

# Corporate governance report 企業管治報告



The Group is committed to upholding a high standard of corporate governance and further enhancing transparency. The Code on Corporate Governance Practices (the “CG Code”) contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) came into effect on 1 January 2005. The Company believes that good corporate governance provides a framework that is essential for effective management, successful business growth and enhancing shareholders’ value. The Company has applied the principle and complied with the code provisions set out in the CG Code, except for certain deviations as specified and explained below.

## Board of Directors

The Company is led and controlled by the board of directors (the “Board”) which at 31 March 2006 consisted of 3 executive directors and 4 independent non-executive directors (collectively the “Directors”) which the 4 independent non-executive directors (“INEDs”) represent more than one-third of the Board. The biographies of the Directors are set out in “Management profiles” section on pages 35 to 38. The Directors have no financial, business, family or other material or relevant relationships with each other at 31 March 2006. No INED of the Company has served more than nine years and at least one of the INEDs has appropriate professional qualifications or accounting or related financial management expertise. All of the INEDs have confirmed in writing their independence from the Company and met the requirements set forth in the independence guidelines of the Listing Rules. These INEDs are high calibre executives who bring a diversified range of expertise and serve the crucial function of providing checks and balances for safeguarding the interests of shareholders and the Group as a whole. Their role is to bring an independent and objective view to the Board’s deliberations and decisions.

本集團致力維持高水平的企業管治，並進一步加強透明度。香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十四所載的企業管治常規守則（「企業管治守則」）已於二零零五年一月一日起生效。本公司深信良好的企業管治能為有效的管理、成功的業務增長及提升股東價值確立堅實的框架。除下文所指定及闡釋的若干偏離事項外，本公司一直應用企業管治守則的原則及遵守其所載的守則條文規定。

## 董事局

本公司由董事局（「董事局」）領導及監控，於二零零六年三月三十一日，董事局成員包括三名執行董事及四名獨立非執行董事（統稱「董事」），當中四名獨立非執行董事（「獨立非執行董事」）佔董事局成員人數三分之一以上。董事履歷已載於第35頁至第38頁中的「管理層簡介」部份。於二零零六年三月三十一日，董事之間並無財政、業務、家屬或其他重要或相關之關係。董事局內並無任何本公司獨立非執行董事服務超過九年，而且其中最少一名獨立非執行董事具備合適的會計或相關財務管理的專業資格。全體獨立非執行董事已提交確認書，確認其對本公司的獨立性，並符合載於上市規則內獨立性指引的規定。這些獨立非執行董事皆為優秀的行政人員，他們具備多方面的專業知識，可為本集團提供足夠的審核和制衡，以維護股東及本集團的整體利益。獨立非執行董事的角色是向董事局提供獨立及客觀的意見，以助董事局作出考慮及決定。

Eight full Board meetings were convened in the year under review and the attendance of individual Directors at full Board meetings for the year is set out as follows :-

Number of meetings 會議數目	8
<b>Members of the Board 董事局成員</b>	<b>Meeting attendance 會議出席情況</b>
<b>Chairman 主席</b>	
Mr. LAW Ka Sing 羅家聖先生	8/8
<b>Executive directors 執行董事</b>	
Ms. CHAN So Kuen 陳素娟女士	8/8
Mr. Dickie FU Shing Kwan (resigned on 26 June 2006) 傅成坤先生 (已於二零零六年六月二十六日辭任)	8/8
Ms. Pansy CHAU Wai Man (resigned on 12 January 2006) 周慧雯女士 (已於二零零六年一月十二日辭任)	7/7
Mr. Simon ORR Kuen Fung (resigned on 12 January 2006) 柯權峯先生 (已於二零零六年一月十二日辭任)	7/7
Mr. FUNG Ping Chuen (resigned on 1 June 2005) 馮炳全先生 (已於二零零五年六月一日辭任)	1/1
<b>Independent non-executive directors 獨立非執行董事</b>	
Ms. LEUNG Mei Han 梁美嫻女士	8/8
Mr. Raymond LEE Man Chun 李文俊先生	5/8
Mr. WONG Wai Kay 王維基先生	5/8
Prof. SIN Yat Ming (appointed on 21 October 2005) 冼日明教授 (於二零零五年十月二十一日獲委任)	3/3

於回顧年度內，共召開了八次董事局全體會議，各董事在年內於董事局全體會議的出席詳情載列如下：

The Board is scheduled to meet at least four times a year to review operational performance, approve financial results and other significant matters. Regular Board meetings are scheduled in the prior year to provide sufficient notice to the Directors and facilitate the maximum attendance of the directors. The Board members are given an opportunity to include additional matters for discussion and are supplied with relevant information by the senior management and reports relating to the Group's operational and financial performance before the scheduled Board meeting in a timely manner. The meetings' proceedings are conducted by the Chairman of the Company. Minutes of the Board meetings are documented and the records are maintained in accordance with applicable laws and regulations and are recorded in sufficient detail. Draft minutes of each Board meeting are circulated to all Directors for their comment and the minutes are open for inspection by any Director.

The Board member is assured to seek an independent professional advice at the Group's expense to assist him to discharge his duties to the Group.

董事局計劃一年最少召開四次會議，以檢討營運表現、批核財務業績及其他重要事項。定期董事局會議的時間表於上個年度制訂，務求向董事提供充裕的通知，以達致最高的出席率。在召開定期董事局會議前，各董事均有機會提出商討事項列入會議議程並適時獲發由高級管理層提供的有關資料和本集團營運及財務表現的報告。董事局會議的議事程序由本公司主席主持。董事局會議記錄亦會根據適用的法律及規定存檔及記錄，並備有足夠詳細的記錄。董事局會議記錄的初稿會被發送所有董事傳閱，供他們提出意見，董事亦可查閱會議記錄。

董事局成員獲確保可諮詢獨立專業意見，以協助他履行職責，一切費用由本集團支付。

If a Board member has a conflict of interest in a matter considered by the Board to be material, a full Board meeting must be held to consider such matter and at least one INED who has no material interest in the transaction shall be present at such Board meeting.

## Chairman and Chief Executive Officer

The Company does not have a separate Chairman and Chief Executive Officer and Mr. LAW Ka Sing currently holds both positions. The Board considers that the present structure provides the Group with strong and consistent leadership and allows for more effective planning and execution of long-term business strategies. It also enables the Group to make and implement decisions promptly and efficiently to the best benefit of the Group and its shareholders.

## Appointment and Re-election of Directors

Since new Directors would be appointed in full Board meeting, the Company has not established a nomination committee. The Board will take into consideration criteria such as expertise, experience, integrity and commitment when selecting suitable candidates for directorships. A full Board meeting was held during the year for considering the appointment of an INED.

All INEDs of the Company were appointed for specific terms, their length of service with the Company is one year from the dates of their appointments which will be automatically renewed unless early termination by either party serving not less than three months prior written notice or upon mutual consent on short notice. They are subject to retirement by rotation and re-election at annual general meetings of the Company (“AGMs”) in accordance with the Bye-laws of the Company.

Every newly-appointed director shall receive an induction on the first occasion of his appointment and subsequent briefing and professional development as necessary to ensure that he has a proper understanding of the operations and business of the Company and that he is aware of his responsibilities under the laws and applicable regulations.

Pursuant to the Bye-laws of the Company, any new director appointed by the Board to fill a casual vacancy or as an addition to the Board shall hold office until the next AGM and shall be eligible for re-election. At each

倘董事局認為董事局成員在討論事項中有重大的利益衝突時，必須舉行董事局全體會議以考慮有關事項，且該董事局會議上須最少有一名於事項中並無重大權益的獨立非執行董事出席。

## 主席及行政總裁

本公司並無分開設置主席與行政總裁的職務，羅家聖先生現時兼任兩個職位。董事局認為現時的架構為本集團提供穩固及貫徹的領導，且能夠更有效策劃及執行長遠業務策略，亦有助本集團可迅速及有效地作出及執行對本集團及其股東最有利的決策。

## 董事的委任及重選

由於新董事的委任是於董事局全體會議議決，因此本公司沒有成立提名委員會。在挑選合適的新董事時，董事局會考慮他們的專業知識、經驗、誠信及承擔等各方面的資歷。於年內，本公司召開一次董事局全體會議，以考慮獨立非執行董事的委任。

本公司所有獨立非執行董事均有指定委任年期，他們的服務年期均由他們獲委任日期起計為期一年，除非任何一方給予不少於三個月的事先書面通知或經雙方同意提早終止，否則將自動續期。根據本公司的章程細則，他們須於本公司的股東週年大會（「股東週年大會」）上輪值退任及膺選連任。

每名新委任的董事應在首次接受委任時獲得就任須知，其後亦會獲得所需的簡介及專業培訓，以確保其對本公司的運作及業務均有適當的理解，以及知悉本身於法例及適用規例下的職責。

根據本公司的章程細則，每名獲董事局委任的新董事，不論為填補臨時空缺或為增加董事局名額，他們的任期將直至下屆股東週年大會為止，並符合資



AGM, one-third of the Directors for the time being, or if their number is not three or a multiple of three, then the number nearest one-third, shall retire from office by rotation save any Director holding office as Chairman or Managing Director. The retiring Directors shall be eligible for re-election. The cycle is roughly the same as once every three years stipulated by the CG Code.

The Chairman and the Chief Executive Officer of the Company are not subject to retirement by rotation. The Board considers that the continuity of the Chairman and Chief Executive Officer of the Company and his leadership are crucial in maintaining the stability of the Group's business operations.

## Audit Committee

The Audit Committee consists of 4 INEDs, namely Ms. LEUNG Mei Han, Mr. Raymond LEE Man Chun, Mr. WONG Wai Kay and Prof. SIN Yat Ming. Ms. Leung is the Chairman of the Audit Committee and applies her professional qualifications in accounting and financial management expertise in directing the Audit Committee. No member of the Audit Committee is a former partner of the Company's existing external auditors. The Audit Committee is provided with sufficient resources, including the advice of external auditors and Internal Audit Department to discharge its duties. The Audit Committee has reviewed the audited financial results for the year ended 31 March 2006.

The major roles and functions of the Audit Committee are set out clearly in the terms of reference which included the duties specified in the CG Code. The terms of reference for the Audit Committee are also aligned

格膺選連任。於每屆股東週年大會上，當時三分之一或如董事局人數並非三或三的倍數，則最接近三分之一的董事（不包括擔任主席或董事總經理之董事）須輪值退任。退任董事可獲重選連任。此輪值週期大約相等於企業管治守則的規定每三年輪值退任一次。

本公司的主席及行政總裁並不受輪值退任的規定所規限。董事局認為本公司主席兼行政總裁的持續性及其領導，乃維持本集團業務穩定性的關鍵要素。

## 審核委員會

審核委員會共有四名獨立非執行董事，分別為梁美嫻女士、李文俊先生、王維基先生及冼日明教授。梁女士是審核委員會的主席，而她在會計及財務管理方面的專業知識有助她領導審核委員會的運作。概無審核委員會的成員為本公司現時外聘核數師的前任合夥人。本公司已提供充足資源，包括諮詢外聘核數師和內部審計部的意見予審核委員會，使委員會能履行其職責。審核委員會已審閱截至二零零六年三月三十一日止年度之經審核財務業績。

審核委員會的主要職責及功能已於書面職權範圍內明確載列，當中包括企業管治守則所特定的職責。審核委員會的職權範圍與香港會計師公會頒佈的

with the recommendations set out in “A Guide for Effective Audit Committees” issued by the Hong Kong Institute of Certified Public Accountants and the terms of reference of the Audit Committee are available on the Company’s website.

The Audit Committee is responsible for appointment of external auditors, review of the Group’s financial information and oversight of the Group’s financial and accounting practices, internal control and risk management. It is also responsible for reviewing the interim and final results of the Group. Two audit committee meetings were convened during the year and the attendance of individual committee members is set out hereunder.

During the year, the Audit Committee have performed the following work :-

- (a) reviewed the interim and annual financial results for the six months ended 30 September 2005 and for the year ended 31 March 2005 respectively;
- (b) reviewed non-exempt continuing connected transactions for purchase of garments;
- (c) reviewed the progress report and report on internal audit results for the year 2004/05 and the first half of the year 2005/06 prepared by Internal Audit Department respectively; and
- (d) approved the annual audit plan for the year 2005/06 of Internal Audit Department.

## Remuneration Committee

The Company has established the Remuneration Committee with specific written terms of reference. The Remuneration Committee consists of 4 INEDs, namely Ms. LEUNG Mei Han, Mr. Raymond LEE Man Chun, Mr. WONG Wai Kay and Prof. SIN Yat Ming. Ms. Leung is the Chairman of the Remuneration Committee. The Remuneration Committee is provided with sufficient resources to discharge its duties.

The major roles and functions of the Remuneration Committee are set out clearly in the terms of reference which included the duties specified in the CG Code and are available on the Company’s website.

The Remuneration Committee is responsible for reviewing and making recommendations on the remuneration policy for all Directors and senior management of the Company and determining the remuneration packages

「審核委員會有效運作指引」所載的建議一致，審核委員會的職權範圍已刊載於本公司網頁內。

審核委員會負責委任外聘核數師、審閱本集團的財務資料、監督本集團的財務及會計慣例、內部監控及風險管理。審核委員會亦負責審閱本集團的中期及全年業績。審核委員會於年內曾召開兩次會議，各委員會成員的出席情況已載於下文。

年內，審核委員會已完成下列工作：-

- (a) 審閱截至二零零五年九月三十日止六個月及截至二零零五年三月三十一日止年度的中期及全年財務業績；
- (b) 審閱採購成衣的非豁免持續關連交易；
- (c) 審閱內部審計部所編製二零零四/零五年度及二零零五/零六年度上半年的進度報告及內部審計結果報告；及
- (d) 批核內部審計部對二零零五/零六年度的全年審計計劃。

## 薪酬委員會

本公司已成立薪酬委員會，並書面制定其職權範圍。薪酬委員會由四名獨立非執行董事組成，分別為梁美嫻女士、李文俊先生、王維基先生及冼日明教授。梁女士為薪酬委員會主席。薪酬委員會已獲提供足夠資源以履行其職務。

薪酬委員會的主要職責及功能已於書面職權範圍內明確載列，當中包括企業管治守則所特定的職責，並已刊載於本公司網頁內。

薪酬委員會負責審閱及就本公司全體董事及高級管理層的薪酬政策提供意見，以及決定董事及高級管理層的具體薪酬待遇條款，並已於年內舉行的會議上

of Directors and senior management and has performed these during the meeting held during the year. The Remuneration Committee has consulted with the Chairman on its proposals and recommendations and has access to professional advice. No Director is involved in deciding his/her own remuneration.

One remuneration committee meeting was convened during the year and the attendance of individual committee member is set out as follows :-

	Audit committee meetings 審核委員會會議	Remuneration committee meeting 薪酬委員會會議
<b>Number of meetings 會議數目</b>	<b>2</b>	<b>1</b>
<b>Members of the Audit Committee and the Remuneration Committee 審核委員會及薪酬委員會成員</b>	<b>Meeting attendance 會議出席情況</b>	<b>Meeting attendance 會議出席情況</b>
<b>Chairman 主席</b>		
Ms. LEUNG Mei Han 梁美嫻女士	2/2	1/1
<b>Committee members 委員會成員</b>		
Mr. Raymond LEE Man Chun 李文俊先生	2/2	0/1
Mr. WONG Wai Kay 王維基先生	2/2	1/1
Prof. SIN Yat Ming (appointed on 16 January 2006) 冼日明教授 (於二零零六年一月十六日獲委任)	0/0	0/0

完成上述工作。薪酬委員會已就其薪酬方案及推薦建議諮詢主席，並尋求專業意見。概無董事能自行釐訂其薪酬。

本公司於年內已召開一次薪酬委員會會議，各委員會成員的出席詳情載列如下：

## Management Committee

At 31 March 2006, the Management Committee consists of three executive directors. The Management Committee is vested with the overall delegated authority from the Board to deal with the operational matters of the Group, save for those matters which are reserved for the Board's decision and approval pursuant to the written terms of reference, which includes taking in charge of major decision making in relation to the day-to-day business operations of the Company, administering the Company's routine resolutions and dealing with ad-hoc matters.

## Internal Control and Internal Audit

The Board is developing and maintaining an internal control system of the Company to protect shareholders' interest and to safeguard the Group's assets by reviewing, enhancing and monitoring the major control

## 管理委員會

於二零零六年三月三十一日，管理委員會由三名執行董事組成。除根據書面職權範圍由董事局決定及批准的事項外，管理委員會獲董事局授予整體權限以處理本集團的營運事宜，包括負責有關本公司日常業務運作的重大決定、管理本公司的例行決議案及處理特殊事項。

## 內部監控及內部審計

董事局正發展及維持本公司的內部監控制度，透過檢討、加強及監察財務、營運、規章及風險管理等事項的主要監控程序，以保障股東權益及本集團

procedures for financial, operational, compliance and risk management matters. Evaluation of the Group's internal controls is conducted by the Internal Audit Department on an on-going basis. The Internal Audit Department has been operating since August 2002. The key tasks of which include:

- (a) reviewing material aspects of the Group's key activities and corresponding internal controls with unrestricted rights of access;
- (b) conducting audits on the work practices, procedures and internal controls established by the business units of the Group on a regular basis in order to evaluate the adequacy and effectiveness of the internal control system established;
- (c) conducting special reviews and investigations into areas of concern identified by management; and
- (d) monitoring the corrective actions taken by relevant departments.

The internal audit charter was approved and adopted by the Audit Committee. The internal audit department adopted a risk-based approach to develop the annual audit plan, which is reviewed and approved by the Audit Committee. It furnishes independent and objective evaluations and recommendations in the form of an audit report to management. Internal audit staff are authorized to access any information relating to the Company and to make enquiries to staff concerned, and the head of the internal audit department will directly report to the Audit Committee on the major audit findings and management responses.

The Board has, through the works of the Audit Committee and the internal audit department, carried out ongoing examination and monitoring of the Company's internal control system and completed an evaluation of the internal control system.

The Bossini Group Policy set forth a set of standards to all employees to govern the operations of the Group in legal, financial, procurement, human resources, corporate governance and public relation spheres, and will facilitate the ongoing examination and evaluation of the Group's compliance with existing rules and regulations and of the effectiveness of internal control. Employees are expected to strictly adhere to the Bossini Group Policy and encouraged to alert senior management of potential cases of misconduct without fear of retribution. The Bossini Group Policy was first issued in March 2004. It is taken up for review and renewal on an annual basis by the designated Group Policy committee.

資產。內部審計部對本集團的內部監控進行持續評估。內部審計部自二零零二年八月起已經運作，其主要工作包括：

- (a) 獲給予不受限制的職權以檢討本集團主要運作及相應內部監控；
- (b) 定期審核本集團業務單位所建立的工作慣例、程序及內部監控措施來評估現有內部監控系統的完整性及有效性；
- (c) 就管理層所關注的事項進行特別檢討及調查；及
- (d) 監督有關部門所進行的改進措施。

審核委員會已批核及採用內部審核規章，而內部審計部就採用以風險為基準的方法來制定年度審計計劃，該計劃會由審核委員會審閱及批核。內部審計部向管理層發出報告以提供獨立及客觀的評估及推薦建議。內部審計職員有權取得任何有關本公司的資料，及向有關職員作出查詢，而內部審計部主管將就重大審計結果及管理層回應直接向審核委員會匯報。

董事局已透過審核委員會及內部審計部的工作持續檢查及監控本公司的內部監控系統及完成內部監控系統的評估。

堡獅龍集團政策亦為全體員工制定劃一標準，以監督本集團在法律、財務、採購、人力資源、企業管治及公共關係等方面的運作，並有助持續檢閱及評估本集團有否遵守現行法例及規定，以及內部監控的有效性。堡獅龍集團政策要求各員工嚴格遵守各項守則及鼓勵員工如發現集團內有任何不當行為時需即時向相關主管匯報，而毋須憂慮遭受處分。堡獅龍集團政策於二零零四年三月首次推行，由指定的集團政策委員會每年檢討及更新。

## Model Code for Securities Transactions by Directors

The Bossini Group Policy laid down a code of conduct regarding the directors' securities transactions in terms as stringent as those set out in the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules. The Company, having made specific enquiry of all Directors, confirmed that all Directors have complied with the required standard of dealings as set out therein throughout the year. Employees are also not encouraged to deal in the securities of the Company within one month before the interim and the final results announcements and prohibited to make use of price-sensitive information to deal in the securities of the Company.

## Financial Reporting and External Auditors' Remuneration

The Directors acknowledge their responsibility for preparing the financial statements of the Group on a going concern basis with the support from the Finance Department. The financial statements of the Group for the year ended 31 March 2006 have been prepared in accordance with Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance.

A statement of the reporting responsibilities of the Company's external auditors is included in the Auditors' Report on page 49.

During the year, the auditors' remuneration in relation to statutory audit work of the Group amounted to HK\$1.71 million of which a sum of HK\$1.43 million was paid to the Group's principal external auditor, Ernst & Young ("EY"). The remuneration for EY and its affiliated firms, for services rendered is broken down below :-

	HK\$ million 港幣百萬元
Audit services 審計服務	1.43
Non-audit services 非審計服務	
Tax representative services 稅務代表服務	0.23
Interim result review services 中期業績審閱服務	0.18
Connected transaction review services 關連交易審閱服務	0.09
<b>Total 總計</b>	<b>1.93</b>

## 董事進行證券交易的標準守則

堡獅龍集團政策載有董事進行證券交易的操守守則，其嚴謹程度與上市規則所載上市公司董事進行證券交易的標準守則一樣。本公司向各董事作出具體諮詢後確認，全體董事於年內一直遵守標準守則所載的有關買賣標準。本集團亦不鼓勵員工於中期及全年業績公佈前一個月內買賣本公司證券，亦禁止利用股價敏感資料買賣本公司證券。

## 財務匯報及外聘核數師酬金

董事知悉他們在財務部協助下須按持續經營基準編製本集團財務報表的責任。本集團截至二零零六年三月三十一日止年度的財務報表乃根據香港會計師公會頒佈的香港財務匯報準則以及香港會計準則及詮釋、香港公認會計原則及香港公司法例的披露規定而編製。

本公司外聘核數師的申報責任聲明載於第49頁的核數師報告內。

年內，本集團就法定審計工作而付予的核數師酬金為港幣1.71百萬元，當中港幣1.43百萬元已支付予本集團的主要外聘核數師安永會計師事務所（「安永」）。就安永及其聯屬公司所提供的服務酬金分析如下：-





## Communication with Shareholders

The Group's information is disseminated to shareholders in a timely manner through a number of formal channels, which include annual and interim reports, published announcements, press releases and shareholders' circulars. The Company's website is maintained up-to-date to disseminate information to further promote effective communication. The AGM is the principal forum for formal dialogue with shareholders, where the Board including the Chairman and external auditors are available during the AGM to answer questions raised out from shareholders.

## Corporate Transparency and Investor Relations

The Group strictly adheres to practices that promote and maintain transparency. The Company's website, [www.bossini.com](http://www.bossini.com) has been constantly updated in order to provide the investors and the public with timely information about all aspects of the Company. The Company also holds regular press conferences and meetings with financial analysts and investors, at which the Company's management directly provides relevant information and data to media, financial analysts, fund managers and investors, as well as answers their queries. The Company's management also attends overseas roadshows to meet and communicate with fund managers and institutional investors to enable them to have a better understanding about the business performance of the Group.

## 與股東的溝通

本集團按時透過不同正式途徑向股東發佈本集團的資料，包括年度及中期報告、刊發公佈、新聞稿及股東通函。本公司的網頁保持發放最新資訊，以加強有效溝通。股東週年大會是與各股東交換意見的主要場合。在大會上，董事局（包括主席）及外聘核數師將回答各股東所提出的問題。

## 企業透明度及投資者關係

本集團嚴格遵守有助提升及維持透明度的守則。本公司網頁[www.bossini.com](http://www.bossini.com)定期更新，為投資者及公眾人士提供本公司各方面的即時資訊。本公司亦定期舉行新聞發佈會，並與財務分析員及投資者舉行會議，本公司管理層於會上直接提供相關資料及數據予傳媒、財務分析員、基金經理及投資者，並回答他們的問題。本公司管理層亦出席海外路演，藉以與基金經理及機構投資者會面及溝通，讓他們對本集團的業務表現有更深的瞭解。