



Notes to the Accounts

賬目附註

1. ORGANISATION AND OPERATIONS

Raymond Industrial Limited (the "Company") was incorporated in Hong Kong in 1964. The principal activities of the Company and its subsidiaries (the "Group") are investment holding, manufacturing and sale of electrical home appliances in North America, Japan, Australia, Europe and the People's Republic of China (the "PRC"), manufacturing and sale of cigarette paper in the PRC and property leasing in Hong Kong.

2. PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these accounts are set out below:

(a) Basis of presentation

The accounts have been prepared in accordance with accounting principles generally accepted in Hong Kong and comply with accounting standards issued by the Hong Kong Society of Accountants ("HKSA"). They have been prepared under the historical cost convention except that, as disclosed in the accounting policies below. Investment properties are stated at fair value.

In the current year, the Group adopted Statement of Standard Accounting Practice ("SSAP") 12 "Income Taxes" issued by the HKSA which is effective for accounting periods commencing on or after 1st January 2003.

The changes to the Group's accounting policies and the effect of adopting this new policy is set out below.

1. 架構和經營

利民實業有限公司(「本公司」)在1964年於香港註冊。本公司及其附屬公司(「本集團」)之主要業務是投資控股、製造及在北美、日本、澳洲、歐洲及中華人民共和國(「中國」)銷售家用電器、在中國製造及銷售煙紙及在香港進行物業租賃。

2. 主要會計政策

編製此等賬目所採用之主要會計政策列載如下：

(a) 編製基準

本賬目乃按照香港公認會計原則及香港會計師公會頒佈之會計標準編製。賬目並依據歷史成本常規法編製，惟投資物業乃按公平值列賬。

於本年度，本集團採納由香港會計師公會頒佈之會計準則第12號「所得稅」，該會計準則於二零零三年一月一日或以後開始之會計期間生效。

本集團之會計政策修訂及採納此新政策影響在下列呈列。



Notes to the Accounts

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2. PRINCIPAL ACCOUNTING POLICIES (Continued)

(b) Group accounting

(i) Consolidation

The consolidated accounts include the accounts of the Company and its subsidiaries made up to 31st December.

Subsidiaries are those entities in which the Company, directly or indirectly, controls the composition of the board of directors, controls more than half the voting power or holds more than half of the issued share capital.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated profit and loss account 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.

The gain or loss on the disposal of a subsidiary represents 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 and which was not previously charged or recognised in the consolidated profit and loss account and any related accumulated foreign currency translation reserve.

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

In the Company's balance sheet, the investments in subsidiaries are stated at cost less provision for impairment losses. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

2. 主要會計政策 (續)

(b) 集團會計

(i) 綜合賬目

綜合賬目包括本公司及各附屬公司截至十二月三十一日止之賬目。

附屬公司指本公司直接或間接控制董事會之組成、超過半數投票權或持有過半數發行股本之公司。

在年內購入或售出之附屬公司，其業績由收購生效日起計或計至出售生效日止列入綜合損益賬內。

所有集團內公司間之重大交易及結餘已於綜合賬目時對銷。

出售附屬公司之收益或虧損指出售所得之收入與本集團應佔該公司資產淨值之差額，連同之前並未在綜合損益賬內支銷或入賬之任何未攤銷商譽／負商譽，或已在儲備記賬之商譽／負商譽，以及任何相關之累積外幣匯兌儲備。

少數股東權益指外界股東在附屬公司之經營業績及資產淨值中擁有之權益。

在本公司之資產負債表內，附屬公司之投資以成本值扣除減值虧損準備入賬。本公司將附屬公司之業績按已收及應收股息入賬。



Notes to the Accounts

賬目附註

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

(b) Group accounting (Continued)

(ii) *Jointly controlled entities*

A jointly controlled entity is a contractual arrangement whereby the Group and other parties undertake an economic activity which is subject to joint control and none of the participating parties has unilateral control over the economic activity.

The consolidated profit and loss account includes the Group's share of the results of jointly controlled entities for the year, and the consolidated balance sheet includes the Group's share of the net assets of the jointly controlled entities and goodwill/negative goodwill (net of accumulated amortisation) on acquisition.

(iii) *Associate*

An associate is a company, not being a subsidiary or a jointly controlled entity, in which an equity interest is held for the long-term and significant influence is exercised in its management.

The consolidated profit and loss account includes the Group's share of the result of an associate for the year, and the consolidated balance sheet includes the Group's share of the net assets of the associate and goodwill/negative goodwill (net of accumulated amortisation) on acquisition.

2. 主要會計政策 (續)

(b) 集團會計 (續)

(ii) 共同控制實體

共同控制實體指本集團與其他人士以合約協議方式共同進行經濟活動，該活動受雙方共同控制，任何一方均沒有單方面之控制權。

綜合損益賬包括本集團應佔共同控制實體本年度業績，而綜合資產負債表則包括本集團應佔共同控制實體之資產淨值及收購產生之商譽／負商譽（扣除累計攤銷）。

(iii) 聯營公司

聯營公司為附屬公司或共同控制實體以外，本集團持有其股權作長期投資，並對其管理具有重大影響力之公司。

綜合損益賬包括本集團應佔聯營公司之本年度業績，而綜合資產負債表則包括本集團應佔聯營公司之資產淨值及收購產生之商譽／負商譽（扣除累計攤銷）。



Notes to the Accounts

賬目附註

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

(b) Group accounting (Continued)

(iv) Translation of foreign currencies

Transactions in foreign currencies are translated at exchange rates ruling at the transaction dates. Monetary assets and liabilities expressed in foreign currencies at the balance sheet date are translated at rates of exchange ruling at the balance sheet date. Exchange differences arising in these cases are dealt with in the profit and loss account.

The balance sheets of subsidiaries, jointly controlled entities and an associate expressed in foreign currencies are translated at the rates of exchange ruling at the balance sheet date whilst the profit and loss accounts are translated at an average rate. Exchange differences are dealt with as a movement in reserves.

(c) 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 subsidiaries at the date of the acquisition. Goodwill is recognised as an asset in the balance sheet and is amortised using the straight-line method over its estimated useful life of 10 years.

Where an indication of impairment exists, the carrying amount of goodwill is assessed and written down immediately to its recoverable amount.

2. 主要會計政策 (續)

(b) 集團會計 (續)

(iv) 外幣換算

以外幣為本位之交易，均按交易當日之匯率折算。於結算日以外幣顯示之貨幣資產與負債則按結算日之匯率折算。由此產生之匯兌盈虧均計入損益賬。

附屬公司、共同控制實體及聯營公司以外幣顯示之資產負債表均按結算日之匯率折算，而損益賬則按平均匯率折算。由此產生之匯兌盈虧作為儲備變動入賬。

(c) 商譽

商譽指收購成本超出於收購日本集團所佔收購附屬公司之淨資產之數額。商譽在資產負債表列為資產並於其估計可用年期十年以直線法攤銷。

如當有跡象顯示出現耗蝕，須對商譽之賬面值作出評估及即時減至可收回價值。



Notes to the Accounts

賬目附註

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

(d) Product development costs

Product development costs are expensed as incurred.

(e) Fixed assets

(i) Investment properties

Investment properties are interests in land and buildings in respect of which construction work and development have been completed and which are held for their investment potential, any rental income being negotiated at arm's length.

Investment properties are valued at intervals of not more than three years by independent valuers; in each of the intervening years valuations are undertaken by professionally qualified executives of the Group. The valuations are on an open market value basis related to individual properties and separate values are not attributed to land and buildings. The valuations are incorporated in the annual accounts. Increases in valuation are credited to the investment properties revaluation reserve. Decreases in valuation are first set off against increases on earlier valuations on a portfolio basis and thereafter are debited to operating profit. Any subsequent increases are credited to operating profit up to the amount previously debited.

Upon the disposal of an investment property, the relevant portion of the revaluation reserve realised in respect of previous valuations is released from the investment properties revaluation reserve to the profit and loss account.

2. 主要會計政策 (續)

(d) 產品發展成本

產品發展成本在發生時作為費用支銷。

(e) 固定資產

(i) 投資物業

投資物業乃在土地及樓宇中所佔之權益，而該等土地及樓宇之建築工程及發展經已完成，因其具有投資價值而持有，任何租金收入均按公平原則磋商。

投資物業皆由獨立估值師最少每隔3年估值一次；相隔期間每年由集團內具專業資格之高級職員負責估值。估值是以個別物業之公開市值為計算基準，而土地及樓宇並不分開估值。估值會用於年度賬目內。重估之增值撥入投資物業重估儲備，減值則首先以整個組合為基礎與先前之增值對銷，然後從經營盈利中扣除。其後任何增值將撥入經營盈利，惟最高以先前扣減之金額為限。

在出售投資物業時，重估儲備中與先前估值有關之已變現部分，將從投資物業重估儲備轉撥至損益賬。



Notes to the Accounts 賬目附註

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

(e) Fixed assets (Continued)

(ii) Construction in progress

Construction in progress represents machinery pending installation and investment in building where construction work has not been completed. Construction in progress is stated at cost, which includes construction expenditures, installation and other direct costs capitalised during the construction period.

No depreciation is provided on the construction in progress until they are put into use and transferred to fixed assets upon completion.

(iii) Other fixed assets

Other fixed assets, comprising properties, plant and machinery, furniture, fixtures and equipment, moulds and motor vehicles are stated at cost less accumulated depreciation and accumulated impairment losses.

(iv) Depreciation

Leasehold properties are depreciated over the remaining period of the lease while other fixed assets are depreciated at rates sufficient to write off their cost less accumulated impairment losses over their estimated useful lives on a straight-line basis or reducing balance basis. The principal annual rates are as follows:

Properties	物業	2%–4% Straight line直線法
Plant and machinery	廠房及機器	3%–15% Straight line直線法
Furniture, fixtures and equipment	傢俬·裝置及工具	10%–18% Straight line直線法
Moulds	工模	10% Reducing balance餘額遞減法
Motor vehicles	汽車	25% Reducing balance餘額遞減法

The useful lives of assets and depreciation method are reviewed periodically.

2. 主要會計政策 (續)

(e) 固定資產 (續)

(ii) 在建工程

在建工程是指等待裝置的機器及未建築完成的廠房。在建工程是以在建期間的建築費用·裝置和其他已撥充資本的直接成本列賬。

在建工程不會計提折舊直至完工及結轉為固定資產。

(iii) 其他固定資產

其他固定資產包括物業·廠房及機器·傢俬·裝置及工具·工模及汽車以成本值減累積折舊及累積減值虧損列賬。

(iv) 折舊

物業之租約土地按租約年期折舊·其他有形固定資產則以直線法或餘額遞減法於其估計可用年限內將其成本值減累積減值虧損撇銷。主要之折舊年率如下：

資產使用期及折舊方法將定期覆審。



Notes to the Accounts

賬目附註

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

(e) Fixed assets (Continued)

(v) Impairment and gain or loss on sale

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

The gain or loss on disposal of a fixed asset other than investment properties is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in the profit and loss account. Any revaluation reserve balance remaining attributable to the relevant asset is transferred to retained earnings and is shown as a movement in reserves.

(f) Assets under leases

(i) Lessees

Leases where substantially all the risks and rewards of ownership of assets remain with the leasing company are accounted for as operating leases. Payments made under operating leases net of any incentives received from the leasing company are charged to the profit and loss account on a straight-line basis over the lease periods.

(ii) Lessors

Assets leased out under operating leases are included in fixed assets in the balance sheet. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease terms.

2. 主要會計政策 (續)

(e) 固定資產 (續)

(v) 減值與出售盈虧

在每年結算日，在建工程及其他固定資產項內之資產皆透過本集團內部及外界所獲得的資訊，評核該等資產有否耗蝕。如有跡象顯示該等資產出現耗蝕，則估算其可收回價值，及在合適情況下將減值虧損入賬以將資產減至其可收回價值。此等減值虧損在損益表入賬，但假若某資產乃按估值列賬，而減值虧損不超過該資產之重估盈餘，此等虧損則當作重估減值。

出售非投資物業之固定資產之盈利或虧損乃銷售所得款項淨額與有關資產之賬面值之差額，並於損益表予列算。任何屬於被出售的資產之重估儲備結餘均轉撥至滾存盈利，並列作儲備變動。

(f) 租賃資產

(i) 租戶

經營租賃是指擁有資產之風險及回報實質上由出租公司保留之租賃。租賃款額在扣除自出租公司收取之任何獎勵金後，於租賃期內以直線法在損益賬中支銷。

(ii) 出租人

從經營租賃出租之資產在資產負債表內的固定資產列賬。租金收入(扣除向承租人支付之任何優惠)以直線法在租期內入賬。



Notes to the Accounts

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2. PRINCIPAL ACCOUNTING POLICIES (Continued)

(g) Inventories

Inventories comprise stocks and work in progress and are stated at the lower of cost and net realisable value. Cost, calculated on the weighted average cost formula, comprises materials, direct labour and an appropriate proportion of all production overhead expenditure. Net realisable value is determined on the basis of anticipated sales proceeds less estimated selling expenses.

(h) Debtors

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

(i) Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand and deposits held at call with banks.

(j) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Group expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

2. 主要會計政策 (續)

(g) 存貨

存貨包括製成品及在製品，按成本值與可變現淨值兩者之較低者入賬。成本值以加權平均法計算，並包括原材料、直接人工及所有生產經常開支之應佔部份。可變現淨值乃按預計銷售所得款項扣除估計營銷費用計算。

(h) 應收賬項

凡被視為呆賬之應收賬項，均提撥準備。在資產負債表內列賬之應收賬項已扣除有關之準備金。

(i) 現金及現金等價物

現金及現金等價物按成本在資產負債表內列賬。在現金流量表中，現金及現金等價物包括庫存現金及銀行通知存款。

(j) 撥備

當本集團因已發生的事件須承擔現有之法律性或推定性的責任，而解除責任時有可能消耗資源，並在責任金額能夠可靠地作出估算的情況下，需確立撥備。當本集團預計撥備款可獲償付，例如有保險合約作保障，則將償付款確認為一項獨立資產，惟只能在償付款可實質地確定時確認。



Notes to the Accounts

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2. PRINCIPAL ACCOUNTING POLICIES (Continued)

(k) Employee benefits

(i) Employee leave entitlements

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

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

(ii) Defined contribution plans

The Group provides defined contribution plans to the Hong Kong employees based on local laws and regulations, the assets of which are generally held in separate trustee administered funds. The plans cover full-time employees and provide for contributions ranging from 5% to 10% of salary. The Group's contributions to defined contribution plans are expensed as incurred and are reduced by contribution forfeited by those employees who leave the plans prior to vesting fully in the contributions.

Pursuant to PRC laws and regulations, contributions to the defined contribution retirement schemes for the Group's local staff are made to the relevant government authorities in the PRC, which are calculated based on certain percentages of the applicable payroll costs as stipulated under the requirements in the PRC. These contributions are charged to the consolidated profit and loss account as incurred.

2. 主要會計政策 (續)

(k) 僱員福利

(i) 僱員應享假期

僱員在年假之權利在僱員應享有時確認。本集團為截至結算日止僱員已提供之服務而產生之年假之估計負債作出撥備。

僱員之病假及產假或陪妻分娩假不作確認，直至僱員正式休假為止。

(ii) 退休金計劃

本集團根據本地法律及規例為香港員工制定界定供款退休計劃，該資產由一獨立信託基金持有。此計劃覆蓋所有全職員工，本集團之供款額範圍由員工薪金的5%至10%。本集團對該退休計劃作出之供款在發生時作為費用支銷，而員工在全數取得既得之利益前退出計劃而被沒收之僱主供款將會用作扣減此供款。

為遵守中國之法律及規例，本集團為當地員工制定的界定供款退休供款計劃中之供款會交與中國政府已授權之有關機構；供款需按中國規定以工資的一定百分比計算。本集團對該退休計劃作出之供款在發生時作為費用支銷。



Notes to the Accounts

賬目附註

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

(I) Deferred taxation

Deferred taxation is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the accounts. Taxation rates enacted or substantively enacted by the balance sheet date are used to determine deferred taxation.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred taxation is provided on temporary differences arising on investments in subsidiaries, an associate and jointly controlled entities, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

In prior year, deferred taxation was accounted for at the current taxation rate in respect of timing differences between profit as computed for taxation purposes and profit as stated in the accounts to the extent that a liability or an asset was expected to be payable or recoverable in the foreseeable future. The adoption of the new SSAP 12 represents a change in accounting policy, which has been applied retrospectively so that the comparatives presented have been restated to conform to the changed policy.

As detailed in note 23 to the accounts, opening retained earnings at 1st January 2002 and 2003 have been reduced by HK\$2,833,204 and HK\$6,781,581 respectively, which represent the unprovided net deferred tax liabilities, the resulting increase in amortisation of goodwill and decrease in minority interests' share of profits. This change has resulted in an increase in the Group's deferred tax assets, deferred tax liabilities and goodwill at 31st December 2002 by HK\$138,996, HK\$7,450,110 and HK\$183,523 respectively and decrease in the Group's minority interests by HK\$346,010. The profit for the year ended 31st December 2002 has been reduced by HK\$3,948,377.

2. 主要會計政策 (續)

(I) 遞延項稅

遞延稅項是以負債法就資產與負債之課稅基準與其賬面值之暫時差異全數撥備。遞延稅項按結算日之前已頒佈或實質頒佈之稅率釐定。

遞延稅項資產的確認數額乃以可供動用作為抵銷暫時差異的日後應課稅溢利數額為限。

遞延稅項會就有關在附屬公司、聯營公司及共同控制實體的投資所產生的暫時差異作撥備，倘暫時差異之轉回時間可被控制，及不大可能在可預見將來轉回，有關之遞延稅項則不作撥備。

往年度，遞延稅項乃因應就課稅而計算之盈利與賬目所示之盈利二者間之時差，根據預期於可預見將來支付或可收回之負債及資產而按現行稅率計算。採納新訂之會計準則第12號構成會計政策之變動並已追溯應用，故比較數字已重列以符合經修訂之政策。

如賬目附註23所示，於二零零二年及二零零三年一月一日之年初滾存溢利已分別減少2,833,204港元及6,781,581港元，分別代表未撥備之遞延稅項負債淨額，導致商譽攤銷增加和少數股東權益所佔盈利減少。此項更改導致集團於二零零二年十二月三十一日之遞延稅項資產、負債和商譽分別增加138,996港元、7,450,110港元和183,523港元。而截至二零零二年十二月三十一日止年度之盈利減少3,948,377港元。



Notes to the Accounts

賬目附註

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

(m) Contingencies

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

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

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

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

(n) Turnover

Turnover represents the gross invoiced sales by the Group to outside customers, net of discounts and returns.

2. 主要會計政策 (續)

(m) 或然負債及或然資產

或然負債指因已發生的事件而可能引起之責任，此等責任需就某一宗或多宗事件會否發生才能確認，而集團並不能完全控制這些未來事件會否實現。或然負債亦可能是因已發生的事件引致之現有責任，但由於可能不需要消耗經濟資源，或責任金額未能可靠地衡量而未有入賬。

或然負債不會被確認，但會在賬目附註中披露。假若消耗資源之可能性改變導致可能出現資源消耗，此等負債將被確立為撥備。

或然資產指因已發生的事件而可能產生之資產，此等資產需就某一宗或多宗事件會否發生才能確認，而集團並不能完全控制這些未來事件會否實現。

或然資產不會被確認，但會於可能收到經濟效益時在賬目附註中披露。若實質確定有收到經濟效益時，此等效益才被確立為資產。

(n) 營業額

營業額為本年度集團銷貨扣除退貨所得收入淨額。



Notes to the Accounts

賬目附註

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

(o) Revenue recognition

Provided it is probable that the economic benefits associated with a transaction will flow to the Group and the revenue and costs, if applicable, can be measured reliably, turnover and other revenue are recognised on the following bases:

(i) Sale of goods

Revenue from the sale of goods is recognised on the transfer of significant risks and rewards of ownership, which generally coincides with the time when the goods are delivered to customers and title has passed.

(ii) Interest income

Interest income is recognised on a time proportion basis, taking into account the principal amounts outstanding and the interest rates applicable.

(iii) Rental income

Operating lease rental income is recognised on a straight-line basis.

(p) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset.

All other borrowing costs are charged to the profit and loss account in the year in which they are incurred.

2. 主要會計政策 (續)

(o) 收入確認

凡對本集團有經濟效益的交易，其收入及成本（如適用）能準確計算，營業額及其他收入將按下列基礎入賬：

(i) 銷貨

銷貨收入在擁有權之風險及回報轉移時確認，通常亦即為貨品付運予客戶及所有權轉讓時。

(ii) 利息收入

利息收入依據未償還本金及適用利率按時間比例確認。

(iii) 租金收入

經營租賃之租金收入按直線法確認。

(p) 借貸成本

凡直接與購置、興建或生產某項資產（該資產必須經過頗長時間籌備以作預定用途或出售）有關之借貸成本，均資本化為資產之部分成本。

所有其他借貸成本均於發生年度內在損益賬支銷。



Notes to the Accounts

賬目附註

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

(q) Segment reporting

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

Unallocated costs represent corporate expenses. Segment assets consist primarily of goodwill, fixed assets, inventories, receivables, operating cash and investment properties, and mainly exclude corporate bank balances. Segment liabilities comprise operating liabilities and exclude items such as taxation and certain corporate borrowings. Capital expenditure comprises additions to fixed assets.

Intersegment transactions: segment revenues, segment expenses and segment performance include transfers between geographical segments. Such transfers are accounted for using a markup on cost between geographical segments. Those transfers are eliminated in consolidation.

In respect of geographical segment reporting, sales are based on the country in which the customer is located. Total assets and capital expenditure are where the assets are located.

2. 主要會計政策 (續)

(q) 分部報告

按照本集團之內部財務報告，本集團已決定將地區分部資料作為主要分部報告，而業務分部資料則作為從屬形式呈列。

未分配成本指本集團整體性開支。分部資產主要包括商譽、固定資產、存貨、應收款項、經營現金及投資物業，不包括之項目主要為集團整體性之銀行結存。分部負債指經營負債，而不包括例如稅項及若干集團整體性之借款等項目。資本性開支包括購入固定資產的費用。

內部分部交易：分部收入、分部支出及分部業績包括地區分部間之轉移。該轉移包括地區分部間之附加成本。此項轉移已在綜合賬中抵銷。

至於地區分部報告，銷售額乃按照客戶所在國家計算。總資產及資本性開支按資產所在地計算。



Notes to the Accounts 賬目附註

3. TURNOVER, REVENUE AND SEGMENT INFORMATION

3. 營業額、收入和分部資料

		2003 二零零三年 HK\$ 港元	As restated 重列 2002 二零零二年 HK\$ 港元 (note 32) (附註32)
Turnover	營業額		
Sale of electrical home appliances	銷售家用電器	630,517,016	442,529,329
Sale of cigarette paper	銷售煙紙	163,855,195	116,422,940
Gross rental income from investment properties	投資物業租金收入	10,550,774	1,825,924
		804,922,985	560,778,193
Other revenue, net	其他收入·淨值		
Interest income	利息收入	274,802	493,952
Sundry income	其他收入	198	-
		275,000	493,952
Total revenue	總收入	805,197,985	561,272,145



Notes to the Accounts 賬目附註

3. TURNOVER, REVENUE AND SEGMENT INFORMATION (Continued)

Primary reporting format – geographical segments

The Group's sales are mainly derived from North America, Japan, Australia, Europe and the PRC. All purchases, production and shipment of goods are conducted in the PRC with its head office located in Hong Kong (included in "Others" below). An analysis by geographical segment is as follows:

3. 營業額、收入和分部資料 (續)

主要分部報告 – 地區分部資料

本集團的銷售主要在北美、日本、澳洲、歐洲及中國。所有採購、生產及貨物出口主要在中國。而總部則設於香港(包括在以下的「其他」內)。地區分部分析如下:

		The U.S	Canada	The PRC	Japan	Europe	Australia	Others	Elimination	The Group
		美國	加拿大	中國	日本	歐洲	澳洲	其他	抵銷	本集團
		2003	2003	2003	2003	2003	2003	2003	2003	2003
		二零零三年	二零零三年	二零零三年	二零零三年	二零零三年	二零零三年	二零零三年	二零零三年	二零零三年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Turnover	營業額									
External sales	對外銷售	344,246	10,313	167,337	114,019	111,788	22,193	35,026	-	804,922
Inter-segment sales	內部分部銷售	-	-	-	-	-	-	639,823	(639,823)	-
		344,246	10,313	167,337	114,019	111,788	22,193	674,849	(639,823)	804,922
Segment results	分部業績	43,916	345	38,951	13,244	22,827	2,998	97,202	(84,367)	135,116
Interest income	利息收入									275
Unallocated costs	未分配成本									(4,366)
Operating profit	經營盈利									131,025
Finance costs	財務成本									(24,057)
Share of loss of jointly controlled entities	佔共同控制實體虧損	-	-	(212)	-	-	-	-	-	(212)
Profit before taxation	除稅前盈利									106,756
Taxation	稅項									(13,669)
Profit after taxation	除稅後盈利									93,087
Minority interests	少數股東權益									(9,201)
Profit attributable to shareholders	股東應佔盈利									83,886



Notes to the Accounts 賬目附註

3. TURNOVER, REVENUE AND SEGMENT INFORMATION (Continued)

3. 營業額、收入和分部資料(續)

Primary reporting format – geographical segments 主要分部報告 – 地區分部資料(續)
(Continued)

		The U.S	Canada	The PRC	Japan	Europe	Australia	Others	Elimination	The Group
		美國	加拿大	中國	日本	歐洲	澳洲	其他	抵銷	本集團
		2003	2003	2003	2003	2003	2003	2003	2003	2003
		二零零三年	二零零三年	二零零三年	二零零三年	二零零三年	二零零三年	二零零三年	二零零三年	二零零三年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Segment assets	分部資產	16	-	826,664	-	-	-	326,058	-	1,152,738
Goodwill	商譽	-	-	8,094	-	-	-	-	-	8,094
Interests in jointly controlled entities	共同控制實體權益	-	-	31,450	-	-	-	-	-	31,450
Unallocated assets	未分配資產	-	-	-	-	-	-	-	-	239,522
Total assets	總資產	-	-	-	-	-	-	-	-	1,431,804
Segment liabilities	分部負債	9,501	-	506,346	-	-	-	836	-	516,683
Unallocated liabilities	未分配負債	-	-	-	-	-	-	-	-	103,648
Total liabilities	總負債	-	-	-	-	-	-	-	-	620,331
Capital expenditure	資本性開支	-	-	51,560	-	-	-	4,174	-	55,734
Depreciation	折舊	-	-	24,637	-	-	-	2,217	-	26,854
Amortisation of goodwill	商譽攤銷	-	-	-	-	-	-	1,141	-	1,141
Write-off of fixed assets	固定資產報廢	-	-	112	-	-	-	1,410	-	1,522
Write-off of obsolete inventories	過時存貨報廢	-	-	575	-	-	-	-	-	575
Reversal of provision for an amount due from a related company	撥回應收一關聯公司準備	-	-	6,955	-	-	-	-	-	6,955
Provision for bad debts	壞賬準備	-	-	2,555	-	-	-	-	-	2,555



Notes to the Accounts 賬目附註

3. TURNOVER, REVENUE AND SEGMENT INFORMATION (Continued)

3. 營業額、收入和分部資料(續)

Primary reporting format – geographical segments 主要分部報告 – 地區分部資料(續)
(Continued)

	The U.S. 美國	Canada 加拿大	The PRC 中國	Europe 歐洲	Australia 澳洲	Others 其他	Elimination 抵銷	The Group 本集團
	As restated 重列	As restated 重列	As restated 重列	As restated 重列	As restated 重列	As restated 重列	As restated 重列	As restated 重列
	2002 二零零二年	2002 二零零二年	2002 二零零二年	2002 二零零二年	2002 二零零二年	2002 二零零二年	2002 二零零二年	2002 二零零二年
	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Turnover 營業額								
External sales 對外銷售	303,492	9,502	120,993	69,922	19,165	37,704	-	560,778
Inter-segment sales 內部分部銷售	-	-	-	-	-	110,524	(110,524)	-
	303,492	9,502	120,993	69,922	19,165	148,228	(110,524)	560,778
Segment results 分部業績	40,411	260	23,101	12,098	1,334	30,902	(29,338)	78,768
Interest income 利息收入								494
Unallocated costs 未分配成本								(2,706)
Operating profit 經營盈利								76,556
Finance costs 財務成本								(20,674)
Share of profit of an associate 佔聯營公司盈利	-	-	1,947	-	-	-	-	1,947
Profit before taxation 除稅前盈利								57,829
Taxation 稅項								(13,557)
Profit after taxation 除稅後盈利								44,272
Minority interests 少數股東權益								(721)
Profit attributable to shareholders 股東應佔盈利								43,551



Notes to the Accounts 賬目附註

3. TURNOVER, REVENUE AND SEGMENT INFORMATION (Continued)

3. 營業額、收入和分部資料(續)

Primary reporting format – geographical segments 主要分部報告 – 地區分部資料(續)
(Continued)

	The U.S. 美國	Canada 加拿大	The PRC 中國	Europe 歐洲	Australia 澳洲	Others 其他	Elimination 抵銷	The Group 本集團
	As restated 重列	As restated 重列	As restated 重列	As restated 重列	As restated 重列	As restated 重列	As restated 重列	As restated 重列
	2002	2002	2002	2002	2002	2002	2002	2002
	二零零二年	二零零二年	二零零二年	二零零二年	二零零二年	二零零二年	二零零二年	二零零二年
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Segment assets 分部資產	197	-	708,216	-	-	317,192	-	1,025,605
Goodwill 商譽	-	-	9,235	-	-	-	-	9,235
Interests in jointly controlled entities 共同控制實體權益	-	-	31,662	-	-	-	-	31,662
Unallocated assets 未分配資產	-	-	-	-	-	-	-	160,215
Total assets 總資產								1,226,717
Segment liabilities 分部負債	9,501	-	466,519	-	-	7,222	-	483,242
Unallocated liabilities 未分配負債	-	-	-	-	-	-	-	117,401
Total liabilities 總負債								600,643
Capital expenditure 資本性開支	-	-	16,012	-	-	25,526	-	41,538
Depreciation 折舊	-	-	19,933	-	-	1,970	-	21,903
Amortisation of goodwill 商譽攤銷	-	-	-	-	-	1,141	-	1,141
Write-off of fixed assets 固定資產報廢	-	-	-	-	-	2,902	-	2,902
Impairment of interests in an associate 聯營公司權益減值	-	-	1,297	-	-	-	-	1,297
Write-off of obsolete inventories 過時存貨報廢	-	-	-	-	-	2,964	-	2,964
Reversal of provision for inventory obsolescence 撥回過時存貨準備	-	-	3,831	-	-	-	-	3,831
Provision for bad debts 壞賬準備	1,536	-	12,932	-	-	-	-	14,468



Notes to the Accounts 賬目附註

3. TURNOVER, REVENUE AND SEGMENT INFORMATION (Continued)

Secondary reporting format – business segments

The Group is principally engaged in the manufacturing and sale of electrical home appliances, manufacturing and sales of cigarette paper and property leasing. An analysis by business segment is as follows:

3. 營業額、收入和分部資料 (續)

從屬分部報告 – 業務分部資料

本集團本年度主要製造及銷售家用電器、煙紙和物業租賃。業務分部分析如下：

		Turnover 營業額 2003 二零零三年 HK\$'000 港幣千元	Segment result 分部業績 2003 二零零三年 HK\$'000 港幣千元	Total assets 總資產 2003 二零零三年 HK\$'000 港幣千元	Capital expenditure 資本性開支 2003 二零零三年 HK\$'000 港幣千元
Electrical home appliances	家用電器	630,517	88,082	222,956	33,566
Cigarette paper	煙紙	163,855	39,086	621,527	13,748
Property leasing	物業租賃	10,550	7,948	308,255	8,420
		804,922	135,116	1,152,738	55,734
Interest income	利息收入		275		
Unallocated costs	未分配成本		(4,366)		
Operating profit	經營盈利		131,025		
Goodwill	商譽			8,094	
Interests in jointly controlled entities	共同控制實體權益			31,450	
Unallocated assets	未分配資產			239,522	
Total assets	總資產			1,431,804	



Notes to the Accounts 賬目附註

3. TURNOVER, REVENUE AND SEGMENT INFORMATION (Continued)

3. 營業額、收入和分部資料(續)

Secondary reporting format – business segments (Continued) 從屬分部報告 – 業務分部資料(續)

		Turnover 營業額	Segment result 分部業績	Total assets 總資產	Capital expenditure 資本性開支
		As restated 重列	As restated 重列	As restated 重列	As restated 重列
		2002 二零零二年	2002 二零零二年	2002 二零零二年	2002 二零零二年
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Electrical home appliances	家用電器	442,529	55,338	141,124	11,343
Cigarette paper	煙紙	116,423	23,347	594,481	5,687
Property leasing	物業租賃	1,826	83	290,000	24,508
		<u>560,778</u>	78,768	1,025,605	<u>41,538</u>
Interest income	利息收入		494		
Unallocated costs	未分配成本		(2,706)		
Operating profit	經營盈利		<u>76,556</u>		
Goodwill	商譽			9,235	
Interests in jointly controlled entities	共同控制實體 權益			31,662	
Unallocated assets	未分配資產			<u>160,215</u>	
Total assets	總資產			<u>1,226,717</u>	



Notes to the Accounts 賬目附註

4. OPERATING PROFIT

4. 經營盈利

Operating profit is stated after charging and crediting the following:

經營盈利已扣除及計入下列項目：

		2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元
Charging	扣除		
Depreciation of fixed assets	固定資產折舊	26,853,647	21,903,423
Loss on disposal of fixed assets	出售固定資產虧損	492,698	117,855
Write-off of fixed assets	固定資產報廢	1,522,207	2,902,009
Write-off of obsolete inventories	過時存貨報廢	574,840	2,964,455
Provision for inventory obsolescence	過時存貨準備	3,421,823	–
Impairment of interest in an associate	聯營公司權益減值	–	1,297,054
Staff (including directors) costs (note 10)	員工(包括董事)成本(附註10)	71,058,335	69,901,542
Operating lease rental on	經營租賃		
– Office premises	– 辦公室	326,472	–
– Plant and machineries	– 廠房及機器	412,150	337,901
Auditors' remuneration	核數師酬金	1,184,956	1,238,143
Net exchange loss	匯兌損失淨額	1,009,812	–
Provision for bad debts in respect of	壞賬準備包括		
– Debtors	– 應收賬項	2,555,435	2,583,086
– Other receivables	– 其他應收賬	–	734,888
– Amounts due from related companies	– 應收關聯公司	–	9,614,520
– Amount due from a minority shareholder of a subsidiary	– 應收附屬公司 – 少數股東	–	1,535,732
Amortisation of goodwill	商譽攤銷	1,141,116	1,141,116
Product development costs	產品發展成本	2,472,688	1,125,538
Crediting	計入		
Net exchange gain	匯兌利益淨額	17,835	257,532
Reversal of provision for inventory obsolescence	撥回過時存貨準備	–	3,831,026
Reversal of provision for an amount due from a related company	撥回應收一關聯公司準備	6,955,152	–
Amortisation of rent free period	免租期攤銷	1,756,238	–



Notes to the Accounts 賬目附註

5. FINANCE COSTS

5. 財務成本

		2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元
Interest on bank loans	銀行貸款利息		
Wholly repayable within five years	須於五年內全部償還	24,056,931	20,673,886

6. TAXATION

6. 稅項

Hong Kong profits tax has been provided at the rate of 17.5% (2002: 16%) on the estimated assessable profit arising in or derived from Hong Kong for the year. In 2003, the government enacted a change in the profits tax rate from 16% to 17.5% for the fiscal year 2003/2004. Taxation on overseas and PRC profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

香港利得稅乃按照本年度估計應課稅盈利依稅率17.5% (二零零二年: 16%) 提撥準備。二零零三年政府將二零零三/二零零四財政年度的利得稅率由16%提高至17.5%。海外及中國盈利之稅項則按照本年度估計應課稅盈利依本集團經營業務地區之現行稅率計算。

The amount of taxation charged to the consolidated profit and loss account represents:

在綜合損益表支銷之稅項如下:

		2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元
Current taxation:	當期稅項:		
– Hong Kong profits tax	– 香港利得稅	6,874,383	4,689,201
– Overseas and PRC taxation	– 海外及中國稅項	8,999,072	5,038,202
– (Over)Under-provisions in prior years	– 往年度準備(剩餘)不足	(2,362,395)	133,414
Deferred taxation relating to the origination and reversal of temporary differences	遞延稅項暫時差異的產生及轉回	22,929	3,519,959
Deferred taxation resulting from an increase in tax rate	稅率提高產生之遞延稅項	135,139	–
		13,669,128	13,380,776
Share of PRC taxation attributable to an associate	應佔聯營公司中國稅項	–	176,403
Taxation charges	稅項	13,669,128	13,557,179



Notes to the Accounts 賬目附註

6. TAXATION (Continued)

The taxation on the Group's profit before taxation differs from the theoretical amount that would arise using the taxation rate of Hong Kong as follows:

6. 稅項 (續)

本集團有關除稅前溢利之稅項與假若採用香港之稅率而計算之理論稅額之差額如下:

		2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元
Profit before taxation	除稅前溢利	106,755,541	57,828,718
Calculated at a taxation rate of 17.5% (2002: 16%)	按稅率 17.5% (二零零二年: 16%) 計算之稅項	18,682,220	9,252,595
Effect of different tax rates in other taxation jurisdictions	其他地區不同稅率之影響	(3,305,108)	652,231
Income not subject to taxation	無須課稅之收入	(471,348)	(501,655)
Expenses not deductible for taxation purposes	不可扣稅之支出	1,222,653	1,523,641
(Over)Under-provision in prior years	往年度準備(剩餘)不足	(2,362,395)	133,414
Utilisation of previously unrecognised tax losses	使用早前未有確認之稅損	(31,346)	-
Increase in previously unrecognised temporary difference	早前未有確認之暫時差異增加	645,746	1,502,472
Initial recognition on depreciation	最初確認折舊	-	77,670
Increase in opening net deferred tax liabilities resulting from an increase in tax rate	稅率提高而產生期初遞延稅項負債淨額之增加	135,139	-
Others	其他	(846,433)	740,408
Taxation charge before share of taxation of an associate	佔聯營公司稅項前稅項支出	13,669,128	13,380,776
Share of PRC taxation attributable to an associate	佔聯營公司中國稅項	-	176,403
Taxation charges	稅項支出	13,669,128	13,557,179

7. PROFIT ATTRIBUTABLE TO SHAREHOLDERS

The profit attributable to shareholders is dealt with in the accounts of the Company to the extent of HK\$63,164,861 (2002: HK\$32,929,004, as restated).

7. 股東應佔盈利

計入本公司賬目之股東應佔盈利為63,164,861港元(二零零二年: 32,929,024港元·重列)。



Notes to the Accounts 賬目附註

8. DIVIDENDS

		2003	2002
		二零零三年	二零零二年
		HK\$	HK\$
		港元	港元
Interim, paid, of 4 cents (2002: 2 cents) per share	已派發之中期股息每股4港仙 (二零零二: 2港仙)	13,383,675	6,286,016
Final, proposed, of 10 cents (2002: 7 cents) per share	建議派發末期股息每股10港仙 (二零零二: 7港仙)	36,877,186	22,001,056
		50,260,861	28,287,072

At a meeting held on 19th April 2004, the directors proposed a final dividend of 10 cents per share. This proposed dividend is not reflected as a dividend payable in these accounts, but will be reflected as an appropriation of retained earnings for the year ending 31st December 2004. The final dividend proposed was computed based on 368,771,860 shares of the Company in issue on 19th April 2004.

8. 股息

在二零零四年四月十九日舉行之會議上，董事建議派發末期股息每股10港仙。此項擬派股息並無於本賬目中列作應付股息，惟將於截至二零零四年十二月三十一日止年度列作滾存盈利分派。建議派發末期股息按二零零四年四月十九日已發行368,771,860股普通股計算。

9. EARNINGS PER SHARE

The calculations of basic and diluted earnings per share are based on the Group's profit attributable to shareholders of HK\$83,885,614 (2002: HK\$43,550,886, as restated).

The basic earnings per share is based on the weighted average number of 325,159,696 (2002: 314,300,804) shares in issue during the year. The diluted earnings per share for the year ended 31st December 2003 is based on 325,159,696 shares which is the weighted average number of shares in issue during the year plus the weighted average number of 2,565,864 shares deemed to be issued at no consideration if all outstanding options had been exercised.

9. 每股盈利

每股基本及攤薄盈利之計算是以本集團股東應佔盈利83,885,614港元(二零零二年: 43,550,886港元, 重列)計算。

每股基本盈利乃根據年內之已發行加權平均股數325,159,696股(二零零二年: 314,300,804股)計算。二零零三年十二月三十一日止每股攤薄盈利乃根據年內之已發行加權平均股數325,159,696股，加上假設所有未行使之購股權皆已行使而被視作無價發行之加權平均股數2,565,864股計算。



Notes to the Accounts 賬目附註

10. STAFF COSTS (INCLUDING DIRECTORS' REMUNERATION)

10. 員工成本(包括董事酬金)

		2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元
Wages and salaries	工資和薪金	65,711,084	65,286,966
Unutilised annual leave	未用年假	955,415	910,667
Pension costs – defined contribution plans	退休成本 – 界定供款計劃	4,391,836	3,703,909
		71,058,335	69,901,542

11. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

11. 董事及高級管理人員酬金

(a) Directors' emoluments

(a) 董事酬金

The aggregate amounts of emoluments payable to directors of the Company during the year are as follows:

本年度本公司向董事支付之酬金總額如下:

		2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元
Fees	袍金	494,886	487,704
Other emoluments:	其他酬金:		
Basic salaries, housing allowances and other benefits	基本薪金·房屋津貼和其他福利	3,118,907	1,883,022
Discretionary bonus	酌情發放之花紅	120,000	100,000
Contributions to pension schemes	退休金供款	116,400	94,800
		3,850,193	2,565,526

Directors' fees disclosed above include HK\$122,443 (2002: HK\$100,000) paid to independent non-executive directors.

上列董事酬金包括支付獨立非執行董事122,443港元(二零零二年:100,000港元)。



Notes to the Accounts 賬目附註

11. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

(a) Directors' emoluments (Continued)

During the year, 16,343,638 (2002: Nil) options were granted to the directors under the a share option scheme (the "Share Option Scheme") approved by the shareholders at an Extraordinary General Meeting on 6th June 2003. The market value per share at the date of options grant was HK\$1.27. Details of the Share Option Scheme and the options granted during the year are disclosed under "Share options" section in the Report of the Directors.

The emoluments of the directors fell within the following bands:

11. 董事及高級管理人員酬金 (續)

(a) 董事酬金 (續)

根據二零零三年六月六日特別股東大會通過之購股權計劃 (「購股權計劃」) 本年內授出予董事之16,343,638股 (二零零二年: 無) 購股權。授出日之市價為每股1.27港元。本年度有關購股權計劃及授出購股權詳情列於董事會報告中之「購股權」中。

董事酬金按人數及金額組別分析如下:

		Number of directors 董事人數	
		2003 二零零三年	2002 二零零二年
Emolument bands	酬金組別		
HK\$nil – HK\$1,000,000	由零港元至1,000,000港元	7	8
HK\$1,000,001 – HK\$1,500,000	由1,000,001港元至1,500,000港元	1	1
HK\$1,500,001 – HK\$2,000,000	由1,500,001港元至2,000,000港元	1	–

No directors waived the right to receive emoluments during the year.

本年度沒有董事放棄收取酬金權利。



Notes to the Accounts 賬目附註

11. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year include two (2002: two) directors whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining three (2002: three) individuals during the year are as follows:

		2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元
Basic salaries, housing allowances and other benefits	基本薪金·房屋津貼及其他福利	2,586,500	2,082,775
Contributions to pension schemes	退休金供款	163,800	154,300
		2,750,300	2,237,075

The emoluments fell within the following bands:

11. 董事及高級管理人員酬金 (續)

(b) 五位最高薪酬人士

本集團五位最高薪酬人士中包括二位(二零零二年:二位)董事·彼等之酬金已載於上文分析·餘下三位(二零零二年:三位)最高薪人士之酬金分析如下:

		Number of directors 董事人數	
		2003 二零零三年	2002 二零零二年
Emolument bands	酬金組別		
HK\$nil – HK\$1,000,000	由零港元至1,000,000港元	3	4
HK\$1,000,001 – HK\$1,500,000	由1,000,001港元至1,500,000港元	1	1
HK\$1,500,001 – HK\$2,000,000	由1,500,001港元至2,000,000港元	1	–



Notes to the Accounts 賬目附註

12. GOODWILL

12. 商譽

The Group
本集團
2003
二零零三年
HK\$
港元

Cost:	成本:	
At 1st January 2003, as previously reported	於二零零三年一月一日·如前呈報	11,207,252
Effect of change in accounting policy in respect of deferred taxation (note 2(II))	修訂會計政策遞延稅項之影響 (附註2(II))	203,914
At 1st January 2003 (restated) and at 31st December 2003	於二零零三年一月一日 (重列) 及二零零三年十二月三十一日	11,411,166
Accumulated amortisation:	累計攤銷:	
At 1st January 2003, as previously reported	於二零零三年一月一日·如前呈報	2,155,809
Effect of change in accounting policy in respect of deferred taxation (note 2(II))	修訂會計政策遞延稅項之影響 (附註2(II))	20,391
At 1st January 2003 (restated)	於二零零三年一月一日 (重列)	2,176,200
Amortisation during the year	本年度攤銷	1,141,116
At 31st December 2003	於二零零三年十二月三十一日	3,317,316
Net book value:	賬面淨值:	
At 31st December 2003	於二零零三年十二月三十一日	8,093,850
At 31st December 2002 (restated)	於二零零二年十二月三十一日 (重列)	9,234,966

Notes to the Accounts

賬目附註

13 FIXED ASSETS

13. 固定資產

		The Group 本集團								
		Investment properties	Construction in progress	Properties in Hong Kong	Properties outside Hong Kong	Plant and machinery	Furniture, fixtures and equipment	Moulds	Motor vehicles	Total
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元	港元	港元	港元
Cost or valuation:	成本值或估值:									
At 1st January	於二零零三年									
2003	一月一日	290,000,000	8,892,857	27,550,769	182,180,019	408,698,150	29,153,304	5,641,925	14,200,744	966,317,768
Additions	添置	8,420,328	26,380,581	-	-	13,133,264	6,589,228	-	1,210,686	55,734,087
Transfers	轉撥	-	(4,492,097)	-	191,413	4,300,684	-	-	-	-
Revaluation (note 23)	重估 (附註23)	10,038,118	-	-	-	-	-	-	-	10,038,118
Disposals	出售	-	-	-	-	(8,607,347)	(1,008,042)	-	(485,161)	(10,100,550)
Write-off	報廢	-	-	-	-	(322,195)	(88,000)	(2,075,319)	(15,293)	(2,500,807)
At 31st December	於二零零三年									
2003	十二月三十一日	308,458,446	30,781,341	27,550,769	182,371,432	417,202,556	34,646,490	3,566,606	14,910,976	1,019,488,616
Accumulated depreciation:	累計折舊:									
At 1st January 2003	於二零零三年一月一日	-	-	7,644,874	46,398,504	97,075,173	24,781,477	1,861,564	11,030,927	188,792,519
Charge for the year	本年度折舊	-	-	995,295	7,487,930	14,035,077	3,067,825	254,627	1,012,893	26,853,647
Disposals	出售	-	-	-	-	(1,081,967)	(973,198)	-	(337,231)	(2,392,396)
Write-off	報廢	-	-	-	-	(212,052)	(88,000)	(665,033)	(13,515)	(978,600)
At 31st December	於二零零三年									
2003	十二月三十一日	-	-	8,640,169	53,886,434	109,816,231	26,788,104	1,451,158	11,693,074	212,275,170
Net book value:	賬面淨值:									
At 31st December	於二零零三年									
2003	十二月三十一日	308,458,446	30,781,341	18,910,600	128,484,998	307,386,325	7,858,386	2,115,448	3,217,902	807,213,446
At 31st December	於二零零二年									
2002	十二月三十一日	290,000,000	8,892,857	19,905,895	135,781,515	311,622,977	4,371,827	3,780,361	3,169,817	777,525,249

Notes to the Accounts

賬目附註

13 FIXED ASSETS (Continued)

An analysis of the cost or valuation at 31st December 2003 of the above assets is as follows:

13. 固定資產(續)

上述資產的成本值或估值於二零零三年十二月三十一日分析如下:

		The Group 本集團								
		Investment properties	Construction in progress	Properties in Hong Kong	Properties outside Hong Kong	Plant and machinery	Furniture, fixtures and equipment	Moulds	Motor vehicles	Total
		投資物業	在建工程	在本港之物業	香港以外之物業	廠房及機器	傢俬·裝置及工具	工模	汽車	合計
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元	港元	港元	港元
At cost	成本值	-	30,781,341	27,550,769	182,371,432	417,202,556	34,646,490	3,566,606	14,910,976	711,030,170
At valuation	估值	308,458,446	-	-	-	-	-	-	-	308,458,446
		308,458,446	30,781,341	27,550,769	182,371,432	417,202,556	34,646,490	3,566,606	14,910,976	1,019,488,616

An analysis of the cost or valuation at 31st December 2002 of the above assets is as follows:

上述資產的成本值或估值於二零零二年十二月三十一日分析如下:

		Investment properties	Construction in progress	Properties in Hong Kong	Properties outside Hong Kong	Plant and machinery	Furniture, fixtures and equipment	Moulds	Motor vehicles	Total
		投資物業	在建工程	在本港之物業	香港以外之物業	廠房及機器	傢俬·裝置及工具	工模	汽車	合計
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元	港元	港元	港元
At cost	成本值	-	8,892,857	27,550,769	182,180,019	408,698,150	29,153,304	5,641,925	14,200,744	676,317,768
At valuation	估值	290,000,000	-	-	-	-	-	-	-	290,000,000
		290,000,000	8,892,857	27,550,769	182,180,019	408,698,150	29,153,304	5,641,925	14,200,744	966,317,768



Notes to the Accounts 賬目附註

13 FIXED ASSETS (Continued)

13. 固定資產(續)

		The Company 本公司					
		Investment	Plant and	Furniture,		Motor	
		properties	machinery	fixtures and	Moulds	vehicles	Total
		投資物業	廠房及 機器	傢俬、裝置及 工具	工模	汽車	合計
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元
Cost or valuation:	成本值或估值:						
At 1st January	於二零零三年						
2003	一月一日	290,000,000	-	8,210,079	5,223,643	1,596,264	305,029,986
Additions	添置	-	3,736,590	45,800	-	370,000	4,152,390
Revaluation	重估						
(note 23)	(附註23)	10,000,000	-	-	-	-	10,000,000
Disposals	出售	-	-	-	-	(152,944)	(152,944)
Write-off	報廢	-	-	(88,000)	(2,075,319)	-	(2,163,319)
At 31st December	於二零零三年						
2003	十二月三十一日	300,000,000	3,736,590	8,167,879	3,148,324	1,813,320	316,866,113
Accumulated	累計折舊:						
depreciation:							
At 1st January	於二零零三年						
2003	一月一日	-	-	8,108,424	1,569,124	761,299	10,438,847
Charge for the	本年度折舊						
year		-	560,489	61,861	224,420	272,564	1,119,334
Disposals	出售	-	-	-	-	(38,235)	(38,235)
Write-off	報廢	-	-	(88,000)	(665,033)	-	(753,033)
At 31st December	於二零零三年						
2003	十二月三十一日	-	560,489	8,082,285	1,128,511	995,628	10,766,913
Net book value:	賬面淨值:						
At 31st December	於二零零三年						
2003	十二月三十一日	300,000,000	3,176,101	85,594	2,019,813	817,692	306,099,200
At 31st December	於二零零二年						
2002	十二月三十一日	290,000,000	-	101,655	3,654,519	834,965	294,591,139



Notes to the Accounts 賬目附註

13 FIXED ASSETS (Continued)

An analysis of the cost or valuation at 31st December 2003 of the above assets is as follows:

13. 固定資產(續)

上述資產的成本值或估值於二零零三年十二月三十一日分析如下:

		The Company 本公司					
		Investment properties 投資物業	Plant and machinery 廠房及機器	Furniture, fixtures and equipment 傢俬、裝置及工具	Moulds 工模	Motor vehicles 汽車	Total 合計
		HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元
At cost	成本值	-	3,736,590	8,167,879	3,148,324	1,813,320	16,866,113
At valuation	估值	300,000,000	-	-	-	-	300,000,000
		300,000,000	3,736,590	8,167,879	3,148,324	1,813,320	316,866,113

An analysis of the cost or valuation at 31st December 2002 of the above assets is as follows:

上述資產的成本值或估值於二零零二年十二月三十一日分析如下:

		Investment properties 投資物業	Plant and machinery 廠房及機器	Furniture, fixtures and equipment 傢俬、裝置及工具	Moulds 工模	Motor vehicles 汽車	Total 合計
		HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元
At cost	成本值	-	-	8,210,079	5,223,643	1,596,264	15,029,986
At valuation	估值	290,000,000	-	-	-	-	290,000,000
		290,000,000	-	8,210,079	5,223,643	1,596,264	305,029,986



Notes to the Accounts 賬目附註

13 FIXED ASSETS (Continued)

The Group's interests in investment properties and other properties at their net book values are analysed as follows:

		2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元
In Hong Kong, held on:	在香港持有:		
Leases of between 10 to 50 years	十年至五十年租約	318,910,600	309,905,895
Outside Hong Kong, held on:	在香港以外持有:		
Leases of between 10 to 50 years	十年至五十年租約	136,943,444	135,781,515
		455,854,044	445,687,410

Investment properties were revalued at 31st December 2003 on the basis of their open market values by independent valuers, Jones Lang Laselle Limited and Sichuan Tianyi Certified Public Accountants Co. Ltd.

本集團持有投資物業和其他物業之權益按其賬面淨值分析如下:

本集團聘請獨立估值師仲量聯行及四川天一會計師事務所於二零零三年十二月三十一日為投資物業按公開市價基準作出物業評估。

At 31st December 2003, the net book value of fixed assets pledged as security for the Group's bank loans amounted to approximately HK\$581,764,000 (2002: HK\$624,752,000).

於二零零三年十二月三十一日，用作本集團銀行貸款抵押品之固定資產之賬面淨值約為581,764,000港元(二零零二年: 624,752,000港元)。

14. INVESTMENTS IN SUBSIDIARIES

14. 附屬公司投資

		The Company 本公司	
		2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元
Unlisted shares, at cost	非上市股份按成本入賬	101,018,815	70,203,837
Less: Provision for impairment in value	減: 減值準備	(780,567)	(780,567)
Amounts due from subsidiaries	應收附屬公司賬款	125,872,222	103,883,818
Amounts due to subsidiaries	應付附屬公司賬款	(112,497,266)	(117,235,726)
		113,613,204	56,071,362



Notes to the Accounts 賬目附註

14. INVESTMENTS IN SUBSIDIARIES (Continued)

The amounts due from and to subsidiaries were unsecured, non-interest bearing and not repayable within the next 12 months.

The directors are of the opinion that the underlying value of the subsidiaries is not less than the carrying value at 31st December 2003.

The following is a list of the significant subsidiaries at 31st December 2003:

14. 附屬公司投資 (續)

應收及應付附屬公司賬款均無抵押，免息及不須於其後十二個月內償還。

董事認為附屬公司之確實價值不少於其於二零零三年十二月三十一日之賬面價值。

於二零零三年十二月三十一日之主要附屬公司詳情如下：

Name 名稱	Place of incorporation and kind of legal entity 註冊地點及法定地位	Principal activities and place of operations 主要業務及經營地點	Particulars of issued share capital 已發行股本詳情	Effective interest held 公司所佔權益	
				Directly 直接	Indirectly 間接
Good Nature Company Limited 海雲有限公司	Hong Kong, limited liability company 香港·有限公司	Trading of electrical home appliances, the PRC 家用電器貿易·中國	2 ordinary shares of HK\$10 each 2股普通股每股10港元	50%	50%
Good Nature International Limited	Cook Islands, limited liability company 科克群島·有限公司	Investment holding, Hong Kong 投資控股·香港	8 ordinary shares of US\$1 each 8股普通股每股1美元	100%	—
Guangzhou Conquest Electric Company Limited 廣州市民凱家用電器有限公司	The PRC, limited liability company 中國·有限公司	Manufacturing of electrical home appliances, the PRC 生產家用電器·中國	US\$2,500,000 2,500,000美元	100%	—
Raymond Electric (China) Limited 利民電機製造(中國)有限公司	Hong Kong, limited liability company 香港·有限公司	Investment holding, Hong Kong 投資控股·香港	2 ordinary shares of HK\$10 each 2股普通股每股10港元	100%	—
Raymond (Guangzhou) Industrial Limited 廣州利民電器實業有限公司	The PRC, limited liability company 中國·有限公司	Manufacturing of electrical home appliances, the PRC 生產家用電器·中國	RMB14,461,326 14,461,326人民幣	—	99%



Notes to the Accounts 賬目附註

14. INVESTMENTS IN SUBSIDIARIES (Continued)

14. 附屬公司投資 (續)

Name 名稱	Place of incorporation and kind of legal entity 註冊地點 及法定地位	Principal activities and place of operations 主要業務及 經營地點	Particulars of issued share capital 已發行股本詳情	Effective interest held 公司所佔權益	
				Directly 直接	Indirectly 間接
Raymond International Marketing Corp.	British Virgin Islands, limited liability company 英屬處女島·有限公司	Inactive, the PRC 無營業·中國	10 ordinary shares of US\$1 each 10股普通股每股1美元	100%	—
Raymond Marketing Corporation of North America (Note b)	United States of America, limited liability company 美國·有限公司	Inactive, United States of America 無營業·美國	1,000 ordinary shares of US\$1 each 1,000股普通股每股1美元	100%	—
Raymond Nansha Development Co. Ltd.	British Virgin Islands, limited liability company 英屬處女島·有限公司	Property investment, the PRC 物業投資·中國	2 ordinary shares of US\$1 each 2股普通股每股1美元	100%	—
Raymond (Panyu Nansha) Electrica Appliances Development Co. Ltd. 利民(番禺南沙)電器 發展有限公司	The PRC, limited liability company 中國·有限公司	Manufacturing of electrical home appliances, the PRC 生產家用電器·中國	US\$12,450,000 12,450,000美元	100%	—
Airborne Holdings Limited	British Virgin Islands, limited liability company 英屬處女島·有限公司	Investment holding, Hong Kong 投資控股·香港	1 ordinary share of US\$1 each 1股普通股每股1美元	100%	—
Mass Top Corporation	British Virgin Islands, limited liability company 英屬處女島·有限公司	Property holding, Hong Kong 物業投資·香港	1 ordinary share of US\$1 each 1股普通股每股1美元	100%	—



Notes to the Accounts 賬目附註

14. INVESTMENTS IN SUBSIDIARIES (Continued)

14. 附屬公司投資(續)

Name 名稱	Place of incorporation and kind of legal entity 註冊地點 及法定地位	Principal activities and place of operations 主要業務及 經營地點	Particulars of issued share capital 已發行股本詳情	Effective interest held 公司所佔權益	
				Directly 直接	Indirectly 間接
Appliance Science Corporation	United States of America, limited liability company 美國·有限公司	Development and trading of electrical home appliances, United States of America 開發及經營家用電器 貿易·美國	958,500 ordinary shares of US\$0.01 each 958,500股普通股 每股1美仙	-	83.51%
Cheung Fung Technology (Holdings) Limited 祥豐科技(集團) 有限公司	Hong Kong, limited liability company 香港·有限公司	Investment holding, Hong Kong 投資控股·香港	100,000,000 Class A (non-voting) shares of HK\$0.5 each and 200,000,000 Class B shares of HK\$0.5 each 100,000,000股A股(無投 票權)每股5角港元和 200,000,000股B股 每股5角港元	-	50.75%
Victory Will Limited 凱心有限公司	Hong Kong, limited liability company 香港·有限公司	Investment holding, Hong Kong 投資控股·香港	12,000,000 Class A (non-voting) shares of US\$1 each and 2 Class B shares of US\$1 each 12,000,000股A股(無投 票權)每股1美元和 2股B股每股1美元	-	50.75%
Sichuan Jinfeng Paper Company Limited 四川錦豐紙業有限公司	The PRC, limited liability company 中國·有限公司	Manufacturing and trading of cigarette paper, the PRC 製造及銷售煙紙·中國	208,000,000 ordinary shares of RMB1 each 208,000,000股普通股 每股1元人民幣	-	30.42%



Notes to the Accounts 賬目附註

14. INVESTMENTS IN SUBSIDIARIES (Continued)

None of the subsidiaries had any loan capital outstanding at the end of the year or at any time during the year.

Notes:

- (a) A subsidiary of the Group, namely Fairplay Investments Limited, was dissolved during the year. There was no gain or loss resulting from dissolution of the subsidiary.
- (b) As at the date of this report, Raymond Marketing Corporation of North America has not completed its process of dissolution yet. There is no gain or loss resulting from the dissolution.

15. INTERESTS IN JOINTLY CONTROLLED ENTITIES

14. 附屬公司投資 (續)

各附屬公司於年結日期或是年內任何時間均無借貸資本。

附註:

- (a) 於年內，本集團附屬公司 Fairplay Investment Limited 結業。該附屬公司之結業並無產生收益或虧損。
- (b) 於此年報當日，Raymond Marketing Corporation of North America 仍未完成結業程序。該附屬公司之結業並無產生收益或虧損。

15. 共同控制實體權益

		The Group 本集團	
		2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元
Share of net assets	應佔資產淨值	31,449,810	31,661,937
Unlisted shares, at cost	非上市股份按成本入賬	31,449,810	31,661,937

In February 2004, pursuant to an agreement between a joint venture partner and a non-wholly owned subsidiary of the Group, the joint venture partner transferred its 26.51% interest in one of the jointly controlled entities to the subsidiary for settlement of amounts due by the joint venture partner and a related company to the subsidiary. The transfer had been approved by the relevant government authorities. After the transfer, the effective interest of the Group in the jointly controlled entity increased from 16.73% to 24.80%.

The directors are of the opinion that the underlying value of the jointly controlled entities is not less than the carrying value at 31st December 2003.

於二零零四年二月，本集團之一非全資附屬公司根據與一合營夥伴之合約，以合營夥伴轉讓其於一共同控制實體權益之 26.51% 予附屬公司來繳清合營夥伴及一關聯公司所欠附屬公司款項。轉讓後，本集團在該共同控制實體權益由 16.73% 增加至 24.8%。

董事認為共同控制實體之確實價值不少於其於二零零三年十二月三十一日之賬面價值。



Notes to the Accounts 賬目附註

15. INTERESTS IN JOINTLY CONTROLLED ENTITIES (Continued)

The following is a list of jointly controlled entities at 31st December 2003:

15. 共同控制實體權益 (續)

於二零零三年十二月三十一日之共同控制實體如下:

Name 名稱	Place of incorporation 註冊地點	Principal activities and place of operation 主要業務及經營地點	Percentage of indirect interest in ownership/ profit sharing 間接所佔權益/ 盈利分攤之百分率
Sichuan Jinfeng Innovation Industry Company Limited 四川錦豐創新實業有限公司	The PRC 中國	Manufacturing and trading of cigarette paper, the PRC 製造及銷售煙紙·中國	16.73%
Sichuan Jinfeng Spike Paper Products Company Limited 四川錦豐斯貝克紙品有限公司	The PRC 中國	Manufacturing and trading of cigarette paper, the PRC 製造及銷售煙紙·中國	26.17%

16 INTEREST IN AN ASSOCIATE

16. 聯營公司權益

		The Group 本集團	
		2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元
Unlisted shares, at cost	非上市股份按成本入賬	1,749,713	1,749,713
Accumulated share of losses less distributions	累計應佔虧損減分配	(452,659)	(452,659)
Share of net assets	應佔資產淨值	1,297,054	1,297,054
Provision for impairment in an associate	聯營公司減值準備	(1,297,054)	(1,297,054)
		-	-



Notes to the Accounts 賬目附註

16 INTEREST IN AN ASSOCIATE (Continued)

16. 聯營公司權益(續)

The following are the particulars of the associate of the Group at 31st December 2003:

於二零零三年十二月三十一日之聯營公司詳情如下:

Name 名稱	Place of incorporation and operation 註冊及經營地點	Principal activity 主要業務	Issued share capital 已發行股本	Interest held indirectly 間接所佔權益
Shenzhen Liyuan Electric Company Limited 深圳利源電器實業有限公司	The PRC 中國	Inactive 無營業	RMB2,040,000 2,040,000人民幣	50%

17. INVENTORIES

17. 存貨

		The Group 本集團		The Company 本公司	
		2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元	2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元
Raw materials	原料	90,427,363	71,499,319	184,257	23,214,285
Work in progress	在製品	11,556,769	8,977,039	4,332,190	9,904,026
Finished goods	製成品	46,227,631	41,391,717	3,425,724	7,073,999
Packing materials	包裝原料	973	2,037,006	973	2,037,006
		148,212,736	123,905,081	7,943,144	42,229,316

At 31st December 2003, the carrying amount of inventories that were carried at net realisable value amounted to approximately HK\$3,445,000 (2002: Nil).

於二零零三年十二月三十一日，可變現值列賬之存貨之賬面值合共3,445,000港元(二零零二年：無)。



Notes to the Accounts 賬目附註

18. DEBTORS, NET

18. 應收賬項，淨值

		The Group 本集團		The Company 本公司	
		2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元	2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元
Debtors	應收賬項	207,312,030	142,615,064	77,260,150	50,852,961
Less: Provision for bad debts	減：壞賬準備	(13,679,745)	(11,124,310)	-	-
		193,632,285	131,490,754	77,260,150	50,852,961

The ageing analysis of debtors after provision for bad debts as at 31st December 2003 was as follows:

於二零零三年十二月三十一日，應收賬項減除壞賬準備後之賬齡分析如下：

		The Group 本集團		The Company 本公司	
		2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元	2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元
Within 3 months	三個月內	136,888,984	68,412,166	77,227,378	31,308,263
Over 3 months but less than 6 months	超過三個月但少於六個月	20,993,175	38,443,275	20,064	19,515,323
Over 6 months but less than 1 year	超過六個月但少於一年	26,330,233	16,122,328	11,897	27,293
Over 1 year	超過一年	9,419,893	8,512,985	811	2,082
		193,632,285	131,490,754	77,260,150	50,852,961

The normal credit periods granted by the Group and the Company are on average 1 to 12 months and 1 to 3 months respectively from the date of invoice.

本集團及本公司之一般收款期限為按發票日期平均一至十二個月和一至三個月。



Notes to the Accounts 賬目附註

19. CREDITORS AND ACCRUED CHARGES

19. 應付賬項及應計項目

		The Group 本集團		The Company 本公司	
		2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元	2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元
Creditors	應付賬項	65,893,282	41,547,512	45,714,117	29,827,072
Accrued charges and other payables	應計項目及 其他應付賬	47,598,254	61,216,840	19,933,068	31,389,513
		113,491,536	102,764,352	65,647,185	61,216,585

The ageing analysis of the creditors as at 31st December 2003 was as follows: 於二零零三年十二月三十一日，應付賬項之賬齡分析如下：

		The Group 本集團		The Company 本公司	
		2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元	2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元
Within 3 months	三個月內	64,205,468	40,039,022	45,407,252	29,441,172
Over 3 months but less than 6 months	超過三個月但少 於六個月	1,176,287	893,294	79,341	183,776
Over 6 months but less than 1 year	超過六個月但少 於一年	67,333	448,126	67,333	86,678
Over 1 year	超過一年	444,194	167,070	160,191	115,446
		65,893,282	41,547,512	45,714,117	29,827,072



Notes to the Accounts 賬目附註

20. LONG-TERM BANK LOANS

20. 長期銀行貸款

		The Group 本集團	
		2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元
Secured loans	有抵押貸款	64,327,878	71,023,694
Current portion of long-term liabilities	長期負債在一年內應償還之款項	-	(35,818,800)
		64,327,878	35,204,894
The analysis of the above is as follows:		以上項目之分析如下：	
Bank loans wholly repayable within five years	須於五年內全部償還之銀行貸款	64,327,878	71,023,694

At 31st December 2003, the Group's long-term bank loans were repayable as follows:

於二零零三年十二月三十一日，本集團之銀行貸款之還款期如下：

		The Group 本集團	
		2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元
Within one year	一年內	-	35,818,800
In the second year	第二年	14,139,000	21,065,894
In the third to fifth year	第三年至第五年	50,188,878	14,139,000
		64,327,878	71,023,694



Notes to the Accounts

賬目附註

21. PENSIONS – DEFINED CONTRIBUTION PLANS

The Group operates the Mandatory Provident Fund Scheme (“MPF Scheme”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The scheme is administered by an independent trustee.

Under the MPF Scheme, each of the Group and the eligible employees make monthly mandatory contributions to the scheme at 5% of the employees’ relevant income as defined under the Mandatory Provident Fund Schemes Ordinance. The mandatory contributions by each party are subject to a maximum of HK\$1,000 per month. Contributions to the scheme vest immediately upon the completion of service in the relevant service period.

In addition to the MPF Scheme, the employees of the Group’s Hong Kong subsidiaries, after completing half a year of service, have the option to join the Group’s defined contribution provident fund scheme which is managed by an independent trustee. The Group makes monthly contributions of 5%–10% of the employees’ basic salaries to the scheme depending on the employees’ years of service with the Group. The employees also make monthly contributions of 5% of the employees’ basic salaries to the scheme. The employees are entitled to receive their entire contributions together with accrued interest thereon at any time upon leaving the Group, and 100% of the employer’s contributions and the accrued interest upon retirement or leaving the Group after completing sixteen years of service or at a reducing scale of between 5% to 90% after completing three to fifteen years of service. The forfeited contributions made by the Group and related accrued interest can be used to reduce the employer’s contributions. During the year, the aggregate amount of employer’s contributions made by the Group was approximately HK\$1,372,000 (2002: HK\$1,366,000). During the year, the total amount of forfeited contributions, which are available to reduce the contributions payable by the Group in future years, was approximately HK\$110,000 (2002: HK\$22,000). At 31st December 2003, the Group’s contributions to the provident fund scheme and the interest accrued thereon amounted to approximately HK\$15,709,000 (2002: HK\$14,462,000).

21. 退休金 – 界定供款退休計劃

本集團按香港強制性公積金計劃條例為根據香港僱傭條例司法權利保障之香港僱員提供強制性公積金計劃（「強積金計劃」）。該強積金計劃由獨立信託基金管理。

根據強積金計劃，本集團及其合資格僱員均須根據強制性公積金計劃條例之規定，每月按僱員有關薪金5%為強積金計劃供款，有關薪金之定義乃根據強制性公積金計劃條例而計算。雙方的供款上限為每月1,000港元。所有供款按服務提供期間完成後繳付。

除上述強積金計劃，本集團香港附屬公司員工在替本集團工作六個月後，可選擇加入本集團委托之獨立信託公司管理之公積金計劃。本集團按員工年資及薪金計提5%至10%作為公司供款，而員工則按其薪金計提5%作為員工供款。當員工離職時，該員工將可取回其全數員工供款連應計利息及按年資計算取回公司供款連利息。凡工作滿十六年者，均可取回全數公司供款，而工作滿三年至十五年者，可取回之公司供款則按5%至90%計算。員工離職後被沒收之公司供款及利息可用作抵扣公司之供款。本年度本集團之供款約1,372,000港元（二零零二年：1,366,000港元）。本年度沒收供款連利息而可在來年之本集團供款中扣除之數額約為110,000港元（二零零二年：22,000港元）。於二零零三年十二月三十一日本集團對公積金計劃作出之供款及利息滾存約為15,709,000港元（二零零二年：14,462,000港元）。



Notes to the Accounts

賬目附註

21. PENSIONS – DEFINED CONTRIBUTION PLANS (Continued)

At 31st December 2003, certain employees of the Group had completed the required number of years of service under the Hong Kong Employment Ordinance (the “Ordinance”) and are eligible for long service payments on termination of their employment. The Group is only liable to make such payments when the termination meets the required circumstances specified in the Ordinance and the employees’ entitlement is not covered by the aforesaid provident fund. If the termination of all these employees meets the circumstances required by the Ordinance, the Group’s liabilities at 31st December 2003 would be approximately HK\$10,355,832 (2002: HK\$10,453,000), which have not been provided for in the consolidated accounts as the payments under the Group’s provident fund scheme would exceed that amount.

The Group’s subsidiaries in the PRC also participate in defined contribution retirement schemes covering its full-time PRC employees. The schemes are administered by the relevant government authorities in the PRC. The Group and the PRC employees are required to make contributions based on certain percentages of the applicable payroll costs as stipulated under the requirements in the PRC and the relevant government authorities undertake to assume the retirement benefit obligations of all existing and future retired employees of the Group’s subsidiaries in the PRC.

21. 退休金 – 界定供款退休計劃 (續)

在二零零三年十二月三十一日，本集團的部份員工的服務年期已達至香港僱傭條例（「條例」）的規定，在其聘用期完結時可享有長期服務金，然而在此條例指定之情形下，本集團須付之數額僅為該員工可得之退休金不足支付其長期服務金的差額。若所有符合此條例之員工離職，本集團於二零零三年十二月三十一日未於本賬目中提撥準備之數額約為10,355,832港元（二零零二年：10,453,000港元）。但在本集團公積金計劃中滾存之款項已多於此筆款項。

本集團在中國的附屬公司需要為中國國內全職員工設立退休供款計劃。此計劃受中國政府有關部門監管。本集團及員工需按此計劃規定各按有關薪金之一定百分比作出供款，而有關政府承諾承擔本集團在中國的附屬公司全體現有及未來退休員工之退休福利責任。



Notes to the Accounts 賬目附註

22. SHARE CAPITAL

22. 股本

		2003 二零零三年		2002 二零零二年	
		Number of shares 股數	Nominal value 面值 HK\$ 港元	Number of shares 股數	Nominal value 面值 HK\$ 港元
Authorised:	法定股本：				
Ordinary shares of HK\$0.50 each	每股港元五角 普通股				
At 1st January and 31st December	於一月一日及於 十二月三十一日	500,000,000	250,000,000	500,000,000	250,000,000
Issued and fully paid:	已發行及繳足股本：				
Ordinary shares of HK\$0.50 each	每股港元五角 普通股				
At 1st January	於一月一日	314,300,804	157,150,402	314,300,804	157,150,402
Issue of shares	發行股數	31,400,000	15,700,000	-	-
Exercise of share options	行使購股權	21,301,056	10,650,528	-	-
At 31st December	於十二月三十一日	367,001,860	183,500,930	314,300,804	157,150,402

On 21st November 2003, 31,400,000 ordinary shares of HK\$2.50 each were issued at a premium of HK\$2 each to finance the expansion of the Group's electrical appliance production and as general working capital of the Group.

在二零零三年十一月二十一日，本集團以每股2.5港元（溢價2港元）發行31,400,000股融資用於擴展集團家庭電器生產及作為日常營運資金。



Notes to the Accounts 賬目附註

22. SHARE CAPITAL (Continued)

At an Extraordinary General Meeting of the Company held on 6th June 2003, the Share Option Scheme was approved and adopted. Share options are granted to directors, employees and other eligible participants specified under the Share Option Scheme. A nominal consideration at HK\$1 was paid by the participants for each lot of share options granted. Share options can be exercised from the date of grant to 5th June 2013. Movement in the number of share options during the year are as follows:

		Number of options 股數 2003 二零零三年
At the beginning of the year	年初	–
Granted (note (a))	授出 (附註(a))	31,430,080
Exercised (note (b))	行使 (附註(b))	(21,301,056)
At the end of the year (note (c))	年終 (附註(c))	10,129,024

Notes:

(a) Share options were granted on 23rd June 2003 at the exercise price of HK\$1.25 per share and will expire on 5th June 2013. HK\$101 was received by the Company in respect of the share options granted during the year.

22. 股本 (續)

於二零零三年六月六日之特別股東大會通過批准之購股權計劃。購股權計劃授出購股權予董事、僱員及其他合資格人士。參予人士以1港元代價，支付認購每一批購股權。購股權行使期限是授出日至二零一三年六月五日。是年度購股權計劃變動如下：

附註：

(a) 購股權於二零零三年六月二十三日授出，每股行使價為1.25港元，並將於至二零一三年六月五日屆滿。本公司就年內授出之購股權已收代價為101港元。



Notes to the Accounts 賬目附註

22. SHARE CAPITAL (Continued)

(b) Options exercised during the year resulted in 21,301,056 shares being issued at HK\$1.25 each, yielding total gross proceeds of HK\$26,626,320 (before relevant transaction costs).

22. 股本 (續)

(b) 本年度行使之購股權以每股發行價1.25港元發行21,301,056股，所得款項為26,626,320港元（扣除有關交易成本前）。

		2003 二零零三年 HK\$ 港元
Ordinary share capital – at par value	股本 – 每股面值	10,650,528
Share premium	股本溢價	15,975,792
Gross proceeds		26,626,320
Market value of shares issued at exercise date of:	所發行之股份在行使日之市價：	
31st July 2003	二零零三年七月三十一日	15,632,439
6th August 2003	二零零三年八月六日	4,550,920
14th August 2003	二零零三年八月十四日	672,000
21st August 2003	二零零三年八月二十一日	1,971,250
29th August 2003	二零零三年八月二十九日	756,500
4th September 2003	二零零三年九月四日	1,173,000
11th September 2003	二零零三年九月十一日	924,000
18th September 2003	二零零三年九月十八日	13,739,968
25th September 2003	二零零三年九月二十五日	6,766,002
2nd October 2003	二零零三年十月二日	480,000
16th October 2003	二零零三年十月十六日	1,035,000
23rd October 2003	二零零三年十月二十三日	600,000
13th November 2003	二零零三年十一月十三日	262,500
20th November 2003	二零零三年十一月三十日	145,500
4th December 2003	二零零三年十二月四日	371,250



Notes to the Accounts 賬目附註

22. SHARE CAPITAL (Continued)

22. 股本 (續)

(c) Share options outstanding at 31st December 2003 have the following terms:

(c) 於二零零三年十二月三十一日未行使之購股權如下:

Category 類別	Grant date 授出日	Exercise period 行使期	Exercise price 行使價 HK\$ 港元	Number of options 股數		Vested percentage 既得百分率	
				2003	2002	2003	2002
				二零零三年	二零零二年	二零零三年	二零零二年
Directors 董事	23rd June 2003 二零零三年 六月二十三日	23rd June 2003 to 5th June 2013 二零零三年 六月二十三日至 二零一三年 六月五日	1.25	9,429,024	–	100%	–
Other employees 其他僱員	23rd June 2003 二零零三年 六月二十三日	23rd June 2003 to 5th June 2013 二零零三年 六月二十三日至 二零一三年 六月五日	1.25	400,000	–	100%	–
Suppliers 供應商	23rd June 2003 二零零三年 六月二十三日	23rd June 2003 to 5th June 2013 二零零三年 六月二十三日至 二零一三年 六月五日	1.25	100,000	–	100%	–
Other eligible persons 其他合資格人士	23rd June 2003 二零零三年 六月二十三日	23rd June 2003 to 5th June 2013 二零零三年 六月二十三日至 二零一三年 六月五日	1.25	200,000	–	100%	–
				10,129,024	–		

No share options were cancelled during the year.

年內並無認股權被註銷。



Notes to the Accounts 賬目附註

23. RESERVES

23. 儲備

		The Group 本集團							
		Share premium	Investment properties revaluation reserve	Exchange reserve	Capital reserve	Retained earnings	The PRC statutory reserve	Other reserve	Total
		股本溢價	投資物業重估儲備	匯兌儲備	資本儲備	滾存盈利	法定儲備	其他儲備	合計
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元	港元	港元
At 1st January 2003, as previously reported	於二零零三年一月一日，如前呈報	62,669,173	116,361,897	(6,093,914)	3,079,972	199,833,231	9,184,882	(757,396)	384,277,845
Changes in accounting policy – provision for net deferred tax liabilities (note 2(i))	會計政策改變 – 淨遞延稅項負債 (附註2(i))	-	-	-	-	(6,781,581)	-	-	(6,781,581)
At 1st January 2003, as restated	於二零零三年一月一日，重列	62,669,173	116,361,897	(6,093,914)	3,079,972	193,051,650	9,184,882	(757,396)	377,496,264
Exercise of share options	行使購股權	15,975,792	-	-	-	-	-	-	15,975,792
Issue of shares	發行股份	62,800,000	-	-	-	-	-	-	62,800,000
Surplus on revaluation of investment properties	投資物業重估盈餘	-	-	-	-	-	-	-	-
- gross	- 總額	-	10,038,118	-	-	-	-	-	10,038,118
- taxation	- 稅項	-	(12,579)	-	-	-	-	-	(12,579)
Increase in revaluation surplus arising from the adjustment to the construction costs of investment property upon completion of all related construction works	投資物業建築工程完成之建築成本調整產生之重估盈餘	-	14,697,429	-	-	-	-	-	14,697,429
Share issue expenses	發行股份費用	(2,154,889)	-	-	-	-	-	-	(2,154,889)
Exchange differences	匯兌差額	-	-	3,166	-	-	-	-	3,166
Appropriation to the PRC statutory reserves (note a)	中國法定儲備撥款 (附註a)	-	-	-	-	(2,288,087)	2,288,087	-	-
Profit for the year	本年度盈利	-	-	-	-	83,885,614	-	-	83,885,614
Dividends	股息	-	-	-	-	(35,384,731)	-	-	(35,384,731)
At 31st December 2003	於二零零三年十二月三十一日	139,290,076	141,084,865	(6,090,748)	3,079,972	239,264,446	11,472,969	(757,396)	527,344,184
Representing:	組成如下:								
2003 Final dividend proposed	二零零三年擬派末期股息					36,877,186			
Others	其他					202,387,260			
Retained earnings at 31st December 2003	於二零零三年十二月三十一日滾存盈利					239,264,446			
The Company and subsidiaries	本公司和附屬公司	139,290,076	141,084,865	(6,090,748)	3,079,972	239,929,232	11,472,969	(757,396)	528,008,970
Jointly controlled entities	共同控制實體	-	-	-	-	(212,127)	-	-	(212,127)
Associate	聯營公司	-	-	-	-	(452,659)	-	-	(452,659)
At 31st December 2003	於二零零三年十二月三十一日	139,290,076	141,084,865	(6,090,748)	3,079,972	239,264,446	11,472,969	(757,396)	527,344,184



Notes to the Accounts 賬目附註

23. RESERVES (Continued)

23. 儲備 (續)

		The Group 本集團							
		Share premium	Investment properties revaluation reserve	Exchange reserve	Capital reserve	Retained earnings	The PRC statutory reserve	Other reserve	Total
		股本溢價	投資物業重估儲備	匯兌儲備	資本儲備	滾存盈利	法定儲備	其他儲備	合計
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元	港元	港元
At 1st January 2002, as previously reported	於二零零二年一月一日，如前呈報	62,669,173	-	(6,444,075)	3,079,972	179,209,917	7,452,997	-	245,967,984
Changes in accounting policy – provision for net deferred tax liabilities (note 2(II))	會計政策改變 – 淨遞延稅項負債 (附註2(II))	-	-	-	-	(2,833,204)	-	-	(2,833,204)
At 1st January 2002, as restated	於二零零二年一月一日，重列	62,669,173	-	(6,444,075)	3,079,972	176,376,713	7,452,997	-	243,134,780
Surplus on revaluation of investment properties	投資物業重估盈餘	-	116,361,897	-	-	-	-	-	116,361,897
Exchange differences	匯兌差額	-	-	350,161	-	-	-	-	350,161
Appropriation to the PRC statutory reserve (note a)	中國法定儲備撥款 (附註a)	-	-	-	-	(1,731,885)	1,731,885	-	-
Expenses incurred in connection with a contemplated public listing of a subsidiary's shares	附屬公司股份公開上市之費用	-	-	-	-	-	-	(757,396)	(757,396)
Profit for the year	本年度盈利	-	-	-	-	43,550,886	-	-	43,550,886
Dividends	股息	-	-	-	-	(25,144,064)	-	-	(25,144,064)
At 31st December 2002	於二零零二年十二月三十一日	62,669,173	116,361,897	(6,093,914)	3,079,972	193,051,650	9,184,882	(757,396)	377,496,264
Representing:	組成如下:								
2002 Final dividend proposed	二零零二年擬派末期股息					22,001,056			
Others	其他					171,050,594			
Retained earnings at 31st December 2002	於二零零二年十二月三十一日滾存盈利					193,051,650			
The Company and subsidiaries	本公司和附屬公司	62,669,173	116,361,897	(6,093,914)	3,079,972	193,504,309	9,184,882	(757,396)	377,948,923
Jointly controlled entities	共同控制實體	-	-	-	-	-	-	-	-
Associate	聯營公司	-	-	-	-	(452,659)	-	-	(452,659)
At 31st December 2002	於二零零二年十二月三十一日	62,669,173	116,361,897	(6,093,914)	3,079,972	193,051,650	9,184,882	(757,396)	377,496,264



Notes to the Accounts 賬目附註

23. RESERVES (Continued)

23. 儲備 (續)

		The Company 本公司				
		Share premium 股本溢價 HK\$ 港元	Investment properties revaluation reserve 投資物業 重估儲備 HK\$ 港元	Retained earnings 滾存盈利 HK\$ 港元	Total 合計 HK\$ 港元	
At 1st January 2003, as previously reported	於二零零三年 一月一日·如前呈報	62,669,173	116,361,897	57,508,650	236,539,720	
Changes in accounting policy – provision for net deferred tax liabilities (note 2(II))	會計政策改變 – 淨遞 延稅項負債 (附註2(II))	–	–	(862,082)	(862,082)	
At 1st January 2003, as restated	於二零零三年 一月一日·重列	62,669,173	116,361,897	56,646,568	235,677,638	
Exercise of share options	行使購股權	15,975,792	–	–	15,975,792	
Issue of shares	發行股份	62,800,000	–	–	62,800,000	
Surplus on revaluation of investment properties	投資物業重估 盈餘	–	10,000,000	–	10,000,000	
Increase in revaluation surplus arising from the adjustment to the construction costs of investment property upon completion of all related construction works	投資物業建築工程 完成之建築成本 調整產生之重估 盈餘	–	14,697,429	–	14,697,429	
Share issue expenses	發行股份費用	(2,154,889)	–	–	(2,154,889)	
Profit for the year	本年度盈利	–	–	63,164,861	63,164,861	
Dividends	股息	–	–	(35,384,731)	(35,384,731)	
At 31st December 2003	於二零零三年 十二月三十一日	139,290,076	141,059,326	84,426,698	364,776,100	
Representing:	組成如下:					
2003 Final dividend proposed	二零零三年擬派末期 股息			36,877,186		
Others	其他			47,549,512		
Retained earnings at 31st December 2003	於二零零三年十二月 三十一日滾存盈利			84,426,698		



Notes to the Accounts 賬目附註

23. RESERVES (Continued)

23. 儲備 (續)

		The Company 本公司			
		Share premium 股本溢價 HK\$ 港元	Investment properties revaluation reserve 投資物業 重估儲備 HK\$ 港元	Retained earnings 滾存盈利 HK\$ 港元	Total 合計 HK\$ 港元
At 1st January 2002, as previously reported	於二零零二年 一月一日·如前呈報	62,669,173	-	48,777,022	111,446,195
Changes in accounting policy – provision for net deferred tax liabilities (note 2(I))	會計政策改變 – 淨遞 延稅項負債 (附註2(I))	-	-	84,606	84,606
At 1st January 2002, as restated	於二零零二年 一月一日·重列	62,669,173	-	48,861,628	111,530,801
Surplus on revaluation of investment properties	投資物業重估 盈餘	-	116,361,897	-	116,361,897
Profit for the year	本年度盈利	-	-	32,929,004	32,929,004
Dividends	股息	-	-	(25,144,064)	(25,144,064)
At 31st December 2002	於二零零二年 十二月三十一日	62,669,173	116,361,897	56,646,568	235,677,638
Representing:	組成如下:				
2002 Final dividend proposed	二零零二年擬派末期 股息			22,001,056	
Others	其他			34,645,512	
Retained earnings at 31st December 2002	於二零零二年十二月 三十一日滾存盈利			56,646,568	

At 31st December 2003, reserves amounting to approximately HK\$84,427,000 (2002: HK\$56,647,000, as restated) is available for distribution to shareholders.

於二零零三年十二月三十一日，可供分派儲備約為84,427,000港元(二零零二年: 56,647,000港元·重列)。



Notes to the Accounts

賬目附註

23. RESERVES (Continued)

Notes:

- (a) Pursuant to the laws and regulations governing the PRC enterprises, certain of the Group's PRC subsidiaries, which are wholly foreign-owned enterprises, are required to allocate at least 10% of their after-tax profit but before dividend distribution to the general reserves until the reserves have reached 50% of their registered capital. The general reserves can only be used, upon approval by the relevant authority, to offset accumulated losses or increase capital. Appropriation to general reserve during the year amounted to approximately HK\$2,288,000 (2002: HK\$1,732,000). The enterprise expansion fund can only be used to increase capital upon approval by the relevant authority. Appropriation to enterprise expansion fund is at the discretion of the board of directors of the PRC subsidiaries.

The staff welfare and bonus fund can only be used for the welfare of the PRC subsidiaries' employees. Appropriation to the staff welfare and bonus fund is at the discretion of the board of directors of the PRC subsidiaries. For Hong Kong reporting purposes, this appropriation is charged to expenses and included in creditors and accrued charges in the consolidated accounts.

- (b) Dividends include dividends declared or proposed in the financial year. Dividends declared or proposed after the balance sheet date are not recognised as a liability and accordingly are not included as part of the dividend distributions during the year.

23. 儲備 (續)

附註:

- (a) 依照中華人民共和國之法律及規定對企業之要求，本集團之中國附屬公司屬外商獨資企業，須把最少10%之稅後盈利分配到普通儲備，直至該儲備達註冊資本的50%為止。普通儲備只可經有關當局批准用於抵銷累積虧損或增加資本。本年度分配至普通儲備之數額約為2,288,000港元（二零零二年：1,732,000港元）。企業發展基金只可經有關當局批准用以增加資本。分配到企業發展基金之撥款由該等中國附屬公司之董事局自行決定。

職工福利及花紅基金只可作該中國附屬公司員工之福利之用。分配到職工福利及花紅基金之撥款由該等中國附屬公司之董事局自行決定。為香港報告所需，該撥款會於綜合財務報表中支銷費用，並列作應付賬項及應計項目。

- (b) 股息包括於本財務年度內已宣佈或提議之股息。在本年度結算日後所宣佈或建議之股息並不列作負債及不列入本年度分派款項。



Notes to the Accounts 賬目附註

24. DEFERRED TAXATION

Deferred taxation is calculated in full on temporary differences under the liability method. The movement on the net deferred tax liabilities/(assets) account is as follows:

24. 遞延稅項

遞延稅項採用負債法就短暫時差作全數撥備。遞延稅項負債／(資產)變動如下：

		The Group 本集團		The Company 本公司	
		2003 二零零三年 HK\$ 港元	As restated 重列 2002 二零零二年 HK\$ 港元	2003 二零零三年 HK\$ 港元	As restated 重列 2002 二零零二年 HK\$ 港元
At 1st January, as previously reported	於一月一日， 如前呈報	718,401	1,274,551	718,401	1,274,551
Effect of changes in accounting policy (note 2(II))	會計政策改變 (附註2(II))	7,311,114	2,231,758	862,082	(84,606)
At 1st January, as restated	於一月一日，重列	8,029,515	3,506,309	1,580,483	1,189,945
Acquisition of subsidiary	收購附屬公司	-	1,003,247	-	-
Deferred taxation charged to profit and loss account (note 6)	遞延稅項在損益 賬扣除(附註6)	158,068	3,519,959	1,205,076	390,538
Taxation charged to equity	稅項在權益支銷	12,579	-	-	-
At 31st December	於十二月三十一日	8,200,162	8,029,515	2,785,559	1,580,483

The deferred taxation charged to equity during the year is as follows:

本年度遞延稅項在權益中扣除如下：

		The Group 本集團
		2003 二零零三年 HK\$ 港元
Fair value reserves in shareholders' equity - investment properties (note 23)	股東權益中公平值儲備 - 投資物業(附註23)	12,579

Deferred income tax assets are recognised for tax loss carry forwards to the extent that realisation of the related tax benefit through the future taxable profits is probable. At 31st December 2003, the Group has unrecognised tax losses of HK\$14,589,855 (2002: HK\$11,616,186) to carry forward against future taxable income. There is no expiry date for the tax loss.

遞延所得稅資產乃因應相關稅務利益可透過未來應課稅溢利變現而就所結轉之稅損作確認。於二零零三年十二月三十一日本集團可結轉以抵銷未來應課稅溢利之未確認稅務虧損14,589,855港元(二零零二年: 11,616,186港元)，該未確認稅務虧損無期限。



Notes to the Accounts 賬目附註

24. DEFERRED TAXATION (Continued)

The movement in deferred tax assets and liabilities (prior to offsetting of balances within the same taxation jurisdiction) during the year is as follows:

Deferred tax assets 遞延稅項資產

		The Group 本集團							
		Tax loss 稅務虧損		Accelerated accounting depreciation 加速會計折舊		Other temporary differences 其他短暫差異		Total 合計	
		2003 二零零三年 HK\$ 港元	As restated 重列 2002 二零零二年 HK\$ 港元	2003 二零零三年 HK\$ 港元	As restated 重列 2002 二零零二年 HK\$ 港元	2003 二零零三年 HK\$ 港元	As restated 重列 2002 二零零二年 HK\$ 港元	2003 二零零三年 HK\$ 港元	As restated 重列 2002 二零零二年 HK\$ 港元
At 1st January, as previously reported	於一月一日·如前呈報	-	-	-	-	-	-	-	-
Effect of changes in accounting policy (note 2(iii))	會計政策改變 (附註2(iii))	(385,370)	(533,111)	(138,996)	(147,369)	-	-	(524,366)	(680,480)
At 1st January, as restated	於一月一日·重列	(385,370)	(533,111)	(138,996)	(147,369)	-	-	(524,366)	(680,480)
Charged/(credited) to profit and loss account	在損益賬扣除/(記賬)	10,071	147,741	(4,147)	8,373	(17,709)	-	(11,785)	156,114
As at 31 December	於十二月三十一日	(375,299)	(385,370)	(143,143)	(138,996)	(17,709)	-	(536,151)	(524,366)

Deferred tax liabilities 遞延稅項負債

		The Group 本集團							
		Accelerated tax depreciation 加速稅項折舊		Revaluation 重估		Other temporary differences 其他短暫差異		Total 合計	
		2003 二零零三年 HK\$ 港元	As restated 重列 2002 二零零二年 HK\$ 港元	2003 二零零三年 HK\$ 港元	As restated 重列 2002 二零零二年 HK\$ 港元	2003 二零零三年 HK\$ 港元	As restated 重列 2002 二零零二年 HK\$ 港元	2003 二零零三年 HK\$ 港元	As restated 重列 2002 二零零二年 HK\$ 港元
At 1st January, as previously reported	於一月一日·如前呈報	718,401	1,274,551	-	-	-	-	718,401	1,274,551
Effect of changes in accounting policy (note 2(iii))	會計政策改變 (附註2(iii))	862,082	(84,605)	-	-	6,973,398	2,996,843	7,835,480	2,912,238
At 1st January, as restated	於一月一日·重列	1,580,483	1,189,946	-	-	6,973,398	2,996,843	8,553,881	4,186,789
Charged/(credited) to profit and loss account	在損益賬扣除/(記賬)	1,205,076	390,537	-	-	(1,035,223)	2,973,308	169,853	3,363,845
Charged to equity	在權益扣除	-	-	12,579	-	-	-	12,579	-
Acquisition of subsidiary	收購附屬公司	-	-	-	-	-	1,003,247	-	1,003,247
As at 31 December	於十二月三十一日	2,785,559	1,580,483	12,579	-	5,938,175	6,973,398	8,736,313	8,553,881

24. 遞延稅項 (續)

年內遞延稅項資產及負債之變動(與同一徵稅地區之結餘抵銷前)如下:



Notes to the Accounts 賬目附註

24. DEFERRED TAXATION (Continued)

24. 遞延稅項 (續)

Deferred tax liabilities

遞延稅項負債

The Company

本公司

	Accelerated tax depreciation		Revaluation		Other temporary differences		Total	
	加速稅項折舊		重估		其他短暫差異		合計	
	As restated	As restated	As restated	As restated	As restated	As restated	As restated	
	重列	重列	重列	重列	重列	重列	重列	
	2003	2002	2003	2002	2003	2002	2003	
	二零零三年	二零零二年	二零零三年	二零零二年	二零零三年	二零零二年	二零零三年	
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	
	港元	港元	港元	港元	港元	港元	港元	
At 1st January, as previously reported	718,401	1,274,551	-	-	-	-	718,401	1,274,551
Effect of changes in accounting policy (note 2(II))	862,082	(84,606)	-	-	-	-	862,082	(84,606)
At 1st January, as restated	1,580,483	1,189,945	-	-	-	-	1,580,483	1,189,945
Charged to profit and loss account	1,205,076	390,538	-	-	-	-	1,205,076	390,538
As at 31 December	2,785,559	1,580,483	-	-	-	-	2,785,559	1,580,483

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The following amounts, determined after appropriate offsetting, are shown in the balance sheet:

當有法定權利可將現有稅項資產與現有稅務負債抵銷，而遞延所得稅涉及同一財政機關，則可將遞延所得稅資產與遞延所得稅負債互相抵銷。在計入適當抵銷後，下列金額在資產負債表內列賬：

		The Group		The Company	
		本集團		本公司	
		2003	2002	2003	2002
		二零零三年	二零零二年	二零零三年	二零零二年
		HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元
Deferred tax assets	遞延稅項資產	(160,852)	(138,996)	-	-
Deferred tax liabilities	遞延稅項負債	8,361,014	8,168,511	2,785,559	1,580,483
		8,200,162	8,029,515	2,785,559	1,580,483



Notes to the Accounts 賬目附註

25. CONSOLIDATED CASH FLOW STATEMENT

25. 綜合現金流量表

(a) Reconciliation of operating profit to net cash inflow from operating activities

(a) 經營盈利與經營活動之現金流入淨值對賬表

		2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元
Operating profit	經營盈利	131,024,599	76,555,864
Depreciation	折舊	26,853,647	21,903,423
Amortisation of goodwill	商譽攤銷	1,141,116	1,141,116
Loss on disposal of fixed assets	出售固定資產虧損	492,698	117,855
Write-off of fixed assets	固定資產報廢	1,522,207	2,902,009
Impairment of interest in an associate	聯營公司權益減值	-	1,297,054
Write-off of obsolete inventories	過時存貨報廢	574,840	2,964,455
Provision for inventory obsolescence	過時存貨準備	3,421,823	-
Reversal of provision for inventory obsolescence	撥回過時存貨準備	-	(3,831,026)
Provision for bad debts in respect of	壞賬準備包括		
- Debtors	- 應收賬項	2,555,435	2,583,086
- Other receivables	- 其他應收賬	-	734,888
- Amounts due from related companies	- 應收關聯公司	-	9,614,520
- Amount due from a minority shareholder of a subsidiary	- 應收附屬公司 - 少數股東	-	1,535,732
Reversal of provision for an amount due from a related company	撥回應收一關聯公司準備	(6,955,152)	-
Amortisation of rent free period	免租期攤銷	(1,756,238)	-
Interest income	利息收入	(274,802)	(493,952)
Operating profit before working capital changes	營運資金變動前經營盈利	158,600,173	117,025,024
Decrease/(Increase) in non-current deposit receivables	應收非流動訂金款減少/ (增加)	450,000	(450,000)
(Increase)/Decrease in inventories	存貨(增加)/減少	(28,304,318)	16,242,141
(Increase)/Decrease in debtors	應收賬項(增加)/減少	(64,696,966)	21,690,976
Increase in bills receivable	應收票據增加	(2,827,800)	(515,404)
(Increase)/Decrease in deposits, prepayments and other receivables	訂金、預付款項及其他應收賬 (增加)/減少	(20,615,652)	16,429,836
Decrease in amount due from an associate	應收聯營公司 減少	-	3,571,188
Decrease in amounts due from related companies	應收關聯公司 減少	3,060,244	20,964,903
Increase in creditors and accrued charges	應付賬項及應計項目增加	25,412,034	14,562,316
Increase in bills payable	應付票據增加	605,502	4,483,427
Decrease in amounts due to related companies	應付關聯公司 減少	(1,339,727)	(4,907,527)
(Decrease)/Increase in amounts due to jointly controlled entities	應付共同控制實體 (減少)/增加	(23,023,481)	65,369,341
(Decrease)/Increase in non-current rental deposit payables	應付非流動租金訂金 (減少)/增加	(237,582)	822,802
Net cash inflow from operating activities	經營活動產生之現金流入淨值	47,082,427	275,289,023



Notes to the Accounts

賬目附註

25. CONSOLIDATED CASH FLOW STATEMENT (Continued)

25. 綜合現金流量表 (續)

(b) Analysis of changes in financing during the year

(b) 是年度融資項目變動分析

		Share capital (including share premium) 股本(包括溢價)		Dividend payable 應付股息		Minority interests 少數股東權益		Short-term bank loans 短期銀行貸款		Long-term bank loans 長期銀行貸款		Other reserve 其他儲備	
		2003 二零零三年	2002 二零零二年	2003 二零零三年	2002 二零零二年	As restated 重列		2003 二零零三年	2002 二零零二年	2003 二零零三年	2002 二零零二年	2003 二零零三年	2002 二零零二年
		HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	2003 二零零三年	2002 二零零二年	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元
At 1st January	於一月一日	219,819,575	219,819,575	239,881	259,270	91,427,568	(1,531,020)	327,728,584	78,000,000	71,023,694	-	(757,396)	-
Exchange differences	匯兌差額	-	-	-	-	-	-	-	(225,837)	-	(77,772)	-	-
Exercise of share options	行使購股權	26,626,320	-	-	-	-	-	-	-	-	-	-	-
Issue of shares	發行股份	78,500,000	-	-	-	-	-	-	-	-	-	-	-
Share issue expenses	發行股份費用	(2,154,889)	-	-	-	-	-	-	-	-	-	-	-
Minority interests' share of profits and exchange reserve	少數股東應佔盈利和外幣匯兌儲備	-	-	-	-	9,200,799	596,135	-	-	-	-	-	-
Minority interests' share of other reserve	少數股東應佔其他儲備	-	-	-	-	-	(1,732,020)	-	-	-	-	-	1,732,020
Provision for a receivable from minority interests	應收一少數股東壞賬準備	-	-	-	-	-	1,535,732	-	-	-	-	-	-
Capital contribution to jointly controlled entities by minority shareholders	少數股東注資予共同控制實體	-	-	-	-	-	(61,481,378)	-	-	-	-	-	-
Expenses incurred in connection with a contemplated public listing of a subsidiary's shares	附屬公司股份公開上市之費用	-	-	-	-	-	-	-	-	-	-	-	(2,489,416)
Dividends paid	支付股息	-	-	(35,301,020)	(25,163,453)	-	-	-	-	-	-	-	-
Additions of new loans	增加新貸款	-	-	-	-	-	-	287,546,000	241,884,313	36,148,003	14,139,000	-	-
Repayment of loans	償還貸款	-	-	-	-	-	-	(253,109,200)	(264,286,658)	(42,843,819)	(47,045,364)	-	-
Attributable to capital reorganisation of Cheung Fung Technology (Holdings) Limited	祥豐科技(集團)有限公司股權重組	-	-	-	-	-	154,040,119	-	272,356,766	-	104,007,830	-	-
Dividends declared	宣佈股息	-	-	35,384,731	25,144,064	-	-	-	-	-	-	-	-
At 31st December	於十二月三十一日	322,791,006	219,819,575	323,592	239,881	100,628,367	91,427,568	362,165,384	327,728,584	64,327,878	71,023,694	(757,396)	(757,396)



Notes to the Accounts 賬目附註

26. BANKING FACILITIES

At 31st December 2003, the Group had aggregate banking facilities of approximately HK\$434,860,000 (2002: HK\$422,052,000) for trade financing, loans and overdrafts. Unused facilities as at the same date amounted to approximately HK\$22,724,000 (2002: HK\$23,118,000). These facilities were secured by pledging the fixed assets and accounts receivable of approximately HK\$619,468,000 held by the Group, cross guarantees among the subsidiaries and corporate guarantees provided by minority shareholders of a non-wholly owned subsidiary and third party companies of the Group.

27. CONTINGENT LIABILITIES

26. 銀行信貸額度

在二零零三年十二月三十一日，本集團向銀行獲得之信貸額度約為434,860,000港元（二零零二年：422,052,000港元）以用作貿易融資、貸款及透支。同時期末用信貸額度約為22,724,000港元（二零零二年：23,118,000港元）。用作本集團信貸額度之抵押品是為約值619,468,000港元的固定資產及應收賬款，附屬公司之互相擔保、一非全資擁有附屬公司之少數股東及第三者公司之企業擔保。

27. 或然負債

		The Group 本集團		The Company 本公司	
		2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元	2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元
Debtors factored with recourse	有追索權之應收賬項承購	-	37,704,000	-	-
Guarantees for bank loans of third party companies (note)	為第三者公司銀行貸款作出擔保（附註）	296,764,000	184,575,000	-	-
Counter guarantees for bank loans of a third party company	為第三者公司銀行貸款作出互相擔保	42,417,000	32,991,000	-	-
		339,181,000	255,270,000	-	-



Notes to the Accounts

賬目附註

27. CONTINGENT LIABILITIES (Continued)

Note:

At 31st December 2003, the Group has provided guarantees for bank loans of third party companies amounting to HK\$296,764,000.

Among such guarantees, three amounts in the total sum of HK\$232,667,000 (the "Guarantees"), representing 33% (2002: 33%) of the Group's net assets of approximately HK\$710,845,000 (2002: HK\$534,647,000) at 31st December 2003, were granted by a subsidiary of the Company, Sichuen Jinfeng Paper Company Limited ("Jinfeng"), whose 30.42% effective interests are held indirectly by the Company, two jointly controlled entities of the Group in the PRC, Sichuan Jinfeng Spike Paper Company Limited (四川錦豐斯貝克紙品有限公司) ("Spike") (in which Jinfeng holds 86% equity interests) and Sichuan Jinfeng Innovation Industry Company Limited (四川錦豐創新實業有限公司) ("Innovation") (in which Jinfeng holds 55% equity interests) in favour of the Bank of China (the "BOC") to secure the repayment of three bank facilities ("Bank Loan") granted to 四川劍南春融信投資有限公司 (Sichuan Jian Nan Chun Finance and Credit Investment Company Limited) ("Jian Nan Chun") in the respective amounts of US\$14,600,000 (HK\$113,903,000), RMB65,000,000 (HK\$61,269,000) and EUR5,900,000 (HK\$57,495,000).

The remaining balance of the Group's guarantee of HK\$64,097,000 provided to another third party does not represent guarantee given on behalf of an entity exceeding the 25% of the Group's audited net assets threshold and details of which are not required to be separately disclosed save as have been disclosed herein.

27. 或然負債(續)

附註:

於二零零三年十二月三十一日本集團為第三者公司銀行貸款共作出296,764,000港元的擔保。

在上述擔保當中，三項為數合共232,667,000港元的金額(「該等擔保」)，相當於本集團於二零零三年十二月三十一日的資產淨值710,845,000港元(二零零二年:534,647,000港元)之33%(二零零二年:33%)，乃由本公司間接持有30.42%有效權益之附屬公司四川錦豐紙業股份有限公司(「錦豐」)、兩間合資企業四川錦豐斯貝克紙品有限公司(「斯貝克」)(錦豐持有86%股本權益)及四川錦豐創新實業有限公司(「創新實業」)(由錦豐持有55%股本權益)，以中國銀行(「中銀」)為受益人而提供，以保證四川劍南春融信投資有限公司(「劍南春」)償還獲批的三項分別為數14,600,000美元(相等於113,903,000港元)、人民幣65,000,000元(相等於61,269,000港元)及5,900,000歐元(相等於57,495,000港元)的銀行融資額。

餘下之擔保額64,097,000港元乃向另一名第三者提供，而非代表向一實體所作出超過本公司經審核資產淨值限額之25%之擔保，故毋須就該項擔保另行披露其他詳情。



Notes to the Accounts 賬目附註

27. CONTINGENT LIABILITIES (Continued)

Jian Nan Chun is a licensed financier in the PRC and is a provider of credit and finance as well as the lessor of production facilities required for the manufacturing business (the "Production Facilities") of Spike and Innovation. In order to finance the acquisition by Jian Nan Chun on behalf of Spike and Innovation of the Production Facilities, at the request of the BOC, Spike, Innovation and Jinfeng each entered into an arrangement with Jian Nan Chun to whom the BOC granted banking facilities that were to be guaranteed by Spike, Innovation and Jinfeng. The details of the banking facilities are as follows:

Date of agreement 協議日期	Guaranteed by 擔保人	Amount 金額	Interest rate 利率
11th July 2002 二零零二年七月十一日	Jinfeng, Spike and Innovation 錦豐、斯貝克及創新實業	US\$14,600,000 (HK\$113,903,000) 14,600,000美元 (相等於113,903,000港元)	Annual rate 4.1343% 年利率4.1343%
30th October 2002 二零零二年十月三十日	Jinfeng, Spike and Innovation 錦豐、斯貝克及創新實業	RMB65,000,000 (HK\$61,269,000) 65,000,000人民幣 (相等於61,269,000港元)	Annual rate 6.696% 年利率6.696%
12th August 2003 二零零三年八月十二日	Jinfeng, Spike and Innovation 錦豐、斯貝克及創新實業	EUR5,900,000 (HK\$57,495,000) 5,900,000歐元 (相等於57,495,000港元)	6-months interest rate LIBOR/ HIBOR + 1.3% 六個月之LIBOR/ HIBOR利率加1.3%

Jian Nan Chun is an independent third party not connected with the Company, directors, chief executives or substantial shareholders of the Company or any of its subsidiaries or any of their respective associates within the definition of the Listing Rules.

Pursuant to agreements among Jian Nan Chun, Spike and Innovation, Jian Nan Chun will lease the Production Facilities to Spike and Innovation for a term of six years after which title to the respective Production Facilities will be assigned to Spike and Innovation ("Lease Arrangement"). The rentals of the Lease Arrangement mirror the respective loan repayment schedules of Bank Loan. The aggregates of all rental payments over the Lease Arrangement for Spike and Innovation will be composed of i) the principal of the respective Bank Loan; and ii) the respective interests payment. Both Production Facilities acquired for Spike and Innovation by Jian Nan Chun will be pledged to the BOC as a collateral.

27. 或然負債 (續)

劍南春乃中國持牌融資人兼信貸及融資供應商暨斯貝克與創新實業製造業務各自所需生產設施(「生產設施」)的出租人。劍南春代表斯貝克及創新實業購入生產設施，為籌集所需資金，應中銀要求，斯貝克、創新實業及錦豐各自與劍南春訂立安排，由中銀向劍南春授出銀行融通額，並由斯貝克、創新實業及錦豐提供擔保。該等銀行融通額詳情如下：

劍南春乃獨立第三方，與本公司或其任何附屬公司的董事、行政總裁或主要股東或彼等各自之任何聯繫人士(定義見《上市規則》)概無關連。

根據劍南春與斯貝克及創新實業訂立之協議，劍南春將分別向斯貝克及創新實業出租生產設施，為期六年，其後，有關之生產設施的所有權將轉讓予斯貝克及創新實業(「租賃協議」)。租賃協議中的租金反映貸款的償還時間表。斯貝克及創新實業的租賃協議的總租金付款將包括i)有關之貸款的本金額；及ii)有關之利息付款。該兩項生產設施均質押予中銀作為抵押品。



Notes to the Accounts 賬目附註

28. COMMITMENTS

(a) Capital commitments

		The Group 本集團		The Company 本公司	
		2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元	2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元
Commitments for capital contribution to subsidiaries	注資予附屬公司之資本承擔				
Contracted but not provided for	已簽約但未撥備	-	11,310,000	-	11,310,000
Authorised but not contracted for	已批准但未簽約	-	19,500,000	-	19,500,000
		-	30,810,000	-	30,810,000
Commitments for construction costs	建築成本之資本承擔				
Contracted but not provided for	已簽約但未撥備	16,213,823	15,694,589	-	-
		16,213,823	46,504,589	-	30,810,000

(b) Commitments under operating leases

At 31st December 2003, the Group had future aggregate minimum lease payments under non-cancellable operating leases as follows:

28. 承擔

(a) 資本承擔

(b) 經營租賃承擔

於二零零三年十二月三十一日，本集團根據不可撤銷之經營租賃而於未來支付之最低租賃付款總額如下：

		Land and buildings 土地及樓宇		Plant and machineries 廠房及機器	
		2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元	2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元
Not later than one year	一年內	312,960	-	-	565,560
Later than one year and not later than five years	超過一年但不超過五年	156,480	-	-	-
		469,440	-	-	565,560



Notes to the Accounts 賬目附註

28. COMMITMENTS (Continued)

(c) Other commitments

During the year, the Group entered into an agreement with Acron International Technology Ltd. for the set up of a pilot plant. At 31st December 2003, the Group had future commitment in regards of the agreement of HK\$1,749,000 (2002: Nil).

29. FUTURE OPERATING LEASE ARRANGEMENTS

At 31st December 2003, the Group and the Company had future aggregate minimum lease receipts under non-cancellable operating leases as follows:

		The Group 本集團		The Company 本公司	
		2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元	2003 二零零三年 HK\$ 港元	2002 二零零二年 HK\$ 港元
Not later than one year	第一年內	13,495,861	7,598,357	13,495,861	7,598,357
Later than one year and not later than five years	第一年至 第五年	16,351,314	14,475,550	16,351,314	14,475,550
		29,847,175	22,073,907	29,847,175	22,073,907

30. RELATED PARTY TRANSACTIONS AND BALANCES

- (a) The balances with related companies and jointly controlled entities were interest free, unsecured and payable within one year.
- (b) During the year, rental expenses for plant and machineries paid to a related company, amounted to approximately HK\$412,000 (2002: HK\$338,000).
- (c) During the year, the Group transferred machinery to jointly controlled entities at net book value amounted to HK\$6,303,000 (2002: Nil).
- (d) During the year, the Group sold raw materials of approximately HK\$441,000 (2002: Nil) to jointly controlled entities.

28. 承擔 (續)

(c) 其他承擔

本年度，本集團與雅康國際科技有限公司簽署設立生產線合約，於二零零三年十二月三十一日本集團就有關合約未來承擔為1,749,000港元（二零零二年：無）。

29. 未來經營租賃安排

於二零零三年十二月三十一日，本集團根據不可撤銷之經營租賃而於未來支付之最低租賃款項總額如下：

30. 關聯公司交易

- (a) 與關聯公司和共同控制實體的賬項是免息、免抵押及須於一年內償還。
- (b) 於年內，本集團支付予一間關聯公司之廠房及機器租賃費用約為412,000港元（二零零二年：338,000港元）。
- (c) 於年內，本集團轉售淨值6,303,000港元（二零零二年：無）之機器予一間共同控制實體。
- (d) 於年內，本集團銷售約值441,000港元（二零零二年：無）之原材料予一間共同控制實體。



Notes to the Accounts

賬目附註

30 RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

- (e) During the year, the Group purchased certain land use rights and buildings from a related company at cost of approximately HK\$2,184,000.
- (f) During the year, the Group purchased buildings from a minority shareholder of a subsidiary at cost of approximately HK\$2,291,000.
- (g) At 31st December 2003, certain banking facilities of the Group were secured by corporate guarantees of HK\$72,723,000 (2002: HK\$88,080,000) provided by minority shareholders of a non-wholly owned subsidiary (see note 26).

31. SUBSEQUENT EVENTS

In February 2004, pursuant to an agreement between a joint venture partner and a non-wholly owned subsidiary of the Group, the joint venture partner transferred its 26.51% interest in one of the jointly controlled entities to the subsidiary for settlement of amounts due by the joint venture partner and a related company to the subsidiary. The transfer had been approved by the relevant government authorities. After the transfer, the effective interest of the Group in the jointly controlled entity increased from 16.73% to 24.80%.

On 19th April 2004, the directors proposed a final dividend of HK\$36,877,186 (10 cents per share) which is not reflected as a dividend payable in the accounts.

32. COMPARATIVE FIGURES

Gross rental income of approximately HK\$1,826,000 has been reclassified from other revenue to turnover to conform to the current year's presentation.

33. APPROVAL OF ACCOUNTS

The accounts were approved by the board of directors on 19th April 2004.

30. 關聯公司交易 (續)

- (e) 於年內·本集團用成本價約2,184,000港元向一關聯公司買入土地使用權及廠房。
- (f) 於年內·本集團用成本價約2,291,000港元向一附屬公司之少數股東買入廠房。
- (g) 於二零零三年十二月三十一日·本集團部份銀行信貸額度是由本集團非全資擁有附屬公司之少數股東提供72,723,000港元(二零零二年:88,080,000港元)之企業擔保(見附註26)。

31. 結算日後事項

於二零零四年二月·本集團之一非全資附屬公司根據與一合營夥伴之合約·以合營夥伴轉讓其於一共同控制實體權益之26.51%予附屬公司來繳清合營夥伴及一關聯公司所欠附屬公司款項。轉讓後·本集團在該共同控制實體權益由16.73%增加至24.8%。

在二零零四年四月十九日·董事會建議派發末期股息36,877,186港元(每股10港仙)。擬派末期股息並無於本賬目中列作應付股利。

32. 比較數字

為使與本年度呈列一致·租金收入1,826,000港元由其他收入重新分配至營業額。

33. 賬目通過

本年度賬目已於在二零零四年四月十九日由董事局通過。