

Consolidated Statement of Changes in Equity

for the year ended 31 July 2006

China Rich Holdings Limited Annual Report 2006

	Attributable to equity holders of the company										
	Share capital	Share premium	Capital reserve	Exchange reserve	Distributable reserve	Contributed surplus	Investment revaluation reserve	(Accumulated losses)/ Retained profits	Sub-total	Minority interest	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
					(Note (a))			(Restated)	(Restated)	(Restated)	(Restated)
At 1 August 2004,											
as previously reported	225,667	399,499	11,613	1,596	77,033	-	(2,405)	(340,899)	372,104	-	372,104
Effect on adoption of HKAS 1	-	-	-	-	-	-	-	-	-	837	837
Effect on adoption of HKAS 17	-	-	-	-	-	-	-	(25)	(25)	-	(25)
At 1 August 2004, as restated	225,667	399,499	11,613	1,596	77,033	-	(2,405)	(340,924)	372,079	837	372,916
Exchange differences arising from translation of overseas operations	-	-	-	4,306	-	-	-	-	4,306	-	4,306
Net income recognised directly in equity	-	-	-	4,306	-	-	-	-	4,306	-	4,306
Loss for the year	-	-	-	-	-	-	-	(48,435)	(48,435)	70	(48,365)
Total recognised income and expenses for the year	-	-	-	4,306	-	-	-	(48,435)	(44,129)	70	(44,059)
Capital reduction	(203,100)	-	-	-	-	-	-	203,100	-	-	-
Cancellation of premium accounts	-	(399,499)	-	-	-	143,218	-	256,281	-	-	-
Rights issue	11,283	-	-	-	-	-	-	-	11,283	-	11,283
Premium arising from rights issue, net of expenses	-	31,879	-	-	-	-	-	-	31,879	-	31,879
At 31 July 2005, as restated and at 1 August 2005	33,850	31,879	11,613	5,902	77,033	143,218	(2,405)	70,022	371,112	907	372,019
Share of an associate's realised gain on disposal of investment in securities	-	-	-	-	-	-	2,405	-	2,405	-	2,405
Exchange differences arising from translation of overseas operations	-	-	-	572	-	-	-	-	572	-	572
Net income recognised directly in equity	-	-	-	572	-	-	2,405	-	2,977	-	2,977
Loss for the year	-	-	-	-	-	-	-	(28,010)	(28,010)	84	(27,926)
At 31 July 2006	33,850	31,879	11,613	6,474	77,033	143,218	-	42,012	346,079	991	347,070

Notes:

- The distributable reserve of the Group represents the difference between the nominal value of shares of the acquired subsidiaries and the nominal value of the Company's share issued for the acquisition at the time of the group reorganisation in 1994.
- Pursuant to the Companies Act 1981 of Bermuda, the Company's share premium account can be distributed in the form of fully paid shares.

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