

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December, 2004 截至二零零四年十二月三十一日止年度

1. CORPORATION INFORMATION

The Company was incorporated in Bermuda on 13 May, 1999 as an exempted company with limited liability under the Company Act 1981 of Bermuda (as amended) and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The principal activity of the Company is investment holding. During the year, the Company and its subsidiaries (collectively referred to as the "Group") were principally engaged in property development and investment.

2. PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below:

(a) Basis of preparation

The financial statements have been prepared in accordance with accounting principles generally accepted in Hong Kong and comply with accounting standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The financial statements have been prepared under the historical cost convention (as modified by the revaluation of certain investment properties, as explained in the respective accounting policies below).

(1) 公司資料

本公司於一九九九年五月十三日根據百慕達一九八一年公司法(經修訂)在百慕達註冊成立為獲豁免有限公司,而股份已在香港聯合交易所有限公司(「聯交所」)上市。

本公司之主要業務為投資控股。在本年度,本公司及其附屬公司(統稱「本集團」)之主要業務為地產發展及投資。

(2) 主要會計政策概要

編製本財務報表時所採用之主要會計政策載列如下:

(a) 綜合基準

本財務報表乃根據香港會計師公會頒佈之所有適用會計實務準則及詮釋及香港普遍採納之會計原則編製。財務報表經投資物業評估修訂,並根據歷史成本慣例而編製,詳情見下文之會計政策。

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2. PRINCIPAL ACCOUNTING POLICIES

(Continued)

(b) Impact of recently issued Hong Kong Financial Reporting Standards

The HKICPA has issued a number of new and revised Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards ("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.

(c) Basis of consolidation

- (i) The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to 31 December, 2004.
- (ii) All significant inter-company balances and transactions within the Group are eliminated on consolidation.
- (iii) The results of subsidiaries acquired or disposed of during the year are dealt with in the consolidated income statement from or up to the effective dates of acquisition or disposal, as appropriate.

(2) 主要會計政策概要 (續)

(b) 最近頒佈之香港財務報告準則之影響

香港會計師公會已頒佈多項全新及經修訂之香港財務報告準則及香港會計準則·(其共同詮釋「新香港財務報告準則」)·並於二零零五年一月一日或以後之會計期間生效。本集團截至二零零四年十二月三十一日止年度財務報表並無預先採納新香港財務報告準則。

(c) 綜合賬目基準

- (i) 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之財務報表。
- (ii) 本集團內公司間之一切重大交易及結餘已於綜合賬目內沖銷。
- (iii) 於年內所收購或出售之附屬公司業績會由收購生效日起計或截至出售生效日期止(如適用)列入綜合收益表內。

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2. PRINCIPAL ACCOUNTING POLICIES

(Continued)

(c) Basis of consolidation (Continued)

- (iv) The gain or loss on the disposal of a subsidiary represents the difference between the proceeds of the sale and the Group's share of its net assets together with any unamortised goodwill or negative goodwill which was not previously charged or recognized in the consolidated income statement.

(d) Subsidiaries

A subsidiary is a company controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an enterprise so as to obtain benefits from the activities.

Investments in subsidiaries are stated in the Company's balance sheet at cost less any impairment loss in value. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

(2) 主要會計政策概要 (續)

(c) 綜合賬目基準 (續)

- (iv) 出售附屬公司時所錄得之損益，乃指出售所得款項與本集團應佔其資產淨值連同過往未於綜合損益賬中計入或確認之任何未攤銷商譽或負商譽兩者之差額。

(d) 附屬公司

附屬公司為本公司所控制之公司。本公司有權直接或間接監管該公司之財務及營運政策以從其業務中得益，則該等公司將被視為已受控制。

於本公司之資產負債表，附屬公司之投資乃以成本值減任何減值虧損列賬。本公司會按已收及應收股息將附屬公司之業績列賬。

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2. PRINCIPAL ACCOUNTING POLICIES

(Continued)

(e) Associates

An associated company is a company, not being a subsidiary nor a joint venture, in which the Group, directly or indirectly, has a long-term equity interest and the Group is in a position to exercise significant influence, including participation in the operating and financial policy decisions.

The consolidated income statement includes the Group's share of the results of associates for the year, and the consolidated balance sheet includes the Group's share of net assets of the associates and also the balance of unamortized premium on acquisition.

(f) Investments in a property development joint venture

Investments in a property development joint venture represent the consideration paid to a third party for acquiring the 5% interest of the income arising from a property development project which is operated by the Group. The investment is stated at cost, less provision for impairment in value, if necessary and the cost is amortized over the estimated economic life of the property development project.

(2) 主要會計政策概要 (續)

(e) 聯營公司

聯營公司為本集團直接或間接持有其長期股本權益並可對其經營及財務政策之決策行使重大影響力之公司，惟其並非附屬公司或合營企業。

綜合收益表載入本集團於年內分佔聯營公司之業績，而綜合資產負債表則載入本集團分佔聯營公司之資產淨值以及於收購之商譽／負商譽（扣除累計攤銷）。

(f) 物業發展合營投資

物業發展合營投資指繳付予第三方之代價，以獲得本集團經營之物業發展項目收入之5%權益。該投資以成本值減去減損撥備（如需要）後列賬，並根據物業發展項目之估計可使用年期攤銷。

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2. PRINCIPAL ACCOUNTING POLICIES

(Continued)

(g) Investment properties

Investment properties are interests in land and buildings in respect of which construction work and development have been completed and which are held for their long-term investment potential, any rental income being negotiated at arm's length. Such properties are stated in the balance sheet at their open market values which are assessed annually by qualified external valuers.

Changes in the value of investment properties are dealt with as movements in the investment property revaluation reserve. If the total of this reserve is insufficient to cover a deficit on a portfolio basis, the excess of the deficit is charged to the consolidated income statement. Any subsequent revaluation surplus is credited to the consolidated income statement to the extent of the deficit previously charged. Investment properties are not depreciated except where the unexpired term of the lease is 20 years or less, in which case depreciation is provided on the carrying amount over the remaining term of the lease. The gain or loss on disposal of an investment property, representing the difference between the net sale proceeds and the carrying amount of the relevant asset, is recognized in the consolidated income statement. Any revaluation reserve balance remaining attributable to the relevant asset is transferred to the income statement.

(2) 主要會計政策概要 (續)

(g) 投資物業

投資物業乃已完成建築工程及發展之土地及物業權益，並因其投資潛力而長期持有，租金收入乃按公平原則釐定。該等投資物業按每年由合資格外估價師評估之公開市值列入資產負債表內。

投資物業估值變動乃視作投資物業重估儲備變動。如此儲備之總值不足以按投資組合之基準抵銷虧絀，則超出之虧絀會於綜合收益表中扣除。所有其後之重估盈餘會計入綜合收益表，並以先前扣除之虧絀為限。投資物業不會折舊，除非未到期之年期為二十年或以下，於該情況下，折舊會就賬面值按剩餘租賃期作出撥備。出售投資物業之收益或虧損乃銷售所得款項淨額與有關資產賬面金額兩者之差額，會於綜合收益表內確認。源於有關資產之其餘重估儲備結餘會轉撥入收益表。

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2. PRINCIPAL ACCOUNTING POLICIES

(Continued)

(h) Properties held for development

Properties held for development are stated at cost, including land cost, construction cost, development expenditure and interest capitalized, less any impairment losses as are considered necessary by the directors. No depreciation is provided on properties held for development until they are completed and put into effective use.

(i) Properties held for sale

Properties held for sale are stated at the lower of cost and the estimated net realizable value. In the case of properties developed by the Group, cost is determined by apportionment of the total development costs attributable to unsold properties. Net realizable value represents the estimated selling price less costs to be incurred in selling the property.

(2) 主要會計政策概要 (續)

(h) 持作發展物業

持作發展物業會按成本(包括土地成本、建築成本、開發開支及資本化之利息)減董事認為必須之任何減值虧損入賬。在物業落成及被使用之前,持作發展物業不會作出折舊撥備。

(i) 持作銷售物業

持作銷售之物業乃按成本及估計可變現淨值之較低者列值。在物業由本集團開發之情況下,成本乃按未出售物業總開發成本之分配釐定。可變現淨值代表估計出售價格減出售該物業時將產生之成本。

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2. PRINCIPAL ACCOUNTING POLICIES

(Continued)

(j) Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to working condition and location for its intended use. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance and overhaul costs, is normally charged to the consolidated income statement 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 property, plant and equipment, the expenditure is capitalized as an additional cost of the property, plant and equipment.

Depreciation is provided to write off the cost of property, plant and equipment over their estimated useful lives using the straight-line method. The annual rates used are as follows:

Leasehold land	Over the terms of the leases
Buildings	2.5% or over the lease term, whichever is shorter
Leasehold improvements	20% – 33.3%
Furniture, fixtures and office equipment	20%
Motor vehicles	20%

(2) 主要會計政策概要 (續)

(j) 物業、廠房及設備以及折舊

物業、廠房及設備乃按成本減累計折舊及累計減值虧損列值。資產成本包括其購買價及任何令該項資產達至運作狀況及將之運至擬定用途地點之直接應計成本。物業、廠房及設備投入運作後產生之開支，例如維修及保養費用以及檢查費用，一般於該等開支產生之期間於綜合收益表內扣除。倘能清楚證明該等開支能增加日後使用物業、廠房及設備時預期獲得之經濟利益，該等開支則撥作物業、廠房及設備之額外成本計算。

物業、廠房及設備之折舊以直線法按其成本值以估計可用年期撇銷。採用之年率如下：

租賃土地	按租約期
樓宇	2.5%或按租約期 (以較短者為準)
租賃裝修工程	20% – 33½%
傢俬、裝置及辦公室設備	20%
汽車	20%

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2. PRINCIPAL ACCOUNTING POLICIES

(Continued)

(j) Property, plant and equipment and depreciation (Continued)

For depreciation purpose, cost of buildings is deemed to be 50% of the total cost of land and buildings.

The gain or loss on disposal or retirement of a property, plant and equipment is the difference between the net sale proceeds and the carrying amount of the relevant asset, and is recognized in the income statement.

(k) Impairment of assets

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

An impairment loss is recognized only if the carrying amount of an asset exceeds its recoverable amount. An impairment loss is charged to the income statement 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.

(2) 主要會計政策概要 (續)

(j) 物業、廠房及設備以及折舊 (續)

就折舊而言，樓宇之成本會被視為土地及樓宇總成本之50%。

出售或報廢物業、廠房及設備之收益或虧損，乃有關資產之銷售所得款項淨額及其賬面值之差額，並於收益表中確認。

(k) 資產減值

在每個結算日，本集團將評估所有資產是否出現減值跡象，或以往確認某一資產之減值虧損有減少或消失之跡象。若有此等跡象出現，將估計該資產之可以收回價值，此價值乃以該資產之使用價值或銷售淨值計算，以較高者為準。

減值虧損只在該資產賬面值高於其可以收回價值時確認。減值虧損將在發生當時在收益表列支，除非該資產以重估價值入賬，則該資產之減值虧損根據相關之會計政策入賬。

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2. PRINCIPAL ACCOUNTING POLICIES

(Continued)

(k) Impairment of assets (Continued)

A previously recognized 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/amortization), had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is credited to the income statement 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.

(l) Taxation

Hong Kong profits tax is provided for the prevailing rate on the estimated assessable profits less available tax relief for losses brought forward for each individual company comprising the Group. For subsidiary company incorporated in overseas, income tax is provided for at the applicable local rates on the estimated assessable profits. For the People's Republic of China (the "PRC") property development projects operated by the Hong Kong subsidiaries, income tax is provided at the applicable local rates on property sales amounts.

(2) 主要會計政策概要 (續)

(k) 資產減值 (續)

於以前確認之減值虧損只有在該資產之估計可以收回價值有轉變時才可撥回，但不得超過假設該資產於過往年度並無確認減值虧損而釐定之賬面金額（減去任何折舊／攤銷）。減值虧損撥回於發生時列入收益表，除非該資產以重估價值入賬，則該撥回根據此重估資產之相關會計政策確認。

(l) 稅項

香港所得稅以估計應課稅利潤減本集團內各公司承前可用之稅務虧損按現行稅率提撥。在海外成立之附屬公司，利得稅乃以估計應課稅利潤按當地現行稅率提撥。本港附屬公司在中華人民共和國（中國）所運作之房地產項目，所得稅乃以房地產銷售收入按當地現行稅率提撥。

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2. PRINCIPAL ACCOUNTING POLICIES

(Continued)

(l) Taxation (Continued)

For Deferred taxation is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the accounts. Taxation rates enacted or substantively enacted by the balance sheet date is used to determine deferred taxation.

Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred tax assets is provided on temporary differences arising on investments in subsidiary companies, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

(m) Translation of foreign currencies

Transactions in foreign currency during the year are translated at exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Gains or losses arising on exchange are dealt with in the income statement.

(2) 主要會計政策概要 (續)

(l) 稅項 (續)

遞延稅項乃採用負債法就資產與負債之稅務基準與財務報表內之賬面值之暫時差額作出全數撥備。根據結算日已立例或實質上已立例的稅率及稅法，計量遞延稅項。

遞延稅項資產則在將來甚可能有應課稅溢利可與可扣稅臨時差額、稅務虧損及抵免對銷時確認。

遞延稅項乃就附屬公司，投資之短期時差而撥備，但假若可以控制時差撥回之時間，而短期時差有可能在可見未來不會撥回則除外。

(m) 外幣兌換

外幣交易乃按交易日之兌換率換算。以外幣結算之貨幣性資產及負債均按年結日之兌換率換算入賬。外幣換算所產生之盈虧計入收益表內。

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2. PRINCIPAL ACCOUNTING POLICIES

(Continued)

(m) Translation of foreign currencies (Continued)

On consolidation, the assets and liabilities of the Group's overseas subsidiaries are translated into Hong Kong dollars at exchange rate prevailing on the balance sheet date. Income and expense items are translated into Hong Kong dollars at the average exchange rate during the year. Exchange differences arising, if any, are dealt with in the exchange reserve.

(n) Borrowing costs

Borrowing costs are expensed in the consolidated income statement in the period in which they are incurred, except to the extent that they are capitalized as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for intended use or sale.

The capitalization of borrowing costs as part of the cost of a qualifying asset commences when expenditures for the asset are being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalization of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

(2) 主要會計政策概要 (續)

(m) 外幣兌換 (續)

於綜合賬內，香港以外之附屬公司之資產及負債以資產負債表當日滙率換算為港元。損益以加權平均率換算為港元。於換算時所產生之兌換差額均計入換算儲備內。

(n) 借款成本

借款成本乃於產生期間於綜合收益表中列作開支，惟直接因收購、建造或生產須耗用較長時期始可作擬定用途或出售之資產而撥充資本者除外。

借款成本乃於合資格資產產生開支、產生借貸成本及正在進行使資產可供作擬定用途或銷售而需進行之活動時開始撥充資本，作為合資格資產之部份成本。當所有使資產可供作擬定用途或銷售而需進行之活動大部份中斷或完成時，則借款成本撥充資本將暫停或終止。

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2. PRINCIPAL ACCOUNTING POLICIES

(Continued)

(o) Provisions and contingencies

A provision is recognized when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of obligation can be made. Expenditures for which a provision has been recognized are charged against the related provision in the year in which the expenditures are incurred. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount provided is the present value of the expenditures expected to be required to settle the obligation.

Contingent liabilities are not recognized in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognized in the financial statements but disclosed when an inflow of economic benefits is probable.

(2) 主要會計政策概要 (續)

(o) 撥備及或然負債

倘本集團因過往事件而產生目前之法定或推定負債，而有可能耗用包含經濟利益之資源以履行責任，以及能可靠地估計責任涉及之款額，則須就此作出撥備。已確認撥備之支出乃於支出產生之年度之相關撥備扣除。撥備乃於各結算日審閱及調整以反映目前之最佳估計款額。倘金錢之時間值產生重大影響，則作出撥備之款乃預期需要履行責任之支出之目前價值。

或然負債並未確認於資產負債表，凡經濟資源可能流出時，其將會作出披露。或然資產並未確認於資產負債表，惟凡有可能出現經濟效益流入時，則須作出披露。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December, 2004 截至二零零四年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(Continued)

(p) Revenue recognition

- (i) Revenue derived from the properties held for sale is recognized upon completion of sales agreements.
- (ii) Revenue derived from properties held for development and investments properties is recognized upon the completion of the sales agreement and deposits are received.
- (iii) Rental income under operating leases is recognized on a straight-line basis over the term of the relevant lease.
- (iv) Interest income is accrued on a time proportion basis on the principal outstanding and the rates applicable.

(q) Operating leases

Lease where substantially all the risks and rewards of ownership of assets remain with the lessor are accounted for as operating leases.

Payments made and receivable under operating leases are accounted for in the consolidated income statement on a straight-line basis over the periods of the respective leases.

(2) 主要會計政策概要 (續)

(p) 收益確認

- (i) 持作銷售物業所產生之收益乃於完成買賣協議時確認。
- (ii) 持作發展物業和投資物業所產生之收益乃於完成買賣協議及按金已收時確認。
- (iii) 租金收入按租約年期以直線法確認。
- (iv) 利息收入按時間比例基準確認，並計及未償還本金額及適用利率。

(q) 經營租賃

經營租賃是指擁有資產之風險及回報基本上全部由出租公司保留之租賃。

根據經營租賃支付之款項及應收之款項以直線法按有關租賃之期間在綜合收益表中計入。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December, 2004 截至二零零四年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(Continued)

(r) 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.

(s) 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.

For the purpose of the consolidated balance sheet, cash and bank balances comprise cash on hand and at banks, less any overdrafts in use.

(t) Employee benefits

(i) Employee leave entitlements

Employee entitlements to annual leave are recognized when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

Employee entitlements to sick leave and maternity leave are not recognized until the time of leave.

(2) 主要會計政策概要 (續)

(r) 關連人士

關連人士包括一方可直接或間接控制另一方或可在其財務及營運決策上行使重大影響力，或當雙方皆受制於共同之控制權或共同之重大影響力。關連人士包括個人或其他個體。

(s) 現金及現金等值項目

就現金流量表而言，現金及現金等值項目包括庫存現金、活期銀行存款及可轉換為可知現金金額及價值變動風險極微，並於購入後三個月內到期之短期及高流通性投資，扣除需即時償還之銀行透支。

就綜合資產負債表而言，現金及銀行結餘包括庫存現金及銀行存款，扣除任何已用透支。

(t) 員工福利

(i) 員工應享假期福利

員工應享之年假乃於員工應享有時確認。本集團為截至結算日止員工已提供之服務而產生之年假之估計負債作出撥備。

員工之病假及產假權利則直至員工正式休假時方確認。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December, 2004 截至二零零四年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(Continued)

(t) Employee benefits (Continued)

(ii) Employee retirement benefits

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Hong Kong 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 income statement 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 this subsidiary in an independently administered fund. The employer contributions vest fully with the employees when contributed into the MPF Scheme.

Pursuant to the relevant regulations of the PRC government, the Company and its subsidiaries operating in the PRC have participated in central pension schemes (the "Schemes") operated by local municipal governments, whereby the Company and its subsidiaries in the PRC are required to contribute a certain percentage of the basic salaries of their employees to the Scheme to fund their retirement benefits. The local municipal governments undertake to assume the retirement benefits obligations of all existing and future retired employees of the subsidiaries in the PRC. The only obligation of the Group with respect to the Schemes is to pay the ongoing required contributions under the Schemes mentioned above. Contributions under the Schemes are charged to the income statement as incurred.

(2) 主要會計政策概要 (續)

(t) 員工福利 (續)

(ii) 退休福利計劃

本集團提供一個根據強制性公積金計劃條例成立之界定供款之強制性公積金計劃(「強積金計劃」)給予合資格之員工參予強積金計劃。根據強積金計劃，供款以員工基本薪金之百分比計算，並在到期時計入收益表強積金計劃之資產由一個獨立管理基金持有。僱主供款予強積金計劃全屬員工所有。

根據中國相關法規，本公司與其在中國運作之子公司參與由地方政府運作之中央退休計劃(「計劃」)，本公司及其在中國之子公司需以其員工之基本薪金之某一百分比向該計劃供款作為其員工之退休權益。地方政府承擔本公司在中國現有及將來退休之員工之權益。本集團對此計劃的惟一責任是定期支付上述計劃中所要求之供款。對此計劃之應付供款在發生時在收益表中扣除。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December, 2004 截至二零零四年十二月三十一日止年度

3. TURNOVER

Turnover represents the aggregate of net amounts received and receivable for properties held for sale, investment properties and properties held for development sold by the Group to outside customers and property rental income during the year, after a deduction of 5% business tax, and is analyzed as follows:

Sales on properties held for sale	銷售持作銷售物業
Sales on investment properties	銷售投資物業
Sales on properties held for development	銷售持作發展物業
Property rental	物業租金

Sales on properties held for development represent the sales, through an open auction, on a piece of land in the PRC, where was held for development and the Group had 90% of interest, during the year.

No geographical analysis are presented for the year as substantially all the Group's turnover and contribution to results were derived from the business of property in the PRC.

3. 營業額

營業額代表向外界客戶銷售已發展物業、投資物業和持作發展物業之已收及應收款項淨額以及物業租金收入之總和，扣除5%營業稅，其分析載述如下：

2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
28,053	64,633
8,798	—
97,642	—
4,135	4,323
138,628	68,956

銷售持作發展物業代表本年度從公開拍賣中售出之一塊本集團持有90%之位於中國之土地。

由於本集團之營業額及業績之所佔部份全產生於中國，故並無呈列年內之地區分析。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December, 2004 截至二零零四年十二月三十一日止年度

4. PROFIT FROM OPERATIONS

The Group's profit from operations is arrived at after crediting and charging the following:

4. 經營溢利

本集團之經營溢利乃計入及扣除以下各項：

		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Charging:	扣除：		
Auditors' remuneration	核數師酬金	374	228
Staff costs, including directors' remuneration as set out in note (7) below:	員工成本包括下文(附註7)所載之董事酬金：		
– Contributions to defined contribution retirement plans	– 界定供款退休計劃之供款	182	177
– Salaries and other staff costs	– 薪金及其他員工成本	3,956	4,322
Depreciation	折舊	1,269	1,231
Write-off of mortgage loans receivable	應收貸款撇賬	–	9,894
Provision for doubtful and bad mortgage loans receivable	呆壞賬撥備	393	–
Write-off of other receivables	其他應收款撇賬	203	–
Amortization on investments in a property development joint venture	攤銷物業發展合營企業投資	2,160	2,160
Impairments in value on investments in a property development joint venture	物業發展合營企業投資減值虧損	5,392	–
Cost of properties held for sale sold	出售持作銷售物業成本	18,594	38,646
Cost of investment properties sold	出售投資物業成本	4,801	–
Cost of properties held for development sold	出售持作發展物業成本	50,406	–
Minimum lease payments under operating leases for land and buildings	物業經營租約之最低租金承擔	202	483
Net exchange losses	外匯虧損淨額	1,618	–
Crediting:	計入：		
Gross rental income from investment properties (Note)	投資物業總租金收入(附註)	4,135	4,323
Write-back of deficit on revaluation of investment properties previously charged	以往扣除之投資物業重估虧絀撥回	–	1,986
Interest income	利息收入	69	284

Note: The outgoings related to the gross rents from investment properties for each of the two years ended 31 December 2004 and 2003 are negligible.

附註：有關截至二零零四年及二零零三年十二月三十一日止兩個年度之投資物業所得總租金之開支實屬微不足道。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December, 2004 截至二零零四年十二月三十一日止年度

5. WRITE BACK OF LAND APPRECIATION TAX

For the financial year ended 1999, 2000 and 2001, the Group had provided provisions for the land appreciation tax (the "LAT"), amounted to HK\$13,168,000, HK\$1,591,000 and HK\$2,495,000 respectively, which were arising from the property development activities in the PRC. According to the letter from the local tax authorities, the LAT has not yet been levied in Shenzhen and the Group did not have any LAT liability as at 31 December 2004. The management has seriously considered the letter from the local tax authorities and obtained the PRC legal advisor's opinion regarding the said provision, and considered to write back the provisions and accounted for as an income in the current financial year.

6. FINANCE COSTS

5. 土地增值稅回撥

於一九九九年、二零零零年及二零零一年之財政年度，因為在中國之房地產開發活動，本集團分別計提港幣13,168,000元、港幣1,591,000元及港幣2,495,000元之土地增值稅撥備。根據由地方稅務局發出之信件，在深圳市尚未開徵土地增值稅，而本集團於二零零四年十二月三十一日尚不欠繳土地增值稅。管理層經過認真研究地方稅務局之信件，及獲得中國法律顧問之意見後，決定在本年度撥回此撥備作收入。

6. 融資成本

	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Interest on bank loans, overdrafts and other loans wholly repayable		
– Within five years	5,451	4,916
– Over five years	1,280	1,793
Other	–	126
	6,731	6,835

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財務報表附註

For the year ended 31 December, 2004 截至二零零四年十二月三十一日止年度

7. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

(a) Directors' emoluments

The aggregate amounts of emoluments payable to the directors of the Company during the year are as follows:

Fees	袍金
Other emoluments:	其他薪酬
Basic salaries	基本薪金
Other benefits	其他福利
Provident fund contributions	公積金供款

Directors' emoluments disclosed above include HK\$106,000 (2003: HK\$Nil) paid to independent non-executive directors.

7. 董事及員工薪酬

(a) 董事薪酬

本公司於年內需支付董事薪酬之總額如下：

	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Fees	-	-
Other emoluments:		
Basic salaries	1,284	1,185
Other benefits	-	70
Provident fund contributions	34	34
	1,318	1,289

以上之董事薪酬包括港幣106,000元(二零零三年:無)支付予獨立非執行董事。

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For the year ended 31 December, 2004 截至二零零四年十二月三十一日止年度

7. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (Continued)

(a) Directors' emoluments (Continued)

The emoluments of the directors are set out below. The emoluments represent the amounts paid or payable to the directors while being directors of the Company in the respective fiscal years and do not include the benefits derived or to be derived from the warrants granted under the warrant arrangements and options granted under the share option scheme to acquire the shares of the Company.

Emoluments bands

HK\$Nil to HK\$1,000,000 港幣零元至港幣1,000,000元

During the year, land and buildings of the Group with a carrying amount of HK\$4,977,000 (2003: HK\$5,071,000) was occupied by certain directors free of charge.

During the year, no options were granted to directors of the Company and the exercise of rights in respect of options granted to them to subscribe for the shares in the Company.

7. 董事及員工薪酬 (續)

(a) 董事薪酬 (續)

董事薪酬如下，薪酬代表已付或應付因在有關期間擔任本公司董事之人士的款項，但不包括因認股權證安排而發行之認股權證及由購股權計劃所授予之購股權所帶來或將帶來之利益。

薪酬範圍

Number of directors 董事人數	
2004 二零零四年	2003 二零零三年
7	6

在本年度，本集團賬面淨值為港幣4,977,000元（二零零三年：港幣5,071,000元）之土地及樓宇由一些董事免費使用。

在本年度，本公司之董事並沒有被授予購股權或行使其擁有之購股權以認購本公司之股票。

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財務報表附註

For the year ended 31 December, 2004 截至二零零四年十二月三十一日止年度

7. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (Continued)

(b) Five highest paid individuals

During the year, the five individuals whose emoluments were the highest in the Group for the year included three (2003: three) directors whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining two (2003: two) individuals during the year are as follows:

	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Basic salaries and other benefits 基本薪金及其他福利	388	794
Provident fund contributions 公積金供款	14	22
	402	816

The emoluments of the remaining two highest paid individuals fell within the following bands:

Emoluments bands

HK\$Nil to HK\$1,000,000 港幣零元至港幣1,000,000元

7. 董事及員工薪酬 (續)

(b) 最高薪酬之五位人士

本年度本集團五名最高薪酬人士包括三名(二零零三年:三名)本公司之董事,其酬金詳情已載於上文。其餘兩名(二零零三年:兩名)人士之酬金如下:

	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Basic salaries and other benefits 基本薪金及其他福利	388	794
Provident fund contributions 公積金供款	14	22
	402	816

其餘兩位最高薪酬人士之範圍如下:

薪酬範圍

Number of individuals
人士人數

2004 2003
二零零四年 二零零三年

HK\$Nil to HK\$1,000,000 港幣零元至港幣1,000,000元	2	2
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財務報表附註

For the year ended 31 December, 2004 截至二零零四年十二月三十一日止年度

8. TAXATION

8. 稅項

		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Subsidiaries	附屬公司		
Income tax in the PRC other than Hong Kong	中國(香港除外)之所得稅		
– The subsidiary incorporated in the PRC	– 於中國成立之附屬公司	362	615
– Subsidiaries incorporated in Hong Kong with property development investments in the PRC	– 於香港成立而在中國投資房地產開發之附屬公司	6,727	117
		7,089	732
Associate	聯營公司		
Income tax in the PRC other than Hong Kong	中國(香港除外)之所得稅	–	1
		7,089	733

Enterprise income tax for the subsidiary incorporated in the PRC is calculated at 15% of the estimated assessable profit for the year (2003: 15%).

本中國成立之附屬公司之所得稅乃本年度估計的應課溢利按15%之稅率計算(二零零三年: 15%)。

Enterprise income tax for the subsidiaries incorporated in Hong Kong which have property development investments in the PRC is calculated at 3% (2003: 1%) of the sales revenue on respective property development projects.

在香港成立之附屬公司而擁有在中國的物業發展項目乃按物業發展項目所產生的銷售收入之3%(二零零三年: 1%)計算所得稅。

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For the year ended 31 December, 2004 截至二零零四年十二月三十一日止年度

8. TAXATION (Continued)

No provision for Hong Kong profits tax has been made in the financial statements as the Group's income neither arises, nor is derived from, Hong Kong in both financial years. 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, interpretation and practices in respect thereof.

The provision for the year can be reconciled from taxation based on the consolidated income statement as follows:

8. 稅項 (續)

由於本集團於兩個年度之收入並非源自香港，因此並無於財務報表中為香港利得稅作出撥備。本集團於其他地方經營所得之應課稅利潤之稅項則根據該國家之現行法例，詮釋及實際操作按當前稅率計提。

本年度之撥備與綜合收益表之稅項對賬如下：

		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Profit/(Loss) before taxation	除稅前利潤／(虧損)	47,707	(66,118)
Tax at the domestic tax rate of 17.5% (2003: 17.5%)	按本地稅率17.5% (二零零三年：17.5%) 計算之稅項	8,349	(11,571)
Effect of different tax rates of a subsidiary company incorporated in the PRC	在中國成立之附屬公司按不同稅率之影響	(916)	1,434
Effect of different tax calculation basis for the PRC property development projects operated by the Hong Kong subsidiaries	由香港附屬公司在中國營運之物業發展項目對採用不同計稅基礎之影響	570	738
Tax effect on non-deductible expenses	不可扣減開支之稅務影響	2,106	10,123
Tax effect on accelerated depreciation allowance	加速折舊免稅額之稅務影響	-	9
Tax effect on non-taxable income	無須課稅收入之稅務影響	(3,020)	-
Tax charge for the year	本年度稅項支出	7,089	733

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For the year ended 31 December, 2004 截至二零零四年十二月三十一日止年度

8. TAXATION (Continued)

Deferred tax has not been provided (2003: Nil) because the Company and the Group had no significant temporary differences at the balance sheet date.

9. PROFIT ATTRIBUTABLE TO SHAREHOLDERS

Included in the Groups' consolidated profit attributable to shareholders of HK\$40,618,000 (2003: loss of HK\$66,851,000), loss of HK\$1,387,000 (2003: HK\$1,287,000) have been dealt with in the financial statements of the Company.

10. DIVIDENDS

At the Board of Directors meeting held on 23 April, 2005, the directors declared final dividends of HK0.8 cent per share (2003: nil). The total amount of dividends to be paid is HK\$16,373,000 and these proposed dividends are not reflected as a dividend payable in the financial statements, but will be reflected in the financial statements for the year ending 31 December, 2005.

11. EARNINGS PER SHARE

Basic earnings per share is calculated based on the profit attributable to shareholders of HK\$40,618,000 (2003: Loss of HK\$66,851,000) and on the weighted average number of 2,046,650,000 (2003: 2,046,650,000) shares issued during the year.

Diluted earnings per share is not presented as there are no diluting events during the year.

8. 稅項 (續)

由於財務申報之資產及負債賬面值與稅務基礎之可扣稅及應課稅臨時時差並不重大，因此並無提撥遞延稅項（二零零三年：無）。

9. 股東應佔利潤

包括在本集團股東應佔綜合利潤為港幣40,618,000元（二零零三年：虧損港幣66,851,000元）已計入本公司之虧損港幣1,387,000元（二零零三年：港幣1,287,000元）。

10. 股息

於二零零五年四月二十三日舉行之董事會會議上，董事宣佈派末期股息為每股港幣0.8仙（二零零三年：無），股息總數為港幣16,373,000元而此項擬派股息並未於本財務報表內反映為應付股息，但將於截至二零零五年十二月三十一日止年度之財務報表內反映。

11. 每股盈利

每股基本盈利乃根據股東應佔溢利港幣40,618,000元（二零零三年：虧損港幣66,851,000元）及年內已發行普通股之加權平均數2,046,650,000股（二零零三年：2,046,650,000股）計算。

由於本年度並無攤薄事件發生，故並無呈列每股攤薄盈利。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December, 2004 截至二零零四年十二月三十一日止年度

12. INVESTMENT PROPERTIES

12. 投資物業

		The Group 本集團	
		2004 二零零四年	2003 二零零三年
		HK\$'000 千港元	HK\$'000 千港元
Beginning of year	年初	42,398	25,787
Transfer (to)/from properties held for sale	由持作銷售物業轉(出)／入	(135)	14,944
Disposals (Note a)	出售(附註a)	(4,801)	—
Transfer from property, plant and equipment (Note b)	由物業、廠房及設備轉入(附註b)	7,976	—
Leasehold improvement (Note c)	租賃裝修(附註c)	2,087	—
Surplus on revaluation (Note d)	重估盈餘(附註d)	7,461	1,667
End of year	年末	54,986	42,398

Notes:

- (a) During the year, investment properties invested on a whole floor of a shopping centre were sold through public auction.
- (b) During the year, a club house has been leased to the third party under a non-cancelable operating lease and therefore the net book value of this club house was transferred from property, plant and equipment. (Note 13)
- (c) During the year, leasehold improvement is incurred on a shopping centre for investment purposes.

附註:

- (a) 在本年度投資物業中的一層商場在通過公開拍賣中被售出。
- (b) 在本年度，一所會所已根據一份不可撤銷之租賃協議租出予第三者，故該會所的賬面淨值乃從物業、廠房及設備轉入(附註13)。
- (c) 在本年度，對一個作為投資用的購物商場進行了裝修。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December, 2004 截至二零零四年十二月三十一日止年度

12. INVESTMENT PROPERTIES (Continued)

- (d) Investment properties were revalued by BMI Appraisals Limited, an independent professional valuer, using the basis date as at 31 December, 2004, on an open market value basis. This valuation gave rise to a revaluation surplus of approximately HK\$7,461,000 (2003: HK\$1,667,000).

All the Group's investment properties are situated outside Hong Kong and are held on long leases. As at 31 December, 2004, properties certificate of investment properties with carrying amounts of HK\$39,680,000 (2003: HK\$20,849,000), have not yet been issued.

Investment properties of a carrying amount of HK\$15,306,000 (2003: HK\$16,341,000) have been pledged to the banks as securities for the banking facilities granted to the companies within the Group.

12. 投資物業 (續)

- (d) 投資物業乃由獨立專業評估師邦盟滙駿評估有限公司按二零零四年十二月三十一日之公開市值作評估。是次評估帶來約港幣7,461,000元重估盈餘(二零零三年:港幣1,667,000元)。

本集團所有投資物業均位於香港境外,並以長期租約持有。於二零零四年十二月三十一日,賬面值港幣39,680,000元(二零零三年:港幣20,849,000元)之投資物業的房產證還未發出。

賬面值港幣15,306,000元(二零零三年:港幣16,341,000元)之投資物業已抵押予銀行作為本集團內公司的銀行融資擔保。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December, 2004 截至二零零四年十二月三十一日止年度

13. PROPERTY, PLANT AND EQUIPMENT

13. 物業、廠房及設備

The Group

本集團

		Land and buildings	Furniture, fixtures and office equipment	Leasehold improvements	Motor vehicles	Total
		土地及樓宇	傢具、裝置及 辦公室設備	租賃裝修	汽車	總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Cost	成本					
At 1 January, 2004	於二零零四年 一月一日	33,864	2,912	562	2,354	39,692
Additions	增加	-	1,064	-	-	1,064
Transfer to investment properties (note 12(b))	轉出至投資物業 (附註12(b))	(8,413)	-	-	-	(8,413)
Disposals	出售	-	(97)	-	(278)	(375)
At 31 December, 2004	於二零零四年 十二月三十一日	25,451	3,879	562	2,076	31,968
Accumulated depreciation	累積折舊					
At 1 January, 2004	於二零零四年 一月一日	3,617	2,598	554	2,094	8,863
Charge for the year	本年度支出	1,047	160	7	55	1,269
Transfer to investment properties (note 12(b))	轉出至投資物業 (附註12(b))	(437)	-	-	-	(437)
Elimination on disposals	出售時對銷	-	(97)	-	(211)	(308)
At 31 December, 2004	於二零零四年 十二月 三十一日	4,227	2,661	561	1,938	9,387
Net book value	賬面淨值					
At 31 December, 2004	於二零零四年 十二月 三十一日	21,224	1,218	1	138	22,581
At 31 December, 2003	於二零零三年 十二月 三十一日	30,247	314	8	260	30,829

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財務報表附註

For the year ended 31 December, 2004 截至二零零四年十二月三十一日止年度

13. PROPERTY, PLANT AND EQUIPMENT

(Continued)

The Group

The carrying amount of land and buildings, all being held on long term leases, shown above comprises:

Land and buildings situated in Hong Kong	於香港境內之 土地及樓宇
Land and buildings situated in the PRC	於中國之 土地及樓宇

Land and buildings situated in the PRC mainly represents car park space and other facilities built in the construction projects.

Land and buildings with a net book value of HK\$4,977,000 (2003: HK\$5,071,000) have been pledged to the banks as securities for the banking facilities granted to the companies within the Group.

13. 物業、廠房及設備 (續)

本集團

上述所示以長期租約持有之土地及樓宇價值包括：

2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
4,977	5,071
16,247	25,176
21,224	30,247

於中國之土地及樓宇主要包括停車場及在建建築項目上之其他設施。

賬面淨值港幣4,977,000元(二零零三年:港幣5,071,000元)之土地及樓宇已抵押予銀行作為本集團內公司之銀行融資擔保。

14. INVESTMENTS IN SUBSIDIARIES

14. 於附屬公司之投資

The Company 本公司

		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份·按成本	159,056	159,056

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December, 2004 截至二零零四年十二月三十一日止年度

14. INVESTMENTS IN SUBSIDIARIES (Continued)

The carrying amount of the unlisted shares is based on the book values of the underlying net assets of the subsidiaries attributable to the Group as at the date on which the Company became the ultimate holding company of the Group under the group reorganization in 1999.

Details of the Company's subsidiaries at 31 December 2004 are as follows:

14. 於附屬公司之投資 (續)

非上市股份之面值乃根據本集團於一九九九年之重組而本公司成為本集團之最終母公司當日，按本集團所佔附屬公司相關資產淨值之賬面值之基準計算。

截至二零零四年十二月三十一日本公司之附屬公司之詳情如下：

Name of subsidiary 附屬公司名稱	Place/country of incorporation (or establishment)/ operations 註冊(或成立)/ 營運之地點/國家	Proportion of nominal value of issued capital/registered capital held by the Company 本公司所持有已發行 股本/註冊股本面值之比例		Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊股本	Principal activities 主要業務
		Directly 直接	Indirectly 間接		
		Grand Field Group Holdings (BVI) Limited	British Virgin Islands/ Hong Kong 英屬處女群島/香港		
Grand Field Group Investments (BVI) Limited	British Virgin Islands/ Hong Kong 英屬處女群島/香港	100%	–	US\$1 1美元	Investment holding 投資控股
Grand Field Group Limited 鈞濠集團有限公司	Hong Kong 香港	–	100%	Ordinary shares of HK\$200 and non-voting deferred shares of HK\$200 普通股港幣200元 及無投票權 遞延股港幣200元	Investment holding and property development 投資控股及 物業發展

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December, 2004 截至二零零四年十二月三十一日止年度

14. INVESTMENTS IN SUBSIDIARIES (Continued)

14. 於附屬公司之投資 (續)

Name of subsidiary	Place/country of incorporation (or establishment)/ operations	Proportion of nominal value of issued capital/registered capital held by the Company		Issued and fully paid share capital/ registered capital	Principal activities	
		Directly	Indirectly			
附屬公司名稱	註冊(或成立)/營運之地點/國家	本公司所持有已發行股本/註冊股本面值之比例	直接	間接	已發行及繳足股本/註冊股本	主要業務
Grand Field Property Development (Shenzhen) Company Limited (Note a)	PRC	–	100%	RMB19,232,100	Property development	
鈞濠房地產開發(深圳)有限公司 (附註a)	中國			人民幣19,232,100元	物業發展	
Ka Fong Industrial Company, Limited	Hong Kong/PRC	–	100%	Ordinary shares of HK\$200 and non-voting deferred shares of HK\$200	Property development	
嘉豐實業有限公司	香港/中國			普通股港幣200元及無投票權遞延股港幣200,000元	物業發展	
Kwan Cheung Holdings Limited	Hong Kong/PRC	–	100%	Ordinary shares of HK\$200 and non-voting deferred shares of HK\$200	Property development	
均翔股份有限公司	香港/中國			普通股港幣200元及無投票權遞延股港幣200元	物業發展	

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December, 2004 截至二零零四年十二月三十一日止年度

14. INVESTMENTS IN SUBSIDIARIES (Continued)

14. 於附屬公司之投資 (續)

Name of subsidiary	Place/country of incorporation (or establishment)/ operations	Proportion of nominal value of issued capital/registered capital held by the Company		Issued and fully paid share capital/ registered capital	Principal activities
		Directly	Indirectly		
附屬公司名稱	註冊(或成立)/營運之地點/國家	本公司所持有已發行之股本/註冊股本面值之比例		已發行及繳足股本/註冊股本	主要業務
		直接	間接		
Shing Fat Hong Limited	Hong Kong/PRC	-	100%	Ordinary shares of HK\$4 and non-voting deferred shares of HK\$2	Property development
成發行有限公司	香港/中國			普通股港幣4元及無投票權遞延股港幣2元	物業發展
Chinese Medicine And Technologies Company Limited (Note b)	Hong Kong	-	100%	Ordinary shares of HK\$2	Dissolved by deregistration
中華醫藥科技有限公司(附註b)	香港			普通股港幣2元	撤銷註冊解散
Grand Field New Energy Company Limited	Hong Kong	-	100%	Ordinary shares of HK\$2	Property holding
鈞濠新能源有限公司	香港			普通股港幣2元	物業控股

Notes:

附註:

(a) Grand Field Property Development (Shenzhen) Company Limited is a wholly foreign owned enterprise established in the PRC for an operating period of 24 years up to 2019.

(a) 鈞濠房地產開發(深圳)有限公司為一家於中國成立之外商獨資企業,營運年期24年,至二零一九年止。

(b) Chinese Medicine And Technologies Company Limited has been dissolved on 14 January 2005.

(b) 中華醫藥科技有限公司已於二零零五年一月十四日解散。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December, 2004 截至二零零四年十二月三十一日止年度

15. INTEREST IN AN ASSOCIATE

During the year, all interest in an associate company was disposed of to the third party at its book value of HK\$513,000.

15. 於聯營公司之權益

本年度所有於聯營公司之權益以賬面值港幣513,000元出售予第三者。

16. MORTGAGE LOANS RECEIVABLE

16. 應收貸款

		The Group 本集團	
		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Total loans receivable, secured	有抵押應收貸款總額	42,696	47,223
Less: Specific provision for doubtful and bad debts	減：呆賬及壞賬特定撥備	(6,271)	(5,878)
		36,425	41,345
Less: Balance due within one year included under current assets	減：計入流動資產之 一年內應收結餘	(17,516)	(17,245)
Balance due after one year	一年後應收結餘	18,909	24,100

These represent the interest-free loans provided by the Group to the customers and are to be repaid on instalments basis as stipulated in the scheduled loan agreement.

應收貸款乃指本集團向客戶提供之免息貸款，此等貸款根據貸款協議分期償還。

17. DEPOSITS FOR ACQUISITION OF LAND

The balance as at 31 December, 2004 mainly represents the amounts paid to the local authority to obtain the title of a piece of land in the PRC.

17. 購買土地之按金

於二零零四年十二月三十一日之結餘主要包括支付予中國當局以取得在中國之土地的所有權。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December, 2004 截至二零零四年十二月三十一日止年度

18. INVESTMENTS IN A PROPERTY DEVELOPMENT JOINT VENTURE

18. 物業發展合營企業之投資

		The Group 本集團	
		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Cost	成本	21,600	21,600
Impairments in value	減值虧損	(5,392)	–
Balances after impairments in value at year end	減值虧損後之年 末結餘	16,208	21,600
Accumulated amortization	累計攤銷		
Beginning of year	年初	7,560	5,400
Amounts charge in the current year	於本年度之支出	2,160	2,160
End of year	年末	9,720	7,560
Carrying amounts at year end	年末賬面值	6,488	14,040

Investments in a property development joint venture represent the consideration paid in 2000 to the co-operative developer for acquiring the 5% interest of the income to be arising from a property development project now operated by the Group.

物業發展合營企業之投資代表於二零零零年支付予共同發展者之代價以獲得本集團經營之物業發展項目收入之5%權益。

19. PLEDGED BANK DEPOSITS

The balance represents the bank deposits pledged as a security for the mortgage loans made available from the banks to the buyers of the Group's properties. As the balance will be pledged to the banks in the next twelve months, the balance is classified as a non-current asset.

19. 銀行抵押存款

結餘代表存款抵押予銀行作為銀行提供予本集團物業買家按揭貸款之擔保。由於存款將在未來十二個月抵押予銀行，故其分類為非流動資產。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December, 2004 截至二零零四年十二月三十一日止年度

20 PROPERTIES HELD FOR DEVELOPMENT

20. 持作發展物業

		The Group 本集團	
		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Land cost	土地成本	3,259	32,911
Development costs	建築成本	5,387	7,778
Interest capitalized	利息資本化	4,986	4,986
		13,632	45,675

The balance as at 31 December, 2004 represents the costs incurred by the Group on the properties under construction in the PRC (2003: HK\$13,377,000). Under the contracts of these property development projects entered into between the Group and the co-operative partner, the co-operative partner is responsible for making available the land use rights of the construction sites while the Group is responsible for, at its own costs, the construction of these properties. The certificates of the land use rights are now registered in the name of the co-operative partner and, under the contracts of these property development projects, the Group will be entitled to apply for the certificates of the land use rights for each separate construction sites in the name of the Group upon the completion of development.

Total interest capitalized in the properties held for development as at 31 December, 2004, is HK\$4,986,000 (2003: HK\$4,986,000) and the capitalization rate is nil for the year ended 31 December, 2004 (2003: 9.5%) as there is no interest capitalized during the year.

於二零零四年十二月三十一日之結餘代表本集團投入在中國之興建中物業之成本(二零零三年:港幣13,377,000元)。根據本集團與其合作夥伴就這些物業發展項目簽署之合約,其合作夥伴將提供建築地盤之土地使用權,而本集團則負責建築有關物業,建築成本由本集團負責。有關土地之國有土地使用權證現以該名合作夥伴的名義註冊,根據該等發展合約,竣工後本集團有權為每一個獨立地盤申請以本集團名義之土地使用權證。

已計入持作發展物業之總利息在二零零四年十二月三十一日為港幣4,986,000元(二零零三年:港幣4,986,000元)。截至二零零四年十二月三十一日止年度資本化比率為零(二零零三年:9.5%),因本年度並沒有利息資本化。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December, 2004 截至二零零四年十二月三十一日止年度

21. PROPERTIES HELD FOR SALE

At 31 December, 2004 and 31 December, 2003, all properties held for sale are situated outside Hong Kong and are held on long term leases.

As at 31 December, 2004, property certificates for properties held for sale with carrying amounts of HK\$14,632,000 (2003 : HK\$37,344,000) have not yet been issued to the Group.

Properties held for sale with a carrying amount of HK\$8,370,000 (2003: HK\$8,907,000) have been pledged to the banks as securities for the banking facilities granted to the companies within the Group.

21. 持作銷售物業

於二零零四年十二月三十一日及二零零三年十二月三十一日，所有持作銷售物業均位於香港以外地區，並以長期租約持有。

於二零零四年十二月三十一日，持作銷售物業中面值港幣14,632,000元（二零零三年：港幣37,344,000元）之物業並未發出土地及物業業權證予本集團。

面值港幣8,370,000元（二零零三年：港幣8,907,000元）之持作銷售物業已抵押予銀行作為銀行給予本集團內公司銀行融資之擔保。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December, 2004 截至二零零四年十二月三十一日止年度

22. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

Included in the balance is an amount due from a co-operative developer amounting to HK\$32,067,000 (2003: HK\$10,664,000).

22. 其他應收款，按金及預付款項

結餘包括應收一位合作夥伴之款項，總數為港幣 32,067,000 元（二零零三年：港幣 10,664,000 元）。

23. INTEREST-BEARING BORROWINGS

23. 計息借款

		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Loan from a third party, unsecured and wholly repayable	由第三者提供之貸款，無抵押及須悉數償還		
– On demand or within one year	– 即時或一年內	1,799	2,235
– Between one and two years	– 一年以上至兩年內	2,790	2,235
– Between two and five years	– 兩年以上至五年內	2,970	4,470
– After five years	– 五年以上	1,360	3,526
		8,919	12,466
Less: Portion classified as current liabilities	減：列為流動負債部份	(1,799)	(2,235)
Total shown as non-current liabilities	以非流動負債列示總數	7,120	10,231
Current portion of loan from a third party	第三者提供之貸款之流動部份	1,799	2,235
Secured bank loans	銀行抵押貸款	30,755	47,830
Secured bank overdrafts	銀行抵押透支	–	4,209
Total shown as current liabilities	以流動負債列示總數	32,554	54,274
Total interest-bearing borrowings	計息借款總數	39,674	64,505

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For the year ended 31 December, 2004 截至二零零四年十二月三十一日止年度

23. INTEREST-BEARING BORROWINGS

(Continued)

Interest of the loan from a third party is charged on the outstanding balances at a rate of 11.4% (2003: 11.4%) per annum. The loans are repaid through monthly instalments up to 15 June 2015.

Interest of the bank loans is charged on the outstanding balances at a rate of 6.90% per annum (2003: at the rates ranging between 6.90% and 7.13% per annum). These are secured to the extent of the Group's assets as follows:

- (a) Investment properties of the Group with a carrying amounts of approximately HK\$15,306,000 (2003: HK\$16,341,000); and
- (b) Properties held for sale of the Group with a carrying amounts of approximately HK\$8,370,000 (2003: HK\$8,907,000).

Bank overdrafts are secured by the land and buildings of the Group with a carrying amount of approximately HK\$4,977,000 (2003: HK\$5,071,000).

As at 31 December, 2004, there are no land and buildings, investment properties and properties held for development of the Group pledged to the banks to secure banking facilities for third parties (2003: land and buildings, investment properties and properties held for development pledged were HK\$424,000, HK\$1,888,000 and HK\$32,299,000 respectively).

23. 計息借款 (續)

由第三者提供之貸款利息乃以未償還餘額按年利率11.4% (二零零三年: 11.4%) 計提。此貸款以每月分期方式償還, 直至二零一五年六月十五日。

銀行貸款利息乃以未償還餘額按年利率6.9% (二零零三年: 年利率6.9%至7.13%不等) 計提。該貸款以不多於下列集團資產作擔保:

- (a) 本集團之投資物業, 賬面值約港幣15,306,000元 (二零零三年: 港幣16,341,000元); 及
- (b) 本集團之持作銷售物業, 賬面值約港幣8,370,000元 (二零零三年: 港幣8,907,000元)。

銀行透支乃以本集團賬面值約港幣4,977,000元 (二零零三年: 港幣5,071,000) 之土地及樓宇作擔保。

於二零零四年十二月三十一日, 本集團並無土地及樓宇、投資物業及持作發展物業抵押予銀行作為授予第三方之銀行融資之擔保 (二零零三年: 作抵押土地及樓宇、投資物業及持作發展物業分別為港幣424,000元、港幣1,888,000元及港幣32,299,000元)。

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For the year ended 31 December, 2004 截至二零零四年十二月三十一日止年度

24. TRADE PAYABLES, DEPOSITS AND ACCRUALS

Ageing analysis of trade payables is as follows:

Current to 90 days	即期至90日
91 to 180 days	91日至180日
181 to 360 days	181日至360日
Over 360 days	超過360日

24. 應付賬款、按金及應付費用

應付賬款的賬齡分析如下：

	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
	1,306	10,355
	74	7,777
	-	7,940
	9,246	102
	10,626	26,174

25. AMOUNTS DUE TO A DIRECTOR

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

25. 欠董事之款項

該金額乃無抵押、不計利息且無固定還款期。

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26. SHARE CAPITAL

26. 股本

		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
<i>Authorised:</i>	法定:		
5,000,000,000 ordinary shares of HK\$0.02 each	5,000,000,000每股面值 港幣0.02元之普通股	100,000	100,000
<i>Issued and fully paid:</i>	已發行及繳足股本:		
2,046,650,000 ordinary shares of HK\$0.02 each	2,046,650,000每股面值 港幣0.02元之普通股	40,933	40,933

There have been no movements in share capital during the years ended 31 December 2003 and 31 December 2004.

於二零零三年十二月三十一日至二零零四年十二月三十一日止年度股本並沒有變動。

27. RESERVES

27. 儲備

The movements of reserves of the Group and Company are set out under the statement of changes in equity.

本集團及本公司之儲備變動已列載於權益變動表中。

Special reserve of the Group represents the difference between the nominal value of the shares of the subsidiaries and the nominal value of the Company's shares issued at part of the group reorganization in 1999 for the listing of the Company's shares on the Stock Exchange.

本集團之特別儲備乃本公司的股票於一九九九年在聯交所上市時進行集團重組中本公司股票面值與附屬公司股票值之差異。

The contributed surplus of the Company arose as a result of the same group reorganisation and represents the excess of the then combined net assets of the subsidiaries acquired, over the nominal value of the Company's shares issued in exchange therefor.

本公司之實繳盈餘亦由於同一集團重組而出現，及代表本公司發行股票以收購附屬公司，附屬公司合併淨資產值超過股票面值部份。

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財務報表附註

For the year ended 31 December, 2004 截至二零零四年十二月三十一日止年度

27. RESERVES (Continued)

Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus account of the Company is available for distributed. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus if:

- (a) it is, or would after the payments be, unable to pay its liabilities as they become due; or
- (b) the realizable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

In the option of the directors, the Company's reserves available for distribution to shareholders are as follows:

27. 儲備 (續)

根據百慕達一九八一年公司法(經修訂),本公司之實繳盈餘賬可作分派。惟在下列情況下,本公司不可宣布或派發股息,或從實繳盈餘中作出分派,如:

- (a) 本公司現已或將於分派後,無力償還到期債務;或
- (b) 資產可變現價值少於債務總值加上其已發行股本及股份溢價。

董事認為,本公司可用作分派予股東之儲備如下:

		2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Contributed surplus	實繳盈餘	140,281	140,281
Accumulated losses	累積虧損	(7,607)	(6,420)
		132,674	133,861

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財務報表附註

For the year ended 31 December, 2004 截至二零零四年十二月三十一日止年度

28. CAPITAL COMMITMENTS

As at 31 December, 2004, the Group had the following capital commitments:

Capital expenditure in respect of
property development projects: 物業發展項目之資本開支：
Contracted but not provided for 已訂約但未撥備
Authorized but not
contracted for 已批核但未訂約

As at 31 December, 2004, the Company did not have any capital commitments.

29. OPERATING LEASE COMMITMENTS

(a) The Group as lessee

As at 31 December 2004, the Group had total future minimum lease payments in respects of land and buildings under a non-cancelable operating lease, as follows:

Within one year 一年內
In the second to fifth
years inclusive 兩年至五年內
(包括首尾兩年)

28. 資本承擔

於二零零四年十二月三十一日，本集團之資本承擔如下：

2004	2003
二零零四年	二零零三年
HK\$'000	HK\$'000
千港元	千港元

5,038	40,918
8,083	8,083
13,121	49,001

於二零零四年十二月三十一日，本公司並無任何資本承擔。

29. 經營租約承擔

(a) 本集團作為承租人

於二零零四年十二月三十一日，本集團於不可撤銷經營租約下土地及樓宇之未來最低租金承擔於下列期間到期：

2004	2003
二零零四年	二零零三年
HK\$'000	HK\$'000
千港元	千港元

186	223
—	186
186	409

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29. OPERATING LEASE COMMITMENTS

(Continued)

(b) The Group as lessor

As at 31 December 2004, the Group had contracted with its tenants for the following total future minimum lease payments in respects of investment properties under non-cancelable operating leases:

Within one year	一年內
In the second to fifth years inclusive	兩年至五年內 (包括首尾兩年)
Over five years	五年以上

During the year, an investment property together with the operating leases arrangement were sold to a third party.

(c) As at 31 December, 2004, the Company does not have any operating lease commitments as a lessee and any operating lease arrangements as a lessor.

29. 經營租約承擔

(b) 本集團作為出租人

於二零零四年十二月三十一日，本集團與其租戶就於不可撤銷經營租約下土地及樓宇之未來最低租金承擔於下列期間到期：

	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元
Within one year	2,576	4,991
In the second to fifth years inclusive	1,758	9,592
Over five years	1,736	13,803
	6,070	28,386

在本年度，一個連帶租約之投資物業已出售予第三方。

(c) 於二零零四年十二月三十一日，本公司並無任何作為承租人和出租人之經營租約承擔。

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30. CONTINGENT LIABILITIES

The Company has given corporate guarantees to a bank in respect of fully utilized general banking facilities granted to a subsidiary amounting to HK\$4,000,000 (2003: HK\$4,000,000).

31. RELATED PARTY DISCLOSURES

During the year, the Group did not have related party transactions (2003: HK\$90,000) which were carried out in the normal course of its business.

32. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorized for issue by the Board of Directors on 23 April, 2005.

30. 或然負債

於結算日，本公司已就授予一家附屬公司金額為港幣4,000,000元（二零零三年：港幣4,000,000元）之已完全動用一般銀行融資給予一家銀行企業保證。

31. 關連人士披露

在本年度，本集團在日常業務過程中並無關連人士交易（二零零三年：港幣90,000元）。

32. 財務報表批准

本財務報表由董事會於二零零五年四月二十三日批准及授權刊發。