

香港特別行政區政府
The Government of the Hong Kong Special Administrative Region

政府總部
運輸及房屋局
運輸科
香港添馬添美道 2 號
政府總部東翼



本局檔號 OUR REF.: THB(T)CR 15/2/4651/90
來函檔號 YOUR REF.:

Transport and
Housing Bureau
Government Secretariat
Transport Branch
East Wing, Central Government Offices,
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29 July 2016

Ms Sophie Lau
Clerk to the Panel on Transport
Legislative Council Secretariat
Legislative Council Complex
1 Legislative Council Road
Central
Hong Kong

Dear Ms Lau,

Western Harbour Crossing

Please find attached the following financial information in regard to the Western Harbour Crossing -

- (a) three-year rolling projection of net revenue and operating costs from 2017/18 to 2019/20 (Annex A); and
- (b) annual budget of operating costs and net revenue for 2016/17 (Annex B).

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Adrian Lam'.

(Adrian Lam)

for Secretary for Transport and Housing

Encl.

Annex A
 (1 of 2)

Western Harbour Tunnel Company Limited

 Operating Accounts for the period ended
 HK\$'000

| | Planning Year Ended Jul-18 | Planning Year Ended Jul-19 | Planning Year Ended Jul-20 | |
|---|----------------------------------|----------------------------------|----------------------------------|--------|
| Income | | | | |
| Tolls | 1,764,031 | 1,908,682 | 2,070,511 | |
| Advertising | 14,400 | 17,820 | 18,500 | |
| Insurance claims | - | - | - | |
| Others | 25,008 | 25,684 | 26,273 | |
| Total Income | 1,803,439 | 1,952,186 | 2,115,284 | |
| Operating Expenditure | | | | |
| Staff Cost - Direct | | | | |
| Salaries | - Traffic | 27,812 | 28,501 | 29,206 |
| | - Engineering | 18,432 | 18,890 | 19,366 |
| On costs | - Traffic | 2,121 | 2,183 | 2,237 |
| | - Engineering | 1,259 | 1,279 | 1,312 |
| Staff Cost - Indirect | | | | |
| Salaries | - Directors | - | - | - |
| Salaries | - Administration | 19,131 | 19,608 | 20,100 |
| Salaries | - Others | - | - | - |
| Directors Fees | | - | - | - |
| On costs | - Directors | - | - | - |
| On costs | - Administration | 1,261 | 1,320 | 1,434 |
| On costs | - Others | - | - | - |
| Total Staff Costs | 70,016 | 71,781 | 73,655 | |
| Maintenance Costs | | | | |
| Tunnel | - Routine | 5,764 | 6,218 | 6,727 |
| | - Major | 7,054 | 6,967 | 7,293 |
| Buildings etc | - Routine | 1,093 | 1,160 | 1,175 |
| | - Major | 1,920 | 2,141 | 2,314 |
| Vehicles | | 2,578 | 2,703 | 2,899 |
| Total Maintenance Costs | 18,409 | 19,189 | 20,408 | |
| Rates | 71,660 | 77,832 | 84,488 | |
| Utility Expenses | 8,157 | 8,396 | 8,635 | |
| Insurance (including minor deductibles) | 10,355 | 10,624 | 10,867 | |
| Professional fees | 4,345 | 4,443 | 4,544 | |
| Others | 9,857 | 10,040 | 10,248 | |
| Amortization & Depreciation | 379,665 | 398,433 | 419,151 | |
| | 484,039 | 509,768 | 537,933 | |
| Total expenditure | 572,464 | 600,738 | 631,996 | |
| Operating Profit/(Loss) | 1,230,975 | 1,351,448 | 1,483,288 | |
| Interest (Income)/Expenses | | | | |
| - Project Finance | - | - | - | |
| - Hedging Costs/(Benefit) | - | - | - | |
| - Bank interest income | (35) | (37) | (37) | |
| - Others (Shareholders Loan Interest) | 51 | 52 | 52 | |
| | 16 | 15 | 15 | |
| Net Operating Profit/(Loss) before tax as Per Income Statement | 1,230,959 | 1,351,433 | 1,483,273 | |



Annex A
(2 of 2)

Western Harbour Tunnel Company Limited

Net Revenue Statement for the period ended

HK\$'000

| | Planning Year Ended Jul-18 | Planning Year Ended Jul-19 | Planning Year Ended Jul-20 |
|--|----------------------------------|----------------------------------|----------------------------------|
| Net Operating Profit/(Loss) per Operating Accounts | <u>1,230,959</u> | <u>1,351,433</u> | <u>1,483,273</u> |
| Add : | | | |
| Amortization & depreciation | 379,665 | 398,433 | 419,151 |
| Notional adjustment for lost revenue | - | - | - |
| Disallowed interest | 51 | 52 | 52 |
| Others | - | - | - |
| Sub-total | <u>1,610,675</u> | <u>1,749,918</u> | <u>1,902,476</u> |
| Less : | | | |
| Disallowed income | (35) | (37) | (37) |
| Asset Replacement | (5,019) | (803) | (659) |
| Others | - | - | - |
| Sub-total | <u>1,605,621</u> | <u>1,749,078</u> | <u>1,901,780</u> |
| Other Adjustments | - | - | - |
| Net Revenue for the year | <u>1,605,621</u> | <u>1,749,078</u> | <u>1,901,780</u> |
| Minimum Net Revenue | 4,018,000 | 4,220,000 | 4,422,000 |
| Upper Net Revenue | 5,090,000 | 5,355,000 | 5,621,000 |
| Maximum Net Revenue | 5,486,000 | 5,775,000 | 6,064,000 |
| Shortfall from Minimum Net Revenue | 2,412,379 | 2,470,922 | 2,520,220 |



Annex B
(1 of 2)

Western Harbour Tunnel Company Limited
Budget 2016/17
Operating Accounts for the period ended
HK\$'000

| | | Budget Year Ended Jul-17 |
|---|---------------------------------------|--------------------------------|
| Income | | |
| Tolls | | 1,630,343 |
| Advertising | | 18,681 |
| Insurance claims | | - |
| Others | | 24,386 |
| Total Income | | 1,673,410 |
| Operating Expenditure | | |
| Staff Cost - Direct | | |
| Salaries | - Traffic | 27,126 |
| | - Engineering | 17,983 |
| On costs | - Traffic | 2,070 |
| | - Engineering | 1,230 |
| Staff Cost - Indirect | | |
| Salaries | - Directors | - |
| | - Administration | 18,670 |
| | - Others | - |
| Directors Fees | | - |
| On costs | - Directors | - |
| | - Administration | 1,175 |
| | - Others | - |
| Total Staff Costs | | 68,254 |
| Maintenance Costs | | |
| Tunnel | - Routine | 5,697 |
| | - Major | 6,956 |
| Buildings etc | - Routine | 939 |
| | - Major | 2,376 |
| Vehicles | | 2,594 |
| Total Maintenance Costs | | 18,562 |
| Rates | | 63,619 |
| Utility Expenses | | 7,869 |
| Insurance (including minor deductibles) | | 9,102 |
| Professional fees | | 4,267 |
| Others | | 9,587 |
| Amortization & Depreciation | | 369,376 |
| | | 463,814 |
| Total expenditure | | 550,630 |
| Operating Profit/(Loss) | | 1,122,780 |
| Interest (Income)/Expenses | | |
| | - Project Finance | - |
| | - Hedging Costs/(Benefit) | - |
| | - Bank interest income | (30) |
| | - Others (Shareholders Loan Interest) | 51 |
| | | 21 |
| Net Operating Profit/(Loss) before tax as Per Income Statement | | 1,122,759 |



Annex B

(2 of 2)

Western Harbour Tunnel Company Limited
 Budget 2016/17
 Net Revenue Statement for the period ended

HK\$'000

Net Operating Profit/(Loss) per Operating Accounts

Add :

Amortization & depreciation
 Notional adjustment for lost revenue
 Disallowed interest
 Others

Sub-total

Less :

Disallowed income
 Asset Replacement
 Others

Sub-total

Other Adjustments

Net Revenue for the year

Minimum Net Revenue

Upper Net Revenue

Maximum Net Revenue

Shortfall from Minimum Net Revenue

| Budget Year Ended Jul-17 |
|--------------------------------|
| 1,122,759 |
| 369,376 |
| - |
| 51 |
| - |
| 1,492,186 |
| (30) |
| (14,850) |
| - |
| 1,477,306 |
| - |
| 1,477,306 |
| 3,507,000 |
| 4,449,000 |
| 4,797,000 |

2,029,694

