

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

1. Organisation and Principal Activities

Hang Fung Gold Technology Limited (“the Company”) was incorporated in Bermuda on 4th December, 1997 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 16th March, 1999.

The Company is an investment holding company. Its subsidiaries are principally engaged in the design, manufacture and distribution of a broad range of gold products, other precious metal products and jewellery products. Its associates are principally engaged in trading and the operation of internet portal sites to facilitate China trade.

2. Principal Accounting Policies

The financial statements have been prepared in accordance with Statements of Standard Accounting Practice issued by the Hong Kong Society of Accountants, accounting principles generally accepted in Hong Kong, and the disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Principal accounting policies are summarised below:

1. 架構及主要業務

恒豐金業科技有限公司（「本公司」）於一九九七年十二月四日根據一九八一年百慕達公司法（修訂本）於百慕達註冊成立為享有豁免權之公司，股份由一九九九年三月十六日起在香港聯合交易所有限公司上市。

本公司為投資控股公司，其附屬公司主要從事設計、製造及分銷各種金飾、其他貴重金屬產品及珠寶首飾。其聯營公司主要從事貿易及經營促進中國商貿之互聯網入門網站。

2. 主要會計政策

財務報表乃按香港會計師公會頒布之標準會計實務準則，香港公認會計原則及香港公司條例之披露要求及香港聯合交易所有限公司證券上市規則而編撰。主要會計政策概述如下：

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(除另有註明者外，金額均以港元計算)

2. Principal Accounting Policies (continued)

a. Adoption of new/revised Statements of Standard Accounting Practice

Effective from 1st April, 2001, the Company, its subsidiaries and associates (together "the Group") have adopted, for the first time, the following Statements of Standard Accounting Practice ("SSAPs") issued by the Hong Kong Society of Accountants:

SSAP 9 (revised) 會計實務準則第9號(經修訂)	Events after the balance sheet date 結算日後事項
SSAP 14 (revised) 會計實務準則第14號(經修訂)	Leases 租賃
SSAP 26 會計實務準則第26號	Segment reporting 分類報告
SSAP 28 會計實務準則第28號	Provisions, contingent liabilities and contingent assets 撥備、或然負債及或然資產
SSAP 29 會計實務準則第29號	Intangible assets 無形資產
SSAP 30 會計實務準則第30號	Business combinations 業務合併
SSAP 31 會計實務準則第31號	Impairment of assets 資產減值
SSAP 32 會計實務準則第32號	Consolidated financial statements and accounting for investments in subsidiaries. 綜合財務報表及於附屬公司投資之會計處理

The adoption of the above new/revised SSAPs had no material effect on the Group's financial statements, other than as described below:

- i. SSAP 26 – Segment reporting
Segment information of the Group has been disclosed in Note 29 to the financial statements.

2. 主要會計政策(續)

a. 採納新訂／經修訂會計實務準則

由二零零一年四月一日起，本公司、其附屬公司及聯營公司(合稱「本集團」)首次採納以下由香港會計師公會頒佈之會計實務準則：

除下文所述者外，採納上述新訂／經修訂會計實務準則對本集團之財務報表並無重大影響：

- i. 會計實務準則第26號「分類報告」
本集團之分類資料已於財務報表附註29披露。

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(除另有註明者外，金額均以港元計算)

2. Principal Accounting Policies (continued)

a. Adoption of new/revised Statements of Standard Accounting Practice (continued)

ii. SSAP 30 – Business combinations

Prior to 1st April, 2001, goodwill was eliminated against reserves in the year in which it arose. With the introduction of SSAP 30, goodwill arising on or after 1st April, 2001 is capitalised in the balance sheet and is amortised to the income statement on a straight-line basis over its estimated economic life. The Group has taken advantage of the transitional provisions in SSAP 30 whereby all goodwill arising from acquisitions before 1st April, 2001, previously eliminated against reserves, has not been restated, and any subsequent impairment of such goodwill is recognised in the income statement in accordance with SSAP 31 – Impairment of assets. Following the transitional provisions of SSAP 30, where an impairment loss has arisen since the date of acquisition on goodwill previously eliminated against reserves, this change in accounting policy for recognition of goodwill impairment has been applied retrospectively and the impairment losses have been recognised as a prior year adjustment in accordance with SSAP 2 – Net profit or loss for the period, fundamental errors and changes in accounting policies.

2. 主要會計政策 (續)

a. 採納新訂／經修訂會計實務準則 (續)

ii. 會計實務準則第30號「企業合併」

於二零零一年四月一日前，商譽於產生年度在儲備抵銷。隨會計實務準則第30號之實行，二零零一年四月一日或其後產生之商譽乃於資產負債表撥充資本，並以直線法按商譽之估計經濟年期在收益表攤銷。本集團已利用會計實務準則第30號之過渡規定處理商譽，決定不會重列二零零一年四月一日前由收購產生並已在儲備抵銷之一切商譽，而有關商譽其後之任何減值則會根據會計實務準則第31號「資產減值」在收益表確認。因採用會計實務準則第30號之過渡規定，凡於收購日期後出現並已於以前年度在儲備抵銷之一切商譽，其減值虧損亦須於當期收益表確認，此項關於確認商譽減值之會計政策改動，已追溯應用於過往年度，減值虧損亦已根據會計實務準則第2號「期間純利或虧損淨額、重大錯誤及會計政策改動」而確認為去年調整。

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(除另有註明者外，金額均以港元計算)

2. Principal Accounting Policies (continued)

a. Adoption of new/revised Statements of Standard Accounting Practice (continued)

In this respect, goodwill of approximately \$188,142,000 previously eliminated against retained profit has been assessed by the Group and the Group determined that an impairment loss of \$188,142,000 should be recorded during the year ended 31st March, 2001. As a result, the Group's previously reported profit attributable to shareholders for the year ended 31st March, 2001 of \$52,164,000 has become a loss attributable to shareholders of approximately \$135,978,000, however there is no impact on the Group's retained profit as at 1st April, 2001.

In addition to the adoption of the above standards, the Group has adopted the consequential changes made to SSAP 10 – Accounting for investments in associates, SSAP 17 – Property, plant and equipment, SSAP 18 – Revenue, and SSAP 21 – Accounting for interests in joint ventures. The adoption of these consequential changes had no material effect on the Group's financial statements.

2. 主要會計政策(續)

a. 採納新訂／經修訂會計實務準則(續)

就此而言，本集團為已在保留溢利內抵銷之商譽約188,142,000元作出評估，決定此減值虧損之188,142,000元應於截至二零零一年三月三十一日止年度入賬。因此，本集團先前申報之截至二零零一年三月三十一日止年度股東應佔溢利52,164,000元變為股東應佔虧損約135,978,000元，惟此對本集團二零零一年四月一日之保留溢利並無影響。

除採納上述會計準則外，本集團已採納會計實務準則第10號「於聯營公司投資之會計處理」；會計實務準則第17號「物業、廠房及機器」；會計實務準則第18號「收益」及會計實務準則第21號「於合營公司權益之會計處理」等會計實務準則之其後改動。採納此等其後改動對本集團之財務報表並無重大影響。

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(除另有註明者外，金額均以港元計算)

2. Principal Accounting Policies (continued)

a. Adoption of new/revised Statements of Standard Accounting Practice (continued)

The 2001 comparative figures presented herein have incorporated the effect of adjustments, where applicable, resulting from the adoption of the new/revised SSAPs.

b. Basis of measurement

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investment properties (see Note 2.h) and stating investments at fair value (see Note 2.i).

c. Basis of consolidation

The consolidated financial statements include the accounts of the Company and its subsidiaries, together with the Group's share of post-acquisition results and reserves of its associates under the equity method of accounting. The results of subsidiaries and associates acquired or disposed of during the year are included in the consolidated financial statements from or to their effective dates of acquisition or disposal. Significant intra-group transactions and balances have been eliminated on consolidation.

2. 主要會計政策（續）

a. 採納新訂／經修訂會計實務準則（續）

本財務報表呈列之二零零一年比較數字，已綜合採納新訂／經修訂會計實務準則所產生之調整之影響（如適用）。

b. 計算基準

財務報表乃按照歷史成本法編製，並已就投資物業（見附註2.h）之重估作出修訂及將投資按公平值列賬（見附註2.i）。

c. 綜合賬目基準

綜合財務報表包括本公司及附屬公司之賬目，連同本集團應佔其聯營公司以權益會計法計算之收購後業績與儲備。年內所收購或出售之附屬公司及聯營公司之業績分別自實際收購日期起計入綜合財務報表或計至實際出售日期止。集團內各公司間之一切重大交易及結餘均已於編製綜合賬目時抵銷。

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2. Principal Accounting Policies (continued)

d. Goodwill

Goodwill represents the difference between the fair value of the consideration given and the Group's share of the aggregate fair value of the identifiable net assets acquired. Goodwill is recognised as an asset in the balance sheet and is amortised on a straight-line basis over its estimated economic life. The carrying value of goodwill is assessed periodically or when factors indicating an impairment are present. Any impairment of goodwill is recognised as an expense in the period in which the impairment occurs.

e. Subsidiaries

A subsidiary is a company over which the Group can exercise control, which is normally evidenced when the Group has the power to govern its financial and operating policies so as to obtain benefits from its activities. In the Company's financial statements, investment in subsidiaries is stated at cost less any impairment losses, while income from subsidiaries is recorded to the extent of dividends received and receivable.

2. 主要會計政策(續)

d. 商譽

商譽指本集團繳付之代價之公平價值，與應佔所收購之可辨認資產淨值之公平總值之差額。商譽於資產負債表確認為資產，並按其估計經濟年期以直線法攤銷。商譽之賬面值乃定期評估，亦會於顯示減值之因素出現時評估。商譽減值在減值出現期間確認為開支。

e. 附屬公司

附屬公司乃本集團可行使控制權之公司，一般來說，其控制權之證明為本集團有權規管該公司之財務及營運政策以從該公司之業務獲益。於本公司之財務報表內，於附屬公司之投資乃按成本減除減值虧損列賬，而附屬公司之收入貢獻則按已收及應收股息列賬。

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2. Principal Accounting Policies (continued)

f. Associates

An associate is a company over which the Group has significant influence, but not control or joint control, over its financial and operating policy decisions. In the consolidated financial statements, investment in associates is accounted for under the equity method of accounting, whereby the investment is initially recorded at cost and is adjusted thereafter to recognise the Group's share of the post-acquisition results of associates, distributions received from associates, other necessary alterations in the Group's proportionate interest in associates arising from changes in the equity of associates that have not been included in the income statement of associates, amortisation of the difference between the cost of investment and the Group's share of the aggregate fair value of the identifiable net assets acquired at the date of acquisition (goodwill), and any impairment losses. The Group's share of post-acquisition results of associates is included in the consolidated income statement.

2. 主要會計政策（續）

f. 聯營公司

聯營公司乃本集團可對其財務及營運決策行使重大影響力，而非控制或共同控制之公司。於綜合財務報表中，於聯營公司之投資乃以權益會計法處理並按成本初步入賬，並就若干項目作出調整以確認：本集團於聯營公司之收購後業績之應佔部分，已收聯營公司分派，因聯營公司未計入聯營公司收益表之股本變動而令本集團須於聯營公司之比例權益中作出之變動，投資成本與本集團應佔收購日期所收購之可辨認資產淨值之公平總值之差額攤銷及任何減值虧損。本集團應佔聯營公司收購後業績乃計入綜合收益表。

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2. Principal Accounting Policies (continued)

g. Fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation and any impairment losses. Major expenditures on modifications and betterments of fixed assets which will increase their future economic benefits are capitalised, while expenditures on maintenance and repairs of fixed assets are expensed when incurred. Depreciation is provided on a straight-line basis to write off the cost less impairment losses and estimated residual value of each asset over its estimated useful life. The annual rates of depreciation are as follows:

Land and buildings	土地及樓宇	5%
Machinery and equipment	機器及設備	15% to 20%
Furniture and office equipment	傢俬及辦公室設備	12% to 20%
Motor vehicles	汽車	20%

The depreciation methods and useful lives are reviewed periodically to ensure that the methods and rates of depreciation are consistent with the expected pattern of economic benefits from fixed assets.

Gains and losses on disposal of fixed assets are recognised in the income statement based on the net disposal proceeds less the then carrying amount of the assets.

Fixed assets held under finance leases are recorded and depreciated on the same basis as described above.

2. 主要會計政策(續)

g. 固定資產及折舊

固定資產按成本扣除累計折舊及任何減值虧損列賬。可增加固定資產未來經濟利益之主要修改及裝修工程之費用將撥作資本，而固定資產之維修保養費用則於產生時列作開支。折舊撥備乃以直線法按各項資產之估計可用年期撇銷減去任何減值虧損及估計剩餘價值之成本。各折舊年率載列如下：

折舊方法及可用年期乃定期檢討，確保折舊方法及比率符合預期固定資產之經濟收益模式。

出售固定資產之盈虧按出售所得款項淨額減資產當時之賬面價值計入收益表。

根據融資租約持有之固定資產按上述相同基準列賬及予以折舊。

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2. Principal Accounting Policies (continued)

h. Investment properties

Investment properties are leasehold interests in land and buildings held for their long-term investment potential. Investment properties are included in the balance sheet at their open market value on the basis of an annual valuation by independent qualified valuers. Changes in the value of investment properties are dealt with in the investment properties revaluation reserve unless the balance of this reserve is insufficient to cover a deficit on a portfolio basis, in which case the net deficit is charged to the income statement. Where a deficit has previously been charged to the income statement and a revaluation surplus subsequently arises, this surplus is credited to the income statement to the extent of the deficit previously charged. When an investment property is disposed of, previously recognised revaluation surpluses are reversed and the gain or loss on disposal reported in the income statement is determined based on the net disposal proceeds less the original cost.

No depreciation is provided for investment property unless the unexpired lease term is 20 years or less, in which case depreciation is provided on the then carrying value over the unexpired lease term.

2. 主要會計政策(續)

h. 投資物業

投資物業指因具長期投資潛力而持有之租約土地及樓宇權益。投資物業乃按獨立合資格估值師每年估值釐定之公開市值計入資產負債表。投資物業價值之變動均會撥入投資物業重估儲備，除非儲備餘額不足以彌補有關投資物業之估值減值則作別論。在此情況下，減值淨額則自收益表撇除。當虧絀先前已在收益表扣除而其後出現重估盈餘，此盈餘會計入收益表，惟以先前扣除之虧絀為限。出售投資物業時，過往已確認之重估增值儲備將予還原，而收益表所示出售該物業之盈虧乃按出售所收款項淨額減原成本計算。

除非租期尚餘20年或以下，否則投資物業不作任何折舊撥備。折舊乃以當時之賬面值按尚餘租期作撥備。

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2. Principal Accounting Policies (continued)

i. Investments

Short-term investments are carried at fair value in the balance sheet. Any unrealised holding gain or loss is recognised in the income statement in the period when it arises. Upon disposal of investments, any gain or loss thereon is accounted for in the income statement.

j. Inventories

Inventories are stated at the lower of cost and net realisable value. Cost includes costs of raw materials calculated using the first-in, first-out 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 based on estimated selling prices 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)

i. 投資

短期投資按結算日之公平值入賬。持有投資之未變現收益或虧損於產生期間在收益表確認。出售投資後，有關投資之任何盈虧在收益表入賬。

j. 存貨

存貨乃按成本及可變現淨值兩者之較低者列賬。成本包括原料之成本，按先入先出法計算，而半製成品與製成品之成本則亦包括直接勞工與生產成本之適當部份。可變現淨值乃按估計日常業務中之售價減去估計完成及銷售所需費用計算。陳舊、滯銷或損壞之貨品(如適用)均須撥備。

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2. Principal Accounting Policies (continued)

j. 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 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.

k. Impairment of assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss representing the difference between the carrying amount and the recoverable amount of an asset is recognised in the income statement. The recoverable amount is the higher of an asset's net selling price and value in use. The net selling price is the amount obtainable from the sale of an asset in an arm's length transaction less the costs of disposal, while value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

2. 主要會計政策 (續)

j. 存貨 (續)

出售存貨時，有關存貨賬面值會在有關收益列賬期間列作開支。將存貨撇減至可變現淨值之數額及所有存貨虧損則在撇減或虧損出現時列作開支。若曾經撇減至可變現淨值之有關存貨，日後因可變現淨值增加而撥回撇減，該撥回之數額，可予減低當期列作存貨開支之有關存貨列賬。

k. 資產減值

倘有跡象或情況變化顯示資產之賬面值或許未可收回，則須評估資產是否出現減值。凡資產賬面值超過可收回金額，減值虧損（資產賬面值與可收回金額之差額）會在收益表確認。可收回金額乃資產之淨售價與在用價值之較高者。淨售價乃在公平交易中出售資產之金額減出售成本，而在用價值則為持續使用資產及資產可用年期完結時出售所得之估計未來現金流量之現值。

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財務報表附註

(除另有註明者外，金額均以港元計算)

2. Principal Accounting Policies (continued)

k. Impairment of assets (continued)

Reversal of an impairment loss of an asset recognised in prior years is recorded when there is an indication that the impairment loss recognised for the asset no longer exists or has decreased. The reversal is recorded in the income statement.

l. Turnover and revenue recognition

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

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 when the merchandise is delivered and title has passed. Rental income is recognised on a straight-line basis over the period of the relevant leases. Interest income is recognised on a time proportion basis on the principal outstanding and at the rates applicable.

m. 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.

2. 主要會計政策(續)

k. 資產減值(續)

倘確認之資產減值虧損已不再出現或減少時，則將於過往年度確認的減值予以撥回。撥回於收益表確認。

1. 營業額及收益確認

營業額包括已扣除退貨及折扣後之售出貨品發票淨值及租金收入。

當一項交易之結果能夠可靠衡量且該交易有關之經濟利益有可能歸於本集團時才確認為收益。銷售收益乃於貨品付運及所有權移交時確認。租金收入於有關租約期內按直線法列賬。利息收入則以時間比例法按未償還本金及適用利率計算列賬。

m. 稅項

就財務申報目的，本集團內各公司按其溢利作出利得稅撥備，並就毋須繳交利得稅或不獲寬減利得稅之收支項目作出調整。

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財務報表附註

(除另有註明者外，金額均以港元計算)

2. Principal Accounting Policies (continued)

m. Taxation (continued)

Deferred taxation is provided 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 financial statements, 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.

n. Advertising and promotion costs

Costs of advertising and promotion are expensed as incurred.

o. Employee retirement benefits

Costs of employee retirement benefits are recognised as an expense in the period in which the employees' services are rendered.

p. 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 in the period in which they are incurred.

2. 主要會計政策 (續)

m. 稅項 (續)

遞延稅項乃由於稅務上及財務報表上計算溢利之時期不同而出現重大時差，該時差如於可見將來構成稅項負擔，則以負債法按現時稅率作出遞延稅項撥備。除非有關利益預期於可見將來可實現，否則遞延稅項資產將不予確認。

n. 廣告及推廣成本

廣告及推廣成本於產生期間列作開支。

o. 僱員退休福利

僱員退休福利之成本於僱員提供服務之期間列作為開支確認入賬。

p. 借貸成本

因收購、建設或生產該等需要相當時間方可作為擬定用途或作銷售之資產而直接產生之借貸成本，均根據個別借貸之實質成本列為該等資產之部份成本。所有其他借貸成本均於產生期間列作開支。

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(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

2. Principal Accounting Policies (continued)

q. Provisions and contingencies

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.

Contingent liabilities are not recognised in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognised in the financial statements but disclosed when an inflow of economic benefits is probable.

2. 主要會計政策(續)

q. 撥備及或然事項

當因過往事件而出現現時法律或推定責任，而可能(即可能性較高)須就解除責任而撥付可帶來經濟利益之資源時，並且可就責任之款額作出可靠估計時確認撥備。撥備乃定期檢討並調整，以反映現時最佳估計值。倘金錢之時間價值具有重要影響力時，撥備之金額為預期清償責任所需支出之現值。

或然負債並無於財務報表中確認。或然負債已予披露，惟倘或然負債不大可能令可帶來經濟利益之資源喪失時則作別論。或然資產於可取得經濟利益時披露，但毋須於財務報表中確認。

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財務報表附註

(除另有註明者外，金額均以港元計算)

2. Principal Accounting Policies (continued)

r. Leases

Finance leases represent those leases under which substantially all the risks and rewards of ownership of the leased assets are transferred to the Group. Fixed assets held under finance leases are initially recorded at the present value of the minimum lease payments at the inception of the leases, with equivalent liabilities categorised as appropriate under current or non-current liabilities. Interest expense, which represents the difference between the minimum lease payments at the inception of the finance leases and the corresponding fair value of the assets acquired, is allocated to accounting periods over the period of the relevant leases to produce a constant rate of charge on the outstanding balances.

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 income statement on a straight-line basis over the period of the relevant leases.

2. 主要會計政策(續)

r. 租約

融資租約乃指租賃資產擁有權之絕大部份風險及收益皆撥歸本集團之租約。按融資租約持有之固定資產乃於融資租約生效時，首先按最低租金之現值列賬，而等額負債則酌情列入流動或非流動負債。利息支出指融資租約生效時之最低租金與購入資產之相應公平價值之差價，按有關租約年期於收益表扣除，藉此就每一會計期間之債務餘額得出一個固定之定期支出比率。

經營租約乃指租賃資產擁有權之絕大部份風險及收益仍由出租方保留之租約。經營租約之租金支出均按有關租約年期以直線法在收益表扣除。

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

2. Principal Accounting Policies (continued)

s. Cash equivalents

For the purpose of the consolidated cash flow statement, cash equivalents represent short-term highly liquid investments which are readily convertible into known amounts of cash and which were within three months of maturity when acquired, less advances from banks repayable within three months from the date of the advance.

t. Currency translation

Companies within the Group maintain their books and records in Hong Kong dollars. Transactions in other currencies during the year are translated into Hong Kong dollars at the applicable rates of exchange prevailing at the time of the transactions. Monetary assets and liabilities denominated in other currencies are translated into Hong Kong dollars at the applicable rates of exchange in effect at the balance sheet date. Exchange gains or losses are dealt with in the income statement in which they arise.

u. Subsequent events

Post year-end events that provide additional information about financial position at the balance sheet date or those that indicate the going concern assumption is not appropriate ("adjusting events") are reflected in the financial statements. Post year-end events that are not adjusting events are disclosed in the notes when material.

2. 主要會計政策(續)

s. 等同現金項目

就綜合現金流量表而言，現金等值項目指短期高流動性投資，有關投資可隨時轉換為已知金額現金，而該等投資由購入至到期日短於三個月，並減去已就墊款日期起計須於三個月內償還之銀行墊款。

t. 外幣換算

本集團旗下公司之賬目及紀錄均以港元記賬。本年度內以外幣進行之交易乃按交易當時之適用匯率換算為港元。以外幣記賬之貨幣資產及負債均按結算日之適用匯率換算為港元。所有滙兌盈虧均撥入收益表。

u. 結算日後事項

年結日後事項如能提供於結算日財務狀況之額外資料，或能指出持續經營基準並不合適（「調整事件」），則會記入財務報表。並非調整事件但屬重要之年結日後事項則會在附註披露。

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

2. Principal Accounting Policies (continued)

v. Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in Hong Kong requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

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. Significant transactions with related parties are summarised below:

- (i) During the year ended 31st March, 2002, the Group paid rental of approximately \$162,000 (2001 – \$324,000) in respect of residential premises owned by Mr. Lam Sai Wing, a director of the Company. The premises are used as the residence of Mr. Lam Sai Wing and his family.

2. 主要會計政策（續）

v. 估計的使用

編製符合香港公認會計原則之財務報表時，管理層須作出估計及假設，有關估計與假設影響若干呈報數額及披露數字。故此，實際結果可能與該等估計不同。

3. 關連人士交易

假如交易一方可在財務及業務決策上直接或間接控制另一方或對另一方產生重大影響，則被視為關連人士。假如交易雙方均受共同控制或共同重大影響亦被視為有關連。

a. 關連人士重大交易概述如下：

- (i) 截至二零零二年三月三十一日止年度內，本集團就租用本公司董事林世榮先生擁有之住宅物業支付租金約162,000元（二零零一年 – 324,000元）。該物業乃供林世榮先生及其家人作住宅用途。

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(Amounts expressed in Hong Kong dollars unless otherwise stated)

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(除另有註明者外，金額均以港元計算)

3. Related Party Transactions (continued)

- (ii) The amount due from an associate of \$50,000,000 (2001 – \$50,000,000) (see Note 14) is secured by the 50.1% equity interest in the associate not owned by the Group, bears interest at the rate of 2.5% over the prime lending rate as quoted by The Hongkong and Shanghai Banking Corporation Limited, and is repayable after September 2003. During the year, interest earned from this advance amounted to approximately \$4,449,000 (2001 – \$1,901,000).

3. 關連人士交易（續）

- (ii) 應收聯營公司款項 50,000,000元（二零零一年 – 50,000,000元）（見附註14）以並非由本集團擁有之50.1%聯營公司之股本權益所抵押，有關款項以香港上海滙豐銀行有限公司所報之最優惠借貸利率加2.5厘之年利率計息，須於二零零三年九月後償還。年內，由此項墊款賺取之利息約4,449,000元（二零零一年 – 1,901,000元）。

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(除另有註明者外，金額均以港元計算)

3. Related Party Transactions (continued)

- b. Details of the amounts due from holding companies (consolidated) are:

	Balance as at 31st March, 2002 於二零零二年 三月三十一日 之結餘 \$'000 千元	Balance as at 31st March, 2001 於二零零一年 三月三十一日 之結餘 \$'000 千元	Maximum balance outstanding during the year 年內最高 未償還金額 \$'000 千元
Quality Prince Limited, an immediate holding company 直接控股公司	11	6	11
S.W. Lam, Inc., an intermediate holding company 中介控股公司	703	275	703
	714	281	

These amounts are unsecured, non-interest bearing and without pre-determined repayment terms.

有關款項為無抵押、免息，且無既定還款期。

- c. Details of the amount due to a director (consolidated) are:

	Balance as at 31st March, 2002 於二零零二年 三月三十一日 之結餘 \$'000 千元	Balance as at 31st March, 2001 於二零零一年 三月三十一日 之結餘 \$'000 千元
Mr. Lam Sai Wing 林世榮先生	6,088	5,956

3. 關連人士交易（續）

- b. 應收控股公司款項（綜合）之詳情如下：

	Balance as at 31st March, 2002 於二零零二年 三月三十一日 之結餘 \$'000 千元	Balance as at 31st March, 2001 於二零零一年 三月三十一日 之結餘 \$'000 千元	Maximum balance outstanding during the year 年內最高 未償還金額 \$'000 千元
Quality Prince Limited, an immediate holding company 直接控股公司	11	6	11
S.W. Lam, Inc., an intermediate holding company 中介控股公司	703	275	703
	714	281	

有關款項為無抵押、免息，且無既定還款期。

- c. 應付董事之款項（綜合）之詳情如下：

	Balance as at 31st March, 2002 於二零零二年 三月三十一日 之結餘 \$'000 千元	Balance as at 31st March, 2001 於二零零一年 三月三十一日 之結餘 \$'000 千元
Mr. Lam Sai Wing 林世榮先生	6,088	5,956

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財務報表附註

(除另有註明者外，金額均以港元計算)

3. Related Party Transactions (continued)

The balance with the director is unsecured, non-interest bearing and without pre-determined repayment terms.

- d. The Group's banking facilities are secured by, among others, mortgages over certain properties owned by Mr. Lam Sai Wing and Ms. Chan Yam Fai, Jane, directors of the Company, and assignment of the benefits in respect of the keyman insurance of Mr. Lam Sai Wing amounting to \$20,000,000.

4. Turnover and Revenue

Turnover and revenue (consolidated) consisted of:

3. 關連人士交易（續）

董事結餘為無抵押、免息，且無既定還款期。

- d. 本集團之銀行信貸以由本公司董事林世榮先生與陳吟揮女士擁有之若干房地產物業之按揭及林世榮先生之要員保險之20,000,000元利益分配作抵押。

4. 營業額及收益

營業額及收益（綜合）如下：

		2002 二零零二年 \$'000 千元	2001 二零零一年 \$'000 千元
Sales of merchandise	商品銷售	1,568,659	1,327,657
Rental income	租金收入	98	96
Turnover	營業額	1,568,757	1,327,753
Other income	其他收入	4,486	—
Interest income	利息收入	7,452	8,723
Total revenue	總收益	1,580,695	1,336,476

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(Amounts expressed in Hong Kong dollars unless otherwise stated)

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(除另有註明者外，金額均以港元計算)

5. Profit (Loss) Before Taxation

Profit (Loss) before taxation (consolidated) was determined after charging or crediting the following items:

5. 除稅前溢利(虧損)

除稅前溢利(虧損)(綜合)已扣除或計入下列各項：

		2002 二零零二年 \$'000 千元	2001 二零零一年 \$'000 千元
After charging –	已扣除 –		
Interest on	利息支出		
– gold loans and forward contracts wholly repayable within five years	– 須於五年內悉數償還之黃金借貸及期貨合同	5,483	–
– bank overdrafts and borrowings wholly repayable within five years	– 須於五年內悉數償還之銀行透支及貸款	22,367	27,272
– bank borrowings wholly repayable after five years	– 須於五年後悉數償還之銀行貸款	609	647
– finance leases	– 融資租約	2,012	2,186
Employment costs (including directors' emoluments)	員工成本 (包括董事酬金)	55,002	47,321
Advertising and promotion costs	廣告及推廣成本	20,162	7,772
Operating lease rentals in respect of	經營租約之租金		
– office and factory premises	– 辦公室及廠房物業	5,141	4,485
– machinery and equipment	– 機器及設備	132	82
Website development expense	網站開發支出	565	3,969
Depreciation of fixed assets	固定資產折舊		
– owned assets	– 自置資產	80,180	63,662
– assets held under finance leases	– 根據融資租約持有之資產	14,226	11,774
Net loss on disposal of fixed assets	撇除固定資產之虧損淨額	473	377
Deficit on revaluation of an investment property	投資物業重估減值	150	250
Provision for bad and doubtful debts	呆壞賬撥備	–	2,500
Provision for slow-moving and obsolete inventories	滯銷及陳舊存貨撥備	600	1,200
Net exchange loss (including translation loss on gold loans)	匯兌虧損淨額 (包括黃金貸款之匯兌虧損)	5,407	75
Auditors' remuneration	核數師酬金	780	780
After crediting –	已計入 –		
Interest income from	利息收入		
– bank deposits	– 銀行存款	3,003	6,822
– amount due from an associate (see Notes 3 and 14)	– 應收聯營公司款項 (見附註3及14)	4,449	1,901
Rental income, less outgoings	租金收入 (已扣除支出)	84	82

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(Amounts expressed in Hong Kong dollars unless otherwise stated)

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(除另有註明者外，金額均以港元計算)

6. Directors' and Senior Executives' Emoluments

a. Details of directors' emoluments are:

		2002 二零零二年 \$'000 千元	2001 二零零一年 \$'000 千元
Fees for executive directors	執行董事之袍金	-	-
Fees for non-executive directors	非執行董事之袍金	128	120
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	4,191	2,460
- Bonus *	- 花紅*	-	2,500
- Contributions to pension scheme	- 退休金計劃供款	24	4
		4,343	5,084

* The Company's executive directors are entitled to a discretionary bonus not exceeding 5% of the Group's consolidated profit attributable to shareholders.

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 directors during the year.

6. 董事及高級行政人員酬金

a. 董事之酬金詳情如下：

	2002 二零零二年 \$'000 千元	2001 二零零一年 \$'000 千元
Fees for executive directors	-	-
Fees for non-executive directors	128	120
Other emoluments for executive directors		
- Basic salaries and allowances	4,191	2,460
- Bonus *	-	2,500
- Contributions to pension scheme	24	4
	4,343	5,084

* 本公司之執行董事可獲得不超過本集團股東應佔綜合溢利5%之酌情花紅。

本年度內概無董事放棄任何酬金，本集團於年內亦無向任何董事支付或應支付任何酬金作為加盟本集團報酬或離職補償。

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(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

6. Directors' and Senior Executives' Emoluments (continued)

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

		2002	2001
		二零零二年	二零零一年
Executive directors	執行董事		
– Nil to \$1,000,000	– 1,000,000元或以下	1	1
– \$3,500,001 to \$4,000,000	– 3,500,001元至 4,000,000元	1	–
– \$4,500,001 to \$5,000,000	– 4,500,001元至 5,000,000元	–	1
Non-executive directors	非執行董事		
– Nil to \$1,000,000	– 1,000,000元或以下	3	5
		5	7

b. Details of emoluments of the five highest paid individuals (including directors and other employees) are:

b. 五位最高薪人士(包括董事及其他僱員)之酬金詳情如下:

		2002	2001
		二零零二年	二零零一年
		\$'000	\$'000
		千元	千元
Basic salaries and allowances	基本薪金及津貼	5,690	4,364
Bonus	花紅	–	2,500
Contributions to pension scheme	退休金計劃供款	60	20
		5,750	6,884

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

6. Directors' and Senior Executives' Emoluments (continued)

Two (2001 – Two) of the highest paid individuals were directors of the Group, whose emoluments have been included in Note 6.a above.

During the year, no emolument of the five highest paid individuals (including directors and other employees) was incurred as inducement to join or upon joining the Group or as compensation for loss of office.

Analysis of emoluments of the five highest paid individuals (including directors and other employees) by number of individuals and emolument range is as follows:

		2002 二零零二年	2001 二零零一年
– Nil to \$1,000,000	– 1,000,000元或以下	4	4
– \$3,500,001 to \$4,000,000	– 3,500,001元至 4,000,000元	1	–
– \$4,500,001 to \$5,000,000	– 4,500,001元至 5,000,000元	–	1
		5	5

6. 董事及高級行政人員酬金 (續)

本集團其中兩名(二零零一年 – 兩名)最高薪人士為董事，其酬金已載於上文附註6.a。

本年度內，五位最高薪人士(包括董事及其他僱員)並無獲得酬金作為加盟本集團之報酬或離職補償。

五位最高薪人士(包括董事及其他僱員)酬金根據人數及酬金數額分析如下：

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

7. Taxation

Taxation credit (charge) (consolidated) consisted of:

7. 稅項

稅項撥回(支出)(綜合)包括：

		2002	2001
		二零零二年	二零零一年
		\$'000	\$'000
		千元	千元
Current taxation	本年度稅項		
– Hong Kong profits tax	– 香港利得稅	(5,181)	(2,519)
– Write-back of over-provision of Hong Kong profits tax in prior years	– 過往年度香港利得稅超額撥備之撥回	1,001	–
– Write-back of over-provision of Mainland China taxes in prior years (see Note 23)	– 過往年度中國大陸稅項超額撥備之撥回(見附註23)	7,858	–
		3,678	(2,519)
Deferred taxation	遞延稅項		
– Write-back of (Provision for) deferred taxation	– 遞延稅項之撥回(撥備)	1,344	(6,637)
		5,022	(9,156)

The Company is exempted from taxation in Bermuda until 2016. Hong Kong profits tax has been provided at the rate of 16% (2001 – 16%) on the estimated assessable profit arising in or derived from Hong Kong. No Mainland China tax has been provided as the Group had no taxable profit subject to such tax during the year.

本公司於二零一六年前獲豁免繳交百慕達稅項。香港利得稅乃根據香港產生或源自香港之估計應課稅溢利按稅率16%(二零零一年 – 16%)計算撥備。由於本集團於本年度並無應繳納中國大陸稅項之應課稅溢利，故並未有為該稅項作出撥備。

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

8. Profit (Loss) Attributable to Shareholders

The consolidated profit attributable to shareholders included a loss of approximately \$31,897,000 (2001 – \$200,701,000) dealt with in the financial statements of the Company.

9. Retained Profit

Retained profit consisted of:

8. 股東應佔溢利（虧損）

股東應佔綜合溢利包括已於本公司之財務報表處理之虧損約31,897,000元（二零零一年－200,701,000元）。

9. 保留溢利

保留溢利包括：

		2002 二零零二年 \$'000 千元	2001 二零零一年 \$'000 千元
Company and subsidiaries	本公司及附屬公司	375,253	131,241
Associates	聯營公司	(14,931)	(6,167)
		360,322	125,074

10. Earnings (Loss) Per Share

The calculation of basic earnings (loss) per share for the year ended 31st March, 2002 is based on the consolidated profit attributable to shareholders of approximately \$34,555,000 (2001 – loss of \$135,978,000) and on the weighted average number of approximately 5,332,000,000 shares (2001 – 4,468,231,000 shares) in issue during the year.

10. 每股盈利（虧損）

截至二零零二年三月三十一日止年度每股基本盈利（虧損）乃根據股東應佔綜合溢利約34,555,000元（二零零一年－虧損135,978,000元）及年內已發行股份之加權平均數約5,332,000,000股（二零零一年－4,468,231,000股）計算。

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

10. Earnings (Loss) Per Share (continued)

The calculation of diluted earnings per share for the year ended 31st March, 2002 is based on the consolidated profit attributable to shareholders of approximately \$34,555,000 and on the weighted average number of approximately 5,351,772,000 shares in issue, after adjusting for the effects of all dilutive potential shares.

A reconciliation of the weighted average number of shares used in calculating the basic earnings per share and the diluted earnings per share for the year ended 31st March, 2002 is as follows:

Weighted average number of shares used in calculating basic earnings per share	用於計算每股基本盈利之 股份加權平均數	5,332,000
Adjustment for potential dilutive effect in respect of outstanding employee share options	為尚未行使之僱員購股權之 潛在攤薄影響而作出之調整	19,772
Weighted average number of shares used in calculating diluted earnings per share	用以計算每股攤薄盈利之 股份加權平均數	5,351,772

No diluted loss per share for the year ended 31st March, 2001 is presented as the outstanding share options were anti-dilutive.

10. 每股盈利（虧損）（續）

截至二零零二年三月三十一日止年度每股攤薄盈利乃根據股東應佔綜合溢利約34,555,000元及年內已發行股份之加權平均數約5,351,772,000股計算，並已就所有潛在攤薄股份的影響作出調整。

用於計算截至二零零二年三月三十一日止年度之每股基本盈利及每股攤薄盈利之股份加權平均數調整如下：

‘000
千股

因尚未行使之購股權具反攤薄影響，故並無呈列截至二零零一年三月三十一日止年度之每股攤薄虧損。

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

11. Fixed Assets

a. Movements in fixed assets (consolidated) were:

11. 固定資產

a. 固定資產(綜合)之變動如下：

		2002 二零零二年				2001 二零零一年	
		Land and buildings 土地及 樓宇 \$'000 千元	Machinery and equipment 機器 及設備 \$'000 千元	Furniture and office equipment 傢俬及 辦公室設備 \$'000 千元	Motor vehicles 汽車 \$'000 千元	Total 總額 \$'000 千元	Total 總額 \$'000 千元
Cost	成本						
Beginning of year	年初	16,700	387,081	160,611	1,054	565,446	363,209
Additions	添置	5,300	45,977	41,079	809	93,165	202,627
Disposals	撇除	-	-	(997)	-	(997)	(390)
End of year	年終	22,000	433,058	200,693	1,863	657,614	565,446
Accumulated depreciation	累計折舊						
Beginning of year	年初	105	177,657	34,778	928	213,468	138,045
Provision for the year	本年度撥備	1,100	74,122	19,117	67	94,406	75,436
Disposals	撇除	-	-	(145)	-	(145)	(13)
End of year	年終	1,205	251,779	53,750	995	307,729	213,468
Net book value	賬面淨值						
End of year	年終	20,795	181,279	146,943	868	349,885	351,978
Beginning of year	年初	16,595	209,424	125,833	126	351,978	225,164

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

11. Fixed Assets (continued)

b. Land and buildings:

Land and buildings are located in Hong Kong and are held under medium-term leases. Land and buildings with a net book value of approximately \$19,857,000 (2001 – \$15,608,000) are mortgaged as collateral for the Group's banking facilities (see Note 32).

c. Finance leases:

Certain machinery and equipment were purchased under finance leases. Details of these assets are as follows:

11. 固定資產（續）

b. 土地及樓宇：

土地及樓宇均位於香港，並根據中期租約持有。賬面淨值約為19,857,000元（二零零一年 – 15,608,000元）之土地及樓宇已予按揭，作為本集團銀行信貸之抵押（見附註32）。

c. 融資租約：

若干機器及設備乃按融資租約購置，有關資產之詳情如下：

		2002 二零零二年 \$'000 千元	2001 二零零一年 \$'000 千元
Cost	成本	71,131	58,868
Less: Accumulated depreciation	減：累計折舊	(27,318)	(20,382)
Net book value	賬面淨值	43,813	38,486
Depreciation for the year	本年度折舊	14,226	11,774

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

12. Investment Property

Movements in investment property (consolidated) were:

		2002 二零零二年 \$'000 千元	2001 二零零一年 \$'000 千元
Beginning of year	年初	1,600	1,850
Deficit on revaluation	重估減值	(150)	(250)
End of year	年終	1,450	1,600

The investment property is located in Hong Kong and is held under a long-term lease. It is stated at open market value at 31st March, 2002 as determined by DTZ Debenham Tie Leung Limited, independent qualified valuers.

Details of the investment property as at 31st March, 2002 are as follows:

Location 地址	Group's interest 本集團擁有之權益	Existing use 現有用途
Flat B4, 14th Floor, Peace Building, 3 Peace Avenue, Ho Man Tin, Kowloon, Hong Kong	100%	Residential
香港九龍何文田太平道3號金富洋樓 14樓B4室	100%	住宅

12. 投資物業

投資物業(綜合)之變動如下：

	2002 二零零二年 \$'000 千元	2001 二零零一年 \$'000 千元
年初	1,600	1,850
重估減值	(150)	(250)
年終	1,450	1,600

投資物業位於香港，並根據長期租約持有。投資物業乃按獨立合資格估值師戴德梁行有限公司根據公開市值基準估值，以其於二零零二年三月三十一日之價值列賬。

投資物業於二零零二年三月三十一日之詳情如下：

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

13. Investment in Subsidiaries

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

13. 於附屬公司之投資

本公司之資產負債表內列報之於附屬公司之投資包括：

		2002 二零零二年 \$'000 千元	2001 二零零一年 \$'000 千元
Unlisted shares, at cost	非上市股份，按成本值	158,743	158,743
Due from subsidiaries	應收附屬公司款項	379,741	381,285
		538,484	540,028
Less: Impairment losses and provision against due from subsidiaries	減：減值虧損及對附屬公司之應收款項撥備	(231,054)	(200,701)
		307,430	339,327

The amounts due from subsidiaries are unsecured and non-interest bearing.

應收附屬公司款項為無抵押及免息。

The underlying value of investment in subsidiaries is, in the opinion of the Company's Directors and the Group's management, not less than its carrying amount as at 31st March, 2002.

本公司董事及本集團管理層認為，於附屬公司投資之價值，不會少於有關投資於二零零二年三月三十一日之賬面值。

As at 31st March, 2002, the Company had given guarantees to banks of approximately \$421,329,000 (2001 – \$344,980,000) to secure banking facilities of certain subsidiaries.

於二零零二年三月三十一日，本公司已向銀行提供約421,329,000元（二零零一年－344,980,000元）之擔保，作為若干附屬公司之銀行信貸擔保。

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

13. Investment in Subsidiaries (continued)

Details of the principal subsidiaries as at 31st March, 2002 were as follows:

13. 於附屬公司之投資(續)

於二零零二年三月三十一日，各主要附屬公司之詳情如下：

Name	Place of incorporation/ operations 註冊成立/ 營業地點	Issued and fully paid capital 已發行及 繳足股本	Percentage of equity interest held (i) 所持股本權益 百分比(i)	Principal activities 主要業務
Hang Fung Gold (International) Company Limited 恒豐金業(國際)有限公司	British Virgin Islands/ Hong Kong 英屬處女群島/ 香港	US\$1 1美元	100%	Investment holding 投資控股
Hang Fung Jewellery Company Limited 恒豐珠寶首飾有限公司	Hong Kong 香港	Class A (non-voting) ordinary – \$4 (ii) Class B (voting) ordinary – \$2 A類(無投票權) 普通股 – 4元(ii) B類(有投票權) 普通股 – 2元	– 100%	Manufacturing and selling of gold and jewellery products 製造及銷售金飾及珠寶首飾產品

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

13. Investment in Subsidiaries (continued)

13. 於附屬公司之投資(續)

Name	Place of incorporation/ operations 註冊成立/ 營業地點	Issued and fully paid capital 已發行及 繳足股本	Percentage of equity interest held (i) 所持股本權益 百分比(i)	Principal activities 主要業務
Hang Fung Jewellery (Shenzhen) Co. Ltd. (iii)	Mainland China	\$25,000,000	100%	Manufacturing of gold and jewellery products
恒豐珠寶首飾(深圳) 有限公司(iii)	中國大陸	25,000,000元	100%	製造金飾及珠寶首飾產品
Kai Hang Jewellery Company Limited	Hong Kong	Class A (non-voting) ordinary – \$10,002 (ii)	–	Property holding
佳恒珠寶首飾有限公司	香港	Class B (voting) ordinary – \$2	100%	持有物業
		A類(無投票權) 普通股 – 10,002元(ii)	–	
		B類(有投票權) 普通股 – 2元	100%	

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

13. Investment in Subsidiaries (continued)

13. 於附屬公司之投資(續)

Name	Place of incorporation/ operations 註冊成立/ 營業地點	Issued and fully paid capital 已發行及 繳足股本	Percentage of equity interest held (i) 所持股本權益 百分比(i)	Principal activities 主要業務
Macadam Profits Limited	British Virgin Islands/ Hong Kong 英屬處女群島/ 香港	US\$2 2美元	100%	Investment holding 投資控股
Soycue Limited	British Virgin Islands/ Hong Kong 英屬處女群島/ 香港	US\$1 1美元	100%	Investment holding 投資控股

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

13. Investment in Subsidiaries (continued)

Notes-

- (i) The shares of Macadam Profits Limited are held directly by the Company. The shares of other subsidiaries are held indirectly.
- (ii) The Class A (non-voting) ordinary shares have no voting rights, are not entitled to dividends unless dividends paid to holders of Class B (voting) ordinary shares exceed \$900,000,000,000 in a financial year, and are not entitled to distribution of the companies' assets unless each Class B (voting) ordinary shareholder has been returned its paid-up capital together with a premium of \$900,000,000,000.
- (iii) Hang Fung Jewellery (Shenzhen) Co. Ltd. is a wholly foreign owned enterprise established in Mainland China to be operated for 30 years up to 2028.

None of the subsidiaries had any loan capital in issue at any time during the year ended 31st March, 2002.

13. 於附屬公司之投資(續)

註一

- (i) Macadam Profits Limited之股份由本公司直接持有。其他附屬公司之股份由本公司間接持有。
- (ii) A類(無投票權)普通股並無投票權、無權獲派股息(除非財政年度付予B類(有投票權)普通股之股息超過900,000,000,000元)，亦無權獲享公司分派資產(除非每股B類(有投票權)普通股持有人獲退還已繳股本另加900,000,000,000元溢價)。
- (iii) 恒豐珠寶首飾(深圳)有限公司為於中國大陸成立之外商獨資企業，經營期限為30年至二零二八年屆滿。

上述附屬公司於截至二零零二年三月三十一日止年度概無任何已發行借貸資本。

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

14. Investment in Associates

Investment in associates (consolidated) consisted of:

14. 於聯營公司之投資

於聯營公司之投資(綜合)包括：

		2002 二零零二年 \$'000 千元	2001 二零零一年 \$'000 千元
Unlisted shares, at cost	非上市股份，按成本值	186,048	186,048
Advance to an associate	墊款予聯營公司	50,000	50,000
Accrued interest	應計利息	2,159	1,901
Impairment of goodwill	商譽減值	(188,142)	(188,142)
Share of post-acquisition losses of associates	應佔聯營公司收購後虧損	(14,931)	(6,167)
Provision against advance to an associate	對聯營公司之墊款撥備	(16,555)	(8,293)
		18,579	35,347

The amount due from an associate (New Epoch Information (BVI) Company Limited) of \$50,000,000 is secured by the 50.1% equity interest in the associate not owned by the Group, bears interest at the rate of 2.5% over the prime lending rate as quoted by The Hongkong and Shanghai Banking Corporation Limited, and is repayable after September 2003.

The underlying value of investment in associates is, in the opinion of the Company's Directors and the Group's management, not less than its carrying amount as at 31st March, 2002.

應收聯營公司 (New Epoch Information (BVI) Company Limited) 之 50,000,000 元款項乃由並非由本集團擁有之 50.1% 聯營公司股本權益所抵押，有關款項以香港上海滙豐銀行有限公司所報之最優惠借貸利率加 2.5 厘之年利率計息，並須於二零零三年九月後償還。

本公司董事及本集團管理層認為，於聯營公司投資之價值，不會少於有關投資於二零零二年三月三十一日之賬面值。

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

14. Investment in Associates (continued)

Details of the principal associates as at 31st March, 2002 were as follows:

14. 於聯營公司之投資(續)

於二零零二年三月三十一日，各主要聯營公司之詳情如下：

Name	Place of incorporation/ operations 註冊成立/ 營業地點	Issued and fully paid share capital 已發行及 繳足股本	Percentage of equity interest held (i) 所持股本權益 百分比(i)	Principal activities 主要業務
Asia Trader Associates Limited ("ATAL")	British Virgin Islands/ Hong Kong 英屬處女群島/ 香港	US\$450,000 450,000美元	16.5% (ii) 16.5%(ii)	Operation of Internet portal sites 經營互聯網入門網站
China International Electronic Commerce (HK) Limited	Hong Kong 香港	\$20,000,000 20,000,000元	24.5% 24.5%	Operation of Internet portal sites to facilitate China trade 經營促進中國商貿之入門網站
New Epoch Information (BVI) Company Limited	British Virgin Islands/ Hong Kong 英屬處女群島/ 香港	US\$1,000 1,000美元	49.9% 49.9%	Investment holding 投資控股
New Epoch Information Company Limited 新紀元訊息有限公司	Hong Kong 香港	\$5,000,000 5,000,000元	49.9% 49.9%	Trading and investment holding 貿易及投資控股

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

14. Investment in Associates (continued)

Notes –

- (i) The shares of the above associates are held indirectly by the Company.
- (ii) Asia Trader Associates Limited is an associate as the Group's interest in it is held through an associate which in turn holds more than 20% of the issued voting share capital of ATAL.

The above summary lists only the principal associates of the Company which, in the opinion of the Company's Directors and the Group's management, principally affected the results or formed a substantial portion of the net assets of the Group. To give details of other associates would, in the opinion of the Company's Directors and the Group's management, result in particulars of excessive length.

14. 於聯營公司之投資（續）

註一

- (i) 上述聯營公司之股份由本公司間接持有。
- (ii) Asia Trader Associates Limited為聯營公司，原因為本集團於該公司之權益乃透過聯營公司持有，而該聯營公司持有ATAL已發行具投票權股本逾20%以上。

上文概要僅列出本公司董事及本集團管理層認為對本集團業績有重要影響，或佔本集團資產淨值中重要部份之本公司主要聯營公司。本公司董事及本集團管理層認為，詳列其他聯營公司之資料將會使篇幅過於冗長。

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

15. Inventories

Inventories (consolidated) consisted of:

		2002 二零零二年 \$'000 千元	2001 二零零一年 \$'000 千元
Raw materials	原料	266,164	160,912
Finished goods	製成品	119,495	156,631
		385,659	317,543
Less: Provision for slow-moving and obsolete inventories	減：滯銷及陳舊 存貨撥備	(3,800)	(3,200)
		381,859	314,343

As at 31st March, 2002, inventories of approximately \$3,309,000 (2001 – \$2,161,000) were stated at net realisable value.

Inventories of approximately \$286,965,000 (2001 – \$317,543,000) were held under trust receipts bank loan arrangements (see Note 32).

15. 存貨

存貨(綜合)包括：

		2002 二零零二年 \$'000 千元	2001 二零零一年 \$'000 千元
Raw materials	原料	266,164	160,912
Finished goods	製成品	119,495	156,631
		385,659	317,543
Less: Provision for slow-moving and obsolete inventories	減：滯銷及陳舊 存貨撥備	(3,800)	(3,200)
		381,859	314,343

於二零零二年三月三十一日，約3,309,000元(二零零一年—2,161,000元)之存貨以可變現淨值列賬。

為數約286,965,000元(二零零一年—317,543,000元)之存貨乃根據信託收據銀行貸款安排持有(見附註32)。

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

16. Accounts Receivable

The Group grants to its customers credit periods ranging from 30 days to 120 days. The ageing analysis of accounts receivable (consolidated) is as follows:

		2002 二零零二年 \$'000 千元	2001 二零零一年 \$'000 千元
0 to 90 days	0至90日	271,097	215,249
91 to 180 days	91至180日	3,946	7,295
181 to 270 days	181至270日	4,711	2,303
		279,754	224,847
Less: Provision for bad and doubtful debts	減：呆壞賬撥備	(10,000)	(10,000)
		269,754	214,847

17. Investments

Investments (consolidated) consisted of:

		2002 二零零二年 \$'000 千元	2001 二零零一年 \$'000 千元
Unlisted investments, at cost	非上市投資，按成本值	5,226	-
Less: Unrealised holding loss	減：持有投資之未變現虧損	(335)	-
		4,891	-

16. 應收賬項

本集團一般給予客戶30日至120日之賬期。應收賬項(綜合)之賬齡分析如下：

17. 投資

投資(綜合)包括：

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

17. Investments (continued)

As at 31st March, 2002, investments represented units in investment funds managed by investment companies in Hong Kong.

18. Pledged Bank Deposits

As at 31st March, 2002, the Group's bank deposits of approximately \$77,830,000 (2001 – \$77,210,000) were pledged as collateral for the Group's banking facilities (see Note 32).

19. Short-term Bank Borrowings

Short-term bank borrowings (consolidated) consisted of:

17. 投資 (續)

於二零零二年三月三十一日，投資乃香港投資公司管理之投資基金單位。

18. 已抵押銀行存款

於二零零二年三月三十一日，本集團約77,830,000元(二零零一年 – 77,210,000元)之銀行存款已予抵押，作為本集團銀行信貸之抵押品(見附註32)。

19. 短期銀行貸款

短期銀行貸款(綜合)包括：

		2002	2001
		二零零二年	二零零一年
		\$'000	\$'000
		千元	千元
Bank overdrafts	銀行透支	8,351	84
Trust receipts bank loans	信託收據銀行貸款	286,965	321,466
Gold loans from banks	銀行黃金貸款	41,954	–
Other short-term bank loans	其他短期銀行貸款	50,585	26,547
		387,855	348,097
Long-term bank loans, current portion (Note 20)	長期銀行貸款，即期 償還部份(附註20)	8,113	7,395
		395,968	355,492

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

19. Short-term Bank Borrowings (continued)

Short-term bank borrowings are secured and bear interest at rates ranging from 1.90% to 1% over prime lending rate. Refer to Note 32 for details of the Group's banking facilities.

19. 短期銀行貸款(續)

短期銀行貸款已有抵押，並按介乎1.90厘至最優惠借貸利率加1厘之年息率計息。有關本集團銀行信貸之詳情請參閱附註32。

20. Long-term Bank Loans

Long-term bank loans (consolidated) consisted of:

20. 長期銀行貸款

長期銀行貸款(綜合)包括：

		2002	2001
		二零零二年	二零零一年
		\$'000	\$'000
		千元	千元
Amounts repayable within a period	須於下列期間償還之款項		
- not exceeding one year	- 不超過一年	8,113	7,395
- more than one year but not exceeding two years	- 一年以上但不超過兩年	8,134	7,703
- more than two years but not exceeding five years	- 兩年以上但不超過五年	12,323	18,714
- more than five years	- 五年以上	10,205	9,163
		38,775	42,975
Less: Amounts repayable within one year included under current liabilities (Note 19)	減：須於一年內償還列作流動負債之款項(附註19)	(8,113)	(7,395)
		30,662	35,580

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

20. Long-term Bank Loans (continued)

Long-term bank loans are secured and bear interest at rates ranging from 1.75% below prime lending rate to 1.75% above that. Refer to Note 32 for details of the Group's banking facilities.

21. Finance Lease Obligations

Finance lease obligations, net of future finance charges (consolidated), consisted of:

20. 長期銀行貸款(續)

長期銀行貸款已有抵押，並按介乎最優惠借貸利率減1.75厘至該利率加1.75厘之年息率計息。有關本集團銀行信貸之詳情請參閱附註32。

21. 融資租約承擔

已扣除未來融資費用之融資租約承擔(綜合)包括：

		2002 二零零二年 \$'000 千元	2001 二零零一年 \$'000 千元
Total minimum lease payments under finance leases	根據融資租約之最低租金總額		
– not exceeding one year	– 不超過一年	17,648	14,866
– more than one year and not exceeding two years	– 一年以上及不超過兩年	12,286	11,454
– more than two years but not exceeding five years	– 兩年以上及不超過五年	5,161	7,859
		35,095	34,179
Less: Future finance charges	減：未來融資費用	(1,655)	(3,120)
		33,440	31,059

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

21. Finance Lease Obligations (continued)

21. 融資租約承擔 (續)

		2002 二零零二年 \$'000 千元	2001 二零零一年 \$'000 千元
The present value of finance lease obligations	融資租約承擔現值		
– not exceeding one year	– 不超過一年	16,534	12,973
– more than one year but not exceeding two years	– 一年以上但 不超過兩年	11,846	10,548
– more than two years but not exceeding five years	– 兩年以上但 不超過五年	5,060	7,538
		33,440	31,059
Less: Amounts repayable within one year included under current liabilities	減：須於一年內償還列作 流動負債之款項	(16,534)	(12,973)
		16,906	18,086

22. Accounts Payable

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

22. 應付賬項

應付賬項(綜合)之賬齡分析如下：

		2002 二零零二年 \$'000 千元	2001 二零零一年 \$'000 千元
0 to 90 days	0至90日	53,101	28,636
91 to 180 days	91至180日	1,476	1,716
181 to 270 days	181至270日	406	581
		54,983	30,933

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

23. Taxation Payable

Taxation payable (consolidated) consisted of:

		2002 二零零二年 \$'000 千元	2001 二零零一年 \$'000 千元
Hong Kong profits tax	香港利得稅	3,343	–
General provision for Mainland China tax*	中國大陸稅項 之一般撥備*	28,784	36,642
		32,127	36,642

* Prior to 1st April, 1999, the Group earned contract processing fees based on the utilisation of equipment and technology provided by the Group to its Mainland China contracting partners, and provision for Mainland China tax in relation to these fees has been made. The amount of such provision is reviewed periodically and will be written back if it is unlikely that it would be crystallised after carrying over the provision for a period of six years.

23. 應繳稅項

應繳稅項(綜合)包括：

	2002 二零零二年 \$'000 千元	2001 二零零一年 \$'000 千元
Hong Kong profits tax	3,343	–
General provision for Mainland China tax*	28,784	36,642
	32,127	36,642

* 於一九九九年四月一日前，本集團因向其中國大陸合約夥伴提供設備及技術而按使用率計算所賺取之合約加工費。有關該等收入之中國大陸稅項經已撥備。該等撥備之金額乃定期檢討，並會於作出撥備逾六年而撥備不大可能實現時撥回。

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

24. Deferred Taxation

Movements in deferred taxation (consolidated) were:

		2002 二零零二年 \$'000 千元	2001 二零零一年 \$'000 千元
Beginning of year	年初	20,031	13,394
Provision for net timing differences	時差淨額撥備	-	6,637
Write-back of over-provision in prior years	過往年度超額撥備之 撥回	(1,344)	-
End of year	年終	18,687	20,031

24. 遞延稅項

遞延稅項(綜合)之變動如下：

Deferred taxation represents the taxation effect of accelerated depreciation of fixed assets for taxation purposes. There were no significant unprovided deferred tax liabilities as at 31st March, 2002.

遞延稅項乃根據稅務會計為固定資產作加速折舊之稅務影響。本集團於二零零二年三月三十一日並無重大而並無撥備之遞延稅項負債。

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

25. Share Capital

Movements were:

25. 股本

股本變動如下：

		2002		2001	
		Number of shares	Nominal value	Number of shares	Nominal value
		'000	\$'000	'000	\$'000
		千股	千元	千股	千元
Authorised – ordinary shares of \$0.01 each	法定股本 – 每股面值0.01元普通股	20,000,000	200,000	20,000,000	200,000
Issued and fully paid – ordinary shares of \$0.01 each	已發行及繳足股本 – 每股面值0.01元普通股				
Beginning of year	年初	5,332,000	53,320	3,150,000	31,500
Issue of shares for acquisition of associates	發行股份以收購聯營公司	-	-	1,632,000	16,320
Issue of shares through a placement	透過配售事項發行股份	-	-	550,000	5,500
End of year	年終	5,332,000	53,320	5,332,000	53,320

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

26. Share Options

The Company has a share option 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. 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.

Movements of employee share options during the year ended 31st March, 2002 are:

26. 購股權

本公司設有購股權計劃。根據該計劃，本集團全體僱員(包括本公司執行董事)可獲授購股權，以認購不多於本公司不時已發行股本面值之10%之股份(不包括因行使購股權而發行之股份)。認購價由本公司董事會決定，但不會低於股份面值或股份於建議授出購股權日期前五個交易日在香港聯合交易所有限公司之平均收市價之80%(以較高者為準)。

僱員購股權於截至二零零二年三月三十一日止年度之變動如下：

Date of grant 授出日期	Exercise period 行使期	Exercise price 行使價	Number of share options 購股權數目		
			Beginning of year 年初	Exercised during the year 年內行使	End of year 年終
			'000 千股	'000 千股	'000 千股
9th June, 2000	9th June, 2001 to 26th February, 2009	\$0.109	315,000	-	315,000
二零零零年 六月九日	二零零一年六月九日至 二零零九年二月二十六日	0.109元			

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

27. Reserves

Movements of reserves were:

		2002 二零零二年		2001 二零零一年	
		Contributed			
		Share premium 股份溢價	surplus 實繳盈餘	Total 總額	Total 總額
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Consolidated	綜合				
Beginning of year	年初	328,220	-	328,220	104,613
Premium on issue of shares	發行股份之溢價	-	-	-	226,928
Share issue expenses	發行股份費用	-	-	-	(3,321)
Effect of reduction in share premium (i)	削減股份溢價之 影響(i)	(328,220)	127,527	(200,693)	-
End of year	年終	-	127,527	127,527	328,220

		2002 二零零二年		2001 二零零一年	
		Contributed			
		Share premium 股份溢價	surplus 實繳盈餘	Total 總額	Total 總額
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Company	本公司				
Beginning of year	年初	328,220	158,601	486,821	263,214
Premium on issue of shares	發行股份之溢價	-	-	-	226,928
Share issue expenses	發行股份費用	-	-	-	(3,321)
Effect of reduction in share premium (i)	削減股份溢價之 影響(i)	(328,220)	127,527	(200,693)	-
End of year	年終	-	286,128	286,128	486,821

27. 儲備

儲備變動如下：

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

27. Reserves (continued)

Note –

- (i) Following a shareholders' resolution passed on 1st March, 2002, the Company transferred the entire amount of share premium of approximately \$328,220,000 to contributed surplus (\$127,527,000) and retained profit (\$200,693,000).

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.

As at 31st March, 2002, the Company had reserves of approximately \$254,231,000 available for distribution to shareholders (2001 – Nil).

27. 儲備 (續)

附註 –

- (i) 繼二零零二年三月一日通過股東決議案後，本公司將約328,220,000元之股份溢價全數撥入實繳盈餘(127,527,000元)及保留溢利(200,693,000元)。

根據一九八一年百慕達公司法(修訂本)，實繳盈餘可供分派予股東。惟倘(i)本公司現時或於分派後將無法償還到期負債，或(ii)資產之可變現價值將因此而少於其負債、已發行股本及股份溢價賬之總和，則本公司不得宣派或派付股息，或從實繳盈餘作出分派。

於二零零二年三月三十一日，本公司約有254,231,000元(二零零一年 – 無)之儲備可供分派予股東。

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

28. Notes to the Consolidated Cash Flow Statement

a. Reconciliation of profit (loss) before taxation to net cash inflow from operating activities:

28. 綜合現金流量表附註

a. 除稅前溢利(虧損)與經營業務現金流入淨額對賬如下：

		2002	2001
		二零零二年	二零零一年
		\$'000	\$'000
		千元	千元
Profit (Loss) before taxation	除稅前溢利(虧損)	29,533	(126,822)
Interest income	利息收入	(7,452)	(8,723)
Interest expense	利息開支	30,471	30,105
Impairment of goodwill relating to associates	有關聯營公司之商譽減值	-	188,142
Share of losses of associates and provision against advance to an associate	應佔聯營公司虧損及對聯營公司之墊款撥備	17,026	14,460
Depreciation of fixed assets	固定資產折舊	94,406	75,436
Net loss on disposal of fixed assets	撇除固定資產虧損淨額	473	377
Deficit on revaluation of an investment property	投資物業重估減值	150	250
Unrealised holding loss on investments	持有投資之未變現虧損	335	-
Increase in inventories	存貨增加	(67,516)	(107,094)
Increase in accounts receivable	應收賬項增加	(54,907)	(63,330)
Increase in prepayments and deposits	預付款項及按金增加	(547)	(4,776)
Increase in accounts payable	應付賬項增加	24,050	3,866
(Decrease) Increase in accruals and other payables	應計款項及其他應付款項(減少)增加	(2,128)	8,636
Net cash inflow from operating activities	經營業務之現金流入淨額	63,894	10,527

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

28. Notes to the Consolidated Cash Flow Statement (continued)

28. 綜合現金流量表附註(續)

b. Analysis of changes in financing:

b. 融資變動分析如下：

		Share capital		Short-term	Long-term	Finance lease	Total
		Due to	and share	bank loans	bank loans	obligations	
		a director	premium				
		應付董事	股本及	短期	長期	融資	總額
		款項	股份溢價	銀行貸款	銀行貸款	租約承擔	
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元
As at 1st April, 2000	於二零零零年四月一日	6,821	136,113	12,000	8,395	19,740	183,069
Decrease in amount due to a director	應付董事款項減少	(865)	-	-	-	-	(865)
Issue of shares	發行股份	-	248,748	-	-	-	248,748
Share issue expenses	發行股份費用	-	(3,321)	-	-	-	(3,321)
New finance lease obligations	新增融資租約承擔	-	-	-	-	27,151	27,151
Repayment of capital element of finance lease obligations	償還融資租約承擔之 資本部份	-	-	-	-	(15,832)	(15,832)
New bank loans	新增銀行貸款	-	-	26,547	37,480	-	64,027
Repayment of bank loans	償還銀行貸款	-	-	(12,000)	(2,900)	-	(14,900)
As at 31st March, 2001	於二零零一年三月三十一日	5,956	381,540	26,547	42,975	31,059	488,077
Increase in amount due to a director	應付董事款項增加	132	-	-	-	-	132
Effect of reduction in share premium	削減股份溢價之影響	-	(328,220)	-	-	-	(328,220)
New finance leases obligations	新增融資租約承擔	-	-	-	-	28,119	28,119
Repayment of capital element of finance lease obligations	償還融資租約承擔之 資本部份	-	-	-	-	(25,738)	(25,738)
New bank loans	新增銀行貸款	-	-	67,983	3,710	-	71,693
Repayment of bank loans	償還銀行貸款	-	-	(1,991)	(7,910)	-	(9,901)
As at 31st March, 2002	於二零零二年三月三十一日	6,088	53,320	92,539	38,775	33,440	224,162

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

28. Notes to the Consolidated Cash Flow Statement (continued)

c. Major non-cash transactions:

During the year, the Group acquired fixed assets of approximately \$28,119,000 (2001 – \$27,151,000) under finance leases.

d. Analysis of cash and cash equivalents:

		2002 二零零二年 \$'000 千元	2001 二零零一年 \$'000 千元
Cash and bank deposits	現金及銀行存款	89,830	110,424
Bank overdrafts	銀行透支	(8,351)	(84)
Trust receipts bank loans	信託收據銀行貸款	(286,965)	(321,466)
		(205,486)	(211,126)

29. Segment Information

a. Business segments

The Group is organised into two operating units : (i) wholesaling, trading and retailing of gold products, other precious metal products and jewellery products; and (ii) investing holding.

28. 綜合現金流量表附註(續)

c. 主要非現金交易：

年內，本集團以融資租約收購固定資產約28,119,000元(二零零一年–27,151,000元)。

d. 現金及等同現金項目分析如下：

	2002 二零零二年 \$'000 千元	2001 二零零一年 \$'000 千元
Cash and bank deposits	89,830	110,424
Bank overdrafts	(8,351)	(84)
Trust receipts bank loans	(286,965)	(321,466)
	(205,486)	(211,126)

29. 分類資料

a. 業務分類

本集團之組織可分為兩個業務單位：(i)批發、貿易及零售金飾、其他貴重金屬產品及珠寶首飾；及(ii)投資控股。

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

29. Segment Information (continued)

a. Business segments (continued)

An analysis by business segment is as follows:

29. 分類資料 (續)

a. 業務分類 (續)

按業務分類之分析如下：

		2002 二零零二年		
		Wholesaling, trading and retailing 批發、貿易 及零售	Investment holding 投資控股	Total 總額
		\$'000 千元	\$'000 千元	\$'000 千元
Turnover	營業額			
Sales to external customers	銷售予外界客戶	1,568,659	98	1,568,757
Operating results	經營業績			
Segment results	分類業績	70,181	(17,629)*	52,552
Interest income	利息收入			7,452
Interest expense	利息開支			(30,471)
Taxation	稅項			5,022
Profit attributable to shareholders	股東應佔溢利			34,555
Other information	其他資料			
Assets	資產	1,084,509	40,824	1,125,333
Liabilities	負債	565,030	19,134	584,164
Capital expenditures	資本開支	87,865	5,300	93,165
Depreciation	折舊	93,306	1,100	94,406
Non-cash expenditures other than depreciation	折舊以外之 非現金開支	600	-	600

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

29. Segment Information (continued)

a. Business segments (continued)

29. 分類資料 (續)

a. 業務分類 (續)

		2001 二零零一年		
		Wholesaling, trading and retailing 批發、貿易 及零售	Investment holding 投資控股	Total 總額
		\$'000 千元	\$'000 千元	\$'000 千元
Turnover	營業額			
Sales to external customers	銷售予外界客戶	1,327,657	96	1,327,753
Operating results	經營業績			
Segment results	分類業績	97,606	(203,046)**	(105,440)
Interest income	利息收入			8,723
Interest expense	利息開支			(30,105)
Taxation	稅項			(9,156)
Loss attributable to shareholders	股東應佔虧損			(135,978)
Other information	其他資料			
Assets	資產	983,102	53,542	1,036,644
Liabilities	負債	512,887	17,143	530,030
Capital expenditures	資本開支	185,927	202,748	388,675
Depreciation	折舊	75,331	105	75,436
Non-cash expenditures other than depreciation	折舊以外之 非現金開支	3,700	-	3,700

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

29. Segment Information (continued)

b. Geographical segments

The Group's activities are conducted predominantly in Hong Kong, Mainland China, South-East Asia, the United States of America, Europe and others. An analysis by geographical segment is as follows:

29. 分類資料 (續)

b. 地區分類

本集團之業務主要在香
港、中國大陸、東南亞、
美國、歐洲及其他地區經
營，按地區分類之分析如
下：

		2002						
		Hong Kong/ Mainland China 香港/ 中國大陸		South-East Asia 東南亞	The United States of America 美國	Europe 歐洲	Others 其他地區	Total 總額
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Turnover	營業額	1,191,651	168,650	135,503	60,634	12,319	1,568,757	
Segment results	分類業績	10,844*	6,275	22,657	12,564	212	52,552	
Assets	資產	1,125,333	-	-	-	-	1,125,333	
Capital expenditures	資本開支	93,165	-	-	-	-	93,165	

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

29. Segment Information (continued)

b. Geographical segments (continued)

		2001 二零零一年					
		Hong Kong/ Mainland China 香港/ 中國大陸	South-East Asia 東南亞	The United States of America 美國	Europe 歐洲	Others 其他地區	Total 總額
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Turnover	營業額	767,585	238,083	140,903	118,006	63,176	1,327,753
Segment results	分類業績	(169,763)**	11,564	25,161	25,793	1,805	(105,440)
Assets	資產	1,036,644	-	-	-	-	1,036,644
Capital expenditures	資本開支	388,675	-	-	-	-	388,675

Turnover by geographical location is determined on the basis of the destination of shipment of merchandise.

按地區劃分之營業額乃以付運商品之目的地區為劃分基準。

* Including share of losses of associates and provision against advance to an associate of approximately \$17,026,000 for the year ended 31st March, 2002.

* 包括截至二零零二年三月三十一日止年度之應佔聯營公司虧損及對聯營公司之墊款撥備約17,026,000元。

** Including share of losses of associates and provision against advance to an associate of approximately \$14,460,000 and impairment of goodwill relating to associates of approximately \$188,142,000 for the year ended 31st March, 2001.

** 包括截至二零零一年三月三十一日止年度之應佔聯營公司虧損及對聯營公司之墊款撥備約14,460,000元及有關聯營公司之商譽減值約188,142,000元。

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

30. Commitments

The Group and the Company had the following commitments which were not provided for in the financial statements:

a. Capital commitments

Capital commitments, which were all authorised and contracted for, are analysed as follows:

30. 承擔

本集團及本公司並無於財務報表中撥備之承擔如下：

a. 資本承擔

已批准及簽定之資本承擔分析如下：

		Consolidated		Company	
		綜合		本公司	
		2002	2001	2002	2001
		二零零二年	二零零一年	二零零二年	二零零一年
		\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元
Acquisition of fixed assets	收購固定資產	343	9,587	-	-

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

30. Commitments (continued)

b. Operating lease commitments

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

30. 承擔 (續)

b. 經營租約承擔

根據本集團截至二零零六年九月之多項租用物業及不可註銷機器經營租約之承擔，總承擔額分析如下：

		Consolidated		Company	
		綜合	綜合	本公司	本公司
		2002	2001	2002	2001
		二零零二年	二零零一年	二零零二年	二零零一年
		\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元
Amounts payable	須於下列期間 支付之款項				
- within one year	- 一年內	2,651	1,784	-	-
- between one year and two years	- 一年至兩年	1,477	1,704	-	-
- between two years and five years	- 兩年至五年	1,323	2,081	-	-
- over five years	- 五年後	-	221	-	-
		5,451	5,790	-	-

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

31. Pension Scheme

From 1st December, 2000, 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. 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 \$1,000 per month and thereafter contributions are voluntary. For the year ended 31st March, 2002, the amount of the Group's employer contributions to the MPF Scheme was approximately \$1,764,000 (2001 – \$624,000).

The Group's labour force in Mainland China are all employed on a contract basis and consequently the Group has no obligation for pension liabilities.

31. 退休金計劃

由二零零零年十二月一日起，本集團安排香港僱員加入強制性公積金計劃（「強積金計劃」）。強積金計劃為定額供款計劃，由獨立受託人管理。根據強積金計劃，本集團與其僱員每月均須依據強制性公積金法例作出相等於僱員每月薪酬5%之供款。僱主與僱員每月供款額不多於1,000元，並可自願多加供款。截至二零零二年三月三十一日止年度，本集團向強積金計劃作出約1,764,000元（二零零一年 – 624,000元）之僱主供款。

本集團於中國大陸之所有僱員均以合約形式聘用，故毋須承擔其退休金。

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

32. Banking Facilities and Pledge of Assets

As at 31st March, 2002, the Group had aggregate banking facilities of approximately \$475,277,000 (2001 – \$432,186,000) from several banks for overdrafts, loans and trade financing. Unused facilities as at the same date amounted to approximately \$32,783,000 (2001 – \$38,117,000). These facilities were secured by:

- a. mortgage over the Group's land and buildings with a net book value of approximately \$19,857,000 (2001 – \$15,608,000) (see Note 11);
- b. the Group's inventories of approximately \$286,965,000 (2001 – \$317,543,000) held under trust receipts bank loan arrangements (see Note 15);
- c. pledges of the Group's bank deposits of approximately \$77,830,000 (2001 – \$77,210,000) (see Note 18);
- d. mortgages over certain properties owned by Mr. Lam Sai Wing and Ms. Chan Yam Fai, Jane, directors of the Company (see Note 3);

32. 銀行信貸及資產抵押

於二零零二年三月三十一日，本集團向多間銀行取得銀行信貸合共約475,277,000元（二零零一年－432,186,000元），其中包括透支，貸款及貿易信貸。於同日未有動用之信貸約為32,783,000元（二零零一年－38,117,000元）。該等信貸以下列項目作抵押：

- a. 本集團賬面淨值約19,857,000元（二零零一年－15,608,000元）之土地及樓宇之按揭（見附註11）；
- b. 本集團根據信託收據銀行貸款安排持有約286,965,000元（二零零一年－317,543,000元）之存貨（見附註15）；
- c. 本集團銀行存款77,830,000元（二零零一年－77,210,000元）之抵押（見附註18）；
- d. 本公司董事林世榮先生及陳吟揮女士擁有之若干房地產物業之按揭（見附註3）；

Notes to the Financial Statements

(Amounts expressed in Hong Kong dollars unless otherwise stated)

財務報表附註

(除另有註明者外，金額均以港元計算)

32. Banking Facilities and Pledge of Assets (continued)

- e. assignment of the benefits in respect of the keyman insurance for Mr. Lam Sai Wing amounting to \$20,000,000 (see Note 3); and
- f. guarantees provided by the Company.

In addition, the Group has agreed with the banks to comply with certain restrictive financial covenants.

32. 銀行信貸及資產抵押(續)

- e. 林世榮先生之要員保險之利益分配合共20,000,000元(見附註3)；及
- f. 本公司提供之擔保。

此外，本集團須遵守銀行所定下之若干財務契諾。