

2005

Annual Report 年報



CIL HOLDINGS LIMITED (Incorporated in Bermuda with limited liability)

華建控股有限公司

(於百慕達註冊成立之有限公司)
Stock code 股份代號: 479

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DIRECTORS

Ke Jun Xiang (*Chairman*)
Ho Pui Tsun, Peter (*Deputy Chairman*)
Shao Wei Hong
Hu Yeshan
Li Qinyi*
Wong Kwok Tai, Wystan**
Kwok Yam Sheung**

* Non-Executive Director

** Independent Non-Executive Director

COMPANY SECRETARY

Chiu King Hoi, Anthony

BANKERS

Bank of China (Hong Kong)
Wing Hang Bank Ltd.
Standard Chartered Bank

AUDITORS

Graham H. Y. Chan & Co.
Unit 1, 15/F, The Center
99 Queen's Road Central, Hong Kong

SHARE REGISTERS

Bermuda
The Bank of Bermuda Limited
6 Front Street
Hamilton HM11
Bermuda

Hong Kong

Tricor Tengis Limited
Level 28, Three Pacific Place
1 Queen's Road East
Hong Kong

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

12/F, Bank of Communications Building
563 Nathan Road
Kowloon, Hong Kong

董事

柯俊翔 (*主席*)
何佩川 (*副主席*)
邵偉宏
胡葉山
李勤毅*
黃國泰**
郭蔭尚**

* 非執行董事

** 獨立非執行董事

公司秘書

趙景開

主要往來銀行

中國銀行(香港)
永亨銀行有限公司
渣打銀行

核數師

陳浩賢會計師事務所
香港中環皇后大道中99號
中環中心15樓1501室

股份登記處

百慕達
The Bank of Bermuda Limited
6 Front Street
Hamilton HM11
Bermuda

香港

卓佳登捷時有限公司
香港皇后大道東1號
太古廣場三座28樓

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

總辦事處及主要營業地點

香港九龍
彌敦道563號
交通銀行大廈12樓

CHAIRMAN'S STATEMENT 主席報告書

On behalf of the board of directors (the "Board"), I hereby present to the shareholders the annual results of CIL Holdings Limited (the "Company") and its subsidiaries (the "Group") for the year ended 30 June 2005.

During the year under review, the Group achieved a turnover of approximately HK\$121.3 million, representing an increase of approximately HK\$47.9 million comparing with last financial year. Mainly due to the amount settled from a judgment debt, the Group narrowed its net loss attributable to shareholders to approximately HK\$7.4 million from HK\$53.1 million of last financial year, representing an improvement of 86%.

Since 1996, the Group has taken ongoing legal action against a bank and a former joint venture partner in the Mainland China in respect of the refund of equity stake in an investment project in the Hainan Island. After nearly a decade long litigation, the Supreme People's Court of the People's Republic of China reached a final verdict in 2004. Upon completion of execution of the court order during the financial year, the Group recovered a sum with accumulated financial interest of approximately RMB 45 million. In the process of recovering the debt, total legal and other expenses of approximately RMB 24 million was also incurred.

The management has dedicated to strengthening the overall financial performance of the Group by developing its existing business, divesting under-performing assets as well as exploring new investment opportunities. Although the general economy shows an uptrend growth and turnover derived from the Group in trading of multi-media and communication products has recorded substantial growth, intense competition from industry peers at the same time has also posed tough challenges to the marketing strategy of Group. In order to maintain a satisfactory share in this highly competitive market, adoption of more aggressive pricing policy was necessary. Inevitably, the gross profit of the Group has declined to HK\$3.8 million, a 21.9% decrease as compared with that of last year.

本人謹代表董事會(「董事會」)向各股東提呈華建控股有限公司(「本公司」)及其附屬公司(「本集團」)截至二零零五年六月三十日止年度之業績。

於回顧年度內，本集團獲得營業額約121,300,000港元，比上個財政年度增加約47,900,000港元，主要由於一項審結債項之和解金額所致。本集團將股東應佔淨虧損由上個財政年度53,100,000港元減少至7,400,000港元，改善比率達86%。

自一九九六年以來，本集團一直就退還海南島一項投資項目之股權，對位於中國之一家銀行及一名前合營夥伴訴諸法律行動。經接近十年之漫長訴訟後，中華人民共和國最高人民法院於二零零四年作出最終裁決。於本財政年度內完成執行法院命令後，本集團收回合共約人民幣45,000,000元(包括累計財務利息)。於收回債項期間，亦產生法律及其他開支總額約人民幣24,000,000元。

管理層致力透過發展現有業務、將資金撤離表現欠佳之資產以及物色新投資機會，以加強本集團之整體財務表現。儘管整體經濟呈現增長趨勢，而本集團來自多媒體及通訊產品貿易所得之營業額錄得持續增長，但同業之間的激烈競爭亦為本集團之市場推廣策略帶來嚴峻挑戰。為了在此高度競爭之市場內保持良好份額，採納積極之價格政策實屬必要。本集團之毛利無可避免減少至3,800,000港元，比去年減少21.9%。

CHAIRMAN'S STATEMENT 主席報告書

Looking forward, the management will review its existing business from time to time and strive to improve the business operation and financial position of the Group. At the same time, the Group will proactively seek potential investment opportunities that can enhance the value to the shareholders.

Finally, I would like to take this opportunity to express my gratitude to my fellow directors, management and staff for their contributions and dedication to the Group. In addition, I would like to thank all the shareholders, business partners, suppliers and customers for their continued support.

Ke Jun Xiang

Chairman

Hong Kong, 12 November 2007

展望未來，管理層將不時檢討其現有業務，致力改善本集團之業務營運及財務狀況。同時，本集團將積極物色可望為股東帶來更多價值之潛在投資機會。

最後，本人藉此機會衷心感謝董事會同寅、管理層及員工對本集團之全心貢獻。此外，本人謹對所有股東、業務夥伴、供應商及客戶之鼎力支持致以謝意。

主席

柯俊翔

香港，二零零七年十一月十二日

FINANCIAL RESULTS

The Group recorded a consolidated turnover of HK\$121.3 million, an increase of 65.2% over last year. Mainly due to the recovery of a judgment debt from a litigation, loss attributed to shareholders has decreased to HK\$7.4 million as compared to HK\$53.1 million of last year, representing loss per share of HK\$0.12 cents (2004: HK\$0.86 cents).

BUSINESS REVIEW AND OUTLOOK

During the year, the Company's principal activity continued to be investment holding whilst its major subsidiary is mainly engaged in trading of multi-media and communication products. Improving the financial condition of the Group becomes the primary target of the management in the coming year. The Group will continue to focus on its existing core business operation and also strive to explore new investment opportunities. In light of the anticipated persistent development of the Mainland China, together with robust performance of the Hong Kong economy, the Group believes that the existing business will accomplish gradual and encouraging growth in the coming future.

LIQUIDITY AND FINANCIAL RESOURCES

At 30 June 2005, the Group had net liabilities of HK\$3.8 million comprising total assets of HK\$168.1 million and total liabilities of HK\$171.9 million. The current ratio, representing by current assets divided by current liabilities, was approximately 0.93:1. The bank balances and cash at the balance sheet date was HK\$1 million.

The Group will actively seek for financial resources and improve its capital structure so as to strengthen its financial base and will also restructure its existing operation to improve shareholder returns.

財務業績

本集團錄得綜合營業額121,300,000港元，較去年增加65.2%，主要由於因一場訴訟收回一筆判定債項所致。股東應佔虧損減至7,400,000港元（去年則為53,100,000港元），即每股虧損0.12港仙（二零零四年：0.86港仙）。

業務回顧及展望

年內，本公司之主要業務繼續為投資控股，而其主要附屬公司主要從事多媒體及通訊產品貿易。改善本集團財務狀況乃管理層來年之首要目標。本集團將致力經營其現有核心業務，同時積極物色新投資機會。鑒於中國內地預期持續發展，加上香港經濟蓬勃，本集團相信，現有業務在不久未來將取得逐步及理想增長。

流動資金及財政資源

於二零零五年六月三十日，本集團負債淨值約為3,800,000港元，資產總額約為168,100,000港元，負債總額約為171,900,000港元。流動比率（流動資產除以流動負債）約為0.93:1。於結算日，本集團銀行結存及現金約為1,000,000港元。

本集團將積極尋求財務資源及改善其資本結構以強化財務基礎，並將重整現有業務以提高股東回報。

FOREIGN CURRENCY EXPOSURE

The Group did not have significant foreign currency exposure at the balance sheet date.

MATERIAL ACQUISITIONS AND DISPOSALS OF INVESTMENTS

During the year ended 30 June 2005, there were no material acquisitions or disposals of subsidiaries or affiliated companies.

EMPLOYEES AND REMUNERATION POLICY

At 30 June 2005, the number of staff employed by the Group was around 50 (2004: 40). There was no change on the staff policy during the year. They were remunerated according to the prevailing manpower conditions and individual performance.

PLEDGE OF ASSETS

At 30 June 2005, the Group did not have any pledge of assets.

CONTINGENT LIABILITIES

At 30 June 2005, the Group had contingent liabilities of approximately HK\$44 million (2004: HK\$46 million) in respect of the disputed claims against the Group for outstanding loans.

外匯風險

於結算日，本集團並無重大外匯風險。

有關投資之重大收購及出售

於截至二零零五年六月三十日止年度內，並無有關出售附屬公司或聯屬公司之重大收購或出售。

僱員及薪酬政策

於二零零五年六月三十日，本集團聘有約50名員工（二零零四年：40名）。年內員工政策不變，其薪酬根據當時人力市場條件及個人表現釐定。

資產抵押

於二零零五年六月三十日，本集團並無任何資產抵押。

或然負債

於二零零五年六月三十日，本集團有或然負債約44,000,000港元（二零零四年：46,000,000港元），乃有關未償還貸款而針對本集團之爭議索償。

The directors have pleasure in presenting their report and the audited financial statements for the year ended 30 June 2005.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of its subsidiaries and associates are set out in notes 34 and 20 to the financial statements respectively.

RESULTS AND DIVIDEND

The results of the Group for the year ended 30 June 2005 and the state of affairs of the Company and the Group as at that date are set out in the financial statements on pages 23 to 26.

The directors do not recommend the payment of any dividend in respect of the year ended 30 June 2005.

SEGMENT INFORMATION

An analysis of the Group's performance for the year by business and geographical segments is set out in note 5 to the financial statements.

RESERVES

Details of movements in the reserves of the Group and the Company during the year are set out in the statements of changes in equity on page 27.

DISTRIBUTABLE RESERVES

At 30 June 2005, the Company had no retained profits available for cash distribution. Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus of the Company in the amount of HK\$56,516,000 at 30 June 2005 may only be distributable to shareholders in certain circumstances, which the Company is currently unable to satisfy.

董事會欣然提呈截至二零零五年六月三十日止年度之經審核財務報表。

主要業務

本公司為一家投資控股公司，而其附屬公司及聯營公司之主要業務分別載於財務報表附註34及20。

業績及股息

本集團截至二零零五年六月三十日止年度之業績及本公司及本集團於當日之狀況載於財務報表第23至26頁。

董事會不建議派發截至二零零五年六月三十日止年度之任何股息。

分類資料

本集團於年內按業務及地域分類之業績分析載於財務報表附註5。

儲備

本集團及本公司於年內之儲備變動詳情載於第27頁權益變動表。

可分派儲備

於二零零五年六月三十日，本公司並無保留溢利可供現金分派。根據一九八一年百慕達公司法（經修訂），本公司於二零零五年六月三十日之繳入盈餘56,516,000港元僅可於若干情況下分派予股東，而本公司目前未能合符條件。

SUMMARY FINANCIAL INFORMATION

A summary of the published results and assets and liabilities of the Group for the last five financial years, as extracted from the audited financial statements and reclassified as appropriate, is set out on page 72. This summary does not form part of the audited financial statements.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in property, plant and equipment of the Group and the Company during the year are set out in note 18 to the financial statements.

MAJOR INTERESTS IN PROPERTIES

The Group did not hold any major interests in properties as at 30 June 2004.

BANK AND OTHER BORROWINGS

Details of bank and other borrowings of the Group are set out in note 26 to the financial statements.

SHARE CAPITAL

Details of the movements in share capital of the Company during the year are set out in note 29 to the financial statements.

SHARE OPTIONS

The Company did not have any share options scheme during the year.

財務資料概要

本集團於過去五個財政年度之已刊登業績及資產及負債之概要(摘自經審核財務報表及於適當情況下經重新分類)載於第72頁。此概要並非經審核財務報表之一部分。

物業、機器及設備

有關本集團及本公司於本年度之物業、機器及設備變動詳情載於財務報表附註18。

主要物業權益

截至二零零四年六月三十日,本集團並無持有任何主要物業權益。

銀行貸款及其它借貸

有關本集團之銀行貸款及其它借貸詳情載於財務報表附註26。

股本

有關年內本公司之股本變動詳情載於財務報表附註29。

購股權

本公司於年內並無任何購股權計劃。

MAJOR CUSTOMERS AND SUPPLIERS

The percentages of turnover and purchases attributable to the Group's major customers and suppliers for the year are of follows:

Turnover:

- The largest customer	25%
- Five largest customers combined	61%

Purchases:

- The largest supplier	48%
- Five largest suppliers combined	98%

None of the directors, their associates or any shareholders (which, to the knowledge of the directors, own more than 5% of the Company's issued share capital) had any beneficial interests in any of the above customers or suppliers.

DIRECTORS

The directors of the Company during the year and up to the date of this report were:

Executive directors:

Mr. Ke Jun Xiang
Mr. Ho Pui Tsun, Peter
Mr. Shao Wei Hong
Mr. Hu Yeshan
Mr. Chow Yeung Tuen, Richard
(resigned on 1 September 2004)

Non-executive directors:

Mr. Li Qinyi

主要客戶及供應商

年內主要客戶及供應商所佔本集團營業額及採購額之百分比如下：

營業額：

- 最大客戶	25%
- 五大客戶共佔	61%

採購額：

- 最大供應商	48%
- 五大供應商共佔	98%

年內各董事、彼等之聯繫人士或就董事會所知擁有本公司已發行股本5%以上之任何股東，概無擁有上述主要客戶或供應商之任何權益。

董事

本年度截至本報告日期之本公司董事如下：

執行董事：

柯俊翔先生
何佩川先生
邵偉宏先生
胡葉山先生
鄒揚敦先生
(於二零零四年九月一日辭任)

非執行董事：

李勤毅先生

Independent non-executive directors:

Mr. Wong Kwok Tai, Wytan
Mr. Ching Chun Chung (resigned on 12 September 2005)
Mr. Kwok Yam Sheung (appointed on 30 September 2004)

In accordance with the Company's bye-laws 99, Mr. Ke Jun Xiang, Mr. Ho Pui Tsun, Peter, Mr. Shao Wei Hong, Mr. Hu Yeshan, Mr. Li Qinyi and Mr. Wong Kwok Tai, Wytan will retire at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

In accordance with the Company's bye-laws 102(B), Mr. Kwok Yam Sheung will hold office until the forthcoming annual general meeting and, being eligible, offer himself for re-election.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Biographical details of the directors and senior management of the Company are set out on pages 17 to 18.

DIRECTORS' SERVICE CONTRACTS

No directors being proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not terminable by the company within one year without payment of compensation, other than statutory compensation.

DIRECTORS' INTERESTS IN CONTRACTS

Saved as disclosed in note 32 to the financial statements, no contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party, and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

獨立非執行董事：

黃國泰先生
程振忠先生(於二零零五年九月十二日辭任)
郭蔭尚先生(於二零零四年九月三十日獲委任)

根據本公司之公司細則第99條，柯俊翔先生、何佩川先生、邵偉宏先生、胡葉山先生、李勤毅先生及黃國泰先生將於應屆股東週年大會上退任，並合資格且願意膺選連任。

根據本公司之公司細則第102(B)條，郭蔭尚先生之任期將於應屆股東週年大會舉行時任滿，並合資格且願意膺選連任。

董事及高級管理人員之履歷

董事及高級管理人員之履歷載於第17至18頁。

董事之服務合約

概無擬於應屆股東週年大會上膺選連任之董事與本集團訂立本公司於一年內須作出賠償(法定賠償除外)而終止之服務合約。

董事於合約之權益

除財務報表附註32所披露者外，於本年度完結或年內任何時間，本公司或其任何附屬公司概無簽訂與本集團業務有關且本公司董事直接或間接擁有重大權益之任何重大合約。

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES

As at 30 June 2005, the interests of the directors and the chief executive of the Company and/or their respective associates in the long or short positions in shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)(the "SFO")) as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Part XV of the SFO or the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") under the Listing Rules were as follows:

Long position in the shares of the Company:

Name of director	Number of ordinary shares beneficially held	Nature of interest	Approximate percentage of total shareholding (%)
董事姓名	實益持有之普通股數	權益性質	佔總持股量之概約百分比(%)
Mr. Ke Jun Xiang 柯俊翔先生	3,530,000,000 (Note) (附註)	Interest in corporation 擁有法團權益	57.17

Note: Mr. Ke Jun Xiang ("Mr. Ke") had a controlling interest in Global Work Management Limited and Trade Honour Limited ("Trade Honour") which held 30,000,000 and 3,500,000,000 ordinary shares of the Company respectively. Accordingly, Mr. Ke was deemed to have interests in 3,530,000,000 ordinary shares of the Company.

董事及主要行政人員之股份權益

於二零零五年六月三十日，根據香港法例第571章證券及期貨條例（「證券及期貨條例」）第352條本公司須存置之登記冊所紀錄，或根據證券及期貨條例第XV部或根據上市規則中《上市公司董事進行證券交易之標準守則》（「標準守則」）之規定須知會本公司及香港聯合交易所有限公司（「聯交所」），本公司董事及主要行政人員及／或彼等各自之聯繫人士於本公司或其任何相聯法團（見證券及期貨條例第XV部之定義）之股份、相關股份及債券中擁有下列之好倉或淡倉：

本公司股份好倉：

附註：柯俊翔先生（「柯先生」）於Global Work Management Limited及Trade Honour Limited（「Trade Honour」）中擁有控股權，此等公司分別擁有本公司之普通股30,000,000股及3,500,000,000股。故此，柯先生被視作於本公司之3,530,000,000股普通股中擁有權益。

Save as disclosed above, as at 30 June 2005, none of the directors and/or any of their associates had any interests in the shares or deemed interest in the long and short position in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Part XV of the SFO or the Model Code.

DIRECTORS' AND CHIEF EXECUTIVES' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year was the Company or its subsidiaries, a party to any arrangements to enable the directors or chief executives of the Company to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate. None of the directors' or chief executives or their spouses or children under 18 years of age, had any right to subscribe for the securities of the Company, or had exercised any such right during the year.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

None of the directors of the Company has interests in any businesses which compete or are likely to compete, either directly or indirectly, with the businesses of the Group.

SUBSTANTIAL SHAREHOLDERS

As at 30 June 2005, the following persons (other than the directors or the chief executive of the Company) had an interest in the following long position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO.

除上文所披露者外，於二零零五年六月三十日，根據證券及期貨條例第352條本公司須置存之登記冊所紀錄，或根據證券及期貨條例第XV部或根據標準守則之規定須知會本公司及聯交所，董事及／或其任何聯繫人士概無於本公司或其任何相聯法團（見證券及期貨條例第XV部之定義）之股份中擁有任何權益或被視作於股份、相關股份或債券中擁有好倉及淡倉。

董事及主要行政人員購買股份或債券之權利

於本年度內任何時間，本公司或其附屬公司概無參與任何安排，致使本公司董事或主要行政人員藉著購入本公司或任何其他法人團體之股份或債券而獲益。概無董事或主要行政人員或彼等之配偶或彼等未滿十八歲之子女擁有收購本公司證券之任何權利，或於年內曾行使任何該等權利。

董事之利益衝突

本公司各董事概無擁有直接或間接與本集團業務構成競爭或可能構成競爭之任何業務權益。

主要股東

於二零零五年六月三十日，根據證券及期貨條例第336條本公司須置存之登記冊所紀錄，下列人士（本公司董事及主要行政人員除外）於本公司股份或相關股份中擁有下列之好倉。

DIRECTORS' REPORT 董事會報告書

Long position in the shares of the Company:

本公司股份好倉：

Name of shareholder	Notes	Nature of interest	Number of ordinary shares held	Approximate percentage of total shareholding (%)
董事姓名	附註	實益持有之普通股數	權益性質	佔總持股量之概約百分比(%)
Trade Honour Limited		Beneficial Owner 實益擁有人	35,000,000,000	56.68
Upperclass Limited		Beneficial Owner 實益擁有人	500,000,000	8.10
Yau Kwok Wai	1	Interest in Corporation 擁有法團權益	500,000,000	8.10
ICEA Financial Services Limited 工商東亞金融服務有限公司		Beneficial Owner 實益擁有人	510,406,044	8.27
ICEA Financial Holdings Limited	2	Interest in Corporation 擁有法團權益	510,406,044	8.27
Industrial and Commercial Bank of China 中國工商銀行	3	Interest in Corporation 擁有法團權益	510,406,044	8.27

Notes:

附註：

- The interest disclosed comprised 500,000,000 shares held by Upperclass Limited, which is 100% owned by Yau Kwok Wai.
- The interest disclosed comprised 510,406,044 shares held by ICEA Financial Services Limited, which is 100% owned by ICEA Financial Holdings Limited.
- The interest disclosed comprised 510,406,044 shares beneficially held by ICEA Financial Holdings Limited, which is 75% owned by Industrial and Commercial Bank of China, through ICEA Financial Holdings Limited.

- 所披露之權益包括500,000,000股由Upperclass Limited擁有之股份，該公司由Yau Kwok Wai擁有100%權益。
- 所披露之權益包括510,406,044股由工商東亞金融服務有限公司擁有之股份，該公司由ICEA Financial Holdings Limited擁有100%權益。
- 所披露之權益包括510,406,044股由ICEA Financial Holdings Limited實益擁有之股份，該公司由中國工商銀行透過ICEA Financial Holdings Limited擁有75%權益。

Saved as disclosed above, so far as known to the directors as at 30 June 2005, no other person (other than directors or the chief executive of the Company) had an interest in the long and short position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO.

MANAGEMENT CONTRACTS

No contacts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

CONNECTED TRANSACTIONS

Saved as disclosed in note 32 to the financial statements, there are no other transactions which would need to be disclosed as connected transactions in accordance with the requirement of the Listing Rules.

CONVERTIBLE SECURITIES, OPTIONS, WARRANTS OR SIMILAR RIGHTS

The Company had no outstanding convertible securities, options, warrants or other similar rights as at 30 June 2005. There has been no exercise of convertibles securities, options, warrants or similar rights during the year.

PURCHASE, SALE OF REDEMPTION OF THE COMPANY'S SECURITIES

Neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

除上文所披露者外，於二零零五年六月三十日，就董事所知，根據證券及期貨條例第336條本公司須置存之登記冊所紀錄，並無其他人士（本公司董事或主要行政人員除外）於本公司股份或相關股份中擁有好倉及淡倉。

管理合約

年內並無訂立或存在任何有關整體或本公司業務之任何重大部份管理及行政之合約。

關連交易

除財務報表附註32所披露者外，概無其他交易須根據上市規則規定披露為關連交易。

可換股證券、購股權、認股權證或類似權利

本公司於二零零五年六月三十日並無尚未行使之可換股證券、購股權、認股權證或類似權利。年內亦無行使可換股證券、購股權、認股權證或類似權利。

購買、出售或購回本公司股份

本公司或其任何附屬公司概無於年內購買、出售或購回任何本公司之上市股份。

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Bye-Laws of the Company or the laws of Bermuda in relation to issues of new shares by the Company.

PENSION SCHEME

Details of the Group's pension scheme are set out in note 16 to the financial statements.

CORPORATE GOVERNANCE

In the opinion of the directors, the Company has complied throughout the year with the Code of Best Practice, as set out in the then Appendix 14 of the Listing Rules of The Stock Exchange of Hong Kong Limited ("Listing Rules"), except that the independent non-executive directors of the Company are not appointed for specific terms but are subject to retirement by rotation in accordance with the Company's bye-laws.

Pursuant to the Code of Best Practice, an audit committee was established on 28 March 2000 with written terms of reference which described the authority and duties of the audit committee include the review and supervision of the financial reporting process and internal controls procedures of the Group. The audit committee currently comprises the two existing independent non-executive directors, namely Mr. Wong Kwok Tai, Wystan and Mr. Kwok Yam Sheung. The audit committee has not met during the year.

The Code of Best Practice has been replaced by the Code on Corporate Governance Practices with effect from 1 January 2005 and compliance of which by the Company will be required for accounting periods commencing from 1 July 2005.

優先認購權

本公司之公司細則或百慕達法例均無涉及發行本公司新股之優先認股權條文。

退休金計劃

本集團之退休金計劃詳情載於財務報表附註16。

企業管治

董事認為，本公司在整個年度一直遵守香港聯合交易所有限公司上市規則（「上市規則」）當時的附錄14所載之最佳應用守則，惟本公司之獨立非執行董事並無指定委任年期，而須按照本公司之公司細則輪值退任。

根據最佳應用守則，審核委員會於二零零零年三月二十八日成立，其職權範圍書概述審核委員會之權力及職責，包括審閱及監督本集團之財務申報程式及內部監控程序。審核委員會現時包括黃國泰先生及郭蔭尚先生現有兩名獨立非執行董事。審核委員會於年內未曾會晤。

最佳應用守則自二零零五年一月一日起由企業管治常規守則取代，而本公司將須自二零零五年七月一日起會計期間遵守該新守則。

The Company has also adopted the Model Code set out in Appendix 10 of the Listing Rules as the Company's code of conduct for dealings in securities of the Company by directors. Having made specific enquiry of the directors, the directors confirmed that they have complied with the code throughout the year ended 30 June 2005.

AUDITORS

The financial statements of the Company for the year ended 30 June 2005 were audited by Graham H.Y. Chan & Co., who was appointed on 21 September 2007 to fill the casual vacancy upon the resignation of CCIF CPA Limited. CCIF CPA Limited was the auditors of the Company for the three preceding financial years.

A resolution for the re-appointment of Graham H.Y. Chan & Co. as auditors of the Company until the conclusion of the next annual general meeting is to be proposed at the forthcoming annual general meeting.

On behalf of the Board

Ke Jun Xiang
Chairman
Hong Kong, 12 November 2007

本公司亦已採納上市規則附錄10所載標準守則，作為董事買賣本公司證券時之操守守則。經向董事作出特定查詢後，董事確認彼等於截至二零零五年六月三十日止整個年度一直有遵守該守則。

核數師

本公司截至二零零五年六月三十日止年度之財務報表乃由陳浩賢會計師事務所審核。陳浩賢會計師事務所乃於二零零七年九月二十一日獲委任，以填補陳葉馮會計師事務所有限公司辭任所出現之臨時空缺。陳葉馮會計師事務所有限公司為本公司於過往三個財政年度之核數師。

有關重新委任陳浩賢會計師事務所為本公司核數師直至下屆股東週年大會結束之決議案將於應屆股東週年大會上提呈。

承董事會命

主席
柯俊翔
香港，二零零七年十一月十二日

EXECUTIVE DIRECTORS

KE Jun Xiang, aged 45, joined the Company in August 1999 and is the Executive Director and Chairman of the Company. Mr. Ke graduated from Zhongshan University specializing in Business Management. He joined China Huitong Group of Companies as the person-in-charge of the Guangzhou Office. He was appointed as the Legal Representative and General Manager of the Guangdong Company of China Huitong Group of Companies in 1992.

HO Pui Tsun, Peter, aged 52, joined the Company in August 1996 as an Executive Director and is the Deputy Chairman of the Group. He graduated from the University of Toronto with a Bachelor Degree in Applied Science, and he has extensive experience in the construction industry in Hong Kong and the PRC.

SHAO Wei Hong, aged 48, joined the Company in January 2001 as an Executive Director. Mr. Shao graduated from Liaoning Industrial University, majoring in Corporate Management. Mr. Shao is the Deputy General Manager of China International Science Investment Trust Company. From March 1987 to September 1992, Mr. Shao was the Deputy Manager of Liaoning Province Anshan Wah Lai Technology Development Company. From February 1985 to February 1987, he was the Deputy Manager of Liaoning Province Anshan Electronics Company. Mr. Shao has many years of experience in electronics technology and financial trust business in the PRC.

HU Yeshan, aged 43, joined the Company in February 2001 as an Executive Director. He is the Deputy General Manager of a well-established property investment group in Guangzhou. Mr. Hu has many years of working experience in the property market and an extensive business connection in the PRC.

執行董事

柯俊翔，現年45歲，於一九九九年八月加入本公司現擔任本公司之執行董事及主席。柯先生畢業於中山大學，主修商業管理，曾在中國惠通集團之廣州辦事處任職主管，並於一九九二年被委任為中國惠通旗下的廣東惠通實業公司之法人代表及總經理。

何佩川，現年52歲，於一九九六年八月加入本公司，現擔任本集團之執行董事及副主席。彼畢業於多倫多大學，獲應用科學學士銜，在香港及中國之建築業界均累積豐富經驗。

邵偉宏，現年48歲，於二零零一年一月加入本公司為執行董事。邵先生畢業於遼寧工業大學，主修企業管理。彼現時亦兼任中國國際科技信託投資公司大連公司之副總經理，於一九八七年三月至一九九二年九月曾任職遼寧省鞍山華黎技術科技發展公司之副總經理，於一九八五年二月至一九八七年二月出任遼寧省鞍山電子工業貿易公司副經理一職。邵先生在中國電子科技及財務信託業擁有多多年經驗。

胡葉山，現年43歲，於二零零一年二月加入本公司為執行董事，現時亦兼任廣州一家有規模之物業投資公司之副總經理。胡先生擁有多多年物業市場經驗，於中國人脈甚廣。

NON-EXECUTIVE DIRECTORS

LI Qinyi, aged 54, joined the Company in May 1998 and is the Non-Executive Director of the Company. Mr. Li is a senior economist in the PRC. He obtained his doctorate degree, in Beijing Economic University. He had been an analyst of Ministry of Construction National Economic Reform Committee and an officer of Ministry of Construction Materials Industry. Mr. Li joined China National Real Estate Development Group in 1988, and was appointed the Deputy General Manager of China National Real Estate Development Group Corporation in June 1992. Besides, Mr. Li is also the Vice President of China National Real Estate Development Group.

INDEPENDENT NON-EXECUTIVE DIRECTORS

WONG Kwok Tai, Wystan, aged 68, joined the Company as an Independent Non-Executive Director in August 2001. Mr. Wong is a fellow member of the CPA Australia and the Hong Kong Institute of Certified Public Accountants and is a practicing accountant. He has more than 36 years of financial experience. Mr. Wong is the company secretary of many listed companies in Hong Kong and also the principal of W. Wong & Co., C.P.A.

KWOK Yam Sheung, aged 60, joined the Company in September 2004 as an Independent Non-executive Director. Mr. Kwok is a corporate secretary. He is a fellow member of the Institute of Chartered Secretaries & Administrators and the Hong Kong Institute of Company Secretaries. He has worked for a number of public listed companies as company secretary and also has extensive experience in the property industry.

COMPANY SECRETARY

CHIU King Hoi, Anthony, aged 47, joined the Company in October 1997. He is also the Financial Controller of the Company. Mr. Chiu holds a Bachelor Degree of Commerce in Accounting and a Master Degree of Business in Electronic Commerce. He is a fellow member of CPA Australia and a member of the Hong Kong Institute of Certified Public Accountants. Mr. Chiu has 20 years of work experience in auditing and accounting. Prior to joining the Company, he had held senior financial positions in various listed companies in Hong Kong.

非執行董事

李勤毅，現年54歲，一九九八年五月加入本公司，現擔任本公司非執行董事。李先生是中國高級經濟師，持有北京經濟學院博士學位，曾任國家經濟體制改革委員會研究員、建設部辦公廳官員。一九八八年加入中國房地產開發集團公司，並於一九九二年六月獲委任為該集團副總經理。除此之外，李先生也是中國房地產開發集團副總裁。

獨立非執行董事

黃國泰，現年68歲，於二零零一年八月加入本公司為獨立非執行董事。黃先生乃澳洲會計師公會及香港會計師公會之資深會員，為執業會計師。彼有著超過36年之財務工作經驗。黃先生是多家於香港上市公司之公司秘書及黃國泰會計師行之總監。

郭蔭尚，現年60歲，於二零零四年九月加入本公司，擔任獨立非執行董事。郭先生現職為公司秘書。彼為英國特許秘書及行政人員公會及香港公司秘書公會之資深會員，並曾於多間上市公司出任公司秘書一職，於物業市場亦擁有豐富的經驗。

公司秘書

趙景開，現年47歲，於一九九七年十月加入本公司。彼亦為本公司之財務總監。趙先生持有會計學士學位及電子商貿碩士學位。彼為澳洲會計師公會之資深會員及香港會計師公會之會員。趙先生於審核及會計方面工作逾20年。於加入本公司前，彼曾於香港多間上市公司出任高級財務人員職位。



GRAHAM H.Y. CHAN & CO.

CERTIFIED PUBLIC ACCOUNTANTS
HONG KONG

INDEPENDENT AUDITOR' S REPORT TO THE SHAREHOLDERS OF CIL HOLDINGS LIMITED (incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of CIL Holdings Limited set out on pages 23 to 71, which comprise the consolidated and Company balance sheet as at 30 June 2005, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation and the true and fair presentation of these financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

致華建控股有限公司股東之 獨立核數師報告書 (於百慕達註冊成立之有限公司)

本核數師(以下簡稱「我們」)已審核第23頁至第71頁所載華建控股有限公司之綜合財務報表。此財務報表包括於二零零五年六月三十日之綜合及公司資產負債表、與截至該日止年度之綜合收益表、綜合權益變動表和綜合現金流量表,以及主要會計政策概要及其他附註解釋。

董事對財務報表之責任

貴公司董事須負責根據香港會計師公會頒布之香港財務報告準則及香港公司條例之披露規定編製及真實而公平地列報該等財務報表。這責任包括設計、實施及維護與編製及真實而公平地列報財務報表相關之內部監控,以使財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述;選擇和應用適當之會計政策;及按情況作出合理之會計估計。

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit and to report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Except as described in the basis for qualified opinion paragraph, we conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and true and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

核數師之責任

我們之責任乃根據審核，對該等財務報表發表意見，並僅向整體股東作出報告，而不作其他用途。我們不會就本報告之內容向任何其他人士負責或承擔責任。

除「保留意見之基準」一段所述者外，我們已根據香港會計師公會頒佈之香港審計準則審核。這些準則要求我們遵守道德規範，並規劃及執行審核，以合理確定此等財務報表是否不存在任何重大錯誤陳述。

審核涉及執程序以獲取有關財務報表所載金額及披露資料之審核憑證。所選定之程序取決於核數師之判斷，包括評估由於欺詐或錯誤而導致財務報表存在重大錯誤陳述之風險。在評估該等風險時，核數師考慮與該公司編製及真實而公平地列報財務報表相關之內部監控，以設計適當之審核程序，但並非為對該公司之內部監控是否有效發表意見。審核亦包括評價董事所採用之會計政策是否合適及所作出之會計估計是否合理，以及評價財務報表之整體列報方式。

我們相信，我們所獲得之審核憑證已充足和適當地為我們之審核意見提供基礎。

BASIS FOR QUALIFIED OPINION

Included in prepayments, deposits and other receivables was an unsecured amount of HK\$98 million due from a debtor. The Company has initiated legal proceedings against the debtor for the recovery of the amount due. The directors of the Company believe that the Company has a strong ground to recover the amount due and thus, no provision has been made in the financial statements. However, apart from the management's representation, we have been unable to carry out any other procedures we consider necessary to confirm whether or not this amount can be recoverable in full. Any adjustments to the amount would have a significant effect on the net liabilities of the Group and the net assets of the Company as at 30 June 2005 and the results of the Group for the year then ended.

Included in note 31 to the financial statements, the Group had contingent liabilities approximately HK\$44 million in respect of disputed claims against the Group for outstanding debts and claims. There were no sufficient information and supporting documents available for us to assess the possible outcome of these disputed claims. As a result, we are unable to satisfy ourselves as to the accuracy and completeness of the contingent liabilities disclosed in the financial statements and whether any of these disputed claims should be provided for in the financial statements. Any adjustments to these amounts would have a significant effect on the disclosure of the contingent liabilities, net liabilities of the Group and net assets of the Company as at 30 June 2005 and the results of the Group for the year then ended.

保留意見之基準

預付款項、按金及其他應收賬款包括債務人結欠之無抵押款項98,000,000港元。貴公司已向債務人展開法律程序，以收回欠款。貴公司董事相信貴公司有足夠之理據全數收回欠款，故並無於財務報表中作出撥備。然而，除管理層之聲明外，我們無法進行我們認為必須之任何其他程序，以確定是否可以全數收回款項。有關款項之任何調整，將對貴集團之負債淨額及貴公司於二零零五年六月三十日之資產淨值及貴集團於截至該日止年度之業績構成重大影響。

如財務報表附註31所載列，貴集團因未償還債項及索償所面對之爭議索償產生或然負債約44,000,000港元。我們無法取得足夠之資料及證明文件，以評估爭議索償之結果。因此，我們無法信納財務報表所披露之或然負債乃屬準確及完整，或該等爭議索償是否應於財務報表中撥備。有關金額之調整將對或然負債之披露、貴集團之負債淨額及貴公司於二零零五年六月三十日之資產淨值及貴集團截至該日止年度之業績構成重大影響。

QUALIFIED OPINION ARISING FROM LIMITATION OF AUDIT SCOPE

In our opinion, except for the effects of any adjustments, if any, as might have been determined to be necessary had we been able to satisfy ourselves as to the matters referred to in the basis for qualified opinion, the consolidated financial statements give a true and fair view of the state of the Company and the Group's affairs as at 30 June 2005 and of the Group's loss and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Without qualifying our opinion we draw your attention to Note 2(a) to the financial statements concerning the adoption of going concern basis on which the financial statements have been prepared. As further explained in the note, the Group had contingent liabilities of HK\$44 million in respect of disputed claims against the Group. The Group's ability to continue as a going concern depends upon the outcome of the contingent liabilities. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the ability of the Group to continue as a going concern.

Graham H.Y. Chan & Co.
Certified Public Accountants (Practising)
Unit 1, 15/F, The Center,
99 Queen's Road Central,
Hong Kong, 12 November 2007

因審核範圍限制產生之保留意見

我們認為，除我們信納保留意見之基準所指事宜並決定作出任何可能需要作出之調整（如有）外，本綜合財務報表已按照香港財務報告準則真實及公平地反映了 貴公司及 貴集團於二零零五年六月三十日之業務狀況及 貴集團截至該日止年度之虧損及現金流動狀況，並已根據公司條例之披露要求妥為編製。

在不發表保留意見的情況下，我們謹請股東留意財務報表附註2(a)關於按持續經營基準編製本財務報表。如該附註索進一步解釋，本集團有爭議索償產生之或然負債44,000,000港元。 貴集團能否持續經營取決於該或然負債之結果。該等條件顯示存在重大不明朗因素，可能對 貴集團持續經營之能力構成重大疑問。

陳浩賢會計師事務所
執業會計師
香港皇后大道中99號
中環中心15樓1室
香港，二零零七年十一月十二日

CONSOLIDATED INCOME STATEMENT 綜合收益表

For the year ended 30 June 2005 截至二零零五年六月三十日止年度

		Note 附註	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Turnover	營業額	5	121,287	73,411
Cost of sales	銷售成本		(117,448)	(68,495)
Gross profit	毛利		3,839	4,916
Other income	其他收入	6	4,177	2,803
Gain arising from disposal of subsidiaries	出售附屬公司所產生之收益	7	-	44,307
Amount recovered from litigation	訴訟收回之款項	8	42,446	-
Litigation expenses	訴訟開支	8	(22,179)	-
Loss arising from de-consolidation of a winding up subsidiary	清盤附屬公司不再綜合入賬所產生之虧損	9	-	(37,961)
Provision for impairment loss on investments in associates	投資聯營公司之減值虧損撥備		-	(47,000)
Provision for impairment loss on investment in securities	投資證券之減值虧損撥備		(2,056)	-
Provision for impairment loss on investment in a subsidiary	投資於附屬公司之減值虧損撥備	22	(14,200)	-
General and administrative expenses	一般及行政開支		(18,233)	(19,169)
Loss from operations	經營虧損	10	(6,206)	(52,104)
Finance costs	融資成本	11	(1,230)	(970)
Loss before taxation	除稅前虧損		(7,436)	(53,074)
Taxation	稅項	12	-	-
Loss after taxation	除稅後虧損		(7,436)	(53,074)
Minority interest	少數股東權益		-	-
Loss attributable to shareholders	股東應佔虧損	13	(7,436)	(53,074)
Loss per share	每股虧損	14	(0.12) cents 仙	(0.86) cents 仙
- Basic	- 基本			
Dividends	股息	15	Nil 零	Nil 零

CONSOLIDATED BALANCE SHEET 綜合資產負債表

At 30 June 2005 於二零零五年六月三十日

		Note 附註	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、機器及設備	18	488	444
Interests in associates	於聯營公司之權益	20	-	-
Investments in securities	投資證券	21	8,000	10,056
			8,488	10,500
Current assets	流動資產			
Prepayments, deposits and other receivables	預付款項、按金及其他應收賬款	22	142,482	117,317
Inventories	存貨	23	9,341	14,131
Investments in securities	投資證券	21	-	27
Accounts receivable	應收賬款	24	6,789	3,652
Bank balances and cash	銀行結存及現金		1,023	1,658
			159,635	136,785
Current liabilities	流動負債			
Accounts and bills payable	應付賬項及票據	25	20,662	20,253
Accruals, deposits received and other payable	應計費用、已收按金及其他應付賬款		50,219	23,786
Interest payable on unsecured borrowings	無抵押借款之應付利息		18,627	18,627
Due to winding up subsidiaries	應付清盤附屬公司之款項		38,228	38,228
Interest-bearing borrowings	計息借款	26	29,131	31,478
Due to directors	應付董事款項	27	15,027	11,248
			171,894	143,620
Net current liabilities	流動負債淨額		(12,259)	(6,835)

CONSOLIDATED BALANCE SHEET 綜合資產負債表

At 30 June 2005 於二零零五年六月三十日

		Note	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
		附註		
Net (liabilities)/assets	(負債淨額) / 資產淨值		(3,771)	3,665
Capital and reserves	股本及儲備			
Share capital	股本	29	61,749	61,749
Reserves	儲備		(65,520)	(58,084)
			(3,771)	3,665

The financial statements on pages 23 to 71 were approved and authorized for issue by the board of directors on 12 November 2007 and are signed on its behalf by:

第23至71頁之財務報表已經董事會於二零零七年十一月十二日批准及授權發行，並由下列代表簽署：

Ke Jun Xiang
柯俊翔
Director
董事

Shao Wei Hong
邵偉宏
Director
董事

BALANCE SHEET 資產負債表

At 30 June 2005 於二零零五年六月三十日

		Note 附註	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Non-current assets	非流動資產			
Interests in subsidiaries	於附屬公司之權益	19	-	-
Interests in associates	於聯營公司之權益	20	-	-
Investments in securities	投資證券	21	8,000	8,000
			8,000	8,000
Current assets	流動資產			
Prepayments, deposits and other receivables	預付款項、按金及其他應收賬款		99,022	98,864
Bank balances and cash	銀行結存及現金		1	15
			99,023	98,879
Current liabilities	流動負債			
Accruals, deposits received and other payables	應計費用、已收按金及其他應付賬款		38,112	36,629
Interest-bearing borrowings	計息借款	26	23,708	23,708
Due to subsidiaries	應付附屬公司賬款	19	489	489
Due to directors	應付董事賬款	27	14,572	6,567
			76,881	67,393
Net current assets	流動資產淨值		22,142	31,486
Net assets	資產淨值		30,142	39,486
Capital and reserves	股本及儲備			
Share capital	股本	29	61,749	61,749
Reserves	儲備		(31,607)	(22,263)
			30,142	39,486

Approved and authorized for issue by the board of directors on 12 November 2007.

On behalf of the board

Ke Jun Xiang
柯俊翔
Director
董事

經董事會於二零零七年十一月十二日批准及授權發行。

代表董事會

Shao Wei Hong
邵偉宏
Director
董事

STATEMENTS OF CHANGES IN EQUITY 權益變動表

For the year ended 30 June 2005 截至二零零五年六月三十日止年度

Group		本集團				
		Issued capital	Share premium	Capital reserve	Accumulated losses	Total
		已發行股本	股份溢價	資本儲備	累積虧損	合計
		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
At 1 July 2003	於二零零三年七月一日	61,749	293,907	(100)	(298,817)	56,739
Net loss for the year	年內淨虧損	-	-	-	(53,074)	(53,074)
At 30 June 2004 and 1 July 2004	於二零零四年六月三十日及二零零四年七月一日	61,749	293,907	(100)	(351,891)	3,665
Net loss for the year	年內淨虧損	-	-	-	(7,436)	(7,436)
At 30 June 2005	於二零零五年六月三十日	61,749	293,907	(100)	(359,327)	(3,771)
Company		本公司				
		Issued capital	Share premium	Contributed surplus	Accumulated losses	Total
		已發行股本	股份溢價	繳入盈餘	累積虧損	合計
		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
At 1 July 2003	於二零零三年七月一日	61,749	293,907	56,516	(314,917)	97,255
Net loss for the year	年內淨虧損	-	-	-	(57,769)	(57,769)
At 30 June 2004 and 1 July 2004	於二零零四年六月三十日及二零零四年七月一日	61,749	293,907	56,516	(372,686)	39,486
Net loss for the year	年內淨虧損	-	-	-	(9,344)	(9,344)
At 30 June 2005	於二零零五年六月三十日	61,749	293,907	56,516	(382,030)	30,142

The contributed surplus of the Company represents the difference between the nominal value of the Company's shares issued in exchange for the fair value of the shares of the subsidiaries acquired at the dates of acquisition. Under the Companies Act 1981 of Bermuda (as amended), the Company may make distributions to its members out of the contributed surplus under certain circumstances, which the Company is currently unable to satisfy.

本公司之繳入盈餘乃指本公司所發行用於交換之股份面值與所收購附屬公司股份於收購日期公平值之差額。根據一九八一年百慕達公司法(經修訂)，本公司可在若干情況下自繳入盈餘向其股東作出分派，惟本公司目前並不符合該等情況。

CONSOLIDATED CASH FLOW STATEMENT 綜合現金流量表

For the year ended 30 June 2005 截至二零零五年六月三十日止年度

	Note 附註	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Loss before taxation		(7,436)	(53,074)
Adjustments for:	就下列各項作出調整：		
Interest income	利息收入	(3)	-
Interest expenses	利息開支	1,230	970
Depreciation	折舊	134	183
Gain arising from disposal of subsidiaries	出售附屬公司所產生之收益	-	(44,307)
Loss arising from de-consolidation of a winding up subsidiary	清盤附屬公司不再綜合入賬所產生之虧損	-	37,961
Provision for impairment loss on investments in associates	投資聯營公司之減值虧損撥備	-	47,000
Provision for impairment loss on investment in securities	投資證券之減值虧損撥備	2,056	-
Provision for impairment loss on investment in a subsidiary	投資附屬公司之減值虧損撥備	14,200	-
Write off of investments in securities	投資證券撤銷	27	-
Provision for long service payment	長期服務金撥備	68	-
Provision for doubtful debts	呆賬撥備	370	2,601
Operating profit/(loss) before working capital changes	營運資金變動前之經營溢利／（虧損）	10,646	(8,666)
Increase in accounts receivable	應收賬款增加	(3,507)	(1,387)
(Increase)/decrease in prepayments, deposits and other receivables	預付款項、按金及其他應收賬款（增加）／減少	(39,365)	14,737
Decrease/(increase) in inventories	存貨減少／（增加）	4,790	(3,594)
Increase in accounts and bills payable, accruals, other payable and deposit received, and interest payables on unsecured borrowings	應付賬款及票據、應計費用、其他應付賬款及已收按金及無抵押借款之應付利息增加	26,774	1,504
Increase in due to directors	應付董事賬款增加	3,779	5,989

CONSOLIDATED CASH FLOW STATEMENT 綜合現金流量表

For the year ended 30 June 2005 截至二零零五年六月三十日止年度

	Note 附註	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Cash generated from operations	經營所得現金	3,117	8,583
Interest paid	已付利息	(1,230)	(970)
Net cash from operating activities	經營業務之現金淨值	1,887	7,613
Cash flows from investing activities	投資業務產生之現金流量		
Purchase of property, plant and equipment	購買物業、機器及設備	(178)	(336)
Interest income	利息收入	3	-
Investments in securities	投資證券	-	(8,000)
Adjustment for disposal of subsidiaries	出售附屬公司之調整	-	(16)
	30(a)		
Adjustment for de-consolidation of a winding up subsidiary	清盤附屬公司不再綜合入賬之調整	-	233
	30(b)		
Net cash used in investing activities	投資業務所用之現金淨值	(175)	(8,119)
Cash flows from financing activities	融資活動之現金流量		
Proceeds from other loans	其他貸款所得款項	-	2,154
Repayment of other loans	其他貸款還款	(1,447)	-
Net cash (used in)/from financing	融資(所用)/所得之現金淨額	(1,447)	2,154
Increase in cash and cash equivalents	現金及現金等值項目增加	265	1,648
Cash and cash equivalents, beginning of year	年初之現金及現金等值項目	585	(1,063)
Cash and cash equivalents, end of year	年終之現金及現金等值項目	850	585
Analysis of balances of cash and cash equivalents	現金及現金等值項目結餘分析		
Bank balances and cash	現金及銀行結餘	1,023	1,658
Bank overdrafts	銀行透支	(173)	(1,073)
	26		
		850	585

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2005 截至二零零五年六月三十日止年度

1. GENERAL INFORMATION

The Company is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited. Trading of the Company's shares have been suspended since 1 April 2004. The directors consider Trade Honour Limited, a company incorporated in the British Virgin Islands to be the ultimate holding company of the Company.

The Company is an investment holding company. The principal activities of the subsidiaries are stated in note 34.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

(a) Going concern basis

The Group had incurred loss of HK\$7,436,000 (2004: 53,074,000) for the year ended 30 June 2005 and net current liabilities of HK\$12,259,000 (2004: HK\$6,835,000) as at 30 June 2005. In addition, the Group had contingent liabilities of approximately HK\$44 million (2004: HK\$46 million) in respect of disputed claims against the Group for outstanding debts and claims. There is possibility for some or all the contingent liabilities to crystallize within one year in the event that the matters giving rise thereto are not resolved to the Group's favour.

In preparing the financial statements, the directors of the Company have given careful consideration to the future liquidity of the Group in light of the above contingent liabilities as at 30 June 2005. In the opinion of the directors of the Company, the Group would be able to obtain adequate funds to meet the debts as and when they fall due and to carry on the business on a going concern basis.

1. 一般資料

本公司於百慕達註冊成立為獲豁免有限責任公司，其股份於香港聯合交易所有限公司上市。本公司之股票自二零零四年四月一日起暫停買賣。董事認為，Trade Honour Company (於英屬處女群島註冊成立之公司) 為本公司之最終控股公司。

本公司乃投資控股公司。附屬公司之主要業務已載於附註34。

2. 財務報表之編製基準

(a) 持續經營基準

本集團於截至二零零五年六月三十日止年度產生虧損7,436,000港元(二零零四年：53,074,000港元)，而於二零零五年六月三十日之流動負債淨額為12,259,000港元(二零零四年：6,835,000港元)。此外，本集團因未償還債項及索償面臨爭議索償而有或然負債約44,000,000港元(二零零四年：46,000,000港元)。倘事件以不利於本集團之方式解決，則部份或全部或然負債可能在一年內成為真正負債。

於編製財務報表時，本公司董事已因應上述於二零零五年六月三十日之或然負債，認真考慮本集團未來之資金流通性。本公司董事認為本集團能取得足夠基金，應付到期債項，並以持續經營方式開展業務。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2005 截至二零零五年六月三十日止年度

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Continued)

(a) Going concern basis (Continued)

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

(b) Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 30 June 2005. The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

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

The gain or loss on the 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 goodwill or capital reserve which has not been previously charged or recognised in the consolidated income statement.

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

2. 財務報表之編製基準(續)

(a) 持續經營基準(續)

倘本集團無法以持續基準繼續經營業務，則須作出相應調整，將資產價值重列為可收回款項，為可能產生之任何其他負債提供撥備，或將非流動資產重新分類為流動資產。財務報表並無反映該等調整之影響。

(b) 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六月三十日止年度之財務報表。於本年度收購或出售之附屬公司之業績在列入綜合收益表時乃分別自其收購之生效日期起計算其實際出售日期(倘適用)止。

本集團內各公司間之重大交易及結餘均於綜合賬目時抵銷。

出售一家附屬公司之收益或虧損指出售所得款項與本集團所佔資產淨額(包括之前未計入或確認於綜合收益表之商譽或資本儲備)之差額。

少數股東權益指外界股東於附屬公司之經營業績及資產淨值之權益。

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3. RECENTLY ISSUED ACCOUNTING STANDARDS

The Hong Kong Institute of Certified Public Accountants ("HKICPA") has issued a number of new and revised Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards (herein collectively referred to as the "new HKFRSs") which are effective for accounting periods beginning on or after 1 January 2005 except for HKFRS 3 Business Combination. The Group has not early adopted these new HKFRS in the financial statements for the year ended 30 June 2005.

HKFRS 3 is applicable to business combinations for which the agreement date is on or after 1 January 2005. The Group has not entered into any business combination for which the agreement date is on or after 1 January 2005. Therefore, HKFRS 3 did not have any impact on the Group for the year ended 30 June 2005.

The Group has carried out a detailed assessment of the impact of these new HKFRSs and has concluded that the adoption of Hong Kong Accounting Standard ("HKAS") 1, 2, 7, 8, 10, 12, 14, 16, 17, 18, 19, 21, 23, 24, 27, 28, 32, 33, 36, 37 and HKFRS 2 would not have a significant impact on its results of operations and financial position, and the adoption of HKAS 39 would have the following significant effects:

3. 近期頒布之會計準則

香港會計師公會(「香港會計師公會」)已頒布多項新訂及經修訂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」),除香港財務報告準則第3號業務合併外均於二零零五年一月一日或之後開始之會計期間生效。本集團並無於截至二零零五年六月三十日止年度之財務報表提前採納該等新香港財務報告準則。

香港財務報告準則第3號適用於協議日期為二零零五年一月一日或之後之業務合併。本集團並無訂立任何協議日期為二零零五年一月一日或之後之業務合併。因此,香港財務報告準則第3號於截至二零零五年六月三十日止年度對本集團並無影響。

本集團經詳細評估該等新香港財務報告準則之影響,並認定採納香港會計準則(「香港會計準則」)第1、2、7、8、10、12、14、16、17、18、19、21、23、24、27、28、32、33、36、37號及香港財務報告準則第2號對其經營業績及財務狀況並無重大影響,而採納香港會計準則第39號則有以下重大影響:

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3. RECENTLY ISSUED ACCOUNTING STANDARDS (Continued)

At 30 June 2005, the Group classified and measured its equity securities as investment securities, which are carried at cost less impairment losses (if any), in accordance with the benchmark treatment of Statement of Standard Accounting Practice 24 "Accounting for Investments in Securities" issued by the HKICPA. With the adoption of HKAS 39 on 1 July 2005, the Group classifies and measures its equity securities as "available-for-sale investments", which are carried at fair value. Change in the fair value of available-for-sale investments are recognised in equity. For investments where there is no active market and whose fair value cannot be reliably measured, such investments are measured at cost less any impairment losses at each balance sheet date subsequent to initial recognition.

4. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with generally accepted accounting principles in Hong Kong and comply with Hong Kong Financial Reporting Standards issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance. The financial statements are prepared under the historical cost convention as modified with respect to the measurement of investments in securities as explained in the respective accounting policies below. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

3. 近期頒布之會計準則(續)

於二零零五年六月三十日，本集團按照香港會計師公會頒布之會計實務準則第24號「證券投資之會計方法」之標準方法將其股本證券分類及計量為投資證券，按成本減減值虧損(如有)計賬。二零零五年七月一日採納香港會計準則第39號後，本集團將其股本證券分類及計量為「可供出售投資」，按公平值計賬。可供出售投資之公平值變動於權益確認。如投資無活躍市場且其公平值不能可靠計量，則於初步確認後於各結算日按成本減任何減值虧損計量。

4. 主要會計政策

財務報表已根據香港公認之會計原則而編製，並符合香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露規定。財務報表乃按歷史成本常規編製，並就證券投資之計量作出修訂，解釋見下文相應會計政策。該等財務報表亦符合香港聯合交易所有限公司證券上市規則之適用披露條文規定。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Subsidiaries

A subsidiary is a company in which the Company holds more than 50% of the issued share capital, or controls more than half of the voting power, or controls the composition of the board of directors.

In the Company's financial statements, the investments in subsidiaries are stated at cost less any identified impairment loss. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

(b) Associates

An associate is a company which the Group has significant influence and which is neither a subsidiary nor a joint venture of the Group.

Investments in associates are stated at the Group's share of the net assets of the associates less any identified impairment loss. The results of the associates are accounted for in the consolidated income statement to the extent of the Group's share of the associates' results of operations.

4. 主要會計政策(續)

(a) 附屬公司

附屬公司乃本公司持有過半數已發行股本、控制其過半數投票權或控制其董事會之組成之公司。

於本公司財務報表中，附屬公司之投資乃按成本減任何已辨識減值虧損列賬。附屬公司之業績則由本公司按已收及應收股息入賬。

(b) 聯營公司

聯營公司乃本集團對其有重大影響力之公司，既非本集團之附屬公司亦非合資企業。

於聯營公司之投資乃按本集團應佔聯營公司之資產淨值減任何已辨識減值虧損列賬。聯營公司之業績乃按本集團應佔聯營公司之經營業績列入綜合收益表。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Investments in securities

The Group's policies for investments in securities other than investments in subsidiaries and associates are as follows:

- (i) Investments held for identified long-term strategic purpose are classified as investment securities. Investment securities are stated at cost less provision for diminution in value.

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 investments will be reduced to its fair value. The amount of the reduction is recognised as expenses in the income statement.

- (ii) All other securities (whether held for trading or otherwise) are stated in the balance sheet at fair value. Changes in fair value are recognised in the income statement as they arise.
- (iii) Profits or losses on disposal of investments in securities are determined as the difference between the net disposal proceeds and the carrying amount of the investments and are accounted for in the income statement as they arise.

4. 主要會計政策(續)

(c) 投資證券

本集團處理投資證券(不包括於附屬公司及聯營公司之投資)之政策如下:

- (i) 就一明確長遠目的而持有之投資歸類為投資證券。投資證券乃按成本減任何減值撥備列賬。

個別投資之賬面值於每一結算日會作檢討,以評估公平值有否降至低於賬面值。倘出現非暫時性下降,該等投資之賬面值將削減至其公平值。削減數額於收益表內確認為開支。

- (ii) 所有其他證券(不論持有作買賣或其他用途)均按公平值於資產負債表內列賬。公平值之變化須於產生時於收益表確認。
- (iii) 出售投資證券之溢利或虧損指出售所得款項淨額與投資賬面值之差額,並須於產生時計入收益表。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Property, plant and equipment

(i) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment loss. Depreciation is provided on a straight-line basis to write off the cost less residue value of each asset over its estimated useful life. The annual rates are as follows:

Leasehold improvements	25%-30%
Furniture and fixtures	25%-30%
Machinery and equipment	10%-30%
Motor vehicles	20%-25%

(ii) Cost of restoring and improving property, plant and equipment

Major expenditures on modifications and betterments of property, plant and equipment which will result in increase of future economic benefits are capitalised, while expenditure on maintenance and repairs are expensed when incurred.

(iii) Impairing of property, plant and equipment

The carrying amounts of property, plant and equipment are reviewed regularly to assess whether their recoverable amounts have declined below their carrying amounts. Expected future cash flows have not been discounted in determining the recoverable amount.

4. 主要會計政策(續)

(d) 物業、機器及設備

(i) 物業、機器及設備

物業、機器及設備按成本減累積折舊及減值虧損入賬。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減該資產之餘值。折舊年率載列如下：

租賃物業裝修	25%-30%
傢俬及裝置	25%-30%
機械及設備	10%-30%
汽車	20%-25%

(ii) 修整及改良物業、機器及設備之成本

修整及改良物業、機器及設備而有助增加未來經濟利益之主要開支一概撥作資本，而保養及維修費用則於產生時列作開支。

(iii) 物業、機器及設備之減值

物業、機器及設備之賬面值會作定期檢討，以評估可收回款項有否降低於賬面值。在釐定可收回款項時，不會將預期日後出現之現金流入折算為現值。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Property, plant and equipment (Continued)

(iv) Gain or loss on disposal of property, plant and equipment

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

(e) Operating leases

Leases where substantially all the risks and rewards of ownership of the leased assets remain with the lessors are accounted for as operating leases. Rental payments under operating leases are charged to the income statement on a straight-line basis over the period of the relevant leases.

(f) Impairment of assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of these assets may not be recoverable. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss representing the difference between the carrying amount and the recoverable amount of an asset, is recognised as an expense. The recoverable amount is the higher of an asset's net selling price and value in use. The net selling price is the amount obtainable from the sale of an asset in an arm's length transaction less the costs of disposal, while value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Recoverable amounts are estimated for individual assets, or if it is not possible, for the cash-generating unit.

4. 主要會計政策(續)

(d) 物業、機器及設備(續)

(iv) 出售物業、機器及設備之收益或虧損

出售物業、機器及設備之收益或虧損指出售所得款項淨額與有關資產賬面值兩者間之差額，並於收益表中確認。

(e) 經營租約

租用資產擁有權之所有重大報酬及風險實質上仍由出租公司持有之租約列作經營租約。此等經營租約之租金按租約期以直線法計入收益表內。

(f) 資產減值

倘於任何情況或變動下有跡象顯示資產之賬面值可能未能收回，則須就資產進行減值審閱。倘一項資產之賬面值超逾其可收回金額，相等於賬面值與可收回價值間之差額之減值虧損即確認為開支。可收回金額為一項資產之淨額售價及使用價值中的較高者，淨額售價為公平交易中出售一項資產可取得之金額減出售成本，而使用價值則為持續使用該項資產及於其使用壽命終結時出售預期產生之估計未來現金收入之現值。可收回金融乃按個別資產或(如此舉不可能進行)現金產生單位進行估量。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Impairment of assets (Continued)

Reversal of an impairment loss of an asset recognised in prior years is recorded when there is an indication that the impairment loss recognised for the asset no longer exists or has decreased. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income.

(g) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a first-in, first-out basis, and includes all costs of purchase, costs of conversion, and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is based on estimated normal selling prices, less further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow-moving or defective items where appropriate.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised.

4. 主要會計政策(續)

(f) 資產減值(續)

倘顯示就資產確認之減值虧損不再存在或減少，則過往年度所確認之減值虧損將被撥回。倘某項減值虧損在其後獲撥回，則該項資產之賬面值須增加至經修訂之估計可收回金額，惟增加後之賬面值不得超過若在以往年度並無減值虧損而釐定之賬面值。減值虧損撥回時即時確認為收益。

(g) 存貨

存貨乃按成本或可變現淨值中之較低者列賬，成本並採用先入先出法釐定，並包括所有採購成本、轉換成本及令存貨達至現有地點及條件所產生之其他費用。

可變現淨值乃按估計一般售價減預期於完成及出售時所產生之額外成本計算。存貨亦會就陳舊、過時或滯銷之存貨作出適當撥備。

出售存貨時，該等存貨之賬面值將於有關收入確認期間確認為支出。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Accounts receivable

Provision is made against accounts receivable to the extent they are considered to be doubtful. Accounts receivable in the balance sheet is stated net of such provision.

(i) Revenue recognition

(i) Sales revenue is recognised when the merchandise is shipped and title has passed.

(ii) Commission income is recognised when services are provided.

(j) Pension costs

The Group's contributions to pension costs in respect of the defined contribution provident fund scheme and the mandatory provident fund scheme are charged directly to the income statement when incurred.

(k) Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in 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.

4. 主要會計政策(續)

(h) 應收賬款

應收賬款於被認為有機會成為呆賬時作出撥備。應收賬款扣除該撥備後於資產負債表中列賬。

(i) 收入之確認

(i) 銷售收入乃於貨物付運及所有權轉移後確認。

(ii) 佣金收入乃於提供服務後確認。

(j) 退休金開支

本集團就定額供款公積金計劃及強制性公積金計劃之退休金開支供款於產生時直接自收益表中扣除。

(k) 分部呈報

所謂一個分部，乃指本集團之一個可清楚界定的組成部份，經營提供產品或服務的業務(按業務劃分)，或在某一個特定經濟環境經營提供產品或服務的業務(按地區劃分)，其風險與收益亦與其他分部不同。

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For the year ended 30 June 2005 截至二零零五年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Segment reporting (Continued)

In accordance with the Group's internal financial reporting, the Group has chosen business segment information as the primary reporting format and geographical segment information as the secondary reporting format.

Segment revenue, expenses, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment. For example, segment assets may include inventories, trade receivables and property, plant and equipment. Segment revenue, expenses, assets, and liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between group enterprises within a single segment. Inter-segment pricing is based on similar terms as those available to other external parties.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets (both tangible and intangible) that are expected to be used for more than one period.

Unallocated items mainly comprise financial and corporate assets, interest-bearing loans, borrowings, corporate and financing expenses and minority interests.

4. 主要會計政策(續)

(k) 分部呈報(續)

根據本集團的內部財務報告，本集團已選擇業務分部資料作為主要呈報模式，而地區分部資料則作為次要呈報模式。

分部收入、支出、業績、資產及負債包括一個分部直接應佔之專案，以及可按合理基準向有關分部劃撥之專案。舉例而言，分部資產可包括存貨、應收貿易賬款及物業、機器及設備。分部收入、支出、資產及負債在集團成員公司間的結餘款額及集團成員公司間的交易互相對銷(此乃綜合賬目過程之一部份)前釐定，惟倘此等集團成員公司間之結餘款額及交易乃在集團成員公司間某單一分部內產生者，則作別論。各分部之間的交易定價乃根據各分部向集團外其他人士提供之類似交易條款釐定。

分部資金支出乃本集團期內購入且預期可使用一期以上之分部資產(包括有形及無形資產)所引致之總成本額。

未劃撥項目主要包括財務及企業資產、計息貸款、借貸、企業及融資費用及少數股東權益。

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For the year ended 30 June 2005 截至二零零五年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(I) Taxation

Taxation charged to the combined results comprises current and deferred tax.

Current tax is the expected tax payable on the taxable profit for the year. Individual companies within the Group provide for profits tax on the basis of their profit for financial reporting purposes, adjusted for income and expense items which are not assessable or deductible for profits tax purposes. The Group's liability for current tax is calculated using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

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

4. 主要會計政策(續)

(I) 稅項

計入合併業績之稅項包括本期稅項及遞延稅項。

現期稅項是本年度應課稅溢利之預期應繳納稅金。在進行財務申報時，本集團屬下個別公司按溢利基準作利得稅撥備，並以就利得稅而言無須課稅或不可扣減之收入及開支項目進行調整。本集團之本期稅項負債以於結算日已頒佈或實質上已頒佈之稅率釐定，並對任何往年之應繳納稅金作出調整。

遞所稅項乃賬目上資產及負債之賬面值與其相應計算應課稅溢利之稅基之差異引致的應付或應收回稅金，用資產負債表負債法計算。有應課稅之暫時性差異引致之遞延稅項負債一般都會予以確認，而如應課稅溢利將可能抵銷該項暫時性差異，遞延稅項資產亦會予以確認。如該暫時性差異是來自商譽(或負商譽)，或就不影響會計溢利及應課稅溢利的交易中之資產或負債之初次確認(不包括業務合併)，該資產及負債將不予以確認。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2005 截至二零零五年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Taxation (Continued)

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

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

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

(m) Cash equivalents

Cash equivalents represent short term highly liquid investments which are readily convertible into known amounts of cash and which are within three months of maturity when acquired, less advances from banks repayable within three months from the date of the advance.

4. 主要會計政策(續)

(l) 稅項(續)

除非本集團可控制有關暫時性差異之回撥而該暫時性差異在可見將來都不能回撥的情況下，由投資附屬公司產生之暫時性差異，其遞延稅項負債均需予以確認。

遞延稅項資產之賬面值會於每個結算日覆核，並無足夠應課稅溢利可供全部或部分遞延稅項資產可予應用之部份則予以相應扣減。

遞延稅項根據預期負債獲結清或資產獲實現期間所使用之稅率計算。並於收益表中列入或回撥，惟若與直接於權益中扣除或計入之項目有關，有關遞延稅項亦於權益中處理。

(m) 現金等值項目

現金等值項目指短期而流動性極高之投資(可隨時轉換為已知數額之現金，且於購入當日起計三個月內到期)，減去須於提供墊款日起計三個月內償還之銀行墊款。

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For the year ended 30 June 2005 截至二零零五年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Provisions and contingent liabilities

Provision are recognised for liabilities of uncertain timing or amount when the company or group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(o) Foreign currency translation

Transactions in foreign currencies are initially recorded at the rates of exchange prevailing on the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are re-translated at the rates prevailing on the balance sheet date. Gains and losses arising on exchange are included in the income statement for the period.

4. 主要會計政策(續)

(n) 撥備及或然負債

倘因已發生的事件而導致本公司或本集團須對若干負債(時間或款額無法確定)承擔一項法律責任或推定責任,並可能引致經濟利益流出以解決有關責任,及能可靠地估計就此涉及的款額,為此等負債作出之撥備將予以確認。若金錢時值乃屬重大因素,有關之撥備須按預期為解決有關責任而支付之款額之現值列賬。

在未能肯定是否會導致經濟利益流出,或有關款額未能可靠地估量的情況下,有關責任則列作或然負債並予以披露,除非導致經濟利益流出之可能性極低,則作別論。可能承擔的責任(其存在與否只能藉一項或多項未來事件之發生與否而確定)亦列作或然負債並予以披露,除非導致經濟利益流出之可能性極低,則作別論。

(o) 外幣換算

以外幣進行之交易初步以交易日期之通行匯率記錄。以外幣計算之貨幣資產及負債則按結算日之適用匯率重新換算。匯兌收益及虧損一概計入該期間之收益表。

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For the year ended 30 June 2005 截至二零零五年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Foreign currency translation (Continued)

On consolidation, the assets and liabilities of the Group's overseas operations are translated at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising are dealt with as movement in exchange fluctuation reserve.

(p) Related parties

Two 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 or vice versa. Parties are also considered to be related if they are subject to common control or common significant influence.

5. TURNOVER AND SEGMENT INFORMATION

Turnover represents the amount received and receivable for goods sold during the year.

(a) Business segments

The Group's turnover represents the revenue generated from the business of trading of multi-media and communication products. Accordingly, no business segment information is required.

4. 主要會計政策(續)

(o) 外幣換算(續)

就綜合賬目而言，本集團海外業務之資產及負債按結算日之通行匯率換算。收入及開支項目按期間之平均匯率換算。所產生之匯兌差額一概作為變動於外匯波動儲備內處理。

(p) 關連人士

倘一方有能力直接或間接控制另一方人士，或可在製訂財務及經營決策上對另一方行使重大影響力，則雙方視作有關連，相反亦然。倘雙方受制於共同控制或共同重大影響力，則雙方亦被視作有關連。

5. 營業額及分類資料

營業額指年內就已售出貨品之已收款項及應收款項。

(a) 業務分類

本集團之營業額指多媒體及通訊產品貿易業務產生之收益。因此，無須提供業務分類資料。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2005 截至二零零五年六月三十日止年度

5. TURNOVER AND SEGMENT INFORMATION 5. 營業額及分類資料(續)

(b) Geographical segments

(b) 地區分類

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Segment revenue by location of customers	按客戶所在地劃分之分類收入		
PRC, excluding Hong Kong	中國(不包括香港)	71,997	44,203
Hong Kong	香港	49,290	29,208
		121,287	73,411
Segment assets by location of assets	按資產所在地劃分之分類資產		
PRC, excluding Hong Kong	中國(不包括香港)	51,733	8,314
Hong Kong	香港	116,390	136,915
Others	其他地區	-	2,056
		168,123	147,285
Capital expenditures by location of assets	按資產所在地劃分之資本開支		
PRC, excluding Hong Kong	中國(不包括香港)	114	41
Hong Kong	香港	64	295
		178	336

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

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6. OTHER INCOME

Interest income	利息收入
Commission income	佣金收入
Gain on exchange difference	匯兌差額收益
Others	其他

7. GAIN ARISING FROM DISPOSAL OF SUBSIDIARIES

On 18 June 2004, CIL Group Limited and Leadway Contracting Co. Limited, the Company's wholly-owned subsidiaries entered into sales and purchases agreements with independent third parties to dispose of all the equity interests in two dormant subsidiaries, namely Carpet Gallery Company Limited and Bravo Interior Products Limited, at an aggregate consideration of HK\$3. Gain of HK\$44,307,000 arose on the disposal of these two subsidiaries in the financial statements for the year ended 30 June 2004. Further details are disclosed in note 30(a) below.

6. 其他收入

2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
3	-
4,061	2,749
40	-
73	54
4,177	2,803

7. 出售附屬公司所產生之收益

於二零零四年六月十八日，本公司之全資附屬公司CIL Group Limited及Leadway Contracting Co. Limited與獨立第三方訂立買賣協議，以出售氈藝有限公司及全威裝飾材料有限公司兩家暫無業務附屬公司之所有股本權益，總代價為3港元。出售兩家附屬公司產生之44,307,000港元收益載於截至二零零四年六月三十日止年度之財務報表內。詳情於下列附註30(a)披露。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2005 截至二零零五年六月三十日止年度

8. AMOUNT RECOVERED FROM LITIGATION

The amount is a judgment debt recovered from the Bank of China, Hainan Branch (the "Bank") arising from the legal action taken by the Group against the Bank and a former joint venture partner of Sanya Golden Coast Ltd. ("SGC"). SGC, in which the Group had a 40% interest, was established in 1993 for the purpose of developing a site in the Hainan Island. In 1994, the Group decided to withdraw from the investment and entered into an agreement (the "Disposal Agreement") with one partner of the project, which was a PRC company (the "PRC Partner"), to dispose of the Group's equity stake in SGC, at cost in the amount of US\$2,595,597 (the "Consideration"). Among other terms and conditions in the Disposal Agreement, the Consideration payable by the PRC Partner was guaranteed by the Bank (the "Guarantee"). In 1995, the Bank withdrew the Guarantee without the Group's consent. Since 1996, ongoing legal action has been taken by the Group against the PRC partner and the Bank for recovery of the Consideration. The PRC partner was wound up in 1997. Due to uncertain outcome of the litigation, full provision of the Consideration was made in the financial statements for the year ended 30 June 1999. In August 2004, the Supreme People's Court of the People's Republic of China finally handed down a verdict upholding the judgment of the previous hearings that the Bank was liable for the Consideration together with accumulated financial interest. Execution of the court order was completed during the financial year and a total final sum of approximately RMB 44,992,000 was received by the Group, out of which approximately RMB 21,482,000 was the principal sum and the balance of approximately RMB 23,510,000 was accumulated financial interest. In the process of recover the debts, the Group incurred expenses of approximately RMB 24 million (equivalent to approximately HK\$22,179,000).

8. 訴訟收回之款項

該款項乃一筆從中國銀行海南分行（「該銀行」）收回之審結債項，乃因本集團對該銀行及一名前合營項目合夥人三亞黃金海岸開發有限公司（「三亞」，於一九九三年成立）採取法律行動而產生。本集團以往擁有三亞40%權益，目的為開發一幅位於海南島之用地。在一九九四年，本集團決定退出該投資並與該項目之一名合夥人（其為一間中國公司（「中方合夥人」）訂立一項協議（「出售協議」），旨在按成本出售本集團於三亞之股權，就此涉及之款額為2,595,597美元（「代價」）。在出售協議之其他條款及條件之中，應由中方合夥人支付之代價須由該銀行作出擔保（「擔保」）。在一九九五年，該銀行在未經本集團同意之情況下撤回擔保。自一九九六年以來，本集團持續向中方合夥人及該銀行採取法律行動，務求收回代價。中方合夥人已於一九九七年清盤。由於訴訟之結果未明朗，本公司在截至一九九九年六月三十日止年度之財務報表內已就代價作出全數撥備。在二零零四年八月，中華人民共和國最高人民法院終審裁決維持以往多次聆訊後之原判，而該銀行須向本集團支付代價連同累計之財務利息。在該財政年度內，法院頒令已經獲履行，而本集團亦已最終收回約人民幣44,992,000元，其中約人民幣21,482,000元乃本金，餘額約人民幣23,510,000元乃累計財務利息。於收回債項過程中，本集團招致開支約人民幣24,000,000元（相等於約22,179,000港元）。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2005 截至二零零五年六月三十日止年度

9. LOSS ARISING FROM DE-CONSOLIDATION OF A WINDING UP SUBSIDIARY

The loss of HK\$37,961,000 arose from the deconsolidation of a wholly-owned subsidiary Goldhill Merchandising Inc, which was put into a voluntary winding up on 4 June 2004. Further details are disclosed in note 30(b) below.

10. LOSS FROM OPERATIONS

Loss from operations is stated after charging the following:

9. 附屬公司清盤不再綜合入賬所產生之虧損

於二零零四年六月四日，全資附屬公司 Goldhill Merchandising Inc 自動清盤，產生不再綜合入賬虧損 37,961,000 港元。詳情於下列附註 30(b) 披露。

10. 經營虧損

經營虧損已扣除下列各項：

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Cost of goods sold and services provided	出售貨品及提供服務之成本	117,448	68,495
Commission paid	已付佣金	-	3,000
Staff costs (including directors' emoluments)	員工成本 (包括董事酬金)	11,553	6,728
Pension scheme contributions	退休金計劃供款	84	43
Provision for doubtful debts	呆賬撥備	370	2,601
Auditors' remuneration	核數師酬金	412	422
Depreciation	折舊	134	183
Operating lease rentals in respect of land and buildings	有關土地及樓宇之經營租約租金	529	322
		529	322

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11. FINANCE COSTS

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Interests on:	利息：		
Bank loans, bills and overdrafts wholly repayable within five years	須於五年內悉數償還之銀行貸款、票據及透支	675	489
Other borrowing costs	其他借款成本	555	481
		1,230	970

11. 融資成本

12. TAXATION

No provision for Hong Kong profits tax and overseas income tax has been made in the financial statements since there is no estimated assessable profit derived from Hong Kong and overseas for the year (2004: Nil).

The charge for the year can be reconciled to the loss per the consolidated income statement as follows:

12. 稅項

由於年內並無香港及海外估計應課稅溢利，故並無於財務報表內就香港利得稅及海外所得稅作出撥備（二零零四年：零）。

年內稅項開支可與綜合收益表所列虧損對賬如下：

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Loss before taxation	除稅前虧損	(7,436)	(53,074)
Calculated at a taxation rate of 17.5%	按稅率17.5%計算	(1,301)	(9,288)
Tax effect on non-deductible expenses	不可扣稅支出之稅務影響	4,220	15,441
Tax effect of non-taxable income	毋須繳稅收入之稅務影響	(3,467)	(8,244)
Unused tax loss not recognised	未予確認之未使用稅項虧損	548	1,862
Utilisation of tax loss	使用稅項虧損	-	229
Actual tax expenses	實際稅項支出	-	-

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For the year ended 30 June 2005 截至二零零五年六月三十日止年度

13. LOSS ATTRIBUTABLE TO SHAREHOLDERS

The net loss attributable to shareholders includes a loss of approximately HK\$9,344,000 (2004: loss of HK\$57,769,000) which has been dealt with in the financial statements of the Company for the year ended 30 June 2005.

14. LOSS PER SHARE

The calculation of basic loss per share for the year ended 30 June 2005 is based on the loss attributable to shareholders of approximately HK\$7,436,000 (2004: loss of HK\$53,074,000) and 6,174,917,000 (2004: 6,174,917,000) ordinary shares in issue during the year.

Diluted loss per share was not presented as there was no dilutive potential ordinary shares in issue for the years ended 30 June 2005 and 2004.

15. DIVIDENDS

No dividend was paid or proposed for the year ended 30 June 2005, nor has any dividend been proposed since the balance sheet date.

16. PENSION SCHEME

Prior to 1 December 2000, the Group operated a defined contribution provident fund scheme for its employees. Employees of the Group were entitled to join the scheme upon fulfilling certain conditions. The Group contributes an amount equal to a fixed percentage of the salary of each participating employee. Forfeited contributions in respect of unvested benefits of employees leaving the scheme were used to reduce the Group's ongoing contributions. Net contributions were charged to the income statement in the year to which they relate.

13. 股東應佔虧損

股東應佔虧損淨額包括虧損約9,344,000港元(二零零四年:虧損57,769,000港元),已於本公司截至二零零五年六月三十日止年度之財務報表處理。

14. 每股虧損

截至二零零五年六月三十日止年度之每股基本虧損乃按股東應佔虧損約7,436,000港元(二零零四年:虧損53,074,000港元)及年內已發行普通股6,174,917,000股(二零零四年:6,174,917,000股)計算。

截至二零零五年及二零零四年六月三十日止年度,概無已發行攤薄潛在普通股,故並無呈列每股股份之攤薄虧損。

15. 股息

概無就截至二零零五年六月三十日止年度派付或擬派股息,自結算日以來亦無擬派任何股息。

16. 退休金計劃

於二零零零年十二月一日前,本集團為僱員提供定額供款公積金計劃。本集團之僱員可於符合若干條件之情況下參與該計劃。本集團將就每名參與之僱員按其薪金之固定百分比供款。僱員提早離職而未能獲得有關利益部份之沒收供款將用作減低本集團日後之供款。供款淨額將列入有關年度之收益表。

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16. PENSION SCHEME (Continued)

From 1 December 2000 onwards, the Group participates in the Mandatory Provident Fund Scheme (the "MPF Scheme") for those employees who are eligible to participate in the MPF Scheme. Contributions are made by the Group at 5 per cent of the employee's relevant income as defined in the Hong Kong Mandatory Provident Fund Schemes Ordinance. The Group's employer contributions are fully and immediately vested in the employees as accrued benefits once they are paid. Contributions are charged to the income statement as they become payable in accordance with the rules of the MPF Scheme.

16. 退休金計劃(續)

從二零零零年十二月一日起，本集團為符合強制性公積金計劃(「強積金計劃」)之合資格僱員加入了強積金計劃。本集團所作出之供款為香港強制性公積金計劃條例所規定之僱員有關收入之百分之五。本集團僱主供款於僱員獲得有關付款後悉數及隨即作為應計福利撥歸僱員所有。按照強積金計劃規則，供款於支付時於收益表中扣除。

17. DIRECTORS' AND SENIOR EXECUTIVES' EMOLUMENTS

(a) Details of directors' emoluments

2005		Salaries, allowances and benefits in kind				Contribution to pension scheme	Total
二零零五年		Fees	薪金、津貼及實物利益	退休金計劃供款		合計	
		袍金	實物利益	退休金計劃供款		合計	
		HK\$'000	HK\$'000	HK\$'000		HK\$'000	
		千港元	千港元	千港元		千港元	
<i>Executive directors</i>	<i>執行董事</i>						
Ke Jun Xiang	柯俊翔	-	1,800	-		1,800	
Ho Pui Tsun, Peter	何佩川	-	2,900	-		2,900	
Shao Wei Hong	邵偉宏	-	940	-		940	
Hu Yeshan	胡葉山	-	620	-		620	
Chow Yeung Tuen, Richard (note 1)	鄧揚敦(附註1)	-	-	-		-	
<i>Non-executive directors</i>	<i>非執行董事</i>						
Li Qinyi	李勤毅	-	-	-		-	
<i>Independent non-executive directors</i>	<i>獨立非執行董事</i>						
Wong Kwok Tai, Wytan	黃國泰	-	-	-		-	
Ching Chun Chung (note 2)	程振忠(附註2)	-	-	-		-	
Kwok Yam Sheung (note 3)	郭蔭尚(附註3)	-	-	-		-	
		-	6,260	-		6,260	

17. 董事及高級行政人員之酬金

(a) 董事酬金之詳情

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2005 截至二零零五年六月三十日止年度

17. DIRECTORS' AND SENIOR EXECUTIVES' EMOLUMENTS (Continued)

(a) Details of directors' emoluments (Continued)

2004

二零零四年

<i>Executive directors</i>	執行董事
Ke Jun Xiang	柯俊翔
Ho Pui Tsun, Peter	何佩川
Shao Wei Hong	邵偉宏
Hu Yeshan	胡葉山
Chow Yeung Tuen, Richard (note 1)	鄒揚敦 (附註1)
Dai Wei (note 4)	代偉 (附註4)
Zhang Shu Qing (note 4)	張樹清 (附註4)
Liu Shun Fai (note 4)	廖舜輝 (附註4)
Lee Wing Yin, Jessica (note 4)	李穎然 (附註4)
<i>Non-executive directors</i>	非執行董事
Li Qinyi	李勤毅
Sik Siu Kwan (note 5)	薛兆坤 (附註5)
Hui Ching Shan, Douglas (note 7)	許青山 (附註7)
<i>Independent non-executive directors</i>	獨立非執行董事
Wong Kwok Tai, Wytan	黃國泰
Ching Chun Chung	程振忠
Choi Tat Ying, Jacky (note 6)	蔡達英 (附註6)

17. 董事及高級行政人員之酬金 (續)

(a) 董事酬金之詳情 (續)

Fees	Salaries, allowances and benefits in kind	Contribution to pension scheme	Total
袍金	薪金、津貼及實物利益	退休金計劃供款	合計
HK\$'000	HK\$'000	HK\$'000	HK\$'000
千港元	千港元	千港元	千港元
-	1,950	-	1,950
-	1,950	-	1,950
-	375	-	375
-	375	-	375
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	60	-	60
-	-	-	-
-	4,710	-	4,710

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2005 截至二零零五年六月三十日止年度

17. DIRECTORS' AND SENIOR EXECUTIVES' EMOLUMENTS (Continued)

(a) Details of directors' emoluments (Continued)

Notes:

1. Mr. Chow Yeung Tuen, Richard resigned on 1 September 2004
2. Mr. Ching Chun Chung resigned on 12 September 2005
3. Ms. Kwok Yam Sheung was appointed on 30 September 2004
4. The directors were appointed on 17 May 2003 and resigned on 10 July 2003
5. Mr. Sik Siu Kwan was appointed on 14 May 2003 and resigned on 10 July 2003
6. Mr. Choi Tat Ying, Jacky was appointed on 26 May 2003 and resigned on 10 July 2003
7. Mr. Hui Ching Shan, Douglas was appointed on 10 July 2003 and resigned on 10 November 2003

(b) Details of emoluments paid to the five highest paid individuals (including directors and other employees)

Basic salaries, allowances and benefits in kind 基本薪金、津貼及實物利益
Contributions to pension scheme 退休金計劃供款

The five highest paid individuals included four (2004: four) executive directors of the company, details of whose emoluments have been included in note 17(a) above.

17. 董事及高級行政人員之酬金 (續)

(a) 董事酬金之詳情 (續)

附註：

1. 鄒揚敦先生於二零零四年九月一日辭任
2. 程振忠先生於二零零五年九月十二日辭任
3. 郭蔭尚女士於二零零四年九月三十日獲委任
4. 該等董事於二零零三年五月十七日獲委任並於二零零三年七月十日辭任
5. 薛兆坤先生於二零零三年五月十四日獲委任並於二零零三年七月十日辭任
6. 蔡達英先生於二零零三年五月二十六日獲委任並於二零零三年七月十日辭任
7. 許青山先生於二零零三年七月十日獲委任並於二零零三年十一月十日辭任

(b) 五位最高薪人士(包括董事及其他僱員)之酬金詳情

	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Basic salaries, allowances and benefits in kind 基本薪金、津貼及實物利益	7,880	4,960
Contributions to pension scheme 退休金計劃供款	12	12
	7,892	4,972

五位最高薪人士包括四位(二零零四年：四位)本公司執行董事，彼等之酬金詳情載於上文附註17(a)。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2005 截至二零零五年六月三十日止年度

17. DIRECTORS' AND SENIOR EXECUTIVES' EMOLUMENTS (Continued)

(b) Details of emoluments paid to the five highest paid individuals (including directors and other employees) (Continued)

There were no arrangements under which a director or senior management waived or agreed to waive any emoluments, and no incentive payment nor compensation for loss of office was paid or payable to any director or senior management during the year.

Analysis of emoluments of the five highest paid individuals (including directors and other employees) by emolument range is as follows:

Nil to HK\$1,000,000	零至1,000,000港元
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元
HK\$2,000,001 to HK\$3,000,000	2,000,001港元至3,000,000港元

17. 董事及高級行政人員之酬金 (續)

(b) 五位最高薪人士(包括董事及其他僱員)之酬金詳情(續)

並未有根據董事或高級管理人員放棄或同意放棄任何酬金之安排，年內概無對任何董事或高級管理人員支付或須支付任何入職獎金或離職補償。

五位最高薪人士(包括董事及其他僱員)之酬金按酬金範圍之分析如下：

2005 二零零五年 Number 人數	2004 二零零四年 Number 人數
2	3
-	-
2	2
1	-
5	5

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2005 截至二零零五年六月三十日止年度

18. PROPERTY, PLANT AND EQUIPMENT

18. 物業、廠房及設備

The Group

本集團

		Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Furniture and fixture 傢俬及裝置 HK\$'000 千港元	Machinery and equipment 機器及設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Cost	成本					
At 1 July 2004	於二零零四年 七月一日	155	335	508	142	1,140
Additions	添置	-	134	44	-	178
At 30 June 2005	於二零零五年 六月三十日	155	469	552	142	1,318
Accumulated depreciation	累積折舊					
At 1 July 2004	於二零零四年 七月一日	49	208	432	7	696
Charge for the year	本年度支出	28	47	30	29	134
At 30 June 2005	於二零零五年 六月三十日	77	255	462	36	830
Net book value	賬面淨值					
At 30 June 2005	於二零零五年 六月三十日	78	214	90	106	488
At 30 June 2004	於二零零四年 六月三十日	106	127	76	135	444

At 30 June 2005 and 2004, the Company had no property, plant and equipment.

於二零零五年及二零零四年六月三十日，本公司並無物業、廠房及設備。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2005 截至二零零五年六月三十日止年度

19. INTERESTS IN SUBSIDIARIES

19. 於附屬公司之投資

		Company 本公司	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份，按成本	-	56,720
Due from subsidiaries	應收附屬公司之款項	440,528	440,528
Less: Impairment loss	減：減值虧損	(440,528)	(497,248)
Due to subsidiaries	應付附屬公司之款項	(489)	(489)

(a) The balances with subsidiaries are unsecured, non-interest bearing and have no fixed term of repayment.

(a) 於附屬公司之結餘為無抵押、不計利息及無指定還款期的款項。

(b) Details of the Company's principal subsidiaries at 30 June 2005 are set out in note 34.

(b) 本公司於二零零五年六月三十日之主要附屬公司詳情載列於附註34。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2005 截至二零零五年六月三十日止年度

19. INTERESTS IN SUBSIDIARIES (Continued) 19. 於附屬公司之投資(續)

(c) Additional information on material subsidiaries:

The following information are extracted from the audited financial statements of Flaconwood Limited and AVT Electronics Limited.

(c) 主要附屬公司之其他資料：

以下資料摘錄自Flaconwood limited及AVT Electronics Limited之經審核財務報表。

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Combined income statements	合併收益表		
Turnover	營業額	121,287	73,411
Cost of sales	銷售成本	(117,448)	(68,495)
Gross profit	毛利	3,839	4,916
Other revenue	其他收入	4,112	2,803
Provision for impairment loss on investment in a subsidiary	於附屬公司投資之減值虧損撥備	(14,200)	-
General and administrative expenses	一般及行政開支	(10,978)	(5,799)
(Loss)/profit from operations	經營(虧損)/溢利	(17,227)	1,920
Finance costs	財務費用	(1,145)	(970)
(Loss)/profit before taxation	除稅前(虧損)/溢利	(18,372)	950
Taxation	稅項	(44)	-
(Loss)/profit after taxation	除稅後(虧損)/溢利	(18,416)	950
Minority interests	少數股東權益	-	-
(Loss)/profit attributable to shareholders	股東應佔(虧損)/溢利	(18,416)	950

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2005 截至二零零五年六月三十日止年度

19. INTERESTS IN SUBSIDIARIES (Continued)

(c) Additional information on material subsidiaries:
(Continued)

19. 於附屬公司之投資(續)

(c) 主要附屬公司之其他資料：(續)

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Combined balance sheets	合併資產負債表		
Non-current assets	非流動資產		
Property, plant and equipment	物業、機器及設備	488	444
Current assets	流動資產		
Inventories	存貨	9,341	14,131
Accounts receivable	應收賬款	6,789	6,252
Prepayment, deposits and other receivables	預付款項、按金及其他應收賬款	70	17,710
Due from parent	應收母公司賬款	182	182
Cash at bank and in hand	銀行現金及庫存現金	1,022	1,637
		17,404	39,912
Current liabilities	流動負債		
Bank overdraft	銀行透支	173	1,073
Bill payable, secured	應付票據，有抵押	13,421	12,989
Accounts payable	應付賬款	7,241	7,264
Accruals, other payable and deposits received	應記費用、其他應付賬款及已收按金	4,135	6,244
Interest-bearing borrowings	記息借款	4,830	6,278
		29,800	33,848
Net current (liabilities)/assets	流動(負債)/資產淨值	(12,396)	6,064
Net (liabilities)/assets	(負債)/資產淨值	(11,908)	6,508

Note: AVT Electronics Limited is not audited by
Graham H. Y. Chan & Co.

附註：AVT Electronics Limited並非由
陳浩賢會計師事務所審核。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2005 截至二零零五年六月三十日止年度

20. INTERESTS IN ASSOCIATES

20. 於聯營公司之權益

		Group 本集團		Company 本公司	
		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
Unlisted investments, at cost	非上市投資， 按成本	77,000	77,451	77,000	77,001
Due to associates	應付聯營公司 之賬款	-	(1)	-	(1)
		77,000	77,450	77,000	77,000
Less: Impairment loss	減：減值虧損	(77,000)	(77,450)	(77,000)	(77,000)
		-	-	-	-
Share of net assets	應佔資產淨值	-	-	-	-
		-	-	-	-

Details of the principal associates at 30 June 2005 were:

於二零零五年六月三十日之主要聯營公司詳情如下：

Name 名稱	Business structure 商業結構	Place of incorporation/ operations 註冊成立/ 營業地點	Issued and fully paid/ registered capital 已發行及 繳足/註冊資本	Percentage of equity interest attributable to the group 本集團應佔 股本權益百分比	Principal activities 主要業務
Hightor Enterprises Limited	Corporation 公司	British Virgin Islands 英屬處女群島	US\$30,000 30,000美元	33.3%	Dormant 暫無業務
廣州奧斯凱科技 有限公司	Co-operative joint venture 合作合營企業	PRC 中國	RMB1,500,000 人民幣1,500,000元	32.5%	Dormant 暫無業務
廣州飛流電熱水器 有限公司	Co-operative joint venture 合作合營企業	PRC 中國	RMB500,000 人民幣500,000元	30%	Dormant 暫無業務

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2005 截至二零零五年六月三十日止年度

21. INVESTMENTS IN SECURITIES

Under benchmark treatment:

21. 投資證券

根據標準方法計算：

		Group 本集團		Company 本公司	
		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
Equity securities	股本證券				
Unlisted securities, at cost	非上市證券， 按成本	8,000	8,000	8,000	8,000
Investment securities, at cost	投資證券， 按成本				
Listed in overseas	於海外上市	6,204	6,204	-	-
Less: Provision for permanent diminution in value	減：永久減值 撥備	(6,204)	(4,148)	-	-
		-	2,056	-	-
		8,000	10,056	8,000	8,000
Other investments, at fair value	其他投資， 按公平值				
Listed in Hong Kong	在香港上市	-	27	-	-
Market value of listed investments	上市投資市值	-	5,304	-	-

The directors are of the view that there is no further diminution in value of the unlisted investment and therefore, no additional provision has been made in the financial statements.

董事認為，非上市投資未有進一步減值，故並無於財務報表內作出額外撥備。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2005 截至二零零五年六月三十日止年度

22. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

Included in prepayments, deposits and other receivable in the consolidated balance sheet as at 30 June 2004, was an amount of approximately HK\$14.2 million represented the consideration paid for the acquisition of a further 25% equity interest in a subsidiary, AVT Electronics Limited. The share transfer is still in progress. In the opinion of the directors, the Group can eventually complete the acquisition of this further equity interest of the investment in AVT Electronics Limited.

The directors are of the view that due to the deterioration of financial position of AVT Electronics Limited, full provision has been made in the financial statements for the year ended 30 June 2005.

22. 預付款項、按金及其他應收賬款

於二零零四年六月三十日計入綜合資產負債表內之預付款項、按金及其他應收賬款為數約14,200,000港元，乃收購附屬公司AVT Electronics Limited另外25%股權而支付之代價。股份轉讓仍在處理中。董事認為，本集團最終能完成進一步收購該等AVT Electronics Limited之投資之股權。

董事認為，由於AVT Electronics Limited之財務狀況變差，故於截至二零零五年六月三十日止年度之財務報表內已作出充分撥備。

23. INVENTORIES

Finished goods

製成品

The above inventories are stated at cost.

23. 存貨

		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
Finished goods	製成品	9,341	14,131

上述存貨乃按成本值列賬。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2005 截至二零零五年六月三十日止年度

24. ACCOUNTS RECEIVABLE

All of the accounts receivable are stated net of provision of bad and doubtful debts and are expected to be recovered within one year. The aging analysis is as follows:

0-90 days	0至90天
91-180 days	91天至180天
Over 180 days	180天以上

25. ACCOUNTS AND BILLS PAYABLE

Accounts payable	應付賬款
Bills payable, secured	應付票據，有抵押

24. 應收賬款

所有應收賬款扣除呆壞賬撥備後列賬，並預期可於一年內收回。其賬齡分析如下：

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
		6,762	3,285
		-	-
		27	367
		6,789	3,652

25. 應付賬款及票據

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
		7,241	7,264
		13,421	12,989
		20,662	20,253

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2005 截至二零零五年六月三十日止年度

25. ACCOUNTS AND BILLS PAYABLE (Continued)

All of the accounts payable are expected to be settled within one year. The aging analysis is as follows:

25. 應付賬款及票據(續)

所有應付賬項預期於一年內償還。其賬齡分析如下：

		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
0-90 days	0至90天	7,101	7,262
91-180 days	91天至180天	-	2
Over 180 days	180天以上	140	-
		7,241	7,264

26. INTEREST-BEARING BORROWING

26. 計息借款

		Group 本集團		Company 本公司	
		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
Bank overdrafts	銀行透支				
- secured	- 有抵押	173	1,073	-	-
Other loans	其他貸款				
- unsecured	- 無抵押	28,958	30,405	23,708	23,708
		29,131	31,478	23,708	23,708

Other loans bear interest at 8%-12% per annum.

其他貸款按8%-12%之年利率計息。

At 30 June 2005, the banking facilities of the Group were secured by the pledge of assets and personal guarantee of directors of a subsidiary.

於二零零五年六月三十日，本集團之銀行融通額由一家附屬公司董事之資產質押及個人擔保作為抵押。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2005 截至二零零五年六月三十日止年度

27. DUE TO DIRECTORS

		Group 本集團		Company 本公司	
		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
Ke Jun Xiang	柯俊翔	5,134	3,030	5,134	3,029
Ho Pui Tsun, Peter	何佩川	7,989	3,650	7,728	3,388
Hu Yeshan	胡葉山	695	75	695	75
Shao Wei Hong	邵偉宏	1,015	75	1,015	75
Directors of subsidiaries	附屬公司之董事	194	4,418	-	-
		15,027	11,248	14,572	6,567

The amounts due to directors are unsecured, interest free and have no fixed repayable terms.

27. 應付董事賬款

應付董事賬款為無抵押、免息及無固定還款期。

28. DEFERRED TAXATION

As at 30 June 2004 and 2005, the Group had no material unprovided deferred tax liability. The potential deferred tax asset not provided for at the balance sheet date are as follow:

		Group 本集團		Company 本公司	
		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
Accelerated capital allowances	提前轉歸資本之免稅額	(19)	(33)	-	-
Tax losses available for future relief	可於未來獲豁免之稅務虧損	(65,449)	(64,901)	(58,931)	(58,931)
		(65,468)	(64,934)	(58,931)	(58,931)

No deferred tax asset has been recognised in respect of tax losses as the crystallisation of the tax benefits is uncertain. The tax losses may be carried forward indefinitely.

28. 遞延稅項

於二零零四年及二零零五年六月三十日，本集團並無重大未提撥遞延稅項負債。於結算日未提撥之潛在遞延稅項資產如下：

由於稅務利益並不明確，故不就稅務虧損確認遞延稅項資產。稅務虧損並無到期日。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2005 截至二零零五年六月三十日止年度

29. SHARE CAPITAL

29. 股本

		The Company 本公司			
		2005 二零零五年		2004 二零零四年	
		No. of shares 股份數目 (‘000) (千股)	HK\$’000 千港元	No. of shares 股份數目 (‘000) (千股)	HK\$’000 千港元
Ordinary shares of HK\$0.01 each	普通股每股 面值0.01港元				
Authorised:	法定：	60,000,000	600,000	60,000,000	600,000
Issued and fully paid:	已發行及繳足：	6,174,917	61,749	6,174,917	61,749

30. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

30. 綜合現金流量表附註

(a) Gain arising from disposal of subsidiaries:

(a) 出售附屬公司所產生之收益：

		2005 二零零五年 HK\$’000 千港元	2004 二零零四年 HK\$’000 千港元
Net assets disposed of:	出售下列各項之資產淨值：		
Cash and bank deposits	現金及銀行存款	-	16
Accounts payable	應付賬款	-	(2,110)
Other payables and accruals	其他應付賬款及應計費用	-	(1,009)
Tax payable	應付稅項	-	(143)
Due to winding up subsidiaries	應付清盤附屬公司賬款	-	(41,061)
Amount due to fellow subsidiaries	應付同系附屬公司	-	(13,649)
		-	(57,956)
Current account with fellow subsidiaries	於同系附屬公司之流動賬戶	-	13,649
Gain on disposal of subsidiary	出售附屬公司之收益	-	(44,307)
Net cash arising on disposal of subsidiaries:	出售附屬公司所產生 之現金淨額：		
Cash and bank deposits	現金及銀行存款	-	(16)

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2005 截至二零零五年六月三十日止年度

30. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (Continued)

(b) Loss arising from de-consolidation of winding up subsidiary:

30. 綜合現金流量表附註(續)

(b) 清盤附屬公司不再綜合入賬所產生之虧損：

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Net assets of winding up subsidiary:	清盤附屬公司之資產淨值：		
Goodwill	商譽	-	28,000
Property, plant and equipment	物業、機器及設備	-	3,611
Inventories	存貨	-	222
Prepayment, deposits and other receivables	預付款項、按金及其他應收賬款	-	25,161
Accounts receivables	應收賬款	-	567
Bank overdraft and cash equivalent loans	銀行透支及現金等值貸款	-	(233)
Accounts payable	應付賬款	-	(5,771)
Other payable and accruals	其他應付賬款及應計費用	-	(12,305)
Tax payable	應付稅項	-	(1,291)
Loss arising from de-consolidation of a winding up subsidiary	清盤附屬公司不再綜合入賬所產生之虧損	-	37,961
Net cash inflow arising from de-consolidation of a winding up subsidiary:	清盤附屬公司不再綜合入賬所產生之現金流入淨額：		
Bank overdrafts	銀行透支	-	233

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2005 截至二零零五年六月三十日止年度

31. CONTINGENT LIABILITIES

At 30 June 2005, the Company and the Group had contingent liabilities approximately HK\$44 million (2004:HK\$46 million) in respect of the disputed claims against the Group for outstanding loan. The details of the claims as follows:

Outstanding loan	未償還之貸款
Outstanding service fees	未支付之服務費

31. 或然負債

於二零零五年六月三十日，本公司及本集團有約44,000,000港元（二零零四年：46,000,000港元）之或然負債，乃有關未償還貸款而針對本集團之爭議索償。索償之詳情如下：

	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Outstanding loan	43,816	41,553
Outstanding service fees	-	4,690
	43,816	46,243

32. RELATED PARTY TRANSACTIONS

During the year, the Company and the Group paid rental expenses of HK\$132,000 to Nicegoal Limited (2004: rental expenses of HK\$132,000 and agency fee of HK\$1,350,000 respectively). Nicegoal Limited is owned by certain directors of a subsidiary of the Company, AVT Electronic Limited. The rental expenses were based on the tenancy agreement signed by the Company and Nicegoal Limited.

On 6 November 2003, the Company and a director entered into a debt assignment agreement with an independent third party, Windway Enterprises Limited ("Windway"), whereby the director has agreed pursuant to the agreement to assign an unsecured, interest free loan in the amount of HK\$3,860,000 due from the Company to Windway. A promissory note in the amount of HK\$3,860,000 was entered into between the Company and Windway accordingly.

32. 關連各方交易

年內，本公司及本集團支付租金開支132,000港元（二零零四年：租金開支及代理費分別為132,000港元及1,350,000港元）予Nicegoal Limited。Nicegoal Limited由本公司一家附屬公司AVT Electronic Limited之若干董事擁有。有關租金開支乃根據本公司及Nicegoal Limited簽訂之租賃協議而定。

於二零零三年十一月六日，本公司及一名董事與一獨立第三方永匯企業有限公司（「永匯」）簽訂一份債項轉讓協議，據此，該董事同意根據該協議將本公司結欠之無抵押、免息貸款3,860,000港元轉讓予永匯。本公司及永匯已簽訂為數3,860,000港元之承兌票據。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2005 截至二零零五年六月三十日止年度

33. OPERATING LEASE COMMITMENTS

At 30 June 2005, the Group had commitments for future minimum lease under non-cancellable operating leases in respect of land and buildings which fall due as follows:

33. 經營租約承擔

於二零零五年六月三十日，本集團根據不可撤銷之經營租約就有關土地及樓宇到期應付之未來最低租約承擔如下：

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Not later than one year	不超過一年	150	559
Later than one year and not later than five years	一年後但不超過五年	23	306
		173	865

34 PARTICULARS OF PRINCIPAL SUBSIDIARIES

34. 主要附屬公司詳情

Name 公司名稱	Place of incorporation/ operation 註冊成立/ 營業地點	Issued and fully paid share/ registered capital 已發行及繳足 股份/註冊股本	Percentage of equity interest attributable to the Group 本集團應佔 股本權益百分比	Principal activities 主要業務
Accura Enterprises Limited (Note b) (附註b)	British Virgin Islands 英屬處女群島	US\$1 1美元	100%	Investment holdings 投資控股
AVT Electronics Limited (Note a) (附註a)	Hong Kong 香港	HK\$4,500,100 4,500,100港元	65%	Manufacturing of multi-media products 製造多媒體產品
Best Materials Supply Limited	Hong Kong 香港	HK\$2 2港元	100%	Dormant 暫無營業
Bravoheart Property Limited	British Virgin Islands 英屬處女群島	US\$1 1美元	100%	Dormant 暫無營業

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2005 截至二零零五年六月三十日止年度

34 PARTICULARS OF PRINCIPAL SUBSIDIARIES 34. 主要附屬公司詳情(續) (Continued)

Name 公司名稱	Place of incorporation/ operation 註冊成立/ 營業地點	Issued and fully paid share/ registered capital 已發行及繳足 股份/註冊股本	Percentage of equity interest attributable to the Group 本集團應佔 股本權益百分比	Principal activities 主要業務
Carpet Galley (Overseas) Company Limited 氈藝(海外)有限公司	British Virgin Islands 英屬處女群島	US\$300 300美元	100%	Dormant 暫無營業
CIL Containers Limited (Note b) (附註b)	British Virgin Islands 英屬處女群島	US\$10 10美元	100%	Investment holding 投資控股
CIL Group Limited (Note b) (附註b)	British Virgin Islands 英屬處女群島	US\$10,405 10,405美元	100%	Investment holding 投資控股
CIL Investment Limited	British Virgin Islands 英屬處女群島	US\$1 1美元	100%	Dormant 暫無營業
CIL Limited	Hong Kong 香港	HK\$2,480,000 2,480,000港元	100%	Dormant 暫無營業
Collection International Limited	British Virgin Islands 英屬處女群島	US\$1 1美元	100%	Investment holding 投資控股
E-Development Limited (Note b) (附註b)	British Virgin Islands 英屬處女群島	US\$1 1美元	100%	Investment holding 投資控股
Finemost Investments Limited 銳賢投資有限公司	Hong Kong 香港	HK\$2 2港元	100%	Dormant 暫無營業
First Manor Inc. (Note b) (附註b)	British Virgin Islands 英屬處女群島	US\$1 1美元	100%	Dormant 暫無營業

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2005 截至二零零五年六月三十日止年度

34 PARTICULARS OF PRINCIPAL SUBSIDIARIES 34. 主要附屬公司詳情(續) (Continued)

Name 公司名稱	Place of incorporation/ operation 註冊成立/ 營業地點	Issued and fully paid share/ registered capital 已發行及繳足 股份/註冊股本	Percentage of equity interest attributable to the Group 本集團應佔 股本權益百分比	Principal activities 主要業務
Flaconwood Ltd. (Note b) (附註b)	British Virgin Islands 英屬處女群島	US\$1 1美元	100%	Investment holding 投資控股
Grace Decorative Materials Limited	Hong Kong 香港	HK\$2 2港元	100%	Dormant 暫無營業
I.D.C. Group and Co., Limited	Hong Kong 香港	HK\$100,000 100,000港元	100%	Dormant 暫無營業
Ka Cheong Holdings Limited	British Virgin Islands 英屬處女群島	US\$1,000 1,000美元	100%	Dormant 暫無營業
Leadway Contracting Co., Limited	Hong Kong 香港	HK\$2 2港元	100%	Dormant 暫無營業
Lucky Choice Assets Limited (Note b) (附註b)	British Virgin Islands 英屬處女群島	US\$1 1美元	100%	Investment holding 投資控股
Modern Faith Limited (Note b) 煌信有限公司 (附註b)	Hong Kong 香港	HK\$2 2港元	100%	Dormant 暫無營業
Top Grand Investments Limited	Hong Kong 香港	HK\$2 2港元	100%	Dormant 暫無營業

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2005 截至二零零五年六月三十日止年度

34 PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

Notes:

- (a) This subsidiary is not audited by Graham H. Y. Chan & Co.
- (b) These subsidiaries are directly held by the company.

The above list summarises the principal subsidiaries of the Company which, in the opinion of the directors, principally affected the results of the Group or formed a substantial portion of net assets of the Group as at 30 June 2005. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

34. 主要附屬公司詳情(續)

附註：

- (a) 該附屬公司並非由陳浩賢會計師事務所審核。
- (b) 該等附屬公司由本公司直接持有。

董事會之意見認為以上列出之主要附屬公司，對本集團於截至二零零五年六月三十日之業績影響重大並構成本集團資產淨值之主要部份。董事會認為詳述其他附屬公司將令篇幅過於冗長。

FINANCIAL SUMMARY 財務概要

RESULTS

業績

Year Ended 30 June
截至六月三十日止年度

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
TURNOVER	營業額	121,287	73,411	45,705	56,635	47,579
PROFIT/(LOSS) BEFORE TAXATION	除稅前溢利/ (虧損)	(7,436)	(53,074)	71,565	(144,740)	(5,945)
TAXATION	稅項	-	-	-	-	359
PROFIT/(LOSS) BEFORE MINORITY INTERESTS	未計少數股東 權益前溢利/ (虧損)	(7,436)	(53,074)	71,565	(144,740)	(5,586)
MINORITY INTERESTS	少數股東權益	-	-	-	-	1,379
PROFIT/(LOSS) ATTRIBUTABLE TO SHAREHOLDERS	股東應佔溢利/ (虧損)	(7,436)	(53,074)	71,565	(144,740)	(4,207)

ASSETS AND LIABILITIES

資產與負債

At 30 June
於六月三十日

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元	2001 二零零一年 HK\$'000 千港元
TOTAL ASSETS	資產總額	168,123	147,285	254,568	257,369	388,492
TOTAL LIABILITIES	負債總額	(171,894)	(143,620)	(197,829)	(321,673)	(319,407)
MINORITY INTERESTS	少數股東權益	-	-	-	-	-
NET ASSETS/(LIABILITIES) EMPLOYED	應用資產/ (負債) 淨值	(3,771)	3,665	56,739	(64,304)	69,085



CIL HOLDINGS LIMITED

華建控股有限公司