

Additional Information

Financial Information Extract

Draft profit & loss account for the year ended 30 September 2010

	Note	2009/10 HK\$'000	2008/9 HK\$'000
Turnover	1,2	213,874	245,069
Cost of sales		<u>(200,254)</u>	<u>(211,580)</u>
Gross profit		13,620	33,489
Administrative expenses		<u>(17,474)</u>	<u>(18,595)</u>
Operating profit/(loss)		(3,854)	14,894
Interest income		126	60
Interest expenses	3	<u>(165)</u>	<u>(54)</u>
Profit before taxation		(3,893)	14,900
Taxation		<u>(300)</u>	<u>(2,384)</u>
Profit/(loss) for the year		<u>(4,193)</u>	<u>12,516</u>

Draft balance sheet as at 30 September 2010

	Note	2010 HK\$'000	2009 HK\$'000
Non-current assets			
Property, plant & equipment	4	81,640	56,087
Current assets			
Inventories		6,578	7,304
Trade receivables	5	36,689	35,454
Cash and bank balances		—	4,353
		<u>43,267</u>	<u>47,111</u>
Current liabilities	6	<u>(58,923)</u>	<u>(59,886)</u>
Net current liabilities		<u>(15,656)</u>	<u>(12,775)</u>
Total assets less current liabilities		<u>65,984</u>	<u>43,312</u>
Financed by			
Share capital		12	12
Reserves		65,972	43,145
Total equity		<u>65,984</u>	<u>43,157</u>
Non-current liabilities			
Provisions for liabilities		—	155
		<u>65,984</u>	<u>43,312</u>

Draft statement of changes in equity for the year ended 30 September 2010

	2009/10 HK\$'000	2008/9 HK\$'000
Balance at 1 October	43,157	48,257
Profit/(loss) for the year	(4,193)	12,516
Revaluation of leasehold property	27,008	—
Transactions with owners - dividends paid	—	(17,616)
Balance at 30 September	<u>65,972</u>	<u>43,157</u>

Draft notes to the financial statements for the year ended 30 September 2010

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. An independent expert valuation of the Causeway Bay office was carried out during the year and this asset is carried at its revalued amount.

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied.

1.3 Property, plant and equipment

Non-current assets are stated at cost less depreciation, except for the Causeway Bay office which is stated at revalued amount 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	–	2% straight line
Plant and Machinery	–	25% reducing balance
Motor vehicles	–	33% straight line
Office equipment	–	33% 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. Exchange gains and losses are recognised in the profit and loss account.

2 TURNOVER

The whole of turnover is attributable to the sale of goods to export markets and fees for export management services. A geographical analysis of turnover is as follows:

	<i>2009/10</i>	<i>2008/9</i>
	HK\$'000	HK\$'000
China (including Hong Kong)	111,238	138,922
Rest of the world	102,636	106,147
	<u>213,874</u>	<u>245,069</u>

3 INTEREST EXPENSES

	<i>2009/10</i>	<i>2008/9</i>
	HK\$'000	HK\$'000
On bank loans and overdrafts	<u>165</u>	<u>54</u>

4 PROPERTY, PLANT AND EQUIPMENT

	<i>Leasehold land and buildings</i> HK\$'000	<i>Plant and machinery</i> HK\$'000	<i>Motor vehicles</i> HK\$'000	<i>Furniture, fittings and equipment</i> HK\$'000	<i>Total</i> HK\$'000
Cost/revalued amount					
At 1 October 2009	61,753	5,416	1,440	1,854	70,463
Additions	–	268	–	–	268
Revaluation	18,527	–	–	–	18,527
Disposals	–	(34)	–	–	(34)
At 30 Sept 2010	<u>80,280</u>	<u>5,650</u>	<u>1,440</u>	<u>1,854</u>	<u>89,224</u>
Depreciation					
At 1 October 2009	7,710	3,880	960	1,826	14,376
Charge for the year	771	441	480	28	1,720
Revaluation	(8,481)	–	–	–	(8,481)
Disposals	–	(31)	–	–	(31)
At 30 Sept 2010	<u>–</u>	<u>4,290</u>	<u>1,440</u>	<u>1,854</u>	<u>7,584</u>
Net book value					
At 30 Sept 2010	<u>80,280</u>	<u>1,360</u>	<u>–</u>	<u>–</u>	<u>81,640</u>
At 30 Sept 2009	<u>54,043</u>	<u>1,536</u>	<u>480</u>	<u>28</u>	<u>56,087</u>

5 RECEIVABLES

	<i>2009/10</i> HK\$'000	<i>2008/9</i> HK\$'000
Trade receivables	36,689	32,871
Prepayments and accrued income	–	2,583
	<u>36,689</u>	<u>35,454</u>

6 CURRENT LIABILITIES

	<i>2009/10</i> HK\$'000	<i>2008/9</i> HK\$'000
Bank loans and overdrafts	6,246	900
Trade payables	29,374	30,920
Corporation tax	–	2,173
Accruals and deferred income	<u>23,303</u>	<u>25,893</u>
	<u>58,923</u>	<u>59,886</u>