

賬項附註

Notes to the Accounts

二零零四年十二月三十一日全年結算
(以港幣千元位列示)

For the year ended 31st December, 2004
(Expressed in thousands of Hong Kong dollars)

1. 主要業務

本銀行及其附屬公司之主要業務為經營銀行及有關之財務服務。

2. 主要會計政策

(a) 符合指引聲明

本賬項的編製，是按照香港會計師公會發出的所有適用的香港財務報告準則(包括所有適用的會計實務準則及解釋)、香港普遍接納的會計原則和香港《公司條例》的要求。本賬項亦符合香港聯合交易所有限公司證券上市規則有關的披露規定及香港金融管理局發出之監管政策手冊內有關「本地註冊認可機構披露財務資料」之要求。本集團採納的主要會計政策簡列如下。

(b) 賬項編製基礎

浙江第一銀行有限公司(「浙一」)已根據《永亨銀行有限公司(合併)條例》於二零零四年八月九日起與本銀行合併。此條例賦予所有屬於香港境內及受香港法律約束的浙一資產及負債轉移予本銀行。本銀行截至二零零四年十二月三十一日止的賬項，已根據此條例將浙一有關業務於二零零四年一月一日轉歸本銀行的情況下編製。

編製本賬項是以原值成本為計算基礎，及按若干物業重估價值，部份證券投資及資產負債表以外之金融工具按其市場價值所修訂，下列會計政策會加以解釋。

1. PRINCIPAL ACTIVITIES

The Bank and its subsidiaries are engaged in commercial banking and related financial services.

2. PRINCIPAL ACCOUNTING POLICIES

(a) Statement of compliance

The accounts have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (which includes all applicable Statements of Standard Accounting Practice ("SSAP") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance. These accounts also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the module on "Financial Disclosure by Locally Incorporated Authorised Institutions" under the Supervisory Policy Manual issued by the Hong Kong Monetary Authority. A summary of the significant accounting policies adopted by the Group is set out below.

(b) Basis of preparation of the accounts

With effect from 9th August, 2004, Chekiang First Bank Limited ("CFB") has been merged with the Bank through The Wing Hang Bank Limited (Merger) Ordinance, under which all the assets and liabilities situated in Hong Kong and the rights and obligations of CFB as expressly governed by Hong Kong law have been transferred to the Bank. By virtue of this Ordinance, the accounts of the Bank for the year ended 31st December, 2004 were prepared as if the undertaking of CFB had vested in the Bank on 1st January, 2004.

The measurement basis used in the preparation of the accounts is historical cost modified by the revaluation of certain properties and the marking to market of certain investment in securities and off-balance sheet financial instruments as explained in the accounting policies set out below.

2. 主要會計政策 (續)

(c) 附屬公司及受控企業投資

根據香港《公司條例》附屬公司是指一家本集團直接或間接持有其過半數已發行股本，或控制其過半數投票權，或控制其董事會組成的公司。倘本銀行有權直接或間接管治其財政及營運政策而從其業務中獲取利益，則被列為受控附屬公司。

受控附屬公司之投資乃於綜合賬目中綜合處理，除非收購及持有之目的為於不久將來作出售或因於嚴緊之長期限限制下經營而嚴重影響其向本集團轉撥資金之能力，在此情況下，其將以公平價值於綜合資產負債表中列賬，而其公平價值的變動則於投資重估儲備賬內確認。年內所收購之各附屬公司之業績於收購之日起計入綜合損益計算表中。

集團間之結餘及交易，及任何集團間之交易而產生之未實現溢利均於編製綜合賬目時悉數抵銷，集團間交易產生之未實現虧損以未實現溢利一致之方法予以抵銷，惟僅至再無減值之證明出現。

於本銀行之資產負債表中，附屬公司之投資乃以成本減任何減值虧損(見附註2(o))列賬，除非收購及獨家持有之目的為於不久將來作出售或因於嚴緊之長期限限制下經營而嚴重影響其向本集團轉撥資金之能力，在此情況下，其將以公平價值記賬，而其公平價值的變動則於投資重估儲備賬內確認。

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

(c) Investments in subsidiaries and controlled enterprises

A subsidiary, in accordance with the Hong Kong Companies Ordinance, is a company in which the Group, directly or indirectly, holds more than half of the issued share capital, or controls more than half of the voting power, or controls the composition of the Board of Directors. Subsidiaries are considered to be controlled if the Bank has the power, directly or indirectly, to govern the financial and operating policies, so as to obtain benefits from their activities.

An investment in a controlled subsidiary is consolidated into the consolidated accounts, unless it is acquired and held exclusively with a view to subsequent disposal in the near future or operates under severe long-term restrictions which significantly impair its ability to transfer funds to the Group, in which case, it is stated in the consolidated balance sheet at fair value with changes in fair value recognised in the investment revaluation reserve as they arise. The results of subsidiaries acquired during the year are included in the consolidated profit and loss account from the date of their acquisition.

Intra-group balances and transactions, and any unrealised profits arising from intra-group transactions, are eliminated in full in preparing the consolidated accounts. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

In the Bank's balance sheet, an investment in a subsidiary is stated at cost less any impairment losses (note 2(o)), unless it is acquired and held exclusively with a view to subsequent disposal in the near future or operates under severe long-term restrictions which significantly impair its ability to transfer funds to the Bank, in which case, it is stated at fair value with changes in fair value recognised in the investment revaluation reserve as they arise.

2. 主要會計政策 (續)

(d) 聯營公司

聯營公司為本集團或本銀行對其管理有重大影響力之公司，包括參與其財政及營運政策之決定。

聯營公司投資是以權益會計法在綜合賬內入賬。入賬方法是先以成本再將本集團於收購後應佔該聯營公司的淨資產。然而，如購入並持有這些投資的唯一目的是在短期內將之出售，或是在嚴緊之長期限制下經營，以致其向本銀行轉移資金的能力嚴重受損，則這些投資會按公平價值記賬，而其公平價值的變動於投資重估儲備賬內確認。按照附註2(e)，綜合損益賬反映出年內本集團所佔聯營公司於收購後的業績及是年度正商譽之支出或負商譽之收入。

本集團與聯營公司之間交易所產生的未實現損益，均按本集團於聯營公司所佔的權益比率抵銷，但如能證明已轉讓資產出現減值損失而產生未實現虧損，則這些未實現虧損會即時在損益賬內確認。

本銀行資產負債表所列示的聯營公司投資，是按投資成本減去其減值虧損(附註2(o))後記賬。然而，如購入並持有這些投資的唯一目的是在短期內將之出售，或是在嚴緊之長期限制下經營，以致其向本銀行轉移資金的能力嚴重受損，則這些投資會按其公平價值記賬，而其公平價值的變動則於投資重估儲備賬內確認。

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

(d) Associated companies

An associated company is an entity in which the Group or Bank has significant influence, over its management, including participation in the financial and operating policy decisions.

An investment in an associated company is accounted for in the consolidated accounts under the equity method and is initially recorded at cost and adjusted thereafter for the post acquisition change in the Group's share of the associated company's net assets, unless it is acquired and held exclusively with a view to subsequent disposal in the near future or operates under severe long-term restrictions that significantly impair its ability to transfer funds to the Bank, in which case it is stated at fair value with changes in fair value recognised in the investment revaluation reserve as they arise. The consolidated profit and loss account reflects the Group's share of the post-acquisition results of the associated companies for the year, including any amortisation of positive or negative goodwill charged or credited during the year in accordance with note 2(e).

Unrealised profits and losses resulting from transactions between the Group and its associated companies are eliminated to the extent of the Group's interest in the associated company, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in the profit and loss account.

In the Bank's balance sheet, its investments in associated companies are stated at cost less impairment losses (note 2(o)), unless it is acquired and held exclusively with a view to subsequent disposal in the near future or operates under severe long-term restrictions that significantly impair its ability to transfer funds to the Bank, in which case, it is stated at fair value with changes in fair value recognised in the investment revaluation reserve as they arise.

2. 主要會計政策 (續)

(e) 商譽

賬項綜合計算時所產生的正商譽是指收購成本超過本集團佔所收購資產與負債之公平價值的數額。正商譽是按不超過20年限，以直線法在綜合損益賬內攤銷。至於受控附屬公司，其正商譽是按成本減去任何累計攤銷及任何減值虧損(附註2(o))後，記入綜合資產負債表。而在購入聯營公司，其正商譽成本減任何累計攤銷及任何減值虧損(附註2(o))已包括於聯營公司投資的賬面值內。

如於年內出售受控附屬公司或聯營公司，出售損益的計算，已包括以往尚未在綜合損益賬內攤銷的任何應佔購入商譽的數額。

(f) 貸款及呆賬

(i) 客戶貸款以貸予時的現金價款，並在扣除預計虧損的準備後記入資產負債表內。

(ii) 已撥出款項作為呆賬之一般準備，此外，不履行之放款均根據董事定下之指引，提撥特殊準備。倘若貸款再無機會收回時，則尚欠債務予以撤銷。

(iii) 所有未償還放款超過九十天及沒有足夠抵押品者，自動被定為不履行放款。不履行放款之應計利息均不撥入損益賬，而撥入暫記賬內。此暫記賬於資產負債表內有關之項目中減除。

(iv) 收回資產仍視作貸款的抵押。貸款賬面值與預期變賣收回資產的淨所得款項兩者之間的差額予以撥備。

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

(e) Goodwill

Positive goodwill arising on consolidation represents the excess of the cost of the acquisition over the Group's share of the fair value of the identifiable assets and liabilities acquired. Positive goodwill is amortised to the consolidated profit and loss account on a straight-line basis over not more than 20 years. In respect of controlled subsidiaries, positive goodwill is stated in the consolidated balance sheet at cost less any accumulated amortisation and any impairment losses (note 2(o)). In respect of acquisition of associated companies, the cost of positive goodwill less any accumulated amortisation and any impairment losses (note 2(o)) is included in the carrying amount of the investments in associated companies.

On disposal of a controlled subsidiary or an associated company during the year, any attributable amount of purchased goodwill not previously amortised through the consolidated profit and loss account is included in the calculation of the profit or loss on disposal.

(f) Advances and doubtful debts

(i) Advances to customers are measured at the cash consideration at the time of drawdown and are stated in the balance sheet after deducting provisions for estimated losses subsequently.

(ii) Amounts have been set aside as general provisions for doubtful debts, and in addition, specific provisions are made for non-performing loans following guidelines established by the Directors. When there is no longer any realistic prospect of recovery, the outstanding debt is written off.

(iii) All loans which are over 90 days past due, and which are not fully collateralised, are automatically classified as non-performing. Interest accrued on non-performing loans is not taken as income but credited to a suspense account, which is netted in the balance sheet against the appropriate balance sheet headings.

(iv) Repossessed assets continue to be treated as securities for loans and advances. Provision has been made on the shortfall between the carrying amount of the loans and advances and the expected net sales proceeds from realisation of the repossessed assets.

2. 主要會計政策 (續)

(g) 利息及收費

利息收入及支出均按本金結餘及利率以時間分攤計算，賬項附註2(f)(iii)不履行放款之應計利息除外。有期債務證券之應計利息，按持有至到期日之應計利息連同票面溢價或差價，根據年期分配於每會計年度，用以達致固定回報率。其他收入及支出則只在已賺取或發生後才確認，除非是用以彌補向客戶持續提供服務之成本或就客戶而須承擔風險，或屬利息性質。在此等情況下，費用將於有關期間內按適當之基準確認。

上市投資所得股息收入乃於股東收取有關款項之權利確立時作出確認。上市投資所得股息收入乃按該投資除息後之股價作出確認。

(h) 入息稅項

入息稅項包括是年應繳稅項及遞延稅項資產及負債之增減。是年度稅項及遞延稅項資產及負債之增減均於損益賬內支銷，除非與儲備項目有關之遞延稅項增減，則在儲備項內支銷。

是年應繳稅項是按應課稅利潤以結算日已立法或實則生效之稅率計算，以及上年度應繳稅項之調整。

遞延稅項資產及負債是由財務報表之資產及負債之賬面值及課稅基礎值兩者間的暫時性差額而產生。遞延稅項資產亦可來自未扣減之稅務虧損及未運用之稅務優惠。

因課稅暫時差額而產生之所有遞延稅項負債，在一般情況下應全數確認。而遞延稅項資產則應在預期可取得足夠應課稅溢利扣減之情況下，方予以確認。

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

(g) Interest and fees

Interest income and expense are accrued on a time-apportioned basis on the principal outstanding and at the rate applicable except in the case of interest on non-performing loans (note 2(f)(iii)). Interest income from dated debt securities intended to be held to maturity is recognised as it accrues, as adjusted by the amortisation of the premium or discount on acquisition, so as to achieve a constant rate of return over the period from the date of purchase to the date of maturity. Fee income and expense are recognised when earned or incurred, except where the fee is charged to cover the costs of a continuing service to, or risk borne for, the customer, or is interest in nature. In these cases, the fee is recognised on an appropriate basis over the relevant period.

Dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established. Dividend income from listed investments is recognised when the share price of the investment goes ex-dividend.

(h) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in the profit and loss account except to the extent that they relate to items recognised directly in reserves, in which case they are recognised in reserves.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences between the carrying amounts of assets and liabilities for financial reporting purpose and their tax bases respectively. Deferred tax assets also arise from unused tax losses and unused tax credits.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available, against which deductible temporary differences can be utilised.

2. 主要會計政策 (續)

(h) 入息稅項 (續)

遞延稅項是按預期該等稅項負債或資產需清付或扣減時所適用之稅率計算。遞延稅項資產及負債毋須計算折現值。遞延稅項資產及負債結餘，須在結算日檢討。若預期沒有足夠應課稅溢利以供稅務扣減，則須減低遞延稅項資產額。

是年應繳稅項結餘和遞延稅項結餘及其增減，均需獨立列賬而互不抵銷。本期稅項資產抵銷本期稅項負債，及遞延稅項資產抵銷遞延稅項負債，只在本行或本集團具有合法抵銷權抵銷本期稅項資產和本期稅項負債時方可進行。通常限於同一課稅單位在同一稅務機關範圍下，才能進行抵銷。

(i) 外幣折算

本年度內之外幣交易按交易日之匯率折算。是年底之外幣資產及負債賬項依結算日之匯率伸算。所有之匯兌損益已包括在損益賬內。

海外分行及海外附屬公司之賬項按年度平均匯率折算為港幣。資產負債表內之賬項按結算日之匯率折算為港幣。換算之損益已進誌於儲備內。

(j) 有形固定資產及資產折低

(i) 根據香港會計師公會會計實務準則第十七號「物業、機械及設備」第八十段過渡條款，在編制賬目時，並沒有在年結日對銀行物業重估至公平價值。

(ii) 設備包括傢俬、機械及其他設備按成本減除折舊後列示。折舊之計算乃按照資產之估計可用年數（一般在三至十年間），以直線折舊法攤銷。

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

(h) Income tax (continued)

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset is realised. Deferred tax assets and liabilities are not discounted. The carrying amount of deferred tax assets/liabilities is reviewed at each balance sheet date and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the related tax benefit to be utilised.

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities if, and only if, the Bank or the Group has the legally enforceable right to set off current tax assets against current tax liabilities. The principle of offsetting usually applies to income tax levied by the same tax authority on the same taxable entity.

(i) Translation of foreign currencies

Foreign currency transactions during the year are translated into Hong Kong dollars at the exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into Hong Kong dollars at the exchange rates ruling at the balance sheet date. Exchange gains and losses are dealt with in the profit and loss account.

The accounts of overseas branches and subsidiaries are translated into Hong Kong dollars at the average exchange rates for the year; balance sheet items are translated into Hong Kong dollars at the rates of exchanges ruling at the balance sheet date. The resulting exchange differences are dealt with as movements in reserves.

(j) Tangible fixed assets and depreciation

(i) In preparing these accounts, advantage has been taken of the transitional provisions set out in paragraph 80 of SSAP 17 "Property, Plant and Equipment" issued by the HKICPA, with the effect that bank premises have not been revalued to fair value at the balance sheet date.

(ii) Equipment, comprising furniture, plant and other equipment, is stated at cost less depreciation calculated on a straight-line basis to write off the assets over their estimated useful lives, which are generally between 3 to 10 years.

2. 主要會計政策 (續)

(j) 有形固定資產及資產折低 (續)

(iii) 永久業權之土地無需攤銷折低，非永久業權之土地按所餘年期平均攤銷折低。樓宇折低乃照其估計之有用年期以不超過五十年為限平均攤銷。

(iv) 投資物業每年乃按專業資格之測量師所估計之公開市值於資產負債表內列賬。重估溢價或虧損先計入投資物業重估儲備內，不足之數在損益賬內支銷。曾於損益賬內支銷的虧損但其後再重估而產生的盈餘，計入損益賬內之數額不超於以往曾於損益賬已支銷的數額。

(k) 投資證券

(i) 持有至到期日證券是指本集團及／或本銀行有能力及預算持有至到期日的有期債務證券，並以攤銷成本減除準備於資產負債表內記賬。

持有至到期日證券的賬面值按其信貸風險及預算可收回的金額列賬。當預算不可收回所有賬面值時，便會提撥準備金並於損益賬內作支出確認。

(ii) 買賣用途證券按其公平值，於資產負債表內記賬。公平值之差別，則計入損益賬內。

(iii) 非買賣用途證券按其公平值於資產負債表內記賬。公平值之差別，則計入投資重估儲備賬直至該證券出售、收回或有可信服證據顯示該證券將減值，其累積之損益將由投資重估儲備賬撥入損益賬。

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

(j) Tangible fixed assets and depreciation (continued)

(iii) No amortisation is provided on freehold land. Leasehold land is amortised in equal annual instalments over the remaining term of the lease. Buildings are amortised by equal instalments over the estimated useful lives which in no case exceed 50 years.

(iv) Investment properties are stated in the balance sheet at their open market values which are assessed annually by professional qualified valuers. Any surplus or deficit arising on revaluation is treated first as a movement in the investment property revaluation reserve and, to the extent that accumulated deficits exceed surpluses, subsequently as a charge to the profit and loss account. Where a deficit has previously been charged to the profit and loss account and a revaluation surplus subsequently arises, this surplus is credited to the profit and loss account to the extent of the deficit previously charged.

(k) Investments in securities

(i) Dated debt securities that the Group and/or the Bank have the ability and intention to hold to maturity are classified as held-to-maturity securities. Held-to-maturity securities are stated in the balance sheet at amortised cost less any provisions for diminution in value.

The carrying amounts of held-to-maturity securities are reviewed as at the balance sheet date in order to assess the credit risk and whether the carrying amounts are expected to be recovered. Provisions are made when carrying amounts are not expected to be recovered and are recognised as an expense in the profit and loss account.

(ii) Trading securities are stated in the balance sheet at fair value. Changes in fair value are recognised in the profit and loss account as they arise.

(iii) Non-trading securities are stated in the balance sheet at fair value. Changes in the fair value are recognised in the investment revaluation reserve until the security is sold, collected, or otherwise disposed of, or until there is objective evidence that the security is impaired, at which time the relevant cumulative gain or loss is transferred from the investment revaluation reserve to the profit and loss account.

2. 主要會計政策 (續)

(k) 投資證券 (續)

- (iv) 當引致減值的情況及事項不復存在，而有可信服證據顯示新的情況及事項於可預見的將來仍然持續，已撥入損益賬之投資重估損益可作回撥。
- (v) 出售投資證券之損益將記入損益賬內。非買賣用途之證券損益已包括曾於投資重估儲備賬內記賬之金額。

(l) 融資及經營租賃

若租賃合約之大部份與擁有權有關之風險及利益實質上轉讓予承租人，即列為融資租賃。當本集團為融資租賃之出租人，則該等租賃之投資淨額將包括於資產負債表內「客戶貸款」項下。應收租賃款項所包含之融資收入將於租賃期內按投入資金之比例在「利息收入」內確認。與融資租賃性質相同之租購合約亦作融資租賃處理。

其他租賃合約均列為經營租賃。若集團為經營租賃之出租人，用作租賃之資產將包括在「有形固定資產」內。經營租賃之應收租金在租賃期內之會計年度以等額分期方式誌入「其他營業收入」項內。

(m) 資產負債表以外之金融工具

資產負債表以外之金融工具乃源自在外匯、利率及股票等市場上進行之期貨、掉期及期權交易。此等工具之入賬方式視乎有關交易乃用作買賣、風險套戥或作為管理資產與負債組合而定。

交易組合中之衍生工具以市值記賬，有關收益及虧損列於交易盈利或虧損項內。

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

(k) Investments in securities (continued)

- (iv) Transfers from the investment revaluation reserve to the profit and loss account as a result of impairments are reversed when the circumstances and events that led to the impairment cease to exist and there is persuasive evidence that the new circumstances and events will persist for the foreseeable future.
- (v) Profits or losses on disposal of investments in securities are accounted for in the profit and loss account as they arise. In the case of non-trading securities, the profit or loss includes any amount previously held in the investment revaluation reserve in respect of that security.

(l) Finance and operating leases

Leases under which substantially all the risks and benefits of ownership are transferred to the lessees are classified as finance leases. Where the Group is a lessor under finance leases, an amount representing the net investment in the lease is included in the balance sheet as "Advances to customers". Finance income implicit in the lease payment is recognised as "Interest income" over the period of the leases in proportion to the funds invested. Hire purchase contracts having the characteristics of finance leases are accounted for in the same manner as finance leases.

Other leases are classified as operating leases. Where the Group is a lessor under operating leases, the leased assets are included in "Tangible fixed assets". Rentals receivable under operating leases are recognised as "Other operating income" in equal installments over the accounting period covered by the lease term.

(m) Off-balance sheet financial instruments

Off-balance sheet financial instruments arise from forward, swap and option transactions undertaken in the foreign exchange, interest rate and equity markets. The method of accounting for these instruments is dependent upon whether the transactions are undertaken for dealing purposes, to hedge risk, or as part of the management of asset and liability portfolios.

Derivatives carried in dealing portfolios are marked-to-market, and gains and losses are included in dealing profits or losses.

2. 主要會計政策 (續)

(m) 資產負債表以外之金融工具 (續)

在資產負債管理過程中，用以對沖未平倉坐盤額或特定資產或負債之衍生工具按應計基準列賬，此等組合所持之有關現金資產及負債一致。

要符合作對沖用途，該衍生工具必須在合約成立時可有效地減低對沖的有關資產或負債的價格或利率風險。

因進行資產負債組合的管理工作而開立的利率掉期交易均是獨立識別的，由此產生的利息收入或支出必須跟與之對沖的資產負債表上項目的相關利息收入或支出抵銷。

出售或終止未到期之對沖用途合約所產生之損益，按原來合約剩餘期間攤銷。當有關之資產、負債或持盤出售或終止時，該等合約即改為以市值列賬，差額即時誌入損益賬內。

(n) 準備及或然負債

當負債的限期或數額不確定，但有可能因過去事項構成法定或推定義務而須付出經濟利益以償責任，並能對此作可靠估計，此負債便確認為準備。若時間值之金額較大，則按履行責任所需開支的現值金額列為準備。

倘不可能需要付出經濟利益，或不能對數額作可靠估計，除非付出的機會是極微，則此項責任會被披露為或然負債。除非付出的機會是極微，潛在責任只在會否發生一項或多項未來事件中獲肯定下以或然負債披露。

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

(m) Off-balance sheet financial instruments (continued)

Derivatives used in balance sheet management to hedge open positions for specific assets or liabilities, are accounted for on an accruals basis, consistent with the underlying cash assets and liabilities held in these portfolios.

To qualify as a hedge, a derivative must be effective in reducing the price or interest rate risk of the asset or liability to which it is linked and be designated as a hedge at the inception of the derivative contract.

Interest rate swap transactions undertaken as part of the management of asset and liability portfolios are separately identified and interest income or expense arising therefrom is netted off against the related interest income or expense on the on-balance sheet items which these transactions are hedging.

Any gain or loss on termination of hedging derivatives is deferred and amortised to the profit and loss account over the original life of the terminated contract. Where the underlying asset, liability or position is sold or terminated, the hedging derivative is immediately marked to market through the profit and loss account.

(n) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Bank or Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

2. 主要會計政策 (續)

(o) 資產減值損失

如內部及對外資料來源均顯示於結算日有任何物業(除投資物業)、設備、投資(除持作買賣用途證券(附註2(k)(ii))或商譽經已減值，均須估計該等資產之可收回數額，及當該資產的賬面值超過可收回數額時確認減值損失於損益賬內。

可收回數額是出售淨值及使用價值兩者中之較高者。在評估使用價值時，會採用一項當時市場評估貨幣的時間值及相對於該資產的風險的稅前折扣率將估計未來現金流量折實為現在價值。當某資產未能大部分獨立地於其他資產產生現金流量，其可收回數額取決於可獨立地產生現金流量的最小資產組合(即一個現金生產單位)。

除了商譽的有關資產，如在用來測定可收回數額的估計有所改變，則減值損失會被轉回。商譽的減值損失只會因招致該損失的一種特殊性質的特別事件在被視作不會重演之情況下才會轉回，及可收回數額的增加清楚顯示與該特別事件之轉回相關。

減值損失轉回只局限至該資產的賬面值猶如該等減值損失從未在往年被確認。減值損失轉回在該被確認的年度記存入損益賬內。

(p) 關連人士

若本集團有權直接或間接控制另一方或影響另一方在財務或經營決策，或另一方有權直接或間接控制本集團或對本集團的財務及經營決策作出重要的影響，或本集團與另一方均受制於同一的監控下，則被視為關連人士。關連人士可為個別人士或公司。

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

(o) Impairment of assets

At each balance sheet date, if internal and external sources of information indicate that any property (other than investment properties), plant and equipment, investments (other than those accounted for as "trading securities" under Note 2(k)(ii)) or goodwill is impaired, the asset's recoverable amount is estimated, and an impairment loss is recognised in the profit and loss account whenever the carrying amount of an asset exceeds its recoverable amount.

The recoverable amount of an asset is the greater of its net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

In respect of assets other than goodwill, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is reversed only if the loss was caused by a specific external event of an exceptional nature that is not expected to recur, and the increase in recoverable amount relates clearly to the reversal of the effect of that specific event.

A reversal of impairment losses is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to the profit and loss account in the year in which the reversals are recognised.

(p) Related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or entities.

2. 主要會計政策 (續)

(q) 分項報告

分項乃指本集團可區分之部分，包括提供之產品及服務（業務分項）或提供產品及服務之特定經濟環境（區域分項），均受有別於其他分項之風險及利益所限。

本集團選擇業務分項資料為主要報告形式，而區域分項資料則為次選報告形式。

分項收益、開支、業績、資產及負債均包括直接劃分入該區分項之項目或可合理劃分為該項之項目。分項收益、開支、資產及負債乃於集團間結算前釐定，集團間交易則予以抵銷作為綜合處理之部分，惟集團企業間之有關集團間結餘及交易乃為單一分項。分項間定價乃按給予外間人士之相似條款釐定。

分項資本開支乃指期內因購入預計可使用超過一年之分項資產（包括有形及無形資產）所產生之總成本。

(r) 等同現金

現金及現金等值包括現金、銀行及其他金融機構結餘，於購入日起三個月內到期；短期及高流動定期存放銀行同業及投資，可隨時轉換成預知之現金而其價值受較低風險影響，即期及構成本集團現金管理之銀行同業及其他金融機構款項，亦構成現金和現金等值，作為編製現金流量表。

(s) 僱員福利

(i) 薪金、年度花紅、有薪年假及本集團的非貨幣福利成本在本集團僱員提供相關服務的年度計算。

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

(q) Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

The Group has chosen business segment information as the primary reporting format and geographical segment information as the secondary reporting format.

Segment revenue, expenses, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment. Segment revenue, expenses, assets and liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between Group enterprises within a single segment. Inter-segment pricing is based on similar terms as those available to other external parties.

Segment capital expenditure is the total cost incurred during the year to acquire segment assets (both tangible and intangible) that are expected to be used for more than one year.

(r) Cash equivalents

Cash and cash equivalents comprise cash and balances with banks and other financial institutions, and short-term, highly liquid inter-bank placements and investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Balances of banks and other financial institutions that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the cash flow statement.

(s) Employee benefits

(i) Salaries, annual bonuses, paid annual leave and the cost to the Group of non-monetary benefits are accrued in the year in which the associated services are rendered by employees of the Group.

2. 主要會計政策 (續)

(s) 僱員福利 (續)

(ii) 本銀行按香港《強制性公積金計劃條例》規定作出的強積金供款，在其發生時於損益賬內列支。

(iii) 當本集團授予僱員認股權以購入本銀行股份，其所收取之代價於授予當日將確認為「其他賬項及準備」。在行使認股權時，股東資金會按已收所得款項及其授予代價增加。

(t) 所發行之後償票據

所發行之後償票據乃按發行所得淨值計入資產負債表。

所發行之後償票據，其利息按票息率經攤銷發行溢價或折讓之調整後於損益賬中扣除，從而於發行日至贖回日期間以固定比率支銷。

到期前購回或付清所發票據而於償還額與賬面值出現之差額，隨即入賬於損益賬。

3. (a) 新僱員獎勵計劃之會計政策

本集團根據一項新獎勵計劃授予若干僱員獎賞，以購入本銀行股份。獎賞之公平價值以授出日計算，並在獎賞授出日與生效期內於損益賬扣除及撥入股東資金內。獎賞未生效期內所派發相等於股息之現金，將以花紅支出按應計基準於損益賬扣除。

(b) 近期頒布的會計準則

香港會計師公會頒布多項新訂及經修訂的《香港財務報告準則》和《香港會計準則》(統稱《新香港財務報告準則》)，由二零零五年一月一日或之後的會計期開始生效。

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

(s) *Employee benefits (continued)*

(ii) Contributions to Mandatory Provident Funds as required under the Hong Kong Mandatory Provident Funds Scheme Ordinance are recognised as an expense in the profit and loss account when incurred.

(iii) When the Group grants employees options to acquire shares of the Bank, the considerations received are recognised as "Other accounts and provisions" at the date of grant. When the options are exercised, shareholders' fund is increased by the amount of the proceeds and consideration received.

(t) *Subordinated notes issued*

Subordinated notes issued are included in the balance sheet at the value of the net proceeds received upon issue.

Interest on subordinated notes issued is charged to profit and loss account at the coupon rate adjusted for the amortisation of any premium or discount arising on issue so as to achieve a constant rate of charge over the period from the date of issue to the date of redemption.

When notes issued are repurchased or settled before maturity, any difference between the amount repaid and the carrying amount is recognised immediately in the profit and loss account.

3. (a) *Accounting policy on new Employee Incentive Plan ("EIP")*

The Group has granted awards to certain employees to acquire shares of the Bank under a new EIP. The fair value of the awards is measured at the grant date and is charged to the profit and loss account and credited to shareholders' funds between the grant date and the vesting date. The cash amount equal to the dividend that would have been paid during the period up to vesting will be charged to the profit and loss account as bonus expenses on an accrual basis.

(b) *Recently issued accounting standards*

The Hong Kong Institute of Certified Public Accountants has issued a number of new and revised Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards ("new HKFRSs") which are effective for accounting periods beginning on or after 1st January 2005.

3. (b) 近期頒布的會計準則(續)

本集團並未於截至二零零四年十二月三十一日止年度提前採納該等《新香港財務報告準則》。

本集團已開始評估《新香港財務報告準則》所帶來的影響，但在此階段未能說明該等《新香港財務報告準則》對本集團的業績及財務狀況是否重大影響。

3. (b) Recently issued accounting standards (continued)

The Group has not early adopted these new HKFRSs in the financial statements for the year ended 31st December 2004.

The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a significant impact on its results of operations and financial position.

4. 營業溢利

(a) 利息收入

上市證券的利息收入
非上市證券的利息收入
其他利息收入

4. OPERATING PROFIT

(a) Interest income

	2004	2003
Interest income on listed investments	79,680	58,950
Interest income on unlisted investments	484,199	283,762
Other interest income	2,313,127	1,963,680
	<u>2,877,006</u>	<u>2,306,392</u>

(b) 其他營業收入

服務費及佣金
貸款佣金及服務費
有關信用卡服務費
有關貿易服務費
保險業務佣金收入
股票買賣服務費
其他服務費及佣金收入
(減)：服務費及佣金支出

(b) Other operating income

	2004	2003
Fees and commissions		
Credit commission and fees	89,649	65,062
Credit card related fees	63,416	56,479
Trade related fees	92,374	62,261
Insurance commission	52,723	37,414
Stockbroking fees	70,623	52,178
Other fees and commission income	152,652	105,532
(Less): fees and commission paid	(37,341)	(27,700)
	<u>484,096</u>	<u>351,226</u>
Gains arising from dealing in foreign currencies	114,341	85,831
Profits/(losses) on securities and other dealing activities	6,695	(3,552)
Dividend income from unlisted investments	4,124	2,798
Dividend income from listed investments	6,373	544
Others	24,441	16,646
	<u>640,070</u>	<u>453,493</u>

外匯買賣收益
持作買賣用途證券及其他買賣
溢利/(虧損)
非上市投資股息收入
上市投資股息收入
其他

賬項附註

Notes to the Accounts

4. 營業溢利 (續)

(c) 營業支出

		2004	2003
僱員成本	Staff costs		
薪金及其他僱員成本	Salaries and other staff costs	563,934	416,538
退休福利成本 (附註35)	Retirement benefit costs (Note 35)	35,203	32,625
僱員獎勵計劃成本	EIP Cost	2,248	-
		<hr/>	<hr/>
		601,385	449,163
		<hr/>	<hr/>
行址及設備支出未計折舊	Premises and equipment expenses, excluding depreciation	102,841	68,435
折舊 (附註21)	Depreciation (Note 21)	108,058	67,420
核數師費用	Auditors' remuneration	2,500	2,451
商譽攤銷 (附註22)	Amortisation of goodwill (Note 22)	44,997	12,661
其他	Others	168,326	112,031
		<hr/>	<hr/>
		1,028,107	712,161
		<hr/>	<hr/>

(d) 利息支出

利息支出已包括借貸資本利息為港幣134,514,000元 (二零零三年：港幣39,907,000元)

(d) Interest expense

The amount included interest expenses on loan capital of HK\$134,514,000 (2003: HK\$39,907,000).

5. (a) 重估投資物業及出售有形固定資產之收益

項目已包括重估投資物業之未實現收益港幣57,040,000元 (二零零三年之未實現虧損：港幣4,024,000元)。

5. (a) Gains on revaluation of investment properties and disposal of tangible fixed assets

The amount included an unrealised gain on revaluation of investment properties of HK\$57,040,000 (unrealised loss in 2003: HK\$4,024,000).

(b) 出售持有至到期日證券及非持作買賣用途證券之溢利

		2004	2003
出售持有至到期日證券之溢利	Profit on disposal of held-to-maturity securities	201	5,860
轉讓持有至到期日證券之溢利	Profit on transfer of held-to-maturity securities	-	17,822
出售非持作買賣用途證券之溢利	Profit on disposal of non-trading securities	6,307	10,358
		<hr/>	<hr/>
		6,508	34,040
		<hr/>	<hr/>

6. 稅項

(a) 綜合損益計算表內之稅項為：

本期稅項－香港利得稅撥備
本年度稅項
往年年度撥備過剩

本期稅項－海外
本年度稅項
往年年度撥備(過剩)／不足

遞延稅項
暫時性差異產生及轉回

稅率增加對遞延稅項於一月
一日之結餘之影響

應佔聯營公司之稅項
本期稅項
遞延稅項

香港利得稅準備乃按截至二零零四年十二月三十一日止之年度應課稅溢利照現行稅率百分之十七點五(二零零三年：百分之十七點五)計算。海外稅項按本集團之有關單位經營所在國家現行稅率計算。

6. TAXATION

(a) Taxation in the consolidated profit and loss account represents:

	2004	2003
Current tax – Provision for Hong Kong profits tax		
Tax for the year	194,659	141,237
Overprovision in respect of prior year	(9,703)	(8,432)
	<u>184,956</u>	<u>132,805</u>
Current tax – Overseas		
Tax for the year	50,315	32,746
(Over)/under-provision in respect of prior year	(222)	149
	<u>50,093</u>	<u>32,895</u>
Deferred taxation		
Origination and reversal of temporary differences	6,828	(4,912)
Effect of increase in tax rate on deferred tax balances at 1st January	–	(2,753)
	<u>6,828</u>	<u>(7,665)</u>
Share of associate's taxation		
Current tax	1,182	363
Deferred taxation	(498)	(10,795)
	<u>684</u>	<u>(10,432)</u>
	<u>242,561</u>	<u>147,603</u>

The provision for Hong Kong profits tax is calculated at 17.5% (2003: 17.5%) of the estimated assessable profits for the year ended 31st December 2004. Overseas taxation is provided at the appropriate current rates of taxation ruling in the countries in which the relevant units of the Group operate.

6. 稅項 (續)

(b) 稅務支出及使用通用稅率之會計溢利對賬：

除稅前溢利	按有關國家適用利得稅率計算 除稅前溢利的名義稅項
不可扣減開支之稅項影響	非應課稅收益之稅項影響
未確認的未使用稅損之稅項 影響	年內稅率增加對遞延稅項期 初結餘之影響
往年年度撥備過剩	

(c) 資產負債表內之可收回稅項及稅項準備如下：

「客戶之貸款及其他賬項已減 除準備」內包括：
可收回本期稅項
遞延稅項資產
「其他賬項及準備」內包括：
應付本期稅項 (附註24)
遞延稅項負債 (附註24)

所有本期可收回及應付稅項預
期於一年內結清。

6. TAXATION (CONTINUED)

(b) Reconciliation between tax expenses and accounting profit at applicable tax rates:

	2004		2003	
		%		%
Profit before tax	1,412,174	100	1,012,251	100
Notional tax on profit before tax, calculated at the rates applicable to profits in the countries concerned	245,979	17.42	231,505	22.86
Tax effect of non-deductible expenses	49,614	3.52	7,299	0.72
Tax effect of non-taxable revenue	(44,705)	(3.17)	(80,165)	(7.92)
Tax effect of unused tax losses not recognised	1,599	0.11	-	-
Effect on opening deferred tax balances resulting from an increase in tax rate during the year	-	-	(2,753)	(0.27)
Over-provision in prior years	(9,926)	(0.70)	(8,283)	(0.81)
	<u>242,561</u>	<u>17.18</u>	<u>147,603</u>	<u>14.58</u>

(c) Tax recoverable and provision in the balance sheets are as follows:

	永亨銀行集團 The Group		永亨銀行 The Bank	
	2004	2003	2004	2003
Included in "Advances to customers and other accounts less provisions":				
Current tax recoverable	5,381	11,604	-	-
Deferred tax assets	27,950	17,868	9,324	3,202
	<u>33,331</u>	<u>29,472</u>	<u>9,324</u>	<u>3,202</u>
Included in "Other accounts and provisions:				
Current tax payable (Note 24)	63,381	70,442	20,206	27,552
Deferred tax liabilities (Note 24)	55,884	49,024	49,508	36,959
	<u>119,265</u>	<u>119,466</u>	<u>69,714</u>	<u>64,511</u>

All current tax recoverable and payable are expected to be settled within 1 year.

6. 稅項 (續)

(d) 已確認之遞延稅項資產及負債

於綜合資產負債表內確認之遞延稅項(資產)/負債之組成部份及年內變動如下:

6. TAXATION (CONTINUED)

(d) Deferred tax assets and liabilities recognised

The components of deferred tax (assets)/liabilities recognised in the consolidated balance sheet and the movements during the year are as follows:

		永亨銀行集團 The Group 2004					
		超過有關折舊 的折舊免稅額 Depreciation allowances in excess of related depreciation	重估物業 Revaluation of properties	重估非 持作買賣 用途證券 Revaluation of non-trading securities	呆壞賬 一般撥備 General provision for bad and doubtful debts	稅務虧損 Tax losses	合計 Total
於二零零四年一月一日結餘	At 1st January, 2004	18,777	87,465	2,742	(74,698)	(3,130)	31,156
綜合損益賬內撇除/(提撥)	Charged/(credited) to consolidated profit and loss account	10,167	-	-	(3,829)	490	6,828
儲備內(提撥)/撇除	(Credited)/charged to reserves	-	(11,055)	1,005	-	-	(10,050)
於二零零四年十二月三十一日結餘	At 31st December, 2004	<u>28,944</u>	<u>76,410</u>	<u>3,747</u>	<u>(78,527)</u>	<u>(2,640)</u>	<u>27,934</u>
		永亨銀行 The Bank 2004					
		超過有關折舊 的折舊免稅額 Depreciation allowances in excess of related depreciation	重估物業 Revaluation of properties	重估非 持作買賣 用途證券 Revaluation of non-trading securities	呆壞賬 一般撥備 General provision for bad and doubtful debts		合計 Total
於二零零四年一月一日結餘	At 1st January, 2004	19,571	52,083	1,890	(39,787)		33,757
因與浙一合併而增加	Addition through merger with CFB	838	20,356	-	(20,883)		311
綜合損益賬內撇除	Charged to consolidated profit and loss account	3,623	-	-	367		3,990
儲備內撇除	Charged to reserves	-	582	1,544	-		2,126
於二零零四年十二月三十一日結餘	At 31st December, 2004	<u>24,032</u>	<u>73,021</u>	<u>3,434</u>	<u>(60,303)</u>		<u>40,184</u>

6. 稅項 (續)

(d) 已確認之遞延稅項資產及負債 (續)

6. TAXATION (CONTINUED)

(d) Deferred tax assets and liabilities recognised (continued)

		永亨銀行集團 The Group 2003					
		超過有關折舊 的折舊免稅額 Depreciation allowances in excess of related depreciation	重估物業 Revaluation of properties	重估非 持作買賣 用途證券 Revaluation of non-trading securities	呆壞賬 一般撥備 General provision for bad and doubtful debts	稅務虧損 Tax losses	合計 Total
於二零零三年一月一日結餘	At 1st January, 2003						
— 往年報告	— as previously reported	-	-	-	-	-	-
— 往年期間調整	— prior period adjustments	21,142	47,927	-	(47,329)	(3,178)	18,562
— 重報	— as restated	21,142	47,927	-	(47,329)	(3,178)	18,562
透過收購附屬公司 綜合損益賬內 (提撥) / 撇除	Through acquisition of subsidiaries (Credited)/charged to consolidated profit and loss account	(1,250)	35,343	-	(20,771)	-	13,322
儲備內撇除	Charged to reserves	(1,115)	-	-	(6,598)	48	(7,665)
		-	4,195	2,742	-	-	6,937
於二零零三年十二月三十一日結餘	At 31st December, 2003	18,777	87,465	2,742	(74,698)	(3,130)	31,156

		永亨銀行 The Bank 2003					
		超過有關折舊 的折舊免稅額 Depreciation allowances in excess of related depreciation	重估物業 Revaluation of properties	重估非 持作買賣 用途證券 Revaluation of non-trading securities	呆壞賬 一般撥備 General provision for bad and doubtful debts		合計 Total
於二零零三年一月一日結餘	At 1st January, 2003						
— 往年報告	— as previously reported	-	-	-	-	-	-
— 往年期間調整	— prior period adjustments	18,760	47,909	-	(37,673)		28,996
— 重報	— as restated	18,760	47,909	-	(37,673)		28,996
綜合損益賬內 (提撥) / 撇除	(Credited)/charged to consolidated profit and loss account	811	-	-	(2,114)		(1,303)
儲備內撇除	Charged to reserves	-	4,174	1,890	-		6,064
於二零零三年十二月三十一日結餘	At 31st December, 2003	19,571	52,083	1,890	(39,787)		33,757

7. 本銀行股東應得之溢利

本銀行股東應得之溢利中計有港幣973,404,000元(二零零三年：港幣866,964,000元)於銀行之賬項內出賬。

8. 股息

(a) 本年度股息

按293,910,500股(二零零三年：293,690,500股)計算，已宣佈及派發之中期股息每股港幣五角三仙(二零零三年：港幣三角七仙)

低估去年之末期及特別股息

按293,910,500股(二零零三年：293,780,500股)計算，在資產負債表結算日後擬派之末期股息每股港幣一元四角三仙(二零零三年：港幣一元零八仙)

在資產負債表結算日後擬派之末期股息，並未於資產負債表日確認為負債。

(b) 於年內批准及派發之去年應得股息

按293,910,500股(二零零三年：293,560,500股)計算，於去年批准及派發之末期股息每股港幣一元零八仙(二零零三年：港幣七角九仙)

按293,910,500股(二零零三年：293,560,500股)計算，於去年批准及派發之特別股息每股港幣零元(二零零三年：港幣六角六仙)

7. PROFIT ATTRIBUTABLE TO THE SHAREHOLDERS

The profit attributable to the shareholders includes an amount of HK\$973,404,000 (2003: HK\$866,964,000) which has been dealt with in the accounts of the Bank.

8. DIVIDENDS

(a) Dividends attributable to the year

	2004	2003
Interim dividend declared and paid of HK\$0.53 (2003: HK\$0.37) per share on 293,910,500 (2003: 293,690,500) shares	155,773	108,665
Underprovision of final and special dividends in respect of the previous year	140	148
Final dividend proposed after the balance sheet date of HK\$1.43 (2003: HK\$1.08) per share on 293,910,500 (2003: 293,780,500) shares	420,292	317,283
	<u>576,205</u>	<u>426,096</u>

The final dividend proposed after the balance sheet date has not been recognised as a liability at the balance sheet date.

(b) Dividends attributable to the previous year, approved and paid during the year

	2004	2003
Final dividend in respect of the previous year, approved and paid during the year, of HK\$1.08 (2003: HK\$0.79) per share on 293,910,500 (2003: 293,560,500) shares	317,423	231,913
Special dividend in respect of the previous year, approved and paid during the year, of HK\$Nil (2003: HK\$0.66) per share on 293,910,500 (2003: 293,560,500) shares	-	193,750
	<u>317,423</u>	<u>425,663</u>

9. 董事酬金

遵照香港公司條例161節而發表之董事酬金現列如下：

執行董事袍金
非執行董事袍金
薪金及其他酬金
退休金供款
花紅

除上述所列之董事酬金外，執行董事可獲發認股權及獎賞，詳情已列於董事會報告書有關「認股權計劃」及「僱員獎勵計劃」內。

董事酬金入於下列各範圍內：

港幣0 元 – 港幣1,000,000 元
港幣2,000,001 元 – 港幣2,500,000 元
港幣2,500,001 元 – 港幣3,000,000 元
港幣3,500,001 元 – 港幣4,000,000 元
港幣4,000,001 元 – 港幣4,500,000 元
港幣6,500,001 元 – 港幣7,000,000 元
港幣8,000,001 元 – 港幣8,500,000 元
港幣13,000,001元 – 港幣13,500,000元

9. DIRECTORS' EMOLUMENTS

Directors' emoluments disclosed pursuant to section 161 of the Hong Kong Companies Ordinance are as follows:

	2004	2003
Executives' fees	609	582
Non-executives' fees	1,283	700
Salaries and other emoluments	11,641	10,202
Pension contributions	1,077	975
Performance bonuses	15,700	6,700
	<u>30,310</u>	<u>19,159</u>

In addition to the above remunerations, Executive Directors were granted share options and awards under the Bank's Share Option Scheme and Employee Incentive Plan. The details of these benefits in kind are disclosed under "Share Option Scheme" and "Employee Incentive Plan" in the Report of the Directors.

The emoluments of the directors are within the following bands:

	2004	2003
	董事人數	董事人數
	Number of	Number of
	Directors	Directors
HK\$ 0 – HK\$1,000,000	9	7
HK\$2,000,001 – HK\$2,500,000	–	1
HK\$2,500,001 – HK\$3,000,000	1	–
HK\$3,500,001 – HK\$4,000,000	–	1
HK\$4,000,001 – HK\$4,500,000	–	1
HK\$6,500,001 – HK\$7,000,000	2	–
HK\$8,000,001 – HK\$8,500,000	–	1
HK\$13,000,001 – HK\$13,500,000	1	–
	<u>13</u>	<u>11</u>

10. 行政人員酬金

最高受薪五位僱員包括三位(二零零三年：三位)董事，酬金已列於以上附註9內。餘下兩位(二零零三年：兩位)酬金現列如下：

薪金及其他酬金
退休金供款
花紅

行政人員酬金入於下列各範圍內：

港幣2,000,001元－港幣2,500,000元
港幣2,500,001元－港幣3,000,000元
港幣4,000,001元－港幣4,500,000元

11. 每股盈利

每股基本盈利乃根據全年股東應得之溢利港幣1,168,021,000元(二零零三年：港幣863,876,000元)及於該期間已發行股份之加權平均數293,897,112股(二零零三年：293,606,538股)普通股計算。

攤薄每股盈利乃根據全年股東應得之溢利港幣1,168,021,000元(二零零三年：港幣863,876,000元)及於該期間已發行股份之加權平均數294,567,557股(二零零三年：293,772,317股)普通股計算，並就所有潛在攤薄盈利的股份670,445股(二零零三年：165,779股)普通股予以調整。

10. EXECUTIVES' EMOLUMENTS

The five highest paid individuals included three (2003: three) directors, details of whose emoluments are set out in Note 9 above. The emoluments of the remaining two individuals (2003: two) are as follows:

	2004	2003
Salaries and other emoluments	2,868	2,768
Pension contributions	338	330
Performance bonuses	3,660	1,450
	<u>6,866</u>	<u>4,548</u>

The emoluments of the executive are within the following band:

	2004	2003
行政人員 人數	行政人員 人數	行政人員 人數
Number of Executives	Number of Executives	Number of Executives
HK\$ 2,000,001 – HK\$ 2,500,000	–	2
HK\$ 2,500,001 – HK\$ 3,000,000	1	–
HK\$ 4,000,001 – HK\$ 4,500,000	1	–
	<u>2</u>	<u>2</u>

11. EARNINGS PER SHARE

The calculation of basic earnings per share is based on profit attributable to the shareholders of HK\$1,168,021,000 (2003: HK\$863,876,000) and on the weighted average number of 293,897,112 (2003: 293,606,538) ordinary shares in issue during the year.

The calculation of diluted earnings per share is based on profit attributable to the shareholders of HK\$1,168,021,000 (2003: HK\$863,876,000) and on the weighted average number of 294,567,557 (2003: 293,772,317) ordinary shares in issue during the year after adjustment for the effects of all dilutive potential ordinary shares of 670,445 (2003: 165,779).

11. 每股盈利 (續)

11. EARNINGS PER SHARE (CONTINUED)

		2004	2003
		每股港幣一元 之股份數目 Number of shares of HK\$1 each	每股港幣一元 之股份數目 Number of shares of HK\$1 each
用作計算每股基本盈利的普通股份 加權平均數	Weighted average number of ordinary shares used in calculating basic earnings per share	293,897,112	293,606,538
被視為行使之認股權計劃	Deemed exercise of Share Option Scheme	347,069	165,779
被視為行使之僱員獎賞計劃	Deemed exercise of EIP	323,376	-
		<u>294,567,557</u>	<u>293,772,317</u>
用作計算每股攤薄盈利的普通股份 加權平均數	Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>294,567,557</u>	<u>293,772,317</u>

12. 現金及短期資金

12. CASH AND SHORT-TERM FUNDS

	永亨銀行集團 The Group		永亨銀行 The Bank		
	2004	2003	2004	2003	
現金及存放銀行同業及其他金融機構	Cash and balances with banks and other financial institutions	1,394,069	1,042,276	1,106,702	554,149
短期存放同業	Money at call and short notice	18,548,891	16,271,062	18,481,417	16,041,091
政府債券 (附註26)	Treasury bills (Note 26)	586,358	1,089,467	402,416	399,999
		<u>20,529,318</u>	<u>18,402,805</u>	<u>19,990,535</u>	<u>16,995,239</u>

所有政府債券為持有至到期日，由中央政府及各中央銀行發出，並為非上市之債券。

All treasury bills are held-to-maturity, issued by central governments and central banks and are unlisted.

13. 貿易票據已減除準備

貿易票據
 特殊準備(附註17)
 一般準備(附註17)

13. TRADE BILLS LESS PROVISIONS

		永亨銀行集團 The Group		永亨銀行 The Bank	
		2004	2003	2004	2003
Trade bills	貿易票據	552,613	598,051	388,671	287,158
Specific provisions for bad and doubtful debts (Note 17)	特殊準備(附註17)	(54)	(177)	(54)	(177)
General provisions for bad and doubtful debts (Note 17)	一般準備(附註17)	(1,435)	(1,979)	(1,374)	(1,119)
		<u>551,124</u>	<u>595,895</u>	<u>387,243</u>	<u>285,862</u>

14. 存款證

持有之存款證全部為持有至到期日及非上市之存款證。

14. CERTIFICATES OF DEPOSIT HELD

All the certificates of deposit held are held-to-maturity and are unlisted.

15. 持作買賣用途證券

債務證券(附註26)
 本港上市
 非上市

本港上市股票

15. TRADING SECURITIES

		永亨銀行集團 The Group		永亨銀行 The Bank	
		2004	2003	2004	2003
Debt securities (Note 26)	債務證券(附註26)				
Listed in Hong Kong	本港上市	153	-	153	-
Unlisted	非上市	-	536,536	-	536,536
		<u>153</u>	<u>536,536</u>	<u>153</u>	<u>536,536</u>
Equity securities listed in Hong Kong	本港上市股票	11,914	9,528	-	-
		<u>12,067</u>	<u>546,064</u>	<u>153</u>	<u>536,536</u>

持作買賣用途證券交易對手如下：

Trading securities analysed by counterparty are as follows:

		永亨銀行集團 The Group		永亨銀行 The Bank	
		2004	2003	2004	2003
Issued by:	發行機構：				
Central government and central banks	中央政府及中央銀行	50	536,536	50	536,536
Banks and other financial institutions	銀行同業及其他金融機構	5,364	2,980	-	-
Corporate entities	企業	6,550	6,548	-	-
Public sector	公營機構	103	-	103	-
		<u>12,067</u>	<u>546,064</u>	<u>153</u>	<u>536,536</u>

16. 客戶之貸款及其他賬項已減除準備

(a) 客戶之貸款及其他賬項

客戶貸款(附註26)
銀行同業及其他金融機構之貸款 (附註26)
特殊準備(附註17)
一般準備(附註17)
應計利息及其他賬項

16. ADVANCES TO CUSTOMERS AND OTHER ACCOUNTS LESS PROVISIONS

(a) Advances to customers and other accounts

	永亨銀行集團 The Group		永亨銀行 The Bank	
	2004	2003	2004	2003
Advances to customers (Note 26)	49,189,126	46,611,685	39,437,861	25,700,453
Advances to banks and other financial institutions (Note 26)	110,865	142,371	110,865	142,371
Specific provisions for bad and doubtful debts (Note 17)	(127,731)	(276,682)	(83,611)	(145,208)
General provisions for bad and doubtful debts (Note 17)	(494,779)	(465,940)	(347,786)	(218,342)
Accrued interest and other accounts	1,067,858	1,096,993	679,163	512,005
	<u>49,745,339</u>	<u>47,108,427</u>	<u>39,796,492</u>	<u>25,991,279</u>

(b) 不履行貸款

已扣除撥入暫記賬之利息或已停止累計利息之貸款，連同暫記利息及減除抵押品價值而作出之特殊準備數額如下：

客戶不履行貸款 佔客戶貸款總額之百分比
所持抵押品金額
特殊準備
暫記利息

於二零零三年十二月三十一日及二零零四年十二月三十一日，本集團貸予銀行同業及其他金融機構之款項中，並無利息撥入暫記賬或已停止累計利息之貸款。

(b) Non-performing loans

The advances net of suspended interest, on which interest is being placed in suspense or on which interest accrual has ceased, the amount of suspended interest and specific provisions made after taking into account the value of collateral in respect of such advances are as follows:

	永亨銀行集團 The Group	
	2004	2003
Gross non-performing advances to customers	824,995	1,387,664
Gross non-performing advances as a percentage of total advances to customers	1.68%	2.98%
Amount of collateral held	671,350	1,071,767
Specific provisions	125,732	273,930
Suspended interest	465,552	538,908

There were no advances to banks and other financial institutions on which interest is being placed in suspense or on which interest accrual has ceased on 31st December, 2004 and 31st December, 2003.

**16. 客戶之貸款及其他賬項已減除準備
(續)**

(c) 客戶貸款內包括融資租賃：

根據融資租賃應收的最低租賃
付款總額及其現值如下：

應收賬款：

一年以內
一年以上至五年內
五年以上

呆壞賬準備

融資租賃的淨投資額

於二零零三年十二月三十一日
及二零零四年十二月三十一
日，本銀行並無融資租賃應收
款項。

**16. ADVANCES TO CUSTOMERS AND OTHER ACCOUNTS LESS PROVISIONS
(CONTINUED)**

(c) Included in advances to customers are net investments in finance leases:

The total minimum lease payments receivable under finance leases and their present
values are as follows:

		永亨銀行集團 The Group					
		2004			2003		
最低租賃 付款現值	相關未來 利息收入	最低租賃 付款總額	最低租賃 付款現值	相關未來 利息收入	最低租賃 付款總額		
Present value of the minimum lease payments	Interest income relating to future periods	Total minimum lease payments	Present value of the minimum lease payments	Interest income relating to future periods	Total minimum lease payments		
Amount receivable:							
Within 1 year		1,506,382	160,574	1,666,956	1,237,864	140,662	1,378,526
After 1 year but within 5 years		1,767,630	141,653	1,909,283	1,319,077	124,181	1,443,258
After 5 years		239,480	56,966	296,446	366,504	54,233	420,737
		<u>3,513,492</u>	<u>359,193</u>	<u>3,872,685</u>	<u>2,923,445</u>	<u>319,076</u>	<u>3,242,521</u>
Provisions for bad and doubtful debts		<u>(2,366)</u>			<u>(2,022)</u>		
Net investment in finance leases		<u>3,511,126</u>			<u>2,921,423</u>		

The Bank had no finance lease receivable as at 31st December, 2004 and 31st
December, 2003.

賬項附註

Notes to the Accounts

17. 呆壞賬準備

17. PROVISIONS FOR BAD AND DOUBTFUL DEBTS

		永亨銀行集團 The Group 2004			暫記利息
		特殊 Specific	一般 General	合計 Total	Suspended Interest
一月一日結餘	At 1st January	276,859	467,919	744,778	538,908
新提撥	New provisions	51,085	31,864	82,949	-
回撥	Releases	(24,850)	(3,665)	(28,515)	-
支取損益賬淨額	Net charge to profit and loss account	26,235	28,199	54,434	-
收回往年已撇除之貸款	Recoveries of advances written off in previous years	85,556	-	85,556	(21,177)
年內暫記利息	Interest suspended during the year	-	-	-	137,494
年內撇除	Amounts written off	(260,865)	94	(260,771)	(189,225)
匯兌調整	Exchange adjustment	-	2	2	-
十二月三十一日結餘	At 31st December	<u>127,785</u>	<u>496,214</u>	<u>623,999</u>	<u>466,000</u>
包括下列項目準備：	Representing:				
貿易票據(附註13)	Trade bills (Note 13)	54	1,435	1,489	449
客戶貸款(附註16(a))	Advances to customers (Note 16(a))	<u>127,731</u>	<u>494,779</u>	<u>622,510</u>	<u>465,551</u>
		<u>127,785</u>	<u>496,214</u>	<u>623,999</u>	<u>466,000</u>

		永亨銀行 The Bank 2004			暫記利息
		特殊 Specific	一般 General	合計 Total	Suspended Interest
一月一日結餘	At 1st January	145,385	219,461	364,846	455,786
因與浙一合併而增加	Addition through merger with CFB	80,645	122,000	202,645	1,526
新提撥	New provisions	35,039	11,265	46,304	-
回撥	Releases	(17,804)	(3,575)	(21,379)	-
支取損益賬淨額	Net charge to profit and loss account	17,235	7,690	24,925	-
收回往年已撇除之貸款	Recoveries of advances written off in previous years	80,298	-	80,298	(19,967)
年內暫記利息	Interest suspended during the year	-	-	-	127,903
年內撇除	Amounts written off	(239,898)	-	(239,898)	(176,555)
匯兌調整	Exchange adjustment	-	9	9	-
十二月三十一日結餘	At 31st December	<u>83,665</u>	<u>349,160</u>	<u>432,825</u>	<u>388,693</u>
包括下列項目準備：	Representing:				
貿易票據(附註13)	Trade bills (Note 13)	54	1,374	1,428	449
客戶貸款(附註16(a))	Advances to customers (Note 16(a))	<u>83,611</u>	<u>347,786</u>	<u>431,397</u>	<u>388,244</u>
		<u>83,665</u>	<u>349,160</u>	<u>432,825</u>	<u>388,693</u>

17. 呆壞賬準備 (續)

17. PROVISIONS FOR BAD AND DOUBTFUL DEBTS (CONTINUED)

		永亨銀行集團 The Group 2003			暫記利息
		特殊 Specific	一般 General	合計 Total	Suspended Interest
一月一日結餘	At 1st January	277,939	351,065	629,004	476,156
因收購附屬公司而增加	Addition through acquisition of the subsidiaries	128,501	121,457	249,958	2,036
新提撥	New provisions	350,998	14,559	365,557	-
回撥	Releases	(21,104)	(19,166)	(40,270)	-
支取損益賬淨額	Net charge to profit and loss account	329,894	(4,607)	325,287	-
收回往年已撇除之貸款	Recoveries of advances written off in previous years	37,675	-	37,675	(17,031)
年內暫記利息	Interest suspended during the year	-	-	-	149,856
年內撇除	Amounts written off	(497,150)	-	(497,150)	(72,109)
匯兌調整	Exchange adjustments	-	4	4	-
十二月三十一日結餘	At 31st December	<u>276,859</u>	<u>467,919</u>	<u>744,778</u>	<u>538,908</u>
包括下列項目準備：	Representing:				
貿易票據 (附註13)	Trade bills (Note 13)	177	1,979	2,156	-
客戶貸款 (附註16(a))	Advances to customers (Note 16(a))	<u>276,682</u>	<u>465,940</u>	<u>742,622</u>	<u>538,908</u>
		<u>276,859</u>	<u>467,919</u>	<u>744,778</u>	<u>538,908</u>
		永亨銀行 The Bank 2003			暫記利息
		特殊 Specific	一般 General	合計 Total	Suspended Interest
一月一日結餘	At 1st January	230,980	237,606	468,586	398,424
新提撥	New provisions	285,451	-	285,451	-
回撥	Releases	(12,175)	(18,145)	(30,320)	-
支取損益賬淨額	Net charge to profit and loss account	273,276	(18,145)	255,131	-
收回往年已撇除之貸款	Recoveries of advances written off in previous years	33,014	-	33,014	(8,003)
年內暫記利息	Interest suspended during the year	-	-	-	130,214
年內撇除	Amounts written off	(391,885)	-	(391,885)	(64,849)
十二月三十一日結餘	At 31st December	<u>145,385</u>	<u>219,461</u>	<u>364,846</u>	<u>455,786</u>
包括下列項目準備：	Representing:				
貿易票據 (附註13)	Trade bills (Note 13)	177	1,119	1,296	-
客戶貸款 (附註16(a))	Advances to customers (Note 16(a))	<u>145,208</u>	<u>218,342</u>	<u>363,550</u>	<u>455,786</u>
		<u>145,385</u>	<u>219,461</u>	<u>364,846</u>	<u>455,786</u>

18. 持有至到期日證券及非持作買賣用途證券

18. HELD-TO-MATURITY AND NON-TRADING SECURITIES

	永亨銀行集團 The Group		永亨銀行 The Bank	
	2004	2003	2004	2003
持有至到期日之證券(附註26)：	Held-to-maturity securities (Note 26):			
持有至到期日之債務證券	Held-to-maturity debt securities			
上市	Listed			
– 本港上市	87,766	128,641	87,766	128,641
– 海外上市	677,995	823,487	677,995	666,811
	<u>765,761</u>	<u>952,128</u>	<u>765,761</u>	<u>795,452</u>
非上市	Unlisted			
	<u>18,102,157</u>	<u>15,136,908</u>	<u>17,616,773</u>	<u>10,899,259</u>
	<u>18,867,918</u>	<u>16,089,036</u>	<u>18,382,534</u>	<u>11,694,711</u>
減：非上市債務證券之特殊準備	Less: specific provision on unlisted debt securities			
	<u>-</u>	<u>(22,500)</u>	<u>-</u>	<u>-</u>
	<u>18,867,918</u>	<u>16,066,536</u>	<u>18,382,534</u>	<u>11,694,711</u>
非持作買賣用途之證券(附註26)：	Non-trading securities (Note 26):			
非持作買賣用途之債務證券	Non-trading debt securities			
上市(市場價值)	Listed (at market value)			
– 本港上市	29,196	9,495	-	-
– 海外上市	858,144	990,572	802,692	934,885
非上市	Unlisted			
	<u>352,783</u>	<u>401,935</u>	<u>331,853</u>	<u>336,074</u>
	<u>1,240,123</u>	<u>1,402,002</u>	<u>1,134,545</u>	<u>1,270,959</u>
非持作買賣用途之股票	Non-trading equity securities			
本港上市(市場價值)	Listed in Hong Kong (at market value)			
	93,463	11,116	93,213	10,760
非上市	Unlisted			
	<u>187,236</u>	<u>102,610</u>	<u>179,550</u>	<u>67,315</u>
	<u>280,699</u>	<u>113,726</u>	<u>272,763</u>	<u>78,075</u>
	<u>1,520,822</u>	<u>1,515,728</u>	<u>1,407,308</u>	<u>1,349,034</u>
	<u>20,388,740</u>	<u>17,582,264</u>	<u>19,789,842</u>	<u>13,043,745</u>

18. 持有至到期日證券及非持作買賣用途證券 (續)

持有至到期日上市債務證券之市場價值

於二零零三年，在轉移至非持作買賣用途的持有至到期日證券其經攤銷後成本為港幣236,999,000元。按照會計實務準則第24號「投資證券的會計處理」，於轉移日錄得溢利港幣17,822,000元於損益計算表中。於二零零四年，並無此轉移事項。

除以上重列外，在出售經攤銷後成本為港幣67,503,000元（二零零三年：港幣263,819,000元）的持有至到期日之證券後，集團錄得溢利港幣84,000元（二零零三年：港幣5,860,000元）並誌於損益計算表中。資產負債管理委員會亦核准是次持有至到期日證券之出售，以修訂投資項目的期限及風險管理。

持有至到期日及非持作買賣用途之證券交易對手分析如下：

發行機構：
中央政府及中央銀行

銀行同業及其他金融機構

企業
公營機構

持有至到期日之政府債券及存款證已分別披露於資產負債表、賬項附註12及附註14內。

18. HELD-TO-MATURITY AND NON-TRADING SECURITIES (CONTINUED)

	永亨銀行集團 The Group		永亨銀行 The Bank	
	2004	2003	2004	2003
Market value of listed held-to-maturity debt securities	<u>779,768</u>	<u>982,845</u>	<u>779,768</u>	<u>826,323</u>

In 2003, held-to-maturity securities with an amortised cost of HK\$236,999,000 were transferred to non-trading securities at a profit HK\$17,822,000 being recognised in the profit and loss account at the date of transfer in accordance with SSAP 24 "Accounting for Investment in Securities". There were no such transfers in 2004.

Except the above reclassification, held-to-maturity securities with an amortised cost of HK\$67,503,000 (2003: HK\$263,819,000) were disposed of at a profit HK\$84,000 (2003: HK\$5,860,000) being recognised in the profit and loss account. Management, approved by the Asset and Liability Management Committee, sold these held-to-maturity securities to modify the maturity and risk profile of the investment portfolios.

Held-to-maturity and non-trading securities analysed by counterparty are as follows:

	永亨銀行集團 The Group		永亨銀行 The Bank	
	2004	2003	2004	2003
Issued by:				
Central governments and central banks	7,774	-	7,774	-
Banks and other financial institutions	14,376,694	12,001,476	13,961,664	8,184,252
Corporate entities	5,091,009	4,054,895	4,934,253	3,477,587
Public sector	913,263	1,525,893	886,151	1,381,906
	<u>20,388,740</u>	<u>17,582,264</u>	<u>19,789,842</u>	<u>13,043,745</u>

Held-to-maturity treasury bills and certificates of deposit are disclosed separately in the balance sheets, note 12 and note 14 to the accounts.

賬項附註

Notes to the Accounts

19. 附屬公司投資

19. INVESTMENTS IN SUBSIDIARIES

非上市公司股份 (原值)	Unlisted shares, at cost	2004 <u>633,416</u>	2003 <u>4,063,410</u>
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主要附屬公司現列如下：

The following list contains only the particulars of principal subsidiaries:

公司名稱 Name of company	註冊及經營地點 Place of incorporation and operation	已發行普通股面值 Nominal value of issued ordinary shares	持有權益 Percentage held	業務範圍 Principal activities
浙江第一有限公司 (前浙江第一銀行有限公司) Chekiang First Limited (Formerly Chekiang First Bank Limited)	香港 Hong Kong	HK\$500	100%	不活動 Dormant
澳門永亨銀行有限公司 Banco Weng Hang, S.A.	澳門 Macau	MOP120,000,000	100%	銀行業務 Banking
永亨銀行(開曼)有限公司 Wing Hang Bank (Cayman) Limited	開曼群島 Cayman Islands	US\$15,000,000	100%	銀行業務 Banking
永亨財務有限公司 Wing Hang Finance Company Limited	香港 Hong Kong	HK\$80,000,000	100%	接受存款及租購貸款 Deposit Taking and Hire Purchase
永亨蘇黎世保險有限公司 Wing Hang Zurich Insurance Company Limited	香港 Hong Kong	HK\$45,000,000	65%	保險業務 Insurance
Cyber Wing Hang Limited	香港 Hong Kong	HK\$30,000,000	100%	資訊科技投資 Information Technology Investment
永亨信用財務有限公司 Wing Hang Credit Limited	香港 Hong Kong	HK\$20,000,000	100%	私人貸款 Consumer Lending
永亨證券有限公司 Wing Hang Shares Brokerage Company Limited	香港 Hong Kong	HK\$10,000,000	100%	證券買賣 Securities Dealing
永亨銀行信託有限公司 Wing Hang Bank (Trustee) Limited	香港 Hong Kong	HK\$3,000,000	100%	信託服務 Trustee Services
永亨保險顧問有限公司 Wing Hang Insurance Brokers Limited	香港 Hong Kong	HK\$100,000	100%	保險顧問 Insurance Broker
永亨保險代理有限公司 Wing Hang Insurance Agency Limited	香港 Hong Kong	HK\$50,000	100%	保險代理 Insurance Agency

19. 附屬公司投資(續)

19. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

公司名稱 Name of company	註冊及經營地點 Place of incorporation and operation	已發行普通股面值 Nominal value of issued ordinary shares	持有權益 Percentage held	業務範圍 Principal activities
永亨銀行(代理人)有限公司 Wing Hang Bank (Nominees) Limited	香港 Hong Kong	HK\$10,000	100%	代理服務 Nominee Services
卓和企業有限公司 Cheuk Woo Enterprises Company Limited	香港 Hong Kong	HK\$10,000	100%	物業投資 Property Investment
Wing Hang Financial Holdings (BVI) Limited	英屬處女群島 British Virgin Islands	US\$10	100%	後償票據發行人 Issuer of Subordinated Notes
浙一海外有限公司 C. F. Overseas, Inc.	美國特拉華州 Delaware, U.S.A.	US\$4,500,000	100%	物業投資 Property Investment
浙一地產有限公司 Honfirst Land Limited	香港 Hong Kong	HK\$27,000,000	100%	物業投資 Property Investment
浙一財務有限公司 C. F. Finance Company Limited	香港 Hong Kong	HK\$25,000,000	100%	金融服務 Financial Services
洪富投資有限公司 Honfirst Investment Limited	香港 Hong Kong	HK\$13,000,000	100%	期貨交易 Futures Trading
浙江第一證券有限公司 Chekiang First Securities Company Limited	香港 Hong Kong	HK\$6,000,000	100%	證券買賣 Securities Dealing
洪富物業代理有限公司 Honfirst Property Agency Limited	香港 Hong Kong	HK\$5,000,000	100%	物業代理 Property Agency
浙江第一銀行(信託)有限公司 Chekiang First Bank (Trustee) Limited	香港 Hong Kong	HK\$3,000,000	100%	信託服務 Trustee Services
浙江第一銀行(代理人)有限公司 Chekiang First Bank (Nominees) Limited	香港 Hong Kong	HK\$10,000	100%	代理服務 Nominee Services

賬項附註 Notes to the Accounts

20. 聯營公司投資

20. INVESTMENTS IN ASSOCIATED COMPANIES

		永亨銀行集團		永亨銀行	
		The Group		The Bank	
		2004	2003	2004	2003
非上市股份 (原值)	Unlisted shares, at cost	-	-	112,000	55,000
應佔淨資產	Share of net assets	73,706	73,384	-	-
貸予聯營公司	Loans to associated companies	62,000	70,130	62,000	31,000
		135,706	143,514	174,000	86,000

貸予聯營公司之款項並無抵押、免息及須於二零零八年償還。

Loans to associated companies are unsecured, interest-free and repayable in 2008.

聯營公司現列如下：

The following list contains the particulars of associated companies:

公司名稱 Name of company	註冊及經營地點 Place of incorporation and operation	已發行普通股面值 Nominal value of issued ordinary shares	持有權益 Percentage held	投票權 Voting power	業務範圍 Principal activities
銀聯控股有限公司 Bank Consortium Holding Limited	香港 Hong Kong	HK\$150,000,000	27%	七分之二* 2 out of 7*	退休福利計劃服務 Provision of Services for Retirement Schemes
香港人壽保險有限公司 Hong Kong Life Insurance Limited	香港 Hong Kong	HK\$210,000,000	33%	三分之一* 1 out of 3*	保險業務 Insurance
銀聯通寶有限公司 Joint Electronic Teller Services Limited	香港 Hong Kong	HK\$10,023,800	20% (a)	五分之一* 1 out of 5*	自動櫃員機網絡 ATM Network

* 本集團於董事會應佔之投票數目。

* Representing the number of votes on the board of directors attributable to the Group.

附註：

Notes:

(a) 本集團於銀聯通寶有限公司應佔淨資產仍根據本集團就此聯營公司所收取的股息計算。

(a) The Group's share of net asset in Joint Electronic Teller Services Limited is based on the Group's share of dividend received from this associated company during this year.

21. 有形固定資產

21. TANGIBLE FIXED ASSETS

		永亨銀行集團 The Group			
		銀行行址 Bank Premises	投資物業 Investment Properties	設備 Equipment	合計 Total
成本或估值	Cost or valuation				
二零零四年一月一日結餘	At 1st January, 2004	1,383,428	225,785	775,706	2,384,919
添置	Additions	72,018	18,187	61,085	151,290
出售	Disposals	(27,541)	(29,222)	(258,789)	(315,552)
轉賬	Transfers	74,150	(74,150)	-	-
換算調整	Exchange adjustment	37	111	22	170
重估盈餘	Surplus on revaluation	-	68,849	-	68,849
		<u>1,502,092</u>	<u>209,560</u>	<u>578,024</u>	<u>2,289,676</u>
二零零四年十二月三十一日結餘	At 31st December, 2004	<u>1,502,092</u>	<u>209,560</u>	<u>578,024</u>	<u>2,289,676</u>
上列資產之成本或估值分析如下：	The analysis of cost or valuation of the above assets is as follows:				
成本	At cost	1,108,490	-	578,024	1,686,514
估值	At valuation				
二零零四年	2004	-	209,560	-	209,560
一九九零年	1990	357,888	-	-	357,888
一九八九年	1989	9,347	-	-	9,347
一九八四年	1984	26,367	-	-	26,367
		<u>1,502,092</u>	<u>209,560</u>	<u>578,024</u>	<u>2,289,676</u>
折舊累積	Accumulated depreciation				
二零零四年一月一日結餘	At 1st January, 2004	114,196	270	540,836	655,302
本年度提撥(附註4(c))	Charge for the year (Note 4(c))	23,313	733	84,012	108,058
出售撇除	Written back on disposals	(1,642)	(1,004)	(243,621)	(246,267)
換算調整	Exchange adjustment	-	1	12	13
		<u>135,867</u>	<u>-</u>	<u>381,239</u>	<u>517,106</u>
二零零四年十二月三十一日結餘	At 31st December, 2004	<u>135,867</u>	<u>-</u>	<u>381,239</u>	<u>517,106</u>
賬面淨值	Net book value				
二零零四年十二月三十一日	at 31st December, 2004	<u>1,366,225</u>	<u>209,560</u>	<u>196,785</u>	<u>1,772,570</u>
二零零三年十二月三十一日	at 31st December, 2003	<u>1,269,232</u>	<u>225,515</u>	<u>234,870</u>	<u>1,729,617</u>

21. 有形固定資產 (續)

銀行行址以成本或董事估值列賬。

投資物業已於二零零四年十二月三十一日經由獨立測量師行第一太平戴維斯(其員工部份為香港測量師學會的資深會員)以公開市值為基準列賬。

如集團及銀行以成本減累計折舊入賬，行址的賬面值將分別為港幣1,049,641,000元(二零零三年：港幣950,660,000元)及港幣730,406,000元(二零零三年：港幣495,465,000元)。

成本或估值	Cost or valuation
二零零四年一月一日結餘	At 1st January, 2004
因與浙一合併而增加	Additions through merger with CFB
添置	Additions
出售	Disposals
轉賬	Transfer
滙兌調整	Exchange adjustment
重估盈餘	Surplus on revaluation
二零零四年十二月三十一日結餘	At 31st December, 2004

上列資產之成本或估值分析如下：

成本	At cost
估值	At valuation
二零零四年	2004
一九九零年	1990
一九八九年	1989

折舊累積	Accumulated depreciation
二零零四年一月一日結餘	At 1st January, 2004
因與浙一合併而增加	Additional through merger with CFB
本年度提撥	Charge for the year
出售撇除	Written back on disposals
滙兌調整	Exchange adjustment
二零零四年十二月三十一日結餘	At 31st December, 2004

賬面淨值	Net book value
二零零四年十二月三十一日	at 31st December, 2004
二零零三年十二月三十一日	at 31st December, 2003

21. TANGIBLE FIXED ASSETS (CONTINUED)

Bank premises were stated at cost or directors' valuation.

Investment properties were revalued by an independent firm of surveyors, FPD Savills who have among their staff, Fellows of the Hong Kong Institute of Surveyors, on an open market value basis as at 31st December, 2004.

The carrying amount of bank premises of the Group and the Bank would have been HK\$1,049,641,000 (2003: HK\$950,660,000) and HK\$730,406,000 (2003: HK\$495,465,000) respectively had they been stated at cost less accumulated depreciation.

	銀行行址 Bank Premises	投資物業 Investment Properties	永亨銀行 The Bank 設備 Equipment	合計 Total
At 1st January, 2004	874,106	72,000	359,939	1,306,045
Additions through merger with CFB	171,430	6,200	320,684	498,314
Additions	22,568	-	55,542	78,110
Disposals	(13,930)	-	(248,305)	(262,235)
Transfer	72,000	(72,000)	-	-
Exchange adjustment	-	-	2	2
Surplus on revaluation	-	6,900	-	6,900
At 31st December, 2004	<u>1,126,174</u>	<u>13,100</u>	<u>487,862</u>	<u>1,627,136</u>

The analysis of cost or valuation of the above assets is as follows:

At cost	767,436	-	487,862	1,255,298
At valuation				
2004	-	13,100	-	13,100
1990	357,888	-	-	357,888
1989	850	-	-	850
	<u>1,126,174</u>	<u>13,100</u>	<u>487,862</u>	<u>1,627,136</u>

At 1st January, 2004	81,025	-	239,990	321,015
Additional through merger with CFB	1,847	-	239,135	240,982
Charge for the year	17,375	-	75,629	93,004
Written back on disposals	(279)	-	(235,683)	(235,962)
Exchange adjustment	-	-	1	1
At 31st December, 2004	<u>99,968</u>	<u>-</u>	<u>319,072</u>	<u>419,040</u>

at 31st December, 2004	<u>1,026,206</u>	<u>13,100</u>	<u>168,790</u>	<u>1,208,096</u>
at 31st December, 2003	<u>793,081</u>	<u>72,000</u>	<u>119,949</u>	<u>985,030</u>

21. 有形固定資產(續)

銀行行址及投資物業賬面淨值包括：

永久業權
 一 海外
 租約
 一 本港
 長期約
 (有效期在五十年以上者)
 中期約
 (有效期在十年至五十年者)
 一 海外
 長期約
 (有效期在五十年以上者)
 中期約
 (有效期在十年至五十年者)
 短期約
 (有效期在十年以下者)

21. TANGIBLE FIXED ASSETS (CONTINUED)

The net book value of bank premises and investment properties comprises:

	永亨銀行集團 The Group		永亨銀行 The Bank	
	2004	2003	2004	2003
FREEHOLD				
– Held outside Hong Kong	48,803	88,194	–	–
LEASEHOLD				
– Held in Hong Kong				
Long leases (over 50 years unexpired)	774,591	797,871	544,195	494,736
Medium-term leases (10 to 50 years unexpired)	650,841	542,931	457,200	354,285
– Held outside Hong Kong				
Long leases (over 50 years unexpired)	2,069	2,107	2,069	2,106
Medium-term leases (10 to 50 years unexpired)	71,752	40,540	35,842	13,954
Short leases (less than 10 years unexpired)	27,729	23,104	–	–
	1,575,785	1,494,747	1,039,306	865,081

22. 商譽

成本
 一月一日結餘
 因收購附屬公司而增加
 因與浙一合併而增加
 年內收回商譽
 年內支付商譽
 十二月三十一日結餘

累計攤銷
 一月一日結餘
 因與浙一合併而增加
 年內攤銷(附註4(c)及30)
 十二月三十一日結餘

於十二月三十一日賬面淨值

22. GOODWILL

	永亨銀行集團 The Group		永亨銀行 The Bank	
	2004	2003	2004	2003
Cost				
At 1st January	972,156	5,816	–	–
Addition through acquisition of subsidiaries	–	966,340	–	–
Addition through merger with CFB	–	–	966,340	–
Amount recovered during the year	(66,864)	–	(66,864)	–
Amount paid during the year	4,441	–	4,441	–
At 31st December	909,733	972,156	903,917	–
Accumulated amortisation				
At 1st January	17,023	4,362	–	–
Addition through merger with CFB	–	–	12,079	–
Amortisation for the year (Note 4(c) & 30)	44,997	12,661	44,416	–
At 31st December	62,020	17,023	56,495	–
Net book value as at 31st December	847,713	955,133	847,422	–

23. 客戶存款

活期存款及往來賬戶
 儲蓄存款
 定期存款及通知存款

23. DEPOSITS FROM CUSTOMERS

	永亨銀行集團 The Group		永亨銀行 The Bank	
	2004	2003	2004	2003
Demand deposits and current accounts	9,871,231	5,919,773	9,345,063	3,933,289
Saving deposits	16,800,082	15,136,597	13,141,655	8,870,074
Time, call and notice deposits	51,897,848	51,082,052	40,611,573	24,214,803
	<u>78,569,161</u>	<u>72,138,422</u>	<u>63,098,291</u>	<u>37,018,166</u>

24. 其他負債

政府債券淡倉
 購買債券應付款項
 本期稅項(附註6(c))
 遞延稅項(附註6(c))
 其他應付款項及應付利息

24. OTHER LIABILITIES

	永亨銀行集團 The Group		永亨銀行 The Bank	
	2004	2003	2004	2003
Short positions in treasury bills	-	499,320	-	499,320
Amount payable for purchase of debt securities	-	349,326	-	271,698
Current taxation (Note 6(c))	63,381	70,442	20,206	27,552
Deferred taxation (Note 6(c))	55,884	49,024	49,508	36,959
Other payable and interest payable	983,750	1,063,513	574,867	287,592
	<u>1,103,015</u>	<u>2,031,625</u>	<u>644,581</u>	<u>1,123,121</u>

25. 借貸資本

票面值港幣2,526,485,000元(325,000,000美元)之借貸資本，是指由本銀行單一目的全資附屬財務公司Wing Hang Financial Holdings (BVI) Limited，於年內發行年息5.25%，並評定為次級資本的後償票據。本銀行無條件及不可撤回地保證該等於新加坡交易所上市之票據下應付之所有款項。該等票據將於二零一三年十月十日到期。

25. LOAN CAPITAL

Loan capital with face value of HK\$2,526,485,000 (US\$325,000,000) represents 5.25% subordinated notes qualifying as tier 2 capital which were issued during the year 2003 by Wing Hang Financial Holdings (BVI) Limited, a single purpose wholly owned finance subsidiary of the Bank. The Bank unconditionally and irrevocably guarantees all amounts payable under the notes which are listed on the Singapore Exchange Trading Limited. The notes will mature on 10th October, 2013.

26. 期限分析

26. MATURITY PROFILE

		永亨銀行集團 The Group 2004						
		即時還款	三個月或以下	三個月以上 至一年	一年以上 至五年	五年以上	無註明	合計
		Repayable on demand	3 months or less	3 months or less	1 year or less	1 year or less	5 years After	Undated
				but over	but over	5 years		Total
資產	Assets							
- 政府債券(附註12)	- Treasury bills (Note 12)	-	586,358	-	-	-	-	586,358
- 定期存放銀行同業及其他金融機構款項(一至十二個月內到期)	- Placements with banks and other financial institutions maturing between 1 and 12 months	-	1,337,360	98,167	-	-	-	1,435,527
- 存款證	- Certificates of deposit held	-	30,000	-	-	-	-	30,000
- 持作買賣用途證券(附註15)	- Trading debt securities (Note 15)	-	-	-	153	-	-	153
- 客戶貸款(附註16(a))	- Advances to customers (Note 16(a))	2,243,848	7,192,623	6,486,642	14,395,731	18,416,100	454,182	49,189,126
- 銀行同業及其他金融機構之貸款(附註16(a))	- Advances to banks and other financial institutions (Note 16(a))	-	-	15,838	95,027	-	-	110,865
- 持有至到期日及非持作買賣用途之債務證券(附註18)	- Held-to-maturity and non-trading debt securities (Note 18)	-	934,240	1,983,598	12,847,591	4,342,612	-	20,108,041
		<u>2,243,848</u>	<u>10,080,581</u>	<u>8,584,245</u>	<u>27,338,502</u>	<u>22,758,712</u>	<u>454,182</u>	<u>71,460,070</u>
負債	Liabilities							
- 銀行同業及其他金融機構之存款	- Deposits and balances of banks and other financial institutions	141,924	851,433	216,225	-	-	-	1,209,582
- 客戶存款	- Deposits from customers	26,715,919	49,104,915	2,123,116	625,211	-	-	78,569,161
- 已發行之存款證	- Certificates of deposit issued	-	1,703,150	1,703,388	1,209,552	-	-	4,616,090
- 借貸資本	- Loan capital	-	-	-	-	2,526,485	-	2,526,485
		<u>26,857,843</u>	<u>51,659,498</u>	<u>4,042,729</u>	<u>1,834,763</u>	<u>2,526,485</u>	<u>-</u>	<u>86,921,318</u>

26. 期限分析 (續)

26. MATURITY PROFILE (CONTINUED)

		永亨銀行 The Bank 2004							
		即時還款	三個月或以下	三個月以上 至一年	一年以上 至五年	五年以上	無註明	合計	
		Repayable on demand	3 months or less	3 months but over 3 months	1 year or less	1 year but over 1 year	After 5 years	Undated	Total
資產	Assets								
— 政府債券 (附註 12)	- Treasury bills (Note 12)	-	402,416	-	-	-	-	402,416	
— 定期存放銀行同業及其他金融機構款項 (一至十二個月內到期)	- Placements with banks and other financial institutions maturing between 1 and 12 months	-	1,310,222	98,167	-	-	-	1,408,389	
— 存款證	- Certificates of deposit held	-	30,000	-	-	-	-	30,000	
— 持作買賣用途證券 (附註 15)	- Trading debt securities (Note 15)	-	-	-	153	-	-	153	
— 客戶貸款 (附註 16(a))	- Advances to customers (Note 16(a))	2,031,626	6,084,393	4,465,200	10,680,729	15,927,888	248,025	39,437,861	
— 銀行同業及其他金融機構之貸款 (附註 16(a))	- Advances to banks and other financial institutions (Note 16(a))	-	-	15,838	95,027	-	-	110,865	
— 持有至到期日及非持作買賣用途之債務證券 (附註 18)	- Held-to-maturity and non-trading debt securities (Note 18)	-	931,190	1,886,961	12,582,844	4,116,084	-	19,517,079	
		<u>2,031,626</u>	<u>8,758,221</u>	<u>6,466,166</u>	<u>23,358,753</u>	<u>20,043,972</u>	<u>248,025</u>	<u>60,906,763</u>	
負債	Liabilities								
— 銀行同業及其他金融機構之存款	- Deposits and balances of banks and other financial institutions	137,751	851,433	216,225	-	-	-	1,205,409	
— 客戶存款	- Deposits from customers	22,526,588	38,660,648	1,704,866	206,189	-	-	63,098,291	
— 已發行之存款證	- Certificates of deposit issued	-	1,703,150	1,708,443	1,209,552	-	-	4,621,145	
		<u>22,664,339</u>	<u>41,215,231</u>	<u>3,629,534</u>	<u>1,415,741</u>	<u>-</u>	<u>-</u>	<u>68,924,845</u>	

26. 期限分析 (續)

26. MATURITY PROFILE (CONTINUED)

		永亨銀行集團 The Group 2003						
		即時還款	三個月或以下	三個月以上 至一年	一年以上 至五年	五年以上	無註明	合計
		Repayable on demand	3 months or less	3 months or less but over 3 months	1 year or less but over 1 year	5 years or less but over 5 years	After 5 years Undated	Total
資產	Assets							
- 政府債券 (附註 12)	- Treasury bills (Note 12)	-	1,079,837	9,630	-	-	-	1,089,467
- 定期存放銀行同業及其他金融機構款項 (一至十二個月內到期)	- Placements with banks and other financial institutions maturing between 1 and 12 months	-	1,394,909	148,072	-	-	-	1,542,981
- 存款證	- Certificates of deposit held	-	-	100,000	29,972	-	-	129,972
- 持作買賣用途證券 (附註 15)	- Trading debt securities (Note 15)	-	-	-	536,536	-	-	536,536
- 客戶貸款 (附註 16(a))	- Advances to customers (Note 16(a))	2,442,599	6,416,411	5,921,143	13,854,313	17,658,140	319,079	46,611,685
- 銀行同業及其他金融機構之貸款 (附註 16(a))	- Advances to banks and other financial institutions (Note 16(a))	32	-	31,631	110,708	-	-	142,371
- 持有至到期日及非持作買賣用途之債務證券 (附註 18)	- Held-to-maturity and non-trading debt securities (Note 18)	-	1,580,929	396,754	9,125,700	6,387,655	-	17,491,038
		<u>2,442,631</u>	<u>10,472,086</u>	<u>6,607,230</u>	<u>23,657,229</u>	<u>24,045,795</u>	<u>319,079</u>	<u>67,544,050</u>
負債	Liabilities							
- 銀行同業及其他金融機構之存款	- Deposits and balances of banks and other financial institutions	114,983	244,222	38,814	9,384	-	-	407,403
- 客戶存款	- Deposits from customers	22,023,464	46,678,890	2,616,965	819,050	53	-	72,138,422
- 已發行之存款證	- Certificates of deposit issued	-	549,089	1,773,456	2,608,594	-	-	4,931,139
- 借貸資本	- Loan capital	-	-	-	-	2,522,910	-	2,522,910
		<u>22,138,447</u>	<u>47,472,201</u>	<u>4,429,235</u>	<u>3,437,028</u>	<u>2,522,963</u>	<u>-</u>	<u>79,999,874</u>

26. 期限分析 (續)

26. MATURITY PROFILE (CONTINUED)

		永亨銀行 The Bank 2003							
		即時還款	三個月或以下	三個月以上 至一年	一年以上 至五年	五年以上	無註明	合計	
		Repayable on demand	3 months or less	1 year or less but over 3 months	5 years or less but over 1 year	After 5 years	Undated	Total	
資產	Assets								
— 政府債券 (附註 12)	- Treasury bills (Note 12)	-	399,999	-	-	-	-	399,999	
— 定期存放銀行同業及其他金融機構款項 (一至十二個月內到期)	- Placements with banks and other financial institutions maturing between 1 and 12 months	-	1,305,180	121,883	-	-	-	1,427,063	
— 存款證	- Certificates of deposit held	-	-	100,000	-	-	-	100,000	
— 持作買賣用途證券 (附註 15)	- Trading debt securities (Note 15)	-	-	-	536,536	-	-	536,536	
— 客戶貸款 (附註 16(a))	- Advances to customers (Note 16(a))	1,276,446	3,370,709	2,527,570	7,309,072	11,031,827	184,829	25,700,453	
— 銀行同業及其他金融機構之貸款 (附註 16(a))	- Advances to banks and other financial institutions (Note 16(a))	32	-	31,631	110,708	-	-	142,371	
— 持有至到期日及非持作買賣用途之債務證券 (附註 18)	- Held-to-maturity and non-trading debt securities (Note 18)	-	1,530,891	329,547	6,383,980	4,721,252	-	12,965,670	
		1,276,478	6,606,779	3,110,631	14,340,296	15,753,079	184,829	41,272,092	
負債	Liabilities								
— 銀行同業及其他金融機構之存款	- Deposits and balances of banks and other financial institutions	29,276	244,222	38,814	9,384	-	-	321,696	
— 客戶存款	- Deposits from customers	12,808,348	22,976,352	1,034,502	198,911	53	-	37,018,166	
— 已發行之存款證	- Certificates of deposit issued	-	549,089	1,842,703	2,508,594	-	-	4,900,386	
		12,837,624	23,769,663	2,916,019	2,716,889	53	-	42,240,248	

27. 股本

27. SHARE CAPITAL

	2004	2003	
註冊股本：			
450,000,000股(二零零三年： 450,000,000股)普通股每股港幣1元	Authorised: 450,000,000 (2003: 450,000,000) ordinary shares of HK\$1 each	450,000	450,000
實收股本：			
一月一日結餘	Issued and fully paid: At 1st January	293,781	293,459
根據認股權計劃發行之股份	Shares issued under share option scheme	130	322
293,910,500股(二零零三年： 293,780,500股)普通股每股港幣1元	293,910,500 (2003: 293,780,500) ordinary shares of HK\$1 each	293,911	293,781

年內，根據認股權計劃發行之股份為130,000股普通股，其價值為港幣3,298,000元。其中港幣130,000元已於股本記賬，餘數港幣3,168,000元則撥入股本溢價賬內。於二零零四年十二月三十一日，未行使之認股權數目為1,105,000(二零零三年：740,000)股。

During the year, options were exercised to subscribe for 130,000 ordinary shares in the Bank at a consideration of HK\$3,298,000 of which HK\$130,000 was credited to share capital and the balance of HK\$3,168,000 was credited to the share premium account. At 31st December, 2004, the outstanding options are 1,105,000 (2003: 740,000) shares.

年內，批准了一項新僱員獎勵計劃。於二零零四年十二月三十一日，獎賞數目為495,000(二零零三年：無)股。

During the year, a new Employee Incentive Plan was approved. At 31st December, 2004, the outstanding awards are 495,000 (2003: Nil) shares.

於授予日獎賞之公平價值為港幣21,186,000元。

The fair value of the awards as at the date of grant was HK\$21,186,000.

認股權計劃及僱員獎賞計劃之詳情列於附註35內。

The details of Share Option Scheme and EIP are disclosed separately in note 35 to the accounts.

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Notes to the Accounts

28. 儲備

28. RESERVES

		永亨銀行集團 The Group 2004										
		股本		銀行行址			投資物業		投資 股本贖回		Unappropriated profits	合計 Total
		溢價賬 Share premium	資本儲備 Capital reserve	一般儲備 General reserve	重估儲備 premises revaluation reserve	重估儲備 Investment property revaluation reserve	重估儲備 Investment revaluation reserve	儲備 Capital redemption reserve	盈餘滾存			
二零零四年一月一日結餘	At 1st January, 2004	337,330	215,909	2,091,079	268,917	14	17,848	769	3,461,234	6,393,100		
換算調整	Exchange adjustments	-	-	95	-	(53)	-	-	-	42		
根據認股權計劃發行之新股	Shares issued under share option scheme	3,168	-	-	-	-	-	-	-	3,168		
新僱員獎勵計劃之股本溢價	Shares premium under new EIP	1,604	-	-	-	-	-	-	-	1,604		
已扣除遞延稅項之重估溢利	Gain on revaluation after deferred tax charge	-	-	-	-	-	4,393	-	-	4,393		
重估投資物業之溢利	Gain on revaluation of investment properties	-	-	-	-	11,809	-	-	-	11,809		
進銀行行址重估儲備之遞延稅項	Deferred tax credited to bank premises revaluation reserve	-	-	-	122	-	-	-	-	122		
進投資物業重估儲備之遞延稅項	Deferred tax credited to investment property revaluation reserve	-	-	-	-	10,933	-	-	-	10,933		
出售投資物業	Disposal of investment properties	-	-	-	-	(10,020)	-	-	-	(10,020)		
已派股息	Dividends paid	-	-	-	-	-	-	-	(473,196)	(473,196)		
年內溢利	Profit for the year	-	-	-	-	-	-	-	1,168,021	1,168,021		
二零零四年十二月三十一日結餘	At 31st December, 2004	342,102	215,909	2,091,174	269,039	12,683	22,241	769	4,156,059	7,109,976		

28. 儲備 (續)

28. RESERVES (CONTINUED)

		永亨銀行 The Bank 2004							
		股本 溢價賬 Share premium	一般儲備 General reserve	銀行行址 重估儲備 Bank premises revaluation reserve	投資物業 重估儲備 Investment property revaluation reserve	投資 重估儲備 Investment revaluation reserve	股本贖回 儲備 Capital redemption reserve	盈餘滾存 Unapprop- riated profits	合計 Total
二零零四年一月一日結餘	At 1st January, 2004	337,330	1,802,370	268,917	-	11,399	769	2,729,062	5,149,847
因與浙一合併而增加	Addition through merger with CFB	-	-	-	(15)	-	-	84,669	84,654
換算調整	Exchange adjustments	-	6	-	-	-	-	(6)	-
根據認股權計劃發行之新股	Shares issued under share option scheme	3,168	-	-	-	-	-	-	3,168
新僱員獎勵計劃之股本溢價	Shares premium under new EIP	1,604	-	-	-	-	-	-	1,604
已扣除遞延稅項之重估溢利	Gains on revaluation after deferred tax charge	-	-	-	-	7,282	-	-	7,282
(支)／進重估儲備之遞延稅項	Deferred tax (charged)/credited to revaluation reserve	-	-	(597)	15	-	-	-	(582)
已派股息	Dividends paid	-	-	-	-	-	-	(473,196)	(473,196)
年內溢利 (附註7)	Profit for the year (Note 7)	-	-	-	-	-	-	973,404	973,404
二零零四年十二月三十一日結餘	At 31st December, 2004	342,102	1,802,376	268,320	-	18,681	769	3,313,933	5,746,181

賬項附註

Notes to the Accounts

28. 儲備 (續)

28. RESERVES (CONTINUED)

		永亨銀行集團 The Group 2003										
		股本		銀行行址			投資物業		投資	股本贖回	盈餘滾存	合計 Total
		溢價賬 Share premium	資本儲備 Capital reserve	一般儲備 General reserve	重估儲備 premises revaluation reserve	重估儲備 property revaluation reserve	重估儲備 Investment revaluation reserve	儲備 Capital redemption reserve	Unappro- priated profits			
二零零三年一月一日結餘	At 1st January, 2003											
— 往年報告	— as previously reported	330,677	215,909	2,100,201	321,000	-	(35)	769	3,094,321	6,062,842		
— 往年遞延稅項之調整	— prior year adjustment in respect of deferred taxation	-	-	-	(47,927)	-	-	-	29,365	(18,562)		
— 重報	— as restated	330,677	215,909	2,100,201	273,073	-	(35)	769	3,123,686	6,044,280		
換算調整	Exchange adjustments	-	-	(1,122)	-	53	-	-	-	(1,069)		
根據認股權計劃發行之新股	Shares issued under share option scheme	6,653	-	-	-	-	-	-	-	6,653		
儲備撥入/(撥出)	Transfer to/(from) reserves	-	-	(8,000)	-	-	-	-	8,000	-		
已扣除遞延稅項之重估溢利	Gain on revaluation after deferred tax charge	-	-	-	-	-	17,883	-	-	17,883		
支銀行行址重估儲備之遞延稅項	Deferred tax charged to bank premises revaluation reserve	-	-	-	(4,156)	-	-	-	-	(4,156)		
支投資物業重估儲備之遞延稅項	Deferred tax charged to investment property revaluation reserve	-	-	-	-	(39)	-	-	-	(39)		
已派股息	Dividends paid	-	-	-	-	-	-	-	(534,328)	(534,328)		
年內溢利	Profit for the year	-	-	-	-	-	-	-	863,876	863,876		
二零零三年十二月三十一日結餘	At 31st December, 2003	337,330	215,909	2,091,079	268,917	14	17,848	769	3,461,234	6,393,100		

28. 儲備 (續)

28. RESERVES (CONTINUED)

		永亨銀行 The Bank 2003						
		股本 溢價賬 Share premium	一般儲備 General reserve	銀行行址 重估儲備 Bank premises revaluation reserve	投資 重估儲備 Investment revaluation reserve	股本贖回 儲備 Capital redemption reserve	盈餘滾存 Unappro- priated profits	合計 Total
二零零三年一月一日結餘	At 1st January, 2003							
— 往年報告	— as previously reported	330,677	1,802,374	321,000	(1,828)	769	2,377,513	4,830,505
— 往年遞延稅項之調整	— prior year adjustment in respect of deferred taxation	-	-	(47,909)	-	-	18,913	(28,996)
— 重報	— as restated	330,677	1,802,374	273,091	(1,828)	769	2,396,426	4,801,509
換算調整	Exchange adjustments	-	(4)	-	-	-	-	(4)
根據認股權計劃發行之新股	Shares issued under share option scheme	6,653	-	-	-	-	-	6,653
已扣除遞延稅項之重估溢利	Gain on revaluation after deferred tax charge	-	-	-	13,227	-	-	13,227
支銀行行址重估儲備之遞延稅項	Deferred tax charged to bank premises revaluation reserve	-	-	(4,174)	-	-	-	(4,174)
已派股息	Dividends paid	-	-	-	-	-	(534,328)	(534,328)
年內溢利 (附註7)	Profit for the year (Note 7)	-	-	-	-	-	866,964	866,964
二零零三年十二月三十一日結餘	At 31st December, 2003	337,330	1,802,370	268,917	11,399	769	2,729,062	5,149,847

本集團於二零零四年十二月三十一日之盈餘滾存包括應佔聯營公司之累計虧損為港幣37,215,000元(二零零三年：港幣18,018,000元)。

股份溢價賬目及股本贖回儲備賬目的運用，受香港《公司條例》第48B及49H條所規定。

一般儲備包括保留溢利轉賬及海外業務換算差額按附註2(i)入賬。資本儲備包括往年附屬公司發行紅股而引致保留溢利資本化及澳門永亨銀行按澳門法例規定之法定儲備。重估儲備乃重估行址及非持作買賣用途證券之差額按附註2(j)及(k)入賬。

The Group's unappropriated profits as at 31st December, 2004 included the accumulated losses of HK\$37,215,000 (2003: HK\$18,018,000) of the associated companies.

The application of the share premium account and the capital redemption reserve is governed by Section 48B and 49H of the Hong Kong Companies Ordinance.

The general reserve was set up from the transfer of retained earnings and exchange differences arising from translation of the accounts of overseas branches and subsidiaries (note 2(i)). The capital reserve comprises retained earnings capitalised on the issue of bonus shares by subsidiaries in previous years and a legal reserve established by Banco Weng Hang, S.A. in accordance with regulations in Macau. Revaluation reserves have been set up and are dealt with in accordance with the accounting policies adopted for the revaluation of premises and non-trading securities (notes 2(j) and (k)).

28. 儲備 (續)

資本儲備、銀行行址重估儲備、投資物業重估儲備、投資重估儲備及股本購回儲備並非已實現之利潤，屬不可派發。

本行及從事銀行業務之附屬公司，因需按經營所在地之監管要求維持最低資本充足比率而可能對可派予股東之保留溢利構成限制。

29. 資產負債表以外之風險程度

(a) 或然債務及承擔

以下為每項或然債務及承擔重大類別之約定金額概要：

直接信貸替代
交易有關之或然債務

貿易有關之或然債務

其他承擔：
原到期日一年以下者或可無條件取消者

原到期日一年及以上者

存放遠期存款

合計 (附註31(b))

28. RESERVES (CONTINUED)

Capital reserve, bank premises revaluation reserve, investment property revaluation reserve, investment revaluation reserve and capital redemption reserve do not represent realised profits and are not available for distribution.

The Bank and its financial subsidiaries operate under regulatory jurisdictions which require the maintenance of minimum capital adequacy ratios and which could therefore potentially restrict the amount of retained profits which can be distributed to shareholders.

29. OFF-BALANCE SHEET EXPOSURES

(a) Contingent liabilities and commitments

The following is a summary of the contractual amounts of each significant class of contingent liabilities and commitments:

	永亨銀行集團		永亨銀行	
	The Group		The Bank	
	2004	2003	2004	2003
Direct credit substitutes	809,560	699,117	700,750	352,971
Transaction-related contingencies	33,450	56,645	233,450	226,042
Trade-related contingencies	1,416,358	1,644,315	1,235,039	804,132
Other commitments:				
With an original maturity of under 1 year or which are unconditionally cancellable	9,041,062	8,008,954	9,087,940	5,437,002
With an original maturity of 1 year and over	834,023	1,273,762	834,023	276,944
Forward forward deposits placed	2,241,972	979,948	2,241,972	979,948
Total (Note 31(b))	14,376,425	12,662,741	14,333,174	8,077,039

29. 資產負債表以外之風險程度 (續)

(b) 衍生工具

衍生工具指財務合約，其價值視乎所涉及的資產或指數而定。

以下為每項衍生工具重大類別之名義金額。

29. OFF-BALANCE SHEET EXPOSURES (CONTINUED)

(b) Derivatives

Derivatives refer to financial contracts whose value depends on the value of one or more underlying assets or indices.

The following table is a summary of the notional amounts of each significant type of derivatives.

	永亨銀行集團		永亨銀行	
	The Group		The Bank	
	2004	2003	2004	2003
滙率合約	Exchange rate contracts			
遠期合約－買賣用途	3,286,625	4,034,010	3,847,888	4,016,465
遠期合約－對沖用途	919,593	2,878,948	919,593	2,899,551
購入期權－買賣用途	Option purchased			
	277,016	508,321	277,016	299,455
	- trading			
沽出期權－買賣用途	277,016	450,158	277,016	241,292
	Option written - trading			
滙率合約總額	4,760,250	7,871,437	5,321,513	7,456,763
	Total exchange rate contracts			
利率合約	Interest rate contracts			
掉期合約－買賣用途	Swaps - trading			
一定息收入	37,191,480	893,838	37,191,480	893,838
	- receiving fixed rate			
掉期合約－買賣用途	Swaps - trading - paying			
一定息支出	37,070,388	893,838	37,070,388	893,838
	fixed rate			
掉期合約－對沖用途	Swaps - hedging			
一定息收入	14,854,793	8,753,450	15,456,305	8,653,449
	- receiving fixed rate			
掉期合約－對沖用途	Swaps - hedging - paying			
一定息支出	25,096,124	15,804,567	25,529,993	15,610,467
	fixed rate			
利率合約總額	114,212,785	26,345,693	115,248,166	26,051,592
	Total interest rate contracts			
股份合約	Equity contracts			
購入期權－買賣用途	Option purchased			
	-	70,042	-	-
	- trading			
沽出期權－買賣用途	140,902	70,042	140,902	-
	Option written - trading			
股份合約總額	140,902	140,084	140,902	-
	Total equity contracts			
	119,113,937	34,357,214	120,710,581	33,508,355

29. 資產負債表以外之風險程度 (續)

(b) 衍生工具 (續)

買賣交易包括為執行客戶買賣指令或對沖此等持倉交易而持有的金融工具盤。

於二零零四年十二月三十一日，本集團及本銀行作為買賣用途之定息收入及定息支出的掉期合約為港幣31,134,069,000元(二零零三年：無)以解回原用作對沖用途之金融工具交易，而有效地管理其債務證券投資組合之對沖。

上列資產負債表以外之風險程度之重置成本及信貸風險加權金額如下。這些金額並未計及雙邊淨額安排的影響。

29. OFF-BALANCE SHEET EXPOSURES (CONTINUED)

(b) Derivatives (continued)

The trading transactions include positions arising from the execution of trade orders from customers or transactions taken to hedge these positions.

As at 31st December 2004, an amount of HK\$31,134,069,000 (2003: Nil) were included both in swap trading receiving fixed rate and swap trading paying fixed rate for the Bank and the Group reflecting previously designated hedging transactions which have been unwound using offsetting transactions as part of management's ongoing hedging of the investment debt securities portfolio.

The replacement costs and credit risk weighted amounts of the above off-balance sheet exposures are as follows. These amounts do not take into account the effects of bilateral netting arrangements.

		永亨銀行集團 The Group			
		2004		2003	
		重置成本 Replacement cost	信貸風險 加權金額 Credit risk weighted amount	重置成本 Replacement cost	信貸風險 加權金額 Credit risk weighted amount
或然債務及承擔	Contingent liabilities and commitments	N/A	1,757,281	N/A	1,713,039
匯率合約	Exchange rate contracts	22,192	20,229	55,236	37,360
利率合約	Interest rate contracts	554,187	211,702	193,612	64,667
股份合約	Equity contracts	-	-	-	2,101
		576,379	1,989,212	248,848	1,817,167

		永亨銀行 The Bank			
		2004		2003	
		重置成本 Replacement cost	信貸風險 加權金額 Credit risk weighted amount	重置成本 Replacement cost	信貸風險 加權金額 Credit risk weighted amount
或然債務及承擔	Contingent liabilities and commitments	N/A	1,742,443	N/A	808,698
匯率合約	Exchange rate contracts	22,258	20,545	42,133	24,759
利率合約	Interest rate contracts	561,840	214,095	188,989	63,332
股份合約	Equity contracts	-	-	-	-
		584,098	1,977,083	231,122	896,789

29. 資產負債表以外之風險程度 (續)

(b) 衍生工具 (續)

上表提供資產負債表以外各類交易之合約或名義本金額、重置成本及信貸風險加權金額等。此等金額根據香港金融管理局指引而估算，亦視乎交易對手之信譽及期限特性而定。香港金融管理局之指引實施了巴塞爾協議中有關資本充足之規定。

或然債務及承擔方面之風險加權幅度由0%至100%不等，而匯率及利率合約之風險加權幅度由0%至50%不等。合約之重置成本代表所有以市值記賬之正數值合約資產。信貸風險加權金額乃根據銀行條例附表三伸算。

或然債務及承擔均屬信貸有關工具，並包括承兌項目、信用證及為提供信貸而提供之擔保及承擔。約定金額乃指假如合約被悉數取用而客戶又拖欠不還時所涉及之風險金額。由於大部份擔保及承擔預料直至期滿止均不會被取用，合約金額總數並不代表未來之現金需求。

資產負債表以外之金融工具乃來自本集團及本銀行在外匯、利率及股票等市場內所進行之遠期、掉期及期權等交易。

此等工具之名義金額顯示於結算當日尚未完成之交易數量，但並不代表風險數額。

29. OFF-BALANCE SHEET EXPOSURES (CONTINUED)

(b) Derivatives (continued)

The tables above give the contractual or notional amounts, replacement cost and credit risk weighted amounts of off-balance sheet transactions. These are assessed in accordance with the Hong Kong Monetary Authority's guidelines which implement the Basle agreement on capital adequacy and depend on the status of the counterparty and the maturity characteristics.

The risk weights used range from 0% to 100% for contingent liabilities and commitments, and from 0% to 50% for exchange rate and interest rate contracts. Replacement cost represents the cost of replacing all contracts which have a positive value when marked to market. The credit risk weighted amount refers to the amount as computed in accordance with the Third Schedule to the Hong Kong Banking Ordinance.

Contingent liabilities and commitments are credit-related instruments which include acceptances, letters of credit, guarantees and commitments to extend credit. The contractual amounts represent the amounts at risk should the contract be fully drawn upon and the client default. Since a significant portion of guarantees and commitments is expected to expire without being drawn upon, the total of the contractual amounts is not representative of future liquidity requirements.

Off-balance sheet financial instruments arise from forward, swap and option transactions undertaken by the Group and the Bank in the foreign exchange, interest rate and equity markets.

The notional amounts of these instruments indicate the volume of transactions outstanding at the balance sheet date; they do not represent amounts at risk.

29. 資產負債表以外之風險程度 (續)

(c) 資本承擔

於十二月三十一日為購置物業及設備而並未在賬項中作出準備之資本承擔如下：

已核准及簽訂合約之開支
已核准惟未簽訂合約之開支

29. OFF-BALANCE SHEET EXPOSURES (CONTINUED)

(c) Capital commitments

Capital commitments for acquisition of property and equipment outstanding at 31st December not provided for in the accounts were as follows:

	永亨銀行集團		永亨銀行	
	The Group		The Bank	
	2004	2003	2004	2003
Expenditure authorised and contracted for	4,391	6,433	1,415	5,091
Expenditure authorised but not contracted for	438	294	-	-
	<u>4,829</u>	<u>6,727</u>	<u>1,415</u>	<u>5,091</u>

30. 綜合現金流量表附註

(a) 營業溢利與來自營業活動之淨現金流入對賬表

營業溢利
折舊
商譽攤銷 (附註22)
新僱員獎勵計劃之股本溢價
支付借貸資本利息
已付利得稅
原本期限為三個月或以上之政府債券 (增加)/減少
原本期限為三個月或以上之定期存放銀行同業及其他金融機構款項 (增加)/減少
扣除準備後之貿易票據減少/(增加)
存款證減少
持作買賣用途證券減少/(增加)
扣除準備後之客戶貸款及其他賬項增加
銀行同業及其他金融機構之存款增加/(減少)
客戶之存款增加
已發行存款證(減少)/增加
其他賬項及準備(減少)/增加
來自營業活動之淨現金流入

30. NOTE TO THE CONSOLIDATED CASH FLOW STATEMENT

(a) Reconciliation of operating profit to net cash inflow from operating activities

	2004	2003
Operating profit	1,351,846	994,018
Depreciation	108,058	67,420
Amortisation of goodwill (Note 22)	44,997	12,661
Share premium under EIP	1,604	-
Interest paid on loan capital	134,514	39,907
Profits tax paid	(245,908)	(177,563)
(Increase)/decrease in treasury bills with original maturity of three months or more	(392,786)	318,786
(Increase)/decrease in placements with banks and other financial institutions with original maturity of three months or more	(124,247)	386,726
Decrease/(increase) in trade bills less provision	44,771	(86,584)
Decrease in certificates of deposit held	99,972	306,367
Decrease/(increase) in trading securities	533,997	(286,641)
Increase in advances to customers and other accounts less provision	(2,633,011)	(18,108)
Increase/(decrease) in deposits and balances of banks and other financial institutions	813,744	(1,007,101)
Increase in deposits from customers	6,430,739	5,800,079
(Decrease)/increase in certificates of deposit issued	(315,049)	453,307
(Decrease)/increase in other accounts and provision	(928,409)	1,009,398
Net cash inflow from operating activities	<u>4,924,832</u>	<u>7,812,672</u>

30. 綜合現金流量表附註(續)**(b) 與綜合資產負債表的對賬**

現金及短期資金
定期存放銀行同業及其他金融機構款項(一至十二個月內到期)
存款證
在綜合資產負債表出現的金額
(減): 原本期限為三個月以上的數額
在綜合現金流量表內的現金及等同現金項目

30. NOTE TO THE CONSOLIDATED CASH FLOW STATEMENT (CONTINUED)**(b) Reconciliation with the consolidated balance sheet**

	2004	2003
Cash and short term fund	20,529,318	18,402,805
Placements with banks maturing between one and twelve months	1,435,527	1,542,981
Certificate of deposit held	30,000	129,972
Amount shown in the consolidated balance sheet	21,994,845	20,075,758
(Less): amount with an original maturity of three months or more	(1,619,183)	(1,213,687)
Cash and cash equivalents in the consolidated cash flow statement	<u>20,375,662</u>	<u>18,862,071</u>

31. 分項報告**(a) 業務分類**

零售銀行業務包括接受存款、住宅樓宇按揭、租賃貸款及私人貸款業務。

企業銀行業務包括工商業貸款、貿易融資及機構銀行業務。

財資業務包括外匯買賣、證券投資及交易買賣。

其他業務包括保險業務、股票買賣服務及退休福利計劃服務。

未分類的業務項目主要包括股東資金、行址投資、物業投資及其他未能合理分配予特定業務分類的業務活動。

31. SEGMENT REPORTING**(a) Business segments**

Retail banking activities include acceptance of deposits, residential mortgages, hire purchase and consumer loans.

Corporate banking activities include advance of commercial and industrial loans, trade financing and institutional banking.

Treasury activities include foreign exchange services, management of investment securities and trading activities.

Other business activities include insurance business, stockbroking activities and services for retirement schemes.

Unallocated items mainly comprise the shareholders' funds, investments in premises and property investment and other activities which cannot be reasonably allocated to specific business segments.

31. 分項報告 (續)
(a) 業務分類 (續)

31. SEGMENT REPORTING (CONTINUED)
(a) Business segments (continued)

		永亨銀行集團 The Group 2004					跨業務 收支抵銷 Inter- segment elimination	合計 Total
		零售銀行 業務 Retail banking	企業銀行 業務 Corporate banking	財資業務 Treasury	其他業務 Other	未分類 業務 Unallocated		
淨利息收入	Net interest income	1,213,269	378,961	186,681	3,597	11,809	-	1,794,317
其他營業收入	Other operating income	313,230	112,981	86,918	84,417	42,524	-	640,070
跨業務收入	Inter-segment income	-	-	-	-	49,087	(49,087)	-
營業收入	Operating income	1,526,499	491,942	273,599	88,014	103,420	(49,087)	2,434,387
營業支出	Operating expenses	(661,458)	(165,718)	(60,934)	(43,134)	(96,863)	-	(1,028,107)
跨業務支出	Inter-segment expenses	(44,861)	(1,918)	(554)	(1,754)	-	49,087	-
扣除準備金前之營業溢利	Operating profit before provisions	820,180	324,306	212,111	43,126	6,557	-	1,406,280
呆壞賬準備	Charge for bad and doubtful debts	(35,235)	(19,199)	-	-	-	-	(54,434)
營業溢利	Operating profit	784,945	305,107	212,111	43,126	6,557	-	1,351,846
重估投資物業及出售有形 固定資產及聯營公司之 溢利/(虧損)	Profits/(losses) on revaluation of investment properties, disposal of tangible fixed assets and associated companies	(978)	(1,895)	(1,235)	(354)	48,205	-	43,743
出售持有至到期日證券及 非持作買賣用途證券之 溢利	Profits on disposal of held-to-maturity and non-trading securities	-	-	6,425	83	-	-	6,508
持有至到期日證券之準備 金回撥	Provisions written back for held-to-maturity securities	-	-	4,848	-	-	-	4,848
正常業務的溢利	Profit on ordinary activities	783,967	303,212	222,149	42,855	54,762	-	1,406,945
應佔聯營公司之淨溢利	Share of net profits in associated companies	-	-	-	5,115	114	-	5,229
除稅前溢利	Profits before taxation	783,967	303,212	222,149	47,970	54,876	-	1,412,174
折舊 (附註4(c))	Depreciation (Note 4(c))	51,463	14,678	7,666	2,125	32,126	-	108,058
商譽攤銷 (附註4(c))	Amortisation of goodwill (Note 4(c))	21,988	11,268	9,139	1,726	876	-	44,997
分項資產	Segment assets	37,528,072	19,407,218	20,332,953	119,608	17,924,547	-	95,312,398
聯營公司投資	Investments in associated companies	-	-	-	127,970	7,736	-	135,706
總資產	Total assets	37,528,072	19,407,218	20,332,953	247,578	17,932,283	-	95,448,104
總負債	Total liabilities	76,886,457	1,318,299	806,869	22,658	6,463,565	-	85,497,848
資本支出	Capital expenditure	44,285	26,812	3,964	442	75,787	-	151,290

31. 分項報告 (續)
(a) 業務分類 (續)

31. SEGMENT REPORTING (CONTINUED)
(a) Business segments (continued)

		永亨銀行集團 The Group 2003					跨業務 收支抵銷 Inter- segment elimination	合計 Total
		零售銀行 業務 Retail banking	企業銀行 業務 Corporate banking	財資業務 Treasury	其他業務 Other	未分類 業務 Unallocated		
淨利息收入	Net interest income	1,020,252	324,764	175,344	2,180	55,433	-	1,577,973
其他營業收入	Other operating income	219,490	77,333	60,598	64,712	31,360	-	453,493
跨業務收入	Inter-segment income	-	-	-	-	41,351	(41,351)	-
營業收入	Operating income	1,239,742	402,097	235,942	66,892	128,144	(41,351)	2,031,466
營業支出	Operating expenses	(453,814)	(92,866)	(39,924)	(32,515)	(93,042)	-	(712,161)
跨業務支出	Inter-segment expenses	(37,499)	(1,609)	(556)	(1,687)	-	41,351	-
扣除準備金前之營業溢利	Operating profit before provisions	748,429	307,622	195,462	32,690	35,102	-	1,319,305
呆壞賬準備	Charge for bad and doubtful debts	(193,471)	(131,757)	-	(59)	-	-	(325,287)
營業溢利	Operating profit	554,958	175,865	195,462	32,631	35,102	-	994,018
重估投資物業及出售有形 固定資產之虧損	Losses on revaluation of investment properties and disposal of tangible fixed assets	(936)	(14)	(70)	-	(4,513)	-	(5,533)
出售持有至到期日證券及 非持作買賣用途證券之 溢利/(虧損)	Profits/(losses) on disposal of held-to-maturity and non-trading securities	(1,228)	-	35,178	90	-	-	34,040
持有至到期日證券之準備 金撥備	Provisions made for held-to-maturity securities	-	-	(10,900)	-	-	-	(10,900)
正常業務的溢利	Profit on ordinary activities	552,794	175,851	219,670	32,721	30,589	-	1,011,625
應佔聯營公司之淨溢利	Share of net profits in associated companies	-	-	-	335	291	-	626
除稅前溢利	Profits before taxation	552,794	175,851	219,670	33,056	30,880	-	1,012,251
折舊 (附註4(c))	Depreciation (Note 4(c))	32,114	4,759	3,424	1,503	25,620	-	67,420
商譽攤銷 (附註4(c))	Amortisation of goodwill (Note 4(c))	3,361	2,604	2,570	1,116	3,010	-	12,661
分項資產	Segment assets	33,497,555	19,862,171	17,997,869	259,141	16,976,422	-	88,593,158
聯營公司投資	Investments in associated companies	-	-	-	123,538	19,976	-	143,514
總資產	Total assets	33,497,555	19,862,171	17,997,869	382,679	16,996,398	-	88,736,672
總負債	Total liabilities	72,596,397	902,779	812,740	89,053	5,107,620	-	79,508,589
資本支出	Capital expenditure	903,076	621,450	74,329	89	104,803	-	1,703,747

31. 分項報告 (續)

(b) 區域分項

區域分項資料乃按附屬公司主要營業所在地劃分，或按負責匯報業績或將資產入賬之本銀行分行所在地而劃分。

31. SEGMENT REPORTING (CONTINUED)

(b) Geographical segments

The information concerning geographical segments has been classified by the location of the principal operations of the subsidiaries, or in the case of the Bank itself, of the location of the branch responsible for reporting the results or booking the assets.

		永亨銀行集團 The Group 2004				
		香港 Hong Kong	澳門 Macau	其他 Other	減：跨區域 收支抵銷 Less: inter- segment elimination	合計 Total
二零零四年十二月三十一日	As at 31st December, 2004					
總營業收入	Total operating income	2,383,998	268,339	88,483	(306,433)	2,434,387
除稅前溢利	Profit before taxation	1,341,708	167,817	45,389	(142,740)	1,412,174
總資產	Total assets	95,563,311	10,092,742	14,370,127	(24,578,076)	95,448,104
總負債	Total liabilities	88,507,952	9,443,949	11,506,089	(23,960,142)	85,497,848
或然債務及承擔 (附註29(a))	Contingent liabilities and commitments (Note 29(a))	14,377,018	758,992	45,597	(805,182)	14,376,425
資本支出	Capital expenditure	103,936	23,160	24,194	-	151,290

		永亨銀行集團 The Group 2003				
		香港 Hong Kong	澳門 Macau	其他 Other	減：跨區域 收支抵銷 Less: inter- segment eliminations	合計 Total
二零零三年十二月三十一日	As at 31st December, 2003					
總營業收入	Total operating income	2,126,056	254,405	58,715	(407,710)	2,031,466
除稅前溢利	Profit before taxation	1,179,116	154,549	14,952	(336,366)	1,012,251
總資產	Total assets	97,893,393	9,317,866	10,649,054	(29,123,640)	88,736,673
總負債	Total liabilities	86,226,863	8,691,491	10,565,659	(25,975,424)	79,508,589
或然債務及承擔 (附註29(a))	Contingent liabilities and commitments (Note 29(a))	12,241,808	725,483	35,135	(339,685)	12,662,741
資本支出	Capital expenditure	1,642,799	13,818	47,130	-	1,703,747

32. 董事及高級職員貸款

遵照香港《公司條例》第161B(9)節規定，貸予董事及高級職員之貸款詳情如下：

於十二月三十一日之貸款總數

全年貸款最高總數

32. LOANS TO OFFICERS

Particulars of loans to officers disclosed pursuant to section 161B(9) of the Hong Kong Companies Ordinance are as follows:

	2004	2003
Aggregate amount of relevant loans outstanding at 31st December	<u>411,328</u>	<u>109,983</u>
The maximum aggregate amount of relevant loans outstanding during the year	<u>552,022</u>	<u>110,635</u>

33. 資產抵押

於「定期存放銀行同業及其他金融機構款項（一至十二個月內到期）」中包括定期存款港幣7,774,000元（二零零三年：港幣7,763,000元），仍依照美國加州政府法例，按給美國加州政府，作為附屬保證品。

33. PLEDGE OF ASSETS

The amount of HK\$7,774,000 (2003: HK\$7,763,000) included in "Placements with banks and other financial institutions maturing between one and twelve months" represents a time deposit pledged as collateral with the State of California in compliance with the statutory requirements of the State of California.

34. 關連人士交易

(a) 本年度內，本集團與本銀行之主要股東美國紐約銀行集團及其附屬公司之交易，均按一般正常業務及商業條件進行。本年度內之收支及於年終之資產負債表及資產負債表以外之結餘詳列如下：

(i) 收入及支出

利息收入
利息支出

(ii) 十二月三十一日資產負債表結餘

現金及短期資金
銀行同業及其他金融機構之存款

(iii) 十二月三十一日資產負債表以外結餘

匯率合約
合約金額
重置成本
信貸風險加權金額

34. RELATED PARTY TRANSACTIONS

(a) During the year, transactions with The Bank of New York Company Inc. ("BNY"), a substantial shareholder of the Bank, or its subsidiaries were entered into by the Group in the ordinary course of business and on normal commercial terms. The income and expense for the year and on-balance sheet and off-balance sheet outstandings at the year end are:

(i) Income and expense

	2004	2003
Interest income	918	548
Interest expense	458	368

(ii) On-balance sheet outstanding at 31st December

	2004	2003
Cash and short-term funds	49,096	33,717
Deposits and balances of banks and other financial institutions	71,114	17,809

(iii) Off-balance sheet outstanding at 31st December

	2004	2003
Exchange rate contracts		
Contract amount	-	464,787
Replacement Cost	-	-
Credit risk weighted amount	-	930

34. 關連人士交易 (續)

- (iv) 於一九九九年八月二十七日及二零零二年九月十九日，本銀行與美國紐約銀行集團簽署兩項授權協議，根據此項協議，本銀行將提供一項有關證券化交易之支援服務。第一項授權協議已於二零零四年二月二十日終止。

於二零零四年，本銀行已總共收取港幣375,000元（二零零三年：港幣198,000元）服務費。本銀行將按年收取費用至第二項合約終止。

- (b) 於一九九五年六月三十日，本銀行擁有百分之六十五股權之附屬公司永亨蘇黎世保險有限公司（「永蘇保險」）與蘇黎世保險有限公司（「蘇黎世保險」）之全資附屬公司瑞泰保險管理（香港）有限公司（「瑞泰保險」）簽署一項管理合約。根據此項管理合約瑞泰保險將負責永蘇保險有關保險業務之管理工作。蘇黎世保險為永蘇保險之主要股東，佔該公司已發行股本百分之三十五。根據此項管理合約，永蘇保險付予瑞泰保險港幣4,498,000元（二零零三年：港幣3,524,000元）管理費用。此項費用乃按所收之保險費及純利而釐定。此管理合約已於二零零四年十二月三十一日終止，並將延長兩年，但雙方可經六個月通知後提前解約。此項重訂費用為固定收費及按所收保險費之百分率而釐定。

34. RELATED PARTY TRANSACTIONS (CONTINUED)

- (iv) On 27th August, 1999 and 19th September, 2002, the Bank entered into two Delegation Agreements with BNY pursuant to which the Bank agreed to provide various back-up support services to BNY in connection with a securitisation transaction undertaken by BNY. The first Delegation Agreement was terminated on 20th February, 2004.

In 2004, the Bank received from BNY a total service fee of HK\$375,000 (2003: HK\$198,000) and will continue to receive further service fees on an annual basis during the term of the second Delegation Agreement.

- (b) On 30th June, 1995, Wing Hang Zurich Insurance Company Limited ("WHZ Insurance"), a 65 percent owned subsidiary of the Bank, entered into a Management Agreement with Swiss Insurance Management (Hong Kong) Limited ("Swiss Insurance"), a wholly own subsidiary of Zurich Insurance Limited ("Zurich Insurance") pursuant to which Swiss Insurance has been appointed as manager of WHZ Insurance in connection with the conduct by WHZ Insurance of its insurance business. Zurich Insurance is a substantial shareholder of WHZ Insurance holding 35 percent of WHZ Insurance's issued share capital. Under the Management Agreement, WHZ Insurance paid to Swiss Insurance an amount of HK\$4,498,000 (2003: HK\$3,524,000), being the contractual management fees based on gross premium. The Management Agreement was expired on 31st December, 2004 and will be extended for two years but can be terminated by either party with six months' notice. The revised management fee will be based on a fixed fee plus a certain percentage of gross written premiums received.

34. 關連人士交易 (續)

- (c) 年內，本集團與其關聯人士進行多項交易。這些人士包括聯營公司、主要行政人員與其直系親屬、及受這些人士所控制的公司或其具有重大影響力的公司。所有交易的利率，均按照一般正常業務及與一般同等信用水平之客戶相若的條款及規定。以下為利息收入及利息支出，貸款及存款結餘：

利息收入
利息支出
客戶貸款
客戶存款

34. RELATED PARTY TRANSACTIONS (CONTINUED)

- (c) During the year, the Group entered into a number of transactions with the Group's related parties, including its associates, and key management personnel and their close family members and companies controlled or significantly influenced by them. All interest rates of the transactions are in the ordinary course of business and under terms and conditions normally applicable to customers of comparable standing. The interest income and interest expense as well as loans and deposits outstandings are as follows:

	2004	2003
	佔永亨銀行 集團之百分比 % to the Group Total	佔永亨銀行 集團之百分比 % to the Group Total
Interest income	0.62	0.12
Interest expense	0.40	0.67
Advance to customers	1.32	0.46
Deposits from customers	0.81	0.72

35. 僱員福利

(a) 退休福利計劃

退休福利成本(附註4(c))

本集團為香港合資格僱員設立了一個根據《職業退休計劃條例》註冊之強制性公積金豁免ORSO計劃(「ORSO計劃」)，以及兩個根據《強制性公積金條例》成立之強制性公積金計劃(「強積金計劃」)。ORSO計劃已於二零零四年八月一日凍結。此後，僱員及僱主之供款將撥入強積金計劃，以代替ORSO計劃。此外，於二零零一年一月三日，本集團按澳門當地守則，以不同之供款率為該處所有僱員設立界定供款計劃。該等計劃之成本將計入該年之損益計算表，該等計劃之資產均與本集團之資產分開持有。倘強積金計劃僱員離職而不能獲得全數的僱主自願性供款，其剩下的結餘將撥歸本集團。

35. STAFF BENEFITS

(a) Retirement schemes

	2004	2003
Retirement benefit costs (Note 4(c))	<u>35,203</u>	<u>32,625</u>

The Group operates both a Mandatory Provident Fund Exempt ORSO Scheme (the "ORSO Scheme") which is registered under the Occupational Retirement Schemes Ordinance and two Mandatory Provident Fund Schemes (the "MPF Schemes") established under the Mandatory Provident Fund Ordinance to cover all qualifying employees in Hong Kong. As from 1st August, 2004, the ORSO Scheme is frozen as employees and the employer have made the contributions to MPF Scheme instead of ORSO Scheme. In addition, a defined contribution scheme was established on 3rd January, 2001 to cover all qualifying employees in Macau at various funding rates, in accordance with the local practice and requirements. The costs of these schemes are charged to the profit and loss account for the year and the assets of these schemes are held separately from the Group. Any forfeiture amount under the MPF Scheme is refunded to the Group when the member leaves employment prior to the employer's voluntary contributions being vested fully.

35. 僱員福利 (續)

(b) 股份獎勵福利

(i) 認股權計劃

根據已批准之認股權計劃，董事會獲授權可決定給予行政人員認股權以購入本銀行股份，作為對僱員的獎勵。二零零一年九月一日之前，認購價為認股權授予日期前五個營業日於香港聯合交易所有限公司（「聯交所」）之平均收市價的百分之八十。二零零一年九月一日之後，認購價須至少為股份於授予日在聯交所之收市價，該日必須為營業日，及股份於授予日前五個營業日在聯交所的平均收市價，兩者中的較高者。

(1) 認股權變更

35. STAFF BENEFITS (CONTINUED)

(b) Equity compensation benefits

(i) Share Option Scheme

Pursuant to the approved Share Option Scheme, the directors are authorised, at their discretion, to invite certain executives, to take up options to purchase ordinary shares in the Bank as incentive to them. Prior to 1st September, 2001, the option price was 80% of the average last dealt price on The Stock Exchange of Hong Kong Limited ("SEHK") on the five business days immediately preceding the date of offer of such options. After 1st September, 2001, the option price should be at least the higher of the closing price of the shares on the SEHK on the date of the grant, which must be a trading day, and the average closing price of the shares on the SEHK for the five business days immediately preceding the date of grant.

(1) Movements in share options

		2004	2003
		股份數目	股份數目
		Number of	Number of
		shares	shares
一月一日結餘	At 1st January	740,000	772,000
已發行	Issued	535,000	290,000
已失效	Lapsed	(40,000)	-
已行使	Exercised	(130,000)	(322,000)
		<hr/>	<hr/>
十二月三十一日結餘	At 31st December	<u>1,105,000</u>	<u>740,000</u>

35. 僱員福利 (續)

(b) 股份獎勵福利 (續)

(i) 認股權計劃 (續)

- (2) 於資產負債表結餘日之未到期及未行使的認股權摘要

授予認股權日期 Date of options granted	認購價 Option price	2004 股份數目 Number of shares	2003 股份數目 Number of shares
10/03/2001	HK\$23.60	230,000	260,000
15/03/2002	HK\$26.30	170,000	190,000
14/01/2003	HK\$25.80	80,000	160,000
14/03/2003	HK\$26.50	130,000	130,000
21/05/2004	HK\$43.80	495,000	—
		<u>1,105,000</u>	<u>740,000</u>

此等認股權可於授予日第一週年起至第十週年內行使。

The options granted under the Scheme will be exercisable between the first and the tenth anniversaries of the date of grant.

- (3) 於年內授予的認股權代價均為港幣1元。

- (3) Details of share options granted during the year, all of which were granted with HK\$1.00 consideration.

行使期間 Exercise period	認購價 Option price	2004 股份數目 Number of shares	2003 股份數目 Number of shares
14/01/2004 – 14/01/2013	HK\$25.80	—	160,000
14/03/2004 – 14/03/2013	HK\$26.50	—	130,000
21/05/2005 – 21/05/2014	HK\$43.80	535,000	—
		<u>535,000</u>	<u>290,000</u>

35. 僱員福利 (續)

(b) 股份獎勵福利 (續)

(i) 認股權計劃 (續)

(4) 於年內行使的認股權之詳情

行使日期 Exercise date	認購價 Option price	股份於行使前一日 之每股加權平均收市價 Weighted average closing price per share at preceding day before exercise date	所得收入 Proceeds received	2004 股份數目 Number of shares	2003 股份數目 Number of shares
09/04/2003	HK\$14.83	HK\$27.20	HK\$1,512,660	-	102,000
31/07/2003	HK\$23.60	HK\$31.30	HK\$708,000	-	30,000
18/08/2003	HK\$23.60	HK\$33.20	HK\$708,000	-	30,000
18/08/2003	HK\$26.30	HK\$33.20	HK\$1,052,000	-	40,000
25/08/2003	HK\$23.60	HK\$34.30	HK\$708,000	-	30,000
05/09/2003	HK\$26.30	HK\$37.30	HK\$1,052,000	-	40,000
24/09/2003	HK\$23.60	HK\$38.00	HK\$708,000	-	30,000
07/11/2003	HK\$26.30	HK\$48.80	HK\$526,000	-	20,000
14/01/2004	HK\$25.80	HK\$49.30	HK\$516,000	20,000	-
26/01/2004	HK\$25.80	HK\$54.25	HK\$516,000	20,000	-
27/01/2004	HK\$25.80	HK\$54.50	HK\$516,000	20,000	-
27/01/2004	HK\$23.60	HK\$54.50	HK\$708,000	30,000	-
09/02/2004	HK\$25.80	HK\$52.75	HK\$516,000	20,000	-
13/04/2004	HK\$26.30	HK\$55.00	HK\$526,000	20,000	-
				130,000	322,000

(ii) 僱員獎勵計劃

年內，批准了一項新僱員獎勵計劃。根據已批准之僱員獎賞計劃，董事會獲授權可決定給予行政人員獎賞以購入本銀行股份，作為挽留彼等繼續為本集團效力之獎勵，根據僱員獎勵計劃於二零零四年四月二十二日獲通過後五年內，可予發行的股份獎賞數目最多不得超過本銀行不時已發行股本百分之一。獎賞於授出日期起計第六週年至第十週年，按以下之百分比生效。

35. STAFF BENEFITS (CONTINUED)

(b) Equity compensation benefits (continued)

(i) Share Option Scheme (continued)

(4) Details of share options exercised during the year

(ii) Employee Incentive Plan

During the year, a new employee incentive plan was approved. Pursuant to the approved Employee Incentive Plan, the directors are authorised, at their discretion, to invite certain executives, to take up awards to vesting ordinary shares in the Bank as incentive for them to remain in employment with the Bank. The maximum number of awards in respect of which awards may be granted under the Employee Incentive Plan may not exceed 1% of the issued share capital of the Bank for the time being in issue within five years of the date of approval of the plan on 22nd April, 2004. The awards can be vested between the sixth to the tenth anniversaries after the date of grant with the following percentage of award vesting.

35. 僱員福利 (續)

(b) 股份獎勵福利 (續)

(ii) 僱員獎勵計劃 (續)

日期
授出日期起計六週年
授出日期起計七週年
授出日期起計八週年
授出日期起計九週年
授出日期起計十週年

本集團根據一項新獎勵計劃以無代價授予若干僱員獎賞，以購入本銀行股份。股份將根據獎賞按每股面值港幣1元購入。獎賞之公平價值以授出日計算，並在獎賞授出日與生效期內於損益賬扣除及撥入股東資金內。獎賞未生效期內所派發相等於股息之現金，將以花紅支出按應計基準於損益賬扣除。

如董事會決定選擇以支付現金代替此計劃下可獲得之股份獎賞，於生效日期便無新股份發行。

於二零零四年十二月三十一日，本銀行董事及僱員持有本銀行獎賞可購入本銀行之股份如下。

授予獎賞日期
Date of awards granted

21/05/2004

35. STAFF BENEFITS (CONTINUED)

(b) Equity compensation benefits (continued)

(ii) Employee Incentive Plan (continued)

Date
Sixth anniversary of the date of grant
Seventh anniversary of the date of grant
Eighth anniversary of the date of grant
Ninth anniversary of the date of grant
Tenth anniversary of the date of grant

The Group granted awards at no consideration for certain employees to acquire shares of the Bank under a new EIP. The shares will be acquired at the nominal value of HK\$1 per share under the award. The fair value of the awards is measured at the grant date and is charged to the profit and loss account and credited to shareholders' fund between the grant date and vesting date. The cash amount equal to the dividend that would have been paid during the period up to vesting will be charged to the profit and loss account as bonus expenses on an accrual basis.

If the Board determines to select the cash option when shares vest, which is available under the plan, no new shares will be issued on the date of vesting.

At 31st December, 2004, the directors and employees of the Bank had the following interest in award to purchase the shares of the Bank.

行使價
Exercise Price

HK\$1.00

獎賞生效之百分比
Percentage
of Award vesting

5%

10%

15%

20%

50%

2004

股份數目

Number of shares

495,000

36. 賬項通過

本賬項已於二零零五年三月十日經董事會通過及授權發佈。

36. APPROVAL OF ACCOUNTS

The accounts were approved and authorised for issue by the Board of Directors on 10th March, 2005.