

# Notes to financial statements 財務報表附註

31 March 2006 二零零六年三月三十一日

## 1. Corporate information

The registered office of the Company is located at Canon's Court, 22 Victoria Street, Hamilton HM12, Bermuda. The Company is incorporated in Bermuda with limited liability. Its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). During the year, the Group principally engaged in investment holding and the retailing, distribution and wholesaling of garments.

### 2.1 Basis of preparation

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which also include Hong Kong Accounting Standards ("HKASs") 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. They have been prepared under the historical cost convention, except for derivative financial instruments which have been measured at fair value, and certain land and buildings as further explained below. These financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand (HK\$'000) except when otherwise indicated.

#### Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 March 2006. The results of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All significant intercompany transactions and balances within the Group are eliminated on consolidation.

## 1. 公司資料

本公司之註冊辦事處位於Canon's Court, 22 Victoria Street, Hamilton HM12, Bermuda。本公司乃於百慕達註冊成立之有限公司，其股份在香港聯合交易所有限公司（「聯交所」）上市。本集團於年內主要從事投資控股和成衣零售、分銷及批發業務。

### 2.1 編製基準

該等財務報表乃根據香港會計師公會頒佈之香港財務匯報準則（亦包括香港會計準則（「香港會計準則」）及詮釋）、香港普遍採納之會計原則及香港公司條例之披露規定所編製。該等財務報表乃根據歷史成本常規法編製，惟衍生金融工具以公平值計算以及如下文所詳述之若干土地及樓宇除外。該等財務報表以港元計算及所有價值，除特別列明外，均約數至港幣千元計算。

#### 綜合賬目基準

綜合財務報表包括本公司及其附屬公司截至二零零六年三月三十一日止年度之財務報表。附屬公司業績分別自收購日期（即本集團取得控制權之日）起綜合計算，直至上述控制權終止之日為止。本集團內各公司間之所有重大交易及結餘，均已於綜合賬目時對銷。

## Notes to financial statements 財務報表附註

31 March 2006 二零零六年三月三十一日

### 2.2 Impact of new and revised Hong Kong Financial Reporting Standards

The following new and revised HKFRSs affect the Group and are adopted for the first time for the current year's financial statements:

HKAS 1	Presentation of Financial Statements
HKAS 2	Inventories
HKAS 7	Cash Flow Statements
HKAS 8	Accounting Policies, Changes in Accounting Estimates and Errors
HKAS 10	Events after the Balance Sheet Date
HKAS 12	Income Taxes
HKAS 14	Segment Reporting
HKAS 16	Property, Plant and Equipment
HKAS 17	Leases
HKAS 18	Revenue
HKAS 19	Employee Benefits
HKAS 21	The Effects of Changes in Foreign Exchange Rates
HKAS 23	Borrowing Costs
HKAS 24	Related Party Disclosures
HKAS 27	Consolidated and Separate Financial Statements
HKAS 32	Financial Instruments: Disclosure and Presentation
HKAS 33	Earnings per Share
HKAS 36	Impairment of Assets
HKAS 37	Provisions, Contingent Liabilities and Contingent Assets
HKAS 38	Intangible Assets
HKAS 39	Financial Instruments: Recognition and Measurement
HKAS 39	Transition and Initial Recognition of Financial Assets and Financial Liabilities
Amendment	
HKAS 40	Investment Property

### 2.2 新頒佈及經修訂香港財務匯報準則之影響

以下為影響本集團之新頒佈及經修訂香港財務匯報準則，本集團於本年度之財務報表首次採用：

香港會計準則第1號	財務報表之呈列
香港會計準則第2號	存貨
香港會計準則第7號	現金流量表
香港會計準則第8號	會計政策、會計估算之變動及誤差
香港會計準則第10號	結算日後事項
香港會計準則第12號	所得稅
香港會計準則第14號	分類報告
香港會計準則第16號	物業、廠房及設備
香港會計準則第17號	租賃
香港會計準則第18號	收入
香港會計準則第19號	僱員福利
香港會計準則第21號	外幣匯率變動之影響
香港會計準則第23號	借貸成本
香港會計準則第24號	關聯人士之披露
香港會計準則第27號	綜合及獨立財務報表
香港會計準則第32號	金融工具：披露及呈列
香港會計準則第33號	每股盈利
香港會計準則第36號	資產減值
香港會計準則第37號	撥備、或然負債及或然資產
香港會計準則第38號	無形資產
香港會計準則第39號	金融工具：確認及計量
香港會計準則第39號 (經修訂)	金融資產及金融負債之過渡及首次 確認
香港會計準則第40號	投資物業

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

HKFRS 2	Share-based Payment
HKFRS 3	Business Combinations
HKFRS 5	Non-current Assets Held for Sale and Discontinued Operations
HK(SIC)-Int 21	Income Taxes – Recovery of Revalued Non-depreciable Assets
HK-Int 4	Leases – Determination of the Length of Lease Term in respect of Hong Kong Land Leases

The adoption of HKASs 1, 2, 7, 8, 10, 12, 14, 16, 18, 19, 21, 23, 27, 33, 37, 38, 40, HKFRS 5, HK(SIC)-Int 21 and HK-Int 4 has had no material impact on the accounting policies of the Group and the Company and the methods of computation in the Group's and the Company's financial statements.

HKAS 21 had no material impact on the Group. As permitted by the transitional provisions of HKAS 21, goodwill arising in a business combination prior to 1 January 2005 and fair value adjustments arising on that acquisition are deemed to be in the currency of the Company. In respect of acquisitions subsequent to 1 January 2005, any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of the assets and liabilities are treated as assets and liabilities of the foreign operation and are translated at the closing rate in accordance with HKAS 21.

HKAS 24 has expanded the definition of related parties and affected the Group's related party disclosures.

## 2.2 新頒佈及經修訂香港財務匯報準則之影響 (續)

香港財務匯報準則第2號	以股份支付之付款
香港財務匯報準則第3號	業務合併
香港財務匯報準則第5號	持作出售非流動資產及已終止經營業務
香港(財務報告詮釋委員會)－ 詮釋第21號	所得稅－收回重估不予折舊之資產
香港詮釋第4號	租賃－釐定香港土地租賃之租賃期限

採納香港會計準則第1、2、7、8、10、12、14、16、18、19、21、23、27、33、37、38、40號、香港財務匯報準則第5號、香港(財務報告詮釋委員會)－詮釋第21號及香港詮釋第4號對本集團及本公司之會計政策以及本集團及本公司之財務報表之計算方法並無重大影響。

香港會計準則第21號對本集團並無重大影響。由於香港會計準則第21號之過渡條文允許，於二零零五年一月一日前業務合併所產生之商譽及該收購所產生之公平值變動，均視為以本公司之貨幣計算。就於二零零五年一月一日後之收購而言，收購海外機構所產生之商譽及任何對資產及負債賬面值之公平值調整，均被視為該海外機構之資產及負債，並根據香港會計準則第21號以結算匯率換算。

香港會計準則第24號擴大關連人士之定義，並影響本集團關連人士之披露事項。

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

The impact of adopting the other HKFRSs is summarised as follows:

### (a) HKAS 17 – Leases

In prior years, land and buildings held for own use were stated at cost or 31 July 1993 valuation less accumulated depreciation and any impairment losses.

Upon the adoption of HKAS 17, the Group's leasehold interest in land and buildings is separated into leasehold land and leasehold buildings. The Group's leasehold land is classified as an operating lease, because the title of the land is not expected to pass to the Group by the end of the lease term, and is reclassified from property, plant and equipment to prepaid land lease payments, while leasehold buildings continue to be classified as part of property, plant and equipment. Prepaid land premiums for land lease payments under operating leases are initially stated at cost and subsequently amortised on the straight-line basis over the lease term. When the lease payments cannot be allocated reliably between the land and buildings elements, the entire lease payments are included in the cost of the land and buildings as a finance lease in property, plant and equipment.

This change in accounting policy has had no effect on the consolidated income statement and retained profits and the consolidated balance sheet.

### (b) HKAS 32 and HKAS 39 – Financial Instruments

Derivative financial instruments – Forward currency contracts

In prior years, gains and losses arising from forward currency contracts were recognised in the income statement on expiry/termination of respective derivative financial instruments. Upon the adoption of HKAS 39, these derivative financial instruments are initially recognised at fair value at the date at which a derivative contract is entered into and are subsequently remeasured at fair value with gains or losses being recognised in the income statement.

The effects of the above changes are summarised in note 2.4 to the financial statements. In accordance with the transitional provisions of HKAS 39, comparative amounts have not been restated.

## 2.2 新頒佈及經修訂香港財務匯報準則之影響 (續)

採納其他香港財務匯報準則之影響概述如下：

### (a) 香港會計準則第17號 – 租賃

於過往年度，自用租賃土地及樓宇乃按成本或一九九三年七月三十一日之估值減累積折舊及任何減值虧損列賬。

於採納香港會計準則第17號後，本集團於土地及樓宇之租賃權益分開為租賃土地及租賃樓宇。本集團之租賃土地歸類為經營租賃，蓋因土地之所有權預期不能於租期結束前過戶給本集團，並從物業、廠房及設備重新分類為預付土地租賃款項，而租賃樓宇繼續分類為物業、廠房及設備之一部分。經營租賃項下之預付土地租賃補地價款項首次按成本列賬，其後按租期以直線法攤銷。當租賃付款無法於土地及樓宇成份間可靠區分時，全部租賃付款計入土地及樓宇之成本，作物業、廠房及設備之一項融資租賃。

此項會計政策之變動並無對綜合收益表、保留溢利及綜合資產負債表構成影響。

### (b) 香港會計準則第32號及香港會計準則第39號 – 金融工具

衍生金融工具-遠期貨幣合約

於過往年度，遠期貨幣合約產生之損益於各自衍生金融工具屆滿/終止時於收益表確認。於採納香港會計準則第39號後，該等衍生金融工具於訂立有關衍生合約時按當日公平值首次確認，隨後按公平值計算，損益確認於收益表中。

以上變動之影響已在財務報表附註2.4概述。根據香港會計準則第39號之過渡性條文，比較數字並未重新列賬。

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

### (c) HKFRS 2 – Share-based Payment

In prior years, no recognition and measurement of share-based payment transactions in which employees (including directors) were granted share options over shares in the Company were required until such options were exercised by employees, at which time the share capital and share premium were credited with the proceeds received.

Upon the adoption of HKFRS 2, when employees (including directors) render services as consideration for equity instruments (“equity-settled transactions”), the cost of the equity-settled transactions with employees is measured by reference to the fair value at the date at which the instruments are granted.

The main impact of HKFRS 2 on the Group is the recognition of the cost of these transactions and a corresponding entry to equity for employee share options. The revised accounting policy for share-based payment transactions is described in more detail in note 2.5 “Summary of significant accounting policies” below.

The Group has adopted the transitional provisions of HKFRS 2 under which the new measurement policies have not been applied to (i) options granted to employees on or before 7 November 2002; and (ii) options granted to employees after 7 November 2002 but which had vested before 1 April 2005.

As the Group has employee share options granted after 7 November 2002 that were not yet vested as at 1 April 2005, the adoption of HKFRS 2 has had an impact on the retained profits as at 31 March 2004 and 31 March 2005. The Group has also recognised the cost of share options in the current year’s income statement in accordance with the revised accounting policy.

The effects of adopting HKFRS 2 are summarised in note 2.4 to the financial statements.

## 2.2 新頒佈及經修訂香港財務匯報準則之影響 (續)

### (c) 香港財務匯報準則第2號-「以股份支付之付款」

於過往年度，僱員(包括董事)獲授購股權以認購本公司股份之以股份支付之交易不予確認及計算，直至僱員行使該購股權時，則以收到之所得款項計入股本及股份溢價。

於採納香港財務匯報準則第2號後，當僱員(包括董事)提供服務作為權益工具之代價時(「權益結算交易」)，與僱員之權益結算交易之成本乃參考授出權益工具當日之公平值計算。

香港財務匯報準則第2號對本集團之主要影響為確認該等交易之成本及於僱員購股權之股本中作出相關記錄。以股份支付之付款交易之經修訂會計政策之詳情載於下文附註2.5「主要會計政策概要」。

本集團已採納香港財務匯報準則第2號之過渡性條文，據此，新計算政策並未應用於：(i) 於二零零二年十一月七日或之前授予僱員之購股權；及(ii) 於二零零二年十一月七日之後授予僱員但於二零零五年四月一日前已歸屬之購股權。

由於本集團於二零零二年十一月七日授出之僱員購股權於二零零五年四月一日止尚未歸屬，採納香港財務匯報準則第2號對二零零四年三月三十一日及二零零五年三月三十一日之保留溢利構成影響。本集團亦根據經修訂之會計政策於本年度之收益表確認購股權成本。

採納香港財務匯報準則第2號之影響已於財務報表附註2.4概述。

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

### (d) HKFRS 3 – Business Combinations and HKAS 36 – Impairment of Assets

In prior years, goodwill and negative goodwill arising on acquisitions prior to 1 April 2001 was eliminated against the consolidated retained profits and credited to the consolidated capital reserve, respectively, in the year of acquisition and was not recognised in the income statement until disposal or impairment of the acquired business.

Goodwill arising on acquisitions on or after 1 April 2001 was capitalised and amortised on the straight-line basis over its estimated useful life and was subject to impairment testing when there was any indication of impairment. Negative goodwill was carried in the balance sheet and was recognised in the consolidated income statement on a systematic basis over the remaining average useful life of the acquired depreciable/amortisable assets.

The adoption of HKFRS 3 and HKAS 36 has resulted in the Group ceasing annual goodwill amortisation and commencing testing for impairment at the cash-generating unit level annually (or more frequently if events or changes in circumstances indicate that the carrying value may be impaired).

Any excess of the Group's interest in the net fair value of the acquirees' identifiable assets, liabilities and contingent liabilities over the cost of the acquisition of subsidiaries (previously referred to as negative goodwill), after reassessment, is recognised immediately in the income statement.

The transitional provisions of HKFRS 3 have required the Group to eliminate at 1 April 2005 the carrying amounts of accumulated amortisation with a corresponding adjustment to the cost of goodwill and to derecognise at 1 April 2005 the carrying amounts of negative goodwill (including that remaining in the consolidated capital reserve) against retained profits. Goodwill previously eliminated against the retained profits remains eliminated against the retained profits and is not recognised in the income statement when all or part of the business to which the goodwill relates is disposed of or when a cash-generating unit to which the goodwill relates becomes impaired.

The effects of the above changes are summarised in note 2.4 to the financial statements. In accordance with the transitional provisions of HKFRS 3, comparative amounts have not been restated.

## 2.2 新頒佈及經修訂香港財務匯報準則之影響 (續)

### (d) 香港財務匯報準則第3號「業務合併」及香港會計準則第36號「資產減值」

於過往年度，於二零零一年四月一日之前進行收購所產生之商譽及負商譽於收購年度內分別與綜合保留溢利對銷及計入綜合資本儲備，且於所收購之業務出售或減值前不會在收益表中列賬。

於二零零一年四月一日或之後進行收購所產生之商譽已資本化，並按其預計可使用年期以直線法攤銷，並須在有任何減值跡象出現時進行減值測試。負商譽會於所收購之可折舊／可攤銷資產餘下之平均可使用年期內，有系統地在資產負債表列賬並在綜合收益表中列支。

採納香港財務匯報準則第3號及香港會計準則第36號後致使本集團不再按年攤銷商譽，並開始每年測試現金產生單位之減值水平(若出現任何事件或情況改變顯示賬面值可能減少時，則須進行更頻密之審議)。

本集團於被收購公司之可識辨資產、負債及或然負債之公平淨值權益，較附屬公司之收購成本多出之數額(先前稱為負商譽)會於重新評估後即時在收益表中列賬。

香港財務匯報準則第3號之過渡性條文規定本集團於二零零五年四月一日對銷累積攤銷之賬面值，並相應調整商譽成本，及於二零零五年四月一日把負商譽之賬面值(包括綜合資本儲備中之剩餘部份)在保留溢利中對銷。與先前已撇減保留溢利之商譽有關之全部或部分業務出售時，或與該等商譽有關之現金產生單位減值時，商譽仍舊在保留溢利撇減，而不會於收益表中列支。

上述變動之影響已於財務報表附註2.4概述。根據香港財務匯報準則第3號之過渡性條文，比較數字並無重列。

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

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements. Unless otherwise stated, these HKFRSs are effective for annual periods beginning on or after 1 January 2006:

HKAS 1 Amendment	Capital Disclosures
HKAS 19 Amendment	Actuarial Gains and Losses, Group Plans and Disclosures
HKAS 21 Amendment	Net Investment In Foreign Operation
HKAS 39 Amendment	Cash Flow Hedge Accounting of Forecast Intragroup Transactions
HKAS 39 Amendment	The Fair Value Option
HKAS 39 & HKFRS 4 Amendments	Financial Guarantee Contracts
HKFRSs 1 & 6 Amendments	First-time Adoption of Hong Kong Financial Reporting Standards and Exploration for and Evaluation of Mineral Resources
HKFRS 6	Exploration for and Evaluation of Mineral Resources
HKFRS 7	Financial Instruments: Disclosures
HK(IFRIC)-Int 4	Determining whether an Arrangement contains a Lease
HK(IFRIC)-Int 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
HK(IFRIC)-Int 6	Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment
HK(IFRIC)-Int 7	Applying the Restatement Approach under HKAS 29 Financial Reporting in Hyperinflationary Economies
HK(IFRIC)-Int 8	Scope of HKFRS 2
HK(IFRIC)-Int 9	Reassessment of Embedded Derivatives

## 2.3 已頒佈但尚未生效之香港財務匯報準則之影響

本集團並無將以下已頒佈但尚未生效之新頒佈及經修訂之香港財務匯報準則應用於此等財務報表。除非另有說明，否則該等香港財務報告準則適用於二零零六年一月一日或其後開始之年度：

香港會計準則第1號(經修訂)	資本披露
香港會計準則第19號(經修訂)	精算損益、集團計劃及披露
香港會計準則第21號(經修訂)	海外業務之投資淨額
香港會計準則第39號(經修訂)	預測集團內公司間交易之現金流量對沖會計處理法
香港會計準則第39號(經修訂)	期權之公平價值
香港會計準則第39號及香港財務匯報準則第4號(經修訂)	財務擔保合約
香港財務匯報準則第1號及第6號(經修訂)	首次採納香港財務匯報準則和礦產資源之勘探和評估
香港財務匯報準則第6號	礦產資源之勘探和評估
香港財務匯報準則第7號	金融工具：披露
香港(國際財務匯報詮釋委員會)詮釋第4號	釐定安排是否包括租賃
香港(國際財務匯報詮釋委員會)詮釋第5號	解除運作、復原及環境修復基金所產生權益之權利
香港(國際財務匯報詮釋委員會)詮釋第6號	參與特定市場所產生之負債：廢棄電氣及電子設備
香港(國際財務匯報詮釋委員會)詮釋第7號	根據香港會計準則第29號就嚴重通脹經濟之財務報告採用重列法
香港(國際財務匯報詮釋委員會)詮釋第8號	國際財務匯報準則第2號之範圍
香港(國際財務匯報詮釋委員會)詮釋第9號	重新評估勘入式衍生工具

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

The HKAS 1 Amendment shall be applied for annual periods beginning on or after 1 January 2007. The revised standard will affect the disclosures about qualitative information about the Group's objective, policies and processes for managing capital; quantitative data about what the Company regards as capital; and compliance with any capital requirements and the consequences of any non-compliance.

HKFRS 7 will replace HKAS 32 and has modified the disclosure requirements of HKAS 32 relating to financial instruments. This HKFRS shall be applied for annual periods beginning on or after 1 January 2007.

In accordance with the amendments to HKAS 39 regarding financial guarantee contracts, financial guarantee contracts are initially recognised at fair value and are subsequently measured at the higher of (i) the amount determined in accordance with HKAS 37 and (ii) the amount initially recognised, less, when appropriate, cumulative amortisation recognised in accordance with HKAS 18.

The HKAS 19 Amendment, HKAS 39 Amendment regarding cash flow hedge accounting of forecast intragroup transactions, HKAS 21 Amendment, HKFRSs 1 and 6 Amendments, HKFRS 6, HK(IFRIC)-Int 5, HK(IFRIC)-Int 6, HK(IFRIC)-Int 7, HK(IFRIC)-Int 8 and HK(IFRIC)-Int 9 do not apply to the activities of the Group. HK(IFRIC)-Int 6 shall be applied for annual periods beginning on or after 1 December 2005. HKAS 21 Amendment, HK(IFRIC)-Int 7, HK(IFRIC)-Int 8 and HK(IFRIC)-Int 9 shall be applied for annual periods beginning on or after 1 January 2006, 1 March 2006, 1 May 2006 and 1 June 2006, respectively.

Except as stated above, the Group expects that the adoption of the other pronouncements listed above will not have any significant impact on the Group's financial statements in the period of initial application.

### 2.3 已頒佈但尚未生效之香港財務匯報準則之影響 (續)

香港會計準則第1號(經修訂)須應用於二零零七年一月一日或其後開始之年度。經修訂之準則將影響到有關本集團管理資本之目標、政策及過程之描述性資料；有關本公司視何者為資本之定量數據；以及符合任何資本要求及不符合要求之後果之披露。

香港財務匯報準則第7號將代替香港會計準則第32號，並修改香港會計準則第32號有關金融工具之披露要求。該香港財務匯報準則須應用於二零零七年一月一日或其後開始之年度。

根據對香港會計準則第39號有關財務擔保合約之修訂，財務擔保合約最初按公平價值確認，其後則按(i)根據香港會計準則第37號釐定之金額及(ii)初始確認之金額減(倘合適)根據香港會計準則第18號確認之累積攤銷兩者中較高者計量。

香港會計準則第19號(經修訂)、香港會計準則第39號(經修訂)(有關預測集團內公司間交易之現金流量對沖會計處理法)、香港會計準則第21號(經修訂)、香港財務匯報準則第1號及第6號(經修訂)、香港財務匯報準則第6號、香港(國際財務匯報詮釋委員會)詮釋第5號、香港(國際財務匯報詮釋委員會)詮釋第6號、香港(國際財務匯報詮釋委員會)詮釋第7號、香港(國際財務匯報詮釋委員會)詮釋第8號及香港(國際財務匯報詮釋委員會)詮釋第9號不適用於本集團之業務活動，而香港(國際財務匯報詮釋委員會)詮釋第6號須應用於二零零五年十二月一日或其後開始之年度。香港會計準則第21號(經修訂)、香港(國際財務匯報詮釋委員會)詮釋第7號、香港(國際財務匯報詮釋委員會)詮釋第8號及香港(國際財務匯報詮釋委員會)詮釋第9號分別適用於二零零六年一月一日、二零零六年三月一日、二零零六年五月一日及二零零六年六月一日或其後開始之年度。

除上文所述者外，本集團預期，採納上文所列之其他宣告對本集團於首次應用期間之財務報表將不會構成任何重大影響。



## 2.4 Summary of the impact of changes in accounting policies

### (a) Effect on the consolidated balance sheet

At 1 April 2005 於二零零五年四月一日	Effect of adopting 採納之影響		Total	
	HKFRS 2*	HKFRS 3*		
Effect of new policies 新政策之影響 (Increase/(decrease)) (增加/(減少))	Equity-settled share option arrangements 香港財務匯報準則 第2號*權益結算 購股權安排	Derecognition of negative goodwill 香港財務匯報準則 第3號*不再 確認負商譽		
in HK\$ thousand			總計	港幣千元
<b>Liabilities/equity</b>				<b>負債/權益</b>
Share option reserve	1,309	–	1,309	購股權儲備
Capital reserve	–	(2,069)	(2,069)	資本儲備
Retained profits	(1,309)	2,069	760	保留溢利
			–	

## 2.4 會計政策變動之影響概要

### (a) 對綜合資產負債表之影響

## Notes to financial statements 財務報表附註

31 March 2006 二零零六年三月三十一日

### 2.4 Summary of the impact of changes in accounting policies (continued)

#### (a) Effect on the consolidated balance sheet (continued)

At 31 March 2006 於二零零六年三月三十一日	Effect of adopting 採納之影響		Total	in HK\$ thousand	港幣千元
	HKFRS 2# Equity-settled share option arrangements 香港財務匯報準則 第2號#權益 結算購股權安排	Recognition of fair value of forward contracts 香港會計準則第32號# 及第39號*確認 遠期合同之公平值			
<b>Assets</b>					<b>資產</b>
Derivative financial instruments	–	998	998		衍生金融工具
<b>Liabilities/equity</b>					<b>負債/權益</b>
Derivative financial instruments	–	1,153	1,153		衍生金融工具
Share option reserve	2,000	–	2,000		購股權儲備
Retained profits	(2,000)	(155)	(2,155)		保留溢利
			998		

# Adjustments/presentation taken effect retrospectively

\* Adjustments taken effect prospectively from 1 April 2005

### 2.4 會計政策變動之影響概要 (續)

#### (a) 對綜合資產負債表之影響 (續)

# 追溯調整/呈列

\* 於二零零五年四月一日開始調整

## 2.4 Summary of the impact of changes in accounting policies (continued)

### (b) Effect on the balances of equity at 1 April 2004 and 1 April 2005

	Effect of adopting 採納之影響		Total	
	HKFRS 2#	HKFRS 3*		
Effect of new policies 新政策之影響 (Increase/(decrease)) (增加/(減少))	Equity-settled share option arrangements 香港財務匯報準則 第2號#權益 結算購股權安排	Derecognition of negative goodwill 香港財務匯報準則 第3號*不再 確認負商譽		
in HK\$ thousand			總計	港幣千元
1 April 2004				於二零零四年四月一日
Share option reserve	324	–	324	購股權儲備
Retained profits	(324)	–	(324)	保留溢利
			–	
1 April 2005				於二零零五年四月一日
Share option reserve	1,309	–	1,309	購股權儲備
Capital reserve	–	(2,069)	(2,069)	資本儲備
Retained profits	(1,309)	2,069	760	保留溢利
			–	

## 2.4 會計政策變動之影響概要 (續)

### (b) 對二零零四年四月一日及二零零五年四月一日權益結餘之影響

## Notes to financial statements 財務報表附註

31 March 2006 二零零六年三月三十一日

### 2.4 Summary of the impact of changes in accounting policies (continued)

#### (c) Effect on the consolidated income statement for the years ended 31 March 2006 and 2005

	Effect of adopting 採納之影響		Total 總計
	HKFRS 2# Equity-settled share option arrangements 香港財務匯報準則 第2號#權益 結算購股權安排	HKAS 32# and 39* Recognition of fair value of forward contracts 香港會計準則第32號# 及第39號*確認 遠期合同之公平值	
Year ended 31 March 2006			
Increase in administrative expenses	(691)	–	(691)
Increase in other operating expenses	–	(155)	(155)
Total decrease in profit	(691)	(155)	(846)
Decrease in basic earnings per share	(0.04 cent(仙))	(0.01 cent(仙))	(0.05 cent(仙))
Decrease in diluted earnings per share	(0.04 cent(仙))	(0.01 cent(仙))	(0.05 cent(仙))
Year ended 31 March 2005			
Increase in administrative expenses	(985)	–	(985)
Total decrease in profit	(985)	–	(985)
Decrease in basic earnings per share	(0.06 cent(仙))	–	(0.06 cent(仙))
Decrease in diluted earnings per share	(0.06 cent(仙))	–	(0.06 cent(仙))

### 2.4 會計政策變動之影響概要 (續)

#### (c) 對截至二零零六年及二零零五年三月三十一日止年度綜合收益表之影響

	Total 總計
Year ended 31 March 2006	
Increase in administrative expenses	(691)
Increase in other operating expenses	(155)
Total decrease in profit	(846)
Decrease in basic earnings per share	(0.05 cent(仙))
Decrease in diluted earnings per share	(0.05 cent(仙))
Year ended 31 March 2005	
Increase in administrative expenses	(985)
Total decrease in profit	(985)
Decrease in basic earnings per share	(0.06 cent(仙))
Decrease in diluted earnings per share	(0.06 cent(仙))

## 2.5 Summary of significant accounting policies

### Subsidiaries

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

The results of subsidiaries are included in the Company's income statement to the extent of dividends received and receivable. The Company's interests in subsidiaries are stated at cost less any impairment losses.

### Goodwill

Goodwill arising on the acquisition of subsidiaries represents the excess of the cost of the business combination over the Group's interest in the net fair value of the acquirees' identifiable assets acquired, and liabilities and contingent liabilities assumed as at the date of acquisition.

#### *Goodwill previously eliminated against the consolidated reserves*

Prior to the adoption of Statement of Standard Accounting Practice ("SSAP") 30 "Business Combinations" in 2001, goodwill arising on acquisition was eliminated against the consolidated retained profits in the year of acquisition. On the adoption of HKFRS 3, such goodwill remains eliminated against the consolidated retained profits and is not recognised in profit or loss when all or part of the business to which the goodwill relates is disposed of or when a cash-generating unit to which the goodwill relates becomes impaired.

### Impairment of assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, deferred tax assets, financial assets and goodwill), the asset's recoverable amount is estimated. An asset's recoverable amount is calculated as the higher of the asset's or cash-generating unit's value in use and its fair value less costs to sell, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

## 2.5 主要會計政策概要

### 附屬公司

附屬公司乃指由本公司直接或間接控制其財務及營運政策，藉以從其業務獲益之公司。

附屬公司業績計入本公司收益表時，以已收及應收股息為限。本公司於附屬公司之權益，乃按成本值減除任何減值虧損後列賬。

### 商譽

收購附屬公司所產生之商譽，乃指業務合併成本超逾本集團於被收購方所被收購之可辨認資產、負債及或然負債於收購日之公平淨值的權益。

#### *於過往年度與綜合儲備對銷之商譽*

於二零零一年採納會計實務準則（「會計實務準則」）第30條「企業合併」前，因收購所產生之商譽於收購年度會與綜合保留溢利對銷。於採納香港財務匯報準則第3號後，該等商譽仍可繼續與綜合保留溢利對銷，當與商譽有關之全部或部分業務出售時或與商譽有關之現金產生單位減值時，則不會於損益中確認。

### 資產減值

倘若出現任何減值跡象，或當有需要為資產進行每年減值測試（除了存貨、遞延稅項資產、金融資產及商譽），則會估計該資產之可回收金額。除非某類資產產生之現金流量不能獨立於其他資產或多項資產所產生之現金流量（在此情況下，可回收金額按資產所屬之現金產生單位釐定），否則資產之可回收金額按資產或現金產生單位之使用價值與其公平值減銷售成本售價淨額較高者計算，並按個別資產釐定。

## 2.5 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. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the income statement in the period in which it arises, unless the asset is carried at a revalued amount, in which case the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, however not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation), had no impairment loss been recognised for the asset in prior years. A reversal of such impairment loss is credited to the income statement in the period in which it arises, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

### Related parties

A party is considered to be related to the Group if:

- (a) the party, directly or indirectly through one or more intermediaries (i) controls, is controlled by, or is under common control with, the Group; (ii) has an interest in the Group that gives it significant influence over the Group; or (iii) has joint control over the Group;
- (b) the party is an associate;
- (c) the party is a jointly-controlled entity;
- (d) the party is a member of the key management personnel of the Group;

## 2.5 主要會計政策概要 (續)

### 資產減值 (續)

減值虧損僅會在資產之賬面值高於其可收回金額時予以確認。評估使用價值時是以除稅前之折扣率計算預計未來之現金流量之現值，而該折扣率反映當時市場對金錢價值之評估及該項資產之特有風險。減值虧損於出現期間在收益表中扣除，除非該資產以重估金額列賬，而該重估資產乃根據有關會計政策計算減值虧損。

本集團於每個匯報日均會作出評估，以確定是否有跡象顯示於過往年度確認之減值虧損不再存在或可能已經減少。如有任何上述跡象，則會估計之可收回金額。先前就某項資產(商譽除外)已確認之減值虧損僅會在用作釐定資產可收回金額之估計出現變動時予以撥回，惟撥回之數額不得超出倘於過往年度並無就有關資產確認減值虧損而可能已釐定之賬面值(扣除任何折舊／攤銷)。減值虧損之撥回於出現期間計入收益表，除非該資產以重估金額列賬，而該重估資產乃根據有關會計政策計算減值虧損撥回。

### 關連人士

在下列情況下，有關人士將視為本集團之關連人士：

- (a) 有關人士直接或間接透過一名或多名中介人：(i)控制本集團或受本集團控制，或與本集團受同一方控制；(ii)於本集團擁有權益可行使重大影響力；或(iii)共同控制本集團；
- (b) 有關人士為聯營公司；
- (c) 有關人士為共同控制實體；
- (d) 有關人士為本集團之主要管理人員；

## 2.5 Summary of significant accounting policies (continued)

### Related parties (continued)

- (e) the party is a close member of the family of any individual referred to in (a) or (d);
- (f) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or
- (g) the party is a post-employment benefit plan for the benefit of employees of the Group, or of any entity that is a related party of the Group.

### Property, plant and equipment and depreciation

Property, plant and equipment, other than software under development, are stated at cost or valuation less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment 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 items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the income statement 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 an item of property, plant and equipment and where the cost of the item can be measured reliably, the expenditure is capitalised as an additional cost of that asset or as a replacement.

The revaluation reserve arising from the revaluation of property, plant and equipment is realised and transferred directly to retained profits on a systematic basis, as the corresponding asset is used by the Group. The amount realised is the difference between the depreciation based on the revalued carrying amount of the asset and the depreciation based on the asset's original cost. If the total of this reserve is insufficient to cover an impairment loss, on an individual asset basis, the excess of the deficit is charged to the income statement. Any subsequent revaluation surplus is credited to the income statement to the extent of the deficit previously charged. On disposal of a revalued asset, the relevant portion of the revaluation reserve realised in respect of previous valuations is transferred to retained profits as a movement in reserves.

## 2.5 主要會計政策概要 (續)

### 關連人士 (續)

- (e) 有關人士為(a)或(d)項所述之任何人士之直系親屬；
- (f) 有關人士受直接或間接歸屬於(d)或(e)項所述人士之實體所控制、共同控制或具重大影響力，或擁有重大投票權；或
- (g) 有關人士為本集團或與本集團有關連之機構為其僱員而設之離職後福利計劃。

### 物業、廠房及設備及折舊

物業、廠房及設備(開發中軟件除外)乃按成本值或估值減除累積折舊及任何減值虧損後列賬。物業、廠房及設備項目成本包括其購買價及任何令該項資產達至運作狀況及將之運至擬定用途地點之直接應計成本。物業、廠房及設備項目投入運作後產生之開支，例如維修及保養費用，一般於該等開支產生之期間於收益表內扣除。倘能清楚證明該等開支能增加日後使用物業、廠房及設備時預期獲得之經濟利益或能可靠計算項目成本時，該等開支則撥作該資產或替代品之額外成本計算。

重估物業、廠房及設備所產生之重估儲備，在本集團使用有關資產時變現，並按有系統之基準直接撥往保留溢利。變現之數額，乃按該項資產重估賬面值計算之折舊與按其原來成本值計算之折舊之差額。按個別資產基準，若儲備總額不足以填補減值虧絀，超出之虧絀將在收益表內扣除。其後，任何重估盈餘會計入收益表，計入之數額以先前扣除之虧損為限。於出售經重估之資產時，因先前估值而變現的重估儲備相關部份乃撥往保留溢利當作一項儲備變動。

**2.5 Summary of significant accounting policies (continued)****Property, plant and equipment and depreciation (continued)**

Depreciation is calculated on the straight-line basis to write off the cost or valuation of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Land and buildings	2% to 4% or over the lease terms, whichever is shorter
Leasehold improvements	15% to 33% or over the lease terms, whichever is shorter
Plant and machinery	9% to 25%
Furniture, fixtures and office equipment	15% to 33% or over the lease terms, whichever is shorter
Motor vehicles	15% to 33%

Where parts of an item of property, plant and equipment have different useful lives, the cost or valuation of that item is allocated on a reasonable basis among the parts and each part is depreciated separately.

Residual values, useful lives and depreciation method are reviewed, and adjusted if appropriate, at each balance sheet date.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the income statement in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Software under development is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs during the period of development. Software under development is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

**2.5 主要會計政策概要 (續)****物業、廠房及設備及折舊 (續)**

每項物業、廠房及設備項目之折舊以直線法按其成本值或估值以估計可用年期撇銷至其剩餘價值。就此目的而採用之主要年率如下：

土地及樓宇	2%至4%或按租約年期攤銷，以較短者為準
租賃物業裝修	15%至33%或按租約年期攤銷，以較短者為準
設備及機器	9%至25%
傢俬、裝置及辦公室設備	15%至33%或按租約年期攤銷，以較短者為準
汽車	15%至33%

倘一項物業、廠房及設備各部分之可使用年期並不相同，該項目各部分之成本或價值將按合理基礎分配，而每部分將作個別折舊。

剩餘價值、可用年期及折舊方法每屆結算日予以複議，在適當情況下加以調整。

一項物業、廠房及設備已出售或估計其使用或出售不再產生經濟利益時，將終止確認。於資產終止確認年度因其出售或報廢並在收益表確認之任何盈虧乃有關資產之出售所得款項淨額與賬面值之差額。

開發中軟件以成本減任何減值損失列賬，及並不計算折舊。成本包括於開發期間之直接成本。開發中軟件將於完成及可準備使用時重新分配至合適之物業、廠房及設備類別。



## 2.5 Summary of significant accounting policies (continued)

### Intangible assets (other than goodwill)

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each balance sheet date.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

### Operating leases

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 income statement on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under such operating leases are charged to the income statement on the straight-line basis over the lease terms.

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms. When the lease payments cannot be allocated reliably between the land and buildings elements, the entire lease payments are included in the cost of the land and buildings as a finance lease in property, plant and equipment.

### Borrowing costs

Borrowing costs are recognised as expenses in the income statement in the period in which they are incurred.

## 2.5 主要會計政策概要 (續)

### 無形資產(商譽除外)

無形資產之可使用年期乃評估為有限或無限。具有有限年期之無形資產按可使用經濟年期攤銷，並於該無形資產出現減值跡象時作評估減值。具有有限可使用年期之無形資產之攤銷年期及攤銷方法須至少於每個結算日作檢核。

無限可使用年期之無形資產於每年按個別或於現金產生單位檢核作減值測試。該等無形資產並不予以攤銷。無限年期之無形資產之可使用年期於每年作評估，以釐定無限可使用年期之評估是否持續可靠。如否定，則可使用年期之評估自此由按無限年期更改為有限年期計量。

### 經營租賃

凡資產所有權之絕大部份回報及風險歸出租人所有之租約，均列為經營租賃。當本集團為出租人時，本集團根據經營租賃出租之資產被列作非流動資產，在經營租賃下應收之租金於租約期內以直線法計入收益表內。當本集團為承租人時，在經營租賃下應繳付之租金於租約期內以直線法在收益表內扣除。

經營租賃之預付土地租賃付款最初按成本列報，並於其後以直線法在租約年期確認。當租賃金額無法可靠地分配為土地部分及樓宇部分，全租賃租金額乃計入土地及樓宇成本，列作物業、廠房及設備之融資租賃。

### 借貸成本

借貸成本於產生期間在收益表確認為開支。

## 2.5 Summary of significant accounting policies (continued)

### Financial assets

Applicable to the year ended 31 March 2006:

Financial assets in the scope of HKAS 39 are classified as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets, as appropriate. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs. The Group determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation at the balance sheet date.

All regular way purchases and sales of financial assets are recognised on the trade date i. e. , the date that the Group commits to purchase the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

#### *Financial assets at fair value through profit or loss*

Financial assets classified as held for trading are included in the category “financial assets at fair value through profit or loss”. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. Derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on investments held for trading are recognised in the income statement.

#### *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in the income statement when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

## 2.5 主要會計政策概要 (續)

### 金融資產

適用於截至二零零六年三月三十一日止年度：

屬於香港會計準則第39號範圍內之金融資產會分類為按公平值於損益賬列賬之金融資產、貸款和應收款項、持至到期日之投資及可供出售之金融資產(如適用)。當金融資產初始確認時，其按公平價值加(如並非按公平值於損益賬列賬之投資)直接應佔交易費用計量。在初始確認後，本集團釐定其金融資產之分類，並在允許及適當之情況下，在結算日重新評估有關指定。

以常規方式購買及出售金融資產，均按交易日方法進行確認，交易日即本集團承諾購買資產之日期。以常規方式購買或出售是指規定在相關市場中之規則或慣例通常約定之期間內交付資產之金融資產買賣。

#### *按公平值於損益賬列賬之金融資產*

列作持作買賣之金融資產計入「按公平值於損益賬列賬之金融資產」一類。倘若收購金融資產之主要目的為在短期內出售，則列為持作買賣。除非衍生工具指定作為有效對沖工具，否則亦列作持作買賣。持作買賣投資之損益在收益表中確認。

#### *貸款及應收款項*

貸款及應收款項為在活躍之市場上並無報價而付款額固定或可以釐定之非衍生金融工具。有關資產運用實際利率法，以攤銷成本計量。損益會在貸款和應收款項終止確認或減值時，以及透過攤銷過程在收益表中確認。

## 2.5 Summary of significant accounting policies (continued)

### Financial assets (continued)

#### Fair value

The fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on the balance sheet date. For investments where there is no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions; reference to the current market value of another instruments which is substantially the same; a discounted cash flow analysis; and option pricing models.

### Impairment of financial assets (applicable to the year ended 31 March 2006)

The Group assesses at each balance sheet date whether there is any objective evidence that a financial asset or group of financial assets is impaired.

#### Assets carried at amortised cost

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i. e. , the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced either directly or through the use of an allowance account. The amount of the impairment loss is recognised in profit or loss.

The Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in a group of financial assets with similar credit risk characteristics and that group is collectively assessed for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

## 2.5 主要會計政策概要 (續)

### 金融資產 (續)

#### 公平值

在有組織金融市場有活躍之買賣之投資，其公平價值乃參考結算日營業時間結束時之市場所報買入價釐定。至於並無活躍市場之投資，公平價值會使用估值技術釐定。有關技術包括使用近期按公平原則進行之市場交易；參考大致上相同之另一工具當時之市場價值；折現現金流量分析；以及期權定價模式。

### 金融資產減值 (適用於截至二零零六年三月三十一日止年度)

本集團在每個結算日均評估是否存在任何客觀證據表明金融資產或某組金融資產已發生減值。

#### 按攤銷成本列值之資產

倘若有客觀證據表明以攤銷成本計值之貸款及應收賬款已產生減值虧損，則按資產之賬面值與估計日後之現金流量(不包括尚未產生之日後信貸損失)以原始實際利率(指初步確認時計算之實際利率)折現之現值之間差額確認減損。有關資產之賬面值可通過直接沖減或通過備抵賬目作出抵減。有關減值虧損乃於收益表中確認。

本集團首先對具個別重要性之財務資產進行評估，評估是否有客觀證據顯示個別存有減值，並對非具個別重要性之財務資產進行評估，評估是否有客觀證據顯示個別或共同存在減值。倘若經個別評估之金融資產(無論具重要性與否)確定並無客觀證據顯示存在減值，該項資產會歸入一組具有相類信貸風險特性之金融資產內，並對該組金融資產是否存在減值共同作出評估。倘經個別評估減值之資產且其減值虧損會或將繼續確認入賬，有關資產則不會納入共同減值評估之內。

## 2.5 Summary of significant accounting policies (continued)

### Impairment of financial assets (applicable to the year ended 31 March 2006) (continued)

#### Assets carried at amortised cost (continued)

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the income statement, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

### Derecognition of financial assets (applicable to the year ended 31 March 2006)

A financial asset (or, where applicable, a part of a financial assets or part of a group of similar financial assets) is derecognised where:

- the rights to receive cash flows from the asset have expired;
- the Group retains the rights to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a “pass-through” arrangement; or
- the Group has transferred its right to receive cash flows from an asset and has either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Group has transferred its right to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group’s continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Where continuing involvement takes the form of a written and/or purchased option (including a cash-settled option or similar provision) on the transferred asset, the extent of the Group’s continuing involvement is the amount of the transferred asset that the Group may repurchase, except that in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value, the extent of the Group’s continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

## 2.5 主要會計政策概要 (續)

### 金融資產減值 (適用於截至二零零六年三月三十一日止年度)

(續)

#### 按攤銷成本列值之資產(續)

倘其後減值虧損金額減少，而該減少可以客觀地與確認減值後發生之事件相關，則撥回早前確認之減值虧損。其後撥回之減值虧損於收益表確認，惟以並無超逾其於撥回日期攤銷成本之資產賬面值為限。

### 不再確認金融資產 (適用於截至二零零六年三月三十一日止年度)

在以下情況下，金融資產(或金融資產之一部份或類似金融資產群組之一部份，如適用)會不再確認：

- 從資產收取現金流量之權利已到期；
- 本集團保留從資產收取現金流量之權利，惟須根據「通過」安排，在未有嚴重延緩第三方之情況下，已就有關權益全數承擔付款之責任；或
- 本集團已轉讓其從資產收取現金流量之權利，並(a)已轉讓資產之絕大部份風險及回報，或(b)並無轉讓或保留資產絕大部份風險及回報，但已轉讓資產之控制權。

倘若本集團已轉讓其從資產收取現金流量之權利，且並無轉讓及保留資產絕大部份風險及回報，且無轉讓資產之控制權，則資產會按本集團持續持有該資產之程度確認。持續持有為本集團就已轉讓資產作出之一項擔保，而已轉讓資產乃按資產原有賬面值與本集團可能須償還之最高代價金額兩者中之較低者計算。

倘若持續持有乃以書面及／或購入選擇權(包括現金結算選擇權或類似條文)之形式，則本集團持續持有之程度為本集團可購回之所轉讓資產金額，惟以書面認沽權(包括現金結算選擇權或類似條文)持有以公平值計算之資產而言，本集團持續持有之程度僅限於所轉讓資產之公平值與選擇權行使價兩者中之較低者。

## 2.5 Summary of significant accounting policies (continued)

### Derecognition of financial liabilities (applicable to the year ended 31 March 2006)

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in profit or loss.

### Derivative financial instruments (applicable to the year ended 31 March 2006)

The Group uses derivative financial instruments such as forward currency contracts to hedge its risks associated with foreign currency fluctuations. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value on derivatives that do not qualify for hedge accounting are taken directly to net profit or loss for the year.

The fair value of forward currency contracts is calculated by reference to current forward exchange rates for contracts with similar maturity profiles.

### Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis and includes all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is based on estimated selling prices less any estimated costs necessary to make the sale.

## 2.5 主要會計政策概要 (續)

### 終止確認金融負債 (適用於截至二零零六年三月三十一日止年度)

金融負債於該負債之責任解除或取消或屆滿時終止確認。

當現有金融負債被另一項來自相同借貸人按重大不同條款之金融負債所取代，或現有負債之條款被重大修訂，該等交換或修訂視為不再確認原來負債，並確認為一項新負債處理，相關賬面值之差異於損益表內確認。

### 衍生金融工具 (適用於截至二零零六年三月三十一日止年度)

本集團使用遠期外幣合約等衍生金融工具對沖其有關外幣波動之風險。該等衍生金融工具初步按訂立衍生合約當日之公平價值確認，其後再按公平價值計量。衍生工具在公平價值為正數時以資產列賬，為負數時以負債列賬。

有關不合資格作對沖會計處理之衍生工具公平價值變動，產生之收益或虧損乃直接計入該年度盈虧淨值。

遠期外幣合約之公平價值經參考到期狀況相若之合約之當時遠期匯率計量。

### 存貨

存貨乃按成本值及可變現淨值兩者中較低者列賬。成本值按先入先出法計算，並包括所有購貨成本及將存貨運往現存地點及變成現狀所產生之其他成本。可變現淨值乃根據估計銷售價減除任何達成銷售所需之估計成本計算。

## 2.5 Summary of significant accounting policies (continued)

### Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the balance sheet date of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the income statement.

### Income tax

Income tax comprises current and deferred tax. Income tax is recognised in the income statement, or in equity if it relates to items that are recognised in the same or a different period directly in equity.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities.

Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences except:

- where the deferred tax liability arises from goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

## 2.5 主要會計政策概要 (續)

### 撥備

因過往事件產生現有法定或推定責任，且有可能需要動用日後資源流出以履行責任時，撥備方予以確認，惟須可就責任金額作出可靠的估計。

倘折讓影響重大，就撥備確認之金額為預期須用作履行責任之日後開支於資產負債表之現值。因時間流逝而導致已折讓現值增加則計入收益表之融資成本。

### 所得稅

所得稅包括即期及遞延稅項。所得稅乃於收益表確認，為有關在相同或不同期間直接於權益確認之項目，則於權益確認入賬。

本期或過往期間之本期稅項資產及負債乃按預期可自稅務機關收回或向稅務機關繳付之金額計算。

就於結算日資產及負債之稅基與彼等就財務申報而言之賬面值間之所有暫時性差額，乃以負債法提撥遞延稅項準備。

遞延稅項負債乃就所有應課稅暫時性差額確認入賬，除非：

- 遞延稅項負債乃因商譽或進行非業務合併之交易之時初步確認交易之資產或負債而產生，且不影響會計溢利或應課稅溢利或虧損；及
- 就與於附屬公司投資有關之應課稅暫時性差額而言，倘暫時性差額之撥回時間可予控制及暫時性差額可能不會在可見將來撥回。

## 2.5 Summary of significant accounting policies (continued)

### Income tax (continued)

Deferred tax assets are recognised for all deductible temporary differences, carryforward of unused tax credits and unused tax losses, to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and future taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Conversely, previously unrecognised deferred tax assets are reassessed at each balance sheet date and are recognised to the extent that it is probable that sufficient future taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

## 2.5 主要會計政策概要 (續)

### 所得稅 (續)

遞延稅項資產乃就所有可扣稅暫時性差額、結轉之未動用稅項資產及未動用稅項虧損予以確認，惟以可能出現日後應課稅溢利以動用可扣稅暫時性差額、結轉之未動用稅項資產及未動用稅項虧損為限：

- 除非遞延稅項資產乃關於負商譽或進行非業務合併之交易之時初步確認交易之資產或負債而產生之可扣稅暫時性差額，且不影响會計溢利或應課稅溢利或虧損；及
- 就與於附屬公司投資有關之可扣稅暫時性差額而言，遞延稅項資產僅於可能在可見將來撥回暫時性差額及將產生日後應課稅溢利以動用暫時性差額時，方予確認。

遞延稅項資產之賬面值將於每個結算日審閱，並減值至不再可能有足夠日後應課稅溢利以動用全部或部份遞延稅項資產之水平。相反，先前未確認之遞延稅項資產乃於各結算日重估，並於可能有足夠日後應課稅溢利以動用全部或部份遞延稅項資產為限，予以確認。

遞延稅項資產及負債乃根據結算日已實施或實質上已實施或大致上已生效之稅率（及稅務法例），按預期適用於資產變現或負債清償當時之稅率計算。

倘現有可依法執行權利，容許本期稅項資產抵銷本期稅項負債，而該遞延稅項涉及同一稅務實體及同一稅務機關，則遞延稅項資產及遞延稅項負債予以對銷。

## 2.5 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) from the rendering of services, in the period in which services are rendered;
- (c) interest income, on an accrual basis using effective interest method by applying the rate that discounts the estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset;
- (d) rental income, on a time proportion basis over the lease terms;
- (e) royalties, on a time proportion basis in accordance with the substance of the relevant agreements; and
- (f) dividend income, when the shareholders' right to receive payment has been established.

### Interest bearing loans and borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Gains and losses are recognised in net profit or loss when the liabilities are derecognised as well as through the amortisation process.

## 2.5 主要會計政策概要 (續)

### 收益確認

倘收益會為本集團帶來經濟利益並能可靠計算時，方會按下列基準予以確認：

- (a) 從貨物銷售取得之收入，在貨物重大風險及回報之擁有權已轉予買家，而本集團對其再無參與和擁有權相關之管理，亦對已售出貨物再無實際控制權之時確認；
- (b) 從提供服務取得之收入，於提供服務期間確認；
- (c) 利息收入，採用實質利率方法，以有關利率在財務工具之預計年期內折現估計未來可收取現金至財務資產之賬面淨值；
- (d) 租金收入，於租約期內按時間比例基準確認；
- (e) 專利費，根據有關協議實質內容按時間比例基準確認；及
- (f) 股息收入，於股東收取股息款項權利確立時確認。

### 計息貸款及借貸

所有貸款及借貸初步按所收取代價之公平值扣除其直接產生之交易費用確認。

於初始確認後，計息貸款及借貸於其後以實質利率法按攤銷成本計算。

當負債經攤銷過程不再確認時，收益及虧損將確認為溢利或虧損淨額。



## 2.5 Summary of significant accounting policies (continued)

### Dividends

Final dividends proposed by the directors are classified as a separate allocation of retained profits within the equity section of the balance sheet, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum of association and bye-laws grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

### Employee benefits

#### Share-based payment transactions

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined using a Black-Scholes model, further details of which are given in note 27. In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of the Company ("market conditions"), if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the "vesting date"). The cumulative expense recognised for equity-settled transactions at each balance sheet date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the income statement for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

## 2.5 主要會計政策概要 (續)

### 股息

董事建議派發之末期股息乃於資產負債表歸類為權益部份中另作分配之保留溢利，直至其獲股東於股東大會批准為止。當該等股息獲股東批准及宣派後，則被列作負債確認入賬。

中期股息於建議時同時宣派，原因是本公司之組織章程大綱及公司細則授予董事局宣派中期股息之權力。因此，中期股息乃於建議及宣派時即時確認為負債。

### 僱員福利

#### 以股份支付款項之款交易

本公司實施購股權計劃，為對本集團業務成功作出貢獻之合資格參與者，提供激勵與獎勵。本集團僱員(包括董事)以股份支付款項之交易之方式收取報酬，僱員提供服務作為收取權益工具之代價(「以權益結算交易」)。

與僱員進行以權益結算交易之成本，乃參照授出日期之公平值而計量。公平值根據柏力克－舒爾斯模式確定，進一步詳情載於附註27。評定以權益結算交易之價值時，除了對本公司股份價格有影響之條件(「市場條件」)(如適用)外，並無將任何績效條件計算在內。

以權益結算交易之成本，連同權益相應增加部分，在績效及／或服務條件獲得履行之期間(於有關僱員完全有權獲得授予之日(「歸屬日期」)結束)內確認。在歸屬日期前，每屆結算日確認之以權益結算交易之累積開支，反映歸屬期已到期部分及本集團對最終將會歸屬之股權工具數目之最佳估計。在某一期間內在收益表內扣除或進賬，乃反映累積開支於期初與期終確認時之變動。

## 2.5 Summary of significant accounting policies (continued)

### Employee benefits (continued)

#### Share-based payment transactions (continued)

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied, provided that all other performance conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification, which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

The Group has adopted the transitional provisions of HKFRS 2 in respect of equity-settled awards and has applied HKFRS 2 only to equity-settled awards granted after 7 November 2002 that had not vested on 1 April 2005 and to those granted on or after 1 April 2005.

#### Paid leave carried forward

The Group provides paid annual leave to its employees under their employment contracts on a calendar year basis. Under certain circumstances, such leave which remains untaken as at the balance sheet date is permitted to be carried forward and utilised by the respective employees in the following year. An accrual is made at the balance sheet date for the expected future cost of such paid leave earned during the year by the employees and carried forward.

## 2.5 主要會計政策概要 (續)

### 僱員福利 (續)

#### 以股份支付款項之交易 (續)

對於已授出但尚未歸屬之購股權，不會確認任何開支，但視乎市場條件而決定歸屬與否之已授出購股權則除外，對於該類購股權而言，只要所有其他績效條件已經達成，不論市場條件是否達成，均會被視為已歸屬。

倘若權益結算獎勵之條款有所變更，所確認之開支最少須達到猶如條款並無任何變更之水平。此外，倘若按變更日期之計量，任何變更導致以股份支付之安排之總公平值有所增加，或對僱員帶來其他利益，則應就該等變更確認開支。

倘若權益結算獎勵被註銷，應被視為已於註銷日期歸屬，任何尚未確認之授予購股權之開支，均應立刻確認，然而，若授予新購股權代替已註銷之購股權，並於授出日期指定為替代購股權，則已註銷之購股權及新購股權，均應被視為原購股權之變更，一如前段所述。

計算每股盈利時，未行使購股權之攤薄效應，反映為額外股份攤薄。

本集團已採納香港財務匯報準則第2號有關權益結算獎勵之過渡性條文，香港財務匯報準則第2號僅應用於二零零二年十一月七日已授出但於二零零五年四月一日尚未歸屬之權益結算獎勵及於二零零五年四月一日或之後授出之權益結算獎勵。

#### 有薪假期結轉

本集團根據僱傭合約按曆年基準給予其僱員有薪年假。在若干情況下，於結算日未支取之年假准予結轉，留待有關僱員於來年享用。於結算日，已就僱員於年內獲取並予結轉之有薪年假之預期未來成本作出累算。

## 2.5 Summary of significant accounting policies (continued)

### Employee benefits (continued)

#### Employment Ordinance long service payments

Certain of the Group's employees have completed the required number of years of service to the Group in order to be eligible for long service payments under the Hong Kong Employment Ordinance in the event of the termination of their employment. The Group is liable to make such payments in the event that such a termination of employment meets the circumstances specified in the Employment Ordinance.

A provision is recognised in respect of the probable future long service payments expected to be made. The provision is based on the best estimate of the probable future payments which have been earned by the employees from their service to the Group to the balance sheet date, net of employer's contributions and accrued benefits derived therefrom under the Group's pension schemes.

#### Pension schemes

The Group operates two retirement benefits schemes in Hong Kong, namely a Mandatory Provident Fund Scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance and a defined contribution retirement benefits scheme as defined in the Occupational Retirement Schemes Ordinance (the "ORSO Scheme"), for all of its employees in Hong Kong.

Under the MPF Scheme, contributions of 5% of the employees' relevant income with a maximum contribution of HK\$1,000 per employee are made by each of the employer and the employees. The employer contributions are charged to the income statement as they become payable in accordance with the rules of the MPF Scheme. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

Under the ORSO Scheme, contributions of 5% of the employees' basic salaries are made by the employer and are charged to the income statement as they become payable in accordance with the rules of the ORSO Scheme. The rates of contributions made by the employees are either 0% or 5% of the salary of each employee at the discretion of the employee. When an employee leaves the ORSO Scheme prior to his/her interest in the Group's employer contributions vesting fully, the ongoing contributions payable by the Group may be reduced by the relevant amount of forfeited contributions.

## 2.5 主要會計政策概要 (續)

### 僱員福利 (續)

#### 僱傭條例長期服務金

根據香港僱傭條例，本集團若干僱員已為本集團服務滿若干年期，因而符合資格於彼等終止聘用時獲享長期服務金。倘有關終止聘用符合僱傭條例所註明之情況，本集團須負責作出該等付款。

本集團就預期可能作出之未來長期服務金提撥準備。該撥備乃按截至結算日，僱員就其對本集團提供之服務已賺取之未來可能付款之最佳估計，減除根據本集團退休金計劃之僱主供款及所得應計利益後計算。

#### 退休金計劃

本集團於香港為所有在香港受僱之員工實施兩項退休福利計劃，即根據強制性公積金計劃條例訂立之強制性公積金計劃（「強積金計劃」）及根據職業退休計劃條例所界定之定額供款退休福利計劃（「職業退休計劃」）。

在強積金計劃下，僱主及僱員各自按僱員有關入息5%之比率供款，供款額最高為每名僱員港幣1,000元。根據強積金計劃條款，僱主之供款於應支付時在收益表內扣除。本集團之僱主供款於繳入強積金計劃後全數歸僱員所有。

在職業退休計劃下，僱主按僱員底薪5%之比率供款，並根據職業退休計劃的規定，供款於應繳付時在收益表內扣除。而僱員則可選擇按其薪金0%或5%之比率供款。當僱員在取得本集團僱主之全數供款前退出職業退休計劃，本集團可用沒收供款之數額減低其往後應付之供款。

## 2.5 Summary of significant accounting policies (continued)

### Employee benefits (continued)

#### Pension schemes (continued)

The assets of the MPF and ORSO Schemes are held separately from those of the Group in independently administered funds.

The employees of the Group's subsidiaries which operate in Mainland China are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of their payroll costs to the central pension scheme. The contributions are charged to the income statement as they become payable in accordance with the rules of the central pension scheme.

The Company's subsidiaries in Singapore participate in a Central Provident Fund Scheme which is a contribution plan established by the Central Provident Fund Board in Singapore.

The Group operates two retirement benefits schemes in Taiwan under the Labour Standards Law (the "Old Scheme") and under the Labor Pension Act became effective on 1 July 2005 (the "New Scheme"). Under the Old Scheme, a Taiwan branch of the Company's subsidiaries makes regular contributions to the Old Scheme to meet its employees' retirement and termination benefits. Currently, the contributions have been approved to be made at 2% of the employees' total salaries. The fund is administered by a committee and is deposited in the committee's name with a government approved financial institution, Central Trust of China, which acts as the trustee. Under the New Scheme, the Taiwan branch and a Taiwan subsidiary contribute each month at 6% of the salary of employees that choose to participate in the New Scheme, deposited into individual pension accounts at the Bureau of Labor Insurance.

The Company's subsidiary in Malaysia participates in a state pension scheme, the Employees Provident Fund, and contributions are based on 12% of the employees' gross salaries.

### Cash and cash equivalents

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the balance sheets, cash and cash equivalents comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash, which are not restricted as to use.

## 2.5 主要會計政策概要 (續)

### 僱員福利 (續)

#### 退休金計劃 (續)

強積金計劃及職業退休計劃之資產，與本集團之資產分開，並由獨立管理之基金持有。

本集團於中國大陸營運之附屬公司的僱員均須參加由地方市政府設立之中央退休保障計劃。該等附屬公司須按其工資成本之若干百分比向該中央退休保障計劃作出供款。根據該中央退休保障計劃的規定，供款於應付時在收益表內扣除。

本公司在新加坡之附屬公司參與公積金計劃，此乃一項由新加坡公積金局設立之供款計劃。

本集團於台灣分別根據勞動基準法(「舊計劃」)及於二零零五年七月一日生效之Labor Pension Act(「新計劃」)經營兩個退休福利計劃。根據舊計劃，本公司附屬公司之台灣分公司定期向舊計劃供款，為其僱員提供退休及離職福利。現時，已獲批准之供款額為僱員總薪酬之2%。該基金由一個委員會管理，並以該委員會名義存放於一間作為基金信託人之政府認可財務機構Central Trust of China。根據新計劃，台灣分公司及台灣附屬公司每月為選擇新計劃之僱員按彼等薪酬之6%供款，並存放於Bureau of Labor Insurance之個人退休賬戶內。

本公司於馬來西亞之附屬公司參與一個國家退休計劃Employees Provident Fund，並按僱員總薪金之12%供款。

### 現金及現金等值項目

就綜合現金流量報表而言，現金及現金等值項目乃指現金、定期存款及高度流通性之短期投資(可隨時套現為已知數額之現金，而其低風險價值變更，且購入時之到期日較短，一般而言為三個月內)，該等金額扣除要求付還之銀行透支及佔本集團現金管理之主要部份。

就資產負債表而言，現金及現金等值項目包括現金及銀行存款(包括定期存款)以及性質類似現金及無用途限制之資產。

## 2.5 Summary of significant accounting policies (continued)

### Foreign currencies

These financial statements are presented in Hong Kong dollars, which is the Company's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions are initially recorded using the functional currency rates ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rates of exchange ruling at the balance sheet date. All differences are taken to profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

The functional currencies of certain overseas subsidiaries are currencies other than the Hong Kong dollar. As at the balance sheet date, the assets and liabilities of these entities are translated into the presentation currency of the Company at exchange rates ruling at the balance sheet date and, their income statements are translated into Hong Kong dollars at the weighted average exchange rates for the year. The resulting exchange differences are included in the exchange fluctuation reserve. On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in the income statement.

For the purpose of the consolidated cash flow statement, the cash flows of overseas subsidiaries are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

## 3. Segment information

Segment information is presented by way of geographical segment as the primary segment. In determining the Group's geographical segments, revenue and results are attributed to the segments based on the location of the assets.

Since over 90% of the Group's revenue, results, and assets and liabilities are derived from the retailing and distribution of garments, no separate analysis of financial information by business segment is presented in these financial statements.

## 2.5 主要會計政策概要 (續)

### 外幣

該等財務報表以港元呈報，即本公司之功能及呈報貨幣。本集團內之實體各自決定其功能貨幣，各實體之財務報表項目均以所訂功能貨幣計量。外幣交易初步按交易日之有關功能貨幣之匯率換算入賬。以外幣為計價單位之貨幣資產及負債，按有關功能貨幣於結算日之匯率再換算。所有匯兌差額撥入損益賬處理。按歷史成本列賬、以外幣計量之非貨幣項目，採用初步交易日期之匯率換算。按公平值列賬、以外幣計量之非貨幣項目，採用釐定公平值日期之匯率換算。

若干海外附屬公司之功能貨幣並非港元。於結算日時，有關實體之資產與負債，按結算日之匯率換算為本公司之呈報貨幣，其收益表則按本年度之加權平均匯率換算為港元。因此而產生之匯兌差額，列入外匯變動儲備。出售海外實體時，就該項外國業務在權益中確認之遞延累積金額，會在收益表中確認。

於編製綜合現金流量表時，海外附屬公司之現金流量按現金流量日期之匯率換算為港元。海外附屬公司於年內經常產生之現金流量則按該年度之加權平均匯率換算為港元。

## 3. 分類資料

分類資料以地域分類為主要分類。於釐定本集團之地域分類時，分類應佔收入及業績乃按資產所在地計算。

由於本集團逾90%之收入、業績、資產及負債均源自成衣零售及分銷業務，故並無在財務報表中呈列按業務分類之財務資料獨立分析。

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### 3. Segment information (continued)

#### Geographical segments

The following tables present revenue, profit and certain asset, liability and expenditure information for the Group's geographical segments for the years ended 31 March 2006 and 2005.

### 3. 分類資料 (續)

#### 地域分類

下表呈列本集團於截至二零零六年及二零零五年三月三十一日止年度按地域分類之收益、溢利及若干資產、負債及開支資料。

Group 集團	Hong Kong 香港		Mainland China 中國大陸		Taiwan 台灣		Singapore and Malaysia 新加坡及馬來西亞		Consolidated 綜合	
	2006	2005 (Restated) (重新列賬)	2006	2005	2006	2005 (Restated) (重新列賬)	2006	2005 (Restated) (重新列賬)	2006	2005 (Restated) (重新列賬)
in HK\$ thousand 港幣千元										
Segment revenue 分類收益										
Sales to external customers 銷售予外間顧客	<b>1,129,195</b>	1,034,644	<b>489,491</b>	442,863	<b>379,404</b>	348,328	<b>201,425</b>	191,106	<b>2,199,515</b>	2,016,941
Other income and gains 其他收入及收益	<b>6,684</b>	8,585	<b>1,416</b>	4,456	<b>3,657</b>	3,132	<b>86</b>	96	<b>11,843</b>	16,269
Total 總計	<b>1,135,879</b>	1,043,229	<b>490,907</b>	447,319	<b>383,061</b>	351,460	<b>201,511</b>	191,202	<b>2,211,358</b>	2,033,210
Segment results 分類業績	<b>122,368</b>	151,018	<b>6,524</b>	31,873	<b>(11,450)</b>	17,469	<b>17,328</b>	22,539	<b>134,770</b>	222,899
Interest income 利息收入									<b>4,773</b>	1,789
Profit from operating activities 營運業務溢利									<b>139,543</b>	224,688
Finance costs 融資成本									<b>(722)</b>	(635)
Profit before tax 除稅前溢利									<b>138,821</b>	224,053
Tax 稅項									<b>(33,786)</b>	(42,908)
Profit for the year 年內溢利									<b>105,035</b>	181,145

**3. Segment information (continued)**  
**Geographical segments (continued)**

**3. 分類資料 (續)**  
**地域分類 (續)**

Group 集團	Hong Kong 香港		Mainland China 中國大陸		Taiwan 台灣		Singapore and Malaysia 新加坡及馬來西亞		Consolidated 綜合	
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
in HK\$ thousand 港幣千元										
Segment assets 分類資產	<b>424,974</b>	435,813	<b>235,443</b>	236,076	<b>124,743</b>	97,222	<b>72,376</b>	52,063	<b>857,536</b>	821,174
Unallocated assets 未分配資產									<b>2,707</b>	2,948
Total assets 總資產									<b>860,243</b>	824,122
Segment liabilities 分類負債	<b>134,942</b>	115,698	<b>75,033</b>	74,826	<b>27,785</b>	21,299	<b>5,830</b>	6,025	<b>243,590</b>	217,848
Unallocated liabilities 未分配負債									<b>29,232</b>	45,236
Total liabilities 總負債									<b>272,822</b>	263,084
Other segment information 其他分類資料：										
Capital expenditure 資本開支	<b>30,104</b>	19,694	<b>17,340</b>	21,650	<b>24,697</b>	4,717	<b>8,420</b>	3,985	<b>80,561</b>	50,046
Depreciation 折舊	<b>22,052</b>	16,872	<b>18,975</b>	16,612	<b>9,257</b>	10,374	<b>4,699</b>	3,742	<b>54,983</b>	47,600
Loss on disposal of items of property, plant and equipment 出售物業、廠房及設備項目之虧損	<b>679</b>	2,176	<b>1,264</b>	725	<b>593</b>	81	<b>37</b>	–	<b>2,573</b>	2,982
Inventory provision 存貨撥備	<b>2,918</b>	10,004	<b>7,287</b>	9,758	<b>2,126</b>	10,480	<b>156</b>	4,403	<b>12,487</b>	34,645
Impairment losses of land and buildings reversed in the consolidated income statement 於綜合收益表載列之土地及 樓宇減值虧損撥回	<b>(5,400)</b>	(8,000)	–	–	–	–	–	–	<b>(5,400)</b>	(8,000)
Impairment losses of land and buildings reversed in the asset revaluation reserve 於資產重估儲備載列之土地 及樓宇減值虧損撥回	<b>(10,151)</b>	–	–	–	–	–	–	–	<b>(10,151)</b>	–

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### 4. Revenue, other income and gains

Revenue, which is also the Group's turnover, represents the aggregate of the net invoiced value of goods sold, after allowances for returns and trade discounts, and the rendering of services, but excludes intra-group transactions.

An analysis of revenue, other income and gains is as follows:

in HK\$ thousand	Group 集團	
	2006	2005
Revenue:		
Retailing and distribution of garments	2,147,499	1,987,705
Rendering of garment-related services	52,016	29,236
	<u>2,199,515</u>	<u>2,016,941</u>
Other income and gains:		
Interest income	4,773	1,789
Claims received	1,210	440
Royalty income	204	3,573
Gross rental income	2,447	2,371
Impairment losses of land and buildings reversed in the consolidated income statement	5,400	8,000
Others	2,582	1,885
	<u>16,616</u>	<u>18,058</u>
	<u>2,216,131</u>	<u>2,034,999</u>

### 4. 收益、其他收入及收益

收益(亦即本集團之營業額)乃扣除退貨及商品折扣後之售貨發票數額淨值及提供服務所得之總額,惟不包括集團內部之交易。

收益、其他收入及收益之分析如下:

港幣千元	
收益:	
成衣零售及分銷	
提供成衣相關服務	
其他收入及收益:	
利息收入	
已收索償款項	
專利費收入	
租金收入毛額	
於綜合收益表載列之土地及樓宇減值虧損撥回	
其他	

### 5. Finance costs

in HK\$ thousand	Group 集團	
	2006	2005
Interest on bank loans and overdrafts wholly repayable within five years	<u>722</u>	<u>635</u>

### 5. 融資成本

港幣千元  
須於五年內悉數償還之銀行貸款及透支利息



## 6. Profit before tax

The Group's profit before tax is arrived at after charging/(crediting):

	Group 集團	
	2006	2005 (Restated) (重新列賬)
in HK\$ thousand		
Cost of sales		
Cost of inventories sold	1,161,814	984,614
Inventory provision	12,487	34,645
	<b>1,174,301</b>	<b>1,019,259</b>
Staff costs (including directors' remuneration – note 7)		
Salaries and wages	317,902	281,912
Equity-settled share option expense	691	985
Pension scheme contributions	17,241	12,731
Less: Forfeited contributions	–	(884)
Net pension scheme contributions (note a)	17,241	11,847
	<b>335,834</b>	<b>294,744</b>
Depreciation	54,983	47,600
Minimum lease payments under operating leases:		
Land and buildings	264,901	230,839
Contingent rent of retail shops and department stores	53,368	50,415
Plant and machinery	732	289
Auditors' remuneration	1,890	1,561
Loss on disposal of items of property, plant and equipment	2,573	2,982
Foreign exchange differences, net	(3,873)	(8,511)
Net rental income	(104)	(421)
Impairment losses of land and buildings reversed in consolidated income statement (note b)	(5,400)	(8,000)
Fair value gains of derivative instruments		
– transactions not qualifying as hedges, net	(4,939)	–

### Notes:

- (a) As at 31 March 2006, forfeited contributions available to the Group to reduce its contributions to the ORSO Scheme in future years amounted to HK\$512,817 (2005: HK\$178,000).
- (b) The impairment losses of land and buildings reversed in the consolidated income statement was included in "Other income and gains" on the face of the consolidated income statement.

## 6. 除稅前溢利

本集團之除稅前溢利已扣除／(計入)下列項目：

	港幣千元
銷售成本	
售出存貨之成本	984,614
存貨撥備	34,645
	<b>1,019,259</b>
員工成本(包括董事酬金－附註7)	
薪金及工資	281,912
權益結算購股權開支	985
退休金計劃供款	12,731
減：沒收供款	(884)
退休金計劃淨供款(附註a)	11,847
	<b>294,744</b>
折舊	47,600
經營租賃下最低租賃付款：	
土地及樓宇	230,839
零售店舖及百貨公司之或然租金	50,415
設備及機器	289
核數師酬金	1,561
出售物業、廠房及設備項目之虧損	2,982
外匯兌換差額，淨值	(8,511)
租金收入淨值	(421)
於綜合收益表載列之土地及樓宇減值虧損撥回(附註b)	(8,000)
衍生工具之公平值收益	
– 不符合作為對沖活動的交易，淨額	–

### 附註：

- (a) 於二零零六年三月三十一日，本集團可用作減低來年職業退休計劃供款之沒收供款為港幣512,817元(二零零五年：港幣178,000元)。
- (b) 於綜合收益表載列之土地及樓宇減值虧損撥回已包括在綜合收益表之「其他收入及收益」內。

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### 7. Directors' remuneration

Directors' remuneration for the year, disclosed pursuant to the Listing Rules and Section 161 of the Hong Kong Companies Ordinance, is as follows:

	Group 集團	
	2006	2005 (Restated) (重新列賬)
in HK\$ thousand		
Executive directors:		
Fees	–	–
Salaries, allowances and benefits in kind	<b>9,044</b>	8,678
Performance related bonuses	<b>456</b>	541
Employee share option benefits	<b>362</b>	580
Pension scheme contributions	<b>58</b>	72
Compensation for loss of office	<b>600</b>	–
	<b>10,520</b>	9,871
Independent non-executive directors:		
Fees	<b>440</b>	261
	<b>10,960</b>	10,132

The total remuneration includes HK\$456,000 (2005: HK\$541,000) of performance related bonuses payable to the executive directors.

During the year, no share options were granted to the directors in respect of their services to the Group under the share option scheme of the Company. The fair value of share options granted to directors after 7 November 2002 that had not yet vested as at 1 April 2005, which has been amortised to the income statement, was determined as at the date of the grant and was included in the above directors' remuneration disclosures.

### 7. 董事酬金

根據上市規則及香港公司條例第161條規定披露之本年度董事酬金如下：

港幣千元

執行董事：
袍金
薪金、津貼及實物收益
與表現相關之花紅
僱員購股權福利
退休金計劃供款
離職補償
獨立非執行董事：
袍金

酬金總額包括應付執行董事與表現相關之花紅為港幣456,000元(二零零五年：港幣541,000元)。

年內，本公司概無就董事向本集團提供服務而向彼等授出本公司購股權計劃下之任何購股權。於二零零二年十一月七日已授出但於二零零五年四月一日尚未歸屬之購股權之公平值乃於授出日期釐定，並已於收益表攤銷，及已計入上述董事酬金之披露內。

## 7. Directors' remuneration (continued)

### (a) Independent non-executive directors

The fees paid to independent non-executive directors during the year were as follows:

in HK\$ thousand	2006	2005
Ms. LEUNG Mei Han	180	92
Mr. WONG Wai Kay	180	52
Prof. SIN Yat Ming	80	–
Mrs. Winnie LEUNG WONG Wing Yue	–	69
Mr. David CHEUNG Sik Ho	–	48
Mr. Raymond LEE Man Chun	–	–
	<u>440</u>	<u>261</u>

There were no other emoluments payable to the independent non-executive directors during the year (2005: Nil). Mr. Raymond LEE Man Chun waived or agreed to waive remuneration of HK\$180,000 during the year (2005: HK\$92,000).

## 7. 董事酬金 (續)

### (a) 獨立非執行董事

於年內已支付予獨立非執行董事之袍金如下：

港幣千元
梁美嫻女士
王維基先生
冼日明教授
梁黃詠愉女士
張錫豪先生
李文俊先生

年內並無應付獨立非執行董事之其他酬金(二零零五年：無)。李文俊先生於年內放棄或同意放棄酬金港幣180,000元(二零零五年：港幣92,000元)。

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### 7. Directors' remuneration (continued) (b) Executive directors

in HK\$ thousand	Fees 袍金	Salaries, allowances and benefits in kind 薪酬、津貼 及實物收益	Performance related bonuses 與表現相關 之花紅	Employee share option benefits 僱員 購股權福利	Pension scheme contributions 退休 計劃供款	Compensation for loss of office 離職補償	Total remuneration 酬金總額	港幣千元
2006								二零零六年
Executive directors:								執行董事：
Mr. LAW Ka Sing	-	3,253	-	-	12	-	3,265	羅家聖先生
Ms. CHAN So Kuen	-	1,807	148	101	12	-	2,068	陳素娟女士
Mr. Dickie FU Shing Kwan (a)	-	1,693	138	101	12	-	1,944	傅成坤先生(a)
Ms. Pansy CHAU Wai Man (b)	-	1,209	101	80	10	-	1,400	周慧雯女士(b)
Mr. Simon ORR Kuen Fung (b)	-	870	69	80	10	-	1,029	柯權峯先生(b)
Mr. FUNG Ping Chuen (c)	-	212	-	-	2	600	814	馮炳全先生(c)
	-	9,044	456	362	58	600	10,520	
2005 (Restated)								二零零五年(重新列賬)
Executive directors:								執行董事：
Mr. LAW Ka Sing	-	2,126	-	-	12	-	2,138	羅家聖先生
Ms. CHAN So Kuen	-	1,480	121	145	12	-	1,758	陳素娟女士
Mr. Dickie FU Shing Kwan	-	1,320	110	145	12	-	1,587	傅成坤先生
Ms. Pansy CHAU Wai Man	-	1,500	125	145	12	-	1,782	周慧雯女士
Mr. Simon ORR Kuen Fung	-	1,051	85	145	12	-	1,293	柯權峯先生
Mr. FUNG Ping Chuen	-	1,201	100	-	12	-	1,313	馮炳全先生
	-	8,678	541	580	72	-	9,871	

#### Notes:

- (a) Mr. Dickie FU Shing Kwan resigned as executive director on 26 June 2006.
- (b) Ms. Pansy CHAU Wai Man and Mr. Simon ORR Kuen Fung resigned as executive directors on 12 January 2006 but still remain as senior management with the Group.
- (c) Mr. FUNG Ping Chuen resigned as executive director on 1 June 2005.

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

### 7. 董事酬金 (續) (b) 執行董事

#### 附註：

- (a) 傅成坤先生已於二零零六年六月二十六日辭任執行董事。
- (b) 周慧雯女士及柯權峯先生已於二零零六年一月十二日辭任執行董事，惟仍繼續留任本集團之高級管理人員。
- (c) 馮炳全先生已於二零零五年六月一日辭任執行董事。

年內並無執行董事放棄或同意放棄任何酬金之安排。

## 8. Five highest paid employees

The five highest paid employees during the year included three (2005: four) directors, details of whose remuneration are set out in note 7 above. Details of the remuneration of the remaining two (2005: one) non-director highest paid employees for the year are as follows:

	Group 集團		港幣千元
	2006	2005 (Restated) (重新列賬)	
in HK\$ thousand			
Salaries, allowances and benefits in kind	2,979	1,380	薪金、津貼及實物權益
Performance related bonuses	228	95	與表現相關之花紅
Employee share option benefits	173	145	僱員購股權福利
Pension scheme contributions	71	57	退休金計劃供款
	<b>3,451</b>	<b>1,677</b>	

The total remuneration includes HK\$228,000 (2005: HK\$95,000) of performance related bonuses payable to the two (2005: one) non-director, highest paid employees.

The number of non-director, highest paid employees whose remuneration fell within the following bands is as follows:

	Group 集團		港幣1,500,001元至港幣2,000,000元
	2006	2005	
HK\$1,500,001 to HK\$2,000,000	2	1	

During the year, no share options were granted to the two non-director, highest paid employees in respect of their services to the Group under the share option scheme of the Company. The fair value of the share options granted after 7 November 2002 but had not yet vested as at 1 April 2005, which has been charged to the income statement was determined as at the date of the grant and was included in the above non-director, highest paid employees' remuneration disclosures.

## 8. 五名最高薪僱員

年內五名最高薪僱員包括三名(二零零五年：四名)董事，其酬金詳情已載列於上文附註7。其餘兩名(二零零五年：一名)最高薪非董事僱員之酬金詳情如下：

酬金總額包括應付兩名(二零零五年：一名)最高薪非董事僱員與表現相關之花紅為港幣228,000元(二零零五年：港幣95,000元)。

酬金介乎下列範圍之最高薪非董事僱員數目如下：

年內，本公司並無就兩名最高薪非董事僱員向本集團提供服務而向彼等授出本公司購股權計劃下之任何購股權。於二零零二年十一月七日後已授出但於二零零五年四月一日尚未歸屬之購股權之公平值乃於授出日期釐定，並已從收益表扣除，及已計入最高薪非董事僱員之酬金披露內。

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31 March 2006 二零零六年三月三十一日

### 9. Tax

Hong Kong profits tax has been provided at the rate of 17.5% (2005: 17.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

in HK\$ thousand	2006	2005
Group		
Current – Hong Kong		
Charge for the year	<b>21,697</b>	22,974
Overprovision in prior years	<b>(324)</b>	(348)
Current – Elsewhere		
Charge for the year	<b>11,589</b>	16,556
Underprovision in prior years	<b>365</b>	815
Deferred (note 25)	<b>459</b>	2,911
Total tax charge for the year	<b>33,786</b>	42,908

A reconciliation of the tax expense applicable to profit before tax using the statutory rate for the countries in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rate, and a reconciliation of the applicable rate (i.e., the statutory tax rate) to the effective tax rate, are as follows:

in HK\$ thousand	Group 集團			
	2006	%	2005	%
Profit before tax	<b>138,821</b>		224,053	
Tax at the statutory tax rate	<b>24,294</b>	<b>17.5</b>	39,209	17.5
Effect of different tax rates for companies operating in other jurisdictions	<b>1,942</b>	<b>1.4</b>	7,523	3.4
Adjustments in respect of current tax of previous periods	<b>41</b>	–	467	0.2
Income not subject to tax	<b>(3,634)</b>	<b>(2.6)</b>	(4,174)	(1.9)
Expenses not deductible for tax	<b>4,858</b>	<b>3.5</b>	3,635	1.6
Unrecognised tax losses and temporary differences	<b>5,832</b>	<b>4.2</b>	1,845	0.8
Tax losses utilised from previous periods	<b>(367)</b>	<b>(0.3)</b>	(5,437)	(2.4)
Others	<b>820</b>	<b>0.6</b>	(160)	–
Tax charge at the Group's effective rate	<b>33,786</b>	<b>24.3</b>	42,908	19.2

### 9. 稅項

香港利得稅已按年內於香港賺取之估計應課稅溢利以稅率17.5% (二零零五年：17.5%) 提撥準備。在其他地區所得應課稅溢利之稅項，乃根據本集團業務經營所在國家之現有法律、詮釋及常規，按其現行稅率計算。

港幣千元
本集團
本年度－香港
年內支出
過往年度超額撥備
本年度－其他地區
年內支出
過往年度撥備不足
遞延(附註25)
年內稅項支出總額

按採用本公司及其大部份附屬公司所在國家之法定稅率計算且適用於除稅前溢利之稅項開支與按實際稅率計算之稅項開支對賬，以及適用稅率(即法定稅率)與實際稅率之對賬如下：

港幣千元
除稅前溢利
按法定稅率計算之稅項
於其他司法管轄區營運之公司受
不同稅率之影響
就過往期間即期稅項
作出調整
毋須繳稅之收入
不可作稅項扣減之開支
未確認稅項虧損及
暫時性差額
過往期間已動用稅項虧損
其他
按本集團實際稅率計算之稅項支出

## 10. Profit from ordinary activities attributable to equity holders

The profit from ordinary activities attributable to equity holders for the year ended 31 March 2006 dealt with in the financial statements of the Company was HK\$54,729,000 (2005: HK\$96,648,000) (note 28(b)).

## 11. Dividends

in HK\$ thousand	2006	2005
Interim – HK1.8 cents (2005: HK1.8 cents) per ordinary share	<b>28,240</b>	28,240
Proposed final – HK1.8 cents (2005: HK3.9 cents) per ordinary share	<b>28,240</b>	61,188
	<b>56,480</b>	89,428

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

## 12. Earnings per share attributable to ordinary equity holders

The calculation of basic earnings per share is based on the profit for the year attributable to ordinary equity holders of HK\$105,035,000 (2005: HK\$181,145,000 (as restated)), and the 1,568,911,394 (2005: weighted average of 1,551,467,394) ordinary shares in issue during the year.

The calculation of diluted earnings per share is based on the profit for the year attributable to ordinary equity holders of HK\$105,035,000 (2005: HK\$181,145,000 (as restated)). The number of ordinary shares used in the calculation is the 1,568,911,394 (2005: weighted average of 1,551,467,394) ordinary shares in issue during the year, as used in the basic earnings per share calculation and the weighted average number of 41,323,712 (2005: 45,235,587) ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

## 10. 權益持有人應佔日常業務溢利

已反映在本公司財務報表內截至二零零六年三月三十一日止年度權益持有人應佔日常業務溢利為港幣54,729,000元(二零零五年：港幣96,648,000元)(附註28(b))。

## 11. 股息

港幣千元
中期－每股普通股1.8港仙(二零零五年：1.8港仙)
擬派末期－每股普通股1.8港仙 (二零零五年：3.9港仙)

本年度擬派末期股息須待本公司股東於應屆股東週年大會上批准，方可作實。

## 12. 普通權益持有人應佔每股盈利

每股基本盈利乃根據普通權益持有人應佔年內溢利港幣105,035,000元(二零零五年：港幣181,145,000元，重新列賬)及年內已發行普通股1,568,911,394股(二零零五年：加權平均數1,551,467,394股)計算。

每股攤薄盈利乃根據普通權益持有人應佔本年內溢利港幣105,035,000元(二零零五年：港幣181,145,000元，重新列賬)計算。計算所用之普通股股數(亦用於計算每股基本盈利)為年內已發行普通股1,568,911,394股(二零零五年：加權平均數1,551,467,394股)，及假設被視作悉數行使或轉換所有具攤薄潛力普通股為普通股而按零代價發行之普通股加權平均數41,323,712股(二零零五年：45,235,587股)。

## Notes to financial statements 財務報表附註

31 March 2006 二零零六年三月三十一日

### 13. Property, plant and equipment Group

### 13. 物業、廠房及設備集團

in HK\$ thousand	Land and buildings 土地及樓宇	Leasehold improvements 租賃物業裝修	Plant and machinery 設備及機器	Furniture, fixtures and office equipment 傢俬、裝置及辦公室設備	Motor vehicles 汽車	Software under development 開發中軟件	Total 總值	港幣千元
<b>31 March 2006</b>								<b>於二零零六年三月三十一日</b>
At 31 March 2005 and at 1 April 2005:								於二零零五年三月三十一日及於二零零五年四月一日：
Cost or valuation	82,154	247,367	11,315	92,626	4,124	-	437,586	成本值或估值
Accumulated depreciation and impairment	(39,820)	(202,453)	(2,411)	(73,804)	(3,689)	-	(322,177)	累積折舊及減值
Net carrying amount	42,334	44,914	8,904	18,822	435	-	115,409	賬面淨值
At 1 April 2005, net of accumulated depreciation and impairment	42,334	44,914	8,904	18,822	435	-	115,409	於二零零五年四月一日，扣除累積折舊及減值
Additions	-	61,522	696	14,494	508	2,177	79,397	添置
Disposals	-	(2,444)	-	(276)	(40)	-	(2,760)	出售
Reversal of impairment during the year	15,551	-	-	-	-	-	15,551	年內減值撥回
Depreciation provided during the year	(2,364)	(42,074)	(927)	(9,253)	(365)	-	(54,983)	年內折舊撥備
Exchange realignment	-	109	235	208	168	-	720	匯兌調整
At 31 March 2006, net of accumulated depreciation and impairment	55,521	62,027	8,908	23,995	706	2,177	153,334	於二零零六年三月三十一日，扣除累積折舊及減值
At 31 March 2006:								於二零零六年三月三十一日：
Cost or valuation	82,154	265,073	12,369	105,733	3,988	2,177	471,494	成本值或估值
Accumulated depreciation and impairment	(26,633)	(203,046)	(3,461)	(81,738)	(3,282)	-	(318,160)	累積折舊及減值
Net carrying amount	55,521	62,027	8,908	23,995	706	2,177	153,334	賬面淨值
Analysis of cost or valuation:								按成本值或估值分析：
At cost	42,154	265,073	12,369	105,733	3,988	2,177	431,494	按成本值
At 31 July 1993 valuation	40,000	-	-	-	-	-	40,000	按一九九三年七月三十一日估值
	82,154	265,073	12,369	105,733	3,988	2,177	471,494	



**13. Property, plant and equipment (continued)**  
Group

**13. 物業、廠房及設備 (續)**  
集團

in HK\$ thousand	Land and buildings 土地及樓宇	Leasehold improve- ments 租賃物業裝修	Plant and machinery 設備及機器	Furniture, fixtures and office equipment 傢俬、裝置及 辦公室設備	Motor vehicles 汽車	Total 總值	港幣千元
<b>31 March 2005</b>							<b>於二零零五年三月三十一日</b>
At 1 April 2004:							於二零零四年四月一日：
Cost or valuation	82,154	232,493	3,346	100,423	4,334	422,750	成本值或估值
Accumulated depreciation and impairment	(45,455)	(187,326)	(1,836)	(76,599)	(3,759)	(314,975)	累積折舊及減值
Net carrying amount	<u>36,699</u>	<u>45,167</u>	<u>1,510</u>	<u>23,824</u>	<u>575</u>	<u>107,775</u>	賬面淨值
At 1 April 2004, net of accumulated depreciation and impairment	36,699	45,167	1,510	23,824	575	107,775	於二零零四年四月一日， 扣除累積折舊及減值
Additions	–	35,278	7,948	6,667	153	50,046	添置
Disposals	–	(689)	–	(2,737)	(63)	(3,489)	出售
Reversal of impairment during the year	8,000	–	–	–	–	8,000	年內減值撥回
Depreciation provided during the year	(2,365)	(35,325)	(567)	(9,106)	(237)	(47,600)	年內折舊撥備
Exchange realignment	–	483	13	174	7	677	匯兌調整
At 31 March 2005, net of accumulated depreciation and impairment	<u>42,334</u>	<u>44,914</u>	<u>8,904</u>	<u>18,822</u>	<u>435</u>	<u>115,409</u>	於二零零五年三月三十一日， 扣除累積折舊及減值
At 31 March 2005:							於二零零五年三月三十一日：
Cost or valuation	82,154	247,367	11,315	92,626	4,124	437,586	成本值或估值
Accumulated depreciation and impairment	(39,820)	(202,453)	(2,411)	(73,804)	(3,689)	(322,177)	累積折舊及減值
Net carrying amount	<u>42,334</u>	<u>44,914</u>	<u>8,904</u>	<u>18,822</u>	<u>435</u>	<u>115,409</u>	賬面淨值
Analysis of cost or valuation:							按成本值或估值分析：
At cost	42,154	247,367	11,315	92,626	4,124	397,586	按成本值
At 31 July 1993 valuation	40,000	–	–	–	–	40,000	按一九九三年七月三十一日估值
	<u>82,154</u>	<u>247,367</u>	<u>11,315</u>	<u>92,626</u>	<u>4,124</u>	<u>437,586</u>	

## Notes to financial statements 財務報表附註

31 March 2006 二零零六年三月三十一日

### 13. Property, plant and equipment (continued)

The Group's land and buildings are held under medium term leases and are situated in:

in HK\$ thousand	At cost 按成本值	At valuation 按估值	Total 總值
Hong Kong	21,654	40,000	61,654
Elsewhere	20,500	–	20,500
	<u>42,154</u>	<u>40,000</u>	<u>82,154</u>

Certain land and buildings were revalued at 31 July 1993 by Chesterton Petty Limited, independent professionally qualified valuers, on an open market, existing use basis. Since 1994, no further revaluations of the Group's land and buildings have been carried out, as the Group has relied upon the exemption granted under the transitional provision in paragraph 80A of HKAS 16, from the requirement to carry out future revaluation of its property, plant and equipment which were started at valuation at that time.

At 31 March 2006, had the Group's revalued land and buildings been carried at cost less accumulated depreciation and impairment losses, they would have been included in the financial statements at approximately HK\$15,265,000 (2005: HK\$19,384,000).

Certain land and buildings were revalued at the balance sheet date by RHL Appraisal Limited, independent professionally qualified valuers, at an aggregate open market value of HK\$38,600,000 based on vacant possession basis. Impairment losses of HK\$15,551,000 provided for these land and buildings were reversed during the year, resulting from the above valuations, in which HK\$5,400,000 has been credited to the income statement and HK\$10,151,000 has been credited to the relevant asset revaluation reserve.

### 13. 物業、廠房及設備 (續)

本集團之土地及樓宇均以中期租約持有並位於：

港幣千元
香港
其他地方

若干土地及樓宇由獨立並具專業資格估值師卓德測計師行有限公司於一九九三年七月三十一日按公開市場及現有用途之基準作估值。自一九九四年起，由於本集團應用香港會計準則第16號第80A段之過渡性寬限條文，故毋須再根據物業、廠房及設備進行日後重估並按當時之估值列賬之規定，就本集團之土地及樓宇進行重估。

於二零零六年三月三十一日，若本集團經重估之土地及樓宇以成本值減除累積折舊及減值虧損後入賬，其於財務報表所載之價值應約為港幣15,265,000元(二零零五年：港幣19,384,000元)。

若干土地及樓宇於結算日由獨立專業估值師永利行評估顧問有限公司按交吉基準重新估值之公開市值合共為港幣38,600,000元。該等土地及樓宇之減值虧損撥備港幣15,551,000元已於年內根據上述估值撥回，當中港幣5,400,000元已從收益表撥回，而港幣10,151,000元已撥入相關之資產重估儲備。

## 14. Trademark

in HK\$ thousand	Group 集團
<b>31 March 2006:</b>	
Cost at 1 April 2005, net of accumulated impairment	–
Additions – acquired separately	1,164
At 31 March 2006	<u>1,164</u>
At 31 March 2006:	
Cost	1,164
Accumulated impairment	–
Net carrying amount	<u>1,164</u>
<b>31 March 2005</b>	
At 1 April 2004:	
Cost	–
Accumulated impairment	–
Net carrying amount	<u>–</u>

### Indefinite useful life

The Group classified the acquired “bossini” trademark as an indefinite life intangible asset in accordance with HKAS 38 Intangible Assets. This is supported by the fact that bossini trademark legal rights are capable of being renewed indefinitely at insignificant cost and therefore are perpetual in duration, related to a well known and long established fashion brand since 1987, and based on future financial performance of the Group, they are expected to generate positive cash flows indefinitely. Under HKAS 38, the Group re-evaluates the useful life of bossini trademark each year to determine whether events or circumstances continue to support the view of the indefinite useful life of the asset.

## 14. 商標

港幣千元
<b>二零零六年三月三十一日：</b>
按二零零五年四月一日之成本，扣除累積減值 添置－獨立收購
於二零零六年三月三十一日
於二零零六年三月三十一日：
成本
累積減值
賬面淨值
<b>二零零五年三月三十一日</b>
於二零零四年四月一日：
成本
累積減值
賬面淨值

### 無確定使用年限之商標

本集團根據香港會計準則第38號「無形資產」，將「bossini」商標分類為一項無限期無形資產。支持該結論之事實為bossini商標之法律權利可以於不需支付重大之成本下無限期重續，因此享有永久年期，關乎一個自一九八七年以來知名及歷史悠久之時裝品牌，並基於本集團之未來財務表現，預期可無限期產生現金流入而確立。根據香港會計準則第38號，本集團每年重估bossini商標之可使用年期，以釐定是否出現事件或情況繼續支持資產無限可用年期之觀點。

**14. Trademark (continued)**

**Impairment**

In accordance with HKAS 36 Impairment of Assets, the Group completed its annual impairment test for bossini trademark by comparing its recoverable amount to its carrying amount as at 31 March 2006. The Group has conducted a valuation of the bossini trademark as one corporate asset based on value-in-use calculation for the Indonesian market. The resulting value of the bossini trademark as at 31 March 2006 was significantly higher than its carrying amount. This valuation uses cash flow projections based on financial estimates covering a three-year period, expected sales deriving from the bossini trademark in the Indonesian market and a discount rate of 10.3%. The cash flows beyond the three-year period are extrapolated using a steady 15% growth rate. This growth rate does not exceed the long-term average growth rate for apparel markets in which the Group operates. Management has considered the above assumptions and valuation and also taken into account the business expansion plan going forward, the current wholesale order books and the strategic retail expansion in Indonesia and believes that there is no impairment in the bossini trademark. Management believes that any reasonably foreseeable change in any of the above key assumptions would not cause the aggregate carrying amount of trademark to exceed the aggregate recoverable amount.

**14. 商標 (續)**

**減值**

根據香港會計準則第36號「資產減值」，本集團將bossini商標於二零零六年三月三十一日之可收回金額及賬面值作出比較以完成其每年減值測試。本集團基於使用價值計算對印尼市場之bossini商標(以一個企業資產)進行評估。經評估印尼市場之bossini商標於二零零六年三月三十一日之價值大幅高於其賬面值。該估值依據基於三年期之財務估計現金流量預測，預計來自bossini商標於印尼市場之銷售及以10.3%之折現率進行。超過三年之現金流量乃使用15%之穩定增長率推算。該增長率不超過本集團所經營之成衣市場的長期平均增長率。管理層已檢視以上假設和估值及已考慮未來業務擴充計劃、目前批發訂單及於印尼策略零售拓展，並相信bossini商標毋需作出減值。管理層相信任何以上重要假設有任何合理可測之轉變應不會導致商標之合計賬面值超越合計可收回金額。

## 15. Interests in subsidiaries

## 15. 附屬公司權益

in HK\$ thousand	Company 公司		港幣千元
	2006	2005 (Restated) (重新列賬)	
Unlisted shares, at cost	<b>193,962</b>	193,962	非上市股份，按成本值
Provision for impairment	<b>(50,800)</b>	(77,541)	減值撥備
	<b>143,162</b>	116,421	
Due from subsidiaries	<b>212,141</b>	270,926	應收附屬公司款項
	<b>355,303</b>	387,347	

The amounts due from subsidiaries included in the Company's current assets are unsecured, interest-free and have no fixed terms of repayment. The carrying amounts approximate to their fair values.

於本公司流動資產計入之應收附屬公司款項均無抵押、免息及無固定還款期。該等應收附屬公司款項之賬面值與彼等之公平值相若。

Particulars of the principal subsidiaries are as follows:

主要附屬公司之詳情如下：

Name 名稱	Place of incorporation/ registration and operations 成立／註冊及營運地區	Nominal value of issued/ registered share capital 已發行／註冊股本之面值	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Active Link Limited (note a) 弘譽有限公司 (附註a)	Hong Kong 香港	HK\$港幣5,000,000元	–	100	Retailing and wholesaling of garments 成衣零售及批發
Bossini Clothing Limited	Hong Kong 香港	HK\$港幣2元	–	100	Retailing and distribution of garments 成衣零售及分銷
Bossini Enterprises Limited 堡獅龍企業有限公司	Hong Kong 香港	HK\$港幣2元	–	100	Retailing and distribution of garments 成衣零售及分銷

## Notes to financial statements 財務報表附註

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### 15. Interests in subsidiaries (continued)

### 15. 附屬公司權益 (續)

Name 名稱	Place of incorporation/ registration and operations 成立/註冊及營運地區	Nominal value of issued/ registered share capital 已發行/註冊股本之面值	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Bossini Garment Limited	Hong Kong 香港	HK\$港幣2元	–	100	Distribution of garments 成衣分銷
Bossini Investment Limited	British Virgin Islands 英屬處女群島	US\$11,928美元	100	–	Investment holding 投資控股
Burling Limited	British Virgin Islands 英屬處女群島	US\$100美元	–	100	Licensing of trademarks 商標特許
廣州市堡獅龍實業有限公司 (notes b and d) (附註 b 及 d)	People's Republic of China ("PRC")/Mainland China 中華人民共和國(「中國」)/ 中國大陸	RMB人民幣1,010,000元	–	100	Retailing and distribution of garments 成衣零售及分銷
J & R Bossini Fashion Pte Ltd	Singapore 新加坡	S\$2,000,000新加坡元	–	100	Retailing and distribution of garments 成衣零售及分銷
J & R Bossini Holdings Limited 堡獅龍集團有限公司	Hong Kong 香港	HK\$港幣2元	–	100	Investment holding 投資控股
Kacono Trading Limited	British Virgin Islands 英屬處女群島	HK\$港幣2,000元	–	100	Investment holding 投資控股
Key Value Trading Limited	British Virgin Islands 英屬處女群島	US\$100美元	–	100	Investment holding 投資控股
Land Challenger Limited 朗志有限公司	Hong Kong 香港	HK\$港幣2元	–	100	Sub-contracting of garments 成衣分包
Langzhi Fashion (Shenzhen) Co., Ltd. (notes c and d) 朗志時裝(深圳)有限公司(附註 c 及 d)	PRC/Mainland China 中國/中國大陸	HK\$港幣6,600,000元	–	100	Manufacturing and sub-contracting of garments 成衣製造及分包

## 15. Interests in subsidiaries (continued)

Name 名稱	Place of incorporation/ registration and operations 成立／註冊及營運地區	Nominal value of issued/ registered share capital 已發行／註冊股本之面值	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Lead Commence Limited 立啟興業有限公司	Hong Kong 香港	HK\$港幣2元	–	100	Retailing and distribution of garments 成衣零售及分銷
Luhur Daya Sdn. Bhd.	Malaysia 馬來西亞	RM\$馬幣2元	–	100	Retailing and distribution of garments 成衣零售及分銷
Onmay International Limited 上美國際有限公司	Hong Kong 香港	HK\$港幣2元	–	100	Retailing and distribution of garments 成衣零售及分銷
Rapid City Limited 捷利城有限公司	Hong Kong 香港	HK\$港幣2元	–	100	Property holding and letting 物業持有及租賃
Sun View Properties Limited 日景置業有限公司	Hong Kong 香港	HK\$港幣2元	–	100	Property holding and letting 物業持有及租賃

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.

### Notes:

- The branch of this subsidiary in Taiwan was not audited by Ernst & Young Hong Kong or other Ernst & Young International member firms.
- 廣州市堡獅龍實業有限公司 is a limited liability enterprise established in the PRC which obtained its business registration certificate on 14 July 1993.
- Langzhi Fashion (Shenzhen) Co., Ltd. is a wholly-owned foreign investment enterprise with limited liability established in the PRC which obtained its business registration certificate on 14 June 1993 and is licensed to conduct business for 25 years from the date of its business registration.
- These subsidiaries were not audited by Ernst & Young Hong Kong or other Ernst & Young International member firms.

## 15. 附屬公司權益 (續)

上表僅列出董事認為對本集團年內業績有主要影響或構成本集團淨資產重要部份之附屬公司。董事認為若將其他附屬公司之詳情載列於此，篇幅將過於冗長。

### 附註：

- 該附屬公司於台灣分公司之賬目，並非由安永會計師事務所(香港)或安永會計師事務所之其他國際成員公司審核。
- 廣州市堡獅龍實業有限公司為一間於中國成立之有限責任企業，其於一九九三年七月十四日取得營業執照。
- 朗志時裝(深圳)有限公司為一間於中國成立，由外資全資擁有之有限責任企業。其於一九九三年六月十四日取得營業執照，並獲准由營業執照日起計經營業務25年。
- 此等附屬公司之賬目，並非由安永會計師事務所(香港)或安永會計師事務所之其他國際成員公司審核。

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### 16. Inventories

in HK\$ thousand	Group 集團	
	2006	2005
Raw materials	2,304	4,643
Finished goods	251,287	210,659
	<b>253,591</b>	<b>215,302</b>

### 17. Debtors

Other than cash and credit card sales, the Group normally grants credit periods of up to 60 days to its trade customers. Each trade customer has a maximum credit limit, except for new trade customers, where payment in advance is normally required. The Group seeks to maintain strict control over its outstanding receivables. Overdue balance are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade customers relate to a large number of diversified customers, there is no significant concentration of credit risk. Trade receivables are non-interest-bearing.

An aged analysis of trade debtors as at the balance sheet date, based on the invoice date, is as follows:

in HK\$ thousand	Group 集團	
	2006	2005
0 to 30 days	45,364	40,059
31 to 60 days	8,097	16,319
61 to 90 days	1,250	2,690
Over 90 days	953	1,284
	<b>55,664</b>	<b>60,352</b>

The carrying amounts disclosed above approximate to their fair values.

### 18. Deposits paid

in HK\$ thousand	Group 集團	
	2006	2005
Rental deposits	79,291	68,164
Less: non-current portion	(48,849)	(44,344)
Current portion	<b>30,442</b>	<b>23,820</b>

The rental deposits are paid for operating leases in respect of land and buildings, and are negotiated for terms ranging from one to ten years. The carrying amounts disclosed above approximate to their fair values.

### 16. 存貨

港幣千元

原料  
製成品

### 17. 應收賬款

除現金及信用咭銷售外，本集團在一般情況下授予其貿易客戶最高60天信貸期。除新貿易客戶一般須預付款項外，各貿易客戶均設有最高信貸限額。本集團致力對未收回之應收款項維持嚴謹控制。逾期欠款由高級管理層定期作出審閱。鑑於以上所述以及本集團之應收賬項分散於為數眾多之多類貿易客戶，故本集團並無高度集中之信貸風險。應收賬項均免息。

以下為按發票日計應收賬款於結算日之賬齡分析：

港幣千元

0至30天  
31至60天  
61至90天  
逾90天

上述披露之賬面值與彼等之公平值相若。

### 18. 已付按金

港幣千元

租賃按金  
減：非即期部份  
即期部份

本集團根據土地及樓宇之經營租約支付租賃按金，議定之租期介乎1至10年不等。上述披露事項之賬面值與彼等之公平值相若。



## 19. Derivative financial instruments

## 19. 衍生金融工具

in HK\$ thousand	2006		港幣千元
	Assets 資料	Liabilities 負債	
Group			本集團
Forward currency contracts	<b>998</b>	1,153	遠期貨幣合同

The carrying amounts of forward currency contracts are the same as their fair values.

遠期貨幣合同之賬面值與彼等之公平值相若。

During the year, the Group entered into various forward currency contracts to manage its exchange rate exposures which did not meet the criteria for hedge accounting. Changes in the fair value of non-hedging currency derivatives amounting to HK\$4,939,000 were credited to the income statement during the year (2005: Nil). At 31 March 2006, the terms of the forward currency contracts held by the Group are as follows:

年內，本集團訂立多項遠期貨幣合同以管理其匯率風險，而該等合同並不符合對沖會計處理方法之相關條件。年內，非對沖貨幣衍生工具公平值變動金額港幣4,939,000元已計入收益表(二零零五年：無)。於二零零六年三月三十一日，本集團所持有遠期貨幣合同之條款如下：

Forward currency contracts to hedge  
expected future sales  
對沖預期日後銷售之遠期貨幣合同

Maturity  
到期日

Exchange rate  
匯率

*Sell* 出售

New Taiwan dollar (“NTD”) 478,647,996

478,647,996元新台幣

April – December 2006

二零零六年四月至十二月

NTD/USD31.453 – 32.068

新台幣/美元31.453-32.068

Singapore dollar (“SGD”) 14,068,794

14,068,794新加坡元

April – December 2006

二零零六年四月至十二月

SGD/USD1.628 – 1.645

新加坡元/美元1.628-1.645

in HK\$ thousand	2006	2005	港幣千元
Notional amounts of forward foreign exchange contracts	<b>184,622</b>	103,656	遠期外匯合同之名義款額

## Notes to financial statements 財務報表附註

31 March 2006 二零零六年三月三十一日

### 20. Cash and cash equivalents and bank deposit

in HK\$ thousand	Note 附註	Group 集團		Company 公司	
		2006	2005	2006	2005
Cash and bank balances		<b>208,156</b>	274,432	<b>265</b>	564
Non-pledged bank deposits		<b>34,957</b>	51,463	–	–
Pledged bank deposits		<b>787</b>	–	–	–
		<b>243,900</b>	325,895	<b>265</b>	564
Less: Non-pledged bank deposits classified as non-current portion		<b>(15,600)</b>	–	–	–
Pledged bank deposits	31(b)	<b>(787)</b>	–	–	–
Cash and cash equivalents		<b>227,513</b>	325,895	<b>265</b>	564

### 20. 現金及現金等值項目以及銀行存款

港幣千元
現金及銀行結餘
無抵押銀行存款
有抵押銀行存款
減：列作非即期部份之無抵押銀行存款
有抵押銀行存款
現金及現金等值項目

At the balance sheet date, the cash and cash equivalents of the Group denominated in Renminbi (“RMB”) amounted to HK\$65,168,000 (2005: HK\$83,918,000). The RMB is not freely convertible into other currencies, however, under Mainland China’s Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks and pledged bank deposits earn interest at floating rates based on daily bank deposit rates. Short term bank deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term bank deposit rates. Non-pledged bank deposits of HK\$15,600,000 classified as non-current portion is made for a period of three years which will mature on 13 April 2008, and earn interest at interest rates ranging from 3% to 4.75% per annum. The Group is not entitled to withdraw the bank deposits without the bank’s prior consent and the bank may at its absolute discretion refuse to give such consent. These bank deposits are non-assignable and non-chargeable, except to the bank.

The carrying amounts of the cash and cash equivalents, non-pledged bank deposits and the pledged deposits approximate to their fair values.

於結算日，本集團以人民幣（「人民幣」）定值之現金及現金等值項目為港幣65,168,000元（二零零五年：港幣83,918,000元）。人民幣不能自由兌換其他貨幣，惟根據中國大陸外匯管制法條例及結匯、售匯及付匯管理規定，本集團獲准透過獲授權經營外匯業務之銀行將人民幣兌換為外幣。

銀行存款及有抵押存款每日按銀行存款利率釐定之浮動利率計息。短期定期存款期間介乎1天至3個月，乃視乎本集團之即時現金需要而定，及按相關之短期定存利率計息。列作非即期部份之無抵押銀行存款港幣15,600,000元為期三年，將於二零零八年四月十三日到期，並按介乎年利率3%至4.75%計息。本集團不得在未取得銀行之事先同意下提取銀行存款，而銀行可全權決定拒絕給予有關同意書。除銀行外，該等定期存款不得轉讓及抵押。

現金及現金等值項目、無抵押銀行存款及有抵押存款之賬面值與公平值相若。

## 21. Trade creditors and accruals

in HK\$ thousand	Group 集團		Company 公司	
	2006	2005	2006	2005
Trade creditors	61,402	54,863	–	–
Accruals	134,636	129,462	2,787	1,133
	<b>196,038</b>	<b>184,325</b>	<b>2,787</b>	<b>1,133</b>

An aged analysis of trade creditors as at the balance sheet date, based on the invoice date, is as follows:

in HK\$ thousand	Group 集團	
	2006	2005
0 to 30 days	52,800	49,640
31 to 60 days	6,223	3,139
61 to 90 days	1,969	1,605
Over 90 days	410	479
	<b>61,402</b>	<b>54,863</b>

The trade creditors are non-interest-bearing and are normally settled on 30-day terms. The carrying amounts disclosed above approximate to their fair values.

## 22. Due to related companies

The amounts due to related companies are unsecured, interest-free, and repayable within 30 days of the invoice date. The carrying amounts approximate to their fair values.

## 23. Interest-bearing bank loans

in HK\$ thousand	Group 集團	
	2006	2005
Bank loans repayable within one year or on demand	–	15,000

The bank loans were secured by the Company's corporate guarantee and bore interest at 1.3% over one, two, or three months of the Hong Kong Interbank Offered Rate.

## 21. 應付賬款及應計賬項

in HK\$ thousand	Group 集團		Company 公司	
	2006	2005	2006	2005
Trade creditors	61,402	54,863	–	–
Accruals	134,636	129,462	2,787	1,133
	<b>196,038</b>	<b>184,325</b>	<b>2,787</b>	<b>1,133</b>

以下為按發票日計應付賬款於結算日之賬齡分析：

in HK\$ thousand	Group 集團	
	2006	2005
0 to 30 days	52,800	49,640
31 to 60 days	6,223	3,139
61 to 90 days	1,969	1,605
Over 90 days	410	479
	<b>61,402</b>	<b>54,863</b>

應付賬款為免息及一般於30日內支付。上述披露事項之賬面值與彼等之公平值相若。

## 22. 應付關連公司款項

應付關連公司款項乃無抵押、免息及須於發票日期起計30日內償還。應付關連公司款項之賬面值與公平值相若。

## 23. 計息銀行貸款

in HK\$ thousand	Group 集團	
	2006	2005
Bank loans repayable within one year or on demand	–	15,000

銀行貸款以本公司之公司擔保作為抵押，並按一個月、兩個月或三個月之香港銀行同業拆息加1.3厘計息。

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### 24. Provisions Group

in HK\$ thousand	Long service payments 長期服務金	港幣千元
At 1 April 2005	913	於二零零五年四月一日
Amounts utilised during the year	(330)	年內動用之款項
At 31 March 2006	583	於二零零六年三月三十一日
Portion classified as current liabilities	–	列作即期負債部份
Long term portion	583	長期部份

The Group provides for the probable future long service payments expected to be made to employees under the Hong Kong Employment Ordinance, as further explained under the heading "Employee benefits" in note 2.5 to the financial statements. The provision is based on the best estimate of the probable future payments which have been earned by the employees from their service to the Group to the balance sheet date.

### 24. 撥備 集團

本集團根據香港僱傭條例就預期可能須向僱員支付之長期服務金作出撥備，詳情於財務報表附註2.5「僱員福利」進一步闡釋。撥備乃按僱員於結算日向本集團提供服務可能賺取之日後款額之最合適估計釐訂。

### 25. Deferred tax

The movements in deferred tax liabilities and assets during the year are as follows:

#### Deferred tax liabilities – 2006

##### Group

in HK\$ thousand	Accelerated tax depreciation 加速稅項折舊	港幣千元
At 1 April 2005	498	於二零零五年四月一日
Deferred tax charged to the income statement during the year (note 9)	184	年內在收益表扣除之遞延稅項 (附註9)
Exchange realignment	19	匯兌調整
Gross deferred tax liabilities At 31 March 2006	701	於二零零六年三月三十一日之 遞延稅項負債毛額

### 25. 遞延稅項

年內之遞延稅項負債及資產變動如下：

#### 遞延稅項負債—2006

##### 集團

**25. Deferred tax (continued)**  
**Deferred tax assets – 2006**  
**集團**

in HK\$ thousand	Decelerated tax depreciation 減速稅項折舊	Others 其他	Total 總值
At 1 April 2005	2,061	886	2,947
Deferred tax credited/(charged) to the income statement during the year (note 9)	(706)	431	(275)
Gross deferred tax assets At 31 March 2006	1,355	1,317	2,672
Net deferred tax assets at 31 March 2006			1,971

**25. 遞延稅項 (續)**  
**遞延稅項資產 – 2006**  
**集團**

in HK\$ thousand
於二零零五年四月一日
年內在收益表計入/ (扣除)之遞延稅項 (附註9)
於二零零六年三月三十一日之 遞延稅項資產毛額
於二零零六年三月三十一日之遞延稅項資產淨額

**Deferred tax liabilities – 2005**  
**集團**

in HK\$ thousand	Accelerated tax depreciation 加速稅項折舊
At 1 April 2004	–
Deferred tax charged to the income statement account during the year (note 9)	498
Gross deferred tax liabilities At 31 March 2005	498

**遞延稅項負債 – 2005**  
**集團**

in HK\$ thousand
於二零零四年四月一日
年內在收益表扣除 之遞延稅項 (附註9)
於二零零五年三月三十一日之 遞延稅項負債毛額

## Notes to financial statements 財務報表附註

31 March 2006 二零零六年三月三十一日

### 25. Deferred tax (continued) Deferred tax assets – 2005 Group

in HK\$ thousand	Decelerated tax depreciation 減速稅項折舊	Losses available for offset against future taxable profit 可用作抵銷 日後應課稅 溢利之虧損	Others 其他	Total 總值
At 1 April 2004	1,432	3,227	701	5,360
Deferred tax credited/(charged) to the income statement during the year (note 9)	<u>629</u>	<u>(3,227)</u>	<u>185</u>	<u>(2,413)</u>
Gross deferred tax assets At 31 March 2005	<u>2,061</u>	<u>–</u>	<u>886</u>	<u>2,947</u>
Net deferred tax assets at 31 March 2005				<u>2,449</u>

The Group has estimated tax losses of HK\$16,274,000 (2005: HK\$11,723,000) and estimated deductible temporary differences of HK\$1,611,000 (2005: HK\$1,068,000) arising in Hong Kong, that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. The Group also has estimated tax losses arising in Mainland China of HK\$437,000 (2005: HK\$426,000) and in Taiwan of HK\$29,998,000 (2005: HK\$20,923,000) that can be used to offset against future taxable profits of the companies in which the losses arose for a maximum of five years. Deferred tax assets have not been recognised in respect of these losses as it is uncertain if sufficient future taxable profits will be generated against which the tax losses can be utilised.

At 31 March 2006, there is no significant unrecognised deferred tax liability (2005: Nil) for taxes that would be payable on the unremitted earnings of a subsidiary of the Group.

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

### 25. 遞延稅項 (續) 遞延稅項資產 – 2005 集團

in HK\$ thousand	港幣千元
At 1 April 2004	於二零零四年四月一日
Deferred tax credited/(charged) to the income statement during the year (附註9)	年內在收益表計入/(扣除)之 遞延稅項 (附註9)
Gross deferred tax assets At 31 March 2005	於二零零五年三月三十一日之 遞延稅項資產毛額
Net deferred tax assets at 31 March 2005	於二零零五年三月三十一日之遞延稅項資產淨額

本集團於香港產生之估計稅項虧損為港幣16,274,000元(二零零五年:港幣11,723,000元)及估計可扣減暫時性差額為港幣1,611,000元(二零零五年:港幣1,068,000元),有關所產生之虧損可無限期用作抵銷公司日後之應課稅溢利。本集團亦有於中國大陸及台灣產生估計稅項虧損分別為港幣437,000元(二零零五年:港幣426,000元)及港幣29,998,000元(二零零五年:港幣20,923,000元),所產生的虧損可用作抵銷公司日後之應課稅溢利最多5年。由於未能確定日後是否能獲得足夠應課稅溢利以抵銷可動用稅項虧損,遞延稅項資產並無就該等虧損進行確認。

於二零零六年三月三十一日,稅項中並無因本集團附屬公司之不可滙寄盈利引致之重大未確認遞延稅項負債(二零零五年:無)。

本公司向其股東派付股息後,並無導致任何須繳納所得稅之後果。

## 26. Share capital Shares

in HK\$ thousand	Company 公司	
	2006	2005
Authorised: 2,000,000,000 (2005: 2,000,000,000) ordinary shares of HK\$0.10 (2005: HK\$0.10) each	<b>200,000</b>	200,000
Issued and fully paid: 1,568,911,394 (2005: 1,568,911,394) ordinary shares of HK\$0.10 (2005: HK\$0.10) each	<b>156,891</b>	156,891

A summary of the movements in the Company's issued share capital is as follows:

	Number of shares in issue 已發行股數	Issued share capital HK\$'000 港幣千元	Share premium account 股份溢價賬 HK\$'000 港幣千元	Total 總值 HK\$'000 港幣千元
At 1 April 2004	771,461,697	77,146	68,229	145,375
Issue of bonus shares	771,461,697	77,146	(68,229)	8,917
Exercise of share options	25,988,000	2,599	1,949	4,548
Share issue expenses	–	–	(94)	(94)
At 31 March 2005, 1 April 2005 and 31 March 2006	<b>1,568,911,394</b>	<b>156,891</b>	<b>1,855</b>	<b>158,746</b>

### Share options

Details of the Company's share option scheme and the share options issued under the scheme are included in note 27 to the financial statements.

## 26. 股本 股份

in HK\$ thousand	2006	2005
Authorised: 2,000,000,000 (2005: 2,000,000,000) ordinary shares of HK\$0.10 (2005: HK\$0.10) each	<b>200,000</b>	200,000
Issued and fully paid: 1,568,911,394 (2005: 1,568,911,394) ordinary shares of HK\$0.10 (2005: HK\$0.10) each	<b>156,891</b>	156,891

本公司已發行股本之變動概述如下：

	Number of shares in issue 已發行股數	Issued share capital HK\$'000 港幣千元	Share premium account 股份溢價賬 HK\$'000 港幣千元	Total 總值 HK\$'000 港幣千元
At 1 April 2004	771,461,697	77,146	68,229	145,375
Issue of bonus shares	771,461,697	77,146	(68,229)	8,917
Exercise of share options	25,988,000	2,599	1,949	4,548
Share issue expenses	–	–	(94)	(94)
At 31 March 2005, 1 April 2005 and 31 March 2006	<b>1,568,911,394</b>	<b>156,891</b>	<b>1,855</b>	<b>158,746</b>

### 購股權

本公司購股權計劃及根據該計劃發行購股權之詳情載列於財務報表附註27。

## 27. Share option scheme

The Company operates a share option scheme (the "Scheme") for the purpose of motivating and providing incentives to eligible participants who contribute to the success of the Group's operations, and to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group and any entity in which the Group holds equity interests (the "Invested Entities").

Eligible participants of the Scheme include executive directors, non-executive directors (including independent non-executive directors), and other full-time or part-time employees of the Company, the Company's subsidiaries and the Invested Entities. The Scheme became effective on 27 November 2003 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

The maximum number of shares which may be issued upon exercise of all share options to be granted under the Scheme and any other future share option schemes of the Company (excluding share options lapsed in accordance with the terms of the Scheme or any other future share option schemes of the Company) shall not exceed 10% of the total number of shares in issue on the adoption date, 27 November 2003, unless the Company seeks the approval of the shareholders of the Company in a general meeting for refreshing the 10% limit under the Scheme. Pursuant to the annual general meeting of the Company held on 30 August 2004 with the approval of the issuance of bonus shares of 771,461,697 on 14 September 2004, the number of shares issuable under the Scheme was adjusted to approximately 154,292,338 which represented 10% of the Company's shares in issue as at 14 September 2004. The maximum number of shares issuable under share options to each participant in the Scheme within any 12-month period is limited to 1% of the total number of shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting with such participant and his associates abstaining from voting.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their respective associates, are subject to approval in advance by the independent non-executive directors (excluding any independent non-executive director who is a grantee of the share options). In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their respective associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the closing price of the Company's shares at the date of the grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

## 27. 購股權計劃

本公司設立購股權計劃(「計劃」)，旨在激發及獎勵該等對本集團業務成績作出貢獻之合資格參與人士，及致使本集團能聘請及挽留能幹僱員，並吸納對本集團及本集團持有其股本權益之任何實體(「投資實體」)而言有價值之人力資源。

計劃之合資格參與人士包括本公司、本公司附屬公司及投資實體之執行董事、非執行董事(包括獨立非執行董事)及其他全職或兼職僱員。計劃於二零零三年十一月二十七日生效，除非計劃以其他方式註銷或修訂，否則自該日起計有效期為10年。

根據計劃及本公司任何將來其他購股權計劃將予授出之所有購股權獲行使時可予發行之股份最高數目(不包括根據計劃或本公司任何將來其他購股權計劃條款失效之購股權)，不得超過採納日期二零零三年十一月二十七日之已發行股份總數10%，除非本公司於股東大會徵求本公司股東批准更新計劃上限10%。根據本公司於二零零四年八月三十日舉行之股東週年大會批准於二零零四年九月十四日發行771,461,697股紅股，可發行之股份數目已根據計劃調整至約154,292,338股，佔本公司於二零零四年九月十四日已發行股份之10%。於任何12個月期間內，根據購股權可向各計劃參與人士發行之股份最高數目，以本公司於任何時間已發行股份之1%為限。進一步授出超過該上限之購股權，須待股東於股東大會批准，方為有效，惟有關參與人士及其聯繫人士須就此放棄投票。

向本公司董事、行政總裁或主要股東或彼等各自之聯繫人士授出之購股權，須事先獲獨立非執行董事(不包括同時為購股權承授人之獨立非執行董事)批准。此外，於任何12個月期間向本公司主要股東或獨立非執行董事或彼等各自之聯繫人士授出之任何購股權，倘超過本公司任何時間已發行股份0.1%或總值(按授出日期本公司股份收市價計算)超過港幣5,000,000元，則須獲股東於股東大會事先批准。



## 27. Share option scheme (continued)

The offer of a grant of share options may be accepted within 28 days from the date of the offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors, and commences after a certain vesting period and ends on a date which is not later than 10 years from the date of the grant of the share options. Options granted during the term of this Scheme and remain unexercised immediately prior to the end of the 10-year period of the Scheme shall continue to be exercisable in accordance with their terms of grant within the exercise period for which such options are granted, notwithstanding the expiry of the Scheme.

The exercise price of the share options is determinable by the directors, but may not be less than the highest of (i) the Stock Exchange closing price of the Company's shares on the date of the grant of the share options; (ii) the average Stock Exchange closing price of the Company's shares for the five trading days immediately preceding the date of the grant; and (iii) the nominal value of the Company's share.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

The following share options were outstanding under the Scheme during the year:

Name or category of participants 姓名或參與人士類別	Number of share options 購股權數目						At 31 March 2006 於二零零六年三月三十一日	Date of grant of share options (note 1) 授出購股權日期 (附註1)	Exercise period of share options 購股權行使期	Exercise price of share options (note 2) 購股權行使價 (附註2) HK\$港幣元
	At 1 April 2005 於二零零五年四月一日	Granted during the year 年內授出	Exercised during the year 年內行使	Expired during the year 年內屆滿	Forfeited during the year 年內沒收					
<b>Directors 董事</b>										
Ms. CHAN So Kuen 陳素娟女士	1,332	-	-	-	-	1,332	2 December 2003 二零零三年十二月二日	2 December 2004 to 1 December 2013 二零零四年十二月二日至 二零一三年十二月一日	0.175	
	3,333,334	-	-	-	-	3,333,334	2 December 2003 二零零三年十二月二日	2 December 2006 to 1 December 2013 二零零六年十二月二日至 二零一三年十二月一日	0.175	
	3,333,334	-	-	-	-	3,333,334	2 December 2003 二零零三年十二月二日	2 December 2008 to 1 December 2013 二零零八年十二月二日至 二零一三年十二月一日	0.175	
	6,668,000	-	-	-	-	6,668,000				

## 27. 購股權計劃 (續)

授出購股權之要約可於授出日期起計28日內在承授人支付合共港幣1元象徵式代價後接納。已授出購股權之行使期由董事局釐訂，並自若干授出期間後開始及於購股權授出日期起計10年內屆滿。於計劃期間授出及於緊接計劃10年期間屆滿前尚未行使之購股權，儘管計劃已期滿，仍可根據其授出條款於授出購股權行使期間內繼續予以行使。

購股權之行使價由董事局釐訂，惟不得低於以下之最高者：(i)於購股權授出日期本公司股份於聯交所之收市價；(ii)緊接授出日期前5個交易日本公司股份於聯交所之平均收市價；及(iii)本公司股份面值。

購股權並無賦予持有人獲派股息或於股東大會上投票之權利。

年內計劃項下尚未行使之購股權如下：

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### 27. Share option scheme (continued)

### 27. 購股權計劃 (續)

Name or category of participants 姓名或參與人士類別	Number of share options 購股權數目						Date of grant of share options (note 1) 授出購股權日期 (附註1)	Exercise period of share options 購股權行使期	Exercise price of share options (note 2) 購股權行使價 (附註2) HK\$港幣元
	At 1 April 2005 於二零零五年 四月一日	Granted during the year 年內授出	Exercised during the year 年內行使	Expired during the year 年內屆滿	Forfeited during the year 年內沒收	At 31 March 2006 於二零零六年 三月三十一日			
<b>Directors 董事</b>									
Mr. Dickie FU Shing Kwan (note 3) 傅成坤先生 (附註3)	1,332	-	-	-	-	1,332	2 December 2003 二零零三年十二月二日	2 December 2004 to 1 December 2013 二零零四年十二月二日至 二零一三年十二月一日	0.175
	3,333,334	-	-	-	-	3,333,334	2 December 2003 二零零三年十二月二日	2 December 2006 to 1 December 2013 二零零六年十二月二日至 二零一三年十二月一日	0.175
	3,333,334	-	-	-	-	3,333,334	2 December 2003 二零零三年十二月二日	2 December 2008 to 1 December 2013 二零零八年十二月二日至 二零一三年十二月一日	0.175
	<u>6,668,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,668,000</u>			
Ms. Pansy CHAU Wai Man (note 4) 周慧雯女士 (附註4)	1,332	-	-	-	-	1,332	2 December 2003 二零零三年十二月二日	2 December 2004 to 1 December 2013 二零零四年十二月二日至 二零一三年十二月一日	0.175
	3,333,334	-	-	-	-	3,333,334	2 December 2003 二零零三年十二月二日	2 December 2006 to 1 December 2013 二零零六年十二月二日至 二零一三年十二月一日	0.175
	3,333,334	-	-	-	-	3,333,334	2 December 2003 二零零三年十二月二日	2 December 2008 to 1 December 2013 二零零八年十二月二日至 二零一三年十二月一日	0.175
	<u>6,668,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,668,000</u>			

27. Share option scheme (continued)

27. 購股權計劃 (續)

Name or category of participants 姓名或參與人士類別	Number of share options 購股權數目						Date of grant of share options (note 1) 授出購股權日期 (附註1)	Exercise period of share options 購股權行使期	Exercise price of share options (note 2) 購股權行使價 (附註2) HK\$港幣元
	At 1 April 2005 於二零零五年四月一日	Granted during the year 年內授出	Exercised during the year 年內行使	Expired during the year 年內屆滿	Forfeited during the year 年內沒收	At 31 March 2006 於二零零六年三月三十一日			
<b>Directors 董事</b>									
Mr. Simon ORR Kuen Fung (note 4) 柯權峯先生 (附註4)	1,332	-	-	-	-	1,332	2 December 2003 二零零三年十二月二日	2 December 2004 to 1 December 2013 二零零四年十二月二日至 二零一三年十二月一日	0.175
	3,333,334	-	-	-	-	3,333,334	2 December 2003 二零零三年十二月二日	2 December 2006 to 1 December 2013 二零零六年十二月二日至 二零一三年十二月一日	0.175
	3,333,334	-	-	-	-	3,333,334	2 December 2003 二零零三年十二月二日	2 December 2008 to 1 December 2013 二零零八年十二月二日至 二零一三年十二月一日	0.175
	<u>6,668,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,668,000</u>			
Mr. FUNG Ping Chuen (note 5) 馮炳全先生 (附註5)	1,332	-	-	-	(1,332)	-	2 December 2003 二零零三年十二月二日	2 December 2004 to 1 December 2013 二零零四年十二月二日至 二零一三年十二月一日	0.175
	3,333,334	-	-	-	(3,333,334)	-	2 December 2003 二零零三年十二月二日	2 December 2006 to 1 December 2013 二零零六年十二月二日至 二零一三年十二月一日	0.175
	3,333,334	-	-	-	(3,333,334)	-	2 December 2003 二零零三年十二月二日	2 December 2008 to 1 December 2013 二零零八年十二月二日至 二零一三年十二月一日	0.175
	<u>6,668,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,668,000)</u>	<u>-</u>			

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### 27. Share option scheme (continued)

### 27. 購股權計劃 (續)

Name or category of participants 姓名或參與人士類別	Number of share options 購股權數目						Date of grant of share options (note 1) 授出購股權日期 (附註1)	Exercise period of share options 購股權行使期	Exercise price of share options (note 2) 購股權行使價 (附註2) HK\$港幣元
	At 1 April 2005 於二零零五年四月一日	Granted during the year 年內授出	Exercised during the year 年內行使	Expired during the year 年內屆滿	Forfeited during the year 年內沒收	At 31 March 2006 於二零零六年三月三十一日			
<b>Other employees 其他僱員</b>									
In aggregate 合共	5,332	-	-	-	-	5,332	2 December 2003 二零零三年十二月二日	2 December 2004 to 1 December 2013 二零零四年十二月二日至 二零一三年十二月一日	0.175
	9,333,334	-	-	-	-	9,333,334	2 December 2003 二零零三年十二月二日	2 December 2006 to 1 December 2013 二零零六年十二月二日至 二零一三年十二月一日	0.175
	9,333,334	-	-	-	-	9,333,334	2 December 2003 二零零三年十二月二日	2 December 2008 to 1 December 2013 二零零八年十二月二日至 二零一三年十二月一日	0.175
	18,672,000	-	-	-	-	18,672,000			
	52,012,000	-	-	-	(6,668,000)	45,344,000			

#### Notes:

- The vesting period of the share options is from the date of the grant until the commencement of the exercise period.
- The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital, and was adjusted for the issue of bonus shares on 14 September 2004 from HK\$0.35 to HK\$0.175 each.
- Mr. Dickie FU Shing Kwan resigned as a director of the Company on 26 June 2006. All unexercised share options held by him will lapse on 26 September 2006 in accordance with the Scheme.
- Ms. Pansy CHAU Wai Man and Mr. Simon ORR Kuen Fung resigned as executive directors on 12 January 2006 but remain as senior management of the Group.

#### 附註：

- 購股權歸屬期間為自授出日期起計直至行使期間開始為止。
- 購股權之行使價可根據供股或發行紅股、或本公司股本之其他類似變動而予以調整，並已於二零零四年九月十四日就發行紅股由每股港幣0.35元調整至港幣0.175元。
- 傅成坤先生已於二零零六年六月二十六日辭任本公司董事，而其所持有之所有未行使購股權將根據該計劃於二零零六年九月二十六日失效。
- 周慧雯女士及柯權峯先生已於二零零六年一月十二日辭任執行董事，惟繼續留任本集團高級管理層。

## 27. Share option scheme (continued)

Notes: (continued)

5. Mr. FUNG Ping Chuen resigned as a director of the Company on 1 June 2005. All unexercised share options held by him lapsed on 1 September 2005 in accordance with the Scheme.

The fair value of equity-settled share options granted on 2 December 2003 was estimated as at the date of grant using a Black-Scholes model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used:

Dividend yield (%)	4.23
Expected volatility (%)	55.96
Historical volatility (%)	55.96
Risk-free interest rate (%)	4.60
Expected life of option (year)	10.00
Weighted average share price (HK\$)	0.173

The expected life of the options is based on the historical data over the past three years and is not necessarily indicative of the exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

No other feature of the options granted was incorporated into the measurement of fair value.

At the balance sheet date, the Company had 45,344,000 share options outstanding under the Scheme, which represented approximately 2.9% of the Company's shares in issue as at that date. The exercise in full of the remaining share options would, under the present capital structure of the Company, result in the issue of 45,344,000 additional ordinary shares of the Company and additional share capital of approximately HK\$4,534,000 and share premium of approximately HK\$3,401,000 (before issue expenses).

At the date of approval of these financial statements, the Company had 45,344,000 share options outstanding under the Scheme, which represented approximately 2.9% of the Company's shares in issue as at that date.

## 27. 購股權計劃 (續)

附註：(續)

5. 馮炳全先生已於二零零五年六月一日辭任本公司董事，而其所持有之所有未行使購股權將根據該計劃於二零零五年九月一日失效。

於二零零三年十二月二日所授出之權益結算購股權之公平值乃於授出日期估計，並利用柏力克-舒爾斯模式，經考慮所授出購股權之條款及條件後而計算。下表載列使用所模式之輸入數據：

股息率(%)	4.23
預期波幅(%)	55.96
歷史波幅(%)	55.96
無風險利率(%)	4.60
預期認購權之期限(年)	10.00
加權平均股價(港幣元)	0.173

預期認購權之期限根據以往三年之歷史數據而定，且並不代表可能發生之行使模式。預期波幅反映一項假設，即歷史波幅顯示未來走勢，但未必能反映實際結果。

在計算所授出之購股權之公平價值中並沒有計入其他特色。

於結算日，本公司計劃項下之尚未行使之購股權有45,344,000份，相當於該日本公司已發行股份約2.9%。按本公司現有股本結構悉數行使購股權，將導致本公司發行約45,344,000股額外普通股股份，而股本及股份溢價將分別增加約港幣4,534,000元及約港幣3,401,000元(未扣除發行開支)。

於批准財務報表日，本公司根據其該計劃授出而尚未行使之購股權共有45,344,000股，佔本公司於當日已發行之股份約2.9%。

## Notes to financial statements 財務報表附註

31 March 2006 二零零六年三月三十一日

### 28. Reserves

#### (a) Group

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on pages 54 to 56 of the financial statements.

As further detailed in note 2.2 to the financial statements, the Group applied the transitional provisions of HKFRS 3 that permitted goodwill in respect of the business combinations which occurred prior to 1 April 2001, to remain eliminated against the consolidated reserves.

The amounts of goodwill and negative goodwill arising from the acquisition of subsidiaries prior to the adoption of SSAP 30 in 2001, remaining in the consolidated reserves as at 1 April 2005, are as follows:

	Group 集團		
	Goodwill eliminated against capital reserve and retained profits 與資本儲備及保留溢利對銷之商譽	Negative goodwill included in capital reserve 計入資本儲備內之負商譽	
in HK\$ thousand			港幣千元
<b>31 March 2006</b>			<b>二零零六年三月三十一日</b>
At 1 April 2005			於二零零五年四月一日
Cost as previously reported	(28,174)	2,069	過往呈報之成本
Effect of adopting HKFRS 3 (note 2.4)	–	(2,069)	採納香港財務匯報準則第3號之影響 (附註2.4)
	(28,174)	–	
Accumulated impairment as previously reported	2,205	–	過往呈報之累積減值
Net carrying amount at 1 April 2005 and 31 March 2006	(25,969)	–	二零零五年四月一日及於二零零六年三月三十一日之賬面淨值
<b>31 March 2005</b>			<b>二零零五年三月三十一日</b>
Cost at 1 April 2004 and at 31 March 2005	(28,174)	2,069	於二零零四年四月一日及於二零零五年三月三十一日之成本
Accumulated impairment			累積減值
At 1 April 2004 and at 31 March 2005	2,205	–	於二零零四年四月一日及於二零零五年三月三十一日
Net amount at 1 April 2004 and 31 March 2005	(25,969)	2,069	於二零零四年四月一日及二零零五年三月三十一日之淨額

### 28. 儲備

#### (a) 集團

本年度及前年度本集團儲備及其中變動之數額呈列於財務報表第54及56頁之綜合權益變動報表內。

如財務報表註附2.2所詳述，本集團引用香港財務匯報準則第3號之過渡性條文，其中容許在二零零一年四月一日前進行業務合併產生之商譽，在綜合儲備中撇銷。

於二零零一年採納會計實務準則第30號前因收購附屬公司而產生，且於二零零五年四月一日仍存於綜合儲備內之商譽及負商譽金額如下：

**28. Reserves (continued)**  
**(b) Company**

in HK\$ thousand	Notes 附註	Share premium account 股份溢價賬	Contributed surplus 繳入盈餘	Share option reserve 購股權儲備	Retained profits 保留溢利	Total 總值
Balance at 1 April 2004						
As previously reported		68,229	166,533	–	956	235,718
Prior year adjustment	2.4(b)	–	–	324	–	324
As restated		68,229	166,533	324	956	236,042
Issue of bonus shares	26	(68,229)	(8,917)	–	–	(77,146)
Exercise of share options	26	1,949	–	–	–	1,949
Share issue expenses		(94)	–	–	–	(94)
Profit for the year		–	–	–	96,648	96,648
Equity-settled share option arrangements	27	–	–	985	–	985
Interim 2005 dividend		–	–	–	(28,240)	(28,240)
Proposed final 2005 dividend		–	–	–	(61,188)	(61,188)
At 31 March 2005		1,855	157,616	1,309	8,176	168,956
Balance at 1 April 2005						
As previously reported		1,855	157,616	–	8,176	167,647
Prior year adjustment	2.4(b)	–	–	1,309	–	1,309
As restated		1,855	157,616	1,309	8,176	168,956
Profit for the year		–	–	–	54,729	54,729
Equity-settled share option arrangements	27	–	–	691	–	691
Interim 2006 dividend		–	–	–	(28,240)	(28,240)
Proposed final 2006 dividend		–	–	–	(28,240)	(28,240)
At 31 March 2006		1,855	157,616	2,000	6,425	167,896

The contributed surplus of the Company represents the difference between the nominal value of the Company's shares issued in exchange for the issued share capital of the subsidiaries and the aggregate net asset value of the subsidiaries acquired at the date of acquisition, at the time of the Group reorganisation prior to the listing of the Company's shares in 1993. Under the Companies Act 1981 of Bermuda, the Company may make distributions to its shareholders out of the contributed surplus.

**28. 儲備 (續)**  
**(b) 公司**

港幣千元

於二零零四年四月一日結餘  
過往呈報  
去年調整

重新列賬  
發行紅股  
行使購股權  
發行股份開支  
年內溢利  
權益結算購股權  
安排  
二零零五年中期股息  
擬派二零零五年末期股息

於二零零五年三月三十一日

於二零零五年四月一日結餘  
過往呈報  
去年調整

重新列賬  
年內溢利  
權益結算購股權  
安排  
二零零六年中期股息  
擬派二零零六年末期股息

於二零零六年三月三十一日

本公司之繳入盈餘乃於一九九三年本公司股份上市前作出集團重組時，本公司為交換附屬公司已發行股本而發行之股份面值，與被收購之附屬公司於收購日的資產淨值總和之差額。根據百慕達一九八一年《公司法》，本公司可將繳入盈餘分派予其股東。

**29. Operating lease arrangements****(a) As lessor**

The Group sub-leases certain of its retail properties under operating lease arrangements, with leases negotiated for terms ranging from one to five years. The terms of the leases also require the tenants to pay security deposits.

At 31 March 2006, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

in HK\$ thousand	Group 集團	
	2006	2005
Within one year	<b>2,044</b>	1,758
In the second to fifth years, inclusive	<b>1,392</b>	2,573
	<b>3,436</b>	4,331

**(b) As lessee**

The Group leases certain of its offices, retail outlets and warehouse properties under operating lease arrangements. Leases for properties are negotiated for terms ranging from one to ten years.

At 31 March 2006, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

in HK\$ thousand	Group 集團	
	2006	2005
Within one year	<b>187,444</b>	230,311
In the second to fifth years, inclusive	<b>175,055</b>	245,606
After five years	<b>3,799</b>	5,256
	<b>366,298</b>	481,173

The operating lease rentals of certain retail outlets are based on the sales of those outlets. In the opinion of the directors, as the future sales of those retail outlets could not be accurately estimated, the relevant rental commitments have not been included above.

At the balance sheet date, the Company did not have any future minimum lease payments under non-cancellable operating leases.

**29. 經營租賃之安排****(a) 作為出租人**

本集團在經營租賃之安排下，分租其若干零售物業，議定之租期為一至五年不等。該租約之條款亦規定租客須繳付保證按金。

於二零零六年三月三十一日，本集團在與租戶簽訂之不可撤銷之經營租賃，日後最低租賃應收款項總額於到期日如下：

in HK\$ thousand	Group 集團
Within one year	1,758
In the second to fifth years, inclusive	2,573
	4,331

**(b) 作為承租人**

本集團在經營租賃之安排下，租用若干辦公室、零售店舖及貨倉物業。該等物業議定之租期由一年至十年不等。

於二零零六年三月三十一日，本集團在不可撤銷之經營租賃下，日後最低租賃付款總額於到期日如下：

in HK\$ thousand	Group 集團
Within one year	230,311
In the second to fifth years, inclusive	245,606
After five years	5,256
	481,173

若干零售店舖之經營租賃租金按該等店舖之銷售額計算。董事認為，由於難以準確估計該等零售店舖日後之銷售額，故以上並無包括有關租金承擔。

於結算日，本公司在不可撤銷經營租賃下，並無任何日後最低租賃付款。



### 30. Commitments

In addition to the operating lease commitments detailed in note 29(b) above, the Group had the following commitments at the balance sheet date:

#### Capital commitments

in HK\$ thousand	Group 集團	
	2006	2005
Contracted, but not provided for		
Leasehold improvements	1,011	704
Furnitures, fixture and office equipment	321	1,349
Computer software	4,738	–
	<u>6,070</u>	<u>2,053</u>

At the balance sheet date, the Company did not have any significant commitments.

### 31. Contingent liabilities

#### (a) Bank guarantees

in HK\$ thousand	Group 集團		港幣千元
	2006	2005	
Bank guarantees given in lieu of utility and property rental deposits	<u>1,510</u>	<u>493</u>	代替水電及租用物業按金之銀行擔保

The Company has given guarantees in favour of banks to the extent of HK\$455,000,000 (2005: HK\$384,000,000) in respect of banking facilities granted to certain subsidiaries. These facilities were utilised to the extent of HK\$23,873,000 as at 31 March 2006 (2005: HK\$40,880,000).

#### (b) Tax exposure in relation to certain co-operative arrangements in Taiwan

In October 2004, a Taiwan branch of one of the Company's subsidiaries (the "Taiwan Branch") received a notice of claim from the Taipei National Tax Administration, Ministry of Finance (the "TNTA"), relating to the underpayment of business tax on sales made through certain retail stores which operated under co-operative arrangements with third parties during the period from January 2001 to May 2003, together with penalties of approximately NTD27.9 million in aggregate (equivalent to approximately HK\$6.9 million).

### 30. 承擔

除於上文附註29(b)詳述之經營租賃承擔外，本集團於結算日之承擔如下：

#### 資本承擔

港幣千元
已訂約但未撥備 租賃物業裝修 傢俬、裝置及辦公室設備 電腦軟件

於結算日，本公司並無任何重大承擔。

### 31. 或然負債

#### (a) 銀行擔保

本公司就若干附屬公司所獲批之銀行信貸而向銀行作出港幣455,000,000元(二零零五年：港幣384,000,000元)之擔保。於二零零六年三月三十一日已動用之信貸額為港幣23,873,000元(二零零五年：港幣40,880,000元)。

#### (b) 有關於台灣若干合作協議之稅項

於二零零四年十月，本集團其中一家附屬公司之台灣分公司(「台灣分公司」)接獲財政部台北市國稅局(「台北市國稅局」)發出之索償通知書，內容有關於二零零一年一月至二零零三年五月期間與第三方透過訂立合作安排經營之若干零售店舖少付銷售營業稅，連同罰款合共約27,900,000元新台幣(相等於約港幣6,900,000元)。

### 31. Contingent liabilities (continued)

#### (b) Tax exposure in relation to certain co-operative arrangements in Taiwan (continued)

TNTA have declined the objection from the Taiwan Branch in relation to the above claims in July 2005, and the Taiwan Branch filed an appeal to the administrative court in January 2006 in respect of the above claims. If the Taiwan Branch is unsuccessful in the appeal of the above claims from TNTA, tax losses of NTD223 million (equivalent to approximately HK\$55 million) arising from the Taiwan Branch as at 31 March 2003 may be disallowed and will not be available to offset against taxable profits of the Taiwan Branch for the years ended 31 March 2004 and 31 March 2005. Accordingly, the Taiwan Branch may be subject to a profits tax charge of NTD33 million (equivalent to approximately HK\$8.2 million) from the TNTA for the years ended 31 March 2004 and 31 March 2005. As requested by TNTA, the Taiwan Branch pledged a cash deposit of NTD3,292,000 (equivalent to approximately HK\$787,000) to TNTA as at 31 March 2006 (note 20).

The directors, based on the advice from the local tax representative of the Taiwan Branch, believe that the branch has a valid ground to object the claims made by the TNTA, and accordingly, have not made any provision for the tax claim or any potential additional profits tax liabilities as at 31 March 2006.

### 32. Litigation

- (a) A High Court action (the "WDC Action"), which commenced on 10 June 1998, was brought against J & R Bossini Trading Limited ("Bossini Trading"), a subsidiary of the Company, by Weiland Development Company Limited ("WDC"), for breach of a lease (the "Lease") relating to a property used by Bossini Trading as a warehouse for a minimum amount of approximately HK\$7,248,000. Bossini Trading is defending against the WDC Action and has counter-claimed against WDC for a declaration that the Lease was lawfully terminated. As at the date of this report, the directors believe that it is not practicable to estimate the possible extent of the liability of Bossini Trading, if any, in respect of this action. However, the directors are of the opinion that the WDC claim is unlikely to succeed based on the merits of the case and therefore, the directors consider that no material liability is likely to result therefrom.

### 31. 或然負債 (續)

#### (b) 有關於台灣若干合作協議之稅項 (續)

台北市國稅局已於二零零五年七月拒絕台灣分公司反對上述索償，而台灣分公司已於二零零六年一月就上述索償入稟行政法院提出上訴。倘台灣分公司未能成功向台北市國稅局反對上述索償，台灣分公司於二零零三年三月三十一日所產生之稅務虧損223,000,000元新台幣(相等於約港幣55,000,000元)可能不可以用作抵銷台灣分公司截至二零零四年三月三十一日及二零零五年三月三十一日止年度各年之應課稅溢利。因此，台灣分公司可能須向台北市國稅局繳付截至二零零四年三月三十一日及二零零五年三月三十一日止年度之利得稅33,000,000元新台幣(相等於約港幣8,200,000元)。因應台北市國稅局之要求，台灣分公司已於二零零六年三月三十一日將現金存款3,292,000元新台幣(相等於約港幣787,000元)抵押予台北市國稅局(附註20)。

董事根據台灣分公司之地方稅務代表所提供之意見，相信台灣分公司有足夠有效的理據反對台北市國稅局之索償，因此，於二零零六年三月三十一日，並無就稅務索償或任何潛在額外利得稅負債提供撥備。

### 32. 訴訟

- (a) Weiland Development Company Limited ("WDC") 於一九九八年六月十日，就本公司之附屬公司堡獅龍貿易有限公司("堡獅龍貿易")違反租用作貨倉之物業租約(該「租約」)，向堡獅龍貿易提出一項高院民事訴訟("WDC 訴訟")，索償最低款額約港幣7,248,000元。堡獅龍貿易現正就WDC訴訟作出抗辯及向WDC提出反訴訟，要求法院頒令指該租約已合法終止。於本報告日期，董事相信要估計堡獅龍貿易可能須就此訴訟承擔之法律責任(如有)並不可行。然而，就該訴訟所作之依據，董事認為WDC之勝訴機會不大，故堡獅龍貿易不會因而須承擔重大責任。

### 32. Litigation (continued)

- (b) Two High Court actions (the “Actions”), which both commenced on 24 July 1998, were brought against Bossini Trading by Sano Screen Manufacturing Limited and Tri-Star Fabric Printing Works Limited (collectively called the “Plaintiffs”), for breach of leases relating to properties used by Bossini Trading as warehouses. Judgements in respect of the Actions were awarded in favour of the Plaintiffs against Bossini Trading on 16 June 2000 for an amount not exceeding HK\$2,467,000, together with interest thereon from the date of the said judgements to the date of payment at the judgement rate, and the costs of the Actions. As at the date of this report, no payment has been made by Bossini Trading.

A winding-up order was made against Bossini Trading on 28 January 2002. So far as the directors are aware, with a winding-up order having been made against Bossini Trading, WDC would require leave of the courts to continue the WDC Action and such leave has not been obtained.

With respect to the Actions, the Plaintiffs would likely be ranked as unsecured creditors in the event of any distribution of assets upon the winding-up of Bossini Trading.

As Bossini Trading has minimal assets and neither the Company nor any of its subsidiaries has provided any guarantees or sureties in respect of the liabilities of Bossini Trading, the directors consider that there would be no significant adverse impact on the financial position of the Group as a result of any action taken by the Plaintiffs to enforce the judgements against Bossini Trading or any unfavourable judgement being made against Bossini Trading upon leave of the courts being granted to WDC to continue the WDC Action.

### 32. 訴訟 (續)

- (b) Sano Screen Manufacturing Limited及Tri-Star Fabric Printing Works Limited (統稱「原訴人」)於一九九八年七月二十四日就堡獅龍貿易違反租用貨倉之物業租約，向堡獅龍貿易提出兩項高院民事訴訟(該等「訴訟」)。法院於二零零零年六月十六日就該等訴訟判決裁定原訴人勝訴，堡獅龍貿易須賠償為數不超過港幣2,467,000元之款項(連同由裁決日起至支付該筆款項之日止期間按裁決利率計算之利息)及堂費。於本報告日期，堡獅龍貿易尚未繳付該等款項。

法院於二零零二年一月二十八日向堡獅龍貿易頒發清盤令。就董事所知，由於堡獅龍貿易已遭法院頒令清盤，WDC須取得法院准許方可繼續WDC訴訟，而至今WDC仍未獲發該等准許。

就該等訴訟而言，倘堡獅龍貿易遭清盤而進行任何資產分配，原訴人將被列入無抵押債權人類別。

由於堡獅龍貿易只有少量資產，而本公司及其任何附屬公司概無就堡獅龍貿易之債務提供任何擔保或保證，故董事認為倘原訴人向堡獅龍貿易採取任何法律行動執行裁決，或WDC獲法院准許繼續WDC訴訟而法院作出任何對堡獅龍貿易不利之裁決，亦不會對本集團之財務狀況構成重大不利影響。

## Notes to financial statements 財務報表附註

31 March 2006 二零零六年三月三十一日

### 33. Related party transactions

- (a) In addition to the transactions and balances detailed elsewhere in the financial statement, the Group had the following material transactions with related parties during the year:

in HK\$ thousand	Notes 附註	Group 集團	
		2006	2005
Rental paid for warehouse premises	(i)	<b>1,152</b>	1,074
Rental paid for office premises	(ii)	<b>5,559</b>	4,640
Purchases of garments	(iii)	<b>256,321</b>	232,340

Notes:

- (i) The rental was paid to Laws International Group Limited ("Laws International") for the period from 1 April 2005 to 31 August 2005, and to Bright City International Limited ("Bright City") for the period from 1 September 2005 to 31 March 2006, as Laws International had transferred its ownership of the warehouse to Bright City on 18 August 2005. Certain directors of Laws International and Bright City, who have beneficial equity interests therein, are relatives of Mr. LAW Ka Sing, a director of the Company and Mr. Simon ORR Kuen Fung, a former director of the Company. The rental was determined by reference to open market rents at the inception of the tenancy agreement. As the rental is settled monthly, the Group had no outstanding rental payable to Laws International and Bright City as at 31 March 2006 (2005: Nil).
- (ii) The rental was paid to Bright City and was determined by reference to open market rents at the inception of the tenancy agreement. As the rental is settled monthly, the Group had no outstanding rental payable to Bright City as at 31 March 2006 (2005: Nil).
- (iii) During the year, garments totaling HK\$256,321,000 (2005: HK\$232,340,000) were purchased from certain wholly-owned subsidiaries of Laws International. The purchases were determined by reference to the prevailing market prices. The balance owing to these suppliers as at 31 March 2006 was HK\$23,573,000 (2005: HK\$7,398,000).

The above related party transactions also constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules.

### 33. 關連人士交易

- (a) 除財務報表所詳述之交易及結餘外，本集團於年內與關連人士進行之重大交易如下：

in HK\$ thousand	Notes 附註	Group 集團		港幣千元
		2006	2005	
Rental paid for warehouse premises	(i)	<b>1,152</b>	1,074	貨倉租金
Rental paid for office premises	(ii)	<b>5,559</b>	4,640	辦公室租金
Purchases of garments	(iii)	<b>256,321</b>	232,340	購買成衣

附註：

- (i) 於二零零五年四月一日至二零零五年八月三十一日止期間，租金乃繳付予羅氏國際集團有限公司(「羅氏國際」)。由於羅氏國際已於二零零五年八月十八日將貨倉之擁有權轉讓予澤城國際有限公司(「澤城」)，因此於二零零五年九月一日至二零零六年三月三十一日止期間，租金乃繳付予澤城。羅氏國際及澤城之若干擁有實益股本權益之董事乃本公司董事羅家聖先生及本公司前任董事柯權峯先生之親屬。租金乃參照租約生效時之公開市值租金而釐定。由於租金乃每月支付，本集團於二零零六年三月三十一日(二零零五年：無)並無應付羅氏國際及澤城之未支付租金。
- (ii) 支付予澤城之租金乃參照租約生效時之公開市值租金而釐定。由於租金乃每月支付，本集團於二零零六年三月三十一日(二零零五年：無)並無應付澤城之未支付租金。
- (iii) 年內，本公司分別向若干羅氏國際全資附屬公司購買港幣256,321,000元(二零零五年：港幣232,340,000元)之成衣。採購乃參照當時之市價釐訂。於二零零六年三月三十一日尚欠該等供應商之餘額為港幣23,573,000元(二零零五年：港幣7,398,000元)。

上述關連人士交易亦構成上市規則第14A章所界定之持續關連交易。

### 33. Related party transactions (continued)

(b) Outstanding balance with related parties:  
Details of the Group's trade balances with related companies as at the balance sheet date are included in note 22 to the financial statements.

(c) Compensation of key management personnel of the Group:

in HK\$ thousand	2006	2005
Short term employee benefits	<b>15,795</b>	14,052
Post-employment benefits	<b>189</b>	213
Share-based payments	<b>691</b>	985
Total compensation paid to key management personnel	<b>16,675</b>	15,250

Further details of directors' emoluments are included in note 7 to the financial statements.

### 33. 關連人士交易 (續)

(b) 與關連人士之未償還款項結餘：  
於結算日，本集團與關連公司之貿易結餘詳情載於財務報表附註22。

(c) 本集團主要管理人員之補償：

港幣千元
短期僱員福利
離職後福利
以股份支付之款項
支付予主要管理人員之補償總額

董事酬金之進一步詳情已載於財務報表附註7。

### 34. Financial risk management objectives and policies

The Group's principal financial instruments, other than derivatives, comprise cash and time deposits, bills payable and interest bearing bank loans. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as debtors, deposits paid, and trade creditors, which arise directly from its operations.

The Group also enters into derivative transactions, including principally forward currency contracts. The purpose is to manage the currency risks arising from the Group's operations and its sources of finance.

The main risks arising from the Group's financial instruments are cash flow interest rate risk, foreign currency risk, credit risk and liquidity risk. The board reviews and agrees policies for managing each of these risks and they are summarised below. The Group's accounting policies in relation to derivatives are set out in note 2.5 to the financial statements.

#### *Cash flow interest rate risk*

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's interest-bearing loans with floating interest rates.

The Group's policy is to manage its interest cost by reducing its bank borrowings. The Group fully repaid its interest-bearing loans during the year.

#### *Foreign currency risk*

The Group has transactional currency exposures. Such exposures arise from the sale and the investments in foreign operations in currencies other than United States dollar and Hong Kong dollar. Approximately 48% (2005: 48%) of the Group's sales are denominated in currencies other than United States dollar and Hong Kong dollar. It is the Group's policy to enter into forward currency contracts to mitigate foreign exchange risk arising from material transactions denominated in currencies other than United States dollar and Hong Kong dollar.

At 31 March 2006, the Group had forward currency contracts with an aggregate nominal amount of HK\$185 million to manage its foreign currency risk in Singapore dollar and New Taiwan dollar.

### 34. 財務風險管理目標及政策

本集團之主要金融工具(衍生產品除外)包括現金及定期存款、應付票據及計息銀行貸款。該等金融工具之主要目的為籌集資金作本集團經營所需。本集團有不同金融資產及負債，例如應收賬款、已付按金及應付賬款，均直接來自其經營業務。

本集團亦訂立多項衍生交易，主要包括遠期貨幣合同，其目的為管理從本集團業務所產生之貨幣風險及融資來源。

本集團金融工具之主要風險為現金流量利率風險、外幣風險、信貸風險及流動資金風險。董事局檢討及協定管理有關風險之政策，並概述如下。本集團有關衍生產品之會計政策載於財務報表附註2.5。

#### *現金流量利率風險*

本集團承受市場利率波動之風險主要關於本集團之浮動利率計息貸款。

本集團之政策乃透過減少銀行借貸以管理其利息成本。本集團已於年內悉數償還其計息貸款。

#### *外幣風險*

本集團有交易貨幣風險。有關風險來自以美元及港幣以外貨幣進行之銷售及投資。本集團約48%(二零零五年：48%)之銷售乃以美元及港幣以外之貨幣計值。本集團之政策為訂立遠期貨幣合同以減低以美元及港幣以外貨幣計值之重大交易所產生之外匯風險。

於二零零六年三月三十一日，本集團擁有面值合共港幣185,000,000元之遠期貨幣合同以管理其新加坡元及新台幣之外幣風險。

### 34. Financial risk management objectives and policies (continued)

#### *Credit risk*

The Group trades primarily in cash and major credit cards, and it is the Group's policy to trade on credit terms with recognised and creditworthy third parties only. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

The Group places cash and cash equivalents with reputable banks to minimise the credit risk thereof.

The credit risk of the Group's other financial assets, arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

#### *Liquidity risk*

The Group's objective is to maintain a balance between continuity of funding and flexibility by keeping adequate credit facilities from banks. The Group has credit facilities from banks of HK\$455 million and only HK\$24 million was utilised as at 31 March 2006.

### 34. 財務風險管理目標及政策 (續)

#### *信貸風險*

本集團之貿易主要以現金及信用卡支付。本集團之政策為僅與認可及信譽良好之第三方進行交易。此外，本集團會不斷監察應收賬款結餘，而本集團所承受之壞賬風險極微。

本集團將現金及現金等值項目存放於聲譽良好之銀行，以將信貸風險減至最低。

本集團其他金融資產之信貸風險來自對手方之失責，而最大之風險相等於該等工具之賬面值。

#### *流動資金風險*

本集團之目標為在集資之持續性與透過銀行保持充裕信貸額之靈活度兩者取得平衡。於二零零六年三月三十一日，本集團取得之銀行信貸額為港幣455,000,000元，當中僅港幣24,000,000元獲動用。

## Notes to financial statements 財務報表附註

31 March 2006 二零零六年三月三十一日

### 35. Comparative amounts

As further explained in notes 2.2 and 2.4 to the financial statements, due to the adoption of new HKFRSs during the current year, the accounting treatment and presentation of certain items and balances in the financial statements have been revised to comply with the new requirements. Accordingly, certain prior year and opening balance adjustments have been made and certain comparative amounts have been reclassified and restated to conform with the current year's presentation and accounting treatment.

### 36. Approval of the financial statements

The financial statements were approved and authorised for issue by the board of directors on 18 July 2006.

### 35. 比較數字

如財務報表附註2.2及2.4所詳述，由於本年度已採納新香港財務匯報準則，財務報表中若干項目及結餘之會計處理及呈報方式經已作出修訂，以符合新規定。因此，本集團已作出若干去年及年初結餘調整，並將若干比較金額重新分類及重新列賬，以符合本年度之呈報及會計處理方式。

### 36. 財務報表之批准

董事局已於二零零六年七月十八日批准及授權發佈本財務報表。