

Notes to Financial Statements

For the year ended 31 March 2005

1. PRINCIPAL ACTIVITIES

The principal activities of the company are property and share investments, property development and securities dealings. The principal activities of the subsidiaries are set out in note 13 to the financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared on the historical cost convention, as modified for revaluation of investment properties and trading and other securities, and in accordance with the Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") which includes Statements of Standard Accounting Practice ("SSAP") and Interpretations approved by the HKICPA.

In 2004, the HKICPA issued a number of new or revised Hong Kong Accounting Standards and Hong Kong Financial Reporting Standards (herein collectively referred to as "new HKFRSs") which are effective for accounting periods beginning on or after 1 January 2005. The group has not early adopted the new HKFRSs in the financial statements for the year ended 31 March 2005. The group has commenced an assessment of the potential impact of the new HKFRSs but is not yet in a position to quantify the effects of the new HKFRSs on the results of operations and financial position of the group.

2.1 Basis of consolidation

The consolidated financial statements include the financial statements of the company and all subsidiaries made up to 31 March. The results of subsidiaries acquired or disposed of during the year are consolidated from or to their effective date of acquisition or disposal respectively.

All significant intra-group transactions and balances have been eliminated on consolidation.

2.2 Subsidiaries

A subsidiary is a company in which the company, directly or indirectly, controls more than half of the voting power or issued share capital or controls the composition of the board of directors. Investments in subsidiaries are carried at cost less impairment loss where appropriate.



Notes to Financial Statements

For the year ended 31 March 2005

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3 Property, plant and equipment

Property, plant and equipment other than investment properties are stated at cost less aggregate depreciation and impairment losses where appropriate. The cost of an asset comprises its purchase price and any directly attributable cost of bringing the asset to its present working condition and location for its intended use. Expenditure incurred after the assets have been put into operation, such as repairs and maintenance and overhaul costs, 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 assets, the expenditure is capitalised as an additional cost of the assets. When assets are sold or retired, their cost and aggregate depreciation/impairment losses are eliminated from the accounts and any gain or loss resulting from their disposal is included in the income statement.

Depreciation is provided to write off the cost less residual value of each property, plant and equipment, other than investment properties, over its expected useful life at the following annual rates:

Leasehold properties	—	2.5% straight line basis
Leasehold improvement	—	10% reducing balance method
Furniture, fixtures and equipment	—	10% reducing balance method

2.4 Investment properties

Investment properties are interests in land and buildings in respect of which construction work and development have been completed and are held for their investment potential.

Investment properties are stated at their open market value based on independent professional valuations at the balance sheet date. Any surplus or deficit arising on the revaluation of investment properties is credited or charged to the investment property revaluation reserve unless the balance of this reserve is insufficient to cover a deficit, in which case the excess of the deficit over the balance on the investment property revaluation reserve is charged to the income statement. Where a deficit has previously been charged to the income statement and a revaluation surplus subsequently arises, this surplus is credited to the income statement to the extent of the deficit previously charged.

On disposal of an investment property, the related portion of surpluses or deficits previously taken to the investment property revaluation reserve is transferred to the income statement for the year.



Notes to Financial Statements

For the year ended 31 March 2005

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.5 Properties held for or under development

Properties held for or under development are stated at cost less impairment loss where appropriate. Cost comprises land cost, development costs and other direct costs incurred during the development period.

2.6 Impairment of assets

Internal and external sources of information are reviewed at each balance sheet date to identify indications that the assets, other than stock of land interest and financial assets (excluding investments in subsidiaries), may be impaired or an impairment loss previously recognised no longer exists or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. The recoverable amount of an asset is the greater of its net selling price and value in use. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

An impairment loss is reversed if there has been a change in the estimates resulting in an increase of the recoverable amount. A reversal of impairment losses is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to the income statement in the year in which the reversals are recognised.

2.7 Income tax

Tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on 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, 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.



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For the year ended 31 March 2005

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.7 Income tax *(continued)*

Deferred tax liabilities are not recognised for taxable temporary differences arising on investments in subsidiaries 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, and taxable temporary differences arising on the initial recognition (other than in a business combination) of assets and liabilities that affects neither the taxable profit nor the accounting profit.

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 profit will be available to allow all or part of the asset to be recovered.

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. It is charged or credited in 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.

2.8 Share investments

Share investments, other than the investments in subsidiaries, held on a continuing basis for an identified long-term purpose are classified as investment securities. Investment securities are stated in the balance sheet at cost less provision for diminution in value. Provisions are made when the fair values have declined below the carrying amounts, unless there is evidence that the decline is temporary, and are recognised as an expense in the income statement. Such provisions are determined for each investment individually. Provision is written back when the circumstances and events that led to the write-down or write-off cease to exist, and there is persuasive evidence that the new circumstances and events will persist for the foreseeable future.

Other share investments are classified as either trading securities or other securities and stated in the balance sheet at fair value. Changes in fair value are recognised in the income statement.

Profits or losses on disposal of share investments are determined as the difference between the net disposal proceeds and the carrying amount of the investments and are accounted for in the income statement as they arise.

2.9 Stock of land interests

Stock of land interests is stated at the lower of cost and market value.



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For the year ended 31 March 2005

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.10 Revenue recognition

Sales of trading securities are recognised on trade date basis.

Rental income from investment properties under operating leases is recognised on a straight line basis over the lease term.

Dividend income from listed investments is recognised when the share price of the investment goes ex-dividend.

Interest income on bank deposits is recognised on a time proportion basis.

2.11 Employee benefits

Salaries and other short-term employee benefits are recognised as an expense in the period during which the employees render services to the group.

The group operates a mandatory provident fund scheme under the Hong Kong Mandatory Provident Fund Schemes Ordinance for all eligible employees. The scheme is a defined contribution scheme administered by independent trustees. Under the scheme, the employer and employees are required to make contributions to the scheme at 5% of the employees' relevant income, subject to a maximum of monthly contribution of HK\$1,000. Contributions to the scheme vest immediately and are recognised as an expense in the income statement as incurred.

3. SEGMENT INFORMATION

Business segments

For management purposes, the group identifies three principal business segments: securities investments, property leasing and property development. These segments are the basis on which the group reports its primary segment information.

Principal activities of each segment are as follows:

- Securities investments — securities investments for long-term and dealing purpose
- Property leasing — letting of properties
- Property development — developing properties



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For the year ended 31 March 2005

3. SEGMENT INFORMATION (continued)

Business segments (continued)

Segment information about these businesses is presented below:

	Securities investments		Property leasing		Property development		Consolidated total	
	2005	2004	2005	2004	2005	2004	2005	2004
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
INCOME STATEMENT								
Segment revenue	20,725,519	3,537,191	6,861,468	7,198,613	—	—	27,586,987	10,735,804
Segment results	13,293,085	7,056,663	4,234,251	4,973,569	4,080,374	7,781,188	21,607,710	19,811,420
Interest income							67,371	236,610
Interest expenses							(17,606)	—
Unallocated corporate expenses							(540,948)	(500,548)
Profit from operations							21,116,527	19,547,482
Taxation							(675,920)	(1,015,730)
Profit after taxation							20,440,607	18,531,752
BALANCE SHEET								
Assets:								
Segment assets	67,335,789	81,048,607	125,781,890	83,553,169	51,289,752	34,750,253	244,407,431	199,352,029
Liabilities:								
Segment liabilities	1,236,612	810,747	31,551,132	3,190,697	1,948,844	479,974	34,736,588	4,481,418
Unallocated corporate liabilities							897,556	865,516
Consolidated total liabilities							35,634,144	5,346,934
OTHER INFORMATION								
Capital expenditure	—	—	50,944,175	8,750	12,363,440	2,091,035	63,307,615	2,099,785
Purchase of investment and other securities	3,147,639	15,230,665	—	—	—	—	3,147,639	15,230,665
Depreciation	3,030	2,536	116,729	119,999	—	—	119,759	122,535
Provision for diminution in value of investment securities written back	7,052,809	—	—	—	—	—	7,052,809	—
Impairment loss on properties held for or under development written back	—	—	—	—	4,130,136	7,852,000	4,130,136	7,852,000
Unrealised holding (losses)/gains on trading and other securities	(17,411)	3,257,339	—	—	—	—	(17,411)	3,257,339
Provision for long service payments	—	47,235	68,200	40,765	—	—	68,200	88,000



Notes to Financial Statements

For the year ended 31 March 2005

3. SEGMENT INFORMATION (continued)

Geographical segments

The group has all its operating activities carried out in Hong Kong and hence no geographical analysis of financial information is provided.

4. TURNOVER

	The group	
	2005	2004
	HK\$	HK\$
Sales of trading securities	17,788,641	—
Gross rental income from investment properties	6,861,468	7,198,613
Dividend income from investments listed in Hong Kong	2,936,878	3,537,191
	<u>27,586,987</u>	<u>10,735,804</u>



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5. PROFIT BEFORE TAXATION

	The group	
	2005	2004
	HK\$	HK\$
Profit before taxation is stated after charging:		
Auditors' remuneration	122,000	114,000
Depreciation	119,759	122,535
Loss on disposal of property, plant and equipment	1,758	—
Interest on bank borrowings	17,606	—
Staff costs, including contribution to mandatory provident fund of HK\$37,820 (2004: HK\$32,320) and directors' remuneration	2,885,144	2,659,612
	<u>2,885,144</u>	<u>2,659,612</u>
And after crediting:		
Interest income from bank deposits	67,371	236,610
Rental income less outgoings	6,187,244	6,883,417
	<u>6,187,244</u>	<u>6,883,417</u>

Notes to Financial Statements

For the year ended 31 March 2005

6. DIRECTORS' REMUNERATION

The remuneration of the directors is as follows:

	2005			Total HK\$
	Fees HK\$	Other emoluments and other benefits HK\$	Mandatory provident fund contribution HK\$	
Executive directors —				
Ng See Wah	12,000	774,780	—	786,780
Ng Tai Wai	12,000	404,528	12,000	428,528
Soo Cho Ling	12,000	774,780	—	786,780
Non-executive directors —				
Ng Tai Keung	12,000	—	—	12,000
So Kwok Leung	12,000	—	—	12,000
Independent non-executive directors —				
Heng Kwo Seng	60,000	—	—	60,000
Ng Chi Yeung, Simon	60,000	—	—	60,000
Chan Suit Fei, Esther	30,000	—	—	30,000
	210,000	1,954,088	12,000	2,176,088



Notes to Financial Statements

For the year ended 31 March 2005

6. DIRECTORS' REMUNERATION (continued)

	2004			Total HK\$
	Fees HK\$	Other emoluments		
		Salaries and other benefits HK\$	Mandatory provident fund contribution HK\$	
Executive directors —				
Ng See Wah	12,000	774,780	—	786,780
Ng Tai Wai	12,000	311,696	12,000	335,696
Soo Cho Ling	12,000	774,780	—	786,780
Non-executive directors —				
Ng Tai Keung	12,000	—	—	12,000
So Kwok Leung	12,000	—	—	12,000
Independent non-executive directors —				
Heng Kwoo Seng	60,000	—	—	60,000
Ng Chi Yeung, Simon	60,000	—	—	60,000
Chan Suit Fei, Esther	—	—	—	—
	<u>180,000</u>	<u>1,861,256</u>	<u>12,000</u>	<u>2,053,256</u>



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7. EMPLOYEES' EMOLUMENTS

Among the five highest paid individuals of the group, three (2004: three) are executive directors whose emoluments are set out in note 6 to the financial statements. The emoluments of the other two (2004: two) individuals are as follows:

	The group	
	2005	2004
	HK\$	HK\$
Salaries and other benefits	<u>498,036</u>	<u>498,036</u>

The aggregate emoluments of each employee are within the emolument band ranging from HK\$Nil to HK\$1,000,000.

Notes to Financial Statements

For the year ended 31 March 2005

8. TAXATION

	The group	
	2005 HK\$	2004 HK\$
Current tax		
Provision for Hong Kong profits tax for current year	630,000	673,249
Over-provision for prior year	(1)	(2,786)
	<u>629,999</u>	<u>670,463</u>
Deferred tax	45,921	345,267
	<u>675,920</u>	<u>1,015,730</u>
Total tax expense	<u>675,920</u>	<u>1,015,730</u>

Provision for Hong Kong profits tax is calculated at 17.5% (2004: 17.5%) on the estimated assessable profit for the year.

Reconciliation between tax expense and accounting profit at applicable tax rate

	The group	
	2005 HK\$	2004 HK\$
Profit before taxation	<u>21,116,527</u>	<u>19,547,482</u>
Notional tax expense on profit before taxation, calculated at Hong Kong profits tax rate of 17.5% (2004: 17.5%)	3,695,392	3,420,810
Tax effect of non-deductible expenses	53,321	53,102
Tax effect of non-taxable revenue	(2,938,708)	(2,305,098)
Tax effect of unused current tax losses not recognised	18,658	89,252
Tax effect of tax losses utilised in current year	(160,696)	—
Deferred tax in prior years not recognised	—	(239,550)
Adjustment for current tax	<u>7,953</u>	<u>(2,786)</u>
Tax expense	<u>675,920</u>	<u>1,015,730</u>



Notes to Financial Statements

For the year ended 31 March 2005

9. EARNINGS PER SHARE

The calculation of earnings per share is based on the consolidated profit after tax of HK\$20,440,607 (2004: HK\$18,531,752) and on 40,000,000 shares (2004: 40,000,000 shares) in issue during the year.

10. PROPERTY, PLANT AND EQUIPMENT

The group	Investment properties <i>HK\$</i>	Leasehold properties <i>HK\$</i>	Leasehold improvement <i>HK\$</i>	Furniture, fixtures and equipment <i>HK\$</i>	Total <i>HK\$</i>
Cost or valuation					
At 1 April 2004	69,480,000	3,758,960	570,900	201,705	74,011,565
Additions	50,942,415	—	—	1,760	50,944,175
Disposals	—	—	—	(2,680)	(2,680)
Deficit on revaluation	(1,272,415)	—	—	—	(1,272,415)
At 31 March 2005	119,150,000	3,758,960	570,900	200,785	123,680,645
Aggregate depreciation					
At 1 April 2004	—	1,127,688	380,556	134,191	1,642,435
Charge for the year	—	93,974	19,034	6,751	119,759
Written back on disposals	—	—	—	(922)	(922)
At 31 March 2005	—	(1,221,662)	(399,590)	(140,020)	(1,761,272)
Net book value					
At 31 March 2005	119,150,000	2,537,298	171,310	60,765	121,919,373
At 31 March 2004	69,480,000	2,631,272	190,344	67,514	72,369,130



Notes to Financial Statements

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10. PROPERTY, PLANT AND EQUIPMENT (continued)

The company	Investment properties HK\$	Furniture, fixtures and equipment HK\$	Total HK\$
Cost or valuation			
At 1 April 2004	2,300,000	57,976	2,357,976
Disposals	—	(2,680)	(2,680)
Deficit on revaluation	(70,000)	—	(70,000)
At 31 March 2005	2,230,000	55,296	2,285,296
Aggregate depreciation			
At 1 April 2004	—	25,608	25,608
Charge for the year	—	3,061	3,061
Written back on disposals	—	(922)	(922)
At 31 March 2005	—	(27,747)	(27,747)
Net book value			
At 31 March 2005	2,230,000	27,549	2,257,549
At 31 March 2004	2,300,000	32,368	2,332,368

All the properties are situated in Hong Kong and are held under following lease term:

	2005 HK\$	2004 HK\$
The group		
Investment properties —		
Medium term	112,140,000	61,840,000
Long term	7,010,000	7,640,000
	119,150,000	69,480,000
Leasehold properties —		
Medium term	2,537,298	2,631,272
The company		
Investment properties —		
Medium term	2,230,000	2,300,000

The group's investment properties were revalued on 31 March 2005 by RHL Appraisal Limited, an independent firm of professional surveyors, on an open market value basis.

As at 31 March 2005, the investment properties of the group with an aggregate carrying value of HK\$52,000,000 (2004: Nil) were pledged to a bank to secure general banking facilities granted to the group.



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11. PROPERTIES HELD FOR OR UNDER DEVELOPMENT

	The group	
	2005	2004
	<i>HK\$</i>	<i>HK\$</i>
Cost at beginning of year	75,692,396	73,601,361
Additions	12,363,440	2,091,035
Cost at end of year	88,055,836	75,692,396
Provision for impairment loss	(36,842,864)	(40,973,000)
	51,212,972	34,719,396

The properties held for or under development are situated in Hong Kong and are held under medium term leases. Provision for impairment loss is calculated by reference to the open market value of the properties at the balance sheet date as appraised by independent firm of professional surveyors.

12. INVESTMENT SECURITIES

	The group	
	2005	2004
	<i>HK\$</i>	<i>HK\$</i>
Equity shares listed in Hong Kong, at cost	70,557,435	73,920,985
Provision for diminution in value	(14,796,191)	(21,849,000)
	55,761,244	52,071,985
Market value	69,115,810	70,447,769



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13. INTEREST IN SUBSIDIARIES

	The company	
	2005 HK\$	2004 HK\$
Unlisted investments at cost	6,481,102	6,481,102
Advances to subsidiaries		
— Interest free	177,297,785	175,660,978
— Interest bearing	23,021,788	—
	<u>206,800,675</u>	<u>182,142,080</u>
Advances from subsidiaries		
— Interest free	(29,233,260)	(36,293,165)
	<u>177,567,415</u>	<u>145,848,915</u>
Provision for loss	(55,273,676)	(71,032,752)
	<u><u>122,293,739</u></u>	<u><u>74,816,163</u></u>

Particulars of the subsidiaries at 31 March 2005 were as follows:

Name	Place of incorporation/ operation	Principal activity	Issued share capital HK\$	Percentage of holding directly
Hing Full Far East Development Limited	Hong Kong	Dormant	10,000	100%
Hing Lung Properties Limited	Hong Kong	Property development	10,000	100%
Hing Shing Far East Development Limited	Hong Kong	Share investment	10,000	100%
Konchoy Limited	Hong Kong	Property investment	2	100%
Wang Fung Far East Development Limited	Hong Kong	Property investment/ development	10,000	100%



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13. INTEREST IN SUBSIDIARIES (continued)

Name	Place of incorporation/ operation	Principal activity	Issued share capital HK\$	Percentage of holding directly
Winful Far East Limited	Hong Kong	Property investment/ development	100	100%
Yick Fu Investment Company Limited	Hong Kong	Property investment	1,800,000	100%
YLH Limited	Hong Kong	Property investment	10,000	100%

Advances among group companies are unsecured and repayable on demand. Interest on interest bearing advances is charged at prime rate less 3% per annum.

14. DEBTORS, DEPOSITS AND PREPAYMENTS

Included therein are rental receivables of the group of HK\$336,749 (2004: HK\$409,678) and the company of HK\$Nil (2004: HK\$9,000) which were current and within normal credit period.

15. PROVISION FOR LONG SERVICE PAYMENTS

	The group		The company	
	2005 HK\$	2004 HK\$	2005 HK\$	2004 HK\$
Balance at beginning of year	2,018,000	1,930,000	939,000	872,000
Provision for the year	68,200	88,000	—	67,000
Balance at end of year	2,086,200	2,018,000	939,000	939,000

Provision for long service payments is made for all employees, including the directors, who had worked under continuous contract for a minimum of five years as at the balance sheet date, and is calculated in accordance with the provisions of the Employment Ordinance. The employees will only be entitled to the long service payments when the conditions under the Employment Ordinance are met upon termination of employment.



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16. BANK BORROWINGS — SECURED

	The group	
	2005 HK\$	2004 HK\$
Current portion		
Repayable within one year	2,800,000	—
Long-term portion		
Repayable after one year but not exceeding two years	2,800,000	—
Repayable after two years but not exceeding five years	8,400,000	—
Repayable after five years	14,000,000	—
	25,200,000	—
	28,000,000	—



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17. DEFERRED TAXATION

The components of deferred tax liabilities recognised in the balance sheet and its movements are as follows:

Deferred tax arising from:	The group		
	Property, plant and equipment HK\$	Unused tax losses HK\$	Total HK\$
At 1 April 2003	—	—	—
Charged to income statement	345,267	—	345,267
At 31 March 2004 and 1 April 2004	345,267	—	345,267
Charged/(credited) to income statement	66,219	(20,298)	45,921
At 31 March 2005	411,486	(20,298)	391,188

There was no material deferred tax to be recognised and accounted for by the company at the balance sheet date.

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17. DEFERRED TAXATION (continued)

Deferred tax assets unrecognised

Deferred tax asset is not recognised in respect of the following item as it is uncertain if there will be sufficient future profits to allow the benefit of the deferred tax asset to be utilised:

	The group		The company	
	2005	2004	2005	2004
	HK\$	HK\$	HK\$	HK\$
Unused tax losses	7,774,509	8,585,160	7,666,894	8,585,160

18. SHARE CAPITAL

	2005		2004	
	No. of shares	Amount HK\$	No. of shares	Amount HK\$
Authorised				
Ordinary shares of HK\$1 each	60,000,000	60,000,000	60,000,000	60,000,000
Issued and fully paid				
Ordinary shares of HK\$1 each	40,000,000	40,000,000	40,000,000	40,000,000



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19. RESERVES

The group	Investment property			Total
	Capital reserve	revaluation reserve	Retained profits	
	HK\$	HK\$	HK\$	HK\$
Balance at 1 April 2003	251,046	24,579,398	106,562,899	131,393,343
Profit for the year	—	—	18,531,752	18,531,752
Dividends (note 20)	—	—	(4,400,000)	(4,400,000)
Surplus on revaluation of investment properties	—	4,880,000	—	4,880,000
Balance at 31 March 2004 and 1 April 2004	251,046	29,459,398	120,694,651	150,405,095
Profit for the year	—	—	20,440,607	20,440,607
Dividends (note 20)	—	—	(4,400,000)	(4,400,000)
Deficit on revaluation of investment properties	—	(1,272,415)	—	(1,272,415)
Balance at 31 March 2005	251,046	28,186,983	136,735,258	165,173,287

The company	Investment property		Total
	revaluation reserve	Retained profits	
	HK\$	HK\$	HK\$
Balance at 1 April 2003	285,848	55,352,405	55,638,253
Profit for the year (note 21)	—	16,842,937	16,842,937
Dividends (note 20)	—	(4,400,000)	(4,400,000)
Surplus on revaluation of investment properties	200,000	—	200,000
Balance at 31 March 2004 and 1 April 2004	485,848	67,795,342	68,281,190
Profit for the year (note 21)	—	27,801,493	27,801,493
Dividends (note 20)	—	(4,400,000)	(4,400,000)
Deficit on revaluation of investment properties	(70,000)	—	(70,000)
Balance at 31 March 2005	415,848	91,196,835	91,612,683

Distributable reserves of the company at the balance sheet date, calculated under section 79B of the Companies Ordinance amounted to HK\$94,796,835 (2004: HK\$71,395,342).



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20. DIVIDENDS

	2005 HK\$	2004 HK\$
Dividends attributable to the year —		
Interim dividend at HK\$0.02 (2004: HK\$0.02) per share paid during the year	800,000	800,000
Final dividend at HK\$0.09 (2004: HK\$0.09) per share proposed after the balance sheet date	3,600,000	3,600,000
	<u>4,400,000</u>	<u>4,400,000</u>

The final dividend proposed after the balance sheet date has not been recognised as a liability at the balance sheet date.

21. PROFIT ATTRIBUTABLE TO SHAREHOLDERS

	The company	
	2005 HK\$	2004 HK\$
Profit attributable to the shareholders and dealt with in the financial statements of the company, including dividend income from subsidiaries of HK\$10,800,000 (2004: Nil)	<u>27,801,493</u>	<u>16,842,937</u>

22. CAPITAL COMMITMENTS

	The group	
	2005 HK\$	2004 HK\$
Capital expenditures in respect of properties under development outstanding at the balance sheet date were as follows:		
Contracted but not provided for	4,000,000	92,000
Authorised but not contracted for	—	15,000,000
	<u>4,000,000</u>	<u>15,092,000</u>

The company had no significant capital commitments at the balance sheet date.



Notes to Financial Statements

For the year ended 31 March 2005

23. OPERATING LEASE ARRANGEMENTS

At the balance sheet date, the total future minimum lease receipts under non-cancellable operating leases for the following periods were:

	The group		The company	
	2005	2004	2005	2004
	HK\$	HK\$	HK\$	HK\$
Not later than one year	9,003,779	2,950,100	121,000	204,000
Later than one year and not later than five years	11,243,987	847,000	—	121,000
	20,247,766	3,797,100	121,000	325,000

The operating leases normally run from one to three years.

24. CONTINGENT LIABILITIES

	The company	
	2005	2004
	HK\$	HK\$
Corporate guarantee given in favour of a bank for banking facilities granted to a subsidiary	28,000,000	—

The group had no significant contingent liability at the balance sheet date.

