

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2005 於二零零五年三月三十一日

1. CORPORATE INFORMATION

The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

The Group was principally engaged in the design, manufacture and sale of a wide range of toys and during the year, commenced its supply and procurement business operations. There were no other significant changes in the nature of the Group's principal activities during the year.

Vision Century Group Limited ("Vision Century"), a company incorporated in the British Virgin Islands, is the immediate holding company of the Company. In the opinion of the directors, the ultimate holding company of the Company is Huang Group (BVI) Limited, a company incorporated in the British Virgin Islands, which is ultimately held by a discretionary trust.

2. BASIS OF PRESENTATION

At 31 March 2005, the Group had net current liabilities of HK\$19,982,000. The Group incurred a loss from operating activities of HK\$2,507,000 and reported a net cash outflow from operating activities of HK\$27,489,000 for the year ended 31 March 2005.

In order to strengthen the capital base of the Group and to improve the Group's financial position, immediate liquidity and cash flows, and otherwise to sustain the Group as a going concern, the directors of the Company have adopted the following measures:

- (a) Huang Worldwide Holding Limited, the immediate holding company of Vision Century, which was incorporated in the British Virgin Islands, has undertaken to the Company, during the period up to 31 October 2006, to provide continuing financial support to the Group so as to enable the Group to continue its day-to-day operations as a viable going concern notwithstanding any present or future financial difficulties experienced by the Group.

1. 公司資料

本公司之註冊辦事處位於 Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda。

本集團之主要業務是設計、製造及銷售廣泛種類之玩具。年內，本集團開始從事供應及採購業務。年內本集團之主要業務性質並無其他重大變動。

Vision Century Group Limited (「Vision Century」) (一間於英屬處女群島註冊成立之公司) 乃本公司之直接控股公司。董事認為，本公司之最終控股公司為一間在英屬處女群島註冊成立，由一項全權信託最終持有之公司 Huang Group (BVI) Limited。

2. 呈報基準

於二零零五年三月三十一日，本集團之流動負債淨額為 19,982,000 港元。本集團之經營業務虧損為 2,507,000 港元，並於截至二零零五年三月三十一日止年度錄得來自經營業務之現金流出淨額 27,489,000 港元。

為加強本集團之資金基礎及改善本集團之財務狀況、流動資金、現金流量及其他條件以維持本集團於持續經營狀態，本公司董事已採取以下措施：

- (a) Huang Worldwide Holding Limited 乃 Vision Century (於英屬處女群島註冊成立) 之直接控股公司，已向本公司承諾，在截至二零零六年十月三十一日止期間，將繼續給予本集團財政支援，以便本集團在面對任何現時或日後之財務困難時，仍可繼續其日常運作猶如可行之持續基準。

2. BASIS OF PRESENTATION (Continued)

- (b) The directors of the Company are in ongoing negotiations with the Group's bankers and other creditors to reschedule the repayment of certain borrowings due from the Group and to seek their ongoing support to the Group.
- (c) Vision Century has granted a credit facility of HK\$50,000,000 to the Company since 2 July 2003. During the year, Vision Century advanced HK\$21,150,000 to the Company. At 31 March 2005, the loans advanced from Vision Century amounted to approximately HK\$34,528,000. Vision Century has undertaken that it will not demand the repayment, in part or in whole, of any advance made to the Group under the credit facility before 31 October 2006.
- (d) The directors of the Company are considering various alternatives to strengthen the capital base of the Company through various fund raising exercises, including but not limited to, a private placement, an open offer or a rights issue of new shares of the Company.
- (e) The directors of the Company continue to take action to tighten cost controls over factory overheads and various general and administrative expenses, and are actively seeking new investment and business opportunities with an aim to attain profitable and positive cash flow operations.

In the opinion of the directors of the Company, in light of the measures taken to date, together with the expected results of other measures in progress, the Group will have sufficient working capital for its current requirements and it is reasonable to expect the Group to return to a commercially viable going concern. Accordingly, the directors of the Company are satisfied that it is appropriate to prepare the financial statements on a going concern basis, notwithstanding the Group's financial and liquidity position at 31 March 2005.

2. 呈報基準 (續)

- (b) 本公司董事正與本集團往來銀行及其他債權人進行持續磋商，以重新編排償還本集團若干借款之時間，並尋求往來銀行及其他債權人對本集團繼續支持。
- (c) 自二零零三年七月二日起，Vision Century已授予本公司信貸融資50,000,000港元。年內，Vision Century向本公司墊付21,150,000港元。於二零零五年三月三十一日，Vision Century墊付之貸款合共約為34,528,000港元。Vision Century已承諾其將不會於二零零六年十月三十一日前要求本集團償還本集團根據信貸融資獲授之任何部分或全部貸款。
- (d) 本公司董事正考慮各種方法，以透過各種集資方式加強本公司之資金基礎，包括但不限於本公司新股之私人配售、公開發售或供股事項。
- (e) 本公司董事一直採取行動，以加強對工廠經常開支及各類一般及行政費用之成本控制，並正積極尋求新投資及營商機會，務求達到有利可圖及正現金流量之業務營運。

本公司董事認為，鑑於迄今所採取之措施以及現行其他措施之預期結果，本集團將擁有充足營運資金，以應付其目前所需，因此預期本集團可回復商業上可行之持續經營基準是合理的。因此，本公司董事信納，儘管本集團於二零零五年三月三十一日之財政及流動資金狀況未如理想，按持續經營基準編製財務報表是適當的。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2005 於二零零五年三月三十一日

2. BASIS OF PRESENTATION (Continued)

Should the Group be unable to continue as a going concern, adjustments would have to be made to restate the values of assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities, respectively. The effects of these potential adjustments have not been reflected in the financial statements.

3. IMPACT OF RECENTLY ISSUED HONG KONG FINANCIAL REPORTING STANDARDS

The Hong Kong Institute of Certified Public Accountants has issued a number of new and revised Hong Kong Financial Reporting Standards ("HKFRSs") and Hong Kong Accounting Standards, herein collectively referred to as the new HKFRSs, which are generally effective for accounting periods beginning on or after 1 January 2005. The Group has not early adopted these new HKFRSs in the financial statements for the year ended 31 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. 呈報基準 (續)

倘本集團未能按持續經營基準進行，則將作出相應調整以分別將資產之價值重列至其可收回值，對可能產生之任何額外負債作出撥備，以及將非流動資產及負債分別重新分類為流動資產及負債。該等潛在調整所引致之影響並無反映在財務報表中。

3. 最近期頒佈之香港財務報告準則之影響

香港會計師公會已頒佈一系列新增及經修訂之香港財務報告準則及香港會計準則(統稱「新香港財務報告準則」)，並於二零零五年一月一日或之後開始之會計期間生效。本集團並未於截至二零零五年三月三十一日止年度之財務報表中提早採用該等新香港財務報告準則。本集團已著手評估該等新香港財務報告準則之影響，惟尚未能確定該等新香港財務報告準則會否對其營運業績及財政狀況產生重大影響。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2005 於二零零五年三月三十一日

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (which also include Statements of Standard Accounting Practice and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for the periodic remeasurement of certain fixed assets as further explained below.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 March 2005. The results of subsidiaries acquired or disposed of during the year are consolidated from or to their effective dates of acquisition or disposal, respectively. All significant intercompany transactions and balances within the Group are eliminated on consolidation.

Minority interests represent the interests of outside shareholders in the results and net assets of the Company's subsidiaries.

Subsidiaries

A subsidiary is a company whose financial and operating policies the Company controls, directly or indirectly, so as to obtain benefits from its activities.

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

4. 重要會計政策概要

編製基準

本財務報表乃按照香港會計師公會頒佈之香港財務報告準則(亦包括會計實務準則及註釋)、香港公認會計原則及香港公司條例之披露規定而編製。除下文所述之若干固定資產定期重估外,本財務報表是以歷史成本作為編製基準。

綜合基準

綜合財務報表包括本公司及其附屬公司截至二零零五年三月三十一日止年度之財務報表。本年度內收購或出售之附屬公司之業績由收購生效日期起或截至出售生效日期止綜合計算。所有集團內公司間之重大交易及結餘於綜合賬目時已經抵銷。

少數股東權益指外界股東於本公司附屬公司業績及資產淨值中所佔之權益。

附屬公司

附屬公司乃指本公司直接或間接控制其財務及營運政策,藉以從其活動得益之公司。

附屬公司之業績於本公司之損益賬內按已收及應收股息入賬。本公司於附屬公司之權益乃以成本值扣除減值虧損列賬。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2005 於二零零五年三月三十一日

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*(Continued)***Joint venture companies**

A joint venture company is a company set up by contractual arrangement, whereby the Group and other parties undertake an economic activity. The joint venture company operates as a separate entity in which the Group and the other parties have an interest.

The joint venture agreement between the venturers stipulates the capital contributions of the joint venture parties, the duration of the joint venture and the basis on which the assets are to be realised upon its dissolution. The profits and losses from the joint venture company's operations and any distributions of surplus assets are shared by the venturers, either in proportion to their respective capital contributions, or in accordance with the terms of the joint venture agreement.

A joint venture company is treated as:

- (a) a subsidiary, if the Company has unilateral control, directly or indirectly, over the joint venture company;
- (b) a jointly-controlled entity, if the Company does not have unilateral control, but has joint control, directly or indirectly, over the joint venture company;
- (c) an associate, if the Company does not have unilateral or joint control, but holds, directly or indirectly, generally not less than 20% of the joint venture company's registered capital and is in a position to exercise significant influence over the joint venture company; or
- (d) a long term investment, if the Company holds, directly or indirectly, less than 20% of the joint venture company's registered capital and has neither joint control of, nor is in a position to exercise significant influence over, the joint venture company.

4. 重要會計政策概要 (續)

合營公司

合營公司乃指按合約安排成立之公司，據此，本集團及其他各方共同進行一項經濟業務。合營公司以獨立實體方式經營，而本集團及其他各方擁有其中之權益。

由合營人訂立之合營協議訂明合營各方之出資額、合營期及合營公司解散時將資產變現之基準。合營公司業務帶來之損益及任何盈餘資產分派，均由合營人按各自之出資比例或按合營協議之條款分攤。

合營公司之處理方式如下：

- (a) 如本公司直接或間接擁有合營公司單方面控制權，會視作附屬公司；
- (b) 如本公司並無擁有合營公司單方面控制權，惟直接或間接擁有共同控制權，會視作共同控制機構；
- (c) 如本公司並無擁有合營公司單方面或共同控制權，惟直接或間接擁有不少於20%之合營公司註冊股本及有能力對其行使重大影響力，會視作聯營公司；或
- (d) 如本公司直接或間接持有少於20%之合營公司註冊股本，惟無擁有其共同控制權或無能力對其行使重大影響力，會視作長期投資。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*(Continued)***Related parties**

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

Impairment of assets

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

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

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount of an asset, however not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is credited to the profit and loss account in the period in which it arises, unless the asset is carried at a revalued amount, when the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

4. 重要會計政策概要 (續)

關連人士

倘其中一方有能力直接或間接控制另一方，或對另一方在財政上及運作決策上行使重大影響力，則被視為關連人士。倘彼等受相同之控制或相同之重大影響，亦被視為關連人士。關連人士可為個人或公司企業。

資產減值

於各結算日進行評估，以決定是否有任何迹象顯示任何資產出現減值，或是否有任何迹象顯示往年度已確認之資產減值虧損不再存在或已減少。倘有任何該等迹象，該資產之可收回值須予以估計。資產之可收回值定為資產之使用價值與其銷售淨值之較高者。

減值虧損僅於資產賬面值超出其可收回值時予以確認。減值虧損於其產生之期間在損益賬內扣除，惟當該資產以重估值入賬時，減值虧損則按重估資產之有關會計政策入賬。

僅於用以釐定資產之可收回值之估計出現變動時，過往已確認之減值虧損方予以撥回，然而，倘往年度該資產並無已確認之減值虧損，則撥回金額不得超過資產扣除任何折舊／攤銷之賬面值。撥回之減值虧損於其產生之期間計入損益賬內，惟當該資產以重估值入賬時，減值虧損則按重估資產之有關會計政策入賬。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2005 於二零零五年三月三十一日

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*(Continued)***Fixed assets and depreciation**

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

Changes in the values of fixed assets are dealt with as movements in the fixed asset revaluation reserve. If the total of this reserve is insufficient to cover a deficit, on an individual asset basis, the excess of the deficit is charged to the profit and loss account. Any subsequent revaluation surplus is credited to the profit and loss account to the extent of the deficit previously charged. On disposal of a revalued asset, the relevant portion of the revaluation reserve realised in respect of previous valuations is transferred to retained profits as a movement in reserves.

4. 重要會計政策概要 (續)

固定資產及折舊

固定資產(在建工程除外)按成本或估值減累積折舊及減值虧損入賬。資產成本包括其購買價及將資產達至運作之狀況及地點以作其計劃之用途而產生之任何直接應佔成本。固定資產開始運作後產生之支出(如維修及保養費用)通常於產生期間之損益賬中扣除。若可清楚顯示該等費用引致將來使用固定資產時預期帶來之經濟利益增加,該等費用則會被視作資本開支,作為該固定資產之額外成本。

固定資產價值之變動作為固定資產重估儲備變動處理。如以個別資產計算,儲備總額不足以彌補虧絀,則不足之數額會自損益賬中扣除。任何其後出現之重估盈餘計入損益賬內,數額以之前扣除之虧絀為限。出售重估資產時,重估儲備中與先前估值有關之已變現部分撥入保留溢利,作為儲備變動處理。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*(Continued)***Fixed assets and depreciation** *(Continued)*

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

Medium term leasehold land

中期租賃土地

Buildings

樓宇

Leasehold improvements

租賃物業裝修

Moulds, plant and machinery

模具、廠房及機器

Furniture, fixtures, equipment and motor vehicles

傢俬、裝置、設備及汽車

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

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

4. 重要會計政策概要 (續)

固定資產及折舊 (續)

折舊乃按每項資產之估計可使用年期以直線法撇銷其成本或估值計算，所用之主要每年比率如下：

Over the lease terms

按租約年期

2% to 5%, or over the lease terms,

whichever is shorter

按2%至5%或租約年期，取較短者

20% or over the lease terms,

whichever is shorter

按20%或租約年期，取較短者

12.5% to 15%

12.5%至15%

20%

於損益賬中所確認因出售或廢棄固定資產而產生之任何損益，乃出售資產所得之有關款項淨額與有關資產賬面值之差額。

在建工程乃在建樓宇，按成本減任何減值虧損列賬，且並無折舊。成本包含建築期內所涉及之建築直接成本。在建工程於完成及可使用時重新分類至適當之固定資產類別。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2005 於二零零五年三月三十一日

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*(Continued)***Leased assets**

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing.

Assets held under capitalised finance leases are included in fixed assets and depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to the profit and loss account so as to provide a constant periodic rate of charge over the lease terms.

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessee, rentals payable under the operating leases are charged to the profit and loss account on the straight-line basis over the lease terms.

Inventories

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

4. 重要會計政策概要 (續)

租賃資產

除法定業權外，凡將資產之擁有權絕大部分回報及風險撥歸本集團之租約均被列為融資租約處理。於融資租約訂立時，租賃資產成本以租約須付最低租金之現值撥作資產，連同租賃責任(不包括利息部分)一同入賬，以反映購買及融資活動。

按資本化融資租約持有之資產計入固定資產內，並按租約期或估計該等資產可使用年期兩者中之較短者計算折舊。該等租約之融資成本計入損益賬中，從而於租約期內產生固定之扣除額。

凡將資產所有權之絕大部分回報及風險留予租賃公司之租約均列為經營租約。倘本集團為承租人，該等經營租約之應付租金於租約期內按直線法於損益賬中扣除。

存貨

存貨按成本值或可變現淨值兩者中較低者入賬。成本值按先進先出法計算，在製品及製成品之成本包括直接材料、直接工資及按適當比例分配之製造費用。可變現淨值乃根據估計售價減預期完成及出售存貨所需之其他成本計算。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*(Continued)***Cash and cash equivalents**

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

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

Provisions

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

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

4. 重要會計政策概要 (續)

現金及現金等值物

就綜合現金流量表而言，現金及現金等值物包括手頭現金及活期存款，及購入後一般在三個月內到期及可隨時轉換為已知數額現金且價值變動風險較小之短期高度流動性投資，減須應要求償還並構成本集團現金管理之組成部分之銀行透支。

就資產負債表而言，現金及銀行結餘包括手頭現金及銀行存款，包括定期存款及性質類似現金而用途不受限制之資產。

撥備

在本集團因已發生之事件而負有現行法律或推定責任，從而日後有可能須撥出資源以履行有關責任，且有關數額亦能可靠估算之情況下，本集團會確認撥備。

倘貼現之影響乃屬重大，則確認為撥備之數額為日後預期用於履行有關責任之開支於結算日之現值。隨時間推移產生之貼現現值增加計入損益賬之財務費用。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2005 於二零零五年三月三十一日

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*(Continued)***Income tax**

Income tax comprises current and deferred tax. Income tax is recognised in the profit and loss account, or in equity if it relates to items that are recognised in the same or a different period directly in equity.

Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences:

- except where the deferred tax liability arises from the initial recognition of an asset or liability and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and interests in joint ventures except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

4. 重要會計政策概要 (續)

所得稅

所得稅包括本期間稅項及遞延稅項。所得稅於損益賬中確認，或若有關項目於相同或不同期間在權益中確認，則直接在權益中確認。

遞延稅項就於結算日資產與負債之稅基及其於財務報告中之賬面值兩者間之所有暫時差異以負債法撥備。

遞延稅項負債乃就所有應課稅暫時差異確認：

- 惟於一項交易進行時初次確認資產或負債時產生而並無對會計溢利或應課稅溢利或虧損構成影響之遞延稅項負債除外；及
- 就有關於附屬公司之投資及合營公司之權益產生之應課稅暫時差異而言，惟於暫時差異之撥回時間可以控制及暫時差異有可能不會於可預見未來撥回除外。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*(Continued)***Income tax** *(Continued)*

Deferred tax assets are recognised for all deductible temporary differences, carryforward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax assets and unused tax losses can be utilised:

- except where the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries and interests in joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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 deferred tax asset to be utilised. Conversely, previously unrecognised deferred tax assets are recognised to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

4. 重要會計政策概要 (續)

所得稅 (續)

遞延稅項資產就所有可扣減暫時差異及未被動用之稅項資產與稅項虧損之結轉確認，惟僅以有可能以應課稅溢利抵銷可扣減暫時差異及可動用結轉未被動用稅項資產及稅項虧損為限：

- 惟於一項交易進行時初次確認資產或負債時產生而並無對會計溢利或應課稅溢利或虧損構成影響之有關可扣減暫時差異之遞延稅項資產除外；及
- 就於附屬公司之投資及合營公司之權益產生之可扣減暫時差異而言，遞延稅項資產僅以暫時差異有可能於可預見未來撥回及可動用應課稅溢利以抵銷暫時差異為限確認。

遞延稅項資產之賬面值於每個結算日檢討，並扣減至不再可能有足夠應課稅溢利讓所有或部分遞延稅項資產被動用為止。相反，以往未確認之遞延稅項資產在可能有足夠應課稅溢利讓所有或部分遞延稅項資產被動用時確認。

遞延稅項資產與負債以資產被變現或負債清還之期間之預期適用稅率，按於結算日已制定或實際已制定之稅率（及稅務法例）計算。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2005 於二零零五年三月三十一日

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*(Continued)***Revenue recognition**

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

- (a) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold; and
- (b) interest income, on a time proportion basis taking into account the principal outstanding and the effective interest rate applicable.

Employee benefits*Paid leave carried forward*

The Group provides paid annual leave to its employees under their employment contracts on a calendar year basis. Under certain circumstances, such leave which remains untaken as at the balance sheet date is permitted to be carried forward and utilised by the respective employees in the following year. An accrual is made at the balance sheet date for the expected future cost of such paid leave earned during the year by the employees and carried forward.

Employment Ordinance long service payments

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

4. 重要會計政策概要 (續)

收入確認

收入乃於本集團按下列基準可取得經濟利益及能夠可靠地計算收入時予以確認：

- (a) 來自貨品銷售，附於擁有權之主要風險及回報已轉移至買家，且本集團並無保留一般視為與擁有權相關之管理權或已售貨品之有效控制權時；及
- (b) 利息收入，乃計及有關本金額及適用之實際利率按時間比例基準計算。

僱員福利*結轉有薪假期*

本集團根據僱傭合約按公曆年向僱員提供有薪年假。在若干情況下，於結算日仍未享用之假期允許結轉，由有關僱員在下一個年度享用。於結算日，本集團會就僱員於年內享有及結轉之有薪假期之預期未來成本確認一項應計款項。

僱傭條例長期服務金

本集團若干僱員已達致香港僱傭條例（「僱傭條例」）所規定之服務年限，有資格於其僱傭關係終止時享有長期服務金。倘僱傭關係之終止符合僱傭條例所規定之情況，本集團有責任支付長期服務金。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*(Continued)***Employee benefits** *(Continued)**Employment Ordinance long service payments* *(Continued)*

A provision is recognised in respect of the probable future long service payments expected to be made. The provision is based on the best estimate of the probable future payments which have been earned by the employees from their service to the Group to the balance sheet date.

Retirement benefits scheme

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

Share option scheme

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. The financial impact of share options granted under the share option scheme is not recorded in the Company's or the Group's balance sheet until such time as the options are exercised, and no charge is recorded in the profit and loss account or balance sheets for their cost. Upon the exercise of share options, the resulting shares issued are recorded by the Company as additional share capital at the nominal value of the shares, and the excess of the exercise price per share over the nominal value of the shares is recorded by the Company in the share premium account. Options which are cancelled prior to their exercise date, or which lapse, are deleted from the register of outstanding options.

4. 重要會計政策概要 (續)

僱員福利 (續)*僱傭條例長期服務金* (續)

本集團會就預計日後可能須支付之長期服務金確認一項撥備。該項撥備按僱員於截至結算日為止之期間內就為本集團提供之服務估計可賺取之未來長期服務金之最高款額計算。

退休福利計劃

本集團根據強制性公積金計劃條例為其合資格參與強制性公積金退休福利計劃(「強積金計劃」)之僱員運作一個定額供款之強積金計劃。供款乃依據僱員基本薪酬之百分比計算，並根據強積金計劃之規例於應付時計入損益賬。強積金計劃之資產乃與本集團之資產分開持有，並由獨立管理基金管理。依照強積金計劃之條例，除本集團僱主之自願性供款可於僱員在供款全數歸屬前離開本集團時取回外，本集團僱主之供款於向強積金計劃供款時即全部撥歸僱員所有。

購股權計劃

本公司設有購股權計劃，其目的為給予為本集團之成功營運作出貢獻之合資格參與人鼓勵及回報。根據購股權計劃授出之購股權之財務影響並無計入本公司或本集團之資產負債表，直至購股權獲行使為止。損益賬或資產負債表內並無扣減其成本。於購股權獲行使時，所發行之股份由本公司按股份之面值記錄為額外股本，每股股份之行使價超過股份面值之差額由本公司計入股份溢價賬。於行使日期前註銷或作廢之購股權從未行使購股權登記冊中刪除記錄。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2005 於二零零五年三月三十一日

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*(Continued)***Foreign currencies**

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

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

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

4. 重要會計政策概要 (續)

外幣

外幣交易以交易當日之適用匯率折算記錄。結算日當日以外幣為單位之貨幣資產及負債均按當日之適用匯率折算。滙兌差額在損益賬中處理。

在綜合海外附屬公司之賬目時，其財務報表按投資淨額法折算為港元。海外附屬公司之損益賬按年內之加權平均匯率換算為港元，而資產負債表則按結算日之匯率換算為港元。所產生之換算差額在滙兌波動儲備中列賬。

就綜合現金流量表而言，海外附屬公司之現金流量按現金流量日之匯率換算為港元。海外附屬公司整個年度定期產生之現金流量按年內之加權平均匯率換算為港元。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2005 於二零零五年三月三十一日

5. SEGMENT INFORMATION

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

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

- the toddler cars segment manufactures and trades children's ride-on cars featuring working horns and turning wheels;
- the cycling segment manufactures and trades children's bicycles, tricycles and scooters;
- the other toys segment comprises the manufacture and the trading of pre-school toys, plastic utensils and other fashionable toys; and
- the supply and procurement segment supplies office equipment and office supplies, machinery, machinery parts, lubricating oil and bunkering for vessels.

In determining the Group's geographical segments, revenues are attributed to the segments based on the location of the customers, which are North America, Europe, Singapore and the Asia Pacific region and other regions. Assets are attributed to the segments based on the location of the assets.

5. 分類資料

分類資料乃按兩種形式呈報：(i)第一類呈報基準乃按業務分類；及(ii)第二類呈報基準乃按地區分類。

本集團之經營業務乃根據彼等之業務性質及所提供之產品分列架構及管理。本集團各業務分類指提供產品之風險及回報與其他業務分類之風險及回報有所分別之策略性業務單位。業務分類之詳情概要如下：

- 學行車分類業務為製造及買賣兒童座車，其附有可發聲之喇叭及可轉動之駕駛盤；
- 腳踏車分類業務為製造及買賣兒童單車、三輪車及滑板車；
- 其他玩具分類，包括製造及買賣學前玩具、塑膠用品以及其他時尚玩具；及
- 供應及採購分類業務為供應辦公室設備、辦公室用品及遠洋郵輪使用之機器、機器零件、機油及燃料。

在釐定本集團之地區分類時，收入乃根據客戶所處地區而分類，即北美洲、歐洲、新加坡、亞太區及其他地區。資產乃根據資產所在地區而分類。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2005 於二零零五年三月三十一日

5. SEGMENT INFORMATION (Continued)

There are no intersegment sales and transfers among the business segments.

(a) Business segments

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

Group 本集團	Toddler cars 學行車		Cycling 腳踏車		Other toys 其他玩具		Supply and procurement 供應及採購		Consolidated 綜合	
	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Segment revenue:	分類收入：									
Sales to external customers	外來客戶之銷售額									
Other revenue	其他收入									
	25,874	11,078	5,360	6,867	4,971	4,586	144,687	-	180,892	22,531
	701	333	146	207	135	140	34	-	1,016	680
	26,575	11,411	5,506	7,074	5,106	4,726	144,721	-	181,908	23,211
Segment results	分類業績									
Interest income and unallocated gains	利息收入及未分配收益									
Unallocated expenses	未分配開支									
	(7,728)	(7,364)	(1,422)	(5,593)	(983)	(3,911)	8,885	-	(1,248)	(16,868)
									10,184	897
									(11,443)	(11,337)
Loss from operating activities	經營業務虧損									
Finance costs	財務費用									
									(2,507)	(27,308)
									(4,049)	(4,951)
Loss before tax	除稅前虧損									
Tax	稅項									
									(6,556)	(32,259)
									(1,608)	836
Loss before minority interests	未計少數股東權益前虧損									
Minority interests	少數股東權益									
									(8,164)	(31,423)
									(2,915)	525
Net loss from ordinary activities attributable to shareholders	股東應佔日常業務虧損 淨額									
									(11,079)	(30,898)

5. 分類資料 (續)

業務分類之間概無分類銷售及轉讓。

(a) 業務分類

下表呈列本集團按業務分類之收入、溢利／(虧損)及若干資產、負債與開支資料。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2005 於二零零五年三月三十一日

5. SEGMENT INFORMATION (Continued)

5. 分類資料 (續)

(a) Business segments (continued)

(a) 業務分類 (續)

Group 本集團		Toddler cars 學行車		Cycling 腳踏車		Other toys 其他玩具		Supply and procurement 供應及採購		Consolidated 綜合	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Segment assets	分類資產	13,428	6,278	4,746	5,285	3,544	6,224	40,562	-	62,280	17,787
Unallocated assets	未分配資產									94,320	87,995
Total assets	總資產									156,600	105,782
Segment liabilities	分類負債	2,692	5,865	717	4,156	5,453	4,830	19,540	-	28,402	14,851
Unallocated liabilities	未分配負債									105,637	81,593
Total liabilities	總負債									134,039	96,444
Other segment information:	其他分類資料:										
Depreciation	折舊	950	950	1,569	1,592	1,258	1,231	-	-	3,777	3,773
Unallocated amounts	未分配金額									6,228	6,831
										10,005	10,604
Other non-cash expenses	其他非現金開支	442	341	167	212	135	144	485	-	1,229	697
Deficit/(surplus) on revaluation recognised directly in equity	直接於權益中確認之 重估虧絀/(盈餘)										
Unallocated amounts	未分配金額									(497)	405
Capital expenditure	資本開支	323	6	130	167	46	-	-	-	499	173
Unallocated amounts	未分配金額									182	685
										681	858

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2005 於二零零五年三月三十一日

5. SEGMENT INFORMATION (Continued)

5. 分類資料 (續)

(b) Geographical segments

(b) 地區分類

The following tables present revenue and certain asset and expenditure information for the Group's geographical segments.

下表呈列本集團按地區分類之收入及若干資產與開支資料。

Group
本集團

	North America		Europe		Singapore		Singapore)		Others		Consolidated	
	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004
	二零零五年	二零零四年	二零零五年	二零零四年	二零零五年	二零零四年	二零零五年	二零零四年	二零零五年	二零零四年	二零零五年	二零零四年
	HK\$'000	HK\$'000	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	千港元	千港元
Segment revenue: 分類收入:												
Sales to external customers 外來客戶之銷售額	2,037	4,205	25,172	8,315	144,687	-	5,100	4,831	3,896	5,180	180,892	22,531

Group
本集團

	North America		Europe		Singapore		Singapore)		Others		Consolidated	
	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004
	二零零五年	二零零四年	二零零五年	二零零四年	二零零五年	二零零四年	二零零五年	二零零四年	二零零五年	二零零四年	二零零五年	二零零四年
	HK\$'000	HK\$'000	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	千港元	千港元
Other segment information: 其他分類資料:												
Segment assets 分類資產	8	241	5,210	386	40,547	-	110,835	105,069	-	86	156,600	105,782
Capital expenditure 資本開支	-	-	-	-	-	-	681	858	-	-	681	858

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2005 於二零零五年三月三十一日

6. TURNOVER, OTHER REVENUE AND GAINS

Turnover represents the net invoiced value of goods sold, after allowances for returns and trade discounts.

An analysis of turnover, other revenue and gains is as follows:

Turnover	營業額
Sale of goods	銷售貨物
Other revenue	其他收入
Interest income	利息收入
Other	其他
Gains	收益
Exchange gains, net	滙兌收益，淨額
Write back of provision for bad and doubtful debts	呆壞賬撥備撥回
Waiver of accounts payable	應付賬款豁免
Waiver of interest accrued on finance leases	融資租約之應計利息豁免

6. 營業額、其他收入及收益

營業額指已扣除退貨及貿易折扣之售出貨物發票淨值。

營業額、其他收入及收益分析如下：

2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
180,892	22,531
25	15
863	509
888	524
208	28
—	53
294	832
—	140
502	1,053
1,390	1,577

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2005 於二零零五年三月三十一日

7. LOSS FROM OPERATING ACTIVITIES

The Group's loss from operating activities is arrived at after charging/(crediting):

Cost of inventories sold	已售存貨成本
Depreciation (note 14)	折舊(附註14)
Provision for bad and doubtful debts	呆壞賬撥備
Minimum lease payments under operating leases in respect of land and buildings	有關土地及樓宇經營租賃項下之最低租金
Auditors' remuneration	核數師酬金
Staff costs (excluding directors' remuneration – note 9):	員工成本(不包括董事酬金 – 附註9):
Wages and salaries	工資及薪金
Retirement benefits scheme contributions	退休福利計劃供款
Exchange gains, net	滙兌收益·淨額
Revaluation deficit/(surplus) on land and buildings *	土地及樓宇重估虧絀/(盈餘)*
Provision against inventories	存貨之撥備
Loss on disposal of fixed assets	出售固定資產虧損
Write-off of fixed assets (note 14)	固定資產撇銷(附註14)

Cost of sales includes approximately HK\$9,899,000 (2004: HK\$10,917,000) relating to staff costs and depreciation which are also included in the respective total amounts disclosed separately above for each of these types of expenses.

At 31 March 2005, the Group had no forfeited contributions available to reduce its contributions to retirement benefits schemes in future years (2004: Nil).

* The revaluation deficit/(surplus) on land and building for the year has been included in "Other operating income/(expenses), net" on the face of the consolidated profit and loss account.

7. 經營業務虧損

本集團經營業務虧損經扣除/(計入)以下各項:

2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
155,952	14,444
10,005	10,604
290	–
741	411
1,080	800
8,271	7,841
304	171
8,575	8,012
(50)	(28)
(1,780)	697
828	–
–	81
111	–

銷售成本包括有關員工成本及折舊共約9,899,000港元(二零零四年: 10,917,000港元), 已包括於上文各類別開支分別披露之有關總額。

於二零零五年三月三十一日, 本集團並無已沒收供款可供於未來年度扣減退休福利計劃之供款(二零零四年: 無)。

* 本年度土地及樓宇重估虧絀/(盈餘)已計入綜合損益賬內之「其他營運收入/(費用)淨額」項下。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2005 於二零零五年三月三十一日

8. FINANCE COSTS

8. 財務費用

		Group 本集團	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Interest on:	下列各項之利息：		
Bank loans, overdrafts and other loans wholly repayable within five years	須於五年內全數償還之銀行貸款、透支及其他貸款	3,479	4,222
Convertible note and bonds	可換股票據及債券	570	705
Finance leases	融資租約	-	24
		4,049	4,951

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2005 於二零零五年三月三十一日

9. DIRECTORS' REMUNERATION

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

Fees:	袍金：
Executive directors	執行董事
Independent non-executive directors	獨立非執行董事
Other emoluments of executive directors:	執行董事之其他酬金：
Basic salaries, other allowances and benefits in kind	基本薪金、其他津貼及實物利益
Retirement benefits scheme contributions	退休福利計劃供款

The remuneration of all directors fell within the band of nil to HK\$1,000,000 for the years ended 31 March 2005 and 2004.

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

During the year, no emoluments were paid by the Group to any of the directors as an inducement to join, or upon joining the Group, or as compensation for loss of office (2004: Nil).

9. 董事酬金

根據香港聯合交易所有限公司證券上市規則及香港公司條例第161條披露之本年度董事酬金詳情如下：

		Group 本集團	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
		—	—
		240	240
		240	240
		1,279	1,344
		64	67
		1,343	1,411
		1,583	1,651

截至二零零五年及二零零四年三月三十一日止年度，所有董事之酬金均介乎零至1,000,000港元之組別內。

本年度內並無董事作出放棄酬金或同意放棄酬金之安排。

年內，本集團概無向任何董事支付酬金作為吸引彼等加入本集團或於彼等加入本集團時支付酬金或離職補償（二零零四年：無）。

NOTES TO FINANCIAL STATEMENTS
財務報表附註

31 March 2005 於二零零五年三月三十一日

10. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included four (2004: four) directors, details of whose remuneration are set out in note 9 above. Details of the remuneration of the remaining (2004: one) non-director, highest paid employee for the year are as follows:

Basic salaries, other allowances and benefits in kind	基本薪金、其他津貼及實物利益
Retirement benefits scheme contributions	退休福利計劃供款

The remuneration of all non-director, highest paid employees fell within the band of nil to HK\$1,000,000 for the years ended 31 March 2005 and 2004.

During the year, there were no bonuses paid to or receivable by any of the five highest paid employees of the Group (2004: Nil). No emoluments were paid by the Group to any of the five highest paid employees as an inducement to join, or upon joining the Group, or as compensation for loss of office (2004: Nil).

10. 五位最高薪僱員

年內之五位最高薪僱員之中，四位(二零零四年：四位)為董事，彼等之酬金詳情已載列於上文附註9。餘下一位(二零零四年：一位)非董事之最高薪僱員之酬金詳情如下：

Group 本集團	
2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
252	247
13	12
265	259

截至二零零五年及二零零四年三月三十一日止年度，所有非董事之最高薪僱員之酬金均介乎零至1,000,000港元之組別內。

年內，本集團概無向任何五位最高薪僱員(二零零四年：無)支付或應付任何花紅。本集團概無向任何五位最高薪僱員支付酬金以吸引彼等加盟本集團或作為加盟本集團時之報酬或離職補償(二零零四年：無)。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2005 於二零零五年三月三十一日

11. TAX

No Hong Kong profits tax has been provided as the Group did not generate any assessable profits arising in Hong Kong during the year (2004: Nil). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

Group:	本集團：
Current – elsewhere	即期 – 其他地區
Deferred tax credit (note 24)	遞延稅項撥回（附註24）

Total tax credit/(charge) for the year 本年度稅項撥回／（開支）總額

A reconciliation of the tax credit/(expense) applicable to the loss before tax using the statutory rates for the countries in which the Company and the majority of its subsidiaries are domiciled to the tax credit/(expense) at the effective tax rates is as follows:

Group – 2005

		Hong Kong 香港	Singapore 新加坡	Total 總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Profit/(loss) before tax	除稅前溢利/(虧損)	(15,437)	8,881	(6,556)
Tax at the applicable tax rate	按適用稅率計算之稅項	2,701	(1,776)	925
Income not subject to tax	毋須課稅收入	1,721	168	1,889
Expenses not deductible for tax	不可扣稅開支	(156)	–	(156)
Tax losses not recognised	未確認稅務虧損	(4,266)	–	(4,266)
Tax charge at the Group's effective rate of 24.5%	按本集團實際稅率24.5%計算之稅項開支	–	(1,608)	(1,608)

11. 稅項

由於年內並無源自香港之應課稅溢利，故本集團並無就香港利得稅撥備（二零零四年：無）。於其他地區之應課稅溢利稅項，已根據有關之現行法例、註釋及慣例，按本集團經營業務之國家之稅率計算。

2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
(1,608)	–
–	836
(1,608)	836

採用本公司及其多數附屬公司註冊國家之法定稅率計算之除稅前虧損適用之稅項撥回／（開支）與按實際稅率計算之稅項撥回／（開支）之對賬如下：

本集團 – 二零零五年

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2005 於二零零五年三月三十一日

11. TAX (Continued)

Group – 2004

		Hong Kong 香港 HK\$'000 千港元	Singapore 新加坡 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Loss before tax	除稅前虧損	(32,259)	–	(32,259)
Tax at the applicable tax rate	按適用稅率計算之稅項	5,645	–	5,645
Income not subject to tax	毋須課稅收入	1,564	–	1,564
Expenses not deductible for tax	不可扣稅開支	(192)	–	(192)
Tax losses utilised from previous periods	動用以往期間之稅務虧損	88	–	88
Tax losses not recognised	未確認稅務虧損	(6,269)	–	(6,269)
Tax credit at the Group's effective rate of 2.6%	按本集團實際稅率2.6%計算之稅項撥回	836	–	836

12. NET LOSS FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS

The net loss from ordinary activities attributable to shareholders for the year ended 31 March 2005 dealt with in the financial statements of the Company, was HK\$58,698,000 (2004: HK\$7,853,000) (note 27(b)).

13. LOSS PER SHARE

The calculation of basic loss per share is based on the net loss attributable to shareholders for the year of HK\$11,079,000 (2004: HK\$30,898,000), and the weighted average of 58,849,004 (2004: 37,161,976, restated to reflect the open offer during the year ended 31 March 2005 and share consolidation after 31 March 2005) ordinary shares in issue during the year, as adjusted to reflect the open offer during the year and the share consolidation after the balance sheet date (note 35(c)).

Diluted loss per share amounts for the years ended 31 March 2005 and 2004 have not been disclosed as the convertible note and bonds outstanding during the year had an anti-dilutive effect on the basic loss per share for these years.

11. 稅項(續)

本集團 – 二零零四年

		Hong Kong 香港 HK\$'000 千港元	Singapore 新加坡 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Loss before tax	除稅前虧損	(32,259)	–	(32,259)
Tax at the applicable tax rate	按適用稅率計算之稅項	5,645	–	5,645
Income not subject to tax	毋須課稅收入	1,564	–	1,564
Expenses not deductible for tax	不可扣稅開支	(192)	–	(192)
Tax losses utilised from previous periods	動用以往期間之稅務虧損	88	–	88
Tax losses not recognised	未確認稅務虧損	(6,269)	–	(6,269)
Tax credit at the Group's effective rate of 2.6%	按本集團實際稅率2.6%計算之稅項撥回	836	–	836

12. 股東應佔日常業務虧損淨額

於本公司財務報表內處理之截至二零零五年三月三十一日止年度之股東應佔日常業務虧損淨額為58,698,000港元(二零零四年: 7,853,000港元)(附註27(b))。

13. 每股虧損

每股基本虧損乃根據本年度股東應佔虧損淨額11,079,000港元(二零零四年: 30,898,000港元)及年內已發行普通股加權平均數58,849,004股(經調整以反映年內所進行之公開發售及於結算日後所進行之股份合併(附註35(c))(二零零四年: 37,161,976股, 經重列以反映於截至二零零五年三月三十一日止年度所進行之公開發售及於二零零五年三月三十一日後所進行之股份合併))計算。

由於截至二零零五年及二零零四年三月三十一日止年度尚未行使可換股票據及債券對該等年度之每股基本虧損具反攤薄影響, 故並無披露該等年度之每股攤薄虧損。