



Notes to Financial Statements ■ 財務報告附註

30 June 2004
二零零四年六月三十日

一、公司資料

年內，本集團乃從事以下主要業務：

- 設計、製造、推廣及買賣首飾及鑽石
- 物業投資及發展
- 投資及其他

二、主要會計政策

(a) 編製基準

該等財務報告乃根據及遵守香港會計師公會頒佈之會計實務準則（「會計實務準則」）及詮釋之所有適用準則、香港公認會計原則及香港公司條例而編製，並根據按歷史成本計算之慣例（重新計算之若干租賃土地及樓宇、投資物業及其他投資除外）而編製。進一步詳情已闡述於下文會計政策附註內。

採納會計實務準則

於本年度，本公司採納會計實務準則第12號（經修訂）之「所得稅」。實施會計實務準則第12號（經修訂）之主要影響乃關於遞延稅項。於往年度乃使用收益表負債方法（即確認因時差而產生之負債）就遞延稅項作出部分撥備。除非該等時差預期不會在可見將來逆轉，否則即就所產生之時差而確認負債。遞延稅項資產只會在合理地肯定可以實現時才會確認。會計實務準則第12號（經修訂）要求採納資產負債表債務方法，據此，除有限之例外情況外，遞延稅項乃就財務報告內資產及負債賬面金額與計算應課稅溢利所使用之相應稅務基礎兩者間之所有暫時差別予以確認。

1. CORPORATE INFORMATION

During the year, the Group was engaged in the following principal activities:

- Design, manufacturing, marketing and trading of fine jewellery and diamonds
- Property investment and development
- Investment and others

2. PRINCIPAL ACCOUNTING POLICIES

(a) Basis of preparation

These financial statements have been prepared in accordance with and comply with all applicable Statements of Standard Accounting Practice (“SSAPs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the Companies Ordinance. They have been prepared under the historical cost convention, except for the remeasurement of certain leasehold land and buildings, investment properties and other investments, as further explained in the accounting policy notes below.

Adoption of statement of standard accounting practice

In the current year, the Company has adopted SSAP 12 (Revised) “Income taxes”. The principal effect of the implementation of SSAP 12 (Revised) is in relation to deferred tax. In previous years, partial provision was made for deferred tax using the income statement liability method, i.e. a liability was recognised in respect of timing differences arising, except where timing differences were not expected to reverse in the foreseeable future. Deferred tax assets were not recognised unless their realisation was assured beyond reasonable doubt. SSAP 12 (Revised) requires the adoption of a balance sheet liability method, whereby deferred tax is recognised in respect of all temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, with limited exceptions.

二、主要會計政策 (續)

(a) 編製基準 (續)

在會計實務準則第12號(經修訂)無特別過渡安排之情況下，於附註二(q)詳列之新會計政策已追溯應用，因此已重列比較數字。本集團於二零零二年七月一日及二零零三年七月一日之年初保留溢利已增加約2,400,000港元。此項增幅乃二零零三年六月三十日前年度對業績之政策改變之累積影響。

(b) 綜合基準

綜合財務報告包括本公司及其附屬公司截至二零零四年六月三十日止年度之財務報告，惟恒秀(廣州)珠寶首飾廠有限公司因財務報告附註十三概述之理由並未包括在內。於本年度收購或出售之附屬公司業績已分別自收購生效日期起或截至出售生效日期止綜合。本集團公司間之所有重大交易及結餘於綜合賬目時撇銷。

(c) 附屬公司

附屬公司乃指本公司直接或間接控制其一半以上之投票權或持有其一半以上之已發行股本或控制其董事會組成之公司。

附屬公司之業績已計入本公司之收益表內(惟以已收及應收股息為限)。本公司於附屬公司之權益乃以成本值減任何減值虧損列賬。

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

(a) Basis of preparation (continued)

In the absence of any specific transitional arrangement in SSAP 12 (Revised), the new accounting policy as detailed in note 2(q) below has been applied retrospectively, and accordingly comparative amounts have been restated. The Group's opening retained profits at 1 July 2002 and 1 July 2003 have been increased by approximately HK\$2,400,000, which is the cumulative effect of the change in policy on the results for the years prior to 30 June 2003.

(b) Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 30 June 2004, except for Conti Jewelry (Guangzhou) Limited which has not been consolidated for the reasons stated in note 13 to the financial statements. The results of the subsidiaries acquired or disposed of during the year are consolidated from or to their effective dates of acquisition or disposal, respectively. All significant intercompany transactions and balances within the Group are eliminated on consolidation.

(c) Subsidiaries

A subsidiary is a company in which the Company, directly or indirectly, controls more than half of its voting power, or holds more than half of its issued share capital, or controls the composition of its board of directors.

The results of subsidiaries are included in the Company's income statement to the extent of dividends received and receivable. The Company's interests in subsidiaries are stated at cost less any impairment losses.



Notes to Financial Statements ■ 財務報告附註

30 June 2004
二零零四年六月三十日

二、主要會計政策 (續)

(d) 聯營公司

聯營公司乃指本集團長期持有其一般不少於20%之股本投票權，並可對其行使重大影響力之公司，惟並非附屬公司。

本集團佔聯營公司之收購後業績及儲備已分別計入綜合收益表及綜合儲備內。本集團於聯營公司之權益乃按本集團根據股權會計法所佔之資產淨值減任何減值虧損列於綜合資產負債表內。

聯營公司之業績已計入本公司之收益表內(惟以已收及應收股息為限)。本公司於聯營公司之投資乃被視為長期資產，並按成本值減任何減值虧損列賬。

(e) 商譽

收購附屬公司及聯營公司所產生之商譽乃指收購成本超出本集團分佔該等公司於收購日期可認定資產及負債之公平值之數額。

收購所產生之商譽已於綜合資產負債表內確認為資產，並以直線法按其估計可使用年期以不超過20年進行攤銷。倘為聯營公司，則任何未攤銷商譽乃計入有關資產之賬面值內，而非作為綜合資產負債表內之個別可認定資產。

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

(d) Associates

An associate is a company, not being a subsidiary, in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence.

The Group's share of the post-acquisition results and reserves of associates is included in the consolidated income statement and consolidated reserves, respectively. The Group's investments in associates are stated in the consolidated balance sheet at the Group's share of net assets under the equity method of accounting, less any impairment losses.

The results of associates are included in the Company's income statement to the extent of dividends received and receivable. The Company's investments in associates are treated as long term assets and are stated at cost less any impairment losses.

(e) Goodwill

Goodwill arising on the acquisition of subsidiaries and associates represents the excess of the cost of the acquisition over the Group's share of the fair values of the identifiable assets and liabilities acquired as at the date of acquisition.

Goodwill arising on acquisition is recognised in the consolidated balance sheet as an asset and amortised on the straight-line basis over its estimated useful life of not more than 20 years. In the case of associates, any unamortised goodwill is included in the carrying amount thereof, rather than as a separately identified asset on the consolidated balance sheet.

二、主要會計政策 (續)

(e) 商譽 (續)

本集團已於二零零一年七月一日採納會計實務準則第30號「業務合併」。於該日前，收購事項所產生之商譽於收購事項之年度與綜合儲備對銷。在採納會計實務準則第30號時，本集團已採用會計實務準則第30號之過渡條文，容許有關商譽仍然與綜合儲備對銷，有關詳情載於財務報告附註十二。二零零一年七月一日以後因收購事項所產生之商譽乃根據上述會計實務準則第30號有關商譽之會計政策處理。

於出售附屬公司及聯營公司時，出售收益或虧損乃經參考於出售日期之資產淨值計算，包括仍然未作出攤銷之應佔商譽數額及任何有關儲備(如適用)。早前已於收購時與綜合儲備對銷之任何應佔商譽將予撥回，並納入出售收益或虧損之計算中。

商譽(包括仍然與綜合儲備對銷之商譽)之賬面值乃按年重估，並在認為必要之情況下就減值作出撇賬。除非減值虧損乃因特殊性質且預期不會重演之特定外在事件而出現，而其後發生之外在事件已抵銷該事件之影響，否則早前已確認之商譽減值虧損將不予撥出。

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

(e) Goodwill (continued)

SSAP 30 "Business combinations" was adopted as at 1 July 2001. Prior to that date, goodwill arising on acquisitions was eliminated against consolidated reserves in the year of acquisition. On the adoption of SSAP 30, the Group applied the transitional provision of SSAP 30 that permitted such goodwill to remain eliminated against consolidated reserves, details of which are set out in note 12 to the financial statements. Goodwill on acquisitions subsequent to 1 July 2001 is treated according to the SSAP 30 goodwill accounting policy above.

On disposal of subsidiaries and associates, the gain or loss on disposal is calculated by reference to the net assets at the date of disposal, including the attributable amount of goodwill which remains unamortised and any relevant reserves, as appropriate. Any attributable goodwill previously eliminated against consolidated reserves at the time of acquisition is written back and included in the calculation of the gain or loss on disposal.

The carrying amount of goodwill, including goodwill remaining eliminated against consolidated reserves, is reviewed annually and written down for impairment when it is considered necessary. A previously recognised impairment loss for goodwill is not reversed unless the impairment loss was caused by a specific external event of an exceptional nature that was not expected to recur, and subsequent external events have occurred which have reversed the effect of that event.



Notes to Financial Statements ■ 財務報告附註

30 June 2004
二零零四年六月三十日

二、主要會計政策 (續)

(f) 關連人士

倘其中一方能直接或間接控制另一方，或對另一方所作之財務及營運決策具重大影響力，雙方則屬關連人士。倘雙方被共同控制或受共同重大影響，雙方亦屬關連人士。關連人士可為個別人士或公司實體。

(g) 資產減值

於各結算日均會評估是否有任何情況顯示出現任何資產減值，或是否有任何情況顯示早前於以往年度就資產確認之減值可能不再存在或可能減少。倘任何情況顯示有此可能，則會估計資產之可收回數額。資產之可收回數額乃按資產應用價值或其淨售價(以較高者為準)計算。

僅在資產賬面值高於其可收回數額之情況下，方會確認減值虧損。減值虧損於其產生期間內自收益表扣除，除非資產乃按重估數額列賬則作別論，在該情況下，減值虧損乃根據該重估資產之有關會計政策計算。

早前確認之減值虧損僅在用以釐定資產可收回數額之估計數字出現變動時方會予以撥回，然而，倘於以往年度並無就資產確認減值虧損，則撥回額以不高於原應釐定之賬面值(扣除任何折舊/攤銷)為限。

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

(f) Related parties

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

(g) Impairment of assets

An assessment is made at each balance sheet date of whether there is any indication of impairment of any asset, or whether there is any indication that an impairment loss previously recognised for an asset in prior years may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. An asset's recoverable amount is calculated as the higher of the asset's value in use or its net selling price.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. An impairment loss is charged to the income statement in the period in which it arises, unless the asset is carried at a revalued amount, when the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount of an asset, however not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation), had no impairment loss been recognised for the asset in prior years.

二、 主要會計政策 (續)

(g) 資產減值 (續)

撥回之減值虧損於其產生期間內計入收益表，惟除非資產乃按重估數額列賬則作別論，在該情況下，撥回之減值虧損乃根據該重估資產之有關會計政策計算。

(h) 物業、廠房及設備

固定資產(投資物業除外)乃按成本值減累計折舊及任何減值虧損列賬。資產之成本值包括其購買價及將其達至運作狀況及運至工作地點作其擬定用途而產生之任何直接應佔成本。固定資產開始運作後產生之支出，例如維修及保養，一般於該等支出產生期間之收益表中扣除。倘能清楚顯示該等支出令使用固定資產帶來之預期將來可得經濟利益有所增加，則該等支出將撥充該資產之額外成本。

根據會計實務準則第17號「物業、廠房及設備」所載之過渡性條文，於一九九六年採納會計實務準則第17號後，本集團並無就租賃土地及樓宇進行任何其他重估。

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

(g) Impairment of assets (continued)

A reversal of an impairment loss is credited to the income statement in the period in which it arises, unless the asset is carried at a revalued amount, when the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

(h) Property, plant and equipment

Fixed assets, other than investment properties, are stated at cost or valuation less accumulated depreciation and any impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after fixed assets have been put into operation, such as repairs and maintenance, is normally charged to the income statement in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of the fixed asset, the expenditure is capitalised as an additional cost of that asset.

In accordance with the transitional provisions set out in SSAP 17 "Property, plant and equipment", further revaluations of the leasehold land and buildings of the Group have not been undertaken subsequent to the adoption of SSAP 17 in 1996.



Notes to Financial Statements ■ 財務報告附註

30 June 2004
二零零四年六月三十日

二、主要會計政策 (續)

(h) 物業、廠房及設備 (續)

折舊經計入每項資產之估計剩餘價值後，按其估計可使用年期以直線法撇銷其成本計算。所用主要年率如下：

租賃土地	按租賃年期
工廠大廈	4%
商業大廈	3%
租賃物業裝修	25%
廠房及機器	10% – 33%
傢俬、裝置及設備	17%
汽車	25%

於收益表內確認之出售或廢棄固定資產之損益為有關資產之所得收益淨額及賬面值之差額。

在建工程指有關興建固定資產所產生之成本，以成本值減任何減值虧損列賬，且不作折舊。成本值包括建築、安裝及測試期間所產生之直接成本。在建工程於完成後及可使用時將重新分類至適當之固定資產類別。

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

(h) Property, plant and equipment (continued)

Depreciation is calculated on the straight-line basis to write off the cost or valuation of each asset over its estimated useful life. The principal annual rates used for this purpose are as follows:

Leasehold land	Over the lease terms
Factory buildings	4%
Commercial buildings	3%
Leasehold improvements	25%
Plant and machinery	10% – 33%
Furniture, fixtures and equipment	17%
Motor vehicles	25%

The gain or loss on disposal or retirement of a fixed asset recognised in the income statement is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress represents the costs incurred in connection with the construction of fixed assets, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs incurred during the period of construction, installation and testing. Construction in progress is reclassified to the appropriate category of fixed assets when completed and ready for use.

二、主要會計政策 (續)

(i) 投資物業

投資物業為土地及樓宇權益，而有關建築工程及發展工程已告完工，且乃因其投資潛力而擬按長期基準持有，且任何租金收入乃按公平原則磋商釐定。該等物業將不予計算折舊，並以其公開市值按於各財政年度結束時進行之全年專業估值列賬。投資物業之價值變動會被當作投資物業重估儲備之變動處理。倘此儲備之總額不足以按投資組合基準彌補虧絀，則高出虧絀之數額會自收益表扣除。其後任何重估盈餘會計入收益表，惟以早前扣除之虧絀為限。

於出售投資物業時，就早前估值所變現之有關部分之投資物業重估儲備會計入收益表。

(j) 在建物業

在建物業乃在建築工程尚未完成之土地及樓宇中之投資。該等投資以成本值減任何減值虧損列賬。成本包括所產生之發展及建築開支、資本化利息支出及來自發展之其他直接成本。

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

(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 intended to be held on a long term basis for their investment potential, any rental income being negotiated at arm's length. Such properties are not depreciated and are stated at their open market values on the basis of annual professional valuations performed at the end of each financial year. Changes in the values of investment properties are dealt with as movements in the investment properties revaluation reserve. If the total of this reserve is insufficient to cover a deficit, on a portfolio basis, the excess of the deficit is charged to the income statement. Any subsequent revaluation surplus is credited to the income statement to the extent of the deficit previously charged.

On disposal of an investment property, the relevant portion of the investment properties revaluation reserve realised in respect of previous valuations is released to the income statement.

(j) Property under development

Property under development is an investment in land and buildings where the construction work has not been completed. The investment is stated at cost less any impairment losses. Cost comprises development and construction expenditure incurred, interest charges capitalised and other costs directly attributable to the development.



Notes to Financial Statements ■ 財務報告附註

30 June 2004
二零零四年六月三十日

二、主要會計政策 (續)

(k) 營業租賃

倘租賃資產所有權之絕大部分回報及風險仍歸出租人所有，則視為營業租賃。倘本集團為出租人，則本集團根據營業租賃出租之資產納入非流動資產，而根據營業租賃所收取之租金會以直線法按租賃年期計入收益表。倘本集團為承租人，則根據營業租賃應付之租金以直線法按租賃年期自收益表扣除。

(l) 投資證券

投資證券乃計劃按長期基準持有之非買賣上市及非上市股本證券投資。上市及非上市股本證券兩者均按成本值減任何減值虧損，並由董事認為並非暫時性質者按個別基準列賬。

個別投資之賬面值乃於每個結算日複核，以評估其公平值是否已減至低於其賬面值。若發生減值，則該等投資之賬面值減低至其公平值。減值額於其產生期內自收益表扣除。

倘導致減值之情況及事件不再存在，且有具說服力之憑證顯示新情況及事件將於可預見將來持續，則早前扣除之減值數額會計入收益表，惟以早前扣除之數額為限。

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

(k) Operating leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets and rentals receivable under the operating leases are credited to the income statement on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under the operating leases are charged to the income statement on the straight-line basis over the lease terms.

(l) Investment securities

Investment securities are non-trading investments in listed and unlisted equity securities intended to be held on a long term basis. Both listed and unlisted equity securities are stated at cost less any impairment losses that are considered by the directors to be other than temporary, on an individual basis.

The carrying amount of an individual investment is reviewed at each balance sheet date to assess whether its fair value has declined below the carrying amount. When such impairment has occurred, the carrying amount of the investment is reduced to its fair value and the amount of the impairment is charged to the income statement in the period in which it arises.

When the circumstances and events which led to the impairment in value cease to exist and there is persuasive evidence that the new circumstances and events will persist for the foreseeable future, the amount of the impairment previously charged is credited to the income statement to the extent of the amount previously charged.

二、主要會計政策 (續)

(m) 其他投資

其他投資乃持作買賣用途之股本證券投資，乃根據個別投資基準，以其公平價值按其於結算日所報之市價列賬。其他投資之公平價值變動所產生之收益或虧損會於其產生期間計入收益表或自收益表扣除。

(n) 存貨

存貨乃以成本值及可變現淨值之較低者列賬。成本值乃按加權平均基準釐定，而在半製成品及製成品之成本值則包括直接材料、直接勞工及按比例分配之製造費用。可變現淨值乃根據估計售價減任何達致完成產品及出售而產生之其他成本計算。

(o) 現金及現金等額

就綜合現金流量表而言，現金及現金等額包括手頭現金、通知存款，以及短期而易於套現之投資，而該等投資並無重大匯兌風險，可無須通知而兌換成可知數額之現金，且於購入時之到期期限一般不超過三個月，並減去須於通知時償還及為本集團現金管理主要部分之銀行透支。

就資產負債表而言，現金及銀行結餘包括無限制用途之手頭現金及銀行存款(包括定期存款)。

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

(m) Other investments

Other investments are investments in equity securities or unit funds held for trading purposes and are stated at their fair values on the basis of their quoted market prices at the balance sheet date, on an individual investment basis. The gains or losses arising from changes in the fair value of other investments are credited or charged to the income statement in the period in which they arise.

(n) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on the estimated selling prices less any estimated costs to be incurred to completion and disposal.

(o) Cash and cash equivalents

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the balance sheet, cash and bank balances comprise cash on hand and at banks, including term deposits, which are not restricted as to use.



Notes to Financial Statements ■ 財務報告附註

30 June 2004
二零零四年六月三十日

二、主要會計政策 (續)

(p) 撥備

倘因過往事件而導致本集團承擔現有法定或推定責任，且大有可能導致流出經濟利益以履行責任，並能可靠衡量所須承擔之數額，則須就此作出撥備。

倘價值隨時間有重大變化，則撥備之數額為預期履行有關承擔所需開支於結算日之現值。隨時間增加之已折現之現值於收益表列作融資成本。

(q) 所得稅

所得稅由即期稅項及遞延稅項構成。

即期稅項是根據年內應課稅收入，按結算日所採用之稅率計算之預期應付稅項，並就過往年度之應付稅項作出調整。

遞延稅項乃為財務報告內資產及負債賬面值與計算應課稅溢利所用相應稅基間之差異而產生之應繳付或可退回稅項，並採用「資產負債表負債法」入賬。遞延稅項負債一般按所有應課稅之暫時性差異予以確認，而遞延稅項資產則按可能會出現可用以抵銷可扣減之臨時性差異之應課稅溢利而予以確認。倘若臨時性差異乃基於商譽(或負商譽)或初步確認(業務合併之情況下除外)不影響稅務溢利或會計溢利之交易中之其他資產及負債而引致，則有關資產及負債不予確認。

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

(p) Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the balance sheet date of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the income statement.

(q) Income tax

Income tax comprises current and deferred tax.

Current tax is the expected tax payable on the taxable income for the year using tax rates enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill (or negative goodwill) or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

二、主要會計政策 (續)

(q) 所得稅 (續)

遞延稅項負債按於附屬公司及聯營公司之投資所引致之應課稅臨時性差異而予以確認，惟本集團可控制撥回之臨時性差異及不大可能於可見將來撥回之臨時性差異則除外。

遞延稅項資產之賬面值需於每年之結算日作檢討，預期沒有足夠將來應課稅溢利作抵銷之暫時性差異，相關遞延稅項資產應作扣減。但如有可能有足夠之稅務溢利，該減值將予撥回。

遞延稅項資產和負債均不計算折讓。遞延稅項乃按預期於負債清償或資產變現期間適用之稅率計算。遞延稅項於收益表中扣除或計入收益表。惟倘遞延稅項直接在股本權益中扣除或計入股本權益之情況（在此情況下遞延稅項亦會於股本權益中處理）除外。

(r) 收入之確認

收入乃於本集團極可能取得有關經濟利益，並且該收入能可靠計算時按下列基準確認：

- (i) 貨品銷售時，當擁有權之絕大部分風險及回報已轉歸予買方，而本集團並無保留與擁有權有關之管理參與權或已售貨品之有效控制權；

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

(q) Income tax (continued)

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Deferred tax assets and liabilities are not discounted. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

(r) Revenue recognition

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

- (i) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;



Notes to Financial Statements ■ 財務報告附註

30 June 2004
二零零四年六月三十日

二、主要會計政策 (續)

(r) 收入之確認 (續)

- (ii) 租金收入乃按租賃年期之時間比例基準計算；
- (iii) 利息收入乃根據未償還本金及實際適用利率，按時間比例基準計算；及
- (iv) 股息乃按股東收取股息之權利獲得確定時予以確認。

(s) 僱員福利

- (i) 僱傭條例之長期服務金

本集團若干僱員已任職若干年數，符合資格在終止僱用後領取香港僱傭條例規定之長期服務金。倘若終止僱用符合僱傭條例規定之情況，則本集團須負責支付有關長期服務金。

- (ii) 退休計劃

本集團已根據強制性公積金計劃條例，為該等合資格參與強制性公積金退休福利計劃（「強積金計劃」）之僱員設立界定供款強積金計劃。有關供款乃根據僱員基本薪金之若干百分比計算，並根據強積金計劃之規則在應付該等供款時在收益表中扣除。強積金計劃之資產乃由獨立管理基金持有，與本集團之該等資產分開持有。本集團之僱主供款乃於僱主向強積金計劃作出供款時全數撥歸僱員所有。

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

(r) Revenue recognition (continued)

- (ii) rental income, on a time proportion basis over the lease terms;
- (iii) interest income, on a time proportion basis, taking into account the principal outstanding and the effective interest rate applicable; and
- (iv) dividend income, when the shareholders' right to receive payment has been established.

(s) Employee benefits

- (i) *Employment Ordinance long service payments*

Certain of the Group's employees have completed the required number of years of service to the Group in order to be eligible for long service payments under the Hong Kong Employment Ordinance in the event of the termination of their employment. The Group is liable to make such payments in the event that such a termination of employment meets the circumstances specified in the Employment Ordinance.

- (ii) *Pension scheme*

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance, for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to the income statement as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

二、主要會計政策 (續)

(s) 僱員福利 (續)

於強積金計劃生效前，本集團已為該等合資格之僱員設立界定供款退休金計劃（「前計劃」）。除僱員於本集團之僱主作出全數供款前終止參與前計劃，以致本集團應付之餘下供款可扣減已沒收僱主供款之有關金額外，此項前計劃乃以類似強積金計劃之方式運作。

本集團於中華人民共和國（「中國」）之附屬公司僱員必須參與由當地市政府設立之一項退休福利計劃（「退休福利計劃」）。該等附屬公司就其支付薪金總額之若干百分比向退休福利計劃作出供款作為僱員福利之基金。本集團僅須根據退休福利計劃向該計劃作出所須供款。退休福利計劃之供款乃於本集團根據退休福利計劃之規則應付時於收益表內扣除。

(t) 借貸成本

與收購、建設或生產合資格資產（須較長時間方可作預定用途或銷售）直接有關之借貸成本作為該等資產之成本部分撥充資本。該等借貸成本將於資產大致上備妥作擬定用途或出售時終止撥充資本。就特定借貸之暫時性投資所賺取的投資收入在扣除合資格資產之開支後於已撥充資本之借貸成本內扣除。

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

(s) Employee benefits (continued)

Prior to the MPF Scheme becoming effective, the Group operated a defined contribution retirement benefits scheme (the "Prior Scheme") for those employees who were eligible to participate in this scheme. The Prior Scheme operated in a similar way to the MPF Scheme, except that when an employee left the Prior Scheme before his/her interest in the Group's employer contributions vested fully, the ongoing contributions payable by the Group were reduced by the relevant amount of the forfeited employer's contributions.

The employees of the Group's subsidiaries which operate in the People's Republic of China except Hong Kong ("Mainland China") are required to participate in a retirement benefits scheme (the "RB Scheme") operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of their payroll to the RB Scheme to fund the benefits. The only obligation of the Group with respect to the RB Scheme is to pay the ongoing required contributions under the RB Scheme. Contributions under the RB Scheme are charged to the income statement as they become payable in accordance with the rules of the RB Scheme.

(t) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, that is, assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised.



Notes to Financial Statements ■ 財務報告附註

30 June 2004
二零零四年六月三十日

二、主要會計政策 (續)

(u) 股息

董事建議派付之末期股息乃歸類為資產負債表內資本及儲備部分之保留溢利獨立分配項目，直至其獲股東於股東大會上批准為止。該等股息將於獲得股東批准及宣派後確認為負債。

基於本公司之組織章程大綱及組織章程細則授權董事宣派中期股息，故中期股息之建議及宣派乃同時進行。因此，中期股息將於建議及宣派後即時確認為負債。

(v) 外幣

外幣交易按交易當日之適用匯率換算入賬。於結算日以外幣為單位之貨幣資產及負債，按當日之適用匯率換算列賬。匯兌差額撥入收益表處理。

於綜合賬目時，以外幣結算之海外附屬公司及聯營公司之財務報告，以投資淨額法換算為港幣列賬。海外附屬公司及聯營公司之收益表按該年度之加權平均匯率換算為港幣，而資產負債表則按結算日之匯率換算為港幣。因綜合賬目而產生之換算差額撥入匯兌波動儲備處理。

就綜合現金流量表而言，海外附屬公司之現金流量按出現現金流量當日之匯率換算為港幣。海外附屬公司於整年度經常產生之現金流量則按該年度之加權平均匯率換算為港幣。

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

(u) Dividends

Final dividends proposed by the directors are classified as a separate allocation of retained profits within the capital and reserves section of the balance sheet, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

(v) Foreign currencies

Foreign currency transactions are recorded at the applicable exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the applicable exchange rates ruling at that date. Exchange differences are dealt with in the income statement.

On consolidation, the financial statements of overseas subsidiaries and associates expressed in foreign currencies are translated into Hong Kong dollars using the net investment method. The income statements of overseas subsidiaries and associates are translated into Hong Kong dollars at the weighted average rates for the year, and their balance sheets are translated into Hong Kong dollars at the exchange rates ruling at the balance sheet date. The resulting translation differences are included in the exchange fluctuation reserve.

For the purpose of the consolidated cash flow statement, the cash flows of overseas subsidiaries are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

二、主要會計政策 (續)

(w) 貿易應收款項

本集團一般給予其客戶90日之信貸期，惟具有良好還款記錄之若干信譽良好客戶將可獲授較長信貸期。每名客戶均有最高信貸額。本集團現正對其未償還應收款項維持嚴格控制。逾期款項由高級管理層定期進行審閱。

三、分部資料

分部資料乃以兩種分部形式呈報：(i)按業務劃分之主要分部呈報基準；及(ii)按地區劃分之次要分部呈報基準。

本集團之經營業務乃按其業務性質及所提供之產品與服務而分開組成及管理。本集團各業務分部指提供產品與服務之策略性業務環節，其風險及回報與該等其他業務分部有別。有關業務分部之詳情概述如下：

- (a) 設計、製造、推廣及買賣珠寶首飾及鑽石；
- (b) 物業投資及發展；及
- (c) 投資及其他。

在釐定本集團之地區分部時，各分部應佔之收入乃按客戶所在地區而定，而各分部應佔之資產則按資產所在地點而定。

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

(w) Trade receivables

The Group normally allows credit terms of 90 days to its customers, except for certain well-established customers with a good repayment history, where a longer credit period is granted. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are regularly reviewed by senior management.

3. SEGMENT INFORMATION

Segment information is presented by way of two segment formats: (i) on a primary segment reporting basis, by business segment; and (ii) on a secondary segment reporting basis, by geographical segment.

The Group's operating businesses are structured and managed separately, according to the nature of their operations and the products and services they provide. Each of the Group's business segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of other business segments. Summary details of the business segments are as follows:

- (a) design, manufacturing, marketing and trading of fine jewellery and diamonds;
- (b) property investment and development; and
- (c) investment and others.

In determining the Group's geographical segments, revenues are attributed to the segments based on the location of the customers and assets are attributed to the segments based on the location of the assets.



Notes to Financial Statements ■ 財務報告附註

30 June 2004
二零零四年六月三十日

三、分部資料 (續)

3. SEGMENT INFORMATION (continued)

(a) 業務分部

下表載列本集團按業務分部劃分之收入、溢利、若干資產、負債及開支之資料。

(a) Business segment

The following tables present revenue, profit and certain asset, liability and expenditure information for the Group's business segments.

		物業投資及發展		製造及買賣珠寶首飾及鑽石		投資及其他		綜合	
		Property Investment and development		Manufacturing and trading of jewellery and diamond		Investment and others		Consolidated	
		2004	2003	2004	2003	2004	2003	2004	2003
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
分部收入：	Segment revenue：								
銷售予外界客戶	Sales to external customers	4,433	764	1,239,862	1,212,844	2,003	907	1,246,298	1,214,515
其他	Others	-	-	-	-	2,789	4,629	2,789	4,629
		4,433	764	1,239,862	1,212,844	4,792	5,536	1,249,087	1,219,144
分部業績	Segment results	3,375	764	20,783	18,466	(3,317)	(1,322)	20,841	17,908
未分配開支	Unallocated expenses							(1,405)	(1,151)
來自經營業務之溢利	Profit from operating activities							19,436	16,757
融資成本	Finance costs							(1,409)	(788)
分佔聯營公司溢利減虧損	Share of profits less losses of associates	-	-	3,127	915	-	-	3,127	915
收購一間聯營公司之商譽攤銷	Amortisation of goodwill on acquisition of an associate	-	-	(1,411)	(1,411)	-	-	(1,411)	(1,411)
除稅前溢利	Profit before tax							19,743	15,473
稅項	Tax							(5,957)	(4,246)
未計少數股東權益前溢利	Profit before minority interests							13,786	11,227
少數股東權益	Minority interests							1,418	(1,089)
股東應佔日常業務純利	Net profit from ordinary activities attributable to shareholders							15,204	10,138

Notes to Financial Statements ■ 財務報告附註

30 June 2004
二零零四年六月三十日

三、分部資料 (續)

3. SEGMENT INFORMATION (continued)

(a) 業務分部 (續)

(a) Business segment (continued)

		物業投資及發展		製造及買賣珠寶首飾及鑽石		投資及其他		綜合	
		Property investment and development		Manufacturing and trading of jewellery and diamond		Investment and others		Consolidated	
		2004	2003	2004	2003	2004	2003	2004	2003
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
分部資產	Segment assets	314,864	133,341	487,797	428,779	63,425	78,631	866,086	640,751
於聯營公司之投資	Investments in associates	-	-	9,363	8,833	-	-	9,363	8,833
未分配資產	Unallocated assets	-	-	-	-	-	-	77,819	160,648
總資產	Total assets							953,268	810,232
分部負債	Segment liabilities	7,780	58	211,975	212,512	1,865	1,889	221,620	214,459
銀行貸款及透支， 有抵押	Bank loan and overdrafts, secured	-	-	-	-	-	-	93,008	22,257
未分配負債	Unallocated liabilities	-	-	-	-	-	-	10,295	5,287
總負債	Total liabilities							324,923	242,003
其他分部資料：	Other segment information:								
折舊	Depreciation	-	-	8,174	7,939	-	-	8,174	7,939
收購一間聯營公司 之商譽攤銷	Amortisation of goodwill on acquisition of an associate	-	-	1,411	1,411	-	-	1,411	1,411
資本開支	Capital expenditure	128,080	17,840	25,555	9,565	-	-	153,635	27,405
直接於權益中確認之 重估盈餘	Surplus on revaluation recognised directly in equity	53,193	30	-	-	-	-	53,193	30

Notes to Financial Statements ■ 財務報告附註

30 June 2004
二零零四年六月三十日



三、分部資料 (續)

3. SEGMENT INFORMATION (continued)

(b) 地區分部

下表載列本集團按業務地區劃分之收入、業績，以及若干資產及開支之資料。

(b) Geographical segment

The following table presents revenue, results and certain asset and expenditure information for the Group's geographical segments.

		北美洲		歐洲		香港		其他地區		綜合			
		North America		Europe		Hong Kong		Other areas		Consolidated			
		2004	2003	2004	2003	2004	2003	2004	2003	2004	2003		
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元		
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000		
(重列)													
(Restated)													
分部收入：	Segment revenue：												
銷售予外界	Sales to external												
客戶	customers	599,055	582,024	531,576	442,157	109,241	184,510	6,426	5,824	1,246,298	1,214,515		
其他	Others	-	-	-	-	2,789	4,629	-	-	2,789	4,629		
										1,249,087	1,219,144		
其他分部資料：	Other segment information：												
分部資產	Segment assets	69,764	63,763	71,969	70,005	742,989	632,026	66,146	42,038	950,868	807,832		
未分配資產	Unallocated assets	-	-	-	-	-	-	-	-	2,400	2,400		
總資產	Total assets											953,268	810,232
資本開支	Capital expenditure	-	-	626	315	130,266	19,449	22,743	7,641	153,635	27,405		

Notes to Financial Statements ■ 財務報告附註

30 June 2004
二零零四年六月三十日

四、營業額

營業額指經扣除退貨及貿易折扣後已售出貨品之發票淨額、租金收入毛額、利息收入及投資之股息收入。

營業額之分析如下：

4. TURNOVER

Turnover represents the net invoiced value of goods sold, after allowances for returns and trade discounts, gross rental income, interest income and dividend income from investments.

An analysis of turnover is as follows:

		2004	2003
		千港元	千港元
		HK\$'000	HK\$'000
			(重列)
			(Restated)
銷售貨品	Sale of goods	1,241,865	1,213,751
租金收入毛額	Gross rental income	4,433	764
利息收入	Interest income	2,376	4,283
投資之股息收入	Dividend income from investments	413	346
		1,249,087	1,219,144



Notes to Financial Statements ■ 財務報告附註

30 June 2004
二零零四年六月三十日

五、來自經營業務之溢利

5. PROFIT FROM OPERATING ACTIVITIES

		2004 千港元 HK\$'000	2003 千港元 HK\$'000
本集團經營溢利經扣除/ (已計入) 以下各項目 :	The Group's profit from operating activities is arrived at after charging/(crediting):		
已售出存貨成本	Cost of inventories sold	1,155,072	1,134,283
折舊 (附註十一)	Depreciation (note 11)	8,174	7,939
根據土地及樓宇營業租賃 之最低租金款項	Minimum lease payments under operating leases on land and buildings	4,200	4,811
核數師酬金	Auditors' remuneration	680	806
員工成本 (包括董事 酬金 - 附註三十一) :	Staff costs (including directors' remuneration - note 31):		
工資及薪金	Wages and salaries	61,313	53,865
退休計劃供款	Retirement scheme contributions	2,280	1,040
減: 已沒收之供款	Less: Forfeited contributions	(9)	(8)
		63,584	54,897
存貨撥備*	Provision against inventories*	7,034	9,679
貿易及其他應收款項撥備	Provision for trade and other receivables	1,697	5,834
證券投資減值撥備	Provision for impairment of investment securities	1,251	-
壞賬撇銷	Bad debt written off	211	-
出售物業、廠房及 設備虧損	Loss on disposal of property, plant and equipment	132	1,568
其他投資已變現及未 變現虧損/(收益)	Realised and unrealised losses/(gains) on other investments	1,255	(851)
匯兌收益淨額	Exchange gains, net	(5,240)	(9,820)
租金收入淨額	Net rental income	(4,013)	(764)
海外附屬公司清盤時 解除之匯兌波動儲備	Release of exchange fluctuation reserve on winding up of foreign subsidiaries	-	(1,199)

* 本年度存貨撥備已計入綜合收益表
之「銷售成本」內。

* The provision against inventories for the year was included
in "cost of sales" on the face of the consolidated income
statement.

Notes to Financial Statements ■ 財務報告附註

30 June 2004
二零零四年六月三十日

六、融資成本

6. FINANCE COSTS

		本集團 Group	
		2004	2003
		千港元	千港元
		HK\$'000	HK\$'000
須於五年內悉數償還 之銀行貸款及透支 之利息開支	Interest expense on bank loan and overdrafts wholly repayable within five years	1,023	1,214
須於五年後償還之銀行 貸款利息開支	Interest expense on bank loan repayable over five years	386	–
減：在建物業資本化 利息(附註十七)	Less: Interest capitalised on a property under development (note 17)	–	(426)
		1,409	788

七、稅項

7. TAX

香港利得稅乃以本年度之估計應課稅溢利按稅率17.5% (二零零三年：17.5%) 計算。其他地區應課稅溢利之稅項按本集團營運之個別司法地區現時適用之稅率計算，並根據該等司法地區之現行法例、詮釋及慣例作出。

Hong Kong profits tax has been provided at the rate of 17.5% (2003: 17.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the applicable rates of tax prevailing in the jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

		本集團 Group	
		2004	2003
		千港元	千港元
		HK\$'000	HK\$'000
即期：	Current：		
香港	Hong Kong	5,093	2,715
其他地區	Elsewhere	418	1,350
過往年度之撥備不足／ (超額撥備)	Under/(over) provision in prior years	(160)	12
遞延(附註二十五)	Deferred (note 25)	348	–
		5,699	4,077
應佔稅項：	Share of tax attributable to:		
聯營公司	Associates	258	169
本年度繳交稅項總額	Total tax charge for the year	5,957	4,246



Notes to Financial Statements ■ 財務報告附註

30 June 2004
二零零四年六月三十日

七、稅項 (續)

按適用稅率計算之稅項支出與會計溢利之對賬：

7. TAX (continued)

Reconciliation between tax expense and accounting profit at applicable tax rates

		2004 千港元 HK\$'000	2003 千港元 HK\$'000
除稅前溢利	Profit before tax	19,743	15,473
按除稅前溢利計算之稅項 (以相關稅務司法地區 適用之利得稅率計算)	Tax on profit before tax, calculated at the rates applicable to profits in the tax jurisdictions concerned	4,005	3,586
不可扣稅開支之稅務影響	Tax effect of non-deductible expenses	3,336	3,182
無需課稅收入之稅務影響	Tax effect of non-taxable revenue	(1,914)	(2,408)
本年動用上年稅項虧損之 稅務影響	Tax effect of prior year's tax losses utilised this year	(832)	(1,449)
未獲確認短暫時差之 稅務影響	Tax effect of temporary differences not recognised	776	849
未獲確認稅項虧損之 稅務影響	Tax effect of tax losses not recognised	746	474
過往年度撥備不足/ (超額撥備)	Under/(Over)provision in prior years	(160)	12
本年度繳交稅項	Tax charge for the year	5,957	4,246

八、股東應佔日常業務純利

截至二零零四年六月三十日止年度，於本公司財務報告中處理之股東應佔日常業務純利為10,669,000港元(二零零三年：774,000港元)。

8. NET PROFIT FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS

The net profit from ordinary activities attributable to shareholders for the year ended 30 June 2004 dealt with in the financial statements of the Company was HK\$10,669,000 (2003: HK\$774,000).

Notes to Financial Statements ■ 財務報告附註

30 June 2004
二零零四年六月三十日

九、股息

9. DIVIDENDS

		2004 千港元 <i>HK\$'000</i>	2003 千港元 <i>HK\$'000</i>
中期股息－每股普通股0.010港元 (二零零三年：0.010港元)	Interim – HK\$0.010 (2003: HK\$0.010) per ordinary share	2,798	2,798
擬派末期股息－每股普通股0.010港元 (二零零三年：0.010港元)	Proposed final – HK\$0.010 (2003: HK\$0.010) per ordinary share	2,798	2,798
		5,596	5,596

本年度擬派之末期股息須待本公司股東於即將舉行之股東週年大會上批准。

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

十、每股盈利

10. EARNINGS PER SHARE

每股基本盈利乃根據股東應佔本年度純利15,204,000港元(二零零三年：10,138,000港元)及年內已發行普通股之加權平均數279,800,031股(二零零三年：279,800,031股)計算。

The calculations of basic earnings per share is based on the net profit attributable to shareholders for the year of HK\$15,204,000 (2003: HK\$10,138,000), and the weighted average of 279,800,031 (2003: 279,800,031) ordinary shares in issue during the year.

於截至二零零四年及二零零三年六月三十日止年度，本公司並無潛在可攤薄普通股，故並無列示每股攤薄盈利。

No diluted earnings per share amounts are shown as the Company has no potential dilutive ordinary shares for the years ended 30 June 2004 and 2003.

Notes to Financial Statements ■ 財務報告附註

30 June 2004
二零零四年六月三十日



十一、物業、廠房及設備

11. PROPERTY, PLANT AND EQUIPMENT

		本集團 Group						
		投資物業 Investment properties	租賃土地 Leasehold land	樓宇 及租賃 物業裝修 Buildings and leasehold improvements	廠房 及機器 Plant and machinery	傢私、 裝置、 設備及汽車 Furniture, fixtures, equipment and motor vehicles	在建工程 Construction in progress	總額 Total
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
成本或估值：	Cost or valuation:							
於二零零三年七月一日	At 1 July 2003	4,580	15,912	30,501	49,041	29,861	2,606	132,501
添置	Additions	105,089	-	1,169	3,389	3,841	16,626	130,114
轉讓	Transfers	151,638	1,766	-	-	-	-	153,404
出售	Disposals	-	-	(1,271)	(637)	(1,367)	-	(3,275)
重估盈餘	Surplus on revaluation	53,193	-	-	-	-	-	53,193
匯兌調整	Exchange realignment	-	-	(7)	(51)	138	-	80
於二零零四年六月三十日	At 30 June 2004	314,500	17,678	30,392	51,742	32,473	19,232	466,017
累計折舊：	Accumulated depreciation:							
於二零零三年七月一日	At 1 July 2003	-	4,025	20,611	24,858	25,279	-	74,773
年內撥備	Provided during the year	-	479	1,328	4,758	1,609	-	8,174
出售	Disposals	-	-	(1,110)	(403)	(1,119)	-	(2,632)
匯兌調整	Exchange realignment	-	-	(1)	(6)	69	-	62
於二零零四年六月三十日	At 30 June 2004	-	4,504	20,828	29,207	25,838	-	80,377
賬面淨值：	Net book value:							
於二零零四年六月三十日	At 30 June 2004	314,500	13,174	9,564	22,535	6,635	19,232	385,640
於二零零三年六月三十日	At 30 June 2003	4,580	11,887	9,890	24,183	4,582	2,606	57,728

30 June 2004
二零零四年六月三十日

十一、物業、廠房及設備 (續)

11. PROPERTY, PLANT AND EQUIPMENT

(continued)

於二零零四年六月三十日，上述固定資產之成本或估值分析如下：

An analysis of the cost or valuation of the above fixed assets as at 30 June 2004 is as follows:

	投資物業 Investment properties 千港元 HK\$'000	租賃土地 Leasehold land 千港元 HK\$'000	樓宇 及租賃 物業裝修 Buildings and leasehold improvements 千港元 HK\$'000	廠房 及機器 Plant and machinery 千港元 HK\$'000	傢俬、 裝置、 設備及汽車 Furniture, fixtures, equipment and motor vehicles 千港元 HK\$'000	在建工程 Construction in progress 千港元 HK\$'000	總額 Total 千港元 HK\$'000	
成本	At cost	-	5,674	30,249	51,742	32,473	19,232	139,370
一九八八年之董事估值	At 1988 directors' valuation	-	11,870	-	-	-	-	11,870
一九九五年之董事估值	At 1995 directors' valuation	-	134	143	-	-	-	277
二零零四年之專業人士估值	At 2004 professional valuation	314,500	-	-	-	-	-	314,500
		314,500	17,678	30,392	51,742	32,473	19,232	466,017

本集團之若干租賃土地及樓宇已於一九八八年三月及一九九五年五月由董事進行重估。由於本集團已依賴根據會計實務準則第17號之過渡性條文所授出之豁免權，豁免日後對其固定資產(於當時按估值列賬)進行重估之規定，故自一九九五年起，並無對本集團之租賃土地及樓宇進行任何重估。

倘該等租賃土地及樓宇乃以歷史成本減累計折舊及減值虧損列賬，則其賬面值將為約3,003,000港元(二零零三年：3,084,000港元)。

Certain of the Group's leasehold land and buildings were revalued by the directors in March 1988 and May 1995. Since 1995, no further revaluations of the Group's leasehold land and buildings have been carried out, as the Group has relied upon the exemption granted under the transitional provisions of SSAP 17, from the requirement to carry out future revaluations of its fixed assets which were stated at valuation at that time.

Had these leasehold land and buildings been carried at historical cost less accumulated depreciation and impairment losses, their carrying amounts would have been approximately HK\$3,003,000 (2003: HK\$3,084,000).



Notes to Financial Statements ■ 財務報告附註

30 June 2004
二零零四年六月三十日

十一、物業、廠房及設備 (續)

本集團之租賃土地以中期租約形式持有，而位於香港及中國之租賃土地之賬面淨值分別為8,747,000港元(二零零三年：8,950,000港元)及4,427,000港元(二零零三年：2,937,000港元)。本集團之投資物業位於香港，並以中期租約形式持有。

本集團之投資物業已於二零零四年六月三十日由獨立專業估值師A. G. Wilkinson & Associates按公開市值及現有用途基準重新估值為314,500,000港元(二零零三年：4,580,000港元)。因而產生為數53,193,000港元(二零零三年：30,000港元)之盈餘已計入投資物業重估儲備中。

於二零零四年六月三十日，為數314,500,000港元(二零零三年：4,580,000港元)之本集團投資物業及賬面淨值約為10,253,000港元(二零零三年：10,747,000港元)之若干租賃土地及樓宇已抵押予銀行，作為本集團獲授之一般銀行信貸融資之擔保(附註二十三)。

11. PROPERTY, PLANT AND EQUIPMENT

(continued)

The Group's leasehold land is held under medium term leases and the net book value of leasehold land situated in Hong Kong and Mainland China amounted to HK\$8,747,000 (2003: HK\$8,950,000) and HK\$4,427,000 (2003: HK\$2,937,000), respectively. The Group's investment properties are situated in Hong Kong and are held under medium term leases.

The Group's investment properties were revalued on 30 June 2004 by A. G. Wilkinson & Associates, an independent firm of professional valuers, at HK\$314,500,000 (2003: HK\$4,580,000) on an open market existing use basis. A surplus of HK\$53,193,000 (2003: HK\$30,000) arising therefrom was credited to the investment properties revaluation reserve.

At 30 June 2004, the Group's investments properties with a value of HK\$314,500,000 (2003: HK\$4,580,000) and certain leasehold land and buildings with a net book value of approximately HK\$10,253,000 (2003: HK\$10,747,000) were pledged to secure general banking facilities granted to the Group (note 23).

十二、商譽

誠如財務報告附註二所詳述，採納會計實務準則第30號時，本集團已採納會計實務準則第30號之過渡性條文，該條文批准就於二零零一年七月一日之前因收購而產生之商譽維持在綜合儲備內對銷。

於二零零一年七月一日前因收購附屬公司而產生，並保留在二零零三年六月三十日之綜合儲備內之商譽數額如下：

本集團

12. GOODWILL

As detailed in note 2 to the financial statements, on the adoption of SSAP 30, the Group applied the transitional provision of SSAP 30 that permitted goodwill in respect of acquisitions which occurred prior to 1 July 2001 to remain eliminated against consolidated reserves.

The amount of goodwill remaining in consolidated reserves as at 30 June 2004, arising from the acquisition of subsidiaries prior to 1 July 2001, is as follows :

Group

與保留溢利對銷之商譽
**Goodwill
eliminated against
retained profits**
千港元
HK\$'000

成本值：	Cost:	
於二零零三年七月一日及 二零零四年六月三十日	At 1 July 2003 and 30 June 2004	36,096
累計減值：	Accumulated impairment:	
於二零零三年七月一日及 二零零四年六月三十日	At 1 July 2003 and 30 June 2004	-
賬面淨值：	Net book value:	
於二零零三年七月一日及 二零零四年六月三十日	At 1 July 2003 and 30 June 2004	36,096



Notes to Financial Statements ■ 財務報告附註

30 June 2004
二零零四年六月三十日

十三、於附屬公司之權益

13. INTERESTS IN SUBSIDIARIES

		本公司 Company	
		2004	2003
		千港元	千港元
		HK\$'000	HK\$'000
非上市股份、按成本	Unlisted shares, at cost	95,261	97,787
減值撥備	Provision for impairment	(27,264)	(29,790)
		67,997	67,997
應收附屬公司款項	Due from subsidiaries	529,784	439,348
應收附屬公司款項 之撥備	Provision against amounts due from subsidiaries	(65,000)	(65,000)
		464,784	374,348
		532,781	442,345

各附屬公司之結餘乃無抵押、免息並毋須於結算日起計未來十二個月內償還，惟按香港最優惠利率計息之35,980,000港元款項(二零零三年：無)除外。

The balances with subsidiaries are unsecured, interest-free and not repayable within the next twelve months from the balance sheet date, except for an amount of HK\$35,980,000 (2003: Nil) which is interest bearing at Hong Kong prime rate.

Notes to Financial Statements ■ 財務報告附註

30 June 2004
二零零四年六月三十日

十三、於附屬公司之權益 (續)

主要附屬公司之詳情如下：

13. INTERESTS IN SUBSIDIARIES (continued)

Particulars of the principal subsidiaries are as follows:

名稱 Name	註冊成立/ 登記及經營地點 Place of incorporation/ registration and operations	已繳足註冊/ 已發行股本面值 Nominal value of paid-up registered/issued share capital	本公司應佔 股本百分比 Percentage of equity attributable to the Company		主要業務 Principal activities
			直接 Direct	間接 Indirect	
萬高首飾製造廠有限公司 Amco Jewelry Limited	香港 Hong Kong	20港元 HK\$20	100	–	鑽石貿易及打磨 Diamond trading and polishing
Continental Investment Company Limited	香港 Hong Kong	100,000港元 HK\$100,000	100	–	投資控股 Investment holding
恒和珠寶首飾廠有限公司 Continental Jewellery (Mfg.) Limited	香港 Hong Kong	10,000,000港元 HK\$10,000,000	100	–	珠寶首飾製造及批發 Jewellery manufacturing and wholesaling
恒光光電科技有限公司 Optik Technologies Limited	香港 Hong Kong	11,700,000港元 HK\$11,700,000	80	–	光纖連接器製造 Optical fibre connector manufacturing
C.J. (UK) Limited*	英國 United Kingdom	1,000英鎊 GBP1,000	–	100	珠寶首飾批發 Jewellery wholesaling
恒寶珠寶有限公司 Diamond Creation Limited	香港 Hong Kong	500,000港元 HK\$500,000	100	–	投資控股 Investment holding
恒寶珠寶金行有限公司 Diamond Creation Goldsmith Limited	香港 Hong Kong	10,000,000港元 HK\$10,000,000	–	100	投資控股 Investment holding
恒和地產有限公司 Continental Property Holdings Limited	香港 Hong Kong	2港元 HK\$2	–	100	物業投資 Property investment
廣州保稅區恒和金銀珠寶有限公司# 中國 Guangzhou Free Trade Zone Continental Jewellery Co. Ltd.#	中國 Mainland China	8,667,659港元 HK\$8,667,659	–	60	珠寶首飾製造 Jewellery manufacturing



Notes to Financial Statements ■ 財務報告附註

30 June 2004
二零零四年六月三十日

十三、於附屬公司之權益 (續)

13. INTERESTS IN SUBSIDIARIES (continued)

名稱 Name	註冊成立/ 登記及經營地點 Place of incorporation/ registration and operations	已繳足註冊/ 已發行股本面值 Nominal value of paid-up registered/issued share capital	本公司應佔 股本百分比 Percentage of equity attributable to the Company		主要業務 Principal activities
			直接	間接	
			Direct	Indirect	
致星貿易有限公司* Jestar Trading Limited*	香港 Hong Kong	100,000港元 HK\$100,000	–	63	鑽石貿易及打磨 Diamond trading and polishing
衢州弘基鑽石有限公司*# Quzhou Hongji Diamond Limited**	中國 Mainland China	6,300,000港元 HK\$6,300,000	–	63	鑽石貿易及打磨 Diamond trading and polishing
Larchridge Limited	香港 Hong Kong	20港元 HK\$20	100	–	投資控股 Investment holding
恒和環保科技有限公司 Wilber Investments Limited	香港 Hong Kong	78,000港元 HK\$78,000	–	100	投資控股 Investment holding
恒和環保科技(江門)有限公司# Wilber Investments (Jiangmen) Limited#	中國 Mainland China	2,500,000美元 US\$2,500,000	–	100	木材製品製造 Wooden products manufacturing
明秀鑽石廠有限公司 Ming Xiu Diamond Cutting Factory Limited	香港 Hong Kong	6,000,000港元 HK\$6,000,000	100	–	投資控股 Investment holding
明秀鑽石廠(番禺)有限公司# Ming Xiu Diamond Cutting Factory (Panyu) Limited#	中國 Mainland China	11,000,000港元 HK\$11,000,000	–	100	鑽石貿易及打磨 Diamond trading and polishing
恒和珠寶(江門)有限公司# Continental Jewellery (Jiangmen) Co. Ltd#	中國 Mainland China	20,651,000港元 HK\$20,651,000	–	100	珠寶首飾製造 Jewellery manufacturing
Patford Company Limited	香港 Hong Kong	10,000港元 HK\$10,000	–	100	物業投資 Property investment

Notes to Financial Statements ■ 財務報告附註

30 June 2004
二零零四年六月三十日

十三、於附屬公司之權益 (續)

13. INTERESTS IN SUBSIDIARIES (continued)

名稱 Name	註冊成立/ 登記及經營地點 Place of incorporation/ registration and operations	已繳足註冊/ 已發行股本面值 Nominal value of paid-up registered/issued share capital	本公司應佔 股本百分比 Percentage of equity attributable to the Company		主要業務 Principal activities
			直接 Direct	間接 Indirect	
Realford Company Limited	香港 Hong Kong	10,000港元 HK\$10,000	-	100	物業投資 Property investment
Vieway Investments Group Limited	英屬處女群島 British Virgin Islands	2美元 US\$2	100	-	投資控股 Investment holding
Yett Holdings Limited	英屬處女群島 British Virgin Islands	100美元 US\$100	100	-	投資控股 Investment holding
Henble Limited	香港 Hong Kong	10,000港元 HK\$10,000	100	-	物業發展 Property development
城彩有限公司 City Treasure Limited	香港 Hong Kong	2港元 HK\$2	100	-	物業投資 Property investment

* 非由香港均富會計師行或均富會計師行之其他國際成員公司核數。

於中國註冊之全外資企業。

董事認為，上表列示本公司之附屬公司乃主要影響本年度之業績或組成本集團資產淨值之絕大部分。董事認為提供其他附屬公司之詳情將會導致篇幅過份冗長。

* Not audited by Grant Thornton Hong Kong or other Grant Thornton International member firms.

Wholly foreign-owned enterprise registered in the Mainland China

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



Notes to Financial Statements ■ 財務報告附註

30 June 2004
二零零四年六月三十日

十三、於附屬公司之權益 (續)

13. INTERESTS IN SUBSIDIARIES (continued)

於一間未綜合附屬公司之權益

Interests in a subsidiary not consolidated

		本集團 Group	
		2004	2003
		千港元	千港元
		HK\$'000	HK\$'000
投入資本	Capital contribution	7,500	7,500
應收一間附屬公司款項	Due from a subsidiary	804	804
		8,304	8,304
減：減值撥備	Less: Provision for impairment	(8,304)	(8,304)
		—	—

未綜合之附屬公司之詳情如下：

Particulars of the non-consolidated subsidiary are as follows:

名稱 Name	註冊及經營地點 Place of registration and operations	註冊資本 Registered capital	本公司應佔 權益百分比 Percentage of equity attributable to the Company 間接 Indirect	主要業務 Principal activities
恒秀(廣州)珠寶首飾廠 有限公司(「恒秀珠寶」) Conti Jewelry (Guangzhou) Limited ("Conti Jewelry")	中國 Mainland China	10,000,000港元 HK\$10,000,000	56	清盤中 In the process of liquidation

恒秀珠寶並未綜合入賬，原因為本集團未能有效控制其營運。因此，董事認為不宜合併該附屬公司之賬目。過往年度已就該附屬公司之投入資本7,500,000港元及應收之款項804,000港元作出全數撥備。除上述款項外，恒秀珠寶並無對本公司構成任何風險。

Conti Jewelry has not been consolidated because the Group does not effectively control its operations. Accordingly, in the opinion of the directors, it would be inappropriate to consolidate the accounts of this subsidiary. Full provision had been made in prior years against the capital contribution made in this subsidiary of HK\$7,500,000 and the amount due therefrom of HK\$804,000. The Group has no exposure to Conti Jewelry other than the amounts stated above.

Notes to Financial Statements ■ 財務報告附註

30 June 2004
二零零四年六月三十日

十四、於聯營公司之投資

14. INVESTMENTS IN ASSOCIATES

		本集團 Group		本公司 Company	
		2004	2003	2004	2003
		千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
非上市股份、按成本	Unlisted shares, at cost	-	-	9,385	9,385
應佔資產淨值	Share of net assets	7,953	6,012	-	-
收購產生之商譽	Goodwill on acquisition	1,410	2,821	-	-
		9,363	8,833	9,385	9,385
減值撥備	Provision for impairment	-	-	(2,000)	(2,000)
		9,363	8,833	7,385	7,385

聯營公司之結餘 Balances with associates

		本集團 Group		本公司 Company	
		2004	2003	2004	2003
		千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
應收聯營公司款項	Due from associates	2,092	520	8	8
應付聯營公司款項	Due to associates	(1,622)	(1,494)	-	-

各聯營公司之結餘乃無抵押、免息及無固定還款期。

The balances with associates are unsecured, interest-free and have no fixed terms of repayment.



Notes to Financial Statements ■ 財務報告附註

30 June 2004
二零零四年六月三十日

十四、於聯營公司之投資 (續)

14. INVESTMENTS IN ASSOCIATES (continued)

有關聯營公司之詳情如下：

Particulars of the associates are as follows:

名稱 Name	業務架構 Business structure	註冊成立／登記 及經營地點 Place of incorporation/ registration and operations	本集團應佔 所持權益 百分比 Percentage of ownership interest attributable to the Group	主要業務 Principal activities
恒利(遠東)鑽石有限公司* Hanny (Far East) Diamond Limited*	公司 Corporate	香港 Hong Kong	20	投資控股 Investment holding
上海吉利首飾有限公司* General Jewellery (Shanghai) Company Limited*	公司 Corporate	中國 Mainland China	36	珠寶首飾製造及批發 Jewellery manufacturing and wholesaling
正和珠寶首飾廠有限公司* Real Jewellery Limited*	公司 Corporate	香港 Hong Kong	50	珠寶首飾製造 Jewellery manufacturing
Masingita Mining & Minerals (Pty) Limited*	公司 Corporate	南非共和國 The Republic of South Africa	25	採礦業務 Mining operations

* 非由香港均富會計師行或香港均富會計師行之其他國際成員公司核數。

* Not audited by Grant Thornton Hong Kong or other Grant Thornton International member firms.

十四、於聯營公司之投資 (續)

因收購一間聯營公司所產生而於資產負債表「於聯營公司之投資」中列為資產之撥充資本商譽額如下：

本集團

14. INVESTMENTS IN ASSOCIATES (continued)

The amount of goodwill capitalised as an asset under "Investments in associates" in the balance sheet, arising from the acquisition of an associate, is as follows:

Group

		商譽 Goodwill 千港元 HK\$'000
成本：	Cost:	
於二零零三年七月一日及 二零零四年六月三十日	At 1 July 2003 and 30 June 2004	4,232
累計攤銷：	Accumulated amortisation:	
於二零零三年七月一日	At 1 July 2003	1,411
本年度攤銷	Amortisation provided during the year	1,411
於二零零四年六月三十日	At 30 June 2004	2,822
賬面淨值：	Net book value:	
於二零零四年六月三十日	A 30 June 2004	1,410
於二零零三年六月三十日	At 30 June 2003	2,821

本集團於本年度分佔聯營公司之保留純利為1,941,000 港元(二零零三年：746,000 港元)。

本集團於二零零四年六月三十日分佔聯營公司之收購後累計虧絀為893,000 港元(二零零三年：2,834,000 港元)。

The Group's share of net profits retained by the associates for the year amounted to HK\$1,941,000 (2003: HK\$746,000).

The Group's share of the post-acquisition accumulated deficits of associates as at 30 June 2004 amounted to HK\$893,000 (2003: HK\$2,834,000).



Notes to Financial Statements ■ 財務報告附註

30 June 2004
二零零四年六月三十日

十五、投資證券

15. INVESTMENT SECURITIES

		本集團 Group		本公司 Company	
		2004 千港元 HK\$'000	2003 千港元 HK\$'000	2004 千港元 HK\$'000	2003 千港元 HK\$'000
上市股本投資，	Listed equity investments,				
按成本：	at cost:				
香港	Hong Kong	4,552	2,991	—	—
其他地區	Elsewhere	17,102	17,102	—	—
		21,654	20,093	—	—
減值撥備	Provision for impairment	(17,102)	(17,102)	—	—
		4,552	2,991	—	—
非上市股本投資，	Unlisted equity				
按成本	investments, at cost	13,828	11,702	—	—
減值撥備	Provision for impairment	(1,284)	(33)	—	—
		12,544	11,669	—	—
上市及非上市	Total listed and unlisted				
投資證券總值	investment securities	17,096	14,660	—	—

於二零零四年六月三十日，本集團於香港及其他地區之上市股本投資市值分別為6,667,000港元（二零零三年：3,807,000港元）及零港元（二零零三年：零港元）。

As at 30 June 2004, the market value of the Group's listed equity investments in Hong Kong and elsewhere were HK\$6,667,000 (2003: HK\$3,807,000) and HK\$ Nil (2003: HK\$ Nil), respectively.

Notes to Financial Statements ■ 財務報告附註

30 June 2004
二零零四年六月三十日

十六、長期應收款項

16. LONG TERM RECEIVABLES

		本集團 Group		本公司 Company	
		2004	2003	2004	2003
		千港元	千港元	千港元	千港元
		附註 Notes	HK\$'000	HK\$'000	HK\$'000
遞延代價	Deferred consideration	(a)	-	6,385	-
承兌票據	Promissory notes	(b)	26,304	29,947	12,459
其他長期應收款項	Other long term receivable	(c)	2,500	2,500	-
			28,804	38,832	12,459
減值撥備	Provision for impairment		(3,000)	(3,000)	(1,000)
			25,804	35,832	11,459
分類為流動資產部分	Portion classified as current assets		(3,643)	(10,028)	(958)
			22,161	25,804	9,543

(a) 該金額指本集團於以往年度出售一間聯營公司權益而產生之款項。

於一九九九年，本集團出售於一家聯營公司Carrera y Carrera S.A. (「Carrera」) 之50%權益。根據在一九九九年二月九日簽下之股份購買協議，在本集團應收之92,255,000港元總代價中，13,179,000港元已予遞延，而倘有關稅務局就Carrera於出售事項前之稅務狀況進行之稅務審查產生任何負債，則用以賠償買方。根據分別於二零零零年六月二十二日及二十三日另行訂立之兩份協議，遞延應收款項隨後經修訂減少至7,857,000港元。5,322,000港元之不足額已於上年度之收益表中扣除。

(a) The amount arose in relation to the disposal of the Group's interest in an associate in prior years.

In 1999, the Group disposed of its 50% interest in an associate, Carrera y Carrera S.A. ("Carrera"). Pursuant to the Stock Purchase Agreement dated 9 February 1999, out of the total consideration of HK\$92,255,000 receivable by the Group, an amount of HK\$13,179,000 was deferred and would be applied to indemnify the purchasers should there be any liabilities arising from the tax review to be conducted by the relevant tax authorities in respect of Carrera's tax position prior to the disposal. The deferred receivable was subsequently revised downward to HK\$7,857,000 pursuant to two separate agreements dated 22 and 23 June 2000. The shortfall of HK\$5,322,000 was charged to the prior year's income statement.



Notes to Financial Statements ■ 財務報告附註

30 June 2004
二零零四年六月三十日

十六、長期應收款項 (續)

- (b) 於二零零四年六月三十日之承兌票據金額為26,304,000港元(二零零三年：29,947,000港元)，其中15,669,000港元(二零零三年：16,975,000港元)為已抵押、免息及須由二零零一年十月一日起分15年攤還。其餘10,635,000港元(二零零三年：12,972,000港元)為無抵押、免息並須由二零零三年三月十五日起分13期每年攤還。年內已正式收到承兌票據之年度還款。
- (c) 該等結餘為二零零三年墊予一間接受投資公司之一項股東貸款。該數額為免息、無抵押及毋須於結算日起計未來十二個月內償還。

在計算資產負債表所載之長期應收款項現值時，已考慮有關款項隨時間變化之因素。

16. LONG TERM RECEIVABLES (continued)

- (b) Out of the promissory notes of HK\$26,304,000 as at 30 June 2004 (2003: HK\$29,947,000), HK\$15,669,000 (2003: HK\$16,975,000) is secured, interest-free and repayable by 15 annual instalments commencing on 1 October 2001. The remaining balance of HK\$10,635,000 (2003: HK\$12,972,000) is unsecured, interest-free and repayable by 13 annual instalments commencing on 15 March 2003. The annual instalments on the promissory notes were duly received during the year.
- (c) The balance represents a shareholder's loan advanced to an investee company in 2003. The amount is interest-free, unsecured and not repayable within twelve months from the balance sheet date.

The time value of money has been taken into account in determining the present value of the long term receivables included in the balance sheet.

Notes to Financial Statements ■ 財務報告附註

30 June 2004
二零零四年六月三十日

十七、在建物業

17. PROPERTY UNDER DEVELOPMENT

		本集團 Group	
		2004	2003
		千港元	千港元
		HK\$'000	HK\$'000
於七月一日之成本	Cost as at 1 July	128,647	110,807
添置	Additions	22,991	17,414
資本化利息(附註六)	Interest capitalised (note 6)	–	426
轉為投資物業(附註十一)	Transfer to investment properties (note 11)	(151,638)	–
		–	128,647

1,307,000港元之在建物業融資累計借貸成本撥充資本(二零零三年：1,307,000港元)。

The cumulative borrowing costs capitalised in respect of bank loans borrowed for financing the property under development amounted to HK\$1,307,000 (2003: HK\$1,307,000).

在建物業乃透過一項長期租賃於香港持有。

The property under development was held under a long term lease in Hong Kong.

在建物業已抵押作為本集團獲授銀行信貸之擔保，詳情載於財務報告附註二十三。

The property under development is pledged to secure banking facilities granted to the Group as set out in note 23 to the financial statements.

十八、一幅土地之預付款項

18. PREPAYMENT FOR A PARCEL OF LAND

		本集團 Group	
		2004	2003
		千港元	千港元
		HK\$'000	HK\$'000
於七月一日之結餘	Balance as at 1 July	1,236	–
添置	Additions	530	1,236
轉為租賃土地(附註十一)	Transfer to leasehold land (note 11)	(1,766)	–
		–	1,236



Notes to Financial Statements ■ 財務報告附註

30 June 2004
二零零四年六月三十日

十九、存貨

19. INVENTORIES

		本集團 Group	
		2004	2003
		千港元	千港元
		HK\$'000	HK\$'000
原材料	Raw materials	154,976	136,254
半製成品	Work in progress	12,608	7,098
製成品	Finished goods	101,165	78,867
		268,749	222,219

於二零零四年六月三十日，本集團為數868,000港元之存貨已按可變現淨值列賬（二零零三年：無）。

Inventories of HK\$868,000 of the Group were stated at net realisable value at 30 June 2004 (2003: Nil).

二十、貿易應收款項

20. TRADE RECEIVABLES

於結算日，按銷售確認日期之扣除撥備後貿易應收款項之賬齡分析如下：

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

		本集團 Group	
		2004	2003
		千港元	千港元
		HK\$'000	HK\$'000
即期	Current	36,505	66,551
31-60日	31 - 60 days	34,373	17,582
61-90日	61 - 90 days	25,816	5,914
91日以上	Over 91 days	14,021	12,018
		110,715	102,065

Notes to Financial Statements ■ 財務報告附註

30 June 2004
二零零四年六月三十日

二十一、其他投資

21. OTHER INVESTMENTS

		本集團 Group	
		2004	2003
		千港元	千港元
		HK\$'000	HK\$'000
香港上市股本證券， 按市值	Listed equity securities in Hong Kong, at market value	7,366	10,198
其他地區有價單位基金， 按公平值	Marketable unit funds elsewhere, at fair value	28,486	41,205
		35,852	51,403

二十二、貿易應付款項

22. TRADE PAYABLES

於結算日，貿易應付款項之賬齡
分析如下：

An aged analysis of the trade payables at the balance sheet
date is as follows:

		本集團 Group	
		2004	2003
		千港元	千港元
		HK\$'000	HK\$'000
即期	Current	143,659	152,814
31-60日	31 - 60 days	27,991	7,405
61-90日	61 - 90 days	4,682	12,006
91日以上	Over 91 days	2,144	1,668
		178,476	173,893



Notes to Financial Statements ■ 財務報告附註

30 June 2004
二零零四年六月三十日

二十三、銀行貸款及透支， 有抵押

23. BANK LOAN AND OVERDRAFTS, SECURED

		本集團 Group	
		2004 千港元 HK\$'000	2003 千港元 HK\$'000
銀行透支，有抵押	Bank overdrafts, secured	26,149	22,257
銀行貸款，有抵押：	Bank loan, secured:		
須於一年內償還	Repayable within 1 year	5,385	22,257
須於第二年償還	Repayable in the second year	5,385	—
須於第三年至第五年償還 (包括首尾兩年)	Repayable in the third to fifth years, inclusive	16,155	—
須於五年後償還	Repayable beyond five years	39,934	—
		66,859	—
		93,008	22,257
減：已列入流動負債於一年 內到期之即期部分	Less: Current portion due within one year included under current liabilities	(31,534)	(22,257)
已列入非流動負債之非即期 部分	Non-current portion included under non-current liabilities	61,474	—

於二零零四年六月三十日，本集團之銀行貸款由以下擔保支持：

At 30 June 2004, the Group's banking facilities were supported by the following:

- | | |
|------------------------------|---|
| (a) 一間附屬公司之股份按揭； | (a) share mortgage of a subsidiary; |
| (b) 一項投資物業租金收入之轉讓； | (b) assignment of rental income of an investment property; |
| (c) 本集團投資物業及若干租賃土地及樓宇之法定押記；及 | (c) legal charges over the Group's investment properties and certain of the leasehold land and buildings; and |
| (d) 本公司作出之公司擔保。 | (d) corporate guarantees executed by the Company. |

二十四、少數股東貸款

少數股東貸款乃無抵押、免息，及毋須於結算日起12個月內償還。

24. LOANS FROM MINORITY SHAREHOLDERS

The loans from minority shareholders are unsecured, interest-free and not repayable within the next twelve months from the balance sheet date.

二十五、遞延稅項

以下為於資產負債表確認之主要遞延稅項資產及負債，以及於本期及過往期間之變動：

25. DEFERRED TAX

The following are major deferred tax assets and liabilities recognised in the balance sheet and the movements during the current and prior periods:

本集團 遞延稅項負債	Group Deferred tax liabilities	加速稅項折舊 Accelerated tax depreciation 千港元 HK\$'000	重估物業 Revaluation of properties 千港元 HK\$'000	總計 Total 千港元 HK\$'000
於二零零三年七月一日	At 1 July 2003	–	–	–
於本年度之收益表 扣除	Charge to income statement for the year	348	–	348
於本年度之股本扣除	Charge to equity for the year	–	1,634	1,634
於二零零四年六月 三十日之結餘	Balance at 30 June 2004	348	1,634	1,982



Notes to Financial Statements ■ 財務報告附註

30 June 2004
二零零四年六月三十日

二十五、遞延稅項 (續)

25. DEFERRED TAX (continued)

遞延稅項資產	Deferred tax assets	一般撥備 General Provision 千港元 HK\$'000
於二零零二年七月一日	At 1 July 2002	
如前呈報	As previously reported	-
往年調整：	Prior year adjustment:	
會計實務準則第12號 (經修訂) – 遞延稅項重列	SSAP 12 (Revised) – restatement of deferred tax	(2,400)
經重列及於二零零三年六月三十日及 二零零四年六月三十日	As restated and at 30 June 2003 and 30 June 2004	(2,400)

本集團共有稅損約37,124,000港元(二零零三年：35,490,000港元)，該等稅損可抵銷引致該等稅損之公司未來應課稅溢利。鑑於該等未動用稅損不大可能用於抵銷未來應課稅溢利，因此並未就該等稅損確認為遞延稅項資產。

The Group has tax losses of approximately HK\$37,124,000 (2003: HK\$35,490,000) that are available for offsetting against future taxable profits of the companies which incurred the losses. Deferred tax assets have not been recognised in respect of these losses as it is not probable that future taxable profits will be available against which these unused tax losses can be utilised.

除於收益表扣除之金額外，有關重估本集團物業之遞延稅項已於股本中直接扣除。

In addition to the amount charged to the income statement, deferred tax relating to the revaluation of the Group's properties was charged directly to equity.

於二零零四年六月三十日，本公司並無任何重大未撥備遞延稅項負債(二零零三年：無)。

As at 30 June 2004, the Company did not have any significant unprovided deferred tax liabilities (2003: Nil).

二十六、股本

26. SHARE CAPITAL

		2004 千港元 HK\$'000	2003 千港元 HK\$'000
法定股本：	Authorised:		
每股面值0.10港元之 普通股3,500,000,000股	3,500,000,000 ordinary shares of HK\$0.10 each	350,000	350,000
已發行及繳足股本：	Issued and fully paid:		
每股面值0.10港元之 普通股279,800,031股	279,800,031 ordinary shares of HK\$0.10 each	27,980	27,980

Notes to Financial Statements ■ 財務報告附註

30 June 2004
二零零四年六月三十日

二十七、儲備

本集團

本年度及以往年度本集團儲備及有關變動之金額在綜合權益變動表呈列。

本集團於二零零一年七月一日以前進行之收購所產生及保留在綜合儲備內之商譽，於二零零四年六月三十日為36,096,000港元（二零零三年：36,096,000港元），詳列於附註十二。於往年產生之商譽以成本值列賬。

本公司

27. RESERVES

Group

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity.

The amount of goodwill remaining in consolidated reserves, arising from the acquisition of subsidiaries prior to 1 July 2001 was HK\$36,096,000 (2003: HK\$36,096,000) as at 30 June 2004, as detailed in note 12. This goodwill, which arose in prior years, is stated at cost.

Company

		股份溢價賬 Share premium account 千港元 HK\$'000	不可分派儲備 Non- distributable reserve 千港元 HK\$'000	保留溢利 Retained profits 千港元 HK\$'000	總計 Total 千港元 HK\$'000
於二零零二年七月一日	At 1 July 2002	158,373	273,606	88,954	520,933
本年度純利	Net profit for the year	–	–	774	774
二零零三年度中期股息	Interim 2003 dividend	–	–	(2,798)	(2,798)
二零零三年度擬派末期股息	Proposed final 2003 dividend	–	–	(2,798)	(2,798)
於二零零三年六月三十日及 二零零三年七月一日	At 30 June 2003 and 1 July 2003	158,373	273,606	84,132	516,111
本年度純利	Net profit for the year	–	–	10,669	10,669
二零零四年度中期股息	Interim 2004 dividend	–	–	(2,798)	(2,798)
二零零四年度擬派末期股息	Proposed final 2004 dividend	–	–	(2,798)	(2,798)
於二零零四年六月三十日	At 30 June 2004	158,373	273,606	89,205	521,184

不可分派儲備指於一九九四年本公司之普通股面值由每股2.50港元減至0.10港元所產生之溢價。

The non-distributable reserve represents the premium arising on the reduction of the par value of ordinary shares of the Company from HK\$2.50 to HK\$0.10 per share in 1994.



Notes to Financial Statements ■ 財務報告附註

30 June 2004
二零零四年六月三十日

二十八、或然負債

於結算日，未於財務報告作出撥備之或然負債如下：

28. CONTINGENT LIABILITIES

At the balance sheet date, contingent liabilities not provided for in the financial statements were as follows:

	本公司 Company		
	2004 千港元 HK\$'000	2003 千港元 HK\$'000	
就授予附屬公司之銀行信貸 作出之擔保	Guarantees for banking facilities granted to subsidiaries	259,000	169,000

於二零零四年六月三十日，本公司向銀行作出擔保所涉及附屬公司所獲銀行信貸已動用約93,008,000港元(二零零三年：22,257,000港元)。

At 30 June 2004, the banking facilities granted to the subsidiaries subject to guarantees given to the banks by the Company were utilised to the extent of approximately HK\$93,008,000 (2003: HK\$22,257,000).

於截至二零零一年六月三十日止年度及截至本財務報告日期，香港稅務局(「稅務局」)正審查本公司一間附屬公司之稅務。經考慮稅務局至今審查工作之進展，本公司董事認為已中肯地呈列本集團之稅務撥備。有關上述稅務局審查之潛在稅務負債約為6,600,000港元。截至二零零四年六月三十日，本集團已就上述稅務局審查購買價值約3,200,000港元之儲稅券。

During the year ended 30 June 2001 and up to the date of these financial statements, the Inland Revenue Department ("IRD") of Hong Kong is in the process of reviewing the tax affairs of a subsidiary of the Company. After taking into account the development of the IRD's review to date, the directors of the Company are of the opinion that the Group's tax provision is fairly presented. The potential tax liabilities relating to the aforementioned IRD's review are approximately HK\$6.6 million. As at 30 June 2004, in relation to the aforementioned IRD's review, the Group has purchased a tax reserve certificate amounting to approximately HK\$3.2 million.

Notes to Financial Statements ■ 財務報告附註

30 June 2004
二零零四年六月三十日

二十九、資本承擔

於結算日，本集團有下列已訂約但未撥備之承擔：

		本集團 Group	
		2004 千港元 HK\$'000	2003 千港元 HK\$'000
在建工程	Construction in progress	4,227	9,166
在建物業	Property under development	–	24,023
		4,227	33,189

於結算日，本公司並無任何承擔（二零零三年：無）。

The Group had the following commitments contracted, but not provided for, at the balance sheet date:

At the balance sheet date, the Company did not have any commitments (2003: Nil).

三十、營業租賃安排

(a) 作為出租人

本集團以營業租賃安排租出其若干物業（附註十一），洽商租約期限由兩年至六年不等。

於二零零四年六月三十日，本集團就不可撤銷營業租賃之未來應收租戶款項最低總額及相關期限如下：

		本集團 Group	
		2004 千港元 HK\$'000	2003 千港元 HK\$'000
一年內	Within one year	5,034	660
第二年至第五年(包括首尾兩年)	In the second to fifth years, inclusive	14,732	200
五年以上	More than five years	1,500	–
		21,266	860

30. OPERATING LEASE ARRANGEMENTS

(a) As lessor

The Group leases certain of its properties (note 11) under operating lease arrangements, with leases negotiated for terms ranging from two to six years.

At 30 June 2004, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:



Notes to Financial Statements ■ 財務報告附註

30 June 2004
二零零四年六月三十日

三十、營業租賃安排 (續)

(b) 作為承租人

本集團以營業租賃安排租入若干辦公室物業及員工宿舍，洽商租約期限由一年至三年不等。

於二零零四年六月三十日，本集團就不可撤銷營業租賃之未來應付租賃支出最低總額及相關期限如下：

		本集團 Group	
		2004 千港元 HK\$'000	2003 千港元 HK\$'000
一年內	Within one year	6,609	4,560
第二年至第五年(包括首尾兩年)	In the second to fifth years, inclusive	1,004	5,573
		7,613	10,133

於二零零四年六月三十日，本公司並無訂立任何重大租賃(二零零三年：無)。

30. OPERATING LEASE ARRANGEMENTS

(continued)

(b) As lessee

The Group leases certain of its office properties and staff quarters under operating lease arrangements. Leases for properties are negotiated for terms ranging from one to three years.

At 30 June 2004, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		本集團 Group	
		2004 千港元 HK\$'000	2003 千港元 HK\$'000
一年內	Within one year	6,609	4,560
第二年至第五年(包括首尾兩年)	In the second to fifth years, inclusive	1,004	5,573
		7,613	10,133

At 30 June 2004, the Company did not have any significant leases (2003: Nil).

三十一、董事酬金及五位最高薪僱員

依據香港聯合交易所有限公司證券上市規則(「上市規則」)及香港公司條例第一百六十一條所披露之董事酬金如下：

31. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES

Directors' remuneration disclosed pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and Section 161 of the Hong Kong Companies Ordinance is as follows:

		本集團 Group	
		2004 千港元 HK\$'000	2003 千港元 HK\$'000
袍金：	Fees:		
獨立非執行董事	Independent non-executive directors	150	150
其他執行董事酬金：	Other executive directors' emoluments:		
薪金、津貼及實物利益	Salaries, allowances and benefits in kind	5,657	5,996
退休計劃供款	Retirement scheme contributions	233	249
花紅	Bonus	3,339	1,125
		9,229	7,370
		9,379	7,520

除上文所披露者外，於兩個年度內概無執行董事、非執行董事或獨立非執行董事收取任何袍金、其他補償金或酬金。

Save as disclosed above, none of the executive, non-executive or independent non-executive directors received any fees or other reimbursements or emoluments for both years.

上述董事酬金之金額介乎下列範圍：

The number of directors whose remuneration fell within the following bands is as follows:

		董事人數 Number of directors	
		2004	2003
零至1,000,000港元	Nil – HK\$1,000,000	6	5
1,000,001港元至1,500,000港元	HK\$1,000,001 – HK\$1,500,000	1	2
2,000,001港元至2,500,000港元	HK\$2,000,001 – HK\$2,500,000	1	–
3,500,001港元至4,000,000港元	HK\$3,500,001 – HK\$4,000,000	–	1
4,000,001港元至4,500,000港元	HK\$4,000,001 – HK\$4,500,000	1	–
		9	8



Notes to Financial Statements ■ 財務報告附註

30 June 2004
二零零四年六月三十日

三十一、董事酬金及五位最高薪僱員 (續)

年內概無董事放棄或同意放棄任何酬金之安排。

年內，本集團並無向董事支付任何酬金以作為加入或於加入本集團時之獎勵或離職補償。

五位最高薪僱員

年內五位最高薪僱員包括四名(二零零三年：三名)董事，其酬金詳情載於上文。餘下一名(二零零三年：兩名)並非董事之最高薪僱員之酬金詳情如下：

31. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES

(continued)

There was no arrangement under which a director waived or agreed to waive any remuneration during the year.

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

Five highest paid employees

The five highest paid employees during the year included four (2003: three) directors, details of whose remuneration are set out above. Details of the remuneration of the remaining one (2003: two) non-director, highest paid employees are as follows:

		本集團 Group	
		2004 千港元 HK\$'000	2003 千港元 HK\$'000
薪金、津貼及實物利益	Salaries, allowances and benefits in kind	1,317	2,047
退休計劃供款	Retirement scheme contributions	-	3
花紅	Bonus	-	1,291
		1,317	3,341

三十一、董事酬金及五位最高薪僱員 (續)

非董事之最高薪僱員而酬金之金額介乎下列範圍之人數如下：

		董事人數	
		Number of directors	
		2004	2003
1,000,001港元至1,500,000港元	HK\$1,000,001 to HK\$1,500,000	1	1
2,000,001港元至2,500,000港元	HK\$2,000,001 to HK\$2,500,000	–	1
		1	2

年內，本集團並無向董事支付任何酬金以作為加入或於加入本集團時之獎勵或離職補償。

三十二、結算日後事項

於結算日後，於二零零四年八月十三日，本集團就認購Crystal Gain Developments Limited (「Crystal Gain」) 55股股份 (佔Crystal Gain擴大後已發行股本55%) 訂立協議 (「該協議」)。Crystal Gain乃一家由本公司執行董事陳聖澤先生 (「陳先生」) 擁有之公司。該協議提述Crystal Gain將以購買價345,000,000港元購入位於香港軒尼詩道523至527號之物業。該協議進一步提述本集團及陳先生將按個別基準及根據彼等各自於Crystal Gain之股權向Crystal Gain提供財務援助。該交易按上市規則被歸類為主要及關連交易，詳情見於二零零四年九月六日刊發之本公司通函。

該交易已於本財務報告日期獲獨立股東批准。

31. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES

(continued)

The number of non-director, highest paid employees whose remuneration fell within the following bands is as follows:

		董事人數	
		Number of directors	
		2004	2003
1,000,001港元至1,500,000港元	HK\$1,000,001 to HK\$1,500,000	1	1
2,000,001港元至2,500,000港元	HK\$2,000,001 to HK\$2,500,000	–	1
		1	2

During the year, no emoluments were paid by the Group to the five highest paid employees as an inducement to join or upon joining the Group, or as compensation for loss of office.

32. POST BALANCE SHEET EVENT

Subsequent to the balance sheet date, on 13 August 2004, the Group entered into an agreement (the "Agreement") in relation to the subscription by the Group of 55 shares, representing 55% of the enlarged issued share capital of Crystal Gain Developments Limited ("Crystal Gain"), a company owned by Mr. Chan Sing Chuk, Charles ("Mr. Chan"), an executive director of the Company. The Agreement stated that Crystal Gain would acquire a property located at No. 523 to 527, Hennessy Road, Hong Kong at the purchase price of HK\$345 million. The Agreement further stated that the Group and Mr. Chan will provide financial support to Crystal Gain on a several basis and in accordance with their respective shareholdings in Crystal Gain. Such transaction is classified as a major and connected transaction under the Listing Rules and more details were included in the Company's circular dated 6 September 2004.

The transaction was approved by independent shareholders as of the date of these financial statements.



Notes to Financial Statements ■ 財務報告附註

30 June 2004
二零零四年六月三十日

三十三、有關連人士交易

除於本財務報告其他部分披露之有關連人士交易外，本集團於年內支付10,714,000港元(二零零三年：12,706,000港元)分包費用予若干聯營公司。分包費用經本集團與聯營公司彼此磋商達成。

三十四、比較數額

於現年度，租金收入毛額已歸類為營業額。因此，為符合現年度之呈報方式，764,000港元比較數額已重新分類及修訂。

三十五、通過財務報告

載於第32頁至第93頁之財務報告已於二零零四年十月二十日由董事會通過。

33. RELATED PARTY TRANSACTIONS

In addition to those related party transactions disclosed elsewhere in these financial statements, during the year, the Group paid subcontracting fees of HK\$10,714,000 (2003: HK\$12,706,000) to certain associates. The subcontracting fees are mutually negotiated between the Group and the associates.

34. COMPARATIVE AMOUNTS

During the current year, gross rental income has been classified as turnover and accordingly, comparative amount of HK\$764,000 has been reclassified and revised to conform with the current year's presentation.

35. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements on pages 32 to 93 were approved by the board of directors on 20 October 2004.