

NOTES TO THE FINANCIAL STATEMENTS

For the period from 1st April, 2003 to 31st December, 2003

1. GENERAL

The Company is incorporated in Bermuda as an exempted company with limited liability. The shares of the Company are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). As set out in note 34, following the issue of new shares of the Company under the financial restructuring of the Company (the “Restructuring”), details of which are set out in the circular dated 5th September, 2003 issued by the Company, Million Point Limited (“Million Point”) became the new controlling shareholder of the Group. Its ultimate holding company is Chinese Estates Holdings Limited (“Chinese Estates”), a company incorporated in Bermuda with its shares listed on the Stock Exchange.

Under the Restructuring, the Company issued 470,628,426 new shares together with a cash payment of approximately HK\$4.7 million, to repay as full and final settlement of the debts owed to the convertible bonds holders and certain creditors of the Company. In addition, 170,000,000 new shares were issued to Million Point for its injection of cash pursuant to the Restructuring.

Pursuant to a settlement deed (the “Settlement Deed”), details as set out in note 31, the Company issued 37,987,988 new shares together with a cash payment of approximately HK\$0.38 million to Koga Limited (“Koga”) to settle in full its claim against the Group.

The Company is an investment holding company. The principal activities of its principal subsidiaries are set out in note 48.

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARD

In the current period, the Group adopted, for the first time, the following Hong Kong Financial Reporting Standards (“HKFRs”) issued by the Hong Kong Society of Accountants (“HKSA”), the term of HKFRs is inclusive of Statements of Standard Accounting Practice (“SSAP(s)”) and interpretations approved by the HKSA.

財務報告附註

二零零三年四月一日至二零零三年十二月三十一日期間

1. 概述

本公司在百慕達註冊成立為受豁免有限公司。本公司之股份在香港聯合交易所有限公司（「聯交所」）上市。如附註 34 所載，隨着根據本公司之財務重組（「重組」，其詳情載於本公司在二零零三年九月五日刊發之通函）發行本公司新股後，Million Point Limited（「Million Point」）成為本集團之新控股股東。其最終控股公司為 Chinese Estates Holdings Limited（「華人置業」）。華人置業於百慕達註冊成立，其股份於聯交所上市。

根據重組，本公司發行 470,628,426 股新股，以及支付現金約 4,700,000 港元，以償還欠本公司之可換股債券持有人及若干債權人之債項，完全及最終了結有關債項。此外，Million Point 因根據重組注入現金而獲發行 170,000,000 股新股。

根據償債契據（「償債契據」，其詳情載於附註 31），本公司向 Koga Limited（「Koga」）發行 37,987,988 股新股以及支付現金約 380,000 港元，以完全了結 Koga 向本集團提出之索償。

本公司為投資控股公司，其主要附屬公司之主要業務載於附註 48。

2. 採納香港財務報告準則

本集團於本期間首次採納下列由香港會計師公會（「會計師公會」）頒布之香港財務報告準則（「財務報告準則」），財務報告準則之內容包括會計師公會批准之會計實務準則（「會計實務準則」）及詮釋。

NOTES TO THE FINANCIAL STATEMENTS

For the period from 1st April, 2003 to 31st December, 2003

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARD (cont'd)

Income Taxes

In the current period, the Group adopted SSAP 12 (Revised) "Income Taxes" ("SSAP 12 (Revised)"). The principal effect of the implementation of SSAP 12 (Revised) is in relation to deferred tax. In previous years, partial provision had to be made for deferred tax using the income statement liability method, i.e. a liability had to be recognised in respect of timing differences arising, except where those timing differences were not expected to reverse in the foreseeable future. SSAP 12 (Revised) requires the adoption of a balance sheet liability method, whereby deferred tax is recognised in respect of all temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, with limited exceptions. In the absence of any specific transitional requirements in SSAP 12 (Revised), the new accounting policy has been applied retrospectively.

The change in such policy has resulted in an increase of HK\$435,000 to the deficit as at 31st March, 2003 (1st April, 2002: Nil), and decrease in profit for the nine months ended 31st December, 2003 of HK\$148,000 (year ended 31st March, 2003: an increase of loss of HK\$435,000).

3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention as modified for the revaluation of certain properties and investments in securities.

The financial statements have been prepared in accordance with accounting principles generally accepted in Hong Kong. The principal accounting policies adopted are as follows:

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to 31st December from 1st April, 2003 onwards or up to 31st March prior to 1st April, 2003.

The results of subsidiaries acquired or disposed of during the period are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

All significant inter-company transactions and balances within the Group are eliminated on consolidation.

財務報告附註

二零零三年四月一日至二零零三年十二月三十一日期間

2. 採納香港財務報告準則 (續)

所得稅

本集團於本期間採納會計實務準則第12條(經修訂)「所得稅」(「會計實務準則第12條(經修訂)」)。執行會計實務準則第12條(經修訂)之主要影響與遞延稅項有關。在過往年度,遞延稅項乃以收益表負債法作部份撥備,即是就產生之時差確認為負債,除非預期該等時差不會在可見將來回轉。會計實務準則第12條(經修訂)規定採用資產負債表負債法,據此遞延稅項乃因應財務報告中資產與負債之賬面值與計算應課稅溢利所用之相關稅基之間一切暫時差異而確認,但有若干例外情況。由於會計實務準則第12條(經修訂)並無任何特定過渡性條文,因此已追溯應用新會計政策。

有關政策改變導致二零零三年三月三十一日之虧絀增加435,000港元(二零零二年四月一日:無)及截至二零零三年十二月三十一日止九個月之溢利減少148,000港元(截至二零零三年三月三十一日止年度:增加435,000港元之虧損)。

3. 主要會計政策

財務報告乃根據歷史成本法編製,惟已就若干物業及證券投資之重估作出修訂。

財務報告乃根據香港普遍採納之會計準則編製,所採納之主要會計準則載列如下:

綜合基準

綜合財務報告包括本公司及其附屬公司由二零零三年四月一日起截至十二月三十一日止及二零零三年四月一日前截至三月三十一日止之財務報告。

期內收購或出售之附屬公司之業績乃由實際收購日期起或至實際出售日期止(如適用)計入綜合收入報表中。

所有集團內公司間之主要交易及結餘在綜合財務報告時均予以對銷。

NOTES TO THE FINANCIAL STATEMENTS

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3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Goodwill

Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary, associate or jointly controlled entity at the date of acquisition.

Goodwill arising on acquisitions prior to 1st April, 2001 which had been eliminated against reserves continues to be held in reserves, and will be charged to the income statement at the time of disposal of the relevant subsidiary, associate or jointly controlled entity or at such time as the goodwill is determined to be impaired.

Goodwill arising on acquisitions prior to 1st April, 2001 which was capitalised and goodwill arising on acquisitions after 1st April, 2001 is capitalised and amortised on a straight-line basis over its useful economic life, less any impairment loss. Goodwill arising on the acquisition of an associate or a jointly controlled entity is included within the carrying amount of the associate or jointly controlled entity. Goodwill arising on the acquisition of subsidiaries is presented separately in the balance sheet.

On disposal of a subsidiary, associate or jointly controlled entity, the attributable amount of unamortised goodwill or goodwill previously eliminated against reserves is included in the determination of the profit or loss on disposal.

Investments in subsidiaries

Investments in subsidiaries are included in the Company's balance sheet at cost less any identified impairment loss.

Interests in associates

The consolidated income statement includes the Group's share of the post-acquisition results of its associates for the period. In the consolidated balance sheet, interests in associates are stated at the Group's share of the net assets of the associates plus goodwill on acquisition in so far as it has not already been amortised, less any identified impairment loss.

Joint ventures

A joint venture is a contractual arrangement whereby the Group and other parties undertake an economic activity which is subject to joint control and over which none of the participating parties has unilateral control.

財務報告附註

二零零三年四月一日至二零零三年十二月三十一日期間

3. 主要會計政策 (續)

商譽

因綜合帶來之商譽相當於收購價高於本集團於附屬公司、聯營公司或共同控制機構之可識別資產及負債於收購日期之公平值所佔權益之款額。

於二零零一年四月一日前進行收購帶來之商譽(已自儲備撇銷者)繼續以儲備持有,並於有關附屬公司、聯營公司或共同控制機構出售或確定商譽出現折損之時自收入報表扣除。

於二零零一年四月一日前進行收購帶來之商譽(已撥作資本者)及於二零零一年四月一日後進行收購帶來之商譽,按其估計可使用經濟年期以直線法撥作資本及攤銷,後再減除任何折損。收購聯營公司或共同控制機構帶來之商譽會計入聯營公司或共同控制機構之賬面值。收購附屬公司帶來之商譽會在資產負債表另行呈列。

出售附屬公司、聯營公司或共同控制機構時,在尚未攤銷商譽或過往已從儲備撇銷之商譽中應佔之款額會計入出售之損益。

在附屬公司之投資

在附屬公司之投資乃按成本減任何已識別之折損列入本公司資產負債表。

聯營公司權益

綜合收入報表包括本集團於期內應佔聯營公司之收購後業績。綜合資產負債表所列之聯營公司權益按本集團應佔聯營公司資產淨值加收購時帶來惟並未攤銷之商譽減任何已識別之折損呈列。

合營項目

合資項目乃一項合約性安排,據此,本集團與其他訂約方所進行之經濟活動受制於聯合控制權,而所參與之任何一方對其均無單方面之控制權。

NOTES TO THE FINANCIAL STATEMENTS

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3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Jointly controlled entities

Joint venture arrangements which involve the establishment of a separate entity in which each venturer has an interest are referred to as jointly controlled entities.

The Group's interests in jointly controlled entities are included in the consolidated balance sheet at the Group's share of the net assets of the jointly controlled entities plus goodwill on acquisition in so far as it has not already been written off, less any identified impairment loss. The Group's share of post-acquisition results of jointly controlled entities for the period is included in the consolidated income statement.

Investments in securities

Investments in securities are recognised on a trade date basis and are initially measured at cost.

Investments other than held-to-maturity debt securities are classified as investment securities or other investments.

Investment securities, which are securities held for an identified long-term strategic purpose, are measured at subsequent reporting dates at cost, as reduced by any impairment loss that is other than temporary.

Other investments are measured at fair value, with unrealised gains and losses included in net profit or loss for the period.

Club debentures

Club debentures are stated at cost, as reduced by any impairment loss that is other than temporary.

Revenue recognition

Sales of goods are recognised when goods are delivered and title has passed.

Rental income, including rental invoiced in advance from properties let under operating leases, is recognised on a straight line basis over the period of the respective leases.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the interest rate applicable.

財務報告附註

二零零三年四月一日至二零零三年十二月三十一日期間

3. 主要會計政策 (續)

共同控制機構

共同控制機構指以合資安排另行成立之獨立機構，其每名合資方於該機構均擁有權益。

本集團於共同控制機構之權益乃按本集團佔有關共同控制機構之資產淨值，加收購時帶來惟並未撇銷之商譽減任何已識別折損而列入綜合資產負債表。本集團期內所佔共同控制機構收購後業績列入綜合收入報表。

證券投資

證券投資乃按交易日期基準確認及初步按成本值計值。

除持有至到期之債務證券外之投資，均列作投資證券或其他投資。

投資證券乃根據既定長期策略而持有之證券，均在隨後之呈報日期按成本值減去任何折損（暫時性者除外）計值。

其他投資乃按公平價值計算，其未變現收益及虧損均包括在期間之純利或虧損淨額內。

會籍債券

會籍債券乃按成本減任何非暫時性折損列賬。

收入確認

銷售貨品於貨品送遞及所有權轉移時確認。

租金收入（包括根據經營租約租出之物業預先發出發票之租金）以直線法按有關租約年期確認。

利息收入根據尚未償還之本金額以適用利率按時間比例基準計算。

NOTES TO THE FINANCIAL STATEMENTS

For the period from 1st April, 2003 to 31st December, 2003

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Investment properties

Investment properties are completed properties which are held for their investment potential, any rental income being negotiated at arm's length.

Investment properties are stated at their open market value based on an annual professional valuation at the balance sheet date. Any surplus or deficit arising on the revaluation of investment properties is credited or charged to the investment property revaluation reserve unless the balance on this reserve is insufficient to cover a deficit on a portfolio basis, in which case the excess of the deficit over the balance on the investment property revaluation reserve is charged to the income statement. Where a deficit has previously been charged to the income statement and a revaluation surplus subsequently arises, this surplus is credited to the income statement to the extent of the deficit previously charged.

On disposal of investment property, any balance in the investment property revaluation reserve attributable to the disposed property is included in the determination of the profit or loss on disposal.

No depreciation is provided on investment properties except where the unexpired term of relevant lease is twenty years or less.

Patent

Patent is stated at cost less amortisation and accumulated impairment losses. Amortisation is calculated to write off the cost of patent over its estimated useful life, using the straight line method, over twenty years.

Property, plant and equipment

Property, plant and equipment are stated at cost less depreciation and accumulated impairment losses.

Depreciation is provided to write off the cost of items of property, plant and equipment over their estimated useful lives, using the straight line method, at the following rates per annum:

Energy saving machines	10%
Plant and machinery	15%
Furniture, fixtures and equipment	10% – 20%
Motor vehicles	10% – 15%

財務報告附註

二零零三年四月一日至二零零三年十二月三十一日期間

3. 主要會計政策 (續)

投資物業

投資物業乃已落成物業，因其投資潛力而持有，任何租金收入均經公平原則磋商。

投資物業乃按每年於結算日所進行之專業估值以公開市值列賬。重估投資物業所產生之任何盈餘或虧絀乃計入投資物業重估儲備或自其扣除，除非此項儲備之結餘不足以彌補整體估值所產生之虧絀，在此情況下，有關虧絀所超出投資物業重估儲備結餘之部份乃從收入報表扣除。倘先前已從收入報表扣除虧絀而其後產生重估盈餘，則此項盈餘乃計入收入報表內，數額以先前所扣除之虧絀為限。

於出售投資物業時，所出售物業應佔投資物業重估儲備之任何結餘均列入釐定出售損益之計算內。

投資物業不予折舊，除非有關租約之尚餘年期為二十年或以下。

專利權

專利權按成本減攤銷及累積折損列賬。計算攤銷時乃按估計可使用年期以直線法按二十年攤銷專利權之成本。

物業、廠房及設備

物業、廠房及設備按成本減折舊及累積折損列賬。

物業、廠房及設備之折舊乃按其估計可使用年期以直線法攤銷其成本。有關之年率如下：

能源節省器	10%
廠房及機器	15%
傢俬、裝置及設備	10% – 20%
汽車	10% – 15%

NOTES TO THE FINANCIAL STATEMENTS

For the period from 1st April, 2003 to 31st December, 2003

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Property, plant and equipment (cont'd)

Assets held under finance leases are depreciated over their estimated useful lives on the same basis as owned assets or, where shorter, the period of the relevant lease.

The gain or loss arising from the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the income statement.

Leases

Lessor

Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards of ownership of the assets concerned to the lessees.

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Group's net investment in the leases.

Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

All other leases are classified as operating leases and the rental income is recognised on a straight-line basis over the relevant lease term.

Lessee

Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards of ownership of the assets concerned to the Group. Assets held under finance leases are capitalised at their fair values at the date of acquisition. The corresponding liability to the lessor, net of interest charges, is included in the balance sheet as a finance obligation. Finance costs, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are charged to the income statement over the period of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

All other leases are classified as operating leases and the annual rentals are charged to the income statement on a straight-line basis over the relevant lease term.

財務報告附註

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3. 主要會計政策 (續)

物業、廠房及設備 (續)

根據財務租約持有之資產按其估計可用年期計算折舊，基準與自置資產相同，或如屬較短期間，則按有關租期計算。

因資產出售或廢置而產生之收益或虧損，乃按出售所得款項與資產賬面值之差額釐定，並列入收入報表內。

租約

出租人

凡租約條款規定將租賃資產擁有權之絕大部份風險及利益轉移至承租人之租約均列為財務租約。

根據財務租約應收承租人之款項按本集團於租約之淨投資款額列為應收款項。

財務租約收入會分配予會計期間，以反映本集團有關租約之未付淨投資額之定期回報率。

所有其他租約列為經營租約，而租金收入按有關租期以直線法確認。

承租人

凡租約條款規定將租賃資產擁有權之絕大部份風險及利益轉移至本集團之租約均列為財務租約。根據財務租約持有之資產按於收購日期之公平價值撥作資本，因而欠出租人之相應債項經扣除利息開支後，乃列入資產負債表作為財務責任。財務費用（即租約承擔總額與購入資產公平值之差額）於有關租約年期內在收入報表中扣除，藉以就承擔之餘額在每段會計期間計算出一項固定之定期收費比率。

所有其他租約列為經營租約，而年租按有關租期以直線法自收入報表扣除。

NOTES TO THE FINANCIAL STATEMENTS

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3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average cost method.

Impairment

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

Convertible bonds

Convertible bonds are separately disclosed and regarded as liabilities unless conversion actually occurs. The finance cost recognised in the income statement in respect of the convertible bonds is calculated so as to produce a constant periodic rate of charge on the remaining balances of the convertible bonds for each accounting period.

The costs incurred and discount granted to bondholders in connection with the issue of convertible bonds are deferred and amortised on a straight line basis over the lives of the convertible bonds from the dates of issue of the bonds to their final redemption date. If any of the bonds are purchased and cancelled, redeemed or converted prior to the final redemption date, an appropriate portion of any remaining unamortised costs will be charged immediately to the income statement.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

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3. 主要會計政策 (續)

存貨

存貨按成本或可變現淨值(以較低者為準)列賬,並以加權平均成本法計算。

折損

於每個結算日,本集團會檢討其有形及無形資產之賬面值,以確定有關資產有否出現任何折損之情況。如資產之可收回款額估計會低於其賬面值,資產之賬面值會削減至其可收回款額。折損會另行確認為開支。

如折損於其後逆轉,資產之賬面值會提高至經修訂之估計可收回款額,惟已提高之賬面值不得高於在過往年度未有就資產確認折損之情況下之賬面值。折損之逆轉會即時確認為收入。

可換股債券

可換股債券乃以獨立項目披露,且被視作債項(除換股實際進行外)。於收入報表確認之可換股債券財務成本,乃按各會計期間餘下之可換股債券結餘而計算一固定比率之定期開支。

發行可換股債券產生之成本及提供予債券持有人之折讓,按債券發行之日起至其最後贖回日期之可換股債券有效年期以直線法遞延及攤銷。倘任何債券於最後贖回日期前購回及註銷、贖回或換股,則任何尚未攤銷剩餘成本之適當部份,將隨即自收入報表扣除。

稅項

所得稅支出指當期應付稅項及遞延稅項。

NOTES TO THE FINANCIAL STATEMENTS

For the period from 1st April, 2003 to 31st December, 2003

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Taxation (cont'd)

The tax currently payable is based on taxable profit for the period/year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income and expense that are taxable or deductible in other years, and it further excludes income statement items that are never taxable or deductible.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill (or negative goodwill) or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Foreign currencies

Transactions in currencies other than Hong Kong dollars are translated at the rates ruling on the dates of the transactions or at the contracted settlement rate. Monetary assets and liabilities denominated in currencies other than Hong Kong dollars are re-translated at the rates ruling on the balance sheet date. Profits and losses arising on exchange are dealt with in the income statement.

財務報告附註

二零零三年四月一日至二零零三年十二月三十一日期間

3. 主要會計政策 (續)

稅項 (續)

當期應付稅項按期間 / 年度應課稅溢利計算。應課稅溢利與收入報表所報純利不同，此乃由於其不包括在其他年度應課稅或可扣減之收入或支出項目，亦不包括收入報表內永不課稅或扣減之項目。

遞延稅項指就財務報告內資產及負債賬面值與用於計算應課稅溢利之相應稅基兩者之差異而預期須支付或可收回之稅項，並以資產負債表負債法處理。遞延稅項負債通常會就所有應課稅暫時差異確認，而遞延稅項資產則限於較可能於日後取得應課稅溢利，並可用以抵銷可扣減暫時差異時確認。若暫時差異因商譽（或負商譽）或因於一項既不影響應課稅溢利亦不影響會計溢利之交易（業務合併除外）中開始確認其他資產及負債而引致，則不會確認該等資產及負債。

遞延稅項資產之賬面值於每個結算日均作檢討，並在不大有可能再有足夠應課稅溢利收回全部或部分資產時減少。

遞延稅項乃按預期於負債償還或資產變現期間之適用稅率計算。遞延稅項會扣自或計入收益表，惟有關直接扣自或計入股本之項目，則有關之遞延稅項亦會於股本中處理。

外幣

以港元以外之貨幣計算之交易均按交易日或合約訂明之匯率折算，而以港元以外之貨幣結算之貨幣資產及負債則按結算日之匯率再進行折算。滙兌盈虧撥入收入報表中處理。

NOTES TO THE FINANCIAL STATEMENTS

For the period from 1st April, 2003 to 31st December, 2003

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Foreign currencies (cont'd)

On consolidation, the assets and liabilities of operations which are denominated in currencies other than Hong Kong dollars are translated at the rates ruling on the balance sheet date. Income and expense items are translated at the average exchange rate for the period. Exchange differences arising, if any, are classified as equity and transferred to the Group's exchange reserve. Such translation differences are recognised as income or as expenses in the period in which the operation is disposed of.

Retirement benefits scheme contributions

The pension cost charged in the income statement represents the contributions payable in respect of the current period/year to the defined contribution schemes.

4. TURNOVER

Turnover represents the net amounts received and receivable from third parties and is summarised as follows:

Rental income	租金收入
Sales of energy saving machine	出售能源節省器
Income from finance	財務收入
Sales of investments in securities	出售證券投資

5. BUSINESS AND GEOGRAPHICAL SEGMENTS

Business segments

For management purposes, the Group is currently organised into five operating divisions – energy saving machine, other investments, properties, investment and finance and leasing. These divisions are the basis on which the Group reports its primary segment information.

財務報告附註

二零零三年四月一日至二零零三年十二月三十一日期間

3. 主要會計政策 (續)

外幣 (續)

在綜合財務報告時，以港元以外之貨幣計算之業務資產與負債概按結算日之滙率折算。收支項目乃按期內之平均滙率折算。所產生之滙兌差額 (如有) 概列作股東權益並撥入本集團之滙兌儲備。該等滙兌差額乃於有關業務出售之期間確認為收入或支出。

退休福利計劃供款

自收益表扣除之退休金成本意指於本期間 / 年度向定額供款計劃所作之供款。

4. 營業額

營業額為實收及應收第三者之款項淨額，茲概述如下：

1.4.2003 to 至 31.12.2003 HK\$'000 千港元	1.4.2002 to 至 31.3.2003 HK\$'000 千港元
2,386	4,029
292	3,483
609	812
—	627
<u>3,287</u>	<u>8,951</u>

5. 業務及地區分類資料

業務分類

因應管理需要，本集團現將營運業務劃分為以下五個部門 – 能源節省器、其他投資、物業、投資與財務及租賃。本集團乃按上述部門申報其主要之分類資料。