

## Notes to Financial Statements 財務報表附註

31 March 2005 二零零五年三月三十一日

**1. CORPORATE INFORMATION AND GROUP REORGANISATION****Corporate Information**

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 27 August 2002 under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands.

Upon incorporation of the Company, the authorised share capital of the Company was HK\$100,000 divided into 10,000,000 shares of HK\$0.01 each. No transactions were carried out by the Company during the period from 27 August 2002 (date of incorporation) to 31 March 2004. Accordingly, the Company had not recorded any assets or liabilities as at 31 March 2004, nor profits or losses for the period then ended.

During the year, the Group was principally involved in building constructions, renovation and related services and property investment.

In the opinion of directors, the Company's ultimate holding company is Rich Place Investment Limited ("Rich Place"), which is incorporated in the British Virgin Islands (the "BVI") with limited liability.

**Group Reorganisation**

Pursuant to a group reorganisation scheme (the "Group Reorganisation") to rationalise the structure of the Group in preparation for the listing of the shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), the Company became the holding company of the companies now comprising the Group on 10 September 2004. This was accomplished by acquiring the entire issued share capital of Wing Hong Investment Limited ("Wing Hong Investment"), a company incorporated in the BVI, which is, as at the date of this report, the intermediate holding company of the subsidiaries set out in note 17 to the financial statements, in consideration of and in exchange for (i) the allotment and issue of 10,000,000 ordinary shares of HK\$0.01 each in the Company, credited as fully paid; and (ii) the 10,000,000 shares of HK\$0.01 each previously allotted and issued nil paid being credited as fully paid.

**1. 公司資料及集團重組****公司資料**

本公司於二零零二年八月二十七日根據開曼群島公司法例第22章(一九六一年第3項法例，經綜合及修訂)在開曼群島註冊成立為受豁免有限責任公司。

於本公司註冊成立時，本公司之法定股本為100,000港元，分為10,000,000股每股面值0.01港元之股份。本公司於二零零二年八月二十七日(註冊成立日期)至二零零四年三月三十一日期間，並無進行交易。因此，本公司於二零零四年三月三十一日並無錄得任何資產或負債，亦無錄得截至該日止期間之溢利或虧損。

年內，本集團主要從事樓宇建築、翻新及相關服務以及物業投資。

董事認為本公司之最終控股公司為 Rich Place Investment Limited (「Rich Place」)，該公司為在英屬維爾京群島註冊成立之有限責任公司。

**集團重組**

根據為籌備本公司股份在香港聯合交易所有限公司(「聯交所」)主板上市而整頓本集團架構而進行之重組(「集團重組」)，本公司於二零零四年九月十日成為現組成本集團之公司之控股公司。集團重組透過購入一間在英屬維爾京群島註冊成立之公司(於本報告日期為財務報表附註17所載附屬公司之中介控股公司)榮康投資有限公司(「榮康投資」)全部已發行股本，並(i)以入賬列為繳足方式配發及發行10,000,000股之本公司每股面值0.01港元之普通股；及(ii)入賬列為繳足之前配發並發行之10,000,000股每股面值0.01港元之未繳股款股份作為代價並換取而完成。

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### 1. CORPORATE INFORMATION AND GROUP REORGANISATION (Cont'd)

#### Group Reorganisation (Cont'd)

Further details of the Group Reorganisation are set out in note 32 to the financial statements and in the Company's listing prospectus dated 30 September 2004.

On 13 October 2004, the Company completed its initial public offering and the shares of the Company were listed on the Main Board of the Stock Exchange on the same date.

### 2. BASIS OF PRESENTATION AND FUNDAMENTAL UNCERTAINTIES

#### Basis of presentation

Included in the accounts receivable balance under current assets in the consolidated balance sheet as at 31 March 2005, are accounts receivable, recorded based on architects' certificates, of approximately HK\$138.7 million in aggregate (collectively the "Receivables Under Dispute") being currently withheld by two major customers of the Group (collectively the "Customers") with respect to disputes with one of the aforesaid customers (the "Kowloon Tong Customer") on claims arising from liquidated damages and alleged environmental related damages in relation to main contract works for a residential development project carried out in Kowloon Tong, Hong Kong, and the counter claiming of extension of time (the "EOT Claim") entitlement by the Group. The accounts receivable balance being withheld by the Kowloon Tong Customer amounted to approximately HK\$120.5 million as at 31 March 2005. The Group has also undertaken a residential development project in Lai Chi Kok, Hong Kong, for another major customer (the "LCK Customer"). It is understood by the directors that the LCK Customer is under the same control as that of the Kowloon Tong Customer as mentioned above. Due to the aforesaid disputes with the Kowloon Tong Customer, the LCK Customer also withheld its outstanding amount due to the Group, which amounted to approximately HK\$18.2 million as at 31 March 2005. The Receivables Under Dispute were certified by the architects of the respective residential development projects.

### 1. 公司資料及集團重組(續)

#### 集團重組(續)

集團重組之詳情，載於財務報表附註32及本公司於二零零四年九月三十日刊發之上市招股章程。

於二零零四年十月十三日，本公司完成其首次公開招股，而本公司股份已於同日在聯交所主板上市。

### 2. 呈報基準及基本不明朗因素

#### 呈報基準

於二零零五年三月三十一日綜合資產負債表流動資產項下之應收賬款結餘中，包括本集團兩名主要客戶(統稱「該等客戶」)現暫扣合共約138,700,000港元之應收款(統稱「爭議中應收款」)，有關款項乃涉及上述其中一名客戶(「九龍塘客戶」)作出之索償(有關索償涉及於香港九龍塘進行之住宅發展項目之主要合約工程之算定損害賠償及指稱環境相關損害)以及本集團可獲享有關延期之反索償(「延期索償」)。九龍塘客戶所暫扣之應收賬款結餘，於二零零五年三月三十一日約為120,500,000港元。本集團亦為另一位主要客戶在香港荔枝角進行另一項住宅發展項目(「荔枝角客戶」)，而董事知悉荔枝角客戶與上述九龍塘客戶仍受同一控制。由於本集團與九龍塘客戶出現上述爭議，荔枝角客戶暫扣欠負本集團之金額，於二零零五年三月三十一日約為18,200,000港元。爭議中應收款已經有關住宅發展項目之工程師核實。

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**2. BASIS OF PRESENTATION AND FUNDAMENTAL UNCERTAINTIES (Cont'd)****Basis of presentation (Cont'd)**

As at the date of approval of the financial statements, the Group has initiated arbitration proceedings to recover the outstanding amounts due from the Kowloon Tong Customer and negotiations with the Customers are still in progress. Despite that the full amount of the accounts receivable balance is being withheld by the Customers, the directors estimated that the maximum financial impact to the Group relating to the disputes on the liquidated damages and the alleged environmental related damages claims would be in the order of approximately HK\$20.2 million. In the opinion of the directors, based on legal advice, the Customers do not have sufficient grounds to their claims in respect of the liquidated damages and the Group has valid grounds to their entitlement of the EOT Claim, and as a result, the resultant liquidated damages, if any, would not be significant to the Group's financial statements. The directors also considered that the Group has valid grounds to defend against the alleged environmental related damages claims by the Kowloon Tong Customer and that the final amount being claimed, if any, would not have a material impact to the Group's financial position. For the balance withheld by the LCK Customer, the directors, based on legal advice, are of the view that the LCK Customer has no grounds to withhold the outstanding balance due to the Group, which arose from a different project to that of the Kowloon Tong Customer and with a different employer.

Based on the foregoing, the directors of the Company are currently unable to determine with reasonable certainty the outcome of the arbitration. The directors are also unable to determine the time required to recover the Receivables Under Dispute and whether a provision, if any, is required against such receivables at this stage.

**2. 呈報基準及基本不明朗因素 (續)****呈報基準 (續)**

於財務報表獲批准之日，本集團已提出仲裁程序以收回九龍塘客戶欠負之金額，並仍然與該等客戶進行磋商。雖然該等客戶全數暫扣應收賬款金額，董事估計有關算定損害賠償及指稱環境相關損害之索償爭議對本集團之最高財務影響約達20,200,000港元。董事認為，根據法律意見，該等客戶並無充分理據支持其索償，而本集團有合理理據獲所享之延期索償，因此，最終之算定損害賠償(如有)之金額可減至對本集團財務報表而言不重大之金額。董事認為本集團有合理理據，抗辯九龍塘客戶指稱環境相關損害之指控，而最終金額(若有)應不會對本集團之財務狀況有重大影響。至於荔枝角客戶所持有之結餘，董事根據法律意見，認為荔枝角客戶並無理由暫扣源自九龍塘客戶及不同僱主不同項目之未償還應付本集團結餘。

根據上述種種，本公司董事現未能合理確定仲裁之結果。董事亦未能釐定收回爭議中應收款之所需時間，以及於現階段是否須就該等應收款作出撥備(如有)。

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### 2. BASIS OF PRESENTATION AND FUNDAMENTAL UNCERTAINTIES (Cont'd)

#### Basis of presentation (Cont'd)

As a result of the withholding of settlement of accounts receivable by the Customers, the working capital of the Group has been affected. The Group reported a net cash outflow from operating activities of HK\$50,393,000 and an overall decrease in cash and cash equivalents by HK\$39,720,000 for the year, before taking into account of the shareholders' loans as stated below and in note 30(b) to the financial statements. In order to maintain the working capital of the Group, a major shareholder of the Company has agreed to provide continual financial support to the Group in the form of shareholder's loan, of which approximately HK\$21.2 million of the loan had been made to the Group as at 31 March 2005, and a further HK\$18.5 million was made subsequent to the balance sheet date on 26 July 2005. Further details of the shareholder's loan are disclosed in note 30(b) to the financial statements.

In the opinion of the directors, in light of the continual financial support from the major shareholder, together with the anticipated settlement of the accounts receivable being withheld by the Customers, the Group would have sufficient financial resources to satisfy its working capital needs for the foreseeable future. Accordingly, the directors are satisfied that it is appropriate to prepare the financial statements on a going concern basis.

If the going concern basis was not appropriate, adjustments would have to be made to restate the values of the assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities, respectively. The effects of these potential adjustments have not been reflected in the financial statements.

### 2. 呈報基準及基本不明朗因素(續)

#### 呈報基準(續)

由於該等客戶暫扣清償應收賬款之款項，影響本集團之營運資金。本集團年內之經營活動錄得現金流出淨額50,393,000港元，並錄得現金及現金等值項目整體減少39,720,000港元(並未計入下文及財務報表附註30(b)所述之股東貸款)。為維持本集團之營運資金，本公司一名主要股東已同意以股東貸款之形式提供持續財務支持，其中約21,200,000港元已於二零零五年三月三十一日向本集團提供，而18,500,000港元已於結算日後在二零零五年七月二十六日向本公司提供，股東貸款詳情在財務報表附註30(b)披露。

董事認為鑑於主要股東之持續財務支持，加上預期將清償該等客戶所暫扣之應收款，本集團擁有充足財務資源以應付可預見將來之未來營運資金所需。因此，董事信納以持續經營基準編製財務報表仍屬合適。

倘持續經營基準並不合適，則須作出調整以重列資產之價值至其可收回價值，並就可能出現之任何其他負債作出撥備以及將非流動資產及負債分別重列為流動資產及負債。潛在調整之影響並未在財務報表中反映。

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**2. BASIS OF PRESENTATION AND FUNDAMENTAL UNCERTAINTIES (Cont'd)****Basis of consolidation**

The consolidated financial statements have been prepared using the merger basis of accounting as a result of the completion of the Group Reorganisation. On this basis, the Company has been treated as the holding company of its subsidiaries for the financial years presented, rather than from the date of its acquisition of subsidiaries on 10 September 2004. Accordingly, the consolidated results of the Group for the years ended 31 March 2004 and 2005 include the results of the Company and its subsidiaries with effect from 1 April 2003 or since their respective dates of incorporation, where this is a shorter period. The comparative consolidated balance sheet as at 31 March 2004 has been prepared on the basis that the existing Group had been in place at that date.

In the opinion of the directors, the consolidated financial statements for the years ended 31 March 2004 and 2005 prepared on the above basis present more fairly the results and state of affairs of the Group as a whole.

All significant intercompany transactions and balances within the Group are eliminated in the preparation of the consolidated financial statements.

Minority interests represent the interests of outside shareholders in the results and net assets of the Company's subsidiaries.

**3. IMPACT OF RECENTLY ISSUED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")**

The Hong Kong Institute of Certified Public Accountants (the "HKICPA") has issued a number of new and revised Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards, herein collectively referred to as the new HKFRSs, which are generally effective for accounting periods beginning on or after 1 January 2005. The Group has not early adopted these new HKFRSs in the financial statements for the year ended 31 March 2005. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a significant impact on its results of operations and financial position.

**2. 呈報基準及基本不明朗因素 (續)****綜合基準**

由於完成集團重組，綜合財務報表已根據合併會計基準法編製。在此基準下，本公司將於所呈報之財政年度（而非自其於二零零四年九月十日收購附屬公司之日）被視為其附屬公司之控股公司。因此，本集團截至二零零四年及二零零五年三月三十一日止年度之綜合業績包括本公司及其附屬公司自二零零三年四月一日或自其各自註冊成立日期（以較短者為準）以來之業績。於二零零四年三月三十一日之比較綜合資產負債表乃按現有集團於該日已經存在之基準而編製。

董事認為，按上述基準編製截至二零零四年及二零零五年三月三十一日止年度之綜合財務報表，能更公允地反映本集團整體之業績及財政狀況。

所有集團間之重大交易及結餘已於編製綜合財務報表時撇銷。

少數股東權益指外在股東於本公司附屬公司業績及資產淨值之權益。

**3. 最近頒佈之香港財務報告準則之影響**

香港會計師公會已頒佈多項新訂及經修訂之香港財務報告準則及香港會計準則（統稱新香港財務報告準則），並一般適用於二零零五年一月一日或之後開始之會計期間。本集團並未於截至二零零五年三月三十一日止年度之財務報表提前採納新香港財務報告準則。本集團已開始評估該等新香港財務報告準則之影響，惟未能就該等新香港財務報告準則會否對其經營業績及財務狀況造成重大影響作出結論。

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### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of preparation

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (which also include Statements of Standard Accounting Practice and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for the periodic remeasurement of investment properties, as further explained below.

#### Subsidiaries

A subsidiary is a company whose financial and operating policies the Company controls, directly or indirectly, so as to obtain benefits from its activities.

The results of subsidiaries are included in the Company's profit and loss account to the extent of dividends received and receivable. The Company's investments in subsidiaries are stated at cost less any impairment losses.

#### Joint venture companies

A joint venture company is a company set up by contractual arrangement, whereby the Group and other parties undertake an economic activity. The joint venture company operates as a separate entity in which the Group and the other parties have an interest.

The joint venture agreement between the venturers stipulates the capital contributions of the joint venture parties, the duration of the joint venture and the basis on which the assets are to be realised upon its dissolution. The profits and losses from the joint venture company's operations and any distributions of surplus assets are shared by the venturers, either in proportion to their respective capital contributions, or in accordance with the terms of the joint venture agreement.

### 4. 重大會計政策概要

#### 編製基準

該等財務報表已根據香港會計師公會頒佈之香港財務報告標準(亦包括會計實務準則及詮釋)、香港公認會計原則及香港公司條例之披露規定編製。該等財務報表按歷史成本慣例編製，惟下文所述對投資物業定期進行估值除外。

#### 附屬公司

附屬公司為本公司直接或間接控制其財務及營運政策之公司，以取得其業務之利益。

附屬公司之業績按已收及應收股息在本公司之損益表內列賬。本公司於附屬公司之投資按成本值減減值虧損列賬。

#### 合資公司

合資公司為透過合約安排成立之公司，據此本集團及其他各方承諾進行一項經濟活動。合資公司以獨立實體形式經營，而本集團及其他各方擁有權益。

合資方之間訂立之合資協議，訂明各方之出資額、合資公司之年期以及於解散時變現之資產之基準。合資公司經營之盈虧以及剩餘資產之任何分派，由合資方按其各自之注資比例或根據合資協議之條款而攤分。



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**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)****Joint venture companies (Cont'd)**

A joint venture company is treated as:

- (a) a subsidiary, if the Company has unilateral control, directly or indirectly, over the joint venture company;
- (b) a jointly-controlled entity, if the Company does not have unilateral control, but has joint control, directly or indirectly, over the joint venture company;
- (c) an associate, if the Company does not have unilateral or joint control, but holds, directly or indirectly, generally not less than 20% of the joint venture company's registered capital and is in a position to exercise significant influence over the joint venture company; or
- (d) a long term investment, if the Company holds, directly or indirectly, less than 20% of the joint venture company's registered capital and has neither joint control of, nor is in a position to exercise significant influence over, the joint venture company.

**Jointly-controlled entity**

A jointly-controlled entity is a joint venture company which is subject to joint control, resulting in none of the participating parties having unilateral control over the economic activity of the jointly-controlled entity.

The Group's share of the post-acquisition results and reserves of the jointly-controlled entity is included in the consolidated profit and loss account and consolidated reserves, respectively. The Group's interest in a jointly-controlled entity is stated in the consolidated balance sheet at the Group's share of net assets under the equity method of accounting, less any impairment losses.

**Associate**

An associate is a company, not being a subsidiary or a jointly-controlled entity, in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence.

**4. 重大會計政策概要 (續)****合資公司 (續)**

合資公司被視為：

- (a) 附屬公司，倘本公司對合資公司有單方面之直接或間接控制權；
- (b) 共同控制實體，倘本公司對合資公司無單方面但有共同直接或間接控制權；
- (c) 聯營公司，倘本公司對合資公司無單方面或共同控制權，但直接或間接持有不少於合資公司註冊股本20%權益且能對合資公司行使重大影響力；或
- (d) 長期投資，倘本公司直接或間接持有不少於合資公司註冊股本20%權益且未能共同控制或對合資公司行使重大影響力。

**共同控制實體**

共同控制實體為一家由多方參與者共同控制之合營公司，而並無單一參與者單方面控制該共同控制實體之經濟活動。

本集團收購共同控制實體後所佔有之業績及儲備計入綜合損益表及綜合儲備內。本集團於共同控制實體之權益，按照權益會計法扣除任何減值虧損後得出本集團應佔之淨資產，列入綜合資產負債表中。

**聯營公司**

聯營公司並非附屬公司或共同控制實體，而是本集團普遍擁有不少於20%股本投票權之長期權益，並於持有權益期間可對其行使重大影響力之公司。

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### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

#### Associate (Cont'd)

The Group's share of the post-acquisition results and reserves of the associate is included in the consolidated profit and loss account and consolidated reserves, respectively. The Group's interest in an associate is stated in the consolidated balance sheets at the Group's share of net assets under the equity method of accounting, less any impairment losses.

#### Goodwill

Goodwill arising on the acquisition of subsidiaries represents the excess of the cost of the acquisition over the Group's share of the fair values of the identifiable assets and liabilities acquired as at the date of acquisition.

Goodwill arising on acquisition is recognised in the consolidated balance sheet as an asset and amortised on the straight-line basis over its estimated useful life of not more than 20 years.

On disposal of subsidiaries, the gain or loss on disposal is calculated by reference to the net assets at the date of disposal, including the attributable amount of goodwill which remains unamortised and any relevant reserves, as appropriate.

The carrying amount of goodwill is reviewed annually and written down for impairment when it is considered necessary.

#### Negative goodwill

Negative goodwill arising on the acquisition of subsidiaries represents the excess of the Group's share of the fair values of the identifiable assets and liabilities acquired as at the date of acquisition, over the cost of the acquisition.

To the extent that negative goodwill does not relate to identifiable expected future losses and expenses as at the date of acquisition, negative goodwill is recognised in the consolidated profit and loss account on a systematic basis over the useful life of the acquired depreciable assets, which is 20 years. The amount of any negative goodwill in excess of the fair values of the acquired non-monetary assets is recognised as income immediately.

### 4. 重大會計政策概要(續)

#### 聯營公司(續)

本集團收購該聯營公司後所佔之業績及儲備，列入綜合損益表。本集團於聯營公司所佔權益，按照權益會計法扣除任何減值虧損後本集團應佔之淨資產，列入綜合資產負債表中。

#### 商譽

收購附屬公司產生之商譽，指收購成本，超出於收購當日本集團應佔所收購附屬公司可分辨資產及負債公允值之數額。

收購所產生之商譽於綜合資產負債表中入賬列為一項資產，並按直線基準於該資產之估計可使用年期(不超過20年)攤銷。

出售附屬公司時，出售之收益或虧損按出售當日之淨資產計算，包括仍未攤銷之商譽之應佔數額及任何有關儲備(如適用)。

商譽之賬面值會每年審閱，並在有需要時撇減價值。

#### 負商譽

收購附屬公司所產生之負商譽，指於收購當日本集團於所收購附屬公司中應佔之可分辨資產及負債公允值之數額，超出收購成本。

倘負商譽不關乎於收購當日之可分辨預計未來虧損及開支，負商譽於綜合損益表中按有系統基準以所收購之可折舊資產之預計可使用年期(20年)入賬。負商譽之數額超出所收購之非貨幣資產之公允值，超出之數額立即入賬列為收入。



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**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)****Negative goodwill (Cont'd)**

On disposal of subsidiaries, the gain or loss on disposal is calculated by reference to the net assets at the date of disposal, including the attributable amount of negative goodwill which has not been recognised in the consolidated profit and loss account and any relevant reserves as appropriate.

**Related parties**

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

**Impairment of assets**

An assessment is made at each balance sheet date of whether there is any indication of impairment of any asset, or whether there is any indication that an impairment loss previously recognised for an asset in prior years may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. An asset's recoverable amount is calculated as the higher of the asset's value in use and its net selling price.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. An impairment loss is charged to the consolidated profit and loss account in the period in which it arises, unless the asset is carried at a revalued amount, when the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

**4. 重大會計政策概要(續)****負商譽(續)**

就出售附屬公司而言，出售之損益參考出售日期之資產淨值計算，包括未於綜合損益表中確認之應佔負商譽金額及任何有關儲備(倘適用)。

**關連人士**

如一方有能力直接或間接控制另一方人士或對另一方之財政及營運決策行使重大影響力，則兩方人士被視為關連人士。假若兩方或以上人士受制於同一控制權或同一重大影響力，則這些人士亦被視為關連人士。關連人士可以是個人或公司實體。

**資產減值**

於每個結算日均會評估資產有否減值迹象，又或有否迹象顯示於之前入賬之資產減值不再存在或已減少。如出現該等迹象，則評估資產之可收回數額。資產之可收回數額指資產之使用價值或資產之淨售價(以較高者為準)。

假若資產之賬面值超出其可收回數額，則需確認減值虧損。除非有關資產按重估值列值，並已按照該已重估資產之有關會計政策計算減值虧損，否則減值虧損於產生之期間自產生該減值虧損期間之綜合損益表扣除。

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**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

**Provisions**

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the balance sheet date of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the consolidated profit and loss account.

**Fixed assets and depreciation**

Fixed assets, other than investment properties, are stated at cost less accumulated depreciation and any impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after fixed assets have been put into operation, such as repairs and maintenance, is normally charged to the consolidated profit and loss account in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of the fixed asset, the expenditure is capitalised as an additional cost of that asset.

Depreciation is calculated on the straight-line basis to write off the cost of each asset over its estimated useful life. The principal annual rates used for this purpose are as follows:

Leasehold improvements	Over the terms of lease or 3 years, whichever is shorter
Machinery	10%
Motor vehicles	20%
Furniture, fixtures and office equipment	20%
Tools and equipment	20%

**4. 重大會計政策概要(續)**

**撥備**

因過往事件而產生之現有責任(法律上或推定), 並可能需要在未來流出資源以履行該等責任, 則須提撥撥備, 但必須能夠可靠地估計責任之數額。

當折現產生重大影響, 則按於結算日預計因履行該等責任而在未來須付出之開支之現值確認撥備。目前貼現值隨著時間過去而產生之增長於綜合損益表中入賬為融資成本。

**固定資產及折舊**

固定資產(投資物業除外)按成本減累計折舊及任何減值虧損入賬。資產之成本包括購買價及將資產達致運作狀況及地點作擬定用途之任何直接成本。固定資產投產後產生之支出(如維修保養費)一般於產生期間自綜合損益表扣除。倘清楚顯示有關支出可提高運用該項固定資產所預期獲得之未來經濟效益, 則該項支出將撥充資本, 列作該項資產之額外成本。

折舊乃以直線法按估計可使用年期撇銷每項資產之成本。所採用之主要年率如下:

租賃物業裝修	按租期或三年 (以較短者為準)
機器	10%
汽車	20%
傢俬、裝置及辦公室設備	20%
工具及設備	20%

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**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)****Fixed assets and depreciation (Cont'd)**

The gain or loss on disposal or retirement of a fixed asset recognised in the consolidated profit and loss account is the difference between the net sales proceeds and the carrying amount of the relevant asset.

**Investment properties**

Investment properties are interests in land and buildings in respect of which construction work and development have been completed and which are intended to be held on a long term basis for their investment potential, any rental income being negotiated at arm's length. Such properties are not depreciated and are stated at their open market values on the basis of annual professional valuations performed at the end of each financial year.

Changes in the values of investment properties are dealt with as movements in the investment property revaluation reserve. If the total of this reserve is insufficient to cover a deficit, on a portfolio basis, the excess of the deficit is charged to the consolidated profit and loss account. Any subsequent revaluation surplus is credited to the consolidated profit and loss account to the extent of the deficit previously charged.

On disposal of an investment property, the relevant portion of the investment property revaluation reserve realised in respect of previous valuations is released to the consolidated profit and loss account.

**Leased assets**

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases. At the inception of a finance lease, the cost of the asset is capitalised at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under finance leases are included in fixed assets and depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to the consolidated profit and loss account so as to provide a constant periodic rate of charge over the lease terms.

**4. 重大會計政策概要 (續)****固定資產及折舊 (續)**

出售或報廢固定資產時在綜合損益表內確認之收益或虧損，乃有關資產之銷售所得款項淨額與賬面值兩者之差額。

**投資物業**

投資物業乃指建築工程及發展項目經已完成之土地及樓宇之權益，並因其具備投資潛力而擬長期持有，任何租金收入是透過公允磋商後釐定。該等物業不作出折舊，並按於每個財政年度結算時所進行之年度專業估值所得之公開市值列賬。

投資物業價值之變動，按投資物業重估儲備之變動方式處理。假若該儲備之總額不足以抵銷投資物業組合之虧絀，多出之虧絀金額自綜合損益表扣除。其後重新估值所得之盈餘將撥入綜合損益表，直至抵銷之前扣除之虧絀為止。

出售投資物業時，就較早前估值而已實現之投資物業重估儲備之有關部分，將撥回綜合損益表。

**租賃資產**

凡將資產擁有權(除法定所有權外)之絕大部分回報與風險轉予本集團之租約，均列為融資租約。由訂立融資租約時起，資產之成本均按最低租賃付款之現值撥作資本，並計入反映購買及融資之責任(利息部分除外)。根據融資租約持有之資產均列入固定資產，並按租賃年期或資產之估計可使用年期(以較短者為準)折舊。該等租約之融資成本乃於租賃年內按固定比率於綜合損益表內扣除。

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### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

#### Leased assets (Cont'd)

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets and rentals receivable under the operating leases are credited to the consolidated profit and loss account on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under the operating leases are charged to the consolidated profit and loss account on the straight-line basis over the lease terms.

#### Construction contracts

Contract revenue comprises the agreed contract amount and appropriate amounts from variation orders, claims and incentive payments. Contract costs incurred comprise direct materials, the costs of subcontracting, direct labour and an appropriate proportion of variable and fixed construction overheads.

Revenue from fixed price construction contracts is recognised on the percentage of completion method, measured by reference to the percentage of certified value of work performed to the contract sum for each contract.

Revenue from cost plus construction contracts is recognised on the percentage of completion method, by reference to the recoverable costs incurred during the period plus the related fee earned, measured by the proportion of costs incurred to date to the estimated total cost of the relevant contract.

Provision is made for foreseeable losses as soon as they are anticipated by management.

Where contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is treated as an amount due from customers for contract work.

Where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is treated as an amount due to customers for contract work.

### 4. 重大會計政策概要(續)

#### 租賃資產(續)

由出租人承受資產擁有權之絕大部分回報與風險之租約，均列為經營租約。假若本集團為出租人，本集團按照經營租約而出租之資產均列為非流動資產，而按照經營租約而應收之租金乃於租賃年期內以直線法入賬於綜合損益表。假若本集團為承租人，按照經營租約而應付之租金乃於租賃年期內以直線法於綜合損益表內扣除。

#### 建築合約

合約收入包括協定之合約金額及來自更改建造指示、賠償金及獎金之適當款額。所產生之合約成本包括直接物料、轉包合約成本、直接勞工成本及可變及固定建築間接成本之適當部分。

固定價格建築合約之收入，按各個完成工程方法所佔之百分比確認，並參考已完成工程之經核證價值佔有關合約之總合約價格百分比釐定。

來自成本加成建築合約之收入，按各個完成工程方法所佔之百分比確認，並參考於有關期間所產生之可收回成本加上所賺取之相關費用，並按截至該日所產生之成本佔有關合約之預計總成本之比例釐定。

當管理層預計會產生可預見虧損時，即作出撥備。

當截至該日所產生之合約成本，加上經確認溢利扣除經確認虧損後之數額超出根據當時進度所收取之費用，超出之數額視作應收合約工程客戶之款項。

如按當時進度已收取之費用，超出於截至該日所產生之合約成本加經確認溢利扣除經確認虧損，超出之數額將視作應付合約工程客戶之款項。

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**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)****Cash and cash equivalents**

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

For the purpose of the consolidated balance sheet, cash and cash equivalents comprise cash on hand and at banks, including term deposits, which are not restricted as to use.

**Income tax**

Income tax comprises current and deferred tax. Income tax is recognised in the consolidated profit and loss account, or in equity if it relates to items that are recognised in the same or a different period directly in equity.

Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences:

- except where the deferred tax liability arises from goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with interests in subsidiaries, an associate and interest in a jointly-controlled entity, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

**4. 重大會計政策概要 (續)****現金及現金等價物**

為編製綜合現金流量表，現金及現金等價物包括手頭現金及活動存款，以及短期高度流通而可以隨時兌換成已知數額之現金，而所承受之價值變動風險並不重大，且一般於購入後三個月之短時間內到期之投資項目，減去須於要求時償還及組成本集團現金管理重要部分之銀行透支。

為編製綜合資產負債表，現金及現金等價物包括手頭現金及於銀行之現金，包括並無使用限制之定期存款。

**所得稅**

所得稅包含即期稅項及遞延稅項。倘若所得稅與於相同或不同期間直接在股本權益中確認之項目有關，則所得稅乃於綜合損益表或股本權益中確認。

遞延所得稅乃根據資產及負債之稅基及其就財務申報而言之賬面值，於結算日之所有時間性差異按債務法準備。

所有應課稅時間性差異均確認遞延稅項負債：

- 除了商譽所產生之遞延稅項負債，或者在交易時並不影響會計利潤或應課稅溢利或虧損的非屬業務合併之交易中，初始確認資產或負債時產生之遞延稅項負債；及
- 對於有關附屬公司、聯營公司及於共同控制實體權益之應課稅時間性差異，惟轉回時間性差異之時間可以控制，並且時間性差異於可預見之將來可能不會被轉回之情況除外。

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### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

#### Income tax (Cont'd)

Deferred tax assets are recognised for all deductible temporary differences, carryforward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax assets and unused tax losses can be utilised:

- except where the deferred tax asset relating to the deductible temporary differences arises from negative goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with interests in subsidiaries, an associate and interest in a jointly-controlled entity, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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 profit will be available to allow all or part of the deferred tax assets to be utilised. Conversely, previously unrecognised deferred tax assets are recognised to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

### 4. 重大會計政策概要(續)

#### 所得稅(續)

遞延稅項資產根據所有可抵減時間性差異、結轉未動用稅項資產及未動用稅項虧損確認，直至應課稅利潤將可供用作抵銷之可抵減時間性差異、結轉的未動用稅項資產及未動用稅項虧損抵銷完畢：

- 除了負商譽所產生之可抵減時間性差異有關之遞延稅項資產，或者在交易時並不影響會計利潤或應課稅利潤或虧損之於非屬業務合併之交易中，初始確認資產或負債產生之遞延稅項資產；及
- 對於有關附屬公司、聯營公司及於共同控制實體權益之可抵減時間性差異，遞延稅項資產僅可在時間性差異將於可預見之將來轉回，並且應課稅利潤將可用以抵銷時間性差異之情況下予以確認。

遞延稅項資產之賬面值於各結算日審閱及削減，直至不再有足夠之應課稅利潤可供所有或部分遞延稅項資產動用為止。相反，先前未確認之遞延稅項資產予以確認，直至有足夠之應課稅利潤可供所有或部分遞延稅項資產動用為止。

遞延稅項資產及負債乃按預期適用於資產實現或負債清償期間之稅率衡量，並以結算日已制定或已實質上制定的稅率(及稅法)為基準。



**Notes to Financial Statements 財務報表附註**

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**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(Cont'd)****Revenue recognition**

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

- (a) from construction contracts, based on the percentage of completion basis as further explained in the accounting policy for "Construction contracts" above;
- (b) work orders from contracts for alterations, additions, repairs and maintenance, based on the value of individual work orders certified by relevant employers;
- (c) from the sale of properties, upon the execution of the formal sales and purchase agreement;
- (d) management fee income and tender services income, when the services are rendered;
- (e) rental income, on a time proportion basis over the lease terms;
- (f) interest income, on a time proportion basis taking into account the principal outstanding and the effective interest rate applicable; and
- (g) dividend income, when the shareholders' right to receive payment has been established.

**Dividends**

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

**4. 重大會計政策概要 (續)****收益確認**

收益乃於本集團很可能取得經濟利益及收益數額可以可靠地計算時，按以下基準確認：

- (a) 建築合約收益按照上文「建築合約」會計政策所進一步陳述，按完工比例基準確認；
- (b) 改建、加建、維修及保養合約之工作程序收益按照有關僱用承建商人士證明之個別工作程序價值確認；
- (c) 出售物業收益於簽署正式買賣協議時確認；
- (d) 管理費收入及投標服務收入於提供有關服務時確認；
- (e) 租金收入按租約期間以時間比例基準予以確認；
- (f) 利息收入按時間比例基準根據未償還本金及實際適用利率確認；及
- (g) 股息收入在確立股東收取款項之權利時確認。

**股息**

董事建議之末期股息分開呈列於資產負債表資本及儲備一節項下，列作分派保留利潤，直至股東於週年大會批准派發該等股息為止。獲股東批准及宣派該等股息後，該等股息將確認為一項負債。

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### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

#### Dividends (Cont'd)

Interim dividends are simultaneously proposed and declared, because the Company's and its subsidiaries' memorandums and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

#### Foreign currencies

Foreign currency transactions are recorded at the applicable exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the applicable exchange rates ruling at that date. Exchange differences are dealt with in the consolidated profit and loss account.

On consolidation, the financial statements of the subsidiary (the "PRC subsidiary") established in the People's Republic of China (the "PRC") are translated into Hong Kong dollars using the net investment method. The profit and loss account of the PRC subsidiary is translated into Hong Kong dollars at the weighted average exchange rates for the year, and the balance sheet is translated into Hong Kong dollars at the exchange rates ruling at the balance sheet date. The resulting translation differences are included in the exchange fluctuation reserve.

For the purpose of the consolidated cash flow statement, the cash flows of the PRC subsidiary are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of the PRC subsidiary which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

#### Employee benefits

##### *Employment Ordinance long service payments*

Certain of the Group's employees have completed the required number of years of service to the Group in order to be eligible for long service payments under the Hong Kong Employment Ordinance (the "Employment Ordinance") in the event of the termination of their employment. The Group is liable to make such payments in the event that such a termination of employment meets the circumstances specified in the Employment Ordinance.

### 4. 重大會計政策概要(續)

#### 股息(續)

中期股息之建議及宣派同時進行，原因是本公司及其附屬公司之組織章程大綱及章程細則已授予董事宣派中期股息之權力。故此，建議及宣派中期股息後，便立即確認該等股息為一項負債。

#### 外幣

以外幣結算之交易，按交易日之適用匯率記賬。於結算日以外幣結算之貨幣資產及負債，按該日之適用匯率換算。滙兌差額計入綜合損益表。

於綜合賬目時，於中華人民共和國(「中國」)成立之附屬公司(「中國附屬公司」)之財務報表乃使用淨投資法換算為港元。中國附屬公司之損益表按年內之加權平均匯率換算為港元，其資產負債表則按結算日之匯率換算為港元。所產生之換算差額乃納入滙兌變動儲備內。

就綜合現金流量表而言，中國附屬公司之現金流量按現金流量之日之匯率換算為港元。中國附屬公司於整個年內經常產生之現金流量乃按年內之加權平均匯率換算為港元。

#### 僱員福利

##### *僱傭條例長期服務金*

本集團之若干僱員已為本集團服務了所規定之年數，符合資格於終止僱用時根據香港僱傭條例(「僱傭條例」)享有長期服務金。倘終止僱用合乎僱傭條例所訂明之情況，本集團有責任支付該等長期服務金。

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**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)****Employee benefits (Cont'd)***Employment Ordinance long service payments (Cont'd)*

A contingent liability is disclosed in respect of possible future long service payments to employees, as a number of current employees have achieved the required number of years of service to the Group, to the balance sheet date, in order to be eligible for long service payments under the Employment Ordinance if their employment is terminated in the circumstances specified. A provision has not been recognised in respect of such possible payments, as it is not considered probable that the situation will result in a material future outflow of resources from the Group.

*Retirement benefits schemes*

The Group operates defined contribution retirement benefits schemes in Hong Kong, including a Mandatory Provident Fund Scheme (the "MPF Scheme"), for those employees who are eligible and have elected to participate in the schemes. Contributions are made based on a percentage of the participating employees' basic salaries and are charged to the consolidated profit and loss account as they become payable in accordance with the rules of the schemes. The assets of the schemes are held separately from those of the Group in independently administered funds. When an employee leaves the schemes, with the exception of the MPF Scheme, prior to his/her interest in the Group's employer contributions vesting fully, the ongoing contributions payable by the Group may be reduced by the relevant amount of any forfeited contributions. In respect of the MPF Scheme, the Group's employer contributions vest fully with the employees when contributed into the scheme.

The Group also operates a Mandatory Provident Fund Exempted ORSO retirement benefits scheme for those employees who are eligible to participate in the scheme. This scheme operates in a way similar to the MPF Scheme, except that when an employee leaves the scheme prior to his/her interest in the Group's employee contributions vesting fully, the ongoing contributions payable by the Group was reduced by the relevant amount of forfeited employer's contributions.

**4. 重大會計政策概要 (續)****僱員福利 (續)***僱傭條例長期服務金 (續)*

由於部分現職僱員已為本集團服務了所規定之年數，符合資格於所訂明之情況下終止僱用時，根據僱傭條例享有長期服務金，故日後可能支付予僱員之長期服務金於資產負債表日作為或然負債披露。由於該等可能支付之款項並不被視為將導致本集團日後出現重大之資源流出，故並無就該等可能支付之款項確認撥備。

*退休福利計劃*

本集團為其合資格並選擇參與有關計劃之僱員，於香港設立定額供款退休福利計劃，包括強制性公積金計劃（「強積金計劃」）。供款按參與僱員基本薪金某一百分比計算，並於根據該計劃之規定須作出供款時計入綜合損益表。該計劃之資產以獨立管理基金形式持有，與本集團之資產分開。除強積金計劃外，倘僱員在有權全數獲享本集團僱主供款之權益前退出有關福利計劃，有關款項將被沒收，並可用於對銷本集團日後之應付供款。就強積金計劃而言，本集團對該計劃之僱主供款，由作出時起全歸僱員所有。

本集團另外為合資格參與之僱員設有獲豁免之職業退休界定供款計劃之退休金福利計劃。該計劃之運作形式與強積金計劃相似，惟當僱員在符合資格獲得本集團僱主全部供款前離開該計劃，則沒收之僱主供款之有關數額乃用以扣減本集團持續應繳之供款。

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**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

**Employee benefits (Cont'd)**

*Retirement benefits schemes (Cont'd)*

The employees of the Group's subsidiary which operates in the PRC are required to participate in a central pension scheme operated by the local municipal government. The subsidiary is required to contribute certain percentage of its payroll costs to the central pension scheme. The contributions are charged to the consolidated profit and loss account as they become payable in accordance with the rules of the central pension scheme.

**5. SEGMENT INFORMATION**

The Group's operating businesses are structured and managed separately, according to the nature of their operations and services they provide. Each of the Group's business segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of other business segments. Summary details of the business segments are as follows:

- (a) the building construction segment engages in construction and foundation contract works as a main contractor or subcontractor for building construction in the private and public sectors;
- (b) the renovation, repairs and maintenance segment engages in site formation, civil engineering works, repairs, maintenance, renovation and fitting out works in the private and public sectors; and
- (c) the corporate and others segment comprises the Group's management services and property holding businesses, which includes rental income and gain on disposal of investment properties, together with corporate income and expense items.

In determining the Group's geographical segments, revenues and results are attributed to the segments based on the location of the customers, and assets are attributed to the segments based on the location of the assets. No further geographical segment information is presented as over 90% of the Group's revenue is derived from customers based in Hong Kong, and over 90% of the Group's assets are located in Hong Kong.

**4. 重大會計政策概要(續)**

**僱員福利(續)**

*退休福利計劃(續)*

本集團於中國營運之附屬公司之僱員須參加由地方政府營運之中央退休金計劃。附屬公司須向中央退休金計劃按其薪酬成本之若干百分比供款。由於供款根據中央退休金計劃成為應付款項，故供款計入綜合損益表。

**5. 分部資料**

本集團所經營之業務均按照其營運及服務性質分別地組織及管理。本集團之每個業務分部代表個別策略業務單位，這些單位提供產品及服務，而這些產品及服務均要承受風險及回報，每個業務分部之風險及回報均不同。業務分部資料概要如下：

- (a) 興建樓宇分部為於私營及公營界別興建樓宇項目中擔任總承建商或轉包承建商進行建築及地基工程合約工程；
- (b) 翻新、維修及保養分部主要為於私營及公營界別進行地盤平整工程、土木工程、維修、保養、翻新及裝修工程；及
- (c) 企業及其他分部包括本集團之管理服務及物業控股業務，後者包括租金收入及出售投資物業收益、企業收入及開支項目。

在釐定本集團之地域分別時，按照該等客戶之所在地把收入及業績撥歸有關分部，而資產則按照資產所在地撥歸有關分部。由於本集團超過90%之收入是來自香港該等客戶，而且本集團超過90%之資產位於香港，故並無呈列按地區分類之分部資料。

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**5. SEGMENT INFORMATION (Cont'd)****Business Segments**

The following table presents revenue and profit/(loss) for the Group's business segments.

**Group**

	Building construction 興建樓宇		Renovation, repairs and maintenance 翻新、維修及保養		Corporate and others 企業及其他		Consolidated 綜合	
	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Segment revenue: 分部收入:								
Contract revenue 來自外來該等 from external 客戶之合約 customers 收入	232,480	588,688	112,457	253,278	—	—	344,937	841,966
Other revenue 其他收入	186	855	1,822	2,556	—	75	2,008	3,486
Total 總計	232,666	589,543	114,279	255,834	—	75	346,945	845,452
Segment results 分部業績	6,337	39,969	5,524	13,786	(20,665)	(12,630)	(8,804)	41,125
Interest and 利息及未分配收益 unallocated gains							1,804	930
Unallocated expenses 未分配開支							(3,816)	(1,379)
Profit/(loss) from 經營溢利/(虧損) operating activities							(10,816)	40,676
Finance costs 融資成本							(343)	(93)
Profit/(loss) before tax 除稅前溢利/(虧損)							(11,159)	40,583
Tax 稅項							—	(7,413)
Profit/(loss) before 未計少數股東權益前 minority interests 溢利/(虧損)							(11,159)	33,170
Minority interests 少數股東權益							(167)	469
Net profit/(loss) from 股東應佔日常業務 ordinary activities 溢利/(虧損) attributable to 淨額 shareholders							(11,326)	33,639

**5. 分部資料(續)****業務分部**

下表呈列本集團按業務分部之收益及溢利/(虧損)。

**本集團**

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5. SEGMENT INFORMATION (Cont'd)  
Business Segments (Cont'd)

Group

	Building construction 興建樓宇		Renovation, repairs and maintenance 翻新、維修及保養		Corporate and others 企業及其他		Consolidated 綜合	
	2005	2004	2005	2004	2005	2004	2005	2004
	二零零五年 HK\$'000 千港元	二零零四年 HK\$'000 千港元	二零零五年 HK\$'000 千港元	二零零四年 HK\$'000 千港元	二零零五年 HK\$'000 千港元	二零零四年 HK\$'000 千港元	二零零五年 HK\$'000 千港元	二零零四年 HK\$'000 千港元
Segment assets	171,741	118,811	56,974	94,880	3,371	17,386	232,086	231,077
Interest in a jointly-controlled entity	1,184	697	—	—	—	—	1,184	697
Unallocated assets							35,411	52,666
Total assets							268,681	284,440
Segment liabilities	83,802	78,252	14,606	33,946	1,209	3,587	99,617	115,785
Unallocated liabilities							27,135	55,303
Total liabilities							126,752	171,088
Other segment information:								
Depreciation	73	737	166	341	578	61	817	1,139
Amortisation of goodwill							625	577
Impairment of goodwill							2,766	—
Capital expenditure	—	15	124	209	—	—	124	224
Provision for bad and doubtful debts	—	365	1,838	338	—	100	1,838	803

5. 分部資料(續)  
業務分部(續)

本集團



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**6. TURNOVER, OTHER REVENUE AND GAINS**

Turnover represents the appropriate proportion of contract revenue of construction contracts.

An analysis of turnover, other revenue and gains is as follows:

**6. 營業額、其他收入及收益**

營業額指建築合約之合約收入之適當比例。

營業額、其他收入及收益之分析如下：

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Turnover — contract revenue	營業額 — 合約收入	<b>344,937</b>	841,966
<b>Other revenue</b>	<b>其他收入</b>		
Management fee and tender services income	管理費及投標服務收入	<b>620</b>	1,340
Less: Related staff costs	扣除：相關員工成本	<b>(567)</b>	(1,076)
		<b>53</b>	264
Bank interest income	銀行利息收入	<b>112</b>	137
Other interest income	其他利息收入	<b>1,098</b>	2,108
Rental income	租金收入	<b>378</b>	307
Handling income from subcontractors	來自轉包承建商之手續費收入	<b>811</b>	1,110
Sundry income	雜項收入	<b>229</b>	388
		<b>2,681</b>	4,314
<b>Gains</b>	<b>收益</b>		
Gain on disposal of short term investments	出售短期投資之收益	—	5
Gain on disposal of fixed assets	出售固定資產之收益	<b>1,034</b>	—
Negative goodwill recognised	已確認負商譽	<b>97</b>	97
		<b>1,131</b>	102
Other revenue and gains	其他收入及收益	<b>3,812</b>	4,416

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**7. PROFIT/(LOSS) FROM OPERATING ACTIVITIES**

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

**7. 經營溢利／(虧損)**

本集團之經營溢利／(虧損)已扣除／(計入)：

		Notes 附註	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Auditors' remuneration	核數師酬金		875	450
Depreciation	折舊	15	817	1,139
Less: Amount capitalised as contract costs	扣除：資本化為合約成本 之數額		(239)	(394)
			578	745
Amortisation of goodwill*	商譽攤銷*	16	625	577
Impairment of goodwill*	商譽減值*	16	2,766	—
Provision for bad and doubtful debts*	呆壞賬撥備*		1,838	803
Staff costs (excluding directors' remuneration — note 9)	員工成本(不包括董事酬金 — 附註9)			
Wages and salaries	工資及薪金		23,284	35,145
Pension scheme contributions	退休金計劃供款		825	1,450
Less: Forfeited contributions	扣除：已沒收供款		(115)	(298)
Net pension scheme contributions***	淨退休金計劃供款***		710	1,152
Less: Amount of staff costs capitalised as contract costs	扣除：資本化為合約成本之 員工成本數額		(1,365)	(12,908)
			22,629	23,389

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**7. PROFIT/(LOSS) FROM OPERATING ACTIVITIES (Cont'd)****7. 經營溢利／(虧損) (續)**

	Notes 附註	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Minimum lease payments under operating leases:	經營租約下之最低租金款項：		
Machinery	機器	544	1,958
Land and buildings	土地及樓宇	1,350	1,337
Loss on disposal of investment properties	出售投資物業之虧損	425	—
Gain on disposal of fixed assets	出售固定資產之收益	(1,034)	—
Gain on disposal of short term investments	出售短期投資之收益	—	(5)
Negative goodwill recognised as income**	確認為收入之負商譽**	(97)	(97)
Equipment rental income	設備租金收入	(366)	(235)
Net rental income	租金收入淨額	(198)	(70)
Interest income	利息收入	(1,210)	(2,245)

\* The amortisation of goodwill, impairment of goodwill and provision for bad and doubtful debts for the year are included in "Other operating expenses" on the face of the consolidated profit and loss account.

\*\* The movements in negative goodwill recognised in the consolidated profit and loss account for the year are included in "Other revenue and gains" on the face of the consolidated profit and loss account.

\*\*\* As at 31 March 2005, the Group had no material forfeited contributions available to offset future pension scheme contributions to the schemes (2004: Nil).

\* 年內之商譽攤銷、商譽減值及呆賬撥備載入綜合損益表之「其他經營開支」中。

\*\* 年內於綜合損益表確認之負商譽變動已計入綜合損益表之「其他收入及收益」中。

\*\*\* 於二零零五年三月三十一日，本集團並無重大被沒收供款用以抵銷有關計劃之未來退休金計劃供款(二零零四年：無)。

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**8. FINANCE COSTS**

**8. 融資成本**

		Group 本集團	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Interests on bank overdrafts and bank loans	銀行透支及銀行貸款之利息	343	93

**9. DIRECTORS' REMUNERATION**

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

**9. 董事酬金**

根據上市規則及香港公司條例第161條，董事於年內之酬金披露如下：

		Group 本集團	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Fees	袍金	45	—
Other emoluments:	其他酬金：		
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	2,503	2,560
Bonuses	花紅	209	152
Pension scheme contributions	退休金計劃供款	24	48
		<b>2,781</b>	2,760

Fees represent HK\$45,000 (2004: Nil) payable to the independent non-executive directors. There were no other emoluments payable to the independent non-executive directors during the year (2004: Nil).

袍金指應付獨立非執行董事之45,000港元(二零零四年：無)。於年內並沒有給予獨立非執行董事其他酬金(二零零四年：無)。

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**9. DIRECTORS' REMUNERATION (Cont'd)**

The number of directors whose remuneration fell within the following bands is as follows:

		Number of directors 董事數目	
		2005 二零零五年	2004 二零零四年
Nil — HK\$1,000,000	零至1,000,000港元	5	2
HK\$1,500,001 — HK\$2,000,000	1,500,001港元至2,000,000港元	1	1
		<b>6</b>	<b>3</b>

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

**9. 董事酬金(續)**

酬金數目屬於下列範圍之董事數目如下：

於年內並無董事放棄或同意放棄任何酬金之安排。

**10. FIVE HIGHEST PAID EMPLOYEES**

The five highest paid employees of the Group included two (2004: two) directors, details of whose remuneration are set out in note 9 above. The details of the remuneration of the remaining three (2004: three) non-director, highest paid employees during the year are as follows:

**10. 五名最高薪酬僱員**

本集團之五名最高薪酬僱員包括兩名(二零零四年：兩名)董事，其酬金詳情載於上文附註9。於年內其餘三名(二零零四年：三名)最高薪酬僱員(非董事)之酬金詳情載列如下：

		Group 本集團	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	2,131	2,224
Performance related bonuses	與表現有關之花紅	—	—
Pension scheme contributions	退休金計劃供款	36	58
		<b>2,167</b>	<b>2,282</b>

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**10. FIVE HIGHEST PAID EMPLOYEES (Cont'd)**

The number of non-director, highest paid employees whose remuneration fell within the following band is as follows:

		Number of employees 僱員數目	
		2005 二零零五年	2004 二零零四年
Nil — HK\$1,000,000	零至1,000,000港元	3	3

**11. TAX**

No provision for Hong Kong profits tax has been made as the Group has no estimated assessable profits arising in Hong Kong during for year ended 31 March 2005. Hong Kong profits tax has been provided at the rate of 17.5% on the estimated assessable profits arising in Hong Kong for the year ended 31 March 2004. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

**10. 五名最高薪酬僱員(續)**

酬金數目屬於下列範圍之最高薪酬僱員(非董事)之數目如下:

**11. 稅項**

由於本集團在截至二零零五年三月三十一日止年度並無在香港產生估計應課稅溢利，是以並無就香港利得稅作出撥備。截至二零零四年三月三十一日止年度之香港利得稅乃根據在香港產生之估計應課稅溢利按稅率17.5%作出撥備。其他地方之應課稅溢利之稅項按照本集團進行營運之國家之通行稅率計算，並按照有關地方之現行法例、詮釋及一貫做法作基準。

		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
<b>Group</b>	<b>本集團</b>		
Provision for Hong Kong profits tax	香港利得稅撥備	—	8,104
Overprovision in prior years — Hong Kong	往年超額撥備 — 香港	—	(451)
Deferred tax (note 31)	遞延稅項(附註31)	—	(240)
<b>Total tax charge for the year</b>	<b>年內稅項支出總額</b>	<b>—</b>	<b>7,413</b>



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**11. TAX (Cont'd)**

A reconciliation of the tax expense applicable to profit/(loss) before tax using the statutory rates for the countries in which the Company and its subsidiaries, jointly-controlled entity and associate are domiciled to the tax expense at the effective tax rates, and a reconciliation of tax at the applicable rates (i.e., the statutory tax rates) to the effective tax rates, are as follows:

**Group**  
本集團

		Hong Kong 香港		Mainland China 中國大陸		Total 總計	
		HK\$'000 千港元	%	HK\$'000 千港元	%	HK\$'000 千港元	%
Profit/(loss) before tax	除稅前溢利／(虧損)	(11,795)		636		(11,159)	
Tax at the applicable tax rate	按適用稅率計算之稅項	(2,064)	17.5	210	33.0	(1,854)	16.6
Expenses not deductible for tax purposes	不得作稅務抵扣之開支	1,152	(9.8)	—	—	1,152	(10.3)
Non-taxable income	非應課稅收入	(403)	3.4	—	—	(403)	3.6
Tax losses not recognised	未確認之稅項虧損	1,325	(11.2)	—	—	1,325	(11.9)
Others	其他	(10)	0.1	(210)	(33.0)	(220)	2.0
Tax charge at the Group's effective rate	按本集團實際稅率計算之稅項開支	—	—	—	—	—	—

**11. 稅項 (續)**

適用於除稅前溢利／(虧損)並按本公司及其附屬公司、共同控制實體及聯營公司所在國家之法定稅率計算之稅項開支與按實際稅率計算所得之稅項開支之調節，以及適用稅率(即法定稅率)與實際稅率之稅項調節如下：

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**11. TAX (Cont'd)**

**Group**  
本集團

		Hong Kong 香港		Mainland China 中國大陸		Total 總計	
		HK\$'000 千港元	%	HK\$'000 千港元	%	HK\$'000 千港元	%
Profit/(loss) before tax	除稅前溢利／(虧損)	40,670		(87)		40,583	
Tax at the applicable tax rate	按適用稅率計算之稅項	7,117	17.5	(29)	33.0	7,088	17.5
Adjustments in respect of current tax of previous periods	就過往期間之即期稅項作調整	(451)	(1.1)	—	—	(451)	(1.1)
Expenses not deductible for tax purposes	不得作稅務抵扣之開支	183	0.5	—	—	183	0.5
Non-taxable income	非應課稅收入	(20)	—	—	—	(20)	—
Tax losses not recognised	未確認之稅項虧損	180	0.4	—	—	180	0.4
Others	其他	404	1.0	29	(33.0)	433	1.0
Tax charge at the Group's effective rate	按本集團實際稅率計算之稅項開支	7,413	18.3	—	—	7,413	18.3

**12. NET PROFIT/(LOSS) FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS**

The net loss from ordinary activities attributable to shareholders for the year ended 31 March 2005 dealt with in the financial statements of the Company was approximately HK\$490,000 (2004: Nil) (note 34(b)).

**11. 稅項(續)**

**2004**  
二零零四年

**12. 股東應佔日常業務溢利／(虧損)淨額**

截至二零零五年三月三十一日，計入本公司財務報表之股東應佔日常業務虧損淨額約為490,000港元(二零零四年：無)(附註34(b))。

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**13. DIVIDENDS****13. 股息**

		<b>2005</b> 二零零五年 <b>HK\$'000</b> 千港元	2004 二零零四年 HK\$'000 千港元
Interim dividends declared by subsidiaries of the Company to their then shareholders	本公司之附屬公司向彼等當時之股東宣派之中期股息	—	30,000
Less: Intra-Group dividends	扣除：本集團內部間之股息	—	(15,000)
		—	15,000

The rates of dividends and the number of shares ranking for dividends are not presented as the directors considered that such information is not meaningful for the purpose of these financial statements.

As at 31 March 2005, no dividend has been paid or declared by the Company since the date of its incorporation.

股息率及可享有股息之股份數目均無呈列，原因是董事認為該等資料對本財務報表而言毫無意義。

於二零零五年三月三十一日，本公司自註冊成立日期以來均無派付或宣派股息。

## Notes to Financial Statements 財務報表附註

31 March 2005 二零零五年三月三十一日

### 14. EARNINGS/(LOSS) PER SHARE

The calculation of basic loss per share is based on the net loss from ordinary activities attributable to shareholders for the year of approximately HK\$11,326,000 (2004: net profit of approximately HK\$33,639,000) and the weighted average of 962,205,808 (2004: 872,480,000) shares deemed to have been in issue during the year.

The weighted average number of shares used to calculate the basic earnings per share for the year ended 31 March 2004 includes the pro forma issued share capital of the Company of 872,480,000 shares, comprising (i) the 10,000,000 shares of HK\$0.01 each of the Company allotted and issued nil paid on 2 September 2002 (note 32(c)); (ii) the 10,000,000 shares of HK\$0.01 each issued as consideration for the acquisition of the entire issued share capital of Wing Hong Investment on 6 September 2004 (note 32(d)); and (iii) the capitalisation issue of 852,480,000 shares of HK\$0.01 each (note 32(e)). The weighted average number of shares used to calculate the basic loss per share for the year ended 31 March 2005 includes the weighted average of 89,725,808 shares issued upon the listing of the Company's shares on the Stock Exchange on 13 October 2004 in addition to the aforementioned 872,480,000 ordinary shares.

Diluted earnings/(loss) per share amounts for the years ended 31 March 2005 and 2004 have not been presented as no potential dilutive ordinary shares existed during these years.

### 14. 每股盈利／(虧損)

每股基本虧損乃根據年內股東應佔日常業務虧損淨額計算，約為11,326,000港元(二零零四年：純利約為33,639,000港元)及年內視為已發行股份之加權平均數為962,205,808股(二零零四年：872,480,000股)。

用於計算截至二零零四年三月三十一日止年度之每股基本盈利之股份加權平均數，包括本公司備考已發行股本872,480,000股股份，包括(i)本公司於二零零二年九月二日以未繳股款方式配發及發行之本公司10,000,000股每股面值0.01港元之股份(附註32(c))；(ii)作為於二零零四年九月六日收購榮康投資全部已發行股本之代價之10,000,000股每股面值0.01港元之股份(附註32(d))；及(iii)資本化發行852,480,000股每股面值0.01港元之股份(附註32(e))。用於計算截至二零零五年三月三十一日止年度之每股基本虧損之股份加權平均數，包括本公司股份於二零零四年十月十三日在聯交所上市時已發行股份之加權平均數89,725,808股股份，以及上述之872,480,000股普通股。

截至二零零四及二零零五年三月三十一日止年度期間並無存在出現具潛在攤薄影響之普通股，因此並無呈報每股攤薄盈利／(虧損)金額。

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**15. FIXED ASSETS****15. 固定資產****Group****本集團**

		Investment properties	Leasehold improvements	Machinery	Motor vehicles	Furniture, fixtures and office equipment	Tools and equipment	Total
		投資物業	租賃物業裝修	機器	汽車	傢俬、裝置及 辦公室設備	工具及設備	總計
		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
Cost or valuation:	成本或估值：							
At beginning of year	於年初	4,600	823	7,719	2,792	3,072	785	19,791
Additions	增置	—	—	—	—	124	—	124
Write off	撇銷	—	—	—	—	(6)	—	(6)
Disposals	出售	(2,780)	—	(3,500)	(1,336)	(19)	—	(7,635)
Surplus on revaluation	重估盈餘	380	—	—	—	—	—	380
At 31 March 2005	於二零零五年 三月三十一日	2,200	823	4,219	1,456	3,171	785	12,654
Analysis of cost or valuation:	成本或估值之分析：							
At cost	按成本	—	823	4,219	1,456	3,171	785	10,454
At 31 March 2005 valuation	於二零零五年 三月三十一日估值	2,200	—	—	—	—	—	2,200
		2,200	823	4,219	1,456	3,171	785	12,654
Accumulated depreciation:	累積折舊：							
At beginning of year	於年初	—	823	7,261	2,067	2,654	628	13,433
Provided during the year	年內撥備	—	—	395	173	179	70	817
Write off	撇銷	—	—	—	—	(4)	—	(4)
Disposals	出售	—	—	(3,442)	(1,076)	(7)	—	(4,525)
At 31 March 2005	於二零零五年 三月三十一日	—	823	4,214	1,164	2,822	698	9,721
Net book value:	賬面淨值：							
At 31 March 2005	於二零零五年 三月三十一日	2,200	—	5	292	349	87	2,933
At 31 March 2004	於二零零四年 三月三十一日	4,600	—	458	725	418	157	6,358

The Group's investment properties are situated in Hong Kong and held under long term leases.

本集團之投資物業均位於香港，並以長期租約持有。

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**15. FIXED ASSETS (Cont'd)**

Certain of the Group's investment properties are leased to third parties under operating leases, further summary details of which are included in note 37(a) to the financial statements.

The Group's investment properties were revalued on 31 March 2005 by A. G. Wilkinson & Associates, independent professionally qualified valuers, at HK\$2,200,000 on an open market value basis. A revaluation surplus of HK\$380,000, resulting from the above valuation, has been credited to the consolidated investment property revaluation reserve during the year.

**15. 固定資產(續)**

本集團部份投資物業乃按經營租約租賃予第三方人士，其他詳情概要載列於財務報表附註37(a)。

本集團之投資物業於二零零五年三月三十一日由獨立專業合資格估值師韋堅信測量師行，按公開市值基準重新估值為2,200,000港元。由以上之估值產生之重估盈餘為380,000港元，並已於年內列入綜合投資物業重估儲備。



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**16. GOODWILL AND NEGATIVE GOODWILL**

The amounts of the goodwill and negative goodwill capitalised as an asset or recognised in the consolidated balance sheet, arising from the acquisition of subsidiaries, are as follows:

**16. 商譽及負商譽**

因收購附屬公司而產生之商譽及負商譽已資本化作資產或於綜合資產表確認，詳情如下：

		Group 本集團	
		Goodwill 商譽	Negative goodwill 負商譽
		HK\$'000 千港元	HK\$'000 千港元
Cost:	成本：		
At 1 April 2004 and 31 March 2005	於二零零四年四月一日及 二零零五年三月三十一日	12,690	(2,232)
Accumulated amortisation and impairment/recognition as income:	累積攤銷及減值／ 確認為收入：		
At beginning of year	於年初	(7,489)	488
Amortisation provided/ recognised as income during the year	於年內攤銷撥備／ 確認為收入	(625)	97
Impairment provided during the year	於年內減值撥備	(2,766)	—
At 31 March 2005	於二零零五年三月三十一日	(10,880)	585
Net book value:	賬面淨值：		
At 31 March 2005	於二零零五年三月三十一日	1,810	(1,647)
At 31 March 2004	於二零零四年三月三十一日	5,201	(1,744)

An impairment loss of approximately HK\$2,766,000 was charged to the consolidated profit and loss account for the current year. The impairment loss was provided by the directors based on estimated recoverable amount of the subsidiary acquired, which was determined based on its value in use.

減值虧損約2,766,000港元已於本年度之綜合損益表中支出。減值虧損由董事按所收購附屬公司之估計可收回數額計算而撥備。該數額則根據其使用價值釐定。

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**17. INTERESTS IN SUBSIDIARIES**

**17. 於附屬公司之權益**

		<b>Company</b> 本公司	
		<b>2005</b> 二零零五年 <b>HK\$'000</b> 千港元	2004 二零零四年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份，按成本	<b>107,848</b>	—
Amounts due from subsidiaries	應收附屬公司賬款	<b>56,281</b>	—
Amounts due to subsidiaries	應付附屬公司賬款	<b>(4,366)</b>	—
		<b>159,763</b>	—

All balances with the subsidiaries are unsecured, interest-free and have no fixed terms of repayment.

與附屬公司之結餘均為無抵押、免息及無固定還款期。

Particulars of the principal subsidiaries are as follows:

主要附屬公司之詳情如下：

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及 營運地點	Nominal value of issued and fully paid-up share/ registered capital 已發行及 繳足股本/ 註冊資本面值	Percentage of equity interests attributable to the Company 本公司應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Wing Hong Investment 榮康投資	British Virgin Islands 英屬維爾京群島	US\$1 Ordinary 普通股1美元	100%	—	Investment holding 投資控股
Shing Tak Construction Company Limited 成德建築有限公司	Hong Kong 香港	HK\$10,000,000 Ordinary 普通股 10,000,000港元	—	100%	Investment holding 投資控股
Wing Hong Contractors Limited 榮康建築有限公司	Hong Kong 香港	HK\$17,750,000 Ordinary 普通股 17,750,000港元	—	100%	Building construction and maintenance works 興建樓宇及保養工程

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**17. INTERESTS IN SUBSIDIARIES (Cont'd)****17. 於附屬公司之權益(續)**

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及 營運地點	Nominal value of issued and fully paid-up share/ registered capital 已發行及 繳足股本/ 註冊資本面值	Percentage of equity interests attributable to the Company 本公司應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Wing Hong Construction Limited 榮康營造有限公司	Hong Kong 香港	HK\$10,000 Ordinary 普通股10,000港元	—	100%	Building construction and renovation works 興建樓宇及翻新工程
Wing Hong (China) Limited ("WH (China)") 榮康(中國)有限公司 (「榮康(中國)」)	Hong Kong 香港	HK\$100 Ordinary 普通股100港元	—	100%	Investment holding 投資控股
Shanghai Jinjiang Wing Hong Contracting Co. Ltd.* ("Jinjiang Wing Hong") 上海錦江榮康裝飾工程有限公司* (「錦江榮康」)	PRC 中國	RMB12,000,000 人民幣12,000,000元	—	73%	Renovation works 翻新工程
Wing Hong Interior Contracting Limited 榮康裝飾有限公司	Hong Kong 香港	HK\$100 Ordinary 普通股100港元	—	100%	Renovation works 翻新工程
Wing Hong-Wah Hay (China) Limited 榮康華希(中國)有限公司	Hong Kong 香港	HK\$100 Ordinary 普通股100港元	—	51%	Renovation and fitting out works 翻新及裝修工程
Good Busy International Limited 浩港國際有限公司	Hong Kong 香港	HK\$100 Ordinary 普通股100港元	—	100%	Dormant 暫無營業

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**17. INTERESTS IN SUBSIDIARIES (Cont'd)**

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及 營運地點	Nominal value of issued and fully paid-up share/ registered capital 已發行及 繳足股本/ 註冊資本面值	Percentage of equity interests attributable to the Company 本公司應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Cotak Enterprises Limited 高德企業有限公司	Hong Kong 香港	HK\$2 Ordinary 普通股2港元	—	100%	Dormant 暫無營業
Power Pond Limited 威順有限公司	Hong Kong 香港	HK\$2 Ordinary 普通股2港元	—	100%	Dormant 暫無營業
Wealth Money Limited 富富有限公司	Hong Kong 香港	HK\$1,000 Ordinary 普通股1,000港元	—	100%	Dormant 暫無營業
Kofit Properties Limited 高輝置業有限公司	Hong Kong 香港	HK\$1,000 Ordinary 普通股1,000港元	—	100%	Property holding 持有物業
Wing Hong Engineering and Construction Limited 榮康建築工程有限公司	Hong Kong 香港	HK\$10,000 Ordinary 普通股10,000港元	—	100%	Dormant 暫無營業

\* Jinjiang Wing Hong is registered as a Sino-foreign joint venture under the PRC Law.

The above table lists the subsidiaries 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 would, in the opinion of the directors, result in particulars of excessive length.

**17. 於附屬公司之權益(續)**

\* 錦江榮康根據中國法律註冊為中外合資企業。

董事認為上表所載之本公司附屬公司對本集團本年度業績有重大影響或佔本集團資產淨值之重大部份。董事認為倘列出其他附屬公司資料，將使篇幅過於冗長。

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**18. INTEREST IN A JOINTLY-CONTROLLED ENTITY****18. 於共同控制實體之權益**

		<b>Group</b> 本集團	
		<b>2005</b> 二零零五年 <b>HK\$'000</b> 千港元	2004 二零零四年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份，按成本	—	—
Share of net assets	分佔淨資產	—	—
Amount due from a jointly-controlled entity	應收共同控制實體之款項	<b>1,692</b>	1,205
Provision for an amount due from a jointly-controlled entity	就應收共同控制實體之款項而作出之撥備	<b>(508)</b>	(508)
		<b>1,184</b>	697

The amount due from a jointly-controlled entity is unsecured, interest-free and has no fixed terms of repayment.

應收共同控制實體之款項為無抵押、免息及無固定還款期。

Particulars of the jointly-controlled entity are as follows:

共同控制實體之詳情如下：

Name	Business structure	Place of incorporation/ registration and operations 註冊成立/ 登記及營運地點	Percentage of			Principal activities
			Ownership interest	Voting power	Profit sharing	
公司名稱	業務結構		擁有權百分比	投票權百分比	攤佔溢利	主要業務
WH-SCG JV Limited ("WH-SCG") 海榮聯營有限公司 (「海榮聯營」)	Corporate 企業	Hong Kong 香港	50	50	50	Building construction and renovation works 興建樓宇及 翻新工程

The above investment in a jointly-controlled entity is indirectly held by the Company.

以上於共同控制實體之投資為本公司間接擁有。

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**19. INTEREST IN AN ASSOCIATE**

**19. 於聯營公司之權益**

		<b>Group</b> 本集團	
		<b>2005</b> 二零零五年 <b>HK\$'000</b> 千港元	2004 二零零四年 HK\$'000 千港元
Share of net assets	分佔淨資產	—	—

Particulars of the associate are as follows:

聯營公司之詳情如下：

Name	Business structure	Place of incorporation/ registration and operations	Percentage of ownership interest attributable to the Group	Principal activities
名稱	業務結構	註冊成立／登記及營運地點	本集團應佔擁有權權益百分比	主要業務
Beatrice Construction Limited 碧尊建築有限公司	Corporate 企業	Hong Kong 香港	30.625%	Manufacture and trading of pre-cast building materials 製造及買賣預製建築材料

The above investment in an associate is indirectly held by the Company.

以上於聯營公司之投資為本公司間接擁有。

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**20. CONSTRUCTION CONTRACTS****20. 建築合約**

		<b>Group</b> 本集團	
		<b>2005</b> 二零零五年 <b>HK\$'000</b> 千港元	2004 二零零四年 HK\$'000 千港元
Amount due from customers for contract work	應收客戶合約工程款項	<b>57,064</b>	129,755
Amount due to customers for contract work	應付客戶合約工程款項	<b>(25,057)</b>	(18,594)
		<b>32,007</b>	111,161
Contract costs incurred plus recognised profits less recognised losses to date	迄今所產生之合約成本加已確認溢利減已確認虧損	<b>3,337,222</b>	3,572,279
Less: Progress billings	減：按進度付款	<b>(3,305,215)</b>	(3,461,118)
		<b>32,007</b>	111,161

**21. ACCOUNTS RECEIVABLE**

An aged analysis of the accounts receivable as at the balance sheet date, net of provision, is as follows:

**21. 應收賬款**

於結算日，應收賬款之賬齡分析（扣除撥備）如下：

		<b>Group</b> 本集團	
		<b>2005</b> 二零零五年 <b>HK\$'000</b> 千港元	2004 二零零四年 HK\$'000 千港元
Within 30 days	少於30天	<b>82,467</b>	21,513
31 — 90 days	31至90天	<b>979</b>	52,042
91 — 180 days	91至180天	<b>107</b>	909
Over 180 days	180天以上	<b>70,386</b>	—
		<b>153,939</b>	74,464



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**21. ACCOUNTS RECEIVABLE (Cont'd)**

Interim applications for progress payments for contract works are normally made on a monthly basis. The Group allows an average credit period of 60 days to its contract customers. For retention money receivables in respect of contract works, the due dates are usually not more than three months after the issue of statements of the final accounts of the contract works. As at 31 March 2005, no retentions held by customers for contract work were included in accounts receivable (2004: Nil).

Included in the Group's accounts receivable balance as at 31 March 2005 were amounts of approximately HK\$138.7 million in aggregate withheld by two major customers of the Group in respect of disputes between the Group and the aforesaid customers. Further details of the receivables under dispute are disclosed in note 2 to the financial statements.

**22. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES**

**21. 應收賬款(續)**

合約工程施工期間按進度分期支付款項之申請通常於每月提出。本集團平均給予合約客戶60天之信貸期。就合約工程應收保留款額而言，到期日一般為合約工程最後賬目報表發出後三個月內。於二零零五年三月三十一日，應收賬款內並無合約工程之應收保留款額(二零零四年：無)。

於二零零五年三月三十一日，由於涉及本集團與本集團兩名主要客戶之爭議，故包括於本集團應收賬款之結餘為合共約138,700,000港元由上述客戶暫扣。爭議中應收款其他詳情於本財務報表附註2中披露。

**22. 預付款項、按金及其他應收款項**

		Group 本集團	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Prepayments	預付款項	655	4,397
Deposits and other receivables	按金及其他應收款項	17,295	11,884
		<b>17,950</b>	16,281

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**22. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (Cont'd)**

Included in the Group's deposits and other receivables as at 31 March 2005 is an amount of approximately HK\$10.8 million, due from a subcontractor (the "Subcontractor") of the Group, representing the costs incurred on behalf of the Subcontractor in relation to a civil engineering works contract (the "Contract") granted by the Civil Engineering Department of the HKSAR Government to the Group. Due to the unsatisfactory performance of the Subcontractor, and pursuant to a supplemental agreement signed between the Group and the Subcontractor in December 2002, the Group had incurred additional costs to engage others to rectify the defects, to complete the incomplete subcontracted works of the Subcontractor and to pay on behalf of the Subcontractor material, labour and related expenses, in order to proceed and complete the subcontracted works. According to the aforesaid supplemental agreement, the Group is entitled to recover from the Subcontractor the aforesaid costs incurred. In the current year, the Subcontractor denied the amount payable to the Group and the Group has commenced arbitration proceedings against the Subcontractor to recover the amount due. After consultation with the Group's legal advisors, the directors consider that the Group has valid grounds to recover the amount due from the Subcontractor. However, it is uncertain at this stage as to the outcome of the arbitration and hence the recoverability of the receivable due from the Subcontractor and the time required in relation thereto.

**23. AMOUNT DUE FROM/TO A DIRECTOR**

Particulars of an amount due from a director, disclosed pursuant to Section 161B of the Hong Kong Companies Ordinance, are as follows:

**22. 預付款項、按金及其他應收款項 (續)**

本集團二零零五年三月三十一日之按金及其他應收款項中包括一項約10,800,000港元應收本集團轉包承建商(「轉包承建商」)之款項,指本集團代轉包承建商支付之成本。有關成本乃關於香港特區政府土木工程署授予本集團之土木工程合約(「合約」)。由於轉包承建商表現未如理想,並根據本集團與轉包承建商於二零零二年十二月簽訂之補充協議,本集團故而聘請其他判頭修正其瑕疵、完成轉包承建商未完成之轉包承建工程以及代轉包承建商支付物料供應商、工人及相關費用,以使轉包承建工程能繼續及完成,致使本集團產生成本。根據上述補充協議,本集團有權從轉包承建商收回上述所產生之成本。本年度,轉包承建商拒絕向本集團支付款項,而本集團已開始對轉包承建商作出仲裁法律程序,以求清償於年內欠負之款項。董事在諮詢本集團之法律顧問後,認為本集團有權從轉包承建商追討所欠負之金額。然而,在目前階段仍未能確定仲裁之結果及能否從轉包承建商收回有關款項,以及就此所需之時間。

**23. 應收／應付一名董事款項**

應收一名董事款項詳情按照香港公司條例第161B節披露如下:

		Group 本集團	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Mr. Hui Kau Mo	許教武先生	—	4,219

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**23. AMOUNT DUE FROM/TO A DIRECTOR (Cont'd)**

The amount due from Mr. Hui Kau Mo was settled on 13 September 2004.

The maximum outstanding amount due from a director during the year is as follows:

		<b>Group</b> 本集團	
		<b>2005</b> 二零零五年 <b>HK\$'000</b> 千港元	2004 二零零四年 HK\$'000 千港元
Mr. Hui Kau Mo	許教武先生	—	4,219

The balance with a director was unsecured, interest-free and had no fixed terms of repayment.

**24. AMOUNTS DUE FROM/TO MINORITY SHAREHOLDERS**

The balances with minority shareholders are unsecured, interest-free and have no fixed terms of repayment.

**25. SHORT TERM INVESTMENTS**

During the year ended 31 March 2004, the Group purchased a total of approximately HK\$3,744,000 PRC listed government bonds. These government bonds were disposed of by the Group on 20 October 2003 for proceeds of approximately HK\$3,749,000.

**23. 應收／應付一名董事款項(續)**

應收許教武先生款項已於二零零四年九月十三日清償。

於年內應收一名董事之最高未償還款額如下：

董事之結餘為無抵押、免息及並無固定還款期。

**24. 應收／應付少數股東款項**

少數股東之結餘為無抵押、免息及無固定還款期。

**25. 短期投資**

於截至二零零四年三月三十一日止年度，本集團共購買約3,744,000港元之中國上市政府債券。本集團已於二零零三年十月二十日將該等政府債券出售，所得款項約為3,749,000港元。

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**26. CASH AND CASH EQUIVALENTS AND PLEDGED TIME DEPOSITS****26. 現金及現金等價物及已抵押定期存款**

		Group 本集團		Company 本公司	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Cash and bank balances	現金及銀行結餘	25,486	42,116	11,056	—
Time deposits	定期存款	9,000	6,400	—	—
		34,486	48,516	11,056	—
Less: Pledged time deposits for performance bond facilities	減：就履約保證融資額已抵押定期存款	(9,000)	(6,400)	—	—
Cash and cash equivalents	現金及現金等價物	25,486	42,116	11,056	—

**27. ACCOUNTS PAYABLE**

An aged analysis of the accounts payable as at the balance sheet date, is as follows:

**27. 應付賬款**

於結算日，應付賬款之賬齡分析如下：

		Group 本集團	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Within 30 days	少於30天	27,748	53,414
31 — 90 days	31至90天	6,453	20,920
91 — 180 days	91至180天	557	7,695
Over 180 days	180天以上	37,600	10,496
		72,358	92,525

As at 31 March 2005, no retentions payable are included in accounts payable under current liabilities (2004: Nil).

於二零零五年三月三十一日，並無應付保留款項列於流動負債中的應付賬款內（二零零四年：無）。

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**28. OTHER PAYABLES AND ACCRUALS**

	Group 本集團		Company 本公司	
	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Other payables and accruals 其他應付款項及應計款項	2,198	5,562	495	—
Amounts due to related companies 應付關連公司款項	18	18	—	—
	<b>2,216</b>	5,580	<b>495</b>	—

The amounts due to related companies are unsecured, interest-free and have no fixed terms of repayment.

應付關連公司款項為無抵押、免息及無固定還款期。

**29. INTEREST-BEARING BANK BORROWINGS**

	Group 本集團	
	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Bank overdrafts repayable within one year or on demand, unsecured 銀行透支於一年內償還或按銀行要求時償還，無抵押	99	—

The Group's banking facilities (including performance bond facilities) as at 31 March 2005 were secured by the following:

本集團於二零零五年三月三十一日之銀行融資額(包括履約保證融資)由下列各項作抵押：

- (a) the pledge of the Group's time deposits amounting to HK\$9 million (2004: HK\$6.4 million);
- (b) corporate guarantees executed by the Company up to the extent of HK\$55,050,000 as at 31 March 2005; and
- (c) corporate guarantees executed by certain of the Company's subsidiaries.

- (a) 本集團定期存款之抵押達9,000,000港元(二零零四年：6,400,000港元)；
- (b) 於二零零五年三月三十一日，由本公司簽立之公司擔保達55,050,000港元；及
- (c) 由本公司若干附屬公司簽立之公司擔保。

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**30. LOANS TO/FROM SHAREHOLDERS**

- (a) Particulars of the loans to shareholders, disclosed pursuant to Section 161B of the Hong Kong Companies Ordinance, are as follows:

		Group 本集團	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Prosper Fortune Limited ("Prosper Fortune")	Prosper Fortune Limited ("Prosper Fortune")	—	210
Matchless Profits Limited ("Matchless Profits")	Matchless Profits Limited ("Matchless Profits")	—	250
Rich Place	Rich Place	200	—
		<b>200</b>	<b>460</b>

The maximum outstanding balance for the loans to Prosper Fortune and Matchless Profits during the year ended 31 March 2004 amounted to HK\$210,000 and HK\$250,000, respectively. The maximum outstanding balance for the loan to Rich Place during the year ended 31 March 2005 amounted to HK\$200,000.

Prosper Fortune is owned as to 77.4% by Mr. Hui Kau Mo and 22.6% by Mr. Hui Chi Yang. Matchless Profits is owned as to 78% and 22% by Mr. Yiu Kai Yeuk, Raphael, and Mr. Hui Chi Yang, respectively. Mr. Hui Kau Mo and Mr. Yiu Kai Yeuk, Raphael are directors of the Company. Mr. Hui Chi Yang is a director of certain of the Group's subsidiaries.

The loans to Prosper Fortune and Matchless Profits were unsecured, interest-free and were settled on 10 September 2004.

**30. 給予／來自股東之貸款**

- (a) 給予股東之貸款之詳情已根據香港公司條例第161B節披露如下：

截至二零零四年三月三十一日止年度，給予 Prosper Fortune 及 Matchless Profits 之貸款最高未償還餘額分別為210,000港元及250,000港元。於截至二零零五年三月三十一日止年度，給予 Rich Place 之貸款最高未償還餘額為200,000港元。

Prosper Fortune 由許教武先及許智揚先生分別擁有77.4%及22.6%。Matchless Profits 由姚啟越先生及許智揚先生分別擁有78%及22%。許教武先生及姚啟越先生為本公司董事。許智揚先生為本集團若干附屬公司之董事。

給予 Prosper Fortune 及 Matchless Profits 之貸款為無抵押、免息及已於二零零四年九月十日清償。

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### 30. LOANS TO/FROM SHAREHOLDERS (Cont'd)

The loans to Rich Place are unsecured, interest-free and have no fixed terms of repayment.

The entire issued share capital of Rich Place is held by RBTT Trust Corporation, a company established in Barbados, acting in its capacity as the trustee of The Wing Hong Trust. The Wing Hong Trust is a discretionary trust whose beneficiaries are the family members of Mr. Hui Kau Mo and include Mr. Hui Chi Yung, both are directors of the Company.

- (b) As at 31 March 2005, shareholders' loans amounting to HK\$21,237,000 and HK\$1,754,000 were granted to the Group by Rich Place and Million Honest Limited ("Million Honest"), respectively.

As at 31 March 2004, shareholders' loans amounting to HK\$28,152,000 and HK\$2,350,000 were granted by Prosper Fortune and Matchless Profits, respectively.

The loans from Rich Place and Million Honest are unsecured, bear interest at prime rate minus 2% per annum and repayable upon 18 months after the signing date of the relevant loan agreements, which is 22 March 2005.

The loans from Prosper Fortune and Matchless Profits were unsecured, interest-free and had no fixed terms of repayment.

The entire issued share capital of Million Honest is held by Mr. Yiu Kai Yeuk, a director of the Company.

### 30. 給予／來自股東之貸款(續)

給予 Rich Place 之貸款為無抵押、免息及無固定還款期。

Rich Place 之全部已發行股本由 RBTT Trust Corporation(一家在巴巴多斯成立之公司)作為榮康信託之受託人而持有。榮康信託為全權信託，其受益人為許教武先生之家族成員，並包括許智勇先生，而兩位均為本公司董事。

- (b) 於二零零五年三月三十一日，Rich Place 及 Million Honest Limited(「Million Honest」)已分別向本集團授出21,237,000港元及1,754,000港元之股東貸款。

於二零零四年三月三十一日，已 Prosper Fortune 及 Matchless Profits 已分別授出28,152,000港元及2,350,000港元之股東貸款。

來自 Rich Place 及 Million Honest 之股東貸款為無抵押、按最優惠利率減年息2厘計息及須於簽訂有關貸款協議當日(即二零零五年三月二十二日)後18個月償還。

來自 Prosper Fortune 及 Matchless Profits 之貸款為無抵押、免息及無固定還款期。

Million Honest 之全部已發行股本由本公司董事姚啟越先生持有。

**Notes to Financial Statements** 財務報表附註

31 March 2005 二零零五年三月三十一日

**31. DEFERRED TAX**

The movements in deferred tax liabilities during the year are as follows:

Deferred tax liabilities:	遞延稅項負債：
At beginning of year	於年初
Credited to the profit and loss account during the year	於年內計入損益表
At end of year	於年終

There is no deferred tax assets recognised for the Group for the year ended 31 March 2005 (2004: Nil).

There is no deferred tax assets and liabilities recognised for the Company for the year ended 31 March 2005 (2004: Nil).

The Group has tax losses arising in Hong Kong of approximately HK\$9,948,000 (2004: HK\$2,377,000) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for some time, or it is not probable that sufficient taxable profits will be available to allow all or part of the deferred tax assets to be utilised.

**31. 遞延稅項**

於年內之遞延稅項負債之變動如下：

		<b>Group</b> 本集團	
		<b>Accelerated tax depreciation</b> 加速稅項折舊	
		<b>2005</b> 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Deferred tax liabilities:	遞延稅項負債：		
At beginning of year	於年初	<b>130</b>	370
Credited to the profit and loss account during the year	於年內計入損益表	—	(240)
At end of year	於年終	<b>130</b>	130

本集團於截至二零零五年三月三十一日止年度並無確認遞延稅項資產(二零零四年：無)。

本公司於截至二零零五年三月三十一日止年度並無確認遞延稅項資產及負債(二零零四年：無)。

本集團擁有來自香港之稅項虧損約9,948,000港元(二零零四年：2,377,000港元)，可無限期用作抵銷產生虧損之公司之未來應課稅溢利。由於有關附屬公司已錄得一段時間之虧損，或由於不大可能有充足之應課稅溢利可供使用全部或部份遞延稅項資產，故並未就該等虧損確認遞延稅項資產。



**Notes to Financial Statements** 財務報表附註

31 March 2005 二零零五年三月三十一日

**32. SHARE CAPITAL**  
Shares

**32. 股本**  
股份

		<b>2005</b> 二零零五年 <b>HK\$'000</b> 千港元	2004 二零零四年 HK\$'000 千港元
Authorised:	法定股本：		
2,000,000,000 (2004: 10,000,000) ordinary shares of HK\$0.01 each	2,000,000,000股 (二零零四年：10,000,000股) 每股面值0.01港元之普通股	<b>20,000</b>	100
Issued and fully paid:	已發行及繳足股本：		
1,064,000,000 (2004: Nil) ordinary shares of HK\$0.01 each	1,064,000,000股 (二零零四年：無) 每股面值0.01港元之普通股	<b>10,640</b>	—

**Notes to Financial Statements** 財務報表附註

31 March 2005 二零零五年三月三十一日

**32. SHARE CAPITAL (Cont'd)****Shares (Cont'd)**

Changes in authorised capital and issued capital of the Company took place during the period from 27 August 2002 (the date of incorporation) to 31 March 2005 are summarised as follows:

**32. 股本(續)****股份(續)**

本公司之法定股本及已發行股本於由二零零二年八月二十七日(註冊成立日期)至二零零五年三月三十一日期間產生之變動概述如下:

		Notes 附註	Number of ordinary shares of HK\$0.01 each 每股面值0.01港元 之普通股數目	Nominal value of ordinary shares 普通股 面值 HK\$'000 千港元
Authorised:	法定:			
Upon incorporation and as at 31 March 2004	於註冊成立日期及 二零零四年三月三十一日	(a)	10,000,000	100
Increase in authorised share capital	法定股本之增加	(b)	1,990,000,000	19,900
At 31 March 2005	於二零零五年三月三十一日		2,000,000,000	20,000
Issued:	已發行:			
Upon incorporation	於註冊成立日期		—	—
Allotted and issued nil paid	以未繳股款方式配發及發行	(c)	10,000,000	—
On acquisition of Wing Hong Investment	收購榮康投資			
— New issue of shares	— 發行新股份	(d)	10,000,000	100
— Nil paid shares credited as fully paid	— 入賬列為繳足之 未繳股款股份	(d)	—	100
Capitalisation issue credited as fully paid conditional on the share premium account of the Company being credited as a result of the issue of the new shares to the public	在本公司股份溢價賬 因發行新股予公眾 而出現進賬之情況 下入賬列為繳足之 資本化發行	(e)	852,480,000	—
Pro forma share capital as at 31 March 2004 and 1 April 2004	於二零零四年三月三十一日 及二零零四年四月一日 之備考股本		872,480,000	200
Capitalisation issue through the share premium account as set out above	上述所載透過股份 溢價賬資本化發行	(e)	—	8,525
Issue of shares	發行股份	(f)	191,520,000	1,915
As at 31 March 2005	於二零零五年三月三十一日		1,064,000,000	10,640

## Notes to Financial Statements 財務報表附註

31 March 2005 二零零五年三月三十一日

### 32. SHARE CAPITAL (Cont'd)

#### Shares (Cont'd)

During the period from 27 August 2002 (date of incorporation) to 31 March 2005, the movements in the share capital of the Company were as follows:

- (a) Upon incorporation of the Company, the authorised share capital of the Company was HK\$100,000 divided into 10,000,000 shares of HK\$0.01 each.
- (b) Pursuant to the written resolutions of all the shareholders of the Company passed on 6 September 2004, the authorised share capital of the Company was increased from HK\$100,000 to HK\$20,000,000 by the creation of an additional 1,990,000,000 shares of HK\$0.01 each.
- (c) On 2 September 2002, an aggregate of 10,000,000 shares of HK\$0.01 each were allotted and issued nil paid.
- (d) On 6 September 2004, as part of the Group Reorganisation, 10,000,000 new shares of HK\$0.01 each in the Company were allotted and issued, credited as fully paid, and the existing 10,000,000 shares of HK\$0.01 each issued nil paid on 2 September 2002 as mentioned in (c) above, were credited as fully paid at par, in consideration and in exchange for the acquisition by the Company of the entire issued share capital of Wing Hong Investment.
- (e) Pursuant to the resolutions passed on 6 September 2004, a total of 852,480,000 shares of HK\$0.01 each in the Company were allotted and issued as fully paid at par, by way of capitalisation of the sum of HK\$8,524,800 standing to the credit of the share premium account of the Company. This allotment and capitalisation were conditional on the share premium account being credited as a result of the issue of new shares in connection with the placing and public offer of the new shares of the Company as disclosed in (f) below.

### 32. 股本(續)

#### 股份(續)

由二零零二年八月二十七日(註冊成立日期)至二零零五年三月三十一日期間本公司股本之變動如下:

- (a) 自本公司註冊成立,本公司之法定股本為100,000港元,分為10,000,000股每股面值0.01港元之股份。
- (b) 根據於二零零四年九月六日通過本公司所有股東之書面決議案,本公司法定股本透過增設額外1,990,000,000股每股面值0.01港元股份由100,000港元增加至20,000,000港元。
- (c) 二零零二年九月二日,合共10,000,000每股面值0.01港元之股份以未繳股款方式配發及發行。
- (d) 二零零四年九月六日,作為集團重組之一環,本公司10,000,000股每股面值0.01港元之新股份以入賬列為繳足方式配發及發行,及如上文(c)提述於二零零二年九月二日以未繳股款方式發行之現有10,000,000股每股面值0.01港元股份已按面值入賬列為繳足,作為本公司收購榮康投資之全部已發行股本之代價及交換。
- (e) 根據於二零零四年九月六日通過之決議案,本公司共852,480,000股每股面值0.01港元之股份獲配發及發行按面值繳足,方式為將本公司股份溢價賬之貸方結餘總額8,524,800港元撥充資本。此項配發及撥充資本視乎就配售及公開發售本公司新股份(如下文(f)所披露)而發行新股份計入股份溢價賬之進賬而定。

**Notes to Financial Statements** 財務報表附註

31 March 2005 二零零五年三月三十一日

**32. SHARE CAPITAL (Cont'd)****Shares (Cont'd)**

- (f) On 12 October 2004, 191,520,000 ordinary shares of HK\$0.01 each were issued at an issue price of HK\$0.25 each for a total cash consideration of HK\$47,880,000 through an initial public offering by way of placing and public offer. Share issue expenses of approximately HK\$7,905,000 were incurred in connection with the Company's initial public offering and were charged to the share premium account (note 34(b)).

**Share options**

Details of the Company's share option scheme are included in note 33 to the financial statements.

**33. SHARE OPTION SCHEME**

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants for their contributions to the Group. Eligible participants of the Scheme include the part-time or full-time employee, executive or officer of the Group (including the executive and non-executive directors of the Company), business consultants, agents, financial or legal advisers who the board of directors of the Company considers, in its sole discretion, will contribute or have contributed to the Group.

The Scheme became effective on 6 September 2004 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

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

**32. 股本(續)****股份(續)**

- (f) 二零零四年十月十二日，191,520,000股每股面值0.01港元之普通股乃按每股0.25港元之發行價格以首次公開發售透過配售及公開發售之方式以換取現金總代價47,880,000港元。本公司於首次公開發售產生約7,905,000港元之發行股份開支已於股份溢價賬扣除(附註34(b))。

**購股權**

本公司之購股權計劃詳情載列於本財務報表附註33。

**33. 購股權計劃**

本公司設立一項購股權計劃(「計劃」)，旨在獎勵及回饋合資格參與者對本集團作出之貢獻。計劃之合資格參與者包括本集團之兼職或全職僱員、行政人員或高級職員(包括本公司執行董事及非執行董事)、本公司董事會全權酌情認為將對或曾經對本集團作出貢獻之業務顧問、代理、財務或法律顧問。

計劃於二零零四年九月六日生效，並除另行註銷或修訂外，將一直由該日起生效十年。

現時根據計劃容許授出之最多未行使購股權數目，相等於在行使時本公司於緊隨本公司在聯交所上市後之已發行股份之10%。於任何十二個月期間內根據向每名計劃之合資格參與者授出之購股權予以發行之股份數目，最高不得超過於授出日期本公司已發行股份之1%。任何授出超逾此限之購股權，須獲股東於股東大會上批准。

## Notes to Financial Statements 財務報表附註

31 March 2005 二零零五年三月三十一日

### 33. SHARE OPTION SCHEME (Cont'd)

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

The offer of a grant of share options may be accepted within 28 days from the date of the offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors and, commences after a certain vesting period and, ends on a date which is not later than 10 years from the date of grant.

The exercise price of the share options is determinable by the directors, but may not be less than the highest of (i) the Stock Exchange closing price of the Company's shares on the date of grant of the share options; (ii) the average Stock Exchange closing price of the Company's shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of a share of the Company.

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

At the date of this annual report, the total number of shares available for issue under the Scheme is 106,400,000 shares representing 10% of the total issued share capital of the Company on that date.

No share option was granted, exercised, cancelled or lapsed under the Scheme at any time.

### 33. 購股權計劃(續)

向本公司董事、主要行政人員或主要股東或彼等任何聯繫人士授出購股權，必須事先獲獨立非執行董事批准。此外，於任何十二個月期間，向本公司主要股東或獨立非執行董事或彼等任何聯繫人士授出之購股權，倘超出本公司於授出日期已發行股份0.1%，而且總額超過5,000,000港元(根據本公司股份於授出日期之收市價計算)，須事先獲股東於股東大會上批准。

授出購股權之要約必須在授出日期起計28日內，於授讓人支付合共1港元之名義代價後獲接納。所授出之購股權之行使期由董事釐定，並於若干歸屬期開始起計，且最遲於授出日期起計十年屆滿。

購股權之行使價由董事釐定，並不得低於(i)授出購股權之日本公司股份在聯交所之收市價；(ii)緊接授出日期前五個營業日本公司股份在聯交所之平均收市價；及(iii)日本公司股份面值(以較高者為準)。

購股權並未賦予持有人獲享股息或於股東大會上投票之權利。

於本年報日，根據計劃可供發行之股份總數為106,400,000股股份，佔本公司於該日之已發行股本總額10%。

於任何時間，概無根據計劃授出購股權，亦概無購股權獲行使、註銷或失效。

**Notes to Financial Statements** 財務報表附註

31 March 2005 二零零五年三月三十一日

**34. RESERVES****(a) Group**

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

The capital reserve of the Group represents the difference between the nominal value of the shares of the subsidiaries acquired pursuant to the Group Reorganisation set out in note 1 to the financial statements, over the nominal value of the Company's shares issued in exchange therefor.

**(b) Company****34. 儲備****(a) 本集團**

本集團儲備金額及本年度及往年之變動詳情，載於財務報表中綜合權益變動表一內。

本集團之資本儲備指根據財務報表附註1所載之集團重組而購入之附屬公司股份面值，與本公司就此作交換之已發行股份面值之差額。

**(b) 本公司**

		Share premium account 股份溢價賬 HK\$'000 千港元	Capital reserve 資本儲備 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Balance at 1 April 2003 and 31 March 2004	於二零零三年四月一日及 二零零四年三月三十一日 之結餘	—	—	—	—
Arising on the Group Reorganisation	集團重組而產生	—	107,648	—	107,648
Capitalisation issue through the share premium account	透過股份溢價賬進行 之資本化發行	(8,525)	—	—	(8,525)
Issue of shares	發行股份	45,965	—	—	45,965
Share issue expenses	股份發行開支	(7,905)	—	—	(7,905)
Net loss for the year	年內虧損淨額	—	—	(490)	(490)
At 31 March 2005	於二零零五年三月三十一日	29,535	107,648	(490)	136,693

The capital reserve of the Company represents the excess of the fair value of the shares of the subsidiaries acquired pursuant to the Group Reorganisation referred to in note 1 to the financial statements, over the nominal value of the Company's shares issued in exchange therefor. Under the Companies Law (2004 Revision) of the Cayman Islands, the Company's share premium account and capital reserve may be distributed to the shareholders of the Company, provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as and when they fall due in the ordinary course of business.

本公司之資本儲備指根據財務報表附註1所載之集團重組而購入之附屬公司股份之公允值超逾本公司就此作交換之已發行股份面值之差額。根據開曼群島公司法(二零零四年修訂本)，本公司之股份溢價賬及資本儲備可分派予本公司股東，惟緊隨建議分派股息之日後，本公司須能支付在日常業務過程中到期支付之債項。

**Notes to Financial Statements** 財務報表附註

31 March 2005 二零零五年三月三十一日

**35. NOTE TO THE CONSOLIDATED CASH FLOW STATEMENT**  
**Acquisition of subsidiaries**

**35. 綜合現金流量表**  
**收購附屬公司**

		<b>2005</b> 二零零五年 <b>HK\$'000</b> 千港元	2004 二零零四年 HK\$'000 千港元
Net assets acquired:	所收購之淨資產：		
Fixed assets	固定資產	—	205
Accounts receivables	應收賬款	—	1,076
Amount due from customers for contract work	應收客戶合約工程 之賬款	—	815
Deposits and other receivables	按金及其他應收款項	—	78
Short term investment	短期投資	—	3,744
Cash and bank balances	現金及銀行結餘	—	9,985
Amount due to customers for contract work	應付客戶合約工程 之款項	—	(6,500)
Other payables and accruals	其他應付款項及應計款項	—	(123)
Minority interests	少數股東權益	—	(2,527)
		—	6,753
Goodwill on acquisition	收購產生之商譽	—	1,957
		—	8,710
Satisfied by:	以下列各項償付：		
Amount due to a director	應付一名董事款項	—	5,352
Loans from shareholders	來自股東之貸款	—	3,358
		—	8,710

**Notes to Financial Statements** 財務報表附註

31 March 2005 二零零五年三月三十一日

**35. NOTE TO THE CONSOLIDATED CASH FLOW STATEMENT (Cont'd)****Acquisition of subsidiaries (Cont'd)**

An analysis of the net inflow of cash and cash equivalents in respect of the acquisition of subsidiaries is as follows:

		<b>2005</b> 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Cash consideration	現金代價	—	—
Cash and bank balances acquired	所購入之現金及銀行結餘	—	9,985
Net inflow of cash and cash equivalents in respect of the acquisition of subsidiaries	有關收購附屬公司之現金及現金等價物流入淨額	—	9,985

On 30 September 2003, the Group acquired a 100% equity interest in WH (China), which held 73% equity interest in Jinjiang Wing Hong.

Since the acquisition, WH (China) and Jinjiang Wing Hong contributed HK\$11,471,000 to the Group's turnover for the year ended 31 March 2004. The post-acquisition losses incurred by WH (China) and Jinjiang Wing Hong decreased the consolidated profit after tax and before minority interests for the year ended 31 March 2004 by HK\$140,000.

**35. 綜合現金流量表 (續)**

## 收購附屬公司 (續)

有關收購附屬公司之現金及現金等價物流入淨額之分析如下：

		<b>2005</b> 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Cash consideration	現金代價	—	—
Cash and bank balances acquired	所購入之現金及銀行結餘	—	9,985
Net inflow of cash and cash equivalents in respect of the acquisition of subsidiaries	有關收購附屬公司之現金及現金等價物流入淨額	—	9,985

於二零零三年九月三十日，本集團收購持有錦江榮康73%股權之榮康(中國)之全部股權。

自收購以來，榮康(中國)及錦江榮康於截至二零零四年三月三十一日止年度為本集團帶來營業額11,471,000港元。榮康(中國)及錦江榮康產生之收購後虧損使截至二零零四年三月三十一日止年度之除稅後但未計少數股東權益前綜合溢利減少140,000港元。



**Notes to Financial Statements 財務報表附註**

31 March 2005 二零零五年三月三十一日

**36. CONTINGENT LIABILITIES**

(a) At the balance sheet date, contingent liabilities not provided for in the financial statements were as follows:

		Group 本集團		Company 本公司	
		2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Guarantees given to financial institutions in respect of performance bonds	就履約保證金向財務機構作出擔保	18,882	12,698	—	—
Guarantees given to banks in connection with facilities granted to subsidiaries	就授予附屬公司之信貸向銀行作出擔保	—	—	55,050	—
		<b>18,882</b>	12,698	<b>55,050</b>	—

As at 31 March 2005, the guarantees given to banks in connection with facilities granted to subsidiaries by the Company were utilised to an extent of approximately HK\$6,184,000 (2004: Nil).

(b) In the normal course of business, the Group is subject to claims of liquidated damages by relevant employers due to a delay in completion of certain phases of construction contracts. The Group has filed extension of time claims with the relevant employers and the directors, based on legal advice, consider that the Group has valid reasons for the extension of time claims. As at the date of approval of these financial statements, and save as disclosed in note 2 to the financial statements, the directors are of the opinion that the amount of the ultimate liquidated damages, if any, cannot be ascertained, however, any resulting liability would unlikely materially affect the financial position of the Group.

**36. 或然負債**

(a) 於結算日，未於本財務報表作撥備之或然負債如下：

於二零零五年三月三十一日，本公司就授予附屬公司之信貸向銀行作出之擔保已動用約6,184,000港元(二零零四年：無)。

(b) 在進行日常業務過程中，由於建築合約之某些階段未能依期完成，故此本集團可能遭有關僱用承建商人士申索算定損害賠償。本集團已入稟要求有關僱用承建商人士延長時間，而根據法律意見，董事認為本集團有合理原因要求延長時間。於批准財務報表當日除本財務報表附註2所披露外，董事認為不能確定最終算定損害賠償金額(如有)，然而，所引致之債務不可能會重大影響本集團之財務狀況。

**Notes to Financial Statements 財務報表附註**

31 March 2005 二零零五年三月三十一日

**36. CONTINGENT LIABILITIES (Cont'd)**

- (c) On 13 October 2003, a District Court action had commenced by a supplier of materials in respect of claims of approximately HK\$108,000 for materials supplied to a subsidiary of the Group. The supplier supplied materials pursuant to various contracts signed with a subcontractor of the subsidiary of the Group. The supplier allegedly claimed that the subsidiary of the Group was the contracting party and had allowed the aforesaid subcontractor to hold themselves as an agent of the subsidiary of the Group. In the opinion of the directors, based on legal advice, the subsidiary of the Group has valid defences, against such claims and any resulting liabilities would not have any material adverse impact on the Group's financial position. Therefore, no provision in respect of such claims was made in the financial statements.
- (d) On 7 August 2002, a High Court action had commenced by a subcontractor against a subsidiary of the Group in respect of (i) a claim of subcontracting fees and material costs of approximately HK\$31.3 million; and (ii) a compensation claim of approximately HK\$191.2 million for the improper termination of a subcontracting contract. On 13 September 2002, an agreement was reached between the subsidiary of the Group and the subcontractor that the High Court action was withdrawn and all the disputes between the parties relating to this action was referred to arbitration. In the statement of claim for the arbitration, the subcontractor revised the claim of subcontracting fees and material costs and compensation claim to approximately HK\$42.6 million and HK\$84.4 million, respectively. Subsequent to the balance sheet date, on 9 July 2005, a writ of summons was issued and the proceedings were transferred to the Court of First Instance.

As at the approval date of these financial statements, no decision had been made in the arbitration and court proceedings. In the opinion of the directors, based on legal advice, the subsidiary of the Group has valid defences, against such claims and any resulting liabilities would not have any material adverse impact on the Group's financial position. Therefore, no provision in respect of such claims was made in the financial statements.

**36. 或然負債(續)**

- (c) 於二零零三年十月十三日，一物料供應商就供應物料予本集團之一間附屬公司約108,000港元之申索，入稟區域法院。該物料供應商根據與本集團一間附屬公司之轉包承建商簽訂之多份合約供應物料。該供應商聲稱，本集團之附屬公司乃轉包方，及已容許上述轉包承建商自稱本集團附屬公司之代理人。董事認為，按法律意見，本集團之附屬公司可就申索作出有效抗辯，而結果之任何負債將不會對本集團之財務狀況構成任何重大不利影響。故此，並無就有關申索於財務報表中作出撥備。
- (d) 於二零零二年八月七日，一名轉包承建商入稟高等法院，就不適當地終止轉包承建合約而向本集團之一間附屬公司(i)申索轉包承建費及原料成本約31,300,000港元及(ii)申索賠償金約191,200,000港元。於二零零二年九月十三日，本集團之一間附屬公司與該轉包承建商達成共識，後者同意撤銷入稟高等法院，而雙方間有關是次訴訟之所有糾紛則透過仲裁方式解決。於仲裁申索陳述書中，轉包承建商分別將轉包承建費及原料成本及申索賠償金修訂為約42,600,000港元及84,400,000港元。結算日後，高等法院於二零零五年七月九日發出傳票，而訴訟亦已轉介原訟法庭。

於本報告批准日期，仲裁及法院訴訟仍未有裁決。董事認為，按法律意見，本集團之附屬公司可就該等申索進行有效抗辯而該等申索產生之任何負債將不會對本集團之財務狀況造成任何重大不利影響。因此，並無就該等申索於財務報表作出撥備。

## Notes to Financial Statements 財務報表附註

31 March 2005 二零零五年三月三十一日

### 36. CONTINGENT LIABILITIES (Cont'd)

- (e) On 6 December 2002, 13 August 2003, 21 January 2004, 13 March 2004, 31 May 2004, 18 June 2004, 14 July 2004, 19 August 2004, 1 September 2004, 8 October 2004, 16 December 2004, 5 January 2005 and 26 February 2005, ten District Court actions and three High Court actions had commenced by ten employees against subsidiaries of the Group and the other respondents in respect of claims for employees' compensation under the common law for personal injuries sustained by the employees in accidents arising in and out of the course of their employments and personal injury, loss and damage arising out of the negligence.

No settlements have been reached and no judgements have been made against the subsidiaries of the Group in respect of the above actions. In the opinion of the directors, the above actions with ten employees were either covered by insurance or indemnified by a subcontractor and would not have any material adverse impact on the Group. Therefore, no provision in respect of such claim was made in the financial statements.

- (f) On 3 December 2003, an arbitration had commenced by a subcontractor against a subsidiary of the Group in respect of (i) claims of subcontracting fees and material costs of approximately HK\$0.9 million; and (ii) a compensation claim of approximately HK\$6.2 million for the loss and/or expense for extension of time for completion of the subcontracting work.

### 36. 或然負債(續)

- (e) 於二零零二年十二月六日、二零零三年八月十三日、二零零四年一月二十一日、二零零四年三月十三日、二零零四年五月三十一日、二零零四年六月十八日、二零零四年七月十四日、二零零四年八月十九日、二零零四年九月一日、二零零四年十月八日、二零零四年十二月十六日、二零零五年一月五日及二零零五年二月二十六日，十名僱員入稟區域法院十項訴訟及入稟高等法院三項訴訟，向本集團附屬公司及其他答辯人就僱員於受僱工作期間因工作而導致之意外所招致之個人損傷，按普通法索取僱員賠償，以及就因疏忽引致之人身傷害、損失及損害申索。

上述訴訟仍未解決，亦未就上述法律行動對本集團之附屬公司作出任何裁決。董事認為上述十名僱員之法律行動已購買保險應付或由一名轉包承建商作出彌償保證，故此上述法律行動不會對本集團造成任何重大不利影響。因此，並無於財務報表就該申索作出撥備。

- (f) 於二零零三年十二月三日，一名轉包承建商就(i)轉包承建費及物料成本申索約900,000港元；及(ii)延長時間完成轉包承建工程之損失及／或開支索取約6,200,000港元賠償向本集團一間附屬公司提出仲裁。

**Notes to Financial Statements 財務報表附註**

31 March 2005 二零零五年三月三十一日

**36. CONTINGENT LIABILITIES (Cont'd)**

As at the approval date of these financial statements, no decision has been made in the arbitration. The subcontracting fees and material costs of approximately HK\$0.9 million are accounted for in the Group's financial statements for the year ended 31 March 2004. In the opinion of the directors, based on legal advice, the subsidiary of the Group has valid defences, against the aforesaid claims and any resulting liabilities would not have any material adverse impact on the Group's financial position. No provision in respect of the compensation claim was made in the financial statements.

- (g) On 13 September 2004, a subsidiary of the Group received a notice of arbitration from a nominated subcontractor in respect of a claim against the subsidiary of the Group for approximately HK\$6.5 million in respect of subcontracting works performed in a residential development project in Kowloon Tong, Hong Kong.

On 5 May 2005, the subsidiary of the Group and the nominated subcontractor agreed to enter into a moratorium period of six months to the arbitration.

In the opinion of the directors, the claim was related to a payment being withheld in respect of subcontracting work delays and defects caused by the nominated subcontractor, and the resulting liabilities, if any, would not have material adverse impact on the Group's financial position.

- (h) On 26 July 2005, a High Court action was commenced by a subcontracted party of a subcontractor of the Group against a subsidiary of the Group and the subcontractor, which is in liquidation, in respect of a claim of subcontracting fees and material costs of approximately HK\$20.5 million relating to a maintenance term contract. In the opinion of the directors, the subsidiary of the Group has no contractual relationship with the aforesaid subcontracted party and the Group has valid defences against the claims and any resulting liabilities would not have any material adverse impact on the Group's financial position. Therefore, no provision in respect of such claims was made in the financial statements.

**36. 或然負債(續)**

於本財務報表批准日期，仲裁並未作出任何判決。轉包承建費及物料成本約900,000港元已計入本集團之截至二零零四年三月三十一日止年度財務報表。董事認為，根據法律意見，本集團之附屬公司可就該申索進行有效抗辯，而該等申索及任何產生之負債將不會對本集團之財務狀況造成任何重大不利影響。因此，並無就該等申索於財務報表中作出撥備。

- (g) 於二零零四年九月十三日，本集團一家附屬公司接獲一名指定轉包承建商發出一份仲裁通知，向本集團之附屬公司就於香港九龍塘之住宅發展項目所進行之分判工程申索約6,500,000港元。

於二零零五年五月五日，本集團之附屬公司及指定轉包承建商同意進入直至仲裁前六個月之凍結期。

根據董事之意見，申索是有關分判工程延遲之延遲付款及指定轉包承建商造成之建築缺陷，造成之負債(倘有)將不會對本集團財務狀況造成重大不利影響。

- (h) 於二零零五年七月二十六日，本集團一名轉包承建商之轉包承建方對本集團一家附屬公司及清盤中之轉包承建商展開高等法院訴訟，內容有關就定期維修合約約20,500,000港元之轉包承建費及物料成本之申索。董事認為，本集團附屬公司與上述轉包承建方已無任何合約關係，而本集團可就申索提出有效抗辯，而任何因而引致之負債將不會對本集團之財政狀況構成任何重大不利影響。因此，財務報表內並無就有關申索作出撥備。

**Notes to Financial Statements 財務報表附註**

31 March 2005 二零零五年三月三十一日

**36. CONTINGENT LIABILITIES (Cont'd)**

- (i) The Group has contingent liabilities in respect of possible future long service payments to employees under the Employment Ordinance, with a maximum possible amount of approximately HK\$390,000 (2004: HK\$586,000) as at 31 March 2005, as further explained under the heading "Employee benefits" in note 4 to the financial statements. The contingent liability has arisen because, at the balance sheet date, a number of current employees have achieved the required number of years of service to the Group in order to be eligible for long service payments under the Employment Ordinance if their employment is terminated under certain circumstances. A provision has not been recognised in respect of such possible payments, as it is not considered probable that the situation will result in a material future outflow of resources from the Group.

Save as disclosed above, as at 31 March 2005, the Company and the Group had no other material contingent liabilities.

**36. 或然負債(續)**

- (i) 本集團就根據僱傭條例日後可能支付予僱員之長期服務金之或然負債，於二零零五年三月三十一日可能高達約390,000港元(二零零四年：586,000港元)，其他詳情載於財務報表附註4「僱員福利」一節。或然負債之產生，是由於在結算日，若干現有僱員已為本集團服務滿所規定之時間，符合資格於若干情況下終止僱用時，根據僱傭條例領取長期服務金。有關可能支付之款項並未確認為撥備，原因是並不認為該情況可導致本集團日後出現重大資源流出。

除上文所披露者外，於二零零五年三月三十一日，本公司及本集團並無其他重大或然負債。

**Notes to Financial Statements** 財務報表附註

31 March 2005 二零零五年三月三十一日

**37. OPERATING LEASE ARRANGEMENTS****(a) As lessor**

The Group leases its investment property and machinery (note 15 to the financial statements) under operating lease arrangements. The lease for the investment property is negotiated for a term of one year, and the lease for the machinery is negotiated for a term of eight months.

The Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

		<b>Group</b> 本集團	
		<b>2005</b> 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
Investment property:	投資物業：		
Within one year	一年內	—	23
Machinery:	機器：		
Within one year	一年內	—	160
		—	183

**(b) As lessee**

The Group leases a warehouse and office premises under operating lease arrangements, with leases negotiated for terms ranging from one to two years.

**37. 經營租約安排****(a) 作為出租人**

本集團根據經營租賃安排租賃其投資物業及機器(本財務報表附註15)。議定之投資物業之租賃年期為一年，而磋商機器之租賃則議定為期八個月。

本集團與租戶根據不可撤銷經營租約之應收未來最低租金總額到期日如下：

**(b) 作為承租人**

本集團按照經營租約安排承租一間倉庫及辦公室物業，議定之租約期由一至兩年不等。

**Notes to Financial Statements 財務報表附註**

31 March 2005 二零零五年三月三十一日

**37. OPERATING LEASE ARRANGEMENTS (Cont'd)**

**(b) As lessee (Cont'd)**

The Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		<b>Group</b> <b>本集團</b>	
		<b>2005</b> <b>二零零五年</b> <b>HK\$'000</b> <b>千港元</b>	<b>2004</b> <b>二零零四年</b> <b>HK\$'000</b> <b>千港元</b>
Warehouses and office premises:	貨倉及辦公室物業：		
Within one year	一年內	<b>656</b>	658
In the second to fifth years, inclusive	第二年至第五年 (包括首尾兩年)	<b>62</b>	192
		<b>718</b>	850

**38. COMMITMENTS**

At the balance sheet date, the Group and the Company did not have any material capital commitments.

**37. 經營租約安排(續)**

**(b) 作為承租人(續)**

按照不可撤銷之經營租約，本集團之未來最低租約應付款項總額之到期情況如下：

**38. 承擔**

於結算日，本集團及本公司並無任何重大資本承擔。

**Notes to Financial Statements 財務報表附註**

31 March 2005 二零零五年三月三十一日

**39. RELATED PARTY TRANSACTIONS**

- (a) In addition to the transactions and balances detailed elsewhere in these financial statements, the Group had the following material transactions with related parties during the year:

		<b>Group 本集團</b>	
		<b>2005 二零零五年 HK\$'000 千港元</b>	2004 二零零四年 HK\$'000 千港元
		Notes 附註	
Office rental expense paid to First Win (Asia) Limited	支付創利(亞洲)有限公司之辦公室租金開支	(i)	670
Management fees received from WH-SCG, a jointly-controlled entity	向共同控制實體海榮聯營收取之管理費	(ii)	1,076
Renovation fees received from Shanghai Jinjiang International Investment Co. Ltd. ("Jinjiang") and its subsidiaries and associates	向上海錦江國際投資有限公司(「錦江」)及其附屬公司及聯營公司收取之翻新費	(iii)	8,294
			<b>11,731</b>

Notes:

- (i) First Win (Asia) Limited is controlled by Mr. Hui Chi Yang and Ms. Chu Yuen Lam, the wife of Mr. Hui Kau Mo. Mr. Hui Chi Yang is a director of certain of the Group's subsidiaries. Mr. Hui Kau Mo is a director of the Company. The rental expense was charged based on the floor area occupied by the Group at rates mutually agreed between the two parties.
- (ii) The management fees were charged at cost based on the salary of staff assigned to a project of WH-SCG and were mutually agreed between the two parties.
- (iii) Jinjiang is the minority shareholder of Jinjiang Wing Hong. The renovation fees were received in accordance with the terms of the renovation agreements signed between Jinjiang Wing Hong and Jinjiang and its subsidiaries and associates.

In the opinion of the directors, the above transactions arose in the ordinary course of business of the Group.

**39. 關連人士交易**

- (a) 除於本財務報表其他地方呈列之交易及結餘詳情外，於年內，本集團與關連人士有下列重大交易：

		<b>Group 本集團</b>	
		<b>2005 二零零五年 HK\$'000 千港元</b>	2004 二零零四年 HK\$'000 千港元
		Notes 附註	
Office rental expense paid to First Win (Asia) Limited	支付創利(亞洲)有限公司之辦公室租金開支	(i)	670
Management fees received from WH-SCG, a jointly-controlled entity	向共同控制實體海榮聯營收取之管理費	(ii)	1,076
Renovation fees received from Shanghai Jinjiang International Investment Co. Ltd. ("Jinjiang") and its subsidiaries and associates	向上海錦江國際投資有限公司(「錦江」)及其附屬公司及聯營公司收取之翻新費	(iii)	8,294
			<b>11,731</b>

附註：

- (i) 創利(亞洲)有限公司由許智揚先生及朱苑林女士(許教武先生之妻子)控制。許智揚先生為本集團若干附屬公司之董事。許教武先生為本公司董事。租金開支按照本集團所佔之樓面面積及雙方同意之利率計算。
- (ii) 管理費為雙方均同意、派往海榮聯營一項目計劃工作之職員之薪酬成本。
- (iii) 錦江為錦江榮康之少數股東。翻新費是根據錦江榮康、錦江、其附屬公司及聯營公司簽訂之翻新協議之條款收取。

董事認為，以上之交易由本集團之日常業務過程中產生。



## Notes to Financial Statements 財務報表附註

31 March 2005 二零零五年三月三十一日

### 39. RELATED PARTY TRANSACTIONS (Cont'd)

(b) During the year, shareholders' loans amounting to approximately HK\$21,237,000 and HK\$1,754,000 were granted by two shareholders of the Company, Rich Place and Million Honest, respectively. The terms of the shareholders' loans are included in note 30(b) to the financial statements.

(c) During the year, a loan in the amount of HK\$200,000 was made to a shareholder. The terms of the loan are included in note 30(a) to the financial statements.

### 40. POST BALANCE SHEET EVENT

On 26 July 2005, additional shareholders' loans amounting to approximately HK\$18.5 million and HK\$1.5 million were granted by Rich Place and Million Honest, respectively, to finance the general working capital of the Group. The loans are unsecured, bear interest at prime rate minus 2% per annum and repayable upon 15 months after the signing date of relevant loan agreements, which is 26 July 2005.

### 41. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 28 July 2005.

### 39. 關連人士交易(續)

(b) 於年內，約21,237,000港元及1,754,000港元之股東貸款分別由本公司之兩名股東 Rich Place 及 Million Honest 借出。股東貸款之條款呈列於本財務報表附註30(b)。

(c) 於年內，借予一名股東數額200,000港元之貸款。貸款之條款情載於本財務報表附註30(a)。

### 40. 結算日後事項

於二零零五年七月二十六日，約18,500,000港元及1,500,000港元之額外股東貸款分別由 Rich Place 及 Million Honest 借出，以撥作本集團之營運資金。貸款為無抵押、按最優惠利率減年息2厘計息及須於簽訂有關貸款協議(即二零零五年七月二十六日)後十五個月償還。

### 41. 財務報告之核准

本財務報表已於二零零五年七月二十八日獲董事會批准及授權刊發。