

## **SIGNIFICANT ACCOUNTING POLICIES**

### **Basis of preparation**

These financial statements have been prepared in accordance with Hong Kong SSAPs, accounting principle generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention.

The unaudited interim financial statements of the Group have been prepared in compliance with Statement of Standard of Accounting Practice (“SSAP”) 25 “Interim financial reporting”, except that comparative figures are not presented for the cash flow statement, being the first cash flow statement to be included in the interim financial report relating to accounting period ended on or after 1st August, 2000. Such departures from SSAP 25 are permitted under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The accounting policies adopted are consistent with those followed in the Group’s annual financial statements for the year ended 31st July, 2000.