

CONSOLIDATED OPERATING ACCOUNT

3.1 The Consolidated Operating Account consolidates the operating results of HA's three businesses, i.e. Rental Housing, Commercial and Home Ownership Assistance, and the Net Non-operating Income.

3.2 The consolidated operating surplus for 2021/22 shown at [Appendix A](#) is projected at \$6,364 million, mainly representing the net results from the three businesses. As compared to the 2020/21 Revised Budget surplus of \$9,604 million, the decrease in 2021/22 is mainly attributable to:

- (a) the higher deficit in the Rental Housing Operating Account mainly due to the rent waiver for September 2021 granted by HA (partly offset by the full year effect of the rent adjustment which took effect from September 2020) and projected increase in various expenditure items as a result of assumed price level adjustments and increase in rental flats; and
- (b) the lower surplus in the Home Ownership Assistance Operating Account mainly due to comparatively less number of completion of assignment of subsidised sale flats in the year; partly offset by
- (c) the higher surplus in the Commercial Operating Account mainly due to the rent concession by HA to the eligible non-domestic tenants / licensees in 2020/21, and the projected addition of new premises in 2021/22.

3.3 The main features of the 2021/22 operating budgets are highlighted below:-

3.3.1 Rental Housing Operating Account ([Appendix B](#))

The deficit for 2021/22 is projected at \$1,186 million which is higher than the 2020/21 Revised Budget of \$780 million by \$406 million. This is mainly due to the rent waiver for September 2021 granted by HA (partly offset by the full year effect of the rent adjustment which took effect from September 2020) and projected increase in various expenditure items.

3.3.2 Commercial Operating Account ([Appendix C](#))

The surplus for 2021/22 is projected at \$1,098 million which is higher than the 2020/21 Revised Budget of \$896 million by \$202 million. This is mainly due to the rent concession by HA to the eligible non-domestic tenants / licensees in 2020/21, and the projected addition of new premises in 2021/22.

3.3.3 Home Ownership Assistance Operating Account ([Appendix D](#))

The surplus for 2021/22 is projected at \$6,437 million which is lower than the 2020/21 Revised Budget of \$9,465 million by \$3,028 million. This is mainly due to comparatively less number of completion of assignment of SSF and in the year.