You should read the following discussion and analysis together with the audited combined financial statements of the Group and the notes thereto as of and for the two years ended 31 March 2010 and the nine months ended 31 December 2010, included in the Accountants' Report set out in Appendix I to this prospectus. The Accountants' Report has been prepared in accordance with Hong Kong Financial Reporting Standards which may differ in material respects from generally accepted accounting principles in other jurisdictions.

The following discussion and analysis contains certain forward-looking statements that involve risks and uncertainties. The Group's business and financial performance are subject to substantial risks and uncertainties and its future results could differ materially from those set forth in the forward-looking statements herein due to a variety of factors including those set forth in the "Risk factors" section of this prospectus.

OVERVIEW

The Group is engaged in the provision of professional services to public and private companies and individual investors mainly in Hong Kong and the PRC, and such services include (i) asset advisory services and asset appraisal and (ii) corporate services and consultancy.

The Group's revenue is predominantly derived from its provision of professional services and comprises two principal sources namely (i) asset appraisal and asset advisory services; and (ii) corporate services and consultancy. Details of the breakdown of the revenue by business activities of the Group are set out in note 7 to the Accountant's Report contained in Appendix I to this prospectus.

FACTORS AFFECTING THE RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Due to the business nature of the Group, the Group's business is transaction driven and its revenue is directly related to the number and size of the transactions undertaken by the Group on behalf of its clients. Therefore, the Directors believe that the major factors affecting the Group's results of operations and financial condition include:

(a) the political, economic and social conditions in Hong Kong and the PRC;

(b) the number of players and the competitive market in Hong Kong;

(c) changes in the laws and regulations relating to foreign investment in the PRC; and

(d) changes in regulatory framework relating to the Group's business.

Political, economic and social conditions in Hong Kong and the PRC

As most of the Group's earnings are generated from the provision of asset advisory services and asset appraisal and corporate services and consultancy in Hong Kong and the PRC, its business and results of operations will be directly correlated to the overall performance of the Hong Kong and PRC economies, which may, in turn, be affected by many unpredictable factors including, among others, local and international economic and political conditions, general market sentiment, and fluctuations in the interest rates. In addition, the future prospects of Hong Kong are connected to the economic, social and political development of the PRC and any unfavourable disruption to such development could have a corresponding impact on the Hong Kong economy.

Hong Kong is currently the primary focus of the Group's business. The Hong Kong economy has experienced a downturn in the past few years which was principally attributable to the financial tsunami and global downturn from the second half of 2008 to the first half of 2009, although the global economy has shown signs of improvement and the economic outlook is positive in general. Foreign investors have in recent years continued to invest heavily into Asia generally, drawn in particular by the strong growth prospects in markets such as the PRC. However, the long term impact of, among others, the current interest rate environment, financial and regulatory policies imposed by governments in different countries, volatility of commodity prices and exchange rates, as well as the political and social environments, still remains uncertain, and may significantly affect the global economies. If any of the above factors changes unexpectedly and unfavorably, the global financial situation may deteriorate, the PRC and other key Asian markets may begin to slow down, current liquidity levels and capital inflows into the PRC and Hong Kong markets may fall, and the economic climate in the region may deteriorate, in which case the Group's business, prospects, financial conditions and results of operation may be adversely affected.

The PRC economy has a long history of operating as a planned economy operated under annual, five and ten years' plans. In recent years, the PRC government has introduced substantial economic reforms which aim at transforming the PRC economy from a planned economy into a socialist market-oriented economy. These reforms intended to allow greater utilization of market forces in the allocation of resources and greater operational autonomy for enterprises.

The Directors believe that many of the reforms are unprecedented or experimental and are expected to be refined and improved with the benefit of experience, and the interpretation of these laws and regulations under the reforms may change from time to time. Other political, economic and social factors may also lead to further readjustment of the reforms measures. Therefore, there is no assurance that any refinement and adjustment process will have a positive effect on the Group's business.

Number of players and the competitive market in Hong Kong

The entry barrier to the asset advisory services and asset appraisal industry and corporate services and consultancy industry is considered to be low as substantial capital investment is not required. The Directors believe that the market is fragmented and unstructured and the Group has to face competition from different consulting and professional firms. Competition in this market is based on quality and scope of services, market reputation, business network and pricing. In particular, the industry operates in a fast-changing business environment.

The Directors believe that competition within the industries are intense and the Group has to compete with competitors which may have greater name recognition in the market, more human and financial resources, a wider range of services and longer operating history than the Group. There is no assurance that the Group will at all times be able to recruit and retain its staff and maintain its strength and market position. As competition may lead to pressure on fee income and staff turnover, there may be adverse impact on the income and profitability of the Group.

Changes in the laws and regulations relating to foreign investment in the PRC

The PRC legal system which regulates domestic and foreign investments has undergone substantial changes in the past 20 years. Although the general effect of such changes in legislation has been favourable in terms of protection to foreign investors, and allowed more active control by foreign investors of foreign-invested enterprises in the PRC, these laws, regulations and requirements are relatively recent and the interpretation and enforcement of existing laws, regulations and requirements may be uncertain, which may affect potential customers of the Group and may adversely affect the business and prospects of the Group.

Changes in regulatory framework relating to the Group's business

Currently, the Group is not required to obtain any licence for provision of asset advisory services and asset appraisal and corporate services and consultancy in its current scope. The legal framework, the regulatory regime and the licensing requirements relating to such services may change from time to time. However, there is no assurance that the Group can respond to such changes in a timely manner, or compliance of any requirements may incur substantial costs for the Group. As a result, any change in legal framework, regulatory regime or licensing requirements on services provided by the Group may adversely affect the Group's business, results of operation and financial position.

BASIS OF PREPARATION OF FINANCIAL INFORMATION

The companies now comprising the Group are under the common control of Mr. Ip. Pursuant to the corporate reorganisation, the Company acquired the entire equity interests of New Valiant, Fidelia Investments and their subsidiaries on 18 May 2011 respectively by way of swap of shares, and the Company became the holding company of the Group.

The corporate reorganisation is more fully explained in the paragraph headed "Corporate reorganisation" in Appendix VI to this prospectus.

As the Company and the Group were both controlled by Mr. Ip before and after the corporate reorganisation, the corporate reorganisation was accounted for as a business combination of entities under common control. The financial information has been prepared based on the principles and procedures of merger accounting in accordance with Accounting Guideline 5 "Merger Accounting for Common Control Combinations" issued by the HKICPA, as if the group reorganisation had occurred from the date when the combining entities first came under the control of Mr. Ip.

The financial information incorporates the financial statements of the combining entities as if they had been combined from the date when they first came under the control of Mr. Ip.

The combined statements of comprehensive income and combined statements of cash flows include the results and cash flows of the combining entities from the earliest date presented or since the date when the combining entities first came under the common control, where this is a shorter period, regardless of the date of the common control combination.

The combined statements of financial position have been prepared to present the assets and liabilities of the combining entities as if the Group structure as at the date of this report had been in existence at the end of each reporting period. The net assets of the combining entities are combined using the existing book values from Mr. Ip's perspective. No amount is recognised in respect of goodwill or gain on bargain purchase at the time of common control combination, to the extent of the continuation of Mr. Ip's interest.

There was no adjustment made to the net assets nor the net profit or loss of any combining entities in order to achieve consistency of the Group's accounting policies.

CRITICAL ACCOUNTING ESTIMATES, JUDGEMENTS AND POLICIES

The financial statement of the Group was prepared in accordance with HKFRS, which requires the Group to adopt accounting policies and make estimates and assumptions that the management believes are appropriate in the circumstances for purpose of giving a true and fair view of the results and financial condition of the Group. However, different policies, estimates and assumptions in critical areas could lead to materially different results. The Directors have continually assessed these estimates based on their experience and knowledge of current business in corporate finance advisory industry and other conditions, the expectations based on available information and other reasonable assumptions, which together form our basis for making judgements about matters that are not apparent from other sources. Since the use of estimates is an integral component of financial reporting progress, the actual result could differ from those estimates. Some of the accounting policies require a higher degree of judgement than others in their application. The Directors believe the following accounting policies involve the most significant judgements and estimates used in the preparation of the financial statements.

Property, plant and equipment and depreciation

The Group determines the estimated useful lives, residual values and related depreciation charges for the Group's property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. The Group will revise the depreciation charge where useful lives are different to those previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

Allowances for bad and doubtful debts

The Group makes allowances for bad and doubtful debts based on assessments of the recoverability of the trade and other receivables, including the current creditworthiness and the past collection history of each debtor. Impairments arise where events or changes in circumstances indicate that the balances may not be collectible. The identification of bad and doubtful debts requires the use of judgement and estimates. Where the actual result is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debt expenses in the year in which such estimate has been changed. If the financial conditions of the debtors were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required.

Income taxes

The Group is subject to income taxes. Significant estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

REVENUE RECOGNITION, INVOICING AND DEBT COLLECTION

Corporate services and consultancy

Fees for corporate services and consultancy are either billed monthly or on a success-basis depending on the service to be provided. For corporate consultancy services, fees to be charged by the Group are usually based on the improvements in results of the corporation and calculated based on percentage of target achievement. Fees for such services are billed on a success-basis. For corporate services such as company secretarial service, accounting and tax services and human resource management, the Group is usually engaged on annual retainer with fixed fees charged on a monthly basis; on the other hand, bills for ad hoc services such as corporate communication and marketing services are usually issued on completion of work. Invoicing is usually initiated by finance department and approved by director/head of management services. Finance department monitors the recoverability of the debts and it notifies the project managers for the overdue debts. The project managers negotiate with the customers for the overdue debts, and if required, reminder may be issued. The directors also review the aged debts monthly to ensure recoverability.

Revenue from the provision of corporate services and consultancy is recognised when the services are rendered and the outcome of the transactions can be measured reliably, and it is probable that the economic benefits associated with the transactions will flow to the Group.

Revenue from the provision of corporate services and consultancy with specified period is generally recognised on a straight-line basis over the period of services. Revenue from the provision of success-based corporate services and consultancy is recognised when the agreed financial targets such as turnover of the customers as set out in the services agreement are met.

Revenue recognition for corporate services and consultancy is controlled by the finance department and reviewed by the directors monthly.

Asset appraisal services

Fees for asset appraisal services are either billed in progress or one-off depending on the terms of the engagement. Usually, service fees for asset appraisal services are billed in progress while some are billed one-off if the services durations are short and the clients will settle the bills upon the issuance of valuation report. Both invoicing and debt collection are initiated and handled by the project managers, who closely monitor the progress of each job and instruct the finance department to issue invoices according to the job progress. Finance department monitors the recoverability of the debts and notifies the project managers for the overdue debts. The project managers negotiate with the customers for the overdue debts and if required, reminder may be sent. The directors also review the aged debts monthly to ensure recoverability of debts.

Revenue from the provision of asset appraisal services is recognised when the services are rendered and the outcome of the transactions can be measured reliably, and it is probable that the economic benefits associated with the transactions will flow to the Group.

Revenue from progressively billed asset appraisal services is recognised by reference to the percentage of completion of the transaction. Revenue from appraisal services which are billed one-off is only recognised when it is probable that the customers are willing to settle the billings, i.e. when it is probable that the economic benefits associated with the transactions will flow to the Group, which generally coincides with the report issue dates.

Revenue recognition for asset appraisal services is controlled by the finance department and reviewed by the directors monthly. Although the Group is usually entitled to charge upfront fees, no receipt in advance was recorded in the Group's combined statement of financial position because (i) some services were generally performed soon after the upfront billings and the revenue recognition criteria for these upfront fees were met before the end of the reporting period, and (ii) some services were billed one-off since the services durations were short and the customers would settle the bills upon the issue of appraisal reports.

Asset advisory services

Invoicing of fees for asset advisory services is initiated by the director and the project executives. A copy of the invoice is forwarded to the finance department for revenue recognition and record keeping purposes. Project executives closely monitor the progress of the transactions, review the financial record, communicate with the customers regularly and discuss the progress of the projects with the director through monthly meeting. Debt collection is handled by director and project executives.

Revenue from the provision of asset advisory services includes both fixed fees and success-based fees. Revenue from the provision of asset advisory services is recognised when the revenue can be measured reliably, and it is probable that the economic benefits associated with the transactions will flow to the Group, i.e., fixed fee revenue is recognised when the report incidental to the transactions, such as due diligence investigation, viability study and evaluation of the target investment, is issued, and for success-based revenue, as customers are usually not willing to settle the billing until they pay/receive the consideration of the underlying transactions, success-based revenue is generally recognised when the customer receives or pays the considerations of the underlying transactions.

Revenue recognition for asset advisory services is controlled by the finance department and reviewed by the directors.

Since March 2011, the Group established new internal control policy in respect of invoicing, revenue recognition and debt collection in relation to its asset advisory services.

In terms of invoicing, upon receiving instruction from the project executives, the finance department will prepare the invoice which will be reviewed by the head of finance department. The relevant project executive will confirm the invoice by counter signing.

For revenue recognition purpose, the project executives will inform and provide copy of signed engagement letter and other necessary supporting documents to the finance department. The head of finance department will ensure, with the assistance of the project executives, the revenue is properly recognised.

With respect of debt collection, project executives will follow up outstanding balance and the finance department will assist to issue reminder. The project executive will meet with the director monthly to discuss the follow up status and consider whether the outstanding accounts receivable should be regarded as bad debts.

DISCLOSURE UNDER CHAPTER 17 OF THE GEM LISTING RULES

The Directors have confirmed that as at the Latest Practicable Date, they were not aware of any circumstances which would give rise to any disclosure requirement under Rules 17.15 to 17.21 of the GEM Listing Rules.

TRADING RECORD

Summary of combined results of the Group

The following table summarises the Group's combined turnover and results for the two years ended 31 March 2010 and the nine months ended 31 December 2010 prepared on the assumption that the current structure of the Group had been in place throughout the period under review. The summary should be read in conjunction with the accountants' report of the Group set out in Appendix I to this prospectus.

		Year ended 31 March		Nine months ended 31 December	
		2009	**2010**	**2009**	**2010**
	Note	*HK$'000*	*HK$'000*	*HK$'000* (unaudited)	*HK$'000*
Turnover	1	25,654	50,870	33,134	44,951
Cost of services	2	(12,563)	(8,451)	(5,062)	(8,521)
Gross profit	3	13,091	42,419	28,072	36,430
Other income		619	743	321	1,962
Marketing expenses		(200)	(297)	(308)	(52)
Administrative expenses		(7,476)	(8,185)	(5,482)	(10,185)
Other operating expenses		(725)	(1,207)	(1,146)	(714)
Profit from operations		5,309	33,473	21,457	27,441
Finance costs		—	(1)	(1)	—
Profit before tax		5,309	33,472	21,456	27,441
Income tax expense		(897)	(3,808)	(2,409)	(2,779)
Profit for the year/period		4,412	29,664	19,047	24,662
Other comprehensive income:					
Exchange differences on translating foreign operations		—	—	—	9
Total comprehensive income for the year/period		4,412	29,664	19,047	24,671
Profit for the year/period attributable to:					
Owners of the Company		2,799	26,727	16,651	24,662
Non-controlling interests		1,613	2,937	2,396	—
		4,412	29,664	19,047	24,662
Total comprehensive income for the year/period attributable to:					
Owners of the Company		2,799	26,727	16,651	24,671
Non-controlling interests		1,613	2,937	2,396	—
		4,412	29,664	19,047	24,671
Earnings per Share					
Basic *(HK cents)*	4	0.75	7.13	4.44	6.58

Notes:

1. Turnover

	Year ended 31 March		Nine months ended 31 December	
	2009	**2010**	**2009**	**2010**
	HK$'000	*HK$'000*	*HK$'000* (unaudited)	*HK$'000*
Asset appraisal services income	25,519	27,060	18,720	19,747
Asset advisory services income	—	20,197	14,400	22,674
Corporate services and consultancy income	135	3,613	14	2,530
	25,654	50,870	33,134	44,951

2. Cost of services

	Year ended 31 March		Nine months ended 31 December	
	2009	**2010**	**2009**	**2010**
	HK$'000	*HK$'000*	*HK$'000* (unaudited)	*HK$'000*
Subcontracting charges for asset advisory services	1,730	—	—	—
Subcontracting charges for asset appraisal services				
Provision	1,880	1,084	1,099	215
Reversal	(75)	(1,294)	(1,374)	(287)
	1,805	(210)	(275)	(72)
Subcontracting charges for corporate services and consultancy	—	—	—	133
Referral fees				
Provision	1,445	201	117	13
Reversal	(567)	(521)	(522)	(34)
	878	(320)	(405)	(21)
Staff costs				
Provision for commission	1,566	2,005	1,283	933
Reversal of provision for commission	—	(316)	(316)	—
Other staff costs	5,786	6,606	4,354	7,066
	7,352	8,295	5,321	7,999
Overseas travelling	798	686	421	482
	12,563	8,451	5,062	8,521

3. Gross profit and gross profit margin

		Year ended 31 March				Nine months ended 31 December			
		2009		2010		2009		2010	
			Gross profit margin		Gross profit margin		Gross profit margin		Gross profit margin
	Note	*HK$'000*	*(%)*	*HK$'000*	*(%)*	*HK$'000* (unaudited)	*(%)*	*HK$'000*	*(%)*
Asset appraisal services		14,686	58%	18,609	69%	13,669	73%	12,518	63%
Corporate services and consultancy	(a)	135	100%	3,613	100%	3	25%	1,238	49%
Asset advisory services	(b)	(1,730)	N/A	20,197	100%	14,400	100%	22,674	100%
		13,091	51%	42,419	83%	28,072	85%	36,430	81%

Note:

(a) Please refer to the section headed "Management Discussion and Analysis" for the explanation of gross profit margin in this segment.

(b) Please refer to the section headed "Management Discussion and Analysis" for the explanation of gross loss and gross profit margin in this segment.

4. Earnings per Share

The calculation of basic earnings per Share attributable to owners of the Company for the years ended 31 March 2009 and 2010 and the nine months ended 31 December 2010 is based on the combined profit attributable to owners of the Company for each of the reporting period and the assumption that 375,000,000 Shares of the Company are in issued and issuable, comprising 1,000 Shares in issue as at the date of the Prospectus and 374,999,000 Shares to be issued pursuant to the capitalisation issue as more fully described in the paragraph headed "Written resolutions of the sole Shareholder" under the section headed "Further information about the Company" in Appendix VI to the Prospectus, as if the entire Shares were outstanding throughout the entire Track Record Period.

No diluted earnings per Share are presented as the Company did not have any dilutive potential ordinary shares during the Track Record Period.

MANAGEMENT DISCUSSION AND ANALYSIS

Set out below is the management discussion and analysis of the performance of the Group for each of the two years ended 31 March 2010 and nine months ended 31 December 2010.

(a) For the financial year ended 31 March 2009

Revenue

For the year ended 31 March 2009, the Group was mainly engaged in asset appraisal services, asset advisory services and corporate services and consultancy. Total revenue of the Group was approximately HK$25.7 million, a major part of which was generated from asset appraisal services.

During the year, 10 asset appraisal engagements with an aggregate contractual fee of approximately HK$745,000 were cancelled by clients prior to issuance of the relevant report due to termination of the underlying transaction. Out of such total fees, approximately HK$371,000 had been billed by the Company and settlement received. There was no dispute between the Group and the clients in relation to such cancelled engagements.

Cost of services

The Group's cost of services was approximately HK$12.6 million for the year ended 31 March 2009, which is made up of expenses for subcontracting charges and referral fees of approximately HK$4.4 million (comprising provision and reversal of provision for subcontracting charges and referral fees of HK$5.0 million and HK$0.6 million respectively), staff costs (including commission to staff of approximately HK$1.6 million) of approximately HK$7.4 million and overseas traveling expenses of approximately HK$0.8 million. The reversal of provision for subcontracting charges and referral fees was due to double count in previous year. Double count arose from insufficient internal control in respect of recognition of subcontracting and referral charges during the Track Record Period. In order to rectify such insufficiency and strengthen the internal control, as from the first six months of 2010, a team of accountants with relevant qualifications and experience has been employed as the in-house accounting team of the Group, which has taken over and fully in charge of the accounting and financial reporting of the Group. Commission is payable to directors and project managers for asset appraisal services in relation to their marketing effort to the business. Commission is payable quarterly and calculated based on the revenue from asset appraisal services introduced by them. Referral fee payable to the introducer is also payable on the amount received by the Group. Total cost incurred for subcontracting charges, referral fees and commission in respect of the engagements cancelled during the year amounted to approximately HK$50,000. None of these provisions made were subsequently reversed as the Group has actually paid out these costs after settlement of relevant bills by customers. There was no dispute between the Group and its subcontractors in relation to such cancelled engagements. Cost of asset advisory services incurred for the period ended 31 March 2009 were subcontracting charges and amounted to approximately HK$1.7 million.

Gross profit and gross profit margin

The Group's gross profit was approximately HK$13.1 million and the gross profit margin was approximately 51.0%. Gross loss of approximately HK$1,730,000 was incurred for the asset advisory services as there were costs incurred while there was no revenue recognised for such services due to the revenue recognition policy. Revenue from asset advisory services is only recognised upon the issue of report incidental to the transaction such as due diligence investigation, viability study and evaluation, or upon the payment/ receipt of the consideration of the underlying transaction by the clients. Since the recognition criteria have not been met, no revenue from asset advisory services was recognised during the year ended 31 March 2009. The corporate services and consultancy business achieved a gross profit margin of 100% as the cost of services is minimal in that year and were shared with other segments.

Other income

The Group had other income of approximately HK$0.6 million for the year ended 31 March 2009 which comprised bank interest income of approximately HK$71,000, reimbursement of out-of-pocket expenses of approximately HK$0.5 million and other services income of approximately HK$11,000.

Marketing expenses and administrative and other operating expenses

For the year ended 31 March 2009, the Group had incurred marketing expenses of approximately HK$0.2 million and administrative and other operating expenses of approximately HK$8.2 million. Such administrative and other operating expenses primarily comprised rental expenses of approximately HK$1.2 million, data research fees of approximately HK$0.9 million, directors' emoluments of approximately HK$1.5 million, costs of administrative staff of approximately HK$1.9 million and allowances for doubtful debts of approximately HK$0.5 million.

Finance costs

No finance cost was incurred by the Group for the year ended 31 March 2009 as no bank overdrafts were incurred by the Group during the year.

Income tax expenses

Income tax expenses for the year ended 31 March 2009 was approximately HK$0.9 million. The expense was incurred by the asset appraisal services. The effective tax rate is 16.9%, which approximate the Hong Kong Profits tax rate of 16.5%.

Net profit before interest and tax and profit for the year

The Group's profit before interest and tax and profit for the year were approximately HK$5.3 million and HK$4.4 million respectively. The net profit margin before interest and tax and net profit margin for the year ended 31 March 2009 were approximately 20.7% and 17.2% respectively.

Capital commitments

As at 31 March 2009, the Group did not have any significant capital commitments.

Contingent liabilities

As at 31 March 2009, the Group did not have any significant contingent liabilities.

Human resources

As at 31 March 2009, the Group had 25 employees. The total staff costs including directors' remuneration for the year ended 31 March 2009 were approximately HK$10.6 million. The salaries are generally reviewed with reference to the employees' merit, qualifications and competence. The Group did not adopt any share option scheme. Contractual and discretionary bonus were paid to recognise outstanding employees based on performance.

Foreign exchange risk

As at 31 March 2009, all trade receivables and trade payables of the Group are denominated in Hong Kong dollars, whereas only approximately HK$104,000 cash and cash equivalents were denominated in USD as at 31 March 2009 which amount to approximately 1.6% of the Group's total cash and cash equivalents as at such date. As the Hong Kong dollars is pegged to USD fixed within a range, there is no material foreign exchange risk for the year ended 31 March 2009.

(b) For the financial year ended 31 March 2010

Revenue

For the year ended 31 March 2010, the Group was mainly engaged in asset appraisal services, asset advisory services and corporate services and consultancy. Total revenue of the Group increased by approximately 98.3% from approximately HK$25.7 million for the year ended 31 March 2009 to approximately HK$50.9 million for the year ended 31 March 2010, approximately 53.2% of which was generated from asset appraisal services provided by the Group, approximately 7.1% of which was generated from corporate services and consultancy and approximately 39.7% of which was generated from asset advisory services. Increase of revenue was mainly attributable to the revenue generated from asset advisory services. Set out below is a breakdown of the Group's revenue from two reportable segments for the year ended 31 March 2010 as compared to that of year ended 31 March 2009:

Asset advisory services and asset appraisal

Revenue generated from the asset appraisal services segment increased by approximately 6.0% from approximately HK$25.5 million for the year ended 31 March 2009 to approximately HK$27.1 million for the year ended 31 March 2010. Such increase was due to organic growth mainly attributable to increase in number of engagements and increase in value of the assets being appraised. During the year, 11 asset appraisal engagements with an aggregate contractual fee of approximately HK$5.72 million were cancelled by clients prior to issuance of the relevant report due to termination of the underlying transaction. Out of such total fees, approximately HK$3.04 million had been billed by the Company and HK$2.99 million of which was settled by clients. There was no dispute between the Group and the clients in relation to such cancelled engagements.

Revenue generated from the asset advisory services segment was approximately HK$20.2 million for the year ended 31 March 2010. Although the engagement of asset advisory services started as early as in 2007, no revenue was generated from such service for the year ended 31 March 2009 as the revenue recognition criteria for these services, including both fixed fee and success-based fee, had not been met until the year ended 31 March 2010. The increase was mainly due to the recognition criteria of the revenue was first met for the year ended 31 March 2010. The revenue includes the success-based revenue derived from three customers upon the receipts/payments of the considerations of the underlying transactions in the year and the fixed fee revenue recognised upon the issuance of the reports incidental to the transactions.

Corporate services and consultancy

Revenue generated from the corporate services and consultancy segment increased by approximately 2,576.3% from approximately HK$135,000 for the year ended 31 March 2009 to approximately HK$3,613,000 for the year ended 31 March 2010. Such increase was due to success-based revenue derived from one customer.

Cost of services

The Group's cost of services reduced by approximately 32.7% from approximately HK$12.6 million for the year ended 31 March 2009 to approximately HK$8.5 million recorded during the year ended 31 March 2010. This was made up of staff costs (including commission to staff) of approximately HK$8.3 million (as compared to HK$7.4 million for the year ended 31 March 2009), subcontracting charges and referral fees of a negative amount of approximately HK$0.5 million (as compared to HK$4.4 million for the year ended 31 March 2009), and overseas traveling expenses of approximately HK$0.7 million, after writing back of overprovision for sub-contracting charges and referral fees for the year ended 31 March 2009. The decrease in the cost of services was mainly due to reversal of over-provisions made for sub-contracting charges, referral fees and commission as at 31 March 2009 amounting to approximately HK$2.1 million. The Group is only obliged to pay the subcontracting charges, referral fees and commission when it receives the relevant revenue from the customers. As some of the engagements for which (a) provisions (amounting to HK$1.5 million) have been made in 2009 had been cancelled during 2010, (b) the trade receivables of some engagements became doubtful (provision for cost of services amounted to HK$0.2 million) and (c) double count of costs of services of HK$0.4 million, over-provision was resulted. There was no dispute between the

Group and its subcontractors in relation to such cancelled engagements. Total cost incurred for subcontracting charges, referral fees and commission in respect of the engagements cancelled during the year amounted to approximately HK$2.2 million, out of which provisions of HK$1.5 million made were subsequently reversed in the year ended 31 March 2010 and this amount is included in the reversal of provision for subcontracting charges, referral fees and commission for the year mentioned above. In addition, the Group also placed more reliance on internal resources with less subcontracting, resulting in a decrease in subcontracting charges and cost of services for the year ended 31 March 2010.

Gross profit and gross profit margin

The Group's gross profit increased significantly by approximately 224.0% from approximately HK$13.1 million for the year ended 31 March 2009 to approximately HK$42.4 million for the year ended 31 March 2010 and the gross profit margin increased from approximately 51.0% for the year ended 31 March 2009 to approximately 83.4% for the year ended 31 March 2010. The increase was mainly attributable to revenue generated from asset advisory services and a change in the revenue mix. The Group earned higher gross profit margin from asset advisory services as it involved less cost of services while the Group was able to charge higher markup. As the contribution of asset advisory services increased from 0% of the total revenue for the year ended 31 March 2009 to approximately 39.7% of the total revenue for the year ended 31 March 2010, the gross profit margin also increased from approximately 51.0% for the year ended 31 March 2009 to approximately 83.4% for the year ended 31 March 2010. The costs relevant to the underlying projects of asset advisory services for the Track Record Period, amounting to approximately HK$1.7 million in total, were already incurred and expensed immediately in the year ended 31 March 2009. The Group decided to expense immediately the cost of asset advisory services incurred in 2009 and not to match with future revenue from asset advisory services since there was uncertainty in estimating future revenue as at 31 March 2009. No further costs were incurred in the year ended 31 March 2010. As a result, gross profit margin was 100% for the year ended 31 March 2010. The corporate services and consultancy business achieved a gross profit margin of 100% as the cost of services is minimal in that year and were shared with other segments.

Since April 2011, the Group has adopted new internal control policy for cost control and cost split between different business segments. For cost control, a yearly budgetary plan will be prepared to provide the baseline reference for subsequent performance monitoring and control. Monthly income statement will be compared with the yearly budget to monitor the performance of various business segments. Department heads are required to explain the variance subsequently reported and propose follow up actions, which will be reviewed by Head of the Finance Department and to be approved by the Executive Directors.

Cost splitting are divided into fixed costs and variable costs. Accounting, administrative and company secretarial services are provided by the corporate services segment and cost of these shared services are charged to other segments at cost-plus based on the number of headcount in and time cost involved serving that particular segment. Where one business segment provides services to another business segment on a non-recurring or project basis, the segment providing the service will have to fill out an inter-company charge form and the service fee will be charged to the segment receiving the service at a fixed charge-out rate, subject to the approval of the director and project manager of the segment receiving the service and which will then be pass to the Finance Department for ledger entry.

Other income

Other income of the Group increased by approximately 20.0% from approximately HK$0.6 million for the year ended 31 March 2009 to approximately HK$0.7 million for the year ended 31 March 2010 which comprised bank interest income of approximately HK$15,000, reimbursement of out-of-pocket expenses of approximately HK$0.5 million, other services income of approximately HK$0.2 million and sub-leasing income of approximately HK$0.1 million. Such increase in other income is primarily attributable to income from sub-leasing and income from other ancillary services provided by GCCCS.

Marketing expenses and administrative and other operating expenses

The Group's marketing expenses increased by approximately 48.5% from approximately HK$200,000 for the year ended 31 March 2009 to approximately HK$297,000 for the year ended 31 March 2010, mainly attributable to payments to Independent Third Parties for advertising and promotion of the Group.

Administrative and other operating expenses incurred by the Group increased by approximately 14.5% from approximately HK$8.2 million for the year ended 31 March 2009 to approximately HK$9.4 million for the year ended 31 March 2010. Such administrative and other operating expenses primarily comprised rental expenses of HK$1.4 million, data research fees of HK$1.1 million, directors' emoluments of HK$1.6 million, costs of administrative staff of HK$1.6 million and allowances for doubtful debts of HK$1.1 million. The increase was primarily a result of business expansion and led to increase mainly in rental expenses of HK$0.2 million, data research fees of HK$0.2 million and allowance for doubtful debts of HK$0.6 million.

Finance costs

The Group had incurred finance costs of approximately HK$1,000, being bank overdraft interest, for the year ended 31 March 2010. No finance cost was incurred for the year ended 31 March 2009.

Income tax expenses

Income tax expenses for the year ended 31 March 2010 were approximately HK$3.8 million which was an increase of approximately 324.5% from that of HK$0.9 million for the year ended 31 March 2009. Income tax expense of HK$2.0 million was attributable to asset appraisal services and HK$1.8 million was attributable to asset advisory services. The effective tax rate decreased from 16.9% for the year ended 31 March 2009 to 11.4% for the year ended 31 March 2010. The decrease in effective tax rate was a result of higher proportion of revenue from asset advisory services of which the tax exposure was lower. The lower tax exposure was due to the fact that most of the asset advisory services were performed outside Hong Kong and were not subject to Hong Kong profits tax. In addition, since the operation did not constitute a permanent establishment in the PRC, the operation is not subject to PRC enterprise income tax.

Net profit before interest and tax and profit for the year

Taking the above factors into account, the Group's profit before interest and tax and profit for the year ended 31 March 2010 amounted to approximately HK$33.4 million and HK$29.7 million respectively, representing an increase of approximately 530.5% and 572.3% respectively, when compared with the year ended 31 March 2009. The net profit margin before interest and tax increased from approximately 20.7% for the year ended 31 March 2009 to approximately 65.8% for the year ended 31 March 2010. The net profit margin increased from approximately 17.2% for the year ended 31 March 2009 to approximately 58.3% for the year ended 31 March 2010. The increases in net profit and net profit margin were mainly attributable to (i) increase of asset advisory services income which has higher gross profit margin; and (ii) decrease in cost of services due to reversal of over-provisions made for sub-contracting charges, referral fees and commission as at 31 March 2009. Although the income tax expenses have increased by approximately HK$2.9 million, the reduction effect on net profit margin is offset by the increase of asset advisory services income and decrease in cost of services.

Capital commitments

As at 31 March 2010, the Group did not have any significant capital commitments.

Contingent liabilities

As at 31 March 2010, the Group did not have any significant contingent liabilities.

Human resources

As at 31 March 2010, the Group had 31 employees. The total staff costs including directors' remuneration for the year ended 31 March 2010 were approximately HK$11.5 million, which amounted to an increase of approximately 8.3% compared to the total staff costs of approximately HK$10.6 million for the year ended 31 March 2009. This increase was resulted from the Group's recruitment of new staff since January 2010 for the purpose of expansion into the business of asset advisory services and corporate services and consultancy. The salaries are generally reviewed with reference to the employees' merit, qualifications and competence. The Group did not adopt any share option scheme. Contractual and discretionary bonus were paid to recognise outstanding employees based on performance.

Foreign exchange risk

As at 31 March 2010, out of the total trade receivables of approximately HK$29.4 million, approximately HK$2.9 million were denominated in USD and approximately HK$12.9 million were denominated in RMB which accounted for approximately 9.8% and 44.0% of the total trade receivables of the Group respectively as at such date. In respect of the Group's total cash and cash equivalents of approximately HK$7.6 million, approximately HK$9,000 were denominated in USD as at 31 March 2010 which amount to approximately 0.1% of the Group's total cash and cash equivalents as at such date. At the same date, all trade payables of the Group are denominated in Hong Kong dollars. The Hong Kong dollars is pegged to USD and fixed within a range while the operations and performances of the Group might be affected by the fluctuation of RMB. However, the slight appreciation of the RMB in the first half of 2010 did not have a materially unfavourable effect on the operations of the Group. For the year ended 31 March 2010, the Group did not have any currency hedging policy but will closely monitor RMB exchange rate and take appropriate measures to minimise any adverse impact that may be caused by its fluctuation.

(c) For the nine months ended 31 December 2010

Revenue

For the nine months ended 31 December 2010, the Group was mainly engaged in asset appraisal services, asset advisory services and corporate services and consultancy. Total revenue of the Group increased by approximately 35.7% from approximately HK$33.1 million (unaudited) for the nine months ended 31 December 2009 to approximately HK$44.9 million for the nine months ended 31 December 2010, approximately 43.9% of which was generated from asset appraisal services provided by the Group, approximately 5.6% of which generated from corporate services and consultancy and approximately 50.4% of which generated from asset advisory services. Increase in revenue was mainly attributable to business growth and expansion. Set out below is a breakdown of the Group's revenue from the three reportable segments for the nine months ended 31 December 2010 as compared to that of nine months ended 31 December 2009:

Asset advisory services and asset appraisal

Revenue generated from the asset appraisal services segment increased by approximately 5.5% from approximately HK$18.7 million (unaudited) for the nine months ended 31 December 2009 to approximately HK$19.7 million for the nine months ended 31 December 2010. Such increase was due to organic growth.

During the period, 5 asset appraisal engagements with an aggregate contractual fee of approximately HK$479,000 were cancelled by clients prior to issuance of the relevant report due to termination of the underlying transaction. Out of such total fees, approximately HK$153,000 had been billed by the Company and settlement received. There was no dispute between the Group and the clients in relation to such cancelled engagements.

Revenue generated from the asset advisory services segment increased by approximately 57.5% from approximately HK$14.4 million (unaudited) for the nine months ended 31 December 2009 to approximately HK$22.7 million for the nine months ended 31 December 2010, such increase was mainly attributable to the progress made in the underlying projects relating to this segment.

Corporate services and consultancy

Revenue generated from the corporate services and consultancy segment increased by approximately 17,971.4% from approximately HK$14,000 (unaudited) for the nine months ended 31 December 2009 to approximately HK$2.5 million for the nine months ended 31 December 2010. The increase in revenue from corporate services and consultancy was due to increase in number of clients and engagements for the nine months ended 31 December 2010.

Cost of services

The Group's cost of services increased significantly by approximately 68.3% from approximately HK$5.1 million (unaudited) for the nine months ended 31 December 2009 to approximately HK$8.5 million recorded during the nine months ended 31 December 2010. This is made up of staff cost of approximately HK$8.0 million (including commission of HK$0.9 million), subcontracting charges and referral fees of approximately HK$40,000 (comprising provision and reversal of provision for subcontracting charges and referral fees of HK$361,000 and HK$321,000 respectively) and overseas traveling expenses of approximately HK$0.5 million. The increase in the cost of services mainly reflected an increase in staff cost as a result of more employees for the asset appraisal services and corporate services and consultancy for the purpose of business expansion. There was no dispute between the Group and its subcontractors in relation to the engagements cancelled during the nine months period ended 31 December 2010. The reversal of provision for subcontracting charges and referral fees was due to double count in previous year.

Gross profit and gross profit margin

The Group's gross profit increased by approximately 29.8% from approximately HK$28.1 million (unaudited) for the nine months ended 31 December 2009 to approximately HK$36.4 million for the nine months ended 31 December 2010. The increase was mainly attributable to revenue generated from asset advisory services. The gross profit margin decreased from approximately 84.7% for the nine months ended 31 December 2009 to approximately 81.0% for nine months ended 31 December 2010. The decrease was mainly attributable to increase in the cost of services due to increase in direct labour costs. Similar to the situation for the year ended 31 March 2010, the cost of services for the underlying projects of asset advisory services were already incurred in the year ended 31 March 2009, since the costs were fully expensed due to the uncertainty in estimating future revenue as at 31 March 2009. No further costs were incurred in the nine months ended 31 December 2010. As a result, gross profit margin for the asset advisory services for the nine months ended 31 December 2010 was 100%. New staff was employed for corporate services and consultancy, resulting in increase in cost of services in this segment. Therefore, the gross profit margin of this segment decreased from 100% for the year ended 31 March 2010 to 49% for the nine months ended 31 December 2010.

Other income

Other income of the Group increased by approximately 511.2% from approximately HK$0.3 million (unaudited) for the nine months ended 31 December 2009 to approximately HK$2.0 million for the nine months ended 31 December 2010 which comprised exchange gain of HK$0.3 million, bank interest income of approximately HK$17,000, reimbursement of out-of-pocket expenses of approximately HK$0.3 million, sub-leasing income of approximately HK$1.2 million, and others of approximately HK$66,000. Such increase in other income is primarily attributable to income from sub-leasing.

Marketing expenses and administrative and other operating expenses

The Group's marketing expenses decreased by approximately 83.1% from approximately HK$0.3 million (unaudited) for the nine months ended 31 December 2009 to approximately HK$52,000 for the nine months ended 31 December 2010, mainly due to less payments to independent third parties for marketing purpose.

Administrative and other operating expenses incurred by the Group increased by approximately 64.4% from approximately HK$6.6 million (unaudited) for the nine months ended 31 December 2009 to approximately HK$10.9 million for the nine months ended 31 December 2010. Such administrative and other operating expenses primarily comprised rental expenses of HK$2.0 million (as compared to HK$0.8 million (unaudited) for the nine months ended 31 December 2009), data research fees of HK$0.4 million (as compared to HK$0.3 million (unaudited) for the nine months ended 31 December 2009), directors' emoluments of HK$1.7 million (as compared to HK$0.8 million for the nine months ended 31 December 2009), costs of administrative staff of HK$2.8 million (as compared to HK$1.1 million (unaudited) for the nine months ended 31 December 2009) and allowances of doubtful debts of HK$0.9 million (as compared to HK$1.1 million (unaudited) for the nine months ended 31 December 2009). The increase was primarily due to business expansion, especially into the segment of corporate services and consultancy, resulting in increase in administrative staff cost and directors' emoluments, employment of additional administrative staff and increase in rental expenses.

Finance costs

No finance cost was incurred by the Group for the nine months ended 31 December 2010, whereas finance costs of approximately HK$1,000 (unaudited), being bank overdraft interest, was incurred by the Group for the nine months ended 31 December 2009.

Income tax expenses

Income tax expenses for the nine months ended 31 December 2009 and 31 December 2010 were approximately HK$2.4 million (unaudited) and approximately HK$2.8 million respectively, which is an increase of approximately of 15.4%. Income tax expenses of HK$1.2 million (unaudited) and HK$0.9 million were attributable to asset appraisal services for the nine months ended 31 December 2009 and 2010 respectively, while income tax expenses of HK$1.2 million (unaudited) and HK$1.9 million were attributable to asset advisory services for the nine months ended 31 December 2009 and 2010 respectively. The effective tax rate remained stable at 11.2% and 10.1% for the nine months ended 31 December 2009 and 2010 respectively as there was no significant change in the tax exposure of the Group.

Net profit before interest and tax and profit for the period

Taking the above factors into account, the Group's profit before interest and tax and profit for the nine months ended 31 December 2010 amounted to approximately HK$27.4 million and HK$24.7 million respectively, representing increases of approximately 27.9% and 29.5% respectively, when compared with the corresponding period of last year. The increases in profit before interest and tax and profit for the nine months ended 31 December 2010 were mainly attributable to (i) increase of asset advisory services income which has higher gross profit margin; (ii) increase in other income primarily attributable to income from sub-leasing; and (iii) decrease in marketing expenses mainly due to less payments to independent third parties for marketing purpose. The net profit margin before interest and tax decreased from approximately 64.8% for the nine months ended 31 December 2009 to approximately 61.0% for nine months ended 31 December 2010. The net profit margin decreased from approximately 57.5% for the nine months ended 31 December 2009 to approximately 54.9% for nine months ended 31 December 2010. The decreases in net profit margin before interest and tax and net profit margin were mainly attributable to (i) increase in the cost of services due to an increase in direct labour cost; and (ii) increase in administrative and other operating expenses primarily as a result of increase in administrative staff cost, employment of additional administrative staff and increase in rental expenses. The net profit margin was further decreased by the increase in income tax expense.

Capital commitments

As at 31 December 2010, the Group did not have any significant capital commitments.

Contingent liabilities

During the Track Record Period, Asset-Plus has performed services in the PRC. According to the law and regulation of the PRC, the revenue derived from these services, if the service recipient is located in the PRC, was technically subject to the PRC Business Tax. No Business Tax has been demanded and therefore not been paid. All except one engagement letters with the customers contain a clause that the fees received by the Group are free from applicable taxation. In addition, Mr. Ip and Mr. Wong have provided indemnity for any tax liability incurred by any member of the Group at any time on or prior to the date of listing of the Company. The amount of Business Tax underpaid during the Track Record Period was approximately HK$0.6 million, of which HK$0.4 million was covered by the said clause of the engagement letters. A possible penalty ranging from 50% to five times of the Business Tax underpaid may be levied. In view of the immateriality, and that the exposure is either covered by the said clause of the engagement letters or the indemnity from the shareholders, the directors regard that no provision for the Business Tax is required. The directors also regard that it is not probable to have material net cash outflows from the Group in this connection.

Apart from the above, as at 31 December 2010, the Group did not have any significant contingent liabilities.

Human resources

As at 31 December 2010 the Group had 49 employees, as compared to 21 as at 31 December 2009. The Group's total staff costs including directors' remuneration increased significantly by approximately 48.0% from approximately HK$7.3 million (unaudited) for the nine months ended 31 December 2009 to HK$12.5 million for the nine months ended 31 December 2010, which increase is mainly due to business expansion. The salaries are generally reviewed with reference to the employees' merit, qualifications and competence. The Group did not adopt any share option scheme. Contractual and discretionary bonus were paid to recognise outstanding employees based on performance.

Foreign exchange risk

As at 31 December 2010, out of the total trade receivables of approximately HK$13.6 million, approximately HK$9.9 million were denominated in RMB which accounted for approximately 73.3% of the total trade receivables of the Group as at such date. In respect of the Group's total cash and cash equivalents of approximately HK$10.7 million, approximately HK$12,000 were denominated in USD, approximately HK$1,000 were denominated in Australian dollars and approximately HK$0.2 million were denominated in RMB as at 31 March 2010 which amount to approximately 0.1%, 0.009% and 1.6% of the Group's total cash and cash equivalents respectively as at such date. At the same date, all trade payables of the Group are denominated in Hong Kong dollars. The Hong Kong dollars is pegged to USD and fixed within a range while the operations and performances of the Group might be affected by the fluctuation of RMB. However, the slight appreciation of the RMB in the first half of 2010 did not have a materially unfavourable effect on the operations of the Group. For the nine months ended 31 December 2010, the Group did not have any currency hedging policy but will closely monitor RMB exchange rate and take appropriate measures to minimise any adverse impact that may be caused by its fluctuation.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group's working capital and other capital requirements were principally satisfied by cash generated from its operations.

The following table summarised the Group's cash flows for the period indicated:

	Year ended 31 March		Nine months ended 31 December	Nine months ended 31 December
	2009	**2010**	**2009**	**2010**
	HK$'000	*HK$'000*	*HK$'000* (unaudited)	*HK$'000*
Cash and cash equivalents at beginning of year/period	3,633	6,335	6,335	7,590
Net cash generated from operating activities	4,336	6,872	5,569	38,674
Net cash used in investing activities	(394)	(25)	(6)	(916)
Net cash used in financing activities	(1,240)	(5,592)	(4,091)	(34,699)
Effect of foreign exchange rate changes	—	—	—	9
Cash and cash equivalents at end of year/period	6,335	7,590	7,807	10,658

Cash flows from operating activities

Cash flows from operating activities reflects profits for the year as adjusted for non-cash items such as depreciation, allowance for trade receivables, bad debts written off, allowance on amounts due from related companies, interest income and changes in working capital such as trade receivables, prepayments, deposits and other receivables, trade payables and accruals and other payables.

Net cash generated from operating activities for the year ended 31 March 2009 amounted to approximately HK$4.3 million, which mainly represented the combined effect of the profit before tax of approximately HK$5.3 million and a net decrease in working capital of approximately HK$0.7 million. The changes in working capital primarily comprised a decrease in accruals and other payables of HK$0.8 million principally due to the release of incentive bonus before the year end, and an increase of trade receivables of HK$0.6 million, principally due to a low level of trade receivable carried forward from 2008.

Net cash generated from operating activities for the year ended 31 March 2010 was mainly attributable to the profit before tax of approximately HK$33.4 million and a net decrease in working capital of approximately HK$27.0 million. The changes in working capital primarily comprised an increase in trade receivables of HK$25.8 million due to a higher level of trade receivable during the year. The increase in net cash generated from operating activities was due to increase in operating profit.

Net cash generated from operating activities for the nine months ended 31 December 2010 amounted to approximately HK$38.7 million (as compared to HK$5.6 million (unaudited) for the nine months ended 31 December 2009), which mainly represented the combined effect of the profit before tax of approximately HK$27.4 million and a net increase in working capital of approximately HK$10.4 million. The changes in working capital primarily comprised a decrease of trade receivables of HK$15.1 million and an increase in prepayments, deposits and other receivables of HK$2.6 million principally due to the higher level of other receivables during the period. The increase in net cash generated from operating activities was due to increase in operating profit and faster settlement of trade receivables.

Cash flows used in investing activities

Cash flows used in investing activities comprises payment for or proceeds from the purchase and disposal of property, plant and equipment, interest received and changes in pledged bank deposits.

Net cash used in investing activities for the years ended 31 March 2009, 2010 and nine months ended 31 December 2010 amounted to approximately HK$0.4 million, HK$25,000 and HK$0.9 million respectively. The major component in the cash flows is cash used for the purchase of plant and equipment.

Cash flows used in financing activities

The item affecting the cash flows used in financing activities for the years ended 31 March 2009, 2010 and nine months ended 31 December 2010 were the dividends paid of HK$1.5 million, HK$2.5 million and HK$10.8 million respectively. The increase in net cash used in financing activities was due to increase in dividend paid, increase in amounts due from related parties and decrease in amounts due to related parties.

Capital structure

As at 31 March 2010, the Group had net assets of approximately HK$25.3 million, comprising non-current assets of approximately HK$0.4 million and net current assets of approximately HK$24.9 million. Throughout the Track Record Period, apart from the plough back of profits, there were no material changes in the capital structure.

As at 31 December 2010, the Group had net assets of HK$39.0 million, comprising non-current assets of approximately HK$1.2 million and net current assets of HK$37.8 million.

Key financial ratios

	For the financial year ended 31 March 2009	For the financial year ended 31 March 2010	For nine months ended 31 December 2010
Return on equity *(Note 1)*	49.4%	117.3%	63.3%
Return on total assets *(Note 2)*	30.5%	68.7%	47.6%
Current ratio *(Note 3)*	2.50	2.39	3.94
Quick ratio *(Note 4)*	2.50	2.39	3.94
Average trade receivables turnover days *(Note 5)*	67	122	131
Average trade payables turnover days *(Note 6)*	102	121	44
Interest coverage *(Note 7)*	N/A	33,473	N/A

Notes:

1. Return on equity is calculated by dividing profit for the year/period by total equity at the end of the respective period. It recorded an increase from approximately 49.4% for the year ended 31 March 2009 to approximately 117.3% in 2010. Such increase was due to improvement of net profit for the year ended 31 March 2010. The return on equity decreased to 63.3% for the nine months ended 31 December 2010. The decrease is due to slight decrease in profit while equity continued to grow due to increase in retained earnings.

2. Return on total assets is calculated by dividing the profit for the year/period by total assets at the end of the respective period. It recorded an increase from approximately 30.5% for the year ended 31 March 2009 to approximately 68.7% in 2010. Such increase was due to improvement of profit for the year ended 31 March 2010. The increase in return on total assets was partly offset by an increase in total assets mainly as a result of increase in trade receivables. The return on total assets decreased to 47.6% due to slight decrease in profit while total assets continue to grow due to increase in working capital as a result of increase in retained earnings.

3. Current ratio is calculated by dividing current assets by current liabilities as at the end of the respective period. The current ratios have been maintained at similar level for the two years ended 31 March 2010. The slight decrease in such ratio was a result of increase in current assets mainly due to increase in trade receivables offset by more proportional increase in current liabilities mainly due to increase in dividend payable. The current ratio increased from 2.39 times for the year ended 31 March 2010 to 3.94 times for the nine months ended 31 December 2010. The improvement of current ratio was a result of increase in prepayments, deposits, pre-listing expenses paid and other receivables and decrease in current liabilities mainly due to decrease in dividend payable.

4. Quick ratio is calculated by dividing current assets (excluding inventory) by current liabilities at the end of the respective period. The quick ratios are same as the current ratios since the Group is a service provider and does not possess inventory.

5. For each of the two years ended 31 March 2010, average trade receivables turnover days equals to the average trade receivables divided by turnover and multiplied by 365 days. For the nine months ended 31 December 2010, average trade receivables turnover days equals to the average trade receivables divided by turnover and multiplied by 275 days.

6. For each of the two years ended 31 March 2010, average trade payables turnover days equals to the average trade payables divided by cost of services and multiplied by 365 days. For the nine months ended 31 December 2010, average trade payables turnover days equals to the average trade payables divided by cost of services and multiplied by 275 days.

7. Interest coverage is calculated by dividing profit before interest and tax by finance costs. The finance cost of approximately HK$1,000 was the bank overdraft interest for the year ended 31 March 2010. No finance cost was incurred for the year ended 31 March 2009 and nine months ended 31 December 2010.

INDEBTEDNESS

Borrowings

As at the close of business on 31 March 2011, being the latest practicable date for the purpose of ascertaining the indebtedness of the Group prior to the printing of this prospectus, the Group had no outstanding borrowings apart from amounts due to related parties amounting to approximately HK$8.7 million, which are repayable within one year. The amounts due to related parties were fully settled at the date of this prospectus.

Gearing ratio and debt to net worth ratio

No gearing ratio and debt to net worth ratio are calculated since the Group did not have any interest bearing liabilities during the Track Record Period.

Securities

Subsequent to 31 December 2010, the Group decided not to renew the general banking facilities available to it of up to HK$1.9 million as the Group has not utilised any such facilities and the bank required to maintain the personal guarantee given by Mr. Ip and Mr. Cheng as security for such facilities. The Directors confirmed that they had contacted a number of banks regarding possible facilities to the Group but securities such as personal guarantees from directors and/or controlling shareholders were generally required. The Group intends to seek new financing from finance houses which do not usually require such securities. The Group is currently in negotiation with a finance house for a tentatively one-year loan facility, but the substantive terms are not yet in place as at the Latest Practicable Date. As at the close of business on 31 March 2011, there was no securities and guarantees provided by any party in respect of the Group's indebtedness.

Contingent liabilities

As at the close of business on 31 March 2011, the Group had no material contingent liabilities.

Disclaimer

Save as aforesaid and apart from intra-group liabilities and normal trade payables in the ordinary course of the business, as at the close of business on 31 March 2011, the Group did not have other outstanding mortgages, charges, debt securities, term loans debentures or other loan capital, bank overdrafts or loans, other similar indebtedness, finance lease or hire purchase commitments, liabilities under acceptance or acceptance credits, guarantees or other material contingent liabilities.

The Directors have confirmed that there have been no material changes in the indebtedness and contingent liabilities of the Group since 31 March 2011.

CAPITAL EXPENDITURES

The following table sets forth the Group's historical capital expenditures for the periods indicated:

	Year ended 31 March		Nine months ended 31 December
	2009	**2010**	**2010**
	HK$'000	*HK$'000*	*HK$'000*
Property, plant and equipment	449	39	931
Total	449	39	931

The Group financed its capital expenditure requirements primarily through cash generated from its operating activities.

The Group had no planned capital expenditure during the Track Record Period.

COMMITMENTS

Operating lease commitments

During the Track Record Period, the Group's total future minimum lease payments under non-cancellable operating leases are payable as follows:

	At 31 March		At 31 December
	2009	**2010**	**2010**
	HK$'000	*HK$'000*	*HK$'000*
Within one year	1,992	5,125	4,140
In the second to fifth years, inclusive	63	5,408	3,677
	2,055	10,533	7,817

Capital commitments

As at 31 March 2009, 31 March 2010 and 31 December 2010, the Group did not have any significant capital commitments.

PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

As at 31 March 2009, 2010 and 31 December 2010, the Group recorded prepayments, deposits and other receivables of HK$0.5 million, HK$1.1 million and HK$3.7 million.

Prepayments, deposits and other receivables as at 31 March 2009 and 2010 comprised mainly office rental deposit paid, of approximately HK$0.3 million and HK$0.7 million respectively. The increase as at 31 March 2010 was due to additional rental deposits paid.

Prepayments, deposits and other receivables as at 31 December 2010 comprised mainly various payments of professional fees for the IPO project of the Group, office rental deposit paid and prepayment for rent, amounted to approximately HK$2.0 million, HK$1.1 million and HK$0.2 million respectively. The increase as at 31 December 2010 was due to additional rental deposits paid, and the professional fees for the IPO project.

ACCRUALS AND OTHER PAYABLES

As at 31 March 2009, 2010 and 31 December 2010, the Group recorded accruals and other payables of HK$0.9 million, HK$2.3 million and HK$1.1 million.

Accruals and other payables as at 31 March 2009 comprised mainly staff bonus payable, of approximately HK$0.8 million. The accrued bonus had been fully settled in June 2009.

Accruals and other payables as at 31 March 2010 comprised mainly staff bonus and general office expenses payable, of approximately HK$1.3 million and HK$0.5 million respectively. The accrued bonus had been fully settled before 30 June 2010. The increase as at 31 March 2010 was due to increase in accrued bonus and audit fee.

Accruals and other payables as at 31 December 2010 comprised mainly general office expenses and other payable, of approximately HK$1.1 million. The decrease as at 31 December 2010 was due to decrease in accrued bonus.

WORKING CAPITAL

The Directors are of the opinion that after allowing for the interim dividends, taking into account the amount of the net proceeds of the Placing and its retained resources, and the fact that the Group will have no outstanding indebtedness after the Listing, the Group will have sufficient working capital and financial resources to meet its capital expenditure and working capital requirements for at least 12 months from the date of this prospectus.

NET CURRENT ASSETS

	At 31 March		At 31 December
	2009	**2010**	**2010**
	HK$'000	*HK$'000*	*HK$'000*
Non-current assets			
Property, plant and equipment	629	406	1,156
Investments in associates	—	—	—
	629	406	1,156
Current assets			
Trade receivables	4,707	29,373	13,559
Prepayments, deposits and other receivables	513	1,139	3,738
Amounts due from related parties	1,173	3,531	21,609
Pledged bank deposits	1,125	1,126	1,128
Bank and cash balances	6,335	7,590	10,658
	13,853	42,759	50,692
Current liabilities			
Trade payables	3,797	1,811	908
Accruals and other payables	934	2,317	1,074
Amounts due to related parties	683	53	5,235
Dividend payable	—	10,803	—
Current tax liabilities	128	2,882	5,661
	5,542	17,866	12,878
Net current assets	8,311	24,893	37,814
NET ASSETS	8,940	25,299	38,970

As at 31 March 2009, the Group had net current assets of approximately HK$8.3 million, comprising current assets of approximately HK$13.9 million and current liabilities of approximately HK$5.5 million. The current assets as at 31 March 2009 were made up of trade receivables of approximately HK$4.7 million, prepayments, deposits and other receivables of approximately HK$0.5 million, amounts due from related parties of approximately HK$1.2 million, pledged bank deposits of approximately HK$1.1 million and bank and cash equivalents of approximately HK$6.3 million. The current liabilities as at 31 March 2009 were made up of trade payables of approximately HK$3.8 million, accruals and other payables of approximately HK$0.9 million, amounts due to related parties of approximately HK$0.7 million and current tax liabilities of approximately HK$0.1 million.

As at 31 March 2010, the Group had net current assets of approximately HK$24.9 million, comprising current assets of approximately HK$42.8 million and current liabilities of approximately HK$17.9 million. The current assets as at 31 March 2010 were made up of trade receivables of approximately HK$29.4 million, prepayments, deposits and other receivables of approximately HK$1.1 million, amounts due from related parties of approximately HK$3.5 million, pledged bank deposits of approximately HK$1.1 million and bank and cash equivalents of approximately HK$7.6 million. The current liabilities as at 31 March 2010 were made up of trade payables of approximately HK$1.8 million, accruals and other payables of approximately HK$2.3 million, amounts due to related parties of approximately HK$53,000, dividend payables of approximately HK$10.8 million and current tax liabilities of approximately HK$2.9 million.

As at 31 December 2010, the Group had net current assets of approximately HK$37.8 million, comprising current assets of approximately HK$50.7 million and current liabilities of approximately HK$12.9 million. The current assets as at 31 December 2010 were made up of trade receivables of approximately HK$13.6 million, prepayments, deposits and other receivables of approximately HK$3.7 million, amounts due from related parties of approximately HK$21.6 million, pledged bank deposits of approximately HK$1.1 million and bank and cash equivalents of approximately HK$10.7 million. The current liabilities as at 31 December 2010 were made up of trade payables of approximately HK$0.9 million, accruals and other payables of approximately HK$1.1 million, amounts due to related parties of approximately HK$5.2 million, and current tax liabilities of approximately HK$5.7 million.

TRADE RECEIVABLES

The majority of the Group's trade receivables as at 31 March 2010 were service fees due to asset advisory services and asset appraisal services. The total trade receivables of the Group increased by approximately 524.0% from approximately HK$4.7 million as at 31 March 2009 to approximately HK$29.4 million as at 31 March 2010. Trade receivables as at 31 March 2010 due to asset advisory services and asset appraisal services were approximately HK$20.2 million (as compared to HK$nil as at 31 March 2009) and approximately HK$6.7 million (as compared to HK$4.6 million as at 31 March 2009) respectively, whereas the trade receivables due to corporate services and consultancy were approximately HK$2.5 million (as compared to HK$100,000 as at 31 March 2009). Average trade receivables turnover days for the Group increased from 67 days for the year ended 31 March 2009 to 122 days for the year ended 31 March 2010. The increase in trade receivables and average trade receivables turnover days was mainly attributable to delay in payment from client in the asset advisory services segment.

The total trade receivables of the Group decreased by approximately 53.8% from approximately HK$29.4 million as at 31 March 2010 to approximately HK$13.6 million as at 31 December 2010 while average trade receivables turnover days for the Group increased from 122 days for the year ended 31 March 2010 to 131 days for the nine months ended 31 December 2010. A majority of such receivables were service fees due to asset advisory services and asset appraisal services, being approximately HK$9.9 million due to asset advisory services, approximately HK$3.5 million due to asset appraisal services and with the balance of approximately HK$108,000 due to corporate services and consultancy. Decrease in trade receivables was mainly attributable to recovery of outstanding payment from clients of the Group while the increase in average trade receivables turnover days was due to higher trade receivables as at 31 March 2010 caused by increase in service fee from asset advisory services and asset appraisal.

The Group generally gives a credit period of 14 days for settlement of bills for its asset appraisal business, 30 days for settlement of bills for its asset advisory services and corporate services and 30 days for settlement of bills for its corporate consultancy services. The Directors believe that a significant reason for the increase in trade receivables and average trade receivables turnover days was that for engagements under the asset advisory services segment under which the Group was engaged to source investments for clients, such clients were inclined to settling the relevant invoices only until the investment was subsequently realized or until a substantial period has lapsed from the completion of the acquisition of the investment to observe the quality of the investment. Since clients of the Group for its asset advisory services are usually high net worth investors, the Company will be more tolerant of delay in payment. The Company would not regard the increase in the trade receivables turnover days as implying any deterioration of the credit quality of the Group's clients.

Of the total trade receivables of HK$13,559,000 outstanding as at 31 December 2010, HK$12,583,000 has been subsequently settled as at the Latest Practicable Date.

The following table sets out the Group's trade receivables aging analysis during the Track Record Period.

	As at 31 March		As at 31 December	Subsequent settlement up to the Latest Practicable Date
	2009	2010	2010	Date
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
within 30 days	676	4,292	6,066	5,998
31–90 days	1,555	8,811	1,216	516
91–180 days	1,106	2,773	5,452	5,248
over 180 days	1,370	13,497	825	821
	4,707	29,373	13,559	12,583

TRADE PAYABLES

Trade payables as at 31 March 2010 comprised mainly subcontracting charges payable, commissions payable and referral fees payable. The Group normally settles subcontracting charges and referral fees payable within a credit period ranging from 14 days to 60 days and commissions are payable to staff quarterly on the basis that the relevant fee was received by the Group. The Group's trade payables decreased by approximately 52.3% from approximately HK$3.8 million as at 31 March 2009 to approximately HK$1.8 million as at 31 March 2010 while average trade payables turnover days for the Group increased from 102 days for the year ended 31 March 2009 to 121 days for the year ended 31 March 2010. Such decrease in trade payables was resulted from revised provision for subcontracting charges for the year ended 31 March 2009 due to cancellation of engagements by clients of the Group subsequent to such year end while the increase in average trade payables turnover days was due to higher average trade payables as at 31 March 2010 caused by higher provision on subcontracting charges as at 31 March 2009, while there was reversal of provision for subcontracting charges which had lowered the cost of services for that year.

Trade payables as at 31 December 2010 comprised mainly subcontracting charges payable, commissions payable and referral fees payable. The Group normally settles subcontracting charges within a credit period ranging from 14 days to 60 days, and commissions are payable to staff quarterly on the basis that the relevant fee was received by the Group. The Group's trade payables decreased by approximately 49.9% from approximately HK$1.8 million as at 31 March 2010 to approximately HK$0.9 million as at 31 December 2010, while average trade payables turnover days for the Group decreased from 121 days for the year ended 31 March 2010 to 44 days for the nine months ended 31 December 2010. Such decrease in trade payables and trade payables turnover days was resulted from less reliance on subcontracting and slightly faster settlement of commission payables.

The number of subcontracting arrangements for the year ended 31 March 2009, 2010 and nine months ended 31 December 2010 were 44, 19 and 5 respectively.

Up to the Latest Practicable Date, the subsequent settlement of trade payables at 31 December 2010 amounted to approximately HK$371,000. A breakdown is as follows:

	As at 31 December 2010	Subsequent settlement
	HK$'000	*HK$'000*
Commission payables	628	371
Subcontracting charge payables	267	—
Referral fees payables	13	—
Total	908	371

PROFIT ESTIMATE FOR THE YEAR ENDED 31 MARCH 2011

On the bases set out in the section headed "Profit estimate for the year ended 31 March 2011" in Appendix III to this prospectus and, in the absence of unforeseen circumstances, selected profit estimate data of the Group for the year ended 31 March 2011 are set out below:

Unaudited estimated combined profit attributable to owners of the Company for the year ended 31 March 2011 *(Note 1)* . . . . Not less than HK$25 million

Unaudited estimated pro forma earnings per Share *(Note 2)* . . Not less than HK5 cents

Notes:

1 The bases on which the above profit estimate has been prepared are set out in the section headed "Profit estimate for the year ended 31 March 2011" in Appendix III to this prospectus. The Directors have prepared the estimated combined profit attributable to owners of the Company for the year ended 31 March 2011 based on the audited combined results of our Group for the nine months ended 31 December 2010 and an estimate of the combined results of our Group for the remaining three months ended 31 March 2011.

2 The unaudited pro forma estimated earnings per Share is calculated by dividing the estimated combined profit attributable to owners of the Company for the year ended 31 March 2011 by 500,000,000 Shares as if such Shares had been in issue on 1 April 2010 and outstanding during the entire year. The number of Shares used in this calculation includes the Shares in issue as of the date of this prospectus and the Shares to be issued pursuant to the Capitalisation Issue and the Placing.

DIVIDEND POLICY

For the two years ended 31 March 2010 and the nine months ended 31 December 2010, the subsidiaries of the Company declared dividends in an aggregate amount of approximately HK$515,000, HK$13.3 million and HK$11.0 million respectively.

The amount of any dividends to be declared in the future will depend on, among other things, the Company's trading results, cash flows and financial condition, operating and capital requirements. Subject to the said factors, the Directors expect, in future, to declare and pay dividends of not less than 30% of the net profit attributable to the equity holders of the Company for the financial year ending 31 March 2012.

DISTRIBUTABLE RESERVES

The Company was incorporated in the Cayman Islands on 3 December 2010. The Company had no reserves distributable to Shareholders as at 31 December 2010 (the date of the Group's latest audited financial statements).

PROPERTY INTERESTS

Property leased by the Group in Hong Kong

The Group leases Rooms 2701–08 and 2712–13, Shui On Centre, 6–8 Harbour Road, Wanchai, Hong Kong as its headquarter and principal place of business in Hong Kong from an Independent Third Party.

Property leased by the Group in the PRC

The Group leases Unit 104, Level 1, Building No.12 Sanfeng Lane Jia, Chaoyang District, Beijing, the PRC ("Sanfeng Lane Jia Property") and Unit C-809, Level 8, Vantone Centre, 6 Chaowai Main Street, Chaoyang District, Beijing, the PRC ("Vantone Property") as office for Beijing GCA from Independent Third Parties.

In respect of the Sanfeng Lane Jia Property, the Group was not provided with proof of legal title. Furthermore, according to the Supreme People's Court's Interpretation of Certain Issues concerning the Application of Law for Judging Disputes over Urban Building Leasing Contracts (《最高人民法院關於審理城鎮房屋租賃合同糾紛案件具體應用法律若干問題的解釋》), a lease agreement shall be invalid if it is entered into in respect of a property which construction is not conducted in accordance with the requirements of the construction works planning permit. The legal advisers of the Company as to the laws of the PRC consider that, if the landlord does not have the legal ownership of or the right to lease the property or if the aforesaid circumstances arise, the lease agreement will be invalid and Beijing GCA may be required to vacate the Sanfeng Lane Jia Property without any compensation or indemnity. However, Beijing GCA, as lessee of the Sanfeng Lane Jia Property, will not be subject to any penalty imposed by the competent government authorities.

The Directors believe that the cost and time to be incurred in case of relocation will be minimal and there will not be any significant impact on the Group's operation. The Directors do not foresee any difficulties in relocating to other premises should it be required to do so.

On the other hand, the lease agreements for both Sanfeng Lane Jia Property and the Vantone Property have not been registered, and a fine of RMB200 to RMB500 may be imposed. The legal advisers of the Company as to the laws of the PRC consider that Beijing GCA will not be subject to any penalty, and its rights to use the leased properties will not be affected.

Property valuation

The properties leased by the Group have been valued at no commercial value by RHL Appraisal Limited, an independent property valuer. The texts of the letter with a summary of valuation and a valuation certificate prepared by RHL Appraisal Limited of these property interests are set out in Appendix IV to this prospectus.

UNAUDITED PRO FORMA ADJUSTED NET TANGIBLE ASSETS

The unaudited pro forma financial information has been prepared, on the basis of the notes set out below, to illustrate how the Placing may have affected the net tangible assets attributable to owners of the Company had it occurred as of 31 December 2010. It has been prepared for illustrative purpose only and, because of its nature, may not give a true picture of the financial position of the Group.

	Audited combined net tangible assets attributable to owners of the Company as of 31 December 2010	**Estimated net proceeds from the Placing**	**Unaudited pro forma adjusted net tangible assets**	**Unaudited pro forma adjusted net tangible assets per Share**
	(Note 1)	*(Note 2)*		*(Note 3)*
	HK$'000	*HK$'000*	*HK$'000*	
Based on a Placing Price of HK$0.72 per Share	38,970	78,050	117,020	HK$0.23

Notes:

(1) The audited combined net tangible assets attributable to owners of the Company as of 31 December 2010 is based on the audited combined net assets of HK$38,970,000 as of 31 December 2010, as shown in the Accountants' Report, the text of which is set out in Appendix I to this prospectus.

(2) The adjustment to the pro forma statement of net tangible assets reflects the estimated proceeds from the Placing to be received by the Company. The estimated proceeds from the Placing are based on the Placing Price of HK$0.72 per Share and 125,000,000 Shares, net of estimated issue expenses of approximately HK$11,950,000.

(3) The number of Shares is based on a total of 500,000,000 Shares issued, adjusted as if the Placing had occurred at 31 December 2010.

FINANCIAL RISKS

The Group's activities expose it to a variety of financial risks: foreign currency risk, credit risk, liquidity risk and interest rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Foreign currency risk

The Group has certain exposure to foreign currency risk as part of its business transactions, assets and liabilities are denominated in Renminbi and United States dollars.

The following tables detail the Group's major exposure at the end of the reporting periods to foreign currency risk arising from recognised assets or liabilities denominated in foreign currencies. For presentation purposes, the amounts of the exposure are shown in Hong Kong dollars, translated using the spot rates at the end of the reporting periods.

	At 31 March		At 31 December
	2009	**2010**	**2010**
	HK$'000	*HK$'000*	*HK$'000*
Denominated in United States dollars			
Bank and cash balances	104	9	12
Trade receivables	—	2,886	—
Total	104	2,895	12
Denominated in Renminbi			
Trade receivables	—	12,934	9,941

The following table indicates the instantaneous change in the Group's profit for the year/period that would have arisen if foreign exchange rates to which the Group has significant exposure at the end of the reporting periods had changed at those dates, assuming all other risk variables remained constant.

	At 31 March				At 31 December	
	2009		2010		2010	
	Increase/ (decrease) in foreign exchange rates	Increase/ (decrease) in profit for the year *HK$'000*	Increase/ (decrease) in foreign exchange rates	Increase/ (decrease) in profit for the year *HK$'000*	Increase/ (decrease) in foreign exchange rates	Increase/ (decrease) in profit for the period *HK$'000*
United States dollars	1%	1	1%	24	1%	78
	(1)%	(1)	(1)%	(24)	(1)%	(78)
Renminbi	3%	—	3%	388	3%	223
	(3)%	—	(3)%	(388)	(3)%	(223)

(b) Credit risk

The carrying amount of the pledged bank deposits, bank and cash balances, trade and other receivables, and amounts due from related parties included in the combined statements of financial position represents the Group's maximum exposure to credit risk in relation to the Group's financial assets.

The Group has policies in place to ensure that services are provided to customers with an appropriate credit history. Amounts due from related parties are closely monitored by the Directors.

The credit risk on pledged bank deposits and bank and cash balances is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Group has certain concentration of credit risk, as the Group's three largest debtors accounted for 36%, 75% and 79% of trade receivables as at 31 March 2009 and 2010 and 31 December 2010, respectively. The increase in concentration of credit risk is because the Group has more revenue from asset advisory services. The revenue was relatively larger than asset appraisal services and corporate services and consultancy and was generated from a few customers. Up to the Latest Practicable Date, the trade receivables due from these three largest customers were settled.

(c) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

The maturity analysis of the Group's financial liabilities is as follows:

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
At 31 December 2010				
Trade payables	908	—	—	—
Accruals and other payables	1,074	—	—	—
Amounts due to related parties	5,235	—	—	—

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
At 31 March 2010				
Trade payables	1,811	—	—	—
Accruals and other payables	2,317	—	—	—
Amounts due to related parties	53	—	—	—
Dividend payable	10,803	—	—	—

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
At 31 March 2009				
Trade payables	3,797	—	—	—
Accruals and other payables	934	—	—	—
Amounts due to related parties	683	—	—	—

(d) Interest rate risk

The Group's exposure to interest rate risk arises from its bank deposits. These deposits bear interest at variable rates varied with the then prevailing market condition.

As at 31 March 2009 and 2010 and 31 December 2010, it is estimated that a general increase/(decrease) of 100 basis points in interest rates, with all other variables held constant, would have increased/(decreased) the Group's profit for the year/period as follows:

	At 31 March		At 31 December
	2009	**2010**	**2010**
	HK$'000	*HK$'000*	*HK$'000*
Increase/(decrease) in interest rates			
100 basis points	62	62	61
(100) basis points	(62)	(62)	(61)

(e) Categories of the Group's financial instruments at the end of each reporting period

	At 31 March		At 31 December
	2009	**2010**	**2010**
	HK$'000	*HK$'000*	*HK$'000*
Financial assets:			
Loans and receivables (including cash and cash equivalents):			
Trade receivables	4,707	29,373	13,559
Deposits and other receivables	269	699	1,239
Amounts due from related parties	1,173	3,531	21,609
Pledged bank deposits	1,125	1,126	1,128
Bank and cash balances	6,335	7,590	10,658
	13,609	42,319	48,193
Financial liabilities:			
Financial liabilities at amortised cost:			
Trade payables	3,797	1,811	908
Accruals and other payables	934	2,317	1,074
Amounts due to related parties	683	53	5,235
Dividend payable	—	10,803	—
	5,414	14,984	7,217

(f) Fair values

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the combined statements of financial position approximate their respective fair values.

NO MATERIAL ADVERSE CHANGE

The Directors confirm that since 31 December 2010 (being the date to which the latest audited combined financial statements of the Group were made up) up to the Latest Practicable Date, there has been no material adverse change in the financial or trading position or prospects of the Group.