 個月)。

敏感度分析以市場利率在合理情況下可能出現 50 基點(2013：50 基點)升幅／跌幅為依據，顯示以公平值列帳的債務證券，以及貨幣市場基金，其重估收益和年內盈餘會減少／增加 1.38 億港元(2013：2.57 億港元)。擬備敏感度分析時，假設一切其他變數維持不變，利率的變動已應用於報告期終結時持有的證券。

(ii) 貨幣風險

在管理貨幣風險方面，房委會的投資指引對所承受的貨幣風險設有限制。遠期外匯合約亦用以管理房委會的貨幣風險(附註 26)。

除人民幣外，房委會以港元以外的貨幣為單位的投資資產，主要以美元為單位，其餘以其他可自由兌換的主要國際貨幣為單位。倘港元兌相關貨幣的匯率出現波動，該等以港元列示的投資資產價值會隨之而變動。

下表概述房委會在報告期終結時的人民幣和其他貨幣風險(已計及遠期外匯合約的影響)：

	2014		2013	
	資產	負債	資產	負債
	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)
人民幣	6,737	-	3,365	-
其他貨幣				
- 美元	12,805	3,008	16,392	1,482
- 英鎊	1,152	675	1,643	1,076
- 歐元	3,964	2,660	3,861	2,466
- 其他	3,422	2,204	4,494	2,749
	28,080	8,547	29,755	7,773

其他貨幣大部分為主要已發展國家的貨幣。因這些貨幣而出現的貨幣風險，大部分是透過遠期外匯合約對沖。

敏感度分析顯示，以美元兌港元的匯率在合理情況下可能出現 0.5% (2013：0.5%) 升幅／跌幅為依據，匯兌收益和年內盈餘會增加／減少 4,900 萬港元(2013：7,500 萬港元)。

敏感度分析顯示，以人民幣兌港元的匯率在合理情況下可能出現 5% (2013：5%) 升幅／跌幅為依據，匯兌收益和年內盈餘會增加／減少 3.37 億港元(2013：1.68 億港元)。

敏感度分析顯示，以其他貨幣兌港元的匯率在合理情況下可能出現 5% (2013：5%) 升幅／跌幅為依據，匯兌收益和年內盈餘會增加／減少 1.50 億港元(2013：1.85 億港元)。

擬備上述敏感度分析時，假設一切其他變數維持不變，匯率的變動已應用於報告期終結時持有的金融工具。

(iii) 股價風險

股價風險是因股價變動而引致虧損的風險。房委會的股本投資涉及股價風險，因為這些投資的價值會因股價下跌而減少。於 2014 年 3 月 31 日，所有股本投資均如附註 11 所示，指定以公平值列帳。

敏感度分析顯示，以股價在合理情況下可能出現 10% (2013：10%) 升幅／跌幅為依據，股本投資的重估收益和年內盈餘會增加／減少 11.92 億港元 (2013：11.52 億港元)。擬備敏感度分析時，假設一切其他變數維持不變，股價的變動已應用於報告期終結時持有的股本投資。

(iv) 其他市場風險

外匯基金存款利息因每年 1 月釐定的息率 (附註 10) 出現變動而受其他市場風險影響。敏感度分析顯示，以 2013 年及 2014 年的息率出現 50 基點升幅／跌幅為依據，假設一切其他變數維持不變，年內盈餘會增加／減少 1.78 億港元 (2013：1.69 億港元)。

(v) 信貸風險

房委會在報告期終結時的最高信貸風險(未計及任何所持有的抵押品或其他改善信貸質素項目)列載如下：

	<u>2014</u> 百萬元 (港幣)	<u>2013</u> 百萬元 (港幣)
外匯基金存款	36,605	34,862
銀行結餘	612	360
銀行存款	14,873	9,884
應從政府收回的款項	14	18
應收帳項和按金	2,019	1,031
持有至到期日的債務證券	472	930
以公平值列帳的債務證券	5,473	11,465
貨幣市場基金	218	562
自置居所貸款／置業資助貸款	195	272
按揭還款保證	39,964	35,868
	<u>100,445</u>	<u>95,252</u>

外匯基金存款及應從政府收回的款項的相關信貸風險，均屬偏低。

應收帳項和按金主要包括應收帳項、應收利息、未交收的售出及贖回證券、按金和衍生金融工具，其相關的信貸風險甚低。

自置居所貸款／置業資助貸款是以按揭物業作抵押。

房委會就銀行和其他認可財務機構為居屋／私人參建／租賃計劃單位所提供的按揭貸款，作出按揭還款保證。有關貸款以按揭單位作抵押。於 2014 年 3 月 31 日，按揭還款保證開支的撥備為 300 萬港元(2013: 400 萬港元，附註 18)，而沒有在財務報表內作出撥備的財務風險為 1.40 億港元(2013: 3,300 萬港元，附註 24(a))。

就房委會的投資的信貸風險而言，房委會的投資指引對信貸評級、個別交易對手風險和整體風險集中情況均有限制。

房委會的銀行結餘、銀行存款、債務證券投資和貨幣市場基金的信貸質素分析(按穆迪或同等機構指定的評級分析)如下：

	<u>2014</u>	<u>2013</u>
	百萬元 (港幣)	百萬元 (港幣)
Aaa	2,421	6,423
Aa3 至 Aa1	5,601	4,260
A3 至 A1	13,117	11,855
A3 以下或無評級	510	663
	<u>21,649</u>	<u>23,201</u>

28 金融工具的公平值

在活躍市場買賣的金融工具的公平值是根據報告期終結時的市場報價釐定。如沒有該等市場報價，則以現值或其他估值方法以報告期終結時的市況數據評估其公平值。

(a) 持有至到期日的證券在報告期終結時的公平值如下：

	<u>2014</u>		<u>2013</u>	
	帳面值	公平值	帳面值	公平值
	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)
持有至到期日的證券	<u>472</u>	<u>472</u>	<u>930</u>	<u>932</u>

其他金融工具均以其公平值或與其公平值相差不大的金額列於財務狀況表。

- (b) 下表按公平值等級列出在報告期終結時，以公平值計量的金融工具帳面值。

於 2014 年 3 月 31 日

	第 1 級 百萬元 (港幣)	第 2 級 百萬元 (港幣)	合計 百萬元 (港幣)
資產			
以公平值列帳的證券	15,042	2,569	17,611
衍生金融工具	-	21	21
	<u>15,042</u>	<u>2,590</u>	<u>17,632</u>
負債			
衍生金融工具	-	59	59

於 2013 年 3 月 31 日

	第 1 級 百萬元 (港幣)	第 2 級 百萬元 (港幣)	合計 百萬元 (港幣)
資產			
以公平值列帳的證券	18,764	4,783	23,547
衍生金融工具	-	84	84
	<u>18,764</u>	<u>4,867</u>	<u>23,631</u>
負債			
衍生金融工具	-	39	39

沒有金融資產或負債歸入第 3 級。

年內，金融工具在公平值等級第 1 級和第 2 級之間轉撥，以反映估值方法的變動。

該三個公平值等級為：

第 1 級：金融工具的公平值為相同的資產或負債於交投活躍市場的報價(未經調整)；

第 2 級：金融工具的公平值以第 1 級別公平值報價以外資產或負債的直接(即如價格)或間接(即自價格引伸)可觀察數據釐定；以及

第 3 級：金融工具的公平值按非基於可觀察市場數據，即不可觀察數據釐定。

29 房委會與政府之間的財政安排所需的補充資料

(a) 綜合撥付款項帳目

	<u>附註</u>	<u>2014</u> <u>百萬元</u> <u>(港幣)</u>	<u>2013</u> <u>百萬元</u> <u>(港幣)</u>
綜合運作帳目盈餘／(赤字)			
租住房屋	29(b)	(179)	(1,234)
商業樓宇	29(c)	914	738
資助自置居所	29(d)	<u>2,152</u>	<u>2,099</u>
小計		<u>2,887</u>	<u>1,603</u>
非運作開支淨額	6	<u>(80)</u>	<u>(98)</u>
		<u>2,807</u>	1,505
資金管理帳目盈餘	29(e)	<u>3,547</u>	4,277
代管服務帳目盈餘	29(f)	<u>19</u>	<u>40</u>
年內盈餘		<u>6,373</u>	<u>5,822</u>
分配			
年內付予政府的紅利		<u>(457)</u>	<u>(370)</u>
分配後年內盈餘		<u>5,916</u>	<u>5,452</u>

29 房委會與政府之間的財政安排所需的補充資料 (續)

(b) 租住房屋運作帳目

	2014				2013			
	租住房屋 (不包括 中轉房屋)	中轉房屋	租金津貼	合計	租住房屋 (不包括 中轉房屋)	中轉房屋	租金津貼	合計
	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)
收入								
租金	11,847	15	-	11,862	10,345	13	-	10,358
其他收入	37	-	-	37	55	-	-	55
總收入	11,884	15	-	11,899	10,400	13	-	10,413
開支								
薪俸	2,651	11	2	2,664	2,588	8	2	2,598
地租及差餉	140	-	-	140	132	-	-	132
維修及改善工程	2,572	44	-	2,616	2,487	18	-	2,505
其他開支	3,580	20	1	3,601	3,465	20	3	3,488
折舊及攤銷	2,869	7	-	2,876	2,726	7	-	2,733
分擔機構監督及支援服務支出	180	1	-	181	191	-	-	191
總開支	11,992	83	3	12,078	11,589	53	5	11,647
年內運作赤字	(108)	(68)	(3)	(179)	(1,189)	(40)	(5)	(1,234)

29 房委會與政府之間的財政安排所需的補充資料 (續)

(c) 商業樓宇運作帳目

	2014					2013				
	商場 百萬元 (港幣)	停車場 百萬元 (港幣)	工廠 百萬元 (港幣)	福利 用途樓宇 百萬元 (港幣)	合計 百萬元 (港幣)	商場 百萬元 (港幣)	停車場 百萬元 (港幣)	工廠 百萬元 (港幣)	福利 用途樓宇 百萬元 (港幣)	合計 百萬元 (港幣)
收入										
租金	963	445	138	475	2,021	851	396	127	429	1,803
其他收入	40	10	-	24	74	27	1	1	26	55
總收入	1,003	455	138	499	2,095	878	397	128	455	1,858
開支										
薪俸	141	43	31	69	284	130	43	28	62	263
地租及差餉	29	16	-	51	96	22	13	-	42	77
維修及改善工程	51	28	20	6	105	74	21	23	7	125
其他開支	209	125	33	78	445	198	127	30	72	427
折舊及攤銷	77	67	5	48	197	65	60	5	45	175
分擔機構監督及支援服務支出	10	3	2	5	20	10	3	2	5	20
總開支	517	282	91	257	1,147	499	267	88	233	1,087
未計算特殊項目的運作盈餘	486	173	47	242	948	379	130	40	222	771
特殊項目 ¹	(34)	-	-	-	(34)	(33)	-	-	-	(33)
年內運作盈餘	452	173	47	242	914	346	130	40	222	738

¹ 有關金額是拆卸及清拆成本，以及由房委會撥款進行的政府基建和社區設施開支。

29 房委會與政府之間的財政安排所需的補充資料 (續)

(d) 資助自置居所運作帳目

	2014					2013				
	居屋計劃	私人參建計劃	租置計劃	自置居所 貸款/ 置業資助 貸款計劃	合計	居屋計劃	私人參建計劃	租置計劃	自置居所 貸款/ 置業資助 貸款計劃	合計
	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)
收入										
售樓	1,426	3	1,295	-	2,724	-	-	1,012	-	1,012
解除轉讓限制所收補價	550	240	153	-	943	945	419	228	-	1,592
其他收入	22	10	7	1	40	26	5	5	1	37
總收入	1,998	253	1,455	1	3,707	971	424	1,245	1	2,641
開支										
薪俸	162	31	54	23	270	153	31	52	23	259
維修及改善工程	4	1	2	-	7	5	1	2	-	8
其他開支	18	3	5	5	31	12	3	5	3	23
折舊及攤銷	14	2	4	5	25	9	2	3	5	19
分擔機構監督及支援服務支出	13	2	4	2	21	11	2	4	2	19
小計	211	39	69	35	354	190	39	66	33	328
自置居所計劃開支										
建築費用及間接開支	633	-	111	-	744	8	-	97	-	105
政府土地成本	139	-	96	-	235	6	-	80	-	86
出售回購單位的成本	146	1	6	-	153	-	-	7	-	7
其他開支	54	-	13	(1)	66	20	-	19	-	39
小計	972	1	226	(1)	1,198	34	-	203	-	237
總開支	1,183	40	295	34	1,552	224	39	269	33	565
未計算特殊項目的運作盈餘/(赤字)	815	213	1,160	(33)	2,155	747	385	976	(32)	2,076
特殊項目 ¹	-	-	-	(3)	(3)	-	-	-	23	23
年內運作盈餘/(赤字)	815	213	1,160	(36)	2,152	747	385	976	(9)	2,099

¹有關金額主要是在本年度支付已售自置居所貸款計劃貸款組合的利息1,700萬港元(2013: 2,800萬港元)後，就該貸款組合尚未償還餘額的未來利息負債所作的調整。

29 房委會與政府之間的財政安排所需的補充資料 (續)

(e) 資金管理帳目

	2014				2013			
	內部 投資組合 ¹	外匯基金 存款 ²	由外聘投資 經理管理的 投資組合 ³	合計	主要流動 投資組合 ¹	外匯基金 存款 ²	由外聘投資 經理管理的 投資組合 ³	合計
	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)
收入								
利息收入	225	1,638	208	2,071	137	1,819	284	2,240
股息收入	-	-	267	267	-	-	334	334
已實現和重估收益淨額	-	-	1,332	1,332	-	-	1,967	1,967
匯兌收益/(虧損)淨額	(63)	-	48	(15)	56	-	(202)	(146)
總收入	162	1,638	1,855	3,655	193	1,819	2,383	4,395
開支								
投資開支								
投資經理費用	-	-	72	72	-	-	79	79
保管人費用	-	-	8	8	-	-	10	10
其他投資開支	-	-	11	11	-	-	15	15
小計	-	-	91	91	-	-	104	104
經常開支								
薪俸	6	-	6	12	5	-	6	11
折舊	1	-	-	1	1	-	-	1
其他開支	2	-	2	4	1	-	1	2
小計	9	-	8	17	7	-	7	14
總開支	9	-	99	108	7	-	111	118
年內盈餘	153	1,638	1,756	3,547	186	1,819	2,272	4,277

¹ 內部投資組合 (前稱「主要流動投資組合」) 包括銀行存款和擬持有至到期日的投資，這些投資按扣除減值損失後的已攤銷成本列帳。

² 外匯基金存款包括本金總額和報告期終結時已入帳但尚未提取的利息。結餘以已攤銷成本列出。

³ 由外聘投資經理管理的投資組合，主要包括指定以公平值列帳的證券，這些證券最初按公平值列帳。公平值於每段報告期終結時重新計量，其變動所引致的重估價值損益，會在資金管理帳目內確認。

29 房委會與政府之間的財政安排所需的補充資料 (續)

(f) 代管服務帳目

	2014				2013			
	代理工作 ¹	代管服務 ²	監督由政府付 還款項的工程 ³	合計	代理工作 ¹	代管服務 ²	監督由政府付 還款項的工程 ³	合計
	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)	百萬元 (港幣)
收入								
監督費	-	152	-	152	-	158	-	158
監督工作間接成本	-	58	36	94	-	64	35	99
政府付還的款項	210	-	1	211	178	-	1	179
總收入	210	210	37	457	178	222	36	436
開支								
薪俸	173	123	55	351	155	114	56	325
維修及改善工程	1	6	6	13	1	8	2	11
其他開支	31	10	4	45	15	6	5	26
折舊及攤銷	3	5	3	11	3	4	4	11
分擔機構監督及支援服務支出	1	7	4	12	11	8	4	23
總開支	209	151	72	432	185	140	71	396
未經調整年內盈餘／(赤字)	1	59	(35)	25	(7)	82	(35)	40
承接上年度的多收服務費	-	1	-	1	6	1	-	7
年內結算的多收服務費	-	-	-	-	(6)	-	-	(6)
結轉下年度的多收服務費	(6)	(1)	-	(7)	-	(1)	-	(1)
年內盈餘／(赤字)	(5)	59	(35)	19	(7)	82	(35)	40

¹ 房委會以代理人身分，代政府執行屋宇管制、私營房屋、上訴委員會、安置受清拆影響居民和支援服務的職能。

² 房委會代其他機構管理物業，並就這種服務收取監督費。代管的物業包括已落成的居屋屋苑，以及拆售物業所在屋邨的公用地方。

³ 房委會負責提供監督服務的工程計有興建新屋邨內的學校、福利和其他社區用途設施；租住屋邨內政府建築物加建、改建、改善和外部保養工程；以及管理和維修毗鄰屋邨的斜坡。房委會向承辦商支付費用，並獲政府付還款項，包括提供監督服務的全部成本。



香港房屋委員會
Hong Kong Housing Authority

承先啟後

共建未來

Inherit the past
Build for the future

Financial Statements for the year ended 31 March 2014

Hong Kong Housing Authority 33 Fat Kwong Street, Ho Man Tin, Kowloon, Hong Kong
www.housingauthority.gov.hk

Printed on environmentally friendly paper • Please recycle
C1409/1019(b)



Hong Kong Housing Authority

Financial statements for the year ended 31 March 2014

Contents

	Page
Report of the Director of Audit	1-2
Financial Statements	
Statement of Comprehensive Income	3
Statement of Financial Position	4-5
Statement of Changes in Net Assets	6
Statement of Cash Flows	7-8
Notes to the Financial Statements	
1 Financial arrangements with the Government	9-11
2 Significant accounting policies	12-24
3 Critical accounting judgement in applying the Authority's accounting policies	25
4 Income	26-27
5 Expenditure on home ownership schemes	27
6 Net non-operating expenditure	27
7 Property, plant and equipment	28-29
8 Capital works / projects in progress	30
9 Intangible assets	31
10 Placements with the Exchange Fund	31
11 Investments in securities and bank deposits	32
12 Home Purchase / Assistance Loans	33-34
13 Other assets	35
14 Inventories	35
15 Debtors, deposits and prepayments	35
16 Cash and cash equivalents	36
17 Creditors, deposits and other payables	36
18 Provisions and other liabilities	37
19 Government's contribution	38-39
20 Housing Capital Works Fund	40

21	Development Fund	41
22	Divestment of retail and carparking facilities	41
23	Related party transactions	42
24	Contingent liabilities	43-44
25	Capital commitments	45
26	Derivative financial instruments	45
27	Financial risk management	46-51
28	Fair values of financial instruments	51-52
29	Supplemental information required under the financial arrangements with the Government	
	(a) Consolidated Appropriation Account	53
	(b) Rental Housing Operating Account	54
	(c) Commercial Operating Account	55
	(d) Home Ownership Assistance Operating Account	56
	(e) Funds Management Account	57
	(f) Agency Account	58

Report of the Director of Audit



Audit Commission

The Government of the Hong Kong Special Administrative Region

Independent Audit Report

I have audited the financial statements of the Hong Kong Housing Authority set out on pages 3 to 58, which comprise the statement of financial position as at 31 March 2014, and the statement of comprehensive income, statement of changes in net assets and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Hong Kong Housing Authority's Responsibility for the Financial Statements

The Hong Kong Housing Authority is responsible for the preparation of these financial statements in accordance with section 14(1) of the Housing Ordinance (Cap. 283), the 1988 Financial Arrangements with the Hong Kong Government (as amended by the 1994 Supplemental Agreement) and the accounting policies approved by the Hong Kong Housing Authority, the important features of which are set out in Notes 1 and 2 to the financial statements, and for such internal control as the Hong Kong Housing Authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with section 14(2) of the Housing Ordinance and the Audit Commission auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Hong Kong Housing Authority, as well as evaluating the presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements of the Hong Kong Housing Authority for the year ended 31 March 2014 are prepared, in all material respects, in accordance with the 1988 Financial Arrangements with the Hong Kong Government (as amended by the 1994 Supplemental Agreement) and the accounting policies approved by the Hong Kong Housing Authority, the important features of which are set out in Notes 1 and 2 to the financial statements, and have been properly prepared in accordance with section 14(1) of the Housing Ordinance.



David Sun
Director of Audit

29 September 2014

Audit Commission
26th Floor
Immigration Tower
7 Gloucester Road
Wanchai, Hong Kong

HONG KONG HOUSING AUTHORITY
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2014
(Expressed in millions of Hong Kong dollars)

	Note	2014	2013
Income			
Rental income	4(a)	13,883	12,161
Sales and premium income	4(b)	3,667	2,604
Investment income	4(c)	3,655	4,395
Other income	4(d)	170	187
		<u>21,375</u>	<u>19,347</u>
Expenditure			
Personal emoluments		3,230	3,131
Government rent and rates		236	209
Maintenance and improvements		2,728	2,638
Depreciation and amortisation		3,099	2,928
Expenditure on home ownership schemes	5	1,201	214
Other expenditure		4,428	4,307
		<u>14,922</u>	<u>13,427</u>
Operating surplus		6,453	5,920
Net non-operating expenditure	6	<u>(80)</u>	<u>(98)</u>
Surplus for the year		6,373	5,822
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>6,373</u>	<u>5,822</u>

The notes on pages 9 to 58 form part of these financial statements.


HONG KONG HOUSING AUTHORITY
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2014
(Expressed in millions of Hong Kong dollars)

	Note	2014	2013
Non-current assets			
Property, plant and equipment	7	114,312	107,065
Capital works / projects in progress	8	16,957	17,725
Intangible assets	9	365	383
Placements with the Exchange Fund	10	36,605	34,862
Investments in securities and bank deposits	11(a)	5,652	1,394
Home Purchase / Assistance Loans	12	138	209
Other assets	13	36	71
		<u>174,065</u>	<u>161,709</u>
Current assets			
Inventories	14	2	763
Debtors, deposits and prepayments	15	2,155	1,165
Amount due from the Government	23(b)	14	18
Investments in securities and bank deposits	11(b)	27,304	32,967
Bank balances and cash	16	638	409
		<u>30,113</u>	<u>35,322</u>
Current liabilities			
Creditors, deposits and other payables	17	8,934	7,669
Amount due to the Government	23(c)	489	351
Provisions and other liabilities	18	320	352
		<u>9,743</u>	<u>8,372</u>
Net current assets		<u>20,370</u>	26,950
Total assets less current liabilities		194,435	188,659
Non-current liabilities			
Provisions and other liabilities	18	600	740
Net assets		<u>193,835</u>	<u>187,919</u>

The notes on pages 9 to 58 form part of these financial statements.

HONG KONG HOUSING AUTHORITY
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2014 (Continued)
(Expressed in millions of Hong Kong dollars)

	Note	2014	2013
Representing:			
Government's permanent capital	1(a)	13,489	13,489
Government's contribution	19(a)	5,454	5,454
Capital reserve		12	12
Accumulated surplus		94,523	89,611
Housing Capital Works Fund	20	24,403	24,312
Development Fund	21	<u>55,954</u>	<u>55,041</u>
		<u>193,835</u>	<u>187,919</u>


 Professor Anthony BL Cheung
 Chairman
 Hong Kong Housing Authority
 29 September 2014

The notes on pages 9 to 58 form part of these financial statements.

HONG KONG HOUSING AUTHORITY
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED 31 MARCH 2014
(Expressed in millions of Hong Kong dollars)

	Government's permanent capital	Government's contribution	Capital reserve	Accumulated surplus	Housing Capital Works Fund	Development Fund	Total
Balance at 1 April 2012	13,489	5,454	12	83,599	21,823	58,090	182,467
Total comprehensive income for the year	-	-	-	5,822	-	-	5,822
Dividend to the Government for the year	-	-	-	(370)	-	-	(370)
Transfer from / (to) accumulated surplus	-	-	-	560	2,489	(3,049)	-
Balance at 31 March 2013	<u>13,489</u>	<u>5,454</u>	<u>12</u>	<u>89,611</u>	<u>24,312</u>	<u>55,041</u>	<u>187,919</u>
Balance at 1 April 2013	13,489	5,454	12	89,611	24,312	55,041	187,919
Total comprehensive income for the year	-	-	-	6,373	-	-	6,373
Dividend to the Government for the year	-	-	-	(457)	-	-	(457)
Transfer from accumulated surplus	-	-	-	(1,004)	91	913	-
Balance at 31 March 2014	<u>13,489</u>	<u>5,454</u>	<u>12</u>	<u>94,523</u>	<u>24,403</u>	<u>55,954</u>	<u>193,835</u>

The notes on pages 9 to 58 form part of these financial statements.

HONG KONG HOUSING AUTHORITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2014
(Expressed in millions of Hong Kong dollars)

	Note	2014	2013
Cash flows from operating activities			
Surplus for the year		6,373	5,822
Adjustments for:			
Investment income	4(c)	(3,655)	(4,395)
Expenditure / (Reversal of expenditure) on divestment of retail and carparking facilities	6	4	(22)
Depreciation of property, plant and equipment		2,979	2,830
Amortisation of intangible assets		138	123
Written down value of Tenants Purchase Scheme flats sold		117	104
Adjustment of capital expenditure		99	125
Decrease in Home Purchase / Assistance Loans		82	106
Decrease in impairment allowance for Home Purchase / Assistance Loans		(5)	(8)
Decrease in other assets		36	50
Increase in Home Ownership Scheme (Domestic) properties under development		(662)	(218)
Decrease / (Increase) in inventories		761	(8)
Decrease in securities at fair value		6,986	6,638
(Increase) / Decrease in debtors, prepayments and other receivables		(1,074)	992
Increase / (Decrease) in creditors, accruals and other payables		1,400	(677)
Decrease in provisions and other liabilities		(177)	(93)
Net cash from operating activities		<u>13,402</u>	<u>11,369</u>

The notes on pages 9 to 58 form part of these financial statements.

HONG KONG HOUSING AUTHORITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2014 (Continued)
(Expressed in millions of Hong Kong dollars)

	Note	2014	2013
Cash flows from investing activities			
Proceeds from redemption of held-to-maturity securities		418	343
Increase in placements with the Exchange Fund		(1,743)	(1,849)
Increase in bank deposits with original maturity over 3 months		(4,476)	(295)
Payments relating to divestment of retail and carparking facilities		(4)	(1)
Payments relating to capital works / projects in progress			
-New public rental housing		(7,177)	(7,408)
-Redeveloped public rental housing		(1,098)	(1,004)
-Home Ownership Scheme (Commercial)		(18)	(8)
-Housing Authority offices		-	(1)
-Computer systems		(153)	(189)
-Improvement works		(654)	(681)
Interest received		2,148	2,279
Dividends received		269	332
Net cash used in investing activities		<u>(12,488)</u>	<u>(8,482)</u>
Cash flows from financing activities			
Dividend paid to the Government		(479)	(340)
Net cash used in financing activities		<u>(479)</u>	<u>(340)</u>
Net increase in cash and cash equivalents		435	2,547
Cash and cash equivalents at beginning of year		<u>8,478</u>	<u>5,931</u>
Cash and cash equivalents at end of year	16	<u>8,913</u>	<u>8,478</u>

The notes on pages 9 to 58 form part of these financial statements.

HONG KONG HOUSING AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS

1 FINANCIAL ARRANGEMENTS WITH THE GOVERNMENT

The Hong Kong Housing Authority (the Authority) was established as a statutory body in April 1973 under the Housing Ordinance (Cap. 283). It exercises its powers and discharges its duties under the Ordinance so as to secure the provision of housing and such amenities ancillary thereto as it thinks fit. Following enactment of the Housing (Amendment) Ordinance 1988 and implementation of the Authority's re-organisation, the financial arrangements between the Government and the Authority came into effect on 1 April 1988. A Supplemental Agreement to the 1988 Financial Arrangements was effective from 1 October 1994. The salient features of the financial arrangements are as follows:

(a) Government's non-interest bearing permanent capital

A sum of HK\$13,489 million representing that element of the permanent capital originating from the capitalisation of loans from the former Development Loan Fund has been converted into non-interest bearing permanent capital with effect from 1 October 1994.

(b) Government's contribution

The Government's contribution to domestic housing and non-domestic equity included in the accounts is shown in Note 19(a).

The land value for the domestic element of public rental housing, the excess of the full market value of land over the land cost charged by the Government for the domestic element of the Home Ownership Scheme (HOS) and the land value for the non-domestic elements in rental estates and Home Ownership courts (i.e. carparks and commercial facilities) are not included in the accounts but included as memorandum entries in Note 19(b).

(c) Dividend to the Government for the year

The overall surplus arising from the operation of non-domestic facilities in rental estates and Home Ownership courts are to be shared equally between the Authority and the Government and distributed to the Government in the form of dividend.

(d) Contingent liabilities for the Home Ownership Scheme and the Private Sector Participation Scheme

The Authority took over since 1 April 1988 from the Government the contingent liabilities for mortgage default guarantees in respect of flats built under the HOS and the Private Sector Participation Scheme (PSPS) (Note 24(a)), and for unsold flats and the shortfall in selling price under the PSPS.

(e) Construction and management of temporary housing and cottage areas

With effect from 1 April 1988, the Housing Authority has :

- (i) become responsible for meeting expenditure arising from the development, construction and management of temporary housing areas and transit centres, and the management of cottage areas; and
- (ii) continued to undertake clearance, squatter control and maintenance of facilities provided under Squatter Area Improvement Programmes, on an agency basis, for the Government which remains responsible for the funding of these activities.

All temporary housing areas had been demolished by August 2001. Effective from April 2006, except for the activity on rehousing of occupants upon clearance, the squatter control and clearance functions were transferred to the Lands Department.

(f) Housing Capital Works Fund

The Housing Capital Works Fund, established on 1 April 1993 to separate the funding for the acquisition and/or construction of all the Authority's fixed assets and developments of the HOS, has been expanded to finance the capital costs of major improvement works. Accordingly, it is split into two accounts, viz. the Construction Account to cover the construction of housing estates and developments of the HOS, and the Improvement Account to provide funds for improving the standard of existing estates and implementing better community services in the estates.

Each of these two accounts is required to maintain an adequate level of operating funds - the Construction Account at a level equivalent to six months' estimated expenditure, and the Improvement Account at an annual balance of HK\$2 billion.

(g) Development Fund

The Development Fund was established with effect from 1 October 1994 to finance the development of housing and housing-related projects and infrastructure that would further the policy of providing adequate and affordable housing for those in need of housing provision.

With the prior agreement of the Authority, the Government has the right to pay into the Development Fund such additional sum of money that might be needed to support the purposes of the Fund.

2 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Housing Ordinance, the 1988 Financial Arrangements and the 1994 Supplemental Agreement with the Government, and the accounting policies approved by the Authority.

(i) Measurement basis

The measurement basis used in the preparation of the financial statements is historical cost except for securities managed by external fund managers and derivative financial instruments, which are stated at their fair value as explained in the accounting policies set out at Notes 2(i) and 2(l).

(ii) Management judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of the Authority's accounting policies that have significant impact on the financial statements

and estimates with a significant risk of material adjustment in the next year are explained in Note 3.

(b) Income recognition

Income is recognised when it is probable that the economic benefits will flow to the Authority and the income and costs, if applicable, can be measured reliably. The income for the year is accounted for in accordance with the following accounting policies:

(i) Rental income

Rental income from properties is brought into account in the period to which it relates;

(ii) Sales and premium income

This includes:

- proceeds from the sale/resale of HOS/PSPS flats which is recognised upon signing of the sale and purchase agreement;
- proceeds from the sale/resale of flats under the Tenants Purchase Scheme (TPS) which is recognised upon signing of the Deed of Assignment; and
- premium payments from HOS/PSPS/TPS flat owners which are recognised as income when the alienation restrictions on the flats are removed;

(iii) Interest income

Interest income is recognised on an accrual basis using the effective interest method;

(iv) Dividend income

Dividend income is recognised on the ex-dividend date;

(v) Fees and charges

Fees and charges arising from the provision of services are recognised upon the delivery of services; and

(vi) Income from agency functions and services

Income generated from the agency functions and services of the Authority is brought into account in the period to which it relates.

(c) Property, plant and equipment

Property, plant and equipment are stated in the statement of financial position at cost less accumulated depreciation. The following items of property, plant and equipment are utilised in the provision of public housing services and ancillary commercial facilities:

(i) Buildings and improvement works

Buildings are classified into three categories:

Rental Premises (excluding Interim Housing)

- 'HKHA' Estates of the present as well as the former Hong Kong Housing Authority plus additions thereto since 1 April 1973, including the estates taken over from the Hong Kong Model Housing Society.
- 'GLCH' Estates of the former Government Low Cost Housing Scheme plus additions thereto since 1 April 1973.
- 'HOS(ND)' Non-domestic premises of the Home Ownership Scheme.
- 'RD' Estates of the former Resettlement Department including flatted factories plus additions thereto since 1 April 1973.

Interim Housing

- 'IH' Accommodation of transitional nature but the structures may be permanent.

Others

'HO' Head Office buildings.

'SQ' Staff quarters.

Buildings and improvement works costing HK\$500,000 or more each are recognised as assets on the following bases:

'HKHA', 'HOS(ND)', 'HO' and 'IH' - At cost to the Authority;

'GLCH' - For those completed before 1 April 1973, at deemed cost equal to written down value at 31 March 1973; and for those completed after 31 March 1973, at cost to the Authority;

'RD' - For those formerly classified as Marks I, II and III estates and factories (other than factories completed after 31 March 1973), at nil value; for other estates completed before 1 April 1973, at deemed cost equal to written down value at 31 March 1973; and for estates completed after 31 March 1973, at cost to the Authority; and

'SQ' - At deemed cost equal to written down value at 31 March 1976 to the Authority.

(ii) Computer equipment and electronic equipment

Computer systems (including both hardware and software) and electronic equipment costing HK\$500,000 or more each are recognised as assets at cost. For computer systems, the costs of the hardware (including its integrated software) and software are segregated and recognised under “property, plant and equipment” and “intangible assets” (Note 2(f)) respectively.

While each subsequent expenditure item of HK\$500,000 or more for improvement of an existing item of plant and equipment is added to the carrying amount of the asset if future economic benefits will flow to the Authority,

computer system enhancement costs are not subject to the HK\$500,000 capitalisation threshold.

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and its carrying amount and are recognised in the statement of comprehensive income on the date of retirement or disposal.

(d) Depreciation

Depreciation is calculated using the straight-line basis to allocate the cost of an item of property, plant and equipment, less its estimated residual value, if any, over its estimated useful life, as follows:

	<u>Expected useful life</u>
(i) Buildings	
- Interim Housing	10 years
- Rental premises (excluding Interim Housing) and others	50 years
(ii) All building improvements and other improvement works	The remaining life of the building upon completion of the improvement works.
(iii) Computer equipment and electronic equipment	5 years

(e) Capital works / projects in progress

This includes expenditure incurred on properties or computer systems under development, improvement works and acquisition of property, plant and equipment, and financed by the Housing Capital Works Fund and the Development Fund. When the capital works are completed, the costs are reclassified as items of “property, plant and equipment” or “intangible assets”. When the HOS (Domestic) projects are completed, the related costs are transferred to “inventories”. Expenditure on improvement works costing less than

HK\$500,000 each is expensed to the statement of comprehensive income when incurred.

(f) Intangible assets

Intangible assets include acquired computer software licences and capitalised development costs of computer software programs. Expenditure on development of computer software programs is capitalised if the programs are technically feasible and the Authority has sufficient resources and the intention to complete development. The expenditure capitalised includes the direct labour costs and costs of materials. Intangible assets are stated at cost less accumulated amortisation.

Amortisation of intangible assets is charged to the statement of comprehensive income on a straight-line basis over the assets' estimated useful lives of 5 years.

(g) Land

(i) Land under lease

The Authority has the proper legal title to land in all the Home Ownership (non-domestic) properties, rental flats of TPS estates, certain rental housing estates, rental blocks in some courts, two Head Office buildings at Fat Kwong Street, the customer service centre at Wang Tau Hom and the office at Chun Wah Court, either by way of Crown/Government Lease, or under Conditions of Grant or Exchange.

Leasehold land premiums are up-front payments to acquire leasehold land or land use right. The premiums are stated at cost and are depreciated over the period of the lease on a straight-line basis.

(ii) Land under vesting order

For land not under lease, vesting orders have been made by the Director of Lands, acting on delegated authority from the Chief Executive, under

Section 5 of the Housing Ordinance. Such vesting orders confer on the Authority full powers of control and management of the land.

(iii) Land value

The value of land included in Note 19(b) in accordance with the financial arrangements with the Government (Note 1(b)) is determined on the following bases:

'HKHA', 'GLCH', 'IH' and 'RD'¹ - The land value is based on the assessments made by the Commissioner of Rating and Valuation using the residual method of valuation, being either at 1976 levels or at the time of handover for management where the estate was completed after 1976. Where the Commissioner of Rating and Valuation has not been able to provide a valuation, a provisional land valuation is made by applying a multiplier to the provisional rateable value of the estate assessed by the Commissioner of Rating and Valuation.

'HOS(Domestic)' - The land value associated with the domestic element of the Home Ownership Scheme is the excess of the full market value of land over the land cost.

'HOS(ND)'¹ - Prior to 1 April 1988, the land for commercial facilities was valued at the full market value at the date the land was purchased, and the land for carparks completed before that date was assessed at nil value. With effect from 1 April 1988, the land value for non-domestic facilities including commercial facilities and carparks is based on the assessments made by the Commissioner of Rating and Valuation at the date of completion of the facilities using the residual method of valuation.

'HO'¹ - For one of the Head Office buildings at Fat Kwong Street, the customer service centre at Wang Tau Hom and the office building in upper

¹ Abbreviations of the building types are shown in Note 2(c).

Wong Tai Sin, the land value is based on assessment made by the Lands Department at the date of completion of the buildings.

'SQ'¹ - Land value is based on assessments made by the Commissioner of Rating and Valuation using the residual method of valuation at 1976 level.

(h) Placements with the Exchange Fund

Placements with the Exchange Fund for investment purpose include the total principal sums and any interest credited but not yet withdrawn at the end of the reporting period. The balance is stated at amortised cost.

(i) Investments in securities

Securities that the Authority has the positive intention and ability to hold to maturity are classified as held-to-maturity securities. Held-to-maturity securities are initially recognised in the statement of financial position at fair value plus transaction costs. Subsequently, they are stated in the statement of financial position at amortised cost using the effective interest method less impairment losses (Note 2(k)).

Securities managed by external fund managers are designated at fair value as they are managed, evaluated and reported internally on a fair value basis. Investments in these securities are initially stated at fair value. At the end of each reporting period, the fair value is remeasured and any change in fair value is recognised in the statement of comprehensive income. Upon disposal, the difference between the net sale proceeds and the carrying value is included in the statement of comprehensive income.

Purchases and sales of investments in securities are accounted for at trade date.

¹ Abbreviations of the building types are shown in Note 2(c).

(j) Loans and receivables

Loans and receivables are initially recognised at fair value and thereafter stated at amortised cost less impairment losses (Note 2(k)), except for the interest-free amount due from the Government and the interest-free loans made under subsidised home ownership schemes or where the effect of discounting would be immaterial. In those cases, they are stated at cost less impairment losses (Note 2(k)).

(k) Impairment of investments in securities, loans and receivables

Investments in held-to-maturity securities, loans and receivables are reviewed at the end of each reporting period to determine whether there is objective evidence of impairment. If any such evidence exists, an impairment loss is determined and recognised in the statement of comprehensive income as follows:

- (i) for financial assets carried at cost, the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Impairment losses for these financial assets are reversed if in a subsequent period the amount of the impairment loss decreases; and
- (ii) for financial assets carried at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of the asset). If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed in the statement of comprehensive income. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

(l) Derivative financial instruments

Derivative financial instruments are recognised initially at fair value. At the end of each reporting period, the fair value is remeasured and any change in fair value is recognised in the statement of comprehensive income.

(m) Inventories

Inventories consist of flats, stores and spares. They are carried at the lower of cost and net realisable value.

The net realisable value of repurchased and unsold new flats represents the estimated selling price less costs to be incurred in selling the flats. When flats are sold, the carrying amount of those flats is recognised as an expense in the year in which the related sales income is recognised.

The cost of stores and spares is mainly determined by the weighted average cost method. Obsolete stores and spares are written off to the statement of comprehensive income. When stores and spares are consumed, the carrying amount of those stores and spares is recognised as an expense in the year in which the consumption occurs.

(n) Other assets

Other assets represent the Authority's contributions to the maintenance funds of individual TPS estates. For each TPS estate, the Authority makes a one-off contribution to the estate's maintenance fund in accordance with the estate's Deed of Mutual Covenant.

Other assets are carried at cost less accumulated amortisation. Amortisation of other assets is charged to the statement of comprehensive income on a straight-line basis over 10 years.

When flats in TPS estates are sold, the carrying amount of other assets attributable to those flats is recognised as an expense in the year in which the related sales income is recognised.

(o) Cash and cash equivalents

Cash and cash equivalents consist of bank balances and cash, and short-term highly liquid investments that are readily convertible to known amounts of cash and subject to an insignificant risk of changes in value, normally having a maturity of three months or less from the date of acquisition.

(p) Creditors and other financial liabilities

Creditors and other financial liabilities are stated at amortised cost except for the interest-free amount due to the Government or where the effect of discounting would be immaterial. In those cases, they are stated at cost.

(q) Employee benefits

Employee benefits such as wages, salaries and bonuses are recognised as an expense when the employee has rendered the service. Obligations on contract-end gratuities payable to contract staff for services rendered during the year are provided for in the financial statements.

Employee entitlements to annual leave are recognised when they accrue to employees. Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

Contributions to the Mandatory Provident Fund for contract staff are expensed as incurred. Pension liabilities for civil servants are discharged by reimbursement to the Government as part of the civil servants' staff costs charged by the Government to the Authority on a monthly basis.

(r) Foreign currency translation

Foreign currency transactions during the year are translated into Hong Kong dollars using the spot exchange rates at the transaction dates. Monetary assets and liabilities denominated in currencies other than Hong Kong dollars are translated into Hong Kong dollars using the closing exchange rates at the end of the reporting period. Exchange gains and losses are recognised in the statement of comprehensive income.

(s) Financial guarantees issued, provisions and contingent liabilities

(i) Financial guarantees issued

Financial guarantees are contracts that require the issuer to make specified payments to reimburse the holder for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. The mortgage default guarantees issued by the Authority in connection with the sale of HOS/PSPS/TPS flats and in respect of mortgage loans made by banks and other authorised financial institutions are a form of financial guarantees.

No deferred income is recognised as the mortgage default guarantees are issued at nil consideration and their fair value cannot be reliably measured.

Provisions for mortgage default guarantee payments are recognised if and when it becomes probable that the holder of a guarantee will call upon the Authority under the guarantee and a reliable estimate can be made of the amount. For guarantees without such provisions recognised, the Authority's present obligations under the guarantees are disclosed as contingent liabilities.

(ii) Other provisions and contingent liabilities

Provisions are recognised for other liabilities (including maintenance and minor improvements) when the Authority has a present obligation as a result of a past event, when it is probable that an outflow of economic benefits will be required to settle the obligation, and when a reliable estimate can be made of the amount of the obligation. Where the time value of money is material, the provision is stated at the present value of the expenditure expected to settle the obligation. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the present obligation is disclosed as a contingent liability, unless the probability of the outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of an outflow of economic benefits is remote.

(t) Related parties

A party is considered to be related to the Authority if the Authority has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Authority and the party are subject to common control.

(u) Taxation

According to Section 34(1) of the Housing Ordinance, the Authority shall, for the purpose of this Ordinance, be exempt from the Inland Revenue Ordinance (Cap. 112).

3 CRITICAL ACCOUNTING JUDGEMENT IN APPLYING THE AUTHORITY'S ACCOUNTING POLICIES

Rental premises

In management's view, the Authority uses rental premises for providing subsidised public housing rather than earning rentals. As a result, they are accounted for as items of property, plant and equipment instead of investment properties. For the same reason, management considers that it is inappropriate to recognise any impairment loss of rental premises based on their recoverable amount.

4 INCOME

	<u>2014</u>	<u>2013</u>
	HK\$M	HK\$M
(a) Rental income		
Rental housing	11,862	10,358
Commercial properties	<u>2,021</u>	<u>1,803</u>
	<u>13,883</u>	<u>12,161</u>
(b) Sales and premium income		
Sales of flats	2,724	1,012
Premium on removal of alienation restriction	<u>943</u>	<u>1,592</u>
	<u>3,667</u>	<u>2,604</u>
(c) Investment income		
Interest income from		
- placements with the Exchange Fund	1,638	1,819
- securities at fair value	207	283
- bank deposits	197	97
- held-to-maturity securities	<u>28</u>	<u>40</u>
	2,070	2,239
Net realised and revaluation gains on securities designated at fair value	1,332	1,967
Net exchange gains / (losses) on		
- securities at fair value	48	(202)
- others	<u>(63)</u>	<u>56</u>
	(15)	(146)
Dividend income from securities at fair value	267	334
Other investment income	1	1
	<u>3,655</u>	<u>4,395</u>
(d) Other income		
Fees and charges	45	36
Miscellaneous income	<u>125</u>	<u>151</u>
	<u>170</u>	<u>187</u>
Total income	<u>21,375</u>	<u>19,347</u>

4 INCOME (Continued)

Operating Leases Arrangements

The Authority leases out commercial properties under operating leases (except car-parks). The leases typically run for a period of three years. The rental income received during the year amounted to HK\$1,576 million (2013: HK\$1,404 million).

The future minimum lease income receivable by the Authority under non-cancellable operating leases for commercial properties is analysed as follows:

	<u>2014</u>	<u>2013</u>
	HK\$M	HK\$M
Not later than one year	742	706
Later than one year but not later than five years	881	785
Later than five years	124	131
	<u>1,747</u>	<u>1,622</u>

5 EXPENDITURE ON HOME OWNERSHIP SCHEMES

	<u>2014</u>	<u>2013</u>
	HK\$M	HK\$M
Cost of flats sold		
- Construction cost and overheads	744	105
- Government land cost	235	86
- Cost of repurchased flats	153	7
	<u>1,132</u>	<u>198</u>
Adjustments to the interest payable on HPLS loans sold (Note 3(a))	3	(23)
Other expenditure	66	39
	<u>1,201</u>	<u>214</u>

6 NET NON-OPERATING EXPENDITURE

	<u>2014</u>	<u>2013</u>
	HK\$M	HK\$M
(Expenditure) / Reversal of expenditure on divestment of retail and carparking facilities (Note 22)	(4)	22
Reimbursement from Urban Renewal Authority for the costs of the allocated rental flats for affected clearerees	19	12
Project costs for abortive sites	(99)	(125)
Adjustment on surplus HOS flats and carparking facilities sold to the Government	-	(10)
Other income	4	3
	<u>(80)</u>	<u>(98)</u>

7 PROPERTY, PLANT AND EQUIPMENT

	2014				2013			
	Rental Premises (excluding Interim Housing)	Interim Housing	Others	Total	Rental Premises (excluding Interim Housing)	Interim Housing	Others	Total
	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M
(a) Lease premiums for land								
Cost at beginning and end of year	105	-	57	162	105	-	57	162
Accumulated depreciation at beginning of year	(93)	-	(25)	(118)	(93)	-	(24)	(117)
Charge for the year	(1)	-	(1)	(2)	-	-	(1)	(1)
Accumulated depreciation at end of year	(94)	-	(26)	(120)	(93)	-	(25)	(118)
Net book value at end of year	11	-	31	42	12	-	32	44
(b) Site formation								
Cost at beginning of year	2,535	1	8	2,544	2,467	1	8	2,476
Additions	23	-	-	23	76	-	-	76
Transfers	-	-	-	-	-	-	-	-
Disposals / demolition	(7)	-	-	(7)	(8)	-	-	(8)
Cost at end of year	2,551	1	8	2,560	2,535	1	8	2,544
Accumulated depreciation at beginning of year	(1,114)	(1)	(6)	(1,121)	(1,079)	(1)	(6)	(1,086)
Charge for the year	(40)	-	-	(40)	(40)	-	-	(40)
Written back on disposals / demolition	4	-	-	4	5	-	-	5
Accumulated depreciation at end of year	(1,150)	(1)	(6)	(1,157)	(1,114)	(1)	(6)	(1,121)
Net book value at end of year	1,401	-	2	1,403	1,421	-	2	1,423
(c) Buildings								
Cost at beginning of year	149,862	536	1,834	152,232	142,669	507	1,834	145,010
Additions	10,164	-	1	10,165	7,484	-	-	7,484
Transfers	(29)	29	-	-	(29)	29	-	-
Disposals / demolition	(287)	-	-	(287)	(262)	-	-	(262)
Cost at end of year	159,710	565	1,835	162,110	149,862	536	1,834	152,232
Accumulated depreciation at beginning of year	(46,594)	(321)	(780)	(47,695)	(44,119)	(307)	(749)	(45,175)
Charge for the year	(2,784)	(6)	(31)	(2,821)	(2,647)	(6)	(31)	(2,684)
Transfers	9	(9)	-	-	8	(8)	-	-
Written back on disposals / demolition	177	-	-	177	164	-	-	164
Accumulated depreciation at end of year	(49,192)	(336)	(811)	(50,339)	(46,594)	(321)	(780)	(47,695)
Net book value at end of year	110,518	229	1,024	111,771	103,268	215	1,054	104,537

7 PROPERTY, PLANT AND EQUIPMENT (Continued)

2014

2013

	2014				2013			
	Rental Premises (excluding Interim Housing)	Interim Housing	Others	Total	Rental Premises (excluding Interim Housing)	Interim Housing	Others	Total
	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M
(d) Improvement works								
Cost at beginning of year	2,944	-	102	3,046	2,905	-	102	3,007
Additions	124	-	3	127	45	-	-	45
Disposals	(45)	-	-	(45)	(6)	-	-	(6)
Cost at end of year	3,023	-	105	3,128	2,944	-	102	3,046
Accumulated depreciation at beginning of year	(1,976)	-	(99)	(2,075)	(1,902)	-	(97)	(1,999)
Charge for the year	(87)	-	1	(86)	(77)	-	(2)	(79)
Written back on disposals	41	-	-	41	3	-	-	3
Accumulated depreciation at end of year	(2,022)	-	(98)	(2,120)	(1,976)	-	(99)	(2,075)
Net book value at end of year	1,001	-	7	1,008	968	-	3	971
(e) Computer equipment								
Cost at beginning of year	-	-	294	294	-	-	259	259
Additions	-	-	28	28	-	-	40	40
Disposals	-	-	-	-	-	-	(5)	(5)
Cost at end of year	-	-	322	322	-	-	294	294
Accumulated depreciation at beginning of year	-	-	(204)	(204)	-	-	(185)	(185)
Charge for the year	-	-	(30)	(30)	-	-	(24)	(24)
Written back on disposals	-	-	-	-	-	-	5	5
Accumulated depreciation at end of year	-	-	(234)	(234)	-	-	(204)	(204)
Net book value at end of year	-	-	88	88	-	-	90	90
(f) Electronic equipment								
Cost at beginning of year	564	-	7	571	566	-	7	573
Additions	-	-	-	-	2	-	-	2
Disposals	(13)	-	(1)	(14)	(4)	-	-	(4)
Cost at end of year	551	-	6	557	564	-	7	571
Accumulated depreciation at beginning of year	(564)	-	(7)	(571)	(566)	-	(7)	(573)
Charge for the year	-	-	-	-	(2)	-	-	(2)
Written back on disposals	13	-	1	14	4	-	-	4
Accumulated depreciation at end of year	(551)	-	(6)	(557)	(564)	-	(7)	(571)
Net book value at end of year	-	-	-	-	-	-	-	-
Total net book value at end of year ¹	112,931	229	1,152	114,312	105,669	215	1,181	107,065
¹ Represented by assets of								
Domestic rental housing	105,577	229	-	105,806	98,959	215	-	99,174
Non-domestic facilities	7,354	-	-	7,354	6,710	-	-	6,710
Housing Authority office buildings and others	-	-	1,152	1,152	-	-	1,181	1,181
	112,931	229	1,152	114,312	105,669	215	1,181	107,065

8 CAPITAL WORKS / PROJECTS IN PROGRESS

	1 April 2013	Additions, reclassification and adjustments ¹	Transfer to other asset categories or expenditure	31 March 2014	1 April 2012	Additions, reclassification and adjustments ¹	Transfer to other asset categories or expenditure	31 March 2013
	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M
(a) Housing Capital Works Fund - Construction Account								
(i) Properties under development:								
New public rental housing								
Site formation	78	7	(23)	62	63	20	(5)	78
Buildings	14,457	6,474	(10,006)	10,925	8,701	7,415	(1,659)	14,457
	<u>14,535</u>	<u>6,481</u>	<u>(10,029)</u>	<u>10,987</u>	<u>8,764</u>	<u>7,435</u>	<u>(1,664)</u>	<u>14,535</u>
Redeveloped public rental housing								
Site formation	184	64	-	248	313	(58)	(71)	184
Buildings	1,373	1,656	(164)	2,865	6,181	1,016	(5,824)	1,373
	<u>1,557</u>	<u>1,720</u>	<u>(164)</u>	<u>3,113</u>	<u>6,494</u>	<u>958</u>	<u>(5,895)</u>	<u>1,557</u>
HOS (Domestic)								
Site formation	8	4	-	12	-	8	-	8
Buildings	259	687	(19)	927	47	229	(17)	259
	<u>267</u>	<u>691</u>	<u>(19)</u>	<u>939</u>	<u>47</u>	<u>237</u>	<u>(17)</u>	<u>267</u>
HOS (Commercial)								
Site formation	-	-	-	-	-	-	-	-
Buildings	15	19	-	34	7	8	-	15
	<u>15</u>	<u>19</u>	<u>-</u>	<u>34</u>	<u>7</u>	<u>8</u>	<u>-</u>	<u>15</u>
Housing Authority offices								
Buildings	-	-	-	-	-	1	(1)	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>(1)</u>	<u>-</u>
Sub-total	<u>16,374</u>	<u>8,911</u>	<u>(10,212)</u>	<u>15,073</u>	<u>15,312</u>	<u>8,639</u>	<u>(7,577)</u>	<u>16,374</u>
(ii) Computer equipment	<u>40</u>	<u>153</u>	<u>(148)</u>	<u>45</u>	<u>100</u>	<u>189</u>	<u>(249)</u>	<u>40</u>
Total	<u>16,414</u>	<u>9,064</u>	<u>(10,360)</u>	<u>15,118</u>	<u>15,412</u>	<u>8,828</u>	<u>(7,826)</u>	<u>16,414</u>
(b) Housing Capital Works Fund - Improvement Account								
(i) Improvement works on buildings	<u>1,311</u>	<u>657</u>	<u>(129)</u>	<u>1,839</u>	<u>676</u>	<u>680</u>	<u>(45)</u>	<u>1,311</u>
(ii) Electronic Equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2</u>	<u>(2)</u>	<u>-</u>
Total	<u>1,311</u>	<u>657</u>	<u>(129)</u>	<u>1,839</u>	<u>676</u>	<u>682</u>	<u>(47)</u>	<u>1,311</u>
Total capital works / projects in progress	<u>17,725</u>	<u>9,721</u>	<u>(10,489)</u>	<u>16,957</u>	<u>16,088</u>	<u>9,510</u>	<u>(7,873)</u>	<u>17,725</u>

¹ Included in this column are additions, reclassification among project types and adjustments for expensing the development costs arising from aborting the development of the sites already auctioned or turned into other uses.

9 INTANGIBLE ASSETS

	<u>2014</u>	<u>2013</u>
	HK\$M	HK\$M
Computer software licences and system development costs		
Cost:		
At beginning of year	1,424	1,345
Additions	120	209
Disposals	<u>(288)</u>	<u>(130)</u>
At end of year	<u>1,256</u>	<u>1,424</u>
Accumulated amortisation:		
At beginning of year	(1,041)	(1,048)
Charge for the year	(138)	(123)
Written back on disposals	<u>288</u>	<u>130</u>
At end of year	<u>(891)</u>	<u>(1,041)</u>
Net book value at end of year	<u>365</u>	<u>383</u>

10 PLACEMENTS WITH THE EXCHANGE FUND

The balance of the placements with the Exchange Fund amounted to HK\$36,605 million (2013: HK\$34,862 million), being the total principal sums of HK\$30,000 million (2013: HK\$30,000 million) plus HK\$6,605 million (2013: HK\$4,862 million) interest credited but not yet withdrawn at the end of the reporting period. The term of the placements is for a period of six years from the respective dates of placements, during which the Authority shall not demand repayment of the principal sums.

Interest on the placements is payable at a fixed rate determined every January. The rate is the average annual investment return of the Exchange Fund's Investment Portfolio for the past six years or the average annual yield of three-year Exchange Fund Notes for the previous year subject to a minimum of zero percent, whichever is the higher. The interest rate has been fixed at 3.6% per annum for 2014 and at 5.0% per annum for 2013.

11 INVESTMENTS IN SECURITIES AND BANK DEPOSITS

	<u>2014</u> HK\$M	<u>2013</u> HK\$M
(a) Investments classified as non-current assets		
Bank deposits at amortised cost, with original maturity over 1 year	5,367	1,207
Held-to-maturity securities at amortised cost, with remaining maturity over 1 year	285	187
	<u>5,652</u>	<u>1,394</u>
(b) Investments classified as current assets		
Bank deposits at amortised cost, with original maturity		
- not more than 3 months (Note 16)	8,029	7,493
- over 3 months but not more than 1 year	1,477	1,184
	<u>9,506</u>	<u>8,677</u>
Held-to-maturity securities at amortised cost, with remaining maturity not more than 1 year	<u>187</u>	<u>743</u>
Securities at fair value		
Debt securities designated at fair value with maturity		
- not more than 3 months from date of acquisition (Note 16)	28	14
- over 3 months from date of acquisition	5,445	11,451
	<u>5,473</u>	<u>11,465</u>
Equity securities designated at fair value	11,920	11,520
Money market funds designated at fair value (Note 16)	218	562
	<u>17,611</u>	<u>23,547</u>
	<u>27,304</u>	<u>32,967</u>
Total investments	<u><u>32,956</u></u>	<u><u>34,361</u></u>

12 HOME PURCHASE / ASSISTANCE LOANS

	2014				2013			
	Home Purchase Loan Scheme	Enhanced Home Purchase Loan Scheme	Home Assistance Loan Scheme	Total	Home Purchase Loan Scheme	Enhanced Home Purchase Loan Scheme	Home Assistance Loan Scheme	Total
	(Notes 12a & d)	(Notes 12b & d)	(Note 12c)		(Notes 12a & d)	(Notes 12b & d)	(Note 12c)	
	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M
Gross carrying amount:								
At beginning of year	171	27	244	442	193	29	326	548
Loan repayments	(10)	(1)	(67)	(78)	(15)	(1)	(82)	(98)
Loans written off	(3)	(1)	-	(4)	(7)	(1)	-	(8)
At end of year	158	25	177	360	171	27	244	442
Impairment allowance for doubtful loans:								
At beginning of year	(144)	(24)	(2)	(170)	(151)	(25)	(2)	(178)
Impairment loss reversed	1	-	-	1	-	-	-	-
Loans written off	3	1	-	4	7	1	-	8
At end of year	(140)	(23)	(2)	(165)	(144)	(24)	(2)	(170)
Carrying amount at end of year	18	2	175	195	27	3	242	272
Portion classified as current assets (Note 15)	(7)	(1)	(49)	(57)	(8)	(1)	(54)	(63)
Portion classified as non-current assets	11	1	126	138	19	2	188	209

12 HOME PURCHASE / ASSISTANCE LOANS (Continued)

(a) Home Purchase Loan Scheme

The HPLS provides interest-free loans to assist sitting tenants of the Authority and the Housing Society, and prospective tenants with established eligibility for public housing to purchase flats in the private sector as well as those under the Secondary Market Scheme. The loans are repayable over a period of a maximum of 20 years. The HPLS was terminated on 31 December 2002.

(b) Enhanced Home Purchase Loan Scheme

The enhanced HPLS was approved in June 1995 to provide interest-free loans and subsidies funded by the Development Fund to the green form applicants who could apply for assistance under the Scheme during 1995-96 and 1996-97, with a view to encouraging them to purchase flats and give up their rental flats for re-allocation. The loans are repayable over the same period as the bank mortgage taken out on the property, up to a maximum of 20 years.

(c) Home Assistance Loan Scheme (HALS)

The HALS was implemented from 2 January 2003 to replace the HPLS. The HALS was terminated on 14 July 2004. The interest-free loans are repayable over a period of up to a maximum of 20 years.

(d) Sale of Home Purchase Loans

The Authority entered into an agreement with The Hong Kong Mortgage Corporation Limited (HKMC) in 2000-01 whereby home purchase loans were sold to the HKMC in tranches. The last tranche of loan sale was completed in November 2003. The loans were sold at par and a monthly interest is payable at rates based on Hong Kong Interbank Offered Rate (HIBOR) on the balance of the portfolio sold after repayment of principal by the borrowers of home purchase loans. The present value of the estimated future interest payments was recognised as an expense and a liability when the loans were sold. As at 31 March 2014, as disclosed in Note 18, the remaining liability amounted to HK\$47 million (2013: HK\$61 million).

13 OTHER ASSETS

	<u>2014</u> HK\$M	<u>2013</u> HK\$M
Contributions to the maintenance funds of individual TPS estates		
Carrying amount at beginning of year	104	154
Amortisation for the year	(32)	(45)
Transfer to cost of sales for sold TPS flats	(4)	(5)
Carrying amount at end of year	<u>68</u>	<u>104</u>
Portion classified as current assets (Note 15)	<u>(32)</u>	<u>(33)</u>
Portion classified as non-current assets	<u>36</u>	<u>71</u>

14 INVENTORIES

	<u>2014</u> HK\$M	<u>2013</u> HK\$M
Stock of unsold new HOS/PSPS flats	1	615
Stock of repurchased HOS/PSPS flats	-	147
	<u>1</u>	<u>762</u>
Stores and spares	<u>1</u>	<u>1</u>
	<u>2</u>	<u>763</u>

During the year, 831 units (2013: Nil) of HOS/PSPS flats were sold. As at 31 March 2014, the stock balance consisted of 1 flat (2013: 832 flats).

15 DEBTORS, DEPOSITS AND PREPAYMENTS

	<u>2014</u> HK\$M	<u>2013</u> HK\$M
Debtors	55	50
Interest receivable from the placements with the Exchange Fund	325	430
Other interest receivable	164	136
Interest tax refund receivable	-	1
Dividends receivable	20	27
Dividend tax refund receivable	10	6
Unsettled sales and redemption of securities	1,329	197
Home Purchase / Assistance Loans (Note 12)	57	63
Deposits	95	100
Contributions to the maintenance funds of individual TPS estates (Note 13)	32	33
Prepayments	2	1
Lease incentives amortisation	45	37
Derivative financial instruments (Note 26)	21	84
	<u>2,155</u>	<u>1,165</u>

16 CASH AND CASH EQUIVALENTS

	<u>2014</u> HK\$M	<u>2013</u> HK\$M
Bank balances and cash	638	409
Bank deposits with original maturity not more than 3 months (Note 11)	8,029	7,493
Money market funds (Note 11)	218	562
Debt securities designated at fair value with maturity not more than 3 months from date of acquisition (Note 11)	<u>28</u>	<u>14</u>
Cash and cash equivalents in the statement of cash flows	<u><u>8,913</u></u>	<u><u>8,478</u></u>

17 CREDITORS, DEPOSITS AND OTHER PAYABLES

	<u>2014</u> HK\$M	<u>2013</u> HK\$M
Creditors and accruals	5,338	4,907
Unsettled purchases of securities	1,560	822
Payable for custodian's and fund managers' fees	19	21
Tenants' deposits	1,195	1,146
Other deposits	54	58
Retention money	562	513
Liquidated damages deductions	146	162
Other payables	1	1
Derivative financial instruments (Note 26)	<u>59</u>	<u>39</u>
	<u><u>8,934</u></u>	<u><u>7,669</u></u>

18 PROVISIONS AND OTHER LIABILITIES

	2014			2013		
	Current	Non-	Total	Current	Non-	Total
	portion	current		portion	current	
HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	
Provision for maintenance and minor improvements	-	462	462	2	601	603
Rent received in advance	207	-	207	276	-	276
Unamortised income relating to liquefied petroleum gas	15	57	72	15	72	87
Interest payable on HPLS loans sold (Note 12(d))	17	30	47	24	37	61
Land cost provisions relating to sold HOS flats	-	51	51	-	29	29
Provision for management fee	42	-	42	-	-	-
Residual construction payment relating to sold and divested properties	23	-	23	18	-	18
Provision for audit fees	8	-	8	7	-	7
Provision for mortgage default guarantee payments	3	-	3	4	-	4
Others	5	-	5	6	1	7
	320	600	920	352	740	1,092

19 GOVERNMENT'S CONTRIBUTION

(a) Amount included in the accounts (Note 1(b))

	2014			2013		
	Domestic	Non-	Total	Domestic	Non-	Total
	housing	domestic		housing	domestic	
HK\$M	equity	HK\$M	HK\$M	equity	HK\$M	
(i) Borrowings from the former Development Loan Fund						
- Cumulative interest-free loans up to 31.3.1976	254	46	300	254	46	300
- Interest foregone by Government on loans related to domestic and non-domestic premises in public rental housing during the period 1.4.1976 to 31.3.1988	2,505	447	2,952	2,505	447	2,952
(ii) Transfer value of Government built estates and staff quarters	1,226	149	1,375	1,226	149	1,375
(iii) Home Ownership Scheme						
- Unsold stock of flats and construction in progress at 31.3.1988 transferred from Government	827	-	827	827	-	827
	4,812	642	5,454	4,812	642	5,454

19 GOVERNMENT'S CONTRIBUTION (Continued)

(b) Amount not included in the accounts (Note 1(b))

	2014			2013		
	Domestic housing HK\$M	Non-domestic equity HK\$M	Total HK\$M	Domestic housing HK\$M	Non-domestic equity HK\$M	Total HK\$M
(i) Land revaluation surplus up to 31.3.1973 pertaining to the predecessor Authority	107	9	116	107	9	116
(ii) Value of land provided by Government						
- since 1.4.1973 pertaining to public rental housing estates and staff quarters	213,804	20,282	234,086	194,780	19,906	214,686
- for offices of the Authority	-	140	140	-	140	140
(iii) Home Ownership Scheme						
- excess of full market value of land over land cost	137,579	-	137,579	137,697	-	137,697
- land value for non-domestic elements	-	2,693	2,693	-	2,693	2,693
- premium on removal of alienation restriction	6,938	-	6,938	6,764	-	6,764
(iv) Tenants Purchase Scheme						
- excess of full market value of land at completion of the buildings over land cost	24,110	-	24,110	23,648	-	23,648
(v) Buy or Rent Option Scheme						
- excess of full market value of land over land cost	1,818	-	1,818	1,818	-	1,818
- land value for non-domestic elements	-	10	10	-	10	10
	384,356	23,134	407,490	364,814	22,758	387,572

20 HOUSING CAPITAL WORKS FUND

	2014			2013		
	Construction	Improvement	Total	Construction	Improvement	Total
	Account	Account		Account	Account	
	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M
Balance at beginning of year	21,001	3,311	24,312	19,147	2,676	21,823
Transfer (to) / from accumulated surplus	(437)	528	91	1,854	635	2,489
Balance at end of year	20,564	3,839	24,403	21,001	3,311	24,312

21 DEVELOPMENT FUND

	<u>2014</u> HK\$M	<u>2013</u> HK\$M
Balance at beginning of year	55,041	58,090
Transfer from / (to) accumulated surplus	<u>913</u>	<u>(3,049)</u>
Balance at end of year	<u>55,954</u>	<u>55,041</u>

22 DIVESTMENT OF RETAIL AND CARPARKING FACILITIES

To enable the Authority to focus its resources on its core function as a provider of subsidised public housing, the Authority divested its retail and carparking facilities by selling the concerned facilities through an initial public offering of units in The Link Real Estate Investment Trust (Link REIT) in November 2005. The Authority recognised a net surplus of HK\$14,096 million as a result of the divestment in the year 2005-06. In determining the surplus, management made estimates concerning the divestment expenditure. Adjustments to the expenditure will be required if actual results differ from the estimates.

During the year, the Authority's net upward adjustment on divestment related expenditure was HK\$4 million (2013: net downward adjustment of HK\$22 million).

23 RELATED PARTY TRANSACTIONS

In addition to those disclosed elsewhere in these financial statements, the Authority had the following material transactions and outstanding balances with the Government.

	<u>2014</u> HK\$M	<u>2013</u> HK\$M
(a) Income received from the Government		
Rental income ¹	1,981	1,774
Reimbursement of costs of services provided to the Government	211	179
Supervision on-costs in respect of Government reimbursable projects	36	35
Other income	1	1
	<u>2,229</u>	<u>1,989</u>
(b) Amount due from the Government		
Receivable for Lotteries Fund projects	11	11
Receivable for Government-funded construction projects	1	5
On-costs accrual for entrusted projects	1	1
Deposits and others	1	1
	<u>14</u>	<u>18</u>
(c) Amount due to the Government		
Land cost	214	93
Advance from Government for rental payment	190	159
Payable for Government rent and rates	10	3
Over-recovery on Government funded agency functions	6	1
Dividend payable	44	66
Others (e.g. company and land searches)	25	29
	<u>489</u>	<u>351</u>

¹ It included the rent of HK\$1,935 million (2013: HK\$1,733 million) paid by the Government to the Authority on behalf of tenants living in the public rental housing flats of the Authority.

24 CONTINGENT LIABILITIES

(a) Financial guarantees issued

As at 31 March 2014, the Authority had outstanding mortgage default guarantees issued in respect of mortgage loans made by banks and other authorised financial institutions on HOS/PSPS/TPS flats sold as follows:

(i) HOS/PSPS flats sold

Default guarantees for flats built and sold under HOS and PSPS amounted to HK\$24,284 million (2013: HK\$24,683 million) for the primary market and HK\$12,006 million (2013: HK\$8,061 million) for the secondary market. However, it is the Authority's view that it will have a financial exposure only if the outstanding indebtedness of mortgages to banks and other financial institutions cannot be covered by proceeds from resale of the flats concerned. The Authority estimates it has no financial exposure (2013: Nil) for the primary market and HK\$63 million (2013: HK\$1 million) for the secondary market.

(ii) TPS flats sold

Default guarantees for flats sold under TPS amounted to HK\$2,917 million (2013: HK\$2,586 million) for the primary market and HK\$757 million (2013: HK\$538 million) for the secondary market. However, following the rationale in (i) above and assuming that the properties can be re-sold at the original selling price for flats within the first 2 years of the alienation restriction period, at the prevailing TPS price for flats from the 3rd to the 5th year of such period (less the actual amount of special credit for primary market flats) and at the prevailing market price less premium payable after the alienation restriction period, the Authority estimates it has no financial exposure (2013: Nil) for the primary market and its financial exposure for the secondary market is HK\$77 million (2013: HK\$32 million).

(b) Structural Safety Guarantee

Structural Safety Guarantee (SSG) covers all newly completed HOS and PSPS developments for a period of 10 years (20 years for Tin Shui Wai area) from the date of completion, including those existing developments which were within the relevant SSG period as at 13 April 2000. Pursuant to the sale of surplus HOS and PSPS flats in 2007, a SSG for a period of 10 years (20 years for Tin Shui Wai area) is also offered to cover each unsold block of these flats from the commencement date of flat selection period of the first sale phase. As at 31 March 2014, there were 27,365 units (2013: 27,941 units) of HOS and PSPS flats covered by the SSG. However, the Authority's liabilities under the SSG could not be reasonably ascertained and have not been recognised in the financial statements, except for the actual repair costs incurred under the SSG. During the year, such repair costs amounted to HK\$0.6 million (2013: HK\$4.9 million).

25 CAPITAL COMMITMENTS

The Authority had the following capital commitments outstanding at 31 March 2014 not provided for in the financial statements:

	<u>2014</u> <u>HK\$M</u>	<u>2013</u> <u>HK\$M</u>
Capital Works/Projects		
Contracted for:		
- Public rental housing construction projects	12,708	8,326
- HOS construction projects	330	11
- Other projects	1,404	1,487
	<u>14,442</u>	<u>9,824</u>
Authorised but not yet contracted for:		
- Public rental housing construction projects	11,516	16,544
- HOS construction projects	496	4
- Other projects	33	62
	<u>12,045</u>	<u>16,610</u>
	<u>26,487</u>	<u>26,434</u>

26 DERIVATIVE FINANCIAL INSTRUMENTS

	<u>2014</u>		<u>2013</u>	
	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>
	<u>HK\$M</u>	<u>HK\$M</u>	<u>HK\$M</u>	<u>HK\$M</u>
Forward currency exchange contracts, at fair value	<u>21</u>	<u>59</u>	<u>84</u>	<u>39</u>
	(Note 15)	(Note 17)	(Note 15)	(Note 17)

The forward currency exchange contracts are used for managing the Authority's currency exposure and are carried at fair value. Their carrying values have been included in "Debtors, deposits and prepayments" and "Creditors, deposits and other payables". These contracts have a remaining life of 3 months or less and a total notional amount of HK\$7 billion (2013: HK\$7 billion). The notional amounts of these contracts indicate the volume of outstanding transactions and do not represent the amounts at risk.

27 FINANCIAL RISK MANAGEMENT

Risk management is an integral part of the Authority's financial policies and processes. The Authority's Finance Committee advises on financial policies and oversees the management of funds of the Authority. The Finance Committee has established a Funds Management Sub-committee to advise on the Authority's funds management policies, strategies, guidelines, and the appointment and monitoring of external fund managers. The key financial risk management practices are highlighted below:

(a) Liquidity risk

The Authority's budgets and forecasts are compiled annually for the Authority's approval after endorsement by the Finance Committee and relevant business Committees. Income and expenditure are actively monitored during the year. The Authority's cash flows are monitored on a daily basis and its investments are managed with the primary objective of ensuring that sufficient funds are available to meet capital expenditure and operational needs. As the Authority has a strong liquidity position, it has a very low level of liquidity risk.

(b) Market and credit risks

The Authority's financial instruments are subject to interest rate risk, currency risk, equity price risk, other market risk and credit risk. Comprehensive funds management policy and investment guidelines are in place to ensure that the exposures to these risks are monitored and managed prudently on an ongoing basis.

(i) Interest rate risk

The Authority's interest-bearing assets include mainly bank deposits, debt securities at fair value, money market funds and held-to-maturity debt securities. Most of these assets bear interest at fixed rates. The Authority is exposed to fair value interest rate risk because their fair values will normally fall when market interest rates increase. The Authority monitors its interest rate risk with reference to the approved strategies and benchmarks. As regards bank deposits and held-to-maturity debt securities, since they are all stated at amortised cost,

their carrying amounts and the Authority's income and accumulated surplus will not be affected by changes in market interest rates.

The Authority's interest payable on home purchase loans sold (Note 12(d)) is at HIBOR-based rates. The Authority is exposed to cash flow interest rate risk since future interest payments will fluctuate with changes in market interest rates. However, such interest rate risk is not material as it is naturally hedged by short-term interest-bearing assets (with maturity of 1 year or less) in the Authority's investment portfolio. As at 31 March 2014, the outstanding principal balance of the home purchase loans sold was HK\$1,037 million (2013: HK\$1,510 million) and their average remaining maturity was 38 months (2013: 42 months).

Sensitivity analysis based on a 50 basis points (2013: 50 basis points) increase / decrease in market interest rates, which may be reasonably possible, shows that the revaluation gains on debt securities at fair value and money market funds and surplus for the year would have decreased / increased by HK\$138 million (2013: HK\$257 million). This sensitivity analysis has been prepared assuming that the change in interest rates had been applied to the securities in existence at the end of the reporting period, with all other variables being held constant.

(ii) Currency risk

On currency risk management, the investment guidelines set limits on currency exposure. Forward currency exchange contracts are also used for managing the Authority's currency exposure (Note 26).

Apart from Renminbi, the Authority's investment assets in currencies other than Hong Kong dollars are denominated mainly in US dollars with the remaining in other freely convertible major international currencies. When the exchange rates of the relevant currencies against the Hong Kong dollar fluctuate, the value of these investment assets expressed in Hong Kong dollar will vary accordingly.

The table below summarises the Authority's Renminbi and other currency exposures at the end of the reporting period after taking into account the effect of forward currency exchange contracts:

	2014		2013	
	Assets	Liabilities	Assets	Liabilities
	HK\$M	HK\$M	HK\$M	HK\$M
Renminbi	6,737	-	3,365	-
Other currencies				
- US dollars	12,805	3,008	16,392	1,482
- Pound sterling	1,152	675	1,643	1,076
- Euro	3,964	2,660	3,861	2,466
- Others	3,422	2,204	4,494	2,749
	<u>28,080</u>	<u>8,547</u>	<u>29,755</u>	<u>7,773</u>

Other currencies include mainly currencies of major developed countries. The major part of the currency risk arising from these currencies is mainly hedged through the use of forward currency exchange contracts.

Sensitivity analysis based on a 0.5% (2013: 0.5%) increase / decrease in the exchange rate of the US dollar against the Hong Kong dollar, which may be reasonably possible, shows that the exchange gains and surplus for the year would have increased / decreased by HK\$49 million (2013: HK\$75 million).

Sensitivity analysis based on a 5% (2013: 5%) increase / decrease in the exchange rate of the Renminbi against the Hong Kong dollar, which may be reasonably possible, shows that the exchange gains and surplus for the year would have increased / decreased by HK\$337 million (2013: HK\$168 million).

Sensitivity analysis based on a 5% (2013: 5%) increase / decrease in the exchange rates of the other currencies against the Hong Kong dollar, which may be reasonably possible, shows that the exchange gains and surplus for the year would have increased / decreased by HK\$150 million (2013: HK\$185 million).

The above sensitivity analyses have been prepared assuming that the change in exchange rates had been applied to the financial instruments in existence at the end of the reporting period, with all other variables being held constant.

(iii) Equity price risk

Equity price risk is the risk of loss arising from changes in equity prices. The Authority's equity investments are subject to equity price risk since the value of these investments will decline if equity prices fall. As at 31 March 2014, all equity investments were designated at fair value as shown in Note 11.

Sensitivity analysis based on a 10% (2013: 10%) increase / decrease in equity prices, which may be reasonably possible, shows that the revaluation gains on equity investments and surplus for the year would have increased / decreased by HK\$1,192 million (2013: HK\$1,152 million). This sensitivity analysis has been prepared assuming that the change in equity prices had been applied to the equity investments in existence at the end of the reporting period, with all other variables being held constant.

(iv) Other market risk

Interest on the placements with the Exchange Fund is subject to other market risk arising from changes in the interest rate which is determined every January (Note 10). Sensitivity analysis based on a 50 basis point increase / decrease in the interest rates for 2013 and 2014, with all other variables held constant, shows that the surplus for the year would have increased / decreased by HK\$178 million (2013: HK\$169 million).

(v) Credit risk

The Authority's maximum exposure to credit risk at the end of the reporting period without taking into account any collateral held or other credit enhancements is shown below:

	<u>2014</u>	<u>2013</u>
	<u>HK\$M</u>	<u>HK\$M</u>
Placements with the Exchange Fund	36,605	34,862
Bank balances	612	360
Bank deposits	14,873	9,884
Amount due from the Government	14	18
Debtors and deposits	2,019	1,031
Held-to-maturity debt securities	472	930
Debt securities at fair value	5,473	11,465
Money market funds	218	562
Home Purchase / Assistance Loans	195	272
Mortgage default guarantees	39,964	35,868
	<u>100,445</u>	<u>95,252</u>

The credit risk associated with the placements with the Exchange Fund and amount due from the Government is considered to be low.

Debtors and deposits mainly include debtors, interest receivable, unsettled sales and redemption of securities, deposits and derivative financial instruments. The associated credit risk is minimal.

Home Purchase / Assistance Loans are secured by mortgages on properties.

Mortgage default guarantees are issued in respect of mortgage loans made by banks and other authorised financial institutions on HOS/PSPS/TPS flats. Those loans are secured by mortgages on the flats concerned. As at 31 March 2014, provision for mortgage default guarantee payments amounted to HK\$3 million

(2013: HK\$4 million, Note 18), and the financial exposure not provided for in the financial statements amounted to HK\$140 million (2013: HK\$33 million, Note 24(a)).

With respect to the credit risk of the Authority's investments, the Authority's investment guidelines set limits on credit rating, individual counterparty exposure and overall concentration of exposure.

An analysis of the credit quality of the Authority's bank balances, bank deposits, investments in debt securities and money market funds, based on ratings designated by Moody's or their equivalents, is as follows:

	<u>2014</u> HK\$M	<u>2013</u> HK\$M
Aaa	2,421	6,423
Aa3 to Aa1	5,601	4,260
A3 to A1	13,117	11,855
Lower than A3 or un-rated	510	663
	<u>21,649</u>	<u>23,201</u>

28 FAIR VALUES OF FINANCIAL INSTRUMENTS

The fair values of financial instruments traded in active markets are based on quoted market prices at the end of the reporting period. In the absence of such quoted market prices, fair values are estimated using present value or other valuation techniques, using inputs based on market conditions existing at the end of the reporting period.

- (a) The fair values of held-to-maturity securities at the end of the reporting period are as follows:

	<u>2014</u>		<u>2013</u>	
	<u>Carrying amount</u>	<u>Fair value</u>	<u>Carrying amount</u>	<u>Fair value</u>
	HK\$M	HK\$M	HK\$M	HK\$M
Held-to-maturity securities	<u>472</u>	<u>472</u>	<u>930</u>	<u>932</u>

Other financial instruments are stated in the statement of financial position at fair values or carried at amounts not materially different from their fair values.

- (b) The following table shows the carrying value of financial instruments measured at fair value at the end of the reporting period according to the fair value hierarchy:

As at 31 March 2014

	<u>Level 1</u> HK\$M	<u>Level 2</u> HK\$M	<u>Total</u> HK\$M
Assets			
Securities at fair value	15,042	2,569	17,611
Derivative financial instruments	-	21	21
	<u>15,042</u>	<u>2,590</u>	<u>17,632</u>
Liabilities			
Derivative financial instruments	-	59	59

As at 31 March 2013

	<u>Level 1</u> HK\$M	<u>Level 2</u> HK\$M	<u>Total</u> HK\$M
Assets			
Securities at fair value	18,764	4,783	23,547
Derivative financial instruments	-	84	84
	<u>18,764</u>	<u>4,867</u>	<u>23,631</u>
Liabilities			
Derivative financial instruments	-	39	39

No financial assets or liabilities were classified under Level 3.

During the year, there were transfers of financial instruments between Level 1 and Level 2 of the fair value hierarchy to reflect the change in valuation basis.

The three levels of the fair value hierarchy are:

Level 1: Fair values of financial instruments are quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Fair values of financial instruments are determined involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: Fair values of financial instruments are determined with inputs that are not based on observable market data (unobservable inputs).

29 SUPPLEMENTAL INFORMATION REQUIRED UNDER THE FINANCIAL ARRANGEMENTS WITH THE GOVERNMENT

(a) CONSOLIDATED APPROPRIATION ACCOUNT

	<u>Note</u>	<u>2014</u> <u>HK\$M</u>	<u>2013</u> <u>HK\$M</u>
Consolidated Operating Account surplus / (deficit)			
Rental Housing	29(b)	(179)	(1,234)
Commercial	29(c)	914	738
Home Ownership Assistance	29(d)	<u>2,152</u>	<u>2,099</u>
Sub-total		<u>2,887</u>	<u>1,603</u>
Net non-operating expenditure	6	<u>(80)</u>	<u>(98)</u>
		<u>2,807</u>	1,505
Funds Management Account surplus	29(e)	<u>3,547</u>	4,277
Agency Account surplus	29(f)	<u>19</u>	<u>40</u>
Surplus for the year		<u>6,373</u>	<u>5,822</u>
Distribution			
Dividend to the Government for the year		<u>(457)</u>	<u>(370)</u>
Surplus for the year after distribution		<u>5,916</u>	<u>5,452</u>

29 SUPPLEMENTAL INFORMATION REQUIRED UNDER THE FINANCIAL ARRANGEMENTS WITH THE GOVERNMENT (Continued)

(b) RENTAL HOUSING OPERATING ACCOUNT

	2014				2013			
	Rental Housing (excluding Interim Housing)	Interim Housing	Rent Allowance	Total	Rental Housing (excluding Interim Housing)	Interim Housing	Rent Allowance	Total
	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M
INCOME								
Rental	11,847	15	-	11,862	10,345	13	-	10,358
Other income	37	-	-	37	55	-	-	55
TOTAL INCOME	11,884	15	-	11,899	10,400	13	-	10,413
EXPENDITURE								
Personal emoluments	2,651	11	2	2,664	2,588	8	2	2,598
Government rent and rates	140	-	-	140	132	-	-	132
Maintenance and improvements	2,572	44	-	2,616	2,487	18	-	2,505
Other expenditure	3,580	20	1	3,601	3,465	20	3	3,488
Depreciation and amortisation	2,869	7	-	2,876	2,726	7	-	2,733
Share of corporate supervision and support services expenses	180	1	-	181	191	-	-	191
TOTAL EXPENDITURE	11,992	83	3	12,078	11,589	53	5	11,647
Operating deficit for the year	(108)	(68)	(3)	(179)	(1,189)	(40)	(5)	(1,234)

29 SUPPLEMENTAL INFORMATION REQUIRED UNDER THE FINANCIAL ARRANGEMENTS WITH THE GOVERNMENT (Continued)

(c) COMMERCIAL OPERATING ACCOUNT

	2014					2013				
	Commercial Complex	Car Park	Factory	Welfare	Total	Commercial Complex	Car Park	Factory	Welfare	Total
	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M
INCOME										
Rental	963	445	138	475	2,021	851	396	127	429	1,803
Other income	40	10	-	24	74	27	1	1	26	55
TOTAL INCOME	1,003	455	138	499	2,095	878	397	128	455	1,858
EXPENDITURE										
Personal emoluments	141	43	31	69	284	130	43	28	62	263
Government rent and rates	29	16	-	51	96	22	13	-	42	77
Maintenance and improvements	51	28	20	6	105	74	21	23	7	125
Other expenditure	209	125	33	78	445	198	127	30	72	427
Depreciation and amortisation	77	67	5	48	197	65	60	5	45	175
Share of corporate supervision and support services expenses	10	3	2	5	20	10	3	2	5	20
TOTAL EXPENDITURE	517	282	91	257	1,147	499	267	88	233	1,087
Operating surplus before exceptional items	486	173	47	242	948	379	130	40	222	771
Exceptional items ¹	(34)	-	-	-	(34)	(33)	-	-	-	(33)
Operating surplus for the year	452	173	47	242	914	346	130	40	222	738

¹ These represent demolition and clearance costs, and expenditure incurred on Government Infrastructure and Community facilities funded by the Authority.

29 SUPPLEMENTAL INFORMATION REQUIRED UNDER THE FINANCIAL ARRANGEMENTS WITH THE GOVERNMENT (Continued)

(d) HOME OWNERSHIP ASSISTANCE OPERATING ACCOUNT

	2014					2013				
	HOS	PSPS	TPS	HPLS /HALS	Total	HOS	PSPS	TPS	HPLS /HALS	Total
	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M
INCOME										
Sales	1,426	3	1,295	-	2,724	-	-	1,012	-	1,012
Premium on removal of alienation restriction	550	240	153	-	943	945	419	228	-	1,592
Other income	22	10	7	1	40	26	5	5	1	37
TOTAL INCOME	1,998	253	1,455	1	3,707	971	424	1,245	1	2,641
EXPENDITURE										
Personal emoluments	162	31	54	23	270	153	31	52	23	259
Maintenance and improvements	4	1	2	-	7	5	1	2	-	8
Other expenditure	18	3	5	5	31	12	3	5	3	23
Depreciation and amortisation	14	2	4	5	25	9	2	3	5	19
Share of corporate supervision and support services expenses	13	2	4	2	21	11	2	4	2	19
Sub-total	211	39	69	35	354	190	39	66	33	328
Expenditure on home ownership schemes										
Construction cost and overheads	633	-	111	-	744	8	-	97	-	105
Government land cost	139	-	96	-	235	6	-	80	-	86
Cost of repurchased flats sold	146	1	6	-	153	-	-	7	-	7
Other expenditure	54	-	13	(1)	66	20	-	19	-	39
Sub-total	972	1	226	(1)	1,198	34	-	203	-	237
TOTAL EXPENDITURE	1,183	40	295	34	1,552	224	39	269	33	565
Operating surplus / (deficit) before exceptional items	815	213	1,160	(33)	2,155	747	385	976	(32)	2,076
Exceptional items ¹	-	-	-	(3)	(3)	-	-	-	23	23
Operating surplus / (deficit) for the year	815	213	1,160	(36)	2,152	747	385	976	(9)	2,099

¹ These mainly represent adjustments of future interest liability on the outstanding balance of the HPLS loan portfolio sold after related interest payment of \$17 million (2013: \$28 million) made in the year.

29 SUPPLEMENTAL INFORMATION REQUIRED UNDER THE FINANCIAL ARRANGEMENTS WITH THE GOVERNMENT (Continued)

(e) FUNDS MANAGEMENT ACCOUNT

	2014				2013			
	In-house portfolio ¹	Placements with the Exchange Fund ²	Portfolios managed by external fund managers ³	Total	Main liquidity portfolio ¹	Placements with the Exchange Fund ²	Portfolios managed by external fund managers ³	Total
	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M
INCOME								
Interest income	225	1,638	208	2,071	137	1,819	284	2,240
Dividend income	-	-	267	267	-	-	334	334
Net realised and revaluation gains	-	-	1,332	1,332	-	-	1,967	1,967
Net exchange gains / (losses)	(63)	-	48	(15)	56	-	(202)	(146)
TOTAL INCOME	162	1,638	1,855	3,655	193	1,819	2,383	4,395
EXPENDITURE								
Investment expenditure								
Fund managers' fees	-	-	72	72	-	-	79	79
Custodian fees	-	-	8	8	-	-	10	10
Other investment expenditure	-	-	11	11	-	-	15	15
Sub-total	-	-	91	91	-	-	104	104
Recurrent expenditure								
Personal emoluments	6	-	6	12	5	-	6	11
Depreciation	1	-	-	1	1	-	-	1
Other expenditure	2	-	2	4	1	-	1	2
Sub-total	9	-	8	17	7	-	7	14
TOTAL EXPENDITURE	9	-	99	108	7	-	111	118
Surplus for the year	153	1,638	1,756	3,547	186	1,819	2,272	4,277

¹ In-house portfolio (previously referred to as Main liquidity portfolio) comprising bank deposits and investments intended to be held to maturity is stated at amortised cost less impairment losses.

² Placements with the Exchange Fund include the total principal sums and any interest credited but not yet withdrawn at the end of the reporting period. The balance is stated at amortised cost.

³ Portfolios managed by external fund managers mainly include securities designated at fair value and initially stated at fair value. At the end of each reporting period, the fair value is remeasured with any resultant revaluation gains or losses being recognised in the Funds Management Account.

29 SUPPLEMENTAL INFORMATION REQUIRED UNDER THE FINANCIAL ARRANGEMENTS WITH THE GOVERNMENT (Continued)

(f) AGENCY ACCOUNT

	2014				2013			
	Agency Functions ¹	Agency Management Services ²	Supervision of Government Reimbursable Projects ³	Total	Agency Functions ¹	Agency Management Services ²	Supervision of Government Reimbursable Projects ³	Total
	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M
INCOME								
Supervision fee	-	152	-	152	-	158	-	158
Supervision on-costs	-	58	36	94	-	64	35	99
Amount reimbursed by Government	210	-	1	211	178	-	1	179
TOTAL INCOME	210	210	37	457	178	222	36	436
EXPENDITURE								
Personal emoluments	173	123	55	351	155	114	56	325
Maintenance and improvements	1	6	6	13	1	8	2	11
Other expenditure	31	10	4	45	15	6	5	26
Depreciation and amortisation	3	5	3	11	3	4	4	11
Share of corporate supervision and support services expenses	1	7	4	12	11	8	4	23
TOTAL EXPENDITURE	209	151	72	432	185	140	71	396
Surplus/(deficit) for the year before adjustments	1	59	(35)	25	(7)	82	(35)	40
Over recovery brought forward	-	1	-	1	6	1	-	7
Over recovery settled during the year	-	-	-	-	(6)	-	-	(6)
Over recovery carried forward	(6)	(1)	-	(7)	-	(1)	-	(1)
Surplus / (deficit) for the year	(5)	59	(35)	19	(7)	82	(35)	40

¹ The Authority acts as an agent for the Government for building control, private housing, appeal panel, rehousing of occupants upon clearance and support services.

² The Authority manages properties on behalf of other parties and charges a supervision fee for the services rendered. This covers the management of completed Home Ownership courts and the common area of the estates with properties divested.

³ The Authority provides supervision services for building of schools, welfare and other community facilities in new estates, additions, alterations, improvements and external maintenance of Government buildings in rental estates, as well as management and maintenance of slopes adjacent to estates. The Authority pays the contractors and obtains reimbursement from the Government including full cost of the supervision services.