

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

截至二零零六年三月三十一日止年度

1. General

The Company is a public limited company incorporated in the Cayman Islands with its shares listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The address of its registered office is Ugland House, South Church Street, P.O. Box 309, George Town, Grand Cayman, Cayman Islands, British West Indies. The principal place of business is 2nd Floor, Wah Kit Commercial Centre, 302 Des Voeux Road Central, Hong Kong.

As at the date of this report, CCAA Group Limited was directly interested in 868,554,237 shares in, representing approximately 69.31% of, the issued share capital of the Company.

The Company is principally engaged in investment holding. Its subsidiaries are principally engaged in the provision of a wide range of financial services including securities broking, futures broking, securities margin financing, money lending, corporate finance advisory, assets management and property investment.

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

(1) 概況

本公司乃於開曼群島註冊成立有限責任之公眾公司，其股份於香港聯合交易所有限公司（「聯交所」）上市。本公司之註冊地址為Ugland House, South Church Street, P.O. Box 309, George Town, Grand Cayman, Cayman Islands, British West Indies。其主要營業地點位於香港德輔道中302號華傑商業中心2樓。

於本報告所載之日，CCAA Group Limited 直接擁有本公司868,554,237股股份，約佔本公司已發行股本之69.31%。

本公司的主要業務是投資控股，其附屬公司之主要業務為提供廣泛種類金融服務，包括證券經紀、期貨經紀、孖展融資、貸款融資、企業融資顧問、資產管理及物業投資。

財務報表以港元呈列，與本公司之功能貨幣相同。

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2. Application of Hong Kong Financial Reporting Standards (“HKFRSs”)/Changes in accounting policies

The following new and revised HKFRSs affect the Group and the Company and are adopted for the first time for the current year’s financial statements:

HKAS 1
香港會計準則第1號
HKAS 7
香港會計準則第7號
HKAS 8
香港會計準則第8號
HKAS 10
香港會計準則第10號
HKAS 12
香港會計準則第12號
HKAS 14
香港會計準則第14號
HKAS 16
香港會計準則第16號
HKAS 17
香港會計準則第17號
HKAS 18
香港會計準則第18號
HKAS 19
香港會計準則第19號
HKAS 21
香港會計準則第21號
HKAS 23
香港會計準則第23號
HKAS 24
香港會計準則第24號
HKAS 27
香港會計準則第27號
HKAS 28
香港會計準則第28號
HKAS 32
香港會計準則第32號
HKAS 33
香港會計準則第33號
HKAS 36
香港會計準則第36號
HKAS 37
香港會計準則第37號
HKAS 38
香港會計準則第38號
HKAS 39
香港會計準則第39號
HKAS 39 (Amendment)
香港會計準則第39號(修訂本)
HKFRS 3
香港財務報告準則第3號

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Leases
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Revenue
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Employee Benefits
僱員福利
The Effects of Changes in Foreign Exchange Rates
外幣匯率變動之影響
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於聯營公司之投資
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財務工具：披露及呈列
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Impairment of Assets
資產減值
Provisions, Contingent Liabilities and Contingent Assets
撥備、或然負債及或然資產
Intangible Assets
無形資產
Financial Instruments: Recognition and Measurement
財務工具：確認及計量
Transition and Initial Recognition of Financial Assets and Financial Liabilities
財務資產及財務負債之過渡及首次確認
Business Combinations
業務合併

2. 應用香港財務報告準則(「香港財務報告準則」)/會計政策之變動

以下為於本年度財務報表首次採納並對本集團及本公司構成影響之新增及經修訂香港財務報告準則：

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2. Application of Hong Kong Financial Reporting Standards (“HKFRSs”)/Changes in accounting policies (Continued)

The adoption of HKASs 7, 8, 10, 12, 14, 16, 17, 18, 19, 21, 23, 24, 27, 28, 32, 33, 36, 37 and 39 has had no material impact on the accounting policies of the Group and the Company and on the methods of computation in the Group’s and the Company’s financial statements.

The Group has early adopted the following HKFRSs in the Group’s financial statements for the year ended 31st March, 2005:

a) HKFRS 3 Business Combinations

HKFRS 3 requires that any excess of the acquirer’s interest in the net fair value of the acquiree’s identifiable assets, liabilities and contingent liabilities over the costs of the business combination should be recognised immediately in the consolidated income statement. The recognition of negative goodwill in the balance sheet is prohibited, whereas previously, negative goodwill was released to income over a number of accounting periods, based on an analysis of the circumstances from which the balance resulted and was reported as a deduction from assets in the balance sheet.

b) HKAS 40 Investment Property

HKAS 40 prescribes the recognition and measurement criteria applying to investment properties, together with the required disclosure in respect thereof. The impact of the early adoption of this HKAS on the consolidated financial statements is that changes in the fair value of investment properties are recognised in the consolidated income statement for the year in which they arise, whereas previously changes in the fair value of investment properties were dealt with as movements in the investment property revaluation reserve and, if the total of this reserve was insufficient to cover a deficit on a portfolio basis, the excess of the deficit was charged to the consolidated income statement.

Therefore the two HKFRSs in (a) and (b) above have no impact on the accounting policies of the Group and the Company and on the methods of computation in the Group’s and the Company’s financial statements for the year ended 31st March, 2006.

2. 應用香港財務報告準則（「香港財務報告準則」）／會計政策之變動（續）

採納香港會計準則第7、8、10、12、14、16、17、18、19、21、23、24、27、28、32、33、36、37及39號並無對本集團及本公司之會計政策以及本集團及本公司財務報表之計算方法構成重大影響。

本集團於截至二零零五年三月三十一日止年度之財務報表提早採納下列香港財務報告準則：

a) 香港財務報告準則第3號「業務合併」

香港財務報告準則第3號要求收購方於被收購方可識別資產、負債及或然負債之公平淨值之權益超出業務合併成本時應即時於綜合收益表確認。於早前，負商譽根據不同情況下所產生之結餘作分析而於數個會計年度攤分至收益及於資產負債表中報告為資產之遞減，現則禁止於資產負債表確認負商譽。

b) 香港會計準則第40號「投資物業」

香港會計準則第40號釐定了投資物業採納之確認及量度條件，及就此方面之規定披露。提早採納此香港會計準則於綜合財務報表之影響為投資物業公平值之改變將於其發生之年度於綜合收益表確認，反之早前投資物業公平值的變化於投資物業重估儲備變動中處理。如此儲備之總數不足以釐清以組合作根據之虧損，此超出之虧損將於綜合收益表中扣減。

因此，上文(a)及(b)兩項香港財務報告準則並無對本集團及本公司之會計政策以及本集團及本公司截至二零零六年三月三十一日止年度財務報表之計算方法構成重大影響。

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2. **Application of Hong Kong Financial Reporting Standards (“HKFRSs”)/Changes in accounting policies (Continued)**

The impact of adopting the other HKFRSs is summarised as follows:

i) *Intangible assets:*

Before 31st March, 2005, intangible assets were amortised over their estimated useful lives. HKAS 38 Intangible Assets requires intangible assets to be assessed at the individual asset level as having either finite or indefinite life. A finite-life intangible asset is amortised over its estimated useful life whereas an intangible asset with an indefinite useful life is carried at cost less accumulated impairment losses (if any). Intangible assets with indefinite lives are not subject to amortisation but are tested for impairment annually or more frequently when there are indications of impairment. In accordance with the transitional provisions in HKAS 38, the Group reassessed the useful lives of its trading rights in the exchanges in Hong Kong on 1st April, 2005 and concluded that the trading rights have indefinite useful lives. The Group has applied the revised useful lives prospectively and discontinued amortising the trading rights from 1st April, 2005 onwards. No amortisation has been charged in relation to the trading rights for the year ended 31st March, 2006. Had the Company not adopting HKAS 38, the profit of the Group would have been decreased by HK\$340,000 for the year ended 31st March, 2006.

ii) *HKAS 17*

The adoption of revised HKAS 17 has resulted in a change in the accounting policy relating to the reclassification of leasehold land from fixed assets to operating leases if the land element can be split reliably. The up-front prepayments made for the leasehold land will then be expensed in the income statement on a straight-line basis over the period of the lease. It is determined that the values of the land and building elements of the Group’s leasehold properties cannot be split reliably. The entire lease is treated as a finance lease.

2. **應用香港財務報告準則（「香港財務報告準則」）／會計政策之變動（續）**

採納其他香港財務報告準則之影響概述如下：

i) *無形資產*

於二零零五年三月三十一日之前，無形資產乃按估計可使用年期攤銷。香港會計準則第38號「無形資產」規定，無形資產須按個別資產之年期有限或無限期性予以評估。有限年期之無形資產乃按其估計可使用之年期攤銷，而無限期之無形資產則按成本減累計減值虧損（如有）列帳。無限期年期之無形資產無須攤銷，惟會每年進行減值測試，或於跡象顯示有減值時更頻密地進行減值測試。根據香港會計準則第38號之過渡性條文，本集團已於二零零五年四月一日重新評估其於香港證券交易所之交易權之可使用年期，其結論為交易權具無限期可使用年期。本集團已提前採納經修訂之可使用年期，並自二零零五年四月一日起終止對交易權作出攤銷。截至二零零六年三月三十一日止年度，並無就交易權作出攤銷。倘本公司並無採納香港會計準則第38號，本集團截至二零零六年三月三十一日止年度之溢利將減少340,000港元。

ii) *香港會計準則第17號*

採納經修訂之香港會計準則第17號導致租賃土地之會計政策出現變動，對能可靠分配之土地部分由固定資產重新分類為經營租賃。為取得租賃土地而預付之款項，將按直線法於租賃期內計入收益表。本集團租賃物業之土地及樓宇部分之價值無法可靠地作出分配，整份租賃作為融資租賃處理。

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2. Application of Hong Kong Financial Reporting Standards (“HKFRSs”)/Changes in accounting policies (Continued)

The impact of adopting the other HKFRSs is summarised as follows: (continued)

iii) HKAS 24 has expanded the definition of related parties and affected the Group’s related party disclosures.

iv) The Group has not early applied the following new standards and interpretations that have been issued but are not yet effective and might have financial impacts on the Group’s financial statements. The directors of the Company anticipate that the application of these Standards or Interpretations will have no material impact on the consolidated financial statements of the Group.

- HKAS 1 (Amendment)
香港會計準則第1號(修訂本)
- HKAS 19 (Amendment)
香港會計準則第19號(修訂本)
- HKAS 21 (Amendment)
香港會計準則第21號(修訂本)
- HKAS 39 (Amendment)
香港會計準則第39號(修訂本)
- HKAS 39 (Amendment)
香港會計準則第39號(修訂本)
- HKAS 39 & HKFRS 4
(Amendments)
香港會計準則第39號及
香港財務報告準則第4號(修訂本)
- HKFRS 7
香港財務報告準則第7號
- HK(IFRIC)-Int 4
香港(IFRIC)－詮釋第4號
- HK(IFRIC)-Int 7
香港(IFRIC)－詮釋第7號

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

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

³ Effective for annual periods beginning on or after 1st March, 2006.

2. 應用香港財務報告準則(「香港財務報告準則」)/會計政策之變動(續)
採納其他香港財務報告準則之影響概述如下：(續)

iii) 香港會計準則第24號擴大關連人士之定義，並影響本集團關連人士之披露。

iv) 本集團並無提早應用下列已頒佈但尚未生效且對本集團之財務報表可能構成財務影響之新準則及詮釋。本公司董事預期應用此等準則或詮釋將不會對本集團之綜合財務報表構成重大影響。

- Capital Disclosures¹
股本披露¹
- Actuarial Gains and Losses, Group Plans and Disclosures²
精算收益及虧損、集團計劃及披露²
- Net Investment in a Foreign Operation²
海外業務之投資淨額²
- Cash Flow Hedge Accounting of Forecast Intragroup Transactions²
預計集團內交易之現金流量對沖會計²
- The Fair Value Option²
公平值選擇權²
- Financial Guarantee Contracts²
財務擔保合約²
- Financial Instruments: Disclosures¹
財務工具：披露¹
- Determining Whether an Arrangement contains a Lease²
釐定安排是否包括租賃²
- Applying the Restatement Approach under HKAS 29
“Financial Reporting in Hyperinflationary Economies”³
應用根據香港會計準則第29號「高通脹經濟財務報告」之重列模式³

¹ 於二零零七年一月一日或以後開始之年度期間生效

² 於二零零六年一月一日或以後開始之年度期間生效

³ 於二零零六年三月一日或以後開始之年度期間生效

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3. Significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented.

a) Basis of preparation:

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (which also include Hong Kong Accounting Standards and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants and accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). The financial statements have been prepared under the historical cost convention, as modified with respect to the measurement of investment properties.

b) Basis of consolidation:

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries.

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

All significant intercompany transactions and balances within the Group have been eliminated on consolidation.

c) Goodwill and negative goodwill (capital reserve)

Goodwill arising on acquisitions on or after 1st January, 2005

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

Capitalised goodwill arising on an acquisition of a subsidiary is presented separately in the balance sheet.

3. 主要會計政策

編製該等綜合財務報表所應用之主要會計政策載列如下。該等政策均貫徹應用於所呈報之所有年度。

a) 編製基準：

本財務報表乃按照香港會計師公會頒佈之香港財務報告準則(亦包括香港會計準則及詮釋)、香港公認會計原則、香港公司條例之規定及聯交所證券上市規則(「上市規則」)而編製。本財務報表乃根據歷史成本常規法編製，並根據投資物業之計算法而作出修訂。

b) 綜合基準：

綜合財務報表包括本公司及其附屬公司之財務報表。

年內收購或出售附屬公司之業績已包括在綜合收益表內由收購生效當日起計或計至出售生效當日(如適用者)。

所有集團公司間之主要交易及結存，已於綜合帳項時撇銷。

c) 商譽及負商譽(資本儲備)

於二零零五年一月一日或之後收購所產生之商譽

收購一間附屬公司(協議日期為於二零零五年一月一日或之後)產生之商譽乃指收購成本超逾本集團於收購當日應佔相關附屬公司可識別資產、負債及或然負債公平值之權益之差額。有關商譽乃按成本減任何累計減值虧損列帳。

收購附屬公司產生之資本化商譽乃於資產負債表內分開列帳。

3. Significant accounting policies (Continued)

c) Goodwill and negative goodwill (capital reserve)
(Continued)*Impairment testing on capitalised goodwill*

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

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

Excess of an acquirer's interest in the net fair value of an acquirer's identifiable assets, liabilities and contingent liabilities over cost ("discount on acquisitions")

A discount on acquisition arising on an acquisition of a subsidiary for which an agreement date is on or after 1st January, 2005 represents the excess of the net fair value of an acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the business combination. Discount on acquisition is recognised immediately in profit or loss. A discount on acquisition arising on an acquisition of an associate or a jointly controlled entity is included as income in the determination of the investor's share of results of the associate or jointly controlled entity in the period in which the investment is acquired.

3. 主要會計政策 (續)

c) 商譽及負商譽 (資本儲備) (續)

資本化商譽之減值測試

就減值測試而言，收購所產生之商譽乃被分配到各有關賺取現金單位，或賺取現金單位之組別，預期彼等從收購之協同效應中受益。已獲配商譽之賺取現金單位每年及凡單位有可能出現減值之跡象時進行減值測試。就於某個財政年度之收購所產生之商譽而言，已獲配商譽之現金賺取單位於該財政年度完結前進行減值測試。當賺取現金單位之可收回金額少於該單位之帳面值，則減值虧損被分配，以削減首先分配到該單位，及其後以單位各資產之帳面值為基準按比例分配到該單位之其他資產之任何商譽之帳面值。商譽之任何減值虧損乃直接於收益表內確認。商譽之減值虧損於其後期間不予撥回。

於其後出售附屬公司時，則被資本化商譽之應佔金額於出售時計入釐定損益之金額。

收購方應佔被收購公司之可識別資產、負債及或然負債之公平價值淨額高於成本之差額 (「收購折讓」)

於協議日期為二零零五年一月一日或之後收購之附屬公司產生之收購折讓，指應佔被收購公司之可識別資產、負債及或然負債之公平值淨額高出業務合併成本之差額。收購折讓即時確認為損益。因收購聯營公司或共同控制實體所產生之收購折讓乃計入用作釐定收購投資期間投資者應佔聯營公司或共同控制實體業績之收入。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

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3. Significant accounting policies (Continued)

d) Property, plant and equipment:

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the assets to working condition and location for its intended use. Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance and overhaul cost, is normally charged to the income statement in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment, the expenditure is capitalised as an additional cost of the asset.

Depreciation is provided to write off the cost or fair value of items of property, plant and equipment over their estimated useful lives, using the straight-line method, at the following rates per annum:

Leasehold land and buildings	Over the remaining terms of the leases
租賃土地及樓宇	按租約剩餘期限
Furniture, fixtures and equipment	15% – 30%
家具、裝置及設備	15% – 30%
Motor vehicles	15% – 30%
汽車	15% – 30%
Leasehold improvement	20%
租賃物業裝修	20%

The land and buildings elements of a lease of land and buildings are considered separately for the purposes of lease classification, unless the lease payments cannot be allocated reliably between the land and buildings elements, in which case, the entire lease is generally treated as a finance lease.

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

3. 主要會計政策 (續)

d) 物業、機器及設備：

物業、機器及設備乃按成本值減累積折舊及累積減值損失後列帳。物業、機器及設備項目成本包括其購買價以及使資產達至現行運作狀況及運往現址原定用途的直接應佔成本。物業、機器及設備項目投入運作後所產生的開支，例如維修保養及翻新費用，通常於產生該等開支時之期間於收益表扣除。倘可以清楚顯示開支可導致預計使用物業、機器及設備項目所帶來之未來經濟利益有所增加之情況下，則該開支將資本化，作為該項資產之額外成本。

物業、機器及設備項目乃按其估計可使用年限，以直線法按下列年率撇銷成本或公平值計算折舊：

就租賃分類而言，租賃土地及樓宇中土地及樓宇部分乃分開計算，除非租金支出無法可靠地在土地及樓宇部分之間作出分配，則在該情況下，整份租賃一般作為融資租賃處理。

物業、機器及設備項目乃於出售後或當預期持續使用該資產將不會產生未來經濟利益時取消確認。於取消確認該資產時產生之任何收益或虧損（以出售所得款項淨額與該項目之帳面值之差額計算）乃計入於該項目取消確認年度之收益表內。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

截至二零零六年三月三十一日止年度

3. Significant accounting policies (Continued)

e) Investment properties:

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

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

f) Subsidiaries:

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Investments in subsidiaries are included in the Company's balance sheet at cost less any impairment loss. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

3. 主要會計政策 (續)

(e) 投資物業：

於初次確認時，投資物業按成本（包括任何直接應佔費用）計量。於初次確認後，投資物業採用公平值模式計量。因投資物業之公平值變動所產生之損益於產生期間計入盈利或虧損。

投資物業於出售、或當投資物業永久地撤銷用途或預期有關出售不會產生經濟利益時，方會解除確認。解除確認資產所產生之損益（按出售所得款淨額與資產帳面值之差額計算）於解除確認年內計入收益表。

(f) 附屬公司：

附屬公司是本集團有權控制其財務及營運政策的公司（包括特別功能機構），通常連同擁有其過半數投票權之股權。在評估本集團是否控制另一實體時，會考慮是否存在即可行使或可轉換潛在投票權及其作用。

於附屬公司之投資乃按成本值減任何減值虧損於本公司之資產負債表中列帳。附屬公司之業績按已收及應收股息之基準在本公司之財務報表中列帳。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

截至二零零六年三月三十一日止年度

3. Significant accounting policies (Continued)

g) Associates:

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in the financial statements using the equity method of accounting less any identified impairment loss. Under the equity method, investments in associates are carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associate, less any impairment in the value of individual investments. Losses of an associate in excess of the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate) are not recognised.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in the income statement.

When a Group entity transacts with an associate of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associate.

3. 主要會計政策 (續)

g) 聯營公司：

聯營公司乃指本集團可對其發揮重大影響之實體，該種實體既非附屬公司又不是於合營企業之權益。重大影響乃指參與所投資公司之財務及經營政策決策但非控制或共同控制該等政策之權力。

聯營公司之業績、資產及負債乃以會計權益法減任何已確定之減值虧損綜合入財務報表。根據權益法，於聯營公司之投資乃按成本於綜合資產負債表中列帳，並就本集團分佔該聯營公司之淨資產之收購後變動作出調整及減去任何個別投資之減值。超出本集團於該聯營公司之權益（包括實際上構成本集團於該聯營公司之淨投資之任何長期權益）之聯營公司虧損不被確認。

收購成本超出本集團分佔收購當日在聯營公司之可識別資產、負債及或然負債中所佔公平淨值之任何差額均確認為商譽。商譽乃計入投資之帳面值，並就減值進行評估。本集團分佔可識別資產、負債及或然負債之公平淨值超出收購成本之差額在重新評估後即時在收益表內確認。

倘集團實體與本集團之聯營公司交易，盈虧於本集團於有關聯營公司之權益中撇銷。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

截至二零零六年三月三十一日止年度

3. Significant accounting policies (Continued)

h) Intangible assets:

On initial recognition, intangible assets acquired are recognised at cost. After initial recognition, intangible assets with finite useful lives are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is provided on a straight-line basis over their estimated useful lives. Intangible assets with indefinite useful lives are carried at cost less any subsequent accumulated impairment. Gains or losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement when the asset is derecognised.

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

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

Intangible assets with finite useful lives are tested for impairment when there is an indication that an asset may be impaired.

3. 主要會計政策 (續)

h) 無形資產：

於初次確認時，購入之無形資產按成本確認。於初次確認後，有限可使用年期之無形資產乃按成本減累計攤銷及任何累計減值虧損而列帳。有限可使用年期之無形資產之攤銷乃按其估計可使用年期以直線法計算。無限可使用年期之無形資產乃按成本減任何其後累計減值列帳。因取消確認無形資產而產生之收益或虧損乃按出售所得款項淨額與有關資產之帳面值之差額計量，並於有關資產取消確認時在收益表確認。

無限可用年期之無形資產每年進行減值檢測，而不論是否出現任何減值跡象，方法為將其帳面值與可收回金額作比較。倘資產可收回金額估計低於其帳面值，則資產帳面值下調至其可收回金額。減值虧損即時確認為開支。

倘其後撥回減值虧損，則資產帳面值上調至其經修訂估計可收回金額，惟此帳面值增額不得超過往年該資產無確認減值虧損情況下原釐定者。

當有跡象顯示資產減值時，並無可用年期限期之無形資產乃進行減值檢測。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

截至二零零六年三月三十一日止年度

3. Significant accounting policies (Continued)

i) Investments:

The Group classifies its investments in the following categories: trade and other receivables and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

i) *Financial assets at fair value through profit or loss:*

At each balance sheet date subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value, with changes in fair value recognised directly in income statement in the period in which they arise.

ii) *Trade and other receivables:*

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

3. 主要會計政策 (續)

i) 投資：

本集團將投資項目劃分為以下類別：貿易及其他應收款項及可供出售財務資產。分類方法取決於投資項目之收購目的。管理層於初始確認時為其投資項目分類，並於每個報告日重新評估此分類。

i) *按公平值於損益表列帳之財務資產：*

於初次確認後之每個結算日，按公平值於損益表列帳之財務資產乃按公平值計算，公平值變動於產生期內直接於收益表確認。

ii) *貿易及其他應收款項：*

貿易及其他應收款項為並未於交投活躍之市場內報價而附帶固定或可議定付款之非衍生財務資產。於初步確認後之每個結算日，貿易及其他應收款項使用實際利率法按攤銷成本減任何可識別減值虧損列帳。當有客觀證據顯示資產已減值，則於收益表內確認減值虧損，並以資產之帳面值與按原實際利率折現其估計未來現金流量之現值兩者之差額計算。當於確認減值後發生一項事件可以客觀地與資產可收回款項增加有關，減值虧損於其後期間撥回，但以所撥回於減值日期資產之帳面值為限，不得超過該項資產原未確認減值之已攤銷成本。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

截至二零零六年三月三十一日止年度

3. Significant accounting policies (Continued)

i) Investments: (Continued)

iii) Available-for-sale financial assets:

Available-for-sale financial assets are non-derivatives that are either designated or not classified as any of the other categories (set out above). At each balance sheet date subsequent to initial recognition, available-for-sale financial assets are measured at fair value. Changes in fair value are recognised in equity, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously recognised in equity is removed from equity and recognised in the income statement. If any objective evidence exists for available-for-sale financial assets, the cumulative loss measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial assets previously recognised in the income statement is removed from equity and recognised in the income statement. Impairment losses on available-for-sale equity investments shall not reverse through the income statements.

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, they are measured at cost less any identified impairment losses at each balance sheet date subsequent to initial recognition. An impairment loss is recognised in the income statement when there is objective evidence that the asset is impaired. The amount of the impairment loss is measured as the difference between the carrying amount of the asset and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses shall not reverse in subsequent periods.

3. 主要會計政策 (續)

i) 投資：(續)

iii) 可供出售財務資產：

可供出售財務資產為非衍生項目，無論是否劃分為其他類別(載於上文)。於初步確認後之每個結算日，可供出售財務資產按公平值計算。公平值之變動於權益內確認，直至該財務資產被出售或決定減值，屆時過往於權益內確認之累積收入或虧損會自權益內剔除，並於收益表確認。倘具備客觀證明可出售財務資產出現此等跡象，則其累積虧損(收購成本與現行公平值之差額，減去該可供出售財務資產之前於收益表中確認之任何減值虧損)從權益內剔除，並於收益表中確認。於收益表中確認之可供出售權益投資減值虧損將不會於收益表中撥回。

就可出售之股本權益投資而言，倘並無活躍市場之市價報價，而其公平值未能可靠計算，則可供出售之股本權益投資於首次確認後之每個結算日按成本值減任何已識別減值虧損計算。倘具備客觀證明資產減值，則減值虧損於收益表內確認。減值虧損數額按資產帳面值與按類似財務資產之現行市場回報率折現估計未來現金流量之現值間之差額計算。該項減值虧損不會於往後期間撥回。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

截至二零零六年三月三十一日止年度

3. Significant accounting policies (Continued)

i) Investments: (Continued)

iv) Loans receivable:

Loans receivable are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, including placements with banks and other financial institutions, investment debt securities without an active market and loans and advances to customers. Loans receivable are carried at amortised cost using the effective interest method.

j) Properties held for development:

Properties held for development are stated at the lower of cost and net realisable value. Net realisable value is determined by reference to sale proceeds received after the balance sheet date less selling expenses, or by management estimates based on prevailing market conditions.

Costs of properties include acquisition costs, development expenditure, interest and other direct costs attributable to such properties. The carrying values of properties held by subsidiaries are adjusted in the consolidated financial statements to reflect the Group's actual acquisition costs where appropriate.

k) Trade and other receivables:

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the income statement.

3. 主要會計政策 (續)

i) 投資：(續)

iv) 應收貸款：

應收貸款為並非於活躍市場報價而具有固定或可釐定付款之非衍生財務資產，包括銀行及其他財務機構之存款、無活躍市場報價之投資債務證券及客戶貸款及墊款。應收貸款乃按實際利率法攤銷成本。

j) 持作發展物業：

持作發展物業均以成本值及變現淨值之較低者列帳。變現淨值乃根據於資產負債表結算日後出售及扣除銷售費用之所得或按市場情況所作出之內部評估而決定。

物業成本包括購入成本、發展工程開支、利息及其他直接費用。附屬公司持有物業之帳面價值，其在綜合財務報表內經適當調整，以顯示本集團購入之確實成本。

k) 貿易及其他收款項：

貿易及其他應收款項初次按公平值確認，而其後則採用實際利率法按已攤銷成本減減值撥備計量。倘有客觀憑證顯示本集團將不能按應收帳款之原有條款收回所有到期款項，則會對貿易及其他應收帳款作出減值撥備。撥備之數額為資產帳面值與估計未來現金流量現值之間的差額，並按實際利率貼現。撥備之數額於收益表中確認。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

截至二零零六年三月三十一日止年度

3. Significant accounting policies (Continued)

l) Impairment of assets:

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

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

m) Taxation:

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable and deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Tax recoverable represent the excess of provisional profits tax paid over the estimate tax liability.

3. 主要會計政策 (續)

l) 資產減值：

於每個資產負債表日期，本集團均檢討其資產之帳面值，以決定該等資產是否出現減值虧損之跡象。倘資產之可收回值估計少於其帳面值，資產之帳面值會減至其可收回值。減值虧損乃即時確認為開支。

若減值虧損其後回撥，資產之帳面值將調升至其經修訂之估計可收回值，惟調升後之帳面值須不超逾往年度資產尚未確認減值虧損時原已確定之帳面值。減值虧損回撥乃即時確認為收入。

m) 稅項：

所得稅項開支為即期應繳之稅項與遞延稅項總和。

本期應繳稅項乃按年內應課稅溢利計算。由於應課稅溢利不包括其他年度之應課稅收入或可扣稅之開支項目，且亦不計及永久毋須課稅或不可扣稅之項目，故有別於收益表內呈報之應課稅溢利淨額。本公司之本期稅項負債乃按結算日前已生效或大致上生效之稅率計算。

可收回稅項乃指已繳付之預繳利得稅高出估計稅項負債之數。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

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3. Significant accounting policies (Continued)

m) Taxation: (Continued)

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

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

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

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

3. 主要會計政策 (續)

m) 稅項：(續)

遞延稅項乃以資產負債表負債法，按綜合財務報表內資產及負債帳面值與計算應課稅溢利所相應稅基之差額計算預期應付或可收回之稅項確認。遞延稅項負債一般就所有應課稅暫時差額確認，而遞延稅項資產則於可能有應課稅溢利以抵銷可扣減暫時差額時確認。倘暫時差額因商譽產生，或自不影響課稅溢利或會計溢利之交易項下其他資產及負債之初步確認(業務合併除外)所產生，則不會確認有關資產及負債。

投資附屬公司及聯營公司所產生之應課稅暫時差額會確認為遞延稅項負債，惟本集團可控制撥回暫時差額之時間，及有可能在可預見未來不會撥回則除外。

遞延稅項資產之帳面值於各結算日審閱，並於不再可能有足夠應課稅溢利以收回全部或部份資產之情況下作出相應扣減。

遞延稅項按預期於清還負債或變現資產期間適用之稅率計算。遞延稅項於損益內扣除或計入，惟倘與直接扣除或計入股本之項目相關，則遞延稅項亦於股本中處理。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

截至二零零六年三月三十一日止年度

3. Significant accounting policies (Continued)

n) Borrowing costs:

Borrowing cost directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of these assets until such times as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalisation.

All other borrowing costs are recognised in income statement in the period in which they are incurred.

o) Foreign currency translation:

i) *Functional and presentation currency*

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

ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

3. 主要會計政策 (續)

n) 借貸成本：

與收購、建造或生產合資格資產 (該等合資格資產需用較長期間才可供應定用途或銷售) 直接有關之借貸成本加入至該等資產之成本，直至該等資產絕大部分已達致可供擬定用途或銷售為止。擬投資於合資格資產之特定借貸在用於特定投資前所作暫時投資賺取之投資收入，從合資格資本化之借貸成本中扣除。

所有其他借貸成本於產生之期間列入收益表內。

o) 外幣換算：

i) *功能貨幣和列帳貨幣*

本集團旗下公司之財務報表所列項目均採用有關公司營業所在之主要經濟環境之通用貨幣 (「功能貨幣」) 為計算單位。綜合財務報表以港幣列帳。港幣為本公司之功能貨幣及列帳貨幣。

ii) *交易及結餘*

外幣交易按交易當日之匯率兌換為功能貨幣。因結算交易及按年結日匯率換算外幣資產及負債所產生之外匯損益均列入收益表。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

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3. Significant accounting policies (Continued)

o) Foreign currency translation: (Continued)

iii) Group companies

The results and financial position of all the Group's entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- a) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- b) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- c) all resulting exchange differences are recognised as a separate component of equity.

p) 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 expenditure expected to settle the obligation.

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.

3. 主要會計政策 (續)

o) 外幣換算：(續)

iii) 集團公司

本集團旗下所有公司之功能貨幣倘有別於列帳貨幣，其業績及財務狀況須按如下方式兌換為列帳貨幣：

- a) 各資產負債表所列之資產及負債按其結算日之收市匯率換算；
- b) 各收益表所列之收支按平均匯率換算，除非此平均匯率不足以合理地概括反映交易日期適用匯率之累積影響，在此情況下，收支則按交易日期之匯率換算；及
- c) 一切因此而產生之匯兌差額均確認為權益之一個獨立組成部份入帳。

p) 撥備及或然負債：

倘若本集團或本公司須就過去之事件承擔法律或推定責任，而且履行責任可涉及經濟效益之流出，並可作出可靠之估計，則就不確定時間或數額之負債確認撥備。倘若貨幣之時間值屬重大，撥備則以預計履行責任之開支現值列示。

如有關債務可能不會導致經濟利益流出，或未能可靠地估計金額，則有關債務會披露為或然負債，除非經濟利益流出之可能性很低。純粹視乎日後有否出現一個或多個情況而可能產生之債務，亦披露為或然負債，除非經濟利益流出之可能性很低。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

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3. Significant accounting policies (Continued)

q) Revenue recognition:

- i) Commission and brokerage income, placement and underwriting commission, management and handling fees, corporate finance advisory fees and investment management fee are recognised when the services are rendered, the amount for which can be reliably estimated and it is probable that they will be received.
- ii) Interest income is accrued, on a time proportion basis by reference to the principal outstanding and at the effective rate applicable.
- iii) Rental income is recognised on a straight-line basis over the period of the respective leases.

r) Operating lease:

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are expensed in the income statement on a straight-line basis over the period of the lease.

s) Related parties:

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

3. 主要會計政策 (續)

q) 收入確認：

- i) 佣金及經紀佣金收入、配售及包銷佣金、管理及手續費、企業財務顧問費及投資管理費均於提供服務及能可靠地預計其數額及將可收取後確認入帳。
- ii) 利息收入乃根據未償還本金金額以適用之實際息率按時間比例確認。
- iii) 租金收入按各租約之期限以直線法確認。

r) 經營租賃：

倘資產擁有權之絕大部份風險及回報仍屬出租人所有，有關租賃則列為經營租賃。根據經營租賃作出之付款(扣除出租人給予之任何優惠)按租期以直線法於收益表確認為開支。

s) 關聯人士：

就該等財務報表而言，倘一方有能力在作出財務及營運決定時直接或間接控制另一方或對另一方行使重大影響力，則雙方被視作有關連，或倘本集團及一方受共同控制或共同重大影響，亦被視作有關連。關連人士可以為個人(即主要管理人員、重要股東及／或彼等家庭成員)或其他實體，包括本集團關連人士(該等關連人士為個人)可行使重大影響力之實體。

NOTES TO THE FINANCIAL STATEMENTS

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3. Significant accounting policies (Continued)

t) Cash and cash equivalents:

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

u) Segment reporting:

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

In accordance with the Group's internal financial reporting the Group has determined that business segments be presented as the primary reporting format and geographical segments as the secondary reporting format.

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

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

In respect of geographical segment reporting, turnover is based on the country of operations. Total assets and capital expenditure are where the assets are located.

3. 主要會計政策 (續)

t) 現金及現金之等價物：

就綜合現金流量表而言，現金及現金之等價物包括手頭現金及活期存款，以及購入後一般在三個月內可予兌現及可隨時轉換為已知數額現金且價值變動風險較少之短期高度流動性投資，減須應要求償還並構成本集團現金管理之組成部份之銀行透支。

u) 分類報告：

分部是指集團屬下可明顯劃分，並且負責提供產品或服務(業務分部)，或在特定之經濟環境中提供產品或服務(地域分部)之組成部分。每個分部所承受之風險及所獲享之回報，均與其他分部有別。

根據本集團之內部財務報告形式，本集團已決定以業務分類資料作為主要報告形式，而地域分類資料則為次要報告形式。

分部之收益、開支、業績、資產及負債包含直接來自某一分部，以及可以合理地分配至該分部之項目。例如，分部資產可能包括經紀、金融、企業融資、資產管理、物業投資及投資控股。分部之收益、開支、資產及負債均未計須在綜合計算的過程中抵銷的集團公司間結存及集團公司間交易；但同屬一個分部之集團公司之間之集團公司間結存及交易則除外。分部之間之定價按與其他外界人士相若之條款計算。

分部資本開支是指在期內購入預計可於超過一段時間使用之分部資產所產生之成本總額。

就地域分類資料報告，營業額乃按於各國之營運列出。而分類資產及資本開支則根據該資產之所在地呈列。

NOTES TO THE FINANCIAL STATEMENTS

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4. **Critical accounting estimates and judgments**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group did not use any critical accounting estimates in the preparation of the financial statements.

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statement:

Impairment of available-for-sale financial assets

For available-for-sale financial assets, a significant or prolonged decline in fair value below cost is considered to be objective evidence of impairment. Judgment is required when determining whether a decline in fair value has been significant and/or prolonged. In making this judgment, the historical data on market volatility as well as the price of the specific investment are taken into account. The Group also takes into account other factors, such as industry and sector performance and financial information regarding the issuer/investee.

5. **Financial risk management objectives and policies**

a) **Financial risk factors:**

The Group's major financial instruments comprise amounts due from investee companies, available-for-sale financial assets, loan receivable, trade and other receivables, cash and bank balances, amounts due to related parties, creditors and borrowings.

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

4. **關鍵會計估計及判斷**

估計及判斷會不斷進行評估，並根據過往經驗及其他因素(包括於具體情況下相信將屬於合理之未來事件預期)達致。本集團於編製財務報表時並無採用任何關鍵會計估計。

於應用本集團會計政策之過程中，管理層已作出下列判斷(涉及估計而對在財務報表確認之款額造成最重大影響之該等判斷除外)：

可供出售財務資產之減值

就可供出售財務資產而言，公平值顯著或持續低於成本被視為減值之客觀憑證。於釐定公平值下跌是否顯著及/或持續須運用判斷。於作出此判斷時，市場波動情況之過往數據及特定投資之價格均屬考慮之列。本集團亦考慮其他因素，例如行業及環節表現及有關發行人/投資公司之財務資料。

5. **財務風險管理目標及政策**

a) **財務風險因素：**

本集團之主要財務工具包括應收投資公司款項、可供出售財務資產、應收貸款、貿易及其他應收款項、現金及銀行結餘、應付關聯人士款項、應付帳款及借款。

本集團業務面對多項不同形式之財務風險：市價風險、信貸風險、流動資金風險、利率風險及外幣風險。本集團之整體風險管理計劃專注於金融市場無法預測之特性，以及尋求盡量減少對本集團財務表現可能造成之不利影響。

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5. Financial risk management objectives and policies
(Continued)

a) Financial risk factors: (Continued)

i) Market price risk

The Group is exposed to equity securities which are classified in the consolidated balance sheet as available-for-sale financial assets. These are susceptible to market price risk arising from uncertainties about the future prices of the instruments. The Group's market price risk is managed through diversification of the investment portfolio ratios by exposures.

ii) Credit risk

The Group takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Impairment provisions are provided for losses that have been incurred by the balance sheet date, if any.

iii) Liquidity risk

The Group invests in unlisted securities which are designated as available-for-sale financial assets. Those unlisted securities may not be traded in an organised public market and may be illiquid. As a result, the Group may not be able to liquidate quickly its investments in these instruments at an amount close to their fair value in order to meet its liquidity requirements or to respond to specific events such as deterioration in the creditworthiness of any particular issuer. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of credit facilities and the ability to close out market positions.

5. 財務風險管理目標及政策 (續)

a) 財務風險因素：(續)

i) 市價風險

本集團持有之股本證券，乃於綜合資產負債表內分類為可供出售財務資產。該等證券較易受到市場價格風險所影響，而該等風險則由於與該等工具之未來價格有關之不確定因素而產生。本集團之市場價格風險乃透過按風險計算之投資組合比例進行多元化管理。

ii) 信貸風險

本集團面對之信貸風險乃交易對手方將無法全數支付到期應付款項之風險。於結算日已產生之虧損（如有）乃提撥減值準備。

iii) 流動資金風險

本集團投資於非上市證券，乃分類為可供出售財務資產。該等非上市證券可能並非於架構完善之公開市場買賣，故流通量可能不足。因此，本集團可能無法以接近此等工具公平值之款額迅速變賣於此等工具之投資，以應付本集團之流動資金需要或回應特定事件（例如任何特定發行人之信貸水平惡化）。審慎之流動資金風險管理，意味著維持足夠現金及有價證券、透過款額充裕之信貸融資以維持可供動用資金，及結算市場頭寸之能力。

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5. Financial risk management objectives and policies
(Continued)

a) Financial risk factors: (Continued)

iv) Interest rate risk

The Group is exposed to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows since the Group has interest-bearing assets and borrowings issued at variable rate.

v) Foreign currency risk

The Group hold assets denominated in currencies other than the HK dollars, the functional currency. The Group is therefore exposed to foreign currency risk, as the value of the securities denominated in other currencies will fluctuate due to the changes in exchange rates.

b) Fair value estimation:

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Quoted market prices, dealer quotes for similar instruments and other techniques, such as estimated discounted cash flows, are used to determine the fair value.

All financial instrument's fair values at 31st March, 2006 are not materially different from their carrying values.

5. 財務風險管理目標及政策 (續)

a) 財務風險因素：(續)

iv) 利率風險

由於本集團擁有計息資產及按浮息發行之借貸，本集團面對因目前市場利率水平波動對其財務狀況及現金流量造成影響之有關風險。

v) 外幣風險

本集團持有港元(功能貨幣)以外貨幣列值之資產。由於以其他貨幣列值之證券之價值將因匯率變動而出現波動，本集團因此面對貨幣風險。

b) 公平值估計：

並非於活躍市場買賣之財務工具之公平值乃採用估值技巧計算。本集團採用多種不同方法及根據於各結算日當時之市況作出假設。市場報價、同類財務工具之交易商報價及其他技巧(例如估計貼現現金流量)均用於釐定公平值。

於二零零六年三月三十一日，所有財務工具之公平值與彼等之帳面值並無重大差異。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

截至二零零六年三月三十一日止年度

6. Turnover and segment information

a) Turnover:

Turnover is analysed as follows:

(In HK\$'000)	(以港幣千元為單位)	The Group 本集團	
		2006	2005
Commission and brokerage income from securities broking	證券經紀之佣金及經紀佣金收入	11,993	12,670
Commission and brokerage income from futures broking	期貨經紀之佣金及經紀佣金收入	2,060	2,184
Interest income from	利息收入來源		
– margin clients	– 孖展客戶	11,953	8,446
– money lending	– 貸款融資	38,744	28,620
– financial institutions and others	– 財務機構及其他來源	3,186	961
Management and handling fees	管理與手續費	1,380	1,289
Commission for subscribing new shares	認購新股佣金	90	37
Corporate finance advisory fees	企業融資顧問費	675	1,083
Placement and underwriting commission	配股及包銷佣金	1,451	175
Investment management fee	投資管理費	2,565	2,463
Rental income	租賃收益	3,119	247
		77,216	58,175

b) Segment information

i) Business segments

For management purposes, the Group is currently organised into six operating divisions namely broking, financing, corporate finance, assets management, property investment and investment holding. These divisions are the basis on which the Group reports its primary segment information.

Principal activities are as follows:

Broking	Securities brokerage and futures brokerage
Financing	Securities margin financing and money lending
Corporate finance	Corporate finance advisory, placing and underwriting
Assets management	Assets management for listed and unlisted companies and high net worth individuals
Property investment	Property rental and dealing
Investment holding	Share investments

6. 營業額及分類資料

a) 營業額

營業額之分析如下：

b) 分類資料

i) 業務分類

因管理需要，本集團現時組織六個經營組別，分別為經紀、財務、企業融資、資產管理、物業投資及投資控股。本集團根據此等組別報告主要分類資料。

主要業務如下：

經紀	證券經紀及期貨經紀
財務	財務孖展融資及貸款
企業融資	企業融資顧問、配售及包銷
資產管理	為上市及非上市公司及高資產淨值之個體作資產管理
物業投資	物業租賃及買賣
投資控股	股份投資

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

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6. Turnover and segment information (Continued)

6. 營業額及分類資料(續)

b) Segment information (Continued)

b) 分類資料(續)

i) Business segments (Continued)

i) 業務分類(續)

An analysis of segment information of the Group on these businesses for the years ended 31st March, 2006 and 2005 is as follows:

本集團就該等業務於截至二零零六年及二零零五年三月三十一日止年度之分類資料分析如下：

(In HK\$'000)	(以港幣千元為單位)	Broking 經紀		Financing 財務		Corporate finance 企業融資		Assets management 資產管理		Property investment 物業投資		Investment holding 投資控股		Consolidated 綜合	
		2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Segment revenue: 分類收入：															
Sales to external 銷售予外來 customers 客戶		15,433	16,143	53,883	38,027	2,216	1,295	2,565	2,463	3,119	247	-	-	77,216	58,175
Segment results 分類業績		4,631	4,900	40,054	31,418	1,498	463	1,774	884	637	165	(1)	-	48,593	37,830
Net investment 投資淨收入 income															
Increase in fair 投資物業公平 value of 之增加 investment properties														16,836	38,637
Gain on acquisition 購入附屬公司所 of a subsidiary 產生之溢利														67,194	15,500
Gain on disposal 出售附屬公司之 of a subsidiary 溢利														18,100	-
Provision for 呆壞帳撥備 doubtful debts														(2,508)	(1,802)
Bad debts written 壞帳註銷 off														-	(200)
Bad debts 已收回壞帳 recovered														18,484	-
Other revenue 其他收益														66	171
Share of results 應佔聯營公司之 of associates 業績														248	(97)
Profit before 除稅前溢利 taxation														167,013	90,039
Income tax 所得稅開支 expense														(11,724)	(6,551)
Profit for the year 本公司持有人 attributable to 應佔年內溢利 holders of the Company														155,289	83,488

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

截至二零零六年三月三十一日止年度

6. Turnover and segment information (Continued)

b) Segment information (Continued)

i) Business segments (Continued)

An analysis of segment information of the Group on these businesses for the years ended 31st March, 2006 and 2005 is as follows:

6. 營業額及分類資料 (續)

b) 分類資料 (續)

i) 業務分類 (續)

截至二零零六年及二零零五年三月三十一日止年度之業務分類資料分析如下：

(In HK\$'000)	(以港幣千元為單位)	Broking 經紀		Financing 財務		Corporate finance 企業融資		Assets management 資產管理		Property investment 物業投資		Investment holding 投資控股		Inter-segment elimination 分類間抵銷		Consolidated 綜合	
		2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Assets	資產																
Segment assets	資產分類	125,756	61,679	554,853	451,449	-	-	5,689	3,629	258,443	234,745	128,000	-	(2,486)	(1,501)	1,070,255	750,001
Interest in associates	於聯營公司之權益															20,481	40
Unallocated corporate assets	不分類企業資產															3,195	1,094
Consolidated total assets	綜合總資產															<u>1,093,931</u>	<u>751,135</u>
Liabilities	負債																
Segment liabilities	負債分類	82,041	24,064	238,116	283,607	-	-	10	10	10,131	12,171	-	-	(2,486)	(1,501)	327,812	318,351
Interest in associates	於聯營公司之權益															-	-
Unallocated corporate liabilities	不分類企業負債															37,180	33,851
Consolidated total liabilities	綜合總負債															<u>364,992</u>	<u>352,202</u>
Other information	其他資料																
Capital expenditure	資本開支	90	639	187	337					164	131,363					441	132,339
Depreciation and amortisation	折舊及攤銷	537	781	4	69											541	850
Provision for doubtful debts	呆壞賬撥備	451	-	2,057	1,802											2,508	1,802
Bad debts written off	壞賬註銷	-	200													-	200
Bad debts recovered	已收回壞賬			18,484	-											18,484	-

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

截至二零零六年三月三十一日止年度

6. Turnover and segment information (Continued)

b) Segment information (Continued)

ii) Geographical segments

The Group's operations are principally located in Hong Kong and Macau. The Group's administration is carried out in Hong Kong.

The following table provides an analysis of the Group's turnover by geographical market and analysis of total assets and capital expenditure by the geographical area in which the operations and assets are located.

(In HK\$'000)	(以港幣千元為單位)	Turnover 營業額		Total assets 總資產		Capital expenditure 資本支出	
		2006	2005	2006	2005	2006	2005
Hong Kong	香港	74,097	57,928	686,561	515,409	277	976
Macau	澳門	3,119	247	407,370	235,726	164	131,363
		77,216	58,175	1,093,931	751,135	441	132,339

6. 營業額及分類資料 (續)

b) 分類資料 (續)

ii) 地區分類

本集團之營運主要位於香港及澳門，而集團之行政均於香港進行。

下表提供本集團營業額以地區市場以及總資產及資本支出以該營運及資產所在地理地區之分析。

7. Finance costs

7. 融資成本

(In HK\$'000)	(以港幣千元為單位)	The Group 本集團	
		2006	2005
Interest on bank loans and overdrafts	銀行貸款及透支利息開支	6,683	2,564
Interest on other loans	其他貸款之利息開支	2,454	-
		9,137	2,564

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

截至二零零六年三月三十一日止年度

8. Profit before taxation

Profit before taxation has been arrived at after charging and crediting the following:

8. 除稅前溢利

除稅前溢利已扣除及計入下列各項：

		The Group 本集團	
(In HK\$'000)	(以港幣千元為單位)	2006	2005
Charging:	已扣除：		
Auditors' remuneration	核數師酬金		
- current year	- 本年度	299	261
- underprovision in prior year	- 往年之撥備不足	27	-
		326	261
Staff costs	員工成本	9,712	10,514
Depreciation	折舊	541	510
Amortisation of intangible assets	無形資產攤銷	-	340
Bad debts written off	壞帳註銷	-	200
Operating leases rentals in respect of rented premises	租賃物業之經營租賃租金	880	835
Crediting:	已計入：		
Rental income from operating leases less outgoing (Gross rental income: HK\$3,119,415 (2005: HK\$247,433))	經營租賃租金收入減支出 (租金收入總額：3,119,415港元 (二零零五年：247,433港元))	2,901	226
Gain on disposal of property, plant and equipment	出售物業、機器及設備之收益	-	46

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

截至二零零六年三月三十一日止年度

9. Directors' remuneration

a) Directors' and senior management's emoluments

The remuneration of every director for the year ended 31st March, 2006 is set out below:

9. 董事酬金

a) 董事及高級管理層酬金

各董事於截至二零零六年三月三十一日止年度之酬金載列如下：

		Basic salaries, housing benefits, other allowances and benefits in kind	Retirement benefits contributions	Discretionary bonuses and/or performance-related bonuses	Compensation for loss of office	Inducement for joining the Group	Total
(In HK\$'000)	(以港幣千元為單位)	袍金	退休福利供款	酌情花紅及/或績效花紅	離職賠償	加盟本集團之獎勵	總計
Non-executive director:	非執行董事：						
Mr. Wong King Keung, Peter	黃景強先生	100	-	-	-	-	100
Executive directors:	執行董事：						
Mr. Wong Ching Hung, Thomas	黃正虹先生	50	1	-	-	-	51
Mr. Cheng Kai Ming, Charles	鄭啟明先生	-	6	-	-	-	136
Mr. Li Kwok Cheung, George	李國祥先生	-	18	59	-	-	530
Independent non-executive directors:	獨立非執行董事：						
Mr. Wong Wai Kwong, David	黃偉光先生	50	-	-	-	-	50
Mr. Pang Cheung Hing, Alex	彭張興先生	50	-	-	-	-	50
Mr. Fuk Ho Kai	霍浩佳先生	30	-	-	-	-	30
		280	25	59	-	-	947

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

截至二零零六年三月三十一日止年度

9. Directors' remuneration (Continued)

a) Directors' and senior management's emoluments (Continued)

The remuneration of every director for the year ended 31st March, 2005 is set out below:

		Basic salaries, housing benefits, other allowances and benefits in kind	Retirement benefits contributions	Discretionary bonuses and/or performance-related bonuses	Compensation for loss of office	Inducement for joining the Group	Total	
(In HK\$'000)	(以港幣千元為單位)	袍金	基本薪金、房屋福利、其他津貼及實物利益	退休福利供款	酌情花紅及/或績效花紅	離職賠償	加盟本集團之獎勵	總計
Non-executive director:	非執行董事：							
Mr. Wong King Keung, Peter	黃景強先生	17	-	-	-	-	-	17
Executive directors:	執行董事：							
Mr. Tsang Cheuk Lau*	曾焯鏗先生*	-	-	-	-	-	-	-
Mr. Wong Ching Hung, Thomas	黃正虹先生	50	-	1	-	-	-	51
Mr. Cheng Kai Ming, Charles	鄭啟明先生	-	130	7	-	-	-	137
Mr. Li Kwok Cheung, George	李國祥先生	-	450	20	97	-	-	567
Mr. Choy Ye King*	蔡怡璟先生*	-	255	8	-	-	-	263
Independent non-executive directors:	獨立非執行董事：							
Mr. Wong Wai Kwong, David	黃偉光先生	50	-	-	-	-	-	50
Mr. Pang Cheung Hing, Alex	彭張興先生	50	-	-	-	-	-	50
Mr. Fuk Ho Kai	霍浩佳先生	15	-	-	-	-	-	15
		182	835	36	97	-	-	1,150

* Mr. Tsang Cheuk Lau deceased on 19th November, 2004.
Mr. Choy Ye King resigned as executive director on 8th December, 2004.

* 曾焯鏗先生已於二零零四年十一月十九日逝世。蔡怡璟先生已於二零零四年十二月八日辭任執行董事。

No directors waived or agreed to waive any remuneration during the year (2005: Nil).

年內董事並無放棄或同意放棄任何酬金(二零零五年：無)。

9. 董事酬金(續)

a) 董事及高級管理層酬金(續)

各董事於截至二零零五年三月三十一日止年度之酬金載列如下：

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For the year ended March 31, 2006

截至二零零六年三月三十一日止年度

9. Directors' remuneration (Continued)

b) Details of emoluments of the five highest paid individuals (including directors and other employees) are:

(In HK\$'000)	(以港幣千元為單位)	2006	2005
Fees	袍金	-	-
Basic salaries	基本薪酬	654	824
Housing benefits, other allowances and benefits in kind	房屋福利、其他津貼及實物利益	31	33
Retirement benefits contributions	退休福利供款	31	42
Discretionary bonuses and/or performance-related bonuses	酌情花紅及／或績效花紅	3,010	2,195
Compensation for loss of office	離職賠償	-	-
Inducement for joining the Group	加盟本集團之獎勵	-	-
		3,726	3,094

In 2006, one (2005: Two) of the highest paid individuals were executive directors of the Company, whose emoluments are included in Note 9(a).

Analysis of the emoluments of the five highest paid individuals (including directors and other employees) by number of individuals and emolument ranges is as follows:

		2006	2005
Nil to HK\$1,000,000	零至1,000,000港元	4	4
HK\$1,000,001 – HK\$1,500,000	1,000,001港元至1,500,000港元	1	1

10. Earnings per share

The basic earnings per share is based on the Group's profit attributable to equity holders of the Company of approximately HK\$155,296,000 (2005: HK\$83,488,000) and the weighted average number of 1,239,769,701 (2005: 1,137,579,414) ordinary shares in issue during the year.

There is no diluted earnings per share for the years ended 31st March, 2006 and 2005 presented since the Company has no dilutive potential ordinary shares.

9. 董事酬金(續)

b) 五名最高薪酬人士(包括董事及其他僱員)之酬金詳情:

於二零零六年，一名(二零零五年：兩名)最高薪酬人士為本公司執行董事，彼等之酬金已載於附註9(a)。

五名最高薪酬人士(包括董事及其他僱員)按人數及酬金範圍分析載列如下:

10. 每股溢利

每股基本溢利乃根據本公司權益持有人應佔本集團溢利約155,296,000港元(二零零五年：83,488,000港元)及本年度已發行普通股之加權平均數1,239,769,701股(二零零五年：1,137,579,414股)計算。

本公司並無具潛在攤薄效應之普通股存在，因此並無呈列截至二零零六年及二零零五年三月三十一日止年度之每股攤薄溢利。

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

截至二零零六年三月三十一日止年度

11. Income tax expense

- a) Income tax expense in the consolidated income statement represents:

		The Group 本集團	
(In HK\$'000)	(以港幣千元為單位)	2006	2005
Hong Kong profits tax – current year	香港所得稅 – 本年度	11,724	6,551

- b) i) Provision for Hong Kong profits tax has been made at the rate of 17.5% (2005: 17.5%)
- ii) No provision for overseas taxation has been made as the amount is insignificant.
- c) Income tax expense for the year can be reconciled to the profit per the consolidated income statement as follows:

11. 所得稅開支

- a) 綜合收益表之所得稅開支指：

- b) i) 香港所得稅乃根據稅率 17.5% (二零零五年：17.5%) 撥備。
- ii) 由於海外稅項之款額並不重大，因此並無提撥準備。
- c) 本年度所得稅開支可與綜合收益表之溢利對帳如下：

		The Group 本集團	
(In HK\$'000)	(以港幣千元為單位)	2006	2005
Profit before taxation	除稅前溢利	167,013	90,039
Tax at the statutory income tax rate of 17.5%	按法定所得稅率 17.5% 計算之稅項	29,227	15,757
Tax effect of non-taxable revenue	不需課稅之收入的稅務影響	(17,966)	(9,498)
Tax effect of non-deductible expenses	不獲扣除之開支的稅務影響	226	726
Tax effect of unrecognised temporary difference	未確認的暫時性差異的稅務影響	30	(38)
Tax effect of tax losses not recognised	未確認之稅務虧損的稅務影響	183	149
Utilisation of tax losses previously not recognised	使用以往未確認之稅務虧損	-	(507)
Others	其他	24	(38)
Income tax expense	所得稅開支	11,724	6,551

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

截至二零零六年三月三十一日止年度

11. Income tax expense (Continued)

(d) At the balance sheet date, the Group had unutilised tax losses of approximately HK\$113,414,000 (2005: HK\$2,396,000) available for offsetting against future taxable profits. However, no deferred tax asset has been recognised due to the unpredictability of future taxable profits. The tax losses may be carried forward indefinitely.

11. 所得稅開支(續)

(d) 於結算日，本集團有可供抵銷未來應課稅溢利之未動用稅務虧損約113,414,000港元(二零零五年：2,396,000港元)。然而，由於未能預測未來應課稅溢利之情況，因此並無確認遞延稅務資產。稅務虧損可無限期結轉。

12. Profit for the year attributable to equity holders of the Company

The profit attributable to equity holders of the Company is dealt with in the financial statements of the Company to the extent of HK\$34,095,000 (2005: HK\$27,156,000).

12. 本公司權益持有人應佔年內溢利

本公司權益持有人應佔溢利34,095,000港元(二零零五年：27,156,000港元)已在本公司之財務報表中處理。

13. Dividends

13. 股息

<i>(In HK\$'000)</i>	<i>(以港幣千元為單位)</i>	2006	2005
Final dividend proposed of HK2.8 cents (2005: HK2.5 cents) per ordinary share	擬派發末期股息—每股普通股港元 2.8仙(二零零五年：港元2.5仙)	35,087	30,719

The amount of the proposed final dividend for the year ended 31st March, 2006 of HK2.8 cents will be payable in cash with an option to elect scrip is not accounted for until it has been approved at the forthcoming annual general meeting. The amount will be reflected as an appropriation of the retained earnings in the year ending 31st March, 2007.

截至二零零六年三月三十一日止年度之建議末期股息港元2.8仙將以現金支付，並可選擇以股代息，惟須於即將舉行之股東週年大會上取得批准後，方可作實。有關金額將於截至二零零七年三月三十一日止年度列作保留盈利分派。

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14. Property, plant and equipment

The Group:

(In HK\$'000)	(以港幣千元為單位)	Land and buildings 土地及 建築物	Furniture, fixtures and equipment 傢具、裝置 及設備	Motor vehicles 汽車	Leasehold improvement 租賃物業 裝修	Total 總額
Cost:	成本：					
At 1st April, 2005	於二零零五年四月一日	900	2,954	757	95	4,706
Additions	增添	-	93	184	-	277
At 31st March, 2006	於二零零六年三月三十一日	900	3,047	941	95	4,983
Accumulated depreciation:	累積折舊：					
At 1st April, 2005	於二零零五年四月一日	-	2,299	162	19	2,480
Charge for the year	本年度折舊	60	292	170	19	541
At 31st March, 2006	於二零零六年三月三十一日	60	2,591	332	38	3,021
Carrying amount	帳面值					
At 31st March, 2006	於二零零六年三月三十一日	840	456	609	57	1,962
At 31st March, 2005	於二零零五年三月三十一日	900	655	595	76	2,226

14. 物業、機器及設備

本集團：

15. Investment properties

The Group:

(In HK\$'000)	(以港幣千元為單位)	2006	2005
Fair value:	公平值：		
At 1st April	於四月一日	170,000	-
Additions	增添	164	131,363
Net increase in fair value recognised in the consolidated income statement	於綜合收益表已確認 公平值之增加淨額	16,836	38,637
At 31st March	於三月三十一日	187,000	170,000

15. 投資物業

本集團：

The Group's investment properties are situated in Macau and are held under medium term lease.

本集團之投資物業位於澳門及持有中期租約。

The fair value of the Group's investment properties at 31st March, 2006 have been arrived at on the basis of market value of a valuation carried out at that date by LCH (Asia-Pacific) Surveyors Limited, an independent professional valuers. Investment properties were valued on market basis assuming sale with vacant possession or otherwise subject to the existing tenancies.

本集團截至二零零六年三月三十一日投資物業的公平值乃根據與獨立專業估值師利駿行測量師有限公司所進行之市場價值評估作基準。投資物業乃按公開市值基準，假設以交吉情況出售或受現有存在租約約束。

The Group leases out investment properties under operating leases.

本集團以經營租賃租出投資物業。

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For the year ended March 31, 2006

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16. Intangible assets

The Group:

16. 無形資產

本集團：

(In HK\$'000)	(以港幣千元為單位)	Trading rights in the Stock Exchange and the HKFE 聯交所及期 交所之交易權
Cost	成本	
At 1st April, 2004 and 31st March, 2005	於二零零四年四月一日及二零零五年三月三十一日	3,400
Elimination of accumulated amortisation upon the adoption of HKAS 38	採納香港會計準則第38號時對銷累計攤銷	<u>(1,360)</u>
At 1st April, 2005 and 31st March, 2006	於二零零五年四月一日及二零零六年三月三十一日	<u>2,040</u>
Amortisation:	攤銷：	
At 1st April, 2004	於二零零四年四月一日	1,020
Charge for the year	本年度攤銷	<u>340</u>
At 31st March, 2005 and 1st April, 2005	於二零零五年三月三十一日及二零零五年四月一日	1,360
Elimination of accumulated amortisation upon the adoption of HKAS 38	採納香港會計準則第38號時對銷累計攤銷	<u>(1,360)</u>
At 31st March, 2006	於二零零六年三月三十一日	<u>-</u>
Net book value	帳面淨值	
At 31st March, 2006	於二零零六年三月三十一日	<u>2,040</u>
At 31st March, 2005	於二零零五年三月三十一日	<u>2,040</u>

Intangible assets amounting HK\$2,040,000 represents trading rights in the exchange in Hong Kong. Until 31st March, 2005, the trading rights had been amortised on a straight-line basis over 10 years. In accordance with the transitional provision in HKAS 38, the Group reassessed the useful lives of the trading rights on 1st April, 2005 and concluded that the trading rights have indefinite useful lives and discontinued amortising the trading rights from 1st April, 2005 onwards.

無形資產2,040,000港元指於香港交易所之交易權。直至二零零五年三月三十一日為止，交易權乃以直線準按10年攤銷。根據香港會計準則第38號之過渡性條文，本集團於二零零五年四月一日重新評估交易權之可使用年期，其結論為交易權具無定限可使用年期，並由二零零五年四月一日起終止攤銷交易權。

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For the year ended March 31, 2006

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17. Interest in subsidiaries

17. 於附屬公司之權益

(In HK\$'000)	(以港幣千元為單位)	The Company 本公司	
		2006	2005
Unlisted shares, at cost	非上市證券，成本值	10,615	10,615
Amount due from a subsidiary	應收附屬公司款項	279,778	245,179
Amount due to a subsidiary	應付附屬公司款項	(6,108)	-
		284,285	255,794

The amount due from/(to) a subsidiary is unsecured, interest-free and have no fixed repayment terms.

應收／(應付)附屬公司款項為無抵押、免息及無固定還款期。

Details of the Company's subsidiaries at 31st March, 2006 are as follows:

於二零零六年三月三十一日，本公司持有以下附屬公司：

Name of subsidiary	Place of incorporation	Principal place of operation	Percentage of holding by Company subsidiary		Principal activities	Issued and fully paid ordinary share capital
附屬公司名稱	註冊成立地點	主要營業地點	本公司	附屬公司	主要業務	已發行及繳足普通股股本
Upbest Financial Holdings Limited	British Virgin Islands 英屬處女群島	Hong Kong 香港	100%	-	Investment holding 投資控股	US\$1 1美元
Upbest Land Company Limited	British Virgin Islands 英屬處女群島	Hong Kong 香港	100%	-	Investment holding 投資控股	US\$1 1美元
Citybest Management Limited	British Virgin Islands 英屬處女群島	Macau 澳門	-	100%	Investment holding 投資控股	US\$1 1美元
Companhia De Desenvolvimento E Formento Predial Si Wan Limitada ("Si Wan")	Macau 澳門	Macau 澳門	-	100%	Property investment 物業投資	MOP25,000 25,000澳門元
Full Benefit Investment Limited 滿利投資有限公司	British Virgin Islands 英屬處女群島	Macau 澳門	-	100%	Investment holding 投資控股	US\$1 1美元

17. Interest in subsidiaries (Continued)

17. 於附屬公司之權益(續)

Name of subsidiary	Place of incorporation	Principal place of operation	Percentage of holding by		Principal activities	Issued and fully paid ordinary share capital
附屬公司名稱	註冊成立地點	主要營業地點	本公司	附屬公司	主要業務	已發行及繳足普通股股本
Gold-Face Finance Limited 均來財務有限公司	Hong Kong 香港	Hong Kong 香港	-	100%	Money lending 貸款融資	HK\$28,000,004 28,000,004港元
Good Foundation Company Limited 開盛有限公司	Hong Kong 香港	Hong Kong 香港	-	100%	Investment holding 投資控股	HK\$10,000 10,000港元
Good Profit Development Limited 溢利發展有限公司	Samoa 薩摩亞	Hong Kong 香港	-	100%	Investment holding 投資控股	US\$1 1美元
King Standard International Limited	British Virgin Islands 英屬處女群島	Macau 澳門	-	100%	Property holding 地產控股	US\$1 1美元
Marco Tech Limited	British Virgin Islands 英屬處女群島	Hong Kong 香港	-	100%	Investment holding 投資控股	US\$2 2美元
Mei Tou Real Estate Company Limited 美圖地產有限公司	Macau 澳門	Macau 澳門	-	100%	Property investment 物業投資	MOP25,000 25,000澳門元
Mei Wo Real Estate Company Limited 美和地產有限公司	Macau 澳門	Macau 澳門	-	100%	Property investment 物業投資	MOP25,000 25,000澳門元
Upbest Assets Management Limited 美建管理有限公司	Hong Kong 香港	Hong Kong 香港	-	100%	Assets management 資產管理	HK\$600,000 600,000港元
Upbest Bullion Company Limited 美建金業有限公司	Hong Kong 香港	Hong Kong 香港	-	100%	Bullion dealing and broking 金銀買賣及經紀	HK\$5,500,000 5,500,000港元
Upbest Commodities Company Limited 美建期貨有限公司	Hong Kong 香港	Hong Kong 香港	-	100%	Futures dealing 期貨買賣	HK\$10,000,000 10,000,000港元

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17. Interest in subsidiaries (Continued)

17. 於附屬公司之權益 (續)

Name of subsidiary	Place of incorporation	Principal place of operation	Percentage of holding by Company subsidiary		Principal activities	Issued and fully paid ordinary share capital
附屬公司名稱	註冊成立地點	主要營業地點	持股百分比		主要業務	已發行及繳足普通股股本
			本公司	附屬公司		
Upbest Cyber Trade Company Limited 美建電子商貿有限公司	Hong Kong 香港	Hong Kong 香港	-	100%	IT project management 資訊科技項目管理	HK\$2 2港元
Upbest Finance Company Limited 美建財務有限公司	Hong Kong 香港	Hong Kong 香港	-	100%	Money lending 貸款融資	HK\$2 2港元
Upbest Investment Company Limited 美建投資有限公司	Hong Kong 香港	Hong Kong 香港	-	100%	Securities margin financing 證券孖展融資	HK\$25,000,000 25,000,000港元
Upbest Macau Land Company Limited 美建澳門置業有限公司	British Virgin Islands 英屬處女群島	Hong Kong 香港	-	100%	Investment holding 投資控股	US\$1 1美元
Upbest Securities Company Limited 美建證券有限公司	Hong Kong 香港	Hong Kong 香港	-	100%	Securities dealing and broking 證券交易及經紀	HK\$10,000,000 10,000,000港元
Upbest Strategic Company Limited 美建策略有限公司	Hong Kong 香港	Hong Kong 香港	-	100%	Investment holding 投資控股	HK\$5,002 5,002港元
Upbest Precious Metals (Asia) Limited 美建貴金屬(亞洲)有限公司	Hong Kong 香港	Hong Kong 香港	-	75%	Precious metals dealing 貴金屬買賣	HK\$500,000 500,000港元
Companhia De Fomento Predial E Investimento San San, Limitada ("San San") 新新地產發展有限公司(「新新」)	Macau 澳門	Macau 澳門	-	60%	Investment and civil engineering 投資及土木工程	MOP500,000 500,000澳門元

None of the subsidiaries had any loan capital outstanding at the end of the year or at any time during the year.

本年度完結時或年度內，所有附屬公司均無未清還之資本性貸款。

18. Interest in associates

18. 於聯營公司之權益

<i>(In HK\$'000)</i>	<i>(以港幣千元為單位)</i>	2006	2005 (restated) (重列)
Unlisted investments, at cost	非上市投資，按成本	1	1
Share of post-acquisition profits/(losses)	應佔收購後溢利／(虧損)	247	(1)
		248	-
Amounts due from associates	應收聯營公司款項	20,233	40
		20,481	40

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

應收聯營公司款項為無抵押、免息及無固定還款期。

The Group's interest in its principal associates, all of which are unlisted, were as follows:

本集團於其所有非上市主要聯營公司之權益如下：

Name of associate 聯營公司名稱	Form of business structure 業務結構形式	Place of incorporation 註冊成立地點	Percentage of holding by Company by subsidiary 持股份比		Principal activities 主要業務
			本公司	附屬公司	
Acetrade Investments Limited	Incorporated 企業	British Virgin Islands 英屬處女群島	-	25%	Property investment 物業投資
Upbest Financial Services Limited	Incorporated 企業	Hong Kong 香港	-	50%	Provision of financial services 提供金融服務

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

本集團聯營公司之財務資料概要載列如下：

<i>(In HK\$'000)</i>	<i>(以港幣千元為單位)</i>	Total assets 資產總值	Total liabilities 負債總值	Group's share of net assets/ (liabilities) of associate 本集團應佔聯營公司之資產／ (負債)淨值	Revenue 收益	Profit/ (loss) for the period 期內溢利／ (虧損)	Group's share of result of associate for the year 本集團應 佔年內聯營 公司之業績
Acetrade Investments Limited		84,564	(85,421)	(214)	43	(857)	(1)
Upbest Financial Services Limited		833	(352)	240	1,715	496	248
		85,397	(85,773)	26	1,758	(361)	247

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19. Available-for-sale financial assets

19. 可供出售財務資產

(In HK\$'000)	(以港幣千元為單位)	2006	2005
Unlisted equity investments, at cost	非上市股本投資，按成本	<u>1</u>	-

As at the balance sheet date, the unlisted equity of which their fair values cannot be measured reliably, are stated at cost.

於結算日，未能可靠計算之非上市股本公平值乃按成本值列帳。

20. Trade and other receivable, deposits and prepayments

20. 貿易及其他應收款項、按金及預付款項

(In HK\$'000)	(以港幣千元為單位)	The Group 本集團	
		2006	2005
Amounts receivable arising from the ordinary course of business of dealing in securities and options:	日常業務之證券及認購權交易應收款項：		
- Cash clients, less provision for doubtful debts of HK\$451,000 (2005: HK\$Nil)	- 現金客戶 (減去呆壞帳撥備451,000港元 (二零零五年：無))	16,215	14,203
- The SEHK Options Clearing House Limited	- 聯交所期權結算有限公司	2	2
- Hong Kong Securities Clearing Company Limited	- 香港中央結算有限公司	60,723	-
Accounts receivable from tenants	應收租客款項	27	283
Amounts receivable arising from the ordinary course of business of dealing in futures contracts:	日常業務之期指合約交易應收款項：		
- Clearing house	- 結算所	15,940	1,029
Amounts receivable arising from the ordinary course of business of provision of securities margin financing:	日常業務之提供證券孖展融資應收款項：		
- Clients, less provision for doubtful debts of HK\$12,327,000 (2005: HK\$11,158,000)	- 客戶(減去呆帳撥備 12,327,000港元(二零零五年： 11,158,000港元))	81,033	93,487
Interest bearing loans receivable, less provision for doubtful debts of HK\$95,287,000 (2005: HK\$18,534,000)	附有利息應收貸款(減去呆帳撥備95,287,000港元 (二零零五年：18,534,000港元))	383,922	296,778
Other receivables	其他應收帳款	437	479
Deposits and prepayments	按金及預付款項	729	20,265
		<u>559,028</u>	426,526
Portion classified as non-current assets	分類為非流動資產部份	(89,898)	(453)
Portion classified as current assets	分類為流動資產部份	<u>469,130</u>	426,073

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20. Trade and other receivable, deposits and prepayments
(Continued)

Margin client receivables of approximately HK\$81,033,000 (2005: HK\$93,487,000) are repayable on demand, bearing interest at market rate and secured by clients' securities listed on the Stock Exchange with a market value of approximately HK\$192,511,000 as at 31st March, 2006 (2005: HK\$227,940,000).

The settlement terms of cash client receivables and amounts due from clearing houses are one or two days after the trade date. The age of these balances is within 30 days.

No ageing analysis is disclosed for margin client receivables and interest bearing loans receivable as, in the opinion of the Board, the ageing analysis does not give additional value in view of the nature of business of securities margin financing and money lending business.

21. Other assets

20. 貿易及其他應收帳款、按金及預付款項(續)

應收孖展客戶帳款約81,033,000港元(二零零五年: 93,487,000港元)須於通知時償還, 利息按市場利率徵收, 及以客戶之聯交所上市證券作抵押, 於二零零六年三月三十一日市值接近192,511,000港元(二零零五年: 227,940,000港元)。

應收現金客戶帳款及應收結算所款項之還款期為交易日後一至兩日。該結餘之帳齡為三十日內。

董事會認為帳齡分析並未為證券孖展融資業務及貸款融資業務提供附加值, 因此, 並無披露孖展客戶應收帳及附有利息應收貸款之帳齡分析。

21. 其他資產

(In HK\$'000)	(以港幣千元為單位)	The Group 本集團	
		2006	2005
Hong Kong Securities Clearing Company Limited	香港中央結算有限公司		
- Guarantee fund deposit	- 保證基金存款	196	126
- Admission fee	- 收納費用	100	100
Statutory deposit with the Stock Exchange	聯交所法定按金	200	202
Statutory deposit with the Securities and Futures Commission	證券及期貨事務監察委員會法定按金	2,000	2,000
Reserve fund contribution to the Stock Exchange Options Clearing House Limited	聯交所期權結算所有限公司儲備金	1,300	1,300
Reserve fund contribution to the HKFE Clearing Corporation Limited	香港期貨結算有限公司儲備金	2,992	2,201
		6,788	5,929

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22. Properties held for development

22. 持作發展物業

		The Group	
		本集團	
(In HK\$'000)	(以港幣千元為單位)	2006	2005
Properties held for development in Macau	於澳門持作發展物業	71,000	44,000

23. Loan receivable

This represents amount due from an investee company and is unsecured, interest-free and has no fixed repayment terms.

23. 應收貸款

指應收被投資公司之款項，為無抵押、免息及無固定還款期。

24. Amounts due from related companies

Amounts due from related companies represent margin client receivables which are repayable on demand, bearing interest at market rates and secured by client's securities listed on the Stock Exchange with a market value of approximately HK\$60,424,000 as at 31st March, 2006 (2005: HK\$39,062,000).

24. 應收關連公司款項

應收關連公司款項指應收孖展客戶之款項，須於通知時償還，按市場利率計息，及以客戶之聯交所上市證券作抵押，於二零零六年三月三十一日之市值約為60,424,000港元（二零零五年：39,062,000港元）。

25. Bank balances and cash

25. 銀行結餘及現金

		The Company		The Group	
		本公司		本集團	
(In HK\$'000)	(以港幣千元為單位)	2006	2005	2006	2005
Cash at bank	銀行結餘				
- General accounts	- 一般戶口	190	679	37,340	24,302
- Trust accounts	- 信託戶口	-	-	5,604	3,227
- Segregated accounts	- 分開處理戶口	-	-	3,694	6,885
Cash in hand	現金	-	-	3	7
Short-term bank deposits (Note)	短期銀行存款(附註)	-	-	65,359	63,187
		190	679	112,000	97,608

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25. Bank balances and cash (Continued)

Included in bank balances and cash in the consolidated balance sheet are the following amounts denominated in a currency other than the functional currency of the Group to which they relate:

25. 銀行結餘及現金(續)

綜合資產負債表內之銀行結餘及現金包括以本集團功能貨幣以外之貨幣計值之下列款額：

		2006	2005
United States Dollars	美元	1,526	397
Patacas	澳門元	361,072	2,040

Note: The amount represents fixed deposits pledged to a bank to secure general banking facilities granted to the Group.

附註：有關款項指抵押予銀行之定期存款，作為本集團獲授一般銀行融資之抵押品。

26. Borrowings

26. 借款

		The Group 本集團	
(In HK\$'000)	(以港幣千元為單位)	2006	2005
Borrowings comprise:	借款包括：		
Bank overdrafts	銀行透支	101,078	151,056
Other loans	其他貸款		
– interest bearing	– 計息	48,800	–
– interest free	– 免息	128,000	–
		277,878	151,056
Analysed as:	分析：		
Secured	有抵押	100,924	139,395
Unsecured	無抵押	176,954	11,661
		277,878	151,056
Borrowings are repayable as follows:	於下列年期償還之借貸：		
Within one year or on demand	一年內或按通知	114,778	151,056
More than one year but not exceeding two years	一年以上但不超過兩年	146,525	–
More than two years but not exceeding five years	兩年以上但不超過五年	16,575	–
		277,878	151,056
Less: Amount repayable within one year and shown under current liabilities	減：一年內償還並列作流動負債之款項	(114,778)	(151,056)
Amount due after one year	一年後到期款項	163,100	–

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26. Borrowings (Continued)

The ranges of effective interest rates (which are also equal to contracted interest rates) on the Group's borrowings are as follows:

		2006	2005
Effective interest rate:	實際利率：		
Variable-rate borrowings	浮息借款	2.750% to 5.000%	1.125% to 2.500%

The bank overdrafts are secured by fixed deposits with banks. The fair value of the Group's borrowings is not materially different from the corresponding carrying amounts at the balance sheet date. The interest free loan of HK\$128,000,000 has a maturity date 9 days after 12 months i.e. on 9th April, 2007. Therefore the carrying value approximates to the fair value and thus no imputation of interest expenses is deemed necessary to be adjusted in the consolidated income statement.

Included in borrowings are the following amount denominated in a currency other than the functional currency of the Group to which they relate:

		2006	2005
United States Dollars	美元	5,000,000	-

26. 借款(續)

本集團借款之實際利率(亦相等於合約利率)之範圍如下：

銀行透支由銀行之定期存款作擔保。於結算日，本集團借款之公平值與相關帳面值並無重大差異。免息借款128,000,000港元於滿十二個月後九日屆滿，即二零零七年四月九日。因此，帳面值與公平值相若，而毋須於綜合收益表調整利息開支。

借款包括以本集團功能貨幣以外之貨幣計值之下列款額：

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27. Creditors and accrued expenses

27. 應付帳款及應付費用

(In HK\$'000)	(以港幣千元為單位)	The Company		The Group	
		2006	2005	2006	2005
Amounts payable arising from the ordinary course of business of dealing in securities and options:	日常業務之證券及認購權交易應付款項：				
– Cash clients	– 現金客戶	-	-	76,832	5,207
– Hong Kong securities Clearing Company	– 香港中央結算有限公司	-	-	-	8,498
Amounts payable arising from the ordinary course of business of dealing in futures contracts:	日常業務之期貨合約交易應付款項：				
– Clients	– 客戶	-	-	19,627	7,900
Amounts payable arising from the ordinary course of business of provision of securities margin financing:	日常業務之提供證券孖展融資應付款項：				
– Clients	– 客戶	-	-	7,233	2,402
Escrow money received	代管資金	-	-	25,231	19,788
Accruals and other payables	應付費用及其他應付款項	749	734	3,296	3,421
Rental and other deposits received	租賃及其他已收按金	-	-	558	465
Rental receipts in advance	預收租金	-	-	1	40
		749	734	132,778	47,721

No ageing analysis is disclosed for escrow money received as it represents deposits paid by third parties to the Group for the purpose of potential investments in certain projects and the balance at 31st March, 2006 is non-interest bearing.

The settlement term of cash client payables is two days after the trade date. Other payables are repayable on demand. The age of these balances is within 30 days.

代管資金之帳齡並無披露，因為此存款乃第三者交予本集團代管並準備投資於有潛力投資項目及於二零零六年三月三十一日之結餘為無須支付利息。

現金客戶應付款項於交易日兩天後償還。其他應付款項須按通知償還。該結餘之帳齡為三十日內。

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28. Amounts due to related parties

(In HK\$'000)	(以港幣千元為單位)	The Company		The Group	
		本公司	本公司	本集團	本集團
		2006	2005	2006	2005
Amounts due to related parties:	應付關連人士款項：				
- Ultimate holding company	- 最終控股公司	-	-	256	4,033
- Related companies	- 關連公司	-	-	57,953	65,752
- A director	- 董事	7	7	52,886	82,121
- A subsidiary's director	- 附屬公司董事	-	-	538	538
		7	7	111,633	152,444

Amounts due to related parties are unsecured, interest-free and have no fixed terms for repayment.

應付關連人士之款項為無抵押，無須支付利息及須按通知償還。

29. Share capital

		Number of shares		Share capital	
		股份數目	股份數目	股本	股本
		2006	2005	2006	2005
		'000	'000	HK\$'000	HK\$'000
		千股	千股	千港元	千港元
Ordinary shares of HK\$0.01 each	每股面值0.01港元之普通股				
Authorised:	法定				
At the beginning and the end of the year	年初及年末數	3,000,000	3,000,000	30,000	30,000
Issued and fully paid:	已發行及繳足				
At the beginning of the year	年初數	1,228,754	1,120,000	12,288	11,200
Issue of shares upon subscriptions	於認購日發行股份	24,368	108,754	243	1,088
At the end of the year	年末數	1,253,122	1,228,754	12,531	12,288

During the year, 24,368,065 ordinary shares of HK\$0.01 each in the Company were issued at HK\$1.01 per share as scrip dividends. A premium arising therefrom of HK\$24,368,065 was credited to the share premium account.

年內，本公司以每股1.01港元發行24,368,065股每股面值0.01港元之普通股作為以股代息，就此產生之溢價24,368,065港元已於股份溢價中入帳。

30. Reserves

30. 儲備

(In HK\$'000)	(以港幣千元為單位)	Share premium 股份溢價	Contributed surplus 實繳盈餘	Retained profits 保留溢利	Total 總計
The Group					
Balance as at 1st April, 2004	於二零零四年四月一日結餘	54,489	8,515	88,706	151,710
Issue of shares	發行股份	151,447	-	-	151,447
Profit for the year	本年度溢利	-	-	83,488	83,488
Proposed final dividend	擬派發末期股息	-	-	(30,719)	(30,719)
Balance as at 31st March, 2005		205,936	8,515	141,475	355,926
Issue of shares	發行股份	24,368	-	-	24,368
Profit for the year	本年度溢利	-	-	155,296	155,296
Proposed final dividend	擬派發末期股息	-	-	(35,087)	(35,087)
Balance as at 31st March, 2006		230,304	8,515	261,684	500,503
The Company					
Balance as at 1st April, 2004	於二零零四年四月一日結餘	53,901	8,515	5,162	67,578
Issue of shares	發行股份	148,710	-	-	148,710
Profit for the year	本年度溢利	-	-	27,156	27,156
Proposed final dividend	擬派發末期股息	-	-	(30,719)	(30,719)
Balance as at 31st March, 2005		202,611	8,515	1,599	212,725
Issue of shares	發行股份	24,368	-	-	24,368
Profit for the year	本年度溢利	-	-	34,095	34,095
Proposed final dividend	擬派發末期股息	-	-	(35,087)	(35,087)
Balance as at 31st March, 2006		226,979	8,515	607	236,101

31. Operating lease arrangements

31. 經營租賃安排

The Group as lessee

集團為承租人

The Group leases certain properties under operating lease arrangements. Leases for properties are negotiated for terms ranging from one to three (2005: one to three) years.

本集團根據經營租賃安排租用若干物業。議定之物業租賃年期介乎一至三年(二零零五年：一至三年)。

At 31st March, 2006, the Group had entered into the following future minimum lease payments in respect of land and buildings under non-cancellable operating leases as follows:

於二零零六年三月三十一日，本集團根據不可撤銷土地及樓宇經營租賃下之未來最低應付租金如下：

(In HK\$'000)	(以港幣千元為單位)	The Group 本集團	
		2006	2005
Within one year	一年內	429	374
In the second to fifth years, inclusive	於第二年至第五年之內	7	91
		436	465

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31. Operating lease arrangements (Continued)

The Group as lessor

The Group leases certain properties under operating lease arrangements. Leases for properties are negotiated for terms ranging from one to five (2005: one to three) years.

At 31st March, 2006, the Group has total future minimum lease rental receivable under non-cancellable operating leases as follows:

		The Group 本集團	
(In HK\$'000)	(以港幣千元為單位)	2006	2005
Within one year	一年內	2,980	2,324
In the second to fifth years, inclusive	於第二年至第五年之內	3,994	2,583
		6,974	4,907

32. Connected and related party transactions

During the year, the Group had the following material transactions with its related parties:

Name of related party 關聯人士名稱 (In HK\$'000)	Nature of transactions 交易性質 (以港幣千元為單位)	Notes 附註	2006	2005
UBA Investments Limited ("UBA") 開明投資有限公司(「開明投資」)	Investment management fee 投資管理費	(a)	1,445	1,387
	Brokerage commission fee 經紀佣金	(b)	274	123
	Margin financing interest 孖展融資利息	(c)	295	19
Town Bright Industries Limited 同輝實業有限公司	Rental expenses and management fee 租金及管理費支出	(d)	736	820
Upbest Properties Company Limited 美建地產有限公司	Referral expenses and rental expenses 介紹開支及租金開支	(e)	84	434
Champion Assets Limited	Rental expenses 租金開支	(f)	101	15

31. 經營租賃安排(續)

集團為出租人

本集團根據經營租賃安排出租若干物業。議定之物業租賃年期介乎一至五年(二零零五年：一至三年)。

於二零零六年三月三十一日，本集團根據不可撤銷經營租賃下之未來最低應收租金如下：

32. 關連及關聯人士交易

於本年度，本集團曾與其關連人士進行以下之重大交易：

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關連及關聯人士披露(續)

32. Connected and related party transactions (Continued)

a) A subsidiary of the Company, an investment manager, has entered into investment management agreements with UBA for a period of three years commencing from 1st April, 2003. This agreement can be terminated by either the investment manager or UBA serving not less than six months' notice in writing prior to the expiration of the three years period. Pursuant to this agreement, monthly investment management fee is receivable at 1.5% per annum of the consolidated net asset value of UBA as at the immediately preceding valuation date on the basis of the actual number of days in the relevant calendar month over 365 days a year. This agreement expired on 31st March, 2006 and a supplemental agreement has been entered to extend for a period of three years commencing from 1st April, 2006.

b) Brokerage commission fee income is charged at 0.25%, the prevailing market rate, on the value of the transactions.

c) Interest income for margin account was charged at a range from 9.5% to 12.5% per annum.

Securities owned by UBA Investments Limited that is kept in the securities margin accounts of a subsidiary of the Company were pledged for securing general banking facilities granted to that subsidiary.

d) A subsidiary of the Company has entered into a tenancy agreement with Town Bright Industries Limited for one year, commencing from 1st August, 2005. The tenancy agreement was renewed for one year, commencing from 1st August 2006. Details of the leasing commitment are stated in note (31). The transactions were carried out at an amount agreed by both parties. Mr. Cheng Kai Ming, Charles, a director of the Company, has beneficial interests in Town Bright Industries Limited.

e) A subsidiary of the Company has entered into a tenancy agreement with Upbest Properties Company Limited for one year, commencing from 1st May, 2004. Details of the leasing commitment are stated in note (31). The transactions were carried out at an amount agreed by both parties. Mr. Cheng Kai Ming, Charles, a director of the Company, has beneficial interest in Upbest Properties Company Limited.

f) Two subsidiaries of the Company have entered into tenancy agreements with Champion Assets Limited for one year, commencing from 1st January, 2005 and 1st March, 2005 respectively. The tenancy agreement was renewed for one year, commencing from 1st January, 2006 and 1st March, 2006. Details of the leasing commitment are stated in note (31). Mr. Cheng Kai Ming, Charles, a director of the Company, has beneficial interest in Champion Assets Limited.

32.

a) 本公司之附屬公司(為投資經理)與開明投資簽訂投資管理協議,由二零零三年四月一日起為期三年。三年期限屆滿前,投資經理或開明投資可以以不少於六個月書面通知要求終止該協議。根據該協議,投資經理每月可按開明投資於對上一個估值日之綜合資產淨值1.5%之年率及有關曆月實際日數除以全年365日之基準收取投資管理費。此協議已於二零零六年三月三十一日到期,並已訂立一份補充協議,將年期延遲至由二零零六年四月一日起計三年。

b) 經紀佣金費用收入乃按交易價值之0.25%計算,為市場普遍使用之百分比。

c) 孖展戶口利息收入乃按年率9.5%至12.5%收取。

開明投資有限公司所持有存放於本公司一家附屬公司證券孖展帳戶之證券已抵押作為給予該附屬公司一般銀行融資之抵押品。

d) 本公司附屬公司與同輝實業有限公司訂立租賃協議,由二零零五年八月一日起為期一年。租賃協議已重續一年,由二零零六年八月一日起。租賃承諾之詳情載於附註(31)。有關交易以訂約各方議定之金額進行。本公司董事鄭啟明先生於同輝實業有限公司擁有實益權益。

e) 本公司附屬公司與Upbest Properties Company Limited訂立租賃協議,由二零零四年五月一日起,為期一年。租賃承諾之詳情載於附註(31)。有關交易以訂約各方議定之金額進行。本公司董事鄭啟明先生於Upbest Properties Company Limited擁有實益權益。

f) 本公司兩間附屬公司與Champion Assets Limited訂立租賃協議,分別由二零零五月一日起及二零零五年三月一日起,為期一年。租賃協議已重續一年,由二零零六年一月一日起及二零零六年三月一日起。租賃承諾之詳情載於附註(31)。本公司董事鄭啟明先生於Champion Assets Limited擁有實益權益。

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32. Connected and related party transactions (Continued)

- g) CCAA Group Limited, an investment holding company, holds approximately 69.31% interest in the Company. Fung Fai Growth Limited, an investment holding company, holds approximately 32.08% of UBA Investments Limited. The ultimate beneficial owner of Fung Fai Growth Limited and CCAA Group Limited is Cheng's Family Trust.
- h) Details of the balances with ultimate holding company, subsidiaries, associates, related companies, directors and subsidiaries' directors are fully disclosed in notes (17), (18), (24) and (28).
- i) The remuneration of directors and other members of key management during the year were disclosed in note (9).

33. Acquisition of a subsidiary

On 29th September, 2005, the Group acquired 100% of the issued share capital of Gold-Face Finance Limited for a consideration of HK\$28,000,004. This acquisition has been accounted for using the purchase method.

The net assets acquired and the gain arising from the acquisition are as follows:

(In HK\$'000)	(以港幣千元為單位)	Acquiree's carrying amount 被收購公司 帳面值	Fair value 公平值
Net assets acquired	購入之淨資產：		
Trade and other receivable, deposits and prepayments	貿易及其他應收款項、按金及預付款項	94,328	94,328
Bank balances	銀行結餘	32,755	32,755
Creditors and accrued expenses (note)	應付帳款及應付費用 (附註)	(396,806)	(27,416)
Loan payable	應付貸款	(4,125)	(4,125)
Net (liabilities)/assets	(負債)/資產淨值	<u>(273,848)</u>	95,542
Total consideration, satisfied by cash	以現金支付之總代價		<u>(28,348)</u>
Excess of net fair value over consideration recognised in the consolidated income statement	綜合收益表已確認公平淨值高於代價之部份		<u>67,194</u>
Net cash inflow on acquisition:	收購時之現金流入淨額：		
Bank balances and cash acquired	購入銀行結餘及現金		32,755
Cash consideration paid	已付現金代價		<u>(28,348)</u>
			<u>4,407</u>

Note: Pursuant to a S.166 Scheme of Arrangement, the indebtedness due to the creditors of the acquired subsidiary was substantially reduced. Therefore the fair value of creditors is significantly different from the carrying value.

32. 關連及關聯人士披露 (續)

- g) 投資控股公司 CCAA Group Limited 持有本公司約 69.31% 權益。投資控股公司 Fung Fai Growth Limited 持有開明投資有限公司約 32.08% 權益。Fung Fai Growth Limited 及 CCAA Group Limited 之最終實益擁有人為鄭氏家族信託。
- h) 最終控股公司、附屬公司、聯營公司、關連公司、董事及附屬公司董事之結餘詳情已於附註 (17)、(18)、(24) 及 (28) 披露。
- i) 董事及主要管理層其他成員於年內之酬金已於附註 (9) 披露。

33. 購入附屬公司

於二零零五年九月二十九日，本集團以 28,000,004 港元之代價收購均來財務有限公司之全部已發行股本。此收購以購買法處理。

此收購事項購入之淨資產及所產生之溢利如下：

附註：根據 S.166 債務償還安排，應付收購附屬公司債權人之債務已大幅減少，因此應付帳款之公平值與帳面值出現重大差異。

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33. Acquisition of a subsidiary (Continued)

The aggregate revenue and the profit for the whole year of the acquired subsidiary as though the acquisition was effected at the beginning of the year ended 31st March, 2006 are as follows:

33. 購入附屬公司(續)

被收購附屬公司於全年之收益及溢利總額如下，猶如收購事項已於截至二零零六年三月三十一日止年度初經已生效：

<i>(In HK\$'000)</i>	<i>(以港幣千元為單位)</i>	For the year ended 31st March, 2006 截至二零零六年 三月三十一日止年度
Total revenue	收益總額	6,792
Profit for the year	年內溢利	335,174

34. Disposal of a subsidiary

34. 出售附屬公司

<i>(In HK\$'000)</i>	<i>(以港幣千元為單位)</i>	2006	2005
Share of net assets disposed of:	應佔出售資產淨值：		
Properties held for development	持作發展物業	17,600	-
Gain on disposal of a subsidiary	出售附屬公司所產生之溢利	18,100	-
Proceeds from disposal	出售之所得款項	35,700	-
Satisfied by:	支付方法：		
Cash	現金	35,700	-
Analysis of the net inflow of cash and cash equivalents in respect of the disposal of a subsidiary:	出售附屬公司之現金及現金之等價物之流入淨額分析：		
Cash consideration received	已收現金代價	35,700	-