

Notes to the Financial Statements

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. A summary of the significant accounting policies adopted by the Group is set out below.

The HKICPA has issued a number of new and revised HKFRSs that are effective or available for early adoption for accounting periods beginning on or after 1 January 2005. Information on the changes in accounting policies resulting from initial application of these new and revised HKFRSs for the current and prior accounting periods reflected in these financial statements is provided in note 2.

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2005 comprise the Company and its subsidiaries and the Group’s interest in associates.

一. 主要會計政策

(a) 遵守聲明

此等財務報表是按照香港會計師公司頒佈之所有適用香港財務報告準則（「香港財務報告準則」），該統稱包括所有適用的單獨的香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋、香港公認會計原則及香港《公司條例》之規定而編製。此外，此等財務報表亦已遵照香港聯合交易所有限公司證券上市規則中適用的披露規定。本集團所採用之主要會計政策撮要載列如下。

香港會計師公會頒佈了多項新訂及經修訂之香港財務報告準則。有關準則自二零零五年一月一日或以後開始之會計期間生效或可供提前採用。於本會計期間及過往會計期間，由於初次運用該等新訂及經修訂之香港財務報告準則而導致會計政策變動之資料反映在財務報表附註二內。

(b) 財務報表編製基準

截至二零零五年十二月三十一日止年度之綜合財務報表包括本公司及其附屬公司及本集團於聯營公司之權益。

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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Basis of preparation of the financial statements (continued)

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following assets and liabilities are stated at their fair value as explained in the accounting policies set out below:

- investment property (see note 1(g)); and
- financial instruments classified as available-for-sale securities (see note 1(f)).

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

一. 主要會計政策 (續)

(b) 財務報表編製基準 (續)

編製財務報表所採用之計算基準為歷史成本法，惟下列資產及負債均以公允值列賬（詳見下文會計政策所闡釋）除外：

- 投資物業（見附註一(g)）；及
- 分類為待售證券之金融工具（見附註一(f)）。

編製此等符合香港財務報告準則之財務報表需要管理層作出判斷、估計及假設，而該等判斷、估計及假設會影響政策之應用及所申報之資產及負債、收入及開支等數額。該等估計及有關假設乃根據過往經驗及管理層相信於該等情況下乃屬合理之各項其他因素為基準而作出，所得結果構成管理層就目前未能從其他來源而得出的資產及負債之賬面值所作出估計之基準。實際數字或會有別於估計數字。

本集團持續就所作估計及相關假設作出評估。會計估計之變動如僅影響當期，則有關會計估計變動將於當期確認。如該項會計估計變動影響當期及以後期間，則有關會計估計變動將於當期及以後期間確認。

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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Subsidiaries

A subsidiary, in accordance with the Hong Kong Companies Ordinance, is a company in which the Group, directly or indirectly, holds more than half of the issued share capital or controls more than half of the voting power or controls the composition of the board of directors. Subsidiaries are considered to be controlled if the Company has the power, directly or indirectly, to govern the financial and operating policies, so as to obtain benefits from their activities.

An investment in a controlled subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases.

Intra-group balances and transactions and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Minority interests at the balance sheet date, being the portion of the net assets of subsidiaries attributable to equity interests that are not owned by the Company, whether directly or indirectly through subsidiaries, are presented in the consolidated balance sheet and statement of changes in equity within equity, separately from equity attributable to the equity shareholders of the Company. Minority interests in the results of the Group are presented on the face of the consolidated income statement as an allocation of the total profit or loss for the year between minority interests and the equity shareholders of the Company.

一. 主要會計政策 (續)

(c) 附屬公司

根據香港《公司條例》，附屬公司為本集團直接或間接持有其一半以上已發行股本或控制其一半以上投票權或控制其董事會組合之公司。倘本公司有權直接或間接支配附屬公司之財務及營運政策，並藉此從其業務中獲取利益，則有關附屬公司將被視為受本公司控制。

於受控制附屬公司之投資會自控制開始日期起合併入綜合財務報表內，直至控制結束日期為止。

集團內公司間之結餘及交易和因此而產生之任何未變現盈利於編製綜合財務報表時悉數抵銷。倘並無出現耗損跡象，集團內公司間之交易所產生之未變現虧損則按照未變現收益之相同方式抵銷。

於結算日之少數股東權益，指並非由本公司直接或間接透過附屬公司擁有之股權所佔附屬公司之部份資產淨值；會在綜合資產負債表及權益變動表之權益項目中，與本公司股東之應佔權益分開呈報。而少數股東所佔集團業績之權益則會在綜合損益表中列作為本公司少數股東與本公司股東之間分配之本年度盈利或虧損總額。

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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Subsidiaries (continued)

Where losses applicable to the minority exceed the minority's interest in the equity of a subsidiary, the excess, and any further losses applicable to the minority, are charged against the Group's interest except to the extent that the minority has a binding obligation to, and is able to, make additional investment to cover the losses. If the subsidiary subsequently reports profits, the Group's interest is allocated all such profits until the minority's share of losses previously absorbed by the Group has been recovered.

In the Company's balance sheet, an investment in a subsidiary is stated at cost less any impairment losses (see note 1(k)), unless the investment is classified as held for sale.

(d) Associates

An associate is an entity in which the Group or Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

An investment in an associate is accounted for in the consolidated financial statements under the equity method and is initially recorded at cost and adjusted thereafter for the post acquisition change in the Group's share of the associate's net assets, unless it is classified as held for sale. The consolidated income statement includes the Group's share of the post-acquisition, post-tax results of the associates for the year, including any impairment loss on goodwill relating to the investments in associates recognised for the year (see note 1(e) and (k)).

一. 主要會計政策 (續)

(c) 附屬公司 (續)

倘少數股東應佔之虧損超過其應佔附屬公司股權之權益，超額部份及任何其他少數股東應佔虧損便會沖減本集團所佔權益；惟如少數股東有具約束力之義務及有能力作出額外投資彌補虧損則除外。附屬公司之所有其後盈利均會分配予本集團，直至收回以往由本集團承擔之少數股東應佔虧損為止。

本公司之資產負債表內，於附屬公司之投資按成本值減去任何耗損虧損（見附註一(k)）列賬，但如有關投資已被列作待售投資則除外。

(d) 聯營公司

聯營公司是指本集團或本公司可以對其管理層發揮重大影響力的公司，包括參與財務及經營政策之決定，但並不控制或共同控制其管理層之公司。

於聯營公司之投資根據權益法記入綜合財務報表內，首先按成本值入賬，其後按本集團所佔聯營公司資產淨值於收購後之變動作出調整，但如有關投資已被列作待售投資則除外。綜合損益表包括本集團所佔聯營公司於該年度之收購後及除稅後業績，包括於年內確認有關於聯營公司之投資之任何商譽耗損虧損（見附註一(e)及(k)）。

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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Associates (continued)

When the Group's share of losses exceeds its interest in the associate, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal and constructive obligations or made payments on behalf of the associate. For this purpose, the Group's interest in the associate is the carrying amount of the investment under the equity method together with the Group's long-term interests that in substance form part of the Group's net investment in the associate.

Unrealised profits and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associate, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

In the Company's balance sheet, its investments in associates are stated at cost less impairment losses (see note 1(k)), unless it is classified as held for sale.

(e) Goodwill

Goodwill represents the excess of the cost of a business combination or an investment of associates over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities.

Goodwill is stated at cost less accumulated impairment losses. Goodwill is allocated to cash-generating units and is tested annually for impairment (see note 1(k)). In respect of associates, the carrying amount of goodwill is included in the carrying amount of the interest in the associate.

一. 主要會計政策 (續)

(d) 聯營公司 (續)

如本集團分攤之虧損超過其於聯營公司之權益，則本集團之權益將會減至零；除本集團需對該聯營公司承擔法定及推定責任或代表該聯營公司作出付款外，毋須確認其他虧損。就此而言，本集團於聯營公司之權益為根據權益會計法所得之投資賬面值，連同實際構成集團於聯營公司之投資淨額之任何長期權益。

本集團及其聯營公司間之交易所導致之未變現盈虧均在本集團之聯營公司權益中沖銷，惟倘未變現耗損是由已轉讓資產的減值產生，則須立刻在損益表中確認。

本公司之資產負債表內，於聯營公司之投資需按成本值減去耗損虧損（見附註一(k)）列賬，但如有關投資已被列作待售投資則除外。

(e) 商譽

商譽即商業合併或投資聯營公司之成本超過本集團應佔被收購者之可辨別資產、負債及或有負債之公允之數。

商譽按成本值減累計耗損虧損列賬。商譽被分配為現金生產單位，並須每年作耗損測試（見附註一(k)）。就聯營公司而言，商譽之賬面值會包括於聯營公司權益之賬面值內。

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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Goodwill (continued)

Any excess of the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of a business combination or an investment in an associate is recognised immediately in profit or loss.

On disposal of a cash generating unit or an associate during the year, any attributable amount of purchased goodwill is included in the calculation of the profit or loss on disposal.

(f) Other investments in equity securities

The Group's and the Company's policies for investments in equity securities, other than investments in subsidiaries and associates, are as follows:

Investments in securities held for trading are classified as current assets and are initially stated at fair value. At each balance sheet date the fair value is remeasured, with any resulted gain or loss being recognised in profit or loss.

Investments in equity securities that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are recognised in the balance sheet at cost less impairment losses (see note 1(k)).

Other investments in securities are classified as available-for-sale securities and are initially recognised at fair value plus transaction costs. At each balance sheet date the fair value is remeasured, with any resultant gain or loss being recognised directly in equity, except for impairment losses (see note 1(k)). When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in profit or loss.

一. 主要會計政策 (續)

(e) 商譽 (續)

在商業合併或投資聯營公司時，若本集團應佔被收購者之可辨別資產、負債及或有負債之公允淨值高於成本值，超出之金額即時在損益表確認。

於年內出售單一現金生產單位或聯營公司時，其應佔已收購商譽金額會於計算出售交易之盈虧時計入其中。

(f) 其他股本證券投資

本集團及本公司之股本證券投資 (除附屬公司及聯營公司投資外) 準則如下：

持作貿易用途之證券投資被歸類為流動資產，初步按公允值列賬。於各個結算日，會重新計算公允值，所得之盈虧於損益表中確認。

倘股本證券投資於活躍市場並無市場報價及其公允值無法準確計量，則該等投資在資產負債表中以成本值減耗損虧損確認入賬 (見附註一(k))。

其他證券投資被歸類為待售證券，初步按公允值加交易成本確認入賬。於各個結算日，會重新計算公允值，所得之盈虧會直接於權益中確認，惟耗損虧損除外 (見附註一(k))。當終止確認此等投資時，先前直接於權益中確認之累計收益或虧損會於損益表中確認。

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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Other investments in equity securities (continued)

Investments are recognised/derecognised on the date the Group and/or the Company commits to purchase/sell the investments.

(g) Investment property

Investment properties are land and/or buildings which are owned or held under a leasehold interest (see note 1(j)) to earn rental income and/or for capital appreciation.

Investment properties are stated in the balance sheet at fair value. Any gain or loss arising from a change in fair value or from the retirement or disposal of an investment property is recognised in profit or loss. Rental income from investment properties is accounted for as described in note 1(s)(iii).

(h) Other property, plant and equipment

Other property, plant and equipment are stated in the balance sheet at cost less accumulated depreciation and impairment losses (see note 1(k)).

The cost of self-constructed items of property, plant and equipment includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads and borrowing costs (see note 1(u)).

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

一. 主要會計政策 (續)

(f) 其他股本證券投資 (續)

投資於本集團及/或本公司承諾買入/賣出當日確認/終止確認。

(g) 投資物業

投資物業是根據租賃權益擁有或持有用作賺取租金收益及/或資本增值之土地及/或樓宇(見附註一(j))。

投資物業於資產負債表中按公允值列賬。公允值變動所產生或投資物業退廢或出售所產生之任何盈虧於損益表中確認。投資物業之租金收入按附註一(s)(iii)所載者入賬。

(h) 其他物業、廠房及設備

其他物業、廠房及設備於資產負債表內按成本值減累計折舊及耗損虧損入賬(見附註一(k))。

自建物業、廠房及設備成本包括物料成本、直接勞工成本、初步估計(倘有關)之拆卸及搬遷項目以及恢復項目所在地原貌之成本及適當比例之生產經常費用及借貸成本(附註一(u))。

退廢或出售物業、廠房及設備所產生之盈虧以出售所得淨額與資產之賬面值之間的差額釐定，並於退廢或出售當日在損益表中確認。

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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Other property, plant and equipment (continued)

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, over their estimated useful lives as follows:

- toll bridge is depreciated on an units-of-usage basis which is based on the actual traffic volume for a particular period over the projected total traffic volume throughout the periods for which the Group is granted the right to operate the bridge. The projected total traffic volume is based on independent professional traffic studies. It is a Group policy to compare the yearly actual traffic volume with the projected traffic volume. Appropriate adjustments will be made should actual volume be materially different from that projected;
- buildings situated on leasehold land are depreciated on a straight-line basis over the shorter of the unexpired term of lease and their estimated useful lives, being no more than 50 years after the date of completion;

一. 主要會計政策 (續)

(h) 其他物業、廠房及設備 (續)

物業、廠房及設備項目乃按其估計可使用年期減彼等之估計剩餘價值(如有)以撇銷其成本值計算折舊如下:

- 收費橋樑之折舊乃按照交通流量法計提。其按有關期間之實際交通流量佔本集團獲授該橋樑經營權期間之預計交通總流量之比例計提。預計交通總流量乃根據獨立專業交通流量研究計算所得。本集團會將每年的實際交通流量與預計交通總流量作比較。倘若實際交通總流量與預計出現重大差異，則將會作出適當調整；
- 位於租賃土地之上的樓宇乃按其餘下之租賃年期及估計可使用年期(即完成日期起計五十年之內)(以較短者為準)以直線法折舊；

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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Other property, plant and equipment (continued)

- other fixed assets are depreciated on a straight-line basis over their estimated useful lives as follows:

Toll bridge ancillary facilities	5 to 10 years
Waste-water treatment infrastructure	20 years
Machinery and equipment	5 to 15 years
Leasehold improvements	10 years or over the remaining term of the lease, if shorter
Furniture and fixtures	5 to 10 years
Motor vehicles, electronic equipment and other fixed assets	3 to 12 years

No depreciation is provided in respect of construction in progress.

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

(i) Intangible assets (other than goodwill)

Intangible assets that are acquired by the Group are stated in the balance sheet at cost less accumulated amortisation and impairment losses (see note 1(k)). Expenditure on internally generated goodwill and brands is recognised as an expense in the period in which it is incurred.

一. 主要會計政策 (續)

(h) 其他物業、廠房及設備 (續)

- 其他固定資產乃按下列之估計可使用年期以直線法折舊：

收費橋樑附屬設施	五至十年
污水處理基礎建設	二十年
機器及設備	五至十五年
租賃物業裝修	十年或剩餘之租賃年期，以較短者為準
傢俬及裝置	五至十年
汽車、電子設備及其他固定資產	三至十二年

在建工程並不計提折舊。

當一項物業、廠房及設備之各部份有不同的可使用年期，此項目各部份之成本將按合理基礎分配，而每部份將作個別折舊。資產之可使用年期及其剩餘價值（如適合）於每年進行檢討。

(i) 無形資產 (商譽除外)

本集團收購所得之無形資產於資產負債表中按成本值減累計攤銷及耗損虧損列賬（見附註一(k)）。有關內部產生之商譽及品牌之開支於產生期間支銷。

Notes to the Financial Statements

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Intangible assets (other than goodwill) (continued)

Amortisation of waste-water treatment concession right is charged to profit or loss on a straight-line basis over its estimated useful life of 25 years. Both the period and method of amortisation are reviewed annually.

(j) Leased assets

(i) Classification of assets leased to the Group

Assets that are held by Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases, with the following exception:

Land held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon at the inception of the lease, is accounted for as being held under a finance lease, unless the building is also clearly held under an operating lease. For these purposes, the inception of the lease is the time that the lease was first entered into by the Group, or taken over from the previous lessee, or at the date of construction of those buildings, if later.

一. 主要會計政策 (續)

(i) 無形資產 (商譽除外) (續)

污水處理特許經營權之攤銷按直線法於估計可使用年期二十五年內計入損益表。攤銷期及方法均會每年檢討。

(j) 租賃資產

(i) 租賃予本集團之資產之分類

本集團根據租賃持有之資產，而其中絕大部份擁有權之風險及利益均轉移至本集團之租賃，歸分類為融資租賃。不會轉移絕大部份擁有權之風險及利益予本集團之租賃，惟下述者除外：

根據經營租賃持作自用之土地，其公允值不能夠與訂立租賃時已建於其上之建築物之公允值分開計量，當作融資租賃入賬，但如有關建築物亦是根據經營租賃確實持有則除外。就此而言，訂立租賃時指本集團首次訂立租賃時，或自前度承租人接收時或有關建築物興建日（如為較遲之時間）。

Notes to the Financial Statements

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Leased assets (continued)

(ii) Assets acquired under finance leases

Where the Group acquires the use of assets under finance leases, the amounts representing the fair value of the leased asset, or, if lower, the present value of the minimum lease payments, of such assets are included in fixed assets and the corresponding liabilities, net of finance charges, are recorded as obligations under finance leases. Depreciation is provided at rates which write off the cost of the assets over the term of the relevant lease or, where it is likely the Company or Group will obtain ownership of the asset, the life of the asset, as set out in note 1(h). Impairment losses are accounted for in accordance with the accounting policy as set out in note 1(k). Finance charges implicit in the lease payments are charged to profit or loss over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

一. 主要會計政策 (續)

(j) 租賃資產 (續)

(ii) 根據融資租賃購入之資產

如屬本集團以融資租賃獲得資產使用權之情況，則將相當於租賃資產公允值或最低租賃付款額之現值（如為較低者）列作固定資產，而相應負債（已扣除財務費用）則列為融資租賃承擔。折舊是在相關的租賃期或資產之可使用年期（如本公司或本集團很可能取得資產之所有權）內計提，沖銷其成本；有關的可使用年期載列於附註一(h)。耗損虧損按照附註一(k)所述之會計政策入賬。租賃付款內含的財務費用方租賃期內計入損益表內，使每個會計期間之財務費用與負債餘額之比率大致相同。

Notes to the Financial Statements

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Leased assets (continued)

(iii) Operating lease charges

Where the Group has the use of assets under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made.

The cost of acquiring land held under an operating lease is amortised on a straight-line basis over the period of the lease term except where the property is classified as an investment property.

一. 主要會計政策 (續)

(j) 租賃資產 (續)

(iii) 經營租賃支出

如屬本集團透過經營租賃使用資產之情況，則根據租賃作出之付款會在租賃期所涵蓋之會計期間內，以等額方式計入損益表中；但如有其他基準能更清楚地反映租賃資產所產生之收益模式則除外。經營租賃協議所涉及之獎勵措施均會在損益表中確認為租賃淨付款總額之組成部份。

根據經營租賃持有之土地之收購成本乃於租約期內以直線法攤銷，惟如該物業分類為投資物業則除外。

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財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Impairment of assets

(i) Impairment of investments in equity securities and other receivables

Investments in equity securities and other current and non-current receivables that are stated at cost or amortised cost or are classified as available-for-sale securities are reviewed at each balance sheet date to determine whether there is objective evidence of impairment. If any such evidence exist, any impairment loss is determined and recognised as follows:

- For current receivables that are carried at cost, the impairment loss is measured as the difference between the carrying amount of the financial asset and the estimated future cash flows, discounted at the current market rate of return for a similar financial asset where the effect of discounting is material. Impairment losses for current receivables are reversed if in a subsequent period the amount of the impairment loss decreases.

一. 主要會計政策 (續)

(k) 資產耗損

(i) 股本證券投資及其他應收款項之耗損

按成本值或攤銷成本列賬或已被歸類為待售證券之股本證券投資及其他流動與非流動應收款項會於各個結算日進行檢討，以判斷有否存在客觀耗損證據。如存在任何上述證據，則會釐定及確認耗損虧損如下：

- 就按成本值列賬之流動應收款項而言，耗損虧損按財務資產之賬面值與按類似財務資產之現行市場回報率貼現（如貼現影響重大）估計之未來現金流量之差額計算。倘於其後期間耗損虧損之金額減少，則流動應收款項之耗損虧損可予撥回。

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財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Impairment of assets (continued)

(i) Impairment of investments in equity securities and other receivables (continued)

- For financial assets carried at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets).

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through profit or loss. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

一. 主要會計政策 (續)

(k) 資產耗損 (續)

(i) 股本證券投資及其他應收款項之耗損 (續)

- 就按攤銷成本列賬之財務資產而言，耗損虧損按資產之賬面值與按財務資產最初之實際利率（即此等資產最初確認時計算所得之實際利率）估計之未來現金流量現值之差額計算。

倘於其後期間耗損虧損金額有所減少，並可客觀地與確認耗損虧損後發生之事件有關連，有關耗損虧損會撥回損益表。惟所撥回之耗損虧損以假設沒有在往年確認耗損虧損而釐定之資產賬面值為限。

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財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Impairment of assets (continued)

(i) Impairment of investments in equity securities and other receivables (continued)

- For available-for-sale securities, the cumulative loss that had been recognised directly in equity is removed from equity and is recognised in profit or loss. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss on that asset previously recognised in profit or loss.

Impairment losses recognised in profit or loss in respect of available-for-sale equity securities are not reversed through profit or loss. Any subsequent increase in the fair value of such assets is recognised directly in equity.

一. 主要會計政策 (續)

(k) 資產耗損 (續)

(i) 股本證券投資及其他應收款項之耗損 (續)

- 就待售證券而言，早前直接於權益內確認之任何累計虧損須從權益內轉回，並在損益表內確認。在損益表內確認之累計虧損為收購成本（已扣除任何本金還款及攤銷）與現行公允值兩者之差額，減去早前已在損益表內就該資產確認之任何耗損虧損。

已於損益表確認之待售股本證券之耗損虧損並不能轉回損益表。其後該資產公允值之任何增加須直接在權益內確認。

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(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Impairment of assets (continued)

(ii) Impairment of other assets

Internal and external sources of information are reviewed at each balance sheet date to identify indications that the following assets may be impaired or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment (other than properties carried at revalued amounts);
- intangible assets;
- investments in subsidiaries and associates (except for those classified as being held for sale); and
- goodwill.

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill, the recoverable amount is estimated annually whether or not there is any indication of impairment.

一. 主要會計政策 (續)

(k) 資產耗損 (續)

(ii) 其他資產之耗損

本集團會於每個結算日審閱內部及外界所得資料，以確定下列資產是否出現耗損或先前已確認之耗損虧損不再存在或已經減少(商譽除外)：

- 物業、廠房及設備(按重估數額列值之物業除外)；
- 無形資產；
- 於附屬公司及聯營公司之投資(被分類為待售者除外)；及
- 商譽。

倘出現任何該等跡象，則就資產之可收回數額進行估計。此外，就商譽而言，其可收回數額會每年估計(不論有否出現耗損跡象)。

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財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Impairment of assets (continued)

(ii) Impairment of other assets (continued)

– Calculation of recoverable amount

The recoverable amount of an asset is the greater of its net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

一. 主要會計政策 (續)

(k) 資產耗損 (續)

(ii) 其他資產之耗損 (續)

– 計算可收回數額

資產之可收回數額乃指出售價格淨額與使用價值兩者中之較高者。評估使用價值時，估計日後現金流量乃根據除稅前貼現率貼現至現值，而該貼現率須反映市場現行對款項的時間價值及資產獨有風險之評估。倘資產並不可在近乎獨立於其他資產之情況下產生現金流量，可收回數額則指可獨立產生現金流量之最小資產組別（即現金生產單位）之可收回數額。

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(Expressed in Hong Kong dollars unless otherwise indicated)
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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Impairment of assets (continued)

(ii) Impairment of other assets (continued)

– Recognition of impairment losses

An impairment loss is recognised in profit or loss whenever the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs to sell, or value in use, if determinable.

一. 主要會計政策 (續)

(k) 資產耗損 (續)

(ii) 其他資產之耗損 (續)

– 確認減值虧損

倘資產或其所屬之現金生產單位之賬面值超過其可收回數額，則於損益表確認耗損虧損。就現金生產單位確認之耗損虧損首先分配作為減少分配至現金生產單位（或單位類別）之任何商譽之賬面值，繼而按比例基準作為減少單位（或單位類別）之其他資產之賬面值，惟資產之賬面值將不會減少至低於其個別公允價值減出售成本或使用價值（如能計算）。

Notes to the Financial Statements

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Impairment of assets (continued)

(ii) Impairment of other assets (continued)

- Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

(l) Debtors, other receivables, deposits and prepayments

Debtors, other receivables, deposits and prepayments are initially recognised at fair value and thereafter stated at amortised cost less impairment losses for bad and doubtful debts (see note 1(k)), except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad and doubtful debts (see note 1(k)).

一. 主要會計政策 (續)

(k) 資產耗損 (續)

(ii) 其他資產之耗損 (續)

- 耗損虧損撥回

就商譽以外的資產而言，倘用作釐定可收回數額之估計出現有利變動，則須撥回耗損虧損。商譽之耗損虧損不會撥回。

耗損虧損撥回只限於該資產並未計算過往年度所確認之耗損虧損時之賬面值。耗損虧損撥回計入在撥回的年度之損益表內。

(l) 應收賬款、其他應收款項、按金及預付款項

應收賬款、其他應收款項、按金及預付款項初步按公允值確認，其後則按攤銷成本減呆壞賬耗損虧損列賬（見附註一(k)）。惟如有關應收款項為給予關聯人仕之免息貸款，而有關貸款並無固定還款期或貼現影響甚微者，有關應收款項按成本值減呆壞賬耗損虧損列賬（見附註一(k)）。

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財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Interest-bearing borrowings

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

(n) Creditors, other payables and accrued expenses

Creditors, other payables and accrued expenses are initially recognised at fair value and thereafter stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

(o) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated cash flow statement.

一. 主要會計政策 (續)

(m) 計息借款

計息借款初步按公允值減應佔交易成本確認。在初步確認後，計息借款按攤銷成本列賬，而成本與贖回價值之任何差額於借貸期內使用實際利率法在損益表中確認。

(n) 應付賬款、其他應付款項及應計費用

應付賬款、其他應付款項及應計費用初步按公允值確認，其後按攤銷成本列賬，但如貼現影響甚微則除外，在此情況下，則按成本值列賬。

(o) 現金及現金等價物

現金及現金等價物包括銀行及手頭現金、於銀行及其他財務機構之活期存款及可隨時兌換為已知金額現金之短期及高流通性投資，其價值變動風險並不重大，並在購入起計三個月內到期。在編製綜合現金流量表時，現金及現金等價物也包括須按要求償還及構成本集團現金管理中一部份的銀行透支。

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(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) Employee benefits

(i) *Short term employee benefits and contributions to defined contribution plans*

Salaries, annual bonuses, paid annual leave, contributions to defined contribution plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

(ii) *Share-based payments*

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

一. 主要會計政策 (續)

(p) 僱員福利

(i) *短期僱員福利及定額供款計劃供款*

薪金、年度花紅、年度有薪假期、定額供款計劃供款及非金錢福利之成本於本集團僱員提供服務之年度提取。倘因付款遞延而造成重大分別，有關數額則按其現值列賬。

(ii) *以股份償付*

僱員獲授購股權之公允值會確認為員工成本，而在權益內之資本儲備則作相應之增加。公允值乃採用二項式點陣模式，並經考慮授出購股權之條款及條件，計算。當僱員須符合生效條件才可無條件享有該等購股權，預計購股權之公允值總額在生效期內經考慮購股權生效的或然率後攤分入賬。

Notes to the Financial Statements

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) Employee benefits (continued)

(ii) Share-based payments (continued)

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

(q) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised directly in equity, in which case they are recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

一. 主要會計政策 (續)

(p) 僱員福利 (續)

(ii) 以股份償付 (續)

於生效期內，估計可生效之購股權數目會作出檢討。除非原來的員工支出符合資產確認之要求，否則任何已在往年確認之累計公允值之調整須在檢討年內之損益表中計入／回撥，並在資本儲備作相應調整。在生效日期，除非因未能符合生效條件引致權利喪失純粹與本公司股份之市價有關，否則確認為支出之金額按生效購股權之實際數目作調整（並在資本儲備作相應調整）。權益金額在資本儲備中確認，直至購股權獲行使（轉撥至股份溢價賬），或購股權屆滿（直接轉入保留盈利）為止。

(q) 所得稅

本年度所得稅包括本期稅項及遞延稅項資產及負債之變動。本期稅項及遞延稅項資產及負債之變動均在損益表內確認，惟如某部份之本期稅項及遞延稅項資產及負債之變動與直接於股東權益中確認之項目有關，則該部份須於股東權益中確認。

本期稅項是按本年度應課稅收入，以於結算日採用或主要採用之稅率計算之預期應繳稅項，及任何有關以往年度應繳稅項之調整。

Notes to the Financial Statements

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Income tax (continued)

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

一. 主要會計政策 (續)

(q) 所得稅 (續)

遞延稅項資產及負債分別由資產及負債按財務報表之賬面值及課稅值兩者之可予扣減及應課稅之暫時性差異所產生。遞延稅項資產亦可由未經使用之稅務虧損及未經使用之稅項優惠所產生。

除了若干有限之例外情況外，所有遞延稅項負債，及所有遞延稅項資產（僅限於將來很可能取得應課稅盈利而令該項資產得以運用之部份）均予確認。容許確認由可予扣減暫時性差異所產生之遞延稅項資產之未來應課稅盈利包括其將由目前之應課稅暫時性差異回撥之部份，而此等應課稅暫時性差異應由同一稅務當局向同一應課稅單位徵收，並預期在可予扣減暫時性差異預期回撥之同一期間內回撥或在由遞延稅項資產產生之稅務虧損能轉回或轉入之期間內回撥。在評定目前之應課稅暫時性差異是否容許確認由未經使用之稅務虧損及優惠所產生之遞延稅項資產時採用上述相同之標準，即該等暫時性差異由同一稅務當局向同一應課稅單位徵收，並預期在稅務虧損或優惠能應用之期間內回撥方計算在內。

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財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Income tax (continued)

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at each balance sheet date and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

一. 主要會計政策 (續)

(q) 所得稅 (續)

該等確認遞延稅項資產及負債之有限例外情況：包括不可在稅務方面獲得扣減之商譽所引致之暫時性差異、首次確認但並不影響會計盈利及應課稅盈利之資產或負債（惟其不可為企業合併之部份）、以及有關於附屬公司投資所引致之未來回撥之差異；或如為可予扣減差異，則只限於可能在未來回撥之差異。

應確認之遞延稅項數額是按照資產及負債賬面值之預期變現或清償方式，以結算日採用或主要採用之稅率計算。遞延稅項資產及負債均無作貼現計算。

本集團會在每個結算日評估遞延稅項資產之賬面值。如果不再可能取得足夠之應課稅盈利以運用有關之稅務利益，賬面金額則予以調低。如日後可能取得足夠之應課稅盈利時，已扣減金額則予以撥回。

分派股息所產生之額外所得稅在支付有關股息之責任確認時予以確認。

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(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Income tax (continued)

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:

一. 主要會計政策 (續)

(q) 所得稅 (續)

本期稅項及遞延稅項結餘及其變動，乃各自分開列示及並無相互抵銷。若本公司或本集團在法律上擁有抵銷即期稅項資產及本期稅項負債之行使權利及符合下列額外條件，則本期稅項資產可抵銷本期稅項負債，及遞延稅項資產可抵銷遞延稅項負債：

- 若為本期稅項資產及負債：本公司或本集團計劃以淨額清償，或計劃同時變現資產和清償負債；或
- 若為遞延稅項資產及負債：如其與同一稅務當局向下述者徵收之所得稅有關：

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(Expressed in Hong Kong dollars unless otherwise indicated)
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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Income tax (continued)

- the same taxable entity; or
- different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

(r) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group or the Company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

一. 主要會計政策 (續)

(q) 所得稅 (續)

- 同一應課稅單位；或
- 或如為不同之應課稅單位，預期在未來每一個週期將清償或追償顯著數目之遞延稅項負債或資產及計劃以淨額基準清償本期稅項資產及本期稅項負債或計劃同時變現本期稅項資產及清償本期稅項負債。

(r) 撥備及或有負債

當本集團或本公司因過往事件而須負上法律或推定之責任，且可能須就履行該等責任而導致經濟效益流出，並能夠就此作出可靠估計，則始為未能確定何時發生或其款額之負債作出撥備。當數額涉及重大之時間價值時，則按預期用以履行責任之開支之現值作出撥備。

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財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Provisions and contingent liabilities (continued)

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(s) Revenue recognition

Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in profit or loss as follows:

(i) Toll bridge revenue

Toll bridge revenue, net of business tax, is recognised on usage of the bridge.

(ii) Waste-water treatment revenue

Waste-water treatment revenue is recognised when the waste-water treatment process has been completed.

一. 主要會計政策 (續)

(r) 撥備及或有負債 (續)

倘不一定需要流出經濟效益履行責任或未能可靠估計款額，則該等責任將披露為或有負債，除非出現經濟效益流出的可能性極微。可能出現的責任（僅於一項或多項未來事件發生或不發生的情況下確定）亦披露為或有負債，除非出現經濟利益流出的可能性極微。

(s) 收入確認

當經濟效益會預期流入本集團，並且收入及成本（如適用）能可靠計算之情況下，以下各項收入方會於損益表中確認：

(i) 收費橋樑收益

收費橋樑收益（經扣除營業稅）按使用路橋基準確認。

(ii) 污水處理收入

污水處理收入於污水處理程序完成後確認。

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(Expressed in Hong Kong dollars unless otherwise indicated)
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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Revenue recognition (continued)

(iii) Rental income from operating leases

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable.

(iv) Property management fee and environmental protection project management and consultancy fee income

Property management fee and environmental protection project management and consultancy fee income are recognised when the related services are rendered.

(v) Dividends

Dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established.

一. 主要會計政策 (續)

(s) 收入確認 (續)

(iii) 經營租賃產生之租金收入

根據經營租賃應收之租金收入於租賃年期所涵蓋之會計期間內分期等額在損益表中確認，除非有另一基準更能代表使用租賃資產所產生之利益之模式。已授出之租賃獎勵於損益表中確認作為將予收取之總租賃款項淨額的一部份。

(iv) 物業管理費及環保項目管理與顧問費收入

物業管理費及環保項目管理與顧問費收入於提供相關服務時確認。

(v) 股息

非上市投資之股息收入為當股東確立收取該款項之權利後確認。

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(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Revenue recognition (continued)

(vi) Interest income

Interest income is recognised as it accrues using the effective interest method.

(t) Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the balance sheet date. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was determined.

The results of foreign operations are translated into Hong Kong dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Balance sheet items, including goodwill arising on consolidation of foreign operations acquired on or after 1 January 2005, are translated into Hong Kong dollars at the foreign exchange rates ruling at the balance sheet date. The resulting exchange differences are recognised directly in a separate component of equity. Goodwill arising on consolidation of a foreign operation acquired before 1 January 2005 is translated at the foreign exchange rate that applied at the date of acquisition of the foreign operation.

一. 主要會計政策 (續)

(s) 收入確認 (續)

(vi) 利息收入

利息收入是按實際利率法以應計基準確認。

(t) 外幣換算

於本年度內外幣交易按交易當日之匯率換算。以外幣計算之貨幣資產及負債均按結算日之市場匯率換算。外匯換算而產生之匯兌盈虧撥入損益表內處理。

外匯非貨幣性資產及負債乃按交易日之匯率列為歷史成本折算。以公允值列賬之外匯非貨幣資產及負債乃以釐定公允值日期之匯率兌換。

外國業務之業績乃按交易日期之概約匯率換算為港幣；資產負債表項目，包括因合併二零零五年一月一日或之後購入之外國業務之賬目所產生之商譽，則按結算日之匯率換算為港幣。匯兌差額直接於權益分開確認。因合併二零零五年一月一日之前購入之外國業務之賬目所產生之商譽則按收購外國業務當日之適用匯率兌換。

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財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(u) Borrowing costs

Borrowing costs are expensed in profit or loss in the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditures for the asset are being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

(v) Related parties

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

一. 主要會計政策 (續)

(u) 借貸成本

借貸成本乃於產生之期間列入損益表，除非該等借貸成本乃與購入、建造或生產需經一段長時期準備方可作預期運用或出售之資產直接有關則予以資本化。

借貸成本乃於資產之開支產生、借貸成本產生及有關籌備資產作其擬定用途或出售所需之活動進行時即資本化作為合格資產之部份成本。當所有有關籌備合格資產作其擬定用途或出售所需之活動大致上中斷或完成時，即暫時中止或停止資本化借貸成本。

(v) 關聯人仕

就此等財務報表而言，凡本集團可直接或間接控制，或於作出財務及經營決策時對其行使重大影響力，或相反而言，或本集團與其均受他人共同控制或影響之人仕，均被視為本集團之關聯人仕。關聯人仕可以是個人（即主要管理人員、重大股權股東及／或其親近家庭成員）或其他實體，包括受本集團關聯人仕重大影響之實體，而該關聯人仕屬個人，以及提供福利予本集團僱員之離職後福利計劃或某些與本集團關聯之實體。

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財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(w) Segment reporting

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

In accordance with the Group's internal financial reporting system, the Group has chosen business segment information as the primary reporting format and geographical segment information as the secondary reporting format for the purposes of these financial statements.

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

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

Unallocated items mainly comprise financial and corporate assets, interest-bearing loans, borrowings, tax balances, corporate and financing expenses.

一. 主要會計政策 (續)

(w) 分部報告

「分部」是指集團內可劃分的單位，這些單位或負責提供產品或服務（業務分部），或在特定之經濟環境（地區分部）提供產品或服務，而個別分部所承受之風險及所得之回報與其他分部不同。

根據本集團之內部財務報告方式，本集團之財務報表已選定業務分部資料為主要呈報形式，而地區分部資料則為次要呈報形式。

分部收入、開支、業績、資產及負債包括直接歸屬於該分部之項目，以及該等可按合理基準分配至該部之項目。例如：分部資產可能包括應收賬款及物業、廠房及設備。分部收入、開支、資產及負債於綜合賬項過程中對銷集團內公司間之結餘及集團內公司間之交易前釐定，惟集團內公司間結餘及交易源自集團同一業務分部內企業者則除外。集團內公司間之交易訂價按提供予其他外界人仕之類似條款釐定。

分部之資本支出是收購預期使用超過一段期間的分部資產（包括有形及無形）而於收購期內產生之總成本。

未分配項目主要包括財務及企業資產、計息貸款、借貸、稅項結餘、企業及財務開支。

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(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

2. CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued a number of new and revised HKFRSs that are effective for accounting periods beginning on or after 1 January 2005.

The accounting policies of the Group and/or Company after the adoption of these new and revised HKFRSs have been summarised in note 1. The following sets out information on the significant changes in accounting policies for the current and prior accounting periods reflected in these financial statements.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period (see note 38).

(a) Amortisation of positive and negative goodwill (HKFRS 3, Business combinations and HKAS 36, Impairment of assets)

In prior periods:

- positive or negative goodwill which arose prior to 1 January 2001 was taken directly to reserves at the time it arose, and was not recognised in the income statement until disposal or impairment of the acquired business;
- positive goodwill which arose on or after 1 January 2001 was amortised on a straight line basis over its useful life and was subject to impairment testing when there were indications of impairment; and

二. 會計政策之變動

香港會計師公會頒佈了多項新訂及經修訂之《香港財務報告準則》，有關準則自二零零五年一月一日或以後開始之會計期間生效。

本集團及／或本公司於採納有關新訂及經修訂香港財務報告準則後之會計政策概要載於附註一。與本會計期間及過往會計期間有關，並已在財務報表中反映之會計政策主要變動詳情如下。

本集團並無應用任何於本會計期間尚未生效之新準則或詮釋（見附註三十八）。

(a) 正商譽及負商譽之攤銷（《香港財務報告準則》第3號「業務合併」及《香港會計準則》第36號「資產耗損」）

在過往期間：

- 就二零零一年一月一日之前產生之正商譽或負商譽而言，其於產生時直接計入儲備內，並於所收購之業務被出售或出現耗損後方在損益表中確認；
- 就二零零一年一月一日或之後產生之正商譽而言，其按直線法於可使用年期內攤銷，並於出現耗損跡象時作出耗損測試；及

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(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

2. CHANGES IN ACCOUNTING POLICIES (continued)

(a) Amortisation of positive and negative goodwill (HKFRS 3, Business combinations and HKAS 36, Impairment of assets) (continued)

- negative goodwill which arose on or after 1 January 2001 was amortised over the weighted average useful life of the depreciable/amortisable non-monetary assets acquired, except to the extent it related to identified expected future losses as at the date of acquisition. In such cases it was recognised in the income statement as those expected losses were incurred.

With effect from 1 January 2005, in order to comply with HKFRS 3 and HKAS 36, the Group has changed its accounting policies relating to goodwill. Under the new policy, the Group no longer amortises positive goodwill but tests it at least annually for impairment. Also with effect from 1 January 2005 and in accordance with HKFRS 3, if the fair value of the net assets acquired in a business combination exceeds the consideration paid (i.e. an amount arises which would have been known as negative goodwill under the previous accounting policy), the excess is recognised immediately in profit or loss as it arises. Further details of these new policies are set out in note 1(e).

二. 會計政策之變動 (續)

(a) 正商譽及負商譽之攤銷 (《香港財務報告準則》第3號「業務合併」及《香港會計準則》第36號「資產耗損」) (續)

- 就二零零一年一月一日或之後產生之負商譽而言，其按所收購應計折舊／攤銷之非貨幣資產之加權平均可使用年期攤銷；惟如負商譽關乎在收購日已確定之預計未來虧損，便會按預計虧損在損益表中確認。

由二零零五年一月一日起，為了符合《香港財務報告準則》第3號及《香港會計準則》第36號之規定，本集團變更了有關商譽之會計政策。根據新政策，本集團不再攤銷正商譽，惟正商譽須最少每年評估耗損。此外，由二零零五年一月一日起及按照《香港財務報告準則》第3號，如在業務合併中購入之資產淨額之公允值超過所付代價（即按照過往會計政策稱為負商譽者），超出之金額於產生時即時在損益表中確認。此等新政策之進一步資料載於附註一(e)。

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(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

2. CHANGES IN ACCOUNTING POLICIES (continued)

(a) Amortisation of positive and negative goodwill (HKFRS 3, Business combinations and HKAS 36, Impairment of assets) (continued)

The new policy in respect of the amortisation of positive goodwill has been applied prospectively in accordance with the transitional arrangements under HKFRS 3. As a result, comparative amounts have not been restated, the cumulative amount of amortisation as at 1 January 2005 has been offset against the cost of the goodwill and no amortisation charge for goodwill has been recognised in the income statement for the year ended 31 December 2005. This has increased the Group's profit after taxation for the year ended 31 December 2005 by \$2,442,000.

Also in accordance with the transitional arrangements under HKFRS 3, goodwill which had previously been taken directly to reserves (i.e. goodwill which arose before 1 January 2001) will not be recognised in profit or loss on disposal or impairment of the acquired business, or under any other circumstances.

According to HKFRS 3, the amount which would have been known as negative goodwill under the previous accounting policy is recognised immediately in the income statement as it arises. The carrying amount of negative goodwill existing at 1 January 2005 shall be derecognised, with a corresponding adjustment to the opening balance of retained profits. These have decreased the Group's profit after taxation for the year ended 31 December 2005 by \$50,000 and net assets of the Group at 31 December 2005 have increased by \$630,000.

二. 會計政策之變動 (續)

(a) 正商譽及負商譽之攤銷(《香港財務報告準則》第3號「業務合併」及《香港會計準則》第36號「資產耗損」)(續)

有關攤銷正商譽之新會計政策已按照《香港財務報告準則》第3號之過渡條文應用於往後的期間。因此，比較數字並無重報；截至二零零五年一月一日之累計商譽攤銷金額已與成本沖銷；並無在截至二零零五年十二月三十一日止年度之損益表中確認商譽攤銷支出。此變動導致本集團截至二零零五年十二月三十一日止年度之除稅後盈利增加2,442,000元。

此外，根據《香港財務報告準則》第3號之過渡條文，當所收購業務被出售或出現耗損時，或在任何其他情況下，過往直接計入儲備之商譽(即於二零零一年一月一日之前產生之商譽)也不會在損益表中確認。

根據《香港財務報告準則》第3號，在過往會計政策下稱為「負商譽」之金額於產生時即時在損益表中確認。於二零零五年一月一日已存在之負商譽賬面值須予以沖銷，而期初保留盈利餘額作出相應調整。此變動導致本集團截至二零零五年十二月三十一日止年度之除稅後盈利減少50,000元及本集團於二零零五年十二月三十一日之資產淨值增加630,000元。

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(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

2. CHANGES IN ACCOUNTING POLICIES (continued)

(b) Financial instruments (HKAS 32, Financial instruments: Disclosure and presentation and HKAS 39, Financial instruments: Recognition and measurement)

With effect from 1 January 2005, in order to comply with HKAS 32 and HKAS 39, the Group has changed its accounting policies relating to financial instruments to those as set out in notes 1(f), (k) to (n).

In prior years, equity investments held on a continuing basis for an identifiable long-term purpose were classified as investment securities and stated at cost less provision. Other investments in securities (including those held for trading and for non-trading purposes) were stated at fair value with changes in fair value recognised in profit or loss.

With effect from 1 January 2005, and in accordance with HKAS 39, all investments, with the exception of securities held for trading purposes, dated debt securities being held to maturity and certain unquoted equity investments, are classified as available-for-sale securities and carried at fair value. Changes in the fair value of available-for-sale securities are recognised in equity, unless there is objective evidence that an individual investment has been impaired. Further details of the new policies are set out in note 1(f).

二. 會計政策之變動 (續)

(b) 金融工具(《香港會計準則》第32號「金融工具：披露及呈報」及《香港會計準則》第39號「金融工具：確認及計量」)

由二零零五年一月一日起，為了符合香港會計準則第32號及香港會計準則第39號之規定，本集團將其有關金融工具之會計政策變為附註一(f)、(k)至(n)所載者。

於過往年度，持續持有作既定長期用途之股本投資列作投資證券，並按成本值減撥備列賬。其他證券投資(包括持作貿易用途及非貿易用途者)乃按公允值列賬，而公允值變動需於損益表內確認。

由二零零五年一月一日起，並根據《香港會計準則》第39號，所有投資(持作貿易用途之證券、持至到期日之定期債務證券及若干非上市股本投資除外)歸類為待售證券，並按公允值列賬。待售證券公允值之變動於權益中確認，但如有客觀證據證明個別投資項目出現耗損則除外。此等新政策之進一步資料載於附註一(f)。

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(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

2. CHANGES IN ACCOUNTING POLICIES (continued)

(b) Financial instruments (HKAS 32, Financial instruments: Disclosure and presentation and HKAS 39, Financial instruments: Recognition and measurement) (continued)

The changes in accounting policies were adopted by way of an opening balance adjustment to retained earnings as at 1 January 2005 and net assets of the Group have decreased by \$3,342,000. Comparative amounts have not been restated as this is prohibited by the transitional arrangements in HKAS 39.

As a result of these new policies, there is no material impact on the Group's profit before taxation for the year ended 31 December 2005 and net income recognised directly in equity for the year ended 31 December 2005 has increased by \$8,811,000.

(c) Employee share option scheme (HKFRS 2, Share-based payment)

In prior years, no amounts were recognised when employees (which term includes directors) were granted share options over shares in the Company. If the employees chose to exercise the options, the nominal amount of share capital and share premium were credited only to the extent of the option's exercise price receivable.

With effect from 1 January 2005, in order to comply with HKFRS 2, the Group has adopted a new policy for employee share options. Under the new policy, the Group recognises the fair value of such share options as an expense with a corresponding increase recognised in a capital reserve within equity.

二. 會計政策之變動 (續)

(b) 金融工具 (《香港會計準則》第32號「金融工具：披露及呈報」及《香港會計準則》第39號「金融工具：確認及計量」) (續)

上述會計政策變動是於二零零五年一月一日之期初保留盈利結餘作出調整，導致本集團之資產淨額減少3,342,000元。比較數字並無重報，原因為《香港會計準則》第39號之過渡條文禁止作出此舉。

採納此等新政策，並無對本集團截至二零零五年十二月三十一日止年度之除稅前盈利構成任何重大影響，而截至二零零五年十二月三十一日止年度直接於權益中確認之收入淨額則增加8,811,000元。

(c) 僱員購股權計劃 (《香港財務報告準則》第2號「以股份償付」)

於過往年度，於僱員 (包括董事) 獲授可認購本公司股份之購股權時，並無確認任何金額。如僱員選擇行使購股權，僅以購股權之應收行使價計入股本 (面值) 及股份溢價。

根據《香港財務報告準則》第2號之規定，由二零零五年一月一日起，本集團採納了有關僱員購股權之新政策。根據新政策，本集團把有關購股權之公允值確認為開支，而權益中的資本儲備亦會相應增加。

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(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

2. CHANGES IN ACCOUNTING POLICIES (continued)

(c) Employee share option scheme (HKFRS 2, Share-based payment) (continued)

The Group has taken advantage of the transitional provisions set out in HKFRS 2 under which the new recognition and measurement policies have not been applied to the following grants of options:

- (a) all options granted to employees on or before 7 November 2002; and
- (b) all options granted to employees after 7 November 2002 but which had vested before 1 January 2005.

As the Group's options were granted to employees after 7 November 2002 but which had vested before 1 January 2005, the adoption of HKFRS 2 has no impact on the Group's net assets and results for the current and prior years.

Details of the employee share option scheme are set out in report of the directors and note 28.

二. 會計政策之變動 (續)

(c) 僱員購股權計劃 (《香港財務報告準則》第2號「以股份償付」) (續)

本集團採納了《香港財務報告準則》第2號所載之過渡條文。據此，下述授出之購股權並無按照新政策來確認及計算：

- (a) 於二零零二年十一月七日或之前授予僱員之所有購股權；及
- (b) 於二零零二年十一月七日之後授予僱員惟於二零零五年一月一日之前生效之所有購股權。

由於本集團之購股權均於二零零二年十一月七日之後授予僱員並於二零零五年一月一日之前生效，故採納《香港財務報告準則》第2號並無對本集團本年度及過往年度之資產淨值及業績構成任何影響。

僱員購股權計劃之詳情載於董事會報告及附註二十八。

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(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

2. CHANGES IN ACCOUNTING POLICIES (continued)

(d) Investment property (HKAS 40, Investment property and HK(SIC) Interpretation 21, Income taxes – Recovery of revalued non-depreciable assets)

Changes in accounting policies relating to investment properties are as follows:

(i) *Timing of recognition of movements in fair value in the income statement*

In prior years movements in the fair value of the Group's investment property were recognised directly in the investment property revaluation reserve except when, on a portfolio basis, the reserve was insufficient to cover a deficit on the portfolio, or when a deficit previously recognised in the income statement had reversed, or when an individual investment property was disposed of. In these limited circumstances movements in the fair value were recognised in the income statement.

Upon adoption of HKAS 40 as from 1 January 2005, the Group has adopted a new policy for investment property. Under this new policy, all changes in the fair value of investment property are recognised directly in the profit or loss in accordance with the fair value model in HKAS 40. Further details of the new policy for investment property are set out in note 1(g).

二. 會計政策之變動 (續)

(d) 投資物業 (《香港會計準則》第40號「投資物業」及《香港會計準則》詮釋第21號「所得稅－收回重估不作折舊資產」)

有關投資物業之會計政策變動如下：

(i) 於損益表確認公允值變動之時間

於過往年度，本集團投資物業之公允值變動直接於投資物業重估儲備中確認，惟按個別投資組合而言，儲備不足以抵銷該組合之虧損，或先前已於損益表中確認之虧損予已回撥，或個別投資物業已出售，此等公允值之變動則在損益表內確認。

於二零零五年一月一日採納《香港會計準則》第40號後，本集團採納了有關投資物業之新政策。根據新政策，投資物業公允值之所有變動均按《香港會計準則》第40號之公允值模式，直接於損益表中確認。此投資物業新政策之進一步資料載於附註一(g)。

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(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

2. CHANGES IN ACCOUNTING POLICIES (continued)

(d) Investment property (HKAS 40, Investment property and HK(SIC) Interpretation 21, Income taxes – Recovery of revalued non-depreciable assets)

(continued)

(i) Timing of recognition of movements in fair value in the income statement (continued)

As the Group had no investment property revaluation reserve and deficits were recognised in the income statement previously, the adoption of this new policy has no impact on the Group's net assets and results for the current and prior years.

(ii) Measurement of deferred tax on movements in fair value

In prior years the Group was required to apply the tax rate that would be applicable to the sale of investment property to determine whether any amounts of deferred tax should be recognised on the revaluation of investment property. Consequently, deferred tax was only provided to the extent that tax allowances already given would be clawed back if the property were disposed of at its carrying value, as there would be no additional tax payable on disposal.

二. 會計政策之變動 (續)

(d) 投資物業 (《香港會計準則》第40號「投資物業」及《香港會計準則》詮釋第21號「所得稅－收回重估不作折舊資產」) (續)

(i) 於損益表確認公允值變動之時間 (續)

由於本集團並無投資物業重估儲備，而過往虧損均於損益表中確認，故採納此項新會計政策並無對本集團本年度及過往年度之資產淨值及業績構成任何影響。

(ii) 計算公允值變動所產生之遞延稅項

於過往年度，本集團須按適用於出售投資物業之稅率釐定於重估投資物業時須確認之遞延稅項。因此，如有關物業乃以賬面值出售，則遞延稅項之撥備僅限於已給予稅務減免之回補，因該出售事項並無額外應付之稅項。

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(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

2. CHANGES IN ACCOUNTING POLICIES (continued)

(d) **Investment property (HKAS 40, Investment property and HK(SIC) Interpretation 21, Income taxes – Recovery of revalued non-depreciable assets)**
(continued)

(ii) *Measurement of deferred tax on movements in fair value (continued)*

As from 1 January 2005, in accordance with HK(SIC) Interpretation 21, the Group recognises deferred tax on movements in the value of an investment property using tax rates that are applicable to the property's use, if the Group has no intention to sell it and the property would have been depreciable had the Group not adopted the fair value model. Further details of the policy for deferred tax are set out in note 1(q). The adoption of this new accounting policy has no impact on the Group's net assets and results for the current and prior years.

二. 會計政策之變動 (續)

(d) 投資物業(《香港會計準則》第40號「投資物業」及《香港會計準則》詮釋第21號「所得稅－收回重估不作折舊資產」)(續)

(ii) 計算公允值變動所產生之遞延稅項(續)

由二零零五年一月一日起，按照《香港會計準則》詮釋第21號，如本集團並無計劃出售投資物業，及假設本集團並無採用公允值模式入賬以致該等物業需要折舊，本集團須採用適用於該物業用途之稅率以確認該等投資物業在價值變動時所產生之遞延稅項。此遞延稅項新政策之進一步資料載於附註一(q)。採納此項新會計政策並無對本集團本年度及過往年度之資產淨值及業績構成任何影響。

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(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

2. CHANGES IN ACCOUNTING POLICIES (continued)

(e) Leasehold land and buildings (HKAS 17, Leases)

In prior years, leasehold land and buildings held for own use were stated at cost less accumulated depreciation and accumulated impairment losses.

With effect from 1 January 2005, in order to comply with HKAS 17, the Group has adopted a new policy for leasehold land and buildings held for own use. Under the new policy, the leasehold interest in the land held for own use is accounted for as being held under an operating lease where the fair value of the interest in any buildings situated on the leasehold land could be measured separately from the fair value of the leasehold interest in the land at the time the lease was first entered into by the Group, or taken over from the previous lessee, or at the date of construction of those buildings, if later. In case the two elements cannot be allocated reliably, the entire lease is classified as a finance lease and carried at cost less accumulated depreciation and impairment losses. Further details of the new policy are set out in notes 1(h) and (j). The adoption of this new policy has no impact on the Group's net assets and results for the current and prior years.

二. 會計政策之變動 (續)

(e) 租賃土地及樓宇 (《香港會計準則》第17號「租賃」)

在過往年度，自用租賃土地及樓宇乃以成本值減累計折舊及累計耗損虧損入賬。

自二零零五年一月一日起，為符合《香港會計準則》第17號之規定，本集團採納了有關自用租賃土地及樓宇之新政策。根據新政策，如果位於租賃土地之上任何建築物權益之公允值能夠與本集團首次訂立租賃時或自前度承租人接收時或有關建築物興建日（如為較遲之時間）之土地租賃權益公允值分開確定，則自用土地之租賃權益會列作經營租賃入賬。如未能可靠地分配上述兩者，則整個租賃會列作融資租賃處理，並按成本值減累計折舊及耗損虧損入賬。此新政策之進一步資料載於附註一(h)及(j)。採納此項新政策並無對本集團本年度及過往年度之資產淨值及業績構成任何影響。

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(除另有註明外，所有金額以港幣計算)

2. CHANGES IN ACCOUNTING POLICIES (continued)

(f) Retranslation of goodwill on consolidation of a foreign operation (HKAS 21, The effects of changes in foreign exchange rates)

In prior years, goodwill arising on the acquisition of a foreign operation was translated at the exchange rates ruling at the transaction dates.

With effect from 1 January 2005, in order to comply with HKAS 21, the Group has changed its accounting policy relating to retranslation of goodwill. Under the new policy, any goodwill arising on the acquisition of a foreign operation is treated as an asset of the foreign operation and is retranslated at exchange rates ruling at the balance sheet date, together with the retranslation of the net assets of the foreign operation. Further details of the new policy are set out in note 1(t).

In accordance with the transitional provisions in HKAS 21, this new policy has not been adopted retrospectively and is only applied to acquisitions occurring on or after 1 January 2005. The adoption of this new policy to acquisitions occurring on or after 1 January 2005 has no material impact on the Group's net assets for the current year.

二. 會計政策之變動 (續)

(f) 在綜合海外業務賬目時重新換算商譽(《香港會計準則》第21號「外幣匯率變動之影響」)

於過往年度，收購海外業務所產生之商譽按交易日之適用匯率換算。

自二零零五年一月一日起，為了符合《香港會計準則》第21號之規定，本集團變更了有關換算商譽之會計政策。根據新政策，收購海外業務所產生之任何商譽會當作海外業務之資產處理，連同重新換算海外業務之資產淨值，以結算日之匯率重新換算。此新政策之進一步資料載於附註一(t)。

根據《香港會計準則》第21號之過渡條文，此項新政策不會追溯應用，以及其僅適用於二零零五年一月一日或之後進行之收購事項。就二零零五年一月一日或之後進行之收購事項採納是項新政策，並無對本集團本年度之資產淨值構成任何重大影響。

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(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

2. CHANGES IN ACCOUNTING POLICIES (continued)

(g) Changes in presentation (HKAS 1, Presentation of financial statements)

(i) Presentation of shares of associate's taxation (HKAS 1, Presentation of financial statements)

In prior years, the Group's share of taxation of associates accounted for using the equity method was included as part of the Group's income tax in the consolidated income statement. With effect from 1 January 2005, in accordance with the implementation guidance in HKAS 1, the Group has changed the presentation and includes the share of taxation of associates accounted for using the equity method in the respective shares of profit or loss reported in the consolidated income statement before arriving at the Group's profit or loss before tax. These changes in presentation have been applied retrospectively with comparatives restated accordingly.

二. 會計政策之變動 (續)

(g) 呈報方式之變動 (《香港會計準則》第1號「財務報表之呈報」)

(i) 所佔聯營公司稅項之呈報方式 (《香港會計準則》第1號「財務報表之呈報」)

於過往年度，本集團按權益會計法計算之所佔聯營公司稅項，計入本集團綜合損益表所得稅項下。自二零零五年一月一日起，按照《香港會計準則》第1號執行指引規定，本集團變更了按權益會計法計算之所佔聯營公司稅項之呈報方式，將其所佔之稅項計入本集團綜合損益表的所佔聯營公司盈利或虧損之內，以此計算本集團之除稅前盈利或虧損。此等呈報方式之變動已追溯應用，而比較數字亦已相應重報。

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(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

2. CHANGES IN ACCOUNTING POLICIES (continued)

(g) Changes in presentation (HKAS 1, Presentation of financial statements) (continued)

(ii) *Minority interests (HKAS 1, Presentation of financial statements and HKAS 27, Consolidated and separate financial statements)*

In prior years, minority interests at the balance sheet date were presented in the consolidated balance sheet separately from liabilities and as deduction from net assets. Minority interests in the results of the Group for the year were also separately presented in the income statement as a deduction before arriving at the profit attributable to shareholders (the equity shareholders of the Company).

With effect from 1 January 2005, in order to comply with HKAS 1 and HKAS 27, the Group has changed its accounting policy relating to presentation of minority interests. Under the new policy, minority interests are presented as part of equity, separately from interests attributable to the equity shareholders of the Company. Further details of the new policy are set out in note 1(c). These changes in presentation have been applied retrospectively with comparatives restated accordingly.

二. 會計政策之變動 (續)

(g) 呈報方式之變動 (《香港會計準則》第1號「財務報表之呈報」) (續)

(ii) 少數股東權益 (《香港會計準則》第1號「財務報表之呈報」及《香港會計準則》第27號「綜合及獨立財務報表」)

在過往年度，於結算日之少數股東權益乃於綜合資產負債表內與負債分開呈報，並列作資產淨額之扣減。少數股東所佔集團年內業績亦會在損益表內分開呈報，並列作計算股東（本公司股東）應佔盈利前作出之扣減。

根據《香港會計準則》第1號及《香港會計準則》第27號之規定，由二零零五年一月一日起，本集團變更了有關少數股東權益呈報方式之會計政策。根據新政策，少數股東權益會列作權益之一部份，與本公司股東之應佔權益分開呈報。此新政策之進一步資料載於附註一(c)。此等呈報方式之變動已追溯應用，而比較數字亦已相應重報。

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(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

2. CHANGES IN ACCOUNTING POLICIES (continued)

(h) Definition of related parties (HKAS 24, Related party disclosures)

As a result of the adoption of HKAS 24, Related party disclosures, the definition of related parties as disclosed in note 1(v) has been expanded to clarify that related parties include entities that are under the significant influence of a related party that is an individual (i.e. key management personnel, significant shareholders and/or their close family members) and post-employment benefit plans which are for the benefit of employees of the Group or of any entity that is a related party of the Group. The clarification of the definition of related parties has not resulted in any material changes to the previously reported disclosures of related party transactions nor has it had any material effect on the disclosures made in the current period, as compared to those that would have been reported had Statement of Standard Accounting Practice 20, Related party disclosures, still been in effect.

二. 會計政策之變動 (續)

(h) 關聯人仕之定義 (《香港會計準則》第24號「關聯人仕披露」)

由於採納《香港會計準則》第24號「關聯人仕披露」，記載關聯人仕之定義(見附註一(v))已經擴大及澄清關聯人仕包括可受個人(即主要管理人員、重大股權股東及／或其親近家庭成員)重大影響之實體及提供福利予本集團僱員之離職後福利計劃或某些與本集團關聯之實體。假設《會計實務準則》第20號「關聯人仕披露」仍然生效，兩者比較，此項有關關聯人仕定義上之澄清並無導致過往期間已披露之關聯人仕交易須作出任何重大修訂，亦無對本期間已披露之關聯人仕交易資料構成任何重大影響。

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(除另有註明外，所有金額以港幣計算)

3. TURNOVER

The principal activities of the Group are toll bridge operation, environmental protection investment and operation (waste-water treatment plants and waste-to-energy power plants), property investments and management, environmental protection project management and consultancy and investment holding.

Turnover represents the toll bridge revenue, waste-water treatment revenue, property rental income, property management fee income and environmental protection project management and consultancy fee income. The amount of each significant category of revenue recognised in turnover during the year is as follows:

三. 營業額

本集團之主要業務為收費橋樑營運、環保投資及營運（污水處理廠及垃圾焚燒發電廠）、物業投資及管理、環保項目管理及顧問及投資控股。

營業額包括收費橋樑收益、污水處理收益、物業租金收入、物業管理費收入及環保項目管理及顧問費用收入。年內已在營業額中確認的各項主要收入類別的數額如下：

		2005	2004
		二零零五年	二零零四年
		\$'000	\$'000
		千元	千元
Toll bridge revenue	收費橋樑收益	59,824	47,103
Waste-water treatment revenue	污水處理收益	56,340	-
Property rental income	物業租金收入	14,245	12,819
Property management fee income	物業管理費收入	3,414	2,721
Environmental protection project management and consultancy fee income	環保項目管理及顧問費用收入	-	2,601
		133,823	65,244

Notes to the Financial Statements

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(Expressed in Hong Kong dollars unless otherwise indicated)
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4. OTHER REVENUE

		2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
Interest income	利息收入	9,072	1,148
Dividend income from unlisted securities	非上市證券之股息收入	1,135	266
Gain on disposal of associates	出售聯營公司之收益	-	660
Gain on liquidation of subsidiary	附屬公司清盤所得收益	-	555
Others	其他	2,206	1,974
		12,413	4,603

四. 其他收入

5. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

		2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
(a) Finance costs:	(a) 財務費用:		
Interest on bank advances wholly repayable within five years	須於五年內全數償還之銀行貸款之利息	986	2,088
Interest on other bank advances	其他銀行貸款之利息	23,540	14,814
Interest on loans from ultimate holding company	最終控股公司貸款之利息	17,141	10,712
		41,667	27,614
Less: borrowing costs capitalised into construction in progress *	減: 已於在建工程資本化之借貸成本*	(9,577)	-
		32,090	27,614

除稅前盈利已扣除/(計入):

* The borrowing costs have been capitalised at a rate of 6.1% – 6.4% per annum (2004: Nil).

* 借貸成本按6.1%–6.4%之年率資本化(二零零四年:無)。

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5. PROFIT BEFORE TAXATION (continued)

Profit before taxation is arrived at after charging/(crediting):
(continued)

五. 除稅前盈利(續)

除稅前盈利已扣除/(計入):(續)

	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
(b) Staff costs:		
Contributions to defined contribution plans	1,146	525
Salaries, wages and other benefits	29,547	17,375
	30,693	17,900
Less: staff costs capitalised into construction in progress	(10,314)	—
	20,379	17,900
(c) Other items:		
Amortisation of land lease premium	283	—
Amortisation (other than of land lease premium)		
— positive goodwill	—	1,881
— negative goodwill included in share of profits of associates	—	(674)
— other intangible assets	115	—
Depreciation		
— assets held for use under operating leases	1,018	1,018
— other assets	21,275	14,150
Net foreign exchange (gain)/loss	(1,151)	3,556
Auditors' remuneration		
— audit services	1,825	1,480
— other services	5	1,086
Loss on disposal of associate	—	660
Net gain on sale of fixed assets	(587)	(37)
Operating lease charges: minimum lease payments		
— hire of waste-water treatment facilities	959	—
— hire of premises	649	370
Rentals receivable from investment properties less direct outgoings of \$1,149,000 (2004: \$1,391,000)	(13,096)	(11,428)

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6. SHARE OF RESULTS OF ASSOCIATES

六. 所佔聯營公司業績

		2005 二零零五年	2004 二零零四年 (restated) (重報)
		\$'000 千元	\$'000 千元
Share of profits of associates before taxation	所佔聯營公司除稅前盈利	78,738	99,049
Share of associates' taxation	所佔聯營公司稅項	(10,693)	(18,835)
		68,045	80,214
Amortisation of negative goodwill	負商譽攤銷	-	674
		68,045	80,888
Share of valuation gains on investment properties	所佔投資物業估值盈餘	-	4,294
		68,045	85,182

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7. INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT

(a) Income tax in the consolidated income statement represents:

Current tax – PRC income tax 本期稅項－中國所得稅

Provision for the year 本年度撥備
Over-provision in respect of prior years 過往年度撥備過剩

Deferred tax 遞延稅項
Origination and reversal of temporary differences 暫時差異的產生和轉回

No provision for Hong Kong Profits Tax has been made in the financial statements as the Group sustained a loss for Hong Kong Profits Tax purposes during the year. Taxation for the PRC operations is charged at the appropriate current rates of taxation ruling in the PRC. During the year, certain PRC subsidiaries are subject to tax at 50% of the standard tax rates or fully exempt from income tax under the relevant tax rules and regulations.

七. 綜合損益表之所得稅

(a) 綜合損益表所示的所得稅為：

	2005 二零零五年	2004 二零零四年 (restated) (重報)
	\$'000 千元	\$'000 千元
	4,748	1,211
	(50)	(3,208)
	4,698	(1,997)
	(16,566)	1,669
	(11,868)	(328)

由於本年度內本集團蒙受稅項虧損，故此本集團並無在財務報表就香港利得稅作出撥備。中國業務之稅項按中國現行的適用稅率計算。年內，根據有關稅務法律及法規，若干中國附屬公司按標準稅率50%繳納稅項或獲全數豁免繳納所得稅。

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(除另有註明外，所有金額以港幣計算)

7. INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT

(continued)

(b) Reconciliation between tax credit and accounting profit at applicable tax rates:

		2005 二零零五年	2004 二零零四年 (restated) (重報)
		\$'000 千元	\$'000 千元
Profit before tax	除稅前盈利	108,976	85,890
Notional tax on profit before tax, calculated at the rates applicable to profits in the tax jurisdictions concerned	按照在相關管轄區域之適用所得稅稅率就除稅前盈利計算之名義稅項	20,028	19,365
Tax effect of non-deductible expenses	不可扣減支出之稅項影響	4,002	3,192
Tax effect of non-taxable income	非課稅收入之稅項影響	(14,881)	(23,102)
Tax effect of profits entitled to tax exemption in the PRC	可享有中國稅項豁免優惠之盈利之稅項影響	(6,874)	(3,661)
Tax effect of prior year's temporary differences recognised this year	本年度確認之以往年度暫時差異之稅項影響	(7,396)	-
Tax effect of utilisation of unused tax losses not recognised in prior years	動用過往年度未使用而且未確認之可抵扣虧損之稅項影響	(6,715)	(733)
Tax effect of unused tax losses not recognised	未使用而且未確認之可抵扣虧損之稅項影響	18	7,819
Over-provision in prior years	以往年度撥備過剩	(50)	(3,208)
Actual tax credit	實際稅項開支	(11,868)	(328)

七. 綜合損益表之所得稅 (續)

(b) 按適用稅率計算之稅項撥回與會計盈利之對賬:

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8. DIRECTORS' REMUNERATION

Directors' remuneration disclosed pursuant to section 161 of the Hong Kong Companies Ordinance is as follows:

八. 董事酬金

根據香港《公司條例》第一百六十一條列報之董事酬金如下：

		Salaries, allowances and benefits in kind 薪金、津貼及 實物利益	Discretionary bonuses 酌情花紅	Retirement scheme contributions 退休計劃供款	2005 Total 二零零五年 總額
	Directors' fees 董事袍金	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Executive directors	執行董事				
Wang Mingquan	王明權	—	25	—	25
Zang Qiutao	臧秋濤	—	1,694	500	2,194
Li Xueming	李學明	—	1,694	500	2,194
Chen Xiaoping	陳小平	—	1,944	1,200	3,144
Fan Yan Hok, Philip	范仁鶴	—	1,605	420	2,125
Huang Chaohua	黃朝華	—	1,136	700	1,836
Wong Kam Chung, Raymond	黃錦聰	—	1,026	180	1,265
Chen Shuang	陳爽	—	25	—	25
Zhang Weiyun	張衛云	—	878	—	878
Independent non-executive directors	獨立非執行董事				
Sir David Akers-Jones	鍾逸傑爵士	110	25	—	135
Li Kwok Sing, Aubrey	李國星	100	25	—	125
Mar Selwyn	馬紹援	100	25	—	125
		310	10,102	3,500	14,071

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(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

8. DIRECTORS' REMUNERATION (continued)

八. 董事酬金 (續)

	Directors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	2004 Total	
	董事袍金	薪金、津貼及實物利益	酌情花紅	退休計劃供款	二零零四年總額	
	\$'000	\$'000	\$'000	\$'000	\$'000	
	千元	千元	千元	千元	千元	
Executive directors						
執行董事						
Wang Mingquan	王明權	—	—	—	—	
Zang Qiutao	臧秋濤	—	1,284	—	1,284	
Li Xueming	李學明	—	770	—	770	
Chen Xiaoping	陳小平	—	1,562	800	2,362	
Fan Yan Hok, Philip	范仁鶴	—	1,300	400	1,785	
Huang Chaohua	黃朝華	—	715	400	1,115	
Wong Kam Chung, Raymond	黃錦驄	—	780	400	1,239	
Chen Shuang	陳爽	—	328	—	328	
Zhang Weiyun	張衛云	—	853	—	853	
Independent non-executive directors						
獨立非執行董事						
Sir David Akers-Jones	鍾逸傑爵士	85	—	—	85	
Li Kwok Sing, Aubrey	李國星	80	—	—	80	
Mar Selwyn	馬紹援	23	—	—	23	
Lee Ka Sze, Carmelo	李嘉士	60	—	—	60	
		248	7,592	2,000	144	9,984

As at 31 December 2005, the directors held share options under the Company's share option scheme. The details of the share options are disclosed under the paragraph "Share option scheme" in the report of the directors and note 28.

於二零零五年十二月三十一日，董事根據本公司購股權計劃持有購股權。有關購股權詳情載於董事會報告「購股權計劃」一段及附註二十八。

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9. INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, all are directors whose emoluments are disclosed in note 8.

10. PROFIT ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY

The consolidated profit attributable to equity shareholders of the Company includes a profit of \$107,778,000 (2004: \$152,687,000) which has been dealt with in the financial statements of the Company.

11. DIVIDENDS

(a) Dividends payable to equity shareholders of the Company attributable to the year

Interim dividend declared and paid of 0.6 cent per ordinary share (2004: 0.4 cent per ordinary share)	已宣派及支付中期股息每股普通股0.6港仙(二零零四年: 每股普通股0.4港仙)	15,311	10,193
Final dividend proposed after the balance sheet date of 0.6 cent per ordinary share (2004: 0.6 cent per ordinary share)	於結算日後建議分派末期股息每股普通股0.6港仙(二零零四年: 每股普通股0.6港仙)	15,311	15,293
		30,622	25,486

The final dividend proposed after the balance sheet date has not been recognised as a liability at the balance sheet date.

九. 最高薪酬個別人仕

五名最高薪酬個別人仕均為董事，有關的酬金詳情載於附註八。

十. 本公司股東應佔盈利

本公司股東應佔綜合盈利包括盈利107,778,000元(二零零四年: 152,687,000元)已列入本公司之財務報表內。

十一. 股息

(a) 應派付予本公司股東之本年度股息

2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
15,311	10,193
15,311	15,293
30,622	25,486

於結算日後建議分派的末期股息尚未在結算日確認為負債。

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財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

11. DIVIDENDS (continued)

(b) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year

Final dividend in respect of the previous financial year, approved and paid during the year, of 0.6 cent per ordinary share (2004: Nil)

屬於上一個財政年度，並於年內批准並支付之末期股息每股普通股0.6港仙（二零零四年：無）

2005	2004
二零零五年	二零零四年
\$'000	\$'000
千元	千元

15,293

—

12. EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of \$105,330,000 (2004: \$86,776,000) and the weighted average number of 2,550,669,234 ordinary shares (2004: 2,548,418,257 ordinary shares) in issue during the year, calculated as follows:

Weighted average number of ordinary shares

Issued ordinary shares at 1 January
Effect of share options exercised
(note 29(c)(ii))

於一月一日已發行普通股
已行使購股權之影響
(附註二十九(c)(ii))

Weighted average number of ordinary shares at 31 December

於十二月三十一日之
普通股加權平均數

(a) 每股基本盈利

每股基本盈利乃按照本公司普通股股東應佔盈利105,330,000元（二零零四年：86,776,000元）及年內已發行普通股的加權平均數2,550,669,234股普通股（二零零四年：2,548,418,257股普通股）計算。其計算方式如下：

普通股加權平均數

2005	2004
二零零五年	二零零四年
'000	'000
千股	千股

2,548,812 2,548,312

1,857 106

2,550,669 2,548,418

Notes to the Financial Statements

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

12. EARNINGS PER SHARE (continued)

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of \$105,330,000 (2004: \$86,776,000) and the weighted average number of ordinary shares of 2,588,143,435 shares (2004: 2,587,073,527 shares), calculated as follows:

Weighted average number of ordinary shares (diluted)

Weighted average number of ordinary shares at 31 December
Effect of deemed issue of shares under the Company's share option scheme for nil consideration (note 28)

Weighted average number of ordinary shares (diluted) at 31 December

於十二月三十一日之普通股加權平均數
根據本公司購股權計劃被視為無償發行股份之影響
(附註二十八)

於十二月三十一日之普通股加權平均數(攤薄)

十二. 每股盈利(續)

(b) 每股攤薄盈利

每股攤薄盈利乃按本公司普通股股東應佔盈利105,330,000元(二零零四年:86,776,000元)及普通股加權平均數2,588,143,435股(二零零四年:2,587,073,527股)計算。其計算方式如下:

普通股加權平均數(攤薄)

	2005 二零零五年 '000 千股	2004 二零零四年 '000 千股
	2,550,669	2,548,418
	37,474	38,656
	2,588,143	2,587,074

Notes to the Financial Statements

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

13. SEGMENT REPORTING

Segment information is presented in respect of the Group's business and geographical segments. Business segment information is chosen as the primary reporting format because this is more relevant to the Group in making operating and financial decisions.

Business segments

The Group comprises the following main business segments:

Infrastructure investment and operation	The operation of a toll bridge to generate toll fee revenue and investment in associates, which engage in power industry, to generate dividend income.
Property investment and management	The leasing and management of office premises and shopping arcades to generate rental and management fee income and to gain from the appreciation in the properties' values in the long term.
Environmental protection investment and operation	The operation of waste-water treatment plants to generate waste-water treatment revenue and construction of waste-to-energy power plants.
Environmental protection project management and consultancy	The provision of management and consultancy services to environmental protection projects to generate management and consultancy fee income.

十三. 分部報告

分部資料是按本集團之業務和地區分部作出呈述。由於業務分部資料對本集團之營運及財務決策意義較大，故已選為報告分部信息的主要形式。

業務分部

本集團之主要業務分部如下：

基建投資及營運	營運收費橋樑以賺取收益及投資於從事電力行業的聯營公司以賺取股息收入。
物業投資及管理	租賃及管理辦公室單位及商場以賺取租金及管理費收入，以及從物業價值之長遠升值中賺取收益。
環保投資及營運	經營污水處理廠以賺取污水處理收益及建造垃圾焚燒發電廠。
環保項目管理及顧問	提供環保項目管理及顧問服務，以賺取管理及顧問費用收入。

Notes to the Financial Statements

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

13. SEGMENT REPORTING (continued)

十三. 分部報告 (續)

Business segments (continued)

業務分部 (續)

		Infrastructure investment and operation 基建投資及營運		Property investment and management 物業投資及管理		Environmental protection investment and operation 環保投資及營運		Environmental protection project management and consultancy 環保項目管理及顧問		Inter-segment elimination 分部間抵銷		Consolidated 綜合	
		2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年
			(restated) (重報)		(restated) (重報)								(restated) (重報)
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Revenue from external customers	來自外界客戶收入	59,824	47,103	17,659	15,540	56,340	-	-	2,601	-	-	133,823	65,244
Inter-segment revenue	分部間收入	-	-	-	-	-	-	37,110	15,437	(37,110)	(15,437)	-	-
Other revenue from external customers	來自外界客戶其他收入	131	1,671	952	25	236	-	590	221	-	-	1,909	1,917
Unallocated other revenue	未分配其他收入	-	-	-	-	-	-	-	-	-	-	10,504	2,686
Total	合計	59,955	48,774	18,611	15,565	56,576	-	37,700	18,259	(37,110)	(15,437)	146,236	69,847
Segment results	分部業績	41,310	28,387	37,181	24,318	13,876	(3,947)	25,979	14,427	(30,479)	(15,437)	87,867	47,748
Unallocated operating income and expenses	未分配經營收入及費用											(14,846)	(19,426)
Profit from operations	經營盈利											73,021	28,322
Finance costs	財務費用											(32,090)	(27,614)
Share of profits of associates	所佔聯營公司盈利	68,034	72,633	-	7,593	11	662	-	-	-	-	68,045	80,888
Share of valuation gains on investment properties of associates	所佔聯營公司投資物業估值盈餘	-	-	-	4,294	-	-	-	-	-	-	-	4,294
Income tax	所得稅											11,868	328
Profit after taxation	除稅後盈利											120,844	86,218
Depreciation and amortisation for the year	本年度折舊及攤銷	14,175	13,283	2,210	2,330	4,819	561	1,155	509				
Valuation gains on investment properties	投資物業估值盈餘	-	-	25,230	14,790	-	-	-	-				

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13. SEGMENT REPORTING (continued)

十三. 分部報告 (續)

Business segments (continued)

業務分部 (續)

		Infrastructure investment and operation		Property investment and management		Environmental protection investment and operation		Environmental protection project management and consultancy		Inter-segment elimination		Consolidated	
		2005	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元
Segment assets	分部資產	640,275	646,726	346,791	319,106	924,435	143,486	52,996	47,097	-	-	1,964,497	1,156,415
Interest in associates	聯營公司投資	412,702	434,904	-	-	602	575	-	-	-	-	413,304	435,479
Unallocated assets	未分配資產											295,919	458,927
Total assets	資產總值											2,673,720	2,050,821
Segment liabilities	分部負債	2,158	2,537	6,589	6,762	209,935	8,141	4,649	1,242	-	-	223,331	18,682
Unallocated liabilities	未分配負債											1,181,204	950,003
Total liabilities	負債總值											1,404,535	968,685
Capital expenditure incurred during the year	本年度內產生的資本開支	33	385	7	82	620,745	4,564	15,242	1,119				

Geographical segments

The Group's business participates in two principal economic environments. Hong Kong and other parts of the PRC are the major markets for the Group's business.

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets and capital expenditure are based on the geographical location of the assets.

地區分部

本集團之業務現處於兩個主要營商環境。香港及中國其他地區為本集團業務之主要市場。

在呈述地區分部信息時，分部收入是以客戶的所在地為計算基準。分部資產及資本開支則以資產的所在地為計算基準。

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13. SEGMENT REPORTING (continued)

Geographical segments (continued)

Revenue from external customers:

Hong Kong

Other parts of the PRC

Segment assets:

Hong Kong

Other parts of the PRC

Capital expenditure incurred during the year:

Hong Kong

Other parts of the PRC

十三. 分部報告 (續)

業務分部 (續)

來自外界客戶收入：

香港

中國其他地區

分部資產：

香港

中國其他地區

本年度內產生的資本開支：

香港

中國其他地區

2005	2004
二零零五年	二零零四年
\$'000	\$'000
千元	千元

3,955	3,312
129,868	61,932
133,823	65,244

2005	2004
二零零五年	二零零四年
\$'000	\$'000
千元	千元

467,094	654,920
2,206,626	1,395,901
2,673,720	2,050,821

2005	2004
二零零五年	二零零四年
\$'000	\$'000
千元	千元

767	39
636,025	6,150
636,792	6,189

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14. FIXED ASSETS

(a) The Group

十四. 固定資產

(a) 本集團

	Toll bridge 收費橋樑	Toll bridge 收費橋樑	Toll bridge 收費橋樑	Waste- water treatment 污水處理 基礎建設	Land and buildings 土地及樓宇	Machinery and equipment 機器及設備	Leasehold improve- ments, furniture and fixtures 租賃物業 裝修、傢俬 及裝置	Motor vehicles, electronic equipment and other fixed assets 汽車、 電子設備 及其他 固定資產	Construction in progress 在建工程	Sub-total 小計	Investment properties 投資物業	Interest in leasehold land held for own use under operating leases 根據經營租賃 持有自用之 租賃土地權益	Total fixed assets 總額
	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Cost or valuation:	成本值或估值:												
At 1 January 2005	於二零零五年一月一日												
Exchange adjustments	571,305	20,009	-	124,160	2,754	3,123	4,173	3,209	728,733	230,054	-	-	958,787
Additions	10,062	352	-	135	23	11	67	-	10,650	-	-	-	10,650
- through acquisition	-	-	50,232	11,527	35,162	-	3,073	-	99,994	-	-	66,076	166,070
- others	-	-	15,256	12,358	37,550	1,489	3,718	355,551	425,922	-	-	10,252	436,174
Transfer	-	-	-	(6,910)	-	-	-	-	(6,910)	6,910	-	-	-
Disposals	-	-	-	(1,850)	(675)	(182)	(236)	-	(2,943)	-	-	-	(2,943)
Fair value adjustment	-	-	-	-	-	-	-	-	-	25,230	-	-	25,230
At 31 December 2005	於二零零五年十二月三十一日												
	581,367	20,361	65,488	139,420	74,814	4,441	10,795	358,760	1,255,446	262,194	76,328	1,593,968	
Representing:	代表:												
Cost	581,367	20,361	65,488	139,420	74,814	4,441	10,795	358,760	1,255,446	-	76,328	1,331,774	
Valuation - 2005	-	-	-	-	-	-	-	-	-	262,194	-	262,194	
	581,367	20,361	65,488	139,420	74,814	4,441	10,795	358,760	1,255,446	262,194	76,328	1,593,968	
Accumulated depreciation and amortisation:	累計折舊及攤銷:												
At 1 January 2005	於二零零五年一月一日												
Exchange adjustments	14,004	5,784	-	45,477	1,702	1,720	1,708	-	70,395	-	-	-	70,395
Charge for the year	246	101	-	9	7	1	27	-	391	-	-	391	
Written back on disposals	10,839	3,229	917	2,962	3,308	278	760	-	22,293	-	283	22,576	
	-	-	-	(10)	(344)	(117)	(214)	-	(685)	-	-	(685)	
At 31 December 2005	於二零零五年十二月三十一日												
	25,089	9,114	917	48,438	4,673	1,882	2,281	-	92,394	-	283	92,677	
Net book value:	賬面淨值:												
At 31 December 2005	於二零零五年十二月三十一日												
	556,278	11,247	64,571	90,982	70,141	2,559	8,514	358,760	1,163,052	262,194	76,045	1,501,291	

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14. FIXED ASSETS (continued)

(a) The Group (continued)

	Toll bridge	Toll bridge ancillary facilities	Waste-water treatment infrastructure	Land and buildings	Machinery and equipment	Leasehold improvements, furniture and fixtures	Motor vehicles, electronic equipment and other fixed assets	Construction in progress	Sub-total	Investment properties	Interest in leasehold land held for own use under operating leases	Total fixed assets	
	收費橋樑	附屬設施	污水處理基礎建設	土地及樓宇	機器及設備	租賃物業裝修、傢俬及裝置	汽車、電子設備及其他固定資產	在建工程	小計	投資物業	根據經營租賃持有自用之租賃土地權益	固定資產總額	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	
Cost or valuation:	成本值或估值:												
At 1 January 2004	於二零零四年一月一日	568,275	19,996	-	120,996	1,823	2,811	2,184	-	716,085	217,264	-	933,349
Exchange adjustments	匯兌調整	3,030	13	-	38	2	2	10	-	3,035	-	-	3,035
Additions	增置												
- through acquisition of subsidiary	- 透過收購附屬公司	-	-	-	1,126	179	-	584	-	1,889	-	-	1,889
- others	- 其他	-	-	-	-	778	310	1,892	3,209	6,189	-	-	6,189
Transfer	轉撥	-	-	-	2,000	-	-	-	-	2,000	(2,000)	-	-
Disposals	出售	-	-	-	-	(28)	-	(497)	-	(525)	-	-	(525)
Fair value adjustment	公允值調整	-	-	-	-	-	-	-	-	-	14,790	-	14,790
At 31 December 2004	於二零零四年十二月三十一日	571,305	20,009	-	124,160	2,754	3,123	4,173	3,209	728,733	230,054	-	958,787
Representing:	代表:												
Cost	成本值	571,305	20,009	-	124,160	2,754	3,123	4,173	3,209	728,733	-	-	728,733
Valuation - 2004	估值 - 二零零四年	-	-	-	-	-	-	-	-	-	230,054	-	230,054
		571,305	20,009	-	124,160	2,754	3,123	4,173	3,209	728,733	230,054	-	958,787
Accumulated depreciation and amortisation:	累計折舊及攤銷:												
At 1 January 2004	於二零零四年一月一日	5,350	2,588	-	42,814	1,437	1,427	1,612	-	55,228	-	-	55,228
Exchange adjustments	匯兌調整	10	32	-	1	1	-	8	-	52	-	-	52
Through acquisition of subsidiary	透過收購附屬公司	-	-	-	106	68	-	237	-	411	-	-	411
Charge for the year	本年度折舊	8,644	3,164	-	2,556	213	293	298	-	15,168	-	-	15,168
Written back on disposals	出售時撥回	-	-	-	-	(17)	-	(447)	-	(464)	-	-	(464)
At 31 December 2004	於二零零四年十二月三十一日	14,004	5,784	-	45,477	1,702	1,720	1,708	-	70,395	-	-	70,395
Net book value:	賬面淨值:												
At 31 December 2004	於二零零四年十二月三十一日	557,301	14,225	-	78,683	1,052	1,403	2,465	3,209	658,338	230,054	-	888,392

十四. 固定資產 (續)

(a) 本集團 (續)

Notes to the Financial Statements

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

14. FIXED ASSETS (continued)

十四. 固定資產 (續)

(b) The Company

(b) 本公司

		Machinery and equipment	Leasehold improvements	Furniture and fixtures	Motor vehicles	Total fixed assets
		機器及 設備	租賃物業 裝修	傢俬及 裝置	汽車	固定資產 總額
		\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元
Cost:	成本值:					
At 1 January 2005	於二零零五年 一月一日	1,434	1,861	244	250	3,789
Additions	增置	81	-	-	684	765
Disposals	出售	(314)	-	(12)	-	(326)
		<u>1,201</u>	<u>1,861</u>	<u>232</u>	<u>934</u>	<u>4,228</u>
At 31 December 2005	於二零零五年 十二月三十一日	1,201	1,861	232	934	4,228
Accumulated depreciation:	累計折舊:					
At 1 January 2005	於二零零五年 一月一日	1,270	1,242	192	188	2,892
Charge for the year	本年度折舊	68	186	15	62	331
Written back on disposals	出售時撥回	(298)	-	(11)	-	(309)
		<u>1,040</u>	<u>1,428</u>	<u>196</u>	<u>250</u>	<u>2,914</u>
At 31 December 2005	於二零零五年 十二月三十一日	1,040	1,428	196	250	2,914
Net book value:	賬面淨值:					
At 31 December 2005	於二零零五年 十二月三十一日	161	433	36	684	1,314

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財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

14. FIXED ASSETS (continued)

十四. 固定資產 (續)

(b) The Company (continued)

(b) 本公司 (續)

		Machinery and equipment 機器及 設備 \$'000 千元	Leasehold improvements 租賃物業 裝修 \$'000 千元	Furniture and fixtures 傢俬及 裝置 \$'000 千元	Motor vehicles 汽車 \$'000 千元	Total fixed assets 固定資產 總額 \$'000 千元
Cost:	成本值:					
At 1 January 2004	於二零零四年 一月一日	1,491	1,861	244	599	4,195
Additions	增置	39	-	-	-	39
Disposals	出售	(96)	-	-	(349)	(445)
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2004	於二零零四年 十二月三十一日	1,434	1,861	244	250	3,789
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Accumulated depreciation:	累計折舊:					
At 1 January 2004	於二零零四年 一月一日	1,230	1,056	177	198	2,661
Charge for the year	本年度折舊	78	186	15	77	356
Written back on disposals	出售時撥回	(38)	-	-	(87)	(125)
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2004	於二零零四年 十二月三十一日	1,270	1,242	192	188	2,892
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net book value:	賬面淨值:					
At 31 December 2004	於二零零四年 十二月三十一日	164	619	52	62	897
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

(c) Investment properties of the Group were revalued as at 31 December 2005 on an open market value basis calculated by reference to net rental income allowing for reversionary income potential. The valuations were carried out by an independent firm of surveyors, RHL Appraisal Ltd., who have among their staff Association of Hong Kong Institute of Surveyors with recent experience in the location and category of property being revalued.

(c) 本集團之投資物業已於二零零五年十二月三十一日根據計入有逆轉可能的淨租金收入而計算之公開市值進行重估。重估由獨立測量師行永利行評值顧問有限公司進行，其中員工為香港測量師學會會員，彼等對重估物業所在地和類別有近期估值經驗。

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財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

14. FIXED ASSETS (continued)

十四. 固定資產 (續)

(d) The analysis of net book value of properties is as follows:

(d) 物業賬面淨值之分析如下：

		The Group 本集團	
		2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
In the PRC	中國		
Hong Kong:	香港：		
– medium-term leases	– 中期租賃	65,932	–
– long leases	– 長期租賃	106,200	154,583
Other parts of the PRC:	中國其他地區：		
– medium-term leases	– 中期租賃	255,739	152,764
– long leases	– 長期租賃	1,350	1,390
		429,221	308,737
Representing:	代表：		
Land and buildings	土地及樓宇	90,982	78,683
Investment properties	投資物業	262,194	230,054
		353,176	308,737
Interest in leasehold land held for own use under operating leases	根據經營租賃持作自用之租賃土地權益	76,045	–
		429,221	308,737

Notes to the Financial Statements

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

14. FIXED ASSETS (continued)

(e) Fixed assets leased out under operating leases

The Group leases out properties under operating leases. The leases typically run for an initial period of one to ten years, with an option to renew the lease after that date at which time all terms are renegotiated. None of the leases includes contingent rentals.

All properties held under operating leases that would otherwise meet the definition of investment property are disclosed as investment property.

The Group's total future minimum lease payments under non-cancellable operating leases are receivable as follows:

Within 1 year	一年內
After 1 year but within 5 years	一年後但五年內
After 5 years	五年後

十四. 固定資產 (續)

(e) 根據經營租賃租出之固定資產

本集團根據經營租賃出租物業。上述租賃之年期基本上初步為期一至十年，並可選擇續約，屆時所有條款將會重新商訂。上述租賃均不包括或有租金。

所有根據經營租賃持有並能符合投資物業定義之物業均披露為投資物業。

本集團根據不可解除的經營租賃在日後應收的最低付款額總數如下：

The Group	
本集團	
2005	2004
二零零五年	二零零四年
\$'000	\$'000
千元	千元
6,309	8,127
1,276	1,133
130	219
7,715	9,479

Notes to the Financial Statements

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

15. INTANGIBLE ASSETS

十五. 無形資產

		The Group 本集團
		Waste-water treatment concession right 污水處理 特許經營權
		\$'000 千元
Cost:	成本值:	
At 1 January 2005	於二零零五年一月一日	—
Addition through acquisition of business	透過收購業務增置	34,548
		<hr/>
At 31 December 2005	於二零零五年十二月三十一日	34,548
		<hr/>
Accumulated amortisation:	累計攤銷:	
At 1 January 2005	於二零零五年一月一日	—
Charge for the year	本年度攤銷	115
		<hr/>
At 31 December 2005	於二零零五年十二月三十一日	115
		<hr/>
Net book value:	賬面淨值:	
At 31 December 2005	於二零零五年十二月三十一日	34,433
		<hr/>

The amortisation charge for the year is included in “direct costs and operating expenses” in the consolidated income statement.

本年度攤銷計入綜合損益表「直接成本及經營費用」內。

Notes to the Financial Statements

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

16. GOODWILL

十六. 商譽

		The Group 本集團		
		Positive goodwill 正商譽 \$'000 千元	Negative goodwill 負商譽 \$'000 千元	Total 總額 \$'000 千元
Cost:	成本值:			
At 1 January 2005	於二零零五年一月一日	48,855	(718)	48,137
Opening balance adjustment to eliminate accumulated amortisation	期初結餘調整以抵銷累計攤銷	(2,722)	–	(2,722)
Opening balance adjustment to derecognise to retained profits	期初結餘調整以沖銷至保留盈利	–	718	718
Addition through acquisition of business	透過收購業務增置	2,103	–	2,103
		<u>48,236</u>	<u>–</u>	<u>48,236</u>
At 31 December 2005	於二零零五年十二月三十一日	48,236	–	48,236
Accumulated amortisation:	累計攤銷:			
At 1 January 2005	於二零零五年一月一日	2,722	(38)	2,684
Eliminated against cost at 1 January 2005	於二零零五年一月一日於成本沖銷	(2,722)	–	(2,722)
Opening balance adjustment to derecognise to retained profits	期初結餘調整以沖銷至保留盈利	–	38	38
		<u>–</u>	<u>–</u>	<u>–</u>
At 31 December 2005	於二零零五年十二月三十一日	–	–	–
Carrying amount:	賬面值:			
At 31 December 2005	於二零零五年十二月三十一日	<u>48,236</u>	<u>–</u>	<u>48,236</u>

Notes to the Financial Statements

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

16. GOODWILL (continued)

十六. 商譽 (續)

		The Group 本集團		
		Positive goodwill	Negative goodwill	Total
		正商譽	負商譽	總額
		\$'000	\$'000	\$'000
		千元	千元	千元
Cost:	成本值:			
At 1 January 2004	於二零零四年一月一日	27,518	-	27,518
Additions through acquisition of subsidiaries	透過收購附屬公司增置	21,337	(718)	20,619
At 31 December 2004	於二零零四年十二月三十一日	48,855	(718)	48,137
Accumulated amortisation:	累計攤銷:			
At 1 January 2004	於二零零四年一月一日	803	-	803
Charge for the year	本年度攤銷	1,919	(38)	1,881
At 31 December 2004	於二零零四年十二月三十一日	2,722	(38)	2,684
Carrying amount:	賬面值:			
At 31 December 2004	於二零零四年十二月三十一日	46,133	(680)	45,453

In 2004, positive goodwill not already recognised directly in reserves was amortised on a straight-line basis over 20 years. The amortisation of positive goodwill for the year ended 31 December 2004 was included in "other operating expenses" in the consolidated income statement.

於二零零四年，並未於儲備直接確認之正商譽按直線法分二十年攤銷。截至二零零四年十二月三十一日止年度之正商譽攤銷已計入綜合損益表「其他經營費用」內。

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財務報表附註

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(除另有註明外，所有金額以港幣計算)

16. GOODWILL (continued)

As explained further in note 2(a), with effect from 1 January 2005 the Group no longer amortises goodwill. In accordance with the transitional provisions set out in HKFRS 3, the accumulated amortisation of goodwill as at 1 January 2005 has been eliminated against the cost of goodwill as at that date. The negative goodwill has been derecognised at 1 January 2005 with a corresponding adjustment to the opening balance of retained profits.

Impairment tests for cash-generating units containing goodwill

Goodwill is allocated to the Group's cash-generating units ("CGU") identified according to business segment as follows:

Infrastructure investment and operation (Toll bridge)	基建投資及營運 (收費橋樑)
Environmental protection investment and operation (Waste-water treatment plants and waste-to-energy power plant)	環保投資及營運 (污水處理廠及 垃圾焚燒發電廠)

The recoverable amount of the respective CGU is determined based on value-in-use calculations. These calculations use cash flow projections based on financial budgets approved by management covering a five year period. Discount rates of 10% – 12% have been used for the value-in-use calculations. Management determined the budgets based on independent professional traffic studies and/or service agreements governing the relevant operations. The discount rates used are pre-tax and reflect specific risks relating to the relevant segments.

十六. 商譽(續)

誠如附註二(a)進一步闡釋，自二零零五年一月一日起，本集團不再攤銷商譽。根據《香港財務報告準則》第3號所載過渡條文，截至二零零五年一月一日之累計商譽攤銷金額已與該日之商譽成本沖銷。負商譽已於二零零五年一月一日沖銷，而期初保留盈利則作出相應調整。

包含商譽之現金生產單位之耗損測試

本集團按業務分部分配商譽予可辨別之現金生產單位如下：

The Group 本集團	
2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
25,340	25,340
22,896	20,793
48,236	46,133

現金生產單位之可收回數額根據使用價值計算。計算方法按照管理層已核准之五年財務預算之現金流量估計。用於計算使用價值之貼現率為10%至12%。管理層根據獨立專業交通流量研究及／或監管有關業務之服務協議，釐定有關預算。所使用之貼現率為除稅前貼現率，能反映有關分部之特定風險。

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(除另有註明外，所有金額以港幣計算)

17. INTEREST IN SUBSIDIARIES

十七. 附屬公司權益

		The Company	
		本公司	
		2005	2004
		二零零五年	二零零四年
		\$'000	\$'000
		千元	千元
Unlisted shares/capital contributions, at cost	非上市股份／出資額，按成本值	388,642	407,842
Amounts due from subsidiaries	應收附屬公司款項	2,126,938	1,840,866
		2,515,580	2,248,708
Less: impairment losses	減：耗損虧損	(1,480,947)	(1,484,684)
		1,034,633	764,024
Amounts due to subsidiaries	應付附屬公司款項	(56,408)	(50,498)
		978,225	713,526

Amounts due from/(to) subsidiaries are unsecured, interest free and not expected to be recovered within one year.

應收／(應付)附屬公司款項為無抵押、免息及預期不會於一年內償還。

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(除另有註明外，所有金額以港幣計算)

17. INTEREST IN SUBSIDIARIES (continued)

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group. The class of shares held is ordinary unless otherwise stated.

十七. 附屬公司權益 (續)

以下僅列出對本集團業績、資產或負債構成主要影響之附屬公司資料。除另有註明外，所持股份均為普通股。

Name of company 公司名稱	Place of establishment/ incorporation and operation 成立/註冊成立 及經營地點	Particulars of issued and paid up capital 已發行及 繳足股本資料	Proportion of ownership interest 擁有權益比例			Principal activity 主要業務
			Group's effective interest 本集團之 實際權益	held by the Company 由本公司 持有	held by a subsidiary 由附屬公司 持有	
Everbright Water (Zibo) Limited* ("EB Water (Zibo)") (note (a)) 光大水務(淄博)有限公司* (「光大水務(淄博)」) (附註(a))	PRC 中國	RMB96,816,370 人民幣 96,816,370元	100%	-	100%	Operation and maintenance of waste-water treatment plants 營運及維修保養 污水處理廠
Fuzhou Guang Min Road and Bridge Construction & Development Company Limited ("FZGM")* 福州光閩路橋建設 開發有限公司 (「光閩路橋」)#	PRC 中國	RMB224,730,000 人民幣 224,730,000元	Note (b) 附註(b)	-	Note (b) 附註(b)	Development, construction, operation and maintenance of a toll bridge 開發、建造、 營運及維修保養 收費橋樑
On Land Limited 再倫有限公司	Hong Kong 香港	2 shares of \$1 each 2股每股面值 1元股份	100%	-	100%	Property investment 物業投資
Qingdao EB-VW Waste Water Treatment Co., Ltd. ("Qingdao EB-VW")* 青島光威污水處理 有限公司 (「青島光威」)#	PRC 中國	RMB126,331,107 人民幣 126,331,107元	Note (c) 附註(c)	-	Note (c) 附註(c)	Construction, operation and maintenance of waste-water treatment plants 建造、營運及維修 保養污水處理廠
Sino Villa Holdings Limited	British Virgin Islands ("BVI")/PRC 英屬處女群島/ 中國	1 share of US\$1 1股每股面值 1美元股份	100%	100%	-	Property investment 物業投資
Suzhou SuNeng Waste-to-Energy Co. Ltd. ("Suzhou Suneng")* 蘇州市蘇能垃圾發電 有限公司 (「蘇州蘇能」)#	PRC 中國	RMB141,943,349 人民幣 141,943,349元	Note (d) 附註(d)	-	Note (d) 附註(d)	Design, construction, operation and management of waste-to-energy power plant 設計、建造、營運及 管理垃圾焚燒發電廠

* Registered under the laws of the PRC as foreign investment enterprise.

Registered under the laws of the PRC as sino-foreign co-operative joint venture.

* 根據中國法律註冊為外商投資企業。

根據中國法律註冊為中外合作合營企業。

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(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

17. INTEREST IN SUBSIDIARIES (continued)

Notes:

- (a) On 1 December 2005, EB Water (Zibo) acquired the waste-water treatment business together with the corresponding assets and liabilities from Zibo Finance Bureau and Zibo Environmental Waste Water Treatment Company ("the Transferors") at a consideration of RMB224,055,000 (equivalent to approximately HK\$214,891,000). In addition, pursuant to a concession right agreement, EB Water (Zibo) was granted the exclusive right to operate the waste-water treatment plants to provide waste water treatment service in certain specified areas in Zibo city, the PRC for a period of 25 years commencing from December 2005. Upon expiry of the concession period, EB Water (Zibo) will cease to have any rights and obligations under the concession right agreement and the assets acquired as referred to above will be transferred back to the Transferors.

The waste-water treatment plants are expected to have aggregate daily capacity of 220,000 tonnes. The waste-water treatment revenue charged by EB Water (Zibo) is governed by the relevant waste water treatment service agreement. During the concession period, EB Water (Zibo) has the obligation to promptly repair or upgrade the waste-water treatment facilities and equipment.

- (b) Greenway Venture Limited ("Greenway"), an 80% owned subsidiary of the Company and the foreign joint venture partner of FZGM, is committed to contribute the full amount of FZGM's registered capital. Net profit (after payment of an agreed sum ranging from RMB600,000 to RMB2,500,000 annually to the PRC joint venture partner of FZGM) of FZGM should first be applied for the repayment of capital and advances made by Greenway. After the capital and advances made by Greenway have been fully repaid, the net profit of FZGM (after payment of an agreed sum to the PRC joint venture partner mentioned above) is to be shared by Greenway and the PRC joint venture partner on a 90:10 basis.

Pursuant to the joint venture agreement of FZGM, FZGM was granted a right to construct, operate and maintain a toll bridge in Fuzhou city, the PRC. After the completion of the toll bridge construction, FZGM has an operating period of the toll bridge for a period of 30 years commencing from January 2003. Upon expiry of the operating period, FZGM will transfer all the fixed assets and the operating right to the PRC joint venture partner. The toll fee is based on the type of vehicles and it is subject to the approval from the relevant local government authorities. During the operating period, FZGM has the obligation to maintain the toll bridge in good condition.

十七. 附屬公司權益 (續)

附註:

- (a) 於二零零五年十二月一日，光大水務(淄博)向淄博市財政局及淄博市環保污水處理公司(「轉讓人」)收購污水處理業務連同相關資產及負債，代價為人民幣224,055,000元(相等於約港幣214,891,000元)。此外，根據特許經營協議，光大水務(淄博)獲獨家授權營運污水處理廠，為中國淄博市若干指定區域提供污水處理服務，由二零零五年十二月起計為期25年。待特許經營協議屆滿後，根據特許經營協議，光大水務(淄博)將不再具有任何權利及責任，而上文所述之收購資產須轉回予轉讓人。

預期污水處理廠之每日總處理量為220,000噸。光大水務(淄博)所收取之污水處理費須受有關污水處理協議所管限。於特許經營期內，光大水務(淄博)有責任及時維修或提升污水處理設施及設備。

- (b) 本公司擁有80%權益之附屬公司兼光閩路橋之外方合營夥伴Greenway Venture Limited(「Greenway」)承諾注入光閩路橋全數註冊資本。光閩路橋之淨盈利(在每年支付介乎人民幣600,000元至人民幣2,500,000元之協定款項予中方合營夥伴後)將首先用以償還Greenway已支付之資本及墊款。在全數償還Greenway已支付之資本及墊款後，光閩路橋之淨盈利(在如上文所述般支付協定款項予中方合營夥伴後)將由Greenway及中方合營夥伴按90:10之比例攤分。

根據光閩路橋之合營協議，光閩路橋獲授權在中國福州市建造、營運及維修保養一條收費路橋。在收費路橋建造完成後，光閩路橋擁有收費路橋之經營權30年，由二零零三年一月起計。待經營權屆滿後，光閩路橋將把所有固定資產及經營權轉歸中方合營夥伴所有。收費路橋之收費按車輛之類別而定，並須待有關當地政府機關批准後方可作實。於營運期內，光閩路橋有責任維持收費路橋在良好狀況。

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財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

17. INTEREST IN SUBSIDIARIES (continued)

Notes: (continued)

- (c) EB-VW HK Holding Company Limited ("EB-VW"), an 60% owned subsidiary of the Company and the foreign joint venture partner of Qingdao EB-VW, is committed to contribute 60% of Qingdao EB-VW's registered capital. The remaining 40% registered capital is contributed by the PRC joint venture partner, by way of transferring waste-water treatment plants to Qingdao EB-VW. EB-VW is fully entitled to the net profit of Qingdao EB-VW for the first 14 years of the joint venture period. From the 15th year of the joint venture period onwards, the net profit of Qingdao EB-VW is to be shared by EB-VW and the PRC joint venture partner on a 98:2 basis.

Pursuant to a waste-water treatment agreement, Qingdao EB-VW will provide the PRC joint venture partner with design, construction, maintenance and operation services for waste-water treatment facilities and the provision of waste-water treatment services in Qingdao, the PRC for a period of 25 years commencing from January 2005. Furthermore, Qingdao EB-VW is obliged to construct extension of the existing facilities.

Upon expiry of joint venture agreement, the fixed assets of Qingdao EB-VW will be transferred to the PRC joint venture partner. The waste-water treatment plants are expected to have aggregate daily capacity of 220,000 cubic metre. The waste-water treatment revenue charged by Qingdao EB-VW is governed by the relevant waste water treatment agreement. During the joint venture period, Qingdao EB-VW has the obligation to maintain the waste-water treatment facilities in good condition.

- (d) Everbright Environmental Energy (Suzhou) Investment Limited ("EB Energy (Suzhou)", formerly known as Starland Resources Limited), a wholly-owned subsidiary of the Company and the foreign joint venture partner of Suzhou Suneng, is committed to contribute the full amount of Suzhou Suneng's registered capital. Net profit of Suzhou Suneng, after payment of an agreed sum of RMB880,000 annually to the PRC joint venture partner, is fully attributable to EB Energy (Suzhou).

Pursuant to a concession right agreement, Suzhou Suneng will design, construct, operate and manage a waste-to-energy power plant to provide waste treatment service in Suzhou city, the PRC for a period of 25 years. Upon expiry of the concession period, the waste-to-energy power plant and related facilities will be transferred to the PRC joint venture partner. The waste-to-energy power plant is expected to have a daily capacity of 1,000 tonnes. The waste treatment service fee charged by Suzhou Suneng is governed by the relevant concession right agreement. During the concession period, Suzhou Suneng has the obligation to maintain the waste-to-energy power plant in good condition.

十七. 附屬公司權益 (續)

註: (續)

- (c) 本公司擁有60%權益之附屬公司兼青島光威外方合營夥計光大威立雅水務香港控股有限公司(「光大威立雅」)承諾注入青島光威60%註冊資本，餘下40%將由中方合營夥伴透過轉讓污水處理廠予青島光威之方式出資。光大威立雅於合營期首十四年可全數享有青島光威之淨盈利。而由第十五年合營期起，青島光威之淨盈利將由光大威立雅及中方合營夥計按98:2之比例攤分。

根據污水處理協議，青島光威將為中方合營夥伴提供污水處理設施之設計、建造、維修保養及營運服務，並為中國青島市提供污水處理服務，由二零零五年一月起計，為期二十五年。此外，青島光威須負責建造現有污水處理廠之擴建設施。

待合營協議屆滿後，青島光威之固定資產將轉歸中方合營夥伴所有。預期污水處理廠之每日總處理量為220,000立方米。青島光威所收取之污水處理費須受有關污水處理協議所管限。於合營期內，青島光威有責任維持污水處理設施在良好狀況。

- (d) 本公司之全資附屬公司兼蘇州蘇能外方合營夥伴光大環保能源(蘇州)投資有限公司(「光大能源(蘇州)」，前稱「星域資源有限公司」)承諾注入蘇州蘇能全數註冊資本。蘇州蘇能之淨盈利(在每年支付人民幣880,000元之協定款項予中方合營夥伴後)將全歸光大能源(蘇州)所有。

根據特許經營協議，蘇州蘇能將設計、建造、營運及管理一家垃圾焚燒發電廠，為中國蘇州市提供垃圾處理服務為期25年。待特許經營協議屆滿後，垃圾焚燒發電廠及相關設施將轉歸中方合營夥伴所有。預期垃圾焚燒發電廠每日之處理量為1,000噸。蘇州蘇能所收取之垃圾處理費須受有關特許經營協議所管限。於特許經營期內，蘇州蘇能有責任維持垃圾焚燒發電廠在良好狀況。

Notes to the Financial Statements

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

18. INTEREST IN ASSOCIATES

十八. 聯營公司權益

		The Group		The Company	
		本集團	本公司	本公司	本公司
		2005	2004	2005	2004
		二零零五年	二零零四年	二零零五年	二零零四年
		\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元
Unlisted shares, at cost	非上市股份·按成本值	—	—	205,199	205,199
Share of net assets	所佔資產淨額	413,304	435,479	—	—
		413,304	435,479	205,199	205,199

The following list contains only the particulars of associates, all of which are unlisted corporate entities, which principally affected the results or assets of the Group.

以下僅列出對本集團業績或資產構成主要影響之聯營公司(均為非上市企業實體)資料。

Name of company	Form of business structure	Place of Incorporation/ establishment and operation	Group's effective interest	Proportion of ownership interest		Principal activity
				held by the Company	held by subsidiaries	
公司名稱	業務架構性質	註冊成立/成立及經營地點	本集團之實際權益	由本公司持有	由附屬公司持有	主要業務
Newton Industrial Limited ("Newton") (note) (附註)	Incorporated 註冊成立	BVI/PRC 英屬處女群島/中國	44.12%	44.12%	—	Investment holding 投資控股
Qingdao Veolia Water Operating Company Limited 青島威立雅水務運營有限公司	Established 成立	PRC 中國	21%	—	21%	Operation of waste-water treatment plants 營運污水處理廠

Note: Newton holds an 34% equity interest in Shenzhen Mawan Power Company Limited, a sino-foreign joint venture established in the PRC which currently operates two power plants in Shenzhen, the PRC.

附註: Newton持有深圳媽灣電力有限公司(一家於中國成立之中外合營企業)34%股本權益。該公司現時在中國深圳經營兩家發電廠。

Notes to the Financial Statements

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

18. INTEREST IN ASSOCIATES (continued)

Additional combined financial information in respect of the Group's associates is given as follows:

十八. 聯營公司權益 (續)

有關本集團聯營公司之額外合併財務資料如下：

		2005 二零零五年	2004 二零零四年 (restated) (重報)
		\$'000 千元	\$'000 千元
(i) Operating results	(i) 經營業績		
Turnover	營業額	18,800	70,571
Depreciation	折舊	-	13
Profit before taxation	除稅前盈利	154,255	219,306
Profit after taxation	除稅後盈利	<u>154,255</u>	<u>194,975</u>
Group's share of profits after taxation for the year attributable to associates	本集團所佔聯營公司之本年度除稅後盈利	68,045	80,214
Group's share of valuation gains on investment properties attributable to associates	本集團所佔聯營公司投資物業估值盈餘	<u>-</u>	<u>4,294</u>
		2005 二零零五年	2004 二零零四年
		\$'000 千元	\$'000 千元
(ii) Balance sheet	(ii) 資產負債表		
Non-current assets	非流動資產	935,314	985,860
Current assets	流動資產	4,671	2,354
Current liabilities	流動負債	<u>(2,045)</u>	<u>(60)</u>
Net assets	資產淨額	<u>937,940</u>	<u>988,154</u>
Group's share of net assets attributable to associates	本集團所佔聯營公司之資產淨額	<u>413,304</u>	<u>435,479</u>

Notes to the Financial Statements

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

19. OTHER FINANCIAL ASSETS

十九. 其他財務資產

		The Group 本集團		The Company 本公司	
		2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Available-for-sale equity securities:	待售股本證券：				
– Listed in Hong Kong	– 香港上市	38,282	32,813	–	–
– Unlisted outside Hong Kong	– 香港以外地區 非上市	13,649	13,649	13,649	13,649
		51,931	46,462	13,649	13,649
Market value of listed securities	上市證券之市值	38,282	29,471	–	–

20. DEBTORS, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

二十. 應收賬款、其他應收款項、按金及預付款項

Included in trade, other receivables, deposits and prepayments of the Group are trade debtors of \$14,343,000 (2004: \$4,571,000), of which \$4,595,000 (2004: Nil) is due from a minority shareholder. The trade debtors are current and not yet due for payment and represent toll bridge revenue and wastewater treatment revenue which are settled on a monthly basis.

本集團之應收賬款、其他應收款項、按金及預付款項中包括應收貿易賬款14,343,000元(二零零四年: 4,571,000元)，其中4,595,000元(二零零四年: 無)為應收少數股東款項。該筆應收貿易賬款屬即期及未到期還款，其為收費橋樑收益及污水處理收益，有關款項按月支付。

The Group's credit policy is set out in note 30(a).

本集團之信貸政策載於附註三十(a)。

Notes to the Financial Statements

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

21. PLEDGED BANK DEPOSITS

The amounts are pledged to secure certain bank loans of the Group.

22. CASH AND CASH EQUIVALENTS

二十一. 已抵押銀行存款

該等款項已作抵押，作為本集團若干銀行貸款之抵押品。

二十二. 現金及現金等價物

		The Group 本集團		The Company 本公司	
		2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
Deposits with bank	銀行存款	215,946	458,905	198,203	439,819
Cash at bank and in hand	銀行結餘及現金	192,620	113,453	30,204	4,184
		408,566	572,358	228,407	444,003

Included in cash and cash equivalents in the balance sheet date are the following amounts denominated in a currency other than the functional currency of the entity to which they relate:

結算日之現金及現金等價物包括下列款項，其以相關實體之功能貨幣以外之貨幣為單位：

		The Group 本集團		The Company 本公司	
		2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
United States Dollars	美元	USD10,809 10,809美元	USD8 8美元	USD21 21美元	USD8 8美元

Notes to the Financial Statements

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

23. SECURED BANK LOANS

At 31 December 2005, the secured bank loans were repayable as follows:

		The Group		The Company	
		本集團	本公司	本公司	本公司
		2005	2004	2005	2004
		二零零五年	二零零四年	二零零五年	二零零四年
		\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元
Within 1 year or on demand	一年內或按要求	40,227	62,450	31,429	62,429
After 1 year but within 2 years	一年後但兩年內	55,607	8,218	6,429	6,429
After 2 years but within 5 years	兩年後但五年內	218,764	62,479	19,286	19,286
After 5 years	五年後	297,645	234,141	4,821	11,249
		572,016	304,838	30,536	36,964
		612,243	367,288	61,965	99,393

At 31 December 2005, the banking facilities of the Group are secured by revenue from the operations of toll bridge, waste-water treatment plants and waste-to-energy power plant, bank deposits, mortgages on fixed assets and shares of a subsidiary of the Company. Such banking facilities, amounting to \$975,180,000 (2004: \$534,432,000), were utilised to the extent of \$612,243,000 (2004: \$367,288,000) at 31 December 2005.

於二零零五年十二月三十一日，有抵押銀行貸款之還款期如下：

於二零零五年十二月三十一日，本集團之銀行融資以經營收費橋樑之收入、污水處理廠及垃圾焚燒發電廠收入、銀行存款、固定資產按揭及本集團附屬公司股份作抵押。於二零零五年十二月三十一日，上述975,180,000元（二零零四年：534,432,000元）之銀行融資已動用612,243,000元（二零零四年：367,288,000元）。

24. AMOUNTS DUE TO MINORITY SHAREHOLDERS

The amounts are unsecured, interest free and repayable within one year.

二十四. 應付少數股東款項

有關款項為無抵押、免息及須於一年內償還。

Notes to the Financial Statements

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

25. CREDITORS, OTHER PAYABLES AND ACCRUED EXPENSES

Included in creditors, other payables and accrued expenses of the Group is an amount of \$1,393,000 (2004: Nil) which is payable to an associate. The balance is due within one month and represents service fee for operation of waste-water treatment plants.

Apart from the above, there are other payables to related companies and a minority shareholder of \$32,012,000 (2004: Nil) and \$18,756,000 (2004: Nil) respectively as at 31 December 2005. The amounts are unsecured, interest free and expected to be settled within one year.

26. LOANS FROM AND AMOUNT DUE TO ULTIMATE HOLDING COMPANY

(a) Loans from ultimate holding company

The Group

At 31 December 2005, the loans are unsecured, interest bearing at 4.9% to 5% (2004: 1.8% to 5%) per annum and not expected to be settled within one year, except for a loan of \$95,148,000 (2004: \$93,501,000) which is interest free. The interest rates are generally based on Hong Kong Interbank Offering Rate or London Interbank Offering Rate plus 0.8% to 1.1% (2004: plus 1.1% to 1.3%).

二十五. 應付賬款、其他應付款項及應計費用

本集團之應付賬款、其他應付款項及應計費用中包括一筆應付予一家聯營公司之款項1,393,000元(二零零四年:無)。該結餘於一個月內到期，其為經營污水處理廠之服務費。

除上文所述者外，於二零零五年十二月三十一日，本公司還有應付予關聯公司及一名少數股東之其他應付款項，金額分別為32,012,000元(二零零四年:無)及18,756,000元(二零零四年:無)。該等款項為無抵押、免息，並預期須於一年內支付。

二十六. 最終控股公司貸款及應付最終控股公司款項

(a) 最終控股公司貸款

本集團

於二零零五年十二月三十一日，除了一項金額為95,148,000元(二零零四年:93,501,000元)之貸款為免息外，此等貸款為無抵押、按年利率4.9%至5%(二零零四年:1.8%至5%)計息及預期不會於一年內償還。利息一般按香港銀行同業拆息或倫敦銀行同業拆息加0.8%至1.1%(二零零四年:加1.1%至1.3%)計算。

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財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

26. LOANS FROM AND AMOUNT DUE TO ULTIMATE HOLDING COMPANY (continued)

(a) Loans from ultimate holding company (continued)

The Company

At 31 December 2005, the loans are unsecured, interest bearing at 4.9% to 5% (2004: 1.8% to 5%) per annum and not expected to be settled within one year. The interest rates are generally based on Hong Kong Interbank Offering Rate or London Interbank Offering Rate plus 0.8% to 1.1% (2004: plus 1.1% to 1.3%).

Included in loans from ultimate holding company are the following amounts denominated in a currency other than the functional currency of the entity to which they relate:

		The Group 本集團		The Company 本公司	
		2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
United States dollars	美元	USD43,886 43,886美元	USD43,886 43,886 美元	USD43,886 43,886美元	USD43,886 43,886 美元

(b) Amount due to ultimate holding company

At 31 December 2004, the amount due to ultimate holding company was unsecured and interest free. It was repaid during 2005.

(c) Continuous financial support

The ultimate holding company has given an undertaking to provide the Company with adequate financial support.

二十六. 最終控股公司貸款及應付最終控股公司款項 (續)

(a) 最終控股公司貸款 (續)

本公司

於二零零五年十二月三十一日，此等貸款為無抵押、按年利率4.9%至5%（二零零四年：1.8%至5%）計息及預期不會於一年內償還。利息一般按香港銀行同業拆息或倫敦銀行同業拆息加0.8%至1.1%（二零零四年：加1.1%至1.3%）計算。

最終控股公司貸款包括下列款項，其以相關實體之功能貨幣以外之貨幣為單位：

(b) 應付最終控股公司款項

於二零零四年十二月三十一日，應付最終控股公司款項為無抵押及免息，其已於二零零五年內償還。

(c) 持續財務支援

最終控股公司已承諾給予本公司足夠的財務支援。

Notes to the Financial Statements

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

27. INCOME TAX IN THE BALANCE SHEET

(a) Current taxation in the balance sheet represents:

Provision for PRC income tax for the year	本年度中國所得稅撥備
Provisional tax paid	已付預繳所得稅

二十七. 資產負債表之所得稅

(a) 資產負債表所示本期稅項為：

The Group	
本集團	
2005	2004
二零零五年	二零零四年
\$'000	\$'000
千元	千元
4,748	1,211
(2,610)	(1,113)
2,138	98

Notes to the Financial Statements

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

27. INCOME TAX IN THE BALANCE SHEET (continued)

(b) Deferred tax assets and liabilities recognised:

The Group

The components of deferred tax (assets)/liabilities recognised in the consolidated balance sheet and the movements during the year are as follows:

二十七. 資產負債表之所得稅 (續)

(b) 已確認遞延稅項資產及負債

本集團

已於綜合資產負債表確認之遞延稅項(資產)/負債部份及本年度變動如下:

		Depreciation allowances in excess of related depreciation	Revaluation of properties	Total
		超出有關折舊之折舊免稅額	物業重估	總額
		\$'000	\$'000	\$'000
		千元	千元	千元
Deferred tax arising from:	遞延稅項來自:			
At 1 January 2004	於二零零四年一月一日	206	18,947	19,153
Charged to profit or loss	在損益表中扣除	1,078	591	1,669
At 31 December 2004	於二零零四年十二月三十一日	<u>1,284</u>	<u>19,538</u>	<u>20,822</u>
At 1 January 2005	於二零零五年一月一日	1,284	19,538	20,822
Addition through acquisition of business	透過收購業務增置	(356)	-	(356)
(Credited)/charged to profit or loss	在損益表中(計入)/扣除	<u>(17,760)</u>	<u>1,194</u>	<u>(16,566)</u>
At 31 December 2005	於二零零五年十二月三十一日	<u>(16,832)</u>	<u>20,732</u>	<u>3,900</u>

Notes to the Financial Statements

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

27. INCOME TAX IN THE BALANCE SHEET (continued)

(b) Deferred tax assets and liabilities recognised: (continued)

Net deferred tax assets recognised on the consolidated balance sheet 於綜合資產負債表確認之遞延稅項資產淨額

Net deferred tax liabilities recognised on the consolidated balance sheet 於綜合資產負債表確認之遞延稅項負債淨額

(c) Deferred tax assets not recognised

In accordance with the accounting policy set out in note 1(q), the Group has not recognised deferred tax assets of \$26,033,000 (2004: \$32,730,000) in respect of cumulative tax losses as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdiction and entity. The tax losses do not expire under current tax legislation.

二十七. 資產負債表之所得稅 (續)

(b) 已確認遞延稅項資產及負債 (續)

The Group 本集團	
2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
(16,832)	-
<u>20,732</u>	<u>20,822</u>
<u>3,900</u>	<u>20,822</u>

(c) 未確認遞延稅項資產

根據附註一(q)所載之會計政策，本集團並無確認就累計可抵扣虧損的遞延稅項資產26,033,000元(二零零四年: 32,730,000元)，原因為在有關稅務司法權區及實體不大可能取得應課稅盈利而令該項資產得以運用。根據現行稅務條例，上述可抵扣虧損不設應用限期。

Notes to the Financial Statements

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

28. EQUITY SETTLED SHARE-BASED TRANSACTIONS

The Company has a share option scheme which was adopted on 26 May 2003 whereby the directors of the Company are authorised, at their discretion, to invite employees of the Group, including directors of any company in the Group, to take up options at nominal consideration to subscribe for shares of the Company. The exercise price of options is the highest of the nominal value of the shares, the closing price of the shares on The Stock Exchange of Hong Kong Limited ("the Stock Exchange") on the date of grant and the average closing price of the shares on the Stock Exchange for the five business days immediately preceding the date of grant. The options are exercisable six months (or a later date as determined by the directors of the Company) after the date on which the options are granted for a period up to ten years or 25 May 2013, whichever is earlier. Each option gives the holder the right to subscribe for one ordinary share in the Company.

- (a) The terms and conditions of the grants that existed during the year are as follows, whereby all options are settled by physical delivery of shares:

	Number of instruments 文據數目	Vesting conditions 生效條件	Contractual life of options 購股權之 合約年期
Options granted to directors: 授予董事之購股權			
– on 29 September 2003 – 二零零三年九月二十九日	49,700,000	Six months from the date of grant 由授出日期起計六個月	9.2 years 9.2年
– on 29 September 2003 – 二零零三年九月二十九日	49,700,000	One year from the date of grant 由授出日期起計一年	8.7 years 8.7年
Options granted to employees: 授予僱員之購股權			
– on 29 September 2003 – 二零零三年九月二十九日	4,500,000	Six months from the date of grant 由授出日期起計六個月	9.2 years 9.2年
– on 29 September 2003 – 二零零三年九月二十九日	4,500,000	One year from the date of grant 由授出日期起計一年	8.7 years 8.7年
Total share options 購股權總數	108,400,000		

二十八. 以股份支付之股本交易

本公司設有一個購股權計劃，其於二零零三年五月二十六日採納。據此，本公司董事獲授權可酌情邀請本集團僱員（包括本集團任何成員公司之董事）接納可按象徵式代價認購本公司股份之購股權。購股權行使價為股份面值、股份於授出日期在香港聯合交易所有限公司（「聯交所」）之收市價或股份緊接授出日期前五個營業日在聯交所之平均收市價（以較高者為準）。購股權自授出日期後六個月（或本公司董事決定之較後日期）起生效及其行使期自屆時起計最多達十年或至二零一三年五月二十五日止（以較早者為準）。每股購股權賦予其持有人認購一股本公司普通股之權利。

- (a) 下文載列年內尚未行使之購股權之授出條款及條件，據此，所有購股權以股份實物交收方式結算交收：

Notes to the Financial Statements

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

28. EQUITY SETTLED SHARE-BASED TRANSACTIONS

(continued)

(b) The number and weighted average exercise prices of share options are as follows:

二十八. 以股份支付之股本交易 (續)

(b) 購股權之數目及加權平均行使價如下:

		2005 二零零五年		2004 二零零四年	
		Weighted average exercise price 加權平均 行使價	Number of options 購股權數目	Weighted average exercise price 加權平均 行使價	Number of options 購股權數目
Outstanding at the beginning of the period	期初尚未行使	\$0.296	108,400,000	\$0.296	109,400,000
Exercised during the period	期內已行使	\$0.296	(3,000,000)	\$0.296	(500,000)
Lapsed during the period	期內失效	\$0.296	—	\$0.296	(500,000)
Outstanding at the end of the period	期終尚未行使	\$0.296	105,400,000	\$0.296	108,400,000
Exercisable at the end of the period	期終可予行使	\$0.296	105,400,000	\$0.296	108,400,000

The weighted average share price at the date of exercise for shares options exercised during the year was \$0.45 (2004: not applicable). The options outstanding at 31 December 2005 had an exercise price of \$0.296 (2004: \$0.296) and a weighted average remaining contractual life of 7.4 years (2004: 8.4 years).

年內已行使購股權於行使日期之加權平均股價為0.45元(二零零四年:不適用)。於二零零五年十二月三十一日尚未行使之購股權之行使價為0.296元(二零零四年:0.296元)·而加權平均餘下合約年期則為7.4年(二零零四年:8.4年)。

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財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

29. CAPITAL AND RESERVES

二十九. 股本及儲備

(a) The Group

(a) 本集團

Attributable to equity shareholders of the Company
本公司股東應佔

		Share capital	Share premium	Special reserve	Reserve/ (goodwill) arising on consolidation 綜合賬項	Exchange reserve 匯兌儲備	Capital redemption reserve 資本 贖回儲備	Revaluation reserve of land and buildings 土地及 樓宇之 重估儲備	Fair value reserve 公允價值儲備	Reserve fund 儲備金	(Accumulated losses)/ retained profits (累計虧損)/ 保留盈利	Total	Minority interests 少數股東權益	Total equity 權益總額
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	
At 1 January 2004	於二零零四年一月一日	254,831	2,817,279	-	58,177	212	70	243	-	(2,130,416)	1,000,396	-	1,000,396	
Shares issued under share option scheme	根據購股權計劃發行 股份	50	98	-	-	-	-	-	-	-	148	-	148	
Reduction of share premium	削減股份溢價賬	-	(2,372,173)	-	-	-	-	-	-	2,372,173	-	-	-	
Share of capital reserve of associate	所佔聯營公司資本儲備	-	-	-	905	-	-	-	-	-	905	-	905	
Share of exchange reserves of associates	所佔聯營公司匯兌儲備	-	-	-	-	802	-	-	-	-	802	-	802	
Exchange differences on translation of financial statements of subsidiaries and associates	換算附屬公司及 聯營公司財務報表 產生之匯兌差額	-	-	-	-	1,471	-	-	-	-	1,471	-	1,471	
Capital reserve realised on liquidation of subsidiary	附屬公司清盤而變現 之資本儲備	-	-	-	(555)	-	-	-	-	-	(555)	-	(555)	
Exchange reserves realised on disposal of associate	出售聯營公司而變現 之匯兌儲備	-	-	-	-	(808)	-	-	-	-	(808)	-	(808)	
Profit for the year	本年度盈利	-	-	-	-	-	-	-	-	86,776	86,776	(558)	86,218	
Acquisition of non-wholly owned subsidiary	收購非全資附屬公司	-	-	-	-	-	-	-	-	-	-	38	38	
Capital contribution received by non-wholly owned subsidiary from minority shareholder	非全資附屬公司收取 少數股東之注資	-	-	-	-	-	-	-	-	-	-	4,280	4,280	
Dividend paid to minority shareholder	已付予少數股東之股息	-	-	-	-	-	-	-	-	-	-	(566)	(566)	
Dividend declared in respect of the current year (note 11)	本年度已宣派股息 (附註十一)	-	-	-	-	-	-	-	-	(10,193)	(10,193)	-	(10,193)	
Transfer to special reserve	轉撥至特別儲備	-	-	112,016	-	-	-	-	-	(112,016)	-	-	-	
At 31 December 2004	於二零零四年 十二月三十一日	254,881	445,204	112,016	58,527	1,677	70	243	-	206,324	1,078,942	3,194	1,082,136	

Notes to the Financial Statements

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(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

29. CAPITAL AND RESERVES (continued)

二十九. 股本及儲備 (續)

(a) The Group (continued)

(a) 本集團 (續)

		Attributable to equity shareholders of the Company 本公司股東應佔												
		Share capital 股本	Share premium 股份溢價	Special reserve 特別儲備	Reserve/ (goodwill) arising on consolidation 綜合賬項 產生之 儲備/ (商譽)	Exchange reserve 匯兌儲備	Capital redemption reserve 資本 贖回儲備	Revaluation reserve of land and buildings 土地及 樓宇之 重估儲備	Fair value reserve 公允價值儲備	Reserve fund 儲備金	Retained profits 保留盈利	Total 總額	Minority interests 少數股東權益	Total equity 權益總額
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
At 1 January 2005	於二零零五年一月一日	254,881	445,204	112,016	58,527	1,677	70	243	-	-	206,324	1,078,942	3,194	1,082,136
Opening balance	於二零零五年一月一日													
adjustments in	下列各項之期初結餘調整:													
respect of:														
- negative goodwill	- 負商譽 (附註二(a))	-	-	-	(71,141)	-	-	-	-	71,821	680	-	680	
(note 2(a))														
- financial instruments	- 金融工具 (附註二(b))	-	-	-	-	-	-	-	-	(3,342)	(3,342)	-	(3,342)	
(note 2(b))														
At 1 January 2005,	於二零零五年一月一日，	254,881	445,204	112,016	(12,614)	1,677	70	243	-	-	274,803	1,076,280	3,194	1,079,474
after opening	經作出期初結餘調整後													
balance adjustments														
Dividend approved in	去年度已批准股息	-	-	-	-	-	-	-	-	(15,293)	(15,293)	-	(15,293)	
respect of the	(附註十一)													
previous year (note 11)														
Shares issued under	根據購股權計劃發行	300	588	-	-	-	-	-	-	-	888	-	888	
share option scheme	股份 (附註二十九(c)(ii))													
(note 29(c)(ii))														
Share of exchange	所佔聯營公司匯兌儲備	-	-	-	-	9,598	-	-	-	-	9,598	-	9,598	
reserves of associates														
Exchange differences	換算附屬公司及	-	-	-	-	8,868	-	-	-	-	8,868	-	8,868	
on translation of	聯營公司財務報表													
financial statements	產生之匯兌差額													
of subsidiaries														
and associates														
Revaluation reserve	出售土地及樓宇時變現	-	-	-	-	-	-	(243)	-	243	-	-	-	
realised on disposal	之重估儲備													
of land and buildings														
Changes in fair value of	待售證券之公允價值變動	-	-	-	-	-	-	-	8,811	-	8,811	-	8,811	
available-for-sale														
securities														
Profit for the year	本年度盈利	-	-	-	-	-	-	-	-	105,330	105,330	15,514	120,844	
Transfer to reserve fund	轉撥至儲備金	-	-	-	-	-	-	-	3,740	(3,740)	-	-	-	
Share of reserve by	少數股東權益應佔儲備	-	-	-	-	(2,314)	-	-	-	-	(2,314)	2,314	-	
minority interests														
Capital contributions	非全資附屬公司收取	-	-	-	-	-	-	-	-	-	-	71,881	71,881	
received by non-wholly	少數股東之注資													
owned subsidiaries from														
minority shareholders														
Dividend paid to	已付予少數股東之股息	-	-	-	-	-	-	-	-	-	-	(575)	(575)	
minority shareholder														
Dividend declared in	本年度已宣派股息	-	-	-	-	-	-	-	-	(15,311)	(15,311)	-	(15,311)	
respect of the current	(附註十一)													
year (note 11)														
Transfer from special	轉撥自特別儲備	-	-	(686)	-	-	-	-	-	686	-	-	-	
reserve (note 29(d)(iii))	(附註二十九(d)(iii))													
At 31 December 2005	於二零零五年 十二月三十一日	255,181	445,792	111,330	(12,614)	17,829	70	-	8,811	3,740	346,718	1,176,857	92,328	1,269,185

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(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

29. CAPITAL AND RESERVES (continued)

二十九. 股本及儲備 (續)

(b) The Company

(b) 本公司

		Share capital	Share premium	Special reserve	Capital redemption reserve	(Accumulated loss)/ retained profit	Total
		\$'000	\$'000	\$'000	\$'000	(累計虧損) / 保留盈利	\$'000
		千元	千元	千元	千元	千元	千元
At 1 January 2004	於二零零四年一月一日	254,831	2,817,279	-	70	(2,381,869)	690,311
Reduction of share premium	削減股份溢價	-	(2,372,173)	-	-	2,372,173	-
Shares issued under share option scheme	根據購股權計劃發行股份	50	98	-	-	-	148
Profit for the year	本年度盈利	-	-	-	-	152,687	152,687
Dividend declared in respect of the current year (note 11)	本年度已宣派股息 (附註十一)	-	-	-	-	(10,193)	(10,193)
Transfer to special reserve	轉撥至特別儲備	-	-	112,016	-	(112,016)	-
At 31 December 2004	於二零零四年十二月三十一日	254,881	445,204	112,016	70	20,782	832,953

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(除另有註明外，所有金額以港幣計算)

29. CAPITAL AND RESERVES (continued)

二十九. 股本及儲備 (續)

(b) The Company (continued)

(b) 本公司 (續)

		Share capital	Share premium	Special reserve	Capital redemption reserve	Retained profit	Total
		股本	股份溢價	特別儲備	資本 贖回儲備	保留盈利	總額
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元
At 1 January 2005	於二零零五年一月一日	254,881	445,204	112,016	70	20,782	832,953
Dividend approved in respect of the previous year (note 11)	去年度已批准股息 (附註十一)	-	-	-	-	(15,293)	(15,293)
Shares issued under share option scheme	根據購股權計劃 發行股份	300	588	-	-	-	888
Profit for the year	本年度盈利	-	-	-	-	107,778	107,778
Dividend declared in respect of the current year (note 11)	本年度已宣派股息 (附註十一)	-	-	-	-	(15,311)	(15,311)
Transfer from special reserve (note 29(d)(ii))	轉撥自特別儲備 (附註二十九(d)(ii))	-	-	(686)	-	686	-
At 31 December 2005	於二零零五年 十二月三十一日	255,181	445,792	111,330	70	98,642	911,015

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29. CAPITAL AND RESERVES (continued)

二十九. 股本及儲備 (續)

(c) Share capital

(c) 股本

(i) Authorised and issued share capital

(i) 法定及已發行股本

		2005 二零零五年		2004 二零零四年	
		No. of shares 股數 '000 千股	\$'000 千元	No. of shares 股數 '000 千股	\$'000 千元
Authorised:	法定:				
Ordinary shares of \$0.10 each	每股面值0.10元 之普通股	5,000,000	500,000	5,000,000	500,000
Ordinary shares, issued and fully paid:	普通股， 已發行及 悉數繳足:				
At 1 January	於一月一日	2,548,812	254,881	2,548,312	254,831
Shares issued under share option scheme	根據購股權計劃 發行之股份	3,000	300	500	50
At 31 December	於十二月三十一日	2,551,812	255,181	2,548,812	254,881

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

普通股持有人有權收取不時宣派之股息，並於本公司大會上可就每股股份享有一票投票權。就本公司之剩餘資產而言，所有普通股享有同等權利。

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(除另有註明外，所有金額以港幣計算)

29. CAPITAL AND RESERVES (continued)

(c) Share capital (continued)

(ii) Shares issued under share option scheme

On 20 May 2005, options were exercised to subscribe for 3,000,000 ordinary shares in the Company at a consideration of \$888,000 of which \$300,000 was credited to share capital and the balance of \$588,000 was credited to the share premium account.

(iii) Terms of unexpired and unexercised share options at balance sheet date

Exercise period 行使期		Exercise price 行使價	2005 二零零五年 Number 數目	2004 二零零四年 Number 數目
29 March 2004 to 25 May 2013	二零零四年三月二十九日 至二零一三年 五月二十五日	\$0.296	52,700,000	54,200,000
29 September 2004 to 25 May 2013	二零零四年九月二十九日 至二零一三年 五月二十五日	\$0.296	52,700,000	54,200,000
			<u>105,400,000</u>	<u>108,400,000</u>

Each option entitles the holder to subscribe for one ordinary share in the Company. Further details of these options are set out in note 28 to the financial statements.

二十九. 股本及儲備 (續)

(c) 股本 (續)

(ii) 根據購股權計劃發行股份

於二零零五年五月二十日，購股權持有人行使購股權，認購3,000,000股本公司普通股，代價為888,000元。其中300,000元已記入股本，餘下588,000元則記入股份溢價賬。

(iii) 於結算日尚未到期及尚未行使之購股權之條款

每股購股權賦予其持有人可認購一股本公司普通股之權利。有關購股權之進一步資料載於財務報表附註二十八。

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財務報表附註

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(除另有註明外，所有金額以港幣計算)

29. CAPITAL AND RESERVES (continued)

(d) Nature and purpose of reserves

(i) *Share premium and capital redemption reserve*

The application of the share premium account and the capital redemption reserve is governed by Sections 48B and 49H respectively of the Hong Kong Companies Ordinance.

(ii) *Special reserve*

On 5 January 2004, the Company announced its intention to put forward a proposal for the reduction of the Company's share premium account by the sum of \$2,372,172,824 (i.e. accumulated losses of the Company as at 30 September 2003) and the application of the same amount of credit arising from such reduction towards the elimination of the accumulated losses of the Company. The reduction of share premium account, approved by the shareholders at the extraordinary general meeting held on 2 February 2004, was confirmed by an order made by the High Court of Hong Kong ("the Court") on 2 March 2004 and became effective upon registration of the said order by the Registrar of Companies in Hong Kong on the same date.

二十九. 股本及儲備 (續)

(d) 儲備性質及目的

(i) *股份溢價及資本贖回儲備*

股份溢價賬及資本贖回儲備之用途分別受香港《公司條例》第四十八B條及第四十九H條規管。

(ii) *特別儲備*

於二零零四年一月五日，本公司公佈其擬提呈建議，削減本公司股份溢價賬2,372,172,824元（即本公司截至二零零三年九月三十日之累計虧損），並將削減股份溢價賬所產生之同一數額進賬金額用於抵銷本公司之累計虧損。削減股份溢價賬事項已於二零零四年二月二日舉行之股東特別大會上獲股東批准，並於二零零四年三月二日獲香港高等法院（「法院」）作出頒令予以確認及於本公司在同日向香港公司註冊處登記上述頒令後生效。

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29. CAPITAL AND RESERVES (continued)

(d) Nature and purpose of reserves (continued)

(ii) Special reserve (continued)

To safeguard the interests of the Company's creditors, the Company undertakes to the Court to create a special reserve upon the reduction of share premium account on the terms set out below:

(i) that for so long as there shall remain outstanding any debt of or claim against the Company which, if the date on which the reduction of the share premium account of the Company ("the Effective Date") were the commencement of the winding-up of the Company, would be admissible to proof in such winding-up and the person entitled to the benefit thereof shall not have consented to the said reduction of share premium account or agreed otherwise, the Company shall credit to a special reserve in the books of the Company ("the Special Reserve"):

- any amount arising by reason of a release of any provision taken into account in establishing the accumulated losses of the Company shown in the balance sheet of the management accounts of the Company for the nine months ended 30 September 2003; or

二十九. 股本及儲備 (續)

(d) 儲備性質及目的 (續)

(ii) 特別儲備 (續)

為了保障本公司債權人之權益，本公司向法院作出承諾，於削減股份溢價賬時設立一個特別儲備，條款如下：

(i) 倘於本公司削減股份溢價賬生效之日（「生效日期」）（若該日為本公司清盤開始日）公司仍有任何未清償債務或未了結申索，而此等債務或申索為本公司清盤事宜之可接納證據，且擁有權益之人仕不批准或不同意上述削減股份溢價賬事項，則本公司須把下述各項記入本公司賬目之特別儲備（「特別儲備」）下：

- 因撥回已計入本公司截至二零零三年九月三十日止九個月之管理賬目中之資產負債表內所示累計虧損之任何撥備所產生之金額；或

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財務報表附註

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(除另有註明外，所有金額以港幣計算)

29. CAPITAL AND RESERVES (continued)

(d) Nature and purpose of reserves (continued)

(ii) Special reserve (continued)

(i) (continued)

- any amount received by the Company as profit by way of distribution from a corporation which was a subsidiary or an associated company of the Company at the Effective Date (a “subsidiary” or an “associated company” respectively) which is made by such subsidiary or associated company out of profits available for distribution prior to the Effective Date or any dividend paid to the Company in respect of any liquidation of a subsidiary or an associated company commencing prior to the Effective Date; and

二十九. 股本及儲備 (續)

(d) 儲備性質及目的 (續)

(ii) 特別儲備 (續)

(i) (續)

- 本公司從一家公司收取所得作為分派盈利之金額，有關公司於生效日期為本公司附屬公司或聯營公司（分別簡稱為「附屬公司」或「聯營公司」），而上述金額乃由有關附屬公司或聯營公司利用生效日期前可供分派之盈利支付，或本公司就生效日期前已開始清盤行動之附屬公司或聯營公司收取所得之股息；及

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29. CAPITAL AND RESERVES (continued)

(d) Nature and purpose of reserves (continued)

(ii) Special reserve (continued)

(ii) the Special Reserve:

- shall not be treated as realised profits of the Company; and
- shall, for so long as the Company shall remain a limited company, be treated as an undistributable reserve of the Company for the purposes of the Companies Ordinance (Chapter 32 of the Laws of the Hong Kong Special Administrative Region of the People's Republic of China) or any statutory modification or re-enactment thereof.

Provided always that:

- (1) the Special Reserve may be applied for the same purposes as a share premium account may lawfully be applied;

二十九. 股本及儲備 (續)

(d) 儲備性質及目的 (續)

(ii) 特別儲備 (續)

(ii) 特別儲備:

- 不得被視為本公司之已變現盈利; 及
- 只要本公司仍為有限公司，根據公司條例(中華人民共和國香港特別行政區法例第32章)或法例規定就其所作之任何修改或修訂，其應被視為本公司之不可分派儲備。

惟:

- (1) 特別儲備可用作適用於股份溢價賬之合法用途;

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29. CAPITAL AND RESERVES (continued)

(d) Nature and purpose of reserves (continued)

(ii) Special reserve (continued)

(2) the amount standing to the credit of the Special Reserve may be reduced by an amount equal to any increase, after the Effective Date, in the share premium account of the Company which results from an issue of shares (other than for the purposes of any redemption or purchase by the Company of its own shares) for cash or other consideration or by way of the capitalisation of distributable profits or reserves, and the Company shall be at liberty to transfer the amount so reduced to the general reserves of the Company and the same shall become available for distribution;

(3) the amount credited to the Special Reserve in accordance with the foregoing provisions of this undertaking shall not at any time exceed \$1,762,999,500 ("the Limit");

二十九. 股本及儲備 (續)

(d) 儲備性質及目的 (續)

(ii) 特別儲備 (續)

(2) 特別儲備進賬金額可被削減，數額為在生效日期後，因發行股份（因本公司贖回或購買本身股份者除外）換取現金或其他代價或透過資本化可分派盈利或儲備而引致本公司股份溢價賬增加之數。本公司可轉撥就此減少之數至本公司之一般儲備，而有關金額可供分派之用；

(3) 根據本承諾之上述規定記入特別儲備之金額在任何時間均不得超過1,762,999,500元（「有關限額」）；

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29. CAPITAL AND RESERVES (continued)

(d) Nature and purpose of reserves (continued)

(ii) Special reserve (continued)

(4) the Limit may be reduced by the amount of any increase, after the Effective Date, in the paid-up share capital or share premium account of the Company which results from an issue of shares (other than for the purposes of any redemption or purchase by the Company of its own shares) for cash or other consideration or by way of the capitalisation of distributable profits or reserves;

(5) the Limit may be reduced upon the liquidation, disposal or other realisation, after the Effective Date, of a subsidiary, an associated company or any of the financial or fixed assets of the Company by the amount of the provision made in relation to such subsidiary, associated company or financial or fixed assets as at 30 September 2003 less such amount (if any) as credited to the Special Reserve as a result of such liquidation, disposal or realisation; and

二十九. 股本及儲備 (續)

(d) 儲備性質及目的 (續)

(ii) 特別儲備 (續)

(4) 在生效日期後，因發行股份（因本公司贖回或購買本身股份者除外）換取現金或其他代價或透過資本化可分派盈利或儲備而引致本公司之繳足股本或股份溢價賬增加之數可用作減少有關限額；

(5) 於生效日期後，在清盤、出售或以其他方式變現附屬公司、聯營公司或本公司任何財務或固定資產時，於二零零三年九月三十日就有關附屬公司、聯營公司或財務或固定資產所提撥之準備金額減上述清盤、出售或變現事項所產生之特別儲備進賬金額（如有）之數，可用作減少有關限額；及

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29. CAPITAL AND RESERVES (continued)

(d) Nature and purpose of reserves (continued)

(ii) Special reserve (continued)

(6) in the event that the amount standing to the credit of the Special Reserve at any time exceeds the Limit after any reduction of the Limit pursuant to provisos (4) and/or (5) above, the Company shall be at liberty to transfer the amount of any such excess to the general reserves of the Company and the same shall become available for distribution.

During the year, an amount of \$686,000 was transferred from the Special Reserve in accordance with the undertaking.

(iii) Reserve/(goodwill) arising on consolidation

The reserve/(goodwill) arising on consolidation has been set up and dealt with in accordance with the accounting policy set out in note 2(a).

(iv) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policy set out in note 1(t).

二十九. 股本及儲備 (續)

(d) 儲備性質及目的 (續)

(ii) 特別儲備 (續)

(6) 倘於根據上文第(4)及/或(5)條削減有關限額後特別儲備之進賬金額超過有關限額，本公司可轉撥超出之數至本公司之一般儲備，而有關金額可供分派之用。

年內，已根據上述承諾從特別儲備轉撥686,000元。

(iii) 綜合賬項所產生之儲備/(商譽)

已根據附註二(a)所載會計政策設立及處理綜合賬項所產生之儲備/(商譽)。

(iv) 匯兌儲備

匯兌儲備包括換算外國業務之財務報表所產生之所有匯兌差額。本公司根據附註一(t)所載會計政策處理儲備。

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29. CAPITAL AND RESERVES (continued)

(d) Nature and purpose of reserves (continued)

(v) Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of available-for-sale securities held at the balance sheet date and is dealt with in accordance with the accounting policies in notes 1(f) and (k).

(vi) Reserve fund

Statutory reserve – wholly foreign-owned enterprises

Subsidiaries of the Group in the PRC, which are wholly foreign-owned enterprises, follow the accounting principles and relevant financial regulations of the PRC applicable to wholly foreign-owned enterprises (“PRC GAAP – WFOE”), in the preparation of its accounting records and financial statements. Pursuant to the accounting regulations for business enterprises (企業會計制度[財會(2000)25號]), the subsidiaries are required to appropriate 10% of the profit arrived at in accordance with PRC GAAP – WFOE for each year to a statutory reserve. The profit arrived at must be used initially to set off against any accumulated losses. The appropriations to statutory reserve, after offsetting against any accumulated losses, must be made before the distribution of dividends to shareholders. The appropriation is required until the statutory reserve reaches 50% of the registered capital. This statutory reserve is not distributable in the form of cash dividends, but may be used to set off losses or be converted into paid-in capital.

二十九. 股本及儲備 (續)

(d) 儲備性質及目的 (續)

(v) 公允價值儲備

公允價值儲備包括於結算日持有之待售證券公允價值之累計變動淨額及其根據附註一(f)及(k)所載會計政策處理。

(vi) 儲備金

法定儲備—全外資企業

本集團位於中國之附屬公司均為全外資企業。彼等依據適用於全外資企業之中國會計原則及有關財務法規(「中國公認會計原則—全外資企業」)，編製會計記錄及財務報表。根據企業會計制度〔財會(2000)25號〕，附屬公司須將按照中國公認會計原則—全外資企業計算所得之盈利其中10%劃撥至法定儲備。盈利必須先用以抵銷任何累計虧損。此外，只有在劃撥盈利(已扣除任何累計虧損後)至法定儲備後方可向股東分派股息。附屬公司須一直劃撥盈利至法定儲備，直至法定儲備達至註冊資本50%為止。此法定儲備不會以現金股息形式分派，惟可用於抵銷虧損或轉換為繳足股本。

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29. CAPITAL AND RESERVES (continued)

(e) Distributability of reserves

At 31 December 2005, the aggregate amount of reserves available for distribution to equity shareholders of the Company was \$98,642,000 (2004: \$20,782,000). After the balance sheet date the directors proposed a final dividend of 0.6 cent per ordinary share (2004: 0.6 cent per share), amounting to \$15,311,000 (2004: \$15,293,000). This dividend has not been recognised as a liability at the balance sheet date.

30. FINANCIAL INSTRUMENTS

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business. These risks are limited by the Group's financial management policies and practices described below.

(a) Credit risk

Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis. Debts are usually due within 30 days from the date of billing.

Debtors of the Group represent receivables in respect of toll bridge revenue and waste-water treatment revenue which are settled on a monthly basis.

At the balance sheet date, the Group's trade debtors of \$14,343,000 were due from three customers including the largest customer of the Group. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet. The Group does not provide any guarantees which would expose the Group to credit risk.

二十九. 股本及儲備 (續)

(e) 儲備分派情況

於二零零五年十二月三十一日，可供分派予本公司股東之儲備總額為98,642,000元（二零零四年：20,782,000元）。於結算日後，董事建議派發末期股息每股普通股0.6仙（二零零四年：每股0.6仙），合共15,311,000元（二零零四年：15,293,000元）。於結算日，是項股息並無確認為負債。

三十. 金融工具

本集團在日常業務過程中承受著多種的風險，包括信貸風險、流動資金風險及貨幣風險。本集團透過下述財務管理政策及常規管理上述風險：

(a) 信貸風險

管理層設定了既定的信貸政策，並持續監察集團所面對之信貸風險。債項通常由發單日期起計30日內到期。

本集團之應收賬款指有關收費橋樑收入及污水處理收入之應收款項，有關款項按月收取。

於結算日，本集團之應收賬款14,343,000元源自三名客戶（包括本集團最大客戶）。信貸風險之最高值已於資產負債表中按各財務資產之賬面值呈列。本集團並無提供會導致本集團承受信貸風險之擔保。

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30. FINANCIAL INSTRUMENTS (continued)

(b) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to approval by the parent company's board. The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

(c) Interest rate risk

The Group's exposure to changes in interest rates relates primarily to the Group's cash and cash equivalents, bank deposits, bank loans and loans from ultimate holding company. The Group does not use financial derivatives to hedge against the interest rate risk.

三十. 金融工具 (續)

(b) 流動資金風險

本集團旗下之獨立營運實體須自行負責現金管理工作，包括現金盈餘之短期投資及籌措貸款以應付預期現金需求，惟須獲母公司董事會之批准方可作實。本集團之政策是定期監察即期及預期流動資金所需，確保集團維持充裕的現金儲備及從主要財務機構取得足夠的承諾信貸融資，以應付其短期及長期流動資金需求。

(c) 利率風險

本集團面對之利率波動風險，其主要關乎集團之現金及現金等價物、銀行存款、銀行貸款及最終控股公司貸款。本集團並無利用金融衍生工具來對沖利率風險。

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30. FINANCIAL INSTRUMENTS (continued)

(c) Interest rate risk (continued)

Effective interest rates and repricing analysis

In respect of income-earning financial assets and interest-bearing financial liabilities, the following table indicates their effective interest rates at the balance sheet date and the periods in which they reprice or the maturity dates, if earlier.

The Group

	Effective interest rate 實際利率 %	2005 二零零五年					Effective interest rate 實際利率 %	2004 二零零四年						
		Total	One year or less	1-2 years	2-5 years	More than 5 years		Total	One year or less	1-2 years	2-5 years	More than 5 years		
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	
Repricing dates for assets/(liabilities) which reprice before maturity														
Repricing dates for assets/(liabilities) which reprice before maturity	於到期日前重訂息率之資產/(負債)之重訂息率日期													
Pledged bank deposits	已抵押銀行存款	0.7%-1.9%	89,197	89,197	-	-	-	1.8%-2.3%	6,912	6,912	-	-	-	-
Cash and cash equivalents	現金及現金等價物	0.3%-1.4%	192,620	192,620	-	-	-	0.1%-0.7%	113,453	113,453	-	-	-	-
Secured bank loans	有抵押銀行貸款	5.4%	(36,965)	(6,429)	(6,429)	(19,286)	(4,821)	1.1%-1.5%	(49,393)	(12,429)	(6,429)	(19,286)	(11,249)	
			<u>244,852</u>	<u>275,388</u>	<u>(6,429)</u>	<u>(19,286)</u>	<u>(4,821)</u>		<u>70,972</u>	<u>107,936</u>	<u>(6,429)</u>	<u>(19,286)</u>	<u>(11,249)</u>	
Maturity dates for assets/(liabilities) which do not reprice before maturity														
Maturity dates for assets/(liabilities) which do not reprice before maturity	並無於到期日前重訂息率之資產/(負債)之到期日													
Deposits with bank	銀行存款	2.1%	907	907	-	-	-	1.6%-2.1%	5,854	5,854	-	-	-	-
Cash and cash equivalents	現金及現金等價物	1.6%	215,946	215,946	-	-	-	0.2%-2.4%	458,905	458,905	-	-	-	-
Secured bank loans	有抵押銀行貸款	4.1%-6.4%	(575,278)	(33,798)	(49,178)	(199,478)	(292,824)	1.5%-5.2%	(317,895)	(50,021)	(1,789)	(43,193)	(222,892)	
Loans from ultimate holding company	最終控股公司貸款	4.9%-5%	(440,480)	-	(440,480)	-	-	1.8%-5.1%	(451,705)	-	(451,705)	-	-	
			<u>(798,905)</u>	<u>183,055</u>	<u>(489,658)</u>	<u>(199,478)</u>	<u>(292,824)</u>		<u>(304,841)</u>	<u>414,738</u>	<u>(453,494)</u>	<u>(43,193)</u>	<u>(222,892)</u>	

三十. 金融工具 (續)

(c) 利率風險 (續)

實際利率及重訂息率

就賺取收入財務資產及計息財務負債而言，下表載列彼等於結算日之實際利率及彼等重訂息率之期間或到期日（如為較早者）。

本集團

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(除另有註明外，所有金額以港幣計算)

30. FINANCIAL INSTRUMENTS (continued)

(c) Interest rate risk (continued)

The Company

	Effective interest rate 實際利率 %	2005 二零零五年					Effective interest rate 實際利率 %	2004 二零零四年				
		Total 總額 \$'000 千元	One year or less \$'000 千元	1-2 years 一至二年 \$'000 千元	2-5 years 二至五年 \$'000 千元	More than 5 years 五年以上 \$'000 千元		Total 總額 \$'000 千元	One year or less \$'000 千元	1-2 years 一至二年 \$'000 千元	2-5 years 二至五年 \$'000 千元	More than 5 years 五年以上 \$'000 千元
Repricing dates for assets/(liabilities) which reprice before maturity												
Cash and cash equivalents	0.3%	30,204	30,204	-	-	-	0.1%-0.2%	4,184	4,184	-	-	-
Secured bank loans	5.4%	(36,965)	(6,429)	(6,429)	(19,286)	(4,821)	1.1%-1.5%	(49,393)	(12,429)	(6,429)	(19,286)	(11,249)
		(6,761)	23,775	(6,429)	(19,286)	(4,821)		(45,209)	(8,245)	(6,429)	(19,286)	(11,249)
Maturity dates for assets/(liabilities) which do not reprice before maturity												
Cash and cash equivalents	1.6%	198,203	198,203	-	-	-	0.2%-2.4%	439,819	439,819	-	-	-
Secured bank loans	4.1%	(25,000)	(25,000)	-	-	-	1.5%	(50,000)	(50,000)	-	-	-
Loans from ultimate holding company	4.9%-5%	(440,480)	-	(440,480)	-	-	1.8%-5.1%	(451,705)	-	(451,705)	-	-
		(267,277)	173,203	(440,480)	-	-		(61,886)	389,819	(451,705)	-	-

三十. 金融工具 (續)

(c) 利率風險 (續)

本公司

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(除另有註明外，所有金額以港幣計算)

30. FINANCIAL INSTRUMENTS (continued)

(d) Foreign currency risk

Presently, there is no hedging policy with respect to the foreign exchange exposure. The Group's transactional currencies are Chinese Renminbi and Hong Kong dollars as substantially all the turnover are within Hong Kong and other parts in the PRC. With the natural hedging of the revenue and costs being denominated in Chinese Renminbi and Hong Kong dollars, the Group's transactional foreign exchange exposure was insignificant.

With respect to borrowings denominated in United States dollars (USD), the impact of foreign exchange rate fluctuations is insignificant as the HKD is pegged to USD.

(e) Sensitivity analysis

In managing interest rate risk, the Group aims to reduce the impact of short-term fluctuations on the Group's earnings. Over the longer term, however, permanent changes in interest rates would have an impact on consolidated earnings.

At 31 December 2005, it is estimated that a general increase of one percentage point in interest rates would increase the Group's profit before tax by approximately \$2,449,000 (2004: \$710,000) so far as the effect on interest-bearing financial instruments is concerned.

三十. 金融工具 (續)

(d) 外匯風險

目前，本集團並無有關外匯風險之對沖政策。本集團之交易貨幣為人民幣及港幣，原因為基本上所有營業額均來自香港及中國其他地方。鑑於收入及成本以人民幣及港幣結算，兩者產生自然對沖作用，故本集團在交易上所承受之外匯風險甚微。

就以美元為單位之貸款而言，由於港幣與美元掛鈎，故外匯波動影響甚微。

(e) 敏感度分析

透過管理利率風險，本集團旨在減輕短期利率波動對本集團盈利之影響。然而，長期而言，利率之長期變動會對綜合盈利構成影響。

於二零零五年十二月三十一日，就計息金融工具之影響而言，據本集團估計，利息整體上升一個百分點將會使本集團之除稅前盈利增加約2,449,000元（二零零四年：710,000元）。

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30. FINANCIAL INSTRUMENTS (continued)

(f) Fair values

The fair values of cash and cash equivalents, bank deposits, debtors, other receivables, deposits and prepayments and creditors, other payables and accrued expenses are not materially different from their carrying amounts because of the immediate or short term maturity of these financial instruments. The carrying amounts of bank loans and loans from ultimate holding company approximate their fair values.

As set out in note 17, the Company had amounts due from/to subsidiaries. It is not practical to estimate the fair values of the amounts due to the related party nature of these instruments.

(g) Estimation of fair values

The following summarises the major methods and assumptions used in estimating the fair values of the following financial instruments.

(i) Securities

Fair value is based on quoted market prices at the balance sheet date without any deduction for transaction costs.

(ii) Interest-bearing loans and borrowings

The fair value is estimated as the present value of future cash flows, discounted at current market interest rates for similar financial instruments.

三十. 金融工具 (續)

(f) 公允值

現金及現金等價物、銀行存款、應收賬款、其他應收款項、按金及預付款項，以及應付賬款、其他應付款項及應計費用等項目之公允值與彼等之賬面值並無重大差異，原因為此等金融工具均屬即時或於短期內到期。銀行貸款及最終控股公司貸款之公允值與彼等之賬面值相若。

誠如附註十七所載，本公司具有應收／應付附屬公司款項。由於彼等屬關聯人仕性質，故不宜估計有關款項之公允值。

(g) 公允值估計

下文概述在估計下列金融工具公允值時使用之主要方法及假設。

(i) 證券

公允值乃按結算日之市場報價計算，而並無扣除任何交易成本。

(ii) 計息貸款及借款

公允值按未來現金流量之現值，以類似金融工具可得之現有市場利率貼現估計計算。

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(除另有註明外，所有金額以港幣計算)

31. ACQUISITION OF BUSINESS

On 1 December 2005, the Group acquired the waste-water treatment business together with the corresponding assets and liabilities (“the Acquired Business”) from Zibo Finance Bureau and Zibo Environmental Waste Water Treatment Company at a consideration of RMB224,055,000 (equivalent to approximately HK\$214,891,000). For the one month ended 31 December 2005, the Acquired Business contributed net profit of \$268,000 to the consolidated net profit for the year. It is impracticable to disclose the impact on the Group’s revenue and net profit had the acquisition occurred on 1 January 2005 since the Acquired Business was previously held by the local government authorities in the PRC and no waste-water treatment revenue was charged for the waste-water treated.

The acquisition had the following effect on the Group’s assets and liabilities.

三十一. 收購業務

於二零零五年十二月一日，本集團向淄博市財政局及淄博市環保污水處理公司收購污水處理業務，連同相關資產及負債（「收購業務」），代價為人民幣224,055,000元（相等於約港幣214,891,000元）。於截至二零零五年十二月三十一日止一個月，收購業務為本年度之綜合淨盈利貢獻淨盈利268,000元。按收購事項於二零零五年一月一日已發生之假設披露其對本集團收入及淨盈利之影響並不切實際，原因為收購業務原先由中國當地政府持有，且並無就已處理之污水收取污水處理費。

收購事項對本集團之資產及負債構成下列影響。

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31. ACQUISITION OF BUSINESS (continued)

三十一. 收購業務 (續)

The Acquired Business's net assets at the acquisition date:

收購業務於收購日之資產淨額：

		Carrying amounts	Fair value adjustments	Recognised values
		賬面值	公允值調整	已確認價值
		\$'000	\$'000	\$'000
		千元	千元	千元
Property, plant and equipment	物業、廠房及設備	103,179	(3,185)	99,994
Interest in leasehold land held for own use under operating lease	根據經營租賃持作 自用之租賃土地 權益	97,361	(31,285)	66,076
Intangible assets	無形資產	–	34,548	34,548
Deferred tax assets	遞延稅項資產	–	356	356
Debtors, other receivables, deposits and prepayments	應收賬款、其他應收 款項、按金及預付款項	15,124	–	15,124
Cash and cash equivalents	現金及現金等價物	281	–	281
Accrued expenses	應計費用	–	(3,591)	(3,591)
		<u>215,945</u>	<u>(3,157)</u>	<u>212,788</u>
Net identifiable assets and liabilities	可辨別資產及負債 淨額			212,788
Goodwill arising on acquisition (note 16)	收購產生之商譽 (附註十六)			<u>2,103</u>
Consideration, satisfied in cash	代價，以現金支付			214,891
Balance payment shown as other payable in the consolidated balance sheet	在綜合資產負債表 列作「其他應付款項」 之餘額付款			(114,727)
Cash acquired	收購所得現金			<u>(281)</u>
Net cash outflow	現金流出淨額			<u>99,883</u>

Goodwill has arisen on acquisition of the Acquired Business because of assembled workforce that did not meet the criteria for recognition as an intangible asset at the date of acquisition.

在收購收購業務時產生商譽，原因為於收購日期「人力資源」未能符合確認為無形資產之準則。

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32. MATERIAL RELATED PARTY TRANSACTIONS

In addition to the transactions and balances disclosed elsewhere in these financial statements, the Group entered into the following material related party transactions.

- (a) The Group entered into the following related party transactions with its ultimate holding company, China Everbright Holdings Company Limited (“CEH”):

– Interest expense	– 利息支出
– Rental income for provision of office premises	– 提供辦公室單位之租金收入

- (b) The Group entered into the following related party transaction with an associate:

Service expense for operation of waste-water treatment plant (note 32(g))	有關營運污水處理廠之服務開支 (附註三十二(g))
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三十二. 與關聯人仕之重大交易

除此等財務報表其他部份所披露之交易及結餘外，本集團曾與關聯人仕進行下列重大交易：

- (a) 本集團與其最終控股公司中國光大集團有限公司（「光大集團」）有以下之關聯人仕交易：

2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
17,141	10,712
<u>999</u>	<u>730</u>

- (b) 本集團曾與一家聯營公司訂立下列關聯人仕交易：

2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
18,800	–
<u>18,800</u>	<u>–</u>

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32. MATERIAL RELATED PARTY TRANSACTIONS (continued)

三十二. 與關聯人仕之重大交易 (續)

- (c) The Group entered into the following related party transactions with the minority shareholders of non-wholly owned subsidiaries of the Group:

- (c) 本集團曾與其非全資附屬公司之少數股東訂立下列關聯人仕交易：

	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
Waste-water treatment revenue (note 32(g))	52,423	—
Technical service expense	2,211	—
Operating lease charge in respect of waste-water treatment facilities	959	—
	<u>55,693</u>	<u>—</u>

- (d) The Group entered into the following related party transactions with subsidiaries of a minority shareholder of a non-wholly owned subsidiary of the Group:

- (d) 本集團曾與其非全資附屬公司之少數股東之附屬公司訂立下列關聯人仕交易：

	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
— Fee paid/payable for work performed in connection with the construction of waste-water treatment plant pursuant to an engineering, procurement and construction contract and a service contract	51,446	—
— Purchase of equipment	3,114	—
	<u>54,560</u>	<u>—</u>

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(除另有註明外，所有金額以港幣計算)

32. MATERIAL RELATED PARTY TRANSACTIONS (continued)

- (e) The Group paid key management personnel compensation as follows:

Salaries and other short-term employee benefits	薪金及其他短期 僱員權利
Retirement scheme contributions	退休計劃供款

Total remuneration is included in “staff costs” (see note 5(b)).

三十二. 與關聯人仕之重大交易 (續)

- (e) 本集團已支付予主要管理人員之個人報酬如下：

2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
16,883	11,207
319	234
17,202	11,441

酬金總額計入「員工成本」內(見附註五(b))。

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32. MATERIAL RELATED PARTY TRANSACTIONS (continued)

(f) Included in the balance sheets are the following balances with related parties:

	The Group 本集團		The Company 本公司	
	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
Amount due from minority shareholder (included in debtors, other receivables, deposits and prepayments)	4,595	-	-	-
Deposits placed with related party bank (included in cash and cash equivalents)	27,394	49,003	(23,737)	288
Loans from ultimate holding company	(535,628)	(545,206)	(440,480)	(451,705)
Amount due to ultimate holding company	-	(9,186)	-	(8,559)
Amounts due to minority shareholders	(575)	(7,962)	-	-
Amount due to minority shareholder (included in creditors, other payables and accrued expenses)	(18,756)	-	-	-
Amount due to associate (included in creditors, other payables and accrued charges)	(1,393)	-	-	-
Amounts due to related companies (included in creditors, other payables and accrued expenses)	(32,012)	-	-	-

(g) During the year ended 31 December 2005, the Group entered into certain continuing connected transactions. The Company's independent non-executive directors have reviewed these transactions. Details of which are disclosed under the paragraph "Continuing connected transactions" in the report of the directors.

三十二. 與關聯人仕之重大交易 (續)

(f) 包括在資產負債賬內有下列與關聯人仕之結餘：

	The Group 本集團		The Company 本公司	
	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
應收少數股東款項 (包括在應收賬款、 其他應收款項、 按金及預付款項內)	4,595	-	-	-
存放於關聯人仕銀行 之存款(包括在現金 及現金等價物內)	27,394	49,003	(23,737)	288
最終控股公司貸款	(535,628)	(545,206)	(440,480)	(451,705)
應付最終控股公司 款項	-	(9,186)	-	(8,559)
應付少數股東款項	(575)	(7,962)	-	-
應付少數股東款項 (包括在應付賬款、 其他應付款項及 應計費用內)	(18,756)	-	-	-
應付聯營公司款項 (包括在應付賬款、 其他應付款項及 應計費用內)	(1,393)	-	-	-
應付關聯公司款項 (包括在應付賬款、 其他應付款項及 應計費用內)	(32,012)	-	-	-

(g) 截至二零零五年十二月三十一日止年度，本集團訂立了若干持續關連交易。本公司之獨立非執行董事已審閱有關交易。有關交易詳情在董事會報告中「持續關連交易」段落下披露。

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33. COMMITMENTS

三十三. 承擔

- (a) Capital commitments outstanding at 31 December 2005 not provided for in the financial statements were as follows:

- (a) 於二零零五年十二月三十一日，並無在財務報表中撥備之資本承擔如下：

		The Group 本集團		The Company 本公司	
		2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
Contracted for	已訂約	289,081	235,630	27,564	58,480
Authorised but not contracted for	已授權但未訂約	19,667	—	—	—
		308,748	235,630	27,564	58,480

- (b) At 31 December 2005, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

- (b) 於二零零五年十二月三十一日，根據不可解除的經營租賃在日後應付的最低租賃付款額總數如下：

		The Group 本集團	
		2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
Within 1 year	一年內	1,341	287
After 1 year but within 5 years	一年後但五年內	3,836	165
After 5 years	五年後	13,427	—
		18,604	452

The Group leases waste-water treatment facilities from a minority shareholder under an operating lease. The lease runs for twenty years, with an option to renew the lease for a further five years. The Group also leases a number of properties under operating leases. The leases typically run for an initial period of one to two years. None of the leases includes contingent rentals.

本集團根據經營租賃向一名少數股東租賃污水處理設施。有關租賃為期二十年，並可選擇續租五年。此外，本集團根據經營租賃租賃多項物業。有關租賃一般初步為期一至兩年，且並不包括或有租金。

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(Expressed in Hong Kong dollars unless otherwise indicated)
(除另有註明外，所有金額以港幣計算)

34. CONTINGENT LIABILITIES

At 31 December 2004, there were contingent liabilities in respect of guarantees given to banks by the Company for end user financing guarantees and undertakings executed by a disposed associate to banks amounting to \$745,000. Such contingent liabilities were released as at 31 December 2005.

35. PLEDGE OF ASSETS

Details of assets pledged are set out in note 23. The aggregate net book value of assets pledged amounted to approximately \$662,693,000 as at 31 December 2005 (2004: \$300,607,000).

36. COMPARATIVE FIGURES

Certain comparative figures have been reclassified as a result of the changes in accounting policies. Further details are disclosed in note 2.

37. PARENT AND ULTIMATE HOLDING COMPANY

At 31 December 2005, the directors consider the parent and ultimate controlling party of the Group to be Guildford Limited and China Everbright Holdings Company Limited, which are incorporated in BVI and Hong Kong respectively. Neither of them produces financial statements available for public use.

三十四. 或有負債

於二零零四年十二月三十一日，本公司因一家已出售聯營公司向銀行簽立最終用戶融資擔保與保證書而向有關銀行提供擔保所承擔之或有負債為745,000元。於二零零五年十二月三十一日，此項或有負債經已解除。

三十五. 資產抵押

已抵押資產詳情載於附註二十三。於二零零五年十二月三十一日，已抵押資產之賬面淨值總額約為662,693,000元（二零零四年：300,607,000元）。

三十六. 比較數字

若干比較數字已因應會計政策變動而重新分類。進一步詳情載於附註二。

三十七. 母公司及最終控股公司

於二零零五年十二月三十一日，董事認為本集團之母公司及最終控股公司分別為Guildford Limited及中國光大集團有限公司，彼等分別於英屬處女群島及香港註冊成立。彼等均無編製財務報表以供公眾人士取用。

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(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

38. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE ANNUAL ACCOUNTING PERIOD ENDED 31 DECEMBER 2005

Up to the date of issue of these financial statements, the HKICPA has issued the following amendments, new standards and interpretations which are not yet effective for the accounting period ending 31 December 2005 and which have not been adopted in these financial statements:

三十八. 已公佈但於截至二零零五年十二月三十一日止年度之會計期間尚未生效之修訂、新準則及詮釋之可能影響

於此等財務報表刊發日期，香港會計師公會已公佈以下修訂、新準則及詮釋。該等修訂、準則及詮釋於截至二零零五年十二月三十一日之會計期間尚未生效，此等財務報表亦無採用該等修訂、準則及詮釋。

**Effective for
accounting periods
beginning on or after**
自以下日期或之後
開始之會計期間生效

HKFRS 6 香港財務報告準則第6號	Exploration for and evaluation of mineral resources 礦產資源估值之勘探	1 January 2006 二零零六年一月一日
HK(IFRIC) 4 香港財務報告準則詮釋第4號	Determining whether an arrangement contains a lease 釐定一項安排是否包含租賃	1 January 2006 二零零六年一月一日
HK(IFRIC) 5 香港財務報告準則詮釋第5號	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds 於解除運作、修復及環保修復基金產生之權益	1 January 2006 二零零六年一月一日
HK(IFRIC) 6 香港財務報告準則詮釋第6號	Liabilities arising from participating in a specific market – Waste electrical and electronic equipment 參與特定市場－電力及電子設備廢料所產生之責任	1 December 2005 二零零五年十二月一日

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(除另有註明外，所有金額以港幣計算)

38. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE ANNUAL ACCOUNTING PERIOD ENDED 31 DECEMBER 2005 (continued)

三十八. 已公佈但於截至二零零五年十二月三十一日止年度之會計期間尚未生效之修訂、新準則及詮釋之可能影響 (續)

		Effective for accounting periods beginning on or after 自以下日期或之後 開始之會計期間生效
Amendments to HKAS 19 香港會計準則第19號之修訂	Employee benefits – Actuarial Gains and Losses, Group Plans and Disclosures 僱員福利－精算盈虧、集團計劃及披露	1 January 2006 二零零六年一月一日
Amendments to HKAS 39 香港會計準則第39號之修訂	Financial instruments: 金融工具： <i>Recognition and measurement:</i> 確認及計量：	
	– Cash flow hedge accounting of forecast intragroup transactions 預計集團內部交易之現金流量 對沖會計法	1 January 2006 二零零六年一月一日
	– The fair value option 公平定值方案	1 January 2006 二零零六年一月一日
	– Financial guarantee contracts 財務擔保	1 January 2006
合約	二零零六年一月一日	
Amendments, as a consequence of the Hong Kong Companies (Amendment) Ordinance 2005, to:	二零零五年香港公司 (修訂) 條例之 修訂項目：	
– HKAS 1 香港會計準則第1號	Presentation of financial statements 財務報表之呈報	1 January 2006 二零零六年一月一日
– HKAS 27 香港會計準則第27號	Consolidated and separate financial statements 綜合及獨立財務報表	1 January 2006 二零零六年一月一日
– HKFRS 3 香港財務報告準則第3號	Business combinations 業務合併	1 January 2006 二零零六年一月一日

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38. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE ANNUAL ACCOUNTING PERIOD ENDED 31 DECEMBER 2005 (continued)

三十八. 已公佈但於截至二零零五年十二月三十一日止年度之會計期間尚未生效之修訂、新準則及詮釋之可能影響 (續)

		Effective for accounting periods beginning on or after 自以下日期或之後 開始之會計期間生效
HKFRS 7 香港財務報告準則第7號	Financial instruments: disclosures 金融工具：披露	1 January 2007 二零零七年一月一日
Amendments to HKAS 1 香港會計準則第1號之修訂	Presentation of financial statements: capital disclosures 財務報告之呈報：資本披露	1 January 2007 二零零七年一月一日

In addition, the Hong Kong Companies (Amendment) Ordinance 2005 came into effect on 1 December 2005 and would be first applicable to the Group's financial statements for the period beginning 1 January 2006.

此外，《二零零五年香港公司（修訂）條例》已於二零零五年十二月一日生效，本集團將於二零零六年一月一日起計算之財務報表內率先採納此項條例。

The Group is in the process of making an assessment of what the impact of these amendments, new standards and new interpretations is expected to be in the period of initial application but is not yet in a position to state whether these amendments, new standards and interpretations would have a significant impact on its results of operations and financial position.

本集團正評估該等修訂、新準則及新詮釋在首個應用期產生之影響，惟目前未能確定該等修訂、新準則及新詮釋會否對其經營業績及財政狀況構成重大影響。