

Notes to the Financial Statements 財務報表附註

For the year ended 31 December 2003 截至二零零三年十二月三十一日止年度

1. GENERAL

The Company is an exempted company incorporated in Bermuda with limited liability. Its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Company is an investment holding company. Its subsidiaries are principally engaged in the business of providing package tours, travel and other related services. The Group was also involved in the business of transportation services which was disposed of and discontinued during the year.

The financial statements for the prior period cover the nine month period ended 31 December 2002. The corresponding amounts shown for the income statement, statement of changes in equity, cash flow statement and related notes cover a nine month period from 1 April 2002 to 31 December 2002 and therefore may not be comparable with amounts shown for the current year.

2. CHANGES IN ACCOUNTING POLICIES

In the current year, the Group has adopted, for the first time, the following Hong Kong Financial Reporting Standard ("HKFRS") issued by the Hong Kong Society of Accountants ("HKSA"). The term of HKFRS is inclusive of Statements of Standard Accounting Practice ("SSAP"s) and Interpretations approved by the HKSA.

SSAP 12 (Revised) Income taxes

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

1. 一般資料

本公司乃於百慕達註冊成立之獲豁免有限公司，其股份乃於香港聯合交易所有限公司（「聯交所」）上市。

本公司乃一投資控股公司。其附屬公司主要從事提供旅行團、旅遊及其他相關之服務。本集團亦經營客運服務業務，惟有關業務已於年內出售及終止。

上一期間之財務報表乃涵蓋本公司截至二零零二年十二月三十一日止九個月。收益表、股東權益變動表、現金流量表及相關附註內所示之相應金額乃涵蓋由二零零二年四月一日起至二零零二年十二月三十一日止九個月期間，故未必可與本年度所示之數額互相比較。

2. 會計政策之變動

於本年度，本集團已首次採納以下由香港會計師公會頒佈之香港財務報告準則。香港財務報告準則包括由香港會計師公會批准之會計實務準則及詮釋。

會計實務準則第12號（經修訂）所得稅

本集團已採納會計實務準則第12號（經修訂）所得稅。採納會計實務準則第12號（經修訂）之主要影響與遞延稅項有關。於過往年度，遞延稅項使用收益表負債法按所產生之時差確認負債而作出部份撥備，惟不預期於可預見將來撥回之時差則除外。會計實務準則第12號（經修訂）規定採納資產負債表負債法，據此，就財務報表內資產及負債之賬面值與計算應課稅溢利之相應稅基之間之一切暫時差異確認遞延稅項，惟少數情況下除外。由於會計實務準則第12號（經修訂）並無任何特別過渡規定，故新會計政策已追溯使用，而比較數字亦相應作出重列。

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2. CHANGES IN ACCOUNTING POLICIES (Continued)

SSAP 12 (Revised) Income taxes (Continued)

The adoption of SSAP 12 (Revised) has given rise to a goodwill of HK\$9,767,000 and a corresponding decrease in the Group's share of net assets of associates. The acquisition of the associates took place prior to 1 April 2001 and the corresponding goodwill was written off against goodwill reserve.

In addition, the adoption of SSAP 12 (Revised) has led to a decrease in accumulated losses of HK\$3,052,000 as at 1 January 2003 (1 April 2002: HK\$2,442,000) and a corresponding increase in the Group's share of net assets of associates. The net loss for the year ended 31 December 2003 and nine months ended 31 December 2002 have been decreased by HK\$407,000 and HK\$610,000 respectively.

3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention, as modified for the revaluation of certain property, plant and equipment, investment property and investments in securities. The financial statements have been prepared in accordance with accounting principles generally accepted in Hong Kong.

The principal accounting policies are as follows:

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to 31 December.

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

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

Goodwill

Goodwill represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary or an associate at the date of acquisition.

Goodwill arising on acquisition prior to 1 April 2001 continues to be held in reserves and will be charged to the income statement at the time of disposal of the relevant subsidiary or associate, or at such time as the goodwill is determined to be impaired.

2. 會計政策之變動 (續)

會計實務準則第12號 (經修訂) 所得稅 (續)

採納會計實務準則第12號 (經修訂) 已產生9,767,000港元之商譽。而本集團應佔聯營公司之資產淨值亦相應減少。收購聯營公司於二零零一年四月一日前落實，而相應之商譽已抵銷商譽儲備。

此外，採納會計實務準則第12號 (經修訂) 已導致於二零零三年一月一日為數3,052,000港元之累計虧損 (二零零二年四月一日：2,442,000港元) 出現減少，而本集團應佔聯營公司之資產淨值亦相應增加。截至二零零三年十二月三十一日止年度及截至二零零二年十二月三十一日止九個月之虧損淨額分別減少407,000港元及610,000港元。

3. 主要會計政策

本財務報表乃根據歷史成本慣例編製，並已就若干物業、機器及設備、投資物業及證券投資之價值重估作出修訂。財務報表已按香港普遍採納之會計原則編製。

主要會計政策如下：

綜合賬目基準

綜合財務報表包括本公司及其附屬公司結算至十二月三十一日止之財務報表。

於年內購入或出售之附屬公司之業績，由收購生效日期起或計算至出售生效日期止 (按適用者) 計入綜合收益表內。

所有集團內公司間之重大交易及結餘均於編製綜合賬目時對銷。

商譽

商譽指於收購日期收購成本高於本集團所佔收購附屬公司或聯營公司之可識別資產及負債之公平價值權益之數額。

於二零零一年四月一日前因收購產生之商譽會繼續持作儲備及將於出售有關附屬公司或聯營公司，或於商譽已減值時於收益表內扣除。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Goodwill (Continued)

Goodwill arising on acquisition after 1 April 2001 is capitalised and amortised on a straight line basis over its useful economic life. Goodwill arising on acquisition of an associate is included within the carrying amount of the associate. Goodwill arising on the acquisition of subsidiaries is presented separately in the balance sheet.

Negative goodwill

Negative goodwill represents the excess of the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary or an associate at the date of acquisition over the cost of acquisition.

Negative goodwill arising on acquisition prior to 1 April 2001 continues to be held in reserves, and will be credited to income at the time of disposal of the relevant subsidiary or associate.

Negative goodwill arising on the acquisition of an associate after 1 April 2001 is deducted from the carrying value of that associate. Negative goodwill arising on the acquisition of subsidiaries after 1 April 2001 is presented separately in the balance sheet as a deduction from assets. Negative goodwill is released to income based on an analysis of the circumstances from which the balance resulted. To the extent that the negative goodwill is attributable to losses or expenses anticipated at the date of acquisition, it is released to income in the period in which those losses or expenses arise. The remaining negative goodwill is recognised as income on a straight line basis over the remaining average useful life of the identifiable acquired depreciable assets. To the extent that such negative goodwill exceeds the aggregate fair value of the acquired identifiable non-monetary assets, it is recognised as income immediately.

Revenue recognition

Income from tour and travel services is recognised upon the departure date of each tour. Income from other travel related services is recognised when the services are rendered.

Income from transportation services is recognised when the services are rendered.

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

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

3. 主要會計政策 (續)

商譽 (續)

於二零零一年四月一日後因收購而產生之商譽已資本化及按直線法於可用經濟年限內攤銷。因收購一間聯營公司而產生之商譽已計入該聯營公司之賬面值內。因收購附屬公司而產生之商譽在資產負債表中獨立呈列。

負商譽

負商譽指本集團於收購日期所佔收購附屬公司或聯營公司之可識別資產及負債之公平價值之權益高於收購成本之金額。

於二零零一年四月一日前收購產生之負商譽會持作儲備及將於出售有關附屬公司或聯營公司時計入收入內。

於二零零一年四月一日後因收購一間聯營公司而產生之負商譽須從該聯營公司賬面值中扣除。二零零一年四月一日後因收購附屬公司而產生之負商譽在資產負債表中獨立呈列為資產扣減項目。負商譽將按產生結餘之情況分析撥入收入內。若負商譽來自可於收購日期所預測之虧損或費用，則其將於該等虧損或費用發生時撥入該期收入內。剩餘之負商譽按直線法於可識別收購折舊資產之剩餘平均可用年限確認為收入。若該負商譽超過已收購可識別非貨幣資產之總公平價值，則其超出部份須立即確認為收入。

收益確認

組團及旅遊服務收入於各團出發當日確認。其他旅遊相關服務之收入於提供該等服務時確認。

客運服務收入於提供服務時確認。

利息收入乃參考未到期本金，按時間比例基準及適用利率計算。

租金收入（包括按經營租約租出之物業預收之租金）以直線法按有關租約年期確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

Income from disposal of investments is recognised when the risks and rewards of the ownership of the investments have been transferred.

Property, plant and equipment

Property, plant and equipment other than properties under construction are stated at cost or valuation less accumulated depreciation or amortisation and any identified impairment loss.

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

Depreciation and amortisation is provided to write off the cost or valuation of property, plant and equipment other than properties under construction over their estimated useful lives, using the straight line method, at the following rates per annum:

Leasehold land	Over the remaining unexpired terms of the leases
Buildings	2% or over the remaining unexpired terms of the leases, whichever the shorter
Furniture and fixtures	10% – 20%
Leasehold improvements	10% – 20%
Motor vehicles	8.33% – 20%
Office equipment and machinery	20%
Vessels	5%

Assets held under finance leases and sale and lease back arrangements are depreciated over their estimated useful lives on the same basis as owned assets.

Properties under construction are stated at cost less impairment loss. Cost includes all development expenditure and other direct costs attributable to such projects. Properties under construction are not depreciated until completion of construction. Cost on completed properties is transferred to other categories of property, plant and equipment.

3. 主要會計政策 (續)

收益確認 (續)

投資之股息收入乃於股東收取股息之權利確定時確認。

出售投資之收入乃於投資權益之擁有權之風險及利益已轉移時確認。

物業、機器及設備

在建物業以外之物業、機器及設備乃按成本值或估值減累計折舊或攤銷及任何可確認之減值虧損列賬。

出售或廢棄資產時產生之盈虧，按資產之銷售收益與賬面值之差額計算，並於收益表內確認。

除在建物業以外之物業、機器及設備之折舊及攤銷，乃根據其估計可使用年期，按直線法以下列年率攤銷其成本或估值：

租賃土地	按租約剩餘年期
樓宇	2% 或按租約剩餘年期 (以較短者為準)
傢俬及裝置	10% – 20%
租賃物業裝修	10% – 20%
汽車	8.33% – 20%
辦公室設備及機器	20%
船隻	5%

根據融資租約及售後租回協議持有之資產以與自置資產相同之基準，按其估計可使用年期折舊。

在建物業按成本值扣除減值虧損列賬。成本包括該項目之所有發展開支及其他應佔直接成本。在建物業於落成前不予折舊。已落成物業之成本則歸入物業、機器及設備內之其他類別。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investment properties

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

No depreciation is provided in respect of investment properties which are held under leases with unexpired terms, including the renewable period, of more than twenty years. Investment properties are stated at their open market values based on a professional valuation at the balance sheet date.

Any surplus or deficit arising on revaluation of investment properties is credited or charged to the investment property revaluation reserve unless the balance of this reserve is insufficient to cover a deficit, in which case the excess of the deficit over the balance on the investment property revaluation reserve is charged to the income statement.

On subsequent sale of an investment property, any revaluation surplus thereon is included in the determination of the gain or loss on disposal.

Impairment

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

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

3. 主要會計政策 (續)

投資物業

投資物業指因其具投資潛力而持有之已落成物業，其租金收入在公平磋商原則下訂定。

按租賃持有而尚餘年期（包括可續期年期）為20年以上之投資物業不予折舊。投資物業依據專業估值於結算日之公開市值入賬。

投資物業之重估盈餘或虧絀於投資物業重估儲備中計入或扣除。倘若該投資物業重估儲備不足以填補虧絀，則超出投資物業重估儲備之虧絀數額會在收益表中扣除。

日後出售投資物業時，於計算出售物業之盈利或虧損時包括相關之重估盈餘。

減值

本集團於各結算日審閱其資產之賬面值以確定是否有任何跡象表明該等資產存在減值虧損。倘預計一項資產之可收回金額低於其賬面值，則該項資產之賬面值應扣減至其可收回金額。減值虧損應即時確認為一項開支。

倘減值虧損於日後撥回，則該項資產之賬面值應增至其可收回金額已修訂後估值，惟所增加之賬面值不得超過該項資產於過往年度未出現減值虧損時所釐定之賬面值。減值虧損撥回應即時確認為收入。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in subsidiaries

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

Interest in associates

An associate is an enterprise over which the Group is in a position to exercise significant influence, including participation in financial and operating policy decisions.

The consolidated income statement includes the Group's share of the post-acquisition results of its associates for the year/period. In the consolidated balance sheet, the interest in associates is stated at the Group's share of net assets of the associates less any negative goodwill on acquisition in so far as it has not already been released to income and any identified impairment loss.

The investment in an associate is included in the Company's balance sheet at cost less any identified impairment loss.

Other long term investment

Other long term investment is stated at cost less impairment loss.

Investments in securities

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

At subsequent reporting dates, debt securities that the Group has the expressed intention and ability to hold to maturity (held-to-maturity securities) are measured at amortised cost, less any impairment loss recognised to reflect irrecoverable amounts. The annual amortisation of any discount or premium on the acquisition of a held-to-maturity security is aggregated with other investment income receivable over the terms of the investment so that the revenue recognised in each period represents a constant yield on the investment.

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

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

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

3. 主要會計政策 (續)

於附屬公司之投資

於附屬公司之投資乃按賬面值減任何可確認之減值虧損計入本公司之資產負債表。

於聯營公司之權益

聯營公司為本集團可對其行使 (包括參與財務及經營決策上) 重大影響力之企業。

綜合收益表包括年內/期內本集團所佔聯營公司自收購後之業績。於聯營公司之權益按本集團所佔聯營公司之資產淨值減任何於收購時產生但迄今為止尚未計進收入之負商譽及任何已確認之減值虧損後於綜合資產負債表內列賬。

於一間聯營公司之投資按成本減任何已確認減值虧損於本公司之資產負債表內列賬。

其他長期投資

其他長期投資以成本扣除減值虧損列賬。

證券投資

證券投資乃按交易日基準確認，開始時以成本計算。

於往後之呈報日，本集團表明有意及有能力持有至到期之債務證券 (持至到期日證券) 乃按攤銷成本減任何已確認之減值虧損，以反映不可收回之金額。持至到期日證券收購折讓或溢價按投資年期每年攤銷並與其他應收投資收入合共計算，致使各期間之確認收入與所屬之投資成一固定回報。

持至到期日之證券以外之投資分類為投資證券及其他投資。

持作已確定長期投資目的之投資證券於往後之呈報日按成本減任何減值虧損 (短暫者除外) 列賬。

其他投資按公平價值計算，未變現盈利及虧損將包括於當年/期之盈虧淨額內。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Inventories

Inventories, representing principally consumables, are stated at the lower of cost and net realisable value. Cost is calculated using the first-in, first-out method.

Taxation

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

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

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

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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

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

3. 主要會計政策 (續)

存貨

存貨主要為消耗品，並以成本或可變現淨值兩者中之較低者列賬。成本乃按先進先出法計算。

稅項

所得稅指本年度應付稅項及遞延稅項之總額。

本年度／期間應付稅項乃按本年度之應課稅溢利計算。應課稅溢利與收益表所載之純利有別，此乃由於其不包括其他期間之應課稅及可扣減之收入或支出，亦不包括永不課稅或不可扣減之項目。

遞延稅項指按資產負債表負債法，就財務報表內資產及負債賬面值與計算應課稅溢利所用之相關稅基產生之一切暫時差異計算預期應付或可予撥回之稅項。遞延稅項負債一般就一切應課稅臨時差異而予以確認，而遞延稅項資產則按可抵銷可動用之可扣減暫時差異之未來應課稅溢利而予以確認。倘於交易時產生之商譽（或負商譽）或初步確認資產及負債所產生之暫時差異（業務合併除外），概不影響應課稅溢利或會計溢利之情況下，遞延資產及負債則不會予以確認。

遞延稅項負債就於附屬公司及聯營公司之投資所產生之應課稅暫時差異而予以確認，惟本公司在可控制暫時差異之撥回以及暫時差異於可預見將來不可能撥回時之情況下除外。

遞延稅項資產之賬面值於各結算日均予以檢討，並減少至不可能再有充足應課稅溢利可容許撥回所有或部份有關資產。

遞延稅項按預期於償還負債或資產變現之期間適用之稅率計算。遞延稅項於收益表扣除或入賬，惟當與直接於股本扣除或入賬之項目有關之情況下，遞延稅項則同樣於股本中處理。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Retirement benefit schemes

The retirement benefit costs charged in the income statement represent the contributions payable in respect of the current year/period to the Group's defined contribution schemes.

Leases

Leases are classified as finance leases whenever the terms of the leases transfer substantially all the risks and rewards of ownership of the leased assets to the Group. Assets held under finance leases are capitalised at their fair value at the date of acquisition. The corresponding principal portions of leasing commitments are shown as obligations under finance leases. The finance costs, which represent the difference between the total leasing commitments and the original principal outstanding at the inception of the leases, are charged to the income statement over the period of the relevant leases so as to produce a constant periodic rate of charge on the remaining balances of the obligations for each accounting period.

Assets under sale and lease back arrangements of which the Group has been granted options to buy back the assets at pre-determined buy-back prices at the expiration of the lease periods are stated at the original carrying values of the assets in the balance sheet. The corresponding amounts received from sales of the assets are shown as liabilities under sale and lease back arrangements. The finance charges, which comprise the aggregate of the rentals payable for the use of the assets under the leases and the difference between the buy-back prices and the original sale values of the assets, are charged to the income statement over the period of the relevant leases so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

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

Foreign currencies

Transactions in foreign currencies are translated at the approximate rates ruling on the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are re-translated at the rates ruling on the balance sheet date. Gains and losses arising on exchange are dealt with in the income statement.

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

3. 主要會計政策 (續)

退休福利計劃

於收益表中扣除之退休福利成本指就本年度/期間向本集團之定額供款計劃之應付供款。

租約

凡租約條款將租賃資產擁有權之絕大部分風險及利益撥歸於本集團之租約，均歸類為融資租約。融資租約持有之資產，按購置日之公平價值資本化。有關租約承擔之本金部分列為融資租約承擔。財務費用指租約總承擔與租約開始時之原來尚未償還本金款項之差額，按有關租約年期在收益表中扣除，使每個會計期間之承擔餘額按固定週期比率扣減。

根據本集團已授權於租約年期屆滿時以事先釐定之購回價購回資產之售後租回協議而持有之資產，按該等資產之原賬面值於資產負債表內列賬。出售該等資產所得有關款項按照售後租回協議列為負債。融資支出包括按租約使用該等資產應付之租金總額及購回價與該等資產原賣價之差額，按有關租約年期在收益表中扣除，使每個會計期間之承擔餘額按固定週期比率扣減。

所有其他租約均歸類為經營租約，應付租金以直線法按有關租約年期在收益表中扣除。

外幣

外幣交易按交易日之概約匯率折算。以外幣為單位之貨幣資產及負債按結算日之匯率重新折算。所有匯兌盈虧均於收益表中處理。

於編製綜合賬目時，香港以外業務之資產及負債按結算日之匯率折算。收支項目乃按本年度/期間之平均匯率折算。產生之匯兌差額（如有）會列作股本，並轉撥至本集團之匯兌儲備。有關匯兌差額於出售有關業務之期間確認為收入或開支。

4. TURNOVER

Turnover represents the amounts received and receivable for services provided to outside customers, less trade discounts and returns during the year/period. An analysis of the Group's turnover is as follows:

	1.1.2003 to 31.12.2003 HK\$'000 由二零零三年 一月一日起至 二零零三年 十二月三十一日止 千港元	1.4.2002 to 31.12.2002 HK\$'000 由二零零二年 四月一日起至 二零零二年 十二月三十一日止 千港元
Travel and related services Transportation services	旅遊及相關服務 客運服務	
	1,291,906 124,329	1,185,560 137,726
	1,416,235	1,323,286

5. BUSINESS AND GEOGRAPHICAL SEGMENTS

Business segments

During the year, for management purposes, the Group was organised into two operating divisions – travel and related services, and transportation services. The business segment of transportation services was discontinued with effect from 31 October 2003. These divisions are the basis on which the Group reports its primary segment information.

4. 營業額

營業額指於年／期內提供予外間客戶之服務之已收及應收賬款減貿易折扣及退款。本集團營業額之分析如下：

5. 業務及地域分類

業務分類

於年內，為方便管理起見，本集團已分為兩個業務部門，分別為旅遊及相關服務與客運服務。客運服務之業務分類已自二零零三年十月三十一日起予以終止。該等部門乃本集團報告其主要分類資料之基準。

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5. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

Business segments (Continued)

Principal activities are as follows:

5. 業務及地域分類 (續)

業務分類 (續)

主要業務如下:

		Continuing operation	Discontinued operation		Consolidated
		Travel and related services HK\$'000 持續業務	Transportation services HK\$'000 已終止業務	Elimination HK\$'000	HK\$'000
		旅遊及相關服務 千港元	客運服務 千港元	對銷 千港元	綜合 千港元
For the year ended 31 December 2003	截至二零零三年 十二月三十一日止年度				
TURNOVER	營業額				
External sales	對外銷售額	1,291,906	124,329	–	1,416,235
Inter-segment sales	類別間銷售額	–	5,248	(5,248)	–
Total	合計	1,291,906	129,577	(5,248)	1,416,235
Inter-segment sales are charged at prevailing market price.	類別間銷售額按適用市價扣除。				
RESULTS	業績				
Segment results	分類業績	17,880	(19,505)	–	(1,625)
Interest income	利息收入				1,150
Amortisation of goodwill arising on acquisition of subsidiaries	收購附屬公司產生之商譽攤銷	–	(496)	–	(496)
Surplus arising from revaluation of investment property	重估投資物業產生之盈餘	7	–	–	7
Impairment loss recognised in respect of investments in securities	證券投資之已確認減值虧損	(26,974)	–	–	(26,974)
Impairment loss recognised in respect of leasehold land and buildings	租賃土地及樓宇之已確認減值虧損	(301)	–	–	(301)
Impairment loss recognised in respect of properties under construction	在建物業之已確認減值虧損	(2,400)	–	–	(2,400)
Loss on disposal of investments in securities	出售證券投資之虧損				(31,098)
Loss on disposal of property, plant and equipment	出售物業、機器及設備之虧損	(28,419)	(168)	–	(28,587)
Loss on disposal of interest in a co-operative joint venture	出售於一間合作合營企業之權益之虧損	(20,000)	–	–	(20,000)
Net unrealised holding loss on other investments	持有其他投資之未變現虧損淨額				(2,849)
Unallocated corporate expenses	未分配企業開支				(32,156)
Loss from operations	經營虧損				(145,329)
Finance costs	融資成本				(25,045)
Share of results of associates	應佔聯營公司業績	(114,788)	–	–	(114,788)
Impairment loss recognised in respect of interest in an associate	於一間聯營公司之權益之已確認減值虧損	(31,717)	–	–	(31,717)
Loss on disposal of discontinued operation	出售已終止業務之虧損	–	(32,697)	–	(32,697)
Loss on disposal of associates	出售聯營公司之虧損	(23,471)	–	–	(23,471)
Loss before taxation	除稅前虧損				(373,047)
Taxation credit	稅項撥回				2,075
Loss before minority interests	未計少數股東權益前虧損				(370,972)
Minority interests	少數股東權益				–
Net loss for the year	本年度虧損淨額				(370,972)

5. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)
Business segments (Continued)

5. 業務及地域分類 (續)
業務分類 (續)

		Continuing operation	Discontinued operation	Consolidated
		Travel and related services HK\$'000 持續業務	Transportation services HK\$'000 已終止業務	HK\$'000
		旅遊及相關服務 千港元	客運服務 千港元	綜合 千港元
As at 31 December 2003	於二零零三年十二月三十一日			
ASSETS	資產			
Segment assets	分類資產	676,963	–	676,963
Interest in associates	於聯營公司之權益	221,467	–	221,467
Unallocated corporate assets	未分配企業資產			208,921
Consolidated total assets	綜合資產總值			<u>1,107,351</u>
LIABILITIES	負債			
Segment liabilities	分類負債	245,147	–	245,147
Unallocated corporate liabilities	未分配企業負債			539,105
Consolidated total liabilities	綜合負債總額			<u>784,252</u>
OTHER INFORMATION	其他資料			
Capital additions	資本性增加	7,947	15,081	23,028
Depreciation and amortisation of property, plant and equipment	物業、機器及設備之折舊及攤銷	4,935	19,640	24,575
Loss on disposal of property, plant and equipment	出售物業、機器及設備之虧損	28,419	168	28,587
Impairment losses recognised	已確認減值虧損	29,675	–	29,675
Amortisation of goodwill arising on acquisition of subsidiaries	收購附屬公司產生之商譽攤銷	–	496	496

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5. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

Business segments (Continued)

5. 業務及地域分類 (續)

業務分類 (續)

		Continuing operation	Discontinued operation		Consolidated
		Travel and related services HK\$'000	Transportation services HK\$'000	Elimination HK\$'000	HK\$'000 (Restated)
		持續業務	已終止業務		
		旅遊及相關服務 千港元	客運服務 千港元	對銷 千港元	綜合 千港元 (重列)
For the period from 1 April 2002 to 31 December 2002	由二零零二年四月一日起 至二零零二年十二月 三十一日止期間				
TURNOVER	營業額				
External sales	對外銷售額	1,185,560	137,726	-	1,323,286
Inter-segment sales	類別間銷售額	-	6,768	(6,768)	-
Total	合計	1,185,560	144,494	(6,768)	1,323,286
Inter-segment sales are charged at prevailing market price.	類別間銷售額按適用市價扣除。				
RESULTS	業績				
Segment results	分類業績	(6,524)	(7,621)	-	(14,145)
Interest income	利息收入				10,679
Amortisation of goodwill arising on acquisition of subsidiaries	收購附屬公司產生之商譽攤銷	-	(165)	-	(165)
Allowance for advances to service suppliers	墊款予服務供應商之撥備	(162,122)	-	-	(162,122)
Allowance for short term investment deposit	短期投資之訂金之撥備	(23,000)	-	-	(23,000)
Impairment loss recognised in respect of leasehold land and buildings	租賃土地及樓宇之已確認減值虧損	(12,281)	-	-	(12,281)
Impairment loss recognised in respect of properties under construction	在建物業之已確認減值虧損	(1,000)	-	-	(1,000)
Allowance for irrecoverable trade debts	不可收回貿易債項之撥備	(22,813)	-	-	(22,813)
Unrealised holding loss on other investments	持有其他投資之未變現虧損				(733)
Unallocated corporate expenses	未分配企業開支				(30,690)
Loss from operations	經營虧損				(256,270)
Finance costs	融資成本				(12,708)
Share of results of associates	應佔聯營公司業績	(33,463)	-	-	(33,463)
Loss on deemed disposal/disposal of subsidiaries	被視作出售/出售附屬公司之虧損	(1,712)	-	-	(1,712)
Loss before taxation	除稅前虧損				(304,153)
Taxation credit	稅項撥回				669
Loss before minority interests	未計少數股東權益前虧損				(303,484)
Minority interests	少數股東權益				1,236
Net loss for the period	本期間虧損淨額				(302,248)

5. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)
Business segments (Continued)

5. 業務及地域分類 (續)
業務分類 (續)

		Continuing operation	Discontinued operation	Consolidated
		Travel and related services HK\$'000	Transportation services HK\$'000	HK\$'000 (Restated)
		持續業務	已終止業務	
		旅遊及相關服務 千港元	客運服務 千港元	綜合 千港元 (重列)
As at 31 December 2002	於二零零二年十二月三十一日			
ASSETS	資產			
Segment assets	分類資產	669,625	137,481	807,106
Interest in associates	於聯營公司之權益	489,357	–	489,357
Unallocated corporate assets	未分配企業資產			134,851
Consolidated total assets	綜合資產總值			<u>1,431,314</u>
LIABILITIES	負債			
Segment liabilities	分類負債	257,167	21,550	278,717
Unallocated corporate liabilities	未分配企業負債			498,021
Consolidated total liabilities	綜合負債總額			<u>776,738</u>
OTHER INFORMATION	其他資料			
Capital additions	資本性增加	14,576	14,300	28,876
Depreciation and amortisation of property, plant and equipment	物業、機器及設備之折舊及攤銷	5,474	13,101	18,575
Loss on disposal of property, plant and equipment	出售物業、機器及設備之虧損	1,355	687	2,042
Impairment losses recognised	已確認減值虧損	13,281	–	13,281
Amortisation of goodwill arising on acquisition of subsidiaries	收購附屬公司產生之商譽攤銷	–	165	165

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5. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

Geographical segments

No geographical segment information in respect of the Group's operations has been presented as over 90% of the Group's operations was derived from Hong Kong.

The analysis of carrying amount of segment assets and additions to property, plant and equipment and intangible assets analysed by the geographical area in which the assets are located is as follows:

5. 業務及地域分類 (續)

地域分類

由於本集團90%以上之經營業務源自香港，故並無按地區分類呈列本集團經營業務資料。

分類資產賬面值及物業、機器及設備及無形資產之添置按資產所處之地區分析如下：

		Carrying amount of segment assets		Additions to property, plant and equipment and intangible assets	
		2003	2002	1.1.2003	1.4.2002
		HK\$'000	HK\$'000 (Restated)	to 31.12.2003	to 31.12.2002
		分類資產之賬面值		物業、機器及設備及 無形資產之添置	
		二零零三年	二零零二年	由二零零三年	由二零零二年
		千港元	千港元	一月一日起至	四月一日起至
			(重列)	二零零三年	二零零二年
				十二月三十一日	十二月三十一日
				止	止
				千港元	千港元
The People's Republic of China (excluding Hong Kong) (the "PRC")	中華人民共和國 (不包括香港) (「中國」)	248,358	345,662	—	—
Hong Kong	香港	300,522	304,002	23,028	28,876
South-east Asia	東南亞	180,433	144,927	—	—
Japan and Korea	日本及韓國	155,771	146,316	—	—
Others	其他	764	290	—	—
		885,848	941,197	23,028	28,876

6. OTHER OPERATING INCOME

6. 其他營運收入

		1.1.2003 to 31.12.2003 HK\$'000 由二零零三年 一月一日起至 二零零三年 十二月三十一日止 千港元	1.4.2002 to 31.12.2002 HK\$'000 由二零零二年 四月一日起至 二零零二年 十二月三十一日止 千港元
An analysis of the Group's other operating income is as follows:	本集團之其他營運收入 分析如下:		
Exchange gain	匯兌收益	335	168
Interest income	利息收入	1,150	10,679
Net income on sale of computer program source code	銷售電腦程式原始碼收入 淨額	3,000	-
Recovery of overseas sales tax	收回海外銷售稅	8,242	-
Sundry income	雜項收入	9,809	6,078
		22,536	16,925

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7. LOSS FROM OPERATIONS

7. 經營虧損

		1.1.2003 to 31.12.2003 HK\$'000 由二零零三年 一月一日起至 二零零三年 十二月三十一日止 千港元	1.4.2002 to 31.12.2002 HK\$'000 由二零零二年 四月一日起至 二零零二年 十二月三十一日止 千港元
Loss from operations has been arrived at after charging:	經營虧損已扣除 下列支出:		
Auditors' remuneration	核數師酬金	1,792	1,598
Depreciation and amortisation on:	折舊及攤銷:		
Owned assets	自置資產	19,689	14,622
Assets held under finance leases and sale and lease back arrangements	以融資租約及售後 租回協議 持有之資產	4,886	3,953
Information technique development expenses	資訊科技開發 開支	1,136	844
Loss on disposal of property, plant and equipment	出售物業、機器及設備之 虧損	28,587	2,042
Minimum lease payments paid in respect of rented premises	已付租賃物業之最低 租金付款	12,459	19,850
Staff costs *	僱員成本*	80,194	125,272
and after crediting:	並已計入:		
Rental income from investment property less negligible outgoings	扣除零碎支出後之投資物業 租金收入	109	82

* The amount includes retirement benefit scheme contributions (net of forfeiture) of HK\$1,879,000 (1.4.2002 to 31.12.2002: HK\$4,615,000).

* 該金額包括退休福利計劃供款(扣除被沒收之供款)1,879,000港元(由二零零二年四月一日起至二零零二年十二月三十一日止:4,615,000港元)。

8. DIRECTORS' REMUNERATION AND HIGHEST PAID EMPLOYEES

8. 董事酬金及最高薪酬僱員

		1.1.2003 to 31.12.2003 HK\$'000 由二零零三年 一月一日起至 二零零三年 十二月三十一日止 千港元	1.4.2002 to 31.12.2002 HK\$'000 由二零零二年 四月一日起至 二零零二年 十二月三十一日止 千港元
Emoluments to executive directors	執行董事之酬金		
Fees	袍金	-	-
Salaries and other benefits (Note)	薪金及其他福利(附註)	1,500	4,513
Compensation for loss of office	離職補償	-	2,600
Retirement benefit scheme contributions	退休福利計劃 供款	97	389
		1,597	7,502
Emoluments to non-executive directors	非執行董事之 酬金		
Fees	袍金	200	-
Salaries and other benefits (Note)	薪金及其他福利(附註)	1,980	1,286
Retirement benefit scheme contributions	退休福利計劃 供款	210	137
		2,390	1,423
		3,987	8,925

Note: The directors' salaries and other benefits include the operating lease rentals amounting to HK\$nil (1.4.2002 to 31.12.2002: HK\$1,401,000) in respect of rented premises provided to directors. The amounts were also included in the minimum lease payments paid in respect of rented premises under note 7 above.

附註：董事薪金及其他福利包括就向董事提供租賃物業之經營租約租金零港元(由二零零二年四月一日起至二零零二年十二月三十一日止：1,401,000港元)。此筆款項亦已包括在上文附註7有關租賃物業之最低租金付款內。

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8. DIRECTORS' REMUNERATION AND HIGHEST PAID EMPLOYEES (Continued)

8. 董事酬金及最高薪酬僱員 (續)

		Number of director(s)	
		1.1.2003	1.4.2002
		to	to
		31.12.2003	31.12.2002
		董事數目	
		由二零零三年	由二零零二年
		一月一日起至	四月一日起至
		二零零三年	二零零二年
		十二月三十一日止	十二月三十一日止
Emoluments of the directors were within the following bands:	以下為董事之酬金組別:		
Nil – HK\$1,000,000	零至1,000,000港元	13	9
HK\$1,000,001 – HK\$1,500,000	1,000,001港元至1,500,000港元	–	1
HK\$2,000,001 – HK\$2,500,000	2,000,001港元至2,500,000港元	1	–
HK\$2,500,001 – HK\$3,000,000	2,500,001港元至3,000,000港元	–	1
HK\$3,500,001 – HK\$4,000,000	3,500,001港元至4,000,000港元	–	1

Details of emoluments paid by the Group to the five highest paid individuals (including directors, details of whose emoluments are set out above) are as follows:

本集團支付予五位最高薪人士(包括董事,其酬金詳情載於上文)之酬金詳情如下:

		1.1.2003	1.4.2002
		to	to
		31.12.2003	31.12.2002
		HK\$'000	HK\$'000
		由二零零三年	由二零零二年
		一月一日起至	四月一日起至
		二零零三年	二零零二年
		十二月三十一日止	十二月三十一日止
		千港元	千港元
Salaries and other benefits	薪金及其他福利	5,927	8,479
Retirement benefit scheme contributions	退休福利計劃供款	485	601
		6,412	9,080

8. DIRECTORS' REMUNERATION AND HIGHEST PAID EMPLOYEES (Continued)

8. 董事酬金及最高薪酬僱員 (續)

		1.1.2003 to 31.12.2003 由二零零三年 一月一日起至 二零零三年 十二月三十一日止	1.4.2002 to 31.12.2002 由二零零二年 四月一日起至 二零零二年 十二月三十一日止
Emoluments of the five highest paid individuals were within the following bands:	以下為五位最高薪人士之酬金組別:		
Nil – HK\$1,000,000	零至1,000,000港元	3	2
HK\$1,000,001 – HK\$1,500,000	1,000,001港元至1,500,000港元	–	1
HK\$1,500,001 – HK\$2,000,000	1,500,001港元至2,000,000港元	1	–
HK\$2,000,001 – HK\$2,500,000	2,000,001港元至2,500,000港元	1	–
HK\$2,500,001 – HK\$3,000,000	2,500,001港元至3,000,000港元	–	1
HK\$3,500,001 – HK\$4,000,000	3,500,001港元至4,000,000港元	–	1
Number of directors	董事數目	2	3
Number of employees	僱員數目	3	2
		5	5

9. FINANCE COSTS

9. 融資成本

		1.1.2003 to 31.12.2003 HK\$'000 由二零零三年 一月一日起至 二零零三年 十二月三十一日止 千港元	1.4.2002 to 31.12.2002 HK\$'000 由二零零二年 四月一日起至 二零零二年 十二月三十一日止 千港元
Finance lease charges	融資租約支出	2,459	850
Interest on borrowings wholly repayable within five years	須於五年內全數償還借貨之利息	22,586	11,858
Total finance costs	總融資成本	25,045	12,708

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10. DISCONTINUED OPERATION

On 25 October 2003, the Group entered into a sale and purchase agreement to dispose of its then subsidiary, Trans-Island Limousine Service Limited and its subsidiaries ("Trans-Island Group") which carried out all of the Group's transportation services. The sale consideration will be determined with reference to the audited completion account of Trans-Island Group as at 31 October 2003. As at the date of this report, the audit of completion account has not been completed. Accordingly, the sale consideration of the transaction has not yet been determined, against which HK\$44,146,000 has been received. Based on the completion account prepared by the management of Trans-Island Group, HK\$36,131,000 was treated as the sale consideration of this transaction. The directors consider that there will not be any material adjustments to the completion account prepared by the management of Trans-Island Group. The disposal was completed on 31 October 2003, when the control of Trans-Island Group was passed to the purchaser.

The results of the transportation services for the period from 1 January 2003 to 31 October 2003, which have been included in the consolidated financial statements, were as follows:

		1.1.2003 to 31.10.2003 HK\$'000 由二零零三年 一月一日起至 二零零三年 十月三十一日止 千港元	1.4.2002 to 31.12.2002 HK\$'000 由二零零二年 四月一日起至 二零零二年 十二月三十一日止 千港元
Turnover	營業額	124,329	137,726
Direct operating costs	直接經營成本	(99,712)	(123,684)
Other operating income	其他營運收入	1,403	3,113
Administrative expenses	行政開支	(45,687)	(24,744)
Finance costs	融資成本	(2,337)	(1,655)
Loss before taxation	除稅前虧損	(22,004)	(9,244)
Taxation credit	稅項撥回	1,718	460
Net loss for the period	本期間虧損淨額	(20,286)	(8,784)

During the year, Trans-Island Group contributed HK\$26,547,000 (1.4.2002 to 31.12.2002: HK\$16,288,000) to the Group's net operating cash flows, paid HK\$11,644,000 (1.4.2002 to 31.12.2002: HK\$778,000) in respect of investing activities, and paid HK\$11,205,000 (1.4.2002 to 31.12.2002: HK\$13,938,000) in respect of financing activities.

10. 已終止業務

於二零零三年十月二十五日，本集團訂立一項買賣協議，出售其當時從事本集團所有客運服務之附屬公司環島旅運有限公司及其附屬公司（「環島集團」）。出售代價將參考環島集團於二零零三年十月三十一日之經審核完成賬目後釐定。於本報告日期，完成賬目之審核工作尚未完成，故有關交易之出售代價尚未釐定，惟已收取其中44,146,000港元。根據環島集團管理層編製之完成賬目，36,131,000港元被視為此項交易之出售代價。董事認為，環島集團管理層編製之完成賬目將不會有任何重大調整。出售已於二零零三年十月三十一日完成，即將環島集團之控制權移交買方之日。

由二零零三年一月一日起至二零零三年十月三十一日止期間之客運服務業績已計入綜合財務報表，並載列如下：

本年內，環島集團為本集團之經營現金流量淨額作出26,547,000港元（由二零零二年四月一日起至二零零二年十二月三十一日止：16,288,000港元）之貢獻，支付投資活動11,644,000港元（由二零零二年四月一日起至二零零二年十二月三十一日止：778,000港元）及支付融資活動11,205,000港元（由二零零二年四月一日起至二零零二年十二月三十一日止：13,938,000港元）。

10. DISCONTINUED OPERATION (Continued)

The carrying amounts of assets and liabilities of Trans-Island Group at the date of disposal are disclosed in note 39.

A loss of HK\$32,697,000 arose on the disposal of Trans-Island Group, being the proceeds of disposal less the carrying amount of the net assets of Trans-Island Group and attributable unamortised goodwill.

11. TAXATION CREDIT

		1.1.2003 to 31.12.2003 HK\$'000	1.4.2002 to 31.12.2002 HK\$'000 (Restated)
		由二零零三年 一月一日起至 二零零三年 十二月三十一日止 千港元	由二零零二年 四月一日起至 二零零二年 十二月三十一日止 千港元 (重列)
Taxation in other jurisdictions	於其他司法權區之稅項		
Current year/period	本年度/期間	-	11
Overprovision in prior years	過往年度之超額撥備	-	(19)
Deferred taxation (note 35)	遞延稅項(附註35)	(1,718)	(460)
Taxation attributable to the Company and its subsidiaries	本公司及其附屬公司 應佔稅項	(1,718)	(468)
Share of taxation attributable to associates	應佔聯營公司 稅項		
Hong Kong	香港	-	270
Other jurisdictions	其他司法權區	(357)	(471)
		(357)	(201)
		(2,075)	(669)

No provision for Hong Kong Profits Tax has been made as the Group did not have any assessable profit in the year/period.

10. 已終止業務(續)

環島集團於出售當日之資產及負債賬面值於附註39內披露。

出售環島集團產生虧損32,697,000港元，即出售所得款項減環島集團之資產淨值賬面值及應佔之未攤銷商譽。

11. 稅項撥回

由於本集團於年內/期內並無任何應課稅盈利，故並無作出香港利得稅撥備。

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11. TAXATION CREDIT (Continued)

No provision for overseas taxation has been made as the Group has no taxable profit during the year in other jurisdictions and taxation for other jurisdictions for the period from 1 April 2002 to 31 December 2002 was calculated at the rates prevailing in the relevant jurisdictions.

No charge or credit arose on the loss on discontinuance of the transportation services during the year.

Taxation for the year/period can be reconciled to the loss before taxation per the consolidated income statement as follows:

11. 稅項撥回 (續)

由於本集團於本年度在其他司法權區並無應課稅溢利，故並無就海外稅項作出撥備，而由二零零二年四月一日起至二零零二年十二月三十一日止期間之其他司法權區稅項乃按有關司法權區之適用之稅率計算。

終止客運服務之虧損並無於年內產生支出或撥回。

本年度／期間之稅項可與綜合收益表之除稅前虧損進行對賬：

		1.1.2003 to 31.12.2003 HK\$'000 由二零零三年 一月一日起至 二零零三年 十二月三十一日 千港元	1.4.2002 to 31.12.2002 HK\$'000 由二零零二年 四月一日起至 二零零二年 十二月三十一日 千港元
Loss before taxation	除稅前虧損	(373,047)	(304,153)
Tax at the domestic income tax rate of 17.5% (1.4.2002 to 31.12.2002: 16%)	按本地利得稅率17.5% (由二零零二年四月一日起至二零零二年十二月三十一日止: 16%) 計算之稅項	(65,283)	(48,664)
Tax effect of share of results of associates	應佔聯營公司業績之稅務影響	19,495	5,133
Tax effect of expenses that are not deductible in determining taxable profit	於釐定應課稅溢利時不可扣減之開支之稅務影響	14,614	11,866
Tax effect of income that is not taxable in determining taxable profit	於釐定應課稅溢利時毋須課稅之收入之稅務影響	(3,848)	(2,415)
Tax effect of tax losses not recognised	未確認之稅務虧損之稅務影響	33,901	33,443
Tax effect of tax losses utilised but not previously recognised	已動用但之前未確認之稅務虧損之稅務影響	(2,023)	(248)
Increase in opening deferred tax liability resulting from an increase in Hong Kong Profits Tax rate	香港利得稅率增加導致之期初遞延稅項負債增加	755	-
Effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區經營之附屬公司不同稅率之影響	314	235
Overprovision in prior years	過往年度之超額撥備	-	(19)
Taxation credit for the year/period	本年度／期間之稅項撥回	(2,075)	(669)

12. DIVIDENDS

No dividends were declared by the Company for the year ended 31 December 2003 (1.4.2002 to 31.12.2002: nil).

13. LOSS PER SHARE

The calculation of the basic loss per share is based on the net loss for the year of HK\$370,972,000 (1.4.2002 to 31.12.2002: HK\$302,248,000) and on 18,316,732,770 shares (1.4.2002 to 31.12.2002: the weighted average of 16,509,000,000 shares) in issue during the year/period.

The effect of prior period adjustments on loss per share for the period from 1 April 2002 to 31 December 2002 is immaterial.

No diluted loss per share has been presented as the conversion of the convertible notes and shares issuable under the subscription agreement dated 31 May 2002 as mentioned in note 36 would result in a decrease in loss per share.

12. 股息

本公司並無宣派截至二零零三年十二月三十一日止年度之股息(由二零零二年四月一日起至二零零二年十二月三十一日止:無)。

13. 每股虧損

每股基本虧損乃按本年度虧損淨額370,972,000港元(由二零零二年四月一日起至二零零二年十二月三十一日止:302,248,000港元)及年/期內已發行股份18,316,732,770股(由二零零二年四月一日起至二零零二年十二月三十一日止:16,509,000,000股之加權平均數)計算。

過往期間調整對由二零零二年四月一日起至二零零二年十二月三十一日止期間對每股虧損之影響並不重大。

本公司並無呈列每股攤薄虧損數據,原因為兌換該等可換股票據以及誠如附註36所述本公司於二零零二年五月三十一日訂立之認購協議下可予發行之股份會導致每股虧損有所減少。

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14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、機器及設備

		Leasehold land and buildings HK\$'000 租賃土地 及樓宇 千港元	Properties under construction HK\$'000 在建物業 千港元	Furniture and fixtures HK\$'000 傢俬及裝置 千港元	Leasehold improvements HK\$'000 租賃物業裝修 千港元	Motor vehicles HK\$'000 汽車 千港元	Office equipment and machinery HK\$'000 辦公室設備 及機器 千港元	Vessels HK\$'000 船隻 千港元	Total HK\$'000 合計 千港元
THE GROUP	本集團								
COST OR VALUATION	成本或估值								
At 1 January 2003	於二零零三年一月一日	311,341	46,728	3,129	5,475	309,527	23,679	7,181	707,060
Currency realignment	幣值調整	-	-	49	12	-	26	-	87
Additions	添置	-	-	889	4,747	15,682	1,710	-	23,028
Disposals	出售	(230,763)	-	(219)	(1,642)	(62,084)	(301)	(714)	(295,723)
Disposal of subsidiaries	出售附屬公司	(425)	-	(487)	-	(262,108)	(9,466)	-	(272,486)
At 31 December 2003	於二零零三年 十二月三十一日	80,153	46,728	3,361	8,592	1,017	15,648	6,467	161,966
Comprising	包括								
At cost	按成本	73,153	46,728	3,361	8,592	1,017	15,648	6,467	154,966
At valuation	按估值	7,000	-	-	-	-	-	-	7,000
		80,153	46,728	3,361	8,592	1,017	15,648	6,467	161,966
DEPRECIATION, AMORTISATION AND IMPAIRMENT	折舊、 攤銷及 減值								
At 1 January 2003	於二零零三年一月一日	224,461	5,728	2,193	3,284	211,033	16,783	5,967	469,449
Currency realignment	幣值調整	-	-	33	12	-	17	-	62
Provided for the year	本年度撥備	890	-	331	1,460	18,580	3,132	182	24,575
Impairment loss recognised for the year	本年度已確認 減值虧損	301	2,400	-	-	-	-	-	2,701
Eliminated on disposals	出售時撇除	(166,556)	-	(145)	(813)	(57,161)	(176)	(674)	(225,525)
Eliminated on disposal of subsidiaries	出售附屬公司時 撇除	(157)	-	(325)	-	(171,869)	(7,158)	-	(179,509)
At 31 December 2003	於二零零三年 十二月三十一日	58,939	8,128	2,087	3,943	583	12,598	5,475	91,753
NET BOOK VALUES	賬面淨值								
At 31 December 2003	於二零零三年 十二月三十一日	21,214	38,600	1,274	4,649	434	3,050	992	70,213
At 31 December 2002	於二零零二年 十二月三十一日	86,880	41,000	936	2,191	98,494	6,896	1,214	237,611

14. PROPERTY, PLANT AND EQUIPMENT (Continued)

An analysis of the properties of the Group held at the balance sheet date is as follows:

		Leasehold land and buildings 租賃土地及樓宇		Properties under construction 在建物業	
		2003 HK\$'000 二零零三年 千港元	2002 HK\$'000 二零零二年 千港元	2003 HK\$'000 二零零三年 千港元	2002 HK\$'000 二零零二年 千港元
Long leases in Hong Kong	於香港之長期租約	10,237	76,100	—	—
Medium term leases in Hong Kong	於香港之中期租約	10,977	10,780	—	—
Medium term leases outside Hong Kong	於香港以外地區之 中期租約	—	—	38,600	41,000
		21,214	86,880	38,600	41,000

During the year, the directors reviewed the carrying amounts of its property, plant and equipment and identified that the value of properties under construction was impaired. Accordingly, the carrying amount of properties under construction was reduced to its recoverable amount, which was determined with reference to the independent professional valuation on an open market value as at 31 December 2003.

Subsequent to the balance sheet date, the Group entered into sale and purchase agreements to dispose of two properties in Hong Kong. One of the transactions was completed on 31 March 2004 and the other transaction will be completed on or before 31 May 2004. An aggregate loss of approximately HK\$301,000 will be recorded upon completion. Accordingly, an equivalent amount was written off against the carrying amounts of the properties as at the balance sheet date to reflect their recoverable amounts.

14. 物業、機器及設備(續)

本集團於結算日所持有之物業分析如下:

於年內，董事檢討物業、機器及設備賬面值，並確認若干在建物業出現減值。因此，在建物業之賬面值已降至其可收回金額。在建物業可收回金額乃參照二零零三年十二月三十一日之公開市值作出之獨立專業估值釐定。

於結算日後，本集團就出售兩項香港物業而訂立買賣協議。其中一項交易已於二零零四年三月三十一日完成，而其他交易將於二零零四年五月三十一日或之前完成。完成後將錄得虧損總額約301,000港元。故此，一筆等值數額已於結算日抵銷物業之賬面值，以反映其可收回金額。

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For the year ended 31 December 2003 截至二零零三年十二月三十一日止年度

14. PROPERTY, PLANT AND EQUIPMENT (Continued)

Details of property, plant and equipment which are stated at valuation at the balance sheet date are as follows:

		Leasehold land and buildings	
		2003	2002
		HK\$'000	HK\$'000
		租賃土地及樓宇	
		二零零三年	二零零二年
		千港元	千港元
At valuation	按估值		
– 31 July 1997	– 一九九七年七月三十一日	4,800	4,800
– 31 March 1998	– 一九九八年三月三十一日	2,200	2,200
		7,000	7,000
Less: Accumulated depreciation, amortisation and impairment	減: 累計折舊、攤銷 及減值	(4,588)	(4,548)
Net book value	賬面淨值	2,412	2,452

The valuations at 31 July 1997 and 31 March 1998 represented the carrying values (equivalent to their approximately fair value) of the leasehold land and buildings at the time when they ceased to be classified as investment properties. Had the leasehold properties been carried at their historical cost less accumulated depreciation, amortisation and impairment loss, the carrying value of the leasehold properties would have been stated at HK\$2,412,000 (2002: HK\$2,452,000).

The net book value of motor vehicles and office equipment and machinery of the Group held under finance leases and sale and lease back arrangements at 31 December 2003 was HK\$ nil (2002: approximately HK\$33,155,000) and HK\$ nil (2002: HK\$2,023,000) respectively.

14. 物業、機器及設備 (續)

物業、機器及設備於結算日之估值詳情如下:

於一九九七年七月三十一日及一九九八年三月三十一日之估值指租賃物業及樓宇不再歸類為投資物業時之賬面值(約相等於其公平價值)。若租賃物業以歷史成本減累計折舊、攤銷及減值虧損列賬,則該等租賃物業之賬面值應為2,412,000港元(二零零二年:2,452,000港元)。

於二零零三年十二月三十一日,以融資租約與售後租回協議持有之汽車、辦公室設備及機器之賬面淨值分別為零港元(二零零二年:約33,155,000港元)及零港元(二零零二年:2,023,000港元)。

14. PROPERTY, PLANT AND EQUIPMENT (Continued)

14. 物業、機器及設備 (續)

		Furniture and fixtures HK\$'000 傢俬及裝置 千港元	Leasehold improvements HK\$'000 租賃物業 裝修 千港元	Motor vehicles HK\$'000 汽車 千港元	Office equipment and machinery HK\$'000 辦公室 設備及機器 千港元	Total HK\$'000 總計 千港元
THE COMPANY	本公司					
COST	成本					
At 1 January 2003	於二零零三年一月一日	698	401	–	460	1,559
Additions	添置	866	–	446	7	1,319
Transfer from a subsidiary	轉撥自一間附屬公司	–	–	110	–	110
Disposals	出售	(258)	(401)	–	–	(659)
At 31 December 2003	於二零零三年十二月三十一日	1,306	–	556	467	2,329
DEPRECIATION	折舊					
At 1 January 2003	於二零零三年一月一日	141	55	–	97	293
Provided for the year	本年度撥備	240	–	22	92	354
Transfer from a subsidiary	轉撥自一間附屬公司	–	–	110	–	110
Eliminated on disposals	出售時撇除	(88)	(55)	–	–	(143)
At 31 December 2003	於二零零三年十二月三十一日	293	–	132	189	614
NET BOOK VALUES	賬面淨值					
At 31 December 2003	於二零零三年十二月三十一日	1,013	–	424	278	1,715
At 31 December 2002	於二零零二年十二月三十一日	557	346	–	363	1,266

The net book value of office equipment and machinery of the Company held under a finance lease at 31 December 2003 was HK\$nil (2002: approximately HK\$65,000).

於二零零三年十二月三十一日，本公司以融資租約持有之辦公室設備及機器之賬面淨值為零港元（二零零二年：約65,000港元）。

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15. INVESTMENT PROPERTY

15. 投資物業

		THE GROUP	
		1.1.2003	1.4.2002
		to	to
		31.12.2003	31.12.2002
		HK\$'000	HK\$'000
		本集團	
		由二零零三年	由二零零二年
		一月一日起至	四月一日起至
		二零零三年	二零零二年
		十二月三十一日止	十二月三十一日止
		千港元	千港元
At beginning of the year/period	於年／期初	1,230	1,230
Surplus on revaluation	重估盈餘	170	—
At end of the year/period	於年／期終	1,400	1,230

The investment property of the Group is freehold and held outside Hong Kong.

本集團擁有投資物業之永久業權，並於香港以外持有。

The investment property was revalued at 31 December 2003 by a firm of independent professional property valuers, Norton Appraisals Limited, on an open market value basis at HK\$1,400,000. The valuation gave rise to a revaluation increase of HK\$170,000, of which HK\$7,000 and HK\$163,000 has been credited to the income statement and the investment properties valuation reserve respectively.

本集團投資物業於二零零三年十二月三十一日由獨立專業估值師普敦國際評估有限公司按公開市值基準進行重估為1,400,000港元。估值產生一項170,000港元之重估增值，其中7,000港元及163,000港元已分別計入收益表及投資物業估值儲備。

16. INVESTMENTS IN SUBSIDIARIES

16. 於附屬公司之投資

		THE COMPANY
		2003 & 2002
		HK\$'000
		本公司
		二零零三年及
		二零零二年
		千港元
Unlisted shares	非上市股份	178,000

The carrying value of the unlisted shares is based on the carrying amounts of the underlying net assets of the subsidiaries at the time they became members of the Group under the group reorganisation in September 1997.

非上市股份之賬面值乃按附屬公司根據本集團於一九九七年九月進行之集團重組成為本集團成員公司時之實際資產淨值之賬面值計算。

Particulars of the principal subsidiaries as at 31 December 2003 are set out in note 51.

主要附屬公司於二零零三年十二月三十一日之詳情載於附註 51。

17. INTEREST IN ASSOCIATES

17. 於聯營公司之權益

		The Group		The Company	
		2003	2002	2003	2002
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		(Restated)			
		本集團		本公司	
		二零零三年	二零零二年	二零零三年	二零零二年
		千港元	千港元	千港元	千港元
		(重列)			
Share of net assets	應佔資產淨值	253,184	548,275	–	–
Negative goodwill arising from acquisition of an associate (note 18)	收購一間聯營公司產生之負商譽 (附註18)	–	(58,918)	–	–
Unlisted shares, at cost	非上市股份，按成本	–	–	–	500
		253,184	489,357	–	500
Impairment loss recognised	已確認之減值虧損	(31,717)	–	–	–
		221,467	489,357	–	500

Particulars of the Group's associates as at 31 December 2003 are as follows:

本集團之聯營公司於二零零三年十二月三十一日之詳情如下：

Name of associate	Place of incorporation and operation	Issued and paid up share capital/ registered capital	Proportion of issued/registered capital held by the Group		Principal activities
			2003	2002	
聯營公司名稱	註冊成立及營業地點	'000 已發行及已繳足股本/ 註冊資本 千元	本集團持有已發行/ 註冊資本比率 二零零三年	二零零二年	主要業務
Ananda Travel Service (Aust.) Pty. Limited	Australia	A\$400	40%	40%	Travel and related services
Ananda Travel Service (Aust.) Pty. Limited	澳洲	400澳元	40%	40%	旅遊及相關服務
Apex Quality Group Limited ("Apex")	British Virgin Islands ("BVI")/ Hong Kong	HK\$43,276	49.6%	–	Investment holding
Apex Quality Group Limited ("Apex")	英屬維爾京群島/香港	43,276港元	49.6%	–	投資控股
CYTS Wing On Travel Service Company Limited	Hong Kong	HK\$2,000	50%	50%	Travel and related services
中青旅永安旅行社有限公司	香港	2,000港元	50%	50%	旅遊及相關服務
Guilin Osmanthus Hotel	PRC	US\$3,489	Note (a)	49.5%	Operation of a hotel
桂林市丹桂大酒店	中國	3,489美元	附註(a)	49.5%	經營酒店業務

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17. INTEREST IN ASSOCIATES (Continued)

17. 於聯營公司之權益 (續)

Name of associate 聯營公司名稱	Place of incorporation and operation 註冊成立及營業地點	Issued and paid up share capital/ registered capital '000 已發行及 已繳足股本/ 註冊資本 千元	Proportion of issued/registered capital held by the Group 2003 2002		Principal activities 主要業務
			本集團持有已發行/ 註冊資本比率 二零零三年	二零零二年	
Heilongjiang Ananda Entertainment Company Limited ("Heilongjiang Ananda") Note (b)	PRC	RMB283,140	50%	50%	Operation of a hotel and an entertainment resort complex and development of a residential and commercial complex
黑龍江辰龍游樂有限公司 (「黑龍江辰龍」) 附註(b)	中國	人民幣283,140	50%	50%	經營酒店業務及娛樂渡假村，並發展一幢商住綜合大樓
Rosedale Hotel Group Limited ("Rosedale") Note (c)	Bermuda/ Hong Kong	HK\$432,757*	–	49.3%	Investment holding
珀麗酒店集團有限公司 (「珀麗」) 附註(c)	百慕達/香港	432,757港元*	–	49.3%	投資控股
Wing On International Travel Service Ltd. Guangdong	PRC	RMB5,000	49%	49%	Travel and related services
廣東永安國際旅行社有限公司	中國	人民幣5,000	49%	49%	旅遊及相關服務
Wing On JAS Nice Wing Limited #	Hong Kong	HK\$1,000	50% **	50% **	Travel and related services
永安佳速有限公司 #	香港	1,000港元	50% **	50% **	旅遊及相關服務

* Issued and paid up share capital as at 31 December 2002

* 於二零零二年十二月三十一日之已發行及已繳足股本

** Directly held by the Company

** 由本公司直接持有

In liquidation since February 2004

自二零零四年二月起進行清盤

17. INTEREST IN ASSOCIATES (Continued)

Notes:

- (a) During the year, the directors considered that following the change of the management of the Company, the Group cannot exercise significant influence on the financial and operating policies of an associate, Guilin Osmanthus Hotel, and accordingly, resolved to classify the carrying amount of this investment amounting to HK\$26,974,000 as an investment in securities as at the balance sheet date.
- (b) During the year, the directors reviewed the carrying amounts of interest in associates and considered that the recoverable amount of Heilongjiang Ananda is minimal due to its continuing operating loss. Accordingly, an amount of HK\$31,717,000 was recognised as impairment loss to write off the carrying value of this associate in the financial statements.
- (c) On 9 July 2003, the Company entered into a sale and purchase agreement with an independent third party to dispose of its holding of 49.3% interest in an associate, Rosedale for a consideration of HK\$88 million. Under the agreement, the purchaser was obliged to pay a total of HK\$20,000,000 on or before the completion of the sale, and the balance is payable within 12 months from the date of completion, against which 136,666,666 shares in Rosedale (name changed to China Velocity Group Limited on 26 January 2004) are pledged to the Company.

The completion of the disposal involved a number of transactions. Among them, Rosedale would undergo a group reorganisation, under which Rosedale continues as a public listed company concentrating on business other than hotel and leisure-related businesses; Apex, a former subsidiary of Rosedale, together with its subsidiaries would hold all assets and liabilities of Rosedale and its subsidiaries in relation to the hotel and leisure-related businesses; and shares of Apex would be distributed to shareholders of Rosedale by way of distribution in specie. Details of the group reorganisation are set out in the circular to shareholders of the Company on 31 October 2003.

In connection with the disposal of Rosedale, the Group made an unconditional cash offer for 77,920,268.1 Apex shares held by the Apex shareholders other than those held by China Strategic Holdings Limited and their respective associates and parties acting in concert with any of them. The offer period was from 19 December 2003 to 9 January 2004. As at the date of the balance sheet, holders of 800,194 shares, representing approximately 0.3% of the share capital of Apex, accepted and the Group then held 49.6% interests in Apex.

The disposal of Rosedale was completed on 16 December 2003.

17. 於聯營公司之權益 (續)

附註:

- (a) 於年內，董事認為於本公司管理層變動後，本集團未能就聯營公司桂林市丹桂大酒店之財務及營運策略行使重大影響力，故此董事議決於結算日將該項投資之賬面值26,974,000港元分類為一項證券投資。
- (b) 於年內，董事已審閱於聯營公司之權益之賬面值，並認為因黑龍江辰龍持續錄得經營虧損，故可收回數額微薄。故此，為數31,717,000港元已確認為減值虧損，以於財務報表抵銷此聯營公司之賬面值。
- (c) 於二零零三年七月九日，本公司與一名獨立第三方訂立一項買賣協議，以出售其於一間聯營公司珀麗持有之49.3%股權，作價88,000,000港元。根據協議，買方有責任於出售完成或之前支付合共20,000,000港元，而餘款須於完成日期起計十二個月內支付，其中136,666,666股珀麗（於二零零四年一月二十六日更改名稱為China Velocity Group Limited）股份已抵押予本公司。

出售完成涉及若干交易。其中珀麗須進行一項集團重組，據此，珀麗繼續作為一間公眾上市公司，專注於酒店及休閒相關以外之業務；珀麗之前附屬公司Apex連同其附屬公司將持有珀麗及其附屬公司旗下所有有關酒店及休閒相關業務之資產與負債；及Apex股份將透過實物分派方式向珀麗股東作出分派。該集團重組之詳情載於本公司於二零零三年十月三十一日致股東之通函內。

由於出售珀麗，本集團已就Apex股東持有之77,920,268.1股Apex股份（中策集團有限公司以及其各自之聯繫人士及與其一致行動之人士持有者除外）提出一項無條件現金收購建議。收購建議期間由二零零三年十二月十九日起至二零零四年一月九日止。於結算日，持有800,194股股份之股東（佔Apex股東之約0.3%）已獲接納，而本集團當時於Apex持有49.6%權益。

出售珀麗已於二零零三年十二月十六日完成。

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17. INTEREST IN ASSOCIATES (Continued)

Other than Wing On JAS Nice Wing Limited and Ananda Travel Services (Aust) Pty. Limited whose financial statements end on 31 March, the financial statements of all other associates end on 31 December. The Group's share of their results and net assets under the equity method is based on their financial statements made to 31 December 2003.

Included in the interest in associates at 31 December 2003 are the interest in Apex and Heilongjiang Ananda. Extracts from the financial statements prepared in accounting principles generally accepted in Hong Kong of Apex for the period from 13 December 2003 to 31 December 2003 and Heilongjiang Ananda for the year ended 31 December 2003 and 2002 are as follows:

17. 於聯營公司之權益 (續)

除永安佳速有限公司及Ananda Travel Service (Aust.) Pty. Limited之財務報表為截至三月三十一日止外，所有其他聯營公司之財務報表均以十二月三十一日為結算日。按權益會計法，本集團應佔該等聯營公司之業績及資產淨值乃根據該等聯營公司截至二零零三年十二月三十一日止之財務報表計算。

於二零零三年十二月三十一日，於聯營公司之權益內包括應佔Apex及黑龍江辰龍之權益。按香港普遍採納之會計原則分別編製由二零零三年十二月十三日起至二零零三年十二月三十一日止期間之Apex財務報表摘要，以及截至二零零三年十二月三十一日及二零零二年十二月三十一日止年度之黑龍江辰龍財務報表摘要如下：

Apex		2003 HK\$'000 二零零三年 千港元
Financial position	財政狀況	
Non-current assets	非流動資產	1,592,960
Current assets	流動資產	84,038
Current liabilities	流動負債	(143,811)
Net current liabilities	流動負債淨額	(59,773)
Total assets less current liabilities	資產總值減流動負債	1,533,187
Non-current liabilities	非流動負債	(1,018,106)
Minority interests	少數股東權益	(72,058)
Net assets	資產淨值	443,023
Share of net assets attributable to the Group	本集團應佔資產淨值	219,739
Results for the period	期間業績	
Turnover	營業額	7,857
Net loss for the period	本期間虧損淨額	(12,985)
Net loss for the period attributable to the Group	本集團於本期間應佔虧損淨額	(6,441)

17. INTEREST IN ASSOCIATES (Continued)

17. 於聯營公司之權益 (續)

Heilongjiang Ananda 黑龍江辰龍		2003 HK\$'000 二零零三年 千港元	2002 HK\$'000 二零零二年 千港元
Financial position	財政狀況		
Non-current assets	非流動資產	876,215	901,714
Current assets	流動資產	32,119	26,632
Current liabilities	流動負債	(844,900)	(812,074)
Net current liabilities	流動負債淨額	(812,781)	(785,442)
Net assets	資產淨值	63,434	116,272
Share of net assets attributable to the Group	本集團應佔資產淨值	31,717	58,136
Impairment loss recognised	已確認減值虧損	(31,717)	–
		–	58,136
Results for the year	本年度業績		
Turnover	營業額	53,388	56,223
Net loss for the year	本年度虧損淨額	(52,722)	(60,430)
Net loss for the year attributable to the Group	本集團於本年度應佔虧損淨額	(26,361)	(30,215)

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17. INTEREST IN ASSOCIATES (Continued)

In addition, included in the Group's share of associates was share of results of Rosedale. The financial statements of Rosedale during the period from 1 January 2003 to 16 December 2003, the date of completion of disposal, prepared in accounting principles generally accepted in Hong Kong, are as follows:

Rosedale 珀麗		2003 HK\$'000 二零零三年 千港元	2002 HK\$'000 二零零二年 千港元
Results for the period	本期間業績		
Turnover	營業額	131,303	181,692
Net loss for the period	本期間虧損淨額	(165,871)	(99,810)
Net loss for the period attributable to the Group	本集團於期間應佔 虧損淨額	(81,774)	(2,447)

As Rosedale was disposed in December 2003, no financial position as at 31 December 2003 was presented.

The shares of Rosedale are listed on the Stock Exchange and the then market value of the shares held by the Group as at 31 December 2002 was approximately HK\$273,333,000.

17. 於聯營公司之權益 (續)

此外，本集團應佔之聯營公司亦計及應佔珀麗之業績。珀麗由二零零三年一月一日起至二零零三年十二月十六日（出售完成日期）止期間按香港普遍採納之會計原則編製之財務報表如下：

由於珀麗已於二零零三年十二月出售，故並無呈列於二零零三年十二月三十一日之財政狀況。

珀麗股份在聯交所上市，而於二零零二年十二月三十一日本集團所持有之股份當時市值約為273,333,000港元。

18. NEGATIVE GOODWILL ARISING FROM ACQUISITION OF AN ASSOCIATE

18. 收購一間聯營公司產生之負商譽

		The Group	
		1.1.2003 to 31.12.2003 HK\$'000	1.4.2002 to 31.12.2002 HK\$'000
		本集團	
		由二零零三年 一月一日起至 二零零三年 十二月三十一日止 千港元	由二零零二年 四月一日起至 二零零二年 十二月三十一日止 千港元
NEGATIVE GOODWILL	負商譽		
Balance at beginning of the year/period	年/期初結餘	59,043	—
Arising from acquisition of an associate during the year/period	於年/期內收購一間聯營公司產生	—	59,043
Released on disposal	出售時解除	(59,043)	—
Balance at end of the year/period	年/期終結餘	—	59,043
REALISATION	變現		
Balance at beginning of the year/period	年/期初結餘	125	—
Released to the income statement during the year/period	於年/期內在收益表內解除	1,350	125
Released on disposal	出售時解除	(1,475)	—
Balance at end of the year/period	年/期終結餘	—	125
CARRYING AMOUNT	賬面值		
At end of the year/period	於年/期終	—	58,918

Negative goodwill was recognised to the income statement over 40 years, which was determined based on the remaining average useful life of identifiable depreciable assets acquired.

負商譽分四十年在收益表內確認。此乃按可識別已收購可折舊資產的剩餘平均使用年期為基準而釐定。

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19. OTHER LONG TERM INVESTMENT

The Group and the Company

The other long term investment represents the contribution paid to a joint venture partner in 2001 for a joint development of a piece of land in Chengdu, the PRC, into a tourist attraction. On 11 December 2002, the Group entered into an agreement with the joint venture partner to withdraw from the project. Under the agreement, the joint venture partner will transfer the titles of a total of approximately 3,000 square meters of commercial areas and car parking spaces in a commercial building in Chengdu, the PRC, to the Group. The amount to be settled through this arrangement will be based on the professional valuation of the properties. Up to the date of this report, the transaction is still not yet completed. The directors are of the opinion that the value of property interests to be transferred will cover the investment cost paid and accordingly no provision for impairment loss is necessary.

20. LONG TERM INVESTMENT DEPOSITS

		The Group		The Company	
		2003	2002	2003	2002
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		本集團		本公司	
		二零零三年	二零零二年	二零零三年	二零零二年
		千港元	千港元	千港元	千港元
Deposits for acquisition of investment (Note)	收購投資所支付之訂金 (附註)	60,000	60,000	60,000	60,000
Disposal	出售	(60,000)	—	(60,000)	—
		—	60,000	—	60,000

Note:

The deposits represent the deposits paid for acquisition of 100% interest in a co-operative joint venture which will develop and operate a hotel in Guangdong, the PRC. During the year, the Group entered into an agreement to dispose of two-third of its rights to the intended interests in the co-operative joint venture for HK\$40,000,000 but the completion thereof has not yet taken place. After the aforesaid agreement, the directors considered it is not viable to carry out the investment to avoid further substantial commitments. The Group then entered into another agreement with the aforesaid purchaser to dispose of the remaining rights and entire commitments of the Group in the said co-operative venture (which together with the aforesaid partial interest disposed of constitute the Group's entire interests in the co-operative joint venture in the acquisition agreement) to the purchaser at a nominal consideration. The loss arising therefrom is classified as loss on disposal of interest in a co-operative joint venture.

19. 其他長期投資

本集團及本公司

該其他長期投資乃指本公司於二零零一年付予一合營企業夥伴作為合作開發位於中國成都一幅土地之代價，使之成為一處旅遊觀光點。於二零零二年十二月十一日，本集團與合營企業夥伴訂立協議，撤銷該項目。根據該協議，合營企業夥伴將其位於中國成都市一幢商業大廈內，佔地面積共約3,000平方米之商業空間及停車場之業權轉讓予本集團。此項安排下所抵銷之金額乃基於有關物業之專業估值而計算。截至本報告日期，此交易尚未完成。董事認為將予轉讓物業權益之價值將足以補償已付之投資成本，因此毋須作出減值虧損撥備。

20. 長期投資之訂金

附註：

訂金指就收購一間合作合營企業全部權益所支付之訂金。該企業將於中國廣東省開發及經營一間酒店。於年內，本集團訂立一項協議，出售該合作合營企業擬定權益所附權利之三份之二，作價40,000,000港元，惟該協議尚未落實完成。於上述協議後，董事認為不可能進行投資，藉以避免涉及進一步重大承擔。本集團當時與上述之買方訂立另一項協議，以象徵式代價向買方出售本集團於上述合作合營企業之餘下權益及全部責任，連同上述所出售之部份之權益，即構成本集團於收購協議內於該合作合營企業之所有權益。由此產生之虧損已分類為出售於合作合營企業之權益之虧損。

21. INVESTMENTS IN SECURITIES
The Group

21. 證券投資
本集團

		Investment securities		Other investments		Total	
		2003	2002	2003	2002	2003	2002
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		投資證券		其他投資		合計	
		二零零三年	二零零二年	二零零三年	二零零二年	二零零三年	二零零二年
		千港元	千港元	千港元	千港元	千港元	千港元
Equity securities	股本證券						
Unlisted shares, at cost	非上市股份·按成本	126,232	22,626	–	–	126,232	22,626
Listed shares in Hong Kong	香港上市股份	–	–	2,847	5,450	2,847	5,450
		126,232	22,626	2,847	5,450	129,079	28,076
Impairment loss recognised	已確認減值虧損	(26,974)	–	–	–	(26,974)	–
		99,258	22,626	2,847	5,450	102,105	28,076
Market value of listed shares	上市股份市值	–	–	2,847	5,450	2,847	5,450
Carrying amount analysed for reporting purposes as:	為呈報目的而按下列 分析之賬面值:						
Non-current	非流動	99,258	22,626	–	–	99,258	22,626
Current	流動	–	–	2,847	5,450	2,847	5,450
		99,258	22,626	2,847	5,450	102,105	28,076

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21. INVESTMENTS IN SECURITIES (Continued)

Particulars of the Group's investment securities as at 31 December 2003 are as follows:

21. 證券投資 (續)

本集團於二零零三年十二月三十一日之投資證券詳情如下:

Name of company 公司名稱	Place of incorporation and operation 註冊成立及營業地點	Issued and paid up share capital/registered capital 已發行及已繳足股本/註冊資本 千元	Proportion of issued/registered capital held by the subsidiaries 2003 2002 附屬公司持有已發行/註冊資本比率 二零零三年 二零零二年		Interest attributable to the Group 2003 2002 本集團應佔權益 二零零三年 二零零二年		Principal activities 主要業務
			2003	2002	2003	2002	
Guilin Osmanthus Hotel (see Note 17) 桂林市丹桂大酒店(見附註17)	PRC 中國	US\$3,489 3,489美元	49.5% 49.5%	49.5% 49.5%	49.5% 49.5%	49.5% 49.5%	Operation of a hotel 經營酒店業務
Guangxi Guijia Property Management Company Limited 廣西桂嘉物業管理有限公司	PRC 中國	US\$8,021 8,021美元	26% 26%	- -	18.2% 18.2%	- -	Operation of a hotel and leisure-related businesses 經營酒店及休閒相關業務
Jian Shen Co. Ltd. Jian Shen Co. Ltd.	BVI 英屬維爾京群島	US\$0.1 0.1美元	- -	19% 19%	- -	19% 19%	Investment holding 投資控股
King Fu Investment Holdings Ltd. King Fu Investment Holdings Ltd.	BVI 英屬維爾京群島	US\$50 50美元	- -	19% 19%	- -	19% 19%	Investment holding 投資控股

Notes:

- (a) During the year, the directors reviewed the carrying amounts of investments in securities and considered that it is unlikely to recover the interest in Guilin Osmanthus Hotel and the present value of the estimated future cash flows expected to arise from the investment is minimal. Accordingly, impairment loss of HK\$26,974,000 was recognised in the financial statements to write down the carrying amount of the investment.
- (b) Though a subsidiary of the Group holds a 26% interest in this investee company, the directors considered that the Group cannot exercise significant influence on the financial and operating policies of the investee company and accordingly, it is classified as an investment in securities.

附註:

- (a) 於年內，董事已審閱證券投資之賬面值，並認為未必可收回於桂林市丹桂大酒店之權益，而預期就投資所產生之估計日後現金流量現值之數額微薄。故此，26,974,000港元之減值虧損已於財務報表確認以減低該項投資之賬面值。
- (b) 雖然本集團之一間附屬公司持有此間被投資公司26%權益，惟董事認為本集團未能對該間被投資公司之財務及經營政策行使重大影響力，故其被分類為證券投資。

22. GOODWILL

22. 商譽

		THE GROUP	
		1.1.2003	1.4.2002
		to	to
		31.12.2003	31.12.2002
		HK\$'000	HK\$'000
		本集團	
		由二零零三年 一月一日起至 二零零三年 十二月三十一日止 千港元	由二零零二年 四月一日起至 二零零二年 十二月三十一日止 千港元
COST	成本		
At beginning of the year/period	於年/期初	13,232	59,807
Arising from acquisition during the year/period	於年/期內收購而產生	-	13,232
Eliminated on disposal of a subsidiary	於出售一間附屬公司時撇銷	(13,232)	(59,807)
At end of the year/period	於年/期終	-	13,232
AMORTISATION AND IMPAIRMENT	攤銷及減值		
At beginning of the year/period	於年/期初	165	59,807
Charge for the year/period	本年度/期間支出	496	165
Eliminated on disposal of a subsidiary	於出售一間附屬公司時撇銷	(661)	(59,807)
At end of the year/period	於年/期終	-	165
CARRYING AMOUNT	賬面值		
At end of the year/period	於年/期終	-	13,067

The amortisation period adopted for the goodwill was 20 years.

本集團所採納之商譽攤銷期間為20年。

23. INVENTORIES

The Group

At the balance sheet date, all inventories were carried at cost. The inventories represent principally consumables which are to be utilised in the ordinary course of operations. The amount recognised as an expense in the income statement during the year/period was insignificant.

23. 存貨

本集團

於結算日，所有存貨均以成本列賬。存貨主要指日常業務中將動用之消耗品。於年/期內，在收益表中確認為開支之款項並不重大。

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24. AMOUNTS DUE FROM RELATED COMPANIES

The Group and the Company

The balances represent the aggregate amounts due from related parties. Certain directors of the Company are also directors of and/or have beneficial interests in these companies. The amounts are unsecured and interest free. The balances as at 31 December 2003 were principally trading balances and those at 31 December 2002 also included prepayments in respect of the land operating costs.

During the period from 1 April 2002 to 31 December 2002, the directors reviewed the amounts due from companies controlled by former executive directors. The directors considered that the recoverability of such amounts was remote and accordingly, allowance was made in the financial statements.

25. AMOUNTS DUE FROM (TO) ASSOCIATES

The Group and the Company

The amounts due from (to) associates are unsecured, interest free and have no fixed terms of repayment.

26. TRADE AND OTHER RECEIVABLES

The Group

Included in trade and other receivables are trade receivables of HK\$7,029,000 (2002: HK\$26,579,000) and the aged analysis of the trade receivables at the reporting dates is as follows:

		2003 HK\$'000 二零零三年 千港元	2002 HK\$'000 二零零二年 千港元
0 – 30 days	0至30日	2,617	11,858
31 – 60 days	31至60日	1,573	7,816
61 – 90 days	61至90日	815	2,569
Over 90 days	超過90日	2,024	4,336
		7,029	26,579

The Group allows an average credit period of 60 days to local customers and 90 days to overseas customers.

During the period from 1 April 2002 to 31 December 2002, the directors reviewed the advance cost payments to certain land operators and considered that their recoverability was remote. Accordingly, the amounts were fully provided for in the financial statements.

24. 應收關連公司款項

本集團及本公司

結餘代表應收關連人士款項。本公司若干位董事亦身兼該等公司之董事及／或於該等公司擁有實益權益。該等款項為無抵押及免息。於二零零三年十二月三十一日結餘主要為貿易賬款結餘，而於二零零二年十二月三十一日之款項包括地接營運成本之預付款。

於二零零二年四月一日至二零零二年十二月三十一日止期間，董事已審閱應收前執行董事所控制之公司之款項。董事認為可收回該等款項之機會甚微。因此，已於財務報表計提港元撥備。

25. 應收（應付）聯營公司款項

本集團及本公司

應收（應付）聯營公司款項乃無抵押、免息及無固定還款期。

26. 貿易及其他應收賬款

本集團

列入貿易及其他應收賬款之款項包括為數7,029,000港元（二零零二年：26,579,000港元）之貿易應收賬款，而該等貿易應收賬款於呈報日之賬齡分析如下：

本集團給予本地顧客及海外顧客之平均除賬期分別為60日及90日。

於二零零二年四月一日至二零零二年十二月三十一日止期間，董事已審閱墊支若干地接經營商的成本預付款，並認為收回此等款項之機會不大。因此，此等款項已在財務報表內悉數撥備。

27. LOAN RECEIVABLES

		The Group 本集團		The Company 本公司	
		2003 HK\$'000 二零零三年 千港元	2002 HK\$'000 二零零二年 千港元	2003 HK\$'000 二零零三年 千港元	2002 HK\$'000 二零零二年 千港元
Loan to land operator (Note a)	給予地接經營商之貸款 (附註a)	23,000	23,000	—	—
Loan to certain overseas companies and individuals (Note b)	給予若干海外公司及人士之貸款(附註b)	31,950	22,272	31,950	22,272
Loan to the property purchaser (Note c)	給予物業買方之貸款 (附註c)	—	77,200	—	—
		54,950	122,472	31,950	22,272

Notes:

- (a) The loan to land operator represents an advance made to one of the Group's land operators for the designated purpose of purchase of coaches. The amount is secured, bears interest at a rate of 10% per annum on the principal amount over a period of thirty months and should be repayable by thirty equal monthly instalments commencing August 2000. On 23 July 2002, the Group entered into an agreement with the land operator to reschedule the terms of repayment. Under the terms of that agreement, the loan should be repaid in full on or before 31 March 2003. Pursuant to supplemental agreements thereafter, the repayment date of the loan is extended to 31 December 2004.
- (b) During the year/period, the Group provided loan facilities to certain overseas companies and individuals to earn interest. The amounts are unsecured, carrying interest at market rates and repayable within one year.
- (c) The loan to the property purchaser arose from the disposal by the Group of its 81% interests in two subsidiaries during the year ended 31 March 2002. During the year, the Group disposed of the receivable together with the remaining interests in these investments amounting to HK\$77,200,000 and HK\$22,913,000 (including HK\$287,000 receivable from the investee companies) respectively to exchange for a 70% interest in an investment company which holds a 26% interest in a PRC joint venture engaged in the operation of a hotel and leisure-related businesses.

附註:

- (a) 給予地接經營商之貸款為本集團向其中一間地接經營商墊付作為購買旅遊巴士之特定用途貸款。該筆貸款為有抵押，本金之年息率為10厘，付息期為三十個月，並於二零零零年八月開始分三十個月分期償還。在二零零二年七月二十三日，本集團與該地接經營商簽訂了一項協議，重定該貸款之還款期，根據該協議之條款，該筆貸款須於二零零三年三月三十一日或之前全數清還。根據其後訂立之補充協議，該筆貸款之還款期已押後至二零零四年十二月三十一日。
- (b) 於年/期內，本集團提供貸款備用額予若干海外公司及人士以賺取利息。該筆款項為無抵押，以市場息率計息並須於一年內償還。
- (c) 給予物業買方之貸款乃於截至二零零二年三月三十一日止年度本集團出售其於兩間附屬公司分別擁有之81%權益時產生。於年內，本集團已出售77,200,000港元之應收賬款及22,913,000港元之其他投資其餘之權益(包括應收被投資公司之賬款287,000港元)，以換取一間投資公司70%之權益。該間投資公司持有一間從事酒店及休閒相關業務之中國合營企業26%之權益。

28. TRADING CASH BALANCES

The Group

The amounts represent foreign currencies held for money exchange purposes.

28. 貿易現金結餘

本集團

有關金額乃指持作現金找換用途之外幣。

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29. TRADE AND OTHER PAYABLES

The Group

Included in trade and other payables are trade payables of HK\$77,121,000 (2002: HK\$81,669,000) and the aged analysis of the trade payables at the reporting dates is as follows:

		2003 HK\$'000 二零零三年 千港元	2002 HK\$'000 二零零二年 千港元
0 – 30 days	0至30日	44,715	37,664
31 – 60 days	31至60日	15,687	18,117
61 – 90 days	61至90日	9,593	12,265
Over 90 days	超過90日	7,126	13,623
		77,121	81,669

30. LOANS FROM RELATED COMPANIES

Certain directors of the Company are also directors of and/or have beneficial interests in those companies. The loans are unsecured, bear interest at market rates and with the terms of repayment as follows:

		The Group 本集團		The Company 本公司	
		2003 HK\$'000 二零零三年 千港元	2002 HK\$'000 二零零二年 千港元	2003 HK\$'000 二零零三年 千港元	2002 HK\$'000 二零零二年 千港元
Amounts repayable after 1 year but within 2 years	一年後但兩年內 償還之金額	223,312	–	223,312	–
Amounts repayable within 1 year	一年內償還之金額	8,000	6,474	–	475
		231,312	6,474	223,312	475

31. AMOUNTS DUE TO RELATED COMPANIES

The Group and the Company

The balances represent principally trading balances including trade payables and loan interest payable, which are unsecured, interest free and repayable on demand.

29. 貿易及其他應付賬款

本集團

列入貿易及其他應付賬款之款項包括為數77,121,000港元(二零零二年:81,669,000港元)之貿易應付賬款,而該等貿易應付賬款於呈報日之賬齡分析如下:

30. 關連公司貸款

本公司若干位董事亦身兼該等公司之董事及/或於該等公司擁有實益權益。該等貸款為無抵押,以市場息率計息,而還款期如下:

31. 應付關連公司款項

本集團及本公司

有關結餘主要為貿易結餘,包括貿易應付賬款及應付貸款利息,該等款項乃無抵押、免息及須按通知償還。

32. OBLIGATIONS UNDER FINANCE LEASES AND SALE AND LEASE BACK ARRANGEMENTS

32. 融資租約及售後租回協議之承擔

		Minimum lease payments		Present value of minimum lease payments	
		2003	2002	2003	2002
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		最低租金付款	最低租金付款	最低租金付款之現值	最低租金付款之現值
		二零零三年	二零零二年	二零零三年	二零零二年
		千港元	千港元	千港元	千港元
The Group	本集團				
Amounts payable under finance leases and sale and lease back arrangements	根據融資租約及售後租回協議應付之款項				
Within one year	一年內	–	10,167	–	8,764
Between one to two years	一年至兩年內	–	7,835	–	7,087
Between two to five years	兩年至五年內	–	7,638	–	7,297
		–	25,640	–	23,148
Less: Future finance charges	減：未來融資支出	–	(2,492)	–	–
Present value of lease obligations	租約承擔之現值	–	23,148	–	23,148
Less: Amount due within one year shown under current liabilities	減：列為流動負債之一年內到期款項			–	(8,764)
Amount due after one year	一年後到期款項			–	14,384

The Group entered into finance leases to acquire certain of its property, plant and equipment. The terms of the finance leases ranged from 2 to 4 years and the average effective borrowing rate was 8.5% (8.5% per annum for the period from 1 April 2002 to 31 December 2002). Interest rate was fixed at the contract date. The leases were on a fixed repayment basis and no arrangement was entered into for contingent rental payments. The Group's obligations under the finance leases were secured by the lessors' charge over the leased assets. There were no new finance leases entered into by the Group during the year.

本集團簽訂融資租約以收購其若干物業、機器及設備。該等融資租約為期2至4年，平均有效借貸年利率為8.5%（由二零零二年四月一日起至二零零二年十二月三十一日止期間之年利率為8.5%）。利率乃於簽訂租約之日釐定。該等租約乃以固定還款為基準，且概無就或然租金付款訂立任何協議。本集團之融資租約承擔以出租人抵押之租賃資產作為擔保。本集團於年內並無訂立新融資租約。

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32. OBLIGATIONS UNDER FINANCE LEASES AND SALE AND LEASE BACK ARRANGEMENTS (Continued)

32. 融資租約及售後租回協議之承擔 (續)

		Minimum lease payments		Present value of minimum lease payments	
		2003	2002	2003	2002
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		最低租金付款	最低租金付款	最低租金付款之現值	最低租金付款之現值
		二零零三年	二零零二年	二零零三年	二零零二年
		千港元	千港元	千港元	千港元
The Company	本公司				
Amounts payable under a finance lease	根據融資租約應付之款項				
Within one year	一年內	-	24	-	21
Less: Future finance charges	減: 未來融資支出	-	(3)	-	-
Present value of lease obligations	融資租約承擔之現值	-	21	-	21
Less: Amount due within one year shown under current liabilities	減: 列為流動負債之一年內到期款項			-	(21)
Amount due after one year	一年後到期款項			-	-

The term of the outstanding finance lease was two years and the effective borrowing rate was 10.6% per annum. Interest rate was fixed at the contract date. The lease was on a fixed repayment basis and no arrangement was entered into for contingent rental payments. The Company's obligations under the finance lease was secured by the lessor's charge over the leased assets. There were no new finance leases entered into by the Company during the year.

未償還融資租約為期兩年，有效借貸年利率為10.6%。利率乃於簽訂租約之日釐定。該租約乃以固定還款為基準，且概無就或然租金付款簽訂任何協議。本公司融資租約承擔乃以出租人抵押之租賃資產作為擔保。於期內，本公司並無訂立新融資租約。

33. BORROWINGS

33. 借貸

		The Group 本集團		The Company 本公司	
		2003 HK\$'000 二零零三年 千港元	2002 HK\$'000 二零零二年 千港元	2003 HK\$'000 二零零三年 千港元	2002 HK\$'000 二零零二年 千港元
Bank loans	銀行貸款	921	48,446	–	–
Bank overdrafts	銀行透支	–	7,717	–	–
Other loans	其他貸款	33,560	150,000	33,560	120,000
		34,481	206,163	33,560	120,000
Less: Amount due within one year shown under current liabilities	減: 列為流動負債之 一年內到期款項	(28,230)	(184,474)	(28,000)	(120,000)
Amount due after one year	一年後到期款項	6,251	21,689	5,560	–
Secured	有抵押	921	121,046	–	100,000
Unsecured (Note)	無抵押 (附註)	33,560	85,117	33,560	20,000
		34,481	206,163	33,560	120,000
Borrowings are repayable as follows:	借貸須於下列期限償還:				
Within one year or on demand	一年內或按通知	28,230	184,474	28,000	120,000
Between one to two years	一年至兩年內	6,251	11,579	5,560	–
Between two to five years	兩年至五年內	–	10,110	–	–
		34,481	206,163	33,560	120,000

Note: Included in unsecured other loans of the Group are HK\$15,000,000 which are secured on assets provided by a related company (Note 50 (c)).

附註: 計入本集團無抵押其他貸款之15,000,000港元以一間關連公司提供之資產作抵押 (附註50(c))。

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34. CONVERTIBLE NOTES

The Group and the Company

		2003 HK\$'000 二零零三年 千港元	2002 HK\$'000 二零零二年 千港元
Convertible notes	可換股票據	254,125	370,000
Less: Conversion into shares	減: 兌換股份	—	(115,875)
		254,125	254,125

During the period from 1 April 2002 to 31 December 2002, the Company issued convertible notes amounting to HK\$370,000,000. The convertible notes carry interest at 2% per annum and are repayable within two years. The holders of the convertible notes have the right to convert on any business day the convertible notes into new shares of the Company at any time from time to time during a period of two years from the date of issues of the convertible notes, at an initial conversion price of HK\$0.032 per share, subject to adjustments. Upon full conversion of the outstanding convertible notes at the balance sheet dates, a total of 7,941,395,000 shares of the Company would be issued.

The outstanding convertible notes were to be repaid on 19 April 2004. Accordingly, the outstanding amount is classified under current liabilities.

34. 可換股票據

本集團及本公司

由二零零二年四月一日起至二零零二年十二月三十一日止期間，本公司發行價值370,000,000港元之可換股票據。該等可換股票據按年利率2厘計息並須於兩年內償還。可換股票據持有人有權於可換股票據發行當日起計兩年內，隨時及不時於任何營業日按初步兌換價每股0.032港元（可予調整）將可換股票據兌換成本公司之新股份。倘若全面兌換於結算日之尚未行使可換股票據，本公司將須發行合共7,941,395,000股股份。

未償還之可換股票據須於二零零四年四月十九日償還。故此，未償還款項被列入流動負債。

35. DEFERRED TAXATION

The following are the major deferred tax liabilities and assets recognised and movements thereon during the current and prior accounting periods:

35. 遞延稅項

以下為於本會計期間及過往會計期間已確認之主要遞延稅項負債及資產，以及有關之變動：

		Accelerated tax depreciation HK\$'000 加速稅項折舊 千港元	Tax losses HK\$'000 稅務虧損 千港元	Others HK\$'000 其他 千港元	Total HK\$'000 合計 千港元
THE GROUP	本集團				
At 1 April 2002	於二零零二年四月一日	12,943	(4,418)	-	8,525
Charge (credit) to income for the period	本期間於收入支出(撥回)	132	(592)	-	(460)
Released on deemed disposal of a subsidiary	被視作出售一間附屬公司時解除	(13)	(2)	-	(15)
At 31 December 2002 and 1 January 2003	於二零零二年十二月三十一日及二零零三年一月一日	13,062	(5,012)	-	8,050
Credit to income for the year	本年度於收入撥回	(106)	(2,133)	(234)	(2,473)
Effect of change in tax rate – charge (credit) to income for the year	稅率變動產生之影響 – 本年內於收入支出(撥回)	1,225	(470)	-	755
Released on disposal of subsidiaries	出售附屬公司時解除	(14,181)	7,615	234	(6,332)
At 31 December 2003	於二零零三年十二月三十一日	-	-	-	-

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35. DEFERRED TAXATION (Continued)

For purpose of the balance sheet presentation, the above deferred tax assets and liabilities were offset.

At 31 December 2003, the Group has unused tax losses of HK\$555,159,000 (2002: HK\$470,470,000) available for offset against future profits. A deferred tax asset has been recognised for the year ended 31 December 2003 in respect of nil (1.4.2002 to 31.12.2002: HK\$31,325,000) of such losses. No deferred tax asset has been recognised in respect of the remaining tax losses due to the unpredictability of future profit streams. The losses arising from overseas subsidiaries are immaterial, which will expire after a specific period of time, other unrecognised tax losses may be carried forward indefinitely.

36. SHARE CAPITAL

35. 遞延稅項 (續)

就資產負債表之呈報而言，上述遞延稅項資產及負債已對銷。

於二零零三年十二月三十一日，本集團之未動用稅務虧損為555,159,000港元（二零零二年：470,470,000港元），可用作抵銷未來溢利。截至二零零三年十二月三十一日止年度已就有關虧損零港元（由二零零二年四月一日起至二零零二年十二月三十一日止：31,325,000港元）確認一項遞延稅項資產。由於未能預計日後之溢利來源，故並無就稅務虧損之餘額確認遞延稅項資產。海外附屬公司產生且將於特定期間後到期之虧損甚微，而其他未確認之稅務虧損或會結轉。

36. 股本

		Number of shares	Amount
		股份數目	HK\$'000 金額 千港元
Shares of HK\$0.01 each	每股面值0.01港元之股份		
Authorised	法定		
Balance as at 1 April 2002	於二零零二年四月一日之結餘	20,000,000,000	200,000
Increased on 10 April 2002 (Note a)	於二零零二年四月十日增加 (附註a)	30,000,000,000	300,000
Balance as at 31 December 2002 and at 31 December 2003	於二零零二年十二月三十一日及二零零三年十二月三十一日之結餘	50,000,000,000	500,000
Issued and fully paid	已發行及繳足		
Balance as at 1 April 2002	於二零零二年四月一日之結餘	9,081,317,770	90,813
Issued on 19 April 2002 (Note b)	於二零零二年四月十九日發行 (附註b)	4,800,000,000	48,000
Issued to strategic partners (Note c)	發行予策略夥伴 (附註c)	1,000,000,000	10,000
Conversion into shares from convertible notes	可換股票據 兌換為股份	3,621,105,000	36,211
Shares repurchased and cancelled (Note d)	已購回及註銷之股份 (附註d)	(185,690,000)	(1,857)
Balance as at 31 December 2002 and at 31 December 2003	於二零零二年十二月三十一日及二零零三年十二月三十一日之結餘	18,316,732,770	183,167

36. SHARE CAPITAL (Continued)

Notes:

- (a) Pursuant to a resolution passed by the shareholders of the Company at a special general meeting on 10 April 2002, the authorised share capital of the Company was increased from HK\$200,000,000 to HK\$500,000,000 by the creation of an additional 30,000,000,000 new shares of HK\$0.01 each in the capital of the Company.
- (b) Pursuant to the subscription agreement dated 1 February 2002 which was approved by the shareholders of the Company at the special general meeting of the Company held on 10 April 2002, the Company issued 4,800,000,000 new shares of HK\$0.01 each of the Company at a price of HK\$0.027 per share to Million Good Limited, a substantial shareholder of the Company as at the balance sheet date. The net proceeds of approximately HK\$129,600,000 together with that from the issue of convertible notes as described in note 34 would be used to repay debts, acquire investment, expand business of the Group with the balance be used as additional working capital of the Group. The new shares issued rank pari passu with the then existing shares in all respects.
- (c) The subscription agreements dated 31 May 2002 in respect of the subscription of shares of the Company by three subscribers for 2,000,000,000, 500,000,000 and 500,000,000 new shares respectively of HK\$0.01 each of the Company at a price of HK\$0.08 per share were approved by the shareholders of the Company at the special general meeting of the Company held on 4 July 2002. The net proceeds, upon receipt, would be used to expand and consolidate the Group's business in the PRC, which may involve investments and acquisition by the Group of existing companies or operations in those businesses where appropriate. The last two subscriptions have been completed and the new shares issued rank pari passu with the then existing shares in all respects. On 9 October 2003, the Company entered into a settlement agreement (the "Settlement Agreement") with the subscriber of the 2,000,000,000 shares (the "Subscriber") in which it was stated that the Subscriber's position was that there was not in existence any agreement or understanding, whether written or oral, in connection with any subscription by the Subscriber of shares in the Company. The Settlement Agreement also stated that the Company's position was that there was in existence a document stated to be dated 31 May 2002 relating to a subscription by the Subscriber of shares in the Company as well as a document stated that the completion date for such subscription had been extended. The Settlement Agreement provides that such disputed documents did not have any effect and would not proceed. There was no monetary consideration for the Settlement Agreement.

36. 股本 (續)

附註:

- (a) 根據本公司股東於二零零二年四月十日舉行之股東特別大會上通過之一項決議案，透過於本公司股本中額外增設30,000,000,000股每股面值0.01港元之新股份，將本公司法定股本由200,000,000港元增加至500,000,000港元。
- (b) 根據二零零二年四月十日舉行之本公司股東特別大會上，本公司股東所通過於二零零二年二月一日簽訂之認購協議，本公司按每股0.027港元之價格發行4,800,000,000股每股面值0.01港元之本公司新股份予Million Good Limited，於結算日該公司為本公司之主要股東。所得款項淨額約為129,600,000港元，該等款項連同附註34中所述發行可換股票據所得款項淨額將用於償還債款、收購投資以及拓展本集團之業務，而餘額則撥作本集團之額外營運資金。所發行新股份在各方面均與當時現有股份享有同等權益。
- (c) 日期為二零零二年五月三十一日之認購協議，內容有關三名認購人按每股0.08港元之價格分別認購2,000,000,000股、500,000,000股及500,000,000股每股面值0.01港元之本公司新股份，已經由本公司股東於二零零二年七月四日舉行之本公司股東特別大會上批准。收取所得款項將用作擴充及整合本集團於中國之業務，其中包括本集團投資及收購現有公司或有關業務營運（如合適）。最後兩宗認購已完成，而新股份將於各方面與當時之現有股份享有同等權益。於二零零三年十月九日，本公司與認購2,000,000,000股股份之認購人（「認購人」）訂立一項清償協議（「清償協議」），當中指出認購人從未以書面或口頭方式就認購人認購任何本公司股份訂立任何協議或諒解協議。清償協議亦指出，本公司堅持有一份日期為二零零二年五月三十一日之文件，內容有關認購人認購本公司股份，以及另一份文件指出已延長該項認購之完成日期。清償協議載明該份爭議文件並無構成任何影響，亦不會繼續生效。清償協議並不涉及任何金錢代價。

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36. SHARE CAPITAL (Continued)

- (d) During the period from 1 April 2002 to 31 December 2002, the Company repurchased a total number of 185,690,000 of its own shares on the Stock Exchange as follows:

Month of repurchase	Number of shares repurchased	Price per share		Aggregate consideration paid
		Highest	Lowest	
購回月份	購回股份數目	最高價	最低價	代價總額
		港元	港元	千港元
July 2002	20,080,000	0.038	0.035	728
August 2002	151,170,000	0.038	0.025	4,809
September 2002	14,440,000	0.017	0.016	245

The above shares were cancelled upon repurchase and accordingly the issued share capital of the Company was reduced by the nominal value of these shares. The premium paid on repurchase was charged against the share premium account.

- (e) During the year, the directors proposed a capital reorganisation of the Company ("Proposed Capital Reorganisation"). Details of the Proposed Capital Reorganisation were disclosed in the Company's announcement dated 17 February 2003. In October 2003, the directors resolved that the Proposed Capital Reorganisation would not proceed.

36. 股本 (續)

- (d) 於二零零二年四月一日至二零零二年十二月三十一日期間，本公司在聯交所合共購回185,690,000股本身股份，有關詳情如下：

上述股份於購回時已予以註銷，而本公司之已發行股本亦已相應減去該等股份之面值。於購回股份時已支付之溢價已於股份溢價賬中扣除。

- (e) 年內，董事建議本公司股本重組（「股本重組建議」）。有關股本重組建議之詳情已於本公司日期為二零零三年二月十七日刊發之公布內披露。於二零零三年十月，董事議決不再進行股本重組建議。

37. SHARE OPTION SCHEME

The Company has a share option scheme (the "Scheme"), which was approved and adopted by shareholders of the Company on 3 May 2002, enabling the directors to grant options to employees, executives or officers of the Company or any of its subsidiaries (including executive and non-executive directors of the Company or any of its subsidiaries) and any suppliers, consultants, agents or advisers who will contribute or have contributed to the Company or any of its subsidiaries as incentives and rewards for their contribution to the Company or such subsidiaries. The maximum number of shares in respect of which options may be granted under the Scheme, when aggregated with any shares subject to any other schemes, shall not exceed 10% of the issued share capital of the Company on the date of approval and adoption of the Scheme.

Option granted must be taken up within 30 days of the date of offer. The consideration payable for the option is HK\$1. Options may be exercised at any time from the date of acceptance of the share option to such date as determined by the board of directors but in any event not exceeding 10 years. The exercise price is determined by the directors of the Company and will not be less than the higher of (i) the average closing price of the shares for the five business days immediately preceding the date of grant, (ii) the closing price of the shares on the date of grant or (iii) the nominal value of the shares of the Company.

No share options have been granted under the Scheme since its adoption.

37. 購股權計劃

本公司設有一項於二零零二年五月三日由本公司股東批准並採納的購股權計劃（「該計劃」）。根據該計劃，董事可向本公司或其任何附屬公司之僱員、行政人員或高級職員（包括本公司或其任何附屬公司之執行董事或非執行董事），及任何對本公司或其任何附屬公司將有貢獻或有貢獻之供應商、顧問、代理或諮詢人授予購股權，作為彼等對本公司或該等附屬公司所作貢獻之獎勵或回報。根據該計劃可能授出之購股權可認購之股份最高數目加上任何其他計劃涉及之股份，合共不得超過本公司於批准及採納該計劃之日已發行股本之10%。

授出之購股權必須於建議之日起計三十日內獲接納。購股權之應付代價為1港元。購股權可於購股權獲接納之日起至董事會釐定之日期止任何時間行使，惟無論如何不得超過十年。行使價格由本公司董事釐定，且將不會低於(i)股份緊接授出之日前五個營業日之平均收市價，(ii)股份於授出之日之收市價或(iii)本公司股份之面值（以最高者為準）。

自採納該計劃以來，本公司概無根據該計劃授出購股權。

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38. RESERVES

38. 儲備

		Share premium HK\$'000	Special reserve HK\$'000	Investment property revaluation reserve HK\$'000 投資物業 重估儲備 千港元	Translation reserve HK\$'000	Goodwill reserve HK\$'000	Statutory reserves HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
		股份溢價 千港元	特別儲備 千港元	重估物業 重估儲備 千港元	匯兌儲備 千港元	商譽儲備 千港元	法定儲備 千港元	累計虧損 千港元	合計 千港元
THE GROUP	本集團								
At 1 April 2002	於二零零二年四月一日								
– as previously reported	– 如前申報	795,296	55,554	573	(262)	–	150	(294,790)	556,521
– adjustment on adoption of SSAP 12 (Revised) (note 2)	– 採納會計實務準則 第12號(經修訂) 之調整(附註2)	–	–	–	–	(9,767)	–	2,442	(7,325)
– as restated	– 重列	795,296	55,554	573	(262)	(9,767)	150	(292,348)	549,196
Premium on issue of shares, net of expenses of HK\$2,915,000	發行股份之溢價扣除 2,915,000港元之支出	228,349	–	–	–	–	–	–	228,349
Premium utilised on repurchase of shares	購回股份時所用溢價	(4,039)	–	–	–	–	–	–	(4,039)
Exchange difference arising on translation of financial statements of operations outside Hong Kong	換算海外公司財務報表 產生之匯兌差額	–	–	–	(322)	–	–	–	(322)
Share of reserve of an associate	應佔一間聯營公司之儲備	–	–	–	(65)	–	–	–	(65)
Reserve released on disposal of subsidiaries	出售附屬公司時解除 之儲備	–	–	–	68	–	–	–	68
Reserve released on deemed disposal of a subsidiary	被視作出售一間附屬公司時 解除之儲備	–	–	–	470	–	–	–	470
Net loss for the period	本期間虧損淨額	–	–	–	–	–	–	(302,248)	(302,248)
At 31 December 2002 and 1 January 2003	於二零零二年十二月 三十一日及二零零三年 一月一日	1,019,606	55,554	573	(111)	(9,767)	150	(594,596)	471,409
Surplus arising from revaluation of investment property	重估投資物業 產生之盈餘	–	–	163	–	–	–	–	163
Exchange difference arising on translation of financial statements of operations outside Hong Kong	換算海外公司財務 報表產生之匯兌差額	–	–	–	(286)	–	–	–	(286)
Share of reserve of an associate	應佔一間聯營公司之儲備	–	–	–	73	–	–	–	73
Transfer to investments in securities on reclassification of investments	將投資重新分類時轉撥至 證券投資	–	–	–	–	9,767	–	–	9,767
Net loss for the year	本年度虧損淨額	–	–	–	–	–	–	(370,972)	(370,972)
At 31 December 2003	於二零零三年 十二月三十一日	1,019,606	55,554	736	(324)	–	150	(965,568)	110,154

38. RESERVES (Continued)

The special reserve represents the difference between the nominal value of the shares of the acquired subsidiaries and the nominal value of the shares of the Company issued for the acquisition under the group reorganisation in September 1997.

The accumulated losses, translation reserve and statutory reserves of the Group include losses of HK\$246,293,000 (2002: HK\$223,662,000), surplus of HK\$73,000 (2002: deficit of HK\$65,000) and HK\$150,000 (2002: HK\$150,000) respectively attributable to the associates of the Group.

38. 儲備 (續)

特別儲備指按一九九七年九月之集團重組時所收購附屬公司股份面值與為收購而發行本公司股份面值之間的差額。

本集團之累計虧損、匯兌儲備及法定儲備包括本集團聯營公司之應佔虧損分別為246,293,000港元(二零零二年:223,662,000港元)、盈餘73,000港元(二零零二年:虧拙65,000港元)及150,000港元(二零零二年:150,000港元)。

		Share premium HK\$'000 股份溢價 千港元	Contributed surplus HK\$'000 繳入盈餘 千港元	Accumulated losses HK\$'000 累計虧損 千港元	Total HK\$'000 合計 千港元
The Company	本公司				
At 1 April 2002	於二零零二年四月一日	795,296	177,800	(419,866)	553,230
Premium on issue of shares, net of expenses of HK\$2,915,000	發行股份之溢價扣除· 2,915,000港元之支出	228,349	—	—	228,349
Premium utilised on repurchase of shares	購回股份所用 之溢價	(4,039)	—	—	(4,039)
Net loss for the period	本期間虧損淨額	—	—	(435,731)	(435,731)
At 31 December 2002 and 1 January 2003	於二零零二年十二月 三十一日及二零零三年 一月一日	1,019,606	177,800	(855,597)	341,809
Net loss for the year	本年度虧損淨額	—	—	(235,895)	(235,895)
At 31 December 2003	於二零零三年 十二月三十一日	1,019,606	177,800	(1,091,492)	105,914

The contributed surplus of the Company represents the difference between the book values of the underlying net assets of the subsidiaries at the date on which they were acquired by the Company and the nominal amount of the Company's shares issued under the group reorganisation in September 1997, net of HK\$100,000 applied in paying up in full at par the 1,000,000 then nil paid shares of HK\$0.10 each of the Company which were allotted and issued nil paid on 12 August 1997.

本公司之繳入盈餘乃指本公司於收購各附屬公司當日·各附屬公司之實際淨資產賬面值與本公司按一九九七年九月之集團重組而發行股份之面值扣除100,000港元後之差額。該筆為數100,000港元之款項用以繳足於一九九七年八月十二日當時配發及發行之1,000,000股本公司每股面值0.10港元之未繳足股份。

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38. RESERVES (Continued)

In addition to the accumulated profits, under the Companies Act 1981 of Bermuda (as amended), contributed surplus is also available for distribution. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus if:

- (a) it is, or would after the payment be, unable to pay its liabilities as they become due; or
- (b) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium account.

In the opinion of the directors, the reserves of the Company which were available for distribution to shareholders at 31 December 2003 were nil (2002: nil).

38. 儲備 (續)

除累計溢利外，根據百慕達一九八一年公司法(經修訂)，繳入盈餘亦可供分派。然而，如出現以下情況，則本公司不能宣派或派付股息，或從繳入盈餘中作出分派：

- (a) 本公司於派付股息後無法或可能無法償還到期之債項；或
- (b) 資產之變現價值會因此低於其負債、已發行股本及股份溢價賬之總和。

董事之意見認為本公司於二零零三年十二月三十一日並無可供分派予股東之儲備(二零零二年：無)。

39. DISPOSAL OF DISCONTINUED OPERATION

On 31 October 2003, the Group disposed of its subsidiary which carried out the segment of transportation services. The net assets of Trans-Island Group at the date of disposal and at 31 December 2002 were as follows:

		2003 HK\$'000 二零零三年 千港元	2002 HK\$'000 二零零二年 千港元
Net assets disposed of:	已售出之資產淨值:		
Property, plant and equipment	物業、機器及設備	92,977	101,132
Inventories	存貨	56	57
Amounts due from group companies	應收集團公司款項	8,775	17,698
Trade and other receivables	貿易及其他應收賬款	24,779	30,910
Tax recoverable	可收回稅項	-	727
Bank balances and cash	銀行結餘及現金	3,356	4,654
Trade and other payables	貿易及其他應付賬款	(39,476)	(26,524)
Tax payable	應付稅項	(61)	(61)
Bank borrowings	銀行借貸	(15,152)	(27,400)
Obligations under finance leases	融資租約承擔	(18,529)	(22,486)
Deferred taxation	遞延稅項	(6,332)	(8,050)
		50,393	70,657
Unamortised goodwill	未攤銷商譽	12,571	13,067
		62,964	83,724
Cash consideration	現金代價	(36,131)	
		26,833	
Commission and related expenses	佣金及相關開支	5,864	
		32,697	
Loss on disposal of subsidiaries	出售附屬公司之虧損		
Net cash inflow arising from disposal:	出售產生之現金流入淨額:		
Cash consideration	現金代價	36,131	
Less: Bank balances and cash disposed of	減: 已出售之銀行結餘及現金	(3,356)	
Commission and related expenses	佣金及相關開支	(5,864)	
		26,911	

The subsidiaries disposed of during the year contributed HK\$124,329,000 to the Group's turnover and HK\$22,004,000 to the Group's loss before taxation.

39. 出售已終止業務

於二零零三年十月三十一日，本集團已出售其從事客運服務分類之附屬公司。環島集團於出售當日及於二零零二年十二月三十一日之資產淨值如下：

本年度出售之附屬公司為本集團之營業額及除稅前虧損分別帶來124,329,000港元及22,004,000港元。

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40. DEEMED DISPOSAL/DISPOSAL OF SUBSIDIARIES

During the period from 1 April 2002 to 31 December 2002, several subsidiaries of the Group were deemed disposed/disposed of. The aggregate assets and liabilities of these subsidiaries at their respective dates of disposal were as follows:

40. 被視作出售／出售附屬公司

於二零零二年四月一日至二零零二年十二月三十一日止期間，本集團若干附屬公司被視作出售／已經出售，該等附屬公司於各自之出售日期之資產及負債總額如下：

		1.1.2003 to 31.12.2003 HK\$'000 由二零零三年 一月一日起至 二零零三年 十二月三十一日止 千港元	1.4.2002 to 31.12.2002 HK\$'000 由二零零二年 四月一日起至 二零零二年 十二月三十一日止 千港元
Net assets disposed of:	出售淨資產：		
Property, plant and equipment	物業、機器及設備	-	517
Trade and other receivables	貿易及其他應收賬款	-	7,659
Amounts due from related companies	應收關連公司款項	-	56
Tax recoverable	可收回稅項	-	47
Bank balances and cash	銀行結餘及現金	-	1,448
Trade and other payables	貿易及其他應付賬款	-	(5,733)
Tax payable	應付稅項	-	(346)
Amounts due to related companies	應付關連公司款項	-	(15)
Obligations under finance leases	融資租約承擔	-	(56)
Bank borrowings	銀行借貸	-	(792)
Deferred taxation	遞延稅項	-	(15)
		-	2,770
Retained as investments in associates/investments in securities by the Group	本集團留存作為於聯營公司之投資／證券投資	-	(1,596)
Reserves released on disposal of subsidiaries	出售附屬公司時解除之儲備	-	538
		-	1,712
Loss on deemed disposal/disposal of subsidiaries	被視作出售／出售附屬公司之虧損	-	(1,712)
Consideration	代價	-	-
Satisfied by:	支付方式：		
Cash consideration	現金代價	-	-
		-	-

40. DEEMED DISPOSAL/DISPOSAL OF SUBSIDIARIES (Continued)

40. 被視作出售／出售附屬公司（續）

		1.1.2003 to 31.12.2003 HK\$'000 由二零零三年 一月一日起至 二零零三年 十二月三十一日止 千港元	1.4.2002 to 31.12.2002 HK\$'000 由二零零二年 四月一日起至 二零零二年 十二月三十一日止 千港元
Analysis of net cash outflow of cash and cash equivalents in connection with the deemed disposal/disposal of subsidiaries:	被視作出售／出售附屬公司 有關之現金及現金等值項目 之現金流出淨額 分析：		
Cash consideration	現金代價	-	-
Bank balances and cash disposed of	已出售銀行結餘及現金	-	(1,448)
		-	(1,448)

There was no disposal of major subsidiary(ies) other than Trans-Island Group during the year.

除環島集團外，本年度並無出售主要附屬公司。

The subsidiaries disposed of during the period from 1 April 2002 to 31 December 2002 did not have any significant impact on the turnover, operating results and cash flows of the Group.

本集團於二零零二年四月一日至二零零二年十二月三十一日止期間出售之附屬公司對本集團之營業額、經營業績及現金流量概無重大影響。

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41. ACQUISITION OF SUBSIDIARIES

On 24 September 2003, the Group acquired 100% of the issued share capital of Sinomatrix Limited by assets swap as described under note 27(c) above. Sinomatrix Limited, in turn holds 70% interest in Silver Bay Commodities Co., Ltd. The aggregate assets and liabilities are as follows:

		HK\$'000 千港元
Net assets acquired:	購入淨資產:	
Investments in securities	證券投資	99,258
Minority interests	少數股東權益	(29,778)
Net assets acquired	購入淨資產	<u>69,480</u>

The subsidiaries acquired during the year contributed insignificant amount to the Group's turnover and loss from operations.

This acquisition has been accounted for by the acquisition method of accounting.

42. MAJOR NON-CASH TRANSACTIONS

- (a) During the year ended 31 December 2003, the Group disposed of the amount receivable from the property purchaser as mentioned under Note 27(c) above together with interests in other investments amounting to HK\$77,200,000 and HK\$22,913,000 (including HK\$287,000 receivable from the investee companies) respectively to exchange for a 70% interest in an investment company which holds a 26% interest in a PRC joint venture engaged in the operation of a hotel and leisure-related businesses. The acquired investee company is classified as investment securities at a fair value of HK\$99,258,000 at the date of completion of the transaction.
- (b) During the year, the Group disposed of its interests in Rosedale for a consideration of HK\$88,000,000 of which HK\$68,000,000 is due for payment after 31 December 2003.
- (c) During the year, the Group disposed of two-third of its rights to interests in a co-operative joint venture for HK\$40,000,000, which is yet to be received as at the balance sheet date.
- (d) During the year, the Group entered into finance lease arrangements in respect of assets with a total capital value of HK\$ nil (1.4.2002 to 31.12.2002: HK\$12,155,000) at the inception of the finance leases.

41. 收購附屬公司

於二零零三年九月二十四日，本集團透過上文附註27(c)所述之資產互換方式收購Sinomatrix Limited已發行股本之100%。Sinomatrix Limited持有銀港資源有限公司70%權益。資產及負債總額如下：

本年度收購之附屬公司對本集團之營業額及經營虧損之貢獻並不重大。

此項收購已按會計收購法計算。

42. 重大非現金交易

- (a) 截至二零零三年十二月三十一日止年度，如上文附註27(c)所述，本集團已出售77,200,000港元之應收物業買方賬款及22,913,000港元之其他投資之權益（包括應收被投資公司之賬款287,000港元），以換取一間投資公司70%之權益。該間投資公司持有一間從事酒店及休閒相關業務之中國合營企業26%之權益。已收購之被投資公司於交易完成當日已按公平值99,258,000港元分類為投資證券。
- (b) 於年內，本集團已出售其於珀麗之權益，作價88,000,000港元，其中68,000,000港元於二零零三年十二月三十一日後到期支付。
- (c) 於年內，本集團已出售其於一間合營企業權益之三份之二之權利，作價40,000,000港元，有關款項於結算日尚未收取。
- (d) 於年內，本集團就若干資產達成融資租約協議，其資本總值於融資租約開始時為零港元（由二零零二年四月一日起至二零零二年十二月三十一日止：12,155,000港元）。

42. MAJOR NON-CASH TRANSACTIONS (Continued)

- (e) During the period from 1 April 2002 to 31 December 2002, the Group disposed of its interest in an investment holding company which holds a right to acquire a 60% interest in Luoyang Golden Gulf Hotel Co. Limited to Rosedale for a consideration of HK\$110,000,000 satisfied by 366,666,666 new shares of Rosedale. Accordingly, the Group's investment in associates amounting to HK\$110,000,000 were transferred from long term investment deposits which comprised of HK\$24,400,000 brought forward, an amount of HK\$39,400,000 paid during the period and the balance of HK\$46,200,000 unpaid as at 31 December 2002.
- (f) During the period from 1 April 2002 to 31 December 2002, the Group acquired the remaining 25% interest in Trans-Island Group for HK\$40,000,000. At 31 December 2002, a balance of HK\$30,000,000 was outstanding.

43. ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS

	2003 HK\$'000 二零零三年 千港元	2002 HK\$'000 二零零二年 千港元
Bank balances, deposits and cash	111,709	61,510
Bank overdrafts	—	(7,717)
	111,709	53,793

42. 重大非現金交易 (續)

- (e) 於二零零二年四月一日至二零零二年十二月三十一日止期間，本集團以代價110,000,000港元出售持有收購洛陽金水灣大酒店有限公司60%權益之權利之投資控股之權益予珀麗，該代價以366,666,666股珀麗新股份支付。據此，為數110,000,000港元之金額已從長期投資訂金轉撥往本集團於聯營公司之投資，其中包括轉承前之長期投資訂金為24,400,000港元，已於期內支付之金額為39,400,000港元及於二零零二年十二月三十一日仍未支付之金額為46,200,000港元。
- (f) 於二零零二年四月一日至二零零二年十二月三十一日止期間，本集團以40,000,000港元收購環島之其餘25%權益。於二零零二年十二月三十一日，30,000,000港元之餘額尚未支付。

43. 現金及現金等值項目結餘分析

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44. PLEDGE OF ASSETS

At 31 December 2003, the Group's credit facilities were secured by the Group's assets as follows:

	2003 HK\$'000 二零零三年 千港元	2002 HK\$'000 二零零二年 千港元
Property interests 物業權益	19,839	86,880
Bank balances 銀行結餘	390	802
Motor vehicles 汽車	-	33,961
Office equipment and machinery 辦公室設備及機器	-	2,023
	20,229	123,666

In addition, at 31 December 2002, the Group also pledged its holding of 1,000,000,000 shares in Rosedale with a market value of approximately HK\$200,000,000 to secure other loans of HK\$100,000,000 granted to the Group.

44. 資產抵押

於二零零三年十二月三十一日，本集團之信貸融資以本集團下列資產作抵押：

此外，本集團於二零零二年十二月三十一日亦已抵押所持有市值約為200,000,000港元之1,000,000,000股珀麗股份，作為本集團獲授100,000,000港元其他貸款之擔保。

45. CONTINGENT LIABILITIES

45. 或然負債

		The Group		The Company	
		2003	2002	2003	2002
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		本集團	本公司	本公司	本公司
		二零零三年	二零零二年	二零零三年	二零零二年
		千港元	千港元	千港元	千港元
Guarantees given to banks, financial institutions and suppliers in respect of credit facilities granted to subsidiaries	向銀行、財務機構及供應商就其給予各附屬公司之信貸融資而作出之擔保	-	-	16,000	162,650
Guarantees given to banks, financial institutions and suppliers in respect of credit facilities granted	向銀行、財務機構及供應商就其給予之信貸融資而作出之擔保	-	15,348	-	-
An undertaking to Apex (2002: Rosedale) to indemnify it against any potential loss upon the transfer of the land use right to the Luoyang Golden Gulf Hotel Co. Ltd. in relation to the disposal thereof during the period from 1 April 2002 to 31 December 2002 as disclosed in note 42(e)	向Apex (二零零二年: 珀麗) 作出承諾以彌償其就有關於二零零二年四月一日至二零零二年十二月三十一日止期間出售向洛陽金水灣大酒店有限公司 (誠如附註42(e)所披露) 轉讓土地使用權時而蒙受之任何潛在損失	37,347	37,347	37,347	37,347
Guarantee to the holder of the promissory note issued by a subsidiary of Apex	就Apex一間附屬公司發行之承兌票據持有人作出之擔保	365,000	-	365,000	-
		402,347	52,695	418,347	199,997

In addition, the Group also had contingent liabilities in respect of liabilities arising from claims against Trans-Island Group in connection with its businesses before the disposal. The directors consider that the final outcomes of those claims will not be material and accordingly, no provision has been made in the financial statements.

此外，本集團亦有涉及環島集團出售前有關其業務之申索所產生之負債有關之或然負債。董事認為該等申索之最終結果將屬輕微，故並無於財務報表作出撥備。

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46. OPERATING LEASE COMMITMENTS

As lessee

At 31 December 2003, the Group and the Company had commitments for future minimum lease payments under non-cancellable operating leases in respect of rented premises which fall due as follows:

		The Group		The Company	
		2003	2002	2003	2002
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		本集團	本公司	本公司	本公司
		二零零三年	二零零二年	二零零三年	二零零二年
		千港元	千港元	千港元	千港元
Within one year	一年內	13,752	18,154	3,853	—
In the second to fifth years inclusive	第二年至第五年 (包括首尾兩年)	7,777	13,884	3,803	—
		21,529	32,038	7,656	—

Operating lease payments represent rentals payable by the Group for certain of its office properties, shops and employees' quarters. Leases are negotiated for an average term of two years.

As lessor

At 31 December 2003 and 31 December 2002, the Group and the Company had not contracted with tenants for any future minimum lease payments.

46. 經營租約承擔

作為承租人

於二零零三年十二月三十一日，本集團及本公司根據各項不可撤銷經營租約須為其租賃物業之未來最低租金付款作出承擔。此等承擔之到期日如下：

經營租約付款指本集團為其若干辦公室物業、商舖及僱員宿舍所應付之租金。租約議定平均為期兩年。

作為出租人

於二零零三年十二月三十一日及二零零二年十二月三十一日，本集團及本公司並無就任何未來最低租金付款與租戶訂約。

47. CAPITAL COMMITMENTS

47. 資本承擔

		The Group		The Company	
		2003	2002	2003	2002
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		本集團	本公司	本公司	本公司
		二零零三年	二零零二年	二零零三年	二零零二年
		千港元	千港元	千港元	千港元
Contracted for but not provided in the financial statements in respect of acquisition of property, plant and equipment	就購買物業、機器及設備已訂約惟未於財務報表內撥備	—	3,751	—	—
Contracted for but not provided in the financial statements in respect of investments	就投資已訂約惟未於財務報表內撥備	—	5,000	—	5,000
		—	8,751	—	5,000

48. PROVIDENT FUND SCHEMES

The Group has retirement schemes covering a substantial portion of its employees. The principal schemes are defined contribution schemes. The assets of these schemes are held separately from those of the Group in funds under the control of independent trustees.

With effect from 1 December 2000, the Group joined a Mandatory Provident Fund Scheme ("MPF Scheme") for all its new employees employed therefrom or existing employees wishing to join the MPF Scheme. The MPF Scheme is registered with the Mandatory Provident Fund Scheme Authority under the Mandatory Provident Fund Schemes Ordinance. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the rules of the MPF Scheme, the employer and its employees are required to make contributions to the MPF Scheme at rates specified in the rules. The only obligation of the Group in respect of MPF Scheme is to make the required contributions under the MPF Scheme.

The amounts charged to the income statement represent contributions payable to schemes and the MPF Scheme by the Group at rates specified in the rules of the schemes less forfeiture of HK\$1,003,589 (1.4.2002 to 31.12.2002: HK\$650,000) arising from employees leaving the Group prior to completion of the qualifying service period, if any.

At the balance sheet date, the total amount of forfeited contributions, which arose upon employees leaving the retirement benefit schemes and which are available to reduce the contributions payable in future years was HK\$98,530 (2002: HK\$233,000).

49. POST BALANCE SHEET EVENTS

Subsequent to the balance sheet date, the following events taken place:

- (a) Following the closing of cash offer for shares in Apex (as described in note 17) on 9 January 2004, the Group holds a 67.9% interest in Apex. Apex will be accounted for as a subsidiary of the Company thereafter.

48. 退休金計劃

本集團為大部分僱員設有退休金計劃。主要計劃為定額供款計劃。該等計劃之資產與本集團之資產分開，以基金方式持有，並由獨立信託人控制。

自二零零零年十二月一日起，本集團已為其所有於該日起受僱之新僱員及欲參與強制性公積金計劃（「強積金計劃」）之現有僱員參與一個強積金計劃。強積金計劃乃根據強制性公積金計劃條例於強制性公積金計劃管理局註冊。強積金計劃之資產與本集團之資產分開，以基金方式持有，並由一位獨立信託人控制。根據強積金計劃規則，僱主及其僱員須按規則指定比例向計劃作出供款。本集團在強積金計劃方面僅須負責就該計劃作出所需供款。

於收益表中列支之款項，為本集團按各計劃規則指定比例應付予計劃及強積金計劃之供款，減去本集團僱員在未完成合資格服務年期前離職（如有）而被沒收之供款1,003,589港元（由二零零二年四月一日起至二零零二年十二月三十一日止：650,000港元）。

於結算日，因僱員退出退休金計劃而被沒收，並可供扣減未來年度應付供款之供款總額為98,530港元（二零零二年：233,000港元）。

49. 結算日後事項

於結算日後，進行了以下事項：

- (a) 於二零零四年一月九日（如附註17所述）有關Apex股份之現金收購建議結束後，本集團持有Apex 67.9%權益。Apex其後將作為本公司之附屬公司計算。

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49. POST BALANCE SHEET EVENTS (Continued)

- (b) On 13 January 2004, the Company entered into conditional agreements with China Enterprises Limited ("CEL"), a substantial shareholder of the Company and Hutchison International Limited ("HIL"), in relation to the issuance of the convertible notes by the Company to each of them or their respective nominees for a consideration of HK\$155,000,000 and HK\$105,000,000 respectively to finance the repayment of the convertible notes due in April 2004. The convertible notes to be issued carry interest of 2% per annum; entitle the holders to convert into shares of the Company at the conversion price of HK\$0.02 per share, subject to adjustments, and are repayable on the third anniversary of the date of issue. The completion of the agreements is conditional upon the fulfillment or waiver by the relevant party of certain conditions including, among others, the approval of the shareholders of the Company of the transactions and a waiver by the Executive Director of the Corporate Finance Division of the Securities and Futures Commission from the obligation on the part of CEL and HIL and their respective concert parties to make general offer for the shares of the Company upon exercise of all (or relevant part) of the conversion rights attaching to the notes.
- (c) In February 2004, a 50% associate of the Group, acquired an interest in a piece of land in Hong Kong. Subsequently, the Group entered into a sale and purchase agreement to dispose of the entire interest of the aforesaid associate. The disposal of the associate is expected to be completed by 30 June 2004. Upon the completion, the profit arising from the disposal will amount to approximately HK\$39,000,000.
- (d) The Group has redeemed HK\$50,000,000 of the convertible notes due on 19 April 2004 and is discussing with the holders of the remaining convertible notes on the possibility to extend the maturity date. Both CEL and HIL have indicated their willingness to extend the maturity date for their convertible notes and the directors are taking steps to finalise such arrangements.

49. 結算日後事項 (續)

- (b) 於二零零四年一月十三日本公司與China Enterprises Limited (「CEL」) (本公司之主要股東)及Hutchison International Limited (「HIL」)訂立有條件協議，其有關本公司分別以代價155,000,000港元及105,000,000港元向彼等或其代名人發行可換股票據，以就於二零零四年四月到期之可換股票據還款進行融資。將予發行之可換股票據附年息2厘，授權持有人以每股0.02港元之兌換價(可予調整)兌換本公司股份，並於發行當日起計第三週年償還。協議須待有關訂約方達成或豁免若干條件，其中包括本公司股東批准有關交易，以及證券及期貨事務監察委員會企業融資部之執行董事豁免CEL及HIL及其各自之一致行動人士在附於票據之兌換權獲悉數(或有關部份)行使時毋須就本公司股份提出全面收購建議後，方告完成。
- (c) 於二零零四年二月，一間本集團持有50%權益之聯營公司收購位於香港之一幅土地之權益。其後，本集團訂立一項買賣協議出售該聯營公司，出售該聯營公司預計於二零零四年六月三十日前完成。完成後，因該出售所產生之利潤約為39,000,000港元。
- (d) 本集團已贖回為數50,000,000港元於二零零四年四月十九日到期之可換股票據，並正與其餘可換股票據之持有人商討押後到期日。CEL及HIL已表示願意押後可換股票據之到期日，而董事現正採取措施完成有關安排。

50. RELATED PARTY TRANSACTIONS

(a) During the year/period, the Group had transactions with related parties as follows:

50. 關連人士交易

(a) 於年/期內，本集團與關連人士之交易如下：

			1.1.2003 to 31.12.2003 HK\$'000 由二零零三年 一月一日起至 二零零三年 十二月三十一日止 千港元	1.4.2002 to 31.12.2002 HK\$'000 由二零零二年 四月一日起至 二零零二年 十二月三十一日止 千港元
(i) Nature of transactions 交易性質	Note 附註	Name of company 公司名稱		
Property rental expenses paid and payable by the Group 本集團已付及應付之物業租金	(i)	Mass Success International Ltd. Cycle Company Limited and Gunnell Properties Limited 旋高有限公司及 Gunnell Properties Limited	1,790	288
			1,630	-
			3,420	288
Air ticketing and travel service income received and receivable by the Group 本集團已收及應收之機票及旅遊服務收入	(ii)	Hanny Holdings Limited and its subsidiaries 錦興集團有限公司及其附屬公司 Paul Y. – ITC Construction Holdings Limited and its subsidiaries 保華德祥建築集團有限公司及其附屬公司 Dong Fang Gas Holdings Limited and its subsidiaries 東方燃氣集團有限公司及其附屬公司 ITC Corporation Limited and its subsidiaries 德祥企業集團有限公司及其附屬公司 China Strategic Holdings Limited and its subsidiaries 中策集團有限公司及其附屬公司 PSC Corporation Limited 普威聯營有限公司 Star East Holdings Limited and its subsidiaries 東方魅力集團有限公司及其附屬公司 Mobile Media Management Limited 流動廣告管理有限公司 Cheung Wah Ho Dyestuffs Company Limited 祥華號染料有限公司 X-One Management Limited Rosedale and its subsidiaries 珀麗及其附屬公司	666	1,056
			486	838
			318	-
			266	460
			213	248
			213	-
			118	901
			27	-
			17	-
			11	-
			-	303
			2,335	3,806

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50. RELATED PARTY TRANSACTIONS (Continued)

50. 關連人士交易 (續)

			1.1.2003 to 31.12.2003 HK\$'000 由二零零三年 一月一日起至 二零零三年 十二月三十一日止 千港元	1.4.2002 to 31.12.2002 HK\$'000 由二零零二年 四月一日起至 二零零二年 十二月三十一日止 千港元
(I) Nature of transactions (Continued) 交易性質 (續)	Note 附註	Name of company (Continued) 公司名稱 (續)		
Interest on convertible notes 可換股票據之利息	(iii)	Million Good Limited	1,696	1,345
Loan interest paid and payable by the Group 本集團已付及應付之貸款利息	(iv)	China Strategic Holdings Limited and its subsidiaries 中策集團有限公司及其附屬公司	2,229	891
		Hanny Holdings Limited and its subsidiaries 錦興集團有限公司及其附屬公司	1,790	1,298
		Million Good Limited	1,710	-
		Nation Cheer Investment Limited 志恒投資有限公司	385	-
			6,114	2,189
Net income on sales of computer program source code 銷售電腦程式原始碼之收入淨額	(v)	Cyber Business Network (Hong Kong) Limited 數碼網絡(香港)有限公司	3,000	-

Notes:

- (i) The property rental expenses paid and payable by the Group were determined in accordance with the terms of relevant agreements.
- (ii) The above companies purchased air tickets from the Group at rates comparable to market rates.
- (iii) The interest on convertible notes was calculated at the rate specified in the issued convertible notes.
- (iv) The interest paid and payable by the Group for loans from these companies was calculated at rates comparable to market rates.
- (v) The above company purchased the computer program source code from the Group at a price with reference to the market rate.

附註:

- (i) 本集團已付及應付之物業租金的定價乃根據有關協議條款而釐定。
- (ii) 上列公司按可資比較之市場價格向本集團購買機票之服務。
- (iii) 可換股票據之利息按已發行可換股票據列明之息率計算。
- (iv) 本集團已付及應付來自此等公司貸款之利息按可資比較之市場價格計算。
- (v) 上列公司可參考市場價格之價格向本集團購買電腦程式原始碼。

50. RELATED PARTY TRANSACTIONS (Continued)

Certain directors of the Company are also directors of and/or have beneficial interests in those companies other than Rosedale. Rosedale was an associate of the Group and was disposed of in December 2003.

50. 關連人士交易 (續)

本公司若干位董事亦身兼上述公司(珀麗除外)之董事及/或於該等公司擁有實益權益。珀麗為本集團之聯營公司,並已於二零零三年十二月出售。

			1.1.2003 to 31.12.2003 HK\$'000 由二零零三年 一月一日起至 二零零三年 十二月三十一日止 千港元	1.4.2002 to 31.12.2002 HK\$'000
(II) Nature of transactions 交易性質	Note 附註	Name of company 公司名稱		
Agency fees paid by the Group 本集團支付之代理費用	(i)	Ananda Travel Service, Inc. HK Ananda Travel (Malaysia) Sdn. Bhd. 辰達旅行社有限公司 Ananda Travel Philippines, Inc.	60 — — —	111 484 321 103
			60	1,019
Property rental expenses paid by the Group 本集團支付之物業租金	(ii)	Tower Property Limited	—	5,439
Printing expenses paid by the Group 本集團支付之印刷費用	(iii)	Ananda Public Relations & Advertising Limited 辰達公關廣告有限公司	—	1,013
Air ticketing and travel services income received by the Group 本集團收取之機票及旅遊服務收入	(iv)	Ananda Travel Service, Inc. HK Ananda Travel (Malaysia) Sdn. Bhd.	7 —	64 14
			7	78

Notes:

- (i) During the period from 1 April 2002 to 31 December 2002, the above companies acted as the Group's land operators in the jurisdictions in which they are located. Agency fees were calculated in accordance with the agency agreements entered into between the Group and each of the above related companies on 20 September 1997.

附註:

- (i) 於二零零二年四月一日至二零零二年十二月三十一日止期間, 上列公司均為本集團位於其他司法權區之地接營運商, 其代理費用根據本集團與上述各關連公司於一九九七年九月二十日簽訂之代理協議計算。

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50. RELATED PARTY TRANSACTIONS (Continued)

- (ii) The Group continued to occupy office premises owned by Tower Property Limited until December 2002. The rentals were calculated on the basis of an amount determined by reference to the floor area of the relevant property, and comparable rent paid for similar properties by tenants occupying such premises.
- (iii) During the period ended 31 December 2002, Ananda Public Relations & Advertising Limited provided printing services for the Group's promotional materials at prices comparable to market rates.
- (iv) During the period ended 31 December 2002, the above companies purchased air tickets and other travel related services from the Group at rates comparable to market rates.

The Group accrued no fee (1.4.2002 to 31.12.2002: HK\$9,000) payable to each of Ananda Development Limited and Ananda Holdings Limited for the Group to use the address of certain premises in Guangzhou and Hong Kong as the correspondence address of the Group's representative office in Guangzhou and the Company's head office and principal place of business respectively.

The Group accrued an annual fee of HK\$10 (1.4.2002 to 31.12.2002: HK\$10) to Ananda Holdings Limited for a non-exclusive licence to the Group to use the "Ananda" trademark.

Mr. Chan Yeuk Wai has controlling interests in the above companies, except for Ananda Travel Philippines, Inc., Ananda Travel Service, Inc., 辰達旅行社有限公司 and HK Ananda Travel (Malaysia) Sdn. Bhd., companies in which they have minority interests.

- (b) During the year, the Company executed a guarantee in favour of the holder of the promissory note issued by a subsidiary of Apex as security to secure the promissory note to the extent of HK\$365 million together with interest. No commission or charges were received from Apex group in respect of the guarantee.
- (c) During the year, a subsidiary of an indirect substantial shareholder has pledged certain of its share investments listed in Hong Kong with a lender to secure its loan granted to the Company. No commission or charges were paid to the subsidiary of the indirect substantial shareholder by the Group in respect of the security provided.
- (d) During the year/period, the Group recorded hotel management fee income of HK\$nil (1.4.2002 to 31.12.2002: HK\$1,075,000) receivable from Heilongjiang Ananda in accordance with the hotel management contract entered with Heilongjiang Ananda.

50. 關連人士交易 (續)

- (ii) 本集團繼續租用由Tower Property Limited擁有之辦公室單位直至二零零二年十二月。租金按有關物業之樓面面積，參考租戶支付同類物業之可資比較租金釐定。
- (iii) 截至二零零二年十二月三十一日止期間，辰達公關廣告有限公司按可資比較之市場價格，向本集團提供宣傳刊物之印刷服務。
- (iv) 截至二零零二年十二月三十一日止期間，上列公司按可資比較之市場價格向本集團購買機票及其他與旅遊相關之服務。

本集團毋須向辰達發展有限公司及辰達集團有限公司支付費用(由二零零二年四月一日起至二零零二年十二月三十一日止:9,000港元)，以使用該兩間公司若干位於廣州及香港物業之地址，作為本集團於廣州之代表辦事處及本公司於香港之總辦事處及主要營業點及通訊地址。

本集團就非專有使用「辰達」之商標向辰達集團有限公司預提10港元年費(由二零零二年四月一日起至二零零二年十二月三十一日止:10港元)。

陳若偉先生除於Ananda Travel Philippines, Inc.、Ananda Travel Service, Inc.、辰達旅行社有限公司及HK Ananda Travel (Malaysia) Sdn. Bhd.擁有少數權益外，於上述公司中均擁有控股權益。

- (b) 於年內，本公司就Apex之一家附屬公司發行之承兌票據持有人提供一項擔保，作為上限365,000,000港元承兌票據連同利息之抵押品。本公司並無就該擔保向Apex集團收取佣金或費用。
- (c) 於年內，本公司之一間接主要股東之一間附屬公司已抵押其於香港上市之若干股票投資予貸款人任為向提供予本公司之貸款之擔保。本集團並無就所提供之擔保向該之間接主要股東之附屬公司支付佣金或費用。
- (d) 於年/期內，本集團根據與黑龍江辰龍訂立之酒店管理合約，應收黑龍江辰龍酒店管理費收入零港元(由二零零二年四月一日起至二零零二年十二月三十一日:1,075,000港元)。

50. RELATED PARTY TRANSACTIONS (Continued)

- (e) During the year/period, two directors, including a former executive director of the Company, executed personal guarantees to a bank and a securities company to secure their loans granted to the Group. No commission or charges were paid to the directors by the Group in respect of the above guarantees.
- (f) During the year/period, the Group received loans from related companies. Details of their relationship and the terms of the loans are set out in note 30 to the financial statements.
- (g) During the period from 1 April 2002 to 31 December 2002, the Group maintained trading accounts with related companies. Terms of the balances and allowances made during the period are set out in notes 24 and 31 to the financial statements.
- (h) On 22 July 2002, the Company together with other parties entered into a series of agreements with Rosedale. As at 31 December 2002, Rosedale was an associate of China Strategic Holdings Limited which is an indirect substantial shareholder of the Company. One of them included disposing of its interest in an investment company holding a right to acquire a 60% interest in Luoyang Golden Gulf Hotel Co., Limited whose principal asset is the Golden Gulf Hotel in Luoyang, the PRC, for a consideration of HK\$110,000,000 which was satisfied by 366,666,666 new shares of Rosedale. The transaction was approved by the independent shareholders of the Company at the special general meeting held on 28 October 2002 and shall be completed subject to settlement of the outstanding payment in accordance to the payment schedule.

The Company, in relation to the disposal of the interest in the investment company holding Luoyang Golden Gulf Hotel Co., Limited gave an undertaking to Apex to indemnify it against any potential loss they may suffer as a result of failure to transfer the land use right to Luoyang Golden Gulf Hotel Co., Limited including the payment of any land premium payable for such transfer. It is estimated that the land premium for such transfer would be approximately RMB39.7 million (equivalent to approximately HK\$37,347,000).

In addition to the above 366,666,666 new shares in Rosedale, the Group also subscribed for 1,000,000,000 shares in Rosedale at a price of HK\$0.30 per share amounting in aggregate to a total consideration of HK\$300,000,000. The transaction was also approved by the independent shareholders of the Company at the special general meeting held on 28 October 2002.

50. 關連人士交易 (續)

- (e) 於年／期內，兩名董事包括本公司一名前任執行董事向銀行及一間證券公司作出個人擔保，作為銀行授予本集團貸款之抵押。本集團並無就上述擔保向董事支付任何佣金或費用。
- (f) 於年／期內，本集團收取關連公司之貸款。有關其關係及貸款之條款詳情載於財務報表附註30。
- (g) 由二零零二年四月一日起至二零零二年十二月三十一日止期間，本集團與關連公司維持貿易賬戶，有關結餘之條款及撥備詳情載於財務報表附註24及31。
- (h) 於二零零二年七月二十二日，本公司聯同其他各方與珀麗訂立多項協議。於二零零二年十二月三十一日，珀麗為本公司間接主要股東中策集團有限公司之聯營公司。其中一項協議包括以代價110,000,000港元出售本公司於投資公司之權益，該投資公司有權收購洛陽金水灣大酒店有限公司（其主要資產為位於中國洛陽市之金水灣大酒店），代價乃以發行366,666,666股珀麗新股份支付。本公司之獨立股東已於二零零二年十月二十八日舉行之股東特別大會上批准該項交易，而該項交易須按還款期清還未償還款項後，方為完成。

本公司就有關出售其於一間持有洛陽金水灣大酒店有限公司之投資公司權益一事，向Apex承諾彌償因未能轉讓予洛陽金水灣大酒店有限公司土地使用權所蒙受之任何潛在損失，包括任何就該轉讓應付之地價。該轉讓之地價預計應為人民幣39,700,000元（約相等於37,347,000港元）。

除上述366,666,666股珀麗新股份以外，本集團亦按每股0.30港元之價格認購1,000,000,000股珀麗股份，總代價為300,000,000港元。本公司之獨立股東已於二零零二年十月二十八日舉行之股東特別大會上批准該項交易。

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51. PRINCIPAL SUBSIDIARIES

Details of the Company's principal subsidiaries as at 31 December 2003, all of which are wholly owned by the Company, unless otherwise stated, are as follows:

51. 主要附屬公司

於二零零三年十二月三十一日，本公司之主要附屬公司之詳情如下（除另有說明外），所有公司均為本公司全資附屬公司：

Name of company 公司名稱	Place of incorporation/ registration 註冊成立／登記地點	Issued and paid up share capital/ registered capital 已發行及繳足股本 ／註冊資本	Principal activities 主要業務
Ananda Travel (Canada) Limited Ananda Travel (Canada) Limited	Canada 加拿大	C\$15,000 15,000加元	Travel and related services 旅遊及相關服務
Ananda Travel Limited Ananda Travel Limited	Macau 澳門	MOP1,000,000 1,000,000葡幣	Travel and related services 旅遊及相關服務
Ananda Travel (U.K.) Limited Ananda Travel (U.K.) Limited	United Kingdom 英國	£2 2英鎊	Travel and related services 旅遊及相關服務
Asian Pearl Investments Limited Asian Pearl Investments Limited	BVI 英屬維爾京群島	US\$1 1美元	Investment holding in the PRC 中國投資控股
Benchmark Pacific Limited Benchmark Pacific Limited	BVI 英屬維爾京群島	US\$1 1美元	Investment holding in Hong Kong 香港投資控股
Credit Paradise Limited 則誠有限公司	Hong Kong 香港	HK\$2 2港元	Property investment in Malaysia 馬來西亞物業投資
Golden Sun Limited 瑞陽有限公司	Hong Kong 香港	HK\$2 2港元	Investment holding 投資控股
Hong Kong Wing On Travel Service Limited 香港永安旅遊有限公司	Hong Kong 香港	Ordinary – HK\$180,000,100 Deferred – HK\$20,000,000 ** 普通股份 – 180,000,100港元 遞延股份 – 20,000,000港元 **	Outbound travel and related services 外遊及相關服務
Kingsgrove International Limited Kingsgrove International Limited	Hong Kong 香港	HK\$2 2港元	Property investment 物業投資
Many Good Money Exchange Limited 萬利冠找換店有限公司	Hong Kong 香港	HK\$100,000 100,000港元	Money exchange services 貨幣兌換服務

51. PRINCIPAL SUBSIDIARIES (Continued)

51. 主要附屬公司 (續)

Name of company 公司名稱	Place of incorporation/ registration 註冊成立/登記地點	Issued and paid up share capital/ registered capital/ 已發行及繳足股本 /註冊資本	Principal activities 主要業務
Mexmara Holdings Limited	BVI	US\$1	Property investment in Hong Kong
Mexmara Holdings Limited	英屬維爾京群島	1美元	香港物業投資
Millennium Target Holdings Limited	BVI	US\$1	Investment holding in Hong Kong
Millennium Target Holdings Limited	英屬維爾京群島	1美元	香港投資控股
Moreton International Limited	Hong Kong	HK\$2	Property investment
Moreton International Limited	香港	2港元	物業投資
Silver Bay Commodities Limited* 銀港資源有限公司*	Hong Kong 香港	HK\$20,000 20,000港元	Investment holding in the PRC 中國投資控股
Sinomatrix Limited	BVI	US\$1	Investment holding in Hong Kong
Sinomatrix Limited	英屬維爾京群島	1美元	香港投資控股
South Africa Express Limited	BVI	US\$1	Travel services in the PRC
South Africa Express Limited	英屬維爾京群島	1美元	中國旅遊服務
Success Fund Industrial Limited 萬信實業有限公司	Hong Kong 香港	HK\$100 100港元	Property investment in the PRC 中國物業投資
Super Grade Investment Limited	BVI	US\$1	Property investment in Hong Kong
Super Grade Investment Limited	英屬維爾京群島	1美元	香港物業投資
Watertours of Hong Kong Limited 海上遊覽社香港有限公司	Hong Kong 香港	Ordinary – HK\$1,500,000 “B” – HK\$100 ** 普通股 – 1,500,000港元 B股 – 100港元 **	Watertour services 海上旅遊

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51. PRINCIPAL SUBSIDIARIES (Continued)

51. 主要附屬公司 (續)

Name of company 公司名稱	Place of incorporation/ registration 註冊成立/登記地點	Issued and paid up share capital/ registered capital/ 已發行及繳足股本 /註冊資本	Principal activities 主要業務
Wing On China Hotel Investment Limited (formerly known as "Ananda China Hotel Investment Limited")	BVI	US\$1	Investment holding in the PRC
Wing On China Hotel Investment Limited (前稱「Ananda China Hotel Investment Limited」)	英屬維爾京群島	1美元	中國投資控股
Wing On Hotel Management Limited (formerly known as "Ananda Hotel Management Limited")	BVI	US\$4	Hotel management services in the PRC
Wing On Hotel Management Limited (前稱「Ananda Hotel Management Limited」)	英屬維爾京群島	4美元	中國酒店管理服務
Wing On Travel And Tour Limited (formerly known as "Ananda Travel Limited")	Hong Kong	HK\$2,000,000	Inbound travel and related services
永安旅遊及觀光有限公司 (前稱「辰達旅遊有限公司」)	香港	2,000,000港元	本地旅遊及相關服務
Wing On Travel (BVI) Limited (formerly known as "Ananda Wing On Travel (BVI) Limited")	BVI	US\$10,000	Investment holding in Hong Kong
Wing On Travel (BVI) Limited (前稱「Ananda Wing On Travel (BVI) Limited」)	英屬維爾京群島	10,000美元	香港投資控股
World Way (Pacific) Limited 滙通(太平洋)有限公司	Hong Kong 香港	HK\$2 2港元	General trading 一般貿易

* 70% owned by the Group.

* 本集團擁有70%。

** The deferred shares and "B" shares are owned by the Group, practically carry no rights to dividends or to receive notice of or to attend or vote at any general meeting of the respective companies or to participate in any distribution in winding up.

** 該等遞延股份及B股由本集團擁有，而實際上不附帶獲派股息或接獲各有關公司任何股東大會通告或出席有關大會或在會上投票，或於公司清盤時參與任何分派之權利。

51. PRINCIPAL SUBSIDIARIES (Continued)

All of the above principal subsidiaries, other than Wing On Travel (BVI) Limited, are held indirectly by the Company.

The above principal subsidiaries operate in their respective place of incorporation or registration unless as stated otherwise.

The above table lists the subsidiaries of the Group which, in the opinion of the directors, principally affected the results or assets and liabilities of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

No debt securities have been issued by any of the subsidiaries.

51. 主要附屬公司 (續)

上文所有主要附屬公司，除Wing On Travel (BVI) Limited外，均由本公司間接持有。

除另有所述者外，上述各主要附屬公司均於彼等各自註冊成立或登記之地點營業。

董事認為上表所列本集團之附屬公司對本集團之業績或資產及負債有重大影響。董事認為細列其他附屬公司之詳情會令篇幅過於冗長，故無詳列。

本集團附屬公司概無發行債務證券。