1. GROUP REORGANISATION

The Company was incorporated in Bermuda as an exempted company with limited liability on 31 May 2001 with an authorised share capital of HK$100,000 divided into 10,000,000 shares of HK$0.01 each. Pursuant to a group reorganisation (the "Reorganisation") on 17 October 2001, the Company became the holding company of the companies now comprising the Group and was listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") in place of Hi Sun Holdings Limited ("HSHL") (formerly known as Guangdong Building Industries Limited). The reorganisation involved the following principal steps:

a) On 13 June 2001, Hi Sun (BVI) Limited ("HSBVI") was incorporated in the British Virgin Islands as an exempted company with limited liability having an authorised share capital of US$50,000 divided into 50,000 shares of US$1 each. One share of US$1 was issued and credited as fully paid to the Company on incorporation.

b) Pursuant to the terms of the Reorganisation, the authorised share capital of the Company was increased from HK$100,000 to HK$10,000,000 by the creation of 990,000,000 additional shares of HK$0.01 each.

c) On 17 October 2001, the shareholders of HSHL transferred 84,218,010 shares of HK$1 each, representing the entire issued share capital of HSHL, to HSBVI.

d) In consideration of the transfer noted in (c), the shareholders of HSHL received one share of HK$0.01 of the Company, credited as fully paid, for every one share in HSHL being transferred. HSBVI also issued one share of US$1, credited as fully paid, to the Company. As a result of the transfer, HSHL became an indirect wholly-owned subsidiary of the Company.

e) On 17 October 2001, the Company was listed on the Stock Exchange in place of HSHL.

The Reorganisation has been accounted for using the merger basis of accounting, as further detailed in the section "Basis of consolidation" in note 4 to the financial statements.

2. CORPORATE INFORMATION

The principal activities of the Group during the year were the construction and installation of curtain wall systems and aluminium windows for residential apartment blocks in Hong Kong.

The Company is a subsidiary of Rich Global Limited, a company incorporated in the British Virgin Islands. In the opinion of the directors, the ultimate holding company is Hi Sun Limited, a company incorporated in the British Virgin Islands.

3. IMPACT OF NEW AND REVISED STATEMENTS OF STANDARD ACCOUNTING PRACTICE ("SSAPs")

The following recently-issued and revised SSAPs are effective for the first time for the current year's financial statements:

- SSAP 9 (Revised): "Events after the balance sheet date"
- SSAP 14 (Revised): "Leases"
- SSAP 18 (Revised): "Revenue"
- SSAP 26: "Segment reporting"
- SSAP 28: "Provisions, contingent liabilities and contingent assets"
- SSAP 29: "Intangible assets"
- SSAP 30: "Business combinations"
- SSAP 31: "Impairment of assets"
- SSAP 32: "Consolidated financial statements and accounting for investments in subsidiaries"

These SSAPs prescribe new accounting measurement and disclosure practices. The major effects on the Group's accounting policies and on the amounts disclosed in these financial statements of those SSAPs which have had a significant effect on the financial statements, are summarised as follows:

SSAP 14 (Revised) prescribes the basis for lessor and lessee accounting for operating leases, and the required disclosures in respect thereof. Certain amendments have been made to the previous accounting measurement treatments, which may by accounted for retrospectively or prospectively, in accordance with the requirements of the SSAP. The revised SSAP requirements have not had a material effect on the amounts previously recorded in the financial statements, and therefore no prior year adjustment has been required. The disclosure changes under this SSAP have resulted in changes to the detailed information disclosed for operating leases, which is further detailed in note 30 to the financial statements.

SSAP 26 prescribes the principles to be applied for reporting financial information by segment. It requires that management assesses whether the Group's predominant risks or returns are based on business segments or geographical segments and determines one of these bases to be the primary segment information reporting format, with the other as the secondary segment information reporting format. The impact of this SSAP is the inclusion of significant additional segment reporting disclosures which are set out in note 5 to the financial statements.

SSAP 28 prescribes the recognition criteria and measurement bases to apply to provisions, contingent liabilities and contingent assets, together with the required disclosures in respect thereof. The principal impact of this SSAP on these financial statements is that certain provisions which were recognised in previous years, no longer qualify for recognition as provisions under SSAP 28. The adoption of SSAP 28 has not resulted in a prior year adjustment, as the reversal of these provisions in the current year is not material.

3. IMPACT OF NEW AND REVISED STATEMENTS OF STANDARD ACCOUNTING PRACTICE ("SSAPs") (Continued)

In addition to the above new and revised SSAPs, certain minor revisions to SSAP 17 are effective for the first time for the current year's financial statements. The only significant effect of these revisions is that SSAP 17 requires that impairment losses on fixed assets are aggregated with accumulated depreciation in note 15 to the financial statements, whereas previously they were deducted from the cost of the relevant asset. This disclosure reclassification has had no effect on the net carrying amount of fixed assets in the balance sheet.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with Hong Kong Statements of Standard Accounting Practice, 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.

Basis of consolidation

The consolidated financial statements have been prepared using the merger basis of accounting. On this basis, the Company has been treated as the holding company of its subsidiaries for both years presented rather than from the date of its acquisition of the subsidiaries. Accordingly, the consolidated results of the Group for the years ended 31 December 2000 and 2001 include the results of the Company and its subsidiaries with effect from 1 January 2000 or since their respective dates of incorporation where this is a shorter period. The comparative consolidated balance sheet as at 31 December 2000 is the consolidated balance sheet of the subsidiaries of the Company under their former holding company, HSHL, prior to the reorganisation as set out in note 1 to the financial statements. This basis has been consistently adopted for the preparation of comparative amounts in the consolidated financial statements.

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 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.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Joint venture companies (Continued)

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.

A joint venture company is treated as a jointly-controlled entity, if the Company does not have unilateral control, but has joint control 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 jointly-controlled entities is included in the consolidated profit and loss account and consolidated reserves, respectively. The Group's interests in 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.

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 or its net selling price.

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.

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.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

When assets are sold or retired, their cost and accumulated depreciation are eliminated from the financial statements and any gain or loss resulting from their disposal is included in the profit and loss account.

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

Leasehold land and buildings	2% - 6%
Leasehold improvements	20%
Office furniture and equipment	18% - 25%
Plant and equipment	9% - 25%
Motor vehicles	18% - 25%

Borrowing costs

Borrowing costs directly attributable to the acquisition or construction of an asset which takes a substantial period of time to get ready for its intended use or sale are capitalised until the construction of the relevant asset is completed, and are included in the carrying value of the asset. All other borrowing costs are recognised as expenses in the period in which they are incurred.

Leased assets

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets and rentals receivable under the operating leases are credited to the profit and loss account on the straight-line basis over the lease terms.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Construction/installation contracts

Construction/installation revenue comprises the agreed contract amount and appropriate amounts from variation orders, claims and incentive payments. Construction/installation costs incurred comprise direct materials, direct labour and an appropriate proportion of variable and fixed construction overheads.

Revenue from fixed price construction/installation contracts is recognised on the percentage of completion method, measured by reference to the costs incurred to date as compared to the estimated total costs to be incurred under the construction/installation contracts and/or by reference to independent quantity surveyor's assessment reports.

Provision is made for foreseeable losses as soon as they are anticipated by management.

Where progress billings exceed construction/installation costs incurred to date plus recognised profits less recognised losses, the surplus is treated as an amount due to contract customers.

Where construction/installation costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is treated as an amount due from contract customers.

Foreign currencies

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

On consolidation, the financial statements of a subsidiary/jointly-controlled entity established in Mainland China are translated into Hong Kong dollars at the applicable rates of exchange ruling at the balance sheet date. All translation differences arising on consolidation are included in the exchange fluctuation reserve.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 construction/installation contracts, based on the stage of completion of the construction/installation work, provided that this and the costs incurred, as well as the estimated costs to completion, can be measured reliably. The stage of completion of the construction/installation work performed is established by reference to the costs incurred to date as compared to the estimated total costs to be incurred under the construction/installation contracts and/or by reference to independent quantity surveyor's assessment reports;

(b) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;

(c) rental income, on a time proportion basis over the lease terms; and

(d) interest income, on a time proportion basis taking into account the principal outstanding and the effective interest rate applicable.

Cash equivalents

For the purpose of the consolidated cash flow statement, cash equivalents represent short term highly liquid investments which are readily convertible into known amounts of cash and which were within three months of maturity when acquired, less advances from banks repayable within three months from the date of the advance. For the purpose of balance sheet classification, cash and bank balances represent assets, which are not restricted as to use.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the balance sheet date of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the profit and loss account.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Provisions (Continued)

Provisions for warranties granted by the Group on construction/installation contracts are recognised based on past experience of repairs and maintenance, and the remaining number of years under warranty, discounted to their present value as appropriate.

Retirement benefits scheme

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "Scheme") under the Mandatory Provident Fund Schemes Ordinance, for all of its employees in Hong Kong. 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 Scheme. The assets of the Scheme are held separately from those of the Group in an independently administrated fund. The Group's employer contributions vest fully with the employees when contributed to the Scheme, except for the Group's employer voluntary contributions, which are refunded to the Group when the employee leaves employment prior to the contributions vesting fully, in accordance with the rules of the Scheme.

In addition, pursuant to the government regulations in Mainland China, the Group is required to contribute an amount based on 25.5% of the wages for the year of those workers in Mainland China. The local municipal government undertakes to assume the retirement benefits obligations of those workers of the Group. Contributions to these retirement benefits schemes are charged to the profit and loss account as incurred.

Deferred tax

Deferred tax is provided, using the liability method, on all significant timing differences to the extent it is probable that the liability will crystallise in the foreseeable future. A deferred tax asset is not recognised until its realisation is assured beyond reasonable doubt.

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.

5. SEGMENT INFORMATION

SSAP 26 was adopted during the year, as detailed in note 3 to the financial statements. Segment information is presented by way of two segment formats, (i) on a primary segment reporting basis, by business segment; and (ii) on a secondary segment reporting basis, by geographical segment.

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

(a) the construction and installation of curtain wall systems and aluminium windows; and
(b) the sale and distribution of sanitary ware and kitchen cabinets.

In determining the Group's geographical segments, revenues and results 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.

5. SEGMENT INFORMATION (Continued)

(a) Business segments

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

Group	Construction and installation of curtain wall systems and aluminium windows		Sale and distribution of sanitary ware and kitchen cabinets		Consolidated	
	2001	2000	**2001**	2000	**2001**	2000
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment revenue:						
Sales to external customers	**35,284**	76,876	**191**	548	**35,475**	77,424
Other revenue	**879**	833	**31**	97	**910**	930
Total	**36,163**	77,709	**222**	645	**36,385**	78,354
Segment results	**(9,150)**	(50,767)	**822**	(2,694)	**(8,328)**	(53,461)
Interest income					**16**	82
Loss from operating activities					**(8,312)**	(53,379)
Finance costs					**(5,094)**	(29,021)
Non-operating income, net					**353,795**	–
Profit/(loss) before tax					**340,389**	(82,400)
Tax credit					**3**	2,656
Profit/(loss) before minority interests					**340,392**	(79,744)
Minority interests					**2,573**	(1,767)
Net profit/(loss) from ordinary activities attributable to shareholders					**342,965**	(81,511)

5. SEGMENT INFORMATION (Continued)

(a) Business segments (Continued)

Group	Construction and installation of curtain wall systems and aluminium windows		Sale and distribution of sanitary ware and kitchen cabinets		Consolidated	
	2001	2000	**2001**	2000	**2001**	2000
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment assets	**45,969**	61,635	**362**	302	**46,331**	61,937
Segment liabilities	**22,275**	393,614	**3,783**	3,959	**26,058**	397,573
Unallocated liabilities					**–**	153
					26,058	397,726
Other segment information:						
Depreciation	**1,346**	2,760	**17**	16	**1,363**	2,776
Non-cash expenses	**953**	331	**–**	1,356	**953**	1,687
Provision for impairment in values of land and buildings	**589**	4,410	**–**	–	**589**	4,410
Provision for/(write-back of provision for) doubtful debts	**(3,688)**	16,918	**(906)**	1,766	**(4,594)**	18,684
Provision for/(write-back of provision for) contract work in progress	**(12,866)**	5,610	**–**	308	**(12,866)**	5,918
Provision for/(write-back of provision for) legal claims	**(2,300)**	1,300	**–**	–	**(2,300)**	1,300
Gain on disposal of a subsidiary	**(1,378)**	–	**–**	–	**(1,378)**	–
Capital expenditure	**393**	790	**–**	–	**393**	790

5. SEGMENT INFORMATION (Continued)

(b) Geographical segments

The following table presents revenue, profit/(loss) and certain asset and expenditure information for the Group's geographical segments.

	Hong Kong		Elsewhere in Mainland China		Consolidated	
	2001	2000	**2001**	2000	**2001**	2000
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment revenue:						
Sales to external customers	**30,169**	69,309	**5,306**	8,115	**35,475**	77,424
Other revenue	**880**	683	**30**	247	**910**	930
Total	**31,049**	69,992	**5,336**	8,362	**36,385**	78,354
Segment results	**(4,718)**	(53,405)	**(3,594)**	26	**(8,312)**	(53,379)
Other segment information:						
Segment assets	**42,807**	52,614	**3,524**	9,323	**46,331**	61,937
Capital expenditure	**218**	790	**175**	–	**393**	790

6. TURNOVER, REVENUE AND GAINS

The turnover represents the value of construction/installation work performed and the invoiced value of goods sold, net of discounts and returns.

The Group's turnover, other revenue and gains for the year arose from the following activities:

	2001	2000
	HK$'000	*HK$'000*
Turnover		
Value of construction/installation work performed	**35,284**	76,876
Sale of goods	**191**	548
	35,475	77,424
Other revenue		
Rental income	**410**	303
Interest income	**16**	82
Proceeds on sale of scrap materials	**98**	2
Others	**386**	543
	910	930
Gains		
Gain on disposal of a subsidiary	**1,378**	–
	37,763	78,354

7. LOSS FROM OPERATING ACTIVITIES

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

	2001	2000
	HK$'000	*HK$'000*
Auditors' remuneration	**540**	600
Depreciation	**1,363**	2,776
Less: Depreciation capitalised into contract work in progress	**(193)**	(231)
Net depreciation charges	**1,170**	2,545
Staff costs (excluding directors' remuneration *(note 10)*):		
Wages and salaries	**12,565**	17,240
Pension contributions	**244**	401
Less: staff costs capitalised into contract work in progress	**(1,200)**	(1,596)
	11,609	16,045
Operating lease rentals in respect of land and buildings	**47**	266
Foreign currency losses/(gains), net	**(55)**	361
Fixed assets written off	**139**	36
Write-back of warranty provisions, net	**(2,643)**	(9,665)
Other operating expense/(income), net:		
Provision for/(write-back of provision for) legal claims	**(2,300)**	1,300
Provision for impairment in values of land and buildings	**589**	4,410
Provision for amounts due from minority shareholders of a subsidiary	**506**	–
Provision for other receivables	**308**	–
Gain on disposal of a subsidiary	**(1,378)**	–
Provision against slow-moving inventories	**–**	1,651
	(2,275)	7,361

8. FINANCE COSTS

	Group	
	2001	2000
	HK$'000	*HK$'000*
Interest on bank loans, overdrafts and other loans wholly repayable within five years	**4,988**	29,446
Interest on finance leases	**106**	78
Total interest	**5,094**	29,524
Less: Interest capitalised into contract work in progress	**–**	(503)
	5,094	29,021

9. NON-OPERATING INCOME, NET

	Group	
	2001	2000
	HK$'000	*HK$'000*
Waiver of loans *(note)*	**357,526**	–
Expenses in relation to an unconditional cash offer to acquire all of the remaining issued shares of HSHL, made by Hi Sun Limited	**(1,077)**	–
Group reorganisation expenses	**(2,654)**	–
	353,795	–

Note: On 10 February 2001, Hi Sun Limited entered into a conditional sale and purchase agreement (the "Agreement") with Guangdong Investment Limited ("GDI"), the then controlling shareholder of HSHL, to acquire its entire holding of 48,138,892 shares in the capital of HSHL. Pursuant to the Agreement, GDI and its subsidiaries (collectively the "GDI Group") agreed to waive the net balances owed by the Group to the GDI Group. The Agreement was completed on 3 March 2001 and the net indebtedness waived by the GDI Group amounted to approximately HK$357,526,000.

10. DIRECTORS' REMUNERATION

	Group	
	2001	2000
	HK$'000	*HK$'000*
Directors' fees:		
Executive	–	–
Independent non-executive	**201**	75
Executive directors:		
Salaries and other emoluments	–	1,895
	201	1,970

The remuneration of the directors fell within the following bands:

	2001	2000
	Number of directors	Number of directors
Nil - HK$1,000,000	**9**	11
HK$1,500,001 - HK$2,000,000	–	1

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

11. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year did not include any director (2000: one). The details of the remuneration of the five (2000: four) highest paid employees are set out below:

	Group	
	2001	2000
	HK$'000	*HK$'000*
Salaries, allowances and benefits in kind	**3,687**	3,459

11. FIVE HIGHEST PAID EMPLOYEES (Continued)

The remuneration of the five (2000: four) highest paid employees fell within the following bands:

	2001 Number of employees	2000 Number of employees
Nil - HK$1,000,000	**4**	3
HK$1,000,001 - HK$1,500,000	**1**	1

12. TAX

	Group	
	2001	2000
	HK$'000	*HK$'000*
Provision for the year:		
Hong Kong profits tax	–	(12)
Mainland China corporate income tax	–	(12)
Deferred tax	–	430
	–	406
Overprovision in prior years	**3**	2,250
Tax credit for the year	**3**	2,656

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the year. In the prior year, Hong Kong profits tax was provided at the rate of 16% on the estimated assessable profits arising in Hong Kong.

Tax in Mainland China in the prior year represented corporate income tax which was provided on profits from operations deemed to arise in Mainland China at 33%.

13. NET LOSS FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS

The net loss from ordinary activities attributable to shareholders for the period ended 31 December 2001 dealt with in the financial statements of the Company was HK$2,723,000.

14. EARNINGS/(LOSS) PER SHARE

The calculation of basic earnings per share is based on the net profit from ordinary activities attributable to shareholders of the Company of HK$342,965,000 (2000: loss of HK$81,511,000) and on the weighted average number of 84,586,229 (2000: 84,218,010) ordinary shares in issue during the year.

The weighted average number of shares used to calculate the basic earnings per share for the two years ended 31 December 2001 includes the pro forma number of shares of the Company of 84,218,010 shares issued pursuant to the Reorganisation as further detailed in note 1 to the financial statements.

There were no dilutive effects on the basic earnings/(loss) per share for the years ended 31 December 2001 and 2000.

15. FIXED ASSETS

Group

	Leasehold land and buildings HK$'000	Leasehold improve-ments HK$'000	Office furniture and equipment HK$'000	Plant and equipment HK$'000	Motor vehicles HK$'000	Total HK$'000
At cost:						
At beginning of year:						
As previously reported	26,442	2,538	2,530	1,915	2,560	35,985
Reclassified to accumulated depreciation and impairment *(note)*	18,101	–	–	–	–	18,101
As restated	44,543	2,538	2,530	1,915	2,560	54,086
Additions	175	–	218	–	–	393
Disposals	–	–	–	–	(28)	(28)
Write-off	–	(47)	(699)	(851)	(20)	(1,617)
Reclassified to interest in a jointly-controlled entity	(1,988)	(1,311)	(130)	(1,026)	(824)	(5,279)
Exchange realignment	(1)	–	(1)	(1)	–	(3)
At 31 December 2001	**42,729**	**1,180**	**1,918**	**37**	**1,688**	**47,552**
Accumulated depreciation and impairment:						
At beginning of year						
As previously reported	6,027	1,843	1,561	1,383	2,297	13,111
Reclassified from cost *(note)*	18,101	–	–	–	–	18,101
As restated	24,128	1,843	1,561	1,383	2,297	31,212
Provided during the year	540	106	477	175	65	1,363
Impairment during the year recognised in the profit and loss account	589	–	–	–	–	589
Disposals	–	–	–	–	(28)	(28)
Write-off	–	(47)	(655)	(756)	(20)	(1,478)
Reclassified to interest in a jointly-controlled entity	(652)	(725)	–	(765)	(626)	(2,768)
Exchange realignment	(1)	–	–	–	–	(1)
At 31 December 2001	**24,604**	**1,177**	**1,383**	**37**	**1,688**	**28,889**
Net book value:						
At 31 December 2001	**18,125**	**3**	**535**	**–**	**–**	**18,663**
At 31 December 2000	20,415	695	969	532	263	22,874

15. FIXED ASSETS (Continued)

Note: Accumulated impairment losses are aggregated with accumulated depreciation under the revised disclosure requirements of SSAP 17, as detailed in note 3 to the financial statements, whereas previously they were disclosed as an adjustment to the cost of the assets. This change has been disclosed as a retrospective reclassification.

The net book value of the Group's land and buildings is analysed as follows:

	Group	
	2001	2000
	HK$'000	*HK$'000*
Long term leases in Hong Kong	**1,972**	2,400
Medium term leases in Hong Kong	**12,629**	13,100
Medium term leases in Mainland China	**3,524**	3,420
Short term leases in Mainland China	**–**	1,495
	18,125	20,415

At 31 December 2001, the Group's leasehold land and buildings in Hong Kong with a net book value of approximately HK$14,600,000 (2000: Nil) were pledged to secure general banking facilities granted to a subsidiary of the Company (note 22).

16. INTERESTS IN SUBSIDIARIES

	Company
	2001
	HK$'000
Unlisted investments, at cost	**4,136**
Less: Provisions for impairment	**(2,000)**
	2,136
Due to subsidiaries	**(515)**
	1,621

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

16. INTERESTS IN SUBSIDIARIES (Continued)

Particulars of the subsidiaries at the balance sheet date were as follows:

Name	Place of incorporation and operations	Nominal value of issued and paid-up share capital	Percentage of equity interest held by Company %	Percentage of equity interest held by Group %	Principal activities
Dynasty International Industries Limited	Hong Kong	Ordinary HK$2	–	100	Wholesale supply of sanitary ware and kitchen cabinets
Fenella Holdings Limited	British Virgin Islands/ Hong Kong	Ordinary US$1	–	100	Property holding
Fordstar Development Limited	British Virgin Islands/ Hong Kong	Ordinary US$1	–	100	Property holding
Full Arts Metal Works Limited	Hong Kong	Ordinary HK$11,000,000	–	100	Design, supply and installation of curtain walls and aluminium windows
Golden Pacific Management Limited	British Virgin Islands/ Hong Kong	Ordinary US$50,000	–	100	Investment holding
Hi Sun (BVI) Limited	British Virgin Islands/ Hong Kong	Ordinary US$2	100	100	Investment holding
Hi Sun Consulting Limited	British Virgin Islands/ Hong Kong	Ordinary US$100	–	100	Provision of consulting services
Hi Sun Holdings Limited	Hong Kong	Ordinary HK$84,218,010	–	100	Investment holding
Modern Concord Development Limited	British Virgin Islands/ Hong Kong	Ordinary US$1	–	100	Dormant

16. INTERESTS IN SUBSIDIARIES (Continued)

Name	Place of incorporation and operations	Nominal value of issued and paid-up share capital	Percentage of equity interest held by Company %	Percentage of equity interest held by Group %	Principal activities
Netley Enterprises Limited	British Virgin Islands/ Hong Kong	Ordinary US$1	–	100	Property holding
Polytech Development Limited	Hong Kong	Ordinary HK$100 Non-voting deferred HK$9,000	–	100	Investment holding
Renaissance Building Supplies Limited	Hong Kong	Ordinary HK$2	–	100	Trading of sanitary ware
Salisbury Group Limited	British Virgin Islands/ Hong Kong	Ordinary US$1	–	100	Property holding
Visionaire Enterprises Limited	British Virgin Islands/ Hong Kong	Ordinary US$1	–	100	Investment holding

17. INTEREST IN A JOINTLY-CONTROLLED ENTITY

	Group 2001 HK$'000	Group 2000 HK$'000
Share of net assets	–	–
Due to a jointly-controlled entity	**(2,335)**	–
	(2,335)	–

17. INTEREST IN A JOINTLY-CONTROLLED ENTITY (Continued)

Particulars of the jointly-controlled entity are as follows:

Name	Business structure	Place of registration and operations	Percentage of Ownership interest	Percentage of Voting power	Percentage of Profit sharing	Principal activities
Shanghai Full Arts Curtain Wall Engineering Co., Ltd. ("SHFA")	Corporate	Mainland China	60	50	60	Design, supply and installation of curtain walls and aluminium windows

The above investment is held by a subsidiary of the Company.

SHFA was accounted for as a subsidiary in prior years. During the year, following a change in composition of the board of directors of SHFA in October 2001, the Company's directors considered that the Group could no longer exercise effective control over the financial and operating policies of SHFA but that the Group does exercise joint control. Accordingly, the directors believe that it is more appropriate to account for the Group's interest in SHFA as an interest in a jointly-controlled entity from 31 December 2001 onwards.

18. CONSTRUCTION/INSTALLATION CONTRACT RECEIVABLES

	Group 2001 HK$'000	Group 2000 HK$'000
Amounts due from contract customers	**4,120**	5,045
Contract costs incurred plus recognised profits less recognised losses to date	**92,022**	100,569
Less: Progress billings	**(87,902)**	(95,524)
	4,120	5,045

At 31 December 2001, retentions held by customers for contract works, included in trade receivables, amounted to HK$1,164,000 (2000: HK$9,847,000).

19. TRADE RECEIVABLES

The Group's average credit term to trade debtors is 30 days. An aged analysis of the Group's trade receivables as at the balance sheet date is as follows:

	2001	2000
	HK$'000	*HK$'000*
Current to 90 days	**1,625**	6,235
91 days to 180 days	**435**	–
181 days to 365 days	**1,073**	3,439
Over 365 days	**1,601**	8,999
	4,734	18,673

20. DUE FROM FORMER FELLOW SUBSIDIARIES

The amounts were waived by the GDI Group during the year as detailed in note 9 to the financial statements.

21. TRADE PAYABLES, OTHER PAYABLES AND ACCRUALS

An aged analysis of the Group's trade payables as at the balance sheet date is as follows:

	2001	2000
	HK$'000	*HK$'000*
Current to 90 days	**1,126**	6,150
91 days to 180 days	**129**	1,198
181 days to 365 days	**1,033**	5,208
1 year to 2 years	**2,276**	6,417
Over 2 years	**3,908**	582
	8,472	19,555
Other payables and accruals	**13,682**	18,463
	22,154	38,018

22. INTEREST-BEARING BANK BORROWINGS

	Group	
	2001	2000
	HK$'000	*HK$'000*
Bank overdrafts, secured	**233**	–
Trust receipt loans	**1,656**	–
	1,889	–

As at 31 December 2001, the Group's banking facilities were secured by the pledge of certain of the Group's land and buildings in Hong Kong with an aggregate net book value of approximately HK$14,600,000 (2000: Nil).

23. PROVISIONS

Group

	Warranties	
	2001	2000
	HK$'000	*HK$'000*
Balance at beginning of year	**5,801**	19,346
Provisions made during the year	**516**	6,427
Amount utilised during the year	**(1,143)**	(3,880)
Write-back of unutilised amounts	**(3,159)**	(16,092)
At 31 December	**2,015**	5,801

The Group generally provides 10-year warranties to its customers on the construction/installation of curtain wall systems, under which faulty systems are repaired or replaced at the Group's expense. The amount of the provision for warranties is estimated based on the past experience of repairs and maintenance, and the remaining number of years under warranty. The estimation basis is reviewed on an ongoing basis and revised where appropriate.

The adoption of SSAP 28 has not resulted in any prior year adjustment, as the reversal of the provisions in the current year is not material.

24. DUE TO A FORMER INTERMEDIATE HOLDING COMPANY

The amount was waived by the GDI Group during the year as detailed in note 9 to the financial statements.

25. DUE TO FORMER FELLOW SUBSIDIARIES

An amount of HK$1,000,000 due to a former fellow subsidiary was recorded by a subsidiary of the Company which was disposed of during the year. The remaining amounts were waived by the GDI Group during the year as detailed in note 9 to the financial statements.

26. SHARE CAPITAL

Shares

	2001 *HK$'000*
Authorised:	
1,000,000,000 ordinary shares of HK$0.01 each	**10,000**
Issued and fully paid:	
101,018,010 ordinary shares of HK$0.01 each	**1,010**

The comparative amount shown in the consolidated balance sheet represents the issued share capital of HSHL, the then holding company of the Group, divided into 84,218,010 shares of HK$1 each.

During the period from 31 May 2001 (date of incorporation) to 31 December 2001, the following changes in the Company's share capital took place:

(i) On incorporation, the authorised share capital amounted to HK$100,000 divided into 10,000,000 shares of HK$0.01 each.

(ii) On 7 June 2001, 10,000,000 shares of HK$0.01 each were allotted and issued as nil paid.

(iii) Pursuant to the terms of the Reorganisation, the authorised share capital of the Company was increased from HK$100,000 to HK$10,000,000 by the creation of an additional 990,000,000 shares of HK$0.01 each ranking pari passu in all respects with the existing share capital of the Company.

(iv) On 17 October 2001, pursuant to the Reorganisation as detailed in note 1 to the financial statements, the Company allotted and issued 74,218,010 new shares of HK$0.01 each credited as fully paid at par, and credited as fully paid at par 10,000,000 shares allotted and issued nil paid as set out in (ii) above, to the then shareholders of HSHL, in consideration for their transfer of shares in HSHL to HSBVI on a one share for one share basis.

(v) On 24 December 2001, 16,800,000 shares of HK$0.01 each were issued at HK$1.14 per share by way of placing for a total of cash consideration, before expenses, of HK$19,152,000.

26. SHARE CAPITAL (Continued)

Share options

The Company operates a share option scheme. Further details of which are set out under the heading "Share option scheme" in the Report of the Directors on page 19 of this annual report.

No options were granted during the year or outstanding at the balance sheet date.

27. RESERVES

Group

	Share premium account HK$'000	Contributed surplus (note i) HK$'000	Reserve funds (note ii) HK$'000	Exchange fluctuation reserve HK$'000	Accumulated losses HK$'000	Total HK$'000
At 1 January 2000	41,934	–	236	(898)	(385,577)	(344,305)
Net loss for the year	–	–	–	–	(81,511)	(81,511)
Exchange realignment	–	–	–	82	–	82
Transfer	–	–	33	–	(33)	–
At 31 December 2000 and 1 January 2001	41,934	–	269	(816)	(467,121)	(425,734)
Net profit for the year	–	–	–	–	342,965	342,965
Contributed surplus arising from the Reorganisation	–	83,376	–	–	–	83,376
Transfer to contributed surplus pursuant to the Reorganisation	(41,934)	41,934	–	–	–	–
Issue of shares	18,984	–	–	–	–	18,984
Share issue expenses	(323)	–	–	–	–	(323)
Exchange realignment	–	–	4	(9)	–	(5)
At 31 December 2001	**18,661**	**125,310**	**273**	**(825)**	**(124,156)**	**19,263**
Reserves retained by:						
Company and subsidiaries	18,661	125,310	–	56	(120,084)	23,943
A jointly-controlled entity	–	–	273	(881)	(4,072)	(4,680)
31 December 2001	**18,661**	**125,310**	**273**	**(825)**	**(124,156)**	**19,263**
Company and subsidiaries at 31 December 2000	41,934	–	269	(816)	(467,121)	(425,734)

27. RESERVES (Continued)

Notes:

(i) The contributed surplus of the Group represents the difference between the nominal value of the shares and share premium account of HSHL acquired pursuant to the Reorganisation, as set out in note 1 to the financial statements, over the nominal value of the Company's shares issued in exchange therefor.

(ii) Pursuant to the relevant laws and regulations for Sino-foreign joint venture enterprises, a portion of the profits of the Company's subsidiary/jointly-controlled entity established in Mainland China has been transferred to reserve funds which are restricted as to use.

Company

	Share premium account *HK$'000*	Contributed surplus (note) *HK$'000*	Accumulated losses *HK$'000*	Total *HK$'000*
Contributed surplus arising from the Reorganisation	–	3,293	–	3,293
Issue of shares	18,984	–	–	18,984
Share issue expenses	(323)	–	–	(323)
Net loss for the year	–	–	(2,723)	(2,723)
At 31 December 2001	**18,661**	**3,293**	**(2,723)**	**19,231**

Note: The contributed surplus of the Company represents the excess of the fair value of the shares of the subsidiaries acquired pursuant to the Reorganisation, as set out in note 1 to the financial statements, over the nominal value of the Company's shares issued in exchange therefor. Under the Companies Act 1981 of Bermuda, a company may made distributions to its members out of the contributed surplus under certain circumstances.

28. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

(a) Reconciliation of loss from operating activities to the net cash outflow from operating activities

	2001	2000
	HK$'000	*HK$'000*
		(Restated)
Loss from operating activities	**(8,312)**	(53,379)
Interest income	**(16)**	(82)
Depreciation	**1,170**	2,545
Fixed assets written off	**139**	36
Provision for impairment in values of land and buildings	**589**	4,410
Provision for other receivables	**308**	–
Provision for amounts due from minority shareholders of a subsidiary	**506**	–
Provision for/(write-back of provision for) legal claims	**(2,300)**	1,300
Provision for/(write-back of provision for) doubtful debts	**(4,594)**	18,684
Provision for/(write-back of provision for) contract work in progress	**(12,866)**	5,918
Provision for slow-moving inventories	**–**	1,651
Gain on disposal of a subsidiary	**(1,378)**	–
Write-back of warranty provisions, net	**(2,643)**	(9,665)
Changes in assets and liabilities:		
Trade receivables	**18,366**	18,564
Construction/installation contracts receivables	**13,980**	32,534
Inventories	**–**	378
Amounts due from minority shareholders of a subsidiary	**(506)**	–
Prepayments, deposits and other receivables	**1,625**	(537)
Amounts due from fellow subsidiaries	**–**	247
Trade payables, other payables and accruals	**(11,225)**	(24,114)
Provisions	**(1,143)**	–
Net cash outflow from operating activities	**(8,300)**	(1,510)

28. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (Continued)

(b) Analysis of changes in financing during the year

	Issued capital (including share premium account and contributed surplus) HK$'000	Bank loans HK$'000	Lease payables HK$'000	Due to a former intermediate holding company HK$'000	Due to former fellow subsidiaries HK$'000	Minority interests HK$'000
Balance at 1 January 2000	126,152	136,652	772	97,763	10,963	4,082
Cash inflow/(outflow) from financing, net	–	–	(619)	31,960	18,522	–
Bank loans assumed by a former intermediate holding company	–	(136,652)	–	193,546	–	–
Share of profit for the year	–	–	–	–	–	6
Receivable from minority interests written off	–	–	–	–	–	1,761
Dividends paid to minority interests	–	–	–	–	–	(122)
Balance at 31 December 2000 and 1 January 2001	126,152	–	153	323,269	29,485	5,727
Cash inflow/(outflow) from financing, net	18,829	–	(153)	(117)	–	–
Waiver of loans by GDI Group	–	–	–	(323,152)	(29,485)	–
Share of loss for the year	–	–	–	–	–	(2,573)
Reclassification to interest in a jointly-controlled entity	–	–	–	–	–	(3,154)
Balance at 31 December 2001	**144,981**	–	–	–	–	–

28. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (Continued)

(c) Major non-cash transactions

(i) As detailed in note 9 to the financial statements, a net balance of HK$357,526,000 due to the GDI Group was waived during the year; and

(ii) As detailed in notes 17 and 28(e) to the financial statements, interest in a subsidiary was reclassified to interest in a jointly-controlled entity at 31 December 2001.

(d) Disposal of a subsidiary

	2001 *HK$'000*
Net assets disposed of:	
Cash and bank balances	**2**
Construction/installation contract receivables	**4**
Trade receivables	**16**
Trade payables, other payables and accruals	**(400)**
Amount due to a former fellow subsidiary	**(1,000)**
	(1,378)
Gain on disposal of a subsidiary	**1,378**
	–
Satisfied by:	
Cash	**–**

An analysis of the net outflow of cash and cash equivalents in respect of the disposal of a subsidiary is as follows:

	2001 *HK$'000*
Cash consideration	**–**
Cash and bank balances disposed of	**(2)**
Net outflow of cash and cash equivalents in respect of the disposal of a subsidiary	**(2)**

The subsidiary disposed of in the current year had no significant impact in respect of the cash flows of the Group for the year ended 31 December 2001.

28. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (Continued)

(e) Reclassification of interest in a subsidiary to interest in a jointly-controlled entity

	2001 HK$'000
Net assets reclassified:	
Fixed assets	2,511
Cash and bank balances	96
Trade receivables	151
Amount due from the Group	2,335
Trade payables	(1,939)
Minority interests	(3,154)
	–
Reclassification to interest in a jointly-controlled entity	–

	2001 HK$'000
Analysis of the net outflow of cash and cash equivalents in respect of the reclassification	(96)

29. CONTINGENT LIABILITIES

(i) In 1997, Full Arts Metal Works Limited ("Full Arts"), a wholly-owned subsidiary of the Company, commenced proceedings against a sub-contractor claiming approximately HK$34,000,000 as damages for the non-performance of a sub-contract by the sub-contractor, and against one of its directors as guarantor for the performance of the contractual obligations by the subcontractor.

The sub-contractor also commenced proceedings against Full Arts, claiming approximately HK$25,000,000 for the alleged non-payment of monies due under the sub-contract and for the costs of the alleged supply of extra materials. Both actions were consolidated by an order of the court.

After mutual discovery of documents by the parties, the sub-contractor was liquidated in 2000 and no further action was pursued by Full Arts or the sub-contractor against each other thereafter. Based on legal advice, the directors are of the opinion that it is premature to give any reliable indication as to the likely outcome of these proceedings. Accordingly, because the directors considered that the Group had no present obligation towards the sub-contractor as at 31 December 2001, no provision has been made in the Group's financial statements in respect of the damages claimed by the sub-contractor in liquidation.

29. CONTINGENT LIABILITIES (Continued)

(ii) Full Arts commenced proceedings in 1999 against a sub-contractor claiming damages of approximately HK$7,200,000 for the alleged non-performance of a sub-contract. The sub-contractor then commenced proceedings against Full Arts counterclaiming approximately HK$10,033,000 as damages for breach of contract. Summonses for the direction of these proceedings were heard in 1999 and mutual discoveries were completed. As at 31 December 2001, these legal proceedings were still in progress.

Both parties are exploring the possibility of consolidating the two actions. Based on legal advice, the directors are of the opinion that it is premature to give any reliable indication as to the likely outcome on these proceedings. Accordingly, because the directors considered that the Group had no present obligation towards the sub-contractor as at 31 December 2001, no provision has been made in the Group's financial statements in respect of the damages claimed.

(iii) Full Arts terminated a sub-contract for the non-performance of a sub-contractor responsible for glass fabrication and installation for a project in Hong Kong. Full Arts commenced proceedings in 1999 against the sub-contractor claiming approximately HK$16,500,000 as damages for such non-performance and the amount over-paid by Full Arts. The sub-contractor commenced proceedings against Full Arts in the same year, claiming approximately HK$4,800,000 for the alleged non-payment of monies due under the sub-contract and loss of profit. In July 1999, Full Arts filed a reply and defence to counterclaim. As at 31 December 2001, the legal proceedings were still in progress.

Based on legal advice, the directors are of the opinion that it is premature to give any reliable indication as to the likely outcome of these proceedings. Accordingly, because the directors considered that the Group had no present obligation as at 31 December 2001, no provision has been made in the Group's financial statements in respect of the damages claimed by the sub-contractor.

(iv) A main contractor and an employer commenced proceedings against Full Arts claiming damages for the alleged non-performance of a sub-contract in 2000. Full Arts intended to file a defence and counterclaim against the main contractor for the unpaid contract sum of approximately HK$28,000,000. The directors consider that the employer had no merits in its claim against Full Arts and intend to apply to the Court to strike out such claim.

Based on legal advice, the directors are of the opinion that it is premature to give any reliable indication as to the likely outcome of these proceedings. Accordingly, because the directors considered that the Group had no present obligation as at 31 December 2001, no provision has been made in the Group's financial statements in respect of the damages claimed.

29. CONTINGENT LIABILITIES (Continued)

(v) In July 2001, three plaintiffs issued a writ of summons and subsequently a statement of claim in November 2001 in Hong Kong against Hi Sun Holdings Limited, an indirectly wholly-owned subsidiary of the Company, as one of the two defendants. The plaintiffs sought declarations that the plaintiffs acted as agents for the defendants in respect of the acquisition of two companies and that the loan of HK$40,000,000 borrowed by the first plaintiff from the other defendant and guaranteed by the second and third plaintiffs was used for the aforesaid acquisition as directed by the defendants. The plaintiffs also claimed against the defendants for such amount to be assessed in respect of all losses and disbursements incurred by the plaintiffs as a result of having acted as the agent for the defendants. In January 2002, Hi Sun Holdings Limited filed a statement of defence and denied all claims.

Based on legal advice, the directors are of the opinion that the plaintiffs' cases have no merit and hence no provision has been made in the Group's financial statements on account of the amount claimed.

30. OPERATING LEASE ARRANGEMENTS

The Group leases out certain of its leasehold land and buildings under operating lease arrangements, with leases negotiated for terms ranging from eight months to two years. The terms of the leases generally also require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions.

At 31 December 2001, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

	Group **2001** ***HK$'000***
Within one year	**110**

SSAP 14 (Revised), which was adopted during the year, requires lessors under operating leases to disclose the total future minimum operating lease receivables under non-cancellable operating leases, as detailed above. This disclosure was not previously required.

31. POST BALANCE SHEET EVENTS

The following events occurred subsequent to the balance sheet date:

(i) On 24 January 2002, the Company entered into a conditional sale and purchase agreement (the "Acquisition") with the existing shareholders (the "Vendors") of Hi Sun Technology Holding Limited ("Hi Sun Technology"), pursuant to which the Company conditionally agreed to acquire from the Vendors the entire issued share capital of Hi Sun Technology for a total cash consideration of HK$9.6 million. The Acquisition was completed on 28 February 2002 and Hi Sun Technology became a wholly-owned subsidiary of the Company.

(ii) On 20 February 2002, the Group disposed of certain of its land and buildings situated in Hong Kong to an independent third party for a cash consideration of approximately HK$2,731,000. There was no material gain or loss on disposal.

(iii) On 12 April 2002, the directors proposed a bonus issue of shares of the Company to the shareholders whose names appear on the register of members on 23 May 2002 on the basis of one share for every one share held. The bonus issue is conditional upon the approval of shareholders at the annual general meeting to be held on 23 May 2002.

32. COMPARATIVE AMOUNTS

As further explained in note 3 to the financial statements, due to the adoption of certain new and revised SSAPs during the current year, the accounting treatment and presentation of certain items and balances in the financial statements have been revised to comply with the new requirements. Accordingly, certain comparative amounts have been reclassified to conform with the current year's presentation.

33. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 12 April 2002.