

1. ORGANISATION AND PRINCIPAL ACTIVITIES

Fujikon Industrial Holdings Limited ("the Company") was incorporated in Bermuda on 2 February 2000 as an exempted company under the Companies Act 1981 of Bermuda (as amended). Its shares have been listed on The Stock Exchange of Hong Kong Limited since 11 April 2000. The Company's Directors consider Acoustic Touch Limited, a company incorporated in the British Virgin Islands, to be the ultimate holding company.

The Company is an investment holding company. Its subsidiaries are principally engaged in the design, manufacture, marketing and trading of electro-acoustic products, accessories and other electronic products and property holding.

2. PRINCIPAL ACCOUNTING POLICIES

The accounts have been prepared in accordance with accounting principles generally accepted in Hong Kong and Statements of Standard Accounting Practice ("SSAPs") issued by the Hong Kong Society of Accountants. Principal accounting policies are summarised below:

(a) Basis of measurement

The accounts have been prepared on the historical cost basis, except for land and buildings and other investments which are carried at revalued amounts (see Notes 2.k and 2.l).

1. 組織及主要業務

富士高實業控股有限公司(「本公司」)於二零零零年二月二日根據百慕達一九八一年公司法(修訂本)在百慕達註冊成立為一間獲豁免有限公司，其股份自二零零零年四月十一日起於香港聯合交易所有限公司上市。本公司董事認為，於英屬處女群島註冊成立之Acoustic Touch Limited為最終控股公司。

本公司為投資控股公司，其附屬公司主要業務為設計、製造、推廣及銷售電聲產品、配件及其他電子產品以及持有物業。

2. 主要會計政策

本賬目乃按照香港公認會計原則及香港會計師公會頒佈之會計實務準則(「會計實務準則」)而編製。主要會計政策概述如下：

(a) 計算基準

本賬目乃按歷史成本基準編製，惟土地及樓宇以及其他投資則按重估後之金額列賬(見附註2.k及2.l)。

2. PRINCIPAL ACCOUNTING POLICIES

*(Continued)***(b) Basis of consolidation**

The consolidated accounts include the accounts of the Company and its subsidiaries (together "the Group"). The results of subsidiaries acquired or disposed of during the year are included in the consolidated profit and loss account from the date of acquisition or up to the date of disposal. The equity and net income attributable to minority shareholders' interests are shown separately in the balance sheet and profit and loss account, respectively. Significant intra-group transactions and balances have been eliminated on consolidation.

(c) Adoption of new/revised Statements of Standard Accounting Practice

With effect from 1 April 2002, the Group adopted the following SSAPs issued by the Hong Kong Society of Accountants:

SSAP1 (revised):

Presentation of financial statements

SSAP11 (revised):

Foreign currency translation

SSAP15 (revised):

Cash flow statements

SSAP34:

Employee benefits

The adoption of the above new/revised SSAPs had no material effect on the Group's accounts except that certain presentational changes have been made upon the adoption of SSAP 1 (revised) "Presentation of financial statements" and SSAP 15 (revised) "Cash flow statements".

The 2002 comparative figures presented herein have incorporated the effect on the adoption of the new/revised SSAPs.

2. 主要會計政策 (續)

(b) 綜合基準

綜合賬目包括本公司及其附屬公司(統稱「本集團」)之賬目。年內收購或出售附屬公司之業績則於自收購日期起或計算至出售日期在綜合損益表入賬。少數股東權益及少數股東應佔收入淨額分別載於資產負債表及損益表。集團內各公司間之重大交易及結餘已在綜合賬目時撇銷。

(c) 採納新頒佈／經修訂之會計實務準則

自二零零二年四月一日起，本集團採納以下由香港會計師公會頒佈之會計實務準則：

會計實務準則第1號(經修訂)：

財務報表之呈報

會計實務準則第11號(經修訂)：

外幣折算

會計實務準則第15號(經修訂)：

現金流量表

會計實務準則第34號：

僱員福利

除因採納會計實務準則第1號(經修訂)「財務報表之呈報」及會計實務準則第15號(經修訂)「現金流量表」而作出之若干呈報變動外，採納上述新頒佈／經修訂會計實務準則對本集團之賬目並無重大影響。

本報告呈列之二零零二年比較數字已計及採用新頒佈／經修訂會計實務準則之調整影響。

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

(d) Subsidiaries

Subsidiaries are those entities in which the company, directly or indirectly, controls more than one half of the voting power; has the power to govern the financial and operating policies; to appoint or remove the majority of the members of the board of directors; or to cast majority of votes at the meetings of the board of directors. In the Company's accounts, investment in subsidiaries is stated at cost less impairment loss, while income from subsidiaries is recorded to the extent of dividends received or receivable.

(e) Equity joint ventures

An equity joint venture is a joint venture in which the partners' capital contributions and profit sharing ratios are defined in the joint venture agreement. The Group's investments in equity joint ventures are accounted for as subsidiaries if the Group is able to govern and control the financial and operating policies of the joint venture. If the Group can only exercise significant influence over the equity joint venture, such joint venture is accounted for as an associate.

(f) Turnover and revenue recognition

Turnover consists of the net invoiced value of merchandise sold after allowances for discounts and returns, and rental income.

2. 主要會計政策 (續)

(d) 附屬公司

附屬公司為公司直接或間接控制逾半數投票權；有權支配財務及經營政策、可任免董事會大多數成員或可在董事會會議上投大多數票之實體。在本公司之賬目中，於附屬公司之投資乃按成本扣除減值虧損列賬，而來自附屬公司之收入則按已收取或應收取之股息列賬。

(e) 合資合營企業

合資合營企業指合作夥伴之出資及利潤分享比例均於合營協議界定之合營企業。倘本集團可支配及控制合營企業之財務及經營政策，則本集團於該等合資合營企業之投資將當作附屬公司入賬。倘本集團僅可於合資合營企業行使重大影響，則該等合營企業將當作聯營公司入賬。

(f) 營業額及收入確認

營業額包括已售出貨品減去折扣及退貨後之發票淨值及租金收入。

2. PRINCIPAL ACCOUNTING POLICIES

*(Continued)***(f) Turnover and revenue recognition** *(Continued)*

Revenue is recognised when the outcome of a transaction can be measured reliably and when it is probable that the economic benefits associated with the transaction will flow to the Group. Sales revenue is recognised on the transfer of risks and rewards of ownership, which generally coincides with the time when the goods are delivered to customers and title has passed. Rental income is recognised on a straight-line basis over the period of the relevant leases. Management fees are recognised when management services are rendered. Interest income is recognised on a time proportion basis that takes into account the effective yield on the assets.

(g) Taxation

Individual companies within the Group provide for profits tax on the basis of their profits for financial reporting purposes, adjusted for income and expense items which are not assessable or deductible for profits tax purposes.

Deferred taxation is provided for under the liability method, at the current tax rate, in respect of significant timing differences between profit as computed for taxation purposes and profit as stated in the accounts, except when it is considered that no liability will arise in the foreseeable future. Deferred tax assets are not recognised unless the related benefits are expected to crystallise in the foreseeable future.

2. 主要會計政策 (續)

(f) 營業額及收入確認 (續)

收入乃於交易成果能夠以可靠方式衡量及交易涉及之經濟效益有可能歸本集團所有時確認。銷售收入乃於擁有權之風險及回報轉讓時確認，一般為貨品付運予客戶及擁有權轉移之時。租金收入乃根據有關租約租賃年期以直線法確認。管理費用乃於提供管理服務時確認。利息收入乃根據時間比例作基準按該等資產之有效收益確認。

(g) 稅項

本集團屬下各公司之利得稅撥備，乃根據就財務目的而呈報之溢利，並就毋須課稅之收入及不得減免之支出項目作出調整後計算。

遞延稅項乃按負債法以現時稅率就溢利在稅務申報方面與賬目列賬兩者間之重大時差撥備，惟認為不會於可見未來出現之負債則不包括在內。除非預計有關利益會於可見未來實現，否則遞延稅項資產不予確認入賬。

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

(h) Research and development expenditures

Research expenditures are written off as incurred. Development expenditures are charged against income in the period incurred except for those incurred for specific projects which are deferred where recoverability can be foreseen with reasonable assurance and where they comply with the following criteria: (i) the product or process is clearly defined and the costs attributable to the product or process can be separately identified and measured reliably; (ii) the technical feasibility of the product or process can be demonstrated; (iii) there is an intention to produce and market, or use, the product or process; (iv) the existence of a market for the product or process or, if it is to be used internally rather than sold, its usefulness can be demonstrated; and (v) adequate resources exist, or their availability can be demonstrated, to complete the project and market or use the product or process. Capitalised development expenditures are amortised on a straight-line basis over the estimated useful life in which the related products are expected to be sold, starting from the commencement of sales, or the processes are expected to be used.

(i) Employee benefits

(i) *Employee leave entitlements*

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the balance sheet date.

2. 主要會計政策 (續)

(h) 研究及發展開支

研究開支於發生時撇銷，發展開支於產生期間於收益賬中扣除。倘若符合以下準則：(i)產品或程序已清楚界定而產品或程序應佔成本可區別及可靠衡量；(ii)該產品或程序明顯在技術上可行；(iii)有意生產、推銷或應用有關產品或程序；(iv)有關產品或程序已存在市場，如不出售而作內部應用，則有明顯用途；及(v)現有充足資源可供應用，或顯然可獲得有關資源以完成計劃及推銷或應用有關產品或程序，且有理由肯定預期可以收回成本，則個別計劃之開支可予遞延。如預期有關產品或有關程序將會出售或應用時，則已撥作資本之發展支出以直線法自開始發售有關產品日期或有關程序使用日期起計按預計產品可銷售年期或有關程序可應用年期攤銷。

(i) 僱員福利

(i) *僱員應享假期*

僱員應享年假及長期服務假期之權益於僱員應得時確認。本公司就因僱員提供服務而計至結算日之年假及長期服務假期之估計負債撥備。

2. PRINCIPAL ACCOUNTING POLICIES

*(Continued)***(i) Employee benefits** *(Continued)**(i) Employee leave entitlements* *(Continued)*

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(ii) Profit sharing and bonus plans

The expected cost of profit sharing and bonus payments are recognised as a liability when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made.

Liabilities for profit sharing and bonus plans are expected to be settled within 12 months and are measured at the amounts expected to be paid when they are settled.

(iii) Pension obligations

The Group operates a number of defined contribution plans in Hong Kong and Mainland China, the assets of which are generally held in separate trustee – administered funds. The pension plans are generally funded by payments from employees and by the relevant Group companies.

The Group's contributions to the defined contribution retirement scheme are expensed as incurred.

2. 主要會計政策 (續)

(i) 僱員福利 (續)*(i) 僱員應享假期* (續)

僱員應享病假及產假於僱員放假時確認。

(ii) 利潤分享及花紅計劃

利潤分享及花紅之預期成本於本集團因僱員提供服務而錄得現有法律或推定責任並能夠對責任作出可靠估計時確認。

預期利潤分享及花紅計劃之負債將於十二個月內結清，並按結清有關款項時預期須支付之費用計算。

(iii) 退休金責任

本集團在香港及中國內地設有多項定額供款計劃，計劃之資產一般由獨立信託人管理之獨立管理基金持有。退休金計劃一般由僱員及有關集團公司作出供款。

本集團向定額供款退休福利計劃作出之供款於錄得時支銷。

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

(j) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial period of time to prepare for its intended use or sale are capitalised as part of the cost of that asset at rates based on the actual cost of the specific borrowings. All other borrowing costs are recognised as an expense as incurred.

(k) Property, machinery and equipment and depreciation

Machinery and equipment are stated at cost less accumulated depreciation and accumulated impairment loss. Leasehold land and buildings are stated at cost or valuation less accumulated depreciation and accumulated impairment loss. Major expenditures on modifications and betterments of property, machinery and equipment which will result in future economic benefits are capitalised, while expenditures on maintenance and repairs are expensed when incurred. Depreciation is provided on a straight-line basis to write off the cost or the revalued amount less estimated residual value of each asset over its estimated useful life.

Construction-in-progress represents factories and office buildings under construction and machinery and equipment pending installation. It is stated at cost less accumulated impairment loss. Cost includes the original cost of land, construction expenditures incurred, machinery and related installation costs, and other costs attributable to the construction of the buildings. No depreciation is provided in respect of construction-in-progress until the construction work is completed.

2. 主要會計政策 (續)

(j) 借貸成本

直接由收購、建築或製造任何一項需要一段較長時間籌備才可用作所需預期用途或出售之資產之借貸成本，以該項借貸之實際成本撥充作該項資產之部分成本。一切其他借貸成本於其發生期間確認入賬列作費用。

(k) 物業、機械及器材及折舊

機械及器材乃按成本減累計折舊及累計減值虧損入賬。租賃土地及樓宇按成本或估值減累計折舊及累計減值虧損入賬。為取得日後經濟利益而對物業、機械及器材進行修葺及改善所發生之主要開支將撥作資本，而保養維修之開支則於發生時計入支出。折舊乃按各資產估計可使用年期以直線法撇銷成本或重估數額減估計剩餘價值。

在建工程指正在施工之廠房及辦公室樓宇，以及待裝設之機械及器材。該等在建工程乃按成本減去減值虧損後列賬。成本包括土地原值、所動用之建築費用、機械及有關之安裝成本，以及其他因建造該等樓宇而產生之成本。工程完成前不會就在建工程折舊作出撥備。

2. PRINCIPAL ACCOUNTING POLICIES

*(Continued)***(k) Property, machinery and equipment and depreciation** *(Continued)*

The annual rates of depreciation are as follows:

Leasehold land	2% (lease term)
Buildings	2.5% to 8 $\frac{1}{3}$ %
Machinery and moulds	30%
Furniture and equipment	20% to 30%
Motor vehicles	30%

Leasehold land and buildings are subject to independent valuations on a regular basis, with the last valuation performed on 31 January 2000. During the year, the Directors review the carrying value of leasehold land and buildings and adjustment is made where in the Directors' opinion there has been a material change in value. Any increase in valuation of leasehold land and buildings is credited to the property revaluation reserve; and any decrease is firstly offset against any earlier increase in valuation in respect of the same land and buildings and is thereafter charged to the profit and loss account.

At each balance sheet date, both internal and external sources of information are considered to assess whether there is any indication that assets included in properties under construction, other properties and other fixed assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated and where relevant, an impairment loss is recognised to reduce the asset to its recoverable amount. Such impairment losses are recognised in the profit and loss account except where the asset is carried at valuation and the impairment loss does not exceed the revaluation surplus for that same asset, in which case it is treated as a revaluation decrease.

2. 主要會計政策 (續)

(k) 物業、機械及器材及折舊 (續)

折舊年率如下：

租賃土地	2% (租賃年期)
樓宇	2.5%至8 $\frac{1}{3}$ %
機械及模具	30%
傢俬及器材	20%至30%
汽車	30%

租賃土地及樓宇須定期進行獨立估值，最近期估值乃於二零零零年一月三十一日進行。年內，董事已覆核租賃土地及樓宇之賬面值，並對董事認為已出現重大價值變動者作出調整。租賃土地及樓宇估值之任何增值列賬計入物業重估儲備，而任何減值將首先抵銷相同土地及樓宇此前之估值增值，然後計入損益表。

於各結算日，均會考慮內部與外部資訊來源以評估有否跡象顯示資產(包括在建物業、其他資產及其他固定資產)錄得減值。如出現上述任何跡象，則會估計資產之可收回金額，並在合適之情況中確認減值虧損以將資產調低至可收回金額。有關減值虧損乃於損益表確認，惟倘資產按估值列賬而有關資產之減值虧損並無超出重估盈餘者，則將視作重估減值。

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

(k) Property, machinery and equipment and depreciation (Continued)

Gains or losses on disposal of property, machinery and equipment are recognised in the profit and loss account based on the net disposal proceeds less the carrying amount of the assets, with previously recognised revaluation surpluses transferred from property revaluation reserve to retained profit.

(l) Investment in securities

i. Held-to-maturity securities

Held-to-maturity investments are investments in debt securities which the Group has the expressed intention and ability to hold to maturity. They are carried at amortised cost less any provision for impairment in value.

The carrying amounts of held-to-maturity securities are reviewed at each balance sheet date to assess the credit risk and whether the carrying amounts are expected to be recovered. Provisions are made when the carrying amounts are not expected to be recovered and are recognised as an expense in the profit and loss account.

Provisions against the carrying value of held-to-maturity securities are reversed to the profit and loss account when the circumstances and events that led to the write-downs or write-offs cease to exist and there is persuasive evidence that the new circumstances and events will persist for the foreseeable future.

2. 主要會計政策 (續)

(k) 物業、機械及器材及折舊 (續)

出售物業、機械及器材之盈虧乃按出售所得款項淨額減該等資產之賬面值計入損益表，而之前已確認之重估盈餘則自物業重估儲備撥至保留溢利。

(l) 證券投資

i. 持有至到期證券

持有至到期之投資指本集團有意且有能力持有至到期之債務證券投資。該等投資以攤銷成本減任何減值撥備列賬。

每逢結算日均檢討持有至到期證券之賬面值，以評估信貸風險並預計可收回賬面值與否。預計不可收回之賬面值會被作出撥備，並列在損益表列作支出。

當引致撇減或撇銷之情況及事件過去，而有確實證據顯示新情況及事件將於可見將來持續，則持有至到期證券之賬面值撥備將被撥回損益表。

2. PRINCIPAL ACCOUNTING POLICIES

(Continued)(I) Investment in securities *(Continued)*i. Held-to-maturity securities *(Continued)*

Upon disposal or transfer of held-to-maturity securities, any profit or loss thereon is accounted for in the profit and loss account.

ii. Investment securities

Investments in debt (other than held-to-maturity securities) and equity securities which are intended to be held for an identified long-term purpose on a continuing basis, are classified as investment securities and are included in the balance sheet at cost less any provision for impairment in value.

The carrying amounts of investment securities are reviewed at each balance sheet date to assess whether the fair values have declined below the carrying amounts. When such a decline has occurred, the carrying amounts are reduced and the reduction is recognised as an expense in the profit and loss account unless there is evidence that the decline is temporary.

Provisions against the carrying value of investment securities are reversed to the profit and loss account when the circumstances and events that led to the write-downs or write-offs cease to exist and there is persuasive evidence that the new circumstances and events will persist for the foreseeable future.

Upon disposal or transfer of investment securities, any profit or loss thereon is accounted for in the profit and loss account.

2. 主要會計政策 (續)

(I) 證券投資 (續)

i. 持有至到期證券 (續)

當出售或轉讓持有至到期證券時，任何盈餘及虧損將被列入損益表。

ii. 投資證券

擬作長期持有之債務證券(持有至到期證券除外)及股本證券之投資均被列作投資證券，並以成本減任何減值撥備計入資產負債表。

每逢結算日均會檢討投資證券之賬面值，以評估其公平價值低於賬面值與否。倘公平價值低於賬面值，則除非有證據顯示屬於短期下跌外，賬面值將予調低而其差價將在損益表列為支出。

當引致撇減或撇銷之情況及事件過去，而有確實證據顯示新情況及事件將於可見將來持續，則投資證券賬面值撥備將被撥回損益表。

當出售或轉讓投資證券時，任何盈餘及虧損將被列入損益表。

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

(l) Investment in securities (Continued)

iii. Other investments

Securities other than investment securities or held-to-maturity securities are classified as other investments and are carried at fair value in the balance sheet. Any unrealised holding gain or loss on other investments is recognised in the profit and loss account in the period when it arises.

Upon disposal or transfer of other investments, any profit or loss thereon is accounted for in the profit and loss account.

(m) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost includes costs of raw materials calculated using the weighted average method of costing and, in the case of work-in-progress and finished goods, also direct labour and an appropriate proportion of production overheads. Net realisable value is calculated based on estimated selling price in the ordinary course of business, less further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow-moving or defective items where appropriate.

2. 主要會計政策 (續)

(l) 證券投資 (續)

iii. 其他投資

除投資證券或持有至到期證券外之證券均被列作其他投資，並以公平價值列入資產負債表。持有其他投資之未變現盈餘及虧損於產生期內列入損益表。

當出售或轉讓其他投資時，任何盈餘及虧損將被列入損益表。

(m) 存貨

存貨乃按成本值及可變現淨值中之較低者入賬。成本包括按加權平均成本法計算之原料成本，如為在製品及製成品，則加入直接工資及適當比例之生產費用。可變現淨值則按日常業務過程之預期銷售價格減完成生產及銷售所需之估計成本。陳舊、滯銷或損壞貨品已在適當情況下作出相應撥備。

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

(m) Inventories (Continued)

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period in which the write-down or loss occurs. The amount of reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

(n) Accounts receivable

Provision is made against accounts receivable to the extent they are considered to be doubtful. Accounts receivable in the balance sheet are stated net of such provision.

(o) Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held at call with banks, cash investments with a maturity of three months or less from date of investment and bank overdrafts.

2. 主要會計政策 (續)

(m) 存貨 (續)

存貨出售時，其賬面值會確認為相關收入確認期間之支出。存貨撇減至可變現淨值之數額，以及存貨之一切虧損，會確認為撇減或虧損發生期間之支出。因可變現淨值增加而需逆轉之任何存貨撇減額，會扣減逆轉發生期間所確認之支出。

(n) 應收貨款

應收貨款如被視為呆賬，則會就此作出撥備。應收貨款在扣除撥備後於資產負債表列賬。

(o) 現金及現金等值項目

現金及現金等值項目按成本在資本負債表列賬。就現金流量表而言，現金及現金等值項目包括手頭現金、於銀行之即期存款、投資日期起計三個月內到期之現金投資及銀行透支。

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

(p) Provisions

A provision is recognised when there is a present obligation, legal or constructive, as a result of a past event and it is probable (i.e. more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed regularly and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

(q) Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the accounts. When a change in the probability of an outflow occurs so that outflow is probable, they will then be recognised as a provision.

2. 主要會計政策 (續)

(p) 撥備

當由於過往之事件而導致法律或引伸責任，且可能(指可能性較高)須動用經濟資源以履行責任並得以可靠衡量所承擔之數額，則須作出撥備。撥備須定期檢討，並且作出調整以顯示當時之最恰當估計。倘若金額之時間價值重大，則撥備之數額為預期履行有關承擔所須開支之現值。

(q) 或然負債及或然資產

或然負債乃過往事件產生之潛在責任，存在與否僅在非本集團控制範圍內之一項或以上未確定未來事件出現與否而決定。或然負債亦可以是因為未能肯定會否導致經濟資源流失或未能可靠計量責任金額時而因過往事件而產生之目前責任。

或然負債不予確認，惟於賬目附註披露。當資源流失之可能改變，以致有可能出現資源流失，則會確認撥備。

2. PRINCIPAL ACCOUNTING POLICIES

*(Continued)***(q) Contingent liabilities and contingent assets** *(Continued)*

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the Group.

Contingent assets are not recognised but are disclosed in the notes to the accounts when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

(r) Operating leases

Operating leases represent those leases under which substantially all the risks and rewards of ownership of the leased assets remain with the lessors. Rental payments under operating leases are charged to the profit and loss account on a straight-line basis over the period of the relevant leases.

(s) Foreign currency translation

Individual companies within the Group maintain their books and records in the primary currencies of their respective operations ("functional currencies"). In the accounts of the individual companies, transactions in other currencies during the year are translated into the respective functional currencies at the applicable rates of exchange prevailing at the time of the transactions. Monetary assets and liabilities denominated in other currencies are translated into the respective functional currencies at the applicable rates of exchange in effect at the balance sheet date. Exchange gains and losses are dealt with in the profit and loss accounts of the individual companies.

2. 主要會計政策 (續)

(q) 或然負債及或然資產 (續)

或然資產為因過往事件而可能產生之資產，存在與否僅在非本集團控制範圍內之一項或以上未確定未來事件出現與否而決定。

或然資產不予確認，惟於有可能產生資源流入時於賬目附註披露。當可以肯定資源流入時，則會確認為資產。

(r) 經營租約

經營租約指租賃資產擁有權之大部份風險及回報仍由出租人承擔之租約。經營租約之租金開支乃以直線法按有關租期自損益表扣除。

(s) 外幣換算

本集團屬下各公司之賬目及記錄均以各自業務之基本貨幣(「功能貨幣」)計算。就個別公司賬目而言，年內以其他貨幣進行之交易乃按交易當時之適用匯率換算成各自功能貨幣。以外幣計算之貨幣資產及負債按結算日之適用匯率換算成各自功能貨幣。匯兌盈虧均計入各公司之損益表。

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

(s) Foreign currency translation (Continued)

The Group prepares consolidated accounts in Hong Kong dollars. For the purpose of consolidation, assets and liabilities of subsidiaries with functional currencies other than Hong Kong dollars are translated into Hong Kong dollars at the applicable rates of exchange in effect at the balance sheet date and income and expense items are translated at the average applicable exchange rates during the year. Exchange differences arising from such translations are dealt with as movements of cumulative foreign currency translation adjustments.

(t) Segments

In accordance with the Group's internal financial reporting the Group has determined that business segments be presented as the primary reporting format and geographical as the secondary reporting format.

Unallocated costs represent corporate expenses. Segment assets consist primarily of fixed assets, inventories, receivables and operating cash, and mainly exclude investments in securities. Segment liabilities comprise operating liabilities and exclude items such as taxation and certain corporate borrowings. Capital expenditure comprises additions to property, machinery and equipment.

In respect of geographical segment reporting, sales are based on the location where merchandise is delivered. Total assets and capital expenditure are where the assets are located.

2. 主要會計政策 (續)

(s) 外幣換算 (續)

本集團編撰之綜合賬目以港元計算。就綜合賬目而言，附屬公司以港元以外之功能貨幣計算之資產及負債均按結算日適用之匯率換算為港元；而收支項目則按該年度之平均適用匯率換算為港元。所產生之匯兌差額均列作累積外幣換算調整之變動。

(t) 分部

根據本集團之內部財務申報，本集團決定以業務分部為首要呈報形式，地區分部則為次要呈報形式。

未分配成本指企業開支。分部資產主要包括固定資產、存貨、應收款項及經營現金，主要不包括證券投資。分部負債主要包括經營負債，不包括稅項及若干企業借貸等項目。資本開支包括物業、機械及器材之添置。

就地區分類呈報而言，銷售乃按商品付運地點決定。資產及資本開支總額乃按資產所在地區決定。

3. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence.

(a) The Group had the following significant transactions with related parties:

Name of related party/nature of transaction 關連各方名稱／交易性質		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
The Bright Printing Press and Paper Products Limited (i)	光明柯式印務紙品廠有限公司(i)		
– Purchases of merchandise from the Group	— 向本集團購買貨品	4	77
– Sales of merchandise to the Group	— 向本集團銷售貨品	7,780	7,842
First Success Technology Limited (i)	世嘉科技有限公司(i)		
– Rent paid/payable by the Group	— 本集團已／須付租金	805	821
– Management fees earned by the Group	— 本集團賺取之管理費用	120	120
JPR Travel Services Limited (ii)	路路通旅遊有限公司(ii)		
– Travelling expenses paid/payable by the Group	— 本集團已／須付交通費用	441	691
Yuyao Shun-Tai Telecommunication Material Company Limited (iii)	余姚舜台電訊器材有限公司(iii)		
– Sales of fixed assets and inventories to the Group	— 向本集團銷售固定資產及存貨	–	9,949
– Purchases of merchandise from the Group	— 向本集團購買貨品	–	3,891
– Sales of merchandise to the Group	— 向本集團銷售貨品	–	11,979
– Rent paid/payable by the Group	— 本集團已／須付租金	478	–
Wong, Hui & Co., Solicitors (iv)	黃許律師行(iv)		
– Legal fees paid/payable by the Group	— 本集團已／須付法律費用	66	69
Imaginative Design Operation Limited (v)	Imaginative Design Operation Limited (v)		
– Purchases of merchandise from the Group	— 向本集團購買貨品	153	283

3. 關連各方交易

倘有一方有能力(直接或間接)控制另一方或可在另一方作出財務及經營之決定時行使重大影響力者，則被視作為有關連。倘各方均受共同控制或共同重大影響，亦被視為有關連。

(a) 本集團與關連各方有以下之重要交易：

3. RELATED PARTY TRANSACTIONS (Continued)

- (a) The Group had the following significant transactions with related parties: (Continued)

Notes :

- (i) The Bright Printing Press and Paper Products Limited is 3% owned by an unrelated party. The remaining 97% is beneficially owned by Mr. Yeung Chi Hung, Johnny, Mr. Yuen Yee Sai, Simon and Mr. Chow Man Yan, Michael, directors of the Company, who also own First Success Technology Limited.
- (ii) JPR Travel Services Limited is beneficially owned by the spouse of Mr. Tsang Yiu Wah, a director of the Company.
- (iii) Yuyao Shun-Tai Telecommunication Material Company Limited ("YSTTMCL") was 30% beneficially owned by the minority shareholder of Ningbo Fusion Electrical Material Company Limited ("NFEMCL"), a subsidiary of the Company, while the remaining 70% was owned by an unrelated party.
- (iv) Mr. Che Wai Hang, Allen, an independent non-executive director of the Company, is a partner of Wong, Hui & Co., Solicitors.
- (v) Imaginative Design Operation Limited is 30% owned by Dr. Lui Ming Wah, a non-executive director of the Company, and 12% owned by his son. It is 39.2% beneficially owned by the executive directors of the Company.

In the opinion of the Company's Directors, the above related party transactions were conducted in the usual course of business of the Group and on normal commercial terms.

- (b) As at 31 March 2003, YSTTMCL had provided a guarantee of approximately HK\$1,887,000 (2002: Nil) to a bank to secure the banking facilities of a subsidiary of the Group.

3. 關連各方交易 (續)

- (a) 本集團與關連各方有以下之重要交易：(續)

附註：

- (i) 光明柯式印務紙品廠有限公司由無關連人士擁有3%，其餘97%由本公司董事楊志雄先生、源而細先生及周文仁先生實益擁有，而彼等亦擁有世嘉科技有限公司。
- (ii) 路路通旅遊有限公司由本公司董事曾耀華先生之配偶實益擁有。
- (iii) 余姚舜台電訊器材有限公司(「舜台電訊」)由本公司附屬公司寧波富舜電業材料有限公司(「寧波富舜」)之少數股東實益擁有30%，其餘70%則由無關連人士擁有。
- (iv) 本公司之獨立非執行董事車偉恒先生為黃許律師行之合夥人。
- (v) Imaginative Design Operation Limited 由本公司非執行董事呂明華博士及其子分別擁有30%及12%，並由本公司執行董事實益擁有39.2%。

本公司董事認為，上述關連各方交易乃在本集團日常業務過程中以一般商業條款洽商。

- (b) 二零零三年三月三十一日，舜台電訊向銀行提供約1,887,000港元(二零零二年：無)之擔保以讓本集團附屬公司獲授銀行信貸。

3. RELATED PARTY TRANSACTIONS (Continued)

(c) Included in accruals and other payables are amounts due to a minority shareholder of a subsidiary of approximately HK\$3,557,000 (2002: HK\$5,450,000). These balances are unsecured, non-interest bearing and without pre-determined repayment terms.

4. TURNOVER AND REVENUE

Analysis of turnover and revenue in the consolidated profit and loss account is as follows:

3. 關連各方交易 (續)

(c) 應計及其他應付款項包括應付附屬公司少數股東之款項約3,557,000港元(二零零二年：5,450,000港元)。該等款項為無抵押及免息，且無預定還款期。

4. 營業額及收入

綜合損益表內之營業額及收入分析如下：

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Sales of merchandise	貨品銷售	485,556	506,292
Rental income	租金收入	189	190
Turnover	營業額	485,745	506,482
Management fees (Note 3.a.)	管理費用(附註3.a.)	120	120
Interest income	利息收入	2,975	3,688
Total revenue	收入總額	488,840	510,290

5. PROFIT BEFORE TAXATION

Profit before taxation in the consolidated profit and loss account is stated after charging and crediting the following:

5. 除稅前溢利

綜合損益表內之除稅前溢利已扣除及計入下列各項：

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
After charging –	已扣除—		
Provision for obsolete and slow-moving inventories	陳舊及滯銷存貨撥備	–	2,366
Depreciation of property, machinery and equipment	物業、機械及器材之折舊	23,962	19,073
Less: Amounts included in research and development expenditures	減：包括在研究及發展開支之數額	(4,952)	(4,728)
		19,010	14,345
Provision for impairment in value of a long-term investment	一項長期投資減值撥備	356	600
Provision for bad and doubtful debts	呆壞賬撥備	8,497	1,494
Research and development expenditures	研究及發展開支	13,546	10,896
Staff costs (including directors' emoluments) (Note 6)	員工費用(包括董事酬金)(附註6)	98,538	90,823
Less: Amounts included in research and development expenditures	減：包括在研究及發展開支之數額	(7,151)	(5,198)
		91,387	85,625
Net loss on investments	投資之虧損淨額	66	–
Net loss on disposal of property, machinery and equipment	出售物業、機械及設備之虧損淨額	850	–
Operating lease rental of premises	物業之經營租約租金	5,274	4,266
Royalty expense	特許權支出	499	620
Interest on bank borrowings wholly repayable within five years	須於五年內全數償還之銀行借貸利息	1,613	817
Net exchange loss	外匯虧損淨額	637	1,175
Auditors' remuneration	核數師酬金	1,048	1,033
After crediting –	已計入—		
Rental income, less outgoings	租金收入，減支出	189	190
Interest income from	來自以下之利息收入		
– held-to-maturity securities	— 持至到期證券	1,118	178
– bank deposits	— 銀行存款	1,857	3,510
Net gain on disposal of property, machinery and equipment	出售物業、機械及器材收益淨額	–	71
Gain on disposal of a subsidiary	出售附屬公司收益	–	265
Write-back of provision for obsolete and slow-moving inventories	陳舊及滯銷存貨撥備撥回	6,592	–

6. STAFF COSTS

Staff costs, including directors' emoluments, consisted of:

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Wages and salaries	薪酬及薪金	86,511	81,559
Unutilised annual leave	未動用年假	533	566
Other staff benefits	其他員工福利	9,145	6,651
Pension costs – defined contribution plans (Note 28)	退休金支出 – 定額供款 計劃 (附註28)	2,349	2,047
		98,538	90,823

6. 員工費用

員工費用(包括董事酬金)包括：

7. DIRECTORS' AND SENIOR EXECUTIVES' EMOLUMENTS

(a) Details of emoluments paid/payable to the directors of the Company are:

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Fees for executive directors	執行董事之袍金	–	–
Fees for non-executive directors	非執行董事之袍金	600	600
Other emoluments for executive directors	執行董事之其他酬金		
– Basic salaries and allowances	– 基本薪金及津貼	5,869	5,775
– Retirement contributions	– 退休金供款	126	126
– Bonus *	– 花紅 *	1,650	2,820
		8,245	9,321

7. 董事及高級行政人員酬金

(a) 本公司已／須付之董事酬金詳情：

7. DIRECTORS' AND SENIOR EXECUTIVES' EMOLUMENTS (Continued)

(a) Details of emoluments paid/payable to the directors of the Company are: (Continued)

* The Company's executive directors are entitled to a discretionary bonus not exceeding 5% of the Group's consolidated profit after taxation and minority interests but before extraordinary items.

Benefits in kinds of approximately HK\$4,636,000 (2002: Nil) included the difference between the aggregate amount of market prices at the date of exercise of shares acquired and consideration paid by the directors under the option scheme during the year. Directors' emolument as disclosed above do not include such benefits in kinds.

No directors waived any emoluments during the year. No incentive payment for joining the Group or compensation for loss of office was paid or payable to any director during the year.

Analysis of directors' emoluments by number of directors and emolument range is as follows:

		2003 二零零三年	2002 二零零二年
Executive directors	執行董事		
– Nil to HK\$1,000,000	– 零至1,000,000港元	–	–
– HK\$1,000,001 to HK\$1,500,000	– 1,000,001港元至1,500,000港元	3	3
– HK\$1,500,001 to HK\$2,000,000	– 1,500,001港元至2,000,000港元	–	3
– HK\$2,000,001 to HK\$3,000,000	– 2,000,001港元至3,000,000港元	3	–
Non-executive directors	非執行董事		
– Nil to HK\$1,000,000	– 零至1,000,000港元	1	–
Independent non-executive directors	獨立非執行董事		
– Nil to HK\$1,000,000	– 零至1,000,000港元	2	3
		9	9

7. 董事及高級行政人員酬金 (續)

(a) 本公司已／須付之董事酬金詳情：
(續)

* 本公司之執行董事有權分享不超過本集團除稅及少數股東權益後但未計及非經常性項目之綜合溢利之5%之酌情花紅。

實物利益約4,636,000港元(二零零二年：無)包括年內根據購股權計劃於行使當日所購入股份之市價總額與由董事所支付代價間之差額。上文披露之董事酬金並不包括此等實物利益。

年內，並無董事放棄任何酬金。年內概無支付或須付酬金予任何董事作加入本集團之獎勵或離職補償。

按董事人數及酬金範圍劃分之董事酬金分析如下：

7. DIRECTORS' AND SENIOR EXECUTIVES' EMOLUMENTS (Continued)

(b) The five individuals whose emoluments were the highest in the Group for both years were all directors and their emoluments are reflected in the analysis above.

8. TAXATION

Taxation in the consolidated profit and loss account comprised:

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Current taxation	當期稅項		
– Hong Kong profits tax	– 香港利得稅	5,654	11,099
– Mainland China enterprise income tax	– 中國國內企業所得稅	502	2,534
		6,156	13,633
Deferred taxation	遞延稅項		
– Hong Kong profits tax	– 香港利得稅	(62)	(138)
		6,094	13,495

The Company is exempted from taxation in Bermuda until March 2016.

Hong Kong profits tax has been provided for at the rate of 16% (2002: 16%) on the estimated assessable profit arising in or derived from Hong Kong.

7. 董事及高級行政人員酬金 (續)

(b) 兩年內本集團五位最高薪人士皆為董事，彼等酬金之分析如上文所述。

8. 稅項

於綜合損益表內之稅項包括：

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Current taxation	當期稅項		
– Hong Kong profits tax	– 香港利得稅	5,654	11,099
– Mainland China enterprise income tax	– 中國國內企業所得稅	502	2,534
		6,156	13,633
Deferred taxation	遞延稅項		
– Hong Kong profits tax	– 香港利得稅	(62)	(138)
		6,094	13,495

本公司免繳百慕達稅項，直至二零一六年三月為止。

香港利得稅乃以於香港產生或源自香港之估計應課稅盈利作出撥備，稅率為16% (二零零二年：16%)。

8. TAXATION (Continued)

The Group's sino-foreign equity joint ventures and wholly foreign owned enterprises established in Mainland China are qualified as production enterprises established and operated in Mainland China. They are subject to Mainland China enterprise income tax at a rate of 27% or 33%. However, they are exempted from enterprise income tax and local income tax for two years starting from the first year of profitable operations after offsetting prior years' losses, followed by a 50% reduction in enterprise income tax for the next three years. Chapter Media (Dongguan) Company Limited is subject to enterprise income tax at the rate of 27%. Profits (Dongguan) Electric Products Company Limited was entitled to tax exemption for the period from 1 January 2002 to 31 December 2002 and is subject to enterprise income tax at the rate of 15% thereafter. Fujikon Acoustics (Suzhou) Limited, Ningbo Fusion Electrical Material Company Limited and Full-Sound (Dongguan) Electrical Products Limited were in a loss position during the year.

9. PROFIT ATTRIBUTABLE TO SHAREHOLDERS

The consolidated profit attributable to shareholders for the year included a profit of approximately HK\$26,293,000 (2002: HK\$38,126,000) dealt with in the accounts of the Company.

8. 稅項 (續)

本集團於中國國內成立之中外合資經營企業及外商獨資企業均符合在中國國內成立及運作之生產企業之資格。彼等須按稅率27%或33%繳付中國國內企業所得稅。然而，所有該等企業均有權在自與以往年度虧損結存抵銷後首個經營獲利年度起兩年豁免企業所得稅兼地方所得稅，在其後三年，則獲得企業所得稅50%扣減。中名(東莞)電子有限公司須按稅率27%繳付企業所得稅。年內，盈富(東莞)電器製品有限公司於二零零二年一月一日至二零零二年十二月三十一日可獲豁免稅項，此後須按稅率15%繳付企業所得率。年內，富士高電聲(蘇州)有限公司、寧波富舜電業材料有限公司及富聲(東莞)電器配件有限公司處於虧損狀態。

9. 股東應佔溢利

年內之股東應佔綜合溢利包括已計入本公司賬目中約26,293,000港元(二零零二年：38,126,000港元)溢利。

10. DIVIDENDS

Dividends comprised:

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Dividends proposed/declared during the year	年內建議／宣派之股息		
– Interim dividend of HK2.5 cents (2002: HK2.5 cents) per ordinary share	— 中期股息每股普通股2.5港仙 (二零零二年：2.5港仙)	8,990	8,990
Dividend proposed after year end	年終後建議之股息		
– Final dividend of HK4.5 cents (2002: HK4.5 cents) per ordinary share	— 末期股息每股普通股4.5港仙 (二零零二年：4.5港仙)	16,560	16,182
– Special dividend of nil (2002: HK3 cents) per ordinary share	— 特別股息每股普通股零港仙 (二零零二年：3港仙)	–	10,788
		25,550	35,960

10. 股息

股息包括：

11. EARNINGS PER SHARE

The calculation of basic earnings per share for the year ended 31 March 2003 is based on the consolidated profit attributable to shareholders of approximately HK\$33,152,000 (2002: HK\$56,423,000) and on the weighted average number of 360,558,616 shares (2002: 359,600,000 shares) in issue during the year.

The calculation of diluted earnings per share for the year ended 31 March 2003 is based on the consolidated profit attributable to shareholders of approximately HK\$33,152,000 (2002: HK\$56,423,000) and on the weighted average number of 363,249,717 (2002: 360,882,565) shares in issue, after adjusting for the effects of all dilutive potential shares.

11. 每股盈利

截至二零零三年三月三十一日止年度每股基本盈利乃根據股東應佔綜合溢利約33,152,000港元(二零零二年：56,423,000港元)及根據年內已發行股份之加權平均數360,558,616股(二零零二年：359,600,000股)計算。

截至二零零三年三月三十一日止年度之每股攤薄盈利乃根據股東應佔綜合溢利約33,152,000港元(二零零二年：56,423,000港元)及根據已發行股份之加權平均數363,249,717股(二零零二年：360,882,565股)計算，並已就所有攤薄股份之影響作出調整。

II. EARNINGS PER SHARE (Continued)

A reconciliation of the weighted average number of shares used in calculating the basic earnings per share and the diluted earnings per share is as follows:

II. 每股盈利 (續)

計算每股基本盈利及每股攤薄盈利時採用之股份加權平均數調整如下：

		2003 二零零三年 Number of shares 股份數目	2002 二零零二年 Number of shares 股份數目
Weighted average number of shares used in calculating basic earnings per share	計算每股基本盈利時採用之股份加權平均數	360,558,616	359,600,000
Adjustment for potential dilutive effect in respect of outstanding share options	就尚未發行購股權之潛在攤薄影響作出之調整	2,691,101	1,282,565
Weighted average number of shares used in calculating diluted earnings per share	計算每股攤薄盈利時採用之股份加權平均數	363,249,717	360,882,565

12. PROPERTY, MACHINERY AND EQUIPMENT

(a) Movements in property, machinery and equipment (consolidated) were:

12. 物業、機械及器材

(a) 物業、機械及器材之變動(綜合)如下:

		Land and buildings 土地 及樓宇 HK\$'000 千港元	Construction- in-progress 在建 工程 HK\$'000 千港元	Machinery and moulds 機械 及模具 HK\$'000 千港元	Furniture and equipment 傢俬 及器材 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Cost or valuation	成本或估值						
Beginning of year	年初	112,437	5,374	138,515	36,100	9,073	301,499
Translation adjustments	換算調整	998	51	215	110	25	1,399
Additions	增添	27,444	2,842	12,340	12,507	1,389	56,522
Transfer	轉撥	5,147	(5,147)	-	-	-	-
Disposals	出售	-	-	(1,671)	(7,973)	(1,322)	(10,966)
End of year	年終	146,026	3,120	149,399	40,744	9,165	348,454
Analysed as: -	按下列分析: -						
At cost	成本	49,990	3,120	149,399	40,744	9,165	252,418
At professional valuation in 2000	二零零零年專業估值	96,036	-	-	-	-	96,036
		146,026	3,120	149,399	40,744	9,165	348,454
Accumulated depreciation	累積折舊						
Beginning of year	年初	16,423	-	106,865	23,841	7,113	154,242
Translation adjustments	換算調整	139	-	95	64	19	317
Provision for the year	年內撥備	3,096	-	15,566	4,197	1,103	23,962
Disposals	出售	-	-	(1,457)	(6,639)	(1,322)	(9,418)
End of year	年終	19,658	-	121,069	21,463	6,913	169,103
Net book value	賬面淨值						
End of year	年終	126,368	3,120	28,330	19,281	2,252	179,351
Beginning of year	年初	96,014	5,374	31,650	12,259	1,960	147,257

12. PROPERTY, MACHINERY AND EQUIPMENT (Continued)

(b) The geographical location and tenure of land and buildings are analysed as follows:

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Hong Kong – held on leases between 10 to 50 years	香港 — 以十年至 五十年租約持有	29,351	2,465
Mainland China – held on leases between 10 to 50 years	中國國內 — 以十年至 五十年租約持有	97,017	93,549
		126,368	96,014

Land and buildings of approximately HK\$78,818,000 (2002: HK\$80,119,000) are stated at open market value as at 31 January 2000 as determined by Sallmanns (Far East) Limited, an independent qualified valuer.

Land and buildings in Hong Kong are held under medium-term leases on the basis of the rights of extension provided by the New Territories Leases (Extension) Ordinance. Approximately HK\$75,291,000 (2002: HK\$76,488,000) of the land and buildings in Mainland China are held under land use rights for 50 years up to 2044. Approximately HK\$1,139,000 (2002: HK\$1,167,000) represents a parcel of land in Mainland China for which the land use right is yet to be obtained and approximately HK\$2,247,000 (2002: HK\$2,492,000) represents buildings erected on a parcel of land in Mainland China which is held under a lease for 12 years up to 2011. Approximately HK\$18,340,000 (2002: HK\$13,402,000) of the land and buildings in Mainland China are held under land use rights for 50 years up to 2050.

12. 物業、機械及器材 (續)

(b) 土地及樓宇之地理位置及年期分析如下：

約值 78,818,000 港元 (二零零二年：80,119,000 港元) 之土地及樓宇以獨立合資格估價師西門(遠東)有限公司所評定於二零零零年一月三十一日之公開市場價值入賬。

位於香港之土地及樓宇以中期租約持有，並有權根據新界土地契約(續期)條例續期。位於中國國內約值 75,291,000 港元 (二零零二年：76,488,000 港元) 之土地及樓宇乃以 50 年土地使用權持有至二零四四年。約值 1,139,000 港元 (二零零二年：1,167,000 港元) 之土地則指一幅位於中國國內尚未取得土地使用權證之土地；約值 2,247,000 港元 (二零零二年：2,492,000 港元) 之樓宇位於一幅租期為 12 年至二零一一年之中國國內之土地；而位於中國國內約值 18,340,000 港元 (二零零二年：13,402,000 港元) 之土地及樓宇則以 50 年土地使用權持有至二零五零年。

12. PROPERTY, MACHINERY AND EQUIPMENT

(Continued)

- (b) The geographical location and tenure of land and buildings are analysed as follows: *(Continued)*

Had all land and buildings been carried at cost less accumulated depreciation, the net book value of the Group's land and buildings as at 31 March 2003 would have been approximately HK\$119,124,000 (2002: HK\$89,743,000).

- (c) Analysis of construction-in-progress is as follows:

12. 物業、機械及器材 (續)

- (b) 土地及樓宇之地理位置及年期分析如下：(續)

倘若本集團所有土地及樓宇以成本減去累積折舊入賬，則於二零零三年三月三十一日之賬面淨值應約為119,124,000港元（二零零二年：89,743,000港元）。

- (c) 在建工程分析如下：

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Land cost	土地成本	-	-
Construction expenditures	建築開支	3,120	5,374
		3,120	5,374

13. LONG-TERM INVESTMENTS

Long-term investments (consolidated) comprised:

13. 長期投資

長期投資(綜合)包括：

		2003	2002
		二零零三年	二零零二年
		HK\$'000	HK\$'000
		千港元	千港元
Held-to-maturity securities	持至到期證券		
– overseas listed investments, at cost	— 海外上市投資，按成本列賬	9,997	7,401
– unlisted debt securities, at cost	— 非上市債務證券，按成本列賬	10,917	11,697
		20,914	19,098
Investment securities	投資證券		
– unlisted shares, at cost	— 非上市股份，按成本列賬	1,000	1,000
Less: provision for impairment in value	減：減值撥備	(1,000)	(1,000)
		-	-
Other investments	其他投資		
– unlisted investment, at cost	— 非上市投資，按成本列賬	1,000	-
– unlisted investments, at market value	— 非上市投資，按市價列賬	16,163	7,798
		17,163	7,798
		38,077	26,896
Market value of listed held-to-maturity securities	持至到期上市證券之市值	10,194	7,197

14. INVESTMENT IN SUBSIDIARIES

In the Company's balance sheet, investment in subsidiaries consisted of:

14. 於附屬公司之投資

在本公司之資產負債表中，於附屬公司之投資包括：

		2003	2002
		二零零三年	二零零二年
		HK\$'000	HK\$'000
		千港元	千港元
Unlisted shares, at cost	非上市股份，按成本列賬	139,000	139,000
Due from subsidiaries	應收附屬公司款項	114,542	109,128
		253,542	248,128

The amounts due from subsidiaries are unsecured, non-interest bearing, and not repayable within one year.

應收附屬公司款項為無抵押、免息及毋須於一年內還款。

The underlying value of the investment in subsidiaries is, in the opinion of the Company's directors, not less than the carrying value as at 31 March 2003.

本公司董事認為，於附屬公司之投資之實際價值不低於二零零三年三月三十一日之賬面值。

14. INVESTMENT IN SUBSIDIARIES (Continued)

Details of the subsidiaries as at 31 March 2003 were:

14. 於附屬公司之投資 (續)

於二零零三年三月三十一日之附屬公司詳情如下：

Name 名稱	Place of incorporation/ operations 註冊成立/ 經營地點	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊股本	Percentage of equity interest/voting capital attributable to the Group (iv) 本集團佔股本 權益/有投票權 股本之百分比(iv)		Principal activities 主要業務
Charter Media Limited 中名有限公司	Hong Kong 香港	HK\$3 3港元	100%		Investment holding and trading of electro- acoustic products and accessories 投資控股及電聲產品 及附件之貿易
Chapter Media (Donggua) Company Limited (i) 中名(東莞)電子 有限公司(i)	Mainland China 中國國內	HK\$117,000,000 117,000,000港元	100%		Manufacture of electro- acoustic products and accessories 電聲產品及附件之 製造
Fujikon Industrial (BVI) Limited	British Virgin Islands 英屬處女群島	US\$3,000 3,000美元	100%		Investment holding 投資控股
Fujikon Industrial Company Limited 富士高實業有限公司	Hong Kong 香港	Class A (non-voting) (iii) – HK\$2,400,000 A股股份 (無投票權) (iii) – 2,400,000港元	–		Design, manufacture, marketing and trading of electro- acoustic products and accessories 電聲產品及附件之設 計、製造、市場推 廣及貿易
		Class B (voting) (iii) – HK\$600,000 B股股份 (有投票權) (iii) – 600,000港元	100%		

14. INVESTMENT IN SUBSIDIARIES (Continued)

14. 於附屬公司之投資 (續)

Name 名稱	Place of incorporation/ operations 註冊成立/ 經營地點	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊股本	Percentage of equity	Principal activities 主要業務
			interest/voting capital attributable to the Group (iv) 本集團佔股本 權益/有投票權 股本之百分比(iv)	
Fujikon International Limited 富士高國際有限公司	Hong Kong 香港	HK\$3 3港元	100%	Investment holding and trading of transformers and power adaptors 投資控股及變壓器及 電力轉接器之貿易
Fujikon Packing Material Company Limited 富士高包裝物料 有限公司	Hong Kong 香港	HK\$10,000 10,000港元	51%	Manufacture and trading of packaging materials 包裝物料之製造及 貿易
Fujikon Precision Metal Products Limited 富士高精密五金製品 有限公司	Hong Kong 香港	HK\$10,000 10,000港元	100%	Manufacture and trading of precision metal parts 精密五金配件之製造 及貿易
Profits (Dongguan) Electric Products Company Limited (i) 盈富(東莞)電器製品 有限公司(i)	Mainland China 中國國內	HK\$5,000,000 5,000,000港元	100%	Manufacture of transformers and power adaptors 變壓器及電力轉接器 之製造
Score Merit Limited 志茂有限公司	Hong Kong 香港	HK\$2 2港元	100%	Investment holding 投資控股
Maxchief Enterprises Limited 萬澤企業有限公司	Hong Kong 香港	HK\$150 150港元	100%	Investment holding 投資控股

14. INVESTMENT IN SUBSIDIARIES (Continued)

14. 於附屬公司之投資 (續)

Name 名稱	Place of incorporation/ operations 註冊成立/ 經營地點	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊股本	Percentage of equity	Principal activities 主要業務
			interest/voting capital attributable to the Group (iv) 本集團佔股本 權益/有投票權 股本之百分比(iv)	
Fujikon Electrical Limited 富士高電業有限公司	Hong Kong 香港	HK\$3 3港元	100%	Investment holding 投資控股
Ningbo Fusion Electrical Material Company Limited (ii) 寧波富舜電業材料 有限公司(ii)	Mainland China 中國國內	US\$2,500,000 2,500,000美元	70%	Manufacture and trading of PVC beads, wires and cables PVC膠粒、裸銅杆拉 絲等產品之製造 及貿易
Fujikon Technology Limited 富士高科技有限公司	Hong Kong 香港	HK\$100,000 100,000港元	100%	Investment holding 投資控股
Fujikon Acoustics (Suzhou) Limited (i) 富士高電聲(蘇州) 有限公司(i)	Mainland China 中國國內	US\$2,250,000 2,250,000美元	100%	Manufacture and trading of electro-acoustic products and accessories 電聲產品及附件之 製造及貿易
Full-Sound (Dongguan) Electrical Products Limited (i) 富聲(東莞)電器配件 有限公司(i)	Mainland China 中國國內	HK\$5,000,000 5,000,000港元	100%	Manufacture and trading of electro-acoustic products and accessories 電聲產品及附件之 製造及貿易
Smart Success Management Limited	British Virgin Islands 英屬處女群島	US\$100 100美元	100%	Investment holding 投資控股
Landbo Limited	Hong Kong 香港	HK\$100 100港元	100%	Property holding 物業持有

14 INVESTMENT IN SUBSIDIARIES (Continued)

Notes :

- (i) Chapter Media (Donggua) Company Limited, Profits (Dongguan) Electric Products Company Limited, Fujikon Acoustics (Suzhou) Limited and Full-Sound (Dongguan) Electrical Products Limited are wholly foreign owned enterprises established in Mainland China to be operated for 15 years up to May 2009, 12 years up to January 2012, 50 years up to March 2051 and 12 years up to April 2014, respectively.
- (ii) Ningbo Fusion Electrical Material Company Limited is a sino-foreign equity joint venture established in Mainland China to be operated for 15 years up to May 2015.
- (iii) Holders of Class A (non-voting) shares have no voting rights, are not entitled to dividends unless the net profit of the company exceeds HK\$900,000,000,000, and are not entitled to any distribution upon winding up unless a sum of HK\$900,000,000,000 has been distributed by the company to holders of Class B (voting) shares.
- (iv) The shares of Fujikon Industrial (BVI) Limited are held directly by the Company. The shares of other subsidiaries are held indirectly.

None of the subsidiaries had any loan capital in issue at any time during the year ended 31 March 2003.

14. 於附屬公司之投資 (續)

附註：

- (i) 中名(東莞)電子有限公司、盈富(東莞)電器製品有限公司、富士高電聲(蘇州)有限公司及富聲(東莞)電器配件有限公司乃於中國國內成立之外商獨資企業，分別可經營15年至二零零九年五月、可經營12年至二零一二年一月、可經營50年至二零一一年三月及可經營12年至二零一四年四月。
- (ii) 寧波富舜電業材料有限公司乃於中國國內成立之中外合資經營企業，可經營15年至二零一五年五月。
- (iii) A股(無投票權)股份之持有人並無投票權，且無權分派股息(除非公司純利超過900,000,000,000港元)，且於清盤時亦無權獲得任何分派(除非公司已分派900,000,000,000港元之款項予B股(有投票權)股份持有人)。
- (iv) Fujikon Industrial (BVI) Limited之股份由本公司直接持有，其他附屬公司之股份則為間接持有。

截至二零零三年三月三十一日止年度，概無附屬公司於任何時間擁有任何已發行借貸股本。

15. INVENTORIES

Inventories (consolidated) comprised:

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Raw materials	原材料	30,418	20,483
Work-in-progress	在製品	12,801	12,485
Finished goods	製成品	22,084	15,514
		65,303	48,482

As at 31 March 2003 and 2002, all inventories were carried at net realisable value.

15. 存貨

存貨(綜合)包括：

於二零零三年及二零零二年三月三十一日，所有存貨均按可變現淨值列賬。

16. ACCOUNTS RECEIVABLE

The Group grants credit periods to customers ranging from 30 to 90 days. The ageing analysis of accounts receivable (consolidated) is as follows:

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Current to 30 days	當期至30日	52,110	51,615
31 to 60 days	31至60日	4,029	4,702
61 to 90 days	61至90日	2,451	1,231
91 to 180 days	91至180日	8,425	2,591
		67,015	60,139
Less: Provision for bad and doubtful debts	減：呆壞賬撥備	(9,797)	(2,856)
		57,218	57,283

16. 應收貨款

本集團給予客戶介乎30日至90日之信貸期。應收貨款(綜合)之賬齡分析如下：

17. OTHER INVESTMENTS

Other investments (consolidated) comprised:

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Listed equity securities outside Hong Kong, at market value	香港以外上市股本證券，按市價列賬	729	-
Unlisted investment, at cost	非上市投資，按成本列賬	-	1,537
		729	1,537

18. CASH AND BANK DEPOSITS

As at 31 March 2003, approximately HK\$3,344,000 (2002: HK\$5,872,000) of the Group's cash and bank deposits, including pledged bank deposits, were denominated in Chinese Renminbi, which is not a freely convertible currency in the international market, the repatriation of which is subject to foreign exchange control regulations of Mainland China.

19. SHORT-TERM BANK LOANS

Short-term bank loans consisted of:

		Consolidated 綜合		Company 本公司	
		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Short-term bank loans – secured	短期銀行貸款—已抵押	66,000	9,346	-	-
Long-term bank loan, current portion – unsecured (Note 22)	長期銀行貸款，流動部份—無抵押(附註22)	3,281	-	3,281	-
		69,281	9,346	3,281	-

17. 其他投資

其他投資(綜合)包括：

18. 現金及銀行存款

於二零零三年三月三十一日，約3,344,000港元(二零零二年：5,872,000港元)之本集團現金及銀行存款(包括已抵押銀行存款)以人民幣為單位，而人民幣並非國際市場之自由兌換貨幣，其調動須受中國國內外匯管制法規所限制。

19. 短期銀行貸款

短期銀行貸款包括：

19. SHORT-TERM BANK LOANS (Continued)

Short-term bank loans bear interest at rates ranging from 2.42% to 7.02% (2002: ranging from 5.31% to 5.85%). Refer to Note 29 for details of the Group's banking facilities.

20. ACCOUNTS PAYABLE

The ageing analysis of accounts payable (consolidated) is as follows:

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Current to 30 days	當期至30日	49,686	36,175
31 to 60 days	31至60日	781	3,527
61 to 90 days	61至90日	276	3,018
91 to 180 days	91至180日	288	6,551
		51,031	49,271

21. DEFERRED TAXATION

Movements of deferred taxation (consolidated) were:

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Beginning of year	年初	3,033	3,171
Write-back of net timing differences	時差淨值之撥回	(62)	(138)
End of year	年終	2,971	3,033

Deferred taxation represents the taxation effect of accelerated depreciation of property, machinery and equipment for taxation purposes.

19. 短期銀行貸款 (續)

短期銀行貸款之息率由2.42厘至7.02厘不等(二零零二年:由5.31厘至5.85厘不等)。有關本集團銀行信貸詳情請參閱附註29。

20. 應付貨款

應付貨款(綜合)之賬齡分析如下:

21. 遞延稅項

遞延稅項(綜合)變動如下:

遞延稅項指物業、機械及器材就計算稅項而作出之加速折舊之稅務效應。

21. DEFERRED TAXATION (Continued)

There were no significant unprovided deferred tax liabilities as at 31 March 2003. No deferred taxation on the revaluation surplus of land and buildings was provided because the revaluation does not constitute a timing difference as the Group intends to hold the related land and buildings for the long-term.

Deferred income tax assets are recognised for tax loss carried forward to the extent that realisation of the related tax benefit through the future taxable profits is probable. The Group has unrecognised tax losses of approximately HK\$14,064,000 (2002: HK\$8,753,000) to carry forward against future taxable income.

22. LONG-TERM BANK LOAN

Long-term bank loan consisted of:

21. 遞延稅項 (續)

於二零零三年三月三十一日，並無重大未撥備遞延稅項負債。因本集團擬長期持有相關土地及樓宇，故並無構成時差而無列出有關土地及樓宇重估增值之遞延稅項。

遞延稅項收入資產就稅項虧損結轉予以確認，惟以可能通過未來評稅溢利變現相關稅項利益為限。本集團可用於結轉抵扣未來評稅收入之未確認稅務虧損約為14,064,000港元（二零零二年：8,753,000港元）。

22. 長期銀行貸款

長期銀行貸款包括：

		Consolidated 綜合		Company 本公司	
		2003 二零零三年	2002 二零零二年	2003 二零零三年	2002 二零零二年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Amounts repayable	應付款項				
- within one year	- 一年內	3,281	-	3,281	-
- within one to two years	- 一年至兩年內	3,281	-	3,281	-
- within two to five years	- 兩年至五年內	2,460	-	2,460	-
		9,022	-	9,022	-
Less: Amount due within one year included under current liabilities (Note 19)	減：納入流動負債之 一年內到期款項 (附註19)	(3,281)	-	(3,281)	-
		5,741	-	5,741	-

Refer to Note 29 for details of the Group's banking facilities.

有關本集團銀行信貸詳情請參閱附註29。

23. SHARE CAPITAL

Movements were:

		2003 二零零三年		2002 二零零二年	
		Number of shares 股份數目 '000 千股	Nominal value 賬面值 HK\$'000 千港元	Number of shares 股份數目 '000 千股	Nominal value 賬面值 HK\$'000 千港元
Authorised	法定				
– ordinary shares of HK\$0.10 each	— 每股面值0.10港元之 普通股	2,000,000	200,000	2,000,000	200,000
Issued and fully paid	已發行及繳足股本				
– ordinary shares of HK\$0.10 each	— 每股面值0.10港元之普通股				
Beginning of year	年初	359,600	35,960	359,600	35,960
Exercise of share options during the year (Note 24)	年內行使購股權 (附註24)	7,850	785	–	–
End of year	年終	367,450	36,745	359,600	35,960

24. SHARE OPTIONS

The Company had a share option scheme (the “Old Scheme”) under which it may grant options to employees of the Group (including executive directors of the Company) to subscribe for shares in the Company, subject to a maximum of 10% of the nominal value of the issued share capital of the Company from time to time, excluding for this purpose shares issued on the exercise of options granted under the scheme. The subscription price will be determined by the Company’s Board of Directors, and will not be less than the higher of the nominal value of the shares and 80% of the average of the closing price of the shares quoted on The Stock Exchange of Hong Kong Limited on the five trading days immediately preceding the date of offer of the options.

23. 股本

變動如下：

		2003 二零零三年		2002 二零零二年	
		Number of shares 股份數目 '000 千股	Nominal value 賬面值 HK\$'000 千港元	Number of shares 股份數目 '000 千股	Nominal value 賬面值 HK\$'000 千港元
Authorised	法定				
– ordinary shares of HK\$0.10 each	— 每股面值0.10港元之 普通股	2,000,000	200,000	2,000,000	200,000
Issued and fully paid	已發行及繳足股本				
– ordinary shares of HK\$0.10 each	— 每股面值0.10港元之普通股				
Beginning of year	年初	359,600	35,960	359,600	35,960
Exercise of share options during the year (Note 24)	年內行使購股權 (附註24)	7,850	785	–	–
End of year	年終	367,450	36,745	359,600	35,960

24. 購股權

本公司設有一項購股權計劃（「舊計劃」）。據此，本公司可向本集團僱員（包括本公司執行董事）授出購股權以認購本公司股份，惟認購數目最多不得超過本公司不時已發行股本面值之10%（就此而言，因購股權獲行使而發行之股份並不計算在內）。認購價將由本公司董事會釐定，惟不低於股份面值或授出購股權日期前五個交易日內本公司股份在香港聯合交易所有限公司所報之平均收市價之80%（以較高者為準）。

24. SHARE OPTIONS (Continued)

Following the amendment of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, during the year ended 31 March 2003, the Company adopted a new share option scheme (the "New Scheme") to replace the Old Scheme. However, all options granted prior to the adoption of the New Scheme shall continue to be exercisable in accordance with the terms of the Old Scheme. Under the New Scheme, the Company may grant options to any eligible employee (whether full-time or part-time, including any executive director), any non-executive directors, any shareholders, any suppliers and any customers of the Company or any of its subsidiaries or any entity in which any member of the Group holds any equity interest, and any other parties having contribution to the development of the Group to subscribe for shares in the Company, subject to a maximum of 30% of the nominal value of the issued share capital of the Company from time to time.

The subscription price will be determined by the Company's board of directors, and will not be less than the highest of:

- (a) the closing price of the shares as stated in The Stock Exchange of Hong Kong Limited ("the Stock Exchange") daily quotations sheet on the date of offer;
- (b) the average closing price of the shares as stated in the Stock Exchange daily quotations sheets for the five business days immediately preceding the date of offers; and
- (c) the nominal value of the shares.

No share option under the New Scheme was granted during the year.

24. 購股權 (續)

香港聯合交易所有限公司證券上市規則修訂後，本公司於截至二零零三年三月三十一日止年度採納新購股權計劃（「新計劃」）以取代舊計劃，惟採納新計劃前授出之全部購股權可根據舊計劃之條款繼續行使。根據新計劃，本公司可向本公司或其任何附屬公司或本集團成員公司持有股權之公司之任何合資格僱員（全職或兼職，包括任何執行董事）、任何非執行董事、任何股東、任何供應商及任何客戶，或曾為本集團發展作出貢獻之任何其他人士授出購股權以認購本公司股份，惟所涉及股份不得超過本公司不時已發行股本面值之30%。

認購價由本公司董事會釐定，並不得低於以下各項之最高者：

- (a) 股份於要約當日在香港聯合交易所有限公司（「聯交所」）每日報價表所列之收市價；
- (b) 股份於要約當日對上五個營業日在聯交所每日報價表所列之平均收市價；及
- (c) 股份面值。

年內概無根據新計劃授出購股權。

24. SHARE OPTIONS (Continued)

Movements of share options during the year ended 31 March 2003 were:

Date of grant 授出日期	Exercise period 行使期	Subscription price 認購價 HK\$ 港元	Beginning of year 年初 '000 千股	Granted during the year 年內授出 '000 千股	Exercised during the year 年內行使 '000 千股	Lapsed as a result of termination of employment 因終止僱用而取消之購股權	End of year 年終 '000 千股
						'000 千股	
Old Scheme 舊計劃							
2 May 2000 二零零零年五月二日	2 May 2000 to 1 May 2010 二零零零年五月二日至 二零一零年五月一日	1.287	18,000	-	-	-	18,000
	2 May 2001 to 1 May 2010 二零零一年五月二日至 二零一零年五月一日	1.287	6,265	-	(2,030)	(260)	3,975
	2 May 2002 to 1 May 2010 二零零二年五月二日至 二零一零年五月一日	1.287	3,770	-	(305)	-	3,465
23 July 2001 二零零一年七月二十三日	23 July 2001 to 22 July 2011 二零零一年七月二十三日至 二零一一年七月二十二日	0.504	5,515	-	(5,515)	-	-
			33,550	-	(7,850)	(260)	25,440

24. 購股權 (續)

截至二零零三年三月三十一日止年度之購股權變動如下：

25. RESERVES

Movements in reserves and proposed dividend were:

25. 儲備

儲備及建議派發股息之變動如下：

		Share premium 股份溢價 HK\$'000 千港元	Capital reserve (a) 資本 儲備(a) HK\$'000 千港元	Property revaluation reserve 物業 重估儲備 HK\$'000 千港元	Cumulative foreign currency translation adjustments 累積外幣 換算調整 HK\$'000 千港元	Retained earnings 保留盈利 HK\$'000 千港元	Proposed dividend 擬派股息 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Consolidated	綜合							
As at 1 April 2001	於二零零一年四月一日	42,156	1,594	6,557	1,243	166,812	16,182	234,544
Profit attributable to shareholders	股東應佔溢利	-	-	-	-	56,423	-	56,423
Translation adjustments	換算調整	-	-	-	(201)	-	-	(201)
Final dividend for the year ended 31 March 2001, paid	已付截至二零零一年三月 三十一日止年度末期股息	-	-	-	-	-	(16,182)	(16,182)
Interim dividend for the year ended 31 March 2002, proposed	擬派截至二零零二年三月 三十一日止年度中期股息	-	-	-	-	(8,990)	8,990	-
Interim dividend for the year ended 31 March 2002, paid	已付截至二零零二年三月 三十一日止年度中期股息	-	-	-	-	-	(8,990)	(8,990)
Final dividend for the year ended 31 March 2002, proposed	擬派截至二零零二年三月 三十一日止年度末期股息	-	-	-	-	(16,182)	16,182	-
Special dividend for the year ended 31 March 2002, proposed	擬派截至二零零二年三月 三十一日止年度特別股息	-	-	-	-	(10,788)	10,788	-
As at 31 March 2002	於二零零二年三月三十一日	42,156	1,594	6,557	1,042	187,275	26,970	265,594
As at 1 April 2002	於二零零二年四月一日	42,156	1,594	6,557	1,042	187,275	26,970	265,594
Profit attributable to shareholders	股東應佔溢利	-	-	-	-	33,152	-	33,152
Premium on shares issued upon exercise of share options	因行使購股權而發行 股份之溢價	5,000	-	-	-	-	-	5,000
Translation adjustments	換算調整	-	-	-	1,009	-	-	1,009
Final and special dividend for the year ended 31 March 2002, paid	已付截至二零零二年三月 三十一日止年度末期及 特別股息	-	-	-	-	-	(26,970)	(26,970)
Interim dividend for the year ended 31 March 2003, proposed	擬派截至二零零三年三月 三十一日止年度中期股息	-	-	-	-	(8,990)	8,990	-
Interim dividend for the year ended 31 March 2003, paid	已付截至二零零三年三月 三十一日止年度中期股息	-	-	-	-	-	(8,990)	(8,990)
Final dividend for the year ended 31 March 2003, proposed	擬派截至二零零三年三月 三十一日止年度末期股息	-	-	-	-	(16,560)	16,560	-
As at 31 March 2003	於二零零三年三月三十一日	47,156	1,594	6,557	2,051	194,877	16,560	268,795

25. RESERVES (Continued)

25. 儲備 (續)

Company	本公司	Share premium	Contributed surplus (b)	Retained earnings	Proposed dividend	Total
		股份溢價	實繳盈餘(b)	保留盈利	擬派股息	總額
		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
As at 1 April 2001	於二零零一年四月一日	42,156	138,800	875	16,182	198,013
Profit for the year	年內溢利	-	-	38,126	-	38,126
Final dividend for the year ended 31 March 2001, paid	已付截至二零零一年三月三十一日止年度末期股息	-	-	-	(16,182)	(16,182)
Interim dividend for the year ended 31 March 2002, proposed	擬派截至二零零二年三月三十一日止年度中期股息	-	-	(8,990)	8,990	-
Interim dividend for the year ended 31 March 2002, paid	已付截至二零零二年三月三十一日止年度中期股息	-	-	-	(8,990)	(8,990)
Final dividend for the year ended 31 March 2002, proposed	擬派截至二零零二年三月三十一日止年度末期股息	-	-	(16,182)	16,182	-
Special dividend for the year ended 31 March 2002, proposed	擬派截至二零零二年三月三十一日止年度特別股息	-	-	(10,788)	10,788	-
As at 31 March 2002	於二零零二年三月三十一日	42,156	138,800	3,041	26,970	210,967
As at 1 April 2002	於二零零二年四月一日	42,156	138,800	3,041	26,970	210,967
Profit for the year	年內溢利	-	-	26,293	-	26,293
Premium on shares issued upon exercise of share options	因行使購股權而發行股份之溢價	5,000	-	-	-	5,000
Final and special dividend for the year ended 31 March 2002, paid	已付截至二零零二年三月三十一日止年度末期及特別股息	-	-	-	(26,970)	(26,970)
Interim dividend for the year ended 31 March 2003, proposed	擬派截至二零零三年三月三十一日止年度中期股息	-	-	(8,990)	8,990	-
Interim dividend for the year ended 31 March 2003, paid	已付截至二零零三年三月三十一日止年度中期股息	-	-	-	(8,990)	(8,990)
Final dividend for the year ended 31 March 2003, proposed	擬派截至二零零三年三月三十一日止年度末期股息	-	-	(16,560)	16,560	-
As at 31 March 2003	於二零零三年三月三十一日	47,156	138,800	3,784	16,560	206,300

25. RESERVES (Continued)

Notes:

- (a) Capital reserve represents the difference between the nominal value of the ordinary shares issued by the Company and the aggregate of the share capital and share premium of subsidiaries acquired through an exchange of shares pursuant to the Group's reorganisation in March 2000.
- (b) Contributed surplus represents the difference between the nominal value of the ordinary shares issued by the Company and the net asset value of a subsidiary acquired through an exchange of shares pursuant to the Group's reorganisation in March 2000.

Under the Companies Act 1981 of Bermuda (as amended), contributed surplus is distributable to shareholders, subject to the condition that the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus if (i) it is, or would after the payment be, unable to pay its liabilities as they become due, or (ii) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium account.

25. 儲備 (續)

附註：

- (a) 資本儲備指本公司所發行普通股之面值與根據二零零零年三月本集團重組進行換股而收購之附屬公司股本與股份溢價總和之差額。
- (b) 實繳盈餘指本公司所發行普通股之面值與根據二零零零年三月本集團重組進行換股而收購之附屬公司資產淨值之差額。

根據百慕達一九八一年公司法(修訂本)，實繳盈餘可供分派予股東，惟若出現下列情況，則本公司不得自實繳盈餘撥款宣派或派付股息或作出分派：(i)本公司無法或將於作出分派後無力償還到期債務；或(ii)公司資產可變現價值將因進行分派而致低於其負債及已發行股本及股份溢價賬之總和。

26. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

26. 綜合現金流量表附註

(a) Reconciliation of profit before taxation to net cash inflow generated from operations:

(a) 除稅前溢利與經營活動之現金流入淨額之對賬：

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Profit before taxation	除稅前溢利	39,353	69,785
Interest income	利息收入	(2,975)	(3,688)
Interest expense	利息支出	1,613	817
Depreciation of property, machinery and equipment	物業、機械及器材之折舊	23,962	19,073
Net loss (gain) on disposal of property, machinery and equipment	出售物業、機械及器材之虧損(收益)淨額	850	(71)
Net loss on investments	投資虧損淨額	66	-
Gain on disposal of a subsidiary	出售附屬公司之收益	-	(265)
Provision for impairment in value of a long-term investment	長期投資減值撥備	356	600
Operating profit before working capital changes	營運資金變動前之經營溢利	63,225	86,251
(Increase)/decrease in inventories	存貨之(增加)/減少	(16,821)	4,720
Decrease in accounts receivable	應收貨款之減少	65	4,199
Decrease/(increase) in prepayments, deposits and other current assets	預付款項、按金及其他流動資產之減少/(增加)	1,308	(853)
Increase/(decrease) in accounts payable	應付貨款之增加/(減少)	1,760	(34)
(Decrease)/increase in accruals and other payables	應計及其他應付款項之(減少)/增加	(10,382)	15,509
Net cash inflow generated from operations	經營活動之現金流入淨額	39,155	109,792

26. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (Continued)

26. 綜合現金流量表附註 (續)

(b) Analysis of changes in financing:

(b) 融資變動分析：

		Share capital and share premium 股本及 股份溢價 HK\$'000 千港元	Bank loans 銀行貸款 HK\$'000 千港元	Minority interests 少數 股東權益 HK\$'000 千港元
As at 1 April 2001	於二零零一年四月一日	78,116	12,383	12,319
Capital injected by a minority shareholder of a subsidiary	附屬公司少數股東之注資	-	-	1,131
Dividends payable to a minority shareholder	應付少數股東之股息	-	-	(980)
Share of losses for the year	分佔年內虧損	-	-	(133)
Distribution of cash to a minority shareholder of a subsidiary	向附屬公司少數股東 分派現金	-	-	(800)
Attributable to disposal of a subsidiary	出售附屬公司之收益	-	-	257
Repayment of bank loans	償還銀行貸款	-	(12,383)	-
New bank loans	新造銀行貸款	-	9,346	-
As at 31 March 2002	於二零零二年三月三十一日	78,116	9,346	11,794
Issue of shares upon exercise of share options	因行使購股權而發行股份所得款項	5,785	-	-
Share of profit for the year	分佔年內溢利	-	-	107
Repayment of bank loans	償還銀行貸款	-	(9,346)	-
New bank loans	新造銀行貸款	-	75,022	-
As at 31 March 2003	於二零零三年三月三十一日	83,901	75,022	11,901

27. COMMITMENTS AND CONTINGENT LIABILITIES

The Group and the Company had the following significant commitments and contingent liabilities which are not provided for in the accounts:

(a) Capital commitments

The Group had the following authorised and contracted capital commitments:

27. 承擔及或然負債

本集團及本公司未於賬目中作出撥備之重大承擔及或然負債如下：

(a) 資本承擔

本集團之已授權及已訂約資本承擔如下：

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Acquisition of machinery and equipment	購買機械及器材	128	2,652
Construction of factory premises	建造廠房物業	297	2,139
Investment in a company	於一間公司作出投資	—	1,000
		425	5,791

27. COMMITMENTS AND CONTINGENT LIABILITIES (Continued)

(b) Operating lease commitments

The Group had operating lease commitments in respect of rented premises under various non-cancellable operating lease agreements extending to April 2006. The total commitments payable are analysed as follows:

		Consolidated 綜合		Company 本公司	
		2003 二零零三年	2002 二零零二年	2003 二零零三年	2002 二零零二年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Amounts payable	應付款項				
- within one year	— 一年內	2,679	3,100	-	-
- between one year and five years	— 一年至五年	3,354	1,947	-	-
		6,033	5,047	-	-

(c) Foreign exchange contracts

As at 31 March 2003, the Group had commitments in respect of outstanding foreign exchange contracts to sell US\$4,000,000 (2002: US\$10,000,000) at various rates totalling approximately HK\$31,255,000 (2002: HK\$78,084,000).

(d) Contingent liabilities

As at 31 March 2003, the Company had provided corporate guarantees of approximately HK\$142,181,000 (2002: HK\$62,470,000) to several banks to secure banking facilities of its subsidiaries.

27. 承擔及或然負債 (續)

(b) 經營租約承擔

本集團根據多項不可解除之經營租約租用之物業續租至二零零六年四月而擁有經營租約承擔。以下為應付之承擔總數額分析：

(c) 外匯合約

於二零零三年三月三十一日，本集團有總值約31,255,000港元（二零零二年：78,084,000港元）之外匯合約承擔，按不同匯率出售4,000,000美元（二零零二年：10,000,000美元）。

(d) 或然負債

於二零零三年三月三十一日，本公司向數間銀行提供約142,181,000港元（二零零二年：62,470,000港元）之擔保，作為其附屬公司所得銀行信貸之擔保。

28. PENSIONS OBLIGATIONS

The Group has arranged for its Hong Kong employees to join the Mandatory Provident Fund Scheme ("the MPF Scheme"), a defined contribution scheme managed by an independent trustee. The assets of the fund are held separately from those of the Group and are managed by independent professional fund managers. Under the MPF Scheme, each of the Group and its employees make monthly contributions to the scheme at 5% of the employees' earnings as defined under the Mandatory Provident Fund legislation. Both the employer's and the employees' contributions are subject to a cap of HK\$1,000 per month and thereafter contributions are voluntary.

During the year ended 31 March 2003, the aggregate amount of the Group's employer contributions to the MPF Scheme was approximately HK\$1,130,000 (2002: HK\$1,131,000).

As stipulated by the rules and regulations in Mainland China, the Group contributes to state-sponsored retirement plans for its employees in Mainland China. The employees contribute up to 22% of their basic salaries, while the Group contributes to retirement plans approximately 11% to 22% of the basic salaries of its employees in Mainland China, and has no further obligations for the actual payment of pensions or post-retirement benefits. The state-sponsored retirement plans are responsible for the entire pension obligations payable to retired employees. During the year, approximately HK\$1,219,000 (2002: HK\$916,000) was paid/payable by Mainland China subsidiaries with respect to such retirement plan.

28. 退休金計劃

本集團安排香港僱員參與由一名獨立信託人管理之定額供款強制性公積金計劃(「強積金計劃」)。基金之資產與本集團其他資產分開持有，並由獨立專業基金經理管理。根據強積金計劃，本集團及其所有僱員須以強積金法例所定義之僱員薪金5%作出供款。僱主及僱員供款之上限均為每月1,000港元，亦可自願額外供款。

截至二零零三年三月三十一日止年度，本集團對強積金計劃作出之僱主供款合共約1,130,000港元(二零零二年：1,131,000港元)。

根據中國國內法律及法規規定，本集團為其中國國內僱員而設國家資助之退休計劃作出供款。僱員須就其基本薪金最多22%作出供款，而本集團則須向退休計劃作出其中國僱員基本薪金約11%至22%之供款，而對其後任何實際退休金支出或退休福利則毋須作出任何承擔。退休僱員之所有退休金支出概由國家資助之退休計劃承擔。年內，中國大陸之附屬公司根據該退休金計共付／應付約1,219,000港元(二零零二年：916,000港元)。

29. BANKING FACILITIES AND PLEDGE OF ASSETS

As at 31 March 2003, the Group had aggregate banking facilities of approximately HK\$536,034,000 (2002: HK\$246,102,000) from several banks for overdrafts, loans, trade financing and foreign exchange contracts. Unused facilities as at the same date amounted to approximately HK\$428,377,000 (2002: HK\$152,533,000). These facilities were secured by:

- (i) pledge of the Group's bank deposits of approximately HK\$31,584,000 (2002: HK\$2,176,000) and;
- (ii) guarantees provided by the Company and certain of its subsidiaries.

29. 銀行信貸及資產抵押

於二零零三年三月三十一日，本集團就透支、貸款、貿易融資及外匯合約而向數間銀行取得銀行信貸總額約536,034,000港元（二零零二年：246,102,000港元）。於同日，未動用之信貸數額約為428,377,000港元（二零零二年：152,533,000港元）。此等信貸以下列方式作抵押：

- (i) 約31,584,000港元（二零零二年：2,176,000港元）本集團銀行存款作抵押；及
- (ii) 本公司及其若干附屬公司提供之擔保。

30. SEGMENT INFORMATION

(a) Primary segment

The Group is principally engaged in the design, manufacture, marketing and trading of audio products, communication products, multimedia products, electro-acoustic parts and electronic products and accessories. An analysis by business segment is as follows:

30. 分部資料

(a) 主要分部

本集團主要業務為設計、製造、推廣及銷售音響產品、通訊產品、多媒體產品、電聲零件及電子產品與配件。按業務劃分之分析如下：

		2003 二零零三年						
		Audio products 音響產品 HK\$'000 千港元	Com- munication products 通訊產品 HK\$'000 千港元	Multimedia products 多媒體產品 HK\$'000 千港元	Electro- acoustic parts 電聲零件 HK\$'000 千港元	Electronic products, accessories and others 電子產品、 配件及其他 HK\$'000 千港元	Elimination 撇銷 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Turnover	營業額							
Sales to external customers	對外銷售	228,291	58,785	40,755	23,299	134,615	-	485,745
Inter-segment sales	分部間銷售	-	-	-	869	53,626	(54,495)	-
Total revenue	總收入	228,291	58,785	40,755	24,168	188,241	(54,495)	485,745
Operating results	經營業績							
Segment results	分部業績	25,014	11,073	2,748	3,266	6,085	-	48,186
Unallocated corporate expenses	未分配企業支出							(10,315)
Other revenue	其他收入							120
Interest income	利息收入							2,975
Interest expense	利息支出							(1,613)
Taxation	稅項							(6,094)
Profit after taxation but before minority interests	除稅後未計少數股東權益前溢利							33,259
Other information	其他資料							
Assets -	資產 -							
Segment assets	分部資產	190,159	48,966	33,948	19,407	112,130	-	404,610
Unallocated assets	未分配資產							76,691
								481,301
Liabilities -	負債 -							
Segment liabilities	分部負債	38,306	9,864	6,839	3,909	22,588	-	81,506
Unallocated liabilities	未分配負債							82,354
								163,860
Capital expenditures	資本開支	12,034	3,098	2,148	1,274	37,968	-	56,522
Depreciation	折舊	8,019	2,065	1,432	849	11,597	-	23,962

30. SEGMENT INFORMATION (Continued)

(a) Primary segment (Continued)

30. 分部資料 (續)

(a) 主要分部 (續)

		2002 二零零二年							
		Audio products 音響產品 HK\$'000 千港元	Com- munication products 通訊產品 HK\$'000 千港元	Multimedia products 多媒體產品 HK\$'000 千港元	Electro- acoustic parts 電聲零件 HK\$'000 千港元	Electronic products, accessories and others 電子產品、 配件及其他 HK\$'000 千港元	Elimination 撇銷 HK\$'000 千港元	Total 總額 HK\$'000 千港元	
Turnover	營業額								
Sales to external customers	對外銷售	235,060	90,647	72,843	16,571	91,361	-	506,482	
Inter-segment sales	分部間銷售	-	-	-	475	44,218	(44,693)	-	
Total revenue	總收入	235,060	90,647	72,843	17,046	135,579	(44,693)	506,482	
Operating results	經營業績								
Segment results	分部業績	38,708	20,135	3,815	3,078	4,881	-	70,617	
Unallocated corporate expenses	未分配企業支出							(3,823)	
Other revenue	其他收入							120	
Interest income	利息收入							3,688	
Interest expense	利息支出							(817)	
Taxation	稅項							(13,495)	
Profit after taxation but before minority interests	除稅後未計少數 股東權益前溢利							56,290	
Other information	其他資料								
Assets –	資產—								
Segment assets	分部資產	175,148	67,542	54,276	12,347	68,074	-	377,387	
Unallocated assets	未分配資產							48,107	
								425,494	
Liabilities –	負債—								
Segment liabilities	分部負債	42,597	16,427	13,201	3,003	16,556	-	91,784	
Unallocated liabilities	未分配負債							20,362	
								112,146	
Capital expenditures	資本開支	5,990	2,310	1,856	434	29,951	-	40,541	
Depreciation	折舊	6,912	2,665	2,142	501	6,853	-	19,073	

30. SEGMENT INFORMATION (Continued)

(b) Secondary segment

Turnover and results by geographical location are determined mainly on the basis of the location where merchandise is delivered. An analysis by geographical location is as follows:

		2003 二零零三年							
		North America 北美洲		Asia Pacific 亞太區					
				Asian countries (other than Japan) 日本 以外之 亞洲國家			Japan 日本	Others 其他	Total 總額
		United States of America 美國	Canada 加拿大	Europe 歐洲	以外之 亞洲國家	Japan 日本	Others 其他	Total 總額	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
Turnover	營業額	211,064	28,370	76,883	139,372	18,357	11,699	485,745	
Segment results	分部業績	20,938	2,814	7,627	13,826	1,821	1,160	48,186	

		2002 二零零二年							
		North America 北美洲		Asia Pacific 亞太區					
				Asian countries (other than Japan) 日本 以外之 亞洲國家			Japan 日本	Others 其他	Total 總額
		United States of America 美國	Canada 加拿大	Europe 歐洲	以外之 亞洲國家	Japan 日本	Others 其他	Total 總額	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
Turnover	營業額	257,200	29,912	75,582	100,913	33,015	9,860	506,482	
Segment results	分部業績	35,860	4,171	10,538	14,070	4,603	1,375	70,617	

30. 分部資料 (續)

(b) 次要分部

按地區分類之營業額及業績主要以貨物付運地點釐定。按地區劃分之分析如下：

30. SEGMENT INFORMATION (Continued)

(b) Secondary segment (Continued)

The Group has business operations in Mainland China and Hong Kong. An analysis by geographical location is as follows:

		2003 二零零三年		
		Mainland China 中國國內 HK\$'000 千港元	Hong Kong 香港 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Assets	資產	227,209	254,092	481,301
Capital expenditures	資本開支	21,703	34,819	56,522

		2002 二零零二年		
		Mainland China 中國國內 HK\$'000 千港元	Hong Kong 香港 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Assets	資產	209,188	216,306	425,494
Capital expenditures	資本開支	37,153	3,388	40,541

30. 分部資料 (續)

(b) 次要分部 (續)

本集團在中國國內及香港均有經營業務。按地區劃分之分析載列如下：

31. APPROVAL OF ACCOUNTS

The accounts were approved by the Board of Directors on 10 July 2003.

31. 賬目之批准

賬目已於二零零三年七月十日獲董事會批准。