

For the year ended 31 March 2002

1. GENERAL

The Company is incorporated in Bermuda as an exempted company with limited liability under The Companies Act 1981 of Bermuda (as amended) and its securities are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The Group’s accounting books and records are maintained in Hong Kong dollars, the currency in which the majority of its transactions are denominated.

The Company acts as an investment holding company of a group of subsidiaries which are principally engaged in the import, marketing and distribution of consumer electrical appliances in Hong Kong, Macau and other regions in the People’s Republic of China (“PRC”) and the provision of related after-sales and maintenance services.

2. ADOPTION OF STATEMENTS OF STANDARD ACCOUNTING PRACTICE

In the current year, the Group has adopted for the first time a number of new and revised Statements of Standard Accounting Practice (“SSAPs”) issued by the Hong Kong Society of Accountants. Adoption of these SSAPs has led to a number of changes in the Group’s accounting policies. The revised accounting policies are set out in note 3. In addition, the new and revised SSAPs have introduced additional and revised disclosure requirements which have been adopted in these financial statements. Comparative amounts and disclosures for the prior year have been restated in order to achieve a consistent presentation.

截至二零零二年三月三十一日止年度

1. 總則

本公司根據百慕達一九八一年公司法(經修訂)於百慕達註冊成立為獲豁免公司，其證券在香港聯合交易所有限公司(「聯交所」)掛牌上市。

本集團之會計賬目及記錄乃以港元入賬，而大部份交易均以港元訂值。

本公司作為其集團附屬公司之投資控股公司，主要在中華人民共和國(「中國」)內之香港、澳門及其他地區從事消費電器產品之進口、市場推廣及分銷業務，以及提供有關之售後及保養服務。

2. 採納會計實務準則

於本年度內，本集團首次採納若干由香港會計師公會所頒佈之新增及經修訂之會計實務準則(「會計實務準則」)。採納此等準則令本集團之會計政策出現多項變動。經修訂之會計政策載於附註3。此外，按照新增及經修訂準則，新訂及經修訂之披露規定亦已引入，並已於此等財務報告採納。而前期之比較數字及披露事項，亦予重列，以令呈列方式相符一致。

2. ADOPTION OF STATEMENTS OF STANDARD ACCOUNTING PRACTICE - continued

The adoption of these new and revised SSAPs has resulted in the following changes to the Company's accounting policies that have affected the amounts reported for the current or prior years.

Dividends proposed or declared after the balance sheet date

In accordance with SSAP 9 (Revised) "Events after the Balance Sheet Date", dividends proposed or declared after the balance sheet date are not recognised as a liability at the balance sheet date, but are disclosed as a separate component of equity in the notes to the financial statements. This change in accounting policy has been applied retrospectively, resulting in a prior year adjustment which increases the dividend reserve as at 1 April 2000 of the Company and the Group by HK\$9,665,000 and as at 1 April 2001 by HK\$5,799,000 respectively.

As a result of the revision of SSAP 9 (Revised) "Events after the balance sheet date", SSAP 18 "Revenue" has also been revised. Accordingly, the dividends proposed or declared after the balanced sheet date by the subsidiaries are not recognised by the Company at the balance sheet date. This change in accounting policy has also been applied retrospectively. The effect of this change has been to decrease shareholders' funds of the Company at 1 April 2001 by HK\$6,800,000.

Leases

SSAP 14 (Revised) "Leases" has introduced some amendments to the basis of accounting for finance and operating leases, and to the disclosures specified for the Group's leasing arrangements. Disclosures for the Group's leasing arrangements have been modified so as to comply with the requirements of SSAP 14 (Revised). Comparative amounts and disclosures have been restated in order to achieve a consistent presentation.

2. 採納會計實務準則—續

採納此等新增及經修訂會計實務準則後，本集團之會計政策出現以下變動，並影響本年度及前期所呈報之數額。

結算日後建議或宣派之股息

根據會計實務準則第9號(經修訂)「結算日後事項」，於結算日後建議或宣派之股息並不確認為截至結算日止年度之負債，惟需於資產負債表之股東資金一項內獨立披露。此會計政策之變動已追溯應用，並調整前期數字，令二零零零年四月一日及二零零一年四月一日之股息儲備分別增加9,665,000港元及5,799,000港元。

因會計實務準則第9號(經修訂)「結算日後事項」之修訂，會計實務準則第18號「收益」因而亦有所修改。據此，於結算日後由附屬公司建議或宣派之股息於結算日並不獲本公司確認。此會計政策之變動已追溯應用。此轉變影響本公司於二零零一年四月一日之股東資金被削減了6,800,000港元。

租約

會計實務準則第14條(經修訂)「租約」已對融資及營業租約之會計準則及本集團之租約安排之規定披露作出若干修訂。本集團所有租約安排之披露已予以修改，以符合會計實務準則第14條(經修訂)之規定。比較金額及披露已經重列，以令呈報方式一致。

2. ADOPTION OF STATEMENTS OF STANDARD ACCOUNTING PRACTICE - continued

Segment reporting

In the current year, the Group has changed the basis of identification of reportable segments to that required by SSAP 26 "Segment reporting". Segment disclosures for the year ended 31 March 2001 have been amended so that they are presented on a consistent basis.

Apart from SSAP 9 (Revised), SSAP 18 (Revised), SSAP 14 (Revised) and SSAP 26, the other new and revised SSAPs adopted during the year have not had any impact on the Group.

3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention and in accordance with accounting principles generally accepted in Hong Kong. The principal accounting policies adopted are as follows:

Basis of consolidation

The consolidated financial statements incorporate the financial statements 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 income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

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

2. 採納會計實務準則—續

分類申報

於年內，本集團改變了確認可分類申報之基準，以符合會計實務準則第26號「分類申報」之要求。截至二零零二年三月三十一日止年度之分類披露已經修訂，以令呈報方式一致。

除了會計實務準則第9號（經修訂）、會計實務準則第18號（經修訂）、會計實務準則第14號（經修訂）及會計實務準則第26號外，其他已採納之新增及經修訂會計實務準則，於年內對本集團並無任何影響。

3. 主要會計政策

此財務報表乃按歷史成本協定及根據香港普遍採納之會計原則而編製。主要會計政策如下：

綜合賬目基準

綜合財務報表乃綜合本公司及各附屬公司截至每年三月三十一日止年度之財務報表。

年內購入或出售附屬公司之業績由其收購生效日期起或截至其出售生效日期止（如適用）已納入在綜合收益表內。

所有集團內部重大交易及來往賬戶已於綜合賬目時抵銷。

3. SIGNIFICANT ACCOUNTING POLICIES - continued

Turnover

Turnover represents the amounts received and receivable for goods sold by the Group to outside customers, less returns and discounts.

Revenue recognition

Sales of goods are recognised when goods are delivered and title has passed.

Interest income from bank deposits is accrued on a time basis by reference to the principal outstanding and at the interest rate applicable.

Property, plant and equipment

Property, plant and equipment is stated at cost less depreciation and accumulated impairment losses, if any.

Depreciation is provided to write off the cost of items of property, plant and equipment over their estimated useful lives, at the following rates per annum:

Leasehold land	Over the unexpired remaining term of the relevant lease on a straight line basis
Buildings	Over the shorter of the term of the lease, or 50 years on a straight line basis
Furniture and fixtures	15% on reducing balance method
Office equipment	15% on reducing balance method
Motor vehicles	25% on reducing balance method

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the income statement.

3. 主要會計政策 – 續

營業額

營業額指年內本集團向集團以外客戶銷售貨品之已收及應收款額減退貨及折扣。

收入確認

出售貨品所得之收益乃於貨品交予客戶及轉讓貨品所有權時予以確認入賬。

銀行存款之利息收入乃就未到期本金按適用之利率以時間比例基準計算並確認入賬。

物業、廠房及設備

物業、廠房及設備以成本減折舊及任何累計虧絀列賬。

物業、廠房及設備之折舊乃按估計可使用年期撇銷其成本而計算。所採用之年率如下：

租賃土地	按有關租約剩餘年期以直線法基準計算
樓宇	按租約年期或50年(以較短者為準)以直線法基準計算
傢俬及裝置	15%(按餘額遞減基準計算)
辦公室設備	15%(按餘額遞減基準計算)
汽車	25%(按餘額遞減基準計算)

出售或棄用資產所產生之收益或虧損指出售所得款項與資產賬面值之差額，已會列入收益表內。

3. SIGNIFICANT ACCOUNTING POLICIES - continued

Investments in securities

Investments in securities are recognised on a trade-date basis and are initially measured at cost.

Investment securities, which are securities held for an identified long-term strategic purpose, are measured at subsequent reporting dates at cost, as reduced by any impairment loss that is other than temporary.

Other investments are measured at fair value, with unrealised gains and losses included in net profit or loss for the period.

Club debenture

A club debenture held for long-term investment purposes is stated at cost less any impairment loss.

Investments in subsidiaries

Investments in subsidiaries are included in the Company's balance sheet at cost less any identified impairment loss. The results of subsidiaries are accounted for by the Company on the basis of dividends received or receivable during the year.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the first-in, first-out method. Net realisable value represents 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.

3. 主要會計政策—續

證券投資

證券投資乃按交易日之基準確認，及按成本計算。

持作長期策略性投資之證券乃於隨後之申報日期按成本減去任何非暫時性之虧蝕計算。

其他投資乃按公平值計算，而未變現收益及虧損亦會列入期內之溢利或虧損。

會所債券

持作長期投資用途之會所債券乃按成本減任何虧蝕列賬。

於附屬公司之投資

附屬公司之投資乃按成本減任何虧蝕列入本公司之資產負債表內。本公司所佔附屬公司之業績乃按已收及應收股息計算。

存貨

存貨按成本與可變現淨值兩者中之較低者列賬。成本乃採用先入先出法計算。可變現淨值乃按日常業務範圍內之預計售價減去至完成為止之預計成本及預計於銷售所必需之成本釐定。

3. SIGNIFICANT ACCOUNTING POLICIES - continued

Impairment

At each balance sheet date, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment loss is recognised as an expense immediately.

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

Taxation

The charge for taxation is based on the results for the year as adjusted for items which are non-assessable or disallowed. Timing differences arise from the recognition for tax purposes of certain items of income and expense in a different accounting period from that in which they are recognised in the financial statements. The tax effect of the resulting timing differences, computed under the liability method, is recognised as deferred taxation in the financial statements to the extent that it is probable that a liability or an asset will crystallise in the foreseeable future.

3. 主要會計政策 – 續

減值

於每個結算日，本集團會審核其資產之賬面值，以釐定該等資產有否出現虧損。倘估計資產之可收回金額低於其賬面值，則將該資產之賬面值減至可收回金額。有關虧損則即時確認為開支。

倘虧損其後撥回，則有關資產之賬面值會增至其估計之可收回金額，惟已增加之賬面值不得超過假設該資產於前期並無確認虧損而釐定之賬面值。虧損撥回將即時確認為收入。

稅項

稅項支出乃根據本年度業績計算，並就毋須應課或不獲寬減項目作出調整。收支項目在稅務上與在財務報表內確認之會計期有所不同，故產生時差。受時差影響而遞延之稅項，按負債法計算，將於財務表內被確認為遞延稅項，並可能於可見將來成為負債或資產。

3. SIGNIFICANT ACCOUNTING POLICIES - continued

Foreign currencies

Transactions in currencies other than Hong Kong dollars are translated into Hong Kong dollars at the rates ruling on the dates of the transactions or at the contracted settlement rate, if applicable. Monetary assets and liabilities denominated in currencies other than Hong Kong dollars are re-translated at the rates ruling on the balance sheet date. Gains and losses arising on exchange are dealt with in the income statement.

Operating leases

Rentals payable under operating leases are charged to the income statement on a straight line basis over the relevant lease term.

4. BUSINESS AND GEOGRAPHICAL SEGMENTS

Geographical segments

For management purposes, the Group is currently organised into two geographical segments - Hong Kong and Macau and the PRC. These geographical segments are the basis on which the Group reports its primary segment information.

3. 主要會計政策—續

外幣換算

外幣交易乃以交易日當日之匯率或合約訂明之結算匯率(如適用)換算。以外幣訂值之貨幣資產及負債則按結算日之匯率重新換算。外幣兌換所引起之盈虧乃計入收益表內。

經營租賃

經營租賃之應付租金按有關的租賃期以直線法在收益表中扣除。

4. 業務及地區分類資料

地區分類資料

就管理目的而言，本集團現時將地區分類分為香港及澳門以及中國。本集團根據此等分類呈報主要分類資料。

4. BUSINESS AND GEOGRAPHICAL SEGMENTS - continued

4. 業務及地區分類資料—續

Segment information about these geographical segments is presented below:

關於此等地區分類資料呈列如下：

		2002			2001		
		Hong Kong and Macau 香港及澳門 HK\$'000 千港元	The PRC 中國 HK\$'000 千港元	Total 合計 HK\$'000 千港元	Hong Kong and Macau 香港及澳門 HK\$'000 千港元	The PRC 中國 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Turnover	營業額	315,596	137,054	452,650	417,387	163,865	581,252
Result	總計	9,477	1,051	10,528	22,012	4,248	26,260
Finance costs	融資成本			(1,738)			(1,586)
Profit before taxation	除稅前溢利			8,790			24,674
Taxation	稅項			(1,015)			(4,359)
Net profit for the year	本年度純利			7,775			20,315
BALANCE SHEET	資產負債表						
ASSETS	資產						
Segment assets	分類資產	386,609	101,704	488,313	341,433	88,357	429,790
Investments in securities	證券投資	400	—	400	—	—	—
Club debenture	會所債券	753	—	753	753	—	753
Unallocated corporate assets	未分類公司資產			2,430			—
Consolidated total assets	綜合資產總值			491,896			430,543
LIABILITIES	負債						
Segment liabilities	分類債項	91,384	51,266	142,650	18,030	48,509	66,539
Short-term bank borrowings	短期銀行借貸			52,627			66,939
Unallocated corporate liabilities	未分類公司債項			3,448			3,144
Consolidated total liabilities	綜合債項總額			198,725			136,622

4. BUSINESS AND GEOGRAPHICAL SEGMENTS - continued

Geographical segments - continued

	2002			2001		
	Hong Kong and Macau 香港及澳門 HK\$'000 千港元	The PRC 中國 HK\$'000 千港元	Total 合計 HK\$'000 千港元	Hong Kong and Macau 香港及澳門 HK\$'000 千港元	The PRC 中國 HK\$'000 千港元	Total 合計 HK\$'000 千港元
OTHER INFORMATION						
Property, plant and equipment acquired on acquisition of a subsidiary	32,574	—	32,574	—	—	—
Additions of property, plant and equipment	4,592	54	4,646	3,971	135	4,106
Depreciation and amortisation	3,068	161	3,229	2,356	143	2,499

Business segments

No business segment analysis is provided as substantially all of the Group's turnover and contribution to results were derived solely from the trading of consumer electrical appliances during the year.

4. 業務及地區分類資料—續

地區分類資料—續

業務分類資料

由於本集團之營業額及業績貢獻全部來自於年內之消費電器產品的買賣，故並無呈列業務分類資料分析。

5. PROFIT FROM OPERATIONS

Profit from operations has been arrived at after charging:

5. 經營溢利

經營溢利已扣除下列各項：

		2002 HK\$'000 千港元	2001 HK\$'000 千港元
Auditors' remuneration	核數師酬金		
- current year	- 本年度	370	373
- overprovision in the previous year	- 去年超額撥備	(20)	(11)
Depreciation and amortisation	折舊及攤銷	3,229	2,499
Loss on disposal of property, plant and equipment	出售物業、 廠房及設備虧損	107	2,522
Operating lease rentals in respect of land and buildings	土地及樓宇之經營 租賃租金	4,217	6,329
Staff costs, included emoluments of directors	職工成本、 包括董事袍金	31,895	33,388
and after crediting:	及已計入：		
Write back of allowance on inventories	撥回存貨津貼	857	—

6. EMOLUMENTS OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

6. 董事薪酬及五位最高薪酬人員

本年度董事薪酬詳情如下：

Particulars of the emoluments of the directors for the year are as follows:

		2002 HK\$'000 千港元	2001 HK\$'000 千港元
Directors' fees:	董事袍金		
Executive directors	執行董事	—	—
Independent non-executive directors	獨立非執行董事	260	260
		<u>260</u>	<u>260</u>
Other emoluments (executive directors):	其他薪酬（執行董事）：		
Salaries and other benefits	薪金及其他福利	2,881	2,495
Performance related incentive payments	與表現有關之獎勵金	845	957
Retirement benefits scheme contributions	退休福利計劃供款	189	188
		<u>3,915</u>	<u>3,640</u>
Total emoluments	薪酬總額	<u>4,175</u>	<u>3,900</u>

		Number of directors 董事人數	
		2002	2001
Emoluments of the directors are within the following bands:	董事薪酬之幅度如下：		
Nil - HK\$1,000,000	無 - 1,000,000 港元	3	3
HK\$1,000,001 - HK\$1,500,000	1,000,001 港元 - 1,500,000 港元	3	3
		<u>6</u>	<u>6</u>

No director waived any emoluments during the year.

年內，概無董事放棄任何酬金。

6. EMOLUMENTS OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS - continued

The five highest paid individuals of the Group included three (2001: three) directors, details of whose remuneration are set out above. The emoluments of the remaining two (2001: two) highest paid individuals are as follows:

Salaries and other benefits	薪金及其他福利
Performance related incentive payments	與表現有關之獎勵金
Retirement benefits scheme contributions	退休福利計劃供款
Total emoluments	薪酬總額

The emoluments of each of them are below HK\$1,000,000.

7. FINANCE COSTS

The amount represents interest on bank and other borrowings wholly repayable within five years.

6. 董事薪酬及五位最高薪酬人員 - 續

本集團五位最高薪酬人員包括三位董事(二零零一年：三位)，彼等之薪酬詳情載於上文。其餘兩位最高薪酬僱員(二零零一年：兩位)之報酬如下：

2002 HK\$'000 千港元	2001 HK\$'000 千港元
1,187	1,753
458	577
109	153
1,754	2,483

各僱員薪酬均不超過1,000,000港元

7. 財務費用

該項費用代表須於五年內全數償還之銀行及其他貸款利息。