

NOTES TO THE ACCOUNTS 賬目附註

1. PRINCIPAL ACCOUNTING POLICIES

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

(a) Basis of preparation

The accounts have been prepared in accordance with accounting principles generally accepted in Hong Kong and comply with accounting standards issued by the Hong Kong Society of Accountants (“HKSA”). They have been prepared under the historical cost convention modified by the revaluation of investment properties and other properties, and the marking to market of certain investments in securities as explained in the accounting policies set out below.

In the current year, the Group adopted the following Statements of Standard Accounting Practice (“SSAPs”) issued by the HKSA which are effective for accounting periods commencing on or after 1 January 2002:

SSAP 1 (revised) : Presentation of financial statements

SSAP 11 (revised) : Foreign currency translation

SSAP 15 (revised) : Cash flow statements

SSAP 34 (revised) : Employee benefits

(b) Group accounting

The consolidated accounts include the accounts of the Company and its subsidiaries made up to 31 December. Subsidiaries are those entities in which the Group controls the composition of the board of directors, controls more than half of the voting power or holds more than half of the issued share capital.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated profit and loss account from the effective date of acquisition or up to the effective date of disposal, as appropriate.

1. 主要會計政策

編製本賬目時採納之主要會計政策載列如下：

(a) 編製基準

賬目乃根據香港普遍採納之會計原則編製，並符合香港會計師公會（「會計師公會」）頒佈的會計準則。賬目乃按歷史成本法（已因應投資物業及其他物業之重估及若干證券投資按市值列賬而修訂，詳情見下文載列之會計政策）編製。

本集團於本年度採納會計師公會頒佈之會計實務準則（「會計準則」）如下，此等準則由二零零二年一月一日起或以後開始生效：

會計準則第1條：財務報表之呈報（經修訂）

會計準則第11條：外幣換算（經修訂）

會計準則第15條：現金流量表（經修訂）

會計準則第34條：僱員福利（經修訂）

(b) 集團會計入賬

綜合賬目包括本公司及其附屬公司截至十二月三十一日止結算的賬目。附屬公司為由本集團控制其董事會組成、控制過半數投票權或持有過半數已發行股本之公司。

於本年度收購或出售的附屬公司的業績由收購當日起或至出售生效當日止計入綜合損益表（視情況而定）。

NOTES TO THE ACCOUNTS 賬目附註

1. PRINCIPAL ACCOUNTING POLICIES (continued)

(b) Group accounting (continued)

All significant intercompany transactions and balances within the Group are eliminated on consolidation.

In the Company's balance sheet, the investments in subsidiaries are stated at cost less provision for impairment losses. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

(c) Investments in subsidiaries

Investments in subsidiaries in the Company's balance sheet are stated at valuation which represents the net asset value as at the date of acquisition pursuant to the reorganisation of the Company and its subsidiaries in connection with the listing of the Company on The Stock Exchange of Hong Kong Limited less any provisions for diminution in value which is other than temporary as determined by the directors for each subsidiary individually. Any such provisions are recognised as expenses in the profit and loss account.

(d) Associate

An associate is a company, not being a subsidiary, in which an equity interest is held for the long-term and significant influence is exercised in its management.

The consolidated profit and loss account includes the Group's share of the results of an associate for the year, and the consolidated balance sheet includes the Group's share of the net assets of an associate and also goodwill (net of accumulated amortisation) on acquisition.

Equity accounting is discontinued when the carrying amount of the investment in an associate reaches zero, unless the Group has incurred obligations or guaranteed obligations in respect of the associate.

1. 主要會計政策 (續)

(b) 集團會計入賬 (續)

本集團內公司間的重大交易及結存，均於編製綜合賬項時予以抵銷。

在本公司之資產負債表中，於附屬公司的投資按成本減減值撥備列賬。附屬公司業績乃由本公司按已收及應收股息之基準入賬。

(c) 於附屬公司的投資

本公司資產負債表內於附屬公司的投資是按估值(即根據本公司及其附屬公司為本公司在香港聯合交易所有限公司上市而進行之重組作出收購當日之資產淨值之估值)，再減董事會認為在投資出現非暫時性減值時按各附屬公司個別計提的撥備入賬。任何這些撥備均會在損益表內確認為支出。

(d) 聯營公司

聯營公司為附屬公司以外，本集團持有其股權作長期投資，並可對其管理發揮重大影響力之公司。

綜合損益表包括本集團於本年度內應佔聯營公司之業績，而綜合資產負債表則包括本集團應佔之聯營公司淨資產及收購時之商譽(扣除累積攤銷)。

於聯營公司的投資的賬面值為零之時，不再使用股本會計法，除非本集團已就聯營公司承擔責任或擔保承擔責任則作別論。

NOTES TO THE ACCOUNTS 賬目附註

1. PRINCIPAL ACCOUNTING POLICIES (continued)

(e) Fixed assets

- (i) Fixed assets are carried in the consolidated balance sheet on the following bases:
- investment properties with an unexpired lease term of more than 20 years are stated at their open market value which is assessed annually by external qualified valuers;
 - other properties are stated at their revalued amount, being their fair value on the basis of their existing use at the date of revaluation less any subsequent accumulated depreciation. Revaluations are performed by qualified valuers every three years and carrying value is reviewed by directors in the intervening years to ensure that the carrying amount of these assets does not differ materially from that which would be determined using fair values at the balance sheet date; and
 - plant, machinery and other fixed assets are stated at cost less accumulated depreciation.
- (ii) Changes arising on the revaluation of investment and other properties are generally dealt with in reserves. The only exceptions are as follows:
- when a deficit arises on revaluation, it will be charged to the consolidated profit and loss account, if and to the extent that it exceeds the amount held in the reserve in respect of that same asset, or, solely in the case of investment properties, the portfolio of investment properties, immediately prior to the revaluation; and

1. 主要會計政策(續)

(e) 固定資產

- (i) 固定資產是按下列基準記入綜合資產負債表內：
- 租賃期尚餘超過二十年的投資物業按每年由外聘的合資格估值師所評估的公開市值入賬；
 - 其他物業是以其重估值，即根據其在重估日的既有用途定出的公平價值，減重估後的累計折舊入賬。重估工作是由合資格的估值師每三年進行一次，而在估值年間，董事會就其他物業之賬面值作出檢討，以確保該等資產的賬面值與採用結算日公平價值釐定的數額不會出現重大差異；及
 - 廠房、機器及其他固定資產是以成本減累計折舊入賬。
- (ii) 重估投資和其他物業所產生的變動一般會撥入儲備，但下列情況則除外：
- 如重估產生虧損，而有關虧損額又超過該項資產或該投資組合(只適用於投資物業)在是次重估前撥入儲備的金額，則超額部份虧損便會自綜合損益表扣除；及

NOTES TO THE ACCOUNTS 賬目附註

1. PRINCIPAL ACCOUNTING POLICIES (continued)

(e) Fixed assets (continued)

- when a surplus arises on revaluation, it will be credited to the consolidated profit and loss account, if and to the extent that a deficit on revaluation in respect of that same asset, or, solely in the case of investment properties, the portfolio of investment properties, had previously charged to the consolidated profit and loss account.

(iii) *Impairment and gain or loss on disposal*

At each balance sheet date, both internal and external sources of information are considered to assess whether there is any indication that assets included in other properties and other fixed assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated and where relevant, an impairment loss is recognised to reduce the asset to its recoverable amount. Such impairment losses are recognised in the consolidated profit and loss except where the asset is carried at valuation and the impairment loss does not exceed the revaluation surplus for that same asset, in which case it is treated as a revaluation decrease.

- (iv) Subsequent expenditure relating to a fixed asset that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Group. All other subsequent expenditures are recognised as expenses in the period in which they are incurred.

1. 主要會計政策 (續)

(e) 固定資產 (續)

- 如重估產生盈餘，而有關資產或該投資組合（只適用於投資物業）曾經有重估虧損自綜合損益表扣除，則會按曾扣減之虧損額將盈餘撥入綜合損益表。

(iii) 減值及出售損益

於每個結算日，內部及外界之資料來源均會視作評估是否有跡象顯示列為其他物業及其他固定資產類別之資產出現減值。如出現任何該等跡象，會估算資產之可收回款額，而在適當情況下，會確認減值虧損以將資產價值降至其可收回款額。有關減值虧損會在綜合損益表確認，惟倘資產乃按估值置存而減值虧損不超逾該項資產之重估增值，則在此情況下視作重估減值。

- (iv) 如固定資產的期後開支可以令該項資產為集團帶來較原先估計更多的經濟效益，則固定資產的期後開支便會計入該項資產的賬面值。所有其他期後支出則在產生期間確認為開支。

NOTES TO THE ACCOUNTS 賬目附註

1. PRINCIPAL ACCOUNTING POLICIES (continued)

(e) Fixed assets (continued)

The gain or loss on disposal of a fixed asset other than investment properties is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in the consolidated profit and loss account. Any revaluation reserve balance remaining attributable to the relevant asset is transferred to retained earnings and is shown as a movement in reserves.

(f) Depreciation

- (i) No depreciation is provided on investment properties with an unexpired lease term of over 20 years.
- (ii) Depreciation is calculated to write-off the cost or valuation of other fixed assets over their estimated useful lives as follows:
 - leasehold land is depreciated on a straight-line basis over the remaining term of the lease;
 - buildings are depreciated on a straight-line basis over the shorter of their estimated useful lives, being 50 years from the date of completion, and the unexpired terms of the leases; and
 - other fixed assets are depreciated on a straight-line basis over their estimated useful lives as follows:

Leasehold land	50 years–57 years
Buildings	46 years–50 years
Leasehold improvements	20%–50%
Furniture and equipment	20%–33 $\frac{1}{3}$ %
Plant and machinery	20%
Motor vehicles	20%

1. 主要會計政策 (續)

(e) 固定資產 (續)

出售固定資產 (不計投資物業) 所產生的損益，以估計淨出售所得與資產的賬面值之間的差額釐定，並在綜合損益表內確認。有關資產仍然應佔之重估儲備結餘會轉撥保留盈利，列為儲備變動。

(f) 折舊

- (i) 租賃期尚餘超過二十年的投資物業不計算任何折舊。
- (ii) 其他固定資產的折舊是按其預計可用年限以直線法撇銷其成本或估值，計算如下：
 - 租賃土地按尚餘租賃期以直線法計算折舊；
 - 樓宇是按其預計可用年限 (即完工日起計五十年) 或租賃剩餘年期兩者中的較短者以直線法計算折舊；及
 - 其他固定資產是按下列的預計可用年限以直線法計算折舊：

租約土地	50年–57年
樓宇	46年–50年
租賃物業裝修	20%–50%
傢俬及設備	20%–33 $\frac{1}{3}$ %
廠房及機器設備	20%
汽車	20%

NOTES TO THE ACCOUNTS 賬目附註

1. PRINCIPAL ACCOUNTING POLICIES (continued)

(g) Operating leases

Leases where substantially all the risks and rewards of ownership of assets remain with the leasing company are accounted for as operating leases. Payments made under operating leases net of any incentives received from the leasing company are charged to the consolidated profit and loss account on a straight-line basis over the lease periods.

(h) Revenue recognition

Revenue from the sale of goods is recognised when the goods are delivered at customers' premises which is taken to be the point in time when customers have accepted the goods and the related risks and rewards of ownership.

Revenue from individual construction contract is recognised by using the percentage of completion method, measured by reference to the revenue earned to date as determined by surveyors compared with the total estimated revenue of the contract.

Commission income received and receivable from principals on distributorship agency business is recognised when services are rendered and goods are distributed to third parties by the principals.

Interest income is accrued on a time-apportioned basis on the principal amounts outstanding and at the rates applicable.

Dividend income is recognised when the Company's right to receive payment is established.

Rental income from investment properties is recognised in the consolidated profit and loss account in equal instalments over the accounting periods covered by the lease term.

1. 主要會計政策 (續)

(g) 經營租約

資產擁有權涉及之絕大部份風險及回報仍歸出租公司之租約，均以經營租約方式入賬。經營租約的應付租金（不計出租公司支付之任何獎勵金）按個別租賃期以直線法記入綜合損益表。

(h) 收入確認

銷售貨品之收入在貨品送至客戶場地（假定客戶已接納貨品及其擁有權相關的風險及回報）時確認。

個別建築合約之收入乃以完成階段為基準確認，此乃參照測量師比較合約預計總收入後釐定迄今為止所得收入計算。

就分銷代理業務已收及應收自委託人之佣金收入乃於提供服務及委託人將貨品分銷予第三方時確認。

利息收入乃按時間比例基準，計入未償還本金及適用利率後確認。

股息收入乃於本公司確立可收取款項之權利後確認。

投資物業租金收入因應租賃期涵蓋之會計期間按等額方式以直線法記入綜合損益表。

NOTES TO THE ACCOUNTS 賬目附註

1. PRINCIPAL ACCOUNTING POLICIES (continued)

(i) Non-trading securities

Non-trading securities are stated in the consolidated balance sheet at fair value. Changes in fair value are recognised in the investment revaluation reserve until the security is sold, collected or otherwise disposed of, or until there is objective evidence that the security is impaired, at which time the relevant cumulative gain or loss is transferred from the investment revaluation reserve to the consolidated profit and loss account.

Fair value is estimated by the directors by reference to quoted market prices, where available, or, where there is no open market for the investment, following a number of general principles which are based upon the British Venture Capital Association guidelines as set out below.

The directors classify investments either as early stage or development stage. Early stage investments represent immature companies, which are typically not earning significant maintainable profits. Development stage investments are unquoted investments which are not early stage investments.

Securities are stated at amounts considered by the directors to be a fair assessment of their value, subject to overriding requirements of prudence. All securities are valued according to one of the following bases:

- Cost (less provision required);
- Earnings multiple;
- Net assets; or
- Third party transaction.

1. 主要會計政策 (續)

(i) 非買賣用途證券

非買賣用途證券乃按公平價值列入綜合資產負債表。公平價值之變動均確認為投資重估儲備，直至售出、收回或以其他方式出售有關證券或客觀證據顯示有關證券出現減值為止，屆時有關之累積收益或虧損須自投資重估儲備轉撥至綜合損益表。

公平價值乃由董事會參考市場報價（指在可取得報價之情況）作出估值。倘該投資並無公開市場，則依循多項一般性原則作出估值，此等原則乃以 British Venture Capital Association 之指引為基礎，並載列於下文。

董事會將投資分類為初期階段或發展階段。初期階段投資指發展尚未成熟之公司，通常未能賺得持久可觀之溢利。發展階段投資指並非處於初期階段之非上市投資。

證券乃按董事會認為足以公正評定其價值之金額列賬，惟須符合審慎原則。所有證券均按下列其中一項基準釐定價值：

- 成本（減所需撥備）；
- 盈利倍數；
- 資產淨值；或
- 第三者交易。

NOTES TO THE ACCOUNTS 賬目附註

1. PRINCIPAL ACCOUNTING POLICIES (continued)

(i) Non-trading securities (continued)

Early stage investments and development stage investments which are acquired within one year of the valuation date are normally valued at cost. Provision against cost will be made in the light of adverse circumstances, i.e. if the investment performs significantly below expectations. Upward adjustments to cost may be made by reference to the price at which a subsequent issue of capital is made, or at which a transaction for cash in the relevant security takes place. This basis of valuation will only be used when the transaction involves a significant investment by a new investor.

Development stage investments held for more than one year are valued on one of the bases described above. Whenever possible, investments will be valued by reference to a third party transaction or quoted price.

Transfers from the investment revaluation reserve to the consolidated profit and loss account as a result of impairments are reversed when the circumstances and events that led to the impairment cease to exist and there is persuasive evidence that new circumstances and events will persist for the foreseeable future.

Profits or losses on disposal of non-trading securities are determined as the difference between the estimated net disposal proceeds and the carrying amount of the securities and are recognised in the consolidated profit and loss account as they arise. On disposal of non-trading securities, the revaluation surplus or deficit previously taken to the investment revaluation reserve is also transferred to the consolidated profit and loss account for the year.

1. 主要會計政策 (續)

(i) 非買賣用途證券 (續)

自估值日起一年內購入之初期階段投資及發展階段投資通常按成本釐定價值。在不利環境(即倘投資表現遠較預期為差)下,將就成本撥備。成本可參考日後發行資本或就有關證券進行現金交易所依據之價格而向上調整。此估值基準只在交易涉及新投資者作出重大投資之情況下始會採用。

持有超過一年之發展階段投資乃按上述其中一項基準進行估值。投資將盡可能參考第三者交易或市場報價進行估值。

如出現若干情況及事件導致減值不復存在,且有具說服力之證據支持此等新情況及事件將於可預見將來仍持續出現,則因減值而自投資重估儲備轉撥至綜合損益表之款額均予回撥。

出售非買賣用途證券所得損益乃出售估計所得款項淨額與有關證券賬面值兩者間之差額,並在出現時在綜合損益表確認。在出售非買賣用途之證券時,以往撥入投資重估儲備之重估盈餘或虧絀亦轉撥至該年度之綜合損益表。

NOTES TO THE ACCOUNTS 賬目附註

1. PRINCIPAL ACCOUNTING POLICIES (continued)

(j) Other investments

Other investments comprise club debentures and are stated in the consolidated balance sheet at fair value. Changes in fair value are recognised in the consolidated profit and loss account as they arise.

(k) Inventories

Inventories are carried at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1. 主要會計政策 (續)

(j) 其他投資

其他投資指會所債券，以公平價值記入綜合資產負債表。公平價值的變動在產生時在綜合損益表內確認。

(k) 存貨

存貨乃以成本及可變現淨值兩者中的較低者入賬。

成本以加權平均法計算，其中包括所有採購成本、加工成本以及令存貨變成現狀和運輸的成本。

可變現淨值為正常業務的預期售價減去完成生產及銷售所需的估計成本。

存貨出售時，其賬面值會確認為相關收入確認期間的支出。存貨減值至可變現淨值的減值及所有存貨損失會確認為減值或損失發生期間的支出。因可變現淨值增加而需撥回的任何存貨減值，會確認為撥回發生期間列作存貨開支的減少。

NOTES TO THE ACCOUNTS 賬目附註

1. PRINCIPAL ACCOUNTING POLICIES (continued)

(l) Construction contracts

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised when incurred.

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs are recognised over the period of the contract, respectively, as revenues and expenses. The Group uses the percentage of completion method as set out in note 1(h) to determine the appropriate amount of revenue and costs to be recognised in a given period.

The aggregate of the costs incurred and the profit/loss recognised on each contract is compared against the progress billings up to the year-end. Where costs incurred and attributable profits (less foreseeable losses) exceed progress billings, the balance is shown as due from customers on construction contracts, under current assets. Where progress billings exceed costs incurred plus attributable profits (less foreseeable losses), the balance is shown as due to customers on construction contracts, under current liabilities.

(m) Accounts receivable

Provision is made against accounts receivable to the extent that they are considered to be doubtful. Accounts receivable in the consolidated balance sheet are stated net of such provision.

(n) Deferred taxation

Deferred taxation is accounted for at the current taxation rate in respect of timing differences between profit as computed for taxation purposes and profit as stated in the accounts to the extent that a liability or an asset is expected to be payable or recoverable in the foreseeable future.

1. 主要會計政策 (續)

(l) 建築合約

當建築合約之結果未能可靠估算，合約收入只按照有可能收回之已發生合約成本記賬。合約成本於發生時記賬。

當建築合約之結果能可靠估算，合約收入與成本將按合約期分別記賬為收入與支出。集團按照上文附註1(h)所載並採用完成階段為基準確定在某期間須記賬之收入及成本之適當金額。

每份合約產生之成本與已確認之損益總額，與截至年終為止之進度收費單作一比較。當已發生成本與已確認之盈利(減可預見之虧損)超過進度收費單之款額，有關差額將列作流動資產下之應收客戶之建築合約款。當進度收費單之款額超過已發生成本加已確認之盈利(減可預見之虧損)，差額將列作流動負債下之應付客戶之建築合約款。

(m) 應收賬款

凡被視為屬呆賬之應收賬款均作出撥備。綜合資產負債表上之應收賬款乃扣除該筆撥備後列出。

(n) 遞延稅項

遞延稅項乃按當時之稅率就報稅上所計算之溢利與賬目所列溢利兩者間之時差入賬，惟僅以預期於可見將來應繳或應收之稅項為限。

NOTES TO THE ACCOUNTS 賬目附註

1. PRINCIPAL ACCOUNTING POLICIES (continued)

(o) Translation of foreign currencies

Transactions in foreign currencies are translated at exchange rates ruling at the transaction dates. Monetary assets and liabilities expressed in foreign currencies at the balance sheet date are translated at rates of exchange ruling at the balance sheet date. All exchange differences are dealt with in the consolidated profit and loss account.

(p) Borrowing costs

Borrowing costs are charged to the consolidated profit and loss account in the year in which they are incurred.

(q) Related parties

For the purposes of these accounts, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

(r) Cash and cash equivalents

Cash and cash equivalents are carried in the consolidated balance sheet at cost. For the purposes of the consolidated cash flow statement, cash and cash equivalents comprise cash on hand, short-term deposits and bank loans with original maturity of three months or less and bank overdrafts.

1. 主要會計政策 (續)

(o) 外幣換算

外幣交易按交易日匯率換算。以外幣為單位的貨幣性資產及負債則按結算日的匯率換算為港幣。因上述情況出現之滙兌盈虧均撥入綜合損益表處理。

(p) 借貸成本

借貸成本於產生之年度在綜合損益表中支銷。

(q) 有關連人士

就本賬目而言，如本集團有權直接或間接監控另一方人士或對另一方人士的財務及經營決策有重要影響，或另一方人士有權直接或間接監控本集團或對本集團的財務及經營決策有重要的影響，或本集團與另一方人士均受制於共同的監控或共同的重要影響，則被視為有關連人士。有關連人士可為個別人士或其他公司。

(r) 現金及現金等價物

現金及現金等價物乃按成本在綜合資產負債表列賬。就編製綜合現金流量表而言，現金及現金等價物包括手頭現金、短期存款及原有期限為三個月或以下之銀行貸款及銀行透支。

NOTES TO THE ACCOUNTS 賬目附註

1. PRINCIPAL ACCOUNTING POLICIES (continued)

(s) Employee benefits

(i) Long service payments

Provision for long service payments is recognised for the best estimate of the long service payments that are required to be made to the employees of the Group in respect of their services to date less any amounts that would be expected to be met out of the Group's retirement schemes.

(ii) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made by the Group 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 recognised until the time of leave.

(iii) Pension obligations

The Group's contributions to the defined contribution retirement schemes are regulated under the Occupational Retirement Schemes Ordinance ("ORSO") and AIA-JF Premium Mandatory Provident Fund Scheme ("MPF"), collectively known as ("Retirement Schemes"), which are available to all employees. Contributions to the Retirement Schemes by the Group and employees are calculated as a percentage of the employees' basic salaries. The Retirement Schemes cost charged to the consolidated profit and loss account represents contributions payable by the Group to the Retirement Schemes.

The Group's contributions to Retirement Schemes are expensed as incurred. Contributions to the ORSO scheme are reduced by contributions forfeited by those employees who leave the ORSO scheme prior to vesting fully in the contributions. The assets of the Retirement Schemes are held separately from those of the Group in independently administered funds.

1. 主要會計政策 (續)

(s) 僱員福利

(i) 長期服務金

長期服務金乃按須就本集團僱員迄今之服務年期所作之長期服務金最佳估算，再減預計可從本集團退休金計劃中支付之任何款額後列賬。

(ii) 僱員應享假期

僱員之年假權利在僱員應享有時確認。本集團為截至結算日止僱員已提供之服務而產生之年假之估計負債作出撥備。

僱員之病假及產假須待休假當日方予以確認。

(iii) 退休金責任

本集團為所有僱員提供受職業退休計劃條例（「退休條例」）監管之界定供款退休計劃及AIA-JF Premium強積金計劃（「強積金」），合稱（「退休金計劃」）作出供款。本集團及僱員向退休金計劃所作之供款乃按僱員基本薪酬之某個百分比計算。計入綜合損益表內之退休金計劃費用乃指本集團應付予退休金計劃之供款。

本集團對退休金計劃之供款於產生時列作開支。倘僱員於可全數取得供款前退出退休條例計劃，則彼等被沒收之供款將用作減低本集團之供款。退休金計劃之資產由獨立於本集團之管理基金持有，並與本集團之資產分開處理。

NOTES TO THE ACCOUNTS 賬目附註

1. PRINCIPAL ACCOUNTING POLICIES (continued)

(s) Employee benefits (continued)

(iv) Bonus plans

The expected costs of bonus payments are recognised as a liability when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made.

Liabilities for bonus plans are expected to be settled within 12 months and are measured at the amounts expected to be paid when they are settled.

(t) Segment reporting

In accordance with the Group's internal financial reporting, the Group has determined that business segments be presented as the primary reporting format and geographical segments as the secondary reporting format.

Unallocated costs represent corporate expenses. Segment assets consist primarily of investment and other properties, fixed assets, non-trading securities, other investments, inventories, construction contracts and receivables, and mainly exclude operating cash. Segment liabilities comprise operating liabilities and exclude items such as taxation and certain corporate borrowings. Capital expenditure comprises additions to fixed assets (note 12).

In respect of geographical segment reporting, sales are based on the country in which the customer is located. Total assets and capital expenditure are where the assets are located.

1. 主要會計政策 (續)

(s) 僱員福利 (續)

(iv) 獎金計劃

當本集團因為僱員已提供之服務而產生現有法律或推定性責任，而責任金額能可靠估算時，則將獎金計劃之預計成本確認為負債入賬。

獎金計劃之負債預期須在十二個月內償付，並根據在償付時預期會支付之金額計算。

(t) 分類呈報

根據本集團之內部財務呈報方式，本集團已決定將業務分類作首要呈報方式，而地區分類則作次要呈報方式。

未分類費用意指公司開支。分類資產主要包括投資及其他物業、固定資產、非買賣用途證券、其他投資、存貨、建築合約及應收款項，惟主要不包括經營現金。分類負債指經營負債，惟不包括稅項及若干公司借款等項目。資本開支包括添置之固定資產（附註12）。

銷售額乃以顧客所在之國家作地區分類，而總資產及資本開支則以資產所在地分類。

NOTES TO THE ACCOUNTS 賬目附註

1. PRINCIPAL ACCOUNTING POLICIES (continued)

(u) Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the accounts. When a change in the probability of an outflow occurs so that outflow is probable, they will then be recognised as a provision.

(v) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net assets of the acquired associate at the date of acquisition.

Goodwill on acquisition that occurred prior to 1 January 2001 was amortised on a straight line basis to the consolidated profit and loss account over its estimated useful economic life of 10 years.

1. 主要會計政策 (續)

(u) 或然負債

或然負債為過往事件引致之潛在責任，其存在與否只可由日後一件或多件非本集團所能完全控制之不確定事件之出現與否而落實。此外，或然負債亦可能是過往事件引致之現有責任，而此等事件則因未能確定是否需要流出經濟資源或責任之款額未能以可靠方式衡量而未有確認。

或然負債不予確認，惟會在賬目之附註內披露。如出現流出款項之可能性有變以致可能出現流出款項，則會確認為撥備。

(v) 商譽

商譽為收購成本超逾本集團應佔所收購聯營公司資產淨值於收購日期之公平價值。

於二零零一年一月一日以前進行之收購帶來之商譽按估計可使用經濟年期10年以直線法在綜合損益表攤銷。

NOTES TO THE ACCOUNTS 賬目附註

2. TURNOVER, OTHER REVENUES AND SEGMENT INFORMATION

The principal activities of the Group are trading in, and the supply and installation, of building products and engineering equipment, a distributorship agency business and investing in technology companies. The principal activities of the subsidiaries are set out in note 13 of the accounts.

2. 營業額、其他收入及分類資料

本集團主要從事建築產品及工程設備之銷售、供應及安裝、分銷代理業務以及投資於科技公司。各附屬公司之主要業務列載於賬目附註13。

		2002 二零零二年 HK\$'000 港幣千元	2001 二零零一年 HK\$'000 港幣千元
Turnover	營業額		
Sales of inventories	銷售存貨收入	400,344	421,066
Revenue from construction contracts (Note)	建築合約收入 (附註)	68,214	93,276
Commission income	佣金收入	9,615	6,999
		478,173	521,341
Other revenues	其他收入		
Interest income from bank deposits	來自銀行存款之利息收入	988	15,617
Administration fee received from the associate (note 28(a))	向一間聯營公司收取之行政費用 (附註28(a))	938	930
Gross rental income from investment properties (note 28(b))	投資物業之總租金收入 (附註28(b))	510	498
Write back of provision for doubtful debts	呆賬撥備撥回	720	528
Write back of provision for stock obsolescence	過時存貨撥備撥回	416	365
Sundry income	雜項收入	737	323
		4,309	18,261
Total revenue	總收入	482,482	539,602

Note: Based on the latest assessment of total contract revenue for the contracting business, a net amount of HK\$665,000 has been credited to turnover to reflect a change in estimate of contract revenue for the year ended 31 December 2001. (2002: Nil)

附註：基於就建築合約收益總額所作之最新評估，款項淨額港幣665,000元已撥入營業額，以反映截至二零零一年十二月三十一日止年度合約收益估算之變動。(二零零二年：無)

NOTES TO THE ACCOUNTS 賬目附註

2. TURNOVER, OTHER REVENUES AND SEGMENT INFORMATION (continued)

Primary reporting format – business segments

The analysis of the Group's performance for the year by business and geographical segments is set out below.

The Group is organised into two main business segments, being the trading in and the supply and installation of building products and engineering equipment.

Other operations of the Group mainly comprise holding of investment properties and other properties and investment in technology companies, neither of which are of a sufficient size to be reported separately.

Secondary reporting format – geographical segments

The operation of the business is mainly carried in two main geographical areas, Hong Kong and Macau as well as Mainland China.

2. 營業額、其他收入及分類資料(續)

首要呈報方式 – 業務分類

本集團年內表現按業務及地區所作之分析載列如下。

本集團之主要業務分為兩項 – 建築產品及工程設備之買賣及供應與安裝。

本集團之其他業務主要為持有投資物業與其他物業及投資於科技公司，惟以上各項之規模不足以作獨立呈報。

次要呈報方式 – 地區分類

業務主要在兩地經營，分別為香港及澳門與及中國內地。

NOTES TO THE ACCOUNTS 賬目附註

2. TURNOVER, OTHER REVENUES AND SEGMENT INFORMATION (continued)

2. 營業額、其他收入及分類資料(續)

Primary reporting format – business segments

首要呈報方式－業務分類

		Building products 建築產品 2002 二零零二年 HK\$'000 港幣千元	Engineering equipment 工程設備 2002 二零零二年 HK\$'000 港幣千元	Other operations 其他業務 2002 二零零二年 HK\$'000 港幣千元	Elimination 對銷 2002 二零零二年 HK\$'000 港幣千元	The Group 本集團 2002 二零零二年 HK\$'000 港幣千元
Turnover	營業額					
External sales	外界銷售	363,189	114,984	–	–	478,173
Inter-segment sales	業務間之銷售	68,607	–	–	(68,607)	–
		<u>431,796</u>	<u>114,984</u>	<u>–</u>	<u>(68,607)</u>	<u>478,173</u>
Segment results	分類業績	(6,699)	(1,666)	(13,678)*	–	(22,043)
Unallocated costs	未分配成本					(20,217)
Operating loss	經營虧損					(42,260)
Finance costs	財務費用					(103)
Share of profit of an associate	應佔聯營公司溢利	–	–	207	–	207
Loss before taxation	除稅前虧損					(42,156)
Taxation	稅項					(113)
Loss attributable to shareholders	股東應佔虧損					<u>(42,269)</u>
Segment assets	分類資產	137,181	41,486	94,948	–	273,615
Interest in an associate	聯營公司權益	–	–	9,669	–	9,669
Unallocated assets	未分配資產					56,080
Total assets	總資產					<u>339,364</u>
Segment liabilities	分類負債	(98,751)	(26,652)	–	–	(125,403)
Unallocated liabilities	未分配負債					(6,005)
Total liabilities	總負債					<u>(131,408)</u>
Capital expenditure	資本開支	(1,748)	(64)	(297)	–	(2,109)
Other non-cash expenses	其他非現金開支					
Depreciation	折舊	(2,771)	(174)	(2,587)	–	(5,532)
Amortisation of goodwill	商譽攤銷	–	–	(91)	–	(91)
Specific provision for doubtful debts	呆賬特殊撥備	(11,962)	(5,086)	–	–	(17,048)
Specific provision for stock obsolescence	過時存貨特殊撥備	(694)	(34)	–	–	(728)
Realised loss on disposal of non-trading securities	出售非買賣用途證券而變現之虧損	–	–	(1,486)	–	(1,486)
Provision for long service payments	長期服務金撥備	(222)	(250)	(98)	–	(570)
Provision for employee leave entitlements	僱員應享假期撥備	(326)	(87)	(87)	–	(500)
Impairment loss on non-trading securities	非買賣用途證券之減值虧損	–	–	(7,800)	–	(7,800)

* Included in the segment results of other operations is an impairment loss on non-trading securities amounting to HK\$7,800,000 and a realised loss on disposal of non-trading securities of HK\$1,486,000.

* 其他業務之分類業績，已計入港幣7,800,000元之非買賣用途證券之減值虧損，以及出售非買賣用途證券而變現之虧損港幣1,486,000元。

NOTES TO THE ACCOUNTS 賬目附註

2. TURNOVER, OTHER REVENUES AND SEGMENT INFORMATION (continued)

2. 營業額、其他收入及分類資料(續)

Primary reporting format – business segments (continued)

首要呈報方式－業務分類(續)

		Building products 建築產品 2001 二零零一年 HK\$'000 港幣千元	Engineering equipment 工程設備 2001 二零零一年 HK\$'000 港幣千元	Other operations 其他業務 2001 二零零一年 HK\$'000 港幣千元	Elimination 對銷 2001 二零零一年 HK\$'000 港幣千元	The Group 本集團 2001 二零零一年 HK\$'000 港幣千元
Turnover	營業額					
External sales	外界銷售	345,664	175,677	–	–	521,341
Inter-segment sales	業務間之銷售	83,427	–	–	(83,427)	–
		<u>429,091</u>	<u>175,677</u>	<u>–</u>	<u>(83,427)</u>	<u>521,341</u>
Segment results	分類業績	(15,604)	2,465	(18,889)*	–	(32,028)
Unallocated costs	未分配成本					(21,005)
Operating loss	經營虧損					(53,033)
Finance costs	財務費用					(982)
Share of profit of an associate	應佔聯營公司溢利	–	–	264	–	264
Loss before taxation	除稅前虧損					(53,751)
Taxation	稅項					231
Loss attributable to shareholders	股東應佔虧損					<u>(53,520)</u>
Segment assets	分類資產	187,965	81,137	99,980	–	369,082
Interest in an associate	聯營公司權益	–	–	9,538	–	9,538
Unallocated assets	未分配資產					416,270
Total assets	總資產					<u>794,890</u>
Segment liabilities	分類負債	(112,253)	(46,695)	(7)	–	(158,955)
Unallocated liabilities	未分配負債					(4,343)
Total liabilities	總負債					<u>(163,298)</u>
Capital expenditure	資本開支	(768)	(54)	(702)	–	(1,524)
Other non-cash expenses	其他非現金開支					
Depreciation	折舊	(3,315)	(199)	(3,995)	–	(7,509)
Amortisation of goodwill	商譽攤銷	–	–	(91)	–	(91)
Write-off of fixed assets	撇銷固定資產	–	–	(1,689)	–	(1,689)
Specific provision for doubtful debts	呆賬特殊撥備	(2,217)	(536)	–	–	(2,753)
Specific provision for stock obsolescence	過時存貨特殊撥備	(414)	–	–	–	(414)
Unrealised losses on investment properties and other properties	投資物業及其他物業之未變現虧損	–	–	(5,063)	–	(5,063)
Provision for long service payments	長期服務金撥備	(236)	(23)	(128)	–	(387)
Provision for employee leave entitlements	僱員應享假期撥備	(201)	(12)	(17)	–	(230)
Impairment losses on non-trading securities	非買賣用途證券之減值虧損	–	–	(15,789)	–	(15,789)

* Included in the segment results of other operations is an impairment loss on non-trading securities amounting to HK\$15,789,000.

* 其他業務之分類業績，已計入港幣15,789,000元之非買賣用途證券之減值虧損。

NOTES TO THE ACCOUNTS 賬目附註

2. TURNOVER, OTHER REVENUES AND SEGMENT INFORMATION (continued)

2. 營業額、其他收入及分類資料(續)

Secondary reporting format – geographical segments

次要呈報方式－地區分類

		Turnover 營業額 2002 二零零二年 HK\$'000 港幣千元	Segment results 分類業績 2002 二零零二年 HK\$'000 港幣千元	Total assets 總資產 2002 二零零二年 HK\$'000 港幣千元	Capital expenditure 資本開支 2002 二零零二年 HK\$'000 港幣千元
Hong Kong and Macau	香港及澳門	470,187	59,077	267,577	1,425
Mainland China	中國內地	7,986	1,484	6,038	684
		<u>478,173</u>	<u>60,561</u>		<u>2,109</u>
Unallocated costs	未分配成本		(102,821)		
Operating loss	經營虧損		<u>(42,260)</u>		
Interest in an associate	聯營公司權益			9,669	
Unallocated assets	未分配資產			<u>56,080</u>	
Total assets	總資產			<u>339,364</u>	

		Turnover 營業額 2001 二零零一年 HK\$'000 港幣千元	Segment results 分類業績 2001 二零零一年 HK\$'000 港幣千元	Total assets 總資產 2001 二零零一年 HK\$'000 港幣千元	Capital expenditure 資本開支 2001 二零零一年 HK\$'000 港幣千元
Hong Kong and Macau	香港及澳門	493,816	48,031	357,462	1,027
Mainland China	中國內地	27,525	3,557	11,620	497
		<u>521,341</u>	<u>51,588</u>		<u>1,524</u>
Unallocated costs	未分配成本		(104,621)		
Operating loss	經營虧損		<u>(53,033)</u>		
Interest in an associate	聯營公司權益			9,538	
Unallocated assets	未分配資產			<u>416,270</u>	
Total assets	總資產			<u>794,890</u>	

NOTES TO THE ACCOUNTS 賬目附註

3. COST OF SALES

3. 銷售成本

		2002 二零零二年 HK\$'000 港幣千元	2001 二零零一年 HK\$'000 港幣千元
Cost of inventories sold	銷售存貨成本	341,506	364,496
Cost of construction contracts (<i>Note</i>)	建築合約成本 (附註)	72,117	102,641
Cost of consumable stocks	消耗存貨成本	3,323	2,122
Sub-contracting fee on construction contracts	建築合約之 分包費用	666	494
		417,612	469,753

Note: Based on the latest assessment of total contract costs for the contracting business, a net amount of HK\$14,706,000 (2001: HK\$19,283,000) has been debited to cost of sales to reflect a change in estimate of contract costs for the year ended 31 December 2002.

附註：基於就建築合約成本總額所作之最新評估，款項淨額港幣14,706,000元（二零零一年：港幣19,283,000元）已自銷售成本扣除，以反映截至二零零二年十二月三十一日止年度合約成本估算之變動。

NOTES TO THE ACCOUNTS 賬目附註

4. OPERATING EXPENSES

4. 經營開支

		2002 二零零二年 HK\$'000 港幣千元	2001 二零零一年 HK\$'000 港幣千元
Administrative expenses:	行政費用：		
Staff costs (note 7)	員工成本 (附註7)	43,144	59,733
Directors' remuneration (note 6(a))	董事酬金 (附註6(a))	10,306	4,921
Depreciation	折舊	5,532	7,509
Operating lease rentals on property paid to third parties	就樓宇已付第三者 之經營租約租金	3,531	5,790
Travelling expenses	交通費	1,722	1,808
Entertainment expenses	交際費	1,030	1,679
Stamps, postage and telephone	郵票、郵資及電話費	1,294	1,335
Auditors' remuneration	核數師酬金	1,262	1,417
Legal and professional fees	法律及專業服務費	817	1,234
Advertising expenses	廣告費	755	726
Amortisation of goodwill	商譽攤銷	91	91
		69,484	86,243
Other operating expenses:	其他經營開支：		
Specific provision for doubtful debts	呆賬特殊撥備	17,048	2,753
Specific provision for stock obsolescence	過時存貨特殊撥備	728	414
Provision for long service payments	長期服務金撥備	570	387
Provision for employee leave entitlements	僱員應享假期撥備	500	230
Loss on disposal of fixed assets	出售固定資產之虧損	255	249
Write-off of fixed assets	撇銷固定資產	—	1,689
Sundry expenses	雜項開支	9,259	10,065
		28,360	15,787
		97,844	102,030

NOTES TO THE ACCOUNTS 賬目附註

5. FINANCE COSTS

5. 財務費用

		2002 二零零二年 HK\$'000 港幣千元	2001 二零零一年 HK\$'000 港幣千元
Interest expenses	利息開支		
Short-term bank loans and overdrafts	短期銀行貸款及透支	103	974
Bank loans wholly repayable within five years	須於五年內全數 清還的銀行貸款	—	8
		<u>103</u>	<u>982</u>

6. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

6. 董事及高級管理人員之酬金

(a) Directors' remuneration

(a) 董事酬金

Directors' remuneration disclosed pursuant to section 161 of the Hong Kong Companies Ordinance is as follows:

根據香港公司條例第161條披露的董事酬金如下：

		2002 二零零二年 HK\$'000 港幣千元	2001 二零零一年 HK\$'000 港幣千元
Fees	袍金	584	450
Salaries and other emoluments	薪金及其他酬金	8,109	4,235
Retirement Schemes contributions	退休金計劃 供款	457	168
Discretionary bonuses	酌情花紅	1,156	68
		<u>10,306</u>	<u>4,921</u>

Included in the directors' remuneration were fees of HK\$584,000 (2001: HK\$450,000) paid to non-executive directors and independent non-executive directors during the year.

董事酬金中包括本年度內支付予非執行董事及獨立非執行董事之袍金港幣584,000元(二零零一年：港幣450,000元)。

NOTES TO THE ACCOUNTS 賬目附註

6. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (continued)

(a) Directors' remuneration (continued)

The emoluments of directors fell within the following bands:

Emoluments' band	酬金之範圍	Number of directors 董事人數	
		2002 二零零二年	2001 二零零一年
Nil – HK\$1,000,000	零元 – 港幣1,000,000元	5	7
HK\$1,000,001 – HK\$1,500,000	港幣1,000,001元 – 港幣1,500,000元	–	–
HK\$1,500,001 – HK\$2,000,000	港幣1,500,001元 – 港幣2,000,000元	1	–
HK\$2,000,001 – HK\$2,500,000	港幣2,000,001元 – 港幣2,500,000元	2	–
HK\$2,500,001 – HK\$3,000,000	港幣2,500,001元 – 港幣3,000,000元	–	–
HK\$3,000,001 – HK\$3,500,000	港幣3,000,001元 – 港幣3,500,000元	1	–
HK\$3,500,001 – HK\$4,000,000	港幣3,500,001元 – 港幣4,000,000元	–	1

(b) Five highest paid individuals

Of the five individuals with the highest emoluments, four (2001: one) directors whose emoluments are disclosed in note (a) above. The highest emoluments payable to the remaining one (2001: four) individual during the year is as follows:

		2002 二零零二年 HK\$'000 港幣千元	2001 二零零一年 HK\$'000 港幣千元
Salaries and other emoluments	薪金及其他酬金	1,040	6,161
Discretionary bonuses	酌情花紅	87	1,245
Retirement Schemes contributions	退休金計劃供款	52	313
		1,179	7,719

6. 董事及高級管理人員之酬金 (續)

(a) 董事酬金 (續)

董事酬金之範圍如下：

(b) 五位最高酬金之人士

五位最高酬金人士包括四位 (二零零一年：一位) 董事，彼等之酬金已於上文附註(a)披露。年內，應付其餘一位 (二零零一年：四位) 最高酬金人士如下：

NOTES TO THE ACCOUNTS 賬目附註

6. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (continued)

(b) Five highest paid individuals (continued)

The emoluments of the one (2001: four) individual with the highest emoluments is within the following bands:

6. 董事及高級管理人員之酬金 (續)

(b) 五位最高酬金之人士 (續)

一位 (二零零一年：四位) 最高酬金人士之酬金範圍如下：

		Number of individuals 人數	
		2002 二零零二年	2001 二零零一年
Emoluments' band	酬金之範圍		
HK\$1,000,001–HK\$1,500,000	港幣1,000,001元－港幣1,500,000元	1	1
HK\$1,500,001–HK\$2,000,000	港幣1,500,001元－港幣2,000,000元	–	1
HK\$2,000,001–HK\$2,500,000	港幣2,000,001元－港幣2,500,000元	–	2
		<u>1</u>	<u>2</u>

7. STAFF COSTS

7. 員工成本

		2002 二零零二年 HK\$'000 港幣千元	2001 二零零一年 HK\$'000 港幣千元
Wages and salaries	工資及薪金	40,835	56,228
Termination benefits	解僱補償	656	1,200
Contributions to ORSO scheme (note 8)	退休條例計劃 供款 (附註8)	1,178	1,691
Contributions to MPF scheme (note 8)	強積金計劃 供款 (附註8)	475	614
		<u>43,144</u>	<u>59,733</u>

NOTES TO THE ACCOUNTS 賬目附註

8. RETIREMENT SCHEMES

The Group's contributions to the ORSO Scheme are reduced by contributions forfeited by those employees who leave the ORSO scheme prior to vesting fully in the contributions. Forfeited contributions totalling HK\$432,000 (2001: HK\$420,000) were fully utilised during the year.

Contributions of HK\$339,000 were payable to the Retirement Schemes at the year-end (2001: HK\$415,000).

8. 退休金計劃

倘僱員於可全數取得供款前退出退休條例計劃，則彼等被沒收之供款將用作減低本集團之供款。被沒收之供款合共港幣432,000元（二零零一年：港幣420,000元）全部已於年內動用。

於年結時，應付予退休金計劃之供款港幣339,000元（二零零一年：港幣415,000元）。

9. TAXATION

Taxation in the consolidated profit and loss accounts represents:

9. 稅項

綜合損益表所列的稅項為：

		2002 二零零二年 HK\$'000 港幣千元	2001 二零零一年 HK\$'000 港幣千元
Provision for Hong Kong profits tax for the year	本年度香港利得稅撥備	(67)	(430)
Overprovision in prior years	往年度超額撥備	10	61
		(57)	(369)
Overseas taxation	海外稅項	(86)	(111)
Deferred taxation (note 25)	遞延稅項 (附註25)	63	720
		(80)	240
Share of associate's taxation	應佔聯營公司稅項	(33)	(9)
		(113)	231

NOTES TO THE ACCOUNTS 賬目附註

9. TAXATION (continued)

Hong Kong profits tax has been provided at the rate of 16% (2001: 16%) on the estimated assessable profit for the year. Taxation on overseas profit has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

Deferred taxation (credit)/charge for the year has not been accounted for in respect of the following:

Accelerated depreciation allowances	加速折舊之免稅額
Other timing differences	其他時差

9. 稅項 (續)

香港利得稅乃就年內估計應課稅溢利按 16% (二零零一年：16%) 之稅率撥備。海外溢利稅項乃根據年內之估計應課稅溢利按本集團經營業務所在國家之適用稅率計算。

本年度遞延稅項(入賬)/支出並未就下列各項入賬：

2002 二零零二年 HK\$'000 港幣千元	2001 二零零一年 HK\$'000 港幣千元
(104)	(182)
(5,709)	(5,307)
(5,813)	(5,489)

10. LOSS ATTRIBUTABLE TO SHAREHOLDERS

The loss attributable to shareholders includes a loss of HK\$18,973,000 (2001: profit of HK\$13,105,000) which has been dealt with in the accounts of the Company.

10. 股東應佔虧損

股東應佔虧損已列入本公司賬目內為數港幣18,973,000元的虧損(二零零一年：港幣13,105,000元溢利)。

11. LOSS PER SHARE

(a) Basic loss per share

The calculation of basic loss per share is based on the Group's loss attributable to ordinary shareholders of HK\$42,269,000 (2001: Group's loss attributable to ordinary shareholders of HK\$53,520,000) and the weighted average of 254,669,000 (2001: 615,896,000) ordinary shares in issue during the year.

11. 每股虧損

(a) 每股基本虧損

每股基本虧損乃根據本集團年內普通股股東應佔虧損約港幣42,269,000元(二零零一年：本集團之普通股股東應佔虧損約港幣53,520,000元)及已發行普通股之加權平均數約254,669,000股(二零零一年：615,896,000股)計算。

NOTES TO THE ACCOUNTS 賬目附註

11. LOSS PER SHARE (continued)

(b) Diluted loss per share

The calculation of diluted loss per share is based on the Group's loss attributable to ordinary shareholders of HK\$42,269,000 (2001: Group's loss attributable to ordinary shareholders of HK\$53,520,000) and the weighted average of 254,669,000 (2001: 617,516,000) ordinary shares after adjusting for the effects of all dilutive potential ordinary shares.

(c) Reconciliation

11. 每股虧損 (續)

(b) 每股攤薄虧損

每股攤薄虧損乃根據本集團年內普通股股東應佔虧損約港幣42,269,000元(二零零一年：本集團之普通股股東應佔虧損約港幣53,520,000元)及經就所有潛在普通股之攤薄效應作出調整後之普通股加權平均數約254,669,000股(二零零一年：約617,516,000股)計算。

(c) 對賬

		2002 二零零二年 Number of shares 股份數目	2001 二零零一年 Number of shares 股份數目
Weighted average number of ordinary shares used in calculating basic loss per share	用作計算每股基本 虧損的普通股加權 平均數	254,669,000	615,896,000
Deemed issue of ordinary shares for no consideration	設定發行無代價普通股	—	1,620,000
Weighted average number of ordinary shares used in calculating diluted loss per share	用作計算每股攤薄 虧損的普通股加權 平均數	254,669,000	617,516,000

NOTES TO THE ACCOUNTS 賬目附註

12. FIXED ASSETS

12. 固定資產

The Group

本集團

		Investment properties	Other properties	Leasehold improvements	Furniture and equipment	Plant and machinery	Motor vehicles	Total
		投資物業	其他物業	租賃物業 裝修	傢俬 及設備	廠房及 機器設備	汽車	總數
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Cost or valuation	成本或估值							
At 1 January 2002	於二零零二年一月一日	17,501	75,800	13,505	27,416	12,270	482	146,974
Additions	添置	–	–	1,000	464	645	–	2,109
Disposals	出售	–	–	(360)	(453)	–	–	(813)
At 31 December 2002	於二零零二年 十二月三十一日	17,501	75,800	14,145	27,427	12,915	482	148,270
Accumulated depreciation	折舊總額							
At 1 January 2002	於二零零二年一月一日	–	380	12,630	24,348	7,262	482	45,102
Charge for the year	本年折舊	–	1,489	905	1,360	1,778	–	5,532
Disposals	出售	–	–	(360)	(195)	–	–	(555)
At 31 December 2002	於二零零二年 十二月三十一日	–	1,869	13,175	25,513	9,040	482	50,079
Net book value	賬面淨值							
At 31 December 2002	於二零零二年 十二月三十一日	17,501	73,931	970	1,914	3,875	–	98,191
At 31 December 2001	於二零零一年 十二月三十一日	17,501	75,420	875	3,068	5,008	–	101,872

NOTES TO THE ACCOUNTS 賬目附註

12. FIXED ASSETS (continued)

The analysis of the cost or valuation at 31 December 2002 of the above assets of the Group is as follows:

12. 固定資產 (續)

上述之本集團資產於二零零二年十二月三十一日之成本或估值分析如下：

		Investment properties	Other properties	Leasehold improvements	Furniture and equipment	Plant and machinery	Motor vehicles	Total
		投資物業	其他物業	租賃物業 裝修	傢俬 及設備	廠房及 機器設備	汽車	總數
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At cost	成本	-	-	14,145	27,427	12,915	482	54,969
At valuation	估值	17,501	75,800	-	-	-	-	93,301
		<u>17,501</u>	<u>75,800</u>	<u>14,145</u>	<u>27,427</u>	<u>12,915</u>	<u>482</u>	<u>148,270</u>

The analysis of the cost or valuation at 31 December 2001 of the above assets of the Group is as follows:

上述之本集團資產於二零零一年十二月三十一日之成本或估值分析如下：

		Investment properties	Other properties	Leasehold improvements	Furniture and equipment	Plant and machinery	Motor vehicles	Total
		投資物業	其他物業	租賃物業 裝修	傢俬 及設備	廠房及 機器設備	汽車	總數
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At cost	成本	-	-	13,505	27,416	12,270	482	53,673
At valuation	估值	17,501	75,800	-	-	-	-	93,301
		<u>17,501</u>	<u>75,800</u>	<u>13,505</u>	<u>27,416</u>	<u>12,270</u>	<u>482</u>	<u>146,974</u>

NOTES TO THE ACCOUNTS 賬目附註

12. FIXED ASSETS (continued)

The Group's interest in investment properties and other properties at their net book values are analysed as follows:

12. 固定資產 (續)

本集團於投資物業及其他物業所擁有之權益按賬面淨值分析如下：

		The Group 本集團	
		2002 二零零二年 HK\$'000 港幣千元	2001 二零零一年 HK\$'000 港幣千元
In Hong Kong, held on:	香港，按下列租約持有：		
Leases of over 50 years	逾50年之租約	52,000	53,000
Leases of between 10 to 50 years	10年至50年之租約	18,587	19,000
Outside Hong Kong, held on:	香港以外，按下列租約持有：		
Leases of over 50 years	逾50年之租約	5,344	5,420
Leases of between 10 to 50 years	10年至50年之租約	15,501	15,501
		91,432	92,921

Investment properties of the Group were revalued at 31 December 2002 on the basis of their open market value by A.G. Wilkinson & Associates, an independent firm of chartered surveyors, employed by the Group. There has been no change in the values for these investment properties of the Group during the year ended 31 December 2002.

本集團投資物業已於二零零二年十二月三十一日經由本集團委聘之獨立特許測量師行韋堅信測量師行以公開市值為基準進行重估。於截至二零零二年十二月三十一日，本集團投資物業的價值並無變動。

Other properties of the Group were stated at the professional valuation carried out at 31 December 2001 by A.G. Wilkinson & Associates, an independent firm of chartered surveyors, on the open market basis. The directors have reviewed the carrying value of the other properties that based on the written comments from A.G. Wilkinson & Associates and are of the opinion that no adjustment is required as at 31 December 2002.

本集團其他物業乃以獨立特許測量師韋堅信測量師行於二零零一年十二月三十一日按公開市場基準作出之專業估值列賬。董事已審閱其他物業根據韋堅信測量師行之書面意見釐定之賬面值並認為於二零零二年十二月三十一日無需作出調整。

The carrying amount of the other properties would have been HK\$88,982,000 (2001: HK\$91,011,000) had they been stated at cost less accumulated depreciation.

如其他物業按成本減累計折舊入賬，有關該等物業的賬面金額為港幣88,982,000元（二零零一年：港幣91,011,000元）。

NOTES TO THE ACCOUNTS 賬目附註

12. FIXED ASSETS (continued)

As at 31 December 2002, a property with net book value of HK\$52,000,000 held by a subsidiary of the Group has been pledged to a bank to obtain banking facilities.

12. 固定資產 (續)

截至二零零二年十二月三十一日，一項由本集團旗下附屬公司持有賬面淨值為港幣52,000,000元之物業，已為取得銀行信貸而抵押予銀行。

13. SUBSIDIARIES

13. 附屬公司

		The Company 本公司	
		2002 二零零二年 HK\$'000 港幣千元	2001 二零零一年 HK\$'000 港幣千元
Unlisted shares, at valuation	非上市股份，按估值	86,131	86,131
Amount due from subsidiaries	附屬公司欠款	108,370	122,853
		194,501	208,984

The amount due from subsidiaries are unsecured, interest free and has no fixed terms of repayment.

附屬公司之欠款為無抵押、免息及無固定還款期。

The following is a list of the subsidiaries as at 31 December 2002:

於二零零二年十二月三十一日，本公司旗下附屬公司之詳情如下：

Name of company 公司名稱	Place of incorporation/ operations 註冊成立/ 營業地點	Group equity interest held by 本集團透過以下公司 所持股本權益		Issued and paid up ordinary share capital 已發行及 繳足普通股本	Principal activities 主要業務
		Company 本公司 %	Subsidiaries 附屬公司 %		
i-Onyx Investment Holdings Limited	British Virgin Islands 英屬處女群島	100	—	US\$1 1美元	Investment holding 投資控股
Anagram Company Limited	British Virgin Islands 英屬處女群島	—	100	US\$1 1美元	Investment holding 投資控股
Arnhold (B.V.I.) Limited	British Virgin Islands/ Hong Kong 英屬處女群島／香港	100	—	US\$1,000 1,000美元	Investment holding 投資控股

NOTES TO THE ACCOUNTS 賬目附註

13. SUBSIDIARIES (continued)

13. 附屬公司 (續)

Name of company 公司名稱	Place of incorporation/ operations 註冊成立/ 營業地點	Group equity interest held by 本集團透過以下公司 所持股本權益		Issued and paid up ordinary share capital 已發行及 繳足普通股本	Principal activities 主要業務
		Company 本公司 %	Subsidiaries 附屬公司 %		
Arnhold Investments Limited 安利投資有限公司	Hong Kong 香港	—	100	Ordinary HK\$1 Non-voting deferred HK\$1,000,000 普通股 港幣1元 無投票權 遞延股份 港幣1,000,000元	Investment holding 投資控股
Arnhold & Company, Limited 安利有限公司	Shanghai/ Hong Kong 上海/香港	—	100	HK\$20,000,000 港幣20,000,000元	Trading and engineering 貿易及工程
Bain d'Or Company Limited 安法有限公司	Hong Kong 香港	—	100	HK\$200,000 港幣200,000元	Inactive 暫無營業
Arnhold Marble Limited 安利雲石有限公司	Hong Kong 香港	—	100	HK\$2 港幣2元	Supply and installation of natural stones 供應及安裝 天然石材
Arnhold Stone Works Limited 安利石材有限公司	Hong Kong 香港	—	100	HK\$2 港幣2元	Inactive 暫無營業
Arnhold Kitchens Limited 安利廚櫃有限公司	Hong Kong 香港	—	100	HK\$2 港幣2元	Supply and installation of fitted kitchen cabinets 供應及 安裝廚櫃

NOTES TO THE ACCOUNTS 賬目附註

13. SUBSIDIARIES (continued)

13. 附屬公司 (續)

Name of company 公司名稱	Place of incorporation/ operations 註冊成立/ 營業地點	Group equity interest held by 本集團透過以下公司 所持股本權益		Issued and paid up ordinary share capital 已發行及 繳足普通股本	Principal activities 主要業務
		Company	Subsidiaries		
		本公司 %	附屬公司 %		
Arnhold Asia Limited 安利亞洲有限公司	British Virgin Islands 英屬處女群島	—	100	US\$50,000 50,000美元	Trading 貿易
Arnhold Design Centres Limited 安利家麗有限公司	Hong Kong 香港	—	100	HK\$2 港幣2元	Retailing 零售
Arnhold Distributors Limited	Bermuda 百慕達	—	100	HK\$100,000 港幣100,000元	Distributorship agent 經銷商
Arnhold China Limited 安利中國有限公司	Hong Kong 香港	—	100	HK\$2 港幣2元	Inactive 暫無營業
Arnhold Properties (B.V.I.) Limited	British Virgin Islands/ Hong Kong 英屬處女群島/ 香港	—	100	US\$1 1美元	Property holding 物業持有
Palatial Properties Limited	British Virgin Islands/ Hong Kong 英屬處女群島/ 香港	—	100	US\$1 1美元	Property holding 物業持有
Diction Limited 的信有限公司	Hong Kong 香港	—	100	HK\$2 港幣2元	Property holding 物業持有
Grandful Limited 津福有限公司	Hong Kong 香港	—	100	HK\$2 港幣2元	Property investment 物業投資

NOTES TO THE ACCOUNTS 賬目附註

13. SUBSIDIARIES (continued)

13. 附屬公司 (續)

Name of company 公司名稱	Place of incorporation/ operations 註冊成立/ 營業地點	Group equity interest held by 本集團透過以下公司 所持股本權益		Issued and paid up ordinary share capital 已發行及 繳足普通股本	Principal activities 主要業務
		Company 本公司 %	Subsidiaries 附屬公司 %		
Tradebond Investments Limited 貿邦投資有限公司	Hong Kong 香港	—	100	HK\$2 港幣2元	Property investment 物業投資
Worldpole Investments Limited 滙柱投資有限公司	Hong Kong 香港	—	100	HK\$2 港幣2元	Property investment 物業投資
Arnhold Marble China Limited 安利雲石中國有限公司	Hong Kong 香港	—	100	HK\$10 港幣10元	Trading and management services 貿易及管理服務
Dongguan Arnhold Marble Limited* 東莞安利石材有限公司*	Dongguan 東莞	—	100	HK\$9,045,016 港幣9,045,016元	Natural stones cutting and polishing 天然石材切割 及加工
Arnhold & Company (Shanghai) Limited* 貿邦建材國際貿易(上海)有限公司*	Shanghai 上海	—	100	US\$200,000 200,000美元	Trading 貿易
Starcase Limited** 達崎有限公司**	Hong Kong 香港	—	100	HK\$2 港幣2元	Investment holding 投資控股
Potent Star Limited*** 寶運達有限公司***	Hong Kong 香港	—	100	HK\$2 港幣2元	Investment holding 投資控股
i-Onyx (HK) Limited	Hong Kong 香港	100	—	HK\$2 港幣2元	Dormant 暫停營業
Arnhold Air-Conditioning Limited 安利空調工程有限公司	Hong Kong 香港	—	100	HK\$2 港幣2元	Inactive 暫無營業
D M (F.E.) Limited 大連重工(遠東)有限公司	Hong Kong 香港	—	100	HK\$2 港幣2元	Dormant 暫停營業

NOTES TO THE ACCOUNTS 賬目附註

13. SUBSIDIARIES (continued)

- * *Wholly-owned foreign enterprise incorporated in Mainland China*
- ** *In creditors' voluntary liquidation with effect from 9 February 2002 and dissolved on 4 January 2003*
- *** *De-registered on 16 August 2002*

14. INTEREST IN AN ASSOCIATE

13. 附屬公司 (續)

- * 於中國內地註冊成立之外商獨資企業
- ** 由二零零二年二月九日起進行債權人自動清盤並於二零零三年一月四日解散
- *** 於二零零二年八月十六日撤銷註冊

14. 聯營公司權益

		The Group 本集團	
		2002 二零零二年 HK\$'000 港幣千元	2001 二零零一年 HK\$'000 港幣千元
Share of net assets	應佔資產淨值	9,325	9,151
Unamortised goodwill	未攤銷商譽	178	269
		<hr/>	<hr/>
		9,503	9,420
Amount due from the associate	聯營公司之欠款	166	118
		<hr/>	<hr/>
		9,669	9,538
		<hr/>	<hr/>

No interim dividend (2001: HK\$1,470,000) was received during the year from the associate.

The amount due from the associate is unsecured, interest free and has no fixed terms of repayment.

The interest in the associate represents a 49% interest in the issued share capital of Kingspan China Limited, which is incorporated in Hong Kong and engaged in the thermal insulation and panel business.

本年度並無來自聯營公司之中期股息收入 (二零零一年：港幣1,470,000元)。

聯營公司之欠款為無抵押、免息及無固定還款期。

聯營公司權益指持有固溫中國有限公司之已發行股本之49%權益。該公司在香港註冊成立，從事保溫隔熱風喉系統及隔熱板業務。

NOTES TO THE ACCOUNTS 賬目附註

15. NON-TRADING SECURITIES

15. 非買賣用途證券

		The Group 本集團	
		2002 二零零二年 HK\$'000 港幣千元	2001 二零零一年 HK\$'000 港幣千元
Unlisted equity securities, at cost	非上市證券投資，按成本值	7,800	26,325
Less: provision for diminution in value	減：減值撥備	—	(7,800)
Less: impairment loss	減：減值虧損	(7,800)	(15,789)
		<u>—</u>	<u>2,736</u>

During the year ended 31 December 2002, one of the unlisted equity securities above has been disposed of and a realised loss of HK\$1,486,000 has been charged to the consolidated profit and loss account. The net proceeds of HK\$1,250,000 after related expenses was received in August 2002.

於截至二零零二年十二月三十一日止年度，其中一項非上市證券投資經已出售，而變現之虧損港幣1,486,000元已計入綜合損益表內。港幣1,250,000元（扣除相關費用後）已於二零零二年八月收取。

16. OTHER INVESTMENTS

16. 其他投資

		The Group 本集團	
		2002 二零零二年 HK\$'000 港幣千元	2001 二零零一年 HK\$'000 港幣千元
Unlisted club debentures, at fair value	非上市會籍債券， 按公平價值	2,288	2,288

17. INVENTORIES

17. 存貨

		The Group 本集團	
		2002 二零零二年 HK\$'000 港幣千元	2001 二零零一年 HK\$'000 港幣千元
Merchandise	商品	11,079	14,359
Consumable inventories	消耗存貨	1,379	1,076
Raw materials	原材料	2,047	4,656
Work in progress	在製品	144	314
Finished goods	製成品	—	10
		<u>14,649</u>	<u>20,415</u>

NOTES TO THE ACCOUNTS 賬目附註

18. CONSTRUCTION CONTRACTS

18. 建築合約

		The Group 本集團	
		2002 二零零二年 HK\$'000 港幣千元	2001 二零零一年 HK\$'000 港幣千元
Contract costs incurred plus	建築合約成本加		
attributable profits less	應佔盈利減		
foreseeable losses to date	可預見虧損	549,940	638,254
Less: progress billings to date	減：已發出之進度收費單	(569,506)	(659,540)
		(19,566)	(21,286)
Included in current assets/(liabilities):	流動資產／(負債) 包括：		
Due from customers on	應收客戶之建築賬款		
construction contracts (included	合約款項 (包括在		
in construction contracts)	建築合約)	5,198	3,715
Due to customers on construction	應付客戶之建築合約		
contracts (included in trade	款項 (包括在應付		
and other payables)	賬款及其他應付款)	(24,764)	(25,001)
		(19,566)	(21,286)

At 31 December 2002, the net retention held by customers for contract works included in trade and other receivables of the Group as disclosed in note 19 amounted to HK\$13,720,000 (2001: HK\$22,261,000).

於二零零二年十二月三十一日，由客戶持有之合約工程保留金淨值為港幣13,720,000元（二零零一年：港幣22,261,000元），已包括在附註19所披露之本集團應收賬款及其他應收款之內。

At 31 December 2002, advances received from customers for contract works included in other payables of the Group as disclosed in note 21 amounted to HK\$1,091,000 (2001: HK\$2,394,000).

於二零零二年十二月三十一日，附註21所披露之本集團其他應付款已包括就建築工程向客戶收取之預付款達港幣1,091,000元（二零零一年：港幣2,394,000元）。

NOTES TO THE ACCOUNTS 賬目附註

19. TRADE AND OTHER RECEIVABLES

19. 應收賬款及其他應收款

		The Group 本集團		The Company 本公司	
		2002 二零零二年 HK\$'000 港幣千元	2001 二零零一年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元	2001 二零零一年 HK\$'000 港幣千元
Trade receivables	應收貿易賬款	123,620	202,212	—	—
Retention receivables	應收保留款項	24,355	31,720	—	—
Prepayments and other receivables	預付款項及其他應收款	6,777	6,363	398	1,120
		154,752	240,295	398	1,120

Included in trade and other receivables are trade debtors and retention receivables (net of specific provisions for doubtful debts) with the following aging analysis:

應收賬款及其他應收款包括應收賬款及保留金(已扣除呆賬特殊撥備)，其賬齡分析如下：

		The Group 本集團	
		2002 二零零二年 HK\$'000 港幣千元	2001 二零零一年 HK\$'000 港幣千元
Current	未逾期	60,911	102,592
One to three months overdue	逾期一至三個月	38,347	65,381
More than three months overdue but less than twelve months overdue	逾期超過三個月但少於十二個月	27,150	43,554
Overdue more than twelve months	逾期超過十二個月	21,567	22,405
Total debtors and retention receivables	應收賬款及保留金總額	147,975	233,932
Prepayments and other receivables	預付款項及其他應收款	6,777	6,363
		154,752	240,295

Debts from construction contracts are due when architect certificates are issued and other debts are due normally from the date of billing. Debtors with balances that are long overdue are normally requested to settle all outstanding balances before any further credit is granted.

建築合約賬款在建築師證書發出時到期支付，其餘賬款通常在收費通知書發出當日起到期支付。如有逾期賬款餘額，有關的債務人須先行清償所有未付結餘，才可再給予信貸額。

NOTES TO THE ACCOUNTS 賬目附註

20. CASH AND CASH EQUIVALENTS

20. 現金及現金等價物

		The Group 本集團		The Company 本公司	
		2002 二零零二年 HK\$'000 港幣千元	2001 二零零一年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元	2001 二零零一年 HK\$'000 港幣千元
Bank deposits with original maturity of three months or less	原有到期日為三個月或以下之銀行存款	40,058	404,677	—	391,807
Cash at bank and in hand	銀行存款及現金	14,559	9,131	20	777
		<u>54,617</u>	<u>413,808</u>	<u>20</u>	<u>392,584</u>

21. TRADE AND OTHER PAYABLES

21. 應付賬款及其他應付款

		The Group 本集團		The Company 本公司	
		2002 二零零二年 HK\$'000 港幣千元	2001 二零零一年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元	2001 二零零一年 HK\$'000 港幣千元
Trade payables	應付貿易賬款	55,238	65,757	—	—
Accruals and other accounts payables	應計費用及其他應付賬款	72,118	92,536	1,119	748
Advances received from customers	客戶預付款	1,091	2,394	—	—
		<u>128,447</u>	<u>160,687</u>	<u>1,119</u>	<u>748</u>

All of the above trade and other payables are expected to be settled within one year.

以上所有應付賬款及其他應付款預期將於一年內償付。

NOTES TO THE ACCOUNTS 賬目附註

21. TRADE AND OTHER PAYABLES (continued) 21. 應付賬款及其他應付款(續)

Included in the trade and other payables are creditors and bills payable with the following aging analysis:

應付賬款及其他應付款包括應付賬項及應付票據，其賬齡分析如下：

		The Group 本集團	
		2002 二零零二年 HK\$'000 港幣千元	2001 二零零一年 HK\$'000 港幣千元
Due within one month or on demand	一個月內或接獲通知時到期	44,444	51,761
Due after one month but within three months	一個月後但三個月內到期	9,692	12,747
Due after three months	三個月後到期	1,102	1,249
Total creditors and bills payable	應付賬款及應付票據	55,238	65,757
Accruals and other accounts payable	應計費用及其他應付賬款	72,118	92,536
Advances received from customers	客戶預付款	1,091	2,394
		128,447	160,687

22. PROVISIONS

22. 撥備

		Long service payments 長期服務金 HK\$'000 港幣千元	Employee leave entitlements 僱員應享假期 HK\$'000 港幣千元	Total 總數 HK\$'000 港幣千元
At 1 January 2002	於二零零二年一月一日	1,202	979	2,181
Additional provisions	額外撥備	570	1,837	2,407
Less: Amounts utilised	減：已動用款項	—	(1,337)	(1,337)
Charge to consolidated profit and loss account	自綜合損益表 扣除	570	500	1,070
Less: Amounts settled	減：已支付款項	(481)	(318)	(799)
Net effect on provisions	撥備淨額	89	182	271
At 31 December 2002	於二零零二年 十二月三十一日	1,291	1,161	2,452

NOTES TO THE ACCOUNTS 賬目附註

23. SHARE CAPITAL

23. 股本

		Authorised 法定	
Ordinary shares of HK\$0.10 each 每股面值港幣0.10元之普通股		Number of shares 股份數目	HK\$'000 港幣千元
At 1 January 2002 and at 31 December 2002	於二零零二年一月一日 及二零零二年十二月三十一日	800,000,000	80,000
		Issued and fully paid 已發行及已繳足	
Ordinary shares of HK\$0.10 each 每股面值港幣0.10元之普通股		Number of shares 股份數目	HK\$'000 港幣千元
At 1 January 2002	於二零零二年一月一日	615,896,000	61,590
Exercise of share options	行使購股權	3,600,000	360
Repurchase of ordinary shares	購回普通股	(395,000,000)	(39,500)
At 31 December 2002	於二零零二年十二月三十一日	224,496,000	22,450

On 14 January 2002, 3,600,000 ordinary shares of HK\$0.10 each were issued at HK\$0.592 (the pre-determined subscription price upon the exercise of the share options granted under the Executive Share Option Scheme). These shares rank pari passu with the existing shares.

於二零零二年一月十四日，按每股作價港幣0.592元（行使根據行政人員購股權計劃授出之購股權時預先釐定之購股價）發行3,600,000股每股面值港幣0.10元之普通股。該等股份與現有股份享有同等權利。

On 29 January 2002, 395,000,000 ordinary shares of HK\$0.10 each were repurchased and cancelled pursuant to the conditional cash offer approved at the special general meeting on 14 January 2002 and became unconditional on 15 January 2002.

於二零零二年一月二十九日，根據於二零零二年一月十四日舉行之股東特別大會上通過並於二零零二年一月十五日成為無條件之有條件現金回購建議，購回並注銷395,000,000股每股面值港幣0.10元之普通股。

NOTES TO THE ACCOUNTS 賬目附註

24. RESERVES

24. 儲備

The Group

本集團

		Share premium 股份溢價 HK\$'000 港幣千元	Other properties revaluation reserve 其他物業 重估儲備 HK\$'000 港幣千元	Investment revaluation reserve 投資重估 儲備 HK\$'000 港幣千元	Profit and loss account 損益表 HK\$'000 港幣千元	Contributed surplus 實繳盈餘 HK\$'000 港幣千元	Total 總數 HK\$'000 港幣千元
At 1 January 2001, as previously reported	於二零零一年 一月一日， 按過往呈報	438,262	11,389	(12,035)	192,823	808	631,247
Effect of adopting SSAP 28*	採納會計準則 第28條之影響*	-	-	-	(2,299)	-	(2,299)
At 1 January 2001, as restated	於二零零一年 一月一日， 按重列	438,262	11,389	(12,035)	190,524	808	628,948
Loss attributable to shareholders	股東應佔虧損	-	-	-	(53,520)	-	(53,520)
Deficit on revaluation	重估虧絀	-	(9,617)	(11,554)	-	-	(21,171)
Reserve realised upon recognition of impairment loss	確認減值虧損時 變現之儲備	-	-	15,789	-	-	15,789
Share issue expenses	股份發行費用	(44)	-	-	-	-	(44)
At 31 December 2001	於二零零一年 十二月三十一日	438,218	1,772	(7,800)	137,004	808	570,002
Loss attributable to shareholders	股東應佔虧損	-	-	-	(42,269)	-	(42,269)
Reserve realised upon recognition of impairment loss	確認減值虧損時 變現之儲備	-	-	7,800	-	-	7,800
Repurchase of ordinary shares	購回普通股份	(347,600)	-	-	(4,198)	-	(351,798)
Exercise of share options	行使購股權	1,771	-	-	-	-	1,771
At 31 December 2002	於二零零二年 十二月三十一日	92,389	1,772	-	90,537	808	185,506
Company and subsidiaries	本公司及附屬公司	438,218	1,772	(7,800)	131,171	808	564,169
Associate	聯營公司	-	-	-	5,833	-	5,833
At 31 December 2001	於二零零一年 十二月三十一日	438,218	1,772	(7,800)	137,004	808	570,002
Company and subsidiaries	本公司及附屬公司	92,389	1,772	-	84,530	808	179,499
Associate	聯營公司	-	-	-	6,007	-	6,007
At 31 December 2002	於二零零二年 十二月三十一日	92,389	1,772	-	90,537	808	185,506

NOTES TO THE ACCOUNTS 賬目附註

24. RESERVES (continued)

* The adoption of SSAP 28 has meant that certain provisions which meet the recognition and measurement criteria prescribed in the new standard are recognised at 31 December 2001. In accordance with the transitional provisions of SSAP 28, these provisions have been made and these adjustments have been made to the opening retained earnings at 1 January 2001 only.

The Company

		Share premium 股份溢價 HK\$'000 港幣千元	Profit and loss account 損益表 HK\$'000 港幣千元	Contributed surplus 實繳盈餘 HK\$'000 港幣千元	Total 總數 HK\$'000 港幣千元
At 1 January 2001	於二零零一年 一月一日	438,262	13,960	75,067	527,289
Profit for the year	本年度溢利	–	13,105	–	13,105
Share issue expenses	股份發行費用	(44)	–	–	(44)
At 31 December 2001	於二零零一年 十二月三十一日	438,218	27,065	75,067	540,350
Loss for the year	本年度虧損	–	(18,973)	–	(18,973)
Repurchase of ordinary shares	購回普通 股份	(347,600)	(4,198)	–	(351,798)
Exercise of share options	行使購股權	1,771	–	–	1,771
At 31 December 2002	於二零零二年 十二月三十一日	92,389	3,894	75,067	171,350

The Group loss for the year retained of HK\$42,269,000 (2001: retained loss of HK\$53,520,000) included a profit retained by an associate of HK\$174,000 (2001: retained profit HK\$255,000).

The distributable reserves of the Company at 31 December 2002, under the Companies Act 1981 of Bermuda, amounted to HK\$78,961,000 (2001: HK\$102,132,000).

24. 儲備 (續)

* 採納會計準則第28條後，凡符合新準則所定之確認及衡量條件之若干撥備會於二零零一年十二月三十一日確認。根據會計準則第28條之過渡性條文，經已作出此等撥備，惟只曾就二零零一年一月一日之期初保留盈利作以上調整。

本公司

本年度集團之保留虧損為港幣42,269,000元(二零零一年：保留虧損港幣53,520,000元)，包括一聯營公司之保留溢利港幣174,000元(二零零一年：保留溢利港幣255,000元)。

於二零零二年十二月三十一日，本公司依據百慕達一九八一年公司法可供分配儲備共達港幣78,961,000元(二零零一年：港幣102,132,000元)。

NOTES TO THE ACCOUNTS 賬目附註

24. RESERVES (continued)

The contributed surplus of the Group represents the excess of the nominal value of the shares of Arnhold (B.V.I.) Limited and the nominal value of the deferred shares of Arnhold Investments Limited acquired over the nominal value of the Company's shares issued in exchange therefore pursuant to the Group's reorganisation in December 1993.

The contributed surplus of the Company represents the undistributed excess of the net assets of the subsidiaries acquired over the nominal value of the Company's shares issued in exchange therefore pursuant to the Group's reorganisation in December 1993. Under the Companies Act 1981 of Bermuda, the contributed surplus is distributable.

24. 儲備 (續)

本集團之實繳盈餘是指購入 Arnhold (B.V.I.) Limited 之股份面值與安利投資有限公司之遞延股份面值超逾本公司根據一九九三年十二月集團重組而發行之股份 (作為交換上述股份) 面值之盈餘。

本公司之實繳盈餘是指購入該等附屬公司之資產淨值超逾本公司根據一九九三年十二月集團重組發行之股份 (以交換該等附屬公司之資產淨值) 面值之未分派盈餘。根據百慕達一九八一年公司法，實繳盈餘可予分派。

25. DEFERRED TAXATION

25. 遞延稅項

		The Group 本集團	
		2002 二零零二年 HK\$'000 港幣千元	2001 二零零一年 HK\$'000 港幣千元
At 1 January	於一月一日	430	1,150
Transfer to consolidated profit and loss account (note 9)	轉入綜合損益表 (附註9)	(63)	(720)
At 31 December	於十二月三十一日	367	430

		The Group 本集團	
		2002 二零零二年 HK\$'000 港幣千元	2001 二零零一年 HK\$'000 港幣千元
Provided for in respect of:	就以下項目作出之備撥：		
Accelerated depreciation allowances	加速折舊免稅額	367	430
Other timing differences	其他時差	—	—
		367	430

NOTES TO THE ACCOUNTS 賬目附註

25. DEFERRED TAXATION (continued)

The potential deferred tax assets which have not been accounted for in the accounts amount to:

25. 遞延稅項 (續)

並未計入賬目內之潛在遞延稅務資產：

		The Group 本集團	
		2002 二零零二年 HK\$'000 港幣千元	2001 二零零一年 HK\$'000 港幣千元
Accelerated depreciation allowances	加速折舊免稅額	(293)	(189)
Other timing differences	其他時差	(14,124)	(8,415)
		<u>(14,417)</u>	<u>(8,604)</u>

The revaluation of investment properties and other properties does not constitute timing differences for deferred taxation purposes as realisation of the revaluation surplus would not result in a taxation liability.

重估投資物業及其他物業就遞延稅項而言不會構成時差，原因為重估盈餘變現不會導致出現稅務負擔。

26. CONTINGENT LIABILITIES

(a) At 31 December 2002, there were contingent liabilities in respect of the following:

26. 或然負債

(a) 於二零零二年十二月三十一日，或然負債如下：

		The Group 本集團		The Company 本公司	
		2002 二零零二年 HK\$'000 港幣千元	2001 二零零一年 HK\$'000 港幣千元	2002 二零零二年 HK\$'000 港幣千元	2001 二零零一年 HK\$'000 港幣千元
Guarantees for credit facilities granted by a bank on behalf of subsidiaries	代表附屬公司向銀行提供貸款擔保	—	—	222,000	222,000

NOTES TO THE ACCOUNTS 賬目附註

26. CONTINGENT LIABILITIES (continued)

- (b) Certain subsidiaries have given undertakings to the banks that they will perform certain contractual non-financial obligations to third parties. In return, the banks have provided performance bonds and letters of guarantee to third parties on behalf of these subsidiaries. As at 31 December 2002, the amount of guarantees outstanding was HK\$28,683,000 (2001: HK\$32,618,000).

26. 或然負債 (續)

- (b) 若干附屬公司曾向銀行承諾會向第三者履行若干非財務性質之合約責任。該等銀行已就此代表有關附屬公司向第三者提供履約保證及擔保書。於二零零二年十二月三十一日，擔保金額為港幣28,683,000元(二零零一年：港幣32,618,000元)。

27. OPERATING LEASE COMMITMENTS

At 31 December 2002, the Group had future aggregate minimum lease payments under non-cancellable operating leases as follows:

27. 經營租約承擔

於二零零二年十二月三十一日，本集團根據不可撤銷經營租約應付之日後最低租金總額如下：

		The Group 本集團	
		2002 二零零二年 HK\$'000 港幣千元	2001 二零零一年 HK\$'000 港幣千元
Land and buildings	土地及樓宇		
– Not later than one year	– 於一年內屆滿	2,102	1,706
– Later than one year and not later than five years	– 於第二至第五年屆滿	3,126	89
		<u>5,228</u>	<u>1,795</u>

NOTES TO THE ACCOUNTS 賬目附註

27. OPERATING LEASE COMMITMENTS 27. 經營租約承擔 (續) (continued)

At 31 December 2002, the Group had future aggregate minimum lease payments receivable under non-cancellable operating leases as follows:

於二零零二年十二月三十一日，本集團根據不可撤銷經營租約應收之日後最低租金總額如下：

		The Group 本集團	
		2002 二零零二年 HK\$'000 港幣千元	2001 二零零一年 HK\$'000 港幣千元
Land and buildings	土地及樓宇		
– Not later than one year	– 於一年內屆滿	307	201
– Later than one year and not later than five years	– 於第二至第五年屆滿	81	–
		<u>388</u>	<u>201</u>

28. RELATED PARTY TRANSACTIONS

28. 與有關連人士之交易

Significant related party transactions which were carried out in the normal course of the Group's business are as follows:

以下所列為本集團與有關連人士在日常業務中進行之重大交易：

		2002 二零零二年 HK\$'000 港幣千元	2001 二零零一年 HK\$'000 港幣千元
Administration fee received by Arnhold & Company, Limited from the associate (see note (a) below)	安利有限公司向聯營公司收取之行政費用 (見下文附註(a))	938	930
Gross rental income received by Grandful Limited from the associate (see note (b) below)	津福有限公司向聯營公司收取之總租金收入 (見下文附註(b))	<u>110</u>	<u>–</u>

NOTES TO THE ACCOUNTS 賬目附註

28. RELATED PARTY TRANSACTIONS (continued)

- (a) Arnhold & Company, Limited provides management services to the associate for which it charges an administration fee at a fixed monthly amount.
- (b) During the year, the associate paid rental expenses of HK\$110,000 to one of the subsidiaries of the Group, Grandful Limited.
- (c) In addition to transactions with related companies as disclosed above, professional fees of HK\$303,000 (2001: HK\$335,000) were paid to a firm in which an independent non-executive director is a partner. Besides, sales of consumer goods of HK\$5,959,000 (2001: HK\$16,032,000) to a listed group of companies in which an independent non-executive director is also a director of the listed group.

It is the intention of the directors of the Company that the Group will continue its business relationships with related parties under similar bases as adopted in previous years. In the opinion of the directors of the Company, the transactions with the related companies were carried out in the ordinary course of business on normal commercial terms.

29. APPROVAL OF ACCOUNTS

The accounts were approved by the board of directors on 13 March 2003.

28. 與有關連人士之交易(續)

- (a) 安利有限公司提供管理服務予其聯營公司，並每月收取固定之行政費用。
- (b) 於年內，聯營公司支付租金費用港幣110,000元予一間本集團之附屬公司，津福有限公司。
- (c) 除了上述與有關連公司之交易外，本集團向一家公司支付專業費用港幣303,000元(二零零一年：港幣335,000元)，本公司之一名獨立非執行董事是該公司之合夥人。此外，並向一個上市公司集團銷售消費貨品港幣5,959,000元(二零零一年：港幣16,032,000元)，本公司一名獨立非執行董事亦為該上市集團之董事。

根據本公司董事會之意向，本集團將按以往相近之基準與有關連人士維持業務關係。本公司之董事認為，與上述有關連公司進行之交易乃在日常業務過程中按正常商業條款進行。

29. 批核賬目

董事會已於二零零三年三月十三日批核本年度之賬目。