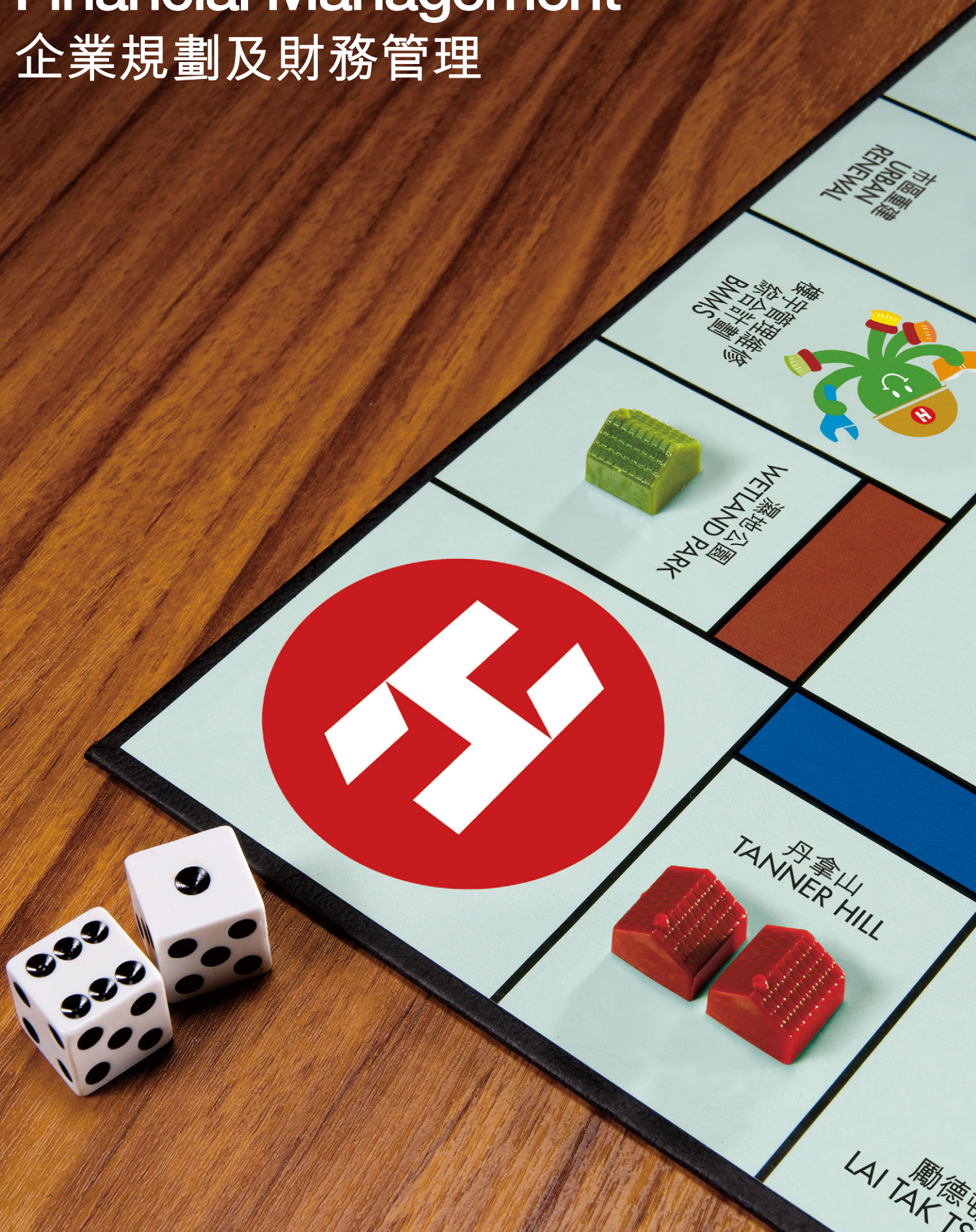


# Corporate Planning and Financial Management

企業規劃及財務管理









# Corporate Planning and Financial Management

## 企業規劃及財務管理

### Net Assets 資產淨值

(as at 31 March 2009)  
(截至二零零九年三月三十一日止)

HK\$ Billion  
港幣十億元



Rental Properties & Other Fixed Assets 出租物業及其他 固定資產	5.5 (22%)
Housing Inventories / Properties under Development for Sale 樓宇存貨／作出售用途 的發展中物業	4.1 (16%)
Other Net Assets 其他資產淨值	15.6 (62%)

Despite the global financial tsunami, the Housing Society continues to manage our finances both prudently and responsibly. During the year, we have continued with our strategic objective of serving our customers through the provision of quality housing and related services, while improving the quality of living in the community at large.

### Strategic Focuses

Under this objective, the Housing Society has focused its business initiatives on four strategic areas, namely housing for the elderly, building management and maintenance, upgrading rental estates and urban renewal.

In view of the ageing community, the Housing Society continues to explore innovative housing and services for our senior population across the middle-income spectrum. These include reviewing and building elderly housing facilities through rehabilitation of our rental estates and redevelopment of urban renewal projects, and at the same time developing elderly housing for the senior citizens with higher affordability in two new sites at Tanner Hill and Wetland Park.

Riding on the success of our Building Management and Maintenance Scheme (BMMS) and the Building Maintenance Grant Scheme for Elderly Owners (BMGSEO), the Government further invited the Housing Society to participate in "Operation Building Bright" (OBB), a campaign to preserve jobs in the construction industry and provide one-stop assistance to owners of old buildings to carry out repair works. A Voluntary Building Classification Scheme (VBCS) was also under preparation to complement the impending Mandatory Building Inspection Scheme (MBIS) to be launched by the Government.

面對全球金融海嘯，房協繼續以審慎及負責的態度管理我們的財政。年內，我們秉承提供優質房屋及相關服務的策略目標，不斷提升市民大眾的生活質素。

### 策略重點

房協透過四項策略性業務，包括長者房屋、樓宇管理及維修、改善出租屋邨，以及市區重建，以達致既定目標。

面對社區人口老化，房協繼續為中等收入的長者開發創新的房屋及相關服務。除了透過復修出租屋邨及市區重建項目去檢視及建設長者房屋設施外，我們將於丹拿山及濕地公園兩個地點，為較有經濟能力的年長人士發展長者房屋。

繼成功推行「樓宇管理維修綜合計劃」及「長者維修自住物業津貼計劃」後，房協再獲政府邀請參與「樓宇更新大行動」，為建造業界創造就業機會及提供一站式支援，協助舊樓業主進行樓宇維修。此外，配合政府快將推行的「強制驗樓計劃」，我們正積極籌備「自願樓宇評級計劃」。

Despite freezing the domestic rents for another year, the Housing Society continued with the improvement and rehabilitation of our rental estates to provide tenants with a safe and comfortable living environment. Funds were also allocated for urban renewal including various revitalisation and rehabilitation projects that enhance the cityscape of Hong Kong. To ensure that funds will be available to redevelop our rental estates in the coming 20 years, the Executive Committee decided to turn our long term investment portfolio into a sinking fund for this purpose. The fund will be topped up to HK\$8 billion from our cash reserve.

To ensure the alignment of the strategic focuses of the organisation with operational tactics, we continued to refine our Balanced Scorecard system. Our Scorecard emphasises a balanced approach on four key perspectives: the provision of services to our identified customer sectors, the financial strength required to deliver our services, the optimisation of internal processes, and the resources and capabilities required by the organisation to achieve our objectives.

We also continued to develop and implement an enterprise risk management framework to systematically identify potential events that may affect the operations, to manage the pertaining inherent risks within a defined risk appetite, and to provide reasonable assurance regarding the achievement of the objectives of the Housing Society. The framework comprises five key perspectives: risk governance, risk assessment, risk quantification and aggregation, risk monitoring and reporting, and balancing of risk and control.

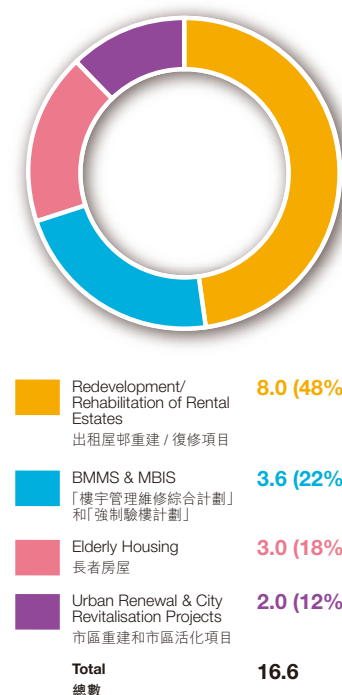
雖然本年度房協再度凍結住戶租金，但改善及復修出租屋邨的工作並無間斷，務求為居民提供安全舒適的居住環境。我們亦預留資金進行多項市區重建工作，包括活化及復修工程，以提升香港的城市面貌。同時，為確保房協在未來二十年有足夠資金重建出租屋邨，執行委員會為此決定把長線投資組合轉為備用基金，並會調撥現金儲備，令該基金達至八十億元的水平。

為確保營運方式與業務策略相輔相成，我們繼續改進「平衡計分卡」制度。我們的「計分卡」主要強調四方面的平衡：為顧客對象提供服務及所須的財力和提升內部程序效益，以達致機構既定目標所須的技能和資源。

同時，我們亦繼續發展及推行企業管理風險架構，有系統地識別影響營運的變數，管理可預計的潛在風險，確保房協有能力達致策略目標。風險架構由五個重要部分組成，包括風險管治、風險評估、風險量化、風險監控和報告，以及風險和監控之間的平衡。

## Funds Committed for Future Initiatives 未來計劃的預留資金分佈

HK\$ Billion  
港幣十億元



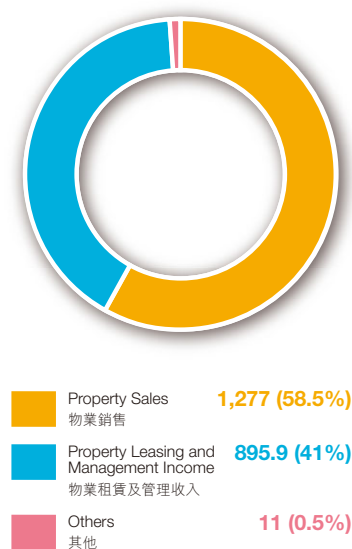


## Income Distribution for 2008/09

### 二零零八/零九年收入分佈

(as at 31 March 2009)  
(截至二零零九年三月三十一日止)

HK\$ Million  
港幣百萬元



Under the framework, key strategic management risks and operational risks are identified, evaluated, prioritised and monitored. Moving forward, the management will proactively monitor and manage the risks faced by the Housing Society through a systematic approach.

## Financial Management

At the beginning of the financial year when the Housing Society budget was prepared, we anticipated a slowdown in the global economic growth and in the financial markets. We were additionally concerned that the equity and fixed-income markets seemed to be driven more by liquidity than by sound fundamentals. Noting the potential consequences, we lowered the expected return from these instruments and decided to maintain a conservative approach to asset allocation. However, what happened in the financial markets during the year went a long way beyond our expectations. What began as a sub-prime mortgage problem with a drop in property prices in the United States mushroomed to become a global financial and economic crisis. The speed and the magnitude of the de-leveraging on the market were ferocious. Liquidity all but dried up and financial markets plummeted.

Although our investments in equities were significantly hit, our conservative approach in maintaining more than 50 per cent of our investment funds in cash paid off and cushioned the overall impact.

在這架構下，房協就策略管理風險和營運管理風險方面作出辨識、評估、序列及監控。管理層將以有系統的措施，積極監察和管理房協所面對的風險。

## 財務管理

房協於今個財政年度初編製預算時，已考慮全球經濟增長及金融市場放緩的情況。我們亦留意到股票及固定收入投資市場受流動資金支配多於其他基礎因素，因此調低來自這類投資工具的預期回報，並對資產分配保持審慎態度。然而，年內金融市場的波動遠遠高於預期，美國次按問題不單令當地物業價格下挫，更演變成全球金融經濟危機，蔓延速度及對市場的影響程度均極為猛烈，而流動資金短絀，金融市況急轉直下。

房協一直將投資資金的現金比例維持於百分之五十以上，因此我們的股票投資雖受嚴重打擊，但可幸審慎的理財方式，將整體影響減至最低。

As at 31 March 2009, the Housing Society was managing HK\$16.4 billion in investment assets. The financial crisis affected the returns of our investments and for the year ended 31 March 2009, the Housing Society recorded a loss of 10.89 per cent on our overall investments, compared with a gain of 5.54 per cent for 2007/2008. With the exception of cash, which recorded a return of 2.28 per cent, all other asset classes suffered loss in varying degrees. Our equity investments recorded a loss of 45.14 per cent, while fixed income suffered a loss of 3.26 per cent. Meanwhile, our hedge fund investment also recorded a drop of 10.85 per cent in its value.

The long-term portfolio of the Housing Society also recorded a loss of 36.09 per cent and underperformed the benchmark by 2.74 per cent. Our Hong Kong equity manager and global fixed income managers outperformed respective benchmarks, but this was partly off-set by the underperformance of our hedge fund and global equity managers.

For the medium-term portfolio, which was all in fixed income, a loss of 4.32 per cent was booked, which underperformed the benchmark by 4.49 per cent.

截至二零零九年三月三十一日，房協管理一百六十四億元的投資資產。我們的投資回報受到金融危機影響，截至二零零九年三月三十一日為止，房協錄得整體投資虧損百分之十點八九，與二零零七年／二零零八年度比較，當時則獲利百分之五點五四。除現金方面錄得百分之二點二八的回報外，所有其他資產類別均出現不同程度的虧蝕。我們的股票投資虧損百分之四十五點一四，而固定收入投資則虧損百分之三點二六。此外，對沖基金投資則下跌百分之十點八五。

房協的長線投資組合出現百分之三十六點零九的虧損，較指標低百分之二點七四。我們的香港股票經理及環球固定收入投資經理均取得超過指標的回報，惟對沖基金及環球股票經理的表現未如理想，拖低整體成績。

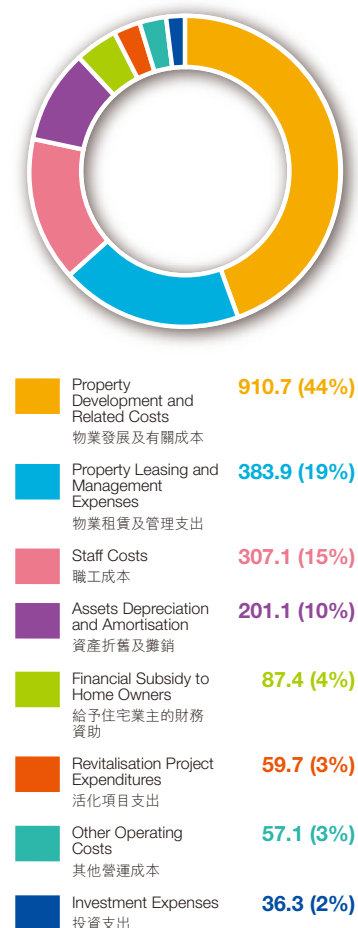
房協的中期投資組合全部為固定收入投資，錄得百分之四點三二的虧損，較指標低百分之四點四九。

## Expenditure Distribution for 2008/09

### 二零零八／零九年支出分佈

(as at 31 March 2009)  
(截至二零零九年三月三十一日止)

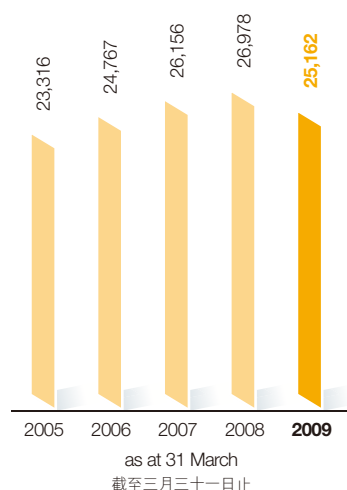
HK\$ Million  
港幣百萬元





## Net Assets Value 資產淨值

HK\$ Million  
港幣百萬元



For the short-term fund, we stayed away from chasing risky yields and adhered to the strategy of using the interest rate differential between the Hong Kong dollar and the US dollar to capture additional interest. We had no exposure to Accumulator-type investments or toxic investment products. This strategy worked well for us especially in an environment where even money market funds became uncertain. For the year ended 31 March 2009, this strategy accounted for an additional return of 0.15 per cent. Overall, the short-term fund achieved a return of 2.28 per cent, outperforming the benchmark by 0.33 per cent.

## Loan Administration

As at 31 March 2009, the Housing Society was managing 18,934 loans granted under various loan schemes. During the year, the repayment holiday of 54 borrowers expired and these borrowers had to start their monthly repayments. Meanwhile, 134 loans were granted to borrowers under our Home Renovation Loan Scheme (HRLS); 3,717 borrowers have fully redeemed and 99 have partially repaid their loans. Legal proceedings were instituted against 415 default borrowers and 162 bankruptcy proceedings were filed against those borrowers whose repayment abilities were exhausted.

至於短期現金投資方面，我們拼棄高風險投資，沿用港元與美元息差的策略賺取額外利息。我們亦無任何累計股票期權類型的投資或有毒投資產品。在金融市場資金流向不明朗的情況下，這策略尤見成效。截至二零零九年三月三十一日止，已為我們額外帶來百分之零點一五的回報。短期現金投資整體取得百分之二點二八的回報，表現較指標高百分之零點三三。

## 貸款管理

綜合不同的貸款計劃，房協於二零零九年三月三十一日為止管理的貸款個案為一萬八千九百三十四宗。年內，有五十四名借貸人的免供款期屆滿，須開始每月還款。此外，「家居維修貸款計劃」批出一百三十四宗貸款，而三千七百一十七名貸款人已全數償還貸款，另有九十九名貸款人已償還部分貸款。房協向四百一十五名未償還貸款人士提出法律訴訟，並向無力償還貸款的一百六十二名人士啟動破產程序。

## Financial Results

For the year ended 31 March 2009, Housing Society incurred a total net deficit of HK\$1,815.9 million, after taking into account an investment loss of HK\$1,987.5 million. Operation surplus before investment income/loss was HK\$171.6 million.

The operation surplus occurred mainly as a result of the sale of some remaining flats from the Sandwich Class Housing Scheme and Flat-for-Sale Scheme. A total of 846 units were sold at HK\$1,274.9 million last year. Of the net investment loss of HK\$1,987.5 million, HK\$2,069.6 million was unrealised loss.

## 財務表現

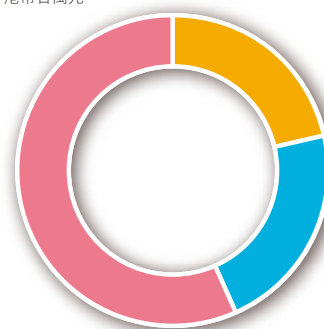
截至二零零九年三月三十一日，經計算十九億八千七百五十萬元投資虧損後，房協錄得淨赤字合共十八億一千五百九十萬元。在未計算投資收入／虧損前，營運盈餘為一億七千一百六十萬元。

營運盈餘主要來自出售「夾心階層住屋計劃」及「住宅發售計劃」剩餘單位。去年，房協售出八百四十六個單位，合共收益十二億七千四百九十萬元。在投資虧損淨額十九億八千七百五十萬元當中，有二十億六千九百六十萬元尚未實現。

## Investment Portfolio 投資組合

(as at 31 March 2009)  
(截至二零零九年三月三十一日止)

HK\$ Million  
港幣百萬元



Long Term 長期投資組合	3,556 (22%)
Medium Term 中期投資組合	3,570 (22%)
Short Term 短期投資組合	9,301 (56%)