
Manor House Holdings Limited

1982 ANNUAL REPORT



FILED

25 AUG 1983

P. Registrar of Companies



Manor House Holdings Limited

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Notice of Meeting

Notice is hereby given that the Thirtieth Annual General Meeting of Shareholders of the Company will be held at The Garden Rooms, Second Floor, The Royal Garden Hotel, 69 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on Thursday, 23rd June, 1983 at 12:00 noon for the following purposes:—

1. To receive and consider the Statement of Accounts and the Reports of the Directors and Auditors for the year ended 31st December, 1982 and to sanction the payment of a Final Dividend.
2. To elect Directors and fix their remuneration.
3. To appoint Auditors and fix their remuneration.
4. To transact any other ordinary business of the Company.

By Order of the Board
Lui Fook Hong
Acting Secretary

Hong Kong, 12th May, 1983.

- Notes:
- (a) The Transfer Books of the Company will be closed from Thursday, 9th June, 1983 to Thursday, 23rd June, 1983, both dates inclusive, during which period no transfer of shares can be registered.
 - (b) A shareholder entitled to attend and vote at the above Meeting may appoint a proxy to attend and, on a poll, vote in his place. A proxy need not also be a member. To be valid, all forms of proxy must be lodged at the Registered Office of the Company not less than 48 hours before the time for the meeting.
 - (c) To qualify for the proposed final dividend, transfers must be lodged with the Company's Registrars, Peat, Marwick, Mitchell & Co., at 1st Floor, Tai Shing Commercial (Central) Building, 134, Des Voeux Road Central, Hong Kong not later than 4:00 p.m. on Wednesday, 8th June, 1983.

Board of Directors

THE HONOURABLE WOO PAK CHUEN, C.B.E., J.P.
(Chairman)

SIR SHIU-KIN TANG, C.B.E., J.P.

LAWRENCE E. LOUEY

LUI FOOK HONG, M.B.E.

YU SHU CHUEN

NG CHIU KWON

ANN TSE KAI, C.B.E., J.P.

LO YUK SUI

NG SIU CHAN

LUI CHUNG YUEN

RAYMOND PING-LUEN KWOK

WALTER KWOK PING-SHEUNG

Managing Director

SIR SHIU-KIN TANG, C.B.E., J.P.

General Manager

LAWRENCE E. LOUEY

Treasurer and Acting Secretary

LUI FOOK HONG, M.B.E.

Registrars

PEAT, MARWICK, MITCHELL & CO.

Auditors

PEAT, MARWICK, MITCHELL & CO.

Chairman's Statement

RESULTS AND DIVIDEND

On behalf of the board of directors, I am pleased to report that the group's profit attributable to shareholders, after taxation, for the financial year ended 31st December, 1982 amounted to \$18.3 million, an increase of 15% over the previous year. Earnings per share were 6.9 cents, compared with 6.0 cents in the previous year.

An interim dividend of 3 cents per share was paid in October, 1982 (1981 - nil) and your board now recommends payment of a final dividend of 4 cents per share (1981 - nil). If the proposed dividend is approved at the forthcoming Annual General Meeting, the total distribution for the year will amount to \$18.5 million, which exceeds the forecast dividend of 5 cents mentioned in the company's Introductory Circular dated 24th March, 1982.

SEPARATION FROM THE KOWLOON MOTOR BUS COMPANY (1933) LIMITED, "KMB"

Although the activities of the group and the bus operations of KMB have been managed separately in previous years, the consolidated accounts of the KMB group combined the results of the non-bus operations with those of the bus operations. To avoid confusion in the minds of investors and the general public, the boards of the company and KMB decided to rationalise each company's activities by separating the businesses into two public companies.

In respect of such re-organisation, a series of events have taken place:-

1. On 8th February, 1982, at an Extraordinary General Meeting of the company, the following ordinary resolutions were passed:-
 - (i) To distribute a special dividend in specie of 264,529,125 ordinary shares in the company to KMB shareholders.
 - (ii) To increase the company's authorised share capital to HK\$300,000,000.
2. On 26th February, 1982, the company, formerly known as Tyleelord Properties Limited, adopted its present name of Manor House Holdings Limited, which marked its complete independence as a holding company.
3. On 5th May, 1982, the ordinary shares of the company were listed on The Hong Kong Stock Exchange Limited, Far East Exchange Limited and Kam Ngan Stock Exchange Limited.

PROPERTY DEVELOPMENT

The group acquired three sites at N.K.I.L. 2622 R.P., N.K.I.L. 3602 R.P. and K.I.L. 6393 from KMB at market rates in May, 1979.

With the appointment of Sun Hung Kai Real Estate Agency Limited as project manager for the three developments in September of last year, the three projects are developing on schedule. It is

estimated that on completion of these developments the group will have a total of approximately 96,400 square metres of commercial, residential and industrial space.

N.K.I.L. 2622 R.P. - Fuk Wing Street/Camp Street/Un Chau Street/Pratas Street - Shamshuipo - Kowloon

The total site area is approximately 4,000 square metres. The building plan for this project, which consists of an underground carpark, a 2 level shopping arcade and seven 12 storey residential towers with average flat sizes ranging from 32 square metres to 37 square metres, is now awaiting the Building Authority's approval. "Manor Centre" has been adopted as the name for this development which, when completed, will contain approximately 7,300 square metres of commercial space and 21,800 square metres of residential space.

N.K.I.L. 3602 R.P. - Tonkin Street/Po On Road/Shun Ning Road - Shamshuipo - Kowloon

The general building plan for development of this site has already been approved and substructural/superstructural work is expected to commence shortly. This development will be named "Merlin Centre" and when completed will consist of a 2 level shopping arcade and four residential towers, comprising 4,000 square metres of commercial space and 11,800 square metres of residential space.

Sun Hung Kai Real Estate Agency Limited has been appointed as sales agent for Merlin Centre. It is envisaged that pre-selling of both the commercial and residential units will take place in 1983.

K.I.L. 6393 - Ma Hang Chung Road/ San Shan Road/To Kwa Wan Road - To Kwa Wan - Kowloon

This site is made up of 5,500 square metres of industrial land. The approved building plan consists of basement car park accommodation and two 12 storey blocks of small industrial units. The total gross floor area amounts to approximately 51,500 square metres.

In view of the reduced demand for industrial accommodation throughout the territory, the company has considered the possibility of modifying the land use from industrial to commercial/residential. The report on Land Use Study and Application for Rezoning were submitted to the Town Planning Division by F.Y.Kan & Partners in December, 1982. However, the application was rejected in March, 1983. Site formation work is currently in progress.

With the Government's intention to resume 260 square metres of this site for road widening purposes, the extent of compensation to be awarded to the company is presently under consideration.

PROPERTY INVESTMENT

Property investment remains the major activity of the group. The gross rental income for the year yielded a total of \$15 million representing an increase of 13% over the previous year.

The portion of Hung Yu Mansion situated at Castle Peak Road, Shamshuipo, Kowloon, owned by the company comprises one cinema and approximately 6,800 square metres of commercial space. The property was fully let during the year at satisfactory rentals. The total rental income received from the property for 1982 amounted to \$7 million. Although we anticipate a few vacant units within the building this year, we expect our rental income to maintain the level of the previous year as a number of tenants have confirmed renewal of their tenancies at reasonable rentals.

Leroy Industrial Building situated at 15, Cheung Shun Street, Cheung Sha Wan, Kowloon, which is a 12 storey building totalling 23,200 square metres of factory space, enjoyed 100% occupancy throughout the first half of the year. However, during the second half of the year, there was a slight drop in the occupancy rate. The causes being an over supply of industrial units on the market together with the closing down of many businesses due to the present economic recession. The total rental income generated from this building in 1982 amounted to \$7 million.

The other properties owned by the group, three commercial and residential units at Wing Sun Building at Tung Choi Street, Mongkok, and Tyresole Industrial Building at Hung To Road, Kwun Tong, earned \$1 million during 1982, a decrease of 17% compared with 1981.

Prince Theatre, occupied and operated by Prince Theatre Limited, a wholly-owned subsidiary of the company, had a satisfactory result in 1982 with box office takings of \$6.5 million, an increase of 36% over the previous year. The theatre contributed \$1.5 million to the group's net profit.

PROSPECTS

The board of directors anticipates that none of the property developments will be completed in 1983 and there will not be any material changes in

the group's business activities in the coming year.

Although the property market remained stagnant in the first few months of the year 1983, the group is expected to maintain its profits as reported for 1982.

APPRECIATION

Finally, I wish to thank staff at all levels in the group for their contribution and loyalty throughout the year.

P.C. Woo
Chairman

Hong Kong, 12th May, 1983.

Report of the Directors

The directors have pleasure in submitting their annual report together with the audited statement of accounts for the year ended 31st December, 1982.

CHANGE OF COMPANY NAME

On 11th February, 1982, a special resolution was passed to change the name of the company from Tyleelord Properties Limited to Manor House Holdings Limited.

GROUP ACTIVITIES

The company is engaged in property investment for rental and resale purposes.

The principal activities of its subsidiaries are property investment and development and the operation of a theatre.

GROUP ACCOUNTS

The profit of the group for the year ended 31st December, 1982 and the state of the company's and the group's affairs at that date are set out in the accounts on pages 7 to 19.

An interim dividend of 3 cents per share was paid on 29th October, 1982. The directors now recommend that a final dividend of 4 cents per share be paid in respect of the year ended 31st December, 1982.

FIXED ASSETS

Movements in fixed assets during the year are given in note 7 on the accounts.

SHARE CAPITAL

Pursuant to an ordinary resolution passed on 8th February, 1982, the authorised share capital of the company was increased from \$260,000,000 to \$300,000,000.

On 11th February, 1982, a bonus issue of 22,194,162 shares of \$1 each was made by capitalising an amount of \$22,194,162 out of the general reserve.

DIRECTORS

The directors of the company at the date of this report are shown on page 3.

Messrs. Ng Siu Chan, Lui Chung Yuen and Raymond Ping-Luen Kwok were appointed directors on 1st April, 1982. In addition, Mr. Kwok Tak Seng resigned as a director and Mr. Walter Kwok Ping-Sheung was appointed to the board on 8th March, 1983.

In accordance with article 84 of the company's articles of association, adopted by members on

8th February, 1982, Messrs. Yu Shu Chuen, Ng Chiu Kwon and Lo Yuk Sui retire from the board by rotation and, being eligible, offer themselves for re-election.

In accordance with article 79 of the company's articles of association, Mr. Walter Kwok Ping-Sheung retires from the board and, being eligible, offers himself for re-election.

Messrs. Kwok Tak Seng and Raymond Ping-Luen Kwok are directors of and hold shares indirectly in Sun Hung Kai Real Estate Agency Limited, which acts as project manager for the development of the group's properties.

Y.S. Lo & Associates, in which Mr. Lo Yuk Sui is the sole principal, renders architectural services to one of the development projects of the group.

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

AUDITORS

Peat, Marwick, Mitchell & Co. retire and, being eligible, offer themselves for re-appointment.

By order of the board
P.C. Woo
Chairman

Hong Kong, 12th May, 1983.

Certified true copy


Director

Consolidated Profit and Loss Account for the Year ended 31st December, 1982

(Expressed in Hong Kong dollars)

	<i>NOTE</i>	1982	1981
TURNOVER	2	<u>\$31,660,848</u>	<u>\$27,574,847</u>
PROFIT BEFORE TAXATION	3	\$20,728,789	\$19,289,340
TAXATION	5 (a)	<u>2,408,133</u>	<u>3,413,141</u>
PROFIT AFTER TAXATION		\$18,320,656	\$15,876,199
RETAINED PROFITS AT 1ST JANUARY		<u>38,163,040</u>	<u>22,286,841</u>
		\$56,483,696	\$38,163,040
 APPROPRIATION			
Dividends	6	<u>18,517,039</u>	<u>—</u>
RETAINED PROFITS AT 31ST DECEMBER	13	<u>\$37,966,657</u>	<u>\$38,163,040</u>
 EARNINGS PER SHARE	 6	 6.9 cents	 6.0 cents

The notes on pages 12 to 19 form part of these accounts.

Consolidated Balance Sheet at 31st December, 1982

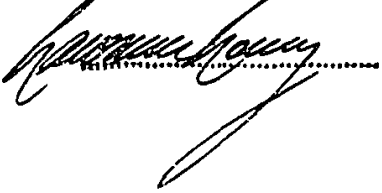
(Expressed in Hong Kong dollars)

	<i>NOTE</i>	1982	1981
FIXED ASSETS	7	\$ 50,962,664	\$ 54,452,721
PROPERTIES UNDER DEVELOPMENT	<i>1(d)&8</i>	200,800,598	199,678,767
PRELIMINARY EXPENSES	<i>1(g)</i>	8,200	16,400
CURRENT ASSETS	<i>10</i>	\$75,600,757	\$66,115,029
CURRENT LIABILITIES	<i>11</i>	<u>15,970,599</u>	<u>8,664,914</u>
NET CURRENT ASSETS		<u>59,630,158</u>	<u>57,450,115</u>
		<u>\$311,401,620</u>	<u>\$311,598,003</u>
Representing:—			
SHARE CAPITAL	<i>12</i>	\$264,529,125	\$242,334,963
RESERVES	<i>13</i>	<u>46,872,495</u>	<u>69,263,040</u>
		<u>\$311,401,620</u>	<u>\$311,598,003</u>

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)
Lawrence E. Louey)
) *Directors*
)
Ng Sit Chan)
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The notes on pages 12 to 19 form part of these accounts.

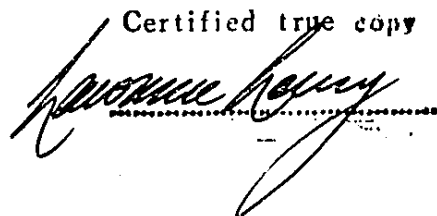


Balance Sheet at 31st December, 1982

(Expressed in Hong Kong dollars)

	<i>NOTE</i>	1982	1981
FIXED ASSETS	7	\$ 6,551,616	\$ 6,912,515
INTEREST IN SUBSIDIARY COMPANIES	9	246,278,723	242,795,831
CURRENT ASSETS	10	\$71,024,308	\$62,097,437
CURRENT LIABILITIES	11	<u>12,882,615</u>	<u>6,022,778</u>
NET CURRENT ASSETS		<u>53,141,693</u>	<u>56,074,659</u>
		<u>\$310,972,032</u>	<u>\$305,783,005</u>
Representing:—			
SHARE CAPITAL	12	\$264,529,125	\$242,334,963
RESERVES	13	<u>46,442,907</u>	<u>63,448,042</u>
		<u>\$310,972,032</u>	<u>\$305,783,005</u>

Certified true copy



)
) Lawrence E. Louey
) Directors
) Ng Siu Chan
)

The notes on pages 12 to 19 form part of these accounts.

Consolidated Statement of Changes in Financial Position for the Year ended 31st December, 1982

(Expressed in Hong Kong dollars)

	1982	1981
SOURCE OF FUNDS		
Profit before taxation	\$20,728,789	\$19,289,340
Adjustments for items not involving the movement of funds:—		
Amortisation and depreciation	\$ 3,668,088	\$ 3,789,670
Loss on disposal of fixed assets	262	288
Preliminary expenses	8,200	—
	<u>3,676,550</u>	<u>3,789,958</u>
Total generated from operations	\$24,405,339	\$23,079,298
Funds from other source:—		
Repayment of loan	—	5,700,000
	<u>\$24,405,339</u>	<u>\$28,779,298</u>
APPLICATION OF FUNDS		
Dividend paid	\$ 7,935,874	\$ —
Tax paid	6,148,014	1,981,091
Purchase of fixed assets	178,293	26,312
Properties under development	1,121,831	396,782
	<u>15,384,012</u>	<u>2,404,185</u>
	<u>\$ 9,021,327</u>	<u>\$26,375,113</u>

	1982	1981
INCREASE/(DECREASE) IN WORKING CAPITAL		
Completed property for resale	\$ (764,994)	\$ (302,264)
Debtors, deposits and prepayments	(996,672)	279,246
Deposits and instalments received on sale of flats	1,327,984	198,754
Rental and other deposits	(312,429)	(133,243)
Accounts payable	(1,319,659)	666,003
	<u>\$ (2,065,770)</u>	<u>\$ 708,496</u>
Movement of net liquid funds:—		
Time deposits	\$11,185,662	\$25,832,457
Cash balances	<u>(98,565)</u>	<u>(165,840)</u>
	<u>11,087,097</u>	<u>25,666,617</u>
	<u>\$ 9,021,327</u>	<u>\$26,375,113</u>

Notes on the Accounts

(Expressed in Hong Kong dollars)

1. ACCOUNTING POLICIES

(a) Basis of consolidation

The consolidated accounts include the accounts of Manor House Holdings Limited and all its subsidiary companies made up to 31st December, 1982.

(b) Recognition of profit on sale of properties

Profit on sale of properties is recognised upon completion of the purchase and sale agreements, which takes place when the full sale price has been received by the company or the occupation permit is issued whichever is later.

(c) Amortisation and depreciation

Amortisation and depreciation is calculated to write off the cost of fixed assets in equal annual instalments on the following bases:—

Leasehold land and building	Over term of lease, excluding renewal period
Other assets	10% p.a. on cost

(d) Properties under development

Properties under development are stated at cost less provisions for anticipated losses where these are considered appropriate by the directors. Provisions for anticipated losses are determined by reference to the directors' estimates of future selling prices of completed properties. Cost includes cost of land, all development expenditure and interest where applicable.

(e) Development expenditure

All direct expenses in connection with the development of the group's leasehold properties including interest, if any, are included as part of the cost of the building to be constructed thereon.

Expenses concerned with the management of the company are charged to the profit and loss account as they arise.

(f) Completed property for resale

Completed property remaining unsold at the year end is valued at the lower of cost and net realisable value. Cost is determined by apportionment of the total land and building costs attributable to unsold property. Net realisable value is determined by the directors based on prevailing market conditions.

(g) Preliminary expenses

Cost incurred in the formation of subsidiary companies are written off in the year when income of the subsidiaries first arises.

(h) Translation of foreign currencies

Foreign currency balances at the year end are translated into Hong Kong dollars at approximately the market rate of exchange ruling at the balance sheet date. Foreign currency transactions during the year are translated into Hong Kong dollars at the rates ruling at the transaction dates. Differences on foreign currency translation are dealt with in the profit and loss account.

2. TURNOVER

Turnover represents the aggregate of gross rentals and management fees from properties, proceeds from the sale of development properties, gross box-office takings, screen advertising revenue and interest earned.

3. CONSOLIDATED PROFIT BEFORE TAXATION

Consolidated profit before taxation is arrived at

after charging:—

	1982	1981
Amortisation and depreciation	\$ 3,668,088	\$ 3,789,670
Auditors' remuneration	95,435	95,335

and crediting:—

Rental income less outgoings	\$13,741,733	\$12,597,357
Interest earned	8,980,528	8,827,700
Provision for contingency written back	—	795,244

The consolidated profit after taxation includes an amount of \$23,706,066 (1981 — \$12,667,109) which has been dealt with in the accounts of the company of which \$5,668,435 represents post-acquisition profits brought forward receivable as dividends from certain subsidiary companies.

4. DIRECTORS' REMUNERATION

Directors' remuneration disclosed in accordance with the provision of section 161 of the Companies Ordinance is as follows:—

	1982	1981
Fees	\$106,676	\$51,048
Other emoluments	33,000	18,000

5. TAXATION

	Group			
	1982	1981	1982	1981
(a) Taxation in the profit and loss account represents:—				
Estimated liability to Hong Kong profits tax at 16½% on the assessable profits of the year	\$ 2,408,509	\$ 3,425,447		
Overprovision in respect of previous year	<u>(376)</u>	<u>(12,306)</u>		
	<u>\$ 2,408,133</u>	<u>\$ 3,413,141</u>		
	Group		Company	
	1982	1981	1982	1981
(b) The liability to taxation/(tax refundable) represents:—				
Estimated liability to profits tax for the year	\$ 2,408,509	\$ 3,425,447	\$ 1,178,422	\$ 2,320,347
Provisional profits tax paid	<u>(2,568,806)</u>	<u>(322,888)</u>	<u>(1,740,077)</u>	<u>—</u>
	\$ (160,297)	\$ 3,102,559	\$ (561,655)	\$ 2,320,347
Balance of profits tax provisions relating to previous year	<u>—</u>	<u>477,025</u>	<u>—</u>	<u>311,187</u>
	<u>\$ (160,297)</u>	<u>\$ 3,579,584</u>	<u>\$ (561,655)</u>	<u>\$ 2,631,534</u>

6. DIVIDENDS AND EARNINGS PER SHARE

	1982	1981
Interim dividend of 3 cents per share	\$ 7,935,874	\$ —
Proposed final dividend of 4 cents per share	<u>10,581,165</u>	<u>—</u>
	<u>\$18,517,039</u>	<u>\$ —</u>

Earnings per share is based on earnings of \$18,320,656 (1981 — \$15,876,199) and 264,529,125 shares in issue. The earnings per share for 1981 has been adjusted for comparative purposes to take account of the bonus issue during 1982.

7. FIXED ASSETS

	Leasehold land	Buildings	Others	Total
GROUP				
Cost or valuation:—				
At 1st January, 1982	\$41,246,259	\$23,420,461	\$ 2,600,374	\$67,267,094
Additions	—	—	178,293	178,293
Disposals	—	—	(645)	(645)
At 31st December, 1982	<u>\$41,246,259</u>	<u>\$23,420,461</u>	<u>\$ 2,778,022</u>	<u>\$67,444,742</u>
Aggregate depreciation:—				
At 1st January, 1982	\$ 6,778,957	\$ 4,893,472	\$ 1,141,944	\$12,814,373
Charge for the year	2,223,698	1,170,988	273,402	3,668,088
Written back on disposal	—	—	(383)	(383)
At 31st December, 1982	<u>\$ 9,002,655</u>	<u>\$ 6,064,460</u>	<u>\$ 1,414,963</u>	<u>\$16,482,078</u>
Net book value:—				
At 31st December, 1982	<u>\$32,243,604</u>	<u>\$17,356,001</u>	<u>\$ 1,363,059</u>	<u>\$50,962,664</u>
At 31st December, 1981	<u>\$34,467,302</u>	<u>\$18,526,989</u>	<u>\$ 1,458,430</u>	<u>\$54,452,721</u>
COMPANY				
Cost or valuation:—				
At 1st January, 1982	\$ 4,979,153	\$ 6,160,081	\$ 954,891	\$12,094,125
Additions	—	—	175,088	175,088
Disposals	—	—	(645)	(645)
At 31st December, 1982	<u>\$ 4,979,153</u>	<u>\$ 6,160,081</u>	<u>\$ 1,129,334</u>	<u>\$12,268,568</u>
Aggregate depreciation:—				
At 1st January, 1982	\$ 1,899,586	\$ 2,618,172	\$ 663,852	\$ 5,181,610
Charge for the year	198,682	228,510	108,533	535,725
Written back on disposal	—	—	(383)	(383)
At 31st December, 1982	<u>\$ 2,098,268</u>	<u>\$ 2,846,682</u>	<u>\$ 772,002</u>	<u>\$ 5,716,952</u>
Net book value:—				
At 31st December, 1982	<u>\$ 2,880,885</u>	<u>\$ 3,313,399</u>	<u>\$ 357,332</u>	<u>\$ 6,551,616</u>
At 31st December, 1981	<u>\$ 3,079,567</u>	<u>\$ 3,541,909</u>	<u>\$ 291,039</u>	<u>\$ 6,912,515</u>



The cost or valuation of land and buildings shown above in the fixed asset summaries of the group and the company comprises:—

	Group		Company	
	Cost or valuation	Net book value	Cost or valuation	Net book value
Land held in Hong Kong				
Medium-term lease				
At valuation — 1979	\$36,267,106	\$29,362,719	\$ —	\$ —
At cost	<u>4,979,153</u>	<u>2,880,885</u>	<u>4,979,153</u>	<u>2,880,885</u>
	<u>\$41,246,259</u>	<u>\$32,243,604</u>	<u>\$ 4,979,153</u>	<u>\$ 2,880,885</u>
Buildings				
Long-term lease, at cost	\$ 1,199,740	\$ 1,045,488	\$ —	\$ —
Medium-term lease				
At valuation — 1979	15,472,894	12,527,330	—	—
At cost	<u>6,747,827</u>	<u>3,783,133</u>	<u>6,160,081</u>	<u>3,313,399</u>
	<u>\$23,420,461</u>	<u>\$17,356,001</u>	<u>\$ 6,160,081</u>	<u>\$ 3,313,399</u>

8. PROPERTIES UNDER DEVELOPMENT

Properties under development of the group consist of:—

	Group	
	1982	1981
Leasehold land held in Hong Kong, at cost:—		
Long-term lease	\$ 67,082,240	\$ 67,082,240
Medium-term lease	127,001,060	127,001,060
Properties development expenditure to date, at cost	<u>6,717,298</u>	<u>5,595,467</u>
	<u>\$200,800,598</u>	<u>\$199,678,767</u>

9. INTEREST IN SUBSIDIARY COMPANIES

	Company	
	1982	1981
Unquoted shares, at cost less amounts written off	\$ 29,372,076	\$ 31,300,573
Loans to subsidiary companies (interest free)	205,201,572	210,987,160
	<u>\$234,573,648</u>	<u>\$242,287,733</u>
Amounts due from subsidiary companies	11,705,075	508,098
	<u>\$246,278,723</u>	<u>\$242,795,831</u>

Details of subsidiary companies, all of which are incorporated in Hong Kong and wholly owned, are as follows:—

Subsidiary companies	Principal activities
Tyleelord Development & Agency Co. Ltd.	Managing and letting agent
Country House Development Ltd.	Property management
Prince Theatre Ltd.	Theatre operation
Maisonettes Development Ltd.	Property investment
Manor House Development Ltd.	Property investment
Units Properties Ltd.	Property investment
To Kwa Wan Properties Ltd.	Property development
Tyleelord Project Ltd.	Property development
Un Chau Properties Ltd.	Dormant
Shun Ning Properties Ltd.	Dormant

10. CURRENT ASSETS

	Group		Company	
	1982	1981	1982	1981
Completed property for resale (note 1(f))	\$ 492,967	\$ 1,257,961	\$ 492,967	\$ 1,257,961
Debtors, deposits and prepayments	433,232	1,429,904	234,511	1,103,806
Tax refundable (note 5(b))	160,297	—	561,655	—
Time deposits	74,093,837	62,908,175	69,652,261	59,687,795
Cash at bank and in hand	420,424	518,989	82,914	47,875
	<u>\$75,600,757</u>	<u>\$66,115,029</u>	<u>\$71,024,308</u>	<u>\$62,097,437</u>

11. CURRENT LIABILITIES

	Group		Company	
	1982	1981	1982	1981
Deposits and instalments received on sale of flats	\$ 906,244	\$ 2,234,228	\$ 906,244	\$ 2,234,228
Rental and other deposits	2,611,527	2,299,098	1,078,577	1,030,628
Accounts payable	1,871,663	552,004	316,629	126,388
Taxation (note 5(b))	—	3,579,584	—	2,631,534
Proposed dividend	10,581,165	—	10,581,165	—
	<u>\$15,970,599</u>	<u>\$ 8,664,914</u>	<u>\$12,882,615</u>	<u>\$ 6,022,778</u>

12. SHARE CAPITAL

	1982	1981
Authorised: 300,000,000 shares of \$1 each	<u>\$300,000,000</u>	<u>\$260,000,000</u>
Issued and fully paid: 264,529,125 shares of \$1 each	<u>\$264,529,125</u>	<u>\$242,334,963</u>

On 8th February, 1982 the company's authorised share capital was increased to \$300,000,000.

On 11th February, 1982 a bonus issue of 22,194,162 shares of \$1 each was made by capitalising an amount of \$22,194,162 out of the company's general reserve.

13. RESERVES

	Group		Company	
	1982	1981	1982	1981
General reserve				
Balance at 1st January	\$31,100,000	\$31,100,000	\$31,100,000	\$31,100,000
Amount capitalised in bonus issue of shares	<u>(22,194,162)</u>	<u>—</u>	<u>(22,194,162)</u>	<u>—</u>
Balance at 31st December	\$ 8,905,838	\$31,100,000	\$ 8,905,838	\$31,100,000
Profit and loss account at 31st December	<u>37,966,657</u>	<u>38,163,040</u>	<u>37,537,069</u>	<u>32,348,042</u>
	<u>\$46,872,495</u>	<u>\$69,263,040</u>	<u>\$46,442,907</u>	<u>\$63,448,042</u>

14. CHARGE OF PROPERTIES

A mortgage has been created in favour of a bank over the company's land and building at K.T.I.L. 200 to secure general banking facilities to the extent of \$1,900,000. The title deed of N.K.I.L. 5351 has been deposited with a bank together with a letter of undertaking to execute a mortgage if called upon to do so.

At 31st December, 1982 the company had no liability to the bank in respect of the available banking facilities.

15. COMMITMENTS

Commitments for development expenditure outstanding at 31st December, 1982 not provided for in the accounts were as follows:—

	Group	
	1982	1981
Contracted for	\$ 148,000	\$ —
Authorised but not contracted for	\$232,000,000	\$313,000,000

16. CAPITAL COMMITMENTS

Capital commitments outstanding at 31st December, 1982 not provided for in the accounts were as follows:—

	Group	
	1982	1981
Contracted for	\$ 210,000	\$ —
Authorised but not contracted for	\$ —	\$ —

17. CHANGE OF NAME

On 11th February, 1982, a special resolution was passed to change the name of the company from Tyleelord Properties Limited to Manor House Holdings Limited in recognition of its new status as a holding company.

18. COMPARATIVE FIGURES

Certain comparative figures have been re-classified to conform to the current year's presentation.

Report of the Auditors to the members of Manor House Holdings Limited

In our opinion, the accounts of the company and of the group set out on pages 7 to 19 comply with the Companies Ordinance, and give a true and fair view of the state of affairs at 31st December, 1982 and of the profit and changes in financial position for the year ended on that date.

PEAT, MARWICK, MITCHELL & CO.
Certified Public Accountants

Hong Kong, 12th May, 1983.

Certified true copy



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