11. INVESTMENT PROPERTIES

	THE GROUP HK$
At 1st April, 2004	84,000,000
Additions	38,588,160
Revaluation increase	27,411,840
At 31st March, 2005	150,000,000

Investment properties were valued at their open market values at 31st March, 2005 by DTZ Debenham Tie Leung Limited, International Property Advisers, on an open market existing use basis. This revaluation gave rise to an increase of HK$27,411,840 which was credited to the income statement during the year.

At the balance sheet date, the investment properties are situated in Hong Kong under medium- term leases and are rented out under operating leases.

12. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings in Hong Kong held under long leases HK$	Land and buildings in Hong Kong held under medium-term leases HK$	Freehold land and buildings outside Hong Kong HK$	Land and buildings outside Hong Kong held under medium-term leases HK$	Construction in progress HK$	Leasehold improvements HK$	Plant and machinery HK$	Motor vehicles HK$	Furniture, fixtures and office equipment HK$	Tools and moulds HK$	Total HK$
THE GROUP											
COST											
At 1st April, 2004	42,294,801	15,396,068	5,160,789	6,367,821	–	28,527,328	65,613,367	24,024,831	53,975,249	51,773,896	293,134,150
Exchange difference	–	–	3,310	–	–	39,874	–	–	252,997	–	296,181
Additions	–	–	–	–	10,271,713	2,599,158	7,050,256	569,515	9,736,083	–	30,226,725
Disposals	–	–	–	–	–	(550,000)	(85,075)	(1,505,177)	(522,624)	–	(2,662,876)
Written off	–	–	–	–	–	(4,931,953)	(2,887,674)	(572,525)	(3,595,847)	(6,640,877)	(18,628,876)
At 31st March, 2005	42,294,801	15,396,068	5,164,099	6,367,821	10,271,713	25,684,407	69,690,874	22,516,644	59,845,858	45,133,019	302,365,304
DEPRECIATION											
At 1st April, 2004	5,815,948	2,549,433	909,857	1,290,114	–	25,832,034	58,273,288	18,662,188	44,453,168	47,521,184	205,307,214
Exchange difference	–	–	590	–	–	9,347	–	–	58,853	–	68,790
Provided for the year	568,067	302,463	132,397	218,513	–	2,084,482	4,925,903	1,823,468	3,509,336	3,549,531	17,114,160
Eliminated on disposals	–	–	–	–	–	(293,328)	(85,075)	(1,505,177)	(468,800)	–	(2,352,380)
Written off	–	–	–	–	–	(4,931,953)	(2,887,674)	(572,525)	(3,571,244)	(6,623,155)	(18,586,551)
At 31st March, 2005	6,384,015	2,851,896	1,042,844	1,508,627	–	22,700,582	60,226,442	18,407,954	43,981,313	44,447,560	201,551,233
NET BOOK VALUES											
At 31st March, 2005	35,910,786	12,544,172	4,121,255	4,859,194	10,271,713	2,983,825	9,464,432	4,108,690	15,864,545	685,459	100,814,071
At 31st March, 2004	36,478,853	12,846,635	4,250,932	5,077,707	–	2,695,294	7,340,079	5,362,643	9,522,081	4,252,712	87,826,936

12. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The net book values of property, plant and equipment held under finance leases are as follows:

	2005 **HK$**	2004 HK$
Plant and machinery	**3,528,429**	2,448,194
Motor vehicles	**1,871,097**	3,228,187
Furniture, fixtures and office equipment	**–**	605,521
	5,399,526	6,281,902

13. PROPERTIES UNDER DEVELOPMENT

	THE GROUP	
	2005 **HK$**	2004 HK$
At 1st April	**286,454,125**	191,015,969
Exchange difference	**19,665,818**	24,531,888
Additions	**144,842,710**	70,906,268
At 31st March	**450,962,653**	286,454,125

At 31st March, 2005, interest of HK$26,241,062 (2004: HK$16,472,962) was capitalised to properties under development.

The net book value of properties shown above comprises:

	THE GROUP	
	2005 **HK$**	2004 HK$
Land in Hong Kong:		
Long lease	**89,467,013**	21,165,198
Land outside Hong Kong:		
Freehold	**361,495,640**	265,288,927
	450,962,653	286,454,125

14. DEVELOPMENT COSTS

	HK$
THE GROUP	
COST	
At 1st April, 2004 and 31st March, 2005	3,970,683
AMORTISATION	
At 1st April, 2004	3,836,974
Provided for the year	133,709
At 31st March, 2005	3,970,683
NET BOOK VALUES	
At 31st March, 2005	–
At 31st March, 2004	133,709

The development costs are amortised on a straight-line basis over their estimated useful lives from three to eight years.

15. INTERESTS IN SUBSIDIARIES

	THE COMPANY	
	2005	2004
	HK$	HK$
Unlisted shares, at cost	**228,042,462**	228,042,462
Amounts due from subsidiaries	**22,375,515**	16,799,829
	250,417,977	244,842,291

In the opinion of the directors, the amounts due from subsidiaries are not repayable in the next twelve month period and, accordingly, the amounts are classified as non-current.

Particulars of the principal subsidiaries at 31st March, 2005 are as follows:

Name of subsidiary	**Place/country of incorporation/ operations**	**Issued share capital**	**Principal activities**
Direct subsidiary			
National Electronics (Consolidated) Limited	Hong Kong	4,000 ordinary shares of HK$0.25 each	Investment holding and trading of electronic products
National Properties Holdings Limited	Hong Kong	100 ordinary shares of HK$1 each	Investment holding and property management
Indirect subsidiary			
Brady Limited	Hong Kong	100 ordinary shares of HK$1 each	Property investment
Charteray International Limited	Hong Kong	100 ordinary shares of HK$1 each	Property investment
Cherish Limited	Hong Kong	100 ordinary shares of HK$1 each	Property investment and trading
Chirac Limited	Hong Kong	10 ordinary shares of HK$10 each	Investment holding
Cinic Limited	Hong Kong	2 ordinary shares of HK$1 each	Property investment
Duprey Limited	Hong Kong	100 ordinary shares of HK$10 each	Trading of electronic products
Eastbond (Hong Kong) Limited	Hong Kong	10 ordinary shares of HK$1 each	Manufacture and sale of plastic products
Eastern Mount Limited	Hong Kong	2 ordinary shares of HK$1 each	Investment holding and subcontracting of electronic products in the PRC

15. INTERESTS IN SUBSIDIARIES (CONTINUED)

Name of subsidiary	Place/country of incorporation/ operations	Issued share capital	Principal activities
Indirect subsidiary (continued)			
Majorell Limited	Hong Kong	100 ordinary shares of HK$10 each	Property investment and investment holding
Miyota Trading Limited	Hong Kong	100 ordinary shares of HK$1 each	Trading of electronic products
National Electronics and Watch Company Limited	Hong Kong	100 ordinary shares of HK$10 each and 200,000 non-voting deferred shares of HK$10 each (note)	Manufacture and sale of liquid crystal display and quartz analogue watches
National Time Limited	Hong Kong	100 ordinary shares of HK$10 each and 55,000 non-voting deferred shares of HK$10 each (note)	Trading of electronic watches
National Telecommunication System Limited	Hong Kong	100 ordinary shares of HK$10 each and 200,000 non-voting deferred shares of HK$10 each (note)	Provision of inspection service
Phoenix Investment S.a.r.l.	Luxembourg	500 ordinary shares	Investment holding
Rever Limited	Hong Kong	100 ordinary shares of HK$1 each	Property investment
Samford Limited	Hong Kong	100 ordinary shares of HK$1 each	Property investment and trading
St. Thomas Developments Incorporated	Ontario, Canada	100 common shares of C$1 each	Property development
Sun Shine Limited	Hong Kong	2 ordinary shares of HK$1 each	Investment holding
Super Fortune Group Limited	British Virgin Islands/ Hong Kong	1 ordinary share of US$1 each	Investment holding
Super Plus Limited	Hong Kong	2 ordinary shares of HK$10 each	Property development
Unionville Development Limited Partnership	Ontario, Canada	Contributed capital of C$12,473,022	Property development
1061383 Ontario Limited	Ontario, Canada	100 common shares for C$1 each	Property holding
中霸鐘表電子（深圳）有限公司*	PRC	Contributed capital of HK$12,000,000	Trading of electronic products

* *A wholly foreign owned enterprise.*

15. INTERESTS IN SUBSIDIARIES (CONTINUED)

Note: The deferred shares, which are not held by the Group, carry practically no rights to dividends nor to receive notice of nor to attend or vote at any general meeting of the relevant companies nor to participate in any distribution on winding up.

The above table lists the subsidiaries of the Group which, in the opinion of the directors, principally affect the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, results in particulars of excessive length. All these subsidiaries are wholly-owned and private limited companies.

None of the subsidiaries had any debt security outstanding at the end of the year or at any time during the year.

16. INTEREST IN AN ASSOCIATE

	2005 **HK$**	2004 HK$
Share of net assets	**1,316,543**	4
Amount due from an associate	**–**	2,879,996
	1,316,543	2,880,000

The amount due from an associate was unsecured, interest free and repaid.

Particulars of the associate at 31 March, 2005 are as follows:

Name of associate	**Form of business structure**	**Place of incorporation/ operation**	**Class of shares held**	**Proportion of nominal value of issued share capital indirectly held by the Company**	**Principal activity**
Artlink International Holdings Limited	Incorporated	Hong Kong	Ordinary	40%	Property investment

17. INTEREST IN JOINTLY CONTROLLED ENTITIES

	THE GROUP	
	2005 **HK$**	2004 HK$
Share of net assets	**440,024**	511,018
Amount due from a jointly controlled entity	**50**	23,187,159
	440,074	23,698,177
Less: Amount due within one year shown under current assets	**(50)**	(23,187,159)
	440,024	511,018

The amount due from a jointly controlled entity is unsecured, interest free and repayable on demand.

17. INTEREST IN JOINTLY CONTROLLED ENTITIES (CONTINUED)

Particulars of the Group's jointly controlled entities at 31st March, 2005 are as follows:

Name	Form of business structure	Place/country of incorporation/ operations	Attributable interest to the Group		Nature of business
			Direct	Indirect	
			%	%	
New Height Developments Limited	Incorporated	British Virgin Islands/Hong Kong	50	–	Investment holding
Eternity Management Limited	Incorporated	Hong Kong	–	50	Inactive
Parklane Limited	Incorporated	Hong Kong	–	50	Inactive
Phoenix Limited	Incorporated	Hong Kong	–	50	Inactive

Pursuant to a joint venture deed dated 30th March, 2001 (the ''Deed''), the other joint venture partner is entitled to a preferential distribution of profit of Parklane Limited and Phoenix Limited up to an amount as specified in the Deed (the ''Agreed Return'') and the Group is entitled to the remaining profit up to an amount equivalent to the Agreed Return. Thereafter, the Group is entitled to share the profit equally with the joint venture partner.

18. OTHER NON-CURRENT ASSETS

	THE GROUP	
	2005	2004
	HK$	HK$
Club debentures, at cost	**8,025,895**	8,136,995
Antiques and pictures, at cost	**10,235,986**	10,094,013
	18,261,881	18,231,008

19. INVENTORIES

	THE GROUP	
	2005	2004
	HK$	HK$
Raw materials and consumables	**59,899,180**	54,222,261
Work in progress	**14,079,781**	13,561,892
Finished goods	**84,712,504**	66,292,068
	158,691,465	134,076,221

Included above are raw materials and consumables of HK$13,021,209 (2004: HK$9,801,480), work in progress of HK$1,650,255 (2004: HK$3,772,569) and finished goods of HK$1,178,771 (2004: HK$4,534,887) which are carried at net realisable value.

20. INVESTMENTS IN SECURITIES

	THE GROUP					
	Trading securities		Other securities		Total	
	2005	2004	**2005**	2004	**2005**	2004
	HK$	HK$	**HK$**	HK$	**HK$**	HK$
Listed debt securities						
Overseas	**3,929,263**	–	**–**	–	**3,929,263**	–
Unlisted equity equities	**–**	–	**4,089,560**	4,089,560	**4,089,560**	4,089,560
	3,929,263	–	**4,089,560**	4,089,560	**8,018,823**	4,089,560
Market value of listed securities	**3,929,263**	–	**–**	–	**3,929,263**	–

21. INVENTORY OF UNSOLD PROPERTIES

	THE GROUP	
	2005	2004
	HK$	HK$
At 1st April	**117,367,985**	52,500,000
Exchange difference	**1,312,344**	–
Additions	**738,522**	–
Transferred from land and buildings	**–**	15,867,985
Transferred from investment properties	**–**	49,000,000
	119,418,851	117,367,985

The Group's inventory of unsold properties comprises:

	2005	2004
	HK$	HK$
Properties held under long leases:		
– in Hong Kong	**62,583,352**	62,000,000
– in North America	**17,180,329**	15,867,985
	79,763,681	77,867,985
Properties held under medium-term leases in Hong Kong	**39,655,170**	39,500,000
	119,418,851	117,367,985

22. TRADE RECEIVABLES, DEPOSITS AND PREPAYMENTS

The Group has a policy of allowing an average credit period of 30-60 days to its trade customers.

Included in trade receivables, deposits and prepayments are trade receivables of HK$76,483,376 (2004: HK$63,319,807) with an aged analysis as follows:

	THE GROUP	
	2005	2004
	HK$	HK$
Within 30 days	**32,590,812**	35,473,595
31 to 90 days	**31,192,486**	11,870,877
91 to 180 days	**3,568,800**	6,736,797
Over 180 days	**9,131,278**	9,238,538
	76,483,376	63,319,807

23. TRADE PAYABLES AND ACCRUED EXPENSES

Included in trade payables and accrued expenses are trade payables of HK$103,410,961 (2004: HK$104,896,720) with an aged analysis as follows:

	THE GROUP	
	2005	2004
	HK$	HK$
Within 30 days	**53,908,637**	66,737,348
31 to 90 days	**31,938,405**	25,669,926
91 to 180 days	**17,562,477**	12,489,446
Over 180 days	**1,442**	–
	103,410,961	104,896,720

24. OBLIGATIONS UNDER FINANCE LEASES

	Minimum lease payments		Present value of minimum lease payments	
	2005	2004	**2005**	2004
	HK$	HK$	**HK$**	HK$
Amounts payable under finance leases				
Within one year	**2,250,213**	2,068,364	**2,115,047**	1,936,725
In the second to fifth years inclusive	**2,430,595**	2,197,644	**2,123,257**	2,024,744
	4,680,808	4,266,008	**4,238,304**	3,961,469
Less: future finance charges	**(442,504)**	(304,539)	**N/A**	N/A
Present value of lease obligations	**4,238,304**	3,961,469	**4,238,304**	3,961,469
Less: Amount due within one year shown under current liabilities			**(2,115,047)**	(1,936,725)
Amount due after one year			**2,123,257**	2,024,744

It is the Group's policy to lease certain of its plant and machinery, motor vehicles and office equipment under finance leases. The leases term are 3 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

The Group's obligations under finance leases are secured by the lessor's charge over the leased assets.

25. BANK BORROWINGS

	THE GROUP	
	2005	2004
	HK$	HK$
Secured		
Bank loans	**410,677,300**	230,160,052
Unsecured		
Bank overdrafts	**–**	754,988
Bank loans	**159,293,975**	172,235,442
	159,293,975	172,990,430
	569,971,275	403,150,482

The maturity of the above bank overdrafts and loans is as follows:

	THE GROUP	
	2005	2004
	HK$	HK$
On demand or within one year	**187,324,534**	192,441,861
More than one year, but not exceeding two years	**163,337,205**	93,656,798
More than two years, but not exceeding five years	**81,726,180**	55,319,679
More than five years	**137,583,356**	61,732,144
	569,971,275	403,150,482
Less: Amount due within one year shown under current liabilities	**(187,324,534)**	(192,441,861)
Amount due after one year	**382,646,741**	210,708,621

26. SHARE CAPITAL

	Number of shares		Amount	
	2005	2004	**2005**	2004
			HK$	HK$
Ordinary shares of HK$0.1 each				
Authorised:				
At 1st April and 31st March	**1,500,000,000**	1,500,000,000	**150,000,000**	150,000,000
Issued and fully paid:				
At 1st April	**1,126,161,928**	1,156,447,928	**112,616,193**	115,644,793
Cancelled on repurchase of shares	**(28,258,000)**	(30,286,000)	**(2,825,800)**	(3,028,600)
At 31st March	**1,097,903,928**	1,126,161,928	**109,790,393**	112,616,193

During the year, the Company repurchased certain of its own shares on The Stock Exchange of Hong Kong Limited. The directors considered that, as the Company's shares were trading at a discount to the expected net asset value per share, the repurchase would be beneficial to the Company.

These repurchased shares were cancelled upon repurchase and, accordingly, the issued share capital of the Company was reduced by the nominal value of these shares. The premium paid on repurchase was charged to retained profits.

26. SHARE CAPITAL (CONTINUED)

Month of repurchase	Number of shares of HK$0.1 each	Price per share		Aggregate consideration paid
		Highest	Lowest	
		HK$	HK$	HK$
April 2004	10,082,000	0.255	0.250	2,581,626
May 2004	7,326,000	0.255	0.220	1,827,975
June 2004	4,026,000	0.255	0.247	1,017,491
January 2005	1,684,000	0.225	0.213	371,881
February 2005	5,140,000	0.255	0.222	1,236,258
	28,258,000			7,035,231

27. RESERVES

	Share premium	Contributed surplus	Capital redemption reserve	Retained profits	Total
	HK$	HK$	HK$	HK$	HK$
THE COMPANY					
At 1st April, 2003	22,785,730	90,854,039	13,676,040	10,066,956	137,382,765
Repurchase of own shares	–	–	3,028,600	(6,813,815)	(3,785,215)
Net loss for the year	–	–	–	(1,635,049)	(1,635,049)
At 31st March, 2004	22,785,730	90,854,039	16,704,640	1,618,092	131,962,501
Repurchase of own shares	–	–	2,825,800	(7,035,231)	(4,209,431)
Net profit for the year	–	–	–	17,751,632	17,751,632
Dividend paid	–	–	–	(5,523,631)	(5,523,631)
At 31st March, 2005	22,785,730	90,854,039	19,530,440	6,810,862	139,981,071

The contribution surplus represents the difference between the consolidated shareholders' funds of the subsidiaries at the date on which they were acquired by the Company, and the nominal amount of the Company's shares issued for the acquisition of the time of the Group reorganisation prior to the listing of the Company's shares.

Note:

Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus account of a company is available for distribution. However, a company cannot declare or pay a dividend, or make a distribution out of contributed surplus if:

(a) it is, or would after the payment be, unable to pay its liabilities as they become due; or

(b) the realisable value of its assets would thereby be less than aggregate of its liabilities and its issued share capital and share premium accounts.

The Company's reserves available for distribution to shareholders were as follows:

	2005	2004
	HK$	HK$
Contributed surplus	**90,854,039**	90,854,039
Retained profits	**6,810,862**	1,618,092
	97,664,901	92,472,131

The final dividend of 0.5 HK cent for the year ended 31st March, 2005 (2004: 0.5 HK cent) per share has been proposed by the directors and is subject to approval by the shareholders in the forthcoming annual general meeting.

28. PROVISION FOR LONG SERVICE PAYMENTS

Under the Hong Kong Employment Ordinance, the Group is obliged to make lump sum payments on cessation of employment in certain circumstances to certain employees who have completed at least five years of service with the Group. The amount payable is dependent on the employee's final salary and years of service, and is reduced by entitlements accrued under the Group's retirement plan that are attributable to contributions made by the Group. The Group does not set aside any assets to fund any remaining obligations.

The amount recognised in the balance sheet is as follows:

	THE GROUP	
	2005	2004
	HK$	HK$
At beginning of the year	**4,046,678**	6,543,753
Additional provision in the year	**520,532**	1,334,978
Utilisation of provision	**(435,154)**	(3,832,053)
At closing of the year	**4,132,056**	4,046,678

The most recent actuarial valuation of the present value of the obligations under long service payments was carried out at 31st March, 2005 by Mr. Aaron Wong of Watson Wyatt Hong Kong Limited, who is a Fellow of the Society of Actuaries. The present value of the obligations under long service payments and the related current service cost were measured using the Projected Unit Credit Method.

The principal actuarial assumptions as at the balance sheet dates used are as follows:

	2005	2004
Discount rate	**5.0%**	5.0%
Expected rate of salary increase	**Nil for the next three years commencing from 1st April, 2005 and 1.5% thereafter**	Nil for the next four years commencing from 1st April, 2004 and 1.5% thereafter

Amounts recognised in the consolidated income statement for the year in respect of the obligations under long service payments are as follows:

	2005	2004
	HK$	HK$
Current service cost	**5,270**	4,582
Interest cost	**341,110**	352,822
Net actuarial losses recognised in current year	**174,152**	102,098
Adjustment due to staff laid-off	**–**	875,476
Net amount charged to consolidated income statement as staff costs	**520,532**	1,334,978

The amounts included in the balance sheets arising from the Group's obligations under long service payments are as follows:

	THE GROUP	
	2005	2004
	HK$	HK$
Present value of the obligations under long service payments	**7,412,760**	7,398,834
Unrecognised actuarial losses	**(3,280,704)**	(3,352,156)
Obligations under long service payments included in the balance sheet	**4,132,056**	4,046,678

29. DEFERRED TAX LIABILITIES

	Accelerated tax depreciation HK$	Tax losses HK$	Total HK$
At 1st April, 2003	1,519,060	(481,772)	1,037,288
Charge (credit) to income statement for the year	221,900	(221,900)	–
Effect of change in tax rate – charge (credit) to income statement	3,929	(3,929)	–
At 1st April, 2004	1,744,889	(707,601)	1,037,288
Charge (credit) to income statement for the year	399,271	(399,271)	–
At 31st March, 2005	2,144,160	(1,106,872)	1,037,288

At the balance sheet date, the Company has unused tax losses of HK$307,916,000 (2004: HK$295,943,000) available for offset against future profits. A deferred tax asset of approximately HK$1,107,000 (2004: HK$708,000) has been recognised in respect of approximately HK$6,325,000 (2004: HK$4,043,000) of such losses.

No deferred tax asset has been recognised in respect of the remaining HK$301,591,000 (2004: HK$291,900,000) of such losses due to the unpredictability of future profit streams. The losses may be carried forward indefinitely.

At the balance sheet date, the Group has deductible temporary differences of HK$11,184,000 (2004: HK$20,965,000). No deferred tax asset has been recognised in relation to such deductible temporary difference as it is not probable that sufficient taxable profit will be available against which the deductible temporary differences can be utilised.

30. MAJOR NON-CASH TRANSACTIONS

During the year, the Group entered into finance lease arrangements in respect of assets with a total capital value at the inception of the leases of HK$2,810,000 (2004: HK$2,991,337).

31. CONTINGENT LIABILITIES AND COMMITMENTS

	THE GROUP		THE COMPANY	
	2005 HK$	2004 HK$	**2005 HK$**	2004 HK$
Contingent liabilities:				
Guarantees for banking facilities granted to subsidiaries	–	–	**1,161,156,910**	682,037,113
Guarantees for banking facilities granted to jointly controlled entities	–	155,000,000	–	155,000,000
Other guarantees	**187,000**	65,000	–	–
	187,000	155,065,000	**1,161,156,910**	837,037,113
Capital commitments:				
Contracted for but not provided:				
Acquisition of property, plant and equipment	**292,188**	372,373	–	–
Property development costs	**4,134,459**	–	–	–
	4,426,647	372,373	–	–

32. OPERATING LEASE ARRANGEMENTS

The Group as lessee:

At the balance sheet date, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

	THE GROUP	
	2005	2004
	HK$	HK$
Within one year	**4,029,518**	4,564,395
In the second to fifth year inclusive	**10,383,156**	7,855,040
Over five years	**6,833,270**	8,726,067
	21,245,944	21,145,502

Operating lease payments represent rental payable by the Group for certain of its office premises, staff quarters and factories. Leases for office premises and staff quarters are negotiated for terms of 2 to 6 years with fixed rentals. Leases for land are negotiated for terms of 50 years with fixed rentals.

The Group as lessor:

At the balance sheet date, the Group had contracted with tenants for the following future minimum lease payments under non-cancellable operating leases in respect of rented premises which fall due as follows:

	THE GROUP	
	2005	2004
	HK$	HK$
Within one year	**4,042,088**	4,079,846
In the second to fifth year inclusive	**1,531,880**	4,378,203
	5,573,968	8,458,049

The properties are expected to generate rental yields of 2% on an ongoing basis. Leases are negotiated for terms ranging from 2 to 3 years.

33. RETIREMENT BENEFIT SCHEME

Commencing from 1st December, 2000, the Group's employees are required to join the MPF Scheme. Under the MPF Scheme, both the Group and the employees contribute 5% of the employee's monthly remunerations or HK$1,000 per month whichever is the smaller to the scheme. The Group's total contribution to the scheme for the year ended 31st March, 2005 is HK$1,395,649 (2004: HK$1,339,701). There is no forfeiture of employer's contribution from leaving scheme members under the MPF Scheme.

34. PLEDGE OF ASSETS

At 31st March, 2005, the Group has pledged the following assets and assigned rental income from letting of properties in favour of banks to secure the banking facilities:

	2005	2004
	HK$	HK$
Investment property	**150,000,000**	84,000,000
Land and buildings	**47,597,962**	47,863,960
Properties under development	**450,962,653**	286,454,125
Inventory of unsold properties	**119,418,851**	117,367,985
Bank deposits	**–**	16,161,600