

Construction in Progress HK\$'000	Freehold Properties HK\$'000	Other Equipment HK\$'000	Sub-total HK\$'000	Freehold Investment Properties HK\$'000	Leasehold Investment Properties HK\$'000	Sub-total HK\$'000	Total HK\$'000
428,540	2,169	202,671	22,902,784	768,703	246,402	1,015,105	23,917,889
-	-	(3,286)	(4,720)	-	-	-	(4,720)
-	-	1,869	6,490	-	-	-	6,490
(428,540)	(2,169)	(191,580)	(22,882,426)	(768,703)	(246,402)	(1,015,105)	(23,897,531)
-	-	(646)	(6,209)	-	-	-	(6,209)
-	-	9,028	15,919	-	-	-	15,919
-	775	13,455	1,107,610	-	-	-	1,107,610
-	-	(1,314)	(1,992)	-	-	-	(1,992)
-	-	1,540	2,788	-	-	-	2,788
-	(775)	(8,152)	(1,096,979)	-	-	-	(1,096,979)
-	-	(646)	(4,081)	-	-	-	(4,081)
-	-	4,883	7,346	-	-	-	7,346
-	-	4,145	8,573	-	-	-	8,573
428,540	1,394	189,216	21,795,174	768,703	246,402	1,015,105	22,810,279



11. Fixed Assets (cont'd)

(b) *The Company*

	Plant, Machinery and Other Equipment HK\$'000
Cost	
At 1 January, 2000	16,568
Exchange difference	(466)
Additions	3,227
Disposals	(6,209)
At 31 December 2000	13,120
Accumulated Depreciation	
At 1 January, 2000	9,766
Exchange difference	(261)
Charge for the year	1,634
Disposals	(4,081)
At 31 December, 2000	7,058
Net Book Value	
At 31 December, 2000	6,062
At 31 December, 1999	6,802

(c) As at 31 December, 1999, all land held by the Group was located outside Hong Kong as follows:

	The Group 1999 HK\$'000
Freehold	4,496,436
Long term lease	305,872

(d) *Investment Properties*

The Group's investment properties were revalued annually and in accordance with this policy had been revalued in 1999 by the following professional valuers on an open market basis:

- Freehold investment properties (located in Singapore) – Knight Frank Cheong Hock Chye & Baillieu (Property Consultants) Pte. Ltd., international property consultant.

11. Fixed Assets (cont'd)

(d) *Investment properties (cont'd)*

Leasehold investment properties (located in United States of America)	–	PKF Consulting, property consultants.
Leasehold investment properties (located in United Kingdom)	–	Marler & Marler, surveyors and estate agents.
Freehold investment property (located in Australia)	–	CB Richard Ellis, international property consultants, licensed estate agent and valuers.

The Directors were of the opinion that there were no significant restrictions on the realisability of investment properties, or on the remittance of income and proceeds of disposal relating thereto.

- (e) During the year, borrowing costs capitalised as cost of construction in progress in fixed assets amounted to HK\$Nil (1999: HK\$3,215,000). The borrowing costs were capitalised at rates of nil% (1999: 4.03% to 6.86%) per annum.

12. Interests in Subsidiaries

	The Company	
	2000	1999
	HK\$'000	HK\$'000
Long-Term:		
Shares at cost		
– unlisted	220,860	10
– listed outside Hong Kong	–	5,865,099
	220,860	5,865,109
Less:		
Provision for diminution in value	(53,206)	–
	167,654	5,865,109
Loans owing (to)/by subsidiaries		
– interest free	(11,902)	85,606
	155,752	5,950,715
Market value of shares listed outside Hong Kong at 31 December	–	5,969,322
Current:		
Amounts owing by subsidiaries		
– interest bearing	–	10,657
– interest free	11,713	153,810
Total (Note 19)	11,713	164,467



12. Interests in Subsidiaries (cont'd)

The amounts owing (to)/by subsidiaries are unsecured and have no fixed terms of repayment. In respect of interest bearing amounts, interest is charged at rates of nil% (1999: 6%) per annum.

Further details regarding subsidiaries are set out in note 33.

13. Interests in Associates

	The Group		The Company	
	2000 HK\$'000	1999 HK\$'000	2000 HK\$'000	1999 HK\$'000
Long-Term:				
Share of net assets	-	600,772	-	-
Amounts owing by associates				
Deposit on lease contract	-	11,127	-	-
Loan account				
- secured	-	3,021	-	-
- unsecured				
- interest bearing	-	174,413	-	-
- interest free	-	353,649	-	353,083
	-	542,210	-	353,083
	-	1,142,982	-	353,083
Current:				
Amounts owing by associates (Note 19)	-	12,438	-	4,554

Deposit on lease contract represented an amount placed for the lease of a hotel site from an associate and bore interest at 10% per annum. The interest receivable on the deposit was included in the current account.

The secured loan amount bore interest at 5% per annum. The unsecured, interest bearing loan bore interest of between 4.6% to 6.9% per annum.

14. Other Non-Current Financial Assets

	The Group	
	2000 HK\$'000	1999 HK\$'000
At Fair Value		
Other investments		
Equity securities		
– listed outside Hong Kong	–	767
– unlisted	–	63
Other securities		
– listed outside Hong Kong	–	5,721
	–	6,551
Market value at 31 December:		
Equity securities listed outside Hong Kong	–	767
Other securities listed outside Hong Kong	–	5,721
	–	6,488

15. Affiliated Companies

	The Group		The Company	
	2000 HK\$'000	1999 HK\$'000	2000 HK\$'000	1999 HK\$'000
Amounts owing by:				
Immediate holding company	734	3,463	734	3,450
Other affiliated companies				
– interest bearing	12,527	–	12,527	–
– interest free	3,683	458	3,683	458
	16,944	3,921	16,944	3,908
Amounts owing to:				
Other affiliated companies				
– interest free	13,224	6,196	2,701	–

The amounts owing (to)/by affiliated companies are unsecured and have no fixed terms of repayment. In respect of interest bearing amounts, interest is charged at rate of 6% (1999: Nil%) per annum. The management of the parties involved does not intend for the amounts to be repaid within the next 12 months.

The immediate holding company is City Developments Limited. The Directors consider the ultimate holding company at 31 December, 2000 to be Hong Leong Investment Holdings Pte. Ltd.. Both the immediate and ultimate holding companies are incorporated in the Republic of Singapore. Other affiliated companies comprise fellow subsidiaries of the immediate holding company and the ultimate holding company.



16. Deferred Expenditure

	The Group 2000 HK\$'000	The Company 2000 HK\$'000
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Cost		
At 1 January, 2000	270,070	9,796
Balances of subsidiaries disposed	(260,274)	-
Balance written off	(9,796)	(9,796)
At 31 December, 2000	-	-
Less:		
Amortisation		
At 1 January, 2000	146,147	9,796
Balances of subsidiaries disposed	(136,351)	-
Balance written off	(9,796)	(9,796)
At 31 December, 2000	-	-
Net book value at 31 December, 2000	-	-
Net book value at 31 December, 1999	123,923	-

17. Development Properties and Inventories

	The Group	
	2000 HK\$'000	1999 HK\$'000

Property Development

Properties under development	-	90,749
Properties held for resale	-	47,131
	-	137,880

Inventories

Food, beverage and tobacco	-	45,252
Others	-	17,527
	-	62,779