

Consolidated Statement of Changes in Equity

Year ended 31st July, 2003

	Issued capital HK\$'000	Share premium account HK\$'000	Fixed asset revaluation reserve HK\$'000	Revaluation reserve for properties under development held for investment potential HK\$'000	Capital reserve HK\$'000	General reserve HK\$'000	Exchange fluctuation reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
At 1st August, 2001	718,855	1,119,738	51,912	148,729	4,455,469	57	29,755	(3,266,029)	3,258,486
Share of reserves of associates	—	—	—	(148,729)	(33,312)	—	—	—	(182,041)
Exchange realignments:									
Subsidiaries	—	—	—	—	—	—	(38)	—	(38)
Associates	—	—	—	—	—	—	(809)	—	(809)
Deficit on revaluation of fixed assets on their transfer to investment properties	—	—	(31,961)	—	—	—	—	—	(31,961)
Net losses not recognised in the profit and loss account	—	—	(31,961)	(148,729)	(33,312)	—	(847)	—	(214,849)
Release upon write-off of fixed assets	—	—	(166)	—	—	—	—	166	—
Release upon deregistration of subsidiaries	—	—	—	—	(1,610)	—	—	—	(1,610)
Net loss for the year	—	—	—	—	—	—	—	(1,200,274)	(1,200,274)
At 31st July, 2002 and 1st August, 2002									
— Page 33	718,855	1,119,738	19,785	—	4,420,547	57	28,908	(4,466,137)	1,841,753

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At 31st July, 2002 and 1st August, 2002 — Page 32	718,855	1,119,738	19,785	—	4,420,547	57	28,908	(4,466,137)	1,841,753
Exchange realignments:									
Subsidiaries	—	—	—	—	—	—	70	—	70
Associates	—	—	—	—	—	—	(326)	—	(326)
Share of reserves of an associate	—	—	—	—	(1,572)	—	—	1,867	295
Surplus on revaluation of fixed assets on their transfer to investment properties	—	—	47,541	—	—	—	—	—	47,541
Net gains and losses not recognised in the profit and loss account	—	—	47,541	—	(1,572)	—	(256)	1,867	47,580
Net loss for the year	—	—	—	—	—	—	—	(31,066)	(31,066)
At 31st July, 2003	<u>718,855</u>	<u>1,119,738*</u>	<u>67,326*</u>	<u>—*</u>	<u>4,418,975*</u>	<u>57*</u>	<u>28,652*</u>	<u>(4,495,336)*</u>	<u>1,858,267</u>

* These reserve accounts comprise the consolidated reserves of HK\$1,139,412,000 (2002: HK\$1,122,898,000) in the consolidated balance sheet.

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Reserves retained by:								
Company and subsidiaries	718,855	1,119,738	67,326	3,914,994	57	5,212	605,206	6,431,388
Associates	—	—	—	503,981	—	23,440	(5,100,542)	(4,573,121)
At 31st July, 2003	<u>718,855</u>	<u>1,119,738</u>	<u>67,326</u>	<u>4,418,975</u>	<u>57</u>	<u>28,652</u>	<u>(4,495,336)</u>	<u>1,858,267</u>
Company and subsidiaries	718,855	1,119,738	19,785	3,914,994	57	5,142	589,526	6,368,097
Associates	—	—	—	505,553	—	23,766	(5,055,663)	(4,526,344)
At 31st July, 2002	<u>718,855</u>	<u>1,119,738</u>	<u>19,785</u>	<u>4,420,547</u>	<u>57</u>	<u>28,908</u>	<u>(4,466,137)</u>	<u>1,841,753</u>

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