

Notes to Financial Statements

財務報表附註

Year ended 31 December 2004

截至二零零四年十二月三十一日止年度

1. CORPORATE INFORMATION

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

- securities and futures contracts broking and trading
- the provision of margin and other financing
- the provision of corporate advisory, placing and underwriting services
- bullion contracts dealing and trading
- leveraged foreign exchange trading
- the provision of nominee and custodian services
- fund management
- the provision of agency services for savings plans

2. IMPACT OF RECENTLY ISSUED HONG KONG FINANCIAL REPORTING 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, herein collectively referred to as the new HKFRSs, which are generally effective for accounting periods beginning on or after 1 January 2005. The Group has not early adopted these new HKFRSs in the financial statements for the year ended 31 December 2004. The Group has already commenced an assessment of the impact of these new HKFRSs and the initial assessment indicated that the adoption of the new HKFRSs in 2005 would not have a significant impact on the Group's results of operations and financial position.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (which also include Statements of Standard Accounting Practice ("SSAPs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for the periodic remeasurement of equity investments, as further explained below.

1. 公司資料

年內，本集團從事下列主要業務：

- 證券及期貨合約經紀及買賣
- 提供孖展及其他財務借貸
- 提供企業諮詢服務、配售及包銷服務
- 貴金屬合約買賣及交易
- 槓桿外匯買賣
- 提供代理人及保管服務
- 基金管理
- 提供儲蓄計劃之代理服務

2. 最近期頒佈香港財務報告準則之影響

香港會計師公會已頒佈多項新訂及經修訂之香港財務報告準則和香港會計準則（統稱為「新訂香港財務報告準則」），該等準則普遍適用於二零零五年一月一日或之後開始之會計年度。本集團並未就截至二零零四年十二月三十一日止年度之財務報表提早採納該等新訂香港財務報告準則。本集團已開始評估該等新訂香港財務報告準則之影響，根據初步評估顯示，於二零零五年採納該等新訂香港財務報告準則不會對本集團之經營業績及財政狀況產生重大影響。

3. 主要會計政策概要

編製基準

此等財務報表乃根據香港會計師公會頒佈之香港財務報告準則（亦包括會計實務準則（「會計實務準則」及詮釋）、香港普遍採納之會計原則及香港公司條例之披露規定而編製。除了若干股份投資之定期重估外（詳見下文），此等財務報表乃根據原值成本準則所編製。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of preparation (continued)

Pursuant to a resolution passed on 22 December 2003, the Company changed its financial year end from 31 March to 31 December to coincide with the financial year end date of most local and international financial institutions, so as to facilitate the shareholders and stakeholders of the Company in evaluating the performance of the Group in comparison with those of other financial institutions. Accordingly, the prior year's financial statements were presented for a period of nine months rather than for a period of twelve months. Consequently, the comparative amounts for the consolidated profit and loss account, consolidated statement of changes in equity, consolidated cash flow statement and the related notes are not comparable with those of the current year.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 December 2004. The results of subsidiaries acquired or disposed of during the year are consolidated from or to their effective dates of acquisition or disposal, respectively. All significant intercompany transactions and balances within the Group are eliminated on consolidation.

Subsidiaries

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

The results of subsidiaries are included in the Company's profit and loss account to the extent of dividends received and receivable. The Company's interests in subsidiaries are stated at cost less any impairment losses.

Joint venture companies

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

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

3. 主要會計政策概要 (續)

編製基準 (續)

根據二零零三年十二月二十二日通過的一項決議案，本公司的財政年度年結日已由三月三十一日改為十二月三十一日，以配合大部分本地及國際金融機構的慣例，方便本公司股東及權益持有人評核本集團業績，並與其他金融機構比較。因此，前一年度的財務報表所呈列的是九個月期間而非十二個月期間的數據。因此，綜合損益表、綜合股本權益變動表、綜合現金流量表及有關附註的比較數據，皆無法與本年度比較。

綜合基準

綜合財務報表包括本公司及其附屬公司截至二零零四年十二月三十一日止年度之財務報表。年內收購或出售之附屬公司之業績乃分別由彼等自收購生效日期起或截至彼等之出售生效日期止予以綜合。所有集團內公司間之重大交易及結餘，均已於綜合賬目時予以對銷。

附屬公司

附屬公司乃指本公司直接或間接控制其財務及經營政策，從而在其業務中獲益之公司。

附屬公司之業績以已收及應收之股息為限計入本公司的損益表。本公司於附屬公司之權益乃按成本值減去任何減值虧損而列賬。

合營公司

合營公司為一項合約安排而成立之公司，據此，本集團與其他合營各方進行一項經濟活動。合營公司以獨立實體形式運作，其權益由本集團及其合營方共同擁有。

合營各方之間之合營協議規定合營各方之出資額比例，合營公司之經營年期，以及在公司解散時變現資產之基準。合營公司經營之盈虧及盈餘資產之任何派發，由合營各方按其出資額比例或根據合營協議之條款分配。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Joint venture companies (continued)

A joint venture company is treated as:

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

Jointly-controlled entities

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

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

Goodwill

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

Goodwill arising on acquisition is recognised in the consolidated balance sheet as an asset and amortised on the straight-line basis over its estimated useful life of 20 years.

3. 主要會計政策概要 (續)

合營公司 (續)

合營公司可分為：

- (a) 附屬公司，倘本集團能直接或間接對合營公司擁有單方面的控制權；
- (b) 共同控權合資公司，倘本集團未能對合營公司擁有單方面的控制權，而需與其他合營方直接或間接共同控制；
- (c) 聯營公司，倘本集團未能對合營公司行使單方面或共同的控制權力，但直接或間接持有不少於合營公司百分之二十的註冊資本，並能對其行使重大影響力；或
- (d) 長期投資，倘本集團直接或間接持有合營公司少於百分之二十的註冊資本，且未能擁有任何共同的控制權力，並對其沒有重大影響力。

共同控權合資公司

共同控權合資公司乃指一由眾參與者共同控制之合營公司。參與各方均不能單方面控制其經濟活動。

本集團應佔共同控權合資公司的被收購後之業績及儲備，乃分別列入綜合損益表及綜合儲備內。本集團於共同控權合資公司之權益乃根據權益會計法計算本集團應佔之資產淨值減去任何減值虧損後在綜合資產負債表列賬。

商譽

收購附屬公司所產生之商譽乃指收購成本超出本集團分佔於收購日可認定資產及負債之公平價值之數額。

收購附屬公司所產生之商譽乃於綜合資產負債表內確認作資產，並以直線法按其估計可用年期，分二十年攤銷。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Goodwill (continued)

Prior to the adoption of SSAP 30 “Business Combinations” in 2001, goodwill arising on acquisitions was eliminated against consolidated reserves in the year of acquisition. On the adoption of SSAP 30, the Group applied the transitional provision of the SSAP that permitted such goodwill to remain eliminated against consolidated reserves. Goodwill on acquisitions subsequent to the adoption of the SSAP is treated according to the SSAP 30 goodwill accounting policy above.

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

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

Related parties

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

Impairment of assets

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

3. 主要會計政策概要 (續)

商譽 (續)

本公司於二零零一年採納會計實務準則第30號「業務合併」之前，收購所產生之商譽會於該收購年度於綜合儲備內對銷。就採納會計實務準則第30號而言，本集團已採納該會計實務準則之過渡性規定，其允許該商譽繼續於綜合儲備內對銷。於採納該會計實務準則後收購所產生之商譽乃根據上述會計實務準則第30號商譽會計政策處理。

於出售附屬公司時，出售收益或虧損乃經參考於出售日期之資產淨值計算，包括應佔未作攤銷之商譽數額及任何有關儲備，如適用。早前已於收購時於綜合儲備內對銷之任何應佔商譽將予撥回，並納入出售收益或虧損之計算中。

商譽之賬面值，包括仍然於綜合儲備內對銷之商譽，乃按年重估，並在認為必要之情況下作出減值。除非減值虧損乃因特殊性質且預期不會重演之特定外在事件而出現，而其後發生之外在事件已抵銷該事件之影響，否則早前已確認之商譽減值虧損不予撥回。

關連人士

倘任何一方能夠直接或間接控制另一方，或於作出財政及經營決策時能向對方行使重大影響力者即為關連人士。關連人士亦指該等受共同控制或共同重大影響之人士。關連人士可以為個人或法人團體。

資產減值

於各結算日均會評估是否有任何跡象顯示出現任何資產減值，或是否有任何跡象顯示早前於以往年度就資產確認之減值虧損可能不再存在或可能減少。倘任何跡象顯示有此可能，則會估計資產之可收回數額。資產之可收回數額乃按資產之應用價值或淨售價（以較高者為準）計算。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of assets (continued)

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

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount of an asset, however not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation), had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is credited to the profit and loss account in the period in which it arises, unless the asset is carried at a revalued amount, when the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

Fixed assets and depreciation

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

Depreciation is calculated on the straight-line basis to write off the cost of each asset over its estimated useful life. The principal annual rates used for this purpose are as follows:

Leasehold land	Over the lease terms
Buildings	2.5%
Leasehold improvements	20%
Furniture, fixtures and equipment	20%
Computer equipment	30%
Motor vehicles	20%

3. 主要會計政策概要 (續)

資產減值 (續)

僅有在資產賬面淨額高於其可收回數額之情況下，方會確認減值虧損。減值虧損於其產生期間內自損益表中扣除，惟除非資產乃按重估數額列賬則作別論，在該情況下，減值虧損乃根據該重估資產之有關會計政策入賬。

早前確認之減值虧損僅在用以釐定資產可收回數額之估計出現變動時方會予以撥回，然而，倘於以往年度並無就資產確認減值虧損，則高於此情況下所原應釐定之賬面值(扣除任何折舊／攤銷)則不得撥回。減值虧損之撥回於其產生期間內計入損益表，惟資產乃按重估數額列賬則作別論，在該情況下，減值虧損之撥回乃根據該重估資產之有關會計政策計算。

固定資產及折舊

固定資產乃按成本值減累計折舊及任何減值虧損列賬。資產成本包括其購入價及任何使該項資產達致運作之狀況及送抵作其計劃用途之位置而產生之直接應佔成本。固定資產開始運作後所產生之開支，如維修及保養費，一般會在該筆費用出現之期間內在損益表中扣除。若能清楚顯示該等開支能增加使用該項固定資產時可帶來之未來經濟利益，則有關開支會資本化，作為該項資產之額外成本。

折舊乃按各資產之估計可用年期，以直線法撇銷其成本值計算。就此採用之主要年折舊率如下：

租賃土地	按租約年期計算
樓宇	2.5%
租賃物業裝修	20%
傢俬、裝置及設備	20%
電腦設備	30%
汽車	20%

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fixed assets and depreciation (continued)

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

Intangible assets

Intangible assets, representing eligibility rights to trade on or through The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and Hong Kong Futures Exchange Limited (the "Futures Exchange"), are stated at cost less accumulated amortisation and any impairment losses.

Amortisation is calculated on the straight-line basis over a period of 10 years to write off the cost of the rights.

Other assets

Other assets held on a long term basis are stated at cost less any impairment losses on an individual asset basis.

Long term investments

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

Listed securities are stated at their fair values on the basis of their quoted market prices at the balance sheet date, on an individual investment basis. Unlisted securities are stated at their estimated fair values, on an individual basis. The estimated fair values of unlisted investments are determined by the directors having regard to, inter alia, their quoted market prices at the balance sheet date and other financial data considered relevant in respect of such investments.

The gains or losses arising from changes in the fair value of a security are dealt with as movements in the long term investment revaluation reserve, until the securities are sold, collected, or otherwise disposed of, or until the securities are determined to be impaired, when the cumulative gain or loss derived from the securities recognised in the long term investment revaluation reserve, together with the amount of any further impairment, is charged to the profit and loss account in the period in which the impairment arises.

3. 主要會計政策概要 (續)

固定資產及折舊 (續)

於損益表中所確認之出售或廢棄固定資產而引致之任何損益，乃出售有關資產所得款項淨額與其賬面值之間的差額。

無形資產

無形資產乃指可於或透過香港聯合交易所有限公司(「聯交所」)及香港期貨交易所有限公司(「期交所」)進行交易之權利，按成本減累計攤銷及任何減值虧損列賬。

攤銷乃按以直線法於十年內撇銷該等權利之成本值計算。

其他資產

長期持有之其他資產按個別資產基準，以成本值減去任何減值虧損列賬。

長期投資

長期投資乃上市及非上市股本證券之非買賣投資，其擬持有作長期投資。

上市證券乃按個別投資基準，根據其於結算日之收市價作公平價值列賬。非上市證券乃按個別投資基準，根據其估計公平價值列賬。非上市投資的估計公平價值由董事釐定，其中已考慮於結算日之收市價以及被視為與此等投資相關的其他財務數據。

因證券公平價值之變動所產生的收益或虧損會在長期投資重估儲備內處理，直至證券已出售、收取或以其他方式處理為止，或直至該等證券被斷定為已減值為止，屆時已於長期投資重估儲備中確認之累計收益或虧損，連同任何進一步減值數額會於減值出現之期間於損益表中扣除。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Short term investments

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

Cash and cash equivalents

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the balance sheet, cash and bank balances comprise cash on hand and at banks, including term deposits, which are not restricted as to use.

Income tax

Income tax comprises current and deferred tax. Income tax is recognised in the profit and loss account, or in equity if it relates to items that are recognised in the same or a different period directly in equity.

Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences:

- except where the deferred tax liability arises from the initial recognition of an asset or liability and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and jointly-controlled entities, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

3. 主要會計政策概要 (續)

短期投資

短期投資乃投資於持有作買賣用途之股本證券，其按個別投資基準，根據彼等於結算日之收市價計算之公平價值列賬。該筆證券公平價值變動所產生之收益或虧損於產生期間在損益表中入賬或扣除。

現金及現金等值項目

就綜合現金流量表而言，現金及現金等值項目乃指手頭現金及活期存款，以及可隨時轉換為已知現金數額、價值改變之風險不高並於購入時三個月內到期之短期及高度流動投資，減去須按要求償還之銀行透支，並為本集團現金管理重要一環。

就資產負債表而言，現金及銀行結存包括用途不受限制之手頭及銀行現金(包括定期存款)。

所得稅

所得稅包含即期稅項及遞延稅項。所得稅乃於損益表確認，倘若稅項與於相同或不同期間直接在股本權益中確認之項目有關，則於股本權益中確認。

遞延所得稅乃採用負債法，對於結算日資產及負債的計稅基準與就財務報告目的而言該等項目賬面值之間的所有暫時性差額計提撥備。

所有應課稅暫時性差額均確認為遞延稅項負債：

- 初始確認資產或負債時產生之遞延稅項負債，且在交易時，並不影響會計溢利或應課稅溢利或虧損除外；及
- 對於附屬公司和共同控權合資公司之投資的有關應課稅暫時性差額，惟撥回暫時性差額之時間可以控制，並且暫時性差額於可預見之將來可能不會被撥回的情況除外。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

Deferred tax assets are recognised for all deductible temporary differences, carryforward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax assets and unused tax losses can be utilised:

- except where the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries and jointly-controlled entities, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Conversely, previously unrecognised deferred tax assets are recognised to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Revenue recognition

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

- (a) from the sale of long and short term investments, on the transaction dates when the relevant contract notes are executed;

3. 主要會計政策概要 (續)

所得稅 (續)

所有可予扣減暫時性差額，結轉的未動用稅項資產及稅項虧損於可能獲得應課稅溢利作為抵銷，以動用該等可予扣減暫時性差額、結轉的未動用稅項資產及稅項虧損之情況下，均確認為遞延稅項資產：

- 初始確認資產或負債所產生之可予扣減暫時性差額有關之遞延稅項資產，且在交易時，並不影響會計溢利或應課稅溢利或虧損除外；及
- 對於附屬公司及共同控權合資公司之投資之有關可予扣減暫時性差額，遞延稅項資產僅可在暫時性差額將於可預見之將來撥回，並且應課稅溢利將可用以抵銷暫時性差額之情況下予以確認。

遞延稅項資產之賬面值於各結算日審閱及予以相應扣減，直至不再有足夠之應課稅溢利可供所有或部分遞延稅項資產動用為止。相反，先前未確認之遞延稅項資產予以確認，直至有足夠之應課稅溢利可供所有或部分遞延稅項資產動用為止。

遞延稅項資產及負債乃按預期適用於變現資產或清償負債期間之稅率衡量，並以結算日已制定或已實質上制定之稅率(及稅法)為基準。

收入確認

收入於經濟利益可能會歸予本集團及收入能可靠地計算時確認，基準如下：

- (a) 長期及短期投資銷售在有關成交單據生效之成交日予以確認；

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

- (b) commissions and brokerage income on dealing in securities, futures, options and bullion contracts and the profit and loss on trading in securities, futures, options and bullion contracts, on the transaction dates when the relevant contract notes are executed;
- (c) consultancy and financial advisory fees, placing, underwriting and sub-underwriting commissions, and commission income from the sale of savings plans, on an accrual basis in accordance with the terms of the underlying agreements;
- (d) income from fund management, custodian and handling services, in the period in which such services are rendered;
- (e) interest income, on a time proportion basis taking into account the principal outstanding and the effective interest rate applicable;
- (f) income from leveraged foreign exchange transactions are recognised on an accrual basis; and
- (g) dividend income, when the shareholders' right to receive payment has been established.

Employee benefits

Paid leave carried forward

The Group provides paid annual leave to its employees under their employment contracts on a calendar year basis. Under certain circumstances, such leave which remains untaken as at the balance sheet date is permitted to be carried forward and utilised by the respective employees in the following year. An accrual is made at the balance sheet date for the expected future cost of such paid leave earned during the year by the employees and carried forward.

Employment Ordinance long service payments

Certain of the Group's employees have completed the required number of years of service to the Group in order to be eligible for long service payments under the Hong Kong Employment Ordinance in the event of the termination of their employment. The Group is liable to make such payments in the event that such a termination of employment meets the circumstances specified in the Employment Ordinance.

3. 主要會計政策概要 (續)

收入確認 (續)

- (b) 買賣證券、期貨、期權及貴金屬合約之佣金及經紀收入，以及買賣證券、期貨、期權及貴金屬合約之溢利及虧損均在有關成交單據生效之成交日予以確認；
- (c) 顧問及財務諮詢費、配售、包銷及分包銷佣金、及銷售儲蓄計劃之佣金乃根據相關協議之條款按應計基準予以確認；
- (d) 基金管理、保管及處理服務所得之收入在提供該等服務時予以確認；
- (e) 利息收入乃在計入尚餘本金及適用之有效利率後，按時間比例予以確認；
- (f) 槓桿外匯交易之收入按應計基準予以確認；及
- (g) 股息乃在確定股東有權收取該款項時確認為收入。

僱員福利

結轉之有薪假期

本集團根據僱員之僱傭合約按曆年基準為僱員提供有薪假期。在若干情況下，各僱員於結算日尚未動用之年假獲准結轉至下個年度動用。於結算日，按僱員於年內所賺取有薪假期之預計未來成本提呈應計費用，並予以結轉。

僱傭條例長期服務金

本集團若干僱員於本集團服務已屆香港《僱傭條例》所規定之年數，符合資格於終止受僱時取得長期服務金。倘僱員於符合僱傭條例所訂明之情況下終止受僱，則本集團有責任支付該等款項。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Employee benefits (continued)

Employment Ordinance long service payments (continued)

A contingent liability is disclosed in respect of possible future long service payments to employees, as a number of current employees have achieved the required number of years of service to the Group, to the balance sheet date, in order to be eligible for long service payments under the Employment Ordinance if their employment is terminated in the circumstances specified. A provision has not been recognised in respect of such possible payments, as it is not considered probable that the situation will result in a material future outflow of resources from the Group.

Retirement benefits scheme

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance, for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to the profit and loss account as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme, except for the Group's employer voluntary contributions, which are refunded to the Group when an employee leaves employment prior to the contributions vesting fully, in accordance with the rules of the MPF Scheme.

Share option scheme

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. The financial impact of share options granted under the share option scheme is not recorded in the Company's or the Group's balance sheet until such time as the options are exercised, and no charge is recorded in the profit and loss account or balance sheet for their cost. Upon the exercise of share options, the resulting shares issued are recorded by the Company as additional share capital at the nominal value of the shares, and the excess of the exercise price per share over the nominal value of the shares is recorded by the Company in the share premium account. Options which are cancelled prior to their exercise date, or which lapse, are deleted from the register of outstanding options.

3. 主要會計政策概要 (續)

僱員福利 (續)

僱傭條例長期服務金 (續)

於結算日，本集團現有若干僱員於本集團服務已屆《僱傭條例》所規定之年數，符合資格在指定情況下終止受僱時可取得長期服務金，故本集團已就日後可能須向僱員支付長期服務金之或然負債作出披露。由於預期支付長期服務金將不會導致本集團日後出現重大之資源流出，故並無就該等可能支付之款項確認撥備。

退休福利計劃

本集團根據強制性公積金計劃條例為合資格參與強制性公積金退休福利計劃（「強積金計劃」）之僱員設立定額供款強積金計劃。供款乃按僱員之基本薪金之某個百分比計算，並根據強積金計劃之規則於應付時由損益表中扣除。強積金計劃之資產與本集團之資產由獨立管理基金分開持有。本集團一旦就強積金計劃作出僱主供款後，除僱主自願供款部份外，其餘僱主供款完全撥歸僱員所有；根據強積金計劃之規則，倘僱員於僱主供款完全撥歸該僱員前離職，則僱主自願供款部份將會退回本集團。

購股權計劃

本公司設有購股權計劃，其目的是為了向合資格參與者對本集團業務成就作出之貢獻給予一定獎勵及報酬。直至購股權獲行使當時為止，根據購股權計劃授出之購股權所造成之財務影響不會記入本公司或本集團之資產負債表內，而有關成本亦不會記入損益表或資產負債表。當購股權獲行使時，本公司會將就此發行之股份以股份面值記入為額外股本，而每股股份行使價超出股份面值之差額則記入本公司之股份溢價賬內。在行使日期前註銷或失效之購股權均由尚未行使購股權之名冊中刪除。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Operating leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Rentals payable under such operating leases are charged to the profit and loss account on the straight-line basis over the lease terms.

Dividends

Final dividends proposed by the directors are classified as a separate allocation of retained profits within the capital and reserves section of the balance sheet, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

Interim dividends are simultaneously proposed and declared, because the Company's Bye-laws grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

Foreign currencies

Foreign currency transactions are recorded at the applicable exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the applicable exchange rates ruling at that date. Exchange differences are dealt with in the profit and loss account.

On consolidation, the financial statements of subsidiaries and jointly-controlled entities operating in the People's Republic of China ("PRC") and overseas are translated into Hong Kong dollars using the net investment method. The profit and loss accounts of subsidiaries and jointly-controlled entities operating in the PRC and overseas are translated into Hong Kong dollars at the weighted average exchange rates for the year, and their balance sheets are translated into Hong Kong dollars at the exchange rates ruling at the balance sheet date. The resulting translation differences are included in the exchange fluctuation reserve.

For the purpose of the consolidated cash flow statement, the cash flows of subsidiaries operating in the PRC and overseas are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of subsidiaries operating in the PRC and overseas which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

3. 主要會計政策概要 (續)

經營租賃

凡資產擁有權之絕大部分收益及風險仍歸於出租人之租賃，均視為經營租賃。有關該等經營租賃之應付租金乃按租賃年期以直線法在損益表中處理。

股息

董事擬派之末期股息於資產負債表內股本及儲備下分類作獨立保留溢利分配，直至該等股息獲股東於股東大會上批准為止。倘該等股息獲股東批准並已宣派，則會確認作負債。

由於本公司組織章程細則賦予董事權力宣派中期股息，所以中期股息的動議和宣派是同一時間進行的。由此，中期股息在動議和宣派之時立即被確認為負債。

外幣交易

外幣交易按交易日適用之匯率入賬。於結算日以外幣為單位之貨幣資產及負債按該日之適用匯率換算，匯兌差額撥入損益表內處理。

於綜合賬目時，於中華人民共和國（「中國」）及海外經營業務之附屬公司及共同控權合資公司之財務報表乃按投資淨額法換算為港元。於中國及海外經營業務之附屬公司及共同控權合資公司損益表乃按年內加權平均匯率換算港元，而該等公司之資產負債表則按結算日之適用匯率換算為港元，就此產生之匯兌差額會計入匯兌波動儲備。

就綜合現金流量表而言，於中國及海外經營業務之附屬公司之現金流量乃按現金流量日期之適用匯率換算為港元。於中國及海外經營業務之附屬公司於整個年度內經常產生之現金流量乃按全年加權平均匯率換算為港元。

4. SEGMENT INFORMATION

Segment information is presented by way of the Group's primary segment reporting basis, by business segment. In determining the Group's geographical segments, revenues are attributed to the segments based on the location of the customers, and assets are attributed to the segments based on the location of the assets. No further geographical segment information is presented as over 90% of the Group's assets are located in Hong Kong.

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

- (a) the broking segment engages in securities, futures, options and bullion contracts broking and dealing;
- (b) the margin and other financing segment engages in the provision of margin financing to margin customers, and personal loans and commercial loans to individuals and corporate customers, respectively;
- (c) the corporate advisory, placing and underwriting segment engages in the provision of corporate advisory, placing and underwriting services;
- (d) the trading and investment segment engages in investment holding, and proprietary trading of securities, futures, options and bullion contracts; and
- (e) the others segment comprises fund management, the provision of custodian and handling services, leveraged foreign exchange trading and the sale of savings plans.

Intersegment transactions are conducted with reference to the prices charged to third parties.

4. 分部資料

分部資料乃按本集團之主要分部呈報基準－業務分部呈列。在釐定本集團之地區分類時，收入及資產分別按客戶及資產所在地分配於各分部中。由於本集團逾90%之資產皆位於香港，故並無進一步呈列地區分部資料。

本集團之經營業務乃根據其營運性質及所提供之服務而分開組織及管理。本集團旗下各業務分部均為一個提供服務之策略性業務單位，且所承受之風險及回報有別於其他業務分部。有關業務分部之詳情概述如下：

- (a) 經紀業務，乃從事證券、期貨、期權及貴金屬合約之經紀及買賣服務；
- (b) 孖展及其他借貸業務，乃從事孖展借貸予孖展客戶及私人及商業借貸予個人及公司客戶；
- (c) 企業諮詢、配售及包銷業務，乃從事有關企業諮詢、配售及包銷服務；
- (d) 買賣及投資業務，乃從事投資控股及證券、期貨、期權及貴金屬合約之自營買賣；及
- (e) 其他業務，包括基金管理、保管及代理服務、槓杆外匯買賣及儲蓄計劃銷售業務。

各分部間之交易乃參照向第三者收取之價格而進行。

4. SEGMENT INFORMATION (continued)

Business segments

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

Group

	Broking 經紀業務		Margin and other financing 孖展及其他借貸		Corporate advisory, placing and underwriting 企業諮詢、配售及包銷		Trading and investment 買賣及投資		Others 其他		Eliminations 撇銷		Consolidated 綜合		
	Year ended 31 December 2004 HK\$'000	Period from 1 April 2003 to 31 December 2003 HK\$'000	Year ended 31 December 2004 HK\$'000	Period from 1 April 2003 to 31 December 2003 HK\$'000	Year ended 31 December 2004 HK\$'000	Period from 1 April 2003 to 31 December 2003 HK\$'000	Year ended 31 December 2004 HK\$'000	Period from 1 April 2003 to 31 December 2003 HK\$'000	Year ended 31 December 2004 HK\$'000	Period from 1 April 2003 to 31 December 2003 HK\$'000	Year ended 31 December 2004 HK\$'000	Period from 1 April 2003 to 31 December 2003 HK\$'000	Year ended 31 December 2004 HK\$'000	Period from 1 April 2003 to 31 December 2003 HK\$'000	Year ended 31 December 2004 HK\$'000
	截至 二零零四年 十二月三十一日 止年度 千港元	由二零零三年 四月一日起至 二零零三年 十二月三十一日 止期間 千港元	截至 二零零四年 十二月三十一日 止年度 千港元	由二零零二年 四月一日起至 二零零二年 十二月三十一日 止期間 千港元	截至 二零零四年 十二月三十一日 止年度 千港元	由二零零三年 四月一日起至 二零零三年 十二月三十一日 止期間 千港元	截至 二零零四年 十二月三十一日 止年度 千港元	由二零零二年 四月一日起至 二零零二年 十二月三十一日 止期間 千港元	截至 二零零四年 十二月三十一日 止年度 千港元	由二零零三年 四月一日起至 二零零三年 十二月三十一日 止期間 千港元	截至 二零零四年 十二月三十一日 止年度 千港元	由二零零二年 四月一日起至 二零零二年 十二月三十一日 止期間 千港元	截至 二零零四年 十二月三十一日 止年度 千港元	由二零零三年 四月一日起至 二零零三年 十二月三十一日 止期間 千港元	截至 二零零四年 十二月三十一日 止年度 千港元
Segment revenue:	分部收入：														
Sales to external customers	銷售予 外來客戶														
Intersegment sales	各分部間之銷售														
Total	總計														
Segment results	分部業績														
Unallocated expenses	未分配開支														
Profit from operating activities	經營業務溢利														
Share of profits and losses of jointly-controlled entities	應佔共同控權公司之盈虧														
Profit before tax	除稅前溢利														
Tax	稅項														
Net profit from ordinary activities attributable to shareholders	股東應佔日常業務純利														

4. 分部資料 (續)

業務分部

下表載列本集團業務分部之收入及溢利/(虧損)及若干資產、負債及開支資料。

本集團

4. SEGMENT INFORMATION (continued)

Business segments (continued)

Group

		Broking		Margin and other financing		Corporate advisory, placing and underwriting		Trading and investment		Others		Eliminations		Consolidated	
		經紀業務		孖展及其他借貸		企業諮詢、配售及包銷		買賣及投資		其他		撇銷		綜合	
		2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		二零零四年	二零零三年	二零零四年	二零零三年	二零零四年	二零零三年	二零零四年	二零零三年	二零零四年	二零零三年	二零零四年	二零零三年	二零零四年	二零零三年
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Segment assets	分類資產	2,207,993	1,810,639	1,355,064	1,571,054	138,399	74,111	346,270	227,304	45,704	37,811	(1,325,520)	(866,334)	2,767,910	2,854,585
Interests in jointly-controlled entities	於共同控股合資公司之權益	-	-	-	-	-	-	-	-	4,498	3,042	-	-	4,498	3,042
Unallocated assets	未分配資產													20,743	26,201
Total assets	總資產													2,793,151	2,883,828
Segment liabilities	分類負債	(1,963,824)	(1,593,784)	(722,034)	(981,002)	(53,867)	(29,604)	(309,904)	(281,031)	(80,223)	(32,188)	1,325,520	866,334	(1,804,332)	(2,051,275)
Unallocated liabilities	未分配負債													(1,862)	(10,101)
Total liabilities	總負債													(1,806,194)	(2,061,376)
Other segment information:	其他分部資料:														
Depreciation	折舊	11,016	8,316	3,815	3,697	2,043	1,080	808	356	579	388	-	-	18,261	13,837
Amortisation of intangible assets	無形資產攤銷	813	610	-	-	-	-	-	-	-	-	-	-	813	610
Write-back of provision for doubtful debts	呆賬撥回撥備	-	-	-	(693)	-	(150)	-	-	-	-	-	-	-	(843)
Capital expenditure	資本開支	12,111	3,574	4,336	1,634	2,164	458	894	276	699	168	-	-	20,204	6,110
Unrealised losses/ (gains) on revaluation of short term investments, net	重估短期投資之未變現虧損/(收益)淨額	-	-	-	-	-	-	1,520	(3,206)	-	-	-	-	1,520	(3,206)

5. TURNOVER

Turnover represents commissions on dealing in securities, futures, options and bullion contracts; interest income from margin and other financing; consultancy and advisory fees; commissions earned from share placing, underwriting and sub-underwriting; income from the provision of custodian and handling services; income from fund management; profit and loss on trading in securities, futures, options and bullion contracts; dividend income from investments; income from leveraged foreign exchange trading; and commissions income from the sale of savings plans, after elimination of all significant intra-group transactions.

4. 分部資料 (續)

業務分部 (續)

本集團

5. 營業額

營業額指對銷集團內部所有重大交易後之買賣證券、期貨、期權及貴金屬合約之佣金及經紀收入、孖展及其他借貸的利息收入、顧問及諮詢費收入、股份配售、包銷及分包銷所賺取之佣金、提供保管及處理服務之收入、基金管理所得之收入、買賣證券、期貨、期權及貴金屬合約之損益、投資所得股息收入、槓桿外匯買賣所得收入以及銷售儲蓄計劃所得佣金收入。

5. TURNOVER (continued)

5. 營業額 (續)

Revenue from the following activities has been included in turnover:

下列業務所得收入已計入營業額內：

		Year ended 31 December 2004 HK\$'000	Period from 1 April 2003 to 31 December 2003 HK\$'000
		截至 二零零四年 十二月 三十一日 止年度 千港元	由二零零三年 四月一日至 二零零三年 十二月 三十一日 止期間 千港元
Securities dealing and broking: Commission on securities dealing	證券買賣及經紀業務： 買賣證券之佣金	160,594	106,295
Futures dealing and broking: Commission on dealing in futures/options/commodities	期貨買賣及經紀業務： 買賣期貨／期權／商品之佣金	54,982	37,259
Interest income: Margin and other financing	利息收入： 孖展及其他借貸	76,085	65,162
Corporate finance and advisory: Consultancy and financial advisory fee income	企業融資及諮詢： 顧問及融資諮詢費收入	19,519	17,900
Placing, underwriting and sub-underwriting commission	配售、包銷及分包銷佣金	17,273	6,729
Bullion contracts dealing: Commission on bullion contracts dealing	貴金屬合約買賣： 買賣貴金屬合約之佣金	824	470
Income earned from the provision of nominee and custodian services: Custodian and handling service fees	提供代理人及保管 服務之收入： 保管及處理服務費	6,760	4,786
Fund management: Management income	基金管理： 管理收入	4	23
Performance income	表現收入	-	6
Income from proprietary trading: Profit on securities trading, net	自營買賣之收入： 買賣證券之溢利，淨額	10,589	4,679
Dividend income	股息收入	3,490	906
Profit/(loss) on futures, options and bullion contracts trading, net	買賣期貨、期權及貴金屬合約 之溢利／(虧損)，淨額	2,028	(913)
Income from leveraged foreign exchange trading	槓桿外匯買賣之收入	938	-
Commission income from the sale of savings plans	銷售儲蓄計劃之佣金收入	3,690	1,956
		356,776	245,258

6. PROFIT FROM OPERATING ACTIVITIES

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

		Year ended 31 December 2004 HK\$'000	Period from 1 April 2003 to 31 December 2003 HK\$'000
		截至 二零零四年 十二月 三十一日 止年度 千港元	由二零零三年 四月一日至 二零零三年 十二月 三十一日 止期間 千港元
Depreciation (note 13)	折舊(附註13)	18,261	13,837
Amortisation of intangible assets (note 14)*	無形資產之攤銷(附註14)*	813	610
Minimum lease payments	經營租賃應付之最低租金款項：		
under operating leases:			
Land and buildings	土地及樓宇	16,461	13,473
Computer equipment	電腦設備	16,172	11,391
Auditors' remuneration	核數師酬金	1,680	1,619
Staff costs (including directors' remuneration (note 7)):	員工成本(包括董事酬金(附註7))：		
Salaries and allowances	薪金及津貼	85,007	73,317
Bonuses	佣金	14,750	3,611
Commission to accounts executives	客戶主任佣金	48,171	32,074
Pension scheme contributions	退休金計劃供款	5,780	2,553
Less: Forfeited contributions	減：沒收供款	(428)	(258)
Net pension scheme contributions	退休金計劃淨供款	5,352	2,295
		153,280	111,297
Write-back of provision for doubtful debts	呆賬撥備撥回	-	(843)
Bad debts written off	壞賬撇銷	551	30
Interest expense for securities broking and margin financing operations:	經營證券經紀及孖展借貸業務之利息開支：		
On bank loans and overdrafts	銀行貸款及透支	6,625	8,921
On other loans	其他貸款	953	1,270
On loans from related companies	源自關連公司之貸款	65	479
Others	其他	234	-
		7,877	10,670
Loss/(gain) on disposal of fixed assets	出售固定資產之虧損/(收益)	9	(10)
Gain on disposal of long term investments	出售長期投資之收益	(3,312)	-
Unrealised losses/(gains) on revaluation of short term investments, net	重估短期投資之未變現虧損/(收益)·淨額	1,520	(3,206)
Exchange losses/(gains), net	匯兌虧損/(收益)·淨額	(1,738)	420
Dividend income from listed investments	上市投資之股息收入	(2,592)	(906)
Dividend income from unlisted investments	非上市投資之股息收入	(898)	-
Interest income	利息收入	(79,285)	(69,506)

* The amortisation of intangible assets for the year/period is included in "Other operating expenses" on the face of the consolidated profit and loss account.

6. 經營業務溢利

本集團之經營業務溢利乃扣減/(計入)下列各項後得出：

	Year ended 31 December 2004 HK\$'000	Period from 1 April 2003 to 31 December 2003 HK\$'000
	截至 二零零四年 十二月 三十一日 止年度 千港元	由二零零三年 四月一日至 二零零三年 十二月 三十一日 止期間 千港元
Depreciation (note 13)	18,261	13,837
Amortisation of intangible assets (note 14)*	813	610
Minimum lease payments		
under operating leases:		
Land and buildings	16,461	13,473
Computer equipment	16,172	11,391
Auditors' remuneration	1,680	1,619
Staff costs (including directors' remuneration (note 7)):		
Salaries and allowances	85,007	73,317
Bonuses	14,750	3,611
Commission to accounts executives	48,171	32,074
Pension scheme contributions	5,780	2,553
Less: Forfeited contributions	(428)	(258)
Net pension scheme contributions	5,352	2,295
	153,280	111,297
Write-back of provision for doubtful debts	-	(843)
Bad debts written off	551	30
Interest expense for securities broking and margin financing operations:		
On bank loans and overdrafts	6,625	8,921
On other loans	953	1,270
On loans from related companies	65	479
Others	234	-
	7,877	10,670
Loss/(gain) on disposal of fixed assets	9	(10)
Gain on disposal of long term investments	(3,312)	-
Unrealised losses/(gains) on revaluation of short term investments, net	1,520	(3,206)
Exchange losses/(gains), net	(1,738)	420
Dividend income from listed investments	(2,592)	(906)
Dividend income from unlisted investments	(898)	-
Interest income	(79,285)	(69,506)

* 年內/期內無形資產之攤銷已包括於綜合損益表中之「其他經營開支」內。

7. DIRECTORS' REMUNERATION

Directors' remuneration for the year, disclosed pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Section 161 of the Hong Kong Companies Ordinance, is as follows:

7. 董事酬金

以下為根據香港聯合交易所有限公司證券上市規則及香港公司條例第161條之規定披露董事酬金之詳情：

		Group 本集團	
		Year ended 31 December 2004 HK\$'000	Period from 1 April 2003 to 31 December 2003 HK\$'000
		截至 二零零四年 十二月 三十一日 止年度 千港元	由二零零三年 四月一日至 二零零三年 十二月 三十一日 期間 千港元
Fees:	袍金：		
Executive directors	執行董事	750	563
Non-executive directors	非執行董事	875	562
Independent non-executive directors	獨立非執行董事	425	188
		2,050	1,313
Other emoluments:	其他酬金：		
Executive directors:	執行董事：		
Salaries and allowances	薪金及津貼	9,669	7,144
Performance related bonuses	按表現而發放之花紅	4,136	2,613
Pension scheme contributions	公積金供款	577	54
		14,382	9,811
		16,432	11,124

7. DIRECTORS' REMUNERATION (continued)

The number of directors whose remuneration fell within the following bands is as follows:

		Number of directors 董事人數	
		Year ended 31 December 2004 HK\$'000	Period from 1 April 2003 to 31 December 2003 HK\$'000
		截至 二零零四年 十二月 三十一日 止年度 千港元	由二零零三年 四月一日至 二零零三年 十二月 三十一日 期間 千港元
Nil to HK\$1,000,000	零港元至1,000,000港元	12	11
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	-	2
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	1	1
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元	2	-
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至3,000,000港元	-	2
HK\$4,000,001 to HK\$4,500,000	4,000,001港元至4,500,000港元	2	-
		17	16

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

7. 董事酬金 (續)

酬金在下列範圍內之董事人數如下：

董事於年內並無根據任何安排放棄或同意放棄收取任何酬金。

8. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees of the Group during the year included three (period ended 31 December 2003: three) directors, details of whose remuneration are set out in note 7 above. Details of the remuneration of the remaining two (period ended 31 December 2003: two) non-director, highest paid employees for the year are as follows:

Salaries and allowances	薪金及津貼
Pension scheme contributions	公積金供款

8. 五名薪金最高之僱員

本年度本集團五名薪金最高之僱員包括三名(截至二零零三年十二月三十一日止期間: 三名)董事, 其酬金之詳情於上文附註7載列。餘下兩名(截至二零零三年十二月三十一日止期間: 兩名)最高薪非董事僱員之酬金載列如下:

		Group 本集團	
		Year ended 31 December 2004 HK\$'000	Period from 1 April 2003 to 31 December 2003 HK\$'000
		截至 二零零四年 十二月 三十一日 止年度 千港元	二零零三年 四月一日至 二零零三年 十二月 三十一日 期間 千港元
		5,042	3,302
		33	18
		5,075	3,320

The number of non-director, highest paid employees whose remuneration fell within the following bands is as follows:

HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至3,000,000港元

酬金在下列範圍內之最高薪非董事僱員人數如下:

		Number of employees 僱員數目	
		Year ended 31 December 2004 HK\$'000	Period from 1 April 2003 to 31 December 2003 HK\$'000
		截至 二零零四年 十二月 三十一日 止年度 千港元	二零零三年 四月一日至 二零零三年 十二月 三十一日 期間 千港元
		-	2
		1	-
		1	-
		2	2

9. TAX

Hong Kong profits tax has been provided at the rate of 17.5% (period ended 31 December 2003: 17.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

9. 稅項

香港利得稅乃就年內在香港所產生之估計應課稅溢利按稅率17.5% (截至二零零三年十二月三十一日止期間：17.5%) 作出撥備。在其他地區之應課稅溢利乃根據本集團經營業務之國家之現行法例、詮釋及慣例，按當地之現行稅率計算。

		Year ended 31 December 2004 HK\$'000	Period from 1 April 2003 to 31 December 2003 HK\$'000
		截至 二零零四年 十二月 三十一日 止年度 千港元	由二零零三年 四月一日至 二零零三年 十二月 三十一日 止期間 千港元
Group:	本集團：		
Current – Hong Kong	本期－香港		
Charge for the year/period	年／期內稅項	4,871	17
Under/(over) provision in prior period/year	過往期間/年度撥備 不足／(超額撥備)	465	(340)
Current – Mainland China	本期－中國大陸	–	41
Deferred (note 29)	遞延(附註29)	3,759	4,579
		9,095	4,297
Total tax charge for the year/period	本年度／期間總稅項支出		

No provision for tax has been made for the jointly-controlled entities for the year (period ended 31 December 2003: Nil).

年內並無就共同控權合資公司作出稅項撥備 (截至二零零三年十二月三十一日止期間：無)。

9. TAX (continued)

A reconciliation of the tax expense applicable to profit before tax using the statutory rates for the countries in which the Company and its subsidiaries and jointly-controlled entities are domiciled to the tax expense at the effective tax rates, and a reconciliation of the applicable rates (i.e., the statutory tax rates) to the effective tax rates, are as follows:

Group – Year ended 31 December 2004

		Hong Kong 香港		Mainland China 中國大陸		Total 總額	
		HK\$'000 千港元	%	HK\$'000 千港元	%	HK\$'000 千港元	%
Profit/(loss) before tax	除稅前溢利/(虧損)	83,415		(4,040)		79,375	
Tax at the statutory tax rate	按法定稅率	14,598	17.5	(1,333)	(33.0)	13,265	16.7
Adjustments in respect of current tax of previous periods	就過往期間之稅項作本 期間之調整	465	0.5	-	-	465	0.6
Estimated income not subject to tax	毋須繳納稅項之收入估計	(1,178)	(1.4)	-	-	(1,178)	(1.5)
Estimated expenses not deductible for tax	不可扣稅之支出估計	807	1.0	-	-	807	1.0
Estimated tax losses utilised from previous periods	已動用過往期間稅項虧損估計	(4,261)	(5.1)	-	-	(4,261)	(5.3)
Estimated tax losses not recognised	沒有確認之稅項虧損估計	25	-	1,333	33.0	1,358	1.7
Others	其他	(1,361)	(1.6)	-	-	(1,361)	(1.7)
Tax charge at the Group's effective rate	按本集團實質稅率 計算之稅項支出	9,095	10.9	-	-	9,095	11.5

9. 稅項 (續)

下表按適用於本公司、其附屬公司及共同控權合資公司註冊成立所在地之法定稅率計算除稅前溢利之稅項支出，以及按實際稅率計算之稅項支出進行調節；並就適用稅率（即法定稅率）以及實際稅率進行調節：

本集團 – 截至二零零四年十二月三十一日止年度

9. TAX (continued)

Group – Period from 1 April 2003 to 31 December 2003

		Hong Kong 香港		Mainland China 中國大陸		Total 總額	
		HK\$'000 千港元	%	HK\$'000 千港元	%	HK\$'000 千港元	%
Profit/(loss) before tax	除稅前溢利/(虧損)	47,130		(1,253)		45,877	
Tax at the statutory tax rate	按法定稅率	8,248	17.5	(413)	(33.0)	7,835	17.0
Adjustments in respect of current tax of previous periods	就過往期間之稅項作本 期間之調整	(340)	(0.7)	-	-	(340)	(0.7)
Estimated income not subject to tax	毋須繳納稅項之收入估計	(908)	(1.9)	-	-	(908)	(2.0)
Estimated expenses not deductible for tax	不可扣稅之支出估計	5	-	454	36.2	459	1.0
Estimated tax losses utilised from previous periods	已動用過往期間稅項虧損估計	(2,761)	(5.9)	-	-	(2,761)	(6.0)
Estimated tax losses not recognised	沒有確認之稅項虧損估計	12	-	-	-	12	-
Tax charge at the Group's effective rate	按本集團實質稅率 計算之稅項支出	4,256	9.0	41	3.2	4,297	9.3

10. NET PROFIT FROM ORDINARY ACTIVITIES
ATTRIBUTABLE TO SHAREHOLDERS

The net profit from ordinary activities attributable to shareholders for the year ended 31 December 2004 dealt with in the financial statements of the Company was HK\$41,210,000 (period ended 31 December 2003: HK\$81,233,000) (note 32(b)).

9. 稅項 (續)

本集團 – 二零零三年四月一日至二零零三年十二月三十一日期間

10. 股東應佔日常業務純利

截至二零零四年十二月三十一日止年度，本公司財務報表中處理之股東應佔日常業務純利為41,210,000港元(截至二零零三年十二月三十一日止期間：81,233,000港元)(附註32(b))。

11. DIVIDENDS

		Year ended 31 December 2004 HK\$'000	Period from 1 April 2003 to 31 December 2003 HK\$'000
		截至 二零零四年 十二月 三十一日 止年度 千港元	二零零三年 四月一日至 二零零三年 十二月 三十一日 期間 千港元
Interim – HK4 cents (period ended 31 December 2003: HK2 cents) per ordinary share	中期股息—每股普通股4港仙 (截至二零零三年十二月三十一日 止期間：2港仙)	23,046	9,448
Proposed final – HK2 cents (period ended 31 December 2003: HK2 cents) per ordinary share	擬派末期股息—每股普通股2港仙 (截至二零零三年十二月三十一日 止期間：2港仙)	11,705	11,339
		34,751	20,787

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

年度擬派末期股息須經本公司股東在即將舉行的股東週年大會上批准。

12. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the net profit attributable to shareholders for the year of HK\$70,280,000 (period ended 31 December 2003: HK\$41,580,000), and the weighted average of 554,718,868 (period ended 31 December 2003: 473,500,884) ordinary shares in issue during the year.

每股基本盈利乃根據年內股東應佔純利70,280,000港元(截至二零零三年十二月三十一日止期間：41,580,000港元)以及年內已發行普通股之加權平均數554,718,868股(截至二零零三年十二月三十一日止期間：473,500,884股)計算。

The calculation of diluted earnings per share is based on the net profit attributable to shareholders for the year of HK\$70,280,000. The weighted average number of ordinary shares used in the calculation is the 554,718,868 ordinary shares in issue during the year, as used in the basic earnings per share calculation, and the weighted average of 4,165,287 ordinary shares assumed to have been issued at no consideration on the deemed exercise of all share options outstanding during the year.

每股攤薄盈利乃根據年內股東應佔純利70,280,000港元計算。計算時所採納的普通股加權平均數為554,718,868股(與計算每股基本盈利所採納者相同)及假設普通股加權平均數4,165,287股已於年內因全部購股權被視為已行使而無代價予以發行。

Diluted earnings per share for the period from 1 April 2003 to 31 December 2003 had not been disclosed as the outstanding share options had no dilutive effects on the basic earnings per share for that period, as their exercise price was above the average market price of the Company's shares during that period.

鑒於尚未行使之購股權對由二零零三年四月一日至二零零三年十二月三十一日止期間的每股基本盈利並無攤薄影響，故並無披露該期間之每股攤薄盈利數據，原因是彼等之行使價高於該期間內本公司股份之平均市價。

13. FIXED ASSETS

13. 固定資產

Group		本集團					
		Leasehold land and buildings	Leasehold improve- ments	Furniture, fixtures and equipment	Computer equipment	Motor vehicles	Total
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		租賃土地 及樓宇 千港元	租賃 物業裝修 千港元	傢俬、裝置 及設備 千港元	電腦設備 千港元	汽車 千港元	合計 千港元
Cost:	成本：						
At beginning of year	年初	4,397	43,513	28,384	59,556	6,232	142,082
Additions	添置	–	2,572	1,156	16,476	–	20,204
Disposals	出售	(1,305)	(4,112)	(275)	–	–	(5,692)
At 31 December 2004	於二零零四年十二月三十一日	3,092	41,973	29,265	76,032	6,232	156,594
Accumulated depreciation:	累積折舊：						
At beginning of year	年初	674	32,817	21,981	45,244	4,092	104,808
Provided during the year	年內撥備	99	4,880	2,886	9,456	940	18,261
Disposals	出售	(176)	(3,639)	(180)	–	–	(3,995)
At 31 December 2004	於二零零四年十二月三十一日	597	34,058	24,687	54,700	5,032	119,074
Net book value:	賬面淨值：						
At 31 December 2004	於二零零四年十二月三十一日	2,495	7,915	4,578	21,332	1,200	37,520
At 31 December 2003	於二零零三年十二月三十一日	3,723	10,696	6,403	14,312	2,140	37,274

13. FIXED ASSETS (continued)

13. 固定資產 (續)

Company		本公司					
		Leasehold land and buildings	Leasehold improve- ments	Furniture, fixtures and equipment	Computer equipment	Motor vehicles	Total
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		租賃土地 及樓宇	租賃 物業裝修	傢俬、裝置 及設備	電腦設備	汽車	合計
		千港元	千港元	千港元	千港元	千港元	千港元
Cost:	成本：						
At beginning of year	年初	2,483	22,095	12,490	239	5,942	43,249
Additions	添置	–	2,494	1,015	–	–	3,509
Disposals	出售	(1,305)	(3,985)	(243)	–	–	(5,533)
At 31 December 2004	於二零零四年十二月三十一日	1,178	20,604	13,262	239	5,942	41,225
Accumulated depreciation:	累積折舊：						
At beginning of year	年初	266	13,062	7,501	111	4,060	25,000
Provided during the year	年內撥備	50	4,381	2,445	47	911	7,834
Disposals	出售	(176)	(3,599)	(178)	–	–	(3,953)
At 31 December 2004	於二零零四年十二月三十一日	140	13,844	9,768	158	4,971	28,881
Net book value:	賬面淨值：						
At 31 December 2004	於二零零四年十二月三十一日	1,038	6,760	3,494	81	971	12,344
At 31 December 2003	於二零零三年十二月三十一日	2,217	9,033	4,989	128	1,882	18,249

The Group's leasehold land and buildings included above are situated in Hong Kong and are held under the following lease terms:

上文所載本集團之租賃土地及樓宇位於香港，按下列租賃年期持有：

		Total
		HK\$'000
		總額
		千港元
At cost:	按成本值：	
Medium term leases	中期租賃	1,914
Long term leases	長期租賃	1,178
		<u>3,092</u>

14. INTANGIBLE ASSETS

		Group 本集團	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Cost:	成本：		
At beginning and at end of year/period	年／期初及年／期終	8,131	8,131
Accumulated amortisation:	累計攤銷：		
At beginning of year/period	年／期初	2,709	2,099
Provided during the year/period	年／期內撥備	813	610
At end of year/period	年／期終	3,522	2,709
Net book value:	賬面淨值：		
At end of year/period	年／期終	4,609	5,422

15. OTHER ASSETS

		Group 本集團	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
At cost:	按成本值：		
Deposits with the Stock Exchange:	於聯交所之按金：		
Compensation fund	賠償基金	309	309
Fidelity fund	互保基金	300	300
Dealers' deposit with the Securities and Futures Commission	證券及期貨事務監察 委員會交易員按金	350	350
Stamp duty deposit	印花稅按金	500	250
Contributions to The Central Clearing and Settlement System Guarantee Fund	中央結算及交收系統 保證基金供款	540	760
Admission fee paid to Hong Kong Securities Clearing Company Limited	付予香港中央結算有限公司 之入會費	300	300
Reserve fund with The SEHK Options Clearing House Limited	香港聯合交易所期權結算所 有限公司之儲備金	2,772	1,500
Deposit with the Compensation Fund of the Futures Exchange	於期交所賠償基金之按金	-	100
Deposit with HKFE Clearing Corporation Limited in contribution to the reserve fund	於香港期貨結算有限公司 儲備金之按金	4,325	2,836
Cost of membership for a seat at The Chinese Gold and Silver Exchange Society	香港金銀業貿易場會籍成本	350	350
Compensation fund paid to The Shenzhen Stock Exchange Co., Ltd.	付予深圳證券交易所有限公司 之賠償基金	300	300
Settlement Risk Fund paid to The Shanghai Securities Central Clearing & Registration Corporation	付予上海證券中央登記 結算公司之交收風險 共同基金	387	387
Club debentures	會所債券	368	368
		10,801	8,110

16. INTERESTS IN SUBSIDIARIES

16. 於附屬公司之權益

		Company 本公司	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Unlisted shares, at cost	非上市股份，按成本值	105,377	105,377
Due from subsidiaries	應收附屬公司之款項	605,489	335,886
Due to subsidiaries	應付附屬公司之款項	(164,168)	(109,146)
		546,698	332,117

The balances with subsidiaries are unsecured, interest-free and have no fixed terms of repayment.

與附屬公司結餘款項乃無抵押、免息及無固定還款期。

Particulars of the subsidiaries are as follows:

附屬公司詳情如下：

Name 公司名稱	Place of incorporation/ registration and operations 註冊成立／註冊 及經營地點	Nominal value of issued ordinary/ registered share capital 已發行普通股／ 註冊股本之票面值	Percentage of equity attributable to the Company		Principal activities 主要業務
			Direct 本公司應佔 之股本百分比 直接	Indirect 間接	
E-wealth Club Limited 創富會有限公司	Hong Kong 香港	HK\$1,000,000 1,000,000港元	–	100	Club association 會所組織
iT Technology Company Limited 演天資訊科技有限公司	Hong Kong 香港	HK\$2 2港元	–	100	Investment holding 投資控股
iT Technology Holdings Inc.	British Virgin Islands 英屬處女群島	US\$1 1美元	–	100	Investment holding 投資控股
iT Technology (Shenzhen) Company Limited* 演天資訊科技(深圳)有限公司*	PRC/Mainland China 中國／中國大陸	HK\$1,000,000 1,000,000港元	–	100	Provision of software development services 提供軟件開發服務
Ocean Pilot Investments Limited	British Virgin Islands 英屬處女群島	US\$1 1美元	–	100	Investment holding 投資控股
Prosper Ideal Limited 意盛有限公司	Hong Kong 香港	HK\$2 2港元	–	100	Investment holding 投資控股
Tai Fook Asset Management Limited 大福資產管理有限公司	Hong Kong 香港	HK\$7,000,000 7,000,000港元	–	100	Investment holding and asset management 投資控股及資產管理

16. INTERESTS IN SUBSIDIARIES (continued)

16. 於附屬公司之權益 (續)

Name 公司名稱	Place of incorporation/ registration and operations 註冊成立／註冊 及經營地點	Nominal value of issued ordinary/ registered share capital 已發行普通股／ 註冊股本之票面值	Percentage of equity attributable to the Company		Principal activities 主要業務
			Direct 本公司應佔 之股本百分比 直接	Indirect 間接	
Tai Fook Asset Management Nominees Limited 大福資產管理代理人有限公司	Hong Kong 香港	HK\$2 2港元	–	100	Proprietary trading 自營買賣
Tai Fook Bullion Limited 大福金業有限公司	Hong Kong 香港	HK\$7,000,000 7,000,000港元	–	100	Bullion contracts dealing and trading 貴金屬合約買賣及交易
Tai Fook (BVI) Limited	British Virgin Islands 英屬處女群島	HK\$11,576 11,576港元	100	–	Investment holding 投資控股
Tai Fook Capital Limited 大福融資有限公司	Hong Kong 香港	HK\$20,000,000 20,000,000港元	–	100	Provision of corporate advisory services 提供企業諮詢服務
Tai Fook e-wealth club Inc.	British Virgin Islands 英屬處女群島	US\$1 1美元	–	100	Investment holding 投資控股
Tai Fook Finance Company Limited 大福財務有限公司	Hong Kong 香港	HK\$2 (Non-voting deferred (Note) HK\$100,700,001) 2港元(無投票權 遞延股(附註) 100,700,001港元)	–	100	Investment holding, money lending and securities trading 投資控股、借貸業務 及證券買賣
Tai Fook Fund Management Company Limited 大福基金管理有限公司	Bermuda/Hong Kong 百慕達／香港	US\$12,000 12,000美元	–	100	Fund management 基金管理
Tai Fook Fund Managers Limited 大福基金經理有限公司	British Virgin Islands/ Hong Kong 英屬處女群島／香港	US\$1 1美元	–	100	Fund management 基金管理
Tai Fook Futures Limited 大福期貨有限公司	Hong Kong 香港	HK\$25,000,000 25,000,000港元	–	100	Futures and options broking and trading 期貨及期權經紀業務 及買賣

16. INTERESTS IN SUBSIDIARIES (continued)

16. 於附屬公司之權益 (續)

Name 公司名稱	Place of incorporation/ registration and operations 註冊成立／註冊 及經營地點	Nominal value of issued ordinary/ registered share capital 已發行普通股／ 註冊股本之票面值	Percentage of equity attributable to the Company		Principal activities 主要業務
			Direct 本公司應佔 之股本百分比 直接	Indirect 間接	
Tai Fook Information Systems Inc.	British Virgin Islands 英屬處女群島	US\$1 1美元	–	100	Investment holding 投資控股
Tai Fook Information Systems Limited 大福資訊系統有限公司	Hong Kong 香港	HK\$11,000,000 11,000,000港元	–	100	Provision of information technology solutions 提供資訊科技解決方案
Tai Fook Information Technology Inc.	British Virgin Islands 英屬處女群島	US\$1 1美元	–	100	Investment holding 投資控股
Tai Fook Investment Consultancy (Guangzhou) Company Limited*# 大福投資諮詢顧問(廣州) 有限公司*#	PRC/Mainland China 中國／中國大陸	HK\$2,000,000 2,000,000港元	–	100	Provision of investment consultancy services 提供投資諮詢顧問服務
Tai Fook Investment Consultancy (Shanghai) Company Limited* 大福投資諮詢顧問(上海) 有限公司*	PRC/Mainland China 中國／中國大陸	US\$700,000 700,000美元	–	100	Provision of investment consultancy services 提供投資諮詢顧問服務
Tai Fook Investment Management Inc.	British Virgin Islands 英屬處女群島	US\$1 1美元	–	100	Investment holding 投資控股
Tai Fook Investment Services Limited 大福投資服務有限公司	Hong Kong 香港	HK\$42,500,000 42,500,000港元	–	100	Securities broking and dealing 證券經紀及買賣
Tai Fook Management Consultancy Limited 大福企業管理顧問有限公司	Hong Kong 香港	HK\$2 2港元	–	100	Provision of consultancy services 提供顧問服務
Tai Fook Net Inc.	British Virgin Islands 英屬處女群島	US\$1 1美元	–	100	Investment holding 投資控股
Tai Fook Net Limited 大福網有限公司	Hong Kong 香港	HK\$1,000,000 1,000,000港元	–	100	Dormant 暫無營業

16. INTERESTS IN SUBSIDIARIES (continued)

16. 於附屬公司之權益 (續)

Name 公司名稱	Place of incorporation/ registration and operations 註冊成立/註冊 及經營地點	Nominal value of issued ordinary/ registered share capital 已發行普通股/ 註冊股本之票面值	Percentage of equity attributable to the Company 本公司應佔 之股本百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Tai Fook Nominees Company Limited 大福代理人有限公司	Hong Kong 香港	HK\$50,000,000 50,000,000港元	–	100	Provision of nominee and custodian services 提供代理人及保管服務
Tai Fook On-line Inc.	British Virgin Islands 英屬處女群島	US\$1 1美元	–	100	Investment holding 投資控股
Tai Fook On-line Services Limited 大福電子網上服務有限公司	Hong Kong 香港	HK\$6,000,000 6,000,000港元	–	100	Provision of electronic financial services 提供電子金融服務
Tai Fook Research Limited 大福資料研究有限公司	Hong Kong 香港	HK\$1,000,000 1,000,000港元	–	100	Provision of research services 提供研究服務
Tai Fook Securities Company Limited 大福證券有限公司	Hong Kong 香港	HK\$300,000,000 300,000,000港元	–	100	Investment holding, securities broking and dealing, leveraged foreign exchange trading, margin financing, provision of placing, underwriting and sub-underwriting, and nominee services 投資控股、證券經紀及 買賣、槓桿外匯買賣、 孖展借貸、提供配售、 包銷及分包銷，以及 代理人服務
Tai Fook Management Services Company Limited 大福管理服務有限公司	Hong Kong 香港	HK\$2 2港元	–	100	Provision of management services 提供管理服務
Tai Fook Wealth Management Group Limited 大福創富理財集團有限公司 (Formerly Tai Fook Investment Consultants Limited) (前稱大福投資顧問有限公司)	Hong Kong 香港	HK\$2,500,000 2,500,000港元	–	100	Provision of agency services for savings plans 提供儲蓄代理服務

16. INTERESTS IN SUBSIDIARIES (continued)

* iT Technology (Shenzhen) Company Limited, Tai Fook Investment Consultancy (Guangzhou) Company Limited and Tai Fook Investment Consultancy (Shanghai) Company Limited are registered as wholly-foreign owned enterprises under the PRC law.

Incorporated during the year.

Note: The non-voting deferred shares carry no rights to dividends, attend or vote at general meetings and receive any surplus in a return of capital, winding-up or otherwise in respect of the first HK\$100,000,000,000 thereof.

17. INTERESTS IN JOINTLY-CONTROLLED ENTITIES

16. 於附屬公司之權益 (續)

* 演天資訊科技(深圳)有限公司、大福投資諮詢顧問(廣州)有限公司及大福投資諮詢顧問(上海)有限公司均根據中國法律註冊為外商獨資企業。

於年內註冊成立。

附註：無投票權遞延股份並不附帶享有股息、出席股東大會或於會上投票之權利，亦無權收取清盤或其他情況下之首100,000,000,000,000港元之任何股本歸還盈餘款項。

17. 於共同控權合資公司之權益

		Group 本集團
		2004 HK\$'000 二零零四年 千港元
		2003 HK\$'000 二零零三年 千港元
Share of net assets	應佔淨資產	4,498
		3,042

Particulars of the jointly-controlled entities are as follows:

共同控權合資公司之詳情載列如下：

Name 公司名稱	Business structure 業務結構	Place of incorporation/ registration and operations 註冊成立/ 註冊及經營地點	Ownership interest 擁有權益	Percentage of Voting power 百分比 投票權	Profit sharing 盈利分配	Principal activities 主要業務
Shanghai SIIC Management Information Co., Ltd. 上海上實管理信息有限公司	Corporate 公司	PRC/Mainland China 中國/中國大陸	50	50	50	Provision of consultancy services 提供顧問服務
Tai Fook Century Asset Management Company Limited 大福世紀資產管理有限公司	Corporate 公司	Hong Kong 香港	50	50	50	Asset management 資產管理

The jointly-controlled entities are indirectly held by the Company.

此等共同控權合資公司乃由本公司間接持有。

18. LONG TERM INVESTMENTS

18. 長期投資

		Group 本集團		Company 本公司	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元	2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Listed equity investments in Hong Kong, at market value	香港之上市股份投資，按市值	49,508	53,656	49,508	53,533
Unlisted equity investments, at fair value:	非上市股份投資，按公平值：				
Hong Kong	香港	34,224	17,355	—	—
Mainland China (Note)	中國大陸（附註）	4,625	3,625	—	—
		88,357	74,636	49,508	53,533

Note: The balance represented the promoter foreign shares of Changmao Biochemical Engineering Company Limited, a company listed on the Growth Enterprise Market Board of the Stock Exchange, of HK\$4,625,000 (2003: HK\$3,625,000). Subject to certain restrictions on transfer and upon obtaining the requisite approvals from, among other bodies, the China Securities Regulatory Commission and the Stock Exchange, the promoter foreign shares may be convertible into listed H shares and shall thereafter carry the same rights and obligations of those listed H shares.

The investments of the Group are issued by corporate entities.

At the balance sheet date, certain of the listed investments were pledged to banks to secure certain bank facilities granted to the Company's subsidiaries.

附註：該結餘代表常茂生物化學工程股份有限公司（一間於聯交所創業板上市的公司）之發起人外資股4,625,000港元（二零零三年：3,625,000港元）。在遵守轉讓股份之限制的前提下，在取得包括中國證券監督管理委員會及聯交所在內等機構的必要批准後，發起人外資股份可轉換成上市H股，轉換後權利及責任與上市H股相同。

本集團的投資由法人團體發行。

於結算日，部份上市股份投資已抵押予銀行，以取得授予本公司附屬公司之若干銀行信貸。

19. ADVANCES TO CUSTOMERS

Loans to margin clients	孖展客戶之貸款
Loans receivable	應收貸款
Accrued interest	應計利息
Less: Provision for bad and doubtful debts	減：呆壞賬撥備

19. 給予客戶之墊款

		Group 本集團	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
		816,382	1,053,049
		16,836	120,745
		4,142	8,062
		837,360	1,181,856
		(48,239)	(48,239)
		789,121	1,133,617

Loans to margin clients are secured by the underlying pledged securities. No aged analysis is disclosed as, in the opinion of the directors, an aged analysis is not meaningful in view of the nature of the business of securities margin financing.

The amount of credit facilities granted to margin clients is determined by the discounted market value of the collateral securities accepted by the Group. As at 31 December 2004, the total market value of securities pledged as collateral in respect of the loans to margin clients was HK\$3,997 million (2003: HK\$5,176 million).

The loans receivable in the current year are unsecured and repayable on demand or within one year. The balances in the prior year were secured by listed or unlisted securities, and were repayable on demand or within one year.

給予孖展客戶之貸款由相關已抵押證券作抵押，由於董事認為賬齡分析對證券孖展借貸之業務性質並無意義，故並無披露賬齡分析。

授予孖展客戶之融資額度，乃根據本集團接納之抵押品之折讓市值而釐定。於二零零四年十二月三十一日，有關孖展客戶貸款之證券抵押之總市值為399,700萬港元（二零零三年：517,600萬港元）。

本年度應收貸款並無抵押，須於要求時或一年內償還。前年度結餘以上市或非上市證券作抵押，須於要求時或一年內償還。

20. ACCOUNTS RECEIVABLE

20. 應收賬款

		Group 本集團	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Accounts receivable arising from the ordinary course of business of dealing in:	在日常業務過程中買賣以下各項所產生之應收賬款：		
Securities and equity options transactions:	證券及股票期權交易：		
Clearing houses, brokers and dealers	結算所、經紀及交易商	109,947	20,557
Cash clients	現金客戶	23,818	73,998
Futures and options contracts transactions:	期貨及期權合約交易：		
Clearing house, brokers and dealers	結算所、經紀及交易商	114,488	85,272
Bullion contracts transactions:	貴金屬合約交易：		
Brokers	經紀	1,418	1,233
Accounts receivable arising from the ordinary course of business of the provision of corporate advisory, placing and underwriting services	在日常業務過程中提供企業諮詢、配售及包銷服務所產生之應收賬款	7,923	5,145
		257,594	186,205

The settlement terms of accounts receivable attributable to dealing in securities and equity options transactions are two days after the trade date, and those of accounts receivable attributable to dealing in futures, options and bullion contracts transactions are one day after the trade date. The above balances were all aged within 30 days.

證券之買賣及股票期權交易應佔之應收賬款，結算期限為交易日後兩天，而期貨、期權及貴金屬合約交易應佔之應收賬款，結算期限則為交易日後一天。以上結餘之賬齡均為30天內。

20. ACCOUNTS RECEIVABLE (continued)

An aged analysis of accounts receivable attributable to the provision of corporate advisory, placing and underwriting services is as follows:

		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Within 3 months	三個月內	4,812	3,463
Between 4 and 6 months	四至六個月	125	510
Between 7 and 12 months	七至十二月個月	1,780	981
Over 1 year	超過一年	1,206	191
		7,923	5,145

The Group allows a credit period according to the relevant business practice. Credit limits are set for customers. The Group seeks to maintain tight control over its outstanding receivables in order to minimise credit risk. Overdue balances are regularly reviewed by management.

21. OTHER RECEIVABLES

		Note 附註	Group 本集團		Company 本公司	
			2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元	2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Prepayments, deposits and other debtors	預付款項、按金及其他 應收賬款		24,133	26,023	8,365	9,428
Due from related companies	應收關連公司款項	22	709	158	-	-
			24,842	26,181	8,365	9,428

22. DUE FROM RELATED COMPANIES

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

20. 應收賬款 (續)

提供企業諮詢、配售及包銷服務應佔之應收賬款賬齡分析如下：

	2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Within 3 months	4,812	3,463
Between 4 and 6 months	125	510
Between 7 and 12 months	1,780	981
Over 1 year	1,206	191
	7,923	5,145

本集團根據商業慣例給予客戶信貸期。客戶均設有信貸限額。本集團對未償還應收賬款維持嚴謹的控制以減低信貸風險。管理層會定期檢討過期款項。

21. 其他應收賬款

	Group 本集團		Company 本公司	
	2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元	2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Prepayments, deposits and other debtors	24,133	26,023	8,365	9,428
Due from related companies	709	158	-	-
	24,842	26,181	8,365	9,428

22. 應收關連公司款項

應收關連公司款項為無抵押、免息及無固定還款期。

23. SHORT TERM INVESTMENTS

23. 短期投資

		Group 本集團	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Listed equity investments, at market value:	上市股份投資，按市值：		
Hong Kong	香港	30,284	18,925
Elsewhere	其他地區	519	332
		30,803	19,257

24. ACCOUNTS PAYABLE

24. 應付賬款

		Group 本集團	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Accounts payable arising from the ordinary course of business of dealing in:	在日常業務過程中買賣以下各項所產生之應付賬款：		
Securities and equity options transactions:	證券及股票期權交易：		
Brokers and dealers	經紀及交易商	492	45,144
Cash clients	現金客戶	775,219	750,889
Margin clients	孖展客戶	512,597	461,052
Futures and options contracts transactions:	期貨及期權合約交易：		
Clients	客戶	215,662	176,607
Bullion contracts transactions:	貴金屬合約交易：		
Clients	客戶	13,426	7,147
		1,517,396	1,440,839

24. ACCOUNTS PAYABLE (continued)

The settlement terms of accounts payable attributable to dealing in securities and equity options transactions in respect of brokers and dealers and cash clients are two days after the trade date and the balances were aged within 30 days except as further described below.

Included in accounts payable to cash clients attributable to dealing in securities and equity options transactions is an amount of approximately HK\$703,970,000 (2003: HK\$715,031,000) representing these clients' undrawn monies/excess deposits placed with the Group. The balances are repayable on demand. No aged analysis is disclosed as, in the opinion of the directors, an aged analysis is not meaningful in view of the nature of such transactions.

Accounts payable to margin clients attributable to dealing in securities and equity options transactions are repayable on demand. Included in balance is an amount of HK\$16,124,000 (2003: Nil) due to a related company.

Accounts payable to clients attributable to dealing in futures, options and bullion contracts transactions are margin deposits received from clients for their trading of futures, options and bullion contracts, respectively. The excesses of the outstanding amounts over the required margin deposits stipulated are repayable to clients on demand.

No aged analysis is disclosed in respect of accounts payable to margin clients attributable to dealing in securities and equity options transactions as well as to clients attributable to dealing in futures, options and bullion transactions as, in the opinion of the directors, an aged analysis is not meaningful in view of the business nature.

24. 應付賬款 (續)

除下文所述外，就經紀及交易商及現金客戶證券買賣及股票期權交易應佔之應付賬款，結算期限為交易日後兩天，結餘賬齡不超過30天。

證券買賣及股票期權交易應佔之應付現金客戶之賬款，包括約為703,970,000港元(二零零三年：715,031,000港元)之存置於本集團之該等客戶之未動用款項／超額按金。結餘須於要求時償還。由於董事認為賬齡分析對此類交易性質並無意義，故並無披露賬齡分析。

證券買賣及股票期權交易應佔之應付孖展客戶之賬款須於要求時償還，結餘金額包括應付一關連公司款項16,124,000港元(二零零三年：無)。

期貨、期權及貴金屬合約交易買賣應佔之應付客戶之賬款為就客戶買賣期貨、期權及貴金屬合約收取客戶之孖展按金。超出規定孖展按金多出之金額可因應要求發還客戶。

由於董事認為賬齡分析對證券、股票期權、期貨、期權及貴金屬合約交易之業務性質並無意義，故並無披露證券買賣及股票期權交易以及買賣期貨、期權及黃金合約客戶應佔之應付孖展客戶賬款賬齡分析。

25. OTHER PAYABLES AND ACCRUALS

	Note 附註	Group 本集團		Company 本公司	
		2004 HK\$ 二零零四年 港元	2003 HK\$ 二零零三年 港元	2004 HK\$ 二零零四年 港元	2003 HK\$ 二零零三年 港元
		Accruals and other liabilities Due to related companies	應計負債及其他負債 應付一間關連公司款項	26	
		35,798	31,310	5,484	14,973
		56,876	298	298	298
		92,674	31,608	5,782	15,271

26. DUE TO RELATED COMPANIES

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

27. LOANS FROM A RELATED COMPANY

The balance at the prior period end was unsecured, bore interest at 0.5% above the HIBOR per annum and was fully repaid during the year.

28. INTEREST-BEARING BANK AND OTHER BORROWINGS

Bank overdrafts, secured
Bank loans, secured
Other loans, unsecured

銀行透支，有抵押
銀行貸款，有抵押
其他貸款，無抵押

Group 本集團	
2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
19,832	19,832
60,040	351,223
114,390	114,291
194,262	485,346

(a) The secured bank loans and overdrafts of the Group are secured by the listed shares held by the Group as security for advances to customers (with the customers' consent) and by the Group's listed shares.

(b) The unsecured other loans bear interests at rates ranging from 0.75% to 1.5% per annum and are repayable within one year.

25. 其他應付款項及應計負債

26. 應付一間關連公司款項

應付關連公司款項為無抵押、免息及無固定還款期。

27. 一間關連公司提供的貸款

該貸款於前期間的結餘為無抵押，按香港銀行同業拆息加0.5厘之年利率計算利息，已於年內悉數償還。

28. 計息銀行貸款及其他借款

(a) 本集團之有抵押銀行貸款及透支由本集團就給予客戶之墊款而持有作抵押品之上市股份(已獲客戶同意)及本集團之上市股份作抵押。

(b) 無抵押其他貸款之年利率介乎0.75厘至1.5厘，須於一年內償還。

29. DEFERRED TAX ASSETS/LIABILITIES

The movements in deferred tax liabilities and assets during the year/period are as follows:

Deferred tax liabilities

Group

本集團

		2004 Accelerated tax depreciation 二零零四年 加速稅項折舊 HK\$'000 千港元
At 1 January 2004	於二零零四年一月一日	608
Deferred tax charged to the profit and loss account during the year (note 9)	年內於損益表內已扣除之遞延稅項(附註9)	1,586
Gross deferred tax liabilities at 31 December 2004	於二零零四年十二月三十一日之遞延稅項負債總額	2,194
Offset deferred tax assets related to income tax levied by the same tax authority on the same entity	因同一稅務機關對同一實體徵收所得稅而抵銷的遞延稅項資產	(1,739)
At 31 December 2004	於二零零四年十二月三十一日	455

29. 遞延稅項資產／負債

遞延稅項負債及資產於年／期內之變動如下：

遞延稅項負債

29. DEFERRED TAX ASSETS/LIABILITIES (continued)

Deferred tax assets

Group

本集團

		Decelerated tax depreciation 加速 稅項折舊 HK\$'000 千港元	2004 二零零四年 Losses available for offset against future taxable profit 可用以抵銷 未來應課稅 溢利之虧損 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 January 2004	於二零零四年一月一日	1,945	5,066	7,011
Deferred tax charged to the profit and loss account during the year (note 9)	年內於損益表內已扣除之遞延稅項(附註9)	(97)	(2,076)	(2,173)
Gross deferred tax assets at 31 December 2004	於二零零四年十二月三十一日之遞延稅項資產總額	1,848	2,990	4,838
Offset deferred tax liabilities related to income tax levied by the same tax authority on the same entity	因同一稅務機關對同一實體徵收所得稅而抵銷的遞延稅項負債			(1,739)
At 31 December 2004	於二零零四年十二月三十一日			3,099
Net deferred tax assets at 31 December 2004	於二零零四年十二月三十一日的遞延稅項資產淨額			2,644

29. 遞延稅項資產／負債(續)

遞延稅項資產

29. DEFERRED TAX ASSETS/LIABILITIES (continued)

29. 遞延稅項資產／負債 (續)

Deferred tax liabilities

遞延稅項負債

Group

本集團

		2003 二零零三年 Accelerated tax depreciation 加速稅項折舊 HK\$'000 千港元
At 1 April 2003	於二零零三年四月一日	4,359
Deferred tax credited to the profit and loss account during the period (note 9)	年內於損益表內已回撥之遞延稅項(附註9)	(1,668)
Gross deferred tax liabilities at 31 December 2003	於二零零三年十二月三十一日之遞延稅項負債總額	2,691
Offset deferred tax assets related to income tax levied by the same tax authority on the same entity	因同一稅務機關對同一實體徵收所得稅而抵銷的遞延稅項資產	(2,083)
At 31 December 2003	於二零零三年十二月三十一日	608

29. DEFERRED TAX ASSETS/LIABILITIES (continued)

29. 遞延稅項資產／負債 (續)

Deferred tax assets

遞延稅項資產

Group

本集團

		Decelerated tax depreciation	2003 二零零三年 Losses available for offset against future taxable profit 可用以抵銷 未來應課稅 溢利之虧損	Total
		加速 稅項折舊 HK\$'000 千港元	HK\$'000 千港元	合計 HK\$'000 千港元
At 1 April 2003	於二零零三年四月一日	2,182	13,159	15,341
Deferred tax charged to the profit and loss account during the period (note 9)	年內於損益表內已扣除之遞延稅項(附註9)	(237)	(6,010)	(6,247)
Gross deferred tax assets at 31 December 2003	於二零零四年十二月三十一日之遞延稅項資產總額	1,945	7,149	9,094
Offset deferred tax liabilities related to income tax levied by the same tax authority on the same entity	因同一稅務機關對同一實體徵收所得稅而抵銷的遞延稅項負債			(2,083)
At 31 December 2003	於二零零三年十二月三十一日			7,011
Net deferred tax assets at 31 December 2003	於二零零三年十二月三十一日的遞延稅項資產淨額			6,403

Deferred tax liabilities

遞延稅項負債

Company

本公司

		Accelerated tax depreciation 加速稅項折舊	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
At beginning of year/period	於年／期初	-	1,148
Deferred tax credited to the profit and loss account during the year/period	年／期內於損益表內已回撥之遞延稅項	-	(1,148)
At end of year/period	於年／期末	-	-

29. DEFERRED TAX ASSETS/LIABILITIES (continued)

Deferred tax assets

Company

本公司

		Losses available for offset against future taxable profit 可用以抵銷未來應課稅 溢利之虧損	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
At beginning of year/period	於年／期初	-	1,148
Deferred tax charged to the profit and loss account during the year/period	年／期內於損益表內已扣除之遞延稅項	-	(1,148)
At end of year/period	於年／期末	-	-
Net deferred tax	遞延稅項淨額	-	-

The Group has tax losses arising in Hong Kong of HK\$163,743,000 (2003: HK\$163,456,000) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for some time.

At 31 December 2004, there is no significant unrecognised deferred tax liability (2003: Nil) for taxes that would be payable on the unremitted earnings of certain of the Group's subsidiaries or joint ventures as the Group has no liability to additional tax should such amounts be remitted.

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

29. 遞延稅項資產／負債(續)

遞延稅項資產

本集團有源自香港之稅務虧損163,743,000港元(二零零三年: 163,456,000港元)，可無限期用以抵銷產生虧損之公司之未來應課稅溢利。由於此等虧損乃來自長期虧損之附屬公司，故並未確認遞延稅項資產。

於二零零四年十二月三十一日，就本集團若干附屬公司或合營公司未匯出盈利之稅項，由於該等款額匯出時，本集團並無重大額外之稅項負債，因此並無重大未確認遞延稅項負債(二零零三年: 無)。

本公司向其股東派發股息並無附有任何所得稅之後果。

30. SHARE CAPITAL

Shares

		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Authorised:	法定股本：		
1,000,000,000 ordinary shares of HK\$0.10 each	1,000,000,000股每股面值 0.10港元之普通股	100,000	100,000
Issued and fully paid:	已發行及繳足股本：		
585,253,699 (2003: 472,401,699) ordinary shares of HK\$0.10 each	585,253,699股(二零零三年： 472,401,699股) 每股面值0.10港元之普通股	58,525	47,240

During the year, the movements in share capital were as follows:

- (a) The subscription rights attaching to 33,250,000 share options were exercised at subscription prices ranging from HK\$0.93 per share to HK\$1.20 per share (note 31), resulting in the issue of 33,250,000 shares of HK\$0.10 each for a total cash consideration, before expenses of HK\$31,098,000.
- (b) Pursuant to a placing agreement dated 3 March 2004, Chow Tai Fook Nominee Limited, a substantial shareholder of the Company, placed 85,000,000 shares of HK\$0.10 each in the share capital of the Company to not less than six independent investors at a price of HK\$1.22 per share, and agreed to subscribe from the Company for the same number of shares at the same price before taking into account the costs and expenses of the placing and interest received on the placing proceeds. The net proceeds of the subscription, amounting to approximately HK\$103.6 million, were used to finance the capital requirements of the Group in its ordinary course of business, including but not limited to, for initial public offering margin financing and other business expansion purposes.

30. 股本

股份

年內，股本變動如下：

- (a) 33,250,000份購股權所附之認購權利已以認購價每股0.93港元至1.20港元予以行使(附註31)，導致已發行33,250,000股每股面值0.10港元之股份，扣除支出前之總現金代價為31,098,000港元。
- (b) 根據二零零四年三月三日訂立之配售協議，本公司主要股東周大福代理人有限公司以每股1.22港元之價格向不少於六名獨立投資者配發本公司股本中85,000,000股每股面值0.1港元之股份，並同意在未計及配售之成本及支出及從配售所得款項收取利息前，以相同價格向本公司認購同等數目之股份。認購事項之所得款項淨額約達103,600,000港元，用於本集團日常業務營運所需資金，包括但不限於首次公開發售保證金融資及其他業務擴充用途。

30. SHARE CAPITAL (continued)

Shares (continued)

(c) The Company repurchased a total of 5,398,000 of its ordinary shares of HK\$0.10 each on the Stock Exchange. Details of the repurchases are summarised as follows:

Month 月份		Number of shares repurchased 購回股份 之數目	Purchase price per share 每股股份購回價格		Aggregate purchase price 總購回價 HK\$ 港元
			Highest 最高 HK\$ 港元	Lowest 最低 HK\$ 港元	
July 2004	二零零四年七月	96,000	1.10	1.05	104,800
August 2004	二零零四年八月	1,658,000	1.18	1.08	1,886,380
September 2004	二零零四年九月	900,000	1.15	1.14	1,034,500
October 2004	二零零四年十月	2,336,000	1.15	1.08	2,585,620
November 2004	二零零四年十一月	408,000	1.11	1.09	449,760
		<u>5,398,000</u>			<u>6,061,060</u>
			Total expenses on shares repurchased 已購回股份之總開支		<u>22,130</u>
					<u>6,083,190</u>

The repurchased shares were cancelled during the year and the issued share capital of the Company was reduced by the par value thereof. The premium paid on the repurchases of the shares, of HK\$5,543,390, has been charged to the share premium account. An amount equivalent to the par value of the shares cancelled has been transferred from the contributed surplus of the Group and of the Company to the capital redemption reserve as set out in the consolidated statement of changes in equity and in note 32 to the financial statements, respectively.

The repurchases of the Company's shares during the year were effected by the directors, pursuant to the mandate from shareholders received at the last annual general meeting, with a view to benefiting shareholders as a whole by enhancing the net asset value per share of the Group.

30. 股本 (續)

股份 (續)

(c) 本公司於聯交所購回共5,398,000股每股面值0.10港元之普通股。購回之詳情概述如下：

年內購回之股份於購回後已予註銷，而本公司之已發行股本亦因應該等被註銷股份之面值而減少。於購回股份時所支付的5,543,390港元之溢價已於股份溢價賬扣除。如綜合股本權益變動表及財務報表附註32所分別載列，相等於已註銷股份之面值之數額已從本集團及本公司之繳入盈餘轉撥入資本贖回儲備。

年內購回本公司股份乃由董事根據最近股東大會上股東之授權而進行，目的是加強本集團每股資產淨值，藉以提高整體股東利益。

30. SHARE CAPITAL (continued)

A summary of the transactions during the year/period with reference to the above movements in the Company's issued share capital is as follows:

		Number of shares in issue 已發行股份數目	Issued share capital 已發行股本 HK\$'000 千港元	Share premium account 股份溢價賬 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 April 2003	於二零零三年四月一日	475,633,699	47,563	408,768	456,331
Repurchased and cancelled	已購回及註銷	(3,632,000)	(363)	(2,732)	(3,095)
Share options exercised	已行使之購股權	400,000	40	332	372
At 31 December 2003 and 1 January 2004	於二零零三年十二月三十一日 及二零零四年一月一日	472,401,699	47,240	406,368	453,608
Share options exercised (a)	已行使之購股權(a)	33,250,000	3,325	27,773	31,098
Issue of shares (b)	發行股份(b)	85,000,000	8,500	95,200	103,700
Repurchased and cancelled (c)	已購回及註銷(c)	(5,398,000)	(540)	(5,543)	(6,083)
		585,253,699	58,525	523,798	582,323
Share issue expenses	股份發行開支	-	-	(116)	(116)
At 31 December 2004	於二零零四年十二月三十一日	585,253,699	58,525	523,682	582,207

31. SHARE OPTION SCHEME

On 23 August 2002, the shareholders of the Company approved (i) the adoption of a new share option scheme (the "2002 Share Option Scheme") which complies with the new requirements of the Listing Rules; and (ii) the termination of the share option scheme adopted by the Company at its special general meeting on 17 July 1996 and amended by resolution of the directors on 30 July 1996 (the "1996 Share Option Scheme"), to the effect that no further share options shall be granted under the 1996 Share Option Scheme.

At 16 November 2004, an option to subscribe for 1,000,000 shares granted under the 1996 Share Option Scheme was lapsed because of the expiry of its exercise period after 16 November 2004. Accordingly, the 1996 Share Option Scheme ceased to have effect and was no longer applicable.

At 31 December 2004, options to subscribe for a total of 16,300,000 shares were still outstanding under the 2002 Share Option Scheme.

30. 股本 (續)

年/期內就上述有關本公司已發行股本之變動而進行之交易概述如下:

		Number of shares in issue 已發行股份數目	Issued share capital 已發行股本 HK\$'000 千港元	Share premium account 股份溢價賬 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 April 2003	於二零零三年四月一日	475,633,699	47,563	408,768	456,331
Repurchased and cancelled	已購回及註銷	(3,632,000)	(363)	(2,732)	(3,095)
Share options exercised	已行使之購股權	400,000	40	332	372
At 31 December 2003 and 1 January 2004	於二零零三年十二月三十一日 及二零零四年一月一日	472,401,699	47,240	406,368	453,608
Share options exercised (a)	已行使之購股權(a)	33,250,000	3,325	27,773	31,098
Issue of shares (b)	發行股份(b)	85,000,000	8,500	95,200	103,700
Repurchased and cancelled (c)	已購回及註銷(c)	(5,398,000)	(540)	(5,543)	(6,083)
		585,253,699	58,525	523,798	582,323
Share issue expenses	股份發行開支	-	-	(116)	(116)
At 31 December 2004	於二零零四年十二月三十一日	585,253,699	58,525	523,682	582,207

31. 購股權計劃

於二零零二年八月二十三日，本公司股東批准(i)採納符合上市規則新規定之新購股權計劃(「二零零二年購股權計劃」)及(ii)終止本公司於一九九六年七月十七日股東特別大會採納並經一九九六年七月三十日董事決議案修訂之購股權計劃(「一九九六年購股權計劃」)，據此，本公司將不會再根據一九九六年購股權計劃授出任何進一步之購股權。

於二零零四年十一月十六日，根據一九九六年購股權計劃授出並可認購1,000,000股股份之購股權，於二零零四年十一月十六日行使期限屆滿後註銷。因此，一九九六年購股權計劃不再具有任何效力，也不再適用。

於二零零四年十二月三十一日，根據二零零二年購股權計劃已授出之購股權共可認購16,300,000股股份。

31. SHARE OPTION SCHEME (continued)

A summary of the principal terms of the 2002 Share Option Scheme is set out below:

The 2002 Share Option Scheme was adopted for the purpose of attracting, retaining and motivating talented employees to strive towards long term performance targets set by the Company and its subsidiaries and at the same time allowing the participants to enjoy the results of the Company attained through their effort and contribution. Under the 2002 Share Option Scheme, options may be granted to any full time employees, executive and non-executive directors of the Company or any of its subsidiaries or associates.

The maximum number of shares which may be issued upon exercise of all options to be granted under the 2002 Share Option Scheme and any other share option schemes of the Company shall not in aggregate exceed 10% of the total number of shares in issue as at the date of adoption of the 2002 Share Option Scheme (the "Scheme Mandate Limit") but the Company may seek approval of its shareholders at general meetings to refresh the Scheme Mandate Limit, save that the maximum number of shares in respect of which options may be granted by directors of the Company under the 2002 Share Option Scheme and any other share option schemes of the Company shall not exceed 10% of the issued share capital of the Company as at the date of approval by the shareholders of the Company at general meetings where such limit is refreshed. Options previously granted under the 2002 Share Option Scheme and any other share option schemes of the Company (including those outstanding, cancelled, lapsed or exercised options) will not be counted for the purpose of calculating such 10% limit as refreshed. Notwithstanding the aforesaid in this paragraph, the maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the 2002 Share Option Scheme and any other share option schemes of the Company shall not exceed 30% (or such higher percentage as may be allowed under the Listing Rules) of the total number of shares in issue from time to time. As at 31 December 2004, the total number of shares available for issue under the 2002 Share Option Scheme was 30,674,169 shares, which represented approximately 5.24% of the issued share capital of the Company at that date. The maximum number of shares issued and to be issued upon exercise of the options granted to each participant under the 2002 Share Option Scheme and any other share option schemes of the Company (including both exercised and outstanding options) in any 12-month period shall not exceed 1% of the total number of the Company's shares in issue. Any further grant of share options in excess of this limit is subject to approval by the shareholders of the Company at a general meeting.

31. 購股權計劃 (續)

二零零二年購股權計劃的主要條款摘述如下：

本公司採納二零零二年購股權計劃，旨在吸引、挽留及鼓勵能幹之員工以達成本公司及其附屬公司制定的長遠表現目標，同時讓參與者共同分享他們為本公司業務付出的貢獻帶來之成果。根據二零零二年購股權計劃，購股權可授予本公司或其任何附屬公司或聯營公司之任何全職員工、執行董事或非執行董事。

根據二零零二年購股權計劃及本公司任何其他購股權計劃准予授出之購股權若獲悉數行使，因而可予發行之最高股份數目，不得超過本公司於採納二零零二年購股權計劃日期已發行股份總數之百分之十（「計劃授權限額」），惟本公司可於股東大會尋求股東批准更新計劃授權限額，但本公司董事根據二零零二年購股權計劃及本公司任何其他購股權計劃可授出之最高購股權數目，不得超過於本公司股東批准更新此等授權之股東大會舉行日期本公司已發行股本百分之十。於計算此等已更新之百分之十限額時，之前已根據二零零二年購股權計劃及本公司任何其他購股權計劃授出之購股權（包括尚未行使、已註銷、已作廢或已行使之購股權）不會計算在內。儘管有本段以上所述規定，根據二零零二年購股權計劃及本公司任何其他購股權計劃已授出但尚未行使之購股權若獲悉數行使，因而可予發行之最高股份數目，不得超過本公司不時之已發行股份總數百分之三十（或上市規則容許之較高百分比）。於二零零四年十二月三十一日，根據二零零二年購股權計劃仍可授出之購股權共30,674,169股，佔本公司當日已發行股份約5.24%。已發行股份及根據二零零二年購股權計劃及本公司任何其他購股權計劃授予各個別參與者之購股權（包括已行使及尚未行使之購股權）獲行使而將予發行之股份之最高數目，於任何十二個月期間不得超過本公司已發行股份總數百分之一。如欲進一步授出超越此限額之任何購股權，須獲本公司股東於股東大會批准。

31. SHARE OPTION SCHEME (continued)

Share options granted to a director, chief executive or substantial shareholders of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at the date on which such grant is proposed by the directors or with an aggregate value (based on the closing price of the Company's shares at the date on which such grant is proposed by the directors) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in advance at a general meeting of the Company.

The offer of a grant of share options may be accepted within 30 days from the date of the offer upon payment of a consideration of HK\$1 by the grantee. The exercise period of the share options granted is determinable by the directors, and such period shall commence not earlier than six months from the date of the grant of the options and expire not later than 10 years after the date of the grant of the options.

The exercise price of the share options is determinable by the directors, and shall be at least the highest of (i) the closing price of the Company's shares as stated in the Stock Exchange's daily quotation sheet on the offer date; (ii) the average closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the offer date; and (iii) the nominal value of the Company's shares.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

The 2002 Share Option Scheme shall be valid and effective for a period of ten years commencing from the date on which it is conditionally adopted by resolution of the Company at general meetings and will expire on 22 August 2012.

31. 購股權計劃 (續)

向本公司董事、主要行政人員或主要股東或其任何聯繫人授出購股權，須事先獲獨立非執行董事批准。此外，向本公司主要股東或獨立非執行董事或其任何聯繫人士授出任何購股權，如於任何十二個月期間內，超過於董事作出授予購股權建議之日本公司已發行股份之百分之零點一，或總值（按本公司股份於董事作出授予購股權建議之日之收市價計算）超過500萬港元，均須事先獲得本公司股東在股東大會批准。

購股權之獲授人可於授出購股權要約日期起計三十日內接納該要約，接納購股權時須支付代價1港元。購股權之行使期間由董事釐定，在接納購股權的六個月期限後，該購股權可於接納購股權日期計十年內行使。

購股權之行使價由董事釐定，不得少於下列三者之最高數值 (i) 本公司股份於要約日期於聯交所每日報價表所示之收市價；(ii) 本公司股份於緊接要約日期前五個交易日於聯交所每日報價表所示之平均收市價；及 (iii) 本公司股份之面值。

購股權持有人無權收取股息或於股東大會投票。

二零零二年購股權計劃經本公司股東大會決議有條件採納後，由採納之日起計有效期為十年，將於二零一二年八月二十二日屆滿。

31. SHARE OPTION SCHEME (continued)

Movements of the share options under the 1996 Share Option Scheme during the year are listed below:

31. 購股權計劃 (續)

一九九六年購股權計劃下之購股權於年內之變動如下:

Name or category of participant 參與者之姓名或類別	At 31 December 2003 於二零零三年 十二月三十一日	Number of share options 購股權數目			At 31 December 2004 於二零零四年 十二月三十一日	Date of grant of share options* 購股權 授出日期*	Exercise period of share options 行使購股權 期限	Price of the Company's shares *** 本公司股價***		
		Granted during the year 於年內授出	Exercised during the year 於年內行使	Lapsed during the year 於年內註銷				Exercise price of share options** 購股權 行使價** HK\$ 港元	At immediately preceding the grant date of share options 緊接授出購 股權日期前 HK\$ 港元	At immediately preceding the exercise date of share options 緊接行使購 股權日期前 HK\$ 港元
Directors 董事										
Lo Lin Shing, Simon 魯連城	4,500,000	-	(4,500,000)	-	-	15 May 2001 二零零一年 五月十五日	16 November 2001- 16 November 2004 二零零一年 十一月十六日至 二零零四年 十一月十六日	0.93	1.12	1.10
Wong Shiu Hoi, Peter 黃紹開	4,500,000	-	(4,500,000)	-	-	15 May 2001 二零零一年 五月十五日	16 November 2001- 16 November 2004 二零零一年 十一月十六日至 二零零四年 十一月十六日	0.93	1.12	1.15
Lee Yiu Wing, William 李耀榮	2,500,000	-	(2,500,000)	-	-	15 May 2001 二零零一年 五月十五日	16 November 2001- 16 November 2004 二零零一年 十一月十六日至 二零零四年 十一月十六日	0.93	1.12	1.22
Chan Chi On, Derek 陳志安	2,500,000	-	(2,500,000)	-	-	15 May 2001 二零零一年 五月十五日	16 November 2001- 16 November 2004 二零零一年 十一月十六日至 二零零四年 十一月十六日	0.93	1.12	1.15
Luo Gang 羅剛	1,000,000	-	-	(1,000,000) (Note) (附註)	-	15 May 2001 二零零一年 五月十五日	16 November 2001- 16 November 2004 二零零一年 十一月十六日至 二零零四年 十一月十六日	0.93	1.12	N/A 不適用
	15,000,000	-	(14,000,000)	(1,000,000)	-					

31. SHARE OPTION SCHEME (continued)

Name or category of participant 參與者之姓名或類別	At 31 December 2003 於二零零三年 十二月三十一日	Number of share options 購股權數目			At 31 December 2004 於二零零四年 十二月三十一日	Date of grant of share options* 購股權 授出日期*	Exercise period of share options 行使購股權 期限	Price of the Company's shares *** 本公司股價***		
		Granted during the year 於年內授出	Exercised during the year 於年內行使	Lapsed during the year 於年內註銷				Exercise	At immediately	At immediately
								price of share options** 購股權 行使價** HK\$ 港元	preceding the grant date of share options 緊接授出購 股權日期前 HK\$ 港元	preceding the exercise date of share options 緊接行使購 股權日期前 HK\$ 港元
Continuous contract employees 持續合約僱員										
In aggregate 總計	18,600,000	-	(18,600,000)	-	-	15 May 2001 二零零一年 五月十五日	16 November 2001- 16 November 2004 二零零一年 十一月十六日至 二零零四年 十一月十六日	0.93	1.12	1.21
	33,600,000	-	(32,600,000)	(1,000,000)	-					

Note: These share options lapsed during the year as a result of expiry of its exercise period.

附註：此等購股權因行使期限屆滿，已於年內註銷。

Movements of the share options under the 2002 Share Option Scheme during the year are listed below:

二零零二年購股權計劃下之購股權於年內之變動如下：

Name or category of participant 參與者之姓名或類別	At 31 December 2003 於二零零三年 十二月三十一日	Number of share options 購股權數目			At 31 December 2004 於二零零四年 十二月三十一日	Date of grant of share options* 購股權 授出日期*	Exercise period of share options 行使購股權 期限	Price of the Company's shares *** 本公司股價***		
		Granted during the year 於年內授出	Exercised during the year 於年內行使	Lapsed during the year 於年內註銷				Exercise	At immediately	At immediately
								price of share options** 購股權 行使價** HK\$ 港元	preceding the grant date of share options 緊接授出購 股權日期前 HK\$ 港元	preceding the exercise date of share options 緊接行使購 股權日期前 HK\$ 港元
Continuous contract employees 持續合約僱員										
In aggregate 總計	19,450,000	-	(650,000)	(2,500,000)	16,300,000	5 September 2003 二零零三年 九月五日	5 March 2004- 4 March 2009 二零零四年 三月五日至 二零零九年 三月四日	1.20	1.16	1.27
	19,450,000	-	(650,000)	(2,500,000)	16,300,000					

Note: These share options lapsed during the year as a result of staff resignation.

附註：此等購股權因員工辭職，已於年內註銷。

31. SHARE OPTION SCHEME (continued)

- * The vesting period of the share options is from the date of the grant until the commencement of the exercise period. All share options referred to above are subject to a six-month vesting period.
- ** The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.
- *** The price of the Company's shares disclosed as at the date of the grant of the share options is the Stock Exchange closing price on the trading day immediately prior to the date of the grant of the options. The price of the Company's shares disclosed as at the date of the exercise of the share options is the weighted average of the Stock Exchange closing prices over all of the exercises of options within the disclosure line.

The 33,250,000 share options exercised during the year resulted in the issue of 33,250,000 ordinary shares of the Company and new share capital of HK\$3,325,000 and share premium of HK\$27,773,000 (before issue expenses), as detailed in note 30 to the financial statements.

At the balance sheet date, the Company had 16,300,000 share options outstanding under the 2002 Share Option Scheme, which represented approximately 2.79% of the Company's shares in issue as at that date. The exercise in full of the remaining share options would, under the present capital structure of the Company, result in the issue of 16,300,000 additional ordinary shares of the Company and additional share capital of HK\$1,630,000 and share premium of HK\$17,930,000 (before issue expenses).

31. 購股權計劃 (續)

- * 購股權的歸屬期由授出日期起計，至行使期限開始為止。上述所有購股權的歸屬期均為六個月。
- ** 若本公司股本因供股或發行紅股或類似事項而出現變動，購股權行使價可予調整。
- *** 上表所披露於授出購股權日期的本公司股價，乃緊接授出購股權日期前一交易日的聯交所收市價格。上表披露於行使購股權日期的本公司股價，乃聯交所收市價相對於披露範圍內所有購股權行使的加權平均價。

年內獲行使購股權共33,250,000股，導致發行33,250,000股本公司普通股，股本新增3,325,000港元，股份溢價增加27,773,000港元(未扣除發行開支)，詳見財務報表附註30。

於結算日，本公司根據二零零二年購股權計劃尚未行使之購股權共有16,300,000股，約佔本公司於該日已發行股份之2.79%。若餘下購股權獲悉數行使，在本公司目前資本結構之下，將須額外發行16,300,000股本公司普通股，本公司之股本將增加1,630,000港元，股份溢價賬將增加17,930,000港元(未扣除發行開支)。

32. RESERVES

(a) Group

The amounts of the Group's reserves and the movements therein for the current year and the prior period are presented in the consolidated statement of changes in equity on pages 85 to 148 of the financial statements.

The contributed surplus of the Group arose in 1996 as a result of the group reorganisation in preparation for the listing of the Company and represented the difference between the nominal value of the share capital issued by the Company and the aggregate of the share capital and the share premium of the subsidiaries acquired.

The amount of goodwill remaining in consolidated reserves, arising from the acquisition of a subsidiary in previous year is approximately HK\$60,000. The amount of goodwill is stated at cost.

32. 儲備

(a) 本集團

本集團儲備內之金額及其於本年度及上期間之變動，呈列於財務報表第85頁至第148頁之綜合股本權益變動表。

本集團於一九九六年為籌備本公司上市而進行集團重組所產生之繳入盈餘指本公司已發行股本面值與所收購附屬公司之股本及股份溢價總額兩者之差額。

因前年收購附屬公司而產生之商譽，尚餘在綜合儲備內之金額約為60,000港元。商譽金額按成本值列賬。

32. RESERVES (continued)

(b) Company

32. 儲備 (續)

(b) 本公司

		Share premium account HK\$'000 股份溢價賬 千港元	Capital redemption reserve HK\$'000 資本 贖回儲備 千港元	Contributed surplus HK\$'000 繳入盈餘 千港元	Long term investment revaluation reserve HK\$'000 長期投資 重估儲備 千港元	Retained profits/ accumulated losses) HK\$'000 保留溢利/ (累計虧損) 千港元	Total HK\$'000 合計 千港元
At 1 April 2003	於二零零三年四月一日	408,768	1,767	6,032	(48,622)	(29,890)	338,055
Share options exercised – note 30	購股權獲行使 – 附註30	332	-	-	-	-	332
Repurchase and cancellation of shares – note 30	購回並已註銷股份 – 附註30	(2,732)	-	-	-	-	(2,732)
Transfer to capital redemption reserve of the nominal value of shares repurchased – note 30	轉往資本贖回儲備之 購回股份之票面值 – 附註30	-	363	(363)	-	-	-
Movement in fair value of a long term investment	一項長期投資之公平價值變動	-	-	-	25,680	-	25,680
Net profit for the period	本期間純利	-	-	-	-	81,233	81,233
Interim 2003 dividend – note 11	二零零三年度中期股息 – 附註11	-	-	-	-	(9,448)	(9,448)
Proposed final 2003 dividend – note 11	擬派二零零三年度末期股息 – 附註11	-	-	-	-	(11,339)	(11,339)
At 31 December 2003 and 1 January 2004	於二零零三年十二月三十一日 及二零零四年一月一日	406,368	2,130	5,669	(22,942)	30,556	421,781
Issue of shares – note 30	發行股份 – 附註30	95,200	-	-	-	-	95,200
Share options exercised – note 30	購股權獲行使 – 附註30	27,773	-	-	-	-	27,773
Share issue expenses – note 30	股份發行開支 – 附註30	(116)	-	-	-	-	(116)
Repurchase and cancellation of shares – note 30	購回並已註銷股份 – 附註30	(5,543)	-	-	-	-	(5,543)
Transfer to capital redemption reserve of the nominal value of shares repurchased – note 30	轉往資本贖回儲備之 購回股份之票面值 – 附註30	-	540	(540)	-	-	-
Movement in fair value of a long term investment	一項長期投資之公平價值變動	-	-	-	(4,025)	-	(4,025)
Net profit for the year	本年度純利	-	-	-	-	41,210	41,210
Interim 2004 dividend – note 11	二零零四中期股息 – 附註11	-	-	-	-	(23,046)	(23,046)
Proposed final 2004 dividend – note 11	擬派二零零四年度 末期股息 – 附註11	-	-	-	-	(11,705)	(11,705)
At 31 December 2004	於二零零四年十二月三十一日	523,682	2,670	5,129	(26,967)	37,015	541,529

The contributed surplus of the Company also arose in 1996 as a result of the group reorganisation in preparation for the listing of the Company and represented the difference between the nominal value of the share capital issued by the Company and the aggregate net asset value of the subsidiaries acquired at the date of acquisition. Under the Companies Act 1981 of Bermuda (as amended), the Company may make distributions to its members out of the contributed surplus provided that certain conditions are met.

本公司於一九九六年為籌備本公司上市而進行集團重組所產生之繳入盈餘，乃指本公司已發行股本面值與於收購當日所收購附屬公司之資產淨值總額兩者之差額。根據一九八一年百慕達公司法(經修訂)，本公司可從繳入盈餘中向其股東作出分派，惟此必須符合若干條件。

33. CONTINGENT LIABILITIES

At the balance sheet date, contingent liabilities not provided for in the financial statements were as follows:

- (i) the Company has provided corporate guarantees to the extent of HK\$1,950 million (2003: HK\$1,995 million) to secure the general bank facilities granted to subsidiaries. As at 31 December 2004, the amounts drawn against the bank facilities amounted to HK\$79,872,000 (2003: HK\$370,832,000);
- (ii) corporate guarantees to the extent of US\$4 million (2003: US\$4 million) have been provided by the Company in respect of precious metals trading facilities granted to a subsidiary;
- (iii) corporate guarantees to the extent of US\$8.8 million (2003: US\$4.5 million) have been provided by the Company in respect of foreign exchange trading granted to a subsidiary;
- (iv) the Company has provided a corporate guarantee to the extent of HK\$10,000,000 (2003: HK\$3,986,000) in favour of the lessor in respect of an operating lease arrangement for the leasing of computer equipment by a subsidiary; and
- (v) the Group has a contingent liability in respect of possible future long service payments to employees under the Hong Kong Employment Ordinance, with a maximum possible amount of HK\$2,264,000 (2003: HK\$2,585,000) as at 31 December 2004, as further explained under the heading "Employee benefits" in note 3 to the financial statements. The contingent liability has arisen because, at the balance sheet date, a number of current employees have achieved the required number of years of service to the Group in order to be eligible for long service payments under the Employment Ordinance if their employment is terminated under certain circumstances. A provision has not been recognised in respect of such possible payments, as it is not considered probable that the situation will result in a material future outflow of resources from the Group.

33. 或然負債

於結算日，財務報表中未撥備之或然負債如下：

- (i) 本公司就附屬公司取得銀行信貸而提供之公司擔保款額為195,000萬港元(二零零三年：199,500萬港元)。於二零零四年十二月三十一日該等信貸支取之金額為79,872,000港元(二零零三年：370,832,000港元)；
- (ii) 本公司就授予一間附屬公司有關貴金屬貿易信貸而提供之公司擔保款額為400萬美元(二零零三年：400萬美元)；
- (iii) 本公司就授予一間附屬公司有關外匯買賣而提供之公司擔保款額為880萬美元(二零零三年：450萬美元)；
- (iv) 本公司為一家附屬公司租用電腦設備的經營租賃安排，向出租人提供之公司擔保10,000,000港元(二零零三年：3,986,000港元)；及
- (v) 如財務報表附註3「僱員福利」一節所進一步闡述，本集團未來可能須遵照香港《僱傭條例》向僱員支付長期服務金，因此承擔或然負債，於二零零四年十二月三十一日可能須支付之最高金額為2,264,000港元(二零零三年：2,585,000港元)。出現或然負債是因為於結算日，若干現職僱員於本集團服務已屆規定之年數，根據《僱傭條例》，彼等已符合資格，若在若干情況下終止受僱，可領取長期服務金。鑒於本集團認為，上述情況導致本集團今後資源大量流出之可能性不高，因此並未就此等可能之付款確認撥備。

34. OPERATING LEASE ARRANGEMENTS

The Group leases certain of its office properties and computer equipment under operating lease arrangements. Leases for properties are negotiated for terms ranging from one to five years, and those for computer equipment for terms ranging from two to five years.

At 31 December 2004, the Group and the Company had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		Group 本集團		Company 本公司	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元	2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Within one year	一年內	17,225	17,586	423	9,970
In the second to fifth years, inclusive	第二至第五年 (包括首尾兩年)	24,583	1,989	248	688
		41,808	19,575	671	10,658

35. CAPITAL COMMITMENTS

In addition to the operating lease commitments detailed in note 34 above, the Group had the following commitments at the balance sheet date:

(a) Capital commitments

		Group 本集團	
		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Contracted, but not provided for: Computer equipment	已訂約，但未撥備： 電腦設備	1,009	327

34. 經營租賃安排

本集團以經營租賃方式租賃寫字樓物業和電腦設備。寫字樓物業租賃期由一至五年，而電腦設備租賃期則為兩至五年。

於二零零四年十二月三十一日，本集團及本公司透過不可撤銷之經營租賃在下述期限內屆滿未來需支付之最低租金如下：

35. 資本承擔

除經營租賃承擔於上文附註34詳述外，本集團於結算日就購買電腦設備之承擔如下：

(a) 資本承擔

35. CAPITAL COMMITMENTS (continued)

(b) Commitments under leveraged foreign exchange trading contracts

		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Purchase foreign currencies	購買外滙	123,955	—
Sell foreign currencies	沽出外滙	122,031	—

Note: Total commitments to purchase or sell foreign currencies under leveraged foreign exchange contracts consist of a basket of currencies which cannot be offset against each other.

(c) Commitments under currency futures contracts

		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Currency futures contracts	外滙期貨合約	2,638	—

The Company had no significant commitments at the balance sheet date.

36. RELATED PARTY TRANSACTIONS

In addition to the transactions and balances detailed elsewhere in these financial statements, the Group had the following material transactions with related parties during the year:

35. 資本承擔 (續)

(b) 槓桿外滙買賣合約的承擔

		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Purchase foreign currencies	購買外滙	123,955	—
Sell foreign currencies	沽出外滙	122,031	—

附註：根據槓桿外滙合約購買或沽售外滙合約的承擔總額，包括一籃子不能互相對銷的貨幣。

(c) 外滙期貨合約的承擔

		2004 HK\$'000 二零零四年 千港元	2003 HK\$'000 二零零三年 千港元
Currency futures contracts	外滙期貨合約	2,638	—

本公司於結算日並無重大承擔

36. 關連人士交易

除已於本財務報表之其他部份內已披露有關之交易及結餘金額外，本集團於年內與關連人士之重要交易詳情概述如下：

36. RELATED PARTY TRANSACTIONS (continued)

- (a) During the year, the Company leased from New World Tower Company Limited, a company controlled by Chow Tai Fook Enterprises Limited ("CTF"), which is itself a company controlled by the family of Mr. Cheng Kar Shun, a director of the Company, certain office premises at New World Tower, 16-18 Queen's Road Central, Hong Kong, at a monthly rental, including rates, management and air-conditioning fees, of approximately HK\$1,046,000 (period ended 31 December 2003: HK\$1,046,000) for a term of three years. The Group paid total rentals of HK\$12,553,000 (period ended 31 December 2003: HK\$9,411,000) for the period. The rentals paid were calculated by reference to open market rentals as confirmed to the Group by an independent professional valuer.
- (b) During the year, the Group provided corporate advisory services to Besteam Limited, Cyber On-Air Group Company Limited, Lifestyle International Holdings Limited and Mediastar International Limited, companies controlled by CTF, which is itself a company controlled by the family of Mr. Cheng Kar Shun. The corporate advisory fee income from these transactions amounted to HK\$4,081,000 for the year and was charged in accordance with the terms of the underlying agreements.
- (c) During the year, the Group provided corporate advisory and underwriting services to New World Mobile Holdings Limited and NWS Holdings Limited, companies controlled by New World Development Company Limited, which is itself a company controlled by the family of Mr. Cheng Kar Shun. The income from these transactions amounted to HK\$2,093,000 for the year and was charged in accordance with the terms of the underlying agreements.
- (d) During the year, the Group provided corporate advisory services to The Kwong Sang Hong International Limited, of which Mr. Lo Lin Shing, Simon, director of the Company, is also a director. The corporate advisory fee income from these transactions amounted to HK\$505,000 for the year and was charged in accordance with the terms of the underlying agreement.

37. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 12 April 2005.

36. 關連人士交易 (續)

- (a) 年內，本公司向新世界大廈有限公司租用香港皇后大道中16-18號新世界大廈若干辦公室單位，每月租金(包括差餉、管理費及冷氣費)約為1,046,000港元(截至二零零三年十二月三十一日期間：1,046,000港元)，租約年期三年，本集團在期內支付之租金總額為12,553,000港元(截至二零零三年十二月三十一日止期間：9,411,000港元)。新世界大廈有限公司乃一間由周大福企業有限公司(「周大福」)控制之公司，而周大福則為一間由本公司董事鄭家純先生家族控制之公司。所支付之租金乃參考經獨立專業估價師向本集團確認之公開市值租金計算。
- (b) 年內，本集團向Besteam Limited、創博數碼科技集團有限公司、利福國際有限公司及Mediastar International Limited提供企業顧問服務，該等公司均為周大福控制之公司，而周大福則由鄭家純先生家族控制。上述交易年內所產生的企業顧問費收入為4,081,000港元，已按照相關協議的條款予以扣除。
- (c) 年內，本集團向新世界移動控股有限公司及新創建集團有限公司提供企業顧問及包銷服務。該等公司均為新世界發展有限公司控制之公司，而新世界發展有限公司由鄭家純先生家族控制。上述交易年內所產生的收入為2,093,000港元，已按照相關協議的條款予以扣除。
- (d) 年內，本集團向廣生行國際有限公司提供企業顧問服務，而本公司董事魯連城先生亦為該公司董事。上述交易年內所產生的企業顧問費收入為505,000港元，已按照相關協議的條款予以扣除。

37. 財務報表之批核

董事會於二零零五年四月十二日批准本財務報表並授權刊發。