

Exchange Fund - Income and Expenditure Account

for the year ended 31 December 2006

(Expressed in millions of Hong Kong dollars)	Notes	Group		Fund	
		2006	2005 (restated)	2006	2005
INCOME					
Interest income		43,483	31,496	41,184	29,719
Dividend income		6,162	5,165	6,429	5,430
Net realised and revaluation gains		38,799	22,173	38,806	22,182
Net exchange gains/(losses)		17,360	(19,468)	17,338	(19,474)
Investment income	4(a)	105,804	39,366	103,757	37,857
Bank licence fees		132	129	132	129
Other income		277	269	64	36
TOTAL INCOME		106,213	39,764	103,953	38,022
EXPENDITURE					
Interest expense	4(b)	(38,996)	(17,137)	(37,421)	(16,026)
Operating expenses	4(c)	(1,986)	(1,628)	(1,810)	(1,463)
Note and coin expenses	4(d)	(160)	(208)	(160)	(208)
Write back of impairment losses on loans		8	19	-	-
TOTAL EXPENDITURE		(41,134)	(18,954)	(39,391)	(17,697)
SURPLUS BEFORE SHARE OF PROFIT OF ASSOCIATE					
		65,079	20,810	64,562	20,325
Share of profit of associate, net of tax		8	3	-	-
SURPLUS BEFORE TAXATION		65,087	20,813	64,562	20,325
Income tax		(86)	(100)	-	-
SURPLUS FOR THE YEAR		65,001	20,713	64,562	20,325
ATTRIBUTABLE TO:					
Owner of the Fund		64,987	20,690	64,562	20,325
Minority interests		14	23	-	-
		65,001	20,713	64,562	20,325

The notes on pages 119 to 185 form part of these accounts.