

## Notes to the Financial Statements

### 1. GENERAL

The Company is incorporated in Bermuda with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited.

The Company is an investment holding company. The principal activities of the subsidiaries are set out in note 14.

### 2. ADOPTION OF STATEMENTS OF STANDARD ACCOUNTING PRACTICE

In the current year, the Group has adopted for the first time a number of new and revised Statements of Standard Accounting Practice ("SSAPs") issued by the Hong Kong Society of Accountants. Adoption of these Standards has led to a number of changes in the Group's accounting policies. The revised accounting policies are set out in note 3. In addition, the new and revised Standards have introduced additional and revised disclosure requirements which have been adopted in these financial statements. Comparative amounts and disclosure for the prior year have been restated in order to achieve a consistent presentation.

The adoption of these new and revised Standards has resulted in the following changes to the Group's accounting policies that have affected the amounts and disclosure reported for the current or prior periods.

#### Dividends proposed or declared after the balance sheet date

In accordance with SSAP 9 (Revised) "Events after the Balance Sheet Date", dividends proposed or declared after the balance sheet date are not recognised as a liability at the balance sheet date, but are disclosed in the notes to the financial statements. This change in accounting policy has been applied retrospectively, resulting in a prior year adjustment on derecognition of the liability for final dividend for year 2001 and 2000 amounting to HK\$2,400,000 and HK\$17,200,000 respectively. The effect of this change has been to increase the reserves at 31 March 2001 by HK\$2,400,000 (2000: HK\$17,200,000) and the shareholders' funds at that date from HK\$228,072,000 to HK\$230,472,000 (2000: from HK\$217,866,000 to HK\$235,066,000).

#### Leases

SSAP 14 (Revised) "Leases" has introduced some amendments to the basis of accounting for finance and operating leases, and to the disclosures specified for the Group's leasing arrangements. These changes have not had any material effect on the results for the current or prior accounting periods and, accordingly, no prior period adjustment has been required. Disclosures for all of the Group's leasing arrangements have been modified so as to comply with the requirements of SSAP 14 (Revised). Comparative amounts and disclosure have been restated in order to achieve a consistent presentation.

### 1. 緒言

本公司是於百慕達成立的有限責任公司，本公司股份在香港聯合交易所有限公司上市。

本公司是一家投資控股公司。本公司之附屬公司的主要業務載於附註14內。

### 2. 採納一般會計實務準則

本年度，本集團首次採納香港會計師公會頒佈之多項新設及經修訂會計實務準則。採納此等會計實務準則導致本集團會計政策出現多項變動修訂之會計政策載於附註3內。此外，新設及經修訂之會計實務準則引入額外及經修改之披露規定，而本集團財務報表已採納該等規定。上年度之比較金額及披露已經重列，以令呈報方式一致。

採納新設及經修訂之會計實務準則導致本集團之會計政策出現以下變動。因此影響本年度或過往年度呈報之金額。

#### 結算日後建議或宣派之股息

根據會計實務準則第9號(經修訂)「結算日後事項」，於結算日後建議或宣派之股息不被確認為結算日之負債，但於財務報表之附註中以個別項目披露。此項會計政策之變動已作追溯應用，因此出現往年度調整，引至二零零一年及二零零零年之末期股息2,400,000港元及17,200,000港元不需確認為負債，此變動令二零零一年三月三十一日之儲備增加2,400,000港元(二零零零年：17,200,000港元)，及令股東資金於該日由228,072,000港元增加至230,472,000港元(二零零零年：由217,866,000港元增加至235,066,000港元)。

#### 租約

會計實務準則第14條(經修訂)「租約」已對融資及營業租約之會計準則及本集團之租約安排之規定披露作出若干修訂。此等變動對本會計年度或過往會計年度之業績並無大影響，因此無須作出過往年度調整。本集團所有租約安排之披露已予以修改，以符合會計實務準則第14條(經修訂)之規定。比較金額及披露已經重列，以令呈報方式一致。

## Notes to the Financial Statements

### 3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention and have been prepared in accordance with accounting principles generally accepted in Hong Kong. The principal accounting policies adopted are as follows:

#### **Basis of consolidation**

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

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

#### **Goodwill**

Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary, associate or jointly controlled entity at the date of acquisition. Goodwill is recognised as an asset and amortised on a straight-line basis over its useful economic life.

Goodwill arising on the acquisition of an associate or a jointly controlled entity is included within the carrying amount of the associate or jointly controlled entity. Goodwill arising on the acquisition of subsidiaries is presented separately in the balance sheet.

#### **Investments in subsidiaries**

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

### 3. 主要會計政策

本財務報表是以歷史成本作為編製基準，並已按照香港公認會計原則編製。主要採用之會計政策如下：

#### 編製綜合賬目之基準

綜合財務報表包括本公司及其所有附屬公司截至當年三月三十一日的財務報表。

是年收購或出讓之附屬公司的業績，由收購日期起或至出讓日期止已包括在綜合收益表內。

#### 商譽

因綜合方式而產生之商譽，即投資成本超過本集團於收購日所分派得附屬公司，聯營公司及聯合控制公司之資產及負債之合理權益，商譽會被確認為資產及按其預計可用年限以直線法攤銷。

因收購聯營公司或聯合控制之公司而產生之商譽已包括於聯營公司或聯合控制之公司的賬面上。因收購附屬公司而產生之商譽已於資產負債表中反映。

#### 附屬公司投資

附屬公司之投資以成本減去可確定之減值虧損已包括於公司之資產負債表內。

## Notes to the Financial Statements

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Revenue recognition

##### *Construction contracts*

When the outcome of a construction contract can be estimated reliably, revenue from fixed price construction contracts is recognised on the percentage of completion method, measured by reference to the value of work carried out during the year. Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer.

When the outcome of construction contract can be estimated reliably, revenue from cost plus contracts is recognised by reference to the recoverable costs incurred during the year plus the fee earned, measured by the proportion that costs incurred to date bear to the estimated total costs of the contract.

When the outcome of a construction contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable.

##### *Other*

Sales of other goods are recognised when goods are delivered and title has passed.

Service income is recognised when services are provided.

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

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

### 3. 主要會計政策(續)

#### 收入確認

##### 建造合約

在可以可靠地預測建造合約成果時，固定價格之建造合約其收益以該年度已完成工程之價值按完成階段確認入賬內，至於與客戶達成協議之工程後加項、索償及獎勵款項亦可包括在內。

在可以可靠地預測建造合約成果時，按成本後增加價格之工程，其確認之收益乃參照該年度可收回之支出另加可賺取之費用。並根據當時已發生成本佔合約之預測總成本之比例計算。

在不可以可靠地預測建造合約成果時，確認收益只限於可收回之已發生之成本。

##### 其他

銷售其他貨品會於貨品送出及其擁有權轉移後確認。

服務收益於服務提供後確認。

銀行存款之利息收益以時間基礎計入，並參照當時之本金及息率。

投資之股息收益於股東確定有權收取股息後確認。

## Notes to the Financial Statements

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Property, plant and equipment

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

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

Land and buildings	Over the unexpired terms of the land use rights period
Leasehold improvements	10%
Furniture, fixtures and office equipment	10%
Plant and machinery	10%
Computer equipment	20%
Motor vehicles	20%

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

Assets held under finance leases are depreciated over their estimated useful lives on the same basis as assets owned by the Group or, where shorter, the term of the relevant leases.

#### Impairment

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

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

### 3. 主要會計政策(續)

#### 物業、廠房及設備

物業、廠房及設備是按成本減去折舊及累計減值虧損(如有)入賬。

物業、廠房及設備就其估計可使用年期及其估計之剩餘價值計算折舊撥備，以直線法攤銷其成本，所採用之年率如下：

土地及樓宇	按未屆滿之土地使用權年期
租賃物業裝修	10%
傢俬及裝置	10%
廠房及機器	10%
電腦設備	20%
汽車	20%

出售或棄用資產之盈虧乃指出售所得款項與有關資產賬面值之差額，於確認後計入收益表。

以租購合約方式擁有之資產，其折舊與本集團自置之資產以其估計可使用年期之基礎相同，或以有關租約之較短年期為準。

#### 減值

於各結算日，本集團會審閱其有形及無形資產的賬面值，以釐定該等資產是否出現減值虧損。倘資產的可收回數額估計少於其賬面值，則資產的賬面值將降至可收回數額。減值虧損會即時確認為開支。

倘減值虧損其後減少，則有關資產的賬面值將回升至重新估計的可收回數額，而所增加的賬面值不超過假設該資產於過往年度並無確認減值虧損而釐定的賬面值，減值虧損的減少將即時列作收入。



## Notes to the Financial Statements

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Assets held under finance leases

Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards of ownership of the assets concerned to the Group. Assets held under finance leases are capitalised at their fair values at the date of acquisition. The corresponding liability to the lessor, net of interest charges, is included in the balance sheet as a finance lease obligation. Finance costs, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are charged to the income statement over the period of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

All other leases are classified as operating leases and the annual rentals are charged to the income statement on a straight-line basis over the relevant lease term.

#### Foreign currencies

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

On consolidation, the financial statements of overseas operations and subsidiaries which are denominated in currencies other than the Hong Kong dollar are translated at the rates ruling on the balance sheet date. All exchange differences arising on consolidation are dealt with in reserves.

#### Taxation

The charge for taxation is based on the results for the year as adjusted for items which are non-assessable or disallowed. Timing differences arise from the recognition for tax purposes of certain items of income and expense in a different accounting period from that in which they are recognised in the financial statements. The tax effect of timing differences, computed using the liability method, is recognised as deferred taxation in the financial statements to the extent that it is probable that a liability or asset will crystallise in the foreseeable future.

### 3. 主要會計政策(續)

#### 租購合約之資產

凡於租期內資產所有權與絕大部份風險及回報轉移往本集團之租約，均列作租購合約。根據租購合約持有之資產按收購當日之公平值撥充資本。向出租人履行之有關責任(已扣除有關利息支出)於資產負債表內列作租購合約承擔。融資費用即租金承擔總額與所收購資產公平值之差額，將按有關租約年期自收益表扣除，以定期定額支出於每個會計年度之承擔餘額中扣除。

所有其他租約均列作經營租約，而年度租金以直線法按有關租期自收益表扣除。

#### 外幣換算

於有關期間進行之外幣交易，按交易日期之滙率換算為港元。以外幣為單位之貨幣性資產及負債則按結算日之滙率換算為港元。滙兌盈虧均撥入收益表中處理。

於綜合賬目時，以外幣入賬的附屬公司財務報表將按結算日的滙率換算為港元。綜合賬目時產生的所有滙況差額計入儲備。

#### 稅項

稅項是按該年度的業績，就毋須課稅或不獲扣除稅的項目作出調整後在賬內支銷。倘因課稅而確認若干收入及支出項目的會計期間與該等項目在財務報表中確認的期間有所不同，因此出現時差。其造成的稅項影響(以負債法計算)有可能在可見將來確定為稅項負債或資產，則該影響會在財務報表內確認為遞延稅項。

## Notes to the Financial Statements

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost method.

#### Construction contracts

When the outcome of a construction contract can be estimated reliably, contract costs are charged to the income statement by reference to the stage of completion of the contract activity at the balance sheet date, as measured by the value of work carried out during the year.

When the outcome of a construction contract cannot be estimated reliably, contract costs are recognised as an expense in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Where contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is shown as an amount due from customers for contract work. For contracts where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is shown as an amount due to customers for contract work. Amounts received before the related work is performed are included in the balance sheet as a liability, as advances received. Amounts billed for work performed but not yet paid by the customer are included in the balance sheet under trade and other receivables.

#### Retirement benefits scheme

The retirement benefit costs charged in the income statement represent the contributions payable in respect of the current year to the Group's Mandatory Provident Fund Scheme.

### 3. 主要會計政策(續)

#### 存貨

存貨乃以成本或可變現淨值兩者中之較低者入賬。

成本以加權平均法計算。

#### 建造合約

在可以可靠地預測建造合約成果時，合約成本乃按於結算日合約活動之完成階段計入於收益表內，並以該年度已完成工程之價值計算。

在不可以可靠地預測建造合約成果時，合約成本於其發生之期間獲確認為開支。

在總合約成本有可能超越總合約收入時，預期之虧損須即時確認為開支。

若建造合約之當時所有已發生成本加上已確認溢利扣除已確認虧損超越按進度付款項，則餘額以應收客戶之建造合約款項呈列。若按進度付款項超逾建造合約成本加上已確認溢利扣除已確認虧損，則餘額以應付客戶之建造合約款項呈列。若在有關之工程開始前收到之任何金額，必須在資產負債表內負債項目中之預付款項入賬。若已開發票收取客戶已完成工程款，但客戶仍未付，則有關款項在資產負債表以應收賬項及其他應收賬項入賬。

#### 退休金計劃

自收益表扣除之退休福利成本乃本年度應付之本集團強制性公積金計劃供款。

## Notes to the Financial Statements

### 4. TURNOVER

Turnover represents the sales value of goods sold to customers and service revenue from interior building works, and is analysed as follows:

	<b>2002</b> <b>HK\$'000</b>	2001 HK\$'000
Sales of furniture and fixtures	<b>176,281</b>	125,421
Service revenue from interior building works	<b>219,949</b>	153,468
	<b><u>396,230</u></b>	<u>278,889</u>

### 5. BUSINESS AND GEOGRAPHICAL SEGMENTS

The Group is mainly engaged in sales of furniture and fixtures and interior building works. This is the basis on which the Group reports its primary segment information.

#### Business segments

	<b>2002</b>		2001	
	<b>Consolidated</b>	<b>Contribution</b>	Consolidated	Contribution
	<b>turnover</b>	<b>to operating</b>	turnover	to operating
	<b>HK\$'000</b>	<b>profit</b>	HK\$'000	profit
	<b>HK\$'000</b>	<b>HK\$'000</b>	HK\$'000	HK\$'000
Sales of furniture and fixtures	<b>176,281</b>	<b>52,844</b>	125,421	74,120
Interior building works	<b>219,949</b>	<b>37,035</b>	153,468	15,663
Total	<b><u>396,230</u></b>	<b><u>89,879</u></b>	<u>278,889</u>	<u>89,783</u>
Other operating income		<b>3,280</b>		4,367
Unallocated corporate expenses		<b>(84,920)</b>		(76,111)
Profit from operations		<b>8,239</b>		18,039
Finance costs		<b>(2,725)</b>		(1,717)
Profit before taxation		<b>5,514</b>		16,322
Taxation credit (charge)		<b>451</b>		(2,247)
Profit after taxation		<b><u>5,965</u></b>		<u>14,075</u>

## 財務報表附註

### 4. 營業額

營業額指供應客戶貨品之銷售價值，以及提供室內裝飾工程之服務收入分析如下：

	二零零二年 千港元	二零零一年 千港元
傢俬及裝置銷售	<b>176,281</b>	125,421
提供室內裝飾工程服務所得之收入	<b>219,949</b>	153,468
	<b>396,230</b>	278,889

### 5. 業務及地域劃分資料

本集團主要從事傢俬及裝置銷售及室內裝飾工程，本集團亦以此為基本劃分資料報告。

#### 業務劃分

	二零零二年		二零零一年	
	綜合營業額 千港元	經營業務溢利 千港元	綜合營業額 千港元	經營業務溢利 千港元
傢俬及裝置銷售	<b>176,281</b>	<b>52,844</b>	125,421	74,120
室內裝飾工程	<b>219,949</b>	<b>37,035</b>	153,468	15,663
合計	<b>396,230</b>	<b>89,879</b>	278,889	89,783
其他經營收益		<b>3,280</b>		4,367
未分配之公司開支		<b>(84,920)</b>		(76,111)
經營溢利		<b>8,239</b>		18,039
財務成本		<b>(2,725)</b>		(1,717)
除稅前溢利		<b>5,514</b>		16,322
稅項		<b>451</b>		(2,247)
除稅後溢利		<b>5,965</b>		14,075

## Notes to the Financial Statements

### 5. BUSINESS AND GEOGRAPHICAL SEGMENTS (continued)

#### Balance sheet

	2002			2001		
	Sales of furniture and fixtures HK\$'000	Interior building works HK\$'000	Con- solidated HK\$'000	Sales of furniture and fixtures HK\$'000	Interior building works HK\$'000	Con- solidated HK\$'000
ASSETS						
Segment assets	<b>124,704</b>	<b>229,440</b>	<b>354,144</b>	139,080	205,869	344,949
Unallocated corporate assets			<b>1,328</b>			-
Consolidated total assets			<b>355,472</b>			344,949
LIABILITIES						
Segment liabilities	<b>49,164</b>	<b>54,905</b>	<b>104,069</b>	30,512	62,097	92,609
Unallocated corporate liabilities			<b>1,342</b>			1,868
Consolidated total liabilities			<b>105,411</b>			94,477

#### Other information

	2002		2001	
	Sales of furniture and fixtures HK\$'000	Interior building works HK\$'000	Sales of furniture and fixtures HK\$'000	Interior building works HK\$'000
Capital additions	<b>7,910</b>	<b>6,491</b>	22,349	26,754
Depreciation and amortisation	<b>8,895</b>	<b>10,022</b>	6,691	8,188

## 財務報表附註

### 5. 業務及地域劃分資料(續)

#### 資產負債表

	二零零二年			二零零一年		
	傢俬及 裝置銷售 千港元	室內裝飾 工程 千港元	綜合 千港元	傢俬及 裝置銷售 千港元	室內裝飾 工程 千港元	綜合 千港元
資產						
分類資產	<b>124,704</b>	<b>229,440</b>	<b>354,144</b>	139,080	205,869	344,949
未分類公司資產			<b>1,328</b>			—
綜合總資產			<b>355,472</b>			<b>344,949</b>
負債						
分類負債	<b>49,164</b>	<b>54,905</b>	<b>104,069</b>	30,512	62,097	92,609
未分類公司負債			<b>1,342</b>			1,868
綜合總負債			<b>105,411</b>			<b>94,477</b>

#### 其他資料

	二零零二年		二零零一年	
	傢俬及 裝置銷售 千港元	室內裝飾 工程 千港元	傢俬及 裝置銷售 千港元	室內裝飾 工程 千港元
資產開支	<b>7,910</b>	<b>6,491</b>	22,349	26,754
折舊及攤銷	<b>8,895</b>	<b>10,022</b>	6,691	8,188



## Notes to the Financial Statements

### 5. BUSINESS AND GEOGRAPHICAL SEGMENTS (continued)

#### Geographical segments

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

	Sales revenue by geographical market	
	2002 HK\$'000	2001 HK\$'000
Mainland China	<b>190,844</b>	93,355
Hong Kong SAR	<b>150,331</b>	108,912
Other countries in Asia	<b>23,779</b>	19,236
Europe and America	<b>29,826</b>	30,442
Others	<b>1,450</b>	26,944
	<b>396,230</b>	278,889

Contribution to operating profit by geographical market has not been presented as the contribution to operating profit from each market is closely proportional to the turnover attributable to that market.

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

	Carrying amount of segment assets		Additions to property, plant and equipment	
	2002 HK\$'000	2001 HK\$'000	2002 HK\$'000	2001 HK\$'000
Mainland China	<b>255,529</b>	254,520	<b>12,983</b>	44,835
Hong Kong SAR	<b>90,954</b>	80,000	<b>1,194</b>	3,935
Other countries in Asia	<b>7,661</b>	10,429	<b>224</b>	333
Unallocated	<b>1,328</b>	-	-	-
	<b>355,472</b>	344,949	<b>14,401</b>	49,103

## 財務報表附註

### 5. 業務及地域劃分資料(續)

#### 地域劃分

下表所載列之分析是根據銷售地域而作出的，並沒有考慮產品／服務的原產地域：

	按地域市場劃分的營業額	
	二零零二年 千港元	二零零一年 千港元
中國內地	<b>190,844</b>	93,355
香港特別行政區	<b>150,331</b>	108,912
亞洲其他國家	<b>23,779</b>	19,236
歐洲及美洲	<b>29,826</b>	30,442
其他	<b>1,450</b>	26,944
	<b>396,230</b>	278,889

每一個地域市場之經營溢利貢獻大致與其所佔營業額成比例，因此按地域劃分之經營溢利貢獻並沒有列載。

下表是按其所在地域劃分的分類資產，物業、廠房、設備及無形資產之賬面值：

	賬面值 分類資產		物業、廠房 及設備 的資產開支	
	二零零二年 千港元	二零零一年 千港元	二零零二年 千港元	二零零一年 千港元
中國內地	<b>255,529</b>	254,520	<b>12,983</b>	44,835
香港特別行政區	<b>90,954</b>	80,000	<b>1,194</b>	3,935
亞洲其他國家	<b>7,661</b>	10,429	<b>224</b>	333
未分類	<b>1,328</b>	—	—	—
	<b>355,472</b>	344,949	<b>14,401</b>	49,103

## Notes to the Financial Statements

### 6. OTHER OPERATING INCOME

	<b>2002</b>	2001
	<b>HK\$'000</b>	HK\$'000
Interest income	<b>818</b>	2,595
Exchange gain	<b>1,176</b>	1,045
Sundry income	<b>1,286</b>	727
	<b>3,280</b>	4,367

### 7. PROFIT FROM OPERATIONS

	<b>2002</b>	2001
	<b>HK\$'000</b>	HK\$'000
Profit from operations has been arrived at after charging (crediting):		
Auditors' remuneration	<b>669</b>	703
Depreciation		
Owned assets	<b>16,029</b>	13,595
Assets held under finance leases	<b>2,888</b>	1,284
Staff costs:		
Directors' remuneration (note 9)	<b>10,913</b>	10,865
Salaries and allowances	<b>61,973</b>	54,776
Retirement benefit scheme contributions	<b>1,542</b>	1,915
	<b>74,428</b>	67,556
Allowance for bad debts	<b>1,401</b>	-
(Gain) loss on disposals of property, plant and equipment	<b>(23)</b>	995
Operating lease rentals paid in respect of rented properties	<b>5,525</b>	5,206
Licence and royalty fees	<b>776</b>	1,779

## 財務報表附註

### 6. 其他經營收益

	二零零二年 千港元	二零零一年 千港元
利息收入	818	2,595
滙兌收益	1,176	1,045
其他收入	1,286	727
	<b>3,280</b>	<b>4,367</b>

### 7. 經營溢利

	二零零二年 千港元	二零零一年 千港元
經營溢利已扣除(計入)下列項目：		
核數師酬金：	669	703
折舊		
自置資產	16,029	13,595
按租購合約持有之資產	2,888	1,284
員工成本：		
董事酬金(附註9)	10,913	10,865
薪金及津貼	61,973	54,776
退休金供款	1,542	1,915
	<b>74,428</b>	<b>67,556</b>
壞賬準備	1,401	—
出售物業、廠房及設備之(溢利)虧損	(23)	995
物業之經營租約費用	5,525	5,206
特許經營及專利費用	776	1,779
	<b>83,029</b>	<b>77,551</b>

## Notes to the Financial Statements

### 8. FINANCE COSTS

	<b>The Group</b>	
	<b>2002</b> HK\$'000	2001 HK\$'000
Interest on:		
Bank loans and other borrowings wholly repayable within five years	<b>1,253</b>	1,007
Finance leases	<b>1,472</b>	710
	<u><b>2,725</b></u>	<u>1,717</u>

### 9. DIRECTORS' EMOLUMENTS

	<b>The Group</b>	
	<b>2002</b> HK\$'000	2001 HK\$'000
Fees to independent non-executive directors	<b>113</b>	100
Other emoluments to executive directors:		
– Salaries and other benefits	<b>10,450</b>	10,435
– Contributions to retirement benefits schemes	<b>350</b>	330
	<u><b>10,800</b></u>	<u>10,765</u>
Total emoluments	<u><b>10,913</b></u>	<u>10,865</u>

## 財務報表附註

### 8. 財務成本

	本集團	
	二零零二年 千港元	二零零一年 千港元
於五年內到期償還之銀行貸款及其他借貸利息	<b>1,253</b>	1,007
租購合約承擔之財務費用	<b>1,472</b>	710
	<b>2,725</b>	1,717

### 9. 董事酬金

	本集團	
	二零零二年 千港元	二零零一年 千港元
獨立非執行董事之袍金	<b>113</b>	100
執行董事之酬金		
薪金及其他福利	<b>10,450</b>	10,435
退休金供款	<b>350</b>	330
	<b>10,800</b>	10,765
酬金總額	<b>10,913</b>	10,865

## Notes to the Financial Statements

### 9. DIRECTORS' EMOLUMENTS (continued)

The emoluments of the directors were within the following bands:

	<b>Number of directors</b>	
	<b>2002</b>	2001
Nil to HK\$1,000,000	<b>3</b>	2
HK\$1,000,001 to HK\$1,500,000	<b>4</b>	4
HK\$1,500,001 to HK\$2,000,000	<b>3</b>	3
	<hr/>	<hr/>

The five highest paid individuals of the Group in 2002 and 2001 were all directors of the Company and details of their emoluments are included above.

### 10. TAXATION CREDIT (CHARGE)

	<b>2002</b>	2001
	<b>HK\$'000</b>	HK\$'000
Hong Kong Profits Tax		
– current year	<b>(841)</b>	(2,857)
– overprovision in prior years	<b>1,287</b>	610
	<hr/>	<hr/>
	<b>446</b>	(2,247)
Taxation credit outside Hong Kong	<b>5</b>	–
	<hr/>	<hr/>
	<b>451</b>	(2,247)
	<hr/>	<hr/>

The provision for Hong Kong Profits Tax is calculated at 16% (2001: 16%) of the estimated assessable profits for the year.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdiction.

Details of deferred taxation are set out in note 23.

### 9. 董事酬金 (續)

酬金在以下範圍內的董事數目如下：

	董事數目	
	二零零二年	二零零一年
無 – 1,000,000港元	<b>3</b>	2
1,000,001港元 – 1,500,000港元	<b>4</b>	4
1,500,001港元 – 2,000,000港元	<b>3</b>	3
	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>

於二零零一及二零零二年度，五位最高酬金人士均為本公司董事，其酬金已包括如上。

### 10. 稅項

	二零零二年 千港元	二零零一年 千港元
香港利得稅		
本年度	<b>(841)</b>	(2,857)
已往年度超額準備	<b>1,287</b>	610
	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
	<b>446</b>	(2,247)
香港境外稅項	<b>5</b>	—
	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
	<b>451</b>	(2,247)
	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>

香港利得稅準備乃根據稅率16%(二零零一年：16%)就本年度之估計課稅溢利計算。

其他管轄地區的稅項，則根據有關地區之適用稅率計算。

遞延稅項之詳細資料載於附註23。



## Notes to the Financial Statements

### 11. DIVIDENDS

	<b>2002</b>	2001
	<b>HK\$'000</b>	HK\$'000
Interim dividend paid – 1.5 cents (2001: 1.0 cent) per share	<b>3,000</b>	2,000
Final dividend proposed – Nil (2001: 1.2 cents) per share	<b>-</b>	2,400
	<b><u>3,000</u></b>	<u>4,400</u>

### 12. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share is based on the following data:

	<b>The Group</b>	
	<b>2002</b>	2001
	<b>HK\$'000</b>	HK\$'000
<b>Earnings</b>		
Earnings for the purposes of basic and diluted per share (net profit for the year)	<b><u>5,965</u></b>	<u>14,075</u>
	<b>'000</b>	'000
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purpose of basic earnings per share	<b><u>200,000</u></b>	<u>200,000</u>
Effect of dilutive share options	<b><u>528</u></b>	
Weighted average number of ordinary shares for the purpose of diluted earnings per share	<b><u>200,528</u></b>	

## 11 股息

	二零零二年 千港元	二零零一年 千港元
已派中期股息－每股1.5仙(二零零一年：1仙)	3,000	2,000
建議不派發末期股息(二零零一年：1.2仙)	—	2,400
	<u>3,000</u>	<u>4,400</u>

## 12. 每股盈利

每股基本及攤薄盈利乃根據以下數據計算：

	本集團	
	二零零二年 千港元	二零零一年 千港元
<b>盈利</b>		
用以計算每股基本及攤薄盈利之盈利 (本年度純利)	<u>5,965</u>	<u>14,075</u>
	千股	千股
<b>股份數量</b>		
用以計算每股基本盈利之加權平均股份數量	<u>200,000</u>	<u>200,000</u>
股份認購權之攤薄效果	<u>528</u>	
用以計算每股攤薄盈利之加權平均股份數量	<u>200,528</u>	

## Notes to the Financial Statements

### 13. PROPERTY, PLANT AND EQUIPMENT

	<b>Land and buildings</b>	<b>Leasehold improve- ments</b>	<b>Plant and machinery</b>	<b>Computer equipment</b>	<b>Furniture, fixtures and office equipment</b>	<b>Motor vehicles</b>	<b>Total</b>
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
THE GROUP							
COST:							
At 1 April 2001	33,422	46,265	104,473	5,746	11,909	4,863	206,678
Additions	-	4,181	7,849	919	1,446	6	14,401
Disposals	-	-	(1,543)	(411)	(283)	-	(2,237)
At 31 March 2002	<u>33,422</u>	<u>50,446</u>	<u>110,779</u>	<u>6,254</u>	<u>13,072</u>	<u>4,869</u>	<u>218,842</u>
DEPRECIATION AND AMORTISATION:							
At 1 April 2001	7,032	21,034	35,839	3,893	4,441	3,749	75,988
Charge for the year	1,573	4,415	10,521	892	1,331	185	18,917
Eliminated on disposals	-	-	(1,469)	(395)	(140)	-	(2,004)
At 31 March 2002	<u>8,605</u>	<u>25,449</u>	<u>44,891</u>	<u>4,390</u>	<u>5,632</u>	<u>3,934</u>	<u>92,901</u>
NET BOOK VALUES:							
At 31 March 2002	<u>24,817</u>	<u>24,997</u>	<u>65,888</u>	<u>1,864</u>	<u>7,440</u>	<u>935</u>	<u>125,941</u>
At 31 March 2001	<u>26,390</u>	<u>25,231</u>	<u>68,634</u>	<u>1,853</u>	<u>7,468</u>	<u>1,114</u>	<u>130,690</u>

All land and buildings of the Group are located in the People's Republic of China under medium-term leases. The Group is granted the right to use the land, including construction of buildings thereon, until 2018.

The net book value of property, plant and equipment of the Group includes an amount of approximately HK\$23,343,000 (2001: HK\$26,204,000) in respect of assets and held under finance leases.

At 31 March 2002, land and buildings of the Group with net book value of approximately HK\$8,177,000 (2001: HK\$8,717,000) were pledged with a bank to secure a loan granted to the Group.

## 財務報表附註

### 13. 物業、廠房及設備

	土地及樓宇 千港元	租賃物業 裝修 千港元	廠房及 機器 千港元	電腦設備 千港元	傢俬及 裝置 千港元	汽車 千港元	總額 千港元
本集團							
成本：							
於二零零一年四月一日	33,422	46,265	104,473	5,746	11,909	4,863	206,678
添置	—	4,181	7,849	919	1,446	6	14,401
出售	—	—	(1,543)	(411)	(283)	—	(2,237)
於二零零二年 三月三十一日	33,422	50,446	110,779	6,254	13,072	4,869	218,842
折舊及攤銷：							
於二零零一年四月一日	7,032	21,034	35,839	3,893	4,441	3,749	75,988
本年度提備	1,573	4,415	10,521	892	1,331	185	18,917
出售撥回	—	—	(1,469)	(395)	(140)	—	(2,004)
於二零零二年 三月三十一日	8,605	25,449	44,891	4,390	5,632	3,934	92,901
賬面淨值：							
於二零零二年 三月三十一日	24,817	24,997	65,888	1,864	7,440	935	125,941
於二零零一年 三月三十一日	26,390	25,231	68,634	1,853	7,468	1,114	130,690

本集團所擁有之土地及樓宇皆在中國內地，並根據中期租約持有。本集團獲授可使用土地(包括於其上興建樓宇)之權利，直止二零一八年。

本集團按租購合約持有之物業、廠房及設備之總賬面淨值為23,343,000港元(二零零一年：26,204,000港元)。

於二零零二年三月三十一日，賬面淨值為8,177,000港元(二零零一年：8,717,000港元)之土地及樓宇，已抵押給一間銀行，作為給予本集團貸款之抵押。

## Notes to the Financial Statements

### 14. INTEREST IN SUBSIDIARIES

**The Company**  
**2002 & 2001**  
HK\$'000

Unlisted shares, at cost

**170,160**

Details of the Company's subsidiaries at 31 March 2002 are as follows:

Name of company	Place of incorporation/ establishment and operations	Nominal value of issued/ registered capital	Proportion of nominal value of issued capital/ registered capital held by the Company		Principal activity
			Directly	Indirectly	
Decca Investment Limited	British Virgin Islands	10,000 shares of US\$1 each	100%	-	Investment holding
Decca (Mgt) Limited ("DML") (formerly known as Decca Limited)	Hong Kong	10 ordinary shares of HK\$100 each 145,600 non-voting deferred shares of HK\$100 each**	-	100%	Management services
Decca Limited	Hong Kong	2 ordinary shares of HK\$1 each	-	100%	Provision of interior decoration works
Decca (HK) Limited	Hong Kong	2 ordinary shares of HK\$1 each	-	100%	Trading of furniture
Decca (China) Limited	Hong Kong	100,000 shares of HK\$1 each	-	100%	Provision of subcontracting services to group companies
Decca Furniture Limited	Hong Kong	100,000 shares of HK\$1 each	-	100%	Trading of furniture

## 財務報表附註

### 14. 所佔附屬公司之權益

本公司  
二零零二年及二零零一年  
千港元

非上市股份(成本)

**170,160**

以下為本公司於二零零二年三月三十一日之主要附屬公司之詳情：

公司名稱	註冊／成立 及營運地點	已發行／ 註冊資本	應佔股權百分比		主要業務
			直接	間接	
Decca Investment Limited	英屬處女群島	10,000股 每股面值1美元	100%	—	投資控股
達藝室內工程(管理) 有限公司 (以前的名稱為達藝 室內工程有限公司) (「香港達藝」)	香港	10股普通股 每股面值100港元 145,600每股面值 100港元之無投票權 遞延股份**	—	100%	管理服務
達藝室內工程 有限公司	香港	2股普通股 每股面值1港元	—	100%	提供室內裝修 工程
達藝(香港)有限公司	香港	2股普通股 每股面值1港元	—	100%	傢俬買賣
達藝室內設計工程 (中國)有限公司	香港	100,000股 每股面值1港元	—	100%	向集團公司 提供加工服務
達藝傢具有限公司	香港	100,000股 每股面值1港元	—	100%	傢俬買賣

## Notes to the Financial Statements

### 14. INTEREST IN SUBSIDIARIES (continued)

Name of company	Place of incorporation/ establishment and operations	Nominal value of issued/ registered capital	Proportion of nominal value of issued capital/ registered capital held by the Company		Principal activity
			Directly	Indirectly	
HBF (HK) Limited	Hong Kong	10,000 shares of HK\$1 each	-	100%	Trading of furniture
Decca Overseas (S) Pte Ltd*	Singapore	2 shares of SG\$1 each	-	100%	Trading of furniture
HBF Showroom Pte Ltd*	Singapore	750,000 shares of SG\$1 each	-	100%	Trading of furniture
東莞達藝傢俬有限公司*	The People's Republic of China	\$50,000,000	-	100%	Manufacture of furniture and decoration materials
東莞益新傢俬裝飾有限公司*	The People's Republic of China	\$3,600,000	-	100%	Manufacture of furniture and provision of after-sale services

\* Companies not audited by Deloitte Touche Tohmatsu

\*\* The shareholders of the non-voting deferred shares are only entitled to dividends when the total dividends declared by DML for any financial year exceeding \$1 trillion and, in the case of winding up of DML, are only entitled to receive a return of assets when the total value of assets of DML for distribution exceeding \$5 billion.

## 財務報表附註

### 14. 所佔附屬公司之權益(續)

公司名稱	註冊／成立 及營運地點	已發行／ 註冊資本	應佔股權百分比		主要業務
			直接	間接	
HBF (HK) Limited	香港	10,000股 每股面值1港元	—	100%	傢俬買賣
Decca Overseas (S) Pte Ltd *	新加坡	2股 每股面值1新加坡元	—	100%	傢俬買賣
HBF Showroom Pte Ltd *	新加坡	750,000股 每股面值1新加坡元	—	100%	傢俬買賣
東莞達藝傢俬有限公司*	中華人民共和國	50,000,000港元	—	100%	傢俬及 裝修材料製造
東莞益新傢俬裝飾有限公司*	中華人民共和國	3,600,000港元	—	100%	傢俬製造及提供 銷售後服務

\* 此等公司非由德勤•關黃陳方會計師行審核

\*\* 香港達藝無投票權延遞股份之持有人只於香港達藝在某一財政年度宣佈分派之股息超逾10,000億港元時方可獲派股息。如香港達藝清盤，則此等股份之持有人只有在香港達藝之可分派資產值超逾50億港元方可獲得發還資產。



## Notes to the Financial Statements

### 15. INVENTORIES

	The Group	
	2002 HK\$'000	2001 HK\$'000
Raw materials	26,011	30,810
Work in progress	8,820	49,885
Finished goods	4,159	1,564
	<b>38,990</b>	82,259

Included in inventories are raw materials of approximately HK\$1,828,000 (2001: Nil) and finished goods of approximately HK\$823,000 (2001: HK\$635,000) which are carried at net realisable value.

### 16. AMOUNTS DUE FROM (TO) CUSTOMERS FOR CONTRACT WORK

	The Group	
	2002 HK\$'000	2001 HK\$'000
Contracts in progress at the balance sheet date		
Contract costs incurred plus recognised profits less		
recognised losses	246,865	80,047
Less: Progress billings	(158,908)	(51,699)
	<b>87,957</b>	28,348
Analysed for reporting purpose as:		
Due from customers included in current assets	90,110	28,348
Due to customers included in current liabilities	(2,153)	-
	<b>87,957</b>	28,348

At 31 March 2002, there were approximately HK\$15,561,000 (2001: HK\$11,052,000) retention monies held by customers for contract work performed and there were no advances received from customers for contract work performed for both years.

## 財務報表附註

### 15. 存貨

	本集團	
	二零零二年 千港元	二零零一年 千港元
原料	26,011	30,810
在製品	8,820	49,885
製成品	4,159	1,564
	<u>38,990</u>	<u>82,259</u>

存貨包括約值1,828,000港元(二零零一年：零)之原料及約值823,000港元(二零零一年：635,000港元)之製成品，是以可變現淨值入賬。

### 16. 應收(應付)客戶之建造合約款項

	本集團	
	二零零二年 千港元	二零零一年 千港元
於結算日之在建中合約工程		
合約成本加已確認溢利及減已確認虧損	246,865	80,047
減：按進度付款項	<u>(158,908)</u>	<u>(51,699)</u>
	<u>87,957</u>	<u>28,348</u>
作報告之用的分析如下：		
應收客戶款項已包括在流動資產內	90,110	28,348
應付客戶款項已包括在流動負債內	<u>(2,153)</u>	<u>—</u>
	<u>87,957</u>	<u>28,348</u>

於二零零二年三月三十一日，本集團之客戶就合約工程而持有保固金約為15,561,000港元(二零零一年：11,052,000港元)，而本集團在上述兩個年度並無從客戶就合約工程而收取預付款項。

## Notes to the Financial Statements

### 17. TRADE DEBTORS

The following is an aged analysis of trade debtors at the reporting date:

	The Group	
	2002 HK\$'000	2001 HK\$'000
0-90 days	<b>43,278</b>	38,211
> 90 days	<b>19,134</b>	29,902
	<b>62,412</b>	68,113

Debts are due within 30 days from the date of billing.

### 18. TRADE CREDITORS

The following is an aged analysis of trade creditors at the reporting date:

	The Group	
	2002 HK\$'000	2001 HK\$'000
0-90 days	<b>6,917</b>	14,037
> 90 days	<b>3,678</b>	7,451
	<b>10,595</b>	21,488

### 17. 應收貿易賬項

於結算日之應收貿易賬項的賬齡分析如下：

	本集團	
	二零零二年 千港元	二零零一年 千港元
零至九十天	<b>43,278</b>	38,211
九十天以上	<b>19,134</b>	29,902
	<b><u>62,412</u></b>	<u>68,113</u>

貿易賬項於發單後三十天內繳付。

### 18. 應付貿易賬項

於結算日之應付貿易賬項的賬齡分析如下：

	本集團	
	二零零二年 千港元	二零零一年 千港元
零至九十天	<b>6,917</b>	14,037
九十天以上	<b>3,678</b>	7,451
	<b><u>10,595</u></b>	<u>21,488</u>

## Notes to the Financial Statements

### 19. OBLIGATIONS UNDER FINANCE LEASES

	The Group			
	Minimum lease payments		Present value of minimum lease payments	
	2002 HK\$'000	2001 HK\$'000	2002 HK\$'000	2001 HK\$'000
Amounts payable under finance leases				
– within one year	<b>8,119</b>	8,089	<b>7,438</b>	6,698
– after one year but within two years	<b>4,603</b>	7,866	<b>4,393</b>	7,326
– after two years but within five years	<b>1,215</b>	5,177	<b>1,165</b>	4,559
	<b>13,937</b>	21,132	<b>12,996</b>	18,583
Less: Future finance charges	<b>(941)</b>	(2,549)	–	–
Present value of lease obligations	<b>12,996</b>	18,583	<b>12,996</b>	18,583
Less: Amount due for settlement within 12 months			<b>(7,438)</b>	(6,698)
Amount due for settlement after 12 months			<b>5,558</b>	11,885

It is the Group's policy to lease certain of its plant and equipment under finance leases. The average lease term is 3 years. For the year ended 31 March 2002, the average effective borrowing rate was 7%. Interest rates are fixed at the contract date or stated at prime rate. No arrangement have been entered into for contingent rental payments.

## 財務報表附註

### 19. 租購合約承擔

	本集團			
	最低償還額		最低償還額現值	
	二零零二年 千港元	二零零一年 千港元	二零零二年 千港元	二零零一年 千港元
應償還租購合約承擔				
一年內	<b>8,119</b>	8,089	<b>7,438</b>	6,698
一年後至兩年內	<b>4,603</b>	7,866	<b>4,393</b>	7,326
兩年後至五年內	<b>1,215</b>	5,177	<b>1,165</b>	4,559
	<b>13,937</b>	21,132	<b>12,996</b>	18,583
減：其後之財務費用	<b>(941)</b>	(2,549)	—	—
租購合約承擔現值	<b>12,996</b>	18,583	<b>12,996</b>	18,583
減：一年內須償還之款額			<b>(7,438)</b>	(6,698)
一年後須償還款額			<b>5,558</b>	11,885

本集團以租購合約形式租賃一些廠房及設備，租賃期平均為三年，在二零零二年三月三十一日止之年度內，平均借貸息率為7%。息率於租約日期固定或以最優惠利率計算。集團並無為或然租賃支出作出安排。

## Notes to the Financial Statements

### 20. BANK BORROWINGS

Bank borrowings comprise the following:

	<b>The Group</b>	
	<b>2002</b>	2001
	<b>HK\$'000</b>	HK\$'000
Bank loans	<b>22,959</b>	21,472
Bank overdrafts	<b>12,355</b>	-
	<b>35,314</b>	21,472
Secured	<b>9,715</b>	9,434
Unsecured	<b>25,599</b>	12,038
	<b>35,314</b>	21,472
The maturity of above loans and overdrafts is as follows:		
- within one year or on demand	<b>33,442</b>	17,680
- after one year but within two years	<b>1,872</b>	1,920
- after two years but within five years	<b>-</b>	1,872
	<b>35,314</b>	21,472
Less: Amount due within one year classified as current liabilities	<b>(33,442)</b>	(17,680)
	<b>1,872</b>	3,792

20. 銀行貸款

銀行貸款包括以下項目：

	本集團	
	二零零二年 千港元	二零零一年 千港元
銀行貸款	22,959	21,472
銀行透支	12,355	—
	<b>35,314</b>	21,472
有抵押	9,715	9,434
無抵押	25,599	12,038
	<b>35,314</b>	21,472
以上貸款及透支到期日如下：		
一年內或即時通知	33,442	17,680
一年後至兩年內	1,872	1,920
兩年後至五年內	—	1,872
	<b>35,314</b>	21,472
減：分列為流動負債的一年內到期款額	<b>(33,442)</b>	(17,680)
	<b>1,872</b>	3,792



## Notes to the Financial Statements

### 21. SHARE CAPITAL AND SHARE OPTIONS

	2002 & 2001	
	Number of shares	Nominal value HK\$'000
<b>Share capital</b>		
Ordinary shares of HK\$0.10 each:		
Authorised	400,000,000	40,000
Issued and fully paid	200,000,000	20,000

#### Share options

On 31 August 2001, options were granted under the Scheme to subscribe for 5,000,000 ordinary shares of the Company at any time between 1 September 2002 to 31 August 2007 at an exercise price of HK\$0.80 per share option.

No share option is exercised from the date of grant up to 31 March 2002.

## 21. 股本及購股權

	二零零二及二零零一年	
	股票數量	面值 千港元
<b>股本</b>		
每股面值港幣一角之普通股：		
法定	400,000,000	40,000
已發行及全數繳付	200,000,000	20,000

### 購股權

於二零零一年八月三十一日按計劃給予僱員本公司5,000,000普通股之購股權，此購股權可於二零零二年九月一日至二零零七年八月三十一日之任何時間內以每股0.8港元之行使價行使。

由給予日至二零零二年三月三十一日內並無購股權行使。

## Notes to the Financial Statements

### 22. RESERVES

	Share premium HK\$'000	Contributed surplus HK\$'000	Dividend reserve HK\$'000	Capital reserves HK\$'000	Translation reserve HK\$'000	Retained profits HK\$'000	Total HK\$'000
THE GROUP							
At 1 April 2000							
- as originally stated	47,918	18,865	-	8,662	316	142,105	217,866
- prior period adjustment (note 2)	-	-	17,200	-	-	-	17,200
- as restated	47,918	18,865	17,200	8,662	316	142,105	235,066
Share issue expenses	(278)	-	-	-	-	-	(278)
Profit for the year	-	-	-	-	-	14,075	14,075
Dividends proposed	-	-	4,400	-	-	(4,400)	-
Dividends paid	-	-	(19,200)	-	-	-	(19,200)
Exchange difference on translation of overseas subsidiaries	-	-	-	-	809	-	809
At 31 March 2001	47,640	18,865	2,400	8,662	1,125	151,780	230,472
Profit for the year	-	-	-	-	-	5,965	5,965
Dividend proposed	-	-	3,000	-	-	(3,000)	-
Dividends paid	-	-	(5,400)	-	-	-	(5,400)
Exchange differences on translation of overseas operations	-	-	-	-	(976)	-	(976)
At 31 March 2002	47,640	18,865	-	8,662	149	154,745	230,061

## 財務報表附註

### 22. 儲備

	股票溢價 千港元	繳入盈餘 千港元	股息儲備 千港元	資本儲備 千港元	外匯兌換 儲備 千港元	滾存溢利 千港元	總額 千港元
本集團							
於二零零零年四月一日							
— 原先所列	47,918	18,865	—	8,662	316	142,105	217,866
— 前期調整(附註2)	—	—	17,200	—	—	—	17,200
	<u>47,918</u>	<u>18,865</u>	<u>17,200</u>	<u>8,662</u>	<u>316</u>	<u>142,105</u>	<u>235,066</u>
— 重列	47,918	18,865	17,200	8,662	316	142,105	235,066
股票發行支出	(278)	—	—	—	—	—	(278)
本年度溢利	—	—	—	—	—	14,075	14,075
建議股息	—	—	4,400	—	—	(4,400)	—
已派股息	—	—	(19,200)	—	—	—	(19,200)
海外附屬公司							
滙兌差額	—	—	—	—	809	—	809
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>809</u>	<u>—</u>	<u>809</u>
於二零零一年三月三十一日	47,640	18,865	2,400	8,662	1,125	151,780	230,472
本年度溢利	—	—	—	—	—	5,965	5,965
建議股息	—	—	3,000	—	—	(3,000)	—
已派股息	—	—	(5,400)	—	—	—	(5,400)
海外附屬公司							
滙兌差額	—	—	—	—	(976)	—	(976)
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(976)</u>	<u>—</u>	<u>(976)</u>
於二零零二年三月三十一日	47,640	18,865	—	8,662	149	154,745	230,061
	<u>47,640</u>	<u>18,865</u>	<u>—</u>	<u>8,662</u>	<u>149</u>	<u>154,745</u>	<u>230,061</u>

## Notes to the Financial Statements

### 22. RESERVES (continued)

	Share premium HK\$'000	Contributed surplus HK\$'000	Dividend reserve HK\$'000	Retained profits (deficit) HK\$'000	Total HK\$'000
THE COMPANY					
At 1 April 2000					
- as originally stated	47,918	169,367	-	-	217,285
- prior period adjustment (note 2)	-	-	17,200	-	17,200
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
- as restated	47,918	169,367	17,200	-	234,485
Share issue expense	(278)	-	-	-	(278)
Profit for the year	-	-	-	4,615	4,615
Dividends proposed	-	-	4,400	(4,400)	-
Dividends paid	-	-	(19,200)	-	(19,200)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 1 April 2001	47,640	169,367	2,400	215	219,622
Profit for the year	-	-	-	2,141	2,141
Dividend proposed	-	-	3,000	(3,000)	-
Dividends paid	-	-	(5,400)	-	(5,400)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2002	47,640	169,367	-	(644)	216,363

Under the Bye-Laws of the Company, the share premium is distributable in the form of fully paid bonus shares.

Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus account of the Company is available for distribution. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus if:

- (1) it is, or would after the payment be, unable to pay its liabilities as they become due; or
- (2) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

## 財務報表附註

### 22. 儲備(續)

	股票溢價 千港元	繳入盈餘 千港元	股息儲備 千港元	滾存溢利 (赤字) 千港元	總額 千港元
本公司					
於二零零零年四月一日					
— 原先所列	47,918	169,367	—	—	217,285
— 前期調整(附註2)	—	—	17,200	—	17,200
	<u>47,918</u>	<u>169,367</u>	<u>17,200</u>	<u>—</u>	<u>234,485</u>
— 重列	47,918	169,367	17,200	—	234,485
股票發行支出	(278)	—	—	—	(278)
本年度溢利	—	—	—	4,615	4,615
建議股息	—	—	4,400	(4,400)	—
已派股息	—	—	(19,200)	—	(19,200)
	<u>47,640</u>	<u>169,367</u>	<u>2,400</u>	<u>215</u>	<u>219,622</u>
於二零零一年四月一日	47,640	169,367	2,400	215	219,622
本年度溢利	—	—	—	2,141	2,141
建議股息	—	—	3,000	(3,000)	—
已派股息	—	—	(5,400)	—	(5,400)
	<u>47,640</u>	<u>169,367</u>	<u>—</u>	<u>(644)</u>	<u>216,363</u>
於二零零二年三月三十一日	47,640	169,367	—	(644)	216,363

根據本公司章程細則，股票發行溢價可以已繳足紅股方式分派。

根據一九八一年之百慕達公司法(經修訂)，公司之繳入盈餘可派發給股東，在下列情況公司不可以從繳入盈餘中宣派或支付股息：

- (1) 因該支出而引至或將引至於到期日之負債未能償還；或
- (2) 資產之可變現值因而低於負債，已發行股本及股票溢價之總和。

## Notes to the Financial Statements

### 22. RESERVES (continued)

In the opinion of the directors, the Company's reserves available for distribution to shareholders were as follows:

	<b>2002</b>	2001
	<b>HK\$'000</b>	HK\$'000
Contributed surplus	<b>169,367</b>	169,367
Dividend reserve	-	2,400
(Deficit) retained earnings	<b>(644)</b>	215
	<b><u>168,723</u></b>	<u>171,982</u>

### 23. DEFERRED TAXATION

	<b>The Group</b>	
	<b>2002</b>	2001
	<b>HK\$'000</b>	HK\$'000
Balance at 31 March 2002 and 31 March 2001	<b><u>661</u></b>	<u>661</u>

At the balance sheet date, the major components of the deferred taxation (assets) liabilities, provided and unprovided, are as follows:

	<b>Provided</b>		<b>Unprovided</b>	
	<b>2002</b>	2001	<b>2002</b>	2001
	<b>HK\$'000</b>	HK\$'000	<b>HK\$'000</b>	HK\$'000
THE GROUP				
Tax effect of timing difference because of:				
Excess of tax allowances over depreciation	<b>661</b>	661	<b>4,709</b>	4,392
Tax losses	<b>-</b>	-	<b>(6,060)</b>	(1,612)
	<b><u>661</u></b>	<u>661</u>	<b><u>(1,351)</u></b>	<u>2,780</u>

## 財務報表附註

### 22. 儲備(續)

董事會認為，本公司可供分配予股東之儲備如下：

	二零零二年 千港元	二零零一年 千港元
繳入盈餘	169,367	169,367
股息儲備	—	2,400
(赤字)滾存溢利	(644)	215
	<u>168,723</u>	<u>171,982</u>

### 23. 遞延稅項

	本集團	
	二零零二年 千港元	二零零一年 千港元
於二零零二年三月三十一日及二零零一年三月三十一日結餘	<u>661</u>	<u>661</u>

於結算日，遞延稅項(資產)負債之主要項目包括已撥備及未作撥備之項目如下：

	已撥備		未作撥備	
	二零零二年 千港元	二零零一年 千港元	二零零二年 千港元	二零零一年 千港元
本集團				
因時間差異所造成的稅務影響				
折舊免稅項超過相關折舊	661	661	4,709	4,392
稅項虧損	—	—	(6,060)	(1,612)
	<u>661</u>	<u>661</u>	<u>(1,351)</u>	<u>2,780</u>



## Notes to the Financial Statements

### 24. RECONCILIATION OF PROFIT BEFORE TAXATION TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	<b>2002</b>	2001
	<b>HK\$'000</b>	HK\$'000
Profit before taxation	<b>5,514</b>	16,322
Interest income	<b>(818)</b>	(2,595)
Interest expenses	<b>2,725</b>	1,717
Depreciation	<b>18,917</b>	14,879
(Gain) loss on disposals of property, plant and equipment	<b>(23)</b>	995
Decrease (increase) in inventories	<b>43,269</b>	(35,152)
Decrease in trade debtors	<b>5,701</b>	13,205
(Increase) decrease in other debtors, deposits and prepayments	<b>(11,393)</b>	10,727
Increase in amounts due from customers for contract work	<b>(61,762)</b>	(28,348)
Decrease in bank deposits pledged	<b>-</b>	4,695
(Decrease) increase in trade creditors	<b>(10,893)</b>	3,757
Increase in other creditors and accruals	<b>11,945</b>	1,252
Decrease in amount due to affiliated company	<b>-</b>	(178)
Increase in amounts due to customers for contract work	<b>2,153</b>	-
Foreign exchange	<b>(976)</b>	662
	<hr/>	<hr/>
Net cash inflow from operating activities	<b>4,359</b>	1,938
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## 財務報表附註

### 24. 經營溢利就經營業務所得之現金流入淨額作調節

	二零零二年 千港元	二零零一年 千港元
經營溢利	<b>5,514</b>	16,322
利息收入	<b>(818)</b>	(2,595)
利息支出	<b>2,725</b>	1,717
折舊	<b>18,917</b>	14,879
出售物業、廠房及設備之(溢利)虧損	<b>(23)</b>	995
存貨減少／(增加)	<b>43,269</b>	(35,152)
應收貿易賬項減少	<b>5,701</b>	13,205
其他應收賬項、按金及預付款項(增加)／減少	<b>(11,393)</b>	10,727
應收客戶之建造合約款項增加	<b>(61,762)</b>	(28,348)
銀行抵押存款減少	—	4,695
應付貿易賬項(減少)／增加	<b>(10,893)</b>	3,757
其他應付賬項及應計款項增加	<b>11,945</b>	1,252
應付聯營公司款項減少	—	(178)
應付客戶之建造合約款項增加	<b>2,153</b>	—
滙兌	<b>(976)</b>	662
	<hr/>	<hr/>
經營業務所得之現金流入淨額	<b>4,359</b>	1,938
	<hr/>	<hr/>

## Notes to the Financial Statements

### 25. ANALYSIS OF CHANGES IN FINANCING DURING THE YEAR

	<b>Share capital and premium</b>	<b>Bank loans</b>	<b>Secured loan from finance company</b>	<b>Obligations under finance leases</b>
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 April 2000	67,918	7,397	1,519	6,161
New borrowings	-	20,632	-	-
Repayment of borrowings	-	(7,397)	(1,519)	(8,401)
Inception of finance lease contracts	-	-	-	20,823
Share issue expenses	(278)	-	-	-
	<u>67,640</u>	<u>20,632</u>	<u>-</u>	<u>18,583</u>
At 1 April 2001	67,640	20,632	-	18,583
New borrowings	-	22,959	-	-
Repayment of borrowings	-	(20,632)	-	(7,232)
Inception of finance lease contracts	-	-	-	1,645
	<u>67,640</u>	<u>22,959</u>	<u>-</u>	<u>12,996</u>
At 31 March 2002	<u>67,640</u>	<u>22,959</u>	<u>-</u>	<u>12,996</u>

### 26. MAJOR NON-CASH TRANSACTION

During the year, the Group entered into finance lease arrangements in respect of assets with a total capital value at the inception of the leases of approximately HK\$1,645,000 (2001: HK\$20,823,000).

### 27. ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS

	<b>2002 HK\$'000</b>	2001 HK\$'000
Bank balances and cash	<b>19,905</b>	30,146
Bank loan repayable within three months from the date of advance	-	(840)
Bank overdrafts	<b>(12,355)</b>	-
	<u><b>7,550</b></u>	<u>29,306</u>

## 財務報表附註

### 25. 年內融資變動分析

	股本及 股票 溢價 千港元	銀行貸款 千港元	有抵押 財務公司 貸款 千港元	租購合約 承擔 千港元
於二零零零年四月一日	67,918	7,397	1,519	6,161
新融資貸款	—	20,632	—	—
償還貸款	—	(7,397)	(1,519)	(8,401)
新增租購合約	—	—	—	20,823
發行股票支出	(278)	—	—	—
	<hr/>	<hr/>	<hr/>	<hr/>
於二零零一年四月一日	67,640	20,632	—	18,583
新融資貸款	—	22,959	—	—
償還貸款	—	(20,632)	—	(7,232)
新增租購合約	—	—	—	1,645
	<hr/>	<hr/>	<hr/>	<hr/>
於二零零二年三月三十一日	67,640	22,959	—	12,996

### 26. 主要非現金交易

年內，本集團就資產之總資本值作新增租購合約安排約為1,645,000港元(二零零一年：20,823,000港元)。

### 27. 現金及現金等值項目結存之分析

	二零零二年 千港元	二零零一年 千港元
銀行結存及現金	19,905	30,146
三個月以內到期之銀行定期貸款	—	(840)
銀行透支	(12,355)	—
	<hr/>	<hr/>
	7,550	29,306

## Notes to the Financial Statements

### 28. CONTINGENT LIABILITIES

#### THE GROUP

At 31 March 2002, there were contingent liabilities in respect of counter-guarantee, amounting to HK\$6,873,753 (2001: HK\$33,751,000), which was given by a subsidiary in favour of certain banks and insurance companies against any liabilities of these parties arising from non-compliance of the terms of interior building works being undertaken by a subsidiary.

#### THE COMPANY

A corporate guarantee of HK\$119,000,000 (2001: HK\$69,000,000) was given to banks to secure general banking facilities granted to the subsidiaries.

### 29. OPERATING LEASE COMMITMENTS

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

	The Group		The Company	
	2002 HK\$'000	2001 HK\$'000	2002 HK\$'000	2001 HK\$'000
Within one year	<b>2,887</b>	4,920	<b>1,810</b>	2,715
In the second to fifth year inclusive	<b>507</b>	3,545	<b>-</b>	1,810
	<b>3,394</b>	8,465	<b>1,810</b>	4,525

Leases are negotiated for an average term of three years and rentals are fixed for the lease period.

### 28. 或然負債

#### 本集團

於二零零二年三月三十一日，有保證之或然負債為6,873,753港元(二零零一年：33,751,000港元)，此乃由附屬公司給予銀行及保險公司、用以承擔因未能依據室內裝飾工程之條文而引發之負債。

#### 本公司

由於往來銀行給予附屬公司銀行備用信貸，已提供公司保證119,000,000港元(二零零一年：69,000,000港元)給有關往來銀行。

### 29. 經營租約承擔

於結算日，本集團對於以不能取消之經營租約形式租用之物業，其日後最低償還額到期日表列如下：—

	本集團		本公司	
	二零零二年 千港元	二零零一年 千港元	二零零二年 千港元	二零零一年 千港元
一年內	<b>2,887</b>	4,920	<b>1,810</b>	2,715
二至五年內	<b>507</b>	3,545	—	1,810
	<b>3,394</b>	8,465	<b>1,810</b>	4,525

租約訂定之平均期為三年，租約支出亦於租約期內固定。

## Notes to the Financial Statements

### 30. CAPITAL COMMITMENTS

	The Group	
	2002	2001
	HK\$'000	HK\$'000
Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the financial statements	-	1,660

### 31. RETIREMENT SCHEME

The Group operates a Mandatory Provident Fund Scheme for all qualifying employees. The assets of the schemes are held separately from those of the Group, in funds under the control of trustees.

### 32. RELATED PARTY TRANSACTIONS

During the year, the Group paid rentals of approximately HK\$2,715,000 (2001: HK\$2,715,000) in respect of the Group's office premises, showrooms and warehouses on normal commercial terms to a company in which certain shareholders and directors of the Company have beneficial interests.

Rental expenses paid to the related company was transacted with reference to the rental rates prevailing in the market.

### 30. 資本承擔

	本集團	
	二零零二年 千港元	二零零一年 千港元
有關購買物業、廠房及設備之資本費用、 已訂約但未於財務報表中作撥備	—	1,660

### 31. 退休金計劃

本集團對所有合資格之員工提供強制性公積金計劃，計劃中之資產與本集團分開並由受託人管理其基金。

### 32. 關連交易

於本年內按正常商業條文，集團已支付集團之辦公地方，陳列室、貨倉租金約2,715,000港元（二零零一年：2,715,000港元）給某公司，該公司之某些股東及董事乃本公司之股東及董事。

所付給關連公司之租金乃以當時市場之租金作參考。