



Corporate Planning and Financial Management

企業規劃及財務管理





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Strategic Focuses

Improving the quality of living for the community continued to be the focus of our activities this year. Under this strategic objective, the Housing Society has undertaken business initiatives for each of our customers: tenants, the elderly, the Government and community.

The Housing Society continued to implement actions to provide a safe and comfortable living environment for our tenants. Improvement works and greening works were carried out in our estates, and significant resources were committed for the rehabilitation of our rental estates. Community building programmes and activities were also held to promote happier living among tenants.

The purpose of our long-term investment portfolio has always been to serve as a reserve to provide funding for our long-term goals in housing provision in Hong Kong. In the very long run, our rental estates have to be redeveloped and substantial funding is required. The Executive Committee last year decided that the long-term investment portfolio should be earmarked for this purpose and be designated as a Sinking Fund for the future redevelopment of our rental estates. It was also decided that this should be topped up to HK\$8 billion. However, as the amount required in future would be far greater than this provision, additional fund will have to be added some time in future.

To meet the changing needs and aspirations of our senior citizens, the Housing Society has continued its momentum of enhancing the lives of the elderly across the economic spectrum with quality accommodation and services. Leveraging our experience gained from the two Senior Citizen Residences Scheme (SEN) projects, we are working diligently to finalise the project scope and design for the new elderly housing projects in Shau Kei Wan, Tanner Hill and Wetland Park Road.

業務策略重點

年內，提升社區生活質素仍然是我們的策略重點。在這策略目標驅使下，房協為我們的顧客群，包括租戶、長者、政府及社區，推行了不同的業務計劃。

房協不斷致力為租戶提供安全和舒適的居住環境，在各屋邨進行改善及綠化工程，並投放大量資源復修轄下的出租屋邨。我們亦透過社區建設計劃及活動，為租戶締造愉快的居住環境。

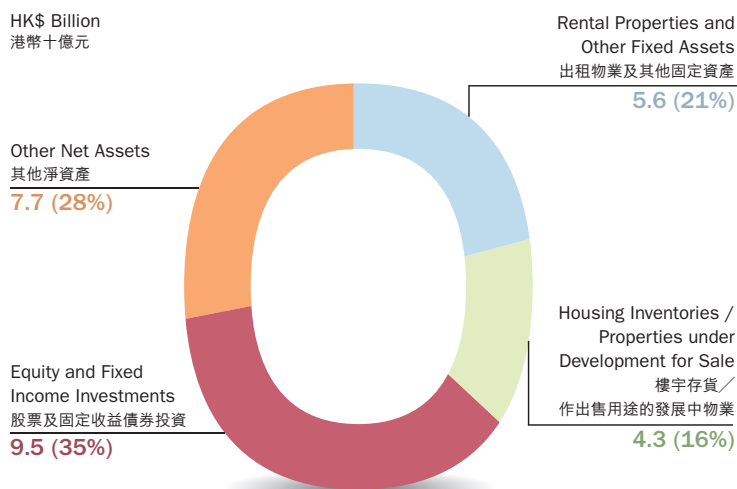
房協的長期投資組合，一直以來都是為了賺取足夠的收益，作為實踐在香港提供住屋這個長遠目標的基金。再者，長遠而言，房協所有的出租屋邨最終都須要重建，而這方面所需的資金非常龐大。為此，執行委員會去年決定把長期投資組合，指定為將來重建出租屋邨的累積基金。執行委員會亦決定把基金本額增至八十億港元。雖然如此，估計將來用於重建的資金會遠超此數，故此將來仍須調撥更多資金，作屋邨重建的準備。

為迎合不斷轉變的長者需要及期望，房協繼續努力為不同經濟能力的長者提供優質的住屋及服務，提升其生活素質。房協現正參照兩個「長者安居樂」住屋計劃項目累積所得的經驗，積極地落實位於筲箕灣、丹拿山及濕地公園路的新長者住屋項目的規劃和設計。

Net Assets Distribution

淨資產分佈

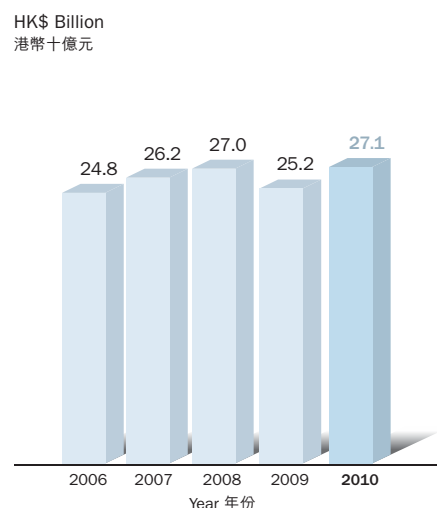
(as at 31 March 2010)
(截至二零一零年三月三十一日止)



Net Assets Value

資產淨值

(as at 31 March 2010)
(截至二零一零年三月三十一日止)



For the community, funds were allocated to expand coverage of our Building Management and Maintenance Scheme (BMMS) to assist owners in need to carry out necessary maintenance for their buildings. The “Operation Building Bright” (OBB) campaign was also launched in March 2009 by the Development Bureau with the participation of the Housing Society and the Urban Renewal Authority. In addition to contributing HK\$150 million, the Housing Society also allocated manpower resources to help administer the scheme. Also, to improve the living environment of residents and businesses in dilapidated urban areas, the Housing Society has committed resources for a number of urban renewal and city revitalisation projects.

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 from four key perspectives: the provision of quality housing and related services to satisfy target customers’ aspirations, financial strength required to sustain operations, internal process for optimal efficiency and effectiveness and an organisational culture that encourages continuous learning, technology and skills enhancement and innovation spirit.

We also continued to develop and implement an enterprise risk management framework to systematically identify potential events that may affect our 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.

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

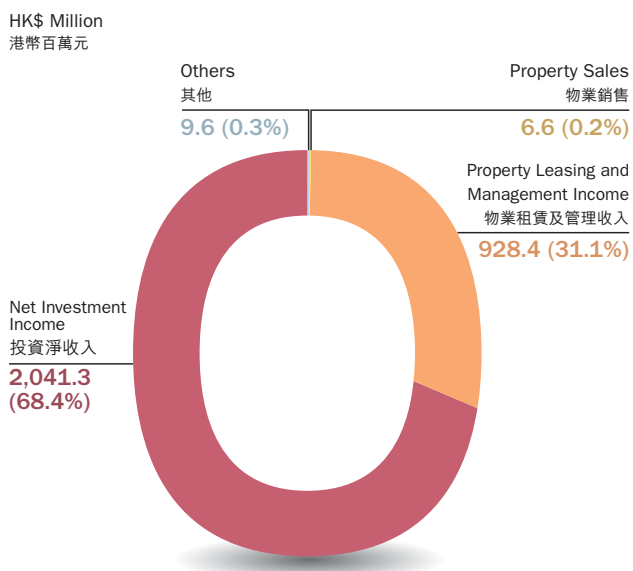
在社區方面，房協已撥備資金，用以擴大「樓宇管理維修綜合計劃」的覆蓋範圍，協助有需要的業主進行必須的樓宇維修。於二零零九年三月，房協與市區重建局參與了發展局推行的「樓宇更新大行動」。房協除了撥出一億五千萬港元外，更需調配人手去處理營運事宜。另外，為改善舊區居民及商戶的起居生活和營商環境，房協亦已就多項市區更新及活化項目撥出了資源。

為確保營運方式與業務策略路向一致，我們繼續優化「平衡計分卡」的制度。我們的「計分卡」主要強調四個方面的平衡：為對象顧客提供優質的房屋及相關服務、為持續發展所需的財力、優化內部營運效率和效益與鼓勵持續學習的機構文化，以及技術提升和創新精神。

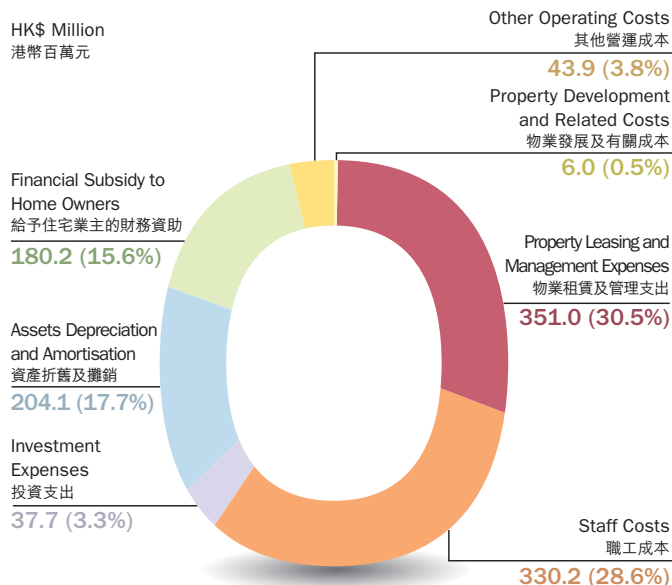
同時，我們亦繼續發展及推行企業風險管理架構，有系統地鎖定能嚴重打擊營運的變數，把潛在風險降至可接受的程度，確保房協能達致企業目標。風險架構有五個主要層面，包括風險管治、風險評估、風險量化及統計、風險監控和報告，以及風險和監控之間的平衡。

在這架構下，房協能就主要的策略性及營運上的風險作出辨識、評估、列序及監控。展望未來，管理層仍會繼續以有系統的方式，積極監察和管理房協所面對的風險。

Income Distribution for 2009/2010 二零零九／二零一零年收入分佈



Expenditure Distribution for 2009/2010 二零零九／二零一零年支出分佈





Financial Management

Last year will be remembered as a year of global economic healing supported by massive policy responses globally to the financial crisis that began in the second half of 2008. Governments around the world supported their economies with quantitative easing and expansive monetary and fiscal policies. Risky assets, notably equities, corporate credits and high yield bonds, rallied substantially though with increased volatility. This investment environment had helped us recoup most of our losses that we reported in 2008/2009.

With the financial crisis still fresh in our memory, we conducted a review of our investment strategies and decided to place more emphasis on protecting the downside risk of our portfolios by diversifying our investments further from traditional equity and fixed income instruments to direct property, and to de-risk the long-term portfolio by reducing its equity exposure from 70% to 60%. We also changed our benchmark for fixed income to reduce exposure in US dollar denominated assets and replaced three underperforming managers. The search for an investment property commenced, and when one is found it will be incorporated into our long-term portfolio next year. This should be a good match for our funding needs when we redevelop our rental estates in future.

As at 31 March 2010, the Housing Society was managing HK\$17.7 billion in investment assets. The recovery in global markets had lifted the returns of our investments, and for the year ended 31 March 2010 the Housing Society recorded a gain of 12.43% on our overall investments, compared with a loss of 10.89% for 2008/2009. On an asset class basis, we recorded a cash return at 0.54%, fixed income at 11.70%, equity at 58.86% and hedge fund at 18.37%.

The long-term portfolio recorded a gain of 43.24%, outperforming the benchmark by 0.89%. Our Hong Kong equity, hedge fund and global fixed income managers outperformed their respective benchmarks but this was partly offset by the underperformance of our global equity managers.

財務管理

在日後的回憶中，去年將會被視為環球經濟復原的一年。自二零零八年下半年爆發金融危機後，各國政府均推出大規模的紓解及寬鬆量化的貨幣和財政政策，支持本土經濟。在這些政策的支持下，全球經濟慢慢復甦。高風險資產如證券、企業信貸及高息債券的價格大幅反彈。雖然價格亦相應波動，但房協的投資組合因價格大幅反彈而收復了大部分上年度錄得的虧損。

汲取了金融危機的經驗，我們亦為投資策略作出檢討。為了減低長期投資組合的風險，房協決定把投資重點由傳統的股票及固定收益債券，擴大至房地產投資，並將所持股票比重由七成減至六成。房協亦改變固定收益債券的指標，減持美元計值資產及撤換三名表現未如理想的基金經理。房協已著手物色投資物業，並計劃於來年納入長期投資組合，更適切地應用配比原則，為日後重建出租屋邨的資金需要作好準備。

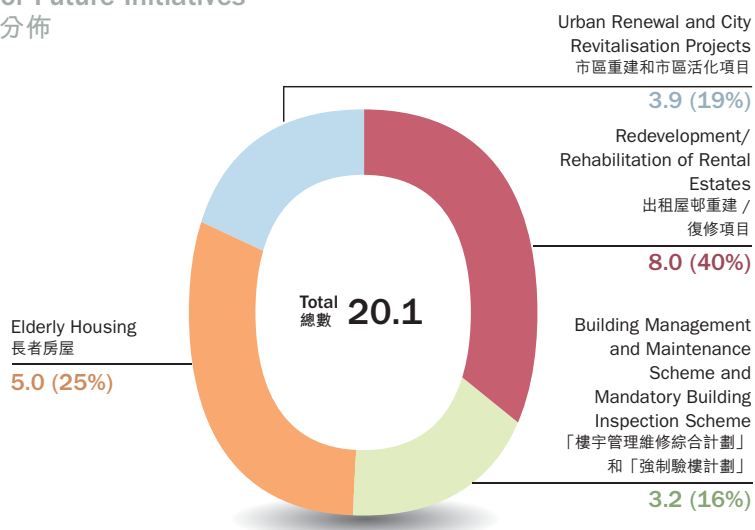
於二零一零年三月三十一日，房協管理的投資組合為一百七十七億港元。受惠於環球市場復甦，截至二零一零年三月三十一日止，房協整體投資收益達百分之十二點四三，高於二零零八年／二零零九年度所錄得虧損百分之十點八九。就個別資產回報而言，房協的現金回報為百分之零點五四、固定收益債券為百分之十一點七、股票為百分之五十八點八六，而對沖基金則為百分之十八點三七。

房協的長期投資組合錄得百分之四十三點二四增長，高出指標百分之零點八九；而香港股票、對沖基金及環球固定收益債券投資均錄得高於指標的回報，惟環球股票的表現未如理想，以致拖低整體成績。

Funds Committed for Future Initiatives

未來計劃的預留資金分佈

HK\$ Billion
港幣十億元



For the medium-term portfolio, which was all in fixed income, a gain of 12.29% was recorded, which outperformed the benchmark by 4.30%.

For the short-term fund, we continued to manage it prudently by placing our surplus cash in fixed deposits. We stayed away from risky strategies that generated higher yields and continued our strategy of using the interest rate differential between HK dollar and US dollar to capture additional interest. For the year ended 31 March 2010, this strategy accounted for an additional return of 0.07%. All in all, the short-term fund achieved a return of 0.54%, outperforming the benchmark by 0.26%.

Loan Administration

As the 31 March 2010, the Housing Society was managing 14,878 loans granted under various loan schemes. During the year, the repayment holiday of 60 borrowers expired and these borrowers had to start their monthly repayments. Meanwhile, 78 loans were granted to borrowers under the Home Renovation Loan Scheme; 4,222 and 103 borrowers under various loan schemes have fully redeemed and partially repaid their loans respectively. Legal proceedings were instituted against 230 default borrowers and 64 bankruptcy proceedings against those borrowers whose repayment abilities were exhausted.

Financial Results

For the year ended 31 March 2010, the Housing Society achieved a total net surplus of HK\$1,965.2 million after taking into account investment income/gain of HK\$2,041.3 million, of which HK\$1,403.4 million was unrealised gains.

The Housing Society operations incurred a deficit of HK\$76.1 million. The operations deficit occurred as we continued to expand our social commitments through participating in the Government's OBB campaign as well as our own BMMS. There was no major property for sale during the year.

房協的中期投資組合全部為固定收益債券投資，本年度的收益為百分之十二點二九，較指標高出百分之四點三。

至於短期現金投資方面，房協繼續採取審慎態度，將現金盈餘存置於定期存款。我們不選擇高風險、高回報的投資策略，而採取保守的策略，利用港元與美元之間的息差，賺取額外利息。截至二零一零年三月三十一日止，此策略為我們帶來百分之零點零七的額外回報。短期現金投資整體取得百分之零點五四的回報，表現較指標高出百分之零點二六。

貸款管理

綜合不同的貸款計劃，房協於二零一零年三月三十一日為止管理的貸款個案為一萬四千八百七十八宗。年內，有六十名貸款人的免供款期屆滿，須開始每月還款。此外，「家居維修貸款計劃」新批出了七十八宗貸款，而四千二百二十二名各項貸款計劃的貸款人已全數償還貸款，另有一百零三名貸款人亦已償還部分貸款。房協向二百三十名未償還貸款人士提出法律訴訟，並向無力償還貸款的六十四名人士啟動破產程序。

財務表現

截至二零一零年三月三十一日，經計算二十億四千一百三十萬港元投資收入／收益後，房協錄得淨盈餘合共十九億六千五百二十萬港元，其中十四億零三百四十萬港元為未變現收益。

房協因繼續擴大對社會的承擔，參與政府的「樓宇更新大行動」及推行本身的「樓宇管理維修綜合計劃」，錄得營運虧損七千六百一十萬港元。年內並無出售大型物業。

Investment Portfolio

投資組合

(as at 31 March 2010)
(截至二零一零年三月三十一日止)

HK\$ Million
港幣百萬元

Short Term
短期投資組合

8,158 (46%)

Long Term
長期投資組合

5,580 (31%)

Medium Term
中期投資組合

3,997 (23%)

