1. CORPORATE INFORMATION

The principal activity of the Company is investment holding. The subsidiaries of the Company are mainly engaged in the manufacture and sale of electrical adaptors, transformers and related accessories, plastic moulds and electrical products. There were no significant changes in the nature of the Group's principal activities during the year.

2. IMPACT OF NEW AND REVISED HONG KONG STATEMENTS OF STANDARD ACCOUNTING PRACTICE

The following recently-issued and revised Hong Kong Statements of Standard Accounting Practice ("HKSSAPs") and related Interpretations are effective for the current year's financial statements:

- HKSSAP 9 (Revised) : "Events after the balance sheet date"
- HKSSAP 14 (Revised) : "Leases"
- HKSSAP 18 (Revised) : "Revenue"
- HKSSAP 26 : "Segment reporting"
- HKSSAP 28 : "Provisions, contingent liabilities and contingent assets"
- HKSSAP 29 : "Intangible assets"
- HKSSAP 30 : "Business combinations"
- HKSSAP 31 : "Impairment of assets"
- HKSSAP 32 : "Consolidated financial statements and accounting for investments in subsidiaries"
- Interpretation 12 : "Business combinations – subsequent adjustment of fair values and goodwill initially reported"
- Interpretation 13 : "Goodwill – continuing requirements for goodwill and negative goodwill previously eliminated against/credited to reserves"

These HKSSAPs prescribe new accounting measurement and disclosure practices. Except for HKSSAP 14 (Revised), HKSSAP 26, HKSSAP 30 and Interpretation 13, the changes introduced by these HKSSAPs and Interpretations have had no major impact on these financial statements. The major effects on the Group's accounting policies and on the amounts disclosed in these financial statements of those HKSSAPs which have had a significant effect on the financial statements are summarised as follows:

HKSSAP 14 (Revised) prescribes the basis for lessor and lessee accounting for finance and operating leases, and the required disclosures in respect thereof. Certain amendments have been made to the previous accounting measurement treatments, which may be accounted for retrospectively or prospectively, in accordance with the requirements of this revised HKSSAP. The revised requirements have not had a material effect on the amounts previously recorded in the financial statements, therefore no prior year adjustment has been required. The disclosure changes under this HKSSAP have resulted in changes to the detailed information disclosed for finance leases and operating leases, which are detailed in notes 24 and 30 to the financial statements.

2. IMPACT OF NEW AND REVISED HONG KONG STATEMENTS OF STANDARD ACCOUNTING PRACTICE (continued)

HKSSAP 26 prescribes the principles to be applied for reporting financial information by segment. It requires that management assesses whether the Group's predominant risks or returns are based on business segments or geographical segments and determines one of these bases to be the primary segment information reporting format, with the other as the secondary segment information reporting format. The impact of this HKSSAP is the inclusion of significant additional segment reporting disclosures which are set out in note 4 to the financial statements.

HKSSAP 30 prescribes the accounting treatment for business combinations, including the determination of the date of acquisition, the method for determining the fair values of the assets and liabilities acquired, and the treatment of goodwill or negative goodwill arising on acquisition. The HKSSAP requires the disclosure of goodwill and negative goodwill in the non-current assets section of the consolidated balance sheet. It requires that goodwill is amortised to the consolidated profit and loss account over its estimated useful life. Negative goodwill is recognised in the consolidated profit and loss account depending on the circumstances from which it arose, as further described in the accounting policy for negative goodwill disclosed in note 3 to the financial statements. Interpretation 13 prescribes the application of HKSSAP 30 to goodwill arising from acquisitions in previous years which remains eliminated against reserves. The adoption of the HKSSAP and Interpretation has not resulted in a prior year adjustment, for the reasons detailed in note 27 to the financial statements. The required new additional disclosures are included in notes 16 and 27 to the financial statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with the HKSSAPs, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for the periodic remeasurement of investment properties and investments in marketable securities, as further explained below.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 30 April 2002. The results of subsidiaries acquired or disposed of during the year are consolidated from or to their effective dates of acquisition or disposal, respectively. All significant intercompany transactions and balances within the Group are eliminated on consolidation.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Subsidiaries

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

The Company's interests in subsidiaries are stated at cost less any impairment losses.

Associates

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

The Group's share of the post-acquisition results of associates is included in the consolidated profit and loss account. The Group's interests in associates are stated in the consolidated balance sheet at the Group's share of net assets under the equity method of accounting, less any impairment losses. Goodwill arising from the acquisition of associates is included as part of the Group's interests in associates.

Goodwill

Goodwill arising on the acquisition of subsidiaries and associates represents the excess of the cost of the acquisition over the Group's share of the fair values of the identifiable assets and liabilities acquired as at the date of acquisition.

Goodwill arising on acquisition is recognised in the consolidated balance sheet as an asset and amortised on the straight-line basis over its estimated useful life. In the case of associates, any unamortised goodwill is included in the carrying amount thereof, rather than as a separately identified asset on the consolidated balance sheet.

In prior years, goodwill arising on acquisitions was eliminated against reserves in the year of acquisition and was written off to the consolidated profit and loss account if there was any diminutions in value other than those considered to be temporary in nature. The Group has adopted the transitional provision of HKSSAP 30 that permits goodwill on acquisitions which occurred prior to 1 May 2001, to remain eliminated against reserves. Goodwill on subsequent acquisitions is treated according to the new accounting policy above.

On disposal of subsidiaries or associates, the gain or loss on disposal is calculated by reference to the net assets at the date of disposal, including the attributable amount of goodwill which remains unamortised. Any attributable goodwill previously eliminated against reserves at the time of acquisition is written back and included in the calculation of the gain or loss on disposal.

The carrying amount of goodwill, including goodwill remaining eliminated against reserves, is reviewed annually and written down for impairment when it is considered necessary. A previously recognised impairment loss for goodwill is not reversed unless the impairment loss was caused by a specific external event of an exceptional nature that was not expected to recur, and subsequent external events have occurred which have reversed the effect of that event.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Negative goodwill

Negative goodwill arising on the acquisition of subsidiaries represents the excess of the Group's share of the fair values of the identifiable assets and liabilities acquired as at the date of acquisition, over the cost of the acquisition.

To the extent that negative goodwill relates to expectations of future losses and expenses that are identified in the acquisition plan and that can be measured reliably, but which do not represent identifiable liabilities as at the date of acquisition, that portion of negative goodwill is recognised as income in the consolidated profit and loss account when the future losses and expenses are recognised.

To the extent that negative goodwill does not relate to identifiable expected future losses and expenses as at the date of acquisition, negative goodwill is recognised in the consolidated profit and loss account on a systematic basis over the remaining average useful life of the acquired depreciable or amortisable assets. The amount of any negative goodwill in excess of the fair values of the acquired non-monetary assets is recognised as income immediately.

In prior years, negative goodwill arising on acquisitions was credited to the reserves in the year of acquisition. The Group has adopted the transitional provision of HKSSAP 30 that permits negative goodwill on acquisitions which occurred prior to 1 May 2001, to remain credited to the reserves. Negative goodwill on subsequent acquisitions is treated according to the new accounting policy above.

On disposal of subsidiaries, the gain or loss on disposal is calculated by reference to the net assets at the date of disposal, including the attributable amount of negative goodwill which has not been recognised in the consolidated profit and loss account. Any attributable negative goodwill previously credited to the reserves at the time of acquisition is written back and included in the calculation of the gain or loss on disposal.

Related parties

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

Impairment of assets

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of assets (continued)

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

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount of an asset, however not to an amount higher than the carrying amount that would have been determined (net of any depreciation or amortisation), had no impairment loss been recognised for the asset in prior years.

A reversal of an impairment loss is credited to the profit and loss account in the period in which it arises, unless the asset is carried at a revalued amount, when the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

Fixed assets and depreciation

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

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

Leasehold improvements	Shorter of lease terms and useful lives
Plant and machinery	20%
Furniture, fixtures and equipment	20%
Moulds	20%
Motor vehicles	20%

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment properties

Investment properties are interests in land and buildings in respect of which construction work and development have been completed and which are intended to be held on a long term basis for their investment potential. Such properties are not depreciated and are stated at their open market values on the basis of annual professional valuations performed at the end of each financial year. Changes in the values of investment properties are dealt with as movements in the investment property revaluation reserve. If the total of this reserve is insufficient to cover a deficit, on a portfolio basis, the excess of the deficit is charged to the profit and loss account. Any subsequent revaluation surplus is credited to the profit and loss account to the extent of the deficit previously charged.

On disposal of an investment property, the relevant portion of the investment property revaluation reserve realised in respect of previous valuations is released to the profit and loss account.

Deferred costs

Costs incurred in obtaining approvals from safety boards for products which will be produced, are capitalised and deferred only when the products are profitable; the costs are separately identifiable and can be measured reliably; and whose technical feasibility has been demonstrated. Deferred costs are stated at cost less any impairment losses and are amortised on the straight-line basis over a period of five years to reflect the pattern in which the related economic benefits are recognised.

Leased assets

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under capitalised finance leases are included in fixed assets and depreciated over the estimated useful lives of the assets. The finance costs of such leases are charged to the profit and loss account so as to provide a constant periodic rate of charge over the lease terms.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments in securities

(i) Long term investments in unlisted equity securities, which are intended to be held on a continuing basis, and which are held for an identified long term purpose documented at the time of acquisition or change of purpose and are clearly identifiable for the documented purpose, are stated at cost less any impairment losses, on an individual investment basis.

When impairments in values have occurred, the carrying amounts of the securities are reduced to their fair values, as estimated by the directors, and the amounts of the impairments are charged to the profit and loss account for the period in which they arise.

When the circumstances and events which led to the impairments in values cease to exist and there is persuasive evidence that the new circumstances and events will persist for the foreseeable future, the appreciation in fair value is credited to the profit and loss account, on an individual investment basis, to the extent of the amount previously charged.

(ii) Investments in marketable securities are stated at their fair values on the basis of their quoted market prices at the balance sheet date, on an individual investment basis. The gains or losses arising from changes in their respective fair values are credited or charged to the profit and loss account for the period in which they arise.

Inventories

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

Deferred tax

Deferred tax is provided, using the liability method, on all significant timing differences in the recognition of revenue and expenses for tax and for financial reporting purposes, to the extent it is probable that the liability will crystallise in the foreseeable future. A deferred tax asset is not recognised until its realisation is assured beyond reasonable doubt.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Revenue recognition

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

(a) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;

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

(c) interest income, on a time proportion basis taking into account the principal outstanding and the effective interest rate applicable;

(d) dividends, when the shareholders' right to receive payment has been established; and

(e) from the trading of securities, on the trade day.

Retirement benefits scheme

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

The employees of the Group's subsidiary which operates in the People's Republic of China (the "PRC") are required to participate in a central pension scheme operated by the local municipal government. This PRC subsidiary is required to contribute certain percentage of its payroll costs to the central pension scheme.

Borrowing costs

Borrowing costs are charged to the profit and loss account in the period in which they are incurred.

Foreign currencies

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies (continued)

On consolidation, the financial statements of overseas subsidiaries are translated into Hong Kong dollars at the applicable rates of exchange ruling at the balance sheet date. Any resulting translation differences are included in the exchange fluctuation reserve.

Cash equivalents

For the purpose of the consolidated cash flow statement, cash equivalents represent short term highly liquid investments which are readily convertible into known amounts of cash and which were within three months of maturity when acquired, less advances from banks repayable within three months from the date of the advance. For the purpose of balance sheet classification, cash and bank balances represent assets which are not restricted as to use.

4. SEGMENT INFORMATION

HKSSAP 26 was adopted during the year, as detailed in note 2 to the financial statements. Segment information is presented by way of two segment formats: (i) on a primary segment reporting basis, by business segment; and (ii) on a secondary segment reporting basis, by geographical segment.

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

(a) the electrical products segment consists of the manufacture and sale of electrical products;

(b) the adaptors and transformers segment consists of the manufacture and sale of adaptors and toroidal/EI transformers; and

(c) the others segment consists of the manufacture and sale of plastics, lighting devices, parts and other products.

In determining the Group's geographical segments, revenues and results are attributed to the segments based on the location of the customers, and assets are attributed to the segments based on the location of the assets. The geographical segments for the disclosure of segment revenues and results include Japan, Europe, North America, the PRC and others. Europe mainly includes France and Germany. The geographical segments for the disclosure of segment assets include the PRC and overseas.

4. SEGMENT INFORMATION *(continued)*

(a) Business segments

The following tables present revenue, results and certain assets, liabilities and expenditure information for the Group's business segments.

Group

	Electrical products		Adaptors and transformers		Others		Consolidated	
	2002	2001	**2002**	2001	**2002**	2001	**2002**	2001
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment revenue:								
Sales to external customers	**89,587**	87,102	**86,854**	233,426	**15,713**	11,316	**192,154**	331,844
Segment results	**2,586**	4,449	**(10,499)**	5,005	**(12,486)**	2,613	**(20,399)**	12,067
Unallocated income							**1,827**	6,171
Unallocated expenses							**(17,863)**	(98,859)
Loss from operating activities							**(36,435)**	(80,621)
Finance costs							**(3,136)**	(3,056)
Share of losses of associates							**(1,172)**	(693)
Loss before tax							**(40,743)**	(84,370)
Tax							**245**	(700)
Net loss from operating activities attributable to shareholders							**(40,498)**	(85,070)

4. SEGMENT INFORMATION *(continued)*

(a) Business segments (continued)

Group

	Electrical products		Adaptors and transformers		Others		Consolidated	
	2002	2001	**2002**	2001	**2002**	2001	**2002**	2001
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment assets	**40,593**	42,187	**44,060**	69,439	**22,110**	17,332	**106,763**	128,958
Interests in associates							**11,058**	4,490
Unallocated assets							**58,672**	95,451
Total assets							**176,493**	228,899
Segment liabilities	**11,489**	13,303	**12,224**	35,651	**1,622**	1,728	**25,335**	50,682
Unallocated liabilities							**23,346**	25,650
Total liabilities							**48,681**	76,332
Other segment information:								
Capital expenditure	**5,237**	5,575	**6,014**	6,123	**3,845**	3,454	**15,096**	15,152
Depreciation	**5,921**	5,819	**6,997**	6,877	**4,736**	4,656	**17,654**	17,352
Amortisation of deferred costs	**746**	586	**580**	475	**-**	–	**1,326**	1,061
							18,980	18,413
Write-off of inventories	**-**	–	**7,000**	–	**-**	–	**7,000**	–

4. SEGMENT INFORMATION (continued)

(b) Geographical segments

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

Group

	Japan		Europe		North America		PRC and others		Consolidated	
	2002	2001	**2002**	2001	**2002**	2001	**2002**	2001	**2002**	2001
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment revenue:										
Sales to external customers	**59,586**	48,114	**52,049**	138,588	**33,484**	93,701	**47,035**	51,441	**192,154**	331,844
Segment results	**1,162**	1,762	**(2,978)**	1,846	**(7,629)**	2,015	**(10,954)**	6,444	**(20,399)**	12,067

	PRC		Overseas		Consolidated	
	2002	2001	**2002**	2001	**2002**	2001
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment assets	**115,670**	144,510	**27,442**	44,405	**143,112**	188,915
Unallocated assets					**33,381**	39,984
Total assets					**176,493**	228,899
Other segment information:						
Capital expenditure	**14,457**	13,225	**639**	1,927	**15,096**	15,152

5. TURNOVER

Turnover represents the aggregate of the net invoiced value of goods sold, after allowances for returns and trade discounts, and after elimination of all significant intra-group transactions.

6. LOSS FROM OPERATING ACTIVITIES

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

	2002	2001
	HK$'000	*HK$'000*
Cost of inventories sold	**186,367**	296,184
Depreciation	**17,654**	17,352
Amortisation of deferred costs	**1,326**	1,061
Amortisation of goodwill	**137**	–
Minimum lease payments under operating leases on land and buildings	**8,975**	7,275
Auditors' remuneration	**720**	680
Staff costs (excluding directors' remuneration – note 8):		
Salaries and allowances	**35,581**	42,849
Pension scheme contributions	**759**	901
	36,340	43,750
Exchange (gains)/losses, net	**602**	(989)
Impairment of an investment in an associate	**4,490**	–
Provision for doubtful debts	**1,400**	3,005
Net losses on securities trading	**1,096**	3,138
Surplus on revaluation of investment properties	**–**	(279)
Write-off of inventories	**7,000**	–
Gross and net rental income from investment properties	**(252)**	(252)
Loss on disposal of fixed assets	**–**	1
Dividends from listed investments	**(135)**	–
Interest income	**(671)**	(1,411)

Cost of inventories sold includes HK$43,457,000 (2001: HK$59,805,000) relating to direct staff costs, minimum lease payments under operating leases on land and buildings, and depreciation of manufacturing facilities, which are also included in the respective total amounts disclosed separately above for each of these types of expenses.

The amortisation of deferred costs for the year and the write-off of inventories are included in "Cost of sales" on the face of the consolidated profit and loss account.

The amortisation of goodwill for the year and the impairment of an investment in an associate are included in "Other operating expenses" on the face of the consolidated profit and loss account.

7. FINANCE COSTS

	Group 2002 HK$'000	2001 HK$'000
Interest on bank loans and trust receipt loans wholly repayable within one year	**2,358**	1,638
Interest on other loans wholly repayable within five years	**286**	390
Interest on finance leases	**492**	1,028
	3,136	3,056

8. DIRECTORS' REMUNERATION

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

	Group 2002 HK$'000	2001 HK$'000
Fees:		
Executive directors	**–**	–
Independent non-executive directors	**240**	494
	240	494
Other emoluments:		
Executive directors		
Salaries, allowances and benefits in kind	**4,203**	6,688
Bonuses	**–**	482
Pension scheme contributions	**140**	195
Independent non-executive directors		
Pension scheme contributions	**12**	15
	4,355	7,380
	4,595	7,874

8. DIRECTORS' REMUNERATION (continued)

The number of directors whose remuneration fell within the following bands is as follows:

	Number of directors	
	2002	2001
Nil to HK$1,000,000	**6**	10
HK$1,500,001 to HK$2,000,000	**–**	2
HK$2,000,001 to HK$2,500,000	**1**	1
	7	13

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

9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included five (2001: five) directors, details of whose remuneration are set out in note 8 above.

10. TAX

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the year. Hong Kong profits tax was provided at the rate of 16% on the estimated assessable profits arising in Hong Kong during the prior year.

	Group	
	2002	2001
	HK$'000	*HK$'000*
Current year provision for Hong Kong profits tax	**–**	700
Overprovision of Hong Kong profits tax in the prior year	**(245)**	–
Tax charge/(credit) for the year	**(245)**	700

Bai Mei Qin Electrical (Shenzhen) Limited, a wholly-owned subsidiary established in the PRC, is exempt from PRC corporate income tax for two years starting from its first profit-making year of operations, which was the year ended 30 April 2001, and thereafter is eligible for a 50% relief from PRC corporate income tax for the following three years under the relevant PRC tax laws. The standard PRC corporate income tax rate applicable to Bai Mei Qin Electrical (Shenzhen) Limited is 15%.

11. NET LOSS FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS

The net loss from ordinary activities attributable to shareholders dealt with in the financial statements of the Company is HK$40,498,000 (2001: HK$63,811,000).

12. LOSS PER SHARE

The calculations of basic and diluted loss per share are based on:

	2002	2001
	HK$	*HK$*
Loss		
Net loss attributable to shareholders, used in the basic and diluted loss per share calculations	**40,498,000**	85,070,000

	Number of shares	
	2002	2001
Shares		
Weighted average number of ordinary shares in issue during the year used in basic loss per share calculation	**2,793,694,247**	2,610,710,740
Weighted average number of ordinary shares assumed issued at no consideration on deemed exercise of all share options outstanding during the year	**3,134,402**	6,542,000
Weighted average number of ordinary shares used in diluted loss per share calculation	**2,796,828,649**	2,617,252,740

13. FIXED ASSETS

Group

	Investment properties	Leasehold improvements	Plant and machinery	Furniture, fixtures and equipment	Moulds	Motor vehicles	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Cost or valuation:							
At beginning of year	2,800	18,016	66,208	15,346	16,434	671	119,475
Additions	–	3,007	3,630	3,318	2,850	1,527	14,332
At 30 April 2002	**2,800**	**21,023**	**69,838**	**18,664**	**19,284**	**2,198**	**133,807**
Accumulated depreciation:							
At beginning of year	–	4,339	43,770	7,070	8,094	402	63,675
Provided during the year	–	1,902	9,492	2,680	3,145	435	17,654
At 30 April 2002	**-**	**6,241**	**53,262**	**9,750**	**11,239**	**837**	**81,329**
Net book value:							
At 30 April 2002	**2,800**	**14,782**	**16,576**	**8,914**	**8,045**	**1,361**	**52,478**
At 30 April 2001	2,800	13,677	22,438	8,276	8,340	269	55,800
Analysis of cost or valuation:							
At cost	–	21,023	69,838	18,664	19,284	2,198	131,007
At valuation	2,800	–	–	–	–	–	2,800
	2,800	**21,023**	**69,838**	**18,664**	**19,284**	**2,198**	**133,807**

13. FIXED ASSETS (continued)

The Group's investment properties are held under the following lease terms as follows:

	Hong Kong	Mainland China	Total
	HK$'000	HK$'000	HK$'000
Medium term leases	1,800	1,000	2,800

The Group's investment properties were revalued at 30 April 2002 by LCH (Asia-Pacific) Surveyors Limited, an independent firm of professional valuers, at HK$2,800,000 on an open market, existing use basis. There was no revaluation difference arising from the valuation. The Group's investment properties situated in Hong Kong are leased to a third party under operating lease, further details of which are included in note 30 to the financial statements.

The Group's investment properties situated in Hong Kong were pledged to secure the other loan granted to the Group (note 23).

The net book value of the Group's fixed assets held under finance leases included in the total amount of fixed assets is as follows:

	2002	2001
	HK$'000	*HK$'000*
Plant and machinery	**6,215**	8,251
Furniture, fixtures and equipment	**9**	31
Motor vehicles	**1,154**	–
	7,378	8,282

14. DEFERRED COSTS

	Group
	HK$'000
Cost:	
At beginning of year	6,383
Additions	764
At 30 April 2002	**7,147**
Accumulated amortisation:	
At beginning of year	2,044
Provided during the year	1,326
At 30 April 2002	**3,370**
Net book value:	
At 30 April 2002	**3,777**
At 30 April 2001	4,339

15. INTERESTS IN SUBSIDIARIES

	Company	
	2002	2001
	HK$'000	*HK$'000*
Unlisted shares, at cost	**106,167**	106,167
Due from subsidiaries	**189,217**	124,486
	295,384	230,653
Provision for impairment	**(169,076)**	(79,050)
	126,308	151,603

The amounts due from subsidiaries are unsecured, interest-free and are not repayable within the next twelve months.

15. INTERESTS IN SUBSIDIARIES (continued)

Particulars of the principal subsidiaries are as follows:

Name	Place of incorporation/ registration and operations	Nominal value of issued/ registered paid-up share capital	Percentage of equity attributable to the Company 2002	2001	Principal activities
Bai Mei Qin Electrical (Shenzhen) Limited*	PRC	US$350,000	**100**	100	Manufacture and sale of transformers, adaptors and electrical products
Infoshare Group Limited	British Virgin Islands	Ordinary US$10	**100**	100	Investment holding
Mei Ah Electrical & Industry (HK) Limited	Hong Kong	Ordinary HK$10 #Non-voting deferred HK$1,000,000	**100**	100	Manufacture and sale of transformers, adaptors and electrical products
MAE Enterprises Limited	British Virgin Islands	Ordinary US$10	**100**	100	Investment holding
MAE Investments Limited	British Virgin Islands	Ordinary US$2	**100**	100	Investment holding
Mei Ah Lighting Industrial Limited	Hong Kong	Ordinary HK$10,000	**100**	100	Manufacture and sale of energy-saving lamps
Mei Ah Management Services Limited	Hong Kong	Ordinary HK$2	**100**	100	Provision of management services to Group companies

15. INTERESTS IN SUBSIDIARIES (continued)

Name	Place of incorporation/ registration and operations	Nominal value of issued/ registered paid-up share capital	Percentage of equity attributable to the Company 2002	2001	Principal activities
Mei Ah Plastic Moulds Company Limited	Hong Kong	Ordinary HK$10,000	**100**	100	Processing of plastic components and plastic moulds
Mei Ah Sourcing Limited	Hong Kong	Ordinary HK$2	**100**	100	Sourcing of raw materials for Group companies
Mei Ah Technology Limited	Hong Kong	Ordinary HK$10,000	**100**	100	Manufacture and sale of electronic products
Perfect-Tech Electronics Limited	Hong Kong	Ordinary HK$2	**100**	100	Manufacture and sale of electronic products
Star Technology Inc.	British Virgin Islands	Ordinary US$1	**100**	100	Investment holding

* Bai Mei Qin Electrical (Shenzhen) Limited is registered as a wholly foreign-owned enterprise under the laws of the PRC.

\# The holders of the deferred shares are entitled to minimum rights as to dividends and return of capital, and are not entitled to share in the Company's profit or to attend or vote at any general meetings of the Company, which rights are vested in the ordinary shares.

Except for MAE Enterprises Limited and MAE Investments Limited, all of the above subsidiaries are indirectly held by the Company.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

16. INTERESTS IN ASSOCIATES

	Group 2002 HK$'000	Group 2001 HK$'000
Share of net assets	**12,318**	4,490
Goodwill on acquisition	**886**	–
Due from an associate	**2,344**	–
	15,548	4,490
Provision for impairment	**(4,490)**	–
	11,058	4,490

The amount due from an associate is unsecured, interest-free and is not repayable within the next twelve months.

HKSSAP 30 was adopted during the year, as detailed in note 2 to the financial statements. The amount of the goodwill capitalised as an asset during the year, arising from the acquisition of an associate, is as follows:

	Group *HK$'000*
Cost:	
Acquisition of an associate during the year and at end of year	1,023
Accumulated amortisation:	
Amortisation provided during the year and at end of year	137
Net book value:	
At end of year	**886**

16. INTERESTS IN ASSOCIATES (continued)

Particulars of the associates are as follows:

Name	Business structure	Place of incorporation and operations	Percentage of ownership interest attributable to the Group 2002	2001	Principal activities
Excellent Max Limited*	Corporate	Hong Kong	**50**	–	Production, distribution and trading of films
HK Sky Home Limited	Corporate	Hong Kong	**40**	40	Trading of home-related products

* Acquired during the year.

17. LONG TERM INVESTMENTS

	Group 2002 HK$'000	2001 HK$'000
Unlisted investments, at cost	**39,902**	39,902
Loan to an investee company	**2,000**	2,000
	41,902	41,902
Provision	**(37,902)**	(37,902)
	4,000	4,000

17. LONG TERM INVESTMENTS (continued)

The above investments include a 30% equity interest in a private company whose particulars are as follows:

Name	Place of incorporation	Class of share held	Principal activities
TCM Cyberport Holdings Limited	British Virgin Islands	Ordinary	Development and operation of an Internet portal providing traditional Chinese medicine information and related products

The percentage of equity in the above investment attributable to the Group amounts to over 20%. This investment, however, is not equity-accounted for in accordance with HKSSAP 10, "Accounting for investments in associates", because the directors consider that the Group is not in a position to exercise significant influence over its operations.

In the opinion of the directors, the carrying amounts of these investments as at 30 April 2002 approximated to their fair values as at that date. The results of these companies are dealt with in the consolidated profit and loss account to the extent of dividends received from these companies.

The loan to an investee company is unsecured, interest-free and is not repayable within the next twelve months.

18. INVENTORIES

	Group	
	2002	2001
	HK$'000	*HK$'000*
Raw materials	**37,763**	47,632
Work in progress	**4,603**	6,461
Finished goods	**7,885**	8,445
	50,251	62,538

19. TRADE RECEIVABLES

An aged analysis of the Group's trade receivables as at the balance sheet date, based on invoice date and net of provisions, is as follows:

	2002	2001
	HK$'000	*HK$'000*
Within 90 days	**29,973**	46,622
Between 91 and 180 days	**395**	453
Over 180 days	**–**	47
	30,368	47,122

The credit period granted by the Group varies by customer. The Group grants its customers an average credit period of 30 days from the date of recognition of the sale. An estimate for doubtful debts is made and deducted when collection of the full amount is no longer probable. Bad debts are written off as incurred.

20. MARKETABLE SECURITIES

The Group's marketable securities represent listed investments in Hong Kong and are stated at market value at the balance sheet date.

21. CASH AND BANK BALANCES

	Group		**Company**	
	2002	2001	**2002**	2001
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Cash on hand and in banks	**4,828**	13,183	**438**	167
Bank deposits	**–**	5,940	**–**	–
	4,828	19,123	**438**	167

22. TRADE AND BILLS PAYABLES

An aged analysis of the Group's trade and bills payables as at the balance sheet date, based on invoice date, is as follows:

	2002	2001
	HK$'000	*HK$'000*
Within 90 days	**23,474**	33,441
Between 91 and 180 days	**935**	14,576
Over 180 days	**132**	1,163
	24,541	49,180

23. INTEREST-BEARING BANK AND OTHER LOANS

	Group	
	2002	2001
	HK$'000	*HK$'000*
Trust receipt loans, secured	**5,632**	5,276
Bank loan, secured	**5,982**	–
Other loan, secured	**630**	1,275
Other loan, unsecured	**395**	1,288
	12,639	7,839
Trust receipt loans repayable within one year	**5,632**	5,276
Bank loan repayable within one year	**5,982**	–
Other loans repayable:		
Within one year	**803**	1,533
In the second year	**222**	805
In the third to fifth years, inclusive	**–**	225
	1,025	2,563
	12,639	7,839
Portion classified as current liabilities	**(12,417)**	(6,809)
Non-current portion	**222**	1,030

The Group's trust receipt loans and bank loan are secured by the pledge of bank deposits amounting to HK$10,531,000 (2001: HK$12,000,000) and are supported by corporate guarantees executed by the Company and certain of its subsidiaries.

The other secured loan bears interest at 8.25% (2001: 8.25%) per annum and is secured by the pledge of the Group's investment properties situated in Hong Kong.

The other unsecured loan bears interest at Hong Kong prime rate plus 2.5% (2001: Hong Kong prime rate plus 2.5%) per annum and is repayable by 36 monthly instalments commencing from 3 October 1999.

24. FINANCE LEASE PAYABLES

The Group leases certain of its plant and machinery, equipment and motor vehicles for its business. These leases are classified as finance leases and have lease terms ranging from three to four years.

At the balance sheet date, the total future minimum lease payments under finance leases and their present values, were as follows:

Group

	Minimum lease payments		**Present value of minimum lease payments**	
	2002	2001	**2002**	2001
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Amounts payable:				
Within one year	**3,418**	5,577	**3,227**	5,127
In the second year	**1,012**	2,452	**949**	2,369
In the third to fifth years, inclusive	**281**	–	**277**	–
Total minimum finance lease payments	**4,711**	8,029	**4,453**	7,496
Future finance charges	**(258)**	(533)		
Total net finance lease payables	**4,453**	7,496		
Portion classified as current liabilities	**(3,227)**	(5,127)		
Non-current portion	**1,226**	2,369		

HKSSAP 14 was revised and implemented during the year, as detailed in note 2 to the financial statements. Certain new disclosures are required and have been included above. The prior year comparative amounts for the new disclosures have also been included where appropriate.

25. DEFERRED TAX

The Group's provision for deferred tax has been made in respect of accelerated depreciation allowances to the extent that a liability is expected to crystallise in the foreseeable future.

The revaluation of the Group's investment properties does not constitute a timing difference and, consequently, the amount of potential deferred tax thereon has not been quantified.

The Group and the Company did not have any significant unprovided deferred tax liabilities as at 30 April 2002 (2001: Nil).

26. SHARE CAPITAL

(a) Shares

	Company 2002 HK$'000	2001 HK$'000
Authorised:		
5,000,000,000 ordinary shares of HK$0.01 each	**50,000**	50,000
Issued and fully paid:		
2,842,100,000 (2001: 2,599,980,000) ordinary shares of HK$0.01 each	**28,421**	26,000

The following changes in the Company's issued share capital took place during the year:

(i) On 29 June 2001, the Company entered into a placing agreement with Mr. Yip Wai Chau, an independent third party, for the placement of 260,000,000 new shares of HK$0.01 each at a placing price of HK$0.065 per placing share. The closing price of the Company's share on the Stock Exchange on that date was HK$0.075. On 16 July 2001, the 260,000,000 new shares of the Company were duly allotted and issued for a total cash consideration, before share issuance expenses, of HK$16,900,000. The proceeds from the new shares of HK$16,900,000 were used as working capital for the Group. The excess of the consideration received for the shares issued over their nominal value, amounting to HK$14,300,000, before related expenses, was credited to the share premium account.

(ii) During the year, the Company repurchased and cancelled 19,440,000 ordinary shares of HK$0.01 each from the Stock Exchange at a total consideration of approximately HK$1,173,000. The premium of HK$979,000 paid on the repurchase of these shares has been charged against the share premium account, as set out in note 27 to the financial statements.

(iii) During the year, 1,560,000 share options were exercised at an exercise price of HK$0.09. The premium of HK$125,000 received on the exercise of the 1,560,000 share options was credited directly to the share premium account during the year.

26. SHARE CAPITAL (continued)

(a) Shares (continued)

The movements in the issued share capital of the Company are summarised as follows:

	Notes	Number of ordinary shares of HK$0.01 each	Par value
		'000	*HK$'000*
At beginning of year		2,599,980	26,000
New issue and placing of shares	*(i)*	260,000	2,600
Repurchase of shares	*(ii)*	(19,440)	(194)
Exercise of share options	*(iii)*	1,560	15
At 30 April 2002		**2,842,100**	**28,421**

(b) Share options

The Company operates a share option scheme (the "Scheme"), further details of which are set out under the heading "Share option scheme" in the Report of the Directors.

At the beginning of the year, there were 47,270,000 options outstanding under the Scheme, which entitled the holders to subscribe for shares of the Company at any time during periods between 3 September 1999 and 9 November 2008. The subscription prices payable upon the exercise of these options ranged from HK$0.09 to HK$0.21.

A total of 1,560,000 share options were exercised during the year at an exercise price of HK$0.09 and 23,970,000 share options with exercise prices ranging from HK$0.09 to HK$0.18 lapsed during the year.

No share options were granted or cancelled during the year.

At the balance sheet date, the Company had 21,740,000 share options outstanding under the Scheme, with exercise periods between 3 September 1999 and 9 November 2008, and at exercise prices ranging from HK$0.09 to HK$0.21. The exercise in full of the remaining share options would, under the present capital structure of the Company, result in the issue of 21,740,000 additional ordinary shares of HK$0.01 each and proceeds of approximately HK$2,059,000.

Subsequent to the balance sheet date, 960,000 share options at an exercise price of HK$0.09 granted to the Group's employees lapsed upon their resignations. On 30 May 2002, 1,100,000 share options were exercised at an exercise price of HK$0.09. Accordingly, 1,100,000 new ordinary shares were issued and allotted by the Company.

27. RESERVES

Group

	Share premium HK$'000	Capital reserve/ goodwill reserve HK$'000	Capital redemption reserve HK$'000	Retained profits/ (accumulated losses) HK$'000	Total HK$'000
At 1 May 2000	102,288	758	–	65,457	168,503
Shares issued on acquisition of an associate	45,675	–	–	–	45,675
Share issue expenses	(200)	–	–	–	(200)
Goodwill arising on acquisition of an associate	–	45,181	–	–	45,181
Shares issued on exercise of share options	291	–	–	–	291
Arising from repurchase of shares	(2,632)	–	477	(477)	(2,632)
Write-off of goodwill reserve	–	(45,181)	–	–	(45,181)
Net loss for the year	–	–	–	(85,070)	(85,070)
At 30 April 2001 and at 1 May 2001	145,422	758	477	(20,090)	126,567
Issue of new shares	14,300	–	–	–	14,300
Share issue expenses	(124)	–	–	–	(124)
Arising from repurchase of shares	(979)	–	–	–	(979)
Shares issued on exercise of share options	125	–	–	–	125
Net loss for the year	–	–	–	(40,498)	(40,498)
At 30 April 2002	**158,744**	**758**	**477**	**(60,588)**	**99,391**

Reserves retained by:

	2002 HK$'000	2001 HK$'000
Company and subsidiaries	**101,256**	127,260
Associates	**(1,865)**	(693)
At 30 April	**99,391**	126,567

27. RESERVES (continued)

Note:

The capital reserve of the Group represents the difference between the nominal value of the share capital of the subsidiaries acquired pursuant to the Group reorganisation on 22 October 1998, over the nominal value of the Company's shares issued in exchange therefor.

As detailed in note 2 to the financial statements, the Group has adopted the transitional provision of HKSSAP 30 which permits goodwill and negative goodwill in respect of acquisitions which occurred prior to 1 May 2001, to remain eliminated against or credited to reserves, respectively.

The amounts of goodwill and negative goodwill remaining eliminated against and credited to reserves, arising from the acquisition of subsidiaries in prior years, are HK$42,000 and HK$800,000, respectively, as at the balance sheet date (2001: HK$42,000 and HK$800,000, respectively). The amount of goodwill is stated at its cost.

Company

	Share premium	Contributed surplus	Capital redemption reserve	Retained profits/ (accumulated losses)	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 1 May 2000	102,288	44,942	–	14	147,244
Shares issued on acquisition of an associate	45,675	–	–	–	45,675
Share issue expenses	(200)	–	–	–	(200)
Shares issued on exercise of share options	291	–	–	–	291
Arising from repurchase of shares	(2,632)	–	477	(477)	(2,632)
Net loss for the year	–	–	–	(63,811)	(63,811)
At 30 April 2001 and at 1 May 2001	145,422	44,942	477	(64,274)	126,567
Issue of new shares	14,300	–	–	–	14,300
Share issue expenses	(124)	–	–	–	(124)
Arising from repurchase of shares	(979)	–	–	–	(979)
Shares issued on exercise of share options	125	–	–	–	125
Net loss for the year	–	–	–	(40,498)	(40,498)
At 30 April 2002	**158,744**	**44,942**	**477**	**(104,772)**	**99,391**

Note:

The contributed surplus of the Company represents the excess of the fair value of the shares of the subsidiaries acquired pursuant to the same reorganisation, over the nominal value of the shares of the Company issued in exchange therefor. Under the Companies Act 1981 of Bermuda, the Company may make distributions to its members out of its contributed surplus in certain circumstances.

28. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

(a) Reconciliation of loss from operating activities to net cash inflow/(outflow) from operating activities

	2002	2001
	HK$'000	HK$'000
Loss from operating activities	**(36,435)**	(80,621)
Interest income	**(671)**	(1,411)
Dividends from listed investments	**(135)**	–
Loss on disposal of fixed assets	**–**	1
Surplus on revaluation of investment properties	**–**	(279)
Depreciation	**17,654**	17,352
Amortisation of deferred costs	**1,326**	1,061
Amortisation of goodwill	**137**	–
Goodwill reserve written off	**–**	45,181
Provision for long term investments	**–**	37,902
Impairment of an investment in an associate	**4,490**	–
Increase in an amount due from an associate	**(2,344)**	–
Decrease/(increase) in inventories	**12,287**	(13,681)
Decrease in trade receivables	**16,754**	27,166
Decrease/(increase) in prepayments, deposits and other receivables	**12,878**	(14,518)
Increase in marketable securities	**(2,593)**	(371)
Increase/(decrease) in trade and bills payables	**(24,639)**	1,008
Increase/(decrease) in accrued liabilities and other payables	**(3,776)**	4,966
Net cash inflow/(outflow) from operating activities	**(5,067)**	23,756

28. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (continued)

(b) Analysis of changes in financing during the year

	Issued capital (including share premium) HK$'000	Bank and other loans HK$'000	Finance lease obligations HK$'000
At 1 May 2000	124,385	5,856	11,093
Cash outflow from financing activities, net	(2,988)	(3,293)	(3,597)
Shares issued for acquisition of an associate	50,025	–	–
At 30 April 2001 and at 1 May 2001	171,422	2,563	7,496
Cash inflow/(outflow) from financing activities, net	15,743	4,444	(6,339)
Inception of finance lease contracts	–	–	3,296
At 30 April 2002	**187,165**	**7,007**	**4,453**

(c) Major non-cash transactions

During the year, the Group entered into finance lease arrangements in respect of fixed assets with a total capital value at the inception of the leases of HK$3,296,000.

29. CONTINGENT LIABILITIES

At 30 April 2002, the Company provided corporate guarantees to banks in connection with facilities granted to its subsidiaries up to the extent of HK$57,900,000 (2001: HK$48,900,000). At 30 April 2002, these banking facilities were utilised to the extent of HK$13,489,000 (2001: HK$5,913,000).

The Group did not have any significant contingent liabilities at 30 April 2002 (2001: Nil).

30. OPERATING LEASE ARRANGEMENTS

(a) As lessor

The Group leases its investment properties (note 13) under operating lease arrangement, with lease negotiated for terms of three years.

At the balance sheet date, the Group had total future minimum lease receivables under non–cancellable operating lease with its tenant falling due as follows:

	2002	2001
	HK$'000	HK$'000
Within one year	**147**	252
In the second to fifth years, inclusive	**–**	147
	147	399

During the year, the Group recognised contingent rent of HK$252,000 (2001: HK$252,000) as rental income.

(b) As lessee

The Group leases certain land and buildings under operating lease arrangements. Leases for land and buildings are negotiated for terms ranging from one to ten years.

At the balance sheet date, the Group and the Company had total future minimum lease payments under non-cancellable operating leases falling due as follows:

	Group		Company	
	2002	2001	2002	2001
	HK$'000	HK$'000 (Restated)	HK$'000	HK$'000
Within one year	**6,408**	6,271	**1,911**	–
In the second to fifth years, inclusive	**13,366**	17,836	**–**	–
After five years	**–**	782	**–**	–
	19,774	24,889	**1,911**	–

30. OPERATING LEASE ARRANGEMENTS (continued)

HKSSAP 14 (Revised), which was adopted during the year, requires lessors under operating leases to disclose the total future minimum operating lease receivables under non-cancellable operating leases, as detailed above. This disclosure was not previously required. HKSSAP 14 (Revised) also requires lessees under operating leases to disclose the total future minimum operating lease payments, rather than only the payments to be made during the next year as was previously required. Accordingly, the prior year comparative amounts for operating leases as lessee, as set out above, have been restated to accord with the current year's presentation.

31. COMMITMENTS

In addition to the operating lease commitments detailed in note 30 above, at 30 April 2002, the Group had contracted for capital commitments for the purchase of fixed assets amounting to HK$400,000 (2001: Nil).

The Company had no significant commitments as at 30 April 2002 (2001: Nil).

32. COMPARATIVE AMOUNTS

As further explained in note 2 to the financial statements, due to the adoption of certain new and revised HKSSAPs during the current year, the segment information, the supporting notes for operating lease arrangements, the finance lease payables and the accounting treatment of goodwill or negative goodwill on acquisition have been revised and presented to comply with the new requirements. Accordingly, certain comparative amounts have been revised to conform with the current year's presentation.

33. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 23 August 2002.