

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These accounts have been prepared in accordance with all applicable Statements of Standard Accounting Practice and Interpretations issued by the Hong Kong Society of Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance.

These accounts also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. A summary of the significant accounting policies adopted by the Group is set out below.

(b) Basis of preparation of the accounts

The measurement basis used in the preparation of the accounts is historical cost.

(c) Basis of consolidation

(i) Reorganisation

The Company was incorporated in Bermuda on 29 October 1999 and became the holding company of the Group pursuant to a Group reorganisation (the “Reorganisation”) which became effective on 23 February 2000. The Group has been treated as a continuing entity and accordingly, the comparative consolidated results for the year ended 31 March 2000 include the results of the Company and its subsidiaries as if the Group had been in existence throughout that year.

(ii) The consolidated accounts include the accounts of the Company and its subsidiaries made up to 31 March each year. The results of subsidiaries acquired or disposed of during the year are included in the consolidated profit and loss account from or to the date of their acquisition or disposal, as appropriate. All material intercompany transactions and balances are eliminated on consolidation.

(iii) Goodwill arising on the acquisition of subsidiaries, being the excess of the cost of investments in these companies over the fair value of the Group’s share of the separate net assets acquired, is amortised on a straight-line basis to the consolidated profit and loss account over its estimated useful economic life. The excess of the Group’s share of the fair value of the separable net assets of subsidiaries acquired over the cost is credited to capital reserve.

1. 主要會計政策

(a) 遵例聲明

本賬項已按照香港會計師公會頒佈的所有適用《會計實務準則及詮釋》、香港公認會計原則及香港公司條例披露要求編製。

本賬項亦根據香港聯合交易所有限公司證券上市規則的披露要求而編製。本集團採用的主要會計政策概述如下。

(b) 賬項編製基準

本賬項是以歷史成本作為編製基準。

(c) 編製賬目之基準

(i) 重組

本公司於一九九九年十月二十九日在百慕達註冊成立，並根據二零零零年二月二十三日生效的重組成為本集團的控股公司。本集團被視為一個持續的實體，並假設本集團現時的架構於截至二零零零年三月三十一日的年度內一直存在。

(ii) 綜合賬目包括本公司及其所有附屬公司截至當年三月三十一日的賬項。是年收購或出讓之附屬公司的業績，由收購日期起或至出讓日期止已包括在綜合損益賬內。公司間的所有重大交易及結餘已於編製綜合賬項時抵銷。

(iii) 因收購附屬公司而產生之商譽，即投資成本超過本集團所分派得的資產淨值，須按其預計可用年限以直線法每年於綜合損益賬攤銷。若本集團所分派得的資產淨值超過用以收購附屬公司的成本，差額則撥入資本儲備。

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Interest in subsidiaries

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

Interest in subsidiaries in the Company's balance sheet is stated at cost less any provisions for diminution in value which is other than temporary as determined by the directors for each subsidiary individually. Any such provisions are recognised as an expense in the profit and loss account.

(e) Fixed assets and depreciation

Fixed assets are stated in the balance sheet at cost less accumulated depreciation.

The carrying amount of fixed assets is reviewed periodically in order to assess whether the recoverable amount has declined below the carrying amount. When such a decline has occurred, the carrying amount is reduced to the recoverable amount. The amount of the reduction is recognised as an expense in the consolidated profit and loss account. In determining the recoverable amount, expected future cash flows generated by the fixed assets are not discounted to their present values.

When the circumstances and events that led to the write-down or write-off cease to exist, any subsequent increase in the recoverable amount of an asset is written back to the consolidated profit and loss account. The amount written back is reduced by the amount that would have been recognised as depreciation had the write-down or write-off not occurred.

Subsequent expenditure relating to a fixed asset that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the enterprise. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

Gains or losses arising from the retirement or disposal of a fixed asset are determined as the difference between the estimated net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated profit and loss account on the date of retirement or disposal.

1. 主要會計政策 (續)**(d) 附屬公司投資**

附屬公司指一家本集團直接或間接持有其過半數已發行股本，或控制其過半數投票權，或控制其董事會之組成的公司。

本公司資產負債表內的附屬公司投資以成本減董事會認為在投資出現非暫時性減值時按各附屬公司個別提撥的準備入賬。任何這些準備均會在損益賬內確認為支出。

(e) 固定資產及折舊

固定資產是按成本減去累計折舊入賬。

固定資產的賬面值會定期進行審閱，以評估可收回價值是否低於賬面值。假如可收回價值低於賬面值，賬面值會減至可收回價值水平。減值部分會在綜合損益賬內確認為支出。在釐定可收回價值時，由預計日後固定資產產生的現金流量將被不貼現至其現值。

當導致資產價值撇減或沖銷的情況或事項不再存在，資產可收回價值的任何其後增額會撥回至綜合損益賬。假如撇減或沖銷的情況沒有出現，則需在撥回的數額中扣除應已確認為折舊的數額。

若預計固定資產日後之經濟效益大於原先所估值的，則有關此固定資產之後期支出於確認後可計入賬面值內，其他所有後期支出可於發生時於該年度確認為支出。

固定資產報廢或出售的盈虧是以資產的估計淨出售收入與賬面值之間的差額釐定，並於報廢或出售日於綜合損益賬中確認。

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Fixed assets and depreciation (continued)

Depreciation is calculated to write off the cost of fixed assets on a straight-line basis over their estimated useful lives at the following rates:

| | |
|--|--|
| Land and buildings | Over the unexpired terms of the land use rights period |
| Leasehold improvements | 10% per annum |
| Plant and machinery | 10% per annum |
| Computer equipment | 20% per annum |
| Furniture, fixtures and office equipment | 10% per annum |
| Motor vehicles | 20% per annum |

(f) Leased assets

Leases of assets under which the lessee assumes substantially all the risks and benefits of ownership are classified as finance leases. Leases under which the lessor has not transferred all the risks and benefits of ownership are classified as operating leases.

(i) Assets acquired under finance leases

Where assets are acquired under finance leases, the amounts representing the outright purchase price, which approximate the present value of the minimum lease payments, of such assets are included in fixed assets and the corresponding liabilities, net of finance charges, are recorded as obligations under finance leases. Depreciation is provided at rates which write off the cost of the assets in equal annual amounts over the shorter of the period of the leases or the estimated useful lives of the assets as set out in note 1(e) above. Finance charges implicit in the lease payments are charged to the consolidated profit and loss account over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

(ii) Operating leases

Rentals payable under operating leases are accounted for in the consolidated profit and loss account on a straight-line basis over the periods of the respective leases.

1. 主要會計政策(續)

(e) 固定資產及折舊(續)

固定資產之折舊乃按其預計可用年限以直線法攤銷其成本計算，就此所採用之年率如下：

| | |
|--------|--------------|
| 土地及樓宇 | 按未屆滿之土地使用權年期 |
| 租賃物業裝修 | 10% |
| 廠房及機器 | 10% |
| 電腦設備 | 20% |
| 傢俬及裝置 | 10% |
| 汽車 | 20% |

(f) 按租購合約購入之資產

租購合約乃指承租者主要承擔所有風險及享有擁有權之利益，經營租賃乃指出租者未將所有風險及擁有權之利益轉移給承租者。

(i) 租購合約下購入之資產

倘資產是按租購合約購入，該項資產之全部購入價(約為最低租購付款額之現值)會列為固定資產，而相應之債項則在扣除財務費用後，列為租購合約承擔，資產折舊乃按其租購合約期或上文附註1(e)所述之預計可用年限兩者中之較短者，以每年等額的比率撇銷其成本，租購付款所包含之財務費用，按租購合約期間於綜合損益賬中扣除，以使每個會計期間之承擔餘額所負擔之利息比率大致相約。

(ii) 經營租賃

經營租賃之租金按有關租賃年期以直線法記入綜合損益賬中。

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Revenue recognition

Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in the consolidated profit and loss account as follows:

(i) Sale of goods

Revenue is recognised when goods are delivered at the customers' premises which is taken to be the point in time when the customer has accepted the goods and the related risks and rewards of ownership. Revenue excludes value added or other sales taxes and is after deduction of any trade discounts.

(ii) Service revenue

Once the outcome of a transaction involving the rendering of services can be estimated reliably, revenue is recognised using the percentage of completion method, measured by reference to the percentage of costs incurred to date to estimated total costs for the services.

When the outcome cannot be estimated reliably, revenue is recognised only to the extent of costs recognised that will be recoverable.

(iii) Interest income

Interest income from bank deposits is accrued on a time-apportioned basis on the principal outstanding and at the rate applicable.

1. 主要會計政策(續)

(g) 收入確認

當經濟利益將有可能流入本集團，及其收入與成本(如適用)可予以準確計算時，收入於綜合損益賬中確認如下：

(i) 貨品銷售

收入於貨品被送到客戶時，即客戶接受貨品及與其擁有權之有關風險及回報時予以確認。收入不包括增值稅或其他銷售稅項，且已扣除任何貿易折扣。

(ii) 服務收入

當涉及提供服務之交易所得之結果得以可靠估計時、收入按完工百分比法，即參照直到目前為止已產生之成本佔估計服務總成本之百分比予以確認。

倘不能對結果作出可靠估計，則可按已發生之成本可收回之幅度確認收入。

(iii) 利息收入

銀行存款之利息收入按時間比例以剩餘本金及適用息率計算。

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Inventories

Inventories are carried at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost method and comprises 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.

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, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

(i) Deferred taxation

Deferred taxation is provided using the liability method in respect of the taxation effect arising from all material timing differences between the accounting and tax treatment of income and expenditure, which are expected with reasonable probability to crystallise in the foreseeable future.

Future deferred tax benefits are not recognised unless their realisation is assured beyond reasonable doubt.

(j) Translation of foreign currencies

Foreign currency transactions during the year are translated into Hong Kong dollars at the exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into Hong Kong dollars at the exchange rates ruling at the balance sheet date. Exchange gains and losses on foreign currency translation are dealt with in the consolidated profit and loss account.

The results of overseas subsidiaries are translated into Hong Kong dollars at the average exchange rates for the year; balance sheet items are translated at the rates of exchange ruling at the balance sheet date. The resulting exchange differences are dealt with as a movement in reserves.

1. 主要會計政策(續)

(h) 存貨

存貨乃以成本或可變現淨值兩者中之較低者入賬。

成本包括所有購買成本、加工成本及將存貨運至現時地點及達致現況所需之其他開支，並以加權平均法計算。

可變現淨值乃正常業務之預期售價減去完成生產及銷售所需之估計成本。

存貨售出時，其賬面值會確認為相關收入確認期間之支出。存貨撇減至可變現值之數額，以及存貨之一切虧損，會確認為撇減或虧損發生期間之支出。因可變現值增加而需逆轉之任何存貨撇減額，會於扣減逆轉發生期間確認為支出。

(i) 遞延稅項

遞延稅項乃就收入及開支之會計與稅務處理方法之間，由所有重大時差所引起，並相當可能在可預見將來實現之稅項影響，按負債法提撥準備。

未來遞延稅項利益只會在合理保證可實現時才會確認。

(j) 外幣換算

於有關期間進行之外幣交易，按交易日期之滙率換算為港元。以外幣為單位之貨幣性資產及負債則按結算日之滙率換算為港元。滙兌盈虧均撥入綜合損益賬中處理。

海外附屬公司之業績按有關期間之平均滙率換算為港元。資產負債表項目則按結算日之滙率重新換算。滙兌差額作儲備變動處理。

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Borrowing costs

Borrowing costs are expensed in the consolidated profit and loss account in the period in which they are incurred.

(l) Retirement costs

The Group joined a defined contribution retirement scheme whereby the Group and employees each contributed to the scheme at a rate of 5% of the relevant employees' monthly salaries each month up to 30 November 2000. With effect from 1 December 2000, the Group joined a mandatory provident fund scheme. Both the Group and the employees each contribute to the scheme at a rate of 5% of the relevant employees' monthly relevant income. For both schemes, any forfeited amount due to resignation prior to vesting of the benefits, the amount will be used to reduce the employer's contributions made in that corresponding financial year.

Employees in a subsidiary in the People's Republic of China are members of the Central Pension Scheme operated by the Chinese Government. The subsidiary is required to contribute a certain percentage of the employees' overall salaries to the Scheme. The only obligation of the subsidiary with respect to the Central Pension Scheme is the associated required contribution under the Central Pension Scheme.

Contributions by the Group to the above schemes are charged to the consolidated profit and loss account as and when incurred.

(m) Related parties

For the purposes of these accounts, 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 or other entities.

(n) Cash equivalents

Cash equivalents are short-term, highly liquid investments which are readily convertible into known amounts of cash without notice and which were within three months of the balance sheet date. For the purposes of the cash flow statement, cash equivalents would also include advances from banks repayable within three months from the date of the advance.

1. 主要會計政策 (續)**(k) 貸款成本**

貸款成本於發生之年度以支出記入綜合損益賬中。

(l) 退休福利

本集團參予一項按額供款公積金計劃，本集團及各員工向該計劃所供款額相等於有關員工月薪的5%至二零零零年十一月三十日。由二零零零年十二月一日開始，本集團參予一項強積金計劃，本集團及各員工按有關員工的有關入息的5%供款，在此兩計劃下，所有於合資格年資前辭職而放棄的供款額，都會用於減低本集團在該財政年度的供款。

在中國內之附屬公司員工乃中國政府管理的中央退休計劃之成員，附屬公司須按員工整體薪金某個百份比供款至該計劃中，附屬公司於中央退休計劃之唯一承擔乃對中央退休計劃之有關供款。

上述計劃的支出在到期供款時計入綜合損益賬內。

(m) 關連人士

就本賬項而言，如果本集團有權直接或間接控制另一方或對另一方人士的財務及經營決策作出重要影響，或另一人士有權直接或間接控制本集團或對本集團的財務及經營決策作出重要的影響，或本集團與另一方人士均受制於共同的控制或共同的重要影響下，則被視為關連人士。關連人士可為個別人士或其他公司。

(n) 現金等值項目

現金等值項目是指短期、流動性極高的投資，可於沒有通知的情況下並在資產負債表結算日後三個月內輕易兌換為已知的現金數額。就現金流量表而言，現金等值項目亦包括由借貸日起計三個月內到期償還的銀行貸款。

Notes on the Accounts

2. TURNOVER

The principal activities of the Company is investment holding. The principal activities of the subsidiaries are set out in note 13 on the accounts.

Turnover represents the sales value of goods supplied to customers and service revenue from interior building works, after eliminating inter-company transactions. The amount of each significant category of revenue recognised in turnover during the year is as follows:

| | 2001 HK\$'000 | 2000 HK\$'000 |
|--|------------------|------------------|
| Sale of furniture and fixtures | 125,421 | 250,698 |
| Service revenue from interior building works | 153,468 | 105,752 |
| | <u>278,889</u> | <u>356,450</u> |

3. SEGMENTAL INFORMATION

The analysis of the principal activities and geographical locations of the operations of the Company and its subsidiaries during the financial year are as follows:

| | Group turnover | | Contribution of profit from operations | |
|--|------------------|------------------|--|------------------|
| | 2001 HK\$'000 | 2000 HK\$'000 | 2001 HK\$'000 | 2000 HK\$'000 |
| Principal activities | | | | |
| Sale of furniture and fixtures | 125,421 | 250,698 | 74,120 | 114,398 |
| Interior building works | 153,468 | 105,752 | 15,663 | 29,514 |
| | <u>278,889</u> | <u>356,450</u> | <u>89,783</u> | <u>143,912</u> |
| Other Group expenses net of other income | | | (71,744) | (72,819) |
| | | | <u>18,039</u> | <u>71,093</u> |

2. 營業額

本公司的主要業務是投資控股。本公司各附屬公司的主要業務載於賬項附註13內。

營業額指供應客戶貨品之銷售價值以及提供室內裝飾工程之服務收入，以及經抵銷集團內公司間之交易後所得之數額。營業額中各項重大收入分類如下：

| | 二零零一年 千港元 | 二零零零年 千港元 |
|-----------------|----------------|----------------|
| 傢俬及裝置銷售 | 125,421 | 250,698 |
| 提供室內裝飾工程服務所得之收入 | 153,468 | 105,752 |
| | <u>278,889</u> | <u>356,450</u> |

3. 業務及地區劃分資料

本集團及其附屬公司於本財政年度按主要業務及經營地區劃分的分析如下

| | 本集團營業額 | | 經營業務溢利 | |
|--------------|----------------|----------------|---------------|----------------|
| | 二零零一年 千港元 | 二零零零年 千港元 | 二零零一年 千港元 | 二零零零年 千港元 |
| 主要業務 | | | | |
| 傢俬及裝置銷售 | 125,421 | 250,698 | 74,120 | 114,398 |
| 室內裝飾工程 | 153,468 | 105,752 | 15,663 | 29,514 |
| | <u>278,889</u> | <u>356,450</u> | <u>89,783</u> | <u>143,912</u> |
| 其他集團開支減去其他收入 | | | (71,744) | (72,819) |
| | | | <u>18,039</u> | <u>71,093</u> |

3. SEGMENTAL INFORMATION (continued)

| | Group turnover | |
|---|------------------|------------------|
| | 2001 HK\$'000 | 2000 HK\$'000 |
| Geographical locations of operations | | |
| The Mainland China | 93,355 | 194,259 |
| The Hong Kong Special Administrative Region | 108,912 | 87,155 |
| Other countries in Asia | 19,236 | 28,598 |
| Others | 57,386 | 46,438 |
| | <u>278,889</u> | <u>356,450</u> |

4. INCOME

| | Group turnover | |
|----------------------------------|------------------|------------------|
| | 2001 HK\$'000 | 2000 HK\$'000 |
| Other revenue | | |
| Interest income | 2,595 | 1,128 |
| Other revenue | 727 | 463 |
| | <u>3,322</u> | <u>1,591</u> |
| Other net (loss)/income | | |
| Net exchange gain | 1,045 | 1,184 |
| Loss on disposal of fixed assets | (995) | (246) |
| Other net loss | (124) | — |
| | <u>(74)</u> | <u>938</u> |

3. 業務及地區劃分資料 (續)

| | 本集團營業額 | |
|----------------|----------------|----------------|
| | 二零零一年 千港元 | 二零零零年 千港元 |
| 按經營地區劃分 | | |
| 中國內地 | 93,355 | 194,259 |
| 香港特別行政區 | 108,912 | 87,155 |
| 亞洲其他地區 | 19,236 | 28,598 |
| 其他 | 57,386 | 46,438 |
| | <u>278,889</u> | <u>356,450</u> |

4. 收入

| | 二零零一年 千港元 | 二零零零年 千港元 |
|-------------------|--------------|--------------|
| 其他收入 | | |
| 利息收入 | 2,595 | 1,128 |
| 其他收入 | 727 | 463 |
| | <u>3,322</u> | <u>1,591</u> |
| 其他淨(虧損)／收入 | | |
| 滙兌盈利 | 1,045 | 1,184 |
| 出售固定資產之虧損 | (995) | (246) |
| 其他淨虧損 | (124) | — |
| | <u>(74)</u> | <u>938</u> |

5. PROFIT FROM ORDINARY ACTIVITIES BEFORE TAXATION

Profit from ordinary activities before taxation is arrived at after charging:

| | 2001 HK\$'000 | 2000 HK\$'000 |
|---|------------------|------------------|
| (a) Finance costs | | |
| Interest on bank loans and other borrowings repayable within 5 years | 1,007 | 1,612 |
| Finance charges on obligations under finance leases | 710 | 495 |
| | <u>1,717</u> | <u>2,107</u> |
| (b) Other items | | |
| Cost of inventories | 92,551 | 136,300 |
| Staff costs (including retirement costs of \$1,915,061 (2000: \$1,665,205)) | 67,556 | 63,043 |
| Auditors' remuneration | 703 | 722 |
| Depreciation | | |
| – owned assets | 13,595 | 11,225 |
| – assets held under finance leases | 1,284 | 2,441 |
| Operating lease charges in respect of properties | 5,206 | 4,478 |
| Licence and royalty fee | 1,779 | 1,766 |
| | <u>1,779</u> | <u>1,766</u> |

5. 除稅前經營溢利

除稅前經營溢利已扣除：

(a) 財務成本

銀行貸款及須於五年內償還之其他貸款之利息
租購合約承擔之財務費用

二零零一年
千港元

二零零零年
千港元

1,007

1,612

710

495

1,717

2,107

(b) 其他項目：

存貨成本：
職工成本（包括退休金成本）1,915,061港元
（二零零零年：1,665,205港元）

核數師酬金

折舊

— 自置資產

— 按租購合約持有之資產

物業之經營租賃費用

特許經營及專利費用

92,551

136,300

67,556

63,043

703

722

13,595

11,225

1,284

2,441

5,206

4,478

1,779

1,766

6. TAXATION

(a) Taxation in the consolidated profit and loss account represents:

| | 2001 HK\$'000 | 2000 HK\$'000 |
|--|------------------|------------------|
| Provision for Hong Kong Profits Tax for the year | 2,857 | 11,195 |
| (Overprovision)/underprovision in respect of prior years | (610) | 80 |
| | <u>2,247</u> | <u>11,275</u> |
| Taxation outside Hong Kong | — | 59 |
| Deferred taxation (note 21(a)) | — | (400) |
| | <u>2,247</u> | <u>10,934</u> |

The provision for Hong Kong Profits Tax is calculated at 16% (2000: 16%) of the estimated assessable profits for the year ended 31 March 2001. Taxation for overseas subsidiaries is charged at the appropriate current rates of taxation ruling in the relevant countries.

(b) Taxation in the consolidated balance sheet represents:

| | The Group | |
|--|------------------|------------------|
| | 2001 HK\$'000 | 2000 HK\$'000 |
| Provision for Hong Kong Profits Tax for the year | 2,857 | 11,195 |
| Provisional Profits Tax paid | (1,418) | (4,796) |
| | <u>1,439</u> | <u>6,399</u> |
| (Tax recoverable) balance of Profits Tax provision relating to prior years | (237) | 680 |
| Taxation outside Hong Kong | 5 | 5 |
| | <u>1,207</u> | <u>7,084</u> |

6. 稅項

(a) 於綜合損益賬中的稅項指：

| | 二零零一年 千港元 | 二零零零年 千港元 |
|---------------|--------------|---------------|
| 當年香港利得稅準備 | 2,857 | 11,195 |
| 已往年度準備(超額)／不足 | (610) | 80 |
| | <u>2,247</u> | <u>11,275</u> |
| 香港境外稅項 | — | 59 |
| 遞延稅項(附註21(a)) | — | (400) |
| | <u>2,247</u> | <u>10,934</u> |

香港利得稅準備乃根據稅率16%(二零零零年：16%)就截至二零零一年三月三十一日止年度之估計課稅溢利計算。香港境外附屬公司之稅項乃根據有關國家之適用稅率計算。

(b) 於綜合資產負債表中的稅項指：

| | 本集團 | |
|--------------------|--------------|--------------|
| | 二零零一年 千港元 | 二零零零年 千港元 |
| 當年香港利得稅準備 | 2,857 | 11,195 |
| 已付暫繳利得稅 | (1,418) | (4,796) |
| | <u>1,439</u> | <u>6,399</u> |
| (應收稅項)／已往年度利得稅準備餘額 | (237) | 680 |
| 香港境外稅項 | 5 | 5 |
| | <u>1,207</u> | <u>7,084</u> |

7. DIRECTORS' REMUNERATION

Directors' remuneration disclosed pursuant to section 161 of the Hong Kong Companies Ordinance is as follows:

| | 2001 | 2000 |
|---|-----------------|----------|
| | HK\$'000 | HK\$'000 |
| Fees | 100 | 608 |
| Salaries and other emoluments | 10,435 | 7,884 |
| Retirement scheme contributions | 330 | 595 |
| Non-contractual payment for loss of office paid to a director | — | 1,425 |
| | 10,865 | 10,512 |

Included in the directors' remuneration were fees of \$100,000 (2000: \$8,334) paid to the independent non-executive directors during the year.

The remuneration of the directors is within the following bands:

| | Number of directors | |
|-----------------------|----------------------------|------|
| HK\$ | 2001 | 2000 |
| Nil – 1,000,000 | 2 | 3 |
| 1,000,001 – 1,500,000 | 4 | 2 |
| 1,500,001 – 2,000,000 | 3 | 4 |

8. INDIVIDUALS WITH HIGHEST EMOLUMENTS

All the five individuals with the highest emoluments are directors of the Company whose emoluments are disclosed in note 7 on the accounts.

7. 董事酬金

根據香港《公司條例》第161條列報本公司的董事酬金總額如下：

| | 二零零一年 千港元 | 二零零零年 千港元 |
|----------------------|---------------|---------------|
| 袍金 | 100 | 608 |
| 薪金及其他酬金 | 10,435 | 7,884 |
| 退休金供款 | 330 | 595 |
| 給予某董事就失去的職位所獲的非合約性補償 | — | 1,425 |
| | <u>10,865</u> | <u>10,512</u> |

董事酬金包括本年度支付予獨立非執行董事的袍金100,000港元(二零零零年：8,334港元)。

酬金在以下範圍內的董事數目如下：

| | 董事數目 | |
|-----------------------|-------|-------|
| 港元 | 二零零一年 | 二零零零年 |
| 無 — 1,000,000 | 2 | 3 |
| 1,000,001 — 1,500,000 | 4 | 2 |
| 1,500,001 — 2,000,000 | 3 | 4 |

8. 最高酬金人士

五位最高酬金人士均為本公司董事，其酬金於上文附註(7)披露。

9. DIVIDEND

| | 2001 HK\$'000 | 2000 HK\$'000 |
|---|------------------|------------------|
| Interim dividend paid of 1 HK cent (2000: Nil) per share | 2,000 | — |
| Final dividend proposed of 1.2 HK cents (2000: 8.6 HK cents) per share | 2,400 | 17,200 |

10. PROFIT ATTRIBUTABLE TO SHAREHOLDERS

The profit attributable to shareholders includes a profit of \$4,615,159 (2000: \$8,807,433) which has been dealt with in the accounts of the Company.

11. BASIC EARNINGS PER SHARE

The calculation of earnings per share for the year ended 31 March 2001 is based on the consolidated profit attributable to shareholders for the year ended 31 March 2001 of \$14,075,000 (2000: \$58,052,000) divided by 200,000,000 shares (2000: the weighted average number of 153,005,464 shares after adjusting for the issue and placing of new shares and capitalisation issue in 2000) in issue during the year.

There were no dilutive potential ordinary shares in issue during the years ended 31 March 2001 and 2000.

9. 股息

| | 二零零一年 千港元 | 二零零零年 千港元 |
|----------------------------------|--------------|--------------|
| 中期股息每股派港幣1仙 (二零零零年：無) | 2,000 | — |
| 末期股息每股擬派港幣1.2仙 (二零零零年：港幣8.6仙) | 2,400 | 17,200 |

10. 股東應佔溢利

股東應佔溢利包括一項4,615,159港元之溢利(二零零零年：8,807,433港元)，此項溢利已在本公司賬項內反映。

11. 基本每股盈利

截至二零零一年三月三十一日止之基本每股盈利乃根據該年內綜合股東應佔溢利14,075,000港元(二零零零年：58,052,000港元)，除以本年度已發行之200,000,000股(二零零零年：經調整後於二零零零年之新股發行配售及資本化發行之加權平均股數153,005,464股計算)。

截至二零零一年及二零零零年三月三十一日止年度均無任何潛在攤薄普通股。

12. FIXED ASSETS

(a) The Group

| | Land and buildings HK\$'000 | Leasehold improve- ments HK\$'000 | Plant and machinery HK\$'000 | Computer equipment HK\$'000 | Furniture, fixtures and office equipment HK\$'000 | Motor vehicles HK\$'000 | Total HK\$'000 |
|----------------------------------|-----------------------------------|--|---------------------------------------|-----------------------------------|---|-------------------------------|-------------------|
| <i>Cost:</i> | | | | | | | |
| At 1 April 2000 | 33,315 | 39,912 | 67,151 | 6,159 | 9,820 | 4,275 | 160,632 |
| Additions | 28 | 6,835 | 37,308 | 1,234 | 2,766 | 932 | 49,103 |
| Disposals | – | (534) | – | (1,651) | (698) | (347) | (3,230) |
| Exchange adjustments | 79 | 52 | 14 | 4 | 21 | 3 | 173 |
| At 31 March 2001 | 33,422 | 46,265 | 104,473 | 5,746 | 11,909 | 4,863 | 206,678 |
| <i>Accumulated depreciation:</i> | | | | | | | |
| At 1 April 2000 | 5,458 | 17,068 | 28,953 | 4,429 | 3,493 | 3,841 | 63,242 |
| Charge for the year | 1,574 | 4,032 | 6,882 | 982 | 1,190 | 219 | 14,879 |
| Written back on disposal | – | (80) | – | (1,519) | (248) | (312) | (2,159) |
| Exchange adjustments | – | 14 | 4 | 1 | 6 | 1 | 26 |
| At 31 March 2001 | 7,032 | 21,034 | 35,839 | 3,893 | 4,441 | 3,749 | 75,988 |
| <i>Net book value:</i> | | | | | | | |
| At 31 March 2001 | 26,390 | 25,231 | 68,634 | 1,853 | 7,468 | 1,114 | 130,690 |
| At 31 March 2000 | 27,857 | 22,844 | 38,198 | 1,730 | 6,327 | 434 | 97,390 |

12. 固定資產

(a) 本集團

| | 土地及樓宇 千港元 | 租賃物業 裝修 千港元 | 廠房及 機器 千港元 | 電腦設備 千港元 | 傢俬及 裝置 千港元 | 汽車 千港元 | 總額 千港元 |
|------------------|---------------|-------------------|------------------|--------------|------------------|--------------|----------------|
| 成本： | | | | | | | |
| 於二零零零年四月一日 | 33,315 | 39,912 | 67,151 | 6,159 | 9,820 | 4,275 | 160,632 |
| 添置 | 28 | 6,835 | 37,308 | 1,234 | 2,766 | 932 | 49,103 |
| 出售 | — | (534) | — | (1,651) | (698) | (347) | (3,230) |
| 滙兌差額 | 79 | 52 | 14 | 4 | 21 | 3 | 173 |
| | <u>33,422</u> | <u>46,265</u> | <u>104,473</u> | <u>5,746</u> | <u>11,909</u> | <u>4,863</u> | <u>206,678</u> |
| 於二零零一年 三月三十一日 | 33,422 | 46,265 | 104,473 | 5,746 | 11,909 | 4,863 | 206,678 |
| 累積折舊： | | | | | | | |
| 於二零零零年四月一日 | 5,458 | 17,068 | 28,953 | 4,429 | 3,493 | 3,841 | 63,242 |
| 本年度折舊 | 1,574 | 4,032 | 6,882 | 982 | 1,190 | 219 | 14,879 |
| 出售撥回 | — | (80) | — | (1,519) | (248) | (312) | (2,159) |
| 滙兌差額 | — | 14 | 4 | 1 | 6 | 1 | 26 |
| | <u>7,032</u> | <u>21,034</u> | <u>35,839</u> | <u>3,893</u> | <u>4,441</u> | <u>3,749</u> | <u>75,988</u> |
| 於二零零一年 三月三十一日 | 7,032 | 21,034 | 35,839 | 3,893 | 4,441 | 3,749 | 75,988 |
| 賬面淨值： | | | | | | | |
| 於二零零一年 三月三十一日 | 26,390 | 25,231 | 68,634 | 1,853 | 7,468 | 1,114 | 130,690 |
| 於二零零零年 三月三十一日 | 27,857 | 22,844 | 38,198 | 1,730 | 6,327 | 434 | 97,390 |

12. FIXED ASSETS (continued)

- (b) All land and buildings of the Group are located in the People's Republic of China under medium-term leases. The Group is granted the right to use the land, including construction of buildings thereon, until 2018.
- (c) The net book value of fixed assets of the Group includes an amount of \$26,204,178 (2000: \$12,757,190) in respect of assets held under finance leases.
- (d) At 31 March 2001, land and buildings of the Group with net book value of \$8,717,144 (2000: \$Nil) were pledged with a bank to secure a loan granted to the Group.
- (e) At 31 March 2001, no plant and machinery of the Group (2000: net book value of \$5,038,213) were pledged with a finance Company to secure a loan granted to the Group.

13. INTEREST IN SUBSIDIARIES

| | 2001 HK\$'000 | 2000 HK\$'000 |
|----------------------------|------------------|------------------|
| Unlisted shares, at cost | 170,160 | 170,160 |
| Amount due from subsidiary | 68,349 | 17,500 |
| Amount due to subsidiary | (700) | (1,879) |
| | <u>237,809</u> | <u>185,781</u> |

12. 固定資產(續)

- (b) 本集團所擁有之土地及樓宇皆在中國內地，並根據中期租約持有。本集團獲授可使用土地(包括於其上興建樓宇)之權利，直止二零一八年。
- (c) 本集團按租購合約持有之固定資產總賬面淨值為26,204,178港元(二零零零年：12,757,190港元)。
- (d) 於二零零一年三月三十一日，賬面淨值為8,717,144港元(二零零零年：無)之土地及樓宇，已抵押給一間銀行，作為給予本集團貸款之抵押。
- (e) 於二零零一年三月三十一日，本集團沒有將廠房及機器(二零零零年：賬面淨值為5,038,213港元)抵押給財務公司，作為給予本集團貸款之抵押。

13. 所佔附屬公司之權益

| | 二零零一年 千港元 | 二零零零年 千港元 |
|-----------|----------------|----------------|
| 非上市股份(成本) | 170,160 | 170,160 |
| 附屬公司欠款 | 68,349 | 17,500 |
| 附屬公司貸款 | (700) | (1,879) |
| | <u>237,809</u> | <u>185,781</u> |

13. INTEREST IN SUBSIDIARIES (continued)

Details of the principal subsidiaries are as follows:

| Name of Company | Place of incorporation/ establishment and operations | Particulars of issued/ registered capital | Percentage of equity held by the | | Principal activity |
|------------------------------|---|---|-------------------------------------|------------|---|
| | | | Company | subsidiary | |
| Decca Investment Limited | British Virgin Islands | 10,000 shares of US\$1 each | 100% | — | Investment holding |
| Decca Limited (“DL”) | Hong Kong | 10 ordinary shares of \$100 each | — | 100% | Provision of interior decoration works and trading of furniture |
| | | ** 145,600 non-voting deferred shares of \$100 each | — | — | |
| Decca (China) Limited | Hong Kong | 100,000 shares of \$1 each | — | 100% | Provision of subcontracting services to Group companies |
| Decca Furniture Limited | Hong Kong | 100,000 shares of \$1 each | — | 100% | Trading of furniture |
| HBF (HK) Limited | Hong Kong | 10,000 shares of \$1 each | — | 100% | Trading of furniture |
| Decca Overseas (S) Pte Ltd * | Singapore | 2 shares of SG\$1 each | — | 100% | Trading of furniture |
| HBF Showroom Pte Ltd * | Singapore | 750,000 shares of SG\$1 each | — | 100% | Trading of furniture |
| 東莞達藝傢俬有限公司* | The People’s Republic of China | \$50,000,000 | — | 100% | Manufacturing of furniture and decoration materials |
| 東莞益新傢俬裝飾有限公司* | The People’s Republic of China | \$1,000,000 | — | 100% | Manufacturing of furniture and provision of after-sale services |

* Companies not audited by KPMG

** The shareholders of the non-voting deferred shares are only entitled to dividends when the total dividends declared by DL for any financial year exceeding \$1 trillion and, in the case of winding up of DL, are only entitled to receive a return of assets when the total value of assets of DL for distribution exceeding \$5 billion.

13. 所佔附屬公司之權益(續)

以下為主要附屬公司之詳情：

| 公司名稱 | 註冊／成立 及營運地點 | 已發行／ 註冊資本 | 應佔股權百分比 | | 主要業務 |
|------------------------------|----------------|--------------------------------------|---------|------|-------------------|
| | | | 直接 | 間接 | |
| Decca Investment Limited | 英屬處女群島 | 10,000股 每股面值1美元 | 100% | — | 投資控股 |
| 達藝室內工程 有限公司(「香港達藝」) | 香港 | 10股普通股 每股面值100港元 | — | 100% | 提供室內裝修工程 及傢俬買賣 |
| | | ** 145,600每股面值 100港元之無投票權 遞延股份 | — | — | |
| 達藝室內設計工程 (中國)有限公司 | 香港 | 100,000股 每股面值1港元 | — | 100% | 向集團公司 提供加工服務 |
| 達藝傢具有限公司 | 香港 | 100,000股 每股面值1港元 | — | 100% | 傢俬買賣 |
| HBF (HK) Limited | 香港 | 10,000股 每股面值1港元 | — | 100% | 傢俬買賣 |
| Decca Overseas (S) Pte Ltd * | 新加坡 | 2股 每股面值1新加坡元 | — | 100% | 傢俬買賣 |
| HBF Showroom Pte Ltd * | 新加坡 | 750,000股 每股面值1新加坡元 | — | 100% | 傢俬買賣 |
| 東莞達藝傢俬有限公司* | 中華人民共和國 | 50,000,000港元 | — | 100% | 傢俬及 裝修材料製造 |
| 東莞益新傢俬裝飾有限公司* | 中華人民共和國 | 1,000,000港元 | — | 100% | 傢俬製造及提供 銷售後服務 |

* 此等公司非由畢馬威會計師事務所審核

** 香港達藝無投票權遞延股份之持有人只於香港達藝在某一財政年度宣佈分派之股息超逾10,000億港元時方可獲派股息。如香港達藝清盤，則此等股份之持有人只有在香港達藝之可分派資產值超逾50億港元方可獲得發還資產。

14. INVENTORIES

| | The Group | |
|------------------|---------------|---------------|
| | 2001 | 2000 |
| | HK\$'000 | HK\$'000 |
| Raw materials | 30,810 | 32,671 |
| Work in progress | 49,885 | 12,730 |
| Finished goods | 1,564 | 1,706 |
| | <u>82,259</u> | <u>47,107</u> |

Included in raw materials are inventories of \$522,892 (2000: finished goods of \$346,960) stated net of provision made in order to state these inventories at the lower of their cost and estimated net realisable value. The remaining finished goods and the raw materials are stated net of a general provision of \$426,570 (2000: \$Nil) in order to state the inventories at the lower of their cost and estimated net realisable value.

15. TRADE DEBTORS

The ageing analysis of trade debtors net of provisions for bad and doubtful debts is as follows:

| | The Group | |
|---------------|---------------|---------------|
| | 2001 | 2000 |
| | HK\$'000 | HK\$'000 |
| 0 – 3 months | 66,559 | 38,215 |
| Over 3 months | 29,902 | 43,103 |
| | <u>96,461</u> | <u>81,318</u> |

Debts are due within 30 days from the date of billing. Appropriate actions including but not limited to legal actions, will be taken for debtors with balances that are more than 3 months overdue.

14. 存貨

| | 本集團 | |
|-----|---------------|---------------|
| | 二零零一年 千港元 | 二零零零年 千港元 |
| 原料 | 30,810 | 32,671 |
| 在製品 | 49,885 | 12,730 |
| 製成品 | 1,564 | 1,706 |
| | <u>82,259</u> | <u>47,107</u> |

原料包括存貨522,892港元(二零零零年製成品：346,960港元)，已扣除撥備，以存貨達致以成本或估計可變現淨值之較低者入賬。其餘之製成品及原料已扣除一般撥備為426,570港元(二零零零年：無)以達致存貨以成本或估計可變現淨值之較低者入賬。

15. 應收貿易款項

於二零零一年三月三十一日經扣除撥備後之應收貿易款項的賬齡分析如下：

| | 本集團 | |
|-------|---------------|---------------|
| | 二零零一年 千港元 | 二零零零年 千港元 |
| 零至三個月 | 66,559 | 38,215 |
| 三個月以上 | 29,902 | 43,103 |
| | <u>96,461</u> | <u>81,318</u> |

貿易款項於發單後三十天內繳付，對於超過三個月之欠款之客戶會採取適當行動甚至包括法律行動。

16. CASH AND CASH EQUIVALENTS

| | The Group | | The Company | |
|--------------------------|------------------|------------------|------------------|------------------|
| | 2001 HK\$'000 | 2000 HK\$'000 | 2001 HK\$'000 | 2000 HK\$'000 |
| Deposits with bank | 13,866 | 71,172 | 837 | 68,172 |
| Cash at bank and in hand | 16,280 | 7,809 | 1,283 | 862 |
| | <u>30,146</u> | <u>78,981</u> | <u>2,120</u> | <u>69,034</u> |

17. NON-CURRENT INTEREST-BEARING BORROWINGS

| | The Group | |
|----------------------|------------------|------------------|
| | 2001 HK\$'000 | 2000 HK\$'000 |
| Bank loans (note 18) | | |
| – Unsecured | 3,792 | – |
| – Secured | – | 307 |
| | <u>3,792</u> | <u>307</u> |

16. 現金及現金等值項目

| | 本集團 | | 本公司 | |
|---------|---------------|---------------|--------------|---------------|
| | 二零零一年 千港元 | 二零零零年 千港元 | 二零零一年 千港元 | 二零零零年 千港元 |
| 銀行定期存款 | 13,866 | 71,172 | 837 | 68,172 |
| 銀行結存及現金 | 16,280 | 7,809 | 1,283 | 862 |
| | <u>30,146</u> | <u>78,981</u> | <u>2,120</u> | <u>69,034</u> |

17. 非流動連息貸款

| | 本集團 | |
|-------------|--------------|--------------|
| | 二零零一年 千港元 | 二零零零年 千港元 |
| 銀行貸款 (附註18) | | |
| — 無抵押 | 3,792 | — |
| — 有抵押 | — | 307 |
| | <u>3,792</u> | <u>307</u> |

18. BANK LOANS

At 31 March 2001, the bank loans were repayable as follows:

| | The Group | |
|----------------------------------|------------------|------------------|
| | 2001 HK\$'000 | 2000 HK\$'000 |
| Within 1 year or on demand | 17,680 | 7,090 |
| After 1 year but within 2 years | 1,920 | 307 |
| After 2 years but within 5 years | 1,872 | — |
| | 3,792 | 307 |
| | 21,472 | 7,397 |

At 31 March 2001, the bank loans were secured as follows:

| | The Group | |
|-----------|------------------|------------------|
| | 2001 HK\$'000 | 2000 HK\$'000 |
| Unsecured | 12,038 | — |
| Secured | 9,434 | 7,397 |
| | 21,472 | 7,397 |

None of the banking facilities of the Group are secured by the pledge of the Group's fixed deposits (2000: \$4,694,780) at 31 March 2001. The secured bank loans were secured by fixed assets of the Group located in the PRC with net book value of \$8,717,144 (2000: \$Nil).

18. 銀行貸款

於二零零一年三月三十一日應償還之銀行貸款如下：

| | 本集團 | |
|----------|--------------|--------------|
| | 二零零一年 千港元 | 二零零零年 千港元 |
| 一年內或即時通知 | 17,680 | 7,090 |
| 一年後至兩年內 | 1,920 | 307 |
| 兩年後至五年內 | 1,872 | — |
| | 3,792 | 307 |
| | 21,472 | 7,397 |

於二零零一年三月三十一日，有抵押銀行貸款如下：

| | 本集團 | |
|-----|--------------|--------------|
| | 二零零一年 千港元 | 二零零零年 千港元 |
| 無抵押 | 12,038 | — |
| 有抵押 | 9,434 | 7,397 |
| | 21,472 | 7,397 |

於二零零一年三月三十一日本集團之銀行備用信貸，並沒有以本集團之固定資產(二零零零年：4,694,780港元)作抵押。用本集團在中國內地之資產作抵押的銀行貸款，其淨賬面值為8,717,144港元(二零零零年：無)。

19. TRADE CREDITORS

The ageing analysis of trade creditors is as follows:

| | The Group | |
|---------------|------------------|------------------|
| | 2001 HK\$'000 | 2000 HK\$'000 |
| 0 – 3 months | 14,037 | 15,490 |
| Over 3 months | 7,451 | 2,241 |
| | <u>21,488</u> | <u>17,731</u> |

20. OBLIGATIONS UNDER FINANCE LEASES

At 31 March 2001, the Group and the Company had obligations under finance leases repayable as follows:

| | The Group | |
|--|------------------|------------------|
| | 2001 HK\$'000 | 2000 HK\$'000 |
| Within 1 year | 8,089 | 3,452 |
| After 1 year but within 2 years | 7,866 | 1,842 |
| After 2 years but within 5 years | 5,177 | 1,621 |
| | <u>21,132</u> | <u>6,915</u> |
| Finance charges relating to future periods | (2,549) | (754) |
| | <u>18,583</u> | <u>6,161</u> |
| Amount due within 1 year included under “other creditors and accruals” | (6,698) | (3,004) |
| | <u>11,885</u> | <u>3,157</u> |

19. 應付貿易款項

應付貿易款項賬齡分析如下：

| | 本集團 | |
|-------|---------------|---------------|
| | 二零零一年 千港元 | 二零零零年 千港元 |
| 零至三個月 | 14,037 | 15,490 |
| 三個月以上 | 7,451 | 2,241 |
| | <u>21,488</u> | <u>17,731</u> |

20. 租購合約承擔

於二零零一年三月三十一日，本集團及本公司之應償還租購合約承擔如下：

| | 本集團 | |
|---------------------------|---------------|--------------|
| | 二零零一年 千港元 | 二零零零年 千港元 |
| 一年內 | 8,089 | 3,452 |
| 一年後至兩年內 | 7,866 | 1,842 |
| 兩年後至五年內 | 5,177 | 1,621 |
| | <u>21,132</u> | <u>6,915</u> |
| 其後之財務費用 | (2,549) | (754) |
| | <u>18,583</u> | <u>6,161</u> |
| 一年內須償還之費用已包括在其他應付款項及應計費用內 | (6,698) | (3,004) |
| | <u>11,885</u> | <u>3,157</u> |

21. DEFERRED TAXATION

(a) Movements on deferred taxation comprise:

| | The Group | |
|--|--------------------------------|--------------------------------|
| | 2001 HK\$'000 | 2000 HK\$'000 |
| At 1 April | 661 | 1,061 |
| Transfer to the consolidated profit and loss account (note 6(a)) | <u>—</u> | <u>(400)</u> |
| At 31 March | 661 | 661 |

(b) Major components of deferred tax of the Group are set out below:

| | 2001 | | 2000 | |
|---|------------------------------------|--|------------------------------------|--|
| | Provided HK\$'000 | Potential liabilities unprovided HK\$'000 | Provided HK\$'000 | Potential liabilities unprovided HK\$'000 |
| Depreciation allowances in excess of related depreciation | 661 | 4,392 | 661 | 4,063 |
| Tax loss | <u>—</u> | <u>(1,612)</u> | <u>—</u> | <u>—</u> |
| | 661 | 2,780 | 661 | 4,063 |

21. 遞延稅項

(a) 遞延稅項之變動包括：

| | 本集團 | |
|-------------------|--------------|--------------|
| | 二零零一年 千港元 | 二零零零年 千港元 |
| 於四月一日 | 661 | 1,061 |
| 轉撥至綜合損益賬 (附註6(a)) | — | (400) |
| | <hr/> | <hr/> |
| 於三月三十一日 | 661 | 661 |
| | <hr/> | <hr/> |

(b) 本集團遞延稅項之主要項目如下：

| | 二零零一年 | | 二零零零年 | |
|---------------------|------------|----------------------|------------|----------------------|
| | 已撥備 千港元 | 對可能債務 未作撥備 千港元 | 已撥備 千港元 | 對可能債務 未作撥備 千港元 |
| 折舊免稅項超過相關折舊 稅項虧損 | 661 | 4,392 | 661 | 4,063 |
| | — | (1,612) | — | — |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 661 | 2,780 | 661 | 4,063 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

22. SHARE CAPITAL

| | 2001 | | 2000 | |
|-------------------------------|----------------------|----------------------------|---------------|--------------------|
| | No. of shares | Amount HK\$'000 | No. of shares | Amount HK\$'000 |
| <i>Authorised:</i> | | | | |
| Shares of \$0.10 each | 400,000,000 | 40,000 | 400,000,000 | 40,000 |
| <i>Issued and fully paid:</i> | | | | |
| At 1 April | 200,000,000 | 20,000 | — | — |
| Shares issued | — | — | 60,000,000 | 6,000 |
| Capitalisation issue | — | — | 140,000,000 | 14,000 |
| At 31 March | 200,000,000 | 20,000 | 200,000,000 | 20,000 |

Under the Company's Share Option Scheme, the directors of the Company may, at their discretion, invite employees, including directors, of any member in the Group, to take up options to subscribe for shares not exceeding 10 per cent of the issued share capital of the Company. The options are exercisable for a period up to ten years from 23 February 2000, being the date of adoption of the Share Option Scheme.

During the year, no options were granted under the Share Option Scheme.

22. 股本

| | 二零零一年 | | 二零零零年 | |
|-------------|-------------|-----------|-------------|-----------|
| | 股票數量 | 數目 千港元 | 股票數量 | 數目 千港元 |
| 法定股本： | | | | |
| 每股面值港幣一角之股票 | 400,000,000 | 40,000 | 400,000,000 | 40,000 |
| 已發行及全數繳付： | | | | |
| 於四月一日 | 200,000,000 | 20,000 | — | — |
| 已發行股票 | — | — | 60,000,000 | 6,000 |
| 資本化發行 | — | — | 140,000,000 | 14,000 |
| 於三月三十一日 | 200,000,000 | 20,000 | 200,000,000 | 20,000 |

根據本公司購股權計劃，董事會可全權酌情邀請本集團僱員，包括董事，接納購股權，以認購不多於本公司已發行股本之10%股份。購股權之行使期由購股權計劃生效日起，即二零零零年二月二十三日起計十年內。

本年度並無給予任何購股權。

23. RESERVES**(a) The Group**

| | Share premium | Contributed surplus | Capital reserves | Exchange reserve | Retained profits | Total |
|---|----------------------|----------------------------|-------------------------|-------------------------|-------------------------|----------------|
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| At 1 April 1999 | — | — | 8,662 | 295 | 101,253 | 110,210 |
| Premium on issue of shares | 71,000 | — | — | — | — | 71,000 |
| Capitalisation issue | (14,000) | — | — | — | — | (14,000) |
| Share issue expenses | (9,082) | — | — | — | — | (9,082) |
| Exchange difference on translation of overseas subsidiaries | — | — | — | 21 | — | 21 |
| Surplus arising on the reorganisation | — | 18,865 | — | — | — | 18,865 |
| Profit for the year | — | — | — | — | 58,052 | 58,052 |
| Dividend | — | — | — | — | (17,200) | (17,200) |
| | <u>47,918</u> | <u>18,865</u> | <u>8,662</u> | <u>316</u> | <u>142,105</u> | <u>217,866</u> |
| At 31 March 2000 | 47,918 | 18,865 | 8,662 | 316 | 142,105 | 217,866 |
| At 1 April 2000 | 47,918 | 18,865 | 8,662 | 316 | 142,105 | 217,866 |
| 2000 share issue expenses | (278) | — | — | — | — | (278) |
| Exchange difference on translation of overseas subsidiaries | — | — | — | 809 | — | 809 |
| Profit for the year | — | — | — | — | 14,075 | 14,075 |
| Dividend | — | — | — | — | (4,400) | (4,400) |
| | <u>47,640</u> | <u>18,865</u> | <u>8,662</u> | <u>1,125</u> | <u>151,780</u> | <u>228,072</u> |
| At 31 March 2001 | 47,640 | 18,865 | 8,662 | 1,125 | 151,780 | 228,072 |

23. 儲備

(a) 本集團

| | 股票溢價 | 繳入盈餘 | 資本儲備 | 外匯兌換 儲備 | 滾存溢利 | 總額 |
|------------------|----------|--------|-------|------------|----------|----------|
| | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| 於一九九九年四月一日 | — | — | 8,662 | 295 | 101,253 | 110,210 |
| 股票發行溢價 | 71,000 | — | — | — | — | 71,000 |
| 資本化發行 | (14,000) | — | — | — | — | (14,000) |
| 股票發行支出 | (9,082) | — | — | — | — | (9,082) |
| 海外附屬公司匯兌差額 | — | — | — | 21 | — | 21 |
| 重組盈餘 | — | 18,865 | — | — | — | 18,865 |
| 本年度溢利 | — | — | — | — | 58,052 | 58,052 |
| 股息 | — | — | — | — | (17,200) | (17,200) |
| 於二零零零年 三月三十一日 | 47,918 | 18,865 | 8,662 | 316 | 142,105 | 217,866 |
| 於二零零零年四月一日 | 47,918 | 18,865 | 8,662 | 316 | 142,105 | 217,866 |
| 於二零零零年 | | | | | | |
| 股票發行支出 | (278) | — | — | — | — | (278) |
| 海外附屬公司匯兌差額 | — | — | — | 809 | — | 809 |
| 本年度溢利 | — | — | — | — | 14,075 | 14,075 |
| 股息 | — | — | — | — | (4,400) | (4,400) |
| 於二零零一年 三月三十一日 | 47,640 | 18,865 | 8,662 | 1,125 | 151,780 | 228,072 |

23. RESERVES (continued)**(b) The Company**

| | Share premium | Contributed surplus | Retained profits | Total |
|---------------------------------------|--------------------------|--------------------------------|-----------------------------|--------------|
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| At 1 April 1999 | — | — | — | — |
| Premium on issue of shares | 71,000 | — | — | 71,000 |
| Capitalisation issue | (14,000) | — | — | (14,000) |
| Share issue expenses | (9,082) | — | — | (9,082) |
| Surplus arising on the Reorganization | — | 169,367 | — | 169,367 |
| Profit for the year | — | — | 8,807 | 8,807 |
| Dividend | — | — | (8,807) | (8,807) |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| At 31 March 2000 | 47,918 | 169,367 | — | 217,285 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| At 1 April 2000 | 47,918 | 169,367 | — | 217,285 |
| 2000 share issue expenses | (278) | — | — | (278) |
| Profit for the year | — | — | 4,615 | 4,615 |
| Dividend | — | — | (4,400) | (4,400) |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| At 31 March 2001 | 47,640 | 169,367 | 215 | 217,222 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

- (c) Under the Bye-Laws of the Company, the share premium is distributable in the form of fully paid bonus shares.
- (d) In addition to the retained profits, under the Companies Act of Bermuda, the Company's contributed surplus is available for distribution to shareholders. However, the directors have no current intention to distribute this surplus.
- (e) The capital reserves and exchange reserve have been set up and will be dealt with in accordance with the accounting policies adopted for goodwill arising on subsidiaries and foreign currency translation (note 1) respectively.

23. 儲備(續)

(b) 本公司

| | 股票溢價 千港元 | 繳入盈餘 千港元 | 滾存溢利 千港元 | 總額 千港元 |
|--------------|---------------|----------------|-------------|----------------|
| 於一九九九年四月一日 | — | — | — | — |
| 股票發行溢價 | 71,000 | — | — | 71,000 |
| 資本化發行 | (14,000) | — | — | (14,000) |
| 股票發行支出 | (9,082) | — | — | (9,082) |
| 重組盈餘 | — | 169,367 | — | 169,367 |
| 本年度溢利 | — | — | 8,807 | 8,807 |
| 股息 | — | — | (8,807) | (8,807) |
| | <u>47,918</u> | <u>169,367</u> | <u>—</u> | <u>217,285</u> |
| 於二零零零年三月三十一日 | 47,918 | 169,367 | — | 217,285 |
| 於二零零零年四月一日 | 47,918 | 169,367 | — | 217,285 |
| 於二零零零年股票發行支出 | (278) | — | — | (278) |
| 本年度溢利 | — | — | 4,615 | 4,615 |
| 股息 | — | — | (4,400) | (4,400) |
| | <u>47,640</u> | <u>169,367</u> | <u>215</u> | <u>217,222</u> |
| 於二零零一年三月三十一日 | 47,640 | 169,367 | 215 | 217,222 |

(c) 根據本公司章程細則，股票發行溢價可以已繳足紅股方式分派。

(d) 除滾存溢利外，根據百慕達公司法，公司之繳入盈餘可派發給股東，董事會現時未有考慮派發此盈餘。

(e) 資本儲備及外匯兌換儲備已成立，並會根據使用於由附屬公司引起的商譽及外幣換算的會計政策進行處理(附註1)。

24. COMMITMENTS

- (a) Capital commitments of the Group outstanding at 31 March 2001 not provided for in the accounts were as follows:

| | 2001 HK\$'000 | 2000 HK\$'000 |
|-----------------------------------|------------------|------------------|
| Contracted for | 1,660 | 7,260 |
| Authorised but not contracted for | — | — |
| | <u>1,660</u> | <u>7,260</u> |

- (b) At 31 March 2001, the Group had commitments under operating leases to make payments in respect of properties in the next year as follows:

| | 2001 HK\$'000 | 2000 HK\$'000 |
|---------------------------------|------------------|------------------|
| Leases expiring: | | |
| Within 1 year | 68 | 422 |
| After 1 year but within 5 years | 6,272 | 3,778 |
| | <u>6,340</u> | <u>4,200</u> |

25. CONTINGENT LIABILITIES

At 31 March 2001, there were contingent liabilities in respect of counter-guarantee, amounting to \$33,751,000 (2000: \$29,361,000), which was given by a subsidiary in favour of certain banks and insurance companies against any liabilities of these parties arising from non-compliance of the terms of interior building works being undertaken by a subsidiary.

26. MATERIAL RELATED PARTY TRANSACTIONS

During the year, the Group paid rental of \$2,714,940 (2000: \$2,714,940) in respect of the Group's office premises, showrooms and warehouses on normal commercial terms to a company of which certain shareholders and directors of the Company are shareholders and directors. The amount due to this related company at the year end amounted to \$Nil (2000: \$177,635).

24. 承擔

(a) 集團於二零零一年三月三十一日之資本承擔而未作撥備如下：

| | 二零零一年 千港元 | 二零零零年 千港元 |
|---------|--------------|--------------|
| 已訂約 | 1,660 | 7,260 |
| 已批准但未訂約 | — | — |
| | <u>1,660</u> | <u>7,260</u> |

(b) 集團於二零零一年三月三十一日已承擔之經營租賃及於下年度應付之費用如下：

| | 二零零一年 千港元 | 二零零零年 千港元 |
|---------|--------------|--------------|
| 租賃終結期： | | |
| 一年內 | 68 | 422 |
| 一年後至五年內 | 6,272 | 3,778 |
| | <u>6,340</u> | <u>4,200</u> |

25. 或然負債

於二零零一年三月三十一日，有保證之或然負債為33,751,000港元(二零零零年：29,361,000港元)，此乃由附屬公司給予銀行及保險公司，用以承擔因未能依據室內裝飾工程之條文而引發之負債。

26. 重大關連交易

於本年度按正常商業條文，集團已支付集團之辦公地方，陳列室、貨倉租金2,714,940港元(二零零零年：2,714,940港元)給某公司，該公司之某些股東及董事乃本公司之股東及董事，於本年終，並無應付給此關連公司款項(二零零零年：177,635港元)。

27. COMPARATIVE FIGURES

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

28. ULTIMATE HOLDING COMPANY

The directors consider the ultimate holding company at 31 March 2001 to be Peasedow Enterprises Limited, which is incorporated in the British Virgin Islands.

27. 比較數字

賬項中若干比較數字已調整，以符合本年度之呈列基準。

28. 最終控股公司

於二零零一年三月三十一日，董事會以在英屬處女群島註冊之Peasedow Enterprises Limited為最終控股公司。