

## 34 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 March 2006

	Share capital HK\$	Share premium HK\$	Goodwill HK\$	Buildings revaluation reserve HK\$	Special reserve HK\$	Exchange fluctuation reserve HK\$	Retained profits/ (accumu- lated losses) HK\$	Total HK\$
At 1 April 2004, as previously reported	48,038,077	24,482,848	(22,478,515)	13,138,946	(11,152,801)	51,728	7,710,678	59,790,961
Effect of the changes in accounting policies	–	–	–	(13,138,946)	–	(163,837)	4,558,112	(8,744,671)
At 1 April 2004, as restated	48,038,077	24,482,848	(22,478,515)	–	(11,152,801)	(112,109)	12,268,790	51,046,290
Exercise of share options	661,500	–	–	–	–	–	–	661,500
Expenses incurred in an open offer	–	(420,098)	–	–	–	–	–	(420,098)
Net loss for the year	–	–	–	–	–	–	(19,636,769)	(19,636,769)
At 31 March 2005, as restated	<u>48,699,577</u>	<u>24,062,750</u>	<u>(22,478,515)</u>	<u>–</u>	<u>(11,152,801)</u>	<u>(112,109)</u>	<u>(7,367,979)</u>	<u>31,650,923</u>
At 1 April 2005	48,699,577	24,062,750	(22,478,515)	–	(11,152,801)	(112,109)	(7,367,979)	31,650,923
Effect of the changes in accounting policies	–	–	22,478,515	–	–	–	(22,478,515)	–
At 1 April 2005, as restated	48,699,577	24,062,750	–	–	(11,152,801)	(112,109)	(29,846,494)	31,650,923
Issue of new shares	9,600,000	2,880,000	–	–	–	–	–	12,480,000
Share issuance expenses	–	(66,462)	–	–	–	–	–	(66,462)
Share consolidation expenses	–	(132,849)	–	–	–	–	–	(132,849)
Exchange realignment	–	–	–	–	–	(345,206)	–	(345,206)
Surplus on revaluation	–	–	–	578,596	–	–	–	578,596
Deferred tax credited in the revaluation reserve	–	–	–	(32,200)	–	–	–	(32,200)
Net loss for the year	–	–	–	–	–	–	(29,803,022)	(29,803,022)
At 31 March 2006	<u>58,299,577</u>	<u>26,743,439</u>	<u>–</u>	<u>546,396</u>	<u>(11,152,801)</u>	<u>(457,315)</u>	<u>(59,649,516)</u>	<u>14,329,780</u>
Reserves retained by the Company and subsidiaries								
At 31 March 2006	<u>58,299,577</u>	<u>26,743,439</u>	<u>–</u>	<u>546,396</u>	<u>(11,152,801)</u>	<u>(457,315)</u>	<u>(59,649,516)</u>	<u>14,329,780</u>
At 31 March 2005	<u>48,699,577</u>	<u>24,062,750</u>	<u>(22,478,515)</u>	<u>–</u>	<u>(11,152,801)</u>	<u>(112,109)</u>	<u>(7,367,979)</u>	<u>31,650,923</u>

The notes on pages 38 to 109 form an integral part of these financial statements.