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Chairman's Statement

On behalf of the Board of Directors, I present the 2003/2004 Annual Report to the Shareholders.

RESULTS

The Group's audited results for the financial year ended 31st March 2004 was a loss of HK\$21,015,059 compared to a loss of HK\$56,689,304 for the previous year.

REVIEW & OUTLOOK

The Group's main activities in China consist of property and property related investments including hotel operations and the trading of furniture items. The loss is primarily due to a loss on decoration contractor and trading. The Shangri-La Dingshan Nanjing Hotel which is not operating at full capacity has also contributed towards the loss.

The development project in Shanghai has resumed full-speed after an agreement with the joint venture partner was successfully reached. In light of the blooming property market outlook in China, this project is expected to generate favourable income in the coming years. At the same time, the Group continues to look selectively for opportunities in acquisitions in China and forming strategic alliances. This is a long term strategy which needs time to realise. The Group is confident that this is the best strategy for business development in line with China's dynamic and fast growing economy

APPRECIATION

Lastly, I would like to express my sincere thanks to all our staff for their hard work and loyalty and to our shareholders for their continued support.

Wong Kin Wah, George
Chairman

Hong Kong, 19th July 2004

Management Discussion and Analysis

RESULTS

The Group's turnover for the financial year ended 31st March 2004 amounted to HK\$57,237,652. Loss attributed to the shareholders for the year totalled HK\$21,015,059.

PROPERTY & HOSPITALITY DIVISION

Shangri-La Dingshan Nanjing Hotel, Nanjing China

For the current financial year, the hotel managed to generate a positive contribution in spite of the fact that Phase 2 of the development, to provide an additional 200 rooms, has not been completed. After allowing for interests on bank loans and depreciation, the company showed a loss for the financial year.

Shanghai Garden City, Shanghai, China

Having resolved the previously disputed issues on the first phase of the project, an agreement was reached with the joint venture partner as to the development of the second phase. The project has now resumed full speed. Since then, the joint venture company managed to sell the majority of the completed apartments of the first phase at favourable prices. Several units and the shopping mall thereof remained unsold but are expected to fetch favourable offers. On the second phase, designs and detailed plan have been submitted to the authorities for which approval is expected shortly. Construction of this 15,000 square meter development is planned to commence in July/August 2004 with pre-sale taking place early 2005.

TRADING SALES AND CONTRACT WORKS

In the furnishing business, the retail sector was seriously affected by the outbreak of SARS in 2003. To cope with the situation, Gallaria Furnishing International Limited has adopted a concerted marketing campaign to focus the project-based strategy of supplying furniture and accessories to serviced apartments and hotels in Hong Kong and PRC. This approach has begun to improve the business outlook of the company and is expected to put it back on the profitability track.

FINANCIAL POSITION

The financial position of the Group remained healthy and apart from the HK\$3.5 million in bank overdrafts, the Group had a minimal amount of trade liabilities and commitments. The gearing ratio, representing the ratio of total bank borrowings to total assets, was 1.51% (2003: 1.56%).

The majority of income and expenses of the Group are dominated either in Yuan or Hong Kong Dollar. Hence the Group's exposure to fluctuations in the exchange rate is considered to be minimal and there is seldom the need to make use of financial instruments for hedging purposes.

At 31st March 2004, the Group had HK\$56 million net current assets in hand. This forms a solid foundation for the Group's forthcoming expansion and development.

CHARGES ON ASSETS

The Group did not have any charge on its assets as at 31st March 2004 (2003: Nil).

EMPLOYEES

Total number of employees in the Group excluding those under the payroll of the associated companies at 31st March 2004 was 83 compared with 78 at 31st March 2003. Remuneration packages are reviewed annually. In addition to the salary payment, other staff benefits include medical and hospitalisation insurance cover.

Report of the Directors

The Directors present their annual report and the audited financial statements for the year ended 31st March 2004.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and provision of corporate management services. The activities of its principal subsidiaries and associate are set out in notes 29 and 13 to the financial statements, respectively.

RESULTS

The results of the Group for the year ended 31st March 2004 are set out in the consolidated income statement on page 11.

The directors do not recommend the payment of a final dividend.

PROPERTY, PLANT AND EQUIPMENT

Details of movements during the year in the property, plant and equipment of the Group and the Company are set out in note 11 to the financial statements.

DIRECTORS

The directors of the Company during the year and up to the date of this report were:

Executive directors

Wong Kin Wah, George
Hwang Yiou Hwa, Victor
Hwang Yiu Hwa, Richard
Hwang Teh Hwa, Tony

Independent non-executive directors

Ma Chi Man
The Hon. Lau Hon Chuen, Ambrose, G.B.S., J.P.

In accordance with the Company's Bye-laws, Messrs. Hwang Teh Hwa, Tony and The Hon. Lau Hon Chuen, Ambrose, G.B.S., J.P., shall retire from the board at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

The term of office of each non-executive director is the period up to his retirement by rotation in accordance with the Company's Bye-laws.

Report of the Directors

DIRECTORS' INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS

- (a) During the year, the Group had the following transactions with Hong Kong Parkview Management Services Limited (“HKPV”) of which two children of Mr. Wong Kin Wah were directors and have beneficial interests.
- (i) Building management fee of HK\$101,016 was paid to HKPV for office management services provided to the Group.
 - (ii) General expenses of HK\$3,139,481 was paid to HKPV for daily operating activities provided to the Group.
- (b) Other than as disclosed above, no contracts of significance to which the Company, its holding company, fellow subsidiaries or subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.
- (c) At no time during the year was the Company, its holding company, fellow subsidiaries or subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.
- (d) No director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation other than statutory compensation.

MANAGEMENT PROFILES

A. Executive directors

Mr. Wong Kin Wah, George, aged 52 is Chairman of the Group. He has been engaged in construction and real estate business in Taiwan and Hong Kong since graduating in building construction design in 1973. He was appointed as Director in 1992.

Mr. Hwang Yiou Hwa, Victor, aged 50 held a Bachelor Degree in Administration and Finance. He has been involved in the Group’s overseas business developments. He was appointed as Director in 1992.

Mr. Hwang Yiu Hwa, Richard, aged 49 held a Bachelor Degree of Science in Civil Engineering. He has been involved in construction field since 1982. He was appointed as Director in 1993.

Mr. Hwang Teh Hwa, Tony, aged 48 held a Masters Degree in Management and Organisational Development. He is responsible for the development of business in mainland China. He was appointed as Director in 1992.

Mr. Wong Kin Wah, George, Mr. Hwang Yiou Hwa, Victor, Mr. Hwang Yiu Hwa, Richard and Mr. Hwang Teh Hwa, Tony are brothers.

Report of the Directors

MANAGEMENT PROFILES (Continued)

B. Independent non-executive directors

Mr. Ma Chi Man, aged 72 is a Vice-chairman of the International Chinese Culture Institute and the honorary chairman of Hong Kong Association of China Travel Organisations Limited. He was appointed as Director in 1994.

The Honourable Lau Hon Chuen, Ambrose, G.B.S., J.P., aged 57 is the senior partner of Chu & Lau, Solicitors and Notaries. Mr. Lau is a member of the Legislative Council, the Standing Committee Member of the National Committee of Chinese People's Political Consultative Conference and a member of the Board of the Urban Renewal Authority among his many public service appointments. He was appointed as Director in 1995.

C. Senior Management Staff

Mr. Sin Kit Leung, Peter, aged 64 held a diploma in Business Management. Mr. Sin has extensive experience in investment and real estate development. Mr. Sin joined the Group in 1990 and is responsible for business development of the Group.

Mr. Chan Chi Fai, Brian, aged 49 is a fellow member of The Association of Chartered Certified Accountants of the United Kingdom and the Hong Kong Society of Accountants. He has over 20 years of experience in banking and commercial sectors. Mr. Chan joined the Group in 1990 and is now responsible for the overall management of the Group.

Mr. Laurence Neil Baum, aged 50 is in charge of the Group's legal affairs since joining the Group in 1991. He is a Solicitor of the Supreme Court of England and Wales as well as Hong Kong.

Mr. Eric Charrington, aged 57 is a Fellow of the Institute of Chartered Accountants in England and Wales and the Hong Kong Society of Accountants. Before joining the Group in 1995, he was involved in direct investments in China and financial services in a multinational organisation.

Mr. Cheung King Ching, Herbert, aged 62 is an Authorised Person and Registered Architect with over 20 years of experience in construction and building industry. He joined the Hong Kong Parkview in 1988 and is responsible for the management of the Group's property construction activities.

Mr. Chow Kwing Chan, aged 52 has over 20 years of experience in the hotel industry and retail business. He joined the Hong Kong Parkview in 1988 and was involved in setting up the Group's motor car trading business. Since 1995 he has been in charge of Gallaria Furnishings International Limited.

Mr. Ng Chan Shing, Lawrence, aged 60 has 30 years of experience in government and commercial sectors. Before joining the Group in 1997, Mr. Ng was a director of a diversified public company. Mr. Ng is responsible for the Group's household equipment trading activities.

Report of the Directors

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN THE SHARE CAPITAL OF THE COMPANY

At 31st March 2004, the interests of the directors and the chief executives and their associates in the shares, underlying shares and convertible bonds of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, were as follows:

Long Positions – Ordinary Shares of HK\$0.10 each of the Company

Name of director	Capacity	Number of issued ordinary shares held	Percentage of the issued share capital of the Company
Wong Kin Wah, George	Beneficial owner	2,000,000	0.4%
	Held by controlled corporation (Notes 1 & 2)	391,674,138	73.2%
		393,674,138	73.6%
Hwang Yiou Hwa, Victor	Held by controlled corporation (Note 2)	293,674,138	54.9%
Hwang Yiu Hwa, Richard	Held by controlled corporation (Note 2)	293,674,138	54.9%
Hwang Teh Hwa, Tony	Held by controlled corporation (Note 2)	293,674,138	54.9%

Notes:

- 98,000,000 shares were held by High Return Trading Limited and in which Mr. Wong Kin Wah, George was deemed to have interests since he was entitled to exercise more than one-third of the voting power at the general meetings of High Return Trading Limited. This interest has also been disclosed under the section headed "SUBSTANTIAL SHAREHOLDERS".
- Messrs. Wong Kin Wah, George, Hwang Yiou Hwa, Victor, Hwang Yiu Hwa, Richard and Hwang Teh Hwa, Tony are directors and shareholders of Kompas International Limited which owned 293,674,138 shares in the Company.

Other than as disclosed above, none of the directors, chief executives, nor their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations as at 31st March 2004.

At no time during the year was the Company, or any of its subsidiaries or fellow subsidiaries, a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Report of the Directors

SUBSTANTIAL SHAREHOLDERS

As at 31st March 2004, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the Securities and Future Ordinance shows that other than the interests disclosed above in respect of certain directors and chief executives, the following shareholders had an interest in 5% or more of the issued share capital of the Company.

Long Positions – Ordinary Shares of HK\$0.10 each of the Company

Name of shareholder	Capacity	Number of issued ordinary shares held	Percentage of the issued share capital of the Company
Kompass International Limited	Beneficial owner	293,674,138	54.9%
High Return Trading Limited	Beneficial owner	98,000,000 (<i>Note</i>)	18.3%
Multi-Power International Limited	Beneficial owner	40,000,000	7.47%
Huang Jianquan	Beneficial owner	40,000,000	7.47%

Note: These shares represented the same parcel of shares as Mr. Wong Kin Wah, George was deemed to have interest in as disclosed above under “DIRECTORS’ AND CHIEF EXECUTIVES’ INTERESTS IN THE SHARE CAPITAL OF THE COMPANY”.

Other than as disclosed above, the Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company as at 31st March 2004.

MAJOR CUSTOMERS AND SUPPLIERS

The percentage of purchases attributable to the Group’s largest supplier and the five largest suppliers during the year was 5.3% and 13.1%, respectively.

The percentage of sales attributable to the Group’s largest customer and the five largest customers during the year was 23.7% and 45.4%, respectively.

None of the directors, their associates or any shareholder which to the knowledge of the directors owned more than 5% of the Company’s share capital has an interest in any of the Group’s five largest customers or five largest suppliers.

CONVERTIBLE SECURITIES, WARRANTS OR OPTIONS

There were no convertible securities, warrants or options issued by the Company or its subsidiaries during the year.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

During the year, there was no purchase, sale or redemption by the Company, or any of its subsidiaries, of the Company’s listed securities.

Report of the Directors

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-Laws, or the laws of Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

COMPLIANCE WITH CODE OF BEST PRACTICE

The Company has complied throughout the year ended 31st March 2004 with the Code of Best Practice as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

AUDITORS

A resolution will be submitted to the annual general meeting to re-appoint Messrs. Deloitte Touche Tohmatsu as auditors of the Company.

On behalf of the Board

Wong Kin Wah, George

Chairman

Hong Kong, 19th July 2004



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中環干諾道中111號
永安中心26樓

Deloitte Touche Tohmatsu
26/F Wing On Centre
111 Connaught Road Central
Hong Kong

TO THE MEMBERS OF
THE HONG KONG PARKVIEW GROUP LIMITED
(incorporated in Bermuda with limited liability)

We have audited the financial statements on pages 11 to 41 which have been prepared in accordance with accounting principles generally accepted in Hong Kong.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The Company's directors are responsible for the preparation of financial statements which give a true and fair view. In preparing financial statements which give a true and fair view it is fundamental that appropriate accounting policies are selected and applied consistently.

It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion solely to you, as a body, in accordance with section 90 of the Bermuda Companies Act, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

BASIS OF OPINION

We conducted our audit in accordance with Statements of Auditing Standards issued by the Hong Kong Society of Accountants. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the circumstances of the Company and the Group, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material misstatement. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements. We believe that our audit provides a reasonable basis for our opinion.

OPINION

In our opinion the financial statements give a true and fair view of the state of affairs of the Company and the Group as at 31st March 2004 and of the loss and cash flows of the Group for the year then ended and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong, 19th July 2004

Consolidated Income Statement

FOR THE YEAR ENDED 31ST MARCH 2004

	<i>Notes</i>	2004 HK\$	2003 <i>HK\$</i>
Turnover	4	57,237,652	46,911,430
Cost of sales		(45,961,789)	(33,898,934)
Gross profit		11,275,863	13,012,496
Other operating income		831,169	1,694,597
Administrative expenses		(24,464,368)	(26,593,589)
Allowances for doubtful debts		(6,767,800)	(569,757)
Allowances for inventories		(844,015)	(2,000,000)
Impairment loss reversed (recognised) in respect of investment in securities		11,622,394	(27,881,000)
Gain (loss) on disposal of investment in securities		831,826	(3,979,380)
Unrealised gain (loss) on investment in securities		42,000	(56,997)
Loss from operations	6	(7,472,931)	(46,373,630)
Finance costs	7	(313,357)	(273,871)
Gain on disposal of subsidiaries	24	–	610,091
Loss on deemed disposal of interest in a subsidiary	12	(4,955,847)	–
Share of results of associates		(6,369,400)	(15,436,516)
Loss before taxation		(19,111,535)	(61,473,926)
Taxation	9	(167,703)	(361,111)
Loss before minority interests		(19,279,238)	(61,835,037)
Minority interests		(1,735,821)	5,145,733
Net loss for the year		(21,015,059)	(56,689,304)
Dividend		–	–
Basic loss per share	10	(3.93 cents)	(10.59 cents)

Balance Sheets

AT 31ST MARCH 2004

	Notes	THE GROUP		THE COMPANY	
		2004 HK\$	2003 HK\$	2004 HK\$	2003 HK\$
Non-current assets					
Property, plant and equipment	11	13,904,372	17,120,592	696,032	1,314,050
Investment in subsidiaries	12	–	–	416,563,081	418,641,956
Interest in associates	13	74,758,167	83,167,406	9,510,211	9,497,257
Investment in securities	14	29,735,600	18,944,000	–	–
		118,398,139	119,231,998	426,769,324	429,453,263
Current assets					
Other receivables	15	1,657,351	1,500,000	1,500,000	1,500,000
Inventories	16	27,709,922	44,530,037	–	–
Contracts in progress	17	–	9,518,913	–	–
Accounts receivable and prepayments	18	16,808,822	19,388,470	1,896,008	610,858
Amounts due from minority shareholders		5,003,635	7,306,222	–	–
Amounts due from subsidiaries		–	–	5,777,934	7,994,165
Amounts due from associates		50,632,969	51,238,665	1,736,094	377,737
Amounts due from related companies		–	4,296,984	–	4,296,984
Tax recoverable		443,388	443,388	443,388	443,388
Investment in securities	14	84,000	42,058	–	–
Bank balances and cash		11,790,694	5,362,547	3,878,768	1,125,965
		114,130,781	143,627,284	15,232,192	16,349,097

Balance Sheets

AT 31ST MARCH 2004

	Notes	THE GROUP		THE COMPANY	
		2004 HK\$	2003 HK\$	2004 HK\$	2003 HK\$
Current liabilities					
Accounts payable and accrued charges	19	18,530,857	21,524,842	432,885	3,490,027
Loan from minority shareholders	20	11,096,466	29,950,789	–	–
Amounts due to subsidiaries	23	–	–	2,213,009	2,401,662
Advance from investee		3,460,560	–	–	–
Amounts due to related companies		16,539,050	29,574,397	21,006,487	28,621,760
Tax payable		4,187,528	4,191,556	–	–
Dividend payable		885,225	885,225	885,225	885,225
Bank overdrafts		3,518,346	4,090,160	–	–
		<u>58,218,032</u>	<u>90,216,969</u>	<u>24,537,606</u>	<u>35,398,674</u>
Net current assets (liabilities)		<u>55,912,749</u>	<u>53,410,315</u>	<u>(9,305,414)</u>	<u>(19,049,577)</u>
		<u>174,310,888</u>	<u>172,642,313</u>	<u>417,463,910</u>	<u>410,403,686</u>
Capital and reserves					
Share capital	21	53,535,926	53,535,926	53,535,926	53,535,926
Reserves	22	106,224,676	111,512,500	41,927,984	55,867,760
		<u>159,760,602</u>	<u>165,048,426</u>	<u>95,463,910</u>	<u>109,403,686</u>
Minority interests		12,650,107	5,693,708	–	–
Non-current liabilities					
Loans from minority shareholders	20	1,900,179	1,900,179	–	–
Amounts due to subsidiaries	23	–	–	322,000,000	301,000,000
		<u>174,310,888</u>	<u>172,642,313</u>	<u>417,463,910</u>	<u>410,403,686</u>

The financial statements on pages 11 to 41 were approved and authorised for issue by the Board of Directors on 19th July 2004 and are signed on its behalf by:

WONG KIN WAH, GEORGE
DIRECTOR

HWANG YIOU HWA, VICTOR
DIRECTOR

Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED 31ST MARCH 2004

	Share capital HK\$	Capital redemption reserve HK\$	Reserve/ (Goodwill) on consolidation HK\$	Capital reduction reserve HK\$	Investment revaluation reserve HK\$	Contributed surplus HK\$	Exchange reserve HK\$	Deficit HK\$	Total HK\$
THE GROUP									
At 1st April 2002	53,535,926	2,382,000	(26,486,075)	85,844,959	(28,723,549)	329,928,202	(4,024,035)	(210,058,626)	202,398,802
Exchange difference arising from translation of financial statements of foreign subsidiaries	-	-	-	-	-	-	(231,363)	-	(231,363)
Exchange difference arising from translation of financial statements of foreign associates	-	-	-	-	-	-	(167,742)	-	(167,742)
Unrealised loss on revaluation of investments in other securities	-	-	-	-	(9,547,000)	-	-	-	(9,547,000)
Net loss not recognised in the income statement	-	-	-	-	(9,547,000)	-	(399,105)	-	(9,946,105)
Eliminated on disposal of subsidiary	-	-	1,404,033	-	-	-	-	-	1,404,033
Net loss for the year	-	-	-	-	-	-	-	(56,689,304)	(56,689,304)
Impairment loss recognised in respect of investment in securities	-	-	-	-	27,881,000	-	-	-	27,881,000
At 31st March 2003 and 1st April 2003	53,535,926	2,382,000	(25,082,042)	85,844,959	(10,389,549)	329,928,202	(4,423,140)	(266,747,930)	165,048,426
Exchange difference arising from translation of financial statements of foreign subsidiaries	-	-	-	-	-	-	(486,211)	-	(486,211)
Exchange difference arising from translation of financial statements of foreign associates	-	-	-	-	-	-	(79,750)	-	(79,750)
Unrealised gain on revaluation of investments in other securities	-	-	-	-	7,678,135	-	-	-	7,678,135
Net gain (loss) not recognised in the income statement	-	-	-	-	7,678,135	-	(565,961)	-	7,112,174
Eliminated on disposal on investments in securities	-	-	-	-	8,615,061	-	-	-	8,615,061
Net loss for the year	-	-	-	-	-	-	-	(21,015,059)	(21,015,059)
At 31st March 2004	53,535,926	2,382,000	(25,082,042)	85,844,959	5,903,647	329,928,202	(4,989,101)	(287,762,989)	159,760,602

Included in the above is the Group's share of post acquisition reserves of the associates of deficit of HK\$30,532,072 (2003: deficit of HK\$24,082,922).

The reserve (goodwill) on consolidation comprises HK\$26,510,324 (2003: HK\$26,510,324) in respect of goodwill and HK\$1,428,282 (2003: HK\$1,428,282) in respect of negative goodwill.

The contributed surplus represented HK\$1,200,422,356 from the elimination of the entire share premium account and reduction of par value of the issued capital from HK\$1 to HK\$0.10 of the Company at the time of the capital restructuring of the Group as at 7th November 2001 less HK\$870,494,154 distributed out of the contributed surplus during the year ended 31st March 2002.

Consolidated Cash Flow Statement

FOR THE YEAR ENDED 31ST MARCH 2004

	<i>Note</i>	2004 HK\$	2003 <i>HK\$</i>
OPERATING ACTIVITIES			
Loss from operations		(7,472,931)	(46,373,630)
Adjustments for:			
Interest income		(15,116)	(134,682)
Depreciation		3,153,121	4,121,210
Allowances for doubtful debts		6,767,800	569,757
Allowances for inventories		844,015	2,000,000
Impairment loss (reversed) recognised in respect of investment in securities		(11,622,394)	27,881,000
(Gain) loss on disposal of investment in securities		(831,826)	3,979,380
Loss on disposal of property, plant and equipment		167,068	10,060
Gain on disposal of an associate		(230,934)	–
Unrealised (gain) loss on investment in securities		(42,000)	56,997
Interest capitalised in associates written off		–	222,250
		<hr/>	<hr/>
Operating cash flows before movements in working capital		(9,283,197)	(7,667,658)
Increase in other receivables		(157,351)	–
Decrease in inventories		15,976,100	2,755,099
Decrease (increase) in contract in progress		9,518,913	(9,378,826)
(Increase) decrease in accounts receivable and prepayments		(4,188,152)	520,521
Decrease in amounts due from minority shareholders		2,302,587	2,730
Decrease (increase) in amounts due from related companies		4,296,984	(187,021)
Decrease in payments received on accounts		–	(350)
(Decrease) increase in accounts payable and accrued charges		(2,993,985)	2,480,785
(Decrease) increase in amounts due to related companies		(13,035,347)	5,090,413
		<hr/>	<hr/>
Net cash from (used in) operations		2,436,552	(6,384,307)
Overseas tax paid		(171,731)	(596,264)
		<hr/>	<hr/>
NET CASH FROM (USED IN) OPERATING ACTIVITIES		2,264,821	(6,980,571)
INVESTING ACTIVITIES			
Interest received		15,116	134,682
Advance from (to) associates		2,796,719	(13,811,049)
Advance from investee		3,460,560	–
Acquisition of additional interest in a subsidiary		(156,000)	–
Purchase of property, plant and equipment		(143,970)	(84,494)
Disposal of subsidiaries (net of cash and cash equivalents disposed of)	24	–	(471,744)
Proceeds on disposal of investment in securities		17,955,874	1,472,620
Proceeds on disposal of property, plant and equipment		4,288	5,467
		<hr/>	<hr/>
NET CASH FROM (USED IN) INVESTING ACTIVITIES		23,932,587	(12,754,518)

Consolidated Cash Flow Statement

FOR THE YEAR ENDED 31ST MARCH 2004

	2004	2003
	HK\$	HK\$
FINANCING ACTIVITIES		
Dividends paid/special distribution	–	(35,774)
Interest paid	(313,357)	(273,871)
Repayment of advances from minority shareholders	(18,854,323)	(66,419)
NET CASH USED IN FINANCING ACTIVITIES	(19,167,680)	(376,064)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	7,029,728	(20,111,153)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	1,272,387	21,305,080
EFFECT ON FOREIGN EXCHANGE RATE CHANGES	(29,767)	78,460
CASH AND CASH EQUIVALENTS, END OF YEAR	8,272,348	1,272,387
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Bank balances and cash	11,790,694	5,362,547
Bank overdrafts	(3,518,346)	(4,090,160)
	8,272,348	1,272,387

Notes to the Financial Statements

FOR THE YEAR ENDED 31ST MARCH 2004

1. GENERAL

The Company is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited. Its ultimate holding company is Kompass International Limited, a company incorporated in the British Virgin Islands.

The principal activities of the Group are property dealing, decoration contractor and trading, provision of corporate management services, and investment and financing.

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has adopted, for the first time, the following Hong Kong Financial Reporting Standard (“HKFRS”), the revised Statement of Standard Accounting Practice (“SSAP”) 12 “Income Taxes” issued by the Hong Kong Society of Accountants (“HKSA”). The term of HKFRS is inclusive of SSAPs and Interpretations approved by the HKSA. The principal effect of the implementation of SSAP 12 (Revised) is in relation to deferred tax. In previous years, partial provision was made for deferred tax using the income statement liability method, i.e. a liability was recognised in respect of timing differences arising, except where those timing differences were not expected to reverse in the foreseeable future. SSAP 12 (Revised) requires the adoption of a balance sheet liability method, whereby deferred tax is recognised in respect of all temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, with limited exceptions. In the absence of any specific requirements in SSAP 12 (Revised), the new accounting policy has been applied retrospectively. The adoption of this SSAP has had no material effect on the results for the current or prior accounting years. Accordingly, no prior period adjustment has been required.

3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention, as modified for the revaluation of investment in securities.

The financial statements have been prepared in accordance with accounting principles generally accepted in Hong Kong. The principal accounting policies adopted are set out below:

Basis of consolidation

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

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

Goodwill

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

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

Notes to the Financial Statements

FOR THE YEAR ENDED 31ST MARCH 2004

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Goodwill (Continued)

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

On disposal of a subsidiary or an associate, the attributable amount of unamortised goodwill/goodwill previously eliminated against or credited to reserves is included in the determination of the profit or loss on disposal.

Negative goodwill

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

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

Negative goodwill arising on acquisitions on or after 1st April 2001 is presented as deduction from assets and will be released to income based on an analysis of the circumstances from which the balance resulted.

Negative goodwill arising on the acquisition of an associate is deducted from the carrying value of that associate. Negative goodwill arising on the acquisition of subsidiaries is presented separately in the balance sheet as a deduction from assets.

Revenue recognition

Income from property sales is recognised on the execution of a binding sales agreement.

Rental income is recognised on a straight-line basis over the relevant lease term.

Trading sales are recognised when the goods are delivered and title has passed.

Income from sale of investment in securities is recognised on a trade date basis.

Revenue from long-term decoration contract is recognised over the course of the development and is computed in each year as a proportion of the total estimated revenue of construction. The proportion used in calculation is based on the proportion of construction costs incurred to date to estimate total construction costs to completion of the construction after taking into account of foreseeable losses.

Management fee income and consultancy fee income are recognised when the relevant services are rendered.

Notes to the Financial Statements

FOR THE YEAR ENDED 31ST MARCH 2004

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

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

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

Property, plant and equipment

Property, plant and equipment are stated at cost less depreciation and accumulated impairment losses, if any.

Depreciation is provided to write off the cost of property, plant and equipment, over their estimated useful lives and after taking into account their estimated residual value, using the straight-line method, at the following rates per annum:

Leasehold land	Over the term of the relevant lease
Buildings	Over the shorter of the lease term, and 20 years
Machinery, equipment and motor vehicles	5% – 33 $\frac{1}{3}$ %
Furniture and fixtures	2% – 20%
Leasehold improvements	20% or over the life of the lease, if shorter

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

Investments in subsidiaries

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

Interest in associates

The consolidated income statement includes the Group's share of the post-acquisition results of its associates for the year. In the consolidated balance sheet, interests in associates are stated at the Group's share of the net assets/liabilities of the associates, less any identified impairment loss.

The results of associates are accounted for by the Company on the basis of dividends received and receivable during the year. In the Company's balance sheet, investments in associates are stated at cost, as reduced by any identified impairment loss.

Notes to the Financial Statements

FOR THE YEAR ENDED 31ST MARCH 2004

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in securities

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

All securities are measured at fair value at subsequent reporting dates.

Where securities are held for trading purposes, unrealised gains and losses are included in net profit or loss for the year. For other securities, unrealised gains and losses are dealt with in the investment revaluation reserve, until the security is disposed of or is determined to be impaired, at which time the cumulative gain or loss is included in net profit or loss for the year.

Inventories

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

Contracts in progress

Contracts in progress is stated at cost plus attributable profits, less foreseeable losses and progress payments received.

Impairment

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

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

Taxation

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

The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Notes to the Financial Statements

FOR THE YEAR ENDED 31ST MARCH 2004

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

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

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

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

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

Foreign currencies

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

On consolidation, the financial statements of subsidiaries which are denominated in currencies other than Hong Kong dollar are translated at rates ruling on the balance sheet date. Income and expense items are translated at the average exchange rates for the period. Profits and losses arising on consolidation are dealt with in the exchange reserve.

Operating leases

Rentals payable under operating leases are charged to income on a straight-line basis over the term of the relevant lease.

Retirement benefit costs

Payments to the retirement contribution schemes are charged as expenses as they fall due.

Notes to the Financial Statements

FOR THE YEAR ENDED 31ST MARCH 2004

4. TURNOVER

	2004	2003
	HK\$	HK\$
Consultancy fee income	–	3,000,000
Dividend income	–	4,465
Income from decoration contracts	16,168,561	13,100,179
Income from property sales	23,178,315	–
Management fee income	3,172,309	3,230,120
Trading sales	14,718,467	27,576,666
	<u>57,237,652</u>	<u>46,911,430</u>

5. BUSINESS AND GEOGRAPHICAL SEGMENTS

Business segments

For management purposes, the Group is currently organised into four operating divisions – decoration contractor and trading of building supplies, management and consultancy services, investment and financing and property dealing. These divisions are the basis on which the Group reports its primary segment information.

Segment information about these businesses is presented below:

2004

	Decoration contractor and trading HK\$	Management and consultancy services HK\$	Investment and financing HK\$	Property dealing HK\$	Consolidated HK\$
TURNOVER	<u>30,887,028</u>	<u>3,172,309</u>	<u>–</u>	<u>23,178,315</u>	<u>57,237,652</u>
RESULT					
Segment result	<u>(7,166,194)</u>	<u>1,327,562</u>	<u>4,911,484</u>	<u>4,249,315</u>	<u>3,322,167</u>
Unallocated corporate expenses					(11,626,267)
Other operating income					<u>831,169</u>
Loss from operations					(7,472,931)
Finance costs					(313,357)
Loss on deemed disposal of interest in a subsidiary	–	–	–	(4,955,847)	(4,955,847)
Share of results of associates	–	–	(6,369,400)	–	<u>(6,369,400)</u>
Loss before taxation					(19,111,535)
Taxation					<u>(167,703)</u>
Loss before minority interests					<u>(19,279,238)</u>

Notes to the Financial Statements

FOR THE YEAR ENDED 31ST MARCH 2004

5. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

Business segments (Continued)

2004 (Continued)

BALANCE SHEET

	Decoration contractor and trading <i>HK\$</i>	Management and consultancy services <i>HK\$</i>	Investment and financing <i>HK\$</i>	Property dealing <i>HK\$</i>	Consolidated <i>HK\$</i>
ASSETS					
Segment assets	<u>23,075,184</u>	<u>1,126,465</u>	<u>99,992,770</u>	<u>33,132,946</u>	157,327,365
Interest in associates	–	–	74,758,167	–	74,758,167
Unallocated corporate assets					<u>443,388</u>
Consolidated total assets					<u>232,528,920</u>
LIABILITIES					
Segment liabilities	<u>6,709,786</u>	<u>382,863</u>	<u>15,380,483</u>	<u>15,082,574</u>	37,555,706
Unallocated corporate liabilities					<u>22,562,505</u>
Consolidated total liabilities					<u>60,118,211</u>
OTHER INFORMATION					
Additions to property, plant and equipment	126,954	3,672	5,910	7,434	143,970
Depreciation	91,660	11,471	843,928	2,206,062	3,153,121
Allowances for doubtful debts	287,752	–	6,480,048	–	6,767,800
Allowances for inventories	844,015	–	–	–	844,015
Loss on disposal of property, plant and equipment	<u>57,830</u>	<u>3,730</u>	<u>–</u>	<u>105,508</u>	<u>167,068</u>

Notes to the Financial Statements

FOR THE YEAR ENDED 31ST MARCH 2004

5. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

Business segments (Continued)

2003

	Decoration contractor and trading <i>HK\$</i>	Management and consultancy services <i>HK\$</i>	Investment and financing <i>HK\$</i>	Property dealing <i>HK\$</i>	Consolidated <i>HK\$</i>
TURNOVER	40,676,845	6,230,120	4,465	-	46,911,430
RESULT					
Segment result	(84,874)	50,928	(31,503,377)	(2,432,618)	(33,969,941)
Unallocated corporate expenses					(14,098,286)
Other operating income					1,694,597
Loss from operations					(46,373,630)
Finance costs					(273,871)
Gain on disposal of subsidiaries	610,091	-	-	-	610,091
Share of results of associates	-	-	(15,436,516)	-	(15,436,516)
Loss before taxation					(61,473,926)
Taxation					(361,111)
Loss before minority interests					(61,835,037)

Notes to the Financial Statements

FOR THE YEAR ENDED 31ST MARCH 2004

5. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

Business segments (Continued)

2003 (Continued)

BALANCE SHEET

	Decoration contractor and trading <i>HK\$</i>	Management and consultancy services <i>HK\$</i>	Investment and financing <i>HK\$</i>	Property dealing <i>HK\$</i>	Consolidated <i>HK\$</i>
ASSETS					
Segment assets	37,639,849	1,738,887	87,836,016	52,033,736	179,248,488
Interest in associates	–	–	83,167,406	–	83,167,406
Unallocated corporate assets					443,388
Consolidated total assets					262,859,282
LIABILITIES					
Segment liabilities	20,029,756	337,480	27,584,135	8,123,253	56,074,624
Unallocated corporate liabilities					36,042,524
Consolidated total liabilities					92,117,148
OTHER INFORMATION					
Additions to property, plant and equipment	19,836	23,428	41,230	–	84,494
Depreciation and amortisation	140,337	25,263	1,219,224	2,736,386	4,121,210
Allowances for doubtful debts	121,200	–	448,557	–	569,757
Allowances for inventories	2,000,000	–	–	–	2,000,000
Loss on disposal of property, plant and equipment	–	10,060	–	–	10,060
Unrealised loss on investments in securities	–	–	56,997	–	56,997
Interest capitalised in associates written off	–	–	222,250	–	222,250
Impairment loss recognised in respect of investment in securities	–	–	27,881,000	–	27,881,000

Notes to the Financial Statements

FOR THE YEAR ENDED 31ST MARCH 2004

5. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

Geographical segments

The Group's operations are located in Hong Kong and the People's Republic of China (the "PRC").

The following table provides an analysis of the Group's sales by geographical market, irrespective of the origin of the goods/services:

	Turnover	
	2004	2003
	HK\$	HK\$
Hong Kong	18,899,040	19,094,693
The PRC	38,338,612	27,816,737
	<u>57,237,652</u>	<u>46,911,430</u>

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

	Carrying amount of segment assets		Additions to property, plant and equipment	
	2004	2003	2004	2003
	HK\$	HK\$	HK\$	HK\$
Hong Kong	172,733,836	180,196,930	132,864	55,079
The PRC	59,795,084	82,662,352	11,106	29,415
	<u>232,528,920</u>	<u>262,859,282</u>	<u>143,970</u>	<u>84,494</u>

Notes to the Financial Statements

FOR THE YEAR ENDED 31ST MARCH 2004

6. LOSS FROM OPERATIONS

	2004	2003
	HK\$	HK\$
Loss from operations has been arrived at after charging (crediting):		
Auditors' remuneration	487,590	568,874
Depreciation on property, plant and equipment	3,153,121	4,121,210
Exchange (gain) loss	(296,960)	173,782
Gain on disposal of an associate	(230,934)	–
Interest capitalised in associates written off	–	222,250
Interest income	(15,116)	(134,682)
Loss on disposal of property, plant and equipment	167,068	10,060
Property rental income arising from operating leases less nil (2003: nil) outgoings	(77,097)	–
Rental under operating leases on land and buildings	343,600	1,056,000
Retirement benefits costs	224,402	241,376
Staff costs	<u>9,482,952</u>	<u>10,293,352</u>

7. FINANCE COSTS

	2004	2003
	HK\$	HK\$
Interest on bank overdrafts wholly repayable within five years	<u>313,357</u>	<u>273,871</u>

8. EMOLUMENTS OF DIRECTORS AND HIGHEST PAID EMPLOYEES

No emoluments were paid to directors for both years.

Five Highest Paid Employees

	2004	2003
	HK\$	HK\$
Salaries and other emoluments	2,998,695	2,982,240
Retirement benefits costs	<u>36,000</u>	<u>36,000</u>
	<u>3,034,695</u>	<u>3,018,240</u>
	2004	2003
	No. of employees	
HK\$Nil – HK\$1,000,000	<u>5</u>	<u>5</u>

Notes to the Financial Statements

FOR THE YEAR ENDED 31ST MARCH 2004

9. TAXATION

	2004	2003
	HK\$	HK\$
The tax charge comprises:		
Hong Kong Profits Tax	–	–
PRC taxation	<u>167,703</u>	<u>361,111</u>
	<u>167,703</u>	<u>361,111</u>

No provision for Hong Kong Profits Tax was made as the Group has no assessable profits for the year. Taxation arising in other jurisdictions is calculated at the rates of taxation prevailing in the respective jurisdictions in which the Group operates.

During the year, the Hong Kong Profits Tax rate was increased from 16% to 17.5% with effect from the 2003/2004 year of assessment.

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

	2004		2003	
	HK\$	%	HK\$	%
Loss before taxation	<u>(19,111,535)</u>		<u>(61,473,926)</u>	
Tax at the income tax rate	(3,344,519)	17.5	(9,835,828)	16.0
Tax effect of expenses that are not deductible in determining taxable profit	2,237,628	(11.7)	8,233,070	(13.4)
Tax effect of income that is not taxable in determining taxable profit	(2,222,548)	11.6	(119,164)	0.2
Tax effect of tax losses not recognised	3,418,372	(17.9)	1,897,006	(3.1)
Effect of different tax rate of subsidiaries	<u>78,770</u>	<u>(0.4)</u>	<u>186,027</u>	<u>(0.3)</u>
Tax expense and effective tax rate for the year	<u>167,703</u>	<u>(0.9)</u>	<u>361,111</u>	<u>(0.6)</u>

At 31st March 2004, the Group has unused estimated tax losses of approximately HK\$139,302,000 (2003: HK\$119,769,000) available for offset against future profits. No deferred tax asset in respect of the estimated tax losses has been recognised due to the unpredictability of future profit streams. The estimated tax losses may be carried forward indefinitely.

At the balance sheet date, the Group has deductible temporary differences of approximately HK\$6,276,000 (2003: HK\$5,626,000). No deferred tax asset has been recognised in relation to such deductible temporary difference as it is not probable that taxable profit will be available against which the deductible temporary differences can be utilised.

Notes to the Financial Statements

FOR THE YEAR ENDED 31ST MARCH 2004

10. BASIC LOSS PER SHARE

The calculation of loss per share is based on the consolidated loss for the year of HK\$21,015,059 (2003: HK\$56,689,304) and on 535,359,258 (2003: 535,359,258) ordinary shares in issue during the year.

No diluted loss has been presented as there were no potential ordinary shares in issue in both years.

11. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings <i>HK\$</i>	Machinery, equipment and motor vehicles <i>HK\$</i>	Furniture and fixtures <i>HK\$</i>	Leasehold improvements <i>HK\$</i>	Total <i>HK\$</i>
THE GROUP					
COST					
At 1st April 2003	35,193,525	6,890,852	15,362,230	12,584,645	70,031,252
Exchange adjustment	(37,341)	(1,598)	(2,891)	(2,173)	(44,003)
Additions	–	132,864	11,106	–	143,970
Disposals	–	(56,581)	(1,119,041)	(2,162,839)	(3,338,461)
At 31st March 2004	<u>35,156,184</u>	<u>6,965,537</u>	<u>14,251,404</u>	<u>10,419,633</u>	<u>66,792,758</u>
ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSS					
At 1st April 2003	30,957,708	6,346,111	4,892,288	10,714,553	52,910,660
Exchange adjustment	(4,294)	(1,254)	(2,220)	(522)	(8,290)
Charge for the year	1,579,843	224,405	497,435	851,438	3,153,121
Eliminated on disposals	–	(44,372)	(1,005,515)	(2,117,218)	(3,167,105)
At 31st March 2004	<u>32,533,257</u>	<u>6,524,890</u>	<u>4,381,988</u>	<u>9,448,251</u>	<u>52,888,386</u>
NET BOOK VALUES					
At 31st March 2004	<u>2,622,927</u>	<u>440,647</u>	<u>9,869,416</u>	<u>971,382</u>	<u>13,904,372</u>
At 31st March 2003	4,235,817	544,741	10,469,942	1,870,092	17,120,592

Land and buildings are situated in the PRC and held under medium-term leases.

Notes to the Financial Statements

FOR THE YEAR ENDED 31ST MARCH 2004

11. PROPERTY, PLANT AND EQUIPMENT (Continued)

	Leasehold improvements <i>HK\$</i>	Furniture and fixtures <i>HK\$</i>	Office equipment and machinery <i>HK\$</i>	Total <i>HK\$</i>
THE COMPANY				
COST				
At 1st April 2003	8,374,061	1,403,435	4,452,993	14,230,489
Additions	–	–	5,910	5,910
At 31st March 2004	8,374,061	1,403,435	4,458,903	14,236,399
ACCUMULATED DEPRECIATION				
At 1st April 2003	7,576,674	1,109,715	4,230,050	12,916,439
Charge for the year	439,677	111,083	73,168	623,928
At 31st March 2004	8,016,351	1,220,798	4,303,218	13,540,367
NET BOOK VALUES				
At 31st March 2004	357,710	182,637	155,685	696,032
At 31st March 2003	797,387	293,720	222,943	1,314,050

12. INVESTMENT IN SUBSIDIARIES

	THE COMPANY	
	2004	2003
	HK\$	<i>HK\$</i>
Unlisted shares, at cost	224,552,753	224,552,753
Shareholders' loans	126,661,038	136,161,038
Amounts due therefrom	190,529,207	181,529,207
Less: Impairment loss	(125,179,917)	(123,601,042)
	416,563,081	418,641,956

The shareholders' loans and the amounts due from subsidiaries are unsecured, interest free and will not be repayable within one year.

The impairment loss mainly represents the write off of investment costs of certain subsidiaries and write down of loans and amounts due therefrom to the recoverable amounts.

Notes to the Financial Statements

FOR THE YEAR ENDED 31ST MARCH 2004

12. INVESTMENT IN SUBSIDIARIES (Continued)

A subsidiary, Shanghai Qiao-Yi Real Estate Co., Ltd., (“Qiao-Yi”), was held by the Group and a PRC minority shareholder (“Party A”) at 80% and 20% respectively. In the previous year Qiao-Yi was undergoing voluntary dissolution. On further negotiation, an agreement was reached on 24th June 2003 between the two parties to continue the joint venture. Both parties agreed:

- (1) To rescind the voluntary dissolution;
- (2) To relinquish their respective claims in the dispute;
- (3) To jointly hold the remaining parcel of land equally;
- (4) To jointly hold the club house equally;
- (5) To continue to sell the completed units in order to repay the shareholders’ loans from both parties. The profit/loss and remaining net assets, excluding the parcel of land and club house mentioned in (3) and (4) above, will be distributed among the shareholders according to the revised shares of 63.4% for the Group and 36.6% for Party A;
- (6) After the distribution of the remaining net assets at the revised respective shares mentioned in (5) above, the memorandum and articles of Qiao-Yi and other related documents will be amended to reflect the equal sharing of the parcel of land and club house as mentioned in (3) and (4) above.

At 31st March 2004, the parcel of land, with net realisable value of HK\$10,650,000, was recorded as inventories and the club house, with net book value of HK\$1,019,342, was recorded as land and buildings. The financial effect of the deemed disposal of interest in the parcel of land and the club house from 80% to 50% and the remaining net assets from 80% to 63.4% amounted to HK\$4,955,847, which was charged to the consolidated income statement.

Particulars of the principal subsidiaries are set out in note 29.

Notes to the Financial Statements

FOR THE YEAR ENDED 31ST MARCH 2004

13. INTEREST IN ASSOCIATES

	THE GROUP	
	2004	2003
	HK\$	HK\$
Share of net assets	59,247,957	65,466,173
Shareholders' loans, less allowances	15,510,210	17,701,233
	<u>74,758,167</u>	<u>83,167,406</u>
	THE COMPANY	
	2004	2003
	HK\$	HK\$
Unlisted share, at cost	1	1
Amount due therefrom, less allowances	9,510,210	9,497,256
	<u>9,510,211</u>	<u>9,497,257</u>

The shareholders' loans and the amounts due from the associates are unsecured, interest free and will not be repayable within one year.

The following table lists only the particulars of the Group's associate at 31st March 2004 which principally affects the results or assets of the Group as the directors are of the opinion that a complete list of all the associates will be of excessive length.

Name of associate	Form of business structure	Country of incorporation and operation	Nominal value of capital contribution	Proportional of nominal value of registered capital held indirectly by the Company	Principal activities
Nanjing Dingshan Garden Hotel Company Ltd.	Incorporated	PRC	US\$25,600,000	45%	Hotel business

Notes to the Financial Statements

FOR THE YEAR ENDED 31ST MARCH 2004

13. INTEREST IN ASSOCIATES (Continued)

The following details have been extracted from the audited financial statements of Nanjing Dingshan Garden Hotel Company Ltd.

Results for the year

	2004 HK\$	2003 <i>HK\$</i>
Turnover	<u>102,564,313</u>	<u>107,078,526</u>
Loss from ordinary activities before taxation	<u>(14,062,865)</u>	<u>(34,165,556)</u>
Loss from ordinary activities before taxation attributable to the Group	<u>(6,328,289)</u>	<u>(15,374,500)</u>

Financial position

	2004 HK\$	2003 <i>HK\$</i>
Non-current assets	451,749,934	443,512,535
Current assets	39,353,633	37,776,571
Current liabilities	(108,083,786)	(78,110,239)
Non-current liabilities	<u>(248,556,000)</u>	<u>(254,475,000)</u>
Net assets	<u>134,463,781</u>	<u>148,703,867</u>
Net assets attributable to the Group	<u>60,508,701</u>	<u>66,916,740</u>

Notes to the Financial Statements

FOR THE YEAR ENDED 31ST MARCH 2004

14. INVESTMENT IN SECURITIES

THE GROUP

	Trading securities		Other securities		Total	
	2004	2003	2004	2003	2004	2003
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
Equity securities:						
Listed in Hong Kong	84,000	42,058	25,386,600	14,595,000	25,470,600	14,637,058
Unlisted	-	-	4,349,000	4,349,000	4,349,000	4,349,000
	<u>84,000</u>	<u>42,058</u>	<u>29,735,600</u>	<u>18,944,000</u>	<u>29,819,600</u>	<u>18,986,058</u>
Market value of listed securities:						
Hong Kong	84,000	42,058	25,386,600	14,595,000	25,470,600	14,637,058
Carrying amount analysed for reporting purposes as:						
Current	84,000	42,058	-	-	84,000	42,058
Non-current	-	-	29,735,600	18,944,000	29,735,600	18,944,000
	<u>84,000</u>	<u>42,058</u>	<u>29,735,600</u>	<u>18,944,000</u>	<u>29,819,600</u>	<u>18,986,058</u>

During the year ended 31st March 2003, an impairment loss of HK\$27,881,000 was recognised to income statement by crediting the investment revaluation reserve. The amount represented the write off of investment costs of certain other securities to their recoverable amounts.

15. OTHER RECEIVABLES

THE GROUP AND THE COMPANY

The amounts are unsecured, interest free and have no fixed repayment term.

16. INVENTORIES

	THE GROUP	
	2004	2003
	HK\$	HK\$
Raw materials and consumables	250,557	2,617,988
General merchandise	2,376,952	2,447,161
Properties held for sale	25,082,413	39,464,888
	<u>27,709,922</u>	<u>44,530,037</u>

The cost of inventories recognised as an expense during the year was HK\$30,884,779 (2003: HK\$33,305,046).

At the balance sheet date, all of the general merchandise and properties held for sale were carried at net realisable value.

Notes to the Financial Statements

FOR THE YEAR ENDED 31ST MARCH 2004

17. CONTRACTS IN PROGRESS

	THE GROUP	
	2004	2003
	HK\$	HK\$
Cost incurred to date plus estimated attributable profits less foreseeable losses	29,268,740	23,027,702
Less: Progress payments received	(29,268,740)	(13,508,789)
	—	9,518,913

18. ACCOUNTS RECEIVABLE AND PREPAYMENTS

Included in accounts receivable and prepayments are trade debtors of HK\$8,887,404 (2003: HK\$10,555,578). The Group allows an average credit period of 90 days to trade debtors. The aged analysis of trade debtors is as follows:

	THE GROUP	
	2004	2003
	HK\$	HK\$
Aged:		
0 to 60 days	2,565,101	8,264,088
61 to 90 days	516,764	516,418
More than 90 days	5,805,539	1,775,072
	8,887,404	10,555,578

19. ACCOUNTS PAYABLE AND ACCRUED CHARGES

Included in accounts payable and accrued charges are trade creditors of HK\$9,446,337 (2003: HK\$2,911,847). The aged analysis of trade creditors is as follows:

	THE GROUP	
	2004	2003
	HK\$	HK\$
Aged:		
0 to 60 days	278,197	1,194,022
61 to 90 days	10,225	282,847
More than 90 days	9,157,915	1,434,978
	9,446,337	2,911,847

Notes to the Financial Statements

FOR THE YEAR ENDED 31ST MARCH 2004

20. LOANS FROM MINORITY SHAREHOLDERS

THE GROUP

The loans are unsecured, interest free and the amounts not repayable within one year are classified as non-current liabilities.

21. SHARE CAPITAL

	Number of shares	HK\$
Ordinary shares of HK\$0.10 each		
Authorised:		
At 1st April 2002, 31st March 2003 and 31st March 2004	8,500,000,000	850,000,000
Issued and fully paid:		
At 1st April 2002, 31st March 2003 and 31st March 2004	535,359,258	53,535,926

22. RESERVES

	Capital redemption reserve <i>HK\$</i>	Contributed surplus <i>HK\$</i>	Deficit <i>HK\$</i>	Total <i>HK\$</i>
THE COMPANY				
At 1st April 2002	2,382,000	396,817,696	(317,453,960)	81,745,736
Net loss for the year	—	—	(25,877,976)	(25,877,976)
At 31st March 2003 and 1st April 2003	2,382,000	396,817,696	(343,331,936)	55,867,760
Net loss for the year	—	—	(13,939,776)	(13,939,776)
At 31st March 2004	2,382,000	396,817,696	(357,271,712)	41,927,984

As at 31st March 2004, the Company's reserves available for distribution in accordance with The Bermuda Companies Act consist of contributed surplus and deficit of aggregate of HK\$39,545,984 (2003: HK\$53,485,760).

The contributed surplus comprises the difference of HK\$66,889,494 between the consolidated shareholders' funds of Parkview Property Development Limited (formerly known as Ming Ren Investment and Enterprises Limited) as at 24th November 1992 and the nominal amount of the Company's shares allotted under a Scheme of Arrangement completed on that date and HK\$1,200,422,356 from the elimination of the entire share premium account and reduction of par value of the issued capital from HK\$1 to HK\$0.10 of the Company at the time of the capital restructuring of the Group as at 7th November 2001. Under the Bye-laws of the Company, distributions may be made out of contributed surplus. During the year ended 31st March 2002, HK\$870,494,154 were distributed out of the contributed surplus.

Notes to the Financial Statements

FOR THE YEAR ENDED 31ST MARCH 2004

23. AMOUNTS DUE TO SUBSIDIARIES

THE COMPANY

The amounts are unsecured, interest free and the amounts not repayable within one year are classified as non-current liabilities.

24. DISPOSAL OF SUBSIDIARIES

	2004	2003
	HK\$	HK\$
Property, plant and equipment	—	282,752
Inventories	—	135,555
Accounts receivable and prepayments	—	1,486,463
Bank balances and cash	—	471,744
Accounts payable and accrued charges	—	(1,950,117)
Loan from minority shareholder	—	(1,400,000)
	<hr/>	<hr/>
Net liabilities disposed of	—	(973,603)
Goodwill	—	1,404,033
Minority interests	—	(1,040,521)
Gain on disposal	—	610,091
	<hr/>	<hr/>
Satisfied by cash consideration	—	—
	<hr/> <hr/>	<hr/> <hr/>
Net cash outflow arising on disposal:		
Bank balances and cash disposed of	—	(471,744)
	<hr/> <hr/>	<hr/> <hr/>

The subsidiaries disposed of during the last year made no significant contribution to the Group in respect of the cash flows, turnover and net loss attribution to the Group's loss from operations.

25. COMMITMENTS

Lease commitments

Operating lease payments represent rental payable by the Group for certain of its office premises. Leases are negotiated and rentals are fixed for terms of 2 years.

At the balance sheet date, the Group had future minimum lease payments under non-cancellable operating leases in respect of rented premises which fall due as follows:

	THE GROUP	
	2004	2003
	HK\$	HK\$
Within one year	180,000	264,000
In the second to fifth year inclusive	45,000	—
	<hr/>	<hr/>
	225,000	264,000
	<hr/> <hr/>	<hr/> <hr/>

Notes to the Financial Statements

FOR THE YEAR ENDED 31ST MARCH 2004

25. COMMITMENTS (Continued)

Lease commitments (Continued)

At the balance sheet date, the Company did not have any commitments under non-cancellable operating leases.

At the balance sheet, the Group and the Company did not have any future minimum lease payments contracted with tenants.

26. RETIREMENT BENEFITS SCHEMES

- (a) Effective 1st December 2000, the Group has joined a Mandatory Provident Fund Scheme ("MPF Scheme") for all employees in Hong Kong. The MPF Scheme is registered with the Mandatory Provident Fund Scheme Authority under the Mandatory Provident Fund Schemes Ordinance. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the rule of the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at rate specified in the rules. The only obligation of the Group with respect to MPF Scheme is to make the required contributions under the scheme. The total amount contributed by the Group to the MPF Scheme and charged to the income statement was HK\$224,402 (2003: HK\$241,376).
- (b) In accordance with regulations issued by the Shanghai Municipal Government, the People's Republic of China, a subsidiary is required to make contributions to a defined contribution retirement fund which is administered by the labour bureau of the local government. The subsidiary is required to contribute 25.5% of the basic salary of its staff. The subsidiary has no material obligation for the pension payment or any post-retirement benefits beyond the annual contributions described above. The total amount contributed by the Group to the scheme and charged to the income statement was HK\$36,941 (2003: NIL).

27. CONTINGENT LIABILITIES

	THE COMPANY	
	2004	2003
	HK\$	HK\$
Corporate guarantee given to banks in respect of banking facilities utilised by a subsidiary	<u>3,518,346</u>	<u>10,692,034</u>

At the balance sheet date, the Group did not have any contingent liabilities.

Notes to the Financial Statements

FOR THE YEAR ENDED 31ST MARCH 2004

28. RELATED PARTY TRANSACTIONS

During the year, the Group entered into the following transactions with related parties, including key management personnel and companies controlled or significantly influenced by management of the Group:

	Notes	Associates		Related companies (iv)	
		2004 HK\$	2003 HK\$	2004 HK\$	2003 HK\$
Management income received from	<i>i</i>	<u>–</u>	<u>1,322,400</u>	<u>–</u>	<u>–</u>
Building management fee paid to	<i>ii</i>	<u>–</u>	<u>–</u>	<u>101,016</u>	<u>101,016</u>
General expenses paid to	<i>ii</i>	<u>–</u>	<u>–</u>	<u>3,139,481</u>	<u>3,722,668</u>
Amount due from	<i>iii</i>	<u>50,632,969</u>	<u>51,238,665</u>	<u>–</u>	<u>4,296,984</u>
Amount due to	<i>iii</i>	<u>–</u>	<u>–</u>	<u>16,539,050</u>	<u>29,574,397</u>
Loans to	<i>iii</i>	<u>15,510,210</u>	<u>17,701,233</u>	<u>–</u>	<u>–</u>

Notes:

- (i) All such income was determined by the Company's directors based on estimated market value.
- (ii) All these expenses were determined by the Company's directors based on estimated market value.
- (iii) The amounts are unsecured, interest free and the amounts repayable within one year are classified as current assets/liabilities. Loans to associates are net of allowances of HK\$2,957,123 (2003: HK\$2,957,123).
- (iv) Certain directors of the related companies are also the Company's directors and two directors of a related company are the children of a Company's director.

Notes to the Financial Statements

FOR THE YEAR ENDED 31ST MARCH 2004

29. PARTICULARS OF PRINCIPAL SUBSIDIARIES

The following list contains only the particulars of the Company's subsidiaries at 31st March 2004 which principally affect the results or assets of the Group as the directors are of the opinion that a complete list of all the subsidiaries will be of excessive length. All the following subsidiaries are operating principally in Hong Kong except otherwise indicated.

Name of subsidiary	Place/ country of incorporation	Class of shares held	Paid up issued share capital/ capital contribution	Proportional of nominal value of issued capital/registered capital held by the Company		Principal activities
				Directly %	Indirectly %	
China Garden Limited	British Virgin Islands	Ordinary	US\$30	–	70	Investment in a limited partnership
Dragon Spirit Limited	British Virgin Islands	Ordinary	US\$1	–	100	Investment holding
Gallaria Furnishings International Limited (<i>note a</i>)	Hong Kong	Ordinary	HK\$2,000,020	–	100	General trading
Hebo Urge Company Limited	Hong Kong	Ordinary	HK\$2	100	–	Painting owner
Hong Kong Parkview (China) Limited	Hong Kong	Ordinary	HK\$10,000,000	–	100	Investment holding
Hong Kong Parkview International Limited	Hong Kong	Ordinary	HK\$2	–	100	Investment holding
Hong Kong Parkview International Management Limited	Hong Kong	Ordinary	HK\$2	–	100	Personnel management
Interlink Associates Limited	British Virgin Islands	Ordinary	US\$1	–	100	Investment holding
Jiangsu Parkview Hotels and Resorts Limited (<i>note b</i>)	British Virgin Islands	Ordinary	US\$100	–	55	Hotel management and consultancy services
Newmeadow Limited	British Virgin Islands	Ordinary	US\$1	–	100	Investment holding

Notes to the Financial Statements

FOR THE YEAR ENDED 31ST MARCH 2004

29. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

Name of subsidiary	Place/ country of incorporation	Class of shares held	Paid up issued share capital/ capital contribution	Proportional of nominal value of issued capital/registered capital held by the Company		Principal activities
				Directly %	Indirectly %	
Parkview International Trading Limited	British Virgin Islands	Ordinary	US\$1	100	–	Investment holding
Parkview Management Services Limited	British Virgin Islands	Ordinary	US\$4	100	–	Investment holding
Parkview Property Development Limited	Hong Kong	Ordinary	HK\$1,000	100	–	Investment holding and capital market investment
Shanghai Parkview Real Estate Management Co., Ltd. (note b)	The People's Republic of China	N/A	US\$500,000	–	55	Property management
Shanghai Qiao-Yi Real Estate Co., Ltd. ("Qiao-Yi") (notes (b) and (d))	The People's Republic of China	N/A	US\$10,000,000	–	80	Property development
張家港保稅區港麗國際 貿易有限公司 (note c)	The People's Republic of China	N/A	US\$200,000	–	100	Manufacturing of household and kitchen appliances and interior wooden-made decoration

Notes:

- (a) Operating internationally.
- (b) Sino-foreign equity joint ventures and operating in the People's Republic of China.
- (c) Wholly foreign owned enterprise and operating in the People's Republic of China.
- (d) As mentioned in note 12, the parcel of land and a club house were jointly held by the Group and the PRC minority shareholder and the remaining net assets of Qiao-Yi were shared by the Group and the PRC minority shareholder at 63.4% and 36.6% respectively.

None of the subsidiaries had issued any debt securities.

Five Years Financial Summary

FOR THE YEAR ENDED 31ST MARCH 2004

	2000 <i>HK\$</i>	2001 <i>HK\$</i>	2002 <i>HK\$</i>	2003 <i>HK\$</i>	2004 <i>HK\$</i>
CONSOLIDATED RESULTS					
Turnover	<u>340,361,574</u>	<u>158,008,402</u>	<u>78,542,384</u>	<u>46,911,430</u>	<u>57,237,652</u>
Net profit (loss) for the year	<u>61,492,390</u>	<u>(58,111,407)</u>	<u>76,975,467</u>	<u>(56,689,304)</u>	<u>(21,015,059)</u>
Earnings (loss) per share	<u>11.49 cents</u>	<u>(10.85 cents)</u>	<u>14.38 cents</u>	<u>(10.59 cents)</u>	<u>(3.93 cents)</u>
CONSOLIDATED ASSETS AND LIABILITIES					
Total assets	<u>1,734,979,421</u>	<u>1,482,302,435</u>	<u>298,192,975</u>	<u>262,859,282</u>	<u>232,528,920</u>
Total liabilities and minority interests	<u>220,950,229</u>	<u>307,320,074</u>	<u>95,794,173</u>	<u>97,810,856</u>	<u>72,768,318</u>
Shareholders' funds	<u>1,514,029,192</u>	<u>1,174,982,361</u>	<u>202,398,802</u>	<u>165,048,426</u>	<u>159,760,602</u>

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主席報告

本人現謹代表董事會向各股東提呈二零零三年／二零零四年度年報。

業績

本集團截至二零零四年三月三十一日止財政年度之經審核業績為虧損21,015,059港元，而上年度為虧損56,689,304港元。

業務回顧及展望

本集團之主要中國業務為持有物業及物業有關之投資，並包括經營酒店及傢俬貿易。本年度之虧損主要由於裝修合約及貿易方面錄得虧損。另外，南京丁山花園酒店因仍未全面經營，亦是本年度虧損原因之一。

在與合營夥伴成功達成協議後，上海發展項目已恢復全速進行。由於中國物業市場蓬勃發展，預期此項目可為來年帶來豐厚收入。與此同時，本集團將不斷選擇性地尋求於中國合併之機會及組成策略性夥伴。這是本集團的長線策略並需時間去實現。基於中國經濟之強勁及快速增長，本集團有信心此乃對業務發展之最好策略。

致意

最後，本人謹此衷心感謝全體員工努力工作及忠誠服務，同時亦感謝各股東一直以來的支持。

主席
黃健華

香港，二零零四年七月十九日

管理層討論及分析

業績

本集團於截至二零零四年三月三十一日止財政年度之營業額為57,237,652港元。股東應佔本年度虧損合共21,015,059港元。

物業及酒店業務

中國南京丁山花園酒店

於本財政年度內，雖然第二期工程包括提供額外200間酒店房間仍未完成，但酒店經營仍為集團帶來正面貢獻。經計入財務成本及折舊後，聯營公司於本財政年度錄得虧損。

中國上海陽明新城

由於與合營夥伴解決對第一期發展之不同意見及對第二期發展達成協議，此項目已恢復全速進行。至今，合營公司以相當理想價錢售出第一期大部份已完成單位，剩餘之數個單位及商場，預期可吸引理想買家。至於第二期發展，圖則及詳細方案現已呈交有關當局批核，預期將於短期內獲得批准。興建此15,000平方米之發展計劃將於二零零四年七月／八月展開，而樓花將於二零零五年初發售。

貿易銷售及合約工程

於傢俬業務上，二零零三年爆發之非典型肺炎嚴重影響零售部份。為應付此情況，國際傢俬有限公司已採取相應之市場行動，以專注工程項目為主之配套策略。此等配套策略包括供應本港及中國服務式住宅及酒店之傢俬及其他配件。此策略已開始改善該公司之業務前景，預料將可重回盈利軌道。

財政狀況

本集團持續保持健全財政狀況，除了約3,500,000港元之銀行透支外，本集團只有非常低之貿易債項及承擔。反映銀行借貸總額與總資產之比的資產負債比率為1.51%（二零零三年：1.56%）。

本集團所有收入與開支主要以人民幣或港元訂值，因此，本集團所受到之滙兌波動影響輕微，故甚少需要使用金融工具以作對沖。

於二零零四年三月三十一日，本集團之流動資產淨值約為56,000,000港元。此財務狀況為本集團未來擴展之穩固基礎。

資產抵押

本集團於二零零四年三月三十一日止並無抵押任何資產（二零零三年：無）。

僱員

於二零零四年三月三十一日，除聯營公司之僱員外，本集團有僱員合共83人，比對二零零三年三月三十一日同期之僱員人數為78人。本集團會每年審查薪酬。除薪金外，其他員工福利包括醫療及住院保險。

董事會報告書

董事會同寅現謹提呈截至二零零四年三月三十一日止年度之年報及經審核帳目。

主要業務

本公司之主要業務為投資控股及提供公司管理服務。主要附屬公司及聯營公司之業務則分別載於帳目附註二十九及十三內。

業績

本集團截至二零零四年三月三十一日止年度之業績載於第11頁之綜合收益表。

董事會不建議宣派任何末期股息。

樓宇、廠房及設備

本年度內本集團及本公司的樓宇、廠房及設備之變動詳情載於帳目附註十一。

董事

本公司於本年度及截至本年報日期止之董事名單如下：

執行董事

黃健華
黃又華
黃幼華
黃德華

獨立非執行董事

馬志民
劉漢銓 金紫荊 星章、太平紳士

根據本公司之細則之規定，黃德華及劉漢銓 金紫荊 星章、太平紳士於即將舉行之股東週年大會上依章從董事會告退，惟均願意膺選連任。

每位獨立非執行董事並無指定任期，惟均遵照本公司細則在股東週年大會作輪值告退。

董事權益及關連交易

- (a) 於本年度內，本集團與Hong Kong Parkview Management Services Limited（「陽明山莊」）進行下列各項交易，而黃健華先生的兩名子女亦為陽明山莊之董事，並擁有實惠權益。
- (i) 支付由陽明山莊提供予本集團之辦公室管理費為101,016港元。
 - (ii) 於經常性業務中，支付一般費用予陽明山莊為3,139,481港元。
- (b) 除上述披露外，於年結或本年度內任何時間，本公司董事概無與本公司、其控股公司或任何附屬公司訂立直接或間接擁有重大權益之重要合約。
- (c) 本公司、其控股公司或其任何附屬公司於本年度內任何時間，並無作出任何安排，使本公司董事藉購入本公司或其他法人團體之股份或債券而得到利益。
- (d) 於即將舉行之股東週年大會上獲提名連任之本公司董事與本公司或其任何附屬公司並無訂立不可於一年內由僱主終止而毋須作出賠償（法定賠償除外）之服務合約。

管理層簡介

A. 執行董事

黃健華先生，現年五十二歲，為本集團之主席。黃先生自一九七三年獲取建築學位後，在台灣及香港從事建築及地產發展業務。於一九九二年加入董事會。

黃又華先生，現年五十歲，持有行政及財務科學士學位，現專注發展集團之海外業務。於一九九二年加入董事會。

黃幼華先生，現年四十九歲，持有理科土木工程學士學位，於一九八二年已從事建築業。於一九九三年加入董事會。

黃德華先生，現年四十八歲，持有管理及組織發展碩士學位，現負責集團於中國之發展項目。於一九九二年加入董事會。

黃健華先生、黃又華先生、黃幼華先生及黃德華先生同為黃氏家族兄弟。

管理層簡介 (續)

B. 獨立非執行董事

馬志民先生，現年七十二歲，現為國際炎黃文化研究會副會長及香港中國旅遊協會名譽會長。於一九九四年加入董事會。

劉漢銓 金紫荊星章、太平紳士，現年五十七歲，為劉漢銓律師行高級合夥人。劉先生之公職包括現任立法會議員，中國人民政治協商會議全國委員會常務委員及市區重建局董事會成員。於一九九五年加入董事會。

C. 高級管理人員

冼杰樑先生，現年六十四歲，持有商業管理文憑，冼先生具有豐富之投資及地產發展經驗。冼先生於一九九零年加入本集團，現負責本集團之業務發展。

陳志輝先生，現年四十九歲，為英國特許公認會計師公會資深會員及香港會計師公會資深會員，有超過二十年銀行及商務經驗。陳先生於一九九零年加入本集團，現負責本集團之整體管理。

Laurence Neil Baum先生，現年五十歲，自一九九一年加入本集團以來一直專責本集團之法律事務。Baum先生為英國、威爾斯及香港之最高法院之執業律師。

車時先生，現年五十七歲，為英國及威爾斯特許會計師公會資深會員及香港會計師公會資深會員。於一九九五年加入本集團前，曾受聘於一國際性機構，專責中國投資及金融服務。

張景正先生，現年六十二歲，為合法委託人及註冊則師，在建築業內有二十多年經驗。張先生於一九八八年加入陽明山莊，專責本集團之物業發展業務。

周炯燦先生，現年五十二歲，在酒店及零售業內有二十多年經驗。周先生於一九八八年加入陽明山莊，負責建立本集團之汽車貿易業務。周先生自一九九五年起專責管理國際傢俬有限公司。

伍鎮城先生，現年六十歲，在政府及商業機構有三十年經驗。於一九九七年加入本集團之前，伍先生為一間多元化上市公司之董事。伍先生現負責本集團之家居建築材料業務。

管理合約

本年度並無訂立或存在着任何有關管理本公司全部或任何重要部份業務之合約。

董事及主要行政人員於本公司之股本權益

於二零零四年三月三十一日，按照本公司根據證券及期貨條例第352條而存置之登記冊所示，各董事、主要行政人員及彼等各自之有關連人仕在本公司及其相關連法團之股份、相關股份或可轉換債券中之權益，或根據上市公司董事進行證券交易之標準守則已知會本公司及香港聯合交易所有限公司之權益如下：

好倉－本公司之普通股每股0.10港元

董事名稱	身份	持有已發行 普通股份數目	佔本公司已發行 股本百份比
黃健華先生	實益擁有人	2,000,000	0.4%
	由受控制法團持有（註1及2）	391,674,138	73.2%
		393,674,138	73.6%
黃又華先生	由受控制法團持有（註2）	293,674,138	54.9%
黃幼華先生	由受控制法團持有（註2）	293,674,138	54.9%
黃德華先生	由受控制法團持有（註2）	293,674,138	54.9%

註：

- 其中98,000,000股份為High Return Trading Limited所持有，而黃健華先生則視作擁有此等股份之權益，因其擁有於High Return Trading Limited之股東大會上行使逾三分之一投票權。此等權益亦已在「主要股東」一節中披露。
- 黃健華先生、黃又華先生、黃幼華先生及黃德華先生均為Kompass International Limited之董事及股東，該公司擁有本公司293,674,138股之股本權益。

除上述披露外，於二零零四年三月三十一日，各董事或主要行政人員或彼等各自之有關連人士概無持有本公司或其任何關連法團之股份、相關股份或債券中的任何權益或淡倉。

本公司、其附屬公司及其關連附屬公司於本年度內任何時間，並無作出任何安排，使本公司董事購入本公司或其他法人團體之股份或債券而得到利益。

董事會報告書

主要股東

於二零零四年三月三十一日，按照本公司根據證券及期貨條例第336條之規定而存置之主要股東登記冊所示，除了上述所披露若干董事及主要行政人員之權益外，下列本公司之股東持有本公司已發行股本百分之五或以上：

好倉－本公司之普通股每股0.10港元

股東名稱	身份	持有已發行 普通股份數目	佔本公司已發行 股本百份比
Kompass International Limited	實益擁有人	293,674,138	54.9%
High Return Trading Limited	實益擁有人	98,000,000 (註)	18.3%
Multi-Power International Limited	實益擁有人	40,000,000	7.47%
黃建權	實益擁有人	40,000,000	7.47%

註： 此等股份為黃健華先生在上述「董事及主要行政人員於本公司之股本權益」中被視作擁有權益之同一批股份。

除上述披露外，於二零零四年三月三十一日，並無任何人仕知會本公司在已發行股本中擁有須予具報之其他有關利益或淡倉。

主要客戶及供應商

本年度內本集團最大及首五大供應商分別佔本集團總採購額之5.3%及13.1%。

本年度內本集團最大及首五大客戶分別佔本集團總銷售額之23.7%及45.4%。

據董事會所知，本公司之董事，彼等之聯繫人士或任何持有本公司股本超過百分之五之股東，並無擁有該首五大客戶或首五大供應商之任何權益。

可換股證券、認股權證或購股權

本年度內本公司及其附屬公司並無發行其他可換股證券、認股權證或購股權。

購回、出售或贖回本公司上市證券

本年度內，本公司或其任何附屬公司並無購回、出售或贖回本公司之上市證券。

董事會報告書

優先購買權

本公司之公司細則及百慕達法例均無關於優先購買權之規定。

遵守最佳應用守則

本公司於截至二零零四年三月三十一日止年度內一直均有遵守香港聯合交易所有限公司上市規則附表14之最佳應用守則之規定。

核數師

於將舉行之股東週年大會上，將會提呈繼續委任德勤•關黃陳方會計師行為本公司核數師之決議案。

代表董事會

主席
黃健華

香港，二零零四年七月十九日



德勤·關黃陳方會計師行
香港
中環干諾道中111號
永安中心26樓

Deloitte Touche Tohmatsu
26/F Wing On Centre
111 Connaught Road Central
Hong Kong

致 **THE HONG KONG PARKVIEW GROUP LIMITED**

(於百慕達註冊成立之有限公司)

全體股東

本核數師(以下簡稱「我們」)已完成審核刊於第11頁至第41頁按照香港公認會計原則編製的財務報告。

董事及核數師的責任

貴公司之董事須編製真實與公平的財務報告。在編製該等財務報告時，董事必須貫徹採用合適的會計政策。

我們的責任是根據我們審核工作的結果，對該等財務報告作出獨立意見，並根據百慕達公司法第九十條僅向全體股東報告。除此之外，本報告不可用作其他用途。我們不會就本報告之內容向任何其他人士負責或承擔任何責任。

核數師意見之基礎

我們是按照香港會計師公會頒佈的核數準則進行審核工作。審核範圍包括以抽查方式查核與財務報告所載數額及披露事項有關的憑證，亦包括評估董事於編製該等財務報告時所作的重大估計和判斷、所釐定的會計政策是否適合 貴公司及集團的具體情況，及有否貫徹運用並足夠披露該等會計政策。

我們在計劃和進行審核工作時，均以取得一切我們認為必需的資料及解釋為目標，使我們能獲得充份的憑證，就該等財務報告是否存有重要錯誤陳述，作合理的確定。於作出意見時，我們亦已衡量該等財務報告所載資料在整體上是否足夠。我們相信，我們的審核工作已為下列意見建立合理的基礎。

意見

我們認為上述的財務報告均真實與公平地反映 貴公司及集團於二零零四年三月三十一日的財政狀況及截至該日止年度 貴集團的虧損和現金流量，並已按照香港公司條例有關須予公佈資料之規定適當編製。

德勤·關黃陳方會計師行

香港執業會計師

香港，二零零四年七月十九日

綜合收益表

截至二零零四年三月三十一日止年度

	附註	二零零四年 港元	二零零三年 港元
營業額	(四)	57,237,652	46,911,430
銷售成本		<u>(45,961,789)</u>	<u>(33,898,934)</u>
毛利		11,275,863	13,012,496
其他經營收入		831,169	1,694,597
行政開支		(24,464,368)	(26,593,589)
呆帳準備		(6,767,800)	(569,757)
存貨準備		(844,015)	(2,000,000)
證券投資減值之回撥／(確認)		11,622,394	(27,881,000)
出售證券投資之溢利／(虧損)		831,826	(3,979,380)
證券投資之未變現溢利／(虧損)		<u>42,000</u>	<u>(56,997)</u>
經營虧損	(六)	(7,472,931)	(46,373,630)
財務成本	(七)	(313,357)	(273,871)
出售附屬公司之溢利	(二十四)	—	610,091
視作出售一間附屬公司投資之虧損	(十二)	(4,955,847)	—
應佔聯營公司之業績		<u>(6,369,400)</u>	<u>(15,436,516)</u>
除稅前虧損		(19,111,535)	(61,473,926)
稅項	(九)	<u>(167,703)</u>	<u>(361,111)</u>
除少數股東權益前虧損		(19,279,238)	(61,835,037)
少數股東權益		<u>(1,735,821)</u>	<u>5,145,733</u>
本年度淨虧損		<u><u>(21,015,059)</u></u>	<u><u>(56,689,304)</u></u>
股息		<u>—</u>	<u>—</u>
每股虧損－基本	(十)	<u><u>(3.93仙)</u></u>	<u><u>(10.59仙)</u></u>

資產負債表

於二零零四年三月三十一日

	附註	本集團		本公司	
		二零零四年 港元	二零零三年 港元	二零零四年 港元	二零零三年 港元
非流動資產					
樓宇、廠房及設備	(十一)	13,904,372	17,120,592	696,032	1,314,050
附屬公司投資	(十二)	—	—	416,563,081	418,641,956
聯營公司權益	(十三)	74,758,167	83,167,406	9,510,211	9,497,257
證券投資	(十四)	29,735,600	18,944,000	—	—
		118,398,139	119,231,998	426,769,324	429,453,263
流動資產					
其他應收帳項	(十五)	1,657,351	1,500,000	1,500,000	1,500,000
存貨	(十六)	27,709,922	44,530,037	—	—
進行中工程	(十七)	—	9,518,913	—	—
應收帳項及預付款項	(十八)	16,808,822	19,388,470	1,896,008	610,858
少數股東之欠款		5,003,635	7,306,222	—	—
附屬公司之欠款		—	—	5,777,934	7,994,165
聯營公司之欠款		50,632,969	51,238,665	1,736,094	377,737
有關連公司之欠款		—	4,296,984	—	4,296,984
可收回之稅項		443,388	443,388	443,388	443,388
證券投資	(十四)	84,000	42,058	—	—
銀行結存及現金		11,790,694	5,362,547	3,878,768	1,125,965
		114,130,781	143,627,284	15,232,192	16,349,097

資產負債表

於二零零四年三月三十一日

	附註	本集團		本公司	
		二零零四年 港元	二零零三年 港元	二零零四年 港元	二零零三年 港元
流動負債					
應付帳項及應計費用	(十九)	18,530,857	21,524,842	432,885	3,490,027
少數股東借貸	(二十)	11,096,466	29,950,789	—	—
欠附屬公司款項	(二十三)	—	—	2,213,009	2,401,662
受投資公司貸款		3,460,560	—	—	—
欠有關連公司款項		16,539,050	29,574,397	21,006,487	28,621,760
應付稅項		4,187,528	4,191,556	—	—
應付股息		885,225	885,225	885,225	885,225
銀行透支		3,518,346	4,090,160	—	—
		58,218,032	90,216,969	24,537,606	35,398,674
流動資產(負債)淨值					
		55,912,749	53,410,315	(9,305,414)	(19,049,577)
		174,310,888	172,642,313	417,463,910	410,403,686
股本及儲備					
股本	(二十一)	53,535,926	53,535,926	53,535,926	53,535,926
儲備	(二十二)	106,224,676	111,512,500	41,927,984	55,867,760
		159,760,602	165,048,426	95,463,910	109,403,686
少數股東權益					
		12,650,107	5,693,708	—	—
非流動負債					
少數股東借貸	(二十)	1,900,179	1,900,179	—	—
欠附屬公司款項	(二十三)	—	—	322,000,000	301,000,000
		174,310,888	172,642,313	417,463,910	410,403,686

由第11頁至41頁之財務報表已於二零零四年七月十九日經董事會審批並授權發行，並由下列董事簽署：

董事
黃健華

董事
黃又華

綜合權益變動表

截至二零零四年三月三十一日止年度

	股本 港元	股本贖回 儲備 港元	綜合帳目之 儲備/ (商譽) 港元	資本削減 儲備 港元	投資重估 儲備 港元	繳入盈餘 港元	匯兌儲備 港元	虧絀 港元	總額 港元
本集團									
於二零零二年四月一日	53,535,926	2,382,000	(26,486,075)	85,844,959	(28,723,549)	329,928,202	(4,024,035)	(210,058,626)	202,398,802
換算海外附屬公司之帳目									
所引致之匯兌差額	-	-	-	-	-	-	(231,363)	-	(231,363)
換算海外聯營公司之帳目									
所引致之匯兌差額	-	-	-	-	-	-	(167,742)	-	(167,742)
因重估其他證券投資									
之未變現虧損	-	-	-	-	(9,547,000)	-	-	-	(9,547,000)
收益表中未確認之淨虧損	-	-	-	-	(9,547,000)	-	(399,105)	-	(9,946,105)
出售附屬公司中抵銷	-	-	1,404,033	-	-	-	-	-	1,404,033
本年度淨虧損	-	-	-	-	-	-	-	(56,689,304)	(56,689,304)
證券投資之減值	-	-	-	-	27,881,000	-	-	-	27,881,000
於二零零三年三月三十一日 及二零零三年四月一日	53,535,926	2,382,000	(25,082,042)	85,844,959	(10,389,549)	329,928,202	(4,423,140)	(266,747,930)	165,048,426
換算海外附屬公司之帳目									
所引致之匯兌差額	-	-	-	-	-	-	(486,211)	-	(486,211)
換算海外聯營公司之帳目									
所引致之匯兌差額	-	-	-	-	-	-	(79,750)	-	(79,750)
因重估其他證券投資									
之未變現溢利	-	-	-	-	7,678,135	-	-	-	7,678,135
收益表中未確認之淨溢利 (虧損)	-	-	-	-	7,678,135	-	(565,961)	-	7,112,174
出售證券投資中抵銷	-	-	-	-	8,615,061	-	-	-	8,615,061
本年度虧損	-	-	-	-	-	-	-	(21,015,059)	(21,015,059)
於二零零四年三月三十一日	<u>53,535,926</u>	<u>2,382,000</u>	<u>(25,082,042)</u>	<u>85,844,959</u>	<u>5,903,647</u>	<u>329,928,202</u>	<u>(4,989,101)</u>	<u>(287,762,989)</u>	<u>159,760,602</u>

上表包括本集團應佔聯營公司收購後儲備虧絀數30,532,072港元(二零零三年:虧絀24,082,922港元)。

綜合帳目之儲備/(商譽)包含商譽26,510,324港元(二零零三年:26,510,324港元)及負商譽1,428,282港元(二零零三年:1,428,282港元)。

繳入盈餘乃代表於二零零一年十一月七日本集團資本重組時,抵銷全部股份溢價及公司已發行股份面值由1港元減少至0.10港元所產生1,200,422,356港元,並減去於二零零二年三月三十一日止年度內從繳入盈餘中進行分派之870,494,154港元。

綜合現金流量表

截至二零零四年三月三十一日止年度

	附註	二零零四年 港元	二零零三年 港元
經營業務			
經營虧損		(7,472,931)	(46,373,630)
經調整：			
利息收入		(15,116)	(134,682)
折舊		3,153,121	4,121,210
呆帳準備		6,767,800	569,757
存貨準備		844,015	2,000,000
證券投資減值(回撥)確認		(11,622,394)	27,881,000
出售證券投資之(溢利)虧損		(831,826)	3,979,380
出售樓宇、廠房及設備之虧損		167,068	10,060
出售一間聯營公司之溢利		(230,934)	—
證券投資之未變現(溢利)虧損		(42,000)	56,997
聯營公司資本化利息之撇除		—	222,250
流動資本變動前之經營業務現金流量		(9,283,197)	(7,667,658)
其他應收帳項之增加		(157,351)	—
存貨之減少		15,976,100	2,755,099
進行中工程之減少(增加)		9,518,913	(9,378,826)
應收帳項及預付款項之(增加)減少		(4,188,152)	520,521
少數股東欠款之減少		2,302,587	2,730
有關連公司欠款之減少(增加)		4,296,984	(187,021)
暫收款項之減少		—	(350)
應付帳項及應計費用之(減少)增加		(2,993,985)	2,480,785
欠有關連公司款項之(減少)增加		(13,035,347)	5,090,413
營運中所得(用)之現金淨額		2,436,552	(6,384,307)
海外稅項支出		(171,731)	(596,264)
經營業務中所得(用)之現金淨額		2,264,821	(6,980,571)
投資業務			
已收利息		15,116	134,682
聯營公司之貸款(欠款)		2,796,719	(13,811,049)
受投資公司貸款		3,460,560	—
收購一間附屬公司額外之權益		(156,000)	—
購買樓宇、廠房及設備		(143,970)	(84,494)
出售附屬公司所得款項		—	(471,744)
(扣除出售現金及現金等值項目)	(二十四)	—	(471,744)
出售證券投資所得款項		17,955,874	1,472,620
出售樓宇、廠房及設備所得款項		4,288	5,467
投資業務中所得(用)之現金淨額		23,932,587	(12,754,518)

綜合現金流量表

截至二零零四年三月三十一日止年度

	二零零四年 港元	二零零三年 港元
融資業務		
股息支出／特別股息	—	(35,774)
利息支出	(313,357)	(273,871)
償還少數股東貸款	(18,854,323)	(66,419)
	<u>(19,167,680)</u>	<u>(376,064)</u>
融資業務中所用之現金淨額	(19,167,680)	(376,064)
現金及現金等值項目之現金淨額增加(減少)	7,029,728	(20,111,153)
年初之現金及現金等值項目	1,272,387	21,305,080
匯率變動影響	(29,767)	78,460
年終之現金及現金等值項目	<u>8,272,348</u>	<u>1,272,387</u>
現金及現金等值項目結餘之分析		
銀行結存及現金	11,790,694	5,362,547
銀行透支	(3,518,346)	(4,090,160)
	<u>8,272,348</u>	<u>1,272,387</u>

帳目附註

截至二零零四年三月三十一日止年度

(一) 一般事項

本公司為百慕達註冊成立受豁免之有限公司，其股份於香港聯合交易所有限公司上市。其最終控股公司為在英屬處女群島註冊成立之Kompass International Limited。

本集團之主要業務為物業買賣、裝修合約及貿易、管理服務、投資及融資等。

(二) 採納香港財務報告準則

本年度，本集團首次採納下述由香港會計師公會頒佈之香港財務報告準則—會計實務準則第12號（經修訂）「所得稅」。香港財務報告準則之條款包括會計實務準則及經香港會計師公會批准之詮釋。採納會計實務準則第12號（經修訂）的主要影響在於遞延稅項的處理方法。遞延稅項過往以收益表的負債法提撥部分撥備，即是就所產生的時差確認負債，除非有關時差預期於可預見將來不會撥回則屬例外。會計實務準則第12號（經修訂）規定採用資產負債表的負債法，即是就財務報表中資產及負債的帳面值與計算應課稅溢利所採用的相應稅基之間的所有暫時差異確認遞延稅項，惟少數的特殊情況則屬例外。鑑於會計實務準則第12號（經修訂）並無訂明任何具體的過渡規定，該新訂會計政策已獲追溯應用。採納此等會計實務準則對本會計期間或過往會計期間之業績並無任何重大影響，因此，毋須作出前期調整。

(三) 重大會計政策

財務報表已根據實際成本方法編製並對證券投資之重估而作出修訂。

財務報表已根據香港普遍接納之會計原則編製。所採納之主要會計政策如下：

綜合基準

綜合財務報表包括本公司及其附屬公司每年截至三月三十一日止之財務報表。

年內收購或出售之附屬公司業績分別由收購生效日期起或直至出售生效日期止適當地計入綜合收益表內。

商譽

於綜合帳內之商譽乃指於收購附屬公司或聯營公司當日，收購成本超過本集團所應佔可辨認的資產及負責之公允價值。

於二零零一年四月一日前所產生之商譽，將繼續保存於儲備內，並於相關的附屬公司或聯營公司出售時；或商譽被決定為減值時轉入到收益表內。

帳目附註

截至二零零四年三月三十一日止年度

(三) 重大會計政策 (續)

商譽 (續)

於二零零一年四月一日後所產生之商譽予以資本化，並按其有用經濟年期以直線攤銷。在收購聯營公司所產生之商譽，將被包括在其帳面金額內。而收購附屬公司所產生之商譽則會於資產負債表中分開呈報。

於出售附屬公司或聯營公司時，先前自儲備撇銷或計入儲備內未攤銷之商譽／商譽之可歸屬金額，會被計算在出售之溢利或虧損內。

負商譽

負商譽指於收購附屬公司或聯營公司當日，本集團所應佔可辨認的資產及負債之公允價值超過收購成本。

於二零零一年四月一日前所產生之負商譽，會繼續保存於儲備內，並於相關的附屬公司或聯營公司出售時計入收益內。

於二零零一年四月一日後所產生之負商譽，會在資產內減除，並將會按其餘額計算結果作情況分析後，解除到收益中。

當收購聯營公司時所產生的負商譽將在其帳面金額內減除。而收購附屬公司時所產生的負商譽則於資產負債表中分開呈報作為減除資產值。

收益確認

出售投資物業所產生之收入乃於行使有約束力之買賣合約時確認。

租金收入乃以直線方法按租約年期計入收益表。

貿易銷售乃於運抵有關貨品及擁有權交予客戶時確認。

出售投資證券之收益，按交易日基準確認入帳。

長期裝修工程合約之收入，將在整個工程進行過程中，每年以工程之估計總收入數的相應比例予以確認。其相應比例之計算方法，乃按已發生之工程成本及其估計總工程成本減可預期之虧損的比例計算。

管理費及顧問費收入乃於提供有關服務時入帳。

帳目附註

截至二零零四年三月三十一日止年度

(三) 重大會計政策 (續)

收益確認 (續)

當股東收取股息之權益被確定後，其投資的股息收入亦被確認。

利息收入按時間比例，參考本金結餘及適用之息率基準入帳。

樓宇、廠房及設備

樓宇、廠房及設備乃按其成本扣除折舊及累積減值（如有）入帳。

折舊乃按樓宇、廠房及設備之估計使用年期及扣除其估計剩餘價值後以直線法及下列年率撥備：

土地	按有關契約年期
樓宇	按契約年期或二十年，以較短者為準
機械、設備及汽車	5% - 33 ¹ / ₃ %
傢俬及裝置	2% - 20%
租賃物業裝修	20%或租約期，以較短者為準

資產出售或報廢時引致之溢利／虧損為資產之出售價及其帳面值差額並確認於收益表中。

附屬公司投資

於附屬公司之投資已列入本公司之資產負債表內，按其成本減去可辨認之減損列帳。

聯營公司權益

綜合收益表包括本集團在本年度內應佔其聯營公司之購入後業績。於綜合資產負債表內，聯營公司之權益按本集團應佔之聯營公司資產／負債淨額減去可辨認之減損列帳。

來自聯營公司之收入按本公司於本年度已收及應收之股息入帳。於聯營公司之投資於本公司之資產負債表以成本值減去可辨認之減損列帳。

帳目附註

截至二零零四年三月三十一日止年度

(三) 重大會計政策 (續)

證券投資

證券投資以交易日基準確認並初步以成本計算。

所有證券乃於報告日期後按公平價值計算。

倘證券乃持作買賣用途，則未變現溢利及虧損將計入本年度之純利或虧損淨額內。就其他證券而言，未變現溢利及虧損將於投資重估儲備一項中處理，直至證券被出售或評定為出現減值為止，屆時其累計溢利或虧損將計入當年度之純利或虧損淨額內。

存貨

存貨以成本值及可變現淨值兩者之較低值入帳。而成本乃按先入、先出準則計算。

進行中工程

進行中工程的金額為成本加任何估計可歸屬利潤減去任何可預見虧損及已收的進度付款。

減值

於每個結算日，本集團均將其資產的帳面金額覆閱，以確定其中資產有否減損跡象。如該資產之可收回金額被評估為少於其帳面金額，須將其帳面金額減至可收回金額，而減損將立即被確認為一項支出。

當某已減損之資產帳面金額增長至已修改為估計可收回的金額，而該增長之帳面金額不超越過往被確認為無減損時的帳面金額，其減損可於其後撥回。該撥回將立即被確認為收益。

稅項

所得稅支出代表當前應付稅項及遞延稅項之總和。

現時應付稅項是按有關期間之應課稅溢利計算。應課稅溢利不同於收益表內之純利，是因為應課稅溢利不包括其他期間之應課稅或可扣除的收入和支出等項目，及不包括無須課稅或不能扣除支出等項目。本集團之當前稅項負債乃按結算日法定或實質上的稅率計算。

帳目附註

截至二零零四年三月三十一日止年度

(三) 重大會計政策 (續)

稅項 (續)

遞延稅項中的預期應付或應收稅項，乃於財務報表內資產及負債之帳面價值及計算應課稅溢利時所採用的相應稅基之間的差異而產生，並採用資產負債表負債方式入帳。遞延稅項負債一般為確認所有應課稅項之暫時性差異，而遞延稅項資產之確認範圍則於其應課稅溢利將可被暫時性差異所抵銷。倘若由商譽（或負商譽）所產生之暫時性差異；或對應課稅溢利及會計溢利均無影響之其他資產及負債的交易（商業合併除外）的初次確認，則由於此等情況發生之稅項資產及負債將不會被確認。

投資在附屬公司及聯營公司時產生的應課稅暫時性差異會被確認為遞延稅項負債，除非本集團能控制此暫時性差異之回撥及該暫時性差異將不能在可見之未來回撥。

遞延稅項資產會於每個結算日審核其持有價值並予以相應扣減，直至應課稅溢利將不可能被所有或部份遞延稅項資產抵銷為止。

遞延稅項乃按在預期該負債償還或該資產變現時所適用之稅率計算。遞延稅項將被扣除或記入收益表內，除非當與其有關之項目乃直接扣除或記入股本時，其遞延稅項亦會於股本中處理。

外幣

以外幣為單位的各項交易均按照交易日之匯率伸算。以外幣為單位之貨幣資產及負債則按結帳日之市場概約匯率伸算。因此而引致之滙兌盈虧列入收益表內。

以外幣結算之海外附屬公司財務報表按結帳日之概約匯率伸算為港元。收入及支出乃按該時期之平均匯率伸算，因製作綜合帳而引致之滙兌差額將於滙兌儲備內處理。

營運租約

於營運租約下之應付租金乃按有關租約之年期以直線法列入收益表內。

退休福利成本

退休供款計劃之支出乃按到期應支付時列入開支內。

帳目附註

截至二零零四年三月三十一日止年度

(四) 營業額

	二零零四年 港元	二零零三年 港元
顧問費收入	—	3,000,000
股息收入	—	4,465
裝修合約之收入	16,168,561	13,100,179
出售物業之收入	23,178,315	—
管理費收入	3,172,309	3,230,120
貿易銷售	14,718,467	27,576,666
	<u>57,237,652</u>	<u>46,911,430</u>

(五) 業務及地區分類

業務分類

就管理而言，本集團目前分為四個營運部門－裝修合約及建築材料貿易、管理及顧問服務、投資及融資和物業買賣。本集團主要以上述部門作基準以申報其主要分類資料。

上述業務之分類資料載列如下：

二零零四年

	裝修合約 及貿易 港元	管理及 顧問服務 港元	投資及融資 港元	物業買賣 港元	綜合總額 港元
營業額	<u>30,887,028</u>	<u>3,172,309</u>	<u>—</u>	<u>23,178,315</u>	<u>57,237,652</u>
業績					
分類業績	<u>(7,166,194)</u>	<u>1,327,562</u>	<u>4,911,484</u>	<u>4,249,315</u>	3,322,167
未分配公司開支					(11,626,267)
其他經營收入					<u>831,169</u>
經營虧損					(7,472,931)
財務成本					(313,357)
視作出售一間附屬公司投資之虧損	—	—	—	(4,955,847)	(4,955,847)
應佔聯營公司之業績	—	—	(6,369,400)	—	<u>(6,369,400)</u>
除稅前虧損					(19,111,535)
稅項					<u>(167,703)</u>
除少數股東權益前虧損					<u>(19,279,238)</u>

帳目附註

截至二零零四年三月三十一日止年度

(五) 業務及地區分類 (續)

業務分類 (續)

二零零四年 (續)

資產負債表

	裝修合約 及貿易 港元	管理及 顧問服務 港元	投資及融資 港元	物業買賣 港元	綜合總額 港元
資產					
分類資產	<u>23,075,184</u>	<u>1,126,465</u>	<u>99,992,770</u>	<u>33,132,946</u>	157,327,365
聯營公司權益	—	—	74,758,167	—	74,758,167
未分配之公司資產					<u>443,388</u>
綜合資產總額					<u>232,528,920</u>
負債					
分類負債	<u>6,709,786</u>	<u>382,863</u>	<u>15,380,483</u>	<u>15,082,574</u>	37,555,706
未分配公司負債					<u>22,562,505</u>
綜合負債總額					<u>60,118,211</u>
其他資料					
樓宇、廠房及設備之添置	126,954	3,672	5,910	7,434	143,970
折舊	91,660	11,471	843,928	2,206,062	3,153,121
呆帳準備	287,752	—	6,480,048	—	6,767,800
存貨準備	844,015	—	—	—	844,015
出售樓宇、廠房及設備之虧損	<u>57,830</u>	<u>3,730</u>	—	<u>105,508</u>	<u>167,068</u>

帳目附註

截至二零零四年三月三十一日止年度

(五) 業務及地區分類 (續)

業務分類 (續)

二零零三年

	裝修合約 及貿易 港元	管理及 顧問服務 港元	投資及融資 港元	物業買賣 港元	綜合總額 港元
營業額	<u>40,676,845</u>	<u>6,230,120</u>	<u>4,465</u>	<u>—</u>	<u>46,911,430</u>
業績					
分類業績	<u>(84,874)</u>	<u>50,928</u>	<u>(31,503,377)</u>	<u>(2,432,618)</u>	<u>(33,969,941)</u>
未分配公司開支					(14,098,286)
其他經營收入					<u>1,694,597</u>
經營虧損					(46,373,630)
財務成本					(273,871)
出售附屬公司之溢利	610,091	—	—	—	610,091
應佔聯營公司之業績	—	—	(15,436,516)	—	<u>(15,436,516)</u>
除稅前虧損					(61,473,926)
稅項					<u>(361,111)</u>
除少數股東權益前虧損					<u>(61,835,037)</u>

帳目附註

截至二零零四年三月三十一日止年度

(五) 業務及地區分類 (續)

業務分類 (續)

二零零三年 (續)

資產負債表

	裝修合約 及貿易 港元	管理及 顧問服務 港元	投資及融資 港元	物業買賣 港元	綜合總額 港元
資產					
分類資產	<u>37,639,849</u>	<u>1,738,887</u>	<u>87,836,016</u>	<u>52,033,736</u>	179,248,488
聯營公司權益	—	—	83,167,406	—	83,167,406
未分配之公司資產					<u>443,388</u>
綜合資產總額					<u>262,859,282</u>
負債					
分類負債	<u>20,029,756</u>	<u>337,480</u>	<u>27,584,135</u>	<u>8,123,253</u>	56,074,624
未分配公司負債					<u>36,042,524</u>
綜合負債總額					<u>92,117,148</u>
其他資料					
樓宇、廠房及 設備之添置	19,836	23,428	41,230	—	84,494
折舊及攤銷	140,337	25,263	1,219,224	2,736,386	4,121,210
呆帳準備	121,200	—	448,557	—	569,757
存貨準備	2,000,000	—	—	—	2,000,000
出售樓宇、廠房及設備之虧損	—	10,060	—	—	10,060
證券投資之未變現虧損	—	—	56,997	—	56,997
撤除聯營公司內之資本化利息	—	—	222,250	—	222,250
證券投資之減值	<u>—</u>	<u>—</u>	<u>27,881,000</u>	<u>—</u>	<u>27,881,000</u>

帳目附註

截至二零零四年三月三十一日止年度

(五) 業務及地區分類 (續)

地區分類

本集團於香港及中國地區經營。

下列報表按地區市場 (不論其貨物／服務來源) 提供本集團營業額之分析：

	營業額	
	二零零四年 港元	二零零三年 港元
香港	18,899,040	19,094,693
中國	38,338,612	27,816,737
	<u>57,237,652</u>	<u>46,911,430</u>

下列乃分類資產之帳面金額和樓宇、廠房及設備之添置，按其資產所在地作出的地區分類分析：

	分類資產之帳面金額		樓宇、廠房及設備之添置	
	二零零四年 港元	二零零三年 港元	二零零四年 港元	二零零三年 港元
香港	172,733,836	180,196,930	132,864	55,079
中國	59,795,084	82,662,352	11,106	29,415
	<u>232,528,920</u>	<u>262,859,282</u>	<u>143,970</u>	<u>84,494</u>

帳目附註

截至二零零四年三月三十一日止年度

(六) 經營虧損

	二零零四年 港元	二零零三年 港元
經營虧損已包括以下費用(收入)：		
核數師酬金	487,590	568,874
折舊－樓宇、廠房及設備	3,153,121	4,121,210
滙兌(溢利)虧損	(296,960)	173,782
出售一間聯營公司之溢利	(230,934)	—
撇除聯營公司內之資本化利息	—	222,250
利息收入	(15,116)	(134,682)
出售樓宇、廠房及設備之虧損	167,068	10,060
營運租約減除支出零(二零零三年：零)後 之樓宇租金收入	(77,097)	—
土地及樓宇之營運租約租金	343,600	1,056,000
退休福利成本	224,402	241,376
員工成本	9,482,952	10,293,352

(七) 財務成本

	二零零四年 港元	二零零三年 港元
須於五年內悉數償還之銀行透支利息	313,357	273,871

(八) 董事及最高薪酬僱員之酬金

於本年和去年內，全部董事均沒有收取任何酬金。

五位最高薪酬僱員

	二零零四年 港元	二零零三年 港元
工資及其他酬金	2,998,695	2,982,240
退休金福利	36,000	36,000
	<u>3,034,695</u>	<u>3,018,240</u>
	二零零四年 僱員數目	二零零三年
零港元－1,000,000港元	<u>5</u>	<u>5</u>

帳目附註

截至二零零四年三月三十一日止年度

(九) 稅項

	二零零四年 港元	二零零三年 港元
稅款包括：		
香港利得稅	—	—
中國稅項	<u>167,703</u>	<u>361,111</u>
	<u>167,703</u>	<u>361,111</u>

因本集團於本年度沒有應課稅溢利，故未有對香港利得稅作出撥備。海外稅項按本集團營業所在地之適用稅率計算。

於本年度內，從二零零三／零四評稅年度開始，香港之利得稅率由16%增加至17.5%。

本年度之稅項支出與根據綜合收益表之虧損對帳如下：

	二零零四年 港元	%	二零零三年 港元	%
除稅前虧損	<u>(19,111,535)</u>		<u>(61,473,926)</u>	
按利得稅率計算	(3,344,519)	17.5	(9,835,828)	16.0
在計算應可課稅溢利中 不能扣除的開支之 稅務影響	2,237,628	(11.7)	8,233,070	(13.4)
在計算應課稅溢利中無須 課稅的收入之稅務影響 未被確認的稅務虧損之 稅務影響	(2,222,548)	11.6	(119,164)	0.2
各附屬公司稅率差異之影響	<u>3,418,372</u>	<u>(17.9)</u>	<u>1,897,006</u>	<u>(3.1)</u>
年度稅項支出及有效稅率	<u>167,703</u>	<u>(0.9)</u>	<u>361,111</u>	<u>(0.6)</u>

於二零零四年三月三十一日，本集團可在未來溢利中抵消之未用完稅務虧損估計約為139,302,000港元（二零零三年：119,769,000港元）。因未可預測將來溢利的流向，故沒有關於估計稅務虧損被確認作為遞延稅項資產處理。此等稅務虧損將可無限期轉期。

於結算日，本集團於稅務上可扣減之暫時性差異約為6,276,000港元（二零零三年：5,626,000港元）。由於預期需利用此等暫時性差異抵銷未來應課稅溢利之情況未必出現，故此等遞延稅項並未被確認。

帳目附註

截至二零零四年三月三十一日止年度

(十) 每股虧損－基本

每股虧損乃按本年度綜合虧損21,015,059港元(二零零三年:虧損56,689,304港元)及本年度內已發行普通股535,359,258股(二零零三年:535,359,258股)計算。

由於在二零零四年及二零零三年度內,並沒有發行任何潛在普通股份,故此未出現任何攤薄虧損。

(十一) 樓宇、廠房及設備

	土地及 樓宇 港元	機器、設備 及汽車 港元	傢俬及 裝置 港元	租約 物業裝修 港元	總額 港元
本集團					
按成本					
於二零零三年四月一日	35,193,525	6,890,852	15,362,230	12,584,645	70,031,252
滙兌調整	(37,341)	(1,598)	(2,891)	(2,173)	(44,003)
添置	—	132,864	11,106	—	143,970
出售	—	(56,581)	(1,119,041)	(2,162,839)	(3,338,461)
於二零零四年三月三十一日	<u>35,156,184</u>	<u>6,965,537</u>	<u>14,251,404</u>	<u>10,419,633</u>	<u>66,792,758</u>
累積折舊及減值					
於二零零三年四月一日	30,957,708	6,346,111	4,892,288	10,714,553	52,910,660
滙兌調整	(4,294)	(1,254)	(2,220)	(522)	(8,290)
本年度撥備	1,579,843	224,405	497,435	851,438	3,153,121
因出售而抵銷	—	(44,372)	(1,005,515)	(2,117,218)	(3,167,105)
於二零零四年三月三十一日	<u>32,533,257</u>	<u>6,524,890</u>	<u>4,381,988</u>	<u>9,448,251</u>	<u>52,888,386</u>
帳面淨值					
於二零零四年三月三十一日	<u>2,622,927</u>	<u>440,647</u>	<u>9,869,416</u>	<u>971,382</u>	<u>13,904,372</u>
於二零零三年三月三十一日	<u>4,235,817</u>	<u>544,741</u>	<u>10,469,942</u>	<u>1,870,092</u>	<u>17,120,592</u>

土地及樓宇位於中國地區並屬於中期租約。

帳目附註

截至二零零四年三月三十一日止年度

(十一) 樓宇、廠房及設備 (續)

	租約物業 裝修 港元	傢俬及 裝置 港元	辦公室設備 及機器 港元	總數 港元
本公司				
成本				
於二零零三年四月一日	8,374,061	1,403,435	4,452,993	14,230,489
添置	—	—	5,910	5,910
於二零零四年三月三十一日	8,374,061	1,403,435	4,458,903	14,236,399
累積折舊				
於二零零三年四月一日	7,576,674	1,109,715	4,230,050	12,916,439
本年度撥備	439,677	111,083	73,168	623,928
於二零零四年三月三十一日	8,016,351	1,220,798	4,303,218	13,540,367
帳面淨值				
於二零零四年三月三十一日	357,710	182,637	155,685	696,032
於二零零三年三月三十一日	797,387	293,720	222,943	1,314,050

(十二) 附屬公司投資

	本公司	
	二零零四年 港元	二零零三年 港元
非上市股份，按成本	224,552,753	224,552,753
股東貸款	126,661,038	136,161,038
應收款項	190,529,207	181,529,207
減：減值	(125,179,917)	(123,601,042)
	416,563,081	418,641,956

上述股東貸款及應收款項並無抵押、免利息並將不會在一年內償還。

確認之減值主要是將若干附屬公司之投資成本撇除及將其股東貸款與應收款項減至可收回價值。

帳目附註

截至二零零四年三月三十一日止年度

(十二) 附屬公司投資 (續)

本集團原先擁有一間附屬公司—上海僑益房地產有限公司(「僑益」)—80%之權益,其餘20%之權益則由另外一名中國內地少數股東(「甲方」)所擁有。此附屬公司原本正在進行自動解散,但雙方股東經進一步協商後同意繼續合作,並於二零零三年六月二十四日簽定一份協議。雙方同意:

- (1) 終止自動解散;
- (2) 撤銷雙方在爭拗中之申訴;
- (3) 共同平均擁有餘下之一塊地皮;
- (4) 共同平均擁有會所;
- (5) 繼續出售已完成之住宅存貨以償還雙方股東之貸款。除上述(3)及(4)提及之一塊地皮及會所,出售存貨之盈利/虧損連同餘下之其他資產,將分別按63.4%及36.6%的比例分配予本集團及甲方。
- (6) 根據上述(5)之重訂比例分配剩餘資產後,僑益將修改公司章程及其他相關文件,使其可反映上述(3)及(4)中,雙方股東共同平均擁有餘下一塊地皮及會所。

於二零零四年三月三十一日,餘下一塊地皮以可變現淨值10,650,000港元於存貨中列帳,而會所則以帳面淨值1,019,342港元於土地及樓宇中列帳。本集團由持有餘下一塊地皮及會所之80%權益減至50%,及由持有其他剩餘資產80%權益減至63.4%之財務影響共4,955,847港元被視作出售虧損,並已計入本年度綜合損益表中。

主要附屬公司之詳情載於帳目附註二十九。

帳目附註

截至二零零四年三月三十一日止年度

(十三) 聯營公司權益

	本集團	
	二零零四年 港元	二零零三年 港元
應佔資產淨值	59,247,957	65,466,173
股東貸款(準備後)	15,510,210	17,701,233
	<u>74,758,167</u>	<u>83,167,406</u>

	本公司	
	二零零四年 港元	二零零三年 港元
非上市股份,按成本	1	1
應收款項(準備後)	9,510,210	9,497,256
	<u>9,510,211</u>	<u>9,497,257</u>

上述股東貸款及應收款項並無抵押、免利息並無須於在一年內償還。

下表只包括於二零零四年三月三十一日對本集團之業績或資產淨值構成重大影響之聯營公司之詳情,因董事會認為詳列所有聯營公司之名單將令篇幅過長。

聯營公司名稱	業務架構 形式	註冊成立及 營運地點	已繳入 股本面值	間接 所持股權 百分比	主要業務
南京丁山花園酒店 有限公司	已註冊	中華人民共和國	25,600,000美元	45%	酒店業務

帳目附註

截至二零零四年三月三十一日止年度

(十三) 聯營公司權益 (續)

以下資料取錄自南京丁山花園酒店有限公司之經審核帳目。

年度內業績

	二零零四年 港元	二零零三年 港元
營業額	<u>102,564,313</u>	<u>107,078,526</u>
除稅前普通業務虧損	<u>(14,062,865)</u>	<u>(34,165,556)</u>
可歸屬於本集團之除稅前普通業務虧損	<u>(6,328,289)</u>	<u>(15,374,500)</u>

財政狀況

	二零零四年 港元	二零零三年 港元
非流動資產	451,749,934	443,512,535
流動資產	39,353,633	37,776,571
流動負債	(108,083,786)	(78,110,239)
非流動負債	<u>(248,556,000)</u>	<u>(254,475,000)</u>
資產淨值	<u>134,463,781</u>	<u>148,703,867</u>
可歸屬於本集團之資產淨值	<u>60,508,701</u>	<u>66,916,740</u>

帳目附註

截至二零零四年三月三十一日止年度

(十四) 證券投資

本集團

	交易證券		其他證券		總數	
	二零零四年 港元	二零零三年 港元	二零零四年 港元	二零零三年 港元	二零零四年 港元	二零零三年 港元
股份證券：						
香港上市	84,000	42,058	25,386,600	14,595,000	25,470,600	14,637,058
非上市	—	—	4,349,000	4,349,000	4,349,000	4,349,000
	<u>84,000</u>	<u>42,058</u>	<u>29,735,600</u>	<u>18,944,000</u>	<u>29,819,600</u>	<u>18,986,058</u>
上市證券市值：						
香港	<u>84,000</u>	<u>42,058</u>	<u>25,386,600</u>	<u>14,595,000</u>	<u>25,470,600</u>	<u>14,637,058</u>
帳面數目分析如下：						
流動	84,000	42,058	—	—	84,000	42,058
非流動	—	—	29,735,600	18,944,000	29,735,600	18,944,000
	<u>84,000</u>	<u>42,058</u>	<u>29,735,600</u>	<u>18,944,000</u>	<u>29,819,600</u>	<u>18,986,058</u>

於二零零三年三月三十一日止年度，一筆27,881,000港元之減值已於投資重估儲備轉至收益表內確認。此數額已將其他證券之投資成本撇除致其可收回金額。

(十五) 其他應收帳項

本集團及本公司

其他應收帳項均為無抵押、免利息及無固定還款期。

(十六) 存貨

	本集團	
	二零零四年 港元	二零零三年 港元
原料及易耗品	250,557	2,617,988
一般商品	2,376,952	2,447,161
銷售物業存貨	25,082,413	39,464,888
	<u>27,709,922</u>	<u>44,530,037</u>

於本年度內，存貨成本已確認為費用支出共30,884,779港元（二零零三年：33,305,046港元）。

於結算日，所有一般商品及銷售物業存貨乃按估計可變現淨值列帳。

帳目附註

截至二零零四年三月三十一日止年度

(十七) 進行中工程

	本集團	
	二零零四年 港元	二零零三年 港元
按已發生之成本加估計可歸屬利潤 及減去可預見之損失	29,268,740	23,027,702
減：已收進度付款	<u>(29,268,740)</u>	<u>(13,508,789)</u>
	<u>—</u>	<u>9,518,913</u>

(十八) 應收帳項及預付款項

應收帳項及預付款項中包括為數8,887,404港元(二零零三年：10,555,578港元)之應收貿易帳項。本集團給予貿易客戶平均九十日之信用期限。以下為應收貿易帳項之帳齡分析：

	本集團	
	二零零四年 港元	二零零三年 港元
帳齡：		
0—60日	2,565,101	8,264,088
61—90日	516,764	516,418
超過90日	<u>5,805,539</u>	<u>1,775,072</u>
	<u>8,887,404</u>	<u>10,555,578</u>

(十九) 應付帳項及應計費用

應付帳項及應計費用中包括為數9,446,337港元(二零零三年：2,911,847港元)之應付貿易帳項。以下為應付貿易帳項之帳齡分析：

	本集團	
	二零零四年 港元	二零零三年 港元
帳齡：		
0—60日	278,197	1,194,022
61—90日	10,225	282,847
超過90日	<u>9,157,915</u>	<u>1,434,978</u>
	<u>9,446,337</u>	<u>2,911,847</u>

帳目附註

截至二零零四年三月三十一日止年度

(二十) 少數股東借貸

本集團

此等借貸為無抵押、免利息，而借貸若不會在一年內償還，則被界定為非流動負債項目。

(二十一) 股本

	股份數目	港元
普通股每股0.10港元		
法定股本：		
於二零零二年四月一日，二零零三年三月三十一日 及二零零四年三月三十一日	<u>8,500,000,000</u>	<u>850,000,000</u>
已發行及繳足股款：		
於二零零二年四月一日，二零零三年三月三十一日 及二零零四年三月三十一日	<u>535,359,258</u>	<u>53,535,926</u>

(二十二) 儲備

	股本贖回 儲備 港元	繳入盈餘 港元	虧絀 港元	總額 港元
本公司				
於二零零二年四月一日	2,382,000	396,817,696	(317,453,960)	81,745,736
年度淨虧損	—	—	(25,877,976)	(25,877,976)
於二零零三年三月三十一日 及四月一日	2,382,000	396,817,696	(343,331,936)	55,867,760
本年度淨虧損	—	—	(13,939,776)	(13,939,776)
於二零零四年三月三十一日	<u>2,382,000</u>	<u>396,817,696</u>	<u>(357,271,712)</u>	<u>41,927,984</u>

依照百慕達公司法所訂明之計算方法，於二零零四年三月三十一日，本公司可派發之儲備為39,545,984港元（二零零三年：53,485,760港元），即繳入盈餘及虧絀之總和。

繳入盈餘包括僑福物業發展有限公司（前稱明仁企業投資股份有限公司）於一九九二年十一月二十四日之綜合股東資金與根據於該日完成之協議計劃而配發之本公司股份面值兩者間之差額66,889,494港元及於二零零一年十一月七日本集團資本重組時，全部股份溢價抵銷及公司已發行股份面值由1港元減少至0.10港元所產生1,200,422,356港元。根據本公司之公司細則，本公司可自繳入盈餘撥款進行分派。於二零零二年三月三十一日止年度，870,494,154港元已從繳入盈餘中進行分派。

帳目附註

截至二零零四年三月三十一日止年度

(二十三) 欠附屬公司款項

本公司

該等欠款乃無抵押、免利息，而欠款若無須於一年內償還，則被界定為非流動負債項目。

(二十四) 出售附屬公司

	二零零四年 港元	二零零三年 港元
樓宇、廠房及設備	—	282,752
存貨	—	135,555
應收帳項及預付款項	—	1,486,463
銀行結存及現金	—	471,744
應付帳項及應計費用	—	(1,950,117)
少數股東借貸	—	(1,400,000)
	<hr/>	<hr/>
出售之負債淨值	—	(973,603)
商譽	—	1,404,033
少數股東權益	—	(1,040,521)
出售之溢利	—	610,091
	<hr/>	<hr/>
所得現金代價	—	—
	<hr/>	<hr/>
出售中所產生之現金流出淨值：		
出售之銀行結餘及現金	—	(471,744)
	<hr/>	<hr/>

於上年度內所出售之附屬公司並無對本集團之現金流量、營業額及本集團營運虧損中之歸屬虧損淨值帶來重要影響。

(二十五) 承擔

租約承擔

營運租約付款乃代表本集團部份寫字樓之租金付款。租約期限為兩年。

於結算日，本集團承租物業至少有下列不可取消營運租約之付款，而付款期限為：

	本集團	
	二零零四年 港元	二零零三年 港元
於首年期滿	180,000	264,000
於第二至第五年期滿	45,000	—
	<hr/>	<hr/>
	225,000	264,000
	<hr/>	<hr/>

帳目附註

截至二零零四年三月三十一日止年度

(二十五) 承擔 (續)

租約承擔 (續)

於結算日，本公司並無任何有關不可取消營運租約之承擔。

於結算日，本集團及本公司與租客並沒有簽署任何將來最少支出合同。

(二十六) 退休福利計劃

- (a) 本集團已為所有香港僱員參與強制性公積金計劃(「強積金計劃」)，自二零零零年十二月一日起生效。強積金計劃乃強制性公積金計劃管理局按強制性公積金計劃條例所註冊之計劃。強積金計劃之資產與本集團之資產分別存放於不同資金，並受獨立信託人管理。根據強積金計劃守則，僱主及僱員須各自就計劃按守則指定之百分比作出供款。就強積金計劃而言，本集團之唯一責任乃作出計劃所需之供款。本集團就強積金計劃所作供款及計入收益表之總額為224,402港元(二零零三年：241,376港元)。
- (b) 根據中華人民共和國上海市政廳政府規定，本集團一間附屬公司必須向當地政府勞務處管理的退休金作出供款。供款為該附屬公司員工基本薪金的25.5%。該附屬公司之退休金付款或退休後之福利責任承擔並不會超越其每年之供款。本集團就此計劃所作供款及計入收收益表之總額為36,941港元(二零零三年：無)。

(二十七) 或然負債

	本公司	
	二零零四年 港元	二零零三年 港元
為附屬公司取得銀行融資而提供之 公司擔保	<u>3,518,346</u>	<u>10,692,034</u>

於結算日，本集團並無任何或然負債。

帳目附註

截至二零零四年三月三十一日止年度

(二十八) 有關連人士的披露

於本年度，本集團與有關連人士（包括重要管理人仕、受本集團管理層控制或具重大影響的公司）發生下列交易：

附註	聯營公司		有關連公司 (iv)	
	二零零四年 港元	二零零三年 港元	二零零四年 港元	二零零三年 港元
管理費收入	i	—	1,322,400	—
辦公室管理費支付	ii	—	—	101,016
一般費用支付	ii	—	—	3,722,668
應收欠款	iii	50,632,969	51,238,665	—
應付欠款	iii	—	—	16,539,050
借貸	iii	15,510,210	17,701,233	—

附註：

- (i) 所有收入乃董事會按市場價格而釐定。
- (ii) 所有費用乃董事會按市場價格而釐定。
- (iii) 此款項乃無抵押、免利息，而款項若須於一年內償還，則被列為流動資產／負債。聯營公司之欠款於扣除準備後淨值為2,957,123港元（二零零三年：2,957,123港元）。
- (iv) 若干有關連公司之董事同時為本公司之董事，而其中一間有關連公司之兩名董事則為本公司其中一名董事之子女。

帳目附註

截至二零零四年三月三十一日止年度

(二十九) 主要附屬公司詳情

下表只包括於二零零四年三月三十一日對本集團之業績或資產淨值構成重大影響之附屬公司之詳情，因董事會認為詳列所有附屬公司之名單將令篇幅過長。除另有說明外，下列附屬公司主要在香港經營業務。

名稱	註冊 成立地點	股份類別	已發行 股本/ 繳入資本	所持股權百分比		主要業務
				直接 %	間接 %	
China Garden Limited	英屬處女 群島	普通股	30美元	—	70	持有一有限 責任合夥 公司之投資
Dragon Spirit Limited	英屬處女 群島	普通股	1美元	—	100	投資控股
國際傢俬有限公司 (附註a)	香港	普通股	2,000,020港元	—	100	一般貿易
億驅有限公司	香港	普通股	2港元	100	—	持有油畫
僑福建設企業機構股份 有限公司	香港	普通股	10,000,000 港元	—	100	投資控股
僑福企業國際有限公司	香港	普通股	2港元	—	100	投資控股
陽明山莊國際管理 有限公司	香港	普通股	2港元	—	100	人事管理
Interlink Associates Limited	英屬處女 群島	普通股	1美元	—	100	投資控股
Jiangsu Parkview Hotels & Resorts Limited (附註b)	英屬處女 群島	普通股	100美元	—	55	酒店管理 及顧問服務
Newmeadow Limited	英屬處女 群島	普通股	1美元	—	100	投資控股

帳目附註

截至二零零四年三月三十一日止年度

(二十九) 主要附屬公司詳情 (續)

名稱	註冊 成立地點	股份類別	已發行 股本/ 繳入資本	所持股權百分比		主要業務
				直接 %	間接 %	
Parkview International Trading Limited	英屬處女 群島	普通股	1美元	100	—	投資控股
Parkview Management Services Limited	英屬處女 群島	普通股	4美元	100	—	投資控股
僑福物業發展 有限公司	香港	普通股	1,000港元	100	—	投資控股及 資本市場 投資
上海僑陽物業管理 有限公司(附註b)	中華人民 共和國	不適用	500,000美元	—	55	物業管理
上海僑益房地產 有限公司(附註b及d)	中華人民 共和國	不適用	10,000,000 美元	—	80	物業發展
張家港保稅區港麗國際 貿易有限公司(附註c)	中華人民 共和國	不適用	200,000 美元	—	100	家居及廚房用品 生產及室內 木匠裝置

附註：

- (a) 於世界各地經營業務。
- (b) 乃中外合資經營並在中華人民共和國經營業務。
- (c) 乃海外全資企業並在中華人民共和國經營業務。
- (d) 於帳目附註十二中提到，本集團及中國內地少數股東共同平均擁有餘下一塊地皮及會所。而餘下資產將分別以63.4%及36.6%的比例分配給予本集團及中國內地少數股東。

所有附屬公司均沒有發行任何債務證券。

五年財務摘要

截至二零零四年三月三十一日止年度

	二零零零年 港元	二零零一年 港元	二零零二年 港元	二零零三年 港元	二零零四年 港元
綜合業績					
營業額	<u>340,361,574</u>	<u>158,008,402</u>	<u>78,542,384</u>	<u>46,911,430</u>	<u>57,237,652</u>
年度淨溢利(虧損)	<u>61,492,390</u>	<u>(58,111,407)</u>	<u>76,975,467</u>	<u>(56,689,304)</u>	<u>(21,015,059)</u>
每股盈利(虧損)	<u>11.49仙</u>	<u>(10.85仙)</u>	<u>14.38仙</u>	<u>(10.59仙)</u>	<u>(3.93仙)</u>
綜合資產及負債					
資產總值	<u>1,734,979,421</u>	<u>1,482,302,435</u>	<u>298,192,975</u>	<u>262,859,282</u>	<u>232,528,920</u>
負債總額及少數 股東權益	<u>220,950,229</u>	<u>307,320,074</u>	<u>95,794,173</u>	<u>97,810,856</u>	<u>72,768,318</u>
股東資金	<u>1,514,029,192</u>	<u>1,174,982,361</u>	<u>202,398,802</u>	<u>165,048,426</u>	<u>159,760,602</u>