

NOTES TO THE ACCOUNTS

賬目附註

1. BASIS OF PREPARATION

The accounts have been prepared in accordance with accounting principles generally accepted in Hong Kong and comply with accounting standards issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). The accounts have been prepared under the historical cost convention as modified by the revaluation of certain land and buildings.

The HKICPA has issued a number of new and revised Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards (“new HKFRSs”) which are effective for accounting periods beginning on or after 1 January 2005. The Group has not early adopted these new HKFRSs in the accounts for the year ended 31st March 2005. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a significant impact on its results of operations and financial position.

2. PRINCIPAL ACCOUNTING POLICIES

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

(a) *Basis of consolidation*

The consolidated accounts include the accounts of the Company and its subsidiaries made up to 31st March. Subsidiaries are those entities in which the Company, directly or indirectly, controls more than half of the voting power; has the power to govern the financial and operating policies; to appoint or remove the majority of the members of the board of directors; or to cast majority of votes at the meetings of the board of directors.

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

1. 編製基準

賬目乃根據香港普遍採納之會計原則及遵照香港會計師公會頒佈之會計準則編製。賬目乃根據歷史成本常規法編製，並因應若干土地及樓宇之重估價值而作出修訂。

香港會計師公會已頒佈多項新訂及經修訂香港財務申報準則及香港會計準則（「新香港財務申報準則」），於2005年1月1日或以後開始之會計期間生效。本集團並無就截至2005年3月31日止年度之賬目提早採納該等新香港財務申報準則。本集團已著手評估該等新香港財務申報準則之影響，惟尚未能確定該等新香港財務申報準則會否對其經營業績及財務狀況構成重大影響。

2. 主要會計政策

本公司於編製綜合賬目時所採用之主要會計政策如下：

(a) *綜合賬目*

綜合賬目包括本公司及其附屬公司截至3月31日止之賬目。附屬公司乃本公司直接或間接控制其半數以上投票權、有權控制其財政及營運政策、委任或撤換大多數董事會成員或於董事會會議上行使大多數投票權之公司。

所有集團內公司間之重大交易及結餘已於綜合賬目時對銷。



NOTES TO THE ACCOUNTS 賬目附註

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

(a) *Basis of consolidation (CONTINUED)*

The gain or loss on disposal of a subsidiary represents the difference between the proceeds of the sale and the Group's share of its net assets together with any unamortised goodwill or negative goodwill or goodwill/negative goodwill taken to reserves and which was not previously charged or recognised in the consolidated profit and loss account and any related accumulated foreign currency translation reserve.

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

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

Capital reserve arising on shares exchanged on merger represents the difference between the nominal value of the shares of the subsidiaries acquired and the nominal value of the shares issued by the Company as consideration thereof.

2. 主要會計政策 (續)

(a) 綜合賬目 (續)

出售附屬公司之收益或虧損指出售所得收入與本集團所佔其資產淨值之差額，連同任何未攤銷商譽或負商譽或之前並未在綜合損益表及任何有關累積外匯換算儲備內支銷或確認而已在儲備記賬之商譽／負商譽。

少數股東權益指外界股東在附屬公司之經營業績及資產淨值中擁有之權益。

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

合併時交換股份所產生之資本儲備乃指所收購附屬公司股份之面值與本公司所發行以作為代價之股份之面值兩者間之差額。

NOTES TO THE ACCOUNTS

賬目附註

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

(b) *Property, plant and equipment*

Leasehold land and buildings comprise retail shops and other properties such as office premises. Retail shops are stated at cost, less accumulated depreciation and accumulated impairment losses. Other properties are interests in leasehold land and buildings other than retail shops and are stated at valuation, less subsequent accumulated depreciation and accumulated impairment losses. The valuation, being fair value at the date of valuation, is determined by the directors based on independent valuations which are performed every three years. In the intervening years, the directors review the carrying value of the land and buildings and adjustment is made where there has been a material change. Increases in valuation are credited to the revaluation reserve. Decreases in valuation are first offset against increases on earlier valuations in respect of the same property and are thereafter debited to operating profit. Any subsequent increases are credited to operating profit up to the amount previously debited. Upon the disposal of a property, the relevant portion of the realised revaluation reserve in respect of previous valuations is transferred from the revaluation reserve to retained earnings.

Other tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Leasehold land is depreciated on a straight-line basis over the unexpired period of the lease. Leasehold buildings are depreciated on a straight-line basis over the unexpired periods of the leases or their expected useful lives to the Group, whichever is shorter.

2. 主要會計政策 (續)

(b) 物業、機器及設備

租賃土地及樓宇由零售商舖及其他物業(例如辦公室)組成。零售商舖乃按成本值扣除其後累積折舊及累積減值虧損列賬。其他物業乃零售商舖以外之租賃土地及樓宇之權益,按估值扣除其後累積折舊及累積減值虧損列賬。估值乃於估值日期之公平價值,由董事根據每隔3年進行一次之獨立估值釐定。於兩次獨立估值期間之年度,董事將審閱土地及樓宇之賬面值,並於出現重大轉變時作出調整。估值增值將計入重估儲備。估值虧損將首先在有關同一項物業之先前所增加之估值中扣除,其後則在經營溢利中扣除。任何隨後出現在估值增值,以先前所扣除為限計入經營溢利中。於出售物業時,就先前估值之已變現重估儲備有關部分,將由重估儲備轉撥至保留盈利。

其他有形固定資產以成本值扣除累積折舊及累積減值虧損列賬。

租賃土地以直線法按未屆滿之租約年期計算折舊。租賃樓宇以直線法按未屆滿之租約年期或按其對本集團之預計可使用年期(以較短者為準)計算折舊。

NOTES TO THE ACCOUNTS 賬目附註

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

(b) *Property, plant and equipment* (CONTINUED)

Other tangible fixed assets are depreciated at rates sufficient to write off their cost less accumulated impairment losses over their estimated useful lives on a straight-line basis. The principal annual rates are as follows:

Leasehold improvements	20% or over the unexpired lease period, whichever is shorter
Furniture and fixtures and computer equipment	20%
Motor vehicles	20%
Plant and machinery	20%

Major costs incurred in restoring fixed assets to their normal working condition are charged to the consolidated profit and loss account. Improvements are capitalised and depreciated over their expected useful lives to the Group.

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

2. 主要會計政策 (續)

(b) 物業、機器及設備 (續)

其他有形固定資產之折舊乃按可足以撇銷其成本值減累積減值虧損之比率，就其預計可使用年期以直線法計算。主要折舊年率如下：

租賃物業裝修	20%或按租約尚餘期間 (以較短者為準)
傢俬、裝置及電腦設備	20%
汽車	20%
機器及設備	20%

將固定資產重修至其正常運作狀態之重大支出均在綜合損益表支銷。物業裝修成本均資本化，並按其對本集團之預計可使用年期折舊。

於每個結算日，本集團均會考慮內部及外界資料來源，以評核有否任何跡象顯示租賃土地及樓宇及其他有形固定資產出現減值。倘出現任何上述跡象，則會估計資產之可收回金額，並在合適情況下確認減值虧損，以將資產值降至其可收回金額。該等減值虧損於綜合損益表入賬，惟倘資產以估值列賬，而減值虧損不超過同一資產之重估盈餘，則被視作重估減值。

NOTES TO THE ACCOUNTS 賬目附註

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

(b) *Property, plant and equipment* (CONTINUED)

The gain or loss on disposal of a fixed asset is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in the consolidated profit and loss account.

(c) *Operating leases*

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

(d) *Goodwill*

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net assets of the acquired subsidiary at the date of acquisition. In accordance with Statement of Standard Accounting Practice ("SSAP") No. 30, goodwill on acquisitions occurring on or after 1st April 2001 is included in intangible assets and is amortised using the straight-line method over its estimated useful life of not exceeding 20 years.

Goodwill on acquisitions that occurred prior to 1st April 2001 was written off against reserves. The Group has elected the transitional provision 1(a) set out in paragraph 88 of SSAP 30 and goodwill previously written off against reserves has not been restated. However any impairment arising on such goodwill is accounted for in the consolidated profit and loss account.

The gain or loss on disposal of a subsidiary includes the unamortised balance of goodwill relating to the subsidiary disposed of or, for acquisitions prior to 1st April 2001, the related goodwill written off against reserves to the extent it has not previously been realised in the consolidated profit and loss account.

2. 主要會計政策 (續)

(b) 物業、機器及設備 (續)

出售固定資產之收益或虧損指出售所得收入淨額與有關資產賬面值之差額，並在綜合損益表入賬。

(c) 經營租賃

經營租賃指擁有資產之絕大部分風險及回報仍屬於出租公司之租賃。根據經營租賃支付之租金扣除租賃公司所給予之優惠後以直線法按租期在綜合損益表支銷。

(d) 商譽

商譽指本集團收購附屬公司之成本超出本集團所佔購入附屬公司於收購日的資產淨值。根據會計實務準則第30號，於2001年4月1日或其後的收購產生之商譽列入無形資產，並以直線法以不超過20年之預計可使用年期攤銷。

於2001年4月1日前所作收購之商譽已於儲備撇銷。本集團已選擇會計實務準則第30號第88段所載之過渡條文1(a)，並無重列早前於儲備撇銷之商譽。然而，因該商譽而產生之任何減值計入綜合損益表內。

出售附屬公司之收益或虧損包括與所出售附屬公司有關商譽之未攤銷結餘，或若為於2001年4月1日前所作收購，則包括已於儲備撇銷但從未於綜合損益表內變現之有關商譽。

NOTES TO THE ACCOUNTS

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2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

(e) *Other investments*

Other investments are stated at cost less any provision for impairment losses.

The carrying amounts of individual investments are reviewed at each balance sheet date to assess whether the fair values have declined below the carrying amounts. When a decline other than temporary has occurred, the carrying amount of such securities will be reduced to its fair value. The impairment loss is recognised as an expense in the consolidated profit and loss account. This impairment loss is written back to the consolidated profit and loss account when the circumstances and events that led to the write-downs or write-offs cease to exist and there is persuasive evidence that the new circumstances and events will persist for the foreseeable future.

(f) *Inventories*

Inventories are stated at the lower of cost and net realisable value. Cost includes direct materials and direct labour. In general, costs are assigned to individual items on the first-in, first-out basis. Net realisable value is determined on the basis of anticipated sales proceeds less estimated selling expenses.

(g) *Trade receivables*

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

(h) *Cash and cash equivalents*

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

2. 主要會計政策 (續)

(e) 其他投資

其他投資按成本值扣除任何減值虧損撥備後列賬。

個別投資之賬面值乃於每年結算日覆核，以評核其公平價值是否已跌至低於其賬面值。倘某項投資項目出現非屬暫時性質之減值，則該等證券之賬面值將下調至公平價值。減值虧損於綜合損益表確認為開支。倘導致撇減或撇銷之情況或事項不再存在，而且有力證據顯示，新情況或事項將於可見將來持續，則減值虧損將撥回綜合損益表。

(f) 庫存

庫存乃按成本值或可變現淨值兩者之較低者入賬。成本值包括直接材料及直接工資。一般而言，成本值以先入先出法計算入個別產品內。可變現淨值乃按預計銷售所得款項扣除估計銷售費用計算。

(g) 貿易應收賬項

倘貿易應收賬項被視為呆賬，則就其作出撥備。於資產負債表之貿易應收賬項於扣減有關撥備後列賬。

(h) 現金及現金等價物

現金及現金等價物以成本值於資產負債表列賬。就現金流量表而言，現金及現金等價物包括手頭現金、銀行通知存款及銀行透支（如有）。

NOTES TO THE ACCOUNTS 賬目附註

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

(i) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

(j) Contingent liabilities

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

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

(k) Deferred taxation

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

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

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

2. 主要會計政策 (續)

(i) 撥備

本集團由於過往事項而負上現有法律性或推定性責任，而解除責任時有可能消耗資源，並可作出可靠之金額估計時，則會確認撥備。

(j) 或然負債

或然負債指因已發生的事件而可能引起之責任，此等責任須就某一或多宗事件會否發生才能確認，而本集團並不能完全控制這些未來事件會否實現。或然負債亦可能是因已發生的事件引致之現有責任，但由於可能不需要消耗經濟資源，或責任金額未能可靠地衡量而未有確認。

或然負債不會被確認，但會於賬目附註內披露。倘消耗經濟資源發生之機會出現變動，以致可能需要消耗經濟資源，則會確認為一項撥備。

(k) 遞延稅項

遞延稅項採用負債法就資產與負債之稅基與其在賬目賬面值兩者之暫時差異作全數撥備。遞延稅項採用在結算日前已頒佈或實質頒佈之稅率釐定。

遞延稅項資產乃就有可能將未來應課稅溢利與可動用之暫時差異抵銷而確認。

遞延稅項乃就於附屬公司之投資產生之暫時差異而作出撥備，但假若可以控制暫時差異撥回之時間，並有可能在可預見未來不會撥回則除外。

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2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

(l) *Translation of foreign currencies*

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

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

(m) *Revenue recognition*

Revenue from the sale of goods, at invoiced value net of sales discounts and returns, is recognised on the transfer of risks and rewards of ownership. This generally coincides with the time when cash is received for retail sales and when the goods are delivered to customers and the title has passed for credit sales.

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

Consultancy fee income and service income in respect of technical support and consultancy services are recognised on an accrual basis and are determined in accordance with the terms of the service agreement.

Commission income in relation to introducing brokerage activities is recorded in the accounts based on trade dates. Accordingly, only those transactions whose trade dates fall within the accounting year have been taken into account.

2. 主要會計政策 (續)

(l) 外幣換算

以外幣為本位之交易，均按交易當日之匯率折算。於結算日以外幣顯示之貨幣資產與負債則按結算日之匯率折算。由此產生之匯兌差額均計入綜合損益表。

附屬公司以外幣顯示之資產負債表均按結算日之匯率折算，而損益表則按平均匯率折算。匯兌差額列作儲備變動入賬。

(m) 收益確認

銷貨收益（按發票值減去銷售折扣及退貨後計算）在擁有權之風險及回報轉移後確認，風險及回報之轉移通常與零售時收取現金以及賒貨銷售時貨品付運予客戶及所有權轉讓同時發生。

利息收入在計及尚餘本金額及適用利率後按時間比例確認。

有關提供技術支援及顧問服務之顧問費收入及服務收入按應計基準確認，並根據相關服務協議之條款釐訂。

有關經紀介紹業務之佣金收入乃根據交易日期記錄於賬目內。因此，只有交易日期屬會計年度內之交易始予入賬。

NOTES TO THE ACCOUNTS

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2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

(n) *Employee benefits*

(i) *Employee leave entitlements*

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

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

(ii) *Profit sharing and bonus plans*

Provisions for profit sharing and bonus plans are recognised when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made.

(iii) *Pension obligations*

The Group operates a defined contribution Mandatory Provident Fund retirement scheme (the “MPF Scheme”) which is registered under the Mandatory Provident Fund Schemes Ordinance in Hong Kong. The assets of the MPF Scheme are held in a separate administered fund. The MPF Scheme is generally funded by payments from employees and by the Group.

The Group’s contributions to the MPF Scheme are expensed as incurred and are reduced by the employer’s voluntary contribution forfeited from the MPF Scheme by those employees who leave the scheme prior to vesting fully in the contributions.

2. 主要會計政策 (續)

(n) 僱員福利

(i) 僱員休假權利

僱員享有年假之權利於此等權利產生時確認。本集團就截至結算日止僱員提供服務而產生之年假之估計負債作出撥備。

僱員享有病假及分娩假之權利直至僱員正式休假方予確認。

(ii) 利潤分享及花紅計劃

當本集團因為僱員已提供之服務而產生現有法律性或推定性責任，而責任金額能可靠估算時，則將利潤分享及花紅之預計成本確認為負債入賬。

(iii) 退休金責任

本集團推行一項定額供款強制性公積金退休計劃（「強積金計劃」），計劃已根據香港強制性公積金計劃條例註冊。強積金計劃乃以獨立管理之基金持有。強積金計劃之資金一般由僱員及本集團撥付。

本集團向強積金計劃作出之供款於產生時列作開支，並可以自供款全數撥歸前退出計劃之僱員沒收之強積金計劃僱主自願性供款扣減。

NOTES TO THE ACCOUNTS 賬目附註

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

(n) *Employee benefits (CONTINUED)*

(iv) *Equity compensation benefits*

No employee benefit cost or obligation is recognised at the date of grant when the Group grants share options to its employees, including executive directors. When the options are exercised, the proceeds received net of any transaction costs are credited to share capital (nominal value) and share premium.

(o) *Segment reporting*

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

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

Unallocated costs represent corporate expenses. Segment assets consist primarily of fixed assets, rental deposits paid, inventories, receivables and operating cash, and mainly exclude other investments, deferred tax assets and corporate assets. Segment liabilities comprise operating liabilities and mainly exclude items such as deferred tax liabilities and corporate liabilities. Capital expenditure comprises additions to fixed assets, including additions resulting from acquisitions through purchases of subsidiaries, if any.

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

Inter-segment sales are accounted for based on competitive market price charged to third party customers for similar goods and services.

2. 主要會計政策 (續)

(n) 僱員福利 (續)

(iv) 權益補償福利

當本集團將購股權授予其僱員 (包括執行董事) 之時, 不會確認僱員福利成本或責任。當該等購股權獲行使時, 其實收款項扣除任何交易成本之後, 將計入股本 (面值) 及股份溢價。

(o) 分部呈報

分部指本集團從事提供產品或服務 (業務分部) 或於特定經濟環境內提供產品或服務 (地區分部) 且風險及回報有別於其他分部之明顯組成部分。

根據本集團之內部財務申報, 本集團決定將業務分部呈列為主要呈報方式而地區分部為從屬呈報方式。

未分配成本指企業開支。分部資產主要包括固定資產、已付租金按金、庫存、應收賬項及經營現金, 主要不包括其他投資、遞延稅項資產及企業資產。分部負債包括經營負債, 並不包括遞延稅項負債及企業負債等項目。資本性開支包括購入固定資產的費用, 其中包括因收購附屬公司而添置之固定資產 (如有)。

就地區分部呈報而言, 銷售乃按照客戶所在國家而定。資產總值及資本開支乃按資產所在地計算。

分部間之銷售乃按照就類似貨品及服務向第三者客戶收取之具競爭力市價計算。

NOTES TO THE ACCOUNTS

賬目附註

3. REVENUE, TURNOVER AND SEGMENT INFORMATION

The Group is principally engaged in the retailing and wholesaling of gold jewellery and gold ornaments, gem-set jewellery and gemstones, and other accessory items. The Group also provides technical support, consultancy services, and quality control services of jewellery products to certain licensees. Revenues recognised during the year are as follows:

		2005 HK\$'000 千港元	2004 HK\$'000 千港元
Turnover	營業額		
Sale of goods	銷售商品	1,961,720	1,598,123
Other revenues	其他收入		
Services income	服務收入	12,759	9,936
Consultancy fee income	顧問費收入	5,729	4,770
Interest income	利息收入	95	169
Commission income	佣金收入	75	633
Others	其他	4,422	4,731
		23,080	20,239
Total revenues	總收入	1,984,800	1,618,362

Primary reporting format – business segments

The Group is organised mainly in Hong Kong into two major business segments:

- Retailing of jewellery
- Manufacturing and wholesaling of jewellery

Other operations of the Group mainly comprise investments, securities broking and services relating to internet and software development.

3. 收入、營業額及分部資料

本集團主要從事金飾與黃金裝飾品、鑽石首飾及寶石以及其他配飾之零售及批發業務。本集團亦向若干特許商提供技術支援、顧問服務及首飾產品之品質監控服務。年內確認之收入如下：

主要呈報方式 – 業務分部

本集團主要於香港從事兩個主要業務分部：

- 首飾零售
- 首飾生產及批發

本集團其他業務主要包括投資、證券經紀以及有關互聯網及軟件開發之服務。

NOTES TO THE ACCOUNTS

賬目附註

3. REVENUE, TURNOVER AND SEGMENT INFORMATION (CONTINUED)

Primary reporting format – business segments (CONTINUED)

3. 收入、營業額及分部資料 (續)

主要呈報方式 – 業務分部 (續)

		Retailing		Manufacturing and wholesaling		Other operations		Eliminations		Group	
		零售	零售	製造及批發	製造及批發	其他業務	其他業務	撇銷	撇銷	本集團	本集團
		2005	2004	2005	2004	2005	2004	2005	2004	2005	2004
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		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
Sales to external customers	對外客戶銷售額	1,835,371	1,502,946	124,231	94,760	2,118	417	-	-	1,961,720	1,598,123
Inter-segment sales	分部間銷售額	44,167	14,617	454,993	359,644	-	79	(499,160)	(374,340)	-	-
Other revenues from external customers	來自對外客戶之其他收入	404	874	20,001	13,835	2,167	4,333	-	-	22,572	19,042
Inter-segment other revenues	分部間之其他收入	-	-	-	-	1,104	2,494	(1,104)	(2,494)	-	-
Total	總額	1,879,942	1,518,437	599,225	468,239	5,389	7,323	(500,264)	(376,834)	1,984,292	1,617,165
Segment results	分部業績	117,326	87,127	45,656	39,204	(2,558)	(4,811)	(3,271)	(5,334)	157,153	116,186
Interest income	利息收入									95	169
Unallocated costs	未分配成本									(29,974)	(23,480)
Gain on disposal of properties	出售物業收益	16,537	-	-	-	8,912	-	-	-	25,449	-
Operating profit	經營溢利									152,723	92,875
Finance costs	財務費用									(425)	(7)
Profit before taxation	除稅前溢利									152,298	92,868
Taxation	稅項									(25,146)	(14,796)
Profit after taxation	除稅後溢利									127,152	78,072
Minority interests	少數股東權益									(1,164)	(1,107)
Profit attributable to shareholders	股東應佔溢利									125,988	76,965
Segment assets	分部資產	485,412	485,015	489,404	216,092	69,998	7,436	(255,227)	(54,663)	789,587	653,880
Unallocated assets	未分配資產									52,465	57,564
Total assets	總資產									842,052	711,444

NOTES TO THE ACCOUNTS

賬目附註

3. REVENUE, TURNOVER AND SEGMENT INFORMATION (CONTINUED)

Primary reporting format – business segments (CONTINUED)

3. 收入、營業額及分部資料 (續)

主要呈報方式 – 業務分部 (續)

		Retailing 零售		Manufacturing and wholesaling 製造及批發		Other operations 其他業務		Eliminations 撇銷		Group 本集團	
		2005	2004	2005	2004	2005	2004	2005	2004	2005	2004
		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 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Segment liabilities	分部負債	(329,757)	(111,195)	(40,190)	(47,355)	(24,485)	(1,653)	255,227	54,663	(139,205)	(105,540)
Unallocated liabilities	未分配負債									(19,570)	(14,911)
Total liabilities	總負債									<u>(158,775)</u>	<u>(120,451)</u>
Depreciation	折舊										
- allocated	- 已分配	5,846	6,857	3,038	1,633	717	762	-	-	9,601	9,252
- unallocated	- 未分配									3,007	3,013
										<u>12,608</u>	<u>12,265</u>
Capital expenditure	資本開支										
- allocated	- 已分配	8,219	7,927	27,462	34,699	38,188	702	-	-	73,869	43,328
- unallocated	- 未分配									7,731	1,549
										<u>81,600</u>	<u>44,877</u>
Surplus on revaluation of land and buildings	土地及樓宇重估盈餘										
- allocated	- 已分配	-	-	-	-	(191)	-	-	-	(191)	-
- unallocated	- 未分配									(673)	(1,835)
										<u>(864)</u>	<u>(1,835)</u>

Secondary reporting format – geographical segments

The geographical analysis is divided into three regions:

- Hong Kong
- The People's Republic of China ("PRC")
- Others

從屬呈報方式 – 地區分部

地區分析乃分為三個地區：

- 香港
- 中華人民共和國（「中國」）
- 其他

		Total assets 總資產		Capital expenditure 資本開支	
		2005	2004	2005	2004
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Hong Kong	香港	641,073	561,030	52,628	7,502
PRC	中國	158,563	104,598	27,462	34,699
Others	其他	42,416	45,816	1,510	2,676
		<u>842,052</u>	<u>711,444</u>	<u>81,600</u>	<u>44,877</u>

NOTES TO THE ACCOUNTS

賬目附註

3. REVENUE, TURNOVER AND SEGMENT INFORMATION (CONTINUED)

Secondary reporting format – geographical segments (CONTINUED)

No geographical analysis on segment revenue and segment results is presented as less than 10% of the Group's turnover and 10% of the Group's results are attributable to markets outside Hong Kong.

4. OPERATING PROFIT

Operating profit is stated after crediting and charging the following:

3. 收入、營業額及分部資料 (續)

從屬呈報方式 – 地區分部 (續)

由於本集團少於10%營業額及少於10%業績乃源自香港以外市場，故並無呈列分類收入及分類業績之地區分析。

4. 經營溢利

經營溢利已計入及扣除下列各項：

		2005 HK\$'000 千港元	2004 HK\$'000 千港元
Crediting	計入		
Net exchange gain	匯兌收益淨額	1,181	–
Surplus on revaluation of land and buildings	土地及樓宇重估盈餘	864	1,835
Write back of provision for slow-moving inventories	撥回滯銷存貨撥備	385	–
Charging	扣除		
Auditors' remuneration	核數師酬金	2,433	1,786
Cost of inventories sold	已售存貨成本	1,546,133	1,251,980
Depreciation of fixed assets	固定資產折舊	12,608	12,265
Loss on disposal of other fixed assets	出售其他固定資產之虧損	1,562	620
Net exchange loss	匯兌虧損淨額	–	1,972
Operating lease rentals in respect of land and buildings	土地及樓宇經營租賃之租金	67,135	52,400
Provision for slow-moving inventories	滯銷存貨撥備	–	252
Provision for impairment of other investments	其他投資減值撥備	1,073	–
Retirement benefit costs included in staff costs (note 10)	計於職員成本內之退休福利成本 (附註10)	5,410	4,595
Staff costs (including directors' emoluments)	職員成本 (包括董事酬金)	142,344	124,982

NOTES TO THE ACCOUNTS

賬目附註

5. FINANCE COSTS

		2005	2004
		HK\$'000	HK\$'000
		千港元	千港元
Interest on short-term bank loan	短期銀行貸款之利息	424	–
Interest on bank overdrafts	銀行透支之利息	1	7
		<u>425</u>	<u>7</u>

6. TAXATION

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

		2005	2004
		HK\$'000	HK\$'000
		千港元	千港元
Hong Kong profits tax	香港利得稅	21,226	15,921
Overseas taxation	海外稅項	2,633	1,019
Over-provision in prior years	往年度超額撥備	(1,305)	(1,399)
Deferred taxation (note 22)	遞延稅項 (附註22)	2,592	(745)
		<u>25,146</u>	<u>14,796</u>

Hong Kong profits tax has been provided at the rate of 17.5% (2004: 17.5%) on the estimated assessable profit for the year. Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

5. 財務費用

6. 稅項

在綜合損益表內支銷之稅項如下：

香港利得稅乃按照本年度估計應課稅溢利按稅率17.5% (2004年: 17.5%) 提撥準備。海外溢利之稅項乃按年內估計應課稅溢利以本集團業務所在國家當時稅率計算。

NOTES TO THE ACCOUNTS

賬目附註

6. TAXATION (CONTINUED)

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

6. 稅項 (續)

本集團除稅前溢利與使用香港稅率計算之理論稅項差異如下：

		2005 HK\$'000 千港元	2004 HK\$'000 千港元
Profit before taxation	除稅前溢利	152,298	92,868
Calculated at a taxation rate of 17.5% (2004: 17.5%)	以17.5% (2004年: 17.5%) 稅率計算之稅項	26,652	16,252
Effect of different taxation rates in other countries	其他國家不同稅率之影響	82	(207)
Income not subject to taxation	毋須課稅之收入	(1,806)	(2,327)
Expenses not deductible for taxation purposes	不可扣稅之支出	591	1,139
Unrecognised tax losses	未有確認之稅損	932	1,876
Over-provision in prior years	過往年度超額準備	(1,305)	(1,399)
Increase in opening net deferred tax assets resulting from an increase in tax rate	因稅率提高而產生之期初 遞延稅項資產淨額之增加	-	(538)
		<u>25,146</u>	<u>14,796</u>

7. PROFIT ATTRIBUTABLE TO SHAREHOLDERS

The profit attributable to shareholders is dealt with in the accounts of the Company to the extent of HK\$59,956,000 (2004: HK\$164,000).

7. 股東應佔溢利

於本公司賬目內處理之股東應佔溢利為59,956,000港元 (2004年: 164,000港元)。

NOTES TO THE ACCOUNTS

賬目附註

8. DIVIDENDS

8. 股息

		2005 HK\$'000 千港元	2004 HK\$'000 千港元
2003/2004 final, paid, of HK\$0.05 (2002/2003 final: HK\$0.04) per ordinary share	已付2003/2004年度末期股息每股 普通股0.05港元(2002/2003年 度末期股息:0.04港元)	<u>24,049</u>	<u>18,987</u>
2004/2005 interim, paid, of HK\$0.04 (2003/2004 interim: HK\$0.02) per ordinary share	已付2004/2005年度中期股息每股 普通股0.04港元(2003/2004年 度中期股息:0.02港元)	<u>19,418</u>	<u>9,618</u>
2004/2005 final, proposed on 22nd July 2005, of HK\$0.06 (2003/2004 final: HK\$0.05) per ordinary share (note)	於2005年7月22日擬派2004/2005年 度末期股息每股普通股0.06港元 (2003/2004年度末期股息: 0.05港元)(附註)	<u>29,127</u>	<u>24,049</u>
2004/2005 special, proposed on 22nd July 2005, of HK\$0.02 (2003/2004 special: nil) per ordinary share (note)	於2005年7月22日擬派2004/2005年 度特別股息每股普通股0.02港元 (2003/2004年度特別股息: 無)(附註)	<u>9,709</u>	<u>—</u>

Note: At a meeting held on 22nd July 2005, the directors declared a final dividend of HK\$0.06 per ordinary share and a special dividend of HK\$0.02 per ordinary share, totalling HK\$0.08 per ordinary share. These proposed dividends are not reflected as dividend payable in these accounts, but will be reflected as an appropriation of retained earnings for the year ending 31st March 2006.

附註: 於2005年7月22日舉行之會議上,董事宣派末期股息每股普通股0.06港元及特別股息每股普通股0.02港元,合共每股普通股0.08港元。此等擬派股息並無於本賬目中反映為應派股息,但將於截至2006年3月31日止年度列作保留盈利分派。

9. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the Group's profit attributable to shareholders of HK\$125,988,000 (2004: HK\$76,965,000) and the weighted average number of 482,591,036 (2004: 478,399,954) ordinary shares in issue during the year.

9. 每股盈利

每股基本盈利乃根據年內本集團之股東應佔溢利125,988,000港元(2004年:76,965,000港元),及年內已發行普通股之加權平均數482,591,036股(2004年:478,399,954股)計算。

NOTES TO THE ACCOUNTS 賬目附註

9. EARNINGS PER SHARE (CONTINUED)

The calculation of diluted earnings per share is based on the Group's profit attributable to shareholders of HK\$125,988,000 (2004: HK\$76,965,000) and the weighted average number of 488,342,001 (2004: 486,558,652) ordinary shares in issue during the year after adjusting for the effects of all potential dilutive ordinary shares deemed to be issued at no consideration if all outstanding share options granted under the share option scheme of the Company had been exercised.

10. RETIREMENT BENEFIT COSTS

All statutory contributions under MPF Scheme are immediately fully vested on the employees.

During the year, the Group's contributions to the retirement schemes are as follows:

9. 每股盈利(續)

每股攤薄盈利乃根據本集團之股東應佔溢利125,988,000港元(2004年:76,965,000港元)及年內就假設根據本公司購股權計劃授出之所有尚未行使購股權已獲行使而視為以零代價發行之所有潛在攤薄普通股之影響作出調整後之已發行普通股加權平均數488,342,001股(2004年:486,558,652股)計算。

10. 退休福利成本

強積金計劃項下所有法定供款已即時全數撥歸僱員所有。

年內，本集團向退休計劃作出之供款如下：

		2005 HK\$'000 千港元	2004 HK\$'000 千港元
Gross contributions	供款總額	5,410	5,257
Forfeited contributions used by the Group to reduce the existing level of contributions	本集團用以扣減現有供款之被沒收供款	-	(662)
Net contributions charged to consolidated profit and loss account	於綜合損益表中支銷之供款淨額	<u>5,410</u>	<u>4,595</u>

At 31st March 2005 and 2004, there are no unutilised forfeited contributions.

於2005年及2004年3月31日，概無尚未動用之被沒收供款。

NOTES TO THE ACCOUNTS

賬目附註

11. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

(a) Directors' emoluments

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

		2005 HK\$'000 千港元	2004 HK\$'000 千港元
Fees	袍金	880	825
Basic salaries, housing allowances, other allowances and benefits in kind	基本薪金、房屋津貼、 其他津貼及實物利益	10,743	10,168
Performance and discretionary bonuses	按表現及酌情發放之花紅	3,476	2,158
Directors' pensions	董事退休金供款	262	259
Benefit from exercise of share options	行使購股權所得利益	-	4,561
		<u>15,361</u>	<u>17,971</u>

Directors' fees disclosed above include HK\$275,000 (2004: HK\$220,000) paid to the independent non-executive directors.

The emoluments of the directors fell within the following bands:

	Number of directors 董事人數	
	2005	2004
Nil零	8	8
HK\$1,000,001港元 – HK\$1,500,000港元	3	-
HK\$1,500,001港元 – HK\$2,000,000港元	1	-
HK\$2,000,001港元 – HK\$2,500,000港元	-	1
HK\$3,000,001港元 – HK\$3,500,000港元	-	2
HK\$7,500,001港元 – HK\$8,000,000港元	-	1
HK\$8,500,001港元 – HK\$9,000,000港元	1	-
	<u>13</u>	<u>12</u>

11. 董事及高級管理人員酬金

(a) 董事酬金

年內向本公司董事支付之酬金總額如下：

上文披露之董事袍金包括已付獨立非執行董事之275,000港元(2004年:220,000港元)。

董事酬金介乎下列組別：

NOTES TO THE ACCOUNTS

賬目附註

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

(a) Directors' emoluments (CONTINUED)

No directors waived their emoluments in respect of the years ended 31st March 2004 and 2005.

(b) Five highest paid individuals

Among the five highest paid individuals, four (2004: four) of them are directors of the Company and the details of their remuneration have been disclosed in the preceding paragraph. The amounts of the remaining highest paid individual whose emoluments, which fell within the emolument band of HK\$6,500,001 to HK\$7,000,000 (2004: HK\$1,500,001 to HK\$2,000,000), are as follows:

11. 董事及高級管理人員酬金 (續)

(a) 董事酬金 (續)

截至2004年及2005年3月31日止年度，並無董事放棄收取酬金。

(b) 五名最高薪酬人士

5名最高薪酬人士當中，4名(2004年：4名)為本公司董事，彼等之酬金詳情已載於上段。其餘最高薪人士之酬金介乎6,500,001港元至7,000,000港元之間(2004年：1,500,001港元至2,000,000港元)，載列如下：

	2005 HK\$'000 千港元	2004 HK\$'000 千港元
Basic salaries, housing allowances, other allowances and benefits-in-kind	1,141	1,283
Performance and discretionary bonus	825	500
Pensions	49	49
Benefit from exercise of share options	4,719	-
	6,734	1,832

NOTES TO THE ACCOUNTS

賬目附註

12. FIXED ASSETS

Group

12. 固定資產

集團

		Leasehold land and buildings		Furniture and fixtures and computer equipment		Motor vehicles	Plant and machinery	Total
		Retail shops	Other properties	Leasehold improvements	computer equipment			
		租賃土地及樓宇	其他物業	租賃物業裝修	傢俬、裝置及電腦設備	汽車	機器及設備	總額
		零售商舖	其他物業	物業裝修	傢俬、裝置及電腦設備	汽車	機器及設備	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
Cost or valuation	成本或估值							
At 1st April 2004	於2004年4月1日	28,292	51,727	53,736	27,119	2,221	5,020	168,115
Exchange adjustment	匯兌調整	-	-	210	54	-	-	264
Additions	添置	-	55,853	12,442	6,599	2,437	4,269	81,600
Revaluation adjustment	重估調整	-	7,520	-	-	-	-	7,520
Transfer between categories	分類間轉撥	-	-	-	33	-	(33)	-
Disposals	出售	(28,292)	(37,975)	(9,001)	(1,753)	(449)	(815)	(78,285)
At 31st March 2005	於2005年3月31日	-	77,125	57,387	32,052	4,209	8,441	179,214
Accumulated depreciation	累積折舊							
At 1st April 2004	於2004年4月1日	2,830	234	43,609	18,274	1,190	3,269	69,406
Exchange adjustment	匯兌調整	-	-	67	14	-	-	81
Charge for the year	本年度折舊	-	425	5,924	4,183	771	1,305	12,608
Revaluation adjustment	重估調整	-	(300)	-	-	-	-	(300)
Transfer between categories	分類間轉撥	-	-	-	14	-	(14)	-
Disposals	出售	(2,830)	-	(7,674)	(1,356)	(359)	(611)	(12,830)
At 31st March 2005	於2005年3月31日	-	359	41,926	21,129	1,602	3,949	68,965
Net book value	賬面淨值							
At 31st March 2005	於2005年3月31日	-	76,766	15,461	10,923	2,607	4,492	110,249
At 31st March 2004	於2004年3月31日	25,462	51,493	10,127	8,845	1,031	1,751	98,709
The analysis of the cost or valuation of the above assets is as follows:	上述資產之成本或估值分析如下:							
At 31st March 2005	於2005年3月31日							
At cost	成本值	-	-	57,387	32,052	4,209	8,441	102,089
At professional valuation – 2005	專業估值 – 2005年	-	22,380	-	-	-	-	22,380
At directors' valuation – 2005	董事估值 – 2005年	-	54,745	-	-	-	-	54,745
		-	77,125	57,387	32,052	4,209	8,441	179,214
At 31st March 2004	於2004年3月31日							
At cost	成本值	28,292	-	53,736	27,119	2,221	5,020	116,388
At professional valuation – 2004	專業估值 – 2004年	-	14,860	-	-	-	-	14,860
At directors' valuation – 2004	董事估值 – 2004年	-	36,867	-	-	-	-	36,867
		28,292	51,727	53,736	27,119	2,221	5,020	168,115

NOTES TO THE ACCOUNTS 賬目附註

12. FIXED ASSETS (CONTINUED)

Net book value of leasehold land and buildings comprises:

12. 固定資產(續)

租賃土地及樓宇之賬面淨值分別為:

		Group 集團			
		2005		2004	
		Retail shops 零售商舖 HK\$'000 千港元	Other properties 其他物業 HK\$'000 千港元	Retail shops 零售商舖 HK\$'000 千港元	Other properties 其他物業 HK\$'000 千港元
Leasehold properties held in Hong Kong under	在香港持有之租賃物業				
– long leases	– 長期租約	–	18,350	25,462	11,460
– medium-term leases	– 中期租約	–	2,750	–	2,100
		–	21,100	25,462	13,560
Leasehold properties held in overseas under	在海外持有之租賃物業				
– long leases	– 長期租約	–	1,280	–	1,300
– medium-term leases	– 中期租約	–	54,386	–	36,633
		–	55,666	–	37,933
		–	76,766	25,462	51,493

Certain other properties were revalued on 31st March 2005 on the basis of open market value by DTZ Debenham Tie Leung Limited, an independent professional valuer.

The directors of the Company have reviewed the carrying value of the remaining other properties at 31st March 2005 and are of the opinion that their fair values are not materially different from their carrying amounts.

The carrying amount of these revalued other properties would have been HK\$67,002,000 (2004: HK\$49,632,000) had they been stated at cost less accumulated depreciation and accumulated impairment losses.

若干其他物業已於2005年3月31日由獨立專業估值師戴德梁行有限公司按公開市值重估。

本公司董事已於2005年3月31日審閱餘下其他物業之賬面值，並認為公平值與賬面值並無重大差異。

倘其他重估物業以成本值減累積折舊及累積減值虧損列賬，則其賬面值應為67,002,000港元(2004年:49,632,000港元)。

NOTES TO THE ACCOUNTS

賬目附註

13. INTERESTS IN SUBSIDIARIES

		Company 公司	
		2005 HK\$'000 千港元	2004 HK\$'000 千港元
Unlisted investments, at cost	非上市投資·按成本值	298,887	298,887
Loans to subsidiaries	向附屬公司提供貸款	120,521	120,521
		419,408	419,408

Particulars of the principal subsidiaries are set in Note 28 to the accounts.

Loans to subsidiaries are unsecured, interest-free and not repayable in the next twelve months.

13. 附屬公司權益

主要附屬公司之詳情載於賬目附註28。

向附屬公司提供貸款為無抵押、免息及毋須於未來12個月內償還。

14. OTHER INVESTMENTS

		Group 集團	
		2005 HK\$'000 千港元	2004 HK\$'000 千港元
Unlisted investments, at cost	非上市投資·按成本值	3,080	3,080
Less: Provision for impairment loss	減:減值虧損撥備	(1,073)	—
Advance to an investee	向一家所投資公司 提供墊款	2,007 140	3,080 140
		2,147	3,220

Advance to an investee is unsecured, interest-free and not repayable in the next twelve months.

14. 其他投資

向一家所投資公司提供墊款為無抵押、免息及毋須於未來12個月內償還。

NOTES TO THE ACCOUNTS 賬目附註

15. INVENTORIES

At 31st March 2005, the carrying amount of inventories that are carried at net realisable value amounted to HK\$3,106,000 (2004: HK\$3,612,000).

16. AMOUNTS DUE FROM/TO SUBSIDIARIES

The balances are unsecured, interest-free and repayable on demand.

17. TRADE RECEIVABLES

The majority of the Group's sales are on cash basis. Credit sales are mainly for the Group's wholesale customers with terms of 30 to 90 days.

The ageing analysis of trade receivables is as follows:

15. 庫存

於2005年3月31日，以可變現淨值列賬之庫存賬面值為3,106,000港元（2004年：3,612,000港元）。

16. 應收／應付附屬公司賬項

應收／應付附屬公司賬項為無抵押、免息及須按要求償還。

17. 貿易應收賬項

本集團大部分銷售乃以現金進行。除售主要為本集團之批發客戶而設，信貸期為30至90日。

貿易應收賬項之賬齡分析如下：

		Group 集團	
		2005 HK\$'000 千港元	2004 HK\$'000 千港元
0 – 30 days	0至30日	13,090	16,488
31 – 60 days	31至60日	1,072	61
61 – 90 days	61至90日	70	7
91 – 120 days	91至120日	122	–
Over 120 days	超過120日	852	50
		15,206	16,606

NOTES TO THE ACCOUNTS

賬目附註

18. TRADE AND OTHER PAYABLES

Included in trade and other payables are trade payables and their ageing analysis are as follows:

18. 貿易及其他應付賬項

計入貿易及其他應付賬項之貿易應付賬項及其賬齡分析如下：

		Group 集團	
		2005 HK\$'000 千港元	2004 HK\$'000 千港元
0 – 30 days	0至30日	44,530	42,439
31 – 60 days	31至60日	19,220	27,866
61 – 90 days	61至90日	8,873	3,781
91 – 120 days	91至120日	2,070	3,619
Over 120 days	超過120日	217	900
		<u>74,910</u>	<u>78,605</u>

19. SHARE CAPITAL

19. 股本

		2005		2004	
		No. of shares 股份數目	HK\$'000 千港元	No. of shares 股份數目	HK\$'000 千港元
Authorised:	法定股本：				
Ordinary shares of HK\$0.1 each	每股面值0.1港元 之普通股	<u>800,000,000</u>	<u>80,000</u>	<u>800,000,000</u>	<u>80,000</u>
Issued and fully paid:	已發行及繳足股本：				
Ordinary shares of HK\$0.1 each	每股面值0.1港元 之普通股				
At beginning of the year	年初	480,974,850	48,097	474,674,850	47,467
Exercise of share options	行使購股權	4,469,000	447	6,300,000	630
At end of the year	年終	<u>485,443,850</u>	<u>48,544</u>	<u>480,974,850</u>	<u>48,097</u>

NOTES TO THE ACCOUNTS 賬目附註

19. SHARE CAPITAL (CONTINUED)

The Company has a share option scheme under which the directors may, at their discretion, grant employees, including any executive directors, of the Company and/or any of its subsidiaries, options to subscribe for shares in the Company, subject to the terms and conditions stipulated in the share option scheme.

During the year, no such options were granted (2004: Nil).

Options to subscribe for 4,469,000 (2004: 6,300,000) ordinary shares in the Company were exercised at a price of HK\$0.34 (2004: HK\$0.34) per share during the year. The premium on the issue of the shares of HK\$1,073,000 (2004: HK\$1,512,000) was credited to the share premium account.

At 31st March 2005, there were 7,064,000 (2004: 11,533,000) share options outstanding which are exercisable at HK\$0.34 per share at any time prior to 13th June 2010.

20. RESERVES

(a) The reserves of the Group and Company as at 31st March 2005 are analysed as follows:

19. 股本 (續)

本公司設有購股權計劃，據此，董事可根據購股權計劃所訂條款及條件，酌情向本公司及／或其任何附屬公司之僱員（包括任何執行董事）授出可認購本公司股份之購股權。

年內，概無授出任何購股權（2004年：無）。

年內，可認購本公司4,469,000股普通股（2004年：6,300,000股）之購股權已按每股0.34港元（2004年：0.34港元）之價格行使。發行股份之溢價1,073,000港元（2004年：1,512,000港元）已計入股份溢價賬。

於2005年3月31日，共有7,064,000份未行使購股權（2004年：11,533,000份），可於2010年6月13日前任何時間按每股0.34港元之價格行使。

20. 儲備

(a) 本集團及本公司於2005年3月31日之儲備分析如下：

		Group 集團		Company 公司	
		2005 HK\$'000 千港元	2004 HK\$'000 千港元	2005 HK\$'000 千港元	2004 HK\$'000 千港元
Reserves	儲備	586,648	511,011	378,706	375,931
Proposed final dividend (note 8)	擬派末期股息 (附註8)	29,127	24,049	29,127	24,049
Proposed special dividend (note 8)	擬派特別股息 (附註8)	9,709	—	9,709	—
Total reserves	總儲備	625,484	535,060	417,542	399,980

NOTES TO THE ACCOUNTS

賬目附註

20. RESERVES (CONTINUED)

(b) Group

20. 儲備 (續)

(b) 集團

		Share premium 股份溢價 HK\$'000 千港元	Capital reserve 資本儲備 HK\$'000 千港元	Revaluation reserve 重估儲備 HK\$'000 千港元	Exchange reserve 外匯儲備 HK\$'000 千港元	Retained earnings 保留盈利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1st April 2004	於2004年4月1日	56,116	135,713	1,796	(143)	341,578	535,060
Exercise of share options (note 19)	行使購股權 (附註19)	1,073	-	-	-	-	1,073
Profit attributable to shareholders	股東應佔溢利	-	-	-	-	125,988	125,988
Exchange difference on translation of the accounts of foreign subsidiaries	換算海外附屬公司 賬目時之匯兌差額	-	-	-	(126)	-	(126)
Surplus on revaluation of land and buildings	土地及樓宇重估盈餘	-	-	6,956	-	-	6,956
2003/2004 final dividend paid (note 8)	2003/2004年度已付 末期股息(附註8)	-	-	-	-	(24,049)	(24,049)
2004/2005 interim dividend paid (note 8)	2004/2005年度已付 中期股息(附註8)	-	-	-	-	(19,418)	(19,418)
At 31st March 2005	於2005年3月31日	57,189	135,713	8,752	(269)	424,099	625,484
At 1st April 2003	於2003年4月1日	54,604	135,713	-	-	286,936	477,253
Change in accounting policy in respect of deferred taxation	有關遞延稅項之會計 政策變動	-	-	-	-	6,282	6,282
As at 1st April 2003, as restated	於2003年4月1日·經重列	54,604	135,713	-	-	293,218	483,535
Exercise of share options (note 19)	行使購股權 (附註19)	1,512	-	-	-	-	1,512
Profit attributable to shareholders	股東應佔溢利	-	-	-	-	76,965	76,965
Exchange difference on translation of the accounts of foreign subsidiaries	換算海外附屬公司 賬目時之匯兌差額	-	-	-	(143)	-	(143)
Surplus on revaluation of land and buildings	土地及樓宇重估盈餘	-	-	1,796	-	-	1,796
2002/2003 final dividend paid (note 8)	2002/2003年度已付 末期股息(附註8)	-	-	-	-	(18,987)	(18,987)
2003/2004 interim dividend paid (note 8)	2003/2004年度已付 中期股息(附註8)	-	-	-	-	(9,618)	(9,618)
At 31st March 2004	於2004年3月31日	56,116	135,713	1,796	(143)	341,578	535,060

NOTES TO THE ACCOUNTS

賬目附註

20. RESERVES (CONTINUED)

(c) Company

20. 儲備 (續)

(c) 公司

		Share premium 股份溢價 HK\$'000 千港元	Contributed surplus 實繳盈餘 HK\$'000 千港元	Retained earnings 保留盈利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1st April 2004	於2004年4月1日	56,116	298,687	45,177	399,980
Exercise of share options (note 19)	行使購股權 (附註19)	1,073	–	–	1,073
Profit for the year	本年度溢利	–	–	59,956	59,956
2003/2004 final dividend paid (note 8)	2003/2004年度已付 末期股息 (附註8)	–	–	(24,049)	(24,049)
2004/2005 interim dividend paid (note 8)	2004/2005年度已付 中期股息 (附註8)	–	–	(19,418)	(19,418)
At 31st March 2005	於2005年3月31日	57,189	298,687	61,666	417,542
At 1st April 2003	於2003年4月1日	54,604	298,687	73,618	426,909
Exercise of share options (note 19)	行使購股權 (附註19)	1,512	–	–	1,512
Profit for the year	本年度溢利	–	–	164	164
2002/2003 final dividend paid (note 8)	2002/2003年度已付 末期股息 (附註8)	–	–	(18,987)	(18,987)
2003/2004 interim dividend paid (note 8)	2003/2004年度已付 中期股息 (附註8)	–	–	(9,618)	(9,618)
At 31st March 2004	於2004年3月31日	56,116	298,687	45,177	399,980

NOTES TO THE ACCOUNTS

賬目附註

20. RESERVES (CONTINUED)

- (d) The contributed surplus of the Company represents the difference between the nominal value of the shares issued by the Company in exchange for all the issued ordinary shares of Luk Fook Investment (B.V.I.) Limited and the value of net assets of the underlying subsidiaries acquired by the Company as at 17th April 1997. Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus is distributable to the shareholders, provided that the Company would, after the payment of dividends out of the contributed surplus, be able to pay its liabilities as they become due; or the realisable value of the Company's assets would thereby not be less than the aggregate of its liabilities, its issued share capital and its share premium. At the group level, the contributed surplus is reclassified into its component of reserves of the underlying subsidiaries.
- (e) At 31st March 2005, goodwill written off against the Group's capital reserve as a result of the acquisition of subsidiaries prior to 1st April 2001 amounted to HK\$4,147,000 (2004: HK\$4,147,000).

21. MINORITY INTERESTS

Equity interests	股本權益
Loans from minority shareholders of subsidiaries	附屬公司少數股東提供之貸款

The loans from minority shareholders of subsidiaries are unsecured, interest-free and have no fixed terms of repayment.

20. 儲備 (續)

- (d) 本公司之實繳盈餘指本公司為交換Luk Fook Investment (B.V.I.) Limited全部已發行普通股而發行之股份面值與於1997年4月17日本公司所收購之有關附屬公司資產淨值兩者之差額。根據百慕達1981年公司法(經修訂),實繳盈餘可派發予各股東,惟本公司從實繳盈餘派付股息後,必須能於負債到期時清償債務或於作出宣派後,本公司資產之可變現淨值將不會少於其債務、已發行股本及其股份溢價賬之總和。於集團賬目內,此實繳盈餘經重新分類為各有關附屬公司之各項儲備。
- (e) 於2005年3月31日,因本集團於2001年4月1日前收購附屬公司而於本集團資本儲備撤銷之商譽為4,147,000港元(2004年:4,147,000港元)。

21. 少數股東權益

		Group 集團	
		2005 HK\$'000 千港元	2004 HK\$'000 千港元
Equity interests	股本權益	8,210	7,046
Loans from minority shareholders of subsidiaries	附屬公司少數股東提供之貸款	1,039	790
		9,249	7,836

附屬公司少數股東提供之貸款為無抵押、免息及無固定還款期。

NOTES TO THE ACCOUNTS

賬目附註

22. DEFERRED TAXATION

The movement on the net deferred taxation account is as follows:

22. 遞延稅項

遞延稅項淨額之變動如下：

		Group 集團	
		2005 HK\$'000 千港元	2004 HK\$'000 千港元
At 1st April 2004/2003 (Charged)/credited to consolidated profit and loss account	於2004/2003年4月1日 於綜合損益表(扣除)/計入	7,027	6,282
		(2,592)	745
At 31st March 2005/2004	於2005/2004年3月31日	<u>4,435</u>	<u>7,027</u>

Deferred taxation is provided in respect of:

遞延稅項乃就下列各項作出撥備：

		Tax depreciation allowance 稅項折舊抵免		Unrealised profit on closing inventories 期末庫存之未變現溢利		Total 總計	
		2005 HK\$'000 千港元	2004 HK\$'000 千港元	2005 HK\$'000 千港元	2004 HK\$'000 千港元	2005 HK\$'000 千港元	2004 HK\$'000 千港元
At 1st April 2004/2003 (Charged)/credited to consolidated profit and loss account	於2004/2003年4月1日 於綜合損益表 (扣除)/計入	4,523	4,712	2,504	1,570	7,027	6,282
		(3,164)	(189)	572	934	(2,592)	745
At 31st March 2005/2004	於2005/2004年3月31日	<u>1,359</u>	<u>4,523</u>	<u>3,076</u>	<u>2,504</u>	<u>4,435</u>	<u>7,027</u>

Representing:

代表：

		2005 HK\$'000 千港元	2004 HK\$'000 千港元
Deferred tax assets	遞延稅項資產	6,380	7,159
Deferred tax liabilities	遞延稅項負債	(1,945)	(132)
		<u>4,435</u>	<u>7,027</u>

NOTES TO THE ACCOUNTS

賬目附註

23. NOTE TO CONSOLIDATED CASH FLOW STATEMENT

(a) Reconciliation of profit before taxation to net cash inflow generated from operating activities:

		2005 HK\$'000 千港元	2004 HK\$'000 千港元
Profit before taxation	除稅前溢利	152,298	92,868
Depreciation	折舊	12,608	12,265
(Gain)/loss on disposal of fixed assets	出售固定資產之(收益)/虧損	(23,887)	620
Interest income	利息收入	(95)	(169)
Interest paid	已付利息	425	7
Provision for impairment of other investments	其他投資之減值撥備	1,073	-
Surplus on revaluation of land and buildings	土地及樓宇重估盈餘	(864)	(1,835)
Operating profit before working capital changes	營運資金變動前之經營溢利	141,558	103,756
Increase in rental deposits paid	已付租金按金增加	(6,595)	(229)
Increase in inventories	庫存之增加	(56,740)	(54,114)
Decrease/(increase) in trade and other receivables, deposits and prepayments	貿易及其他應收賬項、按金及預付賬項之減少/(增加)	695	(4,905)
Increase in trade and other payables	貿易及其他應付賬項之增加	9,090	20,249
Net cash inflow generated from operating activities	經營產生之現金流入淨額	88,008	64,757

(b) Analysis of changes in financing during the year

23. 綜合現金流量表附註

(a) 除稅前溢利與經營產生之現金流入淨額之對賬如下:

(b) 年內理財活動之變動分析

		Minority interests 少數股東權益		Short-term bank loan 短期銀行貸款	
		2005 HK\$'000 千港元	2004 HK\$'000 千港元	2005 HK\$'000 千港元	2004 HK\$'000 千港元
At 1st April	於四月一日	7,836	4,468	-	-
Minority interests' share of net profits	少數股東應佔溢利淨額	1,164	1,107	-	-
Purchase of additional interest in a subsidiary	收購一家附屬公司額外權益	-	1,471	-	-
Loan from a minority shareholder	一名少數股東提供之貸款	490	790	-	-
Repayment of loan from a minority shareholder	償還一名少數股東之貸款	(241)	-	-	-
Proceeds from short-term bank loan	短期銀行貸款款項	-	-	25,200	-
Repayment of short-term bank loan	償還短期銀行貸款	-	-	(3,780)	-
At 31st March	於三月三十一日	9,249	7,836	21,420	-

NOTES TO THE ACCOUNTS

賬目附註

24. COMMITMENTS

(a) Capital commitments

Contracted but not provided for property, plant and equipment

已訂約但未作出撥備之物業、機器及設備

11,234

59,704

(b) Commitments under operating leases

At 31st March 2005, the Group had future aggregate minimum lease payments under non-cancellable operating leases in respect of land and buildings as follows:

Not later than one year
Later than one year and not later than five years

一年內
一年以上但不超過五年

88,950

52,313

126,006

59,903

214,956

112,216

The actual payments in respect of certain operating leases are calculated at the higher of the minimum commitments as noted above and the amounts determined based on a percentage of the sales of the related outlets.

(c) At 31st March 2005 and 2004, the Company did not have any material capital and financial commitments.

24. 承擔

(a) 資本承擔

Group
集團

2005
HK\$'000
千港元

2004
HK\$'000
千港元

(b) 經營租賃承擔

於2005年3月31日，本集團就土地及樓宇根據不可撤銷之經營租賃而於未來支付之最低租賃付款總額如下：

Group
集團

2005
HK\$'000
千港元

2004
HK\$'000
千港元

若干經營租約實際付款乃按上文所述最低承擔與根據相關商舖銷售額某一百分比所釐定金額之較高者計算。

(c) 於2005及2004年3月31日，本公司並無任何重大資本及財務承擔。

NOTES TO THE ACCOUNTS

賬目附註

25. RELATED PARTY TRANSACTIONS

For the purposes of these accounts, a party is considered to be related to the Group if the Group has the ability, directly or indirectly, to control that party or exercise significant influence over that party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Significant related party transactions, which were carried out in the normal course of the Group's business are as follows:

- (a) A subsidiary of the Company entered into a tenancy agreement with Mr WONG Kwai Sang, Mr WONG Wai Sheung's father, for the lease of a retail shop of the Group for a period of 1 year (2004: 1 year), expiring on 31st December 2005. During the year, rental payable to Mr WONG Kwai Sang amounted to HK\$1,530,000 (2004: HK\$1,440,000).
- (b) A subsidiary of the Company entered into a service contract ("Service Contract") with Miss YEUNG Po Ling, Pauline and Topone Investments Limited ("Topone") for a period of 1 year (2004: 1 year) expiring on 31st March 2005. Pursuant to the Service Contract, Topone agreed to make available Miss Yeung's exclusive services for the promotion of the products and services of the Group in consideration of an annual fee of HK\$380,000 (2004: HK\$380,000).

Both Mr WONG Wai Sheung and Miss YEUNG Po Ling, Pauline are directors of the Company and have beneficial interests in the Company.

26. ULTIMATE HOLDING COMPANY

The directors regard Luk Fook (Control) Limited, a company incorporated in the British Virgin Islands, as being the ultimate holding company.

27. APPROVAL OF ACCOUNTS

The accounts were approved by the board of directors on 22nd July 2005.

25. 有關連人士之交易

就該等賬目而言，倘本集團能夠直接或間接控制另一方或對另一方之財務及經營決策發揮重大影響力，或另一方能夠直接或間接控制本集團或對本集團之財務及經營決策發揮重大影響力，或本集團與另一方均受制於共同的控制或共同重大影響下，有關人士即被視為本集團之有關連人士。有關連人士可以是個別人士或其他實體。

於本集團業務一般過程中進行之重大有關連人士之交易如下：

- (a) 本公司一家附屬公司與黃偉常先生之父親黃桂生先生訂立租賃協議，將物業租予本集團作零售商舖用途，為期1年（2004年：1年），將於2005年12月31日屆滿。年內，應向黃桂生先生支付之租金為1,530,000港元（2004年：1,440,000港元）。
- (b) 本公司之一間附屬公司已與楊寶玲小姐及泰一投資有限公司（「泰一」）訂立服務合約，該服務合約為期1年（2004年：1年），於2005年3月31日屆滿。根據服務合約，泰一已同意楊小姐提供獨家服務，以推廣本集團產品及服務，代價為每年380,000港元（2004年：380,000港元）。

黃偉常先生及楊寶玲小姐均為本公司董事，及於本公司擁有實益權益。

26. 最終控股公司

董事視於英屬維爾京群島註冊成立之Luk Fook (Control) Limited為最終控股公司。

27. 賬目通過

賬目已於2005年7月22日由董事會通過。

NOTES TO THE ACCOUNTS

賬目附註

28. PARTICULARS OF SUBSIDIARIES

At 31st March 2005, the Company had the following principal subsidiaries:

28. 附屬公司詳情

於2005年3月31日，本公司之主要附屬公司如下：

	Place of incorporation/ establishment 註冊成立/ 成立地點	Particulars of issued share capital/ registered capital 已發行股本/ 註冊資本詳情	Percentage of attributable interest held by the Company 本公司所持應佔權益百分比		Principal activities 主要業務
			2005	2004	
Interests held directly: 直接持有權益：					
Luk Fook Investment (B.V.I.) Limited	British Virgin Islands 英屬維爾京群島	HK\$2 2港元	100	100	Investment holding 投資控股
Interests held indirectly: 間接持有權益：					
China Gems Laboratory Limited 中華珠寶鑑定中心有限公司	Hong Kong 香港	HK\$2 2港元	100	100	Authentication of gemstones 寶石鑑定
Great Cyber Investment Limited 浩維投資有限公司	Hong Kong 香港	HK\$100 100港元	100	100	Property holding 持有物業
Ice Collection (International) Limited 冰姿(國際)有限公司	Hong Kong 香港	HK\$100 100港元	100	100	Retailing of gold and jewellery products 珠寶金飾產品零售業務
Jewellworld.com Limited	British Virgin Islands 英屬維爾京群島	HK\$8,000,000 8,000,000港元	51	51	Investment holding, and provision of software development and services relating to internet 投資控股、軟件開發及從事互聯網相關服務

NOTES TO THE ACCOUNTS

賬目附註

28. PARTICULARS OF SUBSIDIARIES (CONTINUED)

28. 附屬公司詳情 (續)

	Place of incorporation/ establishment 註冊成立/ 成立地點	Particulars of issued share capital/ registered capital 已發行股本/ 註冊資本詳情	Percentage of attributable interest held by the Company 本公司所持應佔 權益百分比		Principal activities 主要業務
			2005	2004	
Jewellworld.com Limited 珠寶世界 (香港) 有限公司	Hong Kong 香港	HK\$100 100港元	51	51	Investment holding, and provision of software development and services relating to internet 投資控股、軟件開發及 從事互聯網相關服務
Luk Fook Bullions Dealers Limited 六福金號有限公司	Hong Kong 香港	HK\$14,000,000 14,000,000港元	100	100	Gold bullion trading 黃金買賣
Luk Fook Holdings Company Limited 六福集團有限公司	Hong Kong 香港	HK\$2 2港元	100	100	Provision of management services to group companies and wholesale distribution of gold and jewellery products 提供管理服務予集團公司 及批發分銷珠寶金飾產品
Luk Fook Jewellery & Goldsmith (HK) Company Limited 六福珠寶金行 (香港) 有限公司	Hong Kong 香港	HK\$100 100港元	100	100	Retailing of gold and jewellery products 珠寶金飾產品零售業務
# Luk Fook Jewellery & Goldsmith (Macao) Company Limited # 六福珠寶金行 (澳門) 有限公司	Macau 澳門	MOP 1,000,000 1,000,000澳門元	100	100	Retailing of gold and jewellery products in Macau 於澳門從事珠寶金飾產品 零售業務
Luk Fook Jewellery & Goldsmith (Canada) Limited 六福珠寶金行 (加拿大) 有限公司	Canada 加拿大	CA\$ 100 100加拿大元	100	100	Retailing of gold and jewellery products in Canada 於加拿大從事珠寶金飾 產品零售業務

NOTES TO THE ACCOUNTS

賬目附註

28. PARTICULARS OF SUBSIDIARIES (CONTINUED)

28. 附屬公司詳情 (續)

	Place of incorporation/ establishment 註冊成立/ 成立地點	Particulars of issued share capital/ registered capital 已發行股本/ 註冊資本詳情	Percentage of attributable interest held by the Company 本公司所持應佔 權益百分比		Principal activities 主要業務
			2005	2004	
Max Forum Development Limited 溢富發展有限公司	Hong Kong 香港	HK\$100 100港元	100	100	Property holding 持有物業
Maxigood Enterprises Limited 萬利佳企業有限公司	Hong Kong 香港	HK\$3,000,000 3,000,000港元	93.3	93.3	Manufacturing and wholesale distribution of jewellery 製造及批發分銷珠寶
Success Era Investments Limited 旭穎投資有限公司	Hong Kong 香港	HK\$3,000,000 3,000,000港元	51	51	Sales of electroplated decorations 銷售電鍍裝飾
+#六福珠寶(深圳)有限公司	PRC 中國	HK\$15,000,000 15,000,000港元	100	100	Manufacturing, wholesale, retailing of gold and jewellery products and provision of quality examination services in the PRC 於中國從事製造、批發及 零售黃金及珠寶產品 以及提供品質鑑證服務
+#廣州利盈首飾有限公司	PRC 中國	HK\$35,000,000 35,000,000港元	100	100	Property holding in the PRC 於中國持有物業

NOTES TO THE ACCOUNTS

賬目附註

28. PARTICULARS OF SUBSIDIARIES (CONTINUED)

+ The subsidiaries were established as a wholly foreign-owned enterprises in the PRC.

The subsidiaries have a financial year end date of 31st December in compliance with the respective local regulations.

Unless otherwise stated, all the above companies operate principally in Hong Kong.

The above list includes the subsidiaries of the Company which, in the opinion of the directors, principally affected the results of 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.

28. 附屬公司詳情 (續)

+ 該等附屬公司為於中國成立之全外資企業。

該等附屬公司之財政年度年結日為12月31日，符合各地之法規。

除另有列明外，上述所有公司均主要於香港經營業務。

上表所列之本公司附屬公司乃董事認為對本年度業績有重大影響或構成本集團淨資產之主要部分。董事認為，提供其他附屬公司之詳情會令資料過於冗長。