



To the members

First Tractor Company Limited

(Incorporated in the People's Republic of China with limited liability)

We have audited the financial statements on pages 46 to 108 which have been prepared in accordance with accounting principles generally accepted in Hong Kong.

Respective responsibilities of directors and auditors

The Company's directors are responsible for the preparation of financial statements which give a true and fair view. In preparing financial statements which give a true and fair view it is fundamental that appropriate accounting policies are selected and applied consistently. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Statements of Auditing Standards issued by the Hong Kong Society of Accountants. An audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's and the Group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material misstatement. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements. We believe that our audit provides a reasonable basis for our opinion.

致：全體股東

第一拖拉機股份有限公司

(在中華人民共和國註冊之有限責任公司)

本核數師(以下簡稱「我們」)已完成審核載於第46頁至第108頁按照一般香港公認之會計原則編製的財務報表。

董事及核數師各自的責任

貴公司董事的責任是編製真實而公允的財務報表。在編製真實而公允的財務報表時，董事必須貫徹採用合適之會計政策。我們的責任是根據審核工作之結果，對該等財務報表作出獨立意見，並將此意見向股東作出報告。

意見的基礎

我們是按照香港會計師公會頒佈的核數準則實行審核工作。審核範圍包括以抽查方式查核與財務報表所載數額及披露事項有關的憑證，亦包括評估董事於編製該等財務報表時所作出的重大評估及判斷，所釐定的會計政策是否適合 貴公司及 貴集團的具體情況，及有否貫徹執行並足夠地披露該等會計政策。

在策劃及進行審核工作時，均以取得一切我們認為必須的資料及解釋為目標，使我們能獲得充份的憑證，及就該等財務報表是否存有重要之錯誤陳述，作出合理的確定。在表達意見時，我們亦已衡量該等財務報表所載資料在整體上是否足夠。我們相信，我們之審核工作已為下列意見建立合理的基礎。

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2001 and of the loss and cash flows of the Group for the year then ended and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Ernst & Young
Certified Public Accountants
Hong Kong, 26 April 2002

意見

我們認為，上述的財務報表均真實與公允地反映 貴公司及 貴集團於二零零一年十二月三十一日的財務狀況及 貴集團截至該日止年度的虧損及現金流量，並已按照香港公司條例之披露規定適當編製。

安永會計師事務所
執業會計師
香港，二零零二年四月二十六日

Consolidated Profit and Loss Account 綜合損益表

Year ended 31 December 2001

截至二零零一年十二月三十一日止年度

		Notes 附註	2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元
TURNOVER	營業額	5	1,863,824	1,997,314
Cost of sales	銷售成本		(1,625,739)	(1,738,817)
Gross profit	毛利		238,085	258,497
Other revenue and gains	其他收入及收益	5	99,697	64,993
Selling expenses	銷售費用		(89,516)	(109,255)
Administrative expenses	管理費用		(216,242)	(195,494)
Other operating expenses	其他經營費用		(95,505)	(138,628)
LOSS FROM OPERATING ACTIVITIES	經營業務虧損	6	(63,481)	(119,887)
Finance costs	財務費用	7	(20,168)	(19,627)
Share of profits less losses of :	應佔溢利扣除虧損：			
Jointly-controlled entity	聯合控制企業		830	861
Associates	聯營公司		(14,788)	(29,403)
LOSS BEFORE TAX	除稅前虧損		(97,607)	(168,056)
Tax	稅項	10	(16,786)	(13,142)
LOSS BEFORE MINORITY INTERESTS	未計少數股東權益前虧損		(114,393)	(181,198)
Minority interests	少數股東權益		(3,406)	24,145
NET LOSS FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS	股東應佔日常業務 虧損淨額	11	(117,799)	(157,053)
LOSS PER SHARE - Basic	每股虧損 - 基本	12	15.01 cents	20.01 cents

Consolidated Statement of Recognised Gains and Losses 綜合確認損益表

Year ended 31 December 2001
截至二零零一年十二月三十一日止年度

		Note 附註	2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元
Net loss from ordinary activities attributable to shareholders	股東應佔日常業務虧損淨額		(117,799)	(157,053)
Total recognised gains and losses	確認收益及虧損總額		(117,799)	(157,053)
Goodwill eliminated directly against consolidated reserves	直接與綜合儲備抵銷之商譽	33	—	(14,269)
			(117,799)	(171,322)

Consolidated Balance Sheet 綜合資產負債表

31 December 2001

二零零一年十二月三十一日

	Notes 附註	2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元
NON-CURRENT ASSETS			
Fixed assets	13	801,858	870,381
Construction in progress	14	59,032	63,468
Interest in a jointly-controlled entity	17	29,388	28,688
Interests in associates	18	—	14,788
Long term investments	19	91,608	48,608
		981,886	1,025,933
CURRENT ASSETS			
Inventories	20	559,455	599,038
Trade and bills receivables	21	423,589	487,419
Other receivables	22	128,031	103,472
Short term investments	25	82,264	109,640
Pledged deposits	26	23,302	—
Cash and cash equivalents	26	890,052	967,285
		2,106,693	2,266,854
CURRENT LIABILITIES			
Trade and bills payables	27	373,254	403,325
Tax payable		2,533	11,007
Other payables and accruals	28	280,119	363,863
Interest-bearing bank and other loans	30	257,060	194,039
		912,966	972,234
NET CURRENT ASSETS		1,193,727	1,294,620
TOTAL ASSETS LESS CURRENT LIABILITIES		2,175,613	2,320,553
NON-CURRENT LIABILITIES			
Interest-bearing bank loans	30	—	24,790
Deferred tax	31	1,234	3,702
		1,234	28,492
MINORITY INTERESTS		66,047	65,930
		2,108,332	2,226,131
CAPITAL AND RESERVES			
Issued capital	32	785,000	785,000
Reserves	33	1,323,332	1,441,131
		2,108,332	2,226,131

Dong Yong An 董永安
Director 董事

Shao Hai Chen 邵海晨
Director 董事

Consolidated Cash Flow Statement 綜合現金流量表

Year ended 31 December 2001
截至二零零一年十二月三十一日止年度

		Notes 附註	2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	經營業務之 淨現金流入／(流出)	34(a)	(6,887)	125,960
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	投資回報及 籌資費用			
Interest received	已收利息		32,523	27,927
Interest paid	支付利息		(20,168)	(19,627)
Dividend income from long term unlisted investments	長期非上市投資之 股息收入		1,250	—
Investment income received from short term listed investments	短期上市投資之 投資收入		7,400	—
Dividends paid	支付股息		—	(41,703)
Dividends paid to minority shareholders	支付少數股東之股息		(3,289)	(2,245)
Net cash inflow/(outflow) from returns on investments and servicing of finance	投資回報及籌資費用之 淨現金流入／(流出)		17,716	(35,648)
TAX	稅項			
Income tax paid	支付所得稅		(31,355)	(18,597)
INVESTING ACTIVITIES	投資活動			
Purchases of fixed assets and additions to construction in progress	購買固定資產及 增加在建工程支出		(65,987)	(46,966)
Purchases of long term investments	購買長期投資		(43,000)	(21,302)
Purchases of short term investments	購買短期投資		(121,509)	(107,504)
Acquisition of subsidiaries	收購附屬公司	34(c)	—	3,000
Acquisition of minority interests	收購少數股東權益	34(d)	—	(129,353)
Proceeds from disposal of short term investments	出售短期投資所得款項		155,956	53,000
Proceeds from disposal of fixed assets	出售固定資產所得款項		2,904	3,407
Increase in pledged deposits	已抵押存款增加		(23,302)	—
Increase in time deposits with original maturity of more than three months when acquired	存款期多於三個月的 定期存款增加		(32,275)	(4,225)
Net cash outflow from investing activities	投資活動之淨現金流出		(127,213)	(249,943)
NET CASH OUTFLOW BEFORE FINANCING ACTIVITIES	籌資活動前之 淨現金流出		(147,739)	(178,228)
FINANCING ACTIVITIES	籌資活動	34(b)		
New bank and other loans	新增銀行及其他貸款		309,220	258,270
Repayment of bank and other loans	償還銀行及其他貸款		(270,989)	(237,411)
Net cash inflow from financing activities	籌資活動之淨現金流入		38,231	20,859

Consolidated Cash Flow Statement 綜合現金流量表

Year ended 31 December 2001

截至二零零一年十二月三十一日止年度

		2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元
DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物之減少	(109,508)	(157,369)
Cash and cash equivalents at beginning of year	年初之現金及現金等價物	427,909	585,278
CASH AND CASH EQUIVALENTS AT END OF YEAR	年終之現金及 現金等價物	318,401	427,909
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等價物 之餘額分析		
Cash and bank balances	現金及銀行存款	266,604	333,261
Non-pledged time deposits with original maturity of less than three months when acquired	存款期少於三個月的 非抵押定期存款	51,797	94,648
		318,401	427,909

Balance Sheet 資產負債表

31 December 2001

二零零一年十二月三十一日

		Notes 附註	2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元
NON-CURRENT ASSETS 非流動資產				
Fixed assets 固定資產		13	619,277	667,776
Construction in progress 在建工程		14	51,946	56,074
Interests in subsidiaries 附屬公司權益		16	597,539	708,712
Investment in a jointly-controlled entity 聯合控制企業投資		17	25,000	25,000
Investments in associates 聯營公司投資		18	—	15,000
Long term investments 長期投資		19	55,303	25,303
			1,349,065	1,497,865
CURRENT ASSETS 流動資產				
Inventories 存貨		20	226,151	258,283
Trade and bills receivables 應收賬款及應收票據		21	97,696	80,752
Other receivables 其他應收款		22	65,055	47,856
Short term investments 短期投資		25	80,000	100,000
Pledged deposits 已抵押存款		26	16,446	—
Cash and cash equivalents 現金及現金等價物		26	641,584	647,172
			1,126,932	1,134,063
CURRENT LIABILITIES 流動負債				
Trade and bills payables 應付賬款及應付票據		27	221,432	246,686
Tax payable 應交稅金			—	3,055
Other payables and accruals 其他應付款及應計負債		28	129,687	138,919
Interest-bearing bank loans 附帶利息之銀行貸款		30	25,000	20,000
			376,119	408,660
NET CURRENT ASSETS 淨流動資產			750,813	725,403
TOTAL ASSETS LESS CURRENT LIABILITIES 資產總額減流動負債			2,099,878	2,223,268
NON-CURRENT LIABILITIES 非流動負債				
Interest-bearing bank loans 附帶利息之銀行貸款		30	—	5,000
Deferred tax 遞延稅項		31	1,234	3,702
			1,234	8,702
			2,098,644	2,214,566
CAPITAL AND RESERVES 股本及儲備				
Issued capital 已發行股本		32	785,000	785,000
Reserves 儲備		33	1,313,644	1,429,566
			2,098,644	2,214,566

Dong Yong An 董永安
Director 董事

Shao Hai Chen 邵海晨
Director 董事

Notes to Financial Statements 財務報表附註

31 December 2001

二零零一年十二月三十一日

1. CORPORATE INFORMATION

During the year, the Group was involved in the following principal activities:

- manufacture and sale of tractors and related parts and components
- manufacture and sale of road machinery
- manufacture and sale of construction machinery
- manufacture and sale of agricultural harvesting machinery
- manufacture and sale of biochemical products

In the opinion of the directors, the ultimate holding company of the Company is China First Tractor Group Company Limited (the “Holding”), which is established in the People’s Republic of China (the “PRC”).

2. IMPACT OF NEW AND REVISED HONG KONG STATEMENTS OF STANDARD ACCOUNTING PRACTICE (“SSAPs”)

The following recently-issued and revised SSAPs and related Interpretations are effective for the first time for the current year’s financial statements:

- SSAP 9 (Revised): “Events after the balance sheet date”
- SSAP 14 (Revised): “Leases”
- SSAP 18 (Revised): “Revenue”
- SSAP 26: “Segment reporting”
- SSAP 28: “Provisions, contingent liabilities and contingent assets”
- SSAP 29: “Intangible assets”
- SSAP 30: “Business combinations”
- SSAP 31: “Impairment of assets”
- SSAP 32: “Consolidated financial statements and accounting for investments in subsidiaries”
- Interpretation 12: “Business combinations - subsequent adjustment of fair values and goodwill initially reported”

1. 公司資料

本年內，本集團主要經營的業務如下：

- 製造及銷售農業拖拉機及有關零部件
- 製造及銷售路面機械
- 製造及銷售工程機械
- 製造及銷售農業收穫機械
- 製造及銷售生化產品

董事們認為，本公司的最終控股公司為於中華人民共和國（「中國」）成立的中國一拖集團有限公司（「控股公司」）。

2. 新增及經修訂香港會計實務準則（「會計實務準則」）的影響

以下為於本年度的財務報表首次生效之最近頒佈及經修訂會計實務準則及相關註釋：

- 會計實務準則第9號（經修訂）：「結算日後事項」
- 會計實務準則第14號（經修訂）：「租賃」
- 會計實務準則第18號（經修訂）：「收入」
- 會計實務準則第26號：「分類呈報」
- 會計實務準則第28號：「準備、或然負債和或然資產」
- 會計實務準則第29號：「無形資產」
- 會計實務準則第30號：「業務合併」
- 會計實務準則第31號：「資產減值」
- 會計實務準則第32號：「綜合財務報表和對附屬公司投資之會計處理」
- 詮釋第12號：「業務合併—其後對公平值作出之調整和首次呈報的商譽。」

2. IMPACT OF NEW AND REVISED HONG KONG STATEMENTS OF STANDARD ACCOUNTING PRACTICE (“SSAPs”)

(continued)

- Interpretation 13: “Goodwill - continuing requirements for goodwill and negative goodwill previously eliminated against/credited to reserves”

These SSAPs prescribe new accounting measurement and disclosure practices. The major effects on the Group’s accounting policies and on the amounts disclosed in these financial statements of those SSAPs and Interpretations which have had a significant effect on the financial statements are summarised as follows:

SSAP 9 (Revised) prescribes which type of events occurring after the balance sheet date require adjustment to the financial statements, and which require disclosure, but no adjustment. The revised SSAP has not had any material impact on the financial statements for the years ended 31 December 2001 and 31 December 2000.

SSAP 14 (Revised) prescribes the basis for lessor and lessee accounting for finance and operating leases, and the required disclosures in respect thereof. Certain amendments have been made to the previous accounting measurement treatments, which may be accounted for retrospectively or prospectively, in accordance with the requirements of the SSAP. The revised SSAP requirements have not had a material effect on the amounts previously recorded in the financial statements, therefore no prior year adjustment has been required. The disclosure changes under this SSAP have resulted in changes to the detailed information disclosed for operating leases, which are further detailed in note 37 to the financial statements.

SSAP 18 (Revised) prescribes the recognition of revenue and was revised as a consequence of the revision to SSAP 9 described above. Proposed final dividends from subsidiaries that are declared and approved by the subsidiaries after the balance sheet date are no longer recognised in the Company’s own financial statements for the year. The revised SSAP has not had any material impact on these financial statements.

2. 新增及經修訂香港會計實務準則(「會計實務準則」)的影響(續)

- 詮釋第13號：「商譽—先於儲備中抵銷／計入之商譽和負商譽之持續規定」

此等會計實務準則訂明新的會計計算方法及披露方式。此等會計實務準則及詮釋對財務表有重大影響，而對本集團之會計政策及於財務報表中披露之數額造成之主要影響載列如下：

會計實務準則第9號(經修訂)訂明結算日後發生而須對財務報表作出調整之事項，及須予披露但毋須作出調整之事項。經修訂會計實務準則對截至二零零一年及二零零零年十二月三十一日止年度之財務報表並無任何重大影響。

會計實務準則第14號(經修訂)訂明融資及經營租約下之出租人及承租人之會計處理基準，以及有關所需之披露。過往會計計算方法已作出若干修訂，並可按照會計實務準則之規定以追溯或自本年度起應用的方式處理。經修訂會計實務準則之規定並無對以前年度之財務報表內呈報之數額有重大影響，因此無需作出以前年度調整。根據此等經修訂會計實務準則作出之披露變動，導致就經營租約所披露之詳細資料有所變更，詳情見財務報表附註37。

會計實務準則第18號(經修訂)訂明收入確認之處理，並因應上述經修訂之會計實務準則第9號而作出修訂。於結算日後由附屬公司宣派及批准之附屬公司擬派末期股息，現不再於當年度本公司本身之財務報表中確認。經修訂會計實務準則對本財務報表並無任何重大影響。

Notes to Financial Statements 財務報表附註

31 December 2001

二零零一年十二月三十一日

2. IMPACT OF NEW AND REVISED HONG KONG STATEMENTS OF STANDARD ACCOUNTING PRACTICE (“SSAPs”) (continued)

SSAP 26 prescribes the principles to be applied for reporting financial information by segment. It requires that management assesses whether the Group’s predominant risks or returns are based on business segments or geographical segments and determines one of these bases to be the primary segment information reporting format, with the other as the secondary segment information reporting format. The impact of this SSAP is the inclusion of significant additional segment reporting disclosures which are set out in note 4 to the financial statements.

SSAP 28 prescribes the recognition criteria and measurement bases to apply to provisions, contingent liabilities and contingent assets, together with the required disclosures in respect thereof. SSAP 28 has not had any material impact on these financial statements, except that note 29 to the financial statements “Provision for product warranties” has been added to include the new required additional disclosures.

SSAP 30 prescribes the accounting treatment for business combinations, including the determination of the date of acquisition, the method for determining the fair values of the assets and liabilities acquired, and the treatment of goodwill or negative goodwill arising on acquisition. The SSAP requires the disclosure of goodwill and negative goodwill in the non-current assets section of the consolidated balance sheet. It requires that goodwill is amortised to the consolidated profit and loss account over its estimated useful life. Negative goodwill is recognised in the consolidated profit and loss account depending on the circumstances from which it arose, as further described in the accounting policy for negative goodwill disclosed in note 3 to the financial statements. Interpretation 13 prescribes the application of SSAP 30 to goodwill arising from acquisitions in previous years which remains eliminated against consolidated reserves. The adoption of the SSAP and Interpretation has not resulted in a prior year adjustment, for the reasons detailed in notes 15 and 17 to the financial statements.

2. 新增及經修訂香港會計實務準則（「會計實務準則」）的影響（續）

會計實務準則第26號訂明按業務分類呈報財務資料所適用之原則。該項準則規定管理層對本集團主要風險或回報是按照業務分類還是按地區分類，作出評估，然後決定其中一項基準為主要報告形式，另一項為次要報告形式，此項會計實務準則之影響是加入額外分類呈報之重大披露，詳情載於財務報表附註4。

會計實務準則第28號訂明準備、或然負債和或然資產之確認原則及計算基準，連同有關之所需披露。會計實務準則第28號對本財務報表並無任何重大影響，惟財務報表附註29「產品保用準備」已因應新增的額外披露規定而載入。

會計實務準則第30號訂明業務合併之會計處理，包括釐定收購日期、釐定所收購資產及負債之公平價值之方法，以及收購時之商譽或負商譽之會計處理。此會計實務準則規定於綜合資產負債表中非流動資產一節披露商譽及負商譽。該準則規定商譽按估計可用年期於綜合損益賬中攤銷。負商譽視乎產生之情況而於綜合損益賬中確認，詳情見財務報表附註3所披露有關負商譽之會計政策。詮釋第13號訂明，於以前年度自收購產生而留在綜合儲備中作抵銷之商譽，現以會計實務準則第30號處理。採納此項會計實務準則及詮釋並無帶來以前年度調整，有關原因詳載於財務報表附註15及17。

2. IMPACT OF NEW AND REVISED HONG KONG STATEMENTS OF STANDARD ACCOUNTING PRACTICE (“SSAPs”) (continued)

SSAP 31 prescribes the recognition and measurement criteria for impairments of assets. The SSAP is required to be applied prospectively and therefore, has had no significant effect on amounts previously reported in prior year financial statements.

SSAP 32 prescribes the accounting treatment and disclosures for the preparation and presentation of consolidated financial statements, and has had no significant impact on the preparation of these financial statements.

In addition to the above new and revised SSAPs and related Interpretations, certain minor revisions to the following SSAPs are effective for the first time for the current year’s financial statements:

- SSAP 10: “Accounting for investments in associates”
- SSAP 17: “Property, plant and equipment”
- SSAP 21: “Accounting for interests in joint ventures”

The only significant effect of these revisions is that SSAP 17 requires that impairment losses on fixed assets are aggregated with accumulated depreciation in note 13 to the financial statements, whereas previously they were deducted from the cost and accumulated depreciation of the relevant asset. This disclosure reclassification has had no significant effect on the net carrying amount of fixed assets in the balance sheet.

2. 新增及經修訂香港會計實務準則（「會計實務準則」）的影響（續）

會計實務準則第31號訂明資產減值之確認及計算原則。此項會計實務準則須自本年度起應用，因此對以前年度財務報表先前呈報之數額並無重大影響。

會計實務準則第32號訂明編製及呈報綜合財務報表之會計處理及披露，對本財務報表之編製並無重大影響。

除上述新增及經修訂之會計實務準則及相關詮釋外，尚有對下列會計實務準則之若干輕微修訂於本年度財務報表中首次生效：

- 會計實務準則第10號：「聯營公司投資之會計處理」
- 會計實務準則第17號：「物業、機器及設備」
- 會計實務準則第21號：「合營企業權益之會計處理」

此等修訂之唯一重要影響為：會計實務準則第17號規定，在財務報表附註13中，將固定資產之減值損失與累計折舊合併列示，而過往減值損失則是從相關資產之成本及累計折舊中扣除。此項披露之重新分類對資產負債表之固定資產之賬面淨值並無重大影響。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with SSAPs, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for the periodic remeasurement of debt and equity investments, as further explained below.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 December 2001. The results of subsidiaries acquired or disposed of during the year are consolidated from or to their effective dates of acquisition or disposal, respectively. All significant intercompany transactions and balances within the Group are eliminated on consolidation.

Subsidiaries

A subsidiary is a company, other than a jointly-controlled entity, whose financial and operating policies the Company controls, directly or indirectly, so as to obtain benefits from its activities.

The Company's interests in subsidiaries are stated at cost less any impairment losses.

Joint venture companies

A joint venture company is a company set up by contractual arrangement, whereby the Group and other parties undertake an economic activity. The joint venture company operates as a separate entity in which the Group and the other parties have an interest.

The joint venture agreement between the venturers stipulates the capital contributions of the joint venture parties, the duration of the joint venture and the basis on which the assets are to be realised upon its dissolution. The profits and losses from the joint venture company's operations and any distributions of surplus assets are shared by the venturers, either in proportion to their respective capital contributions, or in accordance with the terms of the joint venture agreement.

3. 主要會計政策摘要

編製基準

本財務報表根據香港會計實務準則、香港一般公認之會計原則及香港公司條例之披露規定而編製。除以下所解釋之債權及股權投資的周期性重新計算外，本財務報表採用歷史成本法。

綜合基準

綜合財務報表包括本公司及其附屬公司截至二零零一年十二月三十一日止年度的財務報表，年內收購或出售之附屬公司之業績，分別由實際收購日起開始綜合或綜合至售出日期止。本集團內部公司間之重大交易和結存均已於綜合時抵銷。

附屬公司

附屬公司為聯合控制企業以外，由本公司直接或間接控制其財務及經營決策，以從其業務中取得利益之公司。

附屬公司的權益以成本扣除減值損失列示。

合營公司

合營公司乃以契約安排成立之公司，根據該安排，本集團與其他各方經營商業業務。合營公司以獨立企業方式經營，而本集團與其他各方於其中擁有權益。

合營方之間訂立之合營協議，規定合營方之出資額，合營公司之期限及於清盤時變現資產之基準。來自合營公司之業務之損益以及剩餘資產之任何分派，乃由合營方按其各自之出資額或根據合營協議之條款計算。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Joint venture companies (continued)

A joint venture company is treated as:

- (a) a subsidiary, if the Company has unilateral control over the joint venture company;
- (b) a jointly-controlled entity, if the Company does not have unilateral control, but has joint control over the joint venture company;
- (c) an associate, if the Company does not have unilateral or joint control, but holds generally not less than 20% of the joint venture company's registered capital and is in a position to exercise significant influence over the joint venture company; or
- (d) a long term investment, if the Company holds less than 20% of the joint venture company's registered capital and has neither joint control of, nor is in a position to exercise significant influence over, the joint venture company.

Jointly-controlled entity

A jointly-controlled entity is a joint venture company which is subject to joint control, resulting in none of the participating parties having unilateral control over the economic activity of the jointly-controlled entity.

The Group's share of the post-acquisition results and reserves of the jointly-controlled entity is included in the consolidated profit and loss account and consolidated reserves, respectively. The Group's interest in the jointly-controlled entity is stated in the consolidated balance sheet at the Group's share of net assets under the equity method of accounting, less any impairment losses.

The results of the jointly-controlled entity are included in the Company's profit and loss account to the extent of dividends received and receivable. The Company's investment in a jointly-controlled entity is treated as a long term asset and is stated at cost less any impairment losses.

3. 主要會計政策摘要 (續)

合營公司 (續)

在下列情況下，合營公司將被視為：

- (a) 附屬公司－如本公司對合營公司有單方面之控制權；
- (b) 聯合控制企業－如本公司並無單方面之控制權，但對合營公司有共同控制權；
- (c) 聯營公司－如本公司並無單方面或共同控制權，但一般持有合營公司註冊資本不少於20%，並可對合營公司行使重大影響力；
- (d) 長期投資－如本公司持有合營公司註冊資本少於20%，並不擁有對合營公司之共同控制權，且亦無權對其行使重大影響力。

聯合控制企業

聯合控制企業為受共同控制之合營公司，任何合約方對聯合控制企業之經濟活動均無單方面之控制權。

本集團應佔聯合控制企業收購後經營業績及儲備已分別計入綜合損益賬及綜合儲備賬中。本集團應佔聯合控制企業權益乃按權益法將本集團所佔之資產淨值扣除任何減值損失計入綜合資產負債表。

聯合控制企業經營業績在本公司損益賬內計入已收及應收股息。本公司在聯合控制企業中之權益被視為長期資產，並按成本減任何減值損失列賬。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Associates

An associate is a company, not being a subsidiary or a jointly-controlled entity, in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence.

The Group's share of the post-acquisition results and reserves of associates is included in the consolidated profit and loss account and consolidated reserves, respectively. The Group's interests in associates are stated in the consolidated balance sheet at the Group's share of net assets under the equity method of accounting, less any impairment losses.

The results of associates are included in the Company's profit and loss account to the extent of dividends received and receivable. The Company's investments in associates are treated as long term assets and are stated at cost less any impairment losses.

Goodwill

Goodwill arising on the acquisition of subsidiaries, associates and jointly-controlled entity represents the excess of the cost of the acquisition over the Group's share of the fair values of the identifiable assets and liabilities acquired as at the date of acquisition.

Goodwill arising on acquisition is recognised in the consolidated balance sheet as an asset and amortised on the straight-line basis over its estimated useful life of 10 years. In the case of associates and jointly-controlled entity, any unamortised goodwill is included in the carrying amount thereof, rather than as a separately identified asset on the consolidated balance sheet.

In prior years, goodwill arising on acquisitions was eliminated against consolidated reserves in the year of acquisition. The Group has adopted the transitional provision of SSAP 30 that permits goodwill on acquisitions which occurred prior to 1 January 2001, to remain eliminated against consolidated reserves. Goodwill on subsequent acquisitions is treated according to the new accounting policy above.

3. 主要會計政策摘要 (續)

聯營公司

聯營公司乃指一家不屬附屬公司或聯合控制企業，而本集團長期擁有其股本投票權不少於20%及可對其行使重大影響力之公司。

本集團所佔聯營公司收購後之業績與儲備，分別載列於綜合損益表及綜合儲備內。本集團列於綜合資產負債表內之聯營公司投資，乃根據權益會計法計算本集團應佔之資產淨值，減除任何減值損失。

聯營公司之業績在本公司損益賬內計入已收及應收股息。本公司於聯營公司的投資被視為長期資產，並按成本減除任何減值損失列賬。

商譽

收購附屬公司、聯營公司及聯合控制企業產生之商譽，指收購成本超出本集團應佔於收購當日所購可予識別資產及負債之公平價值之差額。

收購產生之商譽於綜合資產負債表中列作資產，並按估計可用年期十年根據直線法作攤銷。如為聯營公司及聯合控制企業，任何未攤銷商譽均計入有關賬面值，而並非在綜合資產負債表中列作獨立識別資產。

以前年度，由收購產生之商譽於收購年度在綜合儲備中抵銷。本集團採納會計實務準則第30號之暫行安排，即容許將於二零零一年一月一日前產生之收購商譽，維持在綜合儲備中抵銷。其後收購之商譽根據上述新增會計政策處理。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Goodwill (continued)

On disposal of subsidiaries, associates or jointly-controlled entity, the gain or loss on disposal is calculated by reference to the net assets at the date of disposal, including the attributable amount of goodwill which remains unamortised and any relevant reserves, as appropriate. Any attributable goodwill previously eliminated against consolidated reserves at the time of acquisition is written back and included in the calculation of the gain or loss on disposal.

The carrying amount of goodwill, including goodwill remaining eliminated against consolidated reserves, is reviewed annually and written down for impairment when it is considered necessary. A previously recognised impairment loss for goodwill is not reversed unless the impairment loss was caused by a specific external event of an exceptional nature that was not expected to recur, and subsequent external events have occurred which have reversed the effect of that event.

Negative goodwill

Negative goodwill arising on the acquisition of subsidiaries, associates and jointly-controlled entity represents the excess of the Group's share of the fair values of the identifiable assets and liabilities acquired as at the date of acquisition, over the cost of the acquisition.

To the extent that negative goodwill relates to expectations of future losses and expenses that are identified in the acquisition plan and that can be measured reliably, but which do not represent identifiable liabilities as at the date of acquisition, that portion of negative goodwill is recognised as income in the consolidated profit and loss account when the future losses and expenses are recognised.

3. 主要會計政策摘要 (續)

商譽 (續)

於出售附屬公司、聯營公司或聯合控制企業時，出售損益參照出售當日之淨資產計算，並包括仍未攤銷之應佔商譽以及任何有關儲備(如合適)。任何過往於收購時在綜合儲備中抵銷之應佔商譽均作撤回，並包括在出售損益之計算當中。

商譽(包括仍在綜合儲備中抵銷之商譽)之賬面值均作每年檢討，並在有需要時就減值而作撇減。過往就商譽而確認之減值損失並不撥回，除非減值損失是因特殊外部事件引起，而該事件屬於特殊性質且不預期會再次發生，並且於其後有外部事件發生使該事件之影響逆轉，則始將有關減值損失撥回。

負商譽

收購附屬公司、聯營公司及聯合控制企業產生之負商譽指本集團應佔於收購當日所購可予識別資產及負債之公平值超出收購成本之差額。

按照負商譽與收購計劃時可識別及可準確量度之預期將來虧損及費用之關係，而有關負商譽並不構成於收購日之可識別負債，該部份負商譽於將來虧損及費用確認時，於損益賬確認為收入。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Negative goodwill (continued)

To the extent that negative goodwill does not relate to identifiable expected future losses and expenses as at the date of acquisition, negative goodwill is recognised in the consolidated profit and loss account on a systematic basis over the remaining average useful life of the acquired depreciable/amortisable assets. The amount of any negative goodwill in excess of the fair values of the acquired non-monetary assets is recognised as income immediately.

In the case of associates and jointly-controlled entity, any negative goodwill not yet recognised in the consolidated profit and loss account is included in the carrying amount thereof, rather than as a separately identified item on the consolidated balance sheet.

In prior years, negative goodwill arising on acquisitions was credited to the capital reserve in the year of acquisition. The Group has adopted the transitional provision of SSAP 30 that permits negative goodwill on acquisitions which occurred prior to 1 January 2001, to remain credited to the capital reserve. Negative goodwill on subsequent acquisitions is treated according to the new accounting policy above.

On disposal of subsidiaries, associates or jointly-controlled entity, the gain or loss on disposal is calculated by reference to the net assets at the date of disposal, including the attributable amount of negative goodwill which has not been recognised in the consolidated profit and loss account and any relevant reserves as appropriate. Any attributable negative goodwill previously credited to the capital reserve at the time of acquisition is written back and included in the calculation of the gain or loss on disposal.

3. 主要會計政策摘要 (續)

負商譽 (續)

按照負商譽於收購日與可識別之預期將來虧損及費用之關係差異，負商譽乃根據系統化之基準，在可折舊／可攤銷之已收購資產之餘下可使用年期，於損益賬內確認。任何負商譽較已收購非貨幣資產公平值超出之金額隨即確認為收入。

在聯營公司及聯合控制企業之情況下，任何未在綜合損益賬中確認之負商譽均計入有關賬面值中，而並非於綜合資產負債表中列作獨立識別項目。

在過往年度，收購產生之負商譽於收購年度計入資本儲備中。本集團採納會計實務準則第30號之暫行規定，即容許將於二零零一年一月一日前產生之收購負商譽維持計入資本儲備中。於其後收購之負商譽按上述新增會計政策處理。

於出售附屬公司、聯營公司或聯合控制企業時，出售損益參照出售當日之淨資產計算，包括未在綜合損益賬中確認之應佔負商譽以及任何有關儲備(如合適)。任何先前於收購時計入資本儲備之應佔負商譽均作撤回，並包括在出售損益當中。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Related parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

Impairment of assets

An assessment is made at each balance sheet date of whether there is any indication of impairment of any asset, or whether there is any indication that an impairment loss previously recognised for an asset in prior years may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. An asset's recoverable amount is calculated as the higher of the asset's value in use or its net selling price.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. An impairment loss is charged to the profit and loss account in the period in which it arises, unless the asset is carried at a revalued amount, when the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount of an asset, however not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation), had no impairment loss been recognised for the asset in prior years.

A reversal of an impairment loss is credited to the profit and loss account in the period in which it arises, unless the asset is carried at a revalued amount, when the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

3. 主要會計政策摘要 (續)

關連人士

如其中一方有能力直接或間接控制另一方或在財務及經營決策上對另一方產生重大影響時，則屬關連人士。如共同受同一方的控制或重大影響，亦屬關連人士。關連人士可為個人或公司企業。

資產減值

任何資產不論是否有減值跡象，或不論是否有跡象顯示以前年度曾就資產確認之減值損失已不再存在或可能已減少，仍會於每年結算日作出評估。倘顯示該等跡象，則對該資產之可收回數額作出估計。資產之可收回數額按照資產在用價值或其售價淨額(以較高者為準)計算。

減值損失只在資產賬面值超出其可收回值時確認。減值損失於其產生之期間計入損益賬，除非資產按重估價值列賬，屆時則按重估資產之有關會計政策將減值損失入賬。

過往已確認減值損失只在用以決定資產可收回金額之估計出現轉變時，方會撥回，惟撥回之數不可高於假設以前年度沒有確認減值損失之情況下所釐定之資產賬面值(扣除任何折舊/攤銷)。

減值損失撥回於所產生期間計入損益賬，除非資產按重估價值列賬，屆時則按照重估資產之有關會計政策將減值損失之撥回入賬。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fixed assets and depreciation

Fixed assets, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after fixed assets have been put into operation, such as repairs and maintenance, is normally charged to the profit and loss account in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of the fixed asset, the expenditure is capitalised as an additional cost of that asset.

Depreciation is calculated on the straight-line basis to write off the cost of each asset over its estimated useful life, after taking into account its estimated residual value. The estimated useful lives of fixed assets are as follows:

Buildings	8 - 30 years
Plant, machinery and equipment	6 - 16 years
Transportation vehicles and equipment	6 - 12 years

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

Construction in progress

Construction in progress represents factory buildings, plant and machinery and other fixed assets under construction, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction and capitalised borrowing costs on related borrowed funds during the periods of construction, installation and testing. Capitalisation of interest charges and exchange difference ceases when the fixed assets are substantially ready for their intended use. Construction in progress is reclassified to the appropriate category of fixed assets when completed and ready for use.

3. 主要會計政策摘要 (續)

固定資產及折舊

固定資產除在建工程外乃按原值減累計折舊及任何減值損失列示。固定資產原值包括其購買價及資產達致運作狀態及運至工作地點作擬定用途之直接費用。在固定資產運作後所發生之支出(如維修費用)，通常列入發生支出期間之損益賬內。倘情況明確顯示開支會導致使用該固定資產所獲得之未來經濟利益有所增加時，則將該開支資本化，作為固定資產之額外成本。

固定資產折舊根據原值，按估計可使用年限和估計殘值，採用直線法撇銷成本計算。各類固定資產之估計可使用年限如下：

房屋與建築物	8 - 30年
廠房、機器及設備	6 - 16年
運輸工具及設備	6 - 12年

損益賬內所載固定資產出售或報廢時所引起之損益，乃有關固定資產之出售所收款項與賬面淨值之差額。

在建工程

在建工程指正在施工或安裝中之建築物、廠房、機器設備及其他在建之固定資產，並按成本減任何減值準備列賬，不計提折舊。成本包括直接建築成本，以及在建建築安裝及測試期內相關貸款之資本化借貸成本。倘固定資產大致可作擬定用途，則終止將利息開支及匯兌差額資本化。在建工程乃於完成及達致使用狀況時轉入合適的固定資產類別。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Long term investments

Long term investments are non-trading investments in unlisted equity securities intended to be held on a long term basis.

Unlisted securities are stated at their estimated fair values, on an individual basis. The estimated fair values of unlisted investments are determined by the directors having regard to, inter alia, the prices of the most recently reported sales or purchases of the securities, or comparison of price/earnings ratios and dividend yields of the securities with those of similar listed securities, with allowance made for the lower liquidity of the unlisted securities.

The gains or losses arising from changes in the fair value of a security are dealt with as movements in the long term investment revaluation reserve, until the security is sold, collected, or otherwise disposed of, or until the security is determined to be impaired, when the cumulative gain or loss derived from the security recognised in the long term investment revaluation reserve, together with the amount of any further impairment, is charged to the profit and loss account in the period in which the impairment arises. Where the circumstances and events which led to an impairment cease to exist and there is persuasive evidence that the new circumstances and events will persist for the foreseeable future, the amount of the impairment previously charged and any appreciation in fair value is credited to the profit and loss account to the extent of the amount previously charged.

3. 主要會計政策摘要 (續)

長期投資

長期投資指擬作長期持有及非交易性的非上市權益性證券的投資。

非上市證券以個別情況按公平價值計算。非上市投資之估計公平價值，由董事按(其中包括)證券最近期買賣之價格，或按其他已上市的類似證券的市盈率及該證券的股息收益作比較，並考慮未上市證券的低流通性之後而確定。

因證券之公平價值之變動所產生的收益或虧損乃以長期投資重估儲備變動之方式處理，直至證券售出、收回，或以其他方式處置，或直至證券被確定出現減值，則長期投資重估儲備中確認來自證券之累積收益或虧損連同任何進一步減值之金額會於減值產生之期間內於損益賬中扣除。倘引致減值之情況及事件不再存在，並有可信證據顯示新情況及事件將會於可見將來持續，則先前扣除之減值金額以及任何的公平價值上升將計入損益賬中，惟以先前扣除之金額為限。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Short term investments

Short term investments are investments in debt and equity securities held for trading purposes and are stated at their fair values on the basis of their quoted market prices at the balance sheet date, on an individual investment basis. The gains or losses arising from changes in the fair value of a security are credited or charged to the profit and loss account in the period in which they arise.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of production overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Spare parts and consumables are stated at cost less any provision for obsolescence.

Cash equivalents

For the purpose of the consolidated cash flow statement, cash equivalents represent short term highly liquid investments which are readily convertible into known amounts of cash and which were within three months of maturity when acquired, less advances from banks repayable within three months from the date of the advance. For the purpose of balance sheet classification, cash equivalents represent assets similar in nature to cash, which are not restricted as to use.

3. 主要會計政策摘要 (續)

短期投資

短期投資指以交易為目的之債權及股權性證券投資。短期投資按公平價值列示，其公平價值乃按個別投資於結算日之市場價計算。因公平價值變化而產生之盈虧將計入相關時期的損益賬。

存貨

存貨以成本和可變現淨值兩者之較低者列賬。成本乃以加權平均法釐定，在製品及產成品之成本包括直接材料、直接工資及應攤分之生產費用。可變現淨值為估計銷售價減預期直至完成的成本和變現費用。

備件及低值易耗品按成本減任何陳舊積壓準備後列賬。

現金等價物

就綜合現金流量表而言，現金等價物乃指短期高流動性投資，可隨時轉換為已知金額，並於購入時於三個月內到期，減去從借貸日期起計須於三個月內償還之銀行貸款。就資產負債表的分類而言，現金等價物乃指在性質上類似於現金，而其用途不受限制的資產。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the balance sheet date of the future expenditures expected to be required to settle the obligation. Any increase in the discounted present value amount arising from the passage of time is included in finance costs in the profit and loss account.

Provision for product warranties is calculated based on the unit rate charged by repair centres and the estimated number of units of tractors and components already sold which may require repairs and maintenance, discounted to their present value as appropriate.

Deferred tax

Deferred tax is provided, using the liability method, on all significant timing differences to the extent it is probable that the liability will crystallise in the foreseeable future. A deferred tax asset is not recognised until its realisation is assured beyond reasonable doubt.

3. 主要會計政策摘要 (續)

準備

倘因過往事件須承擔現有(法律或推定)責任及在承擔責任時有可能於未來令到資源流出，同時責任金額能夠可靠地作出估計，則會確認準備。

倘若折現之影響屬重大，確認準備之數額為於結算日承擔責任預期所需未來開支之現值。任何因時間過去而引致之折現現值金額之增幅於損益賬中列作財務費用。

產品保用準備乃按維修中心之單位收費及已售而可能需要維修保養之拖拉機及零件的估計數目計算，並於適當時折算為現值。

遞延稅項

因時間差異所引起之遞延稅項乃按債務法對可預見之將來可能變成的負債作出準備。遞延稅項資產在其毫無疑問地獲得確定之前將不予以確認。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (a) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;
- (b) rental income and trademark licence fee, on a time proportion basis over the lease terms;
- (c) interest income, on a time proportion basis taking into account the principal outstanding and the effective interest rate applicable; and
- (d) dividend and investment income, when the right to receive payment has been established.

Research and development costs

All research costs are charged to the profit and loss account as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the projects are clearly defined; the expenditure is separately identifiable and can be measured reliably; there is reasonable certainty that the projects are technically feasible; and the products have commercial value. Product development expenditure which does not meet these criteria is expensed when incurred.

Deferred development costs are amortised using the straight-line basis over the commercial lives of the underlying products not exceeding five years, commencing from the date when the products are put into commercial production.

3. 主要會計政策摘要 (續)

收入之確認

當本集團可能獲得經濟利益，而該利益可準確計算時按下列基準予以確認：

- (a) 銷貨時，當所有權的重大風險及利益都已轉移給買方後，且本集團既不參與有關產品所有權的管理活動，亦不實際控制已售貨品時；
- (b) 租金收入及商標使用費，按租期以時間比例基準計算；
- (c) 利息收入以尚餘本金及適用之實際利率按時間比例計算；及
- (d) 股息及投資收入在收取付款之權利獲確定時入賬。

研究與開發費用

研究費用於發生時列入損益賬。

當有關項目可以明確地界定，費用可單獨確定並被可靠地計量，並可合理地確認該項目在技術上的可行性；而研制的產品具商業價值，則研制新產品而產生的費用可被資本化及被遞延。未能滿足上述條件的產品開發費用當發生時計入費用。

遞延開發費用按直線法以該產品不超過五年的商業使用期進行攤銷，該使用期以產品投入商業生產之日起計算。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Operating leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets and rentals receivable under the operating leases are credited to the profit and loss account on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under the operating leases are charged to the profit and loss account on the straight-line basis over the lease terms.

Foreign currencies

The Group's financial records are maintained and the financial statements are stated in Renminbi ("RMB").

Foreign currency transactions are recorded at the applicable rates of exchange ruling at the transaction dates as quoted by the People's Bank of China. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the applicable rates of exchange prevailing at the balance sheet date as quoted by the People's Bank of China. Exchange differences are dealt with in the profit and loss account.

On consolidation, the financial statements of the overseas subsidiary is translated to Renminbi at the applicable rates of exchange ruling at the balance sheet date. The resulting translation differences arising on consolidation are included in the exchange fluctuation reserve.

Retirement benefits scheme

Contributions to defined contribution retirement benefits scheme are charged to the profit and loss account as incurred.

3. 主要會計政策摘要 (續)

經營租約

經營租約乃將資產所有權之絕大部份收益及風險保留在出租者之租約。當本集團為出租人時，本集團根據經營租約出租之資產計入非流動資產內，而根據經營租約應收之租金按租期根據直線法計入損益賬內。當本集團為承租人時，根據經營租約應付之租金按租期根據直線法計入損益賬內。

外幣

本集團之財務記錄及財務報表均以人民幣為本位幣。

外幣交易按交易當日中國人民銀行頒佈之匯率計算入賬。於結算日，以外幣為單位之貨幣性資產與負債按當日中國人民銀行之匯率換算為人民幣，有關之兌換差額撥入損益賬項處理。

於綜合賬目時，海外附屬公司之財務報表按結算日適用之匯率換算為人民幣。因綜合賬目所產生之所有匯兌差額均計入匯兌差異儲備。

退休福利計劃

按界定供款退休福利計劃繳付之供款於發生時列入損益賬。

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4. SEGMENT INFORMATION

SSAP 26 was adopted during the year, as detailed in note 2 to the financial statements. Segment information is presented by way of two segment formats: (i) on a primary segment reporting basis, by business segment; and (ii) on a secondary segment reporting basis, by geographical segment.

The Group's operating businesses are structured and managed separately, according to the nature of their operations and the products they provide. Each of the Group's business segments represents a strategic business unit that offers products which are subject to risks and returns that are different from those of other business segments. Summary details of the business segments are as follows:

- (a) the tractors segment engages in the manufacture and sale of tractors, relevant parts and components;
- (b) the road machinery segment engages in the manufacture and sale of road machinery;
- (c) the construction machinery segment engages in the manufacture and sale of construction machinery; and
- (d) the others segment comprises the manufacture and sale of harvesters and biochemical products.

In determining the Group's geographical segments, revenues and results are attributed to the segments based on the location of the customers, and assets are attributed to the segments based on the location of the assets.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

4. 分類資料

本公司於本年度採納會計實務準則第26號，詳情載於財務報表附註2。分類資料分兩部分呈列：(i) 按業務分類之主要報告形式；及(ii)按地區分類之次要報告形式。

本集團的業務乃按照經營的性質及所提供的產品組織及管理。本集團各項業務類別代表提供產品的策略性單位，而每個業務單位均須承擔及可獲取與其他業務類別不同之風險及回報。業務分類概述如下：

- (a) 從事製造及銷售拖拉機及有關零部件的拖拉機分類；
- (b) 從事製造及銷售路面機械的路面機械分類；
- (c) 從事製造及銷售工程機械的工程機械分類；
- (d) 包括製造及銷售收穫機械及生化產品的其他分類。

就釐定地區分類而言，本集團乃按照客戶的所在地劃分業務類別所佔收益及業績，而業務分類所佔資產則按資產的所在地劃分。

分類間的銷售及轉讓乃參照按當時的市價銷售予第三方的售價進行。

4. SEGMENT INFORMATION (continued)

4. 分類資料 (續)

(a) Business segments

The following tables present revenue, profit/(loss) and certain asset, liability and expenditure information for the Group's business segments.

(a) 業務分類

下表列示本集團收入、溢利／(虧損)及若干資產、負債及支出的業務分類資料。

Group	本集團											Consolidated	
		Tractors 拖拉機		Road machinery 路面機械		Construction machinery 工程機械		Others 其他		Eliminations 抵銷		綜合	
		2001	2000	2001	2000	2001	2000	2001	2000	2001	2000	2001	2000
		二零零一年	二零零零年	二零零一年	二零零零年	二零零一年	二零零零年	二零零一年	二零零零年	二零零一年	二零零零年	二零零一年	二零零零年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Segment revenue:	分類收入：												
Sales to external customers	對外銷售	1,300,242	1,454,681	433,218	393,381	89,989	134,664	40,375	14,588	—	—	1,863,824	1,997,314
Intersegment sales	分類間的銷售	33,596	81,335	—	—	88,582	108,492	—	—	(122,178)	(189,827)	—	—
Total	合計	1,333,838	1,536,016	433,218	393,381	178,571	243,156	40,375	14,588	(122,178)	(189,827)	1,863,824	1,997,314
Segment results	分類業績	(135,667)	(180,353)	34,793	28,894	(2,828)	16,016	(8,023)	(15,371)	—	—	(111,725)	(150,814)
Interest, dividend and investment income	利息、股息及投資收益												
Unallocated expenses	未能分配之費用												
Loss from operating activities	經營業務虧損												
Finance costs	財務費用												
Share of profits less losses of:	應佔溢利扣除虧損：												
Jointly-controlled entity	聯合控制企業	830	861	—	—	—	—	—	—	—	—	830	861
Associates	聯營公司	—	—	—	—	—	—	(14,788)	(29,403)	—	—	(14,788)	(29,403)
Loss before tax	除稅前虧損												
Tax	稅項												
Loss before minority interests	未計少數股東權益前虧損												
Minority interests	少數股東權益												
Net loss from ordinary activities attributable to shareholders	股東應佔日常業務虧損淨額												

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4. SEGMENT INFORMATION (continued)

(a) Business segments (continued)

Group 本集團

Group	本集團											Construction		Others		Eliminations		Consolidated	
		Tractors		Road machinery		machinery		Others		Eliminations		Consolidated							
		拖拉機		路面機械		工程機械		其他		抵銷		綜合							
		2001	2000	2001	2000	2001	2000	2001	2000	2001	2000	2001	2000	2001	2000				
二零零一年	二零零零年	二零零一年	二零零零年	二零零一年	二零零零年	二零零一年	二零零零年	二零零一年	二零零零年	二零零一年	二零零零年	二零零一年	二零零零年						
RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000						
人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元						
Segment assets	分類資產	2,322,702	2,501,880	501,753	443,953	168,810	167,813	116,312	92,845	(228,015)	(115,429)	2,881,562	3,091,062						
Interest in a jointly-controlled entity	聯合控制企業權益	29,388	28,688	—	—	—	—	—	—	—	—	29,388	28,688						
Interests in associates	聯營公司權益	—	—	—	—	—	—	—	14,788	—	—	—	14,788						
Unallocated assets	未能分配之資產											177,629	158,249						
Total assets	總資產											3,088,579	3,292,787						
Segment liabilities	分類負債	488,556	513,509	208,117	184,272	34,643	30,827	150,072	154,009	(228,015)	(115,429)	653,373	767,188						
Unallocated liabilities	未能分配之負債											260,827	233,538						
Total liabilities	總負債											914,200	1,000,726						
Other segment information:	其他分類資料:																		
Capital expenditure	資本性開支	47,855	26,592	10,047	12,207	2,796	1,408	5,289	15,349	—	—	65,987	55,556						
Depreciation	折舊	75,515	84,468	6,819	10,472	2,516	2,440	1,191	549	—	—	86,041	97,929						
Impairment losses recognised in the profit and loss account	於損益賬確認的減值損失	48,000	39,090	411	780	—	—	—	—	—	—	48,411	39,870						
Other non-cash expenses:	其他非現金開支:																		
Provision for bad and doubtful debts	呆壞賬準備	5,486	63,651	15,000	1,000	2,500	—	—	—	—	—	22,986	64,651						
Provision/(reversal of provision) for obsolete inventories	陳舊存貨準備/(準備撥回)	(4,900)	7,000	1,400	5,500	(4,700)	2,800	2,400	1,300	—	—	(5,800)	16,600						

4. SEGMENT INFORMATION (continued)

(b) Geographical segments

Over 90% of the Group's revenue, results, assets and capital expenditures are derived from operations carried out in the PRC and accordingly, no geographical segment information is presented.

5. TURNOVER, REVENUE AND GAINS

Turnover represents the invoiced value of goods sold, net of discounts and returns, and excludes sales taxes and intra-group transactions.

An analysis of turnover, other revenue and gains is as follows:

4. 分類資料 (續)

(b) 地區分類

本集團超過90%的收入、業績、資產及資本開支均源自中國的業務，故並無呈列地區分類資料。

5. 營業額、收入及收益

營業額為銷貨之發票金額扣除折扣和退貨後之淨額，不包括銷售稅和集團內部交易額。

營業額、其他收入及收益之分析如下：

		2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元
Turnover	營業額		
Sale of goods	產品銷售	1,863,824	1,997,314
Other revenue and gains	其他收入及收益		
Interest income	利息收入	32,523	27,927
Profit from sundry sales	雜項銷售溢利	8,886	9,121
Rental income	租金收入	3,220	—
Trademark licence fee	商標使用費	10,320	—
Investment income from short term listed investments	短期上市投資之投資收入	7,400	—
Gain on disposal of short term listed investments	出售短期上市投資之收益	7,715	3,000
Dividend income from long term unlisted investments	長期非上市投資之股息收入	1,250	—
Others	其他	28,383	24,945
		99,697	64,993

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6. LOSS FROM OPERATING ACTIVITIES

The Group's loss from operating activities is arrived at after charging/(crediting):

6. 經營業務虧損

本集團經營業務虧損已經扣除／(計入)下列各項：

		2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元
Cost of inventories sold	已售存貨成本	1,625,739	1,738,817
Depreciation	折舊	86,041	97,929
Impairment of construction in progress	在建工程減值	411	10,135
Impairment of fixed assets	固定資產減值	48,000	29,735
Staff costs (excluding directors' and supervisors' remunerations - note 8):	員工費用(不包括董事及監事酬金－附註8)：		
Wages and salaries	工資及薪金	209,888	239,365
Pension contributions	退休金供款	49,829	53,423
		259,717	292,788
Minimum lease payments under operating lease rentals:	經營租約租金之最低租約付款：		
Land and buildings	土地與建築物	12,676	13,264
Plant and machinery	機器與設備	2,877	5,245
		15,553	18,509
Research and development costs	研究與開發成本	6,143	6,459
Provision for product warranties	產品保用準備	3,189	8,752
Auditors' remuneration	核數師酬金	2,600	2,700
Provision for bad and doubtful debts	呆壞賬準備	22,986	64,651
Provision/(reversal of provision) for obsolete inventories	陳舊存貨準備／(準備撥回)	(5,800)	16,600
Loss on disposal of fixed assets	出售固定資產損失	1,590	1,874
Unrealised loss on changes in fair values of short term listed investments	短期上市投資之公平價值變動之未變現虧損	644	—
Exchange losses/(gains), net	匯兌損失／(收益)淨額	(54)	848
Investment income from short term listed investments	短期上市投資之投資收入	(7,400)	—
Gain on disposal of short term listed investments	出售短期上市投資之收益	(7,715)	(3,000)
Dividend income from long term unlisted investments	長期非上市投資之股息收入	(1,250)	—
Interest income	利息收入	(32,523)	(27,927)
Net rental income	租金收入淨額	(3,220)	—

7. FINANCE COSTS

7. 財務費用

		Group 本集團	
		2001 二零零一年	2000 二零零零年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Interest on bank and other loans	銀行貸款及須於五年內		
wholly repayable within five years	全數償還之其他貸款之利息支出	20,168	19,627
Less: Interest capitalised	減：資本化之利息	—	—
		20,168	19,627

8. REMUNERATIONS OF DIRECTORS AND SUPERVISORS

8. 董事及監事之酬金

The directors' and supervisors' remunerations disclosed pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Section 161 of the Hong Kong Companies Ordinance are as follows:

根據香港聯合交易所有限公司上市規則及香港公司條例第161條而披露之董事及監事酬金如下：

		Group 本集團	
		2001 二零零一年	2000 二零零零年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Fees	袍金	—	—
Other emoluments:	其他酬勞：		
Salaries, allowances and benefits in kind	薪金，津貼及實物利益	484	431
Performance related bonuses	工作表現相關花紅	—	—
Retirement fund contributions	退休金供款	136	114
		620	545
		620	545

There was no remuneration payable to the independent non-executive directors for their services rendered to the Company during the year (2000: Nil).

年內並無應付予獨立非執行董事為本公司提供服務之酬金（二零零零年：無）。

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8. REMUNERATIONS OF DIRECTORS AND SUPERVISORS (continued)

The number of directors and supervisors whose remuneration fell within the following band is as follows:

	無至港幣1,000,000元	Number of directors and supervisors 董事及監事人數	
		2001 二零零一年	2000 二零零零年
Nil to HK\$1,000,000		19	30

There was no arrangement under which a director waived or agreed to waive any remuneration during the year.

8. 董事及監事之酬金 (續)

酬金介乎下列組別之董事及監事人數如下：

	無至港幣1,000,000元	Number of directors and supervisors 董事及監事人數	
		2001 二零零一年	2000 二零零零年
Nil to HK\$1,000,000		19	30

年內並無董事放棄或同意放棄任何酬金之安排。

9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during both years ended 31 December 2001 and 31 December 2000 were all directors of the Company, details of whose remuneration are set out in note 8 above.

9. 五名最高薪酬僱員

於截至二零零一年十二月三十一日止年度及截至二零零零年十二月三十一日止年度之五名最高薪酬僱員均為本公司董事，其酬金詳情載於上文附註8。

10. TAX

		2001	2000
		二零零一年 RMB'000 人民幣千元	二零零零年 RMB'000 人民幣千元
The Company and subsidiaries:	本公司及附屬公司：		
PRC income tax provided for the year	本年度之中國所得稅	19,124	15,412
Deferred tax (note 31)	遞延稅項(附註31)	(2,468)	(2,468)
		16,656	12,944
Share of tax attributable to:	應佔稅項：		
Jointly-controlled entity	聯合控制企業	130	198
Associates	聯營公司	—	—
Tax charge for the year	本年度稅務支出	16,786	13,142

10. TAX (continued)

No provision for Hong Kong profits tax has been made as the Group had no assessable profits earned in or derived from Hong Kong during the two years ended 31 December 2001.

The PRC income tax for the Company and its subsidiaries is calculated at rates ranging from 12% to 33% (2000: 0% to 33%), on their estimated assessable profits for the year based on existing legislation, interpretations and practices in respect thereof.

Profits tax of the subsidiary operating outside the PRC is subject to the rate applicable in its jurisdiction.

The PRC income tax of the associates and jointly-controlled entity is calculated at rates ranging from 15% to 33% (2000: 0% to 33%) on the respective company's assessable profits determined in accordance with the relevant PRC laws and regulations.

There was no material unprovided deferred tax during the year or at the balance sheet date (2000: Nil).

11. NET LOSS FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS

The net loss from ordinary activities attributable to shareholders dealt with in the financial statements of the Company is RMB115,922,000 (2000: RMB147,310,000).

12. LOSS PER SHARE

The calculation of basic loss per share is based on the net loss from ordinary activities attributable to shareholders for the year of RMB117,799,000 (2000: RMB157,053,000), and the weighted average of 785,000,000 (2000: 785,000,000) ordinary shares in issue during the year.

No diluted loss per share is presented as the Company does not have any dilutive potential ordinary shares.

10. 稅項 (續)

由於本集團並無於香港賺取或源自香港之應課稅溢利，故並無就截至二零零一年十二月三十一日止兩個年度之香港所得稅作出撥備。

本公司及其附屬公司之中國所得稅乃以根據有關現行法例解釋及常規釐定之估計應課稅溢利的12%至33% (二零零零年：0%至33%) 稅率計算。

於中國境外經營之附屬公司須按適用於有關司法權區之稅率繳交所得稅。

根據有關中國法律和法規，聯營公司及聯合控制企業之中國所得稅按各自應課稅溢利的15%至33% (二零零零年：0%至33%) 計算。

於年內或於結算日，本公司並無任何重大未撥備遞延稅項 (二零零零年：無)。

11. 股東應佔日常業務虧損淨額

於本公司財務報表中之股東應佔日常業務虧損淨額為人民幣115,922,000元 (二零零零年：人民幣147,310,000元)。

12. 每股虧損

每股基本虧損乃按本年度股東應佔日常業務虧損淨額人民幣117,799,000元 (二零零零年：人民幣157,053,000元) 及本年度已發行股份之加權平均數785,000,000股 (二零零零年：785,000,000股) 計算。

由於本公司並無任何潛在攤薄普通股，故此並無呈列每股攤薄虧損。

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13. FIXED ASSETS

13. 固定資產

Group	本集團	Buildings 房屋與建築物	Plant, machinery and equipment 廠房、機器 及設備	Transportation vehicles and equipment 運輸工具 及設備	Total 總額
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Cost:	原值：				
At beginning of year	年初				
As previously reported	如先前所呈報	748,579	1,134,088	75,179	1,957,846
Reclassified to accumulated depreciation and impairment (note)	重新分類至累計 折舊及減值 (附註)	39,612	92,186	—	131,798
As restated	重新列賬	788,191	1,226,274	75,179	2,089,644
Additions	增加	47	1,812	4,202	6,061
Transfer from construction in progress (note 14)	從在建工程轉入 (附註14)	8,927	52,119	2,905	63,951
Reclassifications	重新分類	—	5,055	(5,055)	—
Disposals	減少	(3,209)	(15,319)	(3,946)	(22,474)
At 31 December 2001	於二零零一年十二月三十一日	793,956	1,269,941	73,285	2,137,182
Accumulated depreciation and impairment:	累計折舊 及減值：				
At beginning of year	年初				
As previously reported	如先前所呈報	370,491	681,205	35,769	1,087,465
Reclassified from cost (note)	從原值中重新分類 (附註)	39,612	92,186	—	131,798
As restated	重新列賬	410,103	773,391	35,769	1,219,263
Depreciation provided during the year	年內之折舊	26,564	53,592	5,885	86,041
Reclassifications	重新分類	—	3,493	(3,493)	—
Impairment during the year recognised in the profit and loss account	年內減值列入 損益賬	14,000	34,000	—	48,000
Disposals	減少	(2,107)	(13,595)	(2,278)	(17,980)
At 31 December 2001	於二零零一年十二月三十一日	448,560	850,881	35,883	1,335,324
Net book value:	賬面淨值：				
At 31 December 2001	於二零零一年十二月三十一日	345,396	419,060	37,402	801,858
At 31 December 2000	於二零零零年十二月三十一日	378,088	452,883	39,410	870,381

13. FIXED ASSETS (continued)

13. 固定資產 (續)

Company	本公司	Buildings 房屋與建築物	Plant, machinery and equipment 廠房、機器 及設備	Transportation vehicles and equipment 運輸工具 及設備	Total 總額
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Cost:	原值：				
At beginning of year	年初	603,370	1,027,666	21,937	1,652,973
Transfer from construction in progress (note 14)	從在建工程轉入 (附註14)	5,285	45,004	768	51,057
Disposals	減少	(2,650)	(13,358)	(785)	(16,793)
At 31 December 2001	於二零零一年十二月三十一日	606,005	1,059,312	21,920	1,687,237
Accumulated depreciation and impairment:	累計折舊 及減值：				
At beginning of year	年初	324,815	650,985	9,397	985,197
Provided during the year	增加	21,762	45,016	2,246	69,024
Impairment during the year recognised in the profit and loss account	年內減值列入 損益賬	4,000	24,000	—	28,000
Disposals	減少	(1,621)	(12,137)	(503)	(14,261)
At 31 December 2001	於二零零一年十二月三十一日	348,956	707,864	11,140	1,067,960
Net book value:	賬面淨值：				
At 31 December 2001	於二零零一年十二月三十一日	257,049	351,448	10,780	619,277
At 31 December 2000	於二零零零年十二月三十一日	278,555	376,681	12,540	667,776

Note: Accumulated impairment losses are aggregated with accumulated depreciation under the revised disclosure requirements of SSAP 17, as detailed in note 2 to the financial statements, whereas previously they were disclosed as an adjustment to the cost and accumulated depreciation of the assets. This change has been disclosed as a retrospective reclassification.

附註：累計減值損失根據會計實務準則第17號之經修訂披露規定，乃與累計折舊總合計算，詳情見財務報表附註2，而過往累計減值損失則披露為對資產原值及累計折舊作出之調整。此項轉變已按追溯方式重新分類。

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13. FIXED ASSETS (continued)

All of the Group's buildings are situated in the PRC. The land on which the Group's buildings are erected is held on medium term leases.

At 31 December 2001, certain of the Group's buildings and machinery with a carrying value of approximately RMB34,881,000 (2000: RMB31,400,000) were pledged to secure certain short term bank loans granted to the Group (note 30(a)).

At 31 December 2001, certain of the Group's buildings with cost of approximately RMB37,732,000 and accumulated depreciation and impairment of RMB31,463,000 were leased to third parties under operating leases, the depreciation and impairment loss of these fixed assets recognised in the consolidated profit and loss account during the year amounted to RMB1,398,000 and RMB4,000,000, respectively, further details of which are included in note 37(a) to the financial statements.

At 31 December 2001, certain of the Group's plant, machinery and equipment with cost of approximately RMB61,791,000 and accumulated depreciation and impairment of RMB53,581,000 were leased to third parties under operating leases, the depreciation and impairment loss of these fixed assets recognised in the consolidated profit and loss account during the year amounted to RMB892,000 and RMB4,000,000, respectively, further details of which are included in note 37(a) to the financial statements.

13. 固定資產 (續)

本集團所有房屋及建築物均位於中國。本集團租用之土地以興建房屋及建築物均以中期租約持有。

於二零零一年十二月三十一日，本集團若干賬面值約人民幣34,881,000元(二零零零年：人民幣31,400,000元)之建築物及機器已作抵押，以取得授予本集團之若干短期銀行貸款(附註30(a))。

於二零零一年十二月三十一日，本集團若干房屋和建築物之原值約為人民幣37,732,000元，而累計折舊及減值約為人民幣31,463,000元；該等房屋及建築物已根據經營租約租予第三者，而於年內之綜合損益賬確認之固定資產折舊及減值損失分別為人民幣1,398,000元及人民幣4,000,000元，詳情載於財務報表附註37(a)。

於二零零一年十二月三十一日，本集團若干廠房、機器及設備之原值約為人民幣61,791,000元，而累計折舊及減值為人民幣53,581,000元。該等廠房、機器及設備已根據經營租約租予第三者。該等固定資產於年內在綜合損益賬確認之折舊及減值損失分別為人民幣892,000元及人民幣4,000,000元，詳情載於財務報表附註37(a)。

13. FIXED ASSETS (continued)

Impairment during the year recognised in the profit and loss account is summarised as follows:

		Notes 附註	RMB'000 人民幣千元
First Tractor Qingjiang Tractor Company Limited ("FTQT")	一拖清江拖拉機有限公司(「一拖清江」)	(a)	20,000
Gear Factory	齒輪廠房	(b)	18,200
Standard Component Factory	標準零件廠房	(c)	8,000
Others	其他		1,800
			48,000

Notes:

- (a) Due to the continuing loss of FTQT, further impairment provision had been made during the year to write down the fixed assets of FTQT to its recoverable amount. The recoverable amount is determined based on the net selling price which is based on the scrap value of the assets.
- (b) Due to the continuing decline in the tractor market, the directors anticipate that certain machineries of Gear Factory (a factory owned by the Company) will be under long term idle condition, and accordingly, an impairment provision has been made to write down those fixed assets which do not have other use to its recoverable amount. The recoverable amount is determined based on the net selling price which is based on the scrap value of the assets.
- (c) Due to the continuing decline in the tractor market, certain buildings, plant, machinery and equipment of Standard Component Factory (a factory owned by the Company), have been written down to recoverable amount, which is determined based on its value in use. The discount rate used in determining the value in use is 9% per annum.

13. 固定資產 (續)

於年內在損益賬中確認之減值概述如下：

	Notes 附註	RMB'000 人民幣千元
First Tractor Qingjiang Tractor Company Limited ("FTQT")	(a)	20,000
Gear Factory	(b)	18,200
Standard Component Factory	(c)	8,000
Others		1,800
		48,000

附註：

- (a) 由於一拖清江持續錄得虧損，故於年內進一步補提減值準備，將一拖清江之固定資產撇減至其可收回值。可收回數額按資產殘值所定之售價淨額而釐定。
- (b) 由於拖拉機市場持續不景，董事們預計齒輪廠房(本公司擁有之其中一間廠房)之若干機器將會長期處於閒置狀態，因此本公司已對此等並無其他用途的固定資產作出減值準備，將其撇減至可收回值。可收回數額按資產殘值所定之售價淨額而釐定。
- (c) 由於拖拉機市場持續不景，標準零件廠房(本公司擁有之其中一間廠房)之若干房屋和建築物、廠房、機器及設備已撇減至按使用價值釐定之可收回值。釐定使用價值所採用之折扣年率為9%。

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14. CONSTRUCTION IN PROGRESS

14. 在建工程

		Group 本集團 2001 二零零一年 RMB'000 人民幣千元	Company 本公司 2001 二零零一年 RMB'000 人民幣千元
Cost:	成本：		
At beginning of year	年初		
As previously reported	如先前所呈報	63,468	56,074
Reclassified to accumulated impairment (note)	重新分類至累計減值(附註)	10,135	8,864
As restated	重新列賬	73,603	64,938
Additions	增加	59,926	46,929
Transfer to fixed assets (note 13)	轉入固定資產(附註13)	(63,951)	(51,057)
Write-off	撇銷	(1,495)	(1,495)
At 31 December 2001	於二零零一年十二月三十一日	68,083	59,315
Accumulated impairment:	累計減值：		
At beginning of year	年初		
As previously reported	如先前所呈報	—	—
Reclassified from cost (note)	從成本中重新分類(附註)	10,135	8,864
As restated	重新列賬	10,135	8,864
Impairment during the year recognised in the profit and loss account	年內減值列入 損益賬	411	—
Write-off of provision for impairment against cost	撇銷成本之減值準備	(1,495)	(1,495)
At 31 December 2001	於二零零一年十二月三十一日	9,051	7,369
Net book value:	賬面淨值：		
At 31 December 2001	於二零零一年十二月三十一日	59,032	51,946
At 31 December 2000	於二零零零年十二月三十一日	63,468	56,074

Note: Accumulated impairment losses are separately disclosed under the revised disclosure requirement of SSAP 17, as detailed in note 2 to the financial statements, whereas previously they were disclosed as an adjustment to the cost of the construction in progress. This change has been disclosed as a retrospective reclassification.

附註：累計減值損失根據會計實務準則第17號之經修訂披露規定而另作披露，詳情載於財務報表附註2，而過往則披露為在建工程成本之調整。此項轉變已按追溯方式重新分類。

15. GOODWILL AND NEGATIVE GOODWILL

As detailed in note 3 to the financial statements, the Group has adopted the transitional provision of SSAP 30 which permits goodwill and negative goodwill in respect of acquisitions which occurred prior to 1 January 2001, to remain eliminated against consolidated reserves or credited to the capital reserve, respectively.

The amounts of goodwill and negative goodwill remaining in consolidated reserves, arising from the acquisitions of subsidiaries are RMB39,844,000 and RMB11,111,000, respectively. All the amounts of goodwill and negative goodwill are stated at cost.

16. INTERESTS IN SUBSIDIARIES**15. 商譽及負商譽**

誠如財務報表附註3所詳述，本集團已採納會計實務準則第30號之暫行規定。該項規定容許於二零零一年一月一日前產生之收購商譽及負商譽仍可分別從綜合儲備中抵銷或計入資本儲備。

自收購附屬公司所產生而仍留在綜合儲備之商譽及負商譽分別為人民幣39,844,000元及人民幣11,111,000元。商譽及負商譽之所有數額均按原值列賬。

16. 附屬公司權益

		Company 本公司	
		2001 二零零一年	2000 二零零零年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Unlisted investments, at cost	非上市投資，按成本	255,246	239,551
Loans to subsidiaries	借予附屬公司貸款	102,000	—
Due from subsidiaries	應收附屬公司款項	388,511	569,164
Due to subsidiaries	應付附屬公司款項	(47,733)	(41,003)
		698,024	767,712
Provision for impairment	減值準備	(53,980)	(32,495)
Provision for amount due from a subsidiary	應收附屬公司準備	(46,505)	(26,505)
		597,539	708,712

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16. INTERESTS IN SUBSIDIARIES (continued)

The loans to subsidiaries, which are granted in the form of designated deposits through certain banks in the PRC, are unsecured, bear interest rate at 5.85% per annum and are repayable within one year.

The balances due from/to subsidiaries are unsecured, interest-free and have no fixed terms of repayment. Included therein are amounts due from/to subsidiaries aggregating RMB261,562,000 and RMB24,000, respectively (2000: RMB436,215,000 and RMB207,000, respectively) in respect of trading balances which, although technically currently repayable under the original terms of the transactions giving rise thereto, have been deferred and are therefore classified as non-current.

Particulars of the subsidiaries are as follows:

Name 公司名稱	Place of incorporation/ registration and operations 註冊成立/登記 及經營地點	Nominal value of issued ordinary/ registered share capital 已發行普通股 面值/註冊資本	Percentage of equity attributable to the Company 本公司應佔 權益百分比		Principal activities 主營業務
			Direct 直接	Indirect 間接	
Brilliance China Machinery Holdings Limited ("BCM") 華晨中國機械控股有限公司 (「華晨機械」)	Bermuda 百慕達	US\$12,000 12,000美元	90.1	—	Investment holding 投資控股
Yituo (Luoyang) Construction Machinery Co., Ltd. 一拖(洛陽)工程機械有限公司	PRC 中國	US\$9,980,000 9,980,000美元	49	46	Manufacture and sale of tractors and construction machinery 生產及銷售拖拉機及 工程機械
Yituo (Luoyang) Building Machinery Co., Ltd. 一拖(洛陽)建築機械有限公司	PRC 中國	US\$9,980,000 9,980,000美元	49	46	Manufacture and sale of road rollers and road construction machinery 生產及銷售壓路機及 路面建築機械
First Tractor Qingjiang Tractor Company Limited * ("FTQT") 一拖清江拖拉機有限公司 (「一拖清江」)	PRC 中國	RMB80,000,000 人民幣80,000,000元	51	—	Manufacture and sale of tractors and related parts and components 生產及銷售拖拉機及 有關零部件
Luoyang Changlun Agricultural Machinery Company Limited * 洛陽長倫農業機械有限公司	PRC 中國	RMB500,000 人民幣500,000元	99	—	Trading of tractors 拖拉機貿易
First Tractor Shenyang Tractor Company Limited * 一拖瀋陽拖拉機有限公司	PRC 中國	RMB27,000,000 人民幣27,000,000元	60	—	Manufacture and sale of tractors 生產及銷售拖拉機

16. 附屬公司權益 (續)

借予附屬公司之貸款為透過中國若干銀行以委託存款之方式授出，該等貸款為無抵押及附帶按年利率5.85%計算之利息，並須於一年內償還。

應收/應付附屬公司款項為無抵押、免息及無固定還款期。借予附屬公司貸款包括貿易款項有關之應收/應付附屬公司款項分別合共人民幣261,562,000元及人民幣24,000元(二零零零年：分別為人民幣436,215,000元及人民幣207,000元)。雖在技術上而言，按照有關交易原有條款，該等貿易款項須即時償還，但已作遞延計算，因此列為非流動款項。

附屬公司之詳情如下：

16. INTERESTS IN SUBSIDIARIES (continued)

16. 附屬公司權益 (續)

Name 公司名稱	Place of incorporation/ registration and operations 註冊成立/登記 及經營地點	Nominal value of issued ordinary/ registered share capital 已發行普通股 面值/註冊資本	Percentage of equity attributable to the Company 本公司應佔 權益百分比		Principal activities 主營業務
			Direct 直接	Indirect 間接	
Zhenjiang Huatong Aran Machinery Company Limited 鎮江華通阿倫機械有限公司	PRC 中國	US\$1,000,000 1,000,000美元	—	53.2	Manufacture and sale of road construction machinery 生產及銷售路面建築機械
Zhenjiang Huachen Huatong Road Machinery Company Limited 鎮江華晨華通路面機械有限公司	PRC 中國	US\$4,080,000 4,080,000美元	—	53.2	Manufacture and sale of road construction machinery 生產及銷售路面建築機械
Yituo (Luoyang) Harvester Co., Ltd.* 一拖(洛陽)收穫機械有限公司	PRC 中國	RMB45,695,000 人民幣45,695,000元	93.4	—	Manufacture and sale of agricultural harvesting machinery 生產及銷售農業收穫機械
Yituo (Zhenjiang) Harvester Co., Ltd.* 一拖(鎮江)收穫機械有限公司	PRC 中國	RMB11,984,400 人民幣11,984,400元	—	60.7	Manufacture and sale of agricultural harvesting machinery 生產及銷售農業收穫機械
Guizhou Zhenning Biological Industrial Co., Ltd.* 貴州鎮寧生物工業有限公司	PRC 中國	RMB16,000,000 人民幣16,000,000元	70	—	Manufacture and sale of biochemical products 生產及銷售生化產品
Luoyang Changhong High Technology Trading Company Limited* 洛陽高新長宏工貿有限公司	PRC 中國	RMB3,000,000 人民幣3,000,000元	91.7	8.2	Trading of tractors 拖拉機貿易

* The names of the PRC subsidiaries in English are the direct translation of their respective registered names in Chinese.

* 中國附屬公司之英文名稱是由其中文註冊名稱直接翻譯而成。

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17. INTEREST/INVESTMENT IN A JOINTLY-CONTROLLED ENTITY

17. 聯合控制企業權益／投資

		Group 本集團		Company 本公司	
		2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元	2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元
Unlisted shares, at cost	非上市股份，按成本	—	—	25,000	25,000
Share of net assets	應佔資產淨值	29,388	28,688	—	—
		29,388	28,688	25,000	25,000

Goodwill remaining in consolidated reserves arising from the acquisition of the jointly-controlled entity amounted to RMB4,901,000 as at 1 January and 31 December 2001. The amount of goodwill is stated at cost.

自收購聯合控制企業所產生而仍留在綜合儲備之商譽於二零零一年一月一日及十二月三十一日為人民幣4,901,000元。商譽按原值列賬。

Particulars of the jointly-controlled entity are as follows:

聯合控制企業之詳情如下：

Name 名稱	Business structure 業務結構	Place of registration and operations 註冊及經營地點	Percentage of 所佔百分比			Principal activities 主營業務
			Ownership interest 所有權權益	Voting power 投票權	Profit sharing 盈利分配	
First Tractor Ningbo C.S.I. Tractor & Automobile Corp., Ltd. 一拖寧波中策拖拉機汽車有限公司	Corporate 企業	PRC 中國	40	40	40	Manufacture and sale of tractors 生產及銷售拖拉機

The above investment in the jointly-controlled entity is directly held by the Company.

在以上聯合控制企業之投資由本公司直接擁有。

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18. INTERESTS/INVESTMENTS IN ASSOCIATES

18. 聯營公司權益／投資

		Group 本集團		Company 本公司	
		2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元	2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元
Unlisted shares, at cost	非上市股份，按成本	—	—	42,000	42,000
Share of net assets	應佔資產淨值	—	14,788	—	—
		—	14,788	42,000	42,000
Provision for impairment	減值準備	—	—	(42,000)	(27,000)
		—	14,788	—	15,000

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18. INTERESTS/INVESTMENTS IN ASSOCIATES (continued)

Particulars of the principal associates are as follows:

Name 名稱	Business structure 業務結構	Place of registration and operations 註冊及經營地點	Percentage of ownership interest attributable to the Group 本集團應佔 所有權益百分比		Principal activities 主營業務
			Direct 直接	Indirect 間接	
Shanghai Qiangnong (Group) Company Limited 上海強農(集團)股份有限公司	Corporate 企業	PRC 中國	39.6	—	Trading of agricultural machinery 農業機械貿易
Shanghai Qiangnong Group Agricultural Machinery Co., Ltd. 上海強農集團農業機械有限公司	Corporate 企業	PRC 中國	—	25.74	Trading of agricultural machinery and electrical equipment 農業機械及電子設備貿易
Shanghai Agricultural Resources Trading Centre Co., Ltd. 上海農用物資貿易中心有限公司	Corporate 企業	PRC 中國	—	25.74	Trading of agricultural machinery and electrical equipment 農業機械及電子設備貿易
Shanghai Shennong Automobiles Services Co., Ltd. 上海申龍汽車服務有限公司	Corporate 企業	PRC 中國	—	31.68	Provision of transportation services 提供運輸服務
Shanghai Shangnong Property Development Company 上海尚隆房地產置業公司	Corporate 企業	PRC 中國	—	39.6	Property development 物業開發

The names of the above PRC associates in English are the direct translation of their respective registered names in Chinese.

The table above lists the associates of the Group which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other associates would, in the opinion of the directors, result in particulars of excessive length.

18. 聯營公司權益／投資（續）

主要聯營公司之明細如下：

Name 名稱	Business structure 業務結構	Place of registration and operations 註冊及經營地點	Percentage of ownership interest attributable to the Group 本集團應佔 所有權益百分比		Principal activities 主營業務
			Direct 直接	Indirect 間接	
Shanghai Qiangnong (Group) Company Limited 上海強農(集團)股份有限公司	Corporate 企業	PRC 中國	39.6	—	Trading of agricultural machinery 農業機械貿易
Shanghai Qiangnong Group Agricultural Machinery Co., Ltd. 上海強農集團農業機械有限公司	Corporate 企業	PRC 中國	—	25.74	Trading of agricultural machinery and electrical equipment 農業機械及電子設備貿易
Shanghai Agricultural Resources Trading Centre Co., Ltd. 上海農用物資貿易中心有限公司	Corporate 企業	PRC 中國	—	25.74	Trading of agricultural machinery and electrical equipment 農業機械及電子設備貿易
Shanghai Shennong Automobiles Services Co., Ltd. 上海申龍汽車服務有限公司	Corporate 企業	PRC 中國	—	31.68	Provision of transportation services 提供運輸服務
Shanghai Shangnong Property Development Company 上海尚隆房地產置業公司	Corporate 企業	PRC 中國	—	39.6	Property development 物業開發

以上之中國聯營公司之英文名稱乃由其中文註冊名稱直接翻譯而成。

上表列載董事們認為對本集團年內業績有重大影響或組成本集團淨資產之重要部分之本集團聯營公司。董事們認為詳列其他聯營公司資料則過於冗長。

19. LONG TERM INVESTMENTS

19. 長期投資

		Group 本集團		Company 本公司	
		2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元	2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元
Unlisted equity investments, at fair value	非上市權益性投資， 按公平價值	91,608	48,608	55,303	25,303

Note: As at 31 December 2001, the Group's long term investments included an amount of RMB30 million (2000: RMB20 million) investment in China Yituo Group Finance Limited Company ("China Yituo Finance"), which representing 9.68% of the registered capital of China Yituo Finance. China Yituo Finance is a subsidiary of the Holding.

附註：於二零零一年十二月三十一日，本集團之長期投資包括為數人民幣30,000,000元（二零零零年：人民幣20,000,000元）於中國一拖集團財務有限責任公司（「中國一拖財務」），該投資佔中國一拖財務註冊資本之9.68%。中國一拖財務乃控股公司之一間附屬公司。

20. INVENTORIES

20. 存貨

		Group 本集團		Company 本公司	
		2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元	2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元
Raw materials	原材料	130,445	112,880	60,853	65,648
Work in progress	在製品	143,075	156,863	66,900	71,420
Finished goods	產成品	235,457	269,522	52,878	67,921
Spare parts and consumables	備件及低值易耗品	50,478	59,773	45,520	53,294
		559,455	599,038	226,151	258,283

At 31 December 2001, the carrying amount of inventories of the Group carried at net realisable value included in the above balance was approximately RMB8.6 million (2000: RMB9.0 million).

於二零零一年十二月三十一日，上述結餘包括本集團以可變現淨值列賬之存貨約人民幣8,600,000元（二零零零年：人民幣9,000,000元）。

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21. TRADE AND BILLS RECEIVABLES

The Group's trading terms with its customers are mainly on credit, where payment in advance for customers is normally required. The credit periods to its customers are 30 to 90 days. The Group seeks to maintain strict control over its outstanding receivables.

An aged analysis of the trade and bills receivables as at the balance sheet date, based on invoice date, and net of provisions, is as follows:

		Group 本集團		Company 本公司	
		2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元	2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元
Within 90 days	90天以內	238,195	261,766	57,429	32,368
91 days to 180 days	91至180天	53,960	103,326	14,618	11,038
181 days to 365 days	181至365天	72,625	58,690	13,393	21,191
1 to 2 years	1至2年	48,666	61,121	10,548	14,134
Over 2 years	2年以上	10,143	2,516	1,708	2,021
		423,589	487,419	97,696	80,752

22. OTHER RECEIVABLES

21. 應收賬款及應收票據

本集團與客戶之貿易主要以信貸方式進行，而客戶一般需要預付款項。客戶之信貸期一般為三十至九十日。本集團致力對尚餘應收款項維持嚴謹控制。

於結算日，按照發票日及扣除準備後之應收賬款及應收票據賬齡分析如下：

22. 其他應收款

		Notes 附註	Group 本集團		Company 本公司	
			2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元	2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元
Prepayments, deposits and other debtors	預付賬款， 按金及其他應收款		98,622	92,576	40,219	44,541
Prepaid income tax	預付所得稅		3,757	—	—	—
Due from related companies	應收關連公司款項	23	3,899	10,896	3,315	3,315
Due from the Holding	應收控股公司款項	24	21,753	—	21,521	—
			128,031	103,472	65,055	47,856

23. DUE FROM/TO RELATED COMPANIES

The amounts due from/to related companies are unsecured, interest-free and have no fixed terms of repayment.

24. DUE FROM/TO THE HOLDING

Except for a balance of approximately RMB5.7 million (2000: RMB106 million) due to the Holding which bears interest at 6.435% per annum (2000: interest rates ranging from 5.58% to 6.65% per annum), all of the other balances due from/to the Holding are interest-free. All of the balances with the Holding are unsecured and have no fixed terms of repayment.

25. SHORT TERM INVESTMENTS

Listed government bonds,
at market value - PRC
上市國家債券，
按市值—中國

Listed equity securities,
at market value:
Hong Kong
PRC
上市權益性證券，
按市值：
香港
中國

Other investment,
at market value (note)
其他投資，按市值(附註)

23. 應收／應付關連公司款項

應收／應付關連公司款項為無抵押、免息及並無固定還款期。

24. 應收／應付控股公司

除了一筆為數約人民幣570萬元(二零零零年：人民幣1.06億元)的應付控股公司款項是按年利率6.435%(二零零零年：年利率5.58%至6.65%)計息之外，所有其他應收／應付控股公司的款項均為免息。所有與控股公司的賬款均為無抵押和無固定還款期。

25. 短期投資

	Group 本集團		Company 本公司	
	2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元	2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元
Listed government bonds, at market value - PRC	50,000	100,000	50,000	100,000
Listed equity securities, at market value:				
Hong Kong	—	9,640	—	—
PRC	2,264	—	—	—
Other investment, at market value (note)	30,000	—	30,000	—
	82,264	109,640	80,000	100,000

Note: On 23 July 2001, the Company entered into a designated investment agreement with an investment management company whereby the latter agreed to invest an amount of RMB30,000,000, on behalf of the Company, on short term investment portfolios comprising listed securities, government bonds and various funds in the PRC. The agreement was for a period of approximately 12 months, from 27 July 2001 to 22 July 2002.

附註：於二零零一年七月二十三日，本公司與一間投資管理公司訂立指定投資協議，據此，該投資管理公司同意代本公司投資人民幣30,000,000元於包含中國之上市證券、國家債券及各類資金之短期投資組合中。該協議為期約十二個月，由二零零一年七月二十七日至二零零二年七月二十二日。

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26. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS

		Group 本集團		Company 本公司	
		2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元	2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元
Cash and bank balances	現金及銀行存款	266,604	333,261	126,416	173,301
Time deposits	定期存款	646,750	634,024	531,614	473,871
		913,354	967,285	658,030	647,172
Less: Deposits pledged for bank facilities	減：為取得銀行信貸額度而 抵押之存款	(23,302)	—	(16,446)	—
Cash and cash equivalents	現金及現金等價物	890,052	967,285	641,584	647,172

27. TRADE AND BILLS PAYABLES

An aged analysis of trade and bills payables as at the balance sheet date, based on invoice date, is as follows:

		Group 本集團		Company 本公司	
		2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元	2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元
Within 90 days	90天以內	207,128	263,210	129,102	154,902
91 days to 180 days	91至180天	74,711	46,563	40,673	34,477
181 days to 365 days	181至365天	38,860	47,686	25,490	31,670
1 to 2 years	1至2年	30,875	24,950	14,366	14,168
Over 2 years	2年以上	21,680	20,916	11,801	11,469
		373,254	403,325	221,432	246,686

The Group's bills payables amounting to approximately RMB44,020,000 (2000: Nil) are secured by the pledge of certain of the Group's deposits amounting to approximately RMB23,302,000 (2000: Nil).

26. 現金及現金等價物及已抵押存款

		Group 本集團		Company 本公司	
		2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元	2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元
Cash and bank balances	現金及銀行存款	266,604	333,261	126,416	173,301
Time deposits	定期存款	646,750	634,024	531,614	473,871
		913,354	967,285	658,030	647,172
Less: Deposits pledged for bank facilities	減：為取得銀行信貸額度而 抵押之存款	(23,302)	—	(16,446)	—
Cash and cash equivalents	現金及現金等價物	890,052	967,285	641,584	647,172

27. 應付賬款及應付票據

於結算日，按照發票日之應付賬款及應付票據賬齡分析如下：

		Group 本集團		Company 本公司	
		2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元	2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元
Within 90 days	90天以內	207,128	263,210	129,102	154,902
91 days to 180 days	91至180天	74,711	46,563	40,673	34,477
181 days to 365 days	181至365天	38,860	47,686	25,490	31,670
1 to 2 years	1至2年	30,875	24,950	14,366	14,168
Over 2 years	2年以上	21,680	20,916	11,801	11,469
		373,254	403,325	221,432	246,686

本集團約有人民幣44,020,000元(二零零零年：無)應付票據是以本集團若干存款約人民幣23,302,000元(二零零零年：無)作抵押。

28. OTHER PAYABLES AND ACCRUALS

28. 其他應付款及應計負債

		Notes 附註	Group 本集團		Company 本公司	
			2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元	2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元
Accruals and other liabilities	應計負債及其他負債		253,411	234,800	127,485	125,825
Provision for product warranties	產品保用準備	29	4,202	4,702	2,202	2,202
Due to related companies	應付關連公司款項	23	14,612	4,588	—	—
Due to the Holding	應付控股公司款項	24	7,894	119,773	—	10,892
			280,119	363,863	129,687	138,919

29. PROVISION FOR PRODUCT WARRANTIES

29. 產品保用準備

		Group 本集團 RMB'000 人民幣千元	Company 本公司 RMB'000 人民幣千元
At beginning of year	年初	4,702	2,202
Additional provision	增加準備	3,189	1,132
Amounts utilised during the year	年內使用數額	(3,689)	(1,132)
At 31 December 2001	於二零零一年十二月三十一日	4,202	2,202

The Group provides one-year warranties to its customers on certain of its tractors and components sold, under which faulty products are repaired or replaced. The amount of the provision for product warranties is calculated based on the unit rate charged by repair centres and the estimated number of units of tractors and components already sold which may require repairs and maintenance. The estimation basis is reviewed on an ongoing basis and revised where appropriate.

本集團為其出售之若干拖拉機及零件向客戶提供一年保養，如產品出現瑕疵不全時，客戶可獲提供維修或更換服務。產品保用準備數額按維修中心之單位收費，以及按可能需要維修保養之已售拖拉機及零件估計數目計算。本集團會不斷檢討估計基準，並於適當時候作出修訂。

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30. INTEREST-BEARING BANK AND OTHER LOANS

30. 附帶利息之銀行貸款和其他貸款

		Group 本集團		Company 本公司	
		2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元	2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元
Bank loans:	銀行貸款：				
Secured	有抵押	74,420	25,650	—	—
Unsecured	無抵押	153,140	143,220	25,000	25,000
		227,560	168,870	25,000	25,000
Unsecured other loans	無抵押的其他貸款	29,500	49,959	—	—
		257,060	218,829	25,000	25,000
Bank loans repayable:	應在下列期限內償還之銀行貸款：				
Within one year	一年內到期	227,560	144,080	25,000	20,000
In the second year	於第二年年內到期	—	24,790	—	5,000
		227,560	168,870	25,000	25,000
Other loans repayable:	應在下列期限內償還之其他貸款：				
Within one year	一年內到期	29,500	49,959	—	—
		257,060	218,829	25,000	25,000
Portion classified as current liabilities	分類為流動負債的部份	(257,060)	(194,039)	(25,000)	(20,000)
Long term portion	長期部份	—	24,790	—	5,000

- (a) At 31 December 2001, certain of the Group's bank loans of RMB74,420,000 (2000: RMB25,650,000) are secured by the Group's certain buildings and machinery with an aggregate net carrying value of approximately RMB34,881,000 (2000: RMB31,400,000),

In addition, the Holding has guaranteed certain of the Group's bank and other loans up to RMB34,700,000 and RMB200,000, respectively (2000: RMB40,000,000 and RMB36,177,000, respectively) as at the balance sheet date.

- (a) 於二零零一年十二月三十一日，本集團若干銀行貸款為數人民幣74,420,000元（二零零零年：人民幣25,650,000元）乃以本集團賬面淨值總額約人民幣34,881,000元（二零零零年：人民幣31,400,000元）之若干建築物及機器作抵押。

此外，於結算日，控股公司為本集團向若干銀行及其他貸款作出擔保，該貸款金額分別為人民幣34,700,000元及人民幣200,000元（二零零零年：分別為人民幣40,000,000元及人民幣36,177,000元）。

30. INTEREST-BEARING BANK AND OTHER LOANS (continued)

- (b) Other loans are unsecured and bear interest at rates ranging from 5.85% to 8.4% (2000: 6.44% to 9.72%) per annum.

31. DEFERRED TAX

At beginning of year	年初
Credit for the year (note 10)	年內減少(附註10)
At 31 December	於十二月三十一日

The deferred tax of the Group and the Company is made in respect of the difference in income recognition for accounting and tax purposes regarding interest income arising from the over-subscription monies of the H shares proceeds received in 1997.

30. 附帶利息之銀行貸款和其他貸款(續)

- (b) 其他貸款均為無抵押，按年利率5.85%至8.4% (二零零零年：6.44%至9.72%)計息。

31. 遞延稅項

Group and Company 本集團和本公司		2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元
At beginning of year	年初	3,702	6,170
Credit for the year (note 10)	年內減少(附註10)	(2,468)	(2,468)
At 31 December	於十二月三十一日	1,234	3,702

本集團及本公司就於一九九七年收取之H股超額認購所得款項之利息收入因記賬與繳稅時差作遞延稅項準備。

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32. SHARE CAPITAL

32. 股本

		Company 本公司	
		2001 二零零一年	2000 二零零零年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Registered, issued and fully paid:	註冊、已發行和繳足之股本：		
State-owned legal person shares of RMB1.00 each	每股面值人民幣1.00元之國有法人股	450,000	450,000
H shares of RMB1.00 each	每股面值人民幣1.00元之H股	335,000	335,000
		785,000	785,000

33. RESERVES

33. 儲備

Group	本集團	Share	Statutory	Statutory	Reserve	Enterprise	Capital	Retained	Total
		premium	common	public	fund	expansion	reserve	profits/	
		資本公積	法定公積金	法定公益金	儲備基金	基金	資本儲備	(accumulated	
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	losses)	
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	留存收益/ (累積虧損)	人民幣千元
At 1 January 2000	於二零零零年一月一日	1,378,840	56,402	56,402	564	320	95	119,830	1,612,453
Net loss for the year	本年虧損淨額	—	—	—	—	—	—	(157,053)	(157,053)
Transfer from/(to) reserves	撥自/(撥往)儲備	—	1,767	1,767	—	—	—	(3,534)	—
Goodwill written off on acquisition of minority interests	於收購少數股東權益撤銷之商譽	—	—	—	—	—	(95)	(14,174)	(14,269)
At 31 December 2000 and beginning of year	於二零零零年十二月三十一日及年初結餘	1,378,840	58,169	58,169	564	320	—	(54,931)	1,441,131
Net loss for the year	本年虧損淨額	—	—	—	—	—	—	(117,799)	(117,799)
Transfer from/(to) reserves	撥自/(撥往)儲備	—	409	409	270	270	—	(1,358)	—
At 31 December 2001	於二零零一年十二月三十一日	1,378,840	58,578	58,578	834	590	—	(174,088)	1,323,332
Reserves retained by:	儲備保留於:								
Company and its subsidiaries	本公司及其附屬公司	1,378,840	58,578	58,578	834	590	—	(141,377)	1,356,043
Jointly-controlled entity	聯合控制企業	—	—	—	—	—	—	9,289	9,289
Associates	聯營公司	—	—	—	—	—	—	(42,000)	(42,000)
31 December 2001	於二零零一年十二月三十一日	1,378,840	58,578	58,578	834	590	—	(174,088)	1,323,332
Reserves retained by:	儲備保留於:								
Company and its subsidiaries	本公司及其附屬公司	1,378,840	58,169	58,169	564	320	—	(36,308)	1,459,754
Jointly-controlled entity	聯合控制企業	—	—	—	—	—	—	8,589	8,589
Associates	聯營公司	—	—	—	—	—	—	(27,212)	(27,212)
31 December 2000	於二零零零年十二月三十一日	1,378,840	58,169	58,169	564	320	—	(54,931)	1,441,131

Certain amounts of goodwill and negative goodwill arising on the acquisition of subsidiaries and a jointly-controlled entity remain eliminated against consolidated retained profits and credited to the capital reserve, respectively, as explained in notes 15 and 17 to the financial statements.

由收購附屬公司及聯合控制企業所產生之若干商譽及負商譽數額，分別維持於抵銷綜合留存收益中扣除及計入資本儲備，詳情見財務報表附註15及17。

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33. RESERVES (continued)

33. 儲備 (續)

Company		Share premium	Statutory common reserve	Statutory public welfare fund	Retained profits/ (accumulated losses)	Total
	本公司	資本公積	法定公積金	法定公益金	留存收益/ (累積虧損)	合計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2000	於二零零零年一月一日	1,378,840	48,388	48,388	101,260	1,576,876
Net loss for the year	本年虧損淨額	—	—	—	(147,310)	(147,310)
At 31 December 2000 and beginning of year	於二零零零年十二月三十一日 及年初結餘	1,378,840	48,388	48,388	(46,050)	1,429,566
Net loss for the year	本年虧損淨額	—	—	—	(115,922)	(115,922)
At 31 December 2001	於二零零一年十二月三十一日	1,378,840	48,388	48,388	(161,972)	1,313,644

In accordance with the Company Law of the PRC and the Company's articles of association, the Company is required to appropriate 10% and 5% to 10% of its annual statutory profit after tax, as determined in accordance with PRC accounting standards and regulations, to a statutory common reserve ("SCR") and a statutory public welfare fund ("PWF"), respectively. No allocation to the SCR is required after the balance of the Company's SCR reaches 50% of its registered capital.

The SCR may only be used to offset accumulated losses, to expand the production operations of the Company, or to increase its paid-up capital.

The PWF is used for the collective welfare of the staff and workers of the Company.

No transfer to SCR and PWF has been proposed by the directors because the Company incurred a loss during the year.

At the balance sheet date, the Company had not utilised any SCR and PWF.

根據有關中國公司法及本公司之章程，本公司須將根據中國會計準則和制度所釐定之每年法定稅後利潤的10%及5%至10%分別撥往法定公積金（「公積金」）及法定公益金（「公益金」）。當本公司之公積金結餘達到註冊資本50%後，則毋須再提取公積金。

公積金只可用作抵銷本公司累積虧損、擴大生產規模或增加實繳股本。

公益金需用於本公司職工之集體福利。

由於本公司於本年度錄得虧損，董事會建議不提取公積金及公益金。

於結算日，本公司並無動用任何公積金及公益金。

33. RESERVES (continued)

During the year, the subsidiaries' aggregate appropriations to each of the SCR, PWF, reserve fund and enterprise expansion fund, as dealt with in the Group's financial statements, were RMB0.41 million (2000: RMB1.77 million), RMB0.41 million (2000: RMB1.77 million), RMB0.27 million (2000: Nil) and RMB0.27 million (2000: Nil), respectively. The appropriations to certain of the reserves are subject to approval by the board of directors of the respective subsidiaries, and the recently issued SSAP 9 (revised) requires that appropriations subject to approval subsequent to balance sheet date should not be recognised in the balance sheet. However, appropriation subject to subsequent approval already recognised in the balance sheet has not been reversed because the amount thereof is immaterial.

As at 31 December 2001, the Company had no retained profits (2000: Nil) available for distribution by way of cash or in kind.

As at 31 December 2001, in accordance with the Company Law of the PRC, an amount of approximately RMB1.38 billion (2000: RMB1.38 billion) standing to the credit of the Company's share premium account was available for distribution by way of future capitalisation issues.

33. 儲備 (續)

本年內，附屬公司撥往公積金、公益金、儲備基金及企業發展基金而列入本集團財務報表之總數分別為人民幣410,000元(二零零零年：人民幣1,770,000元)、人民幣410,000元(二零零零年：人民幣1,770,000元)、人民幣270,000元(二零零零年：無)及人民幣270,000元(二零零零年：無)。撥往若干儲備之分配須經各自附屬公司董事會之批准，而根據最近發行之會計實務準則第9號(經修訂)規定，如須於結算日後批准之分配則不應記入資產負債表。然而，須經結算日後發出批准之分配而已於資產負債表確認者，由於數額並不重大，因此並無作出撥回。

於二零零一年十二月三十一日，本公司並沒有可供現金或實物分配的留存收益(二零零零年：無)。

於二零零一年十二月三十一日，根據中國公司法，本公司可以轉增股本形式分配的資本公積中約有人民幣13.8億元(二零零零年：人民幣13.8億元)。

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34. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

34. 綜合現金流量表附註

(a) Reconciliation of loss from operating activities to net cash inflow/(outflow) from operating activities

(a) 經營業務虧損與經營業務之淨現金流入／(流出)調節表

		2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元
Loss from operating activities	經營業務虧損	(63,481)	(119,887)
Interest income	利息收入	(32,523)	(27,927)
Investment income from short term listed investments	短期上市投資之投資收入	(7,400)	—
Gain on disposal of short term listed investments	出售短期上市投資之收益	(7,715)	(3,000)
Dividend income from long term unlisted investments	長期非上市投資之股息收入	(1,250)	—
Unrealised loss on changes in fair values of short term listed investments	短期上市投資公平價值變動之未變現虧損	644	—
Depreciation	折舊	86,041	97,929
Impairment of construction in progress	在建工程減值	411	10,135
Impairment of fixed assets	固定資產減值	48,000	29,735
Loss on disposal of fixed assets	出售固定資產損失	1,590	1,874
Decrease in inventories	存貨減少	45,383	15,853
Provision/(reversal of provision) for obsolete inventories	陳舊存貨準備／(準備撥回)	(5,800)	16,600
Decrease/(increase) in trade and bills receivables	應收賬款及應收票據減少／(增加)	40,844	(17,889)
Provision for bad and doubtful debts	呆壞賬準備	22,986	64,651
Increase in prepayments, deposits and other debtors	預付款項、按金及其他應收款增加	(6,046)	(5,196)
Decrease/(increase) in amounts due from related companies	應收關連公司款項減少／(增加)	6,997	(4,960)
Decrease/(increase) in amount due from the Holding	應收控股公司款項減少／(增加)	(21,753)	106,378
Decrease in trade and bills payables	應付賬款及應付票據減少	(30,071)	(71,213)
Increase in accruals and other liabilities	應計負債及其他應付款增加	18,611	19,168
Product warranties provision movement, net	產品保用準備變動淨額	(500)	(2,000)
Increase in amounts due to related companies	應付關連公司款項增加	10,024	2,714
Increase/(decrease) in amount due to the Holding	應付控股公司款項增加／(減少)	(111,879)	12,995
Net cash inflow/(outflow) from operating activities	經營業務之淨現金流入／(流出)	(6,887)	125,960

34. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (continued)

34. 綜合現金流量表附註 (續)

(b) Analysis of changes in financing during the year

(b) 年內籌資變動分析

		Issued capital (including share premium) 已發行股本 (包括資本公積) RMB'000 人民幣千元	Bank and other loans 銀行及其他貸款 RMB'000 人民幣千元	Minority interests 少數股東權益 RMB'000 人民幣千元
At 1 January 2000	於二零零零年一月一日	2,163,840	197,970	195,409
Cash inflow from financing activities, net	籌資活動之淨現金流入	—	20,859	—
Arising from acquisition of subsidiaries	收購附屬公司所產生	—	—	11,995
Share of loss after tax of subsidiaries	應佔附屬公司除稅後虧損	—	—	(24,145)
Dividends paid to minority shareholders	支付少數股東之股息	—	—	(2,245)
Minority interests acquired	所購入之少數股東權益	—	—	(115,084)
At 31 December 2000 and beginning of year	於二零零零年十二月三十一日 及年初	2,163,840	218,829	65,930
Cash inflow from financing activities, net	籌資活動之淨現金流入	—	38,231	—
Share of profit after tax of subsidiaries	應佔附屬公司除稅後溢利	—	—	3,406
Dividends paid to minority shareholders	支付少數股東之股息	—	—	(3,289)
At 31 December 2001	於二零零一年十二月三十一日	2,163,840	257,060	66,047

(c) Acquisition of subsidiaries

(c) 收購附屬公司

		2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元
Net assets acquired:	獲得之淨資產值：		
Fixed assets	固定資產	—	8,590
Cash and bank balances	現金及銀行存款	—	48,990
Prepayments, deposits and other debtors	預付款項、按金及其他應收款	—	182
Inventories	存貨	—	1,435
Trade and bills payables	應付賬款及應付票據	—	(1,212)
Minority interests	少數股東權益	—	(11,995)
		—	45,990
Satisfied by:	支付方法：		
Cash	現金	—	45,990

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34. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (continued)

(c) Acquisition of subsidiaries (continued)

For the year ended 31 December 2000, the subsidiaries acquired contributed RMB9,081,000 to the Group's net operating cash outflows, received RMB157,000 in respect of the net returns on investments and servicing of finance, no payment was made in respect of tax, utilised RMB6,758,000 for investing activities and no contribution was made for financing activities.

Analysis of the net inflow of cash and cash equivalents in respect of the acquisition of subsidiaries is as follows:

Cash and bank balances acquired	獲得現金及銀行存款
Cash consideration	現金代價
Net inflow of cash and cash equivalents in respect of the acquisition of subsidiaries	收購附屬公司之現金及現金等價物淨流入

The subsidiaries acquired in the prior year contributed RMB14,588,000 to the Group's turnover for the year ended 31 December 2000.

The post-acquisition losses before minority interests dealt with in the Company's consolidated financial statements for the year ended 31 December 2000 in respect of subsidiaries acquired amounted to RMB5.5 million.

34. 綜合現金流量表附註 (續)

(c) 收購附屬公司 (續)

本集團於截至二零零零年十二月三十一日止年度購入附屬公司帶來人民幣9,081,000元之營運現金淨流出。就投資回報及籌資費用收到人民幣157,000元，沒有就稅項支付任何款項，就投資活動動用人民幣6,758,000元及沒有就籌資活動帶來任何收益。

收購附屬公司之現金及現金等價物淨流入分析如下：

2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元
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Cash and bank balances acquired	獲得現金及銀行存款	—	48,990
Cash consideration	現金代價	—	(45,990)
Net inflow of cash and cash equivalents in respect of the acquisition of subsidiaries	收購附屬公司之現金及現金等價物淨流入	—	3,000

新收購附屬公司為本集團截至二零零零年十二月三十一日止年度帶來人民幣14,588,000元之營業額。

新收購附屬公司之收購後除少數股東權益前之虧損計入本公司截至二零零零年十二月三十一日止年度綜合財務報表之數額為人民幣5,500,000元。

34. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (continued)

(d) Acquisition of minority interests

		2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元
Net assets acquired:	獲得之淨資產淨值：		
Minority interests	少數股東權益	—	115,084
Goodwill arising on acquisition of minority interests	收購少數股東權益產生之商譽	—	14,269
		—	129,353
Satisfied by:	支付方法：		
Cash	現金	—	129,353

35. RETIREMENT BENEFITS

The Company participates in the central retirement and pension fund scheme organised by the Luoyang Municipal Government and makes an annual contribution representing 28% (2000: 25.5% to 28%) of the total annual wages of its employees to the aforesaid retirement and pension fund, out of which the pensions of the Company's retired employees are paid.

36. CONTINGENT LIABILITIES

As at 31 December 2001, the Company had given corporate guarantees of approximately RMB151.3 million (2000: RMB20.0 million) to certain banks and a financial institution in connection with facilities granted to a subsidiary. The facilities were utilised to the extent of approximately RMB96.3 million (2000: RMB20.0 million). Such contingent liabilities were not provided in the Company's financial statements.

Save as aforesaid, neither the Group, nor the Company had any significant contingent liabilities.

34. 綜合現金流量表附註 (續)

(d) 收購少數股東權益

35. 退休福利

本公司已參加由洛陽市政府管理之中央定額退休金計劃。據此，本公司同意按員工每年工資總額的28% (二零零零年：25.5%至28%) 作為供款。當員工退休時，所有退休員工之工資從該退休金中支付。

36. 或然負債

於二零零一年十二月三十一日，本公司就一間附屬公司的融資額度而向若干銀行及一間財務機構提供金額約為人民幣151,300,000元 (二零零零年：人民幣20,000,000元) 的公司擔保。該融資額度已動用約人民幣96,300,000元 (二零零零年：人民幣20,000,000元)。該等或然負債並無在本公司財務報表中作出準備。

除以上所述者外，本集團及本公司均無任何重大或然負債。

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37. OPERATING LEASE ARRANGEMENTS

(a) As lessor

The Company leases certain of its buildings and machinery (note 13 to the financial statements) under operating lease arrangements. Leases for buildings and machinery are negotiated for terms ranging from one to five years. The terms of the leases generally also require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions.

At 31 December 2001, the Group and the Company had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

37. 經營租約安排

(a) 作為出租人

本公司根據經營租約安排出租若干房屋及建築物(財務報表附註13)。房屋及建築物，以及機器之租約均按一至五年租期釐定。租約之條款一般亦規定租客支付按金，並有訂明按實際市況定期調整租金。

於二零零一年十二月三十一日，本集團及本公司根據下列期間到期、與租客簽訂之不可撤銷經營租約而於未來應收之最低租賃款項總額如下：

		Group and Company 本集團和本公司	
		2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元
Within one year	一年內	3,111	—
In the second to fifth years, inclusive	第二至第五年(首尾兩年包括在內)	10,560	—
		13,671	—

37. OPERATING LEASE ARRANGEMENTS

(continued)

(b) As lessee

The Group leases certain land, buildings, plant and machinery under operating lease arrangements. Leases for land and buildings are negotiated for terms ranging from 1 to 50 years, and those for plant and machinery for terms of one year with renewal options.

At 31 December 2001, the Group and the Company had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		Group 本集團		Company 本公司	
		2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元 (Restated) (重新列賬)	2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元 (Restated) (重新列賬)
Within one year	一年內	12,299	21,385	10,000	6,750
In the second to fifth years, inclusive	第二至第五年 (首尾兩年包括在內)	37,744	84,454	31,740	20,000
After five years	五年後	228,389	269,126	201,794	206,795
		278,432	374,965	243,534	233,545

SSAP 14 (Revised), which was adopted during the year, requires lessors under operating leases to disclose the total future minimum operating lease receivables under non-cancellable operating leases, as detailed in note (a) above. This disclosure was not previously required. SSAP 14 (Revised) also requires lessees under operating leases to disclose the total future minimum operating lease payments, rather than only the payments to be made during the next year as was previously required. Accordingly, the prior year comparative amounts for operating leases as lessee in note (b) above have been restated to accord with the current year's presentation.

37. 經營租約安排 (續)

(b) 作為承租人

本集團根據經營租約安排承租若干土地、房屋與建築物、廠房及機器。土地及房屋與建築物之租期按一至五十年之租期釐定，而廠房及機器之租期為一年並可獲選擇續期。

於二零零一年十二月三十一日，本集團及本公司根據於下列期間到期之不可撤銷經營租約而於未來支付之最低租賃款項總額如下：

		Group 本集團		Company 本公司	
		2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元 (Restated) (重新列賬)	2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元 (Restated) (重新列賬)
Within one year	一年內	12,299	21,385	10,000	6,750
In the second to fifth years, inclusive	第二至第五年 (首尾兩年包括在內)	37,744	84,454	31,740	20,000
After five years	五年後	228,389	269,126	201,794	206,795
		278,432	374,965	243,534	233,545

於年內採納之會計實務準則第14號(經修訂)規定經營租約之出租人須披露根據不可撤銷經營租約之未來最低租約應收款項，詳情見上文附註(a)。過往並無需要作出此項披露。會計實務準則第14號(經修訂)亦規定經營租約之承租人須披露未來最低經營租約付款總額，而不只是披露過往所規定於未來一年須作出之付款。因此，在上文附註(b)，作為承租人經營租約之上年度比較數字，已重新列賬，以符合本年度之呈報方式。

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38. CAPITAL COMMITMENTS

In addition to the operating lease commitments detailed in note 37(b) above, the Group and the Company had the following capital commitments at the balance sheet date:

38. 資本承擔

除於上文附註37(b)詳述之經營租賃承擔外，本集團及本公司於結算日有以下資本承擔：

		Group 本集團		Company 本公司	
		2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元	2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元
Capital commitments in respect of plant and machinery:	廠房及機器之資本承擔：				
Contracted for	已簽約	19,241	27,479	17,213	20,160
Authorised, but not contracted for	已批准但未簽約	—	18,500	—	18,500
Capital commitments in respect of purchase of equity interest in an associate:	購入一聯營公司股權之資本承擔：				
Contracted for	已簽約	12,415	—	—	—
Capital commitments in respect of additional capital contribution into subsidiaries:	向附屬公司額外注資之資本承擔：				
Authorised, but not contracted for	已批准但未簽約	174,075	15,695	174,075	15,695

39. RELATED PARTY TRANSACTIONS

(a) The significant transactions carried out between the Group and the Holding group, inclusive of subsidiaries and associates of the Holding, during the year are summarised as follows:

		Notes 附註	2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元
Sales of raw materials and components	銷售原材料及零部件	(i)	100,766	125,631
Purchases of raw materials and components	購買原材料及零部件	(i)	172,151	191,535
Purchases of utilities	支付動力費	(ii)	57,054	56,510
Fees paid for welfare and support services	支付福利及後勤服務費	(iii)	38,507	44,677
Purchases of transportation services	支付運輸費	(iii)	3,569	9,188
Research and development expenses paid	支付研究及開發費用	(iv)	2,308	2,600
Fees paid for the use of land	支付土地租金	(v)	5,000	5,000
Fees paid for the use of trademark	支付商標費	(vi)	2,308	2,600
Rentals paid in respect of:	支付租金：			
Buildings	建築物	(vii)	2,143	1,763
Plant and machinery	機器及設備	(vii)	2,657	5,000
Fees paid for agency services	支付代理服務費	(viii)	989	—

(b) The significant transactions carried out between FTQT and its minority shareholder during the year are summarised as follows:

39. 關連人士交易

(a) 本年度，本集團與控股公司集團，包括控股公司之附屬公司及聯營公司的重大交易如下：

		Notes 附註	2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元
Sales of raw materials and components	銷售原材料及零部件	(i)	2,557	4,854
Purchases of raw materials and components	購買原材料及零部件	(i)	11,719	18,417
Sales of utilities	收取動力費	(ii)	1,529	1,542

(b) 本年度一拖清江及其少數股東之重大交易如下：

		Notes 附註	2001 二零零一年 RMB'000 人民幣千元	2000 二零零零年 RMB'000 人民幣千元
Sales of raw materials and components	銷售原材料及零部件	(i)	2,557	4,854
Purchases of raw materials and components	購買原材料及零部件	(i)	11,719	18,417
Sales of utilities	收取動力費	(ii)	1,529	1,542

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39. RELATED PARTY TRANSACTIONS (continued)

Notes:

- (i) Pursuant to relevant agreements, the pricing in respect of raw materials and components is determined by reference to the state price (i.e., mandatory prices set in accordance with relevant PRC regulations, where applicable), or if there is no applicable state price for any such raw materials or components, the market price or the agreed price which is not exceeding the price charged in the immediate preceding year increased by a percentage equal to certain PRC consumer price index, whichever is lower.
- (ii) Pursuant to relevant agreements, the pricing in respect of utilities is determined by reference to the state price (i.e., mandatory prices set in accordance with relevant PRC regulations, where applicable), or if there is no applicable state price for any such services, the market price or the agreed price which is not exceeding the price charged in the immediate preceding year increased by a percentage equal to certain PRC consumer price index, whichever is lower.
- (iii) Pursuant to relevant agreements, the pricing in respect of each of the welfare and supporting services and transportation services is determined by reference to the state price (i.e., mandatory prices set in accordance with relevant PRC regulations, where applicable), or if there is no applicable state price for any such services, the market price or the agreed price which is not exceeding the price charged in the immediate preceding year increased by a percentage equal to certain PRC consumer price index, whichever is lower.
- (iv) Pursuant to relevant agreements, the pricing in respect of routine research and development services is calculated at a rate of 0.2% (2000: 0.2%) of the Company's net annual turnover.
- (v) Pursuant to relevant agreements, the annual rental for the use of land is RMB5 million (2000: RMB5 million) subject to a further land rental adjustment announced by the relevant state land administration authorities.
- (vi) Pursuant to relevant agreements, the pricing for the use of the trademark is charged at a rate of 0.2% (2000: 0.2%) of the Company's net annual turnover.
- (vii) Pursuant to relevant agreements, the rental of buildings and plant and machinery is charged with reference to the depreciation of relevant assets.
- (viii) Pursuant to relevant agreements, the pricing of agency fees is based on certain percentages of the invoiced value of goods sold through the agent.

39. 關連人士交易 (續)

附註：

- (i) 根據有關協議，原材料及零部件之價格，在適用之情況下乃參考國家定價(即根據中國有關規定之指定價格)釐定，如該等原材料或零部件並無國家定價，則為市價或協定價格兩者之較低者，而協定價不得超過上一年價格再加上若干中國消費物價指數調整之數額。
- (ii) 根據有關協議，動力之價格，在適用之情況下乃參考國家定價(即根據中國有關規定之指定價格)釐定，如該等服務並無國家定價，則為市價或協定價格兩者之較低者，而協定價不得超過上一年價格再加上若干中國消費物價指數調整之數額。
- (iii) 根據有關協議，福利及後勤服務與運輸服務之價格，在適用之情況下乃參考國家定價(即根據中國有關規定之指定價格)釐定，如該等服務並無國家定價，則為市價或協定價格兩者之較低者，而協定價不得超過上一年價格再加上若干中國消費物價指數調整之數額。
- (iv) 根據有關協議，日常研究及開發服務之定價乃根據本公司全年營業淨額0.2%(二零零零年：0.2%)計算。
- (v) 根據有關協議，使用土地之全年租金為人民幣5,000,000元(二零零零年：人民幣5,000,000元)，除非有關之國有土地管理局宣佈調整土地租金。
- (vi) 根據有關協議，商標使用的價格按本公司全年營業淨額的0.2%(二零零零年：0.2%)計算。
- (vii) 根據有關協議，建築物及機器設備之租賃價格根據相關資產之折舊計算。
- (viii) 根據有關協議，代理費用價格乃按照透過代理出售貨品之發票值之若干百分比計算。

39. RELATED PARTY TRANSACTIONS*(continued)*

- (c) Further details of the balances with related parties are set out in notes 23 and 24 to the financial statements.
- (d) At the balance sheet date, the Holding guaranteed certain bank loans and other loans made to the Group up to RMB34.7 million (2000: RMB40.0 million) and RMB0.2 million (2000: RMB36.2 million), respectively, as further detailed in note 30 to the financial statements.

40. POST BALANCE SHEET EVENT

On 21 November 2001, Brilliance China Machinery Holdings Limited (“BCM”), a subsidiary of the Company, entered into an acquisition agreement with a foreign independent third party, for the acquisition of the 25% shareholding of Yituo (Luoyang) Diesel Company Ltd. (“YLDC”) from that foreign party for a cash consideration of USD1.5 million. YLDC is a Sino-foreign equity joint venture company incorporated in the PRC with registered capital of USD6.0 million, of which the Holding held a 75% equity interest. YLDC is engaged in the design, manufacture and sale of diesel engines and ancillary products. The relevant approval documents had been issued by the government authorities in March 2002.

39. 關連人士交易 (續)

- (c) 與關連人士之結餘的進一步詳情載於本財務報表附註23及24。
- (d) 於結算日，控股公司就若干給予本集團之銀行貸款及其他貸款作出最高分別達人民幣34,700,000元(二零零零年：人民幣40,000,000元)及人民幣200,000元(二零零零年：人民幣36,200,000元)之擔保，詳情見財務報表附註30。

40. 結算日後事項

於二零零一年十一月二十一日，本公司之附屬公司華晨中國機械控股有限公司(「華晨機械」)與一外國獨立第三方訂立收購協議，以現金代價1,500,000美元收購一拖(洛陽)柴油機有限公司(「一拖柴油機」)25%之股權。一拖柴油機為於中國註冊成立之中外合資經營公司，其註冊資本為6,000,000美元，而其75%股權由控股公司持有。一拖柴油機從事設計、生產及銷售柴油機及其零配件。相關政府機構已於二零零二年三月簽發有關批准文件。

Notes to Financial Statements 財務報表附註

31 December 2001

二零零一年十二月三十一日

41. COMPARATIVE AMOUNTS

As further explained in note 2 to the financial statements, due to the adoption of certain new and revised SSAPs during the current year, the accounting treatment and presentation of certain items and balances in the financial statements have been revised to comply with the new requirements. Accordingly, certain comparative amounts have been reclassified to conform with the current year's presentation.

42. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 26 April 2002.

41. 比較數字

誠如財務報表附註2所詳述，由於在本年度採納若干新增及經修訂會計實務準則，於財務報表之若干項目及結餘之會計處理方法及呈報方式已作修訂，以符合新規定。因此，若干比較數額已重新分類，以符合本年度之呈報方式。

42. 財務報告之批准

董事會於二零零二年四月二十六日批准及授權發佈本財務報表。