

Notes to the Financial Statements

For the year ended 31st December, 2009

1. GENERAL INFORMATION

The Company is a public listed company incorporated in Hong Kong with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Its ultimate holding company is Chinese Estates Holdings Limited ("Chinese Estates"), a company incorporated in Bermuda with its securities listed on the Stock Exchange. The address of the registered office of the Company is disclosed in the "Corporate Information" section to the annual report.

The consolidated and the company financial statements are presented in Hong Kong dollars, which is the same as the functional currency of the Company and its subsidiaries (the "Group") and all values are rounded to the nearest thousand (HK\$'000) except otherwise indicated.

The principal activities of the Group are engaged in property development, property leasing and securities investments and finance. The principal activities and other particulars of its principal subsidiaries are set out in Note 39 to the financial statements.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

The accounting policies adopted in the financial statements for the year ended 31st December, 2009 are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31st December, 2008 except as described below.

In the current year, the Group has applied, for the first time, a number of new standards, amendments and interpretations (the "new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), which are effective for the Group's financial year beginning on 1st January, 2009. The new HKFRSs adopted by the Group in the financial statements are set out as follows:

HKFRSs (Amendments)	Annual Improvements to HKFRSs issued in 2008*
HKAS 1 (Revised)	Presentation of Financial Statements
HKAS 23 (Revised)	Borrowing Costs
HKAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation

財務報表附註

截至二零零九年十二月三十一日止年度

1. 一般資料

本公司為一間在香港註冊成立而其股份在香港聯合交易所有限公司（「聯交所」）上市之公眾有限公司。其最終控股公司為於百慕達註冊成立，其證券在聯交所上市之Chinese Estates Holdings Limited（「華置」）。本公司之註冊辦事處地址已於本年報「公司資料」一節中披露。

港元為本公司與其附屬公司（「本集團」）之功能貨幣，除另有說明外，綜合及公司財務報表以港元呈報，所有價值均四捨五入至最接近之千位數（千港元）。

本集團之主要業務為物業發展、物業租賃以及證券投資及融資。其主要附屬公司之主要業務及其他資料載於財務報表附註39。

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

於截至二零零九年十二月三十一日止年度財務報表採用之會計政策與編製本集團截至二零零八年十二月三十一日止年度之全年財務報表所依循者相符，惟下述者除外。

於本年度，本集團已首次應用香港會計師公會（「香港會計師公會」）頒布並對本集團於二零零九年一月一日開始之財政年度生效之多項新準則、修訂及詮釋（「新香港財務報告準則」）。本集團於財務報表採用之新香港財務報告準則載列如下：

香港財務報告準則（修訂本）	2008年頒布之香港財務報告準則之年度改進*
香港會計準則第1號（經修訂）	財務報表呈列
香港會計準則第23號（經修訂）	借貸成本
香港會計準則第32及1號（修訂本）	可沽售金融工具及清盤產生之責任

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2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (cont’d)

HKFRS 1 & HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations
HKFRS 7 (Amendment)	Improving Disclosures about Financial Instruments
HK(IFRIC) – Int 9 & HKAS 39 (Amendments)	Embedded Derivatives
HK(IFRIC) – Int 13	Customer Loyalty Programmes
HK(IFRIC) – Int 15	Agreements for the Construction of Real Estate
HK(IFRIC) – Int 16	Hedges of a Net Investment in a Foreign Operation
HK(IFRIC) – Int 18	Transfers of Assets from Customers

* Except for the amendment to HKFRS 5 that is effective for the annual periods beginning on or after 1st July, 2009.

HKFRS 8, “Operating Segments”, was early adopted by the Group in 2008. HKFRS 8 replaces HKAS 14, “Segment Reporting”. The new standard requires a “management approach”, under which segment information is presented on the same basis as that used for internal reporting purposes. This has resulted in an increase in the number of reportable segments presented. In addition, the segments are reported in a manner that is more consistent with the internal reporting provided to the chief operating decision-maker.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則 第1號及香港會計 準則第27號 (修訂本)	附屬公司、共同控制 實體或聯營公司之 投資成本
香港財務報告準則 第2號(修訂本)	歸屬條件及註銷
香港財務報告準則 第7號(修訂本)	改善有關金融工具之 披露
香港(國際財務 報告詮釋委員會) — 詮釋第9號及 香港會計準則 第39號(修訂本)	嵌入式衍生工具
香港(國際財務 報告詮釋委員會) — 詮釋第13號	客戶忠誠計劃
香港(國際財務 報告詮釋委員會) — 詮釋第15號	房地產建築協議
香港(國際財務 報告詮釋委員會) — 詮釋第16號	對沖海外業務之 淨投資
香港(國際財務 報告詮釋委員會) — 詮釋第18號	來自客戶之資產轉讓

* 香港財務報告準則第5號之修訂本除外，該修訂本於二零零九年七月一日或之後開始之年度期間生效。

於二零零八年，本集團提早採納香港財務報告準則第8號「經營分類」。香港財務報告準則第8號取代香港會計準則第14號「分類報告」。該項新準則規定採納「管理法」，據此，分類資料之呈列基準與內部報告所用之呈列基準相同。採納此項準則導致所呈列之可報告分類數目增加。此外，分類之報告方式更符合向主要經營決策人提供之內部報告方式。

Notes to the Financial Statements

For the year ended 31st December, 2009

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (cont’d)

The application of the new HKFRSs has resulted in the following changes:

- a) HKAS 1 (Revised), “Presentation of Financial Statements” separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with non-owner changes in equity presented as a single line. In addition, the standard introduced the statement of comprehensive income, it presents all items of recognised income and expense, either in one single statement, or in two linked statements. The Group has elected to present one single statement.
- b) The amendment to HKFRS 7, “Improving Disclosures about Financial Instruments”, enhances disclosures about fair value measurement and liquidity risk of the Group’s financial instruments. A three-level fair value hierarchy has been introduced to categorise the fair value measurements according to the degree to which they are based on observable market data.
- c) The HK(IFRIC) – Int 15, “Agreements for the Construction of Real Estate” (“New Interpretation”) clarifies the timing and accounting treatment of revenue recognition in relation to properties sales in more detail. In the past, revenue and profit for sale of properties stock or any under pre-sale arrangements prior to the completion of development was recognised on the execution of a binding sales agreement or when the relevant occupation permit or certificate of compliance is issued by the respective building authority, whichever is the later. In consideration of the new interpretation, the Group has adopted a change in accounting policy on revenue recognition for sales of properties upon completion of sales agreement and by reference to the timing of the execution of deed of legal assignment or delivery of property to the purchaser, whichever is the earlier. The change in accounting policy has been adopted retrospectively, however, no adjustment to the comparative figures and opening balance of any component of equity for the year are required as there is no material impact to the revenue and gross profit recognised for the whole year of 2008.

Saved as described above, there is no material effect on the financial statements of the Group and the Company for the current and prior accounting periods by adopting the new HKFRSs, thus no prior period adjustment has been required.

財務報表附註

截至二零零九年十二月三十一日止年度

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

應用新香港財務報告準則導致下列變動：

- a) 香港會計準則第1號（經修訂）「財務報告呈列」將擁有人及非擁有人於權益之變動分開。股本權益變動報表僅載列與擁有人進行之交易詳情，而非擁有人之權益變動則以單一項目呈列。此外，該項準則引入全面收入報表，當中以單一報表或兩個相關報表形式呈列所有已確認收支項目。本集團已選用單一報表進行呈列。
- b) 香港財務報告準則第7號（修訂本）「改善有關金融工具之披露」提升本集團金融工具之公平值計量及流動資金風險之披露。本集團已引入三層公平值架構，按照可觀察市場數據計算之公平值計量程度將其分類。
- c) 香港（國際財務報告詮釋委員會）— 詮釋第15號「房地產建築協議」（「新詮釋」）更詳細地澄清確認有關物業銷售之收入之時間性和會計方法。過往，出售物業存貨或於發展項目落成前於任何預售安排中獲得之收入和溢利於具約束力之銷售協議執行時，或獲有關建築當局批出相關入伙准許證或滿意紙後確認（以較後者為準）。本集團考慮新詮釋時，採納一項會計政策變動，就物業銷售之收入按銷售協議完成時並參考執行法律轉讓契約或交樓予買家之時間性確認（以較早者為準）。會計政策之變動已追溯性地採納，然而，對二零零八年全年確認之收入和毛利並無重大影響，故此無需對本年度組成權益的任何部分之比較數字及期初結餘作出調整。

除上述者外，採納新香港財務報告準則不會對本會計期間或過往會計期間之本集團及本公司財務報表構成重大影響，故無須作出前期調整。

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2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (cont’d)

The Group has not early adopted the following new HKFRSs that have been issued but are not yet effective.

HKFRSs (Amendments)	Annual Improvements to HKFRSs issued in 2009 ²
HKFRS 1 (Revised)	First-time Adoption of Hong Kong Financial Reporting Standards ¹
HKFRS 1 (Amendment)	Additional Exemptions for First-time Adopters ³
HKFRS 2 (Amendment)	Group Cash-settled Share-based Payment Transactions ⁵
HKFRS 3 (Revised)	Business Combinations ¹
HKFRS 9	Financial Instruments ⁷
HKAS 24 (Revised)	Related Party Disclosures ⁶
HKAS 27 (Revised)	Consolidated and Separate Financial Statements ¹
HKAS 32 (Amendment)	Classification of Rights Issues ⁴
HKAS 39 (Amendment)	Eligible Hedged Items ¹
HK(IFRIC) – Int 14 (Amendment)	Prepayments of a Minimum Funding Requirement ⁶
HK(IFRIC) – Int 17	Distributions of Non-cash Assets to Owners ¹
HK(IFRIC) – Int 19	Extinguishing Financial Liabilities with Equity Instruments ⁵

- ¹ Effective for annual periods beginning on or after 1st July, 2009
- ² Effective for annual periods beginning on or after 1st July, 2009 and 1st January, 2010, as appropriate
- ³ Effective for annual periods beginning on or after 1st January, 2010
- ⁴ Effective for annual periods beginning on or after 1st February, 2010
- ⁵ Effective for annual periods beginning on or after 1st July, 2010
- ⁶ Effective for annual periods beginning on or after 1st January, 2011
- ⁷ Effective for annual periods beginning on or after 1st January, 2013

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

本集團並未提早採納下列已頒布但仍未生效之新香港財務報告準則。

香港財務報告準則（修訂本）	2009年頒布之香港財務報告準則之年度改進 ²
香港財務報告準則第1號（經修訂）	首次採納香港財務報告準則 ¹
香港財務報告準則第1號（修訂本）	首次採納者之額外豁免 ³
香港財務報告準則第2號（修訂本）	集團以現金支付之股份交易 ⁵
香港財務報告準則第3號（經修訂）	業務合併 ¹
香港財務報告準則第9號	金融工具 ⁷
香港會計準則第24號（經修訂）	關連人士披露 ⁶
香港會計準則第27號（經修訂）	綜合及獨立財務報表 ¹
香港會計準則第32號（修訂本）	供股分類 ⁴
香港會計準則第39號（修訂本）	合資格對沖項目 ¹
香港（國際財務報告詮釋委員會）— 詮釋第14號（修訂本）	預付最低資金需求 ⁶
香港（國際財務報告詮釋委員會）— 詮釋第17號	向擁有人分派非現金資產 ¹
香港（國際財務報告詮釋委員會）— 詮釋第19號	以股本工具抵銷金融負債 ⁵

- ¹ 於二零零九年七月一日或之後開始之年度期間生效
- ² 於二零零九年七月一日及二零一零年一月一日（如適用）或之後開始之年度期間生效
- ³ 於二零一零年一月一日或之後開始之年度期間生效
- ⁴ 於二零一零年二月一日或之後開始之年度期間生效
- ⁵ 於二零一零年七月一日或之後開始之年度期間生效
- ⁶ 於二零一一年一月一日或之後開始之年度期間生效
- ⁷ 於二零一三年一月一日或之後開始之年度期間生效

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2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (cont’d)

The application of HKFRS 3 (Revised), “Business Combinations” may affect the accounting for business combination for which the acquisition date is on or after 1st January, 2010. HKAS 27 (Revised), “Consolidated and Separate Financial Statements” will affect the accounting treatment for changes in the Group’s ownership interest in a subsidiary that do not result in a loss of control, which will be accounted for as equity transactions.

HKFRS 9, “Financial Instruments” introduces new requirements for the classification and measurement of financial assets and will be effective from 1st January, 2013, with early application permitted. Under HKFRS 9, all recognised financial assets that are currently in the scope of HKAS 39 will be measured at either amortised cost or fair value. A debt instrument that (1) is held within a business model whose objective is to collect the contractual cash flows and (2) has contractual cash flows that are solely payments of principal and interest on the principal amount outstanding are generally measured at amortised cost. All other debt instruments must be measured at fair value with gains or losses recognised in profit or loss. The application of HKFRS 9 might affect the classification and measurement of the Group’s financial assets.

The Group is in the process of assessing the potential impact of these new HKFRSs but is not yet in a position to determine whether these new HKFRSs will have a significant impact on how its results of operations and financial position are prepared and presented. These new HKFRSs may result in changes in the future as to how the results and financial position are prepared and presented.

財務報表附註

截至二零零九年十二月三十一日止年度

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第3號（經修訂）「業務合併」之應用可能影響收購日期為二零一零年一月一日或之後之業務合併之會計方法。香港會計準則第27號（經修訂）「綜合及獨立財務報表」將影響本集團於附屬公司權益之擁有權變動（惟不會導致失去控制權）之會計處理，而有關變動將以股本交易入賬。

香港財務報告準則第9號「金融工具」引入金融資產分類及計量之新規定，將由二零一三年一月一日起生效，並可提早應用。根據香港財務報告準則第9號，現時納入香港會計準則第39號範圍之所有已確認金融資產將按攤銷成本或公平值計量。而(1)為收回合約現金流量而於業務模式中持有及(2)附有純粹為支付本金及未償還本金利息之合約現金流量之債務工具，一般按攤銷成本計量。所有其他債務工具必須按公平值計量，其收益或虧損於損益內確認。應用香港財務報告準則第9號可能影響本集團之金融資產分類及計量。

本集團現正評估該等新香港財務報告準則之潛在影響，惟尚未釐定該等新香港財務報告準則會否對本集團之經營業績及財務狀況之編製及呈列方法構成重大影響。該等新香港財務報告準則可能導致業績及財務狀況之編製及呈列方法於日後出現變動。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated and the company financial statements have been prepared in accordance with all applicable HKFRSs, which is a collective term that includes all applicable Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations issued by the HKICPA, accounting principles generally accepted in Hong Kong, the Hong Kong Companies Ordinance and applicable disclosure provision of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

The consolidated and the company financial statements have been prepared on the historical cost basis except for certain financial assets, financial liabilities and investment properties, which are measured at their fair values, as explained in the accounting policies set out below.

(a) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries. Control is achieved where the Company has the power to govern the financial and operating policies of the subsidiaries so as to obtain benefits from their activities.

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

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

Non-controlling interests in subsidiaries are presented separately from the equity of the holders of the Company.

財務報表附註

截至二零零九年十二月三十一日止年度

3. 主要會計政策概要

綜合及公司財務報表乃根據所有適用香港財務報告準則編製，香港財務報告準則為一個統稱，包括香港會計師公會頒布之所有適用香港財務報告準則、香港會計準則及詮釋、香港公認會計原則、香港公司條例及聯交所證券上市規則（「上市規則」）之適用披露條文。

如下文載列之會計政策所說明，綜合及公司財務報表乃按歷史成本法編製，惟若干金融資產、金融負債及投資物業則按其公平值計算。

(a) 綜合賬目基準

綜合財務報表包括本公司及其附屬公司之財務報表。擁有控制權指本公司有權監管附屬公司之財務及營運政策，從而在其營運活動中取得利益。

年內收購或出售之附屬公司業績，乃由實際收購日期起或直至實際出售日期止（按適當情況）計入綜合全面收入報表內。

所有集團內公司間之交易、結餘、收入及支出均於綜合賬目中對銷。

於附屬公司之非控股權益與本公司持有之權益分開呈列。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(b) Investments in subsidiaries

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

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

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the consolidated statement of comprehensive income.

財務報表附註

截至二零零九年十二月三十一日止年度

3. 主要會計政策概要 (續)

(b) 附屬公司投資

附屬公司乃本集團有權監管其財務及營運政策之所有實體，通常擁有其過半數投票權之股權。在評估本集團是否控制另一實體時，會考慮是否存在即時可行使或轉換之潛在投票權及其作用。

在本公司之財務狀況報表中，於附屬公司之投資乃以成本減除減值虧損撥備列賬。附屬公司之業績由本公司按已收及應收股息基準列賬。

本集團採用收購會計法為本集團所收購之附屬公司列賬。收購成本為於交易當日所獲資產、所發行之股本工具及所產生或承擔之負債之公平值，加上收購事項直接應佔之成本。在業務合併過程中所收購之可識別資產、所承擔之負債及或然負債，均於收購當日按其公平值初步計算（不論任何非控股權益之款額）。收購成本超出本集團應佔所收購之可識別淨資產之公平值之差額乃記錄為商譽。倘收購成本低於所收購附屬公司淨資產之公平值，則有關差額將直接於綜合全面收入報表內確認。

Notes to the Financial Statements

For the year ended 31st December, 2009

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(c) *Interests in associates*

An associate is an entity which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associate are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, investments in associates are carried in the consolidated statement of financial position at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associate, less any impairment in the value of individual investments. Losses of an associate in excess of the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate) are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate.

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

Investments in associates are included in the Company's statement of financial position at cost, less any identified impairment loss. The results of the associates are accounted for by the Company on the basis of dividends received and receivable during the year.

(d) *Investments properties*

Investment properties are properties held to earn rental income and/or for capital appreciation. On initial recognition, investment properties are measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at fair value. Any gain or loss arising from a change in the fair value of the investment properties is recognised directly in the consolidated statement of comprehensive income for the year in which they arise.

財務報表附註

截至二零零九年十二月三十一日止年度

3. 主要會計政策概要 (續)

(c) *聯營公司權益*

聯營公司為本集團擁有重大影響力而並非附屬公司或合營公司權益之實體。重大影響力指有權參與投資公司之財務及營運政策決定，但非對該等政策擁有控制權或共同控制權。

聯營公司之業績及資產與負債利用權益會計法計入此等綜合財務報表。根據權益法，聯營公司投資以成本在綜合財務狀況報表內列賬，並經收購後本集團應佔聯營公司資產淨值變動而調整，須減除個別投資之價值減值後列賬。聯營公司之虧損若超逾本集團於該聯營公司之權益（包括任何長期權益，此在實質上構成本集團於聯營公司內淨投資之一部份）僅以本集團已產生之法定或推定責任或代表該聯營公司支付之款項為限予以確認。

倘一集團實體與本集團之聯營公司進行交易，則按本集團於有關聯營公司所佔之權益為限撇銷盈虧。

聯營公司投資按成本減去任何已辨識減值虧損計入本公司財務狀況報表。本公司於年內按已收及應收股息為基準計入聯營公司之業績。

(d) *投資物業*

投資物業為持作賺取租金收入及／或作資本增值之物業。於初步確認時，投資物業按成本（包括任何直接應佔支出）計量。於初步確認後，投資物業利用公平值計量。投資物業因公平值之變動所產生之盈虧，直接於產生年度之入綜合全面收入報表確認。

Notes to the Financial Statements

For the year ended 31st December, 2009

財務報表附註

截至二零零九年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(d) Investments properties (cont'd)

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of comprehensive income in the year in which the item is derecognised.

(e) Property, plant and equipment

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

Depreciation is charged so as to write off the cost of property, plant and equipment over their estimated useful lives, using the straight-line method, at the following rates per annum:

Type	Basis
Buildings	Over the shorter of the unexpired period of the land lease and 20 years
Furniture, fixtures and equipment	10%

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

(f) Property interests held for development

Property interests held for development represent a right to develop properties on a piece of land upon payment of a final amount or land acquired pending any definite intention, and are carried at cost, less any identified impairment losses.

3. 主要會計政策概要 (續)

(d) 投資物業 (續)

當投資物業出售，或永不再使用有關投資物業，且預期出售時將不會產生未來經濟利益時，不再確認入賬。不再確認物業所產生之盈虧（按出售所得款項淨額與資產之賬面金額兩者間之差額計算），乃於不再確認該項目之年度內計入綜合全面收入報表。

(e) 物業、廠房及設備

物業、廠房及設備按成本減累計折舊以及任何累計減值虧損列賬。

物業、廠房及設備之折舊，乃於其估計可使用年期按以下年率以直線法撇銷成本：

種類	基準
樓宇	土地租賃尚餘年期及二十年（以較短者為準）
傢俬、裝置及設備	10%

當物業、廠房及設備項目出售，或預期繼續使用有關資產時將不會產生未來經濟利益時不再確認入賬。不再確認資產所產生之盈虧（按出售所得款項淨額與資產之賬面金額兩者間之差額計算），乃於不再確認該項目之年度內計入綜合全面收入報表。

(f) 持作發展之物業權益

持作發展之物業權益指於支付最後款項後在土地上發展物業之權利或已購入而未有任何具體意向之土地，乃按成本扣除任何可辨認減值虧損列賬。

Notes to the Financial Statements

For the year ended 31st December, 2009

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(g) Properties held for sale

Completed properties held for sale remaining unsold at the end of the reporting period are stated at the lower of cost and net realisable value.

Net realisable value is determined by reference to sale proceeds received after the end of the reporting period less selling expenses, or by management estimates based on the prevailing market conditions.

(h) Leasing

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

The Group as lessor

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

(i) Revenue recognition

Revenue from properties held for sale is recognised upon completion of sales agreement and by reference to the timing of execution of deed of legal assignment or delivery of property to the purchaser, whichever is earlier. Payments received from the purchasers prior to this stage are recorded as deposits received on sales of properties and are grouped under current liabilities.

Rental income from properties under operating leases is recognised on a straight line basis over the term of the relevant lease.

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

財務報表附註

截至二零零九年十二月三十一日止年度

3. 主要會計政策概要 (續)

(g) 持作出售物業

可持作出售惟於報告期末仍未售出的已落成物業按成本與可變現淨值兩者中之較低者入賬。

可變現淨值參考於報告期末後收取之出售所得款項減出售之開支計算，或根據管理層按當時市況作出之估計釐定。

(h) 租約

凡租約條款規定將租賃資產擁有權之絕大部份風險及利益轉移至承租人之租約均列為財務租約。所有其他租約均分類為營業租約。

本集團為出租人

營業租約之租金收入會以直線法按有關租約年期在綜合全面收入報表確認。磋商及安排營業租約時產生之初步直接成本會加入租賃資產之賬面金額，並以直線法按租約年期確認為開支。

(i) 收入確認

持作出售物業之收入在銷售協議完成時方予確認入賬，並參考執行法律轉讓契約或交樓予買家之時間性確認（以較早者為準）。於上述階段前從買家收取之款項乃列作銷售物業之已收按金，並計入流動負債內。

營業租約項下物業之租金收入於有關租賃期內以直線法攤銷確認。

金融資產之利息收入乃就本金結餘按適用實際利率及時間比例計算。

Notes to the Financial Statements

For the year ended 31st December, 2009

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(j) Foreign currencies

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

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in consolidated statement of comprehensive income in the period in which they arise, except for exchange differences arising on a monetary item that forms part of the Company's net investment in a foreign operation, in which case, such exchange differences are recognised in the other comprehensive income in consolidated financial statements and will be reclassified from equity to consolidated statement of comprehensive income on disposal of the foreign operation. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in consolidated statement of comprehensive income for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income, in which cases, the exchange differences are also recognised directly in other comprehensive income.

財務報表附註

截至二零零九年十二月三十一日止年度

3. 主要會計政策概要 (續)

(j) 外幣

在編製個別集團實體之財務報表時，以實體功能貨幣以外之貨幣（外幣）進行之交易按交易日通用之匯率以各自功能貨幣（即該實體經營之主要經濟環境之貨幣）記錄。於報告期末，以外幣列值之貨幣項目以該日期通用之匯率重新換算。以外幣列值並按公平值列賬之非貨幣項目以釐定公平值當日通用之匯率重新換算。以外幣列值並以歷史成本計算之非貨幣項目不會重新換算。

結算貨幣項目及重新換算貨幣項目時產生之匯兌差額於產生之期間在綜合全面收入報表中確認，惟因貨幣項目而產生並構成本公司之海外業務淨投資一部份之匯兌差額則於綜合財務報表中其他全面收入內確認，並在出售海外業務時，從權益重新分類至綜合全面收入報表。重新換算按公平值列賬之非貨幣項目產生之匯兌差額計入期內之綜合全面收入報表中，惟重新換算非貨幣項目產生之差額有關之盈虧直接於其他全面收入確認，在此情況下，匯兌差額亦會直接於其他全面收入中確認。

Notes to the Financial Statements

For the year ended 31st December, 2009

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(j) Foreign currencies (cont'd)

For the purposes of presenting the financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) using exchange rates prevailing at the end of the reporting period. Income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity as exchange reserve and attributed to non-controlling interests as appropriate. Such exchange differences are recognised in consolidated statement of comprehensive income in the period in which the foreign operation is disposed of.

(k) Retirement benefit costs

Payments to defined contribution retirement benefit schemes are charged as an expense when employees have rendered service entitling them to the contributions.

(l) Financial instruments

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

財務報表附註

截至二零零九年十二月三十一日止年度

3. 主要會計政策概要 (續)

(j) 外幣 (續)

就財務報表之呈報而言，本集團海外業務之資產及負債按報告期末之匯率換算為本集團之呈列貨幣（即港元），而收支則按該年度之平均匯率換算。倘期內匯率大幅波動，則使用交易日之匯率換算。產生之匯兌差額（如有）於其他全面收入中確認，並於權益內以匯兌儲備累計及分配至非控股權益（如適用）。該等匯兌差額於出售海外業務期間在綜合全面收入報表內確認。

(k) 退休福利成本

界定供款退休福利計劃之供款於僱員提供服務以有權取得供款時確認為開支。

(l) 金融工具

當集團實體成為工具合約條文之一方，則於財務狀況報表內確認金融資產及金融負債。金融資產及金融負債初步按公平值計算。收購或發行金融資產及金融負債直接應佔之交易成本（以公平值計算且以公平值計入損益之金融資產及金融負債除外）乃於初步確認時加入金融資產或金融負債（如適用）之公平值，或從金融資產或金融負債之公平值扣除。收購以公平值計量且以公平值計入損益之金融資產或金融負債直接應佔之交易成本，即時於綜合全面收入報表中確認。

Notes to the Financial Statements

For the year ended 31st December, 2009

財務報表附註

截至二零零九年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(I) Financial instruments (cont'd)

Financial assets

The Group's financial assets are classified into one of the four categories, including financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. The Group's major financial assets fall within the category of loans and receivables and available-for-sale financial assets respectively and the accounting policies adopted are set out below.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets designated as at fair value through profit or loss, of which interest income is included in net gains or losses.

3. 主要會計政策概要 (續)

(I) 金融工具 (續)

金融資產

本集團之金融資產分類為下列四項其中之一：以公平值計算且以公平值計入損益之金融資產、貸款及應收款項、持有至到期之投資及可供出售金融資產。所有正常買賣之金融資產按交易日之基準確認及不予確認。正常買賣之金融資產是指按照市場規定或慣例須在一段期間內進行資產交付之金融資產買賣。本集團之主要金融資產屬於貸款及應收款項以及可供出售金融資產之類別，而所採納之會計政策載列如下。

實際利息法

實際利息法為計算金融資產攤銷成本及於有關期間內分配利息收入之方法。實際利率為於初步確認時將金融資產於預計年期或（如適用）較短期間內之估計未來現金收款（包括構成實際利率之一切已付或已收利差費用、交易成本及其他溢價或折讓）準確貼現至賬面淨值之利率。

除指定以公平值計算且以公平值計入損益之金融資產之利息收入會計入盈利或虧損淨額外，債務工具之收入按實際利息計算確認。

Notes to the Financial Statements

For the year ended 31st December, 2009

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(I) Financial instruments (cont'd)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At the end of the reporting period to initial recognition, loans and receivables including debtors and deposits, loan to a fellow subsidiary, advance to a fellow subsidiary and cash and cash equivalents are carried at amortised cost using the effective interest method, less any identified impairment losses (see the accounting policy on impairment loss on financial assets below).

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as any of the other categories under HKAS 39. At each end of the reporting period subsequent to initial recognition, available-for-sale financial assets are measured at fair value. Changes in fair value are recognised in other comprehensive income and accumulated under the securities investment reserve, except for impairment losses and foreign exchange gains and losses, until the financial asset is derecognised, at which time, the cumulative gain or loss previously recognised in securities investment reserve is removed and recognised in the consolidated statement of comprehensive income (see the accounting policy on impairment loss on financial assets below).

For the purpose of recognising foreign exchange gains and losses, a monetary available-for-sale financial asset is treated as if it was carried at amortised cost in the foreign currency. Accordingly, for such a financial asset, exchange differences resulting from changes in carrying amount are recognised in the consolidated statement of comprehensive income.

However, interest calculated using the effective interest method is recognised in the consolidated statement of comprehensive income.

Any impairment losses on available-for-sale financial assets are recognised in the consolidated statement of comprehensive income. Impairment losses on available-for-sale equity investments will not reverse in subsequent periods. For available-for-sale debt investments, impairment losses are subsequently reversed if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

財務報表附註

截至二零零九年十二月三十一日止年度

3. 主要會計政策概要 (續)

(I) 金融工具 (續)

貸款及應收款項

貸款及應收款項為並未於交投活躍之市場內報價而附帶固定或可議定付款之非衍生金融資產。於初步確認後之報告期末，貸款及應收款項（包括應收賬項及按金、借予同系附屬公司短期貸款、墊付同系附屬公司款項以及現金及現金等同項目）使用實際利息法按經攤銷成本減任何可識別減值虧損列賬（見下文有關金融資產減值虧損之會計政策）。

可供出售金融資產

可供出售金融資產為根據香港會計準則第39號指定或並無分類為任何其他分類之非衍生工具。於初步確認後之各個報告期末，可供出售金融資產按公平值計算。除減值虧損及匯兌收益及虧損外，公平值變動於其他全面收入中確認，並於證券投資儲備中累計，直至該金融資產不再確認入賬；屆時，以往於證券投資儲備確認之累計收益或虧損會予以扣除，並於綜合全面收入報表確認（見下文有關金融資產減值虧損之會計政策）。

至於確認匯兌收益及虧損，貨幣性可供出售金融資產被視為以外幣按攤銷成本列賬。因此，就有關金融資產而言，賬面值變動所引致之匯兌差額會於綜合全面收入報表確認。

然而，利用實際利息法計算之利息會於綜合全面收入報表確認。

可供出售金融資產之任何減值虧損會於綜合全面收入報表確認。可供出售股本投資之減值虧損不會於往後期間撥回。就可供出售債務投資而言，倘投資之公平值增加可能客觀地涉及確認減值虧損後發生之事件，則減值虧損可於其後撥回。

Notes to the Financial Statements

For the year ended 31st December, 2009

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(I) Financial instruments (cont'd)

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at the end of the reporting period. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been impacted.

For an available-for-sale equity investment, a significant or prolonged decline in the fair value of that investment below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- (i) significant financial difficulty of the issuer or counterparty; or
- (ii) default or delinquency in interest or principal payments; or
- (iii) it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate of the financial assets.

財務報表附註

截至二零零九年十二月三十一日止年度

3. 主要會計政策概要 (續)

(I) 金融工具 (續)

金融資產減值

除以公平值計算且以公平值計入損益之金融資產外，金融資產於報告期末進行有關減值現象之評估。當於初步確認金融資產後發生一項或多項事件，導致有客觀證據顯示金融資產之估計未來現金流量已受到影響，則金融資產已經減值。

就可供出售股本投資而言，倘有關投資之公平值大幅或長期低於其成本，則被視為減值之客觀憑證。

就所有其他金融資產而言，減值客觀證據可包括：

- (i) 發行人或對手方出現嚴重財困；或
- (ii) 無力支付或拖欠利息或本金額；或
- (iii) 借貸人有可能破產或進行財務重組。

就應收貿易賬項等若干類別之金融資產而言，被評為不會個別減值之資產會彙集評估減值。一組應收款項之減值客觀證據可包括本集團過往之收款經驗、組合內延遲還款至超逾平均信貸期之次數增加，以及與無力支付應收款項有關之國家或地方之經濟環境明顯轉變。

就按攤銷成本列賬之金融資產而言，減值虧損數額以資產之賬面金額與按金融資產之原實際利率折現其估計未來現金流量之現值兩者之差額計算。

Notes to the Financial Statements

For the year ended 31st December, 2009

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(I) Financial instruments (cont'd)

Impairment of financial assets (cont'd)

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in the consolidated statement of comprehensive income. When a trade receivable is considered uncollectable, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to the consolidated statement of comprehensive income.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through consolidated statement of comprehensive income to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Impairment losses on available-for-sale equity investments will not be reversed in the consolidated statement of comprehensive income in subsequent periods. Any increase in fair value subsequent to impairment loss is recognised in other comprehensive income and accumulated under the securities investment reserve.

財務報表附註

截至二零零九年十二月三十一日止年度

3. 主要會計政策概要 (續)

(I) 金融工具 (續)

金融資產減值 (續)

就按成本列賬之金融資產而言，減值虧損以資產之賬面金額與按類似金融資產現時市場回報率折現其估計未來現金流量之現值兩者之差額計算。有關減值虧損不會於往後期間撥回。

除應收貿易賬項外，所有金融資產之賬面金額會直接扣除其減值虧損。應收貿易賬項之賬面金額會利用撥備賬進行扣減。撥備賬之賬面金額的變動於綜合全面收入報表確認。當應收貿易賬項被視為不可收回，則會撤銷撥備賬。倘之前已撤銷之款項於其後收回，則會計入綜合全面收入報表。

就按攤銷成本計量之金融資產而言，倘減值虧損之金額於確認後之期間有所減少，而有關減少可以客觀地與確認減值虧損後發生之一項事件有關，之前已確認之減值虧損可透過綜合全面收入報表予以撥回，但撥回以減值日期資產之賬面金額為限，不得超過該項資產原未確認減值時之已攤銷成本。

可供出售股本投資之減值虧損不會於往後期間在綜合全面收入報表撥回。於確認減值虧損後公平值增加會於其他全面收入確認，並於證券投資儲備中累計。

Notes to the Financial Statements

For the year ended 31st December, 2009

財務報表附註

截至二零零九年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(I) *Financial instruments (cont'd)*

Financial liabilities and equity

Financial liabilities and equity instruments issued by a group entity are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

The Group's financial liabilities are classified into other financial liabilities. The accounting policies adopted in respect of financial liabilities and equity instruments are set out below.

Other financial liabilities

Other financial liabilities including creditors and accruals, deposits received and advances from fellow subsidiaries are subsequently measured at amortised cost, using the effective interest method.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

3. 主要會計政策概要 (續)

(I) *金融工具 (續)*

金融負債及股本

集團實體發行之金融負債及股本工具乃根據所訂立合約安排之內容及金融負債與股本工具之定義予以分類。股本工具為可證明於本集團資產經扣除其所有負債後之餘額權益之任何合約。

本集團之金融負債分類為其他金融負債，而就金融負債及股本工具所採納之會計政策載列如下。

其他金融負債

其他金融負債(包括應付賬項及應計費用、已收按金及同系附屬公司墊款)均於其後使用實際利息法按攤銷成本計算。

股本工具

本公司發行之股本工具按已收所得款項扣除直接發行成本入賬。

Notes to the Financial Statements

For the year ended 31st December, 2009

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(m) Taxation

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes consolidated statement of comprehensive income items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantially enacted at the end of the reporting period.

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

財務報表附註

截至二零零九年十二月三十一日止年度

3. 主要會計政策概要 (續)

(m) 稅項

所得稅支出指當期應付稅項及遞延稅項。

當期應付稅項按年度應課稅溢利計算。應課稅溢利與綜合全面收入報表所報溢利不同，此乃由於其不包括在其他年度應課稅或可扣減之收入或支出項目，亦不包括綜合全面收入報表內永不課稅或扣減之項目。本集團有關當期稅項之負債按報告期末已實施或大致實施之稅率計算。

遞延稅項按財務報表內資產及負債賬面金額與用於計算應課稅溢利之相應稅基兩者之暫時差異確認。遞延稅項負債通常會就所有應課稅暫時差異確認，而遞延稅項資產則限於可能於日後取得應課稅溢利，並可用以抵銷可扣減暫時差異時確認。若暫時差異乃因商譽（或負商譽）或一項既不影響應課稅溢利亦不影響會計溢利之交易（業務合併除外）中初步確認其他資產及負債而引致，則不會確認該等遞延稅項資產及負債。

Notes to the Financial Statements

For the year ended 31st December, 2009

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(m) Taxation (cont'd)

Deferred taxation liabilities are recognised for taxable temporary differences arising on interests in subsidiaries and associates, 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 taxation assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

Deferred taxation assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the entity intends to settle its current tax assets and liabilities on a net basis.

財務報表附註

截至二零零九年十二月三十一日止年度

3. 主要會計政策概要 (續)

(m) 稅項 (續)

遞延稅項負債乃就附屬公司及聯營公司之權益產生之應課稅暫時差異而確認，惟倘本集團能夠控制該等暫時差異之回轉及該等暫時差異預料不會在可見將來回轉則屬例外。

遞延稅項資產之賬面金額於報告期末作檢討，並在不大可能再有足夠應課稅溢利收回全部或部份稅項資產時減少。

遞延稅項乃按預期於負債償還或資產變現期間之適用稅率計算。遞延稅項會扣自或計入綜合全面收入報表，惟有關於其他全面收入確認或直接於權益確認之項目，則有關之遞延稅項亦會於其他全面收入確認或直接於權益確認。

當遞延稅項資產及負債與同一稅務機關徵收之所得稅有關，以及該實體有意按淨額基準結算其當期稅項資產及負債時，遞延稅項資產及負債予以對銷。

Notes to the Financial Statements

For the year ended 31st December, 2009

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(n) Related parties

A party is considered to be related to the Group if:

- (i) the party, directly or indirectly through one or more intermediaries, (a) controls, is controlled by, or is under common control with, the Group; (b) has an interest in the Group that gives it significant influence over the Group; or (c) has joint control over the Group;
- (ii) the party is an associate;
- (iii) the party is a jointly-controlled entity;
- (iv) the party is a member of the key management personnel of the Group or its parent;
- (v) the party is a close member of the family of any individual referred to in (i) or (iv);
- (vi) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
- (vii) the party is a post-employment benefit plan for the benefit of the employees of the Group, or of any entity that is a related party of the Group.

財務報表附註

截至二零零九年十二月三十一日止年度

3. 主要會計政策概要 (續)

(n) 關連人士交易

在下列情況下，有關人士將視為與本集團有關連：

- (i) 有關人士直接或透過一名或多名中介人間接：(a)控制本集團，或被本集團控制或與本集團受到共同控制；(b)擁有本集團權益，並可對本集團發揮重大影響力；或(c)與他人共同擁有本集團控制權；
- (ii) 有關人士為聯營公司；
- (iii) 有關人士為共同控制實體；
- (iv) 有關人士為本集團或其母公司之主要管理人員；
- (v) 有關人士為(i)或(iv)項所述人士之直系親屬；
- (vi) 有關人士受直接或間接歸屬於(iv)或(v)項所述人士之實體所控制，與他人共同控制或發揮重大影響力，或擁有重大投票權；或
- (vii) 有關人士為本集團或屬其關連人士任何實體之僱員之終止受僱後福利計劃。

Notes to the Financial Statements

For the year ended 31st December, 2009

財務報表附註

截至二零零九年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(o) Borrowings

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, are capitalised as part of the cost of those asset. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the consolidated statement of comprehensive income in the period in which they are incurred.

(p) Impairment losses

At the end of the reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

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

3. 主要會計政策概要 (續)

(o) 借貸

直接因收購、興建或生產合資格資產而產生之借貸成本會資本化為該等資產之部分成本。借貸成本於資產大致可作擬定用途或銷售時不再資本化。

所有其他借貸成本於產生期間於綜合全面收入報表中確認。

(p) 減值虧損

於報告期末，本集團會檢討其有形及無形資產之賬面金額，以釐定該等資產有否出現減值虧損之現象。倘估計資產之可收回金額將低於其賬面金額，則將該資產之賬面金額減至其可收回金額。減值虧損則即時確認為開支。

倘減值虧損其後撥回，則有關資產之賬面金額會增至其經修訂估計可收回之金額，惟已增加之賬面金額不得超過假設有關資產於過往年度並無確認減值虧損而釐定之賬面金額。減值虧損撥回則即時確認為收入。

Notes to the Financial Statements

For the year ended 31st December, 2009

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(q) Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligations and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

(r) Segment reporting

Operating segments are reported in a manner consistent with the internal management reporting provided to the chief operating decision-makers. Segment assets consist primarily of fixed assets, financial assets and other assets. Segment liabilities comprise financial liabilities and other liabilities. The Group evaluates performance on the basis of profit or loss from operations after tax expense and non-controlling interests but not including the major non-cash items. No intersegment revenue is accounted for as the intersegment revenue is mainly the rental income for administrative purpose.

(s) Prepaid lease payments

Payment for obtaining land use rights is accounted for as prepaid lease payments and are charged to the consolidated statement of comprehensive income on a straight-line basis over the lease terms.

財務報表附註

截至二零零九年十二月三十一日止年度

3. 主要會計政策概要 (續)

(q) 撥備

當本集團因過往事件而承擔現有責任，導致本集團將有可能就該責任付款，而該責任款額能可靠地估計時確認撥備。

確認為撥備之款額乃於報告期末就支付現有責任所需之代價之最佳估計，當中已考慮涉及有關責任之風險及不確定因素。倘撥備使用估計支付現有責任之現金流進行計量，其賬面金額即該等現金流之現值。

(r) 分類報告

經營分類按符合提供予主要經營決策人之內部管理報告方式呈報。分類資產主要包括固定資產、金融資產及其他資產。分類負債包括金融負債及其他負債。本集團會以經營溢利或虧損評估表現，當中已扣除稅項開支及非控股權益，惟並未計及重大非現金項目。由於分類間之收益主要為涉及行政之租金收入，故並無將分類間之收益入賬。

(s) 預付租賃款項

為取得土地使用權而支付之款項列作預付租賃款項，按直線法在租約期內自綜合全面收入報表扣除。

Notes to the Financial Statements

For the year ended 31st December, 2009

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the Group's accounting policies, which are described in Note 3 to the financial statements, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The followings are the critical judgements, apart from those involving estimations, that management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Income tax expense

The Group is subject to income taxes in Hong Kong and the People's Republic of China, other than Hong Kong (the "PRC"). Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Impairment of assets

The Group tests annually whether the assets have suffered any impairment. The recoverable amount of an asset or a cash generating unit is determined based on value-in-use calculations which require the use of assumptions and estimates.

財務報表附註

截至二零零九年十二月三十一日止年度

4. 關鍵會計估計及判斷

管理層於應用本集團之會計政策（見財務報表附註3之描述）時，須對無法以其他途徑得知之資產及負債賬面值作出判斷、估計及假設。該等估計及相關假設以過往經驗及被視為相關之其他因素為依據。實際結果可能有別於該等估計。

管理層會持續審閱各項估計及相關假設。如果會計估計之修訂只是影響某一期間，其影響便會在作出修訂之期間確認；如果修訂對當前及未來期間均有影響，則在作出修訂之期間及未來期間確認。

除涉及估計之判斷外，以下為管理層於應用本集團會計政策時所作出對財務報表已確認金額有最重大影響之主要判斷。

所得稅開支

本集團須繳納香港及中華人民共和國（香港除外）（「中國」）之所得稅。在釐定所得稅撥備時須作出重大判斷。在日常業務過程中，大部份交易及計算之最終稅務決定均不明朗。本集團根據附加稅項會否到期之估計來確認預計稅項審核事宜之負債。倘此等事宜之最終稅務結果有別於初步錄得之金額，有關差額將對作出決定期間之所得稅及遞延稅項撥備構成影響。

資產減值

本集團每年進行資產減值測試，並利用須作出若干假設及估計之使用價值計算法，釐定資產或現金產生單位之可收回金額。

Notes to the Financial Statements

For the year ended 31st December, 2009

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (cont'd)

Investment properties

As described in Note 17 to the financial statements, investment properties are stated at fair value based on the valuation performed by independent professional surveyors. In determining the fair value, the surveyors have based on method of valuation which involves certain estimates. In relying on the valuation report, the management has exercised their judgment and is satisfied that the method of valuation is reflective of the current market conditions. Should there are changes in assumptions due to change of market conditions, the fair value of the investment properties will change in future.

5. FINANCIAL INSTRUMENTS

5.1 Categories of financial instruments

Financial assets

金融資產

Available-for-sale financial assets	可供出售金融資產		
Loans and receivables (including cash and cash equivalents)	貸款及應收款項 (包括現金及現金等同項目)		

	2009	2008
	HK\$'000	HK\$'000
	千港元	千港元
	96,472	89,008
	864,525	854,726

Financial liabilities

金融負債

At amortised cost	按攤銷成本		
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	3,024	2,213
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5.2 Financial risk management objectives and policies

The Group's major financial instruments include available-for-sale financial assets, debtors and deposits, loan to a fellow subsidiary, advance to a fellow subsidiary, cash and cash equivalents, creditors and accruals, deposits received and advances from fellow subsidiaries. Details of these financial instruments are disclosed in respective notes. The risk associated with these financial instruments and the policies on how to mitigate these are set out below. The management monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

財務報表附註

截至二零零九年十二月三十一日止年度

4. 關鍵會計估計及判斷 (續)

投資物業

誠如財務報表附註17所述，投資物業是以獨立專業測計師評定之公平值入賬。測計師於決定公平值時乃根據包含若干估計之估值方法進行，管理層於信賴估值報告時已作出了判斷及認同該估值方法乃反映市場現況。如市況導致假設有任何變動，投資物業之公平值將於未來變動。

5. 金融工具

5.1 金融工具之類別

	2009	2008
	HK\$'000	HK\$'000
	千港元	千港元
	96,472	89,008
	864,525	854,726

5.2 財務風險管理目標及政策

本集團之主要金融工具包括可供出售金融資產、應收賬項及按金、借予同系附屬公司貸款、墊付同系附屬公司款項、現金及現金等同項目、應付賬款及應計費用、已收按金及同系附屬公司墊款。此等金融工具之詳情於各個相關附註內披露。與此等金融工具相關之風險及如何減低有關風險之政策載列如下。管理層監察此等風險，以確保適時有效地推行適當措施。

Notes to the Financial Statements

For the year ended 31st December, 2009

5. FINANCIAL INSTRUMENTS (cont'd)

5.2 Financial risk management objectives and policies (cont'd)

Market risks

(i) Foreign currency risk

The majority of the Group's monetary assets and monetary liabilities by value and the rental income are denominated in Hong Kong dollars ("HK\$"), except the available-for-sale financial assets are denominated in United States dollars ("USD"). The Group currently does not have a foreign currency hedging policy in respect of foreign current assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Assets	資產	2009	2008
		HK\$'000	HK\$'000
		千港元	千港元
USD	美元	102,812	90,801

Sensitivity analysis

As HK\$ are pegged to USD, it is assumed that there would be no material currency risk exposure between these two currencies and therefore is excluded from the analysis.

財務報表附註

截至二零零九年十二月三十一日止年度

5. 金融工具 (續)

5.2 財務風險管理目標及政策 (續)

市場風險

(i) 外幣風險

本集團以價值及租金收入劃分之貨幣資產及貨幣負債大部分以港元(「港元」)計值，惟可供出售金融資產以美元(「美元」)計值。本集團目前並無就海外流動資產及負債採納任何外幣對沖政策。本集團將密切監察其外幣風險，並於有需要時考慮對沖重大外幣風險。

本集團以外幣計值之貨幣資產及貨幣負債於報告期末之賬面值如下：

Assets	資產	2009	2008
		HK\$'000	HK\$'000
		千港元	千港元
USD	美元	102,812	90,801

敏感度分析

由於港元與美元掛鈎，並假設該兩種貨幣並無重大貨幣風險，故並無納入分析之內。

Notes to the Financial Statements

For the year ended 31st December, 2009

5. FINANCIAL INSTRUMENTS (cont'd)

5.2 Financial risk management objectives and policies (cont'd)

Market risks (cont'd)

(ii) Cash flow interest rate risk

The Group and the Company do not have any bank borrowings.

The Group and the Company have interest-bearing assets including advances to subsidiaries, available-for-sale financial assets, loan to a fellow subsidiary and cash and cash equivalents, details of which have been disclosed in Notes 21, 23, 26 and 28 to the financial statements.

The Group and the Company analyse their interest rate exposure on a dynamic basis. The advances to subsidiaries, available-for-sale financial assets, loan to a fellow subsidiary and cash and cash equivalents were carried at fixed and variable rates. As such, the impact of the increase or decrease in Hong Kong Interbank Offered Rates ("HIBOR") and The London Interbank Offered Rates ("LIBOR") would have an effect on interest income arising from advances to subsidiaries, available-for-sale financial assets, loan to a fellow subsidiary, cash and cash equivalents for the Group and the Company.

The Group's and the Company's interest rate risk is mainly concentrated on the fluctuation of interest income arising from the Group's United States dollar denominated available-for-sale financial assets and Hong Kong dollar denominated loan to a fellow subsidiary and cash and cash equivalents.

財務報表附註

截至二零零九年十二月三十一日止年度

5. 金融工具 (續)

5.2 財務風險管理目標及政策 (續)

市場風險 (續)

(ii) 現金流量利率風險

本集團及本公司並無任何銀行借貸。

本集團及本公司擁有的計息資產包括墊付附屬公司款項、可供出售金融資產、借予同系附屬公司貸款以及現金及現金等同項目 (詳情已於財務報表附註21、23、26及28內披露)。

本集團及本公司按動態基準分析其利率風險。其墊付附屬公司款項、可供出售金融資產、借予同系附屬公司貸款以及現金及現金等同項目均以固定及浮動利率計息。因此，香港銀行同業拆息 (「香港銀行同業拆息」) 及倫敦銀行同業拆息 (「倫敦銀行同業拆息」) 之上升或下降將對本集團及本公司來自墊付附屬公司款項、可供出售金融資產、借予同系附屬公司貸款、現金及現金等同項目之利息收入產生影響。

本集團及本公司之利率風險主要集中於來自本集團以美元計值之可供出售金融資產及以港元計值之借予同系附屬公司貸款以及現金及現金等同項目之利息收入波動。

Notes to the Financial Statements

For the year ended 31st December, 2009

5. FINANCIAL INSTRUMENTS (cont'd)

5.2 Financial risk management objectives and policies (cont'd)

Market risks (cont'd)

(ii) Cash flow interest rate risk (cont'd)

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rate for interest-bearing advances to subsidiaries, available-for-sale financial assets, loan to a fellow subsidiary and cash and cash equivalents at the end of the reporting period. The analysis is prepared assuming the amount of financial assets held at the end of the reporting period was held for the whole year. A 50 basis points increase or decrease in interest rate is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's and the Company's:

- profit for the year ended 31st December, 2009 would increase/decrease by approximately HK\$4,402,000 and HK\$4,904,000 (2008: increase/decrease by HK\$4,366,000 and HK\$4,829,000) respectively. This is mainly attributable to the Group's exposure to interest rates on its variable rate; and
- other comprehensive income for the year ended 31st December, 2009 would not increase/decrease (2008: Nil).

The Group's and the Company's sensitivity to interest rates has increased during the current year mainly due to the increase in loan to a fellow subsidiary held.

財務報表附註

截至二零零九年十二月三十一日止年度

5. 金融工具 (續)

5.2 財務風險管理目標及政策 (續)

市場風險 (續)

(ii) 現金流量利率風險 (續)

敏感度分析

下文敏感度分析乃根據於報告期末之計息墊付附屬公司款項、可供出售金融資產、借予同系附屬公司貸款以及現金及現金等同項目之利率釐定。分析乃假設於報告期末所持之金融資產於整個年度持有而編製。內部向主要管理人員報告利率風險所用之利率上升或下降50個基點，代表管理層對利率合理可能變動之評估。

倘利率上升／下降50個基點及所有其他可變數不變，則本集團及本公司：

- 截至二零零九年十二月三十一日止年度之溢利將會分別增加／減少約4,402,000港元及4,904,000港元（二零零八年：增加／減少4,366,000港元及4,829,000港元）。此主要涉及本集團之浮息利率風險；及
- 截至二零零九年十二月三十一日止年度之其他全面收入不會增加／減少（二零零八年：無）。

年內，由於所持有借予同系附屬公司貸款增加，本集團及本公司之利率敏感度有所上升。

Notes to the Financial Statements

For the year ended 31st December, 2009

5. FINANCIAL INSTRUMENTS (cont'd)

5.2 Financial risk management objectives and policies (cont'd)

Market risks (cont'd)

(iii) Price risk

The Group's investment is classified as available-for-sale financial assets which are measured at fair value at each end of the reporting period and expose the Group to price risk. The Group's price risk is concentrated on securities investment operating in banking and insurance industry. The management manages this exposure by maintaining a portfolio of investments with different risk profiles.

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to price risk at the reporting date:

If the securities price had been 5% higher/lower and all other variables were held constant, the Group's:

- profit for the year ended 31st December, 2009 would not increase/decrease (2008: Nil).
- other comprehensive income for the year ended 31st December, 2009 would increase/decrease by approximately HK\$4,824,000 (2008: HK\$4,450,000).

The Group's sensitivity to price risk has increased during the year mainly due to the increase in the fair value of available-for-sale financial assets held.

Credit risk

The Group's maximum exposure to credit risk in the event of the counterparties' failure to perform their obligations as at 31st December, 2009 in relation to each class of recognised financial assets are the carrying amount of those assets as stated in the consolidated statement of financial position. The Group's and the Company's time deposits are deposited with banks of high credit quality in Hong Kong.

財務報表附註

截至二零零九年十二月三十一日止年度

5. 金融工具 (續)

5.2 財務風險管理目標及政策 (續)

市場風險 (續)

(iii) 價格風險

本集團之投資會分類為可供出售金融資產 (於各報告期末按公平值計量)，並使本集團承受價格風險。本集團之價格風險集中於有關銀行業及保險業之證券投資。管理層透過維持不同風險程度之投資組合管理有關風險。

敏感度分析

下文敏感度分析乃根據於報告日之價格風險釐定：

倘證券價格上升/下跌5%，而所有其他可變數不變，則本集團：

- 截至二零零九年十二月三十一日止年度之溢利不會增加/減少 (二零零八年：無)。
- 截至二零零九年十二月三十一日止年度之其他全面收入將增加/減少約4,824,000港元 (二零零八年：4,450,000港元)。

年內，由於所持之可供出售金融資產公平值增加，故本集團之價格風險敏感度亦有所增加。

信貸風險

本集團就倘交易對手未能履行其於二零零九年十二月三十一日有關各類已確認金融資產之責任所面對最大信貸風險為綜合財務狀況報表所述該等資產之賬面金額。本集團及本公司之定期存款存於香港高信貸質素之銀行。

Notes to the Financial Statements

For the year ended 31st December, 2009

5. FINANCIAL INSTRUMENTS (cont'd)

5.2 Financial risk management objectives and policies (cont'd)

Credit risk (cont'd)

The Company and its principal subsidiaries made transactions with counterparties with acceptable credit quality in conformance to the Group treasury policies to minimise credit exposure. Acceptable credit ratings from reputable credit rating agencies and scrutiny of financials for non-rated counterparties are two important criteria in the selection of counterparties. The credit quality of counterparties will be closely monitored over the life of the transaction. The Group reviews its financial counterparties periodically in order to reduce credit risk concentrations relative to the underlying size and credit strength of each counterparties.

In an attempt to forestall adverse market movement, the Group also monitors potential exposures to each financial institution counterparties.

The Group's exposure to credit risk arises from default of the counterparties, with a maximum exposure equals to the carrying amount of the each financial asset as reported on the consolidated statement of financial position.

Liquidity risk

The Group manages liquidity risk by regularly monitoring current and expected liquidity requirements and ensuring sufficient liquid cash and intended credit lines of funding from major financial institutions to meet the Group's liquidity requirements in the short and long term. The liquidity risk is under continuous monitoring by management. Management will raise or refinance bank borrowings whenever necessary.

At the end of the reporting period, the Group does not have significant exposure to liquidity risk.

The contractual maturities at the end of the reporting period of the Group's financial liabilities which are required to be repaid within one year or on demand amounted to HK\$924,000 (2008: HK\$2,214,000).

財務報表附註

截至二零零九年十二月三十一日止年度

5. 金融工具 (續)

5.2 財務風險管理目標及政策 (續)

信貸風險 (續)

本公司及其主要附屬公司按本集團庫務政策所訂與具有可接受信貸評級的機構進行交易，以盡量降低信貸風險。揀選交易方的兩項重要原則，是由有信譽的信貸評級機構發出可接受的信貸評級，以及對沒有評級的交易方進行財務評審。本集團會在整個交易期內密切監察交易方的信貸質素。本集團會定期參考與其交易的各財務機構之規模及信貸能力檢討各交易方，以減低過度集中信貸的風險。

為不利之市場變動預先作準備，本集團為每間金融機構交易方監察潛在之風險。

本集團之信貸風險乃來自交易方之違約，最高等於綜合財務狀況報表所列各金融資產之賬面金額。

流動資金風險

本集團管理流動資金風險之方法為定期監察現時及預測之流動資金需要，並確保具備足夠流動現金及取得計劃來自主要金融機構之融資，以應付本集團之短期及長期流動資金需要。管理層會持續監察流動資金風險，並將於必要時籌集銀行借貸或將銀行借貸再融資。

於報告期末，本集團並無重大之流動資金風險。

於報告期末，須於一年內或按要求時償還之本集團金融負債為924,000港元（二零零八年：2,214,000港元）。

Notes to the Financial Statements

For the year ended 31st December, 2009

財務報表附註

截至二零零九年十二月三十一日止年度

5. FINANCIAL INSTRUMENTS (cont'd)

5.3 Fair value estimation

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

Level 1: quoted prices in active markets for the same instrument (i.e., without modification or repackaging);

Level 2: quoted prices in active markets for similar assets or liabilities or other valuation techniques for which all significant inputs are based on observable market data; and

Level 3: valuation techniques for which any significant input are not based on observable market data.

The following table shows an analysis of financial instruments recorded at fair value by the fair value hierarchy:

		Level 1	Level 2	Level 3	Total
		第一級	第二級	第三級	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
As at 31st December, 2009	於二零零九年 十二月三十一日				
Available-for-sale financial assets	可供出售金融資產	96,472	-	-	96,472
As at 31st December, 2008	於二零零八年 十二月三十一日				
Available-for-sale financial assets	可供出售金融資產	89,008	-	-	89,008

There were no transfers amongst Level 1, Level 2 and Level 3 in the fair value hierarchy.

5. 金融工具 (續)

5.3 公平值估計

下表為於初次確認後按公平值計量之金融工具之分析，並根據公平值之可觀察程度分為第一至三級：

第一級：同一工具（即未經調整或重新包裝）於活躍市場內之報價；

第二級：類似資產或負債於活躍市場內之報價或所有主要輸入值以可觀察之市場數據為基礎之其他估值方法；及

第三級：主要輸入值並非以可觀察之市場數據為基礎之估值方法。

下表顯示按公平值分級制所劃分按公平值記錄之金融工具分析：

公平值分級制內第一級、第二級及第三級之間並無轉撥。

Notes to the Financial Statements

For the year ended 31st December, 2009

5. FINANCIAL INSTRUMENTS (cont'd)

5.3 Fair value estimation (cont'd)

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

6. CAPITAL RISK MANAGEMENT

The Group's primary objectives when managing capital are to safeguard the abilities of the entities in the Group to continue as a going concern, so that it can continue to provide returns for shareholders of the Company and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The directors of the Company actively and regularly review and manage the Group's capital structure to maximise the returns to shareholders through the optimisation of the debt afforded by a sound capital position, and make adjustments to the capital structure in light of changes in economic conditions. The Group's overall strategy remains unchanged from 2008.

Consistent with others in the industry, the Group monitors its capital structure on the basis of the gearing ratio. The debt-to-equity ratio is calculated as total borrowing divided by total equity. As at 31st December, 2008 and 31st December, 2009, the Group's gearing ratios were undefined because the Group did not have any borrowings as at 31st December, 2008 and 31st December, 2009.

財務報表附註

截至二零零九年十二月三十一日止年度

5. 金融工具 (續)

5.3 公平值估計 (續)

於活躍市場買賣之金融工具之公平值即報告期末所報之市價。倘即時及定時透過交易所、交易商、經紀、業界組別、報價服務或監管機構獲得報價，且該等價格屬實際及定期按公平基準進行之市場交易，則市場可視為活躍。本集團所持金融資產所用之市場報價為目前之買入價。此等工具已計入第一級。

6. 資本風險管理

本集團資本管理之首要目標，為保障本集團之實體具備持續經營之能力，透過將產品及服務之定價定為符合風險水平之價格，以及按合理成本取得融資，持續為本公司股東帶來回報，並為其他權益關涉者帶來裨益。

本公司董事主動及定期檢討及管理本集團之資本架構，透過維持適當之資本狀況管理債務，爭取最大的股東回報，並因應經濟環境轉變對資本架構進行調整。本集團之整體策略自二零零八年起維持不變。

本集團運用資本負債比率監察其資本結構，此舉與行業其他業者貫徹一致。債務權益比率乃按借貸總額除以權益總額計算。於二零零八年十二月三十一日及二零零九年十二月三十一日，由於本集團於二零零八年十二月三十一日及二零零九年十二月三十一日並無任何借貸，故並無界定資本負債比率。

Notes to the Financial Statements

For the year ended 31st December, 2009

7. SEGMENT INFORMATION

The accounting policies of the operating segments are the same as those described in the principal accounting policies. The chief operating decision-maker evaluates performance on the basis of profit or loss from operations. No intersegment revenue is accounted for as the intersegment revenue is mainly the interest income and management fee income for administrative purposes.

The Group's measurement methods used to determine reported segment results remain unchanged from 2008.

The Group's reportable segments are strategic business units that operate different activities. They are managed separately because each business has different market and requires different marketing strategies.

Management has determined the operating segments based on the revenue nature of the Group.

The management considers the business nature from product perspective. The Group currently has three reportable segments – property development, property leasing and securities investments and finance.

Principal activities are as follows:

Property development	–	Property development and sales of properties
Property leasing	–	Property rental
Securities investments and finance	–	Securities investments and financing activities

財務報表附註

截至二零零九年十二月三十一日止年度

7. 分類資料

經營分類之會計政策與主要會計政策所描述者相同。主要經營決策人會以經營溢利或虧損評估表現。由於分類間之收益主要為利息收入及涉及行政之管理費收入，故並無將分類間之收益入賬。

自二零零八年起，本集團釐定呈報分類業績之計量方法並無改變。

本集團之可報告分類乃經營不同活動之策略性業務單位，且基於各項業務有不同市場及需要不同營銷策略，因此會分開管理。

管理層決定根據本集團之收益性質劃分各經營分類。

管理層從產品角度考慮業務之性質。本集團現有三個可報告分類分別為物業發展、物業租賃以及證券投資及融資。

主要業務活動如下：

物業發展	–	物業發展及物業銷售
物業租賃	–	物業租賃
證券投資及融資	–	證券投資及融資業務

Notes to the Financial Statements

For the year ended 31st December, 2009

財務報表附註

截至二零零九年十二月三十一日止年度

7. SEGMENT INFORMATION (cont'd)

Segment information about these businesses is presented below:

The segment results for the year ended 31st December, 2009

		Property development	Property leasing	Securities investments and finance	Consolidated
		物業發展	物業租賃	證券投資 及融資	綜合
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Segment revenue	分類收益				
Revenue from external customers	來自外部客戶之收益	6,244	2,440	14,874	23,558
Segment margin	分類利潤	3,948	1,541	14,874	20,363
Interest income	利息收入	-	-	12	12
Other income	其他收入	-	-	62	62
Loss on disposal of investment properties	出售投資物業之虧損	-	(610)	-	(610)
Fair value changes on investment properties	投資物業之公平值變動	-	3,925	-	3,925
Segment results for reportable segments	可報告分類之分類業績	3,948	4,856	14,948	23,752

7. 分類資料 (續)

該等業務之分類資料如下：

截至二零零九年十二月三十一日止年度之分類業績**The segment assets and liabilities as at 31st December, 2009**

於二零零九年十二月三十一日之分類資產及負債

		Property development	Property leasing	Securities investments and finance	Consolidated
		物業發展	物業租賃	證券投資 及融資	綜合
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Segment assets for reportable segments	可報告分類之分類資產	16,595	29,504	950,961	997,060
Segment assets for reportable segments include:	可報告分類之分類資產 包括：				
Additions to non-current assets (other than financial instruments and deferred taxation assets)	添置非流動資產 (金融工具及遞延 稅項資產除外)	-	-	-	-
Segment liabilities for reportable segments	可報告分類之分類負債	2,337	191	90	2,618

Notes to the Financial Statements

For the year ended 31st December, 2009

財務報表附註

截至二零零九年十二月三十一日止年度

7. SEGMENT INFORMATION (cont'd)

The segment results for the year ended 31st December, 2008

		Property development 物業發展 HK\$'000 千港元	Property leasing 物業租賃 HK\$'000 千港元	Securities investments and finance 證券投資 及融資 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Segment revenue	分類收益				
Revenue from external customers	來自外部客戶之收益	138,312	2,753	2,022	143,087
Segment margin	分類利潤	99,413	1,215	2,022	102,650
Interest income	利息收入	–	2,444	8,481	10,925
Amortisation of prepaid lease payments	預付租賃款項攤銷	(10)	–	–	(10)
Loss on disposals of investment properties	出售投資物業之虧損	(1,357)	(420)	–	(1,777)
Fair value changes on investment properties	投資物業之公平值變動	–	(3,050)	–	(3,050)
Impairment loss recognised in respect of advances to associates	就墊付聯營公司款項 確認之減值虧損	–	(970)	–	(970)
Write-back of allowance for amounts due from former associates	前聯營公司欠款準備之 撥回金額	–	256	–	256
Share of profit of associates	應佔聯營公司溢利	–	27,262	–	27,262
Segment results for reportable segments	可報告分類之分類業績	98,046	26,737	10,503	135,286

The segment assets and liabilities as at 31st December, 2008

於二零零八年十二月三十一日之分類資產及負債

		Property development 物業發展 HK\$'000 千港元	Property leasing 物業租賃 HK\$'000 千港元	Securities investments and finance 證券投資 及融資 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Segment assets for reportable segments	可報告分類之分類資產	18,576	35,287	933,938	987,801
Segment assets for reportable segments include:	可報告分類之分類資產 包括:				
Additions to non-current assets (other than financial instruments and deferred taxation assets)	添置非流動資產 (金融工具及遞延 稅項資產除外)	–	–	–	–
Segment liabilities for reportable segments	可報告分類之分類負債	1,394	313	50	1,757

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For the year ended 31st December, 2009

財務報表附註

截至二零零九年十二月三十一日止年度

7. SEGMENT INFORMATION (cont'd)

A reconciliation of segment results for reportable segments to profit for the year is provided as follows:

		2009	2008
		HK\$'000	HK\$'000
		千港元	千港元
Segment results for reportable segments	可報告分類之分類業績	23,752	135,286
Other revenue	其他收益	1	3
Amortisation of prepaid lease payments	預付租賃款項攤銷	-	(15)
Depreciation	折舊	-	(14)
Administrative expenses	行政開支	(4,446)	(6,390)
Gain on disposal of subsidiaries	出售附屬公司之收益	-	3,905
		<hr/>	<hr/>
Profit before taxation	稅前溢利	19,307	132,775
Income tax expense	所得稅開支	(1,446)	(16,089)
		<hr/>	<hr/>
Profit for the year	本年度溢利	17,861	116,686

A reconciliation of segment assets for reportable segments to consolidated total assets is provided as follows:

		2009	2008
		HK\$'000	HK\$'000
		千港元	千港元
Segment assets for reportable segments	可報告分類之分類資產	997,060	987,801
Debtors, deposits and prepayments	應收賬項、按金及預付款項	166	14
Advance to a fellow subsidiary	墊付同系附屬公司款項	81	21
Cash and cash equivalents	現金及現金等同項目	9,759	9,688
		<hr/>	<hr/>
Consolidated total assets	綜合資產總額	1,007,066	997,524

7. 分類資料 (續)

可報告分類之分類業績與本年度溢利之對賬如下：

可報告分類之分類資產與綜合資產總額之對賬如下：

Notes to the Financial Statements

For the year ended 31st December, 2009

7. SEGMENT INFORMATION (cont'd)

A reconciliation of segment liabilities for reportable segments to consolidated total liabilities is provided as follows:

		2009	2008
		HK\$'000	HK\$'000
		千港元	千港元
Segment liabilities for reportable segments	可報告分類之分類負債	2,618	1,757
Creditors and accruals	應付賬項及應計費用	298	329
Taxation payable	應付稅項	864	9,828
Advances from fellow subsidiaries	同系附屬公司墊款	108	127
Deferred taxation liabilities	遞延稅項負債	502	744
		<hr/>	<hr/>
Consolidated total liabilities	綜合負債總額	4,390	12,785
		<hr/> <hr/>	<hr/> <hr/>

Revenue from external customers is from sales of properties, rental income from properties holding and interest income earned from securities investments and finance.

The breakdown of the revenue from all external customers is as follows:

		2009	2008
		HK\$'000	HK\$'000
		千港元	千港元
Property rental income	物業租金收入	2,440	2,753
Sales of properties held for sale	持作出售物業銷售	6,244	138,312
Interest income from available-for-sale financial assets	可供出售金融資產之利息收入	5,105	1,607
Loan interest income from a fellow subsidiary	來自同系附屬公司之貸款利息收入	9,769	415
		<hr/>	<hr/>
		23,558	143,087
		<hr/> <hr/>	<hr/> <hr/>

Geographical segments

For the year ended 31st December, 2009, all the Group's operations are located in Hong Kong. The Group's revenue is all derived from Hong Kong for both years.

財務報表附註

截至二零零九年十二月三十一日止年度

7. 分類資料 (續)

可報告分類之分類負債與綜合負債總額之對賬如下：

	2009	2008
	HK\$'000	HK\$'000
	千港元	千港元
Segment liabilities for reportable segments	2,618	1,757
Creditors and accruals	298	329
Taxation payable	864	9,828
Advances from fellow subsidiaries	108	127
Deferred taxation liabilities	502	744
	<hr/>	<hr/>
Consolidated total liabilities	4,390	12,785
	<hr/> <hr/>	<hr/> <hr/>

來自外部客戶之收益源自物業銷售、持有物業之租金收入以及證券投資及融資業務所賺取之利息收入。

來自所有外部客戶之收益明細如下：

	2009	2008
	HK\$'000	HK\$'000
	千港元	千港元
Property rental income	2,440	2,753
Sales of properties held for sale	6,244	138,312
Interest income from available-for-sale financial assets	5,105	1,607
Loan interest income from a fellow subsidiary	9,769	415
	<hr/>	<hr/>
	23,558	143,087
	<hr/> <hr/>	<hr/> <hr/>

地區分類

截至二零零九年十二月三十一日止年度，本集團在香港經營所有業務。在兩個年度本集團之收益全部來自香港。

Notes to the Financial Statements

For the year ended 31st December, 2009

財務報表附註

截至二零零九年十二月三十一日止年度

8. REVENUE AND OTHER REVENUE

Revenue represents the aggregate amounts received and receivable, analysed as follows:

		2009	2008
		HK\$'000	HK\$'000
		千港元	千港元
Revenue	收益		
Property rental income	物業租金收入	2,440	2,753
Sales of properties held for sale	持作出售物業銷售	6,244	138,312
Interest income from available-for-sale financial assets	可供出售金融資產之利息收入	5,105	1,607
Loan interest income from a fellow subsidiary	來自同系附屬公司之貸款利息收入	9,769	415
		23,558	143,087
Other revenue	其他收益		
Interest income from bank deposits	銀行存款利息收入	12	8,481
Interest income on advances to associates	墊付聯營公司款項之利息收入	-	1,725
Sundry income	雜項收入	1	3
		13	10,209

9. SHARE OF PROFIT OF ASSOCIATES

		2009	2008
		HK\$'000	HK\$'000
		千港元	千港元
Operating income	經營收入	-	10,933
Gain on disposals of investment properties	出售投資物業之收益	-	2,104
Fair value changes on investment properties	投資物業之公平值變動	-	14,773
Less: deferred tax arising from fair value changes on investment properties	減：投資物業之公平值變動所產生之遞延稅項	-	(2,437)
		-	12,336
Current tax	年內稅項	-	(2,978)
Deferred tax attributable to a change in tax rate	稅率變動應佔之遞延稅項	-	3,935
Other deferred tax	其他遞延稅項	-	932
		-	27,262

8. 收益及其他收益

收益指已收及應收之合計金額，分析如下：

9. 應佔聯營公司溢利

Notes to the Financial Statements

財務報表附註

For the year ended 31st December, 2009

截至二零零九年十二月三十一日止年度

10. PROFIT BEFORE TAXATION

10. 稅前溢利

		2009	2008
		HK\$'000	HK\$'000
		千港元	千港元
Profit before taxation is stated after charging:	稅前溢利已扣除：		
Auditors' remuneration	核數師酬金	210	255
Depreciation	折舊	-	14
Amortisation of prepaid lease payments	預付租賃款項攤銷	-	25
Exchange loss	匯兌虧損	-	355
Staff costs (excluding directors' remuneration)	員工成本(不包括董事酬金)		
- salaries and allowances	- 薪金及津貼	2,828	3,539
- retirement benefit costs	- 退休福利成本	117	171
		2,945	4,024
and after crediting:	並已計入：		
Imputed interest income relating to interest-free advance to an associate	墊付聯營公司免息款項之名義利息收入	-	719
Exchange gain	匯兌收益	62	-
		62	719
Gross rental income from properties	物業之租金收入總額	2,440	2,753
Less: direct operating expenses from properties that generated rental income during the year	減：年內產生租金收入之物業直接經營開支	(254)	(269)
direct operating expenses from properties that did not generate rental income during the year	年內並無產生租金收入之物業直接經營開支	(645)	(1,269)
		1,541	1,215

Notes to the Financial Statements

For the year ended 31st December, 2009

11. GAIN ON DISPOSAL OF SUBSIDIARIES

On 17th January, 2008, the Group entered into a conditional sale and purchase agreement with Victory Gain Holdings Limited ("Victory Gain"), a wholly-owned subsidiary of Chinese Estates, under which the Group has agreed to sell and Victory Gain has agreed to purchase (i) the entire share capital of each of Moregift Investments Limited, New Hong Kong Inc., Paperkit International Limited, Pinball International Limited, Star Glory Limited, Florta (B.V.I.) Limited, Grade World Investment Limited, Hackney Investments Limited, Paton (B.V.I.) Limited, Perfect Country Limited, Reeden Limited, Shing Ping Development Ltd., King Chance Limited (formerly known as Evergo China Group Limited), Comford Tower Limited, Country Homes Limited, Country Honour Limited, Dynamic Master Limited, E-Trade.Com Limited, Farnell Venture Inc., First Castle Limited, Jade Mountain Limited, Jinline Investments Ltd., Kinloch Investments Corp. and Sanewing Investments Limited (which, together with their respective subsidiaries and associated companies, are collectively referred to as the "Target Companies") and (ii) all sums due by the Target Companies (excluding those whose shares of which shall not be sold directly or indirectly to Victory Gain at the date of completion (the "Excluded Companies") to the other members of the Group (excluding the Target Companies but including the Excluded Companies) for the consideration under the disposal agreement settled by Victory Gain in cash. For further details, please refer to the Company's circular dated 25th April, 2008. The disposal of subsidiaries was completed on 30th September, 2008 in a final consideration of HK\$531.8 million.

財務報表附註

截至二零零九年十二月三十一日止年度

11. 出售附屬公司之收益

於二零零八年一月十七日，本集團與勝得控股有限公司（「勝得」，華置之全資附屬公司）訂立一份有條件買賣協議，據此，本集團同意出售而勝得同意購入(i) Moregift Investments Limited、New Hong Kong Inc.、Paperkit International Limited、Pinball International Limited、Star Glory Limited、Florta (B.V.I.) Limited、加世投資有限公司、Hackney Investments Limited、Paton (B.V.I.) Limited、Perfect Country Limited、悅平有限公司、昇平發展有限公司、建申有限公司（前稱愛美高中國控股有限公司）、Comford Tower Limited、Country Homes Limited、國賢有限公司、Dynamic Master Limited、E-Trade.Com Limited、Farnell Venture Inc.、First Castle Limited、Jade Mountain Limited、Jinline Investments Ltd.、健諾投資有限公司及先榮投資有限公司（連同此等公司各自之附屬公司及聯營公司統稱為「目標公司」）各自之全部股本及(ii)目標公司（不包括股份不會於完成當日直接或間接售予勝得之公司（「除外公司」））結欠本集團其他成員公司（不包括目標公司但包括除外公司）之所有款項，出售協議之代價由勝得以現金支付。其他詳情請參閱本公司於二零零八年四月二十五日發出之通函。該等附屬公司已於二零零八年九月三十日完成出售，最終代價為531,800,000港元。

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財務報表附註

For the year ended 31st December, 2009

截至二零零九年十二月三十一日止年度

11. GAIN ON DISPOSAL OF SUBSIDIARIES
(cont'd)11. 出售附屬公司之收益
(續)

The net assets of the Target Companies at the date of disposal were as follows:

於出售日目標公司之淨資產值如下：

		HK\$'000 千港元
Investment properties	投資物業	12,600
Property, plant and equipment	物業、廠房及設備	172
Property interests held for development	持作發展之物業權益	-
Prepaid lease payments	預付租賃款項	9,608
Interests in associates	聯營公司權益	416,702
Advances to associates	墊付聯營公司款項	84,960
Available-for-sale financial asset	可供出售金融資產	270
Debtors, deposits and prepayment	應收賬項、按金及預付款項	53
Taxation recoverable	可收回稅項	10
Cash and cash equivalents	現金及現金等同項目	1,632
Creditors and accruals	應付賬項及應計費用	(374)
Deposits received	已收按金	(31)
Taxation payable	應付稅項	(71)
Deferred taxation liabilities	遞延稅項負債	(68)
		525,463
Expenses incurred for the disposal	出售產生之開支	2,400
Gain on disposal of subsidiaries	出售附屬公司之收益	3,905
		531,768
Total consideration	總代價	531,768
		531,768
		HK\$'000 千港元
Net cash inflow arising on disposal	出售所產生之淨現金流入	
Cash consideration	現金代價	531,768
Expenses incurred for the disposal	出售產生之開支	(2,400)
Cash and cash equivalents disposed of	所出售之現金及現金等同項目	(1,632)
		527,736

Notes to the Financial Statements

For the year ended 31st December, 2009

財務報表附註

截至二零零九年十二月三十一日止年度

12. INCOME TAX EXPENSE

12. 所得稅開支

		2009	2008
		HK\$'000	HK\$'000
		千港元	千港元
Current tax	年內稅項		
Hong Kong	香港	1,631	15,532
The PRC	中國	-	766
Under/(over) provision in prior years	過往年度撥備不足／		
– Hong Kong	(超額撥備) – 香港	57	(57)
		1,688	16,241
Deferred tax (Note 34)	遞延稅項 (附註34)		
Current year	年內	(242)	(103)
Attributable to a change in tax rate	稅率變動應佔	-	(49)
		(242)	(152)
		1,446	16,089

Hong Kong Profits Tax is calculated at 16.5% on the estimated assessable profits for both years. Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

兩個年度之香港利得稅乃按估計應課稅溢利按稅率16.5%計算。其他司法權區所產生之稅項乃按有關司法權區之適用稅率計算。

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截至二零零九年十二月三十一日止年度

12. INCOME TAX EXPENSE (cont'd)

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

12. 所得稅開支(續)

本年度稅項支出與綜合全面收入報表之稅前溢利對賬如下：

		2009		2008	
		HK\$'000 千港元	%	HK\$'000 千港元	%
Profit before taxation	稅前溢利	19,307		132,775	
Tax at the Hong Kong Profits Tax rate	按香港利得稅稅率計算之稅項	3,186	16.5	21,908	16.5
Tax effect of different tax rates of subsidiaries operating in the PRC	在中國經營之附屬公司適用之不同稅率之稅務影響	-	-	766	0.6
Tax effect of share of profit of associates	應佔聯營公司溢利之稅務影響	-	-	(4,498)	(3.4)
Tax effect of expenses not deductible in determining profits tax	計算利得稅時不可扣減支出之稅務影響	-	-	1,527	1.2
Tax effect of income not taxable in determining profits tax	計算利得稅時毋須課稅收入之稅務影響	(183)	(0.9)	(3,587)	(2.7)
Tax effect of utilisation of unrecognised tax losses from prior periods	動用過往期間未確認稅項虧損之稅務影響	(347)	(1.8)	(426)	(0.3)
Tax effect of tax depreciation	稅項折舊之稅務影響	(1)	-	(106)	(0.1)
Tax effect of unrecognised tax losses	未確認稅項虧損之稅務影響	(1,266)	(6.6)	611	0.5
Tax effect of under/(over) provision in prior years	過往年度撥備不足／(超額撥備)之稅務影響	57	0.3	(57)	(0.1)
Decrease in deferred taxation liabilities resulting from a change in tax rate	因稅率變動之遞延稅項負債減少	-	-	(49)	(0.1)
Income tax expense for the year	本年度所得稅開支	1,446	7.5	16,089	12.1

Notes to the Financial Statements

For the year ended 31st December, 2009

13. PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

For the year ended 31st December, 2009, net profit of HK\$359,798,000 (2008: net profit of HK\$10,557,000) has been dealt with in the financial statements of the Company.

14. DIRECTORS' AND EMPLOYEES' REMUNERATIONS

(a) Directors' remunerations

The remunerations, pension and compensation arrangements paid or payable to the directors and past directors for their services on the Company were as follows:

		2009			2008		
		Salaries and other remuneration			Salaries and other remuneration		
		Fee	remuneration	Total	Fee	remuneration	Total
		袍金	薪金及 其他薪酬	總計	袍金	薪金及 其他薪酬	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Executive Directors	執行董事						
Mr. Matthew Cheong, Veng-va	昌榮華先生	10	-	10	-	-	-
Ms. Teresa Poon, Mun-chie	潘敏慈小姐	10	-	10	-	-	-
Independent Non-executive Directors	獨立非執行董事						
Mr. Lai, Yun-hung	賴恩雄先生	180	-	180	160	-	160
Mr. Mok, Hon-sang	莫漢生先生	180	-	180	160	-	160
Mr. Wong, Tik-tung	汪濂東先生	180	-	180	160	-	160
		560	-	560	480	-	480

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截至二零零九年十二月三十一日止年度

13. 本公司權益持有人應佔溢利

截至二零零九年十二月三十一日止年度，於本公司財務報表內處理之純利為359,798,000港元（二零零八年：純利10,557,000港元）。

14. 董事及僱員之薪酬

(a) 董事薪酬

就董事及前任董事向本公司提供服務而已付或應付彼等之薪酬、退休金及補償安排如下：

Notes to the Financial Statements

For the year ended 31st December, 2009

14. DIRECTORS' AND EMPLOYEES' REMUNERATIONS (cont'd)

(b) Employees' remunerations

During the year, no director of the Company was included in the five highest paid individuals of the Group (2008: nil) whose remunerations are set out above. The remunerations payable to the five highest paid individuals (2008: five individuals) were as follows:

Salaries and other benefits	薪金及其他福利
Retirement benefit schemes contributions	退休福利計劃供款

The remunerations of individual employees were all less than HK\$1,000,000.

財務報表附註

截至二零零九年十二月三十一日止年度

14. 董事及僱員之薪酬(續)

(b) 僱員薪酬

年內，本公司董事全非本集團五名最高薪酬人士(二零零八年：無)，其薪酬詳情載於上文。應付五名最高薪酬人士之薪酬(二零零八年：五名)如下：

2009	2008
HK\$'000	HK\$'000
千港元	千港元
2,250	2,227
109	103
2,359	2,330

個別僱員之薪酬全部低於1,000,000港元。

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For the year ended 31st December, 2009

財務報表附註

截至二零零九年十二月三十一日止年度

15. DIVIDENDS

15. 股息

		2009	2008
		HK\$'000	HK\$'000
		千港元	千港元
(a) Final dividend for 2008 paid on 26th June, 2009 of HK1 cent per share (2007: Nil)	(a) 於二零零九年六月二十六日派付之二零零八年末期股息每股一港仙 (二零零七年: 無)	3,388	-
(b) Interim dividend for 2009 paid on 30th October, 2009 of HK1 cent per share (2008: Nil)	(b) 於二零零九年十月三十日派付之二零零九年中期股息每股一港仙 (二零零八年: 無)	3,388	-
		6,776	-

Subsequent to the end of the reporting period, the final dividend of HK1 cent per share (2008: HK1 cent per share) has been proposed by the board of directors and is subject to approval by the shareholders in forthcoming annual general meeting.

於報告期末後，董事會建議派付末期股息每股一港仙 (二零零八年: 每股一港仙)，有待股東於應屆股東週年大會上批准。

16. EARNINGS PER SHARE

16. 每股盈利

The calculation of the basic earnings per share is based on the profit for the year attributable to the ordinary equity holders of the Company of HK\$17,861,000 (2008: HK\$116,686,000) and the weighted average number of 338,765,987 (2008: 338,765,987) ordinary shares in issue during the year.

每股基本盈利乃根據本年度本公司普通股股本持有人應佔本年度溢利17,861,000港元 (二零零八年: 116,686,000港元) 及年內已發行普通股之加權平均數338,765,987股 (二零零八年: 338,765,987股) 計算。

For the years ended 31st December, 2009 and 31st December, 2008, diluted earnings per share is the same as the basic earnings per share as there were no diluting events during these years.

截至二零零九年十二月三十一日及二零零八年十二月三十一日止年度，由於並無攤薄事項，故每股攤薄盈利與每股基本盈利相同。

Notes to the Financial Statements

For the year ended 31st December, 2009

財務報表附註

截至二零零九年十二月三十一日止年度

17. INVESTMENT PROPERTIES

17. 投資物業

		HK\$'000 千港元
The Group	本集團	
Fair value	公平值	
At 1st January, 2008	於二零零八年一月一日	57,450
Disposals	出售	(6,600)
Disposals of subsidiaries (Note 11)	出售附屬公司(附註11)	(12,600)
Fair value changes recognised in consolidated statement of comprehensive income	於綜合全面收入報表確認之公平值變動	<u>(3,050)</u>
At 31st December, 2008 and 1st January, 2009	於二零零八年十二月三十一日及 二零零九年一月一日	35,200
Disposals	出售	(9,725)
Fair value changes recognised in consolidated statement of comprehensive income	於綜合全面收入報表確認之公平值變動	<u>3,925</u>
At 31st December, 2009	於二零零九年十二月三十一日	<u>29,400</u>

The Group's investment properties are under medium-term leases in Hong Kong as at 31st December, 2009 and 2008.

於二零零九年及二零零八年十二月三十一日，本集團之投資物業在香港按中期租約持有。

The fair value of the Group's investment properties at 31st December, 2009 has been arrived at on the basis of valuation carried out on that date by Norton Appraisals Limited ("Norton Appraisals"), independent qualified professional surveyors not connected with the Group. Norton Appraisals has appropriate qualifications and recent experience in the valuation of similar properties in the relevant locations. The valuation, which conformed to The Hong Kong Institute of Surveyors Valuation Standards on Properties (1st Edition 2005) published by the Hong Kong Institute of Surveyors, was based on open market value basis.

本集團投資物業於二零零九年十二月三十一日之公平值按一家與本集團並無關連之獨立合資格專業測計師行普敦國際評估有限公司(「普敦國際評估」)於該日進行之估值為基準而計算。普敦國際評估對於相關地點之同類型物業估值具有適合資格及近期之估值經驗。該項估值乃遵守香港測量師學會所頒布的物業估值準則(二零零五年第一版)，並按公開市值基準進行重估。

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

本集團根據營業租約持有以賺取租金或作資本增值用途之物業權益全部利用公平值模式計算，並已分類及入賬列作投資物業。

Notes to the Financial Statements

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財務報表附註

截至二零零九年十二月三十一日止年度

18. PROPERTY, PLANT AND EQUIPMENT

18. 物業、廠房及設備

		Buildings	Furniture, fixtures and equipment	Total
		樓宇 HK\$'000 千港元	傢俬、 裝置及設備 HK\$'000 千港元	總額 HK\$'000 千港元
The Group	本集團			
Cost	成本值			
At 1st January, 2008	於二零零八年一月一日	882	1,121	2,003
Disposal of subsidiaries (Note 11)	出售附屬公司(附註11)	(882)	(4)	(886)
At 31st December, 2008, 1st January, 2009 and 31st December, 2009	於二零零八年十二月三十一日、 二零零九年一月一日及 二零零九年十二月三十一日	-	1,117	1,117
Depreciation and amortisation	折舊及攤銷			
At 1st January, 2008	於二零零八年一月一日	698	1,119	1,817
Charge for the year	本年度扣除	14	-	14
Disposal of subsidiaries (Note 11)	出售附屬公司(附註11)	(712)	(2)	(714)
At 31st December, 2008 and 1st January, 2009	於二零零八年十二月三十一日及 二零零九年一月一日	-	1,117	1,117
Charge for the year	本年度扣除	-	-	-
At 31st December, 2009	於二零零九年十二月三十一日	-	1,117	1,117
Carrying amounts	賬面值			
At 31st December, 2009	於二零零九年十二月三十一日	-	-	-
At 31st December, 2008	於二零零八年十二月三十一日	-	-	-

Notes to the Financial Statements**財務報表附註**

For the year ended 31st December, 2009

截至二零零九年十二月三十一日止年度

**18. PROPERTY, PLANT AND EQUIPMENT
(cont'd)****18. 物業、廠房及設備(續)**

**Furniture,
fixtures and
equipment**
傢俬、
裝置及設備
HK\$'000
千港元

The Company

本公司

Cost

成本值

At 1st January, 2008, 31st December, 2008,
1st January, 2009 and 31st December, 2009

於二零零八年一月一日、
二零零八年十二月三十一日、
二零零九年一月一日及
二零零九年十二月三十一日

1,117

Depreciation

折舊

At 1st January, 2008, 31st December, 2008,
1st January, 2009 and 31st December, 2009

於二零零八年一月一日、
二零零八年十二月三十一日、
二零零九年一月一日及
二零零九年十二月三十一日

1,117

Carrying amounts

賬面值

At 31st December, 2009

於二零零九年十二月三十一日

-

At 31st December, 2008

於二零零八年十二月三十一日

-

Notes to the Financial Statements

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財務報表附註

截至二零零九年十二月三十一日止年度

19. PROPERTY INTERESTS HELD FOR DEVELOPMENT

19. 持作發展之物業權益

HK\$'000

千港元

The Group**本集團****Cost****成本值**

At 1st January, 2008

於二零零八年一月一日

183,381

Disposal of subsidiaries (Note 11)

出售附屬公司(附註11)

(183,381)At 31st December, 2008, 1st January, 2009 and
31st December, 2009於二零零八年十二月三十一日、
二零零九年一月一日及
二零零九年十二月三十一日-**Impairment****減值**

At 1st January, 2008

於二零零八年一月一日

183,381

Disposal of subsidiaries (Note 11)

出售附屬公司(附註11)

(183,381)At 31st December, 2008, 1st January, 2009 and
31st December, 2009於二零零八年十二月三十一日、
二零零九年一月一日及
二零零九年十二月三十一日-**Carrying amounts****賬面值****At 31st December, 2009**

於二零零九年十二月三十一日

-

At 31st December, 2008

於二零零八年十二月三十一日

-

Notes to the Financial Statements

For the year ended 31st December, 2009

19. PROPERTY INTERESTS HELD FOR DEVELOPMENT (cont'd)

Note:

The Group through a wholly-owned subsidiary ("SPV") has a property interest held for development in Chenghai Royal Garden (the "Development Project"). The site with an area of approximately 466,662 sq.m. (5,023,150 sq.ft) (the "Land") is situated at the estuary of Xinjin River, Longhu District, Shantou, Guangdong Province, the People's Republic of China (the "PRC"). Pursuant to a Contract for Pre-registration of Grant of State-owned Land Use Rights dated 5th August, 1992 (the "Contract"), SPV has been granted a pre-registered land use rights of the Land by Shantou City Chenghai District Planning and State-owned Land Resources Bureau (the "Chenghai Bureau"). The carrying amount of the Development Project as recorded by the Group (the "Carrying Amount") is approximately HK\$183.4 million (equivalent to RMB195.1 million). Included in the Carrying Amount is a payment of approximately HK\$49.8 million (equivalent to RMB53 million) to the Chenghai Bureau under the Contract (the "Amount Paid"). After submitting the application for the land requisition to the Chenghai Bureau and upon the land use rights of the Land being granted, SPV has to make a final payment of approximately HK\$23.4 million (equivalent to RMB24.9 million) (the "Final Payment"). The deadline of the application for the land requisition was 4th August, 1993 which had been extended four times as the request of SPV to 16th July, 2004 (the "Deadline"). The Group believed that SPV had the following entitlements or options under the Contract: (i) proceeds to apply for the land requisition of the Land on or before the Deadline and settle the Final Payment; (ii) applies for an extension of the Deadline; or (iii) terminates the Contract and claim for a refund of approximately HK\$46.2 million (equivalent to RMB49.1 million), being the Amount Paid (the "Amount Claimed").

The Group considered that it was not the suitable time to proceed with the land requisition and determined to request an extension of time. SPV therefore delivered a letter dated 19th April, 2004 to the Chenghai Bureau to request an extension of the Deadline but the Chenghai Bureau refused to accept the letter and advised that such request should be diverted to Shantou City Longhu District Planning and State-owned Land Resources Bureau (the "Longhu Bureau") and their supervisory bureau, Shantou City Planning and State-owned Land Resources Bureau (the "Shantou Bureau"), since the authority and administrative power over the Land had already been transferred to the Longhu Bureau by that time. SPV then delivered letters of the same request to the Longhu Bureau and the Shantou Bureau. Both bureaus however insisted that they would not consider the request either and advised SPV to go back to the Chenghai Bureau for resolving the matter. Given the insistence of the three bureaus in refusing SPV's request of extension, SPV sought advices and assistance from Shantou Governmental authorities, but to no avail.

In early July 2004, the Deadline became imminent and having considered that (i) extension of the Deadline was unlikely in view of the unexpected and undesirable replies from the bureaus; and (ii) the slowdown of luxury residential market in Shantou, the Group decided not to proceed with the application for the land requisition and instead terminated the Contract and requested the Chenghai Bureau to refund the Amount Claimed.

財務報表附註

截至二零零九年十二月三十一日止年度

19. 持作發展之物業權益 (續)

附註：

本集團透過一全資附屬公司（「SPV」）於澄海海麗花園（「發展項目」）擁有持作發展之物業權益。該地盤面積約為466,662平方米（5,023,150平方呎）（「該土地」），位於中華人民共和國（「中國」）廣東省汕頭市龍湖區新津河口。根據一九九二年八月五日訂立之國有土地使用權預約合同（「該合同」），SPV獲汕頭市澄海區規劃與國土資源局（「澄海當局」）授予該土地的預約土地使用權。本集團錄得發展項目之賬面值（「賬面值」）約為183,400,000港元（等同人民幣195,100,000元）。賬面值包括已根據該合同付予澄海當局之款項約49,800,000港元（等同人民幣53,000,000元）（「已付金額」）。向澄海當局遞交徵地申請後並獲授予該土地的土地使用權時，SPV須支付約23,400,000港元（等同人民幣24,900,000元）之最後付款（「最後付款」）。徵地申請的最後限期原為一九九三年八月四日，後應SPV之要求，四度延期至二零零四年七月十六日（「該限期」）。本集團認為，SPV根據該合同擁有下列權益或選擇：(i)在該限期屆滿或以前進行該土地的徵地申請及清付最後付款；(ii)申請延長該限期；或(iii)終止該合同及提出申索要求退還已付金額其中約46,200,000港元（等同人民幣49,100,000元）（「索償金額」）。

本集團認為現時並非適當時候進行徵地，並決定要求延長限期。SPV因此於二零零四年四月十九日向澄海當局發出函件，要求延長該限期，但澄海當局拒絕接受函件，並建議這要求應向汕頭市龍湖區規劃與國土資源局（「龍湖當局」）及其上級機構汕頭市規劃與國土資源局（「汕頭當局」）提出，因為其時該土地之管理及行政權已被轉移至龍湖當局。SPV接著分別向龍湖當局及汕頭當局提出相同要求。然而，兩局堅持不會考慮該要求，並建議SPV轉返澄海當局尋求解決有關事宜。面對三局堅拒受理SPV之延期要求，SPV遂向汕頭政府部門尋求建議及協助，但沒有實效。

於二零零四年七月初，該限期已臨近，並考慮到(i)基於以上當局的意外及不理想回應，申請延長該限期難以達致；及(ii)汕頭豪宅市場放緩，本集團決定不進行徵地申請，並終止該合同及要求澄海當局退還索償金額。

Notes to the Financial Statements

For the year ended 31st December, 2009

19. PROPERTY INTERESTS HELD FOR DEVELOPMENT (cont'd)

Note: (cont'd)

Between July 2004 and February 2005, SPV issued four letters of demand to the Chenghai Bureau to notify the termination of the Contract and requested for a refund of the Amount Claimed. SPV received three reply letters by which the Chenghai Bureau denied its obligations for the refund on the allegation that the pre-registration relationship between the parties under the Contract still existed. The Chenghai Bureau suggested the following three alternatives for SPV's consideration:

1. SPV proceeds to apply for land requisition of the Land and settle the Final Payment pursuant to the Contract despite of the Deadline; or
2. SPV applies for a portion of the Land with an area equivalent to the Amount Paid; or
3. The Chenghai Bureau, upon the application from SPV for the termination of the Contract, refunds the Amount Paid without interest after the Land is successfully sold to third parties by the Chenghai Bureau.

Based on the opinion from a legal firm in the PRC, which has taken into consideration the recent PRC policy for the granting of land issued by the Ministry of Land Resources, the Group was in doubt as to whether the Chenghai Bureau could affect any of the above alternatives. Further, if SPV accepted any alternative as suggested, then SPV would be deemed to have waived its right in the Amount Claimed.

The Group, after considered the further advice from the legal firm, decided not to accept any of the above alternatives as suggested and initiated legal action against the Chenghai Bureau for its entitlements under the Contract including but not limited to the Amount Claimed.

Having considered the uncertainty in the recoverability of the Amount Claimed and any other entitlements under the Contract, the Group made a full provision for an impairment loss of HK\$183,381,000 in the consolidated financial statements for the year ended 31st December, 2004.

On 19th April, 2005, SPV commenced legal proceedings by issuing a Writ of Summons against the Chenghai Bureau. SPV requested Shantou City Intermediate People's Court (the "Intermediate Court") for the following issues in particular: (1) Examine the validity of the Contract; (2) Terminate the Contract; and (3) Order the Chenghai Bureau to refund the land cost of RMB53 million with interest to SPV. On 27th December, 2005, the Intermediate Court notified SPV that the trial period had been extended for six months and the trial would be expected to be adjudicated by the end of June 2006.

財務報表附註

截至二零零九年十二月三十一日止年度

19. 持作發展之物業權益 (續)

附註：(續)

於二零零四年七月至二零零五年二月間，SPV發出四封函件，通知澄海當局終止該合同並要求退還索償金額。SPV收到三封回函，澄海當局於信函中否認其退還款項責任，聲稱雙方在該合同下的預約關係仍然存在。澄海當局提供三個選擇，供SPV考慮：

1. 不管該限期，SPV按該合同進行該土地的徵地申請並清付最後付款；或
2. 根據已付金額，SPV申請該土地中等量面積；或
3. 按SPV終止該合同的申請，澄海當局在成功售出該土地予第三者後，不計利息退還已付金額。

根據一中國律師事務所之意見（該律師事務所已了解中國國土資源部最近頒發的土地出讓政策），本集團質疑澄海當局能否影響上述任何一項選擇。此外，假如SPV接受以上任何建議選擇，SPV將被視為放棄對索償金額的權利。

考慮律師事務所進一步的意見後，本集團決定不接受澄海當局建議的以上任何選擇，並已採取法律行動控告澄海當局，以取回該合同授予之權利（包括但不限於索償金額）。

因考慮到追討索償金額及該合同授予之其他權利涉及的不明朗情況，本集團於截至二零零四年十二月三十一日止年度之綜合財務報表作出183,381,000港元之全數減值虧損撥備。

於二零零五年四月十九日，SPV向澄海當局發出傳訊令狀展開法律程序。SPV要求汕頭市中級人民法院（「中級法院」）特別就下列事件採取行動：(1)查核該合同是否有效；(2)終止該合同；及(3)命令澄海當局向SPV退回土地成本人民幣53,000,000元連同利息。於二零零五年十二月二十七日，中級法院知會SPV該審訊期被延長六個月，且預期於二零零六年六月底作出裁決。

Notes to the Financial Statements*For the year ended 31st December, 2009***19. PROPERTY INTERESTS HELD FOR DEVELOPMENT (cont'd)**

Note: (cont'd)

On 28th December, 2006, the Intermediate Court made the judgment in favour of SPV as follows: (1) The Contract and other related agreements and correspondence are null and void; (2) the Chenghai Bureau shall refund SPV the pre-payment in the sum of RMB53 million and interest accrued from 28th April, 2005 to the date of settlement within 10 days from the effective date of the judgment; and (3) the Chenghai Bureau shall be liable for the court fees in sum of RMB285,020 and pay the same to SPV directly.

On 23rd January, 2007, the Chenghai Bureau submitted an application of appeal to the High People's Court of Guangdong Province (the "High Court") and SPV also sent out a reply to the High Court on 13th February, 2007.

On 27th June, 2007, High Court accepted the application of appeal by the Chenghai Bureau and made the judgment as follows: (1) The judgment made by the Intermediate Court on 28th December, 2006 was revoked; (2) The case is remitted to the Intermediate Court for rehearing. On 22nd August, 2007, the Intermediate Court accepted for rehearing the case within six months.

On 18th February, 2008, the Intermediate Court notified SPV that the trial period had been extended for six months to August 2008.

On 12th August, 2008, the Intermediate Court issued the civil ruling of dismissing SPV's civil claim. On 2nd September, 2008, SPV submitted all legal documents in relation to the application of the appeal to the High Court.

On 30th September, 2008, the Development Project was disposal of through disposal of subsidiaries. For details, please refer to Note 11 to the financial statements.

財務報表附註*截至二零零九年十二月三十一日止年度***19. 持作發展之物業權益 (續)**

附註：(續)

於二零零六年十二月二十八日，中級法院宣判SPV勝訴：(1)該合同及其他相關協議及文件失效及作廢；(2)澄海當局須向SPV退還合共人民幣53,000,000元的預付款項，連同由二零零五年四月二十八日至裁決生效日期起計10日內還款當日之累計利息；及(3)澄海當局須支付堂費合共人民幣285,020元，並直接向SPV支付有關款額。

於二零零七年一月二十三日，澄海當局向廣東省高級人民法院（「高級法院」）提交上訴申請，而SPV亦已於二零零七年二月十三日向高級法院提交回應。

於二零零七年六月二十七日，高級法院接受澄海當局之上訴申請並作出如下裁決：(1)撤銷中級法院於二零零六年十二月二十八日作出之裁決；(2)案件被發還予中級法院重審。於二零零七年八月二十二日，中級法院受理案件之重審，並於六個月內審理。

於二零零八年二月十八日，中級法院知會SPV審訊期被延長六個月至二零零八年八月。

於二零零八年八月十二日，中級法院下達民事裁定書並駁回SPV之民事索償。於二零零八年九月二日，SPV遞交有關向高級法院申請上訴的一切法律文件。

於二零零八年九月三十日，發展項目於出售附屬公司時出售。有關詳情，請參閱財務報表附註11。

Notes to the Financial Statements

For the year ended 31st December, 2009

財務報表附註

截至二零零九年十二月三十一日止年度

20. PREPAID LEASE PAYMENTS

20. 預付租賃款項

		HK\$'000 千港元
The Group	本集團	
Cost	成本值	
At 1st January, 2008	於二零零八年一月一日	12,958
Disposal of subsidiaries (Note 11)	出售附屬公司(附註11)	<u>(12,958)</u>
At 31st December, 2008, 1st January, 2009 and 31st December, 2009	於二零零八年十二月三十一日、 二零零九年一月一日及 二零零九年十二月三十一日	<u>-</u>
Depreciation and amortisation	折舊及攤銷	
At 1st January, 2008	於二零零八年一月一日	3,325
Charge for the year	本年度扣除	25
Disposal of subsidiaries (Note 11)	出售附屬公司(附註11)	<u>(3,350)</u>
At 31st December, 2008, 1st January, 2009 and 31st December, 2009	於二零零八年十二月三十一日、 二零零九年一月一日及 二零零九年十二月三十一日	<u>-</u>
Carrying amounts	賬面值	
At 31st December, 2009	於二零零九年十二月三十一日	<u><u>-</u></u>
At 31st December, 2008	於二零零八年十二月三十一日	<u><u>-</u></u>

Notes to the Financial Statements

For the year ended 31st December, 2009

財務報表附註

截至二零零九年十二月三十一日止年度

21. INTERESTS IN SUBSIDIARIES/ADVANCES TO SUBSIDIARIES

21. 附屬公司權益／墊付附屬公司款項

		2009	2008
		HK\$'000	HK\$'000
		千港元	千港元
The Company	本公司		
Unlisted shares, at cost	非上市股份·成本值	181,679	181,679
Advances to subsidiaries	墊付附屬公司款項	125,001	117,111
Less: impairment loss recognised in respect of the advances to subsidiaries	減：就墊付附屬公司款項 確認之減值虧損	(1,399)	(1,399)
		123,602	115,712

The advances to subsidiaries, net of allowances, are unsecured. Included in the balance as at 31st December, 2009, HK\$123,502,000 of the balance is interest-bearing (2008: HK\$115,460,000). In the opinion of the directors of the Company, the Company will not demand for repayment within one year from the end of the reporting period and are therefore considered as non-current. The directors of the Company estimate the investment costs and the advances by discounting their future cash flow at the prevailing market borrowing rate and considered impairment loss should be provided as at the statement of financial position at the amount mentioned above. The directors of the Company consider that the carrying amounts of advances to subsidiaries approximate to their fair values.

Particulars of the Group's principal subsidiaries at 31st December, 2009 are set out in Note 39 to the financial statements.

墊付附屬公司款項(扣除準備)為無抵押。於二零零九年十二月三十一日之結存中,包括為數123,502,000港元(二零零八年:115,460,000港元)之計息結存。本公司董事認為,本公司將不會要求於報告期結束後一年內還款,因此被視為非流動。本公司董事按當時市場借貸利率折現未來現金流量而估計投資成本及墊款,並認為就上述款項應於財務狀況報表作出減值虧損撥備。本公司董事認為,墊付附屬公司款項之賬面金額與其公平值相若。

本集團主要附屬公司於二零零九年十二月三十一日之詳情載於財務報表附註39。

Notes to the Financial Statements

For the year ended 31st December, 2009

財務報表附註

截至二零零九年十二月三十一日止年度

22. INTERESTS IN ASSOCIATES/ADVANCES TO ASSOCIATES

- (a) For the year ended 31st December, 2008, the Group recognised an interest in the fair value gain on the investment properties of the associates of approximately HK\$12.3 million (net of deferred tax impact of approximately HK\$2.4 million). The fair value of the investment properties of the associates were revalued on the basis of a valuation carried out by Norton Appraisals. Details are set out in Note 9 to the financial statements. The Group's interests in the investment properties of the associates were disposed of through disposal of subsidiaries which was completed on 30th September, 2008. For details, please refer to Note 11 to the financial statements.
- (b) The advances to associates were disposed of through disposal of subsidiaries which was completed on 30th September, 2008.

The movements in provision for impairment loss recognised, which represents the difference between the carrying amount of the advances to associates and the expected proceeds, are as follows:

		2009 HK\$'000 千港元	2008 HK\$'000 千港元
At 1st January	於一月一日	-	31,724
Impairment loss recognised during the year	年內確認之減值虧損	-	970
Disposal of subsidiaries (Note 11)	出售附屬公司(附註11)	-	(32,694)
At 31st December	於十二月三十一日	-	-

- (c) For the year ended 31st December, 2008, the Group has received HK\$256,000 in respect of advances to former associates, for which the Group has provided full impairment losses in previous years. The impairment losses provided before were reversed accordingly.

22. 聯營公司權益／墊付聯營公司款項

- (a) 在截至二零零八年十二月三十一日止年度，本集團確認於聯營公司投資物業之公平值收益之權益約12,300,000港元（扣除遞延稅項影響約2,400,000港元）。聯營公司投資物業之公平值已根據普敦國際評估進行之估值重估。有關詳情載於財務報表附註9。本集團於聯營公司投資物業之權益已因於二零零八年九月三十日完成出售附屬公司而出售。有關詳情，請參閱財務報表附註11。
- (b) 墊付聯營公司款項已因於二零零八年九月三十日完成出售附屬公司而出售。

確認之減值虧損（指墊付聯營公司款項之賬面金額與預期所得款項之差額）撥備變動如下：

- (c) 在截至二零零八年十二月三十一日止年度，本集團已收回墊付前聯營公司款項256,000港元，本集團於過往年度已就該款項作出全數減值虧損撥備，並已相應地撥回已撥備之減值虧損。

Notes to the Financial Statements

For the year ended 31st December, 2009

財務報表附註

截至二零零九年十二月三十一日止年度

22. INTERESTS IN ASSOCIATES/ADVANCES TO ASSOCIATES (cont'd)

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

22. 聯營公司權益／墊付聯營公司款項(續)

本集團聯營公司之財務資料概述如下：

		2009	2008
		HK\$'000	HK\$'000
		千港元	千港元
Total assets	資產總額	-	-
Total liabilities	負債總額	-	-
Net assets	資產淨值	-	-
Group's share of net assets of associates	本集團應佔聯營公司資產淨值	-	-
Revenue	收益	-	45,230
Profit for the period (Note)	本期間溢利(附註)	-	77,562
Group's share of profit of associates for the year (Note 9)	本集團應佔本年度聯營公司之溢利(附註9)	-	27,262

Note:

All of the Group's associates were disposed of through disposal of subsidiaries during the year ended 31st December, 2008. For details of the disposal, please refer to the Note 11 to the financial statements.

附註：

本集團所有聯營公司已透過於截至二零零八年十二月三十一日止年度出售附屬公司之形式出售。有關出售詳情，請參閱財務報表附註11。

Notes to the Financial Statements

For the year ended 31st December, 2009

財務報表附註

截至二零零九年十二月三十一日止年度

23. AVAILABLE-FOR-SALE FINANCIAL ASSETS

23. 可供出售金融資產

		2009	2008
		HK\$'000	HK\$'000
		千港元	千港元
The Group	本集團		
Debt securities	債務證券	96,472	89,008
Club debenture	會籍債券	-	-
		96,472	89,008
Analysis for reporting purposes as:	作報告用途之分析:		
Non-current assets	非流動資產	96,472	89,008
Available-for-sale financial assets held as at the end of the reporting period comprise of:	於報告期末可供出售金融資產包括:		
Floating rate notes	浮息票據	22,469	18,922
Fixed rate notes	定息票據	74,003	70,086
		96,472	89,008

Notes:

- i. The floating and fixed rate notes are unlisted securities and carry floating interest at LIBOR plus 0.23% to 0.25% per annum or fixed interest at 4.75% to 7.00% per annum, payable quarterly or half-yearly.
- ii. The floating and fixed rate notes carry effective interest rate range from 3.03% to 7.32% per annum.
- iii. These floating and fixed rate notes will mature from February 2011 to March 2016.
- iv. The available-for-sale financial assets are not either past due or impaired.
- v. Fair values of the floating and fixed rate notes have been determined based on the quoted market bid prices.

附註:

- i. 浮息及定息票據為非上市證券，並按浮動年利率倫敦銀行同業拆息加0.23厘至0.25厘或固定年利率4.75厘至7.00厘計息，每季或每半年支付一次。
- ii. 浮息及定息票據之實際年利率介乎3.03厘至7.32厘。
- iii. 浮息及定息票據之到期日為二零一一年二月至二零一六年三月。
- iv. 可供出售金融資產既未逾期或減值。
- v. 浮息及定息票據之公平值乃根據市場買入價釐定。

Notes to the Financial Statements

For the year ended 31st December, 2009

財務報表附註

截至二零零九年十二月三十一日止年度

24. PROPERTIES HELD FOR SALE**The Group**

At 1st January

Disposals

At 31st December

本集團

於一月一日

出售

於十二月三十一日

At 31st December, 2009, the directors of the Company reviewed the carrying amounts of the properties held for sale with reference to current market situation and the estimated selling price of the properties held for sale provided by Norton Appraisals. No impairment loss was made by reference to the recoverable amount of the properties held for sale (2008: Nil).

25. DEBTORS, DEPOSITS AND PREPAYMENTS**The Group and the Company**

The directors of the Company consider that the carrying amounts of the Group's and the Company's debtors, deposits and prepayments approximate to their fair values.

There was no trade debtors included in debtors, deposits and prepayments as at 31st December, 2009 and 2008.

24. 持作出售物業

2009	2008
HK\$'000	HK\$'000
千港元	千港元

18,576	56,304
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(2,072)	(37,728)
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16,504	18,576
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於二零零九年十二月三十一日，本公司董事已參照現行市況及普敦國際評估提供之持作出售物業估計售價審閱持作出售物業之賬面金額。參照持作出售物業之可收回金額並無作出減值虧損（二零零八年：無）。

25. 應收賬項、按金及預付款項**本集團及本公司**

本公司董事認為本集團及本公司之應收賬項、按金及預付款項之賬面金額與其公平值相若。

於二零零九年及二零零八年十二月三十一日，應收賬項、按金及預付款項內並無包括應收貿易賬項。

Notes to the Financial Statements

For the year ended 31st December, 2009

26. LOAN TO A FELLOW SUBSIDIARY

The Group and the Company

On 4th November, 2008, the Company, as lender, has entered into a loan agreement (the "Loan Agreement") with Longman Limited ("Longman"), as borrower, and Chinese Estates Holdings Limited ("Chinese Estates"), as guarantor.

In accordance with the Loan Agreement, the Company would provide a three-year revolving facility ("Revolving Loan") of up to HK\$900 million to Longman. The Company is entitled, by giving not less than one month's (or such shorter period as Longman may agree) prior notice to Longman, to demand full or partial repayment of the amount outstanding. Longman shall also repay the aggregate principal amount outstanding under the facility, all accrued interest thereon and all other amount payable under the Loan Agreement on the date falling three years from the date of the Loan Agreement. Longman may at any time without penalty or any other charges repay the whole or any part of the amount outstanding under the facility (if in part, being a minimum amount of HK\$100,000 and an integral multiple of HK\$100,000), provided that Longman shall have given to the Company not less than 14 days' (or such shorter period as the Company may agree) prior written notice of its intention to make such repayment, specifying the amount to be repaid and the proposed date of such repayment. Any amount so repaid by Longman shall first be applied towards the repayment of interest accrued up to the date of repayment and the balance shall be applied towards repayment of the principal amount outstanding under the facility. The loan to Longman carries an interest rate of Hong Kong Inter-bank Offer Rate ("HIBOR") plus 1% per annum.

財務報表附註

截至二零零九年十二月三十一日止年度

26. 借予同系附屬公司貸款

本集團及本公司

於二零零八年十一月四日，本公司（作為貸方）、Longman Limited（「Longman」，作為借方）及Chinese Estates Holdings Limited（「華置」，作為擔保人）訂立一份貸款協議（「貸款協議」）。

根據貸款協議，本公司將向Longman提供一筆最多900,000,000港元之三年期循環貸款融資（「循環貸款」）。本公司有權向Longman發出不少於一個月（或Longman可能同意之較短時間）事先通知，要求償還全部或部分未償還款項。Longman亦須於貸款協議訂立日期起計滿三年之日償還根據貸款融資尚未償還之本金總額、其所有應計利息及所有其他貸款協議項下之應付款項。Longman可隨時全數或部分償還根據貸款融資尚未償還之款項（如為部分償還，最低金額為100,000港元，或100,000港元之完整倍數），而毋須支付罰款或任何其他費用，惟Longman須就作出相關還款之意向向本公司發出不少於14日（或本公司可能同意之較短時間）之事先書面通知，列明償還金額及有關建議還款日期。Longman據此償還之任何款項將首先用作償還截至還款日期之應計利息，餘款將用作償還貸款融資下之未償還本金。借予Longman之貸款之年利率為香港銀行同業拆息（「香港銀行同業拆息」）加1厘。

Notes to the Financial Statements

For the year ended 31st December, 2009

財務報表附註

截至二零零九年十二月三十一日止年度

26. LOAN TO A FELLOW SUBSIDIARY (cont'd)**The Group and the Company (cont'd)**

For further details, please refer to the Company's circular dated 25th November, 2008.

Particulars of loan to a fellow subsidiary are as follows:

Name of fellow subsidiary 同系附屬公司名稱	Highest balance during the year 年內最高結餘		
	HK\$'000 千港元	2009 HK\$'000 千港元	2008 HK\$'000 千港元
Longman Limited	853,000	853,000	843,000

The directors of the Company consider the carrying amount of the Group's and the Company's loan to a fellow subsidiary approximates to its fair value.

27. ADVANCE TO A FELLOW SUBSIDIARY**The Group and the Company**

Name of fellow subsidiary 同系附屬公司名稱	Highest balance during the year 年內最高結餘		
	HK\$'000 千港元	2009 HK\$'000 千港元	2008 HK\$'000 千港元
G-Prop (Holdings) Limited 金匡企業有限公司	253	81	21

The advance to a fellow subsidiary is unsecured, interest-free and repayable on demand. The directors of the Company consider the carrying amount of the Group's and the Company's advance to a fellow subsidiary approximates to its fair value.

The Group and the Company do not hold collateral over the balance.

**26. 借予同系附屬公司貸款
(續)****本集團及本公司 (續)**

其他詳情，請參閱本公司於二零零八年十一月二十五日之通函。

借予同系附屬公司貸款詳情如下：

	Highest balance during the year 年內最高結餘		
	HK\$'000 千港元	2009 HK\$'000 千港元	2008 HK\$'000 千港元
Longman Limited	853,000	853,000	843,000

本公司董事認為本集團及本公司之借予同系附屬公司貸款之賬面金額與其公平值相若。

27. 墊付同系附屬公司款項**本集團及本公司**

	Highest balance during the year 年內最高結餘		
	HK\$'000 千港元	2009 HK\$'000 千港元	2008 HK\$'000 千港元
G-Prop (Holdings) Limited 金匡企業有限公司	253	81	21

該墊付同系附屬公司款項為無抵押，免息及按要求時償還。本公司董事認為本集團及本公司之墊付同系附屬公司款項之賬面金額與其公平值相若。

本集團及本公司並無就結餘持有抵押。

Notes to the Financial Statements

For the year ended 31st December, 2009

財務報表附註

截至二零零九年十二月三十一日止年度

28. CASH AND CASH EQUIVALENTS

28. 現金及現金等同項目

		The Group 本集團		The Company 本公司	
		2009	2008	2009	2008
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Cash at banks and on hand	銀行存款及現金	1,803	707	487	228
Time deposits	定期存款	7,956	8,981	3,000	6,000
		9,759	9,688	3,487	6,228

The time deposits of the Group and the Company had maturity within 3 months and carry interests at prevailing market deposit rates.

本集團及本公司之定期存款於三個月內到期，並按當時市場存款利率計息。

The directors of the Company consider that the carrying amounts of the Group's and the Company's cash and cash equivalents approximate to their fair values.

本公司董事認為本集團及本公司之現金及現金等同項目之賬面金額與其公平值相若。

The Group and the Company do not hold collateral over the balance.

本集團及本公司並無就結餘持有抵押。

29. CREDITORS AND ACCRUALS

29. 應付賬項及應計費用

The Group and the Company

There were no trade payables included in creditors and accruals as at 31st December, 2009 and 2008. The directors of the Company consider that the carrying amounts of the Group's and the Company's creditors and accruals approximate to their fair values.

本集團及本公司

於二零零九年及二零零八年十二月三十一日，應付賬項及應計費用並無包括應付貿易賬項。本公司董事認為本集團及本公司之應付賬項及應計費用之賬面金額與其公平值相若。

Notes to the Financial Statements*For the year ended 31st December, 2009***財務報表附註**

截至二零零九年十二月三十一日止年度

30. ADVANCES FROM FELLOW SUBSIDIARIES**The Group and the Company**

The advances from fellow subsidiaries are unsecured, interest-free and repayable on demand. The directors of the Company consider the carrying amount of the Group's and the Company's advances from fellow subsidiaries approximates to their fair values.

31. SHARE CAPITAL**The Group and the Company**

Ordinary shares of HK\$0.01 each

Authorised:

At 1st January, 2008, 31st December, 2008,
1st January, 2009 and 31st December, 2009

Issued and fully paid:

At 1st January, 2008, 31st December, 2008,
1st January, 2009 and 31st December, 2009

本集團及本公司

每股面值0.01港元之普通股

法定：

於二零零八年一月一日、
二零零八年十二月三十一日、
二零零九年一月一日及
二零零九年十二月三十一日

已發行及繳足：

於二零零八年一月一日、
二零零八年十二月三十一日、
二零零九年一月一日及
二零零九年十二月三十一日

30. 同系附屬公司墊款**本集團及本公司**

該等同系附屬公司墊款為無抵押、免息及按要求時償還。本公司董事認為本集團及本公司之同系附屬公司墊款之賬面金額與其公平值相若。

31. 股本

Number of shares	Share capital
股份數目	股本
	HK\$'000
	千港元

50,000,000,000	500,000
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338,765,987	3,388
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Notes to the Financial Statements

For the year ended 31st December, 2009

財務報表附註

截至二零零九年十二月三十一日止年度

32. RESERVES

The Group

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity.

The Group's reserves available for distribution as at 31st December, 2009, amounted to approximately HK\$477,618,000 (2008: HK\$466,533,000).

The Company

32. 儲備

本集團

本集團於本年度及過往年度之儲備金額及其變動於綜合股本權益變動報表呈列。

於二零零九年十二月三十一日，本集團可供分派之儲備約為477,618,000港元（二零零八年：466,533,000港元）。

本公司

		Share premium	Contribution from shareholders	(Accumulated losses)/ Retained profits	Total
		股份溢價	股東注資	(累計虧損)/ 保留溢利	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
At 1st January, 2008	於二零零八年一月一日	495,160	117,054	(11,103)	601,111
Total comprehensive income for the year	本年度全面收入總額	-	-	10,557	10,557
Release upon completion of disposal of subsidiaries	於出售附屬公司完成時解除	-	(96,335)	96,335	-
At 31st December, 2008 and 1st January, 2009	於二零零八年十二月三十一日及二零零九年一月一日	495,160	20,719	95,789	611,668
Total comprehensive income for the year	本年度全面收入總額	-	-	359,798	359,798
Final dividend paid	已付末期股息	-	-	(3,388)	(3,388)
Interim dividend paid	已付中期股息	-	-	(3,388)	(3,388)
At 31st December, 2009	於二零零九年十二月三十一日	495,160	20,719	448,811	964,690

Notes to the Financial Statements

For the year ended 31st December, 2009

財務報表附註

截至二零零九年十二月三十一日止年度

33. ADVANCE FROM A SUBSIDIARY

The Company

The advance from a subsidiary is unsecured, interest-free and will not demand for repayment within one year from the end of the reporting period and therefore shown as non-current. The directors of the Company consider the carrying amount of the Company's advance from a subsidiary approximates to its fair value.

34. DEFERRED TAXATION LIABILITY

The Group

The following are the major deferred taxation (liabilities) and assets recognised by the Group and movements thereon during the current and prior reporting years:

33. 附屬公司墊款

本公司

該附屬公司墊款為無抵押、免息及不會於報告期末起一年內要求償還，因此列為非流動。本公司董事認為本公司之附屬公司墊款之賬面金額與其公平值相若。

34. 遞延稅項負債

本集團

以下為本集團於本報告年度及過往報告年度確認之主要遞延稅項（負債）與資產及其變動：

		Revaluation of investment properties	Accelerated tax depreciation	Tax losses	Total
		投資物業重估	加速稅項折舊	稅項虧損	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
At 1st January, 2008	於二零零八年一月一日	(1,107)	15	128	(964)
Credit (charge) to the consolidated statement of comprehensive income for the year (Note 12)	撥入（扣自）本年度綜合全面收入報表（附註12）	220	(3)	(114)	103
Effect on change of tax rate (Note 12)	稅率變動之影響（附註12）	50	(1)	-	49
Disposal of subsidiaries (Note 11)	出售附屬公司（附註11）	82	-	(14)	68
At 31st December, 2008 and 1st January, 2009	於二零零八年十二月三十一日及二零零九年一月一日	(755)	11	-	(744)
Credit (charge) to the consolidated statement of comprehensive income for the year (Note 12)	撥入（扣自）本年度綜合全面收入報表（附註12）	244	(2)	-	242
At 31st December, 2009	於二零零九年十二月三十一日	(511)	9	-	(502)

Notes to the Financial Statements

For the year ended 31st December, 2009

34. DEFERRED TAXATION LIABILITY (cont'd)

For the purpose of consolidated statement of financial position presentation, certain deferred taxation assets and (liabilities) have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

Deferred taxation assets	遞延稅項資產
Deferred taxation liabilities	遞延稅項負債

財務報表附註

截至二零零九年十二月三十一日止年度

34. 遞延稅項負債(續)

就綜合財務狀況報表之呈列而言，若干遞延稅項資產及(負債)已經抵銷。作財務申報用途之遞延稅項結餘分析如下：

2009	2008
HK\$'000	HK\$'000
千港元	千港元
9	11
(511)	(755)
(502)	(744)

At the end of the reporting period, the Group did not have any unrecognised deferred taxation assets (2008: HK\$2,340,000).

35. OPERATING LEASE COMMITMENTS

As at 31st December, 2009 and 2008, the Group and the Company did not have any material operating lease commitments.

36. CAPITAL COMMITMENTS

As at 31st December, 2009 and 2008, the Group and the Company did not have any material capital commitments.

於報告期末，本集團並無任何未確認之遞延稅項資產(二零零八年：2,340,000港元)。

35. 營業租約承擔

於二零零九年及二零零八年十二月三十一日，本集團及本公司並無任何重大營業租約承擔。

36. 資本承擔

於二零零九年及二零零八年十二月三十一日，本集團及本公司並無任何重大資本承擔。

Notes to the Financial Statements*For the year ended 31st December, 2009***37. RETIREMENT BENEFIT SCHEMES**

The Group operates two retirement benefit schemes:

- (i) the provident fund scheme as defined in the Mandatory Provident Fund Schemes Ordinance, Chapter 485 of the laws of Hong Kong (the "MPF Scheme"); and
- (ii) the provident fund scheme as defined in the Occupational Retirement Schemes Ordinance, Chapter 426 of the laws of Hong Kong (the "Top-up Scheme").

Both the MPF Scheme and the Top-up Scheme were defined contribution schemes and the assets of both schemes were managed by their respective trustees accordingly.

The MPF Scheme was available to all employees aged 18 to 64 and with at least 60 days of service under the employment of the Group in Hong Kong. Contributions were made by the Group at 5% based on the staff's relevant income. The statutory maximum level of relevant income for contribution purpose is HK\$20,000 per month. Staff members were entitled to 100% of the Group's contributions together with accrued returns irrespective of their length of service with the Group, but the benefit was required by law to be preserved until the retirement age of 65. Forfeited contributions of MPF Scheme cannot be used by the Group to offset the existing level of contributions.

財務報表附註*截至二零零九年十二月三十一日止年度***37. 退休福利計劃**

本集團設有兩項退休福利計劃：

- (i) 香港法例第485章強制性公積金計劃條例下界定之公積金計劃（「強積金計劃」）；及
- (ii) 香港法例第426章職業退休計劃條例下界定之公積金計劃（「補足計劃」）。

強積金計劃及補足計劃均為定額供款計劃，該兩項計劃之資產均相應由各自之受託人管理。

強積金計劃可供所有18至64歲受僱於香港最少60日之本集團僱員參加。本集團根據僱員之有關入息作出5%之供款。就供款而言，有關法定入息水平上限為每月20,000港元。不論其於本集團之服務年期，僱員均可取得100%本集團供款連同應計回報，惟根據法例，有關利益將保留至退休年齡65歲方可領取。本集團不可動用強積金計劃下之已沒收供款，以抵銷現有之供款水平。

Notes to the Financial Statements

For the year ended 31st December, 2009

財務報表附註

截至二零零九年十二月三十一日止年度

37. RETIREMENT BENEFIT SCHEMES (cont'd)

The Top-up Scheme was available to those employees with basic salary over HK\$20,000 and/or years of service over 5. Contributions to the Top-up Scheme were made by the Group at 5%, 7.5% or 10% of staff's basic salary (depending on the length of service) less the Group's mandatory contribution under the MPF Scheme. Staff members were entitled to 100% of the Group's contributions together with accrued returns after completing 10 years of service or more, or attaining the retirement age, or were entitled at a reduced scale between 30% to 90% of the Group's contributions after completing a period of service of at least 3 years but less than 10 years. The Top-up Scheme allowed any forfeited contributions (made by the Group for any staff member who subsequently left the Top-up Scheme prior to vesting fully in such contributions) to be used by the Group to offset the current level of contributions of the Group.

The Group's cost for the MPF Scheme and Top-up Scheme charged to consolidated statement of comprehensive income for the year amounted to HK\$117,000 (2008: HK\$171,000).

38. RELATED PARTY TRANSACTIONS

The Group had entered into transactions with related parties which, in the opinion of the directors of the Company, were carried out on normal commercial terms and in the ordinary course of the Group's business as shown below.

(i) During the years, the Group had the following material transactions with related parties:

Interest income on loan to a fellow subsidiary (Note a)	借予同系附屬公司貸款之利息收入 (附註a)
Rental paid to a fellow subsidiary (Note b)	支付予同系附屬公司之租金 (附註b)
Interest income on advances to associates (Note a)	墊付聯營公司款項之利息收入 (附註a)
Imputed interest income relating to interest-free advance to an associate	墊付聯營公司免息款項之名義利息收入

37. 退休福利計劃 (續)

補足計劃可供基本薪金超過20,000港元及／或年資超過五年之僱員參加。本集團乃根據僱員之基本薪金減去本集團根據強積金計劃作出之強制性供款，按其服務年期作出5%、7.5%或10%之補足計劃供款。僱員服務滿10年或以上或到退休年齡時可取得100%本集團供款連同應計回報，而服務年期滿3年但不足10年之僱員則可按遞減比例取得30%至90%本集團供款。補足計劃容許本集團將任何已沒收供款（即本集團就任何於可獲得全部供款前退出補足計劃之僱員而作出之供款）用以抵銷本集團現有之供款水平。

本集團於年內就強積金計劃及補足計劃於綜合全面收入報表扣除之費用為117,000港元（二零零八年：171,000港元）。

38. 關連人士交易

本集團曾與關連人士訂立下列交易，而本公司董事認為有關交易乃於本集團日常業務過程中按正常商業條款進行。

(i) 年內，本集團曾與關連人士進行下列主要交易：

	2009 HK\$'000 千港元	2008 HK\$'000 千港元
	9,769	415
	-	94
	-	1,725
	-	719
	9,769	2,953

Notes to the Financial Statements*For the year ended 31st December, 2009***財務報表附註***截至二零零九年十二月三十一日止年度***38. RELATED PARTY TRANSACTIONS (cont'd)**

Notes:

- (a) Interest was charged on outstanding balance during the year.
- (b) Rental was paid to Chinese Estates, Limited, a wholly-owned subsidiary of Chinese Estates, for the lease of office premises. The lease was entered into in the ordinary course of business with reference to market rates and was terminated on 30th September, 2008.

Balances

Details of the balances with related parties as at the end of the reporting period are set out in Notes 22, 26, 27 and 30.

Key management personnel remuneration

Remuneration for key management personnel is disclosed in Note 14(a) to the financial statements.

- (ii) Save as disclosed in elsewhere in the financial statements, during the year ended 31st December, 2008, the Group had entered into the following related party transactions:

On 17th January, 2008, the Group entered into a conditional sales and purchase agreement with a wholly-owned subsidiary of Chinese Estates. For details, please refer to Note 11 to the financial statements.

On 4th November, 2008, the Company, as lender, has entered into a loan agreement with Longman, as borrower, and Chinese Estates, as guarantor. For details, please refer to Note 26 to the financial statements.

38. 關連人士交易 (續)

附註：

- (a) 利息根據年內尚欠結餘計算。
- (b) 為租用辦公室而支付予華置之全資附屬公司華人置業有限公司之租金。該租賃是參考市場價格於日常業務過程中訂立，並已於二零零八年九月三十日終止。

結餘

於報告期末，與關連人士之結餘詳情載於附註22、26、27及30。

主要管理人員酬金

主要管理人員之酬金於財務報表附註14(a)披露。

- (ii) 除財務報表其他地方披露外，截至二零零八年十二月三十一日止年度內，本集團曾與關連人士進行下列交易：

於二零零八年一月十七日，本集團與華置一間全資附屬公司，訂立一份有條件買賣協議。有關詳情，請參閱財務報表附註11。

於二零零八年十一月四日，本公司（作為貸方）、Longman（作為借方）及華置（作為擔保人）訂立一份貸款協議。有關詳情，請參閱財務報表附註26。

Notes to the Financial Statements

For the year ended 31st December, 2009

財務報表附註

截至二零零九年十二月三十一日止年度

39. PARTICULARS OF SUBSIDIARIES

At 31st December, 2009, the Company has direct and indirect interests in the following subsidiaries which are all private limited companies.

39. 附屬公司詳情

於二零零九年十二月三十一日，本公司直接及間接擁有下列附屬公司之權益，而該等附屬公司均為私人有限公司。

Name of subsidiaries 附屬公司名稱	Place of incorporation or operation 註冊成立 或經營地點	Class of share 股份類別	Fully paid share capital 繳足股本	Proportion of nominal value of paid-up capital held by the Company 本公司所持繳足 股本面值之百分比		Principal activities 主要業務
				Directly 直接	Indirectly 間接	
Chi Cheung Management Services Limited 至祥管理服務有限公司	Hong Kong 香港	Ordinary 普通股	HK\$2 2港元	100%	–	Dormant 暫無營業
Chi Cheung (Nominees) Limited	Hong Kong 香港	Ordinary 普通股	HK\$2 2港元	100%	–	Securities investment 證券投資
Jumbo Legend Limited	British Virgin Islands 英屬維爾京群島	Ordinary 普通股	US\$2 2美元	100%	–	Investment holding 投資控股
View Success Investments Limited 景亨投資有限公司	Hong Kong 香港	Ordinary 普通股	HK\$2 2港元	–	100%	Property investment and trading 物業投資 及買賣

None of the subsidiaries had any loan capital subsisting at the end of the year or at anytime during the year.

概無任何附屬公司於年結時或年內任何時間存在任何借貸股本。

Notes to the Financial Statements

For the year ended 31st December, 2009

財務報表附註

截至二零零九年十二月三十一日止年度

40. EVENTS AFTER THE FINANCIAL YEAR END

- (i) Near the year end and afterwards, the Group entered into various sale and purchase agreements with independent third parties to dispose of the remaining units of properties held for sale at a total consideration of HK\$66.43 million. These respective disposals will be completed in the first and second quarters of 2010. Upon completion of the said disposals, the Group will not hold any godown unit in Gemstar Tower.
- (ii) On 8th March, 2010, the Company lent a loan of HK\$30 million to Longman pursuant to the terms and conditions of the Revolving Loan made in November 2008 and therefore the total loan to the Longman increased from HK\$853 million in 2009 to HK\$883 million as at the reporting date. The cap for the Revolving Loan is HK\$972 million for the year ending 31st December, 2010.

41. COMPARATIVE FIGURES

As a result of the application of HKAS 1 (Revised), "Presentation of Financial Statements", certain comparative figures have been adjusted to conform to the current year's presentation and to provide comparative amounts in respect of items disclosed for the first time in 2009. Further details of these developments are disclosed in Note 2.

42. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board of Directors on 12th March, 2010.

40. 財政年度結束後事項

- (i) 於臨近年結時及其後，本集團與獨立第三方訂立多份買賣協議，出售餘下持作出售物業單位，總代價為66,430,000港元。各項出售將於二零一零年第一及第二季完成。上述出售完成後，本集團將不再持有駿昇中心任何貨倉單位。
- (ii) 於二零一零年三月八日，本公司按於二零零八年十一月訂立之循環貸款之條款及條件，向Longman借予為數30,000,000港元之貸款，因此，Longman貸款總額由二零零九年之853,000,000港元增加至本報告日之883,000,000港元。循環貸款於截至二零一零年十二月三十一日止年度之上限為972,000,000港元。

41. 比較數字

由於應用香港會計準則第1號（經修訂）「財務報表呈列」，若干比較數字已作調整，以符合本年度之呈列，並就於二零零九年首次披露之項目提供比較數額。此等發展之進一步詳情已於附註2披露。

42. 授權刊發財務報表

董事會已於二零一零年三月十二日批准及授權刊發財務報表。