

FOR THE YEAR ENDED 31 MARCH 2006

截至二零零六年三月三十一日止年度

1. General

The Company is an exempted company incorporated in Bermuda with limited liability. Its shares are listed on The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange"). The addresses of the registered office and its principal place of business of the Company are disclosed in the "Corporate Information" section to the annual report.

The consolidated financial statements are presented in Hong Kong dollars, which is the same as the functional currency of the Company.

The Company is an investment holding company. The activities of its principal subsidiaries, associates and jointly controlled entities are set out in note 53.

2. Application of Hong Kong Financial Reporting Standards

In the current year, the Group has applied, for the first time, a number of new Hong Kong Financial Reporting Standards ("HKFRSs"), Hong Kong Accounting Standards ("HKASs") and Interpretations ("INTs") (hereinafter collectively referred to as the "new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") that are effective for accounting periods beginning on or after 1 January 2005. The application of the new HKFRSs has resulted in a change in the presentation of the consolidated income statement, consolidated balance sheet and the consolidated statement of changes in equity. In particular, the presentation of minority interests and share of tax of associates and jointly controlled entities have been changed. The changes in presentation have been applied retrospectively. In addition, the adoption of the new HKFRSs has resulted in changes to the Group's accounting policies in the following areas that have an effect on how the results for the current and/or prior accounting years are prepared and presented:

1. 概述

本公司在百慕達註冊成立為受豁免有限公司，其證券在香港聯合交易所有限公司（「香港聯交所」）上市。本公司之註冊辦事處以及其主要營業地點已於本年報「公司資料」一節作出披露。

綜合財務報表以港元呈列，港元亦為本公司之功能貨幣。

本公司為一間投資控股公司。其主要附屬公司、聯營公司及共同控制機構之業務詳情載列於附註53。

2. 應用香港財務報告準則

於本年度，本集團首次採納由香港會計師公會頒佈之多項新訂香港財務報告準則（「香港財務報告準則」）、香港會計準則及詮釋（「詮釋」）（下文統稱「新訂香港財務報告準則」）。該等準則於二零零五年一月一日或以後開始之會計期間生效。採納新訂香港財務報告準則導致綜合收益表、綜合資產負債表及綜合權益變動表之呈報方式有所改變。尤其是少數股東權益及攤佔聯營公司及共同控制機構稅項之呈報方式有所改變。此等呈報方式變動已追溯應用。此外，採納新訂香港財務報告準則導致本集團在以下範疇之會計政策出現變動，對現行及／或以往會計期間之業績編製及呈列方式構成影響：

2. Application of Hong Kong Financial Reporting Standards – continued

Share-based payment

In the current year, the Group has applied HKFRS 2 “Share-based Payment” which requires an expense to be recognised where the Group buys goods or obtains services in exchange for shares or rights over shares (“equity-settled transactions”). The principal impact of HKFRS 2 on the Group is in relation to the expensing of the fair value of share options granted to directors and employees of the Group, determined at the date of grant of the share options, over the vesting period. Prior to the application of HKFRS 2, the Group did not recognise the financial effect of these share options until they were exercised. The Group has applied HKFRS 2 to share options granted on or after 1 April 2005 (see note 3 for the financial impact). In relation to share options granted before 1 April 2005, the Group chooses not to apply HKFRS 2 with respect to share options that had vested on or before 1 April 2005 in accordance with the relevant transitional provisions. During the year, the Company repriced its outstanding share options which were granted and vested before 1 April 2005 by a reduction of their exercise price. The directors, after taking professional advice, considered that the modification did not result in an increase in fair value of the share options. Accordingly, no adjustment for the current and prior years has been required.

Business combinations

HKFRS 3 “Business Combinations” is effective for business combinations for which the agreement date is on or after 1 January 2005. The Group has not entered into any agreement between the period from 1 January 2005 to 31 March 2005. On 1 April 2005, the Group has applied the transitional provisions of HKFRS 3. The principal effects of the application of HKFRS 3 to the Group are summarised below:

Goodwill

In previous periods, goodwill arising on acquisitions before 1 April 2005 was capitalised and amortised over its estimated useful life. In the current year, the Group has applied the relevant transitional provisions in HKFRS 3. On 1 April 2005, the Group has eliminated the related accumulated amortisation of HK\$116,285,000 against the cost of such goodwill in the consolidated balance sheet (see note 21). The Group has also discontinued amortising such goodwill from 1 April 2005 onwards and such goodwill will be tested for impairment at least annually. Goodwill arising on acquisitions after 1 January 2005 is measured at cost less accumulated impairment losses (if any) after initial recognition. As a result of this change in accounting policy, no amortisation of goodwill has been charged in the current year (see note 3 for the financial impact). Comparative figures have not been restated.

2. 應用香港財務報告準則－續

以股份支付之款項

於本年度內，本集團已採納香港財務報告準則第2號「以股份支付之款項」，該準則規定本集團以股份或股權換購貨品或換取服務（「股本結算交易」）時，均須確認為開支。香港財務報告準則第2號對本集團之主要影響為授予本集團董事及僱員之購股權在授出當日決定其公平價值，並於歸屬期內列作開支。於採納香港財務報告準則第2號前，本集團只有在購股權獲行使時才確認其財務影響。本集團採納之香港財務報告準則第2號適用於二零零五年四月一日或之後授出之購股權（財務影響見附註3）。有關於二零零五年四月一日之前授出之購股權，根據相關過渡性條文，本集團選擇不就於二零零五年四月一日或之前授出之購股權及其權益歸屬期乃於二零零五年四月一日前之購股權採納香港財務報告準則第2號。年內本公司已重新釐定已授出並於二零零五年四月一日前歸屬之未行使購股權之價格，方法為削減其行使價。董事聽取專業意見後認為，該轉變不會造成購股權之公平價值增加。故此無須對現年或往年賬目作出調整。

業務合併

香港財務報告準則第3號「業務合併」適用於協議日期為二零零五年一月一日或以後之業務合併。本集團於二零零五年一月一日至二零零五年三月三十一日期間並無訂立任何協議。於二零零五年四月一日，本集團已採用香港財務報告準則第3號之相關過渡性條文。應用香港財務報告準則第3號對本集團之主要影響概述如下：

商譽

於以往期間，因於二零零五年四月一日前進行收購而產生之商譽於其估計可使用年內資本化及攤銷。於本年度，本集團已採用香港財務報告準則第3號之相關過渡性條文。本集團於二零零五年四月一日將相關累計攤銷116,285,000港元以列入綜合資產負債表之相應商譽成本抵銷（見附註21）。本集團亦由二零零五年四月一日起停止攤銷該商譽，以及最低限度每年對商譽進行一次減值測試。因於二零零五年一月一日後進行收購而產生之商譽於初次確認後乃按成本減累計減值虧損（如有）估量。由於會計政策之變動，本年度並無計入任何商譽攤銷（財務影響見附註3）。比較數字並無予以重列。

2. Application of Hong Kong Financial Reporting Standards – continued

Business combinations – continued

Excess of the Group's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost (previously known as "negative goodwill")

In accordance with HKFRS 3, any excess of the Group's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over the cost of acquisition ("discount on acquisition") is recognised immediately in profit or loss in the period in which the acquisition takes place. Accordingly, discount on acquisition of additional interest in subsidiaries has been recognised in the consolidated income statement for the current year (see note 3 for the financial impact).

Leasehold interest in land use rights

In previous periods, owner-occupied leasehold land and buildings were included in property, plant and equipment and measured using the cost model. In the current year, the Group has applied HKAS 17 "Leases". Under HKAS 17, the land and buildings elements of a lease of land and buildings are considered separately for the purposes of lease classification, unless the lease payments cannot be allocated reliably between the land and buildings elements, in which case, the entire lease is generally treated as a finance lease. To the extent that the allocation of the lease payments between the land and buildings elements can be made reliably, the leasehold interests in land are reclassified to "prepaid lease payments" under operating leases, which are carried at cost and amortised over the lease term on a straight-line basis. This change in accounting policy has been applied retrospectively (see note 3 for the financial impact).

Investment properties

In the current year, the Group has applied HKAS 40 "Investment Property" and has elected to use the fair value model to account for its investment properties which requires gains or losses arising from changes in the fair value of investment properties to be recognised directly in profit or loss for the period in which they arise. In previous periods, investment properties under Statement of Standard Accounting Practice ("SSAP") 13 "Accounting for Investment Properties" were measured at open market values, with revaluation surplus or deficit credited or charged to investment property revaluation reserve unless the balance on this reserve was insufficient to cover a revaluation decrease, in which case the excess of the revaluation decrease over the balance on the investment property revaluation reserve was charged to the income statement. Where a decrease had previously been charged to the income statement and a revaluation increase subsequently arose, that increase was credited to the income statement to the extent of the decrease previously charged. The adoption of HKAS 40 has had no material effect on the results for the current or prior periods. Accordingly, no prior period adjustment has been required.

2. 應用香港財務報告準則 – 續

業務合併 – 續

本集團攤佔被收購公司的可識別資產、負債及或然負債公平價值淨值的權益超出成本的差額(前稱「負商譽」)

根據香港財務報告準則第3號，本集團攤佔被收購公司的可識別資產、負債及或然負債公平價值淨值的權益超出收購成本的差額(「收購折讓」)，於進行收購的期間即時於損益中確認。故此，收購附屬公司額外權益已於本年度之綜合收益表中確認(財務影響見附註3)。

土地使用權之租賃權益

於以往期間，業主自用之租賃土地及樓宇均計入物業、機械及設備，並以成本模式估量。於本年度，本集團已應用香港會計準則第17號「租賃」。根據香港會計準則第17號，土地及樓宇租賃之土地及樓宇部份應視乎租賃分類而獨立入賬，惟租賃款項若未能可靠地於土地及樓宇部份之間作出分配，則於此情況下整份租賃一概視為融資租賃。若租賃款項能可靠地於土地及樓宇部份之間作出分配，則於土地之租賃權益應重新分類為經營租約下之「預付租賃土地款項」，並以成本入賬及按直線法於租賃期攤銷。此項會計政策變動已作出追溯應用(財務影響見附註3)。

投資物業

於本年度，本集團採用香港會計準則第40號「投資物業」，並已選擇採用公平價值模式處理其投資物業，據此須將投資物業公平價值變動產生之損益，直接在其所產生之期間於損益賬內確認。於以往期間，在會計實務準則第13號「投資物業之會計處理方法」下之投資物業乃按公開市值估量，而重估盈餘或虧絀計入或在投資物業重估儲備內扣除，除非此一儲備剩下之餘額不足以抵銷重估減值，在此情況下重估減值超出投資物業重估儲備餘額之部份在收益表內扣除。倘以往曾在收益表內扣除之減值惟其後出現重估升值，則以之前已扣除之減值為限將進賬計入收益表。採用香港會計準則第40號對本期間或以往期間之業績並無任何重大影響。因此，毋須作出任何往期調整。

2. Application of Hong Kong Financial Reporting Standards – continued

Financial instruments

In the current year, the Group has applied HKAS 32 “Financial Instruments: Disclosure and Presentation” and HKAS 39 “Financial Instruments: Recognition and Measurement”. HKAS 32 requires retrospective application. HKAS 39, which is effective for accounting periods beginning on or after 1 January 2005, generally does not permit the recognition, derecognition or measurement of financial assets and liabilities on a retrospective basis. The application of HKAS 32 has had no material impact on how financial instruments of the Group are presented for current and prior accounting years. The principal effects resulting from the implementation of HKAS 39 are summarised below:

Classification and measurement of debt and equity securities

By 31 March 2005, the Group classified and measured its investments in debt and equity securities in accordance with the benchmark treatment of SSAP 24 “Accounting for Investments in Securities”. Under SSAP 24, the Group’s investments in debt and equity securities are classified as “investment securities” or “other investments” as appropriate. “Investment securities” are carried at cost less impairment losses (if any) while “other investments” are measured at fair value, with unrealised gains or losses included in the profit or loss. From 1 April 2005 onwards, the Group has applied the relevant transitional provisions in HKAS 39 to classify and measure its investments in debt and equity securities. Under HKAS 39, the Group’s investments in debt and equity securities are classified as “financial assets at fair value through profit or loss” or “available-for-sale financial assets”. “Financial assets at fair value through profit or loss” and “available-for-sale financial assets” are carried at fair value, with changes in fair values recognised in income statement and equity, respectively. On 1 April 2005, the Group’s investment securities with carrying amount of HK\$1,778,000 was reclassified to available-for-sale investments and was remeasured at fair value with an increase in fair value of HK\$1,521,000 made to the Group’s investment revaluation reserve at 1 April 2005, which will be released to the consolidated income statement upon disposal or impairment of the relevant available-for-sale investments (see note 3 for the financial impact).

2. 應用香港財務報告準則－續

金融工具

於本年度，本集團已採用香港會計準則第32號「金融工具：披露及呈列」及香港會計準則第39號「金融工具：確認及估量」。香港會計準則第32號要求追溯應用。於二零零五年一月一日或以後開始之會計期間生效之香港會計準則第39號，一般不允許按追溯基準確認、不予確認或估量金融資產及負債。應用香港會計準則第32號對本集團於本期間或以往會計年度業績之呈報方式並無重大影響。估量採納香港會計準則第39號所導致之主要影響概述如下：

債務及股本證券之分類及估量

到二零零五年三月三十一日，本集團根據會計實務準則第24號「證券投資之會計處理方法」（「會計實務準則第24號」）之標準處理方法將其債務及股本證券投資分類及估量。根據會計實務準則第24號，股本證券投資分類為「投資證券」或「其他投資」（如適用）。「投資證券」乃按成本扣除減值虧損（如有）列賬，而「其他投資」則按公平價值估量，未變現收益或虧損列入損益賬。由二零零五年四月一日起，本集團已應用香港會計準則第39號之相關過度性條文將其債務及股本證券投資分類及估量。根據香港會計準則第39號，本集團之債務及股本證券投資乃分類為「按公平價值誌入損益賬之金融資產」或「可供出售之金融資產」。「按公平價值誌入損益賬之金融資產」及「可供出售之金融資產」乃按公平價值列賬，公平價值之變動分別於收益表及權益中確認。於二零零五年四月一日，本集團賬面值1,778,000港元之投資證券重新分類為可供出售投資，並按公平價值重新估量，公平價值之增加1,521,000港元計入本集團於二零零五年四月一日之投資重估儲備，將於相關可供出售投資出售或減值時撥入綜合收益表（財務影響見附註3）。

2. Application of Hong Kong Financial Reporting Standards – continued

Financial instruments – continued

Derivatives

From 1 April 2005 onwards, all derivatives that are within the scope of HKAS 39 are required to be carried at fair value at each balance sheet date regardless of whether they are deemed as held for trading or designated as effective hedging instruments. Under HKAS 39, derivatives (including embedded derivatives separately accounted for from the non-derivative host contracts) are deemed as held-for-trading financial assets or financial liabilities, unless they qualify and are designated as effective hedging instruments. For derivatives that are deemed as held for trading, changes in fair values of such derivatives are recognised in profit or loss for the period in which they arise.

By 31 March 2004, the Group did not recognise the fair value of option to acquire additional interest in subsidiaries on the consolidated balance sheet. From 1 April 2005 onwards, the Group has applied the relevant transitional provisions in HKAS 39. As a result, the option to acquire additional interest in subsidiaries has been measured at fair value with a corresponding increase in the Group's accumulated profits at 1 April 2005 (see note 3 for the financial impact). Comparative figures have not been restated.

Financial assets and financial liabilities other than debt and equity securities

From 1 April 2005 onwards, the Group classifies and measures its financial assets and financial liabilities other than investments in debt and equity securities (which were previously outside the scope of SSAP 24) in accordance with the requirements of HKAS 39. Under HKAS 39, financial assets are classified as "financial assets at fair value through profit or loss", "available-for-sale financial assets", "loans and receivables" or "held-to-maturity financial assets". Financial liabilities are generally classified as "financial liabilities at fair value through profit or loss" or "other financial liabilities". "Other financial liabilities" are carried at amortised cost using the effective interest method after initial recognition. The adoption of HKAS 39 has had no material effect on the Group's financial assets and financial liabilities other than debts and equity securities and derivatives.

2. 應用香港財務報告準則 – 續

金融工具 – 續

衍生工具

自二零零五年四月一日開始，屬於香港會計準則第39條範圍內之所有衍生工具，不論是持作買賣用途或指定用作有效對沖工具者，均須於每個年結日以公平價值列賬。根據香港會計準則第39條，衍生工具(包括與非衍生主體合約分開列賬之嵌入式衍生工具)，均視為持有作買賣用途之金融資產或金融負債，惟合資格並指定用作有效對沖工具者除外。對於視為持有作買賣用途之衍生工具，公平價值之變動於出現時之會計期間於損益賬內確認。

到二零零四年三月三十一日，本集團並無於綜合資產負債表確認可收購附屬公司額外權益之期權之公平價值。由二零零五年四月一日起，本集團應用香港會計準則第39條之相應過渡性條文。故此，收購附屬公司額外權益之期權之公平價值已按公平價值相應增加本集團於二零零五年四月一日之累計溢利(財務影響見附註3)。比較數字並無予以重列。

除債務及股本證券以外之金融資產及金融負債由二零零五年四月一日起，本集團根據香港會計準則第39號之規定，對除債務及股本證券以外之金融資產及金融負債(以往不在會計實務準則第24號之範圍內)進行分類及估量。根據香港會計準則第39號，金融資產乃分類為「按公平價值誌入損益賬之金融資產」、「可供出售之金融資產」、「貸款及應收款項」或「持有至到期之金融資產」。金融負債一般分類為「按公平價值誌入損益賬之金融負債」或「其他金融負債」。「其他金融負債」乃於初始確認後按使用實際利率法計算之已攤銷成本列賬。採用香港會計準則第39號除影響債務及股本證券及衍生工具外，對本集團之金融資產及金融負債並無重大影響。

3. Summary of the Effects of the Changes in Accounting Policies

The financial effects of the changes in accounting policies described above are summarised as follows:

(a) Effects on the results for the current and prior years:

		2006 HK\$'000 千港元	2005 HK\$'000 千港元
Non-amortisation of goodwill	不攤銷商譽	7,424	-
Recognition of discount on acquisition of additional interest in subsidiaries	確認增購附屬公司權益之折讓	8,461	-
Recognition of share-based payment as expense	確認以股份支付之款項為費用	(5,082)	-
Decrease in share of results of associates	攤佔聯營公司業績減少	(14,264)	(937)
Increase in fair value of derivative financial instruments	衍生工具之公平價值增加	41,060	-
Increase (decrease) in profit for the year	年度溢利增加(減少)	37,599	(937)

Analysis by line items presented according to their function:

按以功能呈列之列賬項目所作分析：

		2006 HK\$'000 千港元	2005 HK\$'000 千港元
Decrease in administrative expenses	行政費用減少	2,342	-
Increase in discount on acquisition of additional interest in subsidiaries	增購附屬公司權益之折讓增加	8,461	-
Increase in fair value of derivative financial instruments	衍生金融工具之公平價值增加	41,060	-
Decrease in share of results of associates	攤佔聯營公司業績減少	(14,264)	(937)
Increase (decrease) in profit for the year	年度溢利增加(減少)	37,599	(937)

In addition to the above, the share of tax of associates and jointly controlled entities has been reclassified and included in share of results of associates and jointly controlled entities, respectively. The effects by line items are as follows:

除上述者外，攤佔聯營公司及共同控制機構之稅項已予重新分類，並已分別列入攤佔聯營公司及共同控制機構業績。按列賬項目界定之影響如下：

		2006 HK\$'000 千港元	2005 HK\$'000 千港元
Increase (decrease) in share of results of associates	攤佔聯營公司業績增加(減少)	1,440	(35,413)
Decrease in share of results of jointly controlled entities	攤佔共同控制機構業績減少	-	(171)
(Increase) decrease in taxation	稅項(增加)減少	(1,440)	35,584
		-	-

3. Summary of the Effects of the Changes in Accounting Policies – continued

(b) Effects on the balance sheet as at 31 March 2005 and 1 April 2005:

	As at 31.3.2005	Effect of HKAS 17	Share of effect of changes in accounting policies on an associate 攤佔	As at 31.3.2005	Effect of HKAS 39	Share of effect of changes in accounting policies on an associate 攤佔會計政策 更改對	As at 1.4.2005
	於 31.3.2005	香港會計 準則第17號 之影響	聯營公司 會計政策 更改之影響	於 31.3.2005	香港會計 準則第39號 之影響	聯營公司 攤佔會計政策 更改對 之影響	於 1.4.2005
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元	千港元
	(originally stated)		(Note)	(restated)		(Note)	(restated)
	(原先列賬)		(附註)	(重新列賬)		(附註)	(重新列賬)
Effects on assets and liabilities:							
對資產及負債之影響：							
Property, plant and equipment	372,044	(134,766)	-	237,278	-	-	237,278
物業、機械及設備							
Prepaid land lease payments							
預付土地租賃款項							
- non-current	-	131,576	-	131,576	-	-	131,576
- 非流動							
- current	-	3,190	-	3,190	-	-	3,190
- 流動							
Interests in associates	382,146	-	(937)	381,209	-	27,363	408,572
聯營公司權益							
Investments in securities							
證券投資							
- non-current	1,778	-	-	1,778	(1,778)	-	-
- 非流動							
- current	173,284	-	-	173,284	(173,284)	-	-
- 流動							
Available-for-sale investments	-	-	-	-	3,299	-	3,299
可供出售投資							
Investments held for trading	-	-	-	-	173,284	-	173,284
持作買賣投資							
Derivative financial instrument	-	-	-	-	20,792	-	20,792
衍生金融工具							
	929,252	-	(937)	928,315	22,313	27,363	977,991
Effects on equity:							
對權益之影響：							
Investment revaluation reserve	-	-	-	-	991	-	991
投資重估儲備							
Accumulated profits	253,898	-	(937)	252,961	20,792	27,363	301,116
累計溢利							
Minority interests	535,895	-	-	535,895	530	-	536,425
少數股東權益							
	789,793	-	(937)	788,856	22,313	27,363	838,532

Note:

The share of effect of changes in accounting policies arose from the adoption of INT 2 "The Appropriate Accounting Policies for Hotel Properties", HKAS 39 "Financial Instruments: Recognition and Measurement" and HKFRS 3 "Business Combinations" by the Group's associate.

附註：

攤佔會計政策更改之影響乃因本集團之聯營公司採納詮釋第2號「酒店物業之適當會計政策」、香港會計準則第39號「金融工具：確認及估量」及香港財務報告準則第3號「業務合併」而產生。

3. Summary of the Effects of the Changes in Accounting Policies – continued

The Group has not early applied the following new standards, amendments and interpretations that have been issued but not yet effective and are pertinent to the operation of the Group.

The directors of the Company anticipate that the application of these standards, amendments and interpretations will have no material impact on the financial statements of the Group except for HKAS 39 and HKFRS 4 (Amendments) “Financial Guarantee Contracts” which require all financial guarantee contracts to be initially measured at fair value. The directors consider the impact resulting from this amendment cannot be reasonably estimated as at the balance sheet date.

HKAS 1 (Amendment)	Capital disclosures ¹
HKAS 19 (Amendment)	Actuarial gains and losses, group plans and disclosures ²
HKAS 21 (Amendment)	Net investment in a foreign operation ²
HKAS 39 (Amendment)	Cash flow hedge accounting of forecast intragroup transactions ²
HKAS 39 (Amendment)	The fair value option ²
HKAS 39 & HKFRS 4 (Amendments)	Financial guarantee contracts ²
HKFRS 6	Exploration for and evaluation of mineral resources ²
HKFRS 7	Financial instruments: Disclosures ¹
HK(IFRIC) – INT 4	Determining whether an arrangement contains a lease ²
HK(IFRIC) – INT 5	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds ²
HK(IFRIC) – INT 6	Liabilities arising from participating in a specific market, waste electrical and electronic equipment ³
HK(IFRIC) – INT 7	Applying the restatement approach under HKAS 29 Financial Reporting in Hyperinflationary Economies ⁴
HK(IFRIC) – INT 8	Scope of HKFRS 2 ⁵
HK(IFRIC) – INT 9	Reassessment of embedded derivatives ⁶

¹ Effective for annual periods beginning on or after 1 January 2007.

² Effective for annual periods beginning on or after 1 January 2006.

³ Effective for annual periods beginning on or after 1 December 2005.

⁴ Effective for annual periods beginning on or after 1 March 2006.

⁵ Effective for annual periods beginning on or after 1 May 2006.

⁶ Effective for annual periods beginning on or after 1 June 2006.

3. 會計政策更改之影響概要 – 續

本集團並無提早應用下列已頒佈惟尚未生效而與本集團業務有關之新準則、修訂及詮釋。

本公司董事估計，應用該等新準則、修訂及詮釋不會對本集團財務報表有任何重大影響，惟香港會計準則第39號及香港財務報告準則第4號（經修訂）「財務擔保合同」規定所有財務擔保合同須初步按公平價值估量。董事認為，因此項修訂所致之影響未能於結算日時作合理推測。

香港會計準則第1號 （經修訂）	資本披露 ¹
香港會計準則第19號 （經修訂）	精算收益及虧損、集團計劃及披露 ²
香港會計準則第21號 （經修訂）	外國業務之淨投資 ²
香港會計準則第39號 （經修訂）	預測集團內部交易之現金流量對沖會計處理 ²
香港會計準則第39號 （經修訂）	公平價值期權 ²
香港會計準則第39號及 香港財務報告準則第4號 （經修訂）	財務擔保合同 ²
香港財務報告準則第6號	礦產資源之勘探及評估 ²
香港財務報告準則第7號 香港（國際詮釋委員會） — 詮釋第4號	金融工具：披露 ¹ 釐定安排是否包括租賃 ²
香港（國際詮釋委員會） — 詮釋第5號	解除運作、復原及環境修復基金所產生權益之權利 ²
香港（國際詮釋委員會） — 詮釋第6號	參與特定市場一廢棄電力及電子設備產生之負債 ³
香港（國際詮釋委員會） — 詮釋第7號	採用根據香港會計準則第29號惡性通脹經濟財務申報之重列處理法 ⁴
香港（國際詮釋委員會） — 詮釋第8號	香港財務報告準則第2號之範疇 ⁵
香港（國際詮釋委員會） — 詮釋第9號	重新評估嵌入式衍生工具 ⁶

¹ 由二零零七年一月一日或以後開始之全年期間有效。

² 由二零零六年一月一日或以後開始之全年期間有效。

³ 由二零零五年十二月一日或以後開始之全年期間有效。

⁴ 由二零零六年三月一日或以後開始之全年期間有效。

⁵ 由二零零六年五月一日或以後開始之全年期間有效。

⁶ 由二零零六年六月一日或以後開始之全年期間有效。

4. Significant Accounting Policies

The consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments and investment properties which are measured at fair values as explained in the accounting policies set out below.

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange and by the Hong Kong Companies Ordinance.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to 31 March each year.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by other members of the Group.

All significant intra-group transactions, balances, income and expenses have been eliminated on consolidation.

Minority interests in the net assets of consolidated subsidiaries are presented separately from the Group's equity therein. Minority interests in the net assets consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

4. 主要會計政策

除若干金融工具及投資物業乃按下文所述之會計政策按公平價值估量外，綜合財務報表乃根據歷史成本法編製。

綜合財務報表乃根據香港會計師公會頒佈之香港會計準則編製。另外，綜合財務報表內已包括香港聯交所證券上市規則及香港公司條例所規定之適用披露。

綜合基準

綜合財務報表包括本公司及其附屬公司截至每年三月三十一日之財務報表。

年內收購或出售附屬公司之業績乃由實際收購日期起或至實際出售日期止（視情況而定）計入綜合收益表中。

有需要時，附屬公司之財務報表將予以調整，以將其會計政策與本集團其他成員公司一致。

所有集團內公司間之主要交易及結餘在綜合財務報表時均予以對銷。

於綜合附屬公司資產淨值之少數股東權益與本集團於其之權益分別呈列。於資產淨值之少數股東權益包括於原有業務合併日期之該等權益金額，以及自合併日期以來之少數股東所佔之權益變動。少數股東適用之虧損超出於附屬公司權益之少數股東權益之金額乃分配至本集團之權益，惟須以少數股東有約束力之責任並可作出額外投資以填補虧損之情況為限。

4. Significant Accounting Policies – continued

Goodwill

Goodwill arising on acquisitions prior to 1 January 2005

Goodwill arising on acquisition of a subsidiary or an associate for which the agreement date is before 1 January 2005 represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of the relevant subsidiary or associate at the date of acquisition. Such goodwill was capitalised and amortised on a straight line basis over its estimated useful life in previous periods. In the current year, the Group has discontinued amortising such goodwill from 1 April 2005 onwards, and goodwill is tested for impairment at least annually, and whenever there is an indication that the cash generating unit to which the goodwill relates may be impaired.

Goodwill arising on acquisitions on or after 1 January 2005

Goodwill arising on acquisitions of a subsidiary or an associate for which the agreement date is on or after 1 January 2005 represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of the relevant subsidiary or associate at the date of acquisition. Such goodwill is carried at cost less any identified impairment loss.

Impairment

For the purposes of impairment testing, goodwill arising from an acquisition is allocated to each of the relevant cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the acquisition. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, and whenever there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a financial year, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the consolidated income statement. An impairment loss for goodwill is not reversed in subsequent periods.

Capitalised goodwill arising on an acquisition of a subsidiary is presented separately in the balance sheet. Capitalised goodwill arising on an acquisition of an associate which is accounted for using the equity method is included in the cost of the investment of the associate.

4. 主要會計政策 – 續

商譽

二零零五年一月一日前之收購所產生之商譽

收購附屬公司或聯營公司(協議日期為於二零零五年一月一日前)而產生之商譽乃指收購成本超逾本集團於收購當日應佔相關附屬公司或聯營公司之可識別資產、負債及或然負債之公平價值之權益差額。該商譽乃就其往期之估計可使用年期以直線法資本化及攤銷。於本年度，本集團由二零零五年四月一日起停止攤銷該商譽，以及最低限度每年對商譽進行一次減值測試，並當有關創現單位之商譽出現減值跡像之時進行減值評估。

二零零五年一月一日或以後之收購所產生之商譽

收購附屬公司或聯營公司(協議日期為於二零零五年一月一日或之後)而產生之商譽，指收購成本超逾本集團於收購當日應佔相關附屬公司或聯營公司之可識別資產、負債及或然負債之公平價值權益之差額。該商譽乃按成本減任何已識別減值虧損列賬。

減值

就減值測試而言，收購所產生之商譽乃被分配到各預期可從收購之協同效應中受惠之有關創現單位或創現單位組別。並對已獲撥入商譽之創現單位每年或有跡象顯示該單位有可能出現減值時進行減值測試。就其於一財政年度收購產生之商譽而言，已獲撥入商譽之創現單位於該財政年度結束前進行減值測試。當創現單位之可收回金額低於該單位之賬面值，則減值虧損首先被分配至削減任何商譽之賬面值，其後以每單位內每一資產為基準按比例分配至該單位之其他資產。商譽之任何減值虧損直接於綜合收益表確認。商譽之任何減值虧損於其後期間不予撥回。

收購附屬公司產生之資本化商譽另行於資產負債表列賬。收購聯營公司產生之資本化商譽(以權益法列賬)列入聯營公司之投資成本。

4. Significant Accounting Policies – continued

Goodwill – continued

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

Discount on acquisition

A discount on acquisition arising on an acquisition of a subsidiary for which an agreement date is on or after 1 January 2005 represents the excess of the net fair value of an acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the business combination. Discount on acquisition is recognised immediately in profit or loss.

Property, plant and equipment

Property, plant and equipment are stated at cost less depreciation and any identified impairment loss.

Depreciation is provided to write off the cost of items of property, plant and equipment over their estimated useful lives using the straight line method.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the income statement in the year in which the item is derecognised.

Investment properties

On initial recognition, investment properties are measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured using the fair value model. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the year in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use or no future economic benefit is expected from its disposals. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement in the year in which the item is derecognised.

4. 主要會計政策－續

商譽－續

其後出售附屬公司或聯營公司，已資本化之商譽之應佔金額乃計入釐定出售之損益。

收購折讓

收購附屬公司(協議日期為二零零五年一月一日或之後)產生之收購折讓，指被收購公司之可識別資產、負債及或然負債之公平價值淨值超出業務合併成本之部分。收購折讓即時於損益賬內確認。

物業、機械及設備

物業、機械及設備按成本減折舊及已識別減值虧損列賬。

物業、機械及設備按其估計可使用年期以直線法折舊以撇銷其成本。

物業、機械及設備於出售或預期繼續使用該資產時並無未來經濟利益時終止確認。因終止確認資產而產生的損益(按該項目之出售所得款項淨額與其賬面值之差額計算)於終止確認該項目當年之收益表內確認。

投資物業

投資物業於初始確認時乃按成本(包括直接招致之支出)估量。初始確認後，投資物業乃按公平價值模式估量。投資物業公平價值變動產生之損益，在其所產生之年度於損益賬內確認。

投資物業於出售時或投資物業長期被提取使用或預期其出售並不會帶來任何未來經濟效益，便會被終止確認。任何因資產被終止確認(按資產之出售所得款項淨額與其賬面值之差額計算)而產生之任何損益均於該項目被終止確認當年之收益表內列賬。

4. Significant Accounting Policies – continued

Project under development

Project under development which is held for future sale is stated at the lower of cost and net realisable value. Cost includes the cost of land/sea area use rights, development expenditure, borrowing costs capitalised and other attributable expenses.

Prepaid land lease payments

The up-front payments to acquire leasehold interest in land or sea are accounted for as operating leases and are stated at cost and amortised over the lease term on a straight line basis.

Investments in subsidiaries

Investments in subsidiaries are included in the Company's balance sheet at cost less any identified impairment loss.

Interests in associates

The results and assets and liabilities of associates are incorporated in the consolidated financial statements using the equity method of accounting. Under the equity method, investments in associates are carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in the Group's share of the profit or loss and of changes in equity of the associates, less any identified impairment loss. When the Group's share of losses of an associate equals or exceeds its interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. An additional share of losses is provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate.

Where a group entity transacts with an associate of the Group, unrealised profits and losses are eliminated to the extent of the Group's interest in the relevant associate, except to the extent that unrealised losses provide evidence of an impairment of the asset transferred, in which case, the full amount of losses is recognised.

Interests in jointly controlled entities

Joint venture arrangements that involve the establishment of a separate entity in which venturers have joint control over the economic activity of the entity are referred to as jointly controlled entities.

4. 主要會計政策 – 續

發展中項目

持作未來出售之發展中項目乃按成本及可變現淨值兩者中較低者列賬。成本包括土地／海域使用權、開發支出、資本化借貸成本及其他應佔開支。

預付土地租賃款項

用作收購土地或海域之租賃權益之預付款項乃列作經營租約，並以成本入賬及按直線法於租賃期攤銷。

附屬公司投資

於附屬公司之投資按成本減任何已識別之減值虧損計入本公司之資產負債表。

聯營公司權益

聯營公司之業績及資產及負債均採用權益會計法計入綜合財務報表。根據權益法，於聯營公司之投資乃按成本值於綜合資產負債表列賬，並就本集團應佔聯營公司損益及權益變動(扣除任何已識別之減值虧損)之收購後變動作出調整。如本集團之應佔聯營公司虧損相等於或超過其於聯營公司之權益(包括實質上構成本集團於聯營公司淨投資之任何長期權益)，則本集團終止確認其應佔之進一步虧損。如本集團已產生法定或推定責任或代表聯營公司支付款項，則就額外應佔虧損作出撥備及確認負債。

倘集團實體與本集團之聯營公司進行交易，則損益將以本集團於相關聯營公司之權益為限進行對銷，惟倘未變現虧損證明所轉讓資產出現減值時，則須全額確認虧損。

共同控制機構權益

共同控制機構指以合資安排另行成立之獨立機構，其合資方於該等機構之經濟活動擁有共同控制權。

4. Significant Accounting Policies – continued

Interests in jointly controlled entities – continued

The results and assets and liabilities of jointly controlled entities are incorporated in the consolidated financial statements using the equity method of accounting. Under the equity method, investments in jointly controlled entities are carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in the Group's share of the profit or loss and of changes in equity of the jointly controlled entities, less any identified impairment loss. When the Group's share of losses of a jointly controlled entity equals or exceeds its interest in that jointly controlled entity (which includes any long-term interest that, in substance, form part of the Group's net investment in the jointly controlled entity), the Group discontinues recognising its share of further losses. An additional share of losses is provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that jointly controlled entity.

When a group entity transacts with a jointly controlled entity of the Group, unrealised profits or losses are eliminated to the extent of the Group's interest in the relevant jointly controlled entity, except to the extent that unrealised losses provide evidence of an impairment of the asset transferred, in which case, the full amount of losses is recognised.

Financial instruments

Financial assets and financial liabilities are recognised on the balance sheet when a group entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

4. 主要會計政策－續

共同控制機構權益－續

共同控制機構之業績、資產及負債乃以權益會計法列入綜合財務報表。根據權益法，於共同控制機構之投資乃按成本於綜合資產負債表中列賬，並就本集團分佔該共同控制機構的損益及權益變動的收購後變動作出調整，以及減去任何已識別的減值虧損。當本集團分佔某共同控制機構的虧損相等於或超出其於該共同控制機構的權益（其包括任何長期權益，而該長期權益實質上構成本集團於該共同控制機構之投資淨額的一部份），則本集團不再繼續確認其分佔之進一步虧損。額外分佔的虧損乃被撥備，而負債僅以本集團已產生法定或推定責任或代表該共同控制機構作出付款者為限被確認。

倘有集團實體與本集團的共同控制機構進行交易，未變現損益根據本集團於該有關共同控制機構的權益予以撇銷，惟倘未變現虧損證明所轉讓資產出現減值時，則須全額確認虧損。

金融工具

倘有集團實體訂立金融工具之合約，金融資產及金融負債即須於資產負債表內確認。金融資產及負債初步按公平價值估量。收購或發行金融資產和金融負債（按公平價值誌入收益表之金融資產及金融負債除外）直接應佔之交易成本，應於初步確認時加入或從金融資產或金融負債（如適用）之公平價值扣除。收購按公平價值誌入損益賬之金融資產或金融負債之直接應佔交易成本，即時於損益賬確認。

4. Significant Accounting Policies – continued

Financial instruments – continued

Financial assets

The Group's financial assets are classified as loans and receivables, financial assets at fair value through profit or loss, and available-for-sale financial assets. The accounting policies adopted are set out below:

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At each balance sheet date subsequent to initial recognition, loans and receivables (including bank deposits, bank balances, loans and interest receivables, deferred consideration receivable, debtors, amounts due from related companies/associates) are carried at amortised cost using the effective interest method, less any identified impairment loss. An impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. Impairment losses are reversed in subsequent periods when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss has two subcategories, including financial assets held for trading and those designated at fair value through profit or loss on initial recognition. At each balance sheet date subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value, with changes in fair value recognised directly in profit or loss in the period in which they arise.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as any of the other categories. At each balance sheet date subsequent to initial recognition, available-for-sale financial assets are measured at fair value. Changes in fair value are recognised in equity, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously recognised in equity is removed from equity and recognised in profit or loss. Any impairment losses on available-for-sale financial assets are recognised in profit or loss. Impairment losses on available-for-sale equity investments will not reverse in profit or loss in subsequent periods.

4. 主要會計政策 – 續

金融工具 – 續

金融資產

本集團之金融資產乃分類為「貸款及應收款項」、「按公平價值計入損益賬之金融資產」、及「可供出售之金融資產」。所採納之會計政策載列於下文：

貸款及應收款項

貸款及應收款項為於活躍市場並無報價而附帶固定或可釐定付款之非衍生金融資產。於首次確認後之各結算日，貸款及應收款項(包括銀行存款、銀行結存、應收貸款及利息、應收遞延代價、應收賬款、應收關連公司及聯營公司款項)採用實際利率法攤銷成本，並減任何已識別減值虧損列賬。倘有客觀證據顯示資產出現減值，則減值虧損會於損益賬確認，並按資產賬面值與按原實際利率貼現之估計未來現金流量現值之差額計算。倘資產可收回金額之增加能客觀地與確認減值後所發生之事件連繫，則減值虧損會於以後期間撥回，惟減值撥回當日之資產賬面值不得超過如無確認減值時之原來應攤銷成本。

按公平價值計入損益賬之金融資產

按公平價值計入損益賬之金融資產分為兩個子類，包括「持作買賣之金融資產」及「於初始確認時被指定為按公平價值計入損益賬之金融資產」。於初始確認後之每個結算日，按公平價值計入損益賬之金融資產以公平價值估量，其公平價值之變動於產生期間直接於損益賬內列賬。

可供出售金融資產

可供出售金融資產為非衍生項目，無論是否劃分為其他類別(載於上文)。於初始確認後之每個結算日，可供出售金融資產按公平價值計算。公平價值之變動於權益確認，直至該金融資產被出售或決定被減值，屆時過往於權益賬內確認之累計收入或虧損會自權益剔除，並於損益賬確認。可供出售金融資產之任何減值虧損於損益賬確認。可供出售之金融資產之減值虧損將不會於以後期間撥回。

4. Significant Accounting Policies – continued

Financial instruments – continued

Financial liabilities and equity

Financial liabilities and equity instruments issued by a group entity are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the group entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

The Group's financial liabilities (including creditors, amounts due to associates/jointly controlled entities/a minority shareholder, loan from minority shareholders, and bank and other borrowings) are measured at amortised cost, using the effective interest method, subsequent to initial recognition.

Derivative financial instruments

Derivative financial instruments are initially measured at fair value on the contract date, and are remeasured to fair value at subsequent reporting dates.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are deemed as financial assets/liabilities held for trading and are recognised in profit or loss as they arise.

Derivative embedded in other financial instruments or other non-financial host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contract and the host contract is not carried at fair value with unrealised gains or losses reported in profit or loss.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and the cumulative gain or loss that had been recognised directly in equity is recognised in profit or loss.

For financial liabilities, they are removed from the Group's balance sheet when, and only when, they are extinguished (i.e. when the obligation specified in the relevant contract is discharged, cancelled or expires). The difference between the carrying amount of the financial liability derecognised and the consideration paid or payable is recognised in profit or loss.

4. 主要會計政策－續

金融工具－續

金融負債及股本權益

由集團實體發行之金融負債及股本權益工具按所訂立之合約安排性質，以及金融負債及股本權益工具之定義而分類。

股本權益工具為帶有集團資產剩餘權益(經扣除其所有負債)之任何合約。本公司發行之股本權益工具乃按已收款項減直接發行成本記賬。

本集團之金融負債(包括應付賬款、應付聯營公司/共同控制機構/少數股東、少數股東貸款以及銀行及其他貸款)均按有效利率法於初始確認後以攤銷成本計算。

衍生金融工具

衍生金融工具初步按合約日期以公平價值入賬，並於其後之申報日期重新計算至公平價值。

不符合對沖會計法之衍生金融工具之公平價值變動均視作持作買賣金融資產/負債並於產生時在損益賬中確認。

倘衍生金融工具之風險及特徵與主合約並無關連，而主合約並非以公平價值入賬且未變現盈虧並非未錄入損益賬，列入其他金融工具或其他非金融工具之衍生金融工具則被當作獨立衍生金融工具。

終止確認

當自資產收取現金流量之權利已屆滿，或金融資產已轉讓及本集團已將其於金融資產擁有權之絕大部分風險及回報轉移，則金融資產將被終止確認。於終止確認金融資產時，資產賬面值與已收代價及已直接於權益確認之累計損益之總和之間差額，將於損益賬中確認。

至於金融負債，惟當其已告失效時(即當於有關合約所訂明責任獲解除、取消或屆滿時)才於本集團之資產負債表中終止確認。終止確認金融負債之賬面值與已付或應付代價之間差額於損益賬確認。

4. Significant Accounting Policies – continued

Other intangible assets

On initial recognition, other intangible assets acquired separately other than from business combinations are recognised at cost. After initial recognition, other intangible assets with indefinite useful lives are carried at cost less any identified impairment loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated income statement when the asset is derecognised.

Other intangible assets with indefinite useful lives are tested for impairment annually by comparing their carrying amounts with their recoverable amounts, irrespective of whether there is any indication that they may be impaired. If the recoverable amount of other intangible assets is estimated to be less than its carrying amount, the carrying amount of the other intangible assets is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

When an impairment loss subsequently reverses, the carrying amount of other intangible assets is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for that other intangible assets in prior years. A reversal of an impairment loss is recognised as income immediately.

Impairment (other than goodwill and intangible asset with indefinite lives)

At each balance sheet date, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as expenses immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

4. 主要會計政策 – 續

其他無形資產

於初始確認時，自業務合併以外途徑獨立購得之無形資產乃按成本確認。於初始確認後，其他具有有限使用年期之無形資產乃按成本減任何已識別減值虧損入賬。

因取消確認無形資產而產生之收益或虧損乃按出售所得款項淨額與有關資產之賬面值之差額估量，並於有關資產取消確認時在綜合收益表確認。

並無可用年期限期之無形資產每年進行減值測試，而不論是否出現任何減值跡象，方法為將其賬面值與可收回金額作比較。倘資產可收回金額估計低於其賬面值，則資產賬面值下調至其可收回金額。減值虧損即時確認為開支。

倘減值虧損於隨後撥回，則資產賬面值將增至經修訂之估計可收回金額，惟因此而增加之賬面值不可超過假設往年並無就該資產確認減值虧損而原應釐定之賬面值。減值虧損撥回即時確認為收入。

減值 (不包括商譽及無限可使用年期之無形資產)

於每一結算日，本集團審閱其資產之賬面值，以便確定是否有任何跡象顯示該等資產蒙受減值虧損。倘一項資產之可收回款額估計少於其賬面值，則該項資產之賬面值將撇減至其可收回款額。減值虧損即時確認為開支。

倘減值虧損隨後撥回，則該項資產之賬面值將增加至可收回款額之經修訂估計數額，惟增加後之賬面值不得超過倘於過往年度並無確認減值虧損所計算之賬面值。撥回之減值虧損即時確認為收入。

4. Significant Accounting Policies – continued

Construction contracts

When the outcome of a construction contract can be estimated reliably, contract costs are recognised as expenses by reference to the stage of completion of the contract activity at the balance sheet date on the same basis as contract revenue. When the outcome of a construction contract cannot be estimated reliably, contract costs are recognised as expenses in the period in which they are incurred. Provision is made for foreseeable losses as soon as they are anticipated by management.

Where contract costs incurred to date plus recognised profit less recognised loss exceed progress billings, the excess is shown as amount due from a customer for contract work. Where progress billings exceed contract costs incurred to date plus recognised profit less recognised loss, the excess is shown as amount due to a customer for contract work.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to profit or loss on a straight line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight line basis.

Revenue recognition

Revenue is recognised at the fair value of the consideration received or receivable.

Revenue from a construction contract is recognised on the percentage of completion method, measured by reference to the value of work certified during the year.

Project management service income and facilities management service income is recognised when services are provided.

Revenue from sale of properties is recognised upon the execution of a binding sales agreement.

Revenue from sale of securities is recognised when the sale contract becomes unconditional.

Rental income under operating leases is recognised on a straight line basis over the term of the relevant lease.

4. 主要會計政策－續

建築合約

倘建築合約之結果可確實地予以估計，則工程費用參考合約於結算日之完成階段（與工程收入之基準相同）確認為開支。倘建築合約之結果不可確實地予以估計，則工程費用在產生之期間確認為開支。倘管理層估計有可預見虧損，則會為此提撥準備。

倘現時之工程費用加經確認溢利減經確認虧損超出進度付款，則盈餘以應收客戶合約工程款項呈示。倘進度付款超出現時之工程費用加經確認溢利減經確認虧損，則盈餘以應付客戶合約工程款項呈示。

租約

倘租約條款將所有權絕大部份風險及收益轉讓予承租人，則租約被分類為融資租約。所有其他租約被分類為經營租約。

根據經營租約應付租金於有關租約年期按直線基準在損益賬扣除。訂立經營租約時已收及應收作為獎勵之利益，於租約年期按直線基準扣減租金開支。

收入確認

收入按已收取或應收取代價之公平價值估量確認。

來自建築合約之收入乃按竣工百分比方法，並參考年內已進行工程價值確認。

項目管理服務收入及設施管理服務收入於提供服務時確認。

銷售物業之收入於簽訂具約束力之銷售協議時確認。

銷售證券之收入乃於銷售合同成為無條件時確認。

經營租約租金收入按有關租約年期以直線法確認。

4. Significant Accounting Policies – continued

Revenue recognition – continued

Dividend income from investments is recognised when the Group's right to receive payment has been established.

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets i.e. assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

Retirement benefit costs

Payments to defined contribution retirement benefit schemes are charged as an expense or capitalised in contracts in progress, where appropriate, as they fall due.

Taxation

Taxation 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 items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

4. 主要會計政策 – 續

收入確認 – 續

投資之股息收入於本集團收取股息之權利確立時確認。

利息收入按時間比例基準，參照未償還本金金額及按實際利率計入，該利率乃剛好某項金融資產可以折現於預計年期之估計未來現金收益為該資產賬面淨值之利率。

借貸成本

與符合以下條件之資產(需一段頗長時間方可提供作擬定用途或銷售之資產)之收購、建築或生產直接有關之借貸成本，乃撥作該等資產之部份成本。於資產大致上可供作擬定用途或銷售後，該等借貸成本便不再撥作資本。特定借貸於撥作符合條件資產之支出前用作短暫投資所賺取之投資收入，會自撥作資本之借貸成本中扣除。

其他一切借貸成本在產生之期間內確認為開支。

退休福利成本

定額供款退休福利計劃之款額於到期支付時列作開支或撥作在建合約項目之資本(如適用)。

稅項

所得稅開支指現時應付稅項及遞延稅項。

現時應付稅項乃按本期間應課稅溢利計算。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收入或可扣稅開支項目，並且不包括永不需課稅或扣稅之項目。本集團之本期稅項負債乃按於結算日前已頒佈或實質頒佈之稅率計算。

4. Significant Accounting Policies – continued

Taxation – continued

Deferred tax is recognised 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 balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in 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 investments in subsidiaries, jointly controlled entities 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 in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in 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.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in its functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

4. 主要會計政策 – 續

稅項 – 續

遞延稅項乃按財務報表資產及負債賬面值及計算應課稅溢利相應稅基之差額確認，並以資產負債表負債法處理。遞延稅項負債通常會就所有應課稅臨時差額確認，而遞延稅項資產乃按可能出現可利用臨時差額扣稅之應課稅溢利時提撥。若於一項交易中，因商譽或因業務合併以外原因開始確認其他資產及負債而引致之臨時差額既不影響應課稅溢利，亦不影響會計溢利，則不會確認該等資產及負債。

遞延稅項負債乃按因於附屬公司、共同控制機構及聯營公司之投資而引致之應課稅臨時差額而確認，惟倘本集團可令臨時差額對沖及臨時差額有可能未必於可見將來對沖時則作別論。

遞延稅項資產的賬面值會於各結算日進行審閱及扣減，直至未來不可能有足夠的應課稅溢利令有關資產得以全部或部份回收。

遞延稅項乃按預期於負債清償或資產變現期間適用之稅率計算。遞延稅項於收益表中扣除或計入收益表。惟倘遞延稅項與直接在股本權益中扣除或計入股本權益之項目有關，則遞延稅項亦會於股本權益中處理。

外幣

編製集團旗下個別實體之財務報表時，以該實體之功能貨幣以外貨幣(外幣)進行之交易，按交易日期之適用匯率折算為其功能貨幣(即該實體經營業務所在主要經濟環境之貨幣)入賬。於各結算日，以外幣列值之貨幣項目按該結算日之適用匯率重新換算。按公平價值入賬之以外幣列值之非貨幣項目，按釐定其公平價值當日之適用匯率重新換算。按歷史成本估量之以外幣列值非貨幣項目不予重新換算。

4. Significant Accounting Policies – continued

Foreign currencies – continued

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise, except for exchange differences arising on a monetary item that forms part of the Group's net investment in a foreign operation, in which case, such exchange differences are recognised in equity in the consolidated financial statements. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity, in which cases, the exchange differences are also recognised directly in equity.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Company (i.e. Hong Kong dollars) at the rate of exchange prevailing at the balance sheet date, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised as a separate component of equity (the translation reserve). Such exchange differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

Share-based payment transactions

For share options granted to employees of the Group after 7 November 2002 and had not vested on 1 April 2005, the fair value of services received determined by reference to the fair value of share options granted at the grant date is expensed on a straight-line bases over the vesting period, with a corresponding increase in equity (share options reserve).

At the time when the share options are exercised, the amount previously recognised in share options reserve will be transferred to share premium. When the share options are forfeited after vesting date or are still not exercised at the expiry date, the amount previously recognised in share options reserve will be transferred to accumulated profits.

4. 主要會計政策 – 續

外幣 – 續

結算貨幣項目及換算貨幣項目所產生匯兌差額，於該等差額產生期間之損益賬內確認，惟因構成本集團於海外業務淨投資一部分之貨幣項目所產生匯兌差額除外，於此情況下，該等匯兌差額於綜合財務報表內權益確認。重新換算按公平價值入賬之非貨幣項目所產生匯兌差額計入期內損益，惟重新換算損益直接於權益確認之非貨幣項目所產生差額除外，於此情況下，匯兌差額亦直接於權益確認。

就綜合財務報表之呈列方式而言，本集團海外業務之資產與負債按於結算日適用之匯率換算為本公司之呈列貨幣(即港元)，而其收入及開支則按該年度之平均匯率換算，惟匯率於該期間大幅波動則除外，於此情況下，則按各交易日期適用之匯率換算。產生之匯兌差額(如有)確認為權益之獨立部分(匯兌儲備)。該等匯兌差額於出售海外業務期間之損益賬內確認。

以股份付款之交易

就二零零二年十一月七日後授予本集團僱員且未於二零零五年四月一日歸屬之購股權，所獲服務之公平價值乃參考購股權於授出日期之公平價值釐定，在權益歸屬期間以直線法列作開支，並於股本權益(即購股權儲備)作相應之增加。

購股權獲行使時，先前於購股權儲備中確認之款項將撥入股份溢價。當購股權於歸屬日期後被沒收或於屆滿日期仍未行使，先前於購股權儲備中確認之款項將撥入累計溢利。

5. Key Sources of Estimation Uncertainty

In the process of applying the Group's accounting policies, management has made various estimates based on past experiences, expectations of the future and other information. The key sources of estimation uncertainty that may significantly affect the amounts recognised in the financial statements in the next financial year are disclosed below:

(a) Estimated impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, a material impairment loss may arise. At 31 March 2006, the carrying amount of goodwill is HK\$61,646,000. Details of the recoverable amount calculation are set out in note 21.

(b) Deferred tax asset

At 31 March 2006, deferred tax asset in relation to unused tax losses of HK\$1,505,000,000 has not been recognised in the Group's balance sheet due to unpredictability of future profit streams. In cases where the actual future profits generated are more than expected, a material deferred tax credit would be recognised in the income statement in the period in which the tax losses are utilised.

(c) Construction contracts

The Group's profit or loss arising from construction contract is determined by reference to the latest available budgets of individual construction contract prepared by the Group based on management's best estimates and judgments. Provision is made for foreseeable losses as soon as they are anticipated by management.

5. 不確定估計之主要來源

應用本集團之會計政策時，管理層根據過往經驗、對未來之期望及其他資料作出多項估計。可能對在財務報表內確認之數額具重大影響之不確定估計之主要來源披露如下：

(a) 商譽之估計減值

釐定商譽是否需要減值，須估計獲分配商譽之創現單位之使用價值。計算使用價值時，本集團需要估計來自創現單位之未來現金流量以及適用之貼現率，從而計算其現值。若實際未來現金流量少於預期，可能會產生重大減值虧損。於二零零六年三月三十一日，商譽之賬面值為61,646,000港元。可收回款額之計算載於附註21。

(b) 遞延稅項資產

於二零零六年三月三十一日，由於未來溢利來源不可預測，涉及未動用稅務虧損之遞延稅項資產1,505,000,000港元並無於本集團資產負債表確認。如有所產生實際未來溢利高於預期之情況，重大遞延稅項抵免將於動用稅務虧損期間於收益表確認。

(c) 建築合約

本集團來自建築合約之損益乃參考本集團根據管理層之最佳估計及判斷編製之最新可取得個別建築合約而釐定。管理層預計到有可預見虧損時即會就此作出撥備。

6. Financial Instruments and Financial Risk Management Objectives and Policies

The Group's major financial instruments include bank deposits, bank balances and cash, debtors, loans and interest receivables, available-for-sale investments, investments held for trading, creditors, amounts due from (to) associates/related companies/jointly controlled entities/a minority shareholder, loan from minority shareholders, and bank and other borrowings. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below:

(a) Market risk

(i) Interest rate risk

The Group's bank borrowings are mainly floating rate borrowings based on the market rates and are therefore exposed to cash flow interest rate risk. The Group currently does not use interest rate swap to swap its borrowings from floating rates to fixed rates as the management believes that changes in the interest rate will not have a significant impact on the Group's financial position. However, management monitors closely the interest rate exposure and will consider using interest rate swap should the need arise.

(ii) Currency risk

Foreign currency risk is the risk that the value of a monetary item will fluctuate because of changes in foreign exchange rates. Certain receivables of the Group are denominated in foreign currencies such as Renminbi and Australian dollars which expose the Group to foreign currency risk. The Group currently does not have a foreign currency hedging policy. However, management monitors foreign currency exposure and will consider hedging significant foreign currency exposure should the need arise.

(iii) Other price risk

The Group is exposed to equity security price risk on its available-for-sale and held for trading investments. Management manages this exposure by maintaining a portfolio of investments with different risk profiles.

6. 金融工具及金融風險管理目標及政策

本集團之主要金融工具包括銀行存款、銀行結存及現金、應收賬款、應收貸款及利息、可供出售投資、持作買賣投資、應付賬款、應收(付)聯營公司/關連公司/應付共同控制機構/一少數股東款項、來自少數股東貸款及銀行與其他借款。上述金融工具所附帶之主要風險及減輕此等風險之政策載列如下：

(a) 市場風險

(i) 利率風險

本集團之銀行借貸主要為按市場利率計算之浮息借貸，故此須面對現金流利率風險。本集團目前並無利用掉期利率將其借貸由浮息變換為定息，因為管理層相信利率變動將不會對本集團財務狀況造成重大影響。然而，管理層會密切注視利率風險，並會於必要時考慮利用利率掉期。

(ii) 貨幣風險

外幣風險指貨幣項目價值將因匯率變動而波動之風險。本集團若干應收款乃以人民幣及澳元等外幣計值，使本集團須面對外幣風險。本集團目前並無外幣對沖政策。然而，管理層會密切注視外幣風險，並會於必要時考慮對沖外幣風險。

(iii) 其他價格風險

本集團因其可供出售及持作買賣投資而有股本權益證券之價格風險。管理層乃透過持有風險特性各異之投資組合來管控此種風險。

6. Financial Instruments and Financial Risk Management Objectives and Policies – continued

(b) Credit risk

The Group's principal financial assets are bank deposits and bank balances, trade debtors, and amounts due from related companies/associates.

The credit risk on bank deposits and bank balances is limited because the counterparties are banks with good reputation.

The Group's maximum exposure to credit risk in the event of the counterparties' failure to perform their obligations in relation to each class of financial assets is the carrying amount as stated in the consolidated balance sheet. In order to minimise the credit risk, management had delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews regularly the recoverable amount of each individual trade debtors and the amounts due from related companies and associates to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

Due to the fact that there are only a few major property developers in Hong Kong, the Group has significant concentration of credit risk on a number of customers. In view of their credit standings, good payment record in the past and long term relationships with the Group, the directors of the Company consider that the Group's credit risk is minimal.

(c) Liquidity risk

The objective of the Group is to maintain a balance between the continuity of funding and the flexibility through the use of bank borrowings. In addition, banking facilities have been put in place for general funding purposes.

(d) Fair value

The carrying amount of the Group's financial instruments (including deferred consideration receivable, debtors, loans receivable, bank deposits, bank balances and cash creditors, bank and other borrowings, amounts due from (to) related companies/associates/ jointly controlled entity, and loan from minority shareholders) approximates their fair value due to the short maturity.

Certain of the Group's bank and other borrowings are repayable after one year. The carrying value of such borrowings approximates their fair value.

6. 金融工具及金融風險管理目標及政策 – 續

(b) 信貸風險

本集團之主要金融資產為銀行存款及銀行結存、銷貨客戶及應收關連公司/聯營公司款項。

由於交易對手為信譽良好之銀行，故銀行存款及銀行結存之信貸風險有限。

本集團在交易對手未能履行責任情況下，有關各類金融資產所承擔之最大信貸風險即綜合資產負債表上呈列之賬面值。為盡量降低信貸風險，管理層已委派一小組專責釐定信貸限額、信貸審批及其他監管手續，確保就追回過期欠款採取跟進措施。另外，本集團會定期覆核各銷貨客戶之可收回款額及應收關連公司及聯營公司款額，確保就未能收回之款項作出恰當撥備。就此而言，本公司董事認為本集團之信貸風險已大幅降低。

由於香港只有少數大型地產發展商，本集團因此只有若干客戶，引致有重大信貸集中風險。由於彼等信譽昭著、過去付款記錄良好及與本集團有長期關係，故本公司董事認為本集團之信貸風險屬微不足道。

(c) 流動資金風險

本集團之目標為通過銀行借貸取得持續融資與靈活性之平衡。此外，一般融資目的則求助於銀行融通額度。

(d) 公平價值

本集團金融工具(包括應收遞延代價、應收賬款、應收貸款、銀行存款、銀行結存及現金、銀行及其他借貸、應收(付)關連公司/聯營公司/共同控制機構/款項及來自少數股東貸款)之到期日較短，故其賬面值與其公平價值相若。

本集團若干銀行及其他借貸須於一年後償還。此類借貸之賬面值與其公平價值相若。

7. Turnover

Turnover represents the total value of contract work certified and the gross proceeds received and receivable from project management services in connection with contract work rendered by the Group, service income from building facilities management, property rental and related income, interest income from loan receivables and gross proceeds from sale of securities during the year and is analysed as follows:

		2006 HK\$'000 千港元	2005 HK\$'000 千港元
Revenue from construction contracts	建築合約收益	3,075,871	3,243,913
Project management service income	項目管理服務收入	26,776	3,770
Building facilities management service income	樓宇設施管理服務收入	5,516	-
Property rental income	物業租金收入	36,731	36,092
Sales of properties	出售物業	8,759	32,980
Interest income from loan receivables	應收貸款利息收入	86,129	-
Dividend income from investments	投資之股息收入	3,024	795
Sale of securities	出售證券	297,678	270,465
		3,540,484	3,588,015

8. Business and Geographical Segments

Business segments

For management purposes, the Group's operations are currently organised into seven operating divisions namely building construction, civil engineering, project management, facilities management, port and infrastructure development, treasury investment, and property investment. These divisions are the basis on which the Group reports its primary segment information.

In prior year, the Group's operations were organised into six operating divisions namely building construction, civil engineering, specialist works, treasury management, property investment, and infrastructure. The specialist works comprised building materials supply and project management services in connection with construction contracts. During the year, management of the Group has reorganised the operating divisions and reclassified the building materials supply relating to building construction contracts and civil engineering contracts to building construction and civil engineering divisions, respectively. Accordingly, the specialist works division is renamed as project management division in the current year. Certain comparative figures have been restated to conform with the current year's classification. In addition, the infrastructure division is renamed as port and infrastructure development in both years.

7. 營業額

營業額指年內經核實之合約工程總值以及本集團就其合約工程提供項目管理服務已收及應收款項毛額、樓宇設施管理服務收入、物業租金及相關收入、應收貸款利息收入及出售證券所得款項毛額，分析如下：

8. 業務及地區分部

業務分類

就管理方面而言，本集團之業務現分為七大營運部門，分別為樓宇建築工程、土木工程、項目管理、設施管理、港口及基建發展、庫務投資及物業投資。此等部門乃本集團匯報主要分部資料之基準。

去年，本集團業務分為六大營運部門，分別為樓宇建築工程、土木工程、專項工程、庫務投資、物業投資及基建。專項工程包括建築合約之建材供應及項目管理。年內，本集團管理層重組營運部門，並將樓宇建築合約之建材供應及土木工程合約分別歸入樓宇建築工程分部及土木工程分部。因此，本年度專項工程分部改名為項目管理分部。若干比較數字已予重列以符合本年度之分類。此外，基建分部於兩個年度內均改為港口及基建發展分部。

8. Business and Geographical Segments – continued

Business segment information for the year ended 31 March 2006 is presented below:

		Building construction 樓宇建築 工程	Civil engineering 土木工程	Project management 項目管理	Facilities management 設施管理	Port and infrastructure development 港口及 基建發展	Treasury investment 庫務投資	Property investment 物業投資	Others 其他	Eliminations 對銷	Consolidated 綜合
		HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元
TURNOVER	營業額										
External sales	對外銷售	2,219,299	856,572	26,776	5,516	-	386,831	45,490	-	-	3,540,484
Inter-segment sales	分部之間銷售	5,649	60,662	-	1,471	-	3,481	15,515	-	(86,778)	-
		2,224,948	917,234	26,776	6,987	-	390,312	61,005	-	(86,778)	3,540,484
RESULT	業績										
Segment result	分部業績	89,916	30,293	16,049	1,593	-	79,922	12,161	-	-	229,934
Unallocated corporate expenses	未分配 企業開支										(45,999)
Interest income	利息收入										26,096
Finance costs	融資成本										(16,710)
Discount on acquisition of additional interest in subsidiaries	增購附屬公司 權益之折讓					8,461	-	-	-	-	8,461
Increase in fair value of derivative financial instrument	衍生金融工具 之公平價值 增加					41,060	-	-	-	-	41,060
Increase in fair value of investment properties	投資物業之 公平價值 增加							85,400	-	-	85,400
Gain on disposal of subsidiaries	出售附屬公司 之收益	(4,456)	-	-	-	-	-	58,462	6,750	-	60,756
Reversal of impairment loss on interest in an associate	聯營公司權益 之減值虧損 撥回								26,914	-	26,914
Share of results of associates	攤佔聯營公司 業績	958	85	1,106	-	-	-	-	(19,962)	629	(17,184)
Share of results of jointly controlled entities	攤佔共同控制 機構業績	1	25	-	-	-	-	-	-	-	26
Profit before taxation	除稅前溢利										398,754
Taxation	稅項										(52,804)
Profit for the year	年度溢利										345,950

Inter-segment sales are charged at market price or, where no market price was available, at terms determined and agreed by both parties.

8. 業務及地區分部—續

截至二零零六年三月三十一日止年度之業務分部資料呈列如下：

分部之間之銷售額乃按市價收取或(倘並無可供參考之市價)按雙方釐定及同意之條款收取。

8. Business and Geographical Segments – continued

At 31 March 2006

8. 業務及地區分部—續

於二零零六年三月三十一日

		Building construction 樓宇建築 工程	Civil engineering 土木工程	Project management 項目管理	Facilities management 設施管理	Port and infrastructure development 港口及 基建發展	Treasury investment 庫務投資	Property investment 物業投資	Others 其他	Consolidated 綜合
		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	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
ASSETS	資產									
Segment assets	分部資產	1,056,702	358,152	45,980	3,639	2,094,758	960,849	78,494	-	4,598,574
Interests in associates	聯營公司權益	6,214	26,152	2,564	-	160,211	-	-	376,527	571,668
Interests in jointly controlled entities	共同控制機構 權益	234	2,336	-	-	-	-	-	-	2,570
Unallocated corporate assets	未分配企業資產									808,866
Total assets	總資產									5,981,678
LIABILITIES	負債									
Segment liabilities	分部負債	870,302	340,515	5,283	1,895	1,163,278	96,136	43,674	-	2,521,083
Unallocated corporate liabilities	未分配企業負債									450,658
Total liabilities	總負債									2,971,741
OTHER INFORMATION	其他資料									
Capital additions	資本增添	3,451	1,369	204	63	3,782	2,595	1,008	2,108	14,580
Depreciation of property, plant and equipment	物業、機械及 設備之折舊	11,354	6,432	75	34	1,305	1,329	7,693	6,369	34,591
Allowance for doubtful debts	呆賬撥備	-	-	-	-	-	15,000	-	-	15,000
Write back of allowance for doubtful debts	呆賬撥備撥回	-	-	-	-	-	4,500	277	9,396	14,173

8. Business and Geographical Segments – continued

Business segment information for the year ended 31 March 2005 is presented below:

		Building construction 樓宇建築 工程	Civil engineering 土木工程	Project management 項目管理	Port and infrastructure development 港口及 基建發展	Treasury investment 庫務投資	Property investment 物業投資	Others 其他	Eliminations 對銷	Consolidated 綜合
		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	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
TURNOVER	營業額									
External sales	對外銷售	2,318,792	925,121	3,770	-	271,260	69,072	-	-	3,588,015
Inter-segment sales	分部之間銷售	38,460	62,325	-	-	-	16,532	-	(117,317)	-
		2,357,252	987,446	3,770	-	271,260	85,604	-	(117,317)	3,588,015
RESULT	業績									
Segment result	分部業績	83,087	21,586	1,980	-	8,159	22,889	-	-	137,701
Unallocated corporate expenses	未分配企業開支									(95,795)
Interest income	利息收入									52,236
Finance costs	融資成本									(6,266)
Allowance for amounts due from associates	應收聯營公司 款項撥備									(40,504)
Gain on partial disposal of subsidiaries	出售附屬公司 部份權益 之收益									67,968
Impairment loss on interest in an associate	聯營公司權益 之減值虧損	-	-	-	-	-	-	(182,087)	-	(182,087)
Gain on disposal and dilution of interests in associates	出售及攤薄聯營 公司權益 所致收益	(15)	-	-	-	-	-	519,888	-	519,873
Share of results of associates	攤佔聯營公司 業績	6,503	(127)	(163)	-	-	-	37,097	-	43,310
Share of results of jointly controlled entities	攤佔共同控制 機構業績	(76)	803	-	-	-	-	-	-	727
Profit before taxation	除稅前溢利									497,163
Taxation	稅項									23,772
Profit for the year	年度溢利									520,935

Inter-segment sales are charged at market price or, where no market price was available, at terms determined and agreed by both parties.

8. 業務及地區分部—續

截至二零零五年三月三十一日止年度之業務分部資料呈列如下：

分部之間之銷售額乃按市價收取或(倘並無可供參考之市價)按雙方釐定及同意之條款收取。

8. Business and Geographical Segments – continued

At 31 March 2005

8. 業務及地區分部 – 續

於二零零五年三月三十一日

		Building construction 樓宇建築 工程	Civil engineering 土木工程	Project management 項目管理	Port and infrastructure development 港口及 基建發展	Treasury investment 庫務投資	Property investment 物業投資	Others 其他	Consolidated 綜合
		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	HK\$'000 千港元	HK\$'000 千港元
ASSETS	資產								
Segment assets	分部資產	864,734	408,131	8,584	1,911,835	173,284	746,076	-	4,112,644
Interests in associates	聯營公司權益	5,098	26,063	1,399	-	-	-	348,649	381,209
Interests in jointly controlled entities	共同控制機構 權益	233	9,311	-	-	-	-	-	9,544
Unallocated corporate assets	未分配企業資產								2,606,982
Total assets	總資產								7,110,379
LIABILITIES	負債								
Segment liabilities	分部負債	658,803	478,111	189	-	7,875	397,366	-	1,542,344
Unallocated corporate liabilities	未分配企業負債								1,853,314
Total liabilities	總負債								3,395,658
OTHER INFORMATION	其他資料								
Capital additions	資本增添	52,936	1,470	-	-	-	2,405	7,001	63,812
Amortisation of goodwill	商譽攤銷	3,371	-	-	-	-	-	-	3,371
Depreciation of property, plant and equipment	物業、機械及 設備之折舊	18,866	12,700	-	-	-	8,479	9,349	49,394
Impairment loss on goodwill	商譽減值	9,554	-	-	-	-	-	-	9,554

8. Business and Geographical Segments – continued

Geographical segments

The Group's operations are located in the People's Republic of China other than Hong Kong and Macau (the "PRC"), Hong Kong and Macau.

The following table provides an analysis of the Group's turnover by geographical market, irrespective of the origin of the goods/services:

		2006	2005
		HK\$'000	HK\$'000
		千港元	千港元
Hong Kong	香港	3,113,854	3,477,040
Macau	澳門	389,050	71,871
PRC	中國	37,580	39,104
		3,540,484	3,588,015

The following is an analysis of the carrying amount of segment assets and capital additions, analysed by the geographical area in which the assets are located:

以下為按資產之所在地區劃分，對分部資產賬面值及資本增添之分析：

		Carrying amount of segment assets		Capital additions	
		分部資產賬面值		資本增添	
		2006	2005	2006	2005
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
			(restated)		
			(重新列賬)		
Hong Kong	香港	3,271,260	5,104,886	10,594	62,486
Macau	澳門	174,715	30,465	–	64
PRC	中國	2,535,703	1,975,028	3,986	1,262
		5,981,678	7,110,379	14,580	63,812

9. Other Income

		2006	2005
		HK\$'000	HK\$'000
		千港元	千港元 (restated) (重新列賬)
Interest income	利息收入	25,921	52,236
Imputed interest income on deferred consideration receivable	應收遞延代價之估算 利息收入	175	–
Recovery of interest and legal expenses in connection with a court action against the vendor of a former associate	收回有關針對前聯營公司之賣方而提出之法庭訴訟之利息及法律費用	82,289	–
Write back of allowance for doubtful debts	撥回呆賬撥備	14,173	–
Exchange gain on foreign currency	外幣匯兌收益	–	31,588
Increase in fair value of listed investments held for trading	持作買賣之上市投資之公平價值增加	636	–
Others	其他	43	283
		123,237	84,107

10. Other Expenses

		2006	2005
		HK\$'000	HK\$'000
		千港元	千港元
Penalty of interest charged on capital gain tax in connection with disposal of a former associate	出售前聯營公司之資本增值稅之罰息	46,500	–
Allowance for doubtful debts	呆賬撥備	15,000	–
Exchange loss on foreign currency	外幣匯兌虧損	16,428	–
Allowance for amounts due from associates	應收聯營公司款項撥備	–	40,504
Net unrealised holding loss on listed other investments	持有其他上市投資之未變現虧損淨額	–	6,424
Impairment loss on listed investment securities	上市投資證券之減值虧損	–	92
Impairment loss on properties held for sale	持作出售物業之減值虧損	–	3,000
Impairment loss on goodwill	商譽之減值虧損	–	9,554
Others	其他	934	–
		78,862	59,574

9. 其他收入

10. 其他費用

11. Finance Costs

11. 融資成本

		2006 HK\$'000 千港元	2005 HK\$'000 千港元
Borrowing costs on:	借款成本：		
Bank borrowings wholly repayable within five years	須於五年內全數償還 之銀行借款	17,763	10,418
Loan from a minority shareholder	來自少數股東之貸款	8,392	4,833
Others	其他	1,632	14
		27,787	15,265
Less: Amount capitalised in respect of contracts in progress	減：撥作在建合約工程資本 之數額	(2,685)	(2,697)
Amount capitalised in respect of project under development	撥作發展中項目資本 之數額	(8,392)	(6,302)
		16,710	6,266

12. Directors' and Employees' Emoluments

(a) The emoluments paid or payable to each of the nine (2005: twelve) directors are as follows:

Name of directors	Fees	Salaries and other benefits	Discretionary bonus	Retirement benefit scheme contributions	Total	
董事姓名	袍金	薪酬及其他福利	酌定花紅	退休福利計劃供款	合計	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	千港元	千港元	千港元	千港元	千港元	
2006						
Lau Ko Yuen, Tom	劉高原	200	2,700	836	180	3,916
Chan Fut Yan	陳佛恩	4	1,053	–	105	1,162
Chau Mei Wah, Rosanna	周美華	4	1,053	–	105	1,162
Cheung Hon Kit	張漢傑	4	–	–	–	4
Chan Kwok Keung, Charles	陳國強	180	368	–	37	585
Chow Ming Kuen, Joseph	周明權	488	–	–	–	488
Kwok Shiu Keung, Ernest	郭少強	312	–	–	–	312
Chan Shu Kin	陳樹堅	308	–	–	–	308
Cheung Ting Kau, Vincent	張定球	4	–	–	–	4
		1,504	5,174	836	427	7,941
2005						
Lau Ko Yuen, Tom	劉高原	10	2,400	5,000	150	7,560
Chan Fut Yan	陳佛恩	10	2,400	5,000	240	7,650
Chau Mei Wah, Rosanna	周美華	10	2,400	5,000	240	7,650
Cheung Hon Kit	張漢傑	10	–	–	–	10
Chan Kwok Keung, Charles	陳國強	10	1,200	–	120	1,330
Wong Wing Hoo, Billy	黃永灝	8	1,382	1,200	43	2,633
Law Man Wah, Conrad	羅文華	8	1,273	300	42	1,623
Lee Hon Chiu	李漢潮	8	894	500	45	1,447
Chow Ming Kuen, Joseph	周明權	121	–	–	–	121
Kwok Shiu Keung, Ernest	郭少強	240	–	–	–	240
Chan Shu Kin	陳樹堅	122	–	–	–	122
Cheung Ting Kau, Vincent	張定球	125	–	–	–	125
		682	11,949	17,000	880	30,511

The above discretionary bonus is performance related incentive payment determined by reference to the results of the Group for both years.

12. 董事及僱員酬金

(a) 已付或應付九名(二零零五年: 十二名)董事各人之酬金如下:

上述酌定花紅乃參考本集團兩個年度之業績而釐定之績效相關獎勵金。

12. Directors' and Employees' Emoluments – continued

(b) Employees' emoluments

The five highest paid individuals in the Group for the year included one director (2005: four directors) of the Company, details of whose emoluments are set out in note 12(a) above.

The aggregate emoluments of the remaining four (2005: one) highest paid individuals, who are employees of the Group, are as follows:

		2006 HK\$'000 千港元	2005 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	6,141	2,355
Discretionary bonus	酌定花紅	2,996	500
Retirement benefit scheme contributions	退休福利計劃供款	159	23
Share-based payment expense	以股份付款之開支	926	–
		10,222	2,878

Their emoluments were within the following bands:

彼等酬金級別如下：

		Number of employees 僱員人數	
		2006	2005
HK\$2,000,001 – HK\$2,500,000	2,000,001港元 – 2,500,000港元	2	–
HK\$2,500,001 – HK\$3,000,000	2,500,001港元 – 3,000,000港元	2	1
		4	1

During the year, no emoluments were paid by the Group to the five highest paid individuals, including directors, as an inducement to join or upon joining the Group or as compensation for loss of office. In addition, none of the directors has waived any emoluments during the year.

年內，本集團並無向五位最高薪人員（包括董事）支付酬金以作為加入本集團或於加入本集團時之獎勵，或作為離職補償。此外，年內概無任何董事放棄任何酬金。

12. 董事及僱員酬金 – 續

(b) 僱員酬金

本集團於本年度五位最高薪人員包括於年內在任之一名董事（二零零五年：四名董事），其酬金詳情如上文附註12(a)所載。

其餘屬本集團僱員之四名（二零零五年：一名）最高薪人員之總酬金如下：

13. Profit before Taxation

13. 除稅前溢利

		2006 HK\$'000 千港元	2005 HK\$'000 千港元 (restated) (重新列賬)
Profit before taxation has been arrived at after charging:	除稅前溢利已扣除：		
Amortisation of goodwill (included in administrative expenses)	攤銷商譽(列入行政開支)	-	3,371
Auditors' remuneration	核數師酬金	3,914	2,442
Release of prepaid land lease payments	調撥預付土地租賃款項	2,677	3,190
Depreciation of property, plant and equipment (note (a) below)	物業、機械及設備之折舊(下文附註(a))	29,180	47,249
Operating lease rentals in respect of:	經營租約租金：		
Premises	樓宇	2,423	48
Plant and machinery	機械及設備	1,252	8,614
Staff costs (note (b) below)	員工支出(下文附註(b))	118,589	128,589
Cost of construction works recognised as an expense	列作開支之建築工程成本	2,879,762	3,055,350
Allowance for doubtful debt (included in administrative expenses)	呆賬撥備(列入行政開支)	12,161	5,819
and after crediting:	並已計入：		
Rental income under operating leases in respect of:	經營租約之租金收入：		
Premises, net of outgoings of HK\$14,557,000 (2005: HK\$19,867,000)	樓宇，已扣除支銷14,557,000港元 (二零零五年：19,867,000港元)	22,174	13,154
Plant and machinery	機械及設備	539	64
Gain on disposal of property, plant and equipment	出售物業、機械及設備之收益	19,927	917
Realised gain of investments held for trading	持作買賣投資之已變現收益	13,818	15,005

Notes to the Consolidated Financial Statements

13. Profit before Taxation – continued

13. 除稅前溢利－續

Notes:	附註：	2006 HK\$'000 千港元	2005 HK\$'000 千港元
(a) Depreciation of property, plant and equipment:	物業、機械及設備之折舊：		
Owned assets	自置資產	34,591	49,394
Less: Amount capitalised in respect of contracts in progress	減：撥作在建合約工程資本之數額	(4,106)	(1,546)
Amount capitalised in respect of project under development	撥作發展中項目資本之數額	(1,305)	(599)
		29,180	47,249
(b) Staff costs:	員工支出：		
Directors' emoluments (note 12)	董事酬金(附註12)	7,941	30,511
Other staff costs:	其他員工支出：		
Salaries and other benefits	薪酬及其他福利	252,361	286,002
Retirement benefit scheme contributions, net of forfeited contributions of HK\$2,854,000 (2005: HK\$1,914,000)	退休福利計劃供款，減除沒收供款2,854,000港元(二零零五年：1,914,000港元)	7,288	9,900
Share-based payment expense	以股份支付款項之開支	5,082	–
		272,672	326,413
Less: Amount capitalised in respect of contracts in progress	減：撥作在建合約工程資本之數額	(150,856)	(197,824)
Amount capitalised in respect of project under development	撥作發展中項目資本之數額	(3,227)	–
		118,589	128,589

14. Taxation

14. 稅項

		2006	2005
		HK\$'000	HK\$'000
		千港元	千港元
			(restated)
			(重新列賬)
The charge (credit) comprises:	稅項支出(抵免)包括：		
Hong Kong Profits Tax:	香港利得稅：		
Current year	本年度	4,101	–
Underprovision in prior years	過往年度準備不足	1,877	21
		5,978	21
Overseas taxation:	海外稅項：		
Current year	本年度	3,332	5,035
Underprovision in prior years	過往年度準備不足	40,000	–
		43,332	5,035
Deferred taxation (note 30)	遞延稅項(附註30)	3,494	(28,828)
Taxation attributable to the Company and its subsidiaries	本公司及其附屬公司應佔稅項	52,804	(23,772)

Hong Kong Profits Tax is calculated at 17.5% (2005: 17.5%) of the estimated assessable profits for the year.

香港利得稅乃根據本年度之估計應課稅溢利按稅率17.5%(二零零五年：17.5%)計算。

Overseas taxation is calculated at the rates prevailing in the respective jurisdictions.

海外稅項根據有關司法權區之通用稅率計算。

14. Taxation – continued

The taxation charge (credit) for the year can be reconciled to the profit before taxation per the income statement as follows:

		2006	2005
		HK\$'000	HK\$'000
		千港元	千港元 (restated) (重新列賬)
Profit before taxation	除稅前溢利	398,754	497,163
Tax at Hong Kong Profits Tax rate of 17.5% (2005: 17.5%)	按香港利得稅稅率17.5% (二零零五年：17.5%) 計算之稅項	69,781	87,003
Tax effect of share of results of associates/jointly controlled entities	攤佔聯營公司/ 共同控制機構業績 之稅務影響	3,003	(7,706)
Tax effect of expenses not deductible for tax purpose	在稅務方面不可扣減開支 之稅務影響	23,666	44,883
Tax effect of income not taxable for tax purpose	在稅務方面毋須課稅收入 之稅務影響	(70,357)	(112,115)
Tax effect of deductible temporary difference not recognised	未確認扣減暫時差額 之稅務影響	2,087	(3,434)
Tax effect of utilisation of deductible temporary difference previously not recognised	動用先前未確認之 可扣減暫時差額 之稅務影響	(9,207)	(4,857)
Tax effect of tax losses not recognised	未確認稅務虧損之稅務影響	12,572	11,655
Tax effect of utilisation of tax losses previously not recognised	動用先前未確認稅務虧損 之稅務影響	(23,225)	(16,196)
Tax effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區經營業務 之附屬公司之不同稅率 之稅務影響	2,607	(23,026)
Underprovision in prior years	過往年度撥備不足	41,877	21
Taxation charge (credit) for the year	本年度稅項開支 (抵免)	52,804	(23,772)

Details of the deferred taxation are set out in note 30.

14. 稅項－續

本年度之稅項支出(抵免)與收益表所列除稅前溢利之對賬如下：

		2006	2005
		HK\$'000	HK\$'000
		千港元	千港元 (restated) (重新列賬)
Profit before taxation	除稅前溢利	398,754	497,163
Tax at Hong Kong Profits Tax rate of 17.5% (2005: 17.5%)	按香港利得稅稅率17.5% (二零零五年：17.5%) 計算之稅項	69,781	87,003
Tax effect of share of results of associates/jointly controlled entities	攤佔聯營公司/ 共同控制機構業績 之稅務影響	3,003	(7,706)
Tax effect of expenses not deductible for tax purpose	在稅務方面不可扣減開支 之稅務影響	23,666	44,883
Tax effect of income not taxable for tax purpose	在稅務方面毋須課稅收入 之稅務影響	(70,357)	(112,115)
Tax effect of deductible temporary difference not recognised	未確認扣減暫時差額 之稅務影響	2,087	(3,434)
Tax effect of utilisation of deductible temporary difference previously not recognised	動用先前未確認之 可扣減暫時差額 之稅務影響	(9,207)	(4,857)
Tax effect of tax losses not recognised	未確認稅務虧損之稅務影響	12,572	11,655
Tax effect of utilisation of tax losses previously not recognised	動用先前未確認稅務虧損 之稅務影響	(23,225)	(16,196)
Tax effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區經營業務 之附屬公司之不同稅率 之稅務影響	2,607	(23,026)
Underprovision in prior years	過往年度撥備不足	41,877	21
Taxation charge (credit) for the year	本年度稅項開支 (抵免)	52,804	(23,772)

遞延稅項之詳情載列於附註30。

15. Distribution

15. 分派

		2006 HK\$'000 千港元	2005 HK\$'000 千港元
Dividends recognised as distributions to equity holders of the Company during the current year:	於年內確認為向本公司權益持有人分派之股息：		
Interim dividend paid for 2006 – 1.5 cents (2005: 1.5 cents) per share	已付二零零六年中期股息 — 每股1.5港仙 (二零零五年：1.5港仙)	20,513	20,538
Special dividend paid – 70.0 cents (2005: Nil) per share	已付特別股息 — 每股70.0港仙 (二零零五年：無)	957,177	—
Final dividend paid for 2005 – 1.5 cents (2004: 1.5 cents) per share	已付二零零五年末期股息 — 每股1.5港仙 (二零零四年：1.5港仙)	20,380	20,179
		998,070	40,717
Dividends proposed in respect of current year:	與年內有關之建議股息：		
Final dividend proposed for 2006 – 1.5 cents (2005: 1.5 cents) per share	擬付二零零六年末期股息 — 每股1.5港仙 (二零零五年：1.5港仙)	21,969	20,511

Of the distribution made during the year, approximately HK\$13,194,000 (2005: HK\$17,591,000) and HK\$16,737,000 (2005: Nil) were settled in shares under the Company's scrip dividend schemes announced by the directors of the Company on 20 September 2005 and 12 January 2006 in respect of the final dividend for the year ended 31 March 2005 and the interim dividend for the six months ended 30 September 2005, respectively, and were credited to the accumulated profits of the Company during the year.

On 4 May 2006, the directors of the Company resolved to declare a special dividend by way of distribution ("PYI Distribution Scheme") of the value to be derived from the Group's divestment of China Strategic Holdings Limited ("China Strategic", an associate of the Group) to the Company's shareholders whose names appeared on the register of members of the Company on 26 May 2006 upon the completion of the group restructuring of China Strategic ("Group Restructuring").

On 19 May 2006, China Strategic completed the Group Restructuring which involved (i) the transfer of all the subsidiaries of China Strategic carrying on property development and investment holding business and investing in vessels for sand mining and all other associates of China Strategic carrying on manufacturing and marketing of tires and providing package tour, travel and other related services to Group Dragon Investments Limited ("GDI"), and (ii) the distribution in specie of shares in GDI ("GDI Share") to its shareholders, including the Group, on the basis of one GDI Share for every China Strategic consolidated share held.

年內派息中約有13,194,000港元(二零零五年：17,591,000港元)及16,737,000港元(二零零五年：無)，乃根據本公司董事於二零零五年九月二十日就截至二零零五年三月三十一日止年度之末期股息及於二零零六年一月十二日就截至二零零五年九月三十日止六個月之中期股息所公佈之本公司以股代息計劃以股份支付。此數額已於年內撥入本公司累計溢利。

於二零零六年五月四日，本公司董事議決宣派特別股息，方式為將本集團因減持中策集團有限公司(「中策」，本集團一聯營公司)所得價值分派予二零零六年五月二十六日名列本公司股東名冊之本公司股東(「保華分派計劃」)，時間為中策集團重組(「集團重組」)完成時。

二零零六年五月十九日，中策完成集團重組，涉及(i)將中策旗下全部經營物業投資及投資持有業務及投資於採砂船，以及中策所有其他經營車胎產銷及旅遊團、旅遊及其他相關服務之聯營公司轉讓予群龍投資有限公司(「群龍」)；及(ii)實物分派群龍之股份(「群龍股份」)予其股東(包括本集團)，基準為每持有一股中策合併股份可獲發一股群龍股份。

15. Distribution – continued

Upon completion of the Group Restructuring, the Group would be entitled to 129,409,897 GDI Shares and Hanny Holdings Limited (“Hanny”, a substantial shareholder of China Strategic) would make a voluntary offer (“GDI Offer”) to the shareholders of GDI to acquire all the GDI Shares on the basis of either (a) 1 share in Hanny (“Hanny Share”) plus HK\$1.8 in cash for every 5 GDI Shares, or (b) a 2% 5-year convertible bond issued by Hanny with face value of HK\$15 each (“Hanny Bonds”) for every 5 GDI Shares.

Under the PYI Distribution Scheme, for every 500 shares in the Company, the Company’s shareholders would be entitled to receive the value derived from 40 GDI Shares in the form of either (a) 8 Hanny Shares plus HK\$14.4 in cash, or (b) 8 Hanny Bonds.

Based on the election of the Company’s shareholders, on 16 June 2006, the Company announced that holders of approximately 311,232,201 shares and 1,153,100,543 shares in the Company elected for Hanny Shares plus cash and for Hanny Bonds, respectively. Consequently, the Company accepted the GDI Offer in respect of the entire 129,409,897 GDI Shares held by it and paid to its shareholders special dividend equivalent to the value derived from 117,143,920 GDI Shares in the following forms:

- (a) an aggregate of 4,979,616 Hanny Shares plus HK\$8,963,000 in cash; and
- (b) an aggregate face value of HK\$276,737,000 Hanny Bonds.

The directors consider that the fair value of a GDI Share, when liquidated in the form of Hanny Bond is HK\$2.78 by reference to the valuation report dated 19 May 2006 prepared by RHL Appraisal Ltd., an independent valuer not connected with the Company. As such, the special dividend is equivalent to about HK22.2 cents per share of the Company.

Following the distribution of the special dividend by the Company, the Company retained an aggregate face value of HK\$36,798,000 Hanny Bonds (equivalent to 12,265,977 GDI Shares) for its own benefit.

Details of the above transactions were set out in the Company’s circular and announcement dated 29 May 2006 and 16 June 2006, respectively.

The amount of the final dividend proposed for the year ended 31 March 2006, which will be in the form of cash with a scrip option, has been calculated by reference to the 1,464,579,910 issued shares as at the date of this report.

15. 分派 – 續

於集團重組完成時，本集團將享有129,409,897股群龍股份，而錦興集團有限公司（「錦興」，中策之主要股東）將向群龍股東提出收購全部群龍股份之自願收購建議（「群龍收購建議」），基準為(a)每5股群龍股份換1股錦興股份（「錦興股份」）加1.8港元現金，或(b)每5股群龍股份換1份錦興發行之面值15港元之2%五年期可換股債券（「錦興債券」）。

根據保華分派計劃，本公司股東每持有500股本公司股份有權收取40股群龍股份所產生之價值，形式為(a)8股錦興股份加14.4港元現金，或(b)8份錦興債券。

於二零零六年六月十六日，根據本公司股東之選擇，本公司宣布分別有約311,232,201股及1,153,100,543股本公司股份之持有人選擇換取錦興股份加現金及選擇換取錦興債券。結果，本公司接納就其所持全部129,409,897股群龍股份接受群龍收購建議，並向其股東派付相等於117,143,920股群龍股份所得價值之特別股息，形式如下：

- (a) 合共4,979,616股錦興股份加8,963,000港元現金；及
- (b) 合共面值276,737,000港元之錦興債券。

董事認為，參考永利行評值顧問有限公司（其為與本公司概無關連之獨立估值師）所編製日期為二零零六年五月十九日之估值報告，以錦興債券形式變現後，群龍股份之公平價值為2.78港元。故此，特別股息相等於每股本公司股份約22.2港仙。

本公司分派特別股息後，本公司自擁總面值36,798,000港元之錦興債券（相等於12,265,977股群龍股份）。

上述交易詳見本公司日期為二零零六年五月二十九日之通函及日期為二零零六年六月十六日之公佈。

截至二零零六年三月三十一日止年度擬派末期股息將為現金連以股代息選擇權形式，數額乃參考於本報告日期有1,464,579,910股已發行股份而計算。

16. Earnings Per Share

The calculation of the basic and diluted earnings per share for the year is based on the following data:

		2006	2005
		HK\$'000	HK\$'000
		千港元	千港元
Earnings attributable to equity holders of the Company for the purposes of basic and diluted earnings per share	計算每股基本及攤薄盈利之本公司權益持有人應佔盈利	310,487	521,920
		Number of shares	Number of shares
		股份數目	股份數目
Weighted average number of ordinary shares for the purpose of basic earnings per share	計算每股基本盈利之普通股加權平均數	1,367,759,328	1,355,352,439
Effect of dilutive potential ordinary shares: Share options	潛在攤薄普通股之效應：購股權	2,861,857	1,398,760
Weighted average number of ordinary shares for the purpose of diluted earnings per share	計算每股攤薄盈利之普通股加權平均數	1,370,621,185	1,356,751,199

Pursuant to the adoption of new and revised accounting policies as described in note 2 above, the reported earnings per share for the current and prior years have been affected. The following table summarises the impact on basic and diluted earnings per share:

根據上文附註2所述採納新訂及修訂會計政策，本年度及以前年度呈報之每股盈利受到影響。下表概述對每股基本盈利之影響：

		Impact on basic earnings per share		Impact on diluted earnings per share	
		對每股基本盈利之影響		對每股攤薄盈利之影響	
		2006	2005	2006	2005
		HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元
Figures before adjustments	調整前數字	0.200	0.386	0.200	0.385
Adjustments arising from application of new and revised accounting policies	應用新訂及修訂會計政策產生之調整	0.027	(0.001)	0.027	-
Reported	呈報數字	0.227	0.385	0.227	0.385

17. Property, Plant and Equipment

17. 物業、機械及設備

		Buildings	Plant and machinery	Motor vehicles and vessels	Furniture, fixtures and computer equipment	Total
		樓宇	機械及設備	汽車及船舶	傢具、裝置及電腦設備	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
COST	成本					
At 1 April 2004	於二零零四年四月一日					
– as originally stated	– 如原列	256,029	413,391	84,923	137,628	891,971
– adoption of HKAS 17	– 採用香港會計準則第17號	(165,471)	–	–	–	(165,471)
– as restated	– 重新列賬	90,558	413,391	84,923	137,628	726,500
On acquisition of subsidiaries	因收購附屬公司	–	–	460	11	471
Additions	添置	–	773	5,901	5,481	12,155
Disposals	出售	–	(27,004)	(2,105)	(2,354)	(31,463)
At 31 March 2005	於二零零五年三月三十一日	90,558	387,160	89,179	140,766	707,663
On disposal of subsidiaries	因出售附屬公司	(89,678)	(23,667)	(62,584)	(70,413)	(246,342)
Additions	添置	–	4,447	4,650	5,483	14,580
Exchange realignment	匯兌調整	20	–	82	59	161
Disposals	出售	–	(309,615)	(5,880)	(3,885)	(319,380)
At 31 March 2006	於二零零六年三月三十一日	900	58,325	25,447	72,010	156,682
DEPRECIATION AND IMPAIRMENT	折舊及減值					
At 1 April 2004	於二零零四年四月一日					
– as originally stated	– 如原列	40,902	323,144	25,090	85,202	474,338
– adoption of HKAS 17	– 採用香港會計準則第17號	(27,515)	–	–	–	(27,515)
– as restated	– 重新列賬	13,387	323,144	25,090	85,202	446,823
Provided for the year	本年度準備	1,805	24,958	9,531	13,100	49,394
Eliminated on disposals	出售後對銷	–	(22,316)	(1,796)	(1,720)	(25,832)
At 31 March 2005	於二零零五年三月三十一日	15,192	325,786	32,825	96,582	470,385
Provided for the year	本年度準備	1,445	13,833	7,922	11,391	34,591
Exchange realignment	匯兌調整	2	–	8	7	17
Eliminated on disposal of subsidiaries	出售附屬公司後對銷	(16,438)	(15,500)	(17,837)	(44,221)	(93,996)
Eliminated on disposals	出售後對銷	–	(280,813)	(5,655)	(3,647)	(290,115)
At 31 March 2006	於二零零六年三月三十一日	201	43,306	17,263	60,112	120,882
CARRYING AMOUNT	賬面值					
At 31 March 2006	於二零零六年三月三十一日	699	15,019	8,184	11,898	35,800
At 31 March 2005	於二零零五年三月三十一日	75,366	61,374	56,354	44,184	237,278

17. Property, Plant and Equipment – continued

The above items of property, plant and equipment are depreciated on a straight line basis at the following rates per annum:

Buildings	Over the remaining period of the relevant leases or fifty years, whichever is shorter
Plant and machinery	10%
Motor vehicles and vessels	10% – 20%
Furniture and fixtures	20%
Computer equipment	33 ¹ / ₃ %

The carrying amount of buildings are analysed as follows:

		2006	2005
		HK\$'000	HK\$'000
		千港元	千港元
Buildings erected on long-term leasehold land in the PRC	中國長期租賃土地所建樓宇	135	138
Buildings erected on medium-term leasehold land in:	中期租賃土地所建樓宇於：		
Hong Kong	香港	–	74,660
PRC	中國	564	568
		699	75,366

18. Investment Properties

VALUATION	估值		
Balance brought forward	承前結存	455,000	515,000
Increase in fair value during the year	本年度之公平價值增加	85,400	–
Disposals	出售	(540,400)	(60,000)
Balance carried forward	結轉結存	–	455,000

The investment properties at 31 March 2005 were held under medium-term leases in Hong Kong. The fair value of the investment properties at 30 September 2005 has been arrived by RHL Appraisal Ltd., an independent professional valuer, not connected with the Group, by reference to market evidence of transaction prices for similar properties. This revaluation gives rise to an increase in fair value of HK\$85,400,000 which has been credited to income statement during the year.

17. 物業、機械及設備 – 續

上述物業、機械及設備以直線法折舊，年率如下：

樓宇	相關租賃剩餘租期或五十年（以較短者為準）
機械及設備	10%
汽車及船舶	10% – 20%
傢俬及裝置	20%
電腦設備	33 ¹ / ₃ %

樓宇賬面值分析如下：

18. 投資物業

	2006	2005
	HK\$'000	HK\$'000
	千港元	千港元
Balance brought forward	455,000	515,000
Increase in fair value during the year	85,400	–
Disposals	(540,400)	(60,000)
Balance carried forward	–	455,000

於二零零五年三月三十一日之投資物業乃於香港以中期租約持有。於二零零五年九月三十日之投資物業之公平價值乃由永利行評值顧問有限公司（其為與本公司概無關連之獨立估值師）參考類似物業成交市價計得。是次重估產生公平價值增加85,400,000港元，已撥入年內之收益表。

19. Project under Development

Land and sea use rights	土地及海域使用權
Development costs	發展成本

2006	2005
HK\$'000	HK\$'000
千港元	千港元

1,649,337	1,669,907
309,532	136,559

1,958,869	1,806,466
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The amount relates to a development project located in Jiangsu Province, the PRC. The Group is undergoing the reclamation of certain parcels of land from the sea for development for future sale. According to the land/sea area use certificates, the land/sea area use rights are granted for a term of not less than 50 years commencing 2004. The project development will not be completed within the normal business cycle and, accordingly, the amount is classified as non-current.

20. Prepaid Land Lease Payments

The Group's prepaid land lease payments represent land in Hong Kong held under medium-term leases and are analysed for reporting purposes as follows:

Non-current assets	非流動資產
Current assets	流動資產

2006	2005
HK\$'000	HK\$'000
千港元	千港元

23,136	131,576
575	3,190

23,711	134,766
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19. 發展中項目

此筆款項與位於中國江蘇省之發展項目有關。本集團擬將填海所得若干幅土地用作發展作未來出售用途。根據土地/海域使用證，獲授之土地/海域使用權之有效期為二零零四年起不少於50年。該發展項目將不會於正常商業週期內完成，是故此筆款項乃列作非流動。

20. 預付土地租賃款項

本集團之預付土地租賃款項指為於香港根據中期租賃持有之土地，經分析作申報用途如下：

21. Goodwill

21. 商譽

		HK\$'000 千港元
COST	成本	
At 1 April 2004	於二零零四年四月一日	385,531
On acquisition of subsidiaries	收購附屬公司所產生	60,740
At 31 March 2005	於二零零五年三月三十一日	446,271
Elimination of accumulated amortisation on adoption of HKFRS 3 (note 2)	對銷於採納香港財務報告準則第3號之累計攤銷(附註2)	(116,285)
At 1 April 2005, as restated	於二零零五年四月一日，重新列賬	329,986
Write off	撇銷	(268,340)
At 31 March 2006	於二零零六年三月三十一日	61,646
AMORTISATION AND IMPAIRMENT	攤銷及減值	
At 1 April 2004	於二零零四年四月一日	371,700
Provided for the year	本年度準備	3,371
Impairment loss recognised	已確認減值虧損	9,554
At 31 March 2005	於二零零五年三月三十一日	384,625
Elimination of accumulated amortisation on adoption of HKFRS 3 (note 2)	對銷於採納香港財務報告準則第3號之累計攤銷(附註2)	(116,285)
At 1 April 2005, as restated	於二零零五年四月一日，重新列賬	268,340
Eliminated on write off	因撇銷而對銷	(268,340)
At 31 March 2006	於二零零六年三月三十一日	-
CARRYING AMOUNT	賬面值	
At 31 March 2006	於二零零六年三月三十一日	61,646
At 31 March 2005	於二零零五年三月三十一日	61,646

Prior to 31 March 2005, goodwill was amortised over its estimated useful life ranging from 10 to 20 years.

二零零五年三月三十一日前，商譽乃按其估計可使用年期10至20年攤銷。

For the purpose of impairment testing, the carrying amount of goodwill at 31 March 2006 has been allocated to building construction cash generating unit ("CGU").

就減值測試而言，商譽於二零零六年三月三十一日之賬面值乃撥入樓宇建築創現單位。

The recoverable amount of the above CGU has been determined based on value in use calculations. The Group prepares cash flow forecasts derived from the most recent financial budgets approved by management for the next two years and extrapolates cash flows for the following eight years with a steady growth rate of 5%. The rate used to discount the forecast cash flows is 8%. The value in use calculations is calculated based on the budgeted gross margin, which is determined using the unit's past performance and management's expectations for the market development.

上述創現單位之可收回額乃按在用價值計算方法而釐定。本集團根據管理層所批准未來兩年之最新近財政預算編製出現金流預測，並推斷未來八年之現金流量以增長率5%穩定增長。預測現金流之折現率為8%。在用價值計算方法之依據為預算毛利率，乃以有關創現單位過往表現及管理層對市場發展之預期而釐定。

22. Other Intangible Assets

Other intangible assets comprise:

Club membership in Hong Kong, at cost
Motor vehicles registration marks, at cost

其他無形資產包括：

於香港之會所會籍，按成本
汽車登記號碼，按成本

2006	2005
HK\$'000	HK\$'000
千港元	千港元

7,062	12,422
973	3,059
8,035	15,481

The above intangible assets have indefinite useful life. The directors are of the opinion that the club membership and motor vehicles registration marks are at least their carrying amounts by reference to quoted price in the market.

上述無形資產具無限可使用年期。董事認為會所會籍及汽車登記號碼價值參考市場報價至少相等於其賬面值。

23. Interests in Associates

Cost of investment in associates,
less impairment:
Listed shares in Hong Kong
(note (a) below)
Unlisted investment in the PRC
(note (b) below)
Other unlisted investments

投資聯營公司之成本，
扣除減值：
香港上市股份
(下文附註(a))
國內非上市投資
(下文附註(b))
其他非上市投資

2006	2005
HK\$'000	HK\$'000
千港元	千港元

513,192	486,278
160,211	-
64,985	61,086
738,388	547,364

Share of post-acquisition profits
(losses), net of dividends received

攤佔收購後溢利(虧損)，
扣除已收股息

(166,720)	(166,155)
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571,668	381,209
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Market value of listed shares
in Hong Kong

香港上市股份
之市值

258,820	139,763
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23. Interests in Associates – continued

Notes:

- (a) The listed shares in Hong Kong represent the Group's 29.36% (31.3.2005: 29.36%) equity interest in China Strategic Holdings Limited ("China Strategic"). The Group's share of net assets in China Strategic at 31 March 2006 is calculated based on their net assets at 31 December 2005 as shown in its latest published annual report.

On 14 March 2005, China Strategic, Hanny and certain others announced a proposed Group Restructuring by China Strategic (see note 15), and that the Company and Hanny entered into a conditional sale and purchase agreement with an independent third party (the "Purchaser") for the disposal of a 15.3% equity interest in China Strategic (the "Disposal") by each of the Company and Hanny for a consideration of HK\$26,055,000 each. The directors, having considered the estimated recoverable amount under the conditional sale and purchase agreement, determined that an amount of HK\$182,087,000 in respect of the interest in the associate has been impaired and charged to the consolidated income statement for the year ended 31 March 2005.

During the year, the directors have assessed the estimated recoverable amount of China Strategic based on the terms of the scheme of Group Restructuring of China Strategic as set out in the circular dated 10 September 2005. Accordingly, an impairment loss of HK\$26,914,000 previously recognised has been written back in the consolidated income statement.

The Disposal is conditional upon, inter alia, the completion of capital reorganisation and Group Restructuring of China Strategic. Upon completion of the Disposal, the Purchaser will make a mandatory unconditional cash offer to acquire the remaining shares in China Strategic at a price of HK\$0.386 for each China Strategic consolidated share. The Disposal has not been completed as at 31 March 2006.

Further details of the Group Restructuring of China Strategic and the declaration by the Company of distribution in specie of the value to be derived from the Group's divestment of China Strategic to the Company's shareholders are set out in note 15.

At the date of this report, the Group's interest in China Strategic was decreased from 29.36% to 14% and the Group also retained an aggregate face value of HK\$36,798,000 Hanny Bonds (see note 15).

23. 聯營公司權益－續

附註:

- (a) 香港上市股份指本集團於中策集團有限公司(「中策」)之29.36%(二零零五年三月三十一日: 29.36%)股本權益。本集團於二零零六年三月三十一日攤佔中策之資產淨值乃根據中策之最近期刊發年報所示於二零零五年十二月三十一日之資產淨值計算。

二零零五年三月十四日，中策、錦興及若干其他方宣布擬由中策進行之集團重組(見附註15)，另本公司及錦興與某獨立第三方(「買方」)訂立一項有條件買賣協議，由本公司及錦興各自以代價26,055,000港元出售15.3%中策之股本權益(「出售事項」)。董事考慮有條件買賣協議項下之估計可收回額後，釐定於聯營公司權益有減值182,087,000港元並已於綜合收益表中扣除。

董事於本年度曾根據中策於二零零五年九月十日刊發之通函所載之中策集團重組計劃條款，評估中策之估計可收回額。因此，先前已確認之減值虧損26,914,000港元已於綜合收益表中撥回。

出售事項乃是(其中包括)以中策完成資本重整及集團重組作條件(尚有其他)。完成出售事項後，買方將按每股中策合併股份0.386港元之價格，就中策餘下股份提出強制性無條件現金收購建議。出售事項於二零零六年三月三十一日尚未完成。

中策集團重組及本公司宣布向本公司股東以實物分派集團撤資中策所得價值之進一步詳情載列於附註15。

於本報告日期，本集團於中策之權益已由29.36%下降至14%，而本集團亦保留總面值達36,798,000港元之錦興債券。(見附註15)

23. Interests in Associates – continued

Notes: – continued

- (b) On 12 August 2005, the Group entered into agreements to participate into the assets reorganisation of Nantong Port Group Limited (“Nantong Port Group”) which is a state-owned enterprise registered in the PRC. Nantong Port Group is principally engaged in providing cargo loading and off loading, storage, shipping agent, cargo agent, ship anchoring, ship repairing, port machinery, shipping logistics and ship piloting services in Nantong Port, Jiangsu Province, PRC. According to the agreements, the Group would inject approximately RMB435 million in cash into Nantong Port Group in return for a 45% interest in its registered capital. Details of the investment are set out in the Company’s circular dated 22 August 2005. At 31 March 2006, the Group has paid approximately HK\$160 million into Nantong Port Group which represents 22.7% of the equity interest of Nantong Port Group. The Group shall contribute the outstanding HK\$274 million into Nantong Port Group upon the fulfilment of certain conditions as stated in the agreement. The contracted commitment in relating to the additional interest approximates the fair value of the additional interest at 31 March 2006.

The combined summarised financial information in respect of the Group’s associates is set out below:

		2006 HK\$’000 千港元	2005 HK\$’000 千港元
Total assets	總資產	4,123,251	2,024,561
Total liabilities	總負債	(1,578,583)	(423,960)
Net assets	資產淨值	2,544,668	1,600,601
Group’s share of associates’ net assets	本集團攤佔聯營公司之資產淨值	571,668	381,209
Turnover	營業額	597,953	19,699,730
(Loss) profit for the year	年度(虧損)溢利	(85,841)	347,310
Group’s share of (loss) profit of associates for the year	本集團攤佔聯營公司之年度(虧損)溢利	(17,184)	43,310

Particulars of the Group’s principal associates at 31 March 2006 are set out in note 53.

23. 聯營公司權益—續

附註：—續

- (b) 於二零零五年八月十二日，本集團簽訂協議參與南通港口集團有限公司(南通港口集團)(乃一所中國註冊之國有企業)之資產重組。南通港口集團主要於中國江蘇省南通港從事提供貨物裝卸、堆存、貨運代理、理貨業務、港口船舶服務、船舶航修、海港機械修造、船舶供應服務、引航等業務。根據協議，本集團將向南通港口集團注資現金人民幣435,000,000元，換取擁有其註冊資本45%權益。投資詳情已載於本公司日期為二零零五年八月二十二日之通函內。於二零零六年三月三十一日，本集團已向南通港口集團支付約160,000,000港元(約佔南通港口集團股本權益22.7%)。如協議所述，倘南通港口集團達成若干條件，本集團將向其提供未償付之274,000,000港元。於二零零六年三月三十一日，有關額外權益之約定承諾與額外權益之公平價值相若。

有關本集團聯營公司之合併概述財務資料如下：

本集團各主要聯營公司於二零零六年三月三十一日之詳情載列於附註53。

24. Interests in Jointly Controlled Entities

24. 共同控制機構權益

		2006	2005
		HK\$'000	HK\$'000
		千港元	千港元
Cost of unlisted investments in jointly controlled entities	於共同控制機構 非上市投資成本	-	-
Share of post-acquisition profits, net of dividends received	攤佔收購後之溢利， 扣除已收股息	2,570	9,544
		2,570	9,544

The combined summarised financial information in respect of the Group's jointly controlled entities is set out below:

有關本集團共同控制機構之合併概述財務資料載列如下：

		2006	2005
		HK\$'000	HK\$'000
		千港元	千港元
Total current assets	總流動資產	9,607	27,409
Total current liabilities	總流動負債	(4,466)	(8,321)
Net assets	資產淨值	5,141	19,088
Group's share of net assets of jointly controlled entities	本集團攤佔共同控制機構 之資產淨值	2,570	9,544
Turnover	營業額	5,481	8,021
Profit for the year	年度溢利	62	1,455
Group's share of profit of jointly controlled entities for the year	本集團攤佔共同控制機構 之年度溢利	26	727

Particulars of the Group's jointly controlled entities at 31 March 2006 are set out in note 53.

本集團各共同控制機構於二零零六年三月三十一日之詳情載列於附註53。

25. Available-for-sale Investments/Investment Securities

25. 可供出售投資／證券投資

		2006 HK\$'000 千港元	2005 HK\$'000 千港元
Listed equity securities	上市股本證券		
in Hong Kong	香港	1,064	389
in overseas	海外	589	1,389
		1,653	1,778
Market value of listed securities	上市證券市值	1,653	3,299

Upon the application of HKAS 39 on 1 April 2005, investment securities which were previously carried at cost less impairment were reclassified to available-for-sale investments.

由二零零五年四月一日起，應用香港會計準則第39號，先前按成本減扣減值列賬之投資證券已被重新分類為可供出售投資。

At 31 March 2006, available-for-sale investments are stated at fair value by reference to bid prices quoted in active markets.

於二零零六年三月三十一日，可供出售投資以公平價值列賬（參考活躍市場之出價）。

26. Loans Receivable

26. 應收貸款

		2006 HK\$'000 千港元	2005 HK\$'000 千港元
The amounts bear interest at the following rates:	有關款項為按以下利率計息：		
Interest free	免息	1,508	1,508
1.5% over Paris Interbank Offered Rate	巴黎銀行同業拆息加1.5厘	-	4,032
2% below Hong Kong Best Lending Rate ("HKBLR")*	香港最優惠借貸利率（香港最優惠借貸利率）減2厘	-	69,869
0.25% over HKBLR	香港最優惠借貸利率加0.25厘	100,000	100,000
1% over HKBLR	香港最優惠借貸利率加1厘	-	2,000
2% over HKBLR	香港最優惠借貸利率加2厘	4,378	14,500
		105,886	191,909
Less: Amount due within one year shown under current assets	減：於一年內到期並列為流動資產之款項	(105,886)	(190,401)
Amount due after one year	一年後到期之款項	-	1,508
Analysed as:	分析為：		
Secured	有抵押	1,508	1,508
Unsecured	無抵押	104,378	190,401
		105,886	191,909

* Hong Kong Best Lending Rate represents Hong Kong Dollar Best Lending Rate as quoted by a designated bank.

* 香港最優惠借貸利率指由指定銀行發佈之港元最優惠借貸利率。

27. Amounts Due from Related Companies

27. 應收關連公司款項

		2006 HK\$'000 千港元	2005 HK\$'000 千港元
Loans receivable:	應收貸款：		
Associate of ITC (note (a) below)	德祥企業之聯營公司(下文附註(a))	183,046	149,333
Associates of China Strategic (note (a) below)	中策之聯營公司 (下文附註(a))	47,270	169,463
Other related company (note (b) below)	其他關連公司 (下文附註(b))	854	779
		231,170	319,575
Other receivables:	其他應收款項：		
Associate of ITC (note (a) below)	德祥企業之聯營公司(下文附註(a))	15,807	15,665
Associates of China Strategic (note (a) below)	中策之聯營公司 (下文附註(a))	2,779	11,567
Other related companies (note (a) below)	其他關連公司 (下文附註(a))	2,096	74
		251,852	346,881
Less: Amount due within one year shown under current assets	減：於一年內到期並列作 流動資產之款項	(251,852)	(346,102)
Amount due after one year	一年後到期之款項	-	779
Analysed as:	分析為：		
Secured	有抵押	-	779
Unsecured	無抵押	251,852	346,102
		251,852	346,881

Notes:

- (a) The companies are related companies of the Group as they are under common directorship with ITC.

The amounts are unsecured, repayable within one year and interest free except for loans receivable of HK\$230,316,000 (2005: HK\$318,796,000) which bear interest at 2% over HKBLR.

- (b) The amount represents loan and interest receivable from Parona Limited, a shareholder of an associate, in which certain family members of a director of the Company, have an interest. The loan is secured by shares in the associate held by Parona Limited, bears interest at 7% per annum and is repayable in October 2006.

附註：

- (a) 該等公司乃與德祥企業受共同之董事監管之公司，故屬於本集團之關連公司。

有關款項為無抵押、須於一年內償還及免息，惟應收貸款230,316,000港元(二零零五年：318,796,000港元)則以港元最優惠借貸利率加2厘計息。

- (b) 有關款項代表應收Parona Limited(聯營公司)之一名股東，本公司其中一名董事之若干家庭成員擁有權益)之貸款及利息。貸款以Parona Limited所持有聯營公司股份為抵押，按年利率7%計息並須於二零零六年十月償還。

28. Amounts Due from Associates

		2006 HK\$'000 千港元	2005 HK\$'000 千港元
Unsecured loan receivables carrying interest at 2% over HKBLR on loan principal and repayable on demand	應收無抵押貸款 按貸款本金 以香港最優惠借貸利率加2厘計息 並須於要求時償還	162,972	162,972
Promissory note with face value of HK\$117,000,000 carrying interest at 0.75% over Hong Kong Interbank Offered Rate, secured by the shares of certain subsidiaries of an associate, and wholly repayable on or before January 2009	面值117,000,000港元之 承兌票據以香港銀行同業 拆息加0.75厘計息 以一間聯營公司之若干 附屬公司股份作抵押 並須於二零零九年一月 或之前清還	117,000	-
Unsecured other receivables, interest free and repayable on demand	其他無抵押應收款項， 免息並須於要求時清還	64,804	5,711
		344,776	168,683
Less: Amount due within one year shown under current liabilities	減：於一年內到期並列作 流動負債之款項	(227,776)	(168,683)
Amount due after one year	一年後到期之款項	117,000	-

29. Deferred Consideration Receivable

The consideration receivable is in connection with the disposal of certain subsidiaries during the year, details of which are set out in note 43. The amount is unsecured, interest free and repayable by four annual installments with final installment due in October 2009. Fair value of the consideration receivable is determined using an effective interest rate of 3%. The carrying amount is analysed for reporting purposes as follows:

		2006 HK\$'000 千港元	2005 HK\$'000 千港元
Non-current assets	非流動資產	10,223	-
Current assets (included in debtors, deposits and prepayments)	流動資產(列入應收賬款、 按金及預付款項)	3,932	-
		14,155	-

28. 應收聯營公司款項

29. 應收遞延代價

應收代價乃與年內出售若干附屬公司有關，詳情刊載於附註43。該金額為無抵押款項，免息及須每年一次分四期清還，最後一期須於二零零九年十月繳付。應收代價之公平價值乃以實際利率3%釐定。其賬面值報告所需分析如下：

31. Amounts Due from (to) Customers for Contract Works

		2006 HK\$'000 千港元	2005 HK\$'000 千港元
Contracts in progress at the balance sheet date:	於結算日之在建工程：		
Contract costs incurred to date	現時已支出之工程費用	42,500,091	40,438,759
Recognised profits less recognised losses	經確認溢利減 經確認虧損	1,052,894	882,008
		43,552,985	41,320,767
Less: Progress billings	減：進度付款	(43,819,221)	(41,570,777)
		(266,236)	(250,010)
Represented by:	來自：		
Amounts due from customers for contract works	應收客戶 合約工程款項	163,379	185,188
Amounts due to customers for contract works	應付客戶 合約工程款項	(429,615)	(435,198)
		(266,236)	(250,010)

At 31 March 2006, retentions held by customers for contract works amounting to approximately HK\$396,066,000 (2005: HK\$369,874,000) were included in debtors, deposits and prepayments, of which HK\$151,168,000 (2005: HK\$182,588,000) are expected to be recovered or settled after more than twelve months from the balance sheet date.

31. 應收(應付)客戶合約工程款項

於二零零六年三月三十一日，已計入應收賬款、按金及預付款項內之合約工程客戶持有之保固金約為396,066,000港元(二零零五年：369,874,000港元)其中151,168,000港元(二零零五年：182,588,000港元)，預期將於結算日起超過十二個月內還清或結清。

32. Debtors, Deposits and Prepayments

The Group's credit terms for its contracting business are negotiated at terms determined and agreed with its trade customers. Trade debtors arising from property leasing business are payable monthly in advance and the credit terms granted by the Group to other trade debtors normally range from 30 days to 90 days.

32. 應收賬款、訂金及預付款項

本集團合約承包業務之信貸期乃與貿易客戶按正常商業條款磋商及訂立。物業租賃業務帶來之應收賬款預先按月支付，而本集團就其他應收賬款授出之信貸期一般由30至90日不等。

32. Debtors, Deposits and Prepayments – continued

Included in debtors, deposits and prepayments are trade debtors of approximately HK\$572,798,000 (2005: HK\$399,560,000) and their aged analysis is as follows:

		2006 HK\$'000 千港元	2005 HK\$'000 千港元
Within 90 days	90日內	504,584	329,058
More than 90 days and within 180 days	超過90日但於180日內	13,704	2,839
More than 180 days	超過180日	54,510	67,663
		572,798	399,560

Deposits and prepayments included approximately HK\$123,711,000 at 31 March 2005 which represented the Group's share of losses arising on certain construction contracts to be recovered from a vendor of Downer EDI Limited ("Downer"), a former associate of the Group, under guarantees provided by the vendor. During the year, the Court of First Instance ordered that judgement be entered for the Group against the vendor and the Group has received the money from the vendor to cover the losses together with interest and other expenses incurred in relation thereto.

The amount also included balance of proceeds from disposal of interest in Downer of approximately AUD74,639,000 (equivalent to HK\$449,174,000) at 31 March 2005 which was deposited with a broker in Australia. The amount was withheld by the Australian Taxation Office until the clearance of all tax liability arising from the disposal of Downer's shares. During the year, approximately AUD55,805,000 (equivalent to HK\$309,600,000) has been paid to the Australian Taxation Office out of the deposits with the broker for the settlement of tax liability. At 31 March 2006, approximately AUD21,383,000 (equivalent to HK\$118,633,000) was deposited with the broker.

32. 應收賬款、訂金及預付款項－續

應收賬款、按金及預付款項包括應收貿易賬款約572,798,000港元(二零零五年: 399,560,000港元)，其賬齡分析如下：

		2006 HK\$'000 千港元	2005 HK\$'000 千港元
於90日內	Within 90 days	504,584	329,058
超過90日但於180日內	More than 90 days and within 180 days	13,704	2,839
超過180日	More than 180 days	54,510	67,663
		572,798	399,560

於二零零五年三月三十一日之訂金及預付款項包含約123,711,000港元之款項，乃本集團將向一名Downer EDI Limited ("Downer"，本集團之前聯營公司) 賣方討回本集團攤佔若干之建築合約損失(根據該賣方提供之擔保)。年內，初審法院頒令就本集團登錄該賣方敗訴之判決，而本集團已向該賣方收取款項，以填補就此產生之損失連利息及其他法律費用。

此款項亦包括在二零零五年三月三十一日存放於澳洲經紀之出售Downer權益所得款項餘額約74,639,000澳元(相當於449,174,000港元)。此筆款項已由澳洲稅務局預扣至清繳所有有關出售Downer股份之稅務責任後方會發放。年內，已從存放於該經紀之款項中撥付約55,805,000澳元(相當於309,600,000港元)予澳洲稅務局，以償還稅務負債。於二零零六年三月三十一日，有約21,383,000澳元(相當於118,633,000港元)由澳洲經紀存放。

33. Investments Held for Trading/Other Investments

		2006	2005
		HK\$'000	HK\$'000
		千港元	千港元
Listed equity securities, at quoted bid price	上市股本證券，按買入報價		
in Hong Kong	香港	161,693	159,326
in overseas	海外	-	8,040
Debt securities, at prices quoted by financial institutions	債務證券，按金融機構報價		
Eurobond – listed in overseas	歐羅債券—海外上市	-	1,467
Equity linked notes – unlisted	股本掛鈎票據—非上市	-	4,451
		161,693	173,284

34. Pledged Bank Deposits, Short Term Bank Deposits and Bank Balances and Cash

Pledged bank deposits represent deposits pledged to banks to secure general banking facilities granted to the Group. Deposits amounting to HK\$118,622,000 (2005: Nil) have been pledged to secure general banking facilities with maturity within one year from the balance sheet date and are therefore classified as current assets.

The pledged bank deposits and short term bank deposits with maturity date of less than three months carry floating interest rates ranging from 3.1% to 4.4% (2005: 0.1% to 2.4%) per annum. The bank balances carry interest rates ranging from Nil to 3.1% (2005: Nil to 1.8%).

35. Creditors and Accrued Expenses

Included in creditors and accrued expenses are trade creditors of approximately HK\$347,160,000 (2005: HK\$236,743,000) and their aged analysis is as follows:

		2006	2005
		HK\$'000	HK\$'000
		千港元	千港元
Within 90 days	90日內	312,038	218,556
More than 90 days and within 180 days	超過90日但於180日內	22,037	1,129
More than 180 days	超過180日	13,085	17,058
		347,160	236,743

Included in creditors and accrued expenses as at 31 March 2005 was margin account owed to brokers of approximately HK\$5,819,000 (2006: Nil) which was interest bearing at prime rate plus 3%, secured by certain investments in securities held by the Group and repayable on demand.

33. 持作買賣投資／其他投資**34. 已抵押銀行存款、短期銀行存款及銀行結存及現金**

已抵押銀行存款指為擔保授予本集團之一般銀行信貸而抵押予銀行之存款。為數118,622,000港元(二零零五年：無)之存款已予抵押，作為須於結算日起一年內償還之一般銀行信貸之抵押，因而被列入流動資產。

已抵押銀行存款及到期日少於三個月之短期銀行存款附帶每年3.1%至4.4%(二零零五年：0.1%至2.4%)之浮動利率。銀行結存附帶利率零至3.1%(二零零五年：零至1.8%)。

35. 應付賬款及應計開支

應付賬款及應計開支包括約347,160,000港元(二零零五年：236,743,000港元)之應付貿易款項，其賬齡分析如下：

於二零零五年三月三十一日之應付賬款及應計開支已包括應付經紀孖展賬款約5,819,000港元(二零零六年：無)，乃按最優惠利率加3厘計息，以本集團所持若干證券投資作為抵押，並須應要求償還。

36. Amounts Due to Associates/Jointly Controlled Entities

The amounts are unsecured, interest free and repayable on demand.

37. Amount Due to a Minority Shareholder

The amount is unsecured, interest free and repayable within one year.

38. Loan from Minority Shareholders

The amount is unsecured and carries interest at the following rates:

36. 應付聯營公司款項及應付共同控制機構款項

該等款項並無抵押、免息及須於要求時償付。

37. 應付少數股東款項

此款項為無抵押、免息及須於一年內償付。

38. 來自少數股東貸款

此款項為無抵押，並按下列利率計息：

		2006 HK\$'000 千港元	2005 HK\$'000 千港元
2% below HKBLR	以香港最優惠借貸利率減2厘計息	88,588	241,000
Interest-free	免息	34,851	-
		123,439	241,000
Less: Amount due within one year shown under current liabilities	減：一年內到期及列作流動 負債之款項	(123,439)	-
Amount due after one year	一年後償還之款項	-	241,000

39. Bank and Other Borrowings

39. 銀行及其他借款

		2006 HK\$'000 千港元	2005 HK\$'000 千港元
Bank and other borrowings comprise:	銀行借款包括：		
Mortgage loans	按揭貸款	-	337,000
Bank loans	銀行貸款	471,383	245,976
Bank overdrafts	銀行透支	-	6,984
Other loan	其他貸款	93,400	-
		564,783	589,960
Analysed as:	分析為：		
Secured	有抵押	397,319	517,000
Unsecured	無抵押	167,464	72,960
		564,783	589,960
The bank and other borrowings are repayable as follows:	銀行及其他借款：償還期如下		
Within one year or on demand	一年內或按通知	400,158	289,960
More than one year, but not exceeding two years	超過一年 但不逾兩年	26,500	300,000
More than two years, but not exceeding five years	超過兩年 但不逾五年	138,125	-
		564,783	589,960
Less: Amount due within one year or on demand shown under current liabilities	減：一年內到期或按通知及列作流動負債之款項	(400,158)	(289,960)
Amount due after one year	一年後到期之款項	164,625	300,000

The above bank borrowings include fixed-rate borrowings denominated in Renminbi of approximately HK\$107,454,000 (2005: HK\$65,975,000) repayable within one year carrying interest ranging from 5.22% to 6.138% (2005: 6.138%) per annum.

The remaining bank borrowings carry floating-rate interest ranging from 4.71% to 6.56% (2005: 1.59% to 3.60%) per annum.

Other loan is secured, bears interest at 0.5% below Hong Kong prime rate and wholly repayable in September 2006.

上述銀行借款包括約107,454,000港元(二零零五年：65,975,000港元)以人民幣為單位之定息借款，須於一年內償還，並按介乎5.22%至6.138%(二零零五年：6.138%)之實際年利率計息。

其餘銀行借款以介乎年利率4.71%至6.56%(二零零五年：1.59%至3.60%)之浮動利率計息。

其他貸款為有抵押、按香港最優惠利率減0.5厘計息，並須於二零零六年九月全數清償。

40. Share Capital

40. 股本

		Number of shares 股份數目	Value 金額 HK\$'000 千港元
Ordinary shares of HK\$0.10 each:	每股面值0.10港元之普通股：		
Authorised:	法定：		
At 1 April 2004, 31 March 2005 and 31 March 2006	於二零零四年一月一日、 二零零五年三月三十一日及 二零零六年三月三十一日	3,000,000,000	300,000
Issued and fully paid:	已發行及繳足股款：		
At 1 April 2004	於二零零四年四月一日	1,345,249,019	134,525
Issue of new shares pursuant to scrip dividend scheme	根據以股代息 計劃發行新股	23,946,417	2,395
At 31 March 2005	於二零零五年三月三十一日	1,369,195,436	136,920
Issue of new shares pursuant to scrip dividend schemes	根據以股代息計劃 發行新股	20,110,474	2,011
Issued of shares under share option schemes	根據購股權計劃 發行股份	14,000	1
Shares repurchased	購回股份	(10,520,000)	(1,052)
At 31 March 2006	二零零六年三月三十一日	1,378,799,910	137,880

During the year, the following changes in the Company's share capital took place:

- (a) Pursuant to the scrip dividend schemes which were announced by the Company on 20 September 2005 and 12 January 2006, the Company issued 8,865,284 (2005: 23,946,417) and 11,245,190 (2005: Nil) new ordinary shares of HK\$0.1 each in the Company to shareholders who elected to receive scrip dividends in respect of the final dividend for the year ended 31 March 2005 and the interim dividend for the six months ended 30 September 2005, respectively. These shares rank pari passu with the then existing shares in all respects.
- (b) On 31 March 2006, the Company issued 14,000 ordinary shares of HK\$0.10 each at the subscription price of HK\$1.78 (2005: Nil) under the share option schemes of the Company.

年內，本公司之股本出現下列變動：

- (a) 根據本公司於二零零五年九月二十日及二零零六年一月十二日公佈之以股代息計劃，本公司分別發行8,865,284股(二零零五年：23,946,417股)及11,245,190股(二零零五年：無)每股面值0.10港元之本公司新普通股予選擇收取股份，以代替截至二零零五年三月三十一日止年度之末期股息及截至二零零五年九月三十日止六個月之中期股息之股東。此等股份在各方面與當時已有股份具相同地位。
- (b) 於二零零六年三月三十一日，本公司根據本公司之購股權計劃按認購價1.78港元發行14,000股(二零零五年：無)每股面值0.10港元之普通股。

40. Share Capital – continued

- (c) The Company repurchased a total of 10,520,000 ordinary shares through the Hong Kong Stock Exchange as follows:

Month of purchase 購回月份	Ordinary shares of HK\$0.1 each 每股面值0.1港元 之普通股	Price per share 每股價格		Aggregate consideration 已付代價 總額 HK\$'000 千港元
		Highest 最高價 HK\$ 港元	Lowest 最低價 HK\$ 港元	
May 2005 二零零五年五月	1,800,000	1.91	1.73	3,329
August 2005 二零零五年八月	8,720,000	1.32	1.30	11,149
	10,520,000			14,478

41. Share-based Payment Transactions

On 27 August 2002, the Company adopted a new share option scheme (the "Share Option Scheme") for the purpose of providing incentive or reward to any employees, executives or officers, directors of the Group or any invested entity and any celebrity, consultant, adviser or agent of any member of the Group or any invested entity, who have contributed or will contribute to the growth and development of the Group or any invested entity ("Eligible Person"). The Share Option Scheme will remain in force for a period of ten years from that date.

Under the Share Option Scheme, the directors of the Company may at their discretion grant options to any Eligible Person to subscribe for shares in the Company without consideration. The directors may at their discretion determine the specific exercise period which should expire in any event no later than ten years from date of adoption of the Share Option Scheme. The exercise price is determined by the directors of the Company and will be at least the higher of: (i) the subscription price as is permissible under the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the "Listing Rules") from time to time; and (ii) the nominal value of the Company's shares.

40. 股本 – 續

- (c) 本公司曾於香港聯交所購回合共 10,520,000 股普通股如下：

41. 以股份付款之交易

於二零零二年八月二十七日，本公司採納新購股權計劃（「購股權計劃」），以向對或將會對本集團或任何投資機構作出貢獻之本集團或任何投資機構之任何僱員、行政人員或高級職員、董事或任何投資機構及著名人士、本集團任何成員公司或任何投資機構之諮詢人、顧問或代理（「合資格人士」）提供激勵或報酬。購股權計劃將自該日起維持有效十年。

根據購股權計劃，本公司董事可酌情向任何合資格人士授出購股權，接納授出之購股權毋需支付任何費用。董事可酌情釐定行使期限，惟在任何情況下，上述行使期限不得超過自購股權計劃獲採納當日起計十年。行使價由本公司董事以下列較高者而釐定：至少為(i)根據香港聯交所上市規則（「上市規則」）不時允許之認購價；及(ii)本公司股份之面值。

41. Share-based Payment Transactions – continued

The maximum number of shares which may initially be issued upon the exercise of all options to be granted under the Share Option Scheme and any other share option scheme(s) adopted by the Company must not in aggregate exceed 10% of the total number of issued shares of the Company as at its adoption date, i.e. 103,674,492 shares. Subject to the approval of the shareholders of the Company in general meeting, the limit may be refreshed to 10% of the total number of shares in issue as at the date of approval by the shareholders of the Company in general meeting. Notwithstanding the foregoing, the maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme(s) of the Company must not in aggregate exceed 30% of the total number of shares in issue from time to time. Pursuant to ordinary resolutions passed at the annual general meetings of the Company in 2003 and 2004, the 10% scheme limit was refreshed to 10% of the total number of issued shares of the Company as at the respective date of such meetings. Pursuant to an ordinary resolution passed at the Company's annual general meeting held on 8 September 2005, the 10% scheme limit was further refreshed to 135,867,543, representing 10% of the total number of issued shares of the Company as at the date of such meeting.

The maximum number of shares of the Company in respect of which options may be granted to each Eligible Person under the Share Option Scheme and any other share option scheme(s) of the Company (including both exercised, cancelled and outstanding options) in any 12-month period shall not exceed 1% of the total number of shares in issue from time to time unless such grant has been duly approved by shareholders of the Company at general meeting at which the Eligible Person and his associates (as defined in the Listing Rules) abstained from voting. Options granted to a substantial shareholder and/or an independent non-executive director or any of their respective associates (as defined in the Listing Rules) in any 12-month period in excess of 0.10% of total number of shares in issue and have an aggregate value exceeding HK\$5 million must be approved by the shareholders of the Company in general meeting in advance.

41. 以股份付款之交易 – 續

根據購股權計劃及本公司所採納任何其他購股權計劃可予授出之購股權可認購最多之股份總數，合共不得超過本公司於採納日期已發行股份總數之10%，即103,674,492股。如獲得本公司股東在股東大會上批准，該限額可更新為本公司股東在股東大會上批准當日已發行股份總數之10%。儘管如此，已根據購股權計劃或本公司任何其他購股權計劃授出但尚未行使之所有購股權獲行使時可予發行之股份總數，合共最多不得超過不時已發行股份總數之30%。根據本公司於二零零三年及二零零四年舉行之本公司股東週年大會上通過之普通決議案，該限額已更新至於該等大會各自日期本公司已發行股份數目之10%。根據本公司於二零零五年九月八日舉行之本公司股東週年大會上通過之普通決議案，該限額已進一步更新至135,867,543股股份，即本公司於該大會日期已發行股份數目之10%。

於任何十二個月期間，根據購股權計劃及本公司任何其他購股權計劃可授予任何合資格人士之購股權（包括已行使、已註銷及未行使購股權）所涉及之本公司股份數目，最多不得超過不時已發行股份總數之1%，除非此項批授事宜已在合資格人士及其聯繫人士（定義見上市規則）放棄投票之股東大會上獲得本公司股東正式批准，則不受此限。於任何十二個月期間內向每位主要股東及／或獨立非執行董事或彼等各自之任何聯繫人士（定義見上市規則）授出購股權時，若所授出購股權所涉及之股份超過已發行股份總數之0.10%或總值超過5,000,000港元，則事先必須獲得本公司股東在股東大會上批准。

41. Share-based Payment Transactions – continued

- (a) Details of the share options granted on 28 December 2004 to certain directors and former directors of the Company under the Share Options Scheme and movements in such holdings during the year are as follows:

Date of grant	Exercisable period	Exercise price	Number of shares of the Company to be issued upon exercise of the share options outstanding at 31.3.2005 and 31.3.2006 於31.3.2005及31.3.2006 尚未行使購股權獲行使時 將予發行之本公司股份數目
授出日期	行使期	每股行使價 HK\$ 港元	
28.12.2004	28.12.2004 – 26.8.2012	1.24*	22,100,000
28.12.2004	28.12.2004 – 26.8.2012	1.50*	22,100,000
			44,200,000

* Pursuant to the ordinary resolution passed by the Company's shareholders at the special general meeting held on 14 February 2006, the Company repriced the share options by a reduction of the exercise price by HK\$0.70 per share as a result of the payment of a special cash dividend of HK\$0.70 per share during the year. The fair values of the outstanding share options immediately before and after the modification of their exercise price were calculated by RHL Appraisal Ltd., not connected with the Group, using the Black-Scholes Option Pricing Model (the "Model"). The directors by reference to the valuation report and taking other professional advice, considered that the modification did not result in an increase in fair value of the share options. Accordingly, no adjustment for the current and prior years has been required.

The Model is one of the commonly used models to estimate the fair values of the option. The value of an option varies with different variables of certain subjective assumptions. Any changes in the variables so adopted may materially affected the estimation of the fair value of an option.

The above share options granted to directors of the Company were vested on 28 December 2004. No option was exercised, cancelled and lapsed during the years ended 31 March 2006 and 31 March 2005.

There was no consideration received by the Company in prior year from Eligible Persons for taking up the options granted.

41. 以股份付款之交易 – 續

- (a) 本公司於二零零四年十二月二十八日根據購股權計劃向本集團之若干董事及前任董事授出之購股權之詳情及於年內之變動如下：

* 根據本公司股東於二零零六年二月十四日所舉行股東特別大會上通過之普通決議案，本公司因年內支付每股0.70港元之特別股息而重訂購股權價格，方法為將每股行使價削減0.70港元。未行使購股權之公平價值在緊於更改行使價前後之估值乃由與本集團概無關連之獨立估值師永利行評估顧問有限公司按柏力克－舒爾斯期權定價模式（「該模式」）計算進行。董事在參考估值報告及經作出專業諮詢後，認為此項更改不會導致購股權公平價值上升，因此，毋須就本年及以往年度進行調整。

該模式為其中一個用以估計購股權公平價值之常用模式。購股權之價值因若干主觀假設出現不同變數而各有不同。就變數所採納之任何變動，可能會對就購股權公平價值所作出之估計產生重大影響。

上述授予本公司董事之購股權已於二零零四年十二月二十八日歸屬。於截至二零零六年三月三十一日止及二零零五年三月三十一日止年度內均無已行使、已註銷及未行使之購股權。

以往年度內並無因合資格人士接納獲授之購股權而收到任何代價。

41. Share-based Payment Transactions – continued

- (b) Details of the share options granted to certain employees of the Group under the Share Option Scheme during the year and movements in such holdings are as follows:

Category	Date of grant	Vesting date	Exercisable period	Exercise price per share	Number of shares of the Company to be issued upon exercise of the share options			
					Granted during the year	Exercised during the year	Outstanding at 31.3.2006	
類別	授出日期	歸屬日期	行使期	每股行使價 HK\$ 港元	年內授出	年內行使	尚未行使	
Type (i)	第(i)類	6.2.2006	6.2.2006	6.2.2006 – 5.2.2007	1.780	8,325,000	(14,000)	8,311,000
Type (ii)	第(ii)類	6.2.2006	6.2.2007	6.2.2007 – 5.2.2008	2.500	8,325,000	–	8,325,000
Type (iii)	第(iii)類	6.2.2006	6.2.2008	6.2.2008 – 5.2.2009	3.000	8,325,000	–	8,325,000
Type (iv)	第(iv)類	6.2.2006	6.2.2009	6.2.2009 – 5.2.2010	3.500	8,325,000	–	8,325,000
Type (v)	第(v)類	24.3.2006	24.3.2006	24.3.2006 – 5.2.2007	2.325	3,000,000	–	3,000,000
Type (vi)	第(vi)類	24.3.2006	6.2.2007	6.2.2007 – 5.2.2008	2.500	3,000,000	–	3,000,000
Type (vii)	第(vii)類	24.3.2006	6.2.2008	6.2.2008 – 5.2.2009	3.000	3,000,000	–	3,000,000
Type (viii)	第(viii)類	24.3.2006	6.2.2009	6.2.2009 – 5.2.2010	3.500	3,000,000	–	3,000,000
						45,300,000	(14,000)	45,286,000
Exercisable at end of the year								11,311,000
年底時可予行使								

In respect of the 14,000 share options exercised during the year, the weighted average share price at the date of exercise is HK\$2.8. No option were cancelled or lapsed during the year.

41. 以股份付款之交易 – 續

- (b) 本公司根據購股權計劃向本集團之若干僱員授出之購股權之詳情及於年內之變動如下：

Category	Date of grant	Vesting date	Exercisable period	Exercise price per share	Number of shares of the Company to be issued upon exercise of the share options			
					Granted during the year	Exercised during the year	Outstanding at 31.3.2006	
類別	授出日期	歸屬日期	行使期	每股行使價 HK\$ 港元	年內授出	年內行使	尚未行使	
Type (i)	第(i)類	6.2.2006	6.2.2006	6.2.2006 – 5.2.2007	1.780	8,325,000	(14,000)	8,311,000
Type (ii)	第(ii)類	6.2.2006	6.2.2007	6.2.2007 – 5.2.2008	2.500	8,325,000	–	8,325,000
Type (iii)	第(iii)類	6.2.2006	6.2.2008	6.2.2008 – 5.2.2009	3.000	8,325,000	–	8,325,000
Type (iv)	第(iv)類	6.2.2006	6.2.2009	6.2.2009 – 5.2.2010	3.500	8,325,000	–	8,325,000
Type (v)	第(v)類	24.3.2006	24.3.2006	24.3.2006 – 5.2.2007	2.325	3,000,000	–	3,000,000
Type (vi)	第(vi)類	24.3.2006	6.2.2007	6.2.2007 – 5.2.2008	2.500	3,000,000	–	3,000,000
Type (vii)	第(vii)類	24.3.2006	6.2.2008	6.2.2008 – 5.2.2009	3.000	3,000,000	–	3,000,000
Type (viii)	第(viii)類	24.3.2006	6.2.2009	6.2.2009 – 5.2.2010	3.500	3,000,000	–	3,000,000
						45,300,000	(14,000)	45,286,000
Exercisable at end of the year								11,311,000
年底時可予行使								

年內行使之14,000份購股權，於行使當日之加權平均股價為2.8港元。年內並無已註銷及已失效之購股權。

41. Share-based Payment Transactions – continued

These fair values were calculated using the Black-Scholes Option Pricing Model. The fair values determination as at 6 February 2006 and 24 March 2006 were carried out by RHL Appraisal Ltd., an independent valuer. The inputs into the model were as follows:

		Type (i) 第(i)類	Type (ii) 第(ii)類	Type (iii) 第(iii)類	Type (iv) 第(iv)類	Type (v) 第(v)類	Type (vi) 第(vi)類	Type (vii) 第(vii)類	Type (viii) 第(viii)類
Closing share price at date of grant	授出日期之 股份收市價	HK\$1.78港元	HK\$1.78港元	HK\$1.78港元	HK\$1.78港元	HK\$2.325港元	HK\$2.325港元	HK\$2.325港元	HK\$2.325港元
Exercise price	行使價	HK\$1.78港元	HK\$2.50港元	HK\$3.00港元	HK\$3.50港元	HK\$2.325港元	HK\$2.50港元	HK\$3.00港元	HK\$3.50港元
Expected volatility	預期波幅	48%	48%	48%	48%	48%	48%	48%	48%
Expected life	預期壽命	1 year年	2 years年	3 years年	4 years年	0.87 year年	1.87 years年	2.87 years年	3.87 years年
Risk-free interest rate	無風險利率	3.85%	3.88%	3.97%	4.05%	4.215%	4.252%	4.310%	4.390%
Expected annual dividend yield	預期年度股息 回報率	1.69%	1.69%	1.69%	1.69%	1.69%	1.69%	1.69%	1.69%
Fair value per share option	每股購股權 之公平價值	HK\$0.347港元	HK\$0.287港元	HK\$0.311港元	HK\$0.336港元	HK\$0.432港元	HK\$0.570港元	HK\$0.583港元	HK\$0.608港元

The expected volatility was determined by using the annualised standard derivation of the continuously compounded rate of return on the ordinary shares of the Company. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non transferability and behavioural considerations.

The total estimated fair value of HK\$4,945,000 with respect to the above share options granted to the employees on 6 February 2006 and 24 March 2006, were charged to the consolidated income statement during the year.

There is no consideration received during the year from Eligible Persons for taking up the options granted.

41. 以股份付款之交易 – 續

公平價值乃按柏力克－舒爾斯期權定價模式計算。公平價值於二零零六年二月六日及二零零六年三月二十四日之估值乃由獨立估值師永利行評估顧問有限公司進行。該模式之輸入值如下：

預期波幅乃利用本公司普通股之連續複利回報率之年度化標準差釐定。由於非透明性質及行為上考慮之影響，本模式所用之預期壽命已根據管理層之推測予以調整。

於二零零六年二月六日及二零零六年三月二十四日授予僱員之購股權之預計公平價值總額4,945,000港元已計入本年度之綜合收益表內。

並無因合資格人士接納獲授之購股權而收到任何代價。

41. Share-based Payment Transactions – continued

Share option scheme of Paul Y. Engineering Group Limited (“PYE”)

On 7 September 2005, PYE adopted a share option scheme (the “PYE Scheme”) for the purpose of providing incentive or reward to any employees, executives or directors of PYE or any invested entity and any consultant, adviser or agent of any member of PYE or any invested entity, who have contributed or will contribute to the growth and development of PYE or any invested entity (“PYE Eligible Person”). The PYE Scheme will remain in force for a period of ten years from that date.

Under the PYE Scheme, the directors of PYE may at their discretion grant options to any PYE Eligible Person to subscribe for shares in PYE. Consideration to be paid on each grant of option is HK\$1.00. The directors of PYE may at their discretion determine the specific exercise period which should expire in any event no later than ten years from date of adoption of the PYE Scheme. The exercise price is determined by the directors of PYE and will be at least the higher of: (i) the subscription price as is permissible under the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the “Listing Rules”) from time to time; and (ii) the nominal value of the shares of PYE.

The maximum number of shares that may be issued upon the exercise of all options to be granted under the PYE Scheme and any other share option scheme(s) adopted by PYE must not in aggregate exceed 10% of the total number of issued shares of PYE, i.e. 57,669,939 shares of PYE, as at its adoption date. Subject to the approval of the shareholders of PYE in general meeting, the limit may be refreshed to 10% of the total number of shares of PYE in issue as at the date of approval by the shareholders of PYE in general meeting. Notwithstanding the forgoing, the maximum number of shares of PYE which may be issued upon exercise of all outstanding options granted and yet to be exercise under the PYE Scheme and any other share option scheme(s) of PYE must not in aggregate exceed 30% of the total number of shares of PYE in issue from time to time.

41. 以股份付款之交易 – 續

保華建業集團有限公司(「保華建業」)之購股權計劃

於二零零五年九月七日，保華建業採納一項購股權計劃(「保華建業購股權計劃」)，以向對或將會對保華建業或任何投資機構作出貢獻之保華建業集團或任何投資機構之任何僱員、行政人員或董事或任何投資機構及保華建業集團任何成員公司或任何投資機構之諮詢人、顧問或代理(「保華建業合資格人士」)提供激勵或報酬。保華建業購股權計劃將自該日起維持有效十年。

根據保華建業購股權計劃，保華建業董事可酌情向任何保華建業合資格人士授出購股權，以認購保華建業之股份，每股接納授出之購股權需支付每股1.00港元之代價。保華建業董事可酌情釐定行使期限，惟在任何情況下，上述行使期限不得超過自保華建業購股權計劃獲採納當日起計十年。行使價由保華建業董事以下列較高者而釐定：至少為(i)根據香港聯交所上市規則(「上市規則」)不時允許之認購價；及(ii)保華建業股份之面值。

根據保華建業購股權計劃及保華建業所採納任何其他購股權計劃可予授出之購股權可認購最多之股份總數，合共不得超過保華建業於採納日期已發行股份總數之10%，即57,669,939股保華建業股份。如獲得保華建業股東在股東大會上批准，該限額可更新為保華建業股東在股東大會上批准當日保華建業已發行股份總數之10%。儘管如此，已根據保華建業購股權計劃或保華建業任何其他購股權計劃授出但尚未行使之所有購股權獲行使時可予發行之保華建業股份總數，合共最多不得超過不時已發行保華建業股份總數之30%。

41. Share-based Payment Transactions – continued

Share option scheme of Paul Y. Engineering Group Limited (“PYE”) – continued

The maximum number of shares of PYE in respect of which options may be granted to each Eligible Person under the PYE Scheme and any other share option scheme(s) of PYE (including both exercised, cancelled and outstanding options) in any 12-month period shall not exceed 1% of the total number of shares of PYE in issue from time to time unless such grant has been duly approved by shareholders of PYE at general meeting at which the Eligible Person and his associate (as defined in the Listing Rules) abstained from voting. Options granted to a substantial shareholder and/or an independent non-executive director of PYE or any of their respective associates (as defined in the Listing Rules) in any 12-month period in excess of 0.10% of the total number of PYE in issue and have an aggregate value exceeding HK\$5 million must be approved by the shareholders of PYE in general meeting in advance.

Details of the share options granted under the Scheme during the year are as follows:

Category	Date of grant	Vesting date	Exercise period	Exercise price per share	Number of shares of the Company to be issued upon exercise of the share options granted during the year and outstanding at 31.3.2006 於截至31.3.2006止年度授出而於31.3.2006尚未行使之購股權獲行使時將予發行之本公司股份數目	
類別	授出日期	歸屬期	行使期	每股行使價 HK\$ 港元		
Type I	第I類	3.2.2006	3.2.2006	3.2.2006 – 6.9.2015	0.70	1,500,000
Type II	第II類	3.2.2006	1.1.2007	1.1.2007 – 6.9.2015	0.85	1,500,000
Type III	第III類	3.2.2006	1.1.2008	1.1.2008 – 6.9.2015	1.00	1,500,000
Type IV	第IV類	9.2.2006	9.2.2008	9.2.2008 – 8.2.2009	0.90	8,000,000
						12,500,000
Exercisable at end of the year	年底時 可予行使					1,500,000

No option was exercised, cancelled and lapsed during the year.

41. 以股份付款之交易 – 續

保華建業集團有限公司(「保華建業」)之購股權計劃 – 續

於任何十二個月期間，根據保華建業購股權計劃及保華建業任何其他購股權計劃可授予任何合資格人士之購股權(包括已行使、已註銷及未行使購股權)所涉及之保華建業股份數目，最多不得超過不時已發行保華建業股份總數之1%，除非此項批授事宜已在合資格人士及其聯繫人士(定義見上市規則)放棄投票之股東大會上獲得保華建業股東正式批准，則不受此限。於任何十二個月期間內向每位保華建業主要股東及/或獨立非執行董事或彼等各自之任何聯繫人士(定義見上市規則)授出購股權時，若所授出購股權所涉及之股份超過已發行保華建業股份總數之0.10%或總值超過5,000,000港元，則事先必須獲得保華建業股東在股東大會上批准。

年內，根據購股權計劃授出之購股權，詳情如下：

Category	Date of grant	Vesting date	Exercise period	Exercise price per share	Number of shares of the Company to be issued upon exercise of the share options granted during the year and outstanding at 31.3.2006 於截至31.3.2006止年度授出而於31.3.2006尚未行使之購股權獲行使時將予發行之本公司股份數目	
類別	授出日期	歸屬期	行使期	每股行使價 HK\$ 港元		
Type I	第I類	3.2.2006	3.2.2006	3.2.2006 – 6.9.2015	0.70	1,500,000
Type II	第II類	3.2.2006	1.1.2007	1.1.2007 – 6.9.2015	0.85	1,500,000
Type III	第III類	3.2.2006	1.1.2008	1.1.2008 – 6.9.2015	1.00	1,500,000
Type IV	第IV類	9.2.2006	9.2.2008	9.2.2008 – 8.2.2009	0.90	8,000,000
						12,500,000
Exercisable at end of the year	年底時 可予行使					1,500,000

年內概無已行使、已註銷及未行使之購股權。

41. Share-based Payment Transactions – continued

Share option scheme of Paul Y. Engineering Group Limited (“PYE”) – continued

These fair values were calculated using the Black-Scholes Option Pricing Model. The fair values determination as at 3 February 2006 and 9 February 2006 were carried out by RHL Appraisal Ltd.. The inputs into the Model were as follows:

		Type I 第I類	Type II 第II類	Type III 第III類	Type IV 第IV類
Closing share price at date of grant	授出日期之 股份收市價	HK\$0.70港元	HK\$0.70港元	HK\$0.70港元	HK\$0.87港元
Exercise price	行使價	HK\$0.70港元	HK\$0.85港元	HK\$1.00港元	HK\$0.90港元
Expected volatility	預期波幅	38%	38%	38%	38%
Expected life	預期壽命	2.5 years年	2.9 years年	4 years年	2.5 years年
Risk-free interest rate	無風險利率	3.93%	3.92%	4.06%	4.06%
Expected annual dividend yield	預期年度股息回報率	8.57%	8.57%	8.57%	8.57%
Fair value per share option	每股購股權之公平價值	HK\$0.109港元	HK\$0.079港元	HK\$0.067港元	HK\$0.129港元

The expected volatility was determined by using the annualised standard derivation of the continuously compounded rate of return on the ordinary shares of PYE. The expected life used in the model has been adjusted, based on management’s best estimate, for the effects of non transferability and behavioural considerations.

The total estimated fair value of HK\$137,000 with respect to share options granted to directors and employees of PYE on 3 February 2006 and 9 February 2006, was charged to the consolidated income statement during the year.

41. 以股份付款之交易 – 續

保華建業集團有限公司(「保華建業」)之購股權計劃 – 續

公平價值乃按柏力克－舒爾斯期權定價模式計算。公平價值於二零零六年二月三日及二零零六年二月九日之估值乃由與本集團概無關連之獨立估值師永利行評值顧問有限公司進行。該模式之輸入值如下：

預期波幅乃利用保華建業普通股之連續複利回報率之年度化標準差釐定。由於非透明性質及行為上考慮之影響，該模式所用之預期壽命已根據管理層之推測予以調整。

於二零零六年二月三日及二零零六年二月九日授予保華建業董事及僱員之購股權之預計公平價值總額137,000港元已計入本年度之綜合收益表內。

42. Acquisition of Subsidiaries

During the year, the Group acquired certain wholly-owned subsidiaries which are engaged in holding of motor vehicles registration marks. The acquisition has been accounted for by the purchase method of accounting. The effect of the acquisition is summarised as follows:

		2006 HK\$'000 千港元	2005 HK\$'000 千港元
Net assets acquired:	購入資產淨值：		
Project under development	發展中項目	-	1,724,684
Property, plant and equipment	物業、機械及設備	-	471
Investment securities	投資證券	-	389
Properties held for sale	持作出售物業	-	82,700
Debtors, deposits and prepayments	應收賬款、按金及預付款項	202	16,704
Other intangible assets	其他無形資產	973	-
Bank balances and cash	銀行結存及現金	-	4,649
Creditors and accrued expenses	應付賬款及應計開支	(975)	(70,006)
Taxation payable	應付稅項	-	(398)
Bank and other borrowings	銀行及其他借款	-	(28,275)
Deferred taxation	遞延稅項	-	(900,000)
Minority interests	少數股東權益	-	(418,389)
		200	412,529
Goodwill arising on acquisition	收購產生之商譽	-	60,740
		200	473,269
Satisfied by:	支付方式：		
Cash consideration	現金代價	200	448,557
Dilution of interests in subsidiaries reclassified to minority interests	攤薄附屬公司權益，重新分類為少數股東權益	-	24,712
		200	473,269
Net cash outflow arising on acquisition of subsidiaries:	收購附屬公司產生之現金流出淨額：		
Cash paid	已付現金	(200)	(448,557)
Bank balances and cash acquired	購入銀行結存及現金	-	4,649
		(200)	(443,908)

The subsidiaries acquired did not make any significant impact on the Group's results and cash flows for the year. The subsidiaries acquired in 2005 contributed approximately HK\$28,977,000 to the Group's turnover and a loss of approximately HK\$5,420,000 to the Group's profit for that year.

42. 收購附屬公司

年內，本集團收購若干持有汽車牌照號碼之全資附屬公司。上述收購已以收購會計法入賬。收購之影響概括如下：

於年內收購之附屬公司對本集團之本年度業績及現金流量並無重大影響。於二零零五年收購之附屬公司對本集團之營業額及溢利分別貢獻約28,977,000港元及虧損約5,420,000港元。

43. Disposal of Subsidiaries

During the year, the Group disposed of the following subsidiaries:

- (a) On 8 June 2005, the Group disposed of its entire equity interest in Technico Investments Limited (“Technico”) at a consideration of approximately HK\$13.2 million, with HK\$9.3 million in cash and HK\$3.9 million as a deferred consideration which would in turn be settled in cash in June 2006. Technico owned a property in Taishan, the PRC.
- (b) On 20 July 2005, the Group disposed of its entire equity interest in Time First Investments Limited and its wholly-owned subsidiary (“Time First group”) at a cash consideration of HK\$26.3 million. Time First group was engaged in the property development and sale in Taishan, the PRC.
- (c) On 12 September 2005, the Group disposed of its entire equity interest in Skylink Enterprises Limited (“Skylink”) at a consideration of HK\$25 million, with HK\$22 million in cash and HK\$3 million as deferred consideration. Skylink owned a property in Taishan, the PRC.
- (d) On 26 September 2005, the Group disposed of its entire equity interest in Redcliff Property Corp. (“Redcliff”) at a cash consideration of HK\$17.7 million. Redcliff was engaged in the property development and sale of a property in Taishan, the PRC.
- (e) On 4 October 2005, the Group disposed of its entire interest in Well Cycle Limited (“Well Cycle”) at a cash consideration of approximately HK\$1.3 million. Well Cycle owned certain second hand motor vehicles and vehicle registration numbers as its sole business and assets.
- (f) On 20 January 2006, the Group disposed of its 100% interest in Linkport Holdings Limited and its two wholly-owned subsidiaries (“Linkport group”) to an associate of the Group at an agreed value of the property of HK\$780 million, with adjustments of HK\$14 million being deducted on completion according to agreement, with HK\$649 million in cash and HK\$117 million as a deferred consideration which will in turn be settled in cash on or before 20 January 2009. Linkport group owned an investment property located in Hong Kong as its sole business and asset.

43. 出售附屬公司

年內，本集團出售下列附屬公司：

- (a) 於二零零五年六月八日，本集團以約13,200,000港元之代價出售其於添高投資有限公司(「添高」)之全部股本權益，其中9,300,000港元以現金支付，另有3,900,000港元作為遞延代價並將於二零零六年六月清償。添高於中國台山市擁有一所物業。
- (b) 於二零零五年七月二十日，本集團以約26,300,000港元之現金代價出售其於Time First Investments Limited及其全資附屬公司(「Time First集團」)的全部股本權益。Time First集團已參與位於中國台山市之物業之發展及銷售。
- (c) 於二零零五年九月十二日，本集團以約25,000,000港元之代價出售其於天嶺企業有限公司(「天嶺」)的全部股本權益，其中22,000,000港元以現金支付，另有3,000,000港元則為遞延代價。天嶺於中國台山市擁有一所物業。
- (d) 於二零零五年九月二十六日，本集團以約17,700,000港元之現金代價出售其於Redcliff Property Corp. (「Redcliff」)的全部股本權益。Redcliff已參與位於中國台山市之物業之發展及銷售。
- (e) 於二零零五年十月四日，本集團以約1,300,000港元之現金代價出售其於志圖有限公司(「志圖」)的全部股本權益。志圖擁有若干二手汽車及汽車牌照號碼，並為其僅有之業務及資產。
- (f) 於二零零六年一月二十日，本集團以該物業之協定值780,000,000港元(並經於完成時根據協議扣減14,000,000港元調整)出售其於Linkport Holdings Limited及其兩間全資附屬公司(「Linkport集團」)的全部權益予本集團一間聯營公司，其中649,000,000港元以現金支付，另有117,000,000港元為遞延代價並將於二零零九年一月二十日或以前以現金清償。Linkport集團擁有位於香港之投資物業，並為其僅有之業務及資產。

43. Disposal of Subsidiaries – continued

- (g) On 27 January 2006, the Group disposed of its 100% interest in Darierian Limited and its two wholly-owned subsidiaries (“Darierian group”) to a wholly-owned subsidiary of ITC Corporation Limited at a cash consideration of HK\$3.5 million. Darierian group owned certain second hand motor vehicles, vehicle registration numbers and a golf club corporate membership as its sole business and assets.
- (h) On 31 March 2006, the Group disposed of its 100% interest in Bakersfield Trading Limited and its two wholly-owned subsidiaries (“Bakersfield group”) at a cash consideration of HK\$55 million. Bakersfield group owned a motor vessel and wet berth as its sole business and asset.
- (i) On 30 October 2005, the Group disposed of certain subsidiaries which were engaged in manufacturing and trading of concrete products. The consideration for the disposal is HK\$19 million which will be settled in cash of HK\$4 million and a deferred consideration of HK\$15 million by the purchaser on or before October 2009.

43. 出售附屬公司－續

- (g) 於二零零六年一月二十七日，本集團以現金代價3,500,000港元出售其於Darierian Limited及其兩間全資附屬公司（「Darierian集團」）的全部權益予德祥企業集團有限公司之全資附屬公司。Darierian集團擁有若干二手汽車、汽車牌照號碼及高爾夫球企業會籍，並為其僅有之業務及資產。
- (h) 於二零零六年三月三十一日，本集團以現金代價55,000,000港元出售其於Bakersfield Trading Limited及其兩間全資附屬公司（「Bakersfield集團」）的全部權益。Bakersfield集團擁有一艘船及濕塢，並為其僅有之業務及資產。
- (i) 於二零零五年十月三十日，本集團出售若干從事混凝土產品產銷之附屬公司。出售事項之代價為19,000,000港元，其中4,000,000港元將以現金支付，另有15,000,000港元為遞延代價並將於二零零九年十月或以前由買方清償。

43. Disposal of Subsidiaries – continued

43. 出售附屬公司－續

		2006 HK\$'000 千港元	2005 HK\$'000 千港元
Net assets disposed of:	出售資產淨值：		
Property, plant and equipment	物業、機械及設備	152,346	—
Investment properties	投資物業	540,400	—
Prepaid land lease payments	預付土地租賃款項	108,378	—
Other intangible assets	其他無形資產	8,419	—
Debtors, deposits and prepayments	應收賬款、按金及預付款項	25,052	—
Properties held for sale	持作銷售物業	93,828	—
Bank balances and cash	銀行結存及現金	5,891	—
Creditors and accrued expenses	應付賬款及應計開支	(56,661)	—
Taxation payable	應付稅項	(1,219)	—
Deferred tax liabilities	遞延稅項負債	(24,834)	—
		851,600	—
Expenses incurred on disposal	出售產生之開支	9,755	—
Gain on disposals	出售之收益	60,756	—
		922,111	—
Total consideration	總代價	922,111	—
Satisfied by:	支付方式：		
Cash	已收現金代價	788,131	—
Consideration receivable (included in debtors, deposit and prepayments)	應收代價(列入應收賬款、按金及預付款項)	3,000	—
Promissory note (note 28)	承兌票據(附註28)	117,000	—
Deferred consideration (note 29)	遞延代價(附註29)	13,980	—
		922,111	—
Net cash inflow arising on disposals:	出售所產生之現金流入淨額：		
Cash received	已收現金	788,131	—
Bank balances and cash disposed of	出售銀行結存及現金	(5,891)	—
		782,240	—

As part of the consideration of the disposal of the subsidiaries, a deferred consideration of HK\$15,000,000 will be settled in cash by the purchaser under four annual installments commencing from 30 October 2006. The fair value of the deferred consideration at date of initial recognition is determined based on the estimated future cash flows discounted at 3% per annum.

The subsidiaries disposed of during the year contributed approximately HK\$37,182,000 to the Group's turnover and a gain of approximately HK\$74,997,000 to the Group's results for the year.

作為出售附屬公司之部分代價，為數15,000,000港元之遞延代價將由買方於二零零六年十月三十日起分四期每年以現金償清。遞延代價於初始確認日期之公平價值乃按估計未來現金流量按每年3%貼現率釐定。

年內出售之附屬公司對本集團之營業額及業績分別貢獻約37,182,000港元及盈利約74,997,000港元。

44. Major Non-cash Transactions

The Group had the following major non-cash transactions:

- (a) additional shares were issued as scrip dividends during the year as set out in note 15 and 40; and
- (b) during the year, part of the consideration for disposal of subsidiaries were deferred or unsettled at 31 March 2006, details of which are set out in note 43.

45. Retirement Benefit Schemes

The Group operates defined contribution retirement benefit schemes for qualifying employees. The assets of the schemes are separately held in funds under the control of trustees.

The cost charged to the income statement represents contributions payable to the funds by the Group at rates specified in the rules of the schemes. Where there are employees who leave the schemes prior to vesting fully in the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions.

At the balance sheet date, there were no material forfeited contributions which arose upon employees leaving the schemes prior to their interests in the Group's contributions becoming fully vested and which are available to reduce the contributions payable by the Group in future years.

With effective from 1 December 2000, the Group has joined a mandatory provident fund scheme ("MPF Scheme"). The MPF Scheme is registered with the Mandatory Provident Fund Scheme Authority under the Mandatory Provident Fund Schemes Ordinance. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the rules of the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at the rates specified in the rules. The only obligation of the Group with respect to MPF Scheme is to make the required contributions under the scheme. No forfeited contribution is available to reduce the contribution payable in the future years.

The retirement benefit scheme contributions arising from the MPF Scheme charged to the income statement represent contributions payable to the funds by the Group at the rates specified in the rules of the scheme.

44. 重大非現金交易

本集團曾進行下列重大非現金交易：

- (a) 年內額外發行股份作為實物股息(載列於附註15及40)；及
- (b) 年內，出售附屬公司之部分代價屬遞延性質或於二零零六年三月三十一日尚未清償，詳情見附註43。

45. 退休福利計劃

本集團為合資格僱員設有已界定供款退休福利計劃。該等計劃之資產由受託人管理之多項基金獨立持有。

於收益表撥出之費用為本集團按該等計劃之規則所定之比例支付予基金之供款。倘僱員在可享有本集團供款所附全部權益前退出該等計劃，本集團應付供款將可按沒收供款之金額遞減。

於結算日，並無因僱員於彼等可享有本集團供款所附全部權益前退出該等計劃而產生之重大沒收供款及可供本集團於未來年度減少應付供款之重大沒收供款。

由二零零零年十二月一日起，本集團加入強制性公積金計劃(「強積金計劃」)。強積金計劃已根據強制性公積金計劃條例在強制性公積金管理局登記。強積金計劃之資產獨立於本集團之資產，由獨立受託人控制之基金持有。根據強積金計劃之規則，僱主及僱員均須各自按規則訂明之比率向計劃供款。本集團有關強積金計劃之僅有責任為根據計劃作出指定之供款。目前並無已遭沒收供款可供扣減日後應付供款。

因強積金計劃而作出之退休福利計劃供款自收益表扣除，相當於本集團按計劃規則訂明之比率向基金應付之供款。

46. Contingent Liabilities

Outstanding performance bonds in respect of construction contracts	仍然有效之建築合約 履約擔保書
Guarantee given to a bank in respect of banking facilities granted to an associate	就授予聯營公司之 銀行信貸向銀行 作出之擔保

46. 或然負債

2006 HK\$'000 千港元	2005 HK\$'000 千港元
361,030	310,503
9,454	–
370,484	310,503

The Group has provided rental guarantee (“Rental Guarantee”) in respect of properties held by certain former subsidiaries which were disposed of to an associate. Under the Rental Guarantee, the Group has guaranteed that the net rental for each of the three years commencing from 20 January 2006 (“Guaranteed Period”) would not be less than HK\$48 million. The Group is entitled to receive 30% of any excess of the net annual rental of the Guaranteed Period received over HK\$48 million. In the opinion of the directors, the fair value of the Rental Guarantee arrangement is insignificant as at 31 March 2006.

In addition, a subsidiary of the Company is a defendant in a lawsuit brought during 2002 claiming approximately HK\$1,733,000 relating to the outstanding sum of the contract works done by a sub-contractor, Swee Kheng & Aster Marble Company Limited (“Swee Kheng”). The subsidiary filed a defence and counterclaim claiming payment for Swee Kheng of a sum of approximately HK\$162,000. The subsidiary has contested the claim vigorously and no provision has been made in the consolidated financial statements.

本集團就若干前附屬公司持有並已出售予聯營公司之物業作出租金擔保（「租金擔保」）。根據租金擔保，本集團擔保由二零零六年一月二十日起計三年內每年（「擔保期間」）之租金淨額將不少於48,000,000港元。倘於擔保期間收取之年度租金淨額超過48,000,000港元，本集團有權收取所超逾款額之30%。董事認為，租金擔保於二零零六年三月三十一日之公平價值微不足道。

此外，本公司之一家附屬公司於二零零二年內提出之一宗訴訟中為被告人，牽涉承包商瑞慶寶盈雲石有限公司（「瑞慶」）申索承造合約工程之逾期款項約1,733,000港元。該附屬公司已提出抗辯，並向瑞慶提出反索償約162,000港元。該附屬公司對該宗索償提出強烈爭議，綜合財務報表內並無就此作出任何撥備。

47. Operating Lease Arrangements

(a) The Group as a lessee:

At the balance sheet date, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of rented premises which fall due as follows:

		2006 HK\$'000 千港元	2005 HK\$'000 千港元
Within one year	一年內	21,232	2,059
In the second to fifth year inclusive	第二至第五年(首尾兩年包括在內)	60,513	3,968
After five years	超過五年	-	407
		81,745	6,434

Leases are negotiated, and monthly rentals are fixed, for an average term of two years.

租約之商討及每月租金之訂定平均期限為兩年。

(b) The Group as a lessor:

At the balance sheet date, the Group had contracted with tenants for future minimum lease payments which fall due as follows:

		2006 HK\$'000 千港元	2005 HK\$'000 千港元
Within one year	一年內	971	28,898
In the second to fifth year inclusive	第二至第五年(首尾兩年包括在內)	500	18,666
		1,471	47,564

The properties held have committed tenants for the next two years.

所持物業已覓得未來兩年之租戶。

47. 經營租約安排

(a) 本集團作為承租人：

於結算日，本集團在不可撤銷之有關租用物業經營租約方面尚有未來最低租金款項承擔。此等承擔之支付期如下：

(b) 本集團作為出租人：

於結算日，本集團與租戶已就未來最低租金款項訂約。支付期如下：

48. Pledge of Assets

At the balance sheet date, the following assets were pledged to banks and financial institutions to secure the general credit facilities granted to the Group:

		2006	2005
		HK\$'000	HK\$'000
		千港元	千港元
Property, plant and equipment	物業、機械及設備	–	185,140
Investment properties	投資物業	–	455,000
Property held for sale	持作出售物業	78,245	–
Investments held for trading	持作買賣投資	122,486	112,772
Bank balances and cash	銀行結存及現金	118,622	–
		319,353	752,912

In addition, the issued shares of certain subsidiaries of the Company and the Group's benefits under certain construction contracts were pledged to secure the facilities granted.

Facilities amounting to approximately HK\$397,319,000 (2005: HK\$522,819,000) were utilised at 31 March 2006.

48. 資產抵押

於結算日，下列資產已抵押予銀行及財務機構，作為本集團取得一般信貸融資之抵押：

另外，本公司若干附屬公司之已發行股份以及本集團於若干建築合約之利益已作為所獲信貸融資之抵押。

於二零零六年三月三十一日，本集團已動用約397,319,000港元（二零零五年：522,819,000港元）之融資。

49. Commitments

		2006	2005
		HK\$'000	HK\$'000
		千港元	千港元
Expenditure contracted for but not provided in the consolidated financial statements in respect of acquisition of:	就收購以下項目已訂約但未於綜合賬目內撥備之開支：		
– Property, plant and equipment	– 物業、機械及設備	65	90,710
– Project under development	– 發展中項目	91,893	–
		91,958	90,710

49. 承擔

Notes to the Consolidated Financial Statements

50. Related Party Transactions and Balances

- (a) The Group entered into the following transactions with its related parties during the year:

Class of related party 關連人士之類別	Nature of transactions 交易性質		2006 HK\$'000 千港元	2005 HK\$'000 千港元	
Associates of the Group 本集團之聯營公司	Construction works charged by the Group	本集團收取建築工程費	383	41,813	
	Purchase of concrete products by the Group	本集團購買混凝土產品	112	36	
	Subcontracting fees charged to the Group	本集團支付分包費	15	300	
	Interest income charged by the Group	本集團收取利息收入	16,437	12,271	
	Rentals and related building management fee charged to the Group	本集團支付租金及相關物業管理費	3,689	-	
	Rentals and related building management fee charged by the Group	本集團收取租金及相關物業管理費	-	590	
	Building manager remuneration charged by the Group	本集團收取物業經理酬金	248	-	
	Project management fees charged by the Group	本集團收取項目管理費	6,044	5,285	
	Jointly controlled entities of the Group 本集團之共同控制機構	Project management fees charged by the Group	本集團收取項目管理費	825	300
		Subcontracting fees charged to the Group	本集團支付分包費	1,015	7,246
Service fees charged by the Group		本集團收取服務費	65	303	
Subsidiaries of ITC 德祥企業之附屬公司	Rentals and related building management fee charged by the Group	本集團收取租金及相關物業管理費	62	577	
	Purchase of building materials and related installation works by the Group	本集團購買建築材料及相關安裝工程	-	20	
	Rental income charged by the Group	本集團收取租金	345	420	
	Rentals charged to the Group	本集團支付租金	90	-	
	Service fee charged by the Group	本集團收取服務費	25	53	
Associates of ITC 德祥企業之聯營公司	Rentals and related building management fee charged by the Group	本集團收取租金及相關物業管理費	1,707	4,610	
	Interest income charged by the Group	本集團收取利息收入	16,709	10,486	
	Service fee charged by the Group	本集團收取服務費	7	106	
	Project management fee charged by the Group	本集團收取項目管理費	-	330	
Other related companies 其他關連公司	Rental and related building management fee charged by the Group	本集團收取租金及相關物業管理費	3,501	6,150	
	Interest income charged by the Group	本集團收取利息收入	7,160	8,671	
	Subcontracting fees charged by the Group	本集團收取分包費	-	7	
	Service fees charged to the Group	本集團支付服務費	1,920	2,120	
	Service fees charged by the Group	本集團收取服務費	112	-	
	Sales of property, plant and equipment by the Group	本集團出售物業、機械及設備	6	5	
	Sales of goods by the Group	本集團銷售貨品	-	159	
Minority shareholder of a subsidiary 附屬公司之少數股東	Interest charged to the Group	本集團支付利息	8,392	4,833	

Other related companies are companies under common directorship or common control with ITC.

50. 關連人士交易及結餘

- (a) 年內，本集團與其關連人士訂立以下交易：

		2006 HK\$'000 千港元	2005 HK\$'000 千港元		
Associates of the Group 本集團之聯營公司	Construction works charged by the Group	本集團收取建築工程費	383	41,813	
	Purchase of concrete products by the Group	本集團購買混凝土產品	112	36	
	Subcontracting fees charged to the Group	本集團支付分包費	15	300	
	Interest income charged by the Group	本集團收取利息收入	16,437	12,271	
	Rentals and related building management fee charged to the Group	本集團支付租金及相關物業管理費	3,689	-	
	Rentals and related building management fee charged by the Group	本集團收取租金及相關物業管理費	-	590	
	Building manager remuneration charged by the Group	本集團收取物業經理酬金	248	-	
	Project management fees charged by the Group	本集團收取項目管理費	6,044	5,285	
	Jointly controlled entities of the Group 本集團之共同控制機構	Project management fees charged by the Group	本集團收取項目管理費	825	300
		Subcontracting fees charged to the Group	本集團支付分包費	1,015	7,246
Service fees charged by the Group		本集團收取服務費	65	303	
Subsidiaries of ITC 德祥企業之附屬公司	Rentals and related building management fee charged by the Group	本集團收取租金及相關物業管理費	62	577	
	Purchase of building materials and related installation works by the Group	本集團購買建築材料及相關安裝工程	-	20	
	Rental income charged by the Group	本集團收取租金	345	420	
	Rentals charged to the Group	本集團支付租金	90	-	
	Service fee charged by the Group	本集團收取服務費	25	53	
Associates of ITC 德祥企業之聯營公司	Rentals and related building management fee charged by the Group	本集團收取租金及相關物業管理費	1,707	4,610	
	Interest income charged by the Group	本集團收取利息收入	16,709	10,486	
	Service fee charged by the Group	本集團收取服務費	7	106	
	Project management fee charged by the Group	本集團收取項目管理費	-	330	
Other related companies 其他關連公司	Rental and related building management fee charged by the Group	本集團收取租金及相關物業管理費	3,501	6,150	
	Interest income charged by the Group	本集團收取利息收入	7,160	8,671	
	Subcontracting fees charged by the Group	本集團收取分包費	-	7	
	Service fees charged to the Group	本集團支付服務費	1,920	2,120	
	Service fees charged by the Group	本集團收取服務費	112	-	
	Sales of property, plant and equipment by the Group	本集團出售物業、機械及設備	6	5	
	Sales of goods by the Group	本集團銷售貨品	-	159	
Minority shareholder of a subsidiary 附屬公司之少數股東	Interest charged to the Group	本集團支付利息	8,392	4,833	

其他關連公司乃為與德祥企業共同管理或共同控制之公司。

50. Related Party Transactions and Balances – continued

- (b) The remuneration of directors and other members of key management, which is determined by the remuneration committee having regard to the performance of individuals and market trends, is as follows:

		2006 HK\$'000 千港元	2005 HK\$'000 千港元
Short-term benefits	短期福利	18,525	37,702
Post-employment benefits	退休福利	769	1,101
Share-based payment expense	以股份支付款項之開支	939	–
		20,233	38,803

- (c) During the year, the Group has acquired certain subsidiaries from the directors of the Company which are engaged in holding of motor vehicles registration marks.
- (d) During the year, the Group disposed of certain subsidiaries to an associate of the Group and a wholly-owned subsidiary of ITC Corporation Limited. Details of transactions are set out in note 43(f) and (g).

Details of the balances with associates, jointly controlled entities and related companies at the balance sheet date are set out in notes 27, 28, 36 and 37.

50. 關連人士交易及結餘 – 續

- (b) 董事及主要管理層成員之酬金乃由薪酬委員會參考個別人員之表現及市場情況而釐定，詳情如下：

		2006 HK\$'000 千港元	2005 HK\$'000 千港元
Short-term benefits	短期福利	18,525	37,702
Post-employment benefits	退休福利	769	1,101
Share-based payment expense	以股份支付款項之開支	939	–
		20,233	38,803

- (c) 年內，本集團向本公司之董事收購若干持有汽車牌照號碼之附屬公司。
- (d) 年內，本集團出售若干附屬公司予本集團之聯營公司及德祥企業集團有限公司之全資附屬公司。交易詳情見附註43(f)及(g)。

於結算日與聯營公司、共同控制機構及關連公司之交易結餘詳情載列於附註27、28、36及37。

51. Balance Sheet of the Company

51. 本公司之資產負債表

		2006 HK\$'000 千港元	2005 HK\$'000 千港元
NON-CURRENT ASSET	非流動資產		
Interests in subsidiaries	附屬公司權益	5	5
CURRENT ASSETS	流動資產		
Deposits and prepayments	訂金及預付款項	2,829	216
Amount due from subsidiaries	應收附屬公司款項	2,560,441	2,491,444
Short term bank deposits	短期銀行存款	177,751	749,579
Bank balances	銀行結存	31,125	29
		2,772,146	3,241,268
CURRENT LIABILITIES	流動負債		
Creditors and accrued expenses	應付賬款及應計開支	4,086	1,587
Amount due to a subsidiary	應付附屬公司款項	920,303	147,773
Bank borrowings	銀行借款	30,000	-
		954,389	149,360
NET CURRENT ASSETS	流動資產淨值	1,817,757	3,091,908
NET ASSETS	資產淨值	1,817,762	3,091,913
CAPITAL AND RESERVES	資本及儲備		
Share capital	股本	137,880	136,920
Reserves (note)	儲備(附註)	1,679,882	2,954,993
SHAREHOLDERS' FUNDS	股東資金	1,817,762	3,091,913

51. Balance Sheet of the Company – continued

51. 本公司之資產負債表 – 續

Note:

附註：

Reserves

儲備

		Share premium	Capital reserve	Share- based payment reserve	Accumulated profits	Total
		股份溢價	資本儲備	以股份支付 款項儲備	累計溢利	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
The Company	本公司					
At 1 April 2004	於二零零四年四月一日	187,370	2,480,000	–	303,843	2,971,213
Issue of shares under scrip dividend scheme	根據以股代息計劃 發行股份	(2,395)	–	–	–	(2,395)
Credit arising on scrip dividends (note 15)	以股代息產生之進賬 (附註15)	–	–	–	17,591	17,591
Share issue expenses	發行股份費用	(164)	–	–	–	(164)
Profit for the year	年度溢利	–	–	–	9,465	9,465
Distribution	分派	–	–	–	(40,717)	(40,717)
At 31 March 2005	於二零零五年三月三十一日	184,811	2,480,000	–	290,182	2,954,993
Transfer from capital reserve	轉撥自資本儲備	–	(2,480,000)	–	2,480,000	–
Share repurchased	購回股份	(13,426)	–	–	–	(13,426)
Recognition of equity-settled share based-payment expense	確認以股份支付款項之 開支	–	–	4,945	–	4,945
Issue of share under share options schemes	根據購股權計劃發行股份	29	–	(5)	–	24
Issue of shares under scrip dividend scheme	根據以股代息計劃 發行股份	(2,011)	–	–	–	(2,011)
Credit arising on scrip dividends (note 15)	以股代息產生之進賬 (附註15)	–	–	–	29,931	29,931
Share issue expenses	發行股份費用	(274)	–	–	–	(274)
Loss for the year	年度虧損	–	–	–	(296,230)	(296,230)
Distribution	分派	–	–	–	(998,070)	(998,070)
At 31 March 2006	於二零零六年三月三十一日	169,129	–	4,940	1,505,813	1,679,882

51. Balance Sheet of the Company – continued

The capital reserve of the Company outstanding as at 31 March 2005 represents the credit arising from the cancellation of share premium upon capital reorganisation during the year ended 31 March 1999. The Company has given a guarantee in favour of, and entered into a letter of undertaking (the “Letter of Undertaking”) with a bank in connection with a loan agreement (the “Loan Agreement”) entered into between certain subsidiaries of the Company and the bank. Pursuant to the Letter of Undertaking, so long as any sums remain outstanding under the Loan Agreement, the Company cannot, under certain circumstances, without the prior consent from the bank, reduce or distribute or use the capital reserve including the transfer to any contributed surplus account. During the year, the Group repaid the outstanding balance under the Loan Agreement and transferred the balance of the capital reserve to accumulated profits.

In the opinion of the directors, the Company’s reserves available for distribution to shareholders at 31 March 2006 amounted to approximately HK\$1,505,813,000 (2005: HK\$290,182,000).

52. Major Subsequent Events

Subsequent to the balance sheet date, the Group entered into the following transactions:

- (a) The Group further increased its interest in the project under development held by Jiangsu Yangtong Investment and Development Co., Ltd, and Jiangsu Yangkou Port Development and Investment Co., Ltd. by acquiring a 9.9% interest held by a minority shareholder at a consideration of HK\$167,825,000 to be satisfied by the issue of 68.5 million new shares of the Company at HK\$2.45 each.
- (b) The Group entered into an asset acquisition agreement to acquire assets related to liquid bulk logistics business in Wuhan, PRC, including LPG storage facilities, terminal and jetty, filling stations and equipment. The consideration to be paid by the Group was RMB470 million, comprising RMB350 million in cash and RMB120 million in convertible note issued by the Company at a conversion price of HK\$4.25 per share. The acquisition constituted a discloseable transaction for the Company, details of which are set out in the Company’s circular dated 2 June 2006. The transaction has not been completed at the date of this report.

51. 本公司之資產負債表 – 續

本公司於二零零五年三月三十一日之資本儲備代表於截至一九九九年三月三十一日止年度進行股本重組時註銷股份溢價產生之進賬。本公司已就本公司若干附屬公司與一家銀行訂立之貸款協議（「貸款協議」），向該銀行提供擔保，並與該銀行訂立承諾書（「承諾書」）。根據承諾書，只要根據貸款協議仍有任何未償還款項，本公司於若干情況下便不可於未徵得該銀行之事先同意前削減、分派或動用資本儲備，包括轉撥至實繳盈餘。年內，本集團已償還貸款協議下之未償還結欠，並將資本儲備結餘轉撥至累計溢利。

董事認為，本公司於二零零六年三月三十一日可供分派予股東之儲備約達1,505,813,000港元（二零零五年：290,182,000港元）。

52. 主要結算日後事項

結算日後，本集團訂立下列交易：

- (a) 本集團透過以167,825,000港元代價收購由少數股東持有之9.9%權益，進一步增持由江蘇洋通開發投資有限公司及江蘇洋口港投資開發有限公司持有發展中項目的權益。代價將以按每股2.45港元發行本公司68,500,000股新股份的方式支付。
- (b) 本集團訂立資產收購協議，收購於中國武漢與大宗濕貨物流業務相關之資產，包括液化石油氣儲配設施、碼頭及棧橋、加氣站及設備。將由本集團支付之代價為人民幣470,000,000元，其中人民幣350,000,000元以現金支付，另人民幣120,000,000元則由本公司發行換股價為每股4.25港元之可換股票據。收購項目構成本公司之須予披露交易，詳情載於本公司於二零零六年六月二日刊發之通函。此項交易於本報告日期尚未完成。

53. Particulars of Principal Subsidiaries, Associates and Jointly Controlled Entities

(a) Particulars of the Company's principal subsidiaries at 31 March 2006 are as follows:

Name of subsidiary	Place of incorporation/ registration	Issued and fully paid share capital/ registered capital	Percentage of issued share capital/ registered capital held by the Company */ attributable to the Group		Principal activities
附屬公司名稱	成立/註冊地點	已發行及繳足股本/註冊資本	由本公司*/附屬公司持有 %	本集團應佔 %	主要業務
Asiawide Holdings Limited 佳安集團有限公司	Hong Kong 香港	HK\$2港元 ordinary shares 普通股	100	100	Holding of industrial building 持有工業樓宇
Calisan Developments Limited	British Virgin Islands 英屬處女群島	US\$1美元 ordinary share 普通股	100	100	Investment holding 投資控股
PYI Yangkou Port Limited (formerly known as 前稱 PYI Port Limited and Century Harbour Limited)	British Virgin Islands 英屬處女群島	US\$1美元 ordinary share 普通股	100	100	Investment holding 投資控股
Corless Limited	British Virgin Islands 英屬處女群島	US\$2美元 ordinary shares 普通股	100	64.58	Investment holding 投資控股
Jiangsu Wanhua Real Estate Development Co., Ltd. 江蘇萬華房地產開發有限公司	PRC 中國	US\$2,500,000美元 registered capital (note (i) below) 註冊資本(下文附註(i))	60	54.06	Property investment 物業投資
Jiangsu Yangtong Investment and Development Co., Ltd. 江蘇洋通開發投資有限公司	PRC 中國	US\$13,332,000美元 registered capital (note (i) below) 註冊資本(下文附註(i))	75	67.58	Port development 港口發展
Jiangsu Yangkou Port Development and Investment Co., Ltd. 江蘇洋口港投資開發有限公司	PRC 中國	US\$16,650,000美元 registered capital (note (i) below) 註冊資本(下文附註(i))	75	67.58	Port development 港口發展

53. 主要附屬公司、聯營公司及共同控制機構資料

(a) 本公司主要附屬公司於二零零六年三月三十一日之詳情如下：

53. Particulars of Principal Subsidiaries, Associates and Jointly Controlled Entities – continued

(a) Particulars of the Company's principal subsidiaries at 31 March 2006 are as follows: – continued

Name of subsidiary	Place of incorporation/ registration	Issued and fully paid share capital/ registered capital	Percentage of issued share capital/ registered capital held by the Company */ attributable to the subsidiaries Group		Principal activities
附屬公司名稱	成立/註冊地點	已發行及繳足股本/註冊資本	由本公司*/附屬公司持有 %	本集團應佔 %	主要業務
Nation Cheer Investment Limited 志恒投資有限公司	Hong Kong 香港	HK\$1,200,000港元 ordinary shares普通股	100	100	Securities investment and trading 證券投資及買賣
Paul Y. Building Materials Company Limited	Hong Kong 香港	HK\$2港元 ordinary shares普通股	100	64.58	Trading and installation of building materials 建築材料貿易及裝嵌
Paul Y. – CREC (HK) Joint Venture	Hong Kong 香港	– (note (ii) below) (下文附註(ii))	60	38.75	Civil engineering 土木工程
Paul Y. (E & M) Contractors Limited 保華機電工程有限公司	Hong Kong 香港	HK\$20,000,000港元 ordinary shares 普通股	99.9998	64.58	Provision of electrical, mechanical and building services 提供電機及建造服務
Paul Y. Builders Group Limited 保華建造集團有限公司	Hong Kong 香港	HK\$2港元 ordinary shares普通股	100	64.58	Investment holding 投資控股
		HK\$1,000,000港元 non-voting deferred shares (note (iv) below) 無投票權遞延股 (下文附註(iv))	–	–	
Paul Y. Builders Limited 保華建造有限公司	Hong Kong 香港	HK\$102,000,000港元 ordinary shares普通股	100	64.58	Building construction 樓宇建造

53. 主要附屬公司、聯營公司及共同控制機構資料 – 續

(a) 本公司主要附屬公司於二零零六年三月三十一日之詳情如下：– 續

53. Particulars of Principal Subsidiaries, Associates and Jointly Controlled Entities – continued

(a) Particulars of the Company's principal subsidiaries at 31 March 2006 are as follows: – continued

Name of subsidiary	Place of incorporation/ registration	Issued and fully paid share capital/ registered capital	Percentage of issued share capital/ registered capital held by the Company */ attributable to the Group		Principal activities
			已發行股本/ 註冊資本百分比 由本公司*/ 附屬公司持有 %	本集團應佔 %	
Paul Y. Construction & Engineering Co. Limited 保華建築工程有限公司	Hong Kong 香港	HK\$42,000,000港元 ordinary shares普通股	100	64.58	Building construction and specialist works 樓宇建造及專項工程
Paul Y. – Engineering Group Limited 保華建業集團有限公司	Bermuda 百慕達	HK\$288,350,000港元	64.58	64.58	Investment holding 投資控股
Paul Y. General Contractors Limited 保華建築營造有限公司	Hong Kong 香港	HK\$36,000,000港元 ordinary shares普通股	100	64.58	Civil engineering and building construction 土木工程及樓宇建造
Paul Y. Interior Contractors Limited 保華裝飾工程有限公司	Hong Kong 香港	HK\$2港元 ordinary shares普通股	100	64.58	Interior decoration works 室內裝修工程

53. 主要附屬公司、聯營公司及共同控制機構資料—續

(a) 本公司主要附屬公司於二零零六年三月三十一日之詳情如下：—續

53. Particulars of Principal Subsidiaries, Associates and Jointly Controlled Entities – continued

(a) Particulars of the Company's principal subsidiaries at 31 March 2006 are as follows: – continued

Name of subsidiary	Place of incorporation/ registration	Issued and fully paid share capital/ registered capital	Percentage of issued share capital/ registered capital held by the Company */ subsidiaries	attributable to the Group	Principal activities
附屬公司名稱	成立/註冊地點	已發行及繳足股本/ 註冊資本	已發行股本/ 註冊資本百分比 由本公司*/ 附屬公司持有 %	本集團應佔 %	主要業務
PYI Investments Group Limited (formerly known as 前稱 Paul Y. – ITC Investments Group Limited)	British Virgin Islands 英屬處女群島	US\$1美元 ordinary share 普通股	100*	100	Investment holding 投資控股
PYI Management Limited (formerly known as Paul Y. – ITC Management Limited) 保華集團管理有限公司 (前稱保華德祥管理有限公司)	Hong Kong 香港	HK\$2港元 ordinary shares 普通股	100	100	Management services 管理服務
Paul Y. Plant Hire Limited 保華機械租賃有限公司	Hong Kong 香港	HK\$2港元 ordinary shares 普通股	100	64.58	Hire of motor vehicles and plant and machinery 汽車、設備及機械租賃
Paul Y. Construction Company, Limited 保華建築有限公司	Hong Kong 香港	HK\$2港元 ordinary shares 普通股 HK\$50,000,000港元 non-voting preferred shares (note (iii) below) 無投票權優先股(下文附註(iii))	100 –	64.58 –	Civil engineering, building construction and investment holding 土木工程、樓宇建造及投資控股
Paul Y. Construction (China) Limited 保華建築(中國)有限公司	PRC 中國	RMB60,000,000人民幣 registered capital 註冊資本	100	64.58	Civil engineering and building construction 土木工程及樓宇建造

53. 主要附屬公司、聯營公司及共同控制機構資料 – 續

(a) 本公司主要附屬公司於二零零六年三月三十一日之詳情如下：– 續

53. Particulars of Principal Subsidiaries, Associates and Jointly Controlled Entities – continued

(a) Particulars of the Company's principal subsidiaries at 31 March 2006 are as follows: – continued

Name of subsidiary	Place of incorporation/ registration	Issued and fully paid share capital/ registered capital	Percentage of issued share capital/ registered capital held by the Company */ subsidiaries	attributable to the Group	Principal activities
附屬公司名稱	成立/註冊地點	已發行及繳足股本/註冊資本	由本公司*/附屬公司持有 %	本集團應佔 %	主要業務
Paul Y. Facilities Management Co., Limited	Hong Kong 香港	HK\$2港元 ordinary shares 普通股	100	64.58	Facilities management services 設施管理服務
Paul Y. Foundation Holdings Limited	British Virgin Islands 英屬處女群島	US\$1美元 ordinary share 普通股	100	64.58	Investment holding 投資控股
Paul Y. Foundation Limited 保華地基有限公司	Hong Kong 香港	HK\$10,000,000港元 ordinary shares 普通股	100	64.58	Civil engineering and foundation works 土木工程及地基工程
Paul Y. Management Limited 保華管理有限公司	Hong Kong 香港	HK\$2港元 ordinary shares 普通股	100	64.58	Management and secretarial services 管理及秘書服務
Paul Y. Project Management International Limited 保華國際工程管理有限公司	Hong Kong 香港	HK\$2港元 ordinary shares 普通股	100	64.58	Project management services and investment holding 項目管理服務及投資控股
PYI Properties Group Limited (formerly known as 前稱 Paul Y. Properties Group Limited)	British Virgin Islands 英屬處女群島	US\$1美元 ordinary share 普通股	100*	100	Investment holding 投資控股
PYI Nantong Port Limited	British Virgin Islands 英屬處女群島	US\$1美元 ordinary shares 普通股	100	100	Investment holding 投資控股

53. 主要附屬公司、聯營公司及共同控制機構資料—續

(a) 本公司主要附屬公司於二零零六年三月三十一日之詳情如下：—續

53. Particulars of Principal Subsidiaries, Associates and Jointly Controlled Entities – continued

- (a) Particulars of the Company's principal subsidiaries at 31 March 2006 are as follows: – continued

All of the above subsidiaries operate in Hong Kong except Jiangsu Wanhua Real Estate Development Co., Ltd., Jiangsu Yangtong Investment and Development Co., Ltd., Jiangsu Yangkou Port Development and Investment Co., Ltd. and Paul Y. Construction (China) Limited, all of which operate in the PRC.

All of the above subsidiaries are private limited companies except Paul Y. – CREC (HK) Joint Venture which is an unincorporated business and Paul Y. Engineering Group Limited which is listed in Hong Kong.

Notes:

- (i) All of those subsidiaries are the sino-foreign equity joint venture companies.
- (ii) No capital has been contributed by the joint venture partners of the joint venture.
- (iii) The holders of the non-voting preferred shares are not entitled to vote, are not entitled to any dividends unless the net profits of the company available for dividend exceed HK\$100,000,000,000 in which case they should be entitled to a fixed non-cumulative dividend at the rate of 5% per annum for any financial year and are, on winding up, only entitled out of the surplus assets of the company to a return of the capital after a total sum of HK\$10,000,000,000 has been distributed to the holders of the ordinary shares of the company.
- (iv) The holders of the non-voting deferred shares are not entitled to vote, are not entitled to any dividends for any financial year and are, on winding up or otherwise, only entitled out of the surplus assets of the company to a return of the capital after a total sum of HK\$100,000,000,000 has been distributed to the holders of the ordinary shares of the company.

53. 主要附屬公司、聯營公司及共同控制機構資料 – 續

- (a) 本公司主要附屬公司於二零零六年三月三十一日之詳情如下：– 續

上述所有附屬公司均在香港營運，惟江蘇萬華房地產開發有限公司、江蘇洋通開發投資有限公司、江蘇洋口港投資開發有限公司及保華建築(中國)有限公司在中國營運。

上述所有附屬公司均為私人有限公司，惟 Paul Y. – CREC (HK) Joint Venture 為非法人團體之業務，而保華建築集團有限公司則在香港上市。

附註：

- (i) 此等附屬公司均為中外合資合營公司。
- (ii) 此等合營企業之合夥人並無出資。
- (iii) 此等無投票權優先股持有人無權投票，亦無權獲派股息，除非該公司可供派息純利超過100,000,000,000港元，在此情況下，彼等有權就任何財政年度獲派一項年息為五厘之固定非累積股息，且只有權在該公司清盤時分派總額10,000,000,000港元予該公司普通股持有人後尚有剩餘資產之情況下，獲退還資本。
- (iv) 此等無投票權遞延股持有人無權投票，亦無權獲派任何財政年度之股息，且只有權在該公司清盤時或在其他情況下分派總數100,000,000,000,000港元予該公司普通股持有人後尚有剩餘資產之情況下，獲退還資本。

53. Particulars of Principal Subsidiaries, Associates and Jointly Controlled Entities – continued

(b) Particulars of the Company's principal associates at 31 March 2006 are as follows:

Name of associate	Place of incorporation/ registration	Issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊資本	Percentage of issued share capital/registered capital attributable to the Group 本集團應佔已發行股本/ 註冊資本百分比 %	Principal activities
聯營公司名稱	成立/註冊地點			主要業務
China Strategic Holdings Limited ("China Strategic") 中策集團有限公司(「中策」)	Hong Kong 香港	HK\$88,159,508.70港元 ordinary shares普通股	29.4	Investment holding 投資控股
CSCEC – Paul Y. Construction Company Limited 中建保華建築有限責任公司	PRC 中國	US\$10,000,000美元 registered capital (note below) 註冊資本(下文附註)	20.2	Civil engineering and building construction 土木工程及樓宇建造
Nantong Port Group Limited 南通港口集團有限公司	PRC 中國	RMB966,004,400人民幣 registered capital (note below) 註冊資本(下文附註)	22.7	Port operation 港口營運
Gain Resources Limited	British Virgin Islands 英屬處女群島	US\$100美元 ordinary shares普通股	32.3	Investment holding 投資控股
Zhong Yu – Paul Y. Project Management Company Limited 北京中宇保華工程項目管理有限公司	PRC 中國	US\$500,000美元 registered capital (note below) 註冊資本(下文附註)	25.8	Project management and consultancy services 項目管理及諮詢服務

All of the above associates are private limited companies except China Strategic which is listed in Hong Kong.

All of the above associates are held by the Company indirectly.

Note: The company is a Sino-foreign equity joint venture company.

53. 主要附屬公司、聯營公司及共同控制機構資料 – 續

(b) 本公司主要聯營公司於二零零六年三月三十一日之詳情如下：

上述所有聯營公司均為私人有限公司，惟中策在香港上市。

上述所有聯營公司均由本公司間接持有。

附註：該公司為中外合資合營公司。

53. Particulars of Principal Subsidiaries, Associates and Jointly Controlled Entities – continued

(c) Particulars of the Company's jointly controlled entities at 31 March 2006 are as follows:

Name of jointly controlled entity	Place of incorporation	Issued and fully paid share capital	Percentage of issued share capital attributable to the Group 本集團應佔已發行股本百分比	Principal activities
聯營公司名稱	成立地點	已發行及繳足股本	%	主要業務
Paul Y. – Penta-Ocean Joint Venture	Hong Kong 香港	– (note below) (下文附註)	32.3	Civil engineering 土木工程

Note: No capital has been contributed by the joint venture partners.

The above tables list the subsidiaries and associates of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries and associates would, in the opinion of the directors, result in particulars of excessive length.

53. 主要附屬公司、聯營公司及共同控制機構資料—續

(c) 本公司共同控制機構於二零零六年三月三十一日之詳情如下：

附註：合營人並無出資。

上表所列為董事認為主要影響本集團年度業績或組成本集團大部份資產淨值之本公司附屬公司及聯營公司。董事認為，詳列其他附屬公司及聯營公司之資料將令篇幅冗長。