

Consolidated Statement of Changes in Equity

Year ended 31st July, 2004

	Note	Issued capital HK\$'000	Share premium account HK\$'000	Fixed asset revaluation reserve HK\$'000	Investment property revaluation reserve HK\$'000	Capital reserve HK\$'000	General reserve HK\$'000	Exchange fluctuation reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
At 1st August, 2002										
As previously reported		718,855	1,119,738	19,785	—	4,420,547	57	28,908	(4,466,137)	1,841,753
Prior year adjustment: SSAP 12 — restatement of deferred tax	26	—	—	—	—	(83,781)	—	—	(10,129)	(93,910)
As restated		718,855	1,119,738	19,785	—	4,336,766	57	28,908	(4,476,266)	1,747,843
Exchange realignment: Subsidiaries		—	—	—	—	—	—	70	—	70
Associates		—	—	—	—	—	—	(326)	—	(326)
Share of reserves of associates		—	—	—	—	(1,572)	—	—	1,867	295
Surplus on revaluation of fixed assets on their transfer to investment properties		—	—	47,541	—	—	—	—	—	47,541
Net gains and losses not recognised in the profit and loss account		—	—	47,541	—	(1,572)	—	(256)	1,867	47,580
Net loss for the year (as restated)		—	—	—	—	—	—	—	(85,110)	(85,110)
At 31st July, 2003 and 1st August, 2003		718,855	1,119,738	67,326	—	4,335,194	57	28,652	(4,559,509)	1,710,313
At 31st July, 2003 and 1st August, 2003										
As previously reported		718,855	1,119,738	67,326	—	4,418,975	57	28,652	(4,495,336)	1,858,267
Prior year adjustment: SSAP 12 — restatement of deferred tax	26	—	—	—	—	(83,781)	—	—	(64,173)	(147,954)
As restated		718,855	1,119,738	67,326	—	4,335,194	57	28,652	(4,559,509)	1,710,313
Exchange realignment: Subsidiaries		—	—	—	—	—	—	(78)	—	(78)
Associates		—	—	—	—	—	—	(360)	—	(360)
Surplus on revaluation of a fixed asset on its transfer to investment property		—	—	305	—	—	—	—	—	305
Net gains and losses not recognised in the profit and loss account		—	—	305	—	—	—	(438)	—	(133)
Released on disposal of an investment property		—	—	—	(1,018)	—	—	—	—	(1,018)
Transfer to accumulated losses upon disposal of a fixed asset		—	—	(2,291)	—	—	—	—	2,291	—
Deficit on revaluation of investment properties charged to profit and loss account		—	—	—	1,018	—	—	—	—	1,018
Negative goodwill released on deemed disposal of an associate		—	—	—	—	(19,612)	—	—	—	(19,612)
Negative goodwill released on deregistration of a subsidiary		—	—	—	—	(4,400)	—	—	—	(4,400)
Net profit for the year		—	—	—	—	—	—	—	123,570	123,570
At 31st July, 2004		718,855	1,119,738*	65,340*	—*	4,311,182*	57*	28,214*	(4,433,648)*	1,809,738

* These reserve accounts comprise the consolidated reserves of HK\$1,090,883,000 (2003: HK\$991,458,000 (restated)) in the consolidated balance sheet.

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Year ended 31st July, 2004

	Issued capital HK\$'000	Share premium account HK\$'000	Fixed asset revaluation reserve HK\$'000	Capital reserve HK\$'000	General reserve HK\$'000	Exchange fluctuation reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
Reserves retained by:								
Company and subsidiaries	718,855	1,119,738	65,340	3,807,201	57	5,134	708,353	6,424,678
Associates	—	—	—	503,981	—	23,080	(5,142,001)	(4,614,940)
At 31st July, 2004	<u>718,855</u>	<u>1,119,738</u>	<u>65,340</u>	<u>4,311,182</u>	<u>57</u>	<u>28,214</u>	<u>(4,433,648)</u>	<u>1,809,738</u>
Company and subsidiaries	718,855	1,119,738	67,326	3,831,213	57	5,212	610,723	6,353,124
Associates	—	—	—	503,981	—	23,440	(5,170,232)	(4,642,811)
At 31st July, 2003	<u>718,855</u>	<u>1,119,738</u>	<u>67,326</u>	<u>4,335,194</u>	<u>57</u>	<u>28,652</u>	<u>(4,559,509)</u>	<u>1,710,313</u>

Certain amounts of negative goodwill arising on the acquisition of subsidiaries and associates, remain in the capital reserve and are further explained in notes 17 and 18 to the financial statements.