



NOTES 附註

31 December 2003 二零零三年十二月三十一日

1. CORPORATE INFORMATION

公司資料

During the year, the Group was involved in the following principal activities:-

本年度內本集團從事下列主要業務：

- Property investment and management
- Property construction and development
- Horticultural services

- 物業投資及管理
- 物業建造及發展
- 園藝服務

2. PRINCIPAL ACCOUNTING POLICIES

主要會計政策

(A) BASIS OF PREPARATION

These financial statements have been prepared in accordance with accounting principles generally accepted in Hong Kong and comply with the Statements of Standard Accounting Practice ("SSAPs") issued by the Hong Kong Society of Accountants ("HKSA") and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention as modified by the revaluation of land and buildings, investment properties and short term equity investments as explained in the accounting policies set out below.

In the current year, the Group adopted SSAP 12 (revised) "Income Taxes" issued by the HKSA which is effective for accounting periods commencing on or after 1 January 2003. The effect of adopting this revised SSAP is set out in the accounting policy below.

(A) 編製基準

財務報表乃按照香港普遍採納之會計原則並遵照香港會計師公會頒佈之香港會計實務準則以及香港公司條例之披露規定而編製。財務報表乃按歷史成本慣例編製，並經載於下文之會計政策所闡述之重估土地及樓宇、投資物業及短期股票投資作出修訂。

於本年度，本集團採納由香港會計師公會頒佈之會計實務準則第12號(經修訂)「所得稅」，有關準則於二零零三年一月一日或之後開始之會計期間生效。採納該項經修訂之會計實務準則之影響載於下文之會計政策。



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2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

主要會計政策(續)

(B) BASIS OF CONSOLIDATION

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 December 2003. The results of subsidiaries acquired or disposed of during the year are dealt with in the consolidated income statement from the effective dates of acquisition or to the effective dates of disposal respectively. All significant intra-group transactions and balances have been eliminated on consolidation.

Minority interests represent the interests of outside shareholders in the results and net assets of the Company's subsidiaries.

(C) 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. Income from subsidiaries is recognised in the Company's financial statements on the basis of dividends declared by the subsidiaries.

(B) 綜合基準

綜合財務報表包括本公司及其附屬公司截至二零零三年十二月三十一日止年度之財務報表。年內所收購或出售之附屬公司之業績分別按該等公司各自之收購或出售生效日期於綜合財務報表中處理。本集團內各公司間之一切重大交易及結餘已於綜合賬目時對銷。

少數股東權益指外界股東於本公司附屬公司之業績及資產淨值佔有之權益。

(C) 附屬公司

附屬公司乃指本公司直接或間接控制其財務及經營政策以從其活動中獲利之公司。

本公司於附屬公司之權益按成本減除減值虧損列賬。來自附屬公司之收入按附屬公司宣派股息之基準於本公司之財務報表中確認。



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2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

(D) ASSOCIATES

An associate is a company, not being a subsidiary or a jointly-controlled entity, in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence.

The Group's share of the post-acquisition results and reserves of associates is included in the consolidated income statement and consolidated reserves, respectively. The Group's interests in associates 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. Goodwill or negative goodwill arising from the acquisition of associates, which was not previously eliminated or recognised in consolidated reserves, is included as part of the Group's interest in an associate.

(E) GOODWILL AND NEGATIVE GOODWILL

Goodwill arising on the acquisition of subsidiaries and associates represents the excess of the cost of the acquisition over the Group's share of the fair values of the identifiable assets and liabilities acquired as at the date of acquisition.

Goodwill arising on acquisition is recognised in the consolidated balance sheet as an asset and amortised on the straight-line basis over its estimated useful life of not more than 20 years. In the case of associates, any unamortised goodwill is included in the carrying amount thereof, rather than as a separately identified asset on the consolidated balance sheet.

主要會計政策 (續)

(D) 聯營公司

聯營公司乃附屬公司或共同控制實體以外，本集團長期擁有其股份投票權通常不少於20%，且本集團對其有重大影響力之公司。

本集團所佔聯營公司之收購後業績及儲備分別載於綜合損益賬及綜合儲備。本集團於聯營公司之權益載於綜合資產負債表，按權益會計法就本集團所佔聯營公司資產淨值減任何減值撥備列出。收購聯營公司產生而先前未於綜合儲備撇銷或確認之商譽或負商譽乃計入本集團於一間聯營公司之權益。

(E) 商譽及負商譽

於收購附屬公司及聯營公司所產生之商譽指收購成本超出本集團於收購日應佔所收購附屬公司及聯營公司之可識別資產及負債之公平值資產數額。

於收購所產生之商譽乃於綜合資產負債表中確認為一項資產，並按其估計可使用年期不超過20年以直線法攤銷。就聯營公司而言，任何未作攤銷之商譽乃以其賬面值而非另作一項識別資產載於綜合資產負債表。



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2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

(E) GOODWILL AND NEGATIVE GOODWILL (CONTINUED)

Negative goodwill arising on the acquisition of subsidiaries and associates represents the excess of the Group's share of the fair values of the identifiable assets and liabilities acquired as at the date of acquisition, over the cost of the acquisition.

To the extent that negative goodwill relates to expectations of future losses and expenses that are identified in the acquisition plan and that can be measured reliably, but which do not represent identifiable liabilities as at the date of acquisition, that portion of negative goodwill is recognised as income in the consolidated income statement when the future losses and expenses are recognised.

To the extent that negative goodwill does not relate to identifiable expected future losses and expenses as at the date of acquisition, negative goodwill is recognised in the consolidated income statement on a systematic basis over the remaining average useful life of the acquired depreciable/amortisable assets. The amount of any negative goodwill in excess of the fair values of the acquired non-monetary assets is recognised as income immediately.

In the case of associates, any negative goodwill not yet recognised in the consolidated income statement is included in the carrying amount thereof, rather than as a separately identified item on the consolidated balance sheet.

主要會計政策(續)

(E) 商譽及負商譽(續)

負商譽指本集團於收購日應佔所收購附屬公司及聯營公司之可識別資產及負債之公平值資產數額超出收購成本。

倘負商譽涉及收購計劃中可識別之預期未來虧損及費用，並能作出可靠計算時，惟並非指於收購日期可識別之負債，倘未來之虧損及費用獲確認時，該負商譽之部份乃於綜合收益表中確認為收入。

倘負商譽並無涉及於收購日可識別之預期未來虧損及費用，負商譽乃就所收購之可折舊／攤銷資產之餘下平均可使用年期按有系統基準於綜合收益表中確認。任何超出所收購非幣值資產公平值之負商譽乃即時確認為收入。

就聯營公司而言，任何未於綜合收益表確認之負商譽乃以其賬面值於綜合收益表中入賬，而非於綜合資產負債表另外列為一個識別之項目。



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2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

(E) GOODWILL AND NEGATIVE GOODWILL (CONTINUED)

SSAP 30 "Business combinations" was adopted as at 1 January 2001. Prior to that date, goodwill/negative goodwill arising on acquisitions was eliminated against/credited to reserves in the year of acquisition. On adoption of SSAP 30, the Group applied the transitional provision of SSAP 30 that permitted such goodwill/negative goodwill to remain eliminated against/credited to reserves. Goodwill/negative goodwill on acquisitions subsequent to 1 January 2001 is treated according to the new accounting policy above.

The carrying amount of goodwill, including goodwill remaining eliminated against consolidated reserves, is reviewed annually and written down for impairment when it is considered necessary. A previously recognised impairment loss for goodwill is not reversed unless the impairment loss was caused by a specific external event of an exceptional nature that was not expected to recur, and subsequent external events have occurred which have reversed the effect of that event.

On disposal of subsidiaries or associates, the gain or loss on disposal is calculated by reference to the net assets at the date of disposal, including the attributable amount of goodwill/negative goodwill which has not been recognised in the consolidated income statement and any relevant reserves as appropriate. Any attributable goodwill/negative goodwill previously eliminated against/credited to reserves at the time of acquisition is written back and included in the calculation of the gain or loss on disposal.

主要會計政策(續)

(E) 商譽及負商譽(續)

會計實務準則第30號「業務合併」乃於二零零一年一月一日採納。在該日之前，於收購時產生之商譽／負商譽乃於收購之年度於儲備中撇銷／計入儲備。本集團採納會計實務準則第30號之過渡條文，有關條文准許該商譽／負商譽繼續於儲備中撇銷／計入儲備。於二零零一年一月一日後收購所產生之商譽／負商譽乃按上述之新會計政策處理。

商譽(包括於綜合儲備中撇銷所餘下之商譽)之賬面值乃每年審閱並於視作有需要時作減值撇銷。先前確認為減值虧損之商譽不作撥回，除非減值虧損屬特殊性質並預期不會再次發生之特定外部事項，而隨後發生之外部事項已將該事項之影響推翻。

於出售附屬公司或聯營公司時，出售所得之收益或虧損乃參照於出售之日之資產淨值(包括並未於綜合收益表確認之應佔商譽／負商譽數額以及任何相關之儲備(倘適當))計算。於收購時任何先前於儲備撇銷／計入儲備之應佔商譽／負商譽乃撥回並計入計算出售時所得之收益或虧損中。



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2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

(F) 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 income statement in the period in which it arises, unless the asset is carried at a revalued amount, when the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

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 income statement in the period in which it arises, unless the asset is carried at a revalued amount, when the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

主要會計政策(續)

(F) 資產減值(續)

本集團於每個結算日進行評估，評估資產是否出現減值，或有否顯示某項資產往年之前所確認之減值虧損已不再存在或已減少。倘出現任何有關之顯示，則估計資產之可收回數額。資產之可收回數額按資產之使用價值或其售價淨額之較高者計算。

減值虧損僅於資產之賬面值超過其可收回數額時確認。減值虧損於其產生之期間在收益表中支銷，除非資產乃按估值列賬，則減值虧損乃根據該項重估價值之資產之有關會計政策入賬。

之前確認之減值虧損僅於用以釐訂資產之可收回數額之估計出現變動始能撥回，惟數額不得超過倘有關資產於過往年度並未確認減值虧損而予以釐訂之賬面值(扣除任何折舊／攤銷)。撥回減值虧損之數額，乃於其產生之期間計入收益表，除非資產以重估價值列賬，則撥回減值虧損之數額，乃根據重估資產之有關會計政策入賬。



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2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

(g) FIXED ASSETS AND DEPRECIATION

Fixed assets, other than investment properties, are stated at cost or valuation less accumulated depreciation and 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 the fixed assets have been put into operation, such as repairs and maintenance, are normally charged to the income statement in the period in which they are 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 the fixed asset.

For assets stated at valuation, changes in the values of fixed assets, other than investment properties, are dealt with as movements in the revaluation reserve. If the total of this reserve is insufficient to cover a deficit, on an individual asset basis, the excess of the deficit is charged to the income statement. Any subsequent revaluation surplus is credited to the income statement to the extent of the deficit previously charged. On disposal of a revalued asset, the relevant portion of the revaluation reserve realised in respect of previous valuations is transferred to retained profits as a movement in reserves.

主要會計政策(續)

(G) 固定資產及折舊

除投資物業以外之固定資產乃以原值或估值減累積折舊及任何減值虧損入賬。一項資產之原值包括其購買價及任何使其達致現時狀況及運往現址作擬定用途之直接應佔成本。於固定資產投入運作後所引致之支出，如維修保養費等，通常於其產生期間自收益表中扣除。倘若可明確顯示該等支出導致透過固定資產運用而預料日後帶來之經濟收益上升，則該等支出资本化為固定資產之額外成本。

對於按估值列賬之資產，投資物業以外之固定資產價值之變動乃列作重估儲備之變動處理。倘該項儲備總額不足以彌補虧絀，按個別資產基準，超出之虧絀數額乃自收益表中扣除。任何其後之重估盈餘應按較早前扣除之重估虧絀計入收益表。於出售重估資產時，就過往估值已變現之任何重估儲備之有關部分將直接計入保留溢利賬內，列作儲備變動。



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2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

(G) FIXED ASSETS AND DEPRECIATION (CONTINUED)

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

Leasehold land	Over the lease terms
Buildings	2.5%
Equipment	20%
Furniture and fixtures	20%
Motor vehicles	20%

The gain or loss on disposal or retirement of a fixed asset recognised in the income statement is the difference between the net sales proceeds and the carrying amount of the relevant asset.

(H) INVESTMENT PROPERTIES

Investment properties are interests in land and buildings in respect of which construction work and development have been completed and which are intended to be held on a long term basis for their investment potential, any rental income being negotiated at arm's length. Such properties with unexpired lease terms of more than 20 years are not depreciated and are stated at their open market values on the basis of annual professional valuations performed at the end of each financial year. Changes in the values of investment properties are dealt with as movements in the investment property revaluation reserve. If the total of this reserve is insufficient to cover a deficit, on a portfolio basis, the excess of the deficit is charged to the income statement. Any subsequent revaluation surplus is credited to the income statement to the extent of the deficit previously charged.

主要會計政策 (續)

(G) 固定資產及折舊 (續)

折舊乃以直線法按各資產之估計可用年期撇銷其原值或估值而計算。所採用之主要年率如下：

租賃土地	按租約年期
樓宇	2.5%
設備	20%
傢俬及裝置	20%
汽車	20%

於收益表內確認因固定資產出售或報廢所產生之收益或虧損，乃有關資產之銷售所得淨款項與賬面值之差額。

(H) 投資物業

投資物業指建築工程及發展均已完成之土地及樓宇之權益，且因其具有投資價值而擬長期持有，任何租金收入均按公平原則磋商協定。該等尚未屆滿租約年期超過二十年之物業乃不予折舊，並根據於每財政年度末期進行之每年專業估值之公開市場價值入賬。投資物業價值之變動乃視作投資物業重估儲備之變動處理。倘該項儲備之總額不足以抵銷虧絀，則按組合基準將超出之虧絀數額於收益表扣除。任何其後之重估盈餘應按較早前扣除之重估虧絀計入收益表。



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2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

主要會計政策 (續)

(H) INVESTMENT PROPERTIES (CONTINUED)

On disposal of an investment property, the relevant portion of the investment property revaluation reserve realised in respect of previous valuations is released to the income statement.

(H) 投資物業 (續)

出售投資物業時，所變現有關部份以往估值之投資物業重估儲備，會於儲備中扣除而計入收益表。

(I) PROPERTY HELD FOR FUTURE DEVELOPMENT

Property held for future development is stated at cost less any impairment losses.

(I) 持作日後發展之物業

持作日後發展之物業乃以原值減任何減值虧損後列賬。

(J) PROPERTIES HELD FOR SALE

Properties held for sale are classified as current assets and stated at the lower of cost and net realisable value. Net realisable value is determined by reference to the prevailing market prices on an individual property basis.

(J) 持作出售物業

持作出售物業乃列作流動資產，並以成本及可變現淨值兩者之較低價入賬。可變現淨值乃按個別物業基準參考當時市價而釐定。

(K) CONSTRUCTION CONTRACTS

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

(K) 建造合約

合約收益包括經同意合約款額及可變動訂單、索償及獎金之適當款額。合約成本包括直接材料、分包成本、直接工資及可變及固定建築間接成本之適當部份。

Revenue from fixed price construction contracts is recognised on the percentage of completion method when the outcome of the contracts can be ascertained with reasonable certainty and when the value of work certified by the project architect exceeds 30% of the contract value.

固定價格建造合約之收益，當合約之結果能相當肯定地予以確定，及經項目建築師證實之工程價值已超逾合約價值之30%時，即按完成比例法入賬。

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

當管理階層預計有可預見之虧損及或然項目時，即會加以撥備。



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2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

主要會計政策 (續)

(K) CONSTRUCTION CONTRACTS (CONTINUED)

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

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

(L) LONG TERM INVESTMENTS

Long term investments in listed and unlisted equity securities, intended to be held for a continuing strategic or long term purpose, are stated at cost less any impairment losses, on an individual investment basis.

When impairments in values have occurred, the carrying amounts of the securities are reduced to their fair values, as estimated by the directors, and the amounts of the impairments are charged to the income statement in the period in which they arise. When the circumstances and events which led to the impairments in values cease to exist and there is persuasive evidence that the new circumstances and events will persist for the foreseeable future, the amounts of the impairments previously charged are credited to the income statement to the extent of the amounts previously charged.

The fair values of such listed securities are their quoted market prices at the balance sheet date.

(K) 建造合約 (續)

倘至今產生之合約成本加上確認溢利減去確認虧損超過進度付款，則盈餘將當作應收合約客戶款項處理。

倘進度付款超過至今產生之合約成本加上確認溢利減去確認虧損，則盈餘將當作應付合約客戶款項處理。

(L) 長期投資

擬作持續策略或長期持有之上市及非上市證券之長期投資，乃按成本值扣除減值虧損後以個別投資基準列賬。

當出現減值情況時，有關證券之賬面值乃減至其由董事所估計之公平值，而減值數額乃於產生時計入收益表。當情況或事件導致減值現象停止存在以及有確定憑證證明新情況及事項於可預見之將來持續，先前扣除之減值額乃按先前扣除之金額計入收益表。

該等上市證券之公平值乃其於結算日所報之市價。



NOTES 附註

31 December 2003 二零零三年十二月三十一日

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

(M) SHORT TERM INVESTMENTS

Short term investments in listed equity securities are stated at their fair values at the balance sheet date, on an individual investment basis. The fair values of such listed securities are their quoted market prices at the balance sheet date. The gains or losses arising from changes in the fair values of such securities are credited or charged to the income statement in the period in which they arise.

(N) INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a standard cost basis which approximates the average actual cost and comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value represents the estimated selling price less any estimated costs to be incurred to completion and disposal.

(O) BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised.

主要會計政策 (續)

(M) 短期投資

短期投資乃於結算日按其公平值根據個別投資基準列賬。該等上市證券之公平值乃其於結算日所報之市價。證券公平價值之變動所產生之盈虧，乃於產生之期間計入收益表或於收益表中支銷。

(N) 存貨

存貨以原值及可變現淨值兩者之較低者入賬。原值乃根據標準成本基準(即概約平均實際成本)計算，包括直接物料、直接工資及按比例攤分之間接成本。可變現淨值指估計售價減預期製成出售所支付之其他成本計算。

(O) 借貸成本

直接因收購、興建、製造合資格資產(即需一段時間達致其擬定用途或作出售之資產)而產生的借貸成本將作為該等資產成本一部份予以資本化。倘有關資產之大部份可作其擬定用途或出售時，借貸成本之資本化將予以終止。有待收購合資格資產開支之特定借貸於作出臨時投資所賺取之投資收入乃從已資本化之借貸成本中扣除。



NOTES 附註

31 December 2003 二零零三年十二月三十一日

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

主要會計政策 (續)

(P) DEFERRED INCOME

Deferred income represents the unrealised profit resulting from upstream transactions with an associate eliminated to the extent of the Group's interest in that associate.

(P) 遞延收入

遞延收入指與聯營公司進行上游交易產生之未變現溢利按本集團分佔該聯營公司之權益而對銷。

(Q) PROVISIONS

A provision is recognised when a present legal or constructive obligation 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 measured.

(Q) 撥備

倘因過往事項而產生之現時責任(法律或推定)且將來極可能需要流出資源以應付有關責任時，則作出撥備，惟責任所涉及之數額必須能可靠地估計。

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 income statement.

倘貼現之影響屬重大時，所確認撥備之數額乃為預期未來須應付有關責任之開支於結算日之現值。因時間流逝而導致所貼現之現值增加之數額，乃計入收益表之融資成本。

(R) LEASES

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 income statement on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under the operating leases are charged to the income statement on the straight-line basis over the lease terms.

(R) 租約

經營租約乃指資產擁有權所涉之絕大部份風險及實質收益仍屬於出租者之租約。倘本集團為出租者，本集團根據經營租約所租賃之資產乃計入非流動資產，根據經營租約而應收之租金，乃於租約期內以直線法形式計入收益表。倘本集團為承租者，經營租約之租金均按照租約年期以直線法自收益表扣除。



NOTES 附註

31 December 2003 二零零三年十二月三十一日

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

主要會計政策(續)

(s) EMPLOYEE BENEFITS

Salaries, annual bonuses, annual leave entitlements and the cost to the Group of non-monetary benefits are accrued in the year in which the associated services are rendered by employees of the Group.

Termination benefits are recognised when, and only when, the Group demonstrably commits itself to terminate employment or to provide benefits as a result of voluntary redundancy by having a detailed formal plan which is without realistic possibility of withdrawal.

(t) PENSION SCHEME

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for all of its employees. Contributions are made based on a percentage of the employees' relevant income as defined under the MPF scheme and are charged to the income statement as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

(S) 僱員福利

本集團僱員的薪金、年度花紅、有薪年假及本集團非現金性福利之成本均於提供有關服務發生年度應計入賬。

當本集團可證明將按照一個實際上不可撤銷的正式及詳細計劃去解僱僱員或為自願解除僱傭合約僱員預提有關解僱福利時，其相關的費用才可確認。

(T) 退休金計劃

本集團根據強制性公積金條例為其全部僱員設立強制性公積金計劃(「強積金計劃」)。供款額按僱員有關收入(按強積金計劃界定)之某一特定百分比計算並按照強積金計劃於應予支付時於收益表中扣除。強積金計劃之資產與本集團之資產分開持有，並存置於獨立管理之基金。本集團向強積金計劃作出之僱主供款，於供款後悉數歸於僱員。



NOTES 附註

31 December 2003 二零零三年十二月三十一日

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

主要會計政策(續)

(u) SHARE OPTION SCHEME

The financial impact of share options granted is not recorded in the Company's or the Group's balance sheet until such time as the options are exercised, and no charge is recorded in the income statement or balance sheet for their cost. Upon exercise of the share options, the resulting shares issued are recorded by the Company as additional share capital at the nominal value of the shares, and the excess of the exercise price per share over the nominal value of the shares is recorded by the Company in the share premium account. Options which are cancelled or which lapse prior to their exercise date are deleted from the register of outstanding options and have no impact on the income statement or the balance sheet.

(U) 購股權計劃

授出之購股權之財務影響待購股權獲行使時方記錄於本公司或本集團之資產負債表，且購股權之成本不會於收益表或資產負債表中扣除。於購股權獲行使時所發行之股份，本公司乃按股份之面值記錄為額外股本，本公司會將每股行使價高出賬面值之差額記錄於股份溢價賬。於行使日期前註銷或失效之購股權則從尚未行使購股權記錄冊中刪除，對收益表或資產負債表並無影響。

(v) REVENUE RECOGNITION

Rental income from operating leases is recognised on a straight-line basis over the terms of the respective leases.

(V) 收益確認

從經營租約所得之租金收入按有關租約之年期以直線法入賬。

Management fee income is recognised at the time when the services are rendered.

管理費收入於提供服務後入賬。

Revenue from sale of goods is recognised when the significant risks and rewards of ownership of goods 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.

銷售貨物所得之收益於貨物擁有權所涉及之重大風險及報酬已轉給買方，而本集團不再繼續參與通常與擁有權有關之管理工作，亦不再實際控制已出售之貨物時方予確認。



NOTES 附註

31 December 2003 二零零三年十二月三十一日

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

主要會計政策 (續)

(v) REVENUE RECOGNITION (CONTINUED)

Sales of properties is recognised when the legally binding sales contract is signed and exchanged and the transaction becomes unconditional.

Revenue from trading of listed investments is recognised on the transaction date.

Dividend income is recognised at the time when the right to receive payment is established.

Interest income is recognised on a time proportion basis taking into account the principal outstanding and the effective interest rate applicable.

(w) TRANSLATION OF FOREIGN CURRENCIES

Foreign currency transactions during the year are translated into Hong Kong dollars at the exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into Hong Kong dollars at the market exchange rates ruling at the balance sheet date. Differences on foreign currency translation are dealt with in the income statement.

On consolidation, the financial statements of overseas subsidiaries and associate denominated in other currencies are translated in to Hong Kong dollars using the net investment method. The income statements of overseas subsidiaries and associate are translated to Hong Kong dollars at the weighted average exchange rates for the year and their balance sheets are translated to Hong Kong dollars at the exchange rates ruling at the balance sheet date. The resulting translation differences are included in the exchange fluctuation reserve.

(V) 收益確認 (續)

出售物業乃於具有法定約束力之銷售合約經簽署及交換，以及交易成為無附帶條件時方予確認。

買賣上市投資所得之收益，於交易日期確認。

股息收入於已確定股東收取派息之權利時方予確認。

利息收入按時間比例確認入賬，並已計及尚未償還本金以及適用實際利率。

(W) 外幣換算

於年內進行之外幣交易以交易日之適用匯率換算為港元。於結算日以外幣結算之貨幣資產及負債按該日之市場匯率換算為港元。滙兌差額則計入收益表內。

綜合賬目時，海外附屬公司及聯營公司以外幣為單位之財務報表乃以淨投資會計法換算為港元。海外附屬公司及聯營公司之收益表乃按年內之加權平均匯率換算為港元，而資產負債表則按結算日之匯率換算為港元。綜合賬目所產生之滙兌差額在外滙變動儲備內處理。



NOTES 附註

31 December 2003 二零零三年十二月三十一日

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

(w) TRANSLATION OF FOREIGN CURRENCIES (CONTINUED)

For the purpose of the consolidated cash flow statement, the cash flows of overseas subsidiaries are translated to Hong Kong dollars at the exchange rates at the date of cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated to Hong Kong dollars at the weighted average exchange rates for the year.

(x) 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.

(y) CASH AND CASH EQUIVALENTS

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the balance sheet, cash and cash equivalents comprise cash on hand and at bank, including term deposits, which are not restricted as to use.

主要會計政策 (續)

(W) 外幣換算 (續)

就綜合現金流量表而言，海外附屬公司之現金流量乃按各現金流量日期之滙率換算為港元。於全年內經常產生之海外附屬公司經常性現金流量乃按年內加權平均滙率換算為港元。

(X) 有關連人士

凡有能力直接或間接控制另一名人士或在財務及經營決策上對其發揮重大影響力者乃屬有關連人士。彼等受共同控制或共同重大影響者亦屬有關連人士。有關連人士可為個別人士或公司實體。

(Y) 現金及現金等價物

就綜合現金流量表而言，現金及現金等價物乃指手頭現金及活期存款及可隨時兌換為已知數額之現金之短期高流動性投資（該等投資所面對之價值變動風險並不重大，並一般於購入時起計之三個月內到期）減按要求償還及構成本集團現金管理完整部份之銀行墊款。

就資產負債表而言，現金及現金等價物乃指用途不限之手頭現金及銀行存款（包括有期存款）。



NOTES 附註

31 December 2003 二零零三年十二月三十一日

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

主要會計政策 (續)

(z) Tax

- (i) Income tax for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.
- (ii) Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.
- (iii) Deferred tax assets and liabilities arise from deductible and taxable temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the tax bases respectively. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. The limited exceptions are temporary differences arising from goodwill not deductible for tax purposes, negative goodwill treated as deferred income, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit, and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

(Z) 稅項

- (i) 本年度之所得稅包括現期及遞延稅項。除直接與權益有關之項目確認為權益外，所得稅均於收益表內確認。
- (ii) 現期稅項是根據年內應課稅收入，按結算日所通行或大致通行之稅率計算之預期應付稅項，並就過往年度的應付稅項作出調整。
- (iii) 遞延稅項之資產及負債乃分別來自資產及負債項目於財務報表內之賬面值及其相對之稅基面值所產生之可扣減或可徵稅之暫時差異。遞延稅項資產亦可由尚未動用之稅務虧損及稅收抵免所產生。

除若干有限之特別情況外，所有遞延稅項負債及遞延稅項資產（資產確認之上限乃基於未來有可能產生之稅務利潤並能沖銷已確認之遞延稅項資產）均被確認。少數不被確認之情況，包括在稅務上不可扣減之商譽、被當作遞延收入之負商譽、於最初確認資產及負債時不影響會計或應課稅利潤、及於投資附屬公司等情況所產生之暫時差異（就可徵稅之差異，限於集團能控制該差異之撥回之時間性，而該差異有可能不會於可見未來撥回；而就可扣減之差異而言，則限於該差異有可能於未來撥回）。



NOTES 附註

31 December 2003 二零零三年十二月三十一日

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

主要會計政策 (續)

(z) TAX (CONTINUED)

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at each balance sheet date and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

(iv) Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

(v) Current and deferred tax assets and liabilities are offset if, and only if, the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:—

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or

(Z) 稅項 (續)

所計提之遞延稅項金額，乃按照各資產及負債項目原計劃之使用及償還方式，以其賬面值及於結算日所通行或大致通行之稅率所計算。遞延稅項資產及負債並未以折現法計算。

遞延稅項資產之賬面值會於每一個結算日予以評估。只有當資產可應用有可能產生未來之應課稅收益，方會確認為遞延稅項資產。若相關之稅務利益將不可能實現，則遞延稅項資產會相應地被減少至其預期可實現之數額。但如有可能有足夠之稅務利潤，該減值將被撥回。

(iv) 當派發股息之負債被確認，因派發股息產生之相關額外所得稅亦被同時確認。

(v) 只有當符合以下之額外條件，而本公司或本集團擁有沖銷現期之稅項資產及稅項負債之法律權利，現期及遞延稅項資產及負債才被沖銷：

- 就現期之稅項資產及負債而言，本公司或本集團計劃以淨額方式結算，或同時變現資產及償還負債；或



NOTES 附註

31 December 2003 二零零三年十二月三十一日

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

主要會計政策 (續)

(z) TAX (CONTINUED)

- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:–
- the same taxable entity; or
- different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

(vi) In prior years, deferred tax liabilities were provided using the liability method in respect of the taxation effect arising from all material timing differences between the accounting and tax treatment of income and expenditure, which were expected with reasonable probability to crystallise in the foreseeable future. Deferred tax assets were not recognised unless their realisation was assured beyond reasonable doubt. With effect from 1 January 2003, in order to comply with SSAP 12 (revised), the Group adopted a new policy for deferred tax as set out above.

The adoption of this accounting policy has not had any significant impact on these financial statements.

(Z) 稅項 (續)

- 就遞延稅項資產及負債而言，如該資產及負債所產生之所得稅乃為同一個稅務機關所徵收，而：
- 稅項乃為同一個繳稅單位；或
- 對不同繳稅單位，但於每一個未來期間，意料到可觀之遞延稅項負債或資產或資產將被償還或回收，計劃以淨額方式變現現期之稅項資產及償還現期之稅項負債或同時變現及償還。

(vi) 於過往年度，遞延稅項負債乃按負債法，就會計及稅務對收支處理之所有重大時差而引致並且能合理地預期在可見將來會實現之稅務責任計提撥備。至於遞延稅項資產，則只限於合理保證可變現時方確認入賬。由二零零三年一月一日起，為遵照會計實務準則第12號(經修訂)，本集團按上文所述就遞延稅項採納新政策。

採納此項會計實務準則並無對該等財務報表產生重大影響。



NOTES 附註

31 December 2003 二零零三年十二月三十一日

3. SEGMENT INFORMATION

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) Property investment and management;
- (b) Property construction and development; and
- (c) Horticultural services.

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.

Intersegment sales and transfers are transacted at terms agreed between parties with reference to third party prices.

分類資料

分類資料乃以兩種分類方式呈列：(i)以業務分類作為主要分類呈報基準；及(ii)以地區分類作為次要分類呈報基準。

本集團之經營業務乃按其業務性質以及所提供之產品及服務獨立編排及管理。本集團各項業務類別乃指所提供產品及服務之策略性業務單位而涉及之風險及回報與其他業務類別者不同，業務類別之詳情概述如下：

- (a) 物業投資及管理；
- (b) 物業建造及發展；及
- (c) 園藝服務。

於釐訂本集團地區分類方面，收入及業績乃按客戶地點分類，資產則按資產地點分類。

內部分類間之銷售及轉撥，乃按各方議定之條款及參照第三者價格而進行。



NOTES 附註

31 December 2003 二零零三年十二月三十一日

3. SEGMENT INFORMATION (CONTINUED)

分類資料 (續)

(A) BUSINESS SEGMENTS

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

(A) 業務分類

下表呈列本集團業務分類之收益、溢利／(虧損)及若干資產、負債以及支出資料。

		Property investment and management 物業投資 及管理 HK\$ 港元	Property construction and development 物業建造 及發展 HK\$ 港元	Horticultural services 園藝服務 HK\$ 港元	Corporate and others 公司 及其他 HK\$ 港元	Eliminations 撇銷 HK\$ 港元	Consolidated 綜合 HK\$ 港元
2003	二零零三年						
Segment revenue:-	分類收益:						
Sales to external customers	銷予對外客戶	32,003,660	11,480,000	3,208,243	-	-	46,691,903
Intersegment sales	內部分類間之銷售額	3,642,935	5,135,221	-	-	(8,778,156)	-
Other revenue	其他收益	2,451,764	3,513,171	10,484	419,445	-	6,394,864
Total revenue	收益總額	38,098,359	20,128,392	3,218,727	419,445	(8,778,156)	53,086,767
Segment results	分類業績	(687,548)	6,806,533	103,842	(4,112,819)	(8,778,156)	(6,668,148)
Interest income	利息收入						119,094
Loss from operating activities	經營業務虧損						(6,549,054)
Finance costs	融資成本						(13,979,347)
Share of loss of an associate	應佔聯營公司虧損	(17,970,743)	-	-	-	-	(17,970,743)
Loss before tax	除稅前虧損						(38,499,144)
Tax	稅項						(1,532,391)
Loss before minority interests	扣除少數股東權益前虧損						(40,031,535)
Minority interests	少數股東權益						(1,094,281)
Loss attributable to shareholders	股東應佔虧損						(41,125,816)



NOTES 附註

31 December 2003 二零零三年十二月三十一日

3. SEGMENT INFORMATION (CONTINUED)

分類資料 (續)

(A) BUSINESS SEGMENTS (CONTINUED)

(A) 業務分類 (續)

		Property investment and management 物業投資 及管理 HK\$ 港元	Property construction and development 物業建造 及發展 HK\$ 港元	Horticultural services 園藝服務 HK\$ 港元	Corporate and others 公司 及其他 HK\$ 港元	Eliminations 撇銷 HK\$ 港元	Consolidated 綜合 HK\$ 港元
2002	二零零二年						
Segment revenue:-	分類收益:						
Sales to external customers	銷予對外客戶	39,823,012	19,620,286	3,187,599	-	-	62,630,897
Intersegment sales	內部分類間之銷售額	3,942,290	2,363,263	-	-	(6,305,553)	-
Other revenue	其他收益	-	-	-	318,411	-	318,411
Total revenue	收益總額	43,765,302	21,983,549	3,187,599	318,411	(6,305,553)	62,949,308
Segment results	分類業績	13,453,177	(1,793,150)	226,098	(17,193,378)	(6,305,553)	(11,612,806)
Interest income	利息收入						355,403
Loss from operating activities	經營業務虧損						(11,257,403)
Finance costs	融資成本						(17,548,860)
Share of loss of an associate	應佔聯營公司虧損	(84,521,156)	-	-	-	-	(84,521,156)
Loss before tax	除稅前虧損						(113,327,419)
Tax	稅項						(2,671,071)
Loss before minority interests	扣除少數股東權益前虧損						(115,998,490)
Minority interests	少數股東權益						20,034
Loss attributable to shareholders	股東應佔虧損						(115,978,456)



NOTES 附註

31 December 2003 二零零三年十二月三十一日

3. SEGMENT INFORMATION (CONTINUED)

分類資料 (續)

(A) BUSINESS SEGMENTS (CONTINUED)

(A) 業務分類 (續)

		Property investment and management 物業投資 及管理 HK\$ 港元	Property construction and development 物業建造 及發展 HK\$ 港元	Horticultural services 園藝服務 HK\$ 港元	Corporate and others 公司 及其他 HK\$ 港元	Eliminations 撇銷 HK\$ 港元	Consolidated 綜合 HK\$ 港元
2003	二零零三年						
Segment assets	分類資產	1,363,351,384	99,314,455	1,096,874	8,594,840	(608,054)	1,471,749,499
Interest in an associate	於聯營公司之權益	356,082,654	–	–	–	–	356,082,654
Unallocated	未分配	–	–	–	–	–	3,278,000
Total assets	資產總額	1,719,434,038	99,314,455	1,096,874	8,594,840	(608,054)	1,831,110,153
Segment liabilities	分類負債	588,778,062	7,668,588	122,893	7,484,080	(608,054)	603,445,569
Other segment information:–	其他分類資料:						
Depreciation	折舊	764,793	780	55,642	909,799	–	1,731,014
Impairment losses recognised in the income statement	於收益表確認之 減值虧損	5,020,000	–	–	774,000	–	5,794,000
Capital expenditure	資本支出	301,564	4,680	13,250	209,257	–	528,751
2002	二零零二年						
Segment assets	分類資產	1,371,949,918	112,856,107	1,089,761	7,573,899	(669,924)	1,492,799,761
Interest in an associate	於聯營公司之權益	369,539,545	–	–	–	–	369,539,545
Unallocated	未分配	–	–	–	–	–	4,052,000
Total assets	資產總額	1,741,489,463	112,856,107	1,089,761	7,573,899	(669,924)	1,866,391,306
Segment liabilities	分類負債	585,396,359	11,988,072	208,307	8,559,582	(669,924)	605,482,396
Other segment information:–	其他分類資料:						
Depreciation	折舊	858,406	–	61,716	1,008,894	–	1,929,016
Impairment losses recognised in the income statement	於收益表確認之 減值虧損	6,830,000	–	–	2,205,978	–	9,035,978
Capital expenditure	資本支出	241,761,548	–	2,629	144,593	–	241,908,770



NOTES 附註

31 December 2003 二零零三年十二月三十一日

3. SEGMENT INFORMATION (CONTINUED)

分類資料 (續)

(B) GEOGRAPHICAL SEGMENTS

The following tables present revenue and certain asset and expenditure information for the Group's geographical segments.

(B) 地區分類

下表呈列本集團地區分類之收益及若干資產以及支出資料。

		Hong Kong and Mainland China	Singapore	Eliminations	Consolidated
		香港及 中國大陸	新加坡	撇銷	綜合
		HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元
2003	二零零三年				
Segment revenue:-	分類收益：				
Sales to external customers	銷予對外客戶	46,691,903	-	-	46,691,903
Other revenue	其他收益	2,888,490	3,506,374	-	6,394,864
Total revenue	收益總額	49,580,393	3,506,374	-	53,086,767
Other segment information:-	其他分類資料：				
Segment assets	分類資產	1,474,757,126	356,353,027	-	1,831,110,153
Capital expenditure	資本開支	528,751	-	-	528,751
2002	二零零二年				
Segment revenue:-	分類收益：				
Sales to external customers	銷予對外客戶	62,630,897	-	-	62,630,897
Other revenue	其他收益	318,411	-	-	318,411
Total revenue	收益總額	62,949,308	-	-	62,949,308
Other segment information:-	其他分類資料：				
Segment assets	分類資產	1,495,233,613	371,157,693	-	1,866,391,306
Capital expenditure	資本開支	241,908,770	-	-	241,908,770



NOTES 附註

31 December 2003 二零零三年十二月三十一日

4. TURNOVER AND REVENUE

Turnover represents the aggregate income from property investment and management services, property construction and development and horticultural services.

An analysis of the Group's turnover and revenue is as follows: –

營業額及收益

營業額乃指來自物業投資及管理服務、物業建築及發展以及園藝服務之收入總額。

本集團之營業額及收益分析如下：

		2003 HK\$ 港元	2002 HK\$ 港元
Turnover	營業額		
Property investment and management	物業投資及管理	32,003,660	39,823,012
Property construction and development	物業建造及發展	11,480,000	19,620,286
Horticultural services	園藝服務	3,208,243	3,187,599
		46,691,903	62,630,897
Other revenue	其他收益		
Interest income	利息收入	119,094	355,403
Gain on disposal of fixed assets	出售固定資產收益	234,035	–
Other payables written back	撥回其他應付款項	3,506,374	–
Reversal of provision for loans receivable	應收貸款撥備撥回	2,220,330	–
Others	其他	434,125	318,411
		6,513,958	673,814
Turnover and revenue	營業額及收益	53,205,861	63,304,711



NOTES 附註

31 December 2003 二零零三年十二月三十一日

5. LOSS FROM OPERATING ACTIVITIES

經營業務之虧損

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

本集團經營業務虧損已扣除(計入)：

		2003 HK\$ 港元	2002 HK\$ 港元
Depreciation	折舊	1,731,014	1,929,016
Minimum operating lease payments on land and buildings	根據土地及樓宇營業租約 之最低租約付款	107,500	150,000
Auditors' remuneration	核數師酬金	274,912	375,000
Provision for impairment of long term unlisted investments *	長期非上市投資 減值撥備*	774,000	1,528,700
Unrealised holding (gain)/losses for short term listed investments	短期上市投資之未變現 持股(收益)/虧損	(81,168)	74,328
Impairment of goodwill	商譽減值	—	677,278
Staff costs (excluding directors' remuneration (note 6)):	員工成本(不包括董事 酬金(附註6))：		
Salaries and allowances	薪酬及津貼	10,844,156	12,885,921
Pension scheme contributions	退休金供款	507,455	570,314
		11,351,611	13,456,235
Rental income, gross of HK\$30,835,772 (2002: HK\$38,734,478)	租金收入：總額30,835,772港元 (二零零二年：38,734,478港元)		
less outgoing of HK\$9,403,331 (2002: HK\$5,936,135)	減支出9,403,331港元 (二零零二年：5,936,135港元)	(21,432,441)	(32,798,343)

* Provision for impairment is included in "Other operating expenses" on the face of the consolidated income statement.

* 減值撥備載於綜合收益表中「其他經營開支」內。



NOTES 附註

31 December 2003 二零零三年十二月三十一日

6. DIRECTORS' REMUNERATION

Directors' remuneration disclosed pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and Section 161 of the Companies Ordinance is as follows:—

Fees:—	袍金：
Executive directors	執行董事
Independent non-executive directors	獨立非執行董事
Other emoluments of executive directors:—	執行董事 其他酬金：
Salaries, allowances and benefits in kind	薪金、津貼及 實物利益
Pension scheme contributions	退休計劃供款

The emoluments disclosed above do not include the monetary value of the rent-free accommodation provided to an executive director of the Company through a property owned by the Group. The monetary value of such residential accommodation provided to the executive director based on the tenancy agreement entered into by the Group was HK\$720,000 (2002: HK\$960,000) during the year.

董事酬金

根據香港聯合交易所有限公司證券上市規則（「上市規則」）及公司條例第161節披露之董事酬金如下：

2003 HK\$ 港元	2002 HK\$ 港元
—	—
200,000	200,000
200,000	200,000
4,741,052	5,142,193
36,000	36,000
4,777,052	5,178,193
4,977,052	5,378,193

上文所披露之酬金不包括由本集團擁有而由本公司一名執行董事使用之免租住宅單位之貨幣價值。根據本集團就類似物業訂立之租約協議，提供予該名執行董事之住宅單位本年度之貨幣價值為720,000港元（二零零二年：960,000港元）。



NOTES 附註

31 December 2003 二零零三年十二月三十一日

6. DIRECTORS' REMUNERATION (CONTINUED)

The number of directors whose remuneration fell within the following bands is as follows:-

Nil – HK\$1,000,000	零港元 – 1,000,000港元
HK\$1,000,001 – HK\$1,500,000	1,000,001港元 – 1,500,000港元
HK\$2,000,001 – HK\$2,500,000	2,000,001港元 – 2,500,000港元
HK\$2,500,001 – HK\$3,000,000	2,500,001港元 – 3,000,000港元

董事酬金 (續)

酬金屬下列界別董事數目如下：

Number of directors 董事人數	
2003	2002
4	4
2	2
1	–
–	1
7	7

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

年內並無安排使任何董事放棄或同意放棄任何酬金。

7. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included three (2002: two) directors, details of whose remuneration are set out in note 6 above. The details of the remuneration of the remaining two (2002: three) non-director, highest paid employees are as follows:-

Salaries and allowances	薪金及津貼
Pension scheme contributions	退休計劃供款

五位最高薪酬僱員

年內，五位最高薪酬僱員包括三名(二零零二年：兩名)董事，其酬金詳情已於上文附註6披露。餘下兩名(二零零二年：三名)非董事最高薪酬僱員之酬金詳情披露如下：

2003 HK\$ 港元	2002 HK\$ 港元
4,133,966	6,683,692
24,000	34,650
4,157,966	6,718,342



NOTES 附註

31 December 2003 二零零三年十二月三十一日

7. FIVE HIGHEST PAID EMPLOYEES (CONTINUED)

The number of non-director, highest paid employees whose remuneration fell within the following bands is as follows:–

五位最高薪酬僱員 (續)

酬金屬下列界別之非董事最高薪酬僱員之數目如下：

		Number of employees 僱員人數	
		2003	2002
HK\$1,500,001 – HK\$2,000,000	1,500,001港元–2,000,000港元	1	2
HK\$2,500,001 – HK\$3,000,000	2,500,001港元–3,000,000港元	1	–
HK\$3,000,001 – HK\$3,500,000	3,000,001港元–3,500,000港元	–	1
		2	3

8. FINANCE COSTS

融資成本

		2003 HK\$ 港元	2002 HK\$ 港元
Interest on bank loans and overdrafts:–	銀行貸款及透支之利息：		
– wholly repayable within five years	– 須於五年內全數償還	9,688,500	14,136,222
– repayable beyond five years	– 須於五年後償還	4,290,847	3,412,638
		13,979,347	17,548,860



NOTES 附註

31 December 2003 二零零三年十二月三十一日

9. TAX

稅項

		2003 HK\$ 港元	2002 HK\$ 港元
Tax in the consolidated income statement:-	於綜合收益表之稅項：－		
Current:-	本年度：－		
Hong Kong taxation:	香港稅項：－		
Provision for the year	本年度撥備	－	536,200
Overprovision in prior years	過往年度超額撥備	(361,114)	(59,668)
		(361,114)	476,532
Deferred (note 26):-	遞延(附註26)：		
Current year	本年度：	411,019	－
Tax attributable to the Company and its subsidiaries	本公司及其附屬公司應佔稅項	49,905	476,532
Share of tax attributable to an associate:-	應佔一間聯營公司稅項：－		
Elsewhere	其他地區	1,482,486	2,194,539
Tax charge for the year	本年度稅項支銷	1,532,391	2,671,071

No provision for profits tax has been made in these financial statements as the Company and its subsidiaries either has no estimated assessable profits or has available tax losses brought forward from prior years to offset against current year estimated assessable profits.

In previous year, Hong Kong profits tax has been provided at the rate of 16% on the estimated assessable profits arising in Hong Kong. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the places in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

由於本公司及其附屬公司並無估計應課稅溢利，或有結轉自過往年度稅項虧損抵銷本年度之估計應課稅溢利，故並無提撥利得稅準備。

於過往年度，香港利得稅乃根據在香港獲得之估計應課稅溢利按16%稅率計算準備。本集團海外業務應課稅溢利之稅項已按本集團業務所在地之現行稅率根據其現行法例、詮釋及慣例計算。



NOTES 附註

31 December 2003 二零零三年十二月三十一日

9. TAX (CONTINUED)

稅項 (續)

		2003 HK\$ 港元	2002 HK\$ 港元
Tax for the year can be reconciled as follows:-	本年度稅項可予對賬之如下：		
Loss before tax	除稅前虧損	(38,499,144)	(113,327,419)
Hong Kong profits tax at rate of 17.5% (2002: 16%)	按稅率17.5% (二零零二年：16%) 計算之香港利得稅	(6,737,350)	(18,132,387)
Tax effect of:-	下列各項之稅項影響：		
Tax exempt revenues	稅項豁免收益	(388,149)	(13,876)
Non-deductible expenses	不可扣除費用	5,831,788	16,255,309
Unrecognised tax losses	未確認稅項虧損	3,657,049	4,023,149
Utilisation of unrecognised tax losses	未確認稅項虧損之利用	(624,922)	(4,846)
Effect of different tax rates of subsidiaries and associate operating in other jurisdictions	於其他司法權區經營之 附屬公司及聯營公司 不同稅率之影響	303,236	598,511
(Over)/underprovision for current tax	現期稅項(超額撥備)/撥備不足	(389,362)	383,536
Others	其他	(119,899)	(438,325)
		1,532,391	2,671,071

10. LOSS ATTRIBUTABLE TO SHAREHOLDERS

股東應佔虧損

The loss attributable to shareholders for the year ended 31 December 2003 dealt with in the financial statements of the Company is HK\$34,046,333 (2002: HK\$121,808,509).

截至二零零三年十二月三十一日止年度，本公司之財務報表所列股東應佔虧損為34,046,333港元(二零零二年：121,808,509港元)。



NOTES 附註

31 December 2003 二零零三年十二月三十一日

11. LOSS PER SHARE

The calculation of basic loss per share is based on the loss attributable to shareholders for the year of HK\$41,125,816 (2002: HK\$115,978,456) and the weighted average of 1,492,414,789 (2002: 1,249,489,358) ordinary shares in issue during the year.

The fully diluted loss per share is not shown for both years because the effect of any dilution is anti-dilutive.

每股虧損

每股基本虧損乃根據年內股東應佔虧損額41,125,816港元(二零零二年: 115,978,456港元)及年內已發行普通股股份之加權平均數1,492,414,789股(二零零二年: 1,249,489,358股)計算。

由於任何攤薄均具有反攤薄效應，故此並無呈列該兩年之全面攤薄每股虧損。



NOTES 附註

31 December 2003 二零零三年十二月三十一日

12. FIXED ASSETS

固定資產

Group	本集團						
		Land and buildings 土地及樓宇 HK\$ 港元	Investment properties 投資物業 HK\$ 港元	Equipment 設備 HK\$ 港元	Furniture and fixtures 傢俬及裝置 HK\$ 港元	Motor vehicles 汽車 HK\$ 港元	Total 合計 HK\$ 港元
Cost or valuation:	原值或估值：						
At 1.1.2003	於二零零三年 一月一日	34,700,000	1,269,990,000	3,094,052	7,408,121	7,157,420	1,322,349,593
Additions	添置	-	-	495,455	33,296	-	528,751
Disposals	出售	-	-	(145,987)	-	(5,915,578)	(6,061,565)
Revaluation deficit	重估虧損	(3,020,000)	(170,000)	-	-	-	(3,190,000)
Exchange realignment	滙兌調整	-	-	(7,451)	-	-	(7,451)
At 31.12.2003	於二零零三年 十二月三十一日	31,680,000	1,269,820,000	3,436,069	7,441,417	1,241,842	1,313,619,328
Accumulated depreciation:	累積折舊：						
At 1.1.2003	於二零零三年 一月一日	-	-	2,378,217	6,357,346	6,036,496	14,772,059
Charge for the year	本年度支出	441,528	-	368,171	608,721	312,594	1,731,014
Written back on disposals	出售後撥回	-	-	(127,819)	-	(5,241,581)	(5,369,400)
Written back on revaluation	重估後撥回	(441,528)	-	-	-	-	(441,528)
Exchange realignment	滙兌調整	-	-	(7,451)	-	-	(7,451)
At 31.12.2003	於二零零三年 十二月三十一日	-	-	2,611,118	6,966,067	1,107,509	10,684,694
Net book value:	賬面淨值：						
At 31.12.2003	於二零零三年 十二月三十一日	31,680,000	1,269,820,000	824,951	475,350	134,333	1,302,934,634
At 31.12.2002	於二零零二年 十二月三十一日	34,700,000	1,269,990,000	715,835	1,050,775	1,120,924	1,307,577,534
Analysis of cost or valuation:	成本或估值分析：						
At cost	成本	-	-	3,436,069	7,441,417	1,241,842	12,119,328
At 31.12.2003 valuation	於二零零三年十二月 三十一日估值	31,680,000	1,269,820,000	-	-	-	1,301,500,000
		31,680,000	1,269,820,000	3,436,069	7,441,417	1,241,842	1,313,619,328



NOTES 附註

31 December 2003 二零零三年十二月三十一日

12. FIXED ASSETS (CONTINUED)

The Group's land and buildings were revalued individually at 31 December 2003 by FPD Savills (Hong Kong) Limited, an independent professionally qualified valuer, at an aggregate open market value of HK\$31,680,000. An aggregate amount of revaluation deficit of HK\$2,578,472 resulting from the above valuation has been charged to the income statement.

Had the Group's land and buildings been carried at carrying amount on the date of transfer or at cost less accumulated depreciation, they would have been included in the financial statements at HK\$37,079,639 (2002: HK\$37,608,570).

The Group's land and buildings are held under the following lease terms:-

At valuation:	估值：
Long term leases	長期租約
Medium term leases	中期租約

The Group's investment properties were revalued on 31 December 2003 by FPD Savills (Hong Kong) Limited at HK\$1,269,820,000 on an open market value basis. The investment properties are leased to third parties under operating leases, further summary details of which are included in note 32 to these financial statements.

固定資產(續)

本集團之土地及樓宇於二零零三年十二月三十一日由獨立專業合資格估值師第一太平戴維斯(香港)有限公司獨立重估價值為公開市價合共31,680,000港元。上述估值所引致之重估虧絀合共2,578,472港元已分別於收益表中扣除。

倘本集團之土地及樓宇按轉讓日期之賬面值或原值減累積折舊入賬，則列入財務報表內之數額應為37,079,639港元(二零零二年：37,608,570港元)。

本集團之土地及樓宇乃按下列租賃期持有：一

Hong Kong
香港
HK\$
港元

31,000,000
680,000
<hr/>
31,680,000
<hr/>

於二零零三年十二月三十一日，本集團之投資物業由第一太平戴維斯(香港)有限公司以公開市場基準重估為1,269,820,000港元。投資物業乃根據經營租約租賃予第三方，其他詳情載於財務報表附註32。



NOTES 附註

31 December 2003 二零零三年十二月三十一日

12. FIXED ASSETS (CONTINUED)

固定資產(續)

The Group's investment properties are held under the following lease terms:-

本集團之投資物業乃按下列租賃期持有：

		Hong Kong 香港 HK\$ 港元	Elsewhere 其他地區 HK\$ 港元	Total 總計 HK\$ 港元
At valuation:	估值：			
Long term leases	長期租約	1,262,000,000	5,000,000	1,267,000,000
Medium term leases	中期租約	2,820,000	-	2,820,000
		1,264,820,000	5,000,000	1,269,820,000

Certain of the Group's land and buildings and investment properties with an aggregate carrying value at the balance sheet date of approximately HK\$1,293,000,000 (2002: certain investment properties of HK\$1,262,000,000) were pledged to secure certain bank loans granted to the Group (note 25).

於結算日，本集團賬面值約1,293,000,000港元(二零零二年：共1,262,000,000港元之若干投資物業)土地及樓宇及投資物業已抵押予銀行，以擔保本集團所獲之若干銀行貸款(附註25)。

Particulars of the Group's principal investment properties as at 31 December 2003 are as follows:-

本集團於二零零三年十二月三十一日之主要投資物業詳情如下：

Location 地點	Use 用途	Tenure 年期
Magazine Gap Towers, 15 Magazine Gap Road, Hong Kong 香港馬己仙峽道15號	Residential premises for rental 供出租之住宅物業	Long term 長期
Magazine Heights, 17 Magazine Gap Road, Hong Kong 香港馬己仙峽道17號 馬己仙大廈	Residential premises for rental 供出租之住宅物業	Long term 長期
38 Conduit Road, Hong Kong 香港干德道38號	Residential premises for rental 供出租之住宅物業	Long term 長期



NOTES 附註

31 December 2003 二零零三年十二月三十一日

13. PROPERTY HELD FOR FUTURE DEVELOPMENT

持作日後發展之物業

		Group 本集團	
		2003 HK\$ 港元	2002 HK\$ 港元
Cost	成本	215,651,517	215,651,517
Less : Provision for impairment	減 : 減值撥備	(135,651,517)	(135,651,517)
At 31 December	於十二月三十一日	80,000,000	80,000,000

The property held for future development is situated in the People's Republic of China (the "PRC") and is held under a long term lease.

持作日後發展之物業位於中華人民共和國(「中國」)，乃以長期租約持有。

14. INTERESTS IN SUBSIDIARIES

於附屬公司之權益

		Company 本公司	
		2003 HK\$ 港元	2002 HK\$ 港元
Unlisted shares, at cost	非上市股份，按原值	1,418,163,324	1,418,163,324
Due from a subsidiary	一間附屬公司欠款	231,168,933	231,295,783
		1,649,332,257	1,649,459,107
Less : Provision for impairment	減 : 減值撥備	(424,700,000)	(390,700,000)
		1,224,632,257	1,258,759,107

The amount due from a subsidiary is unsecured, interest-free and is not repayable within 12 months from the balance sheet date.

一間附屬公司之欠款為無抵押、免息及毋須於結算日起12個月內償還。



NOTES 附註

31 December 2003 二零零三年十二月三十一日

14. INTERESTS IN SUBSIDIARIES (CONTINUED)

於附屬公司之權益 (續)

Particulars of the Company's principal subsidiaries at the balance sheet date were as follows:-

於結算日之本公司主要附屬公司之詳細資料如下：

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及營業地點	Nominal value of issued ordinary share/ paid-up capital 已發行 普通股/ 實繳股本面值	Percentage of equity attributable to the Company 本公司應佔 股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Allied Crown Limited 邦冠有限公司	Hong Kong 香港	HK\$2 2港元	—	100	Property holding 持有物業
Bossiney Limited	Hong Kong 香港	Ordinary HK\$980 Non-voting deferred (1) HK\$20 普通股 980港元 無投票權遞延股 (1) 20港元	—	100	Property holding 持有物業
Cheung Kee Garden Limited 張記花園有限公司	Hong Kong 香港	Ordinary HK\$100 Non-voting deferred (1) HK\$450,000 普通股 100港元 無投票權遞延股 (1) 450,000港元	—	100	Provision of horticultural services 提供園藝服務



NOTES 附註

31 December 2003 二零零三年十二月三十一日

14. INTERESTS IN SUBSIDIARIES (CONTINUED)

於附屬公司之權益(續)

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及營業地點	Nominal value of issued ordinary share/ paid-up capital 已發行 普通股/ 實繳股本面值	Percentage of equity attributable to the Company 本公司應佔 股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Giant Yield Limited 載益有限公司	Hong Kong 香港	Ordinary HK\$98 Non-voting deferred (1) HK\$2 普通股 98港元 無投票權遞延股 (1) 2港元	–	100	Property holding 持有物業
Hugoton Limited	Hong Kong 香港	Ordinary HK\$980 Non-voting deferred (1) HK\$20 普通股 980港元 無投票權遞延股 (1) 20港元	–	100	Property holding 持有物業
Super Homes Limited	Hong Kong 香港	Ordinary HK\$100 Non-voting deferred (2) HK\$30 普通股 100港元 無投票權遞延股 (2) 30港元	–	100	Property holding 持有物業



NOTES 附註

31 December 2003 二零零三年十二月三十一日

14. INTERESTS IN SUBSIDIARIES (CONTINUED)

於附屬公司之權益 (續)

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及營業地點	Nominal value of issued ordinary share/ paid-up capital 已發行 普通股/ 實繳股本面值	Percentage of equity attributable to the Company 本公司應佔 股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Vision Asset Management Limited	Hong Kong 香港	HK\$2 2港元	–	100	Property holding 持有物業
Winfoong Holding Limited 榮豐控股有限公司(前稱 「榮豐集團有限公司」)	Hong Kong 香港	HK\$105,000,000 105,000,000港元	–	100	Investment holding 投資控股
Winfoong Investment Limited 榮豐投資有限公司	Hong Kong 香港	HK\$285,931,246 285,931,246港元	–	100	Investment holding 投資控股
江門棠泉房地產有限公司*	PRC 中國	US\$7,365,356 (3) 7,365,356美元 (3)	–	92	Property development 物業發展

* Audited by other auditors.

* 經其他核數師審核。



NOTES 附註

31 December 2003 二零零三年十二月三十一日

14. INTERESTS IN SUBSIDIARIES (CONTINUED)

The above includes the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

Notes:-

- (1) These non-voting deferred shares are entitled to a fixed non-cumulative dividend at the rate of 5% per annum for any financial year of the subsidiary in respect of which the audited net profit of the subsidiary available for dividends exceeds HK\$1,000,000,000.
- (2) These non-voting deferred shares are entitled to receive notice of general meetings but no rights to vote at any general meetings of the subsidiary unless a resolution is proposed affecting the rights or privileges of the non-voting deferred shares.
- (3) At the balance sheet date, this PRC subsidiary had outstanding capital contributions of US\$2.6 million which included the Group's share of US\$1.8 million and the PRC joint venture partner's share of US\$0.8 million. Notwithstanding the above, this PRC subsidiary has been able to renew its annual business licence every year since its establishment in 1992. The Group is working with the PRC joint venture partner with the aim of amending certain terms of the joint venture contract. The directors believe that upon successful amendment of the joint venture contract, the PRC subsidiary will be able to meet its capital contribution requirement.

於附屬公司之權益(續)

上表列出董事認為對本年度業績構成主要影響或佔本集團資產淨值重要部分之本公司附屬公司。董事認為提供其他附屬公司之詳細資料會過於冗長。

附註：

- (1) 該等無投票權遞延股可於附屬公司任何財政年度可供分派股息之經審核純利多於1,000,000,000港元時，收取年利率5厘之固定非累積股息。
- (2) 該等無投票權遞延股可收取股東大會通告，惟並無權於本公司股東大會上投票，除非有決議案建議影響無投票權遞延股之權利或特權。
- (3) 於結算日，該中國附屬公司有2,600,000美元之出資額尚未支付，當中包括本集團所佔1,800,000美元及中國合營夥伴所佔800,000美元。儘管出現上文所述情況，該中國附屬公司自其於一九九二年成立以來，其營業執照仍可每年續期。本集團正與中國合營夥伴商討修訂合營合約之若干條款。董事相信成功修訂合營合約後，該中國附屬公司將能夠履行其出資要求。

15. INTEREST IN AN ASSOCIATE

於一間聯營公司之權益

		Group 本集團	
		2003 HK\$ 港元	2002 HK\$ 港元
Share of net assets	應佔資產淨值	356,082,654	369,539,545
Market value of shares listed in the Republic of Singapore	於新加坡共和國上市之股份市值	163,443,470	81,799,551



NOTES 附註

31 December 2003 二零零三年十二月三十一日

15. INTEREST IN AN ASSOCIATE (CONTINUED)

Particulars of the associate, which is held through a wholly-owned subsidiary, are as follows:—

Name 名稱	Business structure 業務結構	Place of incorporation and operations 註冊成立 及營業地點	Percentage of ownership interest attributable to the Group 本集團應佔 擁有權權益百分比		Principal activity 主要業務
			2003	2002	
Hong Fok Corporation Limited ("HFC") 鴻福實業有限公司 (「鴻福實業」)	Corporate 企業公司	Republic of Singapore 新加坡 共和國	20.2	20.2	Investment holding 投資控股

* Audited by other auditors.

於一間聯營公司之權益(續)

透過一間全資附屬公司持有之聯營公司之詳情如下：

* 由其他核數師審核。

As detailed in note 2 to these financial statements, the Group adopted the transitional provision of SSAP 30 which permits goodwill/negative goodwill in respect of acquisitions which occurred prior to 1 January 2001, to remain in consolidated reserves. The amount of negative goodwill remaining in consolidated reserves, arising from the acquisition of the associate, is HK\$141,398,603 as at 1 January and 31 December 2003.

The summary extracts of the consolidated operating results and financial position of the associate, which are based on its financial statements and adjusted for accounting principles generally accepted in Hong Kong, are as follows:—

誠如本財務報表附註2所詳述，本集團已採納會計實務準則第30號之過渡條文，有關條文准許於二零零一年一月一日以前進行收購所出現之商譽／負商譽將繼續存放於綜合儲備中。於二零零三年一月一日及十二月三十一日因收購聯營公司而產生並仍存放於綜合儲備之負商譽為141,398,603港元。

根據該聯營公司之財務報表及就香港一般採納之會計準則作出調整之綜合經營業績及財政狀況概要摘錄如下：



NOTES 附註

31 December 2003 二零零三年十二月三十一日

15. INTEREST IN AN ASSOCIATE (CONTINUED)

於一間聯營公司之權益 (續)

Consolidated operating results for the year ended 31 December:-

截至十二月三十一日止年度之綜合經營業績：

		2003 HK\$ 港元	2002 HK\$ 港元
Turnover	營業額	188,867,443	206,026,966
Profit/(loss) for the year attributable to shareholders	本年度股東應佔溢利／(虧損)	9,598,018	(25,114,607)
Loss for the year attributable to the Group	本年度本集團應佔虧損	(19,453,229)	(86,715,695)

The loss for the year attributable to the Group included the Group's share of deficit on revaluation of investment property which was in excess of the Group's share of post-acquisition investment property revaluation reserve.

本年度本集團應佔淨虧損包括本集團重估投資物業時應佔虧絀，此乃較本集團所佔收購後投資物業重估儲備為多。

Consolidated financial position as at 31 December:-

於十二月三十一日經綜合之財務狀況：

		2003 HK\$ 港元	2002 HK\$ 港元
Current assets	流動資產	204,815,740	205,339,326
Long term assets	長期資產	4,319,731,498	4,380,458,427
Total assets	總資產	4,524,547,238	4,585,797,753
Current liabilities	流動負債	(1,290,095,872)	(95,883,146)
Long term liabilities	長期負債	(977,506,402)	(2,154,391,011)
Total liabilities	總負債	(2,267,602,274)	(2,250,274,157)
Net assets	淨資產	2,256,944,964	2,335,523,596



NOTES 附註

31 December 2003 二零零三年十二月三十一日

15. INTEREST IN AN ASSOCIATE (CONTINUED)

Contingent liabilities:—

As at 31 December 2003, HFC had given corporate guarantees to secure loan facilities granted to its subsidiaries amounting to approximately HK\$2,231,174,000 (2002: HK\$2,206,130,000).

於一間聯營公司之權益(續)

或然負債：—

於二零零三年十二月三十一日，鴻福實業向其附屬公司提供公司擔保以取得約2,231,174,000港元(二零零二年：2,206,130,000港元)之貸款融資。

16. OTHER LONG TERM ASSETS

其他長期資產

		Group 本集團	
		2003 HK\$ 港元	2002 HK\$ 港元
Loans receivable	應收貸款	39,823	6,706,943
Less: Provision for impairment	減：減值撥備	—	(3,650,000)
		39,823	3,056,943
Unlisted debentures, at cost	非上市債券，按原值	1,110,000	1,110,000
		1,149,823	4,166,943
Less: Loans receivable classified as current assets – note 21	減：列為流動資產之 應收貸款—附註21	(31,706)	(3,017,119)
		1,118,117	1,149,824



NOTES 附註

31 December 2003 二零零三年十二月三十一日

17. INVESTMENTS

投資

		Group 本集團	
		2003 HK\$ 港元	2002 HK\$ 港元
Long term investments:-	長期投資：		
Unlisted equity investments, at cost	非上市股本投資， 按原值	6,625,825	6,625,825
Less: Provision for impairment	減：減值撥備	(3,347,825)	(2,573,825)
		3,278,000	4,052,000
Short term investments:-	短期投資：		
Listed equity investments, at market value:-	上市股本投資， 按市值：		
Hong Kong	香港	141,360	60,192

18. PROPERTIES HELD FOR SALE

持作出售物業

		Group 本集團	
		2003 HK\$ 港元	2002 HK\$ 港元
At beginning of year	於年初	77,202,527	106,078,431
Additions	增添	67,500	148,950
Disposals	出售	(12,606,832)	(22,194,854)
Less: Provision for impairment	減：減值撥備	(5,020,000)	(6,830,000)
At 31 December	於十二月三十一日	59,643,195	77,202,527

The carrying amount of properties held for sale carried at net realisable value included in the above balance was HK\$59,643,195 (2002: HK\$77,202,527) as at the balance sheet date.

於結算日，以可變現淨值之金額列賬之持作出售物業之賬面值為59,643,195港元（二零零二年：77,202,527港元）。



NOTES 附註

31 December 2003 二零零三年十二月三十一日

18. PROPERTIES HELD FOR SALE (CONTINUED)

At the balance sheet date, certain of the Group's properties held for sale with a carrying value of HK\$41,000,000 were pledged to secure certain bank loans granted to the Group (note 25).

Particulars of the Group's principal properties held for sale at the balance sheet date are as follows:-

持作出售物業 (續)

於結算日，本集團若干賬面值為41,000,000港元之持作出售物業已予以抵押以取得授予本集團之若干銀行貸款 (附註25)。

於結算日，本集團持作出售之主要物業詳情如下：

Location 地點	Use 用途	Gross floor area 樓面面積 sq. ft. 平方呎	Percentage of interest attributable to the Group 本集團 應佔權益 百分比
Unsold shops and residential units of Fortress Heights 38A Fort Street, North Point, Hong Kong 香港北角堡壘街38號A 富澤軒之未售店鋪及住宅單位	Residential/ commercial 住宅／商業	5,495	100
Rooms 802-805, 9 Queen's Road Central, Hong Kong 香港皇后大道中9號 802-805室	Commercial 商業	7,890	100



NOTES 附註

For the year ended 31 December 2003 截至二零零三年十二月三十一日止年度

19. CONSTRUCTION CONTRACTS

建造合約

		Group 本集團	
		2003 HK\$ 港元	2002 HK\$ 港元
Cost plus attributable profits less foreseeable losses	成本加應佔溢利減可預見之虧損	75,332,864	75,684,415
Progress payments received and receivable	已收及應收之進度付款	(74,738,255)	(74,738,255)
Gross amount due from contract customers	合約客戶之欠款總額	594,609	946,160

These amounts are related to construction contracts which have been completed in a prior year. Since there are ongoing negotiations on the determination of, inter alia, final contract sums or variation orders between the Group and its contract employers, suppliers, subcontractors and subcontractors' employees, the directors have not been able to agree final completion accounts for these construction contracts.

該等金額與過往一年度已完成建造合約有關。由於本集團與其合約僱主、供應商、分包承建商及分包承建商之僱員仍就釐定(其中包括)最終合約之數額或可變動訂單進行商討,因此董事並未能就該等建造合約達成最終完成賬目。



NOTES 附註

For the year ended 31 December 2003 截至二零零三年十二月三十一日止年度

20. TRADE RECEIVABLES

應收貿易款項

An aged analysis of trade receivables as at the balance sheet date is as follows:

於結算日，應收貿易款項之賬齡分析如下：

		Group 本集團			
		2003		2002	
		Balance	Percentage	Balance	Percentage
		結餘	百分比	結餘	百分比
		HK\$		HK\$	
		港元		港元	
Current	即期	534,872	72	603,457	73
1 – 3 months	1–3個月	137,682	19	216,616	26
4 – 6 months	4–6個月	15,910	2	8,745	1
7 – 12 months	7–12個月	53,321	7	461	–
		741,785	100	829,279	100

The Group's trade receivables are normally invoiced with credit terms of 30 to 60 days of issuance.

本集團之應收貿易款項之信貸期一般為由發票發出之日起計30日至60日。

21. OTHER RECEIVABLES

其他應收款項

		Group 本集團		Company 本公司	
		2003	2002	2003	2002
		HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元
Prepayments	預付款項	779,257	790,531	272,482	271,402
Loans receivable – note 16	應收貸款－附註16	31,706	3,017,119	–	–
Tax reserve certificate	儲稅券	14,449,128	14,449,128	–	–
Deposits and other receivables	按金及其他應收款項	2,230,686	2,914,298	–	–
Retention monies receivable	應收保留款項	337,751	337,751	–	–
Interest receivable	應收利息	62,569	56,000	–	–
		17,891,097	21,564,827	272,482	271,402



NOTES 附註

For the year ended 31 December 2003 截至二零零三年十二月三十一日止年度

22. CASH AND CASH EQUIVALENTS

現金及現金等價物

		Group 本集團		Company 本公司	
		2003 HK\$ 港元	2002 HK\$ 港元	2003 HK\$ 港元	2002 HK\$ 港元
Cash and bank balances	現金及銀行結存	7,146,028	2,925,873	1,056	1,519
Time deposits	定期存款	237,443	274,157	—	—
		7,383,471	3,200,030	1,056	1,519
Less: Pledged bank balances	減：以抵押長期銀行				
and time deposits for	貸款之銀行結存				
long term bank loans	及定期存款	(3,710,756)	(1,636,160)	—	—
Cash and cash equivalents	現金及現金等價物	3,672,715	1,563,870	1,056	1,519

23. TRADE PAYABLES

應付貿易款項

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

於結算日，應付貿易款項之賬齡分析如下：

		Group 本集團			
		2003		2002	
		Balance 結餘 HK\$ 港元	Percentage 百分比	Balance 結餘 HK\$ 港元	Percentage 百分比
Current	即期	938,150	26	433,295	15
1 – 3 months	1–3個月	535,740	15	113,635	4
4 – 6 months	4–6個月	176,502	5	10,525	1
7 – 12 months	7–12個月	12,240	—	—	—
Over 1 year	超過1年	1,913,163	54	2,297,937	80
		3,575,795	100	2,855,392	100



NOTES 附註

For the year ended 31 December 2003 截至二零零三年十二月三十一日止年度

24. OTHER PAYABLES AND ACCRUALS

其他應付款項及應計費用

		Group 本集團		Company 本公司	
		2003 HK\$ 港元	2002 HK\$ 港元	2003 HK\$ 港元	2002 HK\$ 港元
Accruals	應計費用	2,475,509	4,672,023	251,454	299,357
Deposits received	已收按金	5,984,269	6,797,373	—	—
Retention monies payable	應付保留款項	3,649,677	6,563,038	—	—
Other liabilities	其他負債	3,070,142	4,381,835	—	—
		15,179,597	22,414,269	251,454	299,357

25. INTEREST-BEARING BANK LOANS

應計利息之銀行貸款

		Group 本集團	
		2003 HK\$ 港元	2002 HK\$ 港元
Bank loans, secured	銀行貸款，有抵押	563,261,125	559,644,900
Less: Portion classified as current liabilities	減：列作流動負債之部分	(49,644,429)	(41,385,817)
Long term portion	長期部分	513,616,696	518,259,083
Bank loans are repayable:	銀行貸款須於下列期間償還：		
Within one year	一年內	49,644,429	41,385,817
In the second year	第二年	32,721,511	81,956,273
In the third to fifth years, inclusive	第三至第五年(包括首尾兩年)	200,048,778	331,064,567
Beyond five years	超過五年	280,846,407	105,238,243
		563,261,125	559,644,900



NOTES 附註

For the year ended 31 December 2003 截至二零零三年十二月三十一日止年度

25. INTEREST-BEARING BANK LOANS (CONTINUED)

應計利息之銀行貸款(續)

The Group's bank loans are secured by:

本集團之銀行貸款乃以下列各項作抵押而取得：

- | | |
|---|--|
| (i) fixed charges over certain of the Group's investment properties situated in Hong Kong which have an aggregate carrying value as at the balance sheet date of HK\$1,262,000,000; | (i) 於結算日，賬面總值為1,262,000,000港元之本集團若干位於香港之投資物業之固定抵押； |
| (ii) a debenture incorporating a first legal mortgage over certain of the Group's land and buildings and properties held for sale with aggregate carrying value of HK\$72,000,000; | (ii) 包括本集團總賬面值72,000,000港元之土地、建築物及持作出售物業之第一法定押記之債券； |
| (iii) assignment of insurance, sale and rental proceeds of the aforementioned properties situated in Hong Kong; | (iii) 轉讓前文所述位於香港之投資物業之保險、銷售及租金所得款項； |
| (iv) charges over certain of the Group's bank balances of HK\$3,710,756 for the purpose of assignment of sales and rental proceeds and issued shares of certain wholly-owned subsidiaries of the Group; | (iv) 3,710,756港元之本集團若干銀行結存款之抵押用作轉讓本集團銷售及租金所得款項以及若干全資附屬公司之已發行股份； |
| (v) subordination and assignment of intra-group and shareholders' loans to certain wholly-owned subsidiaries of the Group in favour of the banks; | (v) 就銀行將集團間及股東予本集團若干全資附屬公司之貸款所作後償及轉讓； |
| (vi) obligation of HFC to obtain prior written consent from a bank for the transfer of or change in ownership of the Company; | (vi) 鴻福實業於轉讓或改變本公司之擁有權前事先獲得之銀行書面同意； |
| (vii) floating charges over the assets of Hugoton Limited, Super Homes Limited ("SHL") and Vision Asset Management Limited ("VAML"), wholly-owned subsidiaries of the Group; | (vii) 本集團全資附屬公司Hugoton Limited、Super Homes Limited (「SHL」) 及Vision Asset Management Limited (「VAML」) 之資產之浮動抵押； |
| (viii) share mortgages over the entire issued share capital of SHL and VAML; and | (viii) 就SHL及VAML之全部已發行股本之股份按揭；及 |
| (ix) corporate guarantees given by the Company and a subsidiary, Luxurious Time Properties Limited. | (ix) 本公司及一間附屬公司Luxurious Time Properties Limited作出之公司擔保。 |



NOTES 附註

For the year ended 31 December 2003 截至二零零三年十二月三十一日止年度

26. DEFERRED TAX

遞延稅項

GROUP

集團

The following are the components of deferred tax recognised by the Group and movements thereon during the year:

以下為本集團確認之遞延稅項之組成部份及於年內之變動情況：

		Accelerated		
		tax allowances	Tax losses	Total
		加速稅項優惠	稅項虧損	總計
		HK\$	HK\$	HK\$
		港元	港元	港元
Charge/(credit) to income for the year and at 31.12.2003	於本年度及於二零零三年十二月三十一日在收入中支銷／(撥回)	1,425,727	(1,014,708)	411,019

The following is the analysis of the deferred tax balances for financial reporting purposes:

以下乃就財務申報目的而作出之遞延稅項資產結餘之分析：

Deferred tax assets	遞延稅項資產	(986,398)
Deferred tax liabilities	遞延稅項負債	1,397,417
		411,019

The principal components of the Group's deductible temporary differences not recognised are as follows:

本集團未予確認之可扣減暫時性差異之主要部份如下：

		2003	2002
		HK\$	HK\$
		港元	港元
Tax losses (Note a)	稅項虧損(附註a)	512,028,409	500,044,644
Provision for impairment of assets (Note b)	資產減值撥備(附註b)	51,590,183	51,382,931
		563,618,592	551,427,575



NOTES 附註

For the year ended 31 December 2003 截至二零零三年十二月三十一日止年度

26. DEFERRED TAX (CONTINUED)

遞延稅項(續)

GROUP

集團

Notes:

附註：

(a) At the balance sheet date, the Group has unused tax losses of HK\$517,826,740 (2002 : HK\$500,044,644) available for offset against future profits for an unlimited period of time. A deferred tax asset has been recognised in respect of HK\$5,798,331 (2002 : Nil) of such losses. No deferred tax assets have been recognised in respect of the remaining HK\$512,028,409 (2002 : HK\$500,044,644) due to the uncertainty of future profits and certain of the losses are subject to agreement with the relevant tax authorities.

(a) 於結算日，本集團可無限期用以抵銷日後溢利之未予動用稅項虧損為517,826,740港元(二零零二年：500,044,644港元)。已確認5,798,331港元(二零零二年：無)之虧損為遞延稅項資產。由於無法確定日後會否賺取溢利，而若干虧損須取得有關稅務機關之同意，故並無就餘額512,028,409港元(二零零二年：500,044,644港元)確認遞延稅項資產。

(b) No deferred tax assets have been recognised for such provisions due to the unpredictability of future profit streams.

(b) 由於無法預計日後溢利流量，故並無就該等撥備確認遞延稅項資產。

COMPANY

公司

At the balance sheet date, the Company has unused tax losses of HK\$3,833,099 (2002 : HK\$3,786,766) available for offset against future profits for an unlimited period of time. No deferred tax asset has been recognised in respect of such losses due to the uncertainty of the future profits and the tax losses are subject to agreement with the relevant tax authority.

於結算日，本集團可無限期用以抵銷日後溢利之未予動用稅項虧損3,833,099港元(二零零二年：3,786,766港元)。由於無法確定日後會否賺取溢利及稅項虧損須取得有關稅務機關之同意，故並無該等虧損確認遞延稅項資產。



NOTES 附註

For the year ended 31 December 2003 截至二零零三年十二月三十一日止年度

27. SHARE CAPITAL

股本

		Company 本公司	
		2003 HK\$ 港元	2002 HK\$ 港元
Authorised:	法定股本：		
2,000,000,000 ordinary shares of HK\$0.05 each	2,000,000,000股每股面值 0.05港元之普通股	100,000,000	100,000,000
Issued and fully paid:	已發行及繳足股本：		
1,492,410,986 (2002: 1,492,611,986) ordinary shares of HK\$0.05 each	1,492,410,986股 (二零零二年：1,492,611,986股) 每股面值0.05港元之普通股	74,620,549	74,630,599

During the year, the movements in share capital were as follows: 年內，股本變動如下：

		Number of shares in issue 已發行股份數目	Issued capital 已發行股本 HK\$ 港元	Share premium account 股份溢價賬 HK\$ 港元	Total 總計 HK\$ 港元
At 1.1.2002	於二零零二年一月一日	684,416,993	34,220,850	85,134,034	119,354,884
Allotment	配發	63,000,000	3,150,000	7,875,000	11,025,000
Open offer	公開發售	747,416,993	37,370,849	108,375,464	145,746,313
Repurchased and cancelled	購回及註銷	(2,222,000)	(111,100)	(364,951)	(476,051)
		1,492,611,986	74,630,599	201,019,547	275,650,146
Share issue expenses	發行股份費用	—	—	(4,124,847)	(4,124,847)
At 31.12.2002 and 1.1.2003	於二零零二年 十二月三十一日及 二零零三年一月一日	1,492,611,986	74,630,599	196,894,700	271,525,299
Repurchased and cancelled — note (a)	購回及註銷 — 附註(a)	(201,000)	(10,050)	(21,947)	(31,997)
At 31.12.2003	於二零零三年 十二月三十一日	1,492,410,986	74,620,549	196,872,753	271,493,302



NOTES 附註

For the year ended 31 December 2003 截至二零零三年十二月三十一日止年度

27. SHARE CAPITAL (CONTINUED)

股本(續)

Note:

附註：

- (a) During the year, the Company repurchased a total of 201,000 of its shares on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") at a total consideration of HK\$31,997, all of which were cancelled accordingly. The premium of HK\$21,947 on the shares repurchased, being the difference between the total cost of HK\$31,997 and the aggregate amount of HK\$10,050, being the nominal value of the 201,000 shares repurchased, was deducted from the share premium account of the Company and the amount of HK\$10,050 equivalent to the par value of the shares cancelled has been transferred from the contributed surplus account of the Company to the capital redemption reserve. Details of the transactions are set out below:

- (a) 年內，本公司於香港聯合交易所有限公司（「聯交所」）購回共201,000股其本身之股份，總代價為31,997港元，所有股份因而獲註銷。購回股份之溢價21,947港元（即總成本31,997港元減去購回201,000股股份之面值之總金額10,050港元之差額），乃扣除自本公司之股份溢價賬，以及相當於已註銷股份面值之10,050港元之金額，已由本公司繳入盈餘賬轉撥往資本贖回儲備。有關交易詳情載列如下：

		Number of shares repurchased 購回股份數目	Price per share paid 每股所付之價格		Aggregate consideration paid* 已付總代價*
			Highest 最高	Lowest 最低	
			HK\$	HK\$	HK\$
			港元	港元	港元
January 2003	二零零三年一月	201,000	0.155	0.150	31,997

* including direct cost attributable to the repurchase.

* 包括應佔之直接購回成本

The above repurchases were made for the purpose of enhancing the consolidated net asset value and earnings per share of the Company.

上述股份購回乃就加強本公司綜合資產淨值及每股盈利而作出。



NOTES 附註

For the year ended 31 December 2003 截至二零零三年十二月三十一日止年度

28. SHARE OPTION SCHEMES

On 14 October 1996, the Company adopted a share option scheme (the "Old Scheme") for the purpose of providing an opportunity for key executives of the Group who have contributed significantly to the growth and prosperity of the Group to participate in the equity of the Company. Eligible participants of the Old Scheme include the directors and employees of the Company or its subsidiaries. The Old Scheme was effective for the period from 14 October 1996 to 10 July 2004. In compliance with the amended Chapter 17 of the Listing Rules, on 15 April 2002, the Old Scheme was terminated and a new share option scheme (the "New Scheme") was adopted. As a result, the Company can no longer grant any further share options under the Old Scheme. However, all share options granted prior to the termination of the Old Scheme will remain in full force and effect. The purpose of the New Scheme was to provide incentives and rewards to eligible persons for their contributions and efforts and attract valuable human resources. Eligible persons comprise persons the directors may determine, subject to applicable laws, having regard to their contributions.

The maximum number of shares in respect of which share options may be granted may not exceed 10% of the share capital of the Company in issue from time to time. The maximum number of shares in respect of which share options may be granted to any one participant in any 12-month period shall not exceed 1% of the total number of shares in issue from time to time.

The exercise price of the share options shall be at least the higher of (i) the nominal value of the Company's share; (ii) the closing price of the Company's shares on the Stock Exchange on the date of offer; and (iii) the average closing price of the Company's shares on the Stock Exchange for the five trading days immediately preceding the date of offer.

The offer of a grant of share options may be accepted within 21 days from the date of offer upon an initial payment of HK\$1 for each acceptance.

購股權計劃

於一九九六年十月十四日，本公司採納一項購股權計劃（「舊計劃」），給予機會予本集團增長及成功作出重大貢獻之本集團主要行政人員認購本公司之股本。舊計劃之合資格參與者包括本公司或其附屬公司之董事及僱員。舊計劃有效期由一九九六年十月十四日起至二零零四年七月十日。為符合上市規則第17章（經修訂），舊計劃於二零零二年四月十五日終止並採納新購股權計劃（「新計劃」）。因此，本公司不可再根據舊計劃進一步授出任何購股權。然而，所有於舊計劃終止前所授出之購股權將仍具十足效力及作用。採納新計劃目的在於為合資格人士所作出的貢獻及努力提供獎賞及回報以及吸引寶貴的人力資源。合資格人士包括董事按所作出貢獻可釐定之人士，惟須受適用法律所限。

可授出之購股權所涉及之股份數目最多不可超過本公司不時已發行股本之10%。於12個月期間可向任何一位參與者授出之購股權所涉及之股份數目，最多不可超過不時已發行股份總數1%。

購股權之行使價須不少於(i)本公司股份之面值；(ii)於要約日期本公司股份在聯交所之收市價；及(iii)緊接要約日期前五個交易日本公司股份於聯交所之平均收市價。

授出購股權之要約每次可於首次支付1港元後由要約日期起21日內接納。



NOTES 附註

For the year ended 31 December 2003 截至二零零三年十二月三十一日止年度

28. SHARE OPTION SCHEMES (CONTINUED)

購股權計劃(續)

Details of the share options outstanding as at balance sheet date under the Old Scheme are as follows:

於結算日尚未行使之購股權之詳情如下：

Category	Number of share options at 1.1.2003 and 31.12.2003	Exercise period of share option	Exercise price of share options
Name of participant	購股權數目	購股權行使期	HK\$
類別	於二零零三年一月一日及 二零零三年十二月三十一日	From 開始日期	To 屆滿日期
參與者名稱			購股權行使價 港元
Directors:			
董事			
Cheong Pin Chuan, Patrick	30,000,000	3 January 2000	10 July 2004
鍾斌銓		二零零零年一月三日	二零零四年七月十日
Cheong Kim Pong	30,000,000	3 January 2000	10 July 2004
鍾金榜		二零零零年一月三日	二零零四年七月十日
Cheong Pin Seng	30,000,000	3 January 2000	10 July 2004
鍾斌盛		二零零零年一月三日	二零零四年七月十日
Cheong Sim Eng	30,000,000	3 January 2000	10 July 2004
鍾榮榮		二零零零年一月三日	二零零四年七月十日
	<u>120,000,000</u>		

The above share options were granted on 3 January 2000. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 120,000,000 additional ordinary shares for gross proceeds of HK\$32,160,000.

上述購股權已於二零零零年一月三日授出。根據本公司目前之股本結構，悉數行使尚未行使之購股權將導致發行120,000,000股額外普通股，所得款項總額為32,160,000港元。

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

購股權並無賦予持有人獲派股息或於股東大會上投票之權利。

During the year, no share option was granted and outstanding under the New Scheme.

於年內，概無根據新計劃授出購股權及有購股權尚未行使。



NOTES 附註

For the year ended 31 December 2003 截至二零零三年十二月三十一日止年度

29. RESERVES

儲備

GROUP	本集團								
		Share premium account	Capital redemption reserve	Contributed surplus	Land and buildings revaluation reserve	Investment property revaluation reserve	Capital reserve	Exchange fluctuation reserve	Accumulated losses
		股份溢價賬	資本贖回儲備	繳入盈餘	土地及樓宇重估儲備	投資物業重估儲備	資本儲備	外匯變動儲備	累積虧損
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元	港元	港元
At 1.1.2002	於二零零二年								
	一月一日	85,134,034	-	618,107,853	1,527,843	752,316,431	145,529,127	(194,065,392)	(214,405,815)
Issue of shares	發行股份	116,250,464	-	-	-	-	-	-	-
Share issue expenses	發行股份費用	(4,124,847)	-	-	-	-	-	-	-
Shares repurchased and cancelled	購回及注銷股份	(364,951)	111,100	-	-	-	-	-	-
Deficit on revaluation	重估虧絀	-	-	-	(1,527,843)	(24,160,000)	-	-	-
Exchange realignment	滙兌調整	-	-	-	-	-	-	36,114,427	-
Loss for the year	年內虧損	-	-	-	-	-	-	-	(115,978,456)
Share of movements in reserves of an associate	應佔一間聯營公司儲備變動	-	-	-	-	(14,266,349)	19,666	(2,029,099)	-
At 31.12.2002 and 1.1.2003	於二零零二年十二月三十一日及二零零三年								
	一月一日	196,894,700	111,100	618,107,853	-	713,890,082	145,548,793	(159,980,064)	(330,384,271)
Share repurchased and cancelled	購回及注銷股份	(21,947)	10,050	(10,050)	-	-	-	-	-
Deficit on revaluation	重估虧絀	-	-	-	-	(170,000)	-	-	-
Exchange realignment	滙兌調整	-	-	-	-	-	-	(62,304)	-
Loss for the year	年內虧損	-	-	-	-	-	-	-	(41,125,816)
Share of movements in reserves of an associate	應佔一間聯營公司儲備變動	-	-	-	-	-	-	7,076,727	-
At 31.12.2003	於二零零三年								
	十二月三十一日	196,872,753	121,150	618,097,803	-	713,720,082	145,548,793	(152,965,641)	(371,510,087)



NOTES 附註

For the year ended 31 December 2003 截至二零零三年十二月三十一日止年度

29. RESERVES (CONTINUED)

儲備(續)

GROUP	本集團				Land and buildings revaluation	Investment property revaluation		Exchange fluctuation reserve	Accumulated losses	Total
		Share premium account	Capital redemption reserve	Contributed surplus	reserve	reserve	Capital reserve	reserve		
		股份溢價賬	資本贖回儲備	繳入盈餘	土地及樓宇 重估儲備	投資物業 重估儲備	資本儲備	外匯變動儲備	累積虧損	合計
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元	港元	港元	港元
Reserves retained by:	保留儲備：									
Company and subsidiaries	本公司及附屬公司	196,872,753	121,150	618,097,803	-	713,720,082	141,398,603	(146,777,177)	(238,531,769)	1,284,901,445
Associate	聯營公司	-	-	-	-	-	4,150,190	(6,188,464)	(132,978,318)	(135,016,592)
At 31.12.2003	於二零零三年 十二月三十一日	196,872,753	121,150	618,097,803	-	713,720,082	145,548,793	(152,965,641)	(371,510,087)	1,149,884,853
Company and subsidiaries	本公司及附屬公司	196,894,700	111,100	618,107,853	-	713,890,082	141,398,603	(146,714,873)	(217,939,571)	1,305,747,894
Associate	聯營公司	-	-	-	-	-	4,150,190	(13,265,191)	(112,444,700)	(121,559,701)
At 31.12.2002	於二零零二年 十二月三十一日	196,894,700	111,100	618,107,853	-	713,890,082	145,548,793	(159,980,064)	(330,384,271)	1,184,188,193

The contributed surplus of the Group represents the difference between the nominal value of the share capital issued by the Company and the aggregate of the share capital and the share premium accounts of the subsidiaries acquired pursuant to the Group reorganisation in 1996.

本集團之繳入盈餘乃本公司發行之股本面值與依據本集團於一九九六年重組所收購之附屬公司之股本及股份溢價賬總額兩者之差額。



NOTES 附註

For the year ended 31 December 2003 截至二零零三年十二月三十一日止年度

29. RESERVES (CONTINUED)

儲備 (續)

COMPANY	本公司					
		Share premium account	Capital redemption reserve	Contributed surplus	Accumulated losses	Total
		股份溢價賬	資本贖回儲備	繳入盈餘	累積虧損	合計
		HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元
At 1.1.2002	於二零零二年					
	一月一日	85,134,034	–	1,386,580,996	(277,676,215)	1,194,038,815
Issue of shares	發行股份	116,250,464	–	–	–	116,250,464
Share issue expenses	發行股份費用	(4,124,847)	–	–	–	(4,124,847)
Shares repurchased and cancelled	購回及註銷股份	(364,951)	111,100	–	–	(253,851)
Loss for the year	年內虧損	–	–	–	(121,808,509)	(121,808,509)
At 31.12.2002 and 1.1.2003	於二零零二年十二月三十一日及二零零三年一月一日	196,894,700	111,100	1,386,580,996	(399,484,724)	1,184,102,072
Shares repurchased and cancelled	購回及注銷股份	(21,947)	10,050	(10,050)	–	(21,947)
Loss for the year	年內虧損	–	–	–	(34,046,333)	(34,046,333)
At 31.12.2003	於二零零三年					
	十二月三十一日	196,872,753	121,150	1,386,570,946	(433,531,057)	1,150,033,792

The contributed surplus of the Company represents the difference between the nominal value of the share capital issued by the Company and the aggregate net asset value of the subsidiaries acquired at the date of acquisition pursuant to the Group reorganisation in 1996. Under the Companies Act 1981 of Bermuda (as amended), the Company may make distributions to its members out of contributed surplus in certain circumstances.

本公司之繳入盈餘乃本公司發行之股本面值與依據本集團於一九九六年重組所收購之附屬公司於收購之日之總資產淨值兩者之差額。根據百慕達一九八一年公司法(經修訂)，本公司在若干情況下可提取繳入盈餘向股東作出分派。



NOTES 附註

For the year ended 31 December 2003 截至二零零三年十二月三十一日止年度

30. NOTE TO THE CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表附註

		2003 HK\$ 港元	2002 HK\$ 港元
Net assets acquired:	收購淨資產：		
Fixed assets and investment properties	固定資產及投資物業	–	241,467,923
Trade receivables, prepayments and deposits	應收貿易賬款、預付款項及按金	–	53,764
Cash and cash equivalents	現金及現金等價物	–	932,194
Trade payables, other payables and accruals	應付貿易賬款、其他應付款項及應計款項	–	(2,642,792)
Bank loans	銀行貸款	–	(166,000,000)
		–	73,811,089
Goodwill on acquisition	收購時之商譽	–	677,278
		–	74,488,367

An analysis of the net outflow of cash and cash equivalents in respect of the acquisition of subsidiaries is as follows:

有關收購附屬公司之現金及現金等價物之流出淨額之分析如下：

		2003 HK\$ 港元	2002 HK\$ 港元
Cash consideration	現金代價	–	74,488,367
Cash and cash equivalents acquired	收購之現金及現金等價物	–	(932,194)
Net outflow of cash and cash equivalents in respect of acquisition of subsidiaries	有關收購附屬公司之現金及現金等價物流出淨額	–	73,556,173

In 2002, the Group acquired 100% interests in SHL and Standard Homes Company Limited from Hong Fok Investment Holdings Company, Limited.

於二零零二年內，本集團自鴻福有限公司收購SHL及Standard Homes Company Limited 100%之權益。



NOTES 附註

For the year ended 31 December 2003 截至二零零三年十二月三十一日止年度

31. CONTINGENT LIABILITIES

或然負債

- (a) At the balance sheet date, the Company had given unconditional guarantees to banks to secure loan facilities made available to subsidiaries to the extent of approximately HK\$633 million (2002 : HK\$643 million). The extent of such facilities utilised by the subsidiaries at the balance sheet date amounted to approximately HK\$563 million (2002 : HK\$560 million).
- (b) At the balance sheet date, the Company had given corporate guarantees to banks for issuing letters of indemnity to a third party in respect of contracts undertaken by certain subsidiaries, and to indemnify the repayment of certain mortgage loans amounting to approximately HK\$5.5 million (2002 : HK\$10.5 million).

- (a) 於結算日，本公司就附屬公司可動用約633,000,000港元(二零零二年：643,000,000港元)之貸款向銀行作出無條件擔保。於結算日，已由附屬公司動用之貸款約為563,000,000港元(二零零二年：560,000,000港元)。
- (b) 於結算日，本集團就若干附屬公司所承擔之合約向銀行出具公司擔保，以向第三方發出賠償保證書，並就償還若干按揭貸款約5,500,000港元(二零零二年：10,500,000港元)作出賠償保證。

32. OPERATING LEASE ARRANGEMENTS

經營租約安排

(A) AS LESSOR

The Group leases its investment properties (note 12) under operating lease arrangements, with leases negotiated for terms ranging from one to two years. The terms of the leases generally also require the tenants to pay security deposits.

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

(A) 作為出租人

本集團根據經營租約安排租賃其投資物業(附註12)，經磋商之租約期為期一至二年。租約之條款一般亦規定租客支付保證金。

於結算日，本集團之租客在下列年期屆滿之不可撤銷經營租約之未來最低租賃應付款總額為：

		Group 本集團	
		2003 HK\$ 港元	2002 HK\$ 港元
Within one year	一年內	17,453,977	14,405,002
In the second to fifth years, inclusive	第二至第五年 (包括首尾兩年)	1,370,789	606,882
		18,824,766	15,011,884



NOTES 附註

For the year ended 31 December 2003 截至二零零三年十二月三十一日止年度

32. OPERATING LEASE ARRANGEMENTS (CONTINUED)

經營租約安排(續)

(B) As LESSEE

The Group leases certain of its office properties and office equipment under operating lease arrangements. Leases for properties are negotiated for terms ranging from one to two years.

At the balance sheet date, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

(B) 作為承租人

本集團根據經營租約安排租賃其部份辦公室物業及辦公室設備。經磋商之物業租約為期一至二年。

於結算日，本集團在下列年期屆滿之不可撤銷經營租約之未來最低租賃付款總額為：

		Group 本集團	
		2003	2002
		HK\$	HK\$
		港元	港元
Within one year	一年內	88,514	120,000
In the second to fifth years, inclusive	第二至第五年 (包括首尾兩年)	36,190	70,000
		124,704	190,000

33. COMMITMENTS

承擔

In addition to the operating lease commitments as detailed in note 32(b) above, the Group had the following commitments as at the balance sheet date:

除上文附註32(b)所詳述之經營租約承擔外，本集團於結算日尚有下列承擔：

		Group 本集團	
		2003	2002
		HK\$	HK\$
		港元	港元
Capital commitments:	資本承擔：		
Contracted for	已訂約	1,170,000	1,248,600

At the balance sheet date, the Company had no material commitments.

於結算日，本公司並無重大承擔。