
Government Toll-Tunnels

REVIEW OF THE YEAR 2024-25

ACTIVITIES

- * Tunnels in use :
 - Aberdeen
 - Lion Rock
 - Shing Mun
 - Route 8K

Remarks : Cross Harbour Tunnel (CHT), Eastern Harbour Crossing (EHC), Tate's Cairn Tunnel (TCT) and Western Harbour Crossing (WHC) were "Build-Operate-Transfer" (BOT) projects and taken over by the Government upon the expiry of BOT franchises. As the capital costs of CHT, EHC, TCT and WHC were not contributed by the Government, the CHT, EHC, TCT and WHC are not included in the Operating Accounts of Government Toll-tunnels which are established for performance measurement on recovery of the cost of running the tunnels including the cost of capital.

- * Change in annual traffic :
 - Aberdeen increased by 1.4%
 - Lion Rock decreased by 1.6%
 - Shing Mun decreased by 1.1%
 - Route 8K increased by 5.4%

- * Toll charges :

	\$
Aberdeen	5
Lion Rock	8
Shing Mun	5
Route 8K	8

FINANCIAL PERFORMANCE

- * Revenue increased by 5.5%
- * Expenditure decreased by 5.3%
- * Deficit decreased from \$107.4M to \$26.3M
- * Return on Average Net Fixed Assets increased from -1.8% to -0.4%

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OPERATING ACCOUNT FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025 \$M	2024 \$M
Revenue	2	735.2	696.9
Expenditure	2	<u>761.5</u>	<u>804.3</u>
Deficit		<u>(26.3)</u>	<u>(107.4)</u>

FINANCIAL PERFORMANCE MEASURES

Average net fixed assets (ANFA)	1(f) and 3	5,853.6	5,873.4
Actual return		(26.3)	(107.4)
Target return		257.6	258.4
Actual return as % of ANFA	1(e)	-0.4%	-1.8%
Target return as % of ANFA		4.4%	4.4%

The annexed notes form part of these accounts.

Government Toll-Tunnels

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

	Note	2025 \$M	2024 \$M
Net assets employed			
Fixed assets	1(b) & (c) and 3	5,836.1	5,871.1
Current assets	4	2,494.6	2,409.4
Current liabilities	5	(23.1)	(26.1)
Net current assets		<u>2,471.5</u>	<u>2,383.3</u>
		<u>8,307.6</u>	<u>8,254.4</u>
Financed by			
Public capital account	6	<u>8,307.6</u>	<u>8,254.4</u>

The annexed notes form part of these accounts.

Government Toll-Tunnels

NOTES TO THE ACCOUNTS

1. Accounting Policies

(a) Basis of Accounting

The Government-built toll-tunnels do not have a separate legal identity. All surpluses are deemed to be distributed to the Government as dividend. All deficits are deemed to be financed by the General Revenue and adjusted to the Public Capital Account of the utility. The operating accounts are management information to reflect the operating results of the facilities.

The accounts have been prepared on the historical cost basis of accounting modified to include notional receipts and payments.

(b) Fixed Assets

- (i) No cost is included for land except that the cost of resumption is included in the capital cost of tunnel construction and road works for Route 8K.
- (ii) For capital projects, the costs include the actual direct expenditure, staff costs for design, planning and supervision during the construction period.
- (iii) All other fixed assets are stated at costs less accumulated depreciation except capital works/projects in progress which are stated at cost.

(c) Depreciation

Depreciation is provided on a straight-line basis to amortise the cost of fixed assets less residual value over their estimated useful lives. The annual rates of depreciation used are :

Tunnel construction and road works	1%-2%
Buildings	2%-7%
Lighting and ventilation	3%-10%
Equipment	3%-20%
Computer assets	10%-20%
Motor vehicles	11%-13%
Other Plant and Equipment	20%

No depreciation is provided on assets under construction.

(d) Employee Benefits

Employee benefits including salaries, gratuities, pensions, housing benefits and annual leave are accrued and recognised as an expense in the year in which the associated services are rendered by employees.

(e) Actual Return on ANFA

This is calculated as a percentage of surplus/deficit to average net fixed assets (ANFA).

(f) Average Net Fixed Assets

The ANFA represents the simple average of the opening and closing value of total fixed assets less accumulated depreciation.

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NOTES TO THE ACCOUNTS

2. Revenue and Expenditure

	Aberdeen \$M	Lion Rock \$M	Shing Mun \$M	Route 8K \$M	2025 Total \$M	2024 Total \$M
Revenue						
Toll collections	105.3	238.6	83.8	178.4	606.1	600.7
Toll charges from Government vehicles, people with disabilities, and franchised buses waived	5.5	9.5	5.4	7.7	28.1	27.6
Miscellaneous receipts	20.6	34.9	20.8	24.7	101.0	68.6
	<u>131.4</u>	<u>283.0</u>	<u>110.0</u>	<u>210.8</u>	<u>735.2</u>	<u>696.9</u>
Expenditure						
Staff costs	4.9	5.0	5.2	6.3	21.4	21.0
Operating and administration expenses	35.4	45.8	27.2	78.8	187.2	214.6
Management fees to contractors	69.1	57.5	67.0	178.9	372.5	391.5
Depreciation	24.1	12.5	36.0	107.8	180.4	177.2
	<u>133.5</u>	<u>120.8</u>	<u>135.4</u>	<u>371.8</u>	<u>761.5</u>	<u>804.3</u>
(Deficit) / Surplus	<u>(2.1)</u>	<u>162.2</u>	<u>(25.4)</u>	<u>(161.0)</u>	<u>(26.3)</u>	<u>(107.4)</u>

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NOTES TO THE ACCOUNTS

3. Fixed Assets

	Tunnel Construction and Road Works \$M	Buildings \$M	Lighting and Ventilation \$M	Equipment \$M	Computer Assets \$M	Motor Vehicles \$M	Other Plant and Equipment \$M	Assets under Construction \$M	Total \$M
At Cost									
At 1 April 2024	6,524.7	669.0	1,099.9	1,015.4	26.9	76.5	0.8	139.4	9,552.6
Additions	-	-	-	11.2	5.5	1.9	-	133.3	151.9
Adjustment*	-	-	(0.8)	-	-	(3.1)	-	(2.6)	(6.5)
Transfer	10.4	-	5.4	92.1	-	4.2	-	(112.1)	-
Disposals	-	-	-	-	-	(4.0)	-	-	(4.0)
At 31 March 2025	6,535.1	669.0	1,104.5	1,118.7	32.4	75.5	0.8	158.0	9,694.0
Accumulated Depreciation									
At 1 April 2024	1,753.0	230.9	837.7	810.4	3.8	45.5	0.2	-	3,681.5
Transfer	-	-	-	-	-	-	-	-	-
Charge for the year	77.1	13.4	46.6	33.7	4.2	5.9	0.2	-	181.1
Adjustment*	-	-	(0.2)	-	-	(0.5)	-	-	(0.7)
Written back on disposals	-	-	-	-	-	(4.0)	-	-	(4.0)
At 31 March 2025	1,830.1	244.3	884.1	844.1	8.0	46.9	0.4	-	3,857.9
Net Book Value									
At 31 March 2025	4,705.0	424.7	220.4	274.6	24.4	28.6	0.4	158.0	5,836.1
At 31 March 2024	4,771.7	438.1	262.2	205.0	23.1	31.0	0.6	139.4	5,871.1

* The adjustments are refunds of costs from Electrical and Mechanical Services Department.

4. Current Assets		2025	2024
		\$M	\$M
	Debtors	85.9	39.4
	Current account with Treasury	<u>2,408.7</u>	<u>2,370.0</u>
		<u>2,494.6</u>	<u>2,409.4</u>
5. Current Liabilities		2025	2024
		\$M	\$M
	Receipts in advance	0.3	5.3
	Creditors	<u>22.8</u>	<u>20.8</u>
		<u>23.1</u>	<u>26.1</u>

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NOTES TO THE ACCOUNTS

6. Public Capital Account

The Public Capital Account represents Government's investment in this utility.

	2025	2024
	\$M	\$M
Balance as at 1 April	8,254.4	8,248.0
Less: Deficit for the year	(26.3)	(107.4)
Addition	<u>79.5</u>	<u>113.8</u>
Balance as at 31 March	<u>8,307.6</u>	<u>8,254.4</u>

7. Commitments

Outstanding commitments as at 31 March 2025 and 31 March 2024 not provided for in the operating account were as follows:

	2025	2024
	\$M	\$M
Capital works projects, property and plant and equipment	<u>984.7</u>	<u>852.6</u>

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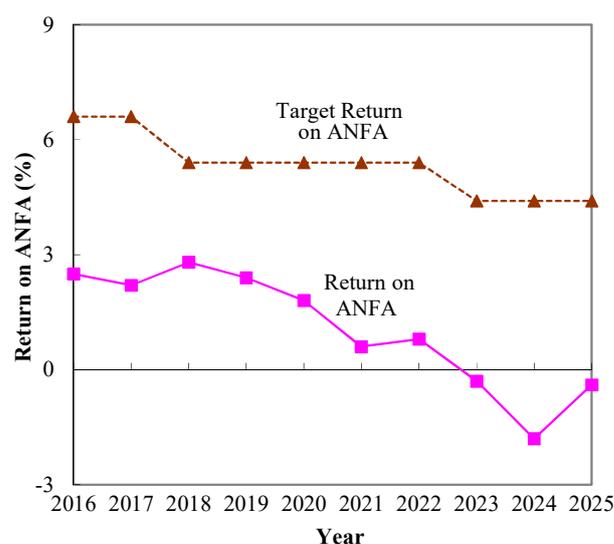
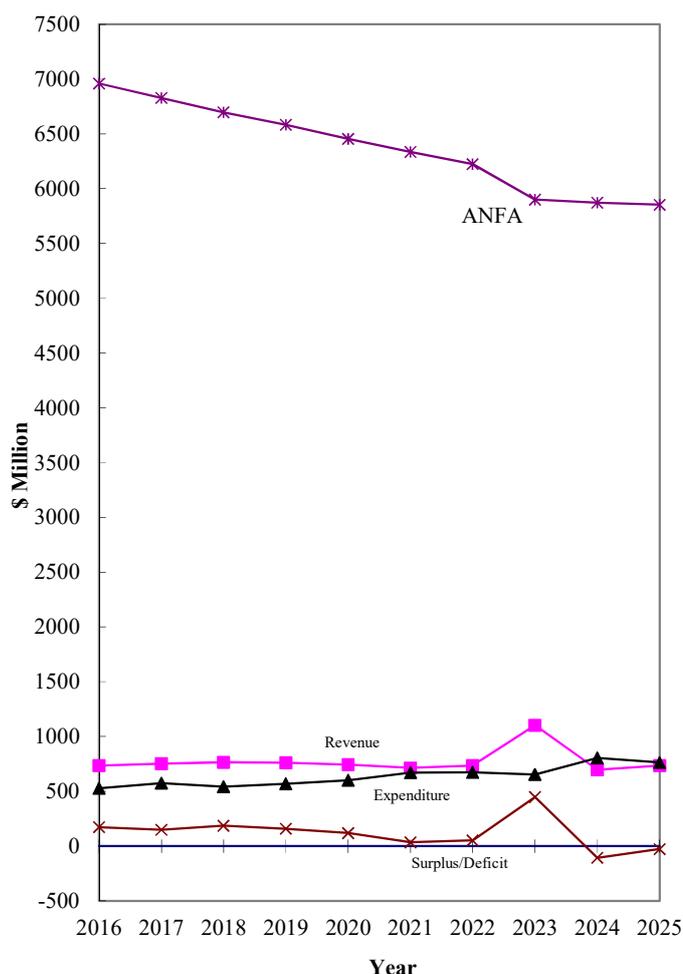
STATISTICAL HIGHLIGHTS

Financial Statistics

	2016	2017	2018	2019	2020	(restated) 2021	2022	** 2023	2024	2025
	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
Revenue	735.4	752.6	765.4	761.3	744.0	713.6	735.7	1,103.1	696.9	735.2
Expenditure	528.5	573.7	543.2	570.4	601.1	671.8	673.0	654.6	804.3	761.5
Surplus/(Deficit)										
before/after taxation*	172.8	149.4	185.5	159.4	119.3	34.9	52.4	448.5	(107.4)	(26.3)
Average net fixed										
assets (ANFA)	6,960.0	6,828.6	6,697.3	6,582.3	6,454.0	6,335.2	6,224.3	5,899.5	5,873.4	5,853.6
Return on ANFA (%)	2.5	2.2	2.8	2.4	1.8	0.6	0.8	(0.3)	(1.8)	(0.4)
Target Return on ANFA (%)	6.6	6.6	5.4	5.4	5.4	5.4	5.4	4.4	4.4	4.4

* Surplus/(Deficit) after taxation for 2016 to 2022.
Surplus/(Deficit) before taxation from 2023.

** Tseung Kwan O Tunnel is not included in the Operating Accounts from 2023.



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STATISTICAL HIGHLIGHTS

Operating Statistics

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Number of vehicles using tunnels (million)										
Aberdeen	23.5	23.0	21.9	22.0	21.4	20.9	21.5	21.9	21.9	22.2
Lion Rock	33.7	33.9	33.5	33.1	31.6	30.9	31.7	31.9	31.5	31.0
Shing Mun	19.3	19.7	19.8	19.7	19.0	18.4	18.5	18.4	18.0	17.8
Route 8K	18.6	20.3	21.2	22.2	21.8	20.2	21.5	21.2	22.1	23.3
	95.1	96.9	96.4	97.0	93.8	90.4	93.2	93.4	93.5	94.3

