

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2006 截至二零零六年三月三十一日止年度

1. CORPORATE INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands. The registered office of the Company is located at Century Yard, Cricket Square, Hutchins Drive, P.O. Box 2681 GT, George Town, Grand Cayman, British West Indies. The principal place of business of the Company is located at 28/F, Tower 6, The Gateway, Harbour City, 9 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong.

During the year, the Group was involved in the organisation of exhibitions and trade shows and providing ancillary services.

In the opinion of the directors, the ultimate holding company is Capital Concord Profits Limited, which was incorporated in the British Virgin Islands.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Hong Kong Financial Reporting standards ("HKFRSs") (which also include Hong Kong Accounting Standards (HKASs) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance and applicable disclosure provisions of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). These financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand (HK\$'000) except otherwise indicated.

The HKICPA has issued a number of new and revised HKFRSs which are effective for accounting periods beginning on or after 1 January 2005. A summary of the effect on initial adoption of these new and revised HKFRSs is disclosed in Note 3 to the financial statements.

The preparation of financial statements in conformity with HKFRSs requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of HKFRSs that have significant effect on the financial statements and estimates with a significant risk of material adjustments in the next year are discussed in Note 5 to the financial statements.

1. 公司資料

本公司為於開曼群島註冊成立之有限公司。本公司之註冊辦事處地址為Century Yard, Cricket Square, Hutchins Drive, P.O. Box 2681 GT, George Town, Grand Cayman, British West Indies。本公司主要營業地點在香港九龍尖沙咀廣東道9號海港城港威大廈第6座28樓。

年內，本集團之業務為舉辦展覽會及貿易展覽會以及提供相關之補充服務。

董事認為，最終控股公司為Capital Concord Profits Limited，其於英屬處女群島註冊成立。

2. 重大會計政策概要

財務報表已按照香港會計師公會頒佈之香港財務報告準則（「香港財務報告準則」）（其亦包括香港會計準則（「香港會計準則」）及詮釋）、香港普遍採納之會計原則及香港公司條例之披露規定以及香港聯合交易所有限公司證券上市規則（「上市規則」）之適用披露規定而編製。本財務報表以港元呈列，而除另有指明外，所有數值均約整至千位（千港元）。

香港會計師公會已頒佈若干新增及經修訂之香港財務報告準則，並於二零零五年一月一日或以後開始之會計期間生效。有關初步採納此等新增及經修訂之香港財務報告準則之影響之摘要乃於財務報表附註3披露。

編製符合香港財務報告準則之財務報表，需要管理層作出可影響政策應用及所呈報之資產、負債、收入及支出數額之判斷、估計及假設。該等估計及相關假設乃根據歷史經驗及於有關情況下認為屬合理之各種其他因素而作出，其結果構成管理層在無法依循其他途徑即時得知資產及負債之賬面值時所作出判斷之基礎。實際結果可能與該等估計不同。管理層會不斷審閱各項估計及假設。倘會計估計之修訂只是影響某一期間，其影響便會於該期間內確認；倘修訂對當前及未來期間均有影響，則於作出修訂之期間及未來期間確認。

有關管理層在應用香港財務報告準則時所作出對本財務報表有重大影響之判斷，以及作出極可能在下一年度構成重大調整風險之估計之討論，載列於財務報表附註5。

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財務報表附註

For the year ended 31 March 2006 截至二零零六年三月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A summary of the significant accounting policies followed by the Group in the preparation of the financial statements is set out below:

(a) Basis of preparation

The measurement basis used in the preparation of the financial statements is historical cost modified by the revaluation of available-for-sale financial assets and financial assets at fair value through profit or loss which are carried at fair value.

(b) Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 March 2006. The results of the subsidiaries acquired or disposed of during the year are consolidated from their effective dates of acquisition or disposal, respectively.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement.

When the business combination involves more than one exchange transaction, the fair values of the acquiree's identifiable assets, liabilities and contingent liabilities at the acquisition date of each transaction are compared to those carrying value relating to previously held interest of the Group. Any adjustment shall be accounted for as a revaluation arising on initial recognition of business combination.

Intra-group transactions and balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Minority interests representing the interests of outside shareholders in the net assets and operating results of subsidiaries.

2. 重大會計政策概要(續)

下文列載本集團於編制財務報表時採用之重大會計政策概要：

(a) 編製基準

本財務報表乃以歷史成本法作為編製基準，並對可供銷售財務資產及按公平值計入損益賬之財務資產進行重估而加以調整。

(b) 綜合賬目之基準

綜合財務報表包括本公司及其附屬公司截至二零零六年三月三十一日止年度之財務報表。在本年度內購入或出售之附屬公司之業績分別按實際購入或出售日期起計作綜合賬目。

本集團所收購之附屬公司乃使用會計處理之購買法入賬。收購成本乃按於交易日期所指定資產、所發行權益工具及所產生或承擔之負債之公平值加收購直接應佔成本計量。不論任何少數股東權益之程度，於業務合併中所收購之可識別資產與承擔之負債及或然負債乃初步按彼等於收購日期之公平值計量。收購成本超出本集團分佔所收購可識別資產淨值之公平值部分乃記錄作商譽。倘收購成本少於所收購附屬公司之資產淨值之公平值，則差額乃直接於損益賬中確認。

當業務合併涉及一項以上交易時，被收購方之可識別資產、負債及或然負債於各項交易之收購日期之公平值乃與有關先前所持有本集團權益之賬面值比較。任何調整須入賬列作於初步確認業務合併時產生之估值。

集團內公司間的交易及結餘以及集團公司之間交易之未變現收益均在綜合賬目時對銷。除非有關交易可提供證據證明所交易之資產出現減值，否則未變現虧損亦予以對銷。附屬公司之會計政策已作出變動(如必要)，以確保與本集團所採納之政策一致。

少數股東權益即外部股東於業績及本公司附屬公司資產淨值之權益。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Subsidiaries

A subsidiary is an entity controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company control another entity.

In the Company's financial statements, the investments in subsidiaries that are not classified as held for sale are stated at cost less provision for impairment losses. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

(d) Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (i) Participation fee income is derived from the letting of exhibition booths and the provision of decoration facilities for the exhibition booths and is recognised when the decoration facilities are provided and when the shows are held;
- (ii) Entrance fee income is recognised on a cash receipt basis;
- (iii) Revenue from hotel and travel package services provided is recognised when the services are rendered;
- (iv) Advertising fee income earned from the publication of trade show and exhibition booklets is recognised when the trade show and exhibition booklets are published;
- (v) Internet advertising revenue and portal income is recognised ratably in the period in which the advertisement and information is displayed on the website of the Group; and
- (vi) Interest income is recognised as it accrues using the effective interest method.

2. 重大會計政策概要(續)

(c) 附屬公司

附屬公司乃由本公司控制之企業。當本公司有權力直接或間接監管一間企業之財務及經營政策，藉此自其業務中獲得利益時，則存在控制權。在評估本集團是否控制另一實體時，將考慮目前可行使或可轉換的潛在投票權是否存在及其影響。

於附屬公司之投資乃按成本值減減值虧損準備於本公司之資產負債表列賬。附屬公司之業績由本公司根據已收及應收股息入賬。

(d) 收益確認

收益乃於本集團可取得經濟利益，而收益亦得到可靠計算時，按以下基準確認：

- (i) 參展費收入來自出租展覽攤位及所提供之攤位額外佈置設施，此項收入於正式提供佈置設施及展覽正式進行時確認入賬；
- (ii) 入場費收入按所收現金確認入賬；
- (iii) 來自酒店及旅遊套票服務之收益於提供服務時確認入賬；
- (iv) 廣告費收入來自為貿易展及展覽會出版場刊，於貿易展及展覽會場刊出版時確認入賬；
- (v) 網上廣告收益及入門網站收入乃按廣告刊登期間之播放比例及資訊在本集團網址登載期間之顯示比例確認入賬；及
- (vi) 利息收入按實際利率法確認入賬。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Property, plant and equipment

Building held for own use which are situated on leasehold land, where the fair value of the building could be measured separately from the fair value of the leasehold land at the inception of the lease and all other items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Depreciation is calculated on the straight-line basis to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, over their estimated useful life. The principal annual rates used for this purpose are as follows:

Buildings	5%
Leasehold improvements	Over the lease terms
Furniture and equipment	20%
Fixtures and fittings	33 $\frac{1}{3}$ %
Computer equipment	25%
Motor vehicles	33 $\frac{1}{3}$ %

The residual values and useful lives of items of property, plant and equipment are reviewed, and adjusted if appropriate, at each balance sheet date.

The gain or loss on disposal or retirement of an item of property, plant and equipment is the difference between the net sale proceeds and the carrying amount of the relevant asset, and is recognised in the income statement.

(f) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing.

2. 重大會計政策概要(續)

(e) 物業、廠房及設備

於租賃土地上持作自用之樓宇，而該樓宇之公平值可與租賃開始時租賃土地之公平值分開計算，且所有其他物業、廠房及設備項目均以成本減累計折舊及減值虧損列賬。

折舊乃按其估計可使用年期以直線法撇銷物業、廠房及設備項目之成本減其估計剩餘價值(如有)計算。按以下主要年率計算：

樓宇	5%
租賃裝修	按租約年期攤分
傢俬及設備	20%
裝置及配件	33 $\frac{1}{3}$ %
電腦設備	25%
汽車	33 $\frac{1}{3}$ %

物業、廠房及設備之剩餘價值及使用年期於每個結算日檢討並於適當時作出調整。

出售或報廢物業、廠房及設備產生之收益或虧損乃出售有關資產所得款項淨額及其賬面值之差額，並於損益賬內確認。

(f) 商譽

商譽指收購成本超出本集團於收購日期分佔所收購附屬公司之可識別資產淨值之公平值部分。於收購附屬公司之商譽乃包括在無形資產內。商譽乃每年作減值測試，並按成本減累計減值虧損列賬。於出售實體之損益包括有關所出售實體之商譽之賬面值。

就減值測試而言，商譽乃分配至現金產生單位。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Intangible assets

(i) Licence rights

Purchased licence rights are stated at cost less any impairment losses and are amortised on a straight-line basis over their estimated useful lives.

(ii) e-Commerce platform

Acquisition costs of purchasing an e-Commerce platform are stated at cost less any impairment losses and are amortised on a straight-line basis over their estimated useful lives.

(iii) Development costs for shows and exhibitions

Expenditure incurred on projects to develop new shows and exhibitions is capitalised and deferred only when the projects are clearly defined; the expenditure is separately identifiable and can be measured reliably; there is reasonable certainty that the projects are technically feasible; and have commercial value. Development expenditure which does not meet these criteria is expensed when incurred.

When the relevant shows and exhibitions are held, development costs which is expected to generate future economic benefits for more than one year is classified as non-current assets and is amortised on a straight-line basis over the estimated useful life of the relevant shows and exhibitions. Development costs which does not meet the criteria is expensed and charged to the income statement when the relevant shows and exhibitions are held.

Development costs that are classified as non-current assets are stated at cost less accumulated amortisation and any impairment losses.

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

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

2. 重大會計政策概要(續)

(g) 無形資產

(i) 特許權

購買之特許權均按成本值減任何減值虧損列賬，並以直線法按其估計可使用年期攤銷。

(ii) 電子商貿平台

購買電子商貿平台之購入成本按成本值減任何減值虧損列賬，並以直線法按其估計可使用年期攤銷。

(iii) 展覽會發展成本

為計劃籌辦新展覽會而動用之開支均予以資本化，並僅會在該等計劃可明確界定、有關開支可清楚分辨、能夠可靠地計量、可合理肯定有關計劃在技術上實屬可行並具備商業價值時予以遞延。不能符合此等規格之發展開支在產生時入賬列作開支。

預期會產生一年以上之未來經濟利益之發展成本在有關展覽會舉行時會被列作非流動資產，並以直線法按彼等之估計可使用年期予以攤銷。不符合上述規格之發展成本會於有關之新展覽會舉行時入賬列作開支並於損益賬扣除。

列作非流動資產之發展成本乃按成本值減累計攤銷及任何減值虧損列賬。

無形資產之可使用年期乃評估為有限或無限。年期有限之無形資產於可使用年內攤銷，並評估是否有跡象顯示無形資產可能出現減值。年期有限之無形資產之攤銷年期及攤銷方法最少於每個結算日檢討。

無特定使用年期之無形資產乃個別或按現金產生單位水平每年進行減值測試。該等無形資產無須攤銷。無特定年期之無形資產之可使用年期會每年檢討，以釐定是否仍然適合評估為無特定年期。如不適用，資產由無特定可使用年期轉至特定可使用年期作出評估之改變，乃按未來使用基準入賬。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Investments and other financial assets

For the year ended 31 March 2005:

The Group classified its equity investments, other than investment in subsidiaries, as investment securities and other investments.

(i) Investment securities

Investment securities are listed equity securities intended to be held on a long term basis and are stated at cost less any provision for impairment losses.

The carrying amounts of individual investments are reviewed at each balance sheet date to assess whether the fair values have declined below the carrying amounts. When a decline other than temporary has occurred, the carrying amount of such securities will be reduced to its fair value. The impairment loss is recognised as an expense in the income statement. This impairment loss is written back to income statement when the circumstances and events that led to the write-downs or write-offs cease to exist and there is persuasive evidence that the new circumstances and events will persist for the foreseeable future.

(ii) Other investments

Other investments are carried at fair value. At each balance sheet date, the net unrealised gains or losses arising from the changes in the fair value of other investments are recognised in the income statement. Profits or losses on disposal of other investments, representing the difference between the net sales proceeds and the carrying amounts, are recognised in the income statement as they arise.

From 1 April 2005 onwards:

Financial assets in the scope of HKAS 39 are classified as either financial assets at fair value through profit or loss, loans and receivables, and available-for-sale financial assets, as appropriate. The classifications depend on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

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

2. 重大會計政策概要(續)

(h) 投資及其他財務資產

截至二零零五年三月三十一日止年度：

本集團將其股本投資(於附屬公司之投資除外)分類為投資證券及其他投資。

(i) 投資證券

投資證券乃計劃作長線持有之上市股本證券，並按成本值減任何減值虧損準備列賬。

個別投資之賬面值在每個結算日均作檢討，以評估其公平值是否已下降至低於其賬面值。假如下降並非暫時性，則有關證券之賬面值須削減至其公平值。減值虧損在損益賬中列作開支。當引致撇減或撇銷之情況及事件不再存在，而有可信證據顯示新的情況和事件會於可見將來持續，則此項減值虧損將撥回損益賬。

(ii) 其他投資

其他投資按公平值列賬。在各個結算日，其他投資之公平值變動引致之未變現盈虧淨額均在損益賬確認。出售其他投資之溢利或虧損(指出售所得款項淨額與賬面值之差額)在產生時於損益賬確認。

自二零零五年四月一日起：

香港會計準則第39號所界定之財務資產可分為按公平值計入損益賬之財務資產、貸款及應收款項及可供銷售財務資產(如適用)。該等分類視乎所收購投資之目的而定。管理層於初步確認時釐定其投資之分類，並於每個申報日重新評估此分類。

所有定期買賣之財務資產概於交易日(即本集團承諾購買該資產之日)確認。定期買賣乃指須在市場規定或慣例普遍確立之期間內交付資產之財務資產買賣。

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For the year ended 31 March 2006 截至二零零六年三月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Investments and other financial assets (continued)

Financial assets at fair value through profit or loss

Financial assets classified as held for trading are included in the category "financial assets at fair value through profit or loss". Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term. Gains or losses on financial assets at fair value through profit or loss are recognised in the income statement.

Loans and receivables

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

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other two categories. After initial recognition available-for-sale financial assets are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired at which time the cumulative gain or loss previously reported in equity is included in the income statement. They are included in non-current assets unless management intends to dispose of the investment within twelve months of the balance sheet date.

When the fair value of unlisted equity securities cannot be reliably measured because the variability in the range of reasonable fair value estimates is significant for that investment or the probabilities of the various estimates within the range cannot be reasonably assessed and used in estimating fair value, such securities are stated at cost less any impairment losses.

Fair value

The fair values of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on the balance sheet date. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to the market value of other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

2. 重大會計政策概要(續)

(h) 投資及其他財務資產(續)

按公平值計入損益賬之財務資產

列為持作交易類別之財務資產計入「按公平值計入損益賬之財務資產」類別。如購入財務資產之目的是為了在短期內出售，則該財務資產列為持作交易類別。持作交易投資之收益或虧損於損益賬內確認。

貸款及應收款項

貸款及應收款項指並非於活躍市場報價但具有固定或可釐定付款之非衍生財務資產。此類資產採用實際利率法按攤銷成本列賬。如貸款及應收款項停止確認或出現減值，以及正在進行攤銷，則在損益賬內確認收益及虧損。

可供銷售財務資產

可供銷售財務資產乃指可供銷售或未分類為任何其他兩個財務資產類別之上市及非上市股本證券之非衍生財務資產。經初步確認後，可供銷售財務資產按公平值計量，公平值變動產生之盈虧作為權益之單獨組成部分確認，直至停止確認該投資或直至投資被釐定為出現減值為止，屆時，之前於權益中申報之累計盈虧將列入損益賬。

當非上市股本證券之公平值因合理公平值估計範圍之變動對該投資項目而言屬重大；或因上述範圍內各種估計值之概率無法合理評估及用於估計公平值而不能可靠計量時，此類證券乃按成本減任何減值虧損列賬。

公平值

對於在組織完善金融市場交投活躍之投資項目，其公平值乃參照結算日營業時間結束時之市場買盤報價釐定。至於並無活躍市場之投資項目，其公平值乃採用估值技術釐定。估值技術包括採用最近之公平市場交易、參考另一大致相同之金融工具當時之市場價值、折現現金流量分析與期權定價模式。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2006 截至二零零六年三月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Investments and other financial assets (continued)

Impairment of financial assets

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

Assets carried at amortised cost

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying value and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced either directly or through the provision of allowance. The amount of the impairment loss is recognised in the income statement.

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

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

Asset carried at cost

If there is objective evidence that an impairment loss on an unquoted equity instrument that is not carried at fair value because its fair value cannot be reliably measured, the amount of the loss is measured as difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Impairment losses on these assets are not reversed.

2. 重大會計政策概要(續)

(h) 投資及其他財務資產(續)

財務資產減值

本集團於每個結算日評估是否有客觀憑證顯示一項或一組財務資產已經出現減值。

按攤銷成本列賬之資產

如有客觀證據顯示，按攤銷成本列賬之貸款及應收款項出現減值虧損，虧損數額按資產之賬面值，與以該財務資產之原實際利率(即初次確認時所採用之實際利率)折現之估計未來現金流量(不包括尚未產生之未來信貸虧損)現值之間之差額計量。該資產之賬面值乃直接或通過使用備抵賬扣減。減值虧損之數額在損益中確認。

本集團首先評估是否有客觀證據顯示，各自而言具重要性之財務資產是否各自出現減值，以及各自而言不具重要性之財務資產是否各自或共同出現減值。如確定沒有客觀證據顯示一項個別評估之財務資產(無論重要與否)出現減值，則該項資產計入具有相若信貸風險特徵之一組財務資產內，該組財務資產會整體進行減值評估。單獨進行減值評估並經確認或繼續確認減值虧損之資產，將不會計入整體減值評估。

如在日後某個期間，減值虧損金額減少，而有關減少客觀上與確認減值後發生之事件有關，則先前已確認之減值虧損將予撥回。減值虧損日後之任何撥回均於損益賬中確認，惟資產賬面值不得超過其於撥回日之攤銷成本。

按成本列賬之資產

如有客觀證據顯示，因公平值不能可靠計量而未按公平值列賬之非上市股本工具或與之掛鈎而必須以交收該非上市股本工具結清之衍生資產出現減值虧損，或與之掛鈎而必須之衍生資產虧損數額將按該資產之賬面值與按同類財務資產當時之市場回報率折現之估計未來現金流量之現值之間之差額計量。該等資產之減值虧損不予撥回。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2006 截至二零零六年三月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Investments and other financial assets (continued)

Available-for-sale financial assets

If an available-for-sale financial asset is impaired, the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the income statement, is transferred from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

Derecognition of financial assets

A financial asset is derecognised when the rights to receive cash flow from the asset have expired; the Group retains the rights to receive cash flows from the asset, but has assumed an obligation to pay them full without material delay to a third party under a "pass-through" arrangement; or the Group has transferred its rights to receive cash flows from the asset and either has (i) transferred substantially all the risks and rewards of the asset, or (ii) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

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

2. 重大會計政策概要(續)

(h) 投資及其他財務資產(續)

可供銷售財務資產

如可供銷售資產出現減值，則一筆款項會自權益轉撥至損益賬，數額為該資產之成本(扣除任何本金付款及攤銷)與其當時公平值之間之差額，減先前於損益中確認之任何減值虧損。列為可供銷售類別之股本工具之減值虧損不會按溢利或虧損轉回。

取消確認財務資產

財務資產在下列情況下將取消確認：收取該項資產所得現金流量之權利經已屆滿；本集團保留收取該項資產所得現金流量之權利，惟須根據一項「轉付」安排，在未有嚴重延緩第三者之情況下，已就有關權利全數承擔付款之責任；或本集團已轉讓其收取該項資產所得現金流量之權利，並(i)已轉讓該項資產之絕大部分風險及回報；或(ii)並無轉讓或保留該項資產絕大部分風險及回報，但已轉讓該項資產之控制權。

本集團凡轉讓其收取該項資產所得現金流量之權利，但並無轉讓或保留該項資產之絕大部分風險及回報，且並無轉讓該項資產之控制權，該項資產將確認入賬，條件為本集團須持續涉及該項資產。持續涉及指本集團就已轉讓資產作出之保證，已轉讓資產乃以該項資產之原賬面值及本集團或須償還之代價數額上限(以較低者為準)計算。

以沽出及/或購入期權(包括現金結算期權或類似期權)之方式繼續參與之已轉讓資產，本集團繼續參與之程度將為本集團可購回轉讓資產之款額，惟就以公平值計量之資產之沽出認沽期權(包括現金結算期權或類似期權)而言，本集團繼續參與之程度將以轉讓資產之公平值或期權行使價兩者中之較低者為限。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2006 截至二零零六年三月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Interest-bearing bank borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the income statement over the period of borrowings using the effective interest method.

(j) Derecognition of financial liabilities

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

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

(k) Impairment of assets

Assets that have an indefinite useful life are at least tested annually for impairment and are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

(l) Deferred revenue

Deferred revenue represents amounts received in advance for services to be rendered.

(m) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years, and it further excludes income statement items that are never taxable or deductible.

2. 重大會計政策概要(續)

(i) 附息銀行借款

附息銀行借款首先以公平值扣除應佔交易成本確認。於初步確認後，附息銀行借款以攤銷成本列賬，並採用實際利息法將成本及贖回價值之任何差額按借款期於損益賬內確認。

(j) 取消確認財務負債

當負債項下之責任被解除或取消或屆滿，財務負債將取消確認。

如現有財務負債由同一放債人以條款大致上相異之負債所取代，或現有負債之條款作出重大修訂，此類交換或修訂將被視為取消確認原負債及確認新負債處理，有關賬面值之差額於損益賬中確認。

(k) 資產減值

無限期可使用資產毋須攤銷，但此等資產每年均須接受至少一次減值測試。如發生任何可能導致未能收回資產賬面值之事項或環境變化，本集團亦會檢討該資產之減值情況。至於須攤銷之資產，如發生任何可能導致未能收回資產賬面值之事項或環境變化，本集團將檢討該資產之減值情況。減值虧損為資產賬面值超越其可收回價值之數額金。可收回價值為資產公平值減出售成本後之價值與其使用價值之間之較高者。為了評估資產減值，本集團按可獨立地確認其現金流量之最低水平(現金產生單位)劃分資產類別。

(l) 遞延收入

遞延收入指提供服務前所獲得之收入款額。

(m) 稅項

所得稅指本年度應付稅項及遞延稅項之總額。

本年度應付之稅項乃按本年度應課稅溢利計算。應課稅溢利與收益表中所報溢利淨額不同，乃由於前者不包括在其他年度應課稅或可扣稅收支項目，且不包括收益表內從未課稅或扣稅之項目。

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For the year ended 31 March 2006 截至二零零六年三月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Taxation (continued)

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

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

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the liability is settled or the asset realised. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

(n) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligations.

2. 重大會計政策概要 (續)

(m) 稅項 (續)

遞延稅項乃就財務報表資產及負債賬面值及計算應課稅溢利相應稅基差額而須支付或收回之稅項，並以資產負債表負債法作會計處理。遞延稅項負債通常會就所有應課稅暫時差額確認，而遞延稅項資產在可能出現可動用暫時差額扣減之應課稅溢利時確認。倘若交易中因商譽(或負商譽)或因業務合併以外原因首次確認其他資產及負債而引致之暫時差額並不影響應課稅溢利及會計溢利時，則不會確認該等資產及負債。

遞延稅項負債就於附屬公司之投資產生之應課稅暫時差額予以確認，惟於本集團可控制暫時差額之撥回及暫時差額可能在可見將來不會撥回則除外。

遞延稅項資產之賬面值乃於各結算日進行檢討，並予以相應扣減，直至不可能有足夠應課稅溢利以動用全部或部份遞延稅項資產為止。

遞延稅項乃按預期於清償負債或變現資產時期間應用之稅率計算。遞延稅項於損益賬中扣除或計入損益賬，惟倘遞延稅項直接於權益中扣除或計入權益之情況(於此情況下遞延稅項亦會於權益中處理)除外。

(n) 準備

倘若本集團須就已發生的事件承擔法律或推定義務，而履行該義務預期會導致資源外流，並可就責任金額作出可靠的估計，便會就此計提準備。如果貨幣時間價值重大，則按預計履行義務所需開支於結算日的現值計提準備。

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For the year ended 31 March 2006 截至二零零六年三月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably. A contingent liability is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that outflow is probable, they will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. A contingent asset is not recognised but is disclosed in the notes to the financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

(p) Dividends distribution

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

Interim dividends are recognised as a liability when they are proposed and declared.

(q) Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Hong Kong dollars, which is the Company's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rate of exchange at the balance sheet date. Foreign exchange gains and losses are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges or qualifying net investment hedges.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

2. 重大會計政策概要(續)

(o) 或然負債及或然資產

或然負債指因已發生的事件而可能引起的責任，此等責任須就某一宗或多宗事件會否發生才能確認，而本集團並不能完全控制這些未來事件會否實現。或然負債亦可能是因已發生的事件引致現有的責任，但由於可能不需要消耗經濟資源，或責任金額未能可靠地衡量而未有入賬。或然負債不會被確認，但會在財務報表附註內披露。假若消耗資源的可能性改變而導致出現資源消耗時，此等負債將被確認為撥備。

或然資產是指因已發生的事件而可能產生的資產，此等資產須就某一宗或多宗未來事件會否發生才能確認，而本集團並不能完全控制這些未來事件會否實現。或然資產不會被確認，但會於可能收到經濟效益時在財務報表附註內披露。若實質確定有收到經濟效益時，此等效益方會被確立為資產。

(p) 股息分派

由董事建議派付之末期股息在資產負債表內股本項下列作保留溢利之一項獨立分配，直至於股東大會上獲股東批准為止。待此等股息獲股東批准而宣派後，將獲確認為一項負債。

中期股息於建議及宣派時確認為負債。

(q) 外幣換算

計入本集團各實體之財務報表之項目乃使用有關實體經營所在主要經濟環境之貨幣計量(「功能貨幣」)。綜合財務報表均以港幣呈列，而港幣為本公司之功能及呈列貨幣。

外幣換算均使用於有關交易日期之現行匯率換算為功能貨幣。以外幣計值之貨幣性資產及負債均按於結算日之功能貨幣匯率進行換算。外匯收益及虧損均於損益賬確認，惟當於權益中遞延作為合資格現金流量對沖或合資格淨投資對沖時則除外。

以外幣為單位按歷史成本計量之非貨幣性項目均使用最初交易日期之匯率進行換算。以外幣為單位按公平值計量之非貨幣性項目乃使用於釐定公平值日期之匯率進行換算。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2006 截至二零零六年三月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Foreign currency translation (continued)

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

(r) Employee benefits

i) Paid leave carried forward

The Group provides paid annual leave to its employees under their employment contracts on a calendar year basis. Under certain circumstances, such leave which remains untaken as at the balance sheet date is permitted to be carried forward and utilised by the respective employees in the following year. No accrual is made at the balance sheet date for the expected future cost of such paid leave earned during the year by the employees and carried forward as the amount is immaterial.

ii) Pension scheme

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

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

2. 重大會計政策概要(續)

(q) 外幣換算(續)

若干海外附屬公司之功能貨幣均為本公司之功能貨幣以外之貨幣。於結算日，該等實體之資產及負債均按於結算日之匯率換算為本公司之呈列貨幣，及彼等之損益賬均按年內之加權平均匯率換算為港幣。因此而產生之匯兌差額均計入匯兌波動儲備內。於出售境外實體時，於權益中確認之有關該實體之累計金額乃於損益賬確認。

(r) 僱員福利

i) 有薪假期結轉下年度

本集團根據僱員合約，按曆年基準向僱員提供有薪年假福利。在若干情況下，有關僱員在結算日尚餘之有薪假期可結轉下一個曆年。基於涉及之款額微不足道，故在結算日並未就此等僱員年內應計及結轉下年度之有薪假期之預期未來累計成本列賬。

ii) 退休福利計劃

本集團根據強制性公積金計劃條例設立界定供款強制性公積金計劃(「強積金計劃」)供合資格參與強積金計劃之有關僱員參與。根據強積金計劃之規則，供款額為僱員基本薪金之某個百分比，並於應繳付時在損益賬扣除。強積金計劃之資產與本集團之資產分開持有，並由獨立運作之基金管理。本集團之僱主供款於對強積金計劃供款時全數歸於僱員。

於中國內地經營之本集團附屬公司之僱員須參與由當地市政府設立之中央退休福利計劃。根據中央退休福利計劃之規則，供款乃當其應繳付時於損益賬扣除。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2006 截至二零零六年三月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Employee benefits (continued)

iii) Share options scheme

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a capital reserve within equity. The fair value is measured at grant date, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the share options, the total estimated fair value of the share options is spread over the vesting period, taking into account the probability that the options will vest.

During the vesting period, the number of share options that expected to vest is reviewed. Any adjustment to the cumulative fair value recognised in prior years is charged / credited to the income statement for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the capital reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of share options that vest (with a corresponding adjustment to the capital reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the capital reserve until either the option is exercised (when it is transferred to the share premium account) or the option expires (when it is released directly to retained profits).

(s) Related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals (being members of key management personnel, significant shareholders and/or their close family members) or other entities and include entities which are under the significant influence of related parties of the Group where those parties are individuals, and post-employment benefit plans which are for the benefit of employees of the Group or of any entity that is a related party of the Group.

(t) Cash and cash equivalents

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

2. 重大會計政策概要(續)

(r) 僱員福利(續)

iii) 購股權計劃

授予僱員之購股權之公平值連同資本儲備內之相應增加乃於權益內確認為一項僱員成本。該公平值乃於授出日期經計及購股權獲授出時之條款及條件後計量。倘僱員須於無條件享有購股權之前履行歸屬條件，則購股權之估計公平值總額乃經計及購股權將會歸屬之可能性後按歸屬期予以攤分。

於歸屬期內，會檢討預期歸屬之購股權數目。於過往年度確認之累計公平值之任何調整乃扣自／計入有關檢討年度之損益賬，除非原有僱員支出連同資本儲備之相應增加可確認一項資產則作別論。於歸屬日，確認為一項支出之款額乃予以調整，以反映歸屬之實際購股權數目(連同資本儲備之相應調整)，惟倘沒收僅因未達致與本公司股份之市價有關之歸屬條件則除外。股本款額乃於資本儲備中確認直至購股權獲行使用(當其撥至股份溢價賬時)或購股權屆滿(當其直接扣自保留盈利時)為止。

(s) 關連人士

就本財務報表而言，倘本集團有能力直接或間接控制另一方或在財務及經營決策方面對另一方施加重大影響，或反之亦然，或倘本集團與另一方均受同一控制或同一重大影響，則有關方被視為本集團之關連人士。關連人士可為個人(即主要管理人員成員、高持股量股東及／或彼等之親近家族成員)或其他實體，並包括受本集團屬於個人身份之關連人士重大影響之實體，以及為本集團或作為本集團關連人士之任何實體之僱員福利而設立之離職後福利計劃。

(t) 現金及現金等值項目

現金及現金等值項目包括銀行及手頭上現金、活期存款及可隨時轉換為已知數額的現金、並無重大價值變動風險及一般於購入後三個月內屆滿的短期高流動投資，減須按要求償還之銀行透支，並構成本集團現金管理之整體部份。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2006 截至二零零六年三月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(u) Borrowing costs

Borrowing costs are interests and other costs incurred in connection with the borrowing of funds. All borrowing costs are charged to the income statement in the period in which they are incurred.

(v) Operating leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessee, rentals payable under the operating leases net of any incentives received from the lessor are charged to the income statement on the straight-line basis over the lease terms.

Prepaid land premiums under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms.

(w) Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

In accordance with the Group's internal financial reporting, the Group has chosen business segment information as the primary reporting format and geographical segment information as the secondary reporting format.

Segment revenue, expenses, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment. Segment revenue, expenses, assets, and liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between group enterprises within a single segment. Inter-segment pricing is based on similar terms as those available to other external parties.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets (both tangible and intangible) that are expected to be used for more than one year.

2. 重大會計政策概要(續)

(u) 借貸成本

借貸成本指因借入資金而產生之利息及其他成本。所有借貸成本均於其產生期間於損益賬中扣除。

(v) 經營租賃

資產所有權之幾乎所有回報及風險由出租人保留之租賃均列作經營租賃。倘本集團為承租人，根據經營租賃應付之租金(扣除自出租人所收取之任何獎勵)乃按有關租賃年期以直線法於損益賬扣除。

根據經營租賃之預付土地費用乃初步按成本值列賬，並隨後按有關租賃年期以直線法確認。

(w) 分部呈報

個分部乃指本集團之一個可清楚界定的組成部份，經營提供產品或服務的業務(按業務劃分)，或在某一個特定經濟環境經營提供產品或服務的業務(按地區劃分)，其風險與回報亦與其他分部不同。

根據本集團的內部財務申報，本集團已選擇業務分部資料作為主要呈報模式，而地區分部資料則作為次要呈報模式。

分部收入、支出、業績、資產及負債包括一個分部直接應佔之項目，與及可按合理基準向有關分部劃撥之項目。分部收入、支出、資產及負債在集團成員公司間的結餘款額及集團成員公司間的交易互相對銷(此乃綜合賬目過程之一部份)前釐定，惟倘此等集團成員公司間之結餘款額及交易乃在集團成員公司間某單一分部內產生者，則作別論。各分部之間的交易定價乃根據各分部向集團外其他人士提供之類似交易條款釐定。

分部資本開支乃於本年度內購入且預期可使用一年以上之分部資產(包括有形及無形資產)所引致之總成本額。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2006 截至二零零六年三月三十一日止年度

3. CHANGES IN ACCOUNTING POLICIES

- (i) In the year ended 31 March 2006, the Group adopted the following new and revised HKFRSs which are relevant to its operations. The 2005 comparatives have been amended as required, in accordance with the relevant requirements.

HKAS 1	Presentation of Financial Statements
HKAS 7	Cash Flow Statements
HKAS 8	Accounting Policies, Changes in Accounting Estimates and Errors
HKAS 10	Events after the Balance Sheet Date
HKAS 12	Income Taxes
HKAS 14	Segment Reporting
HKAS 16	Property, Plant and Equipment
HKAS 17	Leases
HKAS 18	Revenue
HKAS 19	Employee Benefits
HKAS 21	The Effects of Changes in Foreign Exchange Rates
HKAS 23	Borrowing Costs
HKAS 24	Related Party Disclosures
HKAS 27	Consolidated and Separate Financial Statements
HKAS 32	Financial Instruments: Disclosure and Presentation
HKAS 33	Earnings per Share
HKAS 36	Impairment of Assets
HKAS 37	Provisions, Contingent Liabilities and Contingent Assets
HKAS 38	Intangible Assets
HKAS 39	Financial Instruments: Recognition and Measurement
HKFRS 2	Share-based Payment
HKFRS 3	Business Combinations
HK-Int 4	Leases – Determination of the Length of Lease Term in respect of Hong Kong Land Leases
HKAS-Int 12	Consolidation – Special Purpose Entities
HKAS-Int 12	Amendment Scope of HKAS – Int 12 Consolidation – Special Purpose Entities
HKAS-Int 15	Operating Leases – Incentives
HKAS-Int 21	Income Taxes – Recovery of Revalued Non-Depreciable Assets

3. 會計政策變動

於截至二零零六年三月三十一日止年度內，本集團採納下列與其經營業務有關之新增及經修訂香港財務報告準則。二零零五年比較數字已根據相關規定作出所需修訂。

香港會計準則第1號	財務報表之呈列
香港會計準則第7號	現金流量表
香港會計準則第8號	會計政策、會計估計之變動及誤差
香港會計準則第10號	結算日後事項
香港會計準則第12號	所得稅
香港會計準則第14號	分部呈報
香港會計準則第16號	物業、廠房及設備
香港會計準則第17號	租賃
香港會計準則第18號	收入
香港會計準則第19號	僱員福利
香港會計準則第21號	外幣匯率變動之影響
香港會計準則第23號	借款成本
香港會計準則第24號	關連方披露
香港會計準則第27號	綜合及獨立財務報表
香港會計準則第32號	金融工具：披露及呈列
香港會計準則第33號	每股盈利
香港會計準則第36號	資產減值
香港會計準則第37號	撥備、或然負債及或然資產
香港會計準則第38號	無形資產
香港會計準則第39號	金融工具：確認及計量
香港財務報告準則第2號	以股份支付之付款
香港財務報告準則第3號	業務合併
香港會計準則 – 詮釋第4號	租賃 – 就香港土地租賃釐定租賃期期限
香港會計準則 – 詮釋第12號	綜合賬目 – 為特殊目的成立之實體
香港會計準則 – 詮釋第12號	香港會計準則 – 詮釋第12號綜合賬目 – 為特殊目的成立之實體之修訂範圍
香港會計準則 – 詮釋第15號	經營租賃 – 優惠
香港會計準則 – 詮釋第21號	入息稅 – 收回重估價值之非折舊資產

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2006 截至二零零六年三月三十一日止年度

3. CHANGES IN ACCOUNTING POLICIES (continued)

The adoption of the above HKFRSs has no material impact on the accounting policies and the results and financial position of the Group, except for the following:

(a) HKAS 1 – Presentation of Financial Statements

HKAS 1 has affected the presentation of minority interest, share of net after-tax results of associates and other disclosures. In prior years, minority interests at the balance sheet date were presented in the consolidated balance sheet separately from liabilities and as deduction from net assets. Minority interests in the results of the Group for the year were also separately presented in the consolidated income statement as a deduction before arriving at the profit attributable to the equity holders of the Company. With effect from 1 April 2005, minority interests are now shown within total equity in the consolidated balance sheet. Minority interests are presented as an allocation of the total profit or loss for the year in the consolidated income statement. These changes in presentation have been applied retrospectively with comparatives restated.

(b) HKAS 17 – Leases

In prior years, leasehold land and buildings held for own use were classified under property, plant and equipment at cost less accumulated depreciation and impairment losses. The adoption of HKAS 17 has resulted in a change in the accounting policy relating to the reclassification of leasehold land from property, plant and equipment to operating leases. The up-front prepayments made for the leasehold land are expensed in the income statement on a straight-line basis over the period of the lease or when there is impairment, the impairment is expensed in the income statement. A lease of land and building is split into a lease of land and a lease of building in proportion to the relative fair values of the leasehold interests in land element and the building element of the lease at the inception of the lease. The lease of land is stated at cost and amortised over the period of the lease whereas the building is stated at cost less accumulated depreciation and impairment losses.

The changes in accounting policy have been adopted retrospectively. The adjustments are set out in Note 3(ii) to the financial statements.

(c) HKAS 24 – Related Party Disclosures

HKAS 24 has affected the identification of related parties and some other related-party disclosures.

3. 會計政策變動 (續)

採納上述香港會計準則對本集團之會計政策及本集團綜合財務報表之計算方法並無產生重大影響，惟下列之香港會計準則除外：

(a) 香港會計準則第1號 – 財務報表之呈列

香港會計準則第1號已影響呈列少數股東權益、分佔稅後聯營公司業務淨額及其他披露事項。於過往年度，於結算日之少數股東權益乃於綜合綜產負債表內自負債分開呈列，並列作資產淨值減少。本集團於本年度業績中之少數股東權益亦於達致本公司股東應佔溢利之前，在綜合損益賬中單獨呈列作一項扣減。少數股東權益現於綜合資產負債表中總權益內列賬，自二零零五年四月一日起生效。少數股東權益乃於綜合損益賬中呈列為一項本年度溢利或虧損總額之分配。該等呈列變動已與所重列之比較數字作追溯應用。

(b) 香港會計準則第17號 – 租賃

於過往年度，業主自用租賃土地及樓宇乃按成本值減累計折舊及減值虧損後分類在物業、廠房及設備項下。採納香港會計準則第17號已導致有關將物業、廠房及設備之租賃土地重新分類至經營租賃之會計政策出現變動。有關租賃土地之預付款項乃按租賃期限以直線法於損益賬列支，或當出現減值時，則該減值於損益賬列支。自租賃之日起，租賃土地及樓宇乃按於租賃之土地部分及樓宇部分之租賃權益之相關公平值比例而分為租賃土地及租賃樓宇。租賃土地乃按成本值列賬並按租賃期限攤銷，而樓宇乃按成本值減累計折舊及減值虧損後列賬。

會計政策之變動已作追溯採納。有關調整載於財務報表附註3(ii)。

(c) 香港會計準則第24號 – 關連人士披露

香港會計準則第24號已影響辨別關連人士及若干其他關連人士披露事項。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2006 截至二零零六年三月三十一日止年度

3. CHANGES IN ACCOUNTING POLICIES (continued)

(d) HKASs 32 and 39 – Financial Instruments

In prior periods, the Group classified its equity investment as investment securities and other investments. Investments securities are listed equity securities intended to be held on a long-term basis and are stated at cost less provision for impairment losses. Those investments were stated at their fair values at the balance sheet date on an individual investment basis. The gains or losses arising from changes in the fair value of other investment are credited or charged to the consolidated income statement in the period in which they arise.

Upon the adoption of HKAS39, the Group classifies its financial assets, in the following categories: financial assets at fair value through profit or loss and available-for-sale financial assets. Management determines the classification of its investments at initial recognition and, where allowed and appropriate, re-evaluates this designation at every reporting date.

The Group's investment securities which were previously stated at cost less provision for impairment losses are now classified as available-for-sale financial assets and carried in the balance sheet at their fair values. At each balance sheet date the fair value is remeasured, with any resultant gain or loss being recognised directly in equity in the available-for-sale financial assets fair value reserve, except for impairment losses. When available-for-sale securities are impaired, the cumulative loss that had been recognised directly in equity is removed from equity and is recognised in the income statement.

In prior periods, the Group's other investments which were previously carried at fair value are now classified as financial assets at fair value through profit or loss. Financial assets at fair value through profit or loss are those investments acquired principally for the purpose of trading. Any gain or loss arising from change in fair value of the financial assets is recognised in the income statement.

In prior periods, the Group's investment in option to acquire an equity interest of a company was stated at cost less impairment. Upon the adoption of HKAS 39, the investment was classified as available-for-sale financial assets and are carried in the balance sheet at cost less impairment losses.

3. 會計政策變動 (續)

(d) 香港會計準則第32號及第39號 – 金融工具

於過往期間，本集團將其股本投資分類為投資證券及其他投資。投資證券乃擬長期持有之上市股本證券，並按成本值扣除減值虧損準備列賬。於結算日，該等投資乃按個別投資基準以其公平值列賬。因其他投資之公平值變動而產生之損益均計入或扣自於其產生期間之綜合損益賬。

於採納香港會計準則第39號後，本集團將其財務資產分類為以下類別：按公平值計入損益賬之財務資產及可供銷售財務資產。管理層於初步確認時釐定分類其投資，並(倘允許及適當)於每個呈報日重新評估此項分類。

本集團先前按成本值扣除減值虧損準備列賬之投資證券現分類為可供銷售財務資產，並按其公平值於資產負債表列賬。於每個結算日，該公平值乃予以重新計量，而任何因此產生之損益直接於權益中可供銷售財務資產公平值儲備內確認，惟減值虧損除外。當可銷售證券出現減值時，已直接於權益中確認之累計虧損乃自權益扣除並於損益賬確認。

於過往期間，本集團先前按公平值列賬之其他投資現分類為按公平值計入損益賬之財務資產。按公平值計入損益賬之財務資產乃主要購入用作買賣之投資。因該等財務資產之公平值變動而產生之任何損益乃於損益賬確認。

於過往期間，本集團於購入一間公司股權之購股權之投資乃按成本值減去減值列賬。於採納香港會計準則第39號後，該項投資乃分類為可供銷售財務資產，並按成本值減去減值虧損於資產負債表列賬。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2006 截至二零零六年三月三十一日止年度

3. CHANGES IN ACCOUNTING POLICIES (continued)

(ii) Effect on the consolidated financial statements

Effect on the consolidated balance sheet

Effect of new policies

新政策之影響

At 31 March 2005

Assets

Property, plant and equipment
Prepaid land premiums

Equity

Reserves
– retained profits

At 1 April 2005

Assets

Property, plant and equipment
Prepaid land premiums
Available-for-sale financial assets
Investment securities
Other investments
Financial assets at fair value
through profit and loss
Option to acquire an equity
interest of a company

Equity

Reserves
– retained profits
– available-for-sale financial
assets fair value reserve

於二零零五年三月三十一日

資產

物業、廠房及設備
預付土地費用

權益

儲備
– 保留溢利

於二零零五年四月一日

資產

物業、廠房及設備
預付土地費用
可供銷售財務資產
投資證券
其他投資
按公平值計入損益賬之
財務資產
購入一間公司股權
之購股權

權益

儲備
– 保留溢利
– 可供銷售財務資產
公平值儲備

3. 會計政策變動(續)

(ii) 對綜合財務報表之影響

對綜合資產負債表之影響

Effect of new policies	Effect of adopting HKAS 39 Financial Instruments	Total	
			HKAS 17 Leases Increase/ (decrease)
	採納之影響		
	香港會計準則 第17號 租賃 增加/(減少)	香港會計準則 第39號 金融工具 增加/(減少)	總額
	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元
At 31 March 2005			
Assets			
Property, plant and equipment	(3,151)	–	(3,151)
Prepaid land premiums	373	–	373
	(2,778)	–	(2,778)
Equity			
Reserves			
– retained profits	(2,778)	–	(2,778)
At 1 April 2005			
Assets			
Property, plant and equipment	(3,151)	–	(3,151)
Prepaid land premiums	373	–	373
Available-for-sale financial assets	–	22,257	22,257
Investment securities	–	(17,352)	(17,352)
Other investments	–	(36,608)	(36,608)
Financial assets at fair value through profit and loss	–	36,608	36,608
Option to acquire an equity interest of a company	–	(6,332)	(6,332)
	(2,778)	(1,427)	(4,205)
Equity			
Reserves			
– retained profits	(2,778)	–	(2,778)
– available-for-sale financial assets fair value reserve	–	(1,427)	(1,427)
	(2,778)	(1,427)	(4,205)

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2006 截至二零零六年三月三十一日止年度

3. CHANGES IN ACCOUNTING POLICIES (continued)

(ii) Effect on the consolidated financial statements (continued)

Effect on the consolidated balance sheet (continued)

Effect of new policies

新政策之影響

At 31 March 2006

Assets

Property, plant and equipment
Prepaid land premiums
Available-for-sale financial assets
Investment securities
Other investments
Financial assets at fair value through profit and loss
Option to acquire an equity interest of a company

Equity

Reserves

– available-for-sale financial assets fair value reserve

於二零零六年三月三十一日

資產

物業、廠房及設備
預付土地費用
可供銷售財務資產
投資證券
其他投資
按公平值計入損益賬之財務資產
購入一間公司股權之購股權

權益

儲備

– 可供銷售財務資產公平值儲備

3. 會計政策變動 (續)

(ii) 對綜合財務報表之影響 (續)

對綜合資產負債表之影響 (續)

Effect of new policies	Effect of adopting HKAS 39		Total
	HKAS 17 Leases Increase/(decrease)	Financial Instruments Increase/(decrease)	
	香港會計準則第17號租賃	採納之影響 香港會計準則第39號金融工具	
	增加/(減少)	增加/(減少)	總額
	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元
	(3,151)	–	(3,151)
	364	–	364
	–	18,867	18,867
	–	(17,352)	(17,352)
	–	(15,962)	(15,962)
	–	15,962	15,962
	–	(2,815)	(2,815)
	–	127	127

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2006 截至二零零六年三月三十一日止年度

3. CHANGES IN ACCOUNTING POLICIES (continued)

(ii) Effect on the consolidated financial statements (continued)

Effect on the Company's balance sheet

Effect of new policies

新政策之影響

At 1 April 2005

Assets

Available-for-sale financial assets	可供銷售財務資產			
Investment securities	投資證券			
Other investments	其他投資			
Financial assets at fair value through profit or loss	按公平值計入損益賬之財務資產			

Equity

Reserves

– available-for-sale financial assets fair value reserve	– 可供銷售財務資產公平值儲備			
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At 31 March 2006

Assets

Available-for-sale financial assets	可供銷售財務資產			
Investment securities	投資證券			
Other investments	其他投資			
Financial assets at fair value through profit or loss	按公平值計入損益賬之財務資產			

Equity

Reserves

– available-for-sale financial assets fair value reserve	– 可供銷售財務資產公平值儲備			
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3. 會計政策變動 (續)

(ii) 對綜合財務報表之影響 (續)

對本公司資產表之影響

Effect of adopting

HKAS 39

Financial

Instruments

Increase/

(decrease)

Increase/

(decrease)

採納之影響

香港會計準則

第39號

金融工具

增加/(減少)

增加/(減少)

香港會計準則

第17號

租賃

增加/(減少)

增加/(減少)

香港會計準則

第17號

租賃

增加/(減少)

增加/(減少)

香港會計準則

第17號

租賃

增加/(減少)

增加/(減少)

香港會計準則

第17號

租賃

增加/(減少)

增加/(減少)

香港會計準則

第17號

租賃

增加/(減少)

增加/(減少)

香港會計準則

第17號

租賃

增加/(減少)

增加/(減少)

香港會計準則

第17號

租賃

增加/(減少)

增加/(減少)

香港會計準則

第17號

租賃

增加/(減少)

增加/(減少)

Total

總額

HK\$'000

千港元

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2006 截至二零零六年三月三十一日止年度

3. CHANGES IN ACCOUNTING POLICIES (continued)

(ii) Effect on the consolidated financial statements (continued)

Effect on the consolidated income statement

Effect of new policies

新政策之影響

For the year ended 31 March 2005

Amortisation of prepaid land premiums
Depreciation of property, plant and equipment
Reversal of impairment loss on medium term leasehold land and building

Profit attributable to equity holders of the Company

Earnings per share attributable to equity holders of the Company

Dilutive earnings per share attributable to equity holders of the Company

For the year ended 31 March 2006

Amortisation of prepaid land premiums
Depreciation of property, plant and equipment
Reversal of impairment loss on medium term leasehold land and building

Loss attributable to equity holders of the Company

Losses per share attributable to equity holders of the Company

3. 會計政策變動(續)

(ii) 對綜合財務報表之影響(續)

對綜合損益賬之影響

**Effect of adopting
HKAS 17 Leases
Increase/(decrease)
採納
香港會計準則
第17號租賃之影響
增加/(減少)
HK\$'000
千港元**

截至二零零五年三月三十一日止年度

預付土地費用之攤銷 9
物業、廠房及設備
之折舊 29
撥回中期租賃土地及樓宇之減值虧損 (2,130)

本公司股東應佔溢利

(2,168)

本公司股東應佔每股盈利

(1.0) cent仙

本公司股東應佔每股攤薄盈利

(1.0) cent仙

截至二零零六年三月三十一日止年度

預付土地費用之攤銷 9
物業、廠房及設備
之折舊 (95)
撥回中期租賃土地及樓宇之減值虧損 (657)

本公司股東應佔虧損

571

本公司股東應佔每股虧損

0.3 cent仙

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2006 截至二零零六年三月三十一日止年度

3. CHANGES IN ACCOUNTING POLICIES (continued)

- (iii) HKFRSs that are not yet effective for the year ended 31 March 2006

No early adoption of the following HKFRSs that have been issued but are not yet effective. Unless otherwise stated, these HKFRSs are effective for annual periods beginning on or after 1 January 2006:

HKAS 1 (Amendment)	Capital Disclosures
HKAS 39 (Amendment)	Cash Flow Hedge Accounting of Forecast Intragroup Transactions
HKAS 39 (Amendment)	The Fair Value Option
HKAS 39 & HKFRS 4 (Amendments)	Financial Guarantee Contracts
HKFRS 7 HK(IFRIC)-Int 4	Financial Instruments: Disclosures Determining whether an Arrangement contains a Lease
HKFRSs 1 & 6 (Amendments)	First-time Adoption of Hong Kong Financial Reporting Standards and Exploration for and Evaluation of Mineral Resources
HKFRS 6	Exploration for and Evaluation of Mineral Resources
HK (IFRIC) – Int 5	Rights to Interest arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
HK (IFRIC) – Int 6 (effective for accounting period commencing on or after 1 December 2005)	Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment
HK (IFRIC) – Int 7 (effective for accounting period commencing on or after 1 March 2006)	Applying the Restatement Approach under HKAS 29 Financial Reporting in Hyperinflationary Economies
HK (IFRIC) – Int 8 (effective for accounting period commencing on or after 1 May 2006)	Scope of HKFRS 2
HK (IFRIC) – Int 9 (effective for accounting period commencing on or after 1 June 2006)	Reassessment of Embedded Derivatives

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

3. 會計政策變動 (續)

- (iii) 截至二零零六年三月三十一日止年度尚未生效之香港財務報告準則
並無提早採納下列已頒佈惟尚未生效之香港財務報告準則。除另有所指外，此等香港財務報告準則乃自二零零六年一月一日或以後開始之年度期間生效。

香港會計準則第1號 (修訂)	資本披露
香港會計準則第39號 (修訂)	預測集團內公司間交易之現金流量對沖會計處理
香港會計準則第39號 (修訂)	公平值選擇
香港會計準則第39號及香港財務報告準則第4號 (修訂)	財務擔保合約
香港財務報告準則第7號 香港 (國際財務報告詮釋委員會) – 詮釋第4號	金融工具：披露 釐定安排是否包含租賃
香港財務報告準則第1及6號 (修訂)	首次採納香港財務報告準則與勘探及評估礦產資源
香港財務報告準則第6號	勘探及評估礦產資源
香港 (國際財務報告詮釋委員會) – 詮釋第5號	解除運作、復原及環境修復基金產生權益之權利
香港 (國際財務報告詮釋委員會) – 詮釋第6號 (於二零零五年十二月一日或以後開始之會計期間生效)	參與特定市場 – 廢棄電力及電子設備產生之負債
香港 (國際財務報告詮釋委員會) – 詮釋第7號 (於二零零六年三月一日或以後開始之會計期間生效)	根據香港會計準則第9號惡性通脹經濟之財務報告應用重列法
香港 (國際財務報告詮釋委員會) – 詮釋第8號 (於二零零六年五月一日或以後開始之會計期間生效)	香港財務報告準則第2號之範圍
香港 (國際財務報告詮釋委員會) – 詮釋第9號 (於二零零六年六月一日或以後開始之會計期間生效)	重估內嵌式衍生工具

香港會計準則第1號修訂將適用於在二零零七年一月一日或以後開始之年度期間。經修訂標準將影響本集團有關管理資本之目標、政策及程序之定性資料；有關公司視作資本之定量數據；及遵辦任何資本規定及任何未獲遵守之情況。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2006 截至二零零六年三月三十一日止年度

3. CHANGES IN ACCOUNTING POLICIES (continued)

- (iii) HKFRSs that are not yet effective for the year ended 31 March 2006 (continued)

HKAS 39 (Amendment), The Fair Value Option. This amendment changes the definition of financial instruments classified at fair value through profit or loss and restricts the ability to designate financial instruments as part of this category. The Group believes that this amendment should not have a significant impact on the classification of financial instruments, as the Group should be able to comply with the amended criteria for the designation of financial instruments at fair value through profit or loss. The Group will comply this amendment from accounting periods beginning on 1 April 2006.

HKAS 39 and HKFRS 4 (Amendment), Financial Guarantee Contracts. This amendment requires issued financial guarantees, other than those previously asserted by the entity to be insurance contracts, to be initially recognised at their fair value, and subsequently measured at the higher of (a) the unamortised balance of the related fees received and deferred, and (b) the expenditure required to settle the commitment at the balance sheet date.

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

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

3. 會計政策變動 (續)

- (iii) 截至二零零六年三月三十一日止年度尚未生效之香港財務報告準則 (續)

香港會計準則第39號(修訂)，公平值選擇。此修訂改變按公平值計入損益賬所分類之金融工具之定義，並限制將金融工具指定為本類別一部分之能力。由於本集團能夠符合有關指定按公平值計入損益賬之金融工具之經修訂標準，故本集團相信此修訂並不會對金融工具之分類造成重大影響。本集團將自於二零零六年一月一日開始之會計期間起遵守此修訂。

香港會計準則第39號及香港財務報告準則第4號(修訂)，財務擔保合約。此修訂規定已發出之財務擔保(不包括有關實體先前所聲稱之保險合約者)須初步按其公平值確認，並隨後按(a)已收取及遞延之相關費用之未攤銷結餘及(b)償付結算日之承擔所需之開支(以較高者為準)計量。

香港財務報告準則第7號將轉載香港會計準則第32號，並已修訂香港會計準則第32號有關金融工具之披露規定。此項香港財務報告準則將適用於在二零零七年一月一日或以後開始之年度期間。

除上文所述者外，本集團預期採納上文所列之其他規定將不會對本集團於初步應用期間之財務報表造成任何重大影響。

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4. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow 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) Market risk

Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Hong Kong dollars. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Price risk

The Group is exposed to equity securities price risk because investments held by the Group are classified on the consolidated balance sheet either as available-for-sale financial assets or as financial assets at fair value through profit or loss. The Group is not exposed to commodity price risk.

(b) Credit risk

The carrying amounts of bank balances and cash and other receivables, represent the Group's maximum exposure to credit risk in relation to financial assets.

There is no concentration of credit risk with respect to exhibitions as the Group has a large number of diversified customers.

The credit risk of the Group's other financial assets, which mainly comprise cash and cash equivalents and other receivables, the Group's exposure to credit risk arises from default of the other party, with a maximum exposure equal to the carrying amount of these instruments. There are no significant concentrations of credit risk within the Group in relation to the other financial assets.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities. The Group's exposure to liquidity risk is minimal.

(d) Cash flow and fair value interest rate risk

As the Group has no significant interest-bearing assets or liabilities, the Group's income and operating cash flows are substantially independent of changes in market interest rates.

4. 財務風險管理

財務風險因素

本集團之業務須承受多種財務風險：市場風險（包括貨幣風險、公平值利率風險及價格風險）、信貸風險、流動資金風險及現金流量利率風險。本集團之整體風險管理計劃專注於財務市場無法預知之特點，並尋求盡量降低對本集團之財務表現構成潛在之不利影響。

(a) 市場風險

外匯風險

本集團於世界各國經營業務，從而承受因各種貨幣風險（主要涉及港元）而產生之外匯風險。因未來商業交易而產生之外匯風險已確認於境外經營業務之資產、負債及淨投資。本集團現時並無外幣對衝政策。然而，管理層會留意外匯風險，並將於需要時考慮對沖主要外幣風險。

價格風險

由於本集團持有之投資均於綜合資產負債表分類為可供銷售財務資產或按公平值計入損益賬之財務資產，故本集團須承受股本證券價格風險。本集團無需承受商品價格風險。

(b) 信貸風險

銀行結餘及現金及其他應收款項之賬面值乃本集團有關財務資產信貸風險之最大風險。

由於本集團擁有眾多各種客戶，故並無有關展覽會之集中信貸風險。

本集團其他財務資產（其主要包括現金及現金等值項目以及其他應收款項）之信貸風險、本集團承受因其他人士違約而產生之信貸風險及最大風險乃相等於彼等工具之賬面值。本集團內並無與其他財務資產有關之重大集中信貸風險。

(c) 流動資金風險

審慎流動資金風險管理包括維持充足現金及可銷售證券。本集團承受之流動資金風險極微。

(d) 現金流量及公平值利率風險

由於本集團並無重大附息資產或負債，故本集團之收入及營運現金流量大部分與市場利率變動無關。

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5. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. 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.

(ii) Estimate of fair value of available-for-sale financial assets

If information on current or recent prices of available-for-sale financial assets is not available, the fair values of available-for-sale financial assets are determined using valuation techniques (including discounted cash flow model or price/earnings multiple model). The Group uses assumptions that are mainly based on market conditions existing at each balance date.

(iii) Impairment of assets

The Group tests annually whether the assets have suffered any impairment. The recoverable amount of an asset or a cash generating unit is determined based on value-in-use calculations which require the use of assumptions and estimates.

6. SEGMENT INFORMATION

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

The Group's turnover and operating profit or loss are attributable solely to one business segment, the organising of trade shows and exhibitions and providing ancillary services and accordingly, no further analysis of the Group's turnover and operating profit by principal activities is provided.

5. 重要會計估計及判斷

估計及判斷乃一直根據過往經驗及其他因素(包括於有關情況下對未來事項認為屬合理之預期)作出評估。

重要會計估計及假設

本集團會就未來作出估計及假設。就此產生之會計估計因其本質將難以等同相關實際結果。極有可能引致需對下一個財政年度之資產及負債賬面值作出重大調整之該等估計及假設乃於下文論述。

(i) 所得稅

本集團須繳納多個司法權區之所得稅。於釐定世界各地之所得稅準備時需作出重要判斷。於正常業務過程中，有許多交易及計算均難以明確作出最終稅務釐定。本集團須估計未來會否繳納額外稅項，從而確認對預期稅務審核事宜之責任。倘該等事宜之最終稅務結果與起初錄得之金額不同，該等差額將影響稅務釐定期內之所得稅及遞延稅項準備。

(ii) 可供銷售財務資產之公平值估計

倘並無可用之有關可供銷售財務資產之現時或近來價格之資料，則可供銷售財務資產之公平值乃使用估值技術(包括折讓現金流量模式或價格/盈利倍數模式)。本集團採用主要根據於每個結算日之市場條件作出之假設。

(iii) 資產減值

本集團會每年測試資產是否出現任何減值。資產或現金產生單位之可收回金額乃根據須採用假設及估計之使用值計算而釐定。

6. 分部資料

分部資料以兩種分部形式呈列：(i)按第一分部報告基準之業務分部；及(ii)按第二分部報告基準之地區分部。

本集團之營業額及經營溢利或虧損僅來自舉辦貿易展覽會及提供相關補充服務，故並無提供本集團之營業額及經營溢利按主要業務之分析。

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6. SEGMENT INFORMATION (continued)

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

The following table presents revenue and certain asset and expenditure information for the Group's geographical segments, including Hong Kong, the People's Republic of China (the "PRC"), United Kingdom, United States of America ("USA") and Republic of Poland ("Poland").

Geographical segments

Segment revenue:

Turnover from shows and exhibitions and providing ancillary services:

Hong Kong
The PRC
United Kingdom
USA
Poland

分部收入：

展覽會及提供相關補充服務之營業額：

香港
中國
英國
美國
波蘭

Other segment information:

Segment assets:

Hong Kong
The PRC

其他分部資料：

分部資產：

香港
中國

Capital expenditure:

Hong Kong
The PRC

資本支出：

香港
中國

6. 分部資料 (續)

決定本集團之地區分部時，收入乃按顧客所在地區劃分，而資產則按資產所在地劃分。

下表呈列本集團地區（包括香港、中華人民共和國（「中國」）、英國、美利堅合眾國（「美國」）及波蘭共和國（「波蘭」）之分部收入及若干資產及支出資料。

地區分部

	2006 HK\$'000 千港元	2005 HK\$'000 千港元
217,641	190,043	
2,779	–	
17,432	19,295	
13,930	19,340	
9,868	–	
261,650	228,678	
	2006 HK\$'000 千港元	2005 HK\$'000 千港元 (Restated) (重列)
146,410	193,671	
9,947	12,019	
156,357	205,690	
243	4,698	
69	560	
312	5,258	

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7. TURNOVER AND REVENUE

Turnover represents the aggregate of participation fee income, entrance fee income, hotel and travel package income, advertising fee income and portal income from exhibitions and trade shows. It is stated net of output value added tax of approximately HK\$4,664,000 (2005: HK\$2,861,000) accrued at 17.5% or 22% of the gross income generated from the exhibition and shows held in the United Kingdom and Poland.

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

7. 營業額及收益

營業額指來自展覽會及貿易展覽會之參展費收入、入場費收入、酒店及旅遊套票收入、廣告費收入及入門網站收入。此等收入在減去銷項增值稅約4,664,000港元(二零零五年: 2,861,000港元)後列賬。有關稅項以在英國及波蘭舉辦之展覽會所產生之總收入17.5%或22%計提。

本集團之營業額及其他收益分析如下:

		2006 HK\$'000 千港元	2005 HK\$'000 千港元
Turnover	營業額		
Participation fee income	參展費收入	233,819	203,969
Entrance fee income	入場費收入	918	1,020
Hotel and travel package income	酒店及旅遊套票收入	14,632	12,317
Advertising fee income	廣告費收入	9,576	8,741
Portal income	入門網站收入	2,705	2,631
		261,650	228,678
Other revenue	其他收益		
Interest income	利息收入	1,112	108
Sundry income	雜項收入	-	403
		1,112	511
Total revenue	總收益	262,762	229,189

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8. (LOSS)/PROFIT FROM OPERATING ACTIVITIES

The Group's (loss)/profit from operating activities is arrived at after charging:

8. 經營業務(虧損)/溢利

本集團之經營業務(虧損)/溢利已扣除：

		2006 HK\$'000 千港元	2005 HK\$'000 千港元 (Restated) (重列)
Auditors' remuneration	核數師酬金	425	500
Amortisation of intangible assets	無形資產攤銷	4,549	4,549
Amortisation of development costs for shows and exhibitions	展覽會發展成本攤銷	1,105	701
Amortisation of prepaid land premiums	預付土地費用之攤銷	9	9
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	2,571	3,493
Development costs expensed for shows and exhibitions held during the year	年內舉行之展覽會之發展成本列作開支	10,460	2,889
Impairment of interest in an option to acquire an equity interest of a company	購入一間公司股權之購股權之權益減值	3,604	3,102
Minimum lease payments under operating lease rentals of land and buildings (note (i))	土地及樓宇經營租賃租金之最低租賃付款(附註(i))	39,026	32,382
Staff costs (including directors' remuneration (note 10))	員工成本(包括董事酬金(附註10))		
– wages and salaries	– 工資及薪金	54,000	42,046
– retirement benefits scheme contributions	– 退休福利計劃供款	1,087	1,083
Fair value losses on financial assets at fair value through profit or loss	按公平值計入損益賬之財務資產之公平值虧損	15,126	–
and after crediting:	並經計入：		
Other income:	其他收入：		
Exchange differences, net	匯兌差異淨額	700	–
Gain on disposal of property, plant and equipment	出售物業、廠房及設備收益	44	2,253
Gain on partial disposal of a subsidiary	出售附屬公司部分權益之收益	–	4,852
Unrealised gain on other investments	其他投資之未變現收益	–	8,096
Other income	其他收入	759	–
		1,503	15,201

Notes:

- (i) The amount includes rentals paid for the venues of exhibitions and trade shows held in the United Kingdom and Poland, net of input value added tax of approximately HK\$1,373,000 (2005: HK\$923,000) accrued at 17.5% or 22% of the gross rental expenses for the year.
- (ii) No staff costs (2005: HK\$4,763,000) and no rental charges (2005: HK\$1,140,000) have been capitalised in "Development costs for shows and exhibitions" and excluded in the disclosure above.

附註：

- (i) 該筆款項包括就於英國及波蘭舉行之貿易展覽會之場地所支付之租金，已扣除按本年度租金支出總額17.5%或22%計提之進項增值稅約1,373,000港元(二零零五年：923,000港元)。
- (ii) 並無員工成本(二零零五年：4,763,000港元)亦無租金支出(二零零五年：1,140,000港元)於「展覽會發展成本」內資本化及並不包括在以上之披露內。

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9. FINANCE COSTS

9. 融資成本

		The Group 本集團	
		2006 HK\$'000 千港元	2005 HK\$'000 千港元
Interests on bank loan wholly repayable within five years	五年內應悉數償還之銀行貸款利息	67	29
Interests on bank loan wholly repayable beyond five years	五年後應悉數償還之銀行貸款利息	-	160
		67	189

10. DIRECTORS' REMUNERATION

10. 董事酬金

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

根據上市規則及香港公司條例第161條之規定而須披露之董事酬金如下：

		The Group and the Company 本集團及本公司					
Name of director 董事姓名	Fees 袍金	Basic salaries 基本薪金	Housing allowances 房屋津貼	Bonuses 花紅	Provident fund contributions 公積金供款	Total 合計	
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
2006:							
Executive directors							
Mr. Ip Ki Cheung	葉紀章先生	-	1,488	840	2,300	12	4,640
Mr. Cheung Shui Kwai	張瑞貴先生	-	1,488	840	1,380	12	3,720
Mr. Chan Siu Chung	陳兆忠先生	-	1,488	840	920	12	3,260
Independent non-executive directors							
Mr. Chan Wing Yau, George	陳永祐先生	60	-	-	-	-	60
Mr. Lai Yang Chau, Eugene	黎瀛洲先生	60	-	-	-	-	60
Mr. Law Sung Ching, Gavin	羅崇禎先生	60	-	-	-	-	60
		180	4,464	2,520	4,600	36	11,800
2005:							
Executive directors							
Mr. Ip Ki Cheung	葉紀章先生	-	1,488	840	2,000	12	4,340
Mr. Cheung Shui Kwai	張瑞貴先生	-	1,488	770	1,200	12	3,470
Mr. Chan Siu Chung	陳兆忠先生	-	1,488	840	800	12	3,140
Independent non-executive directors							
Mr. Chan Wing Yau, George	陳永祐先生	60	-	-	-	-	60
Mr. Lai Yang Chau, Eugene	黎瀛洲先生	60	-	-	-	-	60
Mr. Law Sung Ching, Gavin	羅崇禎先生	40	-	-	-	-	40
Mr. Wong Tai Tong	黃達堂先生	20	-	-	-	-	20
		180	4,464	2,450	4,000	36	11,130

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10. DIRECTORS' REMUNERATION (continued)

Included in the directors' remuneration of HK\$11,800,000 (2005: HK\$11,130,000) is HK\$Nil (2005: HK\$2,933,000) which is included in "Development costs for shows and exhibitions" in the consolidated balance sheet.

The remuneration for the two years ended 31 March 2006 disclosed above does not include the estimated monetary value of residential accommodation provided to certain directors of the Group. The estimated monetary value of such residential accommodation provided to the directors, not charged to the consolidated income statement for the year, was HK\$Nil (2005: HK\$39,000).

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

During the year, no share options were granted to directors in respect of their services to the Group under the Company's share option scheme and the Company had no options outstanding as at 31 March 2006 and up to the date of approval of these financial statements.

11. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included three (2005: three) directors. Details of whose remuneration are set out in note 10 to the financial statements.

The details of the remuneration of the remaining two (2005: two) non-director, highest paid employees are as follows:

Basic salaries and allowances	基本薪金及津貼
Retirement benefits scheme contributions	退休福利計劃供款

10. 董事酬金 (續)

董事酬金11,800,000港元(二零零五年:11,130,000港元)內零港元(二零零五年:2,933,000港元)已包括綜合資產負債表內「展覽會發展成本」項下。

上文所述截至二零零六年三月三十一日止兩個年度之酬金並無計入提供予本集團若干董事之住宅物業之估計貨幣價值。年內向該董事提供之該幢住宅之估計貨幣價值零港元(二零零五年:39,000港元)並無於綜合損益賬扣除。

年內並無董事放棄或同意放棄任何酬金之安排。

年內,概無董事就彼等向本集團提供服務而根據本公司之購股權計劃獲授購股權,且本公司於二零零六年三月三十一日及截至本財務報表批准日期概無尚未行使之購股權。

11. 五名最高薪僱員

年內五名最高薪僱員包括三名(二零零五年:三名)董事,其酬金詳情載於財務報表附註10內。

其餘兩名(二零零五年:兩名)為非董事最高薪僱員,其酬金詳情如下:

The Group 本集團	
2006 HK\$'000 千港元	2005 HK\$'000 千港元
1,671	3,458
24	24
1,695	3,482

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財務報表附註

For the year ended 31 March 2006 截至二零零六年三月三十一日止年度

11. FIVE HIGHEST PAID EMPLOYEES (continued)

The number of employees whose remuneration fell within the following band is as follows:

HK\$Nil to HK\$1,000,000	零至1,000,000港元
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元

Included in the emoluments of HK\$1,695,000 (2005: HK\$3,482,000) is HK\$Nil (2005: HK\$206,000) which is included in "Development costs for shows and exhibitions" in the consolidated balance sheet.

12. TAXATION

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

The amount of taxation charged to the income statement represents:

Hong Kong profits tax	香港利得稅
Provided for the year	年內準備
Over-provision in previous years	過往年度超額準備
Overseas income tax	海外所得稅
Provided for the year	年內準備
Under-provision in previous years	過往年度準備不足

11. 五名最高薪僱員(續)

酬金介乎以下金額範圍之僱員數目如下：

Number of employees	
僱員數目	
2006	2005
2	-
-	2
2	2

酬金1,695,000港元(二零零五年:3,482,000港元)已包括綜合資產負債表內「展覽會發展成本」項下之零港元(二零零五年:206,000港元)。

12. 稅項

香港利得稅乃按年內於香港產生之估計應課稅溢利以稅率17.5%(二零零五年:17.5%)提撥準備。其他地區之應課稅溢利之稅項則就本集團經營業務所在之各司法權區之現行法規、詮釋及慣例,按有關司法權區之現行稅率計算。

於損益賬內扣除之稅項如下：

2006	2005
HK\$'000	HK\$'000
千港元	千港元
3,443	8,717
(125)	(757)
3,318	7,960
85	40
71	-
156	40
3,474	8,000

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2006 截至二零零六年三月三十一日止年度

12. TAXATION (continued)

Reconciliation between tax expense and accounting (loss)/profit at applicable tax rate:

12. 稅項 (續)

按適用稅率計算的稅項支出及會計(虧損)/溢利對賬如下:

		2006							
		Hong Kong 香港		The PRC 中國		United States 美國		Total 總額	
		HK\$'000 千港元	Percentage 百分比	HK\$'000 千港元	Percentage 百分比	HK\$'000 千港元	Percentage 百分比	HK\$'000 千港元	Percentage 百分比
Loss before tax	除稅前虧損	(15,901)		(9,768)		(3,081)		(28,750)	
Tax at applicable tax rate	按適用稅率計算之稅項	(2,783)	(17.5)	(3,223)	(33.0)	(462)	(15.0)	(6,468)	(22.5)
Estimated tax effect of income and expenses not taxable or deductible in determining taxable profit	於釐定應課稅溢利時毋須課稅或不可扣減收入及開支之估計稅務影響	3,196	20.1	1,227	12.6	-	-	4,423	15.4
(Over)/under-provision in previous years	過往年度(超額準備)/準備不足	(125)	(0.8)	-	-	71	2.3	(54)	(0.2)
Estimated tax effect of unrecognised tax losses	未確認稅項虧損之估計稅務影響	2,757	17.3	1,996	20.4	547	17.7	5,300	18.4
Estimated tax effect of temporary differences not recognised	未確認暫時差額之估計稅務影響	273	1.7	-	-	-	-	273	0.9
		3,318	20.8	-	-	156	5.0	3,474	12.0
		2005							
		Hong Kong 香港		The PRC 中國		United States 美國		Total 總額	
		HK\$'000 千港元	Percentage 百分比	HK\$'000 千港元	Percentage 百分比	HK\$'000 千港元	Percentage 百分比	HK\$'000 千港元	Percentage 百分比
Profit/(loss) before tax	除稅前溢利/(虧損)	46,839		(5,309)		1,245		42,775	
Tax at applicable tax rate	按適用稅率計算之稅項	8,197	17.5	(1,752)	(33.0)	187	15.0	6,632	15.5
Estimated tax effect of income and expenses not taxable or deductible in determining taxable profit	於釐定應課稅溢利時毋須課稅或不可扣減收入及開支之估計稅務影響	(771)	(1.6)	1,752	33.0	(147)	(11.8)	834	1.9
Utilisation of previously unrecognised tax losses	動用先前未確認稅項虧損	(3)	-	-	-	-	-	(3)	-
Over-provision in previous years	過往年度超額準備	(757)	(1.6)	-	-	-	-	(757)	(1.8)
Estimated tax effect of temporary differences not recognised	未確認暫時差額之估計稅務影響	1,294	2.8	-	-	-	-	1,294	3.0
		7,960	17.1	-	-	40	3.2	8,000	18.6

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財務報表附註

For the year ended 31 March 2006 截至二零零六年三月三十一日止年度

12. TAXATION (continued)

The Group has estimated tax losses arising in Hong Kong amounting to approximately HK\$25,933,000 (2005: HK\$9,763,000) that are available for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses due to the uncertainty in utilisations of the future tax benefits.

13. (LOSS)/PROFIT FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The loss attributable to equity holders of the Company for the year ended 31 March 2006 which has been dealt with in the financial statements of the Company amounted to approximately HK\$29,290,000 (2005: profit of HK\$19,683,000).

14. DIVIDENDS

Interim dividend paid of HK\$0.05 (2005: HK\$0.09) per ordinary share 已付中期股息每股普通股0.05港元 (二零零五年：0.09港元)
Proposed final dividend of HK\$Nil (2005: HK\$0.08) per ordinary share 擬派末期股息每股普通股零港元 (二零零五年：0.08港元)

12. 稅項 (續)

本集團估計於香港產生約達25,933,000港元(二零零五年：9,763,000港元)之稅項虧損，可以用以抵銷產生虧損公司日後之應課稅溢利。由於動用日後稅項溢利並不確定，故此並無就此等虧損確認遞延稅項資產。

13. 本公司股東應佔本年度(虧損)/溢利

截至二零零六年三月三十一日止年度，本公司之財務報表中本公司股東應佔本年度虧損約為29,290,000港元(二零零五年：溢利19,683,000港元)。

14. 股息

	2006 HK\$'000 千港元	2005 HK\$'000 千港元
Interim dividend paid of HK\$0.05 (2005: HK\$0.09) per ordinary share	11,773	19,423
Proposed final dividend of HK\$Nil (2005: HK\$0.08) per ordinary share	-	17,273
	11,773	36,696

15. (LOSSES)/EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

(Loss)/profit attributable to equity holders of the Company 本公司股東應佔(虧損)/溢利

15. 本公司股東應佔每股(虧損)/盈利

	2006 HK\$'000 千港元	2005 HK\$'000 千港元 (Restated) (重列)
(Loss)/profit attributable to equity holders of the Company	(33,191)	34,775

Weighted average number of ordinary shares in issue 已發行普通股加權平均股數
Incremental shares from assumed exercise of warrants 假設認股權證獲行使而增加之股份

Diluted weighted average number of shares 經攤薄加權平均股數

Basic (losses)/earnings per share 每股基本(虧損)/盈利

Diluted (losses)/earnings per share 每股攤薄(虧損)/盈利

	Number of shares in thousand 股份數目(千股)	Number of shares in thousand 股份數目(千股)
Weighted average number of ordinary shares in issue	222,277	215,835
Incremental shares from assumed exercise of warrants	-	17,826
Diluted weighted average number of shares	222,277	233,661
Basic (losses)/earnings per share	HK(15) cents 港仙	HK16 cents 港仙
Diluted (losses)/earnings per share	N/A 不適用	HK15 cents 港仙

Diluted loss per share for the year ended 31 March 2006 has not been disclosed as the warrants outstanding during the year had an anti-dilutive effect on the basic loss per share.

由於年內未行使之認股權證對每股基本虧損具反攤薄影響，故並無披露截至二零零六年三月三十一日止年度之每股攤薄虧損。

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For the year ended 31 March 2006 截至二零零六年三月三十一日止年度

16. PROPERTY, PLANT AND EQUIPMENT

16. 物業、廠房及設備

The Group

本集團

		Buildings 樓宇 HK\$'000 千港元	Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Furniture and equipment 傢俬及設備 HK\$'000 千港元	Fixtures and fittings 裝置及配件 HK\$'000 千港元	Computer equipment 電腦設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Cost:	成本值：							
At 1 April 2004 (restated)	於二零零四年四月一日 (重列)	19,085	2,854	5,979	2,652	4,538	2,280	37,388
Additions	增添	-	925	145	245	1,443	2,500	5,258
Disposals	出售	(15,791)	-	-	-	-	(2,280)	(18,071)
At 31 March 2005 and at 1 April 2005	於二零零五年三月三十一日 及二零零五年四月一日	3,294	3,779	6,124	2,897	5,981	2,500	24,575
Additions	增添	-	52	9	-	251	-	312
Disposals	出售	-	-	-	-	(178)	-	(178)
Exchange alignment	匯率調整	-	-	1	-	9	-	10
At 31 March 2006	於二零零六年三月三十一日	3,294	3,831	6,134	2,897	6,063	2,500	24,719
Accumulated depreciation and impairment:	累計折舊及減值：							
At 1 April 2004	於二零零四年四月一日	2,865	1,931	3,894	2,593	4,509	1,520	17,312
Provided during the year	年內準備	250	1,203	839	187	171	843	3,493
Written back on disposals	出售撥回	(2,008)	-	-	-	-	(2,016)	(4,024)
At 31 March 2005 and at 1 April 2005 (Restated)	於二零零五年三月三十一日 及二零零五年四月一日 (重列)	1,107	3,134	4,733	2,780	4,680	347	16,781
Provided during the year	年內準備	201	412	655	93	376	834	2,571
Written back on disposals	出售撥回	-	-	-	-	(44)	-	(44)
Exchange alignment	匯率調整	-	-	-	-	1	-	1
At 31 March 2006	於二零零六年三月三十一日	1,308	3,546	5,388	2,873	5,013	1,181	19,309
Net book value:	賬面淨值：							
At 31 March 2006	於二零零六年三月三十一日	1,986	285	746	24	1,050	1,319	5,410
At 31 March 2005 (Restated)	於二零零五年三月三十一日 (重列)	2,187	645	1,391	117	1,301	2,153	7,794

At 31 March 2006, the Group's buildings are situated in Hong Kong and held under medium term lease.

於二零零六年三月三十一日，本集團之樓宇均位於香港，並按中期租賃持有。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2006 截至二零零六年三月三十一日止年度

17. PREPAID LAND PREMIUMS

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

Carrying amount at 1 April 2005/2004	於二零零五年／二零零四年四月一日之賬面值
As previously reported	如先前呈報
Effect of adopting HKAS 17	採納香港會計準則第17號之影響
As restated	已重列
Recognised during the year	年內已確認
Carrying amount at 31 March 2006/2005	於二零零六年／二零零五年三月三十一日之賬面值

The leasehold land is held under medium term lease in Hong Kong.

18. INTERESTS IN SUBSIDIARIES

Unlisted investments, at cost	非上市投資，按成本值
Due from subsidiaries	應收附屬公司款項
Less: Provisions for impairment	減：減值準備

The amounts due from subsidiaries are unsecured, interest-free and have no fixed terms of repayment.

17. 預付土地費用

本集團於租賃土地及土地使用權之權益指預付經營租賃付款及其賬面淨值分析如下：

The Group 本集團	
2006 HK\$'000 千港元	2005 HK\$'000 千港元 (Restated) (重列)
-	-
373	382
373	382
(9)	(9)
364	373

租賃土地乃於香港按中期租賃持有。

18. 於附屬公司之權益

The Company 本公司	
2006 HK\$'000 千港元	2005 HK\$'000 千港元
7,676	7,676
80,989	133,285
88,665	140,961
(38,030)	(318)
50,635	140,643

應收附屬公司款項乃無抵押、免息及無固定還款期。

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財務報表附註

For the year ended 31 March 2006 截至二零零六年三月三十一日止年度

18. INTERESTS IN SUBSIDIARIES (continued)

The following is a list of the principal subsidiaries as at 31 March 2006:

18. 於附屬公司之權益 (續)

以下為於二零零六年三月三十一日之主要附屬公司名單：

Name 名稱	Place of incorporation and operations 註冊成立及 經營地點	Nominal value of issued share capital 已發行股本面值	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Pro-Capital Investments Limited	British Virgin Islands 英屬處女群島	US\$50 50美元	100	–	Investment holding 投資控股
Kenfair International Limited 建發國際有限公司	Hong Kong 香港	HK\$100 100港元	–	100	Organisation of exhibitions and trade shows in Hong Kong 於香港舉辦展覽會 及貿易展覽會
Kenfair Publications Limited	Hong Kong 香港	HK\$10 10港元	–	100	Provision of advertising services and publication of trade show and exhibition booklets 提供廣告服務及出版 貿易展覽會場刊
Capital Harvest Assets Limited	British Virgin Islands 英屬處女群島	US\$20 20美元	–	100	Investment holding 投資控股
Polonius Company Limited	Hong Kong 香港	HK\$10 10港元	–	100	Property holding 持有物業
Kenfair International (Overseas) Limited	Hong Kong 香港	HK\$10 10港元	–	100	Organisation of overseas exhibitions and trade shows 舉辦海外展覽會 及貿易展覽會
Kenfair (U.S.A.) Limited	United States of America ("US") 美利堅合眾國(「美國」)	US\$1 1美元	–	100	Organisation of overseas exhibitions and trade shows 舉辦海外展覽會 及貿易展覽會
Kenfair Travel Limited 建發旅運有限公司	Hong Kong 香港	HK\$500,000 500,000港元	–	100	Arrangement of hotel accommodation and travel package 安排酒店住宿及 旅遊套票

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For the year ended 31 March 2006 截至二零零六年三月三十一日止年度

18. INTERESTS IN SUBSIDIARIES (continued)

18. 於附屬公司之權益(續)

Name 名稱	Place of incorporation and operations 註冊成立及 經營地點	Nominal value of issued share capital 已發行股本面值	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Kenfair Technology Limited	British Virgin Islands 英屬處女群島	US\$10 10美元	-	100	Domain name holding 持有互聯網域名
Octopus Enterprises Limited	British Virgin Islands 英屬處女群島	US\$1 1美元	-	100	Investment holding 投資控股
Astonishing Profits Limited	British Virgin Islands 英屬處女群島	US\$50,000 50,000美元	-	100	Licence rights holding 持有特許權
Asian Online Limited	British Virgin Islands 英屬處女群島	US\$1 1美元	-	100	Holding an e-Commerce platform 持有電子商貿平台
Kenfair (Beijing) Exhibition Company Limited 建發(北京)會展 有限公司	The PRC 中國	US\$1,300,000 1,300,000美元	-	100	Organisation of exhibitions and trade shows in the PRC and provision of consultancy services for exhibition 於中國舉辦展覽會及 貿易展覽會及提供 展覽會顧問服務
Kenfair International (Shanghai) Limited 上海建發展覽有限公司	The PRC 中國	US\$500,000 500,000美元	-	100	Organisation of exhibitions and trade shows in the PRC 於中國舉辦展覽會及 貿易展覽會
Kenfair (Sichuan) Exhibition Limited 建發(四川)展覽有限公司	The PRC 中國	US\$350,000 350,000美元	-	100	Organisation of exhibitions and trade shows in the PRC 於中國舉辦展覽會及 貿易展覽會

Note:

- (i) Kenfair (Beijing) Exhibition Company Limited, Kenfair International (Shanghai) Limited and Kenfair (Sichuan) Exhibition Limited were formed as wholly-owned foreign enterprises in the PRC.
- (ii) On 31 March 2006, the Group acquired the 20% equity interest of Kenfair Technology Limited from the minority shareholders at a consideration of HK\$5,520,000.

附註：

- (i) 建發(北京)會展有限公司、上海建發展覽有限公司及建發(四川)展覽有限公司均為於中國成立之外商獨資企業。
- (ii) 於二零零六年三月三十一日，本集團以代價5,520,000港元自少數股東收購Kenfair Technology Limited之20%股權。

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19. INTANGIBLE ASSETS

The Group

Cost:	成本值：
At 1 April 2004 and 31 March 2005	於二零零四年四月一日及二零零五年三月三十一日
Fair value adjustment on consolidation of a wholly-owned subsidiary	於合併一間全資附屬公司時作出之公平值調整
At 31 March 2006	於二零零六年三月三十一日
Accumulated amortisation:	累計攤銷：
At 1 April 2004	於二零零四年四月一日
Amortisation provided for the year	本年度之攤銷準備
At 31 March 2005 and 1 April 2005	於二零零五年三月三十一日及二零零五年四月一日
Amortisation provided for the year	本年度之攤銷準備
At 31 March 2006	於二零零六年三月三十一日
Net book value:	賬面淨值：
At 31 March 2006	於二零零六年三月三十一日
At 31 March 2005	於二零零五年三月三十一日

The e-commerce platform represents "Kenfair.com" held by the Group. Kenfair.com is widely used in the Group's operation and generates income through membership fee, advertising fee and on-line application from its users. It acts as a virtual exhibition-sourcing platform for the suppliers to search for the target buyers. Members receive the latest information related to trade shows and exhibitions held by the Group. The cost of the e-commerce platform is amortised on a straight-line basis over the estimated remaining useful life of eight years.

On 31 March 2006, the Group acquired the 20% equity interest of a 80% owned subsidiary, Kenfair Technology Limited, from its minority shareholders at a consideration of HK\$5,520,000. The carrying value of the e-commerce platform is adjusted to reflect its fair value at the acquisition date in accordance with HKFRS 3. It is not a change in the Group's accounting policy of revaluing the e-commerce platform after initial recognition. The fair value gain of approximately HK\$8,975,000 represented the difference between the carrying value relating to previously held 80% interests of the Group and the fair value of the e-commerce platform at the date of acquisition is credited to the consolidation reserve (Note30(a)).

License rights represents the non-exclusive right to use the data contained in the annual edition of a business directory which contains the contact details of the enterprises in Beijing, the PRC. The use of such data facilitates the development of exhibition business, and allows the Group to immediately and directly approach the potential customers. The cost of license rights is amortised on a straight-line basis over ninety months.

19. 無形資產

本集團

e-Commerce platform 電子商貿平台 HK\$'000 千港元	Licence rights 特許權 HK\$'000 千港元	Total 總數 HK\$'000 千港元
23,000	17,632	40,632
11,219	-	11,219
34,219	17,632	51,851
2,100	3,132	5,232
2,259	2,290	4,549
4,359	5,422	9,781
2,260	2,289	4,549
6,619	7,711	14,330
27,600	9,921	37,521
18,641	12,210	30,851

電子商務平台指由本集團所持有之「Kenfair.com」。Kenfair.com廣泛應用於本集團之營運，並透過會員費、廣告費及其用戶之在線申請而帶來收入。Kenfair.com為供應商提供事實上的展覽會平台，以搜尋目標買家。會員可獲取有關本集團所持有貿易展覽會及展覽會之最新資訊。電子商務平台之成本乃以直線法按餘下估計可使用年期八年予以攤銷。

於二零零六年三月三十一日，本集團以代價5,520,000港元自其少數股東購入一間擁有80%權益之附屬公司Kenfair Technology Limited之20%股權。電子商務平台之賬面值乃根據香港財務報告準則第3號作出調整，以反映其於收購日期之公平值。於初步確認後，本集團有關評估電子商務平台之會計政策並無變動。約8,975,000港元之公平值收益指有關先前持有本集團80%權益之賬面值與電子商務平台於收購日期之公平值兩者之差額，並撥入綜合儲備(附註30(a))。

特許權指使用商務指南(其載有中國北京之企業的聯繫詳情)年度版本所載數據之非獨家權利。使用有關數據有助拓展展覽會，並可讓本集團即時直接接洽潛在客戶。特許權之成本乃以直線法按九十個月予以攤銷。

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財務報表附註

For the year ended 31 March 2006 截至二零零六年三月三十一日止年度

20. DEVELOPMENT COSTS FOR SHOWS AND EXHIBITIONS

The Group

20. 展覽會發展成本

本集團

		HK\$'000 千港元
Cost:	成本值：	
At 1 April 2004	於二零零四年四月一日	9,895
Additions	增添	5,961
Costs expended for shows and exhibitions held during the year	年內舉行之展覽會之成本列作開支	(2,889)
At 31 March 2005 and 1 April 2005	於二零零五年三月三十一日及二零零五年四月一日	12,967
Costs expended for shows and exhibitions held during the year	年內舉行之展覽會之成本列作開支	(12,967)
At 31 March 2006	於二零零六年三月三十一日	-
Accumulated amortisation:	累計攤銷：	
At 1 April 2004	於二零零四年四月一日	701
Amortisation provided for the year	本年度之攤銷準備	701
At 31 March 2005 and 1 April 2005	於二零零五年三月三十一日及二零零五年四月一日	1,402
Amortisation provided for the year	本年度之攤銷準備	1,105
Written back on costs expended for the year	本年度之成本列作開支之撥回	(2,507)
At 31 March 2006	於二零零六年三月三十一日	-
Net book value:	賬面淨值：	
At 31 March 2006	於二零零六年三月三十一日	-
At 31 March 2005	於二零零五年三月三十一日	11,565
		2006 HK\$'000 千港元
Amount classified as:	列作下列項目之金額：	2005 HK\$'000 千港元
Current assets	流動資產	5,961
Non-current assets	非流動資產	5,604
		- 11,565

During the year, the directors conducted a review on the Group's development costs for shows and exhibitions and determined that they were impaired as there were insufficient economic benefits generated from these development costs that will flow to the Group in the foreseeable future. Accordingly, the carrying amount of approximately HK\$10,460,000 were recognised in the income statement as cost expended for shows and exhibitions held during the year. The cost expended for shows and exhibitions held during the year was included in "other operating expenses" in the consolidated income statement while the amortisation of development costs was included in "Amortisation and depreciation" in the consolidated income statement.

The recoverable amount of the asset are their value-in-use. The discount rates used for the calculation of the recoverable amount are 15%-25%.

年內，董事對本集團之展覽會發展成本進行了檢討，並決定其予以減值，原因是此等發展成本產生之經濟利益於可見將來將不足以流入本集團。因此，約10,460,000港元之賬面值乃於損益賬確認為年內舉行之展覽會之成本列作開支。年內舉行之展覽會之成本列作開支乃計入綜合損益賬內「其他營運開支」項下，而發展成本之攤銷乃計入綜合損益賬內「攤銷及折舊」項下。

該項資產之可收回款額乃其使用價值。計算可收回款額所採用之折現率為15%-25%。

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財務報表附註

For the year ended 31 March 2006 截至二零零六年三月三十一日止年度

21. INVESTMENT SECURITIES

		21. 投資證券			
		The Group 本集團		The Company 本公司	
		2006	2005	2006	2005
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Equity securities listed in Hong Kong	於香港上市之股本證券				
At cost	按成本值	-	17,352	-	15,037
At market value	按市值	-	15,925	-	13,800

22. AVAILABLE-FOR-SALE FINANCIAL ASSETS

		22. 可供銷售財務資產			
		The Group 本集團		The Company 本公司	
		2006	2005	2006	2005
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Equity securities listed in Hong Kong	於香港上市之股本證券				
At fair value (Note a)	按公平值(附註a)	16,052	-	13,892	-
Unlisted financial assets outside Hong Kong (Notes b and c)	於香港境外之非上市財務資產(附註b及c)				
At cost	按成本值	9,434	-	-	-
Exchange realignment	匯率調整	87	-	-	-
Less: Provision for impairment	減: 減值準備	(6,706)	-	-	-
		2,815	-	-	-
Total		18,867	-	13,892	-

Notes:

- (a) The fair value is based on the market price at year end as quoted by the Stock Exchange of Hong Kong Limited.
- (b) The unlisted financial asset represents the cost paid by the Group for an option to acquire an equity interest of a Company.

附註:

- (a) 公平值乃根據香港聯合交易所有限公司所報之於年結日之市價計算。
- (b) 未變現財務資產指本集團就購入一間公司股權之購股權而支付之成本。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2006 截至二零零六年三月三十一日止年度

22. AVAILABLE-FOR-SALE FINANCIAL ASSETS (continued)

(c) On 24 June 2003, the Company entered into an agreement (the "Option Agreement") with a limited company (the "Independent Third Party") incorporated in the PRC which, together with its beneficial owner, are independent of and not connected with the directors, chief executive or substantial shareholder of the Company or any of its subsidiaries or an associate of any of them, pursuant to which the Independent Third Party has agreed to grant an option (the "Option") to the Company for the Company to acquire up to but not exceeding 90% equity interest in 北京建發京城會展有限公司 ("Beijing Kenfair Capital Exhibition Company Limited", for identification purpose only), a PRC company subsequently set up on 29 September 2003 in the PRC with limited liability and commenced its business on 12 November 2003. Beijing Kenfair Capital Exhibition Company Limited had a registered capital of RMB10,000,000 upon its incorporation. On 24 June 2003, the Company also entered into an agreement (the "Undertaking Agreement", together with the Option Agreement, the "Agreements") with the Independent Third Party pursuant to which the Independent Third Party has given warranties and undertakings to the Company. Pursuant to the Agreements, the Company paid an amount of HK\$9,434,000 which was equivalent to RMB10,000,000 as consideration to the Independent Third Party for the grant of the Option. One of the conditions of the exercise of the Option is subject to the relaxation of the restrictions imposed by the relevant PRC laws, rules and regulations against foreign investments in the PRC enterprises engaged in the exhibition business which comprises the organisation of trade fair, trade shows and related activities to promote and facilitate trades between buyers and manufacturers to be carried on within the PRC (the "Business"). Such restrictions have now been relaxed. Subject to the exercise of the Option (wholly or partly) by the Company, the Company's equity interest in Beijing Kenfair Capital Exhibition Company Limited will increase gradually. The Option Agreement shall expire after five years from the date of agreement.

The identity of the Independent Third Party is disclosed as CITIC Trust & Investment Co., Ltd., which is a wholly-owned subsidiary of China International Trust and Investment Corporation ("CITIC"), a state-owned enterprise. The Company had not exercised the option as at 31 March 2006 and up to the date of approval of these financial statements.

The fair value of the unlisted financial assets is determined based on the net assets of Beijing Kenfair Capital Exhibition Company Limited at 31 March 2006.

23. OPTION TO ACQUIRE AN EQUITY INTEREST OF A COMPANY

At cost	按成本值
Less: Provision for impairment	減：減值準備

The option was reclassified as available-for-sale financial assets on 1 April 2005. For details of the option, please refer to note 22 to the financial statements.

22. 可供銷售財務資產(續)

(c) 於二零零三年六月二十四日，本公司與一間於中國註冊成立之有限公司(「獨立第三方」)訂立一項協議(「購股權協議」)。獨立第三方與其實益擁有人為本公司或其任何附屬公司之董事、主要行政人員或主要股東或彼等之任何聯繫人士之獨立人士，亦與彼等概無關連。據此，獨立第三方已同意向本公司授出購股權(「購股權」)，以收購北京建發京城會展有限公司(一間隨後於二零零三年九月二十九日在中國成立之中國有限公司並於二零零三年十一月十二日開展其業務)最多但不超過90%股本權益。北京建發京城會展有限公司於其註冊成立時之註冊股本為人民幣10,000,000元。於二零零三年六月二十四日，本公司亦與獨立第三方訂立一項協議(「保證及承諾協議」，連同購股權協議，統稱「該等協議」)，據此，獨立第三方已向本公司作出保證及承諾。根據該等協議，本公司就獲授購股權而向獨立第三方支付款項9,434,000港元(相當於人民幣10,000,000元)作為代價。然而，行使購股權須待有關之中國法例、法規及規則放寬對國外於從事展覽業務之中國企業之投資之限制後，方可作實。展覽業務包括舉辦展覽會、貿易展覽會及相關活動，以宣傳及促進買家與製造商之間於中國以內進行貿易(「該業務」)。該等限制現已放寬。待本公司全部或部分行使購股權後，本公司於北京建發京城會展有限公司之股權將會逐步增加。購股權協議將於自訂立協議日期起五年後到期。

已披露獨立第三方為中國國際信托投資公司(「中信投資」)之全資附屬公司中信信托投資有限責任公司。中信投資為國有企業。本公司於二零零六年三月三十一日及截至本財務報表批准日期為止並無行使購股權。

未變現財務資產之公平值乃根據北京建發京城會展有限公司於二零零六年三月三十一日之資產淨值釐定。

23. 購入一間公司股權之購股權

The Group 本集團	
2006 HK\$'000 千港元	2005 HK\$'000 千港元
-	9,434
-	(3,102)
-	6,332

於二零零五年四月一日，該購股權乃重新分類為可供銷售財務資產。有關該購股權之詳情，請參閱財務報表附註22。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 March 2006 截至二零零六年三月三十一日止年度

24. GOODWILL

The Group

Carrying value:

Acquisition of shares from minority shareholders of a subsidiary during the year and at 31 March 2006

賬面值：

年內購入一間附屬公司之少數股東之股份及於二零零六年三月三十一日

On 31 March 2006, the Group acquired 20% equity interest of Kenfair Technology Limited from its minority shareholders at a consideration of HK\$5,520,000 (Note 34).

Impairment test for goodwill

Goodwill is allocated to the Group's intangible assets, the e-commerce platform. The recoverable amount is determined on a value-in-use calculation. The calculation used cash flow projections based on the financial budgets approved by management cover a 8-year period. Cash flows are extrapolated using the estimated growth rates stated below.

Key assumptions used for value-in-use calculations:

Growth rate	4% – 10%
Discount rate	23%

The growth rate used is based on the management's expectation for the market development. A pre-tax discount rate is used.

24. 商譽

本集團

HK\$'000
千港元

920

於二零零六年三月三十一日，本集團以代價5,520,000港元自其少數股東收購Kenfair Technology Limited之20%股權(附註34)。

商譽減值測試

商譽乃分配至本集團之無形資產電子商務平台。可收回款額乃按使用價值計算釐定。根據管理層批准之財政預算計算之現金流量預測所使用之計算乃涵蓋一年期限。現金流量乃使用下文所述之估計增長率推測。

使用價值計算所採用之重要假設：

增長率	4% – 10%
折現率	23%

所採用之增長率乃根據管理層有關市場發展之預測計算，並使用稅前折現率。

25. OTHER INVESTMENTS

Equity securities:

Listed in Hong Kong
At market value
Listed outside Hong Kong
At market value

股本證券：

於香港上市
按市值
於香港境外上市
按市值

25. 其他投資

The Group 本集團

The Company 本公司

2006 HK\$'000 千港元	2005 HK\$'000 千港元	2006 HK\$'000 千港元	2005 HK\$'000 千港元
–	24,128	–	14,248
–	12,480	–	–
–	36,608	–	14,248

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For the year ended 31 March 2006 截至二零零六年三月三十一日止年度

26. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

26. 按公平值計入損益賬之財務資產

	The Group 本集團		The Company 本公司	
	2006	2005	2006	2005
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Equity securities: Listed in Hong Kong (#) At market value	15,962	-	9,426	-
股本證券： 於香港上市(#) 按市值				

At 31 March 2006, the details of the Group's financial assets at fair value through profit or loss of which the carrying amount exceeds 10% of the total assets of the Group are as follows:

於二零零六年三月三十一日，賬面值超過本集團資產總值10%之按公平值計入損益賬之財務資產之詳情如下：

Name	Place of incorporation	Principal activities	Particulars and percentage of issued shares held
名稱	註冊成立地點	主要業務	詳情及所持已發行股份百分比
#Cosmopolitan International Holdings Limited (SEHK stock code: 120)	Cayman Islands	Property investment and securities trading	17.44% ordinary shares
#四海國際集團有限公司 (聯交所股份編號：120)	開曼群島	物業投資及證券買賣	17.44%普通股

27. INTEREST-BEARING BANK BORROWINGS

27. 附息銀行借款

	The Group 本集團	
	2006	2005
	HK\$'000 千港元	HK\$'000 千港元
Bank loans, secured: Wholly repayable within five years Not wholly repayable within five years	- -	- 2,299
有抵押銀行貸款： 須於五年內悉數償還 毋須於五年內悉數償還		
The maturity of the bank loans are as follows: Within one year or on demand In the second year In the third to fifth years, inclusive Over five years	- - - -	303 324 1,107 565
銀行貸款之還款期如下： 一年內或應要求即時償還 第二年 第三至第五年(包括首尾兩年) 五年後		
Portion classified under current liabilities	-	2,299 (303)
被列為流動負債部分		
Non-current portion	-	1,996
非流動部分		

All bank loans outstanding at 31 March 2005 were fully repaid on 12 August 2005.

於二零零五年三月三十一日，所有未償還銀行貸款已於二零零五年八月十二日悉數償還。

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財務報表附註

For the year ended 31 March 2006 截至二零零六年三月三十一日止年度

28. SHARE CAPITAL

28. 股本

	2006		2005	
	Number of shares 股份數目 '000 千股	Amount 總額 HK\$'000 千港元	Number of shares 股份數目 '000 千股	Amount 總額 HK\$'000 千港元
Authorised: Ordinary shares of HK\$0.01 each	1,000,000	10,000	1,000,000	10,000
Used: Ordinary shares of HK\$0.01 each	235,452	2,355	215,916	2,159

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

本公司已發行股本之變動概述如下：

		Number of shares in issue 已發行股份數目 '000 千股	Issued share capital 股本 HK\$'000 千港元	Share premium account 股份溢價賬 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 April 2004	於二零零四年四月一日	215,800	2,158	64,756	66,914
Issue of shares from exercise of warrants	因行使認股權證而發行股份	116	1	146	147
At 31 March 2005 and 1 April 2005	於二零零五年三月三十一日及二零零五年四月一日	215,916	2,159	64,902	67,061
Issue of shares from exercise of warrants	因行使認股權證而發行股份	19,536	196	24,615	24,811
At 31 March 2006	於二零零六年三月三十一日	235,452	2,355	89,517	91,872

Notes:

附註：

- (i) During the year ended 31 March 2005, 116,000 warrants were exercised for 116,000 shares of HK\$0.01 each at a subscription price of HK\$0.69.
- (ii) During the year ended 31 March 2006, 19,536,000 warrants were exercised for 19,536,000 shares of HK\$0.01 each at a subscription price of HK\$0.69.

- (i) 於截至二零零五年三月三十一日止年度內，116,000份認股權證因獲行使而按每股0.69港元之認購價格發行116,000股每股面值0.01港元之股份。
- (ii) 於截至二零零六年三月三十一日止年度內，19,536,000份認股權證因獲行使而按每股0.69港元之認購價格發行19,536,000股每股面值0.01港元之股份。

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財務報表附註

For the year ended 31 March 2006 截至二零零六年三月三十一日止年度

29. SHARE OPTION SCHEME

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives and/or rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Scheme include any executives and full time employees of the Company, including all executive directors of the Company and its subsidiaries. The Scheme became effective on 10 April 2002 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

The maximum number of unexercised share options currently permitted to be granted under the Scheme is an amount equivalent, upon their exercise, to 10% of the shares of the Company in issue at any time. The maximum number of shares issuable under share options to each eligible participant in the Scheme within any 12-month period is limited to 1% of the shares of the Company in issue at any time. Any further grant of share option in excess of this limit is subject to shareholders' approval in a general meeting.

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

The offer of a grant of share options may be accepted within 28 days from the date of the offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted would be determined by the directors, and commences after a certain vesting period and ends on a date which is not later than five years from the date of the offer of the share options or the expiry date of the Scheme, if earlier.

The exercise price of the share options would be determined by the directors, but may not be less than the higher of (i) the Stock Exchange closing price of the Company's shares on the date of the offer of the share options, which must be a business day; and (ii) the average Stock Exchange closing price of the Company's shares for the five trading days immediately preceding the date of the offer, provided that the subscription price shall not be lower than the nominal value of the shares.

29. 購股權計劃

本公司設有一項購股權計劃(「該計劃」)，藉以向對本集團業務成功作出貢獻之合資格參與者給予鼓勵及／或回報。該計劃之合資格參與者包括本公司任何行政人員及全職僱員(包括本公司及其任何附屬公司之所有執行董事)。該計劃於二零零二年四月十日起生效，除非以其他方式取消或修訂該計劃，否則該計劃自該日起計十年內保持有效。

根據該計劃現時獲准授出而尚未行使之購股權所涉及之最高股份數目相等於其行使時本公司於任何時間已發行股份之10%。該計劃各合資格參與者於任何12個月期間內根據購股權可獲發行之最高股份數目以本公司任何時間已發行股份之1%為限。凡進一步授出超逾此限額之購股權，必須於股東大會上獲股東批准。

凡向本公司董事、主要行政人員或主要股東或彼等之任何聯繫人士授出購股權，必須事先取得獨立非執行董事之批准。此外，凡於任何12個月期間內向本公司或其任何附屬公司之主要股東或獨立非執行董事授出任何購股權，而有關數額超逾本公司任何時間已發行股份之0.1%或總值(根據授出日期本公司股份之價格計算)超過5,000,000港元，必須事先於股東大會上獲股東批准。

授出購股權之建議可於提出建議日期起計28日內接納，承授人須支付合共1港元之象徵式代價。所授購股權之行使期乃由董事釐定，並於若干歸屬期後方會開始，且最遲須於購股權建議提出日期起計五年或該計劃屆滿日期(倘為較早者)當日結束。

購股權之行使價由董事釐定，惟不得低於(i)本公司股份於購股權建議提出日期(必須為營業日)在聯交所之收市價；及(ii)本公司股份於緊接建議提出日期前五個交易日在聯交所之平均收市價兩者中較高者，惟認購價不得低於股份面值。

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29. SHARE OPTION SCHEME (continued)

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a capital reserve within equity. The fair value is measured at grant date, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the share options, the total estimated fair value of the share options is spread over the vesting period, taking into account the probability that the options will vest.

During the vesting period, the number of share options that expected to vest is reviewed. Any adjustment to the cumulative fair value recognised in prior years is charged/credited to the income statement for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the capital reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of share options that vest (with a corresponding adjustment to the capital reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the capital reserve until either the option is exercised (when it is transferred to the share premium account) or the option expires (when it is released directly to retained profits).

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

During the year, there was no option granted by the Company and the Company had no options outstanding as at 31 March 2006 and up to the date of approval of these financial statements.

29. 購股權計劃(續)

授予僱員之購股權之公平值連同資本儲備內之相應增加乃於權益內確認為一項僱員成本。該公平值乃於授出日期經計及購股權獲授出時之條款及條件後計量。倘僱員須於無條件享有購股權之前履行歸屬條件，則購股權之估計公平值總額乃經計及購股權將會歸屬之可能性後按歸屬期予以攤分。

於歸屬期內，會檢討預期歸屬之購股權數目。於過往年度確認之累計公平值之任何調整乃扣自／計入有關檢討年度之損益賬，除非原有僱員支出連同資本儲備之相應增加可確認一項資產則作別論。於歸屬日，確認為一項支出之款額乃予以調整，以反映歸屬之實際購股權數目(連同資本儲備之相應調整)，惟倘沒收僅因未達致與本公司股份之市價有關之歸屬條件則除外。股本款額乃於資本儲備中確認直至購股權獲行使(當其撥至股份溢價賬時)或購股權屆滿(當其直接扣自保留盈利時)為止。

購股權之持有人無權收取股息或在股東大會上投票。

年內，本公司概無授出任何購股權，而於二零零六年三月三十一日及截至本財務報表批准日期，本公司亦無任何尚未行使之購股權。

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30. RESERVES

(a) The Group

The amounts of the Group's reserves and the movements therein for the current and prior year are presented in the consolidated statements of changes in equity on page 48 of the financial statements.

30. 儲備

(a) 本集團

本集團在年內及上年度之儲備及變動款額在財務報表第48頁之綜合權益變動表內呈列。

		Consolidation reserve 綜合儲備 HK\$'000 千港元	Warrant reserve 認股權證儲備 HK\$'000 千港元	Exchange fluctuation reserve 匯兌波動儲備 HK\$'000 千港元	Available- for-sale financial assets fair value reserve 可供銷售 財務資產 公平值儲備 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1 April 2004	於二零零四年四月一日	-	23,063	-	-	23,063
Issue of shares from exercise of warrants	因行使認股權證而發行之股	-	(67)	-	-	(67)
At 31 March 2005	於二零零五年三月三十一日	-	22,996	-	-	22,996
Opening adjustment arising from changes in accounting policies – HKAS 39	因會計政策變動 – 香港會計準則第39號而產生之期初調整	-	-	-	(1,427)	(1,427)
At 1 April 2005, as restated	於二零零五年四月一日 (經重列)	-	22,996	-	(1,427)	21,569
Fair value losses in respect of available-for-sale financial assets	可供銷售財務資產之公平值虧損	-	-	-	127	127
Currency translation difference	貨幣換算差額	-	-	163	-	163
Net income recognised directly in equity	直接於權益中確認之收入淨額	-	-	163	127	290
Fair value adjustment of e-commerce platform arising from consolidation of a wholly-owned subsidiary (Note 19)	因合併一間全資附屬公司而產生之電子商務平台公平值調整 (附註19)	8,975	-	-	-	8,975
Issue of shares from exercise of warrants	因行使認股權證而發行之股份	-	(11,331)	-	-	(11,331)
Warrant reserve transferred to retained profits upon expiry of warrants	認股權證到期時認股權證儲備撥入保留溢利	-	(11,665)	-	-	(11,665)
At 31 March 2006	於二零零六年三月三十一日	8,975	-	163	(1,300)	7,838

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30. RESERVES (continued)

(b) The Company

		Share premium account	Contributed surplus	Warrant reserve	Retained profits/ (Accumulated losses)	Available- for-sale financial assets fair value reserve	Total
		股份溢價賬 HK\$'000 千港元	繳入盈餘 HK\$'000 千港元	認股權證儲備 HK\$'000 千港元	保留溢利/ (累計虧損) HK\$'000 千港元	可供銷售 財務資產 公平值儲備 HK\$'000 千港元	合計 HK\$'000 千港元
At 1 April 2004	於二零零四年四月一日	64,756	7,076	23,063	22,501	-	117,396
Issue of shares from exercise of warrants	因行使認股權證而發行股份	146	-	(67)	-	-	79
Net profit for the year	年內純利	-	-	-	19,683	-	19,683
2005 interim dividend	二零零五年中期股息	-	-	-	(19,423)	-	(19,423)
2005 proposed final dividend	二零零五年擬派末期股息	-	-	-	(17,273)	-	(17,273)
At 31 March 2005	於二零零五年三月三十一日	64,902	7,076	22,996	5,488	-	100,462
At 1 April 2005, as per above	同上於二零零五年四月一日	64,902	7,076	22,996	5,488	-	100,462
Opening adjustment arising from changes in accounting policies - HKAS 39	因會計政策變動-香港會計準則 第39號而產生之期初調整	-	-	-	-	(1,237)	(1,237)
At 1 April 2005, as restated	於二零零五年四月一日(經重列)	64,902	7,076	22,996	5,488	(1,237)	99,225
Issue of shares from exercise of warrants	因行使認股權證而發行股份	24,615	-	(11,331)	-	-	13,284
Net loss for the year	年內虧損淨額	-	-	-	(29,290)	-	(29,290)
Fair value gains in respect of available-for-sale financial assets	可供銷售財務資產 之公平值收益	-	-	-	-	92	92
2006 interim dividend	二零零六年中期股息	-	-	-	(11,773)	-	(11,773)
Warrant reserve transferred to retained profits upon expiry of warrants	認股權證到期時 認股權證儲備撥入保留溢利	-	-	(11,665)	11,665	-	-
At 31 March 2006	於二零零六年三月三十一日	89,517	7,076	-	(23,910)	(1,145)	71,538

i) Contributed surplus

The Company's contributed surplus represents the excess of the fair value of the shares of the subsidiaries acquired pursuant to the Group reorganisation during the year ended 31 March 2002, over the nominal value of the Company's shares issued in exchange therefore and the capitalisation of the 30,000,000 shares allotted and issued nil paid. Under the Companies Law (2001 Second Revision) of the Cayman Islands, the contributed surplus account is distributable to the shareholders of the Company under certain circumstances.

i) 繳入盈餘

本公司之繳入盈餘指根據於二零零二年三月三十一日止年度內進行之集團重組而購入之附屬公司股份之公平值，高出作為換取該等附屬公司股份而發行之本公司股份面值之差額及資本化所配發及發行之30,000,000股未繳股款股份。根據開曼群島公司法(二零零一年第二次修訂版)，本公司可在若干情況下以繳入盈餘賬內之款項向其股東作出分派。

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30. RESERVES (continued)

(b) The Company (continued)

ii) Warrant reserve

On 17 October 2003, the Company entered into a conditional placing and underwriting agreement with Ping An Securities Limited to issue 43,160,000 warrants at a price of HK\$0.58 per warrant for cash consideration by way of a private placement. Each warrant entitles the holder to subscribe for one ordinary share of the Company at an initial subscription price of HK\$0.69 per share (subject to adjustment) from the date of issue to 2 December 2005. Any ordinary shares falling to be issued upon the exercise of the subscription right to the warrants will rank *pari passu* in all respects with the existing fully paid ordinary shares in issue of the Company on the relevant subscription date. During the year ended 31 March 2005, 116,000 warrants were exercised for 116,000 shares of HK\$0.01 each at HK\$0.69 per share.

During the year ended 31 March 2006, 19,536,000 warrants were exercised for 19,536,000 shares of HK\$0.01 each at HK\$0.69 per share. The remaining warrants of 23,508,000 were expired on 2 December 2005. As such, the balance of warrant reserve of approximately HK\$11,665,000 was transferred to retained profits upon the expiry of warrants.

31. PLEDGED BANK DEPOSITS

At 31 March 2006, the Group's bank deposits amounting to approximately HK\$2,866,000 (2005: HK\$2,652,000) have been pledged to a bank for issue of bank guarantee of EUR245,000 (2005: EUR200,000) in relation to the lease of an overseas exhibition venue.

The Company did not pledge any of its assets as at year end (2005: Nil).

32. CONTINGENT LIABILITIES

The Group and the Company had no significant contingent liabilities at the balance sheet date (2005: Nil).

33. MAJOR NON-CASH TRANSACTIONS

On 31 March 2006, the Group acquired 20% equity interest of Kenfair Technology Limited from its minority shareholders at a consideration of HK\$5,520,000. The purchase consideration was satisfied by certain of the Group's financial assets at fair value through profit or loss with a carrying amount of HK\$5,520,000.

30. 儲備(續)

(b) 本公司(續)

ii) 認股權證儲備

於二零零三年十月十七日，本公司與平安證券有限公司訂立一項有條件配售及包銷協議，以按每份認股權證0.58港元之價格私人配售以現金代價發行之43,160,000份認股權證。每份認股權證賦予其持有人權利由發行日期起至二零零五年十二月二日止按初步認購價每股0.69港元(可予調整)認購1股本公司普通股股份。因行使認股權證所附之認購權而須予發行之任何普通股股份於各方面將與本公司於有關認購日期之現有已發行及繳足股份享有同等權益。於截至二零零五年三月三十一日止年度內，116,000份認股權證因獲行使而按每股0.69港元之價格發行116,000股每股面值0.01港元之股份。

於截至二零零六年三月三十一日止年度內，19,536,000份認股權證因獲行使而按每股0.69港元發行19,536,000股每股面值0.01港元之股份。餘下23,508,000份認股權證已於二零零五年十二月二日到期。因此，認股權證儲備結餘約11,665,000港元乃於認股權證到期時撥入保留溢利。

31. 已抵押銀行存款

於二零零六年三月三十一日，本集團為有關租賃海外展覽會之展位而獲授之銀行擔保245,000歐元(二零零五年：200,000歐元)而將其銀行存款2,866,000港元(二零零五年：2,652,000港元)抵押於一間銀行。

本公司於年終並無將其任何資產作抵押(二零零五年：無)。

32. 或然負債

本集團及本公司於結算日並無任何重大或然負債(二零零五年：無)。

33. 主要非現金交易

於二零零六年三月三十一日，本集團以代價5,520,000港元自其少數股東收購Kenfair Technology Limited股本之20%股權。購買代價乃以賬面值為5,520,000港元之本集團若干按公平值計入損益賬之財務資產支付。

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34. BUSINESS COMBINATIONS

On 31 March 2006, the Group acquired 20% equity interest of Kenfair Technology Limited from its minority shareholders at a consideration of HK\$5,520,000. Kenfair Technology Limited was a 80% owned subsidiary of the Group prior to the acquisition.

Details of net assets acquired and goodwill are as follows:

Purchase consideration (Note 33)	購買代價 (附註33)
Fair value of net assets acquired:	所收購資產淨值之公平值：
Intangible assets	無形資產
Cash and bank balances	現金及銀行結餘
Amounts due to group companies	應付集團公司之款項
Tax payable	應付稅項
Deferred revenue	遞延收益
Goodwill	商譽

34. 業務合併

於二零零六年三月三十一日，本集團以代價5,520,000港元自其少數股東收購Kenfair Technology Limited之20%股權。Kenfair Technology Limited乃於收購前為本集團擁有80%權益之附屬公司。

所收購資產淨值及商譽之詳情如下：

	2006 HK\$'000 千港元	2005 HK\$'000 千港元
	5,520	—
	5,520	—
	529	—
	(343)	—
	(826)	—
	(280)	—
	4,600	—
	920	—

35. OPERATING LEASE ARRANGEMENTS

The Group leases certain of its office properties and exhibition venues under operating lease arrangements. Leases for office properties are negotiated for terms ranging from one to three years and the leases for exhibition venues are negotiated according to the exhibition periods, normally less than one week.

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

35. 經營租賃安排

本集團根據經營租賃安排租用其若干辦公室物業及展覽場地。辦公室物業之租賃期經協商定出，年期由一至三年不等，而展覽場地之租賃期則按照展覽期而定，一般為少於一星期。

於二零零六年三月三十一日，本集團根據不可撤銷之土地及樓宇經營租約而須於下列期限內支付之未來最低租約付款總額如下：

	The Group 本集團		The Company 本公司	
	2006 HK\$'000 千港元	2005 HK\$'000 千港元	2006 HK\$'000 千港元	2005 HK\$'000 千港元
Within one year	14,849	7,310	7,633	—
In the second to fifth years, inclusive	3,255	9,309	—	—
	18,104	16,619	7,633	—

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36. MATERIAL RELATED PARTY TRANSACTIONS

In addition to the transactions and balances disclosed elsewhere in these financial statements, during the year ended 31 March 2006, the Group had entered into the following material related party transactions.

(a) Key management personnel remuneration

Remuneration for key management personnel, including amounts paid to the Company's directors as disclosed in Note 10 is as follows:

Short term employee benefits	短期僱員福利
MPF Contribution	強積金供款

Total remuneration is included in "Staff costs" (Note 8).

(b) During the year ended 31 March 2006, the Group had not entered into other material related party transactions.

37. COMPARATIVE FIGURES

As further explained above, due to the adoption of the new/revised HKFRSs during the current year, the accounting treatment and presentation of certain items in the consolidated financial statements have been revised to comply with the new requirements. Accordingly, certain comparatives have been restated to conform with the current year's presentation.

38. SUBSEQUENT EVENTS

(a) Subsequent to the balance sheet date, the Group negotiated with CITIC Trust & Investment Co., Ltd. for the exercise of the option to acquire 90% of Beijing Kenfair Capital Exhibition Company Limited. The negotiation is in the final stage and further announcement will be made upon the signing of the agreement for the exercise of the option.

(b) On 14 July 2006, a special resolution was proposed by the Board to transfer HK\$66,000,000 from the Company's share premium account to the accumulated losses account in order to extinguish the accumulated losses of the same amount. The special resolution is to be approved by the Company's shareholders at the forthcoming annual general meeting. Details of which will be included in the notice of the forthcoming annual general meeting.

39. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

The financial statements had been reviewed by the Audit Committee and were approved and authorised for issue by the Board on 14 July 2006.

36. 重大關連人士交易

除於本財務報表其他地方披露之交易及結餘外，於截至二零零六年三月三十一日止年度內，本公司已訂立下列重大關連人士交易。

(a) 主要管理人員酬金

主要管理人員之酬金(包括如附註10披露之已付予本公司董事之款額)如下：

The Group 本集團	
2006 HK\$'000 千港元	2005 HK\$'000 千港元
20,304	19,054
120	120
20,424	19,174

酬金總額乃包括在「員工成本」(附註8)內。

(b) 於截至二零零六年三月三十一日止年度內，本集團並無訂立其他重大關連人士交易。

37. 比較數字

誠如上文進一步闡釋，由於在本年度採納新增／經修訂香港財務報告準則，故綜合財務報表內若干項目之會計處理及呈列已作出修訂，以符合新規定。因此，若干比較數字已作出重列，以符合本年度之呈列方式。

38. 結算日後事項

(a) 於結算日後，本集團已就行使購股權以購入北京建發京城會展有限公司之90%股權與中信信託投資有限責任公司進行磋商。有關磋商正處於最後階段，待簽署有關行使購股權之協議後，本公司將會作出進一步公佈。

(b) 於二零零六年七月十四日，本公司提呈一項特別決議案，以將66,000,000港元自本公司之股份溢價賬撥入累計虧損賬，以便彌補相同數額之累計虧損。該特別決議案將由本公司之股東於應屆股東週年大會上批准。有關詳情將包括在本公司應屆股東週年大會通告內。

39. 授權刊發財務報表

本財務報表已由審核委員會審閱，並經董事會於二零零六年七月十四日批准及授權刊發。