

一、公司資料

本公司乃一間於香港成立並以香港為註冊地之有限公司，註冊辦事處地址為香港九龍紅磡鶴園街十一號凱旋工商中心第三期一樓M及N座。本公司股份在香港聯合交易所有限公司上市。

本公司及其附屬公司(「本集團」)主要從事以下業務：

- 設計、製造、推廣及買賣首飾及鑽石
- 物業投資及發展
- 投資及其他

載列於第五十頁至第一百四十六頁之財務報告乃根據香港會計師公會(「香港會計師公會」)所頒佈之香港財務報告準則(「香港財務報告準則」)及香港公司條例條文編製。財務報告包括香港聯合交易所有限公司證券上市規則(「上市規則」)之適用披露條文。

截至二零零六年六月三十日止年度之財務報告經由董事會於二零零六年十月二十日批核。

1. GENERAL INFORMATION

The Company is a limited company incorporated and domiciled in Hong Kong. The address of its registered office is Flats M & N, 1st Floor, Kaiser Estate, Phase III, 11 Hok Yuen Street, Hunghom, Kowloon, Hong Kong. The Company's shares are listed on The Stock Exchange of Hong Kong Limited.

The Company and its subsidiaries (the "Group") are principally engaged in the following activities :

- Design, manufacturing, marketing and trading of fine jewellery and diamonds
- Property investment and development
- Investment and others

The financial statements on pages 50 to 146 have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS") as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the requirements of the Hong Kong Companies Ordinance. The financial statements include the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

The financial statements for the year ended 30 June 2006 were approved by the board of directors on 20 October 2006.



Notes to Financial Statements ■ 財務報告附註

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二、採納新訂或經修訂香港財務報告準則

香港會計師公會已頒佈若干新訂或經修訂自二零零五年一月一日或其後之會計期間內生效之香港財務報告準則及詮釋，截至二零零五年六月三十日止年度，經香港財務報告準則允許下，本集團已提早採納下列新訂或經修訂準則：

香港會計準則第40號	投資物業
香港國際會計準則委員會之詮釋第21號	入息稅－收回重估價值之非折舊資產

由二零零五年七月一日起，本集團已採納其餘自二零零五年一月一日或其後之會計期間內生效之香港財務報告準則之新訂或經修訂準則及詮釋，彼等均與其業務相關。這包括以下新訂、經修訂及重新命名之準則：

香港會計準則第1號	財務報告之呈列
香港會計準則第2號	存貨
香港會計準則第7號	現金流動表
香港會計準則第8號	會計政策、會計估計之變更及錯誤
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	分部報告
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	收益

2. ADOPTION OF NEW OR REVISED HKFRS

The HKICPA has issued a number of new or revised standards and interpretations of HKFRSs which are effective for accounting periods beginning on or after 1 January 2005. During the year ended 30 June 2005, as permitted by the HKFRSs, the Group had early adopted the following new or revised standards:

HKAS 40	Investment Properties
HK(SIC)-Int 21	Income Taxes – Recovery of Revalued Non-Depreciable Assets

From 1 July 2005, the Group has adopted the remaining new or revised standards and interpretations of HKFRSs, which are effective for the accounting periods beginning on or after 1 January 2005 and are relevant to its operations. These include the following new, revised and renamed standards:

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

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二、採納新訂或經修訂香港財務報告準則 (續)

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	關連人士披露
香港會計準則第27號	綜合及獨立財務報告
香港會計準則第28號	於聯營公司之投資
香港會計準則第31號	於合營企業之權益
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39號	金融工具：確認及計算
香港會計準則第39號 (修訂本)	金融資產與金融負債之過渡性及初始確認
香港財務報告準則第3號	業務合併
香港國際會計準則委員會之詮釋第15號	經營租賃—獎勵

本公司已追溯性地應用所有準則，但如有特殊過渡性條文規定以不同方式處理者則除外，因此二零零五年之財務報告及彼等之呈列方式已根據香港會計準則第8號而予以修訂。基於會計政策變動，故二零零五年比較數字，與截至二零零五年六月三十日止年度之財務報告所載者不同。

2. ADOPTION OF NEW OR REVISED HKFRS (continued)

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 28	Investments in Associates
HKAS 31	Interests in Joint Ventures
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 39	Financial Instruments : Recognition and Measurement
HKAS 39 (Amendment)	Transitional and Initial Recognition of Financial Assets and Financial Liabilities
HKFRS 3	Business Combinations
HK(SIC) Int-15	Operating Leases – Incentives

All the standards have been applied retrospectively except where specific transitional provisions require a different treatment and accordingly the 2005 financial statements and their presentation have been amended in accordance with HKAS 8. Due to the change in accounting policies, the 2005 comparatives contained in these financial statements differ from those published in the financial statements for the year ended 30 June 2005.



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二、採納新訂或經修訂香港財務報告準則 (續)

因首次應用以上所列有關賬目呈報、確認及計量之準則而對當前、先前或未來期間構成重大之影響，均載於以下附註：

2.1 採納香港會計準則第1號

應用香港會計準則第1號導致財務報告之呈列出現變動。少數股東權益目前於股本及儲備內獨立呈列。少數股東權益所佔之盈虧與本公司權益持有人所佔之盈虧現以本年度溢利分配之形式呈列。此外，於過往年間，本集團分佔聯營公司及共同控制實體之應佔稅項，乃於綜合收益表內列作本集團之稅項支出之組成部份。於採納香港會計準則第1號後，本集團分佔聯營公司及共同控制實體之收購後業績，乃於扣除本集團分佔聯營公司及共同控制實體之應佔稅項後呈列。

2.2 採納香港會計準則第17號

於過往年度，租賃土地及樓宇被列為物業、廠房及設備，並以成本減累計折舊及累計減值虧損列賬。

2. ADOPTION OF NEW OR REVISED HKFRS (continued)

Significant effects on current, prior or future periods arising from the first-time application of the standards listed above in respect to presentation, recognition and measurement of accounts are described in the following notes:

2.1 Adoption of HKAS 1

The application of HKAS 1 has resulted in a change in the presentation of the financial statements. Minority interests are now presented as a separate line within capital and reserves. Profit and loss attributable to minority interests and that attributable to the equity holders of the Company are now presented as an allocation of the profit for the year. In addition, in previous years, the Group's share of tax attributable to associates and jointly-controlled entities was included as a component of the Group's taxation charge in the consolidated income statement. Upon the adoption of HKAS 1, the Group's share of the post-acquisition results of associates and jointly-controlled entities is presented net of the Group's share of tax attributable to associates and jointly-controlled entities.

2.2 Adoption of HKAS 17

In previous years, leasehold land and buildings were included in property, plant and equipment and carried at cost less accumulated depreciation and accumulated impairment losses.

二、採納新訂或經修訂香港財務報告準則 (續)

2.2 採納香港會計準則第17號 (續)

採納香港會計準則第17號，就租賃分類而言，土地及樓宇將分開處理，惟租賃款項未能於土地或樓宇部份之間作可靠分配則除外，在此情況下，整項租賃一般被列為融資租賃。倘土地及樓宇之租賃款項可以可靠地分配，則於土地之租賃權利被重新分類為經營租賃之預付土地租賃款項，以成本列賬，其後將按租賃期以直線法於收益表列為開支。此會計政策變動已作追溯應用。

2.3 採納香港會計準則第36號、香港會計準則第38號及香港財務報告準則第3號

該等準則規定對會計政策作出預期之改動。

就先前於儲備中撇銷或計入之商譽而言，香港財務報告準則第3號規定，當實體出售與商譽相關之全部或部分業務，或當與商譽有關之現金產生單位已減值，則實體毋須於損益賬內確認商譽。此外，本集團毋須及不被允許將先前於儲備中撇銷之商譽重列。因此，保留於綜合儲備之商譽之詳情未有於本年度披露。

2. ADOPTION OF NEW OR REVISED HKFRS (continued)

2.2 Adoption of HKAS 17 (continued)

Upon the adoption of HKAS 17, the land and buildings elements are considered separately for the purposes of lease classification, unless the lease payments cannot be allocated reliably between the land and building elements, in which case, the entire lease is generally treated as a finance lease. To the extent that the allocation of the lease payments between the land and buildings elements can be made reliably, leasehold interests in land are reclassified as prepaid land lease payments under operating leases, which are carried at cost and subsequently expensed in the income statement on a straight-line basis over the lease term. This change in accounting policy has been applied retrospectively.

2.3 Adoption of HKAS 36, HKAS 38 and HKFRS 3

These standards stipulate a prospective change to the accounting policies.

In respect of goodwill previously eliminated against or credited to reserves, HKFRS 3 does not require entities to recognise that goodwill in profit or loss when it disposes of all or part of the business to which that goodwill relates or when a cash-generating unit to which the goodwill relates becomes impaired. Moreover, the Group is not required nor permitted to restate goodwill previously eliminated against reserves. Accordingly, the details of goodwill remaining in the consolidated reserves have not been disclosed in current year.



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二、採納新訂或經修訂香港財務報告準則 (續)

2.4 採納香港會計準則第32號及香港會計準則第39號

本集團

於採納香港會計準則第39號前，本集團已將其非交易證券記錄為投資證券，並按成本減任何減值虧損撥備列賬，而其他股本證券投資或持作交易用途之單位基金，則按公平值列賬，而價值之變動則於產生時在收益表內確認。

採納香港會計準則第39號後，本集團重新評估其金融資產之分類，並將其金融資產歸類為貸款及應收款項、按盈虧釐定公平值入賬之金融資產及可供出售之金融資產。此外，香港會計準則第39號要求以公平值確認衍生金融工具。

可供出售之金融資產於初步確認時以公平值計值，其後亦以公平值計值(另行披露除外)，價值變動於扣除任何因所得稅產生之影響後於權益確認。對於並無活躍市場提供市場報價且其公平值無法可靠計量的股權投資，則於初步確認後於每個結算日按成本減任何減值虧損後確認。可供出售之金融資產產生之收益或虧損則於投資出售或投資減值時於收益表確認。按盈虧釐定公平值入賬之金融資產於初步確認時以公平值計值，其後之公平值變動則於損益賬確認。長期應收款項初步以公平值確認，其後則採用實際利率法扣除減值撥備後之攤銷成本計值。

2. ADOPTION OF NEW OR REVISED HKFRS (continued)

2.4 Adoption of HKAS 32 and HKAS 39

Group

Prior to the adoption of HKAS 39, the Group has recorded its non-trading securities as investment securities at cost less any provision for impairment losses and other investments in equity securities or unit funds held for trading purposes at fair values with changes in value being recognised in the income statement as they arise.

On the adoption of HKAS 39, the Group has re-evaluated the classification of its financial assets and classified its financial assets into the loans and receivables, financial assets at fair value through profit or loss and available-for-sale financial assets. In addition, HKAS 39 also requires the recognition of derivative financial instruments at fair value.

The available-for-sale financial assets are measured at fair value upon the initial recognition and subsequently measured at fair value, unless otherwise disclosed, with changes in value recognised in equity, net of any effects arising from income taxes. For equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, they are measured at cost less any impairment losses at each balance sheet date subsequent to initial recognition. Gains and losses arising from available-for-sale financial assets are recognised in the income statement when they are sold or when the investments are impaired. The financial assets at fair value through profit or loss are measured at fair value upon initial recognition and with subsequent changes in fair value recognised in profit or loss. The long term receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

二、採納新訂或經修訂香港財務報告準則 (續)

2.4 採納香港會計準則第32號及香港會計準則第39號 (續)

本公司

採納香港會計準則第39號之前，予附屬公司之非流動免息貸款以面值列賬。香港會計準則第39號要求所有金融資產及金融負債於初步確認時均以公平值計值。有關免息貸款則按照於其後結算日以實際利率法釐定之攤銷成本計值。本公司已採用香港會計準則第39號之相關過渡性條文。由於此項會計政策改變，貸款於二零零五年七月一日之賬面值減少173,710,000港元，以根據香港會計準則第39號將貸款以攤銷成本列賬。投資成本調整作為推定出資入賬。本公司於二零零五年七月一日之投資成本增加173,710,000港元。本公司年內溢利因確認本公司應歸利息收入而增加13,889,000港元。

2. ADOPTION OF NEW OR REVISED HKFRS (continued)

2.4 Adoption of HKAS 32 and HKAS 39 (continued)

Company

Prior to the adoption of HKAS 39, interest-free non-current loans to the subsidiaries were stated at the nominal amount. HKAS 39 requires all financial assets and financial liabilities to be measured at fair value on initial recognition. Such interest-free loans are measured at amortised cost determined using the effective interest method at subsequent balance sheet dates. The Company has applied the relevant transitional provisions in HKAS 39. As a result of this change in the accounting policy, the carrying amount of the loan as at 1 July 2005 has been decreased by HK\$173,710,000 in order to state the loans at amortised costs in accordance with HKAS 39. Adjustment to cost of investments is accounted for as deemed capital contribution. The Company's cost of investment as at 1 July 2005 has been increased by HK\$173,710,000. Profit for the year of the Company has been increased by HK\$13,889,000 due to the recognition of imputed interest income of the Company.



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二、採納新訂或經修訂香港財務報告準則 (續)

2.4 採納香港會計準則第32號及香港會計準則第39號 (續)

本集團及本公司

根據香港會計準則第39號之過渡性條文，不允許根據該準則按追溯基準確認、終止確認及計量金融資產及負債。因此，先前賬面值之任何調整，乃於二零零五年七月一日之保留盈餘之期初結餘內確認，而比較數據則並未予以重列。

2.5 採納之其他準則

採納其他準則並無對本集團之會計政策構成重大變動。若干有關準則中所載之特殊過渡性條文均予以考慮。採納該等其他準則並無令到該等財務報告之款項或披露事宜出現任何重大變動。

2. ADOPTION OF NEW OR REVISED HKFRS (continued)

2.4 Adoption of HKAS 32 and HKAS 39 (continued)

Group & Company

In accordance with the transitional provisions of HKAS 39, it does not permit the recognition, derecognition and measurement of financial assets and liabilities in accordance with the standard on a retrospective basis. Accordingly, any adjustment to the previous carrying amount is recognised in the opening balance of retained earnings on 1 July 2005 and the comparative figures have not been restated.

2.5 Other standards adopted

The adoption of other standards did not result in significant changes to the Group's accounting policies. The specific transitional provisions contained in some of these standards were considered. The adoption of these other standards did not result in any material changes to the amounts or disclosures in these financial statements.

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二、採納新訂或經修訂香港財務報告準則 (續)

2.6 會計政策改變對綜合收益表之影響摘要如下：

2. ADOPTION OF NEW OR REVISED HKFRS (continued)

2.6 The effect of changes in the accounting policies on the consolidated income statement is summarised below:

		採納以下香港會計準則之影響			
		Effect of adopting			
		香港會計			
		準則第32號#			
		及39號*			
		香港會計	香港會計	HKAS 32#	總計
		準則第1號*	準則第17號#	&	Total
		HKAS 1*	HKAS 17#	HKAS 39*	
		千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
截至二零零六年	Year ended				
六月三十日止年度	30 June 2006				
其他經營業務收入	Increase in other operating				
增加	income				
— 衍生金融工具	— Net fair value gains on				
淨公平值收益	derivative financial				
	instruments	—	—	249	249
費用(增加)/減少	(Increase)/Decrease in				
	expenses				
— 折舊減少	— Decrease in depreciation	—	486	—	486
— 攤銷費用增加	— Increase in amortisation	—	(239)	—	(239)
	charge				
應佔聯營公司業績	Decrease in share of results				
減少	of associates	(66)	—	—	(66)
所得稅開支減少	Decrease in income tax expense	66	—	—	66
溢利增加總計	Total increase in profit	—	247	249	496

* 於二零零五年七月一日起
生效之調整。

追溯生效之調整。

* adjustments which take effect prospectively from 1 July
2005.

adjustments which take effect retrospectively.



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二、採納新訂或經修訂香港財務報告準則 (續)

2.6 會計政策改變對綜合收益表之影響摘要如下：(續)

2. ADOPTION OF NEW OR REVISED HKFRS (continued)

2.6 The effect of changes in the accounting policies on the consolidated income statement is summarised below: (continued)

		採納以下香港會計準則之影響		
		Effect of adopting		
		香港會計 準則第1號*	香港會計 準則第17號#	總計
		HKAS 1*	HKAS 17#	Total
		千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000
截至二零零五年 六月三十日止年度	Year ended 30 June 2005			
費用(增加)/減少	(Increase)/Decrease in expenses			
— 折舊減少	— Decrease in depreciation	—	487	487
— 攤銷費用增加	— Increase in amortisation charge	—	(239)	(239)
應佔聯營公司業績 減少	Decrease in share of results of associates	(856)	—	(856)
所得稅開支減少	Decrease in income tax expense	856	—	856
溢利增加總計	Total increase in profit	—	248	248

* 於二零零五年七月一日起
生效之調整。

* adjustments which take effect prospectively from 1 July
2005.

追溯生效之調整。

adjustments which take effect retrospectively.

Notes to Financial Statements ■ 財務報告附註

30 June 2006

二零零六年六月三十日

二、採納新訂或經修訂香港財務報告準則 (續)

2.7 會計政策改變對綜合資產負債表之影響摘要如下：

2. ADOPTION OF NEW OR REVISED HKFRS (continued)

2.7 The effect of changes in the accounting policies on the consolidated balance sheet is summarised below:

		採納以下香港會計準則之影響	
		Effect of adopting	
		香港會計 準則第17號#	總計
		HKAS 17#	Total
		千港元	千港元
		HK\$'000	HK\$'000
於二零零四年 七月一日 (僅限權益)	At 1 July 2004 (Equity only)		
權益減少	Decrease in equity		
保留盈利	Retained earnings	(4,337)	(4,337)
於二零零五年 六月三十日	At 30 June 2005		
資產增加／(減少)	Increase/(Decrease) in assets		
物業、廠房及設備	Property, plant and equipment	(14,105)	(14,105)
租賃土地／土地 使用權	Leasehold land/Land use rights	10,016	10,016
權益減少	Decrease in equity		
保留盈利	Retained earnings	(4,089)	(4,089)

追溯生效之調整。

adjustments which take effect retrospectively.



Notes to Financial Statements ■ 財務報告附註

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二零零六年六月三十日

二、採納新訂或經修訂香港財務報告準則 (續)

2.7 會計政策改變對綜合資產負債表之影響摘要如下：
(續)

2. ADOPTION OF NEW OR REVISED HKFRS (continued)

2.7 The effect of changes in the accounting policies on the consolidated balance sheet is summarised below:
(continued)

		採納以下香港會計準則之影響 Effect of adopting 香港會計 準則第32號# 及第39號* 香港會計 準則第17號# HKAS 17# 千港元 HK\$'000			總計 Total 千港元 HK\$'000
		香港會計 準則第17號# HKAS 17# 千港元 HK\$'000	香港會計 準則第32號# 及第39號* HKAS 32# & HKAS 39* 千港元 HK\$'000		總計 Total 千港元 HK\$'000
於二零零五年 七月一日	At 1 July 2005				
資產增加／(減少)	Increase/(Decrease) in assets				
物業、廠房及設備	Property, plant and equipment	(14,105)	–		(14,105)
租賃土地／土地 使用權	Leasehold land/Land use rights	10,016	–		10,016
可供出售之金融資產	Available-for-sale financial assets	–	19,658		19,658
按盈虧釐定公平值 入賬之金融資產	Financial assets at fair value through profit or loss	–	29,587		29,587
其他投資	Other investments	–	(29,587)		(29,587)
投資證券	Investment securities	–	(16,088)		(16,088)
權益增加／(減少)	Increase/(Decrease) in equity				
保留盈利	Retained earnings	(4,089)	3,570		(519)

* 於二零零五年七月一日起
生效之調整。

* adjustments which take effect prospectively from 1 July
2005.

追溯生效之調整。

adjustments which take effect retrospectively.

Notes to Financial Statements ■ 財務報告附註

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二零零六年六月三十日

二、採納新訂或經修訂香港財務報告準則 (續)

2.7 會計政策改變對綜合資產負債表之影響摘要如下：
(續)

2. ADOPTION OF NEW OR REVISED HKFRS (continued)

2.7 The effect of changes in the accounting policies on the consolidated balance sheet is summarised below:
(continued)

		採納以下香港會計準則之影響		
		Effect of adopting		
		香港會計		
		準則第32號#		
		及第39號*		
		香港會計	HKAS 32#	總計
		準則第17號#	&	Total
		HKAS 17#	HKAS 39*	
		千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000
於二零零六年	At 30 June 2006			
六月三十日				
資產增加／(減少)	Increase/(Decrease) in assets			
物業、廠房及設備	Property, plant and equipment	(13,619)	–	(13,619)
租賃土地／土地	Leasehold land/Land use rights	9,777	–	9,777
使用權				
衍生金融工具	Derivative financial instruments	–	561	561
可供出售之金融資產	Available-for-sale financial assets	–	16,325	16,325
按盈虧釐定公平值	Financial assets at fair value			
入賬之金融資產	through profit or loss	–	17,628	17,628
其他投資	Other investment	–	(17,628)	(17,628)
投資證券	Investment securities	–	(12,794)	(12,794)
負債增加	Increase in liabilities			
衍生金融工具	Derivative financial instruments	–	(312)	(312)
權益增加／(減少)	Increase/(Decrease) in equity			
投資重估儲備	Investment revaluation reserve	–	(39)	(39)
保留盈利	Retained earnings	(3,842)	3,819	(23)

* 於二零零五年七月一日起
生效之調整。

* adjustments which take effect prospectively from 1 July
2005.

追溯生效之調整。

adjustments which take effect retrospectively.



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二、採納新訂或經修訂香港財務報告準則 (續)

2.8 已頒佈但尚未生效之新準則或詮釋

本集團仍未提前採納下列已頒佈但尚未生效之準則或詮釋。本公司董事預計，採納此等準則及詮釋將不會對本集團之會計政策有任何重大變動。

香港會計準則 第1號 (修訂本)	股本披露 ¹
香港會計準則 第19號 (修訂本)	僱員福利—精算 收益及虧損、 集團計劃及 披露 ²
香港會計準則 第21號 (修訂本)	外幣匯率變動影 響—境外業務 之投資淨額 ²
香港會計準則 第39號 (修訂本)	預計集團內交易 之現金流量 對沖會計 ²
香港會計準則 第39號 (修訂本)	公平價值選 擇權 ²
香港會計準則 第39號及 香港財務報告 準則第4號 (修訂本)	金融工具：確認 及計量保險合 約—財務擔保 合約 ²
香港財務報告 準則第1號及 香港財務報告 準則第6號 (修訂本)	首次採納香港財 務報告準則及 開採及評估礦 物資源 ²
香港財務報告 準則第6號	開採及評估礦 物資源
香港財務報告 準則第7號	金融工具— 披露 ¹

2. ADOPTION OF NEW OR REVISED HKFRS (continued)

2.8 New standards or interpretations that have been issued but are not yet effective

The Group has not early adopted the following standards or interpretations that have been issued but are not yet effective. The directors of the Company anticipate that the adoption of these standards or interpretations will not result in substantial changes to the Group's accounting policies.

HKAS 1 (Amendment)	Capital Disclosures ¹
HKAS 19 (Amendment)	Employee Benefits – Actuarial Gains and Losses, Group Plans and Disclosures ²
HKAS 21 (Amendment)	The Effects of Changes in Foreign Exchange Rates – Net Investment in a Foreign Operation ²
HKAS 39 (Amendment)	Cash Flow Hedge Accounting of Forecast Intragroup Transactions ²
HKAS 39 (Amendment)	The Fair Value Option ²
HKAS 39 & HKFRS 4 (Amendment)	Financial Instruments : Recognition and Measurement and Insurance Contracts – Financial Guarantee Contracts ²
HKFRS 1 & HKFRS 6 (Amendments)	First-time Adoption of Hong Kong Financial Reporting Standards and Exploration for and Evaluation of Mineral Resources ²
HKFRS 6	Exploration for and Evaluation of Mineral Resources
HKFRS 7	Financial Instruments – Disclosures ¹

二、採納新訂或經修訂香港
財務報告準則 (續)

2.8 已頒佈但尚未生效之新準
則或詮釋 (續)

香港財務報告 準則—詮釋 第4號	釐定安排是否包 括租賃 ²
香港財務報告 準則—詮釋 第5號	解除、復原及環 境修復基金 產生權益之 權利 ²
香港(國際財務 報告詮釋 委員會) —詮釋第6號	因參與特定市場 產生之責任— 廢棄電力及 電子設備 ³
香港(國際財務 報告詮釋 委員會) —詮釋第7號	應用根據香港會 計準則第29號 嚴重通脹經濟 中之財務報告 重列模式 ⁴
香港(國際財務 報告詮釋 委員會) —詮釋第8號	香港財務報告準 則第2號之 範疇 ⁵
香港(國際財務 報告詮釋 委員會) —詮釋第9號	重估嵌入式衍生 工具 ⁶

- 1 於二零零七年一月一日或
之後開始之年度期間生效
- 2 於二零零六年一月一日或
之後開始之年度期間生效
- 3 於二零零五年十二月一日
或之後開始之年度期間生
效
- 4 於二零零六年三月一日或
之後開始之年度期間生效
- 5 於二零零六年五月一日或
之後開始之年度期間生效
- 6 於二零零六年六月一日或
之後開始之年度期間生效

2. ADOPTION OF NEW OR REVISED
HKFRS (continued)

2.8 New standards or interpretations that have been
issued but are not yet effective (continued)

HKFRS – Int 4	Determining whether an Arrangement contains a Lease ²
HKFRS – Int 5	Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds ²
HK(IFRIC) – Int 6	Liabilities Arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment ³
HK(IFRIC) – Int 7	Applying the Restatement Approach under HKAS 29 Financial Reporting in Hyperinflationary Economies ⁴
HK(IFRIC) – Int 8	Scope of HKFRS ⁵
HK(IFRIC) – Int 9	Reassessment of Embedded Derivatives ⁶

- 1 Effective for annual periods beginning on or after 1 January
2007.
- 2 Effective for annual periods beginning on or after 1 January
2006.
- 3 Effective for annual periods beginning on or after 1
December 2005.
- 4 Effective for annual periods beginning on or after 1 March
2006.
- 5 Effective for annual periods beginning on or after 1 May
2006.
- 6 Effective for annual periods beginning on or after 1 June
2006.



Notes to Financial Statements ■ 財務報告附註

30 June 2006
二零零六年六月三十日

三、重要會計政策概要

3.1 編製基準

編製此等財務報告所採用之重要會計政策概述如下。

財務報告按歷史成本基準編製，惟若干物業及金融資產及負債之重估除外。計量基準已於下列會計政策內充分說明。

須留意編製財務報告所用之會計估計和假設。儘管此等估計和假設乃根據管理層對現時事件及行動之最佳了解，惟實際結果最終可能有別於該等估計。

3.2 綜合基準

綜合財務報告包括本公司及其附屬公司截至每年六月三十日之財務報告。

3.3 附屬公司

附屬公司乃指本公司控制其一半以上之投票權，或持有其一半以上之已發行股本或控制其董事會組成之實體。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of preparation

The significant accounting policies that have been used in the preparation of these financial statements are summarised below.

The financial statements have been prepared on the historical cost basis except for the revaluation of certain properties and financial assets and liabilities. The measurement bases are fully described in the accounting policies below.

It should be noted that accounting estimates and assumptions are used in preparation of the financial statements. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

3.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to 30 June each year.

3.3 Subsidiaries

Subsidiaries are those entities in which the Group controls more than half of the voting power, or holds more than half of the issued share capital, or controls the composition of the board of directors.

三、重要會計政策概要 (續)

3.3 附屬公司 (續)

收購附屬公司乃採用收購會計法入賬，包括按公平值重估於收購日之所有可識別資產及負債(包括附屬公司之或然負債)，不論該等資產及負債在收購前是否已在附屬公司之財務報告入賬。附屬公司之資產及負債於初步確認時按重估金額列入綜合資產負債表，根據本集團之會計政策，亦用作其後計量之基準。商譽指於收購日收購成本超出本集團應佔已購入附屬公司之可識別資產淨值之公平值之部分。收購附屬公司之商譽乃於綜合資產負債表中單獨呈列。倘收購成本低於已購入附屬公司之資產淨值之公平值，差額乃直接於收益表內確認。

集團內公司間之交易、結餘及交易之已確認收益會予以對銷。除非該項交易有證據證明轉讓資產出現減值，否則未變現虧損亦予以對銷。

於本公司之資產負債表中，附屬公司按成本值減去減值虧損列賬。附屬公司之業績由本公司按於結算日已收及可收之股息基準列賬。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Subsidiaries (continued)

Acquired subsidiaries are subject to application of the purchase method. This involves the revaluation at fair value of all identifiable assets and liabilities, including contingent liabilities of the subsidiary, at the acquisition date, regardless of whether or not they were recorded in the financial statements of the subsidiary prior to acquisition. On initial recognition, the assets and liabilities of the subsidiary are included in the consolidated balance sheet at their revalued amounts, which are also used as the bases for subsequent measurement in accordance with the Group's accounting policies. Goodwill represents the excess of acquisition cost over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisition of subsidiaries is presented separately in the consolidated balance sheet. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement.

Inter-company transactions, balances and recognised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

In the Company's balance sheet, subsidiaries are carried at cost less any impairment loss. The results of the subsidiaries are accounted for by the Company on the basis of dividends received and receivable at the balance sheet date.



Notes to Financial Statements ■ 財務報告附註

30 June 2006
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三、重要會計政策概要 (續)

3.4 聯營公司

聯營公司指非附屬公司或合營投資項目惟本集團對其有重大影響(一般擁有附帶20%至50%投票權之股權)之實體。於聯營公司之投資初步按成本值確認，其後採用權益會計法入賬。本集團於聯營公司之投資包括於收購時確認之商譽(扣減任何累計減值虧損)或應佔聯營公司權益之公平值調整。

本集團分佔聯營公司收購後之業績在綜合收益表及綜合儲備內列賬。收購後之累計變動在投資之賬面值作調整。

當本集團分佔聯營公司虧損等於或超過其佔聯營公司之權益(包括任何其他無抵押應收款項)時，本集團不再確認進一步之虧損，除非本集團承擔法律或推定義務或須代該聯營公司支付款項。

本集團與其聯營公司進行交易之未變現收益，以本集團於有關聯營公司所佔權益為限予以對銷。除非該交易證明已轉讓資產出現減值，否則未變現虧損亦予以對銷。

本公司於聯營公司之投資按成本值減減值虧損列賬。聯營公司業績由本公司按照已收及應收股息基準入賬。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.4 Associates

Associates are those entities over which the Group is able to exert significant influence, generally accompanying a shareholding of between 20% and 50% of voting rights but which are neither subsidiaries nor investment in a joint venture. Investment in associates is initially recognised at cost and subsequently accounted for using the equity method. The Group's investment in associates includes goodwill (net of any accumulated impairment loss) or fair value adjustment attributable to the share in the associate identified on acquisition.

The Group's share of the post-acquisition results and reserves of associates is included in the consolidated income statement and consolidated reserves, respectively. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment.

When the Group's share of losses in an associate equals or exceeds its interest in the associate (including any other unsecured receivables), the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The Company's investments in associates are stated at cost less impairment losses. The results of associates are accounted for by the Company on the basis of dividends received and receivable.

三、重要會計政策概要 (續)

3.5 合營公司

合營企業乃一項合約安排，據此兩名或以上人士進行受到共同控制之經濟活動。共同控制乃按合約同意分享經濟活動之控制權，並只會於與該活動有關之策略財務及營運決定必須獲得合營各方一致同意時方會存在。

於共同控制實體之投資初步以成本值確認，其後採用權益法入賬。

本集團應佔共同控制實體收購後業績及儲備分別計入綜合收益表及綜合儲備。累計收購後變動乃針對投資賬面值作調整。

當本集團分佔共同控制實體虧損等於或超過其佔共同控制實體之權益(包括任何其他無抵押應收款項)時，本集團不再確認進一步之虧損，除非本集團承擔法律或推定義務或須代該共同控制實體支付款項。

本集團與其共同控制實體進行交易之未變現收益，以本集團於有關共同控制實體所佔權益為限予以對銷。除非該交易證明已轉讓資產出現減值，否則未變現虧損亦予以對銷。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 Joint ventures

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. Joint control is the contractually agreed sharing of control over an economic activity, and exists only when the strategic financial and operating decision relating to the activity require the unanimous consent of the venturers.

Investments in jointly-controlled entities are initially recognised at cost and subsequently accounted for using the equity method.

The Group's share of the post-acquisition results and reserves of jointly-controlled entity is included in the consolidated income statement and consolidated reserves, respectively. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment.

When the Group's share of losses in jointly-controlled entities equals or exceeds its interest in the jointly-controlled entities (including any other unsecured receivables), the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the jointly-controlled entities.

Unrealised gains on transactions between the Group and its jointly-controlled entities are eliminated to the extent of the Group's interest in the jointly-controlled entity. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.



Notes to Financial Statements ■ 財務報告附註

30 June 2006
二零零六年六月三十日

三、重要會計政策概要 (續)

3.6 商譽

二零零五年七月一日前因收購產生之商譽

協議日期在二零零五年一月一日前，收購附屬公司、聯營公司或共同控制實體產生之商譽，指收購成本高於本集團於有關附屬公司、聯營公司或共同控制實體之可識別資產及負債於收購日之公平值權益應佔之部分。

二零零一年七月一日前因收購產生且於綜合儲備對銷之商譽，於與該商譽相關之附屬公司、聯營公司或共同控制實體被出售，或與商譽相關之現金產生單位出現減值時將不予確認。

二零零五年七月一日或之後因收購產生之商譽

協議日期為二零零五年一月一日或之後，收購附屬公司、聯營公司或共同控制實體產生之商譽，指收購成本高於本集團於已購入附屬公司、聯營公司或共同控制實體之可識別資產、負債及或然負債於收購日之公平值權益應佔之部分。商譽每年進行減值測試，並以成本值減累計減值虧損入賬。

其後出售附屬公司、聯營公司或共同控制實體時，釐定出售之收益或虧損額應包括已資本化商譽之應佔金額。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.6 Goodwill

Goodwill arising on acquisition prior to 1 July 2005

Goodwill arising on acquisition of a subsidiary, an associate or a jointly controlled entity for which the agreement date is before 1 January 2005 represents the excess of the cost of acquisition over the Group's interest in fair value of the identifiable assets and liabilities of the relevant subsidiary, associate or jointly controlled entity at the date of acquisition.

Goodwill arising on acquisition prior to 1 July 2001 and eliminated against consolidated reserves will not be recognised when the subsidiary, associate or jointly controlled entity to which the goodwill relates is disposed of or when a cash-generating unit to which goodwill relates becomes impaired.

Goodwill arising on acquisition on or after 1 July 2005

Goodwill arising on acquisition of a subsidiary, an associate or a jointly controlled entity for which the agreement date is on or after 1 January 2005 represents the excess of the cost of acquisition over the fair value of the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of the acquired subsidiary/associate/jointly controlled entity at the date of acquisition. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses.

On subsequent disposal of a subsidiary, an associate or a jointly controlled entity, the attributable amount of goodwill capitalised is included in the determination of the amount of gain or loss on disposal.

三、重要會計政策概要 (續)

3.7 物業、廠房及設備

物業、廠房及設備乃按成本值減累計折舊及任何減值虧損列賬。資產之成本值包括其購買價及將其達至運作狀況及運至工作地點作其擬定用途而產生之任何直接應佔成本。物業、廠房及設備開始運作後產生之支出，例如維修及保養，一般於該等支出產生期間之收益表中扣除。倘能清楚顯示該等支出令使用物業、廠房及設備帶來之預期將來可得經濟利益有所增加，則該等支出將撥充該資產之額外成本。

折舊經計入每項資產之估計剩餘價值後，按其估計可使用年期以直線法撇銷其成本計算。所用主要年率如下：

工廠大廈	4%
商業大廈	3%
租賃物業裝修	25%
廠房及機器	10%–33%
傢俬、裝置及設備	17%
汽車	25%

於每個結算日審核資產之使用年期並視需要調整。

於收益表內確認之出售或廢棄資產之損益為出售有關資產之所得收益淨額及賬面值之差額。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.7 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after 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 the property, plant and equipment, the expenditure is capitalised as an additional cost of that asset.

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

Factory buildings	4%
Commercial buildings	3%
Leasehold improvements	25%
Plant and machinery	10% – 33%
Furniture, fixtures and equipment	17%
Motor vehicles	25%

The assets' useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

The gain or loss on disposal or retirement of an asset recognised in the income statement is the difference between the net sales proceeds and the carrying amount of the relevant asset.



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三、重要會計政策概要 (續)

3.8 投資物業

持有作長期租金收益或資本升值，或同時作該兩種用途之物業，均列入投資物業之類別。投資物業包括於經營租賃下持有之土地以及於融資租約下持有之樓宇。當符合投資物業之餘下定義時，於經營租賃下持有之土地列入和計為投資物業類別。經營租賃入賬時被視作為融資租約。

本集團以公平值模式應用於投資物業。持有之投資物業最初以成本連同交易費用計算，於最初確認後，投資物業以公平值入賬。公平值每年由對投資物業地點及性質具充足經驗之外部專業估值師釐定。資產負債表上確認之賬面值，反映於結算日之當時市況。

因公平值之轉變或出售投資物業而導致之任何收益或虧損立刻於收益表內確認。

3.9 資產減值

商譽、物業、廠房及設備，於附屬公司、聯營公司及共同控制實體之權益須進行減值測試。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.8 Investment properties

Property that is held for long-term rental yields or for capital appreciation or both is classified as investment property. Investment properties comprise land held under operating lease and building held under finance lease. Land held under operating lease is classified and accounted for as investment property when the rest of the definition of investment property is met. The operating lease is accounted for as if it was a finance lease.

The Group has applied the fair value model to its investment properties. Investment properties held are measured initially at its cost, including related transaction cost. After initial recognition, investment properties are carried at fair value. Fair value is determined annually by external professional valuers, with sufficient experience with respect to both the location and the nature of the investment properties. The carrying amounts recognised in the balance sheet reflect the prevailing market conditions at the balance sheet date.

Any gain or loss resulting from either a change in fair value or the sale of investment properties is immediately recognised in the income statement.

3.9 Impairment of assets

Goodwill, property, plant and equipment, interests in subsidiaries, associates and jointly controlled entities are subject to impairment testing.

三、重要會計政策概要 (續)

3.9 資產減值 (續)

為評估減值目的，資產按存在個別可識別現金流（「現金產生單位」）之最基本層面分組。因此，部分資產個別進行減值測試，部分則在現金產生單位層面進行測試。特別是商譽被分配至預期可從相關業務合併之協同效益中獲益，並代表本集團中管理層控制有關現金流之最低層面之該等現金產生單位。

無論是否有任何減值跡象，包含商譽之個別資產或現金產生單位，至少每年進行一次減值測試。所有個別資產或現金產生單位在有事件或情況變動，顯示賬面值可能不能收回時進行減值測試。

當資產或現金產生單位之賬面值高於其可收回金額時，高出金額作為減值虧損被立即確認為開支。可收回金額為公平值（反映市場條件減去銷售成本）與使用價值（以內部折讓現金流評估為基準）中之較高者。就已分配商譽之現金產生單位確認之減值虧損首先計入商譽之賬面值。任何剩餘減值虧損按比例自現金產生單位其他資產中扣除。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.9 Impairment of assets (continued)

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Goodwill in particular is allocated to those cash-generating units that are expected to benefit from synergies of the related business combination and represent the lowest level within the Group at which management controls the related cash flows.

Individual assets or cash-generating units that include goodwill are tested for impairment at least annually, irrespective of whether there is any indication that they are impaired. All individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised as an expense immediately for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell and value in use, based on an internal discounted cash flow evaluation. Impairment losses recognised for cash-generating units, to which goodwill has been allocated, are credited initially to the carrying amount of goodwill. Any remaining impairment loss is charged pro rata to the other assets in the cash generating unit.



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三、重要會計政策概要 (續)

3.9 資產減值 (續)

商譽之減值虧損不可於其後之期間撥回。倘用以釐定資產之可收回金額之估計已出現變動，其他資產之減值虧損予以撥回，惟資產之賬面值不得超過倘並無確認減值而釐定賬面值(經扣除折舊或攤銷)。

3.10 經營租賃

倘租賃資產所有權之絕大部分風險及回報仍歸出租人所有，則視為經營租賃。倘本集團為出租人，則本集團根據經營租賃出租之資產納入非流動資產，而根據經營租賃所收取之租金會以直線法按租賃年期計入收益表。倘本集團為承租人，則根據經營租賃應付之租金以直線法按租賃年期自收益表扣除。

租賃土地／土地使用權是指為獲得租賃土地／土地使用權而支付的款項。該等款項以成本值減累計攤銷及累計減值虧損入賬。攤銷按租賃期限以直線法計算。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.9 Impairment of assets (continued)

An impairment loss on goodwill is not reversed in subsequent periods. In respect of other assets, an impairment loss is reversed if there has been a change in the estimates used to determine the asset's recoverable amount and only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.10 Operating leases

Leases where substantially all the risks and rewards 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 the operating leases are charged to the income statement on the straight-line basis over the lease terms.

Leasehold land/Land use rights are up-front payments to acquire the leasehold land/land use rights. The payments are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated on a straight line basis over the lease term.

三、重要會計政策概要 (續)

3.11 金融資產

本集團之金融資產包括可供出售之金融資產、貿易及其他應收款項及按盈虧釐定公平值入賬之金融資產。該等金融資產列入資產負債表之「可供出售之金融資產」、「貿易應收款項」、「長期應收款項」、「預付款、按金及其他應收款項」、「衍生金融工具」及「按盈虧釐定公平值入賬之金融資產」等項下。

於二零零五年七月一日之前，本集團將其於證券或基金單位(附屬公司、聯營公司或共同控制實體除外)之投資歸類為投資證券及其他投資。

投資證券乃計劃按長期基準持有之非買賣上市及非上市股本及債券投資。投資證券按成本值減董事認為並非暫時性質之任何減值虧損按個別基準列賬。

個別投資之賬面值乃於每個結算日複核，以評估其公平值是否已減至低於其賬面值。若發生減值，則該等投資之賬面值減低至其公平值。減值額於其產生期內自收益表扣除。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.11 Financial assets

The Group's financial assets include available-for-sale financial assets, trade and other receivables and financial assets at fair value through profit or loss. They are included in the balance sheet under the line items such as "Available-for-sale financial assets", "Trade receivables", "Long term receivables", "Prepayments, deposits and other receivables", "Derivative financial instruments" and "Financial assets at fair value through profit or loss".

Prior to 1 July 2005, the Group classified its investments in securities or unit funds, other than subsidiaries, associates and jointly controlled entities, as investment securities and other investments.

Investment securities are non-trading investments in listed and unlisted equity and debt securities intended to be held on a long term basis. Investment securities are stated at cost less any impairment losses that are considered by the directors to be other than temporary, on an individual basis.

The carrying amount of an individual investment is reviewed at each balance sheet date to assess whether its fair value has declined below the carrying amount. When such impairment has occurred, the carrying amount of the investment is reduced to its fair value and the amount of the impairment is charged to the income statement in the period in which it arises.



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三、重要會計政策概要 (續)

3.11 金融資產 (續)

倘導致減值之情況及事件不再存在，且有具說服力之憑證顯示新情況及事件將於可預見將來持續，則早前扣除之減值數額會計入收益表，惟以早前扣除之數額為限。

其他投資乃持作買賣用途之股本證券或單位基金投資，乃根據個別投資基準，按其於結算日所報之市價以其公平值列賬。其他投資之公平值變動所產生之收益或虧損會於其產生期間計入收益表或自收益表扣除。

自二零零五年七月一日起，本集團將其金融資產歸類為按盈虧釐定公平值入賬之金融資產、可供出售之金融資產以及貸款及應收款項。管理層於首次確認時根據購入金融資產之目的釐定其金融資產之歸類，並在容許及適當之情況下，於每個報告日期重新評估有關歸類。

所有金融資產於彼等之交易日期確認。倘金融資產獲初步確認，彼等按公平值計量，及(倘投資未按盈虧釐定公平值入賬)則按交易成本直接應佔之公平值計量。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.11 Financial assets (continued)

When the circumstances and events which led to the impairment in value cease to exist and there is persuasive evidence that the new circumstances and events will persist for the foreseeable future, the amount of the impairment previously charged is credited to the income statement to the extent of the amount previously charged.

Other investments are investments in equity securities or unit funds held for trading purposes and are stated at their fair values on the basis of their quoted market prices at the balance sheet date, on an individual investment basis. The gains or losses arising from changes in the fair value of other investments are credited or charged to the income statement in the period in which they arise.

From 1 July 2005 onwards, the Group classified its financial assets into financial assets at fair value through profit or loss, available-for-sale financial assets and loans and receivables. Management determines the classification of its financial assets at initial recognition depending on the purpose for which the financial assets were acquired and where allowed and appropriate, re-evaluates this designation at every reporting date.

All financial assets are recognised on their trade date. 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.

三、重要會計政策概要 (續)

3.11 金融資產 (續)

倘收取投資產生之現金流量的權利屆滿或被轉讓，且所有權之全部風險及收益已轉移，即發生金融資產之終止確認。無論是否有客觀證據顯示一項金融資產或一類金融資產已減值，均至少於每個結算日進行一次減值評估。

按盈虧釐定公平值入賬之金融資產包括持作買賣用途之金融資產及於初步確認時實體指定按盈虧釐定公平值入賬之金融資產。於不能作對沖會計之資產項下之衍生金融工具被歸類為持作買賣用途。初步確認後，列入此類別中之金融資產以公平值計量，公平值之變動於收益表中確認。最初被指定按盈虧釐定公平值入賬之金融資產其後不可重新歸類。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.11 Financial assets (continued)

Derecognition of financial assets occurs when the rights to receive cash flows from the investments expire or are transferred and substantially all of the risks and rewards of ownership have been transferred. An assessment for impairment is undertaken at least at each balance sheet date whether or not there is objective evidence that a financial asset or a group of financial assets is impaired.

Financial assets at fair value through profit or loss include financial assets that are either held for trading or are designated by the entity to be carried at fair value through profit or loss on initial recognition. Derivative financial instruments under assets that do not qualify for hedge accounting are classified as held for trading. Subsequent to initial recognition, the financial assets included in this category are measured at fair value with changes in fair value recognised in the income statement. Financial assets originally designated as financial assets at fair value through profit or loss may not subsequently be re-classified.



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三、重要會計政策概要 (續)

3.11 金融資產 (續)

可供出售金融資產包括非衍生性金融資產(被指定為該類別之金融資產或不能列入任何其他類別之金融資產)。所有該類別之金融資產其後按公平值計量，價值之變動於權益中確認。於出售時，之前已於權益中確認之累計收益或虧損轉至收益表。當已於權益內直接確認可供出售金融資產公平值減少及有客觀證據顯示金融資產出現減值時，即使該金融資產並未被終止確認，已於權益內直接確認之累計虧損由權益移除，並於收益表中確認。之前於收益表中就權益工具確認之減值虧損於其後期間將不可撥回。

對於並無於活躍市場有掛牌市價，且公平值無法可靠計量之股本投資，於初步確認後，須以成本減於每個結算日識別之任何減值虧損後計量。若客觀證據顯示一項資產已減值，即於收益表內確認減值虧損。減值虧損金額之計算乃按照該資產之賬面值，與類似金融資產估計未來現金流量(以當前市場回報率)折現所得現值之差額計量。此類減值虧損概不於及後期間內撥回。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.11 Financial assets (continued)

Available-for-sale financial assets include non-derivative financial assets that are either designated to this category or do not qualify for inclusion in any of the other categories of financial assets. All financial assets within this category are subsequently measured at fair value, with changes in value recognised in equity. Upon disposal, the cumulative gain or loss previously recognised in equity is transferred to the income statement. When a decline in fair value of available-for-sale financial assets has been recognised directly in equity and there is objective evidence that the financial asset is impaired, the cumulative loss that had been recognised directly in equity is removed from equity and recognised in the income statement even though the financial asset has not been derecognised. Impairment losses previously recognised in the income statement on equity instruments will not reverse through income statement in subsequent periods.

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, they are measured at cost less any identified impairment losses at each balance sheet date subsequent to initial recognition. An impairment loss is recognised in income statement when there is objective evidence that the asset is impaired. The amount of the impairment loss is measured as the difference between the carrying amount of the asset and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not reverse in subsequent periods.

三、重要會計政策概要 (續)

3.11 金融資產 (續)

貸款及應收款項為具有固定或可確定付款，但於活躍市場中無報價的非衍生金融資產。貸款及應收款項初步以公平值確認，及後以實際利率方法計算之攤銷成本(減任何減值虧損)計量。其價值的任何變動均於收益表內確認。

當收到客觀證據顯示本集團將無法根據貸款及應收款項之原有條款收回所有到期款項時即提計貸款及應收款項減值撥備。撇減金額乃按照資產之賬面值與估計未來現金流量現值之差釐定。

3.12 存貨

存貨乃以成本值及可變現淨值之較低者列賬。成本值乃按加權平均基準釐定，而半製成品及製成品之成本值則包括直接材料、直接勞工及按比例分配之製造費用。可變現淨值乃根據估計售價減任何達致完成產品及出售而產生之其他成本計算。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.11 Financial assets (continued)

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any impairment losses. Any changes in their value is recognised in the income statement.

A provision for impairment of loans and receivables are provided when objective evidence is received that the Group will not be able to collect all amounts due to it in accordance with the original terms of the receivables. The amount of the write-down is determined as the difference between the asset's carrying amount and the present value of estimated future cash flows.

3.12 Inventories

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



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三、重要會計政策概要 (續)

3.13 現金及現金等額

就綜合現金流量表而言，現金及現金等額包括手頭現金、通知存款，以及短期而易於套現之投資，而該等投資並無重大匯兌風險，可無須通知而兌換成可知數額之現金，且於購入時之到期期限一般不超過三個月，並減去須於通知時償還及為本集團現金管理主要部分之銀行透支。

就資產負債表而言，現金及銀行結餘指手頭及銀行現金，包括使用時不受限制之定期存款。

3.14 撥備及或然負債

倘因過往事件而導致本集團承擔現有法定或推定責任，且大有可能導致未來流出資源以履行責任，並能可靠衡量所須承擔之數額，則須就此作出撥備。

所有撥備均於每個結算日經複核及調整以反映當前之最佳估計。

如有關債務可能不會導致經濟利益流出，或未能可靠地估計金額，則有關債務會披露為或然負債，除非經濟利益流出之可能性很低。純粹視乎日後有否出現一個或多個情況而可能產生之債務，亦披露為或然負債，除非經濟利益流出之可能性很低。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.13 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 sheet, cash and bank balances comprise cash on hand and at banks, including term deposits, which are not restricted as to use.

3.14 Provisions and contingent liabilities

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.

All provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

三、重要會計政策概要 (續)

3.15 所得稅會計

所得稅由即期稅項及遞延稅項構成。

即期稅項是根據年內應課稅收入，按結算日所採用之稅率計算之預期應付稅項，並就過往年度之應付稅項作出調整。

遞延稅項乃為財務報告內資產及負債賬面值與計算應課稅溢利所用相應稅基間之差異而產生之應繳付或可退回稅項，並採用「資產負債表負債法」入賬。遞延稅項負債一般按所有應課稅之暫時性差異予以確認，而遞延稅項資產則按可能會出現可用以抵銷可扣減之臨時性差異之應課稅溢利而予以確認。倘若臨時性差異乃基於商譽(或負商譽)或初步確認(業務合併之情況下除外)不影響稅務溢利或會計溢利之交易中之其他資產及負債而引致，則有關資產及負債不予確認。

遞延稅項負債按於附屬公司、聯營公司及合營公司之投資所引致之應課稅臨時性差異而予以確認，惟本集團可控制撥回之臨時性差異及不大可能於可見將來撥回之臨時性差異則除外。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.15 Accounting for income taxes

Income tax comprises current and deferred tax.

Current tax is the expected tax payable on the taxable income for the year using tax rates enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill (or negative goodwill) or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, associates and joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.



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三、重要會計政策概要 (續)

3.15 所得稅會計 (續)

遞延稅項資產之賬面值需於每年之結算日作複核，預期沒有足夠將來應課稅溢利作抵銷之暫時性差異，相關遞延稅項資產應作扣減，但如有可能有足夠之稅務溢利，該減值將予撥回。

遞延稅項資產和負債均不計算折讓。遞延稅項乃按預期於負債清償或資產變現期間適用之稅率計算。遞延稅項於收益表中扣除或計入收益表。惟倘遞延稅項直接在權益中扣除或計入權益之情況除外(在此情況下遞延稅項亦會於權益中處理)。

3.16 收入及開支確認

收入乃於本集團極可能取得有關經濟利益，並且該收入能可靠計算時按下列基準確認：

- (i) 貨品銷售時，當擁有權之絕大部分風險及回報已轉歸予買方，而本集團並無保留與擁有權有關之管理參與權或已售貨品之有效控制權；
- (ii) 租金收入乃按租賃年期之時間比例基準計算；
- (iii) 利息收入按實際利率法之時間比例基準計算；及

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.15 Accounting for income taxes (continued)

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 profits will be available to allow all or part of the asset to be recovered. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Deferred tax assets and liabilities are not discounted. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

3.16 Income and expense 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:

- (i) 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;
- (ii) rental income, on a time proportion basis over the lease terms;
- (iii) interest income, on a time proportion basis using the effective interest method; and

三、重要會計政策概要 (續)

3.16 收入及開支確認 (續)

- (iv) 股息收入乃按股東收取股息之權利獲得確定時予以確認。

經營開支於使用有關服務後於收益表確認。

3.17 僱員福利

退休計劃

本集團已根據強制性公積金計劃條例，為該等合資格參與強制性公積金退休福利計劃（「強積金計劃」）之僱員設立界定供款強積金計劃。有關供款乃根據僱員有關薪金之若干百分比計算，並根據強積金計劃之規則在應付該等供款時在收益表中扣除。強積金計劃之資產乃由獨立管理基金持有，與本集團之該等資產分開持有。本集團之僱主供款乃於僱主向強積金計劃作出供款時全數撥歸僱員所有。

於強積金計劃生效前，本集團已為該等合資格之僱員設立界定供款退休金計劃（「前計劃」）。除僱員於本集團之僱主作出全數供款前終止參與前計劃，以致本集團應付之餘下供款可扣減已沒收僱主供款之有關金額外，此項前計劃乃以類似強積金計劃之方式運作。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.16 Income and expense recognition (continued)

- (iv) dividend income, when the shareholder's right to receive payment is established.

Operating expenses are recognised in the income statement upon utilisation of the service.

3.17 Employee benefits

Pension scheme

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

Prior to the MPF Scheme becoming effective, the Group operated a defined contribution retirement benefits scheme (the "Prior Scheme") for those employees who were eligible to participate in this scheme. The Prior Scheme operated in a similar way to the MPF Scheme, except that when an employee left the Prior Scheme before his/her interest in the Group's employer contributions vested fully, the ongoing contributions payable by the Group were reduced by the relevant amount of the forfeited employer's contributions.



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三、重要會計政策概要 (續)

3.17 僱員福利 (續)

於中華人民共和國(「中國」)(香港及澳門除外)之附屬公司僱員必須參與由當地市政府設立之一項退休福利計劃(「退休福利計劃」)。該等附屬公司就其支付薪金總額之若干百分比向退休福利計劃作出供款作為僱員福利之基金。本集團僅須根據退休福利計劃向該計劃作出所須供款。退休福利計劃之供款乃於本集團根據退休福利計劃之規則應付時於收益表內扣除。

短期僱員福利

短期僱員福利於應計予僱員時確認，並就僱員於截至結算日止提供服務而產生之年假之估計負債作出撥備。

非累計補假於支取時方予確認。

3.18 股息

董事建議派付之末期股息乃歸類為資產負債表內資本及儲備部分之保留溢利獨立分配項目，直至其獲股東於股東大會上批准為止。該等股息將於獲得股東批准及宣派後確認為負債。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.17 Employee benefits (continued)

The employees of the subsidiaries which operate in the People's Republic of China except Hong Kong and Macau ("Mainland China") are required to participate in a retirement benefits scheme (the "RB Scheme") operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of their payroll to the RB Scheme to fund the benefits. The only obligation of the Group with respect to the RB Scheme is to pay the ongoing required contributions under the RB Scheme. Contributions under the RB Scheme are charged to the income statement as they become payable in accordance with the rules of the RB Scheme.

Short-term employee benefits

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

Non-accumulating compensated absences are not recognised until the time of leave.

3.18 Dividends

Final dividends proposed by the directors are classified as a separate allocation of retained profits within the capital and reserves 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.

三、重要會計政策概要 (續)

3.18 股息 (續)

基於本公司之組織章程大綱及組織章程細則授權董事宣派中期股息，故中期股息之建議及宣派乃同時進行。因此，中期股息將於建議及宣派後即時確認為負債。

3.19 外幣交易

財務報告以港元呈報，即本公司的功能貨幣。

各綜合實體的財務報告中，外幣交易初步按交易日有關功能貨幣之當時匯率換算為個別實體之功能貨幣入賬。因結算該等交易及按年末匯率換算以外幣為計價單位的貨幣資產及負債而產生之外匯收益及虧損於收益表中確認。

按公平值以外幣計量之非貨幣項目乃按釐定公平值當日的匯率再換算，並呈報為公平值盈虧之一部分。按歷史成本以外幣計量之非貨幣項目不可再換算。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.18 Dividends (continued)

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

3.19 Foreign currency transaction

The financial statements are presented in Hong Kong Dollars (HK\$), which is also the functional currency of the Company.

In the separate financial statements of the consolidated entities, foreign currency transactions are translated into the functional currency of the individual entity using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are recognised in the income statement.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined and are reported as part of the fair value gain or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.



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三、重要會計政策概要 (續)

3.19 外幣交易 (續)

於本綜合財務報告中，所有附屬公司、聯營公司及共同控制實體各自之財務報告原先並非以本集團之呈報貨幣呈報，現均已換算為港元。資產與負債按結算日的匯率換算為港元。收入及開支已按呈報期間之平均匯率換算為港元。因此而產生的任何匯兌差額，在權益中之匯兌波動儲備中處理。因收購一間海外實體產生之商譽及公平值調整已作為該海外實體之資產及負債處理，並以收市匯率換算為港元。

折算海外實體投資淨額，及為有關投資對沖之用的借貸或其他貨幣工具所產生之其他匯兌差額列入股東權益賬內。當出售海外業務時，該等匯兌差額會於收益表內確認為出售收益或虧損之一部分。

3.20 金融負債

本集團之金融負債包括銀行貸款及透支、貿易及其他應付款項、少數股東貸款及衍生金融工具。該等金融負債被列入資產負債表「貿易應付款項」、「衍生金融工具」、「銀行貸款及透支，有抵押」、「少數股東貸款」及「其他應付款項及應計費用」等項下。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.19 Foreign currency transaction (continued)

In the consolidated financial statements, all separate financial statements of subsidiaries, associates and jointly controlled entities, originally presented in a currency different from the Group's presentation currency, have been converted into Hong Kong dollars. Assets and liabilities have been translated into Hong Kong dollars at the closing rates at the balance sheet date. Income and expenses have been converted into the Hong Kong dollars at the average rates over the reporting period. Any differences arising from this procedure have been dealt with in the exchange fluctuation reserve in equity. Goodwill and fair value adjustments arising on the acquisition of a foreign entity have been treated as assets and liabilities of the foreign entity and translated into Hong Kong dollars at the closing rates.

Other exchange differences arising from the translation of the net investment in foreign entities, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is sold, such exchange differences are recognised in the income statement as part of the gain or loss on sale.

3.20 Financial liabilities

The Group's financial liabilities include bank loans and overdrafts, trade and other payables, loan from minority shareholders and derivative financial instruments. They are included in balance sheet line items as "Trade payables", "Derivative financial instruments", "Bank loans and overdrafts, secured", "Loans from minority shareholders" and "Other payables and accruals".

三、重要會計政策概要 (續)

3.20 金融負債 (續)

金融負債乃於本集團參與訂立工具之合約協議時確認。所有利息相關開支乃於收益表確認為開支。

(a) 借貸

借貸初步按公平值扣除交易成本確認。其後借貸按攤銷成本列賬，所得款項(扣除交易成本)與贖回價值間之任何差額於借貸期內使用實際利率法於收益表內確認。

借貸歸類為流動負債，除非本集團擁有無條件權利延遲至結算日至少十二個月後償債。

(b) 貿易應付款項

貿易應付款項初步以公平值確認，其後按實際利率法計算以攤銷成本值列賬。

(c) 衍生金融工具

列入負債之衍生金融工具初步以公平值計量，於初步確認後亦以公平值計量，而公平值變動則於收益表內確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.20 Financial liabilities (continued)

Financial liabilities are recognised when the Group becomes a party to the contractual agreements of the instrument. All interest related charges are recognised as an expense in the income statement.

(a) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

(b) Trade payables

Trade payables are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest rate method.

(c) Derivative financial instruments

Derivative financial instruments under liabilities are recognised initially at fair value and measured at fair value subsequent to initial recognition with changes in fair value recognised in the income statement.



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三、重要會計政策概要 (續)

3.21 分部資料

根據本集團之內部財政呈報，本集團已釐定業務分部為主要呈報形式，而地區分部則為次要呈報形式。

就業務分部申報而言，未分配成本包括企業開支。分部資產主要包括租賃土地/土地使用權、投資物業、物業、廠房及設備、存貨、應收款項及經營現金。分部負債包括經營負債及稅項及若干公司借款等獨立項目。

資本開支包括添置物業、廠房及設備，包括因購入附屬公司之收購而造成之增加。

就地區分部而言，收益乃根據客戶之所在地區而定，而總資產及資本開支根據該等資產之所在地區而定。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.21 Segment reporting

In accordance with the Group's internal financial reporting the Group has determined that business segments be presented as the primary reporting format and geographical segments as the secondary reporting format.

In respect of business segment reporting, unallocated costs represent corporate expenses. Segment assets consist primarily leasehold land/land use rights, investment properties, property, plant and equipment, inventories, receivables and operating cash. Segment liabilities comprise operating liabilities and exclude items such as taxation and certain corporate borrowings.

Capital expenditure comprises additions to property, plant and equipment, including additions resulting from acquisitions through purchases of subsidiaries.

In respect of geographical segment reporting, revenue are based on the country in which the customer is located and total assets and capital expenditure are where the assets are located.

三、重要會計政策概要 (續)

3.22 關連人士

與本集團有關連之人士乃指：

- (i) 本集團直接或間接透過一個或多個中介人：
 - 控制該實體、被該實體控制或與該實體受到共同之控制；
 - 於一個實體擁有權益因而可對該實體施以重大影響力；
 - 於該實體有共同控制權；
- (ii) 該人士乃本集團之聯繫人士；
- (iii) 該人士乃本集團為合營方之合營公司；
- (iv) 該人士乃本集團或其母公司之主要管理人員；
- (v) 該人士乃上述(i)或(iv)中所述之家族或任何個人之關係密切成員；

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.22 Related parties

Parties are considered to be related to the Group if:

- (i) directly, or indirectly through one or more intermediaries, the Group:
 - controls, is controlled by, or is under common control with, the entity;
 - has an interest in the entity that gives it significant influence over the entity;
 - has joint control over the entity;
- (ii) the party is an associate of the Group;
- (iii) the party is a joint venture in which the Group is a venturer;
- (iv) the party is a member of the key management personnel of the Group or its parent;
- (v) the party is a close member of the family or any individual referred to in (i) or (iv);



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三、重要會計政策概要 (續)

3.22 關連人士 (續)

- (vi) 該人士乃上述(iv)或(v)中所述任何個人直接或間接控制或共同控制，或對該實體有重大影響力或重大投票權之實體；或
- (vii) 該人士乃本集團為僱員而設或與集團有關連之任何實體為其僱員而設之離職後福利計劃。

四、關鍵會計估計及判斷

於貫徹本集團之會計政策過程中，管理層根據過往經驗、對未來之預期及其他資料作出各種估計。可能導致下個財政年度內資產及負債賬面值重大調整之風險之關鍵不明朗因素來源披露如下。

投資物業公平值

本集團投資物業根據附註3.8所述會計政策按公平值入賬，而投資物業公平值由獨立專業估值師衡量行釐定，載於財務報告附註十八。上述估值基於若干假設，而該等假設並不確定，可能與實際結果有重大差異。

在作出判斷時，已合理考慮到主要基於結算日市況作出的相關假設。上述估計須經常與實際市場數據及市場的實際交易比較。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.22 Related parties (continued)

- (vi) 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 (iv) or (v); or
- (vii) 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.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the process of applying the Group's accounting policies, the management has made various estimates based on past experience, expectations of the future and other information. The key sources of estimation of uncertainty that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed below.

Fair value of investment properties

The investment properties of the Group were stated at fair value in accordance with the accounting policy stated in note 3.8. The fair value of the investment properties are determined by an independent professional valuer, Chung, Chan & Associates, and the fair value of investment properties are set out in note 18 to the financial statements. Such valuations were based on certain assumptions, which are subject to uncertainty and might materially differ from the actual results.

In making the judgement, reasonable consideration has been given to the underlying assumptions that are mainly based on market conditions existing at the balance sheet date. These estimates are regularly compared to actual market data and actual transactions in the market.

四、關鍵會計估計及判斷

(續)

對可供出售金融資產之減值虧損之估計

就可供出售金融資產而言，公平值顯著或持續低於成本被視為減值虧損之客觀證據。於釐定公平值下跌是否顯著及／或持續須運用判斷。於作出此判斷時，市場波動情況之過往數據及特定投資之價格均屬考慮之列。本集團亦考慮其他因素，例如行業及界別表現及有關發行人／接受投資公司之財務資料。

應收賬款減值撥備

本集團之應收賬款撥備政策根據對可收回性及賬目之賬齡分析之評估以及管理層之判斷作出。對該等應收款項之最終變現之估計須作出大量判斷，包括每名客戶現時之信譽、抵押品保障及過往收款情況。倘本集團客戶（對其賬項已作減值撥備）之財務狀況已獲改善且未發現其還款能力受到損害，則須進行減值撥備撥回。

估計即期稅項及遞延稅項

本集團在不同司法權轄區繳納稅項。釐定稅項撥備之金額及支付相關稅項之時間須作出重大判斷。一般業務過程中存在多項最終稅額釐定並不確定之交易及計算。該等事項之最終稅項結果不同於最初記錄之金額時，其差額將對作出該等釐定期間之所得稅及遞延稅項撥備產生影響。

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(continued)*

Estimation of impairment losses of available-for-sale financial assets

For available-for-sale financial assets, a significant or prolonged decline in fair value below cost is considered to be objective evidence of impairment. Judgement is required when determining whether a decline in fair value has been significant and/or prolonged. In making this judgement, the historical data on market volatility as well as the price of the specific investment are taken into account. The Group also takes into account other factors, such as industry and sector performance and financial information regarding the issuer/investee.

Provision for impairment of receivables

The policy for the provision for impairment of receivables of the Group is based on the evaluation of collectability and aging analysis of accounts and on management's judgment. A considerable amount of judgment is required in assessing the ultimate realisation of these receivables, including the current creditworthiness, the collateral security and the past collection history of each client. If the financial conditions of client of the Group, on whose account provision for impairment has been made, were improved and no impairment of their ability to make payments were noted, reversal of provision for impairment may be required.

Estimated of current tax and deferred tax

The Group is subject to taxation in various jurisdictions. Significant judgement is required in determining the amount of the provision for taxation and the timing of payment of the related taxation. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the periods in which such determination are made.



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四、關鍵會計估計及判斷

(續)

估計即期稅項及遞延稅項 (續)

於本年內直至本財務報告日期，香港稅務局正審核本公司若干附屬公司之稅務事宜。於考慮稅務局審核的最新發展，本公司董事認為本公司之稅項撥備呈列乃真實中肯。於二零零六年六月三十日，就前述稅務局審核而言，本集團已購入金額約為9,700,000港元之儲稅券。

存貨撥備

於釐定陳舊及滯銷存貨之撥備金額時，本集團須評估存貨之賬齡分析並將存貨之賬面值與其各自可變現淨值作比較。於釐定有關撥備時須進行大量判斷。若影響存貨可變現淨值之條件惡化，即須作出額外撥備。

五、金融風險管理目標及政策

本集團面臨自其經營及投資業務產生之各種金融風險。本集團並無書面風險管理政策及指引。然而，董事會會定期召開會議，分析及制訂措施，以管理本集團承受之市場風險，包括利率變動及貨幣匯率變動。一般而言，本集團就其風險管理採納一套穩健策略。本集團所承受之市場風險持續處於最低水平。本集團並無使用任何衍生工具或其他工具作對沖用途。本集團並無發行衍生金融工具作買賣用途。

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

Estimated of current tax and deferred tax (continued)

During the year and up to the date of these financial statements, the Inland Revenue Department ("IRD") of Hong Kong is in the process of reviewing the tax affairs of certain subsidiaries of the Company. After taking into account the development of the IRD's review to date, the directors of the Company are of the opinion that the Group's tax provision is fairly presented. As at 30 June 2006, in relation to the aforementioned IRD's review, the Group has purchased a tax reserve certificate amounting to approximately HK\$9.7 million.

Provision for inventories

In determining the amount of allowance required for obsolete and slow-moving inventories, the Group would evaluate aging analysis of inventories and compare the carrying value of inventories to their respective net realisable value. A considerable amount of judgement is required in determining such allowance. If conditions which have impact on the net realisable value of inventories deteriorate, additional allowances may be required.

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to a variety of financial risks which results from both its operating and investing activities. The Group does not have written risk management policies and guidelines. However, the board of directors meets periodically to analyse and formulate strategies to manage the Group's exposure to market risks, including changes in interest rates and currency exchange rates. Generally, the Group utilises conservative strategies on its risk management. The Group's exposure to market risk is kept to minimum. The Group has not used any derivatives or other instruments for hedging purposes. The Group does not issue derivative financial instruments for trading purposes.

五、金融風險管理目標及政策 (續)

本集團並不積極從事以投機為目的之金融資產買賣，亦不沽出期權。本集團所面臨之最重要之金融風險說明如下：

(i) 外匯風險

外匯風險指因外幣匯率發生不利變動，以致於外國債務人之應收款項及於外國銀行之外幣存款損失。管理層密切管理並監察涉及外匯交易所產生之外匯風險以減少外匯風險。

年內，本集團訂立外匯遠期匯率協議，以盡量減低外幣匯率波動之風險。訂立這些合約目的為盡量減低外幣匯率變動對本集團經營業績之影響。由於這些衍生工具並不符合指定要求，因此不能採用對沖會計法入賬。

(ii) 信貸風險

一般情況下，金融資產面臨之最大信貸風險，乃該項金融資產於資產負債表呈列之賬面值（或於財務報告附註詳細分析）。因此，僅當最大潛在金融虧損與有關金融資產之賬面值顯著不同時，才披露信貸風險。

本集團之貿易及其他應收款項均受積極監察，以避免重大集中之信貸風險。

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

The Group does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Group is exposed to are described below.

(i) Foreign currency risk

Foreign exchange risk is the risk of loss due to adverse movements in foreign exchange rate relating to receivables from foreign debtors and foreign currency deposits with banks. To mitigate the foreign currency risk, the management work closely to manage and monitor the foreign exchange exposure arising from transactions involving foreign currencies.

During the year, the Group entered into foreign exchange forward rate agreements in order to minimise its exposure to fluctuations in foreign currency exchange rates. The objective of these contracts is to minimise the impact of foreign exchange rate movements on the Group's operating result. As these derivatives do not fulfill the designation requirements and therefore do not qualify for hedge accounting.

(ii) Credit risk

Generally, the maximum credit risk exposure of financial assets is the carrying amount of the financial assets as shown on the face of the balance sheet (or in the detailed analysis provided in the notes to the financial statements). Credit risk, therefore, is only disclosed in circumstances where the maximum potential loss differs significantly from the financial asset's carrying amount.

The Group's trade and other receivables are actively monitored to avoid significant concentrations of credit risk.



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五、金融風險管理目標及政策 (續)

(iii) 現金流量及利率風險

現金流量及利率風險採用衍生金融工具(例如利率掉期)管理，以確保短期至中期流動性。本集團面臨之利率變動風險主要歸因於其浮息銀行貸款。以浮動利率借貸令本集團面臨現金流量利率風險。

(iv) 公平值

本集團金融資產及負債乃即時或短期到期，故其公平值與賬面值並無重大差異。非流動負債或應收款項之公平值並未披露，因其賬面值與公平值並無重大差異。

由於公平值估計乃於某一特定時間點作出，及根據有關市場資料及金融工具之資料。此等估計乃屬主觀性質並涉及不確定性及重要判斷，因此無法精確釐定。假設之變化可嚴重影響有關估計。

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(iii) Cash flow and interest rate risk

Cash flow and interest rate risks are managed by means of derivative financial instruments, such as interest rate swaps, where necessary, to ensure short-to-medium term liquidity. The Group's exposure to changes in interest rates is mainly attributable to its bank borrowings with floating interest rates. Borrowings at variable rates expose the Group to cash flow interest rate risk.

(iv) Fair value

The fair value of the Group's current financial assets and liabilities are not materially different from their carrying amounts because of the immediate or short term maturity. The fair values of non-current liabilities and receivables were not disclosed because their carrying value is not materially different from their fair value.

Fair value estimates are made at a specific point in time and based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgement and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

六、分部資料

分部資料乃按兩種分部方式呈列：(i)主要分部申報基準為按業務分類；及(ii)次要分部申報基準為按地區分類。

本集團之經營業務乃按其業務性質及所提供之產品與服務而分開組成及管理。本集團各業務分部指提供產品與服務之策略性業務環節，其風險及回報與該等其他業務分部有別。有關業務分部之詳情概述如下：

- (a) 設計、製造、推廣及買賣珠寶首飾及鑽石；
- (b) 物業投資及發展；及
- (c) 投資及其他。

在釐定本集團之地區分部時，各分部應佔之收入乃按客戶所在地區而定，而各分部應佔之資產則按資產所在地點而定。

6. SEGMENT INFORMATION

Segment information is presented by way of two segment formats: (i) on a primary segment reporting basis, by business segment; and (ii) on a secondary segment reporting basis, by geographical segment.

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

- (a) design, manufacturing, marketing and trading of fine jewellery and diamonds;
- (b) property investment and development; and
- (c) investment and others.

In determining the Group's geographical segments, revenues are attributed to the segments based on the location of the customers and assets are attributed to the segments based on the location of the assets.



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六、分部資料 (續)

6. SEGMENT INFORMATION (continued)

(a) 業務分部

(a) Business segment

下表載列本集團業務分部之收入、溢利及若干資產、負債及開支資料。

The following tables present revenue, profit and certain asset, liability and expenditure information for the Group's business segments.

		物業投資及發展		珠寶及鑽石之製造及貿易		投資及其他		綜合	
		Property investment and development		Manufacturing and trading of jewellery and diamond		Investment and others		Consolidated	
		2006	2005	2006	2005	2006	2005	2006	2005
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
分部收入：	Segment revenue：								
銷售予外界客戶	Sales to external customers	31,082	17,733	1,675,455	1,219,143	1,284	4,208	1,707,821	1,241,084
其他	Others	-	-	-	-	3,849	2,026	3,849	2,026
		31,082	17,733	1,675,455	1,219,143	5,133	6,234	1,711,670	1,243,110
分部業績	Segment results	35,435*	109,499*	46,658	12,383	6,377	(6,576)	88,470	115,306
未分配開支	Unallocated expenses							(2,063)	(2,907)
經營業務溢利	Profit from operations							86,407	112,399
融資成本	Finance costs							(15,610)	(5,497)
應佔聯營公司業績	Share of results of associates	-	-	156	528	-	-	156	528
應佔共同控制實體業績	Share of results of jointly controlled entities	426	117	-	-	-	-	426	117
收購一間聯營公司之商譽攤銷	Amortisation of goodwill on acquisition of an associate	-	-	-	(1,410)	-	-	-	(1,410)
除所得稅前溢利	Profit before income tax							71,379	106,137
所得稅開支	Income tax expense							(16,324)	(21,951)
年內溢利	Profit for the year							55,055	84,186

* 投資物業之公平值變動14,300,000港元(二零零五年: 109,865,000港元)已於分部業績業務分部之「物業投資及發展」內呈報。

* The changes in fair value of investment properties of HK\$14,300,000 (2005: HK\$109,865,000) were included in the segment results of the business segment of "Property investment and development".

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六、分部資料 (續)

6. SEGMENT INFORMATION (continued)

(a) 業務分部 (續)

(a) Business segment (continued)

		物業投資及發展		珠寶及鑽石之製造及貿易		投資及其他		綜合	
		Property investment and development		Manufacturing and trading of jewellery and diamond		Investment and others		Consolidated	
		2006	2005	2006	2005	2006	2005	2006	2005
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		(重列) (restated)							
分部資產	Segment assets	463,671	610,227	632,637	583,549	34,188	44,944	1,130,496	1,238,720
於聯營公司之權益	Interests in associates	-	-	4,455	8,304	-	-	4,455	8,304
於共同控制實體之權益	Interests in jointly controlled entities	94,538	89,612	-	-	-	-	94,538	89,612
未分配資產	Unallocated assets							136,292	49,255
資產總額	Total assets							1,365,781	1,385,891
分部負債	Segment liabilities	51,924	64,553	241,676	268,186	284	1,502	293,884	334,241
銀行貸款及透支， 有抵押	Bank loans and overdrafts, secured							272,683	305,919
未分配負債	Unallocated liabilities							54,305	51,649
負債總額	Total liabilities							620,872	691,809
其他分部資料：	Other segment information:								
折舊	Depreciation	95	-	9,671	10,358	-	-	9,766	10,358
租賃土地／土地使用權 攤銷	Amortisation on leasehold land/land use rights	-	-	239	239	-	-	239	239
收購一間聯營公司 之商譽攤銷	Amortisation of goodwill on acquisition of an associate	-	-	-	1,410	-	-	-	1,410
其他非現金開支	Other non-cash expenses	-	-	34,333	7,787	1,194	20,201	35,527	27,988
資本開支	Capital expenditure	671	361,135	8,994	14,778	-	-	9,665	375,913



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六、分部資料 (續)

6. SEGMENT INFORMATION (continued)

(b) 地區分部

下表載列本集團地區分部之收入、業績及若干資產與開支資料。

(b) Geographical segment

The following table presents revenue, results and certain asset and expenditure information for the Group's geographical segments.

	北美洲		歐洲		香港		其他地區		綜合	
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
分部收入：	Segment revenue:									
銷售予外界客戶	760,293	554,470	629,679	534,114	269,930	142,048	47,919	10,452	1,707,821	1,241,084
其他	-	-	-	-	3,849	2,026	-	-	3,849	2,026
									1,711,670	1,243,110
其他分部資料：	Other segment information:									
分部資產	125,335	111,469	93,917	96,373	883,378	872,012	243,340	289,629	1,345,970	1,369,483
未分配資產									19,811	16,408
資產總額									1,365,781	1,385,891
資本開支	-	-	378	256	3,066	362,580	6,221	13,077	9,665	375,913

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七、收益

收益(即本集團之營業額)指經扣除退貨及貿易折扣後已售出貨品之發票淨額、租金收入毛額、利息收入及投資之股息收入。

本集團收益之分析如下：

7. REVENUE

Revenue, which is also the Group's turnover, represents the net invoiced value of goods sold, after allowances for returns and trade discounts, gross rental income, interest income and dividend income from investments.

An analysis of the Group's revenue is as follows:

		2006 千港元 <i>HK\$'000</i>	2005 千港元 <i>HK\$'000</i>
銷售貨品	Sale of goods	1,676,739	1,223,351
租金收入毛額	Gross rental income	31,082	17,733
利息收入	Interest income	3,262	1,600
投資之股息收入	Dividend income from investments	587	426
		1,711,670	1,243,110

八、融資成本

8. FINANCE COSTS

		本集團 Group	
		2006 千港元 <i>HK\$'000</i>	2005 千港元 <i>HK\$'000</i>
須於五年內悉數償還之 銀行貸款及透支之 利息開支	Interest expense on bank loans and overdrafts wholly repayable within five years	2,540	605
須於五年後償還之銀行 貸款利息開支	Interest expense on bank loans repayable over five years	13,070	4,215
須於五年後償還之少數 股東貸款利息開支	Interest expenses on loan from a minority shareholder repayable over five years	-	677
		15,610	5,497



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九、除所得稅前溢利

9. PROFIT BEFORE INCOME TAX

	2006 千港元 HK\$'000	2005 千港元 HK\$'000 (重列) (restated)
本集團除所得稅前溢利經扣除 ／(計入)以下項目達致：		
已出售存貨成本	1,481,893	1,145,689
直接經營支出	1,866	1,821
物業、廠房及設備折舊 (附註十六)	9,766	10,358
租賃土地及土地使用權攤銷 (附註十七)	239	239
根據經營租賃土地及 樓宇之最低租賃付款	4,187	6,037
核數師酬金	812	653
存貨撥備*	2,046	5,398
衍生金融工具公平值虧損 ／(收益)		
－遠期貨幣合約	312	－
－利率掉期合約	(561)	－
投資證券減值撥備	－	652
物業、廠房及設備減值撥備 (附註十六)	－	6,390
出售一項投資物業之虧損	－	11,139
其他投資已變現及未變現 收益	－	(4,888)
外匯收益淨額	(1,570)	(5,566)
預付款項、按金及其他 應收款項撇銷	－	396
壞賬收回	(17,728)	－
出售一間附屬公司收益 (附註三十九)	(13,036)	－
可供出售之金融資產減值 虧損	1,194	－
長期應收款項撥備	22,341	－
於一間聯營公司投資淨額 之減值撥備	3,898	－
應收一間聯營公司款項 減值撥備	1,599	－

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九、除所得稅前溢利 (續)

9. PROFIT BEFORE INCOME TAX (continued)

		2006 千港元 HK\$'000	2005 千港元 HK\$'000 (重列) (restated)
應佔聯營公司所得稅開支	Share of income tax expense of associates	66	856
應佔共同控制實體所得稅開支	Share of income tax expense of jointly controlled entities	-	-
法律及專業費用撥備	Provision for legal and professional fee	5,023	-
出售物業、廠房及設備 虧損	Loss on disposal of property, plant and equipment	29	204
壞賬撇銷	Bad debts written off	873	1,622
撇銷應收一間聯營公司之款項	Written off on an amount due from an associate	2,507	-
貿易應收款項撥備	Provision for trade receivables	2,131	2,187
其他應收款項撥備	Provision for other receivables	534	-

* 本年度存貨撥備已列入綜合收益表之「銷售成本」內。

* The provision against inventories for the year was included in "cost of sales" on the face of the consolidated income statement.

十、所得稅開支

10. INCOME TAX EXPENSE

香港利得稅乃以本年度於香港產生之估計應課稅溢利按稅率17.5% (二零零五年：17.5%) 計算。其他地區應課稅溢利之稅項按本集團營運之個別司法地區現時適用之稅率計算，並根據該等司法地區之現行法例、詮釋及慣例作出。

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 applicable rates of tax prevailing in the jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

		本集團 Group	
		2006 千港元 HK\$'000	2005 千港元 HK\$'000 (重列) (restated)
即期：	Current:		
香港	Hong Kong	14,272	10,460
過往年度之撥備不足	Under provision in prior years	1,228	11,348
遞延 (附註三十三)	Deferred (note 33)	824	143
本年度繳交稅項總額	Total tax charge for the year	16,324	21,951



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十、所得稅開支(續)

按適用稅率計算之稅務開支與會計溢利之對賬：

10. INCOME TAX EXPENSE (continued)

Reconciliation between tax expense and accounting profit at applicable tax rates:

		2006 千港元 HK\$'000	2005 千港元 HK\$'000
除所得稅前溢利	Profit before income tax	71,379	106,137
除稅前溢利稅項	Tax on profit before taxation,		
按法定稅率17.5%	calculated at the statutory		
(二零零五年：17.5%)	rate of 17.5% (2005: 17.5%)	12,491	18,573
於其他司法權區營業之附屬	Effect of different tax rates of		
公司之不同稅率影響	subsidiaries operating in other jurisdictions	254	(891)
應佔聯營公司業績	Tax effect of share of results		
之稅務影響	of associates	39	763
應佔共同控制實體業績	Tax effect of share of results of		
之稅務影響	jointly controlled entities	(75)	(20)
不可扣稅支出之稅務影響	Tax effect of non-deductible expenses	5,795	5,039
無須課稅收入之稅務影響	Tax effect of non-taxable revenue	(5,562)	(2,654)
今年已動用去年稅務虧損	Tax effect of prior year's tax losses		
之稅務影響	utilised this year	(772)	(428)
過去年度未確認短暫時差	Tax effect of temporary differences		
之稅務影響	not recognised in prior years	-	(14,946)
未確認短暫時差之稅務影響	Tax effect of temporary differences not recognised	(88)	1,335
未確認稅務虧損之稅務影響	Tax effect of tax losses not recognised	3,014	3,832
過往年度之撥備不足	Under provision in prior years	1,228	11,348
本年度稅項支出	Tax charge for the year	16,324	21,951

十一、本公司權益持有人應佔溢利

本公司權益持有人應佔綜合溢利50,537,000港元(二零零五年：50,067,000港元(重列))中，本公司財務報告中已處理之溢利為69,398,000港元(二零零五年：虧損3,385,000港元)。

11. PROFIT ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE COMPANY

Of the consolidated profit attributable to the equity holders of the Company of HK\$50,537,000 (2005: HK\$50,067,000 (restated)), a profit of HK\$69,398,000 (2005: loss of HK\$3,385,000) has been dealt with in the financial statements of the Company.

十二、股息

12. DIVIDENDS

		2006 千港元 <i>HK\$'000</i>	2005 千港元 <i>HK\$'000</i>
中期— 每股普通股0.01港元 (二零零五年：0.01港元)	Interim – HK\$0.01 (2005: HK\$0.01) per ordinary share	2,798	2,798
擬派末期— 每股普通股0.03港元 (二零零五年：0.02港元)	Proposed final – HK\$0.03 (2005: HK\$0.02) per ordinary share	8,394	5,596
		11,192	8,394

本年度擬派末期股息須待本公司權益持有人於將舉行之股東週年大會上批准。

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

十三、每股盈利

13. EARNINGS PER SHARE

每股基本盈利乃根據本公司權益持有人應佔本年度純利50,537,000港元(二零零五年：50,067,000港元(重列))及年內已發行普通股279,800,031股計算。

The calculations of basic earnings per share is based on the net profit attributable to equity holders of the Company for the year of HK\$50,537,000 (2005: HK\$50,067,000 (restated)), and 279,800,031 ordinary shares in issue during the year.

於截至二零零六年及二零零五年六月三十日止兩個年度，本公司並無潛在可攤薄普通股，故並無列示每股攤薄盈利。

No diluted earnings per share amounts are shown as the Company has no potential dilutive ordinary shares for the years ended 30 June 2006 and 2005.



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十四、僱員福利開支(包括董事酬金 – 附註十五)

14. EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS – NOTE 15)

		2006 千港元 HK\$'000	2005 千港元 HK\$'000
工資及薪金*	Wages and salaries *	77,873	65,756
未動用年假	Unutilised annual leave	194	–
退休金成本 – 指定供款計劃	Pension costs – defined contribution plans	3,412	1,917
減：已沒收之供款	Less: Forfeited contributions	(84)	–
		81,395	67,673

* 包括董事酬金，其中50,000港元於本年內支付予於二零零五年辭任的一名董事，該項金額並未列入本年度董事酬金(附註十五)。

* Includes directors emoluments of which HK\$50,000 was paid during the year to a former director who resigned in 2005, such amount was excluded in directors' emoluments in current year (note 15).

十五、董事酬金及高級管理人員之薪酬

15. DIRECTORS' REMUNERATION AND SENIOR MANAGEMENT'S EMOLUMENTS

依據上市規則及香港公司條例第一百六十一條披露之董事酬金如下：

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

		本集團 Group	
		2006 千港元 HK\$'000	2005 千港元 HK\$'000
袍金：	Fees:		
非執行董事／ 獨立非執行董事	Non-executive director/ Independent non-executive directors	200	150
其他執行董事薪酬：	Other executive directors' emoluments:		
薪金、津貼及實物利益	Salaries, allowances and benefits in kind	4,712	4,936
花紅	Bonus	1,982	1,846
退休計劃供款	Retirement scheme contributions	211	207
		6,905	6,989
		7,105	7,139

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十五、董事酬金及高級管理人員之薪酬 (續)

除上文所披露者外，於兩個年度內概無執行董事、非執行董事或獨立非執行董事收取任何袍金、其他補償或酬金。

截至二零零六年及二零零五年六月三十日止年度，按姓名列出之各董事酬金載列如下：

15. DIRECTORS' REMUNERATION AND SENIOR MANAGEMENT'S EMOLUMENTS (continued)

Save as disclosed above, none of the executive, non-executive or independent non-executive directors received any fees or other reimbursements or emoluments for both years.

The emoluments of each director, on a named basis, for the years ended 30 June 2006 and 2005 are set out below:

		2006				
		袍金	薪金、津貼 及實物利益	花紅	僱員退休 計劃供款	總計
		Fees	Salaries, allowances and benefits	Bonus	Employer's retirement scheme contributions	Total
		千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
執行董事：	Executive directors:					
陳聖澤	Chan Sing Chuk, Charles	-	3,500	790	156	4,446
鄭小燕	Cheng Siu Yin, Shirley	-	840	998	38	1,876
陳慧琪	Chan Wai Kei, Vicki	-	372	194	17	583
非執行董事：	Non-executive director:					
朱偉國	Chu Wai Kok	50	-	-	-	50
獨立非執行董事：	Independent non-executive directors:					
梁海明	Leung Hai Ming, Raymond	50	-	-	-	50
黃繼昌	Wong Kai Cheong	50	-	-	-	50
余嘯天	Yu Shiu Tin, Paul	50	-	-	-	50
二零零六年總計	Total 2006	200	4,712	1,982	211	7,105



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十五、董事酬金及高級管理人員之薪酬(續)

15. DIRECTORS' REMUNERATION AND SENIOR MANAGEMENT'S EMOLUMENTS (continued)

		2005				
		袍金	薪金、津貼 及實物利益	花紅	僱員退休 計劃供款	總計
		Fees	Salaries, allowances and benefits	Bonus	Employer's retirement scheme contributions	Total
		千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
執行董事：	Executive directors:					
陳聖澤	Chan Sing Chuk, Charles	-	3,500	580	157	4,237
鄭小燕	Cheng Siu Yin, Shirley	-	600	1,078	27	1,705
陳慧琪	Chan Wai Kei, Vicki	-	342	128	15	485
張鎮邦	Cheung Chun Pong	-	494	60	8	562
非執行董事：	Non-executive director:					
朱偉國	Chu Wai Kok	50	-	-	-	50
獨立非執行董事：	Independent non-executive directors:					
葉志堅	Ip Chi Kin	50	-	-	-	50
梁海明	Leung Hai Ming, Raymond	50	-	-	-	50
黃繼昌	Wong Kai Cheong	-	-	-	-	-
余嘯天	Yu Shiu Tin, Paul	-	-	-	-	-
二零零五年總計	Total 2005	150	4,936	1,846	207	7,139

年內概無董事放棄或同意放棄任何酬金之安排。

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

年內，本集團並無向董事支付任何酬金作為加入或於加入本集團時之獎勵或離職補償。

During the year, no emoluments were paid by the Group to the directors as an inducement to join, or upon joining the Group, or as compensation for loss of office.

十五、董事酬金及高級管理人員之薪酬 (續)

五位最高薪人士

年內五位最高薪人士包括兩名(二零零五年：兩名)董事，其酬金詳情載於上文。餘下三名(二零零五年：三名)並非董事之最高薪人士之酬金詳情如下：

		本集團 Group	
		2006 千港元 HK\$'000	2005 千港元 HK\$'000
薪金、津貼及實物利益	Salaries, allowances and benefits in kind	2,538	2,864
退休計劃供款	Retirement scheme contributions	49	24
花紅	Bonus	260	357
		2,847	3,245

非董事之最高薪人士而酬金之金額介乎下列範圍之人數如下：

		董事數目 Number of directors	
		2006 千港元 HK\$'000	2005 千港元 HK\$'000
零至1,000,000港元	Nil – HK\$1,000,000	2	2
1,000,001港元至1,500,000港元	HK\$1,000,001 to HK\$1,500,000	1	–
1,500,001港元至2,000,000港元	HK\$1,500,001 to HK\$2,000,000	–	1
		3	3

年內，本集團並無向五位最高薪人士支付任何酬金作為加入或於加入本集團時之獎勵或離職補償。

15. DIRECTORS' REMUNERATION AND SENIOR MANAGEMENT'S EMOLUMENTS (continued)

Five highest paid individuals

The five highest paid individuals during the year included two (2005: two) directors, details of whose emoluments are set out above. Details of the emoluments of the remaining three (2005: three) non-director, highest paid individuals are as follows:

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

During the year, no emoluments were paid by the Group to the five highest paid individuals as an inducement to join or upon joining the Group, or as compensation for loss of office.



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十六、物業、廠房及設備

16. PROPERTY, PLANT AND EQUIPMENT

本集團

Group

		樓宇及租賃 物業裝修 Buildings and leasehold improvements	廠房 及機器 Plant and machinery	傢俬、裝置、 設備及汽車 Furniture, fixtures, equipment and motor vehicles	在建工程 Construction in progress	總額 Total
		千港元 HK\$'000 (重列) (restated)	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000 (重列) (restated)
於二零零四年七月一日	At 1 July 2004					
成本	Cost	35,254	51,742	32,473	19,232	138,701
累計折舊	Accumulated depreciation	(27,108)	(29,207)	(25,838)	–	(82,153)
賬面淨值	Net book amount	8,146	22,535	6,635	19,232	56,548
截至二零零五年六月三十日止年度	Year ended 30 June 2005					
期初賬面淨值	Opening net book amount	8,146	22,535	6,635	19,232	56,548
添置	Additions	2,349	1,931	4,639	5,859	14,778
轉讓	Transfers	23,620	–	1,491	(25,111)	–
出售	Disposals	–	(706)	(40)	–	(746)
減值撥備	Provision for impairment	(85)	(6,122)	(183)	–	(6,390)
折舊	Depreciation	(2,982)	(4,601)	(2,775)	–	(10,358)
匯兌調整	Exchange realignment ¹	6	11	(7)	20	30
期末賬面淨值	Closing net book amount	31,054	13,048	9,760	–	53,862
於二零零五年六月三十日	At 30 June 2005					
成本	Cost	61,235	52,907	37,997	–	152,139
累計折舊及減值	Accumulated depreciation and impairment	(30,181)	(39,859)	(28,237)	–	(98,277)
賬面淨值	Net book amount	31,054	13,048	9,760	–	53,862

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十六、物業、廠房及設備 (續)

16. PROPERTY, PLANT AND EQUIPMENT

(continued)

本集團

Group

		樓宇及租賃 物業裝修 Buildings and leasehold improvements	廠房 及機器 Plant and machinery	傢俬、裝置、 設備及汽車 Furniture, fixtures, equipment and motor vehicles	在建工程 Construction in progress	總額 Total
		千港元 HK\$'000 (重列) (restated)	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000 (重列) (restated)
截至二零零六年六月三十日止年度	Year ended 30 June 2006					
期初賬面淨值	Opening net book amount	31,054	13,048	9,760	–	53,862
添置	Additions	2,035	2,880	4,750	–	9,665
出售	Disposals	–	–	(39)	–	(39)
折舊	Depreciation	(3,060)	(3,034)	(3,672)	–	(9,766)
匯兌調整	Exchange realignment	619	185	154	–	958
期末賬面淨值	Closing net book amount	30,648	13,079	10,953	–	54,680
於二零零六年六月三十日	At 30 June 2006					
成本	Cost	64,006	56,134	42,651	–	162,791
累計折舊及減值	Accumulated depreciation and impairment	(33,358)	(43,055)	(31,698)	–	(108,111)
賬面淨值	Net book amount	30,648	13,079	10,953	–	54,680

於二零零六年六月三十日，賬面淨值約467,000港元(二零零五年：709,000港元(重列))之本集團若干樓宇及零元(二零零五年：1,220,000港元(重列))之若干廠房及機器被抵押以擔保授予本集團之一般銀行信貸(附註三十一)。

At 30 June 2006, the Group's certain buildings with a net book value of approximately HK\$467,000 (2005: HK\$709,000 (restated)) and certain plant and machinery of Nil (2005: HK\$1,220,000 (restated)) were pledged to secure general banking facilities granted to the Group (note 31).



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十七、租賃土地／土地使用權

17. LEASEHOLD LAND/LAND USE RIGHTS

		本集團 Group	
		2006 千港元 HK\$'000	2005 千港元 HK\$'000 (重列) (restated)
年初賬面淨值	Opening net carrying amount	10,016	10,255
年內攤銷費用	Amortisation charge for the year	(239)	(239)
年末賬面淨值	Closing net carrying amount	9,777	10,016

本集團於租賃土地及土地使用權之權益為預付經營租賃款項，其賬面淨值分析如下：

The Group's interests in leasehold land and land use rights represent prepaid operating lease payments and their net book value are analysed as follows:

		2006 千港元 HK\$'000	2005 千港元 HK\$'000 (重列) (restated)
於香港持有：	In Hong Kong held on:		
十至五十年租期	Lease of between 10 to 50 years	3,975	4,072
於香港以外持有：	Outside Hong Kong, held on:		
五十年以上租期	Lease of over 50 years	264	272
十至五十年租期	Lease of between 10 to 50 years	5,538	5,672
		9,777	10,016

於二零零六年六月三十日，賬面淨值約5,676,000港元(二零零五年：5,809,000港元)之本集團若干租賃土地／土地使用權被抵押以擔保授予本集團之一般銀行信貸(附註三十一)。

At 30 June 2006, the Group's certain leasehold land/land use rights with the carrying amount of HK\$5,676,000 (2005: HK\$5,809,000) were pledged to secure general banking facilities granted to the Group (note 31).

十八、投資物業

本集團以經營租賃方式持有，以賺取租金或資本增值目的所有物業權益，均採用公平值模型按投資物業歸類及入賬。

列入資產負債表之賬面值變動概述如下：

		本集團 Group	
		2006 千港元 HK\$'000	2005 千港元 HK\$'000
於七月一日之賬面值	Carrying amount as at 1 July	605,500	314,500
添置	Additions	–	361,135
出售	Disposals	–	(180,000)
出售一間附屬公司	Disposal of a subsidiary	(152,000)	–
公平值調整產生之淨收益	Net gain from fair value adjustments	14,300	109,865
於六月三十日之賬面值	Carrying amount as at 30 June	467,800	605,500

本集團之投資物業位於香港，並以中期租約持有。

本集團之投資物業於二零零六年六月三十日由獨立特許估值師衡量行按公開市場及現有用途基準重新估值為467,800,000港元(二零零五年：605,500,000港元)。因重新估值而產生之公平值調整14,300,000港元(二零零五年：109,865,000港元)撥入本年度之綜合收益表。

於二零零六年六月三十日，本集團價值467,800,000港元之投資物業(二零零五年：605,500,000港元)被抵押，以擔保授予本集團之一般銀行信貸(附註三十一)。

18. INVESTMENT PROPERTIES

All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.

Changes to the carrying amounts presented in the balance sheet can be summarised as follows:

The Group's investment properties are situated in Hong Kong and are held under medium term leases.

The Group's investment properties were revalued on 30 June 2006 by Chung, Chan & Associates, an independent firm of chartered surveyors, at HK\$467,800,000 (2005: HK\$605,500,000) on an open market existing use basis. A fair value adjustment on revaluation of HK\$14,300,000 (2005: HK\$109,865,000) arising therefrom was credited to the consolidated income statement for the year.

At 30 June 2006, the Group's investment properties with a value of HK\$467,800,000 (2005: HK\$605,500,000) were pledged to secure general banking facilities granted to the Group (note 31).



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十九、於附屬公司之權益

19. INTERESTS IN SUBSIDIARIES

		本公司 Company	
		2006 千港元 HK\$'000	2005 千港元 HK\$'000
非上市股份，按成本	Unlisted shares, at cost	95,261	95,261
推定出資(附註2.4)	Deemed capital contribution (Note 2.4)	173,710	–
減值撥備	Provision for impairment	(23,964)	(23,964)
		245,007	71,297
應收附屬公司款項	Due from subsidiaries	400,529	604,154
應收附屬公司款項 之撥備	Provision against amounts due from subsidiaries	(102,000)	(102,000)
		298,529	502,154
		543,536	573,451
應收一間附屬公司款項	Due from a subsidiary	54,494	–
應付附屬公司款項	Due to subsidiaries	–	43,804

各附屬公司之結餘乃無抵押、免息並毋須於結算日起計未來十二個月內償還，惟(i)於二零零六年六月三十日通知時即須償還之應收一間附屬公司款項54,494,000港元；及(ii)於二零零五年六月三十日按港元最優惠利率計息之應收一間附屬公司款項39,012,000港元除外。

The balances with subsidiaries are unsecured, interest-free and not repayable within the next twelve months from the balance sheet date, except for (i) an amount due from a subsidiary of HK\$54,494,000 which is repayable on demand as at 30 June 2006; and (ii) an amount due from a subsidiary of HK\$39,012,000 as at 30 June 2005 which is interest bearing at Hong Kong dollar prime rate.

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十九、於附屬公司之權益 (續)

於二零零六年六月三十日，主要附屬公司之詳情如下：

19. INTERESTS IN SUBSIDIARIES (continued)

Particulars of the principal subsidiaries as at 30 June 2006 are as follows:

名稱 Name	註冊成立/ 登記及經營地點 Place of incorporation/ registration and operations	已繳足註冊/ 已發行股本面值 Nominal value of paid-up registered/issued share capital	本公司應佔 權益百分比 Percentage of equity attributable to the Company		主要業務 Principal activities
			直接 Direct	間接 Indirect	
萬高首飾製造廠有限公司 Amco Jewelry Limited	香港 Hong Kong	2股面值10港元之普通股 2 ordinary shares of HK\$10 each	100	–	鑽石貿易及打磨 Diamond trading and polishing
Continental Investment Company Limited	香港 Hong Kong	100,000股面值1港元之普通股 100,000 ordinary shares of HK\$1 each	100	–	投資控股 Investment holding
恒和珠寶首飾廠有限公司 Continental Jewellery (Mfg.) Limited	香港 Hong Kong	10,000,000股面值1港元之普通股 10,000,000 ordinary shares of HK\$1 each	100	–	珠寶首飾製造及批發 Jewellery manufacturing and wholesaling
恒光光電科技有限公司 Optik Technologies Limited	香港 Hong Kong	117,000,000股面值0.1港元之普通股 117,000,000 ordinary shares of HK\$0.1 each	80	–	光纖連接器製造 Optical fibre connector manufacturing
C.J. (UK) Limited*	英國 United Kingdom	1,000股面值1英鎊之普通股 1,000 ordinary shares of GBP1 each	–	100	珠寶首飾批發 Jewellery wholesaling
恒寶珠寶有限公司 Diamond Creation Limited	香港 Hong Kong	500,000股面值1港元之普通股 500,000 ordinary shares of HK\$1 each	100	–	投資控股 Investment holding
DCGS Management Service Limited (前稱恒寶珠寶金行有限公司) (formerly known as Diamond Creation Goldsmith Limited)	香港 Hong Kong	10,000,000股面值1港元之普通股 10,000,000 ordinary shares of HK\$1 each	–	100	投資控股/提供管理服務 Investment holding/ providing management services



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十九、於附屬公司之權益 (續)

19. INTERESTS IN SUBSIDIARIES (continued)

名稱 Name	註冊成立/ 登記及經營地點 Place of incorporation/ registration and operations	已繳足註冊/ 已發行股本面值 Nominal value of paid-up registered/issued share capital	本公司應佔 權益百分比 Percentage of equity attributable to the Company		主要業務 Principal activities
			直接 Direct	間接 Indirect	
恒和地產有限公司 Continental Property Holdings Limited	香港 Hong Kong	2股面值1港元之普通股 2 ordinary shares of HK\$1 each	-	100	物業投資 Property investment
廣州保稅區恒和金銀珠寶有限公司# Guangzhou Free Trade Zone Continental Jewellery Co. Ltd.#	中國 Mainland China	已繳股本8,667,659港元 Paid up capital of HK\$8,667,659	-	60	珠寶首飾製造 Jewellery manufacturing
致星貿易有限公司* Jestar Trading Limited*	香港 Hong Kong	100,000股面值1港元之普通股 100,000 ordinary shares of HK\$1 each	-	63	鑽石貿易及打磨 Diamond trading and polishing
衢州弘基鑽石有限公司*# Quzhou Hongji Diamond Limited*#	中國 Mainland China	已繳股本6,300,000港元 Paid up capital of HK\$6,300,000	-	63	鑽石貿易及打磨 Diamond trading and polishing
Larchridge Limited	香港 Hong Kong	2股面值10港元之普通股 2 ordinary shares of HK\$10 each	100	-	投資控股 Investment holding
恒和企業服務有限公司 Wilber Corporate Services Limited (前稱恒和環保科技有限公司) (formerly known as Wilber Investments Limited)	香港 Hong Kong	78,000股面值1港元之普通股 78,000 Ordinary shares of HK\$1	-	100	投資控股/提供企業服務 Investment holding/ providing corporate services
恒和環保科技(江門)有限公司# Wilber Investments (Jiangmen) Limited#	中國 Mainland China	已繳股本2,500,000美元 Paid up capital of US\$2,500,000	-	100	木材製品製造 Wooden products manufacturing
明秀鑽石廠有限公司 Ming Xiu Diamond Cutting Factory Limited	香港 Hong Kong	600,000股面值10港元之普通股 600,000 ordinary shares of HK\$10 each	100	-	投資控股 Investment holding

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十九、於附屬公司之權益 (續)

19. INTERESTS IN SUBSIDIARIES (continued)

名稱 Name	註冊成立/ 登記及經營地點 Place of incorporation/ registration and operations	已繳足註冊/ 已發行股本面值 Nominal value of paid-up registered/issued share capital	本公司應佔 權益百分比 Percentage of equity attributable to the Company		主要業務 Principal activities
			直接 Direct	間接 Indirect	
明秀鑽石廠(番禺)有限公司# Ming Xiu Diamond Cutting Factory (Panyu) Limited#	中國 Mainland China	已繳股本11,000,000港元 Paid up capital of HK\$11,000,000	-	100	鑽石貿易及打磨 Diamond trading and polishing
恒和珠寶(江門)有限公司# Continental Jewellery (Jiangmen) Co. Ltd#	中國 Mainland China	已繳股本26,370,530港元 Paid up capital of HK\$26,370,530	-	100	珠寶首飾製造 Jewellery manufacturing
Patford Company Limited	香港 Hong Kong	100股面值100港元之普通股 100 ordinary shares of HK\$100 each	-	100	物業投資 Property investment
Realford Company Limited	香港 Hong Kong	100股面值100港元之普通股 100 ordinary shares of HK\$100 each	-	100	物業投資 Property investment
Vieway Investments Group Limited	英屬處女群島 British Virgin Islands	2股面值1美元之普通股 2 ordinary shares of US\$1 each	100	-	投資控股 Investment holding
Yett Holdings Limited	英屬處女群島 British Virgin Islands	100股面值1美元之普通股 100 ordinary shares of US\$1 each	100	-	投資控股 Investment holding
Henble Limited	香港 Hong Kong	10,000股面值1港元之普通股 10,000 ordinary shares of HK\$1 each	100	-	物業投資 Property investment
金鋒首飾廠有限公司 Anglesey Jewellery Manufacturing Limited	香港 Hong Kong	100,000股面值10港元之普通股 100,000 ordinary shares of HK\$10 each	-	100	鑽石貿易及打磨 Diamond trading and polishing



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十九、於附屬公司之權益 (續)

19. INTERESTS IN SUBSIDIARIES (continued)

名稱 Name	註冊成立/ 登記及經營地點 Place of incorporation/ registration and operations	已繳足註冊/ 已發行股本面值 Nominal value of paid-up registered/issued share capital	本公司應佔 權益百分比 Percentage of equity attributable to the Company		主要業務 Principal activities
			直接 Direct	間接 Indirect	
恒和鑽石有限公司 Conti Diamond Limited	香港 Hong Kong	10,000股面值1港元之普通股 10,000 ordinary shares of HK\$1 each	-	100	鑽石貿易及打磨 Diamond trading and polishing
民裕珠寶廠有限公司 Man Yue Jewelry (Factory) Limited	香港 Hong Kong	10,000,000股面值1港元之普通股 10,000,000 ordinary shares of HK\$1 each	-	100	鑽石貿易及打磨 Diamond trading and polishing
Continental Diamond (Jiangmen) Co. Ltd [#]	中國 Mainland China	已繳股本7,497,760港元 Paid up capital of HK\$7,497,760	-	100	鑽石貿易及打磨 Diamond trading and polishing
Master Gold Development Limited	英屬處女群島 British Virgin Islands	1股面值1美元之普通股 1 ordinary share of US\$1 each	-	100	投資控股 Investment holding
Crystal Gain Development Limited	英屬處女群島 British Virgin Islands	100股面值1美元之普通股 100 ordinary shares of US\$1 each	-	55	物業投資 Property investment

於中國註冊之全外資企業。

Wholly foreign-owned enterprise registered in the Mainland China

* 非由香港均富會計師行或均富會計師行之其他國際成員公司核數。

* Not audited by Grant Thornton Hong Kong or other Grant Thornton International member firms.

董事認為，上表列示本公司之附屬公司乃主要影響本年度之業績或組成本集團資產淨值之絕大部分。董事認為提供其他附屬公司之詳情將會導致篇幅過份冗長。

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.

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十九、於附屬公司之權益 (續)

19. INTERESTS IN SUBSIDIARIES (continued)

於一間未綜合附屬公司之權益

Interests in a subsidiary not consolidated

		本集團 Group	
		2006 千港元 HK\$'000	2005 千港元 HK\$'000
投入資本	Capital contribution	7,500	7,500
應收一間附屬公司款項	Due from a subsidiary	804	804
		8,304	8,304
減：減值撥備	Less: Provision for impairment	(8,304)	(8,304)
		—	—

未綜合之附屬公司之詳情如下：

Particulars of the non-consolidated subsidiary are as follows:

名稱 Name	註冊及經營地點 Place of registration and operations	已繳註冊資本面值 Nominal value of paid-up registered capital	本公司應佔 權益百分比 Percentage of equity attributable to the Company 間接 Indirect	主要業務 Principal activities
恒秀(廣州)珠寶首飾廠 有限公司[恒秀珠寶]	中國 Mainland	已繳資本 10,000,000港元	56	清盤中 In the process of liquidation
Conti Jewelry (Guangzhou) Limited ("Conti Jewelry")	China	Paid up capital of HK\$10,000,000		

恒秀珠寶並未綜合入賬，原因為本集團未能有效控制其營運。因此，董事認為不宜合併該附屬公司之賬目。過往年度已就該附屬公司之投入資本7,500,000港元及應收之款項804,000港元作出全數撥備。除上述款項外，恒秀珠寶並無對本集團構成任何風險。

Conti Jewelry has not been consolidated because the Group does not effectively control its operations. Accordingly, in the opinion of the directors, it would be inappropriate to consolidate the accounts of this subsidiary. Full provision had been made in prior years against the capital contribution made in this subsidiary of HK\$7,500,000 and the amount due therefrom of HK\$804,000. The Group has no exposure to Conti Jewelry other than the amounts stated above.



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二十、於聯營公司之權益

20. INTERESTS IN ASSOCIATES

		本集團 Group		本公司 Company	
		2006 千港元 HK\$'000	2005 千港元 HK\$'000	2006 千港元 HK\$'000	2005 千港元 HK\$'000
非上市股份、按成本	Unlisted shares, at cost	-	-	9,387	9,387
應佔資產淨值	Share of net assets	8,353	8,304	-	-
減值撥備	Provision for impairment	(3,898)	-	(9,385)	(2,000)
		4,455	8,304	2	7,387

聯營公司之結餘

Balances with associates

		本集團 Group		本公司 Company	
		2006 千港元 HK\$'000	2005 千港元 HK\$'000	2006 千港元 HK\$'000	2005 千港元 HK\$'000
應收聯營公司款項	Due from associates	4,018	5,244	8	25
減值撥備	Provision for impairment	(1,599)	-	-	-
		2,419	5,244	8	25
應付聯營公司款項	Due to associates	(672)	(764)	-	-

各聯營公司之結餘乃無抵押、免息及於通知時即須償還。

The balances with associates are unsecured, interest-free and repayable on demand.

本集團之主要聯營公司之財務資料概述如下：

The summarised financial information in respect of the Group's principal associates are set out below:

		2006 千港元 HK\$'000	2005 千港元 HK\$'000
資產總值	Total assets	14,874	92,970
負債總額	Total liabilities	(20,596)	(67,858)
收益	Revenue	39,606	93,071
年內溢利	Profit for the year	363	5,840

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二十、於聯營公司之權益 (續)

20. INTERESTS IN ASSOCIATES (continued)

於二零零六年六月三十日，主要聯營公司之詳情如下：

Particulars of the principal associates as at 30 June 2006 are as follows:

名稱 Name	已繳註冊資本/ 已發行股本面值 Nominal value of paid-up registered/ issued share capital	註冊成立/ 登記及經營地點 Place of incorporation/ registration and operations	本集團應佔所持權益百分比 Percentage of ownership interest attributable to the Group	主要業務 Principal activities
恒利(遠東)鑽石有限公司* Hanny (Far East) Diamond Limited*	10,000,000股面值1港元 之普通股 10,000,000 ordinary shares of HK\$1 each	香港 Hong Kong	20	投資控股 Investment holding
上海吉利首飾有限公司* General Jewelry (Shanghai) Company Limited*	已繳股本人民幣9,093,244元 Paid up capital of RMB9,093,244	中國 Mainland China	36	珠寶首飾製造及批發 Jewellery manufacturing and wholesaling
正和珠寶首飾廠有限公司* Real Jewellery Limited*	1,000股面值1港元之普通股 1,000 ordinary shares of HK\$1 each	香港 Hong Kong	50	珠寶首飾製造 Jewellery manufacturing
Masingita Mining & Minerals (Pty) Limited*	266股面值0.5蘭特之普通股 266 ordinary shares of R0.5 each	南非共和國 The Republic of South Africa	25	採礦業務 Mining operations
FDD Limited *	10,000股面值1港元 之普通股 10,000 ordinary shares of HK\$1 each	香港 Hong Kong	25	珠寶首飾貿易 Jewellery trading

* 非由香港均富會計師行或均富會計師行之其他國際成員公司核數。

* Not audited by Grant Thornton Hong Kong or other Grant Thornton International member firms.

董事認為，上表列示本公司之聯營公司乃主要影響本年度之業績或組成本集團資產淨值之絕大部分。董事認為提供其他聯營公司之詳情將會導致篇幅過份冗長。

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



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二十一、於共同控制實體之權益

21. INTERESTS IN JOINTLY CONTROLLED ENTITIES

		本集團 Group	
		2006	2005
		千港元	千港元
		HK\$'000	HK\$'000
應佔資產淨值	Share of net assets	1,238	312
予一間共同控制實體之貸款	Loan to a jointly controlled entity	93,300	89,300
		94,538	89,612

墊予共同控制實體之貸款乃無抵押、免息並毋須於結算日起計十二個月內償還。

The loan advanced to the jointly controlled entity is unsecured, interest-free and is not repayable within twelve months from balance sheet date.

		本集團 Group	
		2006	2005
		千港元	千港元
		HK\$'000	HK\$'000
應收一間共同控制實體款項	Due from a jointly controlled entity	2,627	18

共同控制實體之結餘乃無抵押、免息及於通知時即須償還。

The balance with the jointly controlled entity is unsecured, interest-free and repayable on demand.

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二十一、於共同控制實體之權益 (續)

於二零零六年六月三十日，共同控制實體之詳情如下：

名稱 Name	已發行股本面值 Nominal value of issued share capital	註冊成立/登記 及經營地點 Place of incorporation/ registration and operations	本集團應佔所持權益百分比 Percentage of ownership interest attributable to the Group	主要業務 Principal activities
Wealth Plus Developments Limited	50,000股面值1美元之普通股 50,000 ordinary shares of US\$1 each	英屬處女群島 British Virgin Islands	50	投資控股 Investment holding
Georland (HK) Limited	1,000,000股面值1港元之普通股 1,000,000 ordinary shares of HK\$1 each	香港 Hong Kong	50	服務供應商及代理 Service provider and agent

本集團之共同控制實體之簡明財務資料摘要如下：

Particulars of the jointly controlled entities as at 30 June 2006 are as follows:

The following is a condensed summary of financial information of the Group's jointly-controlled entities:

		2006 千港元 HK\$'000	2005 千港元 HK\$'000
資產總值	Total assets	196,489	179,227
負債總額	Total liabilities	(192,539)	(178,634)
收益	Revenue	5,823	—
除所得稅後溢利	Profit after income tax	768	234



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二十二、投資證券

於二零零五年六月三十日之投資證券載列如下。於二零零五年七月一日採納香港會計準則第三十九號後，投資證券被重新歸類為可供出售之金融資產。

22. INVESTMENT SECURITIES

Investment securities as at 30 June 2005 are set out below. Upon the adoption of HKAS 39 on 1 July 2005, investment securities were reclassified to available-for-sale financial assets.

本集團

Group

		2005 千港元 HK\$'000
上市股本投資，按成本：	Listed equity investments, at cost:	
香港	Hong Kong	4,552
其他地區	Elsewhere	17,102
		21,654
減值撥備	Provision for impairment	(17,102)
		4,552
非上市股本投資，按成本	Unlisted equity investments, at cost	11,372
減值撥備	Provision for impairment	(1,936)
		9,436
債務證券	Debt security	2,100
投資證券總值	Total investment securities	16,088
分類為流動資產部分	Portion classified as current assets	(2,100)
		13,988

於二零零五年六月三十日，本集團於香港及其他地區之上市股本投資市值分別為7,707,000港元及零港元。

As at 30 June 2005, the market value of the Group's listed equity investments in Hong Kong and elsewhere were HK\$7,707,000 and HK\$ Nil, respectively.

於二零零五年六月三十日，本集團持有於二零零二年購入，金額為2,100,000港元之債券，到期日為二零零六年二月二十七日。債券因而分類為於二零零五年六月三十日之流動資產。

As at 30 June 2005, the Group held a debt security amounted to HK\$2,100,000 which was acquired in 2002 and has a maturity date of 27 February 2006. The debt security is classified as a current asset accordingly as at 30 June 2005.

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二十三、可供出售之金融資產

23. AVAILABLE-FOR-SALE FINANCIAL ASSETS

本集團		Group	2006 千港元 HK\$'000
上市股本投資，公平值：	Listed equity investments, at fair value:		
香港	Hong Kong		7,661
其他地方	Elsewhere		422
			8,083
非上市股本投資，成本	Unlisted equity investments, at cost		11,339
減值撥備	Provision for impairment		(3,097)
			8,242
總計	Total		16,325
上市投資之市值	Market value of listed investments		8,083

二十四、長期應收款項

24. LONG TERM RECEIVABLES

		本集團 Group		本公司 Company		
		2006	2005	2006	2005	
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
承兌票據	Promissory notes	(a)	19,009	22,660	9,577	10,543
其他長期應收款項	Other long term receivables	(b)	25,195	2,500	–	–
			44,204	25,160	9,577	10,543
減值撥備	Provision for impairment		(28,194)	(3,000)	(1,000)	(1,000)
			16,010	22,160	8,577	9,543
分類為流動 資產部分	Portion classified as current assets		(3,643)	(3,643)	(958)	(958)
			12,367	18,517	7,619	8,585



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二十四、長期應收款項 (續)

- (a) 於二零零六年六月三十日之承兌票據金額為19,009,000港元(二零零五年: 22,660,000港元), 其中13,050,000港元(二零零五年: 14,363,000港元)為有抵押、免息及須由二零零一年十月一日起分十五年攤還。其餘5,959,000港元(二零零五年: 8,297,000港元)為無抵押、免息及須由二零零三年三月十五日起分十三年攤還。年內已正式收到承兌票據之年度還款。
- (b) 該等結餘為墊予一間接受投資公司之一項3,167,000港元之股東貸款, 該項數額為免息、無抵押及於二零一五年六月三十日償還, 以及一項22,028,000港元之貿易應收款項餘額, 該項餘額年息6%, 無抵押並須於二零零七年九月三十日償還。

24. LONG TERM RECEIVABLES (continued)

- (a) Out of the promissory notes of HK\$19,009,000 as at 30 June 2006 (2005: HK\$22,660,000), HK\$13,050,000 (2005: HK\$14,363,000) is secured, interest-free and repayable by 15 annual instalments commencing on 1 October 2001. The remaining balance of HK\$5,959,000 (2005: HK\$8,297,000) is unsecured, interest-free and repayable by 13 annual instalments commencing on 15 March 2003. The annual instalments on the promissory notes were duly received during the year.
- (b) The balance represents a shareholder's loan of HK\$3,167,000 advanced to an investee company which is interest-free, unsecured and repayable on 30 June 2015 and a trade receivable balance of HK\$22,028,000, which is interest bearing at 6% per annum, unsecured and repayable on 30 September 2007.

二十五、存貨

25. INVENTORIES

		本集團 Group	
		2006 千港元 HK\$'000	2005 千港元 HK\$'000
原材料	Raw materials	172,144	181,775
半製成品	Work in progress	17,386	15,599
製成品	Finished goods	145,517	138,514
		335,047	335,888

二十六、貿易應收款項

26. TRADE RECEIVABLES

		本集團 Group	
		2006	2005
		千港元	千港元
		HK\$'000	HK\$'000
貿易應收款項	Trade receivables	196,894	185,129
減：應收款項減值撥備	Less: provision for impairment of receivables	(23,165)	(58,870)
貿易應收款項－淨額	Trade receivables – net	173,729	126,259

本集團一般按照行業慣例及考慮客戶之信譽、還款記錄及經營年期後釐訂客戶之信貸條款。每名客戶均有最高信貸額。本集團現正對其未償還應收款項維持嚴格控制。逾期款項由高級管理層定期進行審閱。

於結算日，按銷售確認日期之扣除撥備後貿易應收款項之賬齡分析如下：

The Group normally apply credit terms to its customers according to industry practice together with consideration of its creditability, repayment history and years of establishment. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are regularly reviewed by senior management.

An aged analysis of trade receivables, net of provision, as at the balance sheet date, based on the date of recognition of the sale, is as follows:

		本集團 Group	
		2006	2005
		千港元	千港元
		HK\$'000	HK\$'000
即期	Current	75,843	35,849
31－60日	31 – 60 days	23,979	26,602
61－90日	61 – 90 days	22,574	20,856
91日以上	Over 91 days	51,333	42,952
		173,729	126,259



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二十七、其他投資／按盈虧釐定公平值入賬之金融資產

於二零零五年六月三十日之其他投資載列如下。於二零零五年七月一日採納香港會計準則第三十九號後，其他投資重新歸類為按盈虧釐定公平值入賬之金融資產。

本集團

27. OTHER INVESTMENTS/FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Other investments as at 30 June 2005 are set out below. Upon the adoption of HKAS 39 on 1 July 2005, other investments were reclassified to financial assets at fair value through profit or loss.

Group

		按盈虧釐定公平值 入賬之金融資產 Financial assets at fair value through profit or loss 2006 千港元 HK\$'000	其他投資 Other investments 2005 千港元 HK\$'000
香港上市股本證券， 按市值	Listed equity securities in Hong Kong, at market value	11,667	7,079
其他地區有價單位基金， 按公平值	Marketable unit funds elsewhere, at fair value	5,961	22,508
		17,628	29,587

二十八、現金及現金等額

現金及現金等額包括以下部分：

28. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include the following components:

		本集團 Group		本公司 Company	
		2006 HK\$'000 千港元	2005 HK\$'000 千港元	2006 HK\$'000 千港元	2005 HK\$'000 千港元
現金及銀行結餘	Cash and bank balances	63,297	32,339	86	2
短期定期存款	Short term time deposits	53,111	—	—	—
		116,408	32,339	86	2

二十八、現金及現金等額 (續)

銀行現金按照每日存款利率賺取浮息利息。短期定期銀行存款按照各自短期銀行存款利率即年息0.75%至4.175%賺取利息。到期日由七天至十四天不等，並有權在不收取最後一期存款期之任何利息的前提下即時取消。

7,579,000港元(二零零五年：2,630,000港元)以人民幣計值存放於中國內地銀行，且被列入現金及銀行結餘。人民幣並非可自由兌換貨幣。根據中國內地之外匯管制條例及結匯、售匯及付匯管理規定，本集團獲許通過獲授權經營外匯業務之銀行以人民幣兌換外幣。

二十九、貿易應付款項

於結算日，貿易應付款項之賬齡分析如下：

		本集團 Group	
		2006 千港元 HK\$'000	2005 千港元 HK\$'000
即期	Current	126,712	76,508
31–60日	31–60 days	31,868	71,629
61–90日	61–90 days	31,147	53,623
91日以上	Over 91 days	25,680	32,993
		215,407	234,753

28. CASH AND CASH EQUIVALENTS

(continued)

Cash at banks earn interest at floating rates based on daily bank deposits rates. Short term time deposits are placed with the banks and earn interest at the respective short term bank deposit rates ranging from 0.75% to 4.175% per annum. They have a maturity ranging from 7 to 14 days and are eligible for immediate cancellation without receiving any interest for the last deposit period.

Included in cash and bank balances of the Group is HK\$7,579,000 (2005: HK\$2,630,000) of bank balances denominated in Renminbi ("RMB") placed with banks in the Mainland China. RMB is not a freely convertible currency. Under the Mainland China's Foreign Exchange Control Regulations and Administration of Settlement and Sales and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for foreign currencies through banks that are authorised to conduct foreign exchange business.

29. TRADE PAYABLES

An aged analysis of the trade payables at the balance sheet date is as follows:



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三十、衍生金融工具

本集團

30. DERIVATIVE FINANCIAL INSTRUMENTS

Group

		2006	
		資產	負債
		Assets	Liabilities
		千港元	千港元
		HK\$'000	HK\$'000
	附註 Notes		
即期	Current		
遠期貨幣合約	Forward currency contracts (a)	–	312
利息掉期合約	Interest rate swap contracts (b)	561	–

附註：

- (a) 遠期貨幣合約以英鎊計值並於一年內到期。
- (b) 於二零零六年六月三十日，尚未履行之利息掉期合約估計本金總額為150,000,000港元。於二零零六年六月三十日，該等合約之固定年利率為3.91%至3.98%。

Notes:

- (a) The forward currency contracts are denominated in Pound Sterling and maturing in less than one year.
- (b) The notional principal amounts of the outstanding interest rate swap contracts at 30 June 2006 were HK\$150,000,000. As at 30 June 2006, the fixed interest rates of these contracts ranged from 3.91% to 3.98% per annum.

三十一、銀行貸款及透支，有抵押

31. BANK LOANS AND OVERDRAFTS, SECURED

		本集團 Group	
		2006	2005
		千港元	千港元
		HK\$'000	HK\$'000
銀行透支，有抵押	Bank overdrafts, secured	–	2,478
銀行貸款，有抵押：	Bank loans, secured:		
須於一年內償還	Repayable within one year	24,566	20,226
須於第二年償還	Repayable in the second year	19,758	22,636
須於第三年至第五年償還 (包括首尾兩年)	Repayable in the third to fifth years, inclusive	59,274	67,905
須於五年後償還	Repayable beyond five years	169,085	192,674
		272,683	303,441
		272,683	305,919
減：已列入流動負債於一年 內到期之即期部分	Less: Current portion due within one year included under current liabilities	(24,566)	(22,704)
已列入非流動負債之非 即期部分	Non current portion included under non-current liabilities	248,117	283,215

三十一、銀行貸款及透支，
有抵押 (續)

本集團以港元計值之銀行貸款及透支之浮動年利率為4.91%至7.63% (二零零五年：1.65%至4.96%)。人民幣銀行貸款之固定年利率為6.51%至6.70% (二零零五年：6.51%)。

於二零零六年六月三十日，本集團之銀行貸款由以下擔保支持：

- (a) 一項投資物業租金收入之轉讓；
- (b) 本集團投資物業 (附註十八)、若干租賃土地及樓宇 (附註十六及十七) 之法定押記；
- (c) 本公司作出之公司擔保；及
- (d) 本公司執行董事陳聖澤博士 (「陳博士」) 作出之個人擔保，最高金額為153,675,000港元。

以港元及人民幣計值之貸款詳情如下：

31. BANK LOANS AND OVERDRAFTS,
SECURED (continued)

The bank loans and overdrafts of the Group denominated in HK\$ have floating interest rate ranging from 4.91% to 7.63% per annum (2005: 1.65% to 4.96% per annum). The RMB bank loan has fixed interest rate from 6.51% to 6.70% per annum (2005: 6.51% per annum).

At 30 June 2006, the Group's banking facilities were supported by the following:

- (a) assignment of rental income of an investment property;
- (b) legal charges over the Group's investment properties (note 18) and certain of the leasehold land and buildings (notes 16 and 17);
- (c) corporate guarantees executed by the Company; and
- (d) personal guarantee executed by Dr. Chan Sing Chuk, Charles ("Dr. Chan"), an executive director of the Company, to the extent of HK\$153,675,000.

Details of the loans denominated in HK\$ and RMB are stated below:

		2006 千港元 HK\$'000	2005 千港元 HK\$'000
以港元計值之貸款	Loans denominated in HK\$		
— 銀行透支	— Bank overdrafts	—	2,478
— 銀行貸款	— Bank loans	267,875	302,974
以人民幣計值之貸款	Loans denominated in RMB		
— 銀行貸款	— Bank loans	4,808	467
		272,683	305,919



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三十二、少數股東貸款

除一項金額為1,125,000港元(二零零五年: 51,872,000港元)之款項毋須於結算日起計未來十二個月內償還外, 該等貸款均乃無抵押、免息及須於通知時償還。

少數股東貸款之賬面值接近其公平值。

三十三、遞延稅項

以下為於資產負債表確認之主要遞延稅項資產及負債, 以及於本年度及過往年度之變動:

本集團

		加速稅項折舊 Accelerated tax depreciation 千港元 HK\$'000	重估物業 Revaluation of properties 千港元 HK\$'000	貿易應收 款項撥備 Provision for trade receivables 千港元 HK\$'000	其他 Others 千港元 HK\$'000	總計 Total 千港元 HK\$'000
於二零零四年七月一日之結餘	Balance at 1 July 2004	348	10,197	(2,400)	-	8,145
於該年收益表扣除/(計入)	Charge/(Credit) to income statement for the year	1,291	14,263	(15,411)	-	143
於二零零五年六月三十日之結餘	Balance at 30 June 2005	1,639	24,460	(17,811)	-	8,288
於該年收益表扣除/(計入)	Charge/(Credit) to income statement for the year	874	2,228	(2,000)	(278)	824
出售一間附屬公司	Disposal of a subsidiary	(586)	(8,206)	-	278	(8,514)
於二零零六年六月三十日之結餘	Balance at 30 June 2006	1,927	18,482	(19,811)	-	598

遞延稅項資產及負債只可在現行稅項資產及現行稅項負債有合法權利互相抵銷及遞延所得稅為同一稅務機關下, 方可互相抵銷。

32. LOANS FROM MINORITY SHAREHOLDERS

The loans are unsecured, interest-free, and repayable on demand, except for an amount of HK\$1,125,000 (2005: HK\$51,872,000) which was not repayable within the next twelve months from the balance sheet date.

The carrying amounts of loans from minority shareholders approximate their fair value.

33. DEFERRED TAX

The following are major deferred tax assets and liabilities recognised in the balance sheet and the movements during the current and prior years:

Group

		Accelerated tax depreciation 千港元 HK\$'000	Revaluation of properties 千港元 HK\$'000	Provision for trade receivables 千港元 HK\$'000	Others 千港元 HK\$'000	Total 千港元 HK\$'000
於二零零四年七月一日之結餘	Balance at 1 July 2004	348	10,197	(2,400)	-	8,145
於該年收益表扣除/(計入)	Charge/(Credit) to income statement for the year	1,291	14,263	(15,411)	-	143
於二零零五年六月三十日之結餘	Balance at 30 June 2005	1,639	24,460	(17,811)	-	8,288
於該年收益表扣除/(計入)	Charge/(Credit) to income statement for the year	874	2,228	(2,000)	(278)	824
出售一間附屬公司	Disposal of a subsidiary	(586)	(8,206)	-	278	(8,514)
於二零零六年六月三十日之結餘	Balance at 30 June 2006	1,927	18,482	(19,811)	-	598

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

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三十三、遞延稅項 (續)

下列金額在在計入適當抵銷後釐定，並於綜合資產負債表內列賬：

		本集團 Group	
		2006 千港元 HK\$'000	2005 千港元 HK\$'000
遞延稅項負債	Deferred tax liabilities	20,409	24,696
遞延稅項資產	Deferred tax assets	(19,811)	(16,408)
		598	8,288

本集團共有稅損約56,172,000港元(二零零五年：53,468,000港元)，該等稅損可抵銷引致該等稅損之公司未來應課稅溢利。鑑於該等未動用稅損不大可能用於抵銷未來應課稅溢利，因此並未就該等稅損確認為遞延稅項資產。

於二零零六年六月三十日，本公司並無任何重大未撥備遞延稅項負債(二零零五年：無)。

33. DEFERRED TAX (continued)

The following amounts, determined after appropriate offsetting, are shown in the consolidated balance sheet:

		本集團 Group	
		2006 千港元 HK\$'000	2005 千港元 HK\$'000
遞延稅項負債	Deferred tax liabilities	20,409	24,696
遞延稅項資產	Deferred tax assets	(19,811)	(16,408)
		598	8,288

The Group has tax losses of approximately HK\$56,172,000 (2005: HK\$53,468,000) that are available for offsetting against future taxable profits of the companies which incurred the losses. Deferred tax assets have not been recognised in respect of these losses as it is not probable that future taxable profits will be available against which these unused tax losses can be utilised.

As at 30 June 2006, the Company did not have any significant unprovided deferred tax liabilities (2005: Nil).

三十四、股本

34. SHARE CAPITAL

		2006 千港元 HK\$'000	2005 千港元 HK\$'000
法定股本：	Authorised:		
每股面值0.10港元之 普通股3,500,000,000股	3,500,000,000 ordinary shares of HK\$0.10 each	350,000	350,000
已發行及繳足股本：	Issued and fully paid:		
每股面值0.10港元之 普通股279,800,031股	279,800,031 ordinary shares of HK\$0.10 each	27,980	27,980



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三十五、儲備

本集團

本年度及以往年度本集團儲備及有關變動之金額在綜合權益變動表呈列。

本公司

35. RESERVES

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.

Company

		股份溢價賬 Share premium account 千港元 HK\$'000	不可分派儲備 Non- distributable reserve 千港元 HK\$'000	保留溢利 Retained profits 千港元 HK\$'000	總計 Total 千港元 HK\$'000
於二零零四年七月一日之結餘	Balance at 1 July 2004	158,373	273,606	89,205	521,184
本年度虧損	Net loss for the year	–	–	(3,385)	(3,385)
二零零五年度中期股息	Interim 2005 dividend	–	–	(2,798)	(2,798)
二零零五年度擬派末期股息	Proposed final 2005 dividend	–	–	(5,596)	(5,596)
於二零零五年六月三十日及 二零零五年七月一日之結餘	Balance at 30 June 2005 and at 1 July 2005	158,373	273,606	77,426	509,405
本年度純利	Net profit for the year	–	–	69,398	69,398
二零零六年度中期股息	Interim 2006 dividend	–	–	(2,798)	(2,798)
二零零六年度擬派末期股息	Proposed final 2006 dividend	–	–	(8,394)	(8,394)
於二零零六年六月三十日之結餘	Balance at 30 June 2006	158,373	273,606	135,632	567,611

不可分派儲備指於一九九四年本公司之普通股面值由每股2.50港元減至0.10港元所產生之溢價。

The non-distributable reserve represents the premium arising on the reduction of the par value of ordinary shares of the Company from HK\$2.50 to HK\$0.10 per share in 1994.

三十六、或然負債

於結算日，未於財務報告作出撥備之或然負債如下：

36. CONTINGENT LIABILITIES

At the balance sheet date, contingent liabilities not provided for in the financial statements were as follows:

		本公司 Company	
		2006 千港元 HK\$'000	2005 千港元 HK\$'000
就授予附屬公司之 銀行信貸作出之擔保	Guarantees for banking facilities granted to subsidiaries	347,825	431,825

三十六、或然負債 (續)

於二零零六年六月三十日，本公司向銀行作出擔保所涉及附屬公司所獲銀行信貸已動用約147,331,000港元(二零零五年：196,777,000港元)。

36. CONTINGENT LIABILITIES (continued)

At 30 June 2006, the banking facilities granted to the subsidiaries subject to guarantees given to the banks by the Company were utilised to the extent of approximately HK\$147,331,000 (2005: HK\$196,777,000).

三十七、資本承擔

於二零零六年六月三十日，本集團有下列未償付之資本承擔：

37. CAPITAL COMMITMENTS

At 30 June 2006, the Group had outstanding capital commitments as follows:

		本集團 Group	
		2006	2005
		千港元	千港元
		HK\$'000	HK\$'000
已訂約但未撥備	Contracted but not provided for		
購買物業、廠房及設備	Purchase of property, plant and equipment	–	693
給予一間共同控制實體之股東貸款	Shareholders' loan to a jointly controlled entity	24,500	26,300
已授權但未訂約	Authorised but not contracted for		
購買物業、廠房及設備	Purchase of property, plant and equipment	–	17
		24,500	27,010

於二零零六年六月三十日，本公司並無任何資本承擔(二零零五年：無)。

At 30 June 2006, the Company did not have any capital commitments (2005: Nil).



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三十八、經營租賃安排

(a) 作為出租人

本集團以經營租賃安排租出其若干物業(附註十八)，洽商租約期限由兩年至五年不等。

於二零零六年六月三十日，本集團就不可撤銷經營租賃之未來應收租戶款項最低總額及相關期限如下：

		本集團 Group	
		2006 千港元 HK\$'000	2005 千港元 HK\$'000
一年內	Within one year	25,832	30,433
第二年至第五年 (包括首尾兩年)	In the second to fifth years, inclusive	16,396	40,051
		42,228	70,484

(b) 作為承租人

本集團以經營租賃安排租入若干辦公室物業及員工宿舍，洽商租約期限由一年至三年不等。

於二零零六年六月三十日，本集團就不可撤銷經營租賃之未來應付租賃付款最低總額及相關期限如下：

		本集團 Group	
		2006 千港元 HK\$'000	2005 千港元 HK\$'000
一年內	Within one year	4,208	4,173
第二年至第五年 (包括首尾兩年)	In the second to fifth years, inclusive	5,595	1,714
		9,803	5,887

於二零零六年六月三十日，本公司並無訂立任何重大經營租賃安排(二零零五年：無)。

38. OPERATING LEASE ARRANGEMENTS

(a) As lessor

The Group leases certain of its properties (note 18) under operating lease arrangements, with leases negotiated for terms ranging from two to five years.

At 30 June 2006, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

(b) As lessee

The Group leases certain of its office properties and staff quarters under operating lease arrangements. Leases for properties are negotiated for terms ranging from one to three years.

At 30 June 2006, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

At 30 June 2006, the Company did not have any significant operating lease arrangements (2005: Nil).

三十九、出售一間附屬公司

39. DISPOSAL OF A SUBSIDIARY

年內，本集團出售其全資附屬公司城彩有限公司（「城彩」）之全部權益。出售城彩股本（「出售」）之代價乃(i)於自158,000,000港元中扣減應付本公司之費用約43,583,000港元（由本公司轉讓至買方）及城彩結欠銀行之款項58,333,000港元之後；及(ii)按照賣方及買方議定，就所有其他資產／負債（遞延稅項負債除外）之淨額作出調整後達成。

During the year, the Group disposed of its entire interest in a wholly-owned subsidiary, City Treasure Limited (“City Treasure”). The consideration for the disposal of share capital of City Treasure (the “Disposal”) is arrived at (i) after deducting the amount due to the Company of approximately HK\$43,583,000, which was assigned by the Company to the purchaser and amount owed by City Treasure to the bank of HK\$58,333,000 from HK\$158,000,000; and (ii) after adjusting for a net amount of all other assets/liabilities except for deferred tax liabilities as agreed by the vendor and purchaser.

		2006 千港元 HK\$'000
出售資產／(負債)：	Assets/(liabilities) disposed of:	
投資物業	Investment property	152,000
按金及其他應收款項	Deposit and other receivables	406
銀行現金	Cash at bank	84
其他應付賬款	Other payables	(229)
已收訂金	Deposit received	(1,577)
應付最終控股公司款項	Amount due to ultimate holding company	(101,916)
稅項撥備	Provision for tax	(13)
遞延稅項負債	Deferred tax liabilities	(8,514)
資產淨值	Net assets	40,241
出售應付最終控股公司款項	Disposal of an amount due to ultimate holding company	43,583
償還與出售有關之銀行貸款 (附註)	Repayment of bank loan in connection with the Disposal (Note)	58,333
本集團於出售期間 產生之成本	Cost incurred by the Group during disposal	1,272
出售一間附屬公司收益	Gain on disposal of a subsidiary	13,036
		156,465
支付代價方式：	Consideration satisfied by:	
現金	Cash	156,465

附註：銀行貸款於完成時自買方收到部分代價時償還。

Note: The bank loan was settled upon the receipt of part of the consideration from the purchaser upon completion.



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三十九、出售一間附屬公司 (續)

39. DISPOSAL OF A SUBSIDIARY (continued)

因出售一間附屬公司而產生現金及現金等額之流入量淨值分析如下：

The analysis of the net inflow of cash and cash equivalents in respect of the disposal of a subsidiary is as follows:

		2006 千港元 HK\$'000
已收現金代價	Cash consideration received	156,465
出售銀行現金	Cash at bank disposed of	(84)
本集團於出售期間 產生之成本	Costs incurred by the Group during disposal	(1,272)
因出售一間附屬公司 而產生現金及現金等額 之流入量淨值	Net inflow of cash and cash equivalents in respect of the disposal of a subsidiary	155,109

四十、有關連人士交易

除於本財務報告其他部分披露之有關連人士交易外，本集團於年內有下列有關連人士交易。

- (a) 支付10,507,000港元(二零零五年：12,954,000港元) 分包費用予若干聯營公司。分包費用經本集團與聯營公司彼此磋商達成。
- (b) 年內對聯營公司銷貨1,991,000港元(二零零五年：零)。條款由本集團與聯營公司彼此磋商達成。
- (c) 自一間共同控制收到實體分包收入140,000港元(二零零五年：零)及行政服務收入299,000港元(二零零五年：零)。分包收入及提供行政服務收入由本集團與共同控制實體彼此磋商達成。
- (d) 於二零零四年八月十三日，本集團就本公司一間附屬公司認購Crystal Gain Developments Limited (「Crystal Gain」) 55股股份(佔Crystal Gain擴大後已發行股本55%) 訂立協議(「該協議」)。Crystal Gain乃一間由陳博士擁有之公司。該協議提述Crystal Gain將以購買價345,000,000港元購入位於香港軒尼詩道523至527號之物業。該協議進一步提述本集團及陳博士將按個別基準及根據彼等各自於Crystal Gain之股權向Crystal Gain提供財務援助。該交易按上市規則被歸類為主要及有關連交易，其他詳情見於二零零四年九月六日刊發之本公司通函。

40. RELATED PARTY TRANSACTIONS

In addition to those related party transactions disclosed elsewhere in these financial statements, during the year, the Group had the following related party transactions.

- (a) Subcontracting fees of HK\$10,507,000 (2005: HK\$12,954,000) paid to certain associates. The subcontracting fees are mutually negotiated between the Group and the associates.
- (b) Sales of goods to associates of HK\$1,991,000 (2005: Nil) were made during the year. The terms are mutually negotiated between the Group and the associates.
- (c) Subcontracting income of HK\$140,000 (2005: Nil) and income for administrative services of HK\$299,000 (2005: Nil) were received from a jointly controlled entity. The subcontracting income and income for administrative services provided are mutually negotiated between the Group and the jointly-controlled entity.
- (d) On 13 August 2004, the Group entered into an agreement (the "Agreement") in relation to the subscription by a subsidiary of the Company of 55 shares, representing 55% of the enlarged issued share capital of Crystal Gain Developments Limited ("Crystal Gain"), a company owned by Dr. Chan. The Agreement stated that Crystal Gain would acquire a property located at No. 523 to 527, Hennessy Road, Hong Kong at the purchase price of HK\$345 million. The Agreement further stated that the Group and Dr. Chan will provide financial support to Crystal Gain on a several basis and in accordance with their respective shareholdings in Crystal Gain. Such transaction is classified as a major and connected transaction under the Listing Rules and additional details were included in the Company's circular dated 6 September 2004.



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四十、有關連人士交易 (續)

- (e) 年內，陳博士向Crystal Gain提供一項個人擔保，最高總金額達153,675,000港元（二零零五年：108,675,000港元），即Crystal Gain為數341,500,000港元（二零零五年：241,500,000港元）銀行貸款之45%。
- (f) 二零零五年支付本公司一間附屬公司少數股東Brilliant Top Properties Limited（為陳博士全資擁有）之貸款利息開支677,000港元，貸款按二零零四年九月二十四日至二零零五年二月二十八日期間內尚未償還貸款結餘5%之年利率計息。

主要管理人員福利

列入僱員福利開支之主要管理人員福利包括下列類別：

40. RELATED PARTY TRANSACTIONS

(continued)

- (e) During the year, Dr. Chan provided a personal guarantee to Crystal Gain up to the total amount of HK\$153,675,000 (2005: HK\$108,675,000), being 45% of a bank loan of HK\$341,500,000 (2005: HK\$241,500,000) drawn by Crystal Gain.
- (f) Loan interest expenses of HK\$677,000 were paid to Brilliant Top Properties Limited, a minority shareholder of a subsidiary of the Company in 2005 and which is wholly-owned by Dr. Chan, at 5% per annum on the outstanding loan balances during the period from 24 September 2004 to 28 February 2005.

Compensation of key management personnel

Included in employee benefit expenses are key management personnel compensation and comprises the following categories:

		2006 千港元 HK\$'000	2005 千港元 HK\$'000
短期僱員福利	Short term employee benefits	7,824	8,082
離職後福利	Post-employment benefits	218	219
		8,042	8,301

四十一、訴訟

本公司之一間附屬公司，受到上年已出售之一項投資物業的主要承包商起訴。根據法庭裁決，本集團應負責原告產生之法律費用，董事因此於二零零六年六月三十日作出一項撥備。

41. LITIGATION

One of the subsidiaries of the Company was sued by a main contractor of an investment property which was disposed last year. Based on the judgement from the court, the Group is liable for the legal cost incurred by the plaintiff and a provision has been made accordingly by the directors as at 30 June 2006.

四十二、結算日後事項

- (a) 於結算日後之二零零六年八月四日，本集團與一名獨立第三方（「獨立第三方」）就本集團收購Big Edge International Limited（「Big Edge」）三十股（為Big Edge全部已發行股本之30%）訂立一項股東協議（「股東協議」）。股東協議表示Big Edge將與一名印尼夥伴訂立一項合作協議以於印尼從事採礦業務。股東協議進一步提述，本集團及第三方將向Big Edge作出1,500,000美元及2,500,000美元之初步墊款。於本財務報告獲批核日期，本集團已作出1,000,000美元之現金墊款。
- (b) 於結算日後之二零零六年九月八日，本集團就由本集團收購由一名獨立第三方持有寶翠發展有限公司（「寶翠」）之六十股股份（為寶翠全部已發行股本之60%）訂立一項協議（「協議」）。協議提述寶翠將以購買價88,000,000港元收購一項位於香港九龍寶靈街二至六號之物業。協議進一步提述本集團及其他股東須各自並根據彼等分別於寶翠之股權向寶翠提供財務支持。根據上市規則，有關交易構成須予披露交易，進一步詳情刊載於本公司日期為二零零六年九月二十七日之通函。收購物業已於二零零六年九月二十八日完成，直至本財務報告獲批核日期，本集團已墊付52,800,000港元予寶翠以為收購提供資金。

42. POST BALANCE SHEET EVENTS

- (a) Subsequent to the balance sheet date, on 4 August 2006, the Group entered into a shareholders agreement (the "Shareholders Agreement") with an independent third party ("Third Party") in relation to the acquisition by the Group of 30 shares, representing 30% of the entire share capital of Big Edge International Limited ("Big Edge"). The Shareholders Agreement stated that Big Edge would enter into a cooperation agreement with an Indonesian partner for the purpose of performing mining activities in Indonesia. The Shareholders Agreement further stated that the Group and the Third Party shall make initial cash advances of US\$1.5 million and US\$2.5 million to Big Edge respectively. The cash advance of US\$1 million has been made by the Group up to the date of approval of these financial statements.
- (b) Subsequent to the balance sheet date, on 8 September 2006, the Group entered into an agreement (the "Agreement") in relation to the acquisition by the Group of 60 shares, representing 60% of the entire issued share capital of Poly Jade Development Limited ("Poly Jade"), which was owned by an independent third party. The Agreement stated that Poly Jade will acquire a property located at No. 2-6 Bowring Street, Kowloon, Hong Kong at the purchase price of HK\$88 million. The Agreement further stated that the Group and the other shareholder have to provide financial support to Poly Jade on a several basis and in accordance with their respective shareholdings in Poly Jade. Such transaction is classified as a discloseable transaction under the Listing Rules and more details were included in the Company's circular dated 27 September 2006. The acquisition of the property has been completed on 28 September 2006 and the Group has advanced HK\$52.8 million to Poly Jade to finance the acquisition up to the date of approval of these financial statements.