

Additional Information

Financial Information Extract

Draft statement of comprehensive income for the year ended 31 March 2011

	Note	Draft 2010/11 HK\$000	Actual 2009/10 HK\$000
Turnover	2	311,928	230,856
Cost of sales		<u>(275,056)</u>	<u>(198,828)</u>
Gross profit		36,872	32,028
Administrative expenses		<u>(35,940)</u>	<u>(27,720)</u>
Operating profit		932	4,308
Interest income		-	72
Interest expenses	3	<u>(170)</u>	<u>(60)</u>
Profit before taxation		762	4,320
Taxation	4	<u>(400)</u>	<u>(712)</u>
Profit for the year		<u><u>362</u></u>	<u><u>3,608</u></u>

Draft statement of financial position as at 31 March 2011

	Note	Draft 2010/11 HK\$000	Actual 2009/10 HK\$000
Non-current assets			
Property, plant and equipment	5	3,384	3,912
Current assets			
Inventories	6	30,324	25,716
Trade receivables	7	75,204	42,492
Cash and bank balances		<u>340</u>	<u>1,692</u>
		105,868	69,900
Current liabilities	8	<u>(75,616)</u>	<u>(58,728)</u>
Net current assets		<u>30,252</u>	<u>11,172</u>
Total assets less current liabilities		<u>33,636</u>	<u>15,084</u>
Non-current liabilities			
Long-term loans	9	<u>20,636</u>	<u>96</u>
Financed by			
Share capital	10	120	120
Reserves		<u>12,880</u>	<u>14,868</u>
Total equity		<u>13,000</u>	<u>14,988</u>
		<u>33,636</u>	<u>15,084</u>

Draft statement of changes in equity for the year ended 31 March 2011

	Draft 2010/11 HK\$000	Actual 2009/10 HK\$000
Balance as at 1 April	14,988	14,145
Profit for the year	362	3,608
Foreign currency exchange differences	(2,350)	-
Transactions with owners - dividends	<u>-</u>	<u>(2,765)</u>
Balance as at 31 March	<u>13,000</u>	<u>14,988</u>

Draft statement of cash flows as at 31 March 2011

	Draft 2010/11 HK\$000	Actual 2009/10 HK\$000
Profit before taxation	762	4,320
Adjustments for:		
Depreciation	1,008	998
Interest income	-	(72)
Interest expense	<u>170</u>	<u>60</u>
	1,940	5,306
Increase in inventories	(4,608)	(1,264)
(Increase)/decrease in trade receivables	(32,712)	531
Increase in trade payables and accruals	10,564	1,058
Increase in other taxation creditor	<u>6,364</u>	<u>-</u>
Cash generated from operations	(18,452)	5,631
Interest paid	(170)	(60)
Income taxes paid	<u>(712)</u>	<u>(599)</u>
Net cash from operating activities	(19,334)	4,972
Cash flows from investing activities		
Purchase of property, plant & equipment	(480)	(319)
Net cash used in investing activities	(480)	(319)
Cash flows from financing activities		
Proceeds from long term borrowings	26,928	-
Repayment of long term borrowings	<u>(6,116)</u>	<u>(5,870)</u>
Net cash received from financing activities	20,812	(5,870)
Outstanding difference (to amend)	<u>(2,350)</u>	<u>-</u>
Net decrease in cash and cash equivalents	<u>(1,352)</u>	<u>(1,217)</u>

Draft notes to the financial statements for the year ending 31 March 2011

1 ACCOUNTING POLICIES

1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

1.2 Revenue

Turnover comprises revenue recognised by the company in respect of the sale of components and assembled computers.

1.3 Non-current tangible assets and depreciation

Non-current tangible assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of non-current assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold property	- over the term of the lease
Plant and machinery	- between 10% and 33% straight line
Motor vehicles	- 25% straight line
Office equipment	- 20% straight line

1.4 Inventories

Inventories are valued at the lower of cost and net realisable value after making allowance for obsolete and slow-moving inventory.

1.5 Foreign currencies

Transactions in foreign currencies are translated into Hong Kong Dollars at the rate ruling on the date of the transaction. Assets and liabilities in foreign currencies are translated into Hong Kong Dollars at the rates of exchange ruling at the reporting date. Exchange gains and losses are recognised in the statement of comprehensive income except on the translation of balances due from customers at the year end which are recognised in the statement of changes in equity.

2 TURNOVER

Turnover is attributable to the principal activity of the company. An analysis of turnover is given below:

	2010/11	2009/10
	HK\$000	HK\$000
China (including Hong Kong)	103,976	94,811
Rest of the world	<u>207,952</u>	<u>136,045</u>
	<u>311,928</u>	<u>230,856</u>

3 INTEREST EXPENSES

	2010/11	2009/10
	HK\$000	HK\$000
On bank loans and overdrafts	<u>170</u>	<u>60</u>

4 TAXATION

	2010/11	2009/10
	HK\$000	HK\$000
Corporation tax in respect of the year	<u>400</u>	<u>712</u>

5 PROPERTY, PLANT AND EQUIPMENT

	Land and buildings	Plant and machinery	Motor vehicles	Furniture, fittings and equipment	Total
	HK\$000	HK\$000	HK\$000	HK\$000	HK\$000
Cost					
At 1 April 2010	2,100	6,384	1,608	1,404	11,496
Additions	<u>-</u>	<u>420</u>	<u>-</u>	<u>60</u>	<u>480</u>
At 31 March 2011	<u>2,100</u>	<u>6,804</u>	<u>1,608</u>	<u>1,464</u>	<u>11,976</u>
Depreciation					
At 1 April 2010	456	5,676	696	756	7,584
Charge for the year	<u>105</u>	<u>231</u>	<u>384</u>	<u>288</u>	<u>1,008</u>
At 31 March 2011	<u>561</u>	<u>5,907</u>	<u>1,080</u>	<u>1,044</u>	<u>8,592</u>
Net book value					
At 31 March 2011	<u>1,539</u>	<u>897</u>	<u>528</u>	<u>420</u>	<u>3,384</u>
At 31 March 2010	<u>1,644</u>	<u>708</u>	<u>912</u>	<u>648</u>	<u>3,912</u>

6 INVENTORIES

	2010/11	2009/10
	HK\$000	HK\$000
Raw materials	6,007	4,985
Work in progress	8,052	5,198
Finished goods	<u>16,265</u>	<u>15,533</u>
	<u>30,324</u>	<u>25,716</u>

7 TRADE RECEIVABLES

	2010/11	2009/10
	HK\$000	HK\$000
Trade receivables	71,952	40,068
Prepayments and accrued income	<u>3,252</u>	<u>2,424</u>
	<u>75,204</u>	<u>42,492</u>

8 CURRENT LIABILITIES

	2010/11	2009/10
	HK\$000	HK\$000
Bank loans and overdrafts	6,388	6,116
Trade payables	61,404	50,876
Corporation tax	400	712
Other taxation	6,932	568
Accruals	<u>492</u>	<u>456</u>
	<u>75,616</u>	<u>58,728</u>

9 SHARE CAPITAL

	2010/11	2009/10
	HK\$000	HK\$000
Share capital called up, allotted and fully paid	<u>120</u>	<u>120</u>

10 NON-CURRENT LIABILITIES

	2010/11	2009/10
	HK\$000	HK\$000
Bank Loans	<u>20,636</u>	<u>96</u>