

Statement of changes in equity

Year ended March 31, 2004

	Share capital HK\$'000	Share premium HK\$'000	Exchange fluctuation reserve HK\$'000	Investment property revaluation reserve (Note 12) HK\$'000	Retained profits/ (accumulated losses) HK\$'000	Total HK\$'000
THE GROUP						
At April 1, 2002	20,003	26,121	116	32	27,016	73,288
Release on disposal	—	—	—	883	—	883
Deficit on revaluation	—	—	—	(915)	—	(915)
Net loss for the year	—	—	—	—	(28,939)	(28,939)
At March 31, 2003	20,003	26,121	116	—	(1,923)	44,317
Net loss for the year	—	—	—	—	(8,492)	(8,492)
At March 31, 2004	20,003	26,121	116	—	(10,415)	35,825

	Share capital HK\$'000	Share premium HK\$'000	Contributed surplus* HK\$'000	Retained profits/ (accumulated losses) HK\$'000	Total HK\$'000
THE COMPANY					
At April 1, 2002	20,003	26,121	32,051	(4,887)	73,288
Net loss for the year	—	—	—	(473)	(473)
At March 31, 2003	20,003	26,121	32,051	(5,360)	72,815
Net loss for the year	—	—	—	(5,929)	(5,929)
At March 31, 2004	20,003	26,121	32,051	(11,289)	66,886

* The contributed surplus of the Company represents the difference between the nominal value of the share capital issued by the Company and the underlying net assets of subsidiaries which were acquired by the Company pursuant to a group reorganisation implemented during the year ended March 31, 2000.

Under the Companies Act 1981 of Bermuda (as amended), contributed surplus is available for distribution to shareholders. However, a company cannot declare or pay dividends, or make a distribution out of contributed surplus, if:

- (1) the company is, or would after the payment be, unable to pay its liabilities as they become due; or
- (2) the realisable value of the company's assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.