

# Consolidated Statement of Changes in Equity

For the year ended 31st December, 2002

	Share capital HK\$'000 (note 26)	Share premium HK\$'000	Hotel properties revaluation reserve HK\$'000	Exchange translation reserve HK\$'000	Capital redemption reserve HK\$'000	Goodwill reserve HK\$'000	PRC statutory reserves HK\$'000	Other capital reserve HK\$'000	Accu- mulated profits HK\$'000	Total HK\$'000
<b>THE GROUP</b>										
At 1st January, 2001	410,578	1,458,243	-	2,594	9,089	(59,089)	1,441	586	399,393	2,222,835
Reallocation	-	-	-	-	-	(124,946)	-	124,946	-	-
As restated	410,578	1,458,243	-	2,594	9,089	(184,035)	1,441	125,532	399,393	2,222,835
Surplus arising on revaluation	-	-	9,660	-	-	-	-	-	-	9,660
Share of translation of reserve of overseas operations	-	-	-	(48)	-	-	-	-	-	(48)
Net gains not recognised in the income statement	-	-	9,660	(48)	-	-	-	-	-	9,612
Shares repurchased and cancelled:										
- Repurchase of ordinary shares	(5,186)	-	-	-	-	-	-	-	-	(5,186)
- Premium on shares repurchased	-	-	-	-	-	-	-	-	(4,710)	(4,710)
- Transfer	-	-	-	-	5,186	-	-	-	(5,186)	-
Transfer	-	-	-	-	-	-	2,726	-	(2,726)	-
Impairment of goodwill recognised in income statement	-	-	-	-	-	6,948	-	-	-	6,948
Loss for the year	-	-	-	-	-	-	-	-	(14,825)	(14,825)
At 31st December, 2001 and 1st January, 2002	405,392	1,458,243	9,660	2,546	14,275	(177,087)	4,167	125,532	371,946	2,214,674
Share of translation of reserve of overseas operations not recognised in income statements	-	-	-	(458)	-	-	-	-	-	(458)
Shares repurchased and cancelled:										
- Repurchase of ordinary shares	(1,631)	-	-	-	-	-	-	-	-	(1,631)
- Premium on shares repurchased	-	-	-	-	-	-	-	-	(137)	(137)
- Transfer	-	-	-	-	1,631	-	-	-	(1,631)	-
Transfer	-	-	-	-	-	-	1,458	-	(1,458)	-
Deemed capital contribution arising on acquisition of an associate from holding company	-	-	-	-	-	-	-	38,605	-	38,605
Realised on disposal of an associate	-	-	-	(2,645)	-	118,195	(1,190)	-	-	114,360
Loss for the year	-	-	-	-	-	-	-	-	(128,994)	(128,994)
At 31st December, 2002	403,761	1,458,243	9,660	(557)	15,906	(58,892)	4,435	164,137	239,726	2,236,419

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*For the year ended 31st December, 2002*

Included in goodwill reserve as at 31st December, 2002 is goodwill of HK\$54,528,000 (2001: HK\$54,528,000) and HK\$4,364,000 (2001: HK\$122,559,000) arising on acquisition of subsidiaries and associates respectively.

Included in other capital reserve as at 31st December, 2002 is deemed capital contribution arising on acquisition of subsidiaries of HK\$124,946,000 (2001: HK\$124,946,000) and an associate of HK\$38,605,000 (2001: Nil).

The PRC statutory reserves are reserves required by the relevant PRC laws applicable to the Group's PRC subsidiaries, associates and jointly controlled entities.

The accumulated profits of the Group at 31st December, 2002 include a profit of approximately HK\$4,068,000 (2001: a loss of HK\$18,670,000) retained by associates and a loss of approximately HK\$48,580,000 (2001: HK\$41,405,000) attributable to jointly controlled entities.

For the year ended 31st December, 2001, the management of the Group reviewed the carrying amount of goodwill with reference to the business operated by a subsidiary. The subsidiary in question is engaged in the business of vessel charterhire and, in view of the impairment loss recognised in respect of the vessel, all of the goodwill relating to that subsidiary, amounting to HK\$6,948,000 was considered to have been impaired and therefore written off to the consolidated income statement.