



CIL HOLDINGS LIMITED

華建控股有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

Stock code 股份代號: 479



Annual Report

2010 年報



CONTENTS 目錄

Corporate Information 公司資料	02-03
Chairman's Statement 主席報告書	04-05
Management Discussion and Analysis 管理層討論及分析	06-08
Directors' Report 董事會報告書	09-17
Corporate Governance Report 企業管治報告書	18-23
Biographical Details of Directors and Senior Management 董事及高級管理層履歷	24-26
Independent Auditor's Report 獨立核數師報告書	27-29
Consolidated Statement of Comprehensive Income 綜合全面收益表	30
Consolidated Statement of Financial Position 綜合財務狀況表	31-32
Statement of Financial Position 財務狀況表	33
Consolidated Statement of Changes in Equity 綜合權益變動表	34
Consolidated Statement of Cash Flows 綜合現金流量表	35-36
Notes to the Financial Statements 財務報表附註	37-111
Financial Summary 財務概要	112



CORPORATE INFORMATION 公司資料

DIRECTORS

Ke Jun Xiang (*Chairman*)

Ho Pui Tsun, Peter (*Deputy Chairman*)

Lo Yuen Lai (*Deputy Chairman*)

(appointed on 19 April 2010 as non-executive director
and re-appointed on 17 July 2010 as executive director)

Shao Wei Hong

Hu Yeshan

Simon Ng

(appointed on 19 April 2010)

Li Qinyi*

Chow Yeung Tuen, Richard*

(appointed on 19 April 2010)

Kwok Yam Sheung**

Chan Man Wai, Joman**

(appointed on 19 April 2010)

Chan Siu Kay**

(appointed on 19 April 2010)

* Non-Executive Director

** Independent Non-Executive Director

COMPANY SECRETARY

Chiu King Hoi, Anthony

PRINCIPAL BANKERS

Bank of China (Hong Kong)

DBS Bank (Hong Kong) Limited

The HSBC Corporation Limited

Industrial Bank Co. Ltd

AUDITORS

Graham H. Y. Chan & Co.

Unit 1, 15/F, The Center

99 Queen's Road Central, Hong Kong

董事

柯俊翔 (*主席*)

何佩川 (*副主席*)

盧元麗 (*副主席*)

(於二零一零年四月十九日委任為非執行董事，
並於二零一零年七月十七日重新委任為執行董事)

邵偉宏

胡葉山

伍世榮

(於二零一零年四月十九日委任)

李勤毅*

鄒揚敦*

(於二零一零年四月十九日委任)

郭蔭尚**

陳文偉**

(於二零一零年四月十九日委任)

陳紹基**

(於二零一零年四月十九日委任)

* 非執行董事

** 獨立非執行董事

公司秘書

趙景開

主要往來銀行

中國銀行(香港)

星展銀行(香港)有限公司

香港上海滙豐銀行有限公司

興業銀行

核數師

陳浩賢會計師事務所

香港中環皇后大道中99號

中環中心15樓1501室

CORPORATE INFORMATION 公司資料

SHARE REGISTERS

Bermuda

The Bank of Bermuda Limited
6 Front Street
Hamilton HM11
Bermuda

Hong Kong

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

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

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

STOCK CODE

00479

股份登記處

百慕達

The Bank of Bermuda Limited
6 Front Street
Hamilton HM11
Bermuda

香港

卓佳登捷時有限公司
香港
皇后大道東1號
太古廣場三座28樓

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

總辦事處及主要營業地點

香港九龍
彌敦道563號
交通銀行大廈12樓

股票代號

00479

CHAIRMAN'S STATEMENT 主席報告書

On behalf of the board of directors (the "Board"), I hereby present to the shareholders the annual results of CIL Holdings Limited (the "Company") and its subsidiaries (the "Group") for the year ended 30 June 2010.

The management had dedicated to strengthening the overall financial performance of the Group during the year by continually developing its existing business in providing comprehensive solutions and distribution of server storage, multi-media and communication products, divesting under-performing assets as well as exploring new investment opportunities.

During the year under review, turnover of the Group was HK\$219.8 million, representing an increase of 97.9% over last year. Gross profit also increased from HK\$7.5 million of last year to HK\$10.4 million.

Nevertheless, by comparing a net profit of HK\$3.6 million in last year, the Group recorded a net minor loss attributable to shareholders of HK\$0.27 million in 2010. It was mainly due to increase in finance costs.

The management will review the Group's business from time to time and strive to improve its business operation and overall financial position. At the same time, the Group will proactively seek potential investment opportunities that can enhance value to the shareholders.

Dealing in the shares of the Company has been suspended by The Stock Exchange of Hong Kong Limited ("Stock Exchange") since 1 April 2004 mainly for the reason that the Company failed to keep the market informed of its developments and make timely disclosure of its financial position for a period of time. The Listing Committee of the Stock Exchange decided on 29 November 2007 to give the Company a period of six months to remedy those matters which had rendered it unsuitable for listing. If the Company failed to take adequate action to meet the conditions for resumption as required and obtain a restoration of listing, the Stock Exchange intended to cancel the listing of the Company on 12 June 2008.

本人謹代表董事會(「董事會」)向各股東提呈華建控股有限公司(「本公司」)及其附屬公司(「本集團」)截至二零一零年六月三十日止年度之全年業績。

年內，管理層致力加強本集團之整體財務表現，工作包括持續發展目前就伺服器儲存、多媒體及通訊產品提供全面解決方案和分銷有關產品之業務、減持表現欠佳之資產，以及發掘新投資機會。

於回顧年度，本集團營業額為219,800,000港元，較上年增加97.9%。毛利亦由上年7,500,000港元增至10,400,000港元。

然而，與去年錄得3,600,000港元之純利相比，本集團於二零一零年錄得輕微的股東應佔虧損淨額270,000港元，主要來自融資成本增加。

管理層將不時檢討本集團之業務，並將致力改善業務營運及整體財務狀況。與此同時，本集團將積極發掘可以提升股東價值之潛在投資機會。

本公司股份自二零零四年四月一日起被香港聯合交易所有限公司(「聯交所」)暫停買賣，主要原因為本公司於一段時間內未能讓市場得知其發展並且適時披露財務狀況。聯交所上市委員會於二零零七年十一月二十九日決定，給予本公司六個月時間以對使到本公司不適合上市之有關事宜進行補救。若本公司未能採取適當行動以符合復牌所需之條件並取得復牌批准，聯交所可於二零零八年六月十二日取消本公司之上市地位。

CHAIRMAN'S STATEMENT 主席報告書

Since then, we have teamed up with our financial advisors and lawyers on a resumption proposal which contains the actions taken or proposed to be taken by the Company to remedy those matters raised by the Stock Exchange.

The Stock Exchange has subsequently requested the Company to provide further information and address certain issues. The Company received a written reply on 16 April 2010 from the Stock Exchange in relation to the latest resumption proposal put forward by the Company. The Listing Committee of the Stock Exchange decided to allow the Company to proceed with the resumption proposal if it fulfills certain conditions to the Stock Exchange's satisfaction within six months thereafter. The Company is now working intensively to carry out actions necessary to fulfill the conditions for resumption. Further announcements will be made on the progress if and when there are material developments.

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

Ke Jun Xiang
Chairman

Hong Kong, 2 September 2010

本公司自當時起已與財務顧問及律師就復牌方案緊密合作，當中載有本公司已經或擬採取之行動，以對聯交所提出之該等事宜作出補救。

聯交所已於其後要求本公司提供進一步資料及回應若干問題。本公司於二零一零年四月十六日收到聯交所就本公司提呈之最新復牌方案所給予之書面回覆。聯交所上市委員會已經決定批准本公司實行復牌方案，條件為本公司須於回覆日期起計六個月內達成若干條件而聯交所對此感到滿意。本公司現正積極採取所需行動，以達成復牌之條件。若有重大進展，本公司將就此再作公佈。

最後，本人藉此機會衷心感謝董事會同寅、管理層及員工對本集團之全心貢獻。此外，本人謹對所有股東、業務伙伴、供應商及客戶一直之鼎力支持致以謝意。

主席
柯俊翔

香港，二零一零年九月二日

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

FINANCIAL RESULTS

The Group's consolidated turnover for the year ended 30 June 2010 increased to HK\$219,757,000, showing an increase of 97.9% over the corresponding figure of last year.

During the financial year, gain on written-back of loan, interest and other payables amounted to HK\$5,554,000. As finance costs increased from HK\$2,263,000 of last year to HK\$5,525,000, a minor loss attributed to owners of the Company of HK\$274,000 incurred as compared to profit of HK\$3,635,000 in 2009, representing loss per share of HK\$0.004 cents (2009: earnings per share of HK\$0.060 cents).

BUSINESS REVIEW AND OUTLOOK

During the year, the Company's principal activity continued to be investment holding whilst its major subsidiary was mainly engaged in providing comprehensive solutions and distribution of server storage, multi-media and communication products.

The management is working aggressively with financial advisors and lawyers on the resumption of trading of the company stocks on the Stock Exchange. If the resumption is successful, the Group will consider acquiring additional capital to strengthen its financial base.

Other than its existing core business, the management will continue put its best effort to explore new businesses to enhance value of the Group; to keep operating expenses at the minimum level and to maintain resources for future developments.

財務業績

本集團截至二零一零年六月三十日止年度之綜合營業額增至219,757,000港元，較去年之數字增長97.9%。

於本財政年度，撥回貸款、利息及其他應付款項之收益為5,554,000港元。由於融資成本由去年的2,263,000港元增加至5,525,000港元，因此錄得輕微的本公司擁有人應佔虧損為274,000港元，二零零九年則為溢利3,635,000港元，而每股虧損為0.004港仙（二零零九年：每股盈利為0.060港仙）。

業務回顧及展望

年內，本公司之主要業務繼續為投資控股，而其主要附屬公司主要從事就伺服器儲存、多媒體及通訊產品提供全面解決方案和分銷有關產品之業務。

管理層與財務顧問及律師正就本公司股份於聯交所復牌而努力。倘若成功復牌，本集團將考慮爭取額外資本以加強財務基礎。

除現有核心業務外，管理層將繼續致力發掘新業務以提升本集團之價值，並致力將經營開支保持在最低水平以及保留資源作未來發展。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2010, the Group had net liabilities of HK\$109,131,000 comprising total assets of HK\$71,023,000 and total liabilities of HK\$180,154,000. The Group's non-current asset consisted solely of fixed assets of HK\$316,000. The current ratio, representing by current assets divided by current liabilities, was 0.39. Total bank deposits and cash at the end of reporting period was HK\$25,937,000.

As at 30 June 2010, The Group had short-term borrowings of HK\$70,054,000, an increase of 91.1% over last year. The loans were subject to interest at prevailing commercial lending rates. Calculation of the gearing ratio, which is based on the total borrowings and the Group's shareholders' funds, would not be appropriate as the shareholders' funds were negative as at the end of the reporting period.

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

FOREIGN CURRENCY EXPOSURE

All sales and purchases are denominated in United States Dollars ("USD"). The foreign currency exposure to USD is minimal on the ground that Hong Kong Dollars ("HKD") is pegged to USD. The Group exposes to foreign currency risk that are denominated in Chinese Renminbi ("RMB") and Australian Dollars ("AUD"). The Group currently does not have hedging policy against RMB and AUD. However, management monitors the Group's foreign currency exposure and will consider hedging significant foreign exchange rate exposure should the need arise.

流動資金及財政資源

於二零一零年六月三十日，本集團之負債淨額為109,131,000港元，包含資產總值71,023,000港元及負債總額180,154,000港元。本集團之非流動資產只包括316,000港元之固定資產。流動比率（流動資產除以流動負債）為0.39。於報告期末，銀行存款及現金總額為25,937,000港元。

於二零一零年六月三十日，本集團之短期借貸為70,054,000港元，較去年增加91.1%。貸款按通行商業借貸利率計息。由於報告期末之股東資金為負數，因此根據總借貸及本集團之股東資金計算的資本負債比率並不適用。

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

外匯風險

所有買賣均以美元（「美元」）計值。由於港元（「港元」）與美元掛鈎，因此美元方面之外幣風險甚低。本集團面對以人民幣（「人民幣」）及澳元（「澳元」）計值的外幣風險。本集團目前並無有關人民幣及澳元之對沖政策。然而，管理層監察本集團之外幣風險，並會於需要時考慮對沖重大的外幣匯率風險。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

MATERIAL ACQUISITIONS AND DISPOSALS OF INVESTMENTS

During the year ended 30 June 2010, there was no material acquisition and disposal of subsidiaries or affiliated companies.

EMPLOYEES AND REMUNERATION POLICY

The Group employed a staff of 30 persons as at 30 June 2010 (2009: 30). They were remunerated according to the prevailing manpower conditions and individual performance. There was no change on the staff policy during the year.

PLEDGE OF ASSETS

As at 30 June 2010, the Group's fixed deposits of HK\$1,312,000 and trade receivable of HK\$23,227,000 were pledged to bank to secure banking facilities granted to the Group (2009: HK\$1,693,000 and HK\$10,166,000 respectively).

CONTINGENT LIABILITIES

The Group had a number of pending litigations as at 30 June 2010. In the opinion of legal counsel, it is premature to predict the claims against the Company. The Board is of the opinion that the outflow of economic benefits cannot be measured with sufficient reliability. Details of litigations are disclosed in note 35 to the financial statements. Saved as disclosed therein, the Group and the Company did not have any material contingent liabilities as at 30 June 2010.

有關投資之重大收購及出售

於截至二零一零年六月三十日止年度內，並無有關附屬公司或聯屬公司之重大收購及出售。

僱員及薪酬政策

於二零一零年六月三十日，本集團聘有30名員工(二零零九年：30名)。員工薪酬根據當時人力市場情況及個人表現釐定。年內員工政策並無變動。

資產抵押

於二零一零年六月三十日，本集團之定期存款1,312,000港元及應收貿易賬款23,227,000港元(二零零九年：分別為1,693,000港元及10,166,000港元)已抵押予銀行，以就本集團取得銀行融資。

或然負債

於二零一零年六月三十日，本集團有多項待決訴訟。法律顧問認為，現時要預測本公司面對之申索實為言之尚早。董事會認為，暫時無法可靠地計量經濟利益之流失。有關訴訟之詳情已於財務報表附註35中披露。除當中所披露外，於二零一零年六月三十日，本集團及本公司並無任何重大或然負債。

DIRECTORS' REPORT 董事會報告書

The directors have pleasure in presenting their report and the audited financial statements for the year ended 30 June 2010.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 36 to the financial statements.

RESULTS AND DIVIDEND

The results of the Group for the year ended 30 June 2010 and the state of affairs of the Company and the Group as at that date are set out in the financial statements on pages 30 to 33.

The directors do not recommend the payment of any dividend in respect of the year ended 30 June 2010.

SEGMENT INFORMATION

An analysis of the Group's performance for the year by operating segment is set out in note 6 to the financial statements.

RESERVES

Details of movements in the reserves of the Group and the Company during the year are set out in page 34 and note 30 to the financial statements respectively.

DISTRIBUTABLE RESERVES

At 30 June 2010, the Company had no retained profits available for cash distribution. Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus of the Company in the amount of HK\$56,516,000 at 30 June 2010 may only be distributable to shareholders in certain circumstances, which the Company is currently unable to satisfy.

董事會欣然提呈截至二零一零年六月三十日止年度之報告及經審核財務報表。

主要業務

本公司為一家投資控股公司，其附屬公司之主要業務載於財務報表附註36。

業績及股息

本集團截至二零一零年六月三十日止年度之業績及本公司及本集團於當日之財務狀況載於財務報表第30至33頁。

董事會不建議派發截至二零一零年六月三十日止年度之任何股息。

分部資料

本集團於年內按營運分部對表現之分析載於財務報表附註6。

儲備

本集團及本公司於年內之儲備變動詳情分別載於第34頁及財務報表附註30。

可分派儲備

於二零一零年六月三十日，本公司並無保留溢利可供現金分派。根據一九八一年百慕達公司法（經修訂），本公司於二零一零年六月三十日之繳入盈餘56,516,000港元僅可於若干情況分派予股東，而本公司目前未能符合有關情況。

DIRECTORS' REPORT 董事會報告書

SUMMARY FINANCIAL INFORMATION

A summary of the published results and assets and liabilities of the Group for the last five financial years, as extracted from the audited financial statements and reclassified as appropriate, is set out on page 112. This summary does not form part of the audited financial statements.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in property, plant and equipment of the Group and the Company during the year are set out in note 17 to the financial statements.

MAJOR INTERESTS IN PROPERTIES

The Group did not hold any major interests in properties as at 30 June 2010.

BANK AND OTHER BORROWINGS

Details of bank and other borrowings of the Group are set out in notes 25 and 26 to the financial statements.

SHARE CAPITAL

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

SHARE OPTIONS

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

MAJOR CUSTOMERS AND SUPPLIERS

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

Turnover:	
- The largest customer	24%
- Five largest customers combined	76%

財務資料概要

本集團於過去五個財政年度之已刊登業績及資產與負債之概要(摘自經審核財務報表及於適當情況經重新分類)載於第112頁。此概要並非經審核財務報表之一部分。

物業、機器及設備

有關本集團及本公司於本年度之物業、機器及設備變動詳情載於財務報表附註17。

主要物業權益

於二零一零年六月三十日,本集團並無持有任何主要物業權益。

銀行貸款及其他借貸

有關本集團之銀行貸款及其他借貸詳情載於財務報表附註25及26。

股本

有關年內本公司之股本變動詳情載於財務報表附註29。

購股權

本公司於年內並無任何購股權計劃。

主要客戶及供應商

年內主要客戶及供應商所佔本集團營業額及採購額之百分比如下:

營業額:	
- 最大客戶	24%
- 五大客戶共佔	76%

DIRECTORS' REPORT 董事會報告書

Purchases:

- The largest supplier 61%
- Five largest suppliers combined 99%

Included in the top 5 customers of the Group is a related company, namely AVT International Limited, which is also one of the top 5 suppliers of the Group. AVT International Limited is controlled by Mr. Lee Bing Kwong, who is the spouse of a director of Ms. Lo Yuen Lai. Ms Lo Yuen Lai is a Reserve Director of AVT International Limited. Subsequent to the appointment of Ms. Lo as a director of the Company, the Company has purchases amounting to HK\$10,022,000 from AVT International Limited.

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

DIRECTORS

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

Executive directors:

- Mr. Ke Jun Xiang
- Mr. Ho Pui Tsun, Peter
- Mr. Shao Wei Hong
- Mr. Hu Yeshan
- Mr. Simon Ng
(appointed on 19 April 2010)
- Ms. Lo Yuen Lai
(appointed on 19 April 2010 as non-executive director and re-appointed as executive director on 17 July 2010)

Non-executive directors:

- Mr. Li Qinyi
- Mr. Chow Yeung Tuen, Richard
(appointed on 19 April 2010)

採購額：

- 最大供應商 61%
- 五大供應商共佔 99%

本集團首五名客戶中包括一間關聯公司AVT International Limited，此公司亦為本集團首五名供應商之一。AVT International Limited由李秉光先生控制，而李先生為本公司董事盧元麗女士之配偶。盧元麗女士為AVT International Limited之備任董事。自委任盧女士為本公司董事以來，本公司已向AVT International Limited進行採購之金額為10,022,000港元。

除AVT International Limited之外，年內各董事、彼等之聯繫人士或就董事會所知擁有本公司已發行股本5%以上之任何股東，概無擁有上述客戶或供應商之任何實益權益。

董事

本年度內及截至本報告日期之本公司董事如下：

執行董事：

- 柯俊翔先生
- 何佩川先生
- 邵偉宏先生
- 胡葉山先生
- 伍世榮先生
(於二零一零年四月十九日委任)
- 盧元麗女士
(於二零一零年四月十九日委任為非執行董事，並於二零一零年七月十七日重新委任為執行董事)

非執行董事：

- 李勤毅先生
- 鄒揚敦先生
(於二零一零年四月十九日委任)

DIRECTORS' REPORT 董事會報告書

Independent non-executive directors:

Mr. Kwok Yam Sheung
Mr. Chan Man Wai, Joman
(appointed on 19 April 2010)
Mr. Chan Siu Kay
(appointed on 19 April 2010)

In accordance with the Company's bye-laws 99, Mr. Ke Jun Xiang, Mr. Ho Pui Tsun, Peter, Mr. Shao Wei Hong, Mr. Hu Yeshan, Mr. Li Qinyi and Mr. Kwok Yam Sheung will retire at the forthcoming annual general meeting and, being eligible, except Mr. Li Qinyi, who has expressed to the Company that he decided not to seek re-election due to his other personal commitments, offer themselves for re-election.

In accordance with the Company's bye-laws 102(B), Ms. Lo Yuen Lai, Mr. Simon Ng, Mr. Chow Yeung Tuen, Richard, Mr. Chan Man Wai, Joman and Mr. Chan Siu Kay will hold office until the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Biographical details of the directors and senior management of the Company are set out on pages 24 to 26.

DIRECTORS' SERVICE CONTRACTS

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

DIRECTORS' INTERESTS IN CONTRACTS

Saved as disclosed in note 33 to the financial statements, no contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party, and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

獨立非執行董事：

郭蔭尚先生
陳文偉先生
(於二零一零年四月十九日委任)
陳紹基先生
(於二零一零年四月十九日委任)

根據本公司之公司細則第99條，柯俊翔先生、何佩川先生、邵偉宏先生、胡葉山先生、李勤毅先生及郭蔭尚先生將於應屆股東週年大會上退任，並合資格(李勤毅先生除外，彼已向本公司表示由於彼之其他個人事務，彼決定不尋求膺選連任)且願意膺選連任。

根據本公司之公司細則第102(B)條，盧元麗女士、伍世榮先生、鄒揚敦先生、陳文偉先生及陳紹基先生之任期將於應屆股東週年大會屆滿，彼等合資格且願意膺選連任。

董事及高級管理層之履歷

本公司董事及高級管理層之履歷載於第24至26頁。

董事之服務合約

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

董事於合約之權益

除財務報表附註33所披露者外，於本年度完結或年內任何時間，本公司或其任何附屬公司概無簽訂與本集團業務有關且本公司董事直接或間接擁有重大權益之任何重大合約。

DIRECTORS' REPORT 董事會報告書

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES

As at 30 June 2010, the interests of the directors and the chief executive of the Company and/or their respective associates in the long or short positions in shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")) as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Part XV of the SFO or the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") under the Listing Rules were as follows:

Long position in the shares of the Company:

Name of director	Number of ordinary shares beneficially held	Nature of interest	Notes	Approximate percentage of total shareholding (%)
董事姓名	實益持有之普通股數目	權益性質	附註	佔總持股量之概約百分比(%)
Mr. Ke Jun Xiang 柯俊翔先生	3,530,000,000	Interest in corporation 擁有法團權益	1	57.17
Ms. Lo Yuen Lai 盧元麗女士	18,358,822	Family interests 家族權益	2	0.30

Notes:

- Mr. Ke Jun Xiang ("Mr. Ke") had a controlling interest in Global Work Management Limited and Trade Honour Limited ("Trade Honour") which held 30,000,000 and 3,500,000,000 ordinary shares of the Company respectively. Accordingly, Mr. Ke was deemed to have interests in 3,530,000,000 ordinary shares of the Company.
- Ms. Lo Yuen Lai and her spouse Mr. Lee Bing Kwong, held 11,196,822 and 7,162,000 ordinary shares of the Company respectively. Accordingly, Ms. Lo was deemed to have interests in 18,358,822 ordinary shares of the Company.

董事及主要行政人員之股份權益

於二零一零年六月三十日，根據香港法例第571章證券及期貨條例（「證券及期貨條例」）第352條本公司須存置之登記冊所記錄，或根據證券及期貨條例第XV部或根據上市規則中《上市公司董事進行證券交易的標準守則》（「標準守則」）之規定須知會本公司及香港聯合交易所有限公司（「聯交所」），本公司董事及主要行政人員及／或彼等各自之聯繫人士於本公司或其任何相聯法團（見證券及期貨條例第XV部之定義）之股份、相關股份及債券中擁有下列好倉或淡倉：

本公司股份好倉：

附註：

- 柯俊翔先生（「柯先生」）於Global Work Management Limited及Trade Honour Limited（「Trade Honour」）中擁有控股權，此等公司分別持有本公司之普通股30,000,000股及3,500,000,000股。因此，柯先生被視作於本公司之3,530,000,000股普通股中擁有權益。
- 盧元麗女士及其配偶李秉光先生分別持有11,196,822股及7,162,000股本公司普通股。因此，盧女士被視為擁有18,358,822股本公司普通股之權益。

DIRECTORS' REPORT 董事會報告書

Ms. Lo Yuen Lai and her spouse Mr. Lee Bing Kwong held 30% and 5% of the ordinary shares of AVT Electronics Limited, the subsidiary of the Company, respectively.

Save as disclosed above, as at 30 June 2010, none of the directors and/or any of their associates had any interests in the shares or deemed interest in the long and short position in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Part XV of the SFO or the Model Code.

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

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

DIRECTORS' INTERESTS IN COMPETING BUSINESS

Ms. Lo Yuen Lai is a reserve director of AVT International Limited, which is solely owned by her spouse, Mr. Lee Bing Kwong. The business of AVT International Limited is involved in distribution of electronic products. Ms. Lo is considered to have interests in business which compete, either directly or indirectly, with the businesses of the Group.

However, the board of directors of the Company comprises eleven members and as a whole is independent of the above individual and the board of directors of AVT International Limited. Further, all the directors are fully aware of, and have been discharging, their fiduciary duty to the Company. Therefore, the Group is capable of carrying on its businesses independently of, and at arm's length from, the said competing business.

盧元麗女士及其配偶李秉光先生分別持有本公司附屬公司AVT Electronics Limited之30%及5%之普通股。

除上文所披露者外，於二零一零年六月三十日，根據證券及期貨條例第352條本公司須置存之登記冊所記錄，或根據證券及期貨條例第XV部或根據標準守則之規定須知會本公司及聯交所，董事及／或彼等之任何聯繫人士概無於本公司或其任何相聯法團（見證券及期貨條例第XV部之定義）之股份中擁有任何權益或被視作於股份、相關股份及債券中擁有好倉及淡倉。

董事及主要行政人員購買股份或債券之權利

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

董事於競爭業務之權益

盧元麗女士為AVT International Limited之備任董事，該公司由盧女士之配偶李秉光先生唯一擁有。AVT International Limited之業務涉及分銷電子產品。盧女士視為於與本集團業務直接或間接構成競爭的業務中擁有權益。

然而，本公司之董事會是由十一名董事組成，而從整體而言董事會是獨立於上述的一名個人以及AVT International Limited之董事會。此外，全體董事均完全留意到並且一直有履行彼等對本公司負有的受信責任。因此，本集團能夠以獨立於上述構成競爭的業務和公平的形式經營本身業務。

DIRECTORS' REPORT 董事會報告書

Save as disclosed above, none of the directors has interests in any businesses which compete or are likely to compete, either directly or indirectly, with the businesses of the Group.

除上文披露者外，概無董事於與本集團業務直接或間接構成或可能構成競爭的任何業務中擁有權益。

SUBSTANTIAL SHAREHOLDERS

As at 30 June 2010, the following persons (other than the directors or the chief executive of the Company) had an interest in the following long position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO.

Long position in the shares of the Company:

主要股東

於二零一零年六月三十日，根據證券及期貨條例第336條本公司須置存之登記冊所記錄，下列人士(本公司董事或主要行政人員除外)於本公司股份或相關股份中擁有下列好倉。

本公司股份好倉：

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

DIRECTORS' REPORT 董事會報告書

Notes:

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

Saved as disclosed above, so far as known to the directors as at 30 June 2010, no other person (other than directors or the chief executive of the Company) had an interest in the long and short position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO.

MANAGEMENT CONTRACTS

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

CONNECTED TRANSACTIONS

Saved as disclosed in note 33 to the financial statements, there are no other transactions which would need to be disclosed as connected transactions in accordance with the requirement of the Listing Rules.

CONVERTIBLE SECURITIES, OPTIONS, WARRANTS OR SIMILAR RIGHTS

The Company had no outstanding convertible securities, options, warrants or other similar rights as at 30 June 2010. There had been no exercise of convertibles securities, options, warrants or similar rights during the year.

附註：

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

除上文所披露者外，於二零一零年六月三十日，就董事所知，根據證券及期貨條例第336條本公司須置存之登記冊所記錄，並無其他人士（本公司董事或主要行政人員除外）於本公司股份或相關股份中擁有好倉及淡倉。

管理合約

年內本公司或其任何附屬公司並無訂立或存在任何有關本公司業務之整體或任何重大部份的管理及行政合約。

關連交易

除財務報表附註33所披露者外，概無其他交易須根據上市規則規定披露為關連交易。

可換股證券、購股權、認股權證或類似權利

本公司於二零一零年六月三十日並無尚未行使之可換股證券、購股權、認股權證或其他類似權利。年內亦無行使可換股證券、購股權、認股權證或類似權利。

DIRECTORS' REPORT 董事會報告書

PURCHASE, SALE OF REDEMPTION OF THE COMPANY'S SECURITIES

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

PRE-EMPTIVE RIGHTS

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

RETIREMENT BENEFITS SCHEME

Details of the Group's retirement benefits scheme are set out in note 15 to the financial statements.

AUDITORS

The financial statements of the Company for the year ended 30 June 2010 were audited by Graham H.Y. Chan & Co. A resolution for the re-appointment of Graham H.Y. Chan & Co. as auditors of the Company until the conclusion of the next annual general meeting is to be proposed at the forthcoming annual general meeting.

On behalf of the Board

Ke Jun Xiang
Chairman

Hong Kong, 2 September 2010

購買、出售或贖回本公司證券

本公司或其任何附屬公司概無於年內購買、出售或贖回任何本公司之上市證券。

優先認購權

本公司之公司細則或百慕達法例均無涉及發行本公司新股份之優先認股權條文。

退休福利計劃

本集團之退休福利計劃詳情載於財務報表附註15。

核數師

本公司截至二零一零年六月三十日止年度之財務報表乃由陳浩賢會計師事務所審核。有關重新委任陳浩賢會計師事務所為本公司核數師直至下屆股東週年大會結束時之決議案將於應屆股東週年大會上提呈。

代表董事會

主席
柯俊翔

香港，二零一零年九月二日

CORPORATE GOVERNANCE REPORT 企業管治報告書

The Board of Directors (the "Board") is committed to maintaining good standard of corporate governance practices at all times and acknowledges that good corporate governance helps the Company safeguard the interests of its shareholders and enhance the performance of the Group.

CORPORATE GOVERNANCE PRACTICES

The Stock Exchange of Hong Kong Limited issued the Code on Corporate Governance Practices ("CG Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited ("Listing Rules"), which became effective for any accounting year commencing on or after 1 January 2005. The Company has applied the principles and made efforts to comply with code provisions of the CG Code for the year ended 30 June 2010, except for certain deviations as explained in the relevant paragraphs in this report.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has also adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules as its own code of conduct regarding securities transactions by the directors of the Company. Having made specific enquiry of the directors, all of them confirmed that they had complied with the Model Code throughout the year.

BOARD OF DIRECTORS

The Board is responsible for leadership and control of the Company. The Board reviews and approves the objectives, strategies, directions and policies of the Group, the annual budget, annual and interim results, the management structure of the Company as well as other significant policy and financial matters. The Board has delegated the responsibility of the day-to-day operations of the Group to the management of the Company.

董事會(「董事會」)致力確保本公司一直維持優良的企業管治常規，認同優良的企業管治有助本公司保障股東權益，並可提升本集團之表現。

企業管治常規

香港聯合交易所有限公司頒佈了載列於香港聯合交易所有限公司證券上市規則(「上市規則」)附錄十四所載之企業管治常規守則(「企業管治守則」)，企業管治守則乃於二零零五年一月一日或其後開始之會計年度生效。於截至二零一零年六月三十日止年度，本公司已應用企業管治守則之原則並且致力遵守企業管治守則之守則條文，惟下文所說明之若干偏離行為除外。

董事的證券交易

本公司亦已採納上市規則附錄十所載之上市發行人董事進行證券交易的標準守則(「標準守則」)，作為本公司董事進行證券交易之行為守則。經向本公司全體董事進行特定查詢後，彼等均確認於年內已遵守標準守則。

董事會

董事會負責領導及監控本公司。董事會審閱及批核本集團之業務目標、策略、方向及政策、本公司之年度預算、全年及中期業績、管理層架構，以及其他重大政策及財務事宜。董事會已委任本公司管理層負責本集團之日常營運。

CORPORATE GOVERNANCE REPORT 企業管治報告書

During the year, the Company had eleven directors and eleven full board meetings were held. The attendance of each director is set out as follows:

年內，本公司有十一名董事並舉行了十一次全體董事成員會議。各董事之出席率如下：

Executive directors	Number of attendance	執行董事	出席次數
Mr. Ke Jun Xiang (<i>Chairman</i>)	11/11	柯俊翔先生 (<i>主席</i>)	11/11
Mr. Ho Pui Tsun, Peter (<i>Deputy Chairman</i>)	0/11	何佩川先生 (<i>副主席</i>)	0/11
Mr. Shao Wei Hong	11/11	邵偉宏先生	11/11
Mr. Hu Yeshan	2/11	胡葉山先生	2/11
Mr. Simon Ng (appointed on 19 April 2010)	2/11	伍世榮先生 (於二零一零年四月十九日委任)	2/11
Ms. Lo Yuen Lai (appointed on 19 April 2010 as non-executive director and re-appointed on 17 July 2010 as executive director)	2/11	盧元麗女士 (於二零一零年四月十九日委任為非執行董事，並於二零一零年七月十七日重新委任為執行董事)	2/11
Non-executive directors		非執行董事	
Mr. Li Qinyi	0/11	李勤毅先生	0/11
Mr. Chow Yeung Tuen, Richard (appointed on 19 April 2010)	2/11	鄒揚敦先生 (於二零一零年四月十九日委任)	2/11
Independent non-executive directors		獨立非執行董事	
Mr. Kwok Yam Sheung	2/11	郭蔭尚先生	2/11
Mr. Chan Man Wai, Joman (appointed on 19 April 2010)	2/11	陳文偉先生 (於二零一零年四月十九日委任)	2/11
Mr. Chan Siu Kay (appointed on 19 April 2010)	2/11	陳紹基先生 (於二零一零年四月十九日委任)	2/11

The Company considers all the independent non-executive directors to be independent in accordance with the independence guidelines set out in the Listing Rules.

根據上市規則之獨立身份指引，本公司認為全體獨立非執行董事均為獨立人士。

CG Code provision A.1.3 stipulates that notice of at least 14 days should be given of a regular board meeting to give all directors an opportunity to attend. In relation to this provision, some board meetings were convened by short notice of less than 14 days during the year.

企業管治守則條文A.1.3訂明，召開董事會定期會議應發出至少十四天通知，以讓所有董事皆有機會騰空出席。就此項條文而言，年內部份董事會會議之通知期少於十四天。

CORPORATE GOVERNANCE REPORT 企業管治報告書

Under CG Code provision A.4.2, every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. All directors of the Company are subject to retirement and re-election at the annual general meeting in accordance with the Company's Bye-Law.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Under CG Code provision A.2.1, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual and the division of responsibilities between the chairman and the chief executive officer should be clearly established and set out in writing.

The Company during the year and up to present does not have any officer assuming the position of chief executive officer. Mr. Ke Jun Xiang is now performing both roles as the chairman and the chief executive officer. Taking into consideration the nature and extent of the Group's operation, the board will continue to review the management structure and may consider appointing a chief executive officer in the future if the need arises.

NON-EXECUTIVE DIRECTORS

Under CG Code provision A.3.2, the Company should appoint independent non-executive directors representing at least one-third of the board. From May 2008 onwards, there was six directors in the Board and only one of them was independent non-executive director. The situation has improved since 19 April 2010 when five new directors were appointed and two of them are independent non-executive directors. Currently, the Company has requisite number of non-executive directors in the Board and is now able to comply with the requirement of rule 3.10 of the Listing Rules, which requires the board of directors of every listed company must include at least three independent non-executive directors.

Under CG Code provision A.4.1, the non-executive directors should be appointed for a specific term, subject to re-election. Non-executive directors of the Company are not appointed for a specific term but are subject to retirement and re-election at the annual general meeting in accordance with the Company's Bye-Law.

根據企業管治守則條文A.4.2，每名董事（包括有指定任期的董事）應輪流退任，至少每三年一次。本公司各董事均須根據本公司之公司細則於股東週年大會上退任及重選。

主席及行政總裁

根據企業管治守則條文A.2.1，主席與行政總裁的角色應有區分，並不應由一人同時兼任。主席與行政總裁之間職責的分工應清楚界定並以書面列載。

本公司於年內及直至目前為止並無任何人員擔任行政總裁之職務。柯俊翔先生目前正擔任主席與行政總裁兩種角色。董事會將考慮本集團業務之性質及範圍而繼續檢討管理層之架構，並會於需要時考慮委任行政總裁。

非執行董事

根據企業管治守則條文A.3.2，本公司應委任之獨立非執行董事數目須至少為董事會成員總數的三分之一。自二零零八年五月以來，董事會有六名董事而當中僅得一名獨立非執行董事。其後，本公司於二零一零年四月十九日委任五名新董事（當中兩名為獨立非執行董事），情況自此起有所改善。本公司董事會目前已具備足夠數目的非執行董事，現時能夠符合上市規則第3.10條有關每間上市公司之董事會須最少有三名獨立非執行董事之規定。

根據企業管治守則條文A.4.1，非執行董事應以特定任期委任，並須重選連任。本公司之非執行董事並非以特定任期委任，惟須根據本公司之公司細則在股東週年大會上退任及膺選連任。

CORPORATE GOVERNANCE REPORT 企業管治報告書

NOMINATION OF DIRECTORS

Currently, the Company does not have a nomination committee. The directors are responsible for selecting and recommending candidates for directorship, identifying individuals suitably qualified in terms of skill, knowledge and experience and making recommendation to the Board for approval.

REMUNERATION COMMITTEE

Under CG Code provisions B.1.1 to B.1.5, remuneration committee has to be set up by the Company. Despite terms of references have been adopted, the Company has not established a remuneration committee due to insufficient number of independent non-executive directors before April 2010 as explained in the foregoing paragraphs. However, the constitution of which will be finalized in the near future as requisite number of independent non-executive directors has been appointed.

The major roles and functions of the upcoming Remuneration Committee are as follows:

1. to make recommendations to the Board on the Company's policy and structure for all remuneration of directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration; and
2. to review and approve performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time.

AUDITORS' REMUNERATION

The remuneration paid to the auditors of the Company, Graham H.Y. Chan & Co., for statutory audit services rendered to the Group, is HK\$650,000.

They also provided non-audit services to the Group, which were considered as insignificant assignments.

提名董事

本公司目前並無提名委員會。董事負責篩選及推薦董事候選人，物色具備適合擔任董事會成員所需之技能、知識及經驗之人士，並向董事會推薦以供董事會批准。

薪酬委員會

根據企業管治守則條文B.1.1至B.1.5，本公司須成立薪酬委員會。雖然本公司已採納相關職權範圍，惟因上文所述本公司於二零一零年四月前未有足夠獨立非執行董事，本公司並未成立薪酬委員會。然而，隨著本公司已委任足夠數目的獨立非執行董事，本公司將於不久將來審定薪酬委員會之章程文件。

即將成立之薪酬委員會之主要職責及職能如下：

1. 就本公司董事及高級管理層之全體薪酬政策及架構，以及就設立正規而具透明度的程序制定此等薪酬政策，向董事會提出建議；及
2. 透過參照董事會不時通過的公司目標及宗旨，檢討及批准績效薪酬。

核數師之酬金

就本公司核數師陳浩賢會計師事務所向本集團提供之法定核數服務而向其支付之酬金為650,000港元。

彼亦為本集團提供非核數服務，而該等服務並非重要事務。

CORPORATE GOVERNANCE REPORT 企業管治報告書

AUDIT COMMITTEE

The major roles and functions of the Company's Audit Committee are:

1. to make recommendation to the Board on the appointment, re-appointment and removal of the auditors, to approve their remuneration and terms of engagement, and any questions of regarding their resignation or dismissal;
2. to discuss with the auditors before the audit commences, the nature and scope of the audit;
3. to review the interim and annual financial statements before submission to the Board;
4. to discuss problems and reservations arising from the interim results and final audit, and any matters the auditors may wish to discuss; and
5. to review the Group's financial and accounting policies and practices.

Without adequate number of independent non-executive director being appointed during most of the year, the Audit Committee comprised only one independent non-executive director of the Company and no formal meeting was held.

Following the appointment of two new independent non-executive directors since April 2010, the Audit Committee is now in full team and all members possess the appropriate professional qualification and related financial management expertise as required under the Listing Rules. The first meeting of the newly restructured Audit Committee was held on 31 August 2010 to review with the management the accounting principles and practices adopted by the Group and discuss internal controls and financial reporting matters including a review of the Group's draft consolidated financial statements for the year ended 30 June 2010.

審核委員會

本公司審核委員會之主要職責及職能如下：

1. 就核數師之委聘、續聘及撤職事宜，批核核數師之酬金及聘任條款，以及有關核數師辭任或罷免之任何問題向董事會作出推薦意見；
2. 於審核開始前與核數師商討審核之性質及範疇；
3. 於向董事會提交中期及全年財務報表前審閱中期及全年財務報表；
4. 討論中期業績及全年審核工作產生之問題和保留意見，以及核數師有意商談之任何事項；及
5. 審閱本集團之財務及會計政策與慣例。

由於在本年度之大部份時間內沒有足夠數目之獨立非執行董事獲委任，審核委員會僅由一位本公司獨立非執行董事組成而並無舉行正式會議。

於二零一零年四月以來委任兩名新獨立非執行董事後，審核委員會現已組成完整的團隊，而全部成員均具備上市規則要求擁有適當的專業資格和有關金融管理專業知識。經重整的新審核委員會已於二零一零年八月三十一日舉行首次會議，以與管理層檢討本集團採納之會計原則及慣例，以及討論內部監控及財務報告事宜，包括審閱本集團截至二零一零年六月三十日止年度之綜合財務報表的草擬本。

CORPORATE GOVERNANCE REPORT 企業管治報告書

INTERNAL CONTROL

The Company has commissioned ongoing review on the Group's internal control system and operational procedures by reference to the standards set out in the guide entitled "Internal Control and Risk Management – a Basic Framework" published by the Hong Kong Institute of Certified Public Accountants in 2005.

Where issues are identified in the course of review, the Company has sought to, and will continue to seek to, implement remedial measures so as to ensure that systems are, or will promptly be put, in place to enable the Company to have better internal control, and hence ability to ensure compliance of its financial reporting and other obligations.

The Company has completed written manuals for the disclosure of information, internal control and the delineation of responsibilities of the Board and board committees. In addition, it is also working on reviewing the documentation of the internal control procedures relating to the Group's business operations.

DIRECTORS' RESPONSIBILITY FOR PREPARING FINANCIAL STATEMENTS

The Board is responsible for presenting a balanced, clear and understandable assessment of annual and interim reports, price-sensitive announcements and other financial disclosures required under the Listing Rules and other regulatory requirements.

The directors acknowledge their responsibility for preparing the financial statements of the Company for the year ended 30 June 2010.

AUDITORS' REPORTING RESPONSIBILITIES

The statement of the auditors of the Company about their responsibilities on the financial statements is set out under the section headed "Independent Auditor's Report" of this annual report.

內部監控

本公司參考香港會計師公會於二零零五年發出名為「內部監控及風險管理－基本框架」之指引所載之準則而對本集團之內部監控制度及營運程序進行持續檢討。

就檢討時發現之任何問題，本公司已經並將繼續補救，確保實行或適時實行適用制度，確保本公司有更佳內部監控以及有能力確保遵守財務報告及其他責任。

本公司已就披露資料、內部監控及董事會與董事委員會之職責分工制訂書面指引。此外，本公司亦正就本集團之業務運作編製內部監控程序之文件。

董事對編製財務報表之責任

董事會須負責就年度及中期報告、股價敏感資料的公佈及其他根據上市規則及其他監管規定須作出之財務披露呈報不偏不倚、清晰及可理解之評估。

董事確認彼等有編製本公司截至二零一零年六月三十日止年度之財務報表的責任。

核數師之申報責任

本公司核數師就財務報表之責任聲明載於本年報之「獨立核數師報告書」內。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷

EXECUTIVE DIRECTORS

KE Jun Xiang, aged 47, joined the Company in August 1999 and is the Executive Director and Chairman of the Company. Mr. Ke graduated from Zhongshan University specializing in Business Management. He joined China Huitong Group of Companies as the person-in-charge of the Guangzhou Office. He was appointed as the Legal Representative and General Manager of the Guangdong Company of China Huitong Group of Companies since 1992.

HO Pui Tsun, Peter, aged 54, joined the Company in August 1996 as an Executive Director and is the Deputy Chairman of the Group. He graduated from the University of Toronto with a Bachelor Degree in Applied Science, and he has extensive experience in the construction industry in Hong Kong and the PRC.

SHAO Wei Hong, aged 50, joined the Company in January 2001 as an Executive Director. Mr. Shao graduated from Liaoning Industrial University, majoring in Corporate Management. Mr. Shao is the Deputy General Manager of China International Science Investment Trust Company. From March 1987 to September 1992, Mr. Shao was the Deputy Manager of Liaoning Province Anshan Wah Lai Technology Development Company. From February 1985 to February 1987, he was the Deputy Manager of Liaoning Province Anshan Electronics Company. Mr. Shao has many years of experience in electronics technology and financial trust business in the PRC.

HU Yeshan, aged 46, joined the Company in February 2001 as an Executive Director. He is the Deputy General Manager of a well-established property investment group in Guangzhou. Mr. Hu has many years of working experience in the property market and an extensive business connection in the PRC.

LO Yuen Lai, aged 55, is a director of AVT Electronics Limited, a subsidiary of the Company. She was appointed on 19 April 2010 as a Non-Executive Director and re-

執行董事

柯俊翔，現年47歲，於一九九九年八月加入本公司，現擔任本公司之執行董事及主席。柯先生畢業於中山大學，主修商業管理，曾在中國惠通集團之廣州辦事處任職主管，並於一九九二年被委任為中國惠通旗下的廣東惠通實業公司之法人代表及總經理。

何佩川，現年54歲，於一九九六年八月加入本公司，現擔任本集團之執行董事及副主席。彼畢業於多倫多大學，獲應用科學學士銜，在香港及中國之建築業界均累積豐富經驗。

邵偉宏，現年50歲，於二零零一年一月加入本公司為執行董事。邵先生畢業於遼寧工業大學，主修企業管理。彼現時亦兼任中國國際科技信託投資公司大連公司之副總經理，於一九八七年三月至一九九二年九月曾任職遼寧省鞍山華黎技術科技發展公司之副總經理，於一九八五年二月至一九八七年二月出任遼寧省鞍山電子工業貿易公司副經理一職。邵先生在中國電子科技及財務信託業擁有多多年經驗。

胡葉山，現年46歲，於二零零一年二月加入本公司為執行董事，現時亦兼任廣州一家有規模之物業投資公司之副總經理。胡先生擁有多多年物業市場經驗，於中國人脈甚廣。

盧元麗，現年55歲，為本公司附屬公司AVT Electronics Limited之董事。彼於二零一零年四月十九日獲委任為非執行董事，並於二零一零

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷

appointed on 17 July 2010 as an Executive Director and Deputy Chairman of the Company. She has over 30 years of experience in Hong Kong & mainland China trade business and also has over 20 years of experience in property investment in Hong Kong & mainland China. Ms. Lo is the spouse of Mr. Lee Bing Kwong, who is a minority shareholder of AVT Electronics Limited.

Simon NG, aged 37, joined the Company on 19 April 2010 as an Executive Director. He has over 12 years of experience in corporate finance, capital markets and principal investments in Hong Kong, Taiwan, The People's Republic of China and Korea. Mr. Ng has been specializing in merger and acquisition and takeover. He is currently registered as a responsible officer in corporate finance advisory with the Securities and Futures Commission of Hong Kong. He holds a Bachelor of Arts Degree in Honors Economics from Wilfred Laurier University and a Master of Economics Degree from the University of Hong Kong.

NON-EXECUTIVE DIRECTORS

LI Qinyi, aged 56, joined the Company in May 1998 and is the Non-Executive Director of the Company. Mr. Li is a senior economist in the PRC. He obtained his doctorate degree in Beijing Economic University. He had been an analyst of Ministry of Construction National Economic Reform Committee and an officer of Ministry of Construction Materials Industry. Mr. Li joined China National Real Estate Development Group in 1988, and was appointed the Deputy General Manager of China National Real Estate Development Group Corporation in June 1992. Besides, Mr. Li is also the Vice President of China National Real Estate Development Group.

CHOW Yeung Tuen, Richard, aged 53, joined the Company on 19 April 2010 as a Non-Executive Director. Mr. Chow is a Certified Public Accountant with over 25 years of experience in accounting, auditing and taxation. Mr. Chow is also a Barrister of England and Wales. He is a fellow member of the Association of Chartered Certified Accountants, the Hong Kong Institute of Certified Public Accountants, the Hong Kong Institute of Chartered Secretaries and the Taxation Institute of Hong Kong. He also holds a Master Degree in Business Administration from the University of East Asia, Macau.

年七月十七日獲重新委任為本公司執行董事及副主席。彼擁有於香港及中國大陸運營貿易業務逾30年經驗，且彼於香港及中國大陸之物業投資方面有逾20年經驗。盧女士為AVT Electronics Limited之少數股東李秉光先生的配偶。

伍世榮，現年37歲，於二零一零年四月十九日加入本公司為執行董事。彼在香港、台灣、中華人民共和國及韓國於機構融資、資本市場及資本投資方面擁有逾12年經驗。伍先生一直專業從事合併及收購，彼於香港證券及期貨事務監察委員會註冊登記為機構融資顧問方面之負責人員。彼持有Wilfred Laurier University榮譽經濟學文學士學位，以及香港大學經濟學碩士學位。

非執行董事

李勤毅，現年56歲，於一九九八年五月加入本公司，現擔任本公司非執行董事。李先生是中國高級經濟師，獲北京經濟學院涉外經濟管理專業研究生畢業，曾任國家經濟體制改革委員會研究員、建設部辦公廳官員。一九八八年加入中國房地產開發集團公司，並於一九九二年六月獲委任為該集團副總經理。除此之外，李先生也是中國房地產開發集團副總裁。

鄒揚敦，現年53歲，於二零一零年四月十九日加入本公司為非執行董事。鄒先生為香港執業會計師，擁有超過二十五年之會計、核數及稅務工作經驗。鄒先生亦為英格蘭及威爾斯之大律師。彼為特許公認會計師公會、香港會計師公會、香港特許秘書公會及香港稅務學會資深會員。彼亦持有澳門東亞大學工商管理碩士學位。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS

KWOK Yam Sheung, aged 63, joined the Company in September 2004 as an Independent Non-executive Director. Mr. Kwok is a corporate secretary. He is a fellow member of the Institute of Chartered Secretaries & Administrators and the Hong Kong Institute of Company Secretaries. He has worked for a number of public listed companies as company secretary and also has extensive experience in the property industry.

CHAN Man Wai, Joman, aged 44, joined the Company on 19 April 2010 as an Independent Non-Executive Director. He has over 20 years of experience in property redevelopment in Hong Kong and is currently holding an Estate Agents Licence granted by the Estate Agents Authority of Hong Kong for about 10 years. Mr. Chan was also the holder of a Money Lending Licence in Hong Kong for the years from 1997 to 2003 and responsible for the operation of a financial institution in Hong Kong.

CHAN Siu Kay, age 50, joined the Company on 19 April 2010 as an Independent Non-Executive Director. Mr. Chan holds a master's degree in Business Administration from the University of Strathclyde, Britain and a master's degree in Corporate Finance from the Hong Kong Polytechnic University. He is a fellow member of the Association of Chartered Certified Accountants and a Certified Public Accountant of The Hong Kong Institute of Certified Public Accountants. He is also an associate member of The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries and Administrators. He has over 26 years in audit, accounting, taxation, corporate finance and IPO in an international audit firm and listed companies.

COMPANY SECRETARY

CHIU King Hoi, Anthony, aged 50, joined the Company in October 1997. He is also the Financial Controller of the Company. Mr. Chiu holds a Bachelor Degree of Commerce in Accounting and a Master Degree of Business in Electronic Commerce. He is a fellow member of CPA Australia and a member of the Hong Kong Institute of Certified Public Accountants. Mr. Chiu has over 20 years of work experience in auditing and accounting. Prior to joining the Company, he had held senior financial positions in various listed companies in Hong Kong.

獨立非執行董事

郭蔭尚，現年63歲，於二零零四年九月加入本公司，擔任獨立非執行董事。郭先生現職為公司秘書。彼為英國特許秘書及行政人員公會及香港公司秘書公會之資深會員，並曾於多間上市公司出任公司秘書一職，於物業市場亦擁有豐富的經驗。

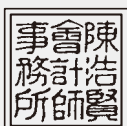
陳文偉，現年44歲，於二零一零年四月十九日加入本公司為獨立非執行董事。彼於香港物業投資方面擁有逾20年經驗，且已獲得由香港地產代理監管局授予以地產代理牌照約10年。陳先生亦為香港放債人牌照持有人，於一九九七年至二零零三年負責香港一間融資機構之營運。

陳紹基，現年50歲，於二零一零年四月十九日加入本公司為獨立非執行董事。陳先生持有英國斯特拉斯克萊德大學工商管理碩士學位，及香港理工大學企業融資財務碩士學位。彼為英國特許公認會計師公會資深會員，及香港會計師公會會員，彼並為香港特許秘書公會會員及英國特許秘書及行政人員公會會員。彼曾在一家國際會計師事務所及多家上市公司於審計、會計、稅務、企業融資及安排公司上市集資累積超過二十六年經驗。

公司秘書

趙景開，現年50歲，於一九九七年十月加入本公司。彼亦為本公司之財務總監。趙先生持有會計學士學位及電子商貿碩士學位。彼為澳洲會計師公會之資深會員及香港會計師公會之會員。趙先生於審核及會計方面工作逾20年。於加入本公司前，彼曾於香港多間上市公司出任高級財務人員職位。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告書

**GRAHAM H.Y. CHAN & CO.**

CERTIFIED PUBLIC ACCOUNTANTS
HONG KONG

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

We have audited the consolidated financial statements of CIL Holdings Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 30 to 111, which comprise the consolidated and Company statements of financial position as at 30 June 2010, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

**DIRECTORS' RESPONSIBILITY FOR THE
FINANCIAL STATEMENTS**

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

**致華建控股有限公司股東之
獨立核數師報告書**
(於百慕達註冊成立之有限公司)

本核數師(以下簡稱「我們」)已審核第30頁至第111頁所載華建控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表。此綜合財務報表包括於二零一零年六月三十日之綜合及貴公司財務狀況表、以及截至該日止年度之綜合全面收益表、綜合權益變動表和綜合現金流量表,以及主要會計政策概要及其他解釋附註。

董事於財務報表之責任

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

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告書

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and true and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

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

核數師之責任

本核數師之責任乃根據審核之結果，就該等財務報表發表意見，並按百慕達公司法第90條之規定僅向股東(作為個體)報告，除此之外，本報告不作其他用途。我們毋須就本報告之內容向任何其他人士負責或承擔責任。

我們已根據香港會計師公會頒佈之香港核數準則審核。這些準則要求我們遵守道德規範，並規劃及執行審核，以合理確定此等財務報表是否不存在任何重大錯誤陳述。

審核涉及執程序，以獲取有關財務報表所載金額及披露資料之審核憑證。所選定之程序乃取決於核數師之判斷，包括財務報表有否因欺詐或錯誤而導致重大錯誤陳述之風險評估。在評估該等風險時，核數師會考慮與該公司編製及真實而公平地列報財務報表相關之內部監控，以設計適當之審核程序，但並非為對該公司之內部監控之效能發表意見。審核亦包括評估董事所採用之會計政策是否合適及所作出之會計估計是否合理，以及評估財務報表之整體列報方式。

我們相信，我們所獲得之審核憑證已充足和適當地為我們之審核意見提供基礎。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告書

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 30 June 2010 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

EMPHASIS OF MATTER

Without qualifying our opinion we draw your attention to Note 2 to the financial statements concerning the adoption of going concern basis on which the financial statements have been prepared. As further explained in the notes, the financial statements of the Group have been prepared on a going concern basis, notwithstanding that the Group reported consolidated net current liabilities and consolidated net liabilities of HK\$109,447,000 and HK\$109,131,000 respectively, and the Company reported net current liabilities and net liabilities of HK\$103,127,000 and HK\$103,107,000 respectively. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the ability of the Group to continue as a going concern. The consolidated financial statements have been prepared on a going concern basis, the validity of which is dependent on the continual financial support from the controlling shareholder in order to finance the Group's future working capital and financial requirements, the successful implementation of a resumption proposal put forward by the Company to the Stock Exchange of Hong Kong Limited, and the Group's ability to obtain new working capital from prospective investors and to generate adequate cash flows for its operation in the foreseeable future. The consolidated financial statements do not include any adjustment that would result from a failure to obtain such financial support and working capital. We consider that adequate disclosures have been made.

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

Hong Kong, 2 September 2010

意見

本核數師認為，綜合財務報表根據香港財務報告準則足以真實及公平地反映 貴公司及 貴集團截至二零一零年六月三十日之財務狀況以及 貴集團截至該日止年度之溢利及現金流量，並已根據香港公司條例之披露規定妥為編製。

強調事項

在不發表保留意見的情況下，我們謹請股東留意財務報表附註2關於按持續經營基準而編製的財務報表。如該等附註進一步解釋，雖然 貴集團錄得綜合流動負債淨額及綜合負債淨額分別為109,447,000港元及109,131,000港元，而 貴公司錄得流動負債淨額及負債淨額分別為103,127,000港元及103,107,000港元， 貴集團之財務報表乃以持續經營基準編製。該等條件顯示存在重大不明朗因素，可能對 貴集團持續經營之能力構成重大疑問。綜合財務報表乃以持續經營基準編製，其有效性取決於控股股東會否持續提供財務支持以讓 貴集團撥付未來營運資金及財務需求、成功落實 貴公司向香港聯合交易所有限公司提呈之復牌方案、 貴集團能否從準投資者取得新營運資金以及於可見將來為營運取得足夠現金流量。綜合財務報表並不包括未能獲得財務支持及營運資金時可能需要作出之調整。我們認為已經作出足夠披露。

陳浩賢會計師事務所
 執業會計師
 香港皇后大道中99號
 中環中心15樓1501室

香港，二零一零年九月二日

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME 綜合全面收益表

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

		Note 附註	2010 二零一零年 HK\$' 000 千港元	2009 二零零九年 HK\$' 000 千港元
Turnover	營業額	6	219,757	111,052
Cost of sales	銷售成本		(209,379)	(103,516)
Gross profit	毛利		10,378	7,536
Other income	其他收入	7	2,700	1,715
Written-back of loan, interest and other payables	撥回貸款、利息及其他應付款項	8	5,554	14,553
Administrative expenses	行政開支		(11,930)	(17,906)
Finance costs	融資成本	9	(5,525)	(2,263)
Profit before taxation	除稅前溢利	10	1,177	3,635
Taxation	稅項	11	-	-
Profit for the year	本年度溢利		1,177	3,635
Total comprehensive income for the year	本年度全面收益總額		1,177	3,635
Total comprehensive income/(loss) attributable to:	以下人士應佔全面收益/(虧損)總額:			
Owners of the Company	本公司擁有人	12	(274)	3,635
Minority interest	少數股東權益		1,451	-
			1,177	3,635
(Loss)/earnings per share	每股(虧損)/盈利	13		
- Basic	- 基本		(0.004) cents仙	0.060 cents仙
- Diluted	- 攤薄		N/A不適用	N/A不適用

Details of dividend payable to Owners of the Company are set out in note 14

應派付予本公司擁有人之股息的詳情載於附註14。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION 綜合財務狀況表

At 30 June 2010 於二零一零年六月三十日

			2010	2009
			二零一零年	二零零九年
			HK\$'000	HK\$'000
			千港元	千港元
			Note	
			附註	
Non-current assets	非流動資產			
Property, plant and equipment	物業、機器及設備	17	316	607
Available-for-sale investment	可供出售投資	19	-	-
			316	607
Current assets	流動資產			
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		1,220	7,268
Inventories	存貨	20	15,664	6,941
Trade receivables	應收貿易賬款	21	27,886	14,919
Fixed deposits - pledged	定期存款－已抵押	22	1,312	1,693
Bank balances and cash	銀行結存及現金		24,625	26,227
			70,707	57,048
Current liabilities	流動負債			
Trade and bills payables	應付貿易賬款及票據	23	13,366	20,902
Accruals, deposits received and other payables	應計費用、已收按金及其他應付款項	24	54,444	67,267
Interest payable of borrowings	借貸之應付利息		15,124	12,336
Interest-bearing borrowings	計息借貸	25	70,054	36,656
Due to related parties	應付關聯方款項	27	19,578	13,776
Due to directors	應付董事款項	28	7,588	17,026
			180,154	167,963
Net current liabilities	流動負債淨額		(109,447)	(110,915)
Total assets less current liabilities	總資產減流動負債		(109,131)	(110,308)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION 綜合財務狀況表

At 30 June 2010 於二零一零年六月三十日

		Note 附註	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Capital and reserves	資本及儲備			
Issued capital	已發行股本	29	61,749	61,749
Reserves	儲備		(172,331)	(172,057)
			(110,582)	(110,308)
Minority interests	少數股東權益		1,451	-
			(109,131)	(110,308)

The financial statements on pages 30 to 111 were approved and authorised for issue by the board of directors on 2 September 2010 and are signed on its behalf by:

第30至111頁之財務報表已經董事會於二零一零年九月二日批准及授權刊發，並由下列代表簽署：

On behalf of the board

代表董事會

Ke Jun Xiang
柯俊翔
Director
董事

Shao Wei Hong
邵偉宏
Director
董事

STATEMENT OF FINANCIAL POSITION 財務狀況表

At 30 June 2010 於二零一零年六月三十日

		Note	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
		附註		
Non-current assets	非流動資產			
Investments in subsidiaries	於附屬公司之投資	18	20	20
Available-for-sale investment	可供出售投資	19	-	-
			20	20
Current assets	流動資產			
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		1,005	47
Amount due from a subsidiary	應收一間附屬公司	18	19	7
Bank balances and cash	銀行結存及現金		24,398	24,496
			25,422	24,550
Current liabilities	流動負債			
Accruals, deposits received, interest and other payables	應計費用、已收按金、利息及其他應付款項	24	68,750	78,582
Interest-bearing borrowings	計息借貸	25	52,619	29,618
Due to subsidiaries	應付附屬公司款項	18	262	207
Due to related parties	應付關聯方款項	27	1,952	1,952
Due to directors	應付董事款項	28	4,966	14,358
			128,549	124,717
Net current liabilities	流動負債淨額		(103,127)	(100,167)
Net liabilities	負債淨額		(103,107)	(100,147)
Capital and reserves	資本及儲備			
Issued capital	已發行股本	29	61,749	61,749
Reserves	儲備	30	(164,856)	(161,896)
			(103,107)	(100,147)

Ke Jun Xiang
柯俊翔
Director
董事

Shao Wei Hong
邵偉宏
Director
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 綜合權益變動表

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

		Attributable to owners of the Company 本公司擁有人應佔					Minority	
		Issued capital 已發行股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Capital reserve 資本儲備 HK\$'000 千港元	Accumulated losses 累積虧損 HK\$'000 千港元	Total 合計 HK\$'000 千港元	Interests 少數股東權益 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 July 2008	於二零零八年七月一日	61,749	293,907	(100)	(469,499)	(113,943)	-	(113,943)
Total comprehensive income for the year	年內全面收益總額	-	-	-	3,635	3,635	-	3,635
At 30 June 2009 and 1 July 2009	於二零零九年六月三十日 及二零零九年七月一日	61,749	293,907	(100)	(465,864)	(110,308)	-	(110,308)
Total comprehensive income/(loss) for the year	年內全面收益/(虧損) 總額	-	-	-	(274)	(274)	1,451	1,177
At 30 June 2010	於二零一零年六月三十日	61,749	293,907	(100)	(466,138)	(110,582)	1,451	(109,131)

CONSOLIDATED STATEMENT OF CASH FLOWS 綜合現金流量表

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

	Note	2010	2009
	附註	二零一零年	二零零九年
		HK\$'000	HK\$'000
		千港元	千港元
Profit before taxation	除稅前溢利	1,177	3,635
Adjustments for:	就下列各項作出調整：		
Interest income	利息收入	(48)	(157)
Finance costs	融資成本	5,525	2,263
Depreciation	折舊	332	347
Written-back of loan, interest and other payables	撥回貸款、利息及其他應付款項	(5,554)	(14,553)
Provision for professional fee	就專業費用計提撥備	-	200
Loss on disposal of property, plant and equipment	處置物業、機器及設備之虧損	5	-
Operating income/(loss) before working capital changes	營運資金變動前之經營收入/(虧損)	1,437	(8,265)
(Increase)/decrease in trade receivables	應收貿易賬款(增加)/減少	(12,967)	3,449
Decrease in prepayments, deposits and other receivables	預付款項、按金及其他應收款項減少	6,048	1,563
(Increase)/decrease in inventories	存貨(增加)/減少	(8,723)	6,731
Decrease in trade and bills payables, accruals, other payables and deposits received	應付貿易賬款及票據、應計費用、其他應付款項及已收按金減少	(14,805)	(6,872)
Decrease in due to directors	應付董事款項減少	(9,438)	(177)
Increase in due to related parties	應付關聯方款項增加	5,802	4,023
Cash (used in)/generated from operations	經營(所用)/所得現金	(32,646)	452
Interest paid	已付利息	(2,737)	(462)
Net cash used in operating activities	經營業務所用現金淨額	(35,383)	(10)

CONSOLIDATED STATEMENT OF CASH FLOWS 綜合現金流量表

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

	Note 附註	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Cash flows from investing activities	投資業務所得現金流量		
Purchase of property, plant and equipment	購買物業、機器及設備	(46)	(18)
Decrease/(increase) in fixed deposits	定期存款減少/(增加)	381	(1,693)
Interest income	利息收入	48	157
Net cash from/(used in) investing activities	投資業務所得/(所用)現金淨額	383	(1,554)
Cash flows from financing activities	融資活動所得現金流量		
Increase/(decrease) in factoring loan	讓售貸款增加/(減少)	3,999	(3,353)
New loans raised	新借貸款	30,752	5,710
Repayment of loan	貸款還款	(1,355)	-
Net cash from financing activities	融資所得現金淨額	33,396	2,357
Net (decrease)/increase in cash and cash equivalents	現金及現金等值項目(減少)/增加淨額	(1,604)	793
Cash and cash equivalents at 1 July	於七月一日之現金及現金等值項目	26,227	25,434
Cash and cash equivalents at 30 June	於六月三十日之現金及現金等值項目	24,623	26,227
Represented by:	即:		
Bank balances and cash	銀行結存及現金	24,625	26,227
Bank overdraft (note 25)	銀行透支(附註25)	(2)	-
		24,623	26,227

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

1. CORPORATE INFORMATION

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

The address of its registered office and principal place of business of the Company are disclosed in the "Corporate Information" section of the annual report.

The consolidated financial statements are presented in Hong Kong dollars, which is also the functional currency of the Company.

The principal activity of the Company is investment holding. The principal activities of the Company's principal subsidiaries are set out in note 36.

2. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1. 公司資料

本公司於百慕達註冊成立為獲豁免有限責任公司，其股份於香港聯合交易所有限公司（「聯交所」）上市。本公司之股份自二零零四年四月一日起暫停買賣。董事認為，Trade Honour Limited（一家於英屬處女群島註冊成立之公司）為本公司之母公司及最終控股公司。

本公司之註冊辦事處及主要營業地點之地址，已於年報「公司資料」一節披露。

綜合財務報表以港元呈列，而港元亦為本公司之功能貨幣。

本公司之主要業務為投資控股。本公司主要附屬公司之主要業務已載於附註36。

2. 主要會計政策

編製綜合財務報表所應用之主要會計政策載列如下。除另有指明外，該等政策已對呈列之所有年度貫徹應用。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of Preparation

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs"), which is a collective term referred to all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations ("Ints") issued by The Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. In addition, the financial statements comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange. The consolidated financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with HKFRSs requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

2. 主要會計政策(續)

2.1 編製基準

本集團之綜合財務報表乃根據香港財務報告準則(「香港財務報告準則」, 此統稱指香港會計師公會(「香港會計師公會」)頒佈之所有適用之個別香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋(「詮釋」)、香港普遍採納之會計原則及香港公司條例之披露規定編製。此外, 財務報表遵守聯交所證券上市規則(「上市規則」)之適用披露規定。綜合財務報表根據歷史成本慣例法編製。

於編製符合香港財務報告準則之財務報表時, 管理層須作出判斷、估計及假設, 有關判斷、估計及假設影響政策應用及資產、負債、收入及開支之申報金額。管理層根據過往經驗, 以及於特定情況彼等認為合理之其他因素作出估計及相關之假設, 所得結果構成管理層就目前未能從其他來源所得之資產及負債之賬面值所作出賬面值判斷之基準。實際數字或會有別於估計數字。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of Preparation (continued)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 3.

In preparing the financial statements, the directors have considered the future liquidity of the Group in view of its net liabilities position as at 30 June 2010. As at that date, the Group and the Company had consolidated net current liabilities of HK\$109,447,000 (2009: HK\$110,915,000) and HK\$103,127,000 (2009: HK\$100,167,000) respectively, and had consolidated net liabilities of HK\$109,131,000 (2009: HK\$110,308,000) and HK\$103,107,000 (2009: HK\$100,147,000) respectively. These conditions indicate the existence of a material uncertainty which may cast significant doubt on Group's ability to continue as a going concern and that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

2. 主要會計政策(續)

2.1 編製基準(續)

本集團按持續基準對估計及相關假設作出檢討。倘會計估計數字之修訂僅會影響修訂估計數字之期間，則有關會計估計數字之修訂將於該期間內確認；倘該項會計估計數字之修訂影響目前及未來期間，則有關會計估計數字之修訂將於修訂期間及未來期間確認。

涉及高度判斷或極為複雜之範疇，或假設與估計對綜合財務報表為重要者，乃於附註3披露。

編製財務報表時，董事已就本集團於二零一零年六月三十日之淨負債水平而考慮本集團之未來流動資金狀況。於該日，本集團及本公司分別有綜合流動負債淨額109,447,000港元(二零零九年：110,915,000港元)及103,127,000港元(二零零九年：100,167,000港元)，並且分別有綜合負債淨額109,131,000港元(二零零九年：110,308,000港元)及103,107,000港元(二零零九年：100,147,000港元)。該等條件顯示存在重大不明朗因素，可能對本集團持續經營之能力構成重大疑問，而其可能因此無法於日常業務範圍內變現其資產及解除其負債。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of Preparation (continued)

Nevertheless, the directors are of the opinion that the Group will be able to finance its future working capital and financial requirements given that the Company has received a written reply on 16 April 2010 (the "Reply") from the Stock Exchange in relation to a resumption proposal put forward by the Company (the "Resumption Proposal") to the Stock Exchange. The Listing Committee of the Stock Exchange decided to allow the Company to proceed with the Resumption Proposal if it fulfills the following conditions to the Stock Exchange's satisfaction within six months from the date of the Reply:

- (a) completion of the fund raising exercise;
- (b) inclusion in the circular to the shareholders of the Company a statement from the directors of the Company confirming working capital sufficiency for 12 months from resumption of trading of the shares of the Company and a comfort letter from the auditors/financial adviser on the directors' statement;
- (c) inclusion in the circular to shareholders in relation to the Resumption Proposal a profit forecast for the year ending 30 June 2011 together with reports from the auditors and financial adviser of the Company under paragraph 29(2) of Appendix 1b of the Listing Rules;
- (d) inclusion in the circular to shareholders in relation to the Resumption Proposal a pro forma balance sheet upon completion of fund raising exercise and a comfort letter from the auditors of the Company under Rule 4.29 of the Listing Rules;

2. 主要會計政策(續)

2.1 編製基準(續)

然而，董事認為本集團將能夠應付未來營運資金及財務需求，原因為本公司於二零一零年四月十六日收到聯交所就本公司提呈之復牌方案(「復牌方案」)所給予之書面回覆(「回覆」)。聯交所上市委員會已經決定批准本公司實行復牌方案，條件為本公司須於回覆日期起計六個月內達成以下條件而聯交所對此感到滿意：

- (a) 完成集資活動；
- (b) 於致本公司股東之通函內，收錄由本公司董事出具之聲明，確認本公司具備充足營運資金以應付本公司股份恢復買賣起計之十二個月所需，以及由核數師／財務顧問就董事之聲明出具信心保證書；
- (c) 於致股東有關復牌方案之通函內，收錄有關截至二零一一年六月三十日止年度之溢利預測以及本公司核數師及財務顧問根據上市規則附錄1b第29(2)段出具之報告；
- (d) 於致股東有關復牌方案之通函內，收錄有關集資活動完成後之備考資產負債表以及本公司核數師根據上市規則4.29條出具之信心保證書；

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of Preparation (continued)

- (e) completion of a follow-up review by an independent professional party on the internal control system to demonstrate that the Company and its subsidiaries have an adequate and effective internal control system;
- (f) appointment of a compliance adviser, acceptable to the Division, under Rule 3A.20 of the Listing Rules. In addition to Rules 3A.21 to 3A.24, the mandate should address concerns on timely financial reporting. The appointment shall end no earlier than the date on which the Company with Rule 13.46 of the Listing Rules for the first full financial year after trading resumption;
- (g) each of the existing directors as at the date of the Reply to attend 24 hours training on Listing Rules compliance and corporate governance matters on courses given by a recognised professional organization satisfactory to the Stock Exchange; and
- (h) the Company should comply with the Listing Rules and all applicable laws and regulations in Hong Kong and its place of incorporation.

The Stock Exchange also indicated they may modify the resumption conditions if there are new developments.

The Company is preparing to implement the Resumption Proposal and to comply with the conditions requested by the Stock Exchange in the Reply in order to proceed to the resumption of the trading of the shares of the Company on the Stock Exchange.

2. 主要會計政策(續)

2.1 編製基準(續)

- (e) 由一名獨立專業人士完成對內部監控制度之跟進檢討，以顯示本公司及其附屬公司具備足夠而有效的內部監控制度；
- (f) 根據上市規則第3A.20條委任上市科所接納之合規顧問。除了第3A.21至3A.24條外，此項任命須回應有關依時進行財務匯報的關注。此項委任之結束日期不可早於本公司就股份恢復買賣後的首個財政年度符合上市規則第13.46條之日期；
- (g) 於回覆日期的每名現任董事出席有關上市規則遵例及企業管治事宜的24小時培訓課程，該課程須由聯交所滿意之認可專業機構提供；及
- (h) 本公司須遵守上市規則以及香港及其註冊成立地點之所有適用法律及規例。

聯交所亦已表明，若出現新進展，彼等可能會修訂復牌條件。

本公司現正準備執行復牌方案並且符合聯交所於回覆中提出的條件，以令到本公司股份得以在聯交所恢復買賣。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of Preparation (continued)

Meanwhile, the Company's controlling shareholder has agreed to provide financial support as is necessary to enable the Group and the Company to meet its liabilities as they fall due. A cash flow forecast prepared by the Group's management for the eighteen months ending 31 December 2011 indicates that the Group will be able to generate adequate cash flow for its operation. Furthermore, subsequent to the end of the reporting period, the Company has settled the debt of HK\$2.6 million, which was due to a director of the Company, Mr. Ke Jun Xiang ("Mr. Ke") in relation to a winding-up petition being served on the Company on 22 June 2010 by Wealth Full Limited, a creditor of Mr. Ke. Details of the winding-up petition are set out in notes 28 and 35.

The ability to obtain new working capital from the investor is dependent on the successful debts restructuring with respective creditors, the trading status of the Company's shares on the Stock Exchange being successfully resumed and the successful in entering into subscription agreement with potential investors.

Accordingly, the directors are of the opinion that it is appropriate to prepare the financial statements for the year ended 30 June 2010 on a going concern basis. Should the Group be unable to continue to operate as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amounts, to provide for further liabilities which might arise and to reclassify non-current assets as current assets. The effect of these adjustments has not been reflected in the financial statements.

2. 主要會計政策(續)

2.1 編製基準(續)

與此同時，本公司控股股東已同意提供所需財務支持，以便本集團及本公司應付到期負債。根據本集團管理層就截至二零一一年十二月三十一日止十八個月編製之現金流量預測所顯示，本集團將可取得足夠現金流量作營運用途。此外，於報告期間結束後，本公司已清償應付予本公司董事柯俊翔先生(「柯先生」)之2,600,000港元債務，有關債務乃關於柯先生之債權人Wealth Full Limited於二零一零年六月二十二日向本公司提出之清盤呈請。該清盤呈請之詳情載於附註28及35。

能否從投資者取得新營運資金，乃取決於能否成功與各債權人重組債項、本公司股份於聯交所之上市地位能否成功恢復，以及能否成功與準投資者訂立認購協議。

因此，董事認為以持續經營基準編製截至二零一零年六月三十日止年度之財務報表為恰當之做法。倘本集團無法持續經營業務，則須作出調整以撇減資產價值至可收回金額，並就可能產生之進一步負債撥備，以及將非流動資產重新分類為流動資產。此等調整之影響並未於財務報表中反映。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Adoption of new and revised Hong Kong Financial Reporting Standards

In the current year, the Group has applied the following new and revised standards, amendments and interpretations ("new and revised HKFRSs") issued by the HKICPA that are or have become effective.

HKFRSs (Amendments)
香港財務報告準則 (修訂本)
HKFRSs (Amendments)

香港財務報告準則 (修訂本)

HKAS 1 (Revised)
香港會計準則第1號 (經修訂)
HKAS 23 (Revised)
香港會計準則第23號 (經修訂)
HKAS 27 (Revised)
香港會計準則第27號 (經修訂)
HKAS 32 & 1 (Amendments)

香港會計準則第32號及香港會計準則第1號 (修訂本)

HKAS 39 (Amendment)
香港會計準則第39號 (修訂本)
HKFRS 1 (Revised)
香港財務報告準則第1號 (經修訂)
HKFRS 1 & HKAS 27 (Amendments)

香港財務報告準則第1號及香港會計準則第27號 (修訂本)

HKFRS 2 (Amendments)
香港財務報告準則第2號 (修訂本)
HKFRS 3 (Revised)
香港財務報告準則第3號 (經修訂)
HKFRS 7 (Amendments)
香港財務報告準則第7號 (修訂本)
HKFRS 8
香港財務報告準則第8號

HK(IFRIC) – Int 15
香港 (國際財務報告詮釋委員會) – 詮釋15
HK(IFRIC) – Int 16
香港 (國際財務報告詮釋委員會) – 詮釋16
HK(IFRIC) – Int 17
香港 (國際財務報告詮釋委員會) – 詮釋17
HK(IFRIC) – Int 18
香港 (國際財務報告詮釋委員會) – 詮釋18

2. 主要會計政策 (續)

2.2 採納新訂及經修訂之香港財務報告準則

於本年度，本集團已採納下列由香港會計師公會頒佈而現正或已經生效之新訂及經修訂之準則、修訂及詮釋 (「新訂及經修訂香港財務報告準則」)。

Improvements to HKFRSs issued in 2008
於二零零八年頒佈之香港財務報告準則之改進
Amendments to HKFRS 2, HKAS 38 and
HK(IFRIC) – Int 9 & 16, as part of Improvements to
HKFRSs issued in 2009

香港財務報告準則第2號、香港會計準則第38號及香港
(國際財務報告詮釋委員會) – 詮釋9及16之修訂，作為於
二零零九年頒佈之香港財務報告準則之改進的一部份

Presentation of Financial Statements
財務報表之呈列

Borrowing Costs
借貸成本

Consolidated and Separate Financial Statements
綜合及獨立財務報表

Puttable Financial Instruments and Obligations
Arising on Liquidation

可沽售金融工具及清盤產生之責任

Eligible Hedged Item
合資格對沖項目

First-time Adoption of HKFRS

首次採納香港財務報告準則

Cost of an Investment in a Subsidiary, Jointly
Controlled Entity or Associate

投資於一間附屬公司、共同控制實體或聯營公司之成本

Vesting Conditions and Cancellations
歸屬條件及註銷

Business Combinations

業務合併

Improving Disclosures about Financial Instruments
改進金融工具之披露

Operating Segments

營運分部

Agreements for the Construction of Real Estate

興建房地產之協議

Hedges of a Net Investment in a Foreign Operation

境外業務投資淨額之對沖

Distribution of Non-cash Assets to Owners

向擁有人分派非現金資產

Transfer of Assets from Customers

獲客戶轉讓資產

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The adoption of the new and revised HKFRSs, except for HKAS 1 (Revised), HKAS 27 (Revised) and HKFRS 8 as described below, had no material effect on the financial statements of the Company for the current or prior accounting periods. Accordingly, no prior period adjustment has been required.

HKAS 1 (Revised) has introduced changes in the presentation and disclosures of financial statements (including changes in the titles of the financial statements). The revised standard separates owner and non-owner changes in equity. The statement of changes in equity will only include details of transactions with owners, with all non-owner changes in equity presented as a single line. In addition, this revised standard has introduced the statement of comprehensive income: it presents all items of income and expense recognised in profit or loss, together with all other items of recognised income and expense recognised directly in equity, either in one single statement, or in two linked statements. The Group has elected to present comprehensive income in one single statement. Comparative information has been re-presented to conform to the new presentation. The revised standard has no impact on the financial position or results of operations of the Group.

2. 主要會計政策(續)

2.2 採納新訂及經修訂之香港財務報告準則(續)

除下文所述之香港會計準則第1號(經修訂)、香港會計準則第27號(經修訂)及香港財務報告準則第8號外,採納新訂及經修訂香港財務報告準則對本公司於目前或以往會計期間之財務報表並無重大影響。因此毋須作出前期調整。

香港會計準則第1號(經修訂)引入有關財務報表列報和披露的變動(包括財務報表的標題變更)。此項經修訂準則分開了擁有人和非擁有人的權益變動。權益變動表將只會包括與擁有人進行交易的詳情,而所有非擁有人權益變動則在權益內於一行列報。此外,此項經修訂準則引入全面收益表,其在單一報表或兩份相關報表內列報所有在損益中確認的收支項目,以及所有其他直接在權益中確認的已確認收支項目。本集團已選擇在單一報表呈列全面收益。比較資料已經重新呈列以符合新的呈報方式。此項經修訂準則對本集團之財務狀況或經營業績並無影響。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

HKAS 27 (Revised) requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is re-measured to fair value, and a gain or loss is recognised in profit or loss. In addition, non-controlling interests must be presented in the consolidated statement of financial position within equity, separately from the equity to owners of the parent. Total comprehensive income must be attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. There have been no transactions whereby an interest in an entity is retained after the loss of control of that entity and no transactions with non-controlling interest. The Group has not restated any profit or loss attribution for reporting periods prior to 1 July 2009 in accordance with the transitional provision set out in HKAS 27 (Revised). Specifically, the adoption of HKAS 27 has resulted in increase in total comprehensive income attributable to minority interest, decrease in total comprehensive income attributable to owners of the Company and increase in accumulated losses attributable to owners of the Company, amounting to HK\$1,451,000 for the year, and increase in loss per share of 0.02 cents for the year.

2. 主要會計政策(續)

2.2 採納新訂及經修訂之香港財務報告準 則(續)

香港會計準則第27號(經修訂)規定,如控股權沒有改變,則與非控股權益進行之所有交易之影響必須在權益中呈列,而該類交易將不再產生商譽或收益及虧損。該項準則同時列明失去控股權時之會計處理方法。於實體之任何剩餘權益須按公平值重新計量,並在損益中確認收益或虧損。此外,非控股權益必須在綜合財務狀況表中於權益內呈列,與母公司擁有人之權益分開。全面收益總額必須歸屬於母公司擁有人及非控股權益,縱然此做法會令到非控股權益錄得虧絀結餘。並無進行失去實體控股權後仍保留實體權益之交易,亦並無與非控股權益之交易。本集團根據香港會計準則第27號(經修訂)所載之過渡條文而並無重列二零零九年七月一日前之報告期間所應佔的任何損益。具體來說,採納香港會計準則第27號(經修訂)令到少數股東權益應佔全面收益總額增加、本公司擁有人應佔全面收益總額減少,以及本公司擁有人應佔累計虧損增加,於本年度所涉及之金額為1,451,000港元,並令到本年度之每股虧損增加0.02港仙。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

HKFRS 8 is a disclosure standard that requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker for the purpose of allocating resources to segments and assessing their performance. In contrast, the predecessor standard (HKAS 14 Segment Reporting) required an entity to identify two sets of segments (business and geographical) using a risks and returns approach. In the past, the Group's primary reporting format was business segments. The application of HKFRS 8 has not resulted in a redesignation of the Group's reportable segments as compared with the primary reportable segments determined in accordance with HKAS 14, nor has the adoption of HKFRS 8 changed the basis of measurement of segment profit or loss.

2. 主要會計政策(續)

2.2 採納新訂及經修訂之香港財務報告準則(續)

香港財務報告準則第8號乃一項披露準則，要求營運分部之劃分應與主要營運決策人為分配資源至各分部及評估其表現而定期審閱之有關本集團組成部分之內部報告一致。相對而言，原準則(香港會計準則第14號「分部報告」)要求實體使用風險及回報法劃分兩種分部(業務及地區)。過往，本集團之主要報告形式為業務分部。與根據香港會計準則第14號釐定之主要須予報告分部比較，採納香港財務報告準則第8號並無導致本集團之須予報告分部予以重整，亦無導致分部溢利或虧損之計量基準有變。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The Group has not early applied the following new and revised Standards, Amendments or Interpretations that have been issued but are not yet effective.

HKFRSs (Amendments)

香港財務報告準則(修訂本)

HKFRSs (Amendments)

香港財務報告準則(修訂本)

HKAS 24 (Revised)

香港會計準則第24號(經修訂)

HKAS 32 (Amendment)

香港會計準則第32號(修訂本)

HKFRS 1 (Amendments)

香港財務報告準則第1號(修訂本)

HKFRS 1 (Amendment)

香港財務報告準則第1號(修訂本)

HKFRS 2 (Amendments)

香港財務報告準則第2號(修訂本)

HKFRS 9

香港財務報告準則第9號

HK (IFRIC) – INT 14 (Amendment)

香港(國際財務報告詮釋委員會)

– 詮釋14(修訂本)

HK (IFRIC) – INT 19

香港(國際財務報告詮釋委員會)

– 詮釋19

¹ Effective for annual periods beginning on or after 1 January 2010.

² Effective for annual periods beginning on or after 1 January 2011.

³ Effective for annual periods beginning on or after 1 February 2010.

⁴ Effective for annual periods beginning on or after 1 July 2010.

⁵ Effective for annual periods beginning on or after 1 January 2013.

2. 主要會計政策(續)

2.3 已頒佈但尚未生效之香港財務報告準則之影響

本集團並無提早應用以下已頒佈但尚未生效之新訂及經修訂準則、修訂或詮釋。

Amendments to HKFRS 5 & 8, and HKAS 1, 7, 17, 18, 36 & 39 as part of Improvements to HKFRSs 2009¹

香港財務報告準則第5及8號，以及香港會計準則第1、7、17、18、36及39號之修訂，作為於二零零九年頒佈之香港財務報告準則之改進之一部份¹

Improvements to HKFRSs 2010²

二零一零年香港財務報告準則之改進²

Related Party Disclosures²

關聯方之披露資料²

Classification of Rights Issues³

供股之分類³

Additional Exemptions for First-time Adopters¹

首次採納者之額外豁免¹

Limited Exemption from Comparative HKFRS 7

Disclosures for First-time Adopters⁴

首次採納者就根據香港財務報告準則第7號提供比較披露資料可獲之有限豁免⁴

Group cash-settled Share-based Payment Transactions¹

集團以現金結算之股份基礎付款交易¹

Financial Instruments⁵

金融工具⁵

Prepayment of a Minimum Funding Requirement²

預付最低撥款規定²

Extinguishing Financial Liabilities with Equity Instrument⁴

以權益工具償還金融負債⁴

¹ 於二零一零年一月一日或之後開始之年度期間生效。

² 於二零一一年一月一日或之後開始之年度期間生效。

³ 於二零一零年二月一日或之後開始之年度期間生效。

⁴ 於二零一零年七月一日或之後開始之年度期間生效。

⁵ 於二零一三年一月一日或之後開始之年度期間生效。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

HKFRS 9 "Financial Instruments" introduces new requirements for the classification and measurement of financial assets and will be effective from 1 January 2013, with earlier application permitted. HKFRS 9 requires all recognised financial assets that are within the scope of HKAS 39 "Financial Instruments: Recognition and Measurement" to be measured at either amortised cost or fair value. Specifically, debt investments that (i) are held within a business model whose objective is to collect the contractual cash flows and (ii) have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost. All other debt investments and equity investments are measured at fair value. The application of HKFRS 9 might affect the classification and measurement of the Group's financial assets.

The directors of the Company anticipate that the application of the other new and revised standards, amendments or interpretations will have no material impact on the results and financial position of the Group.

2. 主要會計政策(續)

2.3 已頒佈但尚未生效之香港財務報告準則之影響(續)

香港財務報告準則第9號「金融工具」引入對金融資產之分類及計量之新規定，將於二零一三年一月一日起生效並可提早應用。香港財務報告準則第9號規定所有符合香港會計準則第39號「金融工具：確認及計量」範疇之已確認金融資產將按攤銷成本或公平值計量。特別是，(i)根據業務模式以收取合約現金流量為目的所持有；及(ii)僅為支付本金額及未償還本金額之利息而產生合約現金流量之債務投資一般按攤銷成本計量。所有其他債務投資及股本投資乃按公平值計量。應用香港財務報告準則第9號或會影響本集團金融資產之分類及計量。

本公司董事預期應用其他新訂及經修訂準則、修訂或詮釋將不會對本集團之業績及財務狀況造成重大影響。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including special purpose entities) controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Minority interests of consolidated subsidiaries are presented in the consolidated statement of financial position within equity, separately from the Group's equity therein.

2. 主要會計政策(續)

2.4 綜合基準

綜合財務報表包括本公司及由本公司控制實體(包括特殊目的實體)(其附屬公司)的財務報表。當本公司有權支配實體的財務及經營政策並從其業務中獲益時,即視為擁有該實體的控制權。

於年內收購或出售的附屬公司業績自收購生效日期起或截至出售生效日期止(視情況而定)在綜合全面收益表入賬。

附屬公司的財務報表於必要時會作出調整,致令所採用的會計政策與本集團其他成員公司所採用者一致。

所有集團內公司間的交易、結餘、收入及開支於綜合賬目時對銷。

於綜合附屬公司的少數股東權益於綜合財務狀況表中的權益呈列,與本集團於當中的權益分開呈列。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 Basis of consolidation (continued)

Total comprehensive income and expense of a subsidiary is attributed to the owners of the Company and to the minority interests even if this results in the minority interests having a deficit balance. Prior to 1 July 2009, losses applicable to the minority interests in excess of the minority interests in the subsidiary's equity were allocated against the interests of the Group except to the extent that the non-controlling interests had a binding obligation and were able to make an additional investment to cover the losses.

Prior to 1 July 2009, increases in interest in existing subsidiaries were treated in the same manner as the acquisition of subsidiaries, with goodwill or a bargain purchase gain being recognised where appropriate. For decrease in interests in subsidiaries regardless of whether the disposals would result in the Group losing control over the subsidiaries, the difference between the consideration received and the carrying amount of the share of net assets disposed of was recognised in profit or loss.

Subsequent to 1 July 2009, changes in the Group's ownership interest in a subsidiary that do not result in the Group losing control over the subsidiary are accounted for as equity transactions. The carrying amounts of the Group's interests and the minority interests are adjusted to reflect the changes in their relative interests in subsidiary. Any difference between the amount by which the minority interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

2. 主要會計政策(續)

2.4 綜合基準(續)

倘若附屬公司的全面收益及開支總額歸屬於本公司的擁有人及少數股東權益會導致少數股東權益產生虧絀餘額，全面收益及開支總額仍然必須歸屬於本公司的擁有人及少數股東權益。於二零零九年七月一日之前，倘少數股東權益所適用的虧損超越於該附屬公司權益中的少數股東權益，除該少數股東權益須承擔約束性責任及有能力支付額外投資以彌補虧損外，否則該虧損餘額應由本集團的權益分配。

於二零零九年七月一日前，於現有附屬公司之權益增加的處理方式與收購附屬公司的處理方式相同－商譽或議價收購收益於適當情況確認。就附屬公司之權益減少而言，不論有關出售會否導致本集團對附屬公司失去控制權，已收代價與應佔所出售資產淨值之賬面值之間的差額乃於損益確認。

於二零零九年七月一日後，本集團於附屬公司擁有權的變動並無導致本集團對附屬公司失去控制權，會作為股本交易入賬。本集團的權益及少數股東權益的賬面值經調整以反映彼等於附屬公司的有關權益變動。少數股東權益的經調整金額與已付或已收代價的公平值間任何差額直接於權益中確認並歸屬於本公司的擁有人。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 Basis of consolidation (continued)

When the Group loses control over a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of fair value of the consideration received and the fair value of any retained interest determined at the date when control is lost and (ii) the previous carrying amount of assets (including goodwill), and liabilities of the subsidiary and any minority interests. Where certain assets of the subsidiary are measured at revalued amounts or fair values and the related cumulative gain or loss has been recognised in other comprehensive income and accumulated in equity, the amounts previously recognised in other comprehensive income and accumulated in equity are accounted for as if the Company had directly disposed of the related assets (i.e. reclassified to profit or loss or transferred directly to retained earnings at the date when control is lost). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKAS 39 "Financial Instruments: Recognition and Measurement" or, when applicable, the cost on initial recognition of an investment in an associate or a jointly controlled entity.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less any impairment losses, unless the investment is classified as held for sale or included in a disposal group that is classified as held for sale.

2. 主要會計政策(續)

2.4 綜合基準(續)

倘本集團失去對附屬公司的控制權，出售時產生的利潤或虧損以下列兩者的差額計算：(i)於失去控制權釐定當日已收代價的公平值與任何保留權益的公平值的總和及(ii)附屬公司及任何少數股東權益的資產(包括商譽)及負債的過往賬面值。倘附屬公司的若干資產按重估額或公平值計量，而相關累計盈虧已於其他全面收益表確認及於權益累計，先前於其他全面收益表確認及於權益累計的金額予以入賬，猶如本公司已直接出售相關資產(即於控制權失去當日重新劃分至損益或直接轉撥至保留盈利)。於控制權失去當日於前附屬公司保留的任何投資公平值，會根據香港會計準則第39號「金融工具：確認及計量」於往後的會計處理中被視為初步確認於聯營公司或共同控制實體的投資的公平值，或(如適用)其初步確認時的成本。

本公司財務狀況表中，於附屬公司之投資乃按成本扣減任何減值虧損入賬，惟被分類為持作出售或包含於分類為持作出售之出售組合之投資除外。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.5 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operation decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors that makes strategic decisions.

2.6 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Hong Kong dollars, which is the Company's functional and presentation currency.

2. 主要會計政策(續)

2.5 分部報告

報告營運分部之方式，與向主要營運決策人進行內部報告之方式一致。作出策略決定之執行董事，是負責分配資源及評估營運分部表現之主要營運決策人。

2.6 外幣換算

(a) 功能及呈列貨幣

本集團各實體之財務報表中包括的項目，乃以有關實體所經營的主要經濟環境之貨幣(「功能貨幣」)計量。綜合財務報表以本公司之功能及呈列貨幣－港元呈列。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.6 Foreign currency translation (continued)

(b) Transactions and balances

Foreign currency transactions are initially recorded using the functional currency rates ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rates of exchange ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss. 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.

2.7 Property, plant and equipment

All property, plant and equipment is stated at historical cost less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

2. 主要會計政策(續)

2.6 外幣換算(續)

(b) 交易及結餘

外幣交易初步使用交易日期所適用之功能貨幣匯率初步列賬。以外幣列值之貨幣資產及負債按報告期末適用之功能貨幣匯率重新換算。匯兌盈虧於損益確認。按外幣之歷史成本計量之非貨幣項目乃使用初次交易日期之匯率予以換算。按外幣之公平值計量之非貨幣項目乃使用釐定公平值日期所適用之匯率予以換算。

2.7 物業、機器及設備

物業、機器及設備均按歷史成本值減折舊及減值虧損列賬。歷史成本值包括收購有關項目直接應佔之開支。

當與該項目有關之未來經濟利益很可能流入本集團，而且該項目之成本能被可靠計算時，其後成本方可列入資產之賬面值或確認為獨立資產(如適用)。所有其他維修及保養成本均於其產生之財政期間，在損益扣除。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.7 Property, plant and equipment (continued)

Depreciation on property, plant and equipment is calculated using the straight-line method to write off their cost over their estimated useful lives at the following annual rates:

Leasehold improvements	20%
Furniture and fixtures	20%
Machinery and equipment	20%
Motor vehicles	20%

Useful lives and depreciation method are reviewed and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on derecognition of the asset is the difference between the net disposal proceeds and the carrying amount of the relevant asset, and is recognised in profit or loss in the year in which the asset is derecognised.

2. 主要會計政策(續)

2.7 物業、機器及設備(續)

物業、機器及設備之折舊乃按其估計可用年限以直線法計提，從而撇銷項目成本。就此採用之年率如下：

租賃物業裝修	20%
傢俬及裝置	20%
機械及設備	20%
汽車	20%

可用年限及折舊方法於各報告期末檢討，並在適當情況作出調整。

若資產之賬面值較其估計可收回金額為高，則會立即將資產之賬面值撇減至其可收回金額。

物業、機器及設備項目乃於出售，又或預期繼續使用資產亦不會產生未來經濟利益時取消確認。取消確認資產產生之盈虧，乃指出售所得款項淨額與相關資產賬面值之間的差額，並於取消確認資產之年度內在損益確認。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.8 Impairment of assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

2. 主要會計政策(續)

2.8 資產減值

於各報告期末，本集團審閱有形及無形資產之賬面值，以釐定有否顯示該等資產已出現減值虧損之跡象。倘估計資產之估計可收回金額低於賬面值，資產之賬面值將調低至可收回金額。減值虧損乃即時支銷。

倘減值虧損隨後減少，資產之賬面值乃增加至經修訂估計可收回金額，惟所增加之賬面值不得超過倘有關資產於過往年度未確認減值虧損而釐訂之賬面值。撥回減值虧損乃即時確認為收入。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.9 Financial assets

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 embedded derivatives are not closely related to those of the host contract. Reassessment only occurs if there is a change in the terms of the contract that significantly modifies the 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 end of the reporting period. 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.

2. 主要會計政策(續)

2.9 金融資產

金融資產於首次確認時以公平值計算，而並非透過損益以公平值列賬之投資，則加上直接應佔交易成本計算。本集團於首次成為一份合約之立約方時，須評估該合約是否包含嵌入式衍生工具，而當分析顯示嵌入式衍生工具之經濟特徵及風險與主合約並無緊密關連時，則評估嵌入式衍生工具是否須與該主合約分開處理。僅於合約條款有變以致大幅修訂該合約所需之現金流量，方會重新進行評估。本集團於首次確認後釐定其金融資產分類，並在容許及適當時於報告期末重新評估有關分類。所有一般買賣之金融資產概於交易日(即本集團承諾購買或出售該資產之日期)予以確認。一般買賣乃指按照一般市場規定或慣例在一定期間內交付資產之金融資產買賣。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.9 Financial assets (continued)

(a) Available-for-sale investments

Available-for-sale investments are non-derivatives that are either designated as available-for-sale investments or not classified as financial assets at fair value through profit or loss, loans and receivables or held-for-maturity investments. At the end of each reporting period subsequent to initial recognition, available-for-sale investments are measured at fair value. Changes in fair value are recognised in other comprehensive income and accumulated separately in equity, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously recognised is reclassified from equity to profit or loss.

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, they are measured at cost less any identified impairment losses at the end of each reporting period subsequent to initial recognition.

2. 主要會計政策(續)

2.9 金融資產(續)

(a) 可供出售投資

可供出售投資為指定為可供出售投資或並無分類為其他類別(即按公平值計入損益之金融資產、貸款及應收款項或持至到期投資)之非衍生工具。於初步確認後之各報告期末,可供出售投資按公平值計量。公平值變動於其他全面收益確認並且於權益另行累計,直至金融資產售出或釐定出現減值,屆時,早前已確認之累計損益會自權益重新分類至損益。

就並無活躍市場之市價報價及其公平值未能可靠計算之可供出售之股本投資,乃於首次確認後之每個報告期末按成本值減任何已識別減值虧損計算。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.9 Financial assets (continued)

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At the end of each reporting period subsequent to initial recognition, loans and receivables (including trade and other receivables, fixed deposits, bank balances and cash) are 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 profit or loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

(c) Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at the end of the each reporting period. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been impacted.

2. 主要會計政策(續)

2.9 金融資產(續)

(b) 貸款及應收款項

貸款及應收款項為付款金額屬固定或可釐定而並非在活躍市場報價之非衍生金融資產。於初步確認後之各報告期末，貸款及應收款項(包括應收貿易賬款及其他應收款項、定期存款、銀行結存及現金)以實際利率法按攤銷成本減任何減值撥備列賬。攤銷成本已計入任何收購折讓或溢價，並包括屬於實際利率及交易成本一部份之費用。於貸款及應收款項不再確認或出現減值時，以及在攤銷過程中，在損益確認盈虧。

(c) 金融資產之減值

金融資產(於按公平值計入損益之金融資產除外)會於各報告期末評定是否有減值跡象。金融資產於有客觀證據顯示金融資產之估計未來現金流量因於初步確認該金融資產後發生之一項或多項事件而受到影響時作出減值。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.9 Financial assets (continued)

(c) Impairment of financial assets (continued)

For an available-for-sale investment, a significant or prolonged decline in the fair value of that financial asset below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the debtor;
- default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or financial re-organisation; and
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

2. 主要會計政策(續)

2.9 金融資產(續)

(c) 金融資產之減值(續)

就可供出售投資而言，該項金融資產之公平值顯著或長期下跌至低於其成本，均被視為減值之客觀證據。

就所有其他金融資產而言，減值之客觀證據可包括：

- 債務人面對重大財政困難；
- 未能繳付或延遲償還利息或本金；
- 債務人有可能面臨破產或財務重組；及
- 技術、市場、經濟或法律環境出現重大變動而對債務人有不利影響。

就按成本列賬之金融資產而言，減值虧損數額按資產賬面值與按類似金融資產之現行市場回報率折現估計未來現金流量之現值之差額計量。該等減值虧損不會於以後期間撥回。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.9 Financial assets (continued)

(c) Impairment of financial assets (continued)

For financial assets carried at amortised cost, an impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

If, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Impairment losses on available-for-sale equity investments will not be reversed in profit or loss in subsequent periods. Any increase in fair value subsequent to impairment loss is recognised directly in other comprehensive income.

2. 主要會計政策(續)

2.9 金融資產(續)

(c) 金融資產之減值(續)

就按攤銷成本列賬之金融資產而言，倘有客觀證據顯示資產減值，則於損益確認減值虧損，並按該項資產之賬面值與以原有實際利率折現所得估計未來現金流量現值間之差額計量。

如在隨後期間，減值虧損金額減少，而有關減少客觀上與確認減值虧損後發生之事件有關，則先前已確認之減值虧損將於損益撥回，惟該資產於減值被撥回當日之賬面值不得超過倘並無確認減值之已攤銷成本。

可供出售股本投資之減值虧損不會於往後期間在損益撥回。確認減值虧損後若有任何公平值增加乃直接於其他全面收益確認。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.9 Financial assets (continued)

(c) Impairment of financial assets (continued)

The carrying amount of the financial asset is reduced by the impairment loss directly, except for impairment losses recognised in respect of trade receivables, whose recovery is considered doubtful but not remote. In this case, the impairment losses for doubtful debts are recorded using an allowance account. When the Group is satisfied that recovery is remote, the amount considered irrecoverable is written off against trade receivables directly and any amounts held in the allowance account relating to that debt are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in profit or loss.

2. 主要會計政策(續)

2.9 金融資產(續)

(c) 金融資產之減值(續)

減值虧損於金融資產之賬面值直接扣減，惟就應收貿易賬款因收回性存疑(但並非微乎其微)所確認的虧損除外。在此情況，呆賬的減值虧損使用撥備賬記錄。倘本集團認為收回的可能性甚微，則直接從應收貿易賬款中撇銷視為不可收回的金額，而在撥備賬中所持有關於該項債務的任何金額會被撥回。若其後收回先前計入撥備賬的金額，則相關的撥備會被撥回。撥備賬的其他變動及其後撥回已撇銷的金額，均直接在損益確認。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.9 Financial assets (continued)

(d) 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.

2. 主要會計政策(續)

2.9 金融資產(續)

(d) 取消確認金融資產

金融資產(或一項金融資產一部分或一組同類金融資產一部分)在下列情況將取消確認:

- 收取該項資產所得現金流量之權利已經屆滿;
- 本集團保留收取該項資產所得現金流量之權利,惟須根據一項「轉付」安排,在未有對第三者造成嚴重延緩之情況,已就有關權利全數承擔付款之責任;或
- 本集團已轉讓其收取該項資產所得現金流量之權利,並(a)已轉讓該項資產之絕大部分風險及回報;或(b)並無轉讓或保留該項資產絕大部分風險及回報,但已轉讓該項資產之控制權。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.9 Financial assets (continued)

(d) Derecognition of financial assets (continued)

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.

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.

2. 主要會計政策(續)

2.9 金融資產(續)

(d) 取消確認金融資產(續)

本集團凡轉讓其收取該項資產所得現金流量之權利，但並無轉讓或保留該項資產之絕大部分風險及回報，且並無轉讓該項資產之控制權，該項資產將確認入賬，條件為本集團須繼續參與該項資產。若以本集團就已轉讓資產作出保證之形式繼續參與，則已轉讓資產乃以該項資產之原賬面值及本集團或須償還之代價數額上限(以較低者為準)計算。

以沽出及/或購入期權(包括現金結算期權或類似期權)之方式繼續參與之已轉讓資產，本集團繼續參與之程度將為本集團可購回所轉讓資產之款額，惟就以公平值計量之資產之沽出認沽期權(包括現金結算期權或類似期權)而言，本集團繼續參與之程度將以所轉讓資產之公平值或期權行使價兩者中之較低者為限。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.10 Financial liabilities and equity instruments

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The Group's financial liabilities are generally classified into financial liabilities.

Financial liabilities

Financial liabilities including trade and bills payables, other payables, amounts due to directors and related parties and interest-bearing 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 statement of comprehensive income.

Gains and losses are recognised in profit or loss 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 expired.

2. 主要會計政策(續)

2.10 金融負債及權益工具

由本集團發行之金融負債及股本工具按所訂立之合約安排性質及金融負債及股本工具之定義而分類。

股本工具為證明本集團資產剩餘權益(經扣除其所有負債)之任何合約。本集團之金融負債一般分類為金融負債。

金融負債

金融負債包括應付貿易賬款及票據、其他應付款項、應付董事及關聯方款項以及計息借貸，初步以公平值減直接應佔交易成本列賬，其後則以實際利息法按攤銷成本計量，惟倘貼現之影響並不重大，於此情況則按成本列賬。相關利息開支於全面收益表中的「融資成本」確認。

於負債取消確認或進行攤銷時，收益及虧損會於損益確認。

取消確認金融負債

當負債項下之責任被解除或取消或屆滿，金融負債將取消確認。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.10 Financial liabilities and equity instruments (continued)

Derecognition of financial liabilities (continued)

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 profit or loss.

Equity instruments

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new shares are taken to equity as a deduction, net of tax, from the proceeds.

2.11 Inventories

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

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2. 主要會計政策(續)

2.10 金融負債及權益工具(續)

取消確認金融負債(續)

如現有金融負債由同一放債人以條款極為不同之負債所取代，或現有負債之條款作出重大修訂，此類交換或修訂將被視為取消確認原負債及確認新負債處理，有關賬面值之差額於損益確認。

股本工具

普通股乃分類為權益。發行新股直接應佔之增加成本乃計入權益，作為所得款項之扣減(扣除稅項)。

2.11 存貨

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

可變現淨值乃按日常業務範圍內之估計售價，減估計完成成本及進行出售所需之估計成本。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Inventories (continued)

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

2.12 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and deposits held at call with banks. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows.

2.13 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the statement of comprehensive income because it excludes items of income and expense that are taxable or deductible in other years, and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

2. 主要會計政策(續)

2.11 存貨(續)

出售存貨時，該等存貨之賬面值將於有關收入確認期間確認為支出。存貨撇減至可變現淨值之數額及所有存貨虧損均於撇減或虧損出現之期間內確認為開支。任何存貨撇減撥回之款額，均於撥回之期間內確認為列作開支存貨數額之減少。

2.12 現金及現金等值項目

現金及現金等值項目包括手頭現金及銀行活期存款。須應要求償還，並構成本集團現金管理之一部分之銀行透支亦列作綜合現金流量表之現金及現金等值項目之組成部份。

2.13 稅項

所得稅開支指現時應付稅項及遞延稅項之總和。

現時應付稅項乃按期內應課稅溢利計算。應課稅溢利與全面收益表中所報溢利淨額不同，乃由於前者不包括在其他年度應課稅或可扣稅之收入及開支以及永不須課稅或可扣稅之項目。本集團乃按報告期末已實行或大致已實行之稅率計算即期稅項之負債。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.13 Taxation (continued)

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

The carrying amount of deferred tax assets is reviewed at the end of the each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited in profit or loss, except when it relates to items charged or credited in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity respectively.

2. 主要會計政策(續)

2.13 稅項(續)

遞延稅項按財務報表中資產及負債賬面值與用於計算應課稅溢利相應稅基之差額而確認，並以資產負債表負債法記賬。遞延稅項負債通常會就所有應課稅暫時差異而確認，而遞延稅項資產則僅按可能出現未來可扣稅暫時差異之應課稅溢利時確認。若於一項交易中，因初步確認(業務合併除外)資產與負債而引致之暫時差異既不影響應課稅溢利亦不影響會計溢利，則不會確認該等資產與負債。

遞延稅項資產之賬面值於各報告期末作檢討，並在沒可能有足夠應課稅溢利讓全部或部分資產得以收回時作調減。

遞延稅項乃按預期於清償負債或變現資產之期間適用之稅率計算。遞延稅項於損益扣除或加入，惟倘與遞延稅項有關之項目是在其他全面收益中扣除或加入或直接在權益處理，則該遞延稅項亦會分別於其他全面收益確認或直接在權益中處理。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.14 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:

- (i) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;
- (ii) commission income is recognised when services are provided.
- (iii) 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.

2.15 Employee benefits

(a) Employee leave entitlements

Employee entitlements to annual leave and long service payment are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service payment as a result of services rendered by employees up to the end of the reporting period.

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

2. 主要會計政策(續)

2.14 收入確認

在有關之經濟利益有可能流入本集團及可按下列方式對有關收入作出可靠之計算時，收入將予確認：

- (i) 銷售貨物，於擁有權之重大風險及回報已轉移至買方而本集團並不保留擁有權及有關之管理或對售出貨物之有效控制；
- (ii) 佣金收入乃於提供服務時確認。
- (iii) 利息收入以應計方式按金融工具的估計年期用實際利率將未來估計的現金收入折扣計算金融資產的賬面淨值。

2.15 僱員福利

(a) 僱員假期權益

僱員應享年假及長期服務金乃於應計予僱員時確認，並就截至報告期末因僱員所提供服務而產生之估計年假及長期服務金負債作出撥備。

僱員應享病假及分娩假僅於支取假期時始予確認。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.15 Employee benefits (continued)

(b) Pension obligations

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to profit or loss 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.

2.16 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised.

All other borrowing costs are charged to profit or loss in the period in which they are incurred.

2. 主要會計政策(續)

2.15 僱員福利(續)

(b) 退休金責任

根據強制性公積金計劃條例，本集團為所有合資格參與強積金計劃之僱員設立定額供款強制性公積金計劃(「強積金計劃」)。供款乃按僱員基本薪金之百分比計算，並於根據強積金計劃之規定須作出供款時在損益扣除。強積金計劃之資產以獨立管理基金形式持有，與本集團之資產分開。本集團就強積金計劃支付之僱主供款於投入計劃起即全部歸僱員所有。

2.16 借貸成本

直接源自收購、建造或生產合資格資產(即必須經過一段長時間方可作擬訂用途或出售的資產)之借貸成本乃撥充資本，作為該等資產成本之一部份。當資產大致上可供其擬定用途或出售，則該等借貸成本不再撥充資本。就留待合資格資產之特定借貸所進行暫時投資賺取之投資收入，乃於撥充資本的借貸成本中扣除。

所有其他借貸成本乃於其產生之期間在損益扣除。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.17 Operating leases

Where the Group has the use of assets held under operating leases, payment made under the leases are charged to profit or loss over the accounting periods covered by the lease term except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

2.18 Provisions and contingent liabilities

Provisions are recognised when: (i) the Group has a present legal or constructive obligation as a result of past events; (ii) it is probable that an outflow of resources will be required to settle the obligation; and (iii) the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provision are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax interest rate that reflects current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2. 主要會計政策(續)

2.17 經營租賃

倘本集團擁有經營租賃項下持有資產的使用權，根據租賃支付的款項於租約年期所涵蓋的會計期間內在損益扣除，除非其他基準更能代表租賃資產所產生的收益模式，則作別論。收取的租賃優惠在損益內確認，作為所付總租賃款項淨額的必需部分。或然租金於其產生的會計期間在損益內扣除。

2.18 撥備及或然負債

當(i)本集團須就已發生的事件承擔法律或推定責任；(ii)預期會導致含有經濟效益的資源外流；及(iii)在可以作出可靠的估計時，本集團便會確認撥備。不得就日後經營虧損確認撥備。

如有多項類似責任，在償付該等責任中能導致資源流出的機會乃經考慮責任的類別整體後釐定。即使與同一責任類別所包含的任何一個項目相關的資源流出的機會極低，仍須確認撥備。

撥備以為履行義務所預計需要產生之支出之現值計量，計算此等現值使用之稅前折現率能夠反映當前市場之貨幣時間價值及該負債特有之風險。時間流逝導致撥備金額之增加，確認為利息開支。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.18 Provisions and contingent liabilities (continued)

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

2.19 Related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals (being members of key management personnel, significant shareholders and/or their close family members) or other entities and include entities which are under the significant influence of related parties of the Group where those parties are individuals, and post-employment benefits plans which are for the benefit of employees of the Group or of any entity that is a related party of the Group.

2. 主要會計政策(續)

2.18 撥備及或然負債(續)

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

2.19 關聯方

倘本集團有能力直接或間接控制另一方或可對另一方之財務及營運決策行使重大影響力（反之亦然），或本集團與另一方受共同控制或受共同重大影響，均視作關聯方。關聯方可以為個人（為主要管理人員成員、重大股東及／或其關係密切之家族成員）或其他實體，（在有關人士為個人的情況）亦包括受本集團關聯方重大影響的實體，及受益人為本集團或為本集團關聯方的任何實體的僱員的離職後福利計劃。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

3. ACCOUNTING JUDGEMENT AND ESTIMATES

In the process of applying the Group's accounting policies, the management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on past experience, expectations of the future and other information. The key sources of estimation uncertainty that may significantly affect the amounts recognised in the financial information are disclosed below.

Going concern

The financial statements have been prepared on a going concern basis, the validity of which depends on the continual financial support from the controlling shareholder, the successful implementation of the Resumption Proposal and the Group's ability to obtain new working capital. Details are explained in note 2.1 to the financial statements above.

Impairment of available-for-sale investment

The Group follows the guidance of HKAS 39 to determine when an available-for-sale investment is impaired. This determination requires significant judgment. In making this judgment, the Group evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost; and the financial health of a near-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

If all the declines in fair value below cost were considered significant or prolonged, provision for impairment loss may be required.

3. 會計判斷及估計

當應用本集團會計政策之過程中，管理層須就無法即時從其他來源明顯地得知之資產及負債賬面值作出判斷、估計及假設。有關估計及相關假設是根據經驗，對未來之預期及其他資料而作出。可能對財務資料之已確認金額帶來重大影響之估計不確定因素之主要來源於下文披露。

持續經營

財務報表乃按持續經營基準編製，惟其效力須視乎日後本集團之控股股東是否繼續提供財務支援，本集團能否成功落實復牌方案及本集團能否籌集新營運資金而定。有關詳情已於上述之財務報表附註2.1解釋。

可供出售投資之減值

本集團在可供出售投資出現減值時會遵循香港會計準則第39號之指引。該項確定須作出重大判斷。於作出判斷時，本集團會評估(其中包括)投資之公平值低於其成本之持續時間及程度，以及投資對象之財務穩健程度及近期業務前景，包括如行業及界別表現、技術革新以及經營及融資現金流量等因素。

倘公平值低於成本的所有下跌幅度被認為重大或屬一段長時期，或須作出減值虧損撥備。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

3. ACCOUNTING JUDGEMENT AND ESTIMATES (Continued)

Allowance for bad and doubtful debts

The policy for allowance for doubtful loans and bad debts of the Group is based on the evaluation of collectability, aged analysis of accounts and on management's judgment. A considerable amount of judgment is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each debtor. If the financial conditions of debtors of the Group were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required.

Provision for inventories

In determining the amount of allowance required for obsolete and slow-moving inventories, the Group would evaluate ageing analysis of inventories and compare the carrying value of inventories to their respective net realizable value. A considerable amount of judgment is required in determining such allowance. If conditions which have impact on the net realizable value of inventories deteriorate, additional allowances may be required.

3. 會計判斷及估計(續)

呆壞賬撥備

本集團呆壞賬之撥備政策以可收回機會評估、賬齡分析及管理層之判斷為基礎。核定最終可收回應收款項之金額需作出大量的判斷，包括對每位客戶的當前信譽及過去收賬記錄的判斷。假若本集團客戶的財政狀況逐漸惡化，導致其付款能力下降，則可能需要更多撥備。

存貨撥備

就過期及滯銷存貨釐定撥備額時，本集團會評估存貨之賬齡分析，並將存貨賬面值與相應可變現淨值比較。釐定撥備時須要大量判斷。若有情況導致存貨可變現淨值降低，撥備額或須增加。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

4. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of the Group and the Company's financial assets and liabilities as at the end of the reporting period are as follows:

4. 按類別劃分之金融工具

本集團及本公司之各類金融資產及負債於報告期末之賬面值如下：

	Group 本集團		Company 本公司	
	2010 二零一零年 HK\$' 000 千港元	2009 二零零九年 HK\$' 000 千港元	2010 二零一零年 HK\$' 000 千港元	2009 二零零九年 HK\$' 000 千港元
<i>Financial assets:</i>	<i>金融資產：</i>			
Loans and receivables:	貸款及應收款項：			
Financial assets included in prepayment, deposits and other receivables	包含於預付款項、按金及其他應收款項中的金融資產			
Trade receivables	應收貿易賬款			
Amount due from subsidiaries	應收附屬公司款項			
Fixed deposits – pledged	定期存款 – 已抵押			
Bank balances and cash	銀行結存及現金			
	12	5	-	-
	27,886	14,919	-	-
	-	-	19	7
	1,312	1,693	-	-
	24,625	26,227	24,398	24,496
	53,835	42,844	24,417	24,503
<i>Financial liabilities:</i>	<i>金融負債：</i>			
Financial liabilities measured at amortised cost:	按攤銷成本計量之金融負債：			
Trade and bills payables	應付貿易賬款及應付票據			
Financial liabilities included in accruals, deposits received and other payables	包含於應計費用、已收按金及其他應付款項中的金融負債			
Interest payable of borrowings	借貸之應付利息			
Interest-bearing borrowings	計息借貸			
Amount due to subsidiaries	應付附屬公司款項			
Due to related parties	應付關聯方款項			
Due to directors	應付董事款項			
	13,366	13,882	-	-
	9,647	29,545	24,078	33,885
	15,124	12,336	-	-
	70,054	36,656	52,619	29,618
	-	-	262	207
	19,578	13,776	1,952	1,952
	7,588	17,026	4,966	14,358
	135,357	123,221	83,877	80,020

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

5. FINANCIAL RISK MANAGEMENT

5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. The policies for managing these risks are summarised below.

(a) Market Risk

Foreign Exchange Risk

The Group's monetary assets and liabilities and transactions are principally denominated in Hong Kong Dollars ("HKD"), Chinese Renminbi ("RMB"), United States Dollars ("USD") and Australian Dollars ("AUD").

The management considers that the Group's exposure to USD does not give rise to significant foreign currency risk on the ground that HKD is pegged to USD.

The Group exposes to currency risk that are denominated in RMB and AUD. The Group currently does not have hedging policy against RMB and AUD. However, management monitors the Group's currency exposure and will consider hedging significant foreign exchange rate exposure should the need arise.

5. 財務風險管理

5.1 財務風險因素

本集團因其業務活動而面對多種財務風險：市場風險（包括外匯風險及利率風險）、信貸風險及流動資金風險。本集團之整體風險管理計劃專注於應對金融市場之不可預測因素以及致力減低本集團財務表現所受到之潛在不利影響。下文概列就管理此等風險所採取之政策。

(a) 市場風險

外匯風險

本集團之貨幣資產及負債及交易主要以港元、人民幣、美元及澳元計值。

管理層認為，由於港元與美元掛鈎，本集團並無因為美元而面對重大外匯風險。

本集團面對以人民幣及澳元計值的貨幣風險。本集團目前並無有關人民幣及澳元之對沖政策。然而，管理層監察本集團之貨幣風險，並會於需要時考慮對沖重大的外幣匯率風險。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

5. FINANCIAL RISK MANAGEMENT
(Continued)

5.1 Financial risk factors (continued)

(a) Market Risk (continued)

Foreign Exchange Risk (continued)

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the RMB and AUD exchange rate, with all other variables held constant, of the Group's net profit and equity (due to change in the fair value of monetary assets and liabilities).

		Increase/ (decrease) in exchange rate 匯率上升/ (下跌)	Increase/ (decrease) in profit after tax and increase/ (decrease) in equity 除稅後溢利增加/(減少) 及權益增加/(減少)	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
If Hong Kong dollar weakens against RMB	若港元兌人民幣貶值	5	1,023	939	
If Hong Kong dollar weakens against AUD	若港元兌澳元貶值	5	55	42	
If Hong Kong dollar strengthens against RMB	若港元兌人民幣升值	(5)	(1,023)	(939)	
If Hong Kong dollar strengthens against AUD	若港元兌澳元升值	(5)	(55)	(42)	

The sensitivity analysis has been determined assuming that the change in foreign exchange rate had occurred at the end of the reporting period and had been applied to the Group's exposure to currency risk for financial instruments in existence at that date, and that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2009.

5. 財務風險管理(續)

5.1 財務風險因素(續)

(a) 市場風險(續)

外匯風險(續)

下表列出於報告期末本集團純利及權益對於人民幣及澳元匯率在合理範圍內可能出現之變動的敏感度(基於貨幣資產及負債的公平值出現變動),當中假設所有其他變數維持不變。

釐定敏感度分析時乃假設外幣匯率變動於報告期末已經發生,並且應用於本集團於該日之金融工具的貨幣風險,而所有其他變數(特別是利率)乃維持不變。二零零九年亦按相同基準作出分析。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

5. FINANCIAL RISK MANAGEMENT (Continued)

5.1 Financial risk factors (continued)

(a) Market Risk (continued)

Interest rate risk

The Group's exposure to interest rate risk arises primarily from its interest-bearing borrowings and bank deposits. Borrowings and bank deposits at variable rates expose the Group to cash flow interest rate risk. Fair value interest rate risk relates primarily to fixed rate borrowings.

The Group currently does not have any interest rate hedging policy. The management monitors the Group's exposure on ongoing basis and will consider hedging interest rate risk should the need arise.

At 30 June 2010, it is estimated that a general increase/decrease of 100 basis points in interest rates, with all other variables held constant, would increase/decrease the Group's profit after tax and equity by approximately HK\$178,000 (2009: increase/decrease HK\$195,000).

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to the Group's exposure to interest rate risk for financial instruments in existence at that date. The 100 basis point increase or decrease represents management's assessment of a reasonably possible change in interest rates over the period until the end of the next reporting period. The analysis is performed on the same basis for 2009.

5. 財務風險管理(續)

5.1 財務風險因素(續)

(a) 市場風險(續)

利率風險

本集團之利率風險主要源自其計息借貸及銀行存款。浮息借貸及銀行存款令本集團面對現金流量利率風險。公平值利率風險主要是關於定息借貸。

本集團目前並無任何利率對沖政策。管理層持續監察本集團所面對之風險，並將於需要時考慮對沖利率風險。

於二零一零年六月三十日，估計若利率普遍上調/下調100點子而所有其他變數不變，則本集團之除稅後溢利及權益將增加/減少約178,000港元(二零零九年：增加/減少195,000港元)。

釐定上列敏感度分析時乃假設利率變動於報告期末已經發生，並且應用於本集團於該日之金融工具的利率風險。100點子的上調或下調代表管理層對於直至下個報告期末為止的期間內，利率於合理範圍內可能出現之變動的評估。二零零九年亦按相同基準作出分析。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

5. FINANCIAL RISK MANAGEMENT
(Continued)

5.1 Financial risk factors (continued)

(b) Credit Risk

The Group exposes to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Key areas where the Group exposes to credit risk are bank balances and trade receivables.

Bank balances are placed with high-credit-quality institutions and the management considers that the credit risk for such is minimal.

For credit exposures with customers, the Group has put in place policies to ensure that provision of services to customers with an appropriate credit history and the Group performs periodic credit evaluations of its customers. The Group's historical experience in collection of trade receivables falls within the recorded allowances.

The Group has entered into a factoring agreement with financial institution to shorten the sales receipt cycle and to strength the Group's cash flow position. The table below shows the credit limit and balance of the debtors at the end of the respective reporting periods.

5. 財務風險管理(續)

5.1 財務風險因素(續)

(b) 信貸風險

本集團面對信貸風險，此為對約方未能於到期時支付全數之風險。信貸風險主要源自銀行結存以及應收貿易賬款。

銀行結存乃存放於享有高信貸評級之機構，管理層認為有關信貸風險甚低。

至於客戶的信貸風險方面，本集團亦設有政策，確保只向擁有合適信貸紀錄之客戶提供服務，而本集團亦定期對客戶進行信貸評估。本集團在收取應收貿易賬款方面之經驗符合已記錄之撥備。

本集團已經與金融機構訂立讓售協議，以縮短收取貨款的日數並且加強本集團之現金流量水平。下表列出債務人於相關報告期末的信貸限額及結餘。

		2010 二零一零年		2009 二零零九年	
	Customers	Credit Limit 信貸限額 HK\$' 000 千港元	Utilized 已動用 HK\$' 000 千港元	Credit Limit 信貸限額 HK\$' 000 千港元	Utilized 已動用 HK\$' 000 千港元
	客戶	23,000	19,198	29,700	7,038

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

5. FINANCIAL RISK MANAGEMENT (Continued)

5.1 Financial risk factors (continued)

(b) Credit Risk (continued)

No credit limits were exceeded during the reporting period, and the management does not expect any losses from nonperformance by these counterparties.

Normally, the Group does not obtain collateral from customers.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Included in the top 5 customers of the Group is a related company, namely AVT International Limited, who is also one of the top 5 supplier of the Group. No credit risk from AVT International Limited as its trade payable exceeds its trade receivables. The net amount was included in the amounts due to related parties in the consolidated statement of financial position, which is set out in note 27.

Apart from AVT International Limited, at the end of the reporting period, the Group has a certain concentration of credit risk as 50% and 89% (2009: 49% and 84%) of the total trade receivables was due from the Group's largest customer and the remaining four largest non-related customers respectively.

The maximum exposure to credit risk without taking account of any collateral held is represented by the carrying amount of each financial asset in the consolidated statement of financial position after deducting any impairment allowance.

5. 財務風險管理(續)

5.1 財務風險因素(續)

(b) 信貸風險(續)

於報告期間內並無超出信貸限額，而管理層預計不會產生對約方不履約之虧損。

本集團一般不會向客戶取得抵押品。

本集團面對之信貸風險主要受到每名客戶之個人特點所影響。本集團首五名客戶中包括一間關聯公司AVT International Limited，其亦為本集團其中一間首五名之供應商。由於應付予AVT International Limited之應付貿易賬款超過應該公司之應收貿易賬款，因此並無因AVT International Limited產生之信貸風險。淨額乃計入綜合財務狀況表中的應付關聯方款項(載於附註27)。

除了源自AVT International Limited外，於報告期末，本集團面對一定的信貸風險集中，因為應收貿易賬款總額中的50%及89%(二零零九年：49%及84%)是分別應收本公司之最大客戶及其餘四大客戶(並非關聯方)的貿易賬款。

未計所持抵押品之最高信貸風險是各項金融資產於綜合財務狀況表扣除任何減值撥備的賬面值。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

5. FINANCIAL RISK MANAGEMENT (Continued)

5.1 Financial risk factors (continued)

(b) Credit Risk (continued)

Further quantitative data in respect of the Group's exposure to credit risk arising from trade receivables are disclosed in note 21 to the financial statements.

(c) Liquidity Risk

As at 30 June 2010, the Company and the Group had net current liabilities of HK\$103,127,000 and HK\$109,447,000 (2009: HK\$100,167,000 and HK\$110,915,000) respectively, and net liabilities of HK\$103,107,000 and HK\$109,131,000 (2009: HK\$100,147,000 and HK\$110,308,000), respectively. The maintenance of the Company and the Group as a going concern depends upon being able to obtain new working capital and continue its business. Details are explained in note 2 to the financial statements above.

The Group manages its liquidity risk by maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities and monitoring the liquidity requirements from time to time.

The table below analyzes the Group's and the Company's financial liabilities into relevant maturity groupings based on the remaining period from the end of the reporting period to the contractual maturity date.

5. 財務風險管理(續)

5.1 財務風險因素(續)

(b) 信貸風險(續)

有關本集團因應收貿易賬款而面對之信貸風險的進一步量化數據，乃於財務報表附註21披露。

(c) 流動資金風險

於二零一零年六月三十日，本公司及本集團之流動負債淨額分別為103,127,000港元及109,447,000港元(二零零九年：100,167,000港元及110,915,000港元)，以及負債淨額分別為103,107,000港元及109,131,000港元(二零零九年：100,147,000港元及110,308,000港元)。本公司及本集團能否繼續以持續基準經營，乃取決於能否取得新營運資金及繼續經營業務。詳情於上文財務報表附註2說明。

本集團透過保持充足現金及足夠資金信貸額之可用資金來管理其流動資金風險，並不時監控其流動資金需求。

下表顯示本集團及本公司的金融負債，按照相關的到期組別，根據由報告期末至合約到期日的剩餘期間進行分析。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

5. FINANCIAL RISK MANAGEMENT (Continued)

5.1 Financial risk factors (continued)

(c) Liquidity Risk (continued)

The amounts disclosed in the table are the contractual undiscounted cash flows.

As at 30 June 2010

Group:	本集團：	Carrying amount	Total contractual undiscounted cash flow	Within one year or on demand
		賬面值 HK\$'000 千港元	合約未貼現的 現金流量總額 HK\$'000 千港元	一年內或按要求 HK\$'000 千港元
Trade and bills payables	應付貿易賬款及票據	13,366	13,366	13,366
Financial liabilities included in accruals, deposits received and other payables	包含於應計費用、已收按金及其他應付款項中的金融負債	9,647	9,647	9,647
Interest payable of borrowings	借貸之應付利息	15,124	15,124	15,124
Interest-bearing borrowings	計息借貸	70,054	70,054	70,054
Due to related parties	應付關聯方款項	19,578	19,578	19,578
Due to directors	應付董事款項	7,588	7,588	7,588
		135,357	135,357	135,357
Company:	本公司：			
Financial liabilities included in accruals, deposits received and other payables	包含於應計費用、已收按金及其他應付款項中的金融負債	24,078	24,078	24,078
Interest-bearing borrowings	計息借貸	52,619	52,619	52,619
Due to related parties	應付關聯方款項	1,952	1,952	1,952
Due to subsidiaries	應付附屬公司款項	262	262	262
Due to directors	應付董事款項	4,966	4,966	4,966
		83,877	83,877	83,877

在表內披露的金額為合約未貼現的現金流量。

(c) 流動資金風險(續)

5. 財務風險管理(續)

5.1 財務風險因素(續)

於二零一零年六月三十日

Total contractual undiscounted cash flow
合約未貼現的現金流量總額
HK\$'000
千港元

Within one year or on demand
一年內或按要求
HK\$'000
千港元

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

5. FINANCIAL RISK MANAGEMENT
(Continued)

5.1 Financial risk factors (continued)

(c) Liquidity Risk (continued)

As at 30 June 2009

Group:

		Carrying amount 賬面值 HK\$'000 千港元	Total contractual undiscounted cash flow 合約未貼現的 現金流量總額 HK\$'000 千港元	Within one year or on demand 一年內或按要求 HK\$'000 千港元
Trade and bills payables	應付貿易賬款及票據	20,902	20,902	20,902
Financial liabilities included in accruals, deposits received and other payables	包含於應計費用、已收按金及其他應付款項中的金融負債	22,525	22,525	22,525
Interest payable of borrowings	借貸之應付利息	12,336	12,336	12,336
Interest-bearing borrowings	計息借貸	36,656	36,656	36,656
Due to related parties	應付關聯方款項	13,776	13,776	13,776
Due to directors	應付董事款項	17,026	17,026	17,026
		123,221	123,221	123,221

Company:

		Carrying amount 賬面值 HK\$'000 千港元	Total contractual undiscounted cash flow 合約未貼現的 現金流量總額 HK\$'000 千港元	Within one year or on demand 一年內或按要求 HK\$'000 千港元
Financial liabilities included in accruals, deposits received and other payables	包含於應計費用、已收按金及其他應付款項中的金融負債	33,885	33,885	33,885
Interest-bearing borrowings	計息借貸	29,618	29,618	29,618
Due to related parties	應付關聯方款項	1,952	1,952	1,952
Due to subsidiaries	應付附屬公司款項	207	207	207
Due to directors	應付董事款項	14,358	14,358	14,358
		80,020	80,020	80,020

5. 財務風險管理(續)

5.1 財務風險因素(續)

(c) 流動資金風險(續)

於二零零九年六月三十日

	Carrying amount 賬面值 HK\$'000 千港元	Total contractual undiscounted cash flow 合約未貼現的 現金流量總額 HK\$'000 千港元	Within one year or on demand 一年內或按要求 HK\$'000 千港元
Trade and bills payables	20,902	20,902	20,902
Financial liabilities included in accruals, deposits received and other payables	22,525	22,525	22,525
Interest payable of borrowings	12,336	12,336	12,336
Interest-bearing borrowings	36,656	36,656	36,656
Due to related parties	13,776	13,776	13,776
Due to directors	17,026	17,026	17,026
	123,221	123,221	123,221

	Carrying amount 賬面值 HK\$'000 千港元	Total contractual undiscounted cash flow 合約未貼現的 現金流量總額 HK\$'000 千港元	Within one year or on demand 一年內或按要求 HK\$'000 千港元
Financial liabilities included in accruals, deposits received and other payables	33,885	33,885	33,885
Interest-bearing borrowings	29,618	29,618	29,618
Due to related parties	1,952	1,952	1,952
Due to subsidiaries	207	207	207
Due to directors	14,358	14,358	14,358
	80,020	80,020	80,020

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

5. FINANCIAL RISK MANAGEMENT (Continued)

5.2 Fair value estimation

The carrying amounts of the Group's financial assets including financial assets included in prepayment, deposits and other receivables, bank deposits and trade receivables; and financial liabilities including financial liabilities included in accruals, deposits received and other payables, trade and bills payables, interest payable of borrowings, interest-bearing borrowings and amounts due to directors and related parties approximate their fair values due to their short maturities. The face value less any estimated credit adjustments for financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values.

6. TURNOVER AND SEGMENT INFORMATION

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

Segment information reported internally was analysed on the basis of the type of products sold and activities carried out by the Group's operating division. The Group is currently operating in one operating segment, which is providing comprehensive solutions and distribution of server storage, multi-media and communication products. The information reported to the Group's chief operating decision maker (i.e. Executive Directors) for the purposes of resource allocation and assessment of performance is focused on this operating segment. Accordingly, no segment information is presented.

Other segment information

The Group's capital expenditures are located in the People's Republic of China, including Hong Kong ("PRC").

5. 財務風險管理(續)

5.2 公平值估計

本集團之金融資產(包括包含於預付款項、按金及其他應收款項中的金融資產、銀行存款和應收貿易賬款)及金融負債(包括包含於應計費用、已收按金及其他應付款項中的金融負債、應付貿易賬款及票據、借貸之應付利息、計息借貸,以及應付董事及關聯方款項)之賬面值與其公平值相若,原因為到期時間較短。於一年內到期之金融資產及負債的面值減任何估計信貸調整之數,乃假定與公平值相若。

6. 營業額及分部資料

營業額指年內就已售出貨品之已收及應收款項。

內部報告之分部資料是以本集團經營部門出售之產品及所進行之活動的種類而分析。本集團目前只經營一個營運分部—就伺服器儲存、多媒體及通訊產品提供全面解決方案和分銷有關產品。向本集團之主要營運決策人(即執行董事)匯報資料以作資源分配及評估表現時,乃以此一營運分部為重點,因此並無呈列分部資料。

其他分部資料

本集團之資本開支位於中華人民共和國,包括香港(「中國」)。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

6. TURNOVER AND SEGMENT INFORMATION (Continued)

Geographical information

The Group's turnover was derived from Hong Kong, of which the customers are located in Hong Kong and other parts of PRC. All the non-current assets of the Group are located in PRC.

Information about major customers

Revenue from a related company, AVT International Limited, of the corresponding year contributing 8% (2009: 5%) of the total revenue of the Group is as follows:

	2010 二零一零年 HK\$' 000 千港元	2009 二零零九年 HK\$' 000 千港元
AVT International Limited	17,886	5,363

Revenue from single external customers of the corresponding year contributing over 10% of the total revenue of the Group are as follows:

	2010 二零一零年 HK\$' 000 千港元	2009 二零零九年 HK\$' 000 千港元
Customer A 客戶甲	51,652	30,295
Customer B 客戶乙	49,830	19,615
Customer C 客戶丙	39,348	14,170
	140,830	64,080

6. 營業額及分部資料(續)

地區資料

本集團之營業額源自香港而客戶則位於香港及中國其他部份。本集團之非流動資產全部位於中國。

有關主要客戶之資料

於有關年度來自一間關聯公司AVT International Limited之收益佔本集團總收益之8% (二零零九年: 5%)，詳情如下：

於有關年度來自單一外界客戶之收益佔本集團總收益超過10%的詳情如下：

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

7. OTHER INCOME

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

7. 其他收入

	2010 二零一零年 HK\$' 000 千港元	2009 二零零九年 HK\$' 000 千港元
	48	157
	2,648	1,557
	-	1
	4	-
	2,700	1,715

8. WRITTEN-BACK OF LOAN, INTEREST AND OTHER PAYABLES

The Company issued an interest bearing promissory note amounted to HK\$6,000,000 ("Promissory Note") to a company incorporated in British Virgin Islands (the "Creditor") in 1998. No legal proceedings had been instituted by the Creditor against the Company for the repayment of the moneys under the Promissory Note. In addition, the Creditor had been dissolved in November 2009. In the opinion of the legal counsel of the Company, the Creditor was time barred from taking any legal proceedings against the Company for recovery of the said sum of HK\$6,000,000 and interest thereon under the Promissory Note.

The directors of the Company were of the view that the obligation under the promissory note expired. Therefore, the loan payable of HK\$6,000,000 and the interest thereon of HK\$8,553,000 were written back in the financial statements for the year ended 30 June 2009.

8. 撥回貸款、利息及其他應付款項

本公司於一九九八年發行6,000,000港元之計息承兌票據(「承兌票據」)給一間於英屬處女群島註冊成立之公司(「債權人」)。債權人並無就根據承兌票據還款一事對本公司提出法律訴訟。此外，債權人已於二零零九年十一月解散。本公司之法律顧問認為，債權人就收回上述金額6,000,000港元及因承兌票據產生之利息而對本公司提出任何法律訴訟之時效已過。

本公司董事認為承兌票據項下之義務已經屆滿。因此，應付貸款6,000,000港元及由此產生之利息8,553,000港元已於截至二零零九年六月三十日止年度之財務報表內撥回。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

8. WRITTEN-BACK OF LOAN, INTEREST AND OTHER PAYABLES (Continued)

Included in the written-back of loan, interest and other payables for the year ended 30 June 2010 is an amount of HK\$4,819,000 in relation to a Deed of Settlement (the "Deed") entered into with a company incorporated in Hong Kong (the "Another Creditor") on 23 August 2010, under which the Another Creditor agreed to receive a total sum of HK\$1,200,000 for the full and final settlement of the original debt of HK\$6,019,000. Subsequent to the end of the reporting period, the amount has been fully settled.

9. FINANCE COSTS

8. 撥回貸款、利息及其他應付款項(續)

在截至二零一零年六月三十日止年度撥回之貸款、利息及其他應付款項中，包括一筆4,819,000港元之金額，乃關於在二零一零年八月二十三日與一間於香港註冊成立之公司(「另一名債權人」)訂立之償付契據(「該契據」)，據此，該另一名債權人同意收取合共1,200,000港元的款項，作為金額為6,019,000港元之原有債務的完全和最終償付。於報告期間結束後，該筆款項已經全數清償。

9. 融資成本

	2010 二零一零年 HK\$' 000 千港元	2009 二零零九年 HK\$' 000 千港元
Interests on:		
Bank loans, bills and overdrafts wholly repayable within five years	284	294
Other borrowing costs	5,241	1,969
	5,525	2,263

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

10. PROFIT BEFORE TAXATION

Profit before taxation has been arrived at after charging the following:

10. 除稅前溢利

除稅前溢利已扣除下列各項：

		2010 二零一零年 HK\$' 000 千港元	2009 二零零九年 HK\$' 000 千港元
Salaries, bonus and other benefits	薪金、花紅及其他福利	4,186	4,230
Retirement benefits scheme contributions	退休福利計劃供款	75	73
Total staff costs including directors' emoluments	總員工成本(包括董事酬金)	4,261	4,303
Cost of goods sold and services provided	出售貨品及提供服務之成本	209,379	103,516
Depreciation	折舊	332	347
Loss on disposal of property, plant and equipment	處置物業、機器及設備之虧損	5	-
Operating lease rentals in respect of land and buildings	有關土地及樓宇之經營租約租金	677	738
Auditors' remuneration	核數師酬金	650	605
Net foreign exchange loss	匯兌虧損淨額	309	44

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

11. TAXATION

No provision for Hong Kong profits tax has been made in the financial statements since there is no estimated assessable profit derived from Hong Kong for the year (2009: Nil).

The charge for the year can be reconciled to the profit before taxation per the consolidated statement of comprehensive income as follows:

		2010 二零一零年 HK\$' 000 千港元	2009 二零零九年 HK\$' 000 千港元
Profit before taxation	除稅前溢利	1,177	3,635
Calculated at a taxation rate of 16.5% (2009: 16.5%)	按稅率16.5% (二零零九年: 16.5%) 計算	195	600
Expenses not deductible for taxation purposes	不可扣稅支出	492	1,972
Income not subject to taxation	毋須繳稅收入	(1)	(2,418)
Utilisation of tax loss not previously recognised	使用以往未確認之稅項虧損	(686)	(154)
Taxation	稅項	-	-

12. (LOSS)/ PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY

The net loss attributable to owners of the Company includes a loss of approximately HK\$2,960,000 (2009: profit of HK\$2,701,000) which has been dealt with in the financial statements of the Company for the year ended 30 June 2010.

13. (LOSS)/EARNINGS PER SHARE

The calculation of basic loss per share for the year ended 30 June 2010 is based on the loss attributable to owners of the Company of approximately HK\$274,000 (2009: profit of HK\$3,635,000) and 6,174,917,000 (2009: 6,174,917,000) ordinary shares in issue during the year.

Diluted (loss)/earnings per share was not presented as there was no dilutive potential ordinary share in issue for the years ended 30 June 2010 and 2009.

11. 稅項

由於年內並無源自香港之估計應課稅溢利，故並無於財務報表內就香港利得稅作出撥備(二零零九年：零)。

年內稅項開支可與綜合全面收益表所列除稅前溢利對賬如下：

12. 本公司擁有人應佔(虧損)/溢利

本公司擁有人應佔虧損淨額包括虧損約2,960,000港元(二零零九年：溢利2,701,000港元)，已於本公司截至二零一零年六月三十日止年度之財務報表處理。

13. 每股(虧損)/盈利

截至二零一零年六月三十日止年度之每股基本虧損乃按本公司擁有人應佔虧損約274,000港元(二零零九年：溢利3,635,000港元)及年內已發行普通股6,174,917,000股(二零零九年：6,174,917,000股)計算。

截至二零一零年及二零零九年六月三十日止年度，概無已發行攤薄潛在普通股，故並無呈列每股攤薄(虧損)/盈利。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

14. DIVIDENDS

No dividend was paid or proposed for the year ended 30 June 2010 (2009: nil), nor has any dividend been proposed since the end of the reporting period.

15. RETIREMENT BENEFITS SCHEME

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

16. DIRECTORS' AND SENIOR EXECUTIVES' EMOLUMENTS

(a) Details of directors' emoluments

For the year ended 30 June 2010, the Company paid the directors' emoluments to the following director among the eleven directors:

2010
二零一零年

Salaries and other benefits	薪金及其他福利
-----------------------------	---------

Ms. Lo was a director of AVT Electronics Limited, a subsidiary of the Company, for the year ended 30 June 2009 and 2010. She was also appointed as the director of the Company effective from 19 April 2010.

No emoluments were paid to directors of the Company for the year ended 30 June 2009.

14. 股息

概無就截至二零一零年六月三十日止年度派付或擬派股息(二零零九年：無)，自報告期間結束後亦無擬派任何股息。

15. 退休金計劃

本集團為符合強制性公積金計劃(「強積金計劃」)之合資格僱員加入了強積金計劃。本集團所作出之供款為香港強制性公積金計劃條例所規定之僱員有關收入之百分之五。本集團僱主供款於僱員獲得有關付款後悉數及隨即作為應計福利撥歸僱員所有。按照強積金計劃規則，供款於應付時在損益扣除。

16. 董事及高級行政人員之酬金

(a) 董事酬金之詳情

於截至二零一零年六月三十日止年度，本公司已向十一名董事中的以下一名董事支付董事酬金：

Lo Yuen Lai ("Ms Lo")
盧元麗(「盧女士」)
HK\$'000
千港元

192

盧女士於截至二零零九年及二零一零年六月三十日止年度為本公司附屬公司AVT Electronics Limited之董事。彼於二零一零年四月十九日亦獲委任為本公司之董事。

截至二零零九年六月三十日止年度並無向本公司董事支付酬金。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

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

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

Of the five individuals with the highest emoluments in the Group, one (2009: nil) was director of the Company whose emoluments are included in (a) above. The emoluments of the remaining four (2009: five) together with the emoluments of Ms. Lo prior to the appointment as a director of the Company were as follows:

	2010 二零一零年 HK\$' 000 千港元	2009 二零零九年 HK\$' 000 千港元
Basic salaries, allowances and benefits in kind 基本薪金、津貼及實物利益	2,410	2,387
Contributions to pension scheme 退休金計劃供款	41	35
	2,451	2,422

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

	2010 二零一零年 Number 人數	2009 二零零九年 Number 人數
Nil to HK\$1,000,000 零至1,000,000港元	4	5
HK\$1,000,001 to HK\$1,500,000 1,000,001港元至1,500,000港元	1	-

No directors or senior management waived or agreed to waive any emoluments, and no incentive payment or compensation for loss of office was paid or payable to any director or senior management during the year ended 30 June 2010 and 2009.

16. 董事及高級行政人員之酬金

(b) 五位最高薪人士(包括董事及其他僱員)之酬金詳情

本集團五位最高薪人士當中，一名(二零零九年：無)為本公司董事，其酬金已載於上文(a)。其餘四名(二零零九年：五名)人士之酬金以及盧女士於獲委任為本公司董事前之酬金載列如下：

五位最高薪人士(包括董事及其他僱員)之酬金按酬金範圍分析如下：

於截至二零一零年及二零零九年六月三十日止年度並無董事或高級管理人員放棄或同意放棄任何酬金之安排，亦概無向任何董事或高級管理人員支付或須支付任何獎金或離職補償。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

17. PROPERTY, PLANT AND EQUIPMENTS

17. 物業、機器及設備

The Group

本集團

		Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Furniture and fixture 傢俬及裝置 HK\$'000 千港元	Machinery and equipment 機械及設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Cost	成本					
At 1 July 2008	於二零零八年七月一日	602	746	682	609	2,639
Additions	添置	-	18	-	-	18
At 30 June 2009	於二零零九年六月三十日	602	764	682	609	2,657
At 1 July 2009	於二零零九年七月一日	602	764	682	609	2,657
Additions	添置	-	42	4	-	46
Disposals	處置	-	(46)	-	-	(46)
At 30 June 2010	於二零一零年六月三十日	602	760	686	609	2,657
Accumulated depreciation	累積折舊					
At 1 July 2008	於二零零八年七月一日	408	526	594	175	1,703
Charge for the year	本年度支出	89	102	41	115	347
At 30 June 2009	於二零零九年六月三十日	497	628	635	290	2,050
At 1 July 2009	於二零零九年七月一日	497	628	635	290	2,050
Charge for the year	本年度支出	89	88	41	114	332
Elimination on disposal	處置時抵銷	-	(41)	-	-	(41)
At 30 June 2010	於二零一零年六月三十日	586	675	676	404	2,341
Net book value	賬面淨值					
At 30 June 2010	於二零一零年六月三十日	16	85	10	205	316
At 30 June 2009	於二零零九年六月三十日	105	136	47	319	607

At 30 June 2010 and 2009, the Company had no property, plant and equipment.

於二零一零年及二零零九年六月三十日，本公司並無物業、機器及設備。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

17. PROPERTY, PLANT AND EQUIPMENTS
(Continued)

Motor vehicle with net book value of HK\$205,000 (2009: HK\$319,000) is registered in the name of a director of the Company, Ms. Lo.

17. 物業、機器及設備(續)

賬面淨值為205,000港元(二零零九年: 319,000港元)之汽車是以本公司董事盧女士之名義登記。

18. INVESTMENT IN SUBSIDIARIES

18. 於附屬公司之投資

		Company 本公司	
		2010 二零一零年 HK\$' 000 千港元	2009 二零零九年 HK\$' 000 千港元
Unlisted shares, at cost	非上市股份，按成本	20	20
Due from subsidiaries	應收附屬公司之款項	51,985	51,973
Less: Impairment loss	減：減值虧損	(51,966)	(51,966)
		19	7
Due to subsidiaries	應付附屬公司之款項	(262)	(207)

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

(a) 與附屬公司之結餘為無抵押、免息及無固定還款期。

(b) Details of the Company's principal subsidiaries at 30 June 2010 are set out in note 36.

(b) 本公司於二零一零年六月三十日之主要附屬公司詳情載列於附註36。

(c) The movement in the allowance for impairment as of the end of the reporting period is as follows:

(c) 於報告期末之減值撥備變動如下：

		2010 二零一零年 HK\$' 000 千港元	2009 二零零九年 HK\$' 000 千港元
Balance at beginning of the year	年初結餘	51,966	51,892
Impairment loss recognised	已確認減值虧損	-	74
Balance at end of the year	年終結餘	51,966	51,966

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

18. INVESTMENT IN SUBSIDIARIES (Continued)

18. 於附屬公司之投資(續)

(d) Additional information on material subsidiary:

(d) 主要附屬公司之其他資料：

The following information is extracted from the audited financial statements of AVT Electronics Limited.

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

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Statement of comprehensive income:	全面收益表：		
Turnover	營業額	219,757	111,052
Cost of sales	銷售成本	(209,379)	(103,980)
Gross profit	毛利	10,378	7,072
Other income	其他收入	2,658	1,649
Administrative expenses	行政開支	(8,586)	(7,949)
Finance costs	財務費用	(304)	(294)
Profit before taxation	除稅前溢利	4,146	478
Taxation	稅項	-	-
Profit after taxation	除稅後溢利	4,146	478
Statement of financial position:	財務狀況表：		
Non-current assets	非流動資產		
Property, plant and equipment	物業、機器及設備	316	607
Current assets	流動資產		
Inventories	存貨	15,664	6,941
Trade receivables	應收貿易賬款	27,886	14,919
Prepayment, deposits and other receivables	預付款項、按金及其他應收款項	212	7,221
Due from parent	應收母公司款項	242	187
Fixed deposits - pledged	定期存款 - 已抵押	1,312	1,693
Bank balances and cash	銀行結存及現金	226	1,730
		45,542	32,691
Current liabilities	流動負債		
Trade and bills payable	應付貿易賬款及票據	13,366	20,902
Other payables, accruals and deposits received	其他應付款項、應計費用及已收按金	940	1,143
Due to a director	應付董事款項	2,622	2,668
Due to related parties	應付關聯方款項	17,626	11,824
Loan from a related party, unsecured	關聯方提供之貸款，無抵押	6,396	-
Bank borrowings, secured	銀行借貸，有抵押	11,039	7,038
		51,989	43,575
Net current liabilities	流動負債淨額	(6,447)	(10,884)
Net liabilities	負債淨額	(6,131)	(10,277)

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

18. INVESTMENT IN SUBSIDIARIES (Continued)

(d) Additional information on material subsidiary:
(Continued)

Note: The financial statements of AVT Electronics Limited were not audited by Graham H. Y. Chan & Co for the year ended 30 June 2009.

18. 於附屬公司之投資(續)

(d) 主要附屬公司之其他資料：(續)

附註：AVT Electronics Limited截至二零零九年六月三十日止年度之財務報表並非由陳浩賢會計師事務所審核。

19. AVAILABLE-FOR-SALE INVESTMENT

19. 可供出售投資

		Group and Company 本集團及本公司	
		2010 二零一零年 HK\$' 000 千港元	2009 二零零九年 HK\$' 000 千港元
Equity securities	股本證券		
Unlisted equity securities in the PRC, at cost	中國之非上市股本證券， 按成本	8,000	8,000
Less: Impairment	減：減值	(8,000)	(8,000)
		-	-

The investment at 30 June 2010 and 2009 represents 5% interest in 湖南沅江陽光大地有機農業有限公司, an unlisted equity securities, in the PRC. It is measured at cost less impairment at the end of the reporting period as the directors of the Company are of the opinion that its fair value cannot be measured reliably.

The directors are of the view that due to diminution in value of the unlisted investment, full provision had been made in the financial statements. There was no movement in the allowance for impairment as of the end of the reporting period.

於二零一零年及二零零九年六月三十日之投資指於中國之湖南沅江陽光大地有機農業有限公司的5%權益(非上市股本證券)。由於本公司董事認為無法可靠地計量此項投資之公平值，此項投資乃按成本減去報告期末之減值計量。

董事認為，由於該項非上市投資之價值下跌，因此已於財務報表內作出全數撥備。於報告期末並無減值撥備變動。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

20. INVENTORIES

		2010 二零一零年 HK\$' 000 千港元	2009 二零零九年 HK\$' 000 千港元
Trading inventories	貿易存貨	15,664	6,941

The above inventories are stated at cost.

21. TRADE RECEIVABLES

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally for a period of up to 90 days. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are regularly reviewed by senior management. Trade receivables are non-interest-bearing and their carrying amounts approximate to their fair values.

The following is an aged analysis of trade receivables, based on invoice date, at the end of the reporting period:

		2010 二零一零年 HK\$' 000 千港元	2009 二零零九年 HK\$' 000 千港元
0 - 90 days	0至90天	27,883	13,413
91-180 days	91至180天	3	1,506
181 - 365 days	181至365天	-	-
Over 1 year	1年以上	2,971	2,971
		30,857	17,890
Less: Allowance for doubtful debts	減：呆賬撥備	(2,971)	(2,971)
		27,886	14,919

20. 存貨

Group
本集團

上述存貨是按成本列賬。

21. 應收貿易賬款

本集團與其客戶的貿易條款主要以信貸形式進行，惟新客戶一般須預付款項。信貸期一般最多為90日。本集團對其未收回應收款項維持嚴謹監控，藉以減低信貸風險。高級管理層會定期審閱逾期結餘。應收貿易賬款為免息，且其賬面值與其公平值相若。

根據發票日期，應收貿易賬款於報告期末之賬齡分析如下：

Group
本集團

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

21. TRADE RECEIVABLES (Continued)

There is no movement in the allowance for doubtful debts during the year ended 30 June 2010 and 2009.

Most of the trade receivables are neither past due nor impaired and have good repayment history in prior years. Included in the Group's trade receivables balance are debtors with aggregate carrying amount of HK\$4,846,000 (2009: HK\$3,703,000) which are past due at the end of the reporting period for which the Group has not provided for impairment loss. The Group does not hold any collateral over these balances.

An aged analysis of trade receivables which are past due but not impaired, based on past due date, is as follows:

Less than 1 month past due	逾期不足1個月
1 to 3 months past due	逾期1至3個月

The trade receivables that were past due but not impaired related to customers that have good track records with the Group. Management believes that no impairment allowance 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. A substantial amount of which has been received after the end of the reporting period.

At 30 June 2010, trade receivables with an aggregate carrying amount of HK\$23,227,000 (2009: HK\$10,166,000) have been charged to secure the general banking facilities of the Group (Note 25).

21. 應收貿易賬款(續)

截至二零一零年及二零零九年六月三十日止年度內概無呆賬撥備變動。

大部份應收貿易賬款為並無逾期及亦無減值而於以往年度之還款記錄良好。本集團之應收貿易賬款結餘中包括總賬面值為4,846,000港元(二零零九年: 3,703,000港元)之應收貿易款項是於報告期末已逾期而本集團並無為此計提減值虧損。本集團並無就該等結餘持有任何抵押品。

已逾期但並無減值之應收貿易賬款根據逾期日之賬齡分析如下:

		Group 本集團	
		2010 二零一零年 HK\$' 000 千港元	2009 二零零九年 HK\$' 000 千港元
Less than 1 month past due	逾期不足1個月	4,680	2,287
1 to 3 months past due	逾期1至3個月	166	1,416
		4,846	3,703

已逾期但並無減值之應收貿易賬款的有關客戶與本集團之往績記錄良好。管理層相信，由於信貸質素並無重大變動而目前仍認為可以全數收回該等結餘，因此毋須就該等結餘計提減值撥備。於報告期間結束後已收到該等結餘的大部份。

於二零一零年六月三十日，總賬面值為23,227,000港元(二零零九年: 10,166,000港元)之應收貿易賬款已用作本集團一般銀行融資的抵押品(附註25)。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

22. FIXED DEPOSIT – PLEDGED

The fixed deposit was placed with the bank and denominated in Australian dollars. The fixed deposit earned interest at floating rate based on time deposit rate of 3.60% per annum. It had a maturity of three months.

The fixed deposit was pledged to a bank to secure the banking facilities of the Group. It was jointly held by a director of the Company, Ms. Lo and her spouse, Mr. Lee Bing Kwong ("Mr. Lee") on behalf of the Group.

22. 已抵押之定期存款

定期存款存放於銀行並以澳元為單位。有關定期存款按根據定期存款利率年息3.60厘之浮動利率計息。存款到期日為三個月。

定期存款已作為本集團之銀行信貸融資擔保抵押於銀行，由本公司董事盧女士及其配偶李秉光先生（「李先生」）代表本集團共同持有。

23. TRADE AND BILLS PAYABLES

23. 應付貿易賬款及票據

		Group 本集團	
		2010 二零一零年 HK\$' 000 千港元	2009 二零零九年 HK\$' 000 千港元
Trade payables	應付貿易賬款	10,435	10,875
Bills payable, secured	應付票據，有抵押	2,931	10,027
		13,366	20,902

All of the trade payables are expected to be settled within one year. An aged analysis is as follows:

所有應付貿易賬款預期於一年內償還。其賬齡分析如下：

		Group 本集團	
		2010 二零一零年 HK\$' 000 千港元	2009 二零零九年 HK\$' 000 千港元
0 – 90 days	0至90天	10,206	10,785
91 – 180 days	91至180天	32	52
Over 180 days	180天以上	197	38
		10,435	10,875

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

24. ACCRUALS, DEPOSITS RECEIVED AND OTHER PAYABLES

Included in accruals, deposits received and other payables in the consolidated and the Company's statements of financial position as at 30 June 2010, was the provision of HK\$43,892,000 (2009: HK\$43,892,000) in respect of the disputed claims against the Company. The creditors claimed repayments of the outstanding debts together with the interest and legal costs. The provision was made for the difference between the amounts claimed less the amounts already recognised in the financial statements. For the year ended 30 June 2010, there was no movement in the provision for disputed claims.

25. INTEREST-BEARING BORROWINGS

Bank overdrafts-secured	銀行透支－有抵押
Other loans	其他貸款
Loans from a related party (note 26)	關聯方提供之貸款(附註26)
Factoring loan - secured	讓售貸款－有抵押

Total other loans are fixed-rate borrowings which carry effective interest rates (which is also equal to the contractual interest rates) ranging from 12.0% to 48.0% per annum as at 30 June 2009 and 2010.

Factoring loan is fixed-rate borrowings which carry effective interest rate (which is also equal to contractual interest rate) of 2% per annum in both years. Bank overdraft carries interest at variable rates.

24. 應計費用、已收按金及其他應付款項

於二零一零年六月三十日之綜合及本公司財務狀況表中的應計費用、已收按金及其他應付款項中，包括有關對本公司提出之具爭議申索的撥備43,892,000港元(二零零九年：43,892,000港元)。債權人要求償還未償還債務連利息及法律費用。撥備乃就所申索之金額減去已經在財務報表內確認之金額而作出。於截至二零一零年六月三十日止年度，本集團之具爭議申索撥備並無任何變動。

25. 計息借貸

		Group 本集團		Company 本公司	
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Bank overdrafts-secured	銀行透支－有抵押	2	-	-	-
Other loans	其他貸款	37,878	29,018	37,878	29,018
Loans from a related party (note 26)	關聯方提供之貸款(附註26)	21,137	600	14,741	600
Factoring loan - secured	讓售貸款－有抵押	11,037	7,038	-	-
		70,054	36,656	52,619	29,618

於二零零九年及二零一零年六月三十日，全部其他貸款屬定息借貸，按介乎12.0厘至48.0厘之實際年利率(亦相等於訂約利率)計息。

於兩年內，定息貸款屬定息借貸，按2厘之實際年利率(亦相等於訂約利率)計息。銀行透支按浮動利率計息。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

25. INTEREST-BEARING BORROWINGS (Continued)

At 30 June 2010, other loans of HK\$8,880,000 (2009: HK\$8,880,000) together with the interest of HK\$1,785,000 (2009: HK\$1,534,000) included in the interest payable of borrowings in the consolidated and the Company's statements of financial position were in default since the Company failed to pay the loan or interest due on the final repayment date. The renegotiation of the repayment terms regarding these loans in default are still in progress.

At 30 June 2010, the banking facilities of the Group were secured by the fixed deposits, fixed charge over trade receivables of the group with an aggregate carrying amount of HK\$23,227,000 (2009: HK\$10,166,000), the legal charge over properties owned by a company controlled by Mr. Lee and Ms. Lo, and personal guarantees executed by them. The other loans were secured by several personal guarantees executed by a director of the Company and a friend of the director of the Company which is not a related party of the Company.

26. LOANS FROM A RELATED PARTY

Loans from Mr. Lee Bing Kwong 李秉光先生提供之貸款

Mr. Lee Bing Kwong (Mr. Lee) is the spouse of a director of the Company, Ms. Lo and a minority shareholder of AVT Electronics Limited, a subsidiary of the Company.

25. 計息借貸(續)

於二零一零年六月三十日，因本公司未能於最後還款日期償還到期之貸款或利息，其他貸款8,880,000港元(二零零九年：8,880,000港元)及計入綜合及本公司財務狀況表之應付借貸利息之利息1,785,000港元(二零零九年：1,534,000港元)已違約。目前仍正就此等違約貸款之還款條款進行重新磋商。

於二零一零年六月三十日，本集團之銀行融通額由定期存款、本集團總賬面值為23,227,000港元(二零零九年：10,166,000港元)之應收貿易賬款的固定押記、李先生及盧女士控制之公司所擁有之物業的法定押記以及彼等簽立之個人擔保作為抵押。其他貸款以本公司一名董事及該董事之一位朋友(並非本公司之關聯方)作出之各別個人擔保作抵押。

26. 關聯方提供之貸款

Group 本集團		Company 本公司	
2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
21,137	600	14,741	600

李秉光先生(「李先生」)為本公司董事盧女士之配偶，李先生亦為本公司附屬公司AVT Electronics Limited之少數股東。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

26. LOANS FROM A RELATED PARTY (Continued)

Loans from Mr. Lee included fixed-rate borrowings repayable within one year or repayable on demand of approximately HK\$14,741,000 (2009: HK\$600,000) which carry effective interest rates (which is also equal to the contractual interest rate) ranging from 24.0% to 26.8% (2009: 24.0% to 26.8%) per annum as at 30 June 2010.

In addition, the Group has variable-rate loans from Mr. Lee of HK\$6,396,000 (2009: nil) which carry interest at HIBOR plus 1.0% per annum (2009: nil) and the effective interest rate was 1.3% per annum as at 30 June 2010. Interest rates are repriced monthly.

At 30 June 2010, the fixed-rate loan from Mr. Lee of HK\$9,741,000 was secured by personal guarantees executed by a director of the Company.

On 25 May 2010, the Company, Mr. Lee and a third-party creditor entered into a tri-party debt assignment agreement, under which the third-party creditor agreed to assign the debt of HK\$5,000,000 to Mr. Lee. The amount was recorded as unsecured loan from Mr. Lee in the consolidated and Company's statement of financial position as at 30 June 2010.

The loan of HK\$600,000 was in default in prior year, which was settled in full on the renewed repayment date. No amount advanced during the year was in default at the end of the reporting period.

26. 關聯方提供之貸款(續)

於二零一零年六月三十日，李先生提供之貸款包括須於一年內償還或須應要求償還之定息借貸約14,741,000港元(二零零九年：600,000港元)，按介乎24.0厘至26.8厘(二零零九年：24.0厘至26.8厘)之實際年利率(亦相等於訂約利率)計息。

此外，本集團亦獲李先生提供浮息貸款6,396,000港元(二零零九年：無)，按香港銀行同業拆息加1厘(二零零九年：無)之年利率計息，而於二零一零年六月三十日之實際年利率為每年1.3厘。利率乃每月重訂。

於二零一零年六月三十日，李先生提供之9,741,000港元定息貸款由本公司董事簽立之個人擔保作抵押。

於二零一零年五月二十五日，本公司、李先生及一名第三方債權人訂立三方債務轉讓協議，據此，該名第三方債權人同意將5,000,000港元之債務轉讓予李先生。於二零一零年六月三十日之綜合及本公司財務狀況表中，該筆款項乃列作由李先生提供之無抵押貸款。

去年有600,000港元之貸款違約並已於重新釐定之還款日期悉數清償。於報告期末，並無於年內墊支之款項為違約的。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

27. DUE TO RELATED PARTIES

27. 應付關聯方款項

		Group 本集團		Company 本公司	
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Related person	關聯人士				
Lee Bing Kwong (Note i)	李秉光 (附註i)	3,030	30	-	-
Related companies	關聯公司				
AVT International Limited (Note ii)	AVT International Limited (附註ii)	14,596	11,794	-	-
Nicegoal Limited (Note iii)	Nicegoal Limited (附註iii)	1,298	1,298	1,298	1,298
Trade Honour Limited (Note iv)	Trade Honour Limited (附註iv)	654	654	654	654
		19,578	13,776	1,952	1,952

Notes:

- i) The capacity of Mr. Lee has been set out in note 26 above.
- ii) AVT International Limited is controlled by Mr. Lee. Ms. Lo is a Reserve Director of AVT International Limited.
- iii) Nicegoal Limited is jointly controlled by Mr. Lee and Ms. Lo.
- iv) Trade Honour Limited is the parent and ultimate holding company of the Company.

The amounts due to related parties are unsecured, interest-free and have no fixed repayment terms. The comparative figures of HK\$13,776,000 and HK\$1,952,000 are reclassified from accruals, deposits received and other payables in the consolidated and Company's statement of financial positions to conform with current year's presentation.

附註：

- i) 李先生之身份已載於上文附註26。
- ii) AVT International Limited由李先生控制。盧女士為AVT International Limited之備任董事。
- iii) Nicegoal Limited由李先生與盧女士共同控制。
- iv) Trade Honour Limited為本公司之母公司及最終控股公司。

應付關聯方款項為無抵押、免息及無固定還款期。13,776,000港元及1,952,000港元之比較數字是從綜合及本公司之財務狀況表中的應計費用、已收按金及其他應付款項中重新分類，以符合本年度之呈報方式。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

28. DUE TO DIRECTORS

28. 應付董事款項

	Group 本集團		Company 本公司	
	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Ke Jun Xiang (Note i) 柯俊翔 (附註i)	2,626	2,626	2,626	2,626
Ho Pui Tsun, Peter (Note ii) 何佩川 (附註ii)	2,340	11,732	2,340	11,732
Lo Yuen Lai 盧元麗	2,622	2,668	-	-
	7,588	17,026	4,966	14,358

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

應付董事款項為無抵押、免息及無固定還款期。

Note i: On 8 June 2009, the Company received a garnishee order absolute over the debt due by the Company to Mr Ke Jun Xiang which has a balance of approximately HK\$2.6 million or so much thereof as may be sufficient to satisfy the judgment sum against Mr Ke. On 22 June 2010, a winding-up order was served on the Company to repay the debt. Subsequent to the end of the reporting period, the Company has settled the debt due to Mr. Ke and the winding-up order has been withdrawn.

附註i: 於二零零九年六月八日，本公司就本公司應付柯俊翔先生債務獲第三債務人命令，該款項餘額約為2,600,000港元或足以支付柯先生之判決金額之款項。於二零一零年六月二十二日，本公司被送達清盤令以償還該筆債務。於報告期間結束後，本公司已經清償應付予柯先生之債務而清盤令已經撤回。

Note ii: Court order was granted on 21 April 2008 against the Company as Garnishee for the amount due by the Company to Mr Ho Pui Tsun, Peter which has a balance of approximately HK\$11.7 million or so much thereof as may be sufficient to satisfy the judgment sum against Mr Ho. Full settlement of approximately HK\$9.7million has been paid directly to the plaintiff during the year.

附註ii: 法院於二零零八年四月二十一日就本公司應付何佩川先生之款項頒佈針對本公司(作為第三債務人)之命令，該款項餘額約為11,700,000港元或足以支付何先生之判決金額之款項。年內已經直接向原告人支付約9,700,000港元以清償有關款項。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

29. SHARE CAPITAL

Authorised and issued share

		Company 本公司			
		2010 二零一零年		2009 二零零九年	
		No. of shares 股份數目 ('000) (千股)	HK\$' 000 千港元	No. of shares 股份數目 ('000) (千股)	HK\$' 000 千港元
Ordinary shares of HK\$0.01 each	普通股每股面值0.01港元				
Authorised:	法定:	60,000,000	600,000	60,000,000	600,000
Issued and fully paid:	已發行及繳足:	6,174,917	61,749	6,174,917	61,749

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimization of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of debts, net of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital and reserves.

The Directors of the Company review the capital structure periodically. As part of this review, the Directors of the Company review annual budgets taking into account of the provision of funding. Based on the operating budgets, the Directors consider the cost of capital and the risks associated with each class of capital and balance its overall capital structure through new share issues as well as the issue of new debt or the redemption of existing debt.

29. 股本

法定及已發行股本

		Company 本公司			
		2010 二零一零年		2009 二零零九年	
		No. of shares 股份數目 ('000) (千股)	HK\$' 000 千港元	No. of shares 股份數目 ('000) (千股)	HK\$' 000 千港元
Ordinary shares of HK\$0.01 each	普通股每股面值0.01港元				
Authorised:	法定:	60,000,000	600,000	60,000,000	600,000
Issued and fully paid:	已發行及繳足:	6,174,917	61,749	6,174,917	61,749

資本風險管理

本集團管理其資本以確保本集團旗下實體能夠以持續經營方式經營，並同時透過達致債務與股本之間最佳的平衡為利益相關者爭取最高回報。本集團的整體策略跟上年度保持不變。

本集團之資本架構由債務，扣除現金及現金等值項目及本公司擁有人應佔權益(包括已發行股本及儲備)組成。

本公司董事定期檢討資本架構。作為此檢討工作之一部份，本公司董事審閱年度預算，並考慮資金的準備。根據經營預算，董事考慮資本成本及各資本類別之相關風險，並透過發行新股份、發行新債務或贖回現有債務，以平衡其整體資本架構。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

30. RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior year are presented in the consolidated statement of changes in equity on page 34 of the financial statements.

30. 儲備

本集團之儲備金額以及於本年度及上年度之儲備變動載於財務報表第34頁之綜合權益變動表。

Company		Share premium	Contributed surplus	Accumulated losses	Total
本公司		股份溢價	繳入盈餘	累積虧損	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
At 1 July 2008	於二零零八年七月一日	293,907	56,516	(515,020)	(164,597)
Profit for the year	年內溢利	-	-	2,701	2,701
At 30 June 2009 and 1 July 2009	於二零零九年六月三十日及二零零九年七月一日	293,907	56,516	(512,319)	(161,896)
Loss for the year	年內虧損	-	-	(2,960)	(2,960)
At 30 June 2010	於二零一零年六月三十日	293,907	56,516	(515,279)	(164,856)

(a) The share premium account represents the excess of proceeds received over the nominal value of the Company's shares issued, less share issue expenses.

(a) 股份溢價賬代表所收取之所得款項超過所發行之本公司股份的面值減去股份發行開支。

(b) The contributed surplus of the Company represents the difference between the nominal value of the Company's shares issued in exchange for the fair value of the shares of the subsidiaries acquired at the dates of acquisition. Under the Companies Act 1981 of Bermuda (as amended), a company may not declare or pay a dividend, or make a distribution out of contributed surplus, if there are reasonable grounds for believing that (i) the Company is, or would after the payment be, unable to pay its liabilities as they become due; (ii) the realizable value of the Company's assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium account.

(b) 本公司之繳入盈餘乃指本公司所發行用於交換之股份面值與所收購附屬公司股份於收購日期公平值之差額。根據一九八一年百慕達公司法(經修訂)，公司在以下情況不可利用實繳盈餘宣派或派付股息或作出分派：如有合理理由相信(i)本公司於派付後會或可能未能償還到期債務；(ii)本公司資產之可變現值會因此少於其負債、已發行股本及股份溢價賬之總額。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

31. DEFERRED TAXATION

As at 30 June 2010 and 2009, the Group had no material unprovided deferred tax liability. The potential deferred tax assets not provided for at the end of the reporting period are as follow:

		Group 本集團		Company 本公司	
		2010 二零一零年 HK\$' 000 千港元	2009 二零零九年 HK\$' 000 千港元	2010 二零一零年 HK\$' 000 千港元	2009 二零零九年 HK\$' 000 千港元
Accelerated capital allowances	提前轉歸資本之免稅額	(69)	(35)	-	-
Tax losses available for future relief	可用於未來減免之稅務虧損	(3,142)	(3,862)	(1,827)	(1,827)
		(3,211)	(3,897)	(1,827)	(1,827)

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

32. MAJOR NON-CASH TRANSACTIONS

The Group and the Company entered into the following non-cash financing activity which are not reflected in the consolidated statement of cash flows:

On 25 May 2010, the Company, Mr. Lee and a third-party creditor entered into a tri-party debt assignment agreement, under which the third-party creditor agreed to assign the debt of HK\$5,000,000 to Mr. Lee. The amount was recorded as unsecured loan from Mr. Lee in the consolidated and Company's statement of financial position as at 30 June 2010, and is set out in note 26 above.

31. 遞延稅項

於二零一零年及二零零九年六月三十日，本集團並無重大未提撥遞延稅項負債。於報告期末未提撥之潛在遞延稅項資產如下：

由於能否實現稅務利益並不明確，故不就稅務虧損確認遞延稅項資產。有關稅務虧損可無限期結轉。

32. 主要非現金交易

本集團及本公司訂立了以下非現金融資活動是並未於綜合現金流量表中反映：

於二零一零年五月二十五日，本公司、李先生及一名第三方債權人訂立三方債務轉讓協議，據此，該名第三方債權人同意將5,000,000港元之債務轉讓予李先生。於二零一零年六月三十日之綜合及本公司財務狀況表中，該筆款項乃列作由李先生提供之無抵押貸款，有關資料已載於上文附註26。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

33. RELATED PARTY TRANSACTIONS

In addition to the loans from a related party and outstanding balances due to related parties and directors as disclosed in the consolidated and Company's statement of financial position and notes 26, 27 and 28 respectively, the banking facilities of the group were secured by assets of Ms. Lo and Mr. Lee, and personal guarantees executed by a director of the Company and a friend of the director of the Company which is not a related party of the Company. Details are disclosed in note 25.

During the year, the Group entered into the following material related party transactions.

(a) Key management personnel remuneration

The remuneration of the director and key management during the year was as follows:

33. 關聯方交易

除於綜合及本公司財務狀況表以及附註26、27及28分別披露之關聯方提供之貸款以及應付關聯方和董事之未償還結餘外，本集團之銀行信貸乃以盧女士及李先生之資產以及一名本公司董事與該名本公司董事之朋友（並非本公司之關聯方）所簽立之個人擔保作為抵押。詳情於附註25披露。

年內，本集團訂立以下重大關聯方交易。

(a) 管理要員薪酬

董事及管理要員年內之薪酬如下：

	2010 二零一零年 HK\$' 000 千港元	2009 二零零九年 HK\$' 000 千港元
Short term employee benefits 短期僱員福利	2,602	2,387
Post-employment benefits 離職後福利	41	35
	2,643	2,422

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

33. RELATED PARTY TRANSACTIONS (Continued)

(b) During the year, the Group entered into the following material related party transactions.

Related party 關聯方	Transaction 交易	2010 二零一零年 HK\$' 000 千港元	2009 二零零九年 HK\$' 000 千港元
AVT International Limited (Note i) (附註i)	Purchases 採購 Sales 銷售	29,281 17,886	- 5,363
Nicegoal Limited (Note ii) (附註ii)	Rent paid 已付租金 Overdue interest 逾期利息	- 348	104 296
Lee Bing Kwong (Note iii) 李秉光 (附註iii)	Rent paid 已付租金 Interest 利息	504 627	486 38

(c) Motor vehicle as set out in note 17 with net book value of HK\$205,000 (2009: HK\$319,000) and fixed deposits - pledged as set out in note 22 with an amount of HK\$1,312,000 (2009: HK\$1,693,000) included in the consolidated statement of financial position as at 30 June 2010 are registered in name of Ms. Lo and jointly held in name of Ms. Lo and Mr. Lee, respectively of behalf of the Group.

Notes:

- i) The above transactions were carried out at terms determined and agreed with both parties. Subsequent to the appointment of Ms. Lo as a director of the Company, the Group had purchases amounting to HK\$10,022,000 from AVT International Limited.
- ii) The rental expenses and the overdue interest expenses were based on the tenancy agreement signed by the Group and Nicegoal Limited.
- iii) The rental expenses were based on the tenancy agreement signed by the Group and Mr. Lee. The interest expenses were based on the loan agreements signed by the Group and Mr. Lee.

33. 關聯方交易 (續)

(b) 年內，本集團訂立以下重大關聯方交易。

(c) 計入於二零一零年六月三十日之綜合財務狀況表之賬面淨值205,000港元(二零零九年：319,000港元)之汽車(載於附註17)及1,312,000港元(二零零九年：1,693,000港元)之定期存款—已抵押(載於附註22)乃代表本集團分別以盧女士之名義登記以及以盧女士和李先生之名義共同持有。

附註：

- i) 上述交易乃按雙方釐定及同意之條款進行。於委任盧女士為本公司董事後，本集團向AVT International Limited作出10,022,000港元之採購。
- ii) 租金開支及逾期利息開支乃根據本集團與Nicegoal Limited簽訂之租賃協議而釐定。
- iii) 租金開支乃根據本集團與李先生簽訂之租賃協議而釐定。利息開支乃根據本集團與李先生簽訂之貸款協議而釐定。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

34. OPERATING LEASE AND OTHER COMMITMENTS

At 30 June 2010, the Group had commitments for future minimum lease under non-cancellable operating leases in respect of land and buildings which fall due as follows:

Not later than one year	不超過一年
Later than one year and not later than five years	一年後但不超過五年

34. 經營租約及其他承擔

於二零一零年六月三十日，本集團根據不可撤銷之經營租約就有關土地及樓宇到期應付之未來最低租約承擔如下：

	2010 二零一零年 HK\$' 000 千港元	2009 二零零九年 HK\$' 000 千港元
Not later than one year	226	610
Later than one year and not later than five years	-	143
	226	753

35. LITIGATIONS

(a) China Gold Finance Limited claims against CIL Holdings Limited for outstanding loan in the total sum of HK\$69.3 million on 27 June 2001 (whereas HK\$40 million being the alleged principal loan and HK\$29.3 million being alleged outstanding interest up to 27 June 2001) plus interest and legal cost.

The amount of HK\$69.3 million had been provided for in the financial statements in prior years.

In the opinion of legal counsel, it is premature to predict the outcome of the claim against the Company by China Gold Finance Limited. The Board is of the opinion that the outflow of economic benefits cannot be reliably estimated and accordingly no interest and legal cost are provided in the consolidated financial statements since 27 June 2001.

35. 訴訟

(a) 於二零零一年六月二十七日，China Gold Finance Limited就尚未支付貸款總額69,300,000港元（其中40,000,000港元被指稱為貸款本金額，而29,300,000港元則被指稱為截至二零零一年六月二十七日止之尚未支付利息），加利息及法律費用，對華建控股有限公司提出索償。

為數69,300,000港元之金額已於以往年度之財務報表內作出撥備。

法律顧問認為，預測China Gold Finance Limited對本公司提出申索一事之結果實為言之尚早。董事會認為，無法可靠地估計經濟利益之流失，因此，自二零零一年六月二十七日以來，概無於綜合財務報表就利息及法律費用作出撥備。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

35. LITIGATIONS (Continued)

- (b) Hom Fu Lee Company Limited ("Hom Fu") claimed against Pilot Apex Development Limited, a subsidiary of the Company for outstanding rent, rates and management fee.

On 31 July 2007, Interlocutory Judgment and Order was granted in the Hom Fu's favour. The Group should pay Hom Fu the outstanding rent, rates, management fee and the interest on the amount of outstanding rent at the rate of 3% above the HSBC's best lending rate for the period from 1 January 2007 to the date of payment. The Group had settled part of the judgment sum and the balance had been provided for in the financial statements.

As the result of the Group's breach of the provision of the tenancy agreement, Hom Fu would have suffered the loss and damages upon recovery of possession of the premises from the Group. Such loss and damages are still liable to be paid by the Group to Hom Fu upon the amount being assessed and/or quantified. No provision has been made in this regard.

- (c) The Company claims against Kwok Han Qiao (formerly known as Kwok Wai Tak Edward) in 2001 for an account from Kwok Han Qiao of principal total sum of HK\$98 million and the profit deprived therefrom and payment of such sums so found to the Company plus interest and legal costs.

Full provision for impairment had been provided in the financial statement in prior year.

- (d) On 22 June 2010, a winding-up order was served on the Company by Wealth Full Limited to repay the amount due to a director, Mr. Ke, which amounts to HK\$2.6million. Details are set out in note 28.

Full amount has been provided in the financial statement in prior years. Subsequent to the end of the reporting period, the amount has been fully settled and the winding-up petition has been withdrawn.

35. 訴訟(續)

- (b) 鴻富利有限公司(「鴻富」)就尚未支付之租金、差餉及管理費對本公司之附屬公司Pilot Apex Development Limited提出申索。

於二零零七年七月三十一日發出之非正審判決及頒令均對鴻富有利。本集團應向鴻富支付尚未支付之租金、差餉及管理費，以及就由二零零七年一月一日起至付款日期止期間之未付租金按滙豐銀行最優惠借貸利率加3厘之利率計算之利息。本集團已結清部份判決總額，而結餘已於財務報表作出撥備。

由於本集團違反租賃協議的條文，鴻富於向本集團收回物業之管有權時或會遭受虧損及損失。當金額經評估及／或計量後，該等虧損及損失仍須由本集團向鴻富支付。概無就此作出撥備。

- (c) 本公司於二零零一年對Kwok Han Qiao(前稱Kwok Wai Tak Edward)申索總本金額為98,000,000港元之賬款，及由此失去之溢利，以及向本公司支付之總額，加利息及法律費用。

已於上個年度之財務報表內作出全數減值撥備。

- (d) 於二零一零年六月二十二日，Wealth Full Limited向本公司送達清盤令以償還應付予董事柯先生之2,600,000港元款項。詳情載於附註28。

已於以往年度之財務報表內作出全數撥備。於報告期間結束後，有關款項已經清償而清盤令已經撤回。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

36. PARTICULARS OF PRINCIPAL SUBSIDIARIES

The following list contains only the particular of subsidiaries which principally affected the results, assets or liabilities of the Group. The class of shares held is ordinary unless otherwise stated.

36. 主要附屬公司詳情

以下名單僅載列主要影響本集團之業績、資產或負債的附屬公司之資料。除另有列明外，持有之股份類別為普通股。

Name 公司名稱	Place of incorporation/ operation 註冊成立/營業地點	Issued and fully paid share/registered capital 已發行及繳足股本/註冊股本	Percentage of equity interest attributable to the Group 本集團應佔股本權益百分比	Principal Activities 主要業務
AVT Electronics Limited	Hong Kong 香港	HK\$4,500,100 4,500,100港元	65%	Providing comprehensive solutions and distribution of server storage, multi-media and communication products 就伺服器儲存、多媒體及通訊產品提供全面解決方案和分銷有關產品
Flaconwood Ltd. (Note a) (附註a)	British Virgin Islands 英屬處女群島	US\$1 1美元	100%	Investment Holding 投資控股
Pilot Apex Development Limited (Note a) (附註a)	Hong Kong 香港	HK\$10,000 10,000港元	100%	Dormant 暫無營業
Inout Jewellery Limited (Note a) (附註a)	Hong Kong 香港	HK\$1 1港元	100%	Dormant 暫無營業
Idea Wisdom Investment Limited (Note a) (附註a)	Hong Kong 香港	HK\$10,000 10,000港元	100%	Dormant 暫無營業

Notes:

(a) This subsidiary is directly held by the Company.

附註：

(a) 該附屬公司由本公司直接持有。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 30 June 2010 截至二零一零年六月三十日止年度

37. EVENT AFTER THE END OF THE REPORTING PERIOD

Subsequent to the end of the reporting period, the Company has entered into two loan facility agreements with Mr. Lee and a third party, which amount to HK\$4,000,000 each. The loans are unsecured, carry interest of 24% per annum and repayable on demand. Up to the date of the report, the Company has drawn down approximately HK\$1,623,000 and HK\$1,667,000 from Mr. Lee and the third party respectively.

38. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current year's presentation.

37. 報告期間結束後事項

於報告期間結束後，本公司與李先生及一名第三方分別訂立兩份貸款融資協議，金額均為4,000,000港元。該等貸款為無抵押，按24厘之年利率計息及須應要求償還。直至本報告日期，本公司已分別向李先生及該名第三方提取約1,623,000港元及1,667,000港元。

38. 比較數字

若干比較數字已重新分類，以符合本年度之呈報方式。

FINANCIAL SUMMARY 財務概要

RESULTS

業績

Year Ended 30 June

截至六月三十日止年度

		2010 二零一零年 HK\$' 000 千港元	2009 二零零九年 HK\$' 000 千港元	2008 二零零八年 HK\$' 000 千港元	2007 二零零七年 HK\$' 000 千港元	2006 二零零六年 HK\$' 000 千港元
TURNOVER	營業額	219,757	111,052	159,618	176,943	210,161
PROFIT/(LOSS) BEFORE TAXATION	除稅前溢利/ (虧損)	1,177	3,635	(9,287)	21,563	(122,448)
TAXATION	稅項	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME BEFORE MINORITY INTERESTS	未計少數股東 權益前之全面 收益總額	1,177	3,635	(9,287)	21,563	(122,448)
MINORITY INTERESTS	少數股東權益	(1,451)	-	-	-	-
TOTAL COMPREHENSIVE (LOSS)/INCOME ATTRIBUTABLE TO OWNERS OF THE COMPANY	本公司擁有人應佔 之全面(虧損)/ 收益總額	(274)	3,635	(9,287)	21,563	(122,448)

ASSETS AND LIABILITIES

資產與負債

At 30 June

於六月三十日

		2010 二零一零年 HK\$' 000 千港元	2009 二零零九年 HK\$' 000 千港元	2008 二零零八年 HK\$' 000 千港元	2007 二零零七年 HK\$' 000 千港元	2006 二零零六年 HK\$' 000 千港元
TOTAL ASSETS	總資產	71,023	57,655	67,415	61,672	57,486
TOTAL LIABILITIES	總負債	(180,154)	(167,963)	(181,358)	(166,328)	(183,705)
NET ASSETS/(LIABILITIES) EMPLOYED	涉及之淨資產/ (負債)	(109,131)	(110,308)	(113,943)	(104,656)	(126,219)
MINORITY INTERESTS	少數股東權益	(1,451)	-	-	-	-
SHAREHOLDERS' DEFICIT	股東虧絀	(110,582)	(110,308)	(113,943)	(104,656)	(126,219)



CIL HOLDINGS LIMITED
華建控股有限公司