BERJAYA

BERJAYA HOLDINGS (HK) LIMITED

Stock Code: 288

Annual Report 2009

Contents

Corporate Information

Board of Directors

Executive Directors

Mr. Chan Kien Sing – *Chairman*
Mr. Chin Chee Seng, Derek
Ms. Tan Ee Ling
Mr. Wong Man Hong
Mr. Tan Yeong Sheik, Rayvin (appointed on 30 March 2009)
Ms. Cheng Chi Fan, Vivienne (appointed on 30 March 2009)
Mr. Tan Thiam Chai (appointed on 30 March 2009)

Independent Non-Executive Directors

Dato' Lee Ah Hoe
Mr. Tan Tee Yong
Mr. Leou Thiam Lai

Company Secretary

Mr. Wong Man Hong

Registered Office

Unit 1701,
17/F, Austin Plaza
83 Austin Road
Jordan, Kowloon
Hong Kong

Principal Bankers

CITIC Ka Wah Bank Limited
DBS Bank (Hong Kong) Limited

Auditors

Ernst & Young
Certified Public Accountants

Share Registrars

Tricor Secretaries Limited
26th Floor, Tesbury Centre
28 Queen's Road East
Wanchai, Hong Kong

Chairman's Statement

On behalf of the Board of Directors, I present the Annual Report and the audited Financial Statements for the financial year ended 30 April 2009.

During the year, the Group reported a loss before tax and loss attributable to equity holders of the Company of approximately HK$23.99 million and HK$19.43 million respectively, compared to a profit before tax of approximately HK$12.92 million and profit attributable to equity holders of the Company of approximately HK$7.31 million in the preceding year. This is primarily due to the fair value losses on investment properties of HK$14.58 million in the current year compared to fair value gains on investment properties of HK$13.94 million in the preceding year as a result of the significant downturn of the property market of Hong Kong amid the global financial crisis, and our share of loss of an associated company of HK$6.57 million in the current year compared to share of profit of HK$2.42 million in the preceding year. The principal activity of the said associated company is investment in listed securities, which have depreciated due to the market downturn.

Apart from the aforesaid, the Group continued to derive stable rental income from its investment properties and will continue to seek new investment opportunities to improve profitability and to provide growth for the Group.

I wish to take this opportunity to express my gratitude to all employees for their loyal services and contribution. I would also like to thank all our shareholders, business associates and financiers for their continued support.

Chan Kien Sing
Chairman

Management Discussion and Analysis

Financial performance

Group turnover for the year was HK$2.11 million, representing an increase of 11% from the previous year. Turnover for the year under review represents rental income from investment properties.

During the year, the Group reported a loss before tax and loss attributable to equity holders of the Company of approximately HK$23.99 million and HK$19.43 million respectively, compared to a profit before tax of approximately HK$12.92 million and profit attributable to equity holders of the Company of approximately HK$7.31 million in the preceding year. This is primarily due to the fair value losses on investment properties of HK$14.58 million in the current year compared to fair value gains on investment properties of HK$13.94 million in the preceding year as a result of the significant downturn of the property market of Hong Kong amid the global financial crisis, and our share of loss in an associated company of HK$6.57 million in the current year compared to share of profit of HK$2.42 million in the preceding year. The principal activity of the said associated company is investment in listed securities, which have depreciated due to the market downturn.

Working capital and cash requirements

The Management believes that the Company will continue to have an adequate working capital. There is no significant cash requirement in the coming year.

Investment properties

The investment properties showed a decrease in value of HK$14.58 million during the year compared with an increase of HK$13.94 million last year. Higher rental income was generated from investment properties as the impact of the adverse property market took effect only in the second half of the year. The average occupancy rate for investment properties has recorded a decrease of 6.54% from 94.48% to 87.94%. We expect rental income to suffer further decline in the coming year due to the deteriorating global economy.

Capital and debt structure

The Company has not issued any additional shares during the year. There is no present requirement or plan to raise additional fund through the issuance of equity or debt.

As of 30 April 2009, the Group has outstanding bank loan of approximately HK$6.53 million (2008: HK$6.71 million). Such bank loan was secured by certain of the investment properties of the Group located in Hong Kong with a net book value of approximately HK$46.79 million (2008: HK$60.90 million)

The gearing ratio for the Group increased to 65% as of 30 April 2009 from the previous year of 44%. The ratio has been calculated based on net borrowings to the total capital of the Group.

Future prospect

The Group will continue to focus on its core business and has no present plan to diversify or invest into other business activities. There are also no material capital commitments which would require a substantial use of the Group's present cash resources or external funding.

Biographical Details of Directors

Executive Directors

Mr. Chan Kien Sing, aged 53, joined the Group in 1993. He is a member of the Malaysian Institute of Certified Public Accountants and Malaysian Institute of Accountants. Mr. Chan joined Berjaya Group Berhad in 1989 as General Manager, Investment. In 1993, he was appointed as Group Executive Director to the Board of Berjaya Group Berhad. He is an Executive Director of Berjaya Corporation Berhad and a Director of Berjaya Sports Toto Berhad, Matrix International Berhad and Berjaya Media Berhad (companies listed on Bursa Malaysia Securities Berhad). He is also a director of various subsidiaries under the Berjaya Corporation Berhad of companies in Malaysia and in several foreign based companies in Hong Kong and United States of America.

Mr. Chin Chee Seng, Derek, aged 52, joined the Group in 1989. He holds a Business Law degree and is a Barrister-at-Law. He was admitted as an advocate and solicitor of the High Court of Malaya in 1983 and practiced in the legal firm of Allen & Gledhill, Kuala Lumpur for six years until he joined Berjaya Group Berhad in 1989. He is currently the Senior General Manager in charge of legal affairs for Berjaya Corporation Berhad.

Ms. Tan Ee Ling, aged 38, joined the Group in 1993. She graduated from University of Essex, UK with a First Class honours degree in Accounting and Financial Management. Having worked in an accounting firm, she continued her studies and obtained a Master's degree in Business Administration (Finance) from University of Nottingham, UK.

Mr. Wong Man Hong, aged 40, joined the Group in 2003. He is an associate member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. He is the husband of Ms. Tan Ee Ling.

Mr. Tan Yeong Sheik, Rayvin, aged 30, joined the Group in 2009. He graduated with a Bachelor of Science (First Class Hons) degree in Accounting and Finance from the London School of Economics, United Kingdom, in 2000. During his vocational training as a research intern with Jardine Fleming and Merrill Lynch & Co./Smith Zain Securities, he gained extensive experience in the field of research covering the various sectors of property, commodities, telecommunications and transport. He joined Berjaya Group Berhad and its subsidiaries in May 2001 and was subsequently appointed to the position of Executive Director in May 2002. Currently, he is an Executive Director of Berjaya Corporation Berhad as well as in Berjaya Sports Toto Berhad.

Ms. Cheng Chi Fan, Vivienne, aged 50, joined the Group in 2009. She obtained her Bachelor degree in Economics (Accounting) from Monash University, Australia in 1982 and was subsequently admitted as a member of the Australian Society of Accountants. She has over 25 years of working experience in the field of treasury and finance with broad expertise in project finance, debt capital raising, corporate and debt restructuring and treasury cash management. Prior to joining the Treasury Department of Berjaya Group Berhad in 1989, she was attached to Sunway Group of Companies for 6 years and headed its Treasury Division. Currently, she is an Executive Director of Berjaya Corporation Berhad and also a Director of Berjaya Group Berhad. She also holds directorships in several private limited companies of Berjaya Corporation Berhad and its subsidiaries.

Biographical Details of Directors

Mr. Tan Thiam Chai, aged 50, joined the Group in 2009, He graduated with a Diploma in Commerce (Financial Accounting) from Kolej Tuanku Abdul Rahman and also completed The Association of Chartered Certified Accountants (UK) professional course in 1981. He is a Fellow member of the Association of Chartered Certified Accountants (UK) since 1990 and also a member of the Malaysian Institute of Accountants. He started work with an accounting firm in Kuala Lumpur for about 2 years and thereafter served in various Finance and Accounting positions with the Hong Leong Group of Companies in Malaysia as well as in Hong Kong for about 8 years. He joined Berjaya Corporation Berhad and its subsidiaries in early 1991 as a Finance Manager of an operating subsidiary and was promoted to Operation Manager later that year. In 1992, he was transferred to the Corporate Head Office of Berjaya Group Berhad to head the Group Internal Audit function and subsequently in 1993, he was promoted to oversee the Group Accounting function of Berjaya Group Berhad. Currently, he is the Chief Financial Officer of Berjaya Corporation Berhad and is heading the Group Accounts & Budgets Division of Berjaya Corporation Berhad and its subsidiaries. He is also an Executive Director of Berjaya Land Berhad and Matrix International Berhad (listed on Bursa Malaysia Securities Berhad) and a Director of Berjaya Capital Berhad, Cosway Corporation Berhad and Magni-Tech Industries Berhad (listed on Bursa Malaysia Securities Berhad) and holds directorships in several other private limited companies.

Independent Non-Executive Directors

Dato' Lee Ah Hoe, J.P., aged 65, joined the Group in 1994 as an Independent Non-Executive Director. Dato' Lee has over 35 years of experience in property development.

Mr. Tan Tee Yong, aged 45, joined the Group in 1998 as an Independent Non-Executive Director. Mr. Tan has over 25 years of experience in the business sector and has held directorships in freight forwarding, investment and automobile industry in Malaysia.

Mr. Leou Thiam Lai, aged 53, joined the Group in 2004 as an Independent Non-Executive Director. He is currently a partner of Leou & Associates, Chartered Accountants, Malaysia. Mr. Leou studied at the Tunku Abdul Rahman College, Kuala Lumpur. Upon graduation, in June 1980, he began his career in a Chartered Accountants firm and subsequently, was the Group Accountant of a public listed company in 1987. He started a risk management agency and, in 1988 upon the approval of his Audit Licence by the Treasury, he started Leou & Associates, a Chartered Accountants Firm. Mr. Leou is a Chartered Accountant of the Malaysian Institute of Accountants, he is also a fellow member of The Association of Chartered Certified Accountants, as well as a fellow member of the Malaysia Institute of Taxation. At present, Mr. Leou also sits on the Board of DeGem Berhad, United Bintang Berhad, I-Power Berhad, Ramunia Holdings Berhad and Nextnation Communication Berhad.

Report of the Directors

The Directors present their report and the audited financial statements of the Company and the Group for the year ended 30 April 2009.

Principal activities

The principal activities of the Company are property investment and investment holding. Details of the principal activities of the subsidiaries are set out in note 15 to the financial statements. There were no changes in the nature of the Group's principal activities during the year.

Results and dividends

The Group's loss for the year ended 30 April 2009 and the state of affairs of the Company and the Group at that date are set out in the financial statements on pages 20 to 72.

The Directors do not recommend the payment of any dividend in respect of the year.

Summary financial information

A summary of the published results and assets, liabilities and minority interests of the Group for the last five financial years, as extracted from the audited financial statements and restated as appropriate, is set out on page 73. This summary does not form part of the audited financial statements.

Property, plant and equipment and investment properties

Details of movements in the property, plant and equipment, and investment properties of the Company and the Group during the year are set out in notes 13 and 14 to the financial statements, respectively. Further details of the Group's investment properties are set out on page 74 to the annual report.

Share capital

There were no movements in either the Company's authorised or issued share capital during the year.

Purchase, redemption or sale of listed securities of the Company

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

Reserves

Details of movements in the reserves of the Company and the Group during the year are set out in note 27(b) to the financial statements and in the consolidated statement of changes in equity, respectively.

Report of the Directors

Distributable reserves

At 30 April 2009, the Company did not have any reserves available for distribution, calculated in accordance with the provisions of Section 79B of the Hong Kong Companies Ordinance.

Major customers and suppliers

In the year under review, revenue earned from the Group's five largest customers accounted for 47% of the total revenue for the year, and revenue attributable to the largest customer included therein amounted to 16%. The Group had no significant supplier during the year.

Except for Berjaya Corporation Berhad, a substantial shareholder of the Company, who had beneficial interests in the Group's largest customer, none of the Directors of the Company or any of their associates or any shareholders (which, to the best knowledge of the directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest customers.

Directors

The Directors of the Company during the year were:

Executive Directors:
Mr. Chan Kien Sing *(Chairman)*
Mr. Chin Chee Seng, Derek
Ms. Tan Ee Ling
Mr. Wong Man Hong
Mr. Tan Yeong Sheik, Rayvin (appointed on 30 March 2009)
Ms. Cheng Chi Fan, Vivienne (appointed on 30 March 2009)
Mr. Tan Thiam Chai (appointed on 30 March 2009)

Independent Non-Executive Directors:
Dato' Lee Ah Hoe
Mr. Tan Tee Yong
Mr. Leou Thiam Lai

In accordance with articles 110 and 111 of the Company's articles of association, Mr. Chan Kien Sing, Mr. Wong Man Hong and Dato' Lee Ah Hoe will retire by rotation and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

Mr. Tan Yeong Sheik, Rayvin, Ms. Cheng Chi Fan, Vivienne and Mr. Tan Thiam Chai who were appointed by the Board of Directors on 30 March 2009, will also retire at the forthcoming annual general meeting of the Company in accordance with article 115 of the articles of association, but they will be eligible to stand for re-election at the same meeting.

The Company has received annual confirmations of independence from Dato' Lee Ah Hoe, Mr. Tan Tee Yong and Mr. Leou Thiam Lai, and still considers them to be independent.

Report of the Directors

Directors' and senior management's biographies

Biographical details of the Directors of the Company and the senior management of the Group are set out on pages 5 to 6 of the annual report.

Directors' service contracts

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

Directors' remuneration

The Directors' fees are subject to shareholders' approval at general meetings. Other emoluments are determined by the Company's Board of Directors with reference to Directors' duties, responsibilities and performance and the results of the Group.

Directors' interests in contracts

Save as disclosed in note 32 to the financial statements, no Director had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the year.

Management contracts

No contracts 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.

Directors' interests and short positions in shares and underlying shares

As at 30 April 2009, none of the Directors had registered an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the Securities and Futures Ordinance (the "SFO"), or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers.

Directors' rights to acquire shares or debentures

At no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or their respective spouses or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

Report of the Directors

Substantial shareholders' and other persons' interests in shares and underlying shares

At 30 April 2009, the following interests of 5% or more of the issued share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

Long positions:

Name	*Notes*	**Capacity and nature of interest**	**Number of ordinary shares held**	**Percentage of the Company's issued share capital**
Berjaya Corporation Berhad	*(a)*	Through controlled corporations	292,149,475	49.43%
Berjaya Group Berhad	*(b)*	Through controlled corporations	292,149,475	49.43%
Berjaya Group (Cayman) Limited	*(b)*	Directly beneficially owned	252,149,475	42.66%
Grandgroup Investments Limited		Directly beneficially owned	118,180,000	19.99%
Berjaya Leisure (Cayman) Limited	*(b)*	Directly beneficially owned	40,000,000	6.77%

Notes:

(a) Berjaya Corporation Berhad is the holding company of Berjaya Group Berhad and is deemed to be interested in the shares held by Berjaya Group Berhad.

(b) The interests of Berjaya Group Berhad in the issued share capital of the Company refer to the interests of Berjaya Group (Cayman) Limited and Berjaya Leisure (Cayman) Limited, both being subsidiaries of Berjaya Group Berhad.

Save as disclosed above, as at 30 April 2009, none of the substantial shareholders or other persons (other than the Directors of the Company) had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

Directors' interest in competing business

None of the Directors is interested in any business apart from the Group's business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

Continuing connected transaction

During the year, the Company and the Group had the following continuing connected transaction, certain details of which are disclosed in compliance with the requirements of Chapter 14A of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

On 20 May 2008, the Company entered into a tenancy agreement with Cosway (HK) Limited, a company incorporated in Hong Kong which is an indirect non-wholly owned subsidiary of the substantial shareholder of the Company. According to the tenancy agreement, the Company leased two units of a building to Cosway (HK) Limited for the period from 1 June 2008 to 31 May 2010 at a monthly rental of HK$31,000.

The Independent Non-Executive Directors of the Company have reviewed the continuing connected transaction set out above and in note 32(a) to the financial statements and have confirmed that this continuing connected transaction was entered into (i) in the ordinary and usual course of business of the Group; (ii) on normal commercial terms or on terms no less favourable to the Group than terms available to independent third parties; and (iii) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The auditors of the Company have also confirmed to the Board of Directors of the Company that the continuing connected transaction (i) had received the approval of the Company's Board of Directors; (ii) had been entered into in accordance with the relevant agreement governing the transaction; and (iii) had not exceeded the annual cap disclosed in the Company's announcement dated 20 May 2008.

Sufficiency of public float

Based on information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's total issued share capital was held by the public as at the date of this report.

Corporate governance

The Company has complied with the code provisions of the Code on Corporate Governance Practices as set out in Appendix 14 of the Listing Rules throughout the financial year ended 30 April 2009 with certain deviations. Details of the corporate governance matters are set out in the Corporate Governance Report of this annual report.

Auditors

During the year, PricewaterhouseCoopers resigned as auditors of the Company and Ernst & Young were appointed by the Directors to fill the casual vacancy so arising. There have been no other changes of auditors in the past three years. A resolution for the reappointment of Ernst & Young as auditors of the Company will be proposed at the forthcoming annual general meeting.

On behalf of the Board

Chan Kien Sing
Chairman

Hong Kong
29 June 2009

Corporate Governance Report

Corporate Governance Practices

The Board of Directors of the Company (the "Board") is of the view that corporate governance is vital to the continued success of the Company and has therefore adopted various measures to ensure that a high standard of corporate governance is upheld. With effect from 1 January 2005, the Company has applied the principal and complied with the requirements of the Code on Corporate Governance Practices (the "Code") of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "SEHK") save and except certain deviations as more specifically described below. The current practices will be reviewed and updated regularly so that the latest development in corporate governance can be followed and observed.

Directors

Directors' Securities Transactions

The Company has adopted the code of conduct regarding Directors' securities transactions as set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") of the Listing Rules. Having made specific enquiry of all Directors, they all have confirmed that they have complied with the required standard as set out in the Model Code throughout the year.

Board of Directors

The Board comprises:

Executive Directors	Mr. Chan Kien Sing	*(Chairman)*
	Mr. Chin Chee Seng, Derek	
	Ms. Tan Ee Ling	
	Mr. Wong Man Hong	
	Mr. Tan Yeong Sheik, Rayvin	(appointed on 30 March 2009)
	Ms. Cheng Chi Fan, Vivienne	(appointed on 30 March 2009)
	Mr. Tan Thiam Chai	(appointed on 30 March 2009)
Independent Non-Executive Directors	Dato' Lee Ah Hoe	
	Mr. Tan Tee Yong	
	Mr. Leou Thiam Lai	

Ms. Tan Ee Ling is the spouse of Mr. Wong Man Hong.

Each Independent Non-Executive Director gives an annual confirmation of his independence to the Company, and the Company considers them to be independent under Rule 3.13 of the Listing Rules.

The Board is responsible for the types of decision relating to the following aspects:

– formulation of operational and strategic direction of the Company;
– monitoring the financial performance of the Company;
– overseeing the performance of the management;
– ensuring a prudent and effective framework of internal control is in place to enable risks to be assessed and managed; and
– setting the Company's values and standards.

while daily operation and administration are delegated to the management.

The Directors come from diverse business and professional backgrounds rendering valuable expertise and experience for promoting the best interests of the Group and its shareholders as a whole by taking care of the interests of all the shareholders and that issues are considered in a more objective manner.

During the financial year ended 30 April 2009, no Board meetings were held. Nevertheless, the Board has its own systems to circulate documents and proposals to the Board members to enable them to express their comments and opinions and make informed decisions on matters to be passed by written resolutions. Draft written resolutions will be circulated to collect comments from Board members before the formal written resolutions are circulated for signatures. The business operations were under management and supervision of the Executive Directors and senior management who had from time to time held meetings to discuss and resolve all material business or management issues.

Every Board member has full access to the advice and services of the company secretary with a view to ensuring that all applicable rules and regulations are followed and they are also entitled to have full access to Board papers and related materials so that they are able to make an informed decision and to discharge their duties and responsibilities.

Chairman and Chief Executive

Mr. Chan Kien Sing ("Mr. Chan") is the chairman. There is no appointment of Chief Executive Officer and the daily management of the Company is monitored by the Executive Directors. The balance of power and authority is ensured by the operations of the Board and the Board considers that such simple operation carried out currently can ensure that business decisions be made more efficiently and effectively.

Mr. Chan was unable to attend the 2008 Annual General Meeting of the Company because of other business commitment.

Appointment and Re-election of Directors

None of the Directors (including Executive and Independent Non-Executive Directors) has entered into a service contract with the Company. They are appointed subject to retirement by rotation and re-election at the Annual General Meeting of the Company in accordance with the provision of the Articles of Association of the Company (the "Articles of Association").

Three new Executive Directors have been appointed by the Board on 30 March 2009. They were not appointed for a specific term but are also subject to retirement by rotation and re-election at least once every three years at the Annual General Meetings of the Company in accordance with the Articles of Association. Pursuant to Article 115 of the Articles of Association, all of them will retire at the coming annual general meeting of the Company but they will be eligible to stand for re-election at the same meeting.

Corporate Governance Report

Remuneration of Directors and Senior Management

Remuneration Committee

The remuneration committee of the Company (the "Remuneration Committee") was established on 17 October 2005 comprising the three Independent Non-Executive Directors. Dato' Lee Ah Hoe is the chairman of the Remuneration Committee.

According to the terms of reference of the Remuneration Committee, its major roles and functions are as follows:

(1) To make recommendations to the Board on the policy of the Company and structure for all remuneration of Directors and senior management of the Company and on the establishment of a formal and transparent procedure for developing policy on such remuneration.

(2) To have the delegated responsibility to determine the specific remuneration package for all Executive Directors and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment, and make recommendations to the Board of the remuneration of Executive Directors. The Committee should consider factors such as salaries paid by comparable companies, time commitment and responsibilities of the Directors, employment conditions elsewhere in the Group and desirability of performance-based remunerations.

(3) To review and approve performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time.

(4) To review and approve the compensation payable to Executive Directors and senior management in connection with any loss or termination of their office or appointment to ensure that such compensation is determined in accordance with relevant contractual terms and that such compensation is otherwise fair and not excessive for the Company.

(5) To review and approve compensation arrangement relating to dismissal or removal of Directors for misconduct to ensure that such arrangements are determined in accordance with relevant contractual terms and that any compensation payment is otherwise reasonable and appropriate.

(6) To ensure that no Director or any of his associate is involved in deciding his own remuneration.

Meeting of the Remuneration Committee shall be held at least once a year. One meeting was held in the financial year. The attendance of each member is set out as follows:

Name of Director	Number of meetings attended in the financial year ended 30 April 2009	Attendance rate
Dato' Lee Ah Hoe	1	100%
Mr. Tan Tee Yong	1	100%
Mr. Leou Thiam Lai	1	100%

At the meeting held during the year, the remuneration of the Directors and senior management of the Group was under review.

Details of the Directors' emolument are set out in note 8 to the financial statements.

Accountability and Audit

Financial Reporting

The management provides such explanation and information to the Board so as to enable the Board to make an informed assessment of the financial and other information put before the Board for approval.

The Directors acknowledge their responsibility to prepare the financial statements that give a true and fair view of the state of affairs of the Group. The Board has prepared the financial statements on a going concern basis. As such, the Board was not aware of any material uncertainties relating to events or conditions that might cast significant doubt upon the ability of the Group to continue as a going concern. The Board is of the opinion that the resources for and qualifications of staff of the Company's accounting and financial reporting function are adequate and sufficient.

The responsibility of the external auditors is to form an independent opinion, based on their audit, on those consolidated financial statements prepared by the Board and to report their opinion solely to the shareholders of the Company, as a body, and for no other purpose. A statement by the auditors about their reporting responsibility is set out on page 18 of this Annual Report.

Corporate Governance Report

Internal Control and Risk Management

The Board has overall responsibility for the system of internal controls of the Group. The Board has conducted a review of, and is satisfied with the effectiveness of the system of internal controls of the Group. Their responsibilities include:

- Approval of annual budgets for each operating company covering strategy, financial and business performance, key risks and opportunities.
- Monitoring the compliance with applicable laws and regulations, and also with corporate governance policies.
- Monitoring the quality, timeliness, and content of internal and external reporting.

The Board reviews the effectiveness of the material internal controls of the Group. The Board is satisfied that, based on information furnished to it and on its own observations, the present internal controls of the Group are satisfactory.

Audit Committee

The audit committee of the Company (the "Audit Committee") was established on 15 December 2000 now comprising the three Independent Non-Executive Directors. One member has appropriate professional qualifications in accounting and related financial management expertise. No member of the Audit Committee is a member of the former or existing auditors of the Company. Dato' Lee Ah Hoe is the chairman of the Audit Committee.

The existing terms of the reference of the Audit Committee, its major role and functions are, amongst others, as follows:

1. To review the half year and annual financial statements before submission to the Board, focusing particularly on:
   (i) any changes in accounting policies and practices;
   (ii) major judgemental areas;
   (iii) significant adjustments resulting from the audit;
   (iv) the going concern assumption;
   (v) compliance with accounting standards; and
   (vi) compliance with stock exchange and legal requirements.
2. To review the external auditors' management letter and management's response;
3. To consider the major findings of internal investigation and management's response; and
4. To consider other topics, as defined by the Board.

Two meetings were held in the financial year. The attendance of each member is set out as follows:

Name of Director	Number of meetings attended in the financial year ended 30 April 2009	Attendance rate
Dato' Lee Ah Hoe	2	100%
Mr. Tan Tee Yong	2	100%
Mr. Leou Thiam Lai	2	100%

At the meetings held during the year, in performing its duties in accordance with its terms of reference, the Audit Committee had reviewed the financial reports for the year ended 30 April 2009 and six months ended 31 October 2008.

Auditors' remuneration

During the financial year ended 30 April 2009, the remuneration paid to the Company's auditors, PricewaterhouseCoopers, the retired auditors and Ernst & Young, is set out as follows:

Services rendered	*(HK$'000)*
Audit services	318

Independent Auditors' Report

ERNST & YOUNG
安 永

Ernst & Young
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Two International Finance Centre
8 Finance Street, Central
Hong Kong

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Fax: +852 2868 4432
www.ey.com

TO THE SHAREHOLDERS OF BERJAYA HOLDINGS (HK) LIMITED
(Incorporated in Hong Kong with limited liability)

We have audited the financial statements of Berjaya Holdings (HK) Limited set out on pages 20 to 72, which comprise the consolidated and company balance sheets as at 30 April 2009, 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 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.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. Our report is made solely to you, as a body, in accordance with Section 141 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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 auditors' judgement, 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 auditors consider 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.

Independent Auditors' Report

Opinion

In our opinion, the financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 30 April 2009 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 Hong Kong Companies Ordinance.

Ernst & Young
Certified Public Accountants

Hong Kong
29 June 2009

Consolidated Income Statement

Year ended 30 April 2009

	Notes	2009 HK$'000	2008 HK$'000
REVENUE	5	**2,110**	1,900
Cost of services		**(29)**	(55)
Gross profit		**2,081**	1,845
Other income	5	**20**	3
Fair value gains/(losses) on investment properties		**(14,576)**	13,942
Administrative expenses		**(2,385)**	(2,405)
Other operating expenses		**(95)**	(55)
Finance costs	6	**(2,471)**	(2,823)
Share of profit/(loss) of an associate		**(6,568)**	2,416
PROFIT/(LOSS) BEFORE TAX	7	**(23,994)**	12,923
Tax	10	**4,535**	(2,440)
PROFIT/(LOSS) FOR THE YEAR		**(19,459)**	10,483
Attributable to:			
Equity holders of the Company	11	**(19,428)**	7,307
Minority interests		**(31)**	3,176
		(19,459)	10,483
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	12		
Basic		**(3.29) HK cents**	1.24 HK cents

Consolidated Balance Sheet

30 April 2009

	Notes	2009 HK$'000	2008 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment	13	**292**	126
Investment properties	14	**49,392**	63,968
Interest in an associate	16	**5,531**	15,191
Available-for-sale investment	17	**200**	295
Total non-current assets		**55,415**	79,580
CURRENT ASSETS			
Trade receivables	18	**9**	12
Prepayments, deposits and other receivables	19	**309**	302
Cash and bank balances	20	**127**	117
Total current assets		**445**	431
CURRENT LIABILITIES			
Other payables and accruals	21	**630**	963
Due to related companies	22	**473**	355
Interest-bearing bank borrowings	23	**180**	180
Total current liabilities		**1,283**	1,498
NET CURRENT LIABILITIES		**(838)**	(1,067)
TOTAL ASSETS LESS CURRENT LIABILITIES		**54,577**	78,513
NON-CURRENT LIABILITIES			
Other payables	21	**259**	–
Interest-bearing bank borrowings	23	**6,345**	6,525
Loan from a shareholder	24	**28,895**	25,824
Deferred tax liabilities	25	**–**	4,535
Total non-current liabilities		**35,499**	36,884
Net assets		**19,078**	41,629
EQUITY			
Equity attributable to equity holders of the Company			
Issued capital	26	**118,210**	118,210
Reserves	27(a)	**(104,115)**	(81,595)
		14,095	36,615
Minority interests		**4,983**	5,014
Total equity		**19,078**	41,629

Chan Kien Sing
Director

Tan Ee Ling
Director

Consolidated Statement of Changes in Equity

Year ended 30 April 2009

	Attributable to equity holders of the Company							
	Issued capital	Share premium account	Available-for-sale investment revaluation reserve	Exchange fluctuation reserve	Accumulated losses	Total	Minority interests	Total equity
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 1 May 2007	118,210	12,282	2,165	678	(106,684)	26,651	–	26,651
Exchange realignment	–	–	–	1,084	–	1,084	–	1,084
Transfer between reserves of an associate	–	–	(1,413)	–	1,413	–	–	–
Share of reserve of an associate	–	–	1,573	–	–	1,573	–	1,573
Total income and expense for the year recognised directly in equity	–	–	160	1,084	1,413	2,657	–	2,657
Profit for the year	–	–	–	–	7,307	7,307	3,176	10,483
Total income and expense for the year	–	–	160	1,084	8,720	9,964	3,176	13,140
Extinguishment of loan from minority interests	–	–	–	–	–	–	1,838	1,838
At 30 April 2008	118,210	12,282*	2,325*	1,762*	(97,964)*	36,615	5,014	41,629

Consolidated Statement of Changes in Equity

Year ended 30 April 2009

	Attributable to equity holders of the Company							
	Issued capital	Share premium account	Available-for-sale investment revaluation reserve	Exchange fluctuation reserve	Accumulated losses	Total	Minority interests	Total equity
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 1 May 2008	118,210	12,282	2,325	1,762	(97,964)	36,615	5,014	41,629
Exchange realignment	–	–	–	(980)	–	(980)	–	(980)
Share of reserve of an associate	–	–	(2,112)	–	–	(2,112)	–	(2,112)
Total income and expense for the year recognised directly in equity	–	–	(2,112)	(980)	–	(3,092)	–	(3,092)
Loss for the year	–	–	–	–	(19,428)	(19,428)	(31)	(19,459)
Total income and expense for the year	–	–	(2,112)	(980)	(19,428)	(22,520)	(31)	(22,551)
At 30 April 2009	118,210	12,282*	213*	782*	(117,392)*	14,095	4,983	19,078

* These reserve accounts comprise the consolidated negative reserves of HK$104,115,000 (2008: HK$81,595,000) in the consolidated balance sheet.

Consolidated Cash Flow Statement

Year ended 30 April 2009

	Notes	2009 HK$'000	2008 HK$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) before tax		**(23,994)**	12,923
Adjustments for:			
Finance costs	6	**2,471**	2,823
Share of loss/(profit) of an associate		**6,568**	(2,416)
Loss on disposal of items of property, plant and equipment	7	**–**	38
Depreciation	7	**28**	21
Impairment of an available-for-sale investment	7	**95**	–
Fair value losses/(gains) on investment properties	7	**14,576**	(13,942)
		(256)	(553)
Decrease in trade receivables		**3**	19
Decrease/(increase) in prepayments, deposits and other receivables		**(7)**	18
Decrease in other payables and accruals		**(74)**	(236)
Increase in amounts due to related companies		**118**	355
Cash used in operations and net cash outflow from operating activities		**(216)**	(397)
CASH FLOWS FROM INVESTING ACTIVITY			
Purchases of items of property, plant and equipment and cash outflow from investing activity		**(194)**	(67)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of bank loan		**(180)**	(180)
Interest paid		**(325)**	(469)
Additional loan from a shareholder		**925**	1,063
Net cash inflow from financing activities		**420**	414
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**10**	(50)
Cash and cash equivalents at beginning of year		**117**	167
CASH AND CASH EQUIVALENTS AT END OF YEAR		**127**	117
ANALYSIS OF BALANCE OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	20	**127**	117

Balance Sheet

30 April 2009

	Notes	2009 HK$'000	2008 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment	13	**292**	126
Investment properties	14	**49,392**	63,968
Interests in subsidiaries	15	**–**	–
Interest in an associate	16	**8,200**	8,200
Available-for-sale investment	17	**200**	295
Total non-current assets		**58,084**	72,589
CURRENT ASSETS			
Trade receivables	18	**9**	12
Prepayments, deposits and other receivables	19	**305**	297
Cash and bank balances	20	**88**	79
Total current assets		**402**	388
CURRENT LIABILITIES			
Other payables and accruals	21	**630**	963
Due to a related company	22	**118**	–
Due to a subsidiary	15	**1,288**	1,299
Interest-bearing bank borrowings	23	**180**	180
Total current liabilities		**2,216**	2,442
NET CURRENT LIABILITIES		**(1,814)**	(2,054)
TOTAL ASSETS LESS CURRENT LIABILITIES		**56,270**	70,535
NON-CURRENT LIABILITIES			
Other payables	21	**259**	–
Interest-bearing bank borrowings	23	**6,345**	6,525
Loan from a shareholder	24	**28,895**	24,005
Deferred tax liabilities	25	**–**	4,535
Total non-current liabilities		**35,499**	35,065
Net assets		**20,771**	35,470
EQUITY			
Issued capital	26	**118,210**	118,210
Reserves	27(b)	**(97,439)**	(82,740)
Total equity		**20,771**	35,470

Chan Kien Sing
Director

Tan Ee Ling
Director

Notes to Financial Statements

30 April 2009

1. Corporate information

Berjaya Holdings (HK) Limited is a limited liability company incorporated in Hong Kong. The registered office of the Company is located at Unit 1701, 17/F, Austin Plaza, 83 Austin Road, Jordan, Kowloon, Hong Kong.

During the year, the Group's principal activities consisted of property investment and investment holding.

2.1 Basis of preparation

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties and an available-for-sale investment, which have been measured at fair value. These financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 30 April 2009. The results of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All income, expenses and unrealised gains and losses resulting from intercompany transactions and intercompany balances within the Group are eliminated on consolidation in full.

Minority interests represent the interests of outside shareholders not held by the Group in the results and net assets of the Company's subsidiaries.

2.2 Impact of new and revised Hong Kong Financial Reporting Standards

The Group has adopted the following new interpretations and amendments to HKFRSs for the first time for the current year's financial statements. Except for in certain cases, giving rise to new and revised accounting policies and additional disclosures, the adoption of these new interpretations and amendments has had no significant effect on these financial statements.

HKAS 39 and HKFRS 7 Amendments	Amendments to HKAS 39 *Financial Instruments*: *Recognition and Measurement* and HKFRS 7 *Financial Instruments: Disclosures – Reclassification of Financial Assets*
HK(IFRIC)-Int 12	*Service Concession Arrangements*
HK(IFRIC)-Int 14	*HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*

2.2 Impact of new and revised Hong Kong Financial Reporting Standards *(continued)*

The principal effects of adopting these new and revised HKFRSs are as follows:

(a) Amendments to HKAS 39 *Financial Instruments: Recognition and Measurement and HKFRS 7 Financial Instruments: Disclosures – Reclassification of Financial Assets*

The amendments to HKAS 39 permit an entity to reclassify a non-derivative financial asset classified as held for trading, other than a financial asset designated by an entity as at fair value through profit or loss upon initial recognition, out of the fair value through profit or loss category if the financial asset is no longer held for the purpose of selling or repurchasing in the near term, if specified criteria are met.

A debt instrument that would have met the definition of loans and receivables (if it had not been required to be classified as held for trading at initial recognition) may be classified out of the fair value through profit or loss category or (if it had not been designated as available for sale) may be classified out of the available-for-sale category to the loans and receivables category if the entity has the intention and ability to hold it for the foreseeable future or until maturity.

In rare circumstances, financial assets that are not eligible for classification as loans and receivables may be transferred from the held-for-trading category to the available-for-sale category or to the held to maturity category (in the case of a debt instrument), if the financial asset is no longer held for the purpose of selling or repurchasing in the near term.

The financial asset shall be reclassified at its fair value on the date of reclassification and the fair value of the financial asset on the date of reclassification becomes its new cost or amortised cost, as applicable. The amendments to HKFRS 7 require extensive disclosures of any financial asset reclassified in the situations described above. The amendments are effective from 1 July 2008.

As the Group has not reclassified any of its financial instruments, the amendments have had no impact on the financial position or results of operations of the Group.

(b) HK(IFRIC)-Int 12 *Service Concession Arrangements*

HK(IFRIC)-Int 12 applies to service concession operators and explains how to account for obligation undertaken and the rights received in service concession arrangements. No member of the Group is an operator and, therefore, this interpretation has had no impact on the financial position or results of operations of the Group.

(c) HK(IFRIC)-Int 14 HKAS 19 – *The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*

HK(IFRIC)-Int 14 addresses how to assess the limit under HKAS 19 *Employee Benefits*, on the amount of a refund or a reduction in future contributions in relation to a defined benefit scheme that can be recognised as an asset, including situations when a minimum funding requirement exists. As the Group has no defined benefit scheme, the interpretation has had no effect on these financial statements.

2.3 Impact of issued but not yet effective Hong Kong Financial Reporting Standards

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

HKFRS 1 and HKAS 27 Amendments	Amendments to HKFRS 1 *First-time Adoption of HKFRSs* and *HKAS 27 Consolidated and Separate Financial Statements – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate* [1]
HKFRS 1 (Revised)	*First-time Adoption of HKFRSs* [2]
HKFRS 2 Amendments	Amendments to HKFRS 2 *Share-based Payment – Vesting Conditions and Cancellations* [1]
HKFRS 3 (Revised)	*Business Combinations* [2]
HKFRS 7 Amendments	Amendments to HKFRS 7 *Financial Instruments: Disclosure – Improving Disclosures about Financial Instruments* [1]
HKFRS 8	*Operating Segments* [1]
HKAS 1 (Revised)	*Presentation of Financial Statements* [1]
HKAS 23 (Revised)	*Borrowing Costs* [1]
HKAS 27 (Revised)	*Consolidated and Separate Financial Statements* [2]
HKAS 32 and HKAS 1 Amendments	Amendments to HKAS 32 *Financial Instruments: Presentation* and HKAS 1 *Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation* [1]
HKAS 39 Amendment	Amendment to HKAS 39 *Financial Instruments: Recognition and Measurement – Eligible Hedged Items* [2]
HK(IFRIC)-Int 9 and HKAS 39 Amendments	Amendments to HK(IFRIC)-Int 9 *Reassessment of Embedded Derivatives* and HKAS 39 *Financial Instruments: Recognition and Measurement – Embedded Derivatives* [5]
HK(IFRIC)-Int 13	*Customer Loyalty Programmes* [3]
HK(IFRIC)-Int 15	*Agreements for the Construction of Real Estate* [1]
HK(IFRIC)-Int 16	*Hedges of a Net Investment in a Foreign Operation* [4]
HK(IFRIC)-Int 17	*Distribution of Non-cash Assets to Owners* [2]
HK(IFRIC)-Int 18	*Transfer of Assets from Customers* [6]

Apart from the above, the Hong Kong Institute of Certified Public Accountants has also issued Improvements to HKFRSs* which sets out amendments to a number of HKFRSs primarily with a view to removing inconsistencies and clarify wording. Except for the amendment to HKFRS 5 which is effective for the annual periods beginning on or after 1 July 2009, other amendments are effective for annual periods beginning on or after 1 January 2009 although there are separate transitional provisions for each standard.

1 Effective for annual periods beginning on or after 1 January 2009
2 Effective for annual periods beginning on or after 1 July 2009
3 Effective for annual periods beginning on or after 1 July 2008
4 Effective for annual periods beginning on or after 1 October 2008
5 Effective for annual periods ending on or after 30 June 2009
6 Effective for transfers of assets from customers received on or after 1 July 2009
* Improvements to HKFRSs contains amendments to HKFRS 5, HKFRS 7, HKAS 1, HKAS 8, HKAS 10, HKAS 16, HKAS 18, HKAS 19, HKAS 20, HKAS 23, HKAS 27, HKAS 28, HKAS 29, HKAS 31, HKAS 34, HKAS 36, HKAS 38, HKAS 39, HKAS 40 and HKAS 41.

2.3 Impact of issued but not yet effective Hong Kong Financial Reporting Standards *(continued)*

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application. So far, it has concluded that while the adoption of HKFRS 8 and HKAS 1 (Revised) may result in new or amended disclosures and the adoption of HKFRS 3 (Revised), HKAS 27 (Revised) and HKAS 23 (Revised) may result in changes in accounting policies, these new and revised HKFRSs are unlikely to have a significant impact on the Group's results of operations and financial position.

2.4 Summary of significant accounting policies

Subsidiaries

A subsidiary is an entity in which the Company, directly or indirectly, controls more than half of its voting power or issued share capital or controls the composition of its board of directors; or over which the Company has a contractual right to exercise a dominant influence with respect to that entity's financial and operating policies.

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

Associate

An associate is an entity, not being a subsidiary or a jointly-controlled entity, in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence.

The Group's interest in an associate is stated in the consolidated balance sheet at the Group's share of net assets under the equity method of accounting, less any impairment losses. The Group's share of the post-acquisition results and reserves of the associate is included in the consolidated income statement and consolidated reserves, respectively. Unrealised gains and losses resulting from transactions between the Group and its associate are eliminated to the extent of the Group's interest in the associate, except where unrealised losses provide evidence of an impairment of the asset transferred.

The results of the associate are included in the Company's income statement to the extent of dividends received and receivable. The Company's interest in the associate is treated as a non-current asset and is stated at cost less any impairment losses.

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than financial assets and investment properties), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs to sell, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

2.4 Summary of significant accounting policies *(continued)*

Impairment of non-financial assets *(continued)*

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the income statement in the period in which it arises, unless the asset is carried at a revalued amount, in which case the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the income statement in the period in which it arises, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

Related parties

A party is considered to be related to the Group if:

(a) the party, directly or indirectly through one or more intermediaries, (i) controls, is controlled by, or is under common control with, the Group; (ii) has an interest in the Group that gives it significant influence over the Group; or (iii) has joint control over the Group;

(b) the party is an associate;

(c) the party is a jointly-controlled entity;

(d) the party is a member of the key management personnel of the Group;

(e) the party is a close member of the family of any individual referred to in (a) or (d);

(f) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or

(g) the party is a post-employment benefit plan for the benefit of the employees of the Group, or of any entity that is a related party of the Group.

2.4 Summary of significant accounting policies *(continued)*

Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the income statement in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment, and where the cost of the item can be measured reliably, the expenditure is capitalised as an additional cost of that asset or as a replacement.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Leasehold improvements	Over the shorter of the lease terms and 20%
Furniture, fixtures and equipment	10% to 20%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately.

Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each balance sheet date.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the income statement in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Investment properties

Investment properties are interests in land and buildings (including the leasehold interest under an operating lease for a property which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the balance sheet date.

Gains or losses arising from changes in the fair values of investment properties are included in the income statement in the year in which they arise.

Any gains or losses on the retirement or disposal of an investment property are recognised in the income statement in the year of the retirement or disposal.

2.4 Summary of significant accounting policies *(continued)*

Operating leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to the income statement on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under operating leases are charged to the income statement on the straight-line basis over the lease terms.

Investments and other financial assets

Financial assets in the scope of HKAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables and available-for-sale financial assets, as appropriate. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

The Group assesses whether a contract contains an embedded derivative when the Group first becomes a party to it and assesses whether an embedded derivative is required to be separated from the host contract when the analysis shows that the economic characteristics and risks of the embedded derivative are not closely related to those of the host contract. Reassessment only occurs if there is a change in terms of the contract that significantly modifies for cash flows that would otherwise be required under the contract.

The Group determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation at the balance sheet date.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are subsequently carried at amortised cost using the effective interest method less any allowance for impairment. Amortised cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs. Gains and losses are recognised in the income statement when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

2.4 Summary of significant accounting policies *(continued)*

Investments and other financial assets *(continued)*

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale or are not classified in any of the other two categories. After initial recognition, available-for-sale financial assets are measured at fair value, with gains or losses recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in the income statement. Interest and dividends earned are reported as interest income and dividend income, respectively and are recognised in the income statement as "Other income" in accordance with the policies set out for "Revenue recognition" below. Losses arising from the impairment of such investments are recognised in the income statement as "Impairment losses on available-for-sale financial assets" and are transferred from the available-for-sale investment revaluation reserve.

When the fair value of unlisted equity securities cannot be reliably measured because (a) the variability in the range of reasonable fair value estimates is significant for that investment or (b) the probabilities of the various estimates within the range cannot be reasonably assessed and used in estimating fair value, such securities are stated at cost less any impairment losses.

Fair value

The fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business at the balance sheet date. For investments where there is no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions; reference to the current market value of another instrument which is substantially the same; a discounted cash flow analysis; and other valuation models.

Impairment of financial assets

The Group assesses at each balance sheet date whether there is any objective evidence that a financial asset or a group of financial assets is impaired.

Assets carried at amortised cost

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced either directly or through the use of an allowance account. The amount of the impairment loss is recognised in the income statement. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery.

2.4 Summary of significant accounting policies *(continued)*

Impairment of financial assets *(continued)*

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account. Any subsequent reversal of an impairment loss is recognised in the income statement, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

In relation to trade and other receivables, a provision for impairment is made when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor and significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor) that the Group will not be able to collect all of the amounts due under the original terms of an invoice. The carrying amount of the receivables is reduced through the use of an allowance account. Impaired debts are derecognised when they are assessed as uncollectible.

Available-for-sale financial assets

If an available-for-sale asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the income statement, is transferred from equity to the income statement. A provision for impairment is made for available-for-sale equity investments when there has been a significant or prolonged decline in the fair value below its cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgement. In addition, the Group evaluates other factors, such as the share price volatility. Impairment losses on equity instruments classified as available for sale are not reversed through the income statement.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- the rights to receive cash flows from the asset have expired;
- the Group retains the rights to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

2.4 Summary of significant accounting policies *(continued)*

Derecognition of financial assets *(continued)*

Where continuing involvement takes the form of a written and/or purchased option (including a cash-settled option or similar provision) on the transferred asset, the extent of the Group's continuing involvement is the amount of the transferred asset that the Group may repurchase, except in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value, where the extent of the Group's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

Financial liabilities at amortised cost (including interest-bearing loans and borrowings)

Financial liabilities including other payables, amounts due to related companies, a loan from a shareholder and interest-bearing bank borrowings are initially stated at fair value less directly attributable transaction costs and are subsequently measured at amortised cost, using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost. The related interest expense is recognised within "finance costs" in the income statement.

Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the amortisation process.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the income statement.

Cash and cash equivalents

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

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

2.4 Summary of significant accounting policies *(continued)*

Income tax

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

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities.

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries and an associate, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- where the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of deductible temporary differences associated with investments in subsidiaries and an associate, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Conversely, previously unrecognised deferred tax assets are reassessed at each balance sheet date and are recognised to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

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

2.4 Summary of significant accounting policies *(continued)*

Income tax *(continued)*

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Revenue recognition

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

(a) rental income, on a time proportion basis over the lease terms; and

(b) interest income, on an accrual basis using the effective interest method by applying the rate that discounts the estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

Employee benefits

Pension scheme

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for all of its employees. Contributions are made based on a percentage of the employees' basic salaries and are charged to the income statement as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

Foreign currencies

These financial statements are presented in Hong Kong dollars, which is the Company's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions are initially recorded using the functional currency rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rates of exchange ruling at the balance sheet date. All differences are taken to the income statement. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

The functional currency of an overseas associate is a currency other than the Hong Kong dollar. As at the balance sheet date, the assets and liabilities of this entity are translated into the presentation currency of the Company at the exchange rate ruling at the balance sheet date and its income statement is translated into Hong Kong dollars at the weighted average exchange rate for the year. The resulting exchange differences are included in the exchange fluctuation reserve. On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in the income statement.

3. Significant accounting judgements and estimates

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgement

In the process of applying the Group's accounting policies, management has made the following judgement, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Operating lease commitments – Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of these properties which are leased out on operating leases.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Fair value of investment properties

In the absence of current prices in an active market for similar properties, the Group considers information from a variety of sources, including:

(a) current prices in an active market for properties of a different nature, condition or location (or subject to different leases or other contracts), adjusted to reflect those differences;

(b) recent prices of similar properties on less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices; and

(c) discounted cash flow projections based on reliable estimates of future cash flows, supported by the terms of any existing lease and other contracts and (when possible) by external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.

Deferred tax assets

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

3. Significant accounting judgements and estimates *(continued)*

Impairment of an available-for-sale financial asset

The Group classifies a club debenture as available-for-sale and recognises movements of its fair value in equity. When the fair value declines, management makes assumptions about the decline in value to determine whether there is an impairment that should be recognised in the income statement. At 30 April 2009, an impairment loss of HK$95,000 has been recognised for an available-for-sale asset (2008: Nil). At 30 April 2009, the carrying amount of the available-for-sale asset was HK$200,000 (2008: HK$295,000).

4. Segment information

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

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

(a) the property investment segment invests in prime office space for its rental income potential; and

(b) the investment holding segment comprises the Group's investment activities.

In determining the Group's geographical segments, revenues are attributed to the segments based on the location of the customers, and assets are attributed to the segments based on the location of the assets.

During the current and prior years, there were no intersegment transactions.

4. Segment information *(continued)*

(a) Business segments

The following tables present revenue, profit/(loss) and certain asset, liability and expenditure information for the Group's business segments for the years ended 30 April 2009 and 2008.

	Property investment		Investment holding		Total	
	2009	2008	**2009**	2008	**2009**	2008
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment revenue	**2,110**	1,900	**–**	–	**2,110**	1,900
Segment results	**(14,955)**	13,330	**–**	–	**(14,955)**	13,330
Finance costs					**(2,471)**	(2,823)
Share of profit/(loss) of an associate	**–**	–	**(6,568)**	2,416	**(6,568)**	2,416
Profit/(loss) before tax					**(23,994)**	12,923
Tax					**4,535**	(2,440)
Profit/(loss) for the year					**(19,459)**	10,483
Assets and liabilities						
Segment assets	**49,837**	64,399	**–**	–	**49,837**	64,399
Interest in an associate	**–**	–	**5,531**	15,191	**5,531**	15,191
Unallocated assets					**492**	421
Total assets					**55,860**	80,011
Segment liabilities	**628**	586	**355**	355	**983**	941
Unallocated liabilities					**35,799**	37,441
Total liabilities					**36,782**	38,382
Other segment information:						
Capital expenditure	**–**	–	**194**	67	**194**	67
Depreciation	**–**	–	**28**	21	**28**	21
Fair value gains/(losses) on investment properties	**(14,576)**	13,942	**–**	–	**(14,576)**	13,942
Impairment of an available-for-sale investment	**–**	–	**95**	–	**95**	–

4. Segment information *(continued)*

(b) Geographical segments

The following table presents revenue, and certain asset and expenditure information for the Group's geographical segments for the years ended 30 April 2009 and 2008.

	Segment revenue		**Segment assets**		**Capital expenditure**	
	2009 **HK$'000**	2008 *HK$'000*	**2009** **HK$'000**	2008 *HK$'000*	**2009** **HK$'000**	2008 *HK$'000*
Hong Kong	**2,110**	1,900	**49,425**	63,953	**194**	67
Singapore	**–**	–	**5,531**	15,191	**–**	–
Mainland China	**–**	–	**904**	867	**–**	–
	2,110	1,900	**55,860**	80,011	**194**	67

5. Revenue and other income

Revenue, which is also the Group's turnover, represents gross rental income received and receivable from investment properties during the year.

An analysis of the Group's revenue and other income is as follows:

	2009 **HK$'000**	2008 *HK$'000*
Revenue		
Gross rental income	**2,110**	1,900
Other income		
Miscellaneous income	**20**	3

6. Finance costs

	Group	
	2009 **HK$'000**	2008 *HK$'000*
Interest on bank loan	**325**	469
Interest on loan from a shareholder	**2,146**	2,354
	2,471	2,823

7. Profit/(loss) before tax

The Group's profit/(loss) before tax is arrived at after charging/(crediting):

	2009	2008
	HK$'000	*HK$'000*
Depreciation	**28**	21
Minimum lease payments under operating leases on land and buildings	**192**	218
Auditors' remuneration	**318**	318
Employee benefits expense (including Directors' remuneration *(note 8)*):		
Wages and salaries	**622**	604
Pension scheme contributions	**58**	39
	680	643
Gross rental income	**(2,110)**	(1,900)
Less: outgoing expenses	**29**	55
Net rental income	**(2,081)**	(1,845)
Fair value losses/(gains) on investment properties	**14,576**	(13,942)
Impairment of trade receivables*	**–**	17
Impairment of an available-for-sale investment	**95**	–
Loss on disposal of items of property, plant and equipment	**–**	38

* The impairment of trade receivables is included in "Administrative expenses" on the face of the consolidated income statement.

8. Directors' remuneration

Directors' remuneration for the year, disclosed pursuant to the Listing Rules and Section 161 of the Hong Kong Companies Ordinance, is as follows:

	Group	
	2009	2008
	HK$'000	*HK$'000*
Fees	**24**	24
Other emoluments:		
Salaries, allowances and benefits in kind	**307**	314
Discretionary performance related bonuses*	**41**	53
Pension scheme contributions	**29**	28
	377	395
	401	419

* An Executive Director of the Company is entitled to bonus payments which are determined based on her performance during the year.

(a) Independent Non-Executive Directors

There were no fees or other emoluments payable to Independent Non-Executive Directors during the year (2008: Nil).

8. Directors' remuneration *(continued)*

(b) Executive Directors

	Fees *HK$'000*	Salaries, allowance and benefits in kind *HK$'000*	Discretionary performance related bonuses *HK$'000*	Pension scheme contributions *HK$'000*	Total remuneration *HK$'000*
2009					
Executive Directors:					
Mr. Chan Kien Sing	**–**	**–**	**–**	**–**	**–**
Mr. Chin Chee Seng, Derek	**–**	**–**	**–**	**–**	**–**
Ms. Tan Ee Ling	**–**	**307**	**41**	**28**	**376**
Mr. Wong Man Hong	**24**	**–**	**–**	**1**	**25**
Mr. Tan Yeong Sheik, Rayvin	**–**	**–**	**–**	**–**	**–**
Ms. Cheng Chi Fan, Vivienne	**–**	**–**	**–**	**–**	**–**
Mr. Tan Thiam Chai	**–**	**–**	**–**	**–**	**–**
	24	**307**	**41**	**29**	**401**
2008					
Executive Directors:					
Mr. Chan Kien Sing	–	–	–	–	–
Mr. Chin Chee Seng, Derek	–	–	–	–	–
Ms. Tan Ee Ling	–	314	53	27	394
Mr. Wong Man Hong	24	–	–	1	25
	24	314	53	28	419

There was no arrangement under which a director waived or agreed to waive any remuneration during the year (2008: Nil).

9. Five highest paid employees

The five highest paid employees during the year included two (2008: two) Executive Directors, details of whose remuneration are set out in note 8 above. Details of the remuneration of the remaining two* (2008: three) non-director, highest paid employees for the year are as follows:

	Group	
	2009	2008
	HK$'000	*HK$'000*
Salaries, allowances and benefits in kind	**250**	213
Pension scheme contributions	**29**	11
	279	224

Remunerations of all non-director, highest paid employees were below HK$1,000,000 (2008: HK$1,000,000).

* The Company had only two non-director employees during the year.

10. Tax

Hong Kong profits tax has been provided at the rate of 16.5% (2008: 17.5%) on the estimated assessable profits arising in Hong Kong during the year. No provision for overseas profits tax has been made as the Group did not generate any assessable profits arising outside Hong Kong during the year (2008: Nil).

	2009	2008
	HK$'000	*HK$'000*
Group:		
Current	**–**	–
Deferred *(note 25)*	**(4,535)**	2,440
Total tax charge/(credit) for the year	**(4,535)**	2,440

10. Tax *(continued)*

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

	Group	
	2009	2008
	HK$'000	*HK$'000*
Profit/(loss) before tax	**(23,994)**	12,923
Tax at the statutory tax rate of 16.5% (2008: 17.5%)	**(3,959)**	2,262
Effect on opening deferred tax of decrease in rate	**(259)**	–
Profit/(loss) attributable to an associate	**1,084**	(423)
Income not subject to tax	**(6)**	(189)
Expenses not deductible for tax	**390**	617
Tax losses utilised from previous periods	**(1,679)**	–
Tax losses not recognised	**–**	249
Others	**(106)**	(76)
Tax charge/(credit) at the Group's effective rate of 18.9% (2008: 18.9%)	**(4,535)**	2,440

The share of tax credit attributable to an associate amounting to HK$93,000 (2008: Nil) is included in "Share of profit and loss of an associate" on the face of the consolidated income statement.

11. Profit/(loss) attributable to equity holders of the Company

The consolidated profit/(loss) attributable to equity holders of the Company for the year ended 30 April 2009 includes a loss of HK$14,699,000 (2008: profit of HK$4,832,000) which has been dealt with in the financial statements of the Company (note 27(b)).

12. Earnings/(loss) per share attributable to ordinary equity holders of the Company

The calculation of basic loss per share amount is based on the loss for the year attributable to ordinary equity holders of the Company of HK$19,428,000 (2008: profit of HK$7,307,000), and the number of ordinary shares in issue of 591,047,975 (2008: 591,047,975) during the year.

As there were no dilutive potential ordinary shares outstanding during the years, no diluted earnings/(loss) per share amounts have been presented for both years.

13. Property, plant and equipment

Group

	Leasehold improvements HK$'000	Furniture, fixtures and equipment HK$'000	Total HK$'000
30 April 2009			
At 30 April 2008 and at 1 May 2008:			
Cost	–	358	358
Accumulated depreciation	–	(232)	(232)
Net carrying amount	–	126	126
At 1 May 2008, net of accumulated depreciation	–	126	126
Additions	178	16	194
Depreciation provided during the year	(9)	(19)	(28)
At 30 April 2009, net of accumulated depreciation	169	123	292
At 30 April 2009:			
Cost	178	374	552
Accumulated depreciation	(9)	(251)	(260)
Net carrying amount	169	123	292

13. Property, plant and equipment *(continued)*

Group

	Furniture, fixtures and equipment HK$'000
30 April 2008	
At 1 May 2007:	
Cost	484
Accumulated depreciation	(366)
Net carrying amount	118
At 1 May 2007, net of accumulated depreciation	118
Additions	67
Disposals	(38)
Depreciation provided during the year	(21)
At 30 April 2008, net of accumulated depreciation	126
At 30 April 2008:	
Cost	358
Accumulated depreciation	(232)
Net carrying amount	126

13. Property, plant and equipment *(continued)*

Company

	Leasehold improvements HK$'000	Furniture, fixtures and equipment HK$'000	Total HK$'000
30 April 2009			
At 30 April 2008 and at 1 May 2008:			
Cost	–	357	357
Accumulated depreciation	–	(231)	(231)
Net carrying amount	–	126	126
At 1 May 2008, net of accumulated depreciation	–	126	126
Additions	178	16	194
Depreciation provided during the year	(9)	(19)	(28)
At 30 April 2009, net of accumulated depreciation	169	123	292
At 30 April 2009:			
Cost	178	373	551
Accumulated depreciation	(9)	(250)	(259)
Net carrying amount	169	123	292

13. Property, plant and equipment *(continued)*

Company

	Furniture, fixtures and equipment HK$'000
30 April 2008	
At 1 May 2007:	
Cost	438
Accumulated depreciation	(325)
Net carrying amount	113
At 1 May 2007, net of accumulated depreciation	113
Additions	66
Disposals	(33)
Depreciation provided during the year	(20)
At 30 April 2008, net of accumulated depreciation	126
At 30 April 2008:	
Cost	357
Accumulated depreciation	(231)
Net carrying amount	126

14. Investment properties

	Group and Company	
	2009	2008
	HK$'000	*HK$'000*
Carrying amount at beginning of year	**63,968**	50,026
Net profit/(loss) from a fair value adjustment	**(14,576)**	13,942
Carrying amount at end of year	**49,392**	63,968
Representing:		
Hong Kong		
Long term leases	**42,388**	55,561
Medium term leases	**6,100**	7,540
Mainland China		
Long term leases	**904**	867
	49,392	63,968

The Group's investment properties were revalued on 30 April 2009 by Savills Valuation and Professional Services Limited, independent professionally qualified valuers, at HK$49,392,000 on an open market, existing use basis. The investment properties are leased to customers under operating leases, further summary details of which are included in note 30(a) to the financial statements.

At 30 April 2009, the Group's investment properties with a value of HK$46,787,000 (2008: HK$60,901,000) were pledged to secure general banking facilities granted to the Group (note 23).

15. Interests in subsidiaries

	Company	
	2009	2008
	HK$'000	*HK$'000*
Unlisted shares, at cost	**2,105**	2,105
Impairment#	**(2,105)**	(2,105)
	–	–
Due from subsidiaries	**6,219**	4,336
Impairment#	**(6,219)**	(4,336)
	–	–
Due to a subsidiary	**(1,288)**	(1,299)
	(1,288)	(1,299)

\# An impairment was recognised for investments in subsidiaries and amounts due from subsidiaries because these subsidiaries of the Company have been making losses.

15. Interests in subsidiaries *(continued)*

The amounts due from and to subsidiaries included in the Company's current assets and current liabilities are unsecured, interest-free and repayable on demand. The carrying amounts of these balances approximate to their fair values.

Particulars of subsidiaries are as follows:

Name	Place of incorporation/ registration and operations	Nominal value of issued/ registered share capital	Percentage of equity attributable to the Company Direct	Indirect	Principal activities
Hopemore Development Limited	Hong Kong	HK$100	100	–	Dormant
Panluck Limited	Hong Kong	HK$100,000	100	–	Dormant
Mallia Limited	Hong Kong	HK$2	100	–	Dormant
Berjaya U-Luck Investments Limited	Hong Kong	HK$10,000	51	–	Dormant
Wing Hung Kee Commodities Limited	Hong Kong	HK$2,000,000	100	–	Dormant
Zhong Freight Limited*#	Hong Kong	HK$1,000,000	55	–	Dormant
C & C Freight International (Beijing) Limited*#	Mainland China	Renminbi 3,750,000	–	28**	Dormant

* Not audited by Ernst & Young Hong Kong or other member firm of the Ernst & Young global network.

** C & C Freight International (Beijing) Limited is a subsidiary of a non-wholly-owned subsidiary of the Company and, accordingly, is accounted for as a subsidiary by virtue of the Company's control over it.

Under creditors' voluntary liquidation.

16. Interest in an associate

	Group		Company	
	2009	2008	**2009**	2008
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Unlisted shares, at cost	**–**	–	**8,200**	8,200
Share of net assets	**5,531**	15,191	**–**	–
	5,531	15,191	**8,200**	8,200

Particulars of the associate are as follows:

Name	Particulars of issued shares held	Place of incorporation/ registration	Percentage of ownership interest attributable to the Group	Principal activity
Greenland Timber Industries (Private) Limited*	Ordinary shares of Singapore dollar 1.4 each	Singapore	20	Investment holding

* Not audited by Ernst & Young Hong Kong or other member firm of the Ernst & Young global network.

The following table illustrates the summarised financial information of the Group's associate extracted from its management accounts:

	2009	2008
	HK$'000	*HK$'000*
Assets	**33,033**	86,511
Liabilities	**(5,382)**	(10,558)
Revenue	**(33,261)**	19,905
Profit/(loss)	**(32,838)**	12,080

17. Available-for-sale investment

	Group and Company	
	2009	2008
	HK$'000	*HK$'000*
Club debenture, at fair value	**200**	295

The fair value of the club debenture is based on its open market price.

There has been a significant decline in the market value of the club debenture during the year. The directors consider that such a decline indicates that the club debenture has been impaired and an impairment loss of HK$95,000 (2008: Nil) has been recognised in the income statement for the year.

18. Trade receivables

	Group and Company	
	2009	2008
	HK$'000	*HK$'000*
Trade receivables	**9**	12

Trade debtors comprise rental income receivables. Rental from tenants is due and payable in advance. The credit period is generally 15 days. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are regularly reviewed by senior management. In view of the aforementioned, there is no significant concentration of credit risk. Trade receivables are non-interest-bearing. The carrying amounts of these balances approximate to their fair values.

An aged analysis of the trade receivables as at the balance sheet date, based on the payment due date and net of provisions, is as follows:

	Group and Company	
	2009	2008
	HK$'000	*HK$'000*
Within 30 days	**9**	12

18. Trade receivables *(continued)*

The movements in provision for impairment of trade receivables are as follows:

	Group and Company	
	2009	2008
	HK$'000	*HK$'000*
At beginning of year	**–**	–
Impairment losses recognised *(note 7)*	**–**	17
Amount written off as uncollectible	**–**	(17)
At end of year	**–**	–

The individually impaired trade receivables related to customers that were in financial difficulties and only a portion of the receivables was expected to be recovered. The Group does not hold any collateral or other credit enhancements over these balances.

The aged analysis of the trade receivables that are not considered to be impaired is as follows:

	Group and Company	
	2009	2008
	HK$'000	*HK$'000*
Less than one month past due	**9**	12

Receivables that were past due but not impaired relate to customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral or other credit enhancements over these balances.

19. Prepayments, deposits and other receivables

	Group		Company	
	2009	2008	**2009**	2008
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Prepayments	**116**	117	**112**	112
Deposits and other receivables	**193**	185	**193**	185
	309	302	**305**	297

None of the above assets is either past due or impaired. The financial assets included in the above balances relate to deposits and receivables for which there was no recent history of default.

20. Cash and bank balances

	Group		Company	
	2009	2008	**2009**	2008
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Cash and bank balances	**127**	117	**88**	79

The bank balances are deposited with creditworthy banks with no recent history of default.

21. Other payables and accruals

	Group and Company	
	2009	2008
	HK$'000	*HK$'000*
Other payables	**510**	586
Accruals	**379**	377
	889	963
Less: other payables classified as non-current liabilities	**(259)**	–
Current portion	**630**	963

Other payables are non-interest-bearing. Except for rental deposit payables of HK$259,000 (2008: Nil) which are included in the category of other payables classified as non-current liabilities, all other payables are expected to be settled within the next twelve months. The carrying amounts of other payables approximate to their fair values.

22. Due to related companies

Except for an amount due to a related company of HK$118,000 (2008: Nil) which is repayable on the expiry of the lease term in relation to a lease arrangement entered into between the Company and that related company, amounts due to related companies, subsidiaries of the Company's substantial shareholder, are unsecured, interest-free and repayable on demand. The carrying amounts of balances with related companies approximate to their fair values.

23. Interest-bearing bank borrowings

	2009			2008		
Group and Company	**Effective interest rate (%)**	**Maturity**	***HK$'000***	Effective interest rate (%)	Maturity	*HK$'000*
Current						
Bank loan – secured	**5.0**	**2009**	**180**	5.0-7.5	2008	180
Non-current						
Bank loan – secured	**5.0**	**2010-2015**	**6,345**	5.0-7.5	2009-2015	6,525
			6,525			6,705

	Group and Company	
	2009	2008
	HK$'000	*HK$'000*
Analysed into:		
Bank loan repayable:		
Within one year	**180**	180
In the second year	**180**	180
In the third to fifth years, inclusive	**540**	540
Beyond five years	**5,625**	5,805
	6,525	6,705

Notes:

(a) The bank loan is secured, bears interest at the Hong Kong Dollar prime lending rate of CITIC Ka Wah Bank Limited minus 0.5% per annum and is repayable by 194 monthly instalments commencing in October 1999.

(b) The bank loan is secured by the pledge of the Group's investment properties situated in Hong Kong, which had an aggregate carrying value at the balance sheet date of approximately HK$46,787,000 (2008: HK$60,901,000).

(c) The bank loan is denominated in Hong Kong dollars.

(d) The carrying amount of the bank loan approximates to its fair value.

24. Loan from a shareholder

The loan from a shareholder is unsecured, bears interest at 3% per annum above the Hong Kong Dollar prime lending rate of the Hongkong and Shanghai Banking Corporation Limited and is not repayable within the next twelve months. The carrying amount of the loan approximates to its fair value.

25. Deferred tax

The movement in deferred tax liabilities, which are recognised in respect of the revaluation of investment properties, during the year is as follows:

Deferred tax liabilities

Group and Company

	Revaluation of investment properties	
	2009	2008
	HK$'000	*HK$'000*
At beginning of year	**4,535**	2,095
Deferred tax charged/(credited) to the income statement during the year *(note 10)*	**(2,670)**	2,440
Gross deferred tax liabilities at end of year	**1,865**	4,535

Deferred tax assets

Group and Company

	Losses available for offsetting against future taxable profits	
	2009	2008
	HK$'000	*HK$'000*
At beginning of year	**–**	–
Deferred tax credited to the income statement during the year *(note 10)*	**1,865**	–
Gross deferred tax assets at end of year	**1,865**	–

25. Deferred tax *(continued)*

For the purpose of the balance sheet presentation, certain deferred tax assets and liabilities have been offset. The following is an analysis of the deferred tax balances of the Group and the Company for financial reporting purposes:

	2009	2008
	HK$'000	*HK$'000*
Net deferred tax liabilities recognised in the balance sheet	**(1,865)**	(4,535)
Net deferred tax assets recognised in the balance sheet	**1,865**	–
	–	(4,535)

The Group and the Company have unrecognised tax losses arising in Hong Kong of HK$36,175,000 (2008: HK$46,351,000) and HK$35,978,000 (2008: HK$46,154,000), respectively, that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

26. Share capital

	Company	
	2009	2008
	HK$'000	*HK$'000*
Authorised:		
1,250,000,000 shares of HK$0.20 each	**250,000**	250,000
Issued and fully paid:		
591,047,975 shares of HK$0.20 each	**118,210**	118,210

27. Reserves

(a) Group

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on pages 22 and 23 of the financial statements.

(b) Company

	Share premium account HK$'000	Accumulated losses HK$'000	Total HK$'000
Balance at 1 May 2007	12,282	(99,854)	(87,572)
Profit for the year	–	4,832	4,832
At 30 April 2008 and 1 May 2008	12,282	(95,022)	(82,740)
Loss for the year	–	(14,699)	(14,699)
At 30 April 2009	12,282	(109,721)	(97,439)

28. Major non-cash transactions

(a) Interest expenses paid to a shareholder of HK$2,146,000 (2008: HK$2,354,000) was settled through the loan balance with the shareholder.

(b) In the prior year, the Group applied an amount due from a shareholder of HK$559,000 as partial settlement of the loan from a shareholder. In addition, the Group extinguished a loan due to minority interests of HK$1,838,000.

29. Pledge of assets

Details of the Group's bank loan which is secured by the assets of the Group, are included in note 23 of the financial statements.

30. Operating lease arrangements

(a) As lessor

The Group leases its investment properties (note 14 to the financial statements) under operating lease arrangements, with leases negotiated for terms of two years. The terms of the leases generally also require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions.

At 30 April 2009, the Group and the Company had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

	Group and Company	
	2009	2008
	HK$'000	*HK$'000*
Within one year	**1,563**	1,377
In the second to fifth years, inclusive	**646**	271
	2,209	1,648

(b) As lessee

The Group leases certain of its office properties under operating lease arrangements. Leases for properties are negotiated for terms of two years.

At 30 April 2009, the Group and the Company had total future minimum lease payments under non-cancellable operating leases falling due as follows:

	Group and Company	
	2009	2008
	HK$'000	*HK$'000*
Within one year	**45**	192
In the second to fifth years, inclusive	**–**	46
	45	238

31. Commitments

At the balance sheet date, neither the Group nor the Company had any significant commitments.

32. Related party transactions

(a) In addition to the transactions detailed elsewhere in these financial statements, the Group had the following material transactions with related parties during the year:

		Group	
		2009	2008
	Notes	***HK$'000***	*HK$'000*
Interest expense paid to a shareholder	*(i)*	**2,146**	2,354
Rental income from a related company	*(ii)*	**341**	39

Notes:

(i) Interest expense was charged at 3% per annum above the Hong Kong Dollar prime lending rate of the Hongkong and Shanghai Banking Corporation Limited on the loan from a shareholder.

(ii) Rental income from a related company was charged in accordance with the terms set out in the agreement between the parties.

(b) Outstanding balances with related parties:

(i) Details of the Group's and the Company's balances with related companies are included in note 22 to the financial statements.

(ii) Details of the Group's and the Company's loan from a shareholder are included in note 24 to the financial statements.

(c) Compensation of key management personnel of the Group:

	2009	2008
	HK$'000	*HK$'000*
Short term employee benefits	**372**	391
Post-employment benefits	**29**	28
Total compensation paid to key management personnel	**401**	419

Further details of directors' emoluments are included in note 8 to the financial statements.

The related party transaction in respect of item (a)(ii) above also constitutes a continuing connected transaction as defined in Chapter 14A of the Listing Rules.

33. Financial instruments by category

The carrying amounts of each of the categories of financial instruments as at the balance sheet date are as follows:

2009 **Group**

Financial assets

	Loans and receivables HK$'000	Available-for-sale financial assets HK$'000	Total HK$'000
Available-for-sale investment	–	200	200
Trade receivables	9	–	9
Financial assets included in prepayments, deposits and other receivables *(note 19)*	193	–	193
Cash and bank balances	127	–	127
	329	200	529

Financial liabilities

	Financial liabilities at amortised cost HK$'000
Financial liabilities included in other payables and accruals *(note 21)*	510
Due to related companies	473
Interest-bearing bank borrowings	6,525
Loan from a shareholder	28,895
	36,403

33. Financial instruments by category *(continued)*

The carrying amounts of each of the categories of financial instruments as at the balance sheet date are as follows: *(continued)*

2008 Group

Financial assets

	Loans and receivables *HK$'000*	Available-for-sale financial assets *HK$'000*	Total *HK$'000*
Available-for-sale investment	–	295	295
Trade receivables	12	–	12
Financial assets included in prepayments, deposits and other receivables *(note 19)*	185	–	185
Cash and bank balances	117	–	117
	314	295	609

Financial liabilities

	Financial liabilities at amortised cost *HK$'000*
Financial liabilities included in other payables and accruals *(note 21)*	586
Due to a related company	355
Interest-bearing bank borrowings	6,705
Loan from a shareholder	25,824
	33,470

33. Financial instruments by category *(continued)*

The carrying amounts of each of the categories of financial instruments as at the balance sheet date are as follows: *(continued)*

2009 **Company**

Financial assets

	Loans and receivables HK$'000	Available-for-sale financial assets HK$'000	Total HK$'000
Available-for-sale investment	–	200	200
Trade receivables	9	–	9
Financial assets included in prepayments, deposits and other receivables *(note 19)*	193	–	193
Cash and bank balances	88	–	88
	290	200	490

Financial liabilities

	Financial liabilities at amortised cost HK$'000
Financial liabilities included in other payables and accruals *(note 21)*	510
Due to a related company	118
Due to a subsidiary	1,288
Interest-bearing bank borrowings	6,525
Loan from a shareholder	28,895
	37,336

33. Financial instruments by category *(continued)*

The carrying amounts of each of the categories of financial instruments as at the balance sheet date are as follows: *(continued)*

2008 Company

Financial assets

	Loans and receivables HK$'000	Available-for-sale financial assets HK$'000	Total HK$'000
Available-for-sale investment	–	295	295
Trade receivables	12	–	12
Financial assets included in prepayments, deposits and other receivables *(note 19)*	185	–	185
Cash and bank balances	79	–	79
	276	295	571

Financial liabilities

	Financial liabilities at amortised cost HK$'000
Financial liabilities included in other payables and accruals *(note 21)*	586
Due to a subsidiary	1,299
Interest-bearing bank borrowings	6,705
Loan from a shareholder	24,005
	32,595

34. Financial risk management objectives and policies

The Group's principal financial instruments comprise bank loan, a loan from a shareholder, and cash and bank balances. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and other payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, credit risk and liquidity risk. The board of directors review and agree policies for managing each of these risks and they are summarised below.

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term debt obligations with a floating interest rate.

The Group's funding policy is to use interest-bearing borrowings to finance its working capital requirements.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's and the Company's profit before tax (through the impact on floating rate borrowings) and the Group's and the Company's equity.

	Group and Company	
	Increase/ (decrease) in basis points	**Increase/ (decrease) in profit/(loss) before tax and equity** *HK$'000*
2009		
Hong Kong dollar	**100**	**(354)**
Hong Kong dollar	**(100)**	**354**
2008		
Hong Kong dollar	100	(325)
Hong Kong dollar	(100)	325

34. Financial risk management objectives and policies *(continued)*

Credit risk

The Group trades only with recognised and creditworthy customers. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

The credit risk of the Group's other financial assets, which comprise cash and bank balances, an available-for-sale financial asset and other receivables, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

The terms of the leases generally require the tenants to pay security deposits. Concentrations of credit risk are managed by customer/counterparty. There are no significant concentrations of credit risk within the Group as the customer bases of the Group's trade receivables are widely dispersed in different sectors and industries.

Further quantitative data in respect of the Group's exposure to credit risk arising from trade receivables are disclosed in note 18 to the financial statements.

Liquidity risk

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets (e.g., trade receivables) and projected cash flows from operations.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans and loan from a shareholder.

34. Financial risk management objectives and policies *(continued)*

Liquidity risk *(continued)*

The maturity profile of the Group's financial liabilities as at the balance sheet date, based on the contractual undiscounted payments, was as follows:

Group

	2009				
	Within 1 year or on demand	**More than 1 year but less than 2 years**	**More than 2 years but less than 5 years**	**Over 5 years**	**Total**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***
Interest-bearing bank borrowings	**502**	**493**	**1,425**	**6,082**	**8,502**
Other payables *(note 21)*	**251**	**259**	**–**	**–**	**510**
Due to related companies	**473**	**–**	**–**	**–**	**473**
Loan from a shareholder	**2,312**	**28,895**	**–**	**–**	**31,207**
	3,538	**29,647**	**1,425**	**6,082**	**40,692**

Group

	2008				
	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Over 5 years	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Interest-bearing bank borrowings	510	501	1,450	6,524	8,985
Other payables *(note 21)*	586	–	–	–	586
Due to a related company	355	–	–	–	355
Loan from a shareholder	2,130	25,824	–	–	27,954
	3,581	26,325	1,450	6,524	37,880

34. Financial risk management objectives and policies *(continued)*

Liquidity risk *(continued)*

Company			**2009**		
	Within 1 year or on demand	**More than 1 year but less than 2 years**	**More than 2 years but less than 5 years**	**Over 5 years**	**Total**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***
Interest-bearing bank borrowings	**502**	**493**	**1,425**	**6,082**	**8,502**
Other payables *(note 21)*	**251**	**259**	**–**	**–**	**510**
Due to a subsidiary	**1,288**	**–**	**–**	**–**	**1,288**
Due to a related company	**118**	**–**	**–**	**–**	**118**
Loan from a shareholder	**2,312**	**28,895**	**–**	**–**	**31,207**
	4,471	**29,647**	**1,425**	**6,082**	**41,625**

Company			2008		
	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Over 5 years	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Interest-bearing bank borrowings	510	501	1,450	6,524	8,985
Other payables *(note 21)*	586	–	–	–	586
Due to a subsidiary	1,299	–	–	–	1,299
Loan from a shareholder	1,980	24,005	–	–	25,985
	4,375	24,506	1,450	6,524	36,855

34. Financial risk management objectives and policies *(continued)*

Capital management

The primary objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the years ended 30 April 2009 and 30 April 2008.

The Group monitors capital using a gearing ratio, which is net borrowings divided by the total capital plus net borrowings. The Group's policy is to maintain the gearing ratio less than 75%. Net borrowings includes interest-bearing bank borrowings and a loan from a shareholder, less cash and bank balances. Capital represents total equity. The gearing ratios as at the balance sheet dates were as follows:

	Group	
	2009	2008
	HK$'000	*HK$'000*
Interest-bearing bank borrowings	**6,525**	6,705
Loan from a shareholder	**28,895**	25,824
Less: Cash and bank balances	**(127)**	(117)
Net borrowings	**35,293**	32,412
Total equity	**19,078**	41,629
Total capital and net borrowings	**54,371**	74,041
Gearing ratio	**65%**	44%

35. Approval of the financial statements

The financial statements were approved and authorised for issue by the Board of Directors on 29 June 2009.

Five Year Financial Summary

A summary of the results and of the assets, liabilities and minority interests of the Group for the last five financial years, as extracted from the published audited financial statements and restated as appropriate, is set out below.

RESULTS

	Year ended 30 April				
	2009	2008	2007	2006	2005
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
REVENUE	**2,110**	1,900	1,572	5,677	1,957
PROFIT/(LOSS) BEFORE TAX	**(23,994)**	12,923	(3,120)	(14,318)	2,554
Tax	**4,535**	(2,440)	(681)	(714)	(1,626)
PROFIT/(LOSS) FOR THE YEAR	**(19,459)**	10,483	(3,801)	(15,032)	928
Attributable to:					
Equity holders of the Company	**(19,428)**	7,307	(3,680)	(14,945)	976
Minority interests	**(31)**	3,176	(121)	(87)	(48)
	(19,459)	10,483	(3,801)	(15,032)	928

ASSETS, LIABILITIES AND MINORITY INTERESTS

	As at 30 April				
	2009	2008	2007	2006	2005
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
TOTAL ASSETS	**55,860**	80,011	61,640	92,861	124,062
TOTAL LIABILITIES	**(36,782)**	(38,382)	(34,989)	(64,958)	(64,982)
MINORITY INTERESTS	**(4,983)**	(5,014)	–	–	–
	14,095	36,615	26,651	27,903	59,080

Particulars of Properties

30 April 2009

INVESTMENT PROPERTIES

Location	Use	Tenure	Attributable interest of the Group
Units 726, 728, 729, 731, 735, 736, 739, 740, 741, 742, 743, 744, 745, 747, 748, 749, 750, 751, 753, 754, 755, 756 and 757 on 7/F., Star House, 3 Salisbury Road, Tsimshatsui, Kowloon, Hong Kong	Commercial	Long term lease	100%
Units 1 and 2, 17/F., and car parking space No. L5 on Lower G/F., Wah Sing Industrial Building, 12-14 Wah Sing Street, Kwai Chung, New Territories, Hong Kong	Industrial	Medium term lease	100%
Units 83 and 84, 2/F., Houston Centre, 63 Mody Road, Tsimshatsui, Kowloon, Hong Kong	Commercial	Long term lease	100%
Unit 803, Block C and car parking space No. 10, Xiagang Garden, 32 Xiagang New Village, Siming District, Xiamen, Fujian Province, the People's Republic of China	Residential	Long term lease	100%