

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2003

1. GENERAL

The Company was incorporated in Bermuda as an exempted company with limited liability. The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The Company acts as an investment holding company. One of its subsidiary which was engaged in the operation of a theme park in Panyu, Mainland China (the “PRC”) was de-consolidated during the year. Its ultimate holding company is Puregain Assets Limited, a company which is incorporated in the British Virgin Islands.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

Having lost contact with the management and officers of 番禺飛圖夢幻影城有限公司 (Panyu Fantasy Film City Limited) (“PFFCL”) in December 2003, the directors concluded that the Group had lost effective control over PFFCL. On this basis, PFFCL has been de-consolidated in the financial statements. The directors do not have sufficient information about the results of PFFCL for the period from 1st July, 2003 to 31st December, 2003. Accordingly, the consolidated income statement of the Group for the year ended 31st December, 2003 includes a loss of HK\$12,378,000 in respect of PFFCL for the period from 1st January, 2003 to 30th June, 2003 based on unaudited management accounts together with a loss on de-consolidation of PFFCL of HK\$149,427,000.

3. ADOPTION OF REVISED STATEMENT OF STANDARD ACCOUNTING PRACTICE

In the current year, the Group has adopted for the first time the Hong Kong Financial Reporting Standard (“HKFRS”) – Statement of Standard Accounting Practice (“SSAP”) No. 12 (Revised) “Income taxes” issued by the Hong Kong Society of Accountants (“HKSA”). The term of HKFRS is inclusive of SSAPs and Interpretations approved by the HKSA. The adoption of this revised SSAP 12 has introduced a new basis of accounting for income taxes (including both current tax and deferred tax) and additional disclosure requirements. These changes have not had any significant impact on the results for the current or prior periods. Accordingly, no prior period adjustment was required.

財務報表附註

截至二零零三年十二月三十一日止年度

1. 一般資料

本公司於百慕達註冊成立為獲豁免有限公司，本公司之股份於香港聯合交易所有限公司（「聯交所」）主板上市。

本公司為投資控股公司，年內，旗下一間在中國大陸（「中國」）番禺經營主題公園之附屬公司解除綜合計算。本公司之最終控股公司為於英屬處女群島註冊成立之 Puregain Assets Limited。

2. 財務報表之編製基準

由於與番禺飛圖夢幻影城有限公司（「飛圖夢幻影城」）之管理層及高級職員於二零零三年十二月失去聯絡，董事認為本集團已對飛圖夢幻影城失去實際控制權。因此，飛圖夢幻影城解除於財務報表內綜合計算。董事並無法得到飛圖夢幻影城由二零零三年七月一日至二零零三年十二月三十一日期間之足夠業績資料。故本集團截至二零零三年十二月三十一日止年度之綜合收益表包括二零零三年一月一日至二零零三年六月三十日期間飛圖夢幻影城之虧損12,378,000港元，乃按飛圖夢幻影城之未經審核管理賬目連同解除綜合計算之虧損149,427,000港元計算。

3. 採納經修訂之會計實務準則

於本年度內，本集團首次採納由香港會計師公會（「香港會計師公會」）頒佈之香港財務報告準則——會計實務準則（「會計實務準則」）第12號（經修訂）「所得稅」。香港財務報告準則之條款包括會計實務準則及香港會計師公會認可之詮釋。採納此項經修訂之會計實務準則第12號引入所得稅（包括流動稅項及遞延稅項）會計方法之新基準及額外之披露規定。該等變動對本期或以往期間之業績概無任何重大影響，故毋須作出過往期間調整。

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2003

4. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention and in accordance with accounting principles generally accepted in Hong Kong. The principal accounting policies adopted are as follows:

Basis of consolidation

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

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

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 at the date of acquisition over the cost of acquisition.

Negative goodwill arising on acquisitions prior to 1st January, 2001 continues to be held in reserves and will be credited to income at the time of disposal of the relevant subsidiary.

Negative goodwill arising on acquisitions after 1st January, 2001 is presented as deduction from assets. To the extent that such 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 in income immediately.

Negative goodwill arising on the acquisition of subsidiaries is presented separately in the balance sheet as a deduction from assets.

Investments in subsidiaries

Investments in subsidiaries are stated at cost less any identified impairment loss.

財務報表附註

截至二零零三年十二月三十一日止年度

4. 主要會計政策

此等財務報表乃根據香港公認會計原則及按照歷史成本法而編製。所採用之主要會計政策如下：

綜合基準

綜合財務報表包括本公司及各附屬公司截至十二月三十一日止各年度之財務報表。

集團內公司間所有重大交易及結餘概於綜合賬目時抵銷。

負商譽

負商譽指本集團應佔附屬公司於收購日之可分辨資產及負債公平值之數額超逾收購成本之差額。

於二零零一年一月一日前進行之收購所產生負商譽仍然計入儲備，並於出售有關附屬公司時轉撥至收入。

於二零零一年一月一日後進行之收購產生負商譽均列為資產扣減。因於收購日預計會出現虧損或開支而產生之負商譽，於該等虧損或開支產生之期間撥回收益表。負商譽餘額按照所收購之可分辨可折舊資產餘下之平均可使用年期，以直線法確認為收入。有關負商譽超逾所收購可分辨之非貨幣資產公平值總額之部分即時確認為收入。

收購附屬公司所產生之負商譽於資產負債表獨立列作資產扣減。

附屬公司投資

附屬公司投資按成本減任何確認之減值虧損入賬。

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2003

4. SIGNIFICANT ACCOUNTING POLICIES – continued

Turnover

Turnover represents the net amounts received and receivable from third parties in connection with the operation of a theme park.

Revenue recognition

Sales of tickets are recognised when the sales are concluded.

Sales of goods are recognised when the goods are delivered and title has passed.

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

Property, plant and equipment

Property, plant and equipment, other than construction in progress, is stated at cost less depreciation and amortisation and any identified impairment loss at the balance sheet date.

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

The cost of land use rights is amortised over the period of the right using the straight line method.

The cost of buildings is depreciated over 25 years using the straight line method.

Construction in progress is stated at cost which includes all construction costs and other direct costs, including borrowing costs capitalised, attributable to the construction in progress. They are not depreciated until completion of construction. Costs of completed construction works are transferred to the appropriate categories of property, plant and equipment.

Depreciation is provided to write off the cost of theme park facilities and office fixtures and equipment over their estimated useful lives of 3 to 8 years using the straight line method.

財務報表附註

截至二零零三年十二月三十一日止年度

4. 主要會計政策 – 續

營業額

營業額指經營主題公園而向第三者所收及應收款項之淨額。

收益確認

門票銷售之收入於銷售完成時確認。

貨物銷售在貨物付運及所有權轉移後確認。

利息收入根據未償還本金及適用利率按時間比例確認。

物業、廠房及設備

除在建工程外，物業、廠房及設備按成本減截至結算日之折舊、攤銷及減值虧損列賬。

出售或棄用資產之盈虧乃根據出售所得款項與資產賬面值之差額釐定，計入收益表。

土地使用權按使用權期限以直線法攤銷。

樓宇成本以直線法分25年折舊。

在建工程按成本入賬。成本乃指一切建築成本及其他有關在建工程之直接成本，包括撥充資本之借貸成本。成本在建築工程完成前概不攤銷。已竣工之建築工程之成本轉撥至物業、廠房及設備下之適當類別。

折舊按主題公園設施、辦公室裝置及設備根據介乎3至8年之估計可使用期以直線法攤銷，以撇銷有關成本。

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2003

4. SIGNIFICANT ACCOUNTING POLICIES – continued

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. 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.

Taxation

Taxation represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. 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 years, and it further excludes income statement items that are never taxable or deductible.

Deferred tax is the tax expected to be payable or recoverable on 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, 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 difference 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 other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

財務報表附註

截至二零零三年十二月三十一日止年度

4. 主要會計政策 – 續

減值

本集團於各結算日檢討其資產之賬面值，以確定該等資產是否存在減值虧損跡象。倘估計一項資產之可收回價值低於其賬面值，則將賬面值撇減至可收回價值。減值虧損一律即時確認為開支。

倘一項減值虧損於其後撥回，則將該項資產之賬面值增加至新評估之可收回價值，惟增加後之賬面值不得超過假設該項資產以往年度未曾確認減值虧損之情況下原應釐定之賬面值。減值虧損之撥回一律即時確認為收入。

稅項

稅項指本期應付稅項與遞延稅項之總和。

本期應付稅項乃按本年度之應課稅溢利計算。由於應課稅溢利不包括可於其他年度課稅或減免之收支項目，亦不包括毋須課稅或不獲減免之收益表項目，故應課稅溢利與載於收益表內之純利有所不同。

遞延稅項乃就財務報表所載資產負債之賬面值與計算應課稅溢利所用相應稅基之差異，預期應付或可收回之稅項，並以資產負債表負債法入賬。在一般情況下，遞延稅項負債乃就所有應課稅暫時差異予以確認，而倘可能有應課稅溢利與可動用之可減免暫時差異抵銷，則確認為遞延稅項資產。倘有關暫時差異乃來源於商譽（或負商譽）或初次確認（而非業務合併）其他資產負債，且於交易時亦無影響應課稅溢利或會計溢利，則不確認為有關資產負債。

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2003

4. SIGNIFICANT ACCOUNTING POLICIES – continued

Taxation – continued

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries except where the Group 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 profits 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 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.

Foreign currencies

Transactions in foreign currencies are translated at the rates ruling on the dates of the transactions or at the contracted settlement rate. 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 translation are dealt with in the income statement.

On consolidation, the assets and liabilities of the Group's overseas operations are translated at exchange rate prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period. Translation 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.

Operating leases

Rentals payable under operating leases are charged to the income statement on a straight line basis over the period of the respective leases.

財務報表附註

截至二零零三年十二月三十一日止年度

4. 主要會計政策 – 續

稅項 – 續

遞延稅項負債乃就附屬公司投資所產生之應課稅暫時差異予以確認，惟倘本集團能夠控制暫時差異之撥回及暫時差異可能不會在可見未來撥回則作別論。

遞延稅項資產之賬面值乃於各結算日進行檢討，並調低至不再有足夠之應課稅溢利可收回全部或部份資產。

遞延稅項乃按負債清償或資產變現期間預期適用之稅率計算。遞延稅項乃於收益表扣除或計入收益表，惟倘遞延稅項涉及直接於股權扣除或計入股權之項目，在此情況下，遞延稅項亦於股權中處理。

外幣

外幣交易按交易日之適用匯率或合約結算匯率換算。以外幣為單位之貨幣資產及負債按結算日之適用匯率重新換算。匯兌損益計入收益表。

綜合賬目時，本集團海外業務之資產與負債按結算日適用之匯率換算。收支項目按有關期間之平均匯率換算。如有任何匯兌差額，一律分類為股權，並計入本集團之匯兌儲備。此等匯兌差額將於有關業務出售之期間確認為收入或支出。

經營租約

根據經營租約應付之租金按有關租期以直線法計入收益表。

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2003

5. BUSINESS AND GEOGRAPHICAL SEGMENTS

The Company's operation is regarded as a single segment, being an enterprise engaged in the operation of amusement facilities.

Analysis of the Group's turnover and results as well as analysis of carrying amount of segment assets and additions to property, plant and equipment by geographical market has not been presented as they are substantially generated from or situated in PRC.

6. (LOSS) PROFIT FROM OPERATIONS

(Loss) profit from operations has been arrived at after charging:

Directors' remuneration other than fees (Note 7)
Other staff's retirement benefits scheme contributions
Other staff costs

Auditors' remuneration
Loss on disposal of property, plant and equipment
Operating lease rentals in respect of land and buildings

and after crediting:

Interest income

經營(虧損)溢利
乃經扣除:

袍金以外之董事酬金
(附註7)
其他員工退休福利
計劃供款
其他員工成本

核數師酬金
出售物業、廠房及設備
之虧損
有關土地及樓宇之經營
租賃租金

及經計入:

利息收入

財務報表附註

截至二零零三年十二月三十一日止年度

5. 業務及地區分部

本公司之業務被視為單一部份，即從事經營娛樂設施之企業。

本集團並無呈列根據地區市場劃分之本集團營業額及業績之分析，以及分部資產之賬面值及物業、廠房及設備之添置之分析，因為上述各項極大部份均產生自或位於中國。

6. 經營(虧損)溢利

	2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
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	1,528	1,716
	67	150
	6,656	6,556
	<u>8,251</u>	<u>8,422</u>
	400	530
	410	-
	2,197	6,306
	<u>617</u>	<u>11</u>

NOTES TO THE FINANCIAL STATEMENTS

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7. DIRECTORS' REMUNERATION

Fees for	袍金：
- executive directors	- 執行董事
- independent non-executive directors	- 獨立非執行董事
Other emoluments for independent non-executive directors	給予獨立非執行董事之其他酬金
Other emoluments for executive directors	給予執行董事之其他酬金
- basic salaries and allowances	- 基本薪金及津貼
- retirement benefits scheme contributions	- 退休福利計劃供款
Total directors' remuneration	董事酬金總額

None of the directors received emoluments in excess of HK\$1 million.

During the year, no emoluments were paid by the Group to the five highest paid individuals (including directors and employees) as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors has waived any emoluments during the year.

財務報表附註

截至二零零三年十二月三十一日止年度

7. 董事酬金

2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
-	-
108	170
108	170
-	-
1,502	1,693
26	23
1,528	1,716
1,636	1,886

概無董事收取超逾1,000,000港元之酬金。

年內，本集團概無向五名最高薪人士（包括董事及僱員）支付任何酬金，作為彼等加盟本集團或於加盟後之獎勵或失去職位之補償。年內並無任何董事放棄收取任何酬金。

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2003

8. EMPLOYEES' EMOLUMENTS

The aggregate emoluments of the five highest paid individuals included two (2002: four) executive directors of the Company, whose emoluments are included in note 7 above. The aggregate emoluments of the remaining three (2002: one) highest paid individual(s) are as follows:

Basic salaries and allowances	基本薪金及津貼
Retirement benefits scheme contributions	退休福利計劃供款

None of the highest paid individual(s) received emoluments in excess of HK\$1 million.

9. FINANCE COSTS

Interest on bank and other borrowings	銀行及其他借貸之利息
- wholly repayable within five years	- 須於五年內悉數償還
- not wholly repayable within five years	- 毋須於五年內悉數償還

10. TAXATION

No provision for taxation has been made in the financial statements in 2003 as the Group had no assessable profit for the year.

The charge in 2002 represented PRC income tax of the Group's PRC operations calculated at the rates prevailing under the relevant laws and regulations in the PRC.

There was no significant unprovided deferred taxation for the year or at the balance sheet date.

財務報表附註

截至二零零三年十二月三十一日止年度

8. 僱員薪酬

五名最高薪人士之酬金總額包括兩名(二零零二年:四名)本公司執行董事,其酬金已載於上文附註7。其餘三名(二零零二年:一名)最高薪人士之酬金總額如下:

2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
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1,442	420
28	5
<u>1,470</u>	<u>425</u>

最高薪人士所收取之酬金一概不超過1,000,000港元。

9. 財務成本

2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
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(2,193)	(4,222)
-	(2,150)
<u>(2,193)</u>	<u>(6,372)</u>

10. 稅項

本集團於年內並無應課稅溢利,故並無於二零零三年財務報表內作出稅項撥備。

二零零二年之稅項支出指本集團中國業務之中國所得稅,根據中國有關法例及規例之現行稅率計算。

年內或於結算日並無任何重大未撥備遞延稅項。

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2003

財務報表附註

截至二零零三年十二月三十一日止年度

11. (LOSS) EARNINGS PER SHARE

The calculation of the basic (loss) earnings per share for the year is based on the net loss for the year of HK\$198,033,000 (2002: net profit of HK\$20,449,000) and on the 600,000,000 shares in issue (2002: 533,129,000 shares deemed to be in issue) during the year.

No diluted (loss) earnings per share has been presented as there were no potential dilutive shares for the year.

12. PROPERTY, PLANT AND EQUIPMENT

11. 每股(虧損)盈利

年內每股基本(虧損)盈利乃根據年內淨虧損198,033,000港元(二零零二年:淨盈利20,449,000港元)及年內已發行600,000,000股股份(二零零二年:533,129,000股視作已發行股份)計算。

由於年內並無可產生攤薄影響之股份,故並無呈列每股攤薄(虧損)盈利。

12. 物業、廠房及設備

		Land and buildings	Theme park facilities and office fixtures and equipment	Construction in progress	Total
		土地及樓宇	主題公園設施與辦公室裝置及設備	在建工程	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
THE GROUP	本集團				
COST	成本				
At 1st January, 2003	二零零三年一月一日	309,030	63,201	9,379	381,610
Additions	添置	-	26	880	906
Disposals	出售	-	(982)	-	(982)
De-consolidation of a former subsidiary	解除前附屬公司綜合入賬	(309,030)	(62,245)	(10,259)	(381,534)
At 31st December, 2003	二零零三年十二月三十一日	-	-	-	-
DEPRECIATION AND AMORTISATION	折舊及攤銷				
At 1st January, 2003	二零零三年一月一日	46,753	27,559	-	74,312
Provided for the year	年內撥備	4,087	4,199	-	8,286
Eliminated on disposals	於出售時抵銷	-	(572)	-	(572)
De-consolidation of a former subsidiary	解除前附屬公司綜合入賬	(50,840)	(31,186)	-	(82,026)
At 31st December, 2003	二零零三年十二月三十一日	-	-	-	-
NET BOOK VALUES	賬面淨值				
At 31st December, 2003	二零零三年十二月三十一日	-	-	-	-
At 31st December, 2002	二零零二年十二月三十一日	262,277	35,642	9,379	307,298

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財務報表附註

截至二零零三年十二月三十一日止年度

12. PROPERTY, PLANT AND EQUIPMENT (Continued)

12. 物業、廠房及設備－續

		Office equipment 辦公室設備 HK\$'000 千港元
THE COMPANY	本公司	
COST	成本	
At 1st January, 2003	於二零零三年一月一日	5
Disposals	出售	(5)
		<hr/>
At 31st December, 2003	於二零零三年十二月三十一日	-
		<hr/>
DEPRECIATION	折舊	
At 1st January, 2003	於二零零三年一月一日	1
Provided for the year	年內撥備	1
Eliminated on disposals	於出售時抵銷	(2)
		<hr/>
At 31st December, 2003	於二零零三年十二月三十一日	-
		<hr/>
NET BOOK VALUE	賬面淨值	
At 31st December, 2003	於二零零三年十二月三十一日	-
		<hr/> <hr/>
At 31st December, 2002	於二零零二年十二月三十一日	4
		<hr/> <hr/>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2003

13. INVESTMENTS IN SUBSIDIARY

Unlisted shares, at cost	非上市股份，按成本
Less: Impairment in value	減：減值

The investment in subsidiary at 31st December, 2003 represents the Company's 100% equity interests directly held in Penny Farthing Agents Limited which is incorporated in the British Virgin Islands, operates in the PRC, with an issued and fully paid share capital of US\$8 and acts as an investment holding company.

Impairment loss was recognised based on the recoverable amount of the subsidiary which were determined by the estimated discounted net future cash flows from the subsidiary.

This subsidiary has no debt securities outstanding at the end of the year, or at any time during the year.

14. INTERESTS IN A FORMER SUBSIDIARY

Share of former subsidiary's net assets	應佔前附屬公司之資產淨值
Amount due from a former subsidiary	應收前附屬公司之款項
Less: Allowance for amount due from a former subsidiary	減：應收前附屬公司款項之撥備

The directors of the Company believe that the Group has no other material obligations or commitments in PFFCL that require either adjustments to or disclosure in these financial statements.

財務報表附註

截至二零零三年十二月三十一日止年度

13. 附屬公司投資

THE COMPANY

本公司

2003	2002
二零零三年	二零零二年
HK\$'000	HK\$'000
千港元	千港元

243,502	243,502
(199,696)	-
43,806	243,502

於二零零三年十二月三十一日之附屬公司投資乃指本公司直接持有Penny Farthing Agents Limited之全部股本權益。Penny Farthing Agents Limited乃於英屬處女群島註冊成立而於中國營運，其已發行及繳足股本為8美元，該公司乃作為投資控股公司。

減值虧損乃根據附屬公司之可收回金額予以確認，而可收回金額乃根據該附屬公司之估計折讓未來現金流量淨額釐定。

於年終或年內任何時間，該附屬公司概無任何債券發行在外。

14. 於前附屬公司之權益

THE GROUP

本集團

2003	2002
二零零三年	二零零二年
HK\$'000	HK\$'000
千港元	千港元

-	-
32,014	-
(32,014)	-
-	-

本公司董事認為，本集團於飛圖夢幻影城並無任何其他重大責任或承擔而須於該等財務報表中作出調整或披露。

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2003

15. TRADE AND OTHER RECEIVABLES

Trade receivables 貿易應收款項
Other receivables 其他應收款項

Payment terms with customers are mainly on credit. Invoices are normally payable from 30 to 180 days of issuance, except for certain well established customers. The following is an aged analysis of trade receivables at the balance sheet date:

Age 賬齡
0 to 30 days 零至30日
31 to 90 days 31至90日
91 to 180 days 91至180日
181 to 365 days 181至365日
Over 365 days 365日以上

財務報表附註

截至二零零三年十二月三十一日止年度

15. 貿易及其他應收款項

THE GROUP
本集團

2003 **2002**
二零零三年 二零零二年
HK\$'000 **HK\$'000**
千港元 千港元

29,323	25,930
2,297	9,079
<u>31,620</u>	<u>35,009</u>

客戶主要以記賬方式交易。除若干關係良好之客戶外，發票一般須於發出後30至180日內付款。於結算日之貿易應收款項按賬齡分析如下：

THE GROUP
本集團

2003 **2002**
二零零三年 二零零二年
HK\$'000 **HK\$'000**
千港元 千港元

-	3,617
-	11,400
-	7,454
7,156	3,459
22,167	-
<u>29,323</u>	<u>25,930</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2003

財務報表附註

截至二零零三年十二月三十一日止年度

16. AMOUNT DUE FROM A FORMER DIRECTOR

Details of the amount due from a former director are as follows:

Name of former director
前董事姓名

Mr. Li Tat Ting

李達庭先生

Balance at
31.12.2003
於二零零三年
十二月三十一日
之結餘
HK\$'000
千港元

38,682

The amount is unsecured, interest-free and has no fixed repayment terms.

17. TRADE AND OTHER PAYABLES

Trade payables
Other payables

貿易應付款項
其他應付款項

THE GROUP
本集團

Balance at
1.1.2003
於二零零三年
一月一日
之結餘
HK\$'000
千港元

Maximum
amount
outstanding
during the year
年內最高
欠款額
HK\$'000
千港元

38,682

該筆款項為無抵押、免息及並無固定還款期。

17. 貿易及其他應付款項

THE GROUP
本集團

2003
二零零三年
HK\$'000
千港元

2002
二零零二年
HK\$'000
千港元

–

1,737

22,321

17,129

22,321

18,866

The following is an aged analysis of trade payables at the balance sheet date:

於結算日之貿易應付款項按賬齡分析如下：

THE GROUP
本集團

2003
二零零三年
HK\$'000
千港元

2002
二零零二年
HK\$'000
千港元

Age
0 to 30 days
31 to 90 days
91 to 180 days
181 to 365 days
Over 365 days

賬齡
零至30日
31至90日
91至180日
181至365日
365日以上

–

304

–

254

–

27

–

16

–

1,136

–

1,737

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2003

財務報表附註

截至二零零三年十二月三十一日止年度

18. LONG-TERM PAYABLES

18. 長期應付款項

		THE GROUP	
		本集團	
		2003	2002
		二零零三年	二零零二年
		HK\$'000	HK\$'000
		千港元	千港元
Construction payables repayable	須償還之建築應付款項		
- within one year	- 一年內到期	-	8,117
- between one to two years	- 一年後但兩年內到期	-	8,636
- between two to five years	- 兩年後但五年內到期	-	11,782
- after five years	- 五年後到期	-	1,541
		-	30,076
Advances from a former shareholder repayable	應付前股東墊款		
- within one year	- 一年內到期	10,698	10,698
Other unsecured loan, carries interest at 12% per annum and repayable	按年率12厘計息並須於以下年期償還之其他無抵押貸款		
- between one to two years	- 一年後但兩年內到期	-	2,337
- between two to five years	- 兩年後但五年內到期	-	14,018
- after five years	- 五年後到期	-	2,337
		-	18,692
Total long-term payables	長期應付款項總額	10,698	59,466
Less: Amount due within one year shown under current liabilities	減：計入流動負債於一年內到期之款項	10,698	18,815
Amount due after one year	於一年後到期之款項	-	40,651

The advance from a former shareholder is unsecured and interest-free. It was secured by a personal guarantee given by a former director of the Company Mr. Li Tat Ting.

前股東墊款為無抵押及免息，惟由本公司前董事李達庭先生提供之個人擔保為抵押。

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2003

財務報表附註

截至二零零三年十二月三十一日止年度

19. SHARE CAPITAL

19. 股本

		Number of shares 股份數目	Amount 金額 HK\$'000 千港元
Authorised:	法定：		
Ordinary shares of HK\$0.01 each	每股面值0.01港元之普通股		
- balance at 1st January, 2002	- 於二零零二年一月一日之結餘	10,000,000	100
- increase in authorised share capital	- 法定股本增加	<u>2,990,000,000</u>	<u>29,900</u>
- balance at 31st December, 2002 and 31st December, 2003	- 於二零零二年十二月三十一日及於二零零三年十二月三十一日之結餘	<u><u>3,000,000,000</u></u>	<u><u>30,000</u></u>
Issued and fully paid:	已發行及繳足：		
Ordinary shares of HK\$0.01 each	每股面值0.01港元之普通股		
- balance at 1st January, 2002	- 於二零零二年一月一日之結餘	10,000,000	-
- issue of new shares and credited as fully paid up nil paid shares on acquisition of subsidiaries	- 於收購附屬公司時發行新股及入賬列為繳足股本之未繳股款股份	10,000,000	200
- bonus issue of shares	- 發行紅股	472,000,000	4,720
- issue of new shares on listing	- 於上市時發行新股	<u>108,000,000</u>	<u>1,080</u>
- balance at 31st December, 2002 and 31st December, 2003	- 於二零零二年十二月三十一日及於二零零三年十二月三十一日之結餘	<u><u>600,000,000</u></u>	<u><u>6,000</u></u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2003

20. SHARE OPTIONS

Pursuant to the share option scheme adopted by the Company on 13th June, 2002, the Company may grant options to the directors, non-executive directors, suppliers of goods and services, customers, advisors and consultants, shareholders of the Company or any of its subsidiaries for the primary purpose of providing incentives to them, to subscribe for shares in the Company with the payment of HK\$1 per offer. The total number of shares in respect of which options may be granted shall not exceed 30% of the issued share capital of the Company from time to time. The number of shares in respect of which options may be granted to any individual in any one year shall not exceed 1% of the issued share capital of the Company. Options granted to substantial shareholders or independent non-executive directors in excess of 0.1% of the Company's issued share capital or with a value in excess of HK\$5 million must be approved in advance by the Company's shareholders. The exercise price of the share option will be determined at the higher of the average of closing prices of the shares on the Stock Exchange on the five trading days immediately preceding the date of grant of the options; the closing price of the shares on the Stock Exchange on the date of grant; and the nominal value of the shares. The share options are exercisable for a period not later than 10 years from the date of grant.

No share options were granted since adoption of the scheme.

財務報表附註

截至二零零三年十二月三十一日止年度

20. 購股權計劃

根據本公司於二零零二年六月十三日採納之購股權計劃，本公司可向本公司或其任何附屬公司之董事、非執行董事、貨物及服務供應商、客戶、諮詢人及顧問、股東授出購股權，以認購本公司股份，藉此激勵彼等為本集團效力。購股權之代價為每份購股權1港元。因行使購股權而須發行之股份總數不得超逾本公司不時已發行股本30%。此外，於任何一個年度，不得向任何人士授出涉及本公司已發行股本1%以上之購股權。倘向主要股東或獨立非執行董事授出超逾本公司已發行股本0.1%或股份面值逾5,000,000港元之購股權，則必須事先取得本公司股東批准。購股權之行使價為股份於購股權授出日期前五個交易日在聯交所之平均收市價、股份於授出日期在聯交所之收市價，以及股份面值三者之最高者。購股權可於授出日期起計10年內行使。

本公司自採納該計劃以來概無授出任何購股權。

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FOR THE YEAR ENDED 31ST DECEMBER, 2003

財務報表附註

截至二零零三年十二月三十一日止年度

21. RESERVES

21. 儲備

		Share premium 股份溢價 HK\$'000 千港元	Contributed surplus 繳入盈餘 HK\$'000 千港元	Retained profit (deficit) 保留溢利 (虧絀) HK\$'000 千港元	Total 總計 HK\$'000 千港元
THE COMPANY	本公司				
At 1st January, 2002	於二零零二年一月一日	-	-	-	-
Premium arising on issue of shares	發行股份產生之溢價	35,640	-	-	35,640
Capitalisation on bonus issue of shares	發行紅股時撥充資本	(4,720)	-	-	(4,720)
Expenses incurred in connection with the issue of new shares	與發行新股份有關之開支	(12,723)	-	-	(12,723)
Arising from the group reorganisation	於集團重組時產生	-	243,302	-	243,302
Net profit for the year	本年度純利	-	-	1,386	1,386
At 31st December, 2002	於二零零二年十二月三十一日	18,197	243,302	1,386	262,885
Net loss for the year	本年度虧損	-	-	(237,353)	(237,353)
At 31st December, 2003	於二零零三年十二月三十一日	18,197	243,302	(235,967)	25,532

The contributed surplus of the Company represents the difference between the aggregate net tangible assets of the subsidiaries acquired by the Company under the group reorganisation in 2002 and the nominal amount of the Company's shares issued for the acquisition.

繳入盈餘指本公司根據二零零二年集團重組而收購之附屬公司之有形資產淨值總額與本公司就收購所發行股份之面值兩者之差額。

Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus account of the Company is available for distribution. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus if:

根據百慕達一九八一年公司法(修訂本),本公司之繳入盈餘可供分派。然而,倘出現下列情況,則本公司不得動用繳入盈餘宣派或派付股息或作出分派:

- (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 accounts.

- (a) 本公司於支付有關款項後無法或可能無法償還到期之債務;或
- (b) 本公司資產之可變現值會因而低於其負債、已發行股本及股份溢價相加之總和。

In the opinion of the directors, as at 31st December, 2003, the Company's reserves available for distribution was HK\$7,335,000 comprising the contributed surplus less deficit (2002: HK\$244,688,000 comprising the contributed surplus and retained profit).

董事認為,於二零零三年十二月三十一日,本公司可供分派之儲備有7,335,000港元,其中包括繳入盈餘減虧絀(二零零二年:244,688,000港元,其中包括繳入盈餘及保留溢利)。

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FOR THE YEAR ENDED 31ST DECEMBER, 2003

財務報表附註

截至二零零三年十二月三十一日止年度

22. DE-CONSOLIDATION OF A FORMER SUBSIDIARY

22. 解除綜合計算前附屬公司

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Net assets de-consolidated:	解除綜合計算之資產淨值：		
Property, plant and equipment	物業、廠房及設備	299,508	-
Deposits made on acquisition of property, plant and equipment	購置物業、廠房及設備所付按金	11,417	-
Inventories	存貨	572	-
Trade and other receivables	貿易及其他應收款項	27,462	-
Bank balances and cash	銀行結餘及現金	3,285	-
Trade and other payables	貿易及其他應付款項	(51,430)	-
Amount due to a former director	應付一位前董事之款項	(38,074)	-
Taxation	稅項	(9,511)	-
Long-term payables	長期應付款項	(42,101)	-
Bank loans	銀行貸款	(12,397)	-
Net assets	資產淨值	188,731	-
Negative goodwill realised on de-consolidation	解除綜合計算時變現之負商譽	(39,304)	-
Loss on de-consolidation	解除綜合計算之虧損	(149,427)	-
		-	-
Net cash outflow arising on de-consolidation:	解除綜合計算時產生之現金流出淨額：		
Bank balances and cash de-consolidated	解除綜合計算之銀行結餘及現金	(3,285)	-

23. MAJOR NON-CASH TRANSACTIONS

23. 重大非現金交易

In 2002, advances from shareholders to the extent of HK\$35,000,000 was capitalised by way of issue of shares of a subsidiary.

於二零零二年，股東墊款其中35,000,000港元已透過發行一間附屬公司股份之方式撥充資本。

24. CONTINGENT LIABILITIES

24. 或然負債

At 31st December, 2003, the Company is a party to a claim of HK\$408,000. In the opinion of the directors, ultimate resolution of this claim would not have a significant effect on the Group's results and financial position.

於二零零三年十二月三十一日，本公司牽涉一宗金額為408,000港元之索償。董事認為，有關索償之最終結果不會對本集團之業績及財務狀況造成重大影響。

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2003

25. RETIREMENT BENEFITS SCHEMES

The Group operates a Mandatory Provident Fund Scheme (the "Scheme") for all qualifying employees in Hong Kong. The assets of the Scheme are held separately from those of the Group in funds under the control of trustee. The Group contributes 5% of relevant payroll costs to the Scheme, which is matched by employees.

26. POST BALANCE SHEET EVENTS

The following events have occurred subsequent to 31st December, 2003:

- (a) Payables of HK\$2,240,000 and short-term loan of HK\$3,503,000 were assigned to the Company's ultimate holding company.
- (b) In July 2004, the Group has established a sino-foreign equity joint venture in the PRC with a right to launch and carry out at least 20 carnivals in the PRC for a term of 5 years.
- (c) In August 2004, the Group has obtained banking facilities of HK\$50 million.
- (d) The Company is a party to various claims totalling HK\$8,173,000 raised subsequent to 31st December, 2003. In the opinion of the directors, ultimate resolution of these claims would not have a significant effect on the Group's results and financial position.
- (e) The Group filed claims to the Hong Kong High Court against a former director, Mr. Li Tat Ting for an amount of HK\$38,682,000 in July 2004 and a trade debtor for an amount of HK\$29,323,000 in June 2004 arisen from the sales of theme park tickets to it. In the opinion of the directors, since the claims are still pending for hearing, it is unable to determine the final outcome of the claims at such preliminary stage. Accordingly, no allowance in respect of either of these amounts has been made in the financial statements.

財務報表附註

截至二零零三年十二月三十一日止年度

25. 退休福利計劃

本集團為香港所有合資格僱員設有強制性公積金計劃（「該計劃」）。該計劃之資產與本集團之資產分開處理，並由信託人所控制之基金持有。本集團與僱員須各自按相關工資成本之5%向該計劃作出供款。

26. 結算日後事項

於二零零三年十二月三十一日後，發生下列事項：

- (a) 應付款項2,240,000港元及短期貸款3,503,000港元均轉讓予本公司之最終控股公司。
- (b) 於二零零四年七月，本集團於中國成立一間中外合資合營企業，有權於五年期間在中國推出及舉行至少20次嘉年華會。
- (c) 於二零零四年八月，本集團已取得銀行融資50,000,000港元。
- (d) 於二零零三年十二月三十一日後，本公司牽涉多宗索償，提出索償額合共8,173,000港元。董事認為，該等索償之最終結果不會對本集團之業績及財務狀況造成重大影響。
- (e) 本集團已入稟香港高等法院，分別於二零零四年七月向前董事李達庭就38,682,000港元提出索償，及於二零零四年六月向一名貿易債務人就售予其主題公園門票產生之29,323,000港元提出索償。董事認為，由於申索正待聆訊，故無法在初步階段預測最終申索結果。因此，本集團並未就上述兩筆款項於財務報表內作出撥備。