

賬目附註

NOTES TO THE ACCOUNTS

1. 主要會計政策

編製此等賬目所採用之主要會計政策詳列如下：

(a) 編製基準

本賬目乃按歷史成本常規法，根據香港普遍採納之會計原則及香港會計師公會頒佈之會計準則編製。

(b) 綜合基準

綜合賬目包括本公司及其附屬公司結算至八月三十一日止之賬目。年內所收購或出售之附屬公司之業績，乃由收購生效當日起計或計至出售生效當日止（視何者適用）計算在綜合損益表內。

所有本集團內公司間之重大交易及結餘已於綜合賬目時對銷。

出售附屬公司之損益為銷售所得款項與本集團所佔資產淨值兩者間之差額，連同任何未於綜合損益賬中扣除或確認之商譽或資本儲備。

1. PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these accounts are set out below:

(a) Basis of preparation

The accounts have been prepared under the historical cost convention, in accordance with accounting principles generally accepted in Hong Kong and comply with accounting standards issued by the Hong Kong Society of Accountants.

(b) Consolidation

The consolidated accounts include the accounts of the Company and its subsidiaries made up to 31st August. The results of subsidiaries acquired or disposed of during the year are included in the consolidated profit and loss account from the effective date of acquisition or up to the effective date of disposal, as appropriate.

All significant inter-company transactions and balances within the Group are eliminated on consolidation.

The gain or loss on the disposal of a subsidiary represents the difference between the proceeds of the sale and the Group's share of its net assets together with any goodwill or capital reserve which was not previously charged or recognised in the consolidated profit and loss account.

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1. 主要會計政策（續）**(b) 綜合基準**

少數股東權益指外界股東在附屬公司之經營業績及資產淨值中所佔之權益。

於附屬公司之投資乃按成本減任何永久減值（並非暫時性質）準備（如有需要）後計入本公司之資產負債表。本公司根據已收及應收股息基準計算附屬公司之業績。

(c) 商譽

商譽乃指收購代價高於附屬公司淨資產之公平價值之差額，於收購年度在儲備中扣除。

1. PRINCIPAL ACCOUNTING POLICIES (Cont'd)**(b) Consolidation (Cont'd)**

Minority interests represent the interests of outside shareholders in the operating results and net assets of subsidiaries.

In the Company's balance sheet the investments in subsidiaries are stated at cost less provision, if necessary, for any permanent diminution in value other than temporary in nature. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

(c) Goodwill

Goodwill represents the excess of purchase consideration over the fair values ascribed to the net assets of subsidiaries and is taken to reserves in the year of acquisition.

1. 主要會計政策 (續)**(d) 物業、廠房及設備**

固定資產乃按成本減累計折舊入賬。

租賃土地乃於租約尚餘年期計算折舊，而其他有形固定資產則以直線法於其估計可用年期內按足以撇銷其成本之折舊率計算折舊。就此所採用之主要年率如下：

租賃土地	2%
租賃樓宇	2%
租賃物業裝修	10% – 25%
傢具、裝置及裝修	25%
電訊、電腦 及辦公室設備	10% – 25%
自動接線機	25%
汽車	25%

將固定資產修整至正常運作情況所引致之主要費用均在損益表中扣除。裝修費用均撥充成本，並在其預計可供本集團使用之年期內折舊。

1. PRINCIPAL ACCOUNTING POLICIES (Cont'd)**(d) Property, plant and equipment**

Fixed assets are stated at cost less accumulated depreciation.

Leasehold land is depreciated over the period of the lease while other tangible fixed assets are depreciated at rates sufficient to write off their cost over their estimated useful lives on a straight-line basis. The principal annual rates are as follows:

Leasehold land	2%
Leasehold buildings	2%
Leasehold improvements	10% – 25%
Furniture, fixtures and fittings	25%
Telecommunications, computer and office equipment	10% – 25%
Auto-diallers	25%
Motor vehicles	25%

Major costs incurred in restoring fixed assets to their normal working condition are charged to the profit and loss account. Improvements are capitalised and depreciated over their expected useful lives to the Group.

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1. 主要會計政策（續）**(d) 物業、廠房及設備（續）**

固定資產之賬面值乃定期檢討，以評估其可收回數額是否已降至低於其賬面值。於訂定可收回數額時，並無就預期日後所得現金流量折算為現值。

出售固定資產之收益或虧損乃指出售有關資產所得款項淨額與其賬面值兩者間之差額，並於損益賬中確認。

(e) 租賃資產**(i) 融資租賃**

凡將資產擁有權之絕大部分風險及報酬轉由本集團承擔及享有之租賃，均列為融資租賃。融資租賃乃於租賃開始生效時按租賃資產之公平價值或最低租金現值（以較低者為準）撥充資本。每期租金劃分為資本及融資費用兩部份，以便產生固定之資本結欠額。扣除融資費用後之相應租金承擔列作長期負債。融資費用乃於租賃期內在損益賬中扣除。

1. PRINCIPAL ACCOUNTING POLICIES (Cont'd)**(d) Property, plant and equipment (Cont'd)**

The carrying amounts of fixed assets are reviewed regularly to assess whether their recoverable amounts have declined below their carrying amounts. Expected future cash flows have not been discounted in determining the recoverable amount.

The gain or loss on disposal of a fixed asset is the difference between the net sale proceeds and the carrying amount of the relevant asset, and is recognised in the profit and loss account.

(e) Assets under leases**(i) Finance leases**

Leases that substantially transfer to the Group all the risks and rewards of ownership of assets are accounted for as finance leases. Finance leases are capitalised at the inception of the leases at the lower of fair value of the leased assets or the present value of the minimum lease payments. Each lease payment is allocated between capital and finance charges so as to achieve a constant rate on the capital balances outstanding. The corresponding rental obligations, net of finance charges, are included in long-term liabilities. The finance charges are charged to the profit and loss account over the lease periods.

1. 主要會計政策 (續)**(e) 租賃資產 (續)****(i) 融資租賃 (續)**

根據融資租賃持有之資產按租賃期或其預計可用年期(以較短者為準)內予以折舊。

(ii) 經營租賃

凡資產擁有權之絕大部分風險及報酬由出租公司保留之租賃，均列為經營租賃。經營租賃之租金(在扣除向出租公司收取之任何獎勵金後)按直線法於租賃期內在損益賬中扣除。

(f) 應收賬款

只有被視作呆賬之應收賬款始須作出撥備。資產負債表上之應收賬款均在扣除撥備後列賬。

1. PRINCIPAL ACCOUNTING POLICIES (Cont'd)**(e) Assets under leases (Cont'd)****(i) Finance leases (Cont'd)**

Assets held under finance leases are depreciated over the shorter of lease periods or their estimated useful lives.

(ii) Operating leases

Leases where substantially all the risks and rewards of ownership of assets remain with the leasing company are accounted for as operating leases. Payments made under operating leases net of any incentives received from the leasing company are charged to the profit and loss account on a straight-line basis over the lease periods.

(f) Accounts receivable

Provision is made against accounts receivable to the extent which they are considered to be doubtful. Accounts receivable in the balance sheets are stated net of such provision.

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1. 主要會計政策（續）**(g) 遞延稅項**

倘為課稅而計算之盈利與賬目所示之盈利二者間出現時差，須按現行稅率計算遞延稅項，惟僅以預期將導致於可預見將來支付或收回負債或資產之情況為限。在決定負債是否須於可預見將來繳稅時，本集團將評估資本開支及其他計劃之影響。倘此等計劃顯示將有足夠之加速免稅額可供抵銷逆轉時差之影響，則不會就此等時差確立遞延稅項負債。

(h) 外幣兌換

外幣交易按交易日期之匯率換算為港元。於結算日以外幣為單位結算之貨幣資產及負債按結算日之匯率換算。因此而產生之匯兌差額均撥入損益賬處理。

1. PRINCIPAL ACCOUNTING POLICIES (Cont'd)**(g) Deferred taxation**

Deferred taxation is accounted for at the current taxation rate in respect of timing differences between profit as computed for taxation purposes and profit as stated in the accounts to the extent that a liability or an asset is expected to be payable or recoverable in the foreseeable future. In determining whether a liability is expected to be payable in the foreseeable future the Group assesses the effect of its capital expenditure and other plans. If these plans indicate that sufficient accelerated tax allowances will be available to offset the effect of the reversal of timing differences a deferred tax liability is not established for such timing differences.

(h) Translation of foreign currencies

Transactions in foreign currencies are translated at exchange rates ruling at the transaction dates. Monetary assets and liabilities expressed in foreign currencies at the balance sheet date are translated at rates of exchange ruling at the balance sheet date. Exchange differences arising in these cases are dealt with in the profit and loss account.

1. 主要會計政策 (續)**(h) 外幣兌換 (續)**

以外幣結算之附屬公司資產負債表乃按結算日之匯率換算。海外附屬公司之業績按年內平均匯率換算。因此而產生之匯兌差額列作儲備變動處理。

(i) 現金及現金等值

現金及現金等值乃指可隨時兌換為現金，原有年期由購入日起計於三個月或以內屆滿之短期及高流通性投資項目，及短期貸款及透支。由於現金等值為短期票據，故按成本值（接近公平價值）列賬。

(j) 收益

(i) 為用戶提供國際電訊及撥號與寬頻上網服務所得之收益乃於提供服務時確認。

1. PRINCIPAL ACCOUNTING POLICIES (Cont'd)**(h) Translation of foreign currencies (Cont'd)**

The balance sheets of subsidiaries expressed in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. The results of overseas subsidiaries are translated at the average rates of exchange for the year. Exchange differences are dealt with as a movement in reserves.

(i) Cash and cash equivalents

Cash and cash equivalents are short-term highly liquid investments, which are readily convertible into cash and have original maturity of three months or less at the date of acquisition, and short-term loans and overdrafts. Cash equivalents are stated at cost, which approximates fair value because of the short-term maturity of these instruments.

(j) Revenue

(i) Revenue from provision of international telecommunications and dial-up and broadband internet access services is recognised when the services are rendered.

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1. 主要會計政策（續）

(j) 收益（續）

(ii) 利用電話卡為用戶提供國際電訊服務所得之預繳收入於實際使用年度遞延及攤銷。為用戶提供互聯網服務所得之預繳收入，按直線法在用戶合約之年期內遞延及攤銷。

(iii) 提供網頁內容及電子商貿服務所得廣告及佣金收入乃於提供服務時確認。

(iv) 利息收入根據尚欠本金及適用利率按時間比例基準列賬確認。

(k) 退休福利成本

本集團之界定供款退休計劃供款乃在產生時列作支出，並以僱員於合資格全面享有供款之前退出計劃而沒收之供款扣減。計劃之資產交由獨立管理之基金持有，與本集團之資產分開處理。

1. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

(j) Revenue (Cont'd)

(ii) Revenue received in advance from provision of international telecommunications services using calling cards is deferred and amortised based on the actual usage by customers for the year. Revenue received in advance from provision of internet access services is deferred and amortised on a straight-line basis over the life of the subscriber agreement.

(iii) Advertising and commission income from provision of internet content and e-commerce services is recognised when the services are rendered.

(iv) Interest income is recognised on a time proportion basis, taking into account the principal amounts outstanding and the interest rates applicable.

(k) Retirement benefit costs

The Group's contributions to the defined contribution retirement scheme are expensed as incurred and are reduced by contributions forfeited by those employees who leave the scheme prior to vesting fully in the contributions. The assets of the scheme are held separately from those of the Group in an independent administered fund.

1. 主要會計政策 (續)**(l) 廣告及推廣費用**

為推出預計可於不久將來提供溢利之新服務名稱而產生之廣告及推廣費用於十二個月內按直線法遞延及攤銷。所有其他廣告及推廣費用於產生時在損益賬扣除。為吸引互聯網用戶訂立互聯網服務合約而贈送之禮品成本將於有關合約期內遞延及攤銷。

(m) 研究及開發費用

新服務及現有服務之增值項目之研究及開發費用於產生時在損益賬扣除。

(n) 借貸成本

因購置、建設或生產某項須經一段頗長時間始能投入作原定用途或出售之資產而直接產生之借貸成本均撥充資本，作為該項資產之部份成本。

所有其他借貸成本均在產生之年度在損益賬扣除。

1. PRINCIPAL ACCOUNTING POLICIES (Cont'd)**(l) Advertising and promotional costs**

Advertising and promotional costs incurred for the launch of trade names of new services which are expected to be profitable in the near future are deferred and amortised on a straight-line basis over a period of twelve months. All other advertising and promotional costs are charged to the profit and loss account as incurred. The cost of gifts given to subscribers of internet access service as inducements to enter into subscriber agreements is deferred and amortised over the life of the related agreements.

(m) Research and development costs

Research and development costs of new services and enhancements to existing services are charged to the profit and loss account as incurred.

(n) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset.

All other borrowing costs are charged to the profit and loss account in the year in which they are incurred.

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1. 主要會計政策 (續)**(o) 使用估計數字**

在按照香港普遍採納之會計原則編製財務報告時，管理層必須作出一些估計及假設，而此等估計及假設足以影響於財務報告公佈日期所公佈之資產及負債數額及所披露之或然資產及負債，以及所公佈有關本年度之收入及開支數額。實際業績可能有別於此等估計數字。

(p) 比較數字

由於採納於今年生效之經修訂香港會計實務準則第1號「財務報告之陳述」及第2號「本期間淨溢利或虧損、基本錯誤及會計政策之更改」，若干比較數字已重新列賬。

1. PRINCIPAL ACCOUNTING POLICIES (Cont'd)**(o) Use of estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses reported during the year. Actual results could differ from these estimates.

(p) Comparatives

As a result of the adoption of the revised Hong Kong Statement of Standard Accounting Practice No.1 "Presentation of financial statements" and No.2 "Net profit or loss for the period, fundamental errors and changes in accounting policies" which became effective this year, certain comparative figures have been extended accordingly.

2. 營業額、收益及分部資料

本集團之主要業務為向香港、日本及加拿大用戶提供國際電訊服務，並為香港及加拿大用戶提供撥號及寬頻互聯網服務，以及在香港提供網頁內容及電子商貿服務。以下為於本年度確認之收益：

2. TURNOVER, REVENUES AND SEGMENTAL INFORMATION

The Group is principally engaged in the provision of international telecommunications services to customers in Hong Kong, Japan and Canada, dial-up and broadband internet access services to Hong Kong and Canadian customers, and the provision of internet content and e-commerce services in Hong Kong. Revenues recognised during the year are as follows:

		2000	1999
		千港元 HK\$'000	千港元 HK\$'000
營業額	Turnover		
國際電訊收費	International telecommunications charges	1,119,148	947,180
互聯網服務收費	Internet access charges	109,019	98,516
廣告及佣金收入	Advertising and commission income	5,960	-
		1,234,127	1,045,696
其他收益	Other revenues		
利息收入	Interest income	31,857	10,959
其他收入	Other income	6,178	2,829
		38,035	13,788
收益總額	Total revenues	1,272,162	1,059,484

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2. 營業額、收益及分部資料 (續)

以下為按主要業務及市場劃分之本集團營業額及稅前溢利貢獻分析：

2. TURNOVER, REVENUES AND SEGMENTAL INFORMATION (Cont'd)

An analysis of the Group's turnover and profit before taxation by principal activities and markets is as follows:

		營業額		稅前溢利／(虧損)	
		Turnover		Profit/(loss) before taxation	
		2000	1999	2000	1999
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
按主要業務劃分	Principal activities				
國際電訊收費	International telecommunications charges	1,119,148	947,180	54,363	68,768
互聯網絡服務收費	Internet access charges	109,019	98,516	*10,081	(52,607)
廣告及佣金收入	Advertising and commission income	5,960	–	(33,928)	–
		1,234,127	1,045,696	30,516	16,161
加：利息收入淨額	Add: net interest income			25,629	9,644
				56,145	25,805
按地區劃分	Geographical locations				
香港	Hong Kong	1,171,967	1,013,520	34,426	21,302
日本	Japan	10,998	10,435	(2,701)	(2,133)
加拿大	Canada	51,162	21,741	(1,209)	(3,008)
		1,234,127	1,045,696	30,516	16,161
加：利息收入淨額	Add: net interest income			25,629	9,644
				56,145	25,805

* 經營溢利包括因攤薄一間附屬公司之權益所得收益185,811,000港元。

* The operating profit included the gain on dilution of interest in a subsidiary amounting to HK\$185,811,000.

3. 經營溢利

經營溢利已計入及扣除下列項目：

3. OPERATING PROFIT

The operating profit is stated after crediting and charging the following:

		2000	1999
		千港元 HK\$'000	千港元 HK\$'000
計入	Crediting		
淨匯兌收益	Net exchange gain	1,107	–
扣除	Charging		
核數師酬金	Auditors' remuneration	900	600
自置固定資產折舊	Depreciation of owned fixed assets	46,887	26,997
根據融資租約持有之固定資產折舊	Depreciation of fixed assets held under finance leases	5,726	4,406
出售固定資產虧損	Loss on disposal of fixed assets	2,699	876
淨匯兌虧損	Net exchange loss	–	2,345
土地及樓宇之經營租約租金	Operating lease charges in respect of land and buildings	19,960	16,345
電腦設備之經營租約租金	Operating lease charges in respect of computer equipment	7,615	2,604
呆賬撥備	Provision for doubtful debts	10,394	5,808
研究及開發費用	Research and development costs	3,792	9,670

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4. 財務費用

4. FINANCE COSTS

		2000 千港元 HK\$'000	1999 千港元 HK\$'000
銀行透支利息	Interest on bank overdrafts	1,247	881
融資租約之利息部份	Interest element of finance leases	1,086	434
向一名國際電訊 轉駁公司支付利息	Interest paid to an international telecommunication carrier	3,895	–
		6,228	1,315

5. 稅項支出 / (回撥)

5. TAX CHARGE/(CREDIT)

		附註 Note	2000 千港元 HK\$'000	1999 千港元 HK\$'000
香港利得稅	Hong Kong profits tax			
– 本年度	– current	(a)	4,200	–
– 往年度超額撥備	– overprovision in prior years		(4,120)	–
– 遞延稅項	– deferred	17(b)	1,000	–
– 退回稅項	– tax refund	(b)	–	(1,676)
海外稅項	Overseas taxation	(c)	122	–
			1,202	(1,676)

(a) 香港利得稅按本年度之估計應課稅溢利以稅率16%撥備（一九九九年：無）。

(a) Hong Kong profits tax has been provided for at the rate of 16% on the estimated assessable profit for the year (1999:Nil).

5. 稅項支出／（回撥）（續）

- (b) 香港政府於一九九九年三月宣佈，所有納稅人可一次性收回一九九七／九八年度已繳稅款10%之退稅。本公司已於一九九九年四月收到上述退稅。
- (c) 海外溢利稅項乃根據本年度之估計應課稅溢利按本集團營業所在國家之適用稅率計算。

本年度之遞延稅項並無就下列各項提撥準備：

		2000	1999
		千港元 HK\$'000	千港元 HK\$'000
加速折舊免稅額	Accelerated depreciation allowances	17,891	6,317
稅務虧損	Tax losses	(44,633)	(5,173)
		(26,742)	1,144

6. 股東應佔溢利

計入本公司賬目之股東應佔溢利為6,613,000港元（一九九九年：32,981,000港元）。

5. TAX CHARGE/(CREDIT) (Cont'd)

- (b) In March 1999, the Hong Kong Government announced that all tax payers were entitled to a one-off refund of 10% of tax paid in respect of its financial year 1997/98, which the Company received in April 1999.
- (c) Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

Deferred taxation for the year has not been provided for in respect of the following:

6. PROFIT ATTRIBUTABLE TO SHAREHOLDERS

The profit attributable to shareholders is dealt with in the accounts of the Company to the extent of HK\$6,613,000 (1999: HK\$32,981,000).

賬目附註

NOTES TO THE ACCOUNTS

7. 股息

7. DIVIDENDS

		2000	1999
		千港元 HK\$'000	千港元 HK\$'000
中期股息－無 (一九九九年：每股0.025港元)	Interim – Nil (1999: HK\$0.025) per share	–	10,087
擬派末期股息－無 (一九九九年：每股0.02港元)	Proposed final – Nil (1999: HK\$0.02) per share	–	9,747
		–	19,834

8. 每股盈利

8. EARNINGS PER SHARE

		2000	1999
		千港元 HK\$'000	千港元 HK\$'000
股東應佔溢利	Profit attributable to shareholders	70,001	27,481
		股份數目以千計 No of shares in thousand	股份數目以千計 No of shares in thousand
已發行股份之加權平均數	Weighted average number of shares in issue	468,946	401,448
假設購股權獲行使 而須增加之股份	Incremental shares from assumed exercise of share options	9,105	8,276
股份之經攤薄加權平均數	Diluted weighted average number of shares	478,051	409,724
基本每股盈利	Basic earnings per share	14.9 cents	6.8 cents
經攤薄每股盈利	Diluted earnings per share	14.6 cents	6.7 cents

每股盈利乃根據各有關年度已發行普通股加權平均數及（倘適用）經攤薄普通股等值及有關收入數額計算。假設購股權獲行使而予以增加之股份數目已按庫務方法釐定。

Earnings per share are calculated based on weighted average number of issued ordinary shares and, as appropriate, diluted ordinary share equivalent outstanding for each of the relevant years and the related income amount. The number of incremental shares from assumed exercise of stock options has been determined using the treasury stock method.

9. 退休福利成本

本集團向一項為其僱員而設之界定供款退休計劃供款。計劃之資產交由獨立管理之基金持有，與本集團之資產分開處理。

根據該計劃，僱員須按月薪供款5%，而本集團之供款額則按高層管理人員之月薪10%及其他員工之月薪5%計算。僱員在服務年資滿10年即可享有僱主供款之100%，而服務年資達3至9年可享有之僱主供款比例相應遞減。沒收之供款均用於削減本集團之供款。

為本集團在其他國家之僱員而設立之退休計劃須遵守個別國家之當地法例規定。

9. RETIREMENT BENEFIT COSTS

The Group contributes to a defined contribution retirement scheme which is available to its employees. The assets of the scheme are held separately from those of the Group in an independently administered fund.

Under the scheme, the employees are required to contribute 5% of their monthly salaries, while the Group's contributions are calculated at 10% and 5% of the monthly salaries of senior management staff and all other staff respectively. The employees are entitled to 100% of the employer's contributions after 10 years of completed service, or at a reduced scale after completion of 3 to 9 years' service. The forfeited contributions are to be used to reduce the Group's contributions.

The retirement schemes for staff of the Group in other countries follow the local statutory requirements of the respective countries.

賬目附註

NOTES TO THE ACCOUNTS

9. 退休福利成本 (續)

於本年度撥入損益賬處理之僱主供款(扣除沒收之供款)總額如下:

		2000 千港元 HK\$'000	1999 千港元 HK\$'000
供款總額	Gross contributions	5,545	3,578
減: 用以抵銷本年度 本集團供款之沒收供款	Less: forfeited contributions utilised to offset the Group's contributions during the year	(1,483)	(500)
在損益賬中扣除之供款淨額	Net contributions charged to profit and loss account	<u>4,062</u>	<u>3,078</u>

於二零零零年八月三十一日, 可用於抵銷本集團日後向計劃供款之沒收供款約為101,000港元(一九九九年: 94,000港元)。

9. RETIREMENT BENEFIT COSTS (Cont'd)

The aggregate employer's contributions, net of forfeited contributions, which have been dealt with in the profit and loss account during the year are as follows:

At 31st August 2000, the forfeited contributions available to offset future contributions by the Group to the scheme amounted to approximately HK\$101,000 (1999: HK\$94,000).

10. 董事及高層管理人員之酬金**10. DIRECTORS' AND SENIOR MANAGEMENT'S
EMOLUMENTS****(a) 董事酬金**

以下為於本年度須向本公司董事支付
之酬金總額：

(a) Directors' remuneration

The aggregate amounts of emoluments payable to
directors of the Company during the year are as follows:

		2000	1999
		千港元 HK\$'000	千港元 HK\$'000
執行董事	Executive		
基本薪金、其他津貼及 實物福利	Basic salaries, other allowances and benefits in kind	10,581	9,100
酌情花紅	Discretionary bonuses	3,500	–
董事住所津貼	Allowances for directors' quarters	2,396	2,773
退休金計劃供款	Contributions to pension scheme	982	867
		17,459	12,740
獨立非執行董事	Independent non-executive		
袍金	Fees	320	320
		17,779	13,060

賬目附註

NOTES TO THE ACCOUNTS

10. 董事及高層管理人員之酬金 (續)

(a) 董事酬金 (續)

董事酬金介乎下列幅度：

零 – 1,000,000港元	Nil – HK\$1,000,000
1,000,001港元 – 1,500,000港元	HK\$1,000,001 – HK\$1,500,000
1,500,001港元 – 2,000,000港元	HK\$1,500,001 – HK\$2,000,000
2,000,001港元 – 2,500,000港元	HK\$2,000,001 – HK\$2,500,000
4,500,001港元 – 5,000,000港元	HK\$4,500,001 – HK\$5,000,000
6,500,001港元 – 7,000,000港元	HK\$6,500,001 – HK\$7,000,000

* 包括三位獨立非執行董事。

於截至一九九九年及二零零零年八月三十一日止年度，並無任何董事放棄任何酬金。

此外，本公司若干董事於本年度根據購股權計劃獲授予購股權，可購入本公司股份，有關詳情載於董事報告書內之「董事於股本或債務證券中之權益」。

10. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (Cont'd)

(a) Directors' remuneration (Cont'd)

The emoluments of the directors fell within the following bands:

董事人數
Number of directors
2000 1999

4*	5*
1	–
–	1
1	–
–	2
2	–

* Including three independent non-executive directors.

No director waived any emoluments in respect of the years ended 31st August 1999 and 2000.

In addition, certain directors of the Company have been granted options under the Share Option Scheme to acquire shares of the Company during the year, details of which are set out in the section "Directors' interests in equity or debt securities" of the report of the directors.

10. 董事及高層管理人員之酬金 (續)**(b) 五位最高酬金人士**

在本集團五位最高酬金人士中，三位（一九九九年：三位）為董事，其酬金已於上文披露。其餘兩位（一九九九年：兩位）最高酬金人士於本年度所獲支付之酬金如下：

		2000	1999
		千港元 HK\$'000	千港元 HK\$'000
基本薪金、其他津貼及實物福利	Basic salaries, other allowances and benefits in kind	2,486	1,719
酌情花紅	Discretionary bonuses	501	106
退休金計劃供款	Contributions to pension scheme	236	158
		3,223	1,983

酬金介乎下列幅度：

		人數 Number of individuals	2000	1999
零—1,000,000港元	Nil – HK\$1,000,000	–	1	
1,000,001港元—1,500,000港元	HK\$1,000,001 – HK\$1,500,000	1	1	
1,500,001港元—2,000,000港元	HK\$1,500,001 – HK\$2,000,000	1	–	

10. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (Cont'd)**(b) Five highest paid individuals**

The five individuals whose emoluments were the highest in the Group for the year include three (1999: three) directors whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining two (1999: two) highest paid individuals during the year are as follows:

		2000	1999
		千港元 HK\$'000	千港元 HK\$'000
Basic salaries, other allowances and benefits in kind		2,486	1,719
Discretionary bonuses		501	106
Contributions to pension scheme		236	158
		3,223	1,983

The emoluments fell within the following bands:

		人數 Number of individuals	2000	1999
Nil – HK\$1,000,000		–	1	
HK\$1,000,001 – HK\$1,500,000		1	1	
HK\$1,500,001 – HK\$2,000,000		1	–	

賬目附註

NOTES TO THE ACCOUNTS

11. 固定資產

11. FIXED ASSETS

		本集團 Group						
		租賃土地 及樓宇	租賃物業 裝修	傢具、裝置 及裝修	電訊、電腦及 辦公室設備 Telecom- munications, computer and office equipment	自動 接線機 Auto- diallers	車輛 Motor vehicles	總計 Total
		Leasehold land and buildings	Leasehold improve- ments	Furniture, and fittings				
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
成本值	Cost							
於一九九九年 九月一日	At 1st September 1999	5,197	12,444	5,908	171,883	15,151	3,549	214,132
添置	Additions	39,871	35,873	4,137	177,738	1,942	819	260,380
出售	Disposals	–	(3,117)	(2)	(2,430)	(202)	–	(5,751)
匯兌調整	Exchange adjustments	1	9	41	445	10	–	506
於二零零零年 八月三十一日	At 31st August 2000	45,069	45,209	10,084	347,636	16,901	4,368	469,267
累積折舊	Aggregate depreciation							
於一九九九年 九月一日	At 1st September 1999	138	4,984	2,415	49,678	8,385	1,852	67,452
本年度折舊	Charge for the year	237	4,536	1,538	42,300	3,069	933	52,613
出售	Disposals	–	(510)	–	(202)	–	–	(712)
匯兌調整	Exchange adjustments	1	8	9	120	1	(2)	137
於二零零零年 八月三十一日	At 31st August 2000	376	9,018	3,962	91,896	11,455	2,783	119,490
賬面淨值	Net book value							
於二零零零年 八月三十一日	At 31st August 2000	44,693	36,191	6,122	255,740	5,446	1,585	349,777
於一九九九年 八月三十一日	At 31st August 1999	5,059	7,460	3,493	122,205	6,766	1,697	146,680

11. 固定資產 (續)

11. FIXED ASSETS (Cont'd)

		本公司 Company						
		租賃土地 及樓宇	租賃物業 裝修	傢具、裝置 及裝修	電訊、電腦及 辦公室設備	自動 接線機	車輛	總計
		Leasehold land and buildings	Leasehold improve- ments	Furniture, Fixtures and fittings	Telecom- munications, computer and office equipment	Auto- diallers	Motor vehicles	Total
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
成本值	Cost							
於一九九九年 九月一日	At 1st September 1999	5,197	11,828	4,444	127,755	14,823	3,549	167,596
添置	Additions	-	11,846	2,176	47,024	1,941	-	62,987
出售	Disposals	-	(3,117)	(1)	(48,214)	(202)	-	(51,534)
於二零零零年 八月三十一日	At 31st August 2000	5,197	20,557	6,619	126,565	16,562	3,549	179,049
累積折舊	Aggregate depreciation							
於一九九九年 九月一日	At 1st September 1999	138	4,533	2,031	35,647	8,338	1,850	52,537
本年度折舊	Charge for the year	104	3,916	1,311	26,305	3,038	887	35,561
出售	Disposals	-	(510)	-	(10,432)	-	-	(10,942)
於二零零零年 八月三十一日	At 31st August 2000	242	7,939	3,342	51,520	11,376	2,737	77,156
賬面淨值	Net book value							
於二零零零年 八月三十一日	At 31st August 2000	4,955	12,618	3,277	75,045	5,186	812	101,893
於一九九九年 八月三十一日	At 31st August 1999	5,059	7,295	2,413	92,108	6,485	1,699	115,059

賬目附註

NOTES TO THE ACCOUNTS

11. 固定資產 (續)

(a) 以下為本集團名下位於香港之租賃土地及樓宇之賬面淨值分析：

		本集團 Group		本公司 Company	
		2000 千港元 HK\$'000	1999 千港元 HK\$'000	2000 千港元 HK\$'000	1999 千港元 HK\$'000
年期逾50年之租約	Leases of over 50 years	4,955	5,059	4,955	5,059
年期介乎 10至50年之租約	Leases of between 10 to 50 years	39,738	-	-	-
		44,693	5,059	4,955	5,059

(b) 於二零零零年八月三十一日，本集團及本公司根據融資租約持有之電訊、電腦及辦公室設備之賬面淨值分別為13,449,000港元（一九九九年：19,175,000港元）及9,942,000港元（一九九九年：19,175,000港元）。

11. FIXED ASSETS (Cont'd)

(a) The Group's interests in leasehold land and buildings situated in Hong Kong at their net book values are analysed as follows:

(b) At 31st August 2000, the net book value of telecommunications, computer and office equipment under finance leases held by the Group and the Company amounted to HK\$13,449,000 (1999: HK\$19,175,000) and HK\$9,942,000 (1999:HK\$19,175,000) respectively.

12. 於附屬公司之投資

		本公司 Company	
		2000 千港元 HK\$'000	1999 千港元 HK\$'000
非上市投資·成本值	Unlisted investments, at cost	36,250	-
借予附屬公司之貸款	Loans to subsidiaries	130,656	-
		166,906	-

12. INVESTMENTS IN SUBSIDIARIES

12. 於附屬公司之投資 (續)**12. INVESTMENTS IN SUBSIDIARIES (Cont'd)**

以下為於二零零零年八月三十一日之主要
附屬公司：

The following is a list of the principal subsidiaries at 31st
August 2000:

名稱 Name	註冊成立地點 Place of incorporation	已發行股本 Particulars of issued share capital	所持權益百分比 Percentage of interest held	主要業務及營業地點 Principal activities and place of operation
Attitude Holdings Limited	英屬處女群島 British Virgin Islands	普通股1美元 Ordinary US\$1	100	在台灣提供營運服務 Provision of operational services in Taiwan
# City Telecom (B.C.) Inc.	加拿大 Canada	普通股501,000加幣 Common CAD501,000	100	在加拿大提供國際 電訊服務 Provision of international telecommunications services in Canada
# City Telecom (Canada) Inc.	加拿大 Canada	普通股100加幣 Common CAD100	100	在加拿大保養交換 設備及提供營運服務 Maintenance of switching equipment and provision of operational services in Canada

賬目附註

NOTES TO THE ACCOUNTS

12. 於附屬公司之投資（續）

12. INVESTMENTS IN SUBSIDIARIES (Cont'd)

名稱 Name	註冊成立地點 Place of incorporation	已發行股本 Particulars of issued share capital	所持權益百分比 Percentage of interest held	主要業務及營業地點 Principal activities and place of operation
# City Telecom Inc.	加拿大 Canada	普通股1,000加幣 Common CAD1,000	100	在加拿大提供國際電訊及 撥號互聯網服務 Provision of international telecommunications and dial-up internet access services in Canada
City Telecom International Limited	英屬處女群島 British Virgin Islands	普通股1美元 Ordinary US\$1	*100	在香港從事投資控股 Investment holding in Hong Kong
# City Telecom (Japan) Co. Limited	日本 Japan	普通股10,000,000日元 Ordinary ¥10,000,000	100	在日本提供國際電訊服務 Provision of international telecommunications services in Japan
# City Telecom (USA) Inc.	美國 USA	普通股500,000美元 Common US\$500,000	100	在美國保養交換設備 及提供營運服務 Maintenance of switching equipment and provision of operational services in USA

12. 於附屬公司之投資 (續)

12. INVESTMENTS IN SUBSIDIARIES (Cont'd)

名稱 Name	註冊成立地點 Place of incorporation	已發行股本 Particulars of issued share capital	所持權益百分比 Percentage of interest held	主要業務及營業地點 Principal activities and place of operation
Golden Trinity Holdings Limited	英屬處女群島 British Virgin Islands	普通股1美元 Ordinary US\$1	*100	在香港從事投資控股 Investment holding in Hong Kong
Hong Kong Broadband Network Limited	香港 Hong Kong	普通股100,000港元 Ordinary HK\$100,000	85	在香港提供撥號 及寬頻互聯網服務 Provision of dial-up and broadband internet access service in Hong Kong
iChannel.com Limited	香港 Hong Kong	普通股10,000港元 Ordinary HK\$10,000	100	在香港提供互聯網內容 Provision of internet content in Hong Kong
iStore.com Limited	香港 Hong Kong	普通股10,000港元 Ordinary HK\$10,000	100	在香港提供電子商貿服務 Provision of e-commerce service in Hong Kong

* 由本公司直接持有股份。

* shares held directly by the Company.

賬目並非由羅兵咸永道會計師事務所審核之附屬公司。並非由羅兵咸永道會計師事務所審核之附屬公司之淨負債合共約佔本集團總資產之0.4%。

Subsidiaries not audited by PricewaterhouseCoopers. The aggregate net liabilities of the subsidiaries not audited by PricewaterhouseCoopers amounted to approximately 0.4% of the Group's total assets.

賬目附註

NOTES TO THE ACCOUNTS

13. 應收賬款

於二零零零年八月三十一日，應收賬款之賬齡分析如下：

		本集團 Group		本公司 Company	
		2000 千港元 HK\$'000	1999 千港元 HK\$'000	2000 千港元 HK\$'000	1999 千港元 HK\$'000
即日－30日	Current – 30 days	103,014	120,376	83,714	115,554
31－60日	31 – 60 days	7,434	6,947	5,239	6,791
61－90日	61 – 90 days	3,889	2,268	1,867	2,180
90日以上	Over 90 days	371	433	–	107
		114,708	130,024	90,820	124,632

本集團之營業額大部份屬於掛賬形式。本集團通常要求用戶在使用本集團服務之前先行支付按金或向本集團提供其信用咭或其他信貸資料。

13. ACCOUNTS RECEIVABLE

At 31st August 2000, the ageing analysis of the accounts receivable were as follows:

The majority of the Group's turnover is on open account term. Customers are generally required to pay deposits or provide their credit card or other credit information to the Group before they subscribe for the Group's services.

14. 應付賬款

於二零零零年八月三十一日，應付賬款之賬齡分析如下：

		本集團 Group		本公司 Company	
		2000	1999	2000	1999
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
即日 – 30日	Current – 30 days	92,886	101,513	74,836	96,262
31 – 60日	31 – 60 days	44,339	57,522	36,346	57,433
61 – 90日	61 – 90 days	36,990	17,229	36,824	17,229
90日以上	Over 90 days	43,110	35,596	41,306	34,034
		217,325	211,860	189,312	204,958

14. ACCOUNTS PAYABLE

At 31st August 2000, the ageing analysis of the accounts payable were as follows:

15. 股本

		法定股本 (每股面值0.10港元普通股)			
		2000		1999	
		股份數目	千港元	股份數目	千港元
		No. of shares	HK\$'000	No. of shares	HK\$'000
於九月一日	At 1st September	500,000,000	50,000	500,000,000	50,000
增加法定普通股本 (附註(b))	Increase in authorised ordinary share capital (note (b))	1,500,000,000	150,000	–	–
於八月三十一日	At 31st August	2,000,000,000	200,000	500,000,000	50,000

		已發行及繳足股本 (每股面值0.10港元普通股)			
		2000		1999	
		股份數目	千港元	股份數目	千港元
		No. of shares	HK\$'000	No. of shares	HK\$'000
於九月一日	At 1st September	403,500,000	40,350	400,000,000	40,000
根據全球售股建議 發行股份 (附註(a))	Issue of shares pursuant to the Global Offering (note (a))	80,000,000	8,000	–	–
行使購股權 (附註(c))	Exercise of Share Options (note (c))	6,104,000	610	3,500,000	350
於八月三十一日	At 31st August	489,604,000	48,960	403,500,000	40,350

賬目附註

NOTES TO THE ACCOUNTS

15. 股本（續）

(a) 於一九九九年十一月三日，本公司與其
主要股東Top Group International
Limited以美國預託股份形式按每股
5.6146港元之發行價（包括香港印花
稅、聯交所交易徵費及經紀佣金）向全
球發售（「全球售股建議」）本公司每股
面值0.1港元之新及現有普通股（「股
份」）。發行人所收淨價格為每股5.6港
元，較本公司股份於一九九九年十一月
二日之收市價每股5.7港元折讓1.8%。
每股美國預託股份代表20股股份，獲准
在美國之Nasdaq National Market上市。
於全球售股建議之完成日期，本公司根
據董事局於一九九八年十二月二十一
日獲本公司股東授予之一般授權配發
及發行股份共80,000,000股，總代價約
為448,000,000港元（未扣除支銷）。此
等股份與現有股份享有同等權益。所得
款項淨額約412,000,000港元用於發展
一個無線固定電訊網絡、建設國際電訊
設施、提昇現有網絡基建設施、開發網
頁內容及提供營運資金。

15. SHARE CAPITAL (Cont'd)

(a) On 3rd November 1999, the Company and Top Group
International Limited, the Company's major shareholder,
offered globally new and existing ordinary shares of
HK\$0.1 each (the "Share") of the Company (the "Global
Offering") at an issue price of HK\$5.6146 per Share
(including Hong Kong stamp duty, Hong Kong Stock
Exchange transaction levies and brokerage fees) in the
form of American depository shares. The net price to
the issuer was HK\$5.6 per Share, representing a
discount of 1.8% to the closing price of HK\$5.7 per
Share of the Company on 2nd November 1999. Each
American depository share represents 20 Shares and
was approved for listing on the Nasdaq National Market
in the United States. On the completion date of the
Global Offering, the Company allotted and issued a
total of 80,000,000 Shares, pursuant to a general
mandate given to the directors by the shareholders of
the Company on 21st December 1998, for a total
consideration of approximately HK\$448 million before
expenses. These Shares rank pari passu with the existing
Shares. The net proceeds of approximately HK\$412
million are used for the development of a wireless fixed
telecommunications network, construction of
international telecommunications facilities, upgrading
the existing network infrastructure, internet content
development and working capital purposes.

15. 股本 (續)

- (b) 於一九九九年十二月三十日，根據本公司股東於當日通過之一項普通決議案，本公司增設1,500,000,000股額外股份，藉以將法定股本由50,000,000港元增至200,000,000港元。此等股份與現有股份享有同等權益。
- (c) 於本年度，購股權持有人因行使本身之認購權而分別按每股1.50港元、0.26港元及2.10港元之價格獲發行股份1,300,000股、4,190,000股及614,000股。此等股份與現有股份享有同等權益。

15. SHARE CAPITAL (Cont'd)

- (b) On 30th December 1999, pursuant to an ordinary resolution of the Company's shareholders passed on that date, the authorised share capital of the Company increased from HK\$50,000,000 to HK\$200,000,000 by the creation of an additional 1,500,000,000 Shares. These Shares rank pari passu with the existing Shares.
- (c) During the year, 1,300,000 Shares, 4,190,000 Shares and 614,000 Shares and were issued at a price of HK\$1.50, HK\$0.26 and HK\$2.10 per Share respectively to the Share Option holders who exercised their subscription rights. These Shares rank pari passu with the existing Shares.

賬目附註

NOTES TO THE ACCOUNTS

15. 股本（續）

(d) 以下為本公司於本年度根據購股權計劃授予購股權之詳情及於二零零零年八月三十一日尚未獲行使（但將於二零零七年七月十一日失效）之購股權：

15. SHARE CAPITAL (Cont'd)

(d) Details of Share Options granted by the Company during the year pursuant to the Share Option Scheme and the options outstanding at 31 August 2000, which will lapse not later than 11th July 2007, are as follows:

授出日期	Date of grant	一九九七年 九月十九日 19th September 1997	一九九七年 九月十九日 19th September 1997	一九九八年 九月三日 3rd September 1998	一九九九年 九月十日 10th September 1999	二零零零年 六月二日 2nd June 2000
每股認購價（港元）	Subscription price per share (HK\$)	1.50	1.20	0.26	2.10	1.50
於一九九九年九月一日 尚未獲行使	Outstanding at 1st September 1999	1,300,000	1,500,000	8,710,000	-	-
授出	Granted	-	-	-	674,000	21,030,000
行使	Exercised	(1,300,000)	-	(4,190,000)	(614,000)	-
註銷	Cancelled	-	-	(40,000)	-	(22,000)
於二零零零年八月三十一日 尚未獲行使	Outstanding at 31st August 2000	-	1,500,000	4,480,000	60,000	21,008,000

15. 股本 (續)

(e) 以下為二零零零年八月三十一日尚未獲行使之購股權之行使期：

授出日期	Date of grant	一九九七年 九月十九日 19th September 1997	一九九八年 九月三日 3rd September 1998	一九九九年 九月十日 10th September 1999	二零零零年 六月二日 2nd June 2000
可即時行使	Immediately exercisable	–	50,000	60,000	6,000,000
於下列日期或之後：	On or after:				
二零零零年九月三日	3rd September 2000	–	3,930,000	–	–
二零零零年九月十九日	19th September 2000	1,500,000	–	–	–
二零零一年九月三日	3rd September 2001	–	500,000	–	–
二零零一年六月二日	2nd June 2001	–	–	–	7,008,000
二零零二年六月二日	2nd June 2002	–	–	–	8,000,000
總計	Total	1,500,000	4,480,000	60,000	21,008,000

此外，本集團之僱員（包括本公司之執行董事）先後於一九九九年十二月八日、一九九九年十二月十四日、二零零零年二月十二日及二零零零年三月六日獲授予購股權，可分別按每股8.00港元、8.20港元、6.00港元及2.10港元之認購價認購股份748,000股、20,000,000股、100,000股及260,000股。可認購股份78,000股之購股權因有關僱員辭職而註銷，而其餘可認購股份21,030,000股之購股權則根據一項於二零零零年六月二日通過之董事局決議案予以註銷。

15. SHARE CAPITAL (Cont'd)

(e) The vesting periods of the outstanding Share Options at 31st August 2000 are as follows:

授出日期	Date of grant	一九九七年 九月十九日 19th September 1997	一九九八年 九月三日 3rd September 1998	一九九九年 九月十日 10th September 1999	二零零零年 六月二日 2nd June 2000
可即時行使	Immediately exercisable	–	50,000	60,000	6,000,000
於下列日期或之後：	On or after:				
二零零零年九月三日	3rd September 2000	–	3,930,000	–	–
二零零零年九月十九日	19th September 2000	1,500,000	–	–	–
二零零一年九月三日	3rd September 2001	–	500,000	–	–
二零零一年六月二日	2nd June 2001	–	–	–	7,008,000
二零零二年六月二日	2nd June 2002	–	–	–	8,000,000
總計	Total	1,500,000	4,480,000	60,000	21,008,000

In addition, Share Options to subscribe for 748,000 Shares, 20,000,000 Shares, 100,000 Shares and 260,000 Shares at a subscription price of HK\$8.00, HK\$8.20, HK\$6.00 and HK\$2.10 per Share were granted to the employees of the Group including executive directors of the Company on 8th December 1999, 14th December 1999, 12th February 2000 and 6th March 2000 respectively. Share Options to subscribe for 78,000 Shares were cancelled upon the resignation of employees while the remaining Share Options to subscribe for 21,030,000 Shares were cancelled pursuant to a board resolution passed on 2nd June 2000.

賬目附註

NOTES TO THE ACCOUNTS

16. 儲備

16. RESERVES

		本集團 Group		本公司 Company	
		2000 千港元 HK\$'000	1999 千港元 HK\$'000	2000 千港元 HK\$'000	1999 千港元 HK\$'000
股份溢價賬	Share premium account				
於九月一日	At 1st September	161,603	160,795	161,603	160,795
根據全球售股建議 發行股份之溢價 (附註15(a))	Premium on shares issued pursuant to the Global Offering (note 15(a))	440,000	–	440,000	–
全球售股建議所需 費用(附註15(a))	Expenses in connection with the Global Offering (note 15(a))	(36,377)	–	(36,377)	–
因行使購股權而 發行股份之溢價 (附註15(c))	Premium on shares issued upon exercise of Share Options (note 15(c))	3,719	808	3,719	808
於八月三十一日	At 31st August	568,945	161,603	568,945	161,603
保留溢利	Retained profits				
於九月一日	At 1st September	68,273	65,718	91,362	78,215
本年度保留溢利	Profit for the year retained	70,001	7,647	6,613	13,147
一九九九年度末期股息	1999 final dividend	(33)	–	(33)	–
收購附屬公司 撇銷商譽	Goodwill on acquisition of subsidiaries written off	–	(5,092)	–	–
於八月三十一日	At 31st August	138,241	68,273	97,942	91,362

16. 儲備 (續)

16. RESERVES (Cont'd)

		本集團 Group		本公司 Company	
		2000 千港元 HK\$'000	1999 千港元 HK\$'000	2000 千港元 HK\$'000	1999 千港元 HK\$'000
匯兌儲備	Exchange reserve				
於九月一日	At 1st September	(2,127)	-	-	-
兌換海外附屬公司賬目 之匯兌調整	Exchange adjustment on translation of the accounts of overseas subsidiaries	(595)	(2,127)	-	-
於八月三十一日	At 31st August	(2,722)	(2,127)	-	-
儲備總額	Total reserves	704,464	227,749	666,887	252,965

17. 非流動負債 - 本集團及本公司

17. NON-CURRENT LIABILITIES - GROUP AND COMPANY

		附註 Note	2000	1999
			千港元 HK\$'000	千港元 HK\$'000
融資租賃承擔	Obligations under finance leases	(a)	7,390	11,482
遞延稅項	Deferred taxation	(b)	4,485	3,485
			11,875	14,967

賬目附註

NOTES TO THE ACCOUNTS

17. 非流動負債 – 本集團及本公司 (續)

17. NON-CURRENT LIABILITIES – GROUP AND COMPANY (Cont'd)

(a) 融資租賃承擔

(a) Obligations under finance leases

		2000	1999
		千港元 HK\$'000	千港元 HK\$'000
須於下列期間償還之融資租賃承擔：	Obligations under finance leases are repayable in the following periods:		
– 一年內到期	– within one year	4,089	3,739
– 第二年到期	– in the second year	4,438	4,056
– 第三至五年到期 (包括首尾兩年)	– in the third to fifth years inclusive	2,952	7,426
		7,390	11,482
		11,479	15,221

17. 非流動負債 – 本集團及本公司 (續)**(b) 遞延稅項**

於二零零零年八月三十一日，潛在遞延稅項負債及就加速折舊免稅額而作撥備之款項如下：

		2000		1999	
		全面潛在負債 Full potential liabilities 千港元 HK\$'000	已作撥備 Provision made 千港元 HK\$'000	全面潛在負債 Full Potential Liabilities 千港元 HK\$'000	已作撥備 Provision made 千港元 HK\$'000
本集團	Group				
加速折舊免稅額	Accelerated depreciation allowances	32,596	4,485	9,252	3,485
稅項損失	Tax losses	(54,525)	–	(9,892)	–
		(21,929)	4,485	(640)	3,485
本公司	Company				
加速折舊免稅額	Accelerated depreciation allowances	10,298	4,485	9,252	3,485

遞延稅項撥備之變動如下：

17. NON-CURRENT LIABILITIES – GROUP AND COMPANY (Cont'd)**(b) Deferred taxation**

As at 31st August 2000, the potential deferred tax liabilities and the amount provided in respect of accelerated depreciation allowances are as follows:

Movements on provision for deferred taxation are as follows:

		2000	1999
		千港元 HK\$'000	千港元 HK\$'000
於九月一日	At 1st September	3,485	3,485
轉撥自損益賬	Transfer from profit and loss account	1,000	–
於八月三十一日	At 31st August	4,485	3,485

賬目附註

NOTES TO THE ACCOUNTS

18. 綜合現金流量表附註

18. NOTES TO THE CONSOLIDATED CASH
FLOW STATEMENT(a) 除稅前溢利與經營業務所得之現金
(流出) / 流入淨額對賬(a) Reconciliation of profit before taxation to net
cash (outflow)/inflow from operating activities

		2000 千港元 HK\$'000	1999 千港元 HK\$'000
除稅前溢利	Profit before taxation	56,145	25,805
自置固定資產折舊	Depreciation of owned fixed assets	46,887	26,997
根據融資租賃持有之 固定資產折舊	Depreciation of fixed assets held under finance leases	5,726	4,406
利息收入	Interest income	(31,857)	(10,959)
利息支出	Interest expense	5,142	881
融資租賃利息部分	Interest element of finance leases	1,086	434
出售固定資產虧損	Loss on disposal of fixed assets	2,699	876
攤薄一間附屬公司之權益所得收益	Gain on dilution of interest in a subsidiary	(185,811)	-
應收賬款、其他應收賬項、按金 及預付款項及遞延廣告 及推廣費用減少 / (增加)	Decrease/(increase) in accounts receivable, other receivables, deposits and prepayments and deferred advertising and promotional expenses	6,221	(74,698)
應收有關連公司款項減少	Decrease in amounts due from related companies	-	177
應付一家有關連公司款項減少	Decrease in amount due to a related company	-	(2,328)
應付賬款、其他應付賬項、 應計費用、已收按金及 遞延服務收入增加	Increase in accounts payable, other payables, accrued charges, deposits received and deferred service income	67,195	173,423
經營業務所得現金 (流出) / 流入淨額	Net cash (outflow)/inflow from operating activities	(26,567)	145,014

18. 綜合現金流量表附註 (續)

18. NOTES TO THE CONSOLIDATED CASH
FLOW STATEMENT (Cont'd)

(b) 年內融資變動之分析

(b) Analysis of changes in financing during the year

		股本(包括 股份溢價) Share capital (including share premium) 千港元 HK\$'000	少數股東 權益 Minority interests 千港元 HK\$'000	融資租賃承擔 Obligations under finance leases 千港元 HK\$'000
一九九九年九月一日結餘	Balance at 1st September 1999	201,953	–	15,221
發行新股份	Issue of new shares	452,329	–	–
全球售股建議所需費用	Expenses in connection with the Global offering	(36,377)	–	–
發行一間附屬公司之新股份	Issue of new shares of a subsidiary	–	225,000	–
攤薄一間附屬公司之權益 所得收益	Gain on dilution of interest in a subsidiary	–	(185,811)	–
一名少數股東所佔虧損	Share of loss by a minority shareholder	–	(15,058)	–
償還融資租賃 之資本部分	Payment of capital element of finance leases	–	–	(3,742)
二零零零年	Balance at 31st August 2000	617,905	24,131	11,479
八月三十一日結餘				
一九九八年九月一日結餘	Balance at 1st September 1998	200,795	–	66
發行新股份	Issue of new shares	1,158	–	–
訂立融資租賃	Inception of finance leases	–	–	23,581
償還融資租賃 之資本部分	Payment of capital element of finance leases	–	–	(8,426)
一九九九年	Balance at 31st August 1999	201,953	–	15,221
八月三十一日結餘				

賬目附註

NOTES TO THE ACCOUNTS

18. 綜合現金流量表附註(續)

18. NOTES TO THE CONSOLIDATED CASH
FLOW STATEMENT (Cont'd)

(c) 收購附屬公司

(c) Acquisition of subsidiaries

		2000	1999
		千港元 HK\$'000	千港元 HK\$'000
購入資產及負債	Assets and liabilities acquired		
固定資產	Fixed assets	-	11,251
流動資產	Current assets	-	8,242
本公司按金	Deposit from the Company	-	(11,560)
流動負債	Current liabilities	-	(14,405)
現金及銀行結餘	Cash and bank balances	-	1,859
		-	(4,613)
收購商譽	Goodwill on acquisition	-	5,092
		-	479
付款形式	Satisfied by		
現金	Cash	-	479

上年度收購之附屬公司為本集團之營運現金淨額貢獻652,000港元，就投資回報淨額及償還融資收取90,000港元及動用617,000港元進行投資。

The subsidiaries acquired last year contributed HK\$652,000 to the Group's net operating cash flows, received HK\$90,000 in respect of the net returns on investments and servicing of finance and utilised HK\$617,000 for investing activities.

18. 綜合現金流量表附註 (續)**18. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (Cont'd)**

(d) 有關收購附屬公司之現金流入淨額
分析：

(d) Analysis of the net cash inflow in respect of
acquisition of subsidiaries:

		2000	1999
		千港元 HK\$'000	千港元 HK\$'000
總收購代價	Total purchase consideration	-	(479)
收購之現金及銀行結餘	Cash and bank balances acquired	-	1,859
有關收購附屬公司之 現金流入淨額	Net cash inflow in respect of acquisition of subsidiaries	-	1,380

19. 承擔**19. COMMITMENTS**

(a) 資本承擔

(a) Capital commitments

		本集團 Group		本公司 Company	
		2000	1999	2000	1999
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
購買電訊、電腦 及辦公室設備	Purchase of telecommunications, computer and office equipment				
— 已訂約但 未撥備	— contracted but not provided for	123,224	41,414	1,075	41,414

賬目附註

NOTES TO THE ACCOUNTS

19. 承擔 (續)

(b) 經營租約承擔

於二零零零年八月三十一日，本集團及本公司根據不可撤銷經營租約須於未來十二個月付款之承擔如下：

19. COMMITMENTS (Cont'd)

(b) Commitments under operating leases

As at 31st August 2000, the Group and the Company had commitments to make payments in the next twelve months under non-cancellable operating leases as follows:

		2000	1999
		千港元 HK\$'000	千港元 HK\$'000
土地及樓宇之租約屆滿期：	Leases in respect of land and buildings which expire:		
— 一年內	— within one year	2,917	10,418
— 第二至第五年	— between two to five years	19,185	12,364
		22,102	22,782
電腦設備之租約屆滿期：	Leases in respect of computer equipment which expire:		
— 第二至第五年	— between two to five years	7,707	3,990
		29,809	26,772

20. 資產抵押

於二零零零年二月三日，本集團獲電訊管理局發出無線固定電訊網絡服務牌照（「無線固網牌照」），可在香港提供電訊網絡服務。根據無線固網牌照之條款，於二零零零年八月三十一日，本集團在一間銀行存有30,000,000港元作為向電訊管理局保證切實履行無線固網牌照各項條款之保證金。在符合無線固網牌照所定各項條款之要求後，有關之保證責任即告解除，存款亦將獲發還。

21. 有關連人士之交易

以下為在本集團在正常業務過程中進行之重大有關連人士之交易：

20. PLEDGE OF ASSETS

On 3rd February 2000, the Group obtained a Wireless Fixed Telecommunications Network Services License ("WFTNS License") from the Office of the Telecommunication Authority (the "OFTA") for the provision of telecommunication network services in Hong Kong. Pursuant to the terms of the WFTNS License, the Group had a deposit of HK\$30,000,000 at a bank as at 31st August 2000 as a surety to the OFTA for the due performance of the terms of the WFTNS License. The liability of the surety shall reduce and the deposit be refunded upon satisfying the terms stipulated in the WFTNS License.

21. RELATED PARTY TRANSACTIONS

Significant related party transactions, which were carried out in the normal course of the Group's business, are as follows:

			2000	1999
	附註 Note	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
應付予DDI Corporation之通話費	Calling charges payable to DDI Corporation	(a)	33,129	-
應付予City Telecom Inc.及City Telecom (B.C.) Inc.之通話費	Calling charges payable to City Telecom Inc. and City Telecom (B.C.) Inc.	(b)	-	29,976
應向City Telecom Inc.及City Telecom (B.C.) Inc.收取之通話費	Calling charges receivable from City Telecom Inc. and City Telecom (B.C.) Inc.	(b)	-	2,997

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NOTES TO THE ACCOUNTS

21. 有關連人士之交易 (續)

21. RELATED PARTY TRANSACTIONS (Cont'd)

			2000	1999
		附註 Note	千港元 HK\$'000	千港元 HK\$'000
應付予City Telecom Inc. 及City Telecom (B.C.) Inc. 之租賃線路費用	Leased circuit charges payable to City Telecom Inc. and City Telecom (B.C.) Inc.	(b)	-	1,426
應付予City Telecom Inc.之交換設備租賃費用	Rental charges on switching equipment payable to City Telecom Inc.	(b)	-	1,474

(a) 此乃根據本公司與DDI Corporation (前稱KDD Corporation, 為本公司屬下一間附屬公司之少數股東) 於一九九九年所訂服務協議, 須就二零零零年三月一日 (即DDI Corporation認購該附屬公司15%股權之日) 至二零零零年八月三十一日止期間向DDI Corporation支付之通話費。交易乃按服務協議之條款及按不遜於第三者所提供之條款進行。

(a) These represent calling charges payable to DDI Corporation (formerly known as KDD Corporation), a minority shareholder of a subsidiary of the Company, for the period from 1st March 2000 (the date when DDI Corporation subscribed for 15% equity interest in that subsidiary) to 31st August 2000, pursuant to the service agreements entered into between the Company and DDI Corporation in 1999. The transactions were conducted in accordance with the terms of the service agreements and on terms no less favourable than terms available from third parties.

21. 有關連人士之交易 (續)

- (b) 於一九九八年十二月三十日之前，City Telecom Inc.及City Telecom (B.C.) Inc.之股東為本公司董事張子建先生之親屬。於一九九八年十二月三十日，本集團收購City Telecom Inc.及City Telecom (B.C.) Inc.之全部已發行股本，該兩間公司因此而成為本集團之全資附屬公司。此等集團內公司間之交易已於綜合賬目時對銷。

22. 待決訴訟

- (a) 一九九八年七月，香港電訊有限公司向本公司展開訴訟，並提交索償陳述書，指稱本公司違反與香港電訊有限公司所訂合約之條款及觸犯經濟侵權。本公司已於一項綜合辯護中否認上述指控，辯護包括向香港電訊有限公司於香港作出之反競爭行為提出反索償。香港電訊有限公司之索償額及本公司之反索償額仍未確定。有關案件仍在披露文件階段，預期將不會於二零零一年第三季前開審。董事認為該等指控缺乏充份理據，現擬就該訴訟極力抗辯。本公司並未就是次索償在賬目中作出撥備。

21. RELATED PARTY TRANSACTIONS (Cont'd)

- (b) Prior to 30th December 1998, the shareholders of City Telecom Inc. and City Telecom (B.C.) Inc. are relatives of Mr CHEUNG Chi Kin, Paul, a director of the Company. On 30th December 1998, the Group acquired the entire issued share capital of City Telecom Inc. and City Telecom (B.C.) Inc. which became wholly owned subsidiaries of the Group. Such inter-company transactions have since been eliminated on consolidation.

22. PENDING LITIGATION

- (a) In July 1998, Cable & Wireless HKT, a Hong Kong company, commenced proceedings against the Company and served a statement of claim which alleges that the Company has breached the terms of a contract it had with Cable & Wireless HKT and committed an economic tort. The Company denied these allegations in a comprehensive defence which included a counterclaim against the Plaintiffs seeking damages for anti-competitive practices conducted by Cable & Wireless HKT in Hong Kong. Both the claim by Cable & Wireless HKT and the counterclaim by the Company have not been quantified. The case is now in its discovery phase and the trial is not expected to take place until the third quarter of 2001. The directors believe that the allegations are without merit and intend to defend the litigation vigorously. No provision against the claims has been made in the accounts.

賬目附註

NOTES TO THE ACCOUNTS

22. 待決訴訟（續）

(b) 於一九九九年一月，Jade Com Development Limited（「Jade Com」）向本公司及本公司兩名董事採取法律行動，指稱Jade Com與本公司全資附屬公司Attitude Holdings Limited訂立之國際轉駁服務合約未獲履行。Jade Com就違反合同及失實陳述索取賠償，並指稱本公司在合約項下尚餘約3,600,000美元之承擔。然而，董事認為，基於Jade Com違反了合約中有關其須取得提供服務所需之合法批准及牌照之條件，故此本集團有權終止合約。因此，本公司並未就是項訴訟在賬目中作出撥備。

22. PENDING LITIGATION (Cont'd)

(b) In January 1999, Jade Com Development Limited (“Jade Com”) commenced proceedings against the Company and two directors of the Company alleging repudiation of the international carrier service agreement between Jade Com and Attitude Holdings Limited, a wholly-owned subsidiary of the Company. Jade Com claimed damage for breach of contract and misrepresentation and alleged that the Company has a remaining commitment of approximately US\$3.6 million under the agreement. The directors believe, however, that the Group was entitled to terminate the agreement on the basis that Jade Com had breached a condition of the agreement that they obtain the necessary legal approvals and licenses necessary for the provision of their services. Accordingly, no provision has been made in the accounts with respect to the litigation.

22. 待決訴訟 (續)

(c) 於一九九九年六月，新世界電話有限公司（「新世界」）向本公司採取法律行動。糾紛源於雙方所訂立之合約安排。根據有關合約安排，新世界透過其電訊網絡設施及運作系統，為本公司打出或打入之國際電話傳送，提供網絡服務。在此訴訟中，新世界指稱（其中包括）本公司未有支付予新世界之接駁費用及新世界有權取回據稱誤付予本公司之傳送費用。新世界之索償總額為約96,400,000港元。董事認為，本公司有權以應付予新世界之接駁費用抵銷本公司應收取之傳送費用。本公司已於一九九九年八月及十月作出辯護，並已指示法律顧問就該訴訟極力抗辯。本公司並未就是項訴訟在賬目中作出撥備。

23. 批准賬目

董事局於二零零零年十一月二十七日批准賬目。

22. PENDING LITIGATION (Cont'd)

(c) In June 1999, New World Telephone Limited ("New World") commenced proceedings against the Company. The dispute arises from contractual arrangements between the parties whereby New World provided carrier services to the Company for the Company's incoming and outgoing international telephone call traffic through the New World's telecommunication network facility and operation system. In the proceedings, New World alleges, inter alia, that the Company failed to settle the interconnection fees payable to New World and that New World is entitled to recover delivery fees allegedly paid by mistake to the Company. New World's claim is for a total of approximately HK\$96.4 million. The directors believe that the Company is entitled to set off the interconnection fees payable to New World against the delivery fees receivable by the Company. Defences were filed in August and October 1999 to the same effect. The Company has instructed solicitors to defend the case vigorously. No provision against the claims has been made in the accounts.

23. APPROVAL OF ACCOUNTS

The accounts were approved by the board of directors on 27th November 2000.