

1. SIGNIFICANT ACCOUNTING POLICIES

(A) STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules"). A summary of the significant accounting policies adopted by the Group is set out below.

The HKICPA has issued a number of new and revised HKFRSs that are effective or available for early adoption for accounting periods beginning on or after 1 January 2005. Information on the changes in accounting policies resulting from initial application of these new and revised HKFRSs for the current and prior accounting years reflected in these financial statements is provided in note 2.

(B) BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The consolidated financial statements for the year ended 31 December 2005 comprise the Company and its subsidiaries (together referred to as the "Group") and the Group's interest in an associate.

1. 主要會計政策

(A) 合規聲明

該等財務報表已根據香港財務報告準則（「HKFRS」，此統稱包括香港會計師公會（「香港會計師公會」）頒佈之所有適用之香港財務報告準則、香港會計準則（「HKAS」）及詮釋）、香港公認之會計原則及香港公司條例之披露規定編製而成。該等財務報表亦已符合香港聯合交易所有限公司證券上市規則（「上市規則」）之適用披露規定。下文載列本集團採納之主要會計政策之概要。

香港會計師公會頒佈數項由二零零五年一月一日或之後起計之會計期生效或可提早採納的新增及經修訂的香港財務報告準則。於該等財務報表中反映因首次採納該等新增及經修訂的香港財務報告準則，對目前及上一個會計年度所產生的會計政策變動資料均載於附註2。

(B) 財務報表編製基準

截至二零零五年十二月三十一日止年度的綜合財務報表包括本公司及其附屬公司（統稱「本集團」）及本集團於一間聯營公司的權益。

Notes 附註

31 December 2005 二零零五年十二月三十一日

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(B) BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONTINUED)

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following assets and liabilities are stated at their fair value as explained in the accounting policies set out below:

- investment property (see note 1(G));
- other buildings (see note 1(H)); and
- financial instruments classified as available-for-sale securities (see note 1(F)).

Non-current assets and disposal groups held for sale are stated at the lower of carrying amount and fair value less costs to sell (see note 1(W)).

Notwithstanding that the Group had net current liabilities as at 31 December 2005, the directors of the Company are of the opinion that the Company and the Group are able to continue as a going concern and to meet their obligations as and when they fall due having regard to an agreement obtained from a financial institution for a new loan facility of approximately HK\$210 million to the Group.

The directors believe that the Company and the Group will have sufficient cash resources to satisfy its future working capital and other financing requirements. Accordingly, it is appropriate that these financial statements should be prepared on a going concern basis and do not include any adjustments that would be required should the Company and the Group fail to continue as a going concern.

1. 主要會計政策 (續)

(B) 財務報表編製基準 (續)

編製財務報表所使用之計量基準為歷史成本法，惟誠如以下會計政策所解釋，下列資產及負債乃按彼等之公平值列賬。

- 投資物業 (參見附註1(G))；
- 其他樓宇 (參見附註1(H))；及
- 分類為可供出售證券之金融工具 (參見附註1(F))。

持作出售之非流動資產及出售組合乃按賬面值及公平值減出售成本兩者之較低者入賬 (參見附註1(W))。

儘管本集團於二零零五年十二月三十一日擁有流動負債淨值，考慮到本集團與一家金融機構就約210,000,000港元新貸款融資而訂立之協議，本公司董事認為，本公司及本集團能夠持續經營，並能在債務到期時償還有關款項。

董事會認為，本公司及本集團將會有充足的現金資源以滿足未來的營運資金及其他資金需求。因此，此等財務報表以持續經營基準編製，而且不包括若本公司及本集團不能持續經營情況下而需作出的任何調整。

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONTINUED)

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and report amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(c) SUBSIDIARIES

A subsidiary is an enterprise in which the Company, directly or indirectly, holds more than half of the issued share capital or controls more than half of the voting power or controls the composition of the board of directors. Subsidiaries are considered to be controlled if the Company has the power, directly or indirectly, to govern the financial and operating policies, so as to obtain benefits from their activities.

An investment in a controlled subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases.

1. 主要會計政策 (續)

(b) 財務報表編製基準 (續)

編製此等符合HKFRS之財務報表需要管理層作出判斷、估計及假設，而該等判斷、估計及假設會影響有關資產、負債、收入及開支之政策應用及申報數額。該等估計及有關假設乃根據過往經驗及管理層相信於該等情況下乃屬合理之各項其他因素為基準而作出，所得結果構成管理層就目前未能從其他來源明顯得出賬面值的資產及負債作出判斷之基準。實際數字或會有別於估計數字。

本集團持續就所作估計及相關假設作出評估。倘若會計估計之修訂僅影響作出有關修訂之期間，則於該期間確認有關修訂；倘若會計估計之修訂影響當期及未來期間，則於當期及未來期間確認有關修訂。

(c) 附屬公司

附屬公司乃本公司直接或間接持有其過半數以上已發行股本，或控制其半數以上投票權，或控制其董事會組成之企業。倘本公司有權直接或間接監管其財務及營運政策以從其經營活動中獲取利益，則該等附屬公司被視為受控制。

於受控制附屬公司之投資自控制開始日期直至控制終止日合併入綜合財務報表。

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) SUBSIDIARIES (CONTINUED)

Intra-group balances and transactions and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised profits but only to the extent that there is no evidence of impairment.

Minority interests at the balance sheet date, being the portion of the net assets of subsidiaries attributable to equity interests that are not owned by the Company, whether directly or indirectly through subsidiaries, are presented in the consolidated balance sheet and statement of changes in equity within equity, separately from equity attributable to the equity shareholders of the Company. Minority interests in the results of the Group are presented on the face of the consolidated income statement as an allocation of the total profit or loss for the year between minority interests and the equity shareholders of the Company.

Where losses applicable to the minority exceed the minority's interest in the equity of a subsidiary, the excess, and any further losses applicable to the minority, are charged against the Group's interest except to the extent that the minority has a binding obligation to, and is able to, make additional investment to cover the losses. If the subsidiary subsequently reports profits, the Group's interest is allocated all such profits until the minority's share of losses previously absorbed by the Group has been recovered.

In the Company's balance sheet, an investment in a subsidiary is stated at cost less impairment losses (see note 1(J)), unless the investment is classified as held for resale (or included in a disposal group that is classified as held for sale) (see note 1(W)).

1. 主要會計政策 (續)

(c) 附屬公司 (續)

集團內公司間之結餘及交易以及集團內公司間交易所產生之任何未變現溢利，均於編製綜合財務報表時全部撇銷。集團內公司間交易所產生之未變現虧損亦按照未變現收益之方法同樣予以撇銷，惟僅限於沒有減值跡象之情況下。

於結算日的少數股東權益是指不是由本公司直接或間接透過附屬公司於附屬公司之資產淨值應佔之權益部分；該等權益在綜合資產負債表及綜合權益變動表內與本公司股東應佔權益分開呈列。於本集團業績內之少數股東權益作為年內少數股東權益與本公司權益持有人之間在溢利或虧損總額之分配，並在綜合收益表內呈列。

倘少數股東應佔之虧損超出於附屬公司內少數股東權益，超出部分及任何少數股東之進一步虧損於本集團之權益內扣除，惟倘少數股東有約束責任作出(及能夠作出)額外投資彌償該等虧損除外。倘附屬公司其後錄得溢利，本集團之權益應佔全部該等權益，直至先前由本集團撥出之少數股東應佔虧損部分得以彌補為止。

於本公司資產負債表內，於附屬公司之投資按成本減減值虧損列賬(見附註1(J))，除非該投資被分類為持作用於轉售(或列入被歸類為持作出售之出售組別內)(見附註1(W))。

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) ASSOCIATES

An associate is an entity in which the Group or Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

An investment in an associate is accounted for in the consolidated financial statements under the equity method and is initially recorded at cost and adjusted thereafter for the post acquisition change in the Group's share of the associate's net assets, unless it is classified as held for sale (or included in a disposal group that is classified as held for sale) (see note 1(W)). The consolidated income statement includes the Group's share of the post-acquisition, post-tax results of the associate for the year, including any impairment loss on goodwill relating to the investment in the associate recognised for the year (see notes 1(E) and (J)).

When the Group's share of losses exceeds its interest in the associate, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. For this purpose, the Group's interest in the associate is the carrying amount of the investment under the equity method together with the Group's long-term interests that in substance form part of the Group's net investment in the associate.

Unrealised profits and losses resulting from transactions between the Group and its associate are eliminated to the extent of the Group's interest in the associate except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

1. 主要會計政策 (續)

(d) 聯營公司

聯營公司指本集團或本公司對其有重大影響力，但無法控制或共同控制其管理決定，包括參與財務及經營政策決定。

聯營公司之投資乃根據權益法在綜合財務報表中計算，初步按成本入賬及隨後按收購後本集團攤佔有關聯營公司資產淨值之變動而作出調整，除非該等投資被分類為持作出售用途(或被列入為持作出售之出售組別內)(見附註1(W))。綜合損益表包括本集團於該年度攤佔該聯營公司之收購後除稅後業績，包括年內確認與於聯營公司之投資有關之商譽之任何減值虧損(見附註1(E)及(J))。

倘本集團應佔之虧損超過其於聯營公司之權益，則本集團之權益會撇減至零及不再確認進一步虧損，而除非本集團已代表該聯營公司產生法律或推定之責任或須作出付款。就此而言，本集團於聯營公司之權益為根據權益法計算投資之賬面值連同本集團構成於該聯營公司之本集團淨投資之長期權益部分。

本集團與其聯營公司進行交易產生之任何未變現溢利及虧損，均以本集團於有關聯營公司之權益為限進行撇銷，惟倘未變現虧損顯示所轉讓資產出現減值之證據，在該情況下，有關虧損則在損益表即時確認。

Notes 附註

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1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(E) GOODWILL

Goodwill represents the excess of the cost of a business combination or an investment in an associate over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities.

Goodwill is stated at cost less accumulated impairment losses. Goodwill is allocated to cash-generating units and is tested annually for impairment (see note 1(J)). In respect of associate, the carrying amount of goodwill is included in the carrying amount of the interest in the associate.

Any excess of the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of a business combination or an investment in an associate is recognised immediately in profit or loss.

On disposal of a cash generating unit, an associate during the year, any attributable amount of purchased goodwill is included in the calculation of the profit or loss on disposal.

(F) OTHER INVESTMENTS IN DEBT AND EQUITY SECURITIES

The Group's and the Company's policies for investments in debt and equity securities, other than investments in subsidiaries and associates, are as follows:

Investments in securities held for trading are classified as current assets and are initially stated at fair value. At each balance sheet date the fair value is remeasured, with any resultant gain or loss being recognised in profit or loss.

1. 主要會計政策 (續)

(E) 商譽

商譽指商業合併或於聯營公司之投資之成本超過本集團應佔被收購實體之可辨別資產、負債及或然負債之公平淨值。

商譽按成本減累計減值虧損列賬。商譽被分配為現金生產單位，並須每年作減值測試(附註1(J))。就聯營公司而言，商譽之賬面值列入於聯營公司之權益之賬面值內。

就商業合併或於聯營公司之投資而言，本集團應佔被收購實體之可辨別資產、負債及或然負債之公平淨值超出成本之部分即在損益表確認。

年內出售聯營公司之現金生產單位時，計算出售溢利或虧損時計入購入商譽應佔之任何金額。

(F) 於債務及股本證券內之其他投資

本集團及本公司就債務及股本證券投資之政策(不包括於附屬公司或聯營公司之投資)如下：

於持作用作交易用途之證券投資歸類為流動資產及首次按公平值列賬。公平值於每個結算日時重新計量，任何產生之盈虧於損益表內確認。

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(F) OTHER INVESTMENTS IN DEBT AND EQUITY SECURITIES (CONTINUED)

Dated debt securities that the Group and/or the Company have the positive ability and intention to hold to maturity are classified as held-to-maturity securities. Held-to-maturity securities are initially recognised in the balance sheet at fair value plus transaction costs. Subsequently, they are stated in the balance sheet at amortised cost less impairment losses (see note 1(J)).

Investments in equity securities that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are recognised in the balance sheet at cost less impairment losses (see note 1(J)).

Other investments in securities are classified as available-for-sale securities and are initially recognised at fair value plus transaction costs. At each balance sheet date the fair value is remeasured, with any resultant gain or loss being recognised directly in equity, except for impairment losses (see note 1(J)) and, in the case of monetary items such as debt securities, foreign exchange gains and losses which are recognised directly in profit or loss. Where these investments are interest-bearing, interest calculated using the effective interest method is recognised in profit or loss. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in profit or loss.

Investments are recognised/derecognised on the date the Group and/or the Company commits to purchase/sell the investments or they expire.

1. 主要會計政策 (續)

(F) 於債務及股本證券內之其他投資 (續)

本集團及／或本公司有積極能力及意圖持至到期之有期債務證券歸類為持至到期證券。持至到期證券於資產負債表內初步按公平值加交易成本確認。隨後，該等證券按攤銷成本減減值虧損於資產負債表內列賬(見附註1(J))。

並無在活躍市場報價及公平值不可以可靠地估計之股本證券投資，於資產負債表內按成本減減值虧損列賬(見附註1(J))。

其他證券投資歸類為可供出售證券及初步按公平值加交易成本確認。於每個結算日，公平值將予以重新計量，任何因此產生之盈虧直接於權益中確認，惟減值虧損(見附註1(J))除外，及就貨幣項目如債券等而言，匯兌收益及虧損直接於損益表內確認。倘該等投資為計息，則利息採用實際利息法計算並於損益表內確認。倘解除確認該等投資，先前於權益中直接確認之累積收益或虧損於損益表內確認。

投資至本集團及／或本公司承諾購買該等投資之日予以確認或於本集團及／或本公司承諾出售該等投資或到期之日解除確認該等投資。

Notes 附註

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1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) INVESTMENT PROPERTY

Investment properties are land and/or buildings which are owned or held under a leasehold interest (see note 1(l)) to earn rental income and/or for capital appreciation.

Investment properties are stated in the balance sheet at fair value. Any gain or loss arising from a change in fair value or from the retirement or disposal of an investment property is recognised in profit or loss. Rental income from investment properties is accounted for as described in note 1(T)(i).

When the Group holds a property interest under an operating lease to earn rental income and/or for capital appreciation, the interest is classified and accounted for as an investment property on a property-by-property basis. Any such property interest which has been classified as an investment property is accounted for as if it were held under a finance lease (see note 1(l)), and the same accounting policies are applied to that interest as are applied to other investment properties leased under finance leases. Lease payments are accounted for as described in note 1(l).

(h) OTHER PROPERTY, PLANT AND EQUIPMENT

The following properties held for own use are stated in the balance sheet at their revalued amount, being their fair value at the date of the revaluation less any subsequent accumulated depreciation:

- land held under operating leases and buildings thereon, where the fair values of the leasehold interest in the land and buildings cannot be measured separately at the inception of the lease and the building is not clearly held under an operating lease (see note 1(l)); and

1. 主要會計政策 (續)

(g) 投資物業

投資物業為租賃權益下擁有或持有之土地及／或樓宇(見附註1(l))，以賺取租金收入及／或用於資本增值目的。

投資物業按公平值在資產負債表內列賬。因公平值變動產生或來自報廢或出售投資物業之任何收益或虧損於損益表內確認。投資物業之租金收入按附註1(T)(i)內所述進行會計處理。

倘本集團根據經營租約持有物業權益以賺取租金收入及／或用於資本增值目的時，該等權益按逐項基準被歸類為及作為投資物業進行會計處理。任何被歸類為投資物業之該等物業權益乃猶如其根據融資租約持有(見附註1(l))列賬，並採用與根據融資租約租賃之其他投資物業相同之會計政策計算該等權益。租約付款按附註1(l)所述作會計處理。

(h) 其他物業、廠房及設備

下列持作自用物業按其重估金額(即其於重估日期之公平值減任何後續累積折舊)於資產負債表內列賬：

- 根據經營租約持有之土地及土地上之樓宇，而該等土地及樓宇之租賃權益之公平值為不能在租約開始時單獨計量，並且樓宇並不是根據經營租約明確持有(見附註1(l))；及

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(H) OTHER PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

- buildings held for own use which are situated on leasehold land, where the fair value of the building could be measured separately from the fair value of the leasehold land at the inception of the lease (see note 1(I)).

Revaluations are performed with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from that which would be determined using fair values at the balance sheet date.

The other items of property, plant and equipment are stated in the balance sheet at cost less accumulated depreciation and impairment losses (see note 1(J)):

Changes arising on the revaluation of properties held for own use are generally dealt with in reserves. The only exceptions are as follows:

- when a deficit arises on revaluation, it will be charged to profit or loss to the extent that it exceeds the amount held in the reserve in respect of that same asset immediately prior to the revaluation; and
- when a surplus arises on revaluation, it will be credited to profit or loss to the extent that a deficit on revaluation in respect of that same asset had previously been charged to profit or loss.

1. 主要會計政策 (續)

(H) 其他物業、廠房及設備 (續)

- 位於租約土地上持作自用之樓宇，而該等樓宇之公平值為可自租約開始時與租賃土地之公平值分開計量 (見附註1(I))。

重估會每相隔一段合適時間定期進行，確保該等資產之重估值與於結算日採用公平值釐定之價值並無重大偏差。

物業、廠房及設備之其他項目按成本減累積折舊及減值虧損於資產負債表內列賬 (見附註1(J))：

因重估持作自用物業產生之變動一般在儲備內處理。僅有例外情況如下：

- 倘產生重估虧絀，變動將在損益表內扣除，直至超出於緊接重估前就有關資產於儲備內持有之金額為止；及
- 倘產生重估盈餘，變動將計入損益表，並以就同一項資產先前已於損益表內支銷之重估虧絀為限計算。

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(H) OTHER PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The cost of self-constructed items of property, plant and equipment includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads and borrowing costs (see note 1(V)).

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal. Any related revaluation surplus is transferred from the revaluation reserve to retained profits.

Depreciation is calculated to write off the cost or valuation of items of property, plant and equipment, less their estimated residual value, if any, using the straight line method over their estimated useful lives as follows:

- Buildings situate on leasehold land are depreciated over their estimated useful life of 40 years.
- Furniture, equipment and other fixed assets of 5 years.

Where parts of an item of property, plant and equipment have different useful lives, the cost or valuation of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

1. 主要會計政策 (續)

(H) 其他物業、廠房及設備 (續)

自行興建之物業、廠房及設備之成本，包括材料成本、直接勞工成本，及如適用，初步估計拆卸及搬遷項目以及恢復項目所在地原貌的成本，以及適當比例的其他生產成本和借貸成本 (見附註1(V))。

報廢或出售物業、廠房及設備項目所產生之損益，以出售所得款項淨額與項目之賬面金額之間差額釐定，並於報廢或出售日在損益表內確認。任何相關重估盈餘由重估儲備撥入保留溢利。

物業、廠房及設備項目於以下之預計可用年期內以直線法撇銷成本或估值減其剩餘可使用價值 (如有) 以計算折舊：

- 座落在租賃土地之樓宇於其預計可用期限40年期間折舊。
- 家私和設備及其他固定資產為5年期。

當物業、廠房及設備項目之不同部分有不同使用年期時，項目之成本或估值在不同部分之間按合理基準分配，每個部分分開計算折舊。資產之可使用年期及其剩餘價值 (如有) 須每年檢討。

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) LEASED ASSETS

i) *Classification of assets leased to the Group*

Assets that are held by Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases, with the following exceptions:

- property held under operating leases that would otherwise meet the definition of an investment property is classified as an investment property on a property-by-property basis, and if classified as investment property is accounted for as if held under a finance lease (see note 1(G)); and
- land held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon at the inception of the lease, is accounted for as being held under a finance lease, unless the building is also clearly held under an operating lease. For these purposes, the inception of the lease is the time that the lease was first entered into by the Group, or taken over from the previous lessee, or at the date of construction of those buildings, if later.

1. 主要會計政策 (續)

(i) 租賃資產

i) 租賃予本集團資產之分類

本集團根據租賃持有之資產，而其中絕大部份風險及擁有權利益均轉移至本集團之租約乃分類為融資租約。不會轉移絕大部份風險及擁有權利益之租賃乃分類為經營租約，惟以下例外：

- 倘根據經營租約持有之物業可另行符合投資物業之定義，則按個別物業之基準分類為投資物業，而倘分類為投資物業，則根據融資租約持有入賬（參閱附註1(G)）；及
- 根據經營租約持作自用之土地，而其公平值無法與於其上蓋興建之樓宇於租約生效時之公平值分開計量，有關土地則根據融資租約持有入賬，惟有關樓宇已根據經營租約持有則例外。就此而言，租賃生效之時間為本集團首次訂立租賃之時間，或從先前承租人接管租賃之時間，或興建該等樓宇之日期（倘為較後時間）。

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) LEASED ASSETS (CONTINUED)

ii) *Operating lease charges*

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

The cost of acquiring land held under an operating lease is amortised on a straight-line basis over the period of the lease term except where the property is classified as an investment property. Information on accounting policies for land held under operating leases for development for sale is provided in accounting policy note 1(K)(ii).

(j) IMPAIRMENT OF ASSETS

i) *Impairment of investments in debt and equity securities and other receivables*

Investments in debt and equity securities and other current and non-current receivables that are stated at cost or amortised cost or are classified as available-for-sale securities are reviewed at each balance sheet date to determine whether there is objective evidence of impairment. If any such evidence exists, any impairment loss is determined and recognised as follows:

1. 主要會計政策 (續)

(i) 租賃資產 (續)

ii) 經營租約費用

如屬本集團透過經營租約使用資產之情況，則根據租賃作出之付款會於租賃期所涵蓋之會計期間內，以等額在損益表扣除，惟如有其他基準能更清楚反映租賃資產所產生之收益模式則例外。租賃優惠於損益表確認為租賃淨付款總額之組成部份。或有租金在其產生之會計期間內在損益表扣除。

根據經營租約所持有土地之收購成本於租賃期內以直線法攤銷，惟該物業分類為投資物業則例外。有關於經營租約項下持作發展及出售土地之會計政策之資料載於會計政策附註1(K)(ii)。

(j) 資產減值

i) 債券及股本證券及其他應收款項之減值

債券及股本證券及其他流動及非流動應收款項若以成本或攤銷成本列示，或歸類為可供出售證券，將會於每個結算日被審閱以確定有否客觀減值證據。若存在任何有關證據，則按以下方式釐定及確認任何減值虧損：

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(J) IMPAIRMENT OF ASSETS (CONTINUED)

i) *Impairment of investments in debt and equity securities and other receivables (continued)*

- For unquoted equity securities and current receivables that are carried at cost, the impairment loss is measured as the difference between the carrying amount of the financial asset and the estimated future cash flows, discounted at the current market rate of return for a similar financial asset where the effect of discounting is material. Impairment losses for current receivables are reversed if in a subsequent period the amount of the impairment loss decreases. Impairment losses for equity securities are not reversed.
- For financial assets carried at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets).

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through profit or loss. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

1. 主要會計政策 (續)

(J) 資產減值 (續)

i) *債券及股本證券及其他應收款項之減值 (續)*

- 就按成本列值之非報價股本證券及流動應收款項而言，減值虧損乃按金融資產之賬面金額及估計未來現金流量(如折現的影響重大，則按類似金融資產的現行市場回報率折現)兩者之差額計算。若於其後的期間，減值虧損數額減少，則流動應收款項的減值虧損會被轉回。股本證券的減值虧損不會被轉回。
- 就按攤銷成本列值的金融資產而言，減值虧損乃按資產賬面金額與估計未來現金流量按金融資產原有的實際利率(即在初始確認該等資產時計算的實際利率)貼現的現值兩者的差額計量。

若於其後的期間，減值虧損數額減少，而有關減少可客觀地與在確認減值虧損後發生的事件聯繫，則減值虧損會透過損益表撥回。減值虧損撥回不得導致資產賬面金額超出若以往年度沒有確認減值虧損之金額。

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(J) IMPAIRMENT OF ASSETS (CONTINUED)

i) *Impairment of investments in debt and equity securities and other receivables (continued)*

- For available-for-sale securities, the cumulative loss that had been recognised directly in equity is removed from equity and is recognised in profit or loss. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss on that asset previously recognised in profit or loss.

Impairment losses recognised in profit or loss in respect of available-for-sale equity securities are not reversed through profit or loss. Any subsequent increase in the fair value of such assets is recognised directly in equity.

Impairment losses in respect of available-for-sale debt securities are reversed if the subsequent increase in fair value can be objectively related to an event occurring after the impairment loss was recognised. Reversals of impairment losses in such circumstances are recognised in profit or loss.

1. 主要會計政策 (續)

(J) 資產減值 (續)

i) 債券及股本證券及其他應收款項之減值 (續)

- 就可供出售證券而言，已直接確認於權益中之累計虧損應從權益轉出並於損益表中確認。於損益表確認之累計虧損金額為收購成本(減去任何本金還款及攤銷)與現行公平值之差額，減去任何以前該資產於損益表中確認的減值虧損。

可供出售股本證券的減值虧損如已於損益表內確認，則不會透過損益表沖回。其後該資產公平值之任何增加會直接於權益中確認。

若其後公平值的增加可客觀地與在確認減值虧損後發生的事件聯繫，則可供出售債券的減值虧損可被沖回。減值虧損在該情況下沖回會於損益表中確認。

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(J) IMPAIRMENT OF ASSETS (CONTINUED)

ii) Impairment of other assets

Internal and external sources of information are reviewed at each balance sheet date to identify indications that the following assets may be impaired or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment (other than properties carried at revalued amounts); and
- investments in subsidiaries and associate except for those classified as held for sale (or included in a disposal group that is classified as held for sale) (see note 1(W)).

If any such indication exists, the assets' recoverable amount is estimated. In addition, for goodwill, the recoverable amount is estimated annually whether or not there is any indication of impairment.

— Calculation of recoverable amount

The recoverable amount of an asset is the greater of its net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. Where an asset does not generate cash inflow largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

1. 主要會計政策 (續)

(J) 資產減值 (續)

ii) 其他資產之減值

本集團會在每個結算日審閱內部及外部資料，以確定下列資產是否出現減值跡象，或(商譽除外)以往確認的減值虧損是否不再存在或已經減少：

- 物業、廠房及設備(按重估金額列值之物業除外)；及
- 於附屬公司及聯營公司之投資，不包括該等投資被分類為持作出售(或包括在分類為持作出售之出售組別內)(參閱附註1(W))。

倘若存在任何有關跡象，則會估計資產的可收回金額。此外，就商譽而言，會每年估計可收回金額，以確定是否有任何減值跡象。

— 計算可收回金額

資產之可收回金額為其售價淨額及使用價值之較高者。於評估使用價值時，估計未來現金流量乃按能反映現時市場對貨幣時間值及資產特定風險的評估的稅前貼現率，貼現至其現值。倘資產所產生的現金流入基本上不能獨立於其他資產所產生的現金流入，則以能產生獨立現金流入的最小資產組別(即賺取現金單位)來釐定可收回金額。

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(J) IMPAIRMENT OF ASSETS (CONTINUED)

ii) Impairment of other assets (continued)

– Recognition of impairment losses

An impairment loss is recognised in profit or loss whenever the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs to sell, or value in use, if determinable.

– Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

1. 主要會計政策 (續)

(J) 資產減值 (續)

ii) 其他資產之減值 (續)

– 確認減值虧損

每當資產或其所屬的賺取現金單位的賬面金額超過其可收回金額，即會於損益表中確認減值虧損。就賺取現金單位確認的減值虧損，首先會分配予減少賺取現金單位 (或一組單位) 所獲分配的任何商譽賬面金額，然後再按比例減少該單位 (或一組單位) 中其他資產的賬面金額，惟個別資產賬面值不會減少至低於其本身的公平值減銷售成本或使用價值 (若能釐定)。

– 撥回減值虧損

就商譽以外之資產而言，倘用以釐訂定收回金額之估計出現有利轉變，有關減值虧損將予撥回。商譽之減值虧損不會被撥回。

撥回之減值虧損以倘過往年度並未確認減值虧損而應已釐定之資產賬面金額為限。撥回之減值虧損乃於確認撥回之年度內計入損益表。

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) INVENTORIES

i) Horticultural services

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

Cost is calculated using the standard cost basis (which approximates the average actual cost) and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

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

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

1. 主要會計政策 (續)

(k) 存貨

i) 園藝服務

存貨以成本及可變現淨值兩者之較低者入賬。

成本乃根據標準成本基準 (即概約平均實際成本) 計算，包括採購成本、轉換成本和將存貨運至現址及使其達至現時狀況所產生之成本。

可變現淨值按在日常業務過程中之估計售價，減去估計完成成本及估計進行出售所需之其他成本計算。

於出售存貨後，其賬面值計入相關收益確認之期間之費用。存貨撤減至可變現淨值之任何撤減金額和虧損之金額，計入撤銷和虧損發生之期間之費用。撥回就存貨撤減之任何金額乃於撥回產生之期間確認為已確認存貨之減值及列作一項開支。

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) INVENTORIES (CONTINUED)

ii) Property development

The cost of acquiring land held under operating leases is amortised on a straight line basis over the lease term. If the property is in the course of development or re-development the amortisation charge is included as part of the costs of the property under development. In all other cases the amortisation charge for the period is recognised in profit or loss immediately. In all other respects, inventories in respect of property development activities are carried at the lower of cost and net realisable value. Cost and net realisable values are determined as follows:

— Property under development for sale

The cost of properties under development for sale comprises specifically identified cost, including borrowing costs capitalised (see note 1(V)), aggregate cost of development, materials and supplies, wages and other direct expenses and an appropriate proportion of overheads. Net realisable value represents the estimated selling price less estimated costs of completion and costs to be incurred in selling the property.

— Completed property held for resale

In the case of completed properties developed by the Group, cost is determined by apportionment of the total development costs for that development project, attributable to the unsold properties. Net realisable value represents the estimated selling price less costs to be incurred in selling the property.

1. 主要會計政策 (續)

(k) 存貨 (續)

ii) 物業發展

收購根據經營租約所持有之土地之成本，按照直線法於租約期內攤銷。倘物業處於開發或再開發過程，則攤銷費計入發展中物業成本之一部分。所有其他情況下，期內之攤銷費即時計入損益表。在所有其他方面，與物業發展活動有關之存貨按成本及可變現淨值兩者之較低者入賬。成本及可變現淨值計算方式如下：

— 持作出售之發展中物業

持作出售之發展中物業之成本包括特別界定之成本，包括資本化之借貸成本(參見附註1(V))、發展、材料及供給、工資及其他直接費用之成本總額，與及按比例攤分之間接成本。可變現淨值指估計售價減估計完成及出售物業所產生之成本。

— 持作轉售之落成物業

集團已發展完成物業之成本，按該發展項目中未售物業所佔發展總成本之部分釐定。可變現淨值指估計售價減估計出售物業產生之成本。

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(K) INVENTORIES (CONTINUED)

ii) Property development (continued)

The cost of completed properties held for sale comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

(L) CONSTRUCTION CONTRACTS

The accounting policy for contract revenue is set out in note 1(T)(iv). When the outcome of a construction contract can be estimated reliably, contract costs are recognised as an expense by reference to the stage of completion of the contract at the balance sheet date. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately. When the outcome of a construction contract cannot be estimated reliably, contract costs are recognised as an expense in the period in which they are incurred.

Construction contracts in progress at the balance sheet date are recorded in the balance sheet at the net amount of costs incurred plus recognised profit less recognised losses and progress billings, and are presented in the balance sheet as the "Gross amount due from customers for contract work" (as an asset) or the "Gross amount due to customers for contract work" (as a liability), as applicable. Progress billings not yet paid by the customer are included in the balance sheet under "Trade and other receivables". Amounts received before the related work is performed are included in the balance sheet, as a liability, as "Advances received".

1. 主要會計政策 (續)

(K) 存貨 (續)

ii) 物業發展 (續)

持作出售之落成物業之成本包括所有購買成本、轉換成本，以及將存貨達致其現有地點及狀況所產生之其他成本。

(L) 建造合約

合約收益之會計政策在附註1(T)(iv)內披露。倘一項建造合約之結果能可靠地估計，合約成本按於結算日完成比例計入費用。倘總合約成本超過總合約收益，可預見之虧損即時計入費用。倘合約結果不能可靠估計，合約成本於其產生期間計入費用。

於結算日在建工程之合約按已產生之成本加已確認溢利減已確認虧損和進度付款，於資產負債表內呈列為「合約客戶之欠款總額」（作為資產）或者「合約客戶應收款項總額」（作為債務）列賬。客戶未付之進度付款在資產負債表列為「貿易及其他應收賬項」。於相關工程履行前已付之款項在資產負債表內列為負債「已收預付款項」項下。

Notes 附註

31 December 2005 二零零五年十二月三十一日

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(M) TRADE AND OTHER RECEIVABLES

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost less impairment losses for bad and doubtful debts (see note 1(J)), except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad and doubtful debts (see note 1(J)).

(N) INTEREST-BEARING BORROWINGS

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in profit or loss over the period of the borrowings using the effective interest method.

(O) TRADE AND OTHER PAYABLES

Trade and other payables are initially recognised at fair value and thereafter stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

(P) CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

1. 主要會計政策 (續)

(M) 貿易及其他應收款項

貿易及其他應收款項最初按公平值列值，其後按攤銷成本減呆壞賬之減值虧損列值（見附註1(J)），惟應收項為向關連人士作出無固定還款期之免息貸款或折現之影響並不重大除外。在該等情況下，應收款項按成本減呆壞賬之減值虧損列值（見附註1(J)）。

(N) 計息借貸

計息借貸初步按公平值減應計之交易成本計算。初步確認後，計息借貸按攤銷成本列值，而成本與贖回之間之任何差額使用實際利率法於借貸年期內在損益表內確認。

(O) 貿易及其他應付款項

貿易及其他應付款項最初按公平值列值，其後按攤銷成本列值，除非折現之影響屬重大，在此情況下則按成本列值。

(P) 現金及現金等價物

現金及現金等價物包括銀行及手頭現金、銀行及其他金融機構之活期存款，以及可隨時兌換為已知數額之現金之短期高流動投資，該等投資所面對之價值變動風險並不重大，並為一般於購入時起計之三個月內到期。

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) EMPLOYEE BENEFITS

i) Short term employee benefits and contributions to defined contribution retirement plans

Salaries, annual bonuses, paid annual leave, contributions to defined contribution plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

ii) Share-based payments

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a capital reserve within equity. The fair value is measured at grant date using the Black-Scholes Option Pricing Model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the share options, the total estimated fair value of the share options is spread over the vesting period, taking into account the probability that the options will vest.

1. 主要會計政策 (續)

(a) 僱員福利

i) 短期僱員福利以及界定退休計劃供款

僱員就年內提供之服務享有薪酬、年度分紅、有薪年假、界定供款計劃供款以及非貨幣性福利等各種福利。如此等付款或結算獲遞延及影響並不重大，則按其現值列值。

ii) 股份形式之付款

授予僱員之購股權之公平值計入僱員成本，並在權益中之資本儲備作相應增加。公平值按授出日期當日採用畢蘇期權定價模式計算，並計入授出購股權之條款與條件。倘僱員須於無條件有權享有該等購股權前須達到某些歸屬條件，則於歸屬期內攤分計入購股權之估計公平值總額，並計入該購股權將獲授出之可能性。

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) EMPLOYEE BENEFITS (CONTINUED)

ii) *Share-based payments (continued)*

During the vesting period, the number of share options that is expected to vest is reviewed. Any adjustment to the cumulative fair value recognised in prior years is charged/credited to the profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the capital reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of share options that vest (with a corresponding adjustment to the reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the share-based compensation reserve until either the option is exercised (when it is transferred to the share premium account) or the option expires (when it is released directly to retained profits).

1. 主要會計政策 (續)

(a) 僱員福利 (續)

ii) 股份形式之付款 (續)

於歸屬期間須對預期將予歸屬之購股權數目進行評估。對以往年度確認之累積公平值之任何調整，於進行檢討之年度計入／在損益表內扣除，並於資本儲備內作相應調整除非原有之僱員開支符合確認為資產之條件。於歸屬日期，確認為開支之金額須予調整，以反映實際上已歸屬之購股權數目（並於儲備內作相應調整），惟倘只因未能達到與本公司股份市價有關之歸屬條件而導致被沒收則除外。有關之權益部分在股份形式之薪酬儲備內確認，直至有關之購股權已獲行使（其時轉撥入股份溢價賬）或購股權已屆滿（其時直接解除至保留溢利）為止。

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(R) INCOME TAX

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised directly in equity, in which case they are recognised in equity.

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.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

1. 主要會計政策 (續)

(R) 所得稅

本年度之所得稅包括即期及遞延稅項資產及負債變動。除直接與權益有關之項目確認為權益外，現期稅項及遞延稅項資產及負債變動均於收益表內確認。

現期稅項是根據年內應課稅收入，按結算日已頒行或大致已頒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。

遞延稅項之資產及負債乃分別來自資產及負債項目為財務報告目的所呈列之賬面值，與其就稅基計算之賬面值之可扣稅或須課稅暫時差額。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。

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(R) INCOME TAX (CONTINUED)

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. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), 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.

1. 主要會計政策 (續)

(R) 所得稅 (續)

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。足以支持確認可予扣減暫時差異所產生遞延稅項資產之日後應課稅溢利，包括因轉回現有應課稅暫時差異而產生之數額；但這些差異必須與同一稅務機關及同一應課稅實體有關，並預期在預計轉回可予扣減暫時差異之同一期間或遞延稅項資產所產生稅務虧損可予撥回或結轉之期間內轉回。在決定現有應課稅暫時差異是否足以支持確認由未使用稅項虧損及稅項撥回所產生的遞延稅項資產時，亦會採用同一準則，即須計及與同一稅務機關及同一應課稅實體有關的差異，並預期在能夠使稅項虧損或稅項撥回之期間內轉回。

確認遞延稅項資產及負債之有限例外情況包括：不可扣稅商譽所產生之暫時差異、不影響會計或應稅溢利（如屬業務合併的一部分則除外）之資產或負債之初步確認，以及於附屬公司之投資之暫時差異，如為應課稅差異，只限於本集團控制轉回時間而且在可預見未來不大可能轉回之差異；或如屬可予扣減的差異，則只限於可在將來可能轉回的差異。

Notes 附註

31 December 2005 二零零五年十二月三十一日

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(R) INCOME TAX (CONTINUED)

The amount of deferred tax recognised is measured based on the expected manner of realisable 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 profits 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 profits will be available.

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, 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
- 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

1. 主要會計政策 (續)

(R) 所得稅 (續)

所確認之遞延稅項金額，乃按照各資產及負債項目原計劃之變現及償還方式，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。

現期稅項結餘及遞延稅項結餘以及當中之變動乃各自分開呈列及不予沖銷。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，現期稅項資產才會與現期稅項負債抵銷，而遞延稅項資產則與遞延稅項負債抵銷：

- 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
- 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

Notes 附註

31 December 2005 二零零五年十二月三十一日

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(R) INCOME TAX (CONTINUED)

- 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.

(S) PROVISIONS AND CONTINGENT LIABILITIES

Provisions are recognised for liabilities of uncertain timing or amount when the Group or the Company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

1. 主要會計政策 (續)

(R) 所得稅 (續)

- 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。

(S) 準備及或然負債

當本集團或本公司因過去事項須承擔法定義務或推定義務，而履行該義務很可能需要付出經濟利益及有可靠估計時，則須就未確定時間或金額之負債確認準備。如果金錢之時間價值重大，準備會以履行義務預期所需支出之現值列報。

當不可能導致經濟利益流出，或其數額未能可靠地估計，除非經濟利益流出之可能性極小，否則須披露該義務為或然負債。其存在僅能以一項或數項未來事項之發生或不發生來證實之潛在責任，除非經濟利益流出之可能性極小，亦同時被披露為或然負債。

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(τ) REVENUE RECOGNITION

Revenue is recognised in profit or loss when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably on the following bases:

(i) *Rental income from operating leases*

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable. Contingent rentals are recognised as income in the accounting period in which they are earned.

(ii) *Sale of properties*

Revenue arising from the sale of properties held for sale is recognised upon the signing of the sale and purchase agreement or the issue of an occupation permit by the relevant government authorities, whichever is the later. Deposits and instalments received on properties sold prior to the date of revenue recognition are included in the balance sheet under forward sales deposits and instalments received.

(iii) *Sale of goods*

Revenue is recognised when goods are delivered at the customers' premises which is taken to be the point in time when the customer has accepted the goods and the related risks and rewards of ownership. Revenue excludes value added tax or other sales taxes and is after deductible of any trade discounts.

1. 主要會計政策 (續)

(τ) 收益確認

收益在本集團可取得經濟利益及收益可按下列基準可靠地計量時於損益表內確認：

(i) 經營租約之租金收入

應收經營租約之租金收入乃按等額分期於租賃期所涵蓋會計期間於損益表內確認，但如有其他基準更清楚地反映租賃資產所產生之收益模式則除外。就租賃給予之優惠措施於損益表中確認為應收租賃款項淨額總額之組成部分。或然租金於賺取該等租金之會計期間確認為收益。

(ii) 物業出售

來自持作出售之物業之出售收益於簽訂買賣協議時或由相關政府專責機構簽發入伙紙時（兩者中較遲者）被確認。於確認收益日期前就出售物業收取之按金及分期付款，列入資產負債表下已收之未來銷售按金及分期付款內。

(iii) 銷售貨物

收入於貨物送抵客戶處所，即客戶接收貨物之地點及因擁有該等貨物而產生之風險及回報之時確認。收入不包括增值稅或其他銷售稅，並於扣除任何貿易折扣後計算。

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(τ) REVENUE RECOGNITION (CONTINUED)

(iv) Contract revenue

When the outcome of a construction contract can be estimated reliably:

- revenue from a fixed price contract is recognised using the percentage of completion method, measured by reference to the percentage of contract costs incurred to date to estimate total contract costs for the contract; and
- revenue from a cost plus contract is recognised by reference to the recoverable costs incurred during the period plus an appropriate proportion of the total fee, measured by reference to the proportion that costs incurred to date bear to the estimated total costs of the contract.

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

(v) Management fee income

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

(vi) Dividends

- Dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established.
- Dividend income from listed investments is recognised when the share price of the investment goes ex-dividend.

1. 主要會計政策 (續)

(τ) 收益確認 (續)

(iv) 合約收益

倘建造合約之結果可被可靠地估計時：

- 來自固定價格合約之收益採用完成百分比法確認，乃參考迄今為止已產生之合約成本相當於估計合約之合約成本總額之百分比計量；及
- 來自成本加合約之收益，乃參考於該期間產生之可回收成本加費用總額之適當比例確認，而費用總額乃參考迄今為止所產生之成本相當於估計合約成本總額之比例計算。

倘建造合約之結果不能被可靠地估計，收入僅以所產生合約成本可能收回之部分確認。

(v) 管理費收入

管理費收入於提供服務後確認。

(vi) 股息

- 非上市投資之股息收入於股東收取付款之權利確定時確認。
- 上市投資之股息收入在該投資價格除息時確認。

Notes 附註

31 December 2005 二零零五年十二月三十一日

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(t) REVENUE RECOGNITION (CONTINUED)

(vii) Interest income

Interest income is recognised as it accrues using the effective interest method.

(u) TRANSLATION OF FOREIGN CURRENCIES

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary asset and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the balance sheet date. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was determined.

The results of foreign operations are translated into Hong Kong dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Balance sheet items, including goodwill arising on consolidation of foreign operations acquired on or after 1 January 2005, are translated into Hong Kong dollars at the foreign exchange rates ruling at the balance sheet date. The resulting exchange differences are recognised directly in a separate component of equity. Goodwill arising on consolidation of a foreign operation acquired before 1 January 2005 is translated at the foreign exchange rate that applied at the date of acquisition of the foreign operation.

1. 主要會計政策 (續)

(t) 收益確認 (續)

(vii) 利息收入

利息收入乃採用實際利率法於其產生利息時確認。

(u) 外幣換算

於年內進行之外幣交易以交易日之適用外匯匯率換算。於結算日以外幣結算之貨幣資產及負債按該日之外匯匯率換算為港元。匯兌盈虧則計入損益表內。

按過往成本以外幣為單位之非貨幣性資產及負債，按交易日之匯率折算。以公平值列賬的非貨幣性資產及負債按釐定其公平值當日適用之匯率折算。

外國企業之業績乃按與交易日之外匯匯率相若之匯率換算為港元。資產負債表項目（包括於二零零五年一月一日或之後因合併所收購之外國企業產生之商譽）乃按結算日之外匯匯率換算為港元。產生之匯率差額直接於權益成分內獨立確認為一分開之項目。綜合於二零零五年一月一日之前收購之外國企業產生之商譽，按收購外國企業日期適用之外匯匯率兌換。

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) TRANSLATION OF FOREIGN CURRENCIES (CONTINUED)

On disposal of a foreign operation, the cumulative amount of the exchange differences recognised in equity which relate to that foreign operation is included in the calculation of the profit or loss on disposal.

(v) BORROWING COSTS

Borrowing costs are expensed in profit or loss in the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

(w) NON-CURRENT ASSETS HELD FOR SALE

A non-current asset (or disposal group) is classified as held for sale if it is highly probable that its carrying amount will be recovered through a sale transaction rather than through continuing use and the asset (or disposal group) is available for sale in its present condition. A disposal group is a group of assets to be disposed of together as a group in a single transaction, and liabilities directly associated with those assets that will be transferred in the transaction.

1. 主要會計政策 (續)

(u) 外幣換算 (續)

於出售外國企業時，於權益內確認有關該外國企業之匯兌差額之累計數額，乃計入出售之損益中。

(v) 借貸成本

借貸成本於發生期間在損益表確認，但與收購、建設或生產需要長時間才可以投入擬定用途或銷售的資產直接相關的借貸成本則會資本化。

屬於合資格資產成本一部分的借貸成本在用於資產的開支產生、產生借貸成本及使資產投入擬定用途或銷售所必需的準備工作進行期間開始資本化。當使合資格資產投入擬定用途或銷售所必需的絕大部分準備工作中止或完成時，借貸成本便會暫停或停止資本化。

(w) 持作出售非流動資產

倘非流動資產(或出售組別)之賬面值很有可能將透過銷售交易而非透過持續使用而收回，而該資產(或出售組別)於其現況下可供出售，則會分類為持作出售。出售組別指一組將於單一交易中以一組別一併出售之資產，以及直接與該等資產相關將於交易中轉移之負債。

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(w) NON-CURRENT ASSETS HELD FOR SALE (CONTINUED)

Immediately before classification as held for sale, the measurement of the non-current assets (and all individual assets and liabilities in a disposal group) is brought up-to-date in accordance with the accounting policies before the classification. Then, on initial classification as held for sale and until disposal, the non-current assets (except for certain assets as explained below), or disposal groups, are recognised at the lower of their carrying amount and fair value less costs to sell. The principal exceptions to this measurement policy so far as the financial statements of the Group and the Company are concerned are deferred tax assets, assets arising from employee benefits, financial assets (other than investments in subsidiaries and associates) and investment properties. These assets, even if held for sale, would continue to be measured in accordance with the policies set out elsewhere in note 1.

Impairment losses on initial classification as held for sale, and on subsequent remeasurement while held for sale, are recognised in profit or loss. As long as a non-current asset is classified as held for sale, or is included in a disposal group that is classified as held for sale, the non-current asset is not depreciated or amortised.

1. 主要會計政策 (續)

(w) 持作出售非流動資產 (續)

於緊接分類為持作出售前，非流動資產(及於出售組別內之所有個別資產及負債)之計量根據分類前之會計政策計至截至當日止。其後於初次分類為持作出售及直至出售之期間，非流動資產(不包括下列所解釋之若干資產)或出售組別按其賬面金額及公平值減出售成本之較低者列值。就本集團及本公司之財務報表而言，此一計量政策之主要例外為遞延稅項資產、僱員福利產生之資產、金融資產(不包括於附屬公司及聯營公司之投資)及投資物業。該等資產(即使列作持作出售)將持續根據附註1所載之政策計量。

於初次分類為持作出售以及於列作持作出售之期間重新計量而產生之減值虧損，在損益表內確認。只要非流動資產被分類為持作出售，或被列入歸類為持作出售之出售組別，該非流動資產即不予折舊及攤銷。

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(x) RELATED PARTIES

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals (being members of key management personnel, significant shareholder and/or their close family members) or other entities and include entities which are under the significant influence of related parties of the Group where those parties are individuals, and post-employment benefit plans which are for the benefit of employees of the Group or of any entity that is a related party of the Group.

(y) SEGMENT REPORTING

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

In accordance with the Group's internal financial reporting system, the Group has chosen business segment information as the primary reporting format and geographical segment information as the secondary reporting format for the purposes of these financial statements.

1. 主要會計政策 (續)

(x) 關連人士

就此等財務報表而言，倘本集團有權直接或間接監控另一方人士或對另一方人士之財務及經營決策作出重要影響，或另一方人士有權直接或間接控制本集團或對本集團之財務及經營決策作出重要影響，或本集團與另一方人士均受制於共同控制或共同重要影響下，則被視為關連人士。關連方可以為個人（為重要管理層人員、主要股東及／或其親屬）或其他實體及包括受本集團之關連人士（該等實體為個人）重大影響之實體，以及提供福利予本集團僱員的離職後福利計劃或某些與本集團關聯的實體。

(y) 分類報告

分類乃指本集團可區分部分，包括提供之產品或服務（業務分類）或提供產品或服務之特定經濟環境（區域分類），均受有別於其他分類之風險及回報所影響。

根據本集團之內部財務報告制度，就此等財務報表而言，本集團選擇業務分類資料為主要報告形式，而地區分類資料則為次選報告形式。

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(v) SEGMENT REPORTING (CONTINUED)

Segment revenue, expenses, results, assets and liabilities include item directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment. For example, segment assets may include inventories, trade receivables and property, plant and equipment. Segment revenue, expenses, assets, and liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between group entities within a single segment. Inter-segment pricing is based on similar terms as those available to other external parties.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets (both tangible and intangible) that are expected to be used for more than one period.

Unallocated items mainly comprise financial and corporate assets, interest-bearing loans, borrowings, tax balances, corporate and financing expenses.

1. 主要會計政策 (續)

(v) 分類報告 (續)

分類收益、開支、業績、資產及負債包括直接劃分至該分類之項目及可合理劃分為該分類之項目。例如，分類資產可包括存貨、貿易應收賬款及物業、廠房及設備。分類收益、開支、資產及負債未計集團內公司間結算，集團內公司間交易則予以抵銷作為綜合處理之部分，惟該等集團內公司間之結餘及交易乃屬於一個單一類別內之集團實體之間之交易及結餘則除外。分類間交易之定價乃按給予外間人士之類似條款釐定。

分類資本開支乃指期內因收購預計可使用超過一個期間之分類資產（包括有形及無形資產）所產生之總成本。

未分配項目主要包括金融和企業資產、計息貸款、借貸、稅項結餘、企業及融資開支。

Notes 附註

31 December 2005 二零零五年十二月三十一日

2. CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued a number of new and revised HKFRSs that are effective for accounting periods beginning on or after 1 January 2005.

The accounting policies of the Group and/or Company after the adoption of these new and revised HKFRSs have been summarised in note 1. The following sets out information on the significant changes in accounting policies for the current and prior accounting years reflected in these financial statements.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting year (see note 31).

(A) RESTATEMENT OF PRIOR YEARS AND OPENING BALANCES

The following tables disclose the adjustments that have been made in accordance with the transitional provisions of the respective HKFRSs to each of the line items in the consolidated income statement and balance sheet as previously reported for the year ended 31 December 2004. The effects of the changes in accounting policies on the balances at 1 January 2004 and 2005 are disclosed in note 25.

2. 會計政策變動

香港會計師公會頒佈多項由二零零五年一月一日或之後起計之會計期間生效的新增及經修訂的HKFRS。

本集團及／或本公司於採納該些新訂及經修訂HKFRS後之會計政策摘錄於附註1。下文載列目前及上一個會計期間已反映在該等財務報表內之重大會計政策變動之資料。

本集團並未採用現有會計年度尚未生效的任何新準則或詮釋(見附註31)。

(A) 以往年度及期初結餘之重報

下表披露按各有關HKFRS之過渡條文之規定，對先前列報之截至二零零四年十二月三十一日止年度之綜合收益表及資產負債表中之各項受影響項目已作出之調整。會計政策變動對二零零四年及二零零五年一月一日之結餘之影響於附註25作出披露。

Notes 附註

31 December 2005 二零零五年十二月三十一日

2. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

2. 會計政策變動 (續)

(A) RESTATEMENT OF PRIOR YEARS AND OPENING BALANCES (CONTINUED)

(A) 以往年度及期初結餘之重報 (續)

(i) Effect on the consolidated financial statements

(i) 對綜合財務報表之影響

Consolidated income statement for the year ended
31 December 2004

截至二零零四年十二月三十
一日止年度之綜合收益表

		2004 (as previously reported) 二零零四年 (按先前列報)	Effect of new policy (increase/(decrease) on profit for the year 新政策之影響 (年度溢利之增加 / (減少))				2004 (as restated) 二零零四年 (重列)
		HK\$'000 千港元	HKAS 1 HKAS第1號 (note 2(E)) (附註2(E)) HK\$'000 千港元	HKAS 17 HKAS第17號 (note 2(F)) (附註2(F)) HK\$'000 千港元	HKAS 40 HKAS第40號 (note 2(H)) (附註2(H)) HK\$'000 千港元	Sub-total 小計 HK\$'000 千港元	HK\$'000 千港元
Turnover	營業額	46,441	-	-	-	-	46,441
Cost of sales	銷售成本	(20,760)	-	-	-	-	(20,760)
Gross profit	毛利	25,681	-	-	-	-	25,681
Valuation gains on investment property	投資物業重估收益	-	-	-	533,016	533,016	533,016
Operating and administrative expenses	經營及行政開支	(28,867)	-	194	-	194	(28,673)
Other income and expenses	其他收入及開支	35,373	-	(7,203)	-	(7,203)	28,170
Profit from operations	經營溢利	32,187	-	(7,009)	533,016	526,007	558,194
Finance costs	融資成本	(10,516)	-	-	-	-	(10,516)
Profit on disposal of subsidiaries	出售附屬公司之溢利	1,073	-	-	(917)	(917)	156
Share of profit/(loss) of an associate	應佔聯營公司之溢利 ／(虧損)	116	(564)	-	-	(564)	(448)
Profit before taxation	除稅前溢利	22,860	(564)	(7,009)	532,099	524,526	547,386
Income tax	所得稅	(589)	564	-	(93,000)	(92,436)	(93,025)
		22,271	-	(7,009)	439,099	432,090	454,361
Minority interests	少數股東權益	79	(79)	-	-	(79)	-
Profit for the year	本年溢利	22,350	(79)	(7,009)	439,099	432,011	454,361
Earnings per share	每股盈利						
Basic	基本	HK1.50 cents	-	HK(0.47) cents	HK29.42 cents	HK28.95 cents	HK30.45 cents
Other significant disclosure items:	其他重大須予 披露項目：						
Depreciation	折舊	(1,189)	-	241	-	241	(948)
Amortisation of land lease premium	租賃土地費用 攤銷	-	-	(47)	-	(47)	(47)
Revaluation gains on building	樓宇重估 益	7,336	-	(7,203)	-	(7,203)	133

Notes 附註

31 December 2005 二零零五年十二月三十一日

2. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

2. 會計政策變動(續)

(A) RESTATEMENT OF PRIOR YEARS AND OPENING BALANCES (CONTINUED)

(i) Effect on the consolidated financial statements (continued)

Consolidated balance sheet at 31 December 2004

(A) 以往年度及期初結餘之重報(續)

(i) 對綜合財務報表之影響(續)

於二零零四年十二月三十一日之綜合資產負債表

		2004 (as previously reported) 二零零四年 (按先前列報)	Effect of new policy (increase/(decrease) on profit for the year) 新政策之影響(年度溢利之增加/(減少))				2004 (as restated) 二零零四年 (重列)
		HK\$'000 千港元	HKAS 1 HKAS第1號 (note 2(E)) (附註2(E)) HK\$'000 千港元	HKAS 17 HKAS第17號 (note 2(F)) (附註2(F)) HK\$'000 千港元	HKAS 40 HKAS第40號 (note 2(H)) (附註2(H)) HK\$'000 千港元	Sub-total 小計 HK\$'000 千港元	HK\$'000 千港元
Non-current assets	非流動資產						
Investment property	投資物業	1,800,640	-	-	-	-	1,800,640
Property held for future development	持作日後發展之物業	80,000	-	-	-	-	80,000
Other property, plant and equipment	其他物業、廠房及設備	52,355	-	(44,300)	-	(44,300)	8,055
Interests in leasehold land held for own use under operating leases	於經營租約項下持作自用之租賃土地之權益	-	-	29,978	-	29,978	29,978
Deferred tax assets	遞延稅項資產	986	-	-	-	-	986
Other non-current assets	其他非流動資產	381,038	-	-	-	-	381,038
		2,315,019	-	(14,322)	-	(14,322)	2,300,697
Current assets	流動資產						
Inventories	存貨	74,903	-	-	-	-	74,903
Other current assets	其他流動資產	22,315	-	-	-	-	22,315
		97,218	-	-	-	-	97,218
Current liabilities	流動負債	(65,563)	-	-	-	-	(65,563)
Net current assets	流動資產淨值	31,655	-	-	-	-	31,655
Total assets less current liabilities	總資產減流動負債	2,346,674	-	(14,322)	-	(14,322)	2,332,352
Non-current liabilities	非流動負債						
Bank borrowings	銀行借款	(526,899)	-	-	-	-	(526,899)
Deferred tax liabilities	遞延稅項負債	(1,397)	-	-	(218,000)	(218,000)	(219,397)
Other non-current liabilities	其他非流動負債	(5,582)	-	-	-	-	(5,582)
		(533,878)	-	-	(218,000)	(218,000)	(751,878)
Minority interests	少數股東權益	(3,052)	3,052	-	-	3,052	-
NET ASSETS	資產淨值	1,809,744	3,052	(14,322)	(218,000)	(229,270)	1,580,474
CAPITAL AND RESERVES	股本及儲備						
Attributable to equity shareholders of the Company	本公司權益持有人應佔						
Share capital	股本	74,620	-	-	-	-	74,620
Revaluation reserves	重估儲備						
-Land and buildings	-土地及樓宇	12,178	-	(12,178)	-	(12,178)	-
-Investment property	-投資物業	1,245,819	-	-	(1,245,819)	(1,245,819)	-
Other reserves	其他儲備	826,287	-	-	-	-	826,287
Retained profits/(accumulated losses)	保留溢利/(累計虧損)	(349,160)	-	(2,144)	1,027,819	1,025,675	676,515
		1,809,744	-	(14,322)	(218,000)	(232,322)	1,577,422
Attributable to minority interests	少數股東權益應佔	-	3,052	-	-	3,052	3,052
		1,809,744	3,052	(14,322)	(218,000)	(229,270)	1,580,474

2. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(A) RESTATEMENT OF PRIOR YEARS AND OPENING BALANCES (CONTINUED)

(ii) *Effect on the Company's balance sheet*

The changes in accounting policies adopted by the Company have no effect on the Company's balance sheet.

(B) ESTIMATED EFFECT OF CHANGES IN ACCOUNTING POLICIES ON THE CURRENT YEAR

The following tables provide estimates of the extent to which each of the line items in the consolidated income statement and balance sheet and the Company's balance sheet and other significant related disclosure items for the year ended 31 December 2005 is higher or lower than it would have been had the previous policies still been applied in the year, where it is practicable to make such estimates.

2. 會計政策變動 (續)

(A) 以往年度及期初結餘之重報 (續)

(ii) 對本公司資產負債表之影響
本公司採納之會計政策變動對本公司資產負債表並無影響。

(B) 會計政策變動對本年之估計影響

下表乃依實際可行之情況提供對截至二零零五年十二月三十一日止年度綜合收益表、資產負債表及本公司之資產負債表中各項及其他重大相關披露項目較繼續採用以往政策提高或降低程度之估計。

Notes 附註

31 December 2005 二零零五年十二月三十一日

2. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

2. 會計政策變動 (續)

(B) ESTIMATED EFFECT OF CHANGES IN ACCOUNTING POLICIES ON THE CURRENT YEAR (CONTINUED)		(B) 會計政策變動對本年之估計影響 (續)				
(i) Effect on the consolidated financial statements		(i) 對綜合財務報表之影響				
Estimated effect on the consolidated income statement for the year ended 31 December 2005:		對截至二零零五年十二月三十一日止年度之綜合收益表之估計影響：				
		Estimated effect of new policy (increase/(decrease) on profit for the year) 新政策之估計影響 (年度溢利之增加/(減少))				
		HKFRS 2 HKFRS第2號 (note 2(C)) (附註2(C)) HK\$'000 千港元	HKAS 1 HKAS第1號 (note 2(E)) (附註2(E)) HK\$'000 千港元	HKAS 17 HKAS第17號 (note 2(F)) (附註2(F)) HK\$'000 千港元	HKAS 40 HKAS第40號 (note 2(H)) (附註2(H)) HK\$'000 千港元	Total 總計 HK\$'000 千港元
Valuation gains on investment property	投資物業重估收益	–	–	–	166,000	166,000
Other net (loss)/income	其他(虧損)/收入淨額	–	–	14,040	–	14,040
Operating and administrative expenses	經營及行政開支	(8,911)	–	318	–	(8,593)
Profit from operations	經營溢利	(8,911)	–	14,358	166,000	171,447
Share of profit/(loss) of an associate	應佔聯營公司之溢利/(虧損)	–	(185)	–	–	(185)
Profit before taxation	除稅前溢利	(8,911)	(185)	14,358	166,000	171,262
Income tax	所得稅	–	185	–	(29,000)	(28,815)
Profit for the year	本年溢利	(8,911)	–	14,358	137,000	142,447
Attributable to:	以下應佔：					
Equity shareholders of the Company	本公司權益持有人	(8,911)	–	14,358	137,000	142,447
Minority interests	少數股東權益	–	–	–	–	–
Profit for the year	本年溢利	(8,911)	–	14,358	137,000	142,447
Earnings per share	每股盈利					
Basic	基本	HK(0.60) cents	–	HK0.96 cents	HK9.18 cents	HK9.54 cents
Diluted	攤薄	HK(0.59) cents	–	HK0.95 cents	HK9.11 cents	HK9.47 cents
Other significant disclosure items:	其他重大須予披露項目：					
Staff costs	員工成本	(8,911)	–	–	–	(8,911)
Depreciation	折舊	–	–	353	–	353
Amortisation of land lease premium	攤銷租賃土地費用	–	–	(35)	–	(35)
Net gain on disposal of fixed assets	出售固定資產之收益淨額	–	–	14,187	–	14,187
Revaluation losses on buildings	樓宇之重估虧損	–	–	(147)	–	(147)

Notes 附註

31 December 2005 二零零五年十二月三十一日

2. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

2. 會計政策變動 (續)

(b) ESTIMATED EFFECT OF CHANGES IN ACCOUNTING POLICIES ON THE CURRENT YEAR (CONTINUED)

(i) Effect on the consolidated financial statements (continued)

Estimated effect on the consolidated balance sheet at 31 December 2005:

(b) 會計政策變動對本年之估計影響 (續)

(i) 對綜合財務報表之影響 (續)

對於二零零五年十二月三十一日之綜合資產負債表之估計影響：

		Estimated effect of new policy (increase/(decrease) on net assets) 新政策之估計影響 (資產淨值之增加/ (減少))			
		HKFRS 2 HKFRS第2號 (note 2(C)) (附註2(C)) HK\$'000 千港元	HKAS 17 HKAS第17號 (note 2(F)) (附註2(F)) HK\$'000 千港元	HKAS 40 HKAS第40號 (note 2(H)) (附註2(H)) HK\$'000 千港元	Total 總計 HK\$'000 千港元
Non-current assets	非流動資產				
Other property, plant and equipment	其他物業、廠房及設備	-	(440)	-	(440)
Interests in leasehold land held for own use under operating leases	於經營租約項下持作自用之租賃土地之權益	-	476	-	476
		-	36	-	36
Non-current liabilities	非流動負債				
Deferred tax liabilities	遞延稅項負債	-	-	(29,000)	(29,000)
NET ASSETS	資產淨值	-	36	(29,000)	(28,964)
CAPITAL AND RESERVES	股本及儲備				
Effect attributable to equity shareholders of the Company	本公司權益持有人應佔影響				
Share-based compensation reserve	以股份支付之酬金儲備	8,911	-	-	8,911
Revaluation reserves	重估儲備	-	-	(166,000)	(166,000)
- Investment property	- 投資物業	(8,911)	36	137,000	128,125
Retained profits	保留溢利	-	36	(29,000)	(28,964)
Effect attributable to minority interests	少數股東權益應佔影響	-	-	-	-
		-	36	(29,000)	(28,964)

Notes 附註

31 December 2005 二零零五年十二月三十一日

2. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(B) ESTIMATED EFFECT OF CHANGES IN ACCOUNTING POLICIES ON THE CURRENT YEAR (CONTINUED)

(i) Effect on the consolidated financial statements (continued)

Estimated effect on net income recognised directly in consolidated equity for the year ended 31 December 2005:

Attributable to equity shareholders of the Company	本公司權益持有人應佔
Minority interests	少數股東權益
Total equity	總權益

Estimated effect on amounts recognised as capital transactions with owners of the Group for the year ended 31 December 2005:

Attributable to equity shareholders of the Company	本公司權益持有人應佔
Minority interests	少數股東權益
Total equity	總權益

2. 會計政策變動 (續)

(B) 會計政策變動對本年之估計影響 (續)

(i) 對綜合財務報表之影響 (續)

對截至二零零五年十二月三十一日止年度直接在綜合權益中確認之收入淨額之估計影響：

Effect of new policy
(increase/(decrease) on equity)

新政策之影響
(權益之增加／(減少))

HKAS 40

HKAS第40號

(note 2(H))

(附註2(H))

HK\$'000

千港元

(137,000)

—

(137,000)

對截至二零零五年十二月三十一日止年度確認為與本集團擁有人進行之資本交易之金額之估計影響：

Effect of new policy
(increase/(decrease)

新政策之影響 (增加／(減少))

HKFRS 2

HKFRS第2號

(note 2(C))

(附註2(C))

HK\$'000

千港元

8,911

—

8,911

Notes 附註

31 December 2005 二零零五年十二月三十一日

2. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(b) ESTIMATED EFFECT OF CHANGES IN ACCOUNTING POLICIES ON THE CURRENT YEAR (CONTINUED)

(ii) Effect on the Company's balance sheet

Estimated effect on the balance sheet at 31 December 2005:

CAPITAL AND RESERVES	股本及儲備
Share capital	股本
Share premium	股份溢價
Share-based compensation reserve	以股份支付之酬金儲備
Other reserves	其他儲備
Retained profits	保留溢利

There was no estimated effect on net income recognised directly in the Company's equity for the year ended 31 December 2005.

Estimated effect on amounts recognised as capital transactions with owners of the Company for the year ended 31 December 2005:

Attributable to equity shareholders of the Company

2. 會計政策變動 (續)

(b) 會計政策變動對本年之估計影響 (續)

(ii) 對本公司資產負債表之影響 對二零零五年十二月三十一日之資產負債表之估計影響：

Estimated effect of new policy
(increase/(decrease) on net assets)
新政策之估計影響 (資產淨值之增加／(減少))

HKFRS 2
HKFRS第2號
(note 2(C))
(附註2(C))
HK\$'000
千港元

千港元

—

在本公司截至二零零五年十二月三十一日止年度之權益內直接確認並無對收入淨額產生估計影響。

對截至二零零五年十二月三十一日止年度確認為與本集團擁有人進行之資本交易之金額之估計影響：

Effect of new policy
(increase/(decrease))
新政策之影響 (增加／(減少))

HKFRS 2
HKFRS第2號
(note 2(C))
(附註2(C))
HK\$'000
千港元

8,911

2. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(c) EMPLOYEE SHARE OPTION SCHEME (HKFRS 2, SHARE-BASED PAYMENT)

In prior years, no amounts were recognised when employees (which term includes directors) were granted share options over shares in the Company. If the employees chose to exercise the options, the nominal amount of share capital and share premium were credited only to the extent of the options' exercise price receivable.

With effect from 1 January 2005, in order to comply with HKFRS 2, the Group has adopted a new policy for employee share options. Under the new policy, the Group recognises the fair value of such share options as an expense with a corresponding increase recognised in the share-based compensation reserve within equity. Further details of the new policy are set out in note 1(Q)(ii).

The new accounting policy has been applied retrospectively with comparatives restated, except that the Group has taken advantage of the transitional provisions set out in HKFRS 2, under which the new recognition and measurement policies have not been applied to the following grants of options:

- (a) all options granted to employees on or before 7 November 2002; and
- (b) all options granted to employees after 7 November 2002 but which had vested before 1 January 2005.

No adjustments to the opening balances as at 1 January 2004 and 1 January 2005 are required as no options existed at that time which were unvested at 1 January 2005.

Details of the employee share option scheme are set out in note 23.

2. 會計政策變動 (續)

(c) 僱員購股權計劃 (HKFRS 2, 以股份為基礎之支付)

於過往年度，本集團不會於僱員（包括董事）獲授涉及本公司股份之購股權時確認任何款額。倘僱員選擇行使購股權，則僅會按可收取購股權之行使價，將股本之面值及股份溢價進賬。

由二零零五年一月一日起，本集團為符合HKFRS 2，就僱員購股權採納一項新政策。根據該項新政策，本集團確認該等購股權之公平值為費用，並於權益之以股份支付之酬金儲備中確認相應之增加。有關該項新政策之進一步詳情載於附註1(Q)(ii)。

本集團已追溯應用此項新會計政策，並重列可比較數字，但本集團因HKFRS 2之過渡性條文而受惠者除外。據此，並未對下列授出購股權採用新確認及計量政策：

- (a) 所有於二零零二年十一月七日或之前已授予僱員之購股權；及
- (b) 所有於二零零二年十一月七日後已授予僱員，但於二零零五年一月一日前已歸屬之購股權。

由於在二零零四年一月一日及二零零五年一月一日並無購股權（於二零零五年一月一日並未予以歸屬），故毋須對該兩日之期初結餘作任何調整。

有關僱員購股權計劃之詳情載於附註23。

2. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(d) AMORTISATION OF POSITIVE AND NEGATIVE GOODWILL (HKFRS 3, BUSINESS COMBINATIONS AND HKAS 36, IMPAIRMENT OF ASSETS)

(i) Amortisation of goodwill

In prior years:

- positive or negative goodwill which arose prior to 1 January 2001 was taken directly to reserves at the time it arose, and was not recognised in the income statement until disposal or impairment of the acquired business;
- positive goodwill which arose on or after 1 January 2001 was amortised on a straight line basis over its useful life and was subject to impairment testing when there were indications of impairment; and
- negative goodwill which arose on or after 1 January 2001 was amortised over the weighted average useful life of the depreciable/amortisable non-monetary assets acquired, except to the extent it related to identified expected future losses as at the date of acquisition. In such cases it was recognised in the income statement as those expected losses were incurred.

2. 會計政策變動 (續)

(d) 正商譽及負商譽之攤銷 (HKFRS 3「業務合併」及 HKAS 36「資產減值」)

(i) 商譽攤銷

於過往年度：

- 於二零零一年一月一日前產生之正商譽或負商譽，均於產生時直接計入儲備，且並無於收益表內確認，直至所收購業務被出售或出現減值為止；
- 於二零零一年一月一日或之後產生之正商譽，乃按其可使用年期以直線法予以攤銷，倘有減值跡象，則須進行減值測試；及
- 於二零零一年一月一日或之後產生之負商譽，除了與收購日預期可辨識之未來虧損有關，否則負商譽乃按所收購之可折舊／可攤銷非貨幣資產之加權平均可使用年期予以攤銷。在該等情況下，負商譽乃於該等預計虧損產生時在收益表內確認。

2. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(d) AMORTISATION OF POSITIVE AND NEGATIVE GOODWILL (HKFRS 3, BUSINESS COMBINATIONS AND HKAS 36, IMPAIRMENT OF ASSETS) (CONTINUED)

(i) Amortisation of goodwill (continued)

With effect from 1 January 2005, in order to comply with HKFRS 3 and HKAS 36, the Group has changed its accounting policies relating to goodwill. Under the new policy, the Group no longer amortises positive goodwill but tests it at least annually for impairment. Also with effect from 1 January 2005 and in accordance with HKFRS 3, if the fair value of the net assets acquired in a business combination exceeds the consideration paid (i.e. an amount arises which would have been known as negative goodwill under the previous accounting policy), the excess is recognised immediately in profit or loss as it arises. Further details of these new policies are set out in note 1(E).

The new policy in respect of the amortisation of positive goodwill has been applied prospectively in accordance with the transitional arrangements under HKFRS 3. The change in policy relating to positive goodwill had no effect on the financial statements as there was no positive goodwill existed as at 31 December 2004.

2. 會計政策變動 (續)

(d) 正商譽及負商譽之攤銷 (HKFRS 3「業務合併」及HKAS 36「資產減值」) (續)

(i) 商譽攤銷 (續)

由二零零五年一月一日起，為符合HKFRS 3及HKAS 36，本集團更改其有關商譽之會計政策。根據新政策，本集團不再攤銷正商譽，惟會至少每年進行一次減值測試。此外，由二零零五年一月一日起，根據HKFRS 3，倘若業務合併時所收購淨資產之公平值超過所支付之代價（即所產生之款額，若根據以往之會計政策，會被視為負商譽），則多出之款額均於產生時立即確認為溢利或虧損。有關該等新政策之進一步詳情載於附註1(E)。

根據HKFRS 3之過渡性安排，可能已應用有關正商譽攤銷之新政策。由於截至二零零四年十二月三十一日並無正商譽，故有關正商譽之政策變動對財務報表並無影響。

2. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(d) AMORTISATION OF POSITIVE AND NEGATIVE GOODWILL (HKFRS 3, BUSINESS COMBINATIONS AND HKAS 36, IMPAIRMENT OF ASSETS) (CONTINUED)

(i) Amortisation of goodwill (continued)

Also in accordance with the transitional arrangements under HKFRS 3, goodwill which had previously been taken directly to reserves (i.e. goodwill which arose before 1 January 2001) will not be recognised in profit or loss on disposal or impairment of the acquired business, or under any other circumstances. The change in accounting policy relating to goodwill which had previously been taken directly to reserves (i.e. goodwill which arose before 1 January 2001) were adopted by way of opening balance adjustments to retained profits.

The change in policy relating to negative goodwill had no effect on the financial statements as there was no negative goodwill deferred as at 31 December 2004.

(e) CHANGES IN PRESENTATION (HKAS 1, PRESENTATION OF FINANCIAL STATEMENTS)

(i) Presentation of shares of associate's taxation (HKAS 1, Presentation of financial statements)

In prior years, the Group's share of taxation of the associate accounted for using the equity method was included as part of the Group's income tax in the consolidated income statement. With effect from 1 January 2005, in accordance with the implementation guidance in HKAS 1, the Group has changed the presentation and includes the share of taxation of associate accounted for using the equity method in the respective shares of profit or loss reported in the consolidated income statement before arriving at the Group's profit or loss before tax. These changes in presentation have been applied retrospectively with comparatives restated as shown in note 2(A).

2. 會計政策變動 (續)

(d) 正商譽及負商譽之攤銷 (HKFRS 3「業務合併」及 HKAS 36「資產減值」) (續)

(i) 商譽攤銷 (續)

此外，根據HKFRS 3之過渡性安排，先前直接計入儲備之商譽（即於二零零一年一月一日之前所產生之商譽）將不會於出售所收購業務或減值時在任何其他情況下於損益表內確認。有關於先前直接計入儲備之商譽（即於二零零一年一月一日之前所產生之商譽）會計政策之變動，已透過期初結餘調整至保留溢利之方式予以採納。

由於本公司截至二零零四年十二月三十一日並無遞延負商譽，因此有關負商譽之政策變動，對財務報表並無造成任何影響。

(e) 呈報之變動 (HKAS 1「財務報表之呈報」)

(i) 呈報應佔聯營公司稅項 (HKAS 1「財務報表之呈報」)
於過往年度，使用權益法處理之本集團應佔聯營公司稅項，乃計入綜合收益表內，作為本集團之所得稅之一部份。由二零零五年一月一日起，根據HKAS 1之實施指引，本集團已改變呈列方式，並在達致本集團除稅前損益前，將使用權益法處理之應佔聯營公司稅項，納入於綜合收益表內所申報之各自應佔損益中。該等呈報變動已追溯應用，比較數字已於附註2(A)內重列。

2. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(E) CHANGES IN PRESENTATION (HKAS 1, PRESENTATION OF FINANCIAL STATEMENTS) (CONTINUED)

(ii) *Minority interests (HKAS 1, Presentation of financial statements and HKAS 27, Consolidated and separate financial statements).*

In prior years, minority interests at the balance sheet date were presented in the consolidated balance sheet separately from liabilities and as deduction from net assets. Minority interests in the results of the Group for the year were also separately presented in the income statement as a deduction before arriving at the profit attributable to shareholders (the equity shareholders of the Company).

With effect from 1 January 2005, in order to comply with HKAS 1 and HKAS 27, the Group has changed its accounting policy relating to presentation of minority interests. Under the new policy, minority interests are presented as part of equity, separately from interests attributable to the equity shareholders of the Company. Further details of the new policy are set out in note 1(C). These changes in presentation have been applied retrospectively with comparatives restated as shown in note 2(A).

2. 會計政策變動(續)

(E) 呈報之變動(HKAS 1「財務報表之呈報」)(續)

(ii) 少數股東權益(HKAS 1財務報表之呈報及HKAS 27「綜合及獨立財務報表」)

於過往年度，於結算日之少數股東權益乃於綜合資產負債表內與負債分開呈列，並作為資產扣減值處理。本集團是年度業績內之少數股東權益，亦於達致股東(本公司權益股東)應佔溢利前，於收益表內獨立呈列為扣減。

從二零零五年一月一日起，為符合HKAS 1及HKAS 27，本集團已更變有關少數股東權益呈報方式之會計政策。根據新政策，少數股東權益乃呈列為權益之一部分，並與本公司權益股東應佔權益分開呈列。新政策之進一步詳情載於附註1(C)。該等呈報方式之變動已追溯應用，比較數字已予重列，並載於附註2(A)內。

2. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(F) LEASEHOLD LAND AND BUILDINGS (HKAS 17, LEASES)

(i) Leasehold land and buildings held for own use

In prior years, leasehold land and buildings held for own use were stated at revalued amounts less accumulated depreciation and accumulated impairment losses. Movements of revaluation surpluses or deficits were normally taken to the land and buildings revaluation reserve.

With effect from 1 January 2005, in order to comply with HKAS 17, the Group has adopted a new policy for leasehold land and buildings held for own use. Under the new policy, the leasehold interest in the land held for own use is accounted for as being held under an operating lease where the fair value of the interest in any buildings situated on the leasehold land could be measured separately from the fair value of the leasehold interest in the land at the time the lease was first entered into by the Group or taken over from the previous lessee, or at the date of construction of those buildings, if later.

Further details of the new policy are set out in notes 1(H) and (I). Any buildings held for own use which are situated on such land leases continue to be presented as part of property, plant and equipment.

2. 會計政策變動 (續)

(F) 租賃土地及樓宇 (HKAS 17「租賃」)

(i) 持作自用之租賃土地及樓宇

在以往年度，持作自用之租賃土地及樓宇乃以重估數額減累計折舊及累計減值虧損入賬。重估盈餘或虧絀之變動，一般計入土地及樓宇重估儲備內。

由二零零五年一月一日起，為符合HKAS 17，本集團採納一項有關持作自用租賃土地及樓宇之新政策。根據新政策，倘若位於租賃土地之任何樓宇權益之公平值，可與本集團首次訂立租賃時，或從前度承租人接收時，或有關樓宇興建之日（以較遲者為準）之土地租賃權益之公平值分開計量，則持作自用之土地之租賃權益，乃作為根據一項經營租約而持有之權益處理。

有關該項新政策之進一步詳情載於附註1(H)及(I)。位於該等租賃土地之上之任何持作自用樓宇，將繼續列作物業、廠房及設備之一部份。

2. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(F) LEASEHOLD LAND AND BUILDINGS (HKAS 17, LEASES) (CONTINUED)

- (ii) *Leasehold land held for redevelopment for sale*
In prior years leasehold land held for redevelopment for resale was stated at the lower of cost and net realisable value.

With the adoption of HKAS 17 as from 1 January 2005, the Group has adopted a new policy for such land. Under the new policy any pre-paid land premiums for acquiring the land leases, or other lease payments, are amortised over the lease term. Further details of the new policy are set out in note 1(K)(ii).

- (iii) *Description of transitional provisions and effect of adjustments*
All the above new accounting policies relating to leases have been adopted retrospectively. The adjustments for each financial statements line item affected for 31 December 2004 and 2005 are set out in notes 2(A) and 2(B).

(G) FINANCIAL INSTRUMENTS (HKAS 32, FINANCIAL INSTRUMENTS: DISCLOSURE AND PRESENTATION AND HKAS 39, FINANCIAL INSTRUMENTS: RECOGNITION AND MEASUREMENT)

With effect from 1 January 2005, in order to comply with HKAS 32 and HKAS 39, the Group has changed its accounting policies relating to financial instruments to those as set out in note 1 (F). Further details of the changes are as follows.

2. 會計政策變動 (續)

(F) 租賃土地及樓宇 (HKAS 17「租賃」) (續)

- (ii) 待發展及待出售之租賃土地
於過往年度，持作待發展及待出售之租賃土地，乃按成本值及可變現淨值兩者之較低者入賬。

從二零零五年一月一日採納 HKAS 17 起，本集團已就該土地採納新政策。根據新政策，收購租賃土地之預付地價或其他租賃付款均按租賃年期予以攤銷。新政策之進一步詳情載於附註 1(K)(ii)。

- (iii) 過渡性條文及調整影響說明
有關租賃之所有上述新會計政策已追溯採納。於二零零四年及二零零五年十二月三十一日之各財務報表受影響項目的調整載於附註 2(A) 及 2(B)。

(G) 金融工具 (HKAS 32「金融工具：披露及呈報」及 HKAS 39「金融工具：確認及計量」)

從二零零五年一月一日起，為符合 HKAS 32 及 HKAS 39，本集團如附註 1(F) 所載已改變有關金融工具之會計政策。該等變動之其他詳情載於下文。

2. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(g) FINANCIAL INSTRUMENTS (HKAS 32, FINANCIAL INSTRUMENTS: DISCLOSURE AND PRESENTATION AND HKAS 39, FINANCIAL INSTRUMENTS: RECOGNITION AND MEASUREMENT) (CONTINUED)

(i) *Investments in debt and equity securities*

In prior years, equity investments held on a continuing basis for an identifiable long-term purpose were classified as investment securities and stated at cost less provision. Other investments in securities (including those held for trading and for non-trading purposes) were stated at fair value with changes in fair value recognised in profit or loss, with the exception of dated debt securities being held to maturity.

With effect from 1 January 2005, and in accordance with HKAS 39, all investments, with the exception of securities held for trading purposes, dated debt securities being held to maturity and certain unquoted equity investments, are classified as available-for-sale securities and carried at fair value. Changes in the fair value of available-for-sale securities are recognised in equity, unless there is objective evidence that an individual investment has been impaired. There are no material adjustments arising from the adoption of the new policies for securities held for trading purposes, debt securities being held to maturity and unquoted equity investments not carried at fair value. Further details of the new policies are set out in note 1(F).

(ii) *Description of transitional provisions and effect of adjustments*

The changes in accounting policies relating to accounting for investments in debt and equity securities had no effect on the opening balance adjustments to reserves as at 1 January 2005.

2. 會計政策變動 (續)

(g) 金融工具 (HKAS 32「金融工具：披露及呈報」及HKAS 39「金融工具：確認及計量」) (續)

(i) 債務證券及股本證券之投資

於過往年度，按持續基準作可識別長期目的持有之股本投資均分類為投資證券，並按成本減撥備列賬。於證券之其他投資(包括該等持作買賣及非買賣用途者)均按公平值列賬，並於損益表確認公平值之變動，惟不包括持有至到期日之定期債務證券。

由二零零五年一月一日起，按照HKAS 39，所有投資(持作買賣用途之證券、持至到期日之定期債務證券及若干未報價之股本投資除外)均分類為可供銷售證券及按公平值列賬。可供銷售證券之公平值變動均於權益中予以確認，除非有客觀證據顯示個別投資已予減值。就持作買賣用途之證券、持至到期日之債務證券及未按公平值列賬之未報價之股本投資而採納之新會計政策並無引致重大調整。有關該等新政策之進一步詳情載於附註1(F)。

(ii) 過渡性條文及調整影響之說明

有關會計處理債務證券及股本證券投資之會計政策之變動，對於二零零五年一月一日之儲備之期初結餘調整並無影響。

Notes 附註

31 December 2005 二零零五年十二月三十一日

2. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(H) INVESTMENT PROPERTY (HKAS 40, INVESTMENT PROPERTY AND HKAS-INT 21, INCOME TAXES-RECOVERY OF REVALUED NON-DEPRECIABLE ASSETS)

Changes in accounting policies relating to investment properties are as follows:

(i) *Timing of recognition of movements in fair value in the income statement*

In prior years movements in the fair value of the Group's investment property were recognised directly in the investment property revaluation reserve except when, on a portfolio basis, the reserve was insufficient to cover a deficit on the portfolio, or when a deficit previously recognised in the income statement had reversed, or when an individual investment property was disposed of. In these limited circumstances movements in the fair value were recognised in the income statement.

Upon adoption of HKAS 40 as from 1 January 2005, the Group has adopted a new policy for investment property. Under this new policy, all changes in the fair value of investment property were recognised directly in the income statement ("profit or loss") in accordance with the fair value model in HKAS 40.

Further details of the new policy for investment property are set out in note 1(G).

2. 會計政策變動 (續)

(H) 投資物業 (HKAS 40「投資物業」及 HKAS 詮釋第21號「所得稅－收回經重估不可折舊資產」)

投資物業之會計政策變動如下：

(i) 確認收益表內公平值變動之時間

於過往年度，本集團投資物業之公平值變動乃直接於投資物業重估儲備內確認，惟按投資組合基準，若儲備不足以彌補投資組合之虧絀，或若先前於收益表內確認之虧絀已予撥回，或若個別投資物業已予出售則除外。在該等受限情況下，公平值之變動均於收益表內確認。

於從二零零五年一月一日起採納HKAS 40後，本集團就投資物業採納一項新會計政策。根據此新政策，投資物業之公平值之所有變動按照HKAS 40之公平值模式直接於收益表（「溢利或虧損」）確認。

有關投資物業之新政策之進一步詳情載於附註1(G)。

2. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(H) INVESTMENT PROPERTY (HKAS 40, INVESTMENT PROPERTY AND HKAS-INT 21, INCOME TAXES-RECOVERY OF REVALUED NON-DEPRECIABLE ASSETS) (CONTINUED)

(ii) *Measurement of deferred tax on movements in fair value*

In prior years, deferred tax on changes in fair value of investment property arising from revaluation was not provided for on the basis that the recovery of the carrying amount would be through sale and was calculated at the tax rate applicable on eventual sale, which in Hong Kong is nil.

As from 1 January 2005, in accordance with HKAS-Int 21, the deferred tax is recognised on movements in the value of an investment property using tax rates that are applicable to the property's use as earning rental income. Further details of the policy for deferred tax are set out in note 1(R).

The directors are of the opinion that such deferred tax provision would not reflect the ultimate tax consequence since, should any such sale eventuate, any gain would be regarded as capital in nature and would not be subject to any tax in Hong Kong.

(iii) *Description of transitional provisions and effect of adjustments*

All the above changes in accounting policies relating to investment property have been adopted retrospectively. The adjustments for each financial statement line affected for 31 December 2004 and 2005 are set out in notes 2(A) and (B).

2. 會計政策變動 (續)

(H) 投資物業 (HKAS 40「投資物業」及 HKAS 詮釋第21號「所得稅－收回經重估不可折舊資產」) (續)

(ii) 計量公平值變動所產生的遞延稅項

於以往年度，基於賬面金額可於出售時收回，並按適用於最終出售時之稅率（香港稅率為零）計算，故本集團並沒有為重估投資物業之公平值變動所產生的遞延稅項作出撥備。

由二零零五年一月一日起，按照HKAS詮釋第21號規定，遞延稅項乃按用作賺取租金收入之投資物業所適用之稅率就投資物業價值之變動作出確認。有關遞延稅項之政策之進一步詳情載於附註1(R)。

董事認為，該項遞延稅項撥備未必會反映最終稅務影響，因為倘若最終進行任何出售，任何增益就香港稅制而言均為資本性而不會帶來利得稅項。

(iii) 過渡性條文及調整影響之說明

有關投資物業之所有上述會計政策之變動已追溯採納。於二零零四年及二零零五年十二月三十一日之各財務報表受影響項目的調整載於附註2(A)及2(B)。

Notes 附註

31 December 2005 二零零五年十二月三十一日

2. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(i) DEFINITION OF RELATED PARTIES (HKAS 24, RELATED PARTY DISCLOSURES)

As a result of the adoption of HKAS 24, related party disclosures, the definition of related parties as disclosed in note 1(X) has been expanded to clarify that related parties include entities that are under the significant influence of a related party that is an individual (i.e. key management personnel, significant shareholders and/or their close family members) and post-employment benefit plans which are for the benefit of employees of the Group or of any entity that is a related party of the Group. The clarification of the definition of related parties has not resulted in any material changes to the previously reported disclosures of related party transactions nor has it had any material effect on the disclosures made in the current period, as compared to those that would have been reported had SSAP 20, related party disclosures, still been in effect.

2. 會計政策變動 (續)

(ii) 關聯人士定義 (HKAS 24「關聯人士披露」)

採納HKAS 24「關聯人士披露」後，披露於附註1(X)中之關聯人士定義範圍有所擴大，以明確關聯人士包括受到作為個人（即主要管理人員、主要股東及／或彼等之家屬）之關聯人士及為本集團或作為本集團關聯人士之實體之僱員之福利設立之離職福利計劃重大影響之實體。澄清關聯人士之定義並無對以往報告之關聯人士交易披露產生任何重大變動，而與SSAP 20之關聯人士披露（倘仍採用）比較，對本期間所報告之披露並無任何重大影響。

3. TURNOVER

The principal activities of the Group were property investment and management, property development and construction, and provision of horticultural services.

Turnover represents the rental income, proceeds from sales of properties, revenue from provision of property management services and revenue from provision of horticultural services. The amount of each significant category of revenue recognised in turnover during the year is as follows:

3. 營業額

本集團之主要業務為物業投資及管理、物業發展及建造及提供園藝服務。

營業額指租金收入、出售物業之所得款項、來自提供物業管理服務之收益及來自提供園藝服務之收益。年內於營業額確認之每一重大收入類別之金額如下：

Gross rentals from investment and other properties	來自投資及其他物業之租金總額
Gross proceeds from properties sold	來自已出售物業之所得款項總額
Revenue from provision of property management services	來自提供物業管理服務之收益
Revenue from provision of horticultural services	來自提供園藝服務之收益

2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
32,729	36,146
92,156	6,201
398	913
3,066	3,181
128,349	46,441

Notes 附註

31 December 2005 二零零五年十二月三十一日

4. OTHER REVENUE AND NET (LOSS)/INCOME

4. 其他收益及(虧損)/收入淨額

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 (restated) (重列) HK\$'000 千港元
Other revenue	其他收益		
Interest income	利息收入		
– bank	– 銀行	81	15
– others	– 其他	23	2
		104	17
Dividend income from unlisted securities	非上市投資股息	142	–
Compensation received on termination of management services	就終止管理服務收取之補償	–	1,320
Others	其他	160	537
		406	1,874
Other net (loss)/income	其他(虧損)/收入淨額		
Net gain/(loss) on disposal of fixed assets	出售固定資產收益/(虧損)淨額	28,054	(9)
Net realised and unrealised gains on trading securities	交易證券之已變現及 未變現收益淨額	–	172
(Provision)/reversal of provision for impairment of properties held for sale	持作出售物業之減值(撥備)/ 撥回	(360)	26,000
Impairment loss on unlisted available-for-sale equity securities	非上市可供出售股本證券 之減值虧損	(2,027)	–
Impairment loss on property held for future development	持作日後發展之物業之 減值虧損	(67,500)	–
Revaluation (losses)/gains on buildings	樓宇重估(虧損)/收益	(18)	133
Write-off of long outstanding creditors	撇銷長期未償還之應付賬款	704	–
		(41,147)	26,296

Notes 附註

31 December 2005 二零零五年十二月三十一日

5. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

5. 除稅前溢利

除稅前溢利已扣除／(計入)：

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
(A) Finance costs	(A) 財務成本		
Interest on bank borrowings	銀行借款利息		
– wholly repayable within five years	– 於五年內須悉數償還	14,850	2,976
– repayable after five years	– 五年之後償還	5,318	7,540
		20,168	10,516
(B) Staff costs (including directors' remuneration)	(B) 員工成本(包括董事酬金)：		
Contributions to defined contribution retirement plan	界定退休計劃供款	346	292
Equity-settled share-based payment expenses	以股份支付之開支	8,911	–
Salaries, wages and other benefits	薪金、工資及其他福利	21,110	16,748
		30,367	17,040
(C) Other items	(C) 其他項目		
Amortisation of land lease premium	租賃土地費用攤銷	35	47
Depreciation of fixed assets	固定資產折舊	723	948
Auditors' remuneration	核數師酬金		
– audit services	– 審核服務	279	274
– tax services	– 稅務服務	54	–
– other services	– 其他服務	40	–
Operating lease charges: minimum lease payments	營業租約開支：		
– hire of plant and machinery	– 最低租約付款	9	–
– hire of other assets	– 租用廠房及機器		
(including property rentals)	– 租用其他資產		
Share of an associate's taxation	(包括物業租金)	641	274
Rentals receivable from investment and other properties less direct outgoings of HK\$7,539,000 (2004: HK\$9,081,000)	應佔一間聯營公司稅項 自投資及其他物業收取之 租金減直接支出 7,539,000港元(二零零四年： 9,081,000港元)	(185)	564
Cost of inventories (note 16(c))	存貨成本(附註16(c))	25,190	27,065
		73,507	(14,920)

Notes 附註

31 December 2005 二零零五年十二月三十一日

6. INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT

(A) TAXATION IN THE CONSOLIDATED INCOME STATEMENT REPRESENTS:

Current tax – Hong Kong Profits Tax

Under-provision in respect of prior years

Deferred tax

Origination and reversal of temporary differences

本期稅項 –
香港利得稅

過往年度撥備不足

遞延稅項

暫時差異之產生及回撥

No provision for Hong Kong Profits Tax for the year ended 31 December 2005 has been made as the Group has no estimated assessable profits for the year.

6. 綜合收益表內之所得稅

(A) 綜合收益表內稅項為：

2005 二零零五年	2004 二零零四年 (restated) (重列)
HK\$'000 千港元	HK\$'000 千港元
14	25
28,230	93,000
28,244	93,025

由於本集團截至二零零五年十二月三十一日止年度並無產生估計應課稅溢利，故此並無作出香港利得稅撥備。

Notes 附註

31 December 2005 二零零五年十二月三十一日

6. INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT (CONTINUED)

6. 綜合收益表內之所得稅 (續)

(b) RECONCILIATION BETWEEN TAX EXPENSE AND ACCOUNTING PROFIT AT APPLICABLE TAX RATES:

(b) 採用適用稅率計算之稅項開支與會計溢利對賬：

		2005 二零零五年		2004 二零零四年 (restated) (經重列)	
		HK\$'000 千港元	%	HK\$'000 千港元	%
Profit before tax	除稅前溢利	140,306		547,386	
Notional tax on profit before tax, calculated at the rates applicable to profits in the countries concerned	除稅前溢利之名義稅項，按有關國家適用於溢利之稅率計算	24,554	17.5	95,792	17.5
Tax effect of non-deductible expenses	不可扣除費用之稅務影響	752	0.5	664	0.1
Tax effect of non-taxable income	非課稅收入之稅務影響	(8,545)	(6.1)	(5,080)	(0.9)
Tax effect of unused tax losses not recognised	未確認之未用稅項虧損之稅務影響	18,738	13.4	3,384	0.6
Tax effect of prior years' tax losses utilised this year	本年動用過往年度之稅項虧損之稅務影響	(1,554)	(1.1)	(926)	(0.2)
Tax effect of share of (profit)/ loss of an associate	應佔一間聯營公司(溢利)/虧損之稅務影響	(5,333)	(3.8)	79	—
Under-provision in prior years	過往年度撥備不足	14	—	25	—
Others	其他	(382)	(0.3)	(913)	(0.1)
Actual tax expense	實際稅項開支	28,244	20.1	93,025	17.0

Notes 附註

31 December 2005 二零零五年十二月三十一日

7. DIRECTORS' REMUNERATION

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

7. 董事酬金

根據香港公司條例第161條披露之董事酬金如下：

		Salaries, allowances and benefits in kind 薪金、津貼及實物利益 HK\$'000 千港元	Discretionary bonuses 酌情花紅 HK\$'000 千港元	Share-based payments 支付股份 HK\$'000 千港元	Retirement scheme contributions 退休計劃供款 HK\$'000 千港元	2005 Total 二零零五年合計 HK\$'000 千港元
Executive directors:	執行董事：					
Cheong Pin Chuan, Patrick	鍾斌銓	-	1,755	-	12	3,995
Cheong Kim Pong	鍾金榜	-	93	2,228	-	2,321
Cheong Sim Eng	鍾樂榮	-	500	2,228	12	4,057
Cheong Pin Seng (note (i))	鍾斌盛(附註(i))	-	-	-	-	-
Independent non-executive directors:	獨立非執行董事：					
Kan Fook Yee	簡福飴	100	-	-	-	100
Lai Hing Chiu, Dominic	黎慶超	100	-	-	-	100
Chan Yee Hoi, Robert	陳以海	100	-	-	-	100
Non-executive directors:	非執行董事：					
Lim Ghee	林義	200	-	-	-	200
Cheong Hooi Kheng (note (ii))	鍾惠卿(附註(ii))	-	143	2,227	7	2,377
		500	3,308	500	31	13,250

		Salaries, allowances and benefits in kind 薪金、津貼及實物利益 HK\$'000 千港元	Discretionary bonuses 酌情花紅 HK\$'000 千港元	Share-based payments 支付股份 HK\$'000 千港元	Retirement scheme contributions 退休計劃供款 HK\$'000 千港元	2004 Total 二零零四年合計 HK\$'000 千港元
Executive directors:	執行董事：					
Cheong Pin Chuan, Patrick	鍾斌銓	-	873	-	12	885
Cheong Kim Pong	鍾金榜	-	84	-	-	84
Cheong Sim Eng	鍾樂榮	-	1,305	-	12	1,317
Cheong Pin Seng	鍾斌盛	-	988	-	12	1,000
Independent non-executive directors:	獨立非執行董事：					
Kan Fook Yee	簡福飴	100	-	-	-	100
Lai Hing Chiu, Dominic	黎慶超	100	-	-	-	100
Chan Yee Hoi, Robert	陳以海	33	-	-	-	33
Non-executive director:	非執行董事：					
Lim Ghee	林義	-	-	-	-	-
		233	3,250	-	36	3,519

Notes:

- (i) Mr. Cheong Pin Seng resigned as director on 12 January 2005.
- (ii) Ms. Cheong Hooi Kheng's directorship is alternate to Madam Lim Ghee.

附註：

- (i) 鍾斌盛先生於二零零五年一月十二日辭任董事。
- (ii) 鍾惠卿女士為林義女士之替任董事。

Notes 附註

31 December 2005 二零零五年十二月三十一日

7. DIRECTORS' REMUNERATION (CONTINUED)

The above emoluments include the value of share options granted to certain directors under the Company's share option scheme as estimated at the date of grant. The details of these benefits in kind are disclosed under the paragraph "Share option scheme" in note 23.

The above emoluments do not include the monetary value of the rent-free accommodation provided to Mr. Cheong Pin Chuan, Patrick, an executive director of the Company, through a property owned by the Group. During the year, the monetary value of such residential accommodation provided to this executive director based on the tenancy agreement entered into by the Group was HK\$720,000 (2004: HK\$720,000).

8. INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, four (2004: three) are directors whose emoluments are disclosed in note 7. The aggregate of the emoluments in respect of the other one (2004: two) individual are as follows:

Salaries and other emoluments	薪金及其他薪酬
Discretionary bonuses	酌情花紅
Retirement scheme contributions	退休計劃供款

7. 董事酬金 (續)

上述酬金包括根據本公司購股權計劃授予若干董事之購股權於授出日之估計價值。該等實物利益之詳情披露於附註23中「購股權計劃」一段。

上述酬金不包括由本集團擁有而由本公司一名執行董事鍾斌銓先生使用之免租住宅單位之貨幣價值。本年內，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之貨幣價值為720,000港元(二零零四年：720,000港元)。

8. 最高薪酬人士

五名最高薪酬人士中，四名(二零零四年：三名)為董事，其權益於附註7中披露。另一名(二零零四年：兩名)人士之薪酬總額如下：

2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
3,491	5,137
500	—
12	24
4,003	5,161

Notes 附註

31 December 2005 二零零五年十二月三十一日

8. INDIVIDUALS WITH HIGHEST EMOLUMENTS (CONTINUED)

The emoluments of an individual (2004: two individuals) with the highest emoluments are within the following bands:

\$1,500,001 – \$2,000,000	1,500,001元 – 2,000,000元
\$3,500,001 – \$4,000,000	3,500,001元 – 4,000,000元
\$4,000,001 – \$4,500,000	4,000,001元 – 4,500,000元

8. 最高薪酬人士 (續)

一名(二零零四年：兩名)最高薪酬人士之薪酬在以下範圍內：

2005 二零零五年 Number of individuals 人數	2004 二零零四年 Number of individuals 人數
—	1
—	1
1	—

9. PROFIT ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY

The consolidated profit attributable to equity shareholders of the Company includes a loss of HK\$9,267,000 (2004: a profit of HK\$424,730,000) which has been dealt with in the financial statements of the Company.

9. 本公司權益持有人應佔溢利

本公司權益持有人應佔綜合溢利包括9,267,000港元之虧損(二零零四年：溢利424,730,000港元)，該虧損已於本公司財務報表中處理。

10. EARNINGS PER SHARE

(A) BASIC EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of HK\$115,131,000 (2004 (restated): HK\$454,440,000) and the weighted average of 1,492,410,986 (2004: 1,492,410,986) ordinary shares in issue during the year.

10. 每股盈利

(A) 每股基本盈利

每股基本盈利乃根據年內本公司普通股股東應佔溢利115,131,000港元(二零零四年(重列)：454,440,000港元)及年內已發行普通股股份之加權平均數1,492,410,986股(二零零四年：1,492,410,986股)計算。

Notes 附註

31 December 2005 二零零五年十二月三十一日

10. EARNINGS PER SHARE (CONTINUED)

(B) DILUTED EARNINGS PER SHARE

The calculation of diluted earnings per share for the year ended 31 December 2005 is based on the profit attributable to ordinary equity shareholders of the Company of HK\$115,131,000 and the weighted average number of ordinary shares of 1,503,304,597 shares, calculated as follows:

Weighted average number of ordinary shares at 31 December	於十二月三十一日之普通股股份之加權平均數
Effect of deemed issue of shares under the company's share option scheme (note 23) for nil consideration	根據本公司之購股權計劃(附註23)視為以零代價發行股份之影響
Weighted average number of ordinary shares (diluted) at 31 December	於十二月三十一日之普通股股份(攤薄)之加權平均數

The diluted earnings per share for the year ended 31 December 2004 is not shown because there was no dilutive potential ordinary shares in existence as at 31 December 2004.

10. 每股盈利(續)

(B) 每股攤薄盈利

截至二零零五年十二月三十一日止年度之每股攤薄盈利乃根據本公司普通股股東應佔溢利115,131,000港元及普通股股份之加權平均數1,503,304,597股計算，其計算如下：

2005 二零零五年
1,492,410,986
10,893,611
1,503,304,597

截至二零零四年十二月三十一日止年度之每股攤薄盈利並無呈列在此，因為於二零零四年十二月三十一日沒有具有攤薄潛力的普通股。

11. SEGMENT REPORTING

Segment information is presented in respect of the Group's business and geographical segments. Business segment information is chosen as the primary reporting format because this is more relevant to the Group's internal financial reporting.

BUSINESS SEGMENTS

The Group comprises the following main business segments:

Property investment and management: the leasing of properties to generate rental income and to gain from the appreciation in the properties' values in the long term, and provision of building management services.

11. 分類申報

分類資料乃按本集團之業務及地區分類呈列。因業務分類資料較近似本集團之內部財務報告方式，故其被選為主要申報形式。

業務分類

本集團主要包括以下業務分類：

物業投資及管理：租賃物業以賺取租金收入及獲取長期物業升值收益，及提供樓宇管理服務。

Notes 附註

31 December 2005 二零零五年十二月三十一日

11. SEGMENT REPORTING (CONTINUED)

BUSINESS SEGMENTS (CONTINUED)

Property construction and development: the development, construction and sale of properties.

Horticultural Services: the provision for horticultural services

11. 分類申報 (續)

業務分類 (續)

物業建造及發展：發展、建造及銷售物業。

園藝服務：提供園藝服務。

		Property investment and management 物業投資及管理		Property construction and development 物業建造及發展		Horticultural services 園藝服務		Inter-segment elimination 內部分類之間撇銷		Unallocated 未分配		Consolidated 綜合	
		2005 二零零五年	2004 二零零四年 (restated) (經重列)	2005 二零零五年	2004 二零零四年 (restated) (經重列)	2005 二零零五年	2004 二零零四年 (restated) (經重列)	2005 二零零五年	2004 二零零四年 (restated) (經重列)	2005 二零零五年	2004 二零零四年 (restated) (經重列)	2005 二零零五年	2004 二零零四年 (restated) (經重列)
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Revenue from external customers	銷予對外客戶之收益	119,917	37,059	5,366	6,201	3,066	3,181	-	-	-	-	128,349	46,441
Inter-segment revenue	內部分類之間之收益	2,835	5,159	3,657	4,719	28	-	(6,520)	(9,878)	-	-	-	-
Other revenue from external customers	來自對外客戶之其他收益	133	1,320	16	-	-	-	-	-	153	537	302	1,857
Total	總計	122,885	43,538	9,039	10,920	3,094	3,181	(6,520)	(9,878)	153	537	128,651	48,298
Segment result	分類業績	221,831	570,982	(64,828)	(808)	114	-	(6,520)	(9,878)	(20,699)	(2,119)	129,898	558,177
Unallocated operating income and expenses	未分配經營收入及開支											104	17
Profit from operations	經營溢利											130,002	558,194
Finance costs	融資成本											(20,168)	(10,516)
Profit on disposal of subsidiaries	出售附屬公司溢利											-	156
Share of profit/(loss) of an associate	應佔一間聯營公司之溢利/(虧損)	30,472	(448)	-	-	-	-	-	-	-	-	30,472	(448)
Income tax	所得稅											(28,244)	(93,025)
Profit after taxation	除稅後溢利											112,062	454,361
Depreciation and amortisation for the year	年內折舊及攤銷	345	382	1	1	57	57						
Impairment of property held for future development	持作日後發展之物業減值	-	-	67,500	-	-	-						

Notes 附註

31 December 2005 二零零五年十二月三十一日

11. SEGMENT REPORTING (CONTINUED)

11. 分類申報 (續)

BUSINESS SEGMENTS (CONTINUED)

業務分類 (續)

		Property investment and management 物業投資及管理		Property construction and development 物業建造及發展		Horticultural services 園藝服務		Consolidated 綜合	
		2005 二零零五年	2004 二零零四年 (restated) (經重列)	2005 二零零五年	2004 二零零四年 (restated) (經重列)	2005 二零零五年	2004 二零零四年 (restated) (經重列)	2005 二零零五年	2004 二零零四年 (restated) (經重列)
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Segment assets	分類資產	1,986,916	1,925,691	14,610	88,806	790	967	2,002,316	2,015,464
Interest in an associate	於一間聯營 公司之權益	393,602	373,159	-	-	-	-	393,602	373,159
Unallocated assets	未分配資產							10,262	9,292
Total assets	總資產							2,406,180	2,397,915
Segment liabilities	分類負債	698,688	803,843	5,807	7,078	93	93	704,588	811,014
Unallocated liabilities	未分配負債							9,032	6,427
Total liabilities	總負債							713,620	817,441
Capital expenditure incurred during the year	本年內之 資本開支	94	-	-	-	3	4		

GEOGRAPHICAL SEGMENTS

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets and capital expenditure are based on the geographical location of the assets.

地區分類

於按地區分類呈列資料時，分類收益乃按客戶地點分類。分類資產及資本開支則按資產地點分類。

		Hong Kong and Mainland China 香港及中國內地		Singapore 新加坡		Total 總計	
		2005 二零零五年	2004 二零零四年 (restated) (經重列)	2005 二零零五年	2004 二零零四年 (restated) (經重列)	2005 二零零五年	2004 二零零四年 (restated) (經重列)
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Revenue from external customers	銷予對外客戶 之收益	128,349	46,441	-	-	128,349	46,441
Other revenue from external customers	來自對外客戶 之其他收益	302	1,857	-	-	302	1,857
Segment assets	分類資產	2,012,439	2,024,549	393,741	373,366	2,406,180	2,397,915
Capital expenditure incurred during the year	本年內之 資本開支	678	931	-	-	678	931

Notes 附註

31 December 2005 二零零五年十二月三十一日

12. FIXED ASSETS

12. 固定資產

(A) THE GROUP

(A) 本集團

		Buildings held for own use carried at fair value 以公平值列賬之 持作自用樓宇 HK\$'000 千港元	Furniture, equipment and other fixed assets 傢俬、設備 及其他 固定資產 HK\$'000 千港元	Sub-total 小計 HK\$'000 千港元	Investment property 投資物業 HK\$'000 千港元	Property held for future development 持作日後 發展之物業 HK\$'000 千港元	Interests in leasehold land held for own use under operating leases 於根據經營 租約持作自 用租賃土地 之權益 HK\$'000 千港元	Total fixed assets 固定資產 總值 HK\$'000 千港元
Cost or valuation: At 1 January 2004 (restated)	原值或估值： 於二零零四年 一月一日 (經重列)	6,520	12,119	18,639	1,269,820	215,652	30,300	1,534,411
Exchange adjustments	匯兌調整	-	35	35	-	-	-	35
Additions	添置	-	931	931	-	-	-	931
Disposal	出售	-	(374)	(374)	-	-	-	(374)
Disposal of subsidiaries	出售附屬公司	-	-	-	(2,196)	-	-	(2,196)
Surplus on revaluation	重估盈餘	133	-	133	-	-	-	133
Less: elimination of accumulated depreciation	減：累積折舊對銷	(163)	-	(163)	-	-	-	(163)
Fair value adjustment	公平值調整	-	-	-	533,016	-	-	533,016
At 31 December 2004 (restated)	於二零零四年十二月 三十一日 (經重列)	6,490	12,711	19,201	1,800,640	215,652	30,300	2,065,793
Representing: Cost (restated)	相當於： 原值 (經重列)	-	12,711	12,711	-	215,652	30,300	258,663
Valuation - 2004 (restated)	估值 - 二零零四年 (經重列)	6,490	-	6,490	1,800,640	-	-	1,807,130
		6,490	12,711	19,201	1,800,640	215,652	30,300	2,065,793
At 1 January 2005 (restated)	於二零零五年 一月一日 (經重列)	6,490	12,711	19,201	1,800,640	215,652	30,300	2,065,793
Exchange adjustments	匯兌調整	-	(6)	(6)	-	-	-	(6)
Reclassified to property held for sale	重新歸類為持作 出售物業	-	-	-	-	(32,252)	-	(32,252)
Additions	添置	-	678	678	-	-	-	678
Disposal	出售	(6,000)	(138)	(6,138)	-	-	(29,700)	(35,838)
Deficit on revaluation	重估虧絀	(18)	-	(18)	-	-	-	(18)
Less: elimination of accumulated depreciation	減：累積折舊對銷	(12)	-	(12)	-	-	-	(12)
Fair value adjustment	公平值調整	-	-	-	166,000	-	-	166,000
At 31 December 2005	於二零零五年 十二月三十一日	460	13,245	13,705	1,966,640	183,400	600	2,164,345
Representing: Cost	相當於： 原值	-	13,245	13,245	-	183,400	600	197,245
Valuation-2005	估值 - 二零零五年	460	-	460	1,966,640	-	-	1,967,100
		460	13,245	13,705	1,966,640	183,400	600	2,164,345

Notes 附註

31 December 2005 二零零五年十二月三十一日

12. FIXED ASSETS (CONTINUED)

12. 固定資產 (續)

(A) THE GROUP (CONTINUED)

(A) 本集團 (續)

		Buildings held for own use carried at fair value 以公平值列賬之 持作自用樓宇 HK\$'000 千港元	Furniture, equipment and other fixed assets 傢俬、設備 及其他 固定資產 HK\$'000 千港元	Sub-total 小計 HK\$'000 千港元	Investment property 投資物業 HK\$'000 千港元	Property development 持作日後 發展之物業 HK\$'000 千港元	Interests in leasehold land held for own use under operating leases 於根據經營 租約持作自 用租賃土地 之權益 HK\$'000 千港元	Total fixed assets 固定資產 總值 HK\$'000 千港元
Accumulated amortisation and depreciation:	累積攤銷及折舊：							
At 1 January 2004 (restated)	於二零零四年一月一日 (經重列)	-	10,685	10,685	-	135,652	275	146,612
Exchange adjustments	匯兌調整	-	35	35	-	-	-	35
Charge for the year	本年度支出	163	785	948	-	-	47	995
Written back on disposal	出售後撥回	-	(359)	(359)	-	-	-	(359)
Elimination on revaluation	重估時對銷	(163)	-	(163)	-	-	-	(163)
At 31 December 2004 (restated)	於二零零四年十二月三十一日 (經重列)	-	11,146	11,146	-	135,652	322	147,120
At 1 January 2005 (restated)	於二零零五年一月一日 (經重列)	-	11,146	11,146	-	135,652	322	147,120
Exchange adjustments	匯兌調整	-	(6)	(6)	-	-	-	(6)
Reclassified to property held for sale	重新歸類為持作出售物業	-	-	-	-	(19,752)	-	(19,752)
Charge for the year	本年度支出	112	611	723	-	-	35	758
Impairment loss	減值虧損	-	-	-	-	67,500	-	67,500
Written back on disposal	出售後撥回	(100)	(121)	(221)	-	-	(233)	(454)
Elimination on revaluation	重估時對銷	(12)	-	(12)	-	-	-	(12)
At 31 December 2005	於二零零五年十二月三十一日	-	11,630	11,630	-	183,400	124	195,154
Net book value:	賬面淨值：							
At 31 December 2005	於二零零五年十二月三十一日	460	1,615	2,075	1,966,640	-	476	1,969,191
At 31 December 2004 (restated)	於二零零四年十二月三十一日 (經重列)	6,490	1,565	8,055	1,800,640	80,000	29,978	1,918,673

12. FIXED ASSETS (CONTINUED)

(A) THE GROUP (CONTINUED)

Impairment loss

Impairment loss of approximately HK\$67,500,000 on property held for future development. In prior years, the land, which is located in the People's Republic of China (the "PRC"), was planned to be developed in four phases as a comprehensive private housing development, and the Group has completed certain portion of the first phase of this development project. In view of the market condition and the economic policy of the PRC government, the Group postponed the further development to wait for an opportune time. As at the balance sheet date, the directors were of the view that development would not be recommenced in the foreseeable future and assessed the recoverable amount of the undeveloped land on such basis. Based on this assessment, the carrying amount of this portion of land was written down by HK\$67,500,000. The estimates of recoverable amount were based on the experience of the Company's directors by reference to the PRC property market.

- (b) All investment properties of the Group were revaluated as at 31 December 2005 by reference to net rental income allowing for reversionary income potential. The valuations were carried out by an independent firm of Savills Valuation and Professional Services Limited, who have among their staff Fellows of the Hong Kong Institute of Surveyors with recent experience in the location and category of property being valued.

- (c) The buildings held by the Group for own use were revalued as at 31 December 2005 at their open market value by reference to comparable sales evidence as available in the relevant market. The valuations were carried out by an independent firm of Savills Valuation and Professional Services Limited, who have their staff Fellows of the Hong Kong Institute of Surveyors with recent experience in the location and category of property being valued.

12. 固定資產 (續)

(A) 本集團 (續)

減值虧損

持作日後發展之物業之減值虧損約為67,500,000港元。於過往年度，計劃將該位於中華人民共和國（「中國」）境內之土地分四期發展為綜合性私人住宅，且本集團已完成該發展項目之第一期若干部份。鑑於市場狀況及中國政府之經濟政策，本集團押後進一步發展，以候適當時機。截至結算日，董事認為於可見將來不會重新開始發展該項目，並據該等基準評估未發展土地之可收回金額。根據是項評估，該部分土地之賬面值撇減67,500,000港元。對可收回款項之估計乃基於本公司董事之經驗並參考中國物業市場作出。

- (b) 於二零零五年十二月三十一日，本集團所有投資物業進行重估。重估以參考就復歸收入潛力作出之淨租金收入準備進行。估值由獨立公司第一太平戴維斯估值及專業顧問有限公司（彼擁有屬於香港測量師學會資深會士之員工並對位於所估值物業地點及類別有較近之經驗）進行。

- (c) 於二零零五年十二月三十一日，本集團持作自用樓宇進行重估。重估以經參考相關市場獲得之可比銷售得出之公開市價為基準。估值由獨立公司第一太平戴維斯估值及專業顧問有限公司（彼擁有屬於香港測量師學會資深會士之員工並對位於所估值物業地點及類別有較近之經驗）進行。

Notes 附註

31 December 2005 二零零五年十二月三十一日

12. FIXED ASSETS (CONTINUED)

(c) (CONTINUED)

The revaluation deficit of HK\$18,000 (2004 (restated): surplus of HK\$133,000) have been transferred to the income statement of the Group.

Had these buildings held for own use been carried at cost less accumulated depreciation, the carrying amounts would have been HK\$570,000 (2004 (restated): HK\$7,560,000).

(d) The analysis of net book value of properties is as follows:

12. 固定資產 (續)

(c) (續)

重估虧絀18,000港元(二零零四年(經重列): 盈餘133,000港元)已轉入本集團之收益表。

倘該等持作自用樓宇按成本減累積折舊列賬, 其賬面值將為570,000港元(二零零四年(經重列): 7,560,000港元)。

(d) 物業賬面淨值分析如下:

		The Group 本集團	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
In Hong Kong	位於香港		
– long leases	– 長期租賃	1,961,000	1,830,490
– medium-term leases	– 中期租賃	1,576	1,618
		1,962,576	1,832,108
Outside Hong Kong	香港以外		
– long leases	– 長期租賃	5,000	85,000
		1,967,576	1,917,108
Representing:	相當於:		
Buildings held for own use carried at fair value	以公平值列賬之持作自用樓宇	460	6,490
Investment property	投資物業	1,966,640	1,800,640
Property held for future development	持作日後發展之物業	–	80,000
Interests in leasehold land held for own use under operating leases	於根據經營租約持作自用租賃土地之權益	476	29,978
		1,967,576	1,917,108

Notes 附註

31 December 2005 二零零五年十二月三十一日

12. FIXED ASSETS (CONTINUED)

(E) FIXED ASSETS LEASED OUT UNDER OPERATING LEASES

The Group leases out investment property under operating leases. The leases typically run for an initial period of one year, with an option to renew the lease after that date at which time all terms are renegotiated.

Lease payments are usually reviewed every year to reflect market rentals. None of the leases includes contingent rentals.

All properties held under operating leases that would otherwise meet the definition of investment property are classified as investment property.

The Group's total future minimum lease payments under non-cancellable operating leases are receivable as follows:

Within 1 year	1年以內
After 1 year but within 5 years	1年以上5年以內

12. 固定資產 (續)

(E) 根據經營租約出租之固定資產

本公司根據經營租約出租投資物業，初步租期通常為一年，到期後可就條款重新磋商以續租。

租金通常每年進行考察以反映市場租金水平。概無租賃包含或然租金。

所有根據經營租約持有並符合投資物業定義之物業歸類為投資物業。

本集團根據不可撤銷經營租約之未來應收最低租金總額如下：

2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
9,387	16,882
—	579
9,387	17,461

13. INVESTMENTS IN SUBSIDIARIES

Unlisted shares, at cost 未上市股份，原值

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group.

13. 投資於附屬公司

The Company
本公司

2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
1,418,163	1,418,163

下表僅提供主要影響本集團業績、資產或負債之附屬公司之資料。

Notes 附註

31 December 2005 二零零五年十二月三十一日

13. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

All of these are controlled subsidiaries as defined under note 1(C) and have been consolidated into the Group financial statements.

13. 投資於附屬公司 (續)

所有該等附屬公司均為如附註1(C)所定義之受控附屬公司，並已合並入本集團之財務報表中。

Name of company 公司名稱	Place of incorporation and operation 註冊成立及營業地點	Particulars of issued and paid-up capital 已發行及繳足股本詳情	Proportion of ownership interests 擁有權權益比例			Principal activity 主要業務
			Group's effective interest 本集團之實益權益	Held by the company 本公司持有	Held by a subsidiary 由一間附屬公司持有	
Allied Crown Limited 邦冠有限公司	Hong Kong 香港	2 ordinary shares of HK\$1 each 2股每股面值1港元之普通股	100%	—	100%	Property holding 持有物業
Bossiney Limited	Hong Kong 香港	98 ordinary shares of HK\$10 each and 2 non-voting deferred shares of HK\$10 each 98股每股面值10港元之普通股及2股每股面值10港元之無投票權遞延股	100%	—	100%	Property holding 持有物業
Cheung Kee Garden Limited 張記花園有限公司	Hong Kong 香港	100 ordinary shares of HK\$1 each and 450,000 non-voting deferred shares of HK\$1 each 100股每股面值1港元之普通股及450,000股每股面值1港元之無投票權遞延股	100%	—	100%	Investment holding and provision of horticultural services 投資控股及提供園藝服務
Giant Yield Limited 載益有限公司	Hong Kong 香港	98 ordinary shares of HK\$1 each and 2 non-voting deferred shares of HK\$1 each 98股每股面值1港元之普通股及2股每股面值1港元之無投票權遞延股	100%	—	100%	Property holding 持有物業

Notes 附註

31 December 2005 二零零五年十二月三十一日

13. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

13. 投資於附屬公司 (續)

Name of company 公司名稱	Place of incorporation and operation 註冊成立及 營業地點	Particulars of issued and paid-up capital 已發行及繳足 股本詳情	Proportion of ownership interests 擁有權益比例			Principal activity 主要業務
			Group's effective interest 本集團之 實益權益	Held by the company 本公司 持有	Held by a subsidiary 由一間附屬 公司持有	
Hugoton Limited	Hong Kong 香港	98 ordinary shares of HK\$10 each and 2 non-voting non-voting deferred shares of HK\$10 each 98股每股面值10港元 之普通股及2股每股 面值10港元之無投票 權遞延股	100%	–	100%	Property holding 持有物業
Super Homes Limited	Hong Kong 香港	100 ordinary shares of HK\$1 each and 100 non-voting deferred shares of HK\$0.3 each 100股每股面值1港元之 普通股及100股每股面值 0.3港元之無投票權遞延股	100%	–	100%	Property holding 持有物業
Vision Asset Management Limited	Hong Kong 香港	2 ordinary shares of HK\$1 each 2股每股面值1港元之普通股	100%	–	100%	Property holding 持有物業
Winfoong Holding Limited 榮豐控股有限公司	Hong Kong 香港	10,500,000 ordinary shares of HK\$10 each 10,500,000股每股面值 10港元之普通股	100%	–	100%	Investment holding 投資控股
Winfoong Investment Limited 榮豐投資有限公司	Hong Kong 香港	1,143,724,986 ordinary shares of HK\$0.25 each 1,143,724,986股每股 面值0.25港元之普通股	100%	–	100%	Investment holding 投資控股
江門棠泉房地 產有限公司*#	The People's Republic of China 中華人民共和國	US\$7,365,356 7,365,356美元	92%	–	92%	Property development 物業發展

* Audited by other auditors

Sino-Foreign Equity Joint Venture Enterprise

* 經其他核數師審核

中外股本合營企業

Notes 附註

31 December 2005 二零零五年十二月三十一日

14. INTEREST IN AN ASSOCIATE

14. 於一間聯營公司之權益

		The Group 本集團	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Share of net assets	應佔資產淨值	393,602	373,159
Market value of shares listed in the Republic of Singapore	於新加坡共和國上市之 股份市值	251,723	135,781

Proportion of ownership interests 擁有權權益比例						
Name of associate 聯營公司名稱	Form of business structure 業務結構形式	Place of incorporation and operation 註冊成立及營業地點	Group's effective interest			
			Held by a company 本公司持有	Held by a subsidiary 由一間附屬 公司持有	Principal activity 主要業務	
Hong Fok Corporation Limited ("HFC")* 鴻福實業有限公司 (「鴻福實業」)*	Incorporated 法團公司	Republic of Singapore 新加坡共和國	20.2%	–	20.2%	Investment holding 投資控股

* Audited by other auditors

* 經其他核數師審核

Notes 附註

31 December 2005 二零零五年十二月三十一日

14. INTEREST IN AN ASSOCIATE (CONTINUED)

14. 於一間聯營公司之權益

Summary financial information on associates

附屬公司之摘要財務資料

		Assets 資產 HK\$'000 千港元	Liabilities 負債 HK\$'000 千港元	Equity 權益 HK\$'000 千港元	Revenues 收益 HK\$'000 千港元	Profit/(loss) 溢利/(虧損) HK\$'000 千港元
2005	二零零五年					
100 per cent Group's effective interest	100% 本集團實益權益	5,128,848	2,386,443	2,742,405	180,555	(42,135) 30,472
2004	二零零四年					
100 per cent Group's effective interest	100% 本集團實益權益	4,936,390	2,375,462	2,560,928	190,376	6,267 (448)

CONTINGENT LIABILITIES

或然負債

As at 31 December 2005, HFC had given corporate guarantees to secure loan facilities granted to its subsidiaries amounting to approximately HK\$2,369,893,000 (2004: HK\$2,334,686,000).

於二零零五年十二月三十一日，鴻福實業為其附屬公司獲授貸款出具公司擔保約2,369,893,000港元(二零零四年：2,334,686,000港元)作為抵押。

15. OTHER NON-CURRENT FINANCIAL ASSETS

15. 其他非流動金融資產

		The Group 本集團	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Available-for-sale equity securities (2004: Investment securities): Unlisted equity-investments, at cost Less: Accumulated impairment losses	可供出售股本證券 (二零零四年：投資證券)： 非上市股本投資，原值 減：累積減值虧損	3,362 (2,012)	6,626 (3,348)
		1,350	3,278
Unlisted debentures, at cost	非上市債券，原值	100	100
Investment in club membership	投資於俱樂部會籍	310	310
Loan receivable (note)	應收貸款(附註)	990	—
		2,750	3,688

Note: Loan receivable is unsecured, interest bearing at HIBOR plus 2% per annum and repayable on 31 August 2010.

附註：應收貸款乃無抵押，年息為香港銀行同業拆息加2厘，並須於二零一零年八月三十一日支付。

Notes 附註

31 December 2005 二零零五年十二月三十一日

16. INVENTORIES

(A) Inventories in the consolidated balance sheet comprise:

Plants	植物
Properties held for sale	持作出售物業

16. 存貨

(A) 列入綜合資產負債表內之存貨包括：

The Group 本集團

2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
224	251
14,146	74,652
14,370	74,903

(B) The analysis of carrying value of properties held for sale is as follows:

In Hong Kong	在香港
– 50 years or more (long leases)	– 50年或50年以上(長期租賃)
Outside Hong Kong	香港以外
– 50 years or more (long leases)	– 50年或50年以上(長期租賃)

(B) 持作出售物業之賬面值分析如下：

本集團

2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
1,646	74,652
12,500	–
14,146	74,652

Notes 附註

31 December 2005 二零零五年十二月三十一日

16. INVENTORIES (CONTINUED)

(c) The analysis of the amount of inventories recognised as an expense is as follows:

16. 存貨 (續)

(c) 確認為開支之存貨金額分析如下：

		The Group 本集團					
		Plants 廠房		Properties 物業		Total 總計	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Carrying amount of inventories sold	已售存貨 之賬面值	501	450	72,646	10,630	73,147	11,080
Write down of inventories	撇減存貨	—	—	360	—	360	—
Reversal of write-down of inventories	撥回撇減 存貨	—	—	—	(26,000)	—	(26,000)
		501	450	73,006	(15,370)	73,507	(14,920)

During the year ended 31 December 2004, the reversal of write-down of inventories made in prior years arose due to an increase in the estimated net realisable value of certain properties as a result of a change in property market.

All of the inventories are expected to be recovered within one year.

於截至二零零四年十二月三十一日止年度，由於物業市場變動導致若干物業之估計可變現淨值有所增加，因而撥回上年作出之存貨撇減。

所有該等存貨預計於一年內收回。

Notes 附註

31 December 2005 二零零五年十二月三十一日

17. TRADE AND OTHER RECEIVABLES

17. 貿易及其他應收賬項

		The Group 本集團		The Company 本公司	
		2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Amount due from a subsidiary	一間附屬公司之欠款	—	—	230,970	231,227
Tax reserve certificate	儲稅券	14,449	14,449	—	—
Trade debtors	應收貿易賬款	432	923	—	—
Gross amounts due from customers for contract work (note 18)	應收客戶合約工程款項總額(附註18)	595	595	—	—
Retentions receivable (note 18)	應收保留款項(附註18)	338	338	—	—
Other debtors, deposits and prepayments	其他應收款，按金及預付款	4,123	5,100	273	273
		19,937	21,405	231,243	231,500

The amount due from the subsidiary is unsecured, non-interest bearing and has no fixed terms of repayment.

該附屬公司所欠款項乃無抵押、無息且無固定還款期。

All of the trade and other receivables (including amount due from a subsidiary), apart from tax reserve certificate, amount due to the subsidiary and those mentioned in note 18, are expected to be recovered within one year.

除儲稅券、欠該附屬公司款項及附註18提及者外，所有貿易及其他應收賬項(包括附屬公司所欠款項)，預計將於一年內收回。

Notes 附註

31 December 2005 二零零五年十二月三十一日

17. TRADE AND OTHER RECEIVABLES (CONTINUED)

Included in trade and other receivables are trade debtors (net of impairment losses for bad and doubtful debts) with the following ageing analysis as of the balance sheet date:

Current	即期
1 to 3 month overdue	一至三個月到期
More than 3 months overdue but less than 12 months overdue	超過三個月但短於十二個月到期

17. 貿易及其他應收賬項 (續)

於貿易及其他應收賬項內，應收貿易款項(扣除呆壞賬減值虧損)於結算日之賬齡分析如下：

本集團	
2005	2004
二零零五年	二零零四年
HK\$'000	HK\$'000
千港元	千港元
374	809
54	48
4	66
432	923

The Group's credit policy is set out in note 27(A).

本集團之信貸政策載於附註27(A)。

18. CONSTRUCTION CONTRACTS

18. 建造合約

Costs incurred plus recognised profits less recognised losses to date	成本加迄今為止已確認溢利減已確認虧損
Progress payments received and receivable	已收及應收之進度付款
Gross amount due from customers for contract work	客戶合約工程之欠款總額

本集團	
2005	2004
二零零五年	二零零四年
HK\$'000	HK\$'000
千港元	千港元
75,333	75,333
(74,738)	(74,738)
595	595

18. CONSTRUCTION CONTRACTS (CONTINUED)

These amounts are related to construction contracts which have been completed in prior years. 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.

The gross amount due from customers for contract work at 31 December 2005 that is expected to be recovered after more than one year is HK\$595,000 (2004: HK\$595,000).

In respect of construction contracts completed in prior years, the amount of retentions receivable from customers at 31 December 2005 is HK\$338,000 (2004: HK\$338,000). The amount of those retentions is expected to be recovered after more than one year is HK\$338,000 (2004: HK\$338,000). The amount of retentions payable to suppliers at 31 December 2005 is HK\$2,795,000 (2004: HK\$3,639,000), which is expected to be payable after more than one year.

18. 建造合約 (續)

該等金額與過往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、分判商及分判商之僱員仍就釐定(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。

於二零零五年十二月三十一日，客戶就合約工程欠款總額為595,000港元(二零零四年：595,000港元)，預計於超過一年後收回。

就於過往年度完成之建造合約而言，於二零零五年十二月三十一日應收自客戶之保留款項金額為338,000港元(二零零四年：338,000港元)。預計超過一年之後收回之保留款項金額為338,000港元(二零零四年：338,000港元)。於二零零五年十二月三十一日應向供應商支付保留款項之金額為2,795,000港元(二零零四年：3,639,000港元)，預計超過一年之後予以支付。

Notes 附註

31 December 2005 二零零五年十二月三十一日

19. CASH AND CASH EQUIVALENTS

19. 現金及現金等價物

		The Group 本集團		The Company 本公司	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Deposits with banks and other financial institutions	銀行及其他金融機構存款	—	200	—	—
Cash at bank and in hand	銀行及手頭之現金	4,527	4,873	7	6
Cash and cash equivalents in the balance sheet	資產負債表內之現金及現金等價物	4,527	5,073	7	6
Pledged bank balances and time deposits for bank borrowings	抵押銀行借貸之銀行結存及定期存款	(912)	(4,191)		
Cash and cash equivalents in the consolidated cash flow statement	綜合現金流量表內之現金及現金等價物	3,615	882		

20. TRADE AND OTHER PAYABLES

20. 貿易及其他應付賬項

		The Group 本集團		The Company 本公司	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Trade creditors	應付貿易賬款	2,241	2,314	—	—
Other creditors and accrued charges	其他應付賬款及應計開支	8,052	5,712	385	285
Retentions payable (note 18)	應付保留款項(附註18)	2,795	3,639	—	—
Deposits received	應收按金	4,646	6,727	—	—
		17,734	18,392	385	285

All of the trade and other payables, apart from those mentioned in note 18, are expected to be settled within one year.

除附註18提及者外，所有貿易及其他應付賬項預計於一年內支付。

Notes 附註

31 December 2005 二零零五年十二月三十一日

20. TRADE AND OTHER PAYABLES (CONTINUED)

Included in trade and other payables are trade creditors with the following ageing analysis as of the balance sheet date:

20. 貿易及其他應付賬項 (續)

於貿易及其他應付賬項內，應付貿易款項於結算日之賬齡分析如下：

		本集團	
		2005	2004
		二零零五年	二零零四年
		HK\$'000	HK\$'000
		千港元	千港元
Due within 1 month or on demand	於一個月內到期或於要求時償還	80	129
Due after 1 month but within 3 months	一個月後到期但不超過三個月	50	37
Due after 3 months but within 6 months	三個月後到期但不超過六個月	24	44
Due after 6 months but within 12 months	六個月後到期但不超過十二個月	23	90
Over 1 year	一年以上	2,064	2,014
		2,241	2,314

21. BANK BORROWINGS, SECURED

At 31 December 2005, the secured bank borrowings were repayable as follows:

21. 銀行借款，有抵押

於二零零五年十二月三十一日，有抵押銀行借款須於以下期間償還：

		本集團	
		2005	2004
		二零零五年	二零零四年
		HK\$'000	HK\$'000
		千港元	千港元
Within 1 year or on demand as classified under current liabilities	於一年內或於要求時償還 (歸類為流動負債)	80,204	32,722
After 1 year but within 2 years	一年後但不超過兩年	41,027	121,078
After 2 years but within 5 years	兩年後但不超過五年	234,680	148,786
After 5 years	五年以上	71,512	257,035
After 1 year as classified under non-current liabilities	一年以上(歸類為非流動負債)	347,219	526,899
		427,423	559,621

21. BANK BORROWINGS, SECURED (CONTINUED)

At 31 December 2005, the banking facilities of certain subsidiaries were secured by:

- (i) fixed charges over certain of the Group's investment properties situated in Hong Kong with an aggregate carrying value of HK\$1,961,000,000 (2004: HK\$1,795,000,000);
- (ii) assignment of insurance, sale and rental proceeds of the aforementioned properties situated in Hong Kong;
- (iii) charges over certain of the Group's bank balances of HK\$912,000 (2004: HK\$4,191,000) for the purpose of assignment of sales and rental proceeds and issued shares of certain wholly-owned subsidiaries of the Group;
- (iv) subordination and assignment of intra-group and shareholders' loans to certain wholly-owned subsidiaries of the Group in favour of the banks;
- (v) obligation of Hong Fok Corporation Limited, which holds indirectly approximately 40% interest in the Company, to obtain prior written consent from a bank for the transfer of or change in ownership of the Company;
- (vi) floating charges over the assets of Hugoton Limited and Super Homes Limited ("SHL"), wholly-owned subsidiaries of the Group;
- (vii) share mortgages over the entire issued share capital of SHL; and
- (viii) corporate guarantees given by the Company and a subsidiary, Luxurious Time Properties Limited.

21. 銀行借款，有抵押

於二零零五年十二月三十一日，若干附屬公司之銀行融資額由下列各項抵押：

- (i) 賬面總值為1,961,000,000港元(二零零四年：1,795,000,000港元)之本集團若干位於香港之投資物業之固定抵押；
- (ii) 轉讓上述位於香港之物業之保險、銷售及租金所得款項；
- (iii) 本集團若干銀行結存912,000港元(二零零四年：4,191,000港元)之抵押，以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；
- (iv) 以銀行為受益人將集團間及授予本集團若干全資附屬公司之股東貸款改為後償及予以轉讓；
- (v) 間接持有本公司約40%權益之鴻福實業有限公司須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；
- (vi) Hugoton Limited及Super Homes Limited(「SHL」)(本集團全資附屬公司)之資產之浮動抵押；
- (vii) 就SHL之全部已發行股本之股份抵押；及
- (viii) 本公司及一間附屬公司Luxurious Time Properties Limited作出之公司擔保。

22. DEFINED CONTRIBUTION RETIREMENT PLAN

The Group operates a Mandatory Provident Fund Scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance and not previously covered by the defined benefit retirement plan. The MPF Scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF Scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK\$20,000. Contributions to the plan vest immediately.

23. EQUITY SETTLED SHARE-BASED TRANSACTIONS

The Company has a share option scheme which was adopted on 15 April 2002 whereby the directors of the Company are authorised, at their discretion, to invite employees of the Group, including directors of any company in the Group, to take up options at nil consideration to subscribe for shares of the Company. The options vest from the date of grant and are then exercisable within a period of ten years. Each option gives the holder the right to subscribe for one ordinary share in the Company.

- (A) The terms and conditions of the grants that existed during the years are as follows, whereby all options are settled by physical delivery of shares:

Options granted to directors/ employees:	授予董事／僱員之 購股權：
– on 18 January 2005	— 於二零零五年 一月十八日

Number of instruments 票據數目	Vesting conditions 歸屬條件	Contractual life of options 購股權之 合約年期
53,040,000	From the date of grant 自授出當日起計	7.25 years 7.25年

22. 界定供款退休計劃

本集團根據香港強制性公積金計劃條例對於香港僱用條例管轄範圍內僱用及之前未納入界定福利退休計劃之僱員執行強制性公積金計劃（「強制性公積金計劃」）。強制性公積金計劃為由獨立受託人管理之界定供款退休計劃。根據強制性公積金計劃，僱主及僱員各須按僱員有關收入之5%向該計劃供款，且每月有關收入上限為20,000港元。該計劃之供款乃即時歸屬。

23. 以股份支付之股份形式交易

本公司現有一項於二零零二年四月十五日採納之購股權計劃，據此，本公司董事獲授權酌情邀請本集團僱員（包括本集團任何公司之董事）接納購股權（免付代價）以認購本公司股份。購股權自授出當日起歸屬，於十年之期限內可予行使。每份購股權賦予持有人認購一股本公司普通股之權利。

- (A) 過往年度之授出條款及條件如下，據此所有購股權以實物交收股份之形式結算：

Notes 附註

31 December 2005 二零零五年十二月三十一日

23. EQUITY SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

- (b) The number and weighted average exercise prices of share options are as follows:

		2005	
		二零零五年	
		Weighted	
		average	
		exercise	
		price	Number of
		加權平均	options
		行使價	購股權數目
			'000
			千份
Outstanding at the beginning of the year	年初未行使	—	—
Granted during the year	年內授出	HK\$0.377	53,040
Outstanding at the end of the year	年末未行使	HK\$0.377	53,040
Exercisable at the end of the year	年末可行使	HK\$0.377	53,040

The options outstanding at 31 December 2005 had an exercise price of HK\$0.377 (2004: not applicable) and a weighted average remaining contractual life of 6.3 years (2004: not applicable).

- (c) Fair value of share options and assumptions

The fair value of services received in return for share options granted are measured by reference to the fair value of share options granted. The estimate of the fair value of the services received is measured based on a Black-Scholes Option Pricing Model ("BS-Model"). The contractual life of the option is used as an input into this model. Expectations of early exercise are incorporated into the B-S Model.

23. 以股份支付之股份形式交易 (續)

- (b) 購股權之數目及加權平均行使價如下：

		2004	
		二零零四年	
		Weighted	
		average	
		exercise	
		price	Number of
		加權平均	options
		行使價	購股權數目
			'000
			千份
Outstanding at the beginning of the year	年初未行使	—	—
Granted during the year	年內授出	—	—
Outstanding at the end of the year	年末未行使	—	—
Exercisable at the end of the year	年末可行使	—	—

於二零零五年十二月三十一日尚未行使之購股權行使價為0.377港元 (二零零四年：不適用)，加權平均剩餘合約年期為6.3年 (二零零四年：不適用)。

- (c) 購股權之公平值及假設

就所提供之服務換取授出購股權之價值，乃參考已授出購股權之公平值計量。所收取服務費之估計公平值以柏力克－舒爾斯期權定價模式 (「柏力克－舒爾斯模式」) 計量。購股權之合約年期用作該模式之一項輸入參數。預計之提早行使已計入柏力克－舒爾斯模式之內。

Notes 附註

31 December 2005 二零零五年十二月三十一日

23. EQUITY SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

23. 以股份支付之股份形式交易 (續)

(c) Fair value of share options and assumptions (continued)

(c) 購股權之公平值及假設 (續)

Fair value of share options and assumptions

購股權之公平值及假設

Fair value at measurement date	於計量日之公平值
Market price per share	每股市價
Exercise price per share	每股行使價
Expected volatility (expressed as weighted average volatility used in the modelling under B-S Model)	預期波幅 (以柏力克－舒爾斯模式使用之加權平均波幅列示)
Time to expiration	尚餘到期年期
Expected dividends	預期股息
Risk-free interest rate (based on Hong Kong government bond)	無風險息率 (以香港政府債券為基準)

2005

二零零五年

HK\$0.168港元

HK\$0.365港元

HK\$0.377港元

62%

3.62 years年

0%

2.4%

The expected volatility is based on the historic volatility (calculated based on the weighted average remaining life of the share options), adjusted for any expected changes to future volatility due to publicly available information. Expected dividends are based on historical dividends. Changes in the subjective input assumptions could materially affect the fair value estimate.

預期波幅以歷史波幅為基準 (根據購股權之加權平均剩餘年期計算)，並根據因可公開獲得之資料產導致未來波幅之任何預期變化予以調整。預期股息以歷史股息為基準。所採用主觀假設之變動可對公平值之估計產生重大影響。

Share options were granted under a service condition. This condition has not been taken into account in the grant date fair value measurement of the services received. There were no market conditions associated with the share option grants.

購股權按一項服務條件授出。於計算已獲取之服務於授出日期公平值時，此一條件並無計入內。概無與授出購股權有關之市場條件。

Notes 附註

31 December 2005 二零零五年十二月三十一日

24. INCOME TAX IN THE BALANCE SHEET

(A) Current taxation in the balance sheet represents:

Balance of Hong Kong Profits Tax provision relating to prior years 有關過往年度之香港利得稅撥備

(B) Deferred tax assets and liabilities recognised:

The components of deferred tax (assets)/liabilities recognised in the consolidated balance sheet and the movements during the year are as follows:

24. 資產負債表內之所得稅

(A) 資產負債表內之本期稅項指：

本集團	
2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
14,449	14,449

(B) 已確認之遞延稅項資產及負債：

綜合資產負債表內已確認遞延稅項(資產)/負債之成分及年內變動如下：

		The Group 本集團			
		Revaluation of investment property 投資物業重估 HK\$'000 千港元	Depreciation allowances in excess of the related depreciation 折舊之折舊備抵 HK\$'000 千港元	Tax losses 稅項虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Deferred tax arising from:	下列各項目產生之遞延稅項：				
At 1 January 2004 (restated)	於二零零四年一月一日(經重列)	125,000	1,426	(1,015)	125,411
Charge to profit or loss	損益表內扣除	93,000	—	—	93,000
At 31 December 2004 (restated)	於二零零四年十二月三十一日(經重列)	218,000	1,426	(1,015)	218,411
At 1 January 2005 (restated)	於二零零五年一月一日(經重列)	218,000	1,426	(1,015)	218,411
Charged/(credited) to profit or loss	損益表內扣除/(計入)	29,050	544	(1,364)	28,230
At 31 December 2005	於二零零五年十二月三十一日	247,050	1,970	(2,379)	246,641

Notes 附註

31 December 2005 二零零五年十二月三十一日

24. INCOME TAX IN THE BALANCE SHEET (CONTINUED)

(b) Deferred tax assets and liabilities recognised (continued):

Net deferred tax asset recognised on the balance sheet	資產負債表內確認之遞延稅項資產淨額
Net deferred tax liability recognised on the balance sheet	資產負債表內確認之遞延稅項負債淨額

24. 資產負債表內之所得稅 (續)

(b) 已確認之遞延稅項資產及負債：(續)

本集團	
2005 二零零五年	2004 二零零四年 (restated) (重列)
HK\$'000 千港元	HK\$'000 千港元
(1,791)	(986)
248,432	219,397
246,641	218,411

(c) DEFERRED TAX ASSETS NOT RECOGNISED

(i) The Group

In accordance with the accounting policy set out in note 1(R), at 31 December 2005, the Group has not recognised deferred tax assets in respect of cumulative tax losses of HK\$625,136,000 (2004: HK\$523,026,000) as it is not probable that future taxable profits against which the tax losses can be utilised will be available in the relevant tax jurisdiction and entity. The tax losses do not expire under current tax legislation.

(ii) The Company

At 31 December 2005, the Company has cumulative tax losses of HK\$10,099,000 (2004: HK\$945,000) available for against future taxable profits for an unlimited period of time. No deferred tax asset has been recognised in respect of such cumulative tax losses as it is not probable that future taxable profits against which the tax losses can be utilised will be available in the relevant tax jurisdiction and such tax losses are subject to the agreement with the tax authority.

(c) 未確認之遞延稅項資產

(i) 本集團

根據附註1(R)所載之會計政策，於二零零五年十二月三十一日，本集團並無就625,136,000港元(二零零四年：523,026,000港元)之累計稅項虧損確認遞延稅項資產，因為在有關之稅務司法權區或實體而言不大可能未來應課稅溢利可動用稅項虧損，根據現行稅務法規，該等稅項虧損並未到期。

(ii) 本公司

於二零零五年十二月三十一日，本公司可供抵銷未來應課稅溢利之無限期限累計稅項虧損為10,099,000港元(二零零四年：945,000港元)。未就該等累計稅項虧損確認遞延稅項資產，因為在有關之稅務司法權區或實體而言不大可能未來應課稅溢利可動用稅項虧損，且該等稅項虧損須待稅務當局同意，方可作實。

Notes 附註

31 December 2005 二零零五年十二月三十一日

25. CAPITAL AND RESERVES

25. 資本及儲備

(A) THE GROUP

(A) 本集團

Attributable to equity shareholders of the Company
本公司權益持有人應佔

	Note 附註	Share capital 股本	Share premium 股份溢價	Capital redemption reserve 資本 贖回儲備	Contributed surplus 繳入盈餘	Capital reserve 資本儲備	Exchange reserve 匯兌儲備	Revaluation reserves Land and buildings 重估儲備	Investment properties 投資物業	Share-based compensation reserve 以股份支付 之酬勞儲備	Retained profits/ (accumulated losses) 保留溢利/ (累計虧損)	Total 總計	Minority interests 少數 股東權益	Total equity 總權益
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2004	於二零零四年 一月一日	74,620	196,873	121	618,098	145,549	(152,966)	-	713,720	-	(371,510)	1,224,505	3,159	1,227,664
- as previously reported	- 如前呈報													
- prior period adjustment in respect of:	- 就下列項目作出 之以往期間調整													
- HKAS 17	- HKAS 17	2(F)	-	-	-	-	-	-	-	-	4,865	4,865	-	4,865
- HKAS 40	- HKAS 40	2(H)	-	-	-	-	-	-	(713,720)	-	588,720	(125,000)	-	(125,000)
- as restated	- 經重列		74,620	196,873	121	618,098	145,549	(152,966)	-	-	222,075	1,104,370	3,159	1,107,529
Exchange difference on translation of financial statements of overseas subsidiaries	換算海外附屬公司 財務報表之匯兌 差額		-	-	-	-	(68)	-	-	-	-	(68)	(28)	(96)
Share of movements in reserves of an associate	應佔一間聯營公司 儲備變動		-	-	-	-	18,680	-	-	-	-	18,680	-	18,680
Profit for the year (restated)	年度溢利 (經重列)		-	-	-	-	-	-	-	-	454,440	454,440	(79)	454,361
At 31 December 2004 (as restated)	於二零零四年十二月 三十一日 (經重列)		74,620	196,873	121	618,098	145,549	(134,354)	-	-	676,515	1,577,422	3,052	1,580,474

Notes 附註

31 December 2005 二零零五年十二月三十一日

25. CAPITAL AND RESERVES (CONTINUED)

25. 資本及儲備 (續)

(A) THE GROUP (CONTINUED)

(A) 本集團 (續)

		Attributable to equity shareholders of the Company 本公司權益持有人應佔													
Note 附註												Retained profits/ (accumulated losses)	Minority interests 少數 股東權益	Total equity 總權益	
		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Capital redemption reserve 資本 贖回儲備 HK\$'000 千港元	Contributed surplus 繳入盈餘 HK\$'000 千港元	Capital reserve 資本儲備 HK\$'000 千港元	Exchange reserve 匯兌儲備 HK\$'000 千港元	Land and buildings 土地及樓宇 HK\$'000 千港元	Investment properties 投資物業 HK\$'000 千港元	Share-based compensation reserve 以股份支付 之酬勞儲備 HK\$'000 千港元	Fair value reserve 公平價 值儲備 HK\$'000 千港元				
											保留溢利/ (累計虧損) HK\$'000 千港元				
At 1 January 2005	於二零零五年一月一日														
- as previously reported	- 如前呈報	74,620	196,873	121	618,098	145,549	(134,354) ¹	12,178	1,245,819	-	-	(349,160)	1,809,744	3,052	1,812,796
- prior period adjustment in respect of:	- 就下列項目作出 之以往期間調整														
- HKAS 17	- HKAS 17	2(A)(i)	-	-	-	-	-	(12,178)	-	-	-	(2,144)	(14,322)	-	(14,322)
- HKAS 40	- HKAS 40	2(A)(i)	-	-	-	-	-	-	(1,245,819)	-	-	1,027,819	(218,000)	-	(218,000)
- as restated, before opening balance adjustments	- 經重列，於期初結餘 調整前														
		74,620	196,873	121	618,098	145,549	(134,354)	-	-	-	-	676,515	1,577,422	3,052	1,580,474
- HKFRS 3	- HKFRS 3	2(D)	-	-	-	-	(145,549)	-	-	-	-	145,549	-	-	-
- as restated, after opening balance adjustments	- 經重列，於期初 結餘調整後														
		74,620	196,873	121	618,098	-	(134,354)	-	-	-	-	822,064	1,577,422	3,052	1,580,474
Exchange difference on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務 報表之匯兌差額														
		-	-	-	-	-	(7)	-	-	-	-	-	(7)	17	10
Share of movements in reserves of an associate	應佔一間聯營公司儲備變動														
		-	-	-	-	-	(9,416)	-	-	-	519	-	(8,897)	-	(8,897)
Equity settled share-based transactions	以股份支付之以股份形式交易														
		-	-	-	-	-	-	-	-	8,911	-	-	8,911	-	8,911
Profit for the year	年度溢利														
		-	-	-	-	-	-	-	-	-	-	115,131	115,131	(3,069)	112,062
At 31 December 2005	於二零零五年十二月三十一日														
		74,620	196,873	121	618,098	-	(143,777)	-	-	8,911	519	937,195	1,692,560	-	1,692,560

Notes 附註

31 December 2005 二零零五年十二月三十一日

25. CAPITAL AND RESERVES (CONTINUED)

25. 資本及儲備 (續)

(B) THE COMPANY

(B) 本公司

		Capital redemption reserve			Share-based compensation			
		Share capital	Share premium	Capital redemption reserve	Contributed surplus	Share-based compensation reserve	Accumulated losses	Total
		股本	股份溢價	資本贖回儲備	繳入盈餘	以股份支付之酬勞儲備	累計虧損	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January	於二零零四年							
2004	一月一日	74,620	196,873	121	1,386,571	–	(433,531)	1,224,654
Profit for the year	年度溢利	–	–	–	–	–	424,730	424,730
At 31 December	於二零零四年							
2004	十二月三十一日	74,620	196,873	121	1,386,571	–	(8,801)	1,649,384
At 1 January	於二零零五年							
2005	一月一日	74,620	196,873	121	1,386,571	–	(8,801)	1,649,384
Equity settled	以股份支付之							
share-based	股份形式交易							
transactions		–	–	–	–	8,911	–	8,911
Loss for the year	年度虧損	–	–	–	–	–	(9,267)	(9,267)
At 31 December	於二零零五年							
2005	十二月三十一日	74,620	196,873	121	1,386,571	8,911	(18,068)	1,649,028

Notes 附註

31 December 2005 二零零五年十二月三十一日

25. CAPITAL AND RESERVES (CONTINUED)

25. 資本及儲備 (續)

(c) SHARE CAPITAL

(c) 股本

(i) Authorised and issued share capital

(i) 法定及已發行股本

		2005 二零零五年		2004 二零零四年	
		No. of shares 股份數目		No. of shares 股份數目	
		'000 千股	HK\$'000 千港元	'000 千股	HK\$'000 千港元
Authorised:	法定：				
Ordinary shares of HK\$0.05 each	每股面值0.05 港元之普通股	2,000,000	100,000	2,000,000	100,000
Ordinary shares, issued and fully paid:	普通股，已發行 及繳足：				
At 1 January and 31 December	於一月一日及 十二月三十一日	1,492,411	74,620	1,492,411	74,620

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company. All ordinary shares rank equally with regard to the Company's residual assets.

普通股持有人有權獲派不時宣派之股息，且在本公司會議上每股可獲一票投票權。所有普通股對本公司之剩餘資產享有同等權益。

Notes 附註

31 December 2005 二零零五年十二月三十一日

25. CAPITAL AND RESERVES (CONTINUED)

(c) SHARE CAPITAL (CONTINUED)

- (ii) *Terms of unexpired and unexercised share options at balance sheet date*

Exercise period 行使期	Exercise price 行使價
18 January 2005 to 14 April 2012 二零零五年一月十八日至 二零一二年四月十四日	HK\$0.377 0.377港元

Each option entitles the holder to subscribe for one ordinary share in the Company. Further details of these options are set out in note 23 to the financial statements.

(d) NATURE AND PURPOSE OF RESERVES

- (i) *Share premium and capital redemption reserve*
The application of the share premium account and the capital redemption reserve is governed by the Bermuda Companies Act.
- (ii) *Contributed surplus*
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.

25. 資本及儲備 (續)

(c) 股本 (續)

- (ii) 於結算日未到期及未行使購股權之條款

2005 二零零五年 Number 數目	2004 二零零四年 Number 數目
53,040,000	—

每份購股權賦予持有人認購本公司一股普通股之權利。該等購股權之進一步詳情載於財務報表附註23。

(D) 儲備性質及用途

- (i) 股份溢價與資本贖回儲備
股份溢價賬及資本贖回儲備之運用受百慕達公司法監管。
- (ii) 繳入盈餘
本集團繳入盈餘指本公司已發行股本之面值與一九九六年本集團重組所收購附屬公司之股本及股份溢價賬總額之差額。

25. CAPITAL AND RESERVES (CONTINUED)

(d) NATURE AND PURPOSE OF RESERVES (CONTINUED)

(iii) *Contributed surplus (continued)*

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.

(iii) *Exchange reserve*

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in note 1(U).

(iv) *Revaluation reserves*

The revaluation reserves have been set up and are dealt with in accordance with the accounting policies adopted for land and buildings in notes 1(H) and 2(F)(i).

(v) *Share-based compensation reserve*

The fair value of the actual or estimated number of unexercised share options granted to employees of the company recognised in accordance with the accounting policy adopted for share based payments in note 1(Q)(ii).

(vi) *Fair value reserve*

The fair value reserve comprises the cumulative net change in the fair value of available-for-sale securities held at the balance sheet date and is dealt with in accordance with the accounting policies in notes 1(F) and (J).

25. 資本及儲備(續)

(d) 儲備性質及用途(續)

(ii) 繳入盈餘(續)

本公司繳入盈餘指本公司已發行股本之面值與按照一九九六年集團重組於收購日所收購附屬公司之總資產淨值之差額。根據百慕達一九八一年公司法(經修訂)，本公司於若干條件下可向其成員公司分配繳入盈餘。

(iii) 匯兌儲備

匯兌儲備包含所有因換算海外業務財務報表產生之匯兌差額。該儲備按附註1(U)所載會計政策處理。

(iv) 重估儲備

已設立重估儲備，並按附註1(H)及2(F)(i)所載就土地及樓宇採納之會計政策處理。

(v) 以股份支付之酬勞儲備

授予本公司僱員尚未行使之購股權實際或估計數目之公平值按附註1(Q)(ii)所載就以股份付款採納之會計政策予以確認。

(vi) 公平值儲備

公平值儲備包含於結算日持有之可供出售證券公平值之累計變動淨額，按附註1(F)及(J)所載之會計政策處理。

Notes 附註

31 December 2005 二零零五年十二月三十一日

25. CAPITAL AND RESERVES (CONTINUED)

(E) DISTRIBUTABILITY OF RESERVES

At 31 December 2005, the aggregate amount of reserves available for distribution to equity shareholders of the Company was HK\$1,368,503,000 (2004 (restated): 1,377,770,000).

25. 資本及儲備 (續)

(E) 分配儲備

於二零零五年十二月三十一日，可分配予本公司權益持有人之儲備總額為1,368,503,000港元(二零零四年：(經重列)：1,377,770,000)。

26. NOTE TO CONSOLIDATED CASH FLOW STATEMENT

26. 綜合現金流量表附註

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 (restated) (重列) HK\$'000 千港元
Net assets disposed of:	已出售資產淨值：		
Investment properties	投資物業	—	2,196
Other long term asset	其他長期資產	—	700
Other receivables	其他應收款項	—	6
Other payables and accruals	其他應付款項及應計費用	—	(15)
Gain on disposal	出售所得收益	—	156
		—	3,043
Satisfied by:	以下列項目支付：		
Cash	現金	—	3,043
Any analysis of the inflow of cash and cash equivalents in respect of the disposal of subsidiaries is as follows:	出售附屬公司之現金及現金等價物流入之分析如下：		
Cash receipt	已收現金	—	3,043

27. FINANCIAL INSTRUMENTS

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business. These risks are limited by the Group's financial management policies and practices described below.

(A) CREDIT RISK

The Group's credit risk is primarily attributable to trade and other receivables. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

In respect of trade and other receivables, credit evaluations are performed on all customers requiring credit over a certain amount. These receivables are due within 60 days from the date of billing. Debtors with balances that are more than 3 months overdue are requested to settle all outstanding balances before any further credit is granted. Normally, the Group does not obtain collateral from customers.

(B) INTEREST RATE RISK

The interest rates and maturity information of the Group's non-current loan receivable and bank loans are disclosed in notes 15 and 21 respectively.

27. 金融工具

信貸、流動資金、利率及貨幣風險乃在本集團業務之正常過程中產生。該等風險受下列本集團之財務管理政策及實務所制約。

(A) 信貸風險

本集團之信貸風險主要由貿易及其他應收賬項產生。管理層已制定現成之信貸政策，並對該等信貸風險持續監控。

就貿易及其他應收賬項而言，將須對要求超出若干金額之信貸之客戶進行信貸評估。該等應收賬項自發出賬單日起60日內償還。逾期3個月未結清餘額之債務人須結清所有未償還餘額後方可授予進一步信貸。本集團通常不收取客戶抵押品。

(B) 利率風險

本集團之應收非即期貸款及銀行貸款之利率及到期情況分別披露於附註15及21。

27. FINANCIAL INSTRUMENTS (CONTINUED)

(c) FOREIGN CURRENCY RISK

As most of the Group's monetary assets and liabilities are denominated in Hong Kong Dollars, Singapore Dollars and Renminbi, and the Group conducted its business transactions principally in Hong Kong Dollars, Singapore Dollars and Renminbi, all of which were relatively stable during the year under review, the Group experiences only immaterial exchange rate fluctuations. The Group considers that as the exchange rate risk of the Group is not significant, the Group did not employ any financial instruments for hedging purposes.

(d) ESTIMATION OF FAIR VALUES

The estimation of fair values of share-based compensation is disclosed in note 23.

27. 金融工具 (續)

(c) 外匯風險

由於本集團之貨幣資產及負債大部分以港元、新加坡元及人民幣計算，且本集團主要以港元、新加坡元及人民幣進行業務交易，而於回顧年度內該等貨幣均相對穩定，故本集團僅經歷輕微之匯率波動。本集團認為由於本集團之匯率風險並不重大，故本集團並無採用任何用於對沖之金融工具。

(d) 公平值之估計

以股份支付之酬勞公平值之估計披露於附註23。

28. COMMITMENTS

- (A) Capital commitments outstanding at 31 December 2005 not provided for in the financial statements were as follows:

Contracted for

已訂約

28. 承擔

- (A) 財務報表中未予撥備及於二零零五年十二月三十一日未償還之資本承擔如下：

2005	2004
二零零五年	二零零四年
HK\$'000	HK\$'000
千港元	千港元
13,887	1,170

Notes 附註

31 December 2005 二零零五年十二月三十一日

28. COMMITMENTS (CONTINUED)

- (b) At 31 December 2005, the total future minimum lease payments under non-cancellable operating leases in respect of office properties and office equipment are payable as follows:

Within 1 year	一年以內
After 1 year but within 5 years	一年以後但在五年以內

Significant leasing arrangements in respect of land and buildings classified as being held under finance leases and properties held for sale are described in notes 12 and 16.

Apart from these leases, the Group is the lessee in respect of a number of properties held under operating leases. The leases typically run for an initial period of one to two years, with an option to renew the lease when all terms are renegotiated. None of the leases includes contingent rentals.

- (c) At 31 December 2005, the Company had no material commitments.

28. 承擔

- (b) 於二零零五年十二月三十一日，有關辦公室物業及辦公室設備之不可撤銷經營租約項下之未來應付最低租賃費用總額如下：

2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
1,168	656
18	248
1,186	904

歸類為根據融資租賃持有及持作出售物業之有關土地及樓宇之重大租賃安排載於附註12及16。

除該等租賃外，本集團為數項根據經營租約持有之物業之承租人。該等租賃之初始年期通常為一至兩年，可選擇重新磋商所有條款後續約。該等租賃概無包含或然租金。

- (c) 於二零零五年十二月三十一日，本公司概無重大承擔。

Notes 附註

31 December 2005 二零零五年十二月三十一日

29. CONTINGENT ASSETS AND LIABILITIES

- (a) At 31 December 2005, the Company had given unconditional guarantees to banks to secure loan facilities made available to subsidiaries to the extent of approximately HK\$496 million (2004: HK\$604 million). The extent of such facilities utilised by the subsidiaries at the balance sheet date amounted to approximately HK\$427 million (2004: HK\$560 million).
- (b) at 31 December 2005, the Company had given corporate guarantees to banks for issuing letters of identity 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\$5.4 million (2004: HK\$5.4 million).

30. COMPARATIVE FIGURES

Certain comparative figures have been adjusted or reclassified as a result of the changes in accounting policies, details of which are disclosed in note 2. In addition, certain comparative figures have been reclassified to conform with the current year's presentation.

29. 或然資產及負債

- (a) 於二零零五年十二月三十一日，本公司已向銀行提供無條件擔保，以擔保附屬公司約496,000,000港元（二零零四年：604,000,000港元）之信貸融資。於結算日，附屬公司已動用該等融資中約427,000,000港元（二零零四年：560,000,000港元）。
- (b) 於二零零五年十二月三十一日，本公司已就銀行為若干附屬公司所承擔之合約向第三者出具身份證明，向銀行作出公司擔保，以及就償還約5,400,000港元（二零零四年：5,400,000港元）之若干按揭貸款向銀行提供彌償保證。

30. 比較數字

由於會計政策發生變動，若干比較數字已作出調整或重新分類，會計政策變動之詳情載於附註2。此外，若干比較數字已重新分類以符合本年度之呈報方式。

Notes 附註

31 December 2005 二零零五年十二月三十一日

31. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE ANNUAL ACCOUNTING PERIOD ENDED 31 DECEMBER 2005

Up to the date of issue of these financial statements, the HKICPA has issued the following amendments, new standards and interpretations which are not yet effective for the accounting period ended 31 December 2005 and which have not been adopted in these financial statements:

31. 於截至二零零五年十二月三十一日止之年度會計期間已頒佈但尚未生效之修訂、新訂準則及詮釋之可能影響

截至此等財務報表刊發日期，香港會計師公會已頒佈下列於截至二零零五年十二月三十一日止之會計期間尚未生效之修訂、新訂準則及詮釋（此等財務報表未採納該等修訂、新訂準則及詮釋）：

Effective for accounting
periods beginning on or
after
於下列日期或之後開始之
會計期間生效

HKFRS 6, Exploration for evaluation of mineral resources
HKFRS 6，礦產資源之勘探及估價

1 January 2006
二零零六年一月一日

HKFRS-Int 4, Determining whether an arrangement contains a lease
HKFRS-Int 4，確定一項安排是否包含租賃

1 January 2006
二零零六年一月一日

HKFRS-Int 5, Rights to interests arising from decommissioning,
restoration and environmental rehabilitation funds
HKFRS-Int 5，由終止生產、恢復及環境修復基金產生之利益之權利

1 January 2006
二零零六年一月一日

HKFRS-Int 6, Liabilities arising from participating in a specific
market-Waste electrical and electronic equipment
HKFRS-Int 6，參與特定市場－廢電及電子設備產生之責任

1 December 2005
二零零五年十二月一日

Amendments to HKAS 19, Employee benefits-actuarial gains
and losses, group plans and disclosures
HKAS 19之修訂，僱員福利－精算收益及虧損、集團計劃及披露

1 January 2006
二零零六年一月一日

Notes 附註

31 December 2005 二零零五年十二月三十一日

31. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE ANNUAL ACCOUNTING PERIOD ENDED 31 DECEMBER 2005 (CONTINUED)

31. 於截至二零零五年十二月三十一日止之年度會計期間已頒佈但尚未生效之修訂、新訂準則及詮釋之可能影響(續)

Effective for accounting periods beginning on or after
於下列日期或之後開始之會計期間生效

Amendments to HKAS 39, Financial instruments:

recognition and measurement:

HKAS 39之修訂，金融工具：確認及計量

– Cash flow hedge accounting of forecast intragroup transactions

1 January 2006

– 預期集團內部交易之現金流對沖會計方法

二零零六年一月一日

– The fair value option

1 January 2006

– 公平值選擇權

二零零六年一月一日

– Financial guarantee contracts

1 January 2006

– 財務擔保合約

二零零六年一月一日

Amendments, as a consequence of the Hong Kong

Companies (Amendment) Ordinance 2005, to:

因二零零五年香港公司(修訂)條例導致下列各項之修訂

– HKAS 1, Presentation of financial statements

1 January 2006

– HKAS 1，財務報表之呈報

二零零六年一月一日

31. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE ANNUAL ACCOUNTING PERIOD ENDED 31 DECEMBER 2005 (CONTINUED)

31. 於截至二零零五年十二月三十一日止之年度會計期間已頒佈但尚未生效之修訂、新訂準則及詮釋之可能影響 (續)

	Effective for accounting periods beginning on or after 於下列日期或之後開始之會計期間生效
– HKAS 27, Consolidated and separate financial statements – HKAS 27，綜合及獨立財務報表	1 January 2006 二零零六年一月一日
– HKFRS 3, Business combinations – HKFRS 3，業務合併	1 January 2006 二零零六年一月一日
HKFRS 7, Financial instruments: disclosures HKFRS 7，金融工具：披露	1 January 2007 二零零七年一月一日
Amendment to HKAS 1, Presentation of financial statements: capital disclosures HKAS 1之修訂，財務報表之呈報：資本披露	1 January 2004 二零零四年一月一日

In addition, the Hong Kong Companies (Amendment) Ordinance 2005 came into effect on 1 December 2005 and would be first applicable to the Group's financial statements for the period beginning on 1 January 2006.

此外，由二零零五年十二月一日起生效之二零零五年香港公司(修訂)條例，將首次適用於本集團截至二零零六年一月一日後開始之期間之財務報表。

The Group is in the process of making an assessment of what the impact of these amendments, new standards and new interpretations is expected to be in the period of initial application. So far it has concluded that the adoption of HKFRS 6 and HKFRS-Int 5 and the amendments to HKAS 1, HKAS 27 and HKFRS 3 made as a result of the Hong Kong Companies (Amendment) Ordinance 2005 are not applicable to any of the Group's operations and that the adoption of the rest of them is unlikely to have a significant impact on the Group's results of operations and financial position.

本集團正對預期此等修訂、新準則及新詮釋對首次適用之期間之影響進行評估。迄今為止結論為因採納HKFRS 6及HKFRS-Int 5及因應二零零五年香港公司(修訂)條例而對HKAS 1、HKAS 27及HKFRS 3之修訂，並不適用於本集團之任何營運，對於採納其餘之修訂、新準則及新詮釋對本集團經營業績及財務狀況產生重大影響之可能性不大。