

Year ended 31 March 2003

截至二零零三年三月三十一日止年度

1. 遵例聲明

財務報表乃根據香港會計師公會頒布之會計實務準則（「會計實務準則」）及釋義、香港公認會計原則及香港公司法例之披露規定而編製。該等財務報表亦遵守適用之香港聯合交易所有限公司（「聯交所」）證券上市規則之披露條款。本集團所採納主要會計政策之概要載列如下。

2. 採納新訂或經修訂之會計實務準則

本年度內，本集團採納下列新訂或經修訂之會計實務準則：

會計實務準則
第1號（經修訂）：財務報表之呈列
會計實務準則
第11號（經修訂）：外幣換算
會計實務準則
第15號（經修訂）：現金流量表
會計實務準則
第33號：終止經營業務
會計實務準則
第34號：僱員福利

採納經修訂會計實務準則第1號及第15號導致綜合權益變動表及綜合現金流量表之呈報發生變動。

採納會計實務準則第33號導致本集團之皮革分銷已於本年度確定為終止業務，詳情披露於附註32。

最初採納會計實務準則第34號時，本集團已選擇於年內全面確認過渡性債務為支出。

採納其他新訂或經修訂之會計實務準則對財務報表並無重大影響。

1. Statement of Compliance

The financial statements have been prepared in accordance with Statements of Standard Accounting Practice (“SSAPs”) and Interpretations 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. These financial statements also comply with applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Stock Exchange”). A summary of the principal accounting policies adopted by the Group is set out below.

2. Adoption of new or revised Statements of Standard Accounting Practice

In the current year, the Group adopted the following new or revised SSAPs:

SSAP 1 (revised) : Presentation of financial statements
SSAP 11 (revised) : Foreign currency translation
SSAP 15 (revised) : Cash flow statements
SSAP 33 : Discontinuing operations
SSAP 34 : Employee benefits

The adoption of the revised SSAP 1 and 15 have resulted in the changes in the presentation of Consolidated Statement of Changes in Equity and Consolidated Cash Flow Statements.

The adoption of SSAP 33 has resulted in the identification of the Group’s leatherware distribution as discontinuing operations in the current year, details of which are disclosed in note 32.

On the initial adoption of SSAP 34, the Group has chosen to recognise transitional liability in full as an expense during the year.

The adoption of the other new or revised SSAPs has no significant impact on the financial statements.

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3. 主要會計政策**編製基準**

本財務報表採用經重估投資物業修訂之歷史成本法作為計量基準而編製，詳情見以下所載之會計政策。

收益確認

收益乃於本集團可能獲得經濟溢利或可準確地計算收益與成本（如有）時予以確認，基準如下：

貨品之收入於轉移擁有權風險及回報時予以確認，通常於交付貨品及轉移擁有權時一併轉讓。

經營租約項下之租金收入於有關物業租出期間按租期以直線法予以確認。

綜合基準

本綜合財務報表包括本公司及其附屬公司截至各相關年度之三月三十一日止的財務報表。於年內購入或出售的附屬公司，其業績是由購入日期開始或截至出售日期止（以適用為準）計算入綜合損益表內。

一切重大的集團內部交易及結餘已於編製綜合賬目時抵銷。

少數股東權益是指集團以外之股東於附屬公司經營業績及淨資產的權益。

商譽／負商譽

商譽乃指收購價超逾收購當日本集團所佔該附屬公司或聯營公司各項淨資產之公平價值之數額。

3. Principal Accounting Policies**Basis of preparation**

The measurement basis used in the preparation of the financial statements is historical cost modified by the revaluation of investment properties as explained in the accounting policies set out below.

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue and costs, if applicable, can be measured reliably and on the following bases:

Sale of goods is recognised on transfer of risk and reward of ownership, which generally coincides with the time when goods are delivered and title has been passed.

Rental income under operating leases is recognised in the period in which the properties are let out and on the straight-line basis over the lease terms.

Consolidation

The consolidated financial statements include 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.

All significant intercompany transactions and balances within the Group are eliminated on consolidation.

Minority interests represent the interests of outside shareholders in the operating results and net assets of subsidiaries.

Goodwill/negative goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net assets of the acquired subsidiary or associate at the date of acquisition.

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3. 主要會計政策 (續)

商譽／負商譽 (續)

於二零零一年四月一日前進行收購所涉及之商譽乃於儲備中撇銷，於二零零一年四月一日或之後進行收購所涉及之商譽確認為一項資產，並按其預計使用年期攤銷。

負商譽乃指本集團所佔各項淨資產之公平價值超逾收購價之數額。

在二零零一年四月一日後之收購行動中，負商譽將被列入資產負債表中相同的商譽類別。縱使負商譽在集團之收購計劃中被認定與未來虧損及支出之預計有關，並能作出可靠的計量，但並不能視作於收購日之可辨認負債，該部分之負商譽於未來虧損及支出被確認時，始能在損益表中被確認。任何尚餘負商譽若不超逾所收購之非貨幣性資產之公平價值，則於該等資產餘下之加權平均可使用年限內，在損益表中予以確認。負商譽若超逾所收購之非貨幣性資產之公平價值，則可即時在損益表中予以確認。

出售任何附屬公司或聯營公司錄得之收益或虧損指銷售所得款項超出本集團分佔其淨資產之份額，連同任何未攤銷商譽／負商譽，先前未從綜合損益表扣除或未於其中確認之儲備中之商譽／負商譽之差額。

3. Principal Accounting Policies (Continued)

Goodwill/negative goodwill (Continued)

Goodwill on acquisitions that occurred prior to 1 April 2001 was written off against reserves, goodwill on acquisitions occurring on or after 1 April 2001 is recognised as an asset and is amortised over its estimated useful life.

Negative goodwill represents the excess of the fair value of the Group's share of the net assets acquired over the cost of acquisition.

For acquisitions after 1 April 2001, negative goodwill is presented in the same balance sheet classification as goodwill. To the extent that negative goodwill relates to expectations of future losses and expenses that are identified in the Group's plan for the acquisition and can be measured reliably, but which do not represent identifiable liabilities at the date of acquisition, that portion of negative goodwill is recognised in the income statement when the future losses and expenses are recognised. Any remaining negative goodwill, not exceeding the fair values of the non-monetary assets acquired, is recognised in the income statement over the remaining weighted average useful life of those assets; negative goodwill in excess of the fair values of the non-monetary assets is recognised in the income statement immediately.

The gain or loss on the disposal of subsidiary or associate represent the difference between the proceeds of the sale and the Group's share of its net assets together with any unamortised goodwill/negative goodwill or goodwill/negative goodwill taken to reserves which was not previously charged or recognised in the consolidated income statement.

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3. 主要會計政策 (續)

物業、廠房及設備

物業、廠房及設備乃按成本減累計折舊及累計減值虧損入賬。

一項物業、廠房及設備項目之成本包括其購買及使資產可投入運作及運至現址作擬定用途之任何直接應佔費用。將資產安裝至彼等正常工作狀況所產生之主要成本由損益表扣除。而裝修則撥充資本，並按其可使用年期折舊。

物業、廠房及設備報廢或出售時，其盈虧乃根據預計出售所得款項淨額與資產賬面值兩者之差額計算，並於損益表內列作收入或支出。

物業、廠房及設備之折舊乃於其自全面操作後起計之估計可用年限並計及其估計剩餘價值後按以下折舊年率以直線法攤銷其成本減累積減值虧損計算：

租約土地	餘下租約期
樓宇	2% - 5%
傢俬及裝置	10% - 20%
辦公室設備	10% - 20%
廠房及機器	10% - 20%
汽車	10% - 20%
租賃物業裝修	10% - 20%

根據財務租約持有之資產採用與自置資產相同之基準於其估計可用年限或(如期間較短)有關租約期內予以折舊。

3. Principal Accounting Policies (Continued)

Property, plant and equipment

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

The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Major costs incurred in restoring assets to their normal working conditions are charged to the income statement. Improvements are capitalised and depreciated over their expected useful life.

The gain or loss arising from the retirement or disposal of property, plant and equipment is determined as the difference between the estimated net sales proceeds and the carrying amount of the assets and is recognised as an income or expense in the income statement.

Depreciation is provided to write off the cost less accumulated impairment losses of property, plant and equipment over their estimated useful lives from the date on which they become fully operational and after taking into account of their estimated residual values, using the straight-line method, at the following rates per annum:

Leasehold land	Over the unexpired term of lease
Buildings	2% - 5%
Furniture and fixtures	10% - 20%
Office equipment	10% - 20%
Plant and machinery	10% - 20%
Motor vehicles	10% - 20%
Leasehold improvement	10% - 20%

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the terms of the leases.

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3. 主要會計政策 (續)

投資物業

投資物業乃指於已建成及發展完成之土地及樓宇之權益，並因其投資潛力而有意作長線持有之權益。

投資物業根據年度專業估值計算之公開市值列賬。投資物業價值之變動乃被視作投資物業重估儲備變動處理。倘此儲備結餘總額在整個投資組合中不足以彌補虧損，則超出之虧損數額會於損益表中扣除。

出售投資物業時，就先前估值變現之投資物業重估儲備之有關部份將計入損益表內。

契約尚餘年期多於二十年之投資物業無須作出折舊準備。

附屬公司

附屬公司乃指本公司直接或間接地有權管轄其財務及營運政策以取得經營收益的公司。於本公司資產負債表中，於附屬公司之投資乃以成本扣除減值虧損入賬，投資之賬面金額乃按個別情況減至其可收回金額。

短期投資

並非以持續基準識別持作長期投資之投資證券會列為短期投資，並按公平值列入綜合資產負債表內，且會於公平值出現變動時於綜合損益表內確認。

出售短期投資所產生之盈虧按銷售所得款項淨額與證券之賬面值兩者之差額計算，並於出售發生期間內列賬。

3. Principal Accounting Policies (Continued)

Investment properties

Investment properties are interests in land and buildings in respect of which construction work and development have been completed and which are intended to be held on a long-term basis for their investment potential.

Investment properties are stated at their open market values on the basis of annual professional valuations. Changes in the values of investment properties are dealt with as movements in the investment property revaluation reserve. If the total of this reserve is insufficient to cover a deficit, on a portfolio basis, the excess of the deficit is charged to the income statement.

Upon the disposal of an investment property, the relevant portion of the investment property revaluation reserve realised in respect of previous valuations will be credited to the income statement.

No depreciation is provided in respect of investment properties with an unexpired lease term of over 20 years.

Subsidiaries

A subsidiary is an enterprise, in which the Company, directly or indirectly, has the power to govern the financial and operating policies so as to obtain benefits from its activities. In the Company's balance sheet, investments in subsidiaries are stated at cost less impairment losses. The carrying amount of the investment is reduced to its recoverable amount on an individual basis.

Short-term investment

Investment securities held not on a continuing basis identified long-term purpose are classified as short-term investment, which are stated in the consolidated balance sheet at fair value with changes in fair value recognised in the consolidated income statement as they arise.

The gain or loss on disposal of short-term investment is accounted for in the period in which the disposal occurs as the difference between net sales proceeds and the carrying amount of the securities.

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3. 主要會計政策 (續)

聯營公司

聯營公司乃指本公司可對其行使重大影響力之公司，惟聯營公司並非公司旗下之附屬公司或合營公司。

聯營公司業績乃按已收及應收股息金額計入本公司賬目內。於本公司資產負債表中聯營公司之投資乃按成本扣除累積減值虧損入賬，投資之賬面金額乃按個別情況減至其可收回金額。

於聯營公司之投資乃按權益法計入綜合財務報表內，最初按成本入賬，其後再按收購後本集團所佔聯營公司淨資產份額扣除累積減值虧損作出調整。綜合損益表反映出本集團所佔聯營公司收購後年度業績之份額，包括計入該年度或於該年度扣除之商譽或負商譽攤銷以及減值虧損。

倘於聯營公司之投資的列賬成本為零，權益會計法將會中止，除非本集團已為該聯營公司承擔實際責任，或保證責任。

來自本集團與其聯營公司交易之未變現盈利及虧損將撇減至本集團於有關聯營公司之權益，惟倘未變現虧損證明所轉讓資產出現減值則除外，在此情況下，該等虧損可即時在損益表中予以確認。

3. Principal Accounting Policies (Continued)

Associates

An associate is an enterprise, in which the Company has significant influence and which is neither a subsidiary nor a joint venture of the Company.

The result of associates are accounted for by the Company on the basis of dividends received and receivable. In the Company's balance sheet, investments in associates are stated at cost less accumulated impairment losses. The carrying amount of the investment is reduced to its recoverable amount on an individual basis.

An investment in an associate is accounted for in the consolidated financial statements under the equity method and is initially recorded at cost and adjusted thereafter for the post acquisition change in the Group's share of the associate's net assets less accumulated impairment losses. The consolidated income statement reflects the Group's share of the post-acquisition results of the associates for the year, including any amortisation of positive or negative goodwill charged or credited during the year and impairment loss.

Equity accounting is discontinued when the carrying amount of the investment in an associate reaches zero, unless the Group has incurred obligation or guaranteed obligations in respect of the associate.

Unrealised profits and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associate, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in the income statement.

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3. 主要會計政策 (續)

減值虧損

於每個資產負債表結賬日，集團檢討內部及外間資訊，以確認其有形及無形資產是否有任何減值虧損跡象顯示或先前確認之減值虧損不再存在或已減少。倘若有該跡象存在，本集團將需評估該資產的可收回金額。資產之可收回金額乃根據其較高之售價淨額及使用價值作出估算。倘若無法估算個別資產之可收回金額，集團則估算能獨立產生流動現金之最小資產組合之可收回數額（即一個產生現金收益單位）。

倘若資產之可收回金額或產生現金收益的單位低於其賬面金額，該項資產之可收回金額或產生現金收益單位將調低至其可收回金額。減值虧損乃即時被確認為一項開支，除非有關資產已重新估值，在此情況下，該項減值虧損則被視作重估減值。

當一項減值虧損於後來出現逆轉，該項資產之賬面金額或產生現金收益單位則增加至其重估之可收回金額，惟增加之賬面金額不超逾以往年度該項資產或產生現金收益的單位被確認無減值虧損之賬面金額。減值虧損之逆轉即時被確認為收入，除非有關資產已重新估值，在此情況下，該項減值虧損逆轉則被視作重估增值。

3. Principal Accounting Policies (Continued)

Impairment loss

At each balance sheet date, the Group reviews internal and external source of information to determine whether the carrying amounts of its tangible and intangible assets have suffered an impairment loss or impairment loss previously recognised no longer exists or may have reduced. If any such indication exists, the recoverable amount of the asset is estimated, based on the higher of its net selling price and value in use. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the smallest group of assets that generates cash flows independently (i.e. a cash-generating unit).

If the recoverable amount of an asset or a cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately, unless the relevant asset is carried at revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

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3. 主要會計政策 (續)

存貨

存貨乃按成本值及可變現淨值兩者之較低者列賬。成本值包括一切購置成本及(如適用)、兌換成本及將存貨運至現址及達致現況所需之其他費用,採用先入先出法計算。可變現淨值為日常業務中之估計售價減去製成時之估計費用及出售所需之估計費用。

外幣換算

涉及以外幣進行之交易按交易日之匯率換算。於資產負債表結算日,以外幣為單位之貨幣資產及負債按該結算日之匯率換算。換算差額撥入損益表處理。

於綜合時,海外附屬公司以非港幣計值之資產負債表乃按結算日之概約匯率進行換算,而損益表則按年度平均匯率換算。所有因該等換算而產生之匯兌差額均於匯兌儲備中處理。

於出售海外企業時,與該海外企業相關之累積換算差額被納入出售企業盈利或虧損之計算內。

3. Principal Accounting Policies (Continued)

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost, which comprises all costs of purchase and, where applicable, cost of conversion and other costs that have been incurred in bringing the inventories to their present location and condition, is calculated using the first in, first out method. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Foreign currencies

Transactions involving foreign currencies are translated at the rates of exchange ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated at the rates of exchange ruling at that date. Translation differences are included in the income statement.

On consolidation, the balance sheet of overseas subsidiaries denominated in currencies other than Hong Kong dollars are translated at the approximate rates of exchange ruling at the balance sheet date while the income statement is translated at average rates for the year. All exchange differences arising on such translation are dealt with in the exchange reserve.

On disposal of a foreign enterprise, the cumulative amount of the exchange differences which relate to that foreign enterprise is included in the calculation of the profit or loss on disposal.

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3. 主要會計政策 (續)

稅項

稅項開支根據年度業績就毋須課稅或不可扣稅之項目作出調整後計算。若干收支項目在稅務上與在財務報表內因於不同會計期間確認，故此產生時間差距。時間差距之稅務影響會採用負債法計算，並於負債或資產於預見將來可能會出現時在財務報表內確認為遞延稅項。除非該遞延稅項資產之變現已無合理疑點，否則不會被確認。

租約

凡租約條款將資產擁有權之絕大部份風險及回報轉移於承租人之租約均列作財務租約。所有其他租約均列作經營租約。

根據財務租約持有之資產乃以租用資產或最低租約付款現值之公平價值之較低價確認為本集團資產，而租戶承擔之相應負債則於資產負債表列作財務租約承擔。財務費用為租約承擔總額與所購入資產之公平價值之差額，乃於有關租約期間內自損益表中扣除，以便就每個會計期間之尚餘承擔金額計算出一個定期支出比率。

凡租約條款將資產擁有權之絕大部份風險及回報由出租公司保留之租約均列作經營租約。經營租約之應付及應收租金於有關租約期內按直線法被確認為開支及收益。提供及獲得之租約優惠在損益表中被確認為經同意使用該租賃資產之對價淨額的不可分割部分。或然租金於資產租出之會計期間確認為開支及收益項目。

3. Principal Accounting Policies (Continued)

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. A deferred tax asset is not recognised unless its realisation is assured beyond reasonable doubt.

Leasing

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

Assets held under finance leases are recognised as assets of the Group at the lower of the fair value of the leased assets or the present value of the minimum lease payments. The corresponding liability to the lessor 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 term 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.

Leases where substantially all the rewards and risks of ownership of assets remain with the leasing company are accounted for as operating leases. Rentals payable and receivable under operating leases are recognised as an expense and revenue on the straight-line basis over the lease terms. Lease incentives provided and received are recognised in the income statement as an integral part of the net consideration agreed for the use of the leased asset. Contingent rentals are recognised as expenses and revenues in the accounting period in which the assets are let out.

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3. 主要會計政策 (續)**現金等值項目**

在現金流量表中，現金等值項目乃指屬短期性質而變現能力極高之投資項目。該項目可隨時兌換為已知金額之現金及其價值變動之風險不大並減除銀行透支。

僱員福利**退休金計劃**

定額供款退休計劃之供款責任，包括根據香港強制性公積金計劃條例須支付之供款，乃於發生時在損益表中確認為支出，並減去僱員於全面歸屬於該供款前已退出該計劃而放棄之供款。該計劃之資產與本集團資產分開，由獨立管理基金持有。

長期服務金

根據香港僱用條例，本集團於若干情況下終止僱用時就長期服務金須支付之債務淨額，乃僱員因彼等於當前及過往期間所提供之服務而賺取之日後溢利款項，並從本集團需作出供款之退休計劃下產生之權益中扣減。

關連人士

如果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。如果雙方均受共同控制或共同重大影響亦被視為有關連。

3. Principal Accounting Policies (Continued)**Cash equivalents**

For the purpose of cash flow statement, cash equivalents represent short-term highly liquid investments which are readily convertible into known amounts of cash and subject to an insignificant risk of change in value, net of bank overdrafts.

Employee benefits**Retirement benefits scheme**

The obligations for contributions to defined contribution retirement scheme, including contributions payable under the Hong Kong Mandatory Provident Fund Scheme Ordinance, are recognised as an expense in the income statement as incurred and are reduced by contributions forfeited by those employees who leave the scheme prior to vesting fully in the contributions. The assets of the scheme are held separately from those of the Group in an independently administrated fund.

Long service payments

The Group's net obligation in respect of long service payments payable on cessation of employment in certain circumstances under the Hong Kong Employment Ordinance is the amount of future benefit that employees have earned in return for their service in the current and prior periods, and are reduced by entitlements accrued under the Group's retirement plans that are attributable to contributions made by the Group.

Related parties

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.

Year ended 31 March 2003

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3. 主要會計政策 (續)

分部報告

分部乃指可加以區別之集團組成部分，即從事提供產品或服務（業務分部）或在特殊經濟環境下提供產品或服務（地區分部），此乃按與其他分部不同之風險及回報而劃分。

根據本集團之內部財務報告，本集團選擇業務分部資料作為首要報告形式及地區分部為次要報告形式。

分部收益、開支、業績、資產及負債包括分部直接應佔之項目及該等可合理分配至該分部之項目。例如，分部資產可包括存貨、貿易應收賬項及物業、廠房及設備。分部收益、開支、資產及負債於集團內部結算前予以確定，而集團內部交易則視作綜合程序之一部分予以抵銷，除非該等集團內部結餘及交易乃屬同一業務分部內之集團企業。內部定價乃按對外提供之類似條款而釐訂。

分部資本開支指年內產生以購買分部資產（有形及無形）之總成本，預期將可用於一個以上之期間。

為分配項目主要包括財務及公司資產與負債、有息貸款、借貸及企業與財務開支。

3. Principal Accounting Policies (Continued)

Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

In accordance with the Group's internal financial reporting, the Group has chosen business segment information as the primary reporting format and geographical segment information as the secondary reporting format.

Segment revenue, expenses, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment. For example, segment assets may include inventories, trade receivables and property, plant and equipment. Segment revenue, expenses, assets and liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between group enterprises within a single segment. Inter-segment pricing is based on similar terms as those available to other external parties.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets (both tangible and intangible) that are expected to be used for more than one period.

Unallocated items mainly comprise financial and corporate assets, interest-bearing loans, borrowings, corporate and financing expenses and minority interests.

Year ended 31 March 2003

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5. 分部資料 (續)

下表顯示截至二零零三年及二零零二年三月三十一日止各年度的分部收益及虧損資料，及於二零零三年及二零零二年三月三十一日就有關業務分部的若干資產及負債資料。

5. Segment Information (Continued)

The following tables show revenue and loss information for these segments for the years ended 31 March 2003 and 2002, and certain asset and liability information regarding business segments as at 31 March 2003 and 2002.

		截至二零零三年三月三十一日止年度						
		For the year ended 31 March 2003						
		皮具分銷	皮具製造	皮革加工		集團本部	撥銷	總計
		Leather- trading	Leather- dis- tribution	Leather- manu- facturing	Leather finishing	Corporate	Elimination	Total
		港幣(元)	港幣(元)	港幣(元)	港幣(元)	港幣(元)	港幣(元)	港幣(元)
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
分部收益	Segment revenue							
外部客戶	External customers	113,920,441	30,541,866	8,881,514	1,381,761		-	154,725,582
內部銷售	Inter-segments	157,776	-	5,673,251	996,066		(6,827,093)	-
		<u>114,078,217</u>	<u>30,541,866</u>	<u>14,554,765</u>	<u>2,377,827</u>		<u>(6,827,093)</u>	<u>154,725,582</u>
分部業績	Segment results	(11,132,549)	(5,568,247)	(8,926,972)	2,331,887	(4,369,577)	13,862,267	(13,803,191)
財務成本	Finance costs							(2,419,891)
少數股東權益	Minority interests							221,934
股東應佔虧損淨值	Net loss attributable to shareholders							<u>(16,001,148)</u>
分部資產	Segment assets	84,301,803	11,124,757	23,624,366	4,467,947	108,080,263	(103,765,562)	<u>127,833,574</u>
分部負債	Segment liabilities	150,362,273	23,370,419	38,022,951	8,289,278	14,933,763	(172,517,294)	<u>62,461,390</u>
其他分部資料	Other segment information							
資本開支	Capital expenditure	20,684	4,208	1,135,140	-	-	-	1,160,032
折舊	Depreciation	1,694,686	585,837	1,365,335	267,438	2,340	-	3,915,636
物業、廠房及設備之 已確認減值虧損	Impairment loss recognised on property, plant and equipment	-	-	-	760,000	-	-	<u>760,000</u>

Year ended 31 March 2003
截至二零零三年三月三十一日止年度

5. 分部資料 (續)

5. Segment Information (Continued)

		截至二零零二年三月三十一日止年度						
		For the year ended 31 March 2002						
		皮具分銷	皮具製造					
		Leather- trading	ware dis- tribution	Leather- ware manu- facturing	皮革加工 Leather finishing	集團本部 Corporate	撥銷 Elimination	總計 Total
		港幣(元)	港幣(元)	港幣(元)	港幣(元)	港幣(元)	港幣(元)	港幣(元)
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
分部收益	Segment revenue							
外部客戶	External customers	127,230,779	37,310,189	8,894,458	1,454,043		-	174,889,469
內部銷售	Inter-segments	-	-	8,774,493	-		(8,774,493)	-
		<u>127,230,779</u>	<u>37,310,189</u>	<u>17,668,951</u>	<u>1,454,043</u>		<u>(8,774,493)</u>	<u>174,889,469</u>
分部業績	Segment results	(29,482,912)	(3,637,233)	(2,675,585)	(2,049,231)	(12,223,222)	2,456,803	(47,611,380)
財務成本	Finance costs							(3,755,657)
應佔一家聯營公司之業績	Share of results of an associate							(31,942,621)
來自收購一家聯營公司 之已確認商譽減值虧損	Impairment loss recognised on goodwill arising from acquisition of an associate							(16,824,082)
稅項	Taxation							(1,283,243)
少數股東權益	Minority interests							196,383
股東應佔虧損淨值	Net loss attributable to shareholders							<u>(101,220,600)</u>
分部資產	Segment assets	126,746,600	16,023,410	27,683,640	3,152,687	123,171,812	(139,040,103)	157,738,046
分部負債	Segment liabilities	169,537,586	21,931,854	34,643,594	9,313,311	20,018,106	(178,939,185)	76,505,266
其他分部資料	Other segment information							
資本開支	Capital expenditure	1,005,844	423,788	522,733	5,734	-	-	1,958,099
折舊	Depreciation	1,962,218	591,885	1,244,785	298,130	2,340	-	4,099,358
存貨撥備	Provision for inventories	9,391,000	-	-	-	-	-	9,391,000
物業、廠房及設備 之已確認減值虧損	Impairment loss recognised on property, plant and equipment	18,500,000	-	1,500,000	-	-	-	20,000,000

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5. 分部資料 (續)

地區分部

以地區分部的基準呈列資料時，分部收益是按客戶所在地區計算。分部資產及資本開支是按資產所在地區計算。

5. SEGMENT INFORMATION (Continued)

Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets and capital expenditure are based on the geographical location of the assets.

	香港		中華人民共和國 其他地區		澳洲		其他地區			
	Hong Kong		in the People's Republic of China		Australia		Others			
	二零零三年 2003	二零零二年 2002	二零零三年 2003	二零零二年 2002	二零零三年 2003	二零零二年 2002	二零零三年 2003	二零零二年 2002		
	港幣(元) HK\$	港幣(元) HK\$	港幣(元) HK\$	港幣(元) HK\$	港幣(元) HK\$	港幣(元) HK\$	港幣(元) HK\$	港幣(元) HK\$		
來自外部客戶收益	Revenue from external customers		79,740,111	99,218,930	35,659,263	28,342,178	30,581,611	37,322,890	8,744,597	10,005,471
分部資產	Segment assets		111,752,596	120,106,212	32,206,314	34,075,740	10,915,780	15,565,950	-	-
資本開支	Capital expenditure		1,155,824	1,486,844	-	47,467	4,208	423,788	-	-

6. 除稅前虧損

6. Loss before Taxation

		本集團 The Group	
		二零零三年 2003	二零零二年 2002
		港幣(元) HK\$	港幣(元) HK\$
已扣除(計入)下列各項:	This is stated after charging (crediting):		
(a) 財務成本	(a) Finance costs		
銀行貸款、透支及其他須於五年內悉數償還之借貸利息	Interest on bank loans, overdrafts and other borrowings wholly repayable within five years	2,366,266	2,913,051
其他貸款之利息	Interest on other loans	-	819,617
財務租約承擔之財務費用	Finance charges on obligations under finance leases	53,625	22,989
		<u>2,419,891</u>	<u>3,755,657</u>

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6. 除稅前虧損(續)

6. Loss before Taxation (Continued)

		本集團	
		The Group	
		二零零三年	二零零二年
		2003	2002
		港幣(元)	港幣(元)
		HK\$	HK\$
(b) 其他項目	(b) Other items		
員工成本	Staff costs		
董事酬金(附註7)	Directors' emoluments (note 7)	5,718,568	5,879,023
其他	Others	14,345,429	14,604,127
長期服務金撥備	Provision for long service payments	2,310,000	-
退休金計劃之供款 (附註9)	Retirement benefits scheme contributions (note 9)	720,955	679,303
		<u>23,094,952</u>	<u>21,162,453</u>
存貨成本	Cost of inventories	125,217,607	150,283,242
核數師酬金	Auditors' remuneration:		
本年度	Current year	851,956	1,279,191
上一年度之撥備不足	Under-provision in previous year	307,865	-
物業、廠房及設備 之折舊:	Depreciation of property, plant and equipment:		
根據經營租約持有 之資產	Assets held for use under operating leases	122,349	122,349
自置資產	Owned assets	3,793,287	3,977,009
出售物業、廠房及 設備之虧損	Loss on disposal of property, plant and equipment	175,895	1,167,928
物業、廠房及設備之 已確認減值虧損	Impairment loss recognised on property, plant and equipment	760,000	20,000,000
呆壞賬撥備	Provision for bad and doubtful debts	-	5,168,001
匯兌虧損淨額	Net foreign exchange losses	523,292	354,235
經營租約費用:	Operating lease charges:		
樓宇	Premises	2,081,437	1,655,632
租用其他資產	Hire of other assets	-	337,519
滯銷存貨撥備	Provision for slow-moving inventories	-	9,391,000
扣除開支後之經營 租約項下之投資 物業租金總額	Gross rental from investment property under operating leases net of outgoings	(143,500)	(150,000)
扣除開支後之經營 租約項下之其他 物業租金總額	Gross rental from other properties under operating leases net of outgoings	(431,978)	(210,461)

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7. 董事之酬金

7. Directors' Emoluments

		二零零三年 2003 港幣(元) HK\$	二零零二年 2002 港幣(元) HK\$
袍金	Fees	-	-
其他酬金：	Other emoluments:		
薪金及其他津貼	Salaries and other benefits	5,718,568	5,879,023
退休金計劃之供款	Contributions to retirement benefits scheme	135,035	85,790
酬金總額	Total emoluments	<u>5,853,603</u>	<u>5,964,813</u>

付予董事之酬金幅度如下：

The emoluments paid to the directors were as follows:

		二零零三年 2003 董事人數 Number of directors	二零零二年 2002 董事人數 Number of directors
港幣零元－	HK\$Nil to HK\$1,000,000	11	7
港幣1,000,000元			
港幣1,000,001元－	HK\$1,000,001 to HK\$1,500,000	1	1
港幣1,500,000元			
港幣2,500,001元－	HK\$2,500,001 to HK\$3,000,000	-	1
港幣3,000,000元			
港幣3,000,001元－	HK\$3,000,001 to HK\$3,500,000	1	-
港幣3,500,000元			
		<u>13</u>	<u>9</u>

年內，本集團並無向董事支付酌情花紅作為彼等加入本集團之獎勵或離職之補償。本年度或過往年度概無董事放棄或同意放棄任何酬金。

During the year, no emoluments were paid by the Group to the directors as a discretionary bonus or any inducement to join or upon joining the Group or as compensation for loss of office. None of the directors has waived or agreed to waive any remuneration for the current or prior years.

董事酬金還包括年內支付獨立非執行董事之袍金港幣326,670元（二零零二年：港幣320,000元）。

Included in the directors' remuneration were fees of HK\$326,670 (2002: HK\$320,000) paid to the independent non-executive directors during the year.

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8. 僱員酬金

五位最高薪人士包括本公司兩名(二零零二年:四名)董事,彼等之酬金詳情載於上文。餘下三名(二零零二年:一名)最高薪人士之酬金如下:

8. Employees' Emoluments

The five highest paid individuals included two (2002: four) directors of the Company, details of whose emoluments are included above. The emoluments of the remaining three (2002: one) individuals were as follows:

		二零零三年 2003 港幣(元) HK\$	二零零二年 2002 港幣(元) HK\$
薪金及其他福利	Salaries and other benefits	1,758,900	533,000
退休金計劃之供款	Contributions to retirement benefits scheme	24,000	12,000
		<u>1,782,900</u>	<u>545,000</u>

向個別人士支付之酬金幅度如下:

The emoluments paid to the individuals as follows:

		二零零三年 2003 個別人士數目 Number of individuals	二零零二年 2002 個別人士數目 Number of individuals
港幣零元至 港幣1,000,000元	HK\$Nil to HK\$1,000,000	<u>3</u>	<u>1</u>

於年度內,本集團並無向個別人士支付酌情花紅作為彼等加入本集團之獎勵或離職之補償。

During the year, no emoluments were paid by the Group to the individual as a discretionary bonus or an inducement to join or upon joining the Group or as compensation for loss of office.

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9. 退休金計劃之供款

9. Retirement Benefits Scheme Contributions

		本集團	
		The Group	
		二零零三年	二零零二年
		2003	2002
		港幣(元)	港幣(元)
		HK\$	HK\$
供款:	Contributions:		
香港附屬公司 (附註a)	Hong Kong subsidiaries (Note a)	278,098	251,713
海外附屬公司 (附註b)	Overseas subsidiaries (Note b)	442,857	427,590
		720,955	679,303

附註:

Note:

(a) 本集團根據強積金計劃條例(「強積金計劃」)之規例及規則設有退休金計劃。強積金計劃之資產乃由獨立管理之基金持有。本集團已根據最低法定供款規定,按合資格僱員之總收入之5%供款。供款於產生時於損益表內扣除。

(a) The Group operates a pension scheme under the rules and regulations of Mandatory Provident Fund Schemes Ordinance ("MPF Scheme"). The assets of the MPF Scheme are held separately in an independently managed fund. The Group has followed the minimum statutory contribution requirement of 5% of eligible employees' relevant aggregate income. The contributions are charged to the income statement as incurred.

(b) 海外附屬公司之僱員參加由經營業務所在國家之政府設立之中央公積金計劃。此等附屬公司須按員工薪酬之某個百分比向中央公積金計劃供款,作為支付公積金之用。本集團就中央公積金計劃所需承擔之責任僅限於根據中央公積金計劃之規定進行供款。

(b) The employees of overseas subsidiaries are members of the central pension schemes operated by the governments of the countries in which they operate. These subsidiaries are required to contribute a certain percentage of their payroll to the central pension schemes to fund the benefits. The only obligation of the Group with respect to the central pension schemes is the payment of the required contributions under the central pension schemes.

10. 稅項

10. Taxation

由於本集團於本年度申報香港利得稅錄得稅務虧損,故並無就香港利得稅作出撥備。海外稅款已按相關司法管轄地區現行稅率根據本年度估計應課稅溢利計算。

Hong Kong Profits Tax has not been provided as the Group incurred a loss for Hong Kong Profits Tax purposes for the year. Overseas taxation has been calculated on the estimated assessable profits for the year at the rates of taxation prevailing in the relevant jurisdictions.

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11. 股東應佔虧損淨額

已於本公司財務報表予以處理之股東應佔虧損淨額為港幣21,204,821元(二零零二年:港幣67,066,451元)。

12. 每股基本虧損

每股基本虧損乃根據年內之股東應佔虧損淨額港幣16,001,148元(二零零二年:港幣101,220,600元)及於年內已發行普通股之加權平均股數756,685,700股(二零零二年:736,671,487股)計算。

由於在二零零三年三月三十一日並無潛在攤薄股份,因此並無呈列每股攤薄虧損(二零零二年:無)。

13. 投資物業

估值

Valuation

於本年初
重估

At beginning of year
Revaluation

3,550,000
(150,000)

3,800,000
(250,000)

於結算日

At balance sheet date

3,400,000

3,550,000

投資物業位於香港,並根據長期租約持有。

本集團之投資物業於結算日由特許測量師衡量行按公開市值基準重新估值。重估產生港幣150,000元之虧損(二零零二年:港幣250,000元)已自投資物業重估儲備中扣除。

11. Net Loss Attributable to Shareholders

The net loss attributable to shareholders which has been dealt with in the financial statements of the Company is HK\$21,204,821 (2002: HK\$67,066,451).

12. Basic Loss per Share

Basic loss per share is calculated based on the loss attributable to shareholders of HK\$16,001,148 (2002: HK\$101,220,600) and on the weighted average number of 756,685,700 (2002: 736,671,487) ordinary shares in issue during the year.

Diluted loss per share is not presented as the Company has no dilutive potential shares as at 31 March 2003 (2002: Nil).

13. Investment Property

本集團

The Group

二零零三年	二零零二年
2003	2002
港幣(元)	港幣(元)
HK\$	HK\$

The investment property is situated in Hong Kong and is held under long lease.

The investment property was revalued at its open market value at the balance sheet date by Messrs. Chung, Chan & Associates, Chartered Surveyors. The deficit of HK\$150,000 (2002: HK\$250,000) arising on revaluation has been charged to the investment property revaluation reserve.

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14. 物業、廠房及設備

14. Property, Plant and Equipment

		租賃土地 及樓宇 Leasehold land and buildings 港幣(元) HK\$	傢俬 及裝置 Furniture and fixtures 港幣(元) HK\$	辦公室 設備 Office equipment 港幣(元) HK\$	廠房 及機器 Plant and machinery 港幣(元) HK\$	汽車 Motor vehicles 港幣(元) HK\$	租賃 物業裝修 Leasehold improvement 港幣(元) HK\$	總額 Total 港幣(元) HK\$
本集團	THE GROUP							
成本	Cost							
於本年初	At beginning of year	66,655,923	2,549,040	3,771,183	10,894,205	3,123,734	8,904,122	95,898,207
添置	Additions	-	4,965	24,067	15,000	998,000	118,000	1,160,032
出售	Disposals	-	(15,800)	(256,023)	-	(1,068,920)	(604,900)	(1,945,643)
匯兌調整	Exchange adjustments	-	207,951	137,440	94,948	113,455	20,420	574,214
於結算日	At balance sheet date	66,655,923	2,746,156	3,676,667	11,004,153	3,166,269	8,437,642	95,686,810
累計折舊	Accumulated depreciation							
於本年初	At beginning of year	27,296,973	1,835,447	3,189,798	6,939,568	1,232,220	5,653,616	46,147,622
是年折舊	Charge for the year	1,148,010	311,356	124,679	1,383,671	419,934	527,986	3,915,636
減值虧損	Impairment loss	760,000	-	-	-	-	-	760,000
出售時撇銷	Eliminated on disposals	-	(15,010)	(231,905)	-	(337,587)	(573,215)	(1,157,717)
匯兌調整	Exchange adjustments	-	138,515	134,989	76,336	48,210	3,801	401,851
於結算日	At balance sheet date	29,204,983	2,270,308	3,217,561	8,399,575	1,362,777	5,612,188	50,067,392
賬面淨值	Net book value							
於結算日	At balance sheet date	37,450,940	475,848	459,106	2,604,578	1,803,492	2,825,454	45,619,418
於本年初	At beginning of year	39,358,950	713,593	581,385	3,954,637	1,891,514	3,250,506	49,750,585

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14. 物業、廠房及設備 (續)

上文所示本集團於結算日所持有之土地及樓宇之賬面淨值包括：

香港土地：	Land in Hong Kong:
中期租約	Medium-term leases
香港以外土地：	Land outside Hong Kong:
長期租約	Long leases
中期租約	Medium-term leases

根據經營租約持有之物業、廠房及設備包括港幣6,833,456元(二零零二年：港幣6,833,456元)之總額；港幣1,131,145元(二零零二年：港幣1,008,796元)之累計折舊；及港幣零元(二零零二年：無)之累積減值虧損。

本集團之物業、廠房及設備賬面淨值包括港幣314,005元(二零零二年：港幣719,074元)以財務租約持有之資產。

14. Property, Plant and Equipment (Continued)

The net book value of land and buildings held by the Group at the balance sheet date shown above comprised:

本集團	
The Group	
二零零三年	二零零二年
2003	2002
港幣(元)	港幣(元)
HK\$	HK\$
21,380,610	23,142,846
4,508,627	4,599,180
<u>11,561,703</u>	<u>11,616,924</u>
<u>37,450,940</u>	<u>39,358,950</u>

Property, plant and equipment include gross amount of HK\$6,833,456 (2002: HK\$6,833,456), accumulated depreciation of HK\$1,131,145 (2002: HK\$1,008,796) and accumulated impairment losses of HK\$Nil (2002: Nil) in respect of assets held for use under operating leases.

The net book value of the Group's property, plant and equipment includes an amount of HK\$314,005 (2002: HK\$719,074) in respect of assets held under finance leases.

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14. 物業、廠房及設備 (續)

14. Property, Plant and Equipment (Continued)

		辦公室設備 Office equipment 港幣 (元) HK\$
本公司	The Company	
成本	Cost	
於本年初及結算日	At beginning of year and at balance sheet date	65,500
累計折舊	Accumulated depreciation	
於本年初	At beginning of year	57,695
是年折舊	Charge for the year	2,340
於結算日	At balance sheet date	60,035
賬面淨值	Net book value	
於結算日	At balance sheet date	5,465
於本年初	At beginning of year	7,805

15. 於附屬公司之權益

15. Interests in Subsidiaries

		本公司 The Company	
		二零零三年 2003	二零零二年 2002
		港幣 (元) HK\$	港幣 (元) HK\$
非上市股份·按成本值	Unlisted shares, at cost	22,641,818	22,641,818
減值虧損	Impairment loss	(22,641,818)	(22,641,818)
		-	-
附屬公司欠款	Due from subsidiaries	111,900,395	119,386,500
呆賬撥備	Provision for doubtful debts	(40,074,182)	(25,358,182)
		71,826,213	94,028,318
		71,826,213	94,028,318

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15. 於附屬公司之權益 (續)

附屬公司欠款乃無抵押及免息。董事認為該筆款項將不會於未來12個月償還。

於結算日之主要附屬公司詳情如下：

15. Interests in Subsidiaries (Continued)

The amounts due from subsidiaries are unsecured and non-interest bearing. In the opinion of the directors, the amounts will not be repaid in the next twelve months.

Details of the principal subsidiaries at the balance sheet date are as follows:

附屬公司名稱 Name of subsidiary	成立／ 註冊及營運 所在地點 Place of incorporation/ registration and operation	所持 股份類別 Class of share held	已發行及 繳足股本／ 註冊資本 Issued and fully paid-up share capital/ registered capital	所持已發行 股本／註冊資本 面值之比例 Proportion of nominal value of issued capital/ registered capital held		主要業務 Principal activities
				直接 Directly	間接 Indirectly	
大華皮革貿易有限公司 Dah Hwa Leather & Trading Co., Limited	香港 Hong Kong	普通股 Ordinary	5,000股 每股港幣100元 5,000 shares of HK\$100 each	100	-	製成皮革之貿易 Trading of finished leather
粵信投資有限公司 Guangdong Faith Investment Limited	香港 Hong Kong	普通股 Ordinary	2,280,000股 每股港幣1元 2,280,000 shares of HK\$1 each	-	100	投資控股 Investment holding
Inter Leather Limited	香港 Hong Kong	普通股 Ordinary	100,000股 每股港幣1元 100,000 shares of HK\$1 each	-	100	皮具之出口貿易 Exporter of leatherware
大亞製革有限公司 [#] Da Ya Leather Co., Limited [#]	中華人民共和國 〔中國〕 People's Republic of China ("PRC")	不適用 N/A	700,000美元 US\$700,000	-	80*	製成革之加工 Processing of finished leather
中大手袋廠有限公司 [#] Zhong Da Handbag Co., Limited [#]	中國 PRC	不適用 N/A	港幣8,260,000元 HK\$8,260,000	-	60*	皮具產品之製造 Manufacture of leatherware products

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15. 於附屬公司之權益 (續)

15. Interests in Subsidiaries (Continued)

附屬公司名稱 Name of subsidiary	成立／ 註冊及營運 所在地點 Place of incorporation/ registration and operation	所持 股份類別 Class of share held	已發行及 繳足股本／ 註冊資本 Issued and fully paid-up registered capital	所持已發行 股本／註冊資本 面值之比例 Proportion of nominal value of issued capital/ registered capital held		主要業務 Principal activities
				直接 Directly	間接 Indirectly	
Paragold Distributors Pty Limited [†]	澳洲 Australia	普通股 Ordinary	2,618,689股 每股1澳元 2,618,689 shares of A\$1 each	-	100	手袋及皮具之分銷 Distribution of handbags and leatherware
Hoome Technology Limited [†]	英屬處女群島 British Virgin Island	普通股 Ordinary	100股每股1美元 100 shares of US\$1 each	-	100	投資控股 Investment holding

* 此等附屬公司為本集團與中國獨立第三者成立之合營公司。根據與中方訂立之管理協議，本集團有權於管理協議之有效期內每年向中方支付定額管理費後，享有全部營運所得之純利。因此，本集團實際上擁有此等附屬公司全部應佔經濟權益。

[†] 並非由摩斯倫會計師事務所審核賬目之公司。

上表載列董事認為對本集團之業績或資產有重大影響之本公司附屬公司。董事認為，列載其他附屬公司之詳情會使本節過度冗長。

* These subsidiaries were equity joint venture companies established by the Group with independent third party in the PRC. Under the management agreements with the PRC party, the Group is entitled to all of the net results of the operation after payment of fixed amount as management fees to the PRC party each year during the term of the management agreements. The Group therefore effectively has 100% attributable economic interests in these subsidiaries.

[†] Companies not audited by Moores Rowland.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

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16. 於聯營公司之權益

16. Interest in an Associate

	本集團		本公司		
	The Group		The Company		
	二零零三年	二零零二年	二零零三年	二零零二年	
	2003	2002	2003	2002	
	港幣(元)	港幣(元)	港幣(元)	港幣(元)	
	HK\$	HK\$	HK\$	HK\$	
非上市股份，按成本值	Unlisted shares, at cost	-	-	35,720,000	35,720,000
減值虧損	Impairment loss	-	-	(35,720,000)	(35,720,000)
		-	-	-	-

於聯營公司之投資乃指於一間從事塑膠及化學產品加工之公司深圳石化化纖有限公司（「深圳化纖」）之註冊股本3,202,991美元之49%權益。

深圳化纖為一間在中國成立之合營公司。其餘下51%權益乃由一間在深圳證券交易所上市之公司（「合營夥伴」）持有，該合營夥伴於深圳化纖之董事會擁有控制權，並負責深圳化纖之日常運作。

由於本集團並無承諾再向聯營公司墊支，故此，本集團僅將其應佔聯營公司之虧損確認至聯營公司之賬面值及匯兌換算儲備之借方結餘。本集團亦因而不再擁有聯營公司任何權益及本集團已終止確認此聯營公司其後之虧損。

Investment in the associate represents 49% of the US\$3,202,991 registered capital of Shenzhen Petrochemical Chemical Fibres Co., Ltd. ("SPCF"), a company engaged in processing of plastics and chemical products.

SPCF is an equity joint venture company established in the PRC. The remaining 51% equity interest is held by a company listed on the Shenzhen Stock Exchange (the "JV Partner"). The JV Partner has control over the board of directors of SPCF and is responsible for the daily operations of SPCF.

As the Group does not have any obligations to further finance the associate, the Group has accounted for its share of the loss of the associate only up to the carrying value of the associate and the debit balance standing in the exchange translation reserve. The Group's interest in the associate has thus been reduced to zero and the Group has discontinued the recognition of further losses of this associate.

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17. 存貨

17. Inventories

		本集團	
		The Group	
		二零零三年	二零零二年
		2003	2002
		港幣(元)	港幣(元)
		HK\$	HK\$
原料	Raw materials	2,451,470	2,372,353
在製品	Work in progress	527,291	1,641,623
製成品及一般商品	Finished goods and general merchandise	21,286,111	29,188,747
		<u>24,264,872</u>	<u>33,202,723</u>

上述金額包括可兌現淨值港幣23,946,558元(二零零二年:港幣26,371,815元)之存貨。

The amount of inventories, included in above, carried at net realisable value is HK\$23,946,558 (2002: HK\$26,371,815).

18. 應收賬項及其他應收款項

18. Trade and Other Receivables

本集團通常給予其交易客戶30至60日信貸期。

The Group normally allows credit terms ranging from 30 to 60 days to trade customers.

於結算日期按交易發票日之應收賬項經扣除撥備後之賬齡分析如下:

An aging analysis of the trade receivables, net of provision, as at the balance sheet date, based on the invoice date of the sale is as follows:

		本集團	
		The Group	
		二零零三年	二零零二年
		2003	2002
		港幣(元)	港幣(元)
		HK\$	HK\$
應收賬項	Trade receivables		
三十日內	Within 30 days	1,860,181	4,550,417
三十一日至六十日	31 - 60 days	2,171,136	2,267,374
六十一日至九十日	61 - 90 days	316,531	651,598
超過九十日	Over 90 days	6,106,219	4,674,835
		<u>10,454,067</u>	<u>12,144,224</u>
其他應收款項	Other receivables	1,882,838	2,922,152
		<u>12,336,905</u>	<u>15,066,376</u>

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19. 短期投資

19. Short-term investment

		本集團	
		The Group	
		二零零三年	二零零二年
		2003	2002
		港幣(元)	港幣(元)
		HK\$	HK\$
未上市權益股份	Unlisted equity shares	2,100,000	-
墊款	Advance	34,000,000	-
		<u>36,100,000</u>	<u>-</u>

於二零零二年七月，本集團訂立一份收購Hoome Technology Limited（「Hoome」）（一間在英屬處女群島註冊成立的公司）100%股本權益之建議，代價為港幣2,100,000元。收購建議載有一項期權，據此，本集團有權於自二零零二年八月八日起至二零零三年八月七日止期間以原有代價向賣方出售所佔Hoome之權益。Hoome之主要資產為位於中國之一項投資物業。本集團自收購後已對該投資項目進一步融資。

因管理層認為收購及持有於Hoome之投資目的僅為於不遠將來予以出售，故該短期投資未予以綜合計算。

In July 2002, the Group entered into an agreement to acquire a 100% equity interest in a company incorporated in the British Virgin Islands, Hoome Technology Limited ("Hoome"), at a consideration of HK\$2,100,000. Included in the acquisition agreement is an option whereby the Group has the right to sell the interest in Hoome back to the vendor at the original consideration for the period from 8 August 2002 to 7 August 2003. The principal asset of Hoome is an investment in a property project in the PRC. Since acquisition, the Group has made further advance to finance the investment.

This short-term investment has been excluded from consolidation, as the management considers that the investment in Hoome was acquired and held exclusively with a view to its subsequent disposal in the near future.

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20. 應付賬項及其他應付款項 20. Trade and Other Payables

於結算日期之應付賬項之賬齡分析如下：

The following is an aged analysis of trade payables at the balance sheet date:

		本集團	
		The Group	
		二零零三年	二零零二年
		2003	2002
		港幣(元)	港幣(元)
		HK\$	HK\$
應付賬項	Trade payables		
三十日內	Within 30 days	3,661,595	2,321,409
三十一日至六十日	31 – 60 days	133,409	445,115
六十一日至九十日	61 – 90 days	158,836	–
超過九十日	Over 90 days	–	651,516
		<u>3,953,840</u>	<u>3,418,040</u>
其他應付款項	Other payables	7,602,281	8,894,217
		<u>11,556,121</u>	<u>12,312,257</u>

21. 附息貸款 21. Interest-bearing Borrowings

		本集團	
		The Group	
		二零零三年	二零零二年
		2003	2002
		港幣(元)	港幣(元)
		HK\$	HK\$
有抵押銀行貸款	Bank loans, secured	13,583,622	15,629,736
有抵押信託收據貸款	Trust receipt loans, secured	20,339,012	30,046,561
財務租約承擔	Obligations under finance leases	287,259	553,752
		<u>34,209,893</u>	<u>46,230,049</u>
流動部分	Current portion	22,077,590	32,236,398
非流動部分	Non-current portion	12,132,303	13,993,651
		<u>34,209,893</u>	<u>46,230,049</u>

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21. 附息貸款 (續)

21. Interest-bearing Borrowings (Continued)

		二零零三年 2003 港幣(元) HK\$	二零零二年 2002 港幣(元) HK\$
上述貸款之到期日 如下:	The maturity of the above borrowings is as follows:		
有抵押銀行貸款:	Secured bank borrowings:		
一年內	Within one year	21,939,811	32,083,760
第二年	In the second year	938,824	1,559,471
第三至第五年	In the third to fifth years	2,258,972	2,312,254
五年以上	After five years	8,785,027	9,720,812
		<u>33,922,634</u>	<u>45,676,297</u>

Obligations under finance leases:

財務租約承擔:

		最少租賃付款額現值 Present value of minimum lease payments			
		最少租賃付款額 Minimum lease payments		最少租賃付款額現值 Present value of minimum lease payments	
		二零零三年 2003 港幣(元) HK\$	二零零二年 2002 港幣(元) HK\$	二零零三年 2003 港幣(元) HK\$	二零零二年 2002 港幣(元) HK\$
應付金額:	Amount payable:				
一年內	Within one year	154,700	257,336	137,779	152,638
第二年至第五年	In the second to fifth years	<u>153,982</u>	<u>367,990</u>	<u>149,480</u>	<u>401,114</u>
		308,682	625,326	287,259	553,752
未來融資費用	Future finance charges	<u>(21,423)</u>	<u>(71,574)</u>	<u>-</u>	<u>-</u>
租賃承擔現值	Present value of lease obligations	<u>287,259</u>	<u>553,752</u>	<u>287,259</u>	<u>553,752</u>

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22. 已發行股本

22. Issued Capital

		二零零三年 2003		二零零二年 2002	
		股份數目 Number of shares	港幣(元) HK\$	股份數目 Number of shares	港幣(元) HK\$
法定:	Authorised:				
每股面值港幣0.05元 之普通股	Ordinary shares of HK\$0.05 each	<u>1,800,000,000</u>	<u>90,000,000</u>	<u>1,800,000,000</u>	<u>90,000,000</u>
			每股面值港幣0.05元 之普通股股數 Number of ordinary shares of HK\$0.05 each		面值 Nominal value 港幣(元) HK\$
已發行及已繳足:	Issued and fully paid:				
於二零零一年 四月一日	At 1 April 2001			710,208,200	35,510,410
私人配售	Private placing			50,000,000	2,500,000
回購	Repurchase			<u>(3,522,500)</u>	<u>(176,125)</u>
於二零零二年及 二零零三年 三月三十一日	At 31 March 2002 and 2003			<u>756,685,700</u>	<u>37,834,285</u>

於二零零一年六月十八日，本公司按港幣0.13元之價格發行50,000,000股每股面值港幣0.05元之普通股予獨立第三者，為本集團提供約港幣6,354,000元淨額作為一般營運資金。該等股份在各方面均與當時之現有股份享有同等權益。

On 18 June 2001, 50,000,000 ordinary shares of HK\$0.05 each were issued at HK\$0.13 to independent third parties. The net cash proceeds of approximately HK\$6,354,000 from the issue were used as general working capital. The shares issued rank pari passu in all respects with the then existing shares.

於二零零一年十一月二十一日，本公司透過聯交所在公開市場上回購共3,522,500股普通股，此等股份皆已被正式註銷。購入此等股份之代價約港幣328,000元，平均每股港幣0.093元。回購之金額從資本調撥，購股代價超過回購股份賬面值之港幣151,468元已計入股份溢價賬。

On 21 November 2001, the Company repurchased 3,522,500 of its own ordinary shares in the open market through the Stock Exchange, all of which have been duly cancelled. The total purchase price of the shares was approximately HK\$328,000 with an average price paid for each share being HK\$0.093. The repurchase was made out of capital, and the excess of the purchase consideration over the par value of the shares repurchased of HK\$151,468 was charged to share premium account.

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23. 購股權計劃

於一九九三年九月十七日，股東批准一項購股權計劃（「該計劃」）；據此，董事會可授出購股權予本集團之僱員（包括本公司之任何董事）以認購本公司之股份。該計劃旨在向曾為集團業務發展作出貢獻的合資格參與者提供激勵和獎賞。認購價將由董事會釐定，將不低於緊接授出購股權日期之前五個交易日內，本公司股份在聯交所之平均收市價之80%或股份之面額。根據該計劃可能授出之購股權所涉及之股份數目，最多不得超過本公司已發行股本面額之10%。而每位合資格參與人之配額不得超過計劃可授出之購股權可認購之股份總數之25%。

該計劃下之購股權可由股權授出日期起十年內隨時行使。該計劃由一九九三年九月十七日起十年內有效。自一九九三年九月十七日以來，並無根據該計劃授予任何董事或僱員購股權。

23. Share Option Scheme

On 17 September 1993, a Share Option Scheme (the "Scheme") was approved by the shareholders under which the directors may grant options to employees of the Group, including any directors of the Company, to subscribe for shares of the Company. The Scheme is for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. The subscription price will be determined by the directors and will not be less than 80% of the average of the closing prices of the Company's shares on the Stock Exchange for the five trading days immediately preceding the date of grant of the options or the nominal amount of the shares. The maximum number of shares in respect of which options may be granted under the scheme may not exceed, in nominal amount, 10% of the issued share capital of the Company, and the maximum entitlement of each eligible participants shall not exceed 25% of the total number of shares for which options may be granted under the Scheme.

The option under the Scheme may be exercised at any time during a period of ten years commencing on the date of grant of option. The Scheme will remain in force for 10 years commencing from 17 September 1993. No options have been granted to any director or employee under the Scheme since 17 September 1993.

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24. 儲備

24. Reserves

		資本 贖回儲備		投資物業 重估儲備		保留溢利 (累計虧損)		總額 Total
		股份溢價 Share premium	Capital reserve	商譽儲備 Goodwill reserve	Investment property revaluation reserve	匯兌儲備 Translation reserve	Retained profits (accumulated losses)	
		港幣(元) HK\$	港幣(元) HK\$	港幣(元) HK\$	港幣(元) HK\$	港幣(元) HK\$	港幣(元) HK\$	港幣(元) HK\$
本集團	THE GROUP							
於二零零一年四月一日	At 1 April 2001	133,233,308	68,600	(14,678,161)	1,749,561	(10,337,347)	7,899,832	117,935,793
按溢價發行之股份	Shares issued at premium	4,000,000	-	-	-	-	-	4,000,000
股份發行支出	Share issue expenses	(145,600)	-	-	-	-	-	(145,600)
重估虧損	Deficit arising from revaluation	-	-	-	(250,000)	-	-	(250,000)
股份回購	Share repurchase	(151,468)	-	-	-	-	-	(151,468)
來自收購聯營公司之 已確認商譽減值虧損	Impairment loss recognised on goodwill arising from acquisition of an associate	-	-	16,824,082	-	-	-	16,824,082
外匯換算差額	Exchange translation difference	-	-	-	-	5,351,718	-	5,351,718
撇銷一家聯營公司 應佔匯兌儲備	Written off of translation reserve attributable to an associate	-	-	-	-	483,346	-	483,346
本年度虧損淨額	Net loss for the year	-	-	-	-	(101,220,600)	(101,220,600)	(101,220,600)
於二零零二年三月三十一日 及二零零二年四月一日	At 31 March 2002 and at 1 April 2002	136,936,240	68,600	2,145,921	1,499,561	(4,502,283)	(93,320,768)	42,827,271
重估虧損	Deficit arising from revaluation	-	-	-	(150,000)	-	-	(150,000)
外匯換算差額	Exchange translation difference	-	-	-	-	512,486	-	512,486
本年度虧損淨額	Net loss for the year	-	-	-	-	(16,001,148)	(16,001,148)	(16,001,148)
於二零零三年 三月三十一日	At 31 March 2003	136,936,240	68,600	2,145,921	1,349,561	(3,989,797)	(109,321,916)	27,188,609
下列公司保留儲備:	Reserves retained by:							
本公司及附屬公司	Company and subsidiaries							
於二零零三年 三月三十一日	At 31 March 2003	136,936,240	68,600	2,145,921	1,349,561	(3,989,797)	(109,321,916)	27,188,609
於二零零二年三月三十一日	At 31 March 2002	136,936,240	68,600	2,145,921	1,499,561	(4,502,283)	(93,320,768)	42,827,271

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24. 儲備 (續)

24. Reserves (Continued)

		資本 贖回儲備	投資物業 重估儲備	保留溢利 (累計虧損)			
		Share redemption premium	Goodwill reserve	Investment property revaluation reserve	匯兌儲備 Translation reserve	Retained profits (accumulated losses)	
		港幣(元) HK\$	港幣(元) HK\$	港幣(元) HK\$	港幣(元) HK\$	港幣(元) HK\$	
		商譽儲備 Goodwill reserve	匯兌儲備 Translation reserve	商譽儲備 Goodwill reserve	匯兌儲備 Translation reserve	保留溢利 (累計虧損) Retained profits (accumulated losses)	總額 Total
		港幣(元) HK\$	港幣(元) HK\$	港幣(元) HK\$	港幣(元) HK\$	港幣(元) HK\$	港幣(元) HK\$
本公司	THE COMPANY						
於二零零一年四月一日	At 1 April 2001	133,233,308	68,600	-	-	(15,620,674)	117,681,234
按溢價發行之股份	Shares issued at premium	4,000,000	-	-	-	-	4,000,000
股份發行支出	Share issue expenses	(145,600)	-	-	-	-	(145,600)
股份回購	Share repurchase	(151,468)	-	-	-	-	(151,468)
本年度虧損淨額	Net loss for the year	-	-	-	-	(67,066,451)	(67,066,451)
於二零零二年三月三十一日 及二零零二年四月一日	At 31 March 2002 and at 1 April 2002	136,936,240	68,600	-	-	(82,687,125)	54,317,715
本年度虧損淨額	Net loss for the year	-	-	-	-	(21,204,821)	(21,204,821)
於二零零三年 三月三十一日	At 31 March 2003	136,936,240	68,600	-	-	(103,891,946)	33,112,894

本公司可分派之儲備指股份溢價及保留溢利。根據開曼群島公司法，本公司股份溢價可分派或派發股息予股東，惟須受公司組織章程大綱或細則之條文規限，以及於緊隨進行分派或派發股息後，本公司必須有能力償還日常業務中到期之債務。於二零零三年三月三十一日，可供分派之本公司股份溢價及保留溢利為港幣33,044,294元（二零零二年：港幣54,249,115元）。

儲備：

- 股份溢價指代價減去已發行股份面值之差額。
- 資本贖回儲備指以可分發溢利撥付之回購股份面值。
- 商譽儲備、投資物業重估儲備及匯兌儲備經已設置，並將根據財務報表附註3載列之已採納會計政策處理。

The Company's reserves available for distribution represent the share premium and retained profits. Under the Companies Law of the Cayman Islands, share premium of the Company is available for paying distributions or dividends to shareholders subject to the provisions of its Memorandum or Articles of Associations and provided that immediately following the distribution or dividend the Company is able to pay its debts as they fall due in the ordinary course of business. As at 31 March 2003, the aggregate value of the share premium and retained profits of the Company available for distribution is HK\$33,044,294 (2002: HK\$54,249,115).

Reserves:

- Share premium represents the excess of consideration over par value of shares issued.
- Capital redemption reserve represents nominal value of shares repurchased out of distributable profits.
- Goodwill reserve, investment property revaluation reserve and translation reserve have been set up and will be dealt with in accordance with the accounting policies adopted as set out in note 3 to the financial statements.

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25. 遞延稅項

遞延稅項負債主要由於財務報表中之稅項寬減額超出折舊數額而產生。

於結算日，無撥備遞延稅項資產（負債）之主要成份如下：

25. Deferred Taxation

The deferred taxation liability is mainly attributable to the excess of tax allowances for tax purpose over depreciation charged in financial statements.

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

		本集團	
		The Group	
		二零零三年	二零零二年
		2003	2002
		港幣(元)	港幣(元)
		HK\$	HK\$
稅務減免及折舊之差異	Excess of tax allowances over depreciation	(1,162,000)	(1,389,000)
其他時差	Other timing differences:		
— 呆壞賬撥備	— provision for bad and doubtful debts	183,000	183,000
結轉稅項虧損	Tax losses carried forward	22,252,000	21,299,000
		<u>21,273,000</u>	<u>20,093,000</u>

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25. 遞延稅項 (續)

並無於年內作出撥備之遞延稅項溢利主要包括下列項目：

稅務減免及折舊之差異	Excess of tax allowances over depreciation
其他時差	Other timing differences
產生之稅務虧損	Tax losses arising

潛在遞延稅項資產淨值並無於財務報表內確認，原因為仍未確定會否於可見將來動用該項遞延稅項資產淨值。

投資物業估值產生之重估溢價並無作出遞延稅項撥備，由於董事認為來自出售此等資產之溢利所產生之資本收益將毋須繳稅，因此估值不會構成任何稅務方面的時差。

25. Deferred Taxation (Continued)

The major components of deferred taxation benefit not provided for the year are as follows:

本集團	
The Group	
二零零三年	二零零二年
2003	2002
港幣(元)	港幣(元)
HK\$	HK\$
227,000	1,345,000
–	13,673,000
953,000	(14,922,000)
<u>1,180,000</u>	<u>96,000</u>

A potential net deferred tax asset has not been recognised in the financial statements as it is not certain that the net deferred tax asset will be utilised in the foreseeable future.

Deferred tax has not been provided on the revaluation surplus arising on the valuation of investment property as profits arising on disposal of these assets would result in capital gains which the directors consider are not subject to any tax liability. Accordingly, the valuation does not constitute a timing difference for tax purposes.

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26. 經營業務所用現金

26. Cash Used in Operations

		二零零三年 2003 港幣(元) HK\$	二零零二年 2002 港幣(元) HK\$
除稅前虧損	Loss before taxation	(16,223,082)	(100,133,740)
應佔一家聯營公司 業績	Share of results of an associate	-	31,942,621
撇銷聯營公司應佔 匯兌儲備	Write off of translation reserve attributable to an associate	-	483,346
來自收購聯營公司之 已確認商譽減值虧損	Impairment loss recognised on goodwill arising from acquisition of an associate	-	16,824,082
物業、廠房及設備 已確認減值虧損	Impairment loss recognised on property, plant and equipment	760,000	20,000,000
利息收入	Interest income	(231,926)	(279,729)
利息支出	Interest expenses	2,419,891	3,755,657
折舊	Depreciation	3,915,636	4,099,358
長期服務金撥備	Provision for long service payments	2,310,000	-
呆壞賬撥備	Provision for bad and doubtful debts	-	5,168,001
滯銷存貨撥備	Provision for slow-moving inventories	-	9,391,000
出售物業、廠房及 設備之虧損	Loss on disposal of property, plant and equipment	175,895	1,167,928
應收賬款及其他 應收款項減少	Decrease in trade and other receivables	2,729,471	7,057,460
存貨減少	Decrease in inventories	8,937,851	11,284,242
應付賬款及其他應付 款項、應付票據及 信託收據貸款增加	Increase in trade and other payables, bills payables and trust receipt loans	(10,527,954)	(11,692,711)
		(5,734,218)	(932,485)

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27. 或然負債

於結算日，本公司並無就銀行信用額擔保於財務報表撥備之或然負債為港幣104,644,000元（二零零二年：港幣104,644,000元），其中附屬公司所動用之銀行信用額為港幣43,901,514元（二零零二年：58,688,161元）。

28. 資產抵押

於結算日，本集團將賬面淨值分別約為港幣3,400,000元（二零零二年：港幣3,600,000元）及港幣21,200,000元（二零零二年：港幣22,900,000元）之投資物業與若干土地及樓宇，作為取得銀行授出為數約港幣65,200,000元（二零零二年：港幣98,800,000元）之一般銀行信貸額之抵押，其中為數約港幣43,900,000元（二零零二年：港幣58,700,000元）之一般銀行信貸額經已動用。

27. Contingent Liabilities

At the balance sheet date, the Company had contingent liabilities not provided for in the financial statements in respect of guarantee of HK\$104,644,000 (2002: HK\$104,644,000) for banking facilities, which were utilised by subsidiaries to the extent of HK\$43,901,514 (2002: HK\$58,688,161).

28. Pledge of Assets

At the balance sheet date, investment property and certain land and buildings of the Group with net book values of approximately HK\$3.4 million (2002: HK\$3.6 million) and HK\$21.2 million (2002: HK\$22.9 million) respectively were pledged to secure general banking facilities to the extent of approximately HK\$65.2 million (2002: HK\$98.8 million), of which approximately HK\$43.9 million (2002: HK\$58.7 million) were utilised.

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29. 關連人士交易

除於財務報表披露之項目外，本集團於年度內與關連人士曾進行以下交易：

- (i) 董事李三元先生向銀行提供個人擔保港幣100,000,000元（二零零二年：港幣100,000,000元），以取得銀行授予附屬公司之一般銀行貸款，本集團毋須就此支付任何費用；及
- (ii) 本公司前董事李蕭毓娟女士已向銀行共同及各別提供個人擔保港幣100,000,000元（二零零二年：港幣100,000,000元），以取得銀行授予附屬公司之一般銀行貸款，本集團毋須就此支付任何費用。
- (iii) 年內，本集團向本集團董事吳鳳英女士之親屬所擁有之一家公司購買金額達港幣3,418,915元（二零零二年：港幣3,930,751元）之產品。

29. Related Party Transactions

Save as disclosed elsewhere in these financial statements, during the year the Group had the following transactions with related parties:

- (i) Mr. Lee Sam Yuen, John, a director, had provided a personal guarantee of HK\$100 million (2002: HK\$100 million) to a bank to secure general banking facilities granted to a subsidiary, for which no charge is made; and
- (ii) Mrs. Lee Shiao Yu Cho, ex-director, had jointly and severally provided personal guarantee of HK\$100 million (2002: HK\$100 million) to a bank to secure general banking facilities granted to a subsidiary, for which no charge is made.
- (iii) During the year, the Group purchased goods amounting to HK\$3,418,915 (2002: HK\$3,930,751) from a company owned by a close family member of Ms. Ng Fung Ying, a director of the Group.

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截至二零零三年三月三十一日止年度

30. 未來最少應收租金額

本集團將其投資物業及若干土地和樓宇以經營租約方式出租，平均租約年期為兩年。在不可撤銷之經營租約下，未來最少應收租金額如下：

		二零零三年 2003 港幣(元) HK\$	二零零二年 2002 港幣(元) HK\$
一年內	Within one year	827,064	162,500
第二年至第五年	In the second to fifth years	547,298	—
		<u>1,374,362</u>	<u>162,500</u>

30. Future Minimum Rental Receivable

The Group leases out its investment property, certain land and buildings under operating leases with average lease terms of 2 years. The future aggregate minimum rental receivable under non-cancellable operating leases are as follows:

	二零零三年 2003 港幣(元) HK\$	二零零二年 2002 港幣(元) HK\$
一年內	827,064	162,500
第二年至第五年	547,298	—
	<u>1,374,362</u>	<u>162,500</u>

31. 經營租約承擔

於結算日，本集團須承擔之不可撤銷經營租約總餘額如下：

		二零零三年 2003 港幣(元) HK\$	二零零二年 2002 港幣(元) HK\$
一年內	Within one year	1,734,073	1,333,736
第二年至第五年	In the second to fifth years	6,381,681	5,684,476
五年以上	After five years	1,213,607	1,501,045
		<u>9,329,361</u>	<u>8,519,257</u>

31. Commitments Under Operating Leases

At the balance sheet date, the Group had total outstanding commitments under non-cancellable operating leases, which are payable as follows:

	二零零三年 2003 港幣(元) HK\$	二零零二年 2002 港幣(元) HK\$
一年內	1,734,073	1,333,736
第二年至第五年	6,381,681	5,684,476
五年以上	1,213,607	1,501,045
	<u>9,329,361</u>	<u>8,519,257</u>

經營租約付款乃指本集團辦公室及零售店之應付租金，租約之年期平均為4年，而租金固定期平均為2年。

Operating lease payments represent rentals payable by the Group for certain of its office and retail premises. Leases are negotiated for an average term of 4 years and rentals are fixed for an average of 2 years.

Year ended 31 March 2003

截至二零零三年三月三十一日止年度

32. 結算日後事項

- (i) 於二零零三年七月七日，本集團訂立一份協議，以按港幣3,650,000元之代價向一家公司（本集團董事Stephen William Callister先生於其中實益擁有50%權益）出售本集團於一家附屬公司Paragold Distributors Pty Limited之投資及金額達港幣2,750,000元之債務。出售事項之交易預期將於二零零三年八月十五日或之前完成，而代價亦預期將於二零零三年八月十五日或之前付清。

出售該附屬公司（在澳洲從事皮革手袋零售業務）後，將自二零零三年八月十五日起終止皮革分銷業務。

已於財務報表列賬之本年度皮革分銷業務之營業額及業績如下：

		二零零三年 2003 港幣(元) HK\$	二零零二年 2002 港幣(元) HK\$
營業額	Turnover	30,541,866	37,310,189
其他收益	Other revenue	121,292	34,357
總支出	Total expenses	(36,480,553)	(41,217,597)
除稅前虧損	Loss before taxation	(5,817,395)	(3,873,051)
稅項	Taxation	-	444,561
除稅後虧損	Loss after taxation	(5,817,395)	(4,317,612)

32. Post Balance Sheet Events

- (i) On 7 July 2003, the Group entered into an agreement to sell the Group's investment in a subsidiary, Paragold Distributors Pty Limited and a debt amounting to HK\$2,750,000, to a company which is 50% beneficially owned by Mr. Stephen William Callister, a director of the Group for a consideration of HK\$3.65 million. The transaction of disposal and settlement of the consideration is expected to be completed and settled on or before 15 August 2003.

Upon disposal of the subsidiary, which is engaged in retailing of leather handbags in Australia, the leatherware distribution business will be discontinued from 15 August 2003.

The turnover and results of the leatherware distribution business for the current year, which have been included in the financial statements are as follows:

Year ended 31 March 2003

截至二零零三年三月三十一日止年度

32. 結算日後事項 (續)

將於結算日出售之皮革分銷業務之資產及負債如下：

		二零零三年 2003 港幣(元) HK\$	二零零二年 2002 港幣(元) HK\$
總資產	Total assets	11,127,405	16,681,217
總負債	Total liabilities	(9,528,167)	(9,777,074)
資產淨值	Net assets	<u>1,599,238</u>	<u>6,904,143</u>

終止經營業務於結算日後所產生之現金流量對本年度及上年度並無重大影響。

- (ii) 於二零零三年七月，本集團自Hoome收取港幣17,200,000元之部分還款。本集團亦行使認沽權以原價出售其於Hoome之權益予原有持有人。餘額港幣16,800,000元則以Hoome之股本權益之股份抵押並將於二零零三年十二月三十一日或之前償還。此外，董事總經理李三元先生已承諾就本集團如因未能收回Hoome之欠款而蒙受之所有虧損向本集團作出全面之彌償保證。

33. 最終控股公司

董事局確認本公司之最終控股公司為D.H. International Limited，一家於庫克群島註冊成立之有限責任公司。

32. Post Balance Sheet Events (Continued)

The assets and liabilities of the leatherware distribution business to be disposed of as of the balance sheet date are as follows:

		二零零三年 2003 港幣(元) HK\$	二零零二年 2002 港幣(元) HK\$
Total assets		11,127,405	16,681,217
Total liabilities		(9,528,167)	(9,777,074)
Net assets		<u>1,599,238</u>	<u>6,904,143</u>

The cash flows contributed by the discontinuing operation business subsequent to the balance sheet date were not material for the current year and prior year.

- (ii) In July 2003, a partial repayment of HK\$17.2 million was received by the Group from Hoome. The Group also exercised a put option to sell the interest in Hoome back to the original owner at the original consideration. The remaining balance of HK\$16.8 million is secured by a share mortgage over the equity of shares of Hoome and will be payable on or before 31 December 2003. In addition, Mr. Lee Sam Yuen, John, managing director, has undertaken to fully indemnify the Group against all losses suffered by the Group in connection with any non-recovery of the amount due from Hoome.

33. Ultimate Holding Company

The directors consider the Company's ultimate holding company is D. H. International Limited, a private company incorporated in the Cook Islands with limited liability.