

財務報表附註

Notes to the Financial Statements

截至二零零五年十二月三十一日止年度

1. 總覽

本公司為一間在開曼群島註冊成立之有限公司，其股份在香港聯合交易所有限公司上市。於二零零五年十二月三十一日，華潤集團有限公司（「華潤集團」）被視作直屬控股公司。董事認為中國華潤總公司（「中國華潤」）乃本公司之最終控股公司，中國華潤乃一間於中國內地註冊成立之公司。本公司註冊辦事處及主要營業地點地址於年報公司資料中披露。

本集團之主要業務為從事物業發展、投資及管理。

財務報表以港幣列示。由於本公司為於香港註冊成立之上市公司，股份於香港聯交所上市，其大部分投資者均位於香港，故本公司以港幣為功能貨幣。本公司大部分附屬公司於中國內地營業，因此以人民幣為功能貨幣。

2. 應用香港財務申報準則

於本年度，本集團首次應用多項由香港會計師公會頒佈而於二零零五年一月一日或之後開始的會計期間生效的新香港財務申報準則（「香港財務申報準則」）、香港會計準則（「香港會計準則」）及詮釋（以下統稱「新香港財務申報準則」）。應用新香港財務申報準則導致綜合收益表、綜合資產負債表及綜合股本變動表的呈報方式有變，特別是少數股東權益及應佔聯營公司稅項的呈報方式有所變動，且有關呈報方式變動已追溯應用。採納新香港財務申報準則導致本集團以下範疇的會計政策有變，對現行或過往會計年度業績的編製及呈報方式構成影響。

業務合併

於本年度，本集團應用香港財務申報準則第3號「業務合併」，應用香港財務申報準則第3號對本集團的主要影響概述如下：

For the year ended 31st December, 2005

1. GENERAL

The Company is a limited company incorporated in the Cayman Islands and its shares are listed on The Stock Exchange of Hong Kong Limited. The deemed immediate holding company as at 31 December 2005 is China Resources (Holdings) Company Limited (“CRH”). The directors regard the ultimate holding company of the Company to be China Resources National Corporation (“CRNC”), a company incorporated in the Chinese Mainland. The addresses of the registered office and principal place of business of the Company are disclosed in the Corporate Information of the annual report.

The principal activities of the Group are property development, investment and management.

The financial statements are presented in Hong Kong dollars, which is the functional currency of the Company as the Company is a public company incorporated in Hong Kong with the shares listed in Hong Kong Stock Exchange, where most of its investors are located in Hong Kong. The majority of the Company’s subsidiaries are operated in the Mainland China with Renminbi as their functional currency.

2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has applied, for the first time, a number of new Hong Kong Financial Reporting Standards (“HKFRSs”), Hong Kong Accounting Standards (“HKASs”) and Interpretations (hereinafter collectively referred to as the “new HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants that are effective for accounting periods beginning on or after 1 January 2005. The application of the new HKFRSs has resulted in a change in the presentation of the consolidated income statement, consolidated balance sheet and consolidated statement of changes in equity. In particular, the presentation of minority interests and share of taxation of associates have been changed. The changes in presentation have been applied retrospectively. The adoption of the new HKFRSs has resulted in changes to the Group’s accounting policies in the following areas that have an effect on how the results for the current or prior accounting years are prepared and presented.

Business combinations

In the current year, the Group has applied HKFRS 3 “Business Combinations” and the principal effects of the application of HKFRS 3 to the Group are summarised below:

財務報表附註

Notes to the Financial Statements

2. 應用香港財務申報準則 (續)

商譽

於過往年度，二零零一年一月一日前的收購所產生商譽會計入儲備。本集團已應用香港財務申報準則第3號的有關過渡條文。早前於儲備確認的商譽港幣10,218,000元已於二零零五年一月一日轉撥至本集團保留盈利。於二零零四年的比較數字並無重列。

本集團於被收購公司的可資識別資產、負債及或然負債公平淨值的權益超出成本的差額（前稱「負商譽」）

根據香港財務申報準則第3號，本集團於被收購公司的可資識別資產、負債及或然負債公平淨值的權益超出收購成本的任何差額（「收購折讓」），於進行收購的期間即時於溢利或虧損中確認。於過往年度，二零零一年一月一日前的收購所產生負商譽會計入儲備。根據香港財務申報準則第3號有關過渡條文，本集團已剔除確認所有早前於儲備記錄的負商譽港幣62,928,000元，並相應增加於二零零五年一月一日之保留盈利。

股份付款

於本年度，本集團應用香港財務申報準則第2號「股份付款」，該準則規定倘本集團以股份或股份權利換取購貨或取得服務（「股本結算交易」），或以相當於指定數目股份或股份權利的其他等值資產換取（「現金結算交易」），則須確認開支。香港財務申報準則第2號對本集團的主要影響與本公司董事及僱員購股權按購股權授出日期釐定的公平價值於歸屬期間支銷相關。應用香港財務申報準則第2號前，本集團於購股權獲行使前不會確認有關財務影響。本集團已就二零零五年一月一日或之後授出的購股權應用香港財務申報準則第2號。就於二零零五年一月一日前授出的購股權而言，本集團並無根據有關過渡條文，就於二零零二年十一月七日或之前授出的購股權及於二零零二年十一月七日後授出且於二零零五年一月一日前已歸屬的購股權應用香港財務申報準則第2號。然而，本集團仍須就於二零零二年十一月七日後授出但於二零零五年一月一日尚未歸屬的購股權追溯應用香港財務申報準則第2號。比較數字已重列（有關財務影響，請參閱附註3）。

2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS (continued)

Goodwill

In previous years, goodwill arising on acquisitions prior to 1 January 2001 was held in reserves. The Group has applied the relevant transitional provisions in HKFRS 3. Goodwill of HK\$10,218,000 previously recognised in reserves has been transferred to the Group's retained earnings on 1 January 2005. Comparative figures for 2004 have not been restated.

Excess of the Group's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost (previously known as "negative goodwill")

In accordance with HKFRS 3, any excess of the Group's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over the cost of acquisition ("discount on acquisition") is recognised immediately in profit or loss in the period in which the acquisition takes place. In previous years, negative goodwill arising on acquisitions prior to 1 January 2001 was held in reserves. In accordance with the relevant transitional provisions in HKFRS 3, the Group has derecognised all negative goodwill previously recorded in reserves amounting to HK\$62,928,000, with a corresponding increase to retained earnings at 1 January 2005.

Share-based payments

In the current year, the Group has applied HKFRS 2 "Share-based Payment" which requires an expense to be recognised where the Group buys goods or obtains services in exchange for shares or rights over shares ("equity-settled transactions"), or in exchange for other assets equivalent in value to a given number of shares or rights over shares ("cash-settled transactions"). The principal impact of HKFRS 2 on the Group is in relation to the expensing of the fair value of directors' and employees' share options of the Company determined at the date of grant of the share options over the vesting period. Prior to the application of HKFRS 2, the Group did not recognise the financial effect of these share options until they were exercised. The Group has applied HKFRS 2 to share options granted on or after 1 January 2005. In relation to share options granted before 1 January 2005, the Group has not applied HKFRS 2 to share options granted on or before 7 November 2002 and share options that were granted after 7 November 2002 and had vested before 1 January 2005 in accordance with the relevant transitional provisions. However, the Group is still required to apply HKFRS 2 retrospectively to share options that were granted after 7 November 2002 and had not yet vested on 1 January 2005. Comparative figures have been restated (see note 3 for the financial impact).

財務報表附註

Notes to the Financial Statements

2. 應用香港財務申報準則 (續)

金融資產及金融負債分類及計算

本集團就分類及計算屬於香港會計準則第39號範圍內的金融資產及金融負債應用香港會計準則第39號有關過渡條文。

於二零零四年十二月三十一日前，本集團根據會計實務準則第24號（「會計實務準則第24號」）的標準處理方法分類及計算其股本證券。

非流動資產項下持有之證券投資按成本減除減值虧損（如有）列賬，而流動資產項下持有之證券投資則按公平價值計量，未變現收益或虧損計入損益。自二零零五年一月一日起，本集團按照香港會計準則第39號分類及計量其股本證券。根據香港會計準則第39號，金融資產分類為「按公平價值計入溢利或虧損的金融資產」、「可供出售金融資產」、「貸款及應收款項」或「持至到期金融資產」。分類視乎收購資產的目的而定。「按公平價值計入溢利或虧損的金融資產」及「可供出售金融資產」按公平價值入賬，而公平價值變動分別於溢利或虧損及股本確認，惟並無活躍市場市場報價之股本證券投資由於不能可靠計算公平價值，則按成本扣除減值列賬。「貸款及應收款項」及「持至到期金融資產」以實際權益法按攤銷成本計量。由於採納香港會計準則第39號，本集團將於二零零五年一月一日之非流動資產項下港幣314,430,000元之「證券投資」及港幣226,395,000元之流動資產分別重新指定為按成本扣除減值列賬之「可售投資」及按公平價值列賬之「持作買賣投資」。是項重新指定並無對本集團損益構成任何影響。

根據香港會計準則第39號，金融負債分類為「按公平價值計入溢利或虧損的金融負債」或「按公平價值計入溢利或虧損的金融負債以外的金融負債（「其他金融負債」）」。其他金融負債以實際權益法按攤銷成本列賬。

2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS (continued)

Classification and measurement of financial assets and financial liabilities

The Group has applied the relevant transitional provisions in HKAS 39 with respect to classification and measurement of financial assets and financial liabilities that are within the scope of HKAS 39.

By 31 December 2004, the Group classified and measured its equity securities in accordance with the benchmark treatment of Statement of Standard Accounting Practice 24 (“SSAP 24”).

Investments in securities held under non-current assets are carried at cost less impairment losses (if any) while investments in securities held under current assets are measured at fair value, with unrealised gains or losses included in the profit or loss. From 1 January 2005 onwards, the Group classifies and measures its equity securities in accordance with HKAS 39. Under HKAS 39, financial assets are classified as “financial assets at fair value through profit or loss”, “available-for-sale financial assets”, “loans and receivables”, or “held-to-maturity financial assets”. The classification depends on the purpose for which the assets are acquired. “Financial assets at fair value through profit or loss” and “available-for-sale financial assets” are carried at fair value, with changes in fair values recognised in profit or loss and equity respectively, except for those investment in equity securities that do not have quoted market price in an active market are carried at cost less impairment as their fair value cannot be reliably measured. “Loans and receivables” and “held-to-maturity financial assets” are measured at amortised cost using the effective interest method. As a result of the adoption of HKAS 39, the Group has redesignated the “investments in securities” under non-current asset of HK\$314,430,000 and current asset of HK\$226,395,000 to “available-for-sale investments”, carried at cost less impairment, and “investments held for trading”, carried at fair value as at 1 January 2005 respectively. No effect on the profit and loss of the Group is resulted from this redesignation.

Financial liabilities under HKAS 39 are classified as “financial liabilities at fair value through profit or loss” or “financial liabilities other than financial liabilities at fair value through profit or loss (“other financial liabilities”)”. Other financial liabilities are carried at amortised cost using the effective interest method.

財務報表附註

Notes to the Financial Statements

2. 應用香港財務申報準則 (續)

衍生金融工具

自二零零五年一月一日起，香港會計準則第39號範疇內所有衍生工具均須按於各結算日之公平價值列賬，而不論是否被視作持作買賣用途或指定為有效對沖工具。根據香港會計準則第39號，衍生工具(包括與主合同分開入賬之附帶衍生工具)均被視作持作買賣之金融資產或金融負債。該等衍生工具公平價值之變動會於產生期間之溢利或虧損中確認。於二零零五年一月一日，本集團已於資產負債表確認持作買賣用途之外幣掉期的公平價值港幣37,198,000元為負債，並相應調整本集團保留盈利。

業主佔用土地租賃權益

於過往年度，業主佔用租賃土地及樓宇列入物業、廠房及設備，按成本模式計算。於本年度，本集團已應用香港會計準則第17號「租賃」。根據香港會計準則第17號，就租賃分類而言，土地及樓宇租賃之土地及樓宇部分須獨立考慮，除非未能可靠分配土地及樓宇部分間之租賃款項，於此情況下，整項租約一般被當作融資租約處理。倘能可靠分配土地及樓宇部分間之租賃款項，土地租賃權益會重新分類為營業租約項下預付租金，按成本列賬並按租期攤銷。是項會計政策變動已獲追溯應用。二零零四年比較數字已重列(有關財務影響，請參閱附註3)。

投資物業

於本年度，本集團首次應用香港會計準則第40號「投資物業」。本集團選擇採用公平價值模式就其投資物業入賬，即規定因投資物業公平價值變動所產生收益或虧損直接於產生期間確認為溢利或虧損。於過往年度，過往會計準則規定投資物業按公開市值計算，而重估盈餘或虧蝕則計入或扣自投資物業重估儲備，除非此儲備之結餘不足以補足重估減值，於此情況下，重估減值超出投資物業重估儲備結餘之差額扣自收益表。倘早前已於收益表扣除減值，而其後重估增值，則有關增幅計入收益表，並以早前所扣除減值為限。本集團已應用香港會計準則第40號有關過渡條文，並選擇追溯應用香港會計準則第40號(有關財務影響，請參閱附註3)。比較數字已重列。

2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS (continued)

Derivative financial instruments

From 1 January 2005 onwards, all derivatives that are within the scope of HKAS 39 are required to be carried at fair value at each balance sheet date regardless of whether they are deemed as held for trading or designated as effective hedging instruments. Under HKAS 39, derivatives (including embedded derivatives separately accounted for from the host contracts) are deemed as held-for-trading financial assets or financial liabilities. Changes in fair values of such derivatives are recognised in profit or loss for the period in which they arise. On 1 January 2005, the Group recognised the fair value of the currency swaps held for trading of HK\$37,198,000 as a liability on the balance sheet with a corresponding adjustments to the Group's retained earnings.

Owner-occupied leasehold interest in land

In previous years, owner-occupied leasehold land and buildings were included in property, plant and equipment and measured using the cost model. In the current year, the Group has applied HKAS 17 "Leases". Under HKAS 17, the land and buildings elements of a lease of land and buildings are considered separately for the purposes of lease classification, unless the lease payments cannot be allocated reliably between the land and buildings elements, in which case, the entire lease is generally treated as a finance lease. To the extent that the allocation of the lease payments between the land and buildings elements can be made reliably, the leasehold interests in land are reclassified to prepaid lease payments under operating leases, which are carried at cost and amortised over the lease term. This change in accounting policy has been applied retrospectively. Comparative figures for 2004 have been restated (see note 3 for the financial impact).

Investment properties

In the current year, the Group has, for the first time, applied HKAS 40 "Investment Property". The Group has elected to use the fair value model to account for its investment properties which requires gains or losses arising from changes in the fair value of investment properties to be recognised directly in the profit or loss for the period in which they arise. In previous years, investment properties under the predecessor accounting standard were measured at open market values, with revaluation surplus or deficits credited or charged to investment property revaluation reserve unless the balance on this reserve was insufficient to cover a revaluation decrease, in which case the excess of the revaluation decrease over the balance on the investment property revaluation reserve was charged to the income statement. Where a decrease had previously been charged to the income statement and revaluation subsequently arose, that increase was credited to the income statement to the extent of the decrease previously charged. The Group has applied the relevant transitional provisions in HKAS 40 and elected to apply HKAS 40 (see note 3 for the financial impact) retrospectively. Comparative figures have been restated.

財務報表附註

Notes to the Financial Statements

2. 應用香港財務申報準則 (續)

銷售發展物業之完成前合約

本集團早前應用完成階段法確認銷售發展物業之完成前合約的收益。於本期間，本集團首次應用香港詮釋第3號「銷售發展物業之完成前合約」(「香港－詮釋第3號」)。香港－詮釋第3號列明採用完成階段法確認銷售發展物業之完成前合約的收益乃不恰當做法。根據香港－詮釋第3號，銷售發展物業之完成前合約所產生收益僅於符合香港會計準則第18號「收益」第14段所訂明一切條件後確認。本集團選擇就於二零零五年一月一日前所訂立銷售發展物業之完成前合約追溯應用香港－詮釋第3號之規定(有關財務影響，請參閱附註3)。比較數字已重列。應用香港－詮釋第3號對於二零零四年十二月三十一日之資產負債表之影響為導致資產負債表重列，其中物業存貨增加港幣743,368,000元、應付賬款、其他應付賬項及已收訂金增加港幣1,287,152,000元、遞延稅項負債減少港幣40,499,000元及少數股東權益減少港幣142,636,000元。香港－詮釋第3號亦導致溢利減少淨額港幣132,421,000元，原因為營業額下降港幣519,113,000元、銷售成本下降港幣418,171,000元以及於損益表確認之遞延稅項相應增加港幣31,479,000元所致(有關財務影響，請參閱附註3)。

本集團並無提早採用下列已頒佈但尚未生效之新準則及詮釋。本公司董事預期採用該等準則或詮釋將不會對本集團之財務報表構成重大影響。

2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS (continued)

Pre-completion contracts for the sale of development properties

Previously, the Group applied the stage of completion method to recognise revenue from pre-completion contracts for the sale of development properties. In the current period, the Group has, for the first time, applied Hong Kong Interpretation 3 “Pre-completion Contracts for the Sale of Development Properties” (“HK – INT 3”) which clarifies that the use of stage of completion method to recognise revenue from pre-completion contracts for the sale of development properties is not appropriate. Under HK – INT 3, revenue arising from pre-completion contracts for the sale of development properties are recognised only when all of the criteria specified in paragraph 14 of HKAS 18 “Revenue” are met. The Group has elected to retrospectively apply the requirements of HK – INT 3 to pre-completion contract for the sale of development properties entered into before 1 January 2005 (see note 3 for the financial impact). Comparative figures have been restated. The effect of application of HK – INT 3 on the balance sheet of 31 December 2004 has resulted in the balance sheet being restated by increase in inventory of properties of HK\$743,368,000, an increase in trade payables, other payables and deposits received of HK\$1,287,152,000, a decrease in deferred taxation liabilities of HK\$40,499,000 and a decrease in minority interests of HK\$142,636,000. The effect of HK – INT 3 also resulted in a net decrease in profit of HK\$132,421,000, which is contributed by a decrease in turnover of HK\$519,113,000, a decrease in cost of sales by HK\$418,171,000 and a corresponding increase in deferred taxation recognised to income statement of HK\$31,479,000 (see note 3 for the financial impact).

The Group has not early applied the following new standards and interpretations that have been issued but are not yet effective. The directors of the Company anticipate that the application of these standards or interpretations will have no material impact on the financial statements of the Group.

財務報表附註

Notes to the Financial Statements

2. 應用香港財務申報準則 (續)

香港會計準則第1號 (經修訂)	股本披露 ¹
香港會計準則第19號 (經修訂)	精算損益、集團計劃 及披露 ²
香港會計準則第21號 (經修訂)	境外業務新增投資 ²
香港會計準則第39號 (經修訂)	預測集團內公司間 交易之現金流量對沖 會計處理法 ²
香港會計準則第39號 (經修訂)	公平值之選擇 ²
香港會計準則第39號 及香港財務申報 準則第4號(經修訂)	財務擔保合約 ²
香港財務申報準則 第6號	礦產資源之勘探及 評估 ¹
香港財務申報準則 第7號	金融工具:披露 ¹
香港(國際財務申報 準則詮釋委員會) — 詮釋第4號	釐定安排是否包括 租賃 ²
香港(國際財務申報 準則詮釋委員會) — 詮釋第5號	終止運作、復原及 環境修復基金所產生 權益之權利 ²
香港(國際財務申報 準則詮釋委員會) — 詮釋第6號	參與特定市場之負債 — 廢棄電力及電子設 備 ³
香港(國際財務申報 準則詮釋委員會) — 詮釋第7號	根據香港會計準則第 29號「嚴重通貨膨脹 經濟中的財務申報」 採用重列法 ⁴

- ¹ 於二零零七年一月一日或之後開始之年度期間生效。
- ² 於二零零六年一月一日或之後開始之年度期間生效。
- ³ 於二零零五年十二月一日或之後開始之年度期間生效。
- ⁴ 於二零零六年三月一日或之後開始之年度期間生效。

2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS (continued)

HKAS 1 (Amendment)	Capital disclosures ¹
HKAS 19 (Amendment)	Actuarial gains and losses, group plans and disclosures ²
HKAS 21 (Amendment)	New investment in a foreign operation ²
HKAS 39 (Amendment)	Cash flow hedge accounting of forecast intragroup transactions ²
HKAS 39 (Amendment)	The fair value option ²
HKAS 39 and HKFRS 4 (Amendments)	Financial guarantee contracts ²
HKFRS 6	Exploration for and evaluation of mineral resources ¹
HKFRS 7	Financial instruments: Disclosures ¹
HK(IFRIC) – INT 4	Determining whether an arrangement contains a lease ²
HK(IFRIC) – INT 5	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds ²
HK(IFRIC) – INT 6	Liabilities arising from participating in a specific market – waste electrical and electronic equipment ³
HK(IFRIC) – INT 7	Applying the restatement approach under HKAS 29 Financial Reporting in Hyperinflationary Economies ⁴

- ¹ Effective for annual periods beginning on or after 1 January 2007.
- ² Effective for annual periods beginning on or after 1 January 2006.
- ³ Effective for annual periods beginning on or after 1 December 2005.
- ⁴ Effective for annual periods beginning on or after 1 March 2006.

財務報表附註

Notes to the Financial Statements

3. 會計政策變動之影響概要

上文所述會計政策變動對目前及過往年度業績之影響如下：

3. SUMMARY OF THE EFFECTS OF THE CHANGES IN ACCOUNTING POLICIES

The effects of the changes in the accounting policies described above on the results for the current and prior year are as follows:

		31.12.2005	31.12.2004
		港幣千元 HK\$'000	港幣千元 HK\$'000
有關授予僱員購股權之一般及行政支出增加	Increase in general and administration expenses in relation to share options granted to employees	(4,918)	(3,593)
投資物業公平價值變動產生之其他收入增加	Increase in other income arising from changes in fair value of investment properties	49,084	68
按公平價值計入溢利或虧損之衍生金融工具公平價值變動產生之其他收入增加	Increase in other income arising from changes in fair value of derivative financial instruments, measured at fair value through profit or loss	13,742	–
投資物業公平價值變動產生之應佔聯營公司業績增加	Increase in share of results of associates resulting from changes in fair value of investment properties	6,443	–
聯營公司之稅項重新分類產生之應佔聯營公司業績減少	Decrease in share of results of associate arising from reclassification of taxation in associates	(8,454)	(3,785)
投資物業公平價值變動產生有關遞延稅項負債之稅項增加	Increase in taxation in respect of deferred taxation liabilities on changes in fair value of investment properties	(16,417)	–
聯營公司之稅項重新分類產生之稅項減少	Decrease in taxation arising from reclassification of taxation from associate	8,454	3,785
應用香港一詮釋第3號(請參閱附註2)導致溢利減少淨額	Net decrease in profit resulting from the application of HK – INT 3 (refer to note 2)	(8,400)	(132,421)
年內溢利增加(減少)	Increase (decrease) in profit for the year	39,534	(135,946)

財務報表附註

Notes to the Financial Statements

3. 會計政策變動之影響概要 (續)

於二零零四年十二月三十一日應用新香港財務申報準則之累積影響概述如下：

3. SUMMARY OF THE EFFECTS OF THE CHANGES IN ACCOUNTING POLICIES (continued)

The cumulative effects of the application of the new HKFRSs as at 31 December 2004 are summarised below:

		於二零零四年 十二月三十一日 As at 31.12.2004	調整 Adjustments	於二零零四年 十二月三十一日 As at 31.12.2004
		港幣千元 HK\$'000 (按原先呈列) (originally stated)	港幣千元 HK\$'000	港幣千元 HK\$'000 (重列) (restated)
保留溢利	Retained profits	1,124,881	(364,174)	760,707
僱員股份酬金儲備	Employee share-based compensation reserve	–	3,593	3,593
投資物業重估儲備	Investment property revaluation reserve	48	(48)	–
少數股東權益	Minority interests	897,629	(142,656)	754,973
對股本之總影響	Total effects on equity	2,022,558	(503,285)	1,519,273
物業、廠房及設備	Property, plant and equipment	431,705	(43,131)	388,574
預付租金	Prepaid lease payments	–	43,131	43,131
物業存貨	Inventory of properties	4,772,793	743,368	5,516,161
應付賬款、其他應付賬項及 已收訂金	Trade payables, other payables and deposits received	(827,361)	(1,287,152)	(2,114,513)
遞延稅項負債	Deferred taxation liabilities	(44,571)	40,499	(4,072)

應用新香港財務申報準則對本集團於二零零四年一月一日之股本的財務影響概述如下：

The financial effects of the application of the new HKFRSs to the Group's equity at 1 January 2004 are summarised below:

		如原先呈列 As originally stated	由於應用香港一 詮釋第3號 而作出之調整 Adjustments as a result of application of HK – INT 3	重列 As restated
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
保留溢利	Retained profits	1,015,303	(235,385)	779,918
少數股東權益	Minority interests	940,867	(135,479)	805,388
對股本之總影響	Total effects on equity	1,956,170	(370,864)	1,585,306

財務報表附註

Notes to the Financial Statements

4. 主要會計政策

綜合財務報表已按歷史成本慣例編製，惟如下列會計政策所闡述，若干物業及金融工具乃按公平值計算。

綜合財務報表乃根據新香港財務申報準則編製。此外，綜合財務報表包括香港聯合交易所有限公司證券上市規則及香港公司條例規定之適用披露資料。

綜合基準

綜合財務報表包括本公司及其附屬公司之財務報表。

年內所收購或出售之附屬公司之業績由實際收購日期起或截至實際出售日期止（視適用情況而定）計入綜合收益表。

集團內公司間所有交易、結餘、收入及開支於綜合賬目時對銷。

綜合入賬附屬公司之淨資產中少數股東權益與本集團股本分開呈列。淨資產中少數股東權益包括該等權益於原業務合併日期金額及自合併日期以來少數股東應佔股本變動。少數股東應佔虧損超出少數股東於附屬公司股本之權益，差額將分配予本集團權益，惟少數股東有具約束力責任且有能力作出額外投資以填補虧損則除外。

收購折讓

倘收購一家附屬公司而協議日期為二零零五年一月一日或之後，所產生收購折讓代表被收購方可識別資產、負債及或然負債公平淨值超出業務合併成本之差額。向股東收購附屬公司之折讓當作股東出資處理，於資本儲備確認。

4. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared under the historical cost convention, except for certain properties and financial instruments, which are measured at fair values, as explained in the accounting policies set out below.

The consolidated financial statements have been prepared in accordance with the new HKFRSs. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries.

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

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Minority interests in the net assets of consolidated subsidiaries are presented separately from the Group's equity therein. Minority interests in the net assets consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

Discount on acquisition

A discount on acquisition arising on an acquisition of a subsidiary for which an agreement date is on or after 1 January 2005 represents the excess of the net fair value of an acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the business combination. Discount on acquisition of subsidiaries from shareholders is treated as capital contribution from shareholders and is recognised in capital reserve.

財務報表附註

Notes to the Financial Statements

4. 主要會計政策 (續)

於聯營公司之投資

聯營公司之業績及資產與負債以權益會計法計入此等財務報表。根據權益會計法，於聯營公司之投資按成本，再就本集團應佔溢利或虧損於收購後變動作出調整並扣除任何可識別減值虧損後，於綜合資產負債表入賬。當本集團應佔一家聯營公司之虧損相等於或超出其於該聯營公司之權益（包括構成本集團於該聯營公司投資淨值一部分之長期權益），本集團終止確認其進一步應佔虧損。僅在本集團承擔法定或推定責任或代表該聯營公司付款之情況下，方會就額外應佔虧損撥備並確認負債。

倘集團旗下實體與本集團聯營公司進行交易，溢利及虧損將與本集團於有關聯營公司之權益對銷。

收入確認

收入按已收或應收代價公平值計算，為於一般業務過程中提供貨品及服務應收款項，並扣除折扣及銷售相關稅項。

銷售待售物業之收入於達成下列所有條件後確認：

- 物業所有權重大風險及回報轉移予買家；
- 並無保留一般與所有權或實際控制權相關之持續管理權；
- 收入金額能夠可靠計量；
- 與交易有關之經濟利益可能流入本集團；及
- 就交易已產生或將產生之成本能夠可靠計算。

金融資產之利息收入按時間基準，根據尚餘本金按適用實際利率計算，有關利率乃於金融資產預計年期，確切折現估計未來所收取現金至該資產之賬面淨值之利率。

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments in associates

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting. Under the equity method, investments in associates are carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in the Group's share of the profit or loss and of changes in equity of the associate, less any identified impairment loss. When the Group's share of losses of an associate equals or exceeds its interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. An additional share of losses is provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate.

Where a group entity transacts with an associate of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associate.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discount and sale related taxes.

Income from sale of properties held for sale is recognised when all of the following criteria are met:

- the significant risks and rewards of ownership of the properties are transferred to buyers;
- neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the properties are retained;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

財務報表附註

Notes to the Financial Statements

4. 主要會計政策 (續)

收入確認 (續)

股息收入於股東獲派股息之權利確立時確認。

物業管理收入於提供服務時確認。

租金收入以直線法於有關租約年期確認。磋商及安排營業租約所產生的初步直接成本加入租賃資產之賬面值，以直線法於租約年期支銷。

物業、廠房及設備

物業、廠房及設備 (在建工程除外) 按成本減累計折舊及攤銷以及任何已識別減值虧損列賬。

物業、廠房及設備項目 (在建工程除外) 之折舊及攤銷，自項目達致擬定用途狀態之日起於估計可使用年期內，經計及其估計餘下價值，以直線法計算，以撇銷其成本。估計可用年期如下：

樓宇	40年或租賃餘下年期， 以較短者為準
傢俬及設備	5年
汽車	5年

物業、廠房及設備項目於出售或預期不會自持續使用資產產生日後經濟利益時剔除確認。剔除確認資產所產生任何收益或虧損 (按出售所得款項淨額與項目賬面值之差額計算) 於項目剔除確認之年度計入收益表。

在建工程指興建中作為生產、出租或行政用途之資產。在建工程按成本減任何可識別減值虧損列賬。成本包括有關項目直接應佔之所有建築開支及其他直接成本，包括借貸成本。工程落成之成本轉撥至物業、廠房及設備其他適當類別。

在建工程於建成及可作擬定用途前不作折舊及攤銷。

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

Dividend income is recognised when the shareholder's right to receive payment has been established.

Property management income is recognised when services are provided.

Rental income is recognised on a straight-line basis over the period of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

Property, plant and equipment

Property, plant and equipment other than construction in progress are stated at cost less accumulated depreciation and amortisation, and any identified impairment loss.

Depreciation and amortisation are provided to write off the cost of items of property, plant and equipment other than construction in progress, over their estimated useful lives from the date on which they are in the manner of intended use and after taking into account of their estimated residual values, using the straight-line method. The estimated useful lives are as follows:

Buildings	40 years or over the unexpired term of lease, whichever is shorter
Furniture and equipment	5 years
Motor vehicles	5 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the income statement in the year in which the item is derecognised.

Construction in progress represents assets in the course of construction for production, rental or administrative purposes. They are carried at cost, less any identified impairment loss. Cost includes all construction expenditure and other direct costs, including borrowing costs, attributable to such projects. Costs on completed construction works are transferred to other appropriate category of property, plant and equipment.

No depreciation and amortisation are provided in respect of construction in progress until it is completed and is ready for its intended use.

財務報表附註

Notes to the Financial Statements

4. 主要會計政策 (續)

投資物業

於初次確認時，投資物業按成本計算，包括任何直接應佔開支。於初次確認後，投資物業以公平值模式列賬計量。投資物業公平值變動所產生收益或虧損於產生期間計入溢利或虧損。

減值

本集團於每個結算日檢討其資產之賬面值，以釐定該等資產有否出現任何減值虧損跡象。倘資產之可收回金額估計低於其賬面值，則資產之賬面值將撇減至其可收回金額。減值虧損即時確認為開支。

倘減值虧損於隨後撥回，資產賬面值將增至經修訂之估計可收回金額，惟因此而增加之賬面值不可超過假設過往年度並無就該資產確認減值虧損而原應釐定之賬面值。減值虧損撥回即時確認為收入。

物業存貨

物業存貨包括發展中物業及待售物業，按成本及可變現淨值中之較低者列賬。

發展中物業之賬面值包括租賃土地權益連同開發費用，開發費用包括建築成本、撥充資本利息及相關借貸成本。

土地成本包括地價及拆卸費用。

其他存貨

其他存貨按成本及可變現淨值之較低者列賬。成本按加權平均法計算。

租賃

倘租約條款將所有權風險及回報絕大部分撥歸本集團所有時，有關租約列作融資租約。所有其他租約列作營業租約。

來自營業租約之租金開支按直線法於有關租約年期在損益表確認。訂立營業租約時已收及應收作為獎勵之利益，按直線法於租約年期確認為租金開支減少。

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment properties

On initial recognition, investment properties are measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured using the fair value model. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise.

Impairment

At each balance sheet date, the Group reviews the carrying amount 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 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.

Inventory of properties

Inventory of properties includes properties under development and properties held for sale which are stated at lower of cost and net realisable value.

The carrying value of properties under development comprises the leasehold interest in land together with development expenditure, which includes construction costs, capitalised interest and ancillary borrowing costs.

Land cost includes land premium and expenditure for demolition.

Other inventories

Other inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the assets concerned to the Group. All other leases are classified as operating leases.

Rental expense arising from operating leases is recognised in the income statement on a straight-line basis over the periods of the respective leases. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease terms on a straight-line basis.

財務報表附註

Notes to the Financial Statements

4. 主要會計政策 (續)

外幣

編製集團旗下個別實體之財務報表時，該實體以功能貨幣以外幣(外幣)進行之交易，按交易日適用之匯率以其功能貨幣(即該實體經營業務所在主要經濟環境之貨幣)入賬。於各結算日，以外幣結算之貨幣項目按於結算日適用之匯率重新換算。以外幣結算之按公平值列賬非貨幣項目，按釐定公平值日期適用之匯率重新換算。按歷史成本以外幣計算之非貨幣項目則不會重新換算。

結算貨幣項目及於換算貨幣項目所產生匯兌差額，於產生期間在溢利或虧損確認。

就呈列綜合財務報表而言，本集團海外業務之資產與負債按結算日適用之匯率換算為本公司呈報貨幣(即港幣)，而其收入及開支按年內平均匯率換算，惟期內匯率大幅波動除外，在此情況下，則按交易日期適用匯率換算。所產生匯兌差額(如有)確認為獨立股本部分(換算儲備)。有關匯兌差額於出售海外業務期間在溢利或虧損確認。

借貸成本

收購、建設或生產合資格資產之直接應佔成本均撥充為有關資產部分成本。當資產大致可作擬定用途或可供銷售時，即終止將借貸成本撥充資本。倘特定借貸用於合資格資產暫時用作投資賺取投資收入，則自可撥充資本之借貸成本中扣除。

所有其他借貸成本於產生期間在溢利或虧損確認。

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in its functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Company (i.e. Hong Kong dollars) at the rate of exchange prevailing at the balance sheet date, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised as a separate component of equity (the translation reserve). Such exchange differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, are capitalised as part of the cost of those assets. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

財務報表附註

Notes to the Financial Statements

4. 主要會計政策 (續)

稅項

所得稅開支指即期應付稅項及遞延稅項總和。

即期應付稅項按年內應課稅溢利計算。由於應課稅溢利不包括其他年度的應課稅或可扣減收入或開支項目，亦不包括毋須課稅或不可扣稅之項目，故與損益表所列溢利不同。本集團即期稅項負債按於結算日已生效或大致生效之稅率計算。

遞延稅項就綜合財務報表內資產及負債賬面值與計算應課稅溢利所採用相應稅基間之差額確認，以資產負債表負債法列賬。遞延稅項負債一般就所有應課稅暫時差額確認，遞延稅項資產於應課稅溢利可能用作扣減可扣減暫時差額時予以確認。倘商譽或初次確認不影響應課稅溢利或會計溢利之交易之其他資產及負債（業務合併除外）產生暫時差額，有關資產及負債不予確認。

遞延稅項資產之賬面值於每個結算日檢討，並於不再可能有足夠應課稅溢利以撥回全部或部分資產時調減。

遞延稅項按預期適用於清償負債或變賣資產期間及於結算日前已生效或實際生效之稅率計算。遞延稅項於溢利或虧損扣除或計入，惟倘遞延稅項與直接於扣除或計入股本之項目有關，則遞延稅項亦於股本中處理。

金融工具

當集團旗下實體成為文據訂約條文之訂約方時，金融資產及金融負債於資產負債表確認。金融資產及金融負債初步按公平值計算。因收購或發行金融資產及金融負債（按公平價值計入溢利或虧損之金融資產及金融負債除外）而直接應佔之交易成本，於初步確認時按適用情況加入或扣自該項金融資產或金融負債之公平值。因收購按公平價值計入溢利或虧損之金融資產或金融負債而直接應佔之交易成本即時於溢利或虧損確認。

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxation

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 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 items that are never taxable or deductible. The Group's liability for current taxation is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is recognised on differences between the carrying amounts of assets and liabilities in the consolidated 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 taxation liabilities are generally recognised for all taxable temporary differences and deferred taxation 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 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.

The carrying amount of deferred taxation 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 taxation is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates that have been enacted or substantially enacted by the balance sheet date. Deferred taxation is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred taxation is also dealt with in equity.

Financial instruments

Financial assets and financial liabilities are recognised on the balance sheet when a group entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

財務報表附註

Notes to the Financial Statements

4. 主要會計政策 (續)

金融工具 (續)

應收賬款及其他應收賬項以及應收同系附屬公司款項

應收賬款及其他應收賬項以及應收同系附屬公司款項其後以實際利率法按攤銷成本計算。倘有客觀證據顯示資產減值，即於溢利或虧損確認不可收回金額之適當撥備。所確認撥備金額為資產賬面值與按初步確認時以實際利率折算之估計未來現金流量現值之間差額。

現金及現金等值

現金及現金等值包括手頭現金及銀行存款，為價值變動風險極低之項目。

可供出售投資

並無於活躍市場報價及公平值無法可靠計算之可供出售股本投資，於初步確認後各結算日按成本減任何已識別減值虧損計算。倘有客觀證據顯示資產減值，即於溢利或虧損確認減值虧損。減值虧損為資產賬面值與按類似金融資產現行市場回報率折算之估計未來現金流量現值之間差額。有關減值虧損不會於日後期間撥回。

銀行貸款

計息銀行貸款初步按公平值計算，其後以實際利率法按攤銷成本計算。所得款項（已扣除交易成本）與清償或贖回借貸金額之間任何差額，按本集團有關借貸成本之會計政策於借貸期間確認。

應付賬款、其他應付賬項及已收訂金、應付同系附屬公司款項以及控股公司墊款

應付賬款、其他應付賬項及已收訂金、應付同系附屬公司款項以及控股公司墊款其後以實際利率法按攤銷成本計算。

衍生金融工具

衍生金融工具初步按合約日期之公平值計算，於其後呈報日期按公平值重新計算。

不合資格按對沖會計法入賬之衍生工具，視作持作買賣金融資產或持作買賣金融負債。有關衍生工具之公平值變動直接於溢利或虧損確認。

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Trade and other receivables, amounts due from fellow subsidiaries

Trade and other receivables and amounts due from fellow subsidiaries are subsequently measured at amortised cost using the effective interest method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and bank deposits and are subject to an insignificant risk of changes in value.

Available for sale investments

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, they are measured at cost less any identified impairment losses at each balance sheet date subsequent to initial recognition. An impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired. The amount of the impairment loss is measured as the difference between the carrying amount of the asset and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses will not reverse in subsequent periods.

Bank loans

Interest-bearing bank loans are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowings costs.

Trade payables, other payables and deposits received, amounts due to fellow subsidiaries and advance from a holding company

Trade payables, other payables and deposits received, amounts due to fellow subsidiaries and advance from a holding company are subsequently measured at amortised cost, using the effective interest method.

Derivative financial instruments

Derivative financial instruments are initially measured at fair value on the contract date, and are remeasured to fair value at subsequent reporting dates.

Derivatives that do not qualify for hedge accounting are deemed as financial assets held for trading or financial liabilities held for trading. Changes in fair values of such derivatives are recognised directly in profit or loss.

財務報表附註

Notes to the Financial Statements

4. 主要會計政策 (續)

股份付款

向本集團僱員授出購股權

股本結算股份付款按於授出日期之公平值計算，惟不包括非市場歸屬條件之影響。

參考所授出購股權於授出日期公平值釐定之取得服務公平值，以直線法於歸屬期支銷，而僱員股份酬金儲備則相應增加。

當購股權獲行使時，先前於僱員股份酬金儲備確認之金額將轉撥至股份溢價。倘購股權於屆滿日期尚未行使，先前於僱員股份酬金儲備確認之金額將轉撥至保留溢利。

退休福利供款

定額供款退休福利計劃付款於到期時支銷。

5. 關鍵會計判斷及主要不確定估計來源

應用上文附註4所載本集團會計政策時，管理層曾作出下列對財務報表所確認金額具最大影響力之判斷。

物業存貨

物業存貨按成本及可變現淨值中之較低者列賬。本集團於各結算日檢討物業存貨之賬面值，並根據現行市況估計預計物業價格，就確認賬面值低於可收回價值之存貨項目撥備。

遞延稅項

於二零零五年十二月三十一日，本集團於資產負債表就呆壞賬、存貨撥備及投資減值確認遞延稅項資產港幣248,863,000元。本公司董事認為，根據本集團中期業務計劃及預算，上述撥備將被未來數年所得溢利抵銷。因此，本集團於資產負債表確認遞延稅項資產。

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payments

Share options granted to employees of the Group

Equity-settled share-based payments are measured at fair value (excluding the effect of non market-based vesting conditions) at the date of grant.

The fair value of services received determined by reference to the fair value of share options granted at the grant date is expensed on a straight-line basis over the vesting period, with a corresponding increase in employee share-based compensation reserve.

At the time when the share options are exercised, the amount previously recognised in employee share-based compensation will be transferred to share premium. When the share options are still not exercised at the expiry date, the amount previously recognised in employee share-based compensation reserve will be transferred to retained profits.

Retirement benefit contributions

Payment to defined contribution retirement benefit schemes are charged as an expense as they fall due.

5. CRITICAL ACCOUNTING JUDGMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the process of applying the Group's accounting policies, which are described in note 4 above, management had made the following judgements that have the most significant effect on the amounts recognised in the financial statements.

Inventory of properties

Inventory of properties are measured at lower of cost or net realisable value. The management of the Group reviews the carrying amount of the inventory of properties at each balance sheet date, and makes allowance for inventory items identified to be carried at lower recoverable value through estimation of the expected property prices under current market conditions.

Deferred taxation

As at 31 December 2005, a deferred taxation asset of HK\$248,863,000 in relation to allowance for bad and doubtful debts, allowance for inventories and impairment of investments has been recognised in the Group's balance sheet. In the opinion of the directors of the Company, these allowances will be absorbed by profits to be generated, based on the Group's medium business plans and budgets, in the coming few years. Accordingly, the deferred taxation assets are recognised in the Group's balance sheet.

財務報表附註

Notes to the Financial Statements

6. 財務風險管理目標及政策

本集團之主要金融工具包括證券投資、可供出售投資、應收賬款及其他應收賬項、持作買賣投資、現金及銀行結餘、應付賬款、其他應付賬項及已收訂金、衍生金融工具以及銀行貸款。此等金融工具詳情於相關附註披露。下文載列與此等金融工具有關之風險及如何減低此等風險之政策。管理層管理及監控該等風險，確保及時採取有效適當措施。

信貸風險

於二零零五年十二月三十一日，本集團就訂約方未能履行其責任而按各類別已確認金融資產面對之最高信貸風險，為綜合資產負債表所述該等資產之賬面值。為盡量減低信貸風險，本集團管理層已委任一組人員，專責釐定信貸限額、批核信貸及進行其他監控程序，確保跟進追討逾期債務。此外，本集團於各結算日檢討個別貿易債務之可收回金額，確保就不可收回款項作出足夠減值虧損。就此，本公司董事認為，本集團之信貸風險已大幅減少。

由於本集團之信貸分散於若干訂約方及客戶，其信貸風險並無過度集中問題。

外匯風險

本集團以人民幣收取所有收入，大部分開支（包括銷售物業所產生開支及資本開支）亦以人民幣列值。本集團以人民幣自聯營公司收取股息。本集團業務所面對外匯風險極微。

人民幣不可自由匯兌。由於中華人民共和國（「中國」）政府可能實施控制，日後之人民幣匯率可能與現行或過往匯率有極大差異。此外，匯率亦可能受國內及國際經濟發展及政治變遷以及人民幣供求所影響。人民幣兌港幣及美元升值或貶值對本集團經營業績可能帶來正面或負面影響。

本集團若干借貸以港幣及美元列值。本集團現時並無外匯對沖政策。然而，管理層監控外匯風險，於有需要時將考慮對沖重大外匯風險。

6. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's major financial instruments include investments in securities, available for sale investments, trade and other receivables, investments held for trading, cash and bank balances, trade payables, other payables and deposits received, derivative financial instruments and bank loans. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Credit risk

The Group's maximum exposure to credit risk in the event of the counterparties failure to perform their obligations as at 31 December 2005 in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated balance sheet. In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at each balance sheet date to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The Group has no significant concentration of credit risk, with exposure spread over a number of counterparties and customers.

Currency risk

The Group collects all of its revenue in Renminbi ("RMB") and most of the expenditures including expenditures incurred in property sales as well as capital expenditures are also denominated in RMB. Dividends receivable by the Group from the associates were also collected in RMB. Minimum currency risk is noted in its operation.

RMB is not a freely convertible currency. Future exchange rates of RMB could vary significantly from the current or historical exchange rates as a result of controls that could be imposed by the People's Republic of China (the "PRC") government. The exchange rates may also be affected by economic developments and political changes domestically and internationally, and supply and demand of RMB. The appreciation or devaluation of RMB against Hong Kong Dollars ("HKD") and United States Dollars ("USD") may have positive or negative impact on the results of operations of the Group.

Certain borrowings of the Group are denominated in HKD and USD. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arises.

財務報表附註

Notes to the Financial Statements

6. 財務風險管理目標及政策 (續)

利率風險

本集團因應利率水平及前景以及利率波動對本集團財務狀況潛在影響，管理其利率風險。

本集團之政策為維持適當水平之定息及浮息借貸。銀行借貸之利率及還款條款於附註30披露。

6. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Interest rate risk

The Group manages its interest rate exposure based on interest rate level and outlook as well as potential impact on the Group's financial position arising from volatility.

The Group's policy is to maintain an appropriate level of borrowings in fixed rates and variable rates. The interest rates and terms of repayment of bank borrowings are disclosed in note 30.

7. 營業額

營業額指銷售已發展物業、物業租金收入、物業管理及有關服務所得之收入，詳情如下：

7. TURNOVER

Turnover represents income from sale of developed properties, property rental income, property management and related services as follows:

	2005	2004
	港幣千元 HK\$'000	港幣千元 HK\$'000 (重列) (restated)
銷售已發展物業	2,547,266	1,794,098
租金收入	68,101	21,881
物業管理及有關服務	91,519	73,701
	2,706,886	1,889,680

財務報表附註

Notes to the Financial Statements

8. 分類資料

(a) 業務分類

截至二零零五年十二月三十一日止年度

8. SEGMENT INFORMATION

(a) Business segments

Year ended 31 December 2005

		銷售已發展 物業 Sale of developed properties	物業投資 及管理 Property investments and management	合併 Consolidated
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
營業額	Turnover			
外銷	External sales	2,547,266	159,620	2,706,886
業績	Result			
分類業績	Segment result	363,110	73,059	436,169
未分配利息收入	Unallocated interest income			1,009
未分配其他收入	Unallocated other income			13,742
投資收入	Income from investments			103,921
未分配公司支出	Unallocated corporate expenses			(18,183)
應佔聯營公司業績	Share of results of associates			15,892
財務費用	Finance costs			(67,290)
除稅前溢利	Profit before taxation			485,260
稅項	Taxation			(46,937)
年內溢利	Profit for the year			438,323

財務報表附註

Notes to the Financial Statements

8. 分類資料 (續)

(a) 業務分類 (續)

截至二零零五年十二月三十一日止年度 (續)

8. SEGMENT INFORMATION (continued)

(a) Business segments (continued)

Year ended 31 December 2005 (continued)

		銷售已發展 物業 Sale of developed properties	物業投資 及管理 Property investments and management	未分配 Unallocated	合併 Consolidated
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
其他資料	Other information				
資本增添	Capital additions	109,688	53,182	109	162,979
折舊及攤銷	Depreciation and amortisation	14,377	5,198	127	19,702
呆壞賬抵備	Allowance for bad and doubtful debts	101,759	–	2,060	103,819
就可供出售投資確認之減值 虧損	Impairment loss recognised in respect of available for sale investments	–	–	7,299	7,299
出售物業、廠房及設備 虧損	Loss on disposal of property, plant and equipment	194	–	–	194

財務報表附註

Notes to the Financial Statements

8. 分類資料 (續)

(a) 業務分類 (續)

截至二零零五年十二月三十一日止年度

8. SEGMENT INFORMATION (continued)

(a) Business segments (continued)

Year ended 31 December 2005

		銷售已發展 物業 Sale of developed properties	物業投資 及管理 Property investments and management	合併 Consolidated
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
資產	Assets			
分類資產	Segment assets	8,151,377	7,298,938	15,450,315
於聯營公司之權益	Interests in associates			689,372
未分配公司資產	Unallocated corporate assets			1,635,016
綜合資產總值	Consolidated total assets			17,774,703
負債	Liabilities			
分類負債	Segment liabilities	5,221,304	2,378,629	7,599,933
未分配公司負債	Unallocated corporate liabilities			1,844,927
綜合負債總額	Consolidated total liabilities			9,444,860

財務報表附註

Notes to the Financial Statements

8. 分類資料 (續)

(a) 業務分類 (續)

截至二零零四年十二月三十一日止年度 (續)

8. SEGMENT INFORMATION (continued)

(a) Business segments (continued)

Year ended 31 December 2004 (continued)

		銷售已發展 物業 Sale of developed properties	物業投資 及管理 Property investments and management	合併 Consolidated
		港幣千元 HK\$'000 (重列) (restated)	港幣千元 HK\$'000 (重列) (restated)	港幣千元 HK\$'000 (重列) (restated)
營業額	Turnover			
外銷	External sales	1,794,098	95,582	1,889,680
業績	Result			
分類業績	Segment result	39,812	3,646	43,458
未分配利息收入	Unallocated interest income			953
投資收入	Income from investments			60,342
未分配公司支出	Unallocated corporate expenses			(12,699)
財務費用	Finance costs			(28,636)
應佔聯營公司業績	Share of results of associates			16,204
除稅前溢利	Profit before taxation			79,622
稅項	Taxation			(108,676)
年內虧損	Loss for the year			(29,054)

財務報表附註

Notes to the Financial Statements

8. 分類資料 (續)

(a) 業務分類 (續)

截至二零零四年十二月三十一日止年度 (續)

8. SEGMENT INFORMATION (continued)

(a) Business segments (continued)

Year ended 31 December 2004 (continued)

		銷售已發展 物業 Sale of developed properties	物業投資 及管理 Property investments and management	未分配 Unallocated	合併 Consolidated
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
其他資料	Other information				
資本增添	Capital additions	2,294	17	–	2,311
折舊及攤銷	Depreciation and amortisation	20,283	226	124	20,633
呆壞賬抵備	Allowance for bad and doubtful debts	116,671	–	–	116,671
物業存貨抵備	Allowance against inventory of properties	10,441	–	–	10,441
就證券投資確認之減值 虧損	Impairment loss recognised in respect of investments in securities	–	–	4,450	4,450

財務報表附註

Notes to the Financial Statements

8. 分類資料(續)

(a) 業務分類(續)

於二零零四年十二月三十一日

8. SEGMENT INFORMATION (continued)

(a) Business segments (continued)

At 31 December 2004

		銷售已 發展物業 Sale of developed properties	物業投資 及管理 Property investments and management	合併 Consolidated
		港幣千元 HK\$'000 (重列) (restated)	港幣千元 HK\$'000 (重列) (restated)	港幣千元 HK\$'000 (重列) (restated)
資產	Assets			
分類資產	Segment assets	8,721,397	26,633	8,748,030
於聯營公司之權益	Interests in associates			694,253
未分配公司資產	Unallocated corporate assets			932,425
綜合資產總值	Consolidated total assets			10,374,708
負債	Liabilities			
分類負債	Segment liabilities	1,936,535	71,140	2,007,675
未分配公司負債	Unallocated corporate liabilities			3,883,986
綜合負債總額	Consolidated total liabilities			5,891,661

(b) 由於本集團只在中國內地經營業務，所以並無呈列按地域劃分的分類資料。本集團所有資產均位於中國內地。

(b) No geographical segment analysis is shown as the Group's operating business is solely carried out in the Chinese Mainland. All the assets of the Group are situated in the Chinese Mainland.

財務報表附註

Notes to the Financial Statements

9. 其他收入

9. OTHER INCOME

		2005	2004
		港幣千元 HK\$'000	港幣千元 HK\$'000
投資物業公平價值變動之收益	Gain on changes in fair value of investment properties	49,084	68
上市證券之股息收入	Dividend income from listed securities	7,242	1,609
匯兌收益	Exchange gain	70,064	–
出售物業、廠房及設備之收益	Gain on disposal of property, plant and equipment	–	68
利息收入	Interest income	28,143	15,719
持作買賣投資公平價值變動之收益	Gain on changes in fair value of investments held for trading	96,679	58,733
衍生金融工具公平價值變動之收益	Gain on changes in fair value on derivative financial instruments	13,742	–
其他	Others	12,900	9,666
		277,854	85,863

財務報表附註

Notes to the Financial Statements

10. 董事酬金

已付或應付予14名(二零零四年:14名)董事之酬金如下:

10. DIRECTORS' EMOLUMENTS

The emoluments paid or payable to each of the 14 (2004: 14) directors were as follows:

		王印	關颺	劉百成	鍾義	陳鷹	陳凱	唐勇	何正榮	霍保樂	姜智宏	王石	黃廣志	何顯毅	施永青	總計
		Wang Yin	Yan Biao	Pak Shing	Zhong Yi	Chen Ying	Chen Kai	Tang Yong	Zheng Rong	He	Paul Chi Wang, Ralph	Wang Shi	Kong Chi	Hin Ngai	Shi	二零零五年
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
袍金	Fees															
執行董事	Executive directors	70	70	70	70	70	70	70	70	-	-	-	-	-	-	560
非執行董事	Non-executive directors	-	-	-	-	-	-	-	-	70	70	-	-	-	-	140
獨立非執行董事	Independent non-executive directors	-	-	-	-	-	-	-	-	-	-	100	100	32	68	300
		70	70	70	70	70	70	70	70	70	70	100	100	32	68	1,000
其他酬金	Other emoluments															
薪金及其他福利	Salaries and other benefits	783	-	-	-	873	760	871	749	-	-	-	-	-	-	4,036
購股權開支	Share option expense	-	246	44	-	129	129	129	129	-	-	-	-	-	-	806
退休福利計劃供款	Contribution to retirement benefits schemes	67	-	-	-	31	31	31	31	-	-	-	-	-	-	191
酬金總額	Total emoluments	850	246	44	-	1,033	920	1,031	909	-	-	-	-	-	-	5,033

		寧高寧	王印	關颺	劉百成	鍾義	陳鷹	陳凱	唐勇	何正榮	霍保樂	姜智宏	王石	黃廣志	施永青	總計
		Gao Ning	Wang Yin	Yan Biao	Pak Shing	Zhong Yi	Chen Ying	Chen Kai	Tang Yong	Zheng Rong	He	Paul Chi Wang, Ralph	Wang Shi	Kong Chi	Wing Ching	二零零四年
		Frank	Frank	Frank	Frank	Frank	Frank	Frank	Frank	Frank	Frank	Frank	Frank	Frank	Frank	Frank
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
袍金	Fees															
執行董事	Executive directors	20	20	20	20	20	20	20	20	20	-	-	-	-	-	180
非執行董事	Non-executive directors	-	-	-	-	-	-	-	-	-	20	20	-	-	-	40
獨立非執行董事	Independent non-executive directors	-	-	-	-	-	-	-	-	-	-	-	50	50	50	150
		20	20	20	20	20	20	20	20	20	20	20	50	50	50	370
其他酬金	Other emoluments															
薪金及其他福利	Salaries and other benefits	-	-	-	-	-	689	611	798	653	-	-	-	-	-	2,751
購股權開支	Share option expense	-	-	-	-	-	276	276	276	276	-	-	-	-	-	1,104
退休福利計劃供款	Contribution to retirement benefits schemes	-	-	-	-	-	18	18	18	18	-	-	-	-	-	72
酬金總額	Total emoluments	-	-	-	-	-	983	905	1,092	947	-	-	-	-	-	3,927

財務報表附註

Notes to the Financial Statements

11. 僱員酬金

本集團五名最高收入人士包括三名(二零零四年:三名)本公司董事,彼等之酬金載於上文附註10披露。其餘兩名(二零零四年:兩名)人士之酬金如下:

11. EMPLOYEES' EMOLUMENTS

Of the five individuals with the highest emoluments in the Group, three (2004: three) were directors of the Company whose emoluments are included in the disclosures in note 10 above. The emoluments of the remaining two (2004: two) individuals were as follows:

		2005	2004
		港幣千元 HK\$'000	港幣千元 HK\$'000
薪金及其他福利	Salaries and other benefits	2,314	2,100
退休福利計劃供款	Contribution to retirement benefits schemes	37	12
按表現發放之獎金	Performance related incentive payments	200	220
		2,551	2,332

彼等之酬金介乎下列範圍:

Their emoluments were within the following bands:

		僱員人數 No. of employees	
		2005	2004
無一港幣1,000,000元	Nil to HK\$1,000,000	1	1
港幣1,000,001元至港幣2,000,000元	HK\$1,000,001 to HK\$2,000,000	1	1
		2	2

12. 財務費用

12. FINANCE COSTS

		2005	2004
		港幣千元 HK\$'000	港幣千元 HK\$'000
下列項目之利息:	Interest on:		
可換股債券	Convertible bonds	-	(28)
銀行貸款	Bank loans	(186,413)	(101,922)
其他銀行收費	Other bank charges	-	(1,830)
借貸成本總額	Total borrowing costs	(186,413)	(103,780)
減:將利息撥充發展中物業資本	Less: Amount capitalised in properties under development	119,123	75,144
		(67,290)	(28,636)

本年度撥充資本之借貸成本來自一般借貸,其計算方法是以合資格資產之開支按資本化比率4%(二零零四年:4%)計算。

Borrowing costs capitalised during the year arose on the general borrowing pool and are calculated by applying a capitalisation rate of 4% (2004: 4%) to expenditure on qualifying assets.

財務報表附註

Notes to the Financial Statements

13. 稅項

13. TAXATION

		2005	2004
		港幣千元 HK\$'000	港幣千元 HK\$'000
支出包括:	The charge comprises:		
即期稅項:	Current tax:		
中國內地企業所得稅支出	Chinese Mainland enterprise income tax charged	(50,661)	(61,814)
過往年度超額撥備(撥備不足):	Over(under) provision in prior years:		
中國內地企業所得稅支出	Chinese Mainland enterprise income tax charged	24,202	(84,737)
		(26,459)	(146,551)
遞延稅項(附註22)	Deferred taxation (note 22)	(20,478)	37,875
本集團應佔稅項	Taxation attributable to the Group	(46,937)	(108,676)

兩個年度的中國內地企業所得稅的撥備是根據適用於中國內地附屬公司的相關企業所得稅法按本集團預計應課稅溢利計算所得。

本集團在上述兩個年度內並無任何應課稅溢利，故並無在財務報表內作出香港利得稅撥備。

過往年度撥備不足指一家附屬公司就其一九九八年至二零零二年課稅年度之應課稅溢利於年內所作出額外稅務評值有關之稅項支出。

Provision for Chinese Mainland enterprise income tax for both years has been made based on the Group's estimated assessable profits calculated in accordance with the relevant enterprise income tax laws applicable to the subsidiaries in the Chinese Mainland.

No provision for Hong Kong Profits Tax has been made in the financial statements as the Group did not have any assessable profits for both years.

The underprovision in prior years represent tax charge in connection to an additional tax assessment made in that year against a subsidiary's assessable profits in respect of the years of assessment 1998-2002.

財務報表附註

Notes to the Financial Statements

13. 稅項 (續)

本年度稅項支出與綜合損益表除稅前溢利對賬如下：

13. TAXATION (continued)

The taxation charge for the year can be reconciled to the profit before taxation per the consolidated income statement as follows:

		2005	2004
		港幣千元 HK\$'000	港幣千元 HK\$'000
除稅前溢利	Profit before taxation	485,260	79,622
減：應佔聯營公司業績	Less: Share of results of associates	(15,892)	(16,204)
本公司及其附屬公司應佔 除稅前溢利	Profit before taxation attributable to the Company and its subsidiaries	469,368	63,418
按本地稅率33% (二零零四年:33%) 計算之稅項	Tax charge at domestic tax rate of 33% (2004: 33%)	(154,891)	(20,928)
就稅務用途不得扣減開支之 稅務影響	Tax effect of expenses not deductible for tax purpose	(20,073)	(10,278)
就稅務用途毋須課稅收入之 稅務影響	Tax effect of income not taxable for tax purpose	47,512	31,438
未確認稅項虧損之稅務影響	Tax effect of tax losses not recognised	(6,897)	(29,284)
動用過往並未確認稅項虧損	Utilisation of tax losses previously not recognised	7,431	5,113
對不同稅基下收入之稅務影響 (附註)	Tax effect of income under different tax base (Note)	55,779	-
過往年度超額撥備 (撥備不足)	Over (under) provision in prior years	24,202	(84,737)
本年度稅項支出	Taxation charge for the year	(46,937)	(108,676)

附註：有關款額指按視作溢利之營業額之10%基準
計算向附屬公司徵收之所得稅。

Note: Amount represented income tax charged on subsidiaries based on 10% of turnover
as deemed profits.

財務報表附註

Notes to the Financial Statements

14. 年內溢利(虧損)

14. PROFIT (LOSS) FOR THE YEAR

		2005	2004
		港幣千元 HK\$'000	港幣千元 HK\$'000 (重列) (restated)
年內溢利(虧損)已扣除:	Profit (loss) for the year has been arrived at after charging:		
董事酬金	Directors' emoluments		
袍金	Fees	1,000	370
薪金及其他酬金	Salaries and other emoluments	5,033	3,927
其他員工成本	Other staff costs	66,498	43,713
退休福利成本, 不包括列為 董事酬金之款額	Retirement benefit cost, excluding amount included in directors' emoluments	8,910	4,704
其他購股權福利開支(不包括 列為董事酬金之款額)	Other share option benefits expenses (excluding amount included in directors' emoluments)	4,112	2,489
員工成本總額	Total staff costs	85,553	55,203
減:撥充發展中物業資本金額	Less: Amount capitalised in the properties under development	(11,381)	(17,291)
		74,172	37,912
確認為開支之存貨成本	Cost of inventories recognised as expense	2,133,519	1,662,256
列為銷售成本之物業存貨抵備	Allowance against inventory of properties included in cost of sales	-	10,441
列為一般及行政支出之可售 投資/證券投資已確認減值 虧損	Impairment loss recognised in respect of available for sale investments/investments in securities included in general and administrative expenses	7,299	4,450
核數師酬金	Auditors' remuneration	2,110	1,597
預付租金攤銷	Amortisation of prepaid lease payments	923	923
折舊及攤銷	Depreciation and amortisation	19,702	20,633
出售物業、廠房及設備之虧損	Loss on disposal of property, plant and equipment	194	-
分佔聯營公司稅項(已計入 應佔聯營公司業績)	Share of tax of associates (included in share of results of associates)	8,454	3,785
投資物業租金總額	Gross rental income from investment properties	68,101	21,881
減:年內產生租金收入之投資 物業之直接經營開支	Less: Direct operating expenses from investment properties that generated rental income during the year	(48,152)	(17,533)
		19,949	4,348

財務報表附註

Notes to the Financial Statements

15. 股息

15. DIVIDENDS

	2005	2004
	港幣千元 HK\$'000	港幣千元 HK\$'000
普通股： 擬派末期股息—每股港幣3.3仙 (二零零四年：每股港幣3.0仙) 因購股權獲行使而額外派發之 去年末期股息		
Ordinary shares: Final, proposed – HK3.3 cents per share (2004: HK3.0 cents) per share	102,679	45,080
Additional final dividend for prior year due to exercise of share options	200	–
	102,879	45,080

本公司董事建議派付末期股息每股港幣3.3仙(二零零四年：港幣3.0仙)，乃按最後已發行股份數目3,111,483,691股股份計算，並須獲股東於應屆股東大會批准。

The final dividend of HK3.3 cents (2004: HK3.0 cents) per share has been proposed by the directors of the Company which is based on the latest number of shares of 3,111,483,691 in issue and is subject to approval by the shareholders in the forthcoming general meeting.

16. 每股盈利

本公司普通股本持有人應佔每股基本及攤薄盈利乃按以下數據計算：

16. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the ordinary equity holders of the Company is based on the following data:

	2005	2004
	港幣千元 HK\$'000	港幣千元 HK\$'000 (重列) (restated)
<u>盈利</u>		
用作計算每股基本盈利之盈利 (本公司股本持有人應佔 本年度溢利)		
Earnings for the purpose of basic earnings per share (profit for the year attributable to equity holders of the Company)	384,512	21,361
有攤薄作用的潛在普通股： 可換股債券利息		
Effect of diluted potential ordinary shares: Interest on convertible bonds	–	28
攤銷發行可換股債券之直接支出		
Amortisation of direct expenses on issuance of convertible bonds	–	5
用作計算每股攤薄盈利之盈利	384,512	21,394
Earnings for the purpose of diluted earnings per share		

財務報表附註

Notes to the Financial Statements

16. 每股盈利 (續)

16. EARNINGS PER SHARE (continued)

		2005	2004 (重列) (restated)
股份數目	Number of shares		
用作計算每股基本盈利之加權 平均普通股數目	Weighted average number of ordinary shares for the purposes of basic earnings per share	1,552,007,867	1,502,667,428
有潛在攤薄作用的普通股	Effect of dilutive potential ordinary shares		
— 購股權	– Share options	25,016,462	4,420,754
— 可換股債券	– Convertible bonds	–	217,249
用作計算每股攤薄盈利之普通股數目	Number of ordinary shares for the purposes of diluted earnings per share	1,577,024,329	1,507,305,431

會計政策變動之影響

下表概述對每股基本及攤薄盈利之影響。

Impact of changes in accounting policies

The following table summaries the impact on both basic and diluted earnings per share.

		對每股基本盈利 之影響 Impact on basic earnings per share		對每股攤薄盈利 之影響 Impact on diluted earnings per share	
		2005	2004	2005	2004
		港幣仙 HK cents	港幣仙 HK cents	港幣仙 HK cents	港幣仙 HK cents
調整前呈報數字	Reported figures before adjustments	24.6	10.0	24.2	10.0
會計政策變動作出之調整	Adjustments arising from changes in accounting policies	0.2	(8.6)	0.2	(8.6)
呈報/重列	As reported/restated	24.8	1.4	24.4	1.4

財務報表附註

Notes to the Financial Statements

17. 物業、廠房及設備

17. PROPERTY, PLANT AND EQUIPMENT

		樓宇 Buildings	傢具及設備 Furniture and equipment	汽車 Motor vehicles	在建工程 Construction in progress	總計 Total
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
本集團	THE GROUP					
成本	COST					
於二零零四年一月一日	At 1 January 2004	436,141	17,313	13,243	–	466,697
添置	Additions	–	1,779	532	–	2,311
出售	Disposals	–	(870)	(422)	–	(1,292)
於二零零四年十二月三十一日	At 31 December 2004	436,141	18,222	13,353	–	467,716
幣值調整	Currency realignment	10,773	382	299	–	11,454
添置	Additions	82,976	29,034	1,676	–	113,686
收購附屬公司時取得	Acquired on acquisition of subsidiaries	8,768	16,865	4,757	18,903	49,293
出售	Disposals	–	(678)	(1,354)	–	(2,032)
於二零零五年十二月三十一日	At 31 December 2005	538,658	63,825	18,731	18,903	640,117
折舊及攤銷	DEPRECIATION AND AMORTISATION					
於二零零四年一月一日	At 1 January 2004	41,106	8,599	10,081	–	59,786
本年度撥備	Provided for the year	15,666	3,938	1,029	–	20,633
出售時對銷	Eliminated on disposals	–	(855)	(422)	–	(1,277)
於二零零四年十二月三十一日	At 31 December 2004	56,772	11,682	10,688	–	79,142
幣值調整	Currency realignment	1,603	217	256	–	2,076
本年度撥備	Provided for the year	13,923	4,597	1,182	–	19,702
出售時對銷	Eliminated on disposals	–	(484)	(1,354)	–	(1,838)
於二零零五年十二月三十一日	At 31 December 2005	72,298	16,012	10,772	–	99,082
賬面值	CARRYING VALUES					
於二零零五年十二月三十一日	At 31 December 2005	466,360	47,813	7,959	18,903	541,035
於二零零四年十二月三十一日	At 31 December 2004	379,369	6,540	2,665	–	388,574

樓宇位於中國內地，以中期租約持有。

Buildings are located in the Chinese Mainland and are held under medium-term leases.

財務報表附註

Notes to the Financial Statements

18. 預付租金

本集團之預付租金位於中國內地，以中期租約持有。預付租金按50年期攤銷。

18. PREPAID LEASE PAYMENTS

The Group's prepaid lease payments are situated in the Mainland China and held under medium term leases. The prepaid lease payments are amortised over 50 years.

19. 投資物業

19. INVESTMENT PROPERTIES

		港幣千元 HK\$'000
公平值	FAIR VALUE	
於二零零四年一月一日	At 1 January 2004	-
轉撥自物業存貨	Transferred from inventory of properties	440,732
於收益表確認之公平值增加	Increase in fair value recognised in income statement	68
		<hr/>
於二零零四年十二月三十一日	At 31 December 2004	440,800
幣值調整	Currency realignment	9,848
收購附屬公司	Acquisition of subsidiaries	5,951,377
添置	Additions	3,759
轉撥自物業存貨	Transferred from inventory of properties	512,766
於收益表確認之公平值增加	Increase in fair value recognised in income statement	49,084
		<hr/>
於二零零五年十二月三十一日	At 31 December 2005	6,967,634

本集團投資物業於二零零五年十二月三十一日之公平值乃按與本集團並無關連之獨立合資格專業估值師世邦魏理仕有限公司於該日進行之估值為基準得出。世邦魏理仕有限公司為估值師學會(Institute of Valuers)會員，擁有合適資格，最近亦有評估相關地區類似物業之經驗。有關估值符合國際評估準則，乃經參考類似物業之交易價格市場證據得出。

The fair value of the Group's investment properties at 31 December 2005 have been arrived at on the basis of a valuation carried out on that date by CB Richard Ellis Limited, independent qualified professional valuers not connected with the Group. CB Richard Ellis Limited are members of the Institute of Valuers, and have appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations. The valuation, which conforms to International Valuation Standards, was arrived at by reference to market evidence of transaction prices for similar properties.

本集團於賺取租金或作資金升值用途之租賃土地之全部物業權益均以公平值模式計量，並分類為及列作投資物業。

All of the Group's property interests in leasehold land to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.

於二零零五年十二月三十一日，本集團抵押約港幣2,289,102,000元之投資物業(二零零四年：無)，作為本集團獲授一般銀行融資之抵押。

The Group has pledged investment properties of approximately HK\$2,289,102,000 at 31 December 2005 (2004: Nil) to secure general banking facilities granted to the Group.

財務報表附註

Notes to the Financial Statements

20. 於聯營公司之權益

20. INTERESTS IN ASSOCIATES

		2005	2004
		港幣千元 HK\$'000	港幣千元 HK\$'000
於聯營公司非上市投資之成本	Cost of unlisted investments in associates	65,831	65,831
應佔收購後溢利，經扣除已收股息	Share of post-acquisition profits, net of dividend received	392,833	392,273
		458,664	458,104
應收一家聯營公司款項，經扣除抵備	Amount due from an associate, net of allowances	230,708	236,149
		689,372	694,253

本集團聯營公司之財務資料概要載列如下：

Summarised financial information in respect of the Group's associates is set out below:

		2005	2004
		港幣千元 HK\$'000	港幣千元 HK\$'000
資產總值	Total assets	1,765,474	1,740,507
負債總額	Total liabilities	(777,698)	(596,692)
資產淨值	Net assets	987,776	1,143,815
本集團應佔聯營公司之資產淨值	Group's share of associates' net assets	458,664	458,104
收益	Revenue	116,012	102,931
年內溢利	Profit for the year	25,467	31,535
本集團應佔聯營公司之年內溢利	Group's share of associates' profit for the year	15,892	16,204

應收一家聯營公司款項為無抵押、免息及無固定還款期。本公司董事認為該等款項不會於未來十二個月內償還，故此列作非流動款項。賬面值與公平值相若。

The amount due from an associate is unsecured, interest free and does not have fixed terms of repayment. In the opinion of the directors of the Company, the amounts will not be repayable in the next twelve months, accordingly, the amounts are shown as non-current. The carrying amount approximates to the fair value.

本集團聯營公司之詳情載於附註41(b)。

Particulars of the Group's associates are set out in note 41(b).

財務報表附註

Notes to the Financial Statements

21. 投資

21. INVESTMENTS

		2005
		港幣千元 HK\$'000
可供出售投資： 中國內地非上市股本證券 減：減值虧損	Available for sale investments: Unlisted equity securities in the Chinese Mainland Less: Impairment loss	371,908 (12,642)
		359,266

由於股本投資並無於活躍市場報價，加上估計合理公平值之範圍甚廣，以致本公司董事認為公平值無法可靠計量，故上述款項按成本扣除減值列賬。

根據香港會計準則第39號規定，自二零零五年一月一日起，非流動證券投資及流動證券投資分別重新分類為可供出售投資及持作買賣投資。於二零零四年十二月三十一日，非流動證券投資及流動證券投資分別為港幣314,430,000元及港幣226,390,000元。

The above were stated at cost less impairment since the equity investments do not have a quoted market price in an active market and the range of reasonable fair value estimates is so significant that the directors of the Company are of the opinion that the fair value cannot be reliably measured.

From 1 January 2005 onwards, non-current investments in securities and current investments in securities have been reclassified to available for sale investments and investments held for trading respectively, in accordance with the requirements of HKAS 39. At 31 December 2004, non-current investments in securities and current investments in securities amounted to HK\$314.43 million and HK\$226.39 million, respectively.

財務報表附註

Notes to the Financial Statements

22. 遞延稅項資產(負債)

以下為於本年度及過往年度已確認之主要遞延稅項資產(負債)以及有關變動。

22. DEFERRED TAXATION ASSETS (LIABILITIES)

The followings are the major deferred taxation assets (liabilities) recognised and movements thereon during the current and prior years.

		預售發展中 物業溢利 Profit on pre-sale of properties under development	投資物業 Investment properties (附註) (Note)	呆壞賬抵備 Allowance for bad and doubtful debts	其他 Other	總計 Total
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
於二零零四年一月一日	At 1 January 2004	(71,978)	–	165,973	34,949	128,944
會計政策變動之影響 (附註2)	Effect of changes in accounting policies (note 2)	71,978	–	–	–	71,978
計入(扣自)本年度收入	Credit (charge) to income for the year	–	–	165,973	34,949	200,922
		–	(4,072)	38,502	3,445	37,875
於二零零五年一月一日	At 1 January 2005	–	(4,072)	204,475	38,394	238,797
幣值調整	Currency realignment	–	(91)	4,568	858	5,335
計入(扣自)本年度收入	Credit (charge) to income for the year	–	(21,046)	(2,759)	3,327	(20,478)
收購附屬公司產生	Arising from acquisition of subsidiaries	–	(482,733)	–	–	(482,733)
於二零零五年十二月三十一日	At 31 December 2005	–	(507,942)	206,284	42,579	(259,079)

附註：投資物業之遞延稅項指會計折舊與稅項折舊之差額所產生臨時差額以及投資物業公平值變動之稅務影響。其他指存貨及投資減值抵備。

於結算日之遞延稅項結餘分析如下：

Note: The deferred taxation on investment properties represents the tax effect of temporary differences arising as a result of the differences between accounting depreciation and tax depreciation and on changes in fair value of investment properties. Other represents allowance for inventories and impairment of investments.

Analysis of the deferred taxation balances at the balance sheet date is as follows:

		2005 港幣千元 HK\$'000	2004 港幣千元 HK\$'000
遞延稅項資產	Deferred taxation assets	248,863	242,869
遞延稅項負債	Deferred taxation liabilities	(507,942)	(4,072)
		(259,079)	238,797

本公司董事認為，稅項虧損未必能抵銷本地課稅司法權區之日後應課稅溢利，故並無就港幣316,482,000元(二零零四年：港幣318,100,000元)之估計稅項虧損確認遞延稅項。稅項虧損最多可結轉5年。

No deferred taxation has been recognised in respect of estimated tax losses of HK\$316,482,000 (2004: HK\$318,100,000) as, in the opinion of the directors of the Company, it is uncertain that the tax losses can be utilised offset future taxable profit under local tax jurisdictions. The tax loss could be carried forward for a maximum of 5 years.

財務報表附註

Notes to the Financial Statements

23. 物業存貨

23. INVENTORY OF PROPERTIES

		2005	2004
		港幣千元 HK\$'000	港幣千元 HK\$'000
發展中物業	Properties under development	4,997,773	4,564,010
待售物業	Properties held for sale	1,070,554	952,151
		6,068,327	5,516,161

物業存貨位於中國內地，以中期租約持有。預期可於結算日起計十二個月後收回之物業存貨分類為流動資產，原因為該等存貨預期可於本公司正常營運週期變現。

The inventory of properties were located in the Chinese Mainland under medium term lease. Inventory of properties which are expected to be recovered in more than twelve months after the balance sheet date are classified under current asset as it is expected to be realised in the Company's normal operating cycle.

24. 其他存貨

24. OTHER INVENTORIES

		2005	2004
		港幣千元 HK\$'000	港幣千元 HK\$'000
原材料	Raw materials	445	6,818
消耗品及其他	Consumables and others	9,844	27
		10,289	6,845

存貨按原值列賬。

The inventories were carried at cost.

25. 應收賬款及其他應收賬項

25. TRADE AND OTHER RECEIVABLES

		2005	2004
		港幣千元 HK\$'000	港幣千元 HK\$'000
應收賬款	Trade receivables	717,955	584,159
其他應收賬項及預付款項	Other receivables and prepayments	548,576	707,492
減：累計減值	Less: Accumulated impairment	(501,848)	(386,062)
		764,683	905,589

基於本集團的業務性質，本集團一般不會給予其貿易客戶信貸期。

Due to the nature of business of the Group, the Group generally grants no credit period to its trade customers.

財務報表附註

Notes to the Financial Statements

25. 應收賬款及其他應收賬項 (續)

於結算日之應收賬款之賬齡分析如下:

一年內	Within one year
一年以上	Over one year

於二零零五年十二月三十一日, 本集團應收賬款及其他應收賬項之公平值與相應賬面值相若。

26. 應收同系附屬公司款項

有關款項為無抵押、免息及須於一年內償還。本公司董事認為賬面值與公平值相若。

27. 現金及銀行結存

現金及結存包括按現行市場利率計息之短期銀行存款。於二零零五年十二月三十一日之賬面值與公平值相若。

28. 應付賬款、其他應付賬項及已收訂金

25. TRADE AND OTHER RECEIVABLES (continued)

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

	2005	2004
	港幣千元 HK\$'000	港幣千元 HK\$'000
一年內	351,554	156,690
一年以上	70,106	193,518
	421,660	350,208

The fair value of the Group's trade and other receivables at 31 December 2005 was approximate to the corresponding carrying amount.

26. AMOUNTS DUE FROM FELLOW SUBSIDIARIES

The amounts are unsecured, interest-free and repayable within one year. The directors of the Company consider that the carrying value approximates the fair value.

27. CASH AND BANK BALANCES

Cash and bank balances comprise short-term bank deposits at prevailing market interest rates. The carrying amount as at 31 December 2005 approximates the fair value.

28. TRADE PAYABLES, OTHER PAYABLES AND DEPOSITS RECEIVED

		2005	2004
		港幣千元 HK\$'000	港幣千元 HK\$'000 (重列) (restated)
應付賬款	Trade payables	1,094,841	582,305
預售物業已收訂金	Deposits received from pre-sales of properties	1,178,065	1,195,363
其他應付賬項及應計費用	Other payables and accrued charges	405,305	336,845
		2,678,211	2,114,513

財務報表附註

Notes to the Financial Statements

28. 應付賬款、其他應付賬項及已收訂金 (續)

於結算日之應付賬款之賬齡分析如下：

		2005	2004
		港幣千元 HK\$'000	港幣千元 HK\$'000
一年內	Within one year	953,938	526,976
一年以上	Over one year	140,903	55,329
		1,094,841	582,305

於二零零五年十二月三十一日，本集團應付賬款、其他應付賬項及已收訂金之公平值與相應賬面值相若。

預期可於結算日起計十二個月後結清之預售物業已收訂金分類為流動負債，原因為該等訂金預期可於本公司正常營運週期結清。

29. 應付同系附屬公司款項／一家控股公司墊款

有關款項為無抵押、免息及須按要求償還。控股公司之墊款其後已轉換為本公司一家附屬公司之資本投資。本公司董事認為賬面值與公平值相若。

28. TRADE PAYABLES, OTHER PAYABLES AND DEPOSITS RECEIVED (continued)

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

The fair value of the Group's trade payables, other payables and deposits received at 31 December 2005 was approximate to the corresponding carrying amounts.

Deposits received from pre-sale of properties which is expected to be settled in more than twelve months after the balance sheet date is classified under current liability as it is expected to be settled in the Company's normal operating cycle.

29. AMOUNTS DUE TO FELLOW SUBSIDIARIES/ADVANCE FROM A HOLDING COMPANY

The amounts are unsecured, interest-free and repayable on demand. The advance from a holding company has been subsequently converted into capital investment in a subsidiary of the Company. The directors of the Company consider that the carrying value approximates to the fair value.

財務報表附註

Notes to the Financial Statements

30. 銀行借貸

30. BANK BORROWINGS

		2005	2004
		港幣千元 HK\$'000	港幣千元 HK\$'000
有抵押	Secured	1,345,400	–
無抵押	Unsecured	4,456,348	3,750,019
		5,801,748	3,750,019
於下列期間償還之賬面值：	Carrying amount repayable:		
按要求或一年內	On demand or within one year	1,842,210	1,937,000
一年以上但不超過兩年	More than one year but not exceeding two years	1,047,490	554,600
兩年以上但不超過五年	More than two years but not more than five years	2,912,048	1,258,419
		5,801,748	3,750,019
減：流動負債所示一年內 到期之款額	Less: Amounts due within one year shown under current liabilities	(1,842,210)	(1,937,000)
		3,959,538	1,813,019

本集團以有關集團實體之功能貨幣以外之貨幣計值之借貸載列如下：

The Group's borrowings that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

		2005	2004
		港幣千元 HK\$'000	港幣千元 HK\$'000
港幣	Hong Kong dollars	320,000	320,000
美元	United States dollars	218,224	218,224
		538,224	538,224

有關款額包括按平均固定利率4.9厘(二零零四年：4.7厘)計息之定息銀行貸款港幣3,507,546,000元(二零零四年：港幣1,662,530,000元)及按香港銀行同業拆息另加0.45厘與倫敦銀行同業拆息另加3.5厘(二零零四年：香港銀行同業拆息另加0.45厘與倫敦銀行同業拆息另加3.5厘)計息之浮息借貸港幣2,294,202,000元(二零零四年：港幣2,087,489,000元)。根據相關貸款協議所載條款，貸款須於到期時分期或一筆過償還。董事認為賬面值與公平值相若。

Amount included fixed-rate bank loans of HK\$3,507,546,000 (2004: HK\$1,662,530,000) which carries interest at average fixed rate of 4.9% (2004: 4.7%) and variable-rate borrowings of HK\$2,294,202,000 (2004: HK\$2,087,489,000) which carried interest at HIBOR + 0.45% and LIBOR + 3.50% (2004: HIBOR + 0.45% and LIBOR + 3.50%). The loans are repayable by instalments or in a lump sum upon maturity in accordance with the terms set out in the respective loan agreements. The directors consider that the carrying value approximates to the fair value.

財務報表附註

Notes to the Financial Statements

30. 銀行借貸(續)

以上本集團貸款中，合共港幣2,280,336,000元(二零零四年：港幣487,860,000元)及港幣218,223,000元(二零零四年：港幣314,957,000元)之貸款分別由中國華潤及華潤(集團)擔保。另外，關於本集團多筆合共港幣819,000,000元(二零零四年：港幣819,000,000元)之銀行貸款，按照相關貸款協議之條款，華潤(集團)在該等貸款之期間內須不時持有本公司已發行股本最少35%。

31. 本公司股本

30. BANK BORROWINGS (continued)

Included in the loans of the Group above, loans amounting to HK\$2,280,336,000 (2004: HK\$487,860,000) and HK\$218,223,000 (2004: HK\$314,957,000) were guaranteed by CRNC and CRH respectively. Also, in respect of bank loans of the Group amounted to HK\$819,000,000 (2004: HK\$819,000,000), in accordance with the terms of the respective loan agreements, CRH is required to hold not less than 35% of the issued share capital of the Company at any time during the period of the loans.

31. SHARE CAPITAL OF THE COMPANY

		Number of shares 股份數目		Share capital 股本	
		2005	2004	2005 港幣千元 HK\$'000	2004 港幣千元 HK\$'000
每股面值港幣0.10元之 普通股	Ordinary shares of HK\$0.10 each				
法定： 年初	Authorised: At the beginning of the year	2,000,000,000	2,000,000,000	200,000	200,000
於二零零五年六月二十七日 增加(附註)	Increase on 27 June 2005 (Note)	3,000,000,000	–	300,000	–
年終	At the end of the year	5,000,000,000	2,000,000,000	500,000	200,000
已發行及繳足 年初	Issued and fully paid At the beginning of the year	1,502,667,428	1,502,667,428	150,267	150,267
行使購股權(見附註32)	Exercise of share options (see note 32)	15,397,000	–	1,540	–
作為收購附屬公司之代價 而發行(見附註33)	Issued in consideration for the acquisition of subsidiaries (see note 33)	1,255,606,263	–	125,560	–
		2,773,670,691	1,502,667,428	277,367	150,267

附註：根據股東於二零零五年六月二十七日通過之書面決議案，透過額外增設3,000,000,000股每股面值港幣0.1元之股份，本公司法定股本由港幣200,000,000元增至港幣500,000,000元，而該等新增股份於各方面與現有股份享有同等地位。

Note: Pursuant to a written resolution passed by the shareholders on 27 June 2005, 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 3,000,000,000 shares of HK\$0.1 each, which rank pari passu in all respect with the existing shares.

財務報表附註

Notes to the Financial Statements

32. 購股權計劃

本公司設有購股權計劃，即「舊計劃」及「新計劃」，旨在加強參與者對本公司之承擔，以及努力實踐本公司目標。

舊計劃指本公司根據一項於二零零零年七月二十日通過之董事會決議案採納並於二零零二年一月三十一日前仍然有效的購股權計劃。於二零零二年一月三十一日，本公司股東批准終止舊計劃，致使不得再提呈其他購股權。舊計劃之合資格參與者屬於本公司及其附屬公司之僱員（包括本公司董事在內）。根據舊計劃，本公司董事釐定購股權之行使價。行使價不得超過二零零一年九月一日前適用之香港聯合交易所有限公司香港證券上市規則（「上市規則」）准許之折讓上限，並不得低於本公司股份之面值。舊計劃之購股權行使時以及授予各參與者之已發行及可予發行之股份數目，最多不超過二零零一年九月一日前適用之上市規則准許之上限。

新計劃指股東於二零零二年一月三十一日之股東大會上批准而本公司採納之購股權計劃。本公司董事會可向合資格參與者授出購股權，該等合資格參與者包括本公司執行或非執行董事；由本公司之任何僱員、執行或非執行董事所設立的全權信託之任何全權受益人；本集團之專家顧問、專業顧問及其他顧問之任何行政人員和僱員；本公司、本集團之聯營公司行政總裁或主要股東；本公司之董事、行政總裁及主要股東的聯繫人以及主要股東的僱員。根據新計劃，本公司董事釐定購股權之行使價，而且不會低於以下三者之最高價：本公司股份在購股權授出當日之收市價、股份在緊接購股權授出當日前五個營業日之平均收市價及股份面值。根據新計劃授出但尚未行使其所有購股權在悉數行使時可予發行之股份總數，以及根據新計劃將會授出之所有購股權在行使時予以發行之股份最高數目以及各參與者在新計劃下可獲之最高數目，分別相當於當時實行的上市規則所准許之上限。

承授人可於兩項計劃批授購股權之要約提出之日起二十八天內，支付合共港幣1元的代價接納要約。授出的購股權的歸屬及行使期由董事會全權釐定，但歸屬期不得超過四年及行使期由緊隨接納授出購股權之日期起計不得超過十年。倘僱員於購股權歸屬前離開本集團，購股權將告失效。

32. SHARE OPTION SCHEMES

The Company operates share option schemes for the purpose of promoting additional commitment and dedication to the objectives of the Company by participants, namely the “Old Scheme” and the “New Scheme”.

The Old Scheme refers to the share option scheme adopted by the Company pursuant to a board resolution passed on 20 July 2000, which subsisted until 31 January 2002. On 31 January 2002, the shareholders of the Company approved the termination (to the effect that no further options shall be offered) of the Old Scheme. Eligible participants of the Old Scheme were the employees of the Company and the subsidiaries (including directors of the Company). The exercise price of the share option under the Old Scheme is determined by the directors of the Company. The exercise price will not exceed the maximum discount permitted by the Rules Governing the Listing of Securities in Hong Kong of The Stock Exchange of Hong Kong Limited (the “Listing Rules”) applicable prior to 1 September 2001 and not less than the nominal value of the Company’s shares. The maximum number of shares issued and permitted to be issued on the exercise of options under the Old Scheme and to be granted to each participant does not exceed the maximum limit as permitted by the Listing Rules applicable before 1 September 2001.

The New Scheme refers to the share option scheme adopted by the Company which was approved by the shareholders in general meeting on 31 January 2002. The board of directors may grant options to eligible participants, including executive or non-executive directors of the Company, any discretionary object of a discretionary trust established by any employee, executive or non-executive directors of the Company, any executives and employees of consultants, professional and other advisors to the Group, chief executive, substantial shareholder of the Company, associate companies of the Group, associates of directors, chief executive and substantial shareholder of the Company, and employees of substantial shareholder. The exercise price of the share option under the New Scheme is determined by the directors of the Company, and will not be less than the higher of the closing price of the Company’s shares on the date of grant, the average closing price of the shares for the five business days immediately preceding the date of grant, and the nominal value of the share. The total number of shares that may be issued upon the exercise of all options granted and yet to be exercised under the New Scheme and the maximum number of shares that may be issued upon exercise of all options to be granted thereunder and the maximum entitlement of each participant under the New Scheme is respectively, equivalent to the maximum limit permitted under the prevailing Listing Rules.

The offer of a grant of share options under both schemes may be accepted within 28 days from the date of the offer together with the payment of HK\$1 in total by the grantee. The vesting and exercise period of the share options granted is determinable at the entire discretion of the board of directors with the vesting period not exceeding four years and the exercise period will not exceed a period of ten years immediately after acceptance of grant. Options are lapsed if the employee leaves the Group before the options vest.

財務報表附註

Notes to the Financial Statements

32. 購股權計劃 (續)

於二零零五年十二月三十一日，已經根據舊計劃及新計劃授出但尚未行使之購股權相關之股份數目分別為23,765,000股及94,018,000股(二零零四年:29,615,000股及82,760,000股)，相等於本公司於當日之已發行股份0.86%及3.39%(二零零四年:1.97%及5.5%)。

下表披露僱員(包括董事在內)持有之本公司購股權詳情及本年度之變動:

32. SHARE OPTION SCHEMES (continued)

At 31 December 2005, the number of shares in respect of which options had been granted and remained outstanding under the Old Scheme and the New Scheme were 23,765,000 and 94,018,000 (2004: 29,615,000 and 82,760,000) shares, representing 0.86% and 3.39% (2004: 1.97% and 5.5%), respectively, to the shares of the Company in issue at that date.

The following tables disclose details of the Company's share options held by employees (including directors) and movements in such holdings during the year:

				購股權數目 Number of share options				於二零零五年 十二月 三十一日
授出日期 Date of grant	每股 認購價 Subscription price per share	行使期 Exercisable period	於二零零五年 一月一日 尚未行使 Outstanding at 1.1.2005	年內授出 Granted during the year	年內行使 Exercised during the year	年內失效 Lapsed during the year	尚未行使 Outstanding at 31.12.2005	
	港幣 HK\$							
舊計劃	Old Scheme							
27/06/1997	4.592	27/06/1997 to 27/05/2007	16,075,000	-	-	-	16,075,000	
20/07/2000	0.990	20/07/2000 to 27/05/2007	13,540,000	-	(5,850,000)	-	7,690,000	
			29,615,000	-	(5,850,000)	-	23,765,000	
新計劃	New Scheme							
01/03/2002	1.610	01/03/2002 to 28/02/2012	12,200,000	-	-	-	12,200,000	
04/03/2002	1.590	04/03/2002 to 03/03/2012	28,170,000	-	(1,840,000)	(600,000)	25,730,000	
15/04/2002	1.610	15/04/2002 to 15/04/2012	4,400,000	-	(900,000)	-	3,500,000	
07/10/2002	0.960	07/10/2002 to 06/10/2012	9,350,000	-	(4,602,000)	-	4,748,000	
28/04/2004	1.040	28/04/2004 to 27/04/2014	28,640,000	-	(1,505,000)	(325,000)	26,810,000	
29/04/2005	1.42	29/04/2005 to 28/04/2015	-	8,580,000	-	(550,000)	8,030,000	
01/06/2005	1.23	01/06/2005 to 31/05/2015	-	11,700,000	(700,000)	-	11,000,000	
02/06/2005	1.27	02/06/2005 to 01/06/2015	-	1,200,000	-	-	1,200,000	
27/06/2005	1.34	27/06/2005 to 26/06/2015	-	800,000	-	-	800,000	
			82,760,000	22,280,000	(9,547,000)	(1,475,000)	94,018,000	
			112,375,000	22,280,000	(15,397,000)	(1,475,000)	117,783,000	

財務報表附註

Notes to the Financial Statements

32. 購股權計劃 (續)

32. SHARE OPTION SCHEMES (continued)

授出日期 Date of grant	每股 認購價 Subscription price per share	行使期 Exercisable period	購股權數目 Number of share options				於二零零四年 十二月 三十一日 尚未行使 Outstanding at 31.12.2004
			於二零零四年 一月一日 尚未行使 Outstanding at 1.1.2004	年內授出 Granted during the year	年內行使 Exercised during the year	年內失效 Lapsed during the year	
	港幣 HK\$						
舊計劃 Old Scheme							
27/06/1997	4.592	27/06/1997 to 27/05/2007	17,349,000	–	–	(1,274,000)	16,075,000
20/07/2000	0.990	20/07/2000 to 27/05/2007	13,890,000	–	–	(350,000)	13,540,000
			31,239,000	–	–	(1,624,000)	29,615,000
新計劃 New Scheme							
01/03/2002	1.610	01/03/2002 to 28/02/2012	12,200,000	–	–	–	12,200,000
04/03/2002	1.590	04/03/2002 to 03/03/2012	28,170,000	–	–	–	28,170,000
15/04/2002	1.610	15/04/2002 to 15/04/2012	5,300,000	–	–	(900,000)	4,400,000
07/10/2002	0.960	07/10/2002 to 06/10/2012	10,250,000	–	–	(900,000)	9,350,000
28/04/2004	1.040	28/04/2004 to 27/04/2014	–	29,590,000	–	(950,000)	28,640,000
			55,920,000	29,590,000	–	(2,750,000)	82,760,000
			87,159,000	29,590,000	–	(4,374,000)	112,375,000

財務報表附註

Notes to the Financial Statements

32. 購股權計劃 (續)

上表所包括本公司董事所持有購股權於本年度內之變動詳情如下：

32. SHARE OPTION SCHEMES (continued)

Details of the movements of the share options during the year held by the directors of the Company included in the above table are as follows:

	授出日期 Date of grant	每股 認購價 Subscription price per share	行使期 Exercisable period	購股權數目 Number of share options				於二零零五年 十二月 三十一日 尚未行使 Outstanding at 31.12.2005	
				於二零零五年 一月一日 尚未行使 Outstanding at 1.1.2005	年內授出 Granted during the year	年內行使 Exercised during the year	年內失效 Lapsed during the year		重新分配 (附註1) Reallocation (Note 1)
		港幣 HK\$							
舊計劃	Old Scheme								
	27/06/1997	4.592	27/06/1997 to 27/05/2007	6,800,000	-	-	-	(2,500,000)	4,300,000
	20/07/2000	0.990	20/07/2000 to 27/05/2007	8,200,000	-	-	-	(2,500,000)	5,700,000
				15,000,000	-	-	-	(5,000,000)	10,000,000
新計劃	New Scheme								
	01/03/2002	1.610	01/03/2002 to 28/02/2012	8,400,000	-	-	-	-	8,400,000
	04/03/2002	1.590	04/02/2002 to 28/02/2012	120,000	-	-	-	-	120,000
	15/04/2002	1.610	15/04/2002 to 28/02/2012	1,600,000	-	-	-	-	1,600,000
	28/04/2004	1.040	28/04/2004 to 27/04/2014	11,500,000	-	-	-	-	11,500,000
	02/06/2005	1.27	02/06/2005 to 01/06/2015	-	1,200,000	-	-	-	1,200,000
				21,620,000	1,200,000	-	-	-	22,820,000
				36,620,000	1,200,000	-	-	-	32,820,000

附註：

- 有關購股權重新分配因購股權持有人於本年度在本公司之職位由僱員轉為董事或由董事轉為僱員而產生。有關購股權已於過往年度向彼等授出。

Notes:

- The reallocation of options arose when the option holders changed their positions in the Company from employees to directors or vice versa during the year. The options were granted to them in previous years.

財務報表附註

Notes to the Financial Statements

32. 購股權計劃 (續)

32. SHARE OPTION SCHEMES (continued)

授出日期 Date of grant	每股 認購價 Subscription price per share	行使期 Exercisable period	購股權數目 Number of share options				於二零零四年 十二月 三十一日 尚未行使 Outstanding at 31.12.2004
			於二零零四年 一月一日 尚未行使 Outstanding at 1.1.2004	年內授出 Granted during the year	年內行使 Exercised during the year	年內失效 Lapsed during the year	
	港幣 HK\$						
舊計劃 Old Scheme							
27/06/1997	4.592	27/06/1997 to 27/05/2007	6,800,000	–	–	–	6,800,000
20/07/2000	0.990	20/07/2000 to 27/05/2007	8,200,000	–	–	–	8,200,000
			15,000,000	–	–	–	15,000,000
新計劃 New Scheme							
01/03/2002	1.610	01/03/2002 to 28/02/2012	8,400,000	–	–	–	8,400,000
04/03/2002	1.590	04/02/2002 to 28/02/2012	120,000	–	–	–	120,000
15/04/2002	1.610	15/04/2002 to 28/02/2012	1,600,000	–	–	–	1,600,000
28/04/2004	1.040	28/04/2004 to 27/04/2014	–	11,500,000	–	–	11,500,000
			10,120,000	11,500,000	–	–	21,620,000
			25,120,000	11,500,000	–	–	36,620,000

就年內行使之購股權而言，於行使日期之加權平均股價為港幣1.23元（二零零四年：港幣1.04元）。

In respect of the share options exercised during the year, the weighted average share price at the dates of exercise is HK\$1.23 (2004: HK\$1.04).

財務報表附註

Notes to the Financial Statements

32. 購股權計劃 (續)

截至二零零五年十二月三十一日止年度，本公司於四月二十九日、六月一日、六月二日及六月二十七日授出購股權。所授出購股權之估計公平值乃按柏力克•舒爾斯訂價模式計算。模式內容如下：

		28.4.2004	29.4.2005	1.6.2005	2.6.2005	27.6.2005
加權平均股價	Weighted average share price	港幣1.02元	港幣0.98元	港幣1.23元	港幣1.27元	港幣1.31元
行使價	Exercise price	港幣1.04元	港幣1.42元	港幣1.23元	港幣1.27元	港幣1.35元
預期可使用年期	Expected life	7年	7年	7年	7年	7年
無風險利率	Risk-free rate	3.82%	4.00%	4.71%	3.491%	3.409%
預期股息回報率	Expected dividend yield	2.65%	2.76%	3.48%	4.56%	4.58%
於授出日期之購股權公平值	Fair values of option at grant date	港幣0.358元	港幣0.259元	港幣0.334元	港幣0.352元	港幣0.352元
緊接授出日期前股份收市價	Closing share price immediately before date of grant	港幣1.03元	港幣1.38元	港幣1.25元	港幣1.23元	港幣1.34元

附註：由於柏力克•舒爾斯購股權訂價模式須加入極度主觀之假設，包括股價波動，故主觀假設變動或將對公平值估計構成重大影響。

預期波幅乃按標準預期股價回報40%計算，該回報乃按260天過往波動之平均數為基準。此模型或所用預期可使用年期已根據管理層就不可轉讓之最佳估計、行使限制及行為考慮作出調整。

截至二零零五年十二月三十一日止年度，本集團確認本公司所授出購股權開支總額約港幣4,918,000元（二零零四年：港幣3,593,000元）。

33. 收購附屬公司

於二零零五年十二月二十日，本集團以代價港幣3,207,315,387元，收購Boom Go Group Limited及King Role Limited全部已發行股本。收購已使用採購會計法入賬。收購所產生之收購折讓港幣1,131,520,000元被視為控股公司之注資，並已計入資本儲備。

King Role Limited持有華潤置地（北京）股份有限公司（「北京華潤置地」）21.53%股權。本集團於北京華潤置地之權益因收購而由70.43%增加至91.96%。

32. SHARE OPTION SCHEMES (continued)

During the year ended 31 December 2005, options were granted on 29 April, 1 June, 2 June and 27 June. The estimated fair values of the options granted were calculated using the Black-Scholes pricing model. The inputs into the model were as follows:

		28.4.2004	29.4.2005	1.6.2005	2.6.2005	27.6.2005
加權平均股價	Weighted average share price	港幣1.02元	港幣0.98元	港幣1.23元	港幣1.27元	港幣1.31元
行使價	Exercise price	港幣1.04元	港幣1.42元	港幣1.23元	港幣1.27元	港幣1.35元
預期可使用年期	Expected life	7年	7年	7年	7年	7年
無風險利率	Risk-free rate	3.82%	4.00%	4.71%	3.491%	3.409%
預期股息回報率	Expected dividend yield	2.65%	2.76%	3.48%	4.56%	4.58%
於授出日期之購股權公平值	Fair values of option at grant date	港幣0.358元	港幣0.259元	港幣0.334元	港幣0.352元	港幣0.352元
緊接授出日期前股份收市價	Closing share price immediately before date of grant	港幣1.03元	港幣1.38元	港幣1.25元	港幣1.23元	港幣1.34元

Note: Because the Black-Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of share price, changes in subjective input assumptions can materially affect the fair value estimate.

The expected volatility measured at the standard derivation of expected share price returns of 40% is used, which is based on average of 260 day historical volatility. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non transferability, exercise restrictions and behavioral considerations.

The Group recognised the total expense of approximately HK\$4,918,000 for the year ended 31 December 2005 (2004: HK\$3,593,000) in relation to share options granted by the Company.

33. ACQUISITION OF SUBSIDIARIES

On 20 December 2005, the Group acquired 100% of the issued share capital of Boom Go Group Limited and King Role Limited for consideration of HK\$3,207,315,387. This acquisition has been accounted for using the purchase method. The discount on acquisition of HK\$1,131,520,000 arising as a result of the acquisition was deemed as capital contribution from holding company and credited against capital reserve.

King Role Limited holds 21.53% on China Resources Land (Beijing) Co. Ltd. ("CRL Beijing"). As a result of the acquisition, the Group's interest in CRL Beijing increased from 70.43% to 91.96%.

財務報表附註

Notes to the Financial Statements

33. 收購附屬公司 (續)

所收購淨資產之賬面值與公平值相約，而所產生之折讓載列如下：

33. ACQUISITION OF SUBSIDIARIES (continued)

The carrying amount of net assets acquired approximates to the fair values, and the discount arising, are as follows:

		合併列賬前被收購方之 賬面值及公平值 Acquirees' carrying amount and fair value before combination 港幣千元 HK\$'000
所收購資產淨值：	Net assets acquired:	
物業、廠房及設備	Property, plant and equipment	49,293
投資物業	Investment properties	5,951,377
於聯營公司之權益	Interest in associates	601,725
可供出售投資	Available for sale investment	917
存貨	Inventories	9,392
應收賬款及其他應收賬項	Trade and other receivables	25,149
現金及銀行結存	Cash and bank balances	168,051
應付賬款、其他應付賬項及已收訂金	Trade payables, other payables and deposits received	(530,997)
應付稅項	Taxation payable	(2,229)
銀行貸款	Bank loans	(1,451,110)
遞延稅項負債	Deferred taxation liabilities	(482,733)
		4,338,835
收購折讓	Discount on acquisition	(1,131,520)
		3,207,315
總代價以下列方式支付：	Total consideration satisfied by:	
發行股份(附註)	Shares issued (Note)	2,872,199
出售一家附屬公司(附註34)	Disposal of a subsidiary (note 34)	323,074
應佔收購之直接成本	Direct cost attributable to the acquisition	12,042
		3,207,315
收購所產生之現金流入淨額：	Net cash inflow arising on acquisition:	
所收購現金及現金等值項目	Cash and cash equivalents acquired	168,051
已付現金代價	Cash consideration paid	(12,042)
有關購入附屬公司之現金及現金等值項目流入淨額	Net inflow of cash and cash equivalents in respect of the purchase of subsidiaries	156,009

附註：作為收購Boom Go Group Limited及King Role Limited代價之一部分，已發行本公司1,255,606,263股每股面值港幣0.1元之普通股(附註31)。按照收購日期可取得之公佈價格計算之本公司普通股公平值為港幣2,872,199,327元。

Note: As part of the consideration for the acquisition of Boom Go Group Limited and King Role Limited, 1,255,606,263 ordinary share of the Company with par value of HK\$0.1 each were issued (Note 31). The fair value of the ordinary shares of the Company, determined using the published price available at the date of the acquisition, amounted to HK\$2,872,199,327.

財務報表附註

Notes to the Financial Statements

33. 收購附屬公司 (續)

倘若收購於二零零五年一月一日完成，該期間之集團總營業額將為港幣3,158,000,000元，而年度溢利則為港幣2,433,000,000元。備考資料僅供說明，不一定能顯示倘若收購於二零零五年一月一日完成本集團之實際營業額及業績，且亦非未來業績之預測。本集團所收購附屬公司自收購日期起貢獻之營業額及溢利屬微不足道。

34. 出售一家附屬公司

於二零零五年十二月二十日，本集團出售其附屬公司Full Knowledge Investments Limited，作為收購Boom Go Group Limited及King Role Limited之部分代價。Full Knowledge Investments Limited於出售日期之資產淨值如下：

33. ACQUISITION OF SUBSIDIARIES (continued)

If the acquisition had been completed on 1 January 2005, total group turnover for the period would have been HK\$3,158 million, and profit for the year would have been HK\$2,433 million. The proforma information is for illustrative purposes only and is not necessarily an indication of turnover and results of the Group that actually would have been achieved had the acquisition been completed on 1 January 2005, nor is it intended to be a projection of future results. The turnover and profit contributed by the subsidiaries acquired to the Group from the acquisition date was insignificant.

34. DISPOSAL OF A SUBSIDIARY

On 20 December 2005, the Group disposed of its subsidiary, Full Knowledge Investments Limited as part of the consideration for the acquisition of Boom Go Group Limited and King Role Limited. The net assets of Full Knowledge Investments Limited at the date of disposal were as follows:

二零零五年
十二月二十日
20.12.2005
港幣千元
HK\$'000

NET ASSETS DISPOSED OF	
已出售下列項目之資產淨值	
持作買賣投資	Investments held for trading
收購代價	Consideration for acquisition
	323,074
	323,074

出售對現金流量並無影響。

No cash flow effect arising on the disposal.

35. 衍生金融工具

35. DERIVATIVE FINANCIAL INSTRUMENTS

	2005	2004
	港幣千元 HK\$'000	港幣千元 HK\$'000
貨幣掉期 Currency swap	(23,456)	-

財務報表附註

Notes to the Financial Statements

35. 衍生金融工具 (續)

於二零零三年六月三十日，本集團與一家銀行訂立一項匯率掉期，據此本集團及該銀行將分別作為人民幣538,031,000元及65,000,000美元之固定利率支付者。交易將於二零零六年六月三十日結算。

上述衍生工具乃於各結算日按公平值計量，其公平值乃根據於結算日同等工具之市場報價釐定。

35. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

On 30 June 2003, the Group has entered into a currency rate swap with a bank of which, the Group acted as the fixed rate payer of RMB538,031,000 and the bank as the fixed rate payer of US\$65,000,000. The transaction will be settled on 30 June 2006.

The above derivatives are measured at fair value at each balance sheet date. Their fair values are determined based on the quoted market prices for equivalent instruments at the balance sheet date.

36. 資本承擔

36. CAPITAL COMMITMENT

		2005	2004
		港幣千元 HK\$'000	港幣千元 HK\$'000
有關收購在建工程之資本開支：	Capital expenditure in respect of the acquisition of construction in progress:		
— 已訂約惟未於財務報表撥備	— Contracted for but not provided in the financial statements	28,878	—

37. 營業租約安排

本集團作為承租人

於本年度內按營業租約就辦公室物業已付之最低租約付款為港幣937,000元 (二零零四年：港幣769,000元)。

本集團於結算日根據以下年期屆滿之不可撤銷營業租約之未來最低租約付款承擔如下：

37. OPERATING LEASE ARRANGEMENTS

The Group as lessee

Minimum lease payments paid under operating leases during the year in respect of office premises was HK\$937,000 (2004: HK\$769,000).

At the balance sheet date, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

		2005	2004
		港幣千元 HK\$'000	港幣千元 HK\$'000
一年內	Within one year	2,290	645
第二至第五年 (包括首尾兩年)	In the second to fifth year inclusive	4,572	—
五年後	After five years	11	—
		6,873	645

營業租約付款指本集團就其若干辦公室物業應付之租金。租約平均按兩年期商議，租金亦平均按兩年期釐定。

Operating lease payments represent rentals payable by the Group for certain of its office premises. Leases are negotiated for an average term of one year to five years and rentals are fixed for an average of two years.

財務報表附註

Notes to the Financial Statements

37. 營業租約安排 (續)

本集團作為出租人

本年度賺取之物業租金收入為港幣68,101,000元(二零零四年:港幣21,881,000元)。由本集團持作租賃用途之物業已與租客訂立平均介乎1至5年之租期。

本集團於結算日已與租客訂立以下未來最低租約付款之租約:

37. OPERATING LEASE ARRANGEMENTS (continued)

The Group as lessor

Property rental income earned during the year was HK\$68,101,000 (2004: HK\$21,881,000). The properties held by the Group for rental purpose have committed tenants for an average ranged from 1 to 5 years.

At the balance sheet date, the Group had contracted with tenants for the following future minimum lease payments:

		2005	2004
		港幣千元 HK\$'000	港幣千元 HK\$'000
一年內	Within one year	480,456	37,763
第二至第五年(包括首尾兩年)	In the second to fifth year inclusive	777,530	114,143
五年後	After five years	169,058	67,793
		1,427,044	219,699

38. 退休福利計劃

(a) 香港

本集團為駐香港全體僱員參與一項根據強制性公積金條例(「強積金條例」)註冊之退休金計劃。該計劃為一項定額供款計劃,由僱主及僱員根據強積金條例之條文作出供款。

年內,本集團於香港所作出並自綜合收益表扣除之供款總額,相當於本集團根據計劃規則所訂比率應向計劃作出之供款,詳情如下:

38. RETIREMENT BENEFITS PLANS

(a) Hong Kong

The Group participates in a pension scheme, which was registered under the Mandatory Provident Fund Scheme Ordinance (the "MPF Ordinance"), for all its employees in Hong Kong. The scheme is a defined contribution scheme and is funded by contributions from employers and employees according to the provisions of the MPF Ordinance.

During the year, the total amounts contributed by the Group to the scheme in Hong Kong and charged to the consolidated income statement represent contributions payable to the scheme by the Group at rates specified in the rules of the scheme are as follows:

		2005	2004
		港幣千元 HK\$'000	港幣千元 HK\$'000
已作出及自綜合收益表 扣除之供款金額	Amount contributed and charged to the consolidated income statement	100	-

(b) 中國

本集團於中國之僱員為中國各地方政府所經營國家管理退休福利計劃之成員。本集團須按特定薪金成本百分比向計劃作出供款,作為福利計劃之資金。本集團就該等計劃之唯一責任為作出指定供款。

(b) PRC

The employees of the Group in the PRC are members of state-managed retirement benefit schemes operated by the respective local government in the PRC. The Group is required to contribute a specified percentage of payroll costs to the schemes to fund the benefits. The only obligation of the Group with respect to these schemes is to make the specified contributions.

財務報表附註

Notes to the Financial Statements

38. 退休福利計劃 (續)

(b) 中國 (續)

於各個年度就上述於中國之計劃自綜合收益表扣除之總成本如下:

38. RETIREMENT BENEFITS PLANS (continued)

(b) PRC (continued)

The total cost charged to the consolidated income statement in respect of the above-mentioned schemes in the PRC during each of the years are as follows:

		2005	2004
		港幣千元 HK\$'000	港幣千元 HK\$'000
已作出及自綜合收益表 扣除之供款金額	Amount contributed and charged to the consolidated income statement	8,810	4,704

39. 關連人士交易

(i) 與同系附屬公司/控股公司之交易

以下為本集團於本年度內曾與其同系附屬公司進行之重大關連人士交易概要:

39. RELATED PARTY TRANSACTIONS

(i) Transactions with fellow subsidiaries/holding companies

The following is a summary of the significant related party transactions entered into by the Group with its fellow subsidiaries during the year:

			已付租金 Rental paid		採購 Purchase		建築成本 Construction cost	
			2005	2004	2005	2004	2005	2004
			港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
		關係 Relationship						
華潤建築有限公司	China Resources Construction Company Limited	同系附屬公司 Fellow subsidiary	-	-	-	-	128,842	101,476
華潤管理有限公司	China Resources Management Limited	同系附屬公司 Fellow subsidiary	190	-	-	-	-	-
華潤(山東)石材有限公司	China Resources (Shandong) Stone Products Company Limited	同系附屬公司 Fellow subsidiary	-	-	-	2,642	-	-

年內，本集團亦曾透過發行股份作為代價，自其控股公司Gain Ahead Group Limited收購多間附屬公司。本集團因收購而獲得北京華潤置地之額外權益（見附註33）。

During the year, the Group also acquired subsidiaries from its holding company, Gain Ahead Group Limited through issue of shares as consideration. As a result of the acquisition, the Group has obtained additional interest in CRL Beijing (see note 33).

財務報表附註

Notes to the Financial Statements

39. 關連人士交易 (續)

(ii) 主要管理人員之補償

本公司董事及其他主要管理人員於年內之薪酬如下：

		2005	2004
		港幣千元 HK\$'000	港幣千元 HK\$'000
短期福利	Short-term benefits	5,036	3,121
受聘後福利	Post-employment benefits	191	72
股份付款	Share-based payments	806	1,104
		6,033	4,297

本公司董事及主要行政人員之薪酬乃由薪酬委員會經考慮個別表現及市場趨勢後釐定。

(iii) 與其他國家控制實體之交易/結餘

本集團正在一個以中國政府控制實體(「國家控制實體」)佔主導地位的經濟制度下營運。此外，本集團本身亦為中國政府所控制之中國華潤旗下一個較大規模集團公司之一部分。

除上文(i)所披露者外，本集團亦與其他國家控制實體進行以下業務：

- (a) 本集團於日常業務過程中於若干屬國家控制實體之銀行存放款項、借貸及進行其他一般銀行融資。鑑於該等銀行交易之性質，董事認為作出獨立披露並無意義。
- (b) 本集團與客戶及供應商進行買賣交易，而董事認為要確認對手方之身份，繼而確認交易是否與其他國家控制實體進行屬不切實際。

董事認為，該等國家控制實體就本集團與彼等進行之業務而言屬獨立第三方。

39. RELATED PARTY TRANSACTIONS (continued)

(ii) Compensation of key management personnel

The remuneration of directors of the Company and other members of key management during the year was as follows:

		2005	2004
		港幣千元 HK\$'000	港幣千元 HK\$'000
短期福利	Short-term benefits	5,036	3,121
受聘後福利	Post-employment benefits	191	72
股份付款	Share-based payments	806	1,104
		6,033	4,297

The remuneration of directors of the Company and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

(iii) Transactions/balances with other state-controlled entities in the PRC

The Group operates in an economic environment currently predominated by entities directly or indirectly owned or controlled by the PRC government ("state-controlled entities"). In addition, the Group itself is part of a larger group of companies under CRNC which is controlled by the PRC government.

Apart from the disclosure in (i) above, the Group also conducts business with other state-controlled entities as follows:

- (a) The Group has certain deposits placements, borrowings and other general banking facilities, with certain banks which are state-controlled entities in its ordinary course of business. In view of the nature of those banking transactions, the directors are of the opinion that separate disclosure would not be meaningful.
- (b) The Group has sales and purchases transactions with customers and suppliers, in which the directors are of the opinion that it is impracticable to ascertain the identity of the counterparties and accordingly whether the transactions are with other state-controlled entities.

The directors consider those state-controlled entities are independent third parties as far as the Group's business with them are concerned.

財務報表附註

Notes to the Financial Statements

40. 結算日後事項

於二零零六年一月二十日，Gain Ahead Group Limited（「賣方」）及本公司與J.P. Morgan Securities (Asia Pacific) Limited（「JP Morgan」）訂立配售及認購協議，據此，JP Morgan同意按每股股份港幣3.725元之價格，向不少於六名獨立承配人配售（或倘未能配售，則由其本身購買）賣方所擁有300,000,000股現有股份。JP Morgan所配售之股份（「配售」）相當於本公司當日現有已發行股本2,783,593,691股股份約10.78%，及本公司經認購及發行300,000,000股新股份（「認購」）擴大之已發行股本約9.73%。根據配售及認購協議，賣方有條件同意認購300,000,000股新股份，相當於配售股份數目。

認購所得款項淨額估計約港幣1,095,000,000元。有關配售及認購之開支總額約港幣22,400,000元，包括佣金、專業費用及其他附帶費用。

41. 附屬公司與聯營公司

(a) 本公司主要附屬公司於二零零五年十二月三十一日之資料載列如下：

40. EVENT AFTER THE BALANCE SHEET DATE

On 20 January 2006, Gain Ahead Group Limited (“the Vendor”) and the Company entered into a Placing and Subscription Agreement with J.P. Morgan Securities (Asia Pacific) Limited (“JP Morgan”) pursuant to which JP Morgan agreed to place (or failing which itself to purchase) 300,000,000 existing shares at a price of HK\$3.725 per share owned by the Vendor to not less than six independent placees. The shares placed by JP Morgan (“the Placing”) represented approximately 10.78% of the existing issued share capital of the Company of 2,783,593,691 shares on that date and approximately 9.73% of the Company’s issued share capital as enlarged by the subscription and issue of 300,000,000 new shares (“the Subscription”). Pursuant to the Placing and Subscription Agreement, the Vendor had conditionally agreed to subscribe for 300,000,000 new shares equivalent to the number of the placing shares.

The net proceeds from the Subscription were approximately HK\$1,095 million. The aggregate expenses relating to the Placing and the Subscription amounted to approximately HK\$22.4 million, including commissions, professional fees and other ancillary expenses.

41. SUBSIDIARIES AND ASSOCIATES

(a) Particulars of the Company’s principal subsidiaries as at 31 December 2005 are set out as follows:

附屬公司名稱 Name of subsidiary	已發行股本／ 註冊資本之面值 Nominal value of issued share capital/registered capital	由下列公司持有之已發行 股本／註冊資本之面值比例 Proportion of nominal value of issued share capital/ registered capital held by		主要業務 Principal activities
		本公司 Company	附屬公司 Subsidiaries	
堅實發展有限公司（「堅實發展」） Strong Foundation Developments Limited （“Strong Foundation”）	76,000美元 US\$76,000	100%	—	投資控股 Investment holding
Boom Go Group Limited （“Boom Go”）	11美元 US\$11	100%	—	投資控股 Investment holding
Best Hope Group Limited （“Best Hope”）	1美元 US\$1	—	100%	投資控股 Investment holding
Big Leap Group Limited （“Big Leap”）	1美元 US\$1	—	100%	投資控股 Investment holding
Direct Win Group Limited （“Direct Win”）	1美元 US\$1	—	100%	投資控股 Investment holding

財務報表附註

Notes to the Financial Statements

41. 附屬公司與聯營公司 (續)

41. SUBSIDIARIES AND ASSOCIATES (continued)

附屬公司名稱 Name of subsidiary	已發行股本/ 註冊資本之面值 Nominal value of issued share capital/registered capital	由下列公司持有之已發行 股本/註冊資本之面值比例 Proportion of nominal value of issued share capital/ registered capital held by		主要業務 Principal activities
		本公司 Company	附屬公司 Subsidiaries	
Bright Choice Group Limited ("Bright Choice")	1美元 US\$1	—	100%	投資控股 Investment holding
King Role Limited ("King Role")	3美元 US\$3	100%	—	投資控股 Investment holding
北京華潤大廈有限公司 (附註d) Beijing China Resources Building Company Limited (note d)	12,000,000美元 US\$12,000,000	—	100%	物業投資 Properties investment
北京華潤物業管理有限公司 (附註d) Beijing China Resources Property Management Company Limited (note d)	370,000美元 US\$370,000	—	100%	物業投資 Property management
華潤置地 (北京) 股份有限公司 (附註a) China Resources Land (Beijing) Co., Ltd. (note a)	人民幣1,300,000,000元 RMB1,300,000,000	—	91.96%	投資控股及物業發展 Investment holding and property development
華潤置地 (北京) 物業管理有限責任公司 (附註b) China Resources Land (Beijing) Property Management Co., Ltd. (note b)	人民幣5,000,000元 RMB5,000,000	—	100%	物業管理 Property management
北京華潤京通房地產開發有限責任公司 (附註b) Beijing China Resources Jingtong Property Development Company Limited (note b)	人民幣264,329,360元 RMB264,329,360	—	100%	物業發展 Property development
北京華潤曙光房地產開發有限責任公司 (附註b) Beijing China Resources Shuguang Real Estate Development Co., Ltd. (note b)	人民幣180,000,000元 RMB180,000,000	—	100%	物業發展 Property development
北京華潤健翔物業開發有限公司 (附註b) Beijing China Resources Jian Xiang Real Estate Development Co., Ltd. (note b)	10,000,000美元 US\$10,000,000	—	100%	物業發展 Property development
北京華兆電器設備有限責任公司 (附註b) Beijing Huazhao Electrical Equipment Co., Ltd. (note b)	人民幣2,000,000元 RMB2,000,000	—	100%	電機工程 Electrical engineering
北京華潤房地產經紀有限公司 (附註b) Beijing China Resources Property Agent Co., Ltd. (note b)	人民幣500,000元 RMB500,000	—	100%	物業代理 Property agency

財務報表附註

Notes to the Financial Statements

41. 附屬公司與聯營公司 (續)

41. SUBSIDIARIES AND ASSOCIATES (continued)

附屬公司名稱 Name of subsidiary	已發行股本/ 註冊資本之面值 Nominal value of issued share capital/registered capital	由下列公司持有之已發行 股本/註冊資本之面值比例 Proportion of nominal value of issued share capital/ registered capital held by		主要業務 Principal activities
		本公司 Company	附屬公司 Subsidiaries	
北京華潤新鎮置業有限責任公司 (附註b) Beijing China Resources Xin Zhen Property Co., Ltd. (note b)	人民幣10,000,000元 RMB10,000,000	—	100%	物業發展 Property development
北京中誠信房地產開發有限公司 (附註c) Beijing Zhongchengxin Property Development Co., Ltd. (note c)	人民幣28,000,000元 RMB28,000,000	—	80%	物業發展 Property development
華潤(上海)有限公司 (附註d) China Resources Shanghai Company Limited (note d)	40,000,000美元 US\$40,000,000	—	100%	物業投資 Properties investment
華潤置地(上海)有限公司 (附註d) China Resources Land (Shanghai) Limited (note d)	21,000,000美元 US\$21,000,000	—	100%	物業發展 Property development
China Resources Land (Shanghai) Management Co., Ltd. (附註d) (note d)	150,000美元 US\$150,000	—	100%	物業管理 Property management
華潤深圳有限公司 (附註d) China Resources (Shenzhen) Company Limited (note d)	人民幣212,000,000元 RMB212,000,000	—	100%	物業投資 Properties investment
深圳華潤物業管理有限公司 (附註d) Shenzhen China Resources Property Management Company Limited (note d)	人民幣5,000,000元 RMB5,000,000	—	100%	物業管理 Property management
華潤置地(成都)有限公司 (附註d) China Resources Land (Chengdu) Limited (note d)	17,000,000美元 US\$17,000,000	—	100%	物業發展 Property development
成都華潤置地物業管理有限公司 (附註b) (note b)	人民幣1,000,000元 RMB1,000,000	—	100%	物業管理 Property management
China Resources Land (Wuhan) Co., Ltd. (附註d) (Note d)	港幣62,240,000元 HK\$62,240,000	—	100%	物業發展 Property development
China Resources Land (Wuhan) Management Co., Ltd. (附註d) (Note d)	500,000美元 US\$500,000	—	100%	物業管理 Property management
China Resources Land (Hefei) Co., Ltd. (附註d) (note d)	9,600,000美元 US\$9,600,000	—	100%	物業發展 Property management

財務報表附註

Notes to the Financial Statements

41. 附屬公司與聯營公司 (續)

附註：

- (a) 該附屬公司乃一家於中國內地成立之股份有限公司。
- (b) 該附屬公司乃一家於中國內地成立之全內資企業。
- (c) 該附屬公司乃一家於中國內地成立之合資企業。
- (d) 該附屬公司乃一家於中國內地成立之全外資企業。

上表載列董事認為主要影響本集團業績或資產之本公司附屬公司。本公司董事認為如載列其他附屬公司之詳情，將令篇幅過於冗長。

除Strong Foundation、Boom Go、Best Hope、Big Leap、Director Win、Bright Choice及King Role於英屬處女群島註冊外，上表載列附屬公司全部均於中國內地成立及營運。

附屬公司並無發行任何貸款股本。

- (b) 本集團聯營公司於二零零五年十二月三十一日之資料載列如下：

41. SUBSIDIARIES AND ASSOCIATES (continued)

Notes:

- (a) The subsidiary is a joint stock limited company established in the Chinese Mainland.
- (b) The subsidiary is a domestic wholly owned enterprise established in the Chinese Mainland.
- (c) The subsidiary is an equity joint venture established in the Chinese Mainland.
- (d) The subsidiary is a foreign wholly owned enterprise established in the Chinese Mainland.

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

All the subsidiaries listed above are established and operating in the Chinese Mainland except for Strong Foundation, Boom Go, Best Hope, Big Leap, Direct Win, Bright Choice and King Role which are registered in the British Virgin Islands.

No loan capital has been issued by the subsidiaries.

- (b) Particulars of the Group's associates as at 31 December 2005 are set out as follows:

聯營公司名稱 Name of associate	已發行股本／ 註冊資本之面值 Nominal value of issued share capital/registered capital	華潤置地(北京) 持有應佔權益 Attributable interest held by CR (Beijing)	主要業務 Principal activities
北京華中國房地產開發有限公司(附註a) Beijing Huazhongyuan Property Development Co., Ltd. (note a)	11,000,000美元 US\$11,000,000	50%	物業投資及管理 Property investment and management
北京華威大廈有限公司(附註b) Beijing Hua Wei Center Co., Ltd. (note b)	12,920,000美元 US\$12,920,000	50%	物業投資及管理 Property investment and management
北京華嘉德裝飾工程有限公司(附註a) Beijing Hua Jiade Decoration Engineering Company Limited (note a)	350,000美元 US\$350,000	37.5%	提供室外裝飾服務 Provision of exterior decoration services

財務報表附註

Notes to the Financial Statements

41. 附屬公司與聯營公司 (續)

附註：

- (a) 該聯營公司乃一家於中國內地成立之內資企業。
- (b) 該聯營公司乃一家於中國內地成立之中外合資合營企業。

聯營公司全部均於中國內地成立及營運。

42. 本公司之資產負債表資料

本公司於結算日之資產負債表資料包括：

41. SUBSIDIARIES AND ASSOCIATES (continued)

Notes:

- (a) The associate is a domestic enterprise established in the Chinese Mainland.
- (b) The associate is a Sino-foreign equity joint venture established in the Chinese Mainland.

All the associates are established and operating in the Chinese Mainland.

42. BALANCE SHEET INFORMATION OF THE COMPANY

Balance sheet information of the Company at the balance sheet date includes:

		2005	2004
		港幣千元 HK\$'000	港幣千元 HK\$'000 (重列) (restated)
非流動資產	Non-current assets		
物業、廠房及設備	Property, plant and equipment	307	356
於附屬公司之權益	Interests in subsidiaries	4,117,192	4,484,296
		4,117,499	4,484,652
流動資產	Current assets		
其他應收賬項及預付款項	Other receivables and prepayments	3,800,154	8,922
現金及銀行結存	Cash and bank balances	33,888	102,380
		3,834,042	111,302
流動負債	Current liabilities		
其他應付賬項及應計費用	Other payables and accrued charges	50,807	9,817
銀行貸款—一年內到期	Bank loans – due within one year	–	1,326,000
衍生金融工具	Derivative financial instruments	23,456	–
		74,263	1,335,817
流動資產(負債)淨值	Net current assets (liabilities)	3,759,779	(1,224,515)
		7,877,278	3,260,137
股本及儲備	Capital and reserves		
股本(附註31)	Share capital (note 31)	277,367	150,267
儲備	Reserves	5,829,911	2,849,870
權益總額	Total equity	6,107,278	3,000,137
非流動負債	Non-current liabilities		
銀行貸款—一年後到期	Bank loans – due after one year	1,770,000	260,000
		7,877,278	3,260,137

財務報表附註

Notes to the Financial Statements

42. 本公司之資產負債表資料(續)

本公司於二零零五年之溢利約為港幣295,492,000元(二零零四年:港幣5,703,000元)。

43. 批准財務報表

第72至第136頁所載之財務報表已於二零零六年三月二十七日獲董事會批准及授權刊發。

42. BALANCE SHEET INFORMATION OF THE COMPANY (continued)

Profit of the Company for 2005 amounted to approximately HK\$295,492,000 (2004: HK\$5,703,000).

43. APPROVAL OF FINANCIAL STATEMENTS

The financial statements set out on pages 72 to 136 were approved and authorised for issue by the Board of Directors on 27th March 2006.