

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

(Expressed in Hong Kong dollars)  
(按港幣計算)

### 1 Significant accounting policies

#### (a) Statement of compliance

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

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group and the Company. The adoption of these new and revised HKFRSs does not have material impacts on the Group’s financial statements for the current and prior accounting periods.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period (see note 37).

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

The consolidated financial statements for the year ended 31 December 2006 comprise the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interest in an associate.

The measurement basis used in the preparation of the financial statements is the historical cost basis.

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

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

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year relating to media assets, goodwill and fixed assets have been discussed in notes 14, 15, 18 and 35.

### 1 主要會計政策

#### (a) 遵例聲明

本財務報表已遵照香港會計師公會頒佈的所有適用的《香港財務報告準則》·包括所有適用的個別《香港財務報告準則》·《香港會計準則》及詮釋·香港公認會計原則及香港《公司條例》的披露規定編製。本財務報表亦符合香港聯合交易所有限公司《證券上市規則》的適用披露規定。集團採用的主要會計政策概要如下。

香港會計師公會頒佈多項於集團及本公司的本會計期間首次生效或可供提早採納的新訂與經修訂《香港財務報告準則》。採納該等新訂與經修訂《香港財務報告準則》並無對集團於本會計期間及過往會計期間的財務報表構成重大影響。

集團並無應用任何尚未於本會計期間生效的新訂準則或詮釋（見附註37）。

#### (b) 編製財務報表的基準

截至二零零六年十二月三十一日止年度的綜合財務報表包括本公司及其附屬公司（統稱「集團」）及集團於聯營公司的權益。

本財務報表是以歷史成本作為編製基準。

根據《香港財務報告準則》編製的財務報表·管理層需要對政策的應用及資產·負債·收入及支出的匯報數額等作出判斷·估計及假設。估計及相關假設乃根據過往經驗及管理層相信在此等情況下乃屬合理的各項其他因素為基礎而作出·所得結果乃構成管理層就目前未能從其他資料來源對資產及負債賬面值所作判斷的基礎。實際的結果可能與這些估計有差異。

估計及相關假設會定期檢討。倘會計估計的修訂僅影響本期間·則該修訂會在本期間內確認·或倘會計估計的修訂同時影響本期間及未來期間·則該修訂會在修訂期間及未來期間內確認。

附註14、15、18及35討論管理層在應用《香港財務報告準則》時作出對財務報表有重大影響的判斷及對在下一年度媒體資產·商譽和固定資產受重大調整風險的估計。

## 1 Significant accounting policies (continued)

### (c) Subsidiaries and minority interests

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity, so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

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

Minority interests represent the portion of the net assets of subsidiaries attributable to interests that are not owned by the Company, whether directly or indirectly through subsidiaries, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. Minority interests are presented in the consolidated balance sheet within equity, separately from equity attributable to the equity shareholders of the Company. Minority interests in the results of the Group are presented on the face of the consolidated income statement as an allocation of the total profit or loss for the year between minority interests and the equity shareholders of the Company.

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

In the Company's balance sheet, an investment in a subsidiary is stated at cost less any impairment losses (see note 1(j)), unless the investment is classified as held for sale, in which case it is stated at the lower of its carrying amount and fair value less costs to sell. An investment in a subsidiary is classified as held for sale if it is highly probable that its carrying amount will be recovered through a sale transaction rather than through continuing use and the investment is available for sale in its present condition.

## 1 主要會計政策 (續)

### (c) 附屬公司及少數股東權益

附屬公司指受到集團控制的實體。當集團有權控制一個實體的財務及經營政策而從其業務中獲益，則存在控制權。評估控制權時會計及現時可行使的潛在投票權。

附屬公司投資由持有控制權開始起併入綜合財務報表內，直至控制權終止為止。集團內公司間的結餘及交易，及集團內公司間的交易所產生的任何未變現盈利，將於編製綜合財務報表時予以全面抵銷。集團內公司間的交易所產生的未變現虧損按與未變現收益相同的方式抵銷，惟只限於未變現虧損並不顯示存有減值的情況。

少數股東權益指並非由本公司直接或通過附屬公司間接擁有權益的應佔附屬公司資產淨值部份，而集團並無就此與該等權益的持有人協定任何額外條款，致使集團整體就該等權益擁有符合財務負債定義的合約責任。少數股東權益須於綜合資產負債表內的權益項下與本公司股東應佔權益分開列示。集團於業績的少數股東權益按本年度盈利或虧損總額於綜合損益表中分配予少數股東權益和本公司股東。

如果少數股東應佔的虧損超過其應佔附屬公司的權益，則超額部份和以後任何其他少數股東應佔虧損便需抵銷集團所佔權益；但如少數股東有能力及受契約約束作出額外投資彌補虧損則除外。如附屬公司其後恢復盈利，則所有該等盈利均會分配予集團權益，直至收回以往由集團承擔的少數股東應佔虧損為止。

本公司資產負債表內的附屬公司投資乃按成本減任何減值虧損（見附註1(j)）列賬，除非投資被分類為持作出售，其時則會按其賬面值及公允價值減出售成本的較低者列賬。倘附屬公司投資極有可能透過銷售交易（而非透過持續使用）收回其賬面值，且該投資在現況下可供出售，則會分類為持作出售。

## 1 Significant accounting policies (continued)

### (d) Associate

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

An investment in an associate is accounted for in the consolidated financial statements under the equity method and is initially recorded at cost and adjusted thereafter for the post acquisition change in the Group's share of the associate's net assets, unless it is classified as held for sale, in which case it is stated at the lower of its carrying amount and fair value less costs to sell. The consolidated income statement includes the Group's share of the post-acquisition, post-tax results of the associate for the year, including any impairment loss on goodwill relating to the investment in associate recognised for the year (see notes 1(e) and (j)).

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

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

In the Company's balance sheet, its investment in associate is stated at cost less impairment losses (see note 1(j)), unless it is classified as held for sale, in which case it is stated at the lower of its carrying amount and fair value less costs to sell.

### (e) Goodwill

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

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

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

## 1 主要會計政策 (續)

### (d) 聯營公司

聯營公司是指集團可以對該公司管理層產生重大的影響，包括參與財務及經營決策，但不是控制或共同控制其管理層的公司。

聯營公司投資是按權益法列入綜合財務報表，並先以成本入賬，然後對集團應佔該聯營公司資產淨值在收購後的變動作出調整，除非其被分類為持作出售，其時則會按其賬面值及公允價值減出售成本的較低者列賬。集團所佔聯營公司於收購後的年度除稅後業績包括任何年內確認有關聯營公司投資的商譽減值虧損（見附註1(e)及(j)）則於綜合損益表反映。

當集團應佔虧損超過其聯營公司權益，則集團的權益會減至零，且不再確認以後的虧損，除非集團存在法定或推定義務或集團已代表聯營公司付款。就此而言，集團的聯營公司權益為按權益法計算的投資賬面值連同集團的長期權益，而該權益實質是屬於集團的聯營公司淨投資一部份。

集團與各聯營公司之間交易所產生的未變現損益會按集團在聯營公司所佔的權益比率抵銷，但假如未變現虧損是由轉讓已減值資產而產生，則這些未變現虧損會即時在損益表確認。

本公司資產負債表內的聯營公司投資乃按成本減減值虧損（見附註1(j)）列賬，除非其被分類為持作出售，其時則會按其賬面值及公允價值減出售成本的較低者列賬。

### (e) 商譽

商譽指業務合併或聯營公司投資成本超出集團佔所收購公司的可確定資產、負債及或然負債的公允淨值權益的差額。

商譽乃按成本減累計減值虧損列賬。商譽會分配至現金生產單位，並每年評估減值（見附註1(j)）。就聯營公司而言，聯營公司權益的賬面值已包含商譽賬面值。

集團佔所收購公司的可確定資產、負債及或然負債的公允淨值超出業務合併或聯營公司投資成本的任何差額，會即時在損益表確認。

## 1 Significant accounting policies (continued)

### (e) Goodwill (continued)

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

### (f) Fixed assets and depreciation

Fixed assets are stated in the balance sheet at cost less accumulated depreciation and impairment losses (see note 1(j)).

Gains or losses arising from the retirement or disposal of a fixed asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement on the date of retirement or disposal.

Depreciation is calculated to write off the cost of fixed assets on a straight-line basis over their estimated useful lives as follows:

Audio and visual equipment	5 – 7 years
Hardware and software	5 years
Furniture and fixtures	7 years
Motor vehicles	5 years

The useful life of an asset is reviewed annually.

### (g) Programming library

(i) Programming library consists of commissioned programming and contracted programming cost in respect of programming rights of presentation. Expenditure on commissioned and contracted programmes is amortised to the income statement on a straight-line basis over the licence period. Programming library is stated at cost less accumulated amortisation and impairment losses (see note 1(j)).

(ii) Cost of programmes produced in-house is recognised as an expense in the period in which it is incurred.

### (h) Media assets

Media assets represent advertising rights which are the costs of acquiring operating rights for the placement of advertisements in advertising display panels in the PRC and include any directly attributable costs of bringing advertising display panels to their present condition and location for their intended use. Advertising rights are stated at cost less accumulated amortisation and impairment losses (see note 1(j)).

## 1 主要會計政策 (續)

### (e) 商譽 (續)

於年內出售現金生產單位或聯營公司時，有關購入商譽應佔金額應納入計算其出售損益數額。

### (f) 固定資產及折舊

固定資產乃按原值減累計折舊及減值虧損 (見附註1(j)) 計入資產負債表內。

固定資產在報廢或出售時所產生的損益，以出售所得淨收入與資產的賬面值之間的差額釐定，並於報廢或出售日在損益表內確認。

折舊乃按照下列固定資產的估計可使用年期以直線法撇銷其原值：

影音設備	5 – 7年
硬件及軟件	5年
傢俬及裝置	7年
汽車	5年

資產的可使用年期會每年檢討。

### (g) 節目庫

(i) 節目庫包括特約節目與外判節目的節目播映權成本。特約節目與外判節目的開支以直線法按特許期在損益表內攤銷。節目庫乃以成本減去累計攤銷及減值虧損 (見附註1(j)) 後列賬。

(ii) 內部製作的節目成本於發生的期間內確認為支出。

### (h) 媒體資產

媒體資產指廣告權，乃收購在中國的廣告展示屏上安放廣告的經營權的成本，當中亦包括使廣告展示屏達至現時狀態及運往現址以進行擬定用途時所涉及的任何直接應佔成本。廣告權乃以成本減去累計攤銷及減值虧損 (見附註1(j)) 後列賬。

## 1 Significant accounting policies (continued)

### (h) Media assets (continued)

Advertising rights are amortised to the income statement on a straight-line basis over 5 – 10 years, the agreed periods of use of the advertising right.

### (i) Accounts receivable and other receivables

Accounts receivable and other receivables are initially recognised at fair value and thereafter stated at amortised cost less impairment losses for bad and doubtful debts (see note 1 (j)), except where the effect of discounting would be immaterial, in which case they are stated at cost less impairment losses for bad and doubtful debts (see note 1 (j)).

### (j) Impairment of assets

#### (i) Impairment of receivables

Current receivables that are stated at cost or amortised cost are reviewed at each balance sheet date to determine whether there is objective evidence of impairment. If any such evidence exists, any impairment loss is recognised in the income statement and determined as follows:

- For current receivables that are carried at cost, the impairment loss is measured as the difference between the carrying amount of the receivables and the estimated future cash flows, discounted at the current market rate of return for similar receivables where the effect of discounting is material. Impairment losses for the receivables are reversed if in a subsequent period the amount of the impairment loss decreases.
- For current receivables that are carried at amortised cost, the impairment loss is measured as the difference between the carrying amount of the receivables and the present value of estimated future cash flows, discounted at the receivables' original effective interest rate (i.e. the effective interest rate computed at initial recognition of these receivables), where the effect of discounting is material.

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

## 1 主要會計政策 (續)

### (h) 媒體資產 (續)

廣告權按使用廣告權的協定期限以直線法分5至10年在損益表內攤銷。

### (i) 應收賬款及其他應收賬款

應收賬款及其他應收賬款先按公允價值確認，其後按已攤銷成本減呆壞賬減值虧損（見附註1(j)）列賬；如折現影響並不重大，則會按成本減呆壞賬減值虧損（見附註1(j)）列賬。

### (j) 資產減值

#### (i) 應收賬款減值

集團於每個結算日檢討按成本或已攤銷成本列賬的流動應收賬款，以確定是否存在任何客觀的減值證據。倘存在任何有關證據，則任何減值虧損會按下列方法釐定，並在損益表確認：

- 就按成本列賬的流動應收賬款而言，減值虧損乃以應收賬款賬面值與其估計未來現金流量（倘折現影響重大，則按類似應收賬款的現行市場回報率折現）的差額計量。倘減值虧損數額在其後期間減少，則應收賬款減值虧損會撥回。
- 就按已攤銷成本列賬的流動應收賬款而言，減值虧損乃以應收賬款賬面值與以應收賬款原有效利息率（即於首次確認這些應收賬款時計算的有效利息率）折現計算的估計未來現金流量的現值差額計量。

倘在其後期間減值虧損數額減少，而該減少乃可客觀地與確認減值虧損後發生的事件有聯繫，則減值虧損會於損益表撥回。減值虧損撥回不得導致應收賬款賬面值超過倘若在往年並無確認減值虧損的賬面值應得者。

## 1 Significant accounting policies (continued)

### (j) Impairment of assets (continued)

#### (ii) Impairment of other assets

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

- fixed assets;
- media assets;
- goodwill;
- programming library;
- interest in associate; and
- investments in subsidiaries.

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

#### (1) Calculation of recoverable amount

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

#### (2) Recognition of impairment losses

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

## 1 主要會計政策 (續)

### (j) 資產減值 (續)

#### (ii) 其他資產減值

於每個結算日檢討內外資訊來源，以查察下列資產有否出現減值，或（惟商譽除外）之前所確認的減值虧損是否已不再存在或可能已經減少：

- 固定資產；
- 媒體資產；
- 商譽；
- 節目庫；
- 聯營公司權益；及
- 附屬公司投資。

若存在任何有關跡象，集團將評估資產的可收回數額。此外，就商譽而言，不論是否存在任何減值跡象，集團也會每年評估可收回數額。

#### (1) 可收回數額的計算方法

資產可收回數額是淨售價及使用價值兩者中的較高者。在評估使用價值時，會使用除稅前折現率將估計未來現金流量折現至現值。該折現率應是反映市場當時所評估的貨幣時間價值和該資產的獨有風險。當資產所產生的現金流入基本不獨立於其他資產所產生的現金流入，其可收回數額取決於可獨立地產生現金流入的最小資產組合（即一個現金生產單位）。

#### (2) 減值虧損的確認

每當資產的賬面值（或其所屬的現金生產單位）高於其可收回數額時，便須在損益表內確認減值虧損。就現金生產單位確認的減值虧損先分配以減少任何分配至現金生產單位（或單位組別）的商譽的賬面值，然後按比例減少單位（或單位組別）內其他資產的賬面值，惟資產賬面值不會減少至低於其個別公允價值減出售成本或使用價值（如可釐定）。

## 1 Significant accounting policies (continued)

### (j) Impairment of assets (continued)

#### (ii) Impairment of other assets (continued)

##### (3) Reversals of impairment losses

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

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

#### (iii) Interim financial reporting and impairment

Under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Group is required to prepare an interim financial report in compliance with HKAS 34, Interim financial reporting, in respect of the first six months of the financial year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial year (see note 1 (j)(i) and (ii)).

Impairment losses recognised in an interim period in respect of goodwill carried at cost are not reversed in a subsequent period. This is the case even if no loss, or a smaller loss, would have been recognised had the impairment been assessed only at the end of the financial year to which the interim period relates.

### (k) Inventories

Inventories are carried at the lower of cost and net realisable value.

Cost is calculated using the first-in-first-out cost method and comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

## 1 主要會計政策 (續)

### (j) 資產減值 (續)

#### (ii) 其他資產減值 (續)

##### (3) 減值虧損的撥回

就商譽以外的資產而言，倘據以釐定可收回數額的估計基準出現有利變動，則減值虧損將會撥回。惟商譽的減值虧損不予撥回。

減值虧損的撥回額僅限於倘往年並無確認減值虧損而釐定的資產賬面值。減值虧損的撥回將於確認撥回的年度內在損益表列賬。

#### (iii) 中期財務報告及減值

根據香港聯合交易所有限公司《證券上市規則》，集團須遵照《香港會計準則》第34號「中期財務報告」編製財政年度首六個月的中期財務報告。於中期期間結算時，集團應用與於財政年度結算時相同的減值測試、確認及撥回標準（見附註1(j)(i)及(ii)）。

於中期期間就按成本列賬的商譽確認的減值虧損不會於其後期間撥回。即使假若有關中期期間的減值評估於年底進行，而並無虧損，或虧損輕微，有關減值虧損仍不會撥回。

### (k) 存貨

存貨乃按成本及可變現淨值兩者中的較低者列賬。

成本乃按先進先出法計算，並包括所有購貨成本及其他將存貨保存於現時所在地點及保持現有狀況所涉及的成本。

可變現淨值是在日常業務過程中的估計售價減去完成銷售的估計所需成本後所得之數。

在售出存貨後，此等存貨的賬面值於確認相關收入期間列作支出。將存貨的價值減至可變現淨值的數額和所有存貨虧損均在出現撇減或虧損的期間內確認為支出。任何存貨撇減的撥回，將於出現該等撥回的期間內扣減存貨支出。

## 1 Significant accounting policies (continued)

### (l) Accounts payable and other payables

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

### (m) Cash and cash equivalents

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

### (n) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

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

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

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

## 1 主要會計政策 (續)

### (l) 應付賬款及其他應付賬款

應付賬款及其他應付賬款先按公允價值確認，其後按已攤銷成本列賬；如折現影響並不重大，則會按成本列賬。

### (m) 現金及現金等價物

現金及現金等價物包括銀行存款及現金、在銀行及其他金融機構的活期存款以及流動性極高的短期投資。這些投資可以在未經通知下即時轉換為已知數額的現金，而在價值變動方面的風險並不巨大，並在購入後3個月內到期。在編製綜合現金流量表而言，須應要求償還並構成集團現金管理方面一部份的銀行透支亦列入現金及現金等價物的一個組成部份。

### (n) 所得稅

年內所得稅包括本期稅項及遞延稅項資產及負債的變動。所得稅在損益表確認，除非有關稅項是屬於直接計入權益的項目，其時則會於權益確認。

本期稅項是指年內應課稅收入按結算日有效或實際有效的稅率計算的預期應繳稅項，並且就過往年度的應繳稅項作出調整。

遞延稅項資產及負債的產生是由於在財務報告中，資產及負債的賬面值與其稅基之間分別出現可抵扣暫時性差異及應課稅暫時性差異。未使用的稅務虧損及稅收抵免亦可產生遞延稅項資產。

除一些有限制的例外情況，所有遞延稅項負債必須確認。惟可確認的遞延稅項資產，應以能抵銷該資產的可能出現的未來應課稅盈利數額為限。可支持確認可抵扣暫時性差異所產生的遞延稅項資產的未來應課稅盈利包括因撥回現有應課稅暫時性差異所產生者，惟這些時差必須與同一稅務機關及同一應稅實體有關，並預期會在預期撥回可抵扣暫時性差異的同一期間或遞延稅項資產所產生的稅務虧損可向後期或前期結轉的期間撥回。在釐定現有應課稅暫時性差異是否支持確認未使用的稅務虧損及抵免所產生的遞延稅項資產時，會採用上述同一標準，即倘這些暫時性差異與同一稅務機關及同一應稅實體有關，並預期會在可使用上述稅務虧損或抵免的期間內撥回，上述由稅務虧損或抵免所產生的遞延稅項資產便需確認。



## 1 Significant accounting policies (continued)

### (n) Income tax (continued)

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

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

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

- in the case of current tax assets and liabilities, the Group or the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
  - the same taxable entity; or
  - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

### (o) Revenue recognition

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

- (i) Income from multi-media sales is recognised when the related advertisements are telecasted or commercials appear before the public. Revenue is stated net of agency commission and rebate.
- (ii) Fee income from media sales management and administrative services is recognised when the related services are rendered.

## 1 主要會計政策 (續)

### (n) 所得稅 (續)

遞延稅項的數額乃根據資產及負債的賬面值變現或清償的預定模式，以於結算日有效或實際有效的稅率計算。遞延稅項資產及負債均無須折現。

遞延稅項資產的賬面值於每年結算日進行檢討，倘若認為可能並無足夠應課稅盈利以供扣減有關稅項得益，則遞延稅項資產會予以削減。該削減數額可在可能有足夠應課稅盈利時撥回。

本期稅項和遞延稅項結餘，及其變動，均各自分開列示及不會互相抵銷。本期稅項資產和遞延稅項資產只會在集團或本公司有合法權利以本期稅項資產抵銷本期稅項負債，並且符合以下附帶條件的情況下才可以分別抵銷本期稅項負債和遞延稅項負債：

- 本期稅項資產和負債：集團或本公司計劃按淨額基準結算，或在實現資產的同時清償負債；或
- 遞延稅項資產和負債：這些資產和負債必須與同一稅務機關就以下其中一項徵收的所得稅有關：
  - 同一個應稅實體；或
  - 不同的應稅實體：這些實體計劃在預期有大額遞延稅項負債需要清償或遞延稅項資產可以收回的每個未來期間按淨額實現本期稅項資產和清償本期稅項負債或在實現資產的同時清償負債。

### (o) 收入確認

收入是在經濟利益可能流入集團，及集團能可靠地計算該等收入與有關的成本（如適用）時，按以下方法於損益表內確認：

- (i) 來自媒體銷售的收入乃在有關廣告公開播放或推出時確認。所列出的收入已扣除代理佣金及回扣款額。
- (ii) 媒體銷售管理及行政服務的費用收入乃在提供有關服務時確認。

## 1 Significant accounting policies (continued)

### (o) Revenue recognition (continued)

- (iii) Signage production fees are recognised when the related services are rendered.
- (iv) Revenue from sale of merchandise is recognised when the merchandise is delivered at the customers' premises which is taken to be the point in time when the significant risks and rewards of ownership of the merchandise have been transferred to the customers. Revenue is stated net of trade discounts.
- (v) Interest income is recognised as it accrues using the effective interest method.

### (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 and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

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.

### (q) Operating leases

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to the income statement in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased assets.

### (r) Employee benefits

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

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

## 1 主要會計政策 (續)

### (o) 收入確認 (續)

- (iii) 廣告板製作費乃在提供有關服務時確認。
- (iv) 來自商品銷售的收入乃在商品遞送至客戶時確認，即商品擁有權的重大風險及回報轉讓予客戶的時刻。所列出的收入已扣除交易折扣款額。
- (v) 利息收入乃採用有效利息法確認。

### (p) 撥備及或然負債

當負債的限期或數額不確定，但集團或本公司有可能因過去事件構成法定或推定義務而需付出經濟利益以履行責任，並能對付出的經濟利益作可靠估計，此負債便需確認為撥備。倘若有關貨幣時間值重大，撥備乃以履行責任時預期所需支出的現值列賬。

除非付出經濟利益的機會極微，倘集團或本公司不可能需要付出經濟利益，或不能對數額作可靠估計，則此項責任會被披露為或然負債。除非付出經濟利益的機會極微，如果潛在義務的存在亦只在發生一項或多項未來事件才獲肯定，即以或然負債披露。

### (q) 經營租賃

倘集團通過經營租賃使用資產，則根據租賃作出的付款會在租賃期所涵蓋的會計期間內，以等額在損益表扣除，但如有其他基準能更清楚地反映租賃資產所產生的收益模式則除外。

### (r) 僱員福利

#### (i) 短期僱員福利及定額供款退休計劃供款

薪金、全年花紅、有薪年假、定額供款退休計劃供款以及非金錢福利的成本均於僱員提供相關服務之年內計提。倘若延期支付或清繳款項的影響屬重大，則有關金額會按現值列賬。

## 1 Significant accounting policies (continued)

### (r) Employee benefits (continued)

#### (ii) Share-based payments

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

During the vesting period, the number of share options that is expected to vest is reviewed. Any adjustment to the cumulative fair value recognised in prior years is charged/credited to the income statement for the year of the review, with a corresponding adjustment to the capital reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the capital reserve). The equity amount is recognised in the capital reserve until either the option is exercised (when it is transferred to the share premium account) or the option expires (when it is released directly to retained profits).

### (s) Translation of foreign currencies

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

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

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

## 1 主要會計政策 (續)

### (r) 僱員福利 (續)

#### (ii) 以股份為基礎的支付

授予僱員購股權的公允價值確認為僱員成本，相應的增加會於權益內的資本儲備反映。公允價值在授出日期按二項式點陣法模型及授出購股權的條款及條件而計量。倘僱員須符合歸屬條件才可以無條件享有這些購股權，則購股權的估計總公允價值會於考慮購股權歸屬的可能性後在歸屬期內攤分。

於歸屬期內，將會檢討預期會歸屬的購股權數目。任何對過往年度確認的累計公允價值所作的調整會在檢討年度的損益表內列支／計入，相應的調整會於資本儲備反映。在歸屬日，確認為支出的金額會作出調整，以反映歸屬的實際購股權數目（相應的調整會於資本儲備反映）。權益金額於資本儲備內確認，直至購股權被行使（在此情況下將轉至股份溢價賬內）或購股權屆滿（在此情況下將直接撥回保留盈利內）。

### (s) 外幣兌換

年內以外幣結算的交易按交易日的匯率換算。以外幣為單位的貨幣資產及負債則按結算日的匯率換算。外幣兌換差額於損益表內確認。

按歷史成本計量並以外幣為單位的非貨幣資產及負債，均使用交易日的匯率換算。按公允價值列賬並以外幣為單位的非貨幣資產及負債，均使用釐定公允價值當日的匯率換算。

外國業務的業績乃按與交易日的匯率相若的匯率換算為港幣。資產負債表的項目（包括因綜合於二零零五年一月一日或之後收購外國業務的賬目而產生的商譽）按結算日的匯率換算為港幣。所產生的匯兌差額直接在權益個別部份內確認。因綜合於二零零五年一月一日前收購外國業務的賬目而產生的商譽按適用於收購海外業務當日的匯率換算。

## 1 Significant accounting policies (continued)

### (s) Translation of foreign currencies (continued)

On disposal of a foreign operation, the cumulative amount of the exchange differences recognised in equity which relate to that foreign operation is included in the calculation of the profit or loss on disposal.

### (t) Related parties

For the purposes of these financial statements, a party is considered to be related to the Group if:

- (i) the party has the ability, directly or indirectly through one or more intermediaries, to control the Group or exercise significant influence over the Group in making financial and operating policy decisions, or has joint control over the Group;
- (ii) the Group and the party are subject to common control;
- (iii) the party is an associate of the Group;
- (iv) the party is a member of key management personnel of the Group or the Group's parent, or, a close family member of such an individual, or is an entity under the control, joint control or significant influence of such individuals;
- (v) the party is a close family member of a party referred to in (i) or is an entity under the control, joint control or significant influence of such individuals; or
- (vi) the party is a post-employment benefit plan which is for the benefit of employees of the Group or of any entity that is a related party of the Group.

Close family members of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

### (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 system, the Group has chosen geographical segment information as the primary reporting format and business segment information as the secondary reporting format for the purposes of these financial statements.

## 1 主要會計政策 (續)

### (s) 外幣兌換 (續)

於出售海外業務時，由該海外業務產生在權益內確認的累計匯兌差額在計算出售損益時已包括在內。

### (t) 關連人士

就本財務報表而言，另一方人士於下列情況下被視為集團的關連人士：

- (i) 另一方人士有權直接或間接透過一間或多間中介團體控制集團或對集團的財務及經營決策作出重大影響，或另一方人士有權共同控制集團；
- (ii) 集團與另一方人士受共同控制；
- (iii) 另一方人士為集團的聯營公司；
- (iv) 另一方人士為集團或集團母公司的主要管理人員或該人士的近親，或為受該等人士控制、共同控制或重大影響的實體；
- (v) 另一方人士為第(i)項所述人士的近親，或為受該等人士控制、共同控制或重大影響的實體；或
- (vi) 另一方人士為提供福利予集團僱員或任何屬集團關連人士的實體的僱員離職後福利計劃。

個人的近親指於其與實體進行交易時，預期可能影響該人士或受該人士影響的家族成員。

### (u) 分類匯報

分類是指集團內可劃分的單位，這些分類或負責提供產品或服務（業務分類），或在特定的經濟環境提供產品或服務（地區分類），而個別分類所承受的風險或所得的回報與其他分類不同。

根據集團的內部財務報告制度，集團選擇以地區分類資料作為本財務報表的主要匯報格式，並以業務分類資料為次要匯報格式。

## 1 Significant accounting policies (continued)

### (u) Segment reporting (continued)

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 inventories, trade receivables and fixed assets. Segment revenue, expenses, assets and liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between group entities within a single segment. Inter-segment pricing is based on similar terms as those available to other external parties.

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

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

## 2 Turnover

The Group is principally engaged in the provision of media sales and management and administrative services for Multi-media On-Board (“MMOB”) business and the operation of media advertising management services through marketing advertising spaces on transit vehicle exteriors, shelters and outdoor signages.

Turnover represents income from media sales and management and administrative services, net of agency commission and rebate.

## 3 Other revenue and other net income

		2006 \$'000 港幣千元	2005 \$'000 港幣千元
Other revenue	其他收入		
Sales of merchandise	商品銷售	5,447	6,254
Interest income	利息收入	23,881	14,363
Sundry revenue	其他收入	2,347	966
		<u>31,675</u>	<u>21,583</u>
Other net income	其他收益淨額		
Exchange gain	匯兌收益	6,178	-
		<u>37,853</u>	<u>21,583</u>

## 1 主要會計政策 (續)

### (u) 分類匯報 (續)

分類的收入、支出、業績、資產及負債包括直接歸屬於該分類的項目和能以合理方式分配至該分類的項目。例如：分類資產可能包括存貨、貿易應收賬款及固定資產。分類的收入、支出、資產及負債將於集團內公司間的結餘及集團內公司間的交易因編製綜合賬目而被抵銷前釐定，除非此等集團內公司間的結餘及交易是來自單一分類的集團實體。分類間的價格按其他外界機構獲得的類似條款而制訂。

分類的資本開支是收購預期使用超過一年的分類資產（有形及無形資產）而於收購年度內產生的總成本。

未予分配的項目主要包括財務及企業資產、計息貸款、借貸、稅務結餘、企業支出及融資費用。

## 2 營業額

集團主要從事為流動多媒體業務提供媒體銷售、管理及行政服務，以及透過推銷客運車輛車身、候車亭及戶外廣告牌的廣告位經營媒體廣告管理服務。

營業額指扣除代理佣金及回扣後，來自媒體銷售、管理及行政服務的收入。

## 3 其他收入及其他收益淨額

## 4 Profit before taxation

Profit before taxation is arrived at after charging:

Amortisation of advertising rights	廣告權攤銷
Auditors' remuneration	核數師酬金
Contributions to defined contribution schemes	定額供款計劃的供款
Depreciation	折舊
Impairment losses – accounts receivable	減值虧損 – 應收賬款
– goodwill	– 商譽
– fixed assets	– 固定資產
– media assets	– 媒體資產
Interest on bank loans wholly repayable within five years	須於五年內悉數償還的銀行貸款利息
Operating lease charges – land and buildings	經營租賃支出 – 土地及樓宇
Operating lease charges – media assets	經營租賃支出 – 媒體資產
Production, programming and marketing costs (included in other operating expenses)	製作、節目及推廣成本 (計入其他經營費用)

## 5 Disposals of media assets and subsidiaries

### (a) Disposal of media assets

During the year, a subsidiary of the Group disposed of certain media assets in Beijing with a net book value of \$28,043,000, resulting in a gain on disposal of \$44,043,000. As the Group owned 51% interest in the said subsidiary, 49% of the gain on disposal would be attributable to the minority shareholder of the subsidiary. Further details in relation to the disposal are set out in the Company's circular dated 31 July 2006.

### (b) Disposal of subsidiaries

During the year, the Group disposed of its interests in RoadVision (Dalian) Limited and Guangzhou Key Media Advertising Company Limited, resulting in a gain on disposal of \$12,677,000. Further details in relation to the disposal are set out in the Company's circular dated 31 July 2006.

## 4 除稅前盈利

除稅前盈利已扣除：

	2006 \$'000 港幣千元	2005 \$'000 港幣千元
	8,405	11,850
	2,085	2,057
	649	916
	27,768	27,709
	4,870	3,141
	12,487	–
	7,969	–
	2,100	3,026
	1,631	2,385
	2,072	2,409
	12,634	24,076
	<b>36,828</b>	<b>39,853</b>

## 5 出售媒體資產及附屬公司

### (a) 出售媒體資產

年內，集團一間附屬公司出售賬面淨值為港幣28,043,000元的若干位於北京的媒體資產，產生出售收益港幣44,043,000元。由於集團擁有有關附屬公司的51%權益，故出售收益的49%將歸屬於該公司的少數股東。有關出售的詳情已載於本公司二零零六年七月三十一日的通函。

### (b) 出售附屬公司

年內，集團出售其於RoadVision (Dalian) Limited及廣州市關鍵媒體廣告有限公司的權益，產生出售收益港幣12,677,000元。有關出售的詳情已載於本公司二零零六年七月三十一日的通函。

## 6 Income tax in the consolidated income statement

### (a) Taxation in the consolidated income statement represents:

		2006 \$'000 港幣千元	2005 \$'000 港幣千元
<b>Current tax</b>	<b>本期稅項</b>		
Provision for Hong Kong Profits Tax for current year	本年度香港利得稅撥備	8,747	5,592
Over-provision in respect of prior years	過往年度超額撥備	(12)	(11)
		<u>8,735</u>	<u>5,581</u>
Provision for PRC income tax	中國所得稅撥備	5,025	783
		<u>13,760</u>	<u>6,364</u>
<b>Deferred tax</b>	<b>遞延稅項</b>		
Origination and reversal of temporary differences	暫時性差異的確認及轉回	(6,407)	(1,097)
		<u>7,353</u>	<u>5,267</u>

The provision for Hong Kong Profits Tax is calculated at 17.5% (2005: 17.5%) of the estimated assessable profits for the year. Taxation for the Mainland China subsidiaries is charged at the appropriate current rates for taxation ruling in The People's Republic of China ("PRC").

On 16 March 2007, the National People's Congress passed the China Corporate Income Tax Law which will be effective from 1 January 2008. The new tax law has no impact on the Group's deferred tax assets and deferred tax liabilities as at 31 December 2006.

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

		2006 \$'000 港幣千元	2005 \$'000 港幣千元
Profit before taxation	除稅前盈利	<u>61,742</u>	<u>32,437</u>
Notional tax on profit before taxation, calculated at the rates applicable to profits in the countries concerned	按照除稅前盈利及獲得該盈利相關國家適用稅率計算的名義稅項	17,322	5,313
Tax effect of non-deductible expenses	不可扣減開支的稅項影響	5,223	851
Tax effect of non-taxable revenue	毋須課稅收入的稅項影響	(9,131)	(6,812)
Tax effect of prior years' unrecognised tax losses utilised during the year	年內抵扣未確認稅務虧損的稅項影響	(7,949)	-
Tax effect of tax losses not recognised	未確認的可抵扣稅務虧損的稅項影響	1,776	6,159
Over-provision in prior years	過往年度超額撥備	(12)	(11)
Others	其他	124	(233)
Actual tax expense	實際稅項開支	<u>7,353</u>	<u>5,267</u>

## 6 列於綜合損益表內之所得稅

### (a) 列於綜合損益表之稅項為：

		2006 \$'000 港幣千元	2005 \$'000 港幣千元
<b>Current tax</b>	<b>本期稅項</b>		
Provision for Hong Kong Profits Tax for current year	本年度香港利得稅撥備	8,747	5,592
Over-provision in respect of prior years	過往年度超額撥備	(12)	(11)
		<u>8,735</u>	<u>5,581</u>
Provision for PRC income tax	中國所得稅撥備	5,025	783
		<u>13,760</u>	<u>6,364</u>
<b>Deferred tax</b>	<b>遞延稅項</b>		
Origination and reversal of temporary differences	暫時性差異的確認及轉回	(6,407)	(1,097)
		<u>7,353</u>	<u>5,267</u>

香港利得稅撥備是按照本年度估計應課稅盈利的17.5% (二零零五年：17.5%) 計算。於中國大陸的附屬公司的稅項則按照中華人民共和國 (「中國」) 現行的適用稅率計算。

於二零零七年三月十六日，全國人民代表大會通過將於二零零八年一月一日起生效的中國企業所得稅法。有關新稅法對集團於二零零六年十二月三十一日的遞延稅項資產及遞延稅項負債並無影響。

### (b) 稅項開支與會計盈利按適用稅率計算的稅款之對賬：

		2006 \$'000 港幣千元	2005 \$'000 港幣千元
Profit before taxation	除稅前盈利	<u>61,742</u>	<u>32,437</u>
Notional tax on profit before taxation, calculated at the rates applicable to profits in the countries concerned	按照除稅前盈利及獲得該盈利相關國家適用稅率計算的名義稅項	17,322	5,313
Tax effect of non-deductible expenses	不可扣減開支的稅項影響	5,223	851
Tax effect of non-taxable revenue	毋須課稅收入的稅項影響	(9,131)	(6,812)
Tax effect of prior years' unrecognised tax losses utilised during the year	年內抵扣未確認稅務虧損的稅項影響	(7,949)	-
Tax effect of tax losses not recognised	未確認的可抵扣稅務虧損的稅項影響	1,776	6,159
Over-provision in prior years	過往年度超額撥備	(12)	(11)
Others	其他	124	(233)
Actual tax expense	實際稅項開支	<u>7,353</u>	<u>5,267</u>

## 7 Directors' remuneration

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

## 7 董事的酬金

根據香港《公司條例》第161條規定，董事的酬金現列報如下：

		2006			
		Directors' fees	Salaries, allowances and other benefits	Retirement benefit contributions	Total
		董事袍金	薪金、津貼及其他福利	退休金計劃的供款	總計
		\$'000	\$'000	\$'000	\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
<b>Executive Director</b>	<b>執行董事</b>				
Winnie J. NG	伍穎梅	50	1,536	–	1,586
<b>Non-Executive Directors</b>	<b>非執行董事</b>				
John CHAN Cho Chak	陳祖澤太平紳士	60	–	–	60
Michael WONG Yick-kam	黃奕鑑	84	–	–	84
MAK Chun Keung	麥振強	50	280	–	330
Anthony NG	伍永漢	50	–	–	50
James Conrad LOUEY	雷兆光	47	–	–	47
LAU Mei Mui, May	劉美梅	50	–	–	50
Andrew SO Sing Tak	蘇承德	50	–	–	50
<b>Independent Non-Executive Directors</b>	<b>獨立非執行董事</b>				
Carlye Wai-Ling TSUI	徐尉玲太平紳士	80	–	–	80
HUI Ki On	許淇安	80	–	–	80
Dr Eric Li Ka Cheung	李家祥博士太平紳士	78	–	–	78
		<b>679</b>	<b>1,816</b>	<b>–</b>	<b>2,495</b>



**7 Directors' remuneration** (continued)

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

**7 董事的酬金** (續)

根據香港《公司條例》第161條規定，董事的酬金現列報如下：

		2005			
		Directors' fees	Salaries, allowances and other benefits	Retirement benefit contributions	Total
		董事袍金	薪金、津貼及其他福利	退休金計劃的供款	總計
		\$'000	\$'000	\$'000	\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
<b>Executive Directors</b>	<b>執行董事</b>				
Winnie J. NG	伍穎梅	50	1,536	–	1,586
Amanda LUI Yee Fai	雷怡暉	46	1,319	11	1,376
MAK Chun Keung	麥振強	50	280	–	330
<b>Non-Executive Directors</b>	<b>非執行董事</b>				
John CHAN Cho Chak	陳祖澤太平紳士	60	–	–	60
Michael WONG Yick-kam	黃奕鑑	79	–	–	79
Anthony NG	伍永漢	50	–	–	50
James Conrad LOUEY	雷兆光	50	–	–	50
LAU Mei Mui, May	劉美梅	50	–	–	50
YEN Shiao Hua, Sheridan	晏孝華	34	–	–	34
Andrew SO Sing Tak	蘇承德	16	–	–	16
<b>Independent Non-Executive Directors</b>	<b>獨立非執行董事</b>				
Carlye Wai-Ling TSUI	徐尉玲太平紳士	75	–	–	75
HUI Ki On	許淇安	75	–	–	75
Dr Eric LI Ka Cheung	李家祥博士太平紳士	76	–	–	76
		<b>711</b>	<b>3,135</b>	<b>11</b>	<b>3,857</b>

## 8 Individuals with highest emoluments

The five highest paid individuals of the Group include one Directors (2005: two Directors) of the Company whose emoluments are disclosed in note 7. Details of emoluments paid by the Group to the remaining four (2005: three) highest paid individuals are set out below:

		2006 \$'000 港幣千元	2005 \$'000 港幣千元
Salaries, allowances and other benefits	薪金、津貼及其他福利	4,313	5,113
Retirement benefit contributions	退休金計劃的供款	48	36
		<u>4,361</u>	<u>5,149</u>

The emoluments of these remaining highest paid individuals are within the following bands:

		Number of individuals 員工人數	
		2006	2005
\$Nil – \$1,000,000	港幣0元 – 港幣1,000,000元	2	–
\$1,000,001 – \$1,500,000	港幣1,000,001元 – 港幣1,500,000元	2	1
\$1,500,001 – \$2,000,000	港幣1,500,001元 – 港幣2,000,000元	–	2
		<u>–</u>	<u>2</u>

## 9 Profit attributable to equity shareholders of the Company

The consolidated profit attributable to equity shareholders of the Company includes a profit of \$82,738,000 (2005: \$3,549,000) which has been dealt with in the financial statements of the Company.

## 8 最高酬金的員工

集團內酬金最高的五名員工，其中一名（二零零五年：兩名）為本公司董事，而其酬金已列於附註7。集團其餘四名（二零零五年：三名）最高薪金員工的酬金詳情如下：

		2006 \$'000 港幣千元	2005 \$'000 港幣千元
Salaries, allowances and other benefits	薪金、津貼及其他福利	4,313	5,113
Retirement benefit contributions	退休金計劃的供款	48	36
		<u>4,361</u>	<u>5,149</u>

其餘最高酬金員工的酬金分析如下：

		Number of individuals 員工人數	
		2006	2005
\$Nil – \$1,000,000	港幣0元 – 港幣1,000,000元	2	–
\$1,000,001 – \$1,500,000	港幣1,000,001元 – 港幣1,500,000元	2	1
\$1,500,001 – \$2,000,000	港幣1,500,001元 – 港幣2,000,000元	–	2
		<u>–</u>	<u>2</u>

## 9 本公司股東應佔盈利

本公司股東應佔綜合盈利包括一筆為數港幣82,738,000元的盈利（二零零五年：港幣3,549,000元），此盈利已於本公司的財務報表內作出處理。

## 10 Dividend

### (a) Dividend payable to equity shareholders of the Company attributable to the year:

Final dividend proposed after the balance sheet date of HK3.09 cents per share (2005: HK1.70 cents per share)

於結算日後宣派的末期股息為每股港幣3.09仙  
(二零零五年:每股港幣1.70仙)

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

### (b) Dividend payable to equity shareholders of the Company attributable to the previous year, approved and paid during the year:

Final dividend in respect of previous year of HK1.70 cents per share (2005: HK1.40 cents per share) approved and paid during the year

上年度末期股息每股港幣1.70仙  
(二零零五年:每股港幣1.40仙),  
已於年內批准及派發

## 11 Earnings per share

### (a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to the Company's ordinary equity shareholders of \$30,781,000 (2005: \$26,270,000) and the weighted average of 997,365,332 ordinary shares (2005: 997,365,332 shares) in issue during the year.

### (b) Diluted earnings per share

The exercise of the subscription rights conferred by the share options would not have any dilutive effect on the earnings per share for the year ended 31 December 2005 and there were no dilutive potential ordinary shares outstanding during the year ended 31 December 2006. Accordingly, the amount of diluted earnings per share is the same as basic earnings per share for the years ended 31 December 2006 and 2005.

## 10 股息

### (a) 本年度應付本公司股東的股息:

2006 \$'000 港幣千元	2005 \$'000 港幣千元
------------------------	------------------------

30,819	16,955
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於結算日後宣派的末期股息並未在結算日確認為負債。

### (b) 上年度應付本公司股東的股息,已於年內批准及派發:

2006 \$'000 港幣千元	2005 \$'000 港幣千元
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16,955	13,963
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## 11 每股盈利

### (a) 每股基本盈利

每股基本盈利是根據本公司普通股股東應佔盈利港幣30,781,000元(二零零五年:港幣26,270,000元)及年內已發行普通股的加權平均數997,365,332股(二零零五年:997,365,332股)計算。

### (b) 每股攤薄盈利

行使購股權所附的認購權不會對截至二零零五年十二月三十一日止年度的每股盈利造成任何攤薄影響,而截至二零零六年十二月三十一日止年度亦無任何未行使的具攤薄影響的潛在普通股。因此,每股攤薄盈利金額分別與截至二零零六年及二零零五年十二月三十一日止年度的每股基本盈利相同。

## 12 Segment reporting

Segment information is presented in respect of the Group's business and geographical segments. Geographical segment information based on location of assets is chosen as the primary reporting format because this is more relevant to the Group's internal financial reporting.

### Geographical segments

The Group comprises the following main geographical segments:

Hong Kong : Provision of media sales and management services  
Mainland China : Provision of media sales and management services

There are no sales between the geographical segments.

## 12 分類匯報

分類資料乃按集團的業務及地區劃分而呈報。以資產位置為基礎的地區分類資料獲選作主要申報格式，因為其更接近集團的內部財務報告。

### 地區業務

集團業務分為以下主要的地區業務：

香港 : 提供媒體銷售及管理服務  
中國大陸 : 提供媒體銷售及管理服務

地區業務之間並無進行銷售。

		2006			2005		
		Group 集團 \$'000 港幣千元	Share of an associate 應佔一間聯營公司 \$'000 港幣千元	Total 總計 \$'000 港幣千元	Group 集團 \$'000 港幣千元	Share of an associate 應佔一間聯營公司 \$'000 港幣千元	Total 總計 \$'000 港幣千元
Segment revenue	地區營業額						
Hong Kong	香港	138,143	–	138,143	134,613	–	134,613
Mainland China	中國大陸	38,342	95,035	133,377	56,492	77,808	134,300
Total	總計	<u>176,485</u>	<u>95,035</u>	<u>271,520</u>	<u>191,105</u>	<u>77,808</u>	<u>268,913</u>
Segment results	地區業績						
Hong Kong	香港	7,753	–	7,753	27,842	–	27,842
Mainland China	中國大陸	36,806	6,387	43,193	(14,599)	12,129	(2,470)
Total	總計	<u>44,559</u>	<u>6,387</u>	<u>50,946</u>	<u>13,243</u>	<u>12,129</u>	<u>25,372</u>
Unallocated operating income and expenses	未予分配經營收入及費用			(250)			9,450
Profit from operations	經營盈利			50,696			34,822
Finance costs	財務費用			(1,631)			(2,385)
Gain on disposal of subsidiaries	出售附屬公司收益			12,677			–
Income tax	所得稅			(7,353)			(5,267)
Profit for the year	本年度盈利			<u>54,389</u>			<u>27,170</u>
		<b>Hong Kong</b> 香港 \$'000 港幣千元	<b>Mainland</b> China 中國大陸 \$'000 港幣千元	<b>Unallocated</b> 未予分配 \$'000 港幣千元	<b>Hong Kong</b> 香港 \$'000 港幣千元	<b>Mainland</b> China 中國大陸 \$'000 港幣千元	<b>Unallocated</b> 未予分配 \$'000 港幣千元
Depreciation and amortisation	折舊及攤銷	27,261	8,912	–	27,414	12,145	–
Impairment losses	減值虧損						
- Accounts receivable	—應收帳款	95	4,775	–	73	3,068	–
- Goodwill	—商譽	–	–	12,487	–	–	–
- Fixed assets	—固定資產	7,969	–	–	–	–	–
- Media assets	—媒體資產	–	2,100	–	–	3,026	–

**12 Segment reporting** (continued)**Geographical segments** (continued)

		2006			2005		
		Group 集團 \$'000 港幣千元	Share of an associate 應佔一間聯營公司 \$'000 港幣千元	Total 總計 \$'000 港幣千元	Group 集團 \$'000 港幣千元	Share of an associate 應佔一間聯營公司 \$'000 港幣千元	Total 總計 \$'000 港幣千元
Segment assets	地區業務資產						
Hong Kong	香港	148,228	–	148,228	202,695	–	202,695
Mainland China	中國大陸	4,313	176,839	181,152	133,507	144,388	277,895
		<u>152,541</u>	<u>176,839</u>	<u>329,380</u>	<u>336,202</u>	<u>144,388</u>	<u>480,590</u>
Unallocated assets	未予分配資產			634,157			503,436
Total assets	總資產			<u>963,537</u>			<u>984,026</u>
Segment liabilities	地區業務負債						
Hong Kong	香港	49,346	–	49,346	39,989	–	39,989
Mainland China	中國大陸	3,193	–	3,193	12,139	–	12,139
		<u>52,539</u>	<u>–</u>	<u>52,539</u>	<u>52,128</u>	<u>–</u>	<u>52,128</u>
Unallocated liabilities	未予分配負債			47,693			68,930
Total liabilities	總負債			<u>100,232</u>			<u>121,058</u>
Capital expenditure incurred during the year:	年內產生的資本開支：						

		The Group 集團	
		2006 \$'000 港幣千元	2005 \$'000 港幣千元
Hong Kong	香港	908	418
Mainland China	中國大陸	2,010	2,971
		<u>2,918</u>	<u>3,389</u>

The Group's geographical segment information based on location by customers is the same as that based on location of assets. Accordingly, no further analysis on revenue from external customers by location of customers is provided.

**Business segments**

The Group's turnover and operating profit are almost entirely derived from media sales and management and administrative services. Accordingly, no analysis by business segment is provided.

**12 分類匯報** (續)

## 地區業務 (續)

		2006			2005		
		Group 集團 \$'000 港幣千元	Share of an associate 應佔一間聯營公司 \$'000 港幣千元	Total 總計 \$'000 港幣千元	Group 集團 \$'000 港幣千元	Share of an associate 應佔一間聯營公司 \$'000 港幣千元	Total 總計 \$'000 港幣千元
Segment assets	地區業務資產						
Hong Kong	香港	148,228	–	148,228	202,695	–	202,695
Mainland China	中國大陸	4,313	176,839	181,152	133,507	144,388	277,895
		<u>152,541</u>	<u>176,839</u>	<u>329,380</u>	<u>336,202</u>	<u>144,388</u>	<u>480,590</u>
Unallocated assets	未予分配資產			634,157			503,436
Total assets	總資產			<u>963,537</u>			<u>984,026</u>
Segment liabilities	地區業務負債						
Hong Kong	香港	49,346	–	49,346	39,989	–	39,989
Mainland China	中國大陸	3,193	–	3,193	12,139	–	12,139
		<u>52,539</u>	<u>–</u>	<u>52,539</u>	<u>52,128</u>	<u>–</u>	<u>52,128</u>
Unallocated liabilities	未予分配負債			47,693			68,930
Total liabilities	總負債			<u>100,232</u>			<u>121,058</u>
Capital expenditure incurred during the year:	年內產生的資本開支：						

		The Group 集團	
		2006 \$'000 港幣千元	2005 \$'000 港幣千元
Hong Kong	香港	908	418
Mainland China	中國大陸	2,010	2,971
		<u>2,918</u>	<u>3,389</u>

集團按客戶地點為基準的地區業務分類資料乃與按資產地點為基準者相同。因此，並無進一步提供按客戶地點的外部客戶收入的分析。

**業務分類**

集團的大部份營業額及經營盈利均源自媒體銷售、管理及行政服務。因此，並無提供按業務類別劃分的分析。

## 13 Fixed assets

## 13 固定資產

		Audio and visual equipment 影音設備 \$'000 港幣千元	Hardware and software 硬件及軟件 \$'000 港幣千元	Furniture and fixtures 傢俬及裝置 \$'000 港幣千元	Motor vehicles 汽車 \$'000 港幣千元	Total 總計 \$'000 港幣千元
<b>Cost:</b>	<b>原值:</b>					
At 1 January 2005	於二零零五年一月一日結存	194,084	1,850	703	705	197,342
Exchange adjustments	匯兌調整	-	10	9	14	33
Additions	添置	408	10	214	-	632
Disposals	出售	-	(188)	(48)	-	(236)
At 31 December 2005	於二零零五年十二月三十一日結存	194,492	1,682	878	719	197,771
At 1 January 2006	於二零零六年一月一日結存	194,492	1,682	878	719	197,771
Exchange adjustments	匯兌調整	-	13	11	53	77
Additions	添置	829	86	26	1,252	2,193
Disposals	出售	-	-	(7)	-	(7)
Disposal of subsidiaries	出售附屬公司	-	(598)	(330)	-	(928)
At 31 December 2006	於二零零六年十二月三十一日結存	195,321	1,183	578	2,024	199,106
<b>Accumulated depreciation and impairment loss:</b>	<b>累計折舊及減值虧損:</b>					
At 1 January 2005	於二零零五年一月一日結存	83,599	410	322	459	84,790
Exchange adjustments	匯兌調整	-	5	2	10	17
Charge for the year	年內折舊	27,130	356	90	133	27,709
Written back on disposals	出售時撥回	-	(59)	(1)	-	(60)
At 31 December 2005	於二零零五年十二月三十一日結存	110,729	712	413	602	112,456
At 1 January 2006	於二零零六年一月一日結存	110,729	712	413	602	112,456
Exchange adjustments	匯兌調整	-	5	5	28	38
Charge for the year	年內折舊	26,973	329	200	266	27,768
Impairment loss for the year (note)	年內減值虧損(附註)	7,969	-	-	-	7,969
Written back on disposals	出售時撥回	-	-	(7)	-	(7)
Disposal of subsidiaries	出售附屬公司	-	(343)	(199)	-	(542)
At 31 December 2006	於二零零六年十二月三十一日結存	145,671	703	412	896	147,682
<b>Net book value:</b>	<b>賬面淨值:</b>					
At 31 December 2006	於二零零六年十二月三十一日結存	49,650	480	166	1,128	51,424
At 31 December 2005	於二零零五年十二月三十一日結存	83,763	970	465	117	85,315

Note on impairment loss of fixed assets:

During the year ended 31 December 2006, management carried out an assessment of the recoverable amount of certain fixed assets of the Group. Based on their assessment, the carrying amount of these fixed assets was written down by \$7,969,000. The estimated recoverable amount was determined based on the future cash flows generated from these fixed assets.

固定資產減值虧損附註:

於截至二零零六年十二月三十一日止年度內,管理層對集團若干固定資產的可收回數額進行評估。基於彼等的評估,該等固定資產的賬面值撇減港幣7,969,000元。估計可收回數額乃根據該等固定資產所產生的未來現金流量釐定。

## 14 Media assets

## 14 媒體資產

		The Group 集團		
		Advertising display panels under construction 在建廣告展示屏 \$'000 港幣千元	Advertising rights 廣告權 \$'000 港幣千元	Total 總計 \$'000 港幣千元
<b>Cost:</b>	<b>原值:</b>			
At 1 January 2005	於二零零五年一月一日結存	2,378	124,143	126,521
Exchange adjustments	匯兌調整	-	2,265	2,265
Additions	添置	-	2,757	2,757
Transfer	轉移	(2,378)	2,378	-
Transfer to other receivables	轉移至其他應收賬款	-	(8,736)	(8,736)
At 31 December 2005	於二零零五年十二月三十一日結存	-	122,807	122,807
At 1 January 2006	於二零零六年一月一日結存	-	122,807	122,807
Exchange adjustments	匯兌調整	-	2,444	2,444
Additions	添置	-	725	725
Disposals	出售	-	(33,089)	(33,089)
Disposal of subsidiaries	出售附屬公司	-	(91,090)	(91,090)
At 31 December 2006	於二零零六年十二月三十一日結存	-	1,797	1,797
<b>Accumulated amortisation and impairment losses:</b>	<b>累計攤銷及減值虧損:</b>			
At 1 January 2005	於二零零五年一月一日結存	-	11,799	11,799
Exchange adjustments	匯兌調整	-	327	327
Amortisation for the year	年內攤銷	-	11,850	11,850
Impairment loss for the year (note)	年內減值虧損(附註)	-	3,026	3,026
At 31 December 2005	於二零零五年十二月三十一日結存	-	27,002	27,002
At 1 January 2006	於二零零六年一月一日結存	-	27,002	27,002
Exchange adjustments	匯兌調整	-	538	538
Amortisation for the year	年內攤銷	-	8,405	8,405
Impairment loss for the year (note)	年內減值虧損(附註)	-	2,100	2,100
Written back on disposals	出售時撥回	-	(5,046)	(5,046)
Disposal of subsidiaries	出售附屬公司	-	(32,610)	(32,610)
At 31 December 2006	於二零零六年十二月三十一日結存	-	389	389
<b>Net book value:</b>	<b>賬面淨值:</b>			
At 31 December 2006	於二零零六年十二月三十一日結存	-	1,408	1,408
At 31 December 2005	於二零零五年十二月三十一日結存	-	95,805	95,805

## 14 Media assets (continued)

Note on impairment loss of media assets:

Media assets are assessed at each balance sheet date whether there are any indications that they may be impaired. Such indications include physical damage of a media asset and dismantling of a media asset under an order of relevant authorities. These indications also include a decrease in the revenue derived from a media asset. If any such indication exists, the recoverable amount of the media asset is estimated. The recoverable amount of a media asset is based on value-in-use calculations. These calculations use cash flow projections based on reasonable assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the asset.

A number of advertising display panels were dismantled in 2005 and 2006. Management considers that the estimated future cash flows generated from these panels are less than their reconstruction costs. Therefore, all these media assets with carrying amount of \$2,100,000 (2005: \$3,026,000) were impaired and charged to the income statement.

## 15 Goodwill

		\$'000 港幣千元
<b>Cost:</b>	<b>原值:</b>	
At 1 January 2005, 31 December 2005 and 31 December 2006	於二零零五年一月一日、二零零五年十二月三十一日及二零零六年十二月三十一日結存	12,487
<b>Accumulated impairment losses:</b>	<b>累計減值虧損:</b>	
At 1 January 2005, 31 December 2005 and 1 January 2006	於二零零五年一月一日、二零零五年十二月三十一日及二零零六年一月一日結存	-
Impairment loss	減值虧損	12,487
At 31 December 2006	於二零零六年十二月三十一日結存	12,487
<b>Carrying amount:</b>	<b>賬面值:</b>	
At 31 December 2006	於二零零六年十二月三十一日結存	-
At 31 December 2005	於二零零五年十二月三十一日結存	12,487

Goodwill is allocated to the Group's cash-generating units ("CGU") identified according to the location of operation and business segment.

## 14 媒體資產 (續)

媒體資產減值虧損附註:

集團於每個結算日評估媒體資產有否減值跡象。該等跡象包括媒體資產的實質損壞及按有關機關的指示拆除媒體資產。該等跡象亦包括媒體資產所產生的收益減少。若任何此等減值跡象存在，集團將評估媒體資產的可收回數額。媒體資產的可收回數額按使用價值計算。該等計算基於管理層對該資產的經濟情況作出最佳估計所得的合理假設，並按餘下可使用年期進行現金流量預測。

若干廣告展示屏已於二零零五年及二零零六年拆除。管理層認為來自該等廣告展示屏的估計未來現金流量將少於其重建成本。因此，所有該等賬面值為港幣2,100,000元（二零零五年：港幣3,026,000元）的媒體資產已減值並於損益表內撇銷。

## 15 商譽

		\$'000 港幣千元
<b>Cost:</b>	<b>原值:</b>	
At 1 January 2005, 31 December 2005 and 31 December 2006	於二零零五年一月一日、二零零五年十二月三十一日及二零零六年十二月三十一日結存	12,487
<b>Accumulated impairment losses:</b>	<b>累計減值虧損:</b>	
At 1 January 2005, 31 December 2005 and 1 January 2006	於二零零五年一月一日、二零零五年十二月三十一日及二零零六年一月一日結存	-
Impairment loss	減值虧損	12,487
At 31 December 2006	於二零零六年十二月三十一日結存	12,487
<b>Carrying amount:</b>	<b>賬面值:</b>	
At 31 December 2006	於二零零六年十二月三十一日結存	-
At 31 December 2005	於二零零五年十二月三十一日結存	12,487

商譽乃按經營地區及業務分類分配至集團的現金生產單位。



## 15 Goodwill (continued)

### Media advertising agency and advertising design and production – Shanghai

The recoverable amount of the CGU is determined based on value-in-use calculations. These calculations use cash flow projections based on financial budgets approved by management covering one-year period. Cash flows beyond the one-year period are extrapolated using the estimate rates stated below.

Key assumptions used for value-in-use calculations:

		%
– Average gross margin	– 平均毛利率	64.6
– Average growth rate	– 平均增長率	3.1
– Discount rate	– 折現率	4.2

Management determined the budgeted gross margin and the growth rate based on past performance and its expectation for market development. The discount rates used are pre-tax and reflect specific risks relating to the relevant segments.

The estimated future cash flows generated from the CGU are less than the carrying value of the goodwill and fixed assets of the CGU. Therefore, the goodwill with carrying amount of \$12,487,000 was fully impaired and charged to the income statement for the year.

## 16 Non-current and current prepayments

Non-current and current prepayments consist of advance payments for programming library to be placed on transit vehicles and transit network furniture.

## 17 Investments in subsidiaries

Unlisted shares, at cost

非上市股份原值

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

## 15 商譽(續)

### 媒體廣告代理、廣告設計及製作 – 上海

現金生產單位的可收回數額按使用價值計算。該使用價值按現金流量預測推算，而這些預測是根據已獲管理層審批的一年期財政預算作出的。超逾一年期的現金流量按以下的估計比率推斷。

使用價值計算的主要假設為：

		%
– 平均毛利率		64.6
– 平均增長率		3.1
– 折現率		4.2

管理層根據過往業績表現及預期的市場發展釐定預算毛利率及增長率，而所採用的折現率乃於稅前並反映有關個別分類的特定風險。

現金生產單位所產生的估計未來現金流量少於其商譽及固定資產的賬面值。因此，賬面值為港幣12,487,000元的商譽已全數減值並於本年度的損益表內扣除。

## 16 非流動及流動預付款項

非流動及流動預付款項包括於客運車輛及客運網絡沿線播放的節目庫的預付款。

## 17 附屬公司投資

The Company 本公司	
2006 \$'000 港幣千元	2005 \$'000 港幣千元
62,835	62,835

下表僅載列對集團業績、資產或負債構成主要影響的附屬公司的資料。除另有指明外，所持股份類別均為普通股。

## 17 Investments in subsidiaries (continued)

All of these are controlled subsidiaries as defined under note 1(c) and have been consolidated into the Group's financial statements.

Name of company 公司名稱	Place of incorporation/operation 註冊及營業地點	Particulars of issued and paid up capital 已發行及已繳足股本	Attributable equity interest % 應佔股權百分比		Principal activity 主要業務	
			direct 直接	indirect 間接		
AdSociety Advertising Agency Limited	創智傳動廣告有限公司	Hong Kong 香港	HK\$2 港幣2元	–	100	Investment holding 投資控股
Bus Focus Limited	Bus Focus Limited	The British Virgin Islands/ Hong Kong 英屬處女群島/香港	US\$100 100美元	–	60	Provision of media sales service for advertising on transit vehicle shelters 提供客運車輛候車亭廣告 的媒體銷售服務
CityVision Limited	CityVision Limited	Hong Kong 香港	HK\$10,000 港幣10,000元	–	90	Operation of MMOB business on transit vehicles 經營客運車輛流動多媒體業務
Cyberstop Limited	Cyberstop Limited	The British Virgin Islands/ Hong Kong 英屬處女群島/香港	US\$1 1美元	–	100	Holder of the registered design and patent in relation to cyber bus stops 持有有關數碼巴士站的 註冊設計及專利
Expert Plus Holdings Limited	Expert Plus Holdings Limited	The British Virgin Islands/ Hong Kong 英屬處女群島/香港	US\$1 1美元	–	100	Investment holding 投資控股
KM-Vision Limited	KM-Vision Limited	Hong Kong 香港	HK\$10,000 港幣10,000元	–	92	Operation of MMOB business on transit vehicles 經營客運車輛流動多媒體業務

## 17 附屬公司投資(續)

所有附屬公司均是附註1(c)所定義的受控制附屬公司，其業績已併入集團財務報表內綜合計算。

## 17 Investments in subsidiaries (continued)

Name of company 公司名稱	Place of incorporation/operation 註冊及營業地點	Particulars of issued and paid up capital 已發行及已繳足股本	Attributable equity interest % 應佔股權百分比		Principal activity 主要業務	
			direct 直接	indirect 間接		
LW-Vision Limited	LW-Vision Limited	Hong Kong 香港	HK\$10,000 港幣10,000元	–	95	Operation of MMOB business on transit vehicles 經營客運車輛流動多媒體業務
MB-Vision Limited	MB-Vision Limited	Hong Kong 香港	HK\$2 港幣2元	–	100	Operation of MMOB business on transit vehicles 經營客運車輛流動多媒體業務
Road Publications Limited	Road Publications Limited	Hong Kong 香港	HK\$2 港幣2元	–	100	Trading of bus souvenirs and publications 經營巴士紀念品及書籍銷售業務
RoadShow Advertising (Beijing) Company Limited (Limited liability company)	路訊通廣告(北京) 有限公司 (有限責任公司)	The People's Republic of China 中華人民共和國	US\$75,000 75,000美元	–	100	Provision of media advertising agency service and design and production of advertisements 提供媒體廣告代理服務及 廣告設計與製作
RoadShow Creations Limited	RoadShow Creations Limited	Hong Kong 香港	HK\$2 港幣2元	–	100	Trading of bus souvenirs 經營巴士紀念品銷售業務
RoadShow Media Holdings Limited	RoadShow Media Holdings Limited	The British Virgin Islands/ Hong Kong 英屬處女群島/香港	US\$1 1美元	–	100	Investment holding 投資控股

## 17 附屬公司投資(續)

## 17 Investments in subsidiaries (continued)

## 17 附屬公司投資(續)

Name of company 公司名稱	Place of incorporation/operation 註冊及營業地點	Particulars of issued and paid up capital 已發行及已繳足股本	Attributable equity interest % 應佔股權百分比		Principal activity 主要業務	
			direct 直接	indirect 間接		
RoadShow Media Limited	RoadShow Media Limited	Hong Kong 香港	HK\$2 港幣2元	–	100	Provision of media sales & management services for advertising on transit vehicle exteriors and shelters and for the MMOB business 提供客運車輛車身和 候車亭廣告以及流動多媒體 業務的媒體銷售及管理服務
RoadShow Productions Holdings Limited	RoadShow Productions Holdings Limited	The British Virgin Islands/ Hong Kong 英屬處女群島/香港	US\$1 1美元	–	100	Investment holding 投資控股
RoadShow Productions Limited	RoadShow Productions Limited	Hong Kong 香港	HK\$2 港幣2元	–	100	Production of content for MMOB systems 製作流動多媒體系統內容
RoadShow Resources Limited	RoadShow Resources Limited	The British Virgin Islands/ Hong Kong 英屬處女群島/香港	US\$1 1美元	100	–	Investment holding 投資控股
RoadVision Holdings (China) Limited	RoadVision Holdings (China) Limited	The British Virgin Islands/ Hong Kong 英屬處女群島/香港	US\$1 1美元	–	100	Investment holding 投資控股
RoadVision Holdings Limited	RoadVision Holdings Limited	The British Virgin Islands/ Hong Kong 英屬處女群島/香港	US\$2 2美元	–	100	Investment holding 投資控股
RSG Resources Limited	RSG Resources Limited	Hong Kong 香港	HK\$2 港幣2元	–	100	Provision of employment agency services 提供職業介紹服務

## 17 Investments in subsidiaries (continued)

Name of company 公司名稱	Place of incorporation/operation 註冊及營業地點	Particulars of issued and paid up capital 已發行及已繳足股本	Attributable equity interest % 應佔股權百分比		Principal activity 主要業務	
			direct 直接	indirect 間接		
SB-Vision Limited	SB-Vision Limited	Hong Kong 香港	HK\$10,000 港幣10,000元	–	95	Operation of MMOB business on transit vehicles 經營客運車輛流動多媒體業務
Shanghai Yingte Consulting Company Limited (Sino-foreign co-operative joint venture)	上海鷹特諮詢有限公司 (中外合作經營企業)	The People's Republic of China 中華人民共和國	RMB1,236,000 人民幣1,236,000元	–	68	Investment holding 投資控股
Shanghai Yafei Advertising Company Limited (Limited liability company)	上海亞飛廣告有限公司 (有限責任公司)	The People's Republic of China 中華人民共和國	RMB600,000 人民幣600,000元	–	51	Provision of media advertising agency service and design and production of advertisements 提供媒體廣告代理服務及 廣告設計與製作
Smart Media Limited	勝緯有限公司	Hong Kong 香港	HK\$2 港幣2元	–	100	Provision of administrative services 提供行政服務

## 17 附屬公司投資 (續)

## 18 Interest in an associate

## 18 於一間聯營公司權益

		The Group 集團	
		2006 \$'000 港幣千元	2005 \$'000 港幣千元
Share of net assets	應佔資產淨值	84,791	75,267
Goodwill	商譽	17,361	17,361
Loan to associate	貸款予聯營公司	69,241	49,522
Amount due from associate	聯營公司欠款	5,446	2,238
		<b>176,839</b>	<b>144,388</b>

Set out below are the particulars of the associate, which is an unlisted corporate entity and principally affected the results or assets of the Group.

以下載列聯營公司的詳情，該聯營公司為非上市企業法團，並主要影響本集團業績或資產。

Name of associate 聯營公司名稱	Form of business structure 業務架構形式	Place of incorporation and operation 註冊及營業地點	Attributable equity interest % indirect 應佔股權間接持股百分比	Principal activity 主要業務
AdSociety Daye Advertising Company Limited 創智傳動大業廣告有限公司	Sino-foreign equity joint venture 中外合資經營企業	The People's Republic of China 中華人民共和國	49	Provision of full range of advertising services 提供全面廣告服務

## Summary financial information on associate

## 聯營公司財務資料概要

		Assets 資產 \$'000 港幣千元	Liabilities 負債 \$'000 港幣千元	Revenues 收益 \$'000 港幣千元	Profit <sup>1</sup> 盈利 \$'000 港幣千元
2006	二零零六年	<b>269,618</b>	<b>125,275</b>	<b>193,950</b>	<b>20,094</b>
100 per cent	百分之一百				
2005	二零零五年	<b>224,150</b>	<b>97,661</b>	<b>158,792</b>	<b>23,308</b>
100 per cent	百分之一百				

The joint venture partner of the associate agreed to maintain the results of the associate for the period from 1 January 2003 to 31 December 2005 at a specified level. The share of profit recognised in the financial statements included the results as agreed to be maintained by the joint venture partner.

該聯營公司的合資夥伴同意將該聯營公司於二零零三年一月一日至二零零五年十二月三十一日的業績維持某個指定水平。於財務報表內確認的應佔盈利乃包括合資夥伴所同意維持的業績。

## 18 Interest in associate (continued)

### Impairment test for goodwill

Goodwill is allocated to the Group's CGU identified according to the location of the operation and business segment.

The recoverable amount of the CGU is determined based on value-in-use calculations. These calculations use cash flow projections based on financial budgets approved by management covering one-year period. Cash flows beyond the one-year period are extrapolated using the estimate rates stated below.

Key assumptions used for value-in-use calculations:

		%
– Average gross margin	– 平均毛利率	24.0
– Average growth rate	– 平均增長率	3.4
– Discount rate	– 折現率	4.2

Management determined the budgeted gross margin and the growth rate based on past performance and its expectation for market development. The discount rates used are pre-tax and reflect specific risks relating to the relevant segments.

The recoverable amount of the goodwill is higher than its carrying amount based on value-in-use calculations. Accordingly, no impairment loss has been recognised during the year.

<sup>1</sup> Profit represents profit before taxation of the associate.

## 18 聯營公司權益 (續)

### 商譽的減值測試

商譽乃按經營地區及業務分類分配至集團的現金生產單位。

現金生產單位的可收回數額按使用價值計算。該使用價值是按現金流量預測推算，而這些預測是根據已獲管理層審批的一年期財政預算作出的。超逾一年期的現金流量按以下的估計比率推斷。

使用價值計算的主要假設為：

	%
– 平均毛利率	24.0
– 平均增長率	3.4
– 折現率	4.2

管理層根據過往業績表現及預期的市場發展釐定預算毛利率及增長率，而所採用的折現率乃於稅前並反映有關個別分類的特定風險。

根據使用價值計算，商譽的可收回數額高於其賬面值。因此，年內並無確認減值虧損。

<sup>1</sup> 盈利乃聯營公司除稅前盈利。

## 19 Inventories

All of the inventories are finished goods of merchandise and are expected to be recovered within one year.

The amount of inventories recognised as an expense is as follows:

		The Group 集團	
		2006 \$'000 港幣千元	2005 \$'000 港幣千元
Carrying amount of inventories sold	已出售存貨賬面值	3,279	3,508
Write down of inventories	存貨撇減	1,178	—
		<u>4,457</u>	<u>3,508</u>

## 20 Amounts due from/(to) group companies

(a) The amount due from ultimate holding company is unsecured, interest-free, repayable on demand and represents normal trade receivables and payables.

(b) The amounts due from/(to) subsidiaries are unsecured, interest-free and have no fixed terms of settlement/repayment.

## 21 Accounts receivable

Details of the ageing analysis of accounts receivable at the balance sheet date are as follows:

		The Group 集團	
		2006 \$'000 港幣千元	2005 \$'000 港幣千元
Current or less than one month overdue	即期或逾期少於一個月	15,627	22,945
One to two months overdue	逾期一至兩個月	5,125	8,561
Two to three months overdue	逾期兩至三個月	1,825	3,732
More than three months overdue	逾期超過三個月	3,367	16,577
		<u>25,944</u>	<u>51,815</u>

All of the accounts receivable are expected to be recovered within one year.

The Group's credit policy is set out in note 29(a).

## 19 存貨

所有存貨均為商品製成品，預期所有存貨的價值可在一年內收回。

已確認為支出的存貨價值如下：

		The Group 集團	
		2006 \$'000 港幣千元	2005 \$'000 港幣千元
Carrying amount of inventories sold	已出售存貨賬面值	3,279	3,508
Write down of inventories	存貨撇減	1,178	—
		<u>4,457</u>	<u>3,508</u>

## 20 應收／(應付)集團公司款項

(a) 應收最終控股公司款項為無抵押、免息、須於要求時償還及涉及一般貿易應收及應付賬款。

(b) 應收／(應付)附屬公司款項為無抵押、免息及無固定結清／還款期。

## 21 應收賬款

於結算日，應收賬款的賬齡分析詳情如下：

		The Group 集團	
		2006 \$'000 港幣千元	2005 \$'000 港幣千元
Current or less than one month overdue	即期或逾期少於一個月	15,627	22,945
One to two months overdue	逾期一至兩個月	5,125	8,561
Two to three months overdue	逾期兩至三個月	1,825	3,732
More than three months overdue	逾期超過三個月	3,367	16,577
		<u>25,944</u>	<u>51,815</u>

預期所有應收賬款可於一年內收回。

本集團的信貸政策刊載於附註29(a)。



## 22 Bank deposits and cash

		22 銀行存款及現金			
		The Group 集團		The Company 本公司	
		2006 \$'000 港幣千元	2005 \$'000 港幣千元	2006 \$'000 港幣千元	2005 \$'000 港幣千元
Cash at bank and in hand	銀行存款及現金	45,835	38,949	706	1,087
Bank deposits maturing within three months	三個月內到期的銀行存款	526,294	284,910	389,808	264,728
Cash and cash equivalents for the purpose of cash flow statement	就編製現金流量表而言的現金及現金等價物	572,129	323,859	390,514	265,815
Bank deposits maturing over three months	三個月後到期的銀行存款	10,429	128,420	10,000	128,420
		<b>582,558</b>	<b>452,279</b>	<b>400,514</b>	<b>394,235</b>

Included in bank deposits and cash in the balance sheets are the following amounts denominated in a currency other than the functional currency of the entity to which they relate:

		The Group 集團		The Company 本公司	
		2006 \$'000 千元	2005 \$'000 千元	2006 \$'000 千元	2005 \$'000 千元
United States Dollars	美元	50,949	37,850	50,019	37,710

## 23 Accounts payable

Details of the ageing analysis of accounts payable at the balance sheet date are as follows:

		The Group 集團	
		2006 \$'000 港幣千元	2005 \$'000 港幣千元
Due within one month	一個月內到期	5,899	10,986

All of the accounts payable are expected to be settled within one year.

## 22 銀行存款及現金

		The Group 集團		The Company 本公司	
		2006 \$'000 港幣千元	2005 \$'000 港幣千元	2006 \$'000 港幣千元	2005 \$'000 港幣千元
Cash at bank and in hand	銀行存款及現金	45,835	38,949	706	1,087
Bank deposits maturing within three months	三個月內到期的銀行存款	526,294	284,910	389,808	264,728
Cash and cash equivalents for the purpose of cash flow statement	就編製現金流量表而言的現金及現金等價物	572,129	323,859	390,514	265,815
Bank deposits maturing over three months	三個月後到期的銀行存款	10,429	128,420	10,000	128,420
		<b>582,558</b>	<b>452,279</b>	<b>400,514</b>	<b>394,235</b>

資產負債表內的銀行存款及現金包括下列以非公司功能貨幣為單位的金額：

		The Group 集團		The Company 本公司	
		2006 \$'000 千元	2005 \$'000 千元	2006 \$'000 千元	2005 \$'000 千元
United States Dollars	美元	50,949	37,850	50,019	37,710

## 23 應付賬款

於結算日，應付賬款的賬齡分析詳情如下：

		The Group 集團	
		2006 \$'000 港幣千元	2005 \$'000 港幣千元
Due within one month	一個月內到期	5,899	10,986

預期所有應付賬款將於一年內繳付。

## 24 Bank loans

At 31 December 2006, the bank loans were repayable as follows:

Within one year or on demand	一年內或須於要求時償還
------------------------------	-------------

At 31 December 2006 the Group and the Company had total banking facilities amounting to \$50,000,000 (2005: \$50,000,000). The bank loan was secured by pledged bank deposits of \$39,520,000 (2005: \$Nil).

## 25 Income tax in the consolidated balance sheet

(a) Current taxation in the consolidated balance sheet represents:

Provision for Hong Kong Profits Tax for the year	本年度香港利得稅撥備
Provisional Profits Tax paid	已付暫繳利得稅
Balance of Profits Tax recoverable relating to prior years	有關過往年度的可收回利得稅結餘
PRC income tax payable	應付中國所得稅
Current tax recoverable	可收回本期稅項
Current tax payable	應付本期稅項

## 24 銀行貸款

於二零零六年十二月三十一日，銀行貸款詳情如下：

The Group and the Company 集團及本公司	
2006 \$'000 港幣千元	2005 \$'000 港幣千元
38,000	38,000

於二零零六年十二月三十一日，集團及本公司有合共港幣50,000,000元的銀行信貸(二零零五年：港幣50,000,000元)。銀行貸款乃以已抵押銀行存款港幣39,520,000元(二零零五年：港幣零元)作抵押。

## 25 列於綜合資產負債表之所得稅

(a) 列於綜合資產負債表之本期稅項為：

The Group 集團	
2006 \$'000 港幣千元	2005 \$'000 港幣千元
8,747	5,592
(8,938)	(4,119)
(191)	1,473
(1,761)	(2,450)
(1,952)	(977)
792	406
(1,160)	(571)
(2,316)	(2,507)
1,156	1,936
(1,160)	(571)

**25 Income tax in the consolidated balance sheet** (continued)**(b) Deferred tax assets/(liabilities) recognised:**

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

		The Group 集團		
		Depreciation allowances in excess of related depreciation 折舊抵免超出 相關折舊 \$'000 港幣千元	Tax losses 稅務虧損 \$'000 港幣千元	Total 總計 \$'000 港幣千元
At 1 January 2005	於二零零五年一月一日	(18,799)	11,207	(7,592)
Credited/(charged) to consolidated income statement	在綜合損益表內計入/(列支)	4,575	(3,478)	1,097
At 31 December 2005	於二零零五年十二月三十一日	<u>(14,224)</u>	<u>7,729</u>	<u>(6,495)</u>
At 1 January 2006	於二零零六年一月一日	(14,224)	7,729	(6,495)
Credited to consolidated income statement	在綜合損益表內計入	5,599	808	6,407
At 31 December 2006	於二零零六年十二月三十一日	<u>(8,625)</u>	<u>8,537</u>	<u>(88)</u>

		The Group 集團	
		2006 \$'000 港幣千元	2005 \$'000 港幣千元
Net deferred tax assets recognised on the balance sheet	資產負債表內已確認的遞延稅項資產淨額	8,449	7,076
Net deferred tax liabilities recognised on the balance sheet	資產負債表內已確認的遞延稅項負債淨額	(8,537)	(13,571)
		<u>(88)</u>	<u>(6,495)</u>

**(c) Deferred tax assets not recognised**

The Group has not recognised deferred tax assets of \$7,519,000 (2005: \$9,224,000) in respect of tax losses of \$42,968,000 (2005: \$38,060,000). The tax losses do not expire under current legislation.

**25 列於綜合資產負債表之所得稅 (續)****(b) 已確認的遞延稅項資產/(負債):**

綜合資產負債表內已確認的遞延稅項資產/(負債)部份及於年內的變動如下:

		The Group 集團		
		Depreciation allowances in excess of related depreciation 折舊抵免超出 相關折舊 \$'000 港幣千元	Tax losses 稅務虧損 \$'000 港幣千元	Total 總計 \$'000 港幣千元
At 1 January 2005	於二零零五年一月一日	(18,799)	11,207	(7,592)
Credited/(charged) to consolidated income statement	在綜合損益表內計入/(列支)	4,575	(3,478)	1,097
At 31 December 2005	於二零零五年十二月三十一日	<u>(14,224)</u>	<u>7,729</u>	<u>(6,495)</u>
At 1 January 2006	於二零零六年一月一日	(14,224)	7,729	(6,495)
Credited to consolidated income statement	在綜合損益表內計入	5,599	808	6,407
At 31 December 2006	於二零零六年十二月三十一日	<u>(8,625)</u>	<u>8,537</u>	<u>(88)</u>

		The Group 集團	
		2006 \$'000 港幣千元	2005 \$'000 港幣千元
Net deferred tax assets recognised on the balance sheet	資產負債表內已確認的遞延稅項資產淨額	8,449	7,076
Net deferred tax liabilities recognised on the balance sheet	資產負債表內已確認的遞延稅項負債淨額	(8,537)	(13,571)
		<u>(88)</u>	<u>(6,495)</u>

**(c) 並無確認的遞延稅項資產**

集團並無就港幣42,968,000元(二零零五年:港幣38,060,000元)的稅務虧損確認港幣7,519,000元(二零零五年:港幣9,224,000元)的遞延稅項資產。稅務虧損根據現行法例並無期滿日。

## 26 Other unsecured loan

Other unsecured loan at 31 December 2005 represented a loan from a minority shareholder of a subsidiary. It was interest-free and settled in 2006.

## 27 Equity settled shared-based transactions

The Company operates a share option scheme (the “Scheme”) which was adopted on 7 June 2001 whereby the Directors of the Company are authorised, at their discretion, to offer any employee (including any Director) of the Company or any of its wholly-owned subsidiaries options to subscribe for shares in the Company to recognise their contributions to the growth of the Group. The options vest immediately from the date of grant and are then exercisable within a period of three years. Each option gives the holder the right to subscribe for one share. The Scheme is valid and effective for a period of ten years ending on 6 June 2011.

No option was granted during the year and there were no outstanding options at 31 December 2006 and 2005.

## 26 其他無抵押貸款

於二零零五年十二月三十一日的其他無抵押貸款指來自一間附屬公司少數股東的貸款。該貸款為免息，並已於二零零六年結清。

## 27 以股權償付的股份交易

本公司設有一項購股權計劃（「該計劃」），該計劃於二零零一年六月七日獲採納。據此，本公司的董事獲授權可酌情向本公司或其任何全資附屬公司之任何僱員（包括任何董事）授予認購本公司股份之購股權，以表揚其對集團業務增長的貢獻。購股權於授出日期即時歸屬，並可於三年內行使。每份購股權賦予持有人認購本公司一股股份的權利。該計劃的有效期為十年，於二零一一年六月六日屆滿。

年內並無授出購股權，而於二零零六年及二零零五年十二月三十一日，概無任何未行使的購股權。

## 28 Capital and reserves

## (a) The Group

## 28 股本及儲備金

## (a) 集團

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

		Share capital 股本 \$'000 港幣千元	Share premium 股份溢價 \$'000 港幣千元	General reserve 一般儲備 \$'000 港幣千元	Contributed surplus 實繳盈餘 \$'000 港幣千元	Exchange reserve 外匯儲備 \$'000 港幣千元	Retained profits 保留盈利 \$'000 港幣千元	Total 總計 \$'000 港幣千元	Minority interests 少數股東權益 \$'000 港幣千元	Total equity 權益總額 \$'000 港幣千元
At 1 January 2005	於二零零五年一月一日	99,737	531,769	238	(200)	145	195,065	826,754	27,633	854,387
Dividend approved in respect of the previous year	有關上年度已批准的股息	-	-	-	-	-	(13,963)	(13,963)	-	(13,963)
Exchange differences on translation of the financial statements of foreign operations	兌換海外公司財務報表的匯兌差額	-	-	-	-	3,671	-	3,671	-	3,671
Profit for the year	年內盈利	-	-	-	-	-	26,270	26,270	900	27,170
Dividends paid to minority interests	已付予少數股東的股息	-	-	-	-	-	-	-	(8,297)	(8,297)
At 31 December 2005	於二零零五年十二月三十一日	99,737	531,769	238	(200)	3,816	207,372	842,732	20,236	862,968
At 1 January 2006	於二零零六年一月一日	99,737	531,769	238	(200)	3,816	207,372	842,732	20,236	862,968
Dividend approved in respect of the previous year	有關上年度已批准的股息	-	-	-	-	-	(16,955)	(16,955)	-	(16,955)
Exchange differences on translation of the financial statements of foreign operations	兌換海外公司財務報表的匯兌差額	-	-	-	-	3,359	-	3,359	795	4,154
Release upon settlement of loan to a subsidiary	結清借貸予附屬公司時解除	-	-	-	-	(1,312)	-	(1,312)	-	(1,312)
Disposal of subsidiaries	出售附屬公司	-	-	-	-	(827)	-	(827)	(30,700)	(31,527)
Profit for the year	年內盈利	-	-	-	-	-	30,781	30,781	23,608	54,389
Dividends paid to minority interests	已付予少數股東的股息	-	-	-	-	-	-	-	(8,412)	(8,412)
At 31 December 2006	於二零零六年十二月三十一日	99,737	531,769	238	(200)	5,036	221,198	857,778	5,527	863,305

## 28 Capital and reserves (continued)

## (b) The Company

		Share capital 股本 \$'000 港幣千元	Share premium 股份溢價 \$'000 港幣千元	Contributed surplus 實繳盈餘 \$'000 港幣千元	Retained profits 保留盈利 \$'000 港幣千元	Total 總計 \$'000 港幣千元
At 1 January 2005	於二零零五年一月一日	99,737	531,769	62,635	28,485	722,626
Dividend approved in respect of the previous year	有關上年度已批准的股息	-	-	-	(13,963)	(13,963)
Profit for the year	年內盈利	-	-	-	3,549	3,549
At 31 December 2005	於二零零五年十二月三十一日	99,737	531,769	62,635	18,071	712,212
At 1 January 2006	於二零零六年一月一日	99,737	531,769	62,635	18,071	712,212
Dividend approved in respect of the previous year	有關上年度已批准的股息	-	-	-	(16,955)	(16,955)
Profit for the year	年內盈利	-	-	-	82,738	82,738
At 31 December 2006	於二零零六年十二月三十一日	99,737	531,769	62,635	83,854	777,995

## (c) Share capital

		2006		2005	
		Number of shares 股份數目 '000 千	\$'000 港幣千元	Number of shares 股份數目 '000 千	\$'000 港幣千元
<b>Authorised:</b>	法定:				
Ordinary shares of \$0.1 each	每股港幣0.1元的普通股	10,000,000	1,000,000	10,000,000	1,000,000
<b>Issued and fully paid:</b>	已發行及繳足:				
At 31 December	於十二月三十一日	997,365	99,737	997,365	99,737

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

普通股持有人有權收取不時宣派的股息，並有權於本公司大會上每持有一股股份投一票。所有普通股對於本公司的剩餘資產均享有同等權益。

## 28 Capital and reserves (continued)

### (d) Nature and purpose of reserves

#### (i) Share premium

The application of the share premium account is governed by sections 150 and 157 of the Company's Articles of Association and the Bermuda Companies Act 1981.

#### (ii) General reserve

General reserve is provided by each of the Group's PRC subsidiaries of 10% of the annual net income after tax, based on the subsidiary's PRC statutory financial statements.

The general reserve can be used to set off any accumulated losses or converted into paid-up capital of the respective subsidiary.

#### (iii) Contributed surplus

Pursuant to a group reorganisation in 2001, the Company became the holding company of the Group. The excess of the consolidated net assets represented by the shares acquired over the nominal value of the shares issued by the Company in exchange under the reorganisation in 2001 was transferred to contributed surplus. Under the Bermuda Companies Act 1981, contributed surplus is available for distribution to shareholders.

#### (iv) Exchange reserve

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

#### (v) Distributability of reserves

At 31 December 2006, the aggregate amount of reserves available for distribution to shareholders of the Company was \$146,489,000 (2005: \$80,706,000).

(vi) Included in the figure for the Group's retained profits is an amount of \$35,985,000 (2005: \$29,598,000), being retained profits attributable to an associate.

## 28 股本及儲備金 (續)

### (d) 儲備金的性質及用途

#### (i) 股份溢價

股份溢價賬的應用乃受本公司組織章程細則第150及157條及百慕達一九八一年《公司法》所規限。

#### (ii) 一般儲備

集團各中國附屬公司均須根據附屬公司的中國法定財務報表計算的全年除稅後淨收入的10%撥入一般儲備。

一般儲備可用於抵銷任何累計虧損或轉換作各附屬公司的繳足資本。

#### (iii) 實繳盈餘

根據二零零一年的集團重組，本公司成為集團的控股公司。本公司於二零零一年根據重組計劃發行股份用以交換購入的股份，所購股份的綜合資產淨值較所發行股份的面值高出的數額，已撥入實繳盈餘。根據百慕達一九八一年《公司法》規定，實繳盈餘可派發予股東。

#### (iv) 外匯儲備

外匯儲備包括所有兌換海外公司財務報表的匯兌差額。該等儲備按刊載於附註1(s)的會計政策處理。

#### (v) 儲備金的可分派性

於二零零六年十二月三十一日，可分派予本公司股東的儲備金總額為港幣146,489,000元（二零零五年：港幣80,706,000元）。

(vi) 集團保留盈利內包括聯營公司應佔保留盈利港幣35,985,000元（二零零五年：港幣29,598,000元）。

## 29 Financial instruments

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

### (a) Credit risk

The Group's credit risk is primarily attributable to accounts receivable and other receivables. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

Credit evaluations are performed on all customers requiring credit over a certain amount. Customers of media sales business are generally granted credit terms of 90 days while customers of merchandising business either pay on delivery or are generally granted credit terms of 30 – 90 days. Normally, the Group does not obtain collateral from customers.

Bank deposits and cash at bank are normally placed with licensed banks that have credit ratings equal to or better than the Group. Given their high credit ratings, management does not expect any licensed bank to fail to meet its obligations.

At the balance sheet date, the Group has a certain concentration of credit risk as 30% (2005: 30%) of the total accounts receivable and other receivables was due from the Group's five largest customers.

The maximum exposure to credit risk is represented by the carrying amount of accounts receivable and other receivables in the balance sheet.

### (b) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term. The Company also monitors closely the cash flows of its subsidiaries. Generally, the Company's subsidiaries are required to obtain the Company's approval for activities such as investment of surplus cash, raising of loans and settlement of suppliers' invoices beyond certain limits.

### (c) Interest rate risk

Bank deposits, cash at bank, and bank loans are the major types of the Group's financial instruments subject to interest rate risk.

The bank deposits and cash at bank comprise mainly bank deposits with fixed interest rates ranging from 1.62% to 5.21% per annum and the maturity dates of these bank deposits are within 1 year.

## 29 金融工具

集團的日常業務過程會產生信貸、流動資金及利率風險。這些風險受下述集團的財務管理政策及慣例所限制。

### (a) 信貸風險

集團的信貸風險主要來自應收賬款及其他應收賬款。管理層設有一項信貸政策，並會持續監察這些信貸風險。

本公司對所有要求超過若干金額信貸的客戶進行信貸評估。本公司一般給予媒體銷售業務的客戶90日信貸期，而商品銷售業務的客戶則須貨到付款或一般獲給予30至90日的信貸期方式繳款。集團一般不會向客戶收取抵押品。

銀行存款及在銀行的現金一般會存放於信貸評級相等於或高於集團的持牌銀行。鑑於其信貸評級較高，管理層並不預期任何持牌銀行會無法履行其義務。

於結算日，由於總應收賬款及其他應收賬款中的30%（二零零五年：30%）乃集團的五大客戶所結欠，故集團具有一定程度集中的信貸風險。

最高信貸風險於資產負債表以應收賬款及其他應收賬款的賬面值表示。

### (b) 流動資金風險

集團的政策為定期監察目前及預期的流動資金需要，以及其遵守貸款契約的情況，以確保其維持充裕的現金儲備及自主要金融機構取得承諾提供足夠的資金。本公司亦會密切監察其附屬公司的現金流量。一般而言，本公司的附屬公司須就以現金盈餘作投資、籌集貸款及清繳超過若干上限的供應商發票等活動取得本公司批准。

### (c) 利率風險

銀行存款、在銀行的現金及銀行貸款為集團須承受利率風險的主要金融工具類別。

銀行存款及在銀行的現金主要包括按固定年利率介乎1.62%至5.21%不等計息的銀行存款，這些銀行存款的到期日為一年內。



## 29 Financial instruments (continued)

### (c) Interest rate risk (continued)

The bank loans bear interest at 0.25% per annum over the pledged deposits rate and are repayable within 1 year. Other details of the bank loan are set out in note 24.

### (d) Fair values

No disclosure of fair value is required as all the Group's financial instruments are carried at amounts not materially different from their fair values as at 31 December 2006 and 2005.

## 30 Disposal of subsidiaries

During 2006, the Group disposed of all of its interest in RoadVision (Dalian) Limited and Guangzhou Key Media Advertising Company Limited satisfied in cash.

		2006 \$'000 港幣千元
Fixed assets	固定資產	386
Media assets	媒體資產	58,480
Accounts receivable	應收賬款	35,318
Other receivables and deposits	其他應收賬款及按金	9,045
Bank deposits and cash	銀行存款及現金	40,086
Accounts payable	應付賬款	(5,723)
Other payables and accruals	其他應付賬款及應計費用	(47,402)
Current tax payable	應付本期稅項	(3,671)
Other unsecured loan	其他無抵押貸款	(18,234)
Minority interests	少數股東權益	(30,700)
Release of exchange reserve upon disposal of subsidiaries	於出售附屬公司時轉出的外匯儲備	(827)
		<hr/>
Gain on disposal	出售收益	36,758
		12,677
		<hr/>
Cash consideration received	已收現金代價	49,435
Less: cash of the subsidiaries disposed of	減：所出售附屬公司的現金	(40,086)
		<hr/>
Net cash inflow in respect of the disposal of subsidiaries	出售附屬公司的淨現金流入	9,349

## 29 金融工具 (續)

### (c) 利率風險 (續)

銀行貸款按已抵押存款利率加年利率0.25%計息，並須於一年內償還。銀行貸款的其他詳情載於附註24。

### (d) 公允價值

由於集團所有金融工具的列賬金額與其於二零零六年及二零零五年十二月三十一日的公允價值差異不大，故毋須披露公允價值。

## 30 出售附屬公司

於二零零六年內，集團出售其於RoadVision (Dalian) Limited及廣州市關鍵媒體廣告有限公司的全部權益，出售以現金完成。

## 31 Commitments

### (a) Capital commitments

At 31 December 2006, the Group had the following capital commitments in relation to the purchase of fixed assets and investments not provided for in the financial statements:

		2006 \$'000 港幣千元	2005 \$'000 港幣千元
Contracted for	已簽訂合約者	-	-
Authorised but not contracted for	經批准但仍未簽訂合約者	195,858	264,846

### (b) Operating lease commitments

At 31 December 2006, the Group's total future minimum lease payments under non-cancellable operating leases in respect of land and buildings, and advertising display panels are payable as follows:

		2006		2005	
		Land and buildings 土地及樓宇 \$'000 港幣千元	Advertising display panels 廣告展示屏 \$'000 港幣千元	Land and buildings 土地及樓宇 \$'000 港幣千元	Advertising display panels 廣告展示屏 \$'000 港幣千元
Within 1 year	一年內	259	-	1,065	13,968
After 1 year but within 5 years	一年後至五年內	-	-	149	49,906
After 5 years	五年後	-	-	-	49,543
		259	-	1,214	113,417

### (c) Other commitments

An exclusive licence to conduct media sales management in relation to bus shelters for a term up to 31 July 2007 has been granted to the Group. The Group has committed to pay a royalty fee at a pre-determined percentage of the net advertising rental received.

## 31 承擔

### (a) 資本承擔

於二零零六年十二月三十一日，集團有下列與購置固定資產及投資項目有關的資本承擔，但集團並未就該等資本承擔在本財務報表內作出撥備：

	2006 \$'000 港幣千元	2005 \$'000 港幣千元
Contracted for	-	-
Authorised but not contracted for	195,858	264,846

### (b) 經營租賃承擔

於二零零六年十二月三十一日，根據有關土地及樓宇及廣告展示屏的不可註銷經營租賃應付的未來最低租金總額如下：

	2006		2005	
	Land and buildings 土地及樓宇 \$'000 港幣千元	Advertising display panels 廣告展示屏 \$'000 港幣千元	Land and buildings 土地及樓宇 \$'000 港幣千元	Advertising display panels 廣告展示屏 \$'000 港幣千元
Within 1 year	259	-	1,065	13,968
After 1 year but within 5 years	-	-	149	49,906
After 5 years	-	-	-	49,543
	259	-	1,214	113,417

### (c) 其他承擔

集團獲授一項有關巴士候車亭媒體銷售管理工作的專利權（有效期至二零零七年七月三十一日）。集團已承諾根據所收取的廣告租金淨額，按一個預先釐定的百分比支付專利費。

## 32 Employee retirement benefits

The Group operates a mandatory provident fund scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF Scheme is a defined contribution retirement scheme administered by independent trustees. Under the MPF Scheme, the Group and its employees are each required to make a contribution to the scheme at 5% of the employees' relevant income, subject to a cap of monthly relevant income of \$20,000. Contributions to the plan vest immediately.

As stipulated by the regulations of the PRC, the Group participates in employee pension schemes organised by the local governments under which the Company's subsidiaries are governed. Details of the schemes of the Group are as follows:

Administrator 管理人	Note 附註	Beneficiary 受益人	Contribution rate 供款率	
			2006	2005
Shanghai Social Security Fund Management Center (上海市社會保險基金管理中心)	(i)	Employees 僱員	22.0%	22.0%
Guangzhou Social Security Fund Management Center (廣州市社會保險基金管理中心)	(ii)	Employees 僱員	20.0%	20.0%
Beijing Social Security Fund Management Center (北京市社會保險基金管理中心)	(ii)	Employees 僱員	20.0%	20.0%
Shenzhen Social Security Fund Management Center (深圳市社會保險基金管理中心)	(iii)	Employees 僱員	9.0%	9.0%

Notes:

- (i) Under the scheme, the Group and its employees are each required to make a contribution to the scheme at 22% and 8% respectively of the employees' relevant income.
- (ii) Under the scheme, the Group and its employees are each required to make a contribution to the scheme at 20% and 8% of a pre-determined amount.
- (iii) Under the scheme, the Group and its employees are each required to make a contribution to the scheme at 9% and 5% of a pre-determined amount.

## 32 僱員退休福利

集團根據香港《強制性公積金計劃條例》為按照香港《僱傭條例》而聘請的僱員設立強制性公積金計劃(「強積金計劃」)。強積金計劃是定額供款退休計劃，由獨立信託機構管理。根據強積金計劃，集團與其僱員均須作出相等於僱員有關薪酬5%的供款，而每月的有關收入的上限為港幣20,000元。計劃供款乃即時歸屬。

根據中國法規，集團參與由管理本公司附屬公司的地方政府籌辦的僱員退休金計劃。集團的計劃詳情如下：

附註：

- (i) 根據該計劃，集團與其僱員分別須作出相等於僱員有關收入22%及8%的供款。
- (ii) 根據該計劃，集團與其僱員分別須作出相等於預先釐定的款額20%及8%的供款。
- (iii) 根據該計劃，集團與其僱員分別須作出相等於預先釐定的款額9%及5%的供款。

### 33 Material related party transactions

In addition to the transactions and balances disclosed elsewhere in these financial statements, the Group has the following related party transactions during the year, which were:

			Income/(expenses) 收入／(開支)	
		2006 \$'000 港幣千元	2005 \$'000 港幣千元	
	Note 附註			
Management and administration fee income	管理及行政費收入	15,088	17,603	(i)
Licence and royalty fees paid for the right to sell advertising space on transit vehicle shelters	銷售客運車輛候車亭廣告位特許及專利費	(7,705)	(6,996)	(ii)
Rental expenses	租賃費用	(990)	(1,283)	(iii)
Management fee expenses	管理費開支	(11,817)	(10,670)	(iv)
Guaranteed rentals	保證租金	8,628	577	(v)
Service fee paid for logistic function	就後勤服務支付服務費	(490)	(490)	(vi)
Key management personnel remuneration	主要管理人員酬金	(6,890)	(9,931)	(vii)
Interest income from an associate	來自一間聯營公司的利息收入	3,208	1,601	(viii)

Notes:

- (i) Fee income was earned for the provision of media sales management and administrative services to a subsidiary of TIH, a substantial shareholder of the Company. The amount receivable by the Group at the year end amounted to \$Nil (2005: \$Nil).
- (ii) Licence and royalty fees were paid for selling advertising spaces on certain transit vehicle shelters owned by a subsidiary of TIH. The amount payable by the Group at the year end amounted to \$1,989,000 (2005: \$1,585,000).
- (iii) Rental expenses were paid to a subsidiary of TIH for leasing properties, computer equipment and software system, furniture and fixtures. The amount payable by the Group at the year end amounted to \$Nil (2005: \$Nil).
- (iv) Management fees were paid to JCDecaux Texon Limited ("JCDecaux Texon"), a fellow subsidiary of a minority shareholder of a subsidiary of the Company, for the provision of media sales agency services in relation to bus shelters. The amount payable to JCDecaux Texon at the year end amounted to \$618,000 (2005: \$1,681,000).
- (v) The Group entered into a contract with JCDecaux Texon for media sales agency services provided to the Group in relation to the bus shelters under the media sales business. The Group shall be entitled to a guaranteed rental calculated based on the rates per panel and the number of bus shelter panels. JCDecaux Texon shall pay any shortfall if the actual rental derived from the bus shelters is less than the guaranteed rental. The amount due to JCDecaux Texon at the year end amounted to \$3,436,000 (2005: \$3,223,000).
- (vi) The Group paid a service fee to JCDecaux Texon for the logistic function provided to the Group in relation to the bus shelters under the media sales business. The amount due to JCDecaux Texon at the year end amounted to \$Nil (2005: \$Nil).

附註:

- (i) 管理及行政費收入是指為本公司主要股東載通的一間附屬公司提供媒體銷售管理及行政服務所得的收入。於年結日，集團應收的款項為港幣零元（二零零五年：港幣零元）。
- (ii) 特許及專利費是指支付銷售載通的一間附屬公司所擁有的若干客運車輛候車亭廣告位的費用。於年結日，集團應付的款項為港幣1,989,000元（二零零五年：港幣1,585,000元）。
- (iii) 集團為租賃物業、電腦設備及軟件系統、傢俬及裝置等向載通的一間附屬公司支付租賃費用。於年結日，集團應付的款項為港幣零元（二零零五年：港幣零元）。
- (iv) 集團向提供有關巴士候車亭媒體銷售代理服務的公司支付管理費，上述公司為本公司附屬公司的少數股東的同系附屬公司JCDecaux Texon Limited（「JCDecaux Texon」）。於年結日，應付予JCDecaux Texon的款項為港幣618,000元（二零零五年：港幣1,681,000元）。
- (v) 集團就JCDecaux Texon提供有關巴士候車亭媒體銷售業務項目下的媒體銷售代理服務與JCDecaux Texon訂立合同。集團有權收取保證租金，金額乃按各廣告板的收費與巴士候車亭廣告板的數目而釐定。倘若來自巴士候車亭的實際租金少於保證租金，差額須由JCDecaux Texon彌補。於年結日，應付予JCDecaux Texon的款項為港幣3,436,000元（二零零五年：港幣3,223,000元）。
- (vi) 集團就JCDecaux Texon提供有關巴士候車亭媒體銷售業務項目下的後勤服務向JCDecaux Texon支付服務費。於年結日，應付予JCDecaux Texon的款項為港幣零元（二零零五年：港幣零元）。

### 33 Material related party transactions (continued)

Notes (Continued):

(vii) Remuneration for key management personnel, including amounts paid to the Company's directors as disclosed in note 7 and certain of the highest paid employees as disclosed in note 8, is as follows:

		2006 \$'000 港幣千元	2005 \$'000 港幣千元
Short-term employee benefits	短期僱員福利	6,842	9,872
Post-employment benefits	離職後福利	48	59
		<u>6,890</u>	<u>9,931</u>

(viii) Interest was charged on the shareholder loan provided to an associate. The interest receivable at the year end amounted to \$5,446,000 (2005: \$2,238,000).

### 34 Immediate and ultimate controlling party

At 31 December 2006, the directors consider the immediate parent and ultimate controlling party of the Group to be KMB Resources Limited and Transport International Holdings Limited respectively. KMB Resources Limited is incorporated in the British Virgin Islands while Transport International Holdings Limited is incorporated in Bermuda and listed in Hong Kong. Transport International Holdings Limited produces financial statements available for public use.

### 35 Accounting estimates and judgements

Notes 15 and 18 contain information about the assumptions and risk factors relating to goodwill impairment. Other key sources of estimation uncertainty are as follows:

#### (a) Depreciation

Audio and visual equipment are depreciated on a straight-line basis over their estimated useful lives. The Company reviews annually the useful life of an asset. The depreciation expense for future periods is adjusted if there are significant changes from previous estimates.

### 33 有關連人士的重大交易 (續)

附註 (續):

(vii) 主要管理人員的酬金 (包括附註7所披露支付予本公司董事的酬金及附註8所披露支付予若干最高薪金僱員的款項) 如下:

		2006 \$'000 港幣千元	2005 \$'000 港幣千元
Short-term employee benefits	短期僱員福利	6,842	9,872
Post-employment benefits	離職後福利	48	59
		<u>6,890</u>	<u>9,931</u>

(viii) 集團向一間聯營公司提供股東貸款並收取利息。於年結日，應收取的利息為港幣5,446,000元 (二零零五年: 港幣2,238,000元)。

### 34 直接及最終控股公司

於二零零六年十二月三十一日，董事認為集團的直接母公司及最終控股公司分別為KMB Resources Limited及載通國際控股有限公司。KMB Resources Limited於英屬處女群島註冊成立，而載通國際控股有限公司則於百慕達註冊成立及於香港上市。載通國際控股有限公司編製財務報表以供公眾人士覽閱。

### 35 會計估計及判斷

附註15及18載述有關商譽減值的假設及其風險因素。以下為估計不確定性的其他主要來源:

#### (a) 折舊

影音設備乃按照其估計可使用年期以直線法計算折舊。本公司每年檢討資產的可使用年期。倘以往的估計有重大變動，則未來期間的折舊開支會作出調整。

### 35 Accounting estimates and judgements (continued)

#### (b) Impairment of fixed assets

Fixed assets are assessed at each balance sheet date to identify indications that they may be impaired. Such indications include physical damage of a fixed asset and a decrease in the revenue derived from a fixed asset. If any such indication exists, the recoverable amount of the fixed asset is estimated. The recoverable amount of a fixed asset is based on value-in-use calculations. These calculations use cash flow projections based on reasonable assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the asset.

### 36 Comparative figures

On the face of the consolidated income statement, a separate line item for repairs and maintenance was added and the line item for licence and royalty fees was extended to include management fee. Management of the Group considers that such presentation better reflects the Group's operations. Certain comparative figures have been reclassified in this respect to conform with the current year's presentation.

### 37 Possible impact of amendments, new standards and interpretations issued but not yet effective for the annual accounting period ended 31 December 2006

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments, new standards and interpretations which are not yet effective for the year ended 31 December 2006 and which have not been adopted in these financial statements.

The Group is in the process of making an assessment of what the impact of these amendments, new standards and new interpretations is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the Group's results of operations and financial position.

In addition, the following developments may result in new or amended disclosures in the financial statements:

HKFRS 7, Financial instruments: disclosures  
香港財務報告準則第7號「金融工具：披露」

Amendments to HKAS 1, Presentation of financial statements: capital disclosures  
香港財務報告準則第1號「財務報表的呈報：資本披露」修訂本

### 35 會計估計及判斷 (續)

#### (b) 固定資產減值

集團於每個結算日評估固定資產有否減值跡象。該等跡象包括固定資產的實質損壞及固定資產所產生的收益減少。若存在任何此等減值跡象，集團將估計固定資產的可收回數額。固定資產的可收回數額按使用價值計算。該等計算基於管理層對該資產的經濟情況作出最佳估計所得的合理假設，並按餘下可使用年期進行現金流量預測。

### 36 比較數字

對於綜合損益表的披露，新增維修及保養一項，而專利費及特許費一項則加入管理費。本集團管理層認為，該呈報方式更有效反映本集團業務。若干比較數字已就此重新分類，以符合本年度的呈報方式。

### 37 已頒佈但未於截至二零零六年十二月三十一日止年度會計期間生效的準則修訂、新準則及詮釋可能造成的影響

截至本財務報表刊發日，香港會計師公會已頒佈多項於截至二零零六年十二月三十一日止年度仍未生效的準則修訂、新準則及詮釋，而本財務報表並無採納該等修訂、新準則及詮釋。

集團正評估該等準則修訂、新準則及新詮釋於首次應用時的影響，到目前為止，集團認為採納該等準則修訂、新準則及新詮釋對集團的經營業績及財務狀況構成重大影響的可能性不大。

此外，下列事項可能會導致須於本財務報表作出新或經修訂披露：

Effective for accounting  
periods beginning on or after  
於下列日期或以後的會計期間生效

1 January 2007  
二零零七年一月一日

1 January 2007  
二零零七年一月一日