

Our Ref : HD 3-2/M4-35/4/V  
Your Ref : CB(4)/PAC/R56

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Date : 30 May 2011

Clerk to Public Accounts Committee  
Legislative Council  
8 Jackson Road, Central  
Hong Kong  
(Attention : Ms Macy NG)

Dear Ms NG,

**The Director of Audit's Report on the  
Results of value for money audits (Report No. 56)  
Hong Kong Housing Authority :  
Management of commercial properties (Chapter 7)**

Further to our reply of 16 May 2011 on the above subject, the apportioned commercial operating accounts for the period from 2006/07 to 2009/10 as mentioned in paragraph 1(a) is attached.

Yours sincerely,

  
(LIU King-leung)

for Director of Housing

encl.

c.c. Secretary for Financial Services and The Treasury (Fax No. : 2147 5239)  
Director of Audit (Fax No. : 2583 9063)

Estate Management Sub-division (3)  
5/F, Block 2, Housing Authority Headquarters, 33 Fat Kwong Street, Ho Man Tin, Kowloon.

**Hong Kong Housing Authority**  
**Commercial Operating Account**  
**2006/07 to 2009/10**  
**(Apportioned by Management Mode)**

	Total (2006/07) \$M		Total (2007/08) \$M		Total (2008/09) \$M		Total (2009/10) \$M	
	HD	PSA	HD	PSA	HD	PSA	HD	PSA
<b>Management Mode</b> <sup>(Note 1)</sup>								
<b>Income</b>								
(i) Retail premises	308	283	311	269	293	267	307	315
(ii) Car park	14	153	14	161	13	183	6	193
(iii) Factory estate	58	62	56	60	50	57	54	64
(iv) Welfare premises	141	272	133	269	127	277	136	291
Sub-total	521	770	514	759	483	784	503	863
Total	<b>1,291</b>		<b>1,273</b>		<b>1,267</b>		<b>1,366</b>	
<b>Expenditure</b>								
(i) Retail premises	(166)	(204)	(146)	(167)	(127)	(169)	(140)	(175)
(ii) Car park	(7)	(140)	(7)	(140)	(23)	(143)	(6)	(154)
(iii) Factory estate	(66)	(55)	(47)	(49)	(47)	(46)	(48)	(48)
(iv) Welfare premises	(62)	(157)	(43)	(144)	(34)	(142)	(40)	(161)
Sub-total	(301)	(556)	(243)	(500)	(231)	(500)	(234)	(538)
Total	<b>(857)</b>		<b>(743)</b>		<b>(731)</b>		<b>(772)</b>	
<b>Operating surplus before exceptional items</b> <sup>(Note 2)</sup>								
(i) Retail premises	142	79	165	102	166	98	167	140
(ii) Car park	7	13	7	21	(10)	40	-	39
(iii) Factory estate	(8)	7	9	11	3	11	6	16
(iv) Welfare premises	79	115	90	125	93	135	96	130
Sub-total	220	214	271	259	252	284	269	325
Total	<b>434</b>		<b>530</b>		<b>536</b>		<b>594</b>	
<b>Exceptional items</b> <sup>(Note 3)</sup>	<b>(76)</b>		<b>(96)</b>		<b>(225)</b>		<b>(133)</b>	
<b>Operating surplus/(deficits) for the year</b>	<b>358</b>		<b>434</b>		<b>311</b>		<b>461</b>	
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Note 1 : HD – managed by Housing Department  
PSA – managed by Property Services Agents

Note 2 : The operational surplus before exceptional items has increased progressively for the past 4 years.

Note 3 : These represent demolition and clearance costs, and expenditure incurred on Government Infrastructure and Community facilities funded by the HA.