

Notes to the Financial Statements 財務報表附註

1 General information

The Company and its subsidiaries (together the “Group”) are principally engaged in foundation works, leasing and trading of machinery and equipment for foundation works and vessel chartering. The Company is a limited liability company incorporated in Bermuda and has its primary listing on the Main Board of The Stock Exchange of Hong Kong Limited. The Company’s principal place of business is Units 1310-13, 113 Argyle Street, Mongkok, Kowloon, Hong Kong.

The financial statements are presented in thousands of units of Hong Kong dollars (HK\$’000), unless otherwise stated. The financial statements have been approved for issue by the board of directors of the Company on 19th July 2006.

2 Summary of 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, unless otherwise stated.

2.1 Basis of preparation

(i) The adoption of Hong Kong Financial Reporting Standards

The consolidated financial statements of the Company have been prepared under the historical cost convention and in accordance with Hong Kong Financial Reporting Standards (“HKFRS”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

一般資料

本公司及其附屬公司(統稱「本集團」)主要從事地基工程，及用於地基工程之機械及器材之租賃及貿易，以及船舶租賃。本公司為一家於百慕達註冊成立之有限公司，並於香港聯合交易所有限公司主板第一上市。本公司主要辦事處地址位於香港九龍旺角亞皆老街113號13樓1310至1313室。

除非文義另有所指，財務報表按千位數為單位以港元(「千港元」)呈列。財務報表已於二零零六年七月十九日獲本公司董事會批准刊發。

主要會計政策概要

編製本綜合財務報表所採納之主要會計政策載列於下文。除另有註明外，此等政策於所有呈報年度內貫徹應用。

編製基準

(i) 採納香港財務報告準則

本公司之綜合財務報表乃根據歷史成本常規法，及按照香港會計師公會頒佈之香港財務報告準則而編製。

Notes to the Financial Statements 財務報表附註

2 Summary of significant accounting policies

(continued)

主要會計政策概要 (續)

2.1 Basis of preparation (continued)

編製基準 (續)

(i) The adoption of Hong Kong Financial Reporting Standards (continued)

(i) 採納香港財務報告準則 (續)

The preparation of the financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in note 4 below.

遵照香港財務報告準則編製財務報表須作出若干重要會計評估，此外管理層亦需要於應用本公司會計政策時作出判斷。牽涉較深入判斷或較複雜之範圍，或對財務報表構成重大假設及估計之範圍於財務報表附註4披露。

The adoption of new/revised HKFRS

採納新訂／經修訂香港財務報告準則

In 2005, the Group adopted the following new and revised HKFRS and Hong Kong Accounting Standards ("HKAS") (collectively the new HKFRSs), which are effective for accounting periods commencing on or after 1st January 2005 and relevant to the operations of the Group:

於二零零五年，本集團採納下列新訂及經修訂香港財務報告準則及香港會計準則（「香港會計準則」）（統稱新香港財務報告準則），此等準則於二零零五年一月一日或之後開始之會計期間生效，與本集團之業務有關：

HKAS 1	Presentation of Financial Statements
HKAS 2	Inventories
HKAS 7	Cash Flow Statements
HKAS 8	Accounting Policies, Changes in Accounting Estimates and Errors
HKAS 10	Event after the Balance Sheet Date
HKAS 11	Construction Contracts
HKAS 16	Property, Plant and Equipment
HKAS 17	Leases
HKAS 18	Revenue
HKAS 19	Employee Benefits

香港會計準則第1號	財務報表之呈報
香港會計準則第2號	存貨
香港會計準則第7號	現金流量報表
香港會計準則第8號	會計政策、會計估計更改及錯誤更正
香港會計準則第10號	結算日後事項
香港會計準則第11號	建造合約
香港會計準則第16號	物業、機器及設備
香港會計準則第17號	租賃
香港會計準則第18號	收益
香港會計準則第19號	僱員福利

Notes to the Financial Statements 財務報表附註

2 Summary of significant accounting policies (continued)

主要會計政策概要 (續)

2.1 Basis of preparation (continued)

編製基準 (續)

(i) The adoption of Hong Kong Financial Reporting Standards (continued)

(i) 採納香港財務報告準則 (續)

The adoption of new/revised HKFRS (continued)

採納新訂／經修訂香港財務報告準則 (續)

HKAS 21	The Effects of Changes in Foreign Exchange Rates	香港會計準則第21號	滙率變動之影響
HKAS 23	Borrowing Costs	香港會計準則第23號	借貸成本
HKAS 24	Related Party Disclosures	香港會計準則第24號	關連方披露
HKAS 27	Consolidated and Separate Financial Statements	香港會計準則第27號	綜合及獨立財務報表
HKAS 32	Financial Instruments: Disclosures and Presentation	香港會計準則第32號	金融工具：披露及呈列
HKAS 33	Earnings Per Share	香港會計準則第33號	每股盈利
HKAS 36	Impairment of Assets	香港會計準則第36號	資產減值
HKAS 39	Financial Instruments: Recognition and Measurement	香港會計準則第39號	金融工具：確認及計量
HKAS 39	Transition and Initial Recognition of	香港會計準則第39號	金融資產及金融負債之
Amendment	Financial Assets and Financial Liabilities	修訂本	過渡性及初步確認
HKFRS 2	Share-based Payments	香港財務報告準則 第2號	以股份為基礎的支付
HKFRS 3	Business Combination	香港財務報告準則 第3號	企業合併

Notes to the Financial Statements 財務報表附註

2 Summary of significant accounting policies

(continued)

主要會計政策概要 (續)

2.1 Basis of preparation (continued)

編製基準 (續)

(i) The adoption of Hong Kong Financial Reporting Standards (continued)

(i) 採納香港財務報告準則 (續)

The adoption of new/revised HKFRS (continued)

採納新訂／經修訂香港財務報告準則 (續)

The adoption of new/revised HKASs 1, 2, 7, 8, 10, 11, 16, 17, 18, 19, 21, 23, 24, 27, 32, 33, 36, 39, 39 Amendment and HKFRSs 2 and 3 did not result in substantial changes to the Group's accounting policies. In summary:

採納新訂／經修訂香港會計準則第1號、第2號、第7號、第8號、第10號、第11號、第16號、第17號、第18號、第19號、第21號、第23號、第24號、第27號、第32號、第33號、第36號、第39號、第39號修訂本及香港財務報告準則第2號及第3號並無導致本集團之會計政策出現重大變動。總括而言：

- HKAS 1 has affected the presentation of the financial statements.
- HKAS 24 has affected the identification of related parties and some other related party disclosures.
- HKASs 2, 7, 8, 10, 11, 16, 17, 18, 19, 21, 23, 27, 32, 33, 36, 39, 39 Amendment and HKFRSs 2 and 3 have no material effect on the Group's accounting policies.

- 香港會計準則第1號影響財務報表之呈列。
- 香港會計準則第24號影響關聯方的確認及若干其他關聯方之披露。
- 香港會計準則第2號、第7號、第8號、第10號、第11號、第16號、第17號、第18號、第19號、第21號、第23號、第27號、第32號、第33號、第36號、第39號、第39號修訂本及香港財務報告準則第2號及第3號對本集團之會計政策並無重大影響。

2 Summary of significant accounting policies (continued)

主要會計政策概要 (續)

2.1 Basis of preparation (continued)

編製基準 (續)

- (i) The adoption of Hong Kong Financial Reporting Standards (continued)

- (i) 採納香港財務報告準則 (續)

Application of merger accounting

應用合併會計法

The Group applied the Accounting Guideline No. 5 – “Merger Accounting for Common Control Combination”, using the principles of merger accounting to account for the acquisition of Master View Co., Ltd. (“Master View”) which was completed on 15th March 2006.

本集團已應用會計指引第5號「共同控制合併之合併會計法」，使用合併會計法原則處理於二零零六年三月十五日完成收購之Master View Co., Ltd. (「Master View」)。

The acquisition is a combination of businesses under common control since Mr. Lau Chun Ming is the substantial shareholder of both the Company and Master View. As a result, the Group accounted for the acquisition in a manner similar to a uniting of interests, whereby the assets and liabilities acquired are accounted for at historical cost to the Group. The consolidated financial statements have been restated to give effect to the acquisition with all periods presented as if the operations of the Group and Master View have always been combined. The difference between the purchase consideration and the issued share capital of Master View of HK\$7 has been adjusted against equity.

由於劉振明先生為本公司及Master View之主要股東，收購乃合併受共同控制之業務。因此，本集團以權益統一之相近方式處理該項收購，據此所收購之資產及負債均按歷史成本在本集團入賬。綜合財務報表已予重列，以使所有呈報期內之收購猶如本集團及Master View之業務經已被合併而生效。收購代價與Master View已發行股本之差額7港元已在權益內作出調整。

Notes to the Financial Statements 財務報表附註

2 Summary of significant accounting policies (continued)

主要會計政策概要 (續)

2.1 Basis of preparation (continued)

編製基準 (續)

- (i) The adoption of Hong Kong Financial Reporting Standards (continued)

- (i) 採納香港財務報告準則 (續)

The effect of adopting merger accounting to account for the acquisition of Master View to the consolidated financial statements of the Group is as follows:

採用合併會計法將Master View之收購在本集團綜合財務報表入賬造成以下影響：

The consolidated balance sheet as at 31st March 2006:

於二零零六年三月三十一日之綜合資產負債表：

		The Group	Master	Adjustments	Consolidated
		本集團	View	(Note)	綜合
		HK\$'000	HK\$'000	調整(附註)	綜合
		千港元	千港元	千港元	千港元
Total assets	資產總值	284,227	73,142	(4)	357,365
Total liabilities	負債總額	(157,761)	(66,863)	4	(224,620)
		126,466	6,279	–	132,745
Share capital	股本	30,000	–	–	30,000
Share premium	股份溢價	27,913	–	–	27,913
Merger reserve	合併儲備	(12,974)	–	–	(12,974)
Retained profit	保留溢利	81,527	6,279	–	87,806
		126,466	6,279	–	132,745

Notes to the Financial Statements 財務報表附註

2 Summary of significant accounting policies (continued)

主要會計政策概要 (續)

2.1 Basis of preparation (continued)

編製基準 (續)

(i) The adoption of Hong Kong Financial Reporting Standards (continued)

(i) 採納香港財務報告準則 (續)

The consolidated balance sheet as at 31st March 2005:

於二零零五年三月三十一日之綜合資產負債表：

		The Group	Master	Adjustments	Consolidated
		本集團	View	(Note)	綜合
		HK\$'000	HK\$'000	調整 (附註)	綜合
		千港元	千港元	千港元	千港元
Total assets	資產總值	325,951	71,812	–	397,763
Total liabilities	負債總額	(194,907)	(74,487)	–	(269,394)
		131,044	(2,675)	–	128,369
Share capital	股本	30,000	–	–	30,000
Share premium	股份溢價	27,913	–	–	27,913
Merger reserve	合併儲備	(12,974)	–	–	(12,974)
Retained profit/ (accumulated loss)	保留溢利/ (累計虧損)	86,105	(2,675)	–	83,430
		131,044	(2,675)	–	128,369

Note:

The investment of the Group in Master View and the share capital of Master View, which are eliminated (with the difference credited to merger reserve), are not reflected in the above as the amounts involved are HK\$1 and HK\$8 respectively only.

附註：

本集團於Master View之投資及Master View之股本已予撇銷(差額已計入合併儲備內)及並未於上述反映，乃由於所涉及之金額分別僅為1港元及8港元。

Notes to the Financial Statements 財務報表附註

2 Summary of significant accounting policies (continued)

主要會計政策概要 (續)

2.1 Basis of preparation (continued)

編製基準 (續)

- (i) The adoption of Hong Kong Financial Reporting Standards (continued)

- (i) 採納香港財務報告準則 (續)

The consolidated income statement for the year ended 31st March 2006:

截至二零零六年三月三十一日止年度之綜合收益表：

	The Group 本集團 HK\$'000 千港元	Master View HK\$'000 千港元	Adjustments 調整 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
(Loss)/profit attributable to equity holders of the Group				
本集團股權持有人應佔(虧損)/溢利	(4,578)	8,954	–	4,376

The consolidated income statement for the year ended 31st March 2005:

截至二零零五年三月三十一日止年度之綜合收益表：

	The Group 本集團 HK\$'000 千港元	Master View HK\$'000 千港元	Adjustments 調整 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Loss attributable to equity holders of the Group				
本集團股權持有人應佔虧損	(22,174)	(2,675)	–	(24,849)

Notes to the Financial Statements 財務報表附註

2 Summary of significant accounting policies

(continued)

主要會計政策概要 (續)

2.1 Basis of preparation (continued)

編製基準 (續)

(ii) Standards, amendments and interpretations which are not yet effective

(ii) 尚未生效之準則、修訂及詮釋

The following new standards, amendments and interpretations to existing standards have been published that are mandatory for accounting periods beginning on or after 1st January 2006 or later periods:

下列已公佈之新準則、現有準則之修訂及詮釋對二零零六年一月一日或之後開始之會計期間或較後期間須予強制執行。

Effective from 1st January 2006

由二零零六年一月一日起生效

HKAS 19 Amendment	Employee Benefits – Actuarial Gains and Losses, Group Plans and Disclosures	香港會計準則 第19號修訂本	僱員福利－精算盈虧、集體計劃及披露
HKAS 39 Amendment	Cash Flow Hedge Accounting of Forecast Intragroup Transactions	香港會計準則 第39號修訂本	預測集團內交易之現金流量對沖會計法
HKAS 39 Amendment	The Fair Value Option	香港會計準則 第39號修訂本	公平價值選擇
HKAS 39 and HKFRS 4 Amendment	Financial Guarantee Contracts	香港會計準則 第39號及香港 財務報告準則 第4號修訂本	財務擔保合約
HKFRS 1	First-time Adoption of Hong Kong Financial Reporting Standards	香港財務報告 準則第1號	首次採納香港財務報告準則
HKFRS – Int 4	Determining whether an Arrangement contains a Lease	香港財務報告 準則－詮釋 第4號	釐定一項安排是否包括租賃

Effective from 1st January 2007

由二零零七年一月一日起生效

HKAS1 Amendment	Capital Disclosures	香港會計準則 第1號修訂本	資本披露
HKFRS 7	Financial Instruments: Disclosures	香港財務報告 準則第7號	金融工具：披露

Notes to the Financial Statements 財務報表附註

2 Summary of significant accounting policies

(continued)

主要會計政策概要 (續)

2.1 Basis of preparation (continued)

編製基準 (續)

- (ii) Standards, amendments and interpretations which are not yet effective (continued)

- (ii) 尚未生效之準則、修訂及詮釋 (續)

The Group has not early adopted these new standards but has already commenced an assessment of their impact. The Group is not yet in a position to state whether these changes would have a significant impact on its results of operations and financial position.

本集團並無提早採用該等新準則，但已開始評估彼等之影響。本集團尚未能說明該等變動對其經營業績及財政狀況會否造成重大影響。

2.2 Consolidation

綜合

The consolidated financial statements included the financial statements of the Company and its subsidiaries made up to 31st March.

綜合財務報表包括本公司及其附屬公司截至三月三十一日之財務報表。

Subsidiaries are all 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.

附屬公司乃指本集團有權監管其財務或營運政策及一般控制其半數以上投票權之所有實體。於評估本集團是否控制另一實體時，將會考慮現有可予行使或可轉換潛在投票權之存在及效力。

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

附屬公司之賬目自控制權轉讓予本集團之日起全數綜合計入，而有關賬目將於該控制權終止之日剔除計入綜合賬目。

2 Summary of significant accounting policies

(continued)

主要會計政策概要 (續)

2.2 Consolidation (continued)

綜合 (續)

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

收購會計法用於計算本集團收購附屬公司，惟該等受共同控制者除外。收購成本按於所給予資產、所發行股本工具及所產生或承擔負債於交換日期之公平值計量，另加收購之直接應佔成本。於業務合併取得之可識別資產以及承擔之負債及或然負債，初步按收購日期之公平值計算，而不論任何少數股東權益的數額。收購成本超出本集團所佔已收購可識別資產淨值公平值之差額乃記錄為商譽。倘收購成本少於所收購附屬公司資產淨值之公平值，則有關差額直接於收益表確認。

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated except where there is any indication of impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

集團內公司間之交易、結餘及集團內公司間交易之未實現收益均予以對銷。未實現虧損亦會對銷，惟有任何證據顯示所轉讓資產出現減值除外。附屬公司之會計政策於有需要時已作出更改，以確保本集團採納之政策貫徹一致。

In the Company's balance sheet, the investments in subsidiaries are carried at cost less provision for impairment loss. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

於本公司之資產負債表內，於附屬公司之投資均按成本值扣除減值虧損列賬。附屬公司之業績乃由本公司按已收準備及應收股息為基準入賬。

2 Summary of significant accounting policies

(continued)

主要會計政策概要 (續)

2.3 Plant and equipment

設備及器材

Plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the assets.

設備及器材按歷史成本減累計折舊與減值虧損列賬。歷史成本包括收購資產直接應佔之開支。

Subsequent costs are included in the carrying amount of the asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. All other repairs and maintenance are expensed in the income statement during the financial period in which they are incurred.

當與資產有關之未來經濟利益可能流入本集團，以及資產成本能可靠計算時，其後成本才會計入資產之賬面值或確認為獨立資產(視適用情況而定)。所有其他維修及保養費於產生財政期間於收益表扣除。

During the year, the directors re-assessed the residual value of plant and equipment with reference to sales proceeds of plant and equipment disposed, scrap value of metals and conditions of the plant and equipment of the Group and applied residual values ranging from 7% to 50% on the cost of the assets. Plant and equipment of the Group did not have residual values in the past. This change in accounting estimate has decreased the current year depreciation charge by approximately HK\$2,224,000.

於年內，董事參照出售設備及器材之銷售所得款項、金屬之剩餘價值及本集團設備及器材之狀況，重估設備及器材之剩餘價值，並應用介乎資產成本7%至50%之剩餘價值。本集團之設備及器材過往並無剩餘價值。此項會計估計之變動令本年度折舊支出減少約2,224,000港元。

2 Summary of significant accounting policies (continued)

主要會計政策概要 (續)

2.3 Plant and equipment (continued)

設備及器材 (續)

Depreciation of both owned and leased plant and equipment is calculated using the straight-line method to write off the cost less accumulated impairment losses to their residual values over the estimated useful lives, as follows:

自置及租賃設備及器材是以直線法按其估計可使用年期撇銷其成本減累計減值虧損至省剩餘價值計算折舊。估計可使用年期概述如下：

Machinery and equipment	10-15 years
Furniture and fixtures	5 years
Motor vehicles	5 years
Vessel	10 years

機械及器材	10-15 年
傢具及裝置	5 年
汽車	5 年
船舶	10 年

When a vessel is acquired, the costs of major components which are usually replaced or renewed at the next dry-docking are identified and depreciated over the period to the next estimated dry-docking date. Costs incurred on subsequent dry-docking of a vessel are capitalised and depreciated over the period to the next estimated dry-docking date.

當收購船舶時，於下次進行乾塢維修時通常替換或更新之主要零部件成本已予識別，並於直至估計下次進行乾塢維修日期之期間計算折舊。船舶其後進行乾塢維修產生之成本會撥充資本，並於直至估計下次進行乾塢維修日期之期間計算折舊。

Gains or losses on disposal of plant and equipment are determined by comparing proceeds with carrying amount. These are included in the income statement. When revalued assets are sold, the amounts included in other reserves are transferred to retained earnings.

出售設備及器材所產生收益或虧損以比較所得款項賬面值釐定。此等金額乃計入收益表處理。當重估資產售出時，計入其他儲備之金額撥入保留盈利。

2 Summary of significant accounting policies

(continued)

主要會計政策概要 (續)

2.4 Impairment of non-financial assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of the fair value of an asset less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

非金融資產減值

倘發生任何可能導致未能收回賬面值之事項或情況變化，須評估減值。倘資產賬面值超過其可收回金額，則會確認減值虧損。可收回金額為資產公平價值減出售成本後之價值，與其使用價值之間的較高者。為了評估資產減值，本集團按個別可識別現金流量的最低水平（現金生產單位）劃分資產類別。除商譽外出現減值之非金融資產將於各報告日期檢討減值撥回之可能性。

2.5 Leases

(a) Finance leases

Leases of assets where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased plant and equipment and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in current and non-current borrowings. The interest element of the finance cost is recognised in the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

租賃

(a) 融資租賃

融資租賃是指將所有資產的風險及回報基本上全部轉歸本集團的租賃。融資租賃在租賃開立時按租賃設備及器材公平值或最低租金現值（以較低者為準）資本化。每期租金均在負債與融資成本之間分配，以釐定財務結欠額的固定費率。相應租賃債務經扣除融資成本後計入流動及非流動負債。融資成本之利息部分於租賃期內自收益表扣除，以釐定每期間負債結餘利息的固定費率。

2 Summary of significant accounting policies

(continued)

主要會計政策概要 (續)

2.5 Leases (continued)

租賃 (續)

(b) Operating lease

(b) 經營租賃

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 charged in the income statement on a straight-line basis over the period of the lease.

經營租賃是指擁有資產的回報及風險基本上全部仍歸出租人的租賃。根據經營租賃作出的付款經扣除出租人給予的任何已收獎勵金後，於租賃期內以直線法自收益表扣除。

2.6 Trade and other receivables

應收賬款及其他應收款項

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.

應收賬款及其他應收款項初步按公平值確認，其後以實際利率法按攤銷成本減除減值撥備計算。當有客觀證據顯示本集團將不能按應收款項原本期限收回全數款項時，即就應收賬款及其他應收款項減值撥備。撥備金額為資產賬面值與按實際利率折讓之估計未來現金流量現值之間差額。撥備金額於收益表確認。

2.7 Inventories

存貨

Inventories comprise machinery and equipment for resale purpose, bunkers on board of vessels, lubricating oil and marine products and are stated at the lower of cost and net realisable value. Cost is determined using first-in, first-out (FIFO) method and represents purchase cost. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

存貨包括可作轉售用途的機械及器材、船上儲存的燃料、機油及海事用品，並按成本及可變現淨值兩者中的較低者入賬。成本按先入先出方法計算，相當於採購成本。可變現淨值為日常業務過程中估計售價減適用可變銷售費用釐定。

2 Summary of significant accounting policies (continued)

2.8 Contracting work in progress

Contracting work in progress is valued at cost plus estimated attributable profits, less foreseeable losses and progress payments received and receivable. Cost comprises direct materials, labour and overhead expenses incurred.

Revenue from contracting work is recognised based on the stage of completion of the contracts. The stage of completion of a contract is measured by reference to the gross billing value of contracting work to date as compared to the total contract sum receivable under the contract, or the total costs attributable to work performed to date as compared to the estimated total contract costs, whichever is the lower. When it is probable that total contract costs will exceed total contract revenue, the foreseeable loss is recognised as an expense immediately. Profits calculated in this manner are transferred from gross profit to deferred income on the balance sheet and is released to the income statement in accordance with the stage of completion of the contracts when the outcome of the relevant contract can be measured reliably.

The aggregate of the costs incurred and the profit/loss recognised on each contract is compared against the progress billings up to the year end. Where costs incurred and recognised profits (less recognised losses) exceed progress billings, the balance is shown as due from customers for contract works under current assets. Where progress billings exceed costs incurred plus recognised profits (less recognised losses), the balance is shown as due to customers for contract works under current liabilities.

主要會計政策概要 (續)

在建工程合約

在建工程合約按成本加估計應佔溢利減可預見虧損及已收及應收進度付款釐定價值。成本包括直接物料、勞工及間接費用支出。

工程合約收入乃按合約竣工階段確認入賬。合約竣工階段乃參照工程合約迄今進度付款總值相對根據該合約應收合約總值，或迄今已進行工程應佔成本總額相對估計合約成本總額（以較低金額為準）確立。倘合約成本總額有可能會超出合約收入總額，可預見虧損乃即時確認為費用入賬。按此方式計算的溢利自毛利中撥往資產負債表上的遞延收入，而當有關之工程合約成果能夠可靠地計量時，有關溢利則按合約竣工階段撥回收益表。

各項合約所產生之成本與確認溢利／虧損總和會與截至年終的進度付款作比較，倘有關成本加確認溢利（減確認虧損）超出進度付款，餘額乃於流動資產項下列賬為應收工程合約客戶款項；倘進度付款超出有關成本加確認溢利（減確認虧損），餘額乃於流動負債項下列賬為應付工程合約客戶款項。

2 Summary of significant accounting policies

(continued)

主要會計政策概要 (續)

2.9 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds, net of transaction costs, and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

借貸

借貸初步以減去已產生之交易成本之公平價值確認。扣除交易成本之所得款項與贖回價值間之差額，乃以實際利率法於借貸期間在收益表確認。

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

借貸歸類為流動負債，除非本集團有權無條件將債項延長至結算日後最少12個月後償還則作別論。

2.10 Provisions

Provisions for environmental restoration, restructuring costs and legal claims are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

撥備

當本集團因已發生的事件須承擔現有之法律性或確定責任，而解除責任時有可能消耗資源機會較不可能大，並在金額能夠可靠地作出估算的情況下，需就環境復修、重組成本及法律申索確立撥備。重組撥備包括終止租約罰款及終止聘員工付款。未來經營虧損不會作出撥備。

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

倘本集團承擔若干類似責任，於釐定解除責任時需要消耗資源之可能性時，將以整類責任為考慮。即使同類責任當中任何一個項目導致消耗資源之可能性甚低，亦會確認撥備。

2 Summary of significant accounting policies

(continued)

主要會計政策概要 (續)

2.10 Provisions (continued)

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

撥備 (續)

撥備按預期須履行責任之開支現值，採用可反映現行市場評估貨幣時間價值及責任指定風險之前稅比率計量。因時間過去而增加之撥備確認為利息開支。

2.11 Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

遞延所得稅

遞延所得稅採用負債法就資產和負債之稅基與它們在財務報表之賬面值兩者之暫時差異作全數撥備。

However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

然而，倘遞延所得稅乃產自於交易時（業務合併除外）初步確認之資產或負債，而當時之交易並無影響會計或應課稅溢利或虧損，則不會記賬。遞延所得稅乃以於結算日已頒佈或實際頒佈之稅率（及法例）釐定，並預期於實現相關遞延所得稅資產或償還遞延所得稅負債時適用。

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

遞延所得稅資產乃就有可能將未來應課稅溢利與可動用之暫時差異抵銷而確認。

2 Summary of significant accounting policies

(continued)

主要會計政策概要 (續)

2.12 Contingent liabilities

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

或然負債

或然負債指因過往事件而可能引起之責任，此等責任需視乎日後一宗或多宗不確定之事件會否發生才能確認，而有關事件會否發生並非完全在於本集團控制能力之內。或然負債亦可以是因過往事件引致之現有責任，但由於不確定是否需要消耗經濟資源，或責任金額未能可靠地衡量而未有確認入賬。或然負債不予確認，惟會於財務報表附註中披露。

2.13 Revenue recognition

Revenue from contracting work is recognised based on the stage of completion of the contracts as detailed in note 2.8 above.

工程合約收入按合約竣工階段確認，詳見上文附註2.8。

Revenue from chartering of vessel are recognised on the following basis:

船舶租賃收入按以下基準確認：

Time charter	Time proportion
Voyage charter	Percentage of completion

有期租約	按時間比例
定程租約	按已完成比例

Machinery rental income is recognised on a time proportion basis.

機械租金收入按時間比例基準確認。

Sale of goods is recognised on the transfer of risks and rewards of ownership, which generally coincides with the time when the goods are delivered to customers and the title has passed.

貨品銷售收入於擁有權的風險及回報轉移時，即通常於貨品交付予客戶及所有權轉移時確認。

Interest income is recognised on a time-proportion basis using the effective interest method.

利息收入按實際利率法以時間比例基準確認。

2 Summary of significant accounting policies

(continued)

主要會計政策概要 (續)

2.14 Foreign currencies translation

外幣匯兌

(a) Functional and presentation currency

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

(a) 功能和呈報貨幣

本集團旗下各實體之財務報表所列項目均採用有關實體營業所在的主要經濟環境通用的貨幣(「功能貨幣」)為計算單位。綜合財務報表以港元呈報，而港元為本公司之功能貨幣及呈報貨幣。

(b) 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 of monetary assets and liabilities denominated in foreign currencies at the exchange rates ruling at the balance sheet date are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges or qualifying net investment hedges.

(b) 交易及結餘

外幣交易按交易當日適用之匯率兌換為功能貨幣。因結算有關交易及按結算日匯率換算貨幣資產和負債產生之外匯損益均於收益表確認，但符合資格成為現金流量對沖或投資淨額對沖之項目，則於權益列為遞延項目。

On consolidation, exchange differences arising from the translation of the net investment in foreign entities, and of borrowings and other currency instruments designated as hedges of such investments, are taken to equity. When a foreign operation is disposed, such exchange differences are recognised in the income statement as part of the gain or loss on disposal.

綜合賬目時，換算海外實體投資淨值所產生匯兌差額及指定用作對沖該等投資之借款及其他貨幣工具之匯兌差額均計入股東權益。出售海外業務時，有關匯兌差額於收益表確認為出售收益或虧損一部分。

2 Summary of significant accounting policies

(continued)

主要會計政策概要 (續)

2.14 Foreign currencies translation (continued)

外幣匯兌 (續)

(c) Group companies

(c) 集團旗下公司

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

集團旗下所有功能貨幣與呈報貨幣不同之實體之業績及財務狀況，按以下方式換算為呈報貨幣：

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each income statement are translated at average exchange rates; and
- (iii) all resulting exchange differences are recognised as a separate component of equity.

- (i) 各資產負債表所呈列資產及負債，按結算日之收市匯率換算；
- (ii) 各收益表之收入及支出，按平均匯率換算；及
- (iii) 所有匯兌差額將確認為個別權益項目。

2.15 Employee benefits

僱員福利

(a) Employee leave entitlements

(a) 僱員年假權利

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

僱員享有年假之權利乃累計予僱員時予以確認。本公司就僱員由服務本公司之日至結算日止為年假之估計負債作出撥備。

Employee entitlements to sick leave and maternity or paternity leaves are not recognised until the time of leave.

僱員可享有之病假及產假於休假時方予確認。

2 Summary of significant accounting policies (continued)

主要會計政策概要 (續)

2.15 Employee benefits (continued)

僱員福利 (續)

(b) Pension obligations

A Mandatory Provident Fund Scheme (the “MPF scheme”) has been set up for all employees in accordance with the Mandatory Provident Fund Scheme Ordinance (the “MPF Ordinance”). Under the rules of the MPF scheme, the employer and its employees are required to make contributions to the MPF at 5% of the employees’ gross earning with a ceiling of HK\$1,000 per month.

The Group’s contributions to the MPF scheme are expensed as incurred and the assets of the scheme are held separately from those of the Group in an independently administered fund.

(c) Share-based compensation

The Group operates an equity-settled, share-based compensation plan. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

(b) 退休金承擔

本集團根據強制性公積金計劃條例(「強積金條例」)為所有僱員設立強制性公積金計劃(「強積金計劃」)。根據強積金計劃的規則，僱主及僱員須按僱員每月賺取收入5%對強積金計劃作出供款，上限為每月1,000港元。

本集團向強積金計劃作出之供款於產生時支銷，而計劃之資產存於一個獨立管理的基金與本集團之資產分開持有。

(c) 以股份為基礎的報酬

本集團設有一項以權益償付、以股份為基礎之報酬計劃。就僱員所提供服務而授出的購股權的公平值確認為費用。在購股權行使時收取的所得款項扣除任何直接交易成本後，撥入股本(面值)及股份溢價。

2 Summary of significant accounting policies

(continued)

主要會計政策概要 (續)

2.15 Employee benefits (continued)

僱員福利 (續)

(d) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance sheet date are discounted to present value.

(d) 離職福利

離職福利是指員工在正常退休日前被終止工作或員工自願接受離職以換取這些福利時支付的福利。本集團會根據其明確承諾確認離職福利：就具體正式計劃終止現職員工的僱用且在無可能撤回福利的情況；或鼓勵自願離職計劃所提供的終止福利。於結算日後12個月以上未付的到期福利將折算為現值。

2.16 Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments.

分類呈報

業務分類為從事提供產品或服務的一組資產及業務，其所涉風險及回報有別於其他業務分類。地區分類在特定經濟環境下從事提供產品或服務，其所涉風險及回報有別於在其他經濟環境下經營業務的分類。

2.17 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturity of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

現金及現金等值項目

現金及現金等值項包括庫存現金、銀行的活期存款及期限為三個月或以下的其他短期高流動性投資，以及銀行透支。銀行透支於資產負債表內之流動負債項下之借貸內呈列。

2 Summary of significant accounting policies

(continued)

主要會計政策概要 (續)

2.18 Dividend distribution

Dividend distribution to the shareholders of the Company is recognised as a liability in the financial statements in the period in which the dividend payables are approved by the Company's shareholders.

股息分派

向本公司股東作出的股息分派，乃於獲本公司股東批准派發股息期間在財務報表確認為負債。

3 Financial risk management

The Group is exposed to cash flow and fair value interest rate risk, liquidity risk, foreign currency risk and credit risk. These risks are managed by the Group's financial management policies and practices as described below to minimise potential effects on the Group's financial performance.

財務風險管理

本集團面對現金流量及公平值利率風險、流動資金風險、外匯風險及信貸風險。本集團以下文所述之財務政策及常規管理此等風險，盡量避免本集團之財務表現受到潛在影響。

(a) Cash flow and fair value interest rate risk

The Group has no significant interest-bearing assets, its income and operating cash flows are substantially independent of changes in market interest rates.

The interest rate risk of the Group arises from its various borrowings. Borrowings issued at floating rates expose the Group to cash flow interest rate risk while those issued at fixed rates expose the Group to fair value interest rate risk.

The Group maintains a close relationship and communicates regularly with its finance providers to explore financing alternatives to monitor and mitigate interest rate risk.

(a) 現金流量及公平值利率風險

本集團並無重大計息資產，其收入及經營現金流量幾乎完全不受市場利率變動所影響。

本集團的利率變動風險主要來自不同借貸。本集團按浮動利率計息的借貸受現金流量利率風險影響，而按固定利率計息的借貸受公平值利率風險所影響。

本集團與其融資供應方維持緊密關係，並定期進行溝通，物色其他融資方案，監控及盡量減低利率風險。

3 Financial risk management (continued)

(b) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Group aims to maintain flexibility in funding by keeping committed credit lines available. The Group currently relies on funding from its director and is exploring other investment opportunities which can provide more stable streams of cash inflow.

(c) Foreign currency risk

Operations of the Group are mainly conducted in Hong Kong Dollars (“HK\$”) and United States Dollars (“US\$”) and its revenue, expenses, assets, liabilities and borrowings are principally denominated in HK\$ and US\$, which do not pose significant foreign currency risk at present. Procedures are in place to monitor possible exposure to foreign currency risk in the operations of Master View on a continuous basis.

(d) Credit risk

The Group has no significant concentration of credit risk. Policies are in place to ensure contract income, charter fees from hirers and proceeds from machinery trading are received in advance or within a very short period or possibly secured by pledging of assets or bank guarantee.

財務風險管理 (續)

(b) 流動資金風險

審慎之流動資金風險管理指維持充足的現金，透過已承諾及足夠之信貸融資備有資金，和有能結算市場持倉。本集團致力透過已承諾之可用信貸額度擁持資金之靈活性。本集團現時依賴從其董事獲得之資金，並正尋求其他能提供更穩定現金流入之其他投資機會。

(c) 外匯風險

本集團主要以港元及美元經營業務，而其收入、開支、資產、負債及借貸通常以港元及美元為主要貨幣單位，目前港元及美元並無存在重大外匯風險。本集團已制定措施，監察Master View以持續經營基準經營業務可能承擔之外匯風險。

(d) 信貸風險

本集團並無任何集中信貸風險。本集團已制定措施，確保合約收入、從租船方收取之租船費及機械買賣所得款項能預先或於一段極短期間內收取，或可能以資產或銀行擔保作抵押。

4 Critical accounting estimates and judgments

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

(a) Residual value of assets

The Group determines the residual value of its assets by referencing to current market conditions. The residual value of assets are reviewed and adjusted, if appropriate, at the end of each financial year.

(b) Income taxes

One of the subsidiaries of the Group is engaged in the vessel chartering business and may be subject to various taxes in different jurisdictions depending on the route of the vessel. The subsidiary has not recognised any taxation liability based on management's judgment that the operations undertaken by the subsidiary during the year are not subject to the taxation of any jurisdictions.

(c) Contingent liabilities in respect of litigations and claims

The Group has been engaged in a number of litigations and claims in respect of certain construction works in the past. Contingent liabilities arising from these litigations and claims have been assessed by management with reference to legal advice. Provisions on the possible obligation, if appropriate, are made based on management's best estimates and judgements.

重要會計評估及判斷

編製財務報表所用的評估及判斷，乃以過去經驗及其他因素作衡量及基礎，包括依照情況對未來事件作出相信為合理的預計，及一直評估。

本集團對未來作出了評估及假設。就會計評估的結果而言，基於評估性質，絕少會與有關的實際結果相同。對資產及負債的賬面值有重大的影響的評估及假設，於下文有所討論。

(a) 資產的剩餘價值

本集團參照市場現況釐定其資產的剩餘價值。資產的剩餘價值於每個財政年度結算日檢討及予以調整(如適用)。

(b) 所得稅

本集團其中一家附屬公司從事船舶租賃業務，視乎船舶之行程，在不同司法權區須繳納不同稅項。根據管理層之判斷，該附屬公司於本年度之經營業務於本年度未需於任何司法權區繳納稅項，故此並未確認任何稅項負債。

(c) 訴訟及申索的或然負債

本集團就過往進行之若干建築工程牽涉多項訴訟及申索。此等訴訟及申索產生之或然負債已由管理層參考法律意見予以評估。本集團已就可能承擔之債務(如適用)根據管理層之最佳估計及判斷作出撥備。

Notes to the Financial Statements 財務報表附註

5 Segment information

分類資料

(a) Business segments – primary reporting format

(a) 業務分類 – 主要呈報方式

		Foundation works 地基工程 HK\$'000 千港元	Trading of machinery and equipment 機械器材貿易 HK\$'000 千港元	Vessel chartering 貨船租賃 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Year ended 31st March 2006	截至二零零六年 三月三十一日止年度				
Turnover	營業額	43,649	10,531	50,623	104,803
Segment results	分類業績	1,678	7,757	15,012	24,447
Interest income	利息收入				1,253
Unallocated expenses	未分配開支				(10,786)
Operating profit	經營溢利				14,914
Finance costs	融資成本				(12,517)
Income tax credit	所得稅抵免				1,979
Profit attributable to equity holders of the Company	本公司股權持有人 應佔溢利				4,376
As at 31st March 2006	於二零零六年 三月三十一日				
Segment assets	分類資產	224,651	9,149	73,141	306,941
Unallocated assets	未分配資產				50,424
Total assets	資產總值				357,365
Segment liabilities	分類負債	45,610	70	66,859	112,539
Unallocated liabilities	未分配負債				112,081
Total liabilities	負債總額				224,620
Year ended 31st March 2006	截至二零零六年 三月三十一日止年度				
Capital expenditure	資本開支	806	–	–	806
Depreciation	折舊	19,502	–	2,441	21,943

Notes to the Financial Statements 財務報表附註

5 Segment information (continued)

分類資料 (續)

(a) Business segments – primary reporting format (continued) (a) 業務分類 – 主要呈報方式 (續)

		Foundation works 地基工程 HK\$'000 千港元	Trading of machinery and equipment 機械器材貿易 HK\$'000 千港元	Vessel chartering 貨船租賃 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Year ended 31st March 2005	截至二零零五年 三月三十一日止年度				
Turnover	營業額	55,824	6,674	–	62,498
Segment results	分類業績	(14,541)	5,177	(1,499)	(10,863)
Interest income	利息收入				239
Unallocated expenses	未分配開支				(12,354)
Operating loss	經營虧損				(22,978)
Finance costs	融資成本				(6,668)
Income tax credit	所得稅抵免				4,797
Loss attributable to equity holders of the Company	本公司股權持有人 應佔虧損				(24,849)
As at 31st March 2005	於二零零五年 三月三十一日				
Segment assets	分類資產	263,782	9,896	71,812	345,490
Unallocated assets	未分配資產				52,273
Total assets	資產總值				397,763
Segment liabilities	分類負債	102,487	108	74,487	177,082
Unallocated liabilities	未分配負債				92,312
Total liabilities	負債總額				269,394
Year ended 31st March 2005	截至二零零五年 三月三十一日止年度				
Capital expenditure	資本開支	86	–	68,874	68,960
Depreciation	折舊	23,666	7	203	23,876
Provision for impairment of receivables	應收款項減值撥備	27	–	–	27

Notes to the Financial Statements 財務報表附註

5 Segment information (continued)

分類資料 (續)

(b) Geographical segments – secondary reporting format

All assets and operations related to the construction business of the Group are located in Hong Kong. The vessel chartering business is carried out worldwide and cannot be allocated into any meaningful geographical segments. Accordingly, geographical segment information is not presented.

(b) 地區分類 – 次要呈報方式

有關本集團建築業務之所有資產及經營均位於香港。貨船租賃業務在全球進行，未能分配至任何適當地區分類。因此，並無提呈地區分類資料。

6 Other income

其他收入

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Interest income	利息收入	1,253	239
Gain on disposal of other fixed assets	出售其他固定資產之收益	91	771
Write-back of provision for impairment of receivables	應收款項減值撥備撥回	15,000	–
Maintenance service income	保養服務收入	118	–
Sales of scrap material	出售廢料	229	–
Sundries	雜項	31	100
		16,722	1,110

Notes to the Financial Statements 財務報表附註

7 Operating profit/(loss)

經營溢利／(虧損)

		2006	2005
		二零零六年	二零零五年
		HK\$'000	HK\$'000
		千港元	千港元
Operating profit/(loss) is stated after charging:	經營溢利／(虧損) 已扣除：		
Cost of inventories sold	已售存貨成本	3,272	1,574
Direct cost of vessel chartering	貨船租賃直接成本	32,869	1,398
Staff costs, excluding directors' emoluments	員工成本，不包括董事酬金		
– wages and salaries	– 工資及薪金	13,135	15,806
– contributions to retirement scheme	– 退休計劃供款	501	636
Auditors' remuneration	核數師酬金	800	700
Depreciation	折舊		
– owned plant and equipment	– 自置設備及器材	18,432	16,854
– leased plant and equipment	– 租賃設備及器材	3,511	7,022
Operating lease rentals in respect of land and buildings	土地及樓宇經營租賃租金	3,429	1,732
Vessel hiring expense	貨船租賃開支	3,200	905
Provision for impairment of receivables	應收款項減值撥備	–	27

8 Finance costs

融資成本

		2006	2005
		二零零六年	二零零五年
		HK\$'000	HK\$'000
		千港元	千港元
Interest expense:	利息開支：		
– bank loans and overdrafts	– 銀行貸款及透支	5,472	3,947
– loan from a director	– 董事貸款	2,693	204
– other loan, secured and repayable within 5 years	– 其他貸款，有抵押及須於5年內償還	3,366	972
– finance leases	– 融資租賃	986	1,545
		12,517	6,668

Notes to the Financial Statements 財務報表附註

9 Income tax credit

所得稅抵免

Hong Kong profits tax has been provided at the rate of 17.5% (2005: 17.5%) on the estimated assessable profit for the year.

香港利得稅已就本年度估計應課稅溢利按 17.5% (二零零五年：17.5%) 稅率計提撥備。

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Hong Kong profits tax	香港利得稅		
Current income tax	即期所得稅	1,902	488
Deferred income tax (note 23)	遞延所得稅 (附註23)	(3,881)	(5,285)
		(1,979)	(4,797)

The tax on the Group's profit/(loss) before tax differs from the theoretical amount that would arise using the statutory tax rate as follows:

本集團就除稅前溢利/(虧損)之應課稅項與採用法定稅率所計算之理論稅款差異如下：

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Profit/(loss) before tax	除稅前溢利/(虧損)	2,397	(29,646)
Calculated at statutory rate of 17.5% (2005: 17.5%)	以法定稅率 17.5% 計算 (二零零五年：17.5%)	419	(5,188)
Income not subject to tax	無需課稅之收入	(9,450)	(3)
Expenses not deductible for tax purposes	不可扣稅之支出	7,352	643
Tax losses not recognised	未獲確認之稅務虧損	32	21
Utilisation of previously unrecognised tax losses	動用過往未獲確認之稅務虧損	-	(71)
Others	其他	(332)	(199)
Tax credit	稅項計入	(1,979)	(4,797)

10 Dividends

The directors do not recommend the payment of dividend in respect of the year ended 31st March 2006 (2005: Nil).

11 Earnings/(loss) per share

Basic earnings/(loss) per share is calculated by dividing the consolidated profit attributable to equity holders of the Company of approximately HK\$4,376,000 (2005: loss of approximately HK\$24,849,000) by 300,000,000 (2005: 300,000,000) ordinary shares in issue during the year.

The exercise of share options would have no dilutive effect on the earnings/(loss) per share for the years ended 31st March 2005 and 2006.

股息

董事不建議派付截至二零零六年三月三十一日止年度之股息(二零零五年：無)。

每股盈利／(虧損)

每股基本盈利／(虧損)乃根據年內本公司股權持有人應佔綜合溢利約4,376,000港元(二零零五年：虧損約24,849,000港元)除以已發行普通股300,000,000股(二零零五年：300,000,000股)計算。

購股權之行使對截至二零零五年及二零零六年三月三十一日止年度之每股盈利／(虧損)並無攤薄影響。

Notes to the Financial Statements 財務報表附註

12 Emoluments for directors and highest paid individuals

董事及最高薪人士酬金

(a) Directors' and senior management's emoluments

(a) 董事及高級管理人員薪酬

The remuneration of directors of the Company for the year ended 31st March 2006 are set out below:

截至二零零六年三月三十一日止年度本公司董事之酬金載列如下：

Name of director 董事姓名	Fee 袍金 HK\$'000 千港元	Employer's contribution to pension scheme 退休計劃之 僱主供款		Total 總計 HK\$'000 千港元
		Directors' quarter 董事宿舍 HK\$'000 千港元	Employer's contribution to pension scheme 退休計劃之 僱主供款 HK\$'000 千港元	
Mr. Lau Chun Ming 劉振明先生	624	576	12	1,212
Mr. Lau Chun Kwok 劉振國先生	684	516	12	1,212
Mr. Lau Chun Ka 劉振家先生	684	516	12	1,212
Ms. Leung Lai So 梁麗蘇女士	312	288	12	612
Mr. Hsu Kam Yee, Simon 許錦儀先生	1,200	–	60	1,260
Mr. Chan Sun Kwong 陳晨光先生	–	–	–	–
Mr. Chiu Kam Kun 趙錦均先生	–	–	–	–
Dr. Lee Peng Fei, Allen 李鵬飛博士	240	–	–	240
Professor Wong Sue Cheun, Roderick 王世全教授	240	–	–	240
Mr. Chan Wai Dune 陳維端先生	180	–	–	180

Notes to the Financial Statements 財務報表附註

12 Emoluments for directors and highest paid individuals (continued)

董事及最高薪人士酬金 (續)

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

(a) 董事及高級管理人員薪酬 (續)

The remuneration of directors of the Company for the year ended 31st March 2005 are set out below:

截至二零零五年三月三十一日止年度本公司董事之酬金載列如下：

Name of director	Fee	Directors' quarter	Employer's contribution to pension scheme	Total	
董事姓名	袍金	董事宿舍	僱主供款	總計	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	千港元	千港元	千港元	千港元	
Mr. Lau Chun Ming	劉振明先生	1,200	–	12	1,212
Mr. Lau Chun Kwok	劉振國先生	1,200	–	12	1,212
Mr. Lau Chun Ka	劉振家先生	1,200	–	12	1,212
Ms. Leung Lai So	梁麗蘇女士	600	–	12	612
Mr. Hsu Kam Yee, Simon	許錦儀先生	1,200	–	60	1,260
Mr. Chan Sun Kwong	陳晨光先生	–	–	–	–
Mr. Chiu Kam Kun	趙錦均先生	–	–	–	–
Dr. Lee Peng Fei, Allen	李鵬飛博士	220	–	–	220
Professor Wong Sue Cheun, Roderick	王世全教授	220	–	–	220
Mr. Chan Wai Dune	陳維端先生	156	–	–	156

No directors of the Company waived any emoluments during the year. Fees paid to independent non-executive directors during the year amounted to HK\$660,000 (2005: HK\$596,000).

於年內，本公司董事概無放棄任何酬金。年內支付獨立非執行董事之袍金為660,000港元(二零零五年：596,000港元)。

12 Emoluments for directors and highest paid individuals (continued)

(b) Five highest paid individuals

The five highest paid individuals were all directors (2005: five), details of whose emoluments are included in the above.

During the year, no emoluments were paid to any of the directors as an inducement to join or upon joining the Group or as compensation for loss of office.

The emoluments of the directors of the Company fell within the following bands:

董事及最高薪人士酬金 (續)

(b) 五名最高薪人士

五名最高薪人士包括全體董事(二零零五年：五位)，有關酬金詳情於上文披露。

於年內，並無向任何董事支付任何酬金，作為促使其加入或其加入本集團的酬金或作為離職補償。

本公司董事酬金範圍如下：

		Number of directors 董事人數	
		2006 二零零六年	2005 二零零五年
Nil to HK\$1,000,000	零至1,000,000港元	6	6
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至 1,500,000港元	4	4
		10	10

13 Loss attributable to equity holders of the Company

Loss attributable to equity holders of the Company is dealt with in the financial statements of the Company to the extent of HK\$65,000 (2005: HK\$312,000).

本公司股權持有人應佔虧損

於本公司財務報表中處理之本公司股權持有人應佔虧損限於65,000港元(二零零五年：312,000港元)。

Notes to the Financial Statements 財務報表附註

14 Plant and equipment

設備及器材

Group

本集團

		Machinery and equipment 機械 及器材 HK\$'000 千港元	Furniture and fixtures 傢具 及裝置 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Vessel 貨船 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1st April 2004	於二零零四年四月一日					
Cost	成本	369,019	1,541	4,753	–	375,313
Accumulated depreciation	累計折舊	(107,971)	(741)	(2,828)	–	(111,540)
Net book amount	賬面淨值	261,048	800	1,925	–	263,773
Year ended 31st March 2005	截至二零零五年三月三十一日止年度					
Opening net book amount	期初賬面淨值	261,048	800	1,925	–	263,773
Additions	添置	–	9	77	68,874	68,960
Disposals	出售	(12,292)	(1)	(1,071)	–	(13,364)
Depreciation	折舊	(22,932)	(291)	(450)	(203)	(23,876)
Closing net book amount	期末賬面淨值	225,824	517	481	68,671	295,493
At 31st March 2005	於二零零五年三月三十一日					
Cost	成本	341,577	1,515	3,486	68,874	415,452
Accumulated depreciation	累計折舊	(115,753)	(998)	(3,005)	(203)	(119,959)
Net book amount	賬面淨值	225,824	517	481	68,671	295,493
Year ended 31st March 2006	截至二零零六年三月三十一日止年度					
Opening net book amount	期初賬面淨值	225,824	517	481	68,671	295,493
Additions	添置	800	6	–	–	806
Transfer from inventory	撥出存貨	700	–	–	–	700
Disposals	出售	(19,409)	(7)	(37)	–	(19,453)
Depreciation	折舊	(18,920)	(267)	(315)	(2,441)	(21,943)
Closing net book amount	期末賬面淨值	188,995	249	129	66,230	255,603
At 31st March 2006	於二零零六年三月三十一日					
Cost	成本	313,573	1,510	3,229	68,874	387,186
Accumulated depreciation	累計折舊	(124,578)	(1,261)	(3,100)	(2,644)	(131,583)
Net book amount	賬面淨值	188,995	249	129	66,230	255,603

Notes to the Financial Statements 財務報表附註

14 Plant and equipment (continued)

設備及器材 (續)

Note: The net book values of machinery and equipment held under finance leases, pledged for long-term bank loans and other loan amounted to HK\$41,559,000 (2005: HK\$79,748,000), HK\$35,562,000 (2005: HK\$43,433,000) and HK\$66,230,000 (2005: Nil), respectively.

附註：按融資租賃所持機械設備賬面淨值、若干為長期貸款及其他貸款作抵押的機械設備賬面淨值分別為41,559,000港元(二零零五年：79,748,000港元)、35,562,000港元(二零零五年：43,433,000港元)及66,230,000港元(二零零五年：無)。

Company

本公司

		Furniture and fixtures 傢具及裝置 HK\$'000 千港元
At 1st April 2004	於二零零四年四月一日	
Cost	成本	27
Accumulated depreciation	累計折舊	(10)
Net book amount	賬面淨值	17
Year ended 31st March 2005	截至二零零五年三月三十一日止年度	
Opening net book amount	期初賬面淨值	17
Depreciation	折舊	(6)
Closing net book amount	期末賬面淨值	11
At 31st March 2005	於二零零五年三月三十一日	
Cost	成本	27
Accumulated depreciation	累計折舊	(16)
Net book amount	賬面淨值	11
Year ended 31st March 2006	截至二零零六年三月三十一日止年度	
Opening net book amount	期初賬面淨值	11
Depreciation	折舊	(5)
Closing net book amount	期終賬面淨值	6
At 31st March 2006	於二零零六年三月三十一日	
Cost	成本	27
Accumulated depreciation	累計折舊	(21)
Net book amount	賬面淨值	6

Notes to the Financial Statements 財務報表附註

15 Subsidiaries

15 附屬公司

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份，按成本值	117,567	117,567
Amounts due from subsidiaries	應收附屬公司款項	263	-
Amount due to a subsidiary	應付附屬公司款項	-	2,578

Details of principal subsidiaries are set out in note 32 to the financial statements.

主要附屬公司詳見財務報表附註32。

The amounts receivables and payables are unsecured, carry interests at Hong Kong prime rate and have no fixed terms of repayment.

應收及應付金額為無抵押、按香港最優惠利率計算利息及並無固定還款期限。

16 Trade receivables

應收賬款

Receivables in respect of contracting work in progress are usually received within one month after the issuance of architects' certificates. Retention held by customers for contract works included in trade receivables amounted to HK\$5,503,000 (2005: HK\$7,679,000). The aging analysis of the remaining trade receivables is as follows:

有關在建合約工程的應收賬款一般於發出建築師證明後一個月內收取。計入應收賬款中由合約工程客戶扣起之驗收保留金達5,503,000港元(二零零五年：7,679,000港元)。其餘應收賬款之賬齡分析如下：

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
0 to 90 days	0至90日	9,983	7,977
91 to 180 days	91至180日	801	106
181 to 365 days	181至365日	953	939
More than one year	一年以上	3,635	3,844
		15,372	12,866

Notes to the Financial Statements 財務報表附註

17 Contracting work in progress

在建工程合約

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Contract costs incurred plus attributable profits less foreseeable losses to date	迄今所產生合約成本加 應佔溢利減 可預見虧損	471,100	565,350
Progress billings to date	迄今之進度付款	(455,995)	(549,235)
		15,105	16,115
Represented by:	呈列為：		
Amounts due from customers for contract work	應收工程 合約客戶款項	15,105	16,115

18 Cash and cash equivalents

現金及現金等值項目

		Group 本集團		Company 本公司	
		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Cash at bank and in hand	銀行及庫存現金	978	3,555	453	466
Short-term bank deposits	短期銀行存款	47,732	47,011	37,919	37,408
		48,710	50,566	38,372	37,874
Less: Cash at bank and in hand – restricted	減：銀行及庫存現金 – 有限制	(46,782)	(46,600)	(37,000)	(37,000)
		1,928	3,966	1,372	874

Notes to the Financial Statements 財務報表附註

18 Cash and cash equivalents (continued)

The effective interest rate on short-term bank deposits was 3.57% (2005: 0.95%); these deposits have an average maturity of 34 days.

Cash and bank overdrafts include the following for the purpose of the cash flow statement:

現金及現金等值項目 (續)

短期銀行存款之實際利率為3.57厘(二零零五年：0.95厘)；該等存款之平均到期日為34天。

就現金流量報表而言，現金及銀行透支包括下列各項：

		Group 本集團		Company 本公司	
		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Cash and cash equivalents	現金及現金等值項目	1,928	3,966	1,372	874
Bank overdrafts (note 27)	銀行透支(附註27)	(60,440)	(58,135)	-	-
		(58,512)	(54,169)	1,372	874

The carrying amounts of cash and bank deposits are denominated in the following currencies.

現金及銀行存款之賬面值以下列貨幣列值。

		Group 本集團		Company 本公司	
		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Hong Kong dollar	港元	48,675	50,377	38,372	37,874
United States dollar	美元	35	189	-	-
		48,710	50,566	38,372	37,874

Notes to the Financial Statements 財務報表附註

19 Share capital

股本

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Authorised:	法定：		
1,000,000,000 shares of HK\$0.1 each	1,000,000,000股每股 面值0.1港元股份	100,000	100,000
Issued:	已發行：		
300,000,000 shares of HK\$0.1 each	300,000,000股每股 面值0.1港元股份	30,000	30,000

Pursuant to a resolution of the sole shareholder passed on 25th March 2003, the Share Option Scheme was approved and adopted. On 28th May 2003, options to subscribe for 4,500,000 ordinary shares of the Company were granted to the directors. The grantees are entitled to exercise their options at a price of HK\$0.69 per share during the period from 28th May 2004 to 27th May 2007. During the year, no option has been granted or cancelled under the Scheme and no option has been exercised by the grantees.

根據於二零零三年三月二十五日所通過之單一股東決議案，購股權計劃獲批准及採納。於二零零三年五月二十八日，授予董事可供認購本公司4,500,000股普通股股份之購股權。承授人有權於二零零四年五月二十八日至二零零七年五月二十七日期間以每股0.69港元之價格行使其購股權。於年內，並無根據計劃授出或取消購股權，以及並無承授人行使購股權。

Notes to the Financial Statements 財務報表附註

20 Reserves

Group		儲備			
		本集團			
		Share premium	Merger reserve	Retained earnings	Total
		股份溢價	合併儲備	保留溢利	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
At 31st March 2004	於二零零四年三月三十一日	27,913	(12,974)	108,279	123,218
Loss attributable to shareholders	股東應佔虧損	–	–	(24,849)	(24,849)
At 31st March 2005	於二零零五年三月三十一日	27,913	(12,974)	83,430	98,369
Profit attributable to shareholders	股東應佔溢利	–	–	4,376	4,376
At 31st March 2006	於二零零六年三月三十一日	27,913	(12,974)	87,806	102,745

Company		本公司			
		Contributed surplus			
		Share premium	surplus (Note)	Accumulated losses	Total
		股份溢價	實繳盈餘 (附註)	累計虧損	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
At 31st March 2004	於二零零四年三月三十一日	27,913	94,317	(235)	121,995
Loss for the year	本年度虧損	–	–	(312)	(312)
At 31st March 2005	於二零零五年三月三十一日	27,913	94,317	(547)	121,683
Loss for the year	本年度虧損	–	–	(65)	(65)
At 31st March 2006	於二零零六年三月三十一日	27,913	94,317	(612)	121,618

Note:

Under the Companies Act of Bermuda (as amended) and the Bye-Laws of the Company, the contributed surplus is distributable to the shareholders. Accordingly, the total distributable reserves of the Company amounted to HK\$93,705,000 (2005: HK\$93,770,000).

附註：

根據百慕達公司法(經修訂)及本公司之細則，實繳盈餘乃可分派予股東。因此，本公司可分配盈餘共計為93,705,000港元(二零零五年：93,770,000港元)。

Notes to the Financial Statements 財務報表附註

21 Loan from a director

The loan from a director is unsecured, bearing interest at 0.5% below US dollars prime rate and has no fixed terms of repayment. The director has confirmed that he will not request for repayment of the loan until the Group is in a position to repay. Accordingly, the loan is classified as non-current liabilities.

The carrying value of the loan from the director approximated its fair value as at 31st March 2006.

董事之貸款

董事之貸款為無抵押、按美元最優惠利率減0.5厘計息及無固定還款期。該董事名已確認彼將不會要求償還貸款，直至本集團有償還能力為止。因此，該項貸款列為非流動負債。

於二零零六年三月三十一日，來自該董事之貸款賬面值與其公平值相若。

22 Long-term liabilities

長期負債

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Bank loans, secured (note (a))	銀行貸款，有抵押 (附註(a))	11,240	32,092
Obligation under finance leases (note (b))	融資租賃債務 (附註(b))	7,010	24,807
Wholly repayable within five years	須於五年內悉數償還	18,250	56,899
Less: amounts due within one year included under current liabilities	減：計入流動負債項 下之一年內到 期款項	(17,523)	(37,149)
		727	19,750

Notes to the Financial Statements 財務報表附註

22 Long-term liabilities (continued)

長期負債 (續)

Notes:

附註：

(a) The Group's bank loans are repayable as follows:

(a) 本集團銀行貸款於下列期間償還：

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Within one year	一年內	11,240	20,875
In the second year	第二年	-	11,217
		11,240	32,092

Interest is charged on the balances at rates ranging from 1.5% above HIBOR to 1% above Hong Kong prime rate. Details of security and guarantee are given in note 27.

結餘按香港銀行同業拆息加1.5厘至香港最優惠利率加1厘不等之息率計息。抵押及擔保之詳情刊於附註27。

(b) Obligations under finance lease are payable within the following periods:

(b) 須於下列期間支付的融資租賃債務：

		Present value 現值		Minimum payment 最低付款額	
		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Within one year	一年內	6,283	16,274	6,521	17,079
In the second year	第二年	727	7,216	751	7,424
In the third to fifth years	第三至第五年	-	1,317	-	1,343
		7,010	24,807	7,272	25,846
Finance charges	財務費用			(262)	(1,039)
				7,010	24,807

Interest is charged on the outstanding balances of finance leases at rates ranging from 2.75% above HIBOR to Hong Kong prime rate.

融資租賃未償餘額按香港銀行同業拆息加2.75厘至香港最優惠利率不等之息率計息。

Notes to the Financial Statements 財務報表附註

23 Deferred taxation

Deferred taxation is calculated in full on temporary differences under the liability method using a taxation rate of 17.5% (2005: 17.5%). The movement on the net deferred tax liabilities is as follows:

遞延稅項

遞延稅項採用負債法就暫時差異按稅率17.5% (二零零五年：17.5%) 作全數撥備。遞延稅項負債淨值變動如下：

Group		本集團	
		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
At beginning of the year	於年初	(31,916)	(37,201)
Recognised in the income statement	於收益表中確認	3,881	5,285
At end of the year	於年末	(28,035)	(31,916)

Company		本公司	
		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
At beginning of the year	於年初	82	–
Recognised in the income statement	於收益表中確認	(21)	82
At end of the year	於年末	61	82

Notes to the Financial Statements 財務報表附註

23 Deferred taxation (continued)

遞延稅項 (續)

The movements in deferred tax liabilities and assets (prior to offsetting of balances within the same taxation jurisdiction) during the year are as follows:

年內遞延稅項負債及資產變動(與同一徵稅地區之結餘抵銷前)如下：

Group	本集團	Accelerated depreciation allowances	
		2006	2005
Deferred tax liabilities	遞延稅項負債	二零零六年	二零零五年
		HK\$'000	HK\$'000
		千港元	千港元
At beginning of the year	於年初	(38,003)	(40,732)
Recognised in the income statement	於收益表中確認	5,169	2,729
At end of the year	於年末	(32,834)	(38,003)
Deferred tax assets	遞延稅項資產	Tax losses	
		2006	2005
		二零零六年	二零零五年
		HK\$'000	HK\$'000
		千港元	千港元
At beginning of the year	於年初	6,087	3,531
Recognised in the income statement	於收益表中確認	(1,288)	2,556
At end of the year	於年末	4,799	6,087
Company	本公司	Tax losses	
		2006	2005
Deferred tax assets	遞延稅項資產	二零零六年	二零零五年
		HK\$'000	HK\$'000
		千港元	千港元
At beginning of the year	於年初	82	–
Recognised in the income statement	於收益表中確認	(21)	82
At end of the year	於年末	61	82

23 Deferred taxation (continued)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The following amounts, determined after appropriate offsetting, are shown in the consolidated balance sheet.

Group

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Deferred tax assets	遞延稅項資產	1,401	911
Deferred tax liabilities	遞延稅項負債	(29,436)	(32,827)
		(28,035)	(31,916)

Deferred tax assets are recognised for tax losses carried forward and deductible temporary differences to the extent that realisation of the related tax benefit through future taxable profits is probable. As at year end, the Group has unrecognised temporary differences arising from unutilised tax losses of HK\$335,000 (2005: HK\$150,000). There is no expiry for the temporary differences.

遞延稅項 (續)

在法定權利許可即期稅項資產可與即期稅項負債抵銷，以及遞延所得稅涉及同一財政機關的情況下，遞延稅項資產可與遞延稅項負債互相抵銷。下列金額是計入適當抵銷後，於綜合資產負債表內列賬。

本集團

遞延稅項資產乃因應相關稅務利益可透過未來應課稅溢利變現而就所結轉之稅項虧損及可扣除暫時差異作確認。於年末，本集團由未動用稅項虧損引起之未獲確認暫時差異為335,000港元（二零零五年：150,000港元）。該暫時差異並沒有期限。

Notes to the Financial Statements 財務報表附註

24 Trade payables

Retention payable included in trade payables amounted to HK\$149,000 (2005: HK\$131,000). The ageing analysis of the remaining trade payables is as follows:

應付賬款

計入應付賬款中之應付驗收保留金達149,000港元(二零零五年：131,000港元)。其餘應付賬款賬齡分析如下：

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
0 to 90 days	0至90日	3,149	5,063
91 to 180 days	91至180日	194	33
181 to 365 days	181至365日	360	19
More than one year	一年以上	1,573	1,765
		5,276	6,880

25 Amounts due to related companies

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

應付關聯公司款項

應付關聯公司款項為無抵押、免息及無固定還款期。

26 Amounts due to directors

Amounts due to directors are unsecured, interest free and have no fixed terms of repayment.

應付董事款項

應付董事款項為無抵押、免息及無固定還款期。

Notes to the Financial Statements 財務報表附註

27 Short-term borrowings

短期貸款

		Group	
		本集團	
		2006	2005
		二零零六年	二零零五年
		HK\$'000	HK\$'000
		千港元	千港元
Bank overdrafts, secured (note 18)	銀行透支，有抵押(附註18)	60,440	58,135
Short-term bank loans, secured	短期銀行貸款，有抵押	17,200	33,915
Short-term bank borrowings, secured (a)	短期銀行貸款，有抵押(a)	77,640	92,050
Other loans, secured (b)	其他貸款，有抵押(b)	21,840	35,100
		99,480	127,150

(a) Banking facilities

As at 31st March 2006, the Group's banking facilities totaling approximately HK\$88,940,000 were secured by the following:

- (i) Bank deposits of the Group amounting to HK\$46,782,000.
- (ii) Certain machinery and equipment of the Group (note 14).
- (iii) Corporate guarantee given by the Company and two subsidiaries for an amount of HK\$93,366,000 in aggregate.
- (iv) Cross guarantee for HK\$17,000,000 among two of the subsidiaries.
- (v) Bank deposits of Cheer Crown Limited, a company beneficially owned by Mr. Lau Chun Ming, amounting to HK\$30,000,000.

(a) 銀行信貸

於二零零六年三月三十一日，本集團銀行信貸總額約88,940,000港元，由下列各項作抵押：

- (i) 本集團銀行存款約46,782,000港元。
- (ii) 本集團若干機械及器材(附註14)。
- (iii) 本公司及兩家附屬公司所提供合共93,366,000港元之公司擔保。
- (iv) 兩家附屬公司17,000,000港元之互相擔保。
- (v) 劉振明先生實益擁有之嘉勳有限公司達30,000,000港元之銀行存款。

Notes to the Financial Statements 財務報表附註

27 Short-term borrowings (continued)

短期貸款 (續)

- (b) The loan is borrowed from an independent third party, secured by the vessel and the entire issued share capital of one of the subsidiaries and guaranteed by the Company. The loan bears interest at 18% per annum.
- (b) 該項貸款由一名獨立第三方借出，以該艘貨船及其中一間附屬公司之全部已發行股本作抵押，並由本公司作出擔保。該項貸款按年利率18厘計息。
- (c) The effective interest rates at the balance sheet dates were:
- (c) 於結算日之實際利率為：

		2006 二零零六年		2005 二零零五年	
		HK\$ 港元	US\$ 美元	HK\$ 港元	US\$ 美元
Bank overdrafts, secured	銀行透支，有抵押	6.23%	–	3.31%	–
Short-term bank borrowings, secured	短期銀行貸款，有抵押	4.56%	–	4.35%	–
Other loan, secured	其他貸款，有抵押	–	18.00%	–	7.50%

- (d) The carrying amount of short-term borrowings approximate their fair values and are denominated in the following currencies:
- (d) 短期銀行貸款之賬面值與其公平值相若並以下列貨幣列值：

		2006 二零零六年	2005 二零零五年
		HK\$'000 千港元	HK\$'000 千港元
Hong Kong dollar	港元	77,640	92,050
United States dollar	美元	21,840	35,100
		99,480	127,150

Notes to the Financial Statements 財務報表附註

28 Operating lease commitments

經營租賃承擔

The future aggregate minimum lease rental expenses in respect of land and buildings under non-cancellable operating leases are payable in the following periods:

根據土地及樓宇不可註銷經營租賃而須於以下期間支付之未來最低租金費用總額如下：

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Within one year	一年內	1,258	781
In the second to fifth years inclusive	第二年至第五年 (包括首尾兩年)	360	178
		1,618	959

29 Contingent liabilities

或然負債

As at 31st March 2006, the Group had contingent liabilities of approximately HK\$5.1 million (2005: HK\$12.7 million) in respect of a number of litigations arising in the normal course of its business. These include both claims against the Group and counterclaims made by defendants of actions initiated by the Group. The directors of the Company are of the opinion that the ultimate liability under these proceedings, if any, would not have a material impact on the financial position of the Group.

於二零零六年三月三十一日，本集團於其正常業務過程中產生之數項訴訟之或然負債為約5,100,000港元(二零零五年：約12,700,000港元)。該等訴訟包括對本集團的索償，以及被本集團興訟之被告所提出的反索償。本公司董事認為，該等訴訟產生的最終負債，如有，將不會對本集團的財政狀況構成重大影響。

Notes to the Financial Statements 財務報表附註

30 Notes to consolidated cash flow statements

綜合現金流量報表附註

(a) Reconciliation of operating profit/(loss) to net cash generated from operations

(a) 經營溢利／(虧損)與經營業務所得現金淨額對賬

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Operating profit/(loss)	經營溢利／(虧損)	14,914	(22,978)
Interest income	利息收入	(1,253)	(239)
Depreciation	折舊	21,943	23,876
Gain on disposal of plant and equipment	出售設備及器材收益	(8,134)	(5,633)
Provision for impairment of receivables	應收款項減值撥備	—	27
Cash generated from/ (used in) operations before working capital changes	未計營運資金變動前經營業務所得／(所耗)現金	27,470	(4,947)
(Increase)/decrease in trade receivables	應收賬款(增加)／減少	(330)	13,618
(Increase)/decrease in deposits, prepayments and other receivables	按金、預付款項及其他應收款項(增加)／減少	(3,274)	919
Increase in inventories	存貨增加	(18)	(6,527)
Decrease in contracting work in progress	在建工程合約減少	418	11,647
Decrease in trade payables	應付賬款減少	(1,586)	(7,029)
Increase in accruals and other payables	應計費用及其他應付款項增加	1,242	1,990
Increase in amounts due to related companies	應付關聯公司款項增加	3,598	—
Increase in amounts due to directors	應付董事款項增加	17,655	—
Cash generated from operations	經營業務所得之現金	45,175	9,671

Notes to the Financial Statements 財務報表附註

30 Notes to consolidated cash flow statements (continued)

綜合現金流量報表附註 (續)

(b) Analysis of changes in financing during the year

(b) 年內融資變動分析

		Secured long-term Obligations						
		Share capital and share premium	Short-term bank loans	bank loans 有抵押 長期 銀行貸款	under finance leases 融資 租賃債務	Restricted bank balances 有限制 銀行結存	Loan from a director 董事之 貸款	Other loans, secured 其他有 抵押貸款
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 31st March 2004	於二零零四年 三月三十一日	57,913	29,078	58,397	49,379	(43,682)	-	-
Cash inflow/(outflow) from financing	融資現金流入/ (流出)	-	4,837	(26,305)	(24,572)	(2,918)	36,765	35,100
At 31st March 2005	於二零零五年 三月三十一日	57,913	33,915	32,092	24,807	(46,600)	36,765	35,100
Cash (outflow)/inflow from financing	融資現金(流出)/ 流入	-	(16,715)	(20,852)	(17,797)	(182)	3,387	(13,260)
At 31st March 2006	於二零零六年 三月三十一日	57,913	17,200	11,240	7,010	(46,782)	40,152	21,840

Notes to the Financial Statements 財務報表附註

31 Related party transactions

有關連人士交易

(a) During the year, apart from those disclosed elsewhere in the financial statements, the following significant transactions with related companies had taken place:

(a) 於年內，除財務報表其他部份所披露者外，本集團曾與有關連公司進行以下重大交易：

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Paid and payable to related parties:	已付及應付予有關連人士款項：		
Rental expenses to related companies (note (i))	支付予有關連公司之租金費用 (附註(i))	2,976	1,080
Vessel hiring expense to a related company (note (i))	支付予一間有關連公司之貨船租金費用 (附註(i))	3,200	905
Consultancy fee paid to various companies (note (ii))	支付予多間公司之顧問費 (附註(ii))	1,680	1,680
Interest expense to a director (note (iii))	支付予一名董事之利息開支 (附註(iii))	2,693	204
Received and receivable from a related party:	已收及應收自有關連人士款項：		
Vessel chartering income from a related company (note (iv))	收取自一間有關連公司之貨船租賃收入 (附註(iv))	6,045	-

Notes:

附註：

- (i) Rental expenses and hiring expense are paid to companies beneficially owned by the directors of the Company based on the agreements entered into between the parties involved with reference to market rates of similar properties/vessels.
- (ii) Consultancy fees are paid to companies in which the directors, Mr. Chan Sun Kwong and Mr. Chiu Kam Kun, Eric have beneficial interests in respect of their services provided to the Group, and were charged at monthly fees agreed by the parties involved.
- (iii) For the terms of loans, please refer to note 21.
- (iv) Vessel chartering income is received from a company beneficially owned by the directors of the Company based on the agreement entered into between the parties involved with reference to market rates.

- (i) 租金及租賃費用乃按有關訂約方所訂立之協議並參照同類物業／貨船市場租值支付予本公司董事實益擁有之公司。
- (ii) 就由董事陳晨光先生及趙錦均先生實益擁有權益之公司向本集團提供之服務支付顧問費，並按有關方共同協定之月費收取。
- (iii) 貸款之條款請參閱附註21。
- (iv) 貨船租賃收入乃按有關訂約方所訂立之協議並參照市場租值向一間由本公司董事實益擁有之公司收取。

Notes to the Financial Statements 財務報表附註

31 Related party transactions (continued)

(b) Key management compensation

The compensation of key management personnel paid or payable by the Group in respect of the year, substantially all of which comprised of short term benefits attributable to the directors of the Company, amounted to HK\$6,168,000 (2005: HK\$6,104,000), details of which are set out in note 12.

有關連人士交易 (續)

(b) 主要管理人員報酬

本集團就本年度已付及應付主要管理人員之報酬(所有報酬基本包括本公司董事應得之短期福利)達6,168,000港元(二零零五年: 6,104,000港元), 詳情載於附註12。

32 Principal subsidiaries

Listed below are the Group's principal subsidiaries:

主要附屬公司

下列為本集團之主要附屬公司:

Company 公司	Issued and fully paid ordinary share capital 已發行及繳足普通股本	Principal activities/ Place of operation 主要業務/營業地點
<i>Incorporated in the British Virgin Islands, directly held</i>	<i>於英屬處女群島註冊成立並直接持有</i>	
Sam Woo Group Limited	10,000 shares of US\$1 each 10,000股每股面值1美元之股份	Investment holding/Hong Kong 投資控股/香港
<i>Incorporated in Hong Kong, indirectly held</i>	<i>於香港註冊成立並間接持有</i>	
Sam Woo Bore Pile Foundation Limited 三和地基有限公司	10,000,000 shares of HK\$1 each 10,000,000股每股面值1港元之股份	Foundation works/Hong Kong 地基工程/香港
Sam Woo Civil Contractors Limited 三和土木工程有限公司	10,000 shares of HK\$1 each 10,000股每股面值1港元之股份	Civil engineering works/ Hong Kong 土木工程/香港

Notes to the Financial Statements 財務報表附註

32 Principal subsidiaries (continued)

主要附屬公司 (續)

Company 公司	Issued and fully paid ordinary share capital 已發行及繳足普通股本	Principal activities/ Place of operation 主要業務／營業地點
Sam Woo Construction Limited 三和營造有限公司	10,000 shares of HK\$1 each 10,000股每股面值1港元之股份	Foundation works/Hong Kong 地基工程／香港
Sam Woo Construction & Engineering Limited 三和建設機械有限公司	100,000 shares of HK\$1 each 100,000股每股面值1港元之股份	Trading of used foundation works related machinery and equipment/ Hong Kong 二手地基工程機械器材貿易／香港
Sam Woo Engineering Equipment Limited 三和機械有限公司	500,000 shares of HK\$1 each 500,000股每股面值1港元之股份	Leasing and trading of machinery and equipment for foundation works/ Hong Kong 地基工程機械器材租賃及貿易／香港
Sam Woo Civil Works Limited 三和土木有限公司	2 shares of HK\$1 each 2股每股面值1港元之股份	Inactive/- 暫無營業／—
Sam Woo Finance Limited 三和財務有限公司	2 shares of HK\$1 each 2股每股面值1港元之股份	Provision of financial service to group companies/Hong Kong 為集團內公司提供融資服務／香港
Sam Woo Foundation Limited 三和地基工程有限公司	2 shares of HK\$1 each 2股每股面值1港元之股份	Inactive/- 暫無營業／—
Sam Woo Group (Holdings) Limited 三和集團(控股)有限公司	2 shares of HK\$1 each 2股每股面值1港元之股份	Inactive/- 暫無營業／—
Sam Woo Ship Management Limited 三和船舶管理有限公司	1 shares of HK\$1 each 1股每股面值1港元之股份	Inactive/- 暫無營業／—
三和集團有限公司	1 shares of HK\$1 each 1股每股面值1港元之股份	Inactive/- 暫無營業／—
<i>Incorporated in Marshall Islands, indirectly held</i>	<i>於馬紹爾群島註冊成立 並間接持有</i>	
Master View Co., Ltd.	1 shares of US\$1 each 1股每股面值1美元之股份	Shipping operation/Worldwide 船務營運／全球

33 Ultimate holding company

The directors of the Company regarded Silver Bright Holdings Limited, a company incorporated in the British Virgin Islands, as being the ultimate holding company.

最終控股公司

本公司董事視Silver Bright Holdings Limited (於英屬處女群島註冊成立之公司) 為最終控股公司。