

Notes to the Accounts

賬目附註

1 ORGANISATION AND PRINCIPAL ACTIVITIES

Hopson Development Holdings Limited was incorporated in Bermuda on 24th July 1997 as an exempted company with limited liability under the Companies Act 1981 of Bermuda. Its shares have been listed on The Stock Exchange of Hong Kong Limited since 27th May 1998.

The Company is an investment holding company. Its subsidiaries, associate and jointly controlled entity are principally engaged in investment holding and property development, investment and management.

2 PRINCIPAL ACCOUNTING POLICIES

The accounts have been prepared in accordance with accounting principles generally accepted in Hong Kong and comply with accounting standards issued by the Hong Kong Society of Accountants. The principal accounting policies adopted in the preparation of these accounts are set out below:

(a) Basis of measurement

The accounts have been prepared on the historical cost basis, as modified by the revaluation of investment properties and investment in securities.

(b) Basis of presentation

The accounts have been prepared on the going concern basis as the Company's Directors and the Group's management are confident that the Group's short-term bank borrowings and current portion of long-term bank borrowings will either be rolled over or replaced by new sources of financing when they become due.

1 公司結構及主要業務

合生創展集團有限公司根據百慕達一九八一年公司法於一九九七年七月二十四日在百慕達註冊成立為一間受豁免有限責任公司。其股份已於一九九八年五月二十七日在香港聯合交易所有限公司上市。

本公司為一間投資控股公司。其附屬公司、聯營公司及共同控制實體主要從事投資控股、物業發展、投資及管理。

2 主要會計政策

賬目乃按照香港公認會計原則及香港會計師公會頒布之會計標準編製。編製本賬目時所採納的主要會計政策概述如下：

(a) 計量基準

賬目乃按歷史成本常規法編製，並根據重估投資物業和證券投資作出修訂。

(b) 呈列基準

賬目乃按持續經營基準編製，此乃由於本公司董事及本集團管理層有信心本集團之短期銀行貸款及長期銀行貸款之短期部份於到期時可繼續滾存或以新融資來源取代。

Notes to the Accounts

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2 PRINCIPAL ACCOUNTING POLICIES (continued)

2 主要會計政策(續)

(c) Adoption of revised Statement of Standard Accounting Practice

(c) 採納經修訂會計準則

Commencing from 1st January 2003, the Group has adopted SSAP 12 "Income Taxes" issued by the Hong Kong Society of Accountants, under which deferred taxation is provided in full on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the accounts. In prior year, deferred taxation was provided in respect of significant timing differences between profit as computed for taxation purposes and profit as stated in the accounts to the extent that a liability or an asset was expected to be payable or recoverable in the foreseeable future.

自二零零三年一月一日起，本集團已採納由香港會計師公會頒布之會計實務準則第12號「所得稅」。根據會計實務準則第12號，遞延稅項乃就資產與負債之稅基與它們在賬目之賬面值兩者之短暫時差作全數撥備。往年度，遞延稅項乃因應就課稅而計算之盈利與賬目所示之盈利二者間之時差，根據預期於可預見將來支付或可收回之負債及資產而計算。

The adoption of the revised SSAP 12 represents a change in accounting policy, which has been applied retrospectively and in this respect the 2002 comparative figures presented herein have been restated to conform to the changed policy. As indicated in Note 34, the change has resulted in an increase in deferred tax liabilities and a reduction in investment property revaluation reserve at 1st January 2002 and 2003 by approximately HK\$218,956,000 and HK\$355,404,000, respectively, which represent the unprovided deferred tax liabilities.

採納經修訂會計實務準則第12號乃構成會計政策之變動並已追溯應用，故二零零二年比較數字已重列以符合經修訂之政策。如賬目附註34所詳述，二零零二年及二零零三年一月一日之期初遞延稅項負債及投資物業重估儲備已分別增加及減少約218,956,000港元及355,404,000港元，為未撥備遞延稅項負債。

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2 PRINCIPAL ACCOUNTING POLICIES (continued)

2 主要會計政策(續)

(d) Basis of consolidation

The consolidated accounts include the accounts of the Company and its subsidiaries, together with the Group's share of post-acquisition results and reserves of its associates and jointly controlled entities under the equity method of accounting. The results of subsidiaries, associates and jointly controlled entities acquired or disposed of during the year are included in the consolidated profit and loss account from their effective date of acquisition or up to the effective date of disposal, as appropriate.

All significant intercompany transactions and balances within the Group are eliminated on consolidation.

The gain or loss on the disposal of a subsidiary represents the difference between the proceeds of the sale and the Group's share of its net assets together with any unamortised goodwill or negative goodwill or goodwill/negative goodwill taken to reserves and which was not previously charged or recognised in the consolidated profit and loss account and any related cumulative currency translation adjustments.

Minority interests represent the interests of outside shareholders in the operating results and net assets of subsidiaries.

(d) 綜合基準

綜合賬目包括本公司及其附屬公司的賬目，並連同按權益會計法計算本集團應佔聯營公司及共同控制實體的收購後業績及儲備。本年度內購入或出售的附屬公司、聯營公司及共同控制實體的業績，分別由收購的生效日期起或截至出售的生效日期止包括在綜合損益表。

本集團所有公司間重大交易及結餘已於綜合賬目時對銷。

出售附屬公司所產生的損益，乃指出售所得款項與本集團所佔資產淨值兩者間之差額，連同任何未攤銷商譽或負商譽或已撥入儲備及先前並無於綜合損益表扣除或確認的商譽／負商譽，以及任何相關累計匯兌儲備。

少數股東權益指外界股東所佔附屬公司經營業績及淨資產之權益。

Notes to the Accounts

賬目附註

2 PRINCIPAL ACCOUNTING POLICIES (continued)

2 主要會計政策(續)

(e) Intangibles

(e) 無形資產

(i) Goodwill

(i) 商譽

Goodwill arises where the fair value of the consideration given exceeds the Group's share of the aggregate fair values of the identifiable net assets acquired at the date of acquisition. Goodwill is recognised as an intangible asset and is amortised on a straight-line basis over its estimated economic life of five to ten years. The carrying value of goodwill is assessed periodically or when factors indicating an impairment are present. Any impairment of goodwill is recognised as an expense in the period in which the impairment occurs.

商譽指於收購日期所付代價的公平價值與本集團應佔購入可識別淨資產的公平價值總額兩者之間的差額。商譽於資產負債表內確認為無形資產及按其估計經濟年期(五至十年)以直線法攤銷。商譽之賬面值會定期或於出現減值之因素時獲評估。任何商譽減值於減值確認期間內列作支出。

(ii) Rights to receive rental income

(ii) 收租權

Rights to receive rental income is recognised as an intangible asset and is amortised on a straight-line basis over their estimated economic life of fifteen years.

收租權乃以無形資產確認入賬，並按其估計經濟年期(十五年)以直線法攤銷。

(f) Subsidiaries

(f) 附屬公司

Subsidiaries are those entities in which the Company, directly or indirectly, controls more than one half of the voting power; has the power to govern the financial and operating policies, to appoint or remove the majority of the members of the board of directors, or to cast majority votes at the meetings of the board of directors.

附屬公司乃該等由本集團直接或間接控制其半數以上投票權；控制其財務及營運政策監管權；委任或罷免董事會的大多數席位；或於董事會會議上佔大多數投票權的實體。

In the Company's balance sheet, investments in subsidiaries are stated at cost less provision for impairment losses. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

於本公司之資產負債表內，於附屬公司的投資乃以成本減減值虧損撥備列賬。附屬公司的業績乃按已收及應收股息計入本公司賬目。

Notes to the Accounts

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2 PRINCIPAL ACCOUNTING POLICIES (continued)

(g) Associates

An associate is a company over which the Group has significant influence, but not control or joint control, over its financial and operating policy decisions. In the consolidated accounts, investment in associates is accounted for under the equity method of accounting, whereby the investment is initially recorded at cost and is adjusted thereafter to recognise the Group's share of the post-acquisition results of associates, distributions received from associates, other necessary alterations in the Group's proportionate interest in associates arising from changes in the equity of associates that have not been included in the profit and loss account of associates, amortisation of the difference between the cost of investment and the Group's share of the aggregate fair value of the identifiable net assets acquired at the date of acquisition (goodwill), and any impairment loss. The Group's share of post-acquisition results of associates is included in the consolidated profit and loss account.

(h) Contractual joint ventures

A contractual joint venture is an entity established between the Group and one or more other parties for a pre-determined period of time, with the rights and obligations of the joint venture partners being governed by a contract. If the Group is able to govern and control the financial and operating policies of the contractual joint venture so as to obtain benefits from its activities, such joint venture is considered as a de facto subsidiary and is accounted for as a subsidiary. If the Group can only exercise significant influence over the contractual joint venture, such joint venture is accounted for as an associate.

2 主要會計政策 (續)

(g) 聯營公司

聯營公司乃本集團對其財政及營運政策的決定具有重大影響力，但非控制或共同控制的公司。在綜合賬目內，於聯營公司的投資乃按權益會計法入賬，據此，該項投資最初按成本記錄，並於其後就聯營公司的收購後業績、來自聯營公司的分派、因尚未計入損益表內之聯營公司權益變動而產生之本集團所佔聯營公司權益比例的其他改變、投資成本值與本集團所佔於收購日期的可識別資產淨值之公平價值總額之差額(商譽)的攤銷，以及任何減值虧損作出調整。本集團所佔聯營公司的收購後業績已計入綜合損益表內。

(h) 合約合營企業

合約合營企業乃本集團與另一方或多方設立並已預先設定期限的實體，有關之合營夥伴的權利及責任均受合約規管。如本集團能夠管治及控制合約合營企業的財政及營運政策，並從業務活動中獲益，該合營企業則被視為實際上的附屬公司，並以附屬公司形式入賬。如本集團僅能對合約合營企業的管理層行使重大影響力，該合營企業會以聯營公司形式入賬。

Notes to the Accounts

賬目附註

2 PRINCIPAL ACCOUNTING POLICIES (continued)

2 主要會計政策(續)

(i) Jointly controlled entities

A jointly controlled entity is a joint venture where the Group and other parties undertake an economic activity which is subject to joint control and none of the participating parties has unilateral control over the economic activity. In the consolidated accounts, investment in jointly controlled entities is accounted for under the equity method of accounting, whereby the investment is initially recorded at cost and is adjusted thereafter to recognise the Group's share of the post-acquisition results of jointly controlled entities, distributions received from jointly controlled entities, other necessary alterations in the Group's proportionate interest in jointly controlled entities arising from changes in equity of jointly controlled entities that have not been included in the profit and loss account of the jointly controlled entities, amortisation of the difference between the cost of investment and the Group's share of the aggregate fair value of the identifiable net assets acquired at the date of acquisition (goodwill), and any impairment loss. The Group's share of post-acquisition results of jointly controlled entities is included in the consolidated profit and loss account.

(i) 共同控制實體

共同控制實體乃一項合營企業，據此，本集團與其他合營方參與一項經濟活動，而該項經濟活動乃受共同控制，參與各方並無單獨控制權。在綜合賬目內，於共同控制實體之投資乃按權益會計法入賬，據此，該項投資最初按成本記錄，並於其後就本集團應佔共同控制實體的收購後業績、來自共同控制實體的分派、因尚未計入損益表內之共同控制實體權益變動而產生之本集團所佔共同控制實體權益比例的其他改變、投資成本值與本集團所佔於收購日期的可識別資產淨值之公平價值總額之差額(商譽)的攤銷，以及任何減值虧損作出調整，本集團所佔共同控制實體的收購後業績已計入綜合損益表內。

Notes to the Accounts

賬目附註

2 PRINCIPAL ACCOUNTING POLICIES (continued)

2 主要會計政策(續)

(j) Jointly controlled assets

A joint venture which does not involve the establishment of a separate entity but involves the joint control and ownership by the Group and other parties of assets contributed to, or acquired for the purpose of, the joint venture is accounted for as a jointly controlled asset. In the consolidated accounts, the Group's share of jointly controlled assets and any liabilities incurred jointly with other joint venture partners are recognised and classified according to the nature of the relevant items. Income from the sale or use of the Group's share of the output of jointly controlled assets is recognised when it is probable that the economic benefits associated with the transaction will flow to the Group, whilst the Group's share of expenses in respect of jointly controlled assets is recognised as incurred.

(j) 共同控制資產

就不涉及獨立實體的成立而涉及由本集團及其他人士共同控制及擁有之合營項目資產貢獻或就合營項目收購之資產，乃列作共同控制資產入賬。在綜合賬目中，本集團應佔之共同控制資產及與其他合營夥伴共同招致的任何負債乃根據有關項目的性質予以確認及分類。因出售或使用本集團的應佔共同控制資產所產生之收入，於該項交易的相關經濟利益可能會流入本集團時予以確認，而本集團應佔有關共同控制資產的開支則於產生時予以確認。

(k) Properties and equipment and depreciation

Properties and equipment, other than investment properties, are stated at cost less accumulated depreciation and any impairment loss. Major expenditures on modifications and betterments of properties and equipment which will increase their future economic benefits are capitalised, while expenditures on maintenance and repairs are expensed when incurred. Depreciation is provided on a straight-line basis to write off the cost less accumulated impairment losses of each asset over its estimated useful life. The principal annual rates of depreciation are as follows:

(k) 物業及設備及折舊

除投資物業外，物業及設備乃按成本值減去累計折舊及任何減值虧損列賬。如更改及改善物業及設備將能增加經濟效益，有關的主要開支撥充資本。而維修及保養費用則在產生時即時入賬，列作費用。各項資產折舊減累計減值乃以直線法於預計可使用年期撇銷，所採用的主要折舊率如下：

Leasehold land	2% (lease term)
Buildings	2%
Furniture and office equipment	20%
Motor vehicles	20% to 30%

租賃土地	2% (按租約年期計算)
樓宇	2%
傢俬及辦公室設備	20%
汽車	20%至30%

Notes to the Accounts

賬目附註

2 PRINCIPAL ACCOUNTING POLICIES (continued)

2 主要會計政策(續)

(k) Properties and equipment and depreciation (continued)

(k) 物業及設備及折舊(續)

The depreciation methods and useful lives are reviewed periodically to ensure that the methods and rates of depreciation are consistent with the expected pattern of economic benefits from properties and equipment.

折舊方法及使用年期乃定期檢討以確保折舊的計算方法及比率符合來自物業及設備的經濟利益的預期形式。

The gain and loss on disposal of properties and equipment are recognised in the profit and loss account based on the net disposal proceeds less the then carrying amount of the assets.

出售物業及設備的收益或虧損在損益表中確認，此乃根據出售所得款項淨額減資產當時的賬面值。

(l) Investment properties

(l) 投資物業

Investment properties are interests in land and buildings in respect of which construction and development work have been completed and which are held for their long-term investment potential, any rental income being negotiated at arm's length. These properties are included in the balance sheet at their open market value on the basis of an annual valuation by independent qualified valuers. All changes in the value of investment properties are dealt with in the investment property revaluation reserve unless the balance of this reserve is insufficient to cover a deficit on a portfolio basis, in which case the net deficit is charged to the profit and loss account. When an investment property is disposed of, the relevant portion of previously recognised revaluation surpluses is reversed and the gain or loss on disposal reported in the profit and loss account is determined based on the net disposal proceeds less the original cost.

投資物業乃已完成建築工程及發展之土地及樓宇，並因其投資潛力而長期持有。該等物業按其根據合資格獨立估值師每年所評估的公開市值載入資產負債表。投資物業的所有價值變動列作投資物業重估儲備變動。倘該儲備的總額按組合基準不足以抵銷虧損，有關虧損淨額則於損益表內扣除。出售投資物業時，先前已確認的重估盈餘予以撥回，而記入損益表之出售收益或虧損按出售所得款項淨額減原成本值釐定。

No depreciation is provided for investment properties unless the unexpired lease term is 20 years or less, in which case depreciation is provided on the then carrying value over the unexpired lease term.

投資物業不計提折舊，除非租約尚餘20年或以下年期之投資物業均按租約尚餘年期計提折舊。

Notes to the Accounts

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2 PRINCIPAL ACCOUNTING POLICIES (continued)

2 主要會計政策(續)

(m) Properties under development

Properties under development for sale, the pre-sale of which has not commenced, are included in current assets at the lower of cost and net realisable value. Properties under development for sale, the pre-sale of which has commenced, are included in current assets at cost plus attributable profits, less foreseeable losses and sale instalments received and receivable. Properties under development for long-term investment are stated at cost less any impairment loss.

The cost of properties under development consists of land costs, construction expenditures, borrowing costs directly attributable to construction of such properties and other direct costs. Net realisable value is based on estimated selling price in the ordinary course of business as determined by management with reference to the prevailing market conditions, less further costs expected to be incurred to completion and selling and marketing expenses.

No depreciation is provided on properties under development.

(n) Land pending development

Land pending development is land acquired and pending a definite plan to be developed for sale or long-term investment. It is stated at cost less any impairment loss. Land costs include land premium costs, site clearance costs and other direct costs of bringing the land to a condition suitable for development. When the intention is clear and development has commenced, land to be developed for sale will be classified as properties under development for sale, while land to be developed for investment will be classified as properties under development for long-term investment.

(m) 發展中物業

並未開始預售的可供出售之發展中物業乃按成本值及可變現淨值兩者中的較低者列為流動資產。經已開始預售的可供出售之發展中物業按成本另加應佔溢利減可預見之虧損及已收及應收的銷售分期付款列為流動資產。持作長期投資之發展中物業乃按成本值減去任何減值虧損後列賬。

發展中物業成本包括土地成本、建造開支及因建造該等物業而直接產生之借貸成本及其他直接成本。可變現淨值乃於日常業務過程中管理層參照當時市況釐定的估計售價，減去預期至竣工時產生的其他成本以及銷售及市場推廣費用計算。

本集團並無就發展中物業計提折舊。

(n) 待發展土地

待發展土地包括所有未有明確計劃將會發展以供銷售或長期投資的已購入土地。該等土地按成本值減去任何減值撥備列賬。土地之成本值包括土地出讓金、清理工地費用及使土地達致適宜發展狀況的其他直接應計費用。待確定意向及開始發展後，發展用作銷售的土地將列入可供出售的發展中物業，而發展用作投資的土地將列入作為長期投資之發展中物業。

Notes to the Accounts

賬目附註

2 PRINCIPAL ACCOUNTING POLICIES (continued)

2 主要會計政策(續)

(n) Land pending development (continued)

No depreciation is provided on land pending development.

(n) 待發展土地(續)

本集團並無就待發展土地計提折舊。

(o) Completed properties for sale

Completed properties for sale are stated at the lower of cost and net realisable value. Net realisable value is based on estimated selling prices in the ordinary course of business as determined by management with reference to the prevailing market conditions, less selling and marketing expenses.

(o) 可供出售之已落成物業

可供出售之已落成物業按成本值及可變現淨值兩者中的較低者列賬。可變現淨值乃於日常業務過程中管理層參照當時市況釐定的估計售價減去銷售及市場推廣費用計算。

(p) Investment in securities

Securities that are held for the purpose of generating a profit from short-term fluctuations in price are classified as investment in securities, and are included in the balance sheet at their fair values. All changes in the fair values of investment in securities and gains and losses on disposal of investment in securities are recognised in the profit and loss account when they arise.

(p) 證券投資

持有證券旨在藉短期價格波動從中獲利均列作證券投資，並按其公平價值納入資產負債表內。證券投資的公平價值的一切變動及出售證券投資的收益及虧損均於產生時於損益表確認。

(q) Accounts receivable

Provision is made against accounts receivable to the extent they are considered to be doubtful. Accounts receivable in the balance sheet are stated net of such provision, if any.

(q) 應收賬款

凡被視為呆賬之應收賬款，均提撥準備。在資產負債表內列賬之應收賬款已扣除有關之準備金(如有)。

Notes to the Accounts

賬目附註

2 PRINCIPAL ACCOUNTING POLICIES (continued)

(r) Impairment of assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of one of these assets may not be recoverable. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss representing the difference between the carrying amount and the recoverable amount of an asset is recognised in the profit and loss account. The recoverable amount is the higher of an asset's net selling price and value in use. The net selling price is the amount obtainable from the sale of an asset in an arm's length transaction less the costs of the disposal, while value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

Reversal of impairment loss of an asset recognised in prior years is recorded when there is an indication that the impairment loss recognised for the asset no longer exists or has decreased. The reversal is recorded in the profit and loss account.

(s) Provisions and contingencies

Provisions are recognised when there is a present obligation, legal or constructive, as a result of past events and it is probable that an outflow of resources will be required to settle the obligations, and a reliable estimate of the amount can be made. Provisions are reviewed regularly and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

2 主要會計政策(續)

(r) 資產減值

當外在因素或條件之改變顯示資產之面值可能不可收回時，即就該等資產是否需作減值準備作出檢討。倘該項資產之面值高於其可收回價值，該項資產之面值與可收回價值之差額於損益表中確認為減值虧損。可收回金額乃指資產之淨售價與使用價值之較高者。淨售價指於公平交易中出售一項資產之所得金額減出售成本，而使用價值即預期日後持續使用一項資產及在該資產使用年期終結時出售所產生之現金流量之現值。

於往年度確認之資產減值在已確認之資產減值虧損不再存在或已減少時撥回。撥回乃記錄於損益表中。

(s) 撥備及或然事項

當因過往事件產生現有債項(不論是合法或推定的債項)，而償還該債項可能導致資源流出，而且能可靠估計該債項的金額，則會提撥準備。撥備金額會定期審閱及調整，以反映現有的最佳估計。倘金額時間值的影響為重大，撥備的金額為償還債項預期所需開支的現值。

Notes to the Accounts

賬目附註

2 PRINCIPAL ACCOUNTING POLICIES (continued)

2 主要會計政策 (續)

(s) Provisions and contingencies (continued)

(s) 撥備及或然事項 (續)

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably. A contingent liability is not recognised but is disclosed in the notes to accounts. When a change in the probability of an outflow occurs so that outflow is probable, they will then be recognised as a provision.

或然負債指因已發生的事件而可能引起的責任，此等責任須就某一宗或多宗事件會否發生才能確認，而本集團並不能完全控制這些未來事件會否實現。或然負債亦可能是因已發生的事件引致現有的責任，但由於可能不需要消耗經濟資源，或責任金額未能可靠地衡量而未有入賬。或然負債不會被確認，但會在賬目附註內披露。假若消耗資源的可能性改變而導致出現資源消耗時，此等負債將被確認為撥備。

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the Group. Contingent assets are not recognised but are disclosed in the notes to the accounts when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

或然資產是指因已發生的事件而可能產生的資產，此等資產須就某一宗或多宗事件會否發生才能確認，而本集團並不能完全控制這些未來事件會否實現。或然資產不會被確認，但會於可能收到經濟效益時在賬目附註內披露。若實質確定有收到經濟效益時，此等效益才被確立為資產。

Notes to the Accounts

賬目附註

2 PRINCIPAL ACCOUNTING POLICIES (continued)

(t) Turnover and revenue recognition

Turnover (net of applicable business tax) consists of (i) pre-sale and sale of properties, (ii) rental income, and (iii) property management fees. Revenue is recognised when the outcome of a transaction can be measured reliably and when it is probable that the economic benefits associated with the transaction will flow to the Group. Revenue is recognised on the following bases:

(i) *Pre-sale and sale of properties*

Pre-sale of properties under development for sale under legally-binding agreements is recognised by reference to the stage of completion of the development of the properties, with the profit recognised restricted to the amount of instalments received. No revenue from pre-sale of properties is recognised until the construction has progressed to a stage when completion of the properties and the ultimate realisation of profit can be reliably estimated. Sale of completed properties held for sale is recognised when a legally-binding agreement has been executed, with the profit recognised restricted to the amount of instalments received.

When a purchaser defaults in the payment of instalments and the Group exercises its right to terminate the sale, the revenue and the related profit previously recognised are reversed and the instalments received and forfeited are credited to the profit and loss account.

2 主要會計政策(續)

(t) 營業額及收入的確認

營業額(扣除有關營業稅後)包括(i)預售及出售物業；(ii)租金收入；及(iii)物業管理費。收入於交易結果得以可靠地衡量而該交易的經濟利益可能歸入本集團時確認。收入按以下基準確認：

(i) 預售及出售物業

根據具法律效力的協議，預售可供出售之發展中物業的收入乃根據物業發展的完成階段確認，就此確認的溢利僅限於已收的分期付款金額。而除非工程已進展至可穩妥地估計物業落成及最終變現溢利的階段，否則來自預售物業的收入不會被確認。銷售可供出售之已落成物業的收入於已經簽立具法律效力的協議時確認，而就此確認的溢利僅限於已收的分期付款金額。

如買家拖欠支付分期付款，本集團有權終止該項銷售，先前確認的銷售收益及相關利潤則撥回，已收取及沒收的分期付款金額於損益表中計為收入。

Notes to the Accounts

賬目附註

2 PRINCIPAL ACCOUNTING POLICIES (continued)

2 主要會計政策(續)

(t) Turnover and revenue recognition (continued)

(t) 營業額及收入的確認(續)

(ii) Rental income

(ii) 租金收入

Rental income is recognised on a straight-line basis over the period of the relevant leases.

租金收入按有關租約限期以直線法確認。

(iii) Property management fees

(iii) 物業管理費

Property management fees are recognised when the service is rendered.

物業管理費於提供服務時確認。

(iv) Interest income

(iv) 利息收入

Interest income is recognised on a time proportion basis, taking into account the principal amounts outstanding and the interest rates applicable.

利息收入以時間比例基準，按尚餘的本金及適用利率確認入賬。

Deferred income represented amounts received for which the earning process has not been completed.

遞延收入指收益過程尚未完成的已收款項。

(u) Taxation

(u) 稅項

Individual companies within the Group provide for profits tax on the basis of their profits for financial reporting purposes, adjusted for income and expense items which are not assessable or deductible for profits tax purposes.

本集團內各個別公司根據各自的財務報告溢利計提利得稅撥備，並按非應課或不可扣減利得稅的收入及支出項目作出調整。

Deferred taxation is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the accounts. Taxation rates enacted or substantively enacted by the balance sheet date are used to determine deferred taxation.

遞延稅項乃利用負債法就資產與負債之稅基與他們在賬目之賬面值兩者之短暫時差作全數撥備。於結算日所制訂或大致制訂之稅率用以釐定遞延稅項。

Notes to the Accounts

賬目附註

2 PRINCIPAL ACCOUNTING POLICIES (continued)

(u) Taxation (continued)

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred taxation is provided on temporary differences arising on investments in subsidiaries, associates and joint ventures, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

(v) Advertising and promotion costs

Costs of advertising and promotion are expensed as incurred.

(w) Employee benefits

(i) *Employee leave entitlements*

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date. Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(ii) *Pension obligations*

The Group's contributions to the defined contribution retirement plans are expensed as incurred.

2 主要會計政策(續)

(u) 稅項(續)

遞延稅項資產乃就有可能將未來應課稅溢利與可動用之短暫時差抵銷而確認。

遞延稅項會就有關在附屬公司、聯營公司及合營企業之投資所產生之短暫時差而撥備，但假若可以控制時差之撥回，並有可能在可預見未來不會撥回則除外。

(v) 廣告及推廣成本

廣告及推廣成本乃於產生時入賬列作費用。

(w) 僱員福利

(i) *僱員應享假期*

僱員的應享年假乃於應計予僱員時確認。僱員因提供服務產生的應享年假乃按截至結算日的年假估計負債計算撥備。僱員應享病假及產假乃於僱員享有假期時才予確認。

(ii) *退休金責任*

本集團向界定供款退休金計劃作出的供款乃於產生時列作支出。

Notes to the Accounts

賬目附註

2 PRINCIPAL ACCOUNTING POLICIES (continued)

2 主要會計政策(續)

(x) Borrowing costs

Borrowing costs that are directly attributable to the acquisitions, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset.

All other borrowing costs are charged to the profit and loss account in the year in which they are incurred.

(y) Operating leases

Operating leases represent leases under which substantially all the risks and rewards of ownership of the leased assets remain with the lessors. Rental payments under operating leases are charged to the profit and loss account on a straight-line basis over the period of the relevant leases.

(z) Foreign currency translation

Individual companies within the Group maintain their books and records in the primary currencies of their respective operations ("functional currencies"). In the accounts of the individual companies, transactions in other currencies during the year are translated into the respective functional currencies at the applicable rates of exchange prevailing at the time of the transactions; monetary assets and liabilities denominated in other currencies are translated into the respective functional currencies at the applicable rate of exchange in effect at the balance sheet date. Exchange gains and losses are dealt with in the profit and loss account of the individual companies.

(x) 借貸成本

凡直接與購買、興建或生產某項資產(該資產必須經過頗長時間籌備以作預定用途或出售)有關之借貸成本，均資本化為資產之部分成本。

所有其他借貸成本均於發生年度內在損益表支銷。

(y) 營業租約

凡資產所有權的絕大部份風險及回報仍屬於出租人所有的租約，均視為營業租約。根據營業租約支付的租金以直線法按有關租約年期於損益表中確認。

(z) 外幣換算

本集團屬下的個別公司以相關業務的主要貨幣(「功能貨幣」)記賬。於個別公司的賬目中，年內以其他貨幣進行的交易均按交易時有效的匯率換算為有關之功能貨幣。於結算日以其他貨幣為單位的貨幣資產及負債按結算日有效的匯率換算為有關的功能貨幣。匯兌收益及虧損於個別公司之損益表中列賬。

Notes to the Accounts

賬目附註

2 PRINCIPAL ACCOUNTING POLICIES (continued)

(z) Foreign currency translation (continued)

The Group prepares consolidated accounts in Hong Kong dollars. For the purpose of consolidation, all the assets and liabilities of subsidiaries with functional currencies other than Hong Kong dollars are translated into Hong Kong dollars at the applicable rates of exchange in effect at the balance sheet date; all income and expense items are translated into Hong Kong dollars at the applicable average exchange rates during the year. Exchange differences arising from such translation are dealt with as movements in cumulative translation adjustments.

(aa) Segment reporting

In accordance with the Group's internal financial reporting, the Group has determined that business segments be presented as the primary reporting format and geographical segments as the secondary reporting format.

Segment assets consist primarily of all of the Group's operating assets, while segment liabilities consist primarily of all of the Group's operating liabilities. Capital expenditure comprises additions to investment properties, properties under development for long-term investment, rights to receive rental income, and properties and equipment, including those arising from acquisitions of subsidiaries.

(bb) Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held at call with banks, bank deposits/cash investments with a maturity of three months or less from the date of investment and bank overdrafts.

2 主要會計政策(續)

(z) 外幣換算(續)

本集團以港元編製綜合賬目。於綜合賬目中，以港元以外的功能貨幣為單位的所有附屬公司資產及負債按結算日的適用匯率換算為港元；年內所有收入及開支項目均按適用平均匯率換算為港元。該等換算產生的匯兌差額於累積匯兌調整的變動中列賬。

(aa) 分部報告

根據本集團的內部財務報告，本集團決定以業務分部資料作為主要分部報告，而地區分佈資料則作為從屬形式呈列。

分部資產主要包括本集團所有經營資產，而分類負債則主要包括本集團所有經營負債。資本開支包括添置投資物業、持作長期投資之發展中物業、收租權及物業和設備，當中包括因收購附屬公司而添置之資產。

(bb) 現金及現金等價物

現金及現金等價物按成本值於資產負債表內列賬。就現金流量表而言，現金及現金等價物包括手頭現金、存於銀行之通知存款、銀行存款／現金投資(到期日為投資及銀行透支日期起計)三個月或以內。

Notes to the Accounts

賬目附註

3 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence.

- (a) The Group had the following significant transactions with related companies:

3 關連人士交易

關連人士乃該等有能力直接或間接控制另一方或於作出財務及營運決定時向另一方行使重大影響力的人士。同時，倘該等人士受同一人士之控制或同一人士之重大影響，亦被視為關連人士。

- (a) 本集團曾與關連公司進行下列重大交易：

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Property construction fees paid/ payable to related companies (Note (i))	已付/應付關連公司之物業建築費(附註(i))	2,132,000	1,969,000
Property design fees paid/payable to a related company (Note (i))	已付/應付一間關連公司之物業設計費(附註(i))	24,063	29,369
Office rentals paid/payable to a related company (Note (i))	已付/應付一間關連公司之辦公室租金(附註(i))	3,670	2,832
Decoration charges paid/payable to a related company (Note (i))	已付/應付一間關連公司之裝修費(附註(i))	850	1,544
Communication network installation fees paid/payable to related companies (Note (i))	已付/應付關連公司之配套通信管線工程費(附註(i))	443	1,386
Property management fees paid/payable to a related company (Note (i))	已付/應付一間關連公司之物業管理費(附註(i))	1,926	512
Interest expense paid/payable to related companies (Note (i))	已付/應付關連公司之利息開支(附註(i))	-	11,948
Advertising income received/receivable from a related company (Note (i))	已收/應收一間關連公司之廣告收益(附註(i))	170	272
Rental income received/receivable from a related company (Note (i))	已收/應收一間關連公司之租金收入(附註(i))	637	-
Office rentals paid/payable to an associate	已付/應付一間聯營公司之辦公室租金	760	860
Garden and floral design fees received/receivable from a jointly controlled entity	已收/應收一間共同控制實體之園林規劃設計顧問費	-	8,300
Consultancy fees received/receivable from a related company (Note (i))	已收/應收一間關連公司之顧問費(附註(i))	960	-

Notes to the Accounts

賬目附註

3 RELATED PARTY TRANSACTIONS (continued)

Note:

- (i) These companies are a minority shareholder of certain subsidiaries of the Company including subsidiaries of this minority shareholder.

In December 2003, the Group disposed of its entire 30% interest in Tonking International Limited, an associate of the Group, to Mr. Chu Mang Yee ("Mr. Chu"), the chairman of the Board and a controlling shareholder of the Company, for a consideration of HK\$1 and agreed to waive the obligation of Tonking International Limited for the repayment of shareholder's loan of HK\$8,928,000. As at the date of disposal, Tonking International Limited had a negative net tangible asset value of approximately HK\$14,503,000.

In December 2003, the Group sold an undeveloped land to Mr. Chu for a consideration of approximately HK\$4,111,000.

In the opinion of the Company's Directors and the Group's management, the above related party transactions were conducted in the normal course of business of the Group, on normal commercial terms, and in accordance with terms of contracts entered into by the Group and the related parties.

3 關連人士交易(續)

附註：

- (i) 該等公司為本公司若干附屬公司之一名少數股東及該名少數股東之附屬公司。

於二零零三年十二月，本集團向本公司董事會主席兼控股股東朱孟依先生(「朱先生」)出售所持一間聯營公司同恒國際有限公司之全部30%權益，代價為1港元及同意豁免同恒國際有限公司償還8,928,000港元股東貸款之責任。於出售日期，同恒國際有限公司有形資產淨值為負數約14,503,000港元。

於二零零三年十二月，本集團向朱先生出售一塊未被開發之土地，代價約為4,111,000港元。

本公司董事及本集團管理層認為，上述關連人士交易乃於日常業務過程中按一般商業條款及本集團與關連人士訂立之合約條款進行。

Notes to the Accounts

賬目附註

3 RELATED PARTY TRANSACTIONS (continued)

3 關連人士交易(續)

(b) Details of the balances with directors and related companies are:

(b) 與董事及關連公司結餘的詳情：

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元	Maximum balance outstanding during the year 年度內未償還 最高結餘 HK\$'000 千港元
Due from related companies	應收關連公司款項			
Amount due from minority shareholders of certain subsidiaries of the Company and subsidiaries of these minority shareholders	應收本公司若干附屬公司之少數股東及該等少數股東之附屬公司之款項	2,929	2,765	2,929
Amount due from a related company, which is beneficially owned by a director of the Company	應收由本公司一名董事實益擁有之一間關連公司之款項	209	-	209
		3,138	2,765	
Due to directors	應付董事款項			
Mr. Chu Mang Yee	朱孟依先生	11,258	11,462	
Mr. Au Wai Kin	歐偉建先生	664	664	
Mr. Xiang Bin	項斌先生	-	1,662	
Mr. Tse Sai Tung, Stones	謝世東先生	-	400	
		11,922	14,188	
Less: Non-current portion Mr. Chu Mang Yee	減：非短期部份 朱孟依先生	(10,000)	(10,000)	
		1,922	4,188	

Notes to the Accounts

賬目附註

3 RELATED PARTY TRANSACTIONS (continued)

3 關連人士交易(續)

(b) Details of the balances with directors and related companies are (continued):

(b) 與董事及關連公司結餘的詳情(續)：

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Due to related companies	應付關連公司款項		
Amount due to minority shareholders of certain subsidiaries of the Company and subsidiaries of these minority shareholders	應付本公司若干附屬公司之少數股東及該等少數股東之附屬公司之款項	215,732	303,314

In addition, as at 31st December 2003, the Group had accounts payable of approximately HK\$526,502,000 (2002: HK\$570,039,000) due to subsidiaries of minority shareholders of certain subsidiaries of the Company in respect of property construction fees.

此外，於二零零三年十二月三十一日，本集團應付本公司若干附屬公司少數股東之附屬公司之物業建築費約526,502,000港元(二零零二年：570,039,000港元)。

(c) As at 31st December 2003, all outstanding balances with directors, a jointly controlled entity, an associate, the ultimate holding company and related companies were unsecured, non-interest bearing and without pre-determined repayment terms, except that HK\$10,000,000 (2002: HK\$10,000,000) due to a director and HK\$32,000,000 (2002: HK\$20,000,000) due to the ultimate holding company were not repayable within one year.

(c) 於二零零三年十二月三十一日，與董事、一間共同控制實體、一間聯營公司、最終控股公司及關連公司之全部結餘均無抵押、免息及並無預設還款期，惟應付一名董事款項10,000,000港元(二零零二年：10,000,000港元)及應付最終控股公司款項32,000,000港元(二零零二年：20,000,000港元)毋須於一年內償還。

Notes to the Accounts

賬目附註

3 RELATED PARTY TRANSACTIONS (continued)

- (d) As at 31st December 2003, approximately HK\$142,123,000 (2002: HK\$173,312,000) of the Group's investment properties (see Note 15), approximately HK\$191,085,000 (2002: HK\$175,763,000) of the Group's properties under development for long-term investment (see Note 17), and none (2002: HK\$4,909,000) of the Group's completed properties for sale (see Note 25) were pledged as collateral for bank loans borrowed by a jointly controlled entity. As at 31st December 2003, none (2002: HK\$66,390,000) of the Group's completed properties for sale (see Note 25) was pledged as collateral for bank loans borrowed by a related company.
- (e) As at 31st December 2003, the Group provided guarantees to banks for loans borrowed by an associate, a jointly controlled entity and related companies of none (2002: HK\$9,186,000), approximately HK\$94,340,000 (2002: HK\$84,906,000) and approximately HK\$85,849,000 (2002: HK\$106,604,000), respectively (see Note 41).

4 TURNOVER AND REVENUE

Turnover and revenue consisted of:

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Sale of properties	銷售物業	3,238,906	2,073,847
Rental income	租金收入	35,487	18,414
Property management fees	物業管理費	51,529	34,528
Total turnover	總營業額	3,325,922	2,126,789
Other revenue – interest income	其他收益 – 利息收入	7,211	2,632
Total revenue	總收益	3,333,133	2,129,421

3 關連人士交易(續)

- (d) 於二零零三年十二月三十一日，本集團之投資物業(見附註15)約142,123,000港元(二零零二年：173,312,000港元)、本集團持作長期投資之發展中物業(見附註17)約191,085,000港元(二零零二年：175,763,000港元)，以及本集團可供出售之已落成物業(見附註25)並無(二零零二年：4,909,000港元)已抵押作為一間共同控制實體所借銀行貸款之抵押品。於二零零三年十二月三十一日，本集團可供出售之已落成物業(見附註25)並無(二零零二年：66,390,000港元)已抵押作為一間關連公司所借銀行貸款之抵押品。
- (e) 於二零零三年十二月三十一日，本集團就一間聯營公司、一間共同控制實體及關連公司分別為無(二零零二年：9,186,000港元)、約94,340,000港元(二零零二年：84,906,000港元)及約85,849,000港元(二零零二年：106,604,000港元)之銀行貸款提供擔保(見附註41)。

4 營業額及收益

營業額及收益包括：

Notes to the Accounts

賬目附註

5 PROFIT FROM OPERATIONS

5 經營溢利

Profit from operations is determined after charging and crediting the following items:

經營溢利乃經扣除及計入下列各項目後釐定：

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
<u>After charging –</u>	<u>已扣除 –</u>		
Staff costs (including directors' emoluments) (see Note 7)	員工成本 (包括董事酬金) (見附註7)	118,729	90,677
Advertising expenses	廣告費	143,372	156,534
Operating lease rentals in respect of premises	物業經營租約租金	4,466	4,239
Depreciation of properties and equipment	物業及設備折舊	8,423	5,820
Loss on disposal of properties and equipment	出售物業及設備之虧損	486	74
Amortisation of	攤銷		
– goodwill (included in general and administrative expenses)	– 商譽 (包括在一般及 行政費用)	2,936	2,425
– rights to receive rental income (included in cost of sales)	– 收租權 (包括在銷售成本)	3,308	1,103
Provision for amount due from an associate	應收一間聯營公司 款項之撥備	620	6,000
Write-off of cost of properties	撇銷物業成本	–	5,355
Loss on investment in securities	證券投資虧損	–	1,405
Net exchange loss	匯兌虧損淨額	–	59
Auditors' remuneration	核數師酬金	1,000	988
<u>After crediting –</u>	<u>已計入 –</u>		
Rental income, less outgoings	租金收入 (扣除支出)	31,938	16,573
Gain on investment in securities	證券投資收益	722	–
Net exchange gain	匯兌收益淨額	196	–

Notes to the Accounts

賬目附註

6 FINANCE COSTS

6 財務成本

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Interest on bank loans wholly repayable within five years	須於五年內全數償還的 銀行貸款利息	164,072	91,945
Interest on loans from related companies wholly repayable within five years (see Note 3(a))	須於五年內全數償還的 關連公司貸款利息 (見附註3(a))	-	11,948
Total borrowing costs incurred	所產生總借貸成本	164,072	103,893
Less: amount capitalised as part of the cost of properties under development	減：撥充作發展中物業成本 一部份的金額	(159,792)	(91,249)
		4,280	12,644

The average interest rate of borrowing costs capitalised during the year ended 31st December 2003 was approximately 5.6% per annum (2002: 6.0% per annum).

於截至二零零三年十二月三十一日止年度撥充資本的借貸成本的平均年利率約為5.6% (二零零二年：年利率6.0%)。

7 STAFF COSTS (INCLUDING DIRECTORS' EMOLUMENTS)

7 員工成本(包括董事酬金)

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Salaries and allowances	薪金及津貼	87,085	61,323
Sales commission and bonus	銷售佣金及花紅	22,211	22,136
Pension costs	退休金成本		
– Defined contribution plans (see Note 42)	– 界定供款計劃 (見附註42)	9,391	6,540
– Provision for long service payment	– 長期服務金撥備	42	678
		118,729	90,677

Notes to the Accounts

賬目附註

8 DIRECTORS' AND SENIOR EXECUTIVES' EMOLUMENTS

8 董事及高級行政人員酬金

(a) Details of emoluments paid/payable to directors of the Company are:

(a) 已付／應付本公司董事的酬金詳情如下：

	2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Fees for executive directors 執行董事的袍金	-	-
Fees for independent non-executive directors 獨立非執行董事的袍金	180	150
Other emoluments for executive directors 執行董事的其他酬金		
- Salaries and allowances 薪金及津貼	8,832	9,495
- Retirement contributions 退休金供款	56	57
	9,068	9,702

A director agreed to waive his emoluments with effect from 1st January 2003, which amounted to approximately HK\$240,000 (2002: Nil) during the year ended 31st December 2003.

截至二零零三年十二月三十一日止年度，一名董事同意由二零零三年一月一日起放棄約240,000港元(二零零二年：無)酬金。

Notes to the Accounts

賬目附註

8 DIRECTORS' AND SENIOR EXECUTIVES' EMOLUMENTS (continued)

8 董事及高級行政人員酬金(續)

- (a) Details of emoluments paid/payable to directors of the Company are: (continued)

- (a) 已付／應付本公司董事的酬金詳情如下：(續)

Analysis of directors' emoluments by number of directors and emolument ranges is as follows:

按董事人數及酬金級別劃分的董事酬金分析如下：

		2003 二零零三年	2002 二零零二年
Executive directors	執行董事		
Nil to HK\$1,000,000	零至1,000,000港元	5	4
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元	1	1
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至3,000,000港元	2	–
HK\$3,000,001 to HK\$3,500,000	3,000,001港元至3,500,000港元	–	2
Independent non-executive directors	獨立非執行董事		
Nil to HK\$1,000,000	零至1,000,000港元	3	3
		11	10

- (b) Details of remuneration of the five highest paid individuals (including executive directors and other employees) are:

- (b) 五名最高薪人士(包括執行董事及其他僱員)的酬金詳情如下：

The five highest paid individuals consisted of:

五名最高薪人士包括：

		2003 二零零三年	2002 二零零二年
Number of directors	董事人數	4	3
Number of employees	僱員人數	1	2
		5	5

Notes to the Accounts

賬目附註

8 DIRECTORS' AND SENIOR EXECUTIVES' EMOLUMENTS (continued)

- (b) Details of remuneration of the five highest paid individuals (including executive directors and other employees) are (continued):

The emoluments paid/payable to the highest paid individuals who are directors of the Company have been included in Note 8(a) above. Details of emoluments paid/payable to the remaining individuals are:

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Basic salaries and allowances	基本薪金及津貼	1,000	2,974
Inducement fees	加盟酬金	-	1,972
Retirement contributions	退休金供款	-	6
		1,000	4,952

Analysis of emoluments paid to the non-director highest paid individuals by number of individuals and emolument ranges is as follows:

		2003 二零零三年	2002 二零零二年
Nil to HK\$1,000,000	零至1,000,000港元	1	-
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	-	1
HK\$3,000,001 to HK\$3,500,000	3,000,001港元至3,500,000港元	-	1
		1	2

- (c) No emolument was paid to the directors of the Company or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office, except for approximately HK\$1,972,000 paid to a non-director individual as an inducement to join the Group during the year ended 31st December 2002.

8 董事及高級行政人員酬金 (續)

- (b) 五名最高薪人士(包括執行董事及其他僱員)的酬金詳情如下(續)：

已付/應付身為本公司董事的最高薪人士的酬金已列於上文附註8(a)。已付/應付其餘人士的酬金詳情如下：

按人數及酬金級別劃分的已付最高薪非董事酬金分析如下：

- (c) 本公司董事或五名最高薪人士並無獲付任何酬金以吸引其加入或已加入本集團或作為離職補償，除於二零零二年十二月三十一日止年度已付予一名非董事人士約1,972,000港元以吸引其加入本集團。

Notes to the Accounts

賬目附註

9 TAXATION

9 稅項

The amount of taxation charged to the consolidated profit and loss account represents:

於綜合損益表中扣除之稅項包括：

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元 As restated 重列
<i>Company and subsidiaries</i>			
	<i>公司及附屬公司</i>		
Current taxation –	本期稅項 –		
Hong Kong profits tax	香港利得稅	12,704	5,210
Mainland China enterprise income tax	中國大陸企業所得稅	208,506	212,003
Mainland China land appreciation tax	中國大陸土地增值稅	3,359	3,428
Deferred taxation relating to the origination/ (reversal) of temporary differences –	與產生／(撥回)短暫時差 有關之遞延稅項 –		
Mainland China enterprise income tax	中國大陸企業所得稅	(45,375)	(56,391)
Mainland China land appreciation tax	中國大陸土地增值稅	18,496	20,956
		197,690	185,206
<i>Jointly controlled entity</i>			
	<i>共同控制實體</i>		
Current taxation –	本期稅項 –		
Mainland China enterprise income tax	中國大陸企業所得稅	27,884	23,140
Mainland China land appreciation tax	中國大陸土地增值稅	26,426	21,465
		54,310	44,605
		252,000	229,811

Notes to the Accounts

賬目附註

9 TAXATION (continued)

(a) Hong Kong profits tax

Hong Kong profits tax is provided at the rate of 17.5% (2002: 16%) on the estimated assessable profit for the year.

(b) Overseas income tax

The Company is exempt from taxation in Bermuda until March 2016. Subsidiaries in the British Virgin Islands are incorporated under the International Business Companies Acts of the British Virgin Islands and, accordingly, are exempt from British Virgin Islands income taxes. Subsidiaries established and operated in mainland China are subject to mainland China enterprise income tax at the rate of 33% (2002: 33%).

(c) Mainland China land appreciation tax

Mainland China land appreciation tax is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including costs of land and development and construction expenditures.

9 稅項(續)

(a) 香港利得稅

香港利得稅乃就年內估計應課稅溢利按17.5% (二零零二年：16%) 的稅率撥備。

(b) 海外所得稅

本公司獲豁免繳納百慕達稅項直至二零一六年三月。在英屬處女群島成立的附屬公司乃根據英屬處女群島國際商業公司法註冊成立，故此，獲豁免英屬處女群島所得稅。本公司於中國大陸成立及經營的附屬公司按33% (二零零二年：33%) 之稅率繳交中國大陸企業所得稅。

(c) 中國大陸土地增值稅

中國大陸土地增值稅就土地增值，即出售房地產所得款項扣除可扣減項目(包括土地發展開支及建築成本)，按累進稅率30%至60%徵收。

Notes to the Accounts

賬目附註

9 TAXATION (continued)

9 稅項(續)

(c) Mainland China land appreciation tax (continued)

(c) 中國大陸土地增值稅(續)

The taxation on the Group's profit before taxation differs from the theoretical amount that would arise using the enterprise income tax rate in mainland China, where the majority of the Group's operations was carried out, and the reconciliation was as follows:

本集團之除稅前溢利與按照於中國大陸(本集團大部分業務於中國大陸進行)之企業所得稅稅率計算之理論金額有所差異及調節，詳情如下：

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元 As restated 重列
Profit before taxation	除稅前溢利	635,942	510,864
Calculated at mainland China enterprise income tax rate of 33% (2002: 33%)	按中國大陸企業所得稅稅率 33%*(二零零二年: 33%) 計算	209,861	168,585
Effect of	影響		
– different tax rates in other jurisdiction	– 其他司法權區不同稅率	(12,706)	(4,491)
– expenses not deductible for income tax purposes	– 不可扣稅之支出	3,251	6,721
– land appreciation tax deductible for calculation of income tax purposes	– 可扣減作為計算所得稅用途之土地增值稅	(15,933)	(15,130)
– deferred tax assets not recognised (Note (i))	– 未確認之遞延稅項資產	19,246	28,277
		203,719	183,962
Land appreciation tax	土地增值稅	48,281	45,849
		252,000	229,811

Note:

附註：

(i) Deferred tax assets not recognised included tax losses in certain subsidiaries in mainland China, which can generally be carried forward for five years upon recognition of the respective losses.

(i) 未確認之遞延稅項資產包括本集團於中國大陸之附屬公司的稅損。此等稅損將於確認後的五年內屆滿。

Notes to the Accounts

賬目附註

10 PROFIT ATTRIBUTABLE TO SHAREHOLDERS

The consolidated profit attributable to shareholders includes a profit of approximately HK\$93,554,000 (2002: HK\$43,960,000) dealt with in the accounts of the Company.

11 DIVIDENDS

Dividends consisted of:

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Interim dividend of HK\$0.02 (2002: HK\$0.02) per ordinary share	中期股息每股普通股 0.02港元 (二零零二年：0.02港元)	20,040	20,040
Proposed final dividend of HK\$0.03 (2002: HK\$0.02) per ordinary share	建議末期股息每股普通股 0.03港元 (二零零二年：0.02港元)	30,060	20,040
		50,100	40,080

12 RETAINED PROFITS

Retained profits consisted of:

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Company	本公司	50,062	6,608
Subsidiaries	附屬公司	958,219	831,341
Associate	聯營公司	(1,118)	(3,033)
Jointly controlled entity	共同控制實體	112,024	55,412
		1,119,187	890,328

10 股東應佔溢利

股東應佔綜合溢利包括本公司於賬目內反映的溢利約93,554,000港元(二零零二年：43,960,000港元)。

11 股息

股息包括：

12 保留溢利

保留溢利包括：

Notes to the Accounts

賬目附註

13 EARNINGS PER SHARE

The calculation of basic earnings per share for the year ended 31st December 2003 is based on the consolidated profit attributable to shareholders of approximately HK\$315,354,000 (2002: HK\$229,082,000) and the weighted average number of approximately 1,002,000,000 shares (2002: 1,002,000,000 shares) in issue during the year.

The calculation of diluted earnings per share for the year ended 31st December 2003 is based on the consolidated profit attributable to shareholders of approximately HK\$315,354,000 (2002: HK\$229,082,000) and the diluted weighted average number of approximately 1,002,096,000 shares (2002: 1,002,561,000 shares) in issue after adjusting for the potential dilutive effect in respect of outstanding employee share options.

13 每股盈利

截至二零零三年十二月三十一日止年度的每股基本盈利乃按本年度的股東應佔綜合溢利約315,354,000港元(二零零二年: 229,082,000港元)及年內已發行加權平均股數約1,002,000,000股(二零零二年: 1,002,000,000股)計算。

截至二零零三年十二月三十一日止年度的每股攤薄盈利乃按股東應佔綜合溢利約315,354,000港元(二零零二年: 229,082,000港元)及年內已發行攤薄加權平均股數約1,002,096,000股(二零零二年: 1,002,561,000股)(已就尚未行使之僱員購股權的潛在攤薄影響作出調整)計算。

Notes to the Accounts

賬目附註

14 PROPERTIES AND EQUIPMENT

14 物業及設備

		Consolidated 綜合			
		2003 二零零三年			
		Leasehold land and buildings 租賃 土地及樓宇 HK\$'000 千港元	Furniture and office equipment 傢俬及 辦公室設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Cost	成本值				
Beginning of year	年初	7,004	18,104	24,911	50,019
Additions	新增	79	6,915	8,941	15,935
Acquisition of subsidiaries (Note 38(b))	收購附屬公司 (附註38(b))	-	237	-	237
Disposals	出售	-	(352)	(499)	(851)
End of year	年終	7,083	24,904	33,353	65,340
Accumulated depreciation	累計折舊				
Beginning of year	年初	1,045	7,452	9,622	18,119
Charge for the year	本年度折舊	141	3,962	4,320	8,423
Disposals	出售	-	(82)	(283)	(365)
End of year	年終	1,186	11,332	13,659	26,177
Net book value	賬面淨值				
End of year	年終	5,897	13,572	19,694	39,163
Beginning of year	年初	5,959	10,652	15,289	31,900

The leasehold land and buildings are located in Hong Kong and are held under medium-term leases of between 10 to 50 years.

租賃土地及樓宇乃位於香港及根據介乎10年至50年的中期租約持有。

Notes to the Accounts

賬目附註

15 INVESTMENT PROPERTIES

15 投資物業

		Consolidated 綜合	
		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Beginning of year	年初	2,625,600	1,710,000
Transfer from properties under development for long-term investment	轉撥自持作長期投資之發展中物業	26,119	402,709
Disposals	出售	(118,547)	–
Surplus on revaluation	重估盈餘	24,952	512,891
End of year	年終	2,558,124	2,625,600

All investment properties are located in mainland China and are located on land held under land use rights expiring from 2067 through 2072. They were revalued as at 31st December 2003 by DTZ Debenham Tie Leung Limited, independent qualified valuers, on an open market value basis, with the related surplus, net of provision for relevant taxes and minority interests, recorded as investment property revaluation reserve.

As at 31st December 2003, approximately HK\$914,552,000 (2002: HK\$1,100,899,000) and approximately HK\$142,123,000 (2002: HK\$173,312,000) of the investment properties were pledged as collateral for the Group's banking facilities (see Note 43(a)) and bank loans borrowed by a jointly controlled entity (see Note 3(d)), respectively.

所有投資物業均位於中國大陸及位於根據於二零六七年至二零七二年期間屆滿的土地使用權持有之土地。所有投資物業已於二零零三年十二月三十一日由合資格獨立估值師戴德梁行按公開市場價格基準重新估值，有關盈餘(扣除有關稅項撥備及少數股東權益)乃計入投資物業重估儲備內。

於二零零三年十二月三十一日，約914,552,000港元(二零零二年：1,100,899,000港元)及約142,123,000港元(二零零二年：173,312,000港元)的投資物業已抵押作為本集團銀行信貸(見附註43(a))及一間共同控制實體的銀行貸款(見附註3(d))的抵押品。

Notes to the Accounts

賬目附註

15 INVESTMENT PROPERTIES (continued)

The Group leases out certain investment properties under operating leases, for an initial period of one to twenty years, with an option to renew on renegotiated terms. None of the leases includes contingent rentals. During the year ended 31st December 2003, the gross rental income from investment properties amounted to approximately HK\$31,026,000 (2002: HK\$17,599,000). As at 31st December 2003, the Group's future rental income under non-cancellable operating leases was as follows:

15 投資物業(續)

本集團根據經營租約出租若干投資物業，初始租期為一至二十年，可選擇根據重新磋商的條款續約。各租約概無包括或然租金。於截至二零零三年十二月三十一日止年度內，來自投資物業的租金總額約為31,026,000港元(二零零二年：17,599,000港元)。於二零零三年十二月三十一日，本集團根據不可撤銷的經營租約的未來租金收入如下：

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Not later than one year	一年內	33,248	23,460
Later than one year and not later than five years	一至五年內	130,182	93,766
Later than five years	五年後	135,254	128,309
		298,684	245,535

Notes to the Accounts

賬目附註

16 RIGHTS TO RECEIVE RENTAL INCOME

16 收租權

		Consolidated 綜合	
		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Beginning of year	年初	48,524	–
Additions	新增	–	49,627
Amortisation	攤銷	(3,308)	(1,103)
Disposal	出售	(45,216)	–
End of year	年終	–	48,524

The Group had rights to receive rental income for 15 years up to 2017 in respect of certain properties developed by the Group for the benefit of third parties in Beijing, mainland China. In 2003, the rights to receive rental income were disposed of.

During the year ended 31st December 2003, the gross rental income relating to these properties amounted to approximately HK\$4,461,000 (2002: HK\$815,000).

本集團有權於截至二零一七年止的十五年期間，就本集團於中國北京為第三者發展的若干物業收取租金。收租權已於二零零三年出售。

於截至二零零三年十二月三十一日止年度內，有關這些物業之租金收入總額約4,461,000港元(二零零二年：815,000港元)。

Notes to the Accounts

賬目附註

17 PROPERTIES UNDER DEVELOPMENT FOR LONG-TERM INVESTMENT

17 持作長期投資之發展中物業

		Consolidated 綜合	
		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Beginning of year	年初	1,146,549	716,940
Additions	新增	558,190	832,318
Transfer from land pending development	由待發展土地轉撥	23,334	–
Transfer to investment properties	轉撥至投資物業	(26,119)	(402,709)
Transfer to properties under development for sale	轉撥至可供出售之發展中物業	(185,969)	–
End of year	年終	1,515,985	1,146,549

All properties under development for long-term investment are located in mainland China. As at 31st December 2003, properties under development for long-term investment of approximately HK\$1,515,985,000 (2002: HK\$1,137,387,000) were located on land held under land use rights expiring from 2067 through 2072, whilst none (2002: HK\$9,162,000) was related to projects located on land for which the Group was in the process of applying for formal land use rights.

As at 31st December 2003, approximately HK\$391,912,000 (2002: HK\$70,112,000) and approximately HK\$191,085,000 (2002: HK\$175,763,000) of the properties under development for long-term investment were pledged as collateral for the Group's banking facilities (see Note 43(b)) and bank loans borrowed by a jointly controlled entity (see Note 3(d)), respectively.

所有持作長期投資之發展中物業均位於中國大陸。於二零零三年十二月三十一日，約1,515,985,000港元(二零零二年：1,137,387,000港元)的持作長期投資之發展中物業位於根據由二零六七年至二零七二年期間屆滿的土地使用權持有的土地上。而並無(二零零二年：9,162,000港元)物業則位於本集團正在申請正式土地使用權的土地上。

於二零零三年十二月三十一日，約391,912,000港元(二零零二年：70,112,000港元)及約191,085,000港元(二零零二年：175,763,000港元)之持作長期投資之發展中物業已分別抵押作本集團之銀行信貸(見附註43(b))及一間共同控制實體之銀行借貸之抵押品(見附註3(d))。

Notes to the Accounts

賬目附註

18 LAND PENDING DEVELOPMENT

18 待發展土地

		Consolidated 綜合	
		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Beginning of year	年初	311,458	89,056
Additions	增加	533,934	230,655
Transfer to properties under development for long-term investment	轉撥至持作長期投資之發展中物業	(23,334)	-
Transfer to properties under development for sale	轉撥至可供銷售之發展中物業	(241,042)	-
Impairment	減值	-	(8,253)
End of year	年終	581,016	311,458

Land pending development is located in mainland China. As at 31st December 2003, land pending development of approximately HK\$291,448,000 (2002: HK\$120,731,000) was held under land use rights expiring from 2064 through 2067, whilst the remaining balance of approximately HK\$289,568,000 (2002: HK\$190,727,000) was in the process of applying for formal land use rights.

As at 31st December 2003, approximately HK\$83,678,000 (2002: HK\$82,995,000) of the land pending development was pledged as collateral for the Group's banking facilities (see Note 43(c)).

待發展土地位於中國大陸。於二零零三年十二月三十一日，約291,448,000港元(二零零二年：120,731,000港元)的待發展土地根據由二零六四年至二零六七年期間屆滿的土地使用權持有。其餘約289,568,000港元(二零零二年：190,727,000港元)的待發展土地則正在申請正式土地使用權。

於二零零三年十二月三十一日，約83,678,000港元(二零零二年：82,995,000港元)之待發展土地已抵押作本集團銀行信貸之抵押品(見附註43(c))。

Notes to the Accounts

賬目附註

19 INVESTMENT IN SUBSIDIARIES

19 於附屬公司的投資

		Company 公司	
		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份，按成本值	74,900	74,900
Due from subsidiaries	應收附屬公司款項	722,749	667,886
		797,649	742,786

The amounts due from subsidiaries are unsecured, non-interest bearing and not repayable within one year.

應收附屬公司款項為無抵押、免息及無須於一年內償還。

Details of the principal subsidiaries as at 31st December 2003 are set out on pages 124 to 130.

於二零零三年十二月三十一日的主要附屬公司詳情載於第124至130頁。

None of the subsidiaries had any loan capital in issue at any time during the year ended 31st December 2003.

於截至二零零三年十二月三十一日止年度內任何時間，各附屬公司概無擁有任何已發行借貸資本。

Notes to the Accounts

賬目附註

20 INVESTMENT IN AN ASSOCIATE

20 於一間聯營公司之投資

		Consolidated 綜合	
		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Share of net assets of an unlisted associate at acquisition	應佔收購時一間非上市聯營公司之淨資產	1,888	1,888
Share of undistributed post-acquisition results	應佔收購後未分配業績	(1,118)	(3,033)
		770	(1,145)
Due from an associate	應收一間聯營公司款項	-	9,033
Due to an associate	應付一間聯營公司款項	-	(1,109)
		770	6,779
Less: Provision for amount due from an associate	減：應收一間聯營公司款項之撥備	-	(6,000)
		770	779

Notes to the Accounts

賬目附註

20 INVESTMENT IN AN ASSOCIATE (continued)

20 於一間聯營公司之投資(續)

Details of the associate as at 31st December 2003 are as follows:

於二零零三年十二月三十一日聯營公司之詳情如下：

Name of company 公司名稱	Place of incorporation and operations 註冊成立及 營運地點	Issued and fully paid capital 已發行及 繳足股本	Percentage of equity interest attributable to the Group 本集團應佔 股權百分比		Principal activity 主要業務
			Directly 直接	Indirectly 間接	
			Guangdong Huasheng Cultural Development Company Limited 廣東華生教育文化發展有限公司	mainland China 中國大陸	

21 INVESTMENT IN A JOINTLY CONTROLLED ENTITY

21 於一間共同控制實體之投資

		Consolidated 綜合	
		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Share of net assets of an unlisted jointly controlled entity at acquisition	應佔收購時一間非上市共 同控制實體之淨資產	21,000	21,000
Share of undistributed post-acquisition results	應佔收購後未分配業績	112,024	55,412
		133,024	76,412
Goodwill less accumulated amortisation	商譽減累計攤銷	8,100	9,000
		141,124	85,412

Notes to the Accounts

賬目附註

**21 INVESTMENT IN A JOINTLY CONTROLLED ENTITY
(continued)**

Investment in a jointly controlled entity represents an investment in a contractual joint venture, Guangzhou Zhujiang Qiaodao Real Estate Limited ("GZQREL"). GZQREL is established in mainland China with an operating period of 20 years up to January 2018 to develop properties located in Guangzhou, Guangdong Province, mainland China. Under the joint venture agreement, the Group is required to contribute 57.14% of the capital of GZQREL and is entitled to one-third of the voting power in GZQREL. It is entitled to share 40% of the profit of GZQREL but has to assume 57.14% of any losses of GZQREL, and is entitled to a distribution of 40% of GZQREL's assets upon expiry of the operating period.

22 INVESTMENT IN JOINTLY CONTROLLED ASSETS

Certain subsidiaries of the Group entered into a jointly controlled assets arrangement with Guangzhou Zhuguang Real Estate Development Company Limited, an independent third party, under which each of the Group and Guangzhou Zhuguang Real Estate Development Company Limited contributed land and other assets for the development of properties located in Guangzhou, Guangdong Province, mainland China. During the year ended 31st December 2003, the Group's participating interest in these jointly controlled assets was 95.5% (2002: 95.5%).

21 於一間共同控制實體之投資 (續)

於一間共同控制實體之投資乃指本集團於廣州珠江橋都房地產有限公司(「橋都」)之投資(橋都為一間合約合營企業)。橋都於中國大陸成立，經營期至二零一八年一月止，為期20年，其經營活動為開發位於中國大陸廣東省廣州之物業。根據合營企業協議，本集團需要分擔橋都之57.14%資本貢獻及有權擁有橋都三分之一投票權。本集團亦有權分佔橋都之40%溢利，惟須承擔橋都虧損之57.14%，以及有權於經營期屆滿時獲分配橋都40%之資產。

22 於共同控制資產之投資

本集團若干附屬公司與一名獨立第三方廣州珠光房地產開發有限公司訂立一項共同控制資產安排，據此，本集團及廣州珠光房地產開發有限公司各就開發位於中國大陸廣東省廣州之物業提供土地及其他資產。於截至二零零三年十二月三十一日止年度內，本集團擁有該等共同控制資產95.5% (二零零二年：95.5%)之參與權益。

Notes to the Accounts

賬目附註

**22 INVESTMENT IN JOINTLY CONTROLLED ASSETS
(continued)**

Details of the aggregate amount of the assets and liabilities recognised in the consolidated accounts in respect of the Group's interest in jointly controlled assets arrangement were as follows:

		Consolidated 綜合	
		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Assets	資產	1,239,598	700,289
Liabilities	負債	834,638	402,267

22 於共同控制資產之投資(續)

就本集團於共同控制資產安排之權益而於綜合賬目確認為資產及負債之總金額詳情如下：

23 GOODWILL**23 商譽**

		Consolidated 綜合	
		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Beginning of year	年初	6,108	6,587
Addition	新增	–	1,946
Amortisation	攤銷	(2,036)	(2,425)
End of year	年終	4,072	6,108
Representing – Cost	相當於 – 成本值	10,180	10,180
Less: Accumulated amortisation	減：累計攤銷	(6,108)	(4,072)
Net book value	賬面淨值	4,072	6,108

Notes to the Accounts

賬目附註

23 GOODWILL (continued)

Goodwill, arisen from investment in jointly controlled assets, represents the excess of contributions made by the Group for a property development project located in Guangzhou, Guangdong Province, mainland China over the Group's percentage interest in this property development project (see Note 22).

23 商譽(續)

於共同控制資產之投資所產生之商譽乃指本集團就位於中國大陸廣東省廣州之物業發展項目所投入之價值超出本集團於此項物業發展項目之應佔權益之部份(見附註22)。

24 PROPERTIES UNDER DEVELOPMENT FOR SALE

24 可供出售之發展中物業

		Consolidated 綜合	
		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
At cost	按成本	4,122,404	2,924,973
Add: Attributable profits on pre-sold properties	加：預售物業應佔溢利	478,078	152,106
		4,600,502	3,077,079
Less: Sale instalments and deposits received/receivable	減：已收／應收售樓分期 付款及按金	(1,183,280)	(386,413)
		3,417,222	2,690,666
Costs consisted of –	成本值包括 –		
Land cost	土地成本	1,959,620	1,880,963
Construction expenditures	建築開支	2,027,402	1,008,840
Borrowing costs capitalised (Note (i))	撥充資本的借貸成本(附註(i))	135,402	35,170
		4,122,424	2,924,973

Note:

附註：

(i) The average interest rate of borrowing costs capitalised for the year ended 31st December 2003 was approximately 5.6% per annum (2002: 6.0% per annum).

(i) 截至二零零三年十二月三十一日止年度撥充資本的借貸成本之平均利率約每年5.6% (二零零二年：年利率6.0%)。

Notes to the Accounts

賬目附註

**24 PROPERTIES UNDER DEVELOPMENT FOR SALE
(continued)**

All properties under development for sale are located in mainland China. As at 31st December 2003, properties under development for sale of approximately HK\$3,417,222,000 (2002: HK\$2,610,624,000) were located on land held under land use rights expiring from 2067 through 2072, whilst none (2002: HK\$80,042,000) was related to projects located on land for which the Group was in the process of applying for formal land use rights.

As at 31st December 2003, approximately HK\$541,760,000 (2002: HK\$237,026,000) of the properties under development for sale were pledged as collateral for the Group's banking facilities (see Note 43(d)).

25 COMPLETED PROPERTIES FOR SALE

All completed properties for sale are located in mainland China and are located on land held under land use rights expiring from 2067 through 2072.

As at 31st December 2003, approximately HK\$216,309,000 (2002: HK\$203,299,000), none (2002: HK\$66,390,000) and none (2002: HK\$4,909,000) of the completed properties for sale were pledged as collateral for the Group's banking facilities (see Note 43(e)), bank loans borrowed by a related company (see Note 3(d)) and bank loans borrowed by a jointly controlled entity (see Note 3(d)), respectively.

24 可供出售之發展中物業(續)

全部可供出售之發展中物業均位於中國大陸。於二零零三年十二月三十一日，約3,417,222,000港元(二零零二年：2,610,624,000港元)可供出售之發展中物業位於根據於二零六七年至二零七二年期間屆滿之土地使用權持有之土地上。而並無(二零零二年：80,042,000港元)物業位於本集團正在申請正式土地使用權之土地上。

於二零零三年十二月三十一日，可供出售之發展中物業約541,760,000港元(二零零二年：237,026,000港元)已抵押作本集團銀行信貸之抵押品(見附註43(d))。

25 可供出售之已落成物業

全部可供出售之已落成物業均位於中國大陸及位於根據於二零六七年至二零七二年期間屆滿之土地使用權持有之土地上。

於二零零三年十二月三十一日，約216,309,000港元(二零零二年：203,299,000港元)、並無(二零零二年：66,390,000港元)及並無(二零零二年：4,909,000港元)之可供出售之已落成物業已分別抵押作為本集團銀行信貸(見附註43(e))，一間關連公司之銀行貸款(見附註3(d))及一間共同控制實體之銀行貸款(見附註3(d))之抵押品。

Notes to the Accounts

賬目附註

26 ACCOUNTS RECEIVABLE

Consideration in respect of properties sold is generally payable by the purchasers within six months subsequent to the execution of the sale and purchase agreements. Rentals in respect of leased properties and property management fees are generally payable in advance by the tenants on monthly basis.

Aging analysis of accounts receivable was as follows:

26 應收賬款

已出售物業之代價一般須於簽立買賣協議六個月內由買方支付。租賃物業租金及物業管理費一般須由租戶每月預付。

應收賬款之賬齡分析如下：

		Consolidated 綜合	
		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
0 to 3 months	0至3個月	304,229	117,242
3 to 6 months	3至6個月	1,424	904
6 to 9 months	6至9個月	445	38
9 to 12 months	9至12個月	126	152
Over 12 months	超過至12個月	2,980	2,709
		309,204	121,045

Notes to the Accounts

賬目附註

27 PREPAYMENTS, DEPOSITS AND OTHER CURRENT ASSETS

27 預付款項、按金及其他流動資產

		Consolidated 綜合		Company 公司	
		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Prepayment for acquisition of land (Note (i))	收購土地之預付款項(附註(i))	79,555	42,925	-	-
Prepaid construction expenditures	預付建築開支	44,226	48,201	-	-
Utility and other deposits	公用設施及其他按金	30,533	11,692	-	-
Others	其他	15,247	14,942	422	130
		169,561	117,760	422	130

Note:

- (i) This represents advances made to minority shareholders of the Company's subsidiaries for acquisition of land, which will be injected into the subsidiaries upon the issuance of land use right certificates.

附註：

- (i) 此乃指就收購土地而向本公司若干附屬公司之少數股東作出之墊款，墊款將於發出土地使用權證後隨即注入該附屬公司。

Notes to the Accounts

賬目附註

28 INVESTMENT IN SECURITIES

28 證券投資

		Consolidated 綜合	
		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Shares listed in Hong Kong, at cost	香港上市股份、按成本	8,386	8,386
Less: Adjustment to quoted market value	減：按市場報價調整	(4,837)	(5,559)
		3,549	2,827
Unlisted investment, at cost	非上市投資，按成本	943	-
		4,492	2,827
Quoted market value of listed shares	上市股份之市場報價	3,549	2,827

29 CASH AND BANK DEPOSITS

29 現金及銀行存款

As at 31st December 2003, the Group's bank deposits of approximately HK\$256,448,000 (2002: HK\$232,081,000) were pledged as collateral for the Group's banking facilities (see Note 43(f)). In addition, the Group's bank deposits of approximately HK\$53,284,000 (2002: HK\$48,953,000) were charged by certain banks in respect of the processing of mortgage facilities granted by the banks to buyers of the Group's properties.

As at 31st December 2003, cash and bank deposits of approximately HK\$635,576,000 (2002: HK\$333,088,000) were denominated in Chinese Renminbi, which is not a freely convertible currency in the international market and its exchange rate is determined by the People's Bank of China.

於二零零三年十二月三十一日，本集團約256,448,000港元(二零零二年：232,081,000港元)銀行存款已抵押作本集團銀行信貸(見附註43(f))。此外，本集團銀行存款約53,284,000港元(二零零二年：48,953,000港元)已被若干銀行抵押，以便銀行處理有關向本集團物業買家授予按揭信貸額。

於二零零三年十二月三十一日，約635,576,000港元(二零零二年：333,088,000港元)現金及銀行存款以人民幣計算。人民幣並非國際市場自由兌換之貨幣，其匯率由中國人民銀行釐定。

Notes to the Accounts

賬目附註

30 SHORT-TERM BANK LOANS

Short-term bank loans bear interest at 4.8% to 6.0% per annum (2002: 4.8% to 6.4% per annum). Refer to Note 43 for details of collateral.

31 LONG-TERM BANK LOANS

Amounts repayable 須於下列期間償還之款項

- within one year 一年內
- within one to two years 一至兩年內
- within two to three years 兩至三年內

Less: Amount due within one year 減：流動負債項下
included under current liabilities 一年內到期之款項

1,662,224 822,598

Long-term bank loans bear interest at approximately 4.0% to 6.8% per annum (2002: 5.5% to 6.8% per annum). Refer to Note 43 for details of collateral.

30 短期銀行貸款

短期銀行貸款按年利率4.8%至6.0%（二零零二年：年利率4.8%至6.4%）計息。抵押品之詳情請參閱附註43。

31 長期銀行貸款

須於下列期間償還之款項

- 一年內 375,527
- 一至兩年內 340,430
- 兩至三年內 482,168

1,953,807 1,198,125

減：流動負債項下 一年內到期之款項 (375,527)

1,662,224 822,598

長期銀行貸款按年利率約4.0%至6.8%（二零零二年：年利率5.5%至6.8%）計息。抵押品之詳情請參閱附註43。

Consolidated
綜合

	2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Amounts repayable		
– within one year	291,583	375,527
– within one to two years	1,549,912	340,430
– within two to three years	112,312	482,168
	1,953,807	1,198,125
Less: Amount due within one year included under current liabilities	(291,583)	(375,527)
	1,662,224	822,598

Notes to the Accounts

賬目附註

32 ACCOUNTS PAYABLE

32 應付賬款

Aging analysis of accounts payable was as follows:

應付賬款之賬齡分析如下：

		Consolidated 綜合	
		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
0 to 3 months	0至3個月	1,373,229	714,541

Approximately HK\$526,502,000 (2002: HK\$570,039,000) of accounts payable was due to subsidiaries of minority shareholders of certain subsidiaries of the Company in respect of property construction fees (see Note 3(b)).

就物業建築費應付本公司若干附屬公司之少數股東之附屬公司之賬款約為526,502,000港元(二零零二年：570,039,000港元)(見附註3(b))。

33 TAXATION PAYABLE

33 應付稅項

		Consolidated 綜合	
		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Hong Kong profits tax	香港利得稅	7,487	4,152
Mainland China enterprise income tax	中國大陸企業所得稅	102,776	92,996
Mainland China land appreciation tax	中國大陸土地增值稅	38,863	48,996
Mainland China business tax	中國大陸營業稅	39,556	26,159
		188,682	172,303

34 DEFERRED TAXATION

34 遞延稅項

Deferred taxation are calculated in full on temporary differences under the liability method using the applicable mainland China enterprise income tax rate and land appreciation tax rate.

遞延稅項乃按適用之中國大陸企業所得稅稅率及土地增值稅稅率以負債法就短暫時差作全數撥備。

Notes to the Accounts

賬目附註

34 DEFERRED TAXATION (continued)

34 遞延稅項(續)

Movements were as follows:

變動詳情如下：

		Consolidated 綜合		
		Revaluation of investment properties 投資物業重估	Different bases in reporting revenue (Note (i)) 不同之收入申報基準	Total 合計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1st January 2002	於二零零二年一月一日			
- as previously reported	- 如前呈報	325,228	346,736	671,964
- adjustment on adoption of SSAP 12 (see Note 2(c))	- 因採納會計實務準則第12號 而作出調整(見附註2(c))	218,956	-	218,956
- as restated	- 重列	544,184	346,736	890,920
Credited to profit and loss account	在損益表記賬	-	(35,435)	(35,435)
Charged to equity	在權益扣除	290,315	-	290,315
At 31st December 2002	於二零零二年十二月三十一日	834,499	311,301	1,145,800
At 1st January 2003	於二零零三年一月一日			
- as previously reported	- 如前呈報	479,095	311,301	790,396
- adjustment on adoption of SSAP 12 (see Note 2(c))	- 因採納會計實務準則第12號 而作出調整(見附註2(c))	355,404	-	355,404
- as restated	- 重列	834,499	311,301	1,145,800
Credited to profit and loss account	在損益表記賬	-	(26,879)	(26,879)
Charged to equity	在權益扣除	8,753	-	8,753
Disposal of investment properties	出售投資物業	(25,622)	-	(25,622)
Others	其他	(50,000)	-	(50,000)
At 31st December 2003	於二零零三年十二月三十一日	767,630	284,422	1,052,052

Note:

附註：

(i) This deferred taxation represented the taxation effect on temporary difference arising from the different bases in reporting revenue with mainland China tax authorities.

(i) 遞延稅項指因採用與中國大陸稅務機關不同之收入申報基準引致之短暫時差所產生之稅項影響。

As at 31st December 2003, there was no deferred tax asset recognised and no offsetting of balances against the deferred tax liabilities (2002: Nil).

於二零零三年十二月三十一日，並無已確認之遞延稅項資產及無結餘抵銷遞延稅項負債(二零零二年：無)。

Notes to the Accounts

賬目附註

35 SHARE CAPITAL

35 股本

		2003 二零零三年		2002 二零零二年	
		Number of shares 股份數目 '000 千股	Nominal value 面值 HK\$'000 千港元	Number of shares 股份數目 '000 千股	Nominal value 面值 HK\$'000 千港元
Authorised- Ordinary shares of HK\$0.1 each	法定— 每股面值0.1港元 之普通股	2,000,000	200,000	2,000,000	200,000
Issued and fully paid- Ordinary shares of HK\$0.1 each, beginning and end of year	已發行及繳足— 每股面值0.1港元 之普通股 年初及年終	1,002,000	100,200	1,002,000	100,200

36 EMPLOYEE SHARE OPTIONS

36 僱員購股權

Effective from November 2002, the Company has adopted a new employee share option scheme, under which it may grant options to employees (including executive Directors of the Company) to subscribe for shares in the Company, subject to a maximum of 30% of the nominal value of the issued share capital of the Company from time to time excluding for this purpose any shares issued on the exercise of options. The exercise price will be determined by the Company's board of Directors and shall at least be the highest of (i) the closing price of the Company's shares on the date of grant of the options, (ii) the average closing price of the Company's shares for the five trading days immediately preceding the date of grant of the options, and (iii) the nominal value of the Company's shares of HK\$0.1 each. The new employee share option scheme will remain in force for a period of 10 years up to 2012. As at 31st December 2003, no employee share options have been granted under this new share option scheme.

由二零零二年十一月起，本公司已採納一項新僱員購股權計劃，據此，本公司可向僱員（包括本公司執行董事）授出購股權以認購本公司股份，惟數目不得超過本公司不時已發行之股本面值30%，就此而言，不包括任何因行使購股權而發行之股份。行使價將由本公司董事會釐定，其將不少於下列三者之最高者：(i)本公司股份於購股權授出日期之收市價；(ii)於緊接購股權授出日期前五個交易日本公司股份之平均收市價；及(iii)本公司股份面值（每股0.1港元）。新僱員購股權計劃於截至二零一二年之十年期間維持有效。於二零零三年十二月三十一日，並無根據此新購股權計劃授出僱員購股權。

Notes to the Accounts

賬目附註

36 EMPLOYEE SHARE OPTIONS (continued)

As at 31st December 2003, there were outstanding options granted under an old share option scheme to subscribe for an aggregate of 1,000,000 shares of the Company. Other than those lapsed, all options granted under the old share option scheme will continue to be valid and exercisable in accordance with the rules of the old share option scheme.

Movements of employee share options during the year ended 31st December 2003 were:

36. 僱員購股權 (續)

於二零零三年十二月三十一日，已根據舊購股權計劃授出合共可認購1,000,000股本公司股份之購股權尚未行使。根據舊購股權計劃授出之全部購股權將繼續有效及可根據舊購股權計劃之規則予以行使。

於截至二零零三年十二月三十一日止年度內之僱員購股權變動如下：

Date of grant 授出日期	Exercise period 行使期	Exercise price per share 每股行使價	Beginning of year 年初	Number of share options 購股權數目			End of year 年終
				Granted during the year 年內授出	Exercised during the year 年內行使	Lapsed during the year 年內失效	
			'000 千股	'000 千股	'000 千股	'000 千股	'000 千股
Old share option scheme 舊購股權計劃							
14th July 1998 一九九八年七月十四日	14th July 1998 to 13th July 2003 一九九八年七月十四日至 二零零三年七月十三日	HK\$1.49 1.49港元	2,000	-	-	(2,000)	-
14th July 1999 一九九九年七月十四日	14th July 1999 to 13th July 2004 一九九九年七月十四日至 二零零四年七月十三日	HK\$1.00 1.00港元	1,000	-	-	(1,000)	-
30th April 2002 二零零二年四月三十日	30th April 2002 to 29th April 2007 二零零二年四月三十日至 二零零七年四月二十九日	HK\$1.17 1.17港元	1,000	-	-	-	1,000
18th September 2002 二零零二年九月十八日	18th September 2002 to 17th September 2007 二零零二年九月十八日至 二零零七年九月十七日	HK\$1.16 1.16港元	1,000	-	-	(1,000)	-
			5,000	-	-	(4,000)	1,000

Notes to the Accounts

賬目附註

37 RESERVES

37 儲備

		Consolidated 綜合						
		Retained profits	Share premium	Investment property revaluation reserve	General reserve fund	Cumulative translation adjustments	Proposed dividends	Total
		保留溢利	股份溢價	投資物業 重估儲備	一般 儲備基金	滙兌調整 累積	建議股息	合計
		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 1st January 2002	於二零零二年一月一日							
- as previously reported	- 如前呈報	718,706	618,849	758,866	30,724	6,499	20,040	2,153,684
- adjustment on adoption of SSAP 12 (see Note 2(c))	- 因採納會計實務準則 第12號而作出調整 (見附註2(c))	-	-	(218,956)	-	-	-	(218,956)
- as restated	- 重列	718,706	618,849	539,910	30,724	6,499	20,040	1,934,728
Profit attributable to shareholders	股東應佔溢利	229,082	-	-	-	-	-	229,082
Transfer from retained profits (Note (i))	轉撥自保留溢利 (附註(i))	(17,380)	-	-	17,380	-	-	-
Proposed dividends	建議股息							
- interim dividend	- 中期股息	(20,040)	-	-	-	-	20,040	-
- final dividend	- 末期股息	(20,040)	-	-	-	-	20,040	-
Payment of dividends	派付股息	-	-	-	-	-	(40,080)	(40,080)
Surplus on revaluation of investment properties	重估投資物業產生之盈餘							
- gross	- 總額	-	-	512,891	-	-	-	512,891
- deferred taxation	- 遞延稅項	-	-	(290,315)	-	-	-	(290,315)
Translation adjustments	滙兌差額	-	-	-	-	(2,286)	-	(2,286)
At 31st December 2002	於二零零二年 十二月三十一日	890,328	618,849	762,486	48,104	4,213	20,040	2,344,020
At 1st January 2003	於二零零三年一月一日							
- as previously reported	- 如前呈報	890,328	618,849	1,117,890	48,104	4,213	20,040	2,699,424
- adjustment on adoption of SSAP 12 (see Note 2(c))	- 因採納會計實務準則 第12號而作出調整 (見附註2(c))	-	-	(355,404)	-	-	-	(355,404)
- as restated	- 重列	890,328	618,849	762,486	48,104	4,213	20,040	2,344,020
Profit attributable to shareholders	股東應佔溢利	315,354	-	-	-	-	-	315,354
Transfer from retained profits (Note (i))	轉撥自保留溢利 (附註(i))	(36,395)	-	-	36,395	-	-	-
Proposed dividends	建議股息							
- interim dividend	- 中期股息	(20,040)	-	-	-	-	20,040	-
- final dividend	- 末期股息	(30,060)	-	-	-	-	30,060	-
Payment of dividends	派付股息	-	-	-	-	-	(40,080)	(40,080)
Reserve transferred to the profit and loss account upon disposal of investment properties	於出售投資物業時轉撥 至損益表之儲備	-	-	(38,388)	-	-	-	(38,388)
Surplus on revaluation of investment properties	重估投資物業產生之盈餘							
- gross	- 總額	-	-	22,272	-	-	-	22,272
- deferred taxation	- 遞延稅項	-	-	(8,753)	-	-	-	(8,753)
Translation adjustments	滙兌差額	-	-	-	-	(247)	-	(247)
At 31st December 2003	於二零零三年 十二月三十一日	1,119,187	618,849	737,617	84,499	3,966	30,060	2,594,178

Notes to the Accounts

賬目附註

37 RESERVES (continued)

37 儲備(續)

Note:

附註：

- (i) As stipulated by regulations in mainland China, the Company's subsidiaries established and operated in mainland China are required to appropriate a portion of their after-tax profit (after offsetting prior year losses) to the general reserve fund and enterprise expansion fund, at rates determined by their respective boards of directors. The general reserve fund can be utilised to offset prior year losses or be utilised for the issuance of bonus shares, whilst the enterprise expansion fund can be utilised for the development of business operations. During the year ended 31st December 2003, the boards of directors of the Company's subsidiaries in mainland China appropriated an aggregate amount of approximately HK\$36,395,000 (2002: HK\$17,380,000) to the general reserve fund and determined not to make any appropriation to the enterprise expansion fund.

- (i) 按照中國大陸法規訂明，本公司於中國大陸成立及經營之附屬公司須於其除稅後溢利(經抵銷往年度虧損後)中撥出一部份至一般儲備基金及企業發展基金，比率乃由各自董事會釐定。一般儲備基金可用作抵銷過往年度虧損或用作發行紅股，而企業發展基金則可用作發展業務。於截至二零零三年十二月三十一日止年度，本公司之中國大陸附屬公司之董事會共撥款約36,395,000港元(二零零二年：17,380,000港元)至一般儲備基金及決定不會撥款至企業發展基金。

		Company 公司			
		Retained profits 保留溢利	Share premium 股份溢價	Proposed dividends 建議股息	Total 合計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1st January 2002	於二零零二年一月一日	2,728	618,849	20,040	641,617
Profit attributable to shareholders	股東應佔溢利	43,960	-	-	43,960
Proposed dividends	建議股息				
- interim dividend	- 中期股息	(20,040)	-	20,040	-
- final dividend	- 末期股息	(20,040)	-	20,040	-
Payment of dividends	派付股息	-	-	(40,080)	(40,080)
At 1st January 2003	於二零零三年一月一日	6,608	618,849	20,040	645,497
Profit attributable to shareholders	股東應佔溢利	93,554	-	-	93,554
Proposed dividends	建議股息				
- interim dividend	- 中期股息	(20,040)	-	20,040	-
- final dividend	- 末期股息	(30,060)	-	30,060	-
Payment of dividends	派付股息	-	-	(40,080)	(40,080)
At 31st December 2003	於二零零三年十二月三十一日	50,062	618,849	30,060	698,971

Notes to the Accounts

賬目附註

38 NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

38 綜合現金流量表附註

(a) Reconciliation of profit before taxation to net cash inflow/(outflow) generated from operations is as follows:

(a) 除稅前溢利相對於經營產生之現金流入/(流出)淨額之調節如下:

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Profit before taxation	除稅前溢利	635,942	510,864
Interest income	利息收入	(7,211)	(2,632)
Interest expense	利息支出	4,280	12,644
Share of profit of a jointly controlled entity	應佔共同控制實體溢利	(110,922)	(91,586)
Share of loss of an associate	應佔一間聯營公司虧損	1,118	3,033
Provision for amount due from an associate	應收一間聯營公司款項撥備	620	6,000
Depreciation of properties and equipment	物業及設備折舊	8,423	5,820
Loss on disposal of properties and equipment	出售物業及設備之虧損	486	74
Amortisation of goodwill	商譽攤銷	2,936	2,425
Amortisation of rights to receive rental income	收租權攤銷	3,308	1,103
Write-off of cost of properties	撇銷物業成本	-	5,355
(Gain)/loss on investment in securities	證券投資(收益)/虧損	(722)	1,405
Operating profit before working capital changes	營運資金變動前之經營溢利	538,258	454,505
Increase in land pending development	待發展土地增加	(373,770)	(227,757)
Increase in properties under development for long-term investment	持作長期投資之發展中物業增加	(461,052)	(810,601)
Decrease/(increase) in properties for sale	可供出售之物業減少/(增加)	6,720	(1,566,026)
(Increase)/decrease in accounts receivable	應收賬款(增加)/減少	(188,159)	156,122
(Increase)/decrease in prepayments, deposits and other current assets	預付款項、按金及其他流動資產(增加)/減少	(42,343)	39,024
Increase in accounts payable	應付賬款增加	658,688	566,697
(Decrease)/increase in land premium payable	應付土地出讓金(減少)/增加	(344,313)	122,258
Increase in deferred income	遞延收入增加	128,372	207,646
Increase in accruals and other payables	預提費用及其他應付款項增加	110,216	41,389
Increase/(decrease) in mainland China business tax payable	應付中國營業稅增加/(減少)	14,574	(6,144)
Net cash inflow/(outflow) generated from operations	經營產生之現金流入/(流出)淨額	47,191	(1,022,887)

Notes to the Accounts

賬目附註

38 NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (continued)

38 綜合現金流量表附註(續)

(b) Acquisition of subsidiaries

(b) 收購附屬公司

		2003 二零零三年 HK\$'000 千港元
Net assets acquired	收購淨資產	
Fixed assets	固定資產	237
Land pending development	待發展土地	158,946
Prepayments, deposits and other current assets	預付款項、按金及其他流動資產	9,458
Cash and other bank deposits	現金及其他銀行存款	23,756
Accruals and other payables	預提費用及其他應付款項	(9,180)
Minority interests	少數股東權益	(48,511)
		134,706
Satisfied by:	支付：	
Cash consideration	現金代價	134,706

Analysis of net outflow of cash and cash equivalents in respect of the acquisition of subsidiaries:

就收購附屬公司之現金及現金等值物流出淨額之分析：

		2003 二零零三年 HK\$'000 千港元
Cash consideration	現金代價	134,706
Less: Cash and other bank deposits acquired	減：收購現金及其他銀行存款	(23,756)
Net outflow of cash and cash equivalents in respect of acquisition of subsidiaries	就收購附屬公司之現金及現金等值物流出淨額	110,950

Notes to the Accounts

賬目附註

38 NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (continued)

38 綜合現金流量表附註(續)

(c) Analysis of changes in financing is as follows:

(c) 有關年度之融資變動分析如下：

		Short-term bank loans	Long-term bank loans	Due to directors	Due to related companies	Due to an associate	Due to a jointly controlled entity	Due to ultimate holding company	Minority interests
		短期 銀行貸款 HK\$'000 千港元	長期 銀行貸款 HK\$'000 千港元	應付 董事款項 HK\$'000 千港元	應付關連 公司款項 HK\$'000 千港元	應付 一間聯營 公司款項 HK\$'000 千港元	應付一間 共同控制 實體款項 HK\$'000 千港元	應付 最終控股 公司款項 HK\$'000 千港元	少數 股東權益 HK\$'000 千港元
As at 1st January 2002	於二零零二年 一月一日	751,483	646,915	1,562	76,209	7,801	87,189	20,000	179,810
New loans/advances	新增貸款/墊款	1,108,633	715,247	12,630	254,349	-	314,463	-	-
Repayments	償還款項	(751,483)	(164,037)	(4)	(27,244)	(6,692)	(189,085)	-	-
Capital contributions from minority shareholders of subsidiaries	附屬公司少數股東 資本貢獻	-	-	-	-	-	-	-	65,945
Share of profit by minority shareholders of subsidiaries	附屬公司少數股東 攤佔之溢利	-	-	-	-	-	-	-	51,971
As at 31st December 2002	於二零零二年 十二月三十一日	1,108,633	1,198,125	14,188	303,314	1,109	212,567	20,000	297,726
New loans/advances	新增貸款/墊款	1,092,510	1,255,357	13,128	804,696	1,117	881,907	12,000	-
Repayments	償還款項	(1,108,633)	(499,675)	(15,394)	(892,278)	-	(909,127)	-	-
Capital contributions from minority shareholders of subsidiaries	附屬公司少數股東 資本貢獻	-	-	-	-	-	-	-	44,714
Share of profit and reserves by minority shareholders of subsidiaries	附屬公司少數股東 攤佔之溢利及儲備	-	-	-	-	-	-	-	90,697
Acquisition of subsidiaries	收購附屬公司	-	-	-	-	-	-	-	48,511
Dividend paid to minority shareholders of subsidiaries	派付予附屬公司之 少數股東之股息	-	-	-	-	-	-	-	(8,163)
Others	其他	-	-	-	-	-	-	-	50,000
As at 31st December 2003	於二零零三年 十二月三十一日	1,092,510	1,953,807	11,922	215,732	2,226	185,347	32,000	523,485

(d) Cash and cash equivalents:

(d) 現金及現金等價物：

Cash and cash equivalents represent cash and other bank deposits.

現金及現金等價物包括現金及其他銀行存款。

Notes to the Accounts

賬目附註

39 SEGMENT INFORMATION

The Group operates predominantly in mainland China and in three business segments – property development, property investment and property management.

Analysis of the Group's results by business segment was as follows:

39 分部資料

本集團主要於中國大陸經營三個業務分類，即物業發展、物業投資及物業管理。

本集團按業務分類劃分的業績分析如下：

		2003 二零零三年				
		Property development 物業發展 HK\$'000 千港元	Property investment 物業投資 HK\$'000 千港元	Property management 物業管理 HK\$'000 千港元	Eliminations 撇銷 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Turnover	營業額					
External	外界	3,238,906	35,487	51,529	-	3,325,922
Inter-segment	內部分部業務	-	-	4,196	(4,196)	-
Total turnover	總營業額	3,238,906	35,487	55,725	(4,196)	3,325,922
Profit attributable to shareholders	股東應佔溢利					
Segment results	分類業績	486,842	31,318	5,047		523,207
Other revenue	其他收入					7,211
Profit from operations	經營溢利					530,418
Share of profit of a jointly controlled entity	應佔一間共同控制實體溢利	110,922	-	-		110,922
Share of loss of an associate	應佔一間聯營公司虧損	(1,118)	-	-		(1,118)
Finance costs	財務成本					(4,280)
Profit before taxation	除稅前溢利					635,942
Taxation	稅項					(252,000)
Profit after taxation	除稅後溢利					383,942
Minority interests	少數股東權益					(68,588)
Profit attributable to shareholders	股東應佔溢利					315,354
Assets	資產					
Segment assets	分部資產	6,097,968	4,074,109	30,459		10,202,536
Investment in an associate	於一間聯營公司之投資	770	-	-		770
Investment in a jointly controlled entity	於一間共同控制實體之投資	141,124	-	-		141,124
						10,344,430
Liabilities	負債					
Segment liabilities	分部負債	5,938,430	1,102,539	85,598		7,126,567
Capital expenditure	資本開支	15,006	558,190	1,166		574,362
Depreciation	折舊	7,588	-	835		8,423
Amortisation	攤銷	2,936	3,308	-		6,244

Notes to the Accounts

賬目附註

39 SEGMENT INFORMATION (continued)

39 分部資料(續)

		2002 二零零二年				
		Property development 物業發展 HK\$'000 千港元	Property investment 物業投資 HK\$'000 千港元	Property management 物業管理 HK\$'000 千港元	Eliminations 撇銷 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Turnover	營業額					
External	外界	2,073,847	18,414	34,528	-	2,126,789
Inter-segment	內部分部業務	-	-	2,250	(2,250)	-
Total turnover	總營業額	2,073,847	18,414	36,778	(2,250)	2,126,789
Profit attributable to shareholders	股東應佔溢利					
Segment results	分類業績	414,541	16,573	1,209		432,323
Other revenue	其他收入					2,632
Profit from operations	經營溢利					434,955
Share of profit of a jointly controlled entity	應佔一間共同控制實體溢利	91,586	-	-		91,586
Share of loss of associates	應佔聯營公司虧損	-	(3,033)	-		(3,033)
Finance costs	財務成本					(12,644)
Profit before taxation	除稅前溢利					510,864
Taxation	稅項					(229,811)
Profit after taxation	除稅後溢利					281,053
Minority interests	少數股東權益					(51,971)
Profit attributable to shareholders	股東應佔溢利					229,082
Assets	資產					
Segment assets	分部資產	4,855,436	3,772,149	33,246		8,660,831
Investment in associates	於聯營公司之投資	779	-	-		779
Investment in a jointly controlled entity	於一間共同控制實體之投資	85,412	-	-		85,412
						8,747,022
Liabilities	負債					
Segment liabilities	分部負債	4,200,864	1,385,710	63,098		5,649,672
Capital expenditure	資本開支	13,816	881,945	1,471		897,232
Depreciation	折舊	5,328	-	492		5,820
Amortisation	攤銷	2,425	1,103	-		3,528

Notes to the Accounts

賬目附註

39 SEGMENT INFORMATION (continued)

No segment information by location of assets is presented as substantially all of the Group's assets are located in mainland China. No analysis of turnover by location of customers is presented as all of the Group's customers are primarily located in mainland China.

40 COMMITMENTS

(a) Capital commitments

The Group had the following capital commitments, which have not been provided in the accounts:

39 分部資料(續)

鑒於本集團所有資產均位於中國大陸，故並無按資產所在地呈列分部資料。亦由於本集團之所有客戶主要位於中國大陸，故並無按客戶所在地對營業額進行分析。

40 承擔

(a) 資本承擔

本集團未於賬目內撥備之資本承擔如下：

		Consolidated 綜合		Company 公司	
		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Property development costs	物業發展成本				
- Authorised and contracted for	- 已授權及已訂約	2,173,441	3,878,974	-	-
- Authorised but not contracted for	- 已授權但未訂約	17,953,960	8,787,350	-	-
Capital contribution to a jointly controlled entity	於一間共同控制實體 之資本貢獻				
- Authorised and contracted for	- 已授權及已訂約	257,857	257,857	-	-
		20,385,258	12,924,181	-	-

Notes to the Accounts

賬目附註

40 COMMITMENTS (continued)

40 承擔(續)

(a) Capital commitments (continued)

(a) 資本承擔(續)

The Group's share of capital commitments of the jointly controlled entity not included in the above is as follows:

並未包括在上文之本集團攤佔共同控制實體之資本承擔如下：

		Consolidated 綜合		Company 公司	
		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Property development costs	物業發展成本				
- Authorised and contracted for	- 已授權及已訂約	274,682	173,213	-	-
- Authorised but not contracted for	- 已授權但未訂約	784,575	938,909	-	-
		1,059,257	1,112,122	-	-

(b) Operating lease commitments

(b) 經營租約承擔

The Group has operating lease commitments in respect of premises under various non-cancellable operating lease agreements extending to February 2008 of approximately HK\$12,468,000 (2002: HK\$11,910,000). The commitments payable under these agreements are analysed as follows:

本集團就多份期限至二零零八年二月有關租賃物業之不可註銷經營租約協議須負上的經營租約承擔約為12,468,000港元(二零零二年: 11,910,000港元)。此等協議下須付之承擔分析如下：

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Amounts payable	下列期內須付之款額		
- within one year	- 一年內	4,577	3,582
- within two to five years	- 二至五年內	7,891	8,328
		12,468	11,910

Notes to the Accounts

賬目附註

41 CONTINGENT LIABILITIES

41 或然負債

Contingent liabilities not provided for in the accounts are:

並無於賬目中作出撥備的或然負債如下：

	Consolidated		Company		
	綜合		公司		
	2003	2002	2003	2002	
	二零零三年	二零零二年	二零零三年	二零零二年	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	千港元	千港元	千港元	千港元	
Guarantees given to banks for mortgage facilities granted to certain buyers of the Group's properties	就購買本集團物業之買家提供按揭貸款而向銀行作出之擔保	1,861,354	1,322,859	-	-
Guarantees given to banks for bank loans of:	就銀行貸款向銀行作出的擔保：				
- an associate (see Note 3(e))	— 一間聯營公司 (見附註3(e))	-	9,186	-	-
- a jointly controlled entity (see Note 3(e))	— 一間共同控制實體 (見附註3(e))	94,340	84,906	-	-
- related companies (see Note 3(e))	— 關連公司 (見附註3(e))	85,849	106,604	-	-
- subsidiaries	— 附屬公司	-	-	693,527	235,849
		2,041,543	1,523,555	693,527	235,849

The Company's Directors and the Group's management anticipate that no material liabilities will arise from the above bank guarantees.

本公司董事及本集團管理層預期不會因上述銀行擔保而產生重大負債。

Notes to the Accounts

賬目附註

42 PENSION SCHEMES

The Group has arranged for its Hong Kong employees to join the Mandatory Provident Fund Scheme ("the MPF Scheme"), a defined contribution scheme managed by an independent trustee. Under the MPF scheme, each of the Group (the employer) and its employees make monthly contributions to the scheme at 5% of the employees' earnings as defined under the Mandatory Provident Fund legislation. The monthly contributions of each of the employer and employees are subject to a cap of HK\$1,000 and thereafter contributions are voluntary.

As stipulated by rules and regulations in mainland China, the Group contributes to state-sponsored retirement plans for its employees in mainland China. The Group's employees make monthly contributions to the plans at approximately 8% of the relevant income (comprising salaries, allowances and bonus), while the Group contributes approximately 20% of such income and has no further obligations for the actual payment of pensions beyond the contributions. The state-sponsored retirement plans are responsible for the entire pension obligations payable to the retired employees.

During the year ended 31st December 2003, the aggregate amount of the employer contributions made by the Group amounted to approximately HK\$9,391,000 (2002: HK\$6,540,000) (see Note 7).

43 BANKING FACILITIES

As at 31st December 2003, the Group had banking facilities of approximately HK\$3,046,317,000 (2002: HK\$2,306,758,000) for short-term and long-term bank loans, which were fully utilised. These facilities were secured by:

- (a) the Group's investment properties with an aggregate carrying amount of approximately HK\$914,552,000 (2002: HK\$1,100,899,000) (see Note 15);

42 退休金計劃

本集團已替其香港僱員安排參與一項由一位獨立信託人管理之定額供款計劃，即強制性公積金計劃（「強積金計劃」）。根據強積金計劃，本集團（僱主）及其僱員各自須按強制性公積金法例所界定各自按該僱員收入之5%向該計劃作每月供款。僱主及僱員所作之每月供款上限各為1,000港元，而多於1,000港元以後之供款則屬自願性質。

按照中國大陸之法規規定，本集團為其於中國大陸之僱員選擇一個由國家資助之退休計劃。本集團僱員每月按其相關收入（包括薪金、津貼及花紅）約8%對計劃作出供款，本集團則按該等收入約20%作出供款。除這些供款外，本集團並無其他對實際退休金付款責任。國家資助之退休計劃負責支付退休僱員之全部退休金。

截至二零零三年十二月三十一日止年度，本集團作出之僱主供款約為9,391,000港元（二零零二年：6,540,000港元）（見附註7）。

43 銀行融資

於二零零三年十二月三十一日，本集團之銀行融資為短期銀行貸款及長期銀行貸款，其金額約為3,046,317,000港元（二零零二年：2,306,758,000港元）。本集團已動用所有銀行融資。此等融資由下列各項擔保：

- (a) 本集團賬面總值約914,552,000港元（二零零二年：1,100,899,000港元）之投資物業（見附註15）；

Notes to the Accounts

賬目附註

43 BANKING FACILITIES (continued)

- (b) the Group's properties under development for long-term investment of approximately HK\$391,912,000 (2002: HK\$70,112,000) (see Note 17);
- (c) the Group's land pending development of approximately HK\$83,678,000 (2002: HK\$82,995,000) (see Note 18);
- (d) the Group's properties under development for sale of approximately HK\$541,760,000 (2002: HK\$237,026,000) (see Note 24);
- (e) the Group's completed properties for sale of approximately HK\$216,309,000 (2002: HK\$203,299,000) (see Note 25); and
- (f) the Group's bank deposits of approximately HK\$256,448,000 (2002: HK\$232,081,000) (see Note 29).

In addition, the Group is required to comply with certain financial covenants under certain bank borrowings.

44 SUBSEQUENT EVENT

In March 2004, the Group purchased from two individuals ("the sellers") an effective interest of 70% in Dynawell Investment Limited, which owns a plot of land for development in Guangzhou, Guangdong Province, mainland China, for a consideration of HK\$5,000. In addition, the Group has agreed to be responsible for all the costs for the development of the entire property project and to distribute to the sellers a 30% interest of the total saleable area of the properties developed upon completion.

45 ULTIMATE HOLDING COMPANY

The Directors consider Sounda Properties Limited, a company incorporated in the British Virgin Islands, to be its ultimate holding company.

46 APPROVAL OF ACCOUNTS

The accounts were approved by the board of directors on 21st April 2004.

43 銀行融資(續)

- (b) 本集團約391,912,000港元(二零零二年: 70,112,000港元)之持作長期投資之發展中物業(見附註17);
- (c) 本集團之待發展土地約83,678,000港元(二零零二年: 82,995,000港元)(見附註18);
- (d) 本集團之可供銷售之發展中物業約541,760,000港元(二零零二年: 237,026,000港元)(見附註24);
- (e) 本集團之可供銷售之已落成物業約216,309,000港元(二零零二年: 203,299,000港元)(見附註25);及
- (f) 本集團之銀行存款約256,448,000港元(二零零二年: 232,081,000港元)(見附註29)。

此外, 本集團須遵守若干銀行借款下之若干財務契約。

44 結算日後事項

於二零零四年三月, 本集團以5,000港元之代價向兩名人士(「賣方」)購入頤和投資有限公司之70%有效權益, 該公司擁有一塊位於中國廣東省廣州市之地塊以作發展用途。此外, 本集團已同意承擔整個項目之所有發展成本, 及於發展完成時將物業可銷售總面積之30%權益分發予賣方。

45 最終控股公司

董事認為新達置業有限公司(一間於英屬處女群島註冊成立之公司)為其最終控股公司。

46 賬目之批准

賬目已於二零零四年四月二十一日獲董事會批准。