

Consolidated Income Statement

For the year ended 31 July 2004

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	Notes	2004 HK\$'000	2003 HK\$'000
Turnover	4	23,411	21,739
Cost of sales		<u>(17,041)</u>	<u>(20,561)</u>
Gross profit		6,370	1,178
Other operating income		15,583	11,272
Gain on disposal of subsidiaries	32	2,161	-
Gain realised on expiry of warrants		-	38,845
Administrative expenses		(39,230)	(36,839)
Other operating expenses		(1,136)	(3,611)
Allowances for bad and doubtful debts		(96)	(4,084)
Deficit arising from revaluation of investment properties		(14,917)	(26,206)
Impairment loss in respect of properties for sale		-	(38,537)
Impairment loss in respect of golf resort		(1,500)	(5,000)
Impairment loss in respect of properties under development		(13,418)	(12,000)
Impairment loss in respect of fixed assets		<u>-</u>	<u>(3,515)</u>
Loss from operations	6	(46,183)	(78,497)
Loss on deemed disposal of an associate		-	(1,742)
Loss on disposal of an associate		-	(3,706)
Share of results of associates		(16,311)	(42,132)
Finance costs	7	<u>(3,697)</u>	<u>(5,936)</u>
Loss before taxation		(66,191)	(132,013)
Taxation	9	<u>-</u>	<u>45,024</u>
Loss before minority interests		(66,191)	(86,989)
Minority interests		<u>-</u>	<u>46</u>
Net loss for the year	10	<u>(66,191)</u>	<u>(86,943)</u>
Loss per share – basic and diluted	11	<u>HK2.9 cents</u>	<u>HK3.9 cents</u>

The accompanying notes form an integral part of these financial statements.